



中国太平
CHINA TAIPING



中國太平保險控股有限公司
China Taiping Insurance Holdings Company Limited

二零一零年中期報告
2010 Interim Report

股份代碼 Stock Code : HK 00966

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Consolidated Income Statement

綜合損益表

for the six months ended 30 June 2010 – unaudited
截至二零一零年六月三十日止六個月 – 未經審核
(Expressed in Hong Kong dollars)
(以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
	Notes 附註		
Revenue	收入		
Gross premiums written and policy fees	毛承保保費及保單費收入	27,273,163	14,387,046
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉分份額	(1,063,121)	(845,539)
Net premiums written and policy fees	淨承保保費及保單費收入	26,210,042	13,541,507
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(914,864)	(352,935)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	25,295,178	13,188,572
Net investment income	投資收入淨額	2,065,811	1,503,268
Net realized investment gains	已實現投資收益淨額	546,019	640,059
Net unrealized investment losses and impairment	未實現投資收益虧損及減值淨額	(132,826)	(28,332)
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(112,480)	25,776
Other income	其他收入	113,719	48,794
Total revenue	收入總額	27,775,421	15,378,137
Benefits, losses and expenses	給付、賠款及費用		
Net policyholders' benefits	保單持有人利益淨額	(4,626,622)	(3,601,638)
Net commission expenses	佣金支出淨額	(2,300,938)	(1,886,981)
Administrative and other expenses	行政及其他費用	(3,934,283)	(2,981,558)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(15,777,082)	(5,644,608)
Total benefits, losses and expenses	給付、賠款及費用總額	(26,638,925)	(14,114,785)
Profit from operations	經營溢利	1,136,496	1,263,352
Share of gains/(losses) of associates	應佔聯營公司收益/(虧損)	1,962	(1,134)
Finance costs	財務費用	(164,100)	(156,776)
Profit before taxation	除稅前溢利	974,358	1,105,442
Income tax charge	稅項支出	(26,102)	(265,687)
Profit after taxation	除稅後溢利	948,256	839,755
Attributable to:	應佔：		
Owners of the Company	本公司股東權益	603,001	549,626
Non-controlling interests	非控股股東權益	345,255	290,129
		948,256	839,755
		<i>cents</i> 仙	<i>cents</i> 仙
Earnings per share attributable to the owners of the Company	本公司股東應佔每股盈利		
Basic	基本	35.5	35.3
Diluted	攤薄	35.2	35.0

The accompanying notes on pages 9 to 74 form an integral part of these interim financial statements.

第9至74頁所附註為本中期財務報表的組成部份。

Consolidated Statement of Comprehensive Income

綜合全面收益表

for the six months ended 30 June 2010 – unaudited
 截至二零一零年六月三十日止六個月 – 未經審核
 (Expressed in Hong Kong dollars)
 (以港幣列示)

		Six months ended 30 June	
		截至六月三十日止六個月	
		2010	2009
		二零一零年	二零零九年
			(Restated)
			(重列)
		\$'000	\$'000
		千元	千元
Profit after taxation	除稅後溢利	948,256	839,755
Other comprehensive income:	其他全面收益：		
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外地區附屬公司財務報表的匯兌差額	102,613	922
Revaluation gain arising from reclassification of own-use properties into investment properties	因自用物業重新分類為投資物業而產生之重估收益	23,094	—
Available-for-sale securities	可供出售證券		
— Net fair value changes during the period	— 本財務期公允價值變動淨額	(1,338,298)	1,133,345
— Reclassification adjustment to profit or loss on impairment	— 減值時重新分類至損益之調整	150,651	—
— Reclassification adjustment to profit or loss on disposal	— 出售時重新分類至損益之調整	(470,924)	(18,311)
— Net deferred tax	— 遞延稅項淨額	249,797	(237,212)
Total comprehensive income for the period	本財務期全面收益總額	(334,811)	1,718,499
Attributable to:	應佔：		
Owners of the Company	本公司股東權益	(104,304)	1,069,102
Non-controlling interests	非控股股東權益	(230,507)	649,397
		(334,811)	1,718,499

Consolidated Statement of Financial Position

綜合財務狀況表

at 30 June 2010 – unaudited

於二零一零年六月三十日 — 未經審核

(Expressed in Hong Kong dollars)

(以港幣列示)

			At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日 (Restated) (重列)
		Notes 附註	\$'000 千元	\$'000 千元
Assets	資產			
Statutory deposits	法定存款	15	1,443,231	1,350,037
Fixed assets	固定資產	11		
— Property and equipment	— 物業及設備		3,052,515	3,189,521
— Investment properties	— 投資物業		1,273,280	1,193,230
— Prepaid lease payments	— 預付租賃付款		580,789	681,439
			4,906,584	5,064,190
Deposit for the purchase of property	購入物業之訂金		327,523	—
Goodwill	商譽		303,647	303,647
Intangible asset	無形資產		261,408	261,408
Interest in associates	於聯營公司的權益		102,169	101,149
Deferred tax assets	遞延稅項資產		105,943	96,210
Investments in debt and equity securities	債務及股本證券投資	12	83,217,525	74,089,895
Securities purchased under resale agreements	買入返售證券		18,340	34,072
Amounts due from group companies	應收集團內公司款項		19,574	20,208
Insurance debtors	保險客戶應收賬款	13	1,798,519	1,343,827
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備		2,047,711	2,087,662
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產		4,469,667	5,078,319
Other debtors	其他應收賬款		3,324,757	2,575,684
Pledged deposits at banks	已抵押銀行存款		108,416	92,225
Deposits at banks with original maturity more than three months	原到期日超過三個月 的銀行存款		7,611,935	6,534,677
Cash and cash equivalents	現金及現金等價物	16	17,687,255	12,497,821
			127,754,204	111,531,031
Assets classified as held for sale	被歸類為持有作出售之資產	14	2,196,132	—
Total assets	資產總額		129,950,336	111,531,031
Liabilities	負債			
Life insurance contract liabilities	壽險合約負債		47,251,519	31,089,308
Unearned premium provisions	未到期責任準備金		4,217,545	3,818,806
Provision for outstanding claims	未決賠款準備		6,827,034	6,982,756
Investment contract liabilities	投資合約負債		35,951,880	36,381,937
Deferred tax liabilities	遞延稅項負債		832,400	1,415,377
Interest-bearing notes	需付息票據		5,771,326	5,725,110
Securities sold under repurchase agreements	賣出回購證券		8,138,588	6,606,088
Amounts due to group companies	應付集團內公司款項		265	1,295
Insurance creditors	保險客戶應付賬款	17	1,379,759	1,407,773
Other creditors	其他應付賬款		2,523,479	2,473,761
Current taxation	當期稅項		432,062	254,166
Insurance protection fund	保險保障基金		39,616	36,825
			113,365,473	96,193,202
Liabilities directly associated with assets classified as held for sale	直接與被歸類為持有 作出售資產有關之負債	14	1,566,991	—
Total liabilities	負債總額		114,932,464	96,193,202
Net assets	資產淨值		15,017,872	15,337,829

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表 (續)

at 30 June 2010 – unaudited

於二零一零年六月三十日 — 未經審核

(Expressed in Hong Kong dollars)

(以港幣列示)

			At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日 (Restated) (重列)
		Notes 附註	\$'000 千元	\$'000 千元
Capital and reserves attributable to the owners of the Company	本公司股東應佔資本及儲備			
Share capital	股本	18	85,116	85,103
Reserves	儲備	20	10,122,145	10,211,608
			10,207,261	10,296,711
Non-controlling interests	非控股股東權益	20	4,810,611	5,041,118
Total equity	總權益		15,017,872	15,337,829

The accompanying notes on pages 9 to 74 form an integral part of these interim financial statements.

第9至74頁所附附註為本中期財務報表的組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the six months ended 30 June 2010 – unaudited
截至二零一零年六月三十日止六個月 – 未經審核
(Expressed in Hong Kong dollars)
(以港幣列示)

	Share capital 股本 \$'000 千元	Share premium 股份溢價 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Merger reserve 合併儲備 \$'000 千元	Exchange reserve 匯兌儲備 \$'000 千元	Fair value reserve 公允價值儲備 \$'000 千元	Employee share-based compensation reserve 以股份為本之僱員補償儲備 \$'000 千元	Shares held for Share Award Scheme 獎勵計劃而持有之股份 \$'000 千元	Revaluation reserve 重估儲備 \$'000 千元	Regulatory reserve 法定儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Attributable to owners of the Company 本公司股東應佔權益 \$'000 千元	Non-controlling interests 非控股股東權益 \$'000 千元	Total 總額 \$'000 千元
Balance at 1 January 2010 於二零一零年一月一日之結餘	85,103	9,042,562	(1,504,857)	(1,683,920)	417,008	471,321	81,625	(96,788)	100,096	1,977	3,382,584	10,296,711	5,041,118	15,337,829
Profit for the period 本財務期溢利	-	-	-	-	-	-	-	-	-	-	603,001	603,001	345,255	948,256
Other comprehensive income for the period, net of deferred tax 本財務期其他全面收益，減遞延稅項	-	-	-	-	48,985	(779,384)	-	-	23,094	-	-	(707,305)	(675,762)	(1,283,067)
Total comprehensive income 全面收益總額	-	-	-	-	48,985	(779,384)	-	-	23,094	-	603,001	(104,304)	(230,507)	(334,811)
Shares issued under Share Option Scheme 根據認股權計劃發行之股份	13	249	-	-	-	-	-	-	-	-	-	262	-	262
Transfer to retained profit of revoked shares for Share Award Scheme 股份獎勵計劃之取消股份轉入保留溢利	-	-	-	-	-	-	-	-	-	-	2,829	2,829	-	2,829
Changes in shares held for Share Award Scheme 為股份獎勵計劃而持有之股份變化	-	-	-	-	-	-	-	5,876	-	-	-	5,876	-	5,876
Equity-settled share-based payment transactions 股本償付之股份為本交易	-	-	-	-	-	-	5,887	-	-	-	-	5,887	-	5,887
At 30 June 2010 於二零一零年六月三十日	85,116	9,042,811	(1,504,857)	(1,683,920)	465,993	(308,063)	87,512	(90,912)	123,190	1,977	3,889,414	10,207,261	4,810,611	15,017,872

Consolidated Statement of Changes in Equity (Continued)

綜合權益變動表 (續)

for the six months ended 30 June 2010 – unaudited
 截至二零一零年六月三十日止六個月 – 未經審核
 (Expressed in Hong Kong dollars)
 (以港幣列示)

	Share capital 股本 \$'000 千元	Share premium 股份溢價 \$'000 千元	Capital reserve 資本儲備 \$'000 千元	Merger reserve 合併儲備 \$'000 千元	Exchange reserve 匯兌儲備 \$'000 千元	Fair value reserve 公允價值儲備 \$'000 千元	Employee share-based compensation 以股份為本之僱員補償儲備 \$'000 千元	Shares held for Share Award Scheme 獎勵計劃而持有之股份 \$'000 千元	Revaluation reserve 重估儲備 \$'000 千元	Regulatory reserve 法定儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Attributable to owners of the Company 本公司股東應佔權益 \$'000 千元	Non-controlling interests 非控股股東權益 \$'000 千元	Total 總額 \$'000 千元
Balance at 1 January 2009	71,086	2,218,248	575,203	1,275,180	409,574	(134,993)	50,869	(96,788)	100,096	1,977	2,556,847	7,027,299	5,123,225	12,150,524
Profit for the period	-	-	-	-	-	-	-	-	-	-	549,626	549,626	290,129	839,755
Other comprehensive income for the period, net of deferred tax	-	-	-	-	68	519,408	-	-	-	-	-	519,476	359,268	878,744
Total comprehensive income	-	-	-	-	68	519,408	-	-	-	-	549,626	1,069,102	649,397	1,718,499
Equity-settled share-based payment transactions	-	-	-	-	-	-	13,642	-	-	-	-	13,642	-	13,642
At 30 June 2009 (restated)	71,086	2,218,248	575,203	1,275,180	409,642	384,415	64,511	(96,788)	100,096	1,977	3,106,473	8,110,043	5,772,622	13,882,665

The accompanying notes on pages 9 to 74 form an integral part of the interim financial statements.
 第9至74頁所附附註為本中期財務報表的組成部份。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

for the six months ended 30 June 2010 – unaudited
 截至二零一零年六月三十日止六個月 – 未經審核
 (Expressed in Hong Kong dollars)
 (以港幣列示)

		Six months ended 30 June	
		截至六月三十日止六個月	
		2010	2009
		二零一零年	二零零九年
			(Restated)
			(重列)
		\$'000	\$'000
		千元	千元
Net cash generated from operating activities	經營業務現金流入淨額	15,348,303	7,189,309
Net cash (used in)/generated from investing activities	投資業務現金(流出)／流入淨額	(9,612,034)	7,350,213
Net cash (used in)/generated from financing activities	融資活動現金(流出)／流入淨額	(53,739)	305,274
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	5,682,530	14,844,796
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	12,497,821	7,740,836
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	18,180,351	22,585,632
Analysis of the balances of cash and cash equivalents:	現金及現金等價物餘額分析：		
Deposits with banks and other financial institutions with original maturity less than three months	原到期日少於三個月的銀行及其他財務機構存款	7,573,719	5,004,782
Money market fund	貨幣市場基金	10,705	192,652
Cash at bank and in hand	銀行及庫存現金	10,102,831	17,388,198
Cash and bank deposit included in a disposal group classified as held for sale	包含於被歸類為持有作出售之出售集團的現金及銀行存款	493,096	—
		18,180,351	22,585,632

The accompanying notes on pages 9 to 74 form an integral part of these interim financial statements.

第9至74頁所附附註為本中期財務報表的組成部份。

Notes to the Unaudited Interim Financial Statements

未經審核中期財務報表附註

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

1 BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), and with HKAS 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). It was authorized for issuance on 17 August 2010.

The financial information relating to the financial year ended 31 December 2009 included in the interim financial statements does not constitute the Company's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2009 are available from the Company's registered office. The auditor has expressed an unqualified opinion on those financial statements in their report dated 30 March 2010.

The accounting policies and methods of computation adopted in the 2009 annual financial statements have been applied consistently to these interim financial statements except for the following:

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA.

HKFRSs (Amendments)
香港財務報告準則(修訂)

HKFRSs (Amendments)
香港財務報告準則(修訂)

HKAS 27 (Revised)
香港會計準則第27號(修訂)

HKAS 39 (Amendment)
香港會計準則第39號(修訂)

HKFRS 1 (Amendment)
香港財務報告準則第1號(修訂)

HKFRS 2 (Amendment)
香港財務報告準則第2號(修訂)

HKFRS 3 (Revised)
香港財務報告準則第3號(修訂)

HK(IFRIC) – Int 17
香港(國際財務報告準則詮釋委員會)
詮釋 – 第17條

The Group applies HKFRS 3 (Revised) *Business Combinations* prospectively to business combinations for which the acquisition date is on or after 1 January 2010. The requirements in HKAS 27 (Revised) *Consolidated and Separate Financial Statements* in relation to accounting for the Group's changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 January 2010.

1 編製基準

本未經審核中期財務報表已根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄16的適用披露規定及遵照香港會計師公會所頒佈的《香港會計準則》第34號「中期財務報告」的準則編製，並於二零一零年八月十七日核准發放。

本中期財務報表包含截至二零零九年十二月三十一日止財務年度的財務資料，這些財務資料均取自本公司該財務年度的法定賬項，惟並不構成本公司該財務年度的法定賬項。截至二零零九年十二月三十一日止年度的法定賬項可於本公司的註冊辦事處索取。核數師已於二零一零年三月三十日所發佈的核數師報告中，表示對這些賬項提出無保留意見。

編製本中期財務報表所採納的會計政策及計算方法，均與截至二零零九年年度全年財務報表所採納的一致，惟以下除外：

於本中期財務期內，本集團首次應用下列由香港會計師公會頒佈之新增或經修訂之準則、修訂及詮釋(《新增或經修訂香港財務報告準則》)。

Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008
香港財務報告準則第5號之修訂(香港財務報告準則的改進(二零零八年)一部份)

Improvements to HKFRSs 2009
香港財務報告準則的改進(二零零九年)

Consolidated and Separate Financial Statements
綜合及獨立財務報表

Eligible Hedged Items
合資格對沖項目

Additional Exemptions for First-time Adopters
首次採納獲得之額外豁免

Group Cash-settled Share-based Payment Transactions
集團以現金結算股份為本付款之交易

Business Combinations
業務合併

Distributions of Non-cash Assets to Owners
向擁有人分配非現金資產

本集團已採用香港財務報告準則第3號(修訂) *業務合併* 處理收購日期處於二零一零年一月一日或其後開始之業務合併之會計事宜。本集團亦已採用香港會計準則第27號(修訂) *綜合及獨立財務報表* 處理於二零一零年一月一日或其後本集團於獲得控制權後及失去控制權時對附屬公司之擁有權益發生變動所牽涉之會計事宜。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

As there was no transaction during the current interim period in respect of which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the condensed consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

Amendment to HKAS 17 Lease

As part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. Before the amendment to HKAS 17, the Group was required to classify leasehold land as operating leases and to present leasehold land as interests in leasehold land held for own use under operating leases and prepaid lease payments in the consolidated statement of financial position. The amendment to HKAS 17 has removed such a requirement. The amendment requires that the classification of leasehold land should be based on the general principles set out in HKAS 17, that is, whether or not substantially all the risks and rewards incidental to ownership of a leased asset have been transferred to the lessee.

