

If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Hong Kong Exchanges and Clearing Limited (“HKEx”), The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and Hong Kong Securities Clearing Company Limited (“HKSCC”) take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Base Listing Document relating to Structured Products

to be issued by



Bank of China (Hong Kong) Limited
(incorporated with limited liability in Hong Kong)

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and is published for the purpose of giving information with regard to us and obtaining a listing of warrants and other structured products (“**Structured Products**”) on the Stock Exchange. We accept full responsibility for the accuracy of the information contained in this document together with such supplemental listing document (each as supplemented and updated by any addendum to be issued from time to time) (together, the “**Listing Documents**”) and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement in the Listing Documents misleading. This document may be updated and/or amended from time to time by way of addenda.

The Structured Products involve derivatives. The investment decision is yours but you should not invest in any series of Structured Products unless you fully understand and are willing to assume the risks associated with them.

Investors are warned that the Structured Products are not principal protected and the price of the Structured Products may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. Prospective purchasers should therefore ensure that they understand the nature of the Structured Products and carefully study the risk factors set out in this document and, where necessary, seek professional advice, before they invest in the Structured Products.

The Structured Products constitute our general unsecured contractual obligations and of no other person and will rank equally among themselves and with all our other unsecured obligations (save for those obligations preferred by law) upon liquidation. If you purchase the Structured Products, you are relying upon our creditworthiness and have no rights under the Structured Products against (a) the company which has issued the underlying securities; (b) the trustee or the manager of the underlying unit trust; or (c) the index compiler of any underlying index.

CONTENTS

	Page
IMPORTANT INFORMATION	1
OVERVIEW OF WARRANTS	4
DESCRIPTION OF THE ISSUER	6
RISK FACTORS	10
APPENDIX 1 — GENERAL CONDITIONS OF STRUCTURED PRODUCTS	16
APPENDIX 2 — PRODUCT CONDITIONS	
PART A — PRODUCT CONDITIONS OF CASH SETTLED WARRANTS OVER SINGLE EQUITIES	22
PART B — PRODUCT CONDITIONS OF WARRANTS OVER INDEX	29
PART C — PRODUCT CONDITIONS OF CASH SETTLED WARRANTS OVER UNIT TRUSTS	33
APPENDIX 3 — INDEPENDENT AUDITOR'S REPORT AND OUR CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2009	40
PARTIES	

IMPORTANT INFORMATION

Before making any investment decision relating to the Structured Products, you should carefully study the Listing Documents, including, in particular, the risk factors set out in this document and all the relevant Listing Documents.

What is this document about?

This document is for information purposes only and does not constitute an offer, an advertisement or invitation to the public to subscribe for or to acquire the Structured Products.

What documents should you read before investing in the Structured Products?

A supplemental listing document will be issued on the issue date of a series of Structured Products, which will set out detailed commercial terms of the relevant series. You must read the Listing Documents before investing in the Structured Products. You should carefully study the risk factors set out in the Listing Documents.

What are our credit ratings?

Our credit ratings as of 18 May 2010 were:

<i>Rating agency</i>	<i>Credit ratings</i>
Fitch Ratings	A and F1 for long-term and short-term foreign currency issuer default ratings
Moody's Investors Service	Aa3 and P-1 for long-term and short-term local and foreign currency bank deposit ratings
Standard & Poor's	A- and A-2 for long-term and short-term counterparty credit ratings

Rating agencies usually receive a fee from the issuer that they rate. When evaluating our creditworthiness, you should not solely rely on our credit ratings because:

- (a) a credit rating is not a recommendation to buy, sell or hold the Structured Products;
- (b) ratings of issuers may involve difficult-to-quantify factors such as market competition, the success or failure of new products and markets and managerial competence; and
- (c) a high credit rating is not necessarily indicative of low risk. Our credit ratings as of the above date are for reference only. Any downgrading of our ratings could result in a reduction in the value of the Structured Products.

The Structured Products are not rated.

Are we regulated by any bodies referred to in Rule 15A.13(2) or (3) of the Listing Rules?

We are a licensed bank regulated by, among others, the Hong Kong Monetary Authority.

Are we subject to any litigation?

Save as disclosed in Appendix 3 of this document, we and our subsidiaries have no litigation or claims of material importance pending or threatened against us or them.

Authorisation for the issue of warrants

Our management, pursuant to the authority delegated by our board of directors, authorised the issue of derivative warrants on 1 March 2007.

Has our financial position changed since last financial year-end?

There has been no material adverse change in our financial or trading position since 31 December 2009.

Do you need to pay any transaction cost?

The Stock Exchange charges a trading fee of 0.005 per cent. and the Securities and Futures Commission charges a transaction levy of 0.004 per cent. in respect of each transaction in the Structured Products effected on the Stock Exchange payable by each of the seller and the buyer and calculated on the value of the consideration for the Structured Products. The levy for the investor compensation fund is currently suspended.

Do you need to pay any tax?

No tax is payable in Hong Kong by way of withholding or otherwise in respect of dividends of any company which has issued the underlying shares, distributions of any trust which has issued the underlying units or in respect of any capital gains arising on the sale of the underlying assets or Structured Products, except that Hong Kong profits tax may be chargeable on any such gains in the case of certain persons carrying on a trade, profession or business in Hong Kong.

You do not need to pay any stamp duty in respect of purely cash settled Structured Products.

Where Hong Kong stock is to be delivered, stamp duty will normally be payable since any person who effects a sale or purchase of "Hong Kong Stock", as defined in the Stamp Duty Ordinance (Cap 117, The Laws of Hong Kong), whether as principal or as agent and whether such transaction is effected in Hong Kong or elsewhere, is required to execute a contract note evidencing such sale or purchase and have such contract note stamped with Hong Kong stamp duty.

Placing and sale

No action has been or will be taken by us that would permit a public offering of any series of Structured Products or possession or distribution of any offering material in relation to any Structured Products in any jurisdiction (other than Hong Kong) where action for the purpose is required. No offers, sales, re-sales, transfers or deliveries of any Structured Products, or distribution of any offering material relating to the Structured Products may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and which will not impose any obligation on us.

Where can you inspect the relevant documents?

The following documents are available for inspection during usual business hours on any weekday (public holidays excepted) at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong:

- (a) our audited consolidated financial statements for the year ended 31 December 2009;
- (b) consent letter of our auditor, PricewaterhouseCoopers ("**Auditor**") dated 19 May 2010;
- (c) this document and any addendum to this document;
- (d) the supplemental listing document as long as the relevant series of Structured Products is listed on the Stock Exchange; and
- (e) the instrument executed by us by way of deed poll on 13 March 2007 as defined in General Condition 1 (see Appendix 1).

Requests for photocopies of the above documents will be subject to a reasonable fee which reflects the cost of making such copies.

The Listing Documents are also available on the website of the Stock Exchange at www.hkex.com.hk/eng/dwrc/search/listsearch.asp.

各上市文件亦可於聯交所網站 (www.hkex.com.hk/chi/dwrc/search/listsearch_c.asp) 瀏覽。

Has the Auditor consented to the inclusion of its report to this document?

Our Auditor gave on 19 May 2010 and has not withdrawn its written consent to the inclusion of its independent auditor's report dated 23 March 2010 on our consolidated financial statements for the year ended 31 December 2009 in this document and/or the references to its name in this document, in the form and context in which they are included. The above report was not prepared for incorporation into this document. The Auditor does not hold our shares or shares in our subsidiaries, nor does it have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for our securities or securities of any of our subsidiaries.

Authorised representatives

Lee Kam Chuen and Tse Kai Wa, both of 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong, are our authorised representatives.

How can you get further information about us?

You may visit www.bochk.com to obtain further information about us.

Governing law of the Structured Products

All contractual documentation for the Structured Products will be governed by, and construed in accordance with, the laws of Hong Kong.

Capitalised terms

Unless otherwise specified, capitalised terms used in this document have the meanings set out in the General Conditions set out in Appendix 1 and/or the relevant Product Conditions set out in Appendix 2 (together, the "**Conditions**").

OVERVIEW OF WARRANTS

What is a derivative warrant?

A derivative warrant linked to an underlying asset is an instrument which gives the holder a right to “buy” or “sell” an underlying asset at a pre-set price called the exercise price on the expiry date. It usually costs a small fraction of the price of the underlying asset.

A derivative warrant linked to an index is an instrument which derives its value from the index.

A derivative warrant may provide leveraged return to you (but conversely, it could also magnify your losses).

How and when can you get back your investment?

Our warrants are European style warrants. This means they will be automatically exercised on the Expiry Date, entitling the holder to a cash amount called the “**Cash Settlement Amount**” (if positive) according to the Conditions in the Listing Documents.

You will receive the Cash Settlement Amount less any Exercise Expenses upon expiry. If the Cash Settlement Amount is equal to or less than the Exercise Expenses, the warrants may not be exercised on the Expiry Date, in which case they will expire worthless and no amount is payable to you upon expiry.

How do warrants work?

The potential payoff upon expiry of the warrants is calculated by us by reference to:

- (a) for warrants over an underlying asset, the difference between the Exercise Price and the Average Price of the underlying asset; and
- (b) for warrants over an index, the difference between the Strike Level and the Closing Level of the index.

Call warrant

A call warrant is suitable for an investor holding a bullish view of the price or level of the underlying asset or index (as the case may be) during the term of the warrant.

A call warrant will be exercised if the Average Price or Closing Level is greater than the Exercise Price or Strike Level (as the case may be). The more the Average Price or Closing Level exceeds the Exercise Price or Strike Level (as the case may be), the higher the payoff upon expiry. If the Average Price or Closing Level is at or below the Exercise Price or Strike Level (as the case may be), the investor in the call warrant will lose all of his investment.

Put warrant

A put warrant is suitable for an investor holding a bearish view of the price or level of the underlying asset or index (as the case may be) during the term of the warrant.

A put warrant will be exercised if the Average Price or Closing Level is below the Exercise Price or Strike Level (as the case may be). The more the Average Price or Closing Level is below the Exercise Price or Strike Level (as the case may be), the higher the payoff upon expiry. If the Exercise Price or Strike Level is at or below the Average Price or Closing Level (as the case may be), the investor in the put warrant will lose all of his investment.

What are the factors determining the price of a derivative warrant?

The price of a warrant generally depends on the prevailing price of the underlying asset or the prevailing level of the underlying index. However, throughout the term of the warrants, their price will be influenced by a number of factors, including:

- (a) the Exercise Price or Strike Level of the warrants;

- (b) the volatility of the price of the underlying asset or of the level of the underlying index (being a measure of the fluctuation in the price or level of the underlying asset or index);
- (c) the time remaining to expiry: a warrant is generally more valuable the longer the remaining life of the warrants;
- (d) interest rates;
- (e) expected dividend payments or other distribution on the underlying asset or on any components comprising the underlying index;
- (f) the supply and demand for the warrants; and
- (g) our creditworthiness.

What is your maximum loss?

Your maximum loss in warrants is limited to your investment amount plus any transaction costs.

How can you get information about the warrants after issue?

You may visit the Stock Exchange website at www.hkex.com.hk/eng/prod/secprod/dwrc/dw.htm to obtain further information on derivative warrants or any notice given by us or the Stock Exchange in relation to the warrants.

DESCRIPTION OF THE ISSUER

Historical Background and Business

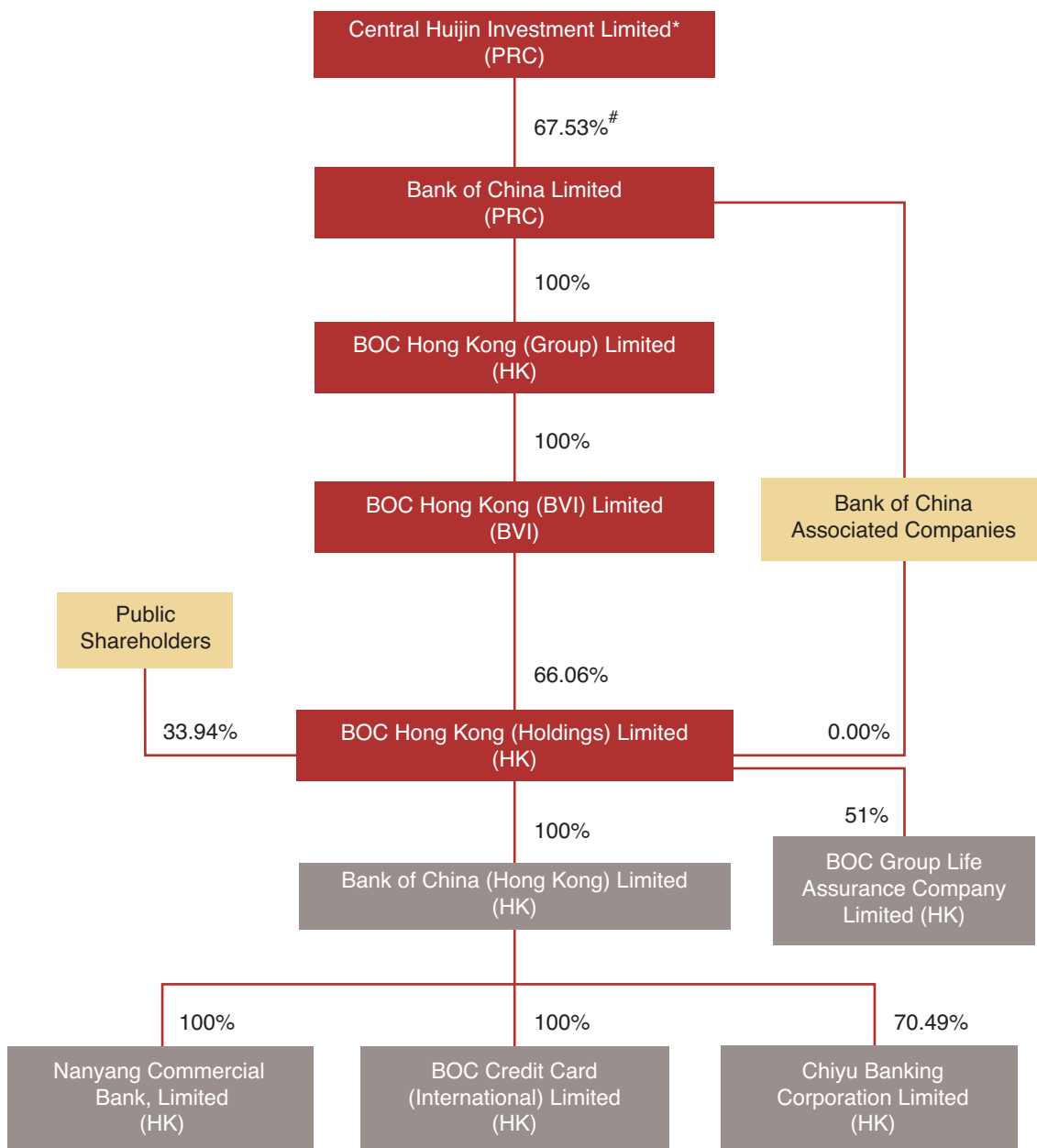
On 1 October 2001, substantially all of the commercial banking businesses and related assets and liabilities of nine entities previously within the Bank of China group were transferred to Po Sang Bank Limited, another member of the Bank of China group, whose name was then changed to Bank of China (Hong Kong) Limited (referred to in this section as “**we**”, “**our**” or “**BOCHK**”). These included the Hong Kong branch of Bank of China, the Hong Kong and Mainland China branches of seven banks incorporated in the PRC, and one Hong Kong incorporated subsidiary bank of Bank of China. On the same date, two additional Hong Kong incorporated subsidiary banks, Nanyang Commercial Bank, Limited (“**Nanyang**”) and Chiyu Banking Corporation Limited (“**Chiyu**”), and BOC Credit Card (International) Limited (“**BOC Credit Card**”), a credit card subsidiary company of Bank of China became subsidiaries of BOCHK. To realise the full benefits of the merger, a major restructuring has also been undertaken to integrate these merged operations and to enhance them in line with leading market practices. Nanyang and Chiyu, however, continue to conduct their business operations separately in most respects.

As a result of the merger, BOCHK became the principal bank for the Bank of China’s Hong Kong commercial banking operations, and became its principal operating subsidiary. In addition, BOCHK replaced Bank of China as a bank-note issuing bank in Hong Kong.

Certain of the pre-merger businesses of Bank of China in Hong Kong that were not engaged in commercial banking such as insurance, securities brokerage and investment banking continued to be operated through other subsidiaries of Bank of China, and did not become part of the BOCHK group at that time.

BOCHK and its subsidiaries are collectively referred to below as the “**Group**”.

The following chart sets forth our corporate organisation, principal operating subsidiaries and shareholding structure:



* Acting on behalf of the PRC Government and previously known as Central SAFE Investments Ltd.

As a percentage of the total issued share capital of Bank of China Limited which comprises A shares and H shares.

Outline of Business

Overview

We, together with our key subsidiaries, are a leading commercial banking group in Hong Kong. With over 270 branches and more than 470 ATMs and other delivery channels in Hong Kong, we offer a comprehensive range of financial products and services to retail and corporate customers. In addition, we have branches in Mainland China to meet the cross-border banking needs of our Hong Kong and Mainland China customers. BOCHK is one of the three continuing members of the Hong Kong Association of Banks. The chairmanship of the Hong Kong Association of Banks alternates every year among the continuing members.

We provide a comprehensive range of retail banking products and services to our retail customers, including deposits, home mortgage loans, home ownership scheme loans, remittances, credit cards, insurance, foreign exchange, bullion trading and investment product services such as securities, investment funds, and personal wealth management services. We provide our corporate and institutional customers with a variety of banking products and services, including deposits, loan facilities such as working capital finance, syndicated loans, project finance and asset finance, and non-interest income based products and services such as syndicated loan arrangements, credit facility arrangements, trade finance arrangements, custodian services, cash management products and services, Mandatory Provident Fund services and insurance services. Through our treasury operations, we participate in inter-bank money market transactions and provide order execution services for our customers with respect to their foreign exchange and derivative transactions. We also participate in capital markets transactions to effect our securities investments and engage in proprietary trading, primarily of foreign exchange and debt securities.

In recent years, we have made substantial investments in our technology platform and distribution capabilities. In addition to our extensive branch and ATM network, we offer 24-hour automated telephone banking and online banking services. These resources enable us to deliver a broad range of banking products and services through multiple delivery channels that are convenient to our customers.

China business is one of the key components of our long-term growth strategy and represents one of our competitive advantages. Our mainland branches provide diversified services and products to customers, including automated funds transfer services so that Mainland mortgagors can make repayments through any of our branches in Hong Kong.

On 1 November 2004, Fitch Ratings assigned a long-term foreign currency issuer default rating of A and a short-term foreign currency issuer default rating of F1 to BOCHK. The outlook on the ratings is stable. As at 18 May 2010, the long-term and the short-term local and foreign currency bank deposit ratings assigned by Moody's Investor Service to BOCHK were Aa3 and P-1 respectively. The long-term and short-term counterparty credit ratings assigned by Standard & Poor's to BOCHK were A- and A-2 respectively. These rating agencies review the ratings assigned to BOCHK periodically and may confirm or change the ratings from time to time as a result of their reviews.

RMB Banking Services

Towards the end of 2003 BOCHK was appointed as the clearing bank for personal Renminbi ("**RMB**") business in Hong Kong and our RMB banking services were launched in late February 2004. The Group remains the market leader in Hong Kong in the RMB personal banking services, including RMB deposits, RMB credit card and ATM deliverance of RMB. The Group is one of the leading banks in Hong Kong that offers RMB services to corporate customers, including a one-stop RMB notes collection service for designated merchants and a service which allows same-day fund transfer to designated locations in the Mainland.

Recent Update

Subordinated notes

On 11 February 2010, we issued the 5.55% subordinated notes with aggregate principal amount of US\$1,600 million due 2020 at the issue price of 99.591% of the principal amount (“**Original Notes**”).

On 19 April 2010, we issued additional subordinated notes with an aggregate principal amount of US\$900 million which forms a consolidated and single series of notes with the Original Notes (“**Additional Notes**”). The offering price of the Additional Notes will be 99.521% of the principal amount of the Additional Notes. The Additional Notes will be denominated in U.S. dollars, due on 11 February 2020 and will bear interest at the rate of 5.55% per annum payable on the outstanding principal amount semi-annually in arrears.

Please refer to the relevant public announcements relating to the issuance of Original Notes and Additional Notes jointly published by us and BOC Hong Kong (Holdings) Limited at the Stock Exchange’s website for further details.

RISK FACTORS

The below is not intended to describe all the risks applicable to any particular series of Structured Products. You should carefully consider all risks relevant to you prior to investing in any Structured Products and consult your professional independent financial adviser and legal, accounting, tax and other advisers with respect to any investment in the Structured Products. Please read the following section together with the risk factors set out in the relevant supplemental listing document.

General risks in relation to us

Structured Products are unsecured obligation

Each series of Structured Products will constitute our general unsecured contractual obligations and of no other person and will rank pari passu with our other unsecured contractual obligations and with our unsecured and unsubordinated debt. At any given time, the number of Structured Products outstanding may be substantial.

Our creditworthiness

If you purchase Structured Products, you are relying upon our creditworthiness and have no rights under these products against:

- (a) any company which issues the underlying shares;
- (b) the trustee or the manager of the underlying trust; or
- (c) any index compiler of any underlying index.

We do not guarantee the repayment of capital invested in any Structured Product.

Any downgrading of our rating by rating agencies such as Moody's Investors Service, Standard and Poor's or Fitch Ratings could result in a reduction in the value of the Structured Products.

No deposit liability or debt obligation

We have the obligation to deliver to you the Cash Settlement Amount in accordance with the Conditions of each series of Structured Product upon expiry. It is not our intention by the issue of any Structured Product (expressed, implicit or otherwise) to create a deposit liability or a debt obligation.

Conflicts of interest

The Group engages in commercial banking and other financial activities for our own account or the account of others. The Group, in connection with our other business activities, may possess or acquire material information about the reference share(s), units or index (together, the "**Underlying Assets**") to which a Structured Product is linked. Such activities may involve or otherwise affect the Underlying Assets in a manner that may cause consequences adverse to you or otherwise create conflicts of interests in connection with the issue of Structured Products by us. Such actions and conflicts may include, without limitation, the purchase and sale of securities and exercise of creditor rights. The Group:

- (a) has no obligation to disclose such information about the Underlying Assets or such activities. The Group and our officers and directors may engage in any such activities without regard to the issue of Structured Products by us or the effect that such activities may directly or indirectly have on any Structured Product;
- (b) may from time to time engage in transactions involving the Underlying Assets for our proprietary accounts and/or for accounts under our management and/or to hedge against the market risk associated with issuing the Structured Products. Such transactions may have a positive or negative effect on the value or level of the Underlying Assets and consequently upon the value of the relevant series of Structured Products;
- (c) may from time to time act in other capacities with regard to the Structured Products, such as in an agency capacity; and
- (d) may issue other derivative instruments in respect of the Underlying Assets and the

introduction of such competing products into the market place may affect the value of the relevant series of Structured Products.

General risks in relation to Structured Products

The Structured Products involve derivatives

The investment decision is yours but you should not invest in any series of Structured Products unless you fully understand and are willing to assume the risks associated with them.

You may lose all your investment in the Structured Products

Structured Products involve a high degree of risk, and are subject to a number of risks which may include interest, time value, market and/or political risks. Structured Products may expire worthless.

You should ensure that you understand the nature of, and are willing to assume, all the risks associated with a series of Structured Products before making a decision to invest in it. You should consider carefully whether an investment in such series of Structured Products is suitable for you in light of your own risk appetite, financial resources, investment experience and objectives and other relevant circumstances. If you are in any doubt about the nature of or the risks associated with such series of Structured Products, you should obtain independent professional advice before making your investment decision.

Options, warrants and equity linked instruments are priced primarily on the basis of the value or level of the Underlying Asset, the volatility of the Underlying Asset's price or level and the time remaining to expiry of the Structured Product.

The Structured Products are not principal protected and the price of the Structured Products generally may fall in value as rapidly as they may rise and you should be prepared to sustain a significant or total loss of the purchase price of the Structured Products. Assuming all other factors are held constant, the more the underlying share price, unit price or index level of a Structured Product moves in

a direction against you and the shorter its remaining term to expiration, the greater the risk that you will lose all or significant part of your investment.

The risk of losing all or any part of the purchase price of a Structured Product means that, in order to recover and realise a return on investment, you must generally anticipate correctly the direction, timing and magnitude of any change in the value or level of the Underlying Asset specified in the relevant supplemental listing document.

Changes in the price or level of an Underlying Asset can be unpredictable, sudden and large and such changes may result in the price or level of the Underlying Asset moving in a direction which will negatively impact upon the return on your investment. You therefore risk losing your entire investment if the price or level of the relevant Underlying Asset does not move in the anticipated direction.

The value of the Structured Products may be disproportionate or opposite to the movement in value or level of the Underlying Assets

An investment in Structured Products is not the same as owning the Underlying Assets or having a direct investment in the Underlying Asset. The market values of Structured Products are linked to the relevant Underlying Assets and will be influenced (positively or negatively) by it or them but any change may not be comparable and may be disproportionate. It is possible that while the value or level of the Underlying Assets increases, the value of the Structured Product decreases.

If you intend to purchase any series of Structured Products to hedge against the market risk associated with investing in the Underlying Asset, you should recognise the complexities of utilizing Structured Products in this manner. For example, the value of the Structured Products may not exactly correlate with the value or level of the Underlying Asset. Due to fluctuations in supply and demand for Structured Products, there is no assurance that their value will correlate with movements of the Underlying Asset.

Possible illiquidity of secondary market

It is not possible to predict if and to what extent a secondary market may develop in any series of Structured Products and at what price such series of Structured Products will trade in the secondary market and whether such market will be liquid or illiquid. The fact that the Structured Products are listed does not necessarily lead to greater liquidity than if they were not listed.

A lessening of the liquidity of the affected series of Structured Products may cause, in turn, an increase in the volatility associated with the price of such Structured Products.

While we have, or will appoint, a liquidity provider for the purposes of making a market for each series of Structured Products, there may be circumstances outside our control or the appointed liquidity provider's control where the appointed liquidity provider's ability to make a market in some or all series of Structured Products is limited, restricted, and/or without limitation, frustrated. In such circumstances we will use our best endeavours to appoint an alternative liquidity provider.

Interest rates

Value of the Structured Products in the secondary market may be sensitive to movements in interest rates. A variety of factors influence interest rates such as macro economic, governmental, speculative and market sentiment factors. Such fluctuations may have an impact on the value of the Structured Products at any time prior to valuation of the Underlying Assets relating to the Structured Products.

Time decay

The settlement amount of certain series of Structured Products at any time prior to expiration may be less than the trading price of such Structured Products at that time. The difference between the trading price and the settlement amount will reflect, among other things, a "time value" of the Structured Products. The "time value" of the Structured Products will depend upon, among others, the

length of the period remaining to expiration and expectations concerning the range of possible future values or levels of the Underlying Assets.

Taxes

You may be required to pay stamp duty or other taxes or other documentary charges. If you are in doubt as to your tax position, you should consult your own independent tax advisers. In addition, you should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. See "Do you need to pay any tax?" in the section headed "Important Information" on page 2 for further information.

Modification to the Conditions

Under the Conditions, we may, without your consent, modify the terms and conditions applicable to the Structured Products if such modification is:

- (a) not materially prejudicial to your interest;
- (b) of a formal, minor or technical nature;
- (c) to correct an obvious error;
- (d) for compliance with any mandatory provisions under Hong Kong laws or regulations; or
- (e) considered appropriate by the Issuer and is approved by the Stock Exchange.

Possible early termination for illegality

If the Conditions provide for termination due to illegality and we determine that, for reasons beyond our control, the performance of our obligations under the relevant Structured Products has become illegal, we may terminate early the relevant Structured Products. If we terminate early the relevant Structured Products, we will, if and to the extent permitted by applicable law, pay an amount determined by us to be the fair market value of

the relevant Structured Products notwithstanding the illegality less our cost of unwinding the underlying hedging arrangements.

Risks in relation to the Underlying Asset

You have no right to the Underlying Asset

Unless specifically indicated in the Conditions, you will have no rights whatsoever in the Underlying Asset and will not be entitled to:

- (a) voting rights or rights to receive dividends or other distributions or any other rights that a holder of the Underlying Asset would normally be entitled to; or
- (b) voting rights or rights to receive dividends or other distributions or any other rights with respect to any company constituting any underlying index.

Valuation risk

An investment in Structured Products may involve valuation risk as regards the Underlying Assets to which a particular series of Structured Products relate. The value or level of the Underlying Asset may vary over time and may increase or decrease by reference to a variety of factors which may include corporate actions, macro economic factors, speculation and (in respect of Structured Products relating to an index) changes in the formula for or the method of calculating the index.

You must be experienced with dealing in these types of transactions and must understand the risks associated with dealing in such products. You should reach an investment decision only after careful consideration, with your advisers, of the suitability of any Structured Product in light of your particular financial circumstances, the information regarding the relevant Structured Product and the particular Underlying Asset to which the relevant Structured Product relates.

Adjustment related risk

Certain events relating to the Underlying Asset require or, as the case may be, permit us to make certain adjustments or amendments to the Conditions. You have limited anti-dilution protection under the Conditions of the

Structured Products. We may, in our sole discretion, adjust, among other things, the Entitlement, the Exercise Price or Strike Level or any other terms (including without limitation the Closing Price or the Closing Level of the Underlying Asset) of any series of Structured Product for events such as, but not limited to, rights issue, bonus issue, subdivision, consolidation, restructuring event and cash distribution or (in respect of Structured Products relating to an index) determine the Closing Level. However, we are not required to make an adjustment for every event that may affect an Underlying Asset, in which case the market price of the Structured Products and the return upon the expiry of the Structured Products may be affected.

In the case of Structured Products which relate to an index, the level of the index may be published by the index compiler at a time when one or more shares comprising in the index are not trading. If this occurs on the Valuation Date but such occurrence does not constitute a Market Disruption Event under the Conditions, then the value of such share(s) may not be included in the level of the index. In addition, certain events relating to the index (including a material change in the formula or the method of calculating the index or a failure to publish the index) permit us to determine the level of the index on the basis of the formula or method last in effect prior to such change in formula or method.

Suspension of trading

Prior to the Expiry Date, if trading or dealing in the Underlying Assets is suspended on the Stock Exchange, trading in the relevant series of Structured Product will be suspended for a similar period.

Delay in settlement

Unless otherwise specified in the relevant Conditions, in the case of any expiry of Structured Products, there may be a time lag between the date on which the Structured Products expire, and the time the applicable settlement amount relating to such event is determined. Any such delay between the time of expiry and the determination of the settlement amount will be specified in the relevant Conditions.

However, such delay could be significantly longer, particularly in the case of a delay in the expiry of such Structured Products arising from a determination by us that a Market Disruption Event, Settlement Disruption Event or delisting of a company has occurred at any relevant time or that adjustments are required in accordance with the Conditions.

That applicable settlement amount may change significantly during any such period, and such movement or movements could decrease or modify the settlement amount of the Structured Products.

You should note that in the event of there being a Settlement Disruption Event or a Market Disruption Event, payment of the Cash Settlement Amount may be delayed as more fully described in the Product Conditions.

Risks relating to Structured Products over trusts

In the case of Structured Products which relate to units of a trust:

- (a) neither us nor any of our affiliates have the ability to control or predict the actions of the trustee or the manager of the relevant trust. Neither the trustee nor the manager of the relevant trust (i) is involved in the offer of any Structured Product in any way, or (ii) has any obligation to consider the interest of the holders of any Structured Product in taking any corporate actions that might affect the value of any Structured Product; and
- (b) we have no role in the relevant trust. The manager of the relevant trust is responsible for making strategic, investment and other trading decisions with respect to the management of the relevant trust consistent with its investment objectives and in compliance with the investment restrictions as set out in the constitutive documents of the relevant trust. The manner in which the

relevant trust is managed and the timing of actions may have a significant impact on the performance of the relevant trust. Hence, the market price of the relevant units is also subject to these risks.

Risks relating to the legal form of the Structured Products

Each Structured Product will be represented by a global certificate registered in the name of HKSCC Nominees Limited (or such other nominee company as may be used by HKSCC from time to time in relation to the provision of nominee services to persons admitted for the time being by HKSCC as a participant of CCASS). A risk of investing in a security that is issued in global registered form and held on your behalf within a clearing system effectively means that evidence of your title, as well as the efficiency of ultimate delivery of the Cash Settlement Amount, will be subject to the CCASS Rules. Amongst the risks you should be aware of are:

- (a) you will not receive definitive certificates where the Structured Products remain in the name of HKSCC Nominees Limited for the entire life of the Structured Products;
- (b) any register that is maintained by us or on our behalf, whilst available for inspection by you, will not be capable of registering any interests other than that of the legal title owner, in other words, it will record at all times that the Structured Products are being held by HKSCC Nominees Limited;
- (c) you will have to rely solely upon your broker/custodians and the statements you receive from such party as evidence of your interest in the investment;
- (d) notices or announcements will be published on the HKEx website and/or released by HKSCC to its participants via CCASS. You will need to check the HKEx website regularly and/or rely on your brokers/custodians to obtain such notices/announcements; and

- (e) following the Expiry Date and the determination by us as to the Cash Settlement Amount, our obligations to you will be duly performed by payment of the Cash Settlement Amount in accordance with the Conditions to HKSCC Nominees Limited as the “holder” of the Structured Products. HKSCC or HKSCC Nominees Limited will then distribute the received Cash Settlement Amount to the respective CCASS participants in accordance with the CCASS Rules.

Effect of the combination of risk factors unpredictable

Two or more risk factors may simultaneously have an effect on the value of a series of Structured Products such that the effect of any individual risk factor may not be predictable. No assurance can be given as to the effect any combination of risk factors may have on the value of a series of Structured Products.

APPENDIX 1

GENERAL CONDITIONS OF STRUCTURED PRODUCTS

These General Conditions relate to each series of Structured Products and must be read in conjunction with, and are subject to, the relevant Product Conditions set out in Appendix 2 to this Base Listing Document and the supplemental terms and conditions contained in the relevant Supplemental Listing Document in relation to a particular series of Structured Products. These General Conditions, the relevant Product Conditions and the supplemental terms and conditions contained in the relevant Supplemental Listing Document will, subject to completion and amendment, together constitute the Conditions of the relevant series of Structured Products. These General Conditions and the Product Conditions will be endorsed on the Global Certificate representing the relevant series of Structured Products. The supplemental terms and conditions contained in the relevant Supplemental Listing Document and to be printed on the Global Certificate shall, to the extent they are inconsistent with these General Conditions and the relevant Product Conditions, replace or modify these General Conditions and the relevant Product Conditions for the purpose of such series of Structured Products.

1. Definitions

“Base Listing Document” means the base listing document relating to Structured Products dated 19 May 2010 and issued by the Issuer including any addenda to such base listing document issued by the Issuer from time to time;

“Board Lot” has the meaning given to it in the relevant Supplemental Listing Document;

“Business Day” means a weekday (excluding Saturdays) on which the Stock Exchange is scheduled to open for dealings in Hong Kong and banks are open for business in Hong Kong;

“CCASS” means the Central Clearing and Settlement System;

“CCASS Rules” means the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time;

“Dealing Commencement Date” means the date specified as such in the relevant Supplemental Listing Document and on which dealing of the Structured Products on the Stock Exchange commences;

“Designated Bank Account” means the relevant bank account designated by each Holder;

“Exercise Expenses” means, in respect of each series of Structured Product, any charges or expenses (including any taxes or duties) which are incurred in respect of the exercise of one Board Lot of such Structured Product;

“Expiry Date” means the date specified as such in the relevant Supplemental Listing Document and on which the Structured Products are exercised in accordance with these General Conditions;

“General Conditions” means these general terms and conditions. These General Conditions apply to each series of Structured Products;

“Global Certificate” means, in respect of the relevant Structured Products, a global certificate registered in the name of the Nominee;

“HKSCC” means Hong Kong Securities Clearing Company Limited;

“**Holder**” means, in respect of each series of Structured Products, each person who is for the time being shown in the register kept by the Issuer in Hong Kong as the holder of the relevant Structured Products, and who shall be treated by the Issuer as the absolute owner and holder of the relevant Structured Products. The expression “**Holders**” shall be construed accordingly;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Instrument**” means an instrument by way of deed poll dated 13 March 2007 executed by the Issuer pursuant to which the Issuer creates and grants to the Holders rights in relation to the Structured Products;

“**Issuer**” means Bank of China (Hong Kong) Limited;

“**Nominee**” means HKSCC Nominee Limited (or such other nominee company as may be used by HKSCC) in relation to the provision of nominee services to persons admitted for the time being by HKSCC as a participant of CCASS;

“**Product Conditions**” in respect of each Structured Product, means the product specific terms and conditions that apply to that Structured Product;

“**Settlement Date**” means the date specified as such in the relevant Supplemental Listing Document on which the Structured Products are settled in accordance with these General Conditions;

“**Settlement Disruption Event**” means an event beyond the control of the Issuer and as a result of which it is not possible for the Issuer to procure payment electronically through CCASS by crediting the relevant Designated Bank Account of the Holder on the original Settlement Date;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**Structured Products**” means derivative warrants (“**Warrants**”), callable bull/bear contracts or such other structured products to be issued by the Issuer from time to time. References to “Structured Products” are to be construed as references to a particular series of Structured Products; and

“**Supplemental Listing Document**” means the supplemental listing document relating to a particular series of Structured Products.

Other capitalised terms will, unless otherwise defined, have the meaning given to them in the Base Listing Document, the relevant Product Conditions, the relevant Supplemental Listing Document or the Global Certificate.

2. Form, Status, Transfer and Title

2.1 Form and Title

The Structured Products (which expression shall, unless the context otherwise requires, include any further structured products issued pursuant to General Condition 9) are issued in registered form subject to and with the benefit of the Instrument. The Holders are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of the Instrument. A copy of the Instrument is available for inspection at the offices of the Issuer.

2.2 Status of the Issuer's obligations

The settlement obligation of the Issuer in respect of the Structured Products represents general unsecured contractual obligations of the Issuer and of no other person which rank, and will rank, equally among themselves and pari passu with all other present and future unsecured and unsubordinated contractual obligations of the Issuer, except for obligations accorded preference by mandatory provisions of applicable law.

Structured Products represent general contractual obligations of the Issuer, and are not, nor is it the intention (expressed, implicit or otherwise) of the Issuer to create by the issue of Structured Products deposit liabilities of the Issuer or a debt obligation of any kind.

2.3 Transfer of Structured Products

Transfers of Structured Products may be effected only in Board Lots or integral multiples thereof in CCASS in accordance with the CCASS Rules.

3. Structured Product Rights, Exercise Price and Exercise Expenses

3.1 Entitlement of Holders

Every Board Lot initially entitles the Holders, upon due exercise and upon compliance with these General Conditions, in particular General Condition 4, to payment of the Cash Settlement Amount, if any.

3.2 Holders responsible for Exercise Expenses

Upon exercise of a particular series of Structured Products, the Holders of such series will be required to pay a sum equal to all the expenses resulting from the exercise of such Structured Products. To effect such payment an amount equivalent to the Exercise Expenses shall be deducted from the Cash Settlement Amount in accordance with General Condition.

4. Exercise of Structured Products

4.1 Exercise of Structured Products in Board Lots

Structured Products may only be exercised in Board Lots or integral multiples thereof.

4.2 Exercise of Structured Products

Structured Products will automatically be exercised at 10:00 a.m. (Hong Kong time) on the Expiry Date (without notice being given to the Holders) if the Issuer determines that the Cash Settlement Amount (calculated in accordance with these General Conditions) is positive. The Holders will not be required to deliver any exercise notice and the Issuer or its agent will pay to the Holders the Cash Settlement Amount (if any) in accordance with General Condition 4.5.

4.3 Payment of Exercise Expenses

Any Exercise Expenses which are not determined by the Issuer on the Expiry Date and deducted from the Cash Settlement Amount prior to delivery to the Holders in accordance with this General Condition 4, shall be notified by the Issuer to the Holders as soon as practicable after determination thereof and shall be paid by the Holders to the Issuer immediately upon demand.

4.4 Record in the register of Holders

Subject to a valid exercise of Structured Products in accordance with these General Conditions, or if the relevant Structured Products have expired worthless, the Issuer will, with effect from the first Business Day following the Expiry Date, remove the name of each Holder from the register of Holders in respect of the number of relevant Structured Products which are the subject of a valid exercise or have expired worthless, as the case may be, and thereby cancel the relevant Structured Products and cancel the Global Certificate.

4.5 Payment of Cash Settlement Amount

Upon a valid exercise of Structured Products in accordance with these General Conditions, the Issuer will pay the Cash Settlement Amount minus the determined Exercise Expenses to the relevant Holder. If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable by the Issuer.

The aggregate Cash Settlement Amount minus the determined aggregate Exercise Expenses shall be despatched no later than the Settlement Date, by crediting that amount, in accordance with the CCASS Rules, to the Designated Bank Account.

Upon the occurrence of a Settlement Disruption Event, the Issuer shall use its reasonable endeavours to procure payment electronically through CCASS by crediting the relevant Designated Bank Account of the Holder as soon as reasonably practicable after the original Settlement Date. The Issuer will not be liable to the Holder for any interest in respect of the amount due or any loss or damage that such Holder may suffer as a result of the existence of a Settlement Disruption Event.

4.6 Discharge of Issuer's obligation

The Issuer's obligations to pay the Cash Settlement Amount shall be discharged by payment in accordance with General Condition 4.5.

4.7 Trading in Structured Products

Trading in Structured Products on the Stock Exchange shall cease prior to the Expiry Date in accordance with the requirements of the Stock Exchange.

5. Purchase

The Issuer or any of its subsidiaries may at any time purchase Structured Products at any price in the open market or by tender or by private treaty. Any Structured Products so purchased may be held or resold or surrendered for cancellation.

6. Global Certificate

The Global Certificate representing the relevant Structured Products will be deposited with CCASS in the name of the Nominee. The Global Certificate must be executed manually on behalf of the Issuer by authorised person(s) or attorney(s) of the Issuer. No definitive certificate will be issued. The Structured Products can only be exercised by HKSCC or the Nominee.

7. Meetings of Holders and Modification

7.1 Meetings of Holders

The Instrument contains provisions for convening meetings of the Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Instrument) of a modification of the provisions of the Structured Products or of the Instrument.

Any resolution to be passed in a meeting of the Holders shall be decided by poll. A meeting may be convened by the Issuer or by Holders holding not less than 10 per cent. of the Structured Products for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Structured Products for the time being remaining unexercised, or at any adjourned meeting two or more persons being or representing Holders whatever the number of Structured Products so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Holders shall be binding on all the Holders, whether or not they are present at the meeting.

Resolutions can be passed in writing without a meeting of the Holders being held if passed unanimously.

7.2 Modification

The Issuer may, without the consent of the Holders, effect any modification of the provisions of the Structured Products or the Instrument which is:

- (a) not materially prejudicial to the interests of the Holders;
- (b) of a formal, minor or technical nature;
- (c) made to correct an obvious error;
- (d) necessary in order to comply with mandatory provisions of the laws and regulations of Hong Kong or the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended); or
- (e) considered by the Issuer to be appropriate and such modification is approved by the Stock Exchange.

Any such modification shall be binding on the Holders and shall be notified to them by the Issuer as soon as practicable thereafter in accordance with General Condition 8.

8. Notices

8.1 Website publication

All notices to the Holders will be validly given if published in English and in Chinese on the HKEx website. In such circumstances, the Issuer shall not be required to despatch copies of the notice to the Holders.

8.2 Request for copies

If so requested by any Holder (such request to be communicated to the Issuer), the Issuer will deliver or procure delivery of copies of the notices published pursuant to General Condition 8.1 by post addressed to such Holders at the address recorded in the register of Holders kept by the Issuer and airmail post shall be used if that address is not in Hong Kong. Copies of the notices delivered or sent in accordance with this General Condition shall be sent or delivered at the risk of such Holders.

9. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Holders, to create and issue further structured products so as to form a single series with the Structured Products.

10. Governing Law

The Structured Products and the Instrument are governed by and construed in accordance with the laws of Hong Kong. The Issuer and each Holder (by its purchase of the Structured Products) submit for all purposes in connection with the Structured Products and the Instrument to the non-exclusive jurisdiction of the courts of Hong Kong.

11. Illegality

The Issuer shall have the right to terminate the Structured Products if it shall have determined in its absolute discretion that, for reasons beyond its control, its performance thereunder shall have become unlawful in whole or in part as a result of compliance in good faith by the Issuer with any applicable present or future law, rule, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power (“**Applicable Law**”). In such circumstances, the Issuer will, if and to the extent permitted by the Applicable Law, pay to each Holder in respect of each Structured Product held by such Holder an amount calculated by it as the fair market value of the Structured Products immediately prior to such termination (ignoring such illegality) less the cost to the Issuer of unwinding any related hedging arrangements. Payment will be made to the Holder in such manner as shall be notified to the Holder in accordance with General Condition 8.

12. Language

A Chinese translation of these General Conditions will be made available for collection during normal office hours from the Issuer at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong. In the event of any inconsistency between the Chinese translation and the English version of these General Conditions, the English version of these General Conditions prevails.

13. Prescription

Claims against the Issuer for payment of any amount in respect of the relevant Structured Products will become void unless made within ten years of the Expiry Date and thereafter, any sums payable in respect of such Structured Products shall be forfeited and shall revert to the Issuer.

APPENDIX 2 PRODUCT CONDITIONS

PART A PRODUCT CONDITIONS OF CASH SETTLED WARRANTS OVER SINGLE EQUITIES

The General Conditions, these Product Conditions and the supplemental terms and conditions contained in the relevant Supplemental Listing Document will, subject to completion and amendment, together constitute the Conditions of the relevant series of Structured Products. The General Conditions and these Product Conditions will be endorsed on the Global Certificate representing the relevant series of Structured Products. The supplemental terms and conditions contained in the relevant Supplemental Listing Document and to be printed on the Global Certificate shall, to the extent they are inconsistent with the General Conditions and these Product Conditions, replace or modify the General Conditions and these Product Conditions for the purpose of such series of Structured Products.

1. Definitions

For the purpose of these Product Conditions:

“Average Price” means the arithmetic mean of the closing prices of one Share (as derived from the Daily Quotation Sheet of the Stock Exchange, subject to any adjustments (as determined by the Issuer in accordance with these Product Conditions) to such closing prices as may be necessary to reflect any rights issue, bonus issue, subdivision, consolidation, restructuring event, cash distribution or the like) for each Valuation Date;

“Cash Settlement Amount” means:

(a) In the case of a series of Call Warrants:

$$\text{Cash Settlement Amount per Board Lot} = \frac{\text{Entitlement} \times (\text{Average Price} - \text{Exercise Price}) \times \text{one Board Lot}}{\text{Number of Warrants per Entitlement}}$$

(b) In the case of a series of Put Warrants:

$$\text{Cash Settlement Amount per Board Lot} = \frac{\text{Entitlement} \times (\text{Exercise Price} - \text{Average Price}) \times \text{one Board Lot}}{\text{Number of Warrants per Entitlement}}$$

For the avoidance of doubt, if the Cash Settlement Amount is a negative figure, it shall be deemed to be zero;

“Company” means the company specified as such in the relevant Supplemental Listing Document;

“Entitlement” means the number specified as such in the relevant Supplemental Listing Document, subject to any adjustment in accordance with Product Condition 2;

“Exercise Price” means the price specified as such in the relevant Supplemental Listing Document, subject to any adjustment in accordance with Product Condition 2;

“General Conditions” means the General Conditions of Structured Products set out in Appendix 1 of the Base Listing Document;

“Last Valuation Date” means the Business Day immediately preceding the Expiry Date;

“Market Disruption Event” means:

- (a) the occurrence or existence on any Valuation Date during the one-half hour period that ends at the close of trading of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Stock Exchange or otherwise) on the Stock Exchange in:
 - (i) the Share; or
 - (ii) any options or futures contracts relating to the Share if, in any such case, such suspension or limitation is, in the determination of the Issuer, material;
- (b) the hoisting of the tropical cyclone warning signal number 8 or above or the issuance of a “BLACK” rainstorm signal by the Hong Kong Observatory on any day which:
 - (i) results in the Stock Exchange being closed for trading for the entire day; or
 - (ii) results in the Stock Exchange being closed prior to its regular time for close of trading for the relevant day (for the avoidance of doubt, in the case when the Stock Exchange is scheduled to open for the morning trading session only, closed prior to its regular time for close of trading for the morning session),

PROVIDED THAT there shall be no Market Disruption Event solely by reason of the Stock Exchange opening for trading later than its regular time for opening of trading on any day as a result of the tropical cyclone warning signal number 8 or above or the “BLACK” rainstorm signal having been hoisted or issued; or

- (c) a limitation or closure of the Stock Exchange due to any unforeseen circumstances;

“Product Conditions” means these product terms and conditions. These Product Conditions apply to each series of cash settled Warrants over single equities;

“Share” means the share specified as such in the relevant Supplemental Listing Document; and

“Valuation Date” means each of the five Business Days immediately preceding the Expiry Date, provided that if the Issuer determines, in its sole discretion, that on any Valuation Date a Market Disruption Event has occurred, then that Valuation Date shall be postponed until the first succeeding Business Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a Business Day that is already or is deemed to be a Valuation Date, provided that if there is a Market Disruption Event on each of the four Business Days immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date, then:

- (a) that fourth Business Day shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event, and
- (b) the Issuer shall determine the closing price of the Share on the basis of its good faith estimate of the bid price that would have prevailed on that fourth Business Day but for the Market Disruption Event.

In the event that a Market Disruption Event has occurred and a Valuation Date is postponed in accordance with these Product Conditions, the closing price of the Share on the first succeeding Business Day will be referenced more than once for the determination of the Cash Settlement Amount, provided that if the postponement of a Valuation Date as aforesaid would result in a Valuation Date falling on or after the Expiry Date, then:

- (i) the Last Valuation Date shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the closing price of the Share on the basis of its good faith estimate of the bid price that would have prevailed on the Last Valuation Date but for the Market Disruption Event.

Other capitalised terms shall, unless otherwise defined herein, have the meaning ascribed to them in the Base Listing Document, the General Conditions, the relevant Supplemental Listing Document or the Global Certificate.

2. Adjustments

Adjustments may be made by the Issuer to the number of Shares to which the Warrants relate on the basis of the following provisions:

2.1 Rights Issues

If and whenever the Company shall, by way of Rights (as defined below), offer new Shares for subscription at a fixed subscription price to the holders of existing Shares pro rata to existing holdings (a "**Rights Offer**"), the Entitlement shall be adjusted to take effect on the Business Day on which trading in the Shares becomes ex-entitlement ("**Rights Issue Adjustment Date**") in accordance with the following formula:

$$\text{Adjusted Entitlement} = \text{Adjustment Component} \times E$$

Where:

$$\text{Adjustment Component} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Entitlement immediately prior to the Rights Offer

S: Cum-Rights Share price being the closing bid price of an existing Share as derived from the Daily Quotation Sheet of the Stock Exchange on the last Business Day on which the Shares are traded on a Cum-Rights basis (i.e. where a holder of the existing Shares is still entitled to subscribe for new Shares pursuant to the Rights Offer)

R: Subscription price per new Share specified in the Rights Offer plus an amount equal to any dividends or other benefits foregone to exercise the Right

M: Number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe,

provided that if the above formula would result in an adjustment to the Entitlement which would amount to less than one per cent. of the Entitlement immediately prior to the

adjustment, then no adjustment will be made. In addition, the Issuer shall adjust the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) by dividing the Exercise Price by the Adjustment Component. The adjustment to the Exercise Price shall take effect on the Rights Issue Adjustment Date.

For the purposes of these Product Conditions:

“Rights” means the right(s) attached to each existing Share or needed to acquire one new Share (as the case may be) which are given to the holders of existing Shares to subscribe at a fixed subscription price for new Shares pursuant to the Rights Offer (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

2.2 Bonus Issues

If and whenever the Company shall make an issue of Shares credited as fully paid to the holders of Shares generally by way of capitalisation of profits or reserves (other than pursuant to a scrip dividend or similar scheme for the time being operated by the Company or otherwise in lieu of a cash dividend and without any payment or other consideration being made or given by such holders) (a **“Bonus Issue”**) the Entitlement shall be adjusted to take effect on the Business Day on which trading in the Shares becomes ex-entitlement (**“Bonus Issue Adjustment Date”**) in accordance with the following formula:

$$\text{Adjusted Entitlement} = \text{Adjustment Component} \times E$$

Where:

$$\text{Adjustment Component} = (1 + N)$$

E: Existing Entitlement immediately prior to the Bonus Issue

N: Number of additional Shares (whether a whole or a fraction) received by a holder of Shares for each Share held prior to the Bonus Issue,

provided that if the above formula would result in an adjustment to the Entitlement which would amount to less than one per cent. of the Entitlement immediately prior to the adjustment, then no adjustment will be made. In addition, the Issuer shall adjust the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) by dividing the Exercise Price by the Adjustment Component. The adjustment to the Exercise Price shall take effect on the Bonus Issue Adjustment Date.

2.3 Subdivisions and Consolidations

If and whenever the Company shall subdivide its Shares or any class of its outstanding share capital comprised of the Shares into a greater number of shares (a **“Subdivision”**) or consolidate the Shares or any class of its outstanding share capital comprised of the Shares into a smaller number of shares (a **“Consolidation”**), then:

- (a) in the case of a Subdivision, the Entitlement in effect immediately prior thereto will be increased whereas the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) will be decreased in the same ratio as the Subdivision; and
- (b) in the case of a Consolidation, the Entitlement in effect immediately prior thereto will be decreased whereas the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) will be increased in the same ratio as the Consolidation,

in each case on the day on which the Subdivision or Consolidation (as the case may be) takes effect.

2.4 Restructuring Events

If it is announced that the Company is to or may merge or consolidate with or into any other corporation (including becoming, by agreement or otherwise, a subsidiary of or controlled by any person or corporation) (except where the Company is the surviving corporation in a merger) or that it is to or may sell or transfer all or substantially all of its assets, the rights attaching to the Warrants may in the absolute discretion of the Issuer be amended no later than the Business Day preceding the consummation of such merger, consolidation, sale or transfer (each a “**Restructuring Event**”) (as determined by the Issuer in its absolute discretion) so that the Warrants shall, after such Restructuring Event, relate to the number of shares of the corporation(s) resulting from or surviving such Restructuring Event or other securities (“**Substituted Securities**”) and/or cash offered in substitution for the affected Shares, as the case may be, to which the holder of such number of Shares to which the Warrants related immediately before such Restructuring Event would have been entitled upon such Restructuring Event, and thereafter the provisions hereof shall apply to such Substituted Securities, provided that any Substituted Securities may, in the absolute discretion of the Issuer, be deemed to be replaced by an amount in Hong Kong dollars equal to the market value or, if no market value is available, fair value, of such Substituted Securities in each case as determined by the Issuer as soon as practicable after such Restructuring Event is effected. For the avoidance of doubt, any remaining Shares shall not be affected by this paragraph and, where cash is offered in substitution for Shares or is deemed to replace Substituted Securities as described above, references in these Product Conditions to the Shares shall include any such cash.

2.5 Cash Distribution

No adjustment will be made for an ordinary cash dividend (whether or not it is offered with a script alternative) (“**Ordinary Dividend**”). For any other forms of cash distribution (“**Cash Distribution**”) announced by the Company, such as a cash bonus, special dividend or extraordinary dividend, no adjustment will be made unless the value of the Cash Distribution accounts for 2 per cent. or more of the Share’s closing price as derived from the Daily Quotation Sheet of the Stock Exchange on the day of announcement by the Company.

If and whenever the Company shall make a Cash Distribution credited as fully paid to the holders of Shares generally, the Entitlement shall be adjusted to take effect on the Business Day on which trading in the Shares becomes ex-entitlement in respect of the relevant Cash Distribution (“**Cash Distribution Adjustment Date**”) in accordance with the following formula:

$$\text{Adjusted Entitlement} = \text{Adjustment Component} \times E$$

Where:

$$\text{Adjustment Component} = \frac{S - OD}{S - OD - CD}$$

E: The existing Entitlement immediately prior to the Cash Distribution

S: The closing price of the Share as derived from the Daily Quotation Sheet of the Stock Exchange on the Business Day immediately preceding the Cash Distribution Adjustment Date

CD: The amount of Cash Distribution per Share

OD: The amount of the relevant Ordinary Dividend per Share, provided that the Ordinary Dividend and the Cash Distribution have the same ex-entitlement date. For avoidance of doubt, the OD shall be zero if the Ordinary Dividend and the Cash Distribution have different ex-entitlement dates

In addition, the Issuer shall adjust the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) by dividing the Exercise Price by the Adjustment Component. The adjustment to the Exercise Price shall take effect on the Cash Distribution Adjustment Date.

2.6 Other Adjustments

Except as provided in Product Conditions 2 and 4 and in General Condition 7, adjustments or amendments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events (including the events as contemplated in Product Conditions 2.1 to 2.5, 4.1 and 4.2) occur which it believes in its sole discretion and irrespective of, in substitution for, or in addition to the provisions contemplated in Conditions 2.1 to 2.5, 4.1 and 4.2 should, in the context of the issue of the Warrants and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is:

- (a) considered by the Issuer not to be materially prejudicial to the Holders generally (without considering the circumstances of any individual Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction); or
- (b) otherwise considered by the Issuer to be appropriate and such adjustment or amendment is approved by the Stock Exchange.

2.7 Notice of Determinations

All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment or amendment and of the date from which such adjustment or amendment is effective by publication in accordance with General Condition 8.

3. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator, receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Warrants will lapse and shall cease to be valid for any purpose. In the case of voluntary liquidation, the unexercised Warrants will lapse and shall cease to be valid on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator or receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law.

4. Delisting

4.1 Adjustments following delisting

If at any time the Shares cease to be listed on the Stock Exchange, the Issuer shall give effect to these Product Conditions in such manner and make such adjustments and amendments to the rights attaching to the Warrants as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Holders generally are not materially prejudiced as a consequence of such delisting (without considering the circumstances of any individual Holder or the tax or other consequences that may result in any particular jurisdiction).

4.2 Listing on another exchange

Without prejudice to the generality of Product Condition 4.1, where the Shares are, or, upon the delisting, become, listed on any other stock exchange, these Product Conditions may, in the absolute discretion of the Issuer, be amended to the extent necessary to allow for the substitution of that other stock exchange in place of the Stock Exchange and the Issuer may, without the consent of the Holders, make such adjustments to the entitlements of the Holders on exercise (including, if appropriate, by converting foreign currency amounts at prevailing market rates into Hong Kong currency) as may be appropriate in the circumstances.

4.3 Adjustments binding

The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Holders in accordance with General Condition 8 as soon as practicable after they are determined.

5. Language

A Chinese translation of these Product Conditions will be made available for collection during normal office hours from the Issuer at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong. In the event of any inconsistency between the Chinese translation and the English version of these Product Conditions, the English version of these Product Conditions shall prevail.

PART B PRODUCT CONDITIONS OF WARRANTS OVER INDEX

The General Conditions, these Product Conditions and the supplemental terms and conditions contained in the relevant Supplemental Listing Document will, subject to completion and amendment, together constitute the Conditions of the relevant series of Structured Products. The General Conditions and these Product Conditions will be endorsed on the Global Certificate representing the relevant series of Structured Products. The supplemental terms and conditions contained in the relevant Supplemental Listing Document and to be printed on the Global Certificate shall, to the extent they are inconsistent with the General Conditions and these Product Conditions, replace or modify the General Conditions and these Product Conditions for the purpose of such series of Structured Products.

1. Definitions

For the purposes of these Product Conditions:

“Cash Settlement Amount” means an amount calculated by the Issuer in accordance with the following formula (and, if appropriate, either (a) converted (if applicable) into the Settlement Currency at the Exchange Rate or, as the case may be, (b) converted into the Interim Currency at the First Exchange Rate and then (if applicable) converted into Settlement Currency at the Second Exchange Rate):

(a) In the case of a series of Call Warrants:

$$\begin{array}{l} \text{Cash Settlement} \\ \text{Amount per} \\ \text{Board Lot} \end{array} = \frac{(\text{Closing Level} - \text{Strike Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

(b) In the case of a series of Put Warrants:

$$\begin{array}{l} \text{Cash Settlement} \\ \text{Amount per} \\ \text{Board Lot} \end{array} = \frac{(\text{Strike Level} - \text{Closing Level}) \times \text{one Board Lot} \times \text{Index Currency Amount}}{\text{Divisor}}$$

For the avoidance of doubt, if the Cash Settlement Amount is a negative figure, it shall be deemed to be zero;

“Closing Level” means the level specified as such in the relevant Supplemental Listing Document subject to any adjustment in accordance with Product Condition 2;

“Divisor” means the number specified as such in the relevant Supplemental Listing Document;

“Exchange Rate” means the rate specified as such in the relevant Supplemental Listing Document;

“First Exchange Rate” means the rate specified as such in the relevant Supplemental Listing Document;

“General Conditions” means the General Conditions of Structured Products set out in Appendix 1 of the Base Listing Document;

“Index” means the index specified as such in the relevant Supplemental Listing Document;

“Index Compiler” means the index compiler specified as such in the relevant Supplemental Listing Document;

“Index Business Day” means a day on which the Index is published by the Index Compiler or, as the case may be, the Successor Index Compiler (as defined below);

“Index Currency Amount” has the meaning given to it in the relevant Supplemental Listing Document;

“Index Exchange” means the index stock exchange specified as such in the relevant Supplemental Listing Document;

“Interim Currency” means the currency specified in the relevant Supplemental Listing Document;

“Market Disruption Event” means:

- (a) the occurrence or existence, on a Valuation Date during the one-half hour period that ends at the close of trading, of any of:
 - (i) the suspension or material limitation of the trading of a material number of securities that comprise the Index; or
 - (ii) the suspension or material limitation of the trading of securities/commodities (A) on the Index Exchange; or (B) generally; or
 - (iii) the suspension or material limitation of the trading of (A) options or futures contracts relating to the Index on any exchanges or (B) options or futures generally on any options and/or futures exchanges on which options or futures contracts relating to the Index are traded; or
 - (iv) the imposition of any exchange controls in respect of any currencies involved in determining the Cash Settlement Amount.

For the purposes of this definition:

- (1) the limitation of the number of hours or days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of any exchange, and
 - (2) a limitation on trading imposed by reason of the movements in price exceeding the levels permitted by any relevant exchange will constitute a Market Disruption Event; or
- (b) the hoisting of the tropical cyclone warning signal number 8 or above or the issuance of a “BLACK” rainstorm signal by the Hong Kong Observatory on any day which:
 - (i) results in the Stock Exchange being closed for trading for the entire day; or
 - (ii) results in the Stock Exchange being closed prior to its regular time for close of trading for the relevant day (for the avoidance of doubt, in the case when the Stock Exchange is scheduled to open for the morning trading session only, closed prior to its regular time for close of trading for the morning session),

PROVIDED THAT there shall be no Market Disruption Event solely by reason of the Stock Exchange opening for trading later than its regular time for opening of trading on any day as a result of the tropical cyclone warning signal number 8 or above or the "BLACK" rainstorm signal having been hoisted or issued; or

- (c) a limitation or closure of the Index Exchange or the Stock Exchange due to any unforeseen circumstances;

"Product Conditions" means these product terms and conditions. These Product Conditions apply to each series of Warrants over an index;

"Second Exchange Rate" means the rate specified as such in the relevant Supplemental Listing Document;

"Settlement Currency" means the currency specified as such in the relevant Supplemental Listing Document;

"Strike Level" means the level specified as such in the relevant Supplemental Listing Document;

"Successor Index Compiler" means a successor to the Index Compiler acceptable to the Issuer; and

"Valuation Date" means the date specified in the relevant Supplemental Listing Document, provided that if the Issuer determines, in its sole discretion, that on the Valuation Date a Market Disruption Event has occurred, then the Issuer shall determine the Closing Level on the basis of its good faith estimate of the Closing Level that would have prevailed on that day but for the occurrence of the Market Disruption Event provided that the Issuer may, but will not be obliged to, determine such Closing Level by having regard to the manner in which the Index Compiler, or the relevant body or entity, as the case may be, calculates the Closing Level.

Other capitalised terms shall, unless otherwise defined herein, bear the meaning ascribed to them in the Base Listing Document, the General Conditions, the relevant Supplemental Listing Document or the Global Certificate.

2. Adjustments to the Index

2.1 Successor Index Compiler Calculates and Reports Index

If the Index is:

- (a) not calculated and announced by the Index Compiler but is calculated and published by a Successor Index Compiler; or
- (b) replaced by a successor index using, in the determination of the Issuer, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index,

then the Index will be deemed to be the index so calculated and announced by the Successor Index Compiler or that successor index, as the case may be.

2.2 Modification and Cessation of Calculation of Index

If:

- (a) on or prior to the Valuation Date the Index Compiler or (if applicable) the Successor Index Compiler makes a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities, contracts or commodities and other routine events), or
- (b) on the Valuation Date the Index Compiler or (if applicable) the Successor Index Compiler fails to calculate and publish the Index (other than as a result of a Market Disruption Event),

then the Issuer shall determine the Closing Level using, in lieu of a published level for the Index, the level for the Index as at the Valuation Date as determined by the Issuer in accordance with the formula for and method of calculating the Index last in effect prior to that change or failure, but using only those securities, contracts or commodities that comprised the Index immediately prior to that change or failure (other than those securities that have since ceased to be listed on the relevant exchange).

2.3 Other Adjustments

Except as provided in this Product Condition 2 and in General Condition 7, adjustments or amendments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events (including the events as contemplated in Product Conditions 2.1 to 2.2) occur which it believes in its sole discretion and irrespective of, in substitution for, or in addition to the provisions contemplated in Product Conditions 2.1 to 2.2 should, in the context of the issue of the Warrants and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is:

- (a) considered by the Issuer not to be materially prejudicial to the Holders generally (without considering the circumstances of any individual Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction); or
- (b) otherwise considered by the Issuer to be appropriate and such adjustment or amendment is approved by the Stock Exchange.

2.4 Notice of Determinations

All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment or amendment and of the date from which such adjustment or amendment is effective by publication in accordance with General Condition 8.

3. Language

A Chinese translation of these Product Conditions will be made available for collection during normal office hours from the Issuer at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong. In the event of any inconsistency between the Chinese translation and the English version of these Product Conditions, the English version of these Product Conditions prevails.

PART C
PRODUCT CONDITIONS OF CASH SETTLED WARRANTS
OVER UNIT TRUSTS

The General Conditions, these Product Conditions and the supplemental terms and conditions contained in the relevant Supplemental Listing Document will, subject to completion and amendment, together constitute the Conditions of the relevant series of Structured Products. The General Conditions and these Product Conditions will be endorsed on the Global Certificate representing the relevant series of Structured Products. The supplemental terms and conditions contained in the relevant Supplemental Listing Document and to be printed on the Global Certificate shall, to the extent they are inconsistent with the General Conditions and these Product Conditions, replace or modify the General Conditions and these Product Conditions for the purpose of such series of Structured Products.

1. Definitions

For the purposes of these Product Conditions:

“Average Price” shall be the arithmetic mean of the closing prices of one Unit (as derived from the Daily Quotation Sheet of the Stock Exchange, subject to any adjustments (as determined by the Issuer in accordance with these Product Conditions) to such closing prices as may be necessary to reflect any rights issue, bonus issue, consolidation or subdivision, restructuring event, cash distribution or the like) for each Valuation Date;

“Cash Settlement Amount” means:

(a) In the case of a series of Call Warrants:

$$\begin{array}{l} \text{Cash Settlement} \\ \text{Amount per} \\ \text{Board Lot} \end{array} = \frac{\text{Entitlement} \times (\text{Average Price} - \text{Exercise Price}) \times \text{one Board Lot}}{\text{Number of Warrants per Entitlement}}$$

(b) In the case of a series of Put Warrants:

$$\begin{array}{l} \text{Cash Settlement} \\ \text{Amount per} \\ \text{Board Lot} \end{array} = \frac{\text{Entitlement} \times (\text{Exercise Price} - \text{Average Price}) \times \text{one Board Lot}}{\text{Number of Warrants per Entitlement}}$$

For the avoidance of doubt, if the Cash Settlement Amount is a negative figure, it shall be deemed to be zero;

“Entitlement” means the number specified as such in the relevant Supplemental Listing Document, subject to any adjustment in accordance with Product Condition 2;

“Exercise Price” means the price specified as such in the relevant Supplemental Listing Document, subject to any adjustment in accordance with Product Condition 2;

“General Conditions” means the General Conditions of Structured Products set out in Appendix 1 of the Base Listing Document;

“Last Valuation Date” means the Business Day immediately preceding the Expiry Date;

“Market Disruption Event” means:

- (a) the occurrence or existence on any Valuation Date during the one-half hour period that ends at the close of trading of any suspension of or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the Stock Exchange or otherwise) on the Stock Exchange in:
 - (i) the Units; or
 - (ii) any options or futures contracts relating to the Units if, in any such case, such suspension or limitation is, in the determination of the Issuer, material;
- (b) the hoisting of the tropical cyclone warning signal number 8 or above or the issuance of a “BLACK” rainstorm signal by the Hong Kong Observatory on any day which:
 - (i) results in the Stock Exchange being closed for trading for the entire day; or
 - (ii) results in the Stock Exchange being closed prior to its regular time for close of trading for the relevant day (for the avoidance of doubt, in the case when the Stock Exchange is scheduled to open for the morning trading session only, closed prior to its regular time for close of trading for the morning session),

PROVIDED THAT there shall be no Market Disruption Event solely by reason of the Stock Exchange opening for trading later than its regular time for opening of trading on any day as a result of the tropical cyclone warning signal number 8 or above or the “BLACK” rainstorm signal having been hoisted or issued; or

- (c) a limitation or closure of the Stock Exchange due to any unforeseen circumstances;

“Product Conditions” means these product terms and conditions. These Product Conditions apply to each series of cash settled Warrants over unit trusts;

“Trust” means the trust specified as such in the relevant Supplemental Listing Document;

“Unit” means the unit specified as such in the relevant Supplemental Listing Document; and

“Valuation Date” means each of the five Business Days immediately preceding the Expiry Date, provided that if the Issuer determines, in its sole discretion, that on any Valuation Date a Market Disruption Event has occurred, then that Valuation Date shall be postponed until the first succeeding Business Day on which there is no Market Disruption Event irrespective of whether that postponed Valuation Date would fall on a Business Day that is already or is deemed to be a Valuation Date, provided that if there is a Market Disruption Event on each of the four Business Days immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date, then:

- (a) that fourth Business Day shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event, and
- (b) the Issuer shall determine the closing price of the Units on the basis of its good faith estimate of the bid price that would have prevailed on that fourth Business Day but for the Market Disruption Event.