In accordance with the transitional provisions set out in the amendment to HKAS 17, the Group reassessed the classification of unexpired leasehold land as at 1 January 2010 based on information that existed at the inception of the leases. Leasehold land that qualifies for finance lease classification has been reclassified from interests in leasehold land held for own use under operating leases to property and equipment retrospectively. This resulted in a reclassification of interests in leasehold land held for own use under operating leases with previous carrying amount of \$250,459,000 as at 1 January 2009 as property and equipment that are measured using the cost model.

1 編製基準 (續)

由於在本中期報告期間，沒有有關適用於香港財務報告準則第3號(修訂)和香港會計準則第27號(修訂)之交易發生，所以香港財務報告準則第3號(修訂)、香港會計準則第27號(修訂)及其他香港財務報告準則之其後修訂沒有對現在或往前會計期的簡明綜合財務報表產生任何影響。

如果將來有相關交易發生，採用香港財務報告準則第3號(修訂)、香港會計準則第27號(修訂)及其他香港財務報告準則之其後修訂，將可能對本集團於未來期間的業績產生影響。

香港會計準則第17號租賃之修訂

作為二零零九年頒佈之香港財務報告準則改進之一部份，香港會計準則第17號租賃對有關租賃土地之分類作出了修訂。香港會計準則第17號修訂前，規定本集團須把租賃土地歸類為經營租賃並於綜合財務狀況表上把租賃土地列為以經營租賃租入持作自用之租賃土地權益及預付租賃付款。香港會計準則第17號修訂後則已刪除該規定。此修訂規定租賃土地應按照香港會計準則第17號的一般原則進行分類，即以租賃資產擁有權所附帶風險及回報是否大部份已轉移至承租人為基準。

根據載於修訂香港會計準則第17號之過渡性條文，本集團將於二零一零年一月一日，按訂立租約時存在的資料重新評估未屆滿租約的租賃土地之分類。租賃土地如符合融資租賃之準則，已追溯地由以經營租賃租入持作自用之租賃土地權益重新分類為物業及設備。此令於二零零九年一月一日賬面值為250,459,000元之以經營租賃租入持作自用之租賃土地權益重新分類為按成本模式計量之物業及設備。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

Amendment to HKAS 17 Lease (Continued)

The effect of changes in accounting policies described above on the consolidated financial position of the Group as at 31 December 2009 is as follows:

		As at 31 December 2009 (Originally stated) 於二零零九年 十二月三十一日 (原本列示) \$'000 千元	Adjustments 調整 \$'000 千元	As at 31 December 2009 (Restated) 於二零零九年 十二月三十一日 (重列) \$'000 千元
Property and equipment	物業及設備	2,936,442	253,079	3,189,521
Interests in leasehold land held for own use under operating leases	以經營租賃租入 持作自用之租賃 土地權益	253,079	(253,079)	—
Total effects on net assets	對資產淨值 的影響總額	3,189,521	—	3,189,521
Retained profits, total effects on equity	保留溢利，對權益 的影響總額	—	—	—

The effect of changes in accounting policies described above on the consolidated financial position of the Group as at 1 January 2009 is as follows:

		As at 1 January 2009 (Originally stated) 於二零零九年 一月一日 (原本列示) \$'000 千元	Adjustments 調整 \$'000 千元	As at 1 January 2009 (Restated) 於二零零九年 一月一日 (重列) \$'000 千元
Property and equipment	物業及設備	2,838,675	250,459	3,089,134
Interests in leasehold land held for own use under operating leases	以經營租賃租入 持作自用之租賃 土地權益	250,459	(250,459)	—
Total effects on net assets	對資產淨值 的影響總額	3,089,134	—	3,089,134
Retained profits, total effects on equity	保留溢利，對權益 的影響總額	—	—	—

1 編製基準 (續)

香港會計準則第17號租賃之修訂 (續)

上述會計政策變更對本集團於二零零九年十二月三十一日的綜合財務狀況之影響如下：

上述會計政策變更對本集團於二零零九年一月一日的綜合財務狀況之影響如下：

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

Insurance contracts

For the year ended 31 December 2009, there were changes in accounting policies related to the measurement of insurance contract liabilities for the life insurance segment and property and casualty insurance segment and the recognition of premium income of mixed insurance contracts containing insurance and other risks. The Ministry of Finance of the PRC has announced the “Regulation on the Accounting Treatment of Insurance Contracts” in 2009. This new regulation is applicable to all the insurance companies with shares listed in both Hong Kong and PRC stock exchanges. As most of the market players of the Group had adopted this new regulation, the Group also changed its accounting policies during the year ended 31 December 2009 in order to provide more comparable information with the other market players to shareholders and investors. The major changes in the accounting policies relate to the methodologies used for the estimation of insurance liabilities. In addition, prior to above changes, the Group did not unbundle those mixed insurance contracts but treated the entire contracts as insurance contracts. After the above changes, the Group has unbundled the mixed insurance contracts where the investment components can be measured separately. For presentation purposes, the assets related to unit-linked contracts are reclassified as “policyholder account assets in respect of unit-linked products” and presented separately from the rest of the Group’s assets. Comparative figures in the consolidated financial statements for the year ended 31 December 2009 have been restated accordingly in the 2009’s annual report dated 30 March 2010. In the preparation of these interim condensed consolidated financial statements, comparative figures in respect of the six months ended 30 June 2009 has also been restated. The financial impact of the restatement for the period ended 30 June 2009 was presented below.

1 編製基準 (續)

保險合約

截至二零零九年十二月三十一日止年度，人壽保險業務及財產保險業務有關保險合約負債計量方法及混合保險合約(包含保險及其他風險)的保費確認之會計政策有所改變。中國財政部於二零零九年發布《保險合同相關會計處理的規定》。此新規定適用於所有在香港及中國交易所上市的保險公司。鑑於本集團大部份的市場營運者均採納此新規定，本集團亦於截至二零零九年十二月三十一日止年度變更其會計政策以為股東及投資者提供與市場其他營運者更可比之資料。會計政策之主要變更為有關保險負債的計量方法。另外，於上述變更前，本集團並沒有分拆混合保險合約，而把整份合約按保險合約處理。於上述的變更後，如投資部份可分開計量，本集團已分拆混合保險合約。作為呈報用途，有關投資連結合約的資產重新分類至「有關投資連結產品之保單持有人賬戶資產」，並與本集團其他資產分開呈列。截至二零零九年十二月三十一日止年度綜合財務報表的比較金額已作相應重列於日期為二零一零年三月三十日之二零零九年年報內。於編製中期簡明綜合財務報表時，有關截至二零零九年六月三十日止六個月的比較金額亦已作相應重列。下表呈列重列截至二零零九年六月三十日止財務期之財務影響。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

Merger accounting

Prior to 30 July 2009, the Company held 3.54% equity interest in MAH indirectly through its subsidiary. On 30 July 2009, the Company completed an acquisition of a 47.8% equity interest in MAH from TPG (HK) by the issue and allotment of 138,924,700 shares at the price of \$21.30 each. Because MAH and the Company were both under the common control of TPG (HK) before and after the acquisitions, the Group has applied Accounting Guideline No. 5 "Merger Accounting for Common Control Combinations". Under these principles of merger accounting, the acquisition of MAH is accounted for as though the business of MAH has always been carried out by the Group. The unaudited interim financial statements are prepared as if the current group structure had been in existence throughout the periods presented. The consolidated income statement includes the results of MAH from the earliest date presented, taking into account the profit or loss attributable to the non-controlling interest recorded in the unaudited interim financial statements of TPG (HK). Accordingly, the comparative figures in the consolidated financial statements for the year ended 31 December 2009 have been restated in the 2009's annual report dated 30 March 2010. The financial impact of the restatement for the period ended 30 June 2009 was presented below.

In November 2009, the Company acquired the remaining 48.66% equity interest of MAH held by non-controlling interest, by the issue and allotment of 141,418,800 shares at \$27.60 each. MAH became a wholly owned subsidiary of the Company since then.

A uniform set of accounting policies is adopted by the Group. The Group recognizes the assets, liabilities and equity of MAH at the carrying amounts in the consolidated financial statements of TPG (HK) prior to the purchase of MAH. The excess of consideration over carrying value at the time of combination is treated as a merger reserve in equity.

1 編製基準 (續)

合併會計法

於二零零九年七月三十日前，本公司透過其附屬公司間接持有3.54%民安控股權益。於二零零九年七月三十日，本公司以每股21.30元發行及配發138,924,700股股份完成從中國太平集團(香港)購入民安控股47.8%股本權益。由於在此購入前及購入後，民安控股及本公司均共同受到中國太平集團(香港)之控制，本集團應用會計指引第5號「共同控制合併之合併會計處理」。按該等合併會計原則對購入民安控股進行會計處理，猶如民安控股之業務一直由本集團經營。未經審核中期財務報表乃按現行之集團架構一直存在於呈列之期間而編製。綜合損益表包括民安控股於最早日期呈列之業績。非控股股東權益應佔之損益，經計及於中國太平集團(香港)未經審核中期財務表內之少數股東應佔損益後重列。截至二零零九年十二月三十一日止年度綜合財務報表的比較金額已作相應重列於日期為二零一零年三月三十日之二零零九年年報內。下表呈列重列截至二零零九年六月三十日止財務期之財務影響。

於二零零九年十一月，本公司以每股27.60元發行及配發141,418,800股股份，購入由非控股股東權益持有餘下之48.66%民安控股權益。此後，民安控股成為本公司之全資附屬公司。

本集團採納統一的會計政策。本集團以民安控股於被收購前民安控股在中國太平集團(香港)綜合財務報表內的賬面值，確認其資產、負債及權益。在合併時購入價高於賬面值的部份，將於權益賬內列為合併儲備。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

The effects of the above changes in accounting policies and merger accounting on the consolidated income statement for the period ended 30 June 2009 are summarized below:

1 編製基準 (續)

上述之會計政策改變及合併會計法對截至二零零九年六月三十日止財務期綜合損益表的影響概述如下：

		30 June 2009 (Originally stated) 二零零九年 六月三十日 (原本列示) \$'000 千元	Adjustment on insurance contracts 保險合約調整 \$'000 千元	Adjustment on merger accounting 合併會計法 調整 \$'000 千元	30 June 2009 (Restated) 二零零九年 六月三十日 (重列) \$'000 千元
Revenue	收入				
Gross premiums written and policy fees	毛承保保費及保單費收入	16,245,963	(3,026,888)	1,167,971	14,387,046
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉分份額	(568,526)	—	(277,013)	(845,539)
Net premiums written and policy fees	淨承保保費及保單費收入	15,677,437	(3,026,888)	890,958	13,541,507
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(375,587)	116,178	(93,526)	(352,935)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	15,301,850	(2,910,710)	797,432	13,188,572
Net investment income	投資收入淨額	1,465,559	(64,598)	102,307	1,503,268
Net realized investment gains	已實現投資收益淨額	628,152	(38,033)	49,940	640,059
Net unrealized investment gains/(losses) and impairment	未實現投資收益／(虧損)及減值淨額	745,770	(784,606)	10,504	(28,332)
Net exchange gain/(loss)	匯兌收益／(虧損)淨額	25,881	—	(105)	25,776
Other income	其他收入	46,127	—	2,667	48,794
Total revenue	收入總額	18,213,339	(3,797,947)	962,745	15,378,137
Benefits, losses and expenses	給付、賠款及費用				
Net policyholders' benefits	保單持有人利益淨額	(3,947,775)	772,655	(426,518)	(3,601,638)
Net commission expenses	佣金支出淨額	(1,742,702)	—	(144,279)	(1,886,981)
Administrative and other expenses	行政及其他費用	(2,646,623)	—	(334,935)	(2,981,558)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(8,653,162)	3,008,554	—	(5,644,608)
Total benefits, losses and expenses	給付、賠款及費用總額	(16,990,262)	3,781,209	(905,732)	(14,114,785)
Profit/(loss) from operations	經營溢利／(虧損)	1,223,077	(16,738)	57,013	1,263,352
Share of losses of associates	應佔聯營公司虧損	(912)	—	(222)	(1,134)
Finance costs	財務費用	(156,776)	—	—	(156,776)
Profit/(loss) before taxation	除稅前溢利／(虧損)	1,065,389	(16,738)	56,791	1,105,442
Income tax charge	稅項支出	(283,416)	18,048	(319)	(265,687)
Profit after taxation	除稅後溢利	781,973	1,310	56,472	839,755
Attributable to:	應佔：				
Owners of the Company	本公司股東權益	520,873	413	28,340	549,626
Non-controlling interests	非控股股東權益	261,100	897	28,132	290,129
		781,973	1,310	56,472	839,755

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

1 編製基準 (續)

The effects of the above changes in accounting policies and merger accounting on the consolidated statement of comprehensive income for the period ended 30 June 2009 are summarized below:

上述之會計政策改變及合併會計法對截至二零零九年六月三十日止財務期綜合全面收益表的影響概述如下：

		30 June 2009 (Originally stated) 二零零九年 六月三十日 (原本列示) \$'000 千元	Adjustment on insurance contracts 保險合約調整 \$'000 千元	Adjustment on merger accounting 合併會計法 調整 \$'000 千元	30 June 2009 (Restated) 二零零九年 六月三十日 (重列) \$'000 千元
Profit after taxation	除稅後溢利	781,973	1,310	56,472	839,755
Other comprehensive income:	其他全面收益：				
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong	換算香港以外地區附屬公司財務報表的匯兌差額	1,785	595	(1,458)	922
Available-for-sale securities	可供出售證券				
– Net fair value changes during the period	– 本財務期公允價值變動淨額	1,131,985	–	1,360	1,133,345
– Reclassification adjustment to profit or loss on disposal	– 出售時重新分類至損益之調整	(14,023)	–	(4,288)	(18,311)
– Net deferred tax	– 遞延稅項淨額	(237,212)	–	–	(237,212)
Total comprehensive income for the period	本財務期全面收益總額	1,664,508	1,905	52,086	1,718,499
Attributable to:	應佔：				
Owners of the Company	本公司股東權益	1,078,659	(228)	(9,329)	1,069,102
Non-controlling interests	非控股股東權益	585,849	2,133	61,415	649,397
		1,664,508	1,905	52,086	1,718,499

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

1 BASIS OF PREPARATION (Continued)

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective:

HKFRSs (Amendments) 香港財務報告準則(修訂)
HKAS 24 (Revised) 香港會計準則第24號(修訂)
HKAS 32 (Amendment) 香港會計準則第32號(修訂)
HKFRS 1 (Amendment) 香港財務報告準則第1號(修訂)
HKFRS 9 香港財務報告準則第9號
HK(IFRIC)-Int 14 (Amendment) 香港(國際財務報告準則詮釋委員會) 詮釋—第14條(修訂)
HK(IFRIC)-Int 19 香港(國際財務報告準則詮釋委員會) 詮釋—第19條

Note:

- Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
- Effective for annual periods beginning on or after 1 February 2010
- Effective for annual periods beginning on or after 1 July 2010
- Effective for annual periods beginning on or after 1 January 2011
- Effective for annual periods beginning on or after 1 January 2013

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The Standard requires all recognized financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortized cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cashflows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The directors of the Company anticipate that the application of other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

1 編製基準 (續)

本集團沒有提早採納以下已頒布但尚未生效的新增或經修訂之準則、修訂或詮釋：

Improvements to HKFRSs 2010 ¹ 香港財務報告準則的改進(二零一零年) ¹
Related Party Disclosures ⁴ 關連人士之披露 ⁴
Classification of Rights Issues ² 供股權之分類 ²
Limited Exemption from Comparative HKFRS 7 Disclosures for first-time Adopters ³ 首次採納獲得香港財務報告準則第7號比較數字之有限豁免 ³
Financial Instruments ⁵ 金融工具 ⁵
Prepayments of a Minimum Funding Requirement ⁴ 最低資本規定之預付款項 ⁴
Extinguishing Financial Liabilities with Equity Instruments ³ 發行權益工具以清償金融負債 ³

註:

- 由二零一零年七月一日及二零一一年一月一日(視情況而定)或以後開始之年期起生效
- 由二零一零年二月一日或以後開始之年期起生效
- 由二零一零年七月一日或以後開始之年期起生效
- 由二零一一年一月一日或以後開始之年期起生效
- 由二零一三年一月一日或以後開始之年期起生效

香港財務報告準則第9號金融工具引入對金融資產之分類及計量之新規定，並將於二零一三年一月一日起生效，並可提早應用。該準則規定所有符合香港會計準則第39號金融工具：確認及計量範疇之已確認金融資產將按攤銷成本或公允價值計量。特別是，(i)根據業務模式以收取合約現金流為目的所持有；(ii)僅為支付本金及未償還本金之利息而產生合約現金流之債務投資一般按攤銷成本計量。所有其他債務投資及股本投資乃按公允價值計量。應用香港財務報告準則第9號可能對本公司金融資產之分類及計量造成影響。

本公司董事預期應用其他新訂及經修訂準則、修訂或詮釋將不會對本集團之業績及財務狀況造成重大影響。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS

The Group's operating segments, based on information reported to the Board for the purposes of resource allocation and performance assessment are as follows:

- Reinsurance business;
- Life insurance business;
- Property and casualty insurance business; and
- Other businesses which comprise the asset management business, insurance intermediary business and pension business.

Information regarding the above segments is reported below.

2 營運分部

本集團之營運分部，按向董事會在決定資源分配及評估表現時呈報之資料臚列如下：

- 再保險業務；
- 人壽保險業務；
- 財產保險業務；及
- 其他業務，包括資產管理業務、保險中介業務及養老保險業務。

有關上述分部的資料呈列如下。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(a) Segmental income statement for the six months ended 30 June 2010

(a) 截至二零一零年六月三十日止六個月分部損益表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Revenue	收入					
Gross premiums written	毛承保保費	1,566,392	21,232,659	4,416,723	—	27,215,774
Policy fees	保單費收入	—	57,389	—	—	57,389
		1,566,392	21,290,048	4,416,723	—	27,273,163
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉份額	(191,301)	(108,526)	(763,294)	—	(1,063,121)
Net premiums written and policy fees	淨承保保費及保單費收入	1,375,091	21,181,522	3,653,429	—	26,210,042
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(462,237)	(70,934)	(381,693)	—	(914,864)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	912,854	21,110,588	3,271,736	—	25,295,178
Net investment income (note (i))	投資收入淨額 (註(i))	104,675	1,725,327	217,831	17,978	2,065,811
Net realized investment gains (note (ii))	已實現投資收益淨額 (註(ii))	23,452	389,353	127,452	5,762	546,019
Net unrealized investment gains/ (losses) and impairment (note (iii))	未實現投資收益／(虧損)及減值淨額 (註(iii))	20,060	(144,222)	(916)	(7,748)	(132,826)
Net exchange (loss)/gain	匯兌(虧損)／收益淨額	(28,833)	(78,812)	938	(5,773)	(112,480)
Other income	其他收入	1,909	44,708	1,645	188,780	237,042
Inter-segment transactions	分部之間交易	—	(25,938)	5,400	(102,785)	(123,323)
Segment revenue	分部收入	1,034,117	23,021,004	3,624,086	96,214	27,775,421
Benefits, losses and expenses	給付、賠款及費用					
Net policyholders' benefits	保單持有人利益淨額	(497,767)	(2,368,781)	(1,760,074)	—	(4,626,622)
Net commission expenses	佣金支出淨額	(319,221)	(1,836,855)	(162,185)	—	(2,318,261)
Administrative and other expenses	行政及其他費用	(36,253)	(2,311,070)	(1,437,643)	(255,317)	(4,040,283)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	—	(15,777,082)	—	—	(15,777,082)
Inter-segment transactions	分部之間交易	4,804	94,238	21,001	3,280	123,323
		(848,437)	(22,199,550)	(3,338,901)	(252,037)	(26,638,925)
Profit/(loss) from operations	經營溢利／(虧損)	185,680	821,454	285,185	(155,823)	1,136,496
Share of losses of associates	應佔聯營公司虧損	—	23	—	1,939	1,962
Finance costs	財務費用	—	(95,998)	(28,126)	(39,976)	(164,100)
Profit/(loss) before taxation	除稅前溢利／(虧損)	185,680	725,479	257,059	(193,860)	974,358
Income tax charge	稅項支出	(12,103)	(12,823)	(105)	(1,071)	(26,102)
Profit/(loss) after taxation	除稅後溢利／(虧損)	173,577	712,656	256,954	(194,931)	948,256
Non-controlling interests	非控股股東權益	—	(355,971)	(65,093)	75,809	(345,255)
Segment profit/(loss), representing profit/(loss) attributable to owners	分部溢利／(虧損)代表股東應佔溢利／(虧損)	173,577	356,685	191,861	(119,122)	603,001

Segment revenue and segment profit/(loss) represents the revenue and profit/(loss) earned by each segment which is the measure reported to the Board for the purposes of resource allocation and assessment of segment performance.

分部收入及分部溢利／(虧損)指各分部之收入及溢利／(虧損)，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(a) Segmental income statement for the six months ended 30 June 2010 (Continued)

(a) 截至二零一零年六月三十日止六個月分部損益表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i): Net investment income	註 (i): 投資收入淨額					
Interest income from debt securities	債務證券利息收入					
– Held-to-maturity	– 持有至到期日	62,538	912,803	20,700	502	996,543
– Available-for-sale	– 可供出售	24,501	301,968	64,872	10,486	401,827
– Held-for-trading	– 持有作交易用途	5,908	–	–	1,873	7,781
– Loans and receivables	– 貸款及應收款項	–	88,366	6,241	–	94,607
Dividend income from equity securities	股本證券股息收入					
– Available-for-sale	– 可供出售	5,476	33,638	7,742	302	47,158
– Held-for-trading	– 持有作交易用途	–	–	–	307	307
Dividend income from investment funds	投資基金股息收入					
– Available-for-sale	– 可供出售	369	202,935	57,185	–	260,489
– Held-for-trading	– 持有作交易用途	1,365	72	133	139	1,709
Bank deposits and other interest income	銀行存款及其他利息收入	3,840	219,555	38,970	4,392	266,757
Net rentals receivable from investment properties	應收投資物業租金淨額	678	–	25,260	–	25,938
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	–	(34,010)	(3,272)	(23)	(37,305)
		104,675	1,725,327	217,831	17,978	2,065,811
Note (ii): Net realized investment gains/(losses)	註 (ii): 已實現投資收益/(虧損)淨額					
Debt securities	債務證券					
– Available-for-sale	– 可供出售	(2,073)	(664)	87,368	4,138	88,769
– Held-for-trading	– 持有作交易用途	–	–	–	(192)	(192)
Equity securities	股本證券					
– Available-for-sale	– 可供出售	25,509	225,168	12,073	3,129	265,879
– Held-for-trading	– 持有作交易用途	–	2,231	–	1,110	3,341
Investment funds	投資基金					
– Available-for-sale	– 可供出售	16	162,618	28,011	–	190,645
– Held-for-trading	– 持有作交易用途	–	–	–	(2,423)	(2,423)
		23,452	389,353	127,452	5,762	546,019

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(a) Segmental income statement for the six months ended 30 June 2010 (Continued)

(a) 截至二零一零年六月三十日止六個月分部損益表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Net unrealized investment gains/(losses) and impairment	註 (iii): 未實現投資收益/(虧損)及減值淨額					
Debt securities	債務證券					
– Held-for-trading	– 持有作交易用途	13,051	–	–	278	13,329
Equity securities	股本證券					
– Held-for-trading	– 持有作交易用途	–	3,816	–	(7,317)	(3,501)
Investment funds	投資基金					
– Held-for-trading	– 持有作交易用途	(465)	–	–	(709)	(1,174)
Surplus on revaluation of investment properties	投資物業重估盈餘	6,640	–	–	–	6,640
Impairment reversed/(recognized) on:	減值回撥/(確認):					
– Held-to-maturity debt securities	– 持有至到期日債務證券	2,531	–	–	–	2,531
– Available-for-sale equity securities	– 可供出售股本證券	(1,697)	(148,038)	(916)	–	(150,651)
		20,060	(144,222)	(916)	(7,748)	(132,826)

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(b) Segmental statement of financial position as at 30 June 2010

(b) 於二零一零年六月三十日分部財務狀況表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Statutory deposits	法定存款	26,452	868,942	364,432	183,405	1,443,231
Property and equipment	物業及設備	54,210	2,201,451	759,328	37,526	3,052,515
Investment properties	投資物業	104,770	—	1,168,510	—	1,273,280
Prepaid lease payments	預付租賃付款	—	481,002	99,787	—	580,789
Debt securities (note (i))	債務證券 (註(i))	3,130,658	65,391,334	4,017,695	475,214	73,014,901
Equity securities (note (iii))	股本證券 (註(iii))	384,211	6,608,078	355,156	75,318	7,422,763
Investment funds (note (iii))	投資基金 (註(iii))	47,880	2,409,010	320,774	2,197	2,779,861
Cash and bank deposits	現金及銀行存款	1,468,990	20,058,372	3,103,877	776,367	25,407,606
Goodwill	商譽	—	154,909	148,738	—	303,647
Intangible asset	無形資產	—	—	261,408	—	261,408
Interest in associates	於聯營公司的權益	—	5,742	—	96,427	102,169
Reinsurers' share of insurance contract provisions	分保公司應佔 保險合約準備	400,618	120,702	1,526,391	—	2,047,711
Policyholder account assets in respect of unit-linked products	有關投資連結產品 之保單持有人賬戶資產	—	4,469,667	—	—	4,469,667
Other segment assets	其他分部資產	915,004	3,706,631	840,393	132,628	5,594,656
		6,532,793	106,475,840	12,966,489	1,779,082	127,754,204
Assets classified as held for sale	被歸類為持有 作出售之資產	—	—	2,196,132	—	2,196,132
Segment assets	分部資產	6,532,793	106,475,840	15,162,621	1,779,082	129,950,336
Life insurance contract liabilities	壽險合約負債	—	47,251,519	—	—	47,251,519
Unearned premium provisions	未到期責任準備金	1,062,606	413,739	2,741,200	—	4,217,545
Provision for outstanding claims	未決賠款準備	2,744,938	177,895	3,904,201	—	6,827,034
Investment contract liabilities	投資合約負債	—	35,951,880	—	—	35,951,880
Interest-bearing notes	需付息票據	—	3,610,782	802,396	1,358,148	5,771,326
Securities sold under repurchase agreements	賣出回購證券	—	7,794,704	343,884	—	8,138,588
Deferred tax liabilities	遞延稅項負債	2,666	750,498	79,222	14	832,400
Other segment liabilities	其他分部負債	278,252	2,230,216	1,694,985	171,728	4,375,181
		4,088,462	98,181,233	9,565,888	1,529,890	113,365,473
Liabilities directly associated with assets classified as held for sale	直接與被歸類為持有作 出售資產有關之負債	—	—	1,566,991	—	1,566,991
Segment liabilities	分部負債	4,088,462	98,181,233	11,132,879	1,529,890	114,932,464
Non-controlling interests	非控股股東權益					(4,810,611)
Net assets attributable to the owners of the Company	本公司股東應佔 資產淨值					10,207,261

Segment assets and segment liabilities represent the assets/liabilities recorded by each segment which is the measure reported to the Board for the purposes of resource allocation and assessment of segment performance.

分部資產及分部負債指各分部資產／負債，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(b) Segmental statement of financial position as at 30 June 2010 (Continued)

(b) 於二零一零年六月三十日分部財務狀況表 (續)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i): Debt securities	註(i): 債務證券					
By category:	按種類:					
– Held-to-maturity	– 持有至到期日	2,162,629	47,454,649	889,695	26,171	50,533,144
– Available-for-sale	– 可供出售	813,525	14,750,027	2,967,520	348,740	18,879,812
– Held-for-trading	– 持有作交易用途	154,504	–	–	94,572	249,076
– Loans and receivables	– 貸款及應收款項	–	3,186,658	160,480	5,731	3,352,869
		3,130,658	65,391,334	4,017,695	475,214	73,014,901
By class:	按類別:					
– Central governments and central banks	– 中央政府及 中央銀行	268,965	19,861,902	1,143,815	57,557	21,332,239
– Public sector entities	– 公共機構	35,294	–	–	–	35,294
– Banks and other financial institutions	– 銀行及其他 金融機構	1,586,201	22,690,600	1,502,730	325,246	26,104,777
– Corporate entities	– 企業實體	1,240,198	22,838,832	1,371,150	92,411	25,542,591
		3,130,658	65,391,334	4,017,695	475,214	73,014,901
Note (ii): Equity securities	註(ii): 股本證券					
By category:	按種類:					
– Available-for-sale	– 可供出售	384,211	6,512,047	355,156	49,366	7,300,780
– Held-for-trading	– 持有作交易用途	–	96,031	–	25,952	121,983
		384,211	6,608,078	355,156	75,318	7,422,763
By class:	按類別:					
– Public sector entities	– 公共機構	735	–	97,315	–	98,050
– Banks and other financial institutions	– 銀行及其他 金融機構	104,651	519,157	79,666	17,316	720,790
– Corporate entities	– 企業實體	278,825	6,088,921	178,175	58,002	6,603,923
		384,211	6,608,078	355,156	75,318	7,422,763

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(b) Segmental statement of financial position as at 30 June 2010 (Continued)

(b) 於二零一零年六月三十日分部財務狀況表 (續)

	Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Investment funds					
By category:					
– Available-for-sale	14,817	2,409,010	320,774	–	2,744,601
– Held-for-trading	33,063	–	–	2,197	35,260
	47,880	2,409,010	320,774	2,197	2,779,861
By class:					
– Banks and other financial institutions	–	2,409,010	55,576	2,197	2,466,783
– Corporate entities	47,880	–	255,761	–	303,641
– Others	–	–	9,437	–	9,437
	47,880	2,409,010	320,774	2,197	2,779,861

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(c) Segmental income statement for the six months ended 30 June 2009 (Restated)

(c) 截至二零零九年六月三十日止六個月分部損益表 (重列)

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Revenue	收入					
Gross premiums written	毛承保保費	1,060,446	9,451,804	3,647,736	—	14,159,986
Policy fees	保單費收入	—	227,060	—	—	227,060
		1,060,446	9,678,864	3,647,736	—	14,387,046
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉份額	(140,432)	(71,762)	(633,345)	—	(845,539)
Net premiums written and policy fees	淨承保保費及保單費收入	920,014	9,607,102	3,014,391	—	13,541,507
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(168,369)	(55,321)	(129,245)	—	(352,935)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	751,645	9,551,781	2,885,146	—	13,188,572
Net investment income (note (i))	投資收入淨額 (註(i))	82,245	1,227,247	167,051	26,725	1,503,268
Net realized investment gains (note (iii))	已實現投資收益淨額 (註(iii))	57,606	500,527	70,079	11,847	640,059
Net unrealized investment (losses)/gains and impairment (note (iii))	未實現投資(虧損)/收益及減值淨額 (註(iii))	(6,210)	(34,909)	10,504	2,283	(28,332)
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	26,569	(516)	(779)	502	25,776
Other income	其他收入	(2,378)	15,706	(8,498)	111,887	116,717
Inter-segment transactions	分部之間交易	—	(1,571)	(1,075)	(65,277)	(67,923)
Segment revenue	分部收入	909,477	11,258,265	3,122,428	87,967	15,378,137
Benefits, losses and expenses	給付、賠款及費用					
Net policyholders' benefits	保單持有人利益淨額	(404,016)	(1,478,597)	(1,719,025)	—	(3,601,638)
Net commission expenses	佣金支出淨額	(184,425)	(1,428,863)	(273,693)	—	(1,886,981)
Administrative and other expenses	行政及其他費用	(32,891)	(1,737,622)	(1,087,015)	(191,953)	(3,049,481)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	—	(5,644,608)	—	—	(5,644,608)
Inter-segment transactions	分部之間交易	4,450	57,768	4,098	1,607	67,923
		(616,882)	(10,231,922)	(3,075,635)	(190,346)	(14,114,785)
Profit/(loss) from operations	經營溢利/(虧損)	292,595	1,026,343	46,793	(102,379)	1,263,352
Share of losses of associates	應佔聯營公司虧損	—	(39)	(222)	(873)	(1,134)
Finance costs	財務費用	—	(91,943)	(24,983)	(39,850)	(156,776)
Profit/(loss) before taxation	除稅前溢利/(虧損)	292,595	934,361	21,588	(143,102)	1,105,442
Income tax (charge)/credit	稅項(支出)/抵免	(18,787)	(259,289)	15,960	(3,571)	(265,687)
Profit/(loss) after taxation	除稅後溢利/(虧損)	273,808	675,072	37,548	(146,673)	839,755
Non-controlling interests	非控股股東權益	—	(337,200)	(18,253)	65,324	(290,129)
Segment profit/(loss), representing profit/(loss) attributable to owners	分部溢利/(虧損)代表股東應佔溢利/(虧損)	273,808	337,872	19,295	(81,349)	549,626

Segment revenue and segment profit/(loss) represents the revenue and profit/(loss) earned by each segment which is the measure reported to the Board for the purposes of resource allocation and assessment of segment performance.