In the event that a Market Disruption Event has occurred and a Valuation Date is postponed in accordance with these Product Conditions, the closing price of the Units on the first succeeding Business Day will be referenced more than once in the determination of the Cash Settlement Amount, provided that if the postponement of a Valuation Date as aforesaid would result in a Valuation Date falling on or after the Expiry Date, then:

- (i) the Last Valuation Date shall be deemed to be the Valuation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the closing price of the Units on the basis of its good faith estimate of the bid price that would have prevailed on the Last Valuation Date but for the Market Disruption Event.

Other capitalised terms shall, unless otherwise defined herein, have the meaning ascribed to them in the Base Listing Document, the General Conditions, the relevant Supplemental Listing Document or the Global Certificate.

2. Adjustments

Adjustments may be made by the Issuer to the number of Units to which the Warrants relate on the basis of the following provisions:

2.1 Rights Issues

If and whenever the Trust shall, by way of Rights (as defined below), offer new Units for subscription at a fixed subscription price to the holders of existing Units pro rata to existing holdings (a "**Rights Offer**"), the Entitlement shall be adjusted to take effect on the Business Day on which trading in the Units becomes ex-entitlement ("**Rights Issue Adjustment Date**") in accordance with the following formula:

$$\text{Adjusted Entitlement} = \text{Adjustment Component} \times E$$

Where:

$$\text{Adjustment Component} = \frac{1 + M}{1 + (R/S) \times M}$$

E: Existing Entitlement immediately prior to the Rights Offer

S: Cum-Rights Unit price being the closing bid price of an existing Unit as derived from the Daily Quotation Sheet of the Stock Exchange on the last Business Day on which the Units are traded on a Cum-Rights basis (i.e. where a holder of the existing Units is still entitled to subscribe for new Units pursuant to the Rights Offer)

R: Subscription price per new Unit specified in the Rights Offer plus an amount equal to any distributions or other benefits foregone to exercise the Right

M: Number of new Unit(s) (whether a whole or a fraction) per existing Unit each holder thereof is entitled to subscribe,

provided that if the above formula would result in an adjustment to the Entitlement which would amount to less than one per cent. of the Entitlement immediately prior to the adjustment, then no adjustment will be made. In addition, the Issuer shall adjust the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) by dividing the Exercise Price by the Adjustment Component. The adjustment to the Exercise Price shall take effect on the Rights Issue Adjustment Date.

For the purposes of these Product Conditions:

“**Rights**” means the right(s) attached to each existing Unit or needed to acquire one new Unit (as the case may be) which are given to the holders of existing Units to subscribe at a fixed subscription price for new Units pursuant to the Rights Offer (whether by the exercise of one Right, a part of a Right or an aggregate number of Rights).

2.2 Bonus Issues

If and whenever the Trust shall make an issue of Units credited as fully paid to the holders of Units generally (other than pursuant to a scrip distribution or similar scheme for the time being operated by the Trust or otherwise in lieu of a cash distribution and without any payment or other consideration being made or given by such holders) (a “**Bonus Issue**”) the Entitlement shall be adjusted to take effect on the Business Day on which trading in the Units becomes ex-entitlement (“**Bonus Issue Adjustment Date**”) in accordance with the following formula:

$$\text{Adjusted Entitlement} = \text{Adjustment Component} \times E$$

Where:

$$\text{Adjustment Component} = (1 + N)$$

E: Existing Entitlement immediately prior to the Bonus Issue

N: Number of additional Units (whether a whole or a fraction) received by a holder of Units for each Units held prior to the Bonus Issue,

provided that if the above formula would result in an adjustment to the Entitlement which would amount to less than one per cent. of the Entitlement immediately prior to the adjustment, then no adjustment will be made. In addition, the Issuer shall adjust the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) by dividing the Exercise Price by the Adjustment Component. The adjustment to the Exercise Price shall take effect on the Bonus Issue Adjustment Date.

2.3 Subdivisions and Consolidations

If and whenever the Trust shall subdivide its Units or any class of its outstanding Units into a greater number of units (a “**Subdivision**”) or consolidate the Units or any class of its outstanding Units into a smaller number of units (a “**Consolidation**”), then:

- (a) in the case of a Subdivision, the Entitlement in effect immediately prior thereto will be increased whereas the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) will be decreased in the same ratio as the Subdivision; and
- (b) in the case of a Consolidation, the Entitlement in effect immediately prior thereto will be decreased whereas the Exercise Price (which shall be rounded to the nearest the Hong Kong dollar 0.001) will be increased in the same ratio as the Consolidation,

in each case on the day on which the Subdivision or Consolidation (as the case may be) takes effect.

2.4 Restructuring Events

If it is announced that the Trust is to or may merge with or into any other trust or consolidate with or into any other trust or corporation (including becoming, by agreement or otherwise, controlled by any person or corporation) (except where the Trust is the surviving entity in a

merger) or that it is to, or may, sell or transfer all or substantially all of its assets, the rights attaching to the Warrants may in the absolute discretion of the Issuer be amended no later than the Business Day preceding the consummation of such merger, consolidation, sale or transfer (each a “**Restructuring Event**”) (as determined by the Issuer in its absolute discretion) so that the Warrants shall, after such Restructuring Event, relate to the number of units of the trust(s) resulting from or surviving such Restructuring Event or other securities (“**Substituted Securities**”) and/or cash offered in substitution for the affected Units, as the case may be, to which the holder of such number of Units to which the Warrants related immediately before such Restructuring Event would have been entitled upon such Restructuring Event, and thereafter the provisions hereof shall apply to such Substituted Securities, provided that any Substituted Securities may, in the absolute discretion of the Issuer, be deemed to be replaced by an amount in Hong Kong dollars equal to the market value or, if no market value is available, fair value, of such Substituted Securities in each case as determined by the Issuer as soon as practicable after such Restructuring Event is effected. For the avoidance of doubt, any remaining Units shall not be affected by this paragraph and, where cash is offered in substitution for Units or is deemed to replace Substituted Securities as described above, references in these Product Conditions to the Units shall include any such cash.

2.5 Cash Distribution

No adjustment will be made for an ordinary cash distribution (whether or not it is offered with a script alternative) (“**Ordinary Distribution**”). For any other forms of cash distribution (“**Cash Distribution**”) announced by the Trust, such as a cash bonus, special distribution or extraordinary distribution, no adjustment will be made unless the value of the Cash Distribution accounts for 2 per cent. or more of the Unit’s closing price as derived from the Daily Quotation Sheet of the Stock Exchange on the day of announcement by the Trust.

If and whenever the Trust shall make a Cash Distribution credited as fully paid to the holders of Units generally, the Entitlement shall be adjusted to take effect on the Business Day on which trading in the Units becomes ex-entitlement in respect of the relevant Cash Distribution (“**Cash Distribution Adjustment Date**”) in accordance with the following formula:

$$\text{Adjusted Entitlement} = \text{Adjustment Component} \times E$$

Where:

$$\text{Adjustment Component} = \frac{S - OD}{S - OD - CD}$$

E: The existing Entitlement immediately prior to the Cash Distribution

S: The closing price of the Unit as derived from the Daily Quotation Sheet of the Stock Exchange on the Business Day immediately preceding the Cash Distribution Adjustment Date

CD: The amount of Cash Distribution per Unit

OD: The amount of the relevant Ordinary Distribution per Unit, provided that the Ordinary Distribution and the Cash Distribution have the same ex-entitlement date. For avoidance of doubt, the OD shall be zero if the Ordinary Distribution and the Cash Distribution have different ex-entitlement dates

In addition, the Issuer shall adjust the Exercise Price (which shall be rounded to the nearest Hong Kong dollar 0.001) by dividing the Exercise Price by the Adjustment Component. The adjustment to the Exercise Price shall take effect on the Cash Distribution Adjustment Date.

2.6 Other Adjustments

Except as provided in Product Conditions 2 and 4 and in General Condition 7, adjustments or amendments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events (including the events as contemplated in Product Conditions 2.1 to 2.5, 4.1 and 4.2) occur which it believes in its sole discretion and irrespective of, in substitution for, or in addition to the provisions contemplated in Product Conditions 2.1 to 2.5, 4.1 and 4.2 should, in the context of the issue of the Warrants and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is:

- (a) considered by the Issuer not to be materially prejudicial to the Holders generally (without considering the circumstances of any individual Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction); or
- (b) otherwise considered by the Issuer to be appropriate and such adjustment or amendment is approved by the Stock Exchange.

2.7 Notice of Determinations

All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment or amendment and of the date from which such adjustment or amendment is effective by publication in accordance with General Condition 8.

3. Termination or Liquidation

In the event of a Termination or the liquidation or dissolution of the trustee of the Trust (including any successor trustee appointed from time to time) ("**Trustee**") (in its capacity as trustee of the Trust) or the appointment of a liquidator, receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee's undertaking, property or assets, all unexercised Warrants will lapse and shall cease to be valid for any purpose. In the case of a Termination, the unexercised Warrants will lapse and shall cease to be valid on the effective date of the Termination, in the case of a voluntary liquidation, the unexercised Warrants will lapse and shall cease to be valid on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, the unexercised Warrants will lapse and shall cease to be valid on the date of the relevant court order or, in the case of the appointment of a liquidator or receiver or administrator or analogous person under any applicable law in respect of the whole or substantially the whole of the Trustee's undertaking, property or assets, the unexercised Warrants will lapse and shall cease to be valid on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law.

For the purpose of this Product Condition 3, “**Termination**” means:

- (a) the Trust is terminated, or the Trustee or the manager of the Trust (including any successor manager appointed from time to time) (“**Manager**”) is required to terminate the Trust under the trust deed (“**Trust Deed**”) constituting the Trust or applicable law, or the termination of the Trust commences;
- (b) the Trust is held or is conceded by the Trustee or the Manager not to have been constituted or to have been imperfectly constituted;
- (c) the Trustee ceases to be authorised under the Trust to hold the property of the Trust in its name and perform its obligations under the Trust Deed; or
- (d) the Trust ceases to be authorised as an authorised collective investment scheme under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

4. Delisting

4.1 Adjustments following delisting

If at any time the Units cease to be listed on the Stock Exchange, the Issuer shall give effect to these Product Conditions in such manner and make such adjustments and amendments to the rights attaching to the Warrants as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Holders generally are not materially prejudiced as a consequence of such delisting (without considering the circumstances of any individual Holder or the tax or other consequences that may result in any particular jurisdiction).

4.2 Listing on another exchange

Without prejudice to the generality of Product Condition 4.1, where the Units are, or, upon the delisting, become, listed on any other stock exchange, these Product Conditions may, in the absolute discretion of the Issuer, be amended to the extent necessary to allow for the substitution of that other stock exchange in place of the Stock Exchange and the Issuer may, without the consent of the Holders, make such adjustments to the entitlements of the Holders on exercise (including, if appropriate, by converting foreign currency amounts at prevailing market rates into Hong Kong currency) as may be appropriate in the circumstances.

4.3 Adjustment binding

The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Holders in accordance with General Condition 8 as soon as practicable after they are determined.

5. Language

A Chinese translation of these Product Conditions will be made available for collection during normal office hours from the Issuer at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong. In the event of any inconsistency between the Chinese translation and the English version of these Product Conditions, the English version of these Product Conditions shall prevail.

APPENDIX 3
INDEPENDENT AUDITOR'S REPORT AND OUR CONSOLIDATED
FINANCIAL STATEMENTS AS AT AND FOR THE YEAR
ENDED 31 DECEMBER 2009

The information in this Appendix 3 has been extracted from our Annual Report for the year ended 31 December 2009. References to page numbers appearing on the bottom centre of this Appendix 3 are to pages in our Annual Report for the year ended 31 December 2009 and not to pages of this document. The extracts set out below are not complete and references should be made to our Annual Report for the year ended 31 December 2009 which is available for inspection at our office at 8th Floor, Bank of China Tower, 1 Garden Road, Hong Kong.

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Bank of China (Hong Kong) Limited

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Bank of China (Hong Kong) Limited (the "Bank") and its subsidiaries (together, the "Group") set out on pages 29 to 325, which comprise the consolidated and company balance sheets as at 31 December 2009, and the consolidated income statement, the consolidated and company statements of comprehensive income, the consolidated and company statements of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The directors of the Bank are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Bank and of the Group as at 31 December 2009 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 23 March 2010

綜合收益表

截至 12 月 31 日止年度

Consolidated Income Statement

For the year ended 31 December

		附註 Notes	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m
利息收入	Interest income		20,403	34,185
利息支出	Interest expense		(3,743)	(15,186)
淨利息收入	Net interest income	5	16,660	18,999
服務費及佣金收入	Fees and commission income		8,867	7,475
服務費及佣金支出	Fees and commission expenses		(2,012)	(2,011)
淨服務費及佣金收入	Net fees and commission income	6	6,855	5,464
淨交易性收入	Net trading income	7	1,486	1,914
界定為以公平值變化計入損益 之金融工具淨收益／(虧損)	Net gain/(loss) on financial instruments designated at fair value through profit or loss		261	(316)
證券投資之淨虧損	Net loss on investment in securities	8	(132)	(15)
其他經營收入	Other operating income	9	449	434
提取減值準備前之淨經營收入	Net operating income before impairment allowances		25,579	26,480
減值準備淨撥回／(撥備)	Net reversal/(charge) of impairment allowances	10	1,190	(9,843)
淨經營收入	Net operating income		26,769	16,637
經營支出	Operating expenses	11	(11,982)	(8,636)
經營溢利	Operating profit		14,787	8,001
投資物業出售／公平值調整之 淨收益／(虧損)	Net gain/(loss) from disposal of/fair value adjustments on investment properties	12	1,563	(118)
出售／重估物業、廠房及設備之 淨收益	Net gain from disposal/revaluation of properties, plant and equipment	13	51	18
應佔聯營公司之稅後溢利扣減 虧損	Share of profits less losses after tax of associates	27	7	7
除稅前溢利	Profit before taxation		16,408	7,908
稅項	Taxation	14	(2,686)	(1,170)
年度溢利	Profit for the year		13,722	6,738
應佔溢利：	Profit attributable to:			
本銀行股東權益	Equity holders of the Bank		13,549	6,517
非控制權益	Non-controlling interests		173	221
			13,722	6,738
股息	Dividends	16	10,270	3,960

第 39 頁至第 325 頁之附註屬本財務報表之
組成部分。

The notes on pages 39 to 325 are an integral part of these financial statements.

綜合全面收益表

截至 12 月 31 日止年度

Consolidated Statement of Comprehensive Income

For the year ended 31 December

		附註 Notes	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
年度溢利	Profit for the year		13,722	6,738
可供出售證券之公平值變化	Change in fair value of available-for-sale securities		6,132	(9,368)
房產重估	Revaluation of premises		4,231	(252)
貨幣換算差額	Currency translation difference		(1)	212
直接計入權益的項目之遞延稅項淨額	Net deferred tax on items taken directly to equity	36	(1,557)	840
重新分類調整	Reclassification adjustments			
因出售可供出售證券之轉撥	Release upon disposal of available-for-sale securities		(51)	15
可供出售證券之減值(撥回) / 撥備淨額轉撥收益表	Net impairment (releases)/charges on available-for-sale securities transferred to income statement	10	(612)	5,109
由可供出售證券轉至持有至到期日證券產生之攤銷	Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities		(64)	(87)
年度除稅後其他全面收益	Other comprehensive income for the year, net of tax		8,078	(3,531)
年度全面收益總額	Total comprehensive income for the year		21,800	3,207
應佔全面收益總額：	Total comprehensive income attributable to:			
本銀行股東權益	Equity holders of the Bank		21,605	2,974
非控制權益	Non-controlling interests		195	233
			21,800	3,207

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。

The notes on pages 39 to 325 are an integral part of these financial statements.

全面收益表

截至 12 月 31 日止年度

Statement of Comprehensive Income

For the year ended 31 December

		附註 Notes	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
年度溢利	Profit for the year	15	11,990	6,123
可供出售證券之公平值變化	Change in fair value of available-for-sale securities		5,757	(9,353)
房產重估	Revaluation of premises		3,314	(385)
貨幣換算差額	Currency translation difference		-	10
直接計入權益之項目之遞延稅項淨額	Net deferred tax on items taken directly to equity	36	(1,397)	857
重新分類調整	Reclassification adjustments			
因出售可供出售證券之轉撥	Release upon disposal of available-for-sale securities		(51)	15
可供出售證券之減值(撥回) / 撥備淨額轉撥收益表	Net impairment (releases)/charges on available-for-sale securities transferred to income statement		(612)	5,109
由可供出售證券轉至持有至到期日證券產生之攤銷	Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities		(49)	(70)
年度除稅後其他全面收益	Other comprehensive income for the year, net of tax		6,962	(3,817)
年度全面收益總額	Total comprehensive income for the year		18,952	2,306

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。

The notes on pages 39 to 325 are an integral part of these financial statements.

綜合資產負債表

於 12 月 31 日

Consolidated Balance Sheet

As at 31 December

	附註 Notes	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m
資產			
庫存現金及在銀行及其他金融機構的結餘	20	160,325	153,268
一至十二個月內到期之銀行及其他金融機構存款		60,282	89,718
公平值變化計入損益之金融資產	21	18,475	16,404
衍生金融工具	22	17,575	19,628
香港特別行政區政府負債證明書		38,310	34,200
貸款及其他賬項	23	527,100	470,220
證券投資	25	301,506	289,353
聯營公司權益	27	217	88
投資物業	28	9,364	7,727
物業、廠房及設備	29	26,271	22,788
遞延稅項資產	36	49	47
其他資產	30	14,302	14,555
資產總額		1,173,776	1,117,996
負債			
香港特別行政區流通紙幣	31	38,310	34,200
銀行及其他金融機構之存款及結餘		99,647	88,779
公平值變化計入損益之金融負債	32	16,288	21,938
衍生金融工具	22	13,945	20,450
客戶存款	33	843,929	805,866
按攤銷成本發行之債務證券		-	1,042
其他賬項及準備	34	34,824	33,662
本年稅項負債		1,918	441
遞延稅項負債	36	4,591	2,799
後償負債	37	26,776	26,604
負債總額		1,080,228	1,035,781

綜合資產負債表 (續) Consolidated Balance Sheet (continued)

於 12 月 31 日

As at 31 December

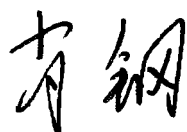
		附註 Notes	2009	2008
			港幣百萬元 HK\$m	港幣百萬元 HK\$m
資本	EQUITY			
股本	Share capital	38	43,043	43,043
儲備	Reserves	39	49,049	37,714
本銀行股東應佔股本和儲備	Capital and reserves attributable to the equity holders of the Bank		92,092	80,757
非控制權益	Non-controlling interests		1,456	1,458
資本總額	Total equity		93,548	82,215
負債及資本總額	Total liabilities and equity		1,173,776	1,117,996

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。

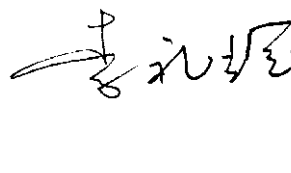
The notes on pages 39 to 325 are an integral part of these financial statements.

經董事會於 2010 年 3 月 23 日通過
核准並由以下人士代表簽署：

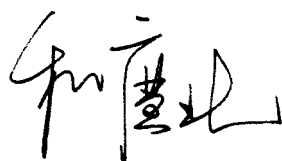
Approved by the Board of Directors on 23 March 2010 and signed on behalf of the Board by:



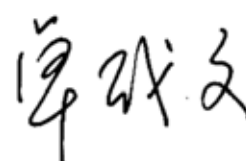
肖鋼
董事
XIAO Gang
Director



李禮輝
董事
LI Lihui
Director



和廣北
董事
HE Guangbei
Director



卓成文
財務總監
ZHUO Chengwen
Chief Financial Officer

資產負債表

於 12 月 31 日

Balance Sheet

As at 31 December

	附註 Notes	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m
資產			
ASSETS			
庫存現金及在銀行及其他金融機構的結餘	20	144,802	133,433
一至十二個月內到期之銀行及其他金融機構存款		50,861	67,900
公平值變化計入損益之金融資產	21	14,897	13,036
衍生金融工具	22	16,685	18,633
香港特別行政區政府負債證明書		38,310	34,200
貸款及其他賬項	23	410,589	385,860
證券投資	25	269,376	264,953
附屬公司權益	26	14,931	12,401
聯營公司權益	27	8	12
投資物業	28	8,685	7,279
物業、廠房及設備	29	20,305	17,549
遞延稅項資產	36	-	3
其他資產	30	13,279	13,625
資產總額		1,002,728	968,884
負債			
LIABILITIES			
香港特別行政區流通紙幣	31	38,310	34,200
銀行及其他金融機構之存款及結餘		94,605	87,843
公平值變化計入損益之金融負債	32	15,472	20,469
衍生金融工具	22	13,331	19,566
客戶存款	33	701,702	679,251
其他賬項及準備	34	27,704	27,868
本年稅項負債		1,754	296
遞延稅項負債	36	3,835	2,230
後償負債	37	26,776	26,604
負債總額		923,489	898,327

資產負債表 (續)

於 12 月 31 日

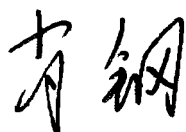
Balance Sheet (continued)

As at 31 December

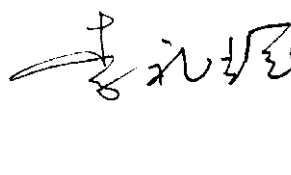
		附註 Notes	2009	2008
			港幣百萬元 HK\$m	港幣百萬元 HK\$m
資本	EQUITY			
股本	Share capital	38	43,043	43,043
儲備	Reserves	39	36,196	27,514
本銀行股東應佔股本和儲備	Capital and reserves attributable to the equity holders of the Bank		79,239	70,557
負債及資本總額	Total liabilities and equity		1,002,728	968,884

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。 The notes on pages 39 to 325 are an integral part of these financial statements.

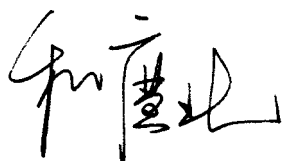
經董事會於 2010 年 3 月 23 日通過核准並由以下人士代表簽署： Approved by the Board of Directors on 23 March 2010 and signed on behalf of the Board by:



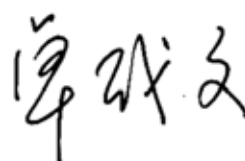
肖鋼 XIAO Gang
董事 Director



李禮輝 LI Lihui
董事 Director



和廣北 HE Guangbei
董事 Director



卓成文 ZHUO Chengwen
財務總監 Chief Financial Officer

綜合權益變動表

Consolidated Statement of Changes in Equity

		歸屬於本銀行股東 Attributable to the equity holders of the Bank								
		股本 Share capital	房產 重估儲備 Premises revaluation reserve	可供出售 證券公平值 變動儲備 Reserve for fair value changes of available-for- sale securities	法定儲備* Regulatory reserve*	換算儲備 Translation reserve	留存盈利 Retained earnings	總計 Total	非控制權益 Non-controlling interests	資本總額 Total equity
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	43,043	8,563	(605)	4,130	14	26,598	81,743	1,549	83,292
全面收益	Comprehensive income	-	(147)	(3,520)	-	212	6,429	2,974	233	3,207
因房產出售之轉撥	Release upon disposal of premises	-	(103)	-	-	-	103	-	-	-
留存盈利轉撥	Transfer from retained earnings	-	-	-	373	-	(373)	-	-	-
已付股息	Dividends paid	-	-	-	-	-	(3,960)	(3,960)	(324)	(4,284)
於 2008 年 12 月 31 日	At 31 December 2008	<u>43,043</u>	<u>8,313</u>	<u>(4,125)</u>	<u>4,503</u>	<u>226</u>	<u>28,797</u>	<u>80,757</u>	<u>1,458</u>	<u>82,215</u>
本銀行及附屬公司	Bank and subsidiaries	43,043	8,313	(4,125)	4,503	226	28,747	80,707		
聯營公司	Associates	-	-	-	-	-	50	50		
		<u>43,043</u>	<u>8,313</u>	<u>(4,125)</u>	<u>4,503</u>	<u>226</u>	<u>28,797</u>	<u>80,757</u>		
於 2009 年 1 月 1 日	At 1 January 2009	43,043	8,313	(4,125)	4,503	226	28,797	80,757	1,458	82,215
全面收益	Comprehensive income	-	3,529	4,591	-	(1)	13,486	21,605	195	21,800
因房產出售之轉撥	Release upon disposal of premises	-	(189)	-	-	-	189	-	-	-
留存盈利轉撥	Transfer to retained earnings	-	-	-	(463)	-	463	-	-	-
已付股息	Dividends paid	-	-	-	-	-	(3,469)	(3,469)	(197)	(3,666)
應付股息	Dividends payable	-	-	-	-	-	(6,801)	(6,801)	-	(6,801)
於 2009 年 12 月 31 日	At 31 December 2009	<u>43,043</u>	<u>11,653</u>	<u>466</u>	<u>4,040</u>	<u>225</u>	<u>32,665</u>	<u>92,092</u>	<u>1,456</u>	<u>93,548</u>
本銀行及附屬公司	Bank and subsidiaries	43,043	11,653	466	4,040	225	32,610	92,037		
聯營公司	Associates	-	-	-	-	-	55	55		
		<u>43,043</u>	<u>11,653</u>	<u>466</u>	<u>4,040</u>	<u>225</u>	<u>32,665</u>	<u>92,092</u>		

* 除按香港會計準則第 39 號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至法定儲備用作銀行一般風險之用（包括未來損失或其他不可預期風險）。

* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKAS 39.

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。

The notes on pages 39 to 325 are an integral part of these financial statements.

權益變動表

Statement of Changes in Equity

		歸屬於本銀行股東 Attributable to the equity holders of the Bank						
		股本 Share capital	房產 重估儲備 Premises revaluation reserve	可供出售 證券公平值 變動儲備 Reserve for fair value changes of available-for- -sale securities	法定儲備* Regulatory reserve*	換算儲備 Translation reserve	留存盈利 Retained earnings	資本總額 Total equity
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	43,043	6,599	(603)	3,425	4	19,743	72,211
全面收益	Comprehensive income	-	(231)	(3,531)	-	10	6,058	2,306
因房產出售之轉撥	Release upon disposal of premises	-	(100)	-	-	-	100	-
留存盈利轉撥	Transfer from retained earnings	-	-	-	331	-	(331)	-
已付股息	Dividends paid	-	-	-	-	-	(3,960)	(3,960)
於 2008 年 12 月 31 日	At 31 December 2008	<u>43,043</u>	<u>6,268</u>	<u>(4,134)</u>	<u>3,756</u>	<u>14</u>	<u>21,610</u>	<u>70,557</u>
於 2009 年 1 月 1 日	At 1 January 2009	43,043	6,268	(4,134)	3,756	14	21,610	70,557
全面收益	Comprehensive income	-	2,763	4,244	-	-	11,945	18,952
因房產出售之轉撥	Release upon disposal of premises	-	(50)	-	-	-	50	-
因分行出售之轉撥	Release upon disposal of branches	-	(21)	-	-	(14)	35	-
留存盈利轉撥	Transfer to retained earnings	-	-	-	(562)	-	562	-
已付股息	Dividends paid	-	-	-	-	-	(3,469)	(3,469)
應付股息	Dividends payable	-	-	-	-	-	(6,801)	(6,801)
於 2009 年 12 月 31 日	At 31 December 2009	<u>43,043</u>	<u>8,960</u>	<u>110</u>	<u>3,194</u>	<u>-</u>	<u>23,932</u>	<u>79,239</u>

* 除按香港會計準則第 39 號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至法定儲備用作銀行一般風險之用（包括未來損失或其他不可預期風險）。
* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKAS 39.

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。
The notes on pages 39 to 325 are an integral part of these financial statements.

綜合現金流量表

截至 12 月 31 日止年度

Consolidated Cash Flow Statement

For the year ended 31 December

	附註 Notes	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
經營業務之現金流量			
除稅前經營現金之流入			
支付香港利得稅			
支付海外利得稅			
經營業務之現金流入淨額		12,316	359
投資業務之現金流量			
購入物業、廠房及設備			
收購聯營公司			
出售物業、廠房及設備所得款項			
出售投資物業所得款項			
出售聯營公司所得款項			
收取聯營公司股息			
投資業務之現金流出淨額		(413)	(508)
融資業務之現金流量			
支付本銀行股東股息			
支付非控制權益股息			
後償負債所得款項			
支付後償貸款利息			
融資業務之現金(流出)/流入淨額		(4,582)	23,017
現金及等同現金項目增加		7,321	22,868
於 1 月 1 日之現金及等同現金項目		174,925	152,057
於 12 月 31 日之現金及等同現金項目	40(b)	182,246	174,925

第 39 頁至第 325 頁之附註屬本財務報表之組成部分。 The notes on pages 39 to 325 are an integral part of these financial statements.

財務報表附註

Notes to the Financial Statements

1. 主要業務

本集團主要於香港從事提供銀行及相關之金融服務。

本銀行是一家於香港成立的有限債務公司。公司註冊地址是香港花園道 1 號中銀大廈 14 樓。

1. Principal activities

The Group is principally engaged in the provision of banking and related financial services in Hong Kong.

The Bank is a limited liability company incorporated in Hong Kong. The address of its registered office is 14/F, Bank of China Tower, 1 Garden Road, Hong Kong.

2. 主要會計政策摘要

用於編製本綜合財務報表之主要會計政策詳列如下。

除特別註明外，該等會計政策均被一致地應用於所有列示之財務年度中。

2.1 編製基準

本集團之綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則(香港財務報告準則為一統稱，當中包括所有適用之香港財務報告準則、香港會計準則及詮釋)編製，並符合香港公司條例之規定。

本綜合財務報表乃按歷史成本法編製，惟就重估可供出售證券、以公平值變化計入損益的金融資產及金融負債(包括衍生金融工具)、以公平值列賬之投資物業及以公平值或重估值扣除累計折舊及累計減值損失後列賬之房產作出調整。

按照香港財務報告準則編製財務報表時，需採用若干重大之會計估算。管理層亦需於採用本集團之會計政策時作出有關判斷。當中涉及高度判斷、複雜之範疇、或對綜合財務報表而言屬重大影響之假設及估算，已載於附註 3。

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs is a collective term which includes all applicable individual Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA and the requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale securities, financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, investment properties which are carried at fair value and premises which are carried at fair value or revalued amount less accumulated depreciation and accumulated impairment losses.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(a) 已於2009年1月1日起開始的會計年度生效之準則、修訂及詮釋

2.1 Basis of preparation (continued)

(a) Standards, amendments and interpretations already effective for accounting periods beginning on 1 January 2009

準則/詮釋 Standard/ Interpretation	內容 Content	起始適用之年度 Applicable for financial years beginning on/ after	與本集團相關 Relevant to the Group
香港會計準則第1號 (經修訂) HKAS 1 (Revised)	財務報表的列示 Presentation of Financial Statements	2009年1月1日 1 January 2009	是 Yes
香港會計準則第23號 (經修訂) HKAS 23 (Revised)	借貸成本 Borrowing Costs	2009年1月1日 1 January 2009	否 No
香港會計準則第32號及香港會計準則第1號 (經修訂) HKAS 32 and HKAS 1 (Amendments)	可沽售金融工具及清盤產生之責任 Puttable Financial Instruments and Obligations Arising on Liquidation	2009年1月1日 1 January 2009	否 No
香港財務報告準則第1號及香港會計準則第27號 (經修訂) HKFRS 1 and HKAS 27 (Amendments)	對附屬公司、合營公司及聯營公司之投資成本 Cost of an investment in a Subsidiary, Jointly Controlled Entity or Associate	2009年1月1日 1 January 2009	否 No
香港財務報告準則第2號 (經修訂) HKFRS 2 (Amendment)	股權償付 - 權益歸屬條件及取銷 Share based payments - Vesting Conditions and Cancellations	2009年1月1日 1 January 2009	否 No
香港財務報告準則第7號 (經修訂) HKFRS 7 (Amendment)	完善對金融工具的披露 Improving Disclosures about Financial Instruments	2009年1月1日 1 January 2009	是 Yes
香港財務報告準則第8號 HKFRS 8	經營分類 Operating Segments	2009年1月1日 1 January 2009	是 Yes
HK(IFRIC)-Int 13	客戶維繫計劃 Customer Loyalty Programmes	2008年7月1日 1 July 2008	是 Yes
HK(IFRIC)-Int 15	物業建築協議 Agreements for the Construction of Real Estate	2009年1月1日 1 January 2009	否 No
HK(IFRIC)-Int 16	海外運作淨投資之對沖 Hedges of a Net Investment in a Foreign Operation	2008年10月1日 1 October 2008	否 No

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(a) 已於 2009 年 1 月 1 日起開始的會計年度生效之準則、修訂及詮釋 (續)

- 香港會計準則第 1 號財務報表的列示 (經修訂)

該經修訂的準則禁止收入及支出 (即「非擁有人之權益變動」) 的項目列示於權益變動表, 而要求「非擁有人之權益變動」與股東權益變動分別列示。所有「非擁有人之權益變動」需列示於績效表內。

本集團已選擇分開兩份報表來列示本集團的績效: 收益表及全面收益表。此財務資料乃按照該等經修訂的列示要求而編製。採納此經修訂的準則會影響本集團列示財務報表之方式。

- 香港財務報告準則第 7 號金融工具—披露 (經修訂)

該修訂增加關於公平值計量的披露要求, 及強化現行對流動性風險的披露原則。該修訂引入披露公平值計量的三層體系, 及要求對於該體系中最低層的金融工具作若干特定的定量披露。該修訂並沒有要求於應用的首年披露上年比較數字。採納此修訂對本集團的財務狀況或全面收益並沒有構成影響。

2.1 Basis of preparation (continued)

(a) Standards, amendments and interpretations already effective for accounting periods beginning on 1 January 2009 (continued)

- HKAS 1 Presentation of Financial Statements (Revised)

The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in a performance statement.

The Group has elected to present its performance in two separate statements: an income statement and a statement of comprehensive income. The financial information has been prepared under the revised presentation requirements. The adoption of this revised standard affects the presentation of the Group's financial statements.

- HKFRS 7 Financial Instruments: Disclosures (Amendment)

The amendment increases the disclosure requirements about fair value measurement and reinforces existing principles for disclosure about liquidity risk. The amendment introduces a three-level hierarchy for fair value measurement disclosures and requires some specific quantitative disclosures for financial instruments on the lowest level in the hierarchy. It is not required to provide comparative disclosures in the first year of application. The adoption of the amendment does not have an impact on the financial position or the comprehensive income of the Group.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(a) 已於2009年1月1日起開始的會計年度生效之準則、修訂及詮釋 (續)

- 香港財務報告準則第8號經營分類

香港財務報告準則第8號取代香港會計準則第14號分類報告。香港財務報告準則第8號要求以內部管理模式列示分類資料 — 即反映管理層定時檢視分類經營業績，以作為經營決策、資源分配及表現評估之用的分類資料，而該等分類資料的列示基礎及方式，需與呈報予管理層的內部報告一致。採納香港財務報告準則第8號沒有改變需要列示的業務線分類數目。不過，業務線之間資金調動流轉的價格已更改，詳情請閱本報告附註45。由於此改變並不構成重大影響，故沒有重列去年數字。

2.1 Basis of preparation (continued)

(a) Standards, amendments and interpretations already effective for accounting periods beginning on 1 January 2009 (continued)

- HKFRS 8 Operating Segments

HKFRS 8 replaces HKAS 14 Segment Reporting. It requires a 'management approach' under which segment information, that reflects the operating result of segments reviewed regularly by the management for operation decisions making, resources allocation and performance assessment, is presented on the same basis and in the same manner as that used for internal reporting to the management. The adoption of HKFRS 8 makes no change in the number of reportable segments presented. However, there is a change in inter-segment funding, details of which are disclosed in Note 45. As the impact is not significant, no restatement of prior year figure has been made.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(a) 已於2009年1月1日起開始的會計年度生效之準則、修訂及詮釋 (續)

- HK(IFRIC)-Int 13 客戶維繫計劃

HK(IFRIC)-Int 13 訂明當企業以客戶維繫計劃用作鼓勵客戶購買貨品或服務時(例如客戶累積積分以換取免費或有折扣的貨品或服務),與原銷售相關的已收或應收收益的公平值,需分配於獎賞和銷售貨品或服務相關的其他部分。由於該詮釋對本集團的營運和財務狀況並沒有構成重大影響,故沒有重列去年數字。

2.1 Basis of preparation (continued)

(a) Standards, amendments and interpretations already effective for accounting periods beginning on 1 January 2009 (continued)

- HK(IFRIC)-Int 13 Customer Loyalty Programmes

HK(IFRIC)-Int 13 clarifies that when an entity provides customers with incentives to buy goods or services under a customer loyalty programme (for example, customers accumulate loyalty points to redeem free or discounted products or service), the fair value of the consideration received or receivable in respect of the initial sale shall be allocated between the award credits and the other components of the sale or service. As the interpretation does not have a significant impact on the Group's results of operations and financial position, no restatement of prior year figure has been made.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(b) 已頒布但尚未生效及沒有被本集團於 2009 年提前採納之準則、修訂及詮釋

以下已頒布之準則、修訂、以及詮釋已強制性地於 2009 年 7 月 1 日起或以後開始的會計年度生效。

2.1 Basis of preparation (continued)

(b) Standards, amendments and interpretations issued that are not yet effective and have not been early adopted by the Group in 2009

The following standards, amendments and interpretations have been issued and are mandatory for accounting periods beginning on or after 1 July 2009:

準則/詮釋 Standard/ Interpretation	內容 Content	起始適用之年度 Applicable for financial years beginning on/ after	與本集團相關 Relevant to the Group
香港會計準則第27號 (經修訂) HKAS 27 (Revised)	綜合及獨立財務報表 Consolidated and Separate Financial Statements	2009年7月1日 1 July 2009	是 Yes
香港會計準則第32號 (經修訂) HKAS 32 (Amendment)	權益性工具認購權之分類 Classification of Rights Issues	2010年2月1日 1 February 2010	否 No
香港會計準則第39號 (經修訂) HKAS 39 (Amendment)	金融工具：確認與計量 - 合資格對沖項目 Financial Instruments: Recognition and Measurement - Eligible Hedged Items	2009年7月1日 1 July 2009	否 No
香港財務報告準則第1號 (經修訂) HKFRS 1 (Revised)	首次採納香港財務報告準則 First-time Adoption of HKFRS	2009年7月1日 1 July 2009	否 No
香港財務報告準則第2號 (經修訂) HKFRS 2 (Amendment)	以現金結算之集團股權償付交易 Group Cash-settled Share-based Payment Transactions	2010年1月1日 1 January 2010	否 No
香港財務報告準則第3號 (經修訂) HKFRS 3 (Revised)	企業合併 Business Combinations	2009年7月1日 1 July 2009	是 Yes
香港財務報告準則第9號 HKFRS 9	金融工具第1部分—分類及計量 Financial Instruments Part 1: Classification and Measurement	2013年1月1日 1 January 2013	是 Yes
HK(IFRIC)-Int 9 (經修訂) HK(IFRIC)-Int 9 (Revised)	對嵌藏衍生工具重新進行評估 Reassessment of embedded derivatives	2009年6月30日 30 June 2009	否 No
HK(IFRIC)-Int 17	對權益人分派非現金資產 Distributions of Non-cash Assets to Owners	2009年7月1日 1 July 2009	否 No
HK(IFRIC)-Int 18	從客戶轉來的資產 Transfers of assets from customers	2009年7月1日 1 July 2009	否 No
HK(IFRIC)-Int 19	以權益工具償還金融負債 Extinguishing Financial Liabilities with Equity Instruments	2010年7月1日 1 July 2010	否 No

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.1 編製基準（續）

(b) 已頒布但尚未生效及沒有被本集團於 2009 年提前採納之準則、修訂及詮釋（續）

- 香港會計準則第 27 號綜合及獨立財務報表（經修訂）

該經修訂的準則要求若沒有導致失去控制權，母公司對附屬公司所擁有權益之改變需核算於其他全面收益內。該準則亦規定失去控制權時的會計處理方法。任何對該企業的剩餘權益需以公平值重新計量，並於收益表內確認為盈利或虧損。本集團將於 2010 年 1 月 1 日起以非追溯方式應用香港會計準則第 27 號（經修訂）。

- 香港財務報告準則第 3 號企業合併（經修訂）

該經修訂的準則繼續以收購法應用於企業合併中，並包含一些重大改變。例如，所有用以購入業務的支付需以收購日的公平值計量，而被分類為債務工具的或然支付需進行後續計量並反映於綜合收益表內。所有與收購有關的成本需列支為費用。本集團將以非追溯方式應用香港財務報告準則第 3 號（經修訂）於所有在 2010 年 1 月 1 日起的企業合併（共同控制合併除外）收購。

2.1 Basis of preparation (continued)

(b) Standards, amendments and interpretations issued that are not yet effective and have not been early adopted by the Group in 2009 (continued)

- HKAS 27 Consolidated and Separate Financial Statements (Revised)

The revised standard requires changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within other comprehensive income. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in income statement. The Group will apply HKAS 27 (Revised) prospectively from 1 January 2010.

- HKFRS 3 Business Combinations (Revised)

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the consolidated income statement. All acquisition-related costs should be expensed. The Group will apply HKFRS 3 (Revised) prospectively to all business combinations (other than common control combination) acquired on or after 1 January 2010.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(b) 已頒布但尚未生效及沒有被本集團於 2009 年提前採納之準則、修訂及詮釋 (續)

- 香港財務報告準則第 9 號金融工具第 1 部分—分類及計量

香港財務報告準則第 9 號於 2009 年 11 月頒布，並將取代香港會計準則第 39 號內與金融資產的分類及計量相關的部分。其主要的特點如下：

金融資產被要求分類為以下兩種計量類別的其中之一：以公平值作後續計量或以攤餘成本作後續計量。金融資產的分類應在過渡時確定，之後則在初始確認時確定。該分類取決於企業管理金融工具的業務模型，以及該工具的合約現金流特徵。

如以攤餘成本對一項金融工具進行後續計量，其必須是一項債務工具，及企業的業務模型是以持有該資產以收取合約現金流為目的，以及該資產的合約現金流只代表沒有槓桿的本金及利息支付。所有其他債務工具需以公平值變化計入損益計量。

2.1 Basis of preparation (continued)

(b) Standards, amendments and interpretations issued that are not yet effective and have not been early adopted by the Group in 2009 (continued)

- HKFRS 9 Financial Instruments Part 1: Classification and Measurement

HKFRS 9 was issued in November 2009 and replaces those parts of HKAS 39 relating to the classification and measurement of financial assets. Key features are as follows:

Financial assets are required to be classified into one of the below two measurement categories: those to be measured subsequently at fair value or those to be measured subsequently at amortised cost. Classification is to be made on transition, and subsequently on initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

A financial instrument is subsequently measured at amortised cost only if it is a debt instrument, and the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows represent only unleveraged payments of principal and interest. All other debt instruments are to be measured at fair value through profit or loss.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(b) 已頒布但尚未生效及沒有被本集團於 2009 年提前採納之準則、修訂及詮釋 (續)

- 香港財務報告準則第 9 號金融工具第 1 部分 – 分類及計量 (續)

所有權益性工具需以公平值作後續計量。持作交易用途之權益性工具將以公平值變化計入損益計量。對於所有其他的權益性投資，可於初始確認時作出不可撤回的選擇，將未實現及已實現的公平值盈虧確認於其他全面收益，而非收益表內。一經選擇確認於其他全面收益，公平值盈虧將不可轉回收益表內。若作為投資的回報，股息需列示於收益表內。

香港財務報告準則第 9 號必須由 2013 年 1 月 1 日起實施，但容許提前採納。本集團仍在評估應用該準則對綜合財務報表的影響及其應用時間。

2.1 Basis of preparation (continued)

(b) Standards, amendments and interpretations issued that are not yet effective and have not been early adopted by the Group in 2009 (continued)

- HKFRS 9 Financial Instruments Part 1: Classification and Measurement (continued)

All equity instruments are to be measured subsequently at fair value. Equity instrument that are held for trading will be measured at fair value through profit or loss. For all other equity investments, an irrevocable election can be made at initial recognition to recognise unrealised and realised fair value gains and losses through other comprehensive income rather than income statement. Once elected to be recognised through other comprehensive income, there will be no recycling of fair value gains and losses to income statement. Dividends are to be presented in income statement as long as they represent a return on investment.

While adoption of HKFRS 9 is mandatory from 1 January 2013, earlier adoption is permitted. The Group is considering the impact of the standard on the consolidated financial statements and the timing of its application.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.1 編製基準（續）

(c) 完善香港財務報告準則

「完善香港財務報告準則」包含多項被香港會計師公會認為非緊急但有需要的修訂。當中包括引致在列示、確認或計量方面出現會計變更的修訂，以及多項與個別香港財務報告準則相關之術語或編輯上的修訂。大部分的修訂分別於 2009 年 1 月 1 日或 2010 年 1 月 1 日起開始的會計年度生效，並容許提前應用。此等修訂預期不會對會計政策構成重大的變動。

(d) 尚未生效但被本集團於 2009 年提前採納之已頒布準則

以下經修訂的會計準則已被本集團以追溯方式提前部分採納。

2.1 Basis of preparation (continued)

(c) Improvements to HKFRS

'Improvements to HKFRS' contains numerous amendments to HKFRS which the HKICPA consider non-urgent but necessary. It comprises amendments that result in accounting changes for presentation, recognition or measurement purpose as well as terminology or editorial amendments related to a variety of individual HKFRS. Most of the amendments are effective for annual periods beginning on or after 1 January 2009 or 1 January 2010 respectively, with earlier application permitted. No material changes to accounting policies are expected as a result of these amendments.

(d) Standard issued that is not yet effective but has been early adopted by the Group in 2009

The following revised standard has been early partially adopted by the Group retrospectively.

準則／詮釋 Standard/ Interpretation	內容 Content	起始適用之年度 Applicable for financial years beginning on/ after	與本集團相關 Relevant to the Group
香港會計準則第24號（經修訂） HKAS 24 (Revised)	關連人士披露 Related Party Disclosures	2011年1月1日 1 January 2011	是 Yes

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.1 編製基準（續）

(d) 尚未生效但被本集團於2009年提前採納之已頒布準則（續）

- 香港會計準則第24號有關連人士披露（經修訂）

該經修訂的準則於2009年11月頒布。本集團在經修訂的香港會計準則第24號——有關連人士披露內之過渡性條文的許可下，部分採納了該經修訂的會計準則。本集團已應用香港會計準則第24號（經修訂）有關對政府相關實體之披露要求的部分豁免。根據之前版本的香港會計準則第24號，本集團需要披露與政府及與其他政府相關實體之間的交易。該修訂引入豁免對香港會計準則第24號內一些有關政府相關實體與政府之間，及與所有其他政府相關實體之間之交易的披露要求。本集團已以追溯方式部分應用此經修訂的會計準則。提前採納對本集團的經營業績、財務狀況或全面收益並沒有構成影響，但會影響披露。有關連人士披露已作出了相應的修改。

2.1 Basis of preparation (continued)

(d) Standard issued that is not yet effective but has been early adopted by the Group in 2009 (continued)

- HKAS 24 Related Party Disclosures (Revised)

The revised standard was issued in November 2009. In 2009, the Group partially adopted the revised HKAS 24 – Related Party Disclosures as permitted in its transition provisions. The Group applied the partial exemption in HKAS 24 (Revised) regarding disclosure requirements for government-related entities. According to the previous version of HKAS 24, the Group was required to disclose transactions with the government and other government related-entities. The amendment introduces an exemption from certain disclosure requirements of HKAS 24 for transactions between government-related entities and the government, and all other government-related entities. The Group has early adopted the partial exemption and has applied this retrospectively. The early application does not have any effect on the Group's operating results, financial position or comprehensive income but has an impact on disclosure. The related party disclosures have been changed accordingly.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.1 編製基準 (續)

(d) 尚未生效但被本集團於 2009 年提前採納之已頒布準則 (續)

- 香港會計準則第 24 號有關連人士披露 (經修訂) (續)

此經修訂準則的餘下關於有關連人士定義的修訂，本集團將於 2011 年 1 月 1 日起開始的會計年度應用，並將不會對本集團構成重大影響。

除提前部分採納香港會計準則第 24 號 (經修訂) 外，本集團於 2009 年並沒有提前採納其他新頒佈或經修訂的會計準則或詮釋。

2.2 綜合財務報表

綜合財務報表包含本銀行及其所有其附屬公司截至 12 月 31 日的財務報表。

2.1 Basis of preparation (continued)

(d) Standard issued that is not yet effective but has been early adopted by the Group in 2009 (continued)

- HKAS 24 Related Party Disclosures (Revised) (continued)

The remainder of the revised standard amending the definition of related parties will be applied in the annual period beginning 1 January 2011 and will not have significant impact on the Group.

Except for the early partial adoption of HKAS 24 (Revised), the Group has not early adopted other new or amended accounting standards or interpretations in 2009.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Bank and all of its subsidiaries made up to 31 December.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.2 綜合財務報表（續）

2.2 Consolidation (continued)

(1) 附屬公司

(1) Subsidiaries

附屬公司是指由本集團有權支配其財務和經營政策的所有實體（包括特殊目的實體），通常體現為對該實體董事會組成的控制，對該實體擁有半數以上的表決權或持有其過半數的已發行股權，或本集團以任何其他方式控制該實體的財務及經營政策。在判斷是否對某個實體存在控制權時，本集團亦會考慮目前可行使或可轉換的潛在表決權的存在及其影響。附屬公司於控制權轉入本集團之日起完全納入合併，並於本集團的控制權終止當日不再納入合併。

合併會計處理會被應用於收購受共同控制之公司。合併會計的原則是按被收購方之業務乃一直由收購方經營的假設，去合併受共同控制的公司。本集團的綜合財務報表之綜合業績，綜合現金流量及綜合財務狀況，會按本銀行與被收購方自最初受到共同控制後，即進行合併的假設而編製（即在合併日不需進行公平值調整）。在合併時購入價與賬面值的差額，將作為合併儲備列於權益內。在編製本集團的綜合財務報表時，對於所有本集團與被收購方之間的交易，不論是在合併前或是在合併後發生，其影響均會被對銷。合併之交易成本會於收益表上被列支為費用。

Subsidiaries are all entities (including special purpose entities) over which the Group controls the composition of the Board of Directors, controls more than half of the voting power, holds more than half of the issued capital or by any other means that entitle the Group to govern the financial and operating policies of the entities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

For acquisition of a company under common control, the merger accounting method will be applied. The principle of merger accounting is a way to combine companies under common control as though the business of the acquired company had always been carried out by the acquirer. The Group's consolidated financial statements represent the consolidated results, consolidated cash flows and consolidated financial position of the Group as if any such combination had occurred from the date when the Bank and the acquired company first came under common control (i.e. no fair value adjustment on the date of combination is required). The difference between the consideration and carrying amount at the time of combination is treated as a merger reserve in equity. The effects of all transactions between the Group and the acquired company, whether occurring before or after the combination, are eliminated in preparing the consolidated financial statements of the Group. The transaction costs for the combination will be expensed in the income statement.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.2 綜合財務報表 (續)

2.2 Consolidation (continued)

(1) 附屬公司 (續)

(1) Subsidiaries (continued)

本集團在收購非受共同控制之附屬公司時，採用購入法進行會計處理。該收購成本為於交易日付出的資產、發行的權益性工具及發生或承擔的負債的公平值，加上收購的直接成本。因企業合併而取得的可識別資產（包括無形資產）以及承擔的負債和或然負債，均按收購日的公平值初始計量，不需在此扣除非控制性股東所佔權益；收購成本高於本集團應佔被收購附屬公司可識別淨資產公平值的部分，將被確認為商譽。如果收購成本低於本集團應佔被收購附屬公司的可識別淨資產公平值，差額則直接在綜合收益表中反映。

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group not under common control. The cost of such an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed as of the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets (including intangible assets) acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values as of the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

集團內部交易、交易餘額、以及未實現收益已被抵銷；除非能提供內部交易所轉讓資產已發生減值的證據，否則未實現損失也將被抵銷。如有需要，附屬公司的會計政策會作出適當調整，以確保本集團所採用會計政策的一致性。

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

於本銀行的資產負債表內，附屬公司投資是以成本扣除減值損失準備列賬。本銀行按照已收及應收股息基準確認附屬公司之業績。

In the Bank's balance sheet the investments in subsidiaries are stated at cost less allowance for impairment losses. The results of subsidiaries are accounted for by the Bank on the basis of dividends received and receivable.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.2 綜合財務報表 (續)

2.2 Consolidation (continued)

(1) 附屬公司 (續)

(1) Subsidiaries (continued)

出售附屬公司之收益或虧損指下列之差額：(a)出售權益之所得，及(b)本集團應佔該公司之資產淨值，包括扣除累計減值損失後之收購時商譽及任何有關之累計外幣換算差額。

The gain or loss on the disposal of a subsidiary represents the difference between: (a) the proceeds of the sale and, (b) the Group's share of its net assets including goodwill on acquisition net of any accumulated impairment loss and any related accumulated foreign currency translation difference.

非控制性權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

Non-controlling interest represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

(2) 聯營公司

(2) Associates

聯營公司是指本集團對其雖無控制但能夠施加重大影響的實體，通常本集團擁有其20%至50%的表決權。本集團對聯營公司的股權投資按照初始投資成本計量，並採用權益法進行核算。本集團對聯營公司的投資包含扣除累計減值損失後之商譽及任何有關之累計外幣換算差額。

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill, net of accumulated impairment loss and any related accumulated foreign currency translation difference.

本集團購買聯營公司後，於收益表中確認應佔的購入後收益或虧損，及於儲備內確認應佔的購入後儲備變動，並將於投資成本中調整購買聯營公司後其發生的累計變動。除非本集團已為聯營公司承擔債務或已為其墊付資金，否則本集團在確認應佔聯營公司發生的虧損時，將以投資賬面價值為限。

The Group's share of the post-acquisition profits or losses of associates is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the cost of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses unless the Group has incurred obligations or made payments on behalf of the associates.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.2 綜合財務報表 (續)

2.2 Consolidation (continued)

(2) 聯營公司 (續)

(2) Associates (continued)

本集團與聯營公司間交易的未實現收益按本集團在聯營公司的投資比例進行抵銷；除非交易提供了轉讓資產已發生減值的證據，否則未實現損失也將被抵銷。

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

在本銀行的資產負債表內，對聯營公司的投資以成本扣除減值損失準備列賬。本銀行對聯營公司的投資收益按已收及應收股息確認。

In the Bank's balance sheet the investments in associates are stated at cost less allowance for impairment losses. The results of associates are accounted for by the Bank on the basis of dividends received and receivable.

2.3 分類報告

2.3 Segmental reporting

分類的經營業績與呈報予管理委員會的內部報告方式一致，管理委員會乃本集團的總體營運決策核心，負責資源分配及對營運分類的表現評估。在釐定業務分類表現時，將會包括與各分類直接相關的收入及支出。

The operating result of segments are reported in a manner consistent with the internal reporting provided to the Management Committee, which is the chief operating decision maker of the Group, that allocates resources and assesses the performance of operating segments. Income and expenses directly associated with each segment are included in determining business segment performance.

2.4 外幣換算

2.4 Foreign currency translation

本集團各實體的財務報表所載項目均按各實體於主要經濟環境營運的貨幣計量（「功能貨幣」）。本綜合財務報表以港幣列示，即本銀行之功能及呈列貨幣。

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

外幣交易以交易日之匯率結算所引致的匯兌損益，以及以外幣為本位的貨幣性資產及負債按會計結算日的匯率換算的匯兌損益，均直接於收益表確認。

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions using the exchange rates prevailing at the dates of the transactions and monetary assets and liabilities denominated in foreign currencies translated at the rate of exchange at the balance sheet date are recognised directly in the income statement.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.4 外幣換算 (續)

對於被分類為可供出售,以外幣為本位的貨幣性證券,其公平值變動可分為源自證券攤餘成本變動的兌換差額和證券賬面值的其他兌換變動兩部分。源自證券攤餘成本變動的兌換差額會於收益表內確認,而證券賬面值的其他兌換變動則被確認於其他全面收益。

對於非貨幣性項目(例如以公平值變化計入損益的股權投資),其兌換差額會作為公平值盈利或虧損的一部分。而非貨幣性資產(例如可供出售股權投資)的兌換差額會包含在權益賬的可供出售儲備內。

所有本集團內非以港幣為功能貨幣的實體,其業績及財務狀況按以下方式換算為港幣:

- 資產及負債按會計結算日之收市匯率換算;
- 收入及支出按平均匯率換算;及
- 所有產生之換算差額通過其他全面收益於權益項目下之貨幣換算儲備內確認。

2.4 Foreign currency translation (continued)

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the securities and other changes in the carrying amount of the securities. Translation differences related to changes in the amortised cost are recognised in the income statement, and other changes in the carrying amount are recognised in other comprehensive income.

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

The results and financial position of all the Group entities that have a functional currency different from Hong Kong dollars are translated into Hong Kong dollars as follows:

- assets and liabilities are translated at the closing rate at the balance sheet date;
- income and expenses are translated at average exchange rates; and
- all resulting exchange differences are recognised in the currency translation reserve in equity through other comprehensive income.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.4 外幣換算（續）

於合併財務報表時，換算對外國實體之淨投資、借款及其他被界定為對沖此投資的貨幣工具所產生之換算差額需列入其他全面收益。當出售該外國實體投資時，此外幣兌換差額需列作為出售盈虧的一部分，並確認於收益表內。

2.5 衍生金融工具及對沖會計

衍生金融工具以衍生交易合同簽訂當日的公平值進行初始確認，並以公平值進行後續計量。公平值從活躍市場上的公開市場報價中取得，包括最近的市場交易，或通過使用估值方法，包括貼現現金流量分析模型、期權定價模型（如適用）。當公平值為正值時，衍生金融工具將被列為資產；當公平值為負值時，則被列為負債。

初始確認衍生金融工具公平值的最佳證據，就是其交易價格（如付出或收到代價的公平值）。

若干衍生金融工具會嵌藏在其他的金融工具中，如可轉換債券持有人擁有的可轉換期權。當其經濟特徵和風險與主合同沒有緊密關聯，而主合同並非以公平值變化計入損益時，這些嵌藏式衍生金融工具需要單獨以公平值計量，並且其公平值變動計入收益表。

2.4 Foreign currency translation (continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments are taken to other comprehensive income. When a foreign entity is sold, such exchange differences are recognised in the income statement, as part of the gain or loss on sale.

2.5 Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and through the use of valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e., the fair value of the consideration given or received).

Certain derivatives embedded in other financial instruments, such as the conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.5 衍生金融工具及對沖會計 (續)

除非衍生金融工具已被界定為用作對沖，並且是屬於有效之對沖工具，則需按對沖會計之要求計量，否則，將被分類為持作交易用途，其公平值變動即時於收益表內確認。

對於被界定為對沖工具，並有效地對沖的衍生金融工具，確認其盈虧的方法是按被對沖項目的性質而定。本集團界定若干衍生金融工具為以下其中一項：

- (a) 對沖已確認之資產、負債或為確切承擔之公平值作對沖(公平值對沖)；或
- (b) 對沖與已確認之資產、負債相關，或與高度可能發生的預期交易相關，並高度可能發生的未來現金流的某一特定風險(現金流對沖)。

被界定為此類對沖之衍生金融工具，會採用對沖會計入賬。

本集團於交易發生時會記錄對沖工具與相關被對沖項目之關係、風險管理目的和進行各類對沖交易時所採取之策略。本集團並於對沖活動發生時及期間，評估有關衍生金融工具能否高度有效地抵銷相關被對沖項目之公平值或現金流變動，並作出記錄。此等乃符合採用對沖會計方法處理之先決條件。

2.5 Derivative financial instruments and hedge accounting (continued)

Derivatives are categorised as held for trading and changes in their fair value are recognised immediately in the income statement unless they are designated as hedges and are effective hedging instruments, then they are subject to measurement under the hedge accounting requirements.

For derivative instruments designated as hedging instrument and are effectively hedged, the method of recognising the resulting fair value gain or loss depends on the nature of the item being hedged. The Group designates certain derivatives as either:

- (a) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge); or
- (b) hedges of a particular risk associated with a highly probable future cash flows attributable to a recognised asset or liability, or a highly probable forecasted transaction (cash flow hedge).

Hedge accounting is used for derivatives designated in this way.

The Group documents at inception the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at the hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. These criteria should be met before a hedge can be qualified to be accounted for under hedge accounting.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.5 衍生金融工具及對沖會計 (續)

2.5 Derivative financial instruments and hedge accounting (continued)

(a) 公平值對沖

(a) Fair value hedge

被界定為有效之公平值對沖，其衍生金融工具之公平值變動，連同被對沖風險之資產或負債相關之公平值變動，一併於收益表內確認。

Changes in the fair value of derivatives that are designated and qualified as effective fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

若對沖不再符合對沖會計之要求，對使用實際利息法的被對沖項目作出的賬面值調整，需於直至到期日之期間內攤銷至收益表。

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the income statement over the period to maturity.

(b) 現金流對沖

(b) Cash flow hedge

對於已被界定為符合採用現金流對沖，並且有效的衍生金融工具，其公平值變動的有效部分將會於其他全面收益內確認。無效部分的盈虧即時於收益表內確認。於權益內累計的金額，會於被對沖項目影響損益期間撥入收益表內。

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amount accumulated in equity is recycled in the income statement in the periods when the hedged item affects profit or loss.

當對沖工具到期或被出售，或當對沖不再符合對沖會計之要求，任何已記入權益的累計盈虧仍保留於權益內，直至預期交易最終被確認時，才確認於收益表內。當預期交易預計不會再發生時，累計於權益的盈虧會即時撥轉至收益表內。

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.6 金融工具之抵銷

若存在法律上可行使的權利，可對已確認入賬之項目進行抵銷，且有意以淨額方式結算，或將資產變現並同時清償債務，則金融資產及負債可予抵銷，並把淨額於資產負債表內列賬。

2.7 利息收入及支出、服務費及佣金收入及支出

所有金融資產和金融負債，其利息收入和支出按實際利息法在收益表中確認。

實際利息法是一種計算金融資產或金融負債的攤餘成本以及在相關期間攤銷利息收入或利息支出的方法。實際利率是在金融工具預計到期日或較短期間(如適用)內，將其未來現金流貼現為金融工具或金融資產賬面淨額所使用的利率。在計算實際利率時，本集團在估計未來現金流時，會考慮金融工具的所有合同條款(如提前還款權或為住宅按揭貸款客戶提供的優惠)，但不會考慮未來的信用損失。計算範圍包括訂約各方所支付或所收取的費用、溢價或折讓和點子，以及貸款貸出時產生而屬於整體有效利息一部分之相關費用及成本，並於金融工具之預計期限內攤銷為利息收入或支出。

2.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.7 Interest income and expense and fees and commission income and expense

Interest income and expense are recognised in the income statement for all financial assets and financial liabilities using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (e.g. prepayment options or incentives relating to residential mortgage loans) but does not consider future credit losses. The calculation includes fees, premiums or discounts and basis points paid or received between parties to the contract, and directly attributable origination fees and costs which represent an integral part of the effective yield are amortised as interest income or expense over the expected life of the financial instrument.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.7 利息收入及支出、服務費及佣金收入及支出 (續)

對於所有對沖交易，源自定息債務證券等被對沖工具的利息收入或利息支出，與源自利率互換等對沖工具的利息收入／支出合併，以淨額為基準作出披露。

當一項金融資產或一組類似的金融資產確認減值損失後，會按照計量減值損失時對未來現金流進行貼現時使用的利率，按折減後之價值確認利息收入。而日後釋出之貼現準備亦將確認為利息收入。

不屬於整體有效利息一部分的服務費及佣金收入，例如行政費、資產管理費和託管服務費，通常在提供相關服務時，以應計基準按比例地於服務期間內確認。當銀團貸款安排已完成且本集團未保留任何貸款或按其他銀團成員相同的實際利率保留部分貸款時，銀團貸款服務費確認為收入。

2.8 金融資產

本集團將金融資產分為四類：以公平值變化計入損益的金融資產、貸款及應收款、持有至到期日投資和可供出售金融資產。管理層在初始確認時即對金融資產進行分類。金融資產是按持有目的作分類，並以公平值作初始確認。除以公平值變化計入損益的金融資產外，其他金融資產之交易成本均已包含於攤餘成本內。

2.7 Interest income and expense and fees and commission income and expense (continued)

For all hedge transactions, interest income or interest expense from hedged instruments such as fixed rate debt securities are disclosed on a net basis together with net interest income/expense arising from the hedging instrument such as interest rate swap.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised on the written down value using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Subsequent unwinding of the discount allowance is recognised as interest income.

Fees and commissions that are not an integral part of the effective yield are recognised on an accrual basis ratably over the period when the related service has been provided, such as administrative fee, asset management fee and custody services fee. Loan syndication fees are recognised as revenue when the related syndication arrangement has been completed and the Group has retained no part of the loan package for itself or has retained a part at the same effective interest rate as that of other participants.

2.8 Financial assets

The Group classifies its financial assets into the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments and available-for-sale financial assets. Management determines the classification of investments at initial recognition. The classification depends on the purpose for which the financial assets were held. All financial assets are recognised initially at fair value. Except for financial assets carried at fair value through profit or loss, all transaction costs of financial assets are included in their amortised costs.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.8 金融資產 (續)

(1) 以公平值變化計入損益的金融資產

這類金融資產包括兩個細項：持作交易用途的金融資產，以及購入時即界定為以公平值變化計入損益的金融資產。

如果取得該金融資產主要是以短期沽售為目的，或屬於組合一部分並共同管理的可識別金融工具，若有證據表明其短期獲利行為，則被分類為持作交易用途。除被界定為有效對沖工具外，所有衍生金融工具均被分類為持作交易用途類別。

除持作交易用途的金融資產外，如能滿足以下條件，金融資產會被管理層界定為以公平值變化計入損益的金融資產：

- 可以消除或明顯減少因按不同基準計量金融資產之價值，或確認其盈利或虧損，而出現不一致之計量或確認情況（一般被稱為「會計錯配」）；或

2.8 Financial assets (continued)

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

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception.

A financial asset which has been acquired or incurred principally for the purpose of selling in the short term or is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking is classified as held-for-trading. Derivatives are also classified as held for trading unless they are designated as effective hedges.

A financial asset, other than one held for trading, will be designated as a financial asset at fair value through profit or loss, if it meets the criteria set out below, and is so designated by management:

- eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring the financial assets or recognising the gains and losses on them on different bases; or

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.8 金融資產 (續)

(1) 以公平值變化計入損益的金融資產 (續)

- 應用於一組金融資產、金融負債、或兩者兼有的組合，其管理是依據事先書面確立的風險管理或投資策略來運作，其表現是按公平值為基礎來衡量，並向主要管理層作出內部報告；或
- 與包含一個或多個嵌藏式衍生金融工具的金融資產相關，且這些嵌藏式衍生金融工具對該等金融資產的現金流產生重大影響。

這些資產以公平值進行初始確認，並以公平值進行後續計量。交易費用直接計入綜合收益表。

該等資產的公平值變化所產生的損益（不包括利息部分）計入淨交易性收入或界定為以公平值變化計入損益之金融工具淨收益／虧損。而利息部分則計入作為利息收入之一部分。此類資產項下之股權工具，其股息於本集團收取股息之權利確定時，於綜合收益表內確認。

2.8 Financial assets (continued)

(1) Financial assets at fair value through profit or loss (continued)

- applies to a group of financial assets, financial liabilities or both that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management; or
- relates to financial assets containing one or more embedded derivative that significantly modifies the cash flow resulting from those financial assets.

These assets are recognised initially at fair value, with transaction costs taken directly to the consolidated income statement, and are subsequently re-measured at fair value.

Gains and losses from changes in the fair value of such assets (excluding the interest component) are reported in net trading income or net gain/loss on financial instruments designated at fair value through profit or loss. The interest component is reported as part of interest income. Dividends on equity instruments of this category are recognised in the consolidated income statement when the Group's right to receive payment is established.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.8 金融資產（續）

(2) 貸款及應收款

貸款及應收款是指具有固定或可確定支付金額且不在活躍市場報價的非衍生金融資產，主要包括銀行及其他金融機構結餘及存款、沒有活躍市場的債券投資和客戶貸款及應收款。當本集團直接向債務人提供資金、貨品或服務，而沒有出售應收款的意圖時，本集團將其確認為貸款及應收款。貸款及應收款以公平值加上直接相關的交易費用進行初始入賬，並以使用實際利息法計算的攤餘成本扣除減值損失準備進行後續計量。

(3) 持有至到期日投資

分類為持有至到期日投資類別是指能於活躍市場中買賣，並擁有固定或可確定之還款額及還款期，以及本集團管理層有意向及能力持有至到期日之金融資產。如本集團出售持有至到期日資產中多於不重大部分，則整個資產類別將受到影響，需要重新分類至可供出售金融資產。持有至到期日投資以公平值加上直接相關的交易費用進行初始入賬，並以實際利息法計算的攤餘成本扣除減值損失準備進行後續計量。

2.8 Financial assets (continued)

(2) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, including placements with and advances to banks and other financial institutions, investment debt securities without an active market and loans and advances to customers. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are initially recorded at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method less allowances for impairment losses.