分部收入及分部溢利/(虧損)指各分部之收入及溢利/(虧損)，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(c) Segmental income statement for the six months ended 30 June 2009 (Restated) (Continued)

(c) 截至二零零九年六月三十日止六個月分部損益表 (重列) (續)

	Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i): Net investment income	註(i): 投資收入淨額				
Interest income from debt securities	債務證券利息收入				
— Held-to-maturity	41,333	454,973	33,417	409	530,132
— Available-for-sale	17,122	462,109	65,414	15,104	559,749
— Held-for-trading	7,327	150	3,990	1,787	13,254
— Loans and receivables	—	62,121	4,171	—	66,292
Dividend income from equity securities	股本證券股息收入				
— Available-for-sale	4,279	35,630	3,493	3,135	46,537
— Held-for-trading	1,562	—	—	211	1,773
Dividend income from investment funds	投資基金股息收入				
— Available-for-sale	372	31,611	13,631	—	45,614
— Held-for-trading	1,358	201	466	87	2,112
Bank deposits and other interest income	7,710	241,194	22,397	5,992	277,293
Net rentals receivables from investment properties	1,182	—	22,299	—	23,481
Interest expenses on securities sold under repurchase agreements	—	(60,742)	(2,227)	—	(62,969)
	82,245	1,227,247	167,051	26,725	1,503,268
Note (ii): Net realized investment gains/(losses)	註(ii): 已實現投資收益/(虧損)淨額				
Debt securities	債務證券				
— Available-for-sale	—	97,373	10,061	10,819	118,253
— Held-for-trading	7,856	5,664	6,204	1,423	21,147
Equity securities	股本證券				
— Available-for-sale	50,778	151,355	30,623	(4,270)	228,486
— Held-for-trading	(1,028)	44,928	4,158	3,380	51,438
Investment funds	投資基金				
— Available-for-sale	—	157,066	19,032	—	176,098
— Held-for-trading	—	44,141	1	495	44,637
	57,606	500,527	70,079	11,847	640,059

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(c) Segmental income statement for the six months ended 30 June 2009 (Restated) (Continued)

(c) 截至二零零九年六月三十日止六個月分部損益表 (重列) (續)

	Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Net unrealized investment gains/(losses) and impairment	註 (iii): 未實現投資收益/(虧損)及減值淨額				
Debt securities					
– Held-for-trading	624	1,101	534	(5,025)	(2,766)
Equity securities					
– Held-for-trading	–	(16,427)	3,140	3,724	(9,563)
Investment funds					
– Held-for-trading	1,741	(19,583)	–	3,584	(14,258)
Surplus on revaluation of investment properties	6,420	–	6,830	–	13,250
Impairment on held-to-maturity debt securities	(14,995)	–	–	–	(14,995)
	(6,210)	(34,909)	10,504	2,283	(28,332)

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(d) Segmental statement of financial position as at 31 December 2009

(d) 於二零零九年十二月三十一日分部財務狀況表

		Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Statutory deposits	法定存款	23,250	567,870	577,198	181,719	1,350,037
Property and equipment	物業及設備	54,007	2,148,364	944,707	42,443	3,189,521
Investment properties	投資物業	98,130	—	1,095,100	—	1,193,230
Prepaid lease payments	預付租賃付款	—	481,559	199,880	—	681,439
Debt securities (note (i))	債務證券 (註(i))	2,852,023	52,282,773	4,344,335	461,076	59,940,207
Equity securities (note (iii))	股本證券 (註(iii))	302,407	7,614,251	442,817	74,079	8,433,554
Investment funds (note (iii))	投資基金 (註(iii))	77,162	5,162,437	463,793	12,742	5,716,134
Cash and bank deposits	現金及銀行存款	1,597,343	13,905,867	3,133,748	487,765	19,124,723
Goodwill	商譽	—	154,909	148,738	—	303,647
Intangible asset	無形資產	—	—	261,048	—	261,048
Interest in associates	於聯營公司的權益	—	5,667	—	95,482	101,149
Reinsurers' share of insurance contract provisions	分保公司應佔 保險合約準備	328,633	148,378	1,610,651	—	2,087,662
Policyholder account assets in respect of unit-linked products	有關投資連結產品 之保單持有人賬戶資產	—	5,078,319	—	—	5,078,319
Other segment assets	其他分部資產	523,857	2,600,767	847,723	98,014	4,070,361
Segment assets	分部資產	5,856,812	90,151,161	14,069,738	1,453,320	111,531,031
Life insurance contract liabilities	壽險合約負債	—	31,089,308	—	—	31,089,308
Unearned premium provisions	未到期責任準備金	547,881	369,190	2,901,735	—	3,818,806
Provision for outstanding claims	未決賠款準備	2,655,675	202,013	4,125,068	—	6,982,756
Investment contract liabilities	投資合約負債	—	36,381,937	—	—	36,381,937
Interest-bearing notes	需付息票據	—	3,577,581	795,018	1,352,511	5,725,110
Securities sold under repurchase agreements	賣出回購證券	—	6,606,088	—	—	6,606,088
Deferred tax liabilities	遞延稅項負債	5,481	1,310,500	98,930	466	1,415,377
Other segment liabilities	其他分部負債	262,021	1,917,313	1,740,480	254,006	4,173,820
Segment liabilities	分部負債	3,471,058	81,453,930	9,661,231	1,606,983	96,193,202
Non-controlling interests	非控股股東權益					(5,041,118)
Net assets attributable to the owners of the Company	本公司股東應佔 資產淨值					10,296,711

Segment assets and segment liabilities represent the assets/liabilities recorded by each segment which is the measure reported to the Board for the purposes of resource allocation and assessment of segment performance.

分部資產及分部負債指各分部資產／負債，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(d) Segmental statement of financial position as at 31 December 2009 (Continued)

(d) 於二零零九年十二月三十一日分部財務狀況表 (續)

	Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i): Debt securities	註 (i) : 債務證券				
By category:	按種類:				
— Held-to-maturity	2,000,863	35,961,153	1,357,561	13,519	39,333,096
— Available-for-sale	706,565	14,254,573	2,850,485	299,994	18,111,617
— Held-for-trading	144,595	—	—	141,884	286,479
— Loans and receivables	—	2,067,047	136,289	5,679	2,209,015
	2,852,023	52,282,773	4,344,335	461,076	59,940,207
By class:	按類別:				
— Central governments and central banks	234,927	18,706,589	1,566,814	68,465	20,576,795
— Public sector entities	50,765	—	—	—	50,765
— Banks and other financial institutions	1,377,768	10,816,685	1,484,802	320,000	13,999,255
— Corporate entities	1,188,563	22,759,499	1,254,316	72,611	25,274,989
— Others	—	—	38,403	—	38,403
	2,852,023	52,282,773	4,344,335	461,076	59,940,207
Note (ii): Equity securities	註 (ii) : 股本證券				
By category:	按種類:				
— Available-for-sale	302,407	7,522,908	442,817	52,113	8,320,245
— Held-for-trading	—	91,343	—	21,966	113,309
	302,407	7,614,251	442,817	74,079	8,433,554
By class:	按類別:				
— Public sector entities	9,626	—	156,649	—	166,275
— Banks and other financial institutions	89,517	—	41,002	13,976	144,495
— Corporate entities	203,264	7,614,251	245,166	60,103	8,122,784
	302,407	7,614,251	442,817	74,079	8,433,554

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

2 營運分部 (續)

(d) Segmental statement of financial position as at 31 December 2009 (Continued)

(d) 於二零零九年十二月三十一日分部財務狀況表 (續)

	Reinsurance 再保險 \$'000 千元	Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Investment funds	註 (iii) : 投資基金				
By category:	按種類:				
– Available-for-sale	43,764	5,162,437	463,793	–	5,669,994
– Held-for-trading	33,398	–	–	12,742	46,140
	77,162	5,162,437	463,793	12,742	5,716,134
By class:	按類別:				
– Banks and other financial institutions	–	–	–	3,636	3,636
– Corporate entities	77,162	5,162,437	336,554	9,106	5,585,259
– Others	–	–	127,239	–	127,239
	77,162	5,162,437	463,793	12,742	5,716,134

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

Geographical distribution:

The Group's gross premium from customers and information about its non-current assets by geographical location of the customers and assets are detailed below:

For the six months ended 30 June 2010

		Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國(香港及 澳門除外) \$'000 千元	Japan 日本 \$'000 千元	Rest of Asia 亞洲 其他地區 \$'000 千元	Europe 歐洲 \$'000 千元	Rest of the world 其他地區 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written and policy fees	毛承保保費及保單費收入	690,366	25,813,987	83,798	336,806	209,647	138,559	27,273,163
Non-current assets (other than financial instruments, deferred tax assets and rights arising under insurance contracts)	非流動資產(金融工具、遞延稅項資產及有關保險合約之權利除外)	1,628,756	4,041,904	—	—	—	—	5,670,660

As at 31 December 2009

		Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國(香港及 澳門除外) \$'000 千元	Japan 日本 \$'000 千元	Rest of Asia 亞洲 其他地區 \$'000 千元	Europe 歐洲 \$'000 千元	Rest of the world 其他地區 \$'000 千元	Total 總額 \$'000 千元
Non-current assets (other than financial instruments, deferred tax assets and rights arising under insurance contracts)	非流動資產(金融工具、遞延稅項資產及有關保險合約之權利除外)	1,602,484	4,026,761	—	—	—	—	5,629,245

For the six months ended 30 June 2009 (Restated)

		Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國(香港及 澳門除外) \$'000 千元	Japan 日本 \$'000 千元	Rest of Asia 亞洲 其他地區 \$'000 千元	Europe 歐洲 \$'000 千元	Rest of the world 其他地區 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written and policy fees	毛承保保費及保單費收入	628,564	13,161,670	79,313	275,665	167,799	74,035	14,387,046

2 營運分部 (續)

地區分佈：

下表詳列本集團按客戶及資產地區分佈之客戶毛保費及非當期資產：

截至二零一零年六月三十日止六個月

於二零零九年十二月三十一日

截至二零零九年六月三十日止六個月(重列)

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

2 OPERATING SEGMENTS (Continued)

Information about major customers:

There were no customer for the six months ended 30 June 2010 and 2009 contributing over 10% of the total gross premiums of the Group.

3 GROSS PREMIUMS WRITTEN AND POLICY FEES

Principal activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the underwriting of all classes of reinsurance business, direct life insurance business and property and casualty insurance business.

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

2 營運分部 (續)

主要客戶資料：

於二零一零年及二零零九年六月三十日止六個月並無客戶為本集團毛承保保費收入帶來逾10%之貢獻。

3 毛承保保費及保單費收入

主要業務

本公司的主要業務是投資控股。本公司之附屬公司的主要業務是承接各類再保險業務、直接人壽保險業務及財產保險業務。

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

		Six months ended 30 June 2010 截至二零一零年六月三十日止六個月			
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance and investment contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written	毛承保保費收入	1,566,392	21,232,659	4,416,723	27,215,774
Policy fees	保單費收入	—	57,389	—	57,389
		1,566,392	21,290,048	4,416,723	27,273,163
		Six months ended 30 June 2009 (Restated) 截至二零零九年六月三十日止六個月 (重列)			
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance and investment contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written	毛承保保費收入	1,060,446	9,451,804	3,647,736	14,159,986
Policy fees	保單費收入	—	227,060	—	227,060
		1,060,446	9,678,864	3,647,736	14,387,046

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

4 INVESTMENT INCOME

4 投資收入

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
Net investment income (note (a))	投資收入淨額 (註(a))	2,065,811	1,503,268
Net realized investment gains (note (b))	已實現投資收益淨額 (註(b))	546,019	640,059
Net unrealized investment losses and impairment (note (c))	未實現投資虧損及減值淨額 (註(c))	(132,826)	(28,332)
		2,479,004	2,114,995
(a) Net investment income	(a) 投資收入淨額		
Interest income from debt securities (note (i)):	債務證券利息收入 (註(i)):		
— Held-to-maturity	— 持有至到期日	996,543	530,132
— Available-for-sale	— 可供出售	401,827	559,749
— Held-for-trading	— 持有作交易用途	7,781	13,254
— Loans and receivables	— 貸款及應收款	94,607	66,292
Dividend income from equity securities (note (ii)):	股本證券股息收入 (註(ii)):		
— Available-for-sale	— 可供出售	47,158	46,537
— Held-for-trading	— 持有作交易用途	307	1,773
Dividend income from investment funds (note (iii)):	投資基金股息收入 (註(iii)):		
— Available-for-sale	— 可供出售	260,489	45,614
— Held-for-trading	— 持有作交易用途	1,709	2,112
Bank deposits and other interest income	銀行存款及其他利息收入	266,757	277,293
Gross rentals receivable from investment properties	應收投資物業租金毛額	27,554	24,686
Less: Direct outgoings	減: 直接支出	(1,616)	(1,205)
Net rentals receivables from investment properties	應收投資物業租金淨額	25,938	23,481
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	(37,305)	(62,969)
		2,065,811	1,503,268

Notes:

註:

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
(i) Interest income from debt securities:	(i) 債務證券利息收入:		
— Listed	— 上市	294,216	692,169
— Unlisted	— 非上市	1,206,542	477,258
(ii) Dividend income from equity securities:	(ii) 股本證券股息收入:		
— Listed	— 上市	45,191	45,954
— Unlisted	— 非上市	2,274	2,356
(iii) Dividend income from investment funds:	(iii) 投資基金股息收入:		
— Listed	— 上市	206,682	38,032
— Unlisted	— 非上市	55,516	9,694

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

4 INVESTMENT INCOME (Continued)

4 投資收入 (續)

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
(b) Net realized investment gains/(losses)	(b) 已實現投資收益／(虧損)淨額		
Debt securities (note (i)):	債務證券 (註(i)):		
– Available-for-sale	– 可供出售	88,769	118,253
– Held-for-trading	– 持有作交易用途	(192)	21,147
Equity securities (note (ii)):	股本證券 (註(ii)):		
– Available-for-sale	– 可供出售	265,879	228,486
– Held-for-trading	– 持有作交易用途	3,341	51,438
Investment funds (notes (iii)):	投資基金 (註(iii)):		
– Available-for-sale	– 可供出售	190,645	176,098
– Held-for-trading	– 持有作交易用途	(2,423)	44,637
		546,019	640,059

Notes:

註:

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
(i) Net realized investment gains on debt securities:	(i) 債務證券已實現投資收益淨額:		
Listed	上市	75,893	94,915
Unlisted	非上市	12,684	44,485
(ii) Net realized investment gains on equity securities:	(ii) 股本證券已實現投資收益淨額:		
Listed	上市	269,220	279,409
Unlisted	非上市	–	515
(iii) Net realized investment gains/(losses) on investment funds:	(iii) 投資基金已實現投資收益／(虧損)淨額:		
Listed	上市	12,736	(36,367)
Unlisted	非上市	175,486	257,102

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

4 INVESTMENT INCOME (Continued)

4 投資收入 (續)

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
(c) Net unrealized investment gains/(losses) and impairment	(c) 未實現投資收益／(虧損)及減值淨額		
Debt securities (note (i)):	債務證券(註(i)):		
— Held-for-trading	— 持有作交易用途	13,329	(2,766)
Equity securities (note (ii)):	股本證券(註(ii)):		
— Held-for-trading	— 持有作交易用途	(3,501)	(9,563)
Investment funds (note (iii)):	投資基金(註(iii)):		
— Held-for-trading	— 持有作交易用途	(1,174)	(14,258)
Surplus on revaluation of investment properties	投資物業重估盈餘	6,640	13,250
Impairment loss reversed/ (recognized) on:	回撥／(確認) 減值虧損:		
— Held-to-maturity securities	— 持有至到期日證券	2,531	(14,995)
— Available-for-sale securities	— 可供出售證券	(150,651)	—
		(132,826)	(28,332)

Notes:

註:

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
(i) Net unrealized investment gains/(losses) on debt securities:	(i) 債務證券未實現投資收益／(虧損)淨額:		
Listed	上市	(620)	21,271
Unlisted	非上市	13,949	(24,037)
(ii) Net unrealized investment gains/(losses) on equity securities:	(ii) 股本證券未實現投資收益／(虧損)淨額:		
Listed	上市	(3,501)	(10,589)
Unlisted	非上市	—	1,026
(iii) Net unrealized investment gains/(losses) on investment funds:	(iii) 投資基金未實現投資收益／(虧損)淨額:		
Listed	上市	(709)	(14,558)
Unlisted	非上市	(465)	300

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

5 OTHER INCOME

5 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
Income from provision of asset management services	提供資產管理服務收入	25,371	4,717
Income from provision of insurance intermediary services	提供保險中介服務收入	12,602	12,961
Income from provision of pension administration services	提供養老保險管理服務收入	43,435	25,114
Net gain/(loss) on sale of property and equipment	出售物業及設備收益／ (虧損)淨額	140	(510)
Net impairment losses written back on property and equipment	物業及設備減值虧損回撥淨額	—	2,743
Others	其他	32,171	3,769
		113,719	48,794

6 NET POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES

6 保單持有人利益淨額及佣金支出淨額

(a) Net policyholders' benefits

(a) 保單持有人利益淨額

		Six months ended 30 June 2010 截至二零一零年六月三十日止六個月			
		Reinsurance contracts 再保險合約 \$'000 千元	Life insurance and investment contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	575,324	336,379	2,033,884	2,945,587
Less: Reinsurers' and retrocessionaires' share	減：再保及轉分份額	(77,557)	(97,735)	(273,810)	(449,102)
Surrenders	退保	497,767	238,644	1,760,074	2,496,485
Annuity, dividends and maturity payments	年金、分紅及到期付款	—	586,359	—	586,359
Interest allocated to investment contracts	分配至投資合約之利益	—	922,817	—	922,817
		—	620,961	—	620,961
		497,767	2,368,781	1,760,074	4,626,622

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

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

(a) Net policyholders' benefits (Continued)

		Six months ended 30 June 2009 (Restated) 截至二零零九年六月三十日止六個月 (重列)			
		Life insurance and investment contracts 人壽保險及 投資合約	Property and casualty insurance contracts 財產保險合約	Total 總額	
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	451,838	207,675	2,003,006	2,662,519
Less: Reinsurers' and retrocessionaires' share	減：再保及轉分份額	(47,822)	(28,040)	(283,981)	(359,843)
		404,016	179,635	1,719,025	2,302,676
Surrenders	退保	—	486,549	—	486,549
Annuity, dividends and maturity payments	年金、分紅及到期付款	—	203,094	—	203,094
Interest allocated to investment contracts	分配至投資合約之利益	—	609,319	—	609,319
		404,016	1,478,597	1,719,025	3,601,638

(b) Net commission expenses

		Six months ended 30 June 2010 截至二零一零年六月三十日止六個月			
		Reinsurance contracts 再保險合約	Life insurance contracts 人壽保險合約	Property and casualty insurance contracts 財產保險合約	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Gross commission expenses	毛佣金支出	356,525	1,858,022	364,046	2,578,593
Reinsurance commission income	再保險佣金收入	(37,304)	(21,167)	(219,184)	(277,655)
Net commission expenses	佣金支出淨額	319,221	1,836,855	144,862	2,300,938

		Six months ended 30 June 2009 (Restated) 截至二零零九年六月三十日止六個月 (重列)			
		Reinsurance contracts 再保險合約	Life insurance contracts 人壽保險合約	Property and casualty insurance contracts 財產保險合約	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Gross commission expenses	毛佣金支出	216,825	1,435,987	458,509	2,111,321
Reinsurance commission income	再保險佣金收入	(32,400)	(7,124)	(184,816)	(224,340)
Net commission expenses	佣金支出淨額	184,425	1,428,863	273,693	1,886,981

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

7 除稅前溢利

除稅前溢利已扣除：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2010	2009
		二零一零年	二零零九年 (Restated) (重列)
		\$'000	\$'000
		千元	千元
(a) Finance costs:	(a) 財務費用：		
Interest on interest-bearing notes	需付息票據利息	164,100	156,776
(b) Staff costs (including directors' emolument):	(b) 員工成本 (包括董事酬金)：		
Salaries, wages and other benefits	薪金、工資及其他利益	2,128,745	1,551,828
Employee share-based compensation benefits	以股份為本之僱員補償利益	14,586	13,642
Contributions to defined contribution retirement plans	已訂定供款退休計劃供款	123,350	99,588
		2,266,681	1,665,058
(c) Other items:	(c) 其他項目：		
Auditor's remuneration	核數師酬金	3,500	3,428
Depreciation of property and equipment	物業及設備折舊	131,162	91,071
Operating lease charges in respect of properties	有關物業的經營租賃費用	173,072	159,333
Share of associates' taxation charge	佔聯營公司稅項支出	948	244
Amortization of prepaid lease payments	預付租賃付款攤銷	7,071	6,183
Net impairment losses on insurance debtors and other debtors	保險客戶應收賬款及其他應收賬款減值淨額	2,571	10,004

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

8 INCOME TAX CHARGE

Income tax charge in the consolidated income statement represents:

8 稅項支出

綜合損益表所示的稅項支出為：

		Six months ended 30 June 截至六月三十日止六個月	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		\$'000 千元	\$'000 千元
Current tax — Hong Kong Profits Tax	當期稅項 — 香港利得稅		
Provision for the period	本財務期稅項準備	17,062	18,535
Under-provision in respect of prior years	少提以往年度稅項準備	—	1,684
		17,062	20,219
Current tax — Outside Hong Kong	當期稅項 — 香港以外地區		
Provision for the period	本財務期稅項準備	218,266	125,932
Under-provision in respect of prior years	少提以往年度稅項準備	104	75,957
		218,370	201,889
Deferred tax (credit)/charge	遞延稅項(抵免)/支出		
Origination and reversal of temporary differences	暫時性差異之起源及轉回	(209,330)	43,579
Income tax charge	稅項支出	26,102	265,687

The provision for Hong Kong Profits Tax represents the Group's estimated Hong Kong Profits Tax liability calculated at the standard tax rate of 16.5% (2009: 16.5%) on its assessable profits from reinsurance, property and casualty insurance, asset management and insurance intermediary businesses except for its assessable profits from the business of reinsurance of offshore risks, which is calculated at 8.25% (2009: 8.25%), one-half of the standard tax rate.

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

At 30 June 2010, the Group did not recognize deferred tax assets in respect of tax losses of approximately \$1,320,261,000 (31 December 2009: \$1,510,301,000). Of this amount, \$390,295,000 (31 December 2009: \$587,862,000) will expire after 5 years under current tax legislation of PRC, while the remaining tax losses do not expire under current tax legislation.

香港利得稅準備是指本集團根據來自再保險、財產保險、資產管理及保險中介業務的應評稅溢利，按16.5%（二零零九年：16.5%）的標準稅率計算的估計應繳利得稅，但來自海外風險的再保險業務應評稅溢利則按適用稅率8.25%（二零零九年：8.25%），即標準稅率的一半計算。

海外附屬公司於香港以外地區的稅項以相關司法管轄區的現行稅率計算。

於二零一零年六月三十日，本集團未有確認就有關稅項虧損而產生的遞延稅項資產約為1,320,261,000元（二零零九年十二月三十一日：1,510,301,000元）。此金額中，390,295,000元（二零零九年十二月三十一日：587,862,000元）在目前的中國稅務條例下將於五年後到期，尚餘的稅項虧損額在目前的稅務條例則並無期限。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

9 DIVIDENDS

- (a) No interim dividend in respect of the interim period was declared during the interim period ended 30 June 2010 (2009: \$Nil).
- (b) No final dividend in respect of the previous financial year was declared and paid during the interim period (2009: \$Nil).

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of \$603,001,000 (2009 *restated*: \$549,626,000) and the weighted average number of ordinary shares in issue during the period less shares held for the Share Award Scheme of 1,697,728,759 (2009 *restated*: 1,555,926,292).

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to owners of the Company of \$603,001,000 (2009 *restated*: \$549,626,000) and the weighted average number of 1,714,446,922 ordinary shares (2009 *restated*: 1,570,864,324 ordinary shares) after adjusting for the effects of the potential dilution from ordinary shares issuable under the Company's Share Option Scheme and Share Award Scheme.

(c) Reconciliations

9 股息

- (a) 於二零一零年六月三十日止之中期財務期沒有宣派屬於本財務期的中期股息(二零零九年：無)。
- (b) 沒有屬於上一個財務年度，並於中期財務期宣派及支付的末期股息(二零零九年：無)。

10 每股盈利

(a) 每股基本盈利

每股基本盈利是按照本公司股東應佔溢利603,001,000元(二零零九年重列：549,626,000元)，及扣除為股份獎勵計劃而持有之股份後的期內已發行普通股的加權平均數1,697,728,759股(二零零九年重列：1,555,926,292)計算。

(b) 每股攤薄盈利

每股攤薄盈利是按照本公司股東應佔溢利603,001,000元(二零零九年重列：549,626,000元)及已就本公司認股權計劃及股份獎勵計劃具備潛在攤薄影響的普通股作出調整後得出的普通股加權平均數1,714,446,922股(二零零九年重列：1,570,864,324股)計算。

(c) 對賬

		At 30 June 於六月三十日	
		2010 二零一零年	2009 二零零九年 (Restated) (重列)
		Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares less shares held for Share Award Scheme used in calculating basic earnings per share	用作計算每股基本盈利的扣除股份獎勵計劃而持有之股份後之普通股加權平均股數	1,697,728,759	1,555,926,292
Effect of Share Option Scheme Effect of Share Award Scheme	認股權計劃的影響 股份獎勵計劃的影響	12,315,163 4,403,000	10,218,032 4,720,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	用作計算每股攤薄盈利的普通股加權平均股數	1,714,446,922	1,570,864,324

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

11 FIXED ASSETS

The Group leases out investment properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually reviewed every two to three years to reflect market rentals. None of the leases include contingent rentals.

The time period in which the Group's total future minimum lease payments under non-cancellable operating leases are receivable is as follows:

11 固定資產

本集團以經營租賃租出投資物業。這些租賃一般初步為期二至三年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款額通常會每二至三年檢討，以反映市場租金。各項租賃均不包括或然租金。

本集團根據不可解除的經營租賃在日後應收的最低租賃付款總額的時段如下：

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Within 1 year	一年內	55,297	48,361
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	45,811	38,318
		101,108	86,679

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

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Held-to-maturity (Note (i)):	持有至到期日(註(i)):		
– Debt securities	– 債務證券	50,533,144	39,333,096
Available-for-sale (Note (ii)):	可供出售(註(ii)):		
– Debt securities	– 債務證券	18,879,812	18,111,617
– Equity securities	– 股本證券	7,300,779	8,320,245
– Investment funds	– 投資基金	2,744,602	5,669,994
		28,925,193	32,101,856
Held-for-trading (Note (iii)):	持有作交易用途(註(iii)):		
– Debt securities	– 債務證券	249,076	286,479
– Equity securities	– 股本證券	121,984	113,309
– Investment funds	– 投資基金	35,259	46,140
		406,319	445,928
Loans and receivables (Note (iv)):	貸款及應收款項(註(iv)):		
– Debt securities	– 債務證券	3,352,869	2,209,015
Total	總額	83,217,525	74,089,895

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資 (續)

(Continued)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(i) Held-to-maturity	(i) 持有至到期日						
At 30 June 2010	於二零一零年六月三十日						
Listed in Hong Kong	上市 — 香港	—	—	46,342	120,641	—	166,983
Listed outside Hong Kong	上市 — 香港以外地區	131,168	27,547	668,641	2,086,522	—	2,913,878
Unlisted	非上市	14,427,486	7,747	20,245,485	12,771,565	—	47,452,283
		14,558,654	35,294	20,960,468	14,978,728	—	50,533,144
Fair value of securities	證券公允價值	14,591,610	36,665	21,002,850	15,056,333	—	50,687,458
Market value of listed securities	上市證券市值	139,741	28,564	747,330	2,278,822	—	3,194,457
At 31 December 2009	於二零零九年十二月三十一日						
Listed in Hong Kong	上市 — 香港	—	—	46,084	1,034,352	—	1,080,436
Listed outside Hong Kong	上市 — 香港以外地區	131,517	43,069	593,673	1,203,768	38,403	2,010,430
Unlisted	非上市	13,527,883	7,696	8,713,876	13,992,775	—	36,242,230
		13,659,400	50,765	9,353,633	16,230,895	38,403	39,333,096
Fair value of securities	證券公允價值	13,714,039	53,157	9,650,303	16,134,645	40,571	39,592,715
Market value of listed securities	上市證券市值	139,531	44,921	664,814	2,306,922	40,571	3,196,759

The held-to-maturity debt securities include an amount of \$636,606,000 (31 December 2009: \$346,449,000) which mature within one year. None of the securities are past due or impaired.

The fair value of the unlisted securities were determined based on quoted bid prices in active markets.

持有至到期的債務證券包括價值636,606,000元(二零零九年十二月三十一日: 346,449,000元)的債務證券, 為於一年內到期。沒有證券逾期或減值。

非上市證券之公允價值按活躍市場之買入報價而釐定。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資 (續)

(Continued)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(ii) Available-for-sale	(ii) 可供出售						
At 30 June 2010	於二零一零年六月三十日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	43,001	–	89,856	73,388	–	206,245
– outside Hong Kong	– 香港以外地區	4,035,730	–	1,205,515	4,023,600	–	9,264,845
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	67,627	239,657	714,640	–	1,021,924
– outside Hong Kong	– 香港以外地區	–	30,423	469,870	3,406,309	–	3,906,602
Listed investment funds	上市投資基金						
outside Hong Kong	香港以外地區	–	–	708,317	172,055	–	880,372
Unlisted debt securities	非上市債務證券	2,660,466	–	3,727,128	3,021,128	–	9,408,722
Unlisted equity securities, at cost	非上市股本證券，按成本	–	–	–	2,372,253	–	2,372,253
Unlisted investment funds	非上市投資基金	–	–	1,700,694	98,525	65,011	1,864,230
		6,739,197	98,050	8,141,037	13,881,898	65,011	28,925,193
Level 1 – Quoted market price	第一類 – 市場報價	6,739,197	98,050	7,830,877	11,197,147	9,437	25,874,708
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法採用可觀察數據	–	–	310,160	312,498	55,574	678,232
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	6,739,197	98,050	8,141,037	11,509,645	65,011	26,552,940
Market value of listed securities	上市證券市值	4,078,731	98,050	2,713,215	8,389,992	–	15,279,988
Current	當期	5,517,992	735	6,164,015	10,351,819	–	22,034,561
Non-current	非當期	1,221,205	97,315	1,977,022	3,530,079	65,011	6,890,632
		6,739,197	98,050	8,141,037	13,881,898	65,011	28,925,193

The above unlisted equity securities are issued by private entities incorporated in the PRC. They are measured at cost at the end of the reporting period as the management considers that their values cannot be measured reliably.