(3) Held-to-maturity

Financial assets classified as held-to-maturity are those traded in active markets, with fixed or determinable payments and fixed maturities that the Group's management has both the positive intention and the ability to hold to maturity. Were the Group to sell other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale. They are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.8 金融資產 (續)

(4) 可供出售金融資產

可供出售金融資產包括界定為此類的金融資產以及不屬於以上分類的金融資產。此等金融資產的持有期限不確定，有可能依據流動資金需求或利率、匯率及權益價格的變動而被出售。

可供出售金融資產以公平值加上直接相關的交易費用進行初始入賬，並以公平值進行後續計量。因該等投資之公平值變化而產生之未實現盈虧直接確認在其他全面收益中；當該類金融資產被出售或減值時，之前確認於權益儲備中的累計收益或損失將轉入綜合收益表內。惟包括折溢價攤銷的利息收入將按照實際利息法計算確認在綜合收益表中。分類為可供出售之股權工具，其股息於本集團收取股息之權利確定時於綜合收益表內確認。

2.8 Financial assets (continued)

(4) Available-for-sale

Financial assets classified as available-for-sale are those that are either designated as such or are not classified in any of the other categories. They are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Available-for-sale financial assets are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value of investments are recognised directly in other comprehensive income, until the financial asset is disposed of or impaired at which time the cumulative gain or loss previously recognised in equity should be transferred to the consolidated income statement. However, interest which includes the amortisation of premium and discount is calculated using the effective interest method and is recognised in the consolidated income statement. Dividends on equity instruments classified as available-for-sale are recognised in the consolidated income statement when the Group's right to receive payment is established.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.9 金融負債

本集團按以下類別分類金融負債：交易性負債、界定為以公平值變化計入損益的金融負債、存款、已發行債務證券、後償負債及其他負債。所有金融負債於交易發生時界定其分類並以公平值進行初始確認。

(1) 交易性負債

旨在短期內購回之金融負債被分類為持作交易用途之負債。除被界定為有效對沖工具外，所有衍生金融工具均被分類為持作交易用途類別。交易性負債以公平值列賬，公平值之變動所產生的盈利或虧損確認於收益表內。

(2) 界定為以公平值變化計入損益的金融負債

金融負債於交易時被界定為以公平值變化計入損益之金融負債。被界定為此類別之金融負債包括若干已發行之存款證及若干嵌藏衍生金融工具之客戶存款。符合以下條件之金融負債一般會被界定為此類別：

2.9 Financial liabilities

The Group classifies its financial liabilities under the following categories: trading liabilities, financial liabilities designated at fair value through profit or loss, deposits, debt securities in issue, subordinated liabilities, and other liabilities. All financial liabilities are classified at inception and recognised initially at fair value.

(1) Trading liabilities

A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing in the short term. Derivatives are also classified as held for trading unless they are designated as effective hedges. It is measured at fair value and any gains and losses from changes in fair value are recognised in the income statement.

(2) Financial liabilities designated at fair value through profit or loss

A financial liability can be designated at fair value through profit or loss if it is so designated at inception. Financial liabilities so designated include certain certificates of deposit issued and certain deposits received from customers that are embedded with derivatives. A financial liability is typically so designated if it meets the following criteria:

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.9 金融負債（續）

(2) 界定為以公平值變化計入損益的金融負債（續）

- 可以消除或明顯減少因按不同基準計量金融負債之價值，或確認其盈利或虧損，而出現不一致之計量或確認情況（一般被稱為「會計錯配」）；或
- 應用於一組金融資產、金融負債、或兩者兼有的組合，其管理是依據事先書面確立的風險管理或投資策略來運作，其表現是按公平值為基礎來衡量，並向主要管理層作出內部報告；或
- 與包含一個或多個嵌藏式衍生金融工具的金融負債相關，且這些嵌藏式衍生金融工具對該等金融負債的現金流產生重大影響。

被界定為以公平值變化計入損益的金融負債以公平值列賬，因公平值變化而產生之盈利或虧損確認於收益表內。

2.9 Financial liabilities (continued)

(2) Financial liabilities designated at fair value through profit or loss (continued)

- eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring the financial liabilities or recognising the gains and losses on them on different bases; or
- applies to a group of financial assets, financial liabilities or both that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the key management; or
- relates to financial liabilities containing one or more embedded derivative that significantly modifies the cash flow resulting from those financial liabilities.

Financial liabilities designated at fair value through profit or loss are measured at fair value and any gains and losses from changes in fair value are recognised in the income statement.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.9 金融負債 (續)

(3) 存款、已發行債務證券、後償負債及其他負債

除被分類為交易性負債或以公平值變化計入損益的金融負債外，其他存款、已發行債務證券、後償負債及其他負債均以攤餘成本或成本列賬。扣除交易費用後之淨收款和贖回價值的差額（如有），按照實際利息法於期內在收益表中確認。

2.10 金融工具的確認和撤銷

以公平值變化計入損益之金融資產、可供出售及持有至到期日之投資，其買賣會於交易當日（即本集團購入或售出资產當日）確認。貸款及應收款（沒有活躍市場的投資證券除外）於付出現金予借款人時確認。在該等金融資產取得現金流之權利完結或本集團已轉讓所有風險及回報時，則撤銷對該等金融資產之確認。

2.9 Financial liabilities (continued)

(3) Deposits, debt securities in issue, subordinated liabilities and other liabilities

Deposits and debt securities in issue other than those classified as trading liabilities or designated at fair value through profit or loss, together with subordinated liabilities and other liabilities are carried at amortised cost or at cost. Any difference (if available) between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period using the effective interest method.

2.10 Recognition and de-recognition of financial instruments

Purchases and sales of financial assets at fair value through profit or loss, available-for-sale and held-to-maturity investments are recognised on the trade date, the date on which the Group purchases or sells the assets. Loans and receivables (except investment securities without an active market) are recognised when cash is advanced to the borrowers. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.10 金融工具的確認和撤銷 （續）

交易性負債、被界定為以公平值變化計入損益的金融負債、及已發行債務證券於交易當日確認。交易性負債以外的存款在收到客戶款項時確認，而其他負債於有關責任產生時確認。只有當合約中的指定責任被履行、取消或到期，該金融負債才可從資產負債表上撤銷確認。如本集團回購本身的債務，則該債務將從資產負債表上撤銷，而該債務之賬面值及支付金額的差額被確認為淨交易性收入。

售出予交易對手之證券及票據，如根據回購協議，附有按預定價格並於將來指定時間回購之責任稱為「回購」。而向交易對手購入之證券及票據，如根據回售協議，附有按預定價格於將來指定時間再出售予交易對手之責任則稱為「反向回購」。

2.10 Recognition and de-recognition of financial instruments (continued)

Trading liabilities, financial liabilities designated at fair value through profit or loss and debt securities in issue are recognised on the trade date. Deposits other than trading liabilities are recognised when money is received from customers, other liabilities are recognised when such obligations arise. Financial liabilities are de-recognised from the balance sheet when and only when the obligation specified in the contract is discharged, cancelled or expired. If the Group purchases its own debt, it is removed from the balance sheet, and the difference between the carrying amount of a liability and the consideration paid is included in net trading income.

Securities and bills sold to a counter-party with an obligation to repurchase at a pre-determined price on a specified future date under a repurchase agreement are referred to as Repos. Securities and bills purchased from a counter-party with an obligation to re-sell to the counter-party at a pre-determined price on a specified future date under a resale agreement are referred to as Reverse repos.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.10 金融工具的確認和撤銷 （續）

「回購」或借出證券於初始時按已向交易對手所取得之實際現金額，列賬於應付銀行款項或銀行及其他金融機構之存款及結餘（如適用）。用作抵押回購協議之金融資產應列為投資證券或以公平值變化計入損益的金融資產。「反向回購」或借入證券則於初始時按已付予交易對手之實際現金額，於資產負債表內列為庫存現金及應收銀行款項或銀行及其他金融機構存款（如適用）。於反向回購協議下所收到用作抵押之金融資產將不會列於資產負債表上。出售價與回購價之差額則以實際利息法於協議年期內分期確認為利息收入或利息支出。

2.11 釐定金融工具之公平值

於活躍市場內具報價之金融資產及金融負債，其公平值乃分別按當時之買盤價及當時之賣盤價釐定。若金融資產及金融負債所處之市場並不活躍（包括非上市證券），本集團會以估值方法釐定其公平值，包括運用當時之公平市場交易、貼現現金流量分析、定價模型及其他市場參與者通用之估值方法。

2.10 Recognition and de-recognition of financial instruments (continued)

Repos or securities lending are initially recorded as due to banks, placements from banks and other financial institutions, as appropriate, at the actual amount of cash received from the counter-party. The financial assets used to collateralise repurchase agreements are recorded as investment securities or financial assets at fair value through profit or loss. Reverse repos or securities borrowing are initially recorded in the balance sheet as cash and due from banks or placements with banks and other financial institutions, as appropriate, at the actual amount of cash paid to the counter-party. The financial assets received as collateral under reverse repurchase agreements are not recorded on the balance sheet. The difference between sale and repurchase price is recognised as interest income or interest expense over the life of the agreements using the effective interest method.

2.11 Determination of fair value of financial instruments

The fair values of financial assets and financial liabilities that are quoted in active markets are based on current bid prices and current ask prices respectively. If the market for financial assets and financial liabilities is not active (such as unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.12 貴金屬

貴金屬包括黃金、銀及其他貴金屬。貴金屬以其公平值初始確認，其後再按會計結算日之市價重新計量。貴金屬於進行市場劃價後所產生之盈利或虧損，將包括於淨交易性收入內。

2.13 金融資產減值

本集團於每個會計結算日對個別或一組金融資產是否存在減值的客觀證據進行評估。當有客觀減值證據表明金融資產在初始確認後因發生一項或多項事件（「損失事件」），且該損失事件對可靠估計該項金融資產或該組金融資產的預計未來現金流產生影響時，則該項或該組金融資產被認定為已發生減值並出現減值損失。顯示個別或一組金融資產可能出現減值之客觀證據包括本集團已注意到相關可供觀察資料之以下可能出現之損失事件：

- (i) 發行人或欠債人遇到嚴重財政困難；
- (ii) 違約，例如逾期或拖欠利息或本金還款；
- (iii) 因應與借款人之財政困難相關之經濟或法律原因，本集團給予借款人在一般情況下放款人不予考慮之優惠條件；

2.12 Precious metals

Precious metals comprise gold, silver and other precious metals. Precious metals are initially recognised at fair value and subsequently re-measured at their respective market prices as of the balance sheet date. Mark-to-market gains or losses on precious metals are included in net trading income.

2.13 Impairment of financial assets

The Group assesses as of each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets may be impaired includes observable data that comes to the attention of the Group about the following probable loss events:

- (i) significant financial difficulty of the issuer or obligor;
- (ii) a breach of contract, such as a default or delinquency in interest or principal payment;
- (iii) the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.13 金融資產減值 (續)

(iv) 借款人有可能破產或進行其他財務重組；

(v) 因財政困難致使該金融資產之活躍市場消失或其投資評級被降至投資級別以下；或

(vi) 可察覺的資料顯示某一金融資產組合所產生之未來預計現金流量將較最初確認時有可量度之下降，雖然有關下降並未能明確為該組合內之個別金融資產。資料包括：

- 該組合之供款人之還款狀況有不利轉變；或
- 與該組合資產之逾期還款相關之全國性或本地經濟狀況。

2.13 Impairment of financial assets (continued)

(iv) it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;

(v) the disappearance of an active market or downgrading below investment grade level for that financial asset because of financial difficulties; or

(vi) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:

- adverse changes in the payment status of borrowers in the group; or
- national or local economic conditions that correlate with defaults on the assets in the group.

財務報表附註（續） Notes to the Financial Statements (continued)

2. 主要會計政策摘要（續） 2. Summary of significant accounting policies (continued)

2.13 金融資產減值（續）

(1) 以攤餘成本計量的資產

本集團首先對單項金額重大的金融資產是否存在減值的客觀證據進行個別評估。如果本集團沒有發現客觀證據表明進行個別評估的金融資產存在減值情況，本集團將其連同其他單項金額不重大的金融資產或尚未識別減值的金融資產包括在具有類似信用風險特徵的金融資產組別中，進行組合減值評估。經個別進行減值評估並且已確認或繼續確認減值損失的資產，不再納入組合減值評估的範圍。

如果有客觀證據表明貸款及應收款或持有至到期日債券已發生減值損失，則其減值損失將按照該資產的賬面金額與該金融資產按原來實際利率貼現後的預計未來現金流（不包括尚未發生的未來信用損失）的現值之間的差額進行計量。減值損失通過使用準備金來減少該資產的賬面金額，並確認於收益表內。如果貸款或持有至到期日投資為浮動利率，用於計量減值損失的貼現率為按合約確定的當前實際利率。實務上，本集團亦可以採用觀察到的市場價值確定某項金融工具的公平值，並以此作為基準計算減值。

2.13 Impairment of financial assets (continued)

(1) Assets carried at amortised cost

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment together with all other financial assets that are not individually significant or for which impairment has not yet been identified. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.13 金融資產減值 (續)

(1) 以攤餘成本計量的資產 (續)

附有抵押品的金融資產之預計未來現金流的現值包含按照止贖抵押品的價值扣除獲取和出售該抵押品之成本後的現金流。

本集團在進行組合減值評估時，將根據信用風險特徵的相似性和相關性對金融資產進行分組。此等特徵與預計該等資產組合之未來現金流相關，可以反映債務人按照該等被評估資產的合約條款償還所有到期金額的能力。

對一組金融資產進行組合減值評估測算時，其預計未來現金流乃按該組資產的合約現金流以及於本集團內與該組金融資產具有類似信用風險特徵的資產的歷史損失經驗為基準。以上歷史損失經驗將根據當期可觀察數據進行調整，以反映並不會影響該段歷史損失期間的當前情況，及從歷史損失經驗數據中移除那些當期已不存在的影響事項。

2.13 Impairment of financial assets (continued)

(1) Assets carried at amortised cost (continued)

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral.

For the purposes of a collective assessment of impairment, financial assets are grouped on the basis of similar and relevant credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.13 金融資產減值 (續)

(1) 以攤餘成本計量的資產 (續)

當貸款無法收回時，在完成所有必要程序及確定損失金額後，本集團對該等貸款進行核銷，沖減相應的貸款損失減值準備。核銷後收回的貸款金額沖減在收益表中列支的貸款減值損失。

如果在以後的會計報表期間，減值損失的金額減少，且該等減少與確認減值後發生的事件有客觀關聯（例如債務人信用評級的改善），則之前已確認的減值損失將通過調整準備金予以回撥，回撥的金額於收益表內確認。

當貸款條款經重新商訂後與原來出現重大差異時，該貸款不再被視為逾期貸款，而作為新貸款處理。

2.13 Impairment of financial assets (continued)

(1) Assets carried at amortised cost (continued)

When a loan is uncollectible, it is written off against the related allowance for impairment losses. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of impairment losses in the income statement.

If, in a subsequent period, the amount of allowance for impairment losses decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

Loans whose terms have been renegotiated with substantial difference in the terms are no longer considered to be past due but are treated as new loans.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.13 金融資產減值 (續)

(2) 被分類為可供出售的資產

如可供出售金融資產存在減值證據時，其累計虧損— 即其購入成本或攤餘成本與現時公平值之差額，扣除該金融資產之前已記入收益表內之累計減值損失— 需從權益儲備撥轉至收益表內。對於被界定為可供出售的股權投資，在決定其是否出現減值時，會考慮其公平值是否嚴重地或長期地低於其成本。如日後被分類為可供出售金融資產之債務工具之公平值增加，並與收益表確認減值後發生之事項有客觀關聯，有關之減值損失將於收益表內回撥。至於股權工具方面，之後的公平值變化會透過其他全面收益確認於可供出售投資儲備。

2.13 Impairment of financial assets (continued)

(2) Assets classified as available-for-sale

If evidence of impairment exists for available-for-sale financial assets, the cumulative losses, measured as the difference between the acquisition cost or amortised cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement, is removed from equity and recognised in the income statement. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in the income statement, the impairment loss is reversed through the income statement. With respect to equity instruments, further fair value changes are recognised in the reserve for fair value change of available-for-sale securities through other comprehensive income.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.14 對附屬公司及聯營公司之投資及非金融資產之減值

使用壽命無限或尚未投入使用之資產並不會被攤銷，但會每年進行減值測試。對於已進行攤銷之資產，如因發生事件或情況已改變，並顯示該等資產之賬面值或將無法被收回，則會進行減值重檢。資產的賬面值超過其可收回金額的部分會被確認為減值損失。可收回金額是指資產的公平值扣除出售成本後與其使用價值的較高者。為作出減值評估，資產乃按其最小的可分開識別現金流（現金產出單元）層次分類。於每一財務報告日，會對已發生減值的資產進行重檢以確定需否回撥。

2.15 財務擔保合約

財務擔保合約是指簽發人需要在指定的債務人未能根據持有人與債務人之間的債務合約條款履行還款責任時，需向持有人償付因此產生的指定損失金額。

財務擔保合約以合約簽發當日的公平值於財務報表內初始確認為金融負債並列在「其他賬項及準備」項下。其後本集團之責任按以下兩者之較高者計量：(i)根據香港會計準則第 37 號「準備、或然負債及或然資產」釐定之金額；及(ii)初始確認之金額減按直線法於擔保有效期內確認之累計攤銷（如適用）。財務擔保合約負債的變動則於收益表中確認。

2.14 Impairment of investment in subsidiaries and associates and non-financial assets

Assets that have an indefinite useful life or are not yet available for use are not subject to amortisation, but are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a contract between the holder and the debtor.

Financial guarantees are initially recognised as financial liabilities and reported under "Other accounts and provisions" in the financial statements at fair value on the date the guarantee was given. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of (i) the amount determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised over the life of the guarantee on a straight-line basis. Any changes in the liability relating to financial guarantees are taken to the income statement.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.16 房產、設備、固定設施及裝置

房產主要包括分行及辦公樓。房產需定期但最少每年以取自外間獨立估價師之公平值扣除隨後發生之折舊額列示。重估當日之累計折舊額需先沖銷資產之賬面毛值，沖減後之淨額則重新調整至該資產之重估值。相隔期間由董事參考相近物業之公開市值以檢討房產之賬面值，如董事認為該房產價值有重大變動則會作出相應調整。所有設備、固定設施及裝置均以扣除累計折舊及減值後之成本列賬。成本包括因取得及安裝該項目而直接產生之費用。

與資產有關的後續支出，只有當其產生的未來經濟利益很可能流入本集團，並且該支出能夠可靠地計量時，才能將其計入資產的賬面價值或作為單獨的一項資產進行確認（如適當）。該等後續支出以扣除減值後之成本列賬直至其開始產生經濟利益，之後則根據相關資產之後續計量基準進行計量。所有其他修理維護費用均在發生時計入當期收益表。

2.16 Premises, equipment, fixtures and fittings

Premises comprise primarily branches and offices. Premises are shown at fair value based on periodic, but at least annually, valuations by external independent valuers less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. In the intervening periods, the directors review the carrying amount of premises, by reference to the open market value of similar properties, and adjustments are made when there has been a material change. All equipment, fixtures and fittings are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditures that are directly attributable to the acquisition and installation of the items.

Subsequent costs are included in an asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The item is stated at cost less impairment until it begins to generate economic benefits, then the item is subsequently measured according to the measurement basis of its respective assets class. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.16 房產、設備、固定設施及裝置 (續)

房產重估後之賬面增值通過其他全面收益撥入房產重估儲備中。與同一個別資產早前之增值作對銷之減值部分，於權益項中之房產重估儲備中扣減；餘下之減值額則確認於收益表內。其後任何增值將撥入收益表（以早前扣減之金額為限），然後撥至房產重估儲備內。出售房產時，房產重估儲備中與先前估值有關之已實現部分，將從房產重估儲備撥轉至留存盈利。

折舊以直線法，將資產之成本值或重估值於其如下估計可用年限內攤銷：

- 房產
按租約餘期
- 設備、固定設施及裝置
3 至 15 年之間

本集團在每個會計結算日重檢資產的可用年限，並已按適當情況作出調整。

2.16 Premises, equipment, fixtures and fittings (continued)

Increases in the carrying amount arising on revaluation of premises are credited to the premises revaluation reserve through other comprehensive income. Decreases that offset previous increases of the same individual asset are charged against premises revaluation reserve in equity; all other decreases are expensed in the income statement. Any subsequent increases are credited to the income statement up to the amount previously debited, and then to the premises revaluation reserve. Upon disposal of premises, the relevant portion of the premises revaluation reserve realised in respect of previous valuations is released and transferred from the premises revaluation reserve to retained earnings.

Depreciation is calculated on the straight-line method to write down the cost or revalued amount of such assets over their estimated useful lives as follows:

- | | |
|------------------------------------|------------------------------------|
| • Premises | Over the remaining period of lease |
| • Equipment, fixtures and fittings | 3-15 years |

The useful lives of assets are reviewed, and adjusted if appropriate, as of each balance sheet date.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.16 房產、設備、固定設施及裝置 (續)

在每個會計結算日，源自內部及外界之資料均會被用作評定房產、設備、固定設施及裝置是否出現減值之跡象。如該跡象存在，則估算資產之可收回價值，及在合適情況下將減值損失確認以將資產減至其可收回價值。該等減值損失在收益表內確認，但假若某資產乃按估值列賬，而減值損失又不超過同一資產之重估盈餘，此等損失則當作重估減值。可收回價值指該資產之公平值扣除出售成本後之金額，與其使用價值之較高者。減值損失會按情況於重估儲備或收益表內回撥。

出售之盈利及虧損是按出售淨額與有關資產賬面值之差額而釐定，並於收益表內確認。

2.17 投資物業

持作賺取長期租金收益或資本增值或兩者兼備者，且並非集團旗下各公司所佔用之物業，均列作投資物業。出租予本集團內公司之物業，於個別公司之財務報表中分類為投資物業，及於綜合財務報表中分類為房產。若經營租賃中之土地部分符合投資物業之其他定義，則需列作為投資物業。經營租賃當為融資租賃處理。

2.16 Premises, equipment, fixtures and fittings (continued)

At each balance sheet date, both internal and external sources of information are considered to determine whether there is any indication that premises, equipment, fixtures and fittings are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment loss is recognised in the income statement except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Impairment loss is reversed through the premises revaluation reserve or income statement as appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount, relevant taxes and expenses. These are included in the income statement.

2.17 Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the companies in the Group, are classified as investment properties. Properties leased out within group companies are classified as investment properties in individual companies' financial statements and as premises in consolidated financial statements. Land held under operating lease is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it is a finance lease.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.17 投資物業 (續)

投資物業最初以成本值 (包括相關交易成本) 計量。經初始確認後, 投資物業按專業估價師之公開市值為基礎之公平值入賬。若沒有公開市值的相關資料, 則會使用其他估值方法代替, 例如在較不活躍市場的最近價格或貼現現金流量估算。這些估值均以國際估值準則委員會頒布的指引進行。

只有在與項目相關的未來經濟利益有可能流入本集團, 並能夠可靠地計量項目成本的情況下, 本集團才會將其後續支出計入為資產賬面值之一部分。該等後續支出以扣除減值後之成本列賬, 並包括於投資物業的賬面值內。若其後開始產生經濟利益, 則以公平值計量。所有其他維護及保養費用均需於產生時確認於當期收益表內。

任何公平值之變動會直接於收益表內反映。根據香港會計準則第 12 號「所得稅項」有關之 HK(SIC)-Int 21「所得稅項 - 收回經重新估值之非折舊資產」, 投資物業重估增值需計算遞延所得稅項。

2.17 Investment properties (continued)

Investment properties are recognised initially at cost, including related transaction costs. After initial recognition, investment properties are measured at fair value assessed by professional valuers on the basis of open market value. If this information is not available, alternative valuation methods are used such as recent prices on less active markets or discounted cash flow projections. These valuations are performed in accordance with the guidance issued by the International Valuation Standards Committee.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The item is stated at cost less impairment and is included in the carrying amount of investment properties. Once the item begins to generate economic benefits, it is then measured at fair value. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Any changes in fair value are reported directly in the income statement. Deferred income tax is provided on revaluation surpluses of investment properties in accordance with HK(SIC)-Int 21 "Income Taxes - Recovery of Revalued Non-Depreciable Assets" on HKAS 12 "Income Taxes".

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.17 投資物業 (續)

倘投資物業改為自用，則重新分類為房產，而就會計用途而言，其於重新分類日期之公平值成為其成本值。倘房產項目因其用途改變而成為投資物業，則根據香港會計準則第 16 號「物業、廠房及設備」將此項目於轉讓日之賬面值與公平值間任何差額於其他全面收益中確認為房產重估。惟若公平值增值抵銷以往之重估損失或減值損失，該增值則於收益表內確認，並以過往已確認的損失金額為限。

2.18 租賃

(1) 經營租賃

經營租賃是指實質上由出租公司保留擁有資產之大部分風險及回報之租賃。經營租賃之租金款額（扣除自出租公司收取之任何回扣款額），當中包括於租約開始當日能識別之土地使用權付款部分，將於租賃期內以直線法在收益表中確認。

若經營租賃於租約到期前已結束，任何需繳付予出租人之罰款將於結束發生當月於收益表內確認為支出。

若本集團為出租方，經營租賃的土地及房產會被列為投資物業。經營租賃之租金收入在租約期內以直線法確認。

2.17 Investment properties (continued)

If an investment property becomes owner-occupied, it is reclassified as premises, and its fair value at the date of reclassification becomes its cost for accounting purposes. If an item of premises becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in other comprehensive income as a revaluation of premises under HKAS 16 "Property, Plant and Equipment". However, if a fair value gain reverses a previous revaluation loss or impairment loss, the gain is recognised in the income statement up to the amount previously debited.

2.18 Leases

(1) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The total payments made under operating leases (net of any incentives received from the lessor) which include land use rights with payments that are separately identifiable at inception of the lease are charged to the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Where the Group is a lessor, the land and buildings subject to the operating lease are accounted for as investment properties. Rental income from operating leases is recognised on a straight-line basis over the lease term.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.18 租賃 (續)

(2) 物業之融資租賃

以租約業權型式擁有之自用物業，若租約開始當日能可靠地分攤其土地及房產之價值，而且該土地的經濟年限並無限期，則土地租約業權及其使用權確認為「經營租賃」。購置租約業權土地及其使用權之預付費用或有關其他成本，將按租賃期限以直線法攤銷記入收益表。如以上之預付費用出現減值，該減值需即時於收益表內確認。若租約開始當日未能可靠地劃分其土地及房產之價值，則土地與房產部分均繼續被視為融資租賃，並以公平值列賬。

若本集團擁有之土地及房產部分均被分類為投資物業猶如其為融資租賃，並以公平值列賬，則其土地及房產部分並不需分開估量。

2.18 Leases (continued)

(2) Finance leases on properties

Where the land and buildings elements of leasehold properties held for own use can be split reliably at inception of the lease, leasehold land and land use rights are recognised as operating leases if they have indefinite economic lives. The up-front prepayments made or other costs incurred for acquiring the leasehold land and land use rights are expensed in the income statement on a straight-line basis over the period of the lease. Where there is impairment of the up-front prepayments, the impairment is expensed in the income statement immediately. Where the land and buildings cannot be split reliably at inception of the lease, the land and buildings elements will continue to be treated as finance leases and measured at fair value.

Separate measurements of the land and buildings elements are not required when the Group's interest in both land and buildings is classified as investment properties as if they are finance leases and are measured at fair value.

財務報表附註 (續) **Notes to the Financial Statements (continued)**

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.18 租賃 (續)

(2) 物業之融資租賃(續)

根據中國銀行(香港)有限公司(合併)條例(「合併條例」)2001, 被指定分行及附屬公司之所有資產及負債, 以及在香港之中銀集團所遺留下之若干實體之股權, 均被有效地轉移到中銀香港, 而中銀香港乃由之後新成立之中銀香港(控股)有限公司直接擁有(下稱「合併」)。此乃本集團之重大事件, 本集團因此採用了合併時之估值, 作為以租約業權型式擁有物業之設定成本, 以反映合併當時之情況。

2.18 Leases (continued)

(2) Finance leases on properties (continued)

Pursuant to the Bank of China (Hong Kong) Limited (Merger) Ordinance ("Merger Ordinance") 2001, all assets and liabilities of the designated branches and subsidiaries, and the shares of certain entities of the legacy Bank of China Group in Hong Kong were effectively transferred to BOCHK, which was immediately owned by the then newly formed BOC Hong Kong (Holdings) Limited ("the Merger"). This was a significant event and the Group has therefore adopted the valuation at the date of the Merger as the deemed cost for its leasehold properties to reflect the circumstances at the time of the Merger.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.18 租賃 (續)

(2) 物業之融資租賃(續)

於合併時採納設定成本後，本集團參考獨立專業估價師為合併而於 2001 年 8 月 31 日所進行之估值，當時並沒有對以租約業權型式擁有之物業按土地與房產部分所佔之價值進行劃分。任何其後對合併時之租約業權型式擁有之物業所作之土地與房產部分之劃分，均屬於假設性，並不能反映具可靠性之資料。因此，本集團之租約業權型式擁有之物業，因不能可靠地劃分土地及房產之價值，而整體被視為融資租賃。本集團亦根據香港會計準則第 16 號「物業、廠房及設備」，採用了重估模型，對此等被列為融資租賃之自用房產，均以扣除累計折舊及減值損失後之公平值列賬。

2.18 Leases (continued)

(2) Finance leases on properties (continued)

On adoption of the deemed cost at the date of Merger, the Group made reference to the independent property valuation conducted as at 31 August 2001 for the purpose of the Merger, which did not split the values of the leasehold properties between the land and buildings elements. Any means of subsequent allocation of the valuation of the leasehold properties at the date of Merger between the land and buildings elements would be notional and therefore would not represent reliable information. It is determined that the values of the land and buildings elements of the Group's leasehold properties cannot be reliably split and the leasehold properties are treated as finance leases. The Group has also adopted the revaluation model under HKAS 16 "Property, Plant and Equipment" by which premises held for own use arising under these finance leases are measured at fair value less any accumulated depreciation and impairment losses.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.19 現金及等同現金項目

就綜合現金流量表而言，現金及等同現金項目指按原來到期日，於購入日期起計三個月內到期之結餘，包括現金、銀行及其他金融機構之結餘、短期票據及被分類為投資證券及存款證之票據。

2.20 準備

當本集團因為已發生之事件而須承擔法律性或推定性之現有責任，而解除該責任時有可能消耗有經濟利益之資源，需在責任金額能夠可靠地作出估算之情況下，為確認有關責任而撥備。

2.19 Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise balances with original maturity less than three months from the date of acquisition, including cash, balances with banks and other financial institutions, short-term bills and notes classified as investment securities and certificates of deposit.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.21 僱員福利

(1) 退休福利成本

本集團根據認可職業退休計劃或強積金計劃之定額供款退休計劃作出供款，集團僱員均可參與。在職業退休計劃下，集團與僱員之供款按僱員基本薪金之百分比計算，在強積金計劃下該等供款則按強積金規例計算。退休福利計劃成本代表本集團應向此等計劃支付之供款，會於產生時在收益表支取。僱員於全數享有其應得之集團供款部分前退出此職業退休計劃，因而被沒收之本集團供款，會被本集團用作扣減其目前供款負擔或根據職業退休計劃信託契據條款沖減其開支。

退休計劃之資產與本集團之資產分開持有，並由獨立管理基金保管。

2.21 Employee benefits

(1) Retirement benefit costs

The Group contributes to defined contribution retirement schemes under either recognised ORSO schemes or MPF schemes that are available to the Group's employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries for the ORSO schemes and in accordance with the MPF rules for MPF schemes. The retirement benefit scheme costs are charged to the income statement as incurred and represent contributions payable by the Group to the schemes. Contributions made by the Group that are forfeited by those employees who leave the ORSO scheme prior to the full vesting of their entitlement to the contributions are used by the Group to reduce the existing level of contributions or to meet its expenses under the trust deed of the ORSO schemes.

The assets of the schemes are held in independently-administered funds separate from those of the Group.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.21 僱員福利 (續)

(2) 有償缺勤

僱員獲享之年度休假及病假在累積時確認，本集團會對僱員服務至會計結算日所累積，但尚未使用之年度休假及預計所需支付之病假作出估算及撥備。

除病假及經特別批准之年度休假外，其他有償缺勤均不允許累積。若僱員於獲享有償缺勤之年度內未能悉數享用該等可用缺勤，剩餘之可用缺勤將被取消。除未到期之休假外，僱員於離職時亦無權收取現金以彌補任何未被使用之可用缺勤。故集團於此類缺勤發生時始予以確認。

(3) 獎金計劃

若因僱員提供之服務而令集團產生法律性或推定性之現有責任，而該責任之金額亦能可靠地作出估算，集團需確認該預期之獎金支出並以負債列賬。獎金計劃之負債預期會於 12 個月內被償付，並以償付時之預期金額計算。

2.21 Employee benefits (continued)

(2) Leave entitlements

Employee entitlements to annual leave and sick leave are recognised when they accrue to employees. A provision is made for the estimated liability for unused annual leave and the amount of sick leave expected to be paid as a result of services rendered by employees up to the balance sheet date.

Compensated absences other than sick leave and special approved annual leaves are non-accumulating; they lapse if the current period's entitlement is not used in full. Except unexpired annual leaves, they do not entitle employees to a cash payment for unused entitlement on leaving the Group. Such compensated absences are recognised when the absences occur.

(3) Bonus plans

The expected cost of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.22 本期及遞延所得稅項

在有關期間的稅務支出包括本期及遞延稅項。除直接於其他全面收益內確認的項目亦需相應於其他全面收益內確認其稅項外，稅項於收益表內確認。

基於溢利而需支付之所得稅，是根據本銀行、附屬公司及聯營公司在營運及產生應課收入之司法管轄地區於會計結算日已執行或實際會執行之適用稅法計算，並於溢利產生當期確認為本期所得稅項支出。

所有因綜合財務報表內資產及負債之稅務基礎與其賬面值之暫時性差異而產生之遞延所得稅項均以資產負債表負債法提撥。遞延所得稅項是按會計結算日已執行或實際會執行之稅率，及預期於相關之遞延所得稅資產實現時或遞延所得稅負債需清付時所適用之稅率計算。

主要之暫時性差異源於資產減值準備、物業及設備之折舊、若干資產之重估，包括可供出售證券及物業，以及結轉之稅務虧損。除企業合併外，若資產或負債在交易初始確認時，並未有對會計損益或應課稅損益構成影響，則無需確認遞延所得稅項。

2.22 Current and deferred income taxes

Tax expenses for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in other comprehensive income. In this case, the tax is also recognised in other comprehensive income within the corresponding item.

Income tax payable on profits, based on the applicable tax law enacted or substantially enacted at the balance sheet date in each jurisdiction where the Bank and the subsidiaries and associates operate and generate taxable income, is recognised as a current income tax expense in the period in which profits arise.

Deferred income tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from asset impairment provisions, depreciation of property and equipment, revaluation of certain assets including available-for-sale securities and properties, and tax losses carried forward. However, the deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.22 本期及遞延所得稅項 (續)

所有因應課稅暫時性差異而產生之遞延所得稅項負債均會被確認，而當未來之應課稅利潤預計可被用作抵消暫時性差異時，因該暫時性差異而產生之遞延所得稅資產將被確認。

遞延所得稅項乃記於收益表內。但因可供出售證券的公平值重新計量及對物業之重估計入其他全面收益內，故由此產生的遞延稅項也計入其他全面收益內，並於以後隨著相關遞延收益和損失的確認而一同確認在收益表中。

2.23 收回資產

收回資產按其收回日之公平值扣除出售成本後之淨值及有關貸款之攤餘成本之較低者列賬。有關貸款及應收款及有關已提準備於資產負債表中予以註銷。其後，收回資產取其成本及公平值扣除出售成本後之淨值中之較低者計量，並被確認為「待售非流動資產」，包括於「其他資產」項下。

2.24 信託業務

本集團一般以信託人或其他授託人身分，代表個人、信託及其他機構持有或管理資產。由於該等資產並不屬於本集團，該等資產及據此而產生之任何盈虧，將不計入本財務報表內。

2.22 Current and deferred income taxes (continued)

Deferred income tax liabilities are provided in full on all taxable temporary differences and deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is charged or credited in the income statement except for deferred income tax relating to fair value re-measurement of available-for-sale investments and revaluation of premises which are charged or credited to other comprehensive income, in which case the deferred income tax is also credited or charged to other comprehensive income and is subsequently recognised in the income statement together with the realisation of the deferred gain and loss.

2.23 Repossessed assets

Repossessed assets are initially recognised at the lower of their fair value less costs to sell and the amortised cost of the related outstanding loans on the date of repossession, and the related loans and advances together with the related impairment allowances are derecognised from the balance sheet. Subsequently, repossessed assets are measured at the lower of their cost and fair values less costs to sell and are reported as 'non-current assets held for sale' included in 'Other assets'.

2.24 Fiduciary activities

The Group commonly acts as a trustee, or in other fiduciary capacities, that result in its holding or managing assets on behalf of individuals, trusts and other institutions. These assets and any gains or losses arising thereon are excluded from these financial statements, as they are not assets of the Group.

財務報表附註 (續) Notes to the Financial Statements (continued)

2. 主要會計政策摘要 (續) 2. Summary of significant accounting policies (continued)

2.25 或然負債及或然資產

或然負債是指由過去已發生的事件引起的可能需要履行的責任，其存在將由一宗或多宗本集團所不能完全控制的未來不確定事件出現與否來確認。或然負債也可能是由於過去已發生事件而引致的現有責任，但由於估計不會導致經濟利益的流出或因不能可靠地計量責任金額，故未有被確認。

或然負債不會被確認為準備，但會在財務報表附註中加以披露。如情況發生變化，使經濟利益的流出變得很有可能時，則會將其確認為準備。

或然資產指因為已發生之事件而可能產生之資產，此等資產只能就本集團不能完全控制之一宗或多宗未來不確定事件之出現與否才能確認。

或然資產不會被確認，但如有可能收到經濟利益時，會在財務報表附註中披露。若將會收到之經濟利益可被實質確定時，將確認為資產。

2.25 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised as a provision but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When the inflow is virtually certain, it will be recognised as an asset.

財務報表附註 (續) **Notes to the Financial Statements (continued)**

2. 主要會計政策摘要 (續) **2. Summary of significant accounting policies (continued)**

2.26 有關連人士

就此等財務報表而言，倘本集團有能力直接、或通過一個或多個中介體間接控制另一方，或可對另一方之財務及經營決策發揮重大影響力，或相反受到另一方控制，或倘本集團與此方人士受到共同控制，則該等人士被視為有關連人士。有關連人士可為個人或實體。

2.26 Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if the Group has the ability, directly and indirectly through one or more intermediaries, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or entities.

財務報表附註（續）

3. 應用會計政策時之重大會計估計及判斷

本集團作出的會計估計和假設通常會影響下一會計年度的資產和負債的賬面價值。該等估計及判斷是根據過往歷史經驗及於有關情況下被認為合理之其他因素，包括對未來事件的預期而作出，並會持續接受評估。對因必要的估計及判斷轉變，而會影響其賬面值的資產及負債項目範圍，將列示如下。如可釐定，重要假設或其他估量所存在之不明朗因素及其轉變所帶來之影響將於以下列出。而未來有可能根據實際情況的變化對這些會計估計做出重大調整。

3.1 貸款及應收款減值準備

本集團至少每季對貸款組合的減值損失情況進行一次評估。於決定是否確認減值損失於收益表時，本集團於識別某一貸款組合內個別貸款之減值損失前，會首先判斷是否有可觀察數據顯示該貸款組合所產生之未來預計現金流量將出現有可量度之下降。該證據包括顯示該組合內借款人之還款狀況有不利轉變（如拖欠或逾期還款）或與組合內貸款資產違約有關的經濟狀況。管理層於估計未來現金流量時，將根據具有與該組合類似之信貸風險特徵及客觀減值證據之資產之過往損失經驗作為估計基準。用作估計未來現金流量金額及時間之方法及假設會被定期檢討，藉以減少估計損失與實際損失經驗間之差異。

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Areas susceptible to changes in essential estimates and judgements, which affect the carrying amount of assets and liabilities, are set out below. The effect of changes to either the key assumptions or other estimation uncertainties will be presented below if it is practicable to determine. It is possible that actual results may require material adjustments to the estimates referred to below.

3.1 Impairment allowances on loans and advances

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

財務報表附註 (續)

3. 應用會計政策時之重大會計估計及判斷 (續)

3.2 持有至到期日和可供出售投資減值

本集團至少每季對其持有至到期日和可供出售投資組合的減值損失情況進行一次評估。於決定該等投資是否出現減值時，會評估其風險特徵和表現，例如外部評級、市場價值等。本集團會參照該等組合的市場表現、發行人的目前付款情況、相關資產表現、與抵押資產違約直接相關的經濟情況，而對每一項投資的違約率和損失嚴重性作出估計。

對於各類資產抵押證券或按揭抵押證券 (ABS/MBS)，本集團採用全面的方法評估某一證券是否已減值。在此方法之下，本集團不僅會考慮該債券的市場價格 (MTM) 及其外部評級，也會考慮其他因素，包括 FICO 評分、發行年期、押品所在地、可調整利率之按揭 (ARM) 的情況、拖欠比率、押品保障水平、貸款與估值比率及相關資產的提前還款速度。在參考以上因素後，ABS/MBS 還需符合集團所設定的信貸提昇覆蓋比率。此項比率乃基於對該項 ABS/MBS 所掌握的拖欠、強制收回及收回押品 (REO) 的數據，對違約率作出的假設來確定。

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.2 Impairment of held-to-maturity and available-for-sale investments

The Group reviews its held-to-maturity and available-for-sale investment portfolios to assess impairment at least on a quarterly basis. In determining whether any of these investments is impaired, risk characteristics and performance such as external credit rating, market price etc will be assessed. The Group makes estimates on the default rate and loss severity of each investment with reference to market performance of the portfolios, current payment status of the issuers or performance of the underlying assets, or economic conditions that correlate with defaults on the collateralised assets.

For asset/mortgage backed securities ("ABS/MBS"), the Group adopts a comprehensive methodology in determining whether a particular security is impaired. Under the methodology, the Group will not only take into consideration the mark-to-market (MTM) price of the issue and its external credit rating, but also other factors including the FICO score, vintage, location, adjustable rate mortgage ("ARM") status, delinquencies, level of collateral protection, loan to value ratio and prepayment speed of the underlying assets. Having considered these factors, the ABS/MBS issue has to further pass the required credit enhancement coverage ratio set by the Group. This ratio is determined by applying assumptions regarding the default rates based on the available delinquency, foreclosure and real estate owned ("REO") data of the ABS/MBS issue.

財務報表附註 (續)

3. 應用會計政策時之重大會計估計及判斷 (續)

3.2 持有至到期日和可供出售投資減值 (續)

以上評估所使用的方法和假設會被定期檢討。在評估年內 ABS/MBS 的減值時，本集團繼續考慮以 ABS/MBS 的市場價值出現重大下跌作為其中一個減值的主要指標。此外，因為本集團持有的若干 ABS/MBS 之市場流動性減少及其參考價格分佈擴寬，所以本集團在評估所持有的每項證券的信貸提昇覆蓋比率是否存在重大的不利轉變時，會考慮其相關按揭組合的已知拖欠及信用損失，以確保對信貸的減值有足夠的客觀證據支持。

不少本集團所持有的 ABS/MBS 結構複雜，並涉及持續多年的現金流。此等未來的現金流乃取決於美國的住宅樓宇價格及美國經濟表現等經濟因素。因此，該等證券的可收回金額於現會計結算日未必可被準確估計，未來的會計年度有可能需計提額外的減值損失或將減值損失撥回。

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.2 Impairment of held-to-maturity and available-for-sale investments (continued)

The methodology and assumptions used for the assessments are reviewed regularly. In evaluating impairment of ABS/MBS during the year, the Group continued to consider a significant decline in market prices of ABS/MBS to be one of the key indicators of impairment. In addition, due to reduced market liquidity and wider dispersion in indicative prices of certain ABS/MBS held by the Group, the Group also ensured that there was additional objective evidence of credit impairment by considering whether there has been a significant adverse change in the credit enhancement coverage ratio, taking into account the reported delinquencies and credit losses incurred in the underlying mortgage portfolio for each security held by the Group.

Many of the ABS/MBS held by the Group are complex, and involve cashflows over many years. These future cashflows depend on economic factors such as US residential real estate prices and the performance of the US economy. The recoverable amounts of the securities therefore cannot be predicted with certainty at the current balance sheet date, and additional impairment charges – or releases of impairment charges – may be required in future accounting periods.

財務報表附註 (續)

3. 應用會計政策時之重大會計估計及判斷 (續)

3.3 衍生金融工具的公平值

沒有活躍市場報價之衍生金融工具，其公平值會根據估值方法釐定。所採用之估值方法包括貼現現金流量分析，以及從外間購入，並被業內廣泛採用之財務分析或風險管理系統之內置模型。若實際操作上可行，定價模型將只採用可觀察數據。

3.4 持有至到期日投資

本集團跟循香港會計準則第 39 號之指引，將具有固定或確定付款額及還款期的若干非衍生金融工具金融資產分類為持有至到期日投資。此分類需運用重大判斷。於使用該判斷時，本集團會考慮其持有之意向及能持有該資產至到期日之能力。除香港會計準則第 39 號所列出的特定情況下，例如出售金額不重大之接近到期日投資，若本集團未能持有該等投資至到期日，則整個類別需被重新分類為可供出售投資，而該投資將以公平值計量，而不能以攤餘成本計量。

3.5 準備

集團在每個會計結算日都會判斷是否因過去事項而形成現時法定義務或推定義務，同時判斷履行相關義務導致經濟利益流出的可能性，並確定該義務金額的可靠估計數。

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.3 Fair values of derivatives financial instruments

The fair values of derivatives financial instruments that are not quoted in active markets are determined by using valuation techniques. Valuation techniques used include discounted cash flows analysis and models with built-in functions available in externally acquired financial analysis or risk management systems widely used by the industry. To the extent practical, the models use only observable data.

3.4 Held-to-maturity investments

The Group follows the guidance of HKAS 39 in classifying certain non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgement. In making this judgement, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to hold these investments to maturity other than for specific circumstances defined in HKAS 39, such as selling an insignificant amount close to maturity, it will be required to reclassify the entire portfolio of assets as available-for-sale. The investments would then be measured at fair value and not amortised cost.

3.5 Provisions

The Group uses judgement to assess whether the Group has a present legal or constructive obligation as a result of past events at each balance sheet date, and judgement is used to determine if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and to determine a reliable estimate of the amount of the obligation.

財務報表附註 (續)

3. 應用會計政策時之重大會計估計及判斷 (續)

3.5 準備 (續)

2009年7月22日，集團與證券及期貨事務監察委員會、金管局和十三家分銷銀行達成協議（「回購計劃」），向合資格客戶提出要約，購回他們經本集團認購及持有的所有未到期的雷曼兄弟迷你債券（「迷你債券」）。

在釐定需計入本集團收益表內與迷你債券相關的支出時，本集團考慮了根據回購計劃項下已付及應付金額和自願性要約的估計總額、回購計劃日期之前已作出的撥備、以及從迷你債券可收回的金額。

迷你債券可收回的金額並不確定，並且取決於一系列的因素，包括解決若干可導致不同可收回結果的法律問題。本集團在此等不確定性下，對可收回金額作出評估。而本集團最終收回的金額可能與該評估不同，並可能導致在實現該收回金額的期間，在收益表內確認一定的收益。

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements in applying accounting policies (continued)

3.5 Provisions (continued)

On 22 July 2009, the Group agreed with the Securities and Futures Commission, the HKMA and thirteen other distributing banks to make an offer to eligible customers to repurchase their holdings in all outstanding Lehman Brothers minibonds ("Minibonds") subscribed through the Group ("the Repurchase Scheme").

In determining the Group's charge to the income statement in respect of the Minibonds, the Group took into account the estimated aggregate amount paid and payable under the Repurchase Scheme and the voluntary offer, the provision made prior to the date of the Repurchase Scheme and the amount recoverable from the Minibonds.

The amount recoverable from the Minibonds is uncertain and dependent on a number of factors including resolution of certain legal matters, which may result in a wide range of recovery outcomes. The Group has made an assessment of the amount recoverable under such uncertainties. The final amount recovered by the Group could be different from the assessment and may result in a considerable credit being recognised in the income statement in the period when it is realised.

財務報表附註（續） Notes to the Financial Statements (continued)

4. 金融風險管理

本集團因從事各類業務而涉及金融風險。主要金融風險包括信貸風險、市場風險（包括貨幣風險及利率風險）及流動資金風險。本附註總結本集團的這些風險承擔，以及其目標、風險管理的政策與程序及量度這些風險的方法。

金融風險管理架構

集團風險管理管治架構覆蓋業務發展的全部過程，以保證在業務經營中的各類風險都能得到有效管理及控制。集團擁有完善的風險管理架構，並有一套全面的風險管理政策及程序，用以識別、量度、監察及控制可能出現的各類風險。集團亦定期重檢及更新風險管理政策及程序，以配合市場及業務策略的轉變。不同層面的風險承擔者分別負責與其相關的風險管理責任。

董事會代表著股東的利益，是集團風險管理的最高決策機構，並對風險管理負最終責任。董事會在風險委員會的協助下，負責確定集團的總體風險管理策略，並確保集團具備有效的風險管理系統以落實執行有關策略。

風險委員會是董事會成立的常設委員會，負責監控本集團的各類風險；審批高層次的風險相關政策，並監督其執行；審查重大的或高風險的風險承擔或交易，並對認為不應該進行的交易行使否決權。

4. Financial risk management

The Group is exposed to financial risks as a result of engaging in a variety of business activities. The principal financial risks are credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. This note summarises the Group's exposures to these risks, as well as its objectives, policies and processes for managing and the methods used to measure these risks.

Financial risk management framework

The Group's management governance structure is designed to cover all business processes and ensure various risks are properly managed and controlled in the course of conducting business. The Group has a robust risk management organisational structure with a comprehensive set of policies and procedures to identify, measure, monitor and control various risks that may arise. These risk management policies and procedures are regularly reviewed and modified to reflect changes in markets and business strategies. Various groups of risk takers assume their respective responsibilities for risk management.

The Board of Directors, representing the interests of shareholders, is the highest decision making authority of the Group and has the ultimate responsibility for risk management. The Board, with the assistance of the Risk Committee ("RC"), has the primary responsibility for the formulation of risk management strategies and for ensuring that the Group has an effective risk management system to implement these strategies.

The RC, a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, reviewing and approving high-level risk-related policies and overseeing their implementation, reviewing significant or high risk exposures or transactions and exercising its power of veto if it considers that any transaction should not proceed.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

金融風險管理架構 (續)

總裁負責管理本集團各類風險，審批詳細的風險管理政策，在董事會授權範圍內審批重大風險承擔或交易。風險總監負責協助總裁履行對各類風險日常管理的職責，提出新的風險管理策略、項目和措施以配合監管要求的變化，從而更好地監察及管理新業務、產品及營運環境轉變而引致的風險。風險總監還根據授權負責審核重大風險承擔或交易，並對認為不應該進行的交易行使否決權。

本集團的不同單位都有其相應的風險管理責任。業務單位是風險管理的第一道防線，而風險管理單位則獨立於業務單位，負責各類風險的日常管理，以及草擬、檢查和更新各類風險管理政策和程序。

集團的主要附屬銀行南僑、南僑(中國)及集友，亦採用與集團一致的風險管理政策。這些附屬公司獨立執行其風險管理策略，並定期向集團管理層匯報。

集團建立了合適的內部控制程序，包括設立權責分立清晰的組織架構，以監察業務運作是否符合既定政策、程序及限額。適當的匯報機制也充分地使監控職能獨立於業務範疇，同時促成機構內適當的職責分工，有助營造適當的內部控制環境。

Financial risk management framework (continued)

The Chief Executive ("CE") is responsible for managing the Group's various types of risks, approving detailed risk management policies, and approving material risk exposures or transactions within his authority delegated by the Board of Directors. The Chief Risk Officer ("CRO") assists the CE in fulfilling his responsibilities for the day-to-day management of risks. The CRO is responsible for initiating new risk management strategies, projects and measures that will enable the Group to better monitor and manage new risk issues or areas that may arise from time to time from new businesses, products and changes in the operating environment. He may also take appropriate initiatives in response to regulatory changes. The CRO is also responsible for reviewing material risk exposures or transactions within his delegated authority and exercising his power of veto if he believes that any transaction should not proceed.

Various units of the Group have their respective risk management responsibilities. Business units act as the first line of defence while risk management units, which are independent from the business units, are responsible for the day-to-day management of different kinds of risks. Risk management units have the primary responsibilities for drafting, reviewing and updating various risk management policies and procedures.

The Group's principal banking subsidiaries, Nanyang, NCB (China), and Chiyu, are subject to risk policies that are consistent with those of the Group. These subsidiaries execute their risk management strategies independently and report to the Group's management on a regular basis.

The Group has put in place appropriate internal control systems, including establishment of an organisation structure that sets adequately clear lines of authority and responsibility for monitoring compliance with policies, procedures and limits. Proper reporting lines also provide sufficient independence of the control functions from the business areas, as well as adequate segregation of duties throughout the organisation which helps to promote an appropriate internal control environment.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

產品開發

爲了提高風險評估工作的有效性，本集團建立了一套完善的產品開發管理制度。在產品開發過程中，本集團各單位具有清晰的職責及分工，並需要遵循既定的風險評估程序開展工作。

根據管理層提出的年度發展目標，產品管理單位負責提出相應的業務發展和新產品開發計劃，進行具體的產品開發工作。策略發展部門負責確保產品開發符合集團整體策略；風險管理、法律、合規及財務等方面的專責部門負責對風險評估結果進行審核。

除負責本單位新產品開發項目的項目管理工作外，產品管理單位將與風險評估部門共同負責識別和分析項目所涉及的各项風險。而出於內部控制的考慮，風險評估部門需要對項目的風險評估結果和風險管理措施進行獨立審核；只有在各風險評估部門均確認同意項目的風險管理措施有效可行，有關產品才能最終推出市場。

而爲對提供予客戶的財資產品進行更審慎的篩選，所有全新及改良的財資產品在推出前，都必須經由專責委員會審批同意通過。

4.1 信貸風險

信貸風險指因客戶或交易對手未能或不願意履行與本集團簽訂的合約責任的風險。信貸風險主要來自借貸、貿易融資及資金業務，包括銀行同業交易、外匯及衍生交易、債券及證券投資。

Product development

To ensure effective risk assessment and monitoring, the Group developed a comprehensive product development and management framework which clearly defines the roles and responsibilities of all related units, and the proper risk assessment procedures for the product development process.

In accordance with the strategic objectives set by the Management, the respective product management units are responsible for formulating business and product development plans, and the department of strategic development shall ensure the plans are aligned with the Group's overall strategies. Departments that are responsible for risk management, legal, compliance and finance etc. are accountable for risk assessment and review.

Apart from product development, the respective business units shall work closely with relevant risk evaluating departments to identify and assess all the related risks. Based on the consideration of segregation of duties, risk evaluating departments shall conduct independent review on risk management procedures and assessment results. Products can only be launched after the risk management procedures are fulfilled and endorsed by all risk evaluating departments.

In order to be prudent in offering treasury products to our clients, all treasury products, regardless brand new or modified, require approval from a special committee before launching.

4.1 Credit Risk

Credit risk is the risk that a customer or counterparty will be unable to or unwilling to meet its obligations under a contract. It arises principally from lending, trade finance and treasury businesses, and covers inter-bank transactions, foreign exchange and derivative transactions as well as investments in bonds and securities.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

信貸風險管理架構

集團制定了一套全面的信貸風險管理政策與程序和恰當的信貸風險限額，用以管理及控制信貸風險。集團定期重檢及更新該等政策與程序及限額，以配合市場及業務策略的轉變。

集團的組織架構適當制定了明確的授權及職責，以監控遵守政策、程序及限額的情況。

信貸風險主管負責管理信貸風險，並領導制定所有信貸風險管理政策與程序。信貸定量模型總監負責本行內部評級模型的開發與維護和制定評級標準。信貸風險主管和信貸定量模型總監直接向風險總監匯報。本集團的不同單位都有其相應的信貸風險管理責任。業務單位是風險管理的第一道防線，而風險管理部門則獨立於業務單位，負責信貸風險的日常管理，以及草擬、檢查和更新信貸風險管理政策與程序。根據集團的營運總則、集團的主要附屬銀行南商、南商（中國）及集友，亦採用與集團一致的風險管理政策。這些附屬公司獨立執行其風險管理策略，並定期向集團管理層匯報。

4.1 Credit Risk (continued)

Credit risk management framework

The Group has formulated a comprehensive set of credit risk management policies and procedures, and appropriate credit risk limits to manage and control credit risk that may arise. These policies, procedures and credit risk limits are regularly reviewed to cope with changes in market conditions and business strategies.

The Group's organisation structure establishes a clear set of authority and responsibility for monitoring compliance with policies, procedures and limits.

The Chief Credit Officer ("CCO") reports directly to the CRO and is responsible for the management of credit risk and for the formulation of all credit policies and procedures. The Chief Analytics Officer who reports directly to the CRO is responsible for the development and maintenance of internal rating models and rating criteria. Various units of the Group have their respective credit management responsibilities. Business units act as the first line of defense while risk management units, which are independent from the business units, are responsible for the day-to-day management of credit risks. The Risk Management Department ("RMD") has the primary responsibility for drafting, reviewing and updating credit risk management policies and procedures. In accordance with Group's operating principle, the Group's principal banking subsidiaries, Nanyang, NCB (China), and Chiyu, have also formulated their own credit risk policies that are consistent with those of the Group. These subsidiaries execute their risk management strategies independently and report to the Group's management on a regular basis.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

信貸風險管理架構 (續)

總裁在董事會授予之權限內按管理需要轉授權予相關下級人員。集團按照信貸業務性質、評級、信貸風險承擔大小，設置信貸業務的審批權限。

信貸風險評估及監控

因應迅速變化的市場情況，本集團已持續重檢信貸策略，並對關注的組合開展嚴格的信貸重檢。

客戶貸款

不同客戶、交易對手或交易會根據其風險程度採用不同的信貸審批及監控程序。企業及金融機構授信申請由風險管理單位進行獨立審核、客觀評估及監察，當信貸評級模型/評分卡適用時，信貸審批過程中也會應用信貸評級模型/評分卡；零售授信交易包括住宅按揭貸款、私人貸款及信用卡等採取信貸評分系統審批；須由副總裁級或以上人員審批的大額授信申請，則由集團授信和其他業務專家組成的信貸評審委員會進行獨立風險評審。

風險管理部定期提供信貸風險管理報告，並按管理委員會、風險委員會及董事會的特別要求，提供專題報告，以供集團管理層持續監控信貸風險。

4.1 Credit Risk (continued)

Credit risk management framework (continued)

The Board of Directors delegates credit approval authority to the CE. The CE can further delegate to the subordinates within his limit authorised by the Board of Directors. The Group sets the limits of credit approval authority according to the business nature, rating, the level of transaction risk, and the extent of the credit exposure.

Credit risk measurement and control

In view of the rapidly changing market conditions, the Group has been continuously revisiting its lending strategies and conducting rigorous reviews on the concerned portfolios.

Loans and advances

Different credit approval and control procedures are adopted according to the level of risk associated with the customer, counterparty or transaction. Corporate and financial institution credit applications are independently reviewed, objectively assessed and monitored by risk management units and credit rating models/scorecards are used in the process of credit approval whenever they are applicable. A credit scoring system is used to process retail credit transactions, including residential mortgage loans, personal loans and credit cards. The Credit Risk Assessment Committee comprising experts from the Group's credit and other functions is responsible for making an independent assessment of all credit facilities which require the approval of Deputy Chief Executives or above.

RMD provides regular credit management information reports and ad hoc reports to the Management Committee ("MC"), RC and Board of Directors to facilitate their continuous monitoring of credit risk.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

信貸風險評估及監控 (續)

客戶貸款 (續)

集團按照行業、地區、客戶或交易對手等維度識別信貸風險集中，並監察每一交易對手信貸風險、信貸資產組合質素、信貸風險集中度的變化，定期向管理高層匯報。

參照金管局貸款分類制度的指引，集團實施五級的信貸評級系統。

「合格」是指借款人目前有履行還款責任的貸款，同時全數償還利息及本金的機會也不成疑問。

「需要關注」是指借款人正面對困難，可能會影響銀行收回貸款的本金及利息。現時並未預期出現最終損失，但如不利情況持續，有可能出現最終損失。

「次級」是指借款人正出現明顯問題，以致可能影響還款的貸款。

「呆滯」是指不大可能全數收回，而銀行在扣除抵押品的可變現淨值後預計會承受本金和／或利息虧損的貸款。

「虧損」是指用盡所有追討欠款方法後（如變賣抵押品、提出法律訴訟等）仍被視為無法收回的貸款。

4.1 Credit Risk (continued)

Credit risk measurement and control (continued)

Loans and advances (continued)

The Group identifies credit concentration risk by industry, geography, customer and counterparty risk. The Group monitors changes to counterparties credit risk, quality of the credit portfolio and risk concentrations, and reports regularly to the Group's management.

The Group's internal loan grading system divides credit assets into 5 categories with reference to HKMA's guidelines.

“Pass” represents loans where the borrower is current in meeting its repayment obligations and full repayment of interest and principal is not in doubt.

“Special Mention” represents loans where the borrower is experiencing difficulties which may threaten the Group's position. Ultimate loss is not expected at this stage but could occur if adverse conditions persist.

“Substandard” represents loans where the borrower displays a definable weakness that is likely to jeopardise repayment.

“Doubtful” represents loans where collection in full is improbable and the Group expects to sustain a loss of principal and/or interest, taking into account the net realisable value of the collateral.

“Loss” represents loans which are considered uncollectible after all collection options (such as the realisation of collateral or the institution of legal proceedings) have been exhausted.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

信貸風險評估及監控 (續)

債務證券及衍生產品

為管理投資於債務證券及證券化資產的信貸風險，集團會評估外部信貸評級和證券相關資產的質素，並設定客戶及證券發行人限額；對於衍生產品，集團會採用客戶限額及與客戶貸款一致的審批及監控程序管理信貸風險，並制定持續監控程序。

集團採用全面的方法評估各類資產抵押證券或按揭抵押證券 (ABS/MBS) 是否已減值。在此方法之下，集團不僅會考慮該債券的市場價格 (MTM) 及其外部評級，也會考慮其他因素包括資產池的 FICO 評分、發行年期、所在地、需作按揭利率調整 (ARM) 情況、拖欠比率、押品保障水平、貸款與估值比率及提前還款速度。在參考以上因素後，ABS/MBS 還需符合集團所要求的信貸提昇覆蓋比率。此項比率基於對該項 ABS/MBS 所掌握的拖欠、強制收回及收回押品 (REO) 的數據，以及對違約率採用假設來確定。

結算風險主要來自交易對手相關外匯交易，並同時產生自因以現金、證券或股票結算支付時，尚未相應收回對方的現金、證券或股票。集團對各客戶或交易對手制定每日結算限額，以涵蓋任何單一日子集團的交易而產生的所有結算風險。

4.1 Credit Risk (continued)

Credit risk measurement and control (continued)

Debt securities and derivatives

For investments in debt securities and securitisation assets, the external credit rating and assessment on credit quality of the underlying assets are used for managing the credit risk involved. Credit limits are established on a customer and security issuer basis. For derivatives, the Group sets customer limits to manage the credit risk involved and follows the same approval and control processes as loans and advances. On-going monitoring procedures are established.

The Group adopts a comprehensive methodology in determining whether a particular asset/mortgage backed security ("ABS/MBS") is impaired. Under the methodology, the Group will take into consideration not only the mark-to-market (MTM) price of the issue and its external credit rating, but also additional factors such as the FICO score, vintage, location, adjustable rate mortgage ("ARM") status, delinquencies, level of collateral protection, loan to value ratio and prepayment speed of the underlying assets. Furthermore, having considered these factors, the ABS/MBS issue has to further pass the required credit enhancement coverage ratio set by the Group. This ratio is determined by applying assumptions regarding the default rates based on the available delinquency, foreclosure and real estate owned ("REO") data of the ABS/MBS issue.

Settlement risk arises mainly from foreign exchange transactions with counterparties and also from derivatives in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty or customer to cover all settlement risk arising from the Group's market transactions on any single day.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

抵押品及其他改善信貸條件

集團制定抵押品估值及管理的政策，明確抵押品的接受準則、法律有效性、貸款與估值比率、估損折扣比率、估值及保險等規定。集團須定期重估抵押品價值，並按抵押品種類、擔保的授信性質及風險狀況而採用不同的估值頻率及方式。物業是集團主要押品，集團已建立機制利用指數以組合形式對物業進行估值。抵押品須購買保險並以本集團作為第一受益人。個人貸款以物業、存款、證券及投資基金作為主要抵押品；工商貸款則主要以物業、證券、應收賬項、存款及機器作押。

對於由第三者提供擔保的貸款，集團會評估擔保人的財政狀況、信貸記錄及履約能力。

於2009年12月31日及2008年12月31日，本集團並無持有任何允許於借款人未違約情況下出售或再抵押之抵押品。

4.1 Credit Risk (continued)

Collateral held as security and other credit enhancements

The valuation and management of collateral have been documented in the policy covering acceptance criteria, validity of collateral, loan-to-value ratio, haircut ratio, valuation and insurance, etc. The collateral is revalued on a regular basis, though the frequency and the method used varies with the type of collateral involved and the nature and the risk of the underlying credit. The Group has established a mechanism to update the value of its main type of collateral, real properties, with the use of public indices on a portfolio basis. Collateral is insured with the Group as the beneficiary. In the personal sector, the main types of collateral are real properties, cash deposits, securities and investment funds. In the commercial and industrial sector, the main types of collateral are real properties, securities, receivables, cash deposits and machinery.

For loans guaranteed by a third party guarantor, the Group will assess the guarantor's financial condition, credit history and ability to meet obligations.

As at 31 December 2009 and 2008, the Group did not hold any collateral that it was permitted to sell or re-pledge in the absence of default by the borrower.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(A) 信貸風險承擔

未計所持抵押品或其他改善信貸條件之最高信貸風險摘要如下：

4.1 Credit Risk (continued)

(A) Credit exposures

Maximum exposures to credit risk before collateral held or other credit enhancements are summarised as follows:

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
與資產負債表內資產項目有關的信貸風險承擔：在銀行及其他金融機構的結餘	Credit risk exposures relating to on-balance sheet assets are as follows:		
一至十二個月內到期之銀行及其他金融機構存款	Balances with banks and other financial institutions	156,916	153,268
公平值變化計入損益之金融資產	Placements with banks and other financial institutions maturing between 1 and 12 months	60,282	89,718
- 債務證券	Financial assets at fair value through profit or loss		
- 債務證券	- debt securities	18,327	16,322
衍生金融工具	Derivative financial instruments	17,575	19,628
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	38,310	34,200
貸款及其他賬項	Advances and other accounts	527,100	470,220
證券投資	Investment in securities		
- 債務證券	- debt securities		
- 可供出售	- available-for-sale	221,613	170,935
- 債務證券	- debt securities		
- 持有至到期日	- held-to-maturity	66,563	105,393
- 債務證券	- debt securities		
- 貸款及應收款	- loans and receivables	12,703	12,595
其他資產	Other assets	11,870	13,208
與資產負債表外項目有關的信貸風險承擔：	Credit risk exposures relating to off-balance sheet items are as follows:		
開出擔保函	Letters of guarantee issued	10,990	11,838
貸款承擔及其他信貸有關負債	Loan commitment and other credit related liabilities	265,439	241,556
		1,407,688	1,338,881

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(A) 信貸風險承擔 (續)

(A) Credit exposures (continued)

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
與資產負債表內資產項目有關的信貸風險承擔：	Credit risk exposures relating to on-balance sheet assets are as follows:		
在銀行及其他金融機構的結餘	Balances with banks and other financial institutions	141,965	133,433
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between 1 and 12 months	50,861	67,900
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss		
- 債務證券	- debt securities	14,860	13,016
衍生金融工具	Derivative financial instruments	16,685	18,633
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	38,310	34,200
貸款及其他賬項	Advances and other accounts	410,589	385,860
證券投資	Investment in securities		
- 債務證券	- debt securities		
- 可供出售	- available-for-sale	204,135	166,593
- 債務證券	- debt securities		
- 持有至到期日	- held-to-maturity	52,821	89,817
- 債務證券	- debt securities		
- 貸款及應收款	- loans and receivables	12,319	8,444
其他資產	Other assets	10,847	12,278
與資產負債表外項目有關的信貸風險承擔：	Credit risk exposures relating to off-balance sheet items are as follows:		
開出擔保函	Letters of guarantee issued	9,867	11,819
貸款承擔及其他信貸有關負債	Loan commitment and other credit related liabilities	173,729	159,928
		1,136,988	1,101,921

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(A) 信貸風險承擔 (續)

上表列示了本集團及本銀行於 2009 年 12 月 31 日和 2008 年 12 月 31 日未考慮任何抵押品、淨額結算協議或其他信貸增級措施的最高信貸風險承擔。對於資產負債表內資產，最高信貸風險承擔以賬面淨額列示。對於開出擔保函，最高信貸風險承擔是被擔保人要求本集團及本銀行代為償付債務的最高金額。對於貸款承擔及其他信貸有關負債，最高信貸風險承擔包括不可撤銷的信貸承諾，以及如果發生重大不利情況下方可撤銷的信貸承諾。

4.1 Credit Risk (continued)

(A) Credit exposures (continued)

The above tables represent a worst case scenario of credit risk exposure to the Group and the Bank at 31 December 2009 and 2008, without taking account of any collateral held, master netting agreements or other credit enhancements attached. For on-balance sheet assets, the exposures set out above are based on net carrying amounts. For letters of guarantee issued, the maximum exposure to credit risk is the maximum amount that the Group and the Bank could be required to pay if the guarantees are called upon. For loan commitment and other credit related liabilities that are irrevocable over the life of the respective facilities or revocable in the event of a significant adverse change, the maximum exposure to credit risk is disclosed as the full amount of the committed facilities.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款

提取貸款減值準備前之總貸款按產品類別分析如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances

Gross loans and advances before loan impairment allowances are summarised by product type as follows:

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
客戶貸款	Advances to customers		
個人	Personal		
- 按揭	- Mortgages	140,940	130,980
- 信用卡	- Credit cards	7,229	6,445
- 其他	- Others	13,235	14,321
公司	Corporate		
- 商業貸款	- Commercial loans	324,212	284,873
- 貿易融資	- Trade finance	29,321	24,555
		514,937	461,174
貿易票據	Trade bills	9,100	7,609
銀行及其他金融機構貸款	Advances to banks and other financial institutions	5,332	3,738
總計	Total	529,369	472,521

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
客戶貸款	Advances to customers		
個人	Personal		
- 按揭	- Mortgages	123,226	115,282
- 其他	- Others	7,254	8,674
公司	Corporate		
- 商業貸款	- Commercial loans	242,763	231,710
- 貿易融資	- Trade finance	26,134	21,578
		399,377	377,244
貿易票據	Trade bills	8,260	6,422
銀行及其他金融機構貸款	Advances to banks and other financial institutions	4,480	3,738
總計	Total	412,117	387,404

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

有明確到期日之貸款，若其本金或利息已逾期及仍未償還，則列作逾期貸款。須定期分期償還之貸款，若其中一次分期還款已逾期及仍未償還，則列作逾期處理。須即期償還之貸款若已向借款人送達還款通知，但借款人未按指示還款，或貸款一直超出借款人獲通知之批准貸款限額，亦列作逾期處理。

當有客觀證據反映金融資產出現一項或多項損失事件，經過評估後相信有關損失事件已影響其未來現金流，則該金融資產已出現減值損失。

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

Advances with a specific repayment date are classified as overdue when the principal or interest is past due and remains unpaid. Advances repayable by regular instalments are classified as overdue when an instalment payment is past due and remains unpaid. Advances repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instruction or when the advances have remained continuously outside the approved limit that was advised to the borrower.

A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred and that loss event(s) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

如有客觀證據反映金融資產已出現減值損失，有關損失按賬面值與未來現金流折現值兩者間之差額計量；金融資產已出現減值損失的客觀證據包括那些已有明顯訊息令資產持有人知悉發生了損失事件。

集團根據以下客觀證據來識別金融資產是否已出現減值損失：

- 借款人出現重大的財務困難；
- 出現違約事件，例如不履行或逾期償還本金或利息；
- 當借款人出現財務困難，貸款人基於經濟或法律因素考慮而特別給予借款人貸款條件上的優惠；
- 有證據顯示借款人將會破產或進行財務重整；或
- 其他明顯訊息反映有關授信資產的未來現金流將會出現明顯下降。

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

If there is objective evidence that an impairment loss on loans has been incurred, the amount of loss is measured as the difference between the carrying amount and the present value of estimated future cash flows generated by the financial asset. Objective evidence that a financial asset is impaired includes observable data that comes to the attention of the holder of the asset about the loss events.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty incurred by the borrower;
- A breach of contract, such as a default or delinquency in interest or principal payment;
- For economic or legal reasons related to the borrower's financial difficulty, the Group has granted to the borrower a concession that it would not otherwise consider;
- Probable that the borrower will become bankrupt or undergo other financial reorganisation; or
- Other observable data indicating that there is a measurable decrease in the estimated future cash flows from such loans and advances.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(a) 非減值未逾期貸款

非減值未逾期貸款按內部信貸評級分析如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(a) Advances neither overdue nor impaired

Advances that were neither overdue nor impaired are analysed by internal credit grades as follows:

		本集團 The Group			
		2009			
		合格 Pass	需要關注 Special mention	次級或以下 Substandard or below	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	138,876	128	85	139,089
- 信用卡	- Credit cards	7,050	-	-	7,050
- 其他	- Others	12,841	78	19	12,938
公司	Corporate				
- 商業貸款	- Commercial loans	321,318	1,073	226	322,617
- 貿易融資	- Trade finance	28,669	392	4	29,065
		508,754	1,671	334	510,759
貿易票據	Trade bills	9,080	20	-	9,100
銀行及其他金融機構貸款	Advances to banks and other financial institutions	4,719	613	-	5,332
總計	Total	522,553	2,304	334	525,191

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(a) 非減值未逾期貸款 (續)

(a) Advances neither overdue nor impaired (continued)

		本集團 The Group			
		2008			
		合格 Pass	需要關注 Special mention	次級或以下 Substandard or below	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	128,545	155	88	128,788
- 信用卡	- Credit cards	6,179	-	-	6,179
- 其他	- Others	13,801	75	10	13,886
公司	Corporate				
- 商業貸款	- Commercial loans	276,609	6,349	274	283,232
- 貿易融資	- Trade finance	23,381	538	5	23,924
		448,515	7,117	377	456,009
貿易票據	Trade bills	7,084	523	2	7,609
銀行及其他金融 機構貸款	Advances to banks and other financial institutions	3,738	-	-	3,738
總計	Total	459,337	7,640	379	467,356

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(a) 非減值未逾期貸款 (續)

(a) Advances neither overdue nor impaired (continued)

		本銀行 The Bank			
		2009			
		合格 Pass	需要關注 Special mention	次級或以下 Substandard or below	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	121,459	103	73	121,635
- 其他	- Others	6,989	18	17	7,024
公司	Corporate				
- 商業貸款	- Commercial loans	240,697	673	172	241,542
- 貿易融資	- Trade finance	25,642	298	3	25,943
		394,787	1,092	265	396,144
貿易票據	Trade bills	8,256	4	-	8,260
銀行及其他金融 機構貸款	Advances to banks and other financial institutions	3,867	613	-	4,480
總計	Total	406,910	1,709	265	408,884

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(a) 非減值未逾期貸款 (續)

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(a) Advances neither overdue nor impaired (continued)

		本銀行 The Bank			
		2008			
		合格 Pass	需要關注 Special mention	次級或以下 Substandard or below	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	113,189	130	77	113,396
- 其他	- Others	8,308	32	10	8,350
公司	Corporate				
- 商業貸款	- Commercial loans	225,900	4,388	224	230,512
- 貿易融資	- Trade finance	20,834	280	5	21,119
		368,231	4,830	316	373,377
貿易票據	Trade bills	6,408	13	1	6,422
銀行及其他金融 機構貸款	Advances to banks and other financial institutions	3,738	-	-	3,738
總計	Total	378,377	4,843	317	383,537

當貸款受全數抵押擔保，即使發生損失事件亦未必導致減值損失。該等被評為「次級」或以下的貸款，被視為非減值貸款於上表中列示。

The occurrence of loss event(s) may not necessarily result in impairment loss where the loans are fully collateralised. While such loans are of "substandard" or lower grades, they are regarded as not being impaired and have been included in the above table.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(b) 逾期未減值貸款

總逾期未減值貸款分析如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(b) Advances overdue but not impaired

The gross amount of advances overdue but not impaired is analysed as follows:

		本集團 The Group 2009					
		逾期超過 3 個月 但不超過 6 個月	逾期超過 6 個月 但不超過 1 年	逾期 超過 1 年	總計	抵押品市值	
		Overdue for 6 months or less but over 3 months or less	Overdue for 1 year or less but over 6 months	Overdue for over 1 year	Total	Market value of collateral	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
客戶貸款	Advances to customers						
個人	Personal						
- 按揭	- Mortgages	1,765	34	12	26	1,837	
- 信用卡	- Credit cards	152	-	-	-	152	
- 其他	- Others	218	2	10	13	243	
公司	Corporate						
- 商業貸款	- Commercial loans	664	5	10	196	875	
- 貿易融資	- Trade finance	38	-	1	9	48	
總計	Total	2,837	41	33	244	3,155	
						7,064	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(b) 逾期未減值貸款 (續)

(b) Advances overdue but not impaired (continued)

		本集團 The Group					
		2008					
		逾期超過 3 個月 但不超過 6 個月	逾期超過 6 個月 但不超過 1 年	逾期 超過 1 年	總計	抵押品市值	
		Overdue for 6 months or less but over 3 months or less	Overdue for 1 year or less but over 6 months	Overdue for over 1 year	Total	Market value of collateral	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
客戶貸款	Advances to customers						
個人	Personal						
- 按揭	- Mortgages	2,065	34	12	30	2,141	
- 信用卡	- Credit cards	237	-	-	-	237	
- 其他	- Others	318	3	3	32	356	
公司	Corporate						
- 商業貸款	- Commercial loans	832	8	9	156	1,005	
- 貿易融資	- Trade finance	81	4	-	15	100	
總計	Total	3,533	49	24	233	3,839	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(b) 逾期未減值貸款
(續)

(b) Advances overdue but not impaired (continued)

		本銀行 The Bank						
		2009						
		逾期超過 3 個月 但不超過 6 個月	逾期超過 6 個月 但不超過 1 年	逾期 超過 1 年	逾期 超過 1 年	總計	抵押品市值	
		Overdue for 6 months or less but over 3 months or less	Overdue for 1 year or less but over 6 months	Overdue for over 1 year	Overdue for over 1 year	Total	Market value of collateral	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
客戶貸款	Advances to customers							
個人	Personal							
- 按揭	- Mortgages	1,518	24	12	24	1,578	3,908	
- 其他	- Others	158	1	10	13	182	446	
公司	Corporate							
- 商業貸款	- Commercial loans	443	5	10	192	650	1,428	
- 貿易融資	- Trade finance	16	-	1	9	26	125	
總計	Total	2,135	30	33	238	2,436	5,907	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(b) 逾期未減值貸款 (續)

(b) Advances overdue but not impaired (continued)

		本銀行 The Bank					
		2008					
		逾期超過 3 個月 但不超過 6 個月	逾期超過 6 個月 但不超過 1 年	逾期 超過 1 年	逾期 超過 1 年	總計	抵押品市值 Market value of collateral
		Overdue for 3 months or less	Overdue for 6 months but over 3 months	Overdue for 1 year or less but over 6 months	Overdue for over 1 year	Total	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers						
個人	Personal						
- 按揭	- Mortgages	1,772	32	12	28	1,844	4,135
- 其他	- Others	215	3	3	32	253	626
公司	Corporate						
- 商業貸款	- Commercial loans	588	2	8	154	752	1,969
- 貿易融資	- Trade finance	57	4	-	15	76	163
總計	Total	2,632	41	23	229	2,925	6,893

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(b) 逾期末減值貸款 (續)

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(b) Advances overdue but not impaired (continued)

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
就上述有抵押品 覆蓋之客戶貸 款之抵押品市 值	Current market value of collateral held against the covered portion of advances to customers	<u>7,064</u>	<u>8,216</u>
上述有抵押品覆 蓋之客戶貸款	Covered portion of advances to customers	<u>2,856</u>	<u>3,341</u>
上述沒有抵押品 覆蓋之客戶貸 款	Uncovered portion of advances to customers	<u>299</u>	<u>498</u>

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
就上述有抵押品 覆蓋之客戶貸 款之抵押品市 值	Current market value of collateral held against the covered portion of advances to customers	<u>5,907</u>	<u>6,893</u>
上述有抵押品覆 蓋之客戶貸款	Covered portion of advances to customers	<u>2,342</u>	<u>2,795</u>
上述沒有抵押品 覆蓋之客戶貸 款	Uncovered portion of advances to customers	<u>94</u>	<u>130</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(c) 減值貸款

已個別識別減值貸款按產品類別分析如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(c) Impaired advances

Advances individually identified to be impaired are analysed by product type as follows:

		本集團 The Group			
		2009		2008	
		總貸款 Gross advances	抵押品 市值 Market value of collateral	總貸款 Gross advances	抵押品 市值 Market value of collateral
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	14	15	51	50
- 信用卡	- Credit cards	27	-	29	-
- 其他	- Others	54	21	79	21
公司	Corporate				
- 商業貸款	- Commercial loans	720	163	636	434
- 貿易融資	- Trade finance	208	28	531	205
總計	Total	1,023	227	1,326	710
就有關貸款作出之貸款減值準備	Loan impairment allowances made in respect of such advances	696		829	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(c) 減值貸款 (續)

(c) Impaired advances (continued)

		本銀行 The Bank			
		2009		2008	
		總貸款 Gross advances	抵押品 市值 Market value of collateral	總貸款 Gross advances	抵押品 市值 Market value of collateral
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers				
個人	Personal				
- 按揭	- Mortgages	13	13	42	41
- 其他	- Others	48	21	71	20
公司	Corporate				
- 商業貸款	- Commercial loans	571	134	446	396
- 貿易融資	- Trade finance	165	28	383	167
總計	Total	797	196	942	624
就有關貸款作出 之貸款減值準備	Loan impairment allowances made in respect of such advances	501		531	

貸款減值準備之撥備已考慮有關貸款之抵押品價值。

The loan impairment allowances were made after taking into account the value of collateral in respect of impaired advances.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(c) 減值貸款 (續)

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(c) Impaired advances (continued)

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
就上述有抵押品覆蓋之客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of advances to customers	227	710
上述有抵押品覆蓋之客戶貸款	Covered portion of advances to customers	192	628
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of advances to customers	831	698

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
就上述有抵押品覆蓋之客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of advances to customers	196	624
上述有抵押品覆蓋之客戶貸款	Covered portion of advances to customers	170	548
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of advances to customers	627	394

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(c) 減值貸款 (續)

特定分類或減值之客戶貸款分析如下：

特定分類或減值之客戶貸款總額

總特定分類或減值之客戶貸款對總客戶貸款比率

就有關貸款作個別評估之貸款減值準備

特定分類或減值之客戶貸款總額

總特定分類或減值之客戶貸款對總客戶貸款比率

就有關貸款作個別評估之貸款減值準備

特定分類或減值之客戶貸款乃按《銀行業(披露)規則》內的定義界定及按本集團放款質量分類的「次級」、「呆滯」或「虧損」貸款或已被個別評估為減值貸款。

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(c) Impaired advances (continued)

Classified or impaired advances to customers are analysed as follows:

Gross classified or impaired advances to customers

Gross classified or impaired advances to customers as a percentage of gross advances to customers

Individually assessed loan impairment allowances made in respect of such advances

Gross classified or impaired advances to customers

Gross classified or impaired advances to customers as a percentage of gross advances to customers

Individually assessed loan impairment allowances made in respect of such advances

Classified or impaired advances to customers follow the definitions set out in the Banking (Disclosure) Rules and represent advances which are either classified as “substandard”, “doubtful” or “loss” under the Group’s classification of loan quality, or individually assessed to be impaired.

本集團 The Group	
2009	2008
港幣百萬元 HK\$m	港幣百萬元 HK\$m
1,769	2,138
0.34%	0.46%
671	800

本銀行 The Bank	
2009	2008
港幣百萬元 HK\$m	港幣百萬元 HK\$m
1,421	1,660
0.36%	0.44%
501	531

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(d) 逾期超過3個月之貸款

逾期超過3個月之貸款總額分析如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(d) Advances overdue for more than 3 months

The gross amount of advances overdue for more than 3 months is analysed as follows:

		本集團 The Group			
		2009		2008	
		金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers
		港幣百萬元 HK\$m		港幣百萬元 HK\$m	
客戶貸款總額，已逾期：	Gross advances to customers which have been overdue for:				
- 超過3個月但不超過6個月	- six months or less but over three months	103	0.02%	339	0.07%
- 超過6個月但不超過1年	- one year or less but over six months	154	0.03%	66	0.02%
- 超過1年	- over one year	569	0.11%	571	0.12%
逾期超過3個月之貸款	Advances overdue for over three months	826	0.16%	976	0.21%
就上述之貸款作個別評估之貸款減值準備	Individually assessed loan impairment allowances made in respect of such advances	393		439	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(d) 逾期超過3個月之
貸款 (續)

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(d) Advances overdue for more than 3 months (continued)

		本銀行 The Bank			
		2009		2008	
		金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers
		港幣百萬元 HK\$m		港幣百萬元 HK\$m	
客戶貸款總額，已逾期：	Gross advances to customers which have been overdue for:				
- 超過3個月但不超過6個月	- six months or less but over three months	51	0.01%	132	0.04%
- 超過6個月但不超過1年	- one year or less but over six months	125	0.03%	56	0.01%
- 超過1年	- over one year	<u>421</u>	<u>0.11%</u>	<u>536</u>	<u>0.14%</u>
逾期超過3個月之貸款	Advances overdue for over three months	<u>597</u>	<u>0.15%</u>	<u>724</u>	<u>0.19%</u>
就上述之貸款作個別評估之貸款減值準備	Individually assessed loan impairment allowances made in respect of such advances	<u>235</u>		<u>254</u>	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(d) 逾期超過3個月之貸款 (續)

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(d) Advances overdue for more than 3 months (continued)

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
就上述有抵押品覆蓋之客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of advances to customers	977	1,436
上述有抵押品覆蓋之客戶貸款	Covered portion of advances to customers	459	604
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of advances to customers	367	372

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
就上述有抵押品覆蓋之客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of advances to customers	937	1,330
上述有抵押品覆蓋之客戶貸款	Covered portion of advances to customers	426	571
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of advances to customers	171	153

逾期貸款或減值貸款的抵押品主要包括公司授信戶項下的商用資產如商業及住宅樓宇、個人授信戶項下的住宅按揭物業。

於 2009 年 12 月 31 日及 2008 年 12 月 31 日，本集團及本銀行沒有逾期超過 3 個月之銀行及其他金融機構貸款。

Collateral held against overdue or impaired loans is principally represented by charges over business assets such as commercial and residential premises for corporate loans and mortgages over residential properties for personal loans.

As at 31 December 2009 and 2008, there were no advances to banks and other financial institutions overdue for more than three months for the Group and the Bank.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(e) 經重組貸款

經重組客戶貸款於扣減已包含於「逾期超過3個月之貸款」部分後淨額

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(e) Rescheduled advances

Rescheduled advances to customers net of amounts included in advances overdue for more than 3 months

本集團
The Group

2009		2008	
金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers
港幣百萬元 HK\$m		港幣百萬元 HK\$m	
573	0.11%	127	0.03%

本銀行
The Bank

2009		2008	
金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers
港幣百萬元 HK\$m		港幣百萬元 HK\$m	
518	0.13%	72	0.02%

經重組客戶貸款於扣減已包含於「逾期超過3個月之貸款」部分後淨額

Rescheduled advances to customers net of amounts included in advances overdue for more than 3 months

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(e) 經重組貸款 (續)

於 2009 年 12 月 31 日，本集團及本銀行於當年重組的客戶貸款總額分別為港幣 5.15 億元（2008 年：港幣 5.4 千萬元）及港幣 4.98 億元（2008 年：港幣 4.5 千萬元）。

於 2009 年 12 月 31 日及 2008 年 12 月 31 日，本集團及本銀行沒有經重組之銀行及其他金融機構貸款。

經重組貸款乃指客戶因為財政困難或無能力如期還款而經雙方同意達成重整還款計劃之貸款，而經修訂之還款條款（例如利率或還款期）並非一般商業條款。修訂還款計劃後之經重組貸款如仍逾期超過 3 個月，則包括在逾期貸款內。

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(e) Rescheduled advances (continued)

As at 31 December 2009, the total rescheduled advances to customers that were rescheduled during the year amounted to HK\$515 million (2008: HK\$54 million) and HK\$498 million (2008: HK\$45 million) for the Group and the Bank respectively.

As at 31 December 2009 and 2008, there were no rescheduled advances to banks and other financial institutions for the Group and the Bank.

Rescheduled advances are those advances that have been restructured or renegotiated because of deterioration in the financial position of the borrower or of the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms, either of interest or of repayment period, are non-commercial. Rescheduled advances, which have been overdue for more than three months under the revised repayment terms, are included in overdue advances.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度

(i) 按行業分類之
客戶貸款總額

根據在香港境
內或境外以及
借貸人從事之
業務作出分類
之客戶貸款總
額分析如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers

(i) Sectoral analysis of gross advances to customers

The information concerning gross advances to customers has been analysed into loans used inside or outside Hong Kong by industry sectors of the borrowers as follows:

		本集團 The Group					
		2009					
客戶貸款 Gross advances	抵押品覆蓋 之百分比 % Covered by collateral or other security	特定分類 或減值 Classified or impaired	逾期* Overdue*	個別評估之 貸款減值準備 Individually assessed impairment allowances	組合評估之 貸款減值準備 Collectively assessed impairment allowances		
港幣百萬元 HK\$'m		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	23,002	38.08%	3	5	1	
- 物業投資	- Property investment	72,686	86.03%	206	475	10	
- 金融業	- Financial concerns	11,596	8.02%	-	5	-	
- 股票經紀	- Stockbrokers	301	32.90%	-	-	-	
- 批發及零售業	- Wholesale and retail trade	19,231	53.38%	154	225	61	
- 製造業	- Manufacturing	21,388	46.46%	117	178	47	
- 運輸及運輸設備	- Transport and transport equipment	26,951	16.39%	91	14	3	
- 休閒活動	- Recreational activities	309	14.41%	-	-	-	
- 資訊科技	- Information technology	15,581	0.79%	-	1	-	
- 其他	- Others	33,216	22.10%	62	203	15	
個人	Individuals						
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	11,932	99.94%	77	457	1	
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	127,208	99.99%	125	1,368	1	
- 信用卡貸款	- Credit card advances	7,348	-	27	183	-	
- 其他	- Others	10,610	73.39%	68	174	36	
在香港使用之貸款總額	Total loans for use in Hong Kong	381,359	65.91%	930	3,288	175	
貿易融資	Trade finance	29,321	23.03%	237	224	175	
在香港以外使用之貸款	Loans for use outside Hong Kong	104,257	25.54%	602	240	321	
客戶貸款總額	Gross advances to customers	514,937	55.30%	1,769	3,752	671	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(f) 客戶貸款集中度 (續)

(f) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額 (續)

(i) Sectoral analysis of gross advances to customers (continued)

		本集團 The Group				
		2008				
	客戶貸款 Gross advances	抵押品覆蓋 之百分比 % Covered by collateral or other security	特定分類 或減值 Classified or impaired	逾期* Overdue*	個別評估之 貸款減值準備 Individually assessed impairment allowances	組合評估之 貸款減值準備 Collectively assessed impairment allowances
	港幣百萬元 HK\$m		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港使用之貸款	Loans for use in Hong Kong					
工商金融業	Industrial, commercial and financial					
- 物業發展	- Property development	19,856	40.49%	2	14	1
- 物業投資	- Property investment	71,374	88.00%	294	585	30
- 金融業	- Financial concerns	12,312	8.14%	-	-	1
- 股票經紀	- Stockbrokers	124	10.33%	-	-	-
- 批發及零售業	- Wholesale and retail trade	18,156	52.85%	218	300	71
- 製造業	- Manufacturing	16,410	53.67%	234	298	138
- 運輸及運輸設備	- Transport and transport equipment	21,590	13.82%	2	9	1
- 休閒活動	- Recreational activities	139	46.87%	-	-	-
- 資訊科技	- Information technology	6,049	2.21%	-	3	-
- 其他	- Others	23,529	26.91%	68	213	13
個人	Individuals					
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	13,477	99.91%	98	510	4
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	116,303	99.97%	153	1,650	7
- 信用卡貸款	- Credit card advances	6,553	-	30	273	-
- 其他	- Others	11,452	77.84%	107	333	57
在香港使用之貸款總額	Total loans for use in Hong Kong	337,324	70.68%	1,206	4,188	323
貿易融資	Trade finance	24,555	30.36%	560	494	355
在香港以外使用之貸款	Loans for use outside Hong Kong	99,295	22.38%	372	235	122
客戶貸款總額	Gross advances to customers	461,174	58.14%	2,138	4,917	800
						1,501

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(f) 客戶貸款集中度 (續)

(f) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額 (續)

(i) Sectoral analysis of gross advances to customers (continued)

		本銀行 The Bank 2009					
		客戶貸款 Gross advances	抵押品覆蓋 之百分比 % Covered by collateral or other security	特定分類 或減值 Classified or impaired	逾期* Overdue*	個別評估之 貸款減值準備 Individually assessed impairment allowances	組合評估之 貸款減值準備 Collectively assessed impairment allowances
		港幣百萬元 HK\$m		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	19,438	36.76%	3	5	1	57
- 物業投資	- Property investment	59,187	86.40%	206	333	10	255
- 金融業	- Financial concerns	15,117	4.04%	-	4	-	47
- 股票經紀	- Stockbrokers	301	32.90%	-	-	-	2
- 批發及零售業	- Wholesale and retail trade	15,779	51.77%	139	198	58	65
- 製造業	- Manufacturing	17,307	47.09%	88	143	34	74
- 運輸及運輸設備	- Transport and transport equipment	23,032	17.31%	91	9	3	67
- 休閒活動	- Recreational activities	273	16.14%	-	-	-	1
- 資訊科技	- Information technology	13,007	0.69%	-	-	-	38
- 其他	- Others	27,227	18.12%	59	184	13	78
個人	Individuals						
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	10,629	99.94%	69	382	1	9
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	112,599	99.99%	109	1,203	1	63
- 信用卡貸款	- Credit card advances	-	-	-	-	-	-
- 其他	- Others	5,634	92.16%	59	119	35	4
在香港使用之貸款總額	Total loans for use in Hong Kong	319,530	66.59%	823	2,580	156	760
貿易融資	Trade finance	26,134	21.20%	178	177	133	106
在香港以外使用之貸款	Loans for use outside Hong Kong	53,713	12.98%	420	62	212	161
客戶貸款總額	Gross advances to customers	399,377	56.41%	1,421	2,819	501	1,027

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(f) 客戶貸款集中度 (續)

(f) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額 (續)

(i) Sectoral analysis of gross advances to customers (continued)

		本銀行 The Bank 2008					
		客戶貸款 Gross advances	抵押品覆蓋 之百分比 % Covered by collateral or other security	特定分類 或減值 Classified or impaired	逾期* Overdue*	個別評估之 貸款減值準備 Individually assessed impairment allowances	組合評估之 貸款減值準備 Collectively assessed impairment allowances
		港幣百萬元 HK\$m		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	17,134	38.58%	2	14	1	51
- 物業投資	- Property investment	59,644	88.41%	287	503	30	237
- 金融業	- Financial concerns	16,297	5.21%	-	-	-	51
- 股票經紀	- Stockbrokers	123	9.97%	-	-	-	-
- 批發及零售業	- Wholesale and retail trade	16,142	50.04%	204	254	68	85
- 製造業	- Manufacturing	12,515	57.83%	141	197	52	57
- 運輸及運輸設備	- Transport and transport equipment	17,641	14.80%	2	5	1	54
- 休閒活動	- Recreational activities	128	50.04%	-	-	-	-
- 資訊科技	- Information technology	5,620	2.02%	-	-	-	17
- 其他	- Others	19,568	20.92%	65	160	11	58
個人	Individuals						
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	11,964	99.92%	88	429	4	12
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	102,674	99.97%	135	1,436	7	67
- 信用卡貸款	- Credit card advances	-	-	-	-	-	-
- 其他	- Others	6,828	93.86%	97	224	55	5
在香港使用之貸款總額	Total loans for use in Hong Kong	286,278	71.05%	1,021	3,222	229	694
貿易融資	Trade finance	21,578	27.56%	412	339	244	90
在香港以外使用之貸款	Loans for use outside Hong Kong	69,388	17.69%	227	88	58	229
客戶貸款總額	Gross advances to customers	377,244	58.75%	1,660	3,649	531	1,013

* 有明確到期日之貸款，若其本金或利息已逾期及仍未償還，則列作逾期貸款。

* Advances with a specific repayment date are classified as overdue when the principal or interest is past due and remains unpaid.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

(i) 按行業分類之客戶貸款總額 (續)

於收益表撥備之新提減值準備，及當年撇銷特定分類或減值貸款如下：

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

(i) Sectoral analysis of gross advances to customers (continued)

The amount of new impairment allowances charged to the income statement, and classified or impaired loans written off during the year are shown below:

		本集團 The Group			
		2009		2008	
		新提減值準備 New impairment allowances	撇銷特定分類或減值貸款 Classified or impaired loans written off	新提減值準備 New impairment allowances	撇銷特定分類或減值貸款 Classified or impaired loans written off
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港使用之貸款	Loans for use in Hong Kong				
工商金融業	Industrial, commercial and financial				
- 物業發展	- Property development	6	-	28	-
- 物業投資	- Property investment	32	37	139	5
- 金融業	- Financial concerns	4	-	24	-
- 股票經紀	- Stockbrokers	2	-	-	-
- 批發及零售業	- Wholesale and retail trade	44	28	120	103
- 製造業	- Manufacturing	34	101	249	125
- 運輸及運輸設備	- Transport and transport equipment	10	1	34	-
- 休閒活動	- Recreational activities	1	-	-	-
- 資訊科技	- Information technology	7	-	9	-
- 其他	- Others	19	12	34	8
個人	Individuals				
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	1	1	1	1
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	1	-	8	-
- 信用卡貸款	- Credit card advances	194	189	157	141
- 其他	- Others	66	66	61	47
在香港使用之貸款總額	Total loans for use in Hong Kong	421	435	864	430
貿易融資	Trade finance	82	158	374	26
在香港以外使用之貸款	Loans for use outside Hong Kong	246	6	266	19
客戶貸款總額	Gross advances to customers	749	599	1,504	475

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(f) 客戶貸款集中度 (續)

(f) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額 (續)

(i) Sectoral analysis of gross advances to customers (continued)

		本銀行 The Bank			
		2009		2008	
		新提 減值準備 New impairment allowances	撤銷特定 分類或 減值貸款 Classified or impaired loans written off	新提 減值準備 New impairment allowances	撤銷特定 分類或 減值貸款 Classified or impaired loans written off
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港使用之貸款	Loans for use in Hong Kong				
工商金融業	Industrial, commercial and financial				
- 物業發展	- Property development	6	-	26	-
- 物業投資	- Property investment	23	37	116	5
- 金融業	- Financial concerns	4	-	24	-
- 股票經紀	- Stockbrokers	2	-	-	-
- 批發及零售業	- Wholesale and retail trade	26	23	114	100
- 製造業	- Manufacturing	24	24	151	114
- 運輸及運輸設備	- Transport and transport equipment	10	1	27	-
- 休閒活動	- Recreational activities	1	-	-	-
- 資訊科技	- Information technology	4	-	8	-
- 其他	- Others	17	11	34	7
個人	Individuals				
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	1	1	1	1
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	1	-	8	-
- 信用卡貸款	- Credit card advances	-	-	-	-
- 其他	- Others	10	9	27	12
在香港使用之貸款總額	Total loans for use in Hong Kong	129	106	536	239
貿易融資	Trade finance	70	106	278	-
在香港以外使用之貸款	Loans for use outside Hong Kong	227	2	128	18
客戶貸款總額	Gross advances to customers	426	214	942	257

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

- (ii) 按地理區域分類之客戶貸款總額及逾期貸款

下列關於客戶貸款總額和逾期貸款之地理區域分析是根據交易對手之所在地，並已顧及有關貸款之風險轉移因素。

客戶貸款總額

香港
中國內地
其他

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

- (ii) Geographical analysis of gross advances to customers and overdue advances

The following geographical analysis of gross advances to customers and overdue advances is based on the location of the counterparties, after taking into account the transfer of risk in respect of such advances where appropriate.

Gross advances to customers

本集團

The Group

	2009	2008
	港幣百萬元	港幣百萬元
	HK\$m	HK\$m
Hong Kong	409,529	375,233
Mainland China	72,556	55,318
Others	32,852	30,623
	514,937	461,174

本銀行

The Bank

	2009	2008
	港幣百萬元	港幣百萬元
	HK\$m	HK\$m
Hong Kong	338,424	315,572
Mainland China	33,042	35,809
Others	27,911	25,863
	399,377	377,244

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

客戶貸款總額 (續)

就客戶貸款總額作組合評估之貸款減值準備

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

Gross advances to customers (continued)

Collectively assessed loan impairment allowances in respect of the gross advances to customers

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
香港	Hong Kong	1,205	1,172
中國內地	Mainland China	290	221
其他	Others	103	108
		1,598	1,501
		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
香港	Hong Kong	848	818
中國內地	Mainland China	99	112
其他	Others	80	83
		1,027	1,013

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

逾期貸款

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

Overdue advances

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	3,470	4,622
中國內地	Mainland China	253	266
其他	Others	29	29
		3,752	4,917

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	2,765	3,569
中國內地	Mainland China	40	73
其他	Others	14	7
		2,819	3,649

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

逾期貸款 (續)

就逾期貸款作個別評估之貸款減值準備

香港
中國內地
其他

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

Overdue advances (continued)

Individually assessed loan impairment allowances in respect of the overdue advances

Hong Kong
Mainland China
Others

本集團 The Group	
2009	2008
港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
297	554
154	99
6	21
457	674

本銀行 The Bank	
2009	2008
港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
280	378
10	42
6	-
296	420

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

**(f) 客戶貸款集中度
(續)**

(f) Concentration of advances to customers (continued)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

逾期貸款 (續)

Overdue advances (continued)

就逾期貸款作組合評估之貸款減值準備

Collectively assessed loan impairment allowances in respect of the overdue advances

香港
中國內地

Hong Kong
Mainland China

本集團
The Group

	2009	2008
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
	57	50
	9	6
	66	56

香港
中國內地

Hong Kong
Mainland China

本銀行
The Bank

	2009	2008
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
	22	23
	1	-
	23	23

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

特定分類或減值貸款

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

Classified or impaired advances

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	1,153	1,792
中國內地	Mainland China	260	323
其他	Others	356	23
		1,769	2,138

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	1,007	1,461
中國內地	Mainland China	58	198
其他	Others	356	1
		1,421	1,660

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(B) 總貸款 (續)

(f) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

特定分類或減值貸款 (續)

就特定分類或減值貸款作個別評估之貸款減值準備

4.1 Credit Risk (continued)

(B) Gross loans and advances (continued)

(f) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

Classified or impaired advances (continued)

Individually assessed loan impairment allowances in respect of the classified or impaired advances

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	316	677
中國內地	Mainland China	191	100
其他	Others	164	23
		671	800
		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	292	487
中國內地	Mainland China	45	43
其他	Others	164	1
		501	531

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(B) 總貸款 (續)

(B) Gross loans and advances (continued)

(f) 客戶貸款集中度 (續)

(f) Concentration of advances to customers (continued)

(ii) 按地理區域分類之客戶貸款總額及逾期貸款 (續)

(ii) Geographical analysis of gross advances to customers and overdue advances (continued)

特定分類或減值貸款 (續)

Classified or impaired advances (continued)

就特定分類或減值貸款作組合評估之貸款減值準備

Collectively assessed loan impairment allowances in respect of the classified or impaired advances

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	23	26
中國內地	Mainland China	6	7
		29	33

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	Hong Kong	3	2
中國內地	Mainland China	-	1
		3	3

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(C) 收回資產

於年內，本集團通過對抵押物行使收回資產權而取得的資產按性質及賬面值摘要如下：

商用物業
工業物業
住宅物業

本集團及本銀行於2009年12月31日持有的收回資產之估值為港幣1.37億元(2008年本集團：港幣1.73億元及本銀行：港幣1.65億元)。這包括本集團及本銀行通過對抵押資產取得處置或控制權(如通過法律程序或業主自願交出抵押資產方式取得)而對借款人的債務進行全數或部分減除的資產。

當收回資產的變現能力受到影響時，本集團將按情況以下列方式處理：

- 調整出售價格
- 連同抵押資產一併出售貸款
- 安排債務重組

4.1 Credit Risk (continued)

(C) Repossessed assets

During the year, the Group obtained assets by taking possession of collateral held as security. The nature and carrying value of such assets are summarised as follows:

Commercial properties
Industrial properties
Residential properties

The estimated market value of repossessed assets held by the Group and the Bank as at 31 December 2009 amounted to HK\$137 million (2008 the Group: HK\$173 million and the Bank: HK\$165 million). They comprise properties in respect of which the Group and the Bank have acquired access or control (e.g. through court proceedings or voluntary actions by the borrowers concerned) for release in full or in part of the obligations of the borrowers.

When the repossessed assets are not readily convertible into cash, the Group may consider the following alternatives:

- adjusting the selling prices
- selling the loans together with the assets
- arranging loan restructuring

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
商用物業	18	18	18	12
工業物業	6	-	6	-
住宅物業	71	85	71	84
	95	103	95	96

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(D) 在銀行及其他金融機構的結餘及存款

下表為在銀行及其他金融機構的非減值未逾期結餘及存款於 12 月 31 日按評級機構之評級分析，並按穆迪評級或其他同等評級分類。

4.1 Credit Risk (continued)

(D) Balances and placements with banks and other financial institutions

The following table presents an analysis of balances and placements with banks and other financial institutions that are neither overdue nor impaired as at 31 December by rating agency designation, based on Moody's ratings or their equivalent.

		本集團 The Group			
		2009			
		A3 以下 Lower than A3		無評級 Unrated	總計 Total
		Aaa 至 A3 Aaa to A3	A3		
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中央銀行 銀行及其他金融機構	Central banks Banks and other financial institutions	81,790	-	-	81,790
		126,006	444	8,958	135,408
		207,796	444	8,958	217,198
		本集團 The Group			
		2008			
		A3 以下 Lower than A3		無評級 Unrated	總計 Total
		Aaa 至 A3 Aaa to A3	A3		
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中央銀行 銀行及其他金融機構	Central banks Banks and other financial institutions	66,158	-	-	66,158
		168,456	585	3,555	172,596
		234,614	585	3,555	238,754

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(D) 在銀行及其他金融機構的結餘及存款 (續)

4.1 Credit Risk (continued)

(D) Balances and placements with banks and other financial institutions (continued)

		本銀行 The Bank			
		2009			
		Aaa 至 A3 Aaa to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中央銀行	Central banks	77,036	-	-	77,036
銀行及其他金融機構	Banks and other financial institutions	98,199	160	17,431	115,790
		<u>175,235</u>	<u>160</u>	<u>17,431</u>	<u>192,826</u>

		本銀行 The Bank			
		2008			
		Aaa 至 A3 Aaa to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中央銀行	Central banks	64,407	-	-	64,407
銀行及其他金融機構	Banks and other financial institutions	129,000	459	3,726	133,185
		<u>193,407</u>	<u>459</u>	<u>3,726</u>	<u>197,592</u>

於 2009 年 12 月 31 日及 2008 年 12 月 31 日，本集團及本銀行沒有減值或逾期之銀行及其他金融機構結餘及存款。

As at 31 December 2009 and 2008, there were no overdue or impaired balances and placements with banks and other financial institutions for the Group and the Bank.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(E) 債務證券

下表為以信貸評級及信貸風險性質分析之債務證券賬面值，並按穆迪評級或其他同等評級對個別投資債券的評級分類。

4.1 Credit Risk (continued)

(E) Debt securities

The table below represents an analysis of the carrying value of debt securities by credit rating and credit risk characteristic, based on Moody's ratings or their equivalent to the respective issues of the debt securities.

		本集團 The Group						
		2009						
							無評級 Unrated	
		Aa1 至 Aa3	A1 至 A3	A3 以下 Lower than A3	香港政府 及其機構 Hong Kong government and government bodies	其他國家政府及 其機構 Other governments and government agencies	其他 Other	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
證券投資	Investment in securities							
美國 non-agency 住房貸款抵押	US non-agency residential mortgage-backed							
- 次級	- Subprime	504	31	12	-	-	-	547
- Alt-A	- Alt-A	138	191	44	11	-	-	384
- Prime	- Prime	635	242	632	1,344	-	-	2,853
房利美	Fannie Mae							
- 發行的債券	- issued debt securities	1,348	-	-	-	-	-	1,348
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	51	51
房貸美	Freddie Mac							
- 發行的債券	- issued debt securities	79	160	-	-	-	-	239
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	1,164	1,164
其他住房貸款/資產抵押債券	Other MBS/ABS	3,481	416	25	-	-	2,695	6,617
其他債券	Other debt securities	84,266	69,593	34,330	5,322	9,609	39,437	45,119
小計	Subtotal	90,451	70,633	35,043	6,677	9,609	43,347	45,119
								300,879
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss							
其他住房貸款/資產抵押債券	Other MBS/ABS	25	-	-	-	-	-	25
其他債券	Other debt securities	50	1,159	1,321	1,359	13,902	290	221
小計	Subtotal	75	1,159	1,321	1,359	13,902	290	221
總計	Total	90,526	71,792	36,364	8,036	23,511	43,637	45,340
								319,206

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

		本集團 The Group						
		2008						
		無評級 Unrated						
		Aa1 至 Aa3	A1 至 A3	A3 以下 Lower than A3	香港政府 及其機構 Hong Kong government and government bodies	其他國家政府及 其機構 Other governments and government agencies	其他 Other	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
證券投資	Investment in securities							
美國 non-agency 住房貸款抵押	US non-agency residential mortgage-backed							
- 次級	- Subprime	913	-	30	104	-	-	1,047
- Alt-A	- Alt-A	1,245	383	274	432	-	-	2,334
- Prime	- Prime	9,549	1,558	2,878	1,950	-	-	15,935
房利美	Fannie Mae							
- 發行的債券	- issued debt securities	1,504	-	-	-	-	-	1,504
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	88	88
房貸美	Freddie Mac							
- 發行的債券	- issued debt securities	864	162	-	-	-	-	1,026
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	1,633	1,633
其他住房貸款/資產抵押債券	Other MBS/ABS	6,874	24	63	-	-	3,807	10,768
其他債券	Other debt securities	40,537	83,827	26,437	4,371	12,175	51,368	35,873
小計	Subtotal	61,486	85,954	29,682	6,857	12,175	56,896	35,873
								288,923
公平變化計入損益之金融資產	Financial assets at fair value through profit or loss							
其他住房貸款/資產抵押債券	Other MBS/ABS	27	-	-	-	-	-	-
其他債券	Other debt securities	243	1,814	1,800	729	11,358	-	351
小計	Subtotal	270	1,814	1,800	729	11,358	-	351
總計	Total	61,756	87,768	31,482	7,586	23,533	56,896	36,224
								305,245

於 2009 年 12 月 31 日本集團無評級之總金額為港幣 1,124.88 億元 (2008 年: 港幣 1,166.53 億元), 其中沒有發行人評級為港幣 34.87 億元 (2008 年: 港幣 89.71 億元), 詳情請參閱第 150 頁。

The total amount of unrated issues of the Group amounted to HK\$112,488 million (2008: HK\$116,653 million) as at 31 December 2009, of which only HK\$3,487 million (2008: HK\$8,971 million) were without issuer ratings. For details, please refer to page 150.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

		本銀行 The Bank							
		2009							
						無評級 Unrated			
		香港政府 及其機構 Hong Kong government and government bodies		其他國家政府 及其機構 Other governments and government agencies		其他 Other		總計 Total	
		Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3					
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
證券投資	Investment in securities								
美國 non-agency 住房貸款抵押	US non-agency residential mortgage-backed								
- 次級	- Subprime	504	31	12	-	-	-	547	
- Alt-A	- Alt-A	138	191	44	11	-	-	384	
- Prime	- Prime	635	242	632	1,344	-	-	2,853	
房利美	Fannie Mae								
- 發行的債券	- issued debt securities	1,348	-	-	-	-	-	1,348	
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	51	51	
房貸美	Freddie Mac								
- 發行的債券	- issued debt securities	79	160	-	-	-	-	239	
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	1,164	1,164	
其他住房貸款/資產抵押債券	Other MBS/ABS	3,476	205	25	-	-	2,695	6,401	
其他債券	Other debt securities	80,861	63,070	29,827	3,487	5,799	38,033	35,211	
小計	Subtotal	87,041	63,899	30,540	4,842	5,799	41,943	35,211	
								269,275	
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
其他債券	Other debt securities	-	869	286	165	13,052	290	198	
小計	Subtotal	-	869	286	165	13,052	290	198	
總計	Total	87,041	64,768	30,826	5,007	18,851	42,233	35,409	
								284,135	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

		本銀行 The Bank								
		2008								
		無評級 Unrated								
		Aa1 至 Aa3 Aa1 to Aa3		A1 至 A3 A1 to A3		A3 以下 Lower than A3	香港政府及其機構 Hong Kong government and government bodies	其他國家政府及其機構 Other governments and government agencies	其他 Other	總計 Total
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	香港政府及其機構	其他國家政府及其機構	其他	總計	
		港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	
證券投資	Investment in securities									
美國 non-agency 住房貸款抵押	US non-agency residential mortgage-backed									
- 次級	- Subprime	913	-	30	104	-	-	-	1,047	
- Alt-A	- Alt-A	1,245	383	274	432	-	-	-	2,334	
- Prime	- Prime	9,549	1,558	2,878	1,950	-	-	-	15,935	
房利美	Fannie Mae									
- 發行的債券	- issued debt securities	1,504	-	-	-	-	-	-	1,504	
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	88	-	88	
房貸美	Freddie Mac									
- 發行的債券	- issued debt securities	864	162	-	-	-	-	-	1,026	
- 擔保的住房貸款抵押債券	- mortgage-backed securities	-	-	-	-	-	1,633	-	1,633	
其他住房貸款/資產抵押債券	Other MBS/ABS	6,630	9	63	-	-	3,807	-	10,509	
其他債券	Other debt securities	39,837	75,702	23,148	2,713	11,234	51,368	26,776	230,778	
小計	Subtotal	60,542	77,814	26,393	5,199	11,234	56,896	26,776	264,854	
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss									
其他債券	Other debt securities	-	1,460	969	134	10,451	-	2	13,016	
小計	Subtotal	-	1,460	969	134	10,451	-	2	13,016	
總計	Total	60,542	79,274	27,362	5,333	21,685	56,896	26,778	277,870	

於 2009 年 12 月 31 日本銀行無評級之總金額為港幣 964.93 億元 (2008 年: 港幣 1,053.59 億元), 其中沒有發行人評級為港幣 25.92 億元 (2008 年: 港幣 77.88 億元), 詳情請參閱第 151 頁。

The total amount of unrated issues of the Bank amounted to HK\$96,493 million (2008: HK\$105,359 million) as at 31 December 2009, of which only HK\$2,592 million (2008: HK\$7,788 million) were without issuer ratings. For details, please refer to page 151.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

就以上沒有評級的債務證券，按發行人之評級分析如下：

For the above debt securities with no issue rating, their issuer ratings are analysed as follows:

		本集團 The Group					
		2009					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
可供出售證券	Available-for-sale securities	30,333	28,233	6,683	3,089	2,468	70,806
持有至到期日證券	Held-to-maturity securities	697	9,687	3,039	155	988	14,566
貸款及應收款	Loans and receivables	-	9,768	2,935	-	-	12,703
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	156	13,903	323	-	31	14,413
總計	Total	31,186	61,591	12,980	3,244	3,487	112,488

		本集團 The Group					
		2008					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
可供出售證券	Available-for-sale securities	18,180	49,408	3,293	35	5,481	76,397
持有至到期日證券	Held-to-maturity securities	624	10,140	2,037	-	3,151	15,952
貸款及應收款	Loans and receivables	3,386	8,768	397	-	44	12,595
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	1	11,413	-	-	295	11,709
總計	Total	22,191	79,729	5,727	35	8,971	116,653

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

		本銀行 The Bank					
		2009					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
可供出售證券	Available-for-sale securities	30,315	21,508	4,942	2,855	1,795	61,415
持有至到期日證券	Held-to-maturity securities	697	6,044	1,690	-	788	9,219
貸款及應收款	Loans and receivables	-	9,599	2,720	-	-	12,319
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	156	13,052	323	-	9	13,540
總計	Total	31,168	50,203	9,675	2,855	2,592	96,493

		本銀行 The Bank					
		2008					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
可供出售證券	Available-for-sale securities	18,180	48,062	3,228	35	4,838	74,343
持有至到期日證券	Held-to-maturity securities	624	6,664	1,881	-	2,950	12,119
貸款及應收款	Loans and receivables	2,329	6,115	-	-	-	8,444
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	10,453	-	-	-	10,453
總計	Total	21,133	71,294	5,109	35	7,788	105,359

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

下表為非逾期或減值之債務證券於12月31日按評級機構之評級分析，並按穆迪評級或其他同等評級對個別債務證券作出評級。

The following table presents an analysis of debt securities neither overdue nor impaired as at 31 December by rating agency designation, based on Moody's ratings or their equivalent to the respective issues of the debt securities.

		本集團 The Group					
		2009					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
可供出售證券	Available-for-sale securities	78,877	43,949	22,978	3,648	70,806	220,258
持有至到期日證券	Held-to-maturity securities	11,057	26,330	11,746	2,179	14,566	65,878
貸款及應收款	Loans and receivables	-	-	-	-	12,703	12,703
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	75	1,159	1,321	1,359	14,413	18,327
總計	Total	90,009	71,438	36,045	7,186	112,488	317,166
		本集團 The Group					
		2008					
		Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下	無評級	總計
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
可供出售證券	Available-for-sale securities	32,231	41,722	12,752	1,839	76,362	164,906
持有至到期日證券	Held-to-maturity securities	22,667	42,554	15,129	2,067	15,952	98,369
貸款及應收款	Loans and receivables	-	-	-	-	12,595	12,595
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	270	1,814	1,800	729	11,709	16,322
總計	Total	55,168	86,090	29,681	4,635	116,618	292,192

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

		本銀行 The Bank 2009					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
可供出售證券	Available-for-sale securities	76,227	41,595	20,956	2,587	61,415	202,780
持有至到期日證券	Held-to-maturity securities	10,297	21,950	9,265	1,405	9,219	52,136
貸款及應收款	Loans and receivables	-	-	-	-	12,319	12,319
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	869	286	165	13,540	14,860
總計	Total	86,524	64,414	30,507	4,157	96,493	282,095

		本銀行 The Bank 2008					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
可供出售證券	Available-for-sale securities	32,231	41,205	11,707	1,113	74,308	160,564
持有至到期日證券	Held-to-maturity securities	21,723	34,931	12,885	1,135	12,119	82,793
貸款及應收款	Loans and receivables	-	-	-	-	8,444	8,444
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	1,460	969	134	10,453	13,016
總計	Total	53,954	77,596	25,561	2,382	105,324	264,817

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

減值債務證券之信貸
評級分析如下：

The impaired debt securities by credit rating are analysed as follows:

		本集團及本銀行 The Group and the Bank						
		2009						
		賬面值 Carrying values						其中： 累計減值準備 Of which accumulated impairment allowances
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total	
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
可供出售證券	Available-for-sale securities	106	279	275	695	-	1,355	676
持有至到期日證券	Held-to-maturity securities	411	75	44	155	-	685	112
總計	Total	<u>517</u>	<u>354</u>	<u>319</u>	<u>850</u>	<u>-</u>	<u>2,040</u>	<u>788</u>
其中：累計減值準備	Of which accumulated impairment allowances	<u>74</u>	<u>117</u>	<u>130</u>	<u>186</u>	<u>281</u>	<u>788</u>	

		本集團及本銀行 The Group and the Bank						
		2008						
		賬面值 Carrying values						其中： 累計減值準備 Of which accumulated impairment allowances
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total	
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
可供出售證券	Available-for-sale securities	3,451	814	542	1,187	35	6,029	4,561
持有至到期日證券	Held-to-maturity securities	3,137	864	1,259	1,764	-	7,024	4,440
總計	Total	<u>6,588</u>	<u>1,678</u>	<u>1,801</u>	<u>2,951</u>	<u>35</u>	<u>13,053</u>	<u>9,001</u>
其中：累計減值準備	Of which accumulated impairment allowances	<u>4,195</u>	<u>1,400</u>	<u>976</u>	<u>2,078</u>	<u>352</u>	<u>9,001</u>	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

於2009年12月31日及2008年12月31日，本集團及本銀行沒有逾期未減值之債務證券。

As at 31 December 2009 and 2008, there were no overdue but not impaired debt securities for the Group and the Bank.

逾期超過3個月之債務證券分析如下：

Debt securities overdue for more than 3 months are analysed as follows:

可供出售證券

Available-for-sale securities

本集團及本銀行 The Group and the Bank	
逾期超過3個月但不超過6個月 Overdue for 6 months or less but over 3 months	
2009	2008
港幣百萬元 HK\$m	港幣百萬元 HK\$m
-	35

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(E) 債務證券 (續)

住房貸款/資產抵押債券

下表為本集團及本銀行住房貸款/資產抵押債券風險承擔之地理區域分析：

4.1 Credit Risk (continued)

(E) Debt securities (continued)

MBS/ABS

The table below represents an analysis of the Group's and the Bank's exposure to MBS/ABS by geographical location.

		本集團 The Group 2009		
		賬面值 Carrying values	其中： 累計減值準備 Of which accumulated impairment allowances	
		總計 Total	已減值證券 Impaired securities	港幣百萬元 HK\$m
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
美國住房貸款/資產抵押債券	US MBS/ABS			
Non-agency 住房貸款抵押	Non-agency residential mortgage-backed			
- 次級	- Subprime	547	479	55
- Alt-A	- Alt-A	384	146	66
- Prime	- Prime	2,853	1,308	348
真利美	Ginnie Mae	2,695	-	-
房利美	Fannie Mae	51	-	-
房貸美	Freddie Mac	1,164	-	-
其他	Others	1,534	-	-
		9,228	1,933	469
其他國家住房貸款/資產抵押債券	Other countries MBS/ABS			
住房貸款抵押	Residential mortgage-backed	2,253	75	38
商用貸款抵押	Commercial mortgage-backed	160	-	-
		2,413	75	38
住房貸款/資產抵押債券總計	Total MBS/ABS	11,641	2,008	507

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(E) 債務證券 (續)

住房貸款/資產抵押
債券 (續)

4.1 Credit Risk (continued)

(E) Debt securities (continued)

MBS/ABS (continued)

		本集團 The Group 2008		
		賬面值 Carrying values	其中： 累計減值準備 Of which accumulated impairment allowances	
		總計 Total	已減值證券 Impaired securities	港幣百萬元 HK\$m
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
美國住房貸款/資產抵押 債券	US MBS/ABS			
Non-agency 住房貸款抵押	Non-agency residential mortgage-backed			
- 次級	- Subprime	1,047	829	339
- Alt-A	- Alt-A	2,334	1,750	1,302
- Prime	- Prime	15,935	9,594	6,479
真利美	Ginnie Mae	3,807	-	-
房利美	Fannie Mae	88	-	-
房貸美	Freddie Mac	1,633	-	-
商用貸款抵押	Commercial mortgage-backed	929	-	-
其他	Others	2,806	-	-
		28,579	12,173	8,120
其他國家住房貸款/資產 抵押債券	Other countries MBS/ABS			
住房貸款抵押	Residential mortgage-backed	2,649	69	27
商用貸款抵押	Commercial mortgage-backed	454	-	-
其他	Others	150	-	-
		3,253	69	27
住房貸款/資產抵押債券 總計	Total MBS/ABS	31,832	12,242	8,147

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

住房貸款/資產抵押
債券 (續)

MBS/ABS (continued)

		本銀行 The Bank 2009		
		賬面值 Carrying values	其中： 累計減值準備 Of which accumulated impairment allowances	
		總計 Total	已減值證券 Impaired securities	accumulated impairment allowances
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
美國住房貸款/資產抵押 債券 Non-agency 住房貸款抵押	US MBS/ABS Non-agency residential mortgage-backed			
- 次級	- Subprime	547	479	55
- Alt-A	- Alt-A	384	146	66
- Prime	- Prime	2,853	1,308	348
真利美	Ginnie Mae	2,695	-	-
房利美	Fannie Mae	51	-	-
房貸美	Freddie Mac	1,164	-	-
其他	Others	1,534	-	-
		9,228	1,933	469
其他國家住房貸款/資產 抵押債券	Other countries MBS/ABS			
住房貸款抵押	Residential mortgage-backed	2,037	75	38
商用貸款抵押	Commercial mortgage-backed	135	-	-
		2,172	75	38
住房貸款/資產抵押債券 總計	Total MBS/ABS	11,400	2,008	507

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

住房貸款/資產抵押
債券 (續)

MBS/ABS (continued)

		本銀行 The Bank 2008		
		賬面值 Carrying values	其中： 累計減值準備 Of which accumulated impairment allowances	
		總計 Total	已減值證券 Impaired securities	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
美國住房貸款/資產抵押 債券 Non-agency 住房貸款抵押	US MBS/ABS Non-agency residential mortgage-backed			
- 次級	- Subprime	1,047	829	339
- Alt-A	- Alt-A	2,334	1,750	1,302
- Prime	- Prime	15,935	9,594	6,479
真利美	Ginnie Mae	3,807	-	-
房利美	Fannie Mae	88	-	-
房貸美	Freddie Mac	1,633	-	-
商用貸款抵押	Commercial mortgage-backed	929	-	-
其他	Others	2,806	-	-
		28,579	12,173	8,120
其他國家住房貸款/資產 抵押債券	Other countries MBS/ABS			
住房貸款抵押	Residential mortgage-backed	2,405	69	27
商用貸款抵押	Commercial mortgage-backed	427	-	-
其他	Others	135	-	-
		2,967	69	27
住房貸款/資產抵押債券 總計	Total MBS/ABS	31,546	12,242	8,147

		本集團及本銀行 The Group and the Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
年內有關住房貸款/資產抵押 債券之可供出售證券儲備的 公平值增加/(減少)(扣除 減值撥備撥轉收益表後淨 額, 不包括遞延稅項影響)	Increase/(decrease) in fair value taken to available-for-sale securities reserve on MBS/ABS for the year (net of impairment charges taken to income statement excluding deferred tax impact)	1,617	(1,340)
與住房貸款/資產抵押債券有 關之可供出售證券儲備年末 結餘(不包括遞延稅項影響)	Closing balance of available-for-sale securities reserve relating to MBS/ABS (excluding deferred tax impact)	(90)	(1,707)

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(E) 債務證券 (續)

住房貸款/資產抵押
債券 (續)

減值住房貸款/資產
抵押債券之信貸評級
分析如下:

4.1 Credit Risk (continued)

(E) Debt securities (continued)

MBS/ABS (continued)

The impaired MBS/ABS by credit rating are analysed as follows:

		本集團及本銀行 The Group and the Bank 2009					其中: 累計減值準備 Of which accumulated impairment allowances	
		賬面值 Carrying values						
	Aaa	Aa1 至 Aa3	A1 至 A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total		
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
美國住房貸款/資產 抵押債券	US MBS/ABS							
Non-agency 住房貸 款抵押	Non-agency residential mortgage-backed							
- 次級	467	-	12	-	-	479	55	
- Alt-A	-	91	44	11	-	146	66	
- Prime	50	188	231	839	-	1,308	348	
	517	279	287	850	-	1,933	469	
其他國家住房貸款/ 資產抵押債券	Other countries MBS/ABS							
住房貸款抵押	Residential mortgage-backed							
	-	75	-	-	-	75	38	
住房貸款/資產抵押 債券總計	517	354	287	850	-	2,008	507	
其中: 累計減值準備	Of which accumulated impairment allowances							
	74	117	130	186	-	507		

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

住房貸款/資產抵押
債券 (續)

MBS/ABS (continued)

		本集團及本銀行 The Group and the Bank						
		2008						
		賬面值 Carrying values					其中： 累計減值準備	
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total	Of which accumulated impairment allowances
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
美國住房貸款/資產 抵押債券	US MBS/ABS							
Non-agency 住房貸 款抵押	Non-agency residential mortgage-backed							
- 次級	- Subprime	695	-	30	104	-	829	339
- Alt-A	- Alt-A	662	383	274	431	-	1,750	1,302
- Prime	- Prime	5,162	1,295	1,312	1,825	-	9,594	6,479
		6,519	1,678	1,616	2,360	-	12,173	8,120
其他國家住房貸款/ 資產抵押債券	Other countries MBS/ABS							
住房貸款抵押	Residential mortgage-backed	69	-	-	-	-	69	27
住房貸款/資產抵押 債券總計	Total MBS/ABS	6,588	1,678	1,616	2,360	-	12,242	8,147
其中：累計減值準備	Of which accumulated impairment allowances	4,195	1,400	938	1,614	-	8,147	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

(E) 債務證券 (續)

住房貸款／資產抵押
債券 (續)

下表為 12 月 31 日
持有的住房貸款／
資產抵押債券於年
度計提／(撥回)
之減值撥備分析：

4.1 Credit Risk (continued)

(E) Debt securities (continued)

MBS/ABS (continued)

The table below represents an analysis of impairment charges/(releases) for the year for MBS/ABS held as at 31 December.

		本集團及本銀行 The Group and the Bank 2009					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
美國住房貸款／資產 抵押債券	US MBS/ABS						
Non-agency 住房貸 款抵押	Non-agency residential mortgage-backed						
- 次級	- Subprime	(15)	-	(3)	-	-	(18)
- Alt-A	- Alt-A	-	10	20	(3)	-	27
- Prime	- Prime	22	15	(2)	139	-	174
		7	25	15	136	-	183
其他國家住房貸款／ 資產抵押債券	Other countries MBS/ABS						
住房貸款抵押	Residential mortgage-backed	-	8	-	-	-	8
住房貸款／資產抵押 債券總計	Total MBS/ABS	7	33	15	136	-	191

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.1 信貸風險 (續)

4.1 Credit Risk (continued)

(E) 債務證券 (續)

(E) Debt securities (continued)

住房貸款/資產抵押
債券 (續)

MBS/ABS (continued)

		本集團及本銀行 The Group and the Bank 2008					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
美國住房貸款/資產抵押債券	US MBS/ABS						
Non-agency 住房貸款抵押	Non-agency residential mortgage-backed						
- 次級	- Subprime	(90)	-	27	27	-	(36)
- Alt-A	- Alt-A	394	299	157	359	-	1,209
- Prime	- Prime	3,725	1,055	658	1,094	-	6,532
		4,029	1,354	842	1,480	-	7,705
其他國家住房貸款/資產抵押債券	Other countries MBS/ABS						
住房貸款抵押	Residential mortgage-backed	27	-	-	-	-	27
住房貸款/資產抵押債券總計	Total MBS/ABS	4,056	1,354	842	1,480	-	7,732

註：以上減值撥備/(撥回)不包括年內已處置之住房貸款/資產抵押債券。

Note: The impairment charges/(releases) for MBS/ABS disposed during the year are excluded.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險

市場風險是指因為市場利率或價格波動導致出現虧損的風險。集團交易賬的市場風險來自客戶業務及自營持倉，金融工具每日均會按市值計價。風險包括因為外匯、利率、股票和商品價格波動引致的潛在損失。另外，集團銀行賬的頭盤面對利率及流動性風險，尤其是集團的債券投資盤，由於有關持倉每月均會按市值計價，故需承受因債券的市場價格變化而引致的潛在損失。本集團對交易賬及銀行賬的市場風險分別管理。

市場風險管理架構

集團的風險管理目標是在提高股東價值的同時確保風險控制在可接受的水平之內。集團之市場風險管理框架包括三個層次：董事會為最高決策機構。制訂風險管理程序、實施機制，及監控合規情況，主要由高層管理人員（包括總裁、風險總監）負責。風險管理部負責監察集團市場風險，確保整體和個別的市場風險均控制在集團可接受的風險水平之內。另每天對風險承擔進行監控，以確保控制在既定的風險限額內並且定期向高層管理人員匯報。南商、南商（中國）和集友均設有獨立的風險監控單位，每日對限額的合規性進行監控。

4.2 Market Risk

Market risk is the risk of loss that results from movements in market rates and prices. The Group's market risk in trading book arises from trading positions taken from customer-related business and proprietary trading. These positions are subject to daily mark-to-market valuation. The risk includes potential losses arising from changes in foreign exchange and interest rates as well as equities and commodities prices. On the other hand, banking book positions are subject to interest rate risk and liquidity risk. In particular, the Group's bond investment portfolio is exposed to the potential losses arising from changes in market price of the debt securities as these positions are subject to monthly mark-to-market valuation. The Group manages market risk in its trading book separately from its banking book.

Market risk management framework

The Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable limits. Market risk management framework of the Group comprises three levels. The Board of Directors is the ultimate decision making authority. Formulation of the risk management procedures and implementation mechanism, and monitoring of the compliance are mainly responsible by senior management (including CE and CRO). RMD is responsible for the oversight of the Group's market risk to ensure that overall and individual market risks are within the Group's risk tolerance. Risk exposures are monitored on a day-to-day basis to ensure that they are within established risk limits and are regularly reported to the senior management. Nanyang, NCB (China) and Chiyu have their own independent risk monitoring units to monitor limit compliance on a daily basis.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

市場風險管理架構 (續)

集團規定各單位在經過風險委員會批核的各市場風險限額和高層管理人員批准的可敘做工具清單內經營業務，從而控制市場風險，並且執行嚴謹的新產品審批程序以確保全面識別、正確量度和充分監控所有的風險。

交易賬的市場風險根據風險委員會批核的主要風險限額，包括頭盤限額和／或風險因素敏感度限額進行管理。由 2007 年 4 月份開始中銀香港正式應用涉險值限額作為日常風險控管工具。整體風險限額參照不同的風險產品，包括利率、匯率、商品及股票價格，再細分為不同限額。而風險產品分類是根據交易內所含風險特點劃分為不同的風險產品類別。

集團也採用涉險值技術量度交易賬的潛在損失和市場風險，定期向風險委員會和高層管理人員報告。涉險值是一種統計學方式，用以估量在一段特定時間內，按指定的置信度，所持頭盤可能造成的損失。中銀香港作為集團內承擔主要交易賬市場風險的銀行機構，其市場風險以主要貨幣外匯敞口為主，日常亦以涉險值監控其交易賬市場風險。

4.2 Market Risk (continued)

Market risk management framework (continued)

The Group's control of market risk is based on restricting individual operations to trading within various market risk limits approved by the RC, and a list of permissible instruments authorised by senior management, as well as enforcing rigorous new product approval procedures to ensure all risks arising are thoroughly identified, properly measured and adequately controlled.

Market risk arising from the trading book is managed within various major risk limits approved by the RC, including risk positions and/or risk factor sensitivities. Since April 2007 BOCHK has also formally applied Value-at-Risk (VAR) limit as a daily risk management tool. These overall risk limits are divided into sub-limits by reference to different risk products, including interest rate, foreign exchange rate, commodity price and equity products. Transactions are classified into different risk product categories according to the prominent type of risk inherent in the transactions.

The Group also uses the VAR technique to measure potential losses and market risks of its trading book for reporting to the RC and senior management on a periodic basis. VAR is a statistical technique which estimates the potential losses that could occur on risk positions taken over a specified time horizon within a given level of confidence. BOCHK, being the banking entity within the Group with the major trading positions, which are mainly foreign currency positions in major currencies, uses VAR technique to monitor and control market risk on a daily basis.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

市場風險管理架構 (續)

集團採用歷史模擬法，以市場利率及價格的歷史變動、99%置信水平及1天持有期等基準，計算組合及個別涉險值。利用過去2年的市場數據來計算市場價格的波動。

(a) 涉險值

以下表格詳述中銀香港自營市場風險持倉的涉險值¹。

4.2 Market Risk (continued)

Market risk management framework (continued)

The Group uses historical simulation approaches to calculate portfolio and individual VAR by historical movements in market rates and prices, given a 99% confidence level and a 1-day holding period. Movements in market prices are calculated by reference to market data from the last two years.

(a) VAR

The following table sets out the VAR for all trading market risk exposure¹ of BOCHK.

港幣百萬元	HK\$m	12月31日 31 December	At 31 December	全年	全年	全年
				最低數值	最高數值	平均數值
				Minimum for the year	Maximum for the year	Average for the year
所有市場風險持倉之涉險值	VAR for all market risk	2009	9.8	9.0	16.3	12.6
		2008	12.6	3.0	13.5	6.5
匯率風險產品持倉之涉險值	VAR for foreign exchange risk products	2009	7.7	7.4	15.8	11.3
		2008	13.1	2.5	14.2	6.0
利率風險產品持倉之涉險值	VAR for interest rate risk products	2009	6.4	2.1	12.8	5.7
		2008	4.2	1.0	5.9	2.9
股票風險產品持倉之涉險值	VAR for equity risk products	2009	0.1	0.1	2.5	0.3
		2008	0.2	0.1	2.8	0.5
商品風險產品持倉之涉險值	VAR for commodity risk products	2009	0.0	0.0	0.1	0.0
		2008	0.0	0.0	0.5	0.0

2009年，中銀香港從市場風險相關的自營交易活動賺得的每日平均收益²為港幣3.88百萬元（2008年：港幣5.35百萬元）。

¹ 不包括外匯結構性敞口的涉險值。

² 不包括外匯結構性敞口的損益及背對背收入。

In 2009, the average daily revenue² of BOCHK earned from market risk-related trading activities was HK\$3.88 million (2008: HK\$5.35 million).

¹ Structural FX positions have been excluded.

² Revenues from structural FX positions and back to back transactions have been excluded.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(a) 涉險值 (續)

利用回顧測試可以檢討涉險值的準確性。回顧測試是將交易賬持盤的涉險值數字與下一個交易日從這些持盤得到的實際收入作出比較，而實際交易收入中不包括非交易收益，例如費用及佣金。若交易收入為負值而且超越涉險值數字，則出現例外情況。回顧測試結果向集團高層管理人員（包括總裁及風險總監）報告。

雖然涉險值是量度風險的一項重要指引，但應留意它有一定局限性，例如：

- 採用過往數據作為估計未來動態的準則，未能顧及所有可能出現的情況，特別是一些極端情況；
- 一日持倉期的計算方法乃假設所有頭盤均可以在一日內套現或對沖。這項假設未必能完全反映市場風險，尤其在市場流通度極低時，可能未及在一日持倉期內套現或對沖所有頭盤，因而產生的市場風險；

4.2 Market Risk (continued)

(a) VAR (continued)

Predictive power of the VAR measure is monitored by backtesting, which compares the calculated VAR figure of those trading positions of each business day with the actual revenues arising on those positions on the next business day. These actual revenues exclude non-trading income including fees and commissions. If backtesting revenues are negative and exceed the VAR, a "backtesting exception" is noted. Backtesting results are reported to the Group's senior management, including CE and CRO.

Although it is a valuable guide to risk, VAR should always be viewed in the context of its limitations. For example:

- the use of historical data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;
- the use of a one-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(a) 涉險值 (續)

- 根據定義，當採用 99% 置信水平時，即未有考慮在此置信水平以外或會出現的虧損；以及
- 涉險值是以營業時間結束時的頭盤作計算基準，因此並不一定反映交易時段內的風險。

集團理解上述局限，並制定其他頭盤及敏感度限額，以補充涉險值限額的局限性。

此外，集團亦對個別組合及集團的整體頭盤情況進行多種壓力測試。交易賬壓力測試包括按不同風險因素改變的嚴峻程度所作的敏感性測試，以及對歷史事件的情景分析，包括 1987 股災、1994 債券市場危機、1997 亞洲金融風暴和 2001 年 911 事件。因應 2008 年金融市場的動盪情況，集團亦重檢相關的壓力測試以確保其嚴謹及完善。集團高層管理人員透過壓力測試，評估當出現特定的極端事故時所引致的金融衝擊對集團所承擔的市場風險的影響。

4.2 Market Risk (continued)

(a) VAR (continued)

- the use of a 99 per cent confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and
- VAR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

The Group recognises these limitations by augmenting its VAR limits with other position and sensitivity limit structures.