上述非上市股本證券由中國註冊成立之私人機構發行。由於管理層認為其公允價值不能可靠地計量，所以於報告期末均按成本列賬。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資 (續)

(Continued)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(ii) Available-for-sale (continued)	(ii) 可供出售 (續)						
At 31 December 2009	於二零零九年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	42,169	–	254,031	79,312	–	375,512
– outside Hong Kong	– 香港以外地區	3,807,297	–	911,162	3,865,715	–	8,584,174
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	9,626	135,821	618,925	–	764,372
– outside Hong Kong	– 香港以外地區	–	156,649	–	5,135,927	–	5,292,576
Listed investment funds	上市投資基金						
outside Hong Kong	香港以外地區	–	–	–	1,762,402	–	1,762,402
Unlisted debt securities	非上市債務證券	2,999,711	–	3,360,183	2,792,037	–	9,151,931
Unlisted equity securities, at cost	非上市股本證券，按成本	–	–	–	2,263,297	–	2,263,297
Unlisted investment funds	非上市投資基金	–	–	–	3,780,353	127,239	3,907,592
		6,849,177	166,275	4,661,197	20,297,968	127,239	32,101,856
Level 1 – Quoted market price	第一類 – 市場報價	6,417,959	166,275	3,565,866	16,236,194	63,133	26,449,427
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法 採用可觀察數據	431,218	–	1,095,331	1,798,477	64,106	3,389,132
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法 採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	6,849,177	166,275	4,661,197	18,034,671	127,239	29,838,559
Market value of listed securities	上市證券市值	3,849,466	166,275	1,301,014	11,462,281	–	16,779,036
Current	當期	5,671,411	9,626	3,012,998	19,413,566	63,134	28,170,735
Non-current	非當期	1,177,766	156,649	1,648,199	884,402	64,105	3,931,121
		6,849,177	166,275	4,661,197	20,297,968	127,239	32,101,856

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資 (續)

(Continued)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iii) Held-for-trading	(iii) 持有作交易用途						
At 30 June 2010	於二零一零年六月三十日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	–	–	–	45,997	–	45,997
– outside Hong Kong	– 香港以外地區	–	–	39,653	38,693	–	78,346
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	–	4,941	13,853	–	18,794
– outside Hong Kong	– 香港以外地區	–	–	6,322	96,868	–	103,190
Listed investment funds	上市投資基金						
outside Hong Kong	香港以外地區	–	–	2,197	24,326	–	26,523
Unlisted debt securities	非上市債務證券	34,388	–	82,156	8,189	–	124,733
Unlisted investment funds	非上市投資基金	–	–	–	8,736	–	8,736
		34,388	–	135,269	236,662	–	406,319
Level 1 – Quoted market price	第一類 – 市場報價	34,388	–	135,269	236,662	–	406,319
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法採用可觀察數據	–	–	–	–	–	–
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	34,388	–	135,269	236,662	–	406,319
Market value of listed securities	上市證券市值	–	–	53,113	219,737	–	272,850
Current	當期	34,388	–	135,269	236,662	–	406,319
Non-current	非當期	–	–	–	–	–	–
		34,388	–	135,269	236,662	–	406,319

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資 (續)

(Continued)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iii) Held-for-trading (continued)	(iii) 持有作交易用途 (續)						
At 31 December 2009	於二零零九年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	–	–	–	43,976	–	43,976
– outside Hong Kong	– 香港以外地區	–	–	41,384	39,617	–	81,001
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	–	4,441	11,030	–	15,471
– outside Hong Kong	– 香港以外地區	–	–	4,233	93,605	–	97,838
Listed investment funds	上市投資基金						
outside Hong Kong	香港以外地區	–	–	3,636	33,593	–	37,229
Unlisted debt securities	非上市債務證券	68,218	–	78,862	14,422	–	161,502
Unlisted investment funds	非上市投資基金	–	–	–	8,911	–	8,911
		68,218	–	132,556	245,154	–	445,928
Level 1 – Quoted market price	第一類 – 市場報價	68,218	–	132,556	245,154	–	445,928
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法採用可觀察數據	–	–	–	–	–	–
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	68,218	–	132,556	245,154	–	445,928
Market value of listed securities	上市證券市值	–	–	53,694	221,821	–	275,515
Current	當期	68,218	–	132,556	245,154	–	445,928
Non-current	非當期	–	–	–	–	–	–
		68,218	–	132,556	245,154	–	445,928

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

12 INVESTMENTS IN DEBT AND EQUITY SECURITIES 12 債務及股本證券投資 (續)

(Continued)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iv) Loans and receivables	(iv) 貸款及應收款項						
At 30 June 2010	於二零一零年六月三十日						
Unlisted debt securities	非上市債務證券	—	—	—	3,352,869	—	3,352,869
Fair value of securities	證券公允價值	—	—	—	3,352,869	—	3,352,869
Current	當期	—	—	—	—	—	—
Non-current	非當期	—	—	—	3,352,869	—	3,352,869
		—	—	—	3,352,869	—	3,352,869
At 31 December 2009	於二零零九年十二月三十一日						
Unlisted debt securities	非上市債務證券	—	—	—	2,209,015	—	2,209,015
Fair value of securities	證券公允價值	—	—	—	2,222,296	—	2,222,296
Current	當期	—	—	—	—	—	—
Non-current	非當期	—	—	—	2,209,015	—	2,209,015
		—	—	—	2,209,015	—	2,209,015

Note: The unlisted debt securities represent debt interest in infrastructure projects in the PRC. The debt securities will be matured from 2015 to 2017 and bear interest ranging from 5% to 6% per annum.

註：非上市債務證券代表於中國基建項目之債務利益。債務證券將於二零一五年至二零一七年到期及利率為每年5%至6%。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

13 INSURANCE DEBTORS

13 保險客戶應收賬款

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Amounts due from insurance customers	應收保險客戶款項	1,707,803	1,248,033
Deposits retained by cedants	分保人保留的按金	90,716	95,794
		1,798,519	1,343,827

Included in the amount of insurance debtors is \$1,710,227,000 (31 December 2009: \$1,322,871,000), which is expected to be recovered within one year.

保險客戶應收賬款包括一筆1,710,227,000元(二零零九年十二月三十一日: 1,322,871,000元)之款項, 預期在一年內可以收回。

Amounts due from insurance customers include amounts due from fellow subsidiaries of \$8,315,000 (31 December 2009: \$6,171,000) which are insurance related in nature.

應收保險客戶款項包括應收同系附屬公司款項8,315,000元(二零零九年十二月三十一日: 6,171,000元), 有關款項屬保險性質。

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

未有發現個別減值的應收保險客戶款項, 其賬齡分析如下:

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Not yet due	未到期	580,035	498,967
Current	現已到期	1,019,071	565,790
More than 3 months but less than 12 months	超過三個月 但少於十二個月	100,451	163,396
More than 12 months	超過十二個月	8,246	19,880
		1,707,803	1,248,033

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

14 ASSETS CLASSIFIED AS HELD FOR SALE

On 14 March 2010, the Company entered into a framework agreement with an independent third party (the "Prospective Purchaser") pursuant to which, conditional upon the Prospective Purchaser being satisfied with the results of its due diligence, the Company and Prospective Purchaser agreed to enter into a formal conditional sale and purchase agreement pursuant to which the Company agreed to sell and the Prospective Purchaser agreed to purchase a 100% equity interest in Ming An China, an indirect wholly-owned subsidiary of the Company, operated within the Group's property and casualty insurance business in the PRC. In addition, even if the formal conditional sale and purchase agreement is entered into, the completion of the formal sale and purchase agreement will be subject to the satisfaction of certain conditions, including but not limited to, approvals from relevant governmental and regulatory authorities in the PRC and therefore may or may not become effective.

In accordance with HKFRS5 *Non-current Assets Held for Sale and Discontinued Operations*, Ming An China has been presented as assets classified as held for sale in the consolidated statement of financial position as at 30 June 2010. The details of assets and liabilities of Ming An China are as follows:

14 被歸類為持有作出售之資產

於二零一零年三月十四日，本公司與獨立第三者（「潛在買家」）訂立框架協議，據此，待潛在買家滿意盡職調查的結果後，本公司及潛在買家同意訂立正式買賣協議，根據正式買賣協議，本公司同意出售及潛在買家同意購買本公司間接持有之全資附屬公司（於本集團在中國的財產保險業務內營運）－民安中國的全部權益。此外，即使已簽署正式買賣協議，正式買賣協議生效與否須待達成若干條件（包括但不限於中國相關政府及監管機構的批准）。

根據香港財務報告準則第5號持有作出售之非流動資產及終止業務，民安中國已被歸類為持有作出售之資產呈列於二零一零年六月三十日之綜合財務狀況表內。有關民安中國之資產及負債詳情如下：

		Total 總額 \$'000 千元
Statutory deposits	法定存款	217,868
Property and equipment	物業及設備	99,164
Prepaid lease payments	預付租賃付款	99,857
Debt securities	債務證券	633,501
Equity securities	股本證券	63,868
Investment funds	投資基金	35,138
Cash and bank deposits	現金及銀行存款	495,389
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	249,177
Other assets	其他資產	302,170
Assets classified as held for sale	被歸類為持有作出售之資產	2,196,132
Unearned premium provisions	未到期責任準備金	724,672
Provision for outstanding claims	未決賠款準備	515,760
Other liabilities	其他負債	326,559
Liabilities directly associated with assets classified as held for sale	直接與被歸類為持有作出售資產有關之負債	1,566,991

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

15 STATUTORY DEPOSITS

Certain subsidiaries of the Group have placed \$1,416,779,000 (31 December 2009: \$1,326,787,000) with banks as capital guarantee funds, pursuant to the relevant PRC insurance rules and regulations. The funds can only be used with the prior approval of the relevant authorities in the event that the PRC subsidiaries cannot meet the statutory solvency requirements or go into liquidation.

In addition, a subsidiary of the Group has pledged a deposit of \$26,452,000 (31 December 2009: \$23,250,000) registered in favour of the Monetary Authority of Singapore pursuant to section 14A of the Singapore Insurance Act.

15 法定存款

本集團若干附屬公司根據中國有關保險法規的規定將為數1,416,779,000元(二零零九年十二月三十一日: 1,326,787,000元)的款項存於銀行, 作為資本保證基金。該筆款項只可在該附屬公司不能達到法定償付能力要求或清盤時, 並得到有關政府部門批准, 方可動用。

此外, 本集團一間附屬公司根據新加坡保險條例第14A規定持有一筆為數26,452,000元(二零零九年十二月三十一日: 23,250,000元)的抵押存款, 登記人為新加坡金融管理局。

16 CASH AND CASH EQUIVALENTS

16 現金及現金等價物

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Deposits with banks and other financial institutions with original maturity less than three months	原到期日少於三個月的銀行及其他財務機構存款	7,573,719	3,409,806
Money market funds	貨幣市場基金	10,705	822,480
Cash at bank and in hand	銀行及庫存現金	10,102,831	8,265,535
		17,687,255	12,497,821

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

17 INSURANCE CREDITORS

17 保險客戶應付賬款

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Amounts due to insurance customers	應付保險客戶款項	943,230	667,677
Deposits retained from retrocessionaires	轉分保險人保留的按金	55,478	98,900
Prepaid premiums received	預收保費	381,051	641,196
		1,379,759	1,407,773

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

The amounts due to insurance customers include amounts due to fellow subsidiaries of \$2,308,000 (31 December 2009: \$1,125,000) which are insurance related in nature.

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

所有保險客戶應付賬款預期將於一年內清償。

應付保險客戶款項包括應付同系附屬公司款項為2,308,000元(二零零九年十二月三十一日: 1,125,000元), 有關款項屬保險性質。

應付保險客戶款項之賬齡分析如下:

		At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Not yet due	未到期	—	—
Current	現已到期	862,318	602,676
More than 3 months but less than 12 months	超過三個月但少於十二個月	62,059	35,107
More than 12 months	超過十二個月	18,853	29,894
		943,230	667,677

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

18 SHARE CAPITAL

18 股本

		At 30 June 2010 於二零一零年 六月三十日		At 31 December 2009 於二零零九年 十二月三十一日		At 30 June 2009 於二零零九年 六月三十日	
		Number of shares 股份數目	\$'000 千元	Number of shares 股份數目	\$'000 千元	Number of shares 股份數目	\$'000 千元
Authorized:	法定股本：						
Ordinary shares of \$0.05 each	每股面值0.05元普通股	2,000,000,000	100,000	2,000,000,000	100,000	2,000,000,000	100,000
Issued and fully paid:	已發行及繳足股本：						
At the beginning of the period/year	於期初／年初	1,702,065,092	85,103	1,421,721,592	71,086	1,421,721,592	71,086
Share issued	發行股份	—	—	280,343,500	14,017	—	—
Shares issued under Share Option Scheme (note 19)	根據認股權計劃 發行的股份 (附註19)	250,000	13	—	—	—	—
At the end of the period/year	於期末／年末	1,702,315,092	85,116	1,702,065,092	85,103	1,421,721,592	71,086

19 EQUITY COMPENSATION BENEFITS

19 股本補償福利

(a) Share Options Scheme

(a) 認股權計劃

(i) Movements in share options

(i) 認股權的變動

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
		Number 數目	Number 數目
At the beginning of the period/year	於期初／年初	14,952,000	14,602,000
Granted	已授出	175,000	350,000
Exercised (note 18)	已行使 (附註18)	(250,000)	—
At the end of the period/year	於期末／年末	14,877,000	14,952,000
Options vested at the end of the period/year	於期末／年末已歸屬 的認股權	14,877,000	14,952,000

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

19 EQUITY COMPENSATION BENEFITS (Continued)

19 股本補償福利 (續)

(a) Share Options Scheme (Continued)

(a) 認股權計劃 (續)

(ii) Terms of unexpired and unexercised share options at the end of the reporting period

(ii) 於報告期末尚未屆滿及尚未行使的認股權之年數

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	At 30 June 2010 於二零一零年 六月三十日 Number 數目	At 31 December 2009 於二零零九年 十二月三十一日 Number 數目
25 September 2000 to 9 October 2000 2000年9月25日 至2000年10月9日	25 September 2000 to 8 October 2010 2000年9月25日 至2010年10月8日	1.110	—	150,000
9 February 2001 to 17 February 2001 2001年2月9日 至2001年2月17日	9 February 2001 to 16 February 2011 2001年2月9日 至2011年2月16日	0.950	400,000	500,000
12 September 2002 to 23 September 2002 2002年9月12日 至2002年9月23日	12 September 2002 to 22 September 2012 2002年9月12日 至2012年9月22日	3.225	1,200,000	1,200,000
2 November 2005 2005年11月2日	23 November 2005 to 27 November 2015 2005年11月23日 至2015年11月27日	2.875	11,077,000	11,077,000
29 December 2006 2006年12月29日	29 December 2006 to 28 December 2016 2006年12月29日 至2016年12月28日	9.800	175,000	175,000
26 February 2007 2007年2月26日	26 February 2007 to 25 February 2017 2007年2月26日 至2017年2月25日	9.490	800,000	800,000
29 June 2007 2007年6月29日	29 June 2007 to 28 June 2017 2007年6月29日 至2017年6月28日	14.220	175,000	175,000

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

19 EQUITY COMPENSATION BENEFITS (Continued)

19 股本補償福利 (續)

(a) Share Options Scheme (Continued)

(a) 認股權計劃 (續)

(ii) Terms of unexpired and unexercised share options at the end of the reporting period (Continued)

(ii) 於報告期末尚未屆滿及尚未行使的認股權的年期 (續)

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	At 30 June 2010 於二零一零年 六月三十日 Number 數目	At 31 December 2009 於二零零九年 十二月三十一日 Number 數目
31 December 2007 2007年12月31日	31 December 2007 to 30 December 2017 2007年12月31日 至2017年12月30日	21.400	175,000	175,000
30 June 2008 2008年6月30日	30 June 2008 to 29 June 2018 2008年6月30日 至2018年6月29日	19.316	175,000	175,000
31 December 2008 2008年12月31日	31 December 2008 to 30 December 2018 2008年12月31日 至2018年12月30日	11.920	175,000	175,000
31 December 2009 2009年12月31日	31 December 2009 to 30 December 2019 2009年12月31日 至2019年12月30日	25.100	350,000	350,000
30 June 2010 2010年6月30日	30 June 2010 to 29 June 2020 2010年6月30日 至2020年6月29日	25.910	175,000	—
			14,877,000	14,952,000

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

19 EQUITY COMPENSATION BENEFITS (Continued)

19 股本補償福利 (續)

(a) Share Options Scheme (Continued)

(a) 認股權計劃 (續)

(iii) Details of share options granted, all of which were granted for \$1 in consideration

(iii) 已授出的認股權詳情，該等認股權全部均為以代價1元授出

Exercise period 行使期	Exercise price 行使價 \$ 元	Six months ended 30 June 2010 截至二零一零年六月三十日止六個月 Number 數目	Year ended 31 December 2009 截至二零零九年十二月三十一日止年度 Number 數目
31 December 2009 to 30 December 2019 2009年12月31日至2019年12月30日	25.100	—	350,000
30 June 2010 to 29 June 2020 2010年6月30日至2020年6月29日	25.910	175,000	—
		175,000	350,000

(iv) Details of share options exercised

(iv) 已行使的認股權詳情

Exercise date 行使日	Exercise price 行使價 \$ 元	Market value per share at exercise date 行使日每股市價 \$ 元	Proceeds received 所得款項 \$'000 千元	Number 數目
28 April 4月28日	1.11	25.80	167	150,000
6 May 5月6日	0.95	24.85	95	100,000
Six months ended 30 June 2010 截至二零一零年六月三十日止六個月			262	250,000
Year ended 31 December 2009 截至二零零九年十二月三十一日止年度			—	—

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

19 EQUITY COMPENSATION BENEFITS (Continued)

19 股本補償福利 (續)

(a) Share Options Scheme (Continued)

(a) 認股權計劃 (續)

(v) Fair value of share options and assumptions

(v) 認股權的公允價值及假設

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

授出認股權之估計公允價值按Black-Scholes認股權定價模式。

		Date of grant 30 June 2010 授出日 二零一零年 六月三十日	Date of grant 31 December 2009 授出日 二零零九年 十二月三十一日
Fair value at measurement date (\$)	於計量日的公允價值(元)	13.52584	14.26914
Share price (\$)	股價(元)	25.55	25.1
Exercise price (\$)	行使價(元)	25.91	25.1
Expected volatility (note i)	預期波動率(註i)	46.82%	50.66%
Option life (Year)	認股權年期(年)	10	10
Expected dividends (note ii)	預期股息(註ii)	0.77%	0.77%
Risk-free interest rate (note iii)	無風險利率(註iii)	2.286%	2.579%

Notes:

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

註:

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

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

19 EQUITY COMPENSATION BENEFITS (Continued)

19 股本補償福利 (續)

(b) Share Award Scheme

(b) 股份獎勵計劃

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

(i) 獎授股份數目變化及其有關平均公允價值如下：

		At 30 June 2010 於二零一零年 六月三十日 Number 數目	At 31 December 2009 於二零零九年 十二月三十一日 Number 數目
At 1 January	於一月一日	3,304,000	3,323,500
Awarded (note a)	已獎授 (註a)	521,100	—
Vested (note b)	已歸屬 (註b)	(317,000)	—
Revoked (note c)	已取消 (註c)	(168,500)	(19,500)
At the end of the period/year (note d)	於期末/年末 (註d)	3,339,600	3,304,000

Notes:

註：

- (a) Included in the total number of awarded shares, no shares are purchased from the market during the period (31 December 2009: nil).
- (b) The amount represents awarded shares vested during the period.
- (c) The amount represents awarded shares lapsed automatically, according to the conditions under the Employees' Share Award Scheme.
- (d) At the end of the period, the average fair value per share of \$21.96 (31 December 2009: \$21.58). The average fair value of the awarded shares is based on the closing price at the date of award and any directly attributable incremental costs.