Additionally, the Group applies a certain range of stress testing, both on individual portfolios and on the Group's consolidated positions. Stress testing programme of the trading book includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1987 Equity Market Crash, 1994 Bond Market Crash, the 1997 Asian Crisis and the 11 September Event in 2001. The Group also reassessed the stress testing programme to ensure its rigour and robustness in view of the financial crisis in 2008. The Group's stress-testing regime provides senior management with an assessment of the financial impact of identified extreme events on the market risk exposures of the Group.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(a) 涉險值 (續)

就中銀香港而言，銀行賬產生之市場風險須按資產負債管理委員會審批的主要風險限額，包括敏感度限額如基點價值限額與期權敏感度限額，及 AFS 涉險經濟價值限額（用以控制可供出售債券投資組合的價格變化對資本基礎的影響）。另外，本行亦設立管理層關注虧損上限以控制銀行賬的金融工具對銀行盈利的影響。有關的限額使用報告每月定期向資產負債管理委員會匯報。

4.2 Market Risk (continued)

(a) VAR (continued)

For BOCHK, banking book market risk is managed within various risk limits such as sensitivity limits like PVBP (Price Value per Basis Point) limits and Greek limits, and the AFS Economic Value at Risk limit, which is aimed at controlling the price risk impact of the available-for-sale debt securities portfolio on the Bank's capital base. In addition, Profit-and-loss Management Alert Limit (P/L MAL) is set up to control the earnings impact arising from the banking book's financial instruments. These limits are approved by ALCO and the results are reported to ALCO on a monthly basis.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(b) 匯率風險

下表概述了本集團及本銀行於12月31日之外幣匯率風險承擔。表內以折合港元賬面值列示資產及負債，並按原幣分類。

4.2 Market Risk (continued)

(b) Currency risk

The tables below summarise the Group's and the Bank's exposure to foreign currency exchange rate risk as at 31 December. Included in the tables are the assets and liabilities at carrying amounts in HK\$ equivalent, categorised by the original currency.

		本集團 The Group							
		2009							
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total	
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	59,001	44,860	50,759	2,066	317	623	2,699	160,325
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	1,782	34,514	19,365	3,083	43	125	1,370	60,282
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	700	2,314	15,399	-	-	-	62	18,475
衍生金融工具	Derivative financial instruments	5	1,201	16,229	48	-	-	92	17,575
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	38,310	-	-	-	-	38,310
貸款及其他賬項	Advances and other accounts	15,810	112,386	386,224	3,352	1,170	46	8,112	527,100
證券投資	Investment in securities								
- 可供出售證券	- Available-for-sale securities	2,414	115,448	30,000	24,365	13,261	1,882	34,870	222,240
- 持有至到期日證券	- Held-to-maturity securities	1,761	24,037	22,001	6,749	2,725	362	8,928	66,563
- 貸款及應收款	- Loans and receivables	-	5,873	6,661	-	-	-	169	12,703
聯營公司權益	Interests in associates	-	-	217	-	-	-	-	217
投資物業	Investment properties	59	-	9,305	-	-	-	-	9,364
物業、廠房及設備	Properties, plant and equipment	350	-	25,921	-	-	-	-	26,271
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	125	614	13,372	11	110	54	65	14,351
資產總額	Total assets	82,007	341,247	633,763	39,674	17,626	3,092	56,367	1,173,776

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本集團 The Group						
		2009						
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total
	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation							
	-	-	38,310	-	-	-	-	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions							
	38,104	24,930	35,539	18	28	13	1,015	99,647
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss							
	-	599	15,229	-	-	-	460	16,288
衍生金融工具	Derivative financial instruments							
	7	2,027	10,928	869	3	-	111	13,945
客戶存款	Deposits from customers							
	38,715	158,320	565,700	15,517	2,199	14,645	48,833	843,929
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)							
	1,194	8,292	29,135	617	56	528	1,511	41,333
後償負債	Subordinated liabilities							
	-	19,399	-	7,377	-	-	-	26,776
負債總額	Total liabilities							
	78,020	213,567	694,841	24,398	2,286	15,186	51,930	1,080,228
資產負債表頭寸淨值	Net on-balance sheet position							
	3,987	127,680	(61,078)	15,276	15,340	(12,094)	4,437	93,548
表外資產負債頭寸淨值*	Off-balance sheet net notional position*							
	462	(115,388)	144,569	(15,284)	(15,284)	11,849	(4,728)	6,196
或然負債及承擔	Contingent liabilities and commitments							
	5,940	61,833	197,950	4,341	569	835	4,961	276,429

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本集團 The Group							
		2008							
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total	
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	53,381	36,592	53,719	2,662	1,425	3,163	2,326	153,268
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	504	31,441	38,728	5,924	-	6,487	6,634	89,718
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	1,274	1,614	13,465	-	-	-	51	16,404
衍生金融工具	Derivative financial instruments	-	485	19,032	99	1	-	11	19,628
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	34,200	-	-	-	-	34,200
貸款及其他賬項	Advances and other accounts	15,056	97,002	347,976	2,915	1,622	1,002	4,647	470,220
證券投資	Investment in securities								
- 可供出售證券	- Available-for-sale securities	828	71,882	24,141	21,160	40,652	1,651	11,051	171,365
- 持有至到期日證券	- Held-to-maturity securities	2,165	52,352	32,580	6,132	1,823	791	9,550	105,393
- 貸款及應收款	- Loans and receivables	-	2,243	9,039	108	-	110	1,095	12,595
聯營公司權益	Interests in associates	-	-	88	-	-	-	-	88
投資物業	Investment properties	63	-	7,664	-	-	-	-	7,727
物業、廠房及設備	Properties, plant and equipment	98	-	22,690	-	-	-	-	22,788
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	121	244	13,314	596	220	19	88	14,602
資產總額	Total assets	73,490	293,855	616,636	39,596	45,743	13,223	35,453	1,117,996

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本集團 The Group						
		2008						
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation							
	-	-	34,200	-	-	-	-	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions							
	38,131	24,191	18,558	2,251	693	2,494	2,461	88,779
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss							
	-	1,852	19,890	-	-	-	196	21,938
衍生金融工具	Derivative financial instruments							
	-	513	19,622	297	1	-	17	20,450
客戶存款	Deposits from customers							
	30,518	194,358	505,082	15,584	2,135	13,445	44,744	805,866
按攤銷成本發行之債務證券	Debt securities in issue at amortised cost							
	-	148	845	-	-	-	49	1,042
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)							
	1,331	9,672	16,673	325	7,907	348	646	36,902
後償負債	Subordinated liabilities							
	-	19,394	-	7,210	-	-	-	26,604
負債總額	69,980	250,128	614,870	25,667	10,736	16,287	48,113	1,035,781
資產負債表頭寸淨值	Net on-balance sheet position							
	3,510	43,727	1,766	13,929	35,007	(3,064)	(12,660)	82,215
表外資產負債頭寸淨值*	Off-balance sheet net notional position*							
	(4)	(33,929)	68,465	(13,826)	(34,817)	3,043	12,542	1,474
或然負債及承擔	Contingent liabilities and commitments							
	9,132	62,401	176,097	3,032	551	303	1,878	253,394

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本銀行 The Bank							
		2009							
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total	
	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	54,910	42,742	44,212	1,090	162	106	1,580	144,802
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	1,150	37,043	12,323	53	43	-	249	50,861
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	643	311	13,943	-	-	-	-	14,897
衍生金融工具	Derivative financial instruments	5	1,193	15,347	48	-	-	92	16,685
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	38,310	-	-	-	-	38,310
貸款及其他賬項	Advances and other accounts	4	84,808	315,252	2,590	1,106	9	6,820	410,589
證券投資	Investment in securities								
- 可供出售證券	- Available-for-sale securities	1,158	108,766	22,419	24,364	13,261	1,576	32,692	204,236
- 持有至到期日證券	- Held-to-maturity securities	1,761	20,705	16,942	4,812	1,784	299	6,518	52,821
- 貸款及應收款	- Loans and receivables	-	5,873	6,446	-	-	-	-	12,319
附屬公司權益	Interests in subsidiaries	-	-	14,931	-	-	-	-	14,931
聯營公司權益	Interests in associates	-	-	8	-	-	-	-	8
投資物業	Investment properties	-	-	8,685	-	-	-	-	8,685
物業、廠房及設備	Properties, plant and equipment	-	-	20,305	-	-	-	-	20,305
其他資產	Other assets	2	584	12,535	-	110	4	44	13,279
資產總額	Total assets	59,633	302,025	541,658	32,957	16,466	1,994	47,995	1,002,728

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本銀行							
		The Bank							
		2009							
		人民幣	美元	港元	歐羅	日圓	英鎊	其他	總計
		Renminbi	US Dollars	HK Dollars	Euro	Japanese Yen	Pound Sterling	Others	Total
		港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣
		百萬元	百萬元	百萬元	百萬元	百萬元	百萬元	百萬元	百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	38,310	-	-	-	-	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	34,947	23,350	34,852	395	58	8	995	94,605
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	599	14,413	-	-	-	460	15,472
衍生金融工具	Derivative financial instruments	7	2,013	10,328	869	3	-	111	13,331
客戶存款	Deposits from customers	24,690	132,500	478,337	8,673	2,004	13,742	41,756	701,702
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	6	5,873	26,270	321	25	94	704	33,293
後償負債	Subordinated liabilities	-	19,399	-	7,377	-	-	-	26,776
負債總額	Total liabilities	59,650	183,734	602,510	17,635	2,090	13,844	44,026	923,489
資產負債表頭寸淨值	Net on-balance sheet position	(17)	118,291	(60,852)	15,322	14,376	(11,850)	3,969	79,239
表外資產負債頭寸淨值*	Off-balance sheet net notional position*	456	(108,487)	135,969	(15,307)	(14,301)	11,706	(4,302)	5,734
或然負債及承擔	Contingent liabilities and commitments	-	44,429	132,503	2,461	383	348	3,472	183,596

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本銀行							
		The Bank							
		2008							
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total	
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	52,272	34,528	40,322	1,443	1,391	2,795	682	133,433
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	344	26,876	26,879	2,301	-	6,150	5,350	67,900
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	1,016	217	11,803	-	-	-	-	13,036
衍生金融工具	Derivative financial instruments	-	484	18,038	99	1	-	11	18,633
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	34,200	-	-	-	-	34,200
貸款及其他賬項	Advances and other accounts	7,453	79,261	290,128	2,631	1,404	975	4,008	385,860
證券投資	Investment in securities								
- 可供出售證券	- Available-for-sale securities	116	70,209	21,937	21,160	40,652	1,651	10,967	166,692
- 持有至到期日證券	- Held-to-maturity securities	2,165	48,601	23,559	4,834	1,823	643	8,192	89,817
- 貸款及應收款	- Loans and receivables	-	2,088	6,202	-	-	-	154	8,444
附屬公司權益	Interests in subsidiaries	-	-	12,401	-	-	-	-	12,401
聯營公司權益	Interests in associates	-	-	12	-	-	-	-	12
投資物業	Investment properties	-	-	7,279	-	-	-	-	7,279
物業、廠房及設備	Properties, plant and equipment	3	-	17,546	-	-	-	-	17,549
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	34	129	12,616	588	216	2	43	13,628
資產總額	Total assets	63,403	262,393	522,922	33,056	45,487	12,216	29,407	968,884

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(b) 匯率風險 (續)

(b) Currency risk (continued)

		本銀行 The Bank						
		2008						
	人民幣 Renminbi	美元 US Dollars	港元 HK Dollars	歐羅 Euro	日圓 Japanese Yen	英鎊 Pound Sterling	其他 Others	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation							
	-	-	34,200	-	-	-	-	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions							
	36,466	24,442	19,092	2,301	86	2,673	2,783	87,843
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss							
	-	1,474	18,799	-	-	-	196	20,469
衍生金融工具	Derivative financial instruments							
	-	504	18,747	297	1	-	17	19,566
客戶存款	Deposits from customers							
	24,462	168,773	423,516	9,148	1,991	12,755	38,606	679,251
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)							
	948	7,369	13,548	60	7,860	98	511	30,394
後償負債	Subordinated liabilities							
	-	19,394	-	7,210	-	-	-	26,604
負債總額	Total liabilities							
	61,876	221,956	527,902	19,016	9,938	15,526	42,113	898,327
資產負債表頭寸淨值	Net on-balance sheet position							
	1,527	40,437	(4,980)	14,040	35,549	(3,310)	(12,706)	70,557
表外資產負債頭寸淨值*	Off-balance sheet net notional position*							
	(4)	(31,306)	65,827	(13,945)	(35,378)	3,288	12,581	1,063
或然負債及承擔	Contingent liabilities and commitments							
	5,015	51,974	112,245	1,331	485	15	682	171,747

* 表外資產負債頭寸淨值指外匯衍生金融工具的名義合約數額淨值。外匯衍生金融工具主要用來減低本集團之匯率變動風險。

* Off-balance sheet net notional position represents the net notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Group's exposure to currency movements.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(c) 利率風險

集團的利率風險主要是結構性風險。結構性持倉的主要利率風險類別為：

- 利率重訂風險 - 由於資產及負債到期日或重訂價格期限可能出現錯配
- 利率基準風險 - 不同交易的不同定價基準，令資產的收益率和負債的成本可能會在同一重訂價格期間以不同的幅度變化
- 收益率曲線風險 - 由於收益率曲線非平行式移動，如變得較傾斜或較橫向，而產生對淨利息收入或經濟價值的負面影響
- 客戶擇權風險 - 由於資產、負債或表外項目所附設的期權，當期權行使時會改變相關資產負債之現金流

中銀香港制定了利率風險管理政策，明確架構及採用方法以識別、量度、監察及控制利率風險。

集團的資產負債管理委員會主責利率風險管理；風險委員會審批由資產負債管理委員會制訂的利率風險管理政策。集團每日識別及衡量利率風險。資產負債管理部根據既定政策對利率風險進行管理，並定期向資產負債管理委員會匯報。風險管理部對資產負債管理部提出的政策、辦法及限額進行審核。

4.2 Market Risk (continued)

(c) Interest rate risk

The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are:

- Repricing risk – mismatches in the maturity or repricing periods of assets and liabilities
- Basis risk – different pricing basis for different transactions so that the yield on assets and cost of liabilities may change by different amounts within the same repricing period
- Yield curve risk – non-parallel shifts in the yield curve, e.g. steepening or flattening of the yield curve that may have an adverse impact on net interest income or economic value
- Option risk – exercise of the options embedded in assets, liabilities or off-balance sheet items that can cause a change in the cashflows of assets and liabilities

BOCHK has formulated "Interest Rate Risk Management Policies" which set out the framework and methodologies to identify, measure, monitor and control interest rate risk.

The Group's ALCO exercises its oversight of interest rate risk and RC sanctions the interest rate risk management policies formulated by ALCO. The interest rate risk is identified and measured on a daily basis. Asset and Liability Management Department ("ALMD") manages the interest rate risk according to the established policies and the results are reported to ALCO regularly. RMD reviews the policies, guidelines and limits proposed by the ALMD.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(c) 利率風險 (續)

缺口分析是集團用來量度利率重訂風險的工具之一。這項分析提供資產負債狀況的到期情況及重訂價格特點的靜態資料。集團採用利率衍生工具來對沖利率風險，在一般情況下會利用簡單的利率互換合約對沖有關風險。

盈利及經濟價值對利率變化的敏感度（涉險盈利及涉險經濟價值）通過模擬孳息曲線平衡移動 200 個基點的利率震盪來計算。涉險盈利及涉險經濟價值分別控制在經風險委員會核定的估當年預算淨利息收入及最新資本基礎的一個特定百分比之內。有關結果定期向資產負債管理委員會及風險委員會報告。除上述的平衡移動情景外，集團增設日常情景測試，以簡單及較日常合理變化作原則，假設業務策略及客戶行為不變情況下，因應市場利率變化預測測算盈利及經濟價值對利率變化的影響。

集團引入 PVBP 及 Option Greeks 限額，量度債券投資組合中由利率變化引致的價格風險及期權風險，作為銀行盤利率風險管理的日常監控。

4.2 Market Risk (continued)

(c) Interest rate risk (continued)

Gap analysis is one of the tools used to measure the Group's exposure to repricing risk. This provides the Group with a static view of the maturity and repricing characteristics of its balance sheet positions. The Group uses interest rate derivatives to hedge its interest rate exposures and in most cases, plain vanilla interest rate swaps are used.

Sensitivities of earnings and economic value to interest rate changes (Earnings at Risk and Economic Value at Risk) are assessed through a hypothetical interest rate shock of 200 basis points across the yield curve on both sides. Earnings at Risk and Economic Value at Risk are controlled respectively within an approved percentage of the projected net interest income for the year and the latest capital base as sanctioned by RC. The results are reported to ALCO and RC on a regular basis. Apart from the hypothetical scenario, business-as-usual ("BAU") scenario has been established based on a simpler and more reasonable principle. It generates results of the impact on earnings and economic value under interest rate change assuming constant strategic business development and customer behaviour.

The Group implemented PVBP and Option Greeks limits as daily monitoring measures to monitor price risk caused by interest rate movement and option risk of investment portfolio.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(c) 利率風險 (續)

集團透過情景分析，監察利率基準風險因收益率及成本率不同步變化對淨利息收入所預計產生的影響，及設定相同訂息基準的資產負債比例以作監控。

集團進行壓力測試以量度收益率曲線變得傾斜或橫向時對盈利及經濟價值的影響。活期及儲蓄存款的客戶擇權及按揭客戶提早還款的影響亦以不同的壓力測試情景加以量度。資產抵押債券／按揭抵押債券亦以加權平均壽命延長或縮短的敏感度對盈利及經濟價值的影響以測算提前償還風險。

集團通過以下限額控制中銀香港利率風險水平：

1. 涉險盈利限額
2. 涉險經濟價值限額
3. 利率敏感缺口限額

在新產品或業務推出前，相關單位須先進行風險評估程序，包括評估其潛在的利率風險，並考慮現行的利率風險監控機制是否足夠。如新產品或業務對銀行利率風險造成重大影響，須向財務總監及風險總監提交建議。

4.2 Market Risk (continued)

(c) Interest rate risk (continued)

The impact of basis risk is gauged by the projected change in net interest income under scenarios of imperfect correlation in the adjustment of the rates earned and paid on different instruments. Ratios of assets to liabilities with similar pricing basis are established to monitor such risk.

Stress test on yield curve risk is performed to assess the impact on earnings and economic value due to the steepening or flattening of the yield curve. The impact of optionality of demand and savings deposits and prepayment of mortgage loans is also assessed under different stress test scenarios. The prepayment risk of ABS/MBS is assessed by the impact on earnings and economic value using the sensitivity of extended/contracted weighted average life.

The interest rate risk exposures in BOCHK are controlled through the use of limits:

1. Earnings at Risk limit
2. Economic Value at Risk limit
3. Interest Rate Mismatch Gap limits

Before launching a new product or business, the relevant departments are required to go through a risk assessment process, which includes assessment of underlying interest rate risk and consideration of the adequacy of current risk management mechanism. Any material impact on interest rate risk noted during the risk assessment process will be reported to both the Chief Financial Officer ("CFO") and CRO.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(c) 利率風險 (續)

(c) Interest rate risk (continued)

下表概述了本集團及本銀行於12月31日的利率風險承擔。表內以賬面值列示資產及負債，並按重定息率日期或到期日（以較早者為準）分類。

The tables below summarise the Group's and the Bank's exposure to interest rate risk as at 31 December. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

		本集團 The Group						
		2009						
		一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
資產	Assets							
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	131,539	-	-	-	-	28,786	160,325
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	26,170	34,112	-	-	-	60,282
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	10,862	2,567	2,117	2,249	532	148	18,475
衍生金融工具	Derivative financial instruments	-	-	-	-	-	17,575	17,575
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	38,310	38,310
貸款及其他賬項	Advances and other accounts	437,351	66,229	17,878	1,491	164	3,987	527,100
證券投資	Investment in securities							
- 可供出售證券	- Available-for-sale securities	23,976	42,303	15,488	117,281	22,565	627	222,240
- 持有至到期日證券	- Held-to-maturity securities	16,968	28,856	11,241	7,802	1,696	-	66,563
- 貸款及應收款	- Loans and receivables	169	1,774	10,760	-	-	-	12,703
聯營公司權益	Interests in associates	-	-	-	-	-	217	217
投資物業	Investment properties	-	-	-	-	-	9,364	9,364
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	26,271	26,271
其他資產（包括遞延稅項資產）	Other assets (including deferred tax assets)	-	-	-	-	-	14,351	14,351
資產總額	Total assets	620,865	167,899	91,596	128,823	24,957	139,636	1,173,776

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(c) 利率風險 (續)

(c) Interest rate risk (continued)

		本集團 The Group						
		2009						
		一 至 一 個 月 內 Up to 1 month	一 至 三 個 月 1-3 months	三 至 十 二 個 月 3-12 months	一 至 五 年 1-5 years	五 年 以 上 Over 5 years	不 計 息 Non- interest bearing	總 計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	38,310	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	78,388	1,751	3,475	-	-	16,033	99,647
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	13,375	1,974	846	93	-	-	16,288
衍生金融工具	Derivative financial instruments	-	-	-	-	-	13,945	13,945
客戶存款	Deposits from customers	682,305	76,187	36,107	1,073	-	48,257	843,929
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	9,685	265	274	305	-	30,804	41,333
後償負債	Subordinated liabilities	-	-	26,776	-	-	-	26,776
負債總額	Total liabilities	783,753	80,177	67,478	1,471	-	147,349	1,080,228
利率敏感度缺口	Interest sensitivity gap	(162,888)	87,722	24,118	127,352	24,957	(7,713)	93,548

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(c) 利率風險 (續)

(c) Interest rate risk (continued)

		本集團 The Group						
		2008						
		一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	134,722	-	-	-	-	18,546	153,268
一至十二個月內到期的銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	38,622	51,096	-	-	-	89,718
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	5,103	7,076	2,311	1,416	415	83	16,404
衍生金融工具	Derivative financial instruments	-	-	-	-	-	19,628	19,628
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	34,200	34,200
貸款及其他賬項	Advances and other accounts	366,581	77,143	20,873	1,258	159	4,206	470,220
證券投資	Investment in securities							
- 可供出售證券	- Available-for-sale securities	31,282	28,066	42,437	47,155	21,995	430	171,365
- 持有至到期日證券	- Held-to-maturity securities	23,765	38,406	12,514	17,371	13,337	-	105,393
- 貸款及應收款	- Loans and receivables	1,755	2,675	8,165	-	-	-	12,595
聯營公司權益	Interests in associates	-	-	-	-	-	88	88
投資物業	Investment properties	-	-	-	-	-	7,727	7,727
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	22,788	22,788
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	-	-	-	-	-	14,602	14,602
資產總額	Total assets	563,208	191,988	137,396	67,200	35,906	122,298	1,117,996

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(c) 利率風險 (續)

(c) Interest rate risk (continued)

		本集團 The Group						
		2008						
		一至 一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	34,200	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	55,274	10,655	3,272	-	-	19,578	88,779
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	6,769	13,412	1,749	8	-	-	21,938
衍生金融工具	Derivative financial instruments	-	-	-	-	-	20,450	20,450
客戶存款	Deposits from customers	631,968	103,266	32,532	253	-	37,847	805,866
按攤銷成本發行之債務證券	Debt securities in issue at amortised cost	459	148	435	-	-	-	1,042
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	8,036	116	493	136	-	28,121	36,902
後償負債	Subordinated liabilities	-	-	26,604	-	-	-	26,604
負債總額	Total liabilities	702,506	127,597	65,085	397	-	140,196	1,035,781
利率敏感度缺口	Interest sensitivity gap	(139,298)	64,391	72,311	66,803	35,906	(17,898)	82,215

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

4.2 Market Risk (continued)

(c) 利率風險 (續)

(c) Interest rate risk (continued)

		本銀行 The Bank						
		2009						
		一至 一個月內 Up to 1 month	三至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	118,947	-	-	-	-	25,855	144,802
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	21,567	29,294	-	-	-	50,861
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	10,556	1,646	1,745	889	24	37	14,897
衍生金融工具	Derivative financial instruments	-	-	-	-	-	16,685	16,685
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	38,310	38,310
貸款及其他賬項	Advances and other accounts	357,796	46,274	6,389	66	64	-	410,589
證券投資	Investment in securities							
- 可供出售證券	- Available-for-sale securities	21,142	37,818	13,838	110,101	21,236	101	204,236
- 持有至到期日證券	- Held-to-maturity securities	13,281	23,359	8,320	6,166	1,695	-	52,821
- 貸款及應收款	- Loans and receivables	-	1,774	10,545	-	-	-	12,319
附屬公司權益	Interests in subsidiaries	-	-	-	-	-	14,931	14,931
聯營公司權益	Interests in associates	-	-	-	-	-	8	8
投資物業	Investment properties	-	-	-	-	-	8,685	8,685
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	20,305	20,305
其他資產	Other assets	-	-	-	-	-	13,279	13,279
資產總額	Total assets	521,722	132,438	70,131	117,222	23,019	138,196	1,002,728
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	38,310	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	73,250	48	13	-	-	21,294	94,605
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	13,121	1,612	646	93	-	-	15,472
衍生金融工具	Derivative financial instruments	-	-	-	-	-	13,331	13,331
客戶存款	Deposits from customers	580,833	58,963	20,498	151	-	41,257	701,702
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	8,647	-	-	-	-	24,646	33,293
後償負債	Subordinated liabilities	-	-	26,776	-	-	-	26,776
負債總額	Total liabilities	675,851	60,623	47,933	244	-	138,838	923,489
利率敏感度缺口	Interest sensitivity gap	(154,129)	71,815	22,198	116,978	23,019	(642)	79,239

財務報表附註 (續) Notes to the Financial Statements (continued)
4. 金融風險管理 (續) 4. Financial risk management (continued)
4.2 市場風險 (續)
(c) 利率風險 (續)
4.2 Market Risk (continued)
(c) Interest rate risk (continued)

		本銀行 The Bank						
		2008						
		一至 一個月內 Up to 1 month	三至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	115,795	-	-	-	-	17,638	133,433
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	21,427	46,473	-	-	-	67,900
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	4,428	6,289	1,608	685	6	20	13,036
衍生金融工具	Derivative financial instruments	-	-	-	-	-	18,633	18,633
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	34,200	34,200
貸款及其他賬項	Advances and other accounts	309,388	61,950	14,342	126	54	-	385,860
證券投資	Investment in securities							
- 可供出售證券	- Available-for-sale securities	30,902	27,235	41,417	46,014	21,025	99	166,692
- 持有至到期日證券	- Held-to-maturity securities	21,000	31,327	10,404	13,749	13,337	-	89,817
- 貸款及應收款	- Loans and receivables	-	1,592	6,852	-	-	-	8,444
附屬公司權益	Interests in subsidiaries	-	-	-	-	-	12,401	12,401
聯營公司權益	Interests in associates	-	-	-	-	-	12	12
投資物業	Investment properties	-	-	-	-	-	7,279	7,279
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	17,549	17,549
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	-	-	-	-	-	13,628	13,628
資產總額	Total assets	481,513	149,820	121,096	60,574	34,422	121,459	968,884
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	34,200	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	60,026	3,914	3,267	-	-	20,636	87,843
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	6,230	12,745	1,486	8	-	-	20,469
衍生金融工具	Derivative financial instruments	-	-	-	-	-	19,566	19,566
客戶存款	Deposits from customers	547,198	77,632	21,933	188	-	32,300	679,251
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	7,099	116	493	136	-	22,550	30,394
後償負債	Subordinated liabilities	-	-	26,604	-	-	-	26,604
負債總額	Total liabilities	620,553	94,407	53,783	332	-	129,252	898,327
利率敏感度缺口	Interest sensitivity gap	(139,040)	55,413	67,313	60,242	34,422	(7,793)	70,557

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(c) 利率風險 (續)

本集團及本銀行銀行賬內市場風險承擔之敏感度分析

本集團及本銀行主要面對港元及美元利率風險。於 2009 年 12 月 31 日，若港元及美元市場利率上移 100 基點，其他因素不變情況下，本年度本集團及本銀行的稅後溢利將會分別減少港幣 1.59 億元及港幣 2.52 億元 (2008 年：港幣 1.12 億元及港幣 2.24 億元)，負面影響較 2008 年增加主要由於短期檔利率敏感負缺口擴闊所致。而就可供出售債券投資組合因上述模擬市場利率變化而預期會出現的估值減幅，令本集團及本銀行儲備將會分別減少港幣 29.45 億元及港幣 27.40 億元 (2008 年：港幣 13.90 億元及港幣 13.09 億元)，主要由於可供出售債券投資組合規模增加。上述利率敏感度分析僅供說明用途。

4.2 Market Risk (continued)

(c) Interest rate risk (continued)

Sensitivity analysis to market risk exposure of banking book of the Group and the Bank

The Group and the Bank are principally exposed to HKD and USD in terms of interest rate risk. At 31 December 2009, if HKD and USD market interest rates had been 100 basis point higher with other variables held constant, profit after tax for the year would have been reduced by HK\$159 million and HK\$252 million for the Group and the Bank respectively (2008: HK\$112 million and HK\$224 million). The negative impact is increased compared with 2008 because the short term negative interest sensitivity gaps are widened. Reserves would have been reduced by HK\$2,945 million and HK\$2,740 million for the Group and the Bank respectively (2008: HK\$1,390 million and HK\$1,309 million) because of the expected reduction in valuation of available-for-sale portfolio due to the above simulated market rates movement. The negative impact is increased compared with 2008 because the size of available-for-sale portfolio is increased. The sensitivity analysis set out above is illustrative only.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(c) 利率風險 (續)

銀行賬利率風險

下列為若市場利率變化而對本集團及本銀行的銀行賬主要貨幣利率風險潛在之影響：

盈利角度 測試情景

港元孳息曲線平行
下移 100 基點
美元孳息曲線平行
上移 100 基點

4.2 Market Risk (continued)

(c) Interest rate risk (continued)

Interest rate exposures in banking book

The following is a summary of possible effects of market interest rates shocks on the Group's and the Bank's interest rate exposure for major currencies in their banking book:

		於 12 月 31 日影響 Impact on positions at 31 December			
		本集團 The Group		本銀行 The Bank	
		2009	2008	2009	2008
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
Earnings perspective					
Scenarios					
Down 100 basis points parallel shift in HK dollar yield curves		(382)	(237)	(252)	(117)
Up 100 basis points parallel shift in US dollar yield curves		(573)	(371)	(554)	(385)

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.2 市場風險 (續)

(c) 利率風險 (續)

上述壓力測試僅供說明用途。上述情況說明若市場利率受一些特殊但有可能發生的事件影響而出現極端變化，有關變動對未來 12 個月盈利將會產生的影響。壓力測試採用淨利息收入變化量度對預算盈利影響。本集團建立的壓力情景，採用了較嚴峻的假設，主要假設包括港元息口與美元息口相關性變化、利率平行移動、在沒有採取緩釋風險情況下所有持倉均計至到期日為止及同一期檔內利率重新訂價或到期。由於個別產品的潛藏期權風險令產品的風險變得複雜，需以習性假設以反映實質利率風險水平。

4.2 Market Risk (continued)

(c) Interest rate risk (continued)

The stress tests set out above are illustrative only. The projections illustrate that stressful changes in market interest rates in response to exceptional but plausible events would have adverse effects on earnings over the next twelve months. The stress tests measure the possible effect of interest rates shock on the budgeted earnings which is assessed by changes in net interest income. To construct stressful scenarios, severe assumptions are made, including a change in the correlation between HK dollar and US dollar interest rates, parallel movement of interest rates for the banking book positions of all repricing or maturity dates. In the absence of actions that would be taken to mitigate the impact of interest rates shock, all positions are assumed to run to maturity and reprice or mature simultaneously within a given time band. As the risk is complicated by having optionality embedded in certain products, behavioural assumptions are made to reflect more accurately the interest rate risk exposures.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險

流動資金風險是指本集團可能要承受不欲接受的損失，否則便無法提供資金以應付資產增長、履行到期債務或落實戰略的風險。

流動資金風險管理框架

集團之流動資金風險管理框架包括三個層次：董事會以及轄下的風險委員會為最高決策機構，負責審批流動資金風險管理政策，並確保有關政策符合監管機構的要求。高層管理人員（包括總裁、財務總監、風險總監）以及資產負債管理委員會負責制定流動資金風險管理相關的政策及措施，並監督其執行。日常之流動性管理由資產負債管理部主責，在投資管理、風險管理部及會計部等部門的協助下，資產負債管理部負責監控流動資金風險狀況及定期向管理層及本地監管機構報告。

流動資金管理程序在集團和子公司兩個層面同時執行，主要附屬公司會按照集團之風險管理政策獨立地履行日常風險管理職能，並定期向集團管理層匯報。

集團已建立完善流動資金風險管理機制，通過維持恰當規模的高流動性資產組合和合理的負債結構，令集團即使在惡劣市況下，仍能按時應付到期債務，以及為其資產增長和策略機會提供所需資金，避免要在緊急情況下被迫出售資產套現。

4.3 Liquidity Risk

Liquidity risk is the risk that the Group may not be able to fund increases in assets, meet obligations as they fall due or take strategic opportunity without incurring unacceptable losses.

Liquidity risk management framework

The liquidity risk management framework of the Group comprises three levels. The Board of Directors and the Risk Committee are the ultimate decision making authority and are responsible for approving the liquidity management policy and assure the compliance with regulatory requirements. The senior management (including CE, CFO, CRO) and ALCO are responsible for the formulation of the liquidity management policy and procedures and monitoring of their implementation. The Asset and Liability Management Department, assisted by other functional departments, including the Investment Management, RMD as well as General Accounting and Accounting Policy Department, is responsible for daily management of liquidity to monitor the liquidity risk and provides regular reports to the Management and local regulatory bodies.

The liquidity management process is carried out both at the Group and subsidiary level. The principal subsidiaries execute their daily risk management processes independently, subject to risk policies that are consistent with those of the Group, and report to the Group's management on a regular basis.

The Group has developed a robust liquidity risk management mechanism, by maintaining an appropriate size of highly-liquifiable assets and proper liability structure, enabling the Group to meet, even under adverse market conditions, the obligations as they fall due, and to fund the asset growth and strategic opportunities without forced liquidation of its assets at short notice.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

流動資金風險管理框架 (續)

目前，集團設立了一個月流動比率、一個月錯配比率及貸存比率等三項主要監控指標，通過制定限額、定期評估及監控，作為識別、量度、監察及控制流動風險的主要工具。此外，集團還將檢視存款穩定性、大戶存款的集中度及投資組合的流動性作為輔助監控手段。

相關的風險管理程序包括：

- 在正常及壓力情景下估算現金流，利用資產負債錯配淨缺口評估資金需求；
- 設置限額控制累積淨錯配缺口情況；
- 維持流動比率以符合內部及外部監管機構之要求；
- 維持多元化的負債結構，確保充裕的資金來源；
- 維持適度之高流動性資產以作為緊急情況下之流動性緩衝；
- 監控存款組合之結構及穩定性；
- 評估於同業貨幣市場拆入之能力，避免過分依賴貨幣市場資金；
- 建立應變方案，包括設定並持續監察預警指標（包括內部及市場指標）、設立匯報機制及應變措施等內容。

4.3 Liquidity Risk (continued)

Liquidity risk management framework (continued)

At present, the Group has set up three Key Risk Indicators, which are 1-month liquidity ratio, 1-month mismatch ratio and loan-to-deposit ratio. The indicators mentioned are used as the major tools in the identification, measurement, monitoring and control of the liquidity risk on regular basis by setting limits, assessing and monitoring the ratios. Besides, the Group also monitors deposit stability, concentration of deposits from large depositors and liquidity profile of the investment portfolio.

The related risk management process includes:

- Perform cash-flow projections under normal and stressed scenarios, using the net mismatch gap between assets and liabilities to estimate the prospective net funding requirements;
- Set limits on mismatch ratios to control the size of the cumulative net mismatch positions;
- Maintain liquidity ratios to comply with both internal and external regulatory requirements;
- Maintain a diversified liability base to ensure sufficient funding sources;
- Maintain a proper level of highly liquid assets to serve as a liquidity buffer for emergency needs;
- Monitor the structure and stability of the deposit portfolio;
- Assess the ability to borrow from the inter-bank money market to avoid over-reliance on the money market funding;
- Maintain a proper contingency plan, which includes setting early warning signals (including internal indicators and market indicators) with timely monitoring procedures and establishing a management reporting system and contingency procedures.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

流動資金風險管理框架 (續)

在新產品業務推出前，相關單位須先進行風險評估程序，包括評估其潛在的流動資金風險，並考慮現行的流動資金風險監控機制是否足夠。如新產品或服務對我行流動資金風險造成重大影響，須及時向風險總監及財務總監提交建議。

Liquidity risk management framework (continued)

Before launching a new product or business, relevant departments are required to go through a risk assessment process, which includes assessment of underlying liquidity risk and consideration of the adequacy of the current risk management mechanism. Any material impact on liquidity risk noted during the risk assessment process will be reported both to the CRO and the CFO.

(A) 流動資金比率

(A) Liquidity ratio

平均流動資金比率

Average liquidity ratio

平均流動資金比率是以本銀行年內每月平均流動資金比率的簡單平均值計算。

The average liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio of the Bank for the year.

流動資金比率是根據《銀行業條例》附表四及以單獨基準（即只包括香港辦事處）計算。

The liquidity ratio is computed on the solo basis (the Hong Kong offices only) and is in accordance with the Fourth Schedule to the Banking Ordinance.

	<u>2009</u>	<u>2008</u>
	<u>40.18%</u>	<u>41.74%</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

(B) 按合約到期日之未折現現金流分析

(a) 非衍生工具之現金流

下表概述了本集團及本銀行於 12 月 31 日之非衍生金融負債以剩餘合約到期日列示之現金流。

4.3 Liquidity Risk (continued)

(B) Analysis of undiscounted cash flows by contractual maturities

(a) Non-derivative cash flows

The table below presents the cash flows of the Group and the Bank as at 31 December for non-derivative financial liabilities by remaining contractual maturities.

		本集團 The Group					
		2009					
		一至 一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
金融負債	Financial liabilities						
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	38,310	-	-	-	-	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	94,461	1,774	3,505	-	-	99,740
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	13,168	868	2,160	111	-	16,307
客戶存款	Deposits from customers	730,560	74,999	37,589	1,184	-	844,332
後償負債	Subordinated liabilities	-	-	607	2,629	29,640	32,876
其他金融負債	Other financial liabilities	22,241	501	358	309	-	23,409
金融負債總額	Total financial liabilities	898,740	78,142	44,219	4,233	29,640	1,054,974

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(a) 非衍生工具之現金流 (續)

(a) Non-derivative cash flows (continued)

		本集團 The Group					
		2008					
		一至	三至	一至五年	五年以上	總計	
		一個月內	三個月	十二個月	一至五年	五年以上	
		Up to 1	1-3	3-12	1-5	Over 5	
		month	months	months	years	years	
		港幣	港幣	港幣	港幣	港幣	
		百萬元	百萬元	百萬元	百萬元	百萬元	
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	
金融負債	Financial liabilities						
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	34,200	-	-	-	-	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	74,864	10,696	3,291	-	-	88,851
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	6,114	6,404	9,077	253	294	22,142
客戶存款	Deposits from customers	669,921	102,192	33,052	1,392	-	806,557
按攤銷成本發行之債務證券	Debt securities in issue at amortised cost	459	148	436	-	-	1,043
後償負債	Subordinated liabilities	-	-	1,029	4,134	32,233	37,396
其他金融負債	Other financial liabilities	27,320	198	1,836	4	238	29,596
金融負債總額	Total financial liabilities	812,878	119,638	48,721	5,783	32,765	1,019,785

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(a) 非衍生工具之現金流 (續)

(a) Non-derivative cash flows (continued)

		本銀行 The Bank					
		2009					
		一至 一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
金融負債	Financial liabilities						
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	38,310	-	-	-	-	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	94,544	48	17	-	-	94,609
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	12,914	506	1,960	111	-	15,491
客戶存款	Deposits from customers	622,113	59,003	20,583	160	-	701,859
後償負債	Subordinated liabilities	-	-	607	2,629	29,640	32,876
其他金融負債	Other financial liabilities	19,776	163	275	-	-	20,214
金融負債總額	Total financial liabilities	787,657	59,720	23,442	2,900	29,640	903,359

		本銀行 The Bank					
		2008					
		一至 一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
金融負債	Financial liabilities						
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	34,200	-	-	-	-	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	80,666	3,926	3,279	-	-	87,871
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	5,789	6,141	8,596	10	-	20,536
客戶存款	Deposits from customers	579,569	77,773	22,197	203	-	679,742
後償負債	Subordinated liabilities	-	-	1,029	4,134	32,233	37,396
其他金融負債	Other financial liabilities	25,489	189	1,750	-	-	27,428
金融負債總額	Total financial liabilities	725,713	88,029	36,851	4,347	32,233	887,173

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流

(b) Derivative cash flows

(i) 按淨額基準結算之衍生工具

(i) Derivatives settled on a net basis

本集團之按淨額基準結算之衍生工具包括：

The Group's derivatives that will be settled on a net basis include:

- 外匯衍生工具：不交割之場外貨幣期權、貨幣期貨、不交割之貨幣遠期；

- Foreign exchange derivatives: non-deliverable OTC currency options, currency futures, non-deliverable currency forwards;

- 利率衍生工具：利率掉期；

- Interest rate derivatives: interest rate swaps;

- 股權衍生工具：於交易所買賣的股權期權；及

- Equity derivatives: exchange traded equity options; and

- 貴金屬衍生工具：貴金屬孖展合約。

- Bullion derivatives: bullion margin contracts.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

(B) 按合約到期日之未折現現金流分析 (續)

(b) 衍生工具之現金流 (續)

(i) 按淨額基準結算之衍生工具 (續)

下表為本集團及本銀行按淨額基準結算之衍生金融工具於12月31日的到期日分析，並按於結算日時，其相距合約到期日的剩餘期限分類。表內披露公平值為淨負債之衍生工具之淨合約未折現現金流。

4.3 Liquidity Risk (continued)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) Derivative cash flows (continued)

(i) Derivatives settled on a net basis (continued)

The table below analyses the Group's and the Bank's derivative financial instruments as at 31 December that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the net contractual undiscounted cash flows of derivatives with net negative fair value.

		本集團 The Group					
		2009					
	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total	
	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	
外匯衍生工具	(9,013)	(9)	(416)	1	-	(9,437)	
利率衍生工具	(97)	(292)	(1,463)	(3,344)	(328)	(5,524)	
貴金屬衍生工具	(373)	-	-	-	-	(373)	
	(9,483)	(301)	(1,879)	(3,343)	(328)	(15,334)	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流 (續)

(b) Derivative cash flows (continued)

(i) 按淨額基準結算之衍生工具 (續)

(i) Derivatives settled on a net basis (continued)

		本集團 The Group					
		2008					
		一個月內 Up to 1 month	一至三個月 1-3 months	三至十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
外匯衍生工具	Foreign exchange derivatives	(10,465)	(99)	(235)	-	-	(10,799)
利率衍生工具	Interest rate derivatives	-	(178)	(884)	(3,023)	(724)	(4,809)
貴金屬衍生工具	Bullion derivatives	(91)	-	-	-	-	(91)
		(10,556)	(277)	(1,119)	(3,023)	(724)	(15,699)

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

(B) 按合約到期日之未折現現金流分析 (續)

(b) 衍生工具之現金流 (續)

(i) 按淨額基準結算之衍生工具 (續)

4.3 Liquidity Risk (continued)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) Derivative cash flows (continued)

(i) Derivatives settled on a net basis (continued)

		本銀行 The Bank					
		2009					
		一個月內 Up to 1 month	一至三個月 1-3 months	三至十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
外匯衍生工具	Foreign exchange derivatives	(8,596)	(9)	(419)	1	-	(9,023)
利率衍生工具	Interest rate derivatives	(97)	(278)	(1,354)	(3,104)	(293)	(5,126)
貴金屬衍生工具	Bullion derivatives	(373)	-	-	-	-	(373)
		(9,066)	(287)	(1,773)	(3,103)	(293)	(14,522)

		本銀行 The Bank					
		2008					
		一個月內 Up to 1 month	一至三個月 1-3 months	三至十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
外匯衍生工具	Foreign exchange derivatives	(9,903)	(99)	(245)	-	-	(10,247)
利率衍生工具	Interest rate derivatives	4	(168)	(831)	(2,897)	(698)	(4,590)
貴金屬衍生工具	Bullion derivatives	(92)	-	-	-	-	(92)
		(9,991)	(267)	(1,076)	(2,897)	(698)	(14,929)

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

(B) 按合約到期日之未折現現金流分析 (續)

(b) 衍生工具之現金流 (續)

(ii) 按總額基準結算之衍生工具

本集團之按總額基準結算之衍生工具包括場外貨幣期權、貨幣遠期、交叉貨幣利率掉期、場外股權期權、股權掛鈎掉期及貴金屬掉期。

下表為本集團及本銀行按總額基準結算之衍生金融工具於12月31日的到期日分析，並按於結算日時，其相距合約到期日的剩餘期限分類。表內披露所有以總額基準結算之衍生工具之總合約未折現現金流。

4.3 Liquidity Risk (continued)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) Derivative cash flows (continued)

(ii) Derivatives settled on a gross basis

The Group's derivatives that will be settled on a gross basis include OTC currency options, currency forwards and cross currency interest rate swaps, OTC equity options, equity linked swaps and bullion swaps.

The table below analyses the Group's and the Bank's derivative financial instruments as at 31 December that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the gross contractual undiscounted cash flows for all derivatives that are settled on a gross basis.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

(B) 按合約到期日之未折現現金流分析 (續)

(b) 衍生工具之現金流 (續)

(ii) 按總額基準結算之衍生工具 (續)

4.3 Liquidity Risk (continued)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) Derivative cash flows (continued)

(ii) Derivatives settled on a gross basis (continued)

		本集團 The Group				
		2009				
	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	總計 Total	
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
外匯衍生工具：	Foreign exchange derivatives:					
- 流出	(130,169)	(76,058)	(72,643)	(656)	(279,526)	
- 流入	130,220	77,002	73,023	665	280,910	
利率衍生工具：	Interest rate derivatives:					
- 流出	-	-	-	-	-	
- 流入	-	-	-	-	-	
股權衍生工具：	Equity derivatives:					
- 流出	(1)	-	-	-	(1)	
- 流入	16	5	-	-	21	
貴金屬衍生工具：	Bullion derivatives:					
- 流出	(22)	-	-	-	(22)	
- 流入	-	-	-	-	-	
總流出	(130,192)	(76,058)	(72,643)	(656)	(279,549)	
總流入	130,236	77,007	73,023	665	280,931	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流 (續)

(b) Derivative cash flows (continued)

(ii) 按總額基準結算之衍生工具 (續)

(ii) Derivatives settled on a gross basis (continued)

		本集團 The Group				
		2008				
		一至 一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
外匯衍生工具：	Foreign exchange derivatives:					
- 流出	- Outflow	(146,872)	(69,270)	(62,608)	(1,722)	(280,472)
- 流入	- Inflow	145,552	68,892	62,246	1,709	278,399
利率衍生工具：	Interest rate derivatives:					
- 流出	- Outflow	-	-	-	-	-
- 流入	- Inflow	316	-	-	-	316
股權衍生工具：	Equity derivatives:					
- 流出	- Outflow	(444)	(236)	(1,659)	-	(2,339)
- 流入	- Inflow	462	237	1,659	-	2,358
貴金屬衍生工具：	Bullion derivatives:					
- 流出	- Outflow	(226)	(131)	-	-	(357)
- 流入	- Inflow	-	-	-	-	-
總流出	Total outflow	(147,542)	(69,637)	(64,267)	(1,722)	(283,168)
總流入	Total inflow	146,330	69,129	63,905	1,709	281,073

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流 (續)

(b) Derivative cash flows (continued)

(ii) 按總額基準結算之衍生工具 (續)

(ii) Derivatives settled on a gross basis (continued)

		本銀行 The Bank				
		2009				
	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	總計 Total	
	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	
外匯衍生工具：	Foreign exchange derivatives:					
- 流出	(130,058)	(74,829)	(71,246)	(656)	(276,789)	
- 流入	130,031	75,790	71,632	665	278,118	
利率衍生工具：	Interest rate derivatives:					
- 流出	-	-	-	-	-	
- 流入	-	-	-	-	-	
股權衍生工具：	Equity derivatives:					
- 流出	-	-	-	-	-	
- 流入	16	5	-	-	21	
貴金屬衍生工具：	Bullion derivatives:					
- 流出	(22)	-	-	-	(22)	
- 流入	-	-	-	-	-	
總流出	(130,080)	(74,829)	(71,246)	(656)	(276,811)	
總流入	130,047	75,795	71,632	665	278,139	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(b) 衍生工具之現金流 (續)

(b) Derivative cash flows (continued)

(ii) 按總額基準結算之衍生工具 (續)

(ii) Derivatives settled on a gross basis (continued)

		本銀行 The Bank				
		2008				
	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	總計 Total	
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
外匯衍生工具：	Foreign exchange derivatives:					
- 流出	(145,888)	(67,501)	(61,934)	(1,568)	(276,891)	
- 流入	144,568	67,126	61,584	1,567	274,845	
利率衍生工具：	Interest rate derivatives:					
- 流出	-	-	-	-	-	
- 流入	316	-	-	-	316	
股權衍生工具：	Equity derivatives:					
- 流出	(444)	(235)	(1,659)	-	(2,338)	
- 流入	462	237	1,659	-	2,358	
貴金屬衍生工具：	Bullion derivatives:					
- 流出	(226)	(131)	-	-	(357)	
- 流入	-	-	-	-	-	
總流出	(146,558)	(67,867)	(63,593)	(1,568)	(279,586)	
總流入	145,346	67,363	63,243	1,567	277,519	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(B) 按合約到期日之未折現現金流分析 (續)

(B) Analysis of undiscounted cash flows by contractual maturities (continued)

(c) 資產負債表外項目

(c) Off-balance sheet items

貸款承擔

Loan commitments

有關本集團及本銀行於2009年12月31日向客戶承諾延長信貸及其他融資之表外金融工具，其合約金額為港幣2,338.49億元及港幣1,468.62億元(2008年：港幣2,193.41億元及港幣1,406.17億元)，此貸款承擔可於一年內提取。

The contractual amounts of the Group's and the Bank's off-balance sheet financial instruments as at 31 December 2009 that the Group and the Bank commit to extend credit to customers and other facilities amounting to HK\$233,849 million and HK\$146,862 million (2008: HK\$219,341 million and HK\$140,617 million). Those loan commitments can be drawn within 1 year.

財務擔保及其他財務融資

Financial guarantees and other financial facilities

本集團及本銀行之財務擔保及其他財務融資於2009年12月31日之金額為港幣425.80億元及港幣367.34億元(2008年：港幣340.53億元及港幣311.30億元)，其到期日乃少於1年。

Financial guarantees and other financial facilities of the Group and the Bank as at 31 December 2009 amounting to HK\$42,580 million and HK\$36,734 million (2008: HK\$34,053 million and HK\$31,130 million) are maturing no later than 1 year.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

4.3 Liquidity Risk (continued)

(C) 到期日分析

(C) Maturity analysis

下表為本集團及本銀行之資產及負債於12月31日的到期日分析，並按於結算日時，資產及負債相距合約到期日的剩餘期限分類。

Tables below analyse assets and liabilities of the Group and the Bank as at 31 December into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

		本集團 The Group 2009							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	90,827	69,498	-	-	-	-	-	160,325
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	-	26,170	34,112	-	-	-	60,282
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性債務證券	- debt securities held for trading	-	-	-	-	-	-	-	-
- 持有之存款證	- certificates of deposit held	-	-	-	-	-	-	-	-
- 其他	- others	-	10,793	2,051	2,018	937	24	-	15,823
- 界定為以公平值變化計入損益之債務證券	- debt securities designated at fair value through profit or loss								
- 持有之存款證	- certificates of deposit held	-	-	-	-	-	-	-	-
- 其他	- others	-	69	80	175	1,647	533	-	2,504
- 股份證券	- equity securities	-	-	-	-	-	-	148	148
衍生金融工具	Derivative financial instruments	13,825	584	1,080	860	995	231	-	17,575
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	38,310	-	-	-	-	-	-	38,310
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- advances to customers	28,455	10,667	31,118	76,503	216,468	148,265	1,192	512,668
- 貿易票據	- trade bills	-	3,820	5,130	150	-	-	-	9,100
- 銀行及其他金融機構貸款	- advances to banks and other financial institutions	10	-	-	3,044	2,278	-	-	5,332
證券投資	Investment in securities								
- 可供出售之債務證券	- debt securities held for available-for-sale								
- 持有之存款證	- certificates of deposit held	-	3,139	1,247	4,588	9,260	-	-	18,234
- 其他	- others	-	7,625	15,721	16,775	133,539	28,364	1,355	203,379
- 持有至到期日之債務證券	- debt securities held for held-to-maturity								
- 持有之存款證	- certificates of deposit held	-	1,679	922	2,695	3,725	-	-	9,021
- 其他	- others	-	2,433	2,942	23,351	23,412	4,719	685	57,542
- 貸款及應收款之債務證券	- debt securities held for loans and receivables	-	169	1,774	10,760	-	-	-	12,703
- 股份證券	- equity securities	-	-	-	-	-	-	627	627
聯營公司權益	Interests in associates	-	-	-	-	-	-	217	217
投資物業	Investment properties	-	-	-	-	-	-	9,364	9,364
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	-	26,271	26,271
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	2,917	11,217	4	64	75	-	74	14,351
資產總額	Total assets	174,344	121,693	88,239	175,095	392,336	182,136	39,933	1,173,776

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

(C) 到期日分析 (續) (C) Maturity analysis (continued)

		本集團 The Group						
		2009						
	即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation							
	38,310	-	-	-	-	-	-	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions							
	76,858	17,563	1,751	3,475	-	-	-	99,647
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss							
- 發行之存款證	- certificates of deposit issued							
	-	-	-	-	-	-	-	-
- 其他	- others							
	-	13,166	864	2,159	99	-	-	16,288
衍生金融工具	Derivative financial instruments							
	9,389	544	149	551	2,506	806	-	13,945
客戶存款	Deposits from customers							
	565,777	164,753	74,942	37,384	1,073	-	-	843,929
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)							
	13,752	12,652	901	9,153	4,875	-	-	41,333
後償負債	Subordinated liabilities							
	-	-	-	13	-	26,763	-	26,776
負債總額	Total liabilities							
	704,086	208,678	78,607	52,735	8,553	27,569	-	1,080,228
流動資金缺口	Net liquidity gap							
	(529,742)	(86,985)	9,632	122,360	383,783	154,567	39,933	93,548

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

(C) 到期日分析 (續) (C) Maturity analysis (continued)

		本集團 The Group 2008							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	77,935	75,333	-	-	-	-	-	153,268
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	-	38,622	51,096	-	-	-	89,718
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性債務證券	- debt securities held for trading								
- 持有之存款證	- certificates of deposit held	-	-	-	-	-	-	-	-
- 其他	- others	-	4,628	6,685	1,927	685	6	-	13,931
- 界定為以公平值變化計入損益之債務證券	- debt securities designated at fair value through profit or loss								
- 持有之存款證	- certificates of deposit held	-	25	-	-	-	-	-	25
- 其他	- others	-	226	30	384	1,066	660	-	2,366
- 股份證券	- equity securities	-	-	-	-	-	-	82	82
衍生金融工具	Derivative financial instruments	14,844	756	1,253	1,439	1,216	120	-	19,628
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	34,200	-	-	-	-	-	-	34,200
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- advances to customers	21,941	17,656	31,084	51,336	198,165	137,684	1,007	458,873
- 貿易票據	- trade bills	-	2,910	4,022	677	-	-	-	7,609
- 銀行及其他金融機構貸款	- advances to banks and other financial institutions	27	-	-	885	2,826	-	-	3,738
證券投資	Investment in securities								
- 可供出售之債務證券	- debt securities held for available-for-sale								
- 持有之存款證	- certificates of deposit held	-	-	23	5,236	2,096	-	-	7,355
- 其他	- others	-	19,849	13,349	40,054	58,135	26,164	6,029	163,580
- 持有至到期日之債務證券	- debt securities held for held-to-maturity								
- 持有之存款證	- certificates of deposit held	-	968	2,173	2,162	6,073	-	-	11,376
- 其他	- others	-	2,115	4,933	14,560	49,480	15,905	7,024	94,017
- 貸款及應收款之債務證券	- debt securities held for loans and receivables	-	1,755	2,675	8,165	-	-	-	12,595
- 股份證券	- equity securities	-	-	-	-	-	-	430	430
聯營公司權益	Interests in associates	-	-	-	-	-	-	88	88
投資物業	Investment properties	-	-	-	-	-	-	7,727	7,727
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	-	22,788	22,788
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	2,185	12,050	11	112	65	-	179	14,602
資產總額	Total assets	151,132	138,271	104,860	178,033	319,807	180,539	45,354	1,117,996

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

(C) 到期日分析 (續) (C) Maturity analysis (continued)

		本集團 The Group							
		2008							
	即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total	
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation								
	34,200	-	-	-	-	-	-	34,200	
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions								
	61,206	13,646	10,655	3,272	-	-	-	88,779	
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss								
- 發行之存款證	- certificates of deposit issued								
	-	-	-	858	-	-	-	858	
- 其他	- others								
	-	6,111	6,363	8,170	166	270	-	21,080	
衍生金融工具	Derivative financial instruments								
	10,556	2,137	1,689	1,967	2,822	1,279	-	20,450	
客戶存款	Deposits from customers								
	429,288	240,523	101,987	32,696	1,372	-	-	805,866	
按攤銷成本發行之債務證券	Debt securities in issue at amortised cost								
	-	459	148	435	-	-	-	1,042	
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)								
	15,270	15,994	204	2,341	2,857	232	4	36,902	
後償負債	Subordinated liabilities								
	-	-	-	21	-	26,583	-	26,604	
負債總額	550,520	278,870	121,046	49,760	7,217	28,364	4	1,035,781	
流動資金缺口	Net liquidity gap								
	(399,388)	(140,599)	(16,186)	128,273	312,590	152,175	45,350	82,215	

財務報表附註(續) Notes to the Financial Statements (continued)

4. 金融風險管理(續) 4. Financial risk management (continued)

4.3 流動資金風險(續) 4.3 Liquidity Risk (continued)

(C) 到期日分析(續) (C) Maturity analysis (continued)

		本銀行 The Bank							
		2009							
	即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total	
	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	84,651	60,151	-	-	-	-	-	144,802	
一至十二個月內到期之銀行及其他金融機構存款	-	-	21,567	29,294	-	-	-	50,861	
公平值變化計入損益之金融資產	-	-	-	-	-	-	-	-	
- 交易性債務證券	-	-	-	-	-	-	-	-	
- 持有之存款證	-	-	-	-	-	-	-	-	
- 其他	-	10,556	1,630	1,745	766	24	-	14,721	
- 界定為以公平值變化計入損益之債務證券	-	-	-	-	-	-	-	-	
- 持有之存款證	-	-	16	-	123	-	-	139	
- 其他	-	-	-	-	-	-	37	37	
- 股份證券	-	-	-	-	-	-	-	-	
衍生金融工具	13,003	490	1,077	893	994	228	-	16,685	
香港特別行政區政府負債證明書	38,310	-	-	-	-	-	-	38,310	
貸款及其他賬項	-	-	-	-	-	-	-	-	
- 客戶貸款	17,898	10,642	24,711	52,275	167,115	124,208	1,000	397,849	
- 貿易票據	-	3,430	4,683	147	-	-	-	8,260	
- 銀行及其他金融機構貸款	10	-	-	3,044	1,426	-	-	4,480	
證券投資	-	-	-	-	-	-	-	-	
- 可供出售之債務證券	-	-	-	-	-	-	-	-	
- 持有之存款證	-	3,000	635	4,202	8,264	-	-	16,101	
- 其他	-	5,244	14,275	15,433	124,692	27,035	1,355	188,034	
- 持有至到期日之債務證券	-	-	-	-	-	-	-	-	
- 持有之存款證	-	200	880	1,470	3,548	-	-	6,098	
- 其他	-	931	2,347	17,568	20,478	4,714	685	46,723	
- 貸款及應收款之債務證券	-	-	1,774	10,545	-	-	-	12,319	
- 股份證券	-	-	-	-	-	-	101	101	
附屬公司權益	-	-	-	-	-	-	14,931	14,931	
聯營公司權益	-	-	-	-	-	-	8	8	
投資物業	-	-	-	-	-	-	8,685	8,685	
物業、廠房及設備	-	-	-	-	-	-	20,305	20,305	
其他資產	2,784	10,352	2	50	23	-	68	13,279	
資產總額	156,656	104,996	73,597	136,666	327,429	156,209	47,175	1,002,728	

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

(C) 到期日分析 (續) (C) Maturity analysis (continued)

		本銀行 The Bank						
		2009						
	即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation							
	38,310	-	-	-	-	-	-	38,310
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions							
	88,068	6,476	48	13	-	-	-	94,605
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss							
— 發行之存款證	— certificates of deposit issued							
	-	-	-	-	-	-	-	-
— 其他	— others							
	-	12,913	502	1,958	99	-	-	15,472
衍生金融工具	Derivative financial instruments							
	8,969	525	123	574	2,377	763	-	13,331
客戶存款	Deposits from customers							
	490,370	131,720	58,963	20,498	151	-	-	701,702
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)							
	11,339	8,750	538	8,860	3,806	-	-	33,293
後償負債	Subordinated liabilities							
	-	-	-	13	-	26,763	-	26,776
負債總額	Total liabilities							
	637,056	160,384	60,174	31,916	6,433	27,526	-	923,489
流動資金缺口	Net liquidity gap							
	(480,400)	(55,388)	13,423	104,750	320,996	128,683	47,175	79,239

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

(C) 到期日分析 (續) (C) Maturity analysis (continued)

		本銀行 The Bank 2008							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1-3 months	三至 十二個月 3-12 months	一至五年 1-5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及在銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	75,622	57,811	-	-	-	-	-	133,433
一至十二個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing between one and twelve months	-	-	21,427	46,473	-	-	-	67,900
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性債務證券	- debt securities held for trading								
- 持有之存款證	- certificates of deposit held	-	-	-	-	-	-	-	-
- 其他	- others	-	4,428	6,260	1,526	582	6	-	12,802
- 界定為以公平值變化計入損益之債務證券	- debt securities designated at fair value through profit or loss								
- 持有之存款證	- certificates of deposit held	-	-	-	-	-	-	-	-
- 其他	- others	-	-	29	82	103	-	-	214
- 股份證券	- equity securities	-	-	-	-	-	20	-	20
衍生金融工具	Derivative financial instruments	13,845	755	1,247	1,454	1,213	119	-	18,633
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	34,200	-	-	-	-	-	-	34,200
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- advances to customers	19,102	12,619	26,630	39,534	158,920	118,001	894	375,700
- 貿易票據	- trade bills	-	2,506	3,302	614	-	-	-	6,422
- 銀行及其他金融機構貸款	- advances to banks and other financial institutions	27	-	-	885	2,826	-	-	3,738
證券投資	Investment in securities								
- 可供出售之債務證券	- debt securities held for available-for-sale								
- 持有之存款證	- certificates of deposit held	-	-	-	4,427	2,096	-	-	6,523
- 其他	- others	-	19,550	13,047	39,515	56,736	25,193	6,029	160,070
- 持有至到期日之債務證券	- debt securities held for held-to-maturity								
- 持有之存款證	- certificates of deposit held	-	365	602	2,135	5,823	-	-	8,925
- 其他	- others	-	1,582	3,927	11,598	41,115	15,646	7,024	80,892
- 貸款及應收款之債務證券	- debt securities held for loans and receivables	-	-	1,592	6,852	-	-	-	8,444
- 股份證券	- equity securities	-	-	-	-	-	-	99	99
附屬公司權益	Interests in subsidiaries	-	-	-	-	-	-	12,401	12,401
聯營公司權益	Interests in associates	-	-	-	-	-	-	12	12
投資物業	Investment properties	-	-	-	-	-	-	7,279	7,279
物業、廠房及設備	Properties, plant and equipment	-	-	-	-	-	-	17,549	17,549
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	2,115	11,218	10	95	26	-	164	13,628
資產總額	Total assets	144,911	110,834	78,073	155,190	269,440	158,965	51,471	968,884

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續) 4.3 Liquidity Risk (continued)

(C) 到期日分析 (續) (C) Maturity analysis (continued)

		本銀行 The Bank							
		2008							
		即期	一個月內	一至	三至	一至五年	五年以上	不確定	總計
		On	Up to 1	三個月	十二個月	1-5	Over 5	日期	Total
		demand	month	1-3	3-12	years	years	Indefinite	
		港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣
		百萬元	百萬元	百萬元	百萬元	百萬元	百萬元	百萬元	百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	34,200	-	-	-	-	-	-	34,200
銀行及其他金融機構之存款及結餘	Deposits and balances of banks and other financial institutions	63,539	17,123	3,914	3,267	-	-	-	87,843
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss								
— 發行之存款證	— certificates of deposit issued	-	-	-	858	-	-	-	858
— 其他	— others	-	5,788	6,105	7,710	8	-	-	19,611
衍生金融工具	Derivative financial instruments	9,987	2,116	1,680	1,972	2,646	1,165	-	19,566
客戶存款	Deposits from customers	375,020	204,470	77,632	21,941	188	-	-	679,251
其他賬項及準備 (包括本年稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	11,190	14,738	189	2,047	2,230	-	-	30,394
後償負債	Subordinated liabilities	-	-	-	21	-	26,583	-	26,604
負債總額	Total liabilities	493,936	244,235	89,520	37,816	5,072	27,748	-	898,327
流動資金缺口	Net liquidity gap	(349,025)	(133,401)	(11,447)	117,374	264,368	131,217	51,471	70,557

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.3 流動資金風險 (續)

(C) 到期日分析 (續)

上述到期日分類乃按照《銀行業(披露)規則》之相關條文而編製。本集團將逾期不超過1個月之貸款及債務證券申報為「即期」資產。對於按不同款額或分期償還之資產，只有該資產中實際逾期之部分被視作逾期。其他未到期之部分仍繼續根據剩餘期限申報，但假若對該資產之償還能力有疑慮，則將該等款項列為「不確定日期」。上述列示之資產已扣除任何相關準備(如有)。

按尚餘到期日對債券資產之分析是為符合《銀行業(披露)規則》之相關條文而披露的。所作披露不代表此等證券將持有至到期日。

4.3 Liquidity Risk (continued)

(C) Maturity analysis (continued)

The above maturity classifications have been prepared in accordance with relevant provisions under the Banking (Disclosure) Rules. The Group has reported assets such as advances and debt securities which have been overdue for not more than one month as "Repayable on demand". In the case of an asset that is repayable by different payments or instalments, only that portion of the asset that is actually overdue is reported as overdue. Any part of the asset that is not due is reported according to the residual maturity unless the repayment of the asset is in doubt in which case the amount is reported as "Indefinite". The above assets are stated after deduction of provisions, if any.

The analysis of debt securities by remaining period to maturity is disclosed in order to comply with relevant provisions under the Banking (Disclosure) Rules. The disclosure does not imply that the securities will be held to maturity.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理

集團之資本管理的主要目標是維持與集團整體風險狀況相稱的資本充足水平，同時為股東帶來最大回報。集團定期檢討其資本結構，並在需要時調整資本結構，以滿足股東對資本回報率的要求。

集團已經建立一套有效的資本管理政策和調控機制，並且運行良好。此套機制保證集團在支持業務發展的同時，滿足法定資本充足率的要求。資產負債管理委員會負責監控集團的資本充足性。本集團在申報時段內符合各項法定資本要求。

2007年，為實施新資本協議，集團已根據《銀行業(資本)規則》而採用第一支柱下的標準法去計算抵禦信用風險、市場風險和操作風險所需的資本。新的資本監管體系能夠更緊密地聯繫法定資本與集團面臨的內在風險。

集團已建立了內部資本充足性評估程序，利用既定的評估模型對集團業務活動帶來的主要風險作出評估，並結合集團的管治機制、風險管理質素、內部控制環境和資本實力等對綜合風險狀況作出全面判斷，通過風險資本聯繫的機制，設定最低資本充足比率，以抵禦集團面臨的各項風險。集團認為內部資本充足性評估程序是一個持續的資本管理過程，集團會定期檢討其資本結構，並因應自身的整體風險狀況而不時調整其資本結構。

4.4 Capital Management

The major objective of the Group's capital management is to maximise total shareholders' return while maintaining a capital adequacy position in relation to the Group's overall risk profile. The Group periodically reviews its capital structure and adjusts the capital mix where appropriate to achieve the required rate of return on capital.

The Group has developed and maintained a sound framework of policies and controls on capital management to support the development of the Group's business and to meet the statutory capital adequacy ratio. ALCO monitors the Group's capital adequacy. The Group has complied with all the statutory capital standards for the reported periods.

For the implementation of Basel II in 2007, the Group has adopted the standardised approach under Pillar one to calculate the capital charge on credit risk, market risk and operational risk in compliance with the Banking (Capital) Rules. This new regulatory capital framework aligns regulatory capital requirements more closely with the inherent risks.

The Group established an Internal Capital Adequacy Assessment Process (ICAAP). Through this process, each material risk from the Group's main activities is assessed by pre-defined assessment models, and a comprehensive judgment of the overall risk profile is decided subsequently by taking into account the Group's governance structure, risk management quality, internal control environment and capital strength. Finally, the minimum CAR is derived through the procedures to relate the Group's overall risk profile to its capital adequacy. The minimum CAR aims to cover the various material risks undertaken by the Group. The Group considers this ICAAP process as an on-going process for capital management and periodically reviews and adjusts its capital structure in relation to the overall risk profile.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

此外，集團每年制定年度資本規劃，由資產負債管理委員會審議後呈董事會批准。資本規劃中包涵：從業務策略、股東回報、風險取向、評級考慮、監控要求等多維度評估對資本充足性的影響，從而預測未來資本需求、資本融資方法等，以保障集團能維持良好的資本充足性及資本組合結構上，配合業務發展，保持風險與資本的最佳平衡。

(a) 資本充足比率

資本充足比率

核心資本比率

資本比率乃根據《銀行業(資本)規則》及按金管局就監管規定要求以綜合基準計算中銀香港及其指定之附屬公司財務狀況的比率。

按會計及監管要求所採用不同之綜合基礎，對其差異之描述見於第340頁「附錄 – 本銀行之附屬公司」。

4.4 Capital Management (continued)

In addition, the annual capital plans of the Group are drawn up and discussed by the ALCO and submitted to the board for approval. The plan is built up by assessing the implications of various factors upon capital adequacy such as the business strategies, return on equity, risk appetite, credit rating, as well as regulatory requirements. Based on this study, our future capital demand and the way to obtain the capital sources are derived. The plan is to ensure the Group's capital adequacy and achieve optimal capital structure in order to align with its business development needs and risk profile.

(a) Capital adequacy ratio

	<u>2009</u>	<u>2008</u>
Capital adequacy ratio	<u>16.85%</u>	<u>16.17%</u>
Core capital ratio	<u>11.64%</u>	<u>10.86%</u>

The capital ratios are computed on the consolidated basis that comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules.

The differences between the basis of consolidation for accounting and regulatory purposes are described in "Appendix – Subsidiaries of the Bank" on page 344.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(b) 扣減後的資本基礎成份

用於計算以上 12 月 31 日之資本充足比率及已匯報金管局之扣減後的綜合資本基礎分析如下：

核心資本：
繳足股款的普通股股本
儲備
損益賬
少數股東權益

核心資本之扣減

核心資本

附加資本：

重估可供出售證券之公平值收益
按組合評估之貸款減值準備
法定儲備
定期後償債項

附加資本之扣減

附加資本

扣減後的資本基礎總額

4.4 Capital Management (continued)

(b) Components of capital base after deductions

The consolidated capital base after deductions used in the calculation of the above capital adequacy ratio as at 31 December and reported to the HKMA is analysed as follows:

	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
Core capital:		
Paid up ordinary share capital	43,043	43,043
Reserves	26,154	18,049
Profit and loss account	2,039	2,956
Minority interests	1,229	1,124
	72,465	65,172
Deductions from core capital	(334)	(1,536)
Core capital	72,131	63,636
Supplementary capital:		
Fair value gains arising from holdings of available-for-sale securities	237	87
Collective loan impairment allowances	1,598	1,502
Regulatory reserve	4,040	4,503
Term subordinated debt	26,763	26,583
	32,638	32,675
Deductions from supplementary capital	(334)	(1,536)
Supplementary capital	32,304	31,139
Total capital base after deductions	104,435	94,775

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(b) 扣減後的資本基礎成份 (續)

不納入計算資本充足比率之附屬公司見於第 337 頁至第 340 頁「附錄 – 本銀行之附屬公司」。該等附屬公司之投資成本會從資本基礎中扣減。

定期後償債項指根據金管局的監管要求，可作為中銀香港二級資本的後償貸款。

(c) 信用、市場及操作風險資本要求

上述資本充足比率根據《銀行業(資本)規則》，以監管要求之綜合基礎計算。下表概述於該綜合基礎上，以風險加權數額的百分之八計算之信用、市場及操作風險資本要求。

4.4 Capital Management (continued)

(b) Components of capital base after deductions (continued)

Subsidiaries which are not included in the consolidation group for the calculation of capital adequacy ratios are denoted in “Appendix – Subsidiaries of the Bank” on pages 341 to 344. Investment costs in such subsidiaries are deducted from the capital base.

Term subordinated debt represents subordinated loans qualified as Tier 2 Capital of BOCHK pursuant to the regulatory requirements of the HKMA.

(c) Capital charge for credit, market and operational risks

The capital adequacy ratios shown above are calculated on the consolidation basis for regulatory purposes in accordance with the Banking (Capital) Rules. The table below summaries the capital requirements and capital charge calculated by applying 8% on the risk-weighted amounts, computed on the same consolidation basis for credit, market, and operational risks.

		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
信用風險	Credit risk	46,270	43,609
市場風險	Market risk	962	728
操作風險	Operational risk	3,788	3,531
		51,020	47,868

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

4.4 Capital Management (continued)

(c) 信用、市場及操作風險資本要求 (續)

(c) Capital charge for credit, market and operational risks (continued)

(i) 信用風險資本要求

(i) Capital requirements for credit risk

		2009					
風險承擔 總額 Total exposures		減低信用風險措施後金額*		風險加權數額		資本要求** Capital requirement**	
		Exposures after CRM*		Risk-weighted amount			
		獲評級 Rated	不獲評級 Unrated	獲評級 Rated	不獲評級 Unrated		
港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
資產負債表內風險承擔	On-balance sheet exposures						
官方實體	Sovereign	140,906	153,328	-	672	-	54
公營單位	Public sector entity	7,558	23,213	-	4,055	-	324
多邊發展銀行	Multilateral development bank	24,491	24,491	-	-	-	-
銀行	Bank	302,210	293,289	17,512	99,877	6,518	8,512
證券商號	Securities firm	230	-	132	-	66	5
法團	Corporate	371,929	80,871	266,387	40,203	266,386	24,527
現金項目	Cash items	43,557	-	43,557	-	-	-
監管零售	Regulatory retail	31,025	-	27,542	-	20,657	1,653
住宅按揭貸款	Residential mortgage loans	161,044	-	145,155	-	57,565	4,605
不屬逾期風險承擔的 其他風險承擔	Other exposures which are not past due	39,243	-	38,755	-	38,755	3,100
逾期風險承擔	Past due exposures	939	-	939	-	1,148	92
資產負債表內風險承擔 總額	Total for on-balance sheet exposures	1,123,132	575,192	539,979	144,807	391,095	42,872
資產負債表外風險承擔	Off-balance sheet exposures						
除場外衍生工具交易 及信用衍生工具合 約外的資產負債表 外風險承擔	Off-balance sheet exposures other than OTC derivative transactions or credit derivative contracts	39,923	9,007	30,916	4,724	30,508	2,818
場外衍生工具交易	OTC derivative transactions	7,732	6,845	887	2,329	718	244
資產負債表外風險承擔 總額	Total for off-balance sheet exposures	47,655	15,852	31,803	7,053	31,226	3,062
非證券化風險承擔總額	Total for non-securitisation exposures	1,170,787	591,044	571,782	151,860	422,321	45,934
證券化風險承擔	Securitisation exposures	7,413	7,413	-	4,193	-	336
		1,178,200	598,457	571,782	156,053	422,321	46,270

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

4.4 Capital Management (continued)

(c) 信用、市場及操作風險資本要求 (續)

(c) Capital charge for credit, market and operational risks (continued)

(i) 信用風險資本要求 (續)

(i) Capital requirements for credit risk (continued)

		2008					
		減低信用風險措施後金額*			風險加權數額		資本要求** Capital requirement**
		Exposures after CRM*			Risk-weighted amount		
		獲評級	不獲評級	獲評級	不獲評級		
		Rated	Unrated	Rated	Unrated	Capital requirement**	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
資產負債表內風險承擔	On-balance sheet exposures						
官方實體	Sovereign	137,693	142,513	-	602	48	
公營單位	Public sector entity	5,289	21,507	-	4,301	344	
多邊發展銀行	Multilateral development bank	5,887	5,887	-	-	-	
銀行	Bank	321,992	318,872	12,807	96,789	8,216	
證券商號	Securities firm	12	-	-	-	-	
法團	Corporate	321,192	67,091	234,426	34,821	21,540	
現金項目	Cash items	39,451	-	39,451	-	-	
監管零售	Regulatory retail	31,919	-	30,312	-	1,819	
住宅按揭貸款	Residential mortgage loans	149,084	-	132,716	-	4,296	
不屬逾期風險承擔的 其他風險承擔	Other exposures which are not past due	34,896	-	34,313	-	2,745	
逾期風險承擔	Past due exposures	800	-	800	-	70	
資產負債表內風險承擔 總額	Total for on-balance sheet exposures	1,048,215	555,870	484,825	136,513	39,078	
資產負債表外風險承擔	Off-balance sheet exposures						
除場外衍生工具交易 及信用衍生工具合 約外的資產負債表 外風險承擔	Off-balance sheet exposures other than OTC derivative transactions or credit derivative contracts	46,045	11,156	34,889	6,144	3,221	
場外衍生工具交易	OTC derivative transactions	6,243	5,750	493	1,871	186	
資產負債表外風險承擔 總額	Total for off-balance sheet exposures	52,288	16,906	35,382	8,015	3,407	
非證券化風險承擔總額	Total for non-securitisation exposures	1,100,503	572,776	520,207	144,528	42,485	
證券化風險承擔	Securitisation exposures	24,144	24,144	-	14,057	1,124	
		1,124,647	596,920	520,207	158,585	43,609	

* 認可減低信用風險措施符合《銀行業(資本)規則》訂定的要求及條件。

* Recognised credit risk mitigation satisfying the requirements and conditions set out in the Banking (Capital) Rules.

** 因應披露所需，資本要求以風險加權數額的百分之八計算，可能與本集團之實際監管資本有異。

** For disclosure purposes, capital requirement is calculated by applying 8% on the risk-weighted amount, which may differ from the Group's actual regulatory capital.

於 2009 年 12 月 31 日，從資本基礎中扣除的信用風險承擔金額為港幣 3.2 千萬元 (2008 年：港幣 25.71 億元)。

As at 31 December 2009, credit exposures deducted from the capital base amounted to HK\$32 million (2008: HK\$2,571 million).

本集團採用標準 (信用風險) 計算法計算信用風險。

The Group used the STC approach for calculation of credit risk.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

集團認可的外部信用評級機構包括標準普爾、穆迪和惠譽。集團採用外部評級的方法來決定下述包括證券化風險承擔在內的各種風險承擔的風險權重：

- 官方實體
- 公營單位
- 多邊發展銀行
- 銀行
- 證券商號
- 法團

本集團將外部信用評級機構發債人評級對照至銀行賬風險承擔的過程，屬《銀行業(資本)規則》第4部所述過程。

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

The ECAIs recognised by the Group includes Standard & Poor's, Moody's and Fitch. The Group adopted external rating based approach to determine the risk weight of the following classes of exposures, including those of securitisation exposures:

- Sovereign
- Public sector entity
- Multilateral development bank
- Bank
- Securities firm
- Corporate

The process the Group used to map ECAI issuer ratings to exposures booked in the banking book is a process prescribed in Part 4 of the Banking (Capital) Rules.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

交易對手信用風險承擔

本集團在銀行賬冊及自營賬冊下來自場外衍生工具交易、回購形式交易之交易對手信用風險是在上述風險管理框架下一致管控。集團通過一般信貸批核程序核定每一交易對手之結算前風險承擔額度以控制場外衍生工具結算前風險，及結算額度以控制與外匯交收有關的結算風險。集團採用每日盯市之現時風險承擔及潛在風險承擔方法監察。任何超額已由風險管理單位密切和及時地識別與監控。

由於本集團尚未實施資本分配政策，因此並無內部資本分配予交易對手風險承擔。

本集團已為債券回購形式交易下之抵押債券，制定審慎的認可準則及抵押折扣率。

本集團根據交易對手的違約可能性及逾期時間制定了授信資產分類政策。若果已有客觀證據證明一項資產減值損失已出現，將根據香港財務報告準則及監管要求進行資產減值準備。

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

Counterparty credit risk exposures

The Group's counterparty credit risk arising from over-the-counter ("OTC") derivative transactions, repo-style transactions both in trading and banking book is subject to the same risk management framework as above mentioned. The Group established credit limit through formal credit approval procedures to control the pre-settlement credit risk arising from derivatives transactions and settlement limit to control the settlement risk arising from foreign exchange-related transactions in both the trading book and banking book. The Group monitors the risk exposure due to fluctuations in the market value by determining the current exposure value of the transactions. Exceptions or excesses are timely and closely identified and monitored by credit risk management units.

As the Group has not implemented capital allocation policy, there is no internal capital assigned for counterparty credit exposures.

The Group established prudent eligibility criteria and haircut policy of debt securities being pledged as collateral for repo-style transactions.

The Group formulated policy for classification of credit assets according to the probability of default of individual counterparty and the period of overdue. If there is objective evidence that an impairment loss has been incurred, impairment allowance will be provided according to HKFRS and regulatory requirements.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

交易對手信用風險承擔 (續)

下表概述本集團與對手在場外協商達成的衍生工具交易中產生的風險承擔：

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

Counterparty credit risk exposures (continued)

The following table summarises the Group's exposures to counterparty credit risk arising from OTC derivative transactions:

		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
總正數公平價值	Gross total positive fair value	<u>3,382</u>	<u>3,120</u>
信貸等值數額	Credit equivalent amount	7,732	6,243
減：認可抵押品	Less: recognised collateral	-	-
信貸等值淨額	Net credit equivalent amount	<u>7,732</u>	<u>6,243</u>
以發行機構類別分類之信貸等值淨額：	Net credit equivalent amount analysed by type of issuer:		
官方實體	Sovereign	-	4
銀行	Bank	7,184	5,830
法團	Corporate	548	406
其他	Others	-	3
		<u>7,732</u>	<u>6,243</u>
以發行機構類別分類之風險加權數額：	Risk weighted amount analysed by type of issuer:		
官方實體	Sovereign	-	4
銀行	Bank	2,499	1,908
法團	Corporate	548	405
其他	Others	-	3
		<u>3,047</u>	<u>2,320</u>
提供信用保障之認可信用衍生工具合約名義數額	Notional amount of recognised credit derivative contracts which provide credit protection	<u>-</u>	<u>-</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

交易對手信用風險承擔 (續)

於2009年12月31日，雙邊淨額結算安排對衍生工具交易信貸等值數額並沒有影響（2008年：無）。

於2009年12月31日及2008年12月31日，並無尚未完結的回購形式交易或信用衍生工具合約。

信用風險緩解

對於抵押品的估值和管理，集團已制定明確政策和程序，該政策和程序符合《銀行業（資本）規則》有關適用於信用風險緩解的認可抵押品的操作要求。

適用於未逾期風險承擔的認可抵押品主要包括保證金、金條、債券、股權和基金。此外，不動產亦可用作逾期風險承擔的抵押物。集團取得的這些抵押品滿足《銀行業（資本）規則》有關適用於信用風險緩解的認可抵押品處理的全面方法的要求。

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

Counterparty credit risk exposures (continued)

There is no effect of valid bilateral netting agreement on the credit equivalent amounts of the derivative transactions as at 31 December 2009 (2008: Nil).

There are no outstanding repo-style transactions or credit derivative contracts as at 31 December 2009 and 2008.

Credit risk mitigation

For those collaterals recognised under capital management, the Group has well-defined policies and procedures for collateral valuation and management which is compliant with the operational requirements for recognised collateral for credit risk mitigation stated in the Banking (Capital) Rules.

The main types of recognised collaterals include cash deposit, gold bullion, debt securities, equities and funds for non past-due exposures. In addition, real property collateral is also recognised for past due exposures. Those collaterals taken by the Group are compliant with the comprehensive approach in its treatment of recognised collateral for credit risk mitigation in capital calculation as mentioned in the Banking (Capital) Rules.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

信用風險緩解(續)

根據符合《銀行業(資本)規則》，在標準法下，適用於信用風險緩解的認可擔保包括由主權國家、公營機構、多邊發展銀行、銀行和證券公司提供的擔保，這些保證人的風險權重須低於銀行的交易對手；外部評級不低於 A- 的公司亦可提供獲認可擔保。

抵押品的集中度風險管理是集團抵押品管理政策的一個內在部分，相關政策還包括壓力測試。為配合支柱二的要求，我們採用了評分卡的方法來評估信用集中度風險，並在此基礎上考慮是否需要額外的資本以覆蓋該風險。

至報告日，集團仍未採用任何認可信用衍生工具合約、表內或表外認可淨額計算方法以減低信用風險的資本要求。

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

Credit risk mitigation (continued)

According to the Banking (Capital) Rules, the recognised guarantees for credit risk mitigation under STC approach includes the guarantee given by sovereign, public sector entity, multilateral development bank, bank, securities firm with a lower risk weights than the counterparty; or corporate with external credit rating A- or above.

The concentration risk management for collaterals is embedded in the collateral management policy, including stress testing. To cope with the requirement under Pillar two, we have adopted a scorecard methodology to assess our credit concentration risk and consider whether add-on capital charge is needed to cover this risk.

Up to the date of report, the Group has not used any recognised credit derivative contracts, on- or off-balance sheet recognised netting for credit risk mitigation yet.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

信用風險緩解(續)

除源於場外協商的衍生工具交易及回購形式交易外的風險承擔，其已採取認可減低信用風險措施的部分分析如下：

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

Credit risk mitigation (continued)

Exposures, other than those arising from OTC derivative transactions and repo-style transactions, covered by recognised credit risk mitigation are analysed as follows:

		2009	
		認可抵押品 涵蓋部分 Covered by recognised collateral	認可擔保 涵蓋部分 Covered by recognised guarantees
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產負債表內風險承擔	On-balance sheet exposures		
公營單位	Public sector entity	-	184
銀行	Bank	-	103
證券商號	Securities firm	99	-
法團	Corporate	6,134	34,190
監管零售	Regulatory retail	1,189	2,251
住宅按揭貸款	Residential mortgage loans	51	15,838
不屬逾期風險承擔的其他風險承擔	Other exposures which are not past due	488	-
逾期風險承擔	Past due exposures	471	25
資產負債表外風險承擔	Off-balance sheet exposures	7,736	12,095
		16,168	64,686

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

4.4 Capital Management (continued)

(c) 信用、市場及操作風險資本要求 (續)

(c) Capital charge for credit, market and operational risks (continued)

(i) 信用風險資本要求 (續)

(i) Capital requirements for credit risk (continued)

信用風險緩釋 (續)

Credit risk mitigation (continued)

		2008	
		認可抵押品 涵蓋部分 Covered by recognised collateral	認可擔保 涵蓋部分 Covered by recognised guarantees
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產負債表內風險承擔	On-balance sheet exposures		
公營單位	Public sector entity	-	70
證券商號	Securities firm	12	-
法團	Corporate	5,266	23,915
監管零售	Regulatory retail	1,575	40
住宅按揭貸款	Residential mortgage loans	84	16,283
不屬逾期風險承擔的其他風險承擔	Other exposures which are not past due		
		583	-
逾期風險承擔	Past due exposures	688	34
資產負債表外風險承擔	Off-balance sheet exposures		
		11,145	8,161
		<u>19,353</u>	<u>48,503</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(i) 信用風險資本要求 (續)

資產證券化

本集團於年內未有作為證券化交易的發行機構。源於本集團投資活動的證券化風險承擔分析如下：

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(i) Capital requirements for credit risk (continued)

Asset securitisation

The Group has not acted as an originating institution in respect of securitisation transactions during the year. Securitisation exposures arising from the Group's investing activities are analysed as follows:

		2009			
		總風險承擔 Total exposures	風險加權數額 Risk weighted amounts	法定資本 Capital requirement	從資本基礎 中扣除的 風險承擔 Exposures deducted from capital base
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
傳統證券化	Traditional securitisations				
住宅按揭	Residential mortgages	5,719	3,847	308	-
商業按揭	Commercial mortgages	160	32	3	-
學生貸款	Student loans	1,374	275	22	-
汽車貸款	Auto loans	160	39	3	-
		<u>7,413</u>	<u>4,193</u>	<u>336</u>	<u>-</u>
		2008			
		總風險承擔 Total exposures	風險加權數額 Risk weighted amounts	法定資本 Capital requirement	從資本基礎 中扣除的 風險承擔 Exposures deducted from capital base
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
傳統證券化	Traditional securitisations				
住宅按揭	Residential mortgages	19,830	13,175	1,054	1,769
商業按揭	Commercial mortgages	1,382	277	22	-
學生貸款	Student loans	1,953	390	31	-
汽車貸款	Auto loans	785	176	14	-
信用卡應收賬項	Credit card receivables	194	39	3	-
		<u>24,144</u>	<u>14,057</u>	<u>1,124</u>	<u>1,769</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

4.4 Capital Management (continued)

(c) 信用、市場及操作風險資本要求 (續)

(c) Capital charge for credit, market and operational risks (continued)

(ii) 市場風險資本要求

(ii) Capital charge for market risk

		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
利率風險承擔	Interest rate exposures	785	569
股權風險承擔	Equity exposures	24	14
外匯風險承擔	Foreign exchange exposures	148	142
商品風險承擔	Commodity exposures	5	3
		962	728

本集團採用標準(市場風險)計算法計算市場風險。

The Group used the STM approach for calculation of market risk.

本集團納入標準(市場風險)計算法計算的持倉如下：

The Group's positions covered by the STM approach are as follows:

		2009		2008	
		長倉 Long	短倉 Short	長倉 Long	短倉 Short
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
利率風險承擔	Interest rate exposures	434,435	431,856	383,286	382,934
股權風險承擔	Equity exposures	144	37	82	22
外匯風險承擔 (淨額)	Foreign exchange exposures (Net)	1,620	-	1,463	-
商品風險承擔	Commodities exposures	32	4	11	15
		436,231	431,897	384,842	382,971

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

(c) 信用、市場及操作風險資本要求 (續)

(ii) 市場風險資本要求 (續)

銀行賬的股權風險承擔

持有其他企業的股權，是在開始獲得有關股權時，根據持有該等股權的意圖而入賬。因關係及策略性理由而持有的股權將與因其他理由（包括資本增值的理由）而持有的股權分開入賬。

與股權承擔有關之收益或虧損概述如下：

4.4 Capital Management (continued)

(c) Capital charge for credit, market and operational risks (continued)

(ii) Capital charge for market risk (continued)

Equity exposures in banking book

Equity holdings in other entities are accounted for in accordance with the underlying intentions of holdings, at the outset of the acquisition of the respective equity exposures. Bookings for the equity holdings taken for relationship and strategic reasons will be separated from the bookings for equity holdings taken for other reasons (including the reason of capital appreciation).

Gains or losses related to equity exposures are summarised below:

	<u>2009</u>	<u>2008</u>
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
出售產生的已實現收益	-	97
於儲備而非損益中確認之未實現重估收益	<u>275</u>	<u>163</u>
包括於附加資本中的未實現收益	<u>237</u>	<u>87</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.4 資本管理 (續)

4.4 Capital Management (continued)

**(c) 信用、市場及操作風
險資本要求 (續)**

(c) Capital charge for credit, market and operational risks (continued)

**(iii) 操作風險資本
要求**

(iii) Capital charge for operational risk

	<u>2009</u>	<u>2008</u>
	港幣百萬元	港幣百萬元
	HK\$m	HK\$m
操作風險資本 要求	<u>3,788</u>	<u>3,531</u>

本集團採用標準 (業務操作風險) 計算法計算操作風險。

The Group used the STO approach for calculation of operational risk.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平 值

(a) 非以公平值計量的 金融工具

公平值是以在一特定時點按相關市場資料及不同金融工具之資料來評估。以下之方法及假設已應用於評估各類金融工具之公平值。

在銀行及其他金融機構之結餘及貿易票據

此等金融資產及負債均於一年內到期，其賬面值與公平值相若。

客戶貸款及銀行及其他金融機構貸款

大部分之客戶貸款及銀行及其他金融機構貸款是浮動利率，按市場息率計算利息，其賬面值與公平值相若。

4.5 Fair values of financial assets and liabilities

(a) Financial instruments not measured at fair value

Fair value estimates are made at a specific point in time based on relevant market information and information about various financial instruments. The following methods and assumptions have been used to estimate the fair value of each class of financial instrument as far as practicable.

Balances with banks and other financial institutions and Trade bills

The maturities of these financial assets and liabilities are within one year and the carrying value approximates fair value.

Advances to customers, banks and other financial institutions

Substantially all the advances to customers, banks and other financial institutions are on floating rate terms, bear interest at prevailing market interest rates and their carrying value approximates fair value.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平 值 (續)

(a) 非以公平值計量的 金融工具 (續)

持有至到期日證券

持有至到期日證券之公平值是按市場價格或經紀／交易商之報價為基礎。若沒有相關資料提供，公平值會採用類似如信貸、到期日及收益等特徵之證券市場報價來估計，於2009年12月31日本集團之賬面值與公平值分別為港幣665.63億元（2008年：港幣1,053.93億元）及港幣662.64億元（2008年：港幣1,021.48億元），而本銀行之賬面值與公平值分別為港幣528.21億元（2008年：港幣898.17億元）及港幣524.59億元（2008年：港幣867.51億元）。

貸款及應收款、發行之存款證和發行之債務證券

採用以現時收益率曲線及相關之剩餘限期為基礎的現金流量貼現模型計算，其賬面值與公平值相若。

客戶存款

大部分之客戶存款將於年結日後一年內到期，其賬面值與公平值相若。

後償負債

所有後償負債均為浮動利率，按市場息率計算利息，其賬面值與公平值相若。

4.5 Fair values of financial assets and liabilities (continued)

(a) Financial instruments not measured at fair value (continued)

Held-to-maturity securities

Fair value for held-to-maturity securities is based on market prices or broker/dealer price quotations. Where this information is not available, fair value has been estimated using quoted market prices for securities with similar credit, maturity and yield characteristics. The Group's carrying value and fair value as at 31 December 2009 amounted to HK\$66,563 million (2008: HK\$105,393 million) and HK\$66,264 million (2008: HK\$102,148 million) respectively. The Bank's carrying value and fair value as at 31 December 2009 amounted to HK\$52,821 million (2008: HK\$89,817 million) and HK\$52,459 million (2008: HK\$86,751 million) respectively.

Loans and receivables, Certificates of deposit issued and Debt securities in issue

A discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity and their carrying value approximates fair value.

Deposits from customers

Substantially all the deposits from customers mature within one year from the balance sheet date and their carrying value approximates fair value.

Subordinated liabilities

All the subordinated liabilities are on floating rate terms, bear interest at prevailing market interest rates and their carrying value approximates fair value.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平 值 (續)

4.5 Fair values of financial assets and liabilities (continued)

(b) 以公平值計量的金 融工具

(b) Financial instruments measured at fair value

以公平值計量的金融
工具分為以下三個層
級：

Financial instruments measured at fair value are classified into following three levels:

- 第一層級：相同
資產或負債在活
躍市場中的報價
(未經調整)，包
括在交易所交易
的上市股份證
券、部分政府發
行的債務工具及
若干外匯衍生合
約。
- 第二層級：估值
技術為直接或間
接的使用除第一
層級中的資產或
負債的市場報價
以外的其他可觀
察參數，此層級
包括大部分場外
交易的衍生合
約、從價格提供
商獲取價格的債
券及發行的結構
性存款。
- 第三層級：估值
技術為使用了任
何非基於可觀察
市場數據的參數
(不可觀察參
數)，此層級包括
有重大不可觀察
因素的股份投資
及債務工具。

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities, including listed equity securities on exchange, debt instruments issued by certain governments and certain foreign exchange derivative contracts.
- Level 2: Valuation technique using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. This level includes the majority of the OTC derivative contracts, debt securities with quote from pricing services providers and issued structured deposits.
- Level 3: Valuation technique using inputs for the asset or liability that is not based on observable market data (unobservable inputs). This level includes equity investment and debt instruments with significant unobservable components.

當無法從公開市場獲
取報價時，本集團通
過一些估值技術或經
紀／交易商之詢價來
確定金融工具的公平
值。

The Group use valuation techniques or broker/dealer quotations to determine the fair value of financial instruments when unable to obtain the open market quotation in active markets.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平 值 (續)

4.5 Fair values of financial assets and liabilities (continued)

(b) 以公平值計量的金 融工具 (續)

(b) Financial instruments measured at fair value (continued)

對於本集團所持有的金融工具，其估值技術使用的主要參數包括債券價格、利率、匯率、權益及股票價格、波動水平及交易對手信用差價等，均為可觀察到的且可從公開市場獲取的參數。

The main parameters used in valuation techniques for financial instruments held by the Group include bond prices, interest rates, foreign exchange rates, equity and stock prices, volatilities, counterparty credit spreads and others, which are all observable and obtainable from open market.

對於本集團持有的某些低流動性債券及非上市私募股份證券，管理層從交易對手處詢價。其公平值的計量可能採用了對估值產生重大影響的不可觀察參數，因此本集團將這些金融工具劃分至第三層級。本集團已建立相關內部控制程序監控集團對此類金融工具的敞口。

For certain illiquid debt securities and unlisted private equity held by the Group, management obtains valuation quotations from counterparties. The fair value of these financial instruments may be based on unobservable inputs which may have significant impact on the valuation of these financial instruments, and therefore, these instruments have been classified by the Group as level 3. The Group has established internal control procedures to control the Group's exposure to such financial instruments.

2009 年沒有在第一層級和第二層級之間的重大轉移。

There have been no significant transfers between level 1 and 2 during the year 2009.

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平 值 (續)

4.5 Fair values of financial assets and liabilities (continued)

(b) 以公平值計量的金 融工具 (續)

(b) Financial instruments measured at fair value (continued)

(i) 公平值的等級

(i) Fair value hierarchy

		本集團 The Group			
		2009			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
金融資產	Financial assets				
公平值變化計入損益 之金融資產	Financial assets at fair value through profit or loss				
- 交易性證券	- Trading securities				
- 債務證券	- Debt securities	155	15,668	-	15,823
- 股份證券	- Equity securities	37	111	-	148
- 界定為以公平值 變化計入損益之 金融資產	- Financial assets designated at fair value through profit or loss				
- 債務證券	- Debt securities	-	2,479	25	2,504
衍生金融工具	Derivative financial instruments	13,813	3,762	-	17,575
可供出售證券	Available-for-sale securities				
- 債務證券	- Debt securities	42,028	175,761	3,824	221,613
- 股份證券	- Equity securities	-	484	143	627
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
金融負債	Financial liabilities				
公平值變化計入損益 之金融負債	Financial liabilities at fair value through profit or loss				
- 交易性負債	- Trading liabilities	-	(14,156)	-	(14,156)
- 界定為以公平值 變化計入損益的 金融負債	- Financial liabilities designated at fair value through profit or loss	-	(2,132)	-	(2,132)
衍生金融工具	Derivative financial instruments	(9,387)	(4,558)	-	(13,945)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平值 (續) 4.5 Fair values of financial assets and liabilities (continued)

(b) 以公平值計量的金融工具 (續)

(i) 公平值的等級 (續)

(b) Financial instruments measured at fair value (continued)

(i) Fair value hierarchy (continued)

		本銀行 The Bank			
		2009			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
金融資產	Financial assets				
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss				
- 交易性證券	- Trading securities				
- 債務證券	- Debt securities	155	14,566	-	14,721
- 股份證券	- Equity securities	37	-	-	37
- 界定為以公平值變化計入損益之金融資產	- Financial assets designated at fair value through profit or loss				
- 債務證券	- Debt securities	-	139	-	139
衍生金融工具	Derivative financial instruments	12,995	3,690	-	16,685
可供出售證券	Available-for-sale securities				
- 債務證券	- Debt securities	42,028	158,864	3,243	204,135
- 股份證券	- Equity securities	-	-	101	101
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
金融負債	Financial liabilities				
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss				
- 交易性負債	- Trading liabilities	-	(13,340)	-	(13,340)
- 界定為以公平值變化計入損益的金融負債	- Financial liabilities designated at fair value through profit or loss	-	(2,132)	-	(2,132)
衍生金融工具	Derivative financial instruments	(8,969)	(4,362)	-	(13,331)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

財務報表附註 (續) **Notes to the Financial Statements (continued)**

4. 金融風險管理 (續) **4. Financial risk management (continued)**

4.5 金融資產和負債的公平價值 (續) **4.5 Fair values of financial assets and liabilities (continued)**

(b) 以公平值計量的金融工具 (續)

(b) Financial instruments measured at fair value (continued)

(ii) 第三層級的項目變動

(ii) Reconciliation of level 3 items

		本集團 The Group		
		2009		
		金融資產 Financial assets		
		界定為以公平值變化計入損益之金融資產 Financial assets designated at fair value through profit or loss		
		可供出售證券 Available-for-sale securities		
		債務證券 Debt securities	債務證券 Debt securities	股份證券 Equity securities
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	252	5,131	141
收益	Gains			
- 損益	- Profit or loss	18	345	-
- 其他全面收益	- Other comprehensive income	-	102	2
買入	Purchases	-	2,943	-
賣出	Sales	(245)	(4,641)	-
從第三層級中轉出	Transfers out of level 3	-	(56)	-
於 2009 年 12 月 31 日	At 31 December 2009	<u>25</u>	<u>3,824</u>	<u>143</u>
於 2009 年 12 月 31 日持有的資產於年內計入損益的收益／(虧損)總額	Total gains/(losses) for the year included in profit or loss for assets held as at 31 December 2009	<u>1</u>	<u>(21)</u>	<u>-</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

4. 金融風險管理 (續) 4. Financial risk management (continued)

4.5 金融資產和負債的公平價值 (續) 4.5 Fair values of financial assets and liabilities (continued)

(b) 以公平值計量的金融工具 (續)

(ii) 第三層級的項目變動 (續)

(b) Financial instruments measured at fair value (continued)

(ii) Reconciliation of level 3 items (continued)

		本銀行 The Bank	
		2009	
		金融資產 Financial assets	
		可供出售證券 Available-for-sale securities	
		債務證券 Debt securities	股份證券 Equity securities
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 2009 年 1 月 1 日	At 1 January 2009	4,903	99
收益	Gains		
- 損益	- Profit or loss	345	-
- 其他全面收益	- Other comprehensive income	103	2
買入	Purchases	2,361	-
賣出	Sales	(4,413)	-
從第三層級中轉出	Transfers out of level 3	(56)	-
於 2009 年 12 月 31 日	At 31 December 2009	<u>3,243</u>	<u>101</u>
於 2009 年 12 月 31 日持有的資產於年內計入損益的虧損總額	Total losses for the year included in profit or loss for assets held as at 31 December 2009	<u>(21)</u>	-

於年內計入損益的收益以及於 2009 年 12 月 31 日持有的資產產生的收益／(虧損)，根據其相關金融工具的性質或分類的不同，分別列示於「淨交易性收入」、「界定為以公平值變化計入損益之金融工具淨收益／(虧損)」或「減值準備淨撥回／(撥備)」。

Gains included in profit or loss for the year as well as gains/(losses) relating to assets held as at 31 December 2009 are presented in "Net trading income", "Net gain/(loss) on financial instruments designated at fair value through profit or loss" or "Net reversal/(charge) of impairment allowances" depending on the nature or the category of the related financial instruments.

財務報表附註 (續) Notes to the Financial Statements (continued)

5. 淨利息收入

5. Net interest income

		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
利息收入	Interest income		
現金及存放於同業和其他金融機構的款項	Cash and due from banks and other financial institutions	2,931	5,523
客戶貸款	Advances to customers	10,511	16,255
上市證券投資	Listed investments	2,756	2,922
非上市證券投資	Unlisted investments	4,060	9,082
其他	Others	145	403
		20,403	34,185
利息支出	Interest expense		
同業、客戶及其他金融機構存放的款項	Due to banks, customers and other financial institutions	(2,758)	(14,037)
債務證券發行	Debt securities in issue	(20)	(130)
後償負債	Subordinated liabilities	(908)	(243)
其他	Others	(57)	(776)
		(3,743)	(15,186)
淨利息收入	Net interest income	16,660	18,999

截至2009年12月31日止年度之利息收入包括港幣1.7千萬元(2008年:港幣2千萬元)被界定為減值貸款的確認利息。減值證券投資產生的利息收入為港幣4.84億元(2008年:港幣3.62億元)。

Included within interest income is HK\$17 million (2008: HK\$20 million) of interest with respect to income recognised on advances classified as impaired for the year ended 31 December 2009. Interest accrued on impaired investment in securities amounted to HK\$484 million (2008: HK\$362 million).

非以公平值變化計入損益之金融資產與金融負債所產生的利息收入及利息支出分別為港幣210.30億元(2008年:港幣336.73億元)及港幣36.79億元(2008年:港幣144億元)。

Included within interest income and interest expense are HK\$21,030 million (2008: HK\$33,673 million) and HK\$3,679 million (2008: HK\$14,400 million) for financial assets and financial liabilities that are not recognised at fair value through profit or loss respectively.

自2009年1月1日起,屬交易性利率衍生工具的利息收入及支出已由「淨利息收入」重新分類至「淨交易性收入」。由於對2009年或2008年之相關項目並沒有重大影響,比較數據並未有重列。

With effect from 1 January 2009, interest income and expense for interest rate derivatives held for trading have been reclassified from "Net interest income" to "Net trading income". The impact on the respective line items is not material in either 2009 or 2008 and as such comparative figures have not been restated.

財務報表附註（續） **Notes to the Financial Statements (continued)**

6. 淨服務費及佣金收入 **6. Net fees and commission income**

		2009	2008
		港幣百萬元	港幣百萬元
		HK\$m	HK\$m
服務費及佣金收入	Fees and commission income		
證券經紀	Securities brokerage		
- 股票	- Stockbroking	3,638	2,380
- 債券	- Bonds	39	259
信用卡	Credit cards	1,541	1,417
貸款佣金	Loan commissions	922	513
匯票佣金	Bills commissions	627	683
保險	Insurance	509	449
繳款服務	Payment services	495	486
買賣貨幣	Currency exchange	213	204
保管箱	Safe deposit box	191	188
信託服務	Trust services	178	173
基金分銷	Funds distribution	97	218
其他	Others	417	505
		8,867	7,475
服務費及佣金支出	Fees and commission expenses		
信用卡	Credit cards	(1,100)	(912)
證券經紀	Securities brokerage	(563)	(369)
繳款服務	Payment services	(83)	(79)
其他	Others	(266)	(651)
		(2,012)	(2,011)
淨服務費及佣金收入	Net fees and commission income	6,855	5,464
其中源自	Of which arise from		
- 非以公平值變化計入損益 之金融資產或負債	- financial assets or financial liabilities not at fair value through profit or loss		
- 服務費及佣金收入	- Fees and commission income	1,062	680
- 服務費及佣金支出	- Fees and commission expenses	(3)	(43)
		1,059	637
- 信託及其他受託活動	- trust and other fiduciary activities		
- 服務費及佣金收入	- Fees and commission income	411	296
- 服務費及佣金支出	- Fees and commission expenses	(6)	(6)
		405	290

財務報表附註 (續) Notes to the Financial Statements (continued)

7. 淨交易性收入

7. Net trading income

	2009	2008
	港幣百萬元	港幣百萬元
	HK\$'m	HK\$'m
淨收益／(虧損)源自：		
- 外匯交易及外匯交易產品	1,273	1,809
- 利率工具	63	(127)
- 股份權益工具	26	119
- 商品	124	113
	1,486	1,914

8. 證券投資之淨虧損

8. Net loss on investment in securities

	2009	2008
	港幣百萬元	港幣百萬元
	HK\$'m	HK\$'m
出售可供出售證券之淨收益／(虧損)	51	(14)
出售／贖回持有至到期日證券之淨虧損	(183)	-
出售貸款及應收款之淨虧損	-	(1)
	(132)	(15)

9. 其他經營收入

9. Other operating income

	2009	2008
	港幣百萬元	港幣百萬元
	HK\$'m	HK\$'m
證券投資股息收入		
- 非上市證券投資	22	16
投資物業之租金總收入	356	320
減：有關投資物業之支出	(55)	(52)
其他	126	150
	449	434

「有關投資物業之支出」包括港幣 8 百萬元 (2008 年：港幣 2 百萬元) 屬於年內未出租投資物業之直接經營支出。

Included in the "Outgoings in respect of investment properties" is HK\$8 million (2008: HK\$2 million) of direct operating expenses related to investment properties that were not let during the year.

財務報表附註 (續)

Notes to the Financial Statements (continued)

10. 減值準備淨撥回/
(撥備)

10. Net reversal/(charge) of impairment allowances

		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
客戶貸款	Advances to customers		
個別評估	Individually assessed		
- 新提準備	- new allowances	(391)	(813)
- 撥回	- releases	150	83
- 收回已撇銷賬項	- recoveries	446	722
按個別評估貸款減值準備淨撥回/(撥備) (附註 24)	Net reversal/(charge) of individually assessed loan impairment allowances (Note 24)	205	(8)
組合評估	Collectively assessed		
- 新提準備	- new allowances	(358)	(691)
- 撥回	- releases	15	10
- 收回已撇銷賬項	- recoveries	35	28
按組合評估貸款減值準備淨撥備(附註 24)	Net charge of collectively assessed loan impairment allowances (Note 24)	(308)	(653)
貸款減值準備淨撥備	Net charge of loan impairment allowances	(103)	(661)
可供出售證券	Available-for-sale securities		
可供出售證券減值虧損淨撥回/(撥備)	Net reversal/(charge) of impairment losses on available-for-sale securities		
- 個別評估	- Individually assessed	612	(5,109)
持有至到期日證券	Held-to-maturity securities		
持有至到期日證券減值準備淨撥回/(撥備)	Net reversal/(charge) of impairment allowances on held-to-maturity securities		
- 個別評估(附註 25)	- Individually assessed (Note 25)	690	(4,061)
其他	Others	(9)	(12)
減值準備淨撥回/(撥備)	Net reversal/(charge) of impairment allowances	1,190	(9,843)

財務報表附註 (續) Notes to the Financial Statements (continued)

11. 經營支出

11. Operating expenses

		2009	2008
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
人事費用 (包括董事酬金)	Staff costs (including directors' emoluments)		
- 薪酬及其他費用	- salaries and other costs	4,561	4,049
- 補償費用	- termination benefit	43	55
- 退休成本	- pension cost	384	368
		4,988	4,472
房產及設備支出 (不包括折舊)	Premises and equipment expenses (excluding depreciation)		
- 房產租金	- rental of premises	481	402
- 資訊科技	- information technology	377	408
- 其他	- others	286	254
		1,144	1,064
折舊 (附註 29)	Depreciation (Note 29)	1,016	990
核數師酬金	Auditor's remuneration		
- 審計服務	- audit services	28	32
- 非審計服務	- non-audit services	6	5
雷曼兄弟相關產品*	Lehman Brothers related products*	3,278	769
其他經營支出	Other operating expenses	1,522	1,304
		11,982	8,636

財務報表附註 (續) Notes to the Financial Statements (continued)

11. 經營支出 (續)

11. Operating expenses (continued)

* 雷曼兄弟相關產品費用主要是與 2009 年 7 月 22 日公布的雷曼兄弟迷你債券(「迷你債券」)回購安排有關。回購安排概述如下。

根據回購計劃(詳情已載於附註 3.5),本集團在沒有承認責任的情況下,已向合資格客戶提出購回,價格相當於合資格客戶所投資的本金面值的 60% (對在 2009 年 7 月 1 日年齡為 65 歲以下的合資格客戶)或 70% (對在 2009 年 7 月 1 日年齡為 65 歲或以上的合資格客戶)。若從迷你債券收回任何款項,本集團將根據該計劃的條款再向接納了回購計劃的合資格客戶支付額外款項。對於已經與本集團達成和解協議且本應成為合資格客戶,本集團亦自願性地支付一筆恩恤金,讓該等客戶與回購計劃要約看齊。本集團再撥出約 1.6 億港元(相等於作為迷你債券分銷商所得的總佣金收入)予迷你債券受託人,用於變現未到期迷你債券的抵押品的開支。

* Expenses incurred on Lehman Brothers related products were primarily in relation to the Lehman Brothers minibonds ("Minibonds") repurchase arrangements announced on 22 July 2009 as summarised below.

Under the Repurchase Scheme (details are disclosed in Note 3.5), the Group has, without admission of liability, made an offer to repurchase at a price equivalent to 60% of the nominal value of the principal invested for eligible customers below the age of 65 as at 1 July 2009 or at 70% of the nominal value of the principal invested for eligible customers aged 65 or above as at 1 July 2009. If any recovery is made from the Minibonds, the Group will make further payments to eligible customers who have accepted the Repurchase Scheme according to the terms set out in the scheme. The Group has also made a voluntary offer to pay an ex gratia amount to customers who would have qualified as eligible customers but for their previous settlements with the Group, to bring them in line with the Repurchase Scheme offer. The Group has further made available an amount equivalent to the total commission income received as a Minibonds distributor of approximately HK\$160 million to the trustee of the Minibonds to fund the trustee's expenses in realising the value of the underlying collateral in respect of the outstanding Minibonds.

財務報表附註 (續) Notes to the Financial Statements (continued)

**12. 投資物業出售／公平
值調整之淨收益／(虧
損) 12. Net gain/(loss) from disposal of/fair value adjustments on
investment properties**

	<u>2009</u>	<u>2008</u>
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
出售投資物業之淨收益	9	14
投資物業公平值調整之淨收 益／(虧損)(附註 28)	<u>1,554</u>	<u>(132)</u>
	<u><u>1,563</u></u>	<u><u>(118)</u></u>

**13. 出售／重估物業、廠房
及設備之淨收益 13. Net gain from disposal/revaluation of properties, plant and
equipment**

	<u>2009</u>	<u>2008</u>
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
出售房產之淨收益	45	35
出售其他固定資產之淨虧損	(10)	(4)
重估房產之淨收益／(虧損) (附註 29)	<u>16</u>	<u>(13)</u>
	<u><u>51</u></u>	<u><u>18</u></u>

財務報表附註 (續) Notes to the Financial Statements (continued)

14. 稅項

14. Taxation

收益表內之稅項組成如下：

Taxation in the income statement represents:

		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港利得稅	Hong Kong profits tax		
本年稅項	Current tax		
- 本年稅項	- current year taxation	2,339	1,326
- 往年超額撥備	- over-provision in prior years	(4)	(13)
		<u>2,335</u>	<u>1,313</u>
計入／(撥回)遞延稅項 (附註 36)	Deferred tax charge/(credit) (Note 36)		
- 源自／(回撥)暫時性 差額	- origination/(reversal) of temporary differences	233	(241)
- 稅率下調之影響	- impact of change of Hong Kong tax rate	-	(124)
		<u>233</u>	<u>(365)</u>
香港利得稅	Hong Kong profits tax	2,568	948
海外稅項	Overseas taxation	118	222
		<u>2,686</u>	<u>1,170</u>

香港利得稅乃按照截至本年度估計應課稅溢利依稅率 16.5% (2008 年：16.5%) 提撥準備。海外溢利之稅款按照本年度估計應課稅溢利依集團經營業務所在國家之現行稅率計算。

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

財務報表附註 (續) Notes to the Financial Statements (continued)

14. 稅項 (續)

本集團除稅前溢利產生的實際稅項，與根據香港利得稅率計算的稅項差異如下：

14. Taxation (continued)

The taxation on the Group's profit before taxation that differs from the theoretical amount that would arise using the taxation rate of Hong Kong is as follows:

		2009	2008
		港幣百萬元	港幣百萬元
		HK\$'m	HK\$'m
除稅前溢利	Profit before taxation	16,408	7,908
按稅率 16.5% (2008 年：16.5%) 計算的稅項	Calculated at a taxation rate of 16.5% (2008: 16.5%)	2,707	1,305
其他國家稅率差異的影響	Effect of different taxation rates in other countries	8	64
無需課稅之收入	Income not subject to taxation	(86)	(225)
稅務上不可扣減之開支	Expenses not deductible for taxation purposes	61	55
未確認的稅務虧損	Tax losses not recognised	1	1
使用往年未確認的稅務虧損	Utilisation of previously unrecognised tax losses	(1)	(17)
往年超額撥備	Over-provision in prior years	(4)	(13)
計入稅項	Taxation charge	2,686	1,170
實際稅率	Effective tax rate	16.4%	14.8%

15. 本銀行股東應佔溢利

截至 2009 年 12 月 31 日止年度之本銀行股東應佔本銀行溢利為港幣 119.90 億元 (2008 年：港幣 61.23 億元)，並已列入本銀行之財務報表內。

15. Profit attributable to the equity holders of the Bank

The profit of the Bank for the year ended 31 December 2009 attributable to the equity holders of the Bank and dealt with in the financial statements of the Bank amounted to HK\$11,990 million (2008: HK\$6,123 million).

16. 股息

16. Dividends

		2009		2008	
		每股 港幣	總額 港幣百萬元	每股 港幣	總額 港幣百萬元
		Per share HK\$	Total HK\$'m	Per share HK\$	Total HK\$'m
第一次中期股息	First interim dividend	0.0110	473	0.092	3,960
第二次中期股息	Second interim dividend	0.0696	2,996	-	-
第三次中期股息	Third interim dividend	0.1580	6,801	-	-
		0.2386	10,270	0.092	3,960

財務報表附註 (續)

Notes to the Financial Statements (continued)

17. 退休福利成本

17. Retirement benefit costs

本集團給予本集團員工的定額供款計劃主要為獲強積金條例豁免之職業退休計劃及中銀保誠簡易強積金計劃。根據職業退休計劃，僱員須向職業退休計劃之每月供款為彼等基本薪金之 5%，而僱主之每月供款為僱員基本月薪之 5% 至 15% 不等（視乎彼等之服務年期）。僱員有權於 20 年服務期屆滿後，在僱用期終止時收取 100% 之僱主供款，或於 3 年至 20 年以下服務期屆滿後，在退休、提前退休、永遠喪失工作能力及健康欠佳或僱用期終止等情況（被即時解僱除外）下，收取 20% 至 95% 之僱主供款。

隨著強積金條例於 2000 年 12 月 1 日實施，本集團亦參與中銀保誠簡易強積金計劃，該計劃之受託人為中銀國際英國保誠信託有限公司，投資管理人為中銀國際英國保誠資產管理有限公司，此兩間公司均為本銀行之有關連人士。

截至 2009 年 12 月 31 日，在扣除約港幣 7 百萬元（2008 年：約港幣 1 千萬元）之沒收供款後，職業退休計劃之供款總額約為港幣 3.17 億元（2008 年：約港幣 3.12 億元），而本集團向強積金計劃之供款總額則約為港幣 3.4 千萬元（2008 年：約港幣 3.5 千萬元）。

The principal defined contribution schemes for the Group's employees are ORSO schemes exempted under the MPF Schemes Ordinance and the BOC-Prudential Easy Choice MPF Scheme. Under the ORSO schemes, employees make monthly contributions to the ORSO schemes equal to 5% of their basic salaries, while the employer makes monthly contributions equal to 5% to 15% of the employees' monthly basic salaries, depending on years of service. The employees are entitled to receive 100% of the employer's contributions upon termination of employment after completing 20 years of service, or at a scale ranging from 20% to 95% for employees who have completed between 3 to 20 years of service, on conditions of retirement, early retirement, permanent incapacity and ill-health or termination of employment other than summary dismissal.

With the implementation of the MPF Schemes Ordinance on 1 December 2000, the Group also participates in the BOC-Prudential Easy Choice MPF Scheme, of which the trustee is BOCI-Prudential Trustee and the investment manager is BOCI-Prudential Manager, which are related parties of the Bank.

The Group's total contributions made to the ORSO schemes for the year ended 31 December 2009 amounted to approximately HK\$317 million (2008: approximately HK\$312 million), after a deduction of forfeited contributions of approximately HK\$7 million (2008: approximately HK\$10 million). For the MPF Scheme, the Group contributed approximately HK\$34 million (2008: approximately HK\$35 million) for the year ended 31 December 2009.

財務報表附註 (續)

18. 認股權計劃

(a) 認股權計劃及股份儲蓄計劃

認股權計劃及股份儲蓄計劃的主要條款已於2002年7月10日由中銀香港(控股)的全體股東以書面決議案批准並採納。

認股權計劃旨在向參與人提供購買中銀香港(控股)專有權益的機會。中銀香港(控股)董事會可以完全根據自己的決定,將認股權授予中銀香港(控股)董事會可能選擇的任何人士。股份認購價格將根據中銀香港(控股)董事會的決定於授出日期按既定規則計算每股價格。認股權可於中銀香港(控股)董事會確定的任何日期之後的任何時間,或在要約不時規定的時間,或於中銀香港(控股)董事會確定的終止日期當日或之前,可部分或全部行使。

股份儲蓄計劃旨在鼓勵僱員認購中銀香港(控股)股份。每月為認股權支付的款項應該是合資格僱員在其申請表格中指明願意支付的額度,該額度必須不少於合資格僱員於申請日期的月薪的1%亦不得多於10%,或中銀香港(控股)董事會當時可能釐定的最高或最低額度。認股權可於行使期間內全部或部分行使。

上述兩個計劃在2009年並未有授出認股權(2008年:無)。

Notes to the Financial Statements (continued)

18. Share option schemes

(a) Share Option Scheme and Sharesave Plan

The principal terms of the Share Option Scheme and the Sharesave Plan were approved and adopted by written resolutions of all the shareholders of BOCHK (Holdings) dated 10 July 2002.

The purpose of the Share Option Scheme is to provide the participants with the opportunity to acquire proprietary interests in BOCHK (Holdings). The Board of BOCHK (Holdings) may, in its absolute discretion, offer to grant options under the Share Option Scheme to any person as the Board of BOCHK (Holdings) may select. The subscription price for the shares shall be determined on the date of grant by the Board of BOCHK (Holdings) as an amount per share calculated on the basis of established rules. An option may be exercised in whole or in part at any time after the date prescribed by the Board of BOCHK (Holdings) and from time to time as specified in the offer and on or before the termination date prescribed by the Board of BOCHK (Holdings).

The purpose of the Sharesave Plan is to encourage broad-based employee ownership of the shares of BOCHK (Holdings). The amount of the monthly contribution under the savings contract to be made in connection with an option shall be the amount which the relevant eligible employee is willing to contribute, which amount shall not be less than 1% and not more than 10% of the eligible employee's monthly salary as at the date of application or such other maximum or minimum amounts as permitted by the Board of BOCHK (Holdings). When an option is exercised during an exercise period, it may be exercised in whole or in part.

No options were granted pursuant to the Share Option Scheme or the Sharesave Plan during the year 2009 (2008: Nil).

財務報表附註 (續) Notes to the Financial Statements (continued)

18. 認股權計劃 (續) 18. Share option schemes (continued)

(b) 上市前認股權計劃

於 2002 年 7 月 5 日，本銀行間接控股公司中銀 (BVI) 根據上市前認股權計劃向若干董事及另外約 60 名中銀香港 (控股) 高層管理人員和中國銀行員工授予認股權，彼等可據此向中銀 (BVI) 購入合共 31,132,600 股中銀香港 (控股) 現有已發行股份。本集團受惠於香港財務報告準則第 2 號 53 段之過渡條文內列明新確認及計量政策並不應用於 2002 年 11 月 7 日或之前授予員工的認股權。

截至 2009 年 12 月 31 日及 2008 年 12 月 31 日止認股權詳情披露如下：

(b) Pre-Listing Share Option Scheme

On 5 July 2002, several directors together with approximately 60 senior management personnel of BOCHK (Holdings) and employees of BOC were granted options by BOC (BVI), the indirect holding company of the Bank, pursuant to a Pre-Listing Share Option Scheme to purchase from BOC (BVI) an aggregate of 31,132,600 existing issued shares of BOCHK (Holdings). The Group has taken advantage of the transitional provisions set out in paragraph 53 of HKFRS 2 under which the new recognition and measurement policies have not been applied to all options granted to employees on or before 7 November 2002.

Details of the share options outstanding as at 31 December 2009 and 2008 are disclosed as follows:

		董事 Directors	高層管理人員 Senior management	其他* Others*	認股權總計 Total number of share options	平均行使價 (每股港幣) Average exercise price (HK\$ per share)
於 2009 年 1 月 1 日	At 1 January 2009	6,290,100	1,361,200	-	7,651,300	8.5
轉賬	Transfer	(1,590,600)	-	1,590,600	-	8.5
減：年內行使之認股權	Less: Share options exercised during the year	(723,000)	(286,900)	(1,590,600)	(2,600,500)	8.5
於 2009 年 12 月 31 日	At 31 December 2009	3,976,500	1,074,300	-	5,050,800	8.5
於 2009 年 12 月 31 日 可行使之認股權	Exercisable at 31 December 2009	3,976,500	1,074,300	-	5,050,800	8.5
於 2008 年 1 月 1 日	At 1 January 2008	6,651,600	2,253,100	1,446,000	10,350,700	8.5
減：年內行使之認股權	Less: Share options exercised during the year	(361,500)	(891,900)	(1,446,000)	(2,699,400)	8.5
於 2008 年 12 月 31 日	At 31 December 2008	6,290,100	1,361,200	-	7,651,300	8.5
於 2008 年 12 月 31 日 可行使之認股權	Exercisable at 31 December 2008	6,290,100	1,361,200	-	7,651,300	8.5

* 代表本集團前董事持有的認股權。

* Represented share options held by ex-directors of the Group.

財務報表附註 (續)

Notes to the Financial Statements (continued)

18. 認股權計劃 (續)

18. Share option schemes (continued)

(b) 上市前認股權計劃
(續)

(b) Pre-Listing Share Option Scheme (continued)

認股權於年內曾多次被行使，有關之加權平均股價為港幣 16.83 元 (2008 年：港幣 18.65 元)。

Share options were exercised on a regular basis throughout the year, the weighted average share price during the year was HK\$16.83 (2008: HK\$18.65).

根據此計劃而授出之認股權之行使價為每股港幣 8.50 元，而相對之認股權價為港幣 1.00 元。該等認股權由中銀香港 (控股) 股份於聯交所開始買賣日期起計的 4 年內歸屬，有效行使期為 10 年。於中銀香港 (控股) 股份開始在聯交所買賣之日或其後，將不會再根據上市前認股權計劃授出任何認股權。

The options granted under this scheme can be exercised at HK\$8.50 per share in respect of the option price of HK\$1.00. These options have a vesting period of four years from the date on which dealings in the shares commenced on the Stock Exchange with a valid exercise period of ten years. No offer to grant any options under the Pre-Listing Share Option Scheme will be made on or after the date on which dealings in the shares commenced on the Stock Exchange.

財務報表附註 (續) Notes to the Financial Statements (continued)

19. 董事及高層管理人員酬金 19. Directors' and senior management's emoluments

(a) 董事酬金

本年度本集團就本銀行董事為本銀行及管理附屬公司提供之服務而已付及其應收未收之酬金詳情如下：

(a) Directors' emoluments

Details of the emoluments paid to or receivable by the directors of the Bank in respect of their services rendered for the Bank and managing the subsidiaries within the Group during the year are as follows:

截至 2009 年止	For the year 2009	董事袍金	基本薪金、津貼 及實物福利	退休金計劃 供款	花紅	總計
		Directors' fees	Basic salaries, allowances and benefits in kind	Contributions to pension schemes	Bonus	Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
執行董事	Executive Directors					
和廣北	He Guangbei	100	6,210	-	2,777	9,087
李永鴻	Lee Raymond Wing Hung	137	2,617	93	-	2,847
高迎欣	Gao Yingxin	100	4,485	-	1,677	6,262
		337	13,312	93	4,454	18,196
非執行董事	Non-executive Directors					
肖鋼	Xiao Gang	-	-	-	-	-
李禮輝	Li Lihui	154	-	-	-	154
孫昌基	Sun Changji	146	-	-	-	146
李早航	Li Zaohang	253	-	-	-	253
周載群	Zhou Zaiqun	420	-	-	-	420
張燕玲	Zhang Yanling	253	-	-	-	253
馮國經*	Fung Victor Kwok King*	300	-	-	-	300
高銘勝*	Koh Beng Seng*	350	-	-	-	350
單偉建*	Shan Weijian*	350	-	-	-	350
董建成*	Tung Chee Chen*	300	-	-	-	300
董偉鶴*	Tung Savio Wai-Hok*	350	-	-	-	350
楊曹文梅*	Yang Linda Tsao*	400	-	-	-	400
		3,276	-	-	-	3,276
		3,613	13,312	93	4,454	21,472

李禮輝先生於 2009 年 6 月 26 日獲委任為非執行董事。李永鴻先生及孫昌基先生分別於 2009 年 6 月 1 日及 2009 年 6 月 26 日辭任執行董事及非執行董事之職。

During the year, Mr. Li Lihui was appointed as non-executive director on 26 June 2009. Mr. Lee Raymond Wing Hung and Mr. Sun Changji resigned as executive director on 1 June 2009 and non-executive director on 26 June 2009 respectively.

財務報表附註 (續) Notes to the Financial Statements (continued)

19. 董事及高層管理人員酬金 (續) 19. Directors' and senior management's emoluments (continued)

(a) 董事酬金 (續)

(a) Directors' emoluments (continued)

		董事袍金 Directors' fees	基本薪金、津貼 及實物福利 Basic salaries, allowances and benefits in kind	退休金計劃 供款 Contributions to pension schemes	花紅 Bonus	總計 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
截至 2008 年止	For the year 2008					
執行董事	Executive Directors					
和廣北	He Guangbei	100	6,013	-	-	6,113
李永鴻	Lee Raymond Wing Hung	414	6,979	247	-	7,640
高迎欣	Gao Yingxin	100	4,308	-	-	4,408
		<u>614</u>	<u>17,300</u>	<u>247</u>	<u>-</u>	<u>18,161</u>
非執行董事	Non-executive Directors					
肖鋼	Xiao Gang	-	-	-	-	-
孫昌基	Sun Changji	300	-	-	-	300
李早航	Li Zaohang	250	-	-	-	250
周載群	Zhou Zaiqun	365	-	-	-	365
張燕玲	Zhang Yanling	250	-	-	-	250
馮國經*	Fung Victor Kwok King*	300	-	-	-	300
高銘勝*	Koh Beng Seng*	350	-	-	-	350
單偉建*	Shan Weijian*	350	-	-	-	350
董建成*	Tung Chee Chen*	300	-	-	-	300
童偉鶴*	Tung Savio Wai-Hok*	350	-	-	-	350
楊曹文梅*	Yang Linda Tsao*	400	-	-	-	400
		<u>3,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,215</u>
		<u>3,829</u>	<u>17,300</u>	<u>247</u>	<u>-</u>	<u>21,376</u>

註：

* 獨立非執行董事

Note:

* Independent Non-executive Directors

財務報表附註 (續) Notes to the Financial Statements (continued)

19. 董事及高層管理人員酬金 (續) 19. Directors' and senior management's emoluments (continued)

(a) 董事酬金 (續)

2002年7月，本銀行間接控股公司中銀(BVI)根據載於附註18(b)的上市前認股權計劃向若干董事授予認股權，詳情見附註18。年內若干認股權被行使，惟上述披露之董事酬金中並無包括因該等認股權而產生的利益；而收益表亦無需就此作出反映。

截至2009年12月31日止年度，其中一名董事放棄其酬金港幣200,000元(2008年：港幣200,000元)。

(b) 五位最高薪酬人士

本年度，本集團內五位最高薪酬人士包括2名(2008年：2名)董事，其酬金已載於上文分析。其餘3名(2008年：3名)最高薪酬人士之酬金分析如下：

(a) Directors' emoluments (continued)

In July 2002, options were granted to several directors of the Bank by the indirect holding company, BOC (BVI), under the Pre-Listing Share Option Scheme as set out in Note 18(b). Full details of the scheme are stated in Note 18. During the year, certain options were exercised, but no benefits arising from the granting of these share options were included in the directors' emoluments disclosed above or recognised in the income statement.

For the year ended 31 December 2009, one of the directors waived emoluments of HK\$200,000 (2008: HK\$200,000).

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include 2 (2008: 2) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 3 (2008: 3) individuals during the year are as follows:

	2009	2008
	港幣百萬元	港幣百萬元
	HK\$m	HK\$m
基本薪金及津貼	18	13
花紅	3	-
退休金計劃供款	1	1
附屬公司董事袍金	1	1
	23	15

財務報表附註 (續) Notes to the Financial Statements (continued)

19. 董事及高層管理人員酬金 (續) 19. Directors' and senior management's emoluments (continued)

(b) 五位最高薪酬人士 (續) (b) Five highest paid individuals (continued)

彼等酬金之組別如下：

Emoluments of individuals were within the following bands:

		人數 Number of individuals	
		2009	2008
4,000,001 港元至 4,500,000 港元	HK\$4,000,001 – HK\$4,500,000	-	1
4,500,001 港元至 5,000,000 港元	HK\$4,500,001 – HK\$5,000,000	-	1
5,500,001 港元至 6,000,000 港元	HK\$5,500,001 – HK\$6,000,000	1	1
6,000,001 港元至 6,500,000 港元	HK\$6,000,001 – HK\$6,500,000	1	-
10,500,001 港元至 11,000,000 港元	HK\$10,500,001 – HK\$11,000,000	1	-

20. 庫存現金及在銀行及其他金融機構的結餘 20. Cash and balances with banks and other financial institutions

		本集團 The Group		本銀行 The Bank	
		2009	2008	2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫存現金	Cash	3,409	4,232	2,837	3,741
在中央銀行的結餘	Balances with central banks	81,790	66,158	77,036	64,407
在銀行及其他金融機構的結餘	Balances with banks and other financial institutions	5,628	7,544	4,778	7,473
一個月內到期之銀行及其他金融機構存款	Placements with banks and other financial institutions maturing within one month	69,498	75,334	60,151	57,812
		160,325	153,268	144,802	133,433

財務報表附註 (續) Notes to the Financial Statements (continued)

21. 公平值變化計入損益之金融資產 21. Financial assets at fair value through profit or loss

		本集團 The Group					
		界定為以公平值變化計入 損益之金融資產 Financial assets designated at fair value through profit or loss				總計 Total	
		交易性證券 Trading securities					
		2009	2008	2009	2008	2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
按公平值入賬	At fair value						
債務證券	Debt securities						
- 於香港上市	- Listed in Hong Kong	333	412	890	358	1,223	770
- 於海外上市	- Listed outside Hong Kong	17	35	1,221	890	1,238	925
		350	447	2,111	1,248	2,461	1,695
- 非上市	- Unlisted	15,473	13,484	393	1,143	15,866	14,627
		15,823	13,931	2,504	2,391	18,327	16,322
股份證券	Equity securities						
- 於香港上市	- Listed in Hong Kong	37	20	-	-	37	20
- 非上市	- Unlisted	111	62	-	-	111	62
		148	82	-	-	148	82
總計	Total	15,971	14,013	2,504	2,391	18,475	16,404
		本銀行 The Bank					
		界定為以公平值變化計入 損益之金融資產 Financial assets designated at fair value through profit or loss				總計 Total	
		交易性證券 Trading securities					
		2009	2008	2009	2008	2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
按公平值入賬	At fair value						
債務證券	Debt securities						
- 於香港上市	- Listed in Hong Kong	333	226	16	98	349	324
- 於海外上市	- Listed outside Hong Kong	17	1	123	116	140	117
		350	227	139	214	489	441
- 非上市	- Unlisted	14,371	12,575	-	-	14,371	12,575
		14,721	12,802	139	214	14,860	13,016
股份證券	Equity securities						
- 於香港上市	- Listed in Hong Kong	37	20	-	-	37	20
總計	Total	14,758	12,822	139	214	14,897	13,036

財務報表附註 (續) Notes to the Financial Statements (continued)

21. 公平值變化計入損益之金融資產 (續) 21. Financial assets at fair value through profit or loss (continued)

公平值變化計入損益之金融資產按發行機構之分類如下：

Financial assets at fair value through profit or loss are analysed by type of issuer as follows:

		本集團 The Group		本銀行 The Bank	
		2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m
主權政府	Sovereigns	15,084	12,709	14,191	11,760
公共機構	Public sector entities	239	272	21	153
銀行及其他金融機構	Banks and other financial institutions	1,014	1,915	539	1,029
公司企業	Corporate entities	2,138	1,508	146	94
		18,475	16,404	14,897	13,036

公平值變化計入損益之金融資產分類如下：

Financial assets at fair value through profit or loss are analysed as follows:

		本集團 The Group		本銀行 The Bank	
		2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m
庫券	Treasury bills	14,419	12,458	13,569	11,551
持有之存款證	Certificates of deposit held	-	25	-	-
其他公平值變化計入損益之金融資產	Other financial assets at fair value through profit or loss	4,056	3,921	1,328	1,485
		18,475	16,404	14,897	13,036

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 22. Derivative financial instruments and hedge accounting

本集團訂立下列股份權益、匯率、利率及貴金屬相關的衍生金融工具合約用作買賣及風險管理之用：

遠期外匯合約是指於未來某一日期買或賣外幣的承諾。利率期貨是指根據合約按照利率的變化收取或支付一個淨金額的合約，或在交易所管理的金融市場上按約定價格在未來的某一日期買進或賣出利率金融工具的合約。遠期利率合同是經單獨協商而達成的利率期貨合約，要求在未來某一日期根據合約利率與市場利率的差異及名義本金的金額進行計算及現金交割。

貨幣、利率及貴金屬掉期是指交換不同現金流量或商品的承諾。掉期的結果是不同貨幣、利率（如固定利率與浮動利率）或貴金屬（如白銀掉期）的交換或以上的所有組合（如交叉貨幣利率掉期）。除某些貨幣掉期合約外，該等交易無需交換本金。

外匯、利率、股份權益合約及貴金屬期權是指期權的賣方（出讓方）為買方（持有方）提供在未來某一特定日期或未來一定時期內按約定的價格買進（認購期權）或賣出（認沽期權）一定數量的金融工具的權利（而非承諾）的一種協定。考慮到外匯和利率風險，期權的賣方從購買方收取一定的期權費。本集團期權合約是與對手方在場外協商達成協定的或透過交易所進行（如於交易所進行買賣之期權）。

The Group enters into the following equity, foreign exchange, interest rate and precious metal related derivative financial instruments for trading and risk management purposes:

Currency forwards represent commitments to purchase and sell foreign currency on a future date. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates or buy or sell interest rate financial instruments on a future date at an agreed price in the financial market under the administration of the stock exchange. Forward rate agreements are individually negotiated interest rate futures that call for a cash settlement at a future date for the difference between a contracted rate of interest and the current market rate, based on a notional principal amount.

Currency, interest rate and precious metal swaps are commitments to exchange one set of cash flows or commodity for another. Swaps result in an exchange of currencies, interest rates (for example, fixed rate for floating rate), or precious metals (for example, silver swaps) or a combination of all these (i.e. cross-currency interest rate swaps). Except for certain currency swap contracts, no exchange of principal takes place.

Foreign currency, interest rate, equity and precious metal options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of the financial instrument at a predetermined price. In consideration for the assumption of foreign exchange and interest rate risk, the seller receives a premium from the purchaser. Options are negotiated over-the-counter (“OTC”) between the Group and its counterparty or traded through the stock exchange (for example, exchange-traded stock option).