- (a) 包括在已獎授股份數目中，期內並沒有從市場購入獎授股份 (二零零九年十二月三十一日：無)。
- (b) 數額代表於財務期內歸屬的獎授股份。
- (c) 數額代表根據僱員股份獎勵計劃自動失效之獎勵股份。
- (d) 於期末平均每股公允價值為21.96元 (二零零九年十二月三十一日：21.58元)。獎授股份的每股平均公允價值是根據獎授日之收市價，包括任何直接有關增量成本。

Apart from the awarded shares, as at 30 June 2010, 1,063,400 shares (31 December 2009: 1,416,000 shares) are deemed as unallocated shares which are held under Share Award Scheme and are available for future award and/or disposal pursuant to the rules of Share Award Scheme.

除已獎授股份外，於二零一零年六月三十日，1,063,400股 (二零零九年十二月三十一日：1,416,000股) 被視為未分配的股份以股份獎勵計劃持有，可供日後根據股份獎授計劃獎授及/或出售。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

19 EQUITY COMPENSATION BENEFITS (Continued)

19 股本補償福利 (續)

(b) Share Award Scheme (Continued)

(b) 股份獎勵計劃 (續)

(ii) Details of the awarded shares vested are as follows:

(ii) 歸屬的獎授股份詳情如下：

Vesting date 歸屬日期	Date of award 獎授日期	Number of awarded shares vested 歸屬的獎授股份數目	Average fair value per share 每股平均公允價值 \$ 元	Cost of related awarded shares (including acquisition transaction costs) 相關獎授股份成本(包括購入交易費用) \$'000 千元
4 January 2010 2010年1月4日	14 September 2007 2007年9月14日	215,000	19.50	3,930
4 January 2010 2010年1月4日	18 September 2007 2007年9月18日	21,000	19.84	439
4 January 2010 2010年1月4日	16 November 2007 2007年11月16日	59,000	22.00	1,105
7 January 2010 2010年1月7日	14 September 2007 2007年9月14日	22,000	19.50	402
Six months ended 30 June 2010 截至二零一零年 六月三十日止六個月		317,000		5,876
Year ended 31 December 2009 截至二零零九年 十二月三十一日止年度				—

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

(iii) 獎授股份的餘下歸屬期如下：

Remaining vesting period 餘下歸屬期	At 30 June 2010 Number of awarded shares 於二零一零年 六月三十日 獎授股份數目	Remaining vesting period 餘下歸屬期	At 31 December 2009 Number of awarded shares 於二零零九年 十二月三十一日 獎授股份數目
0.5 year 0.5年	2,830,500	Vested 已到期	317,000
2.5 years 2.5年	509,100	1 year 一年	2,987,000
	3,339,600		3,304,000

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

20 RESERVES

20 儲備

		Share premium	Capital reserve	Merger reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Revaluation reserve	Regulatory Reserve	Retained profits	Sub-total	Non-controlling interests	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2010	於二零一零年一月一日	9,042,562	(1,504,857)	(1,683,920)	417,008	471,321	81,625	(96,788)	100,096	1,977	3,382,584	10,211,608	5,041,118	15,252,726
Profit for the period	本財務期溢利	-	-	-	-	-	-	-	-	-	603,001	603,001	345,255	948,256
Other comprehensive income for the period:	本財務期其他全面收益：													
Exchange differences on translation of the financial statements of subsidiaries	換算附屬公司賬項的匯兌差異	-	-	-	48,985	-	-	-	-	-	-	48,985	53,628	102,613
Revaluation gain arising from reclassification of own-use properties into investment properties	因自用物業重新分類為投資物業而產生之重估收益	-	-	-	-	-	-	-	23,094	-	-	23,094	-	23,094
Available-for-sale securities (note (i)):	可供出售證券 (註(i))：	-	-	-	-	(779,384)	-	-	-	-	-	(779,384)	(629,390)	(1,408,774)
- changes in fair value	- 公允價值變化	-	-	-	-	(709,678)	-	-	-	-	-	(709,678)	(628,620)	(1,338,298)
- deferred tax recognized	- 確認遞延稅項	-	-	-	-	147,889	-	-	-	-	-	147,889	101,908	249,797
- transferred to profit or loss	- 轉至損益表	-	-	-	-	(217,595)	-	-	-	-	-	(217,595)	(102,678)	(320,273)
Total comprehensive income	全面收益總額	-	-	-	48,985	(779,384)	-	-	23,094	-	603,001	(104,304)	(230,507)	(334,811)
Shares issued and share option exercised	已發行股份及已行使認股權	249	-	-	-	-	-	-	-	-	-	249	-	249
Transfer to retained profit of revoked Shares for Share Award Scheme	股份獎勵計劃之取消股份轉入保留溢利	-	-	-	-	-	-	-	-	-	2,829	2,829	-	2,829
Changes in share held for Share Award Scheme	為股份獎勵計劃而持有之股份變化	-	-	-	-	-	-	5,876	-	-	-	5,876	-	5,876
Equity settled share-based transactions	股本償付之股份為本交易	-	-	-	-	-	5,887	-	-	-	-	5,887	-	5,887
At 30 June 2010	於二零一零年六月三十日	9,042,811	(1,504,857)	(1,683,920)	465,993	(308,063)	87,512	(90,912)	123,190	1,977	3,988,414	10,122,145	4,810,611	14,932,756

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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20 RESERVES (Continued)

20 儲備 (續)

		Share premium	Capital reserve	Merger reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Revaluation reserve	Regulatory Reserve	Retained profits	Sub-total	Non-controlling interests	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2009	於二零零九年一月一日	2,218,248	575,203	1,275,180	409,574	(134,993)	50,869	(96,788)	100,096	1,977	2,556,847	6,956,213	5,123,225	12,079,438
Profit for the period	本財務期溢利	-	-	-	-	-	-	-	-	-	549,626	549,626	290,129	839,755
Other comprehensive income for the period:	本財務期其他全面收益：													
Exchange differences on translation of the financial statements of subsidiaries	換算附屬公司賬項的匯兌差異	-	-	-	68	-	-	-	-	-	-	68	854	922
Available-for-sale securities (note(i)):	可供出售證券(註(i))：													
- changes in fair value	- 公允價值變化	-	-	-	-	637,071	-	-	-	-	-	637,071	496,274	1,133,345
- deferred tax recognized	- 確認遞延稅項	-	-	-	-	(121,695)	-	-	-	-	-	(121,695)	(115,517)	(237,212)
- transferred to profit or loss	- 轉至損益表	-	-	-	-	4,032	-	-	-	-	-	4,032	(22,343)	(18,311)
Total comprehensive income	全面收益總額	-	-	-	68	519,408	-	-	-	-	549,626	1,069,102	649,397	1,718,499
Equity settled share-based transactions	股本償付之股份為本交易	-	-	-	-	-	13,642	-	-	-	-	13,642	-	13,642
At 30 June 2009 (Restated)	於二零零九年六月三十日(重列)	2,218,248	575,203	1,275,180	409,642	384,415	64,511	(96,788)	100,096	1,977	3,106,473	8,038,957	5,772,622	13,811,579
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2009	於二零零九年一月一日	2,218,248	575,203	1,275,180	409,574	(134,993)	50,869	(96,788)	100,096	1,977	2,556,847	6,956,213	5,123,225	12,079,438
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	825,737	825,737	361,899	1,187,636
Other comprehensive income for the year:	本年度其他全面收益：													
Exchange differences on translation of the financial statements of subsidiaries	換算附屬公司賬項的匯兌差異	-	-	-	7,434	-	-	-	-	-	-	7,434	5,367	12,801
Available-for-sale securities (note(i)):	可供出售證券(註(i))：													
- changes in fair value	- 公允價值變化	-	-	-	-	1,511,788	-	-	-	-	-	1,511,788	1,111,167	2,622,955
- deferred tax recognized	- 確認遞延稅項	-	-	-	-	(92,227)	-	-	-	-	-	(92,227)	(75,929)	(168,156)
- transferred to profit or loss	- 轉至損益表	-	-	-	-	(813,247)	-	-	-	-	-	(813,247)	(739,016)	(1,552,263)
Total comprehensive income	全面收益總額	-	-	-	7,434	606,314	-	-	-	-	825,737	1,439,485	663,488	2,102,973
Acquisition of a subsidiary under common control	購入一間受共同控制之附屬公司	2,952,154	-	(2,959,100)	-	-	-	-	-	-	-	(6,946)	-	(6,946)
Acquisition of additional interest in subsidiaries	購入附屬公司之額外權益	3,872,160	(2,080,060)	-	-	-	-	-	-	-	-	1,792,100	(1,753,024)	39,076
Equity settled share-based transactions	股本償付之股份為本交易	-	-	-	-	-	30,756	-	-	-	-	30,756	-	30,756
Capital contribution made to a subsidiary	向一間附屬公司注入資本	-	-	-	-	-	-	-	-	-	-	-	1,007,429	1,007,429
At 31 December 2009	於二零零九年十二月三十一日	9,042,562	(1,504,857)	(1,683,920)	417,008	471,321	81,625	(96,788)	100,096	1,977	3,382,584	10,211,608	5,041,118	15,252,726

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

20 RESERVES (Continued)

20 儲備 (續)

Notes:

註：

		30 June 2010 二零一零年六月三十日				
		Property and casualty insurance			Other businesses	Total
		Reinsurance	Life insurance	and casualty insurance	Other businesses	Total
		再保險	人壽保險	財產保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Note (i)	註(i)					
Debt securities	債務證券	20,307	393,463	(31,063)	11,479	394,186
Equity securities	股本證券	(94,338)	(1,105,697)	(67,330)	(11,328)	(1,278,693)
Investment funds	投資基金	2,088	(666,579)	(110,676)	—	(775,167)
		(71,943)	(1,378,813)	(209,069)	151	(1,659,674)
Deferred tax charged to reserves	於儲備入賬之遞延稅項	7,762	240,731	—	1,304	249,797
Share of associates	聯營公司份額	—	—	—	1,103	1,103
Shared by non-controlling interests	非控股股東應佔權益	—	568,475	60,915	—	629,390
		(64,181)	(569,607)	(148,154)	2,558	(779,384)
		30 June 2009 (Restated) 二零零九年六月三十日 (重列)				
		Property and casualty insurance			Other businesses	Total
		Reinsurance	Life insurance	and casualty insurance	Other businesses	Total
		再保險	人壽保險	財產保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Note (i)	註(i)					
Debt securities	債務證券	31,652	(491,617)	3,437	65,392	(391,136)
Equity securities	股本證券	44,015	599,171	26,903	26,242	696,331
Investment funds	投資基金	2,882	696,524	116,583	—	815,989
		78,549	804,078	146,923	91,634	1,121,184
Deferred tax charged to reserves	於儲備入賬之遞延稅項	(5,950)	(216,192)	(15,076)	6	(237,212)
Share of associates	聯營公司份額	—	—	—	(6,150)	(6,150)
Shared by non-controlling interests	非控股股東應佔權益	—	(293,649)	(64,765)	—	(358,414)
		72,599	294,237	67,082	85,490	519,408
		31 December 2009 二零零九年十二月三十一日				
		Property and casualty insurance			Other businesses	Total
		Reinsurance	Life insurance	and casualty insurance	Other businesses	Total
		再保險	人壽保險	財產保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Note (i)	註(i)					
Debt securities	債務證券	92,554	(809,697)	14,782	90,626	(611,735)
Equity securities	股本證券	56,202	530,802	30,154	35,361	652,519
Investment funds	投資基金	5,580	932,133	99,184	—	1,036,897
		154,336	653,238	144,120	125,987	1,077,681
Deferred tax charged to reserves	於儲備入賬之遞延稅項	(10,171)	(133,680)	(18,330)	(5,975)	(168,156)
Share of associates	聯營公司份額	—	—	—	(6,989)	(6,989)
Shared by non-controlling interests	非控股股東應佔權益	—	(259,519)	(36,703)	—	(296,222)
		144,165	260,039	89,087	113,023	606,314

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

21 MATURITY PROFILE

21 到期情況

The following table details the Group's contractual maturity for some of its financial assets and financial liabilities.

下表載列本集團若干金融資產及金融負債的合約到期情況詳情：

		Repayable on demand 接獲 要求時 償還 \$'000 千元	3 months or less 三個月 或以下 \$'000 千元	1 year or less but over 3 months 一年或以下 但超過 三個月 \$'000 千元	5 years or less but over 1 year 五年或以下 但超過 一年 \$'000 千元	After 5 years 五年後 \$'000 千元	Undated 未有期限 \$'000 千元	Total 總額 \$'000 千元
At 30 June 2010	於二零一零年 六月三十日							
Assets	資產							
Deposits at banks and other financial institutions (including statutory deposits)	銀行及其他財務機構存款 (包括法定存款)	1,466,747	6,289,111	3,607,018	5,266,009	—	—	16,628,885
Money market funds	貨幣市場基金	4,949	5,756	—	—	—	—	10,705
Pledged deposits at bank	已抵押予銀行的存款	—	108,416	—	—	—	—	108,416
Certificates of deposit (under held-to-maturity)	存款證 (持有至到期日)	—	—	48,900	77,800	—	—	126,700
Certificates of deposit (under available-for-sale)	存款證 (可供出售)	—	—	—	—	8,065	—	8,065
Debt securities (under held-to-maturity)	債務證券 (持有至到期日)	11,869	49,100	526,737	3,766,039	46,052,699	—	50,406,444
Debt securities (under available-for-sale)	債務證券 (可供出售)	22,926	62,477	1,163,448	2,434,586	14,890,940	297,370	18,871,747
Debt securities (under held-for-trading)	債務證券 (持有作交易用途)	48,161	—	11,671	133,815	8,540	46,889	249,076
Debt securities (under loans and receivables)	債務證券 (貸款及應收款項)	—	—	—	—	3,352,869	—	3,352,869
Loans and advances	貸款及墊款	—	—	781,967	—	—	—	781,967
		1,554,652	6,514,860	6,139,741	11,678,249	64,313,113	344,259	90,544,874
Liabilities	負債							
Interest-bearing notes	需付息票據	—	—	—	3,077,568	2,693,758	—	5,771,326

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

21 MATURITY PROFILE (Continued)

21 到期情況 (續)

	Repayable on demand	3 months or less 三個月 或以下	1 year or less but over 3 months 一年或以下 但超過 三個月	5 years or less but over 1 year 五年或以下 但超過 一年	After 5 years 五年後	Undated 未有期限	Total 總額
	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
At 31 December 2009	於二零零九年十二月三十一日						
Assets	資產						
Deposits at banks and other financial institutions (including statutory deposits)							
Money market funds	1,970,607	2,034,441	2,487,597	4,461,154	340,721	—	11,294,520
Pledged deposits at bank	822,480	—	—	—	—	—	822,480
Certificates of deposit (under held-to-maturity)	—	92,225	—	—	—	—	92,225
Certificates of deposit (under available-for-sale)	—	—	77,500	126,250	—	—	203,750
Debt securities (under held-to-maturity)	—	—	—	10,200	15,415	—	25,615
Debt securities (under available-for-sale)	—	—	268,949	3,454,921	35,405,476	—	39,129,346
Debt securities (under held-for-trading)	—	434,564	140,277	2,538,088	14,680,494	292,579	18,086,002
Debt securities (under loans and receivables)	70,355	11,391	22,766	108,388	28,287	45,292	286,479
Loans and advances	—	—	—	102,217	2,106,798	—	2,209,015
	—	—	591,646	—	—	—	591,646
	2,863,442	2,572,621	3,588,735	10,801,218	52,577,191	337,871	72,741,078
Liabilities	負債						
Interest-bearing notes	—	—	—	3,056,121	2,668,989	—	5,725,110

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

22 COMMITMENTS

22 承擔

- (a) Capital commitments relating to property and equipment and investments outstanding as of 30 June 2010 were as follows:

- (a) 於二零一零年六月三十日有關物業及設備及投資的資本性承諾如下：

	At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Contracted for but not provided 已訂約但未反映	574,674	186,701

- (b) As of 30 June 2010, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

- (b) 於二零一零年六月三十日，根據不可解除的經營租賃在日後應付的最低租賃付款額如下：

	At 30 June 2010 於二零一零年 六月三十日 \$'000 千元	At 31 December 2009 於二零零九年 十二月三十一日 \$'000 千元
Within 1 year 一年內	232,354	229,480
After 1 year but within 5 years 一年後但五年內	218,132	261,628
After 5 years 五年後	21,691	6,195
	472,177	497,303

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

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

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

23 MATERIAL RELATED PARTY TRANSACTIONS

23 重大關連人士交易

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

以下是本集團與關連人士於期內進行的重大交易概要：

		Six months ended 30 June 截至六月三十日止六個月		
		2010 二零一零年	2009 二零零九年 (Restated) (重列)	
		\$'000 千元	\$'000 千元	
		Note 附註		
Business ceded by related companies:	關連公司分出的業務：	(i)		
— Gross premiums written	— 毛承保保費		35,662	26,969
— Commission expenses paid	— 佣金支出		(8,196)	(6,312)
Back office service	後援運營服務費	(ii)	39,743	—
Internal audit service	內部審計服務費	(iii)	19,050	—
Rental income	租金收入	(iv)	5,161	4,128
Investment management fee and redemption income	投資管理費及贖回費收入	(v)	809	544

Note:

- (i) Certain fellow subsidiaries of the Group ceded business to and received commission from a subsidiary of the Company.
- (ii) A fellow subsidiary of the Group provides back office services to the Group and receive service fee from the Group.
- (iii) The ultimate holding company of the Company provides internal audit services to the Group and receive service fee from the Group.
- (iv) A subsidiary of the Company leased a number of offices, residential units and car parking spaces to immediate holding company of the Company and certain fellow subsidiaries of the Group and received rental income. The terms and conditions of these tenancy agreements were negotiated on an arm's length and were entered into on normal commercial terms.
- (v) A subsidiary of the Company provided investment consultancy services to and received investment management fees and redemption income from certain fellow subsidiaries of the Group.