財務報表附註（續） Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計（續） 22. Derivative financial instruments and hedge accounting (continued)

本集團之衍生金融工具合約／名義合約數額及其公平值詳列於下表。資產負債表日各類型金融工具的合約／名義合約數額僅顯示了於資產負債表日之未完成交易量，而若干金融工具之合約／名義合約數額則提供了一個與綜合資產負債表內所確認的公平值資產或負債的對比基礎。但是，這並不代表所涉及的未來的現金流量或當前的公平值，因而也不能反映本集團所面臨的信用風險或市場風險。隨著與衍生金融工具合約條款相關的市場利率、匯率或股份權益和貴金屬價格的波動，衍生金融工具的估值可能產生對銀行有利（資產）或不利（負債）的影響，這些影響可能在不同期間有較大的波動。

(a) 衍生金融工具

本集團進行場外及場內衍生產品交易的主要目的是開展客戶業務。集團敘做的所有對客戶及對同業市場的衍生產品交易均需嚴格遵從本集團的各相關風險管理政策及規定。

衍生產品亦應用於管理銀行賬的利率風險，只有獲批准之產品名單上載有的衍生產品方可進行交易。由衍生產品交易產生的風險承擔名義數額以設限控制，並制訂交易的最長期限及其損益之管理預警限額(MAL)。每宗衍生產品交易必須記錄於相應的系統，以進行結算、市場劃價、報告及監控。

The contract/notional amounts and fair values of derivative financial instruments held by the Group are set out in the following tables. The contract/notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet dates and certain of them provide a basis for comparison with fair value instruments recognised on the consolidated balance sheet. However, they do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative financial instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates, foreign exchange rates or equity and metal prices relative to their terms. The aggregate fair values of derivative financial instruments assets and liabilities can fluctuate significantly from time to time.

(a) Derivative financial instruments

The Group trades derivatives products (both exchange-traded or OTC) mainly for customer business. The Group strictly follows risk management policies in providing derivatives products to our customers and in trading of derivatives products in the interbank market.

Derivatives are also used to manage the interest rate risk of the banking book. A derivative instrument must be included in the approved product list before any transactions for that instrument can be made. There are limits to control the notional amount of exposure arising from derivatives transactions, and the maximum tenor of the deal and management alert limit (MAL) in profit and loss is set. Every derivative transaction must be input into the relevant system for settlement, mark to market revaluation, reporting and control.

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續)

以下為衍生金融工具中每項重要類別於12月31日之合約／名義合約數額之摘要：

(a) Derivative financial instruments (continued)

The following tables summarise the contract/notional amounts of each significant type of derivative financial instrument as at 31 December:

		本集團 The Group 2009			
		買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法* Not qualified for hedge accounting*	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
匯率合約	Exchange rate contracts				
即期及遠期	Spot and forwards	264,014	-	-	264,014
掉期	Swaps	270,512	-	68	270,580
外匯交易期權合約	Foreign currency option contracts				
- 買入期權	- Options purchased	1,387	-	-	1,387
- 賣出期權	- Options written	1,603	-	-	1,603
		<u>537,516</u>	<u>-</u>	<u>68</u>	<u>537,584</u>
利率合約	Interest rate contracts				
期貨	Futures	655	-	-	655
掉期	Swaps	140,088	32,471	23,665	196,224
利率期權合約	Interest rate option contracts				
- 賣出債券期權	- Bond options written	853	-	-	853
		<u>141,596</u>	<u>32,471</u>	<u>23,665</u>	<u>197,732</u>
貴金屬合約	Bullion contracts	8,290	-	-	8,290
股份權益合約	Equity contracts	209	-	-	209
其他合約	Other contracts	117	-	-	117
總計	Total	<u>687,728</u>	<u>32,471</u>	<u>23,733</u>	<u>743,932</u>

* 為符合《銀行業(披露)規則》要求，需分別披露不符合採用對沖會計法資格，但與指定以公平價值經收益表入賬的金融工具一併管理的衍生金融工具。

* Derivative transactions which do not qualify as hedges for accounting purposes but are managed in conjunction with the financial instruments designated at fair value through profit or loss are separately disclosed in compliance with the requirements set out in the Banking (Disclosure) Rules.

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續) (a) Derivative financial instruments (continued)

		本集團 The Group 2008			
	買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total	
	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
匯率合約		Exchange rate contracts			
即期及遠期		Spot and forwards			
	182,624	-	-	182,624	
掉期		Swaps			
	248,956	-	68	249,024	
外匯交易期權合約		Foreign currency option contracts			
- 買入期權		- Options purchased			
	2,518	-	-	2,518	
- 賣出期權		- Options written			
	2,754	-	-	2,754	
	<u>436,852</u>	<u>-</u>	<u>68</u>	<u>436,920</u>	
利率合約		Interest rate contracts			
期貨		Futures			
	4,290	-	-	4,290	
掉期		Swaps			
	68,392	19,931	10,045	98,368	
利率期權合約		Interest rate option contracts			
- 賣出債券期權		- Bond options written			
	775	-	-	775	
	<u>73,457</u>	<u>19,931</u>	<u>10,045</u>	<u>103,433</u>	
貴金屬合約		Bullion contracts			
	3,880	-	-	3,880	
股份權益合約		Equity contracts			
	5,070	-	-	5,070	
其他合約		Other contracts			
	144	-	-	144	
總計	<u>519,403</u>	<u>19,931</u>	<u>10,113</u>	<u>549,447</u>	

財務報表附註 (續) **Notes to the Financial Statements (continued)**

22. 衍生金融工具及對沖會計 (續) **22. Derivative financial instruments and hedge accounting (continued)**

(a) 衍生金融工具 (續) (a) Derivative financial instruments (continued)

		本銀行 The Bank 2009			
		買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
匯率合約	Exchange rate contracts				
即期及遠期	Spot and forwards	253,353	-	-	253,353
掉期	Swaps	266,964	-	-	266,964
外匯交易期權合約	Foreign currency option contracts				
- 買入期權	- Options purchased	1,387	-	-	1,387
- 賣出期權	- Options written	1,603	-	-	1,603
		<u>523,307</u>	<u>-</u>	<u>-</u>	<u>523,307</u>
利率合約	Interest rate contracts				
期貨	Futures	655	-	-	655
掉期	Swaps	139,014	32,471	22,232	193,717
利率期權合約	Interest rate option contracts				
- 賣出債券期權	- Bond options written	853	-	-	853
		<u>140,522</u>	<u>32,471</u>	<u>22,232</u>	<u>195,225</u>
貴金屬合約	Bullion contracts	8,237	-	-	8,237
股份權益合約	Equity contracts	209	-	-	209
其他合約	Other contracts	109	-	-	109
總計	Total	<u>672,384</u>	<u>32,471</u>	<u>22,232</u>	<u>727,087</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續) (a) Derivative financial instruments (continued)

		本銀行 The Bank			
		2008			
	買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total	
	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
匯率合約					
即期及遠期		Spot and forwards			
掉期		Swaps			
外匯交易期權合約		Foreign currency option contracts			
- 買入期權		- Options purchased			
- 賣出期權		- Options written			
	173,705	-	-	173,705	
	246,356	-	-	246,356	
	2,518	-	-	2,518	
	2,754	-	-	2,754	
	<u>425,333</u>	<u>-</u>	<u>-</u>	<u>425,333</u>	
利率合約		Interest rate contracts			
期貨		Futures			
掉期		Swaps			
利率期權合約		Interest rate option contracts			
- 賣出債券期權		- Bond options written			
	4,290	-	-	4,290	
	66,329	19,931	8,295	94,555	
	775	-	-	775	
	<u>71,394</u>	<u>19,931</u>	<u>8,295</u>	<u>99,620</u>	
貴金屬合約		Bullion contracts			
股份權益合約		Equity contracts			
其他合約		Other contracts			
	3,878	-	-	3,878	
	5,069	-	-	5,069	
	130	-	-	130	
總計	<u>505,804</u>	<u>19,931</u>	<u>8,295</u>	<u>534,030</u>	

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續)

以下為各類衍生金融工具於 12 月 31 日之公平值摘要：

(a) Derivative financial instruments (continued)

The following tables summarise the fair values of each class of derivative financial instrument as at 31 December:

		本集團 The Group							
		2009							
		公平值資產 Fair value assets				公平值負債 Fair value liabilities			
		買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total	買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
匯率合約	Exchange rate contracts								
即期及遠期	Spot and forwards	13,472	-	-	13,472	(9,268)	-	-	(9,268)
掉期	Swaps	2,096	-	-	2,096	(747)	-	(1)	(748)
外匯交易期權合約	Foreign currency option contracts								
- 買入期權	- Options purchased	10	-	-	10	-	-	-	-
- 賣出期權	- Options written	-	-	-	-	(9)	-	-	(9)
		<u>15,578</u>	<u>-</u>	<u>-</u>	<u>15,578</u>	<u>(10,024)</u>	<u>-</u>	<u>(1)</u>	<u>(10,025)</u>
利率合約	Interest rate contracts								
期貨	Futures	2	-	-	2	-	-	-	-
掉期	Swaps	1,255	92	15	1,362	(2,246)	(1,203)	(92)	(3,541)
利率期權合約	Interest rate option contracts								
- 賣出債券期權	- Bond options written	-	-	-	-	(4)	-	-	(4)
		<u>1,257</u>	<u>92</u>	<u>15</u>	<u>1,364</u>	<u>(2,250)</u>	<u>(1,203)</u>	<u>(92)</u>	<u>(3,545)</u>
貴金屬合約	Bullion contracts	631	-	-	631	(374)	-	-	(374)
股份權益合約	Equity contracts	2	-	-	2	(1)	-	-	(1)
總計	Total	<u>17,468</u>	<u>92</u>	<u>15</u>	<u>17,575</u>	<u>(12,649)</u>	<u>(1,203)</u>	<u>(93)</u>	<u>(13,945)</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續) (a) Derivative financial instruments (continued)

		本集團 The Group							
		2008							
		公平值資產 Fair value assets				公平值負債 Fair value liabilities			
		買賣	風險對沖	不符合採用 對沖會計法 Not qualified for hedge accounting	總計	買賣	風險對沖	不符合採用 對沖會計法 Not qualified for hedge accounting	總計
		Trading	Hedging		Total	Trading	Hedging		Total
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
匯率合約	Exchange rate contracts								
即期及遠期	Spot and forwards	15,152	-	-	15,152	(10,962)	-	-	(10,962)
掉期	Swaps	1,624	-	1	1,625	(3,933)	-	(3)	(3,936)
外匯交易期權合約	Foreign currency option contracts								
- 買入期權	- Options purchased	21	-	-	21	-	-	-	-
- 賣出期權	- Options written	-	-	-	-	(24)	-	-	(24)
		<u>16,797</u>	<u>-</u>	<u>1</u>	<u>16,798</u>	<u>(14,919)</u>	<u>-</u>	<u>(3)</u>	<u>(14,922)</u>
利率合約	Interest rate contracts								
期貨	Futures	2	-	-	2	(6)	-	-	(6)
掉期	Swaps	1,420	-	18	1,438	(2,329)	(1,769)	(166)	(4,264)
利率期權合約	Interest rate option contracts								
- 賣出債券期權	- Bond options written	-	-	-	-	(25)	-	-	(25)
		<u>1,422</u>	<u>-</u>	<u>18</u>	<u>1,440</u>	<u>(2,360)</u>	<u>(1,769)</u>	<u>(166)</u>	<u>(4,295)</u>
貴金屬合約	Bullion contracts	248	-	-	248	(91)	-	-	(91)
股份權益合約	Equity contracts	1,142	-	-	1,142	(1,142)	-	-	(1,142)
總計	Total	<u>19,609</u>	<u>-</u>	<u>19</u>	<u>19,628</u>	<u>(18,512)</u>	<u>(1,769)</u>	<u>(169)</u>	<u>(20,450)</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續) (a) Derivative financial instruments (continued)

		本銀行 The Bank 2009							
		公平值資產 Fair value assets			公平值負債 Fair value liabilities				
		買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total	買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
匯率合約	Exchange rate contracts								
即期及遠期	Spot and forwards	12,654	-	-	12,654	(8,849)	-	-	(8,849)
掉期	Swaps	2,021	-	-	2,021	(736)	-	-	(736)
外匯交易期權合約	Foreign currency option contracts								
- 買入期權	- Options purchased	10	-	-	10	-	-	-	-
- 賣出期權	- Options written	-	-	-	-	(9)	-	-	(9)
		14,685	-	-	14,685	(9,594)	-	-	(9,594)
利率合約	Interest rate contracts								
期貨	Futures	2	-	-	2	-	-	-	-
掉期	Swaps	1,261	92	14	1,367	(2,149)	(1,203)	(7)	(3,359)
利率期權合約	Interest rate option contracts								
- 賣出債券期權	- Bond options written	-	-	-	-	(4)	-	-	(4)
		1,263	92	14	1,369	(2,153)	(1,203)	(7)	(3,363)
貴金屬合約	Bullion contracts	629	-	-	629	(373)	-	-	(373)
股份權益合約	Equity contracts	2	-	-	2	(1)	-	-	(1)
總計	Total	16,579	92	14	16,685	(12,121)	(1,203)	(7)	(13,331)

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續) (a) Derivative financial instruments (continued)

		本銀行 The Bank							
		2008							
		公平值資產 Fair value assets				公平值負債 Fair value liabilities			
		買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total	買賣 Trading	風險對沖 Hedging	不符合採用 對沖會計法 Not qualified for hedge accounting	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
匯率合約	Exchange rate contracts								
即期及遠期	Spot and forwards	14,164	-	-	14,164	(10,398)	-	-	(10,398)
掉期	Swaps	1,622	-	-	1,622	(3,917)	-	-	(3,917)
外匯交易期權合約	Foreign currency option contracts								
- 買入期權	- Options purchased	21	-	-	21	-	-	-	-
- 賣出期權	- Options written	-	-	-	-	(24)	-	-	(24)
		<u>15,807</u>	<u>-</u>	<u>-</u>	<u>15,807</u>	<u>(14,339)</u>	<u>-</u>	<u>-</u>	<u>(14,339)</u>
利率合約	Interest rate contracts								
期貨	Futures	2	-	-	2	(6)	-	-	(6)
掉期	Swaps	1,420	-	18	1,438	(2,178)	(1,769)	(15)	(3,962)
利率期權合約	Interest rate option contracts								
- 賣出債券期權	- Bond options written	-	-	-	-	(25)	-	-	(25)
		<u>1,422</u>	<u>-</u>	<u>18</u>	<u>1,440</u>	<u>(2,209)</u>	<u>(1,769)</u>	<u>(15)</u>	<u>(3,993)</u>
貴金屬合約	Bullion contracts	244	-	-	244	(92)	-	-	(92)
股份權益合約	Equity contracts	1,142	-	-	1,142	(1,142)	-	-	(1,142)
總計	Total	<u>18,615</u>	<u>-</u>	<u>18</u>	<u>18,633</u>	<u>(17,782)</u>	<u>(1,769)</u>	<u>(15)</u>	<u>(19,566)</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續)

上述衍生金融工具之信貸風險加權數額如下：

(a) Derivative financial instruments (continued)

The credit risk weighted amounts of the above derivative financial instruments are as follows:

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
匯率合約	Exchange rate contracts		
遠期合約	Forwards	580	318
掉期	Swaps	1,728	1,377
外匯交易期權合約	Foreign currency option contracts		
- 買入期權	- Options purchased	1	4
利率合約	Interest rate contracts		
期貨	Futures	-	2
掉期	Swaps	737	577
貴金屬合約	Bullion contracts	1	5
股份權益合約	Equity contracts	-	37
		3,047	2,320

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
匯率合約	Exchange rate contracts		
遠期合約	Forwards	573	313
掉期	Swaps	1,708	1,368
外匯交易期權合約	Foreign currency option contracts		
- 買入期權	- Options purchased	1	5
利率合約	Interest rate contracts		
掉期	Swaps	731	572
貴金屬合約	Bullion contracts	1	5
股份權益合約	Equity contracts	-	37
		3,014	2,300

財務報表附註 (續) Notes to the Financial Statements (continued)

22. 衍生金融工具及對沖會計 (續) 22. Derivative financial instruments and hedge accounting (continued)

(a) 衍生金融工具 (續)

信貸風險加權數額是根據《銀行業(資本)規則》計算。該數額與交易對手之情況及各類合約之期限特徵有關。

衍生金融工具之公平值或信貸風險加權數額並沒有受雙邊淨額結算安排所影響。

(a) Derivative financial instruments (continued)

The credit risk weighted amounts are calculated in accordance with the Banking (Capital) Rules. The amounts are dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

There is no effect of valid bilateral netting agreement on the fair values or the credit risk-weighted amounts of the derivative financial instruments.

(b) 對沖會計

本集團將全部持有作為風險對沖之衍生金融工具界定為公平值對沖。

本集團利用利率掉期合約對沖由市場利率引致的金融資產公平值變動。

公平值對沖於年內之收益或虧損如下：

(b) Hedge accounting

The Group designated all derivatives held for hedging as fair value hedges.

The Group uses interest rate swaps to hedge against change in fair value of financial assets arising from movements in market interest rates.

Gains or losses on fair value hedges for the year are as follows:

		本集團及本銀行 The Group and the Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
淨收益/(虧損)	Net gain/(loss) on		
- 對沖工具	- hedging instruments	707	(1,656)
- 被對沖項目	- hedged items	(699)	1,677
		8	21

財務報表附註 (續) Notes to the Financial Statements (continued)

23. 貸款及其他賬項 23. Advances and other accounts

		本集團 The Group		本銀行 The Bank	
		2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
個人貸款	Personal loans and advances	161,404	151,746	130,480	123,956
公司貸款	Corporate loans and advances	353,533	309,428	268,897	253,288
客戶貸款	Advances to customers	514,937	461,174	399,377	377,244
貸款減值準備	Loan impairment allowances				
- 按個別評估	- Individually assessed	(671)	(800)	(501)	(531)
- 按組合評估	- Collectively assessed	(1,598)	(1,501)	(1,027)	(1,013)
		512,668	458,873	397,849	375,700
貿易票據	Trade bills	9,100	7,609	8,260	6,422
銀行及其他金融機構貸款	Advances to banks and other financial institutions	5,332	3,738	4,480	3,738
總計	Total	527,100	470,220	410,589	385,860

於2009年12月31日，本集團及本銀行之客戶貸款包括總貸款應計利息分別為港幣6.19億元（2008年：港幣12.93億元）及港幣4.58億元（2008年：港幣10.58億元）。

於2009年12月31日及2008年12月31日，對貿易票據和銀行及其他金融機構之貸款並無作出任何貸款減值準備。

As at 31 December 2009, advances to customers of the Group and the Bank included accrued interest on gross advances of HK\$619 million (2008: HK\$1,293 million) and HK\$458 million (2008: HK\$1,058 million) respectively.

As at 31 December 2009 and 2008, no impairment allowance was made in respect of trade bills and advances to banks and other financial institutions.

財務報表附註 (續) Notes to the Financial Statements (continued)

24. 貸款減值準備 24. Loan impairment allowances

		本集團 The Group		
		2009		
		按個別評估 Individual assessment		
		個人 Personal 港幣百萬元 HK\$m	公司 Corporate 港幣百萬元 HK\$m	總計 Total 港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	71	729	800
於收益表撥回 (附註 10)	Credited to income statement (Note 10)	(48)	(157)	(205)
年內核銷之未收回貸款	Loans written off during the year as uncollectible	(10)	(343)	(353)
收回已撇銷賬項	Recoveries	28	418	446
折現減值回撥	Unwind of discount on allowance	(1)	(16)	(17)
於 2009 年 12 月 31 日	At 31 December 2009	40	631	671
		本銀行 The Bank		
		2009		
		按個別評估 Individual assessment		
		個人 Personal 港幣百萬元 HK\$m	公司 Corporate 港幣百萬元 HK\$m	總計 Total 港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	69	462	531
於收益表撥回	Credited to income statement	(39)	(53)	(92)
年內核銷之未收回貸款	Loans written off during the year as uncollectible	(10)	(204)	(214)
收回已撇銷賬項	Recoveries	18	302	320
折現減值回撥	Unwind of discount on allowance	(1)	(14)	(15)
出售分行	Disposal of branches	-	(29)	(29)
於 2009 年 12 月 31 日	At 31 December 2009	37	464	501

財務報表附註 (續) Notes to the Financial Statements (continued)

24. 貸款減值準備 (續) 24. Loan impairment allowances (continued)

		本集團 The Group		
		2008		
		按個別評估 Individual assessment		
		個人 Personal	公司 Corporate	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	82	299	381
於收益表(撥回)/撥備(附註 10)	(Credited)/charged to income statement (Note 10)	(30)	38	8
年內核銷之未收回貸款	Loans written off during the year as uncollectible	(13)	(286)	(299)
收回已撤銷賬項	Recoveries	33	689	722
折現減值回撥	Unwind of discount on allowance	(1)	(11)	(12)
於 2008 年 12 月 31 日	At 31 December 2008	71	729	800
		本銀行 The Bank		
		2008		
		按個別評估 Individual assessment		
		個人 Personal	公司 Corporate	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	76	230	306
於收益表撥回	Credited to income statement	(22)	(142)	(164)
年內核銷之未收回貸款	Loans written off during the year as uncollectible	(11)	(246)	(257)
收回已撤銷賬項	Recoveries	27	630	657
折現減值回撥	Unwind of discount on allowance	(1)	(10)	(11)
於 2008 年 12 月 31 日	At 31 December 2008	69	462	531

財務報表附註 (續) Notes to the Financial Statements (continued)

24. 貸款減值準備 (續) 24. Loan impairment allowances (continued)

		本集團 The Group		
		2009		
		按組合評估 Collective assessment		
		個人 Personal 港幣百萬元 HK\$m	公司 Corporate 港幣百萬元 HK\$m	總計 Total 港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	179	1,322	1,501
於收益表撥備 (附註 10)	Charged to income statement (Note 10)	198	110	308
年內核銷之未收回貸款	Loans written off during the year as uncollectible	(242)	(4)	(246)
收回已撤銷賬項	Recoveries	35	-	35
於 2009 年 12 月 31 日	At 31 December 2009	<u>170</u>	<u>1,428</u>	<u>1,598</u>
		本銀行 The Bank		
		2009		
		按組合評估 Collective assessment		
		個人 Personal 港幣百萬元 HK\$m	公司 Corporate 港幣百萬元 HK\$m	總計 Total 港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	86	927	1,013
於收益表 (撥回) / 撥備	(Credited)/charged to income statement	(9)	68	59
出售分行	Disposal of branches	-	(45)	(45)
於 2009 年 12 月 31 日	At 31 December 2009	<u>77</u>	<u>950</u>	<u>1,027</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

24. 貸款減值準備 (續) 24. Loan impairment allowances (continued)

		本集團 The Group		
		2008		
		按組合評估 Collective assessment		
		個人 Personal	公司 Corporate	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	173	831	1,004
於收益表撥備 (附註 10)	Charged to income statement (Note 10)	156	497	653
年內核銷之未收回貸款	Loans written off during the year as uncollectible	(175)	(1)	(176)
收回已撇銷賬項	Recoveries	28	-	28
折現減值回撥	Unwind of discount on allowance	(3)	(5)	(8)
於 2008 年 12 月 31 日	At 31 December 2008	179	1,322	1,501
		本銀行 The Bank		
		2008		
		按組合評估 Collective assessment		
		個人 Personal	公司 Corporate	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	91	557	648
於收益表 (撥回) / 撥備	(Credited)/charged to income statement	(2)	375	373
折現減值回撥	Unwind of discount on allowance	(3)	(5)	(8)
於 2008 年 12 月 31 日	At 31 December 2008	86	927	1,013

財務報表附註 (續) Notes to the Financial Statements (continued)

25. 證券投資

25. Investment in securities

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
(a) 可供出售證券	(a) Available-for-sale securities			
債務證券，按公平值入賬		Debt securities, at fair value		
- 於香港上市	8,439	4,588	7,347	3,864
- 於海外上市	84,294	44,692	80,249	44,128
	92,733	49,280	87,596	47,992
- 非上市	128,880	121,655	116,539	118,601
	221,613	170,935	204,135	166,593
股份證券，按公平值入賬		Equity securities, at fair value		
- 非上市	627	430	101	99
	222,240	171,365	204,236	166,692
(b) 持有至到期日證券	(b) Held-to-maturity securities			
上市，按攤銷成本入賬		Listed, at amortised cost		
- 於香港上市	1,693	4,082	1,453	3,460
- 於海外上市	18,581	21,302	16,099	18,646
	20,274	25,384	17,552	22,106
非上市，按攤銷成本入賬	46,401	84,449	35,381	72,151
	66,675	109,833	52,933	94,257
減值準備	(112)	(4,440)	(112)	(4,440)
	66,563	105,393	52,821	89,817
(c) 貸款及應收款	(c) Loans and receivables			
非上市，按攤銷成本入賬	12,703	12,595	12,319	8,444
總計	301,506	289,353	269,376	264,953
持有至到期日之上市證券 市值	20,051	24,354	17,318	21,248

財務報表附註 (續) Notes to the Financial Statements (continued)

25. 證券投資 (續) 25. Investment in securities (continued)

證券投資按發行機構之分類如下：

Investment in securities is analysed by type of issuer as follows:

		本集團 The Group 2009			
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
主權政府	Sovereigns	57,481	1,549	-	59,030
公共機構	Public sector entities	27,902	4,293	-	32,195
銀行及其他金融機構	Banks and other financial institutions	124,178	53,913	12,703	190,794
公司企業	Corporate entities	12,679	6,808	-	19,487
		222,240	66,563	12,703	301,506
		本集團 The Group 2008			
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
主權政府	Sovereigns	70,274	1,079	-	71,353
公共機構	Public sector entities	9,202	12,481	-	21,683
銀行及其他金融機構	Banks and other financial institutions	70,576	71,426	12,595	154,597
公司企業	Corporate entities	21,313	20,407	-	41,720
		171,365	105,393	12,595	289,353

財務報表附註 (續) Notes to the Financial Statements (continued)

25. 證券投資 (續) 25. Investment in securities (continued)

		本銀行 The Bank 2009			
		持有至			總計 Total
		可供出售證券 Available- for-sale securities	到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
主權政府	Sovereigns	53,308	508	-	53,816
公共機構	Public sector entities	27,902	4,181	-	32,083
銀行及其他金融機構	Banks and other financial institutions	112,992	42,758	12,319	168,069
公司企業	Corporate entities	10,034	5,374	-	15,408
		204,236	52,821	12,319	269,376

		本銀行 The Bank 2008			
		持有至			總計 Total
		可供出售證券 Available- for-sale securities	到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
主權政府	Sovereigns	69,433	979	-	70,412
公共機構	Public sector entities	9,202	11,543	-	20,745
銀行及其他金融機構	Banks and other financial institutions	68,848	58,932	8,444	136,224
公司企業	Corporate entities	19,209	18,363	-	37,572
		166,692	89,817	8,444	264,953

財務報表附註 (續) Notes to the Financial Statements (continued)

25. 證券投資 (續) 25. Investment in securities (continued)

證券投資之變動摘要如下：

The movements in investment in securities are summarised as follows:

		本集團 The Group		
		2009		
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	171,365	105,393	12,595
增加	Additions	298,613	17,073	37,609
處置、贖回及到期	Disposals, redemptions and maturity	(256,956)	(57,238)	(37,909)
攤銷	Amortisation	503	(606)	239
公平值變動	Change in fair value	5,433	-	-
減值撥回 (附註 10)	Impairment reversal (Note 10)	-	690	-
匯兌差異	Exchange differences	3,282	1,251	169
		222,240	66,563	12,703
於 2009 年 12 月 31 日	At 31 December 2009			
		本集團 The Group		
		2008		
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	100,518	165,428	31,102
增加	Additions	182,457	56,121	33,918
處置、贖回及到期	Disposals, redemptions and maturity	(101,229)	(106,014)	(52,627)
攤銷	Amortisation	544	(1,042)	640
公平值變動	Change in fair value	(7,691)	-	-
減值虧損 (附註 10)	Impairment losses (Note 10)	-	(4,061)	-
匯兌差異	Exchange differences	(3,234)	(5,039)	(438)
		171,365	105,393	12,595
於 2008 年 12 月 31 日	At 31 December 2008			

財務報表附註 (續) Notes to the Financial Statements (continued)

25. 證券投資 (續) 25. Investment in securities (continued)

		本銀行 The Bank		
		2009		
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	166,692	89,817	8,444
增加	Additions	241,915	2,227	32,179
處置、贖回及到期	Disposals, redemptions and maturity	(213,022)	(40,166)	(28,529)
攤銷	Amortisation	428	(520)	180
公平值變動	Change in fair value	5,058	-	-
減值撥回	Impairment reversal	-	690	-
匯兌差異	Exchange differences	3,165	773	45
		204,236	52,821	12,319
		本銀行 The Bank		
		2008		
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	97,392	150,873	22,784
增加	Additions	173,453	35,635	11,888
處置、贖回及到期	Disposals, redemptions and maturity	(93,770)	(87,204)	(26,500)
攤銷	Amortisation	524	(1,104)	302
公平值變動	Change in fair value	(7,676)	-	-
減值虧損	Impairment losses	-	(4,061)	-
匯兌差異	Exchange differences	(3,231)	(4,322)	(30)
		166,692	89,817	8,444

財務報表附註 (續) Notes to the Financial Statements (continued)

25. 證券投資 (續) 25. Investment in securities (continued)

可供出售及持有至到期日
證券分類如下：

Available-for-sale and held-to-maturity securities are analysed as follows:

		本集團 The Group			
		可供出售證券 Available-for-sale securities		持有至到期日證券 Held-to-maturity securities	
		2009	2008	2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫券	Treasury bills	22,955	60,980	1,041	100
持有之存款證	Certificates of deposit held	18,234	7,355	9,021	11,376
其他	Others	181,051	103,030	56,501	93,917
		222,240	171,365	66,563	105,393

		本銀行 The Bank			
		可供出售證券 Available-for-sale securities		持有至到期日證券 Held-to-maturity securities	
		2009	2008	2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫券	Treasury bills	18,920	60,140	-	-
持有之存款證	Certificates of deposit held	16,101	6,523	6,098	8,925
其他	Others	169,215	100,029	46,723	80,892
		204,236	166,692	52,821	89,817

持有至到期日證券之減值
準備變動摘要如下：

The movements in impairment allowances on held-to-maturity securities are summarised as follows:

		本集團及本銀行 The Group and the Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 1 月 1 日	At 1 January	4,440	1,682
於收益表(撥回)/撥備(附註 10)	(Credited)/charged to income statement (Note 10)	(690)	4,061
處置	Disposals	(3,638)	(1,303)
於 12 月 31 日	At 31 December	112	4,440

財務報表附註 (續) Notes to the Financial Statements (continued)

26. 附屬公司權益

26. Interests in subsidiaries

		本銀行 The Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
非上市股份，按成本值入賬 減：減值準備	Unlisted shares, at cost Less: Provision for impairment in value	14,711 -	12,190 (22)
應收附屬公司款項	Amounts due from subsidiaries	14,711 220	12,168 233
		14,931	12,401

於 2009 年 12 月 31 日之主要附屬公司呈列如下：

The following is a list of principal subsidiaries as at 31 December 2009:

名稱 Name	註冊及營業地點 Country of incorporation & place of operation	已發行股本 Particulars of issued share capital	持有權益 Interest held	主要業務 Principal activities
南洋商業銀行有限公司 Nanyang Commercial Bank, Limited	香港 Hong Kong	7,000,000 普通股每股面值港幣 100 元 7,000,000 ordinary shares of HK\$100 each	100%	銀行業務 Banking business
集友銀行有限公司 Chiyu Banking Corporation Limited	香港 Hong Kong	3,000,000 普通股每股面值港幣 100 元 3,000,000 ordinary shares of HK\$100 each	70.49%	銀行業務 Banking business
中銀信用卡(國際)有限公司 BOC Credit Card (International) Limited	香港 Hong Kong	4,800,000 普通股每股面值港幣 100 元 4,800,000 ordinary shares of HK\$100 each	100%	信用卡服務 Credit card services
寶生期貨有限公司 Po Sang Futures Limited	香港 Hong Kong	250,000 普通股每股面值港幣 100 元 250,000 ordinary shares of HK\$100 each	*100%	商品經紀 Commodities brokerage
南洋商業銀行(中國)有限公司 Nanyang Commercial Bank (China), Limited	中國 PRC	註冊資本 4,100,000,000 人民幣 Registered capital RMB 4,100,000,000	*100%	銀行業務 Banking business

* 本銀行間接持有股份

* Shares held indirectly by the Bank

財務報表附註 (續) Notes to the Financial Statements (continued)

27. 聯營公司權益

27. Interests in associates

		本集團 The Group	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 1 月 1 日	At 1 January	88	83
投資成本增加	Investment cost addition	129	-
應佔盈利	Share of result	10	9
應佔稅項	Share of tax	(3)	(2)
已收股息	Dividends received	(4)	(2)
出售聯營公司	Disposal of an associate	(3)	-
於 12 月 31 日	At 31 December	217	88

於 2009 年 12 月 31 日，本銀行持有港幣 8 百萬元（2008：港幣 1.3 百萬元）非上市聯營公司之股票，並無作出任何減值撥備（2008：港幣 1 百萬元）。

As at 31 December 2009, the Bank held HK\$8 million (2008: HK\$13 million) of unlisted shares in its associates with no provision (2008: HK\$1 million) for impairment in value.

財務報表附註 (續) Notes to the Financial Statements (continued)

27. 聯營公司權益 (續) 27. Interests in associates (continued)

本集團之聯營公司均為非上市公司，主要聯營公司呈列如下：

The Group's interests in its associates, all of which are unlisted, are as follows:

名稱 Name	銀聯通寶有限公司 Joint Electronic Teller Services Limited	中銀金融商務有限公司 BOC Services Company Limited	中銀通支付商務有限公司 BOC Expresspay Company Limited
註冊地點 Place of incorporation	2009 年及 2008 年 2009 and 2008 香港 Hong Kong	2009 年及 2008 年 2009 and 2008 中國 PRC	2009 年 2009 中國 PRC
已發行股本/註冊資本 Particulars of issued share capital/registered capital	100,238 普通股 每股面值 港幣 100 元 100,238 ordinary shares of HK\$100 each	註冊資本 人民幣 50,000,000 元 Registered capital RMB50,000,000	註冊資本 人民幣 450,000,000 元 Registered capital RMB450,000,000
主要業務 Principal activities	自動櫃員機服務及 銀行私人訊息轉換網絡 Operation of a private inter-bank message switching network in respect of ATM services	信用卡後台服務支援 Credit card back-end service support	小額支付交易 Prepay debit card services

	2009 港幣千元 HK\$'000	2008 港幣千元 HK\$'000	2009 港幣千元 HK\$'000	2008 港幣千元 HK\$'000	2009 港幣千元 HK\$'000	2008 港幣千元 HK\$'000
資產 Assets	418,652	371,144	162,324	108,145	514,906	-
負債 Liabilities	131,861	86,283	90,559	45,250	4,967	-
收入 Revenues	70,243	75,297	270,602	118,274	-	-
除稅後溢利/(虧損) Profit/(loss) after taxation	31,864	34,752	8,757	5,166	(317)	-

	2009	2008	2009	2008	2009	2008
持有權益 Interest held	19.96%	19.96%	45.00%	45.00%	25.33%	-

於 2009 年 12 月 1 日，本集團出售其全部於中華保險顧問有限公司之權益。

On 1 December 2009, the Group disposed its entire interest in CJM Insurance Brokers Limited.

中銀通支付商務有限公司於 2009 年 8 月 16 日在中國成立。

BOC Expresspay Company Limited was incorporated in China on 16 August 2009.

財務報表附註 (續) Notes to the Financial Statements (continued)

28. 投資物業

28. Investment properties

		本集團 The Group		本銀行 The Bank	
		2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
於 1 月 1 日	At 1 January	7,727	8,058	7,279	7,595
出售	Disposals	(77)	(186)	(47)	(160)
公平值收益 / (虧損) (附註 12)	Fair value gains/(losses) (Note 12)	1,554	(132)	1,485	(194)
重新分類轉自 / (轉至) 物業、廠房及設備 (附註 29)	Reclassification from/(to) properties, plant and equipment (Note 29)	160	(13)	26	38
出售分行	Disposal of branches	-	-	(58)	-
於 12 月 31 日	At 31 December	9,364	7,727	8,685	7,279

於 2009 年 12 月 31 日，列於資產負債表內之投資物業，乃依據獨立特許測量師第一太平戴維斯估值及專業顧問有限公司於 2009 年 12 月 31 日以公平值為基準所進行之專業估值。

As at 31 December 2009, investment properties are included in the balance sheets at valuation carried out at 31 December 2009 on the basis of their fair value by an independent firm of chartered surveyors, Savills Valuation and Professional Services Limited.

投資物業之賬面值按租約剩餘期限分析如下：

The carrying value of investment properties is analysed based on the remaining terms of the leases as follows:

		本集團 The Group		本銀行 The Bank	
		2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
在香港持有	Held in Hong Kong				
長期租約 (超過 50 年)	On long-term lease (over 50 years)	1,474	7,040	998	6,808
中期租約 (10 年至 50 年)	On medium-term lease (10 – 50 years)	7,683	505	7,557	286
短期租約 (少於 10 年)	On short-term lease (less than 10 years)	23	-	-	-
在海外持有	Held outside Hong Kong				
長期租約 (超過 50 年)	On long-term lease (over 50 years)	1	1	-	1
中期租約 (10 年至 50 年)	On medium-term lease (10 – 50 years)	183	177	130	184
短期租約 (少於 10 年)	On short-term lease (less than 10 years)	-	4	-	-
		9,364	7,727	8,685	7,279

財務報表附註 (續)

Notes to the Financial Statements (continued)

29. 物業、廠房及設備

29. Properties, plant and equipment

		本集團 The Group		
		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 2009 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2009	20,105	2,683	22,788
增置	Additions	1	563	564
出售	Disposals	(140)	(12)	(152)
重估	Revaluation	4,247	-	4,247
年度折舊 (附註 11)	Depreciation for the year (Note 11)	(386)	(630)	(1,016)
重新分類轉至投資物業 (附註 28)	Reclassification to investment properties (Note 28)	(157)	(3)	(160)
轉撥	Transfer	31	(31)	-
於 2009 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2009	<u>23,701</u>	<u>2,570</u>	<u>26,271</u>
於 2009 年 12 月 31 日 成本或估值	At 31 December 2009 Cost or valuation	23,701	6,491	30,192
累計折舊及準備	Accumulated depreciation and impairment	-	(3,921)	(3,921)
於 2009 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2009	<u>23,701</u>	<u>2,570</u>	<u>26,271</u>
於 2008 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2008	20,783	2,505	23,288
增置	Additions	42	772	814
出售	Disposals	(68)	(5)	(73)
重估	Revaluation	(265)	-	(265)
年度折舊 (附註 11)	Depreciation for the year (Note 11)	(400)	(590)	(990)
由投資物業重新分類轉入 (附註 28)	Reclassification from investment properties (Note 28)	13	-	13
匯兌差額	Exchange difference	-	1	1
於 2008 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2008	<u>20,105</u>	<u>2,683</u>	<u>22,788</u>
於 2008 年 12 月 31 日 成本或估值	At 31 December 2008 Cost or valuation	20,105	6,209	26,314
累計折舊及準備	Accumulated depreciation and impairment	-	(3,526)	(3,526)
於 2008 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2008	<u>20,105</u>	<u>2,683</u>	<u>22,788</u>

財務報表附註 (續)

Notes to the Financial Statements (continued)

29. 物業、廠房及設備
(續)

29. Properties, plant and equipment (continued)

		本集團 The Group		
		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
上述資產之成本值或估值分 析如下：	The analysis of cost or valuation of the above assets is as follows:			
於 2009 年 12 月 31 日	At 31 December 2009			
按成本值	At cost	-	6,491	6,491
按估值	At valuation	23,701	-	23,701
		23,701	6,491	30,192
於 2008 年 12 月 31 日	At 31 December 2008			
按成本值	At cost	-	6,209	6,209
按估值	At valuation	20,105	-	20,105
		20,105	6,209	26,314

財務報表附註 (續)

Notes to the Financial Statements (continued)

29. 物業、廠房及設備
(續)

29. Properties, plant and equipment (continued)

		本銀行 The Bank		
		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2009 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2009	15,163	2,386	17,549
增置	Additions	1	462	463
出售	Disposals	(79)	(12)	(91)
重估	Revaluation	3,325	-	3,325
年度折舊	Depreciation for the year	(305)	(543)	(848)
重新分類轉至投資物業 (附註 28)	Reclassification to investment properties (Note 28)	(24)	(2)	(26)
轉撥	Transfer	22	(22)	-
出售分行	Disposal of branches	(47)	(20)	(67)
於 2009 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2009	18,056	2,249	20,305
於 2009 年 12 月 31 日 成本或估值	At 31 December 2009 Cost or valuation	18,056	5,642	23,698
累計折舊及準備	Accumulated depreciation and impairment	-	(3,393)	(3,393)
於 2009 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2009	18,056	2,249	20,305
於 2008 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2008	15,974	2,287	18,261
增置	Additions	-	627	627
出售	Disposals	(66)	(4)	(70)
重估	Revaluation	(385)	-	(385)
年度折舊	Depreciation for the year	(322)	(524)	(846)
重新分類轉至投資物業 (附註 28)	Reclassification to investment properties (Note 28)	(38)	-	(38)
於 2008 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2008	15,163	2,386	17,549
於 2008 年 12 月 31 日 成本或估值	At 31 December 2008 Cost or valuation	15,163	5,442	20,605
累計折舊及準備	Accumulated depreciation and impairment	-	(3,056)	(3,056)
於 2008 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2008	15,163	2,386	17,549

財務報表附註 (續)

Notes to the Financial Statements (continued)

29. 物業、廠房及設備
(續)

29. Properties, plant and equipment (continued)

		本銀行 The Bank		總計 Total
		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	
上述資產之成本值或估值分 析如下：	The analysis of cost or valuation of the above assets is as follows:			
於 2009 年 12 月 31 日	At 31 December 2009			
按成本值	At cost	-	5,642	5,642
按估值	At valuation	18,056	-	18,056
		18,056	5,642	23,698
於 2008 年 12 月 31 日	At 31 December 2008			
按成本值	At cost	-	5,442	5,442
按估值	At valuation	15,163	-	15,163
		15,163	5,442	20,605

房產之賬面值按租約剩餘
期限分析如下：

The carrying value of premises is analysed based on the remaining terms of the leases as follows:

		本集團 The Group		本銀行 The Bank	
		2009	2008	2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港持有	Held in Hong Kong				
長期租約 (超過 50 年)	On long-term lease (over 50 years)	8,618	12,825	4,837	9,418
中期租約 (10 年至 50 年)	On medium-term lease (10 – 50 years)	14,691	6,873	13,219	5,700
在海外持有	Held outside Hong Kong				
長期租約 (超過 50 年)	On long-term lease (over 50 years)	69	75	-	-
中期租約 (10 年至 50 年)	On medium-term lease (10 – 50 years)	276	306	-	45
短期租約 (少於 10 年)	On short-term lease (less than 10 years)	47	26	-	-
		23,701	20,105	18,056	15,163

財務報表附註 (續) Notes to the Financial Statements (continued)

29. 物業、廠房及設備 (續)

於 2009 年 12 月 31 日，列於資產負債表內之房產，乃依據獨立特許測量師第一太平戴維斯估值及專業顧問有限公司於 2009 年 12 月 31 日以公平值為基準所進行之專業估值。

根據上述之重估結果，本集團及本銀行之房產估值變動已分別於本集團及本銀行之房產重估儲備、收益表及非控制權益確認如下：

29. Properties, plant and equipment (continued)

As at 31 December 2009, premises are included in the balance sheets at valuation carried out at 31 December 2009 on the basis of their fair value by an independent firm of chartered surveyors, Savills Valuation and Professional Services Limited.

As a result of the above-mentioned revaluations, changes in value of the Group's and the Bank's premises were recognised in the Group's and the Bank's premises revaluation reserve, the income statement and non-controlling interests respectively as follows:

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
貸記／(借記)房產重估儲備之重估增值／(減值)	4,207	(261)	3,314	(385)
於收益表內撥回／(撥備)之重估增值／(減值) (附註 13)	16	(13)	11	-
貸記非控制權益之重估增值	24	9	-	-
	4,247	(265)	3,325	(385)

於 2009 年 12 月 31 日，假若房產按成本值扣減累計折舊及減值虧損列賬，本集團及本銀行之資產負債表內之房產之賬面淨值應分別為港幣 62.57 億元 (2008 年：港幣 61.23 億元) 及港幣 47.72 億元 (2008 年：港幣 47.87 億元)。

As at 31 December 2009, the net book value of premises that would have been included in the Group's and the Bank's balance sheets had the assets been carried at cost less accumulated depreciation and impairment losses was HK\$6,257 million (2008: HK\$6,123 million) and HK\$4,772 million (2008: HK\$4,787 million) respectively.

財務報表附註 (續) **Notes to the Financial Statements (continued)**

30. 其他資產

30. Other assets

	本集團		本銀行	
	The Group		The Bank	
	2009	2008	2009	2008
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
	HK\$m	HK\$m	HK\$m	HK\$m
收回資產	95	124	95	116
Repossessed assets				
貴金屬	2,432	1,347	2,432	1,347
Precious metals				
應收賬項及預付費用	11,775	13,084	10,752	12,162
Accounts receivable and prepayments				
	14,302	14,555	13,279	13,625

31. 香港特別行政區流通紙幣

31. Hong Kong SAR currency notes in circulation

香港特別行政區流通紙幣由持有之香港特別行政區政府負債證明書之存款基金作擔保。

The Hong Kong SAR currency notes in circulation are secured by deposit of funds in respect of which the Hong Kong SAR Government certificates of indebtedness are held.

財務報表附註 (續) Notes to the Financial Statements (continued)

32. 公平值變化計入損益之金融負債 32. Financial liabilities at fair value through profit or loss

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
交易性負債				
- 外匯基金票據短盤	14,156	12,141	13,340	11,494
界定為以公平值變化計入 損益之金融負債				
- 結構性存款 (附註 33)	2,132	8,939	2,132	8,117
- 發行之存款證	-	858	-	858
	2,132	9,797	2,132	8,975
	16,288	21,938	15,472	20,469

2009年12月31日界定為以公平值變化計入損益之金融負債的賬面值比本集團及本銀行於到期日約定支付予持有人之金額少港幣1百萬元。2008年12月31日相關賬面值比本集團及本銀行於到期日約定支付予持有人之金額分別多港幣5百萬元及港幣2千萬元。由信貸風險變化引致公平值變化計入損益之金融負債之公平值變動金額(包括年內及累計至年底)並不重大。

The carrying amount of financial liabilities designated at fair value through profit or loss as at 31 December 2009 is less than the amount that the Group and the Bank would be contractually required to pay at maturity to the holders by HK\$1 million, and it was more than the amount that the Group and the Bank would be contractually required to pay at maturity to the holders by HK\$5 million and HK\$20 million respectively as at 31 December 2008. The amount of change in the fair values of financial liabilities at fair value through profit or loss, during the year and cumulatively, attributable to changes in credit risk is insignificant.

財務報表附註 (續) Notes to the Financial Statements (continued)

33. 客戶存款

33. Deposits from customers

		本集團 The Group		本銀行 The Bank	
		2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
往來、儲蓄及其他存款(於 資產負債表)	Current, savings and other deposit accounts (per balance sheet)	843,929	805,866	701,702	679,251
列為公平值變化計入損益 之金融負債的結構性存 款(附註 32)	Structured deposits reported as financial liabilities at fair value through profit or loss (Note 32)	2,132	8,939	2,132	8,117
		846,061	814,805	703,834	687,368
分類：	Analysed by:				
即期存款及往來存款	Demand deposits and current accounts				
- 公司客戶	- corporate customers	51,395	35,946	42,857	29,650
- 個人客戶	- individual customers	14,397	10,175	12,370	8,809
		65,792	46,121	55,227	38,459
儲蓄存款	Savings deposits				
- 公司客戶	- corporate customers	142,389	116,278	124,243	103,742
- 個人客戶	- individual customers	353,952	261,355	307,955	228,370
		496,341	377,633	432,198	332,112
定期、短期及通知存款	Time, call and notice deposits				
- 公司客戶	- corporate customers	111,368	153,376	79,556	125,130
- 個人客戶	- individual customers	172,560	237,675	136,853	191,667
		283,928	391,051	216,409	316,797
		846,061	814,805	703,834	687,368

財務報表附註 (續) Notes to the Financial Statements (continued)

34. 其他賬項及準備

34. Other accounts and provisions

		本集團		本銀行	
		The Group		The Bank	
		2009	2008	2009	2008
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m
應付股息	Dividend payable	6,801	-	6,801	-
其他應付賬項	Other accounts payable	27,685	33,086	20,662	27,479
準備	Provisions	338	576	241	389
		34,824	33,662	27,704	27,868

準備之變動情況	Movements of provisions	本集團		本銀行	
		The Group		The Bank	
		2009	2008	2009	2008
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m
於 1 月 1 日	At 1 January	576	9	389	9
本年淨計提	Allowance for the year, net	3,301	742	2,583	507
本年支付	Utilised during the year	(3,539)	(175)	(2,731)	(127)
於 12 月 31 日	At 31 December	338	576	241	389

本年準備主要是與雷曼兄弟相關產品有關。

The provisions were primarily in relation to the Lehman Brothers related products.

35. 已抵押資產

35. Assets pledged as security

截至 2009 年 12 月 31 日，本集團及本銀行之負債分別為港幣 133.30 億元及港幣 128.31 億元（2008 年：港幣 121.41 億元及港幣 114.94 億元）是以存放於中央保管系統以利便結算之資產作抵押。本集團及本銀行為擔保此等負債而質押之資產金額分別為港幣 134.07 億元及港幣 129.06 億元（2008 年：港幣 122.43 億元及港幣 115.95 億元），並於「交易性證券」及「可供出售證券」內列賬。

As at 31 December 2009, liabilities of the Group and the Bank amounting to HK\$13,330 million and HK\$12,831 million respectively (2008: HK\$12,141 million and HK\$11,494 million) were secured by assets deposited with central depositories to facilitate settlement operations. The amount of assets pledged by the Group and the Bank to secure these liabilities was HK\$13,407 million and HK\$12,906 million respectively (2008: HK\$12,243 million and HK\$11,595 million) included in "Trading securities" and "Available-for-sale securities".

財務報表附註 (續) Notes to the Financial Statements (continued)

36. 遞延稅項

遞延稅項是根據香港會計準則第12號「所得稅」計算，就資產負債之稅務基礎與其在財務報表內賬面值兩者之暫時性差額作提撥。

綜合資產負債表內之遞延稅項(資產)/負債主要組合，以及其在年度內之變動如下：

36. Deferred taxation

Deferred tax is recognised in respect of the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements in accordance with HKAS 12 "Income Taxes".

The major components of deferred tax (assets)/liabilities recorded in the consolidated balance sheet, and the movements during the year are as follows:

		本集團 The Group					
		2009					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowance	其他 暫時性差額 Other temporary differences	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2009 年 1 月 1 日	At 1 January 2009	545	3,464	(19)	(254)	(984)	2,752
於收益表內 (撥回)/支 取(附註 14)	(Credited)/charged to income statement (Note 14)	(4)	214	(6)	(20)	49	233
借記其他全面收 益	Charged to other comprehensive income	-	681	-	-	876	1,557
於 2009 年 12 月 31 日	At 31 December 2009	541	4,359	(25)	(274)	(59)	4,542
		本集團 The Group					
		2008					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowance	其他 暫時性差額 Other temporary differences	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 1 月 1 日	At 1 January 2008	533	3,777	(2)	(169)	(182)	3,957
於收益表內 支取/(撥回) (附註 14)	Charged/(credited) to income statement (Note 14)	12	(200)	(17)	(85)	(75)	(365)
貸記其他全面收 益	Credited to other comprehensive income	-	(113)	-	-	(727)	(840)
於 2008 年 12 月 31 日	At 31 December 2008	545	3,464	(19)	(254)	(984)	2,752

財務報表附註 (續) Notes to the Financial Statements (continued)

36. 遞延稅項 (續) 36. Deferred taxation (continued)

		本銀行 The Bank				
		2009				
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	減值準備 Impairment allowance	其他 暫時性差額 Other temporary differences	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2009 年	At 1 January					
1 月 1 日	2009	520	2,798	(172)	(919)	2,227
於收益表內 (撥回)/支取	(Credited)/charged to income statement	(7)	201	(12)	26	208
借記其他全面收 益	Charged to other comprehensive income	-	551	-	846	1,397
出售分行	Disposal of branches	-	(12)	15	-	3
於 2009 年	At 31 December					
12 月 31 日	2009	513	3,538	(169)	(47)	3,835

		本銀行 The Bank				
		2008				
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	減值準備 Impairment allowance	其他 暫時性差額 Other temporary differences	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年	At 1 January					
1 月 1 日	2008	507	3,133	(106)	(182)	3,352
於收益表內 支取/(撥回)	Charged/(credited) to income statement	13	(181)	(66)	(34)	(268)
貸記其他全面收 益	Credited to other comprehensive income	-	(154)	-	(703)	(857)
於 2008 年	At 31 December					
12 月 31 日	2008	520	2,798	(172)	(919)	2,227

財務報表附註 (續)

Notes to the Financial Statements (continued)

36. 遞延稅項 (續)

36. Deferred taxation (continued)

當有法定權利可將現有稅項資產與現有稅項負債抵銷，而遞延稅項涉及同一財政機關，則可將個別法人的遞延稅項資產與遞延稅項負債互相抵銷。下列在綜合資產負債表內列賬之金額，已計入適當抵銷：

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, determined after appropriate offsetting, are shown in the consolidated balance sheet:

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
遞延稅項資產	(49)	(47)	-	(3)
遞延稅項負債	4,591	2,799	3,835	2,230
	4,542	2,752	3,835	2,227

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
遞延稅項資產 (超過 12 個月後收回)	(49)	(47)	-	(3)
遞延稅項負債 (超過 12 個月後支付)	4,633	3,762	3,872	3,139
	4,584	3,715	3,872	3,136

在年度內借記／(貸記)其他全面收益各成份之遞延稅項如下：

The deferred tax charged/(credited) for each component of other comprehensive income during the year is as follows:

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
可供出售證券之公平值變化	876	(727)	846	(703)
房產重估	678	(114)	551	(154)
非控制權益	3	1	-	-
	1,557	(840)	1,397	(857)

財務報表附註 (續) Notes to the Financial Statements (continued)

37. 後償負債

37. Subordinated liabilities

		本集團及本銀行 The Group and the Bank	
		2009	2008
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
後償貸款	Subordinated loans		
6.6 億歐羅*	EUR 660m*	7,377	7,210
25 億美元**	USD 2,500m**	19,399	19,394
		26,776	26,604

中銀香港獲得間接控股公司中國銀行提供浮動息率的後償貸款。後償貸款可於首 5 年貸款期後在借款人之選擇下償還。按監管要求可作為附加資本之後償貸款金額，於附註 4.4(b)中列示。

BOCHK obtained floating-rate subordinated loans from BOC, the intermediate holding company. The subordinated loans are repayable prior to maturity after the first 5-year tenure at the option of the borrower. Amounts qualified as supplementary capital for regulatory purposes are shown in Note 4.4(b).

* 利息每6個月支付一次，首5年利率為6個月歐元銀行同業拆息加 0.85%，剩餘期間的利率為6個月歐元銀行同業拆息加 1.35%，2018年6月到期。

* Interest rate at 6-month EURIBOR plus 0.85% for the first 5 years, 6-month EURIBOR plus 1.35% for the remaining tenure payable semi-annually, due June 2018.

** 利息每6個月支付一次，首5年利率為6個月倫敦銀行同業拆息加 2.00%，剩餘期間的利率為6個月倫敦銀行同業拆息加 2.50%，2018年12月到期。

** Interest rate at 6-month LIBOR plus 2.00% for the first 5 years, 6-month LIBOR plus 2.50% for the remaining tenure payable semi-annually, due December 2018.

財務報表附註 (續) Notes to the Financial Statements (continued)

38. 股本

38. Share capital

		<u>2009</u>	<u>2008</u>
		港幣百萬元	港幣百萬元
		HK\$m	HK\$m
法定：	Authorised:		
100,000,000,000 股每股	100,000,000,000 ordinary shares		
面值港幣 1 元之普通股	of HK\$1 each	<u>100,000</u>	<u>100,000</u>
已發行及繳足：	Issued and fully paid:		
43,042,840,858 股每股	43,042,840,858 ordinary shares		
面值港幣 1 元之普通股	of HK\$1 each	<u>43,043</u>	<u>43,043</u>

39. 儲備

39. Reserves

本集團及本銀行之本年度及往年的儲備金額及變動情況分別載於第 36 頁及第 37 頁之綜合權益變動表及權益變動表。

The Group's and the Bank's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity and statement of changes in equity respectively on pages 36 to 37 of the financial statements.

財務報表附註 (續) Notes to the Financial Statements (continued)

40. 綜合現金流量表附註 40. Notes to consolidated cash flow statement

(a) 經營溢利與除稅前 經營現金之流入對 賬	(a) Reconciliation of operating profit to operating cash inflow before taxation	2009 港幣百萬元 HK\$m	2008 港幣百萬元 HK\$m
經營溢利	Operating profit	14,787	8,001
折舊	Depreciation	1,016	990
減值準備淨(撥回)/撥備	Net (reversal)/charge of impairment allowances	(1,190)	9,843
折現減值回撥	Unwind of discount on impairment	(17)	(20)
已撇銷之貸款(扣除 收回款額)	Advances written off net of recoveries	(118)	275
後償負債利息支出	Interest expense on subordinated liabilities	908	243
原到期日超過3個月之庫 存現金及在銀行及其 他金融機構的結餘之 變動	Change in cash and balances with banks and other financial institutions with original maturity over three months	8,364	7,781
原到期日超過3個月之銀 行及其他金融機構存 款之變動	Change in placements with banks and other financial institutions with original maturity over three months	21,178	(26,893)
公平值變化計入損益之 金融資產之變動	Change in financial assets at fair value through profit or loss	(1,222)	2,174
衍生金融工具之變動	Change in derivative financial instruments	(4,452)	4,217
貸款及其他賬項之變動	Change in advances and other accounts	(56,849)	(50,924)
證券投資之變動	Change in investment in securities	(6,137)	(2,882)
其他資產之變動	Change in other assets	244	6,209
銀行及其他金融機構之 存款及結餘之變動	Change in deposits and balances of banks and other financial institutions	10,868	28,180
公平值變化計入損益之 金融負債之變動	Change in financial liabilities at fair value through profit or loss	(5,650)	10,533
客戶存款之變動	Change in deposits from customers	38,063	11,619
按攤銷成本發行之債務 證券之變動	Change in debt securities in issue at amortised cost	(1,042)	(1,047)
其他賬項及準備之變動	Change in other accounts and provisions	(5,639)	(4,907)
匯兌差額	Exchange difference	180	(729)
除稅前經營現金之流入	Operating cash inflow before taxation	<u>13,292</u>	<u>2,663</u>
經營業務之現金流量中 包括：	Cash flows from operating activities included:		
- 已收利息	- Interest received	24,247	34,595
- 已付利息	- Interest paid	6,783	15,278
- 已收股息	- Dividend received	22	16

財務報表附註 (續) **Notes to the Financial Statements (continued)**

40. 綜合現金流量表附註 (續) **40. Notes to consolidated cash flow statement (continued)**

(b) 現金及等同現金項目
結存分析

(b) Analysis of the balances of cash and cash equivalents

		<u>2009</u>	<u>2008</u>
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫存現金及原到期日 在 3 個月內之在銀 行及其他金融機構 的結餘	Cash and balances with banks and other financial institutions with original maturity within three months	143,424	128,003
原到期日在 3 個月內之 銀行及其他金融機 構存款	Placements with banks and other financial institutions with original maturity within three months	15,352	23,610
原到期日在 3 個月內之 庫券	Treasury bills with original maturity within three months	19,147	22,277
原到期日在 3 個月內之 持有之存款證	Certificates of deposit held with original maturity within three months	4,323	1,035
		<u>182,246</u>	<u>174,925</u>

財務報表附註 (續)

Notes to the Financial Statements (continued)

41. 或然負債及承擔

41. Contingent liabilities and commitments

或然負債及承擔中每項重要類別之合約數額及相對之總信貸風險加權數額摘要如下：

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment and the corresponding aggregate credit risk weighted amount:

		本集團		本銀行	
		The Group		The Bank	
		2009	2008	2009	2008
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$'m	HK\$'m	HK\$'m	HK\$'m
直接信貸替代項目	Direct credit substitutes	2,065	1,419	1,379	2,052
與交易有關之或然負債	Transaction-related contingencies	9,055	10,153	8,382	9,634
與貿易有關之或然負債	Trade-related contingencies	31,460	22,481	26,973	19,444
不需事先通知的無條件撤銷之承諾	Commitments that are unconditionally cancellable without prior notice	165,829	103,684	96,142	45,881
其他承擔，原到期日為	Other commitments with an original maturity of				
- 一年或以下	- up to one year	15,847	63,257	10,570	49,938
- 一年以上	- over one year	52,173	52,400	40,150	44,798
		276,429	253,394	183,596	171,747
信貸風險加權數額	Credit risk weighted amount	35,229	40,252	27,101	34,633

信貸風險加權數額是根據《銀行業(資本)規則》計算。該數額與交易對手之情況及各類合約之期限特徵有關。

The credit risk weighted amount is calculated in accordance with the Banking (Capital) Rules. The amount is dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

財務報表附註 (續) Notes to the Financial Statements (continued)

42. 資本承擔

本集團及本銀行未於財務報表中撥備之資本承擔金額如下：

42. Capital commitments

The Group and the Bank have the following outstanding capital commitments not provided for in the financial statements:

	本集團 The Group		本銀行 The Bank	
	2009	2008	2009	2008
	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
已批准及簽約但未撥備				
Authorised and contracted for but not provided for	96	121	85	115
已批准但未簽約				
Authorised but not contracted for	9	15	1	14
	105	136	86	129

以上資本承擔大部分為將購入之電腦硬件及軟件，及本集團及本銀行之樓宇裝修工程之承擔。

The above capital commitments mainly relate to commitments to purchase computer equipment and software, and to renovate the Group's and the Bank's premises.

財務報表附註 (續) Notes to the Financial Statements (continued)

43. 經營租賃承擔

43. Operating lease commitments

(a) 作為承租人

(a) As lessee

根據不可撤銷之經營租賃合約，下列為本集團及本銀行未來有關租賃承擔所須支付之最低租金：

The Group and the Bank have commitments to make the following future minimum lease payments under non-cancellable operating leases:

	本集團		本銀行	
	The Group		The Bank	
	2009	2008	2009	2008
	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
土地及樓宇				
- 不超過 1 年				
- 1 年以上至 5 年內				
- 5 年後				
	423	424	319	317
	434	531	236	337
	13	14	-	2
	870	969	555	656

上列若干不可撤銷之經營租約可再商議及參照協議日期之市值而作租金調整。

Certain non-cancellable operating leases included in the tables above were subject to renegotiation and rent adjustment with reference to market rates prevailing at specified agreed dates.

財務報表附註 (續) Notes to the Financial Statements (continued)

43. 經營租賃承擔 (續) 43. Operating lease commitments (continued)

(b) 作為出租人

根據不可撤銷之經營租賃合約，下列為本集團及本銀行與租客簽訂合約之未來有關租賃之最低應收租金：

(b) As lessor

The Group and the Bank have contracted with tenants for the following future minimum lease receivables under non-cancellable operating leases:

	本集團 The Group		本銀行 The Bank	
	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m	2009 港幣百萬元 HK\$'m	2008 港幣百萬元 HK\$'m
土地及樓宇				
- 不超過 1 年	275	270	257	250
- 1 年以上至 5 年內	193	234	186	224
	468	504	443	474

本集團及本銀行以經營租賃形式租出投資物業 (附註 28)；租賃年期通常由 1 年至 3 年。租約條款一般要求租客提交保證金及因應租務市況之狀況而調整租金。所有租約並不包括或有租金。

The Group and the Bank lease their investment properties (Note 28) under operating lease arrangements, with leases typically for a period from one to three years. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the prevailing market conditions. None of the leases includes contingent rentals.

44. 訴訟

本集團目前正面對多項由獨立人士提出的索償及反索償。該等索償及反索償與本集團的正常商業活動有關。

由於董事認為本集團可對申索人作出有力抗辯或預計該等申索所涉及的數額不大，故並未對該等索償及反索償作出重大撥備。

44. Litigation

The Group is currently being served a number of claims and counterclaims by various independent parties. These claims and counterclaims are in relation to the normal commercial activities of the Group.

No material provision was made against these claims and counterclaims because the directors believe that the Group has meritorious defences against the claimants or the amounts involved in these claims are not expected to be material.

財務報表附註 (續) Notes to the Financial Statements (continued)

45. 分類報告

本集團由今年起已採用新的香港財務報告準則第 8 號「經營分類」。經評估內部財務報告過程後，認為原有的業務線分類已符合有關準則要求。不過，為與內部管理報告一致，業務線之間資金調動流轉的價格已更改，由對應的同業拆放市場利率轉為同業拆放市場利率加預定之利差。此利差乃反映個別產品的獨特性。由於此改變對去年數字影響輕微，故沒有重列去年數字。

本集團在多個地區經營許多業務。但在分類報告中，只按業務分類提供資料，沒有列示地區分類資料，此乃由於本集團的收入、稅前利潤和資產，超過 90% 來自香港。

分類報告提供三個業務分類的資料，它們分別是個人銀行業務、企業銀行業務和財資業務。業務線的分類是基於不同客戶層及產品種類，這與集團推行的 RPC (客戶關係、產品管理及分銷渠道) 管理模型是一致的。

45. Segmental reporting

The Group has adopted the new HKFRS 8 "Operating Segments" effective this year. After assessing the internal financial reporting process, it was concluded that the original segments classification has already complied with the new standard. However, consistent with internal management reporting, the charge on inter-segment funding has changed from the corresponding money market rates to money market rates adjusted with pre-determined margins. These margins reflect differentiation based on product features. Since the impact of this change on prior year figures is immaterial, no restatement has been made.

The Group engages in many businesses in several regions. For segmental reporting purposes, information is solely provided in respect of business segments. Geographical segment information is not presented because over 90% of the Group's revenues, profits before tax and assets are derived from Hong Kong.

Information about three business segments is provided in segmental reporting. They are Personal Banking, Corporate Banking and Treasury. The classification of the Group's operating segments is based on customer segment and product type, which is aligned with the RPC (relationship, product and channel) management model of the Group.

財務報表附註 (續) Notes to the Financial Statements (continued)

45. 分類報告 (續)

個人銀行和企業銀行業務線均會提供全面的銀行服務；個人銀行業務線是服務個人客戶，而企業銀行業務線是服務非個人客戶。至於財資業務線，除了自營買賣，還負責管理本集團的資本、流動資金、利率和外匯敞口。

「其他」這一欄，乃涵蓋有關本集團整體，而非由其餘三個業務線所直接引起的活動，包括本集團持有房地產、投資物業、股權投資及聯營公司權益等等。

一個業務線的收入、支出、資產和負債，主要包括直接歸屬於該業務線的項目；如佔用本集團的物業，按佔用面積以市場租值內部計收租金；至於管理費用，會根據合理基準攤分。關於業務線之間資金調動流轉的價格，則按集團內部資金轉移價格機制釐定。

45. Segmental reporting (continued)

Both Personal Banking and Corporate Banking segments provide general banking services. Personal Banking serves individual customers while Corporate Banking deals with non individual customers. The Treasury segment is responsible for managing the capital, liquidity, and the interest rate and foreign exchange positions of the Group in addition to proprietary trades. "Others" refers to those items related to the Group as a whole rather than directly attributable to the other three business segments, including the Group's holdings of premises, investment properties, equity investments and interests in associates.

Revenues, expenses, assets and liabilities of any business segment mainly include items directly attributable to the segment. In relation to occupation of the Group's premises, rentals are internally charged on market rates according to the areas occupied. For management overheads, allocations are made on reasonable bases. Inter-segment funding is charged according to the internal funds transfer pricing mechanism of the Group.

財務報表附註(續) Notes to the Financial Statements (continued)

45. 分類報告(續) 45. Segmental reporting (continued)

		本集團 The Group						
		2009						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
淨利息收入/(支出)	Net interest income/(expenses)							
- 外來	- external	2,452	6,120	8,091	(3)	16,660	-	16,660
- 跨業務	- inter-segment	3,343	(618)	(2,669)	(56)	-	-	-
		5,795	5,502	5,422	(59)	16,660	-	16,660
淨服務費及佣金收入	Net fees and commission income	4,329	2,487	24	45	6,885	(30)	6,855
淨交易性收入/(支出)	Net trading income/(expenses)	497	164	827	(3)	1,485	1	1,486
界定為以公平值變化計入損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss	-	-	261	-	261	-	261
證券投資之淨虧損	Net loss on investment in securities	-	-	(132)	-	(132)	-	(132)
其他經營收入	Other operating income	27	34	2	1,779	1,842	(1,393)	449
提取減值準備前之淨經營收入	Net operating income before impairment allowances	10,648	8,187	6,404	1,762	27,001	(1,422)	25,579
減值準備淨(撥備)/撥回	Net (charge)/reversal of impairment allowances	(161)	49	1,302	-	1,190	-	1,190
淨經營收入	Net operating income	10,487	8,236	7,706	1,762	28,191	(1,422)	26,769
經營支出	Operating expenses	(5,983)	(2,321)	(742)	(4,358) *	(13,404)	1,422	(11,982)
經營溢利/(虧損)	Operating profit/(loss)	4,504	5,915	6,964	(2,596)	14,787	-	14,787
投資物業出售/公平值調整之淨收益	Net gain from disposal of/fair value adjustments on investment properties	-	-	-	1,563	1,563	-	1,563
出售/重估物業、廠房及設備之淨收益	Net gain from disposal/revaluation of properties, plant and equipment	-	-	-	51	51	-	51
應佔聯營公司之溢利扣減虧損	Share of profits less losses of associates	-	-	-	7	7	-	7
除稅前溢利/(虧損)	Profit/(loss) before taxation	4,504	5,915	6,964	(975)	16,408	-	16,408

財務報表附註(續) Notes to the Financial Statements (continued)

45. 分類報告(續) 45. Segmental reporting (continued)

		本集團 The Group						
		2009						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
分部資產	Segment assets	178,026	372,443	593,807	35,525	1,179,801	(6,242)	1,173,559
聯營公司權益	Interests in associates	-	-	-	217	217	-	217
		<u>178,026</u>	<u>372,443</u>	<u>593,807</u>	<u>35,742</u>	<u>1,180,018</u>	<u>(6,242)</u>	<u>1,173,776</u>
負債	Liabilities							
分部負債	Segment liabilities	<u>570,566</u>	<u>304,882</u>	<u>195,956</u>	<u>15,066</u>	<u>1,086,470</u>	<u>(6,242)</u>	<u>1,080,228</u>
其他資料	Other information							
增置物業、廠房及設備	Additions of properties, plant and equipment	23	2	-	539	564	-	564
折舊	Depreciation	293	143	88	492	1,016	-	1,016
證券攤銷	Amortisation of securities	-	-	136	-	136	-	136

財務報表附註(續) Notes to the Financial Statements (continued)

45. 分類報告(續) 45. Segmental reporting (continued)

		本集團 The Group						
		2008						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
淨利息(支出)/收入	Net interest (expenses)/income							
- 外來	- external	(3,241)	6,924	15,322	(6)	18,999	-	18,999
- 跨業務	- inter-segment	9,752	(975)	(8,144)	(633)	-	-	-
		6,511	5,949	7,178	(639)	18,999	-	18,999
淨服務費及佣金收入/(支出)	Net fees and commission income/(expenses)	3,597	2,032	(95)	14	5,548	(84)	5,464
淨交易性收入/(支出)	Net trading income/(expenses)	548	186	1,298	(119)	1,913	1	1,914
界定為以公平值變化計入損益之金融工具淨虧損	Net loss on financial instruments designated at fair value through profit or loss	-	-	(316)	-	(316)	-	(316)
證券投資之淨虧損	Net loss on investment in securities	-	-	(15)	-	(15)	-	(15)
其他經營收入	Other operating income	34	44	7	1,719	1,804	(1,370)	434
提取減值準備前之淨經營收入	Net operating income before impairment allowances	10,690	8,211	8,057	975	27,933	(1,453)	26,480
減值準備淨撥備	Net charge of impairment allowances	(129)	(544)	(9,170)	-	(9,843)	-	(9,843)
淨經營收入/(支出)	Net operating income/(expense)	10,561	7,667	(1,113)	975	18,090	(1,453)	16,637
經營支出	Operating expenses	(5,669)	(2,143)	(831)	(1,446)*	(10,089)	1,453	(8,636)
經營溢利/(虧損)	Operating profit/(loss)	4,892	5,524	(1,944)	(471)	8,001	-	8,001
投資物業出售/公平值調整之淨虧損	Net loss from disposal of/fair value adjustments on investment properties	-	-	-	(118)	(118)	-	(118)
出售/重估物業、廠房及設備之淨收益	Net gain from disposal/ revaluation of properties, plant and equipment	-	-	-	18	18	-	18
應佔聯營公司之溢利扣減虧損	Share of profits less losses of associates	-	-	-	7	7	-	7
除稅前溢利/(虧損)	Profit/(loss) before taxation	4,892	5,524	(1,944)	(564)	7,908	-	7,908

財務報表附註 (續) Notes to the Financial Statements (continued)

45. 分類報告 (續) 45. Segmental reporting (continued)

		本集團 The Group						
		2008						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
分部資產	Segment assets	165,148	324,606	603,965	30,984	1,124,703	(6,795)	1,117,908
聯營公司權益	Interests in associates	-	-	-	88	88	-	88
		<u>165,148</u>	<u>324,606</u>	<u>603,965</u>	<u>31,072</u>	<u>1,124,791</u>	<u>(6,795)</u>	<u>1,117,996</u>
負債	Liabilities							
分部負債	Segment liabilities	<u>523,682</u>	<u>309,254</u>	<u>203,481</u>	<u>6,159</u>	<u>1,042,576</u>	<u>(6,795)</u>	<u>1,035,781</u>
其他資料	Other information							
增置物業、廠房及設備	Additions of properties, plant and equipment	12	5	-	797	814	-	814
折舊	Depreciation	271	132	108	479	990	-	990
證券攤銷	Amortisation of securities	-	-	142	-	142	-	142

財務報表附註 (續) Notes to the Financial Statements (continued)

45. 分類報告 (續) 45. Segmental reporting (continued)

		本銀行 The Bank						
		2009						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
淨利息收入/(支出)	Net interest income/(expenses)							
- 外來	- external	1,586	4,366	6,976	4	12,932	-	12,932
- 跨業務	- inter-segment	2,907	(228)	(2,624)	(55)	-	-	-
		4,493	4,138	4,352	(51)	12,932	-	12,932
淨服務費及佣金收入/(支出)	Net fees and commission income/(expenses)	3,469	1,837	37	(38)	5,305	-	5,305
淨交易性收入	Net trading income	359	139	795	-	1,293	-	1,293
界定為以公平值變化計入損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss	-	-	55	-	55	-	55
證券投資之淨虧損	Net loss on investment in securities	-	-	(132)	-	(132)	-	(132)
其他經營收入	Other operating income	-	31	2	2,204	2,237	(1,136)	1,101
提取減值準備前之淨經營收入	Net operating income before impairment allowances	8,321	6,145	5,109	2,115	21,690	(1,136)	20,554
減值準備淨撥回/(撥備)	Net reversal/(charge) of impairment allowances	45	(13)	1,302	18	1,352	-	1,352
淨經營收入	Net operating income	8,366	6,132	6,411	2,133	23,042	(1,136)	21,906
經營支出	Operating expenses	(4,591)	(1,548)	(722)	(3,457) *	(10,318)	1,136	(9,182)
經營溢利/(虧損)	Operating profit/(loss)	3,775	4,584	5,689	(1,324)	12,724	-	12,724
投資物業出售/公平值調整之淨收益	Net gain from disposal of/fair value adjustments on investment properties	-	-	-	1,496	1,496	-	1,496
出售/重估物業、廠房及設備之淨收益	Net gain from disposal/ revaluation of properties, plant and equipment	-	-	-	30	30	-	30
除稅前溢利	Profit before taxation	3,775	4,584	5,689	202	14,250	-	14,250

財務報表附註 (續) Notes to the Financial Statements (continued)

45. 分類報告 (續) 45. Segmental reporting (continued)

		本銀行 The Bank						
		2009						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
分部資產	Segment assets	141,011	280,497	537,669	43,543	1,002,720	-	1,002,720
聯營公司權益	Interests in associates	-	-	-	8	8	-	8
		<u>141,011</u>	<u>280,497</u>	<u>537,669</u>	<u>43,551</u>	<u>1,002,728</u>	<u>-</u>	<u>1,002,728</u>
負債	Liabilities							
分部負債	Segment liabilities	<u>470,649</u>	<u>248,029</u>	<u>191,254</u>	<u>13,557</u>	<u>923,489</u>	<u>-</u>	<u>923,489</u>
其他資料	Other information							
增置物業、廠房及設備	Additions of properties, plant and equipment	-	-	-	463	463	-	463
折舊	Depreciation	280	131	88	349	848	-	848
證券攤銷	Amortisation of securities	-	-	88	-	88	-	88

財務報表附註 (續) Notes to the Financial Statements (continued)

45. 分類報告 (續) 45. Segmental reporting (continued)

		本銀行 The Bank						
		2008						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
淨利息(支出)/收入	Net interest (expenses)/income							
- 外來	- external	(3,144)	5,010	13,331	8	15,205	-	15,205
- 跨業務	- inter-segment	8,129	(385)	(7,123)	(621)	-	-	-
		4,985	4,625	6,208	(613)	15,205	-	15,205
淨服務費及佣金收入/ (支出)	Net fees and commission income/(expenses)	2,694	1,476	(44)	(136)	3,990	-	3,990
淨交易性收入	Net trading income	480	139	1,412	-	2,031	-	2,031
界定為以公平值變化計入損益之金融工具淨虧損	Net loss on financial instruments designated at fair value through profit or loss	-	-	(90)	-	(90)	-	(90)
證券投資之淨虧損	Net loss on investment in securities	-	-	(111)	-	(111)	-	(111)
其他經營收入	Other operating income	3	13	6	3,173	3,195	(1,152)	2,043
提取減值準備前之淨經營收入	Net operating income before impairment allowances	8,162	6,253	7,381	2,424	24,220	(1,152)	23,068
減值準備淨撥回/(撥備)	Net reversal/(charge) of impairment allowances	32	(242)	(9,169)	(2)	(9,381)	-	(9,381)
淨經營收入/(支出)	Net operating income/(expense)	8,194	6,011	(1,788)	2,422	14,839	(1,152)	13,687
經營支出	Operating expenses	(4,299)	(1,453)	(805)	(1,200)*	(7,757)	1,152	(6,605)
經營溢利/(虧損)	Operating profit/(loss)	3,895	4,558	(2,593)	1,222	7,082	-	7,082
投資物業出售/公平值調整之淨虧損	Net loss from disposal of fair value adjustments on investment properties	-	-	-	(180)	(180)	-	(180)
出售/重估物業、廠房及設備之淨收益	Net gain from disposal/ revaluation of properties, plant and equipment	-	-	-	32	32	-	32
除稅前溢利/(虧損)	Profit/(loss) before taxation	3,895	4,558	(2,593)	1,074	6,934	-	6,934

* 包括雷曼兄弟相關產品費用(附註11)。

* Including the expenses incurred on Lehman Brothers related products (Note 11).

財務報表附註 (續) **Notes to the Financial Statements (continued)**

45. 分類報告 (續) **45. Segmental reporting (continued)**

		本銀行 The Bank						
		2008						
		個人銀行 Personal	企業銀行 Corporate	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	Assets							
分部資產	Segment assets	132,868	262,339	536,654	37,011	968,872	-	968,872
聯營公司權益	Interests in associates	-	-	-	12	12	-	12
		<u>132,868</u>	<u>262,339</u>	<u>536,654</u>	<u>37,023</u>	<u>968,884</u>	<u>-</u>	<u>968,884</u>
負債	Liabilities							
分部負債	Segment liabilities	429,780	263,705	200,783	4,059	898,327	-	898,327
其他資料	Other information							
增置物業、廠房及設備	Additions of properties, plant and equipment	-	-	-	627	627	-	627
折舊	Depreciation	252	120	107	367	846	-	846
證券攤銷	Amortisation of securities	-	-	(277)	-	(277)	-	(277)

財務報表附註（續） Notes to the Financial Statements (continued)

46. 董事及高級職員貸款 46. Loans to directors and officers

根據香港公司條例第 161B 條的規定，向銀行董事及高級職員提供之貸款詳情如下：

Particulars of advances made to directors and officers of the Bank pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

		<u>2009</u>	<u>2008</u>
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
於年末尚未償還之貸款總額	Aggregate amount of relevant loans outstanding at year end	<u>3,476</u>	<u>655</u>
於年內未償還貸款之最高總額	Maximum aggregate amount of relevant loans outstanding during the year	<u>3,576</u>	<u>667</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

47. 主要之有關連人士交易 47. Significant related party transactions

有關連人士指有能力控制另一方，或可在財政或經營決策方面向另一方行使重大影響之人士。倘有關方受共同控制，亦被視為有關連人士。有關連人士可為個人或其他公司。

中華人民共和國國務院通過中國投資有限責任公司（「中投」）、其附屬公司中央匯金投資有限責任公司（「匯金」）及匯金擁有控制權益之中國銀行，對本集團實行控制。

(a) 與母公司及母公司控制之其他公司進行的交易

(i) 母公司的基本資料

本集團受中國銀行控制。匯金是中國銀行之主要控股公司，亦是中投的全資附屬公司，而中投是從事外匯資金投資管理業務的國有獨資公司。

匯金於某些內地企業均擁有控制權益。

本集團在正常業務中與該等公司進行銀行業務交易，包括貸款、證券投資及貨幣市場交易。

Related parties are those parties that have the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individual or other entities.

The Group is subject to the control of the State Council of the PRC Government through China Investment Corporation ("CIC"), its wholly-owned subsidiary Central Huijin Investment Ltd. ("Central Huijin"), and BOC in which Central Huijin has controlling equity interests.

(a) Transactions with the parent companies and the other companies controlled by the parent companies

(i) General information of the parent companies

The Group is controlled by BOC. Central Huijin is the controlling entity of BOC, and it is a wholly-owned subsidiary of CIC which is a wholly state-owned company engaging in foreign currency investment and management.

Central Huijin has controlling equity interests in certain other entities in the PRC.

The Group enters into banking transactions with these companies in the normal course of business. These include loans, investment securities and money market transactions.

財務報表附註 (續) Notes to the Financial Statements (continued)

47. 主要之有關連人士交易 (續) 47. Significant related party transactions (continued)

(a) 與母公司及母公司控制之其他公司進行的交易 (續)

(ii) 與政府機構及其他國有控制實體的交易

中華人民共和國國務院通過中投及匯金對本集團實施控制，而中華人民共和國國務院亦通過政府機關、代理機構及附屬機構直接或間接控制大量其他實體。本集團按一般商業條款與政府機關、代理機構、附屬機構及其他國有控制實體之間進行的金融業務交易。

這些交易包括但不局限於下列各項：

- 借貸、提供貸項及擔保和接受存款；
- 銀行同業之存放及結餘；
- 售賣、購買、包銷及贖回由其他國有企業所發行之債券；
- 提供外匯、匯款及相關投資服務；
- 提供信託業務；及
- 購買公共事業、交通工具、電信及郵政服務。

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

(ii) Transactions with government authorities, agencies, affiliates and other state controlled entities

The Group is subject to the control of the State Council of the PRC Government through CIC and Central Huijin, which also directly and indirectly controls a significant number of entities through its government authorities, agencies, affiliates and other state controlled entities. The Group enters into banking transactions with government authorities, agencies and affiliates and other state controlled entities in the normal course of business and commercial terms.

These transactions may include, but are not limited to, the following:

- lending, provision of credits and guarantees, and deposit taking;
- inter-bank balance taking and placing;
- sales, purchase, underwriting and redemption of bonds issued by other state-controlled entities;
- rendering of foreign exchange, remittance and investment related services;
- provision of fiduciary activities; and
- purchase of utilities, transport, telecommunication and postage services.

財務報表附註 (續) Notes to the Financial Statements (continued)

47. 主要之有關連人士交易 (續) 47. Significant related party transactions (continued)

(b) 與聯營公司及其他有關連人士在正常業務範圍內進行之交易摘要

與本集團之聯營公司及其他有關連人士達成之有關連人士交易所產生之總收入及支出摘要如下：

(b) Summary of transactions entered into during the ordinary course of business with associates and other related parties

The aggregate income and expenses arising from related party transactions with associates and other related parties of the Group are summarised as follows:

		2009	
		聯營公司 Associates	其他有關連人士 Other related parties
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
收益表項目：	Income statement items:		
利息支出	Interest expense	-	-
已付保險費用	Insurance premium paid	(1)	-
已收／應收行政服務費用	Administrative services fees received/receivable	-	8
		<u>-</u>	<u>8</u>
資產負債表項目：	Balance sheet items:		
客戶存款	Deposits from customers	51	-
		<u>51</u>	<u>-</u>
		2008	
		聯營公司 Associates	其他有關連人士 Other related parties
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
收益表項目：	Income statement items:		
利息支出	Interest expense	(1)	-
已付保險費用	Insurance premium paid	-	-
已收／應收行政服務費用	Administrative services fees received/receivable	-	8
		<u>-</u>	<u>8</u>
資產負債表項目：	Balance sheet items:		
客戶存款	Deposits from customers	46	-
		<u>46</u>	<u>-</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

47. 主要之有關連人士交易 (續) 47. Significant related party transactions (continued)

(c) 主要高層人員

主要高層人員是指某些能直接或間接擁有權力及責任來計劃、指導及掌管集團業務之人士，包括董事及高層管理人員。本集團在正常業務中會接受主要高層人員存款及向其提供貸款及信貸融資。於本年及去年，本集團並沒有與中銀香港及其控股公司之主要高層人員或其有關連人士進行重大交易。

主要高層人員截至2009年12月31日及2008年12月31日止年度之薪酬如下：

(c) Key management personnel

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior management. The Group accepts deposits from and grants loans and credit facilities to key management personnel in the ordinary course of business. During both the current and prior years, no material transaction was conducted with key management personnel of BOCHK, its holding companies and parties related to them.

The key management compensation for the year ended 31 December 2009 and 2008 is detailed as follows:

	2009	2008
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
薪酬及其他短期員工福利	60	53
退休福利	1	1
	61	54

財務報表附註 (續) Notes to the Financial Statements (continued)

48. 貨幣風險

下表列出因外匯自營交易、非自營交易及結構性倉盤而產生之主要外幣風險額。期權盤淨額乃根據所有外匯期權合約之「得爾塔加權持倉」為基礎計算。

48. Currency concentrations

The following is a summary of the major foreign currency exposures arising from trading, non-trading and structural positions. The net options position is calculated based on the basis of delta-weighted positions of all foreign exchange options contracts.

		2009							
		港幣百萬元等值							
		Equivalent in million of HK\$							
		美元	日圓	歐元	澳元	英鎊	人民幣	其他貨幣	總計
		US Dollars	Japanese Yen	Euro	Australian Dollars	Pound Sterling	Renminbi	Others	Total
現貨資產	Spot assets	356,581	17,647	40,265	43,780	3,486	80,452	14,894	557,105
現貨負債	Spot liabilities	(228,420)	(2,304)	(24,465)	(30,795)	(15,579)	(79,442)	(23,456)	(404,461)
遠期買入	Forward purchases	419,917	19,012	21,741	23,307	31,121	71,103	34,469	620,670
遠期賣出	Forward sales	(536,700)	(34,296)	(37,537)	(36,557)	(19,273)	(70,644)	(25,910)	(760,917)
期權盤淨額	Net options position	233	(2)	(5)	(7)	1	-	7	227
長 / (短) 盤淨額	Net long/(short) position	11,611	57	(1)	(272)	(244)	1,469	4	12,624
結構倉盤淨額	Net structural position	295	-	-	-	-	2,958	-	3,253

		2008							
		港幣百萬元等值							
		Equivalent in million of HK\$							
		美元	日圓	歐元	澳元	英鎊	人民幣	其他貨幣	總計
		US Dollars	Japanese Yen	Euro	Australian Dollars	Pound Sterling	Renminbi	Others	Total
現貨資產	Spot assets	322,611	45,677	39,953	26,578	13,662	69,588	11,006	529,075
現貨負債	Spot liabilities	(278,441)	(10,671)	(26,033)	(28,009)	(16,730)	(68,161)	(22,252)	(450,297)
遠期買入	Forward purchases	328,459	28,024	31,497	17,948	18,249	22,282	39,376	485,835
遠期賣出	Forward sales	(364,547)	(62,847)	(45,720)	(16,688)	(15,190)	(22,273)	(28,126)	(555,391)
期權盤淨額	Net options position	131	2	7	8	(9)	-	3	142
長 / (短) 盤淨額	Net long/(short) position	8,213	185	(296)	(163)	(18)	1,436	7	9,364
結構倉盤淨額	Net structural position	158	-	-	-	-	1,719	-	1,877

財務報表附註 (續)

Notes to the Financial Statements (continued)

49. 跨國債權

跨國債權資料顯示對海外交易對手之最終風險之地區分佈，並會按照交易對手所在地計入任何風險轉移。一般而言，假如債務之擔保人所處國家與借貸人不同，或債務由某銀行之海外分行作出而其總公司位處另一國家，則會確認跨國債權風險之轉移。佔總跨國債權 10% 或以上之地區方作分析及披露如下：

49. Cross-border claims

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

	銀行 Banks	公共機構 Public sector entities	其他 Others	總計 Total
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 2009 年 12 月 31 日				
At 31 December 2009				
亞洲，不包括香港				
Asia, other than Hong Kong				
- 中國內地	89,075	58,893	46,642	194,610
- 日本	15,961	16,374	1,511	33,846
- 其他	42,766	674	20,607	64,047
	<u>147,802</u>	<u>75,941</u>	<u>68,760</u>	<u>292,503</u>
北美洲				
North America				
- 美國	1,981	39,587	31,980	73,548
- 其他	12,493	1,754	1,425	15,672
	<u>14,474</u>	<u>41,341</u>	<u>33,405</u>	<u>89,220</u>
西歐				
Western Europe				
- 德國	33,836	3,387	471	37,694
- 其他	90,841	8,477	5,957	105,275
	<u>124,677</u>	<u>11,864</u>	<u>6,428</u>	<u>142,969</u>
總計	<u>286,953</u>	<u>129,146</u>	<u>108,593</u>	<u>524,692</u>
Total	<u>286,953</u>	<u>129,146</u>	<u>108,593</u>	<u>524,692</u>

財務報表附註 (續) **Notes to the Financial Statements (continued)**

49. 跨國債權 (續) **49. Cross-border claims (continued)**

		銀行 Banks	公共機構 Public sector entities	其他 Others	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2008 年 12 月 31 日	At 31 December 2008				
亞洲，不包括香港	Asia, other than Hong Kong				
- 中國內地	- Mainland China	62,532	52,228	47,481	162,241
- 日本	- Japan	19,475	39,462	1,522	60,459
- 其他	- Others	42,366	54	16,293	58,713
		<u>124,373</u>	<u>91,744</u>	<u>65,296</u>	<u>281,413</u>
北美洲	North America				
- 美國	- United States	3,812	29,065	60,801	93,678
- 其他	- Others	20,380	686	150	21,216
		<u>24,192</u>	<u>29,751</u>	<u>60,951</u>	<u>114,894</u>
西歐	Western Europe				
- 德國	- Germany	35,693	664	1,252	37,609
- 其他	- Others	126,866	353	6,946	134,165
		<u>162,559</u>	<u>1,017</u>	<u>8,198</u>	<u>171,774</u>
總計	Total	<u>311,124</u>	<u>122,512</u>	<u>134,445</u>	<u>568,081</u>

財務報表附註 (續) Notes to the Financial Statements (continued)

50. 非銀行的中國內地風險承擔

非銀行業之交易對手乃按照金管局報表「貸款、墊款及準備金分析季報表」內的定義界定。於12月31日有關非銀行的內地風險承擔如下：

50. Non-bank Mainland China exposures

Non-bank counterparties are identified in accordance with the definitions set out in the prudential return "Quarterly Analysis of Loans and Advances and Provisions" issued by the HKMA. Exposures in Mainland China arising from non-bank counterparties at 31 December are summarised as follows:

		2009			
	資產負債 表內的 風險承擔 On- balance sheet exposure 港幣百萬元 HK\$m	資產負債 表外的 風險承擔 Off- balance sheet exposure 港幣百萬元 HK\$m	總風險承擔 Total exposure 港幣百萬元 HK\$m	個別評估 之減值準備 Individually assessed impairment allowances 港幣百萬元 HK\$m	
中國內地機構	101,935	44,228	146,163	73	
中國境外公司及個人用於境 內的信貸	26,176	18,260	44,436	81	
其他非銀行的中國內地風險 承擔	<u>22,203</u>	<u>7,605</u>	<u>29,808</u>	<u>42</u>	
	<u>150,314</u>	<u>70,093</u>	<u>220,407</u>	<u>196</u>	
		2008			
	資產負債 表內的 風險承擔 On- balance sheet exposure 港幣百萬元 HK\$m	資產負債 表外的 風險承擔 Off- balance sheet exposure 港幣百萬元 HK\$m	總風險承擔 Total exposure 港幣百萬元 HK\$m	個別評估 之減值準備 Individually assessed impairment allowances 港幣百萬元 HK\$m	
中國內地機構	79,365	66,107	145,472	53	
中國境外公司及個人用於境 內的信貸	25,979	13,701	39,680	119	
其他非銀行的中國內地風險 承擔	<u>14,095</u>	<u>7,824</u>	<u>21,919</u>	<u>56</u>	
	<u>119,439</u>	<u>87,632</u>	<u>207,071</u>	<u>228</u>	

財務報表附註 (續)

Notes to the Financial Statements (continued)

51. 最終控股公司

51. Ultimate holding company

中華人民共和國國務院通過中國投資有限責任公司、其附屬公司中央匯金投資有限責任公司(「匯金」)及匯金擁有控制權益之中國銀行,對本集團實行控制。

The Group is subject to the control of the State Council of the PRC Government through China Investment Corporation, its wholly-owned subsidiary Central Huijin Investment Ltd. ("Central Huijin"), and BOC in which Central Huijin has controlling equity interests.

52. 期後事項

52. Events after the balance sheet date

於2010年2月11日,中銀香港發行本金總額為16億美元的後償票據。後償票據的發售價為後償票據本金額的99.591%。後償票據以美元計值,期限為10年及於2020年到期,於有效期內按固定年利率5.55厘計息,利息每半年於期末支付。

On 11 February 2010, BOCHK issued Subordinated Notes with aggregate principal amount of US\$1,600 million. The offering price of the Subordinated Notes was 99.591% of the principal amount of the Subordinated Notes. The Subordinated Notes are denominated in US dollars, have a maturity of 10 years due in 2020, and bear a fixed interest rate of 5.55% per annum during its term with interest payable semi-annually in arrears.

後償票據根據金管局的監管規定列作中銀香港的二級資本。

The Subordinated Notes qualify as Tier 2 Capital of BOCHK pursuant to the regulatory requirements of the HKMA.

中銀香港應用發行後償票據所得款項於償還部分由中國銀行於2008年12月向中銀香港提供的後償貸款。金管局已批准提早償還後償貸款,中國銀行與中銀香港就此訂立協議。

BOCHK applied the proceeds from the issue of the Subordinated Notes to partly repay the Subordinated Credit Facility provided by BOC to BOCHK in December 2008. HKMA has approved such early repayment of the Subordinated Credit Facility, and BOC and BOCHK entered into an agreement to provide for the same.

53. 財務報表核准

53. Approval of financial statements

本財務報表已於2010年3月23日經董事會通過及核准發佈。

The financial statements were approved and authorised for issue by the Board of Directors on 23 March 2010.

未經審核之 補充財務資料

風險管理

總覽

集團深信良好的風險管理是企業成功的重要元素。在日常經營中高度重視風險管理，並強調風險控制與業務增長及發展之間要取得平衡。集團業務的主要內在風險包括信貸風險、利率風險、市場風險、流動資金風險、操作風險、信譽風險、法律及合規風險及策略風險。集團的風險管理目標是在提高股東價值的同時確保風險控制在可接受的水平之內。

風險管理管治架構

集團風險管理管治架構覆蓋業務發展的全部過程，以保證在業務經營中的各類風險都能得到有效管理及控制。集團擁有完善的風險管理架構，並有一套全面的風險管理政策及程序，用以識別、量度、監察及控制可能出現的各類風險。有關風險管理政策及程序會定期重檢及更新，以配合市場及業務策略的轉變。不同層面的風險承擔者分別負責與其相關的風險管理責任。

董事會代表著股東的利益，是集團風險管理的最高決策機構，並對風險管理負最終責任。董事會在其屬下委員會的協助下，負責確定集團的總體風險管理策略，並確保集團具備有效的風險管理系統以落實執行有關策略。董事會下設常設委員會即風險委員會，負責監控本集團各類風險；審批高層次的風險相關政策，並監督其執行；審查重大的或高風險的風險承擔或交易，並對認為不應該進行的交易行使否決權。稽核委員會協助董事會履行內部監控系統的監控職責。

Unaudited Supplementary Financial Information

Risk Management

Overview

The Group believes that sound risk management is crucial to the success of any organisation. In its daily operation, the Group attaches a high degree of importance to risk management and emphasises that a balance must be struck between risk control and business growth and development. The principal types of risks inherent in the Group's businesses are credit risk, interest rate risk, market risk, liquidity risk, operational risk, reputation risk, legal and compliance risk, and strategic risk. The Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable limits.

Risk Management Governance Structure

The Group's risk management governance structure is designed to cover the whole process of all businesses and ensure various risks are properly managed and controlled in the course of conducting business. The Group has a sound risk management organisational structure. It implements a comprehensive set of policies and procedures to identify, measure, monitor and control various risks that may arise. These risk management policies and procedures are regularly reviewed and modified to reflect changes in markets and business strategies. Various groups of risk takers assume their respective responsibilities for risk management.

The Board of Directors, representing the interests of shareholders, is the highest decision-making authority of the Group and has the ultimate responsibility for risk management. The Board, with the assistance of its committees, has the primary responsibility for formulating risk management strategies and ensuring that the Group has an effective risk management system to implement these strategies. The Risk Committee ("RC"), a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, reviewing and approving high-level risk-related policies and overseeing their implementation, reviewing significant or high risk exposures or transactions and exercising its power of veto if it considers that any transaction should not proceed. The Audit Committee assists the Board in fulfilling its role in overseeing the internal control system.

未經審核之 補充財務資料 (續)

風險管理 (續)

風險管理管治架構 (續)

總裁負責管理本集團各類風險，審批詳細的風險管理政策，在董事會授權範圍內審批重大風險承擔或交易。風險總監負責協助總裁履行對各類風險日常管理的職責，提出新的風險管理策略、項目和措施以配合監管要求的變化，從而使集團更好地監察及管理新業務、產品及營運環境轉變而引致的風險。風險總監還根據授權負責審核重大風險承擔或交易，並對認為不應該進行的交易行使否決權。

本集團的不同單位都有其相應的風險管理責任。業務單位是風險管理的第一道防線，而風險管理單位則獨立於業務單位，負責各類風險的日常管理，以及草擬、檢查和更新各類風險管理政策和程序。

集團的主要附屬銀行南商、南商(中國)及集友，亦採用與集團一致的風險管理政策。這些附屬公司獨立執行其風險管理策略，並定期向集團管理層匯報。

信貸風險管理

信貸風險指因客戶或交易對手未能或不願意履行與本集團簽訂的合約責任的風險。信貸風險主要來自借貸、貿易融資及資金業務，包括銀行同業交易、外匯及衍生交易、債券及證券投資。集團信貸風險管理之詳細資料請見本年報中財務報表附註 4。

利率風險管理

集團的利率風險主要是結構性風險。結構性持倉的主要利率風險類別為利率重訂風險、利率基準風險、收益率曲線風險及客戶擇權風險。集團利率風險管理之詳細資料請見本年報中財務報表附註 4。

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

Risk Management Governance Structure (continued)

The Chief Executive ("CE") is responsible for managing the Group's various types of risks, approving detailed risk management policies, and approving material risk exposures or transactions within his authority delegated by the Board of Directors. The Chief Risk Officer ("CRO") assists the CE in fulfilling his responsibilities for the day-to-day management of risks. The CRO is responsible for initiating new risk management strategies, projects and measures that will enable the Group to better monitor and manage new risk issues or areas that may arise from time to time from new businesses, products and changes in the operating environment. He may also take appropriate initiatives in response to regulatory changes. The CRO is also responsible for reviewing material risk exposures or transactions within his delegated authority and exercising his power of veto if he believes that any transaction should not proceed.

Various units of the Group have their respective risk management responsibilities. Business units act as the first line of defence while risk management units, which are independent from the business units, are responsible for the day-to-day management of different kinds of risks. Risk management units have the primary responsibilities for drafting, reviewing and updating various risk management policies and procedures.

The Group's principal banking subsidiaries, Nanyang, NCB (China) and Chiyu, are subject to risk policies that are consistent with those of the Group. These subsidiaries execute their risk management strategies independently and report to the Group's management on a regular basis.

Credit Risk Management

Credit risk is the risk that a customer or counterparty will be unable to or unwilling to meet its obligations under a contract. It arises principally from lending, trade finance and treasury businesses, and covers inter-bank transactions, foreign exchange and derivative transactions as well as investments in bonds and securities. For details of the Group's Credit Risk Management, please refer to Note 4 to the Financial Statements in this Annual Report.

Interest Rate Risk Management

The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are repricing risk, basis risk, yield curve risk and option risk. For details of the Group's Interest Rate Risk Management, please refer to Note 4 to the Financial Statements in this Annual Report.

未經審核之
補充財務資料 (續)
風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

市場風險管理

Market Risk Management

市場風險是指因為市場利率或價格波動導致交易賬及銀行賬出現虧損的風險。集團交易賬的市場風險包括來自客戶業務及自營持倉。自營持倉每日均會按市值計價。風險包括因為外匯、利率、股票和商品價格波動引致的潛在損失。集團銀行賬的頭盤面對利率及流動性風險，尤其是集團的債券投資盤，由於有關持倉每月均需按市值計價，故需承受因債務證券的市場價格變化而引致的潛在損失。

Market risk is the risk of loss that results from movements in market rates and prices of both the trading book and banking book. The Group's market risk in the trading book arises from customer-related business and proprietary trading. Trading positions are subject to daily mark-to-market valuation. The risk includes potential losses arising from a change in foreign exchange and interest rates as well as the prices of equities and commodities. Banking book positions are subject to interest rate risk and liquidity risk. In particular, the Group's bond investment portfolio is exposed to the potential losses arising from changes in market price of the debt securities as these positions are subject to monthly mark-to-market valuation.

市場風險管理架構

Market risk management framework

市場風險根據風險委員會批核的主要風險限額，包括頭盤限額和／或風險因素敏感度限額進行管理。由 2007 年 4 月份開始中銀香港正式應用涉險值限額作為日常風險控管工具。整體風險限額參照不同的風險產品，包括利率、匯率、商品及股票價格，再細分為不同限額。而風險產品分類是根據交易內所含風險特點劃分為不同的風險產品類別。

Market risk is managed within various major risk limits approved by the RC, including risk positions and/or risk factor sensitivities. Since April 2007, BOCHK has also formally applied Value-at-Risk (VAR) limit as a daily risk management tool. These overall risk limits are divided into sub-limits by reference to different risk products, including interest rates, foreign exchange rates, commodities and equities. Transactions are classified into different risk product categories according to the prominent type of risk inherent in the transactions.

就中銀香港而言，銀行賬產生之市場風險須按不同的風險限額進行管理，包括敏感度限額如基點價值限額與期權敏感度限額，及 AFS 涉險經濟價值限額（用以控制可供出售債券投資組合的價格變化對資本基礎的影響）。另外，本行亦設立管理層關注虧損上限以控制銀行賬的金融工具對銀行盈利的影響。有關的限額由資產負債管理委員會審批，而結果會每月定期向資產負債管理委員會匯報。

For BOCHK, banking book market risk is managed within various risk limits such as sensitivity limits like Present Value per Basis Point (PVBP) limits and Greek limits, and the AFS Economic Value Impact limit (which is aimed at controlling the price risk impact of the available-for-sale debt securities portfolio on the Bank's capital base). In addition, Profit-and-loss Management Alert Limit (P/L MAL) is set up to control the earnings impact arising from the banking book's financial instruments. These limits are approved by the Asset and Liability Management Committee ("ALCO") and the results are reported to ALCO on a monthly basis.

未經審核之
補充財務資料 (續)
風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

市場風險管理 (續)

Market Risk Management (continued)

集團的風險管理目標是在提高股東價值的同時確保風險控制在可接受的水平之內。集團之市場風險管理框架包括三個層次：董事會為最高決策機構。制訂風險管理程序、實施機制、及監控合規情況，主要由高層管理人員（包括總裁及風險總監）負責。風險管理部負責監察集團市場風險，確保整體和個別的市場風險均控制在集團可接受的風險水平之內。另每天對風險承擔進行監控，以確保控制在既定的風險限額內並且定期向高層管理人員匯報。南商、南商（中國）、集友及中銀人壽均設有獨立的風險監控單位，每日對限額合規進行監控。

As aforesaid, the Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable limits. The Group's market risk management framework comprises three levels. The Board of Directors is the ultimate decision-making authority. The formulation of risk management procedures and the implementation mechanism as well as the monitoring of compliance are mainly the responsibility of the Group's senior management (including CE and CRO). The Risk Management Department (RMD) is responsible for overseeing the Group's market risk to ensure that overall and individual market risks are within the Group's risk tolerance. Risk exposures are monitored on a day-to-day basis to ensure that they are within the established risk limits and are regularly reported to the senior management. Nanyang, NCB (China), Chiyu and BOC Life have their own independent risk monitoring units to monitor limit compliance on a daily basis.

集團規定各單位在經過風險委員會批核的各市場風險限額和高層管理人員批准的可供做工具清單內經營業務，從而控制市場風險，並且規定各單位需執行嚴謹的新產品審批程序以確保全面識別、正確度量 and 充分監控所有的風險。

The Group controls market risk by restricting individual operations to trade only a list of permissible instruments authorised by the senior management and within various market risk limits approved by RC. The individual operations are also required to enforce rigorous new product approval procedures to ensure that all risks that may arise are thoroughly identified, properly measured and adequately controlled.

集團也採用涉險值技術量度交易賬的潛在損失和市場風險，定期向風險委員會和高層管理人員報告。涉險值是一種統計學方式，用以估量在一段特定時間內，按指定的置信度，所持頭盤可能造成的損失。中銀香港作為集團內承擔主要交易賬市場風險的銀行機構，其市場風險以主要貨幣外匯敞口為主，日常亦以涉險值監控其交易賬市場風險。

The Group also uses the VAR technique to measure potential losses and market risks of its trading book for reporting to the RC and senior management on a periodic basis. VAR is a statistical technique to estimate the potential losses that could occur on risk positions taken over a specified time horizon within a given level of confidence. BOCHK, being the banking entity within the Group with the major trading positions, which are mainly foreign currency positions in major currencies, uses VAR technique to monitor and control market risk on a daily basis.

集團採用歷史模擬法，以市場利率及價格的歷史變動、99%置信水平及 1 天持有期等基準，計算組合及個別涉險值。利用過去 2 年的市場數據來計算市場價格的波動。

The Group uses historical simulation approaches to calculate portfolio and individual VAR by historical movements in market rates and prices, given a 99% confidence level and a 1-day holding period. Movements in market prices are calculated by reference to market data from the last two years.

未經審核之
補充財務資料 (續)
風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

市場風險管理 (續)

Market Risk Management (continued)

涉險值

VAR

以下表格詳述中銀香港自營市場
風險持倉的涉險值¹。

The following table sets out the VAR for all trading market risk exposure¹ of BOCHK.

港幣百萬元	HK\$m		12月31日 At 31 December	全年 最低數值 Minimum for the year	全年 最高數值 Maximum for the year	全年 平均數值 Average for the year
所有市場風險持倉之涉險值	VAR for all market risk	- 2009	9.8	9.0	16.3	12.6
		- 2008	12.6	3.0	13.5	6.5
匯率風險產品持倉之涉險值	VAR for foreign exchange risk	- 2009	7.7	7.4	15.8	11.3
	products	- 2008	13.1	2.5	14.2	6.0
利率風險產品持倉之涉險值	VAR for interest rate risk	- 2009	6.4	2.1	12.8	5.7
	products	- 2008	4.2	1.0	5.9	2.9
股票風險產品持倉之涉險值	VAR for equity risk products	- 2009	0.1	0.1	2.5	0.3
		- 2008	0.2	0.1	2.8	0.5
商品風險產品持倉之涉險值	VAR for commodity risk	- 2009	0.0	0.0	0.1	0.0
	products	- 2008	0.0	0.0	0.5	0.0

2009年，中銀香港從市場風險相關的自營交易活動賺得的每日平均收益²為港幣3.88百萬元（2008年：港幣5.35百萬元）。

In 2009, the average daily revenue² of BOCHK earned from market risk-related trading activities was HK\$3.88 million (2008: HK\$5.35 million).

¹ 不包括外匯結構性敞口的涉險值。

¹ Structural FX positions have been excluded.

² 不包括外匯結構性敞口的損益及背對背收入。

² Revenues from structural FX positions and back-to-back transactions have been excluded.

利用回顧測試可以檢討涉險值的準確性。回顧測試是將交易賬持盤的涉險值數字與下一個交易日從這些持盤得到的實際收入作出比較，而實際交易收入中不包括非交易收益，例如費用及佣金。若交易收入為負值而且超越涉險值數字，則出現例外情況。回顧測試結果向集團高層管理人員（包括總裁及風險總監）報告。

The predictive power of the VAR measure is monitored by back-testing, which compares the calculated VAR figure of those trading positions of each business day with the actual revenues arising on those positions on the next business day. These actual revenues exclude non-trading income, including fees and commissions. If back-testing revenues are negative and exceeding the VAR, a "back-testing exception" is noted. Back-testing results are reported to the Group's senior management, including CE and CRO.

**未經審核之
 補充財務資料 (續)
 風險管理 (續)**

Unaudited Supplementary Financial Information (continued)

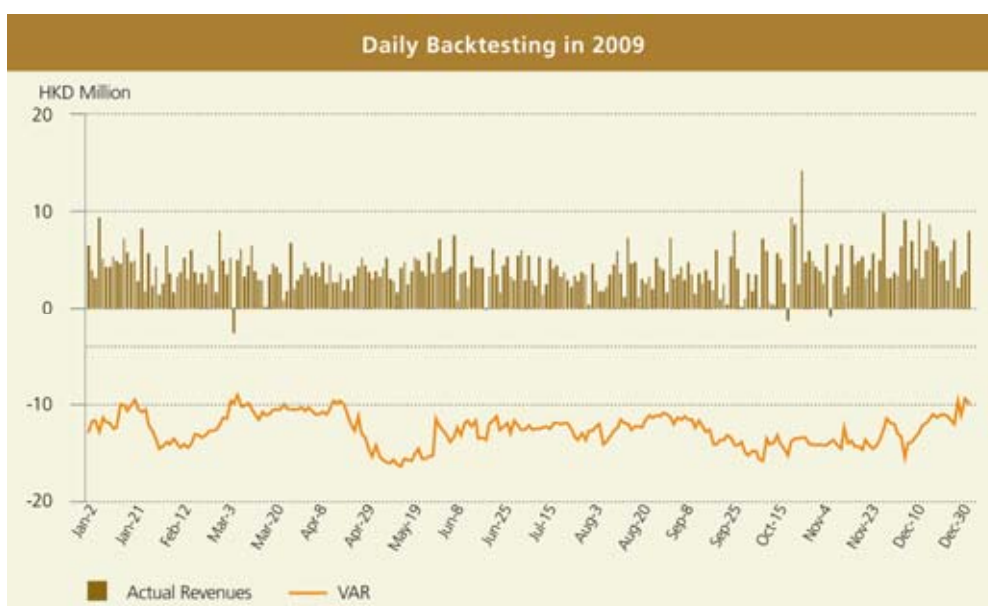
Risk Management (continued)

市場風險管理 (續)

Market Risk Management (continued)

一般而言，以 99% 置信水平計算的涉險值，在連續 12 個月內的例外情況應該不超過 4 次。中銀香港每月進行回顧測試，下圖表示中銀香港實際交易收入以及回顧測試的結果。

Generally speaking, the number of back-testing exceptions in a rolling 12-month period will not exceed four times, given a 99% confidence level. BOCHK conducts back-testing on a monthly basis and the graph below shows the back-testing result of the trading VAR of BOCHK.



在 2009 年內，中銀香港沒有實際交易損失超過涉險值的情況。

There is no actual loss exceeding the VAR estimate for BOCHK in 2009.

雖然涉險值是量度風險的一項重要指引，但應留意它有一定局限性，例如：

Although a valuable guide to risk, VAR should always be viewed in the context of its limitations. For example:

- 採用過往數據作為估計未來動態的準則，未能顧及所有可能出現的情況，特別是一些極端情況；
- the use of historical data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;
- 一日持倉期的計算方法乃假設所有頭盤均可以在一日內套現或對沖。這項假設未必能完全反映市場風險，尤其在市場流通度極低時，可能未及在一日持倉期內套現或對沖所有頭盤，因而產生的市場風險；
- the use of a one-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;

未經審核之
補充財務資料 (續)
風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

市場風險管理 (續)

Market Risk Management (continued)

- 根據定義，當採用99%置信水平時，即未有考慮在此置信水平以外或會出現的虧損；以及
- 涉險值是以營業時間結束時的頭盤作計算基準，因此並不一定反映交易時段內的風險。

- the use of a 99 per cent confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and
- VAR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

集團理解上述局限，並制定其他頭盤及敏感度限額，以補充涉險值限額的局限性。此外，集團亦對個別組合及集團的整體頭盤情況進行多種壓力測試。交易賬壓力測試包括按不同風險因素改變的嚴峻程度所作的敏感性測試，以及對歷史事件的情景分析，包括1987股災、1994債券市場危機、1997亞洲金融風暴和2001年美國911事件。因應2008年金融市場的動盪情況，集團亦重檢相關的壓力測驗以確保其足夠性。集團高層管理人員透過壓力測試，評估當出現特定的極端事故時所引致的金融衝擊對集團所承擔的市場風險的影響。

The Group recognises these limitations by augmenting its VAR limits with other position and sensitivity limit structures. Additionally, the Group applies a wide range of stress testing, both on individual portfolios and on the Group's consolidated positions. The stress testing programme of the trading book includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1987 Equity Market Crash, 1994 Bond Market Crash, the 1997 Asian Financial Crisis and the 11 September event in the United States in 2001. The Group has been constantly reassessing the stress testing programme to ensure its adequacy after the global financial crisis in 2008. The Group's stress-testing regime provides the senior management with an assessment of the financial impact of identified extreme events on the market risk exposures of the Group.

流動資金風險管理

Liquidity Risk Management

流動資金風險管理的目標是令集團即使在惡劣市況下，仍能以合理成本按時提供所需資金，以償付到期債務、資產增長和落實戰略的要求。

The aim of liquidity management is to enable the Group to meet, even under adverse market conditions, all its maturing repayment obligations on time, and to fund all its asset growth and strategic opportunities with reasonable costs.

流動資金風險管理在集團和子公司兩個層面同時進行。在平衡風險承擔和流動性的基礎上，中銀香港及所有子公司均需要保持充足的日常流動性頭寸和恰當的現金流水平，確保所有的到期債務都能獲得有效償付。子公司需定期向中銀香港報告流動性狀況。2009年期內，集團對不同的壓力情境進行壓力測試，確保流動資金風險控制在集團風險承受能力以內。

Liquidity management is carried out at both the Group and subsidiary level. BOCHK and its subsidiaries are required to maintain a strong daily liquidity position and a healthy cash flow aligning risk-taking incentives with liquidity exposures and to make sure that all funding obligations are met when due. The subsidiaries are required to report their respective liquidity positions to BOCHK on a regular basis. In 2009, the Group conducted more stress testing under different stress conditions to ensure that risks were managed within the Group's tolerance level.

未經審核之
補充財務資料（續）
風險管理（續）

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

流動資金風險管理（續）

Liquidity Risk Management (continued)

流動資金風險計量和監控程序根據監管當局發佈的指引制定，並在風險委員會及資產負債管理委員會簽發的相關政策及辦法中予以明確。集團資產負債管理策略的主要目標，是要在有效的風險管理機制內保持足夠的流動性和資本金，同時爭取最佳回報。資產負債管理委員會負責制訂政策方針（包括流動資金風險應變計劃），風險委員會負責審批流動資金管理政策。資產負債管理部根據既定政策對流動資金風險進行管理，並定期向資產負債管理委員會匯報。風險管理部對資產負債管理部提出的政策、辦法及限額進行審核。透過現金流分析（分別在正常及壓力情況下）和檢視存款到期結構、風險集中度、錯配比率、貸存比率及投資組合的流動資金狀況，來監察流動資金風險。

The risk measurement and monitoring process is set in accordance with the requirements and guidelines issued by the regulatory authorities and is stated in the policies and procedures endorsed by RC and ALCO. The primary objective of the Group's asset and liability management strategy is to achieve optimal returns while ensuring adequate levels of liquidity and capital within an effective risk control framework. ALCO is responsible for establishing these policy directives (including the liquidity contingency plan), and RC sanctions the liquidity management policies. The Asset and Liability Management Department ("ALMD") manages the liquidity risk according to the established policies and reports to ALCO regularly. RMD reviews the policies, guidelines and limits proposed by ALMD. Liquidity risk measurements include cash flow analysis (under normal and stress conditions respectively), deposits maturity structure, concentration risk, mismatch ratios, loan-to-deposit ratio and liquidity profile of the investment portfolio.

集團業務所需的資金主要來自零售及企業客戶的存款。此外，集團亦可發行存款證以獲取長期資金，或透過調整集團的投資組合內資產結構以獲取資金。集團將資金大部分用於貸款、投資債務證券或拆放同業。

The Group funds its operations principally by accepting deposits from retail and corporate depositors. In addition, the Group may issue certificates of deposit to secure long-term funds. Funding may also be secured through adjusting the asset mix in the Group's investment portfolio. The Group uses the majority of funds raised to extend loans, to purchase debt securities or to conduct interbank placements.

操作風險管理

Operational Risk Management

操作風險是指因操作流程不完善或失效、人為過失、電腦系統故障或外界事件等因素造成損失的風險。操作風險隱藏於業務操作的各個環節，是銀行在日常操作活動中面對的風險。

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The risk is inherent in every aspect of business operations and confronted by the Bank in its day to day operational activities.

集團建立了有效的內部控制程序，對所有重大活動訂下詳細的政策及監控措施。設置適當的職責分工和授權乃集團緊守的基本原則。企業層面的操作風險管理政策及程序由操作風險及合規部制定，交風險委員會審批。

The Group has put in place an effective internal control process which requires the establishment of detailed policies and control procedures for all the key activities. Proper segregation of duties and authorisation is the fundamental principle followed by the Group. Corporate-level policy and procedure on operational risk management are formulated by the Operational Risk & Compliance Department ("OR&CD") and approved by RC.

未經審核之
補充財務資料 (續)
風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

操作風險管理 (續)

Operational Risk Management (continued)

集團的操作風險管理框架採用「三道防線」的模型：所有部門及業務單位為第一道防線，透過採用合適的工具，例如重要風險指標、自我評估及操作風險事件匯報機制來識別、評估及控制潛在於業務／功能流程、活動及產品內的風險，承擔管理及匯報其內部操作風險的責任。操作風險及合規部連同集團內一些與操作風險管理相關的功能部門為第二道防線。操作風險及合規部除制定操作風險管理政策和程序之外，亦負責開發和引入操作風險管理工具，監控各單位管理操作風險的表現和結果，對操作風險狀況進行評估，記錄操作風險數據，並向風險委員會及高層管理人員匯報操作風險事項，以協助從總體上管理集團操作風險。部分功能部門包括：人力資源部、資訊科技部、公司服務部、財務管理部、會計部及操作風險及合規部，需就其功能所負責的風險範圍內履行企業層面的操作風險管理職能，並就指定的操作風險管理範疇向其他單位提供專業意見／培訓。稽核部為第三道防線，負責對操作風險管理工作的合規性及有效性作獨立檢查。

The Group has adopted the “Three Lines of Defence” model for its operational risk management framework. All departments and business units are the first line of defence, responsible for managing and reporting operational risks specific to their business/functional areas by applying the respective tools such as key risk indicators, self assessment and operational risk events reporting mechanism to identify, assess and control the risks inherent in their business/functional processes, activities and products. OR&CD together with certain operational risk-related functional departments within the Group are the second line of defence. In addition to formulating the operational risk management policy and procedure, OR&CD is also responsible for developing and introducing operational risk management tools, monitoring the performance and result of operational risk management in various units, assessing operational risk profile, recording operational risk data and reporting operational risk events to RC and the senior management in order to assist the overall management of the Group's operational risk. Certain functional departments, including Human Resources Department, Information Technology Department, Corporate Services Department, Financial Management Department, General Accounting & Accounting Policy Department and OR&CD, are required to carry out the corporate-level operational risk management for the risk areas that are under their functional responsibilities and to provide other units with professional advice/training in respect of certain operational risk categories. The Audit Department is the third line of defence, responsible for conducting independent audit of the operational risk management activities to evaluate their compliance and effectiveness.

集團亦透過購買保險將未能預見的操作風險轉移。對支援緊急或災難事件時的業務運作備有緊急事故應變方案，並維持充足的後備設施及定期進行演練。

The Group also takes out insurance to mitigate unforeseeable operational risks. Business continuity plans are in place to support business operations in the event of an emergency or disaster. Adequate backup facilities are maintained and periodic drills are conducted.

未經審核之 補充財務資料 (續) 風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

信譽風險管理

信譽風險指因與本集團業務經營有關的負面報道 (不論是否屬實), 可能引致客戶基礎縮小、成本高昂的訴訟或收入減少等風險。信譽風險隱藏於各業務運作環節, 涉及面廣。

為減低信譽風險, 本集團制訂並遵循信譽風險管理政策。此政策的目的是當信譽風險事件發生時本集團應盡早識別和積極防範, 同時要求緊密監察外界的信譽風險事故, 並從金融業界已公開的信譽風險事件中汲取經驗。

在「雷曼兄弟迷你債券事件」上, 本集團根據監管指引謹慎地處理相關客戶投訴個案, 及根據回購計劃和投訴處理程序回購了大部分未到期的迷你債券, 以減低銀行的信譽風險。

法律及合規風險管理

法律風險指因不可執行合約、訴訟或不利判決而可能使本集團運作或財務狀況出現混亂或負面影響的風險。合規風險指因未有遵守所有適用的法律和監管規例而可能導致銀行須承受法律或監管機構制裁、財務損失或信譽損失的風險。法律及合規風險由操作風險及合規部管理, 領導該部門的總經理需向風險總監匯報。

策略風險管理

策略風險是指因在策略制訂和實施過程中失當, 或未能對市場變化作出及時的調整, 從而影響集團現在或未來的財務狀況和市場地位。董事會檢討和審批策略風險管理政策。重點戰略事項均得到高層管理人員與董事會的充分評估與適當的審批。

本集團會因應最新市場情況及發展, 定期檢討業務策略。

Reputation Risk Management

Reputation risk is the risk that negative publicity regarding the Group's business practices, whether genuine or not, will cause a potential decline in the customer base or lead to costly litigation or revenue erosion. Reputation risk is inherent in every aspect of business operation and covers a wide spectrum of issues.

In order to mitigate reputation risk, the Group has formulated and duly followed its Reputation Risk Management Policy. The policy aims to prevent and manage reputation risk proactively at an early stage when an incident occurs. The system entails continuous monitoring of external reputation risk incidents and published failures of risk incidents in the financial industry.

In the Lehman Brothers minibonds incident, the Group has handled customer complaints in accordance with regulatory guidelines to minimise the reputation risk and repurchased most of the outstanding Minibonds under the Repurchase Scheme and its complaint handling process.

Legal and Compliance Risk Management

Legal risk is the risk that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operation or financial condition of the Group. Compliance risk is the risk of legal or regulatory sanctions, financial loss, or loss to reputation a bank may suffer as a result of its failure to comply with all applicable laws and regulations. Legal and compliance risks are managed by OR&CD headed by a General Manager who reports to CRO.

Strategic Risk Management

Strategic risk generally refers to the risks that may induce immediate or future negative impact on the financial and market positions of the Group because of poor strategic decisions, improper implementation of strategies and lack of response to the market. The Board of Directors reviews and approves the policy for the management of strategic risks. Key strategic issues have to be fully evaluated and properly endorsed by the senior management and the Board.

The Group will regularly review its business strategies to cope with the latest market situation and developments.

未經審核之
補充財務資料 (續)
風險管理 (續)

Unaudited Supplementary Financial Information (continued)

Risk Management (continued)

資本管理

Capital Management

資本管理的主要目標是維持與其綜合風險狀況相稱的資本實力，同時為股東帶來最大回報。集團定期檢討其資本結構，並在有需要時考慮調整資本組合。資產負債管理委員會負責監控集團的資本充足性。在 2009 年的經營期間內，本集團的資本水平符合各項法定要求。

The major objective of capital management is to maximise shareholders' total return while maintaining a capital adequacy position commensurate with the Group's overall risk profile. The Group periodically reviews its capital structure and adjusts its capital mix where appropriate. ALCO monitors the Group's capital adequacy position. The Group has complied with all the statutory capital standards for all the periods in 2009.

為符合香港金融管理局監管政策手冊「監管審查程序」內的要求，本集團已建立內部資本充足評估程序(ICAAP)。以法定最低資本充足率 (8%) 為出發點，對涵蓋第一支柱所未能捕捉的風險所需的額外資本作出評估。本集團採用計分卡的方法評估集團的風險狀況及額外資本需要，從而設定最低資本充足率。另外，本集團亦設定了資本充足率運作區間，以支持業務發展需要及促進資本的有效運用。

To comply with HKMA's requirements as stated in the Supervisory Policy Manual "Supervisory Review Process", the Group has implemented its internal capital adequacy assessment process (ICAAP). Using the statutory minimum capital adequacy ratio (CAR), 8%, as a starting point, extra capital (capital add-on) needed to cover the risks not captured under Pillar I is assessed. Scorecard methodology has been used to evaluate the Group's risk profile in order to assess the capital add-on and determine the minimum CAR. An Operating CAR Range has also been established which incorporates the need for future business growth and efficiency of capital utilisation.

壓力測試

Stress Testing

集團以壓力測試輔助各項風險的分析工作。壓力測試是一種風險管理工具，用以評估當市場或宏觀經濟因素急劇變化並產生極端不利的經營環境時銀行風險暴露的情況。集團內各風險管理單位定期進行壓力測試，資產負債管理委員會根據風險委員會批准的限額，對壓力測試的結果進行監控，財務管理部定期向董事會及風險委員會匯報綜合測試結果。

The Group supplements the analysis of various types of risks with stress testing. Stress testing is a risk management tool for estimating the Group's risk exposures under stressed conditions arising from extreme but plausible market or macroeconomic movements. These tests are conducted on a regular basis by various risk management units and ALCO monitors the results against limits approved by RC. The Financial Management Department reports the combined stress test results to the Board and RC regularly.

Appendix

Subsidiaries of the Bank

The particulars of our subsidiaries are as follows:

<u>Name of company</u>	<u>Country/place and date of incorporation/operation</u>	<u>Issued and fully paid up share capital/registered capital</u>	<u>Percentage of attributable equity interest</u>	<u>Principal activities</u>
Nanyang Commercial Bank, Limited	Hong Kong 2 February 1948	Ordinary shares HK\$700,000,000	100.00%	Banking business
Chiyu Banking Corporation Limited	Hong Kong 24 April 1947	Ordinary shares HK\$300,000,000	70.49%	Banking business
BOC Credit Card (International) Limited	Hong Kong 9 September 1980	Ordinary shares HK\$480,000,000	100.00%	Credit card services
Arene Trading Limited	Hong Kong 22 August 1978	Ordinary shares HK\$500,000	100.00%	Property holding and investment
Bank of China (Hong Kong) Nominees Limited*	Hong Kong 1 October 1985	Ordinary shares HK\$2	100.00%	Nominee services
Bank of China (Hong Kong) Trustees Limited*	Hong Kong 6 November 1987	Ordinary shares HK\$3,000,000	100.00%	Trustee and agency services
BOC Group Trustee Company Limited*	Hong Kong 1 December 1997	Ordinary shares HK\$200,000,000	64.20%	Trustee services
BOC Travel Services Limited*	Hong Kong 24 August 1982	Ordinary shares HK\$2,000,000	100.00%	Travel services
BOCHK Financial Products (Cayman) Limited	Cayman Islands 10 November 2006	Ordinary shares US\$50,000	100.00%	Note issuing
BOCHK Information Technology (Shenzhen) Co., Ltd.*	PRC 16 April 1990	Registered capital HK\$70,000,000	100.00%	Property holding and investment
BOCHK Information Technology Services (Shenzhen) Ltd*	PRC 26 May 1993	Registered capital HK\$40,000,000	100.00%	Information technology services
BOCI-Prudential Trustee Limited*	Hong Kong 11 October 1999	Ordinary shares HK\$300,000,000	41.10%	Trustee services
Che Hsing (Nominees) Limited*	Hong Kong 23 April 1980	Ordinary shares HK\$10,000	100.00%	Nominee services
Chiyu Banking Corporation (Nominees) Limited*	Hong Kong 3 November 1981	Ordinary shares HK\$100,000	70.49%	Investment holding
Chung Chiat Company Limited	Hong Kong 9 April 1980	Ordinary shares HK\$200	100.00%	Property holding and investment
Dwell Bay Limited	Hong Kong 19 December 1980	Ordinary shares HK\$100,000	100.00%	Property holding and investment

Appendix (continued)

Subsidiaries of the Bank (continued)

<u>Name of company</u>	<u>Country/place and date of incorporation/ operation</u>	<u>Issued and fully paid up share capital/ registered capital</u>	<u>Percentage of attributable equity interest</u>	<u>Principal activities</u>
Glister Company Limited*	Hong Kong 26 March 2001	Ordinary shares HK\$2	70.49%	Investment holding
Glory Cardinal Limited*	Hong Kong 4 May 2001	Ordinary shares HK\$2	70.49%	Investment holding
Grace Charter Limited*	Hong Kong 4 May 2001	Ordinary shares HK\$2	70.49%	Investment holding
G.Z.Y. Microfilm Technology (Shenzhen) Co., Ltd.*	PRC 24 September 1993	Registered capital HK\$40,000,000	100.00%	Property holding and investment
Hua Chiao Commercial (Nominees) Limited*	Hong Kong 28 October 1986	Ordinary shares HK\$10,000	100.00%	Nominee services
Kincheng Finance (H.K.) Limited	Hong Kong 30 March 1979	Ordinary shares HK\$100	100.00%	Loan financing
Kincheng Investments & Developments (H.K.) Limited	Hong Kong 15 May 1981	Ordinary shares HK\$6,000	100.00%	Property holding and investment
Kincheng (Nominees) Limited*	Hong Kong 12 December 1980	Ordinary shares HK\$100,000	100.00%	Nominee services
Kiu Nam Investment Corporation Limited	Hong Kong 9 November 1963	Ordinary shares HK\$2,000,000	100.00%	Property holding and investment
Kwong Li Nam Investment Agency Limited*	Hong Kong 25 May 1984	Ordinary shares HK\$3,050,000	100.00%	Investment agency
Nan Song Company, Limited*	Hong Kong 13 April 1965	Ordinary shares HK\$1,000,000	100.00%	Property investment and investment holding
Nanyang Commercial Bank (China), Limited	PRC 14 December 2007	Registered capital RMB4,100,000,000	100.00%	Banking business
Nanyang Commercial Bank (Nominees) Limited*	Hong Kong 22 August 1980	Ordinary shares HK\$50,000	100.00%	Nominee services
Nanyang Commercial Bank Trustee Limited*	Hong Kong 22 October 1976	Ordinary shares HK\$3,000,000	100.00%	Trustee services
Nanyang Finance Company Limited	Hong Kong 16 March 1979	Ordinary shares HK\$50,000,000	100.00%	Financial services

Appendix (continued)

Subsidiaries of the Bank (continued)

<u>Name of company</u>	<u>Country/place and date of incorporation/ operation</u>	<u>Issued and fully paid up share capital/ registered capital</u>	<u>Percentage of attributable equity interest</u>	<u>Principal activities</u>
Pacific Trend Profits Corporation*	British Virgin Islands 20 April 2001	Registered shares US\$1	70.49%	Investment holding
Patson (HK) Limited*	Hong Kong 18 August 1970	Ordinary shares HK\$1,000,000	100.00%	Property investment
Perento Limited	Hong Kong 27 September 1983	Ordinary shares HK\$10,000	100.00%	Property holding and investment
Po Hay Enterprises Limited	Hong Kong 2 October 1979	Ordinary shares HK\$100,000	100.00%	Property holding and investment
Po Sang Financial Investment Services Company Limited*	Hong Kong 23 September 1980	Ordinary shares HK\$25,000,000	100.00%	Gold trading and investment holding
Po Sang Futures Limited*	Hong Kong 19 October 1993	Ordinary shares HK\$25,000,000	100.00%	Commodities brokerage
Rams City (Nominees) Limited*	Hong Kong 2 May 1986	Ordinary shares HK\$2,000,000	100.00%	Nominee services
Sanicon Investment Limited	Hong Kong 24 January 2000	Ordinary shares HK\$2	100.00%	Property holding and investment
Seng Sun Development Company, Limited*	Hong Kong 11 December 1961	Ordinary shares HK\$2,800,000	70.49%	Investment holding
Shenstone Limited	Hong Kong 4 September 1979	Ordinary shares HK\$2	100.00%	Property holding and investment
Sin Chiao Enterprises Corporation, Limited*	Hong Kong 13 September 1961	Ordinary shares HK\$3,000,000	100.00%	Property holding and investment
Sin Hua Trustee Limited*	Hong Kong 27 October 1978	Ordinary shares HK\$3,000,000	100.00%	Trustee services
Sin Mei (Nominee) Limited*	Hong Kong 27 April 1982	Ordinary shares HK\$100,000	100.00%	Nominee services
Sin Yeh Shing Company Limited	Hong Kong 28 November 1980	Ordinary shares HK\$100,000	100.00%	Property holding and investment

Appendix (continued)

Subsidiaries of the Bank (continued)

<u>Name of company</u>	<u>Country/place and date of incorporation/ operation</u>	<u>Issued and fully paid up share capital/ registered capital</u>	<u>Percentage of attributable equity interest</u>	<u>Principal activities</u>
Sino Information Services Company Limited*	Hong Kong 11 February 1993	Ordinary shares HK\$7,000,000	100.00%	Information services
The China-South Sea (Nominees) Services Limited*	Hong Kong 13 February 1981	Ordinary shares HK\$100,000	100.00%	Nominee services
The China State (Nominees) Limited*	Hong Kong 14 May 1982	Ordinary shares HK\$100,000	100.00%	Nominee services
The China State Trustee Limited*	Hong Kong 17 July 1981	Ordinary shares HK\$3,000,000	100.00%	Trustee services
Track Link Investment Limited	Hong Kong 8 February 1994	Ordinary shares HK\$2	100.00%	Property holding and investment
Yien Yieh (Nominee) Limited*	Hong Kong 26 June 2001	Ordinary shares HK\$2,000	100.00%	Nominee services

Arene Trading Limited, Rams City (Nominees) Limited, Yien Yieh (Nominee) Limited and The China State Trustee Limited will dissolve on 13 April 2010.

Sanicon Investment Limited commenced member's voluntary winding up on 11 September 2009.

Hua Chiao Commercial (Nominees) Limited and The China State (Nominees) Limited commenced member's voluntary winding up on 17 December 2009.

Remarks:

Name of subsidiaries which are not included in the consolidation group for regulatory purposes in respect of capital adequacy is marked with * in the above table. BOCHK and its subsidiaries specified by the HKMA form the basis of consolidation for its regulatory purposes in accordance with the Banking (Capital) Rules. For accounting purposes, subsidiaries are consolidated in accordance with the accounting standards issued by the HKICPA pursuant to section 18A of the Professional Accountants Ordinance.

Definitions

In this Annual Report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Terms	Meanings
"ABS"	Asset-backed securities
"ALCO"	the Asset and Liability Management Committee
"ATM"	Automated Teller Machine
"Board" or "Board of Directors"	the Board of Directors of BOCHK
"Board of BOCHK (Holdings)"	the Board of Directors of BOCHK (Holdings)
"BOC"	Bank of China Limited, a joint stock commercial bank with limited liability established under the laws of the PRC, the H shares and A shares of which are listed on The Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
"BOC (BVI)"	BOC Hong Kong (BVI) Limited, a company incorporated under the laws of the British Virgin Islands and a wholly owned subsidiary of BOC Hong Kong (Group) Limited
"BOCHK" or "the Bank"	Bank of China (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a wholly owned subsidiary of BOC Hong Kong (Holdings) Limited
"BOCHK (Holdings)"	BOC Hong Kong (Holdings) Limited, a company incorporated under the laws of Hong Kong
"BOCI-Prudential Manager"	BOCI-Prudential Asset Management Limited, a company incorporated under the laws of Hong Kong, in which BOCI Asset Management Limited, a wholly owned subsidiary of BOC International Holdings Limited, and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
"BOCI-Prudential Trustee"	BOCI-Prudential Trustee Limited, a company incorporated under the laws of Hong Kong, in which BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
"CAR"	Capital Adequacy Ratio, computed on the consolidated basis that comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules
"CCO"	Chief Credit Officer
"CE"	Chief Executive
"CFO"	Chief Financial Officer
"CIC"	China Investment Corporation
"CRM"	Credit Risk Mitigation
"CRO"	Chief Risk Officer
"Central Huijin"	Central Huijin Investment Ltd. (formerly known as "Central SAFE Investments Limited")

Definitions (continued)

Terms	Meanings
“Chiyu”	Chiyu Banking Corporation Limited, a company incorporated under the laws of Hong Kong, in which BOCHK holds an equity interest of 70.49%
“ECAI(s)”	External Credit Assessment Institution(s)
“EURIBOR”	Euro Interbank Offered Rate
“Fitch”	Fitch Ratings
“the Group”	the Bank and its subsidiaries collectively referred as the Group
“HKAS(s)”	Hong Kong Accounting Standard(s)
“HKFRS(s)”	Hong Kong Financial Reporting Standard(s)
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HK(IFRIC)-Int”	Hong Kong (IFRIC) Interpretation
“HKMA”	Hong Kong Monetary Authority
“Hong Kong” or “Hong Kong SAR”	Hong Kong Special Administrative Region
“IT”	Information Technology
“LIBOR”	London Interbank Offered Rate
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mainland China”	the mainland of the PRC
“MBS”	Mortgage-backed securities
“MPF”	Mandatory Provident Fund
“MPF Schemes Ordinance”	the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the Laws of Hong Kong, as amended
“Moody’s”	Moody’s Investors Service
“Nanyang”	Nanyang Commercial Bank, Limited, a company incorporated under the laws of Hong Kong and a wholly owned subsidiary of BOCHK
“NCB (China)”	Nanyang Commercial Bank (China), Limited, a company incorporated under the laws of the PRC and a wholly owned subsidiary of Nanyang

Definitions (continued)

Terms	Meanings
"ORSO schemes"	the Occupational Retirement Schemes under Occupational Retirement Schemes Ordinance, Chapter 426 of the Laws of Hong Kong
"PRC"	the People's Republic of China
"RC"	the Risk Committee
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"RMD"	the Risk Management Department
"STC approach"	Standardised (Credit Risk) Approach
"STM approach"	Standardised (Market Risk) Approach
"STO approach"	Standardised (Operational Risk) Approach
"Share Option Scheme"	the Share Option Scheme conditionally approved and adopted by the shareholders of BOCHK (Holdings) on 10 July 2002
"Sharesave Plan"	the Sharesave Plan conditionally approved and adopted by the shareholders of BOCHK (Holdings) on 10 July 2002
"Standard & Poor's"	Standard & Poor's Ratings Services
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subordinated Credit Facility"	the US\$2,500 million subordinated credit facility extended by BOC to BOCHK pursuant to a subordinated credit facility agreement dated 16 December 2008 as disclosed in the announcement of BOCHK (Holdings) dated 12 December 2008
"Subordinated Notes"	the subordinated notes due in 2020 proposed to be issued and offered by BOCHK to professional and institutional investors which are denominated in US dollars and having a maturity of 10 years
"US"	the United States of America
"VAR"	Value at Risk

PARTIES

OUR OFFICE

Bank of China (Hong Kong) Limited

14th Floor
Bank of China Tower
1 Garden Road
Hong Kong

LEGAL ADVISORS AS TO HONG KONG LAW

Mallesons Stephen Jaques

13/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Central, Hong Kong

AUDITOR

PricewaterhouseCoopers

22nd Floor
Prince's Building
Central
Hong Kong