註：

- (i) 本集團若干同系附屬公司向本公司一間附屬公司轉介業務及向其收取佣金。
- (ii) 本集團一間同系附屬公司向本集團提供後援運營服務及向本集團收取服務費。
- (iii) 本公司之最終控股公司向本集團提供內部審計服務及向本集團收取服務費。
- (iv) 本公司一間附屬公司向本公司直接控股公司及若干同系附屬公司出租多個辦公室、住宅單位及停車位，並收取租金收入。該等租賃合同之條款及條件乃以公平原則釐定並按一般商業條款所訂立。
- (v) 本公司一間附屬公司向本集團若干同系附屬公司提供投資顧問服務，並向其收取投資管理費及贖回費收入。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

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

- (a) On 25 June 2010, ICBC (Asia), one of the shareholders of TPI, has decided not to participate in the capital contribution into TPI as mentioned in (d) below. TPG, CTIH and ICBC (Asia) entered into a conditional agreement (the "Agreement"), pursuant to which TPG and CTIH conditionally agreed to grant the right to ICBC (Asia), to purchase, within six months from the date of the Agreement or such later date as may be extended by the parties to the Agreement, an equity interest of approximately 1.29% and 1.72% in TPI as enlarged by the Capital Contribution and the Additional Capital Contribution from TPG and CTIH, respectively, at the consideration of RMB 26,663,335 and RMB35,586,665, respectively. The right will be exercisable at the discretion of ICBC (Asia) and if exercised, must be exercised in full. The details of the transaction were set out in the announcement of the Company dated 25 June 2010.
- (b) On 18 June 2010, TPI, TPG, TPL and Ming An China entered into the a supplemental agreement (the "First Supplemental Agreement") to the Joint bidding Agreement dated 20 March 2008 and Supplemental Agreement dated 5 November 2008, pursuant to which all the rights and interest of Ming An China in a piece of land in Shenzhen and the development of a commercial office building (representing 15% of the total investment) under the Joint Bidding Agreement as amended by the Supplemental Agreement shall be transferred to TPL at a consideration of approximately RMB94,740,000. The details of the transaction were set out in the announcement of the Company dated 18 June 2010.
- (c) On 15 April 2010, the Company issued an announcement, by reference to the gross floor area of the property measured for the purposes of entering into the Shanghai commercial housing pre-sale contract (上海市商品房預售合同) in respect of the property by TPR and TPL pursuant to Property Acquisition Framework Agreement as mentioned in (e), being 17,160 square metres, the actual amount of consideration for the acquisition of the Property is RMB634,920,000, exceeding the estimated maximum amount of consideration as disclosed in the circular of the Company dated 3 December 2009 by RMB21,044,120. The details of this adjustment were set out in the announcement of the Company dated 15 April 2010.

23 重大關連人士交易 (續)

除此之外，本集團與關連人士進行以下非經常交易：

- (a) 二零一零年六月二十五日，工銀亞洲(太平財險股東之一)決定不參與向太平財險增資(如(d)項所述)。中國太平集團、中國太平控股及工銀亞洲訂立有條件協議(「該協議」)，據此，中國太平集團及本公司有條件同意授權予工銀亞洲，於該協議日期起計六個月內或該協議各訂約方可能延後之較後日期，向中國太平集團及本公司收購太平財險經增資及額外增資擴大後分別約1.29%及1.72%之股權，代價分別為人民幣26,663,335元及人民幣35,586,665元。權利將可由工銀亞洲選擇行使，而一經行使，則須全數行使。此交易之詳情請參閱本公司於二零一零年六月二十五日之公告。
- (b) 於二零一零年六月十八日，太平財險、中國太平集團、太平人壽及民安中國訂立補充協議(「第一補充協議」)籍以補充於二零零八年三月二十日訂定之聯合競投協議及於二零零八年十一月五日訂定之補充協議，據此，民安中國根據經補充協議修訂後之聯合競投協議一幅位於深圳之土地及興建商業樓宇之所有權利及權益(代表投資總額15%)，以代價約人民幣94,740,000元轉讓予太平人壽。此交易之詳情請參閱本公司於二零一零年六月十八日之公告。
- (c) 於二零一零年四月十五日本公司刊發之公告，參考太平置業及太平人壽根據物業收購框架協議訂立《上海市商品房預售合同》(如(e)項所述)，有關之建築面積調整為17,160平方米，而購入該物業之實際代價亦調整為人民幣634,920,000元，較本公司於二零零九年十二月三日之通函所披露之預計最高金額超出人民幣21,044,120元。此調整之詳情請參閱本公司於二零一零年四月十五日之公告。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

23 重大關連人士交易 (續)

- (d) On 23 December 2009, CTIH entered into a conditional agreement in respect of capital contributions into TPI (the “Capital Contribution Agreement”) with TPG, TPI and ICBC (Asia). The Capital Contribution Agreement proposed that the registered capital of TPI be increased from RMB1,570,000,000 to RMB2,070,000,000 through additional registered capital of RMB500,000,000 to be contributed by TPG, the Company and ICBC (Asia) in proportion to their respective shareholdings in TPI. As at 31 December 2009, ICBC (Asia) has yet to decide whether it will participate in this capital contribution. Pursuant to the Capital Contribution Agreement, TPG and CTIH have conditionally agreed to contribute to the registered capital of TPI, in cash, (i) RMB187,500,000 and RMB250,250,000, respectively (the “Capital Contribution”); and (ii) if ICBC (Asia) does not participate in the capital contribution, additional amounts of RMB26,663,335 and RMB35,586,665, respectively (the “Additional Capital Contribution”), the aggregate of which is equal to the amount of ICBC (Asia)’s proportion of the contribution, such that the registered capital of TPI will be increased by RMB500,000,000 in total. The details of this transaction were set out in the announcement of the Company dated 23 December 2009.
- (e) On 23 November 2009, TPL entered into an acquisition agreement with TPR (the “Property Acquisition Framework Agreement”) pursuant to which TPL agreed to acquire from TPR certain property consisting of approximately 16,108 square meters of gross floor area of Taiping Financial Tower, involving six floors (from the 24th to 29th floors, or such other floors as shall be agreed to by the parties in writing) for a consideration of RMB595,996,000. The consideration will be adjusted in accordance with the actual gross floor area of the completed Property to be delivered to TPL at a sum of RMB37,000 per square meter. The Company believes that the consideration will not exceed RMB613,875,880 after the adjustments. The details of this transaction were set out in the circular of the Company dated 3 December 2009. CTIH shareholders passed the resolution to approve, ratify and confirm the Property Acquisition Framework Agreement and the transactions contemplated thereunder by way of poll at an extraordinary general meeting of CTIH on 23 December 2009.
- (f) On 23 November 2009, TPL entered into an acquisition agreement with TPIH (the “Acquisition Agreement”) pursuant to which TPL agreed to acquire a 39% equity interest in TPR for a consideration of RMB924,001,140 and to take an assignment of 39% of the loans of TPR in the amount of RMB168,446,000. The details of this transaction were set out in the circular of the Company dated 3 December 2009. CTIH shareholders passed the resolution to approve, ratify and confirm the Acquisition Agreement and the transactions contemplated thereunder by way of poll at an extraordinary general meeting of CTIH on 23 December 2009.
- (d) 於二零零九年十二月二十三日，中國太平控股與中國太平集團、太平財險及工銀亞洲訂立有關向太平財險增資之有條件協議（「增資協議」）。增資協議建議太平財險之註冊資本由人民幣1,570,000,000元，增加額外註冊資本人民幣500,000,000元至人民幣2,070,000,000元，並由中國太平集團、本公司及工銀亞洲根據各自於太平財險之持股比例增資。於二零零九年十二月三十一日，工銀亞洲仍未決定其是否參與增資。根據增資協議，中國太平集團及本公司已有條件同意以現金向太平財險新增註冊資本，(i)分別為人民幣187,500,000元及人民幣250,250,000元（「增資」）；及(ii)如工銀亞洲不參與增資，額外金額分別人民幣26,663,335元及人民幣35,586,665元（「額外增資」），合計等於工銀亞洲增資之金額，而使太平財險之註冊資本合計增加人民幣500,000,000元。此交易之詳情請參閱本公司於二零零九年十二月二十三日之公告。
- (e) 於二零零九年十一月二十三日，太平人壽與太平置業訂立收購協議（「物業收購框架協議」），據此，太平人壽同意向太平置業收購太平金融大廈中約16,108平方米之若干建築面積，當中將包括太平金融大廈中之六個樓層（第24至29層或訂約方可能書面議定之其他樓層），代價為人民幣595,996,000元。代價將可按照已建成該物業向太平人壽交付之實際建築面積，按每平方米人民幣37,000元予以調整。本公司相信調整後之代價將不超過人民幣613,875,880元。此交易之詳情請參閱本公司於二零零九年十二月三日之通函。中國太平控股股東於二零零九年十二月二十三日舉行的中國太平控股股東特別大會上，以投票方式通過有關批准、追認及確認物業收購框架協議及其項下擬進行之交易。
- (f) 於二零零九年十一月二十三日，太平人壽與太平投資控股訂立收購協議（「收購協議」），據此，太平人壽同意以人民幣924,001,140元之代價購入太平置業39%權益，及以人民幣168,446,000元之代價轉授太平置業貸款39%。此交易之詳情請參閱本公司於二零零九年十二月三日之通函。中國太平控股股東於二零零九年十二月二十三日舉行的中國太平控股股東特別大會上，以投票方式通過有關批准、追認及確認收購協議及其項下擬進行之交易。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (g) On 24 August 2009, as the pre-conditions of the Privatization Proposal had been satisfied or waived, MAH put forth the Privatization Proposal. On 7 October 2009, the independent MAH shareholders approved the Scheme at a Court Meeting. The MAH shareholders also approved a special resolution for a capital reduction, an increase in share capital and the issuance of new MAH Shares in connection with the Scheme. On 30 October 2009 (*Cayman Islands time*), the Scheme was sanctioned without modification by the Grand Court of the Cayman Islands. All conditions of the Privatization Proposal having been fulfilled, the Privatization Proposal became effective on 30 October 2009 (*Cayman Islands time*). On 4 November 2009, the Company completed the acquisition of a 48.66% equity interest of MAH by the issue and allotment of 141,418,800 Shares. MAH became a wholly-owned subsidiary of CTIH.
- (h) On 22 May 2009, TPG (HK) and Manhold as vendors and CTIH as purchaser entered into a conditional sale and purchase agreement in relation to the acquisition of an aggregate of 1,389,247,000 ordinary shares of MAH, representing approximately 47.80% of the issued share capital of MAH (the "Stake Acquisition"). The consideration for the Stake Acquisition was payable by CTIH through the issue and allotment of an aggregate amount of 138,924,700 new ordinary shares of CTIH to TPG (HK) upon completion of the sale and purchase agreement on the basis of 1 CTIH share for every 10 MAH shares. Subject to the satisfaction of certain pre-conditions, CTIH requested the board of MAH to put forward a proposal to privatize MAH (the "Privatization Proposal") by way of a scheme of arrangement (the "Scheme") under Section 86 of the Companies Law. The details of this transaction were set out in the circular of the Company dated 19 June 2009. On 16 July 2009, CTIH shareholders passed resolutions approving, ratifying and confirming the Stake Acquisition and the Privatization Proposal, and their related connected transactions by way of poll at an extraordinary general meeting of CTIH. On 30 July 2009, the Stake Acquisition was completed, and CTIH became the controlling shareholder of MAH.

23 重大關連人士交易 (續)

- (g) 於二零零九年八月二十四日，由於全面收購協議之先決條件已達成或獲豁免，民安控股向協議股東提出全面收購建議。於二零零九年十月七日，民安控股獨立股東於法院會議批准該協議。民安控股股東亦通過就協議削減資本、增加股本及發行新民安控股股份的特別決議案。於二零零九年十月三十日（開曼群島時間），該協議在沒有修訂的情況下獲開曼群島大法院批准。全面收購建議之條件均已達成，而全面收購建議已於二零零九年十月三十日（開曼群島時間）開始生效。於二零零九年十一月四日，本公司以發行及配發完成141,418,800股股份完成購入民安控股48.66%權益。民安控股成為中國太平控股之全資附屬公司。
- (h) 於二零零九年五月二十二日，中國太平集團（香港）及汶豪作為賣方與中國太平控股作為買方訂立有條件買賣協議，內容有關收購合共1,389,247,000股民安控股股份，相當於民安控股現有已發行股本約47.80%。中國太平控股須於完成買賣協議時按每10股民安控股股份可換1股中國太平控股股份之基準向中國太平集團（香港）發行及配發合共138,924,700股新中國太平控股股份，藉以支付股權收購之代價。中國太平控股已要求民安控股董事會，待達成先決條件後，提出根據公司法第86條，建議以協議安排的方式全面收購民安控股。請參閱本公司於二零零九年六月十九日之通函。於二零零九年七月十六日，中國太平控股股東於中國太平控股股東特別大會上以投票表決方式正式通過有關批准、追認及確認股權收購、全面收購關連交易之決議案。於二零零九年七月三十日，完成股權收購及中國太平控股成為民安控股之控股股東。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

23 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

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

The Group considers that the key management personnel of the Group include the directors of the Company only.

23 重大關連人士交易 (續)

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

本集團認為本集團的主要管理人員只包括本公司的董事。

24 INSURANCE AND FINANCIAL RISK MANAGEMENT

(a) Underwriting strategy

Reinsurance business

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

Life insurance business

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

24 保險及財務風險管理

(a) 承保策略

再保險業務

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

人壽保險業務

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

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

24 INSURANCE AND FINANCIAL RISK MANAGEMENT 24 保險及財務風險管理 (續)

(Continued)

(a) Underwriting strategy (Continued)

Property and casualty insurance business

The Group is engaged in the underwriting of property and casualty insurance business in the PRC and Hong Kong. The Group focuses its property and casualty insurance business by offering a wide range of insurance products covering different types of property insurance (including compulsory motor insurance), liability insurance, credit insurance, guarantee insurance business and short-term accident and health insurance and the related reinsurance business. The Group has formulated strict operational procedures on underwriting and claims settlement to control risks on insurance underwriting.

(b) Reinsurance strategy

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

(c) Asset and liability matching

The objective of the Group's asset and liability management is to match the Group's assets with liabilities on the basis of duration. The Group actively manages its assets using an approach that balances quality, diversification, asset and liability matching, liquidity and investment return. The goal of the investment process is to maximize investment returns at a tolerable risk level, whilst ensuring that the assets and liabilities are managed on a cash flow and duration basis.

(a) 承保策略 (續)

財產保險業務

本集團從事承保中國及香港財產保險業務。本集團集中其財產保險業務，提供各種各樣的保險產品，包括不同類型的財產保險（包括機動車交通事故責任強制保險）、責任險、信用保險、保證保險及短期意外及健康險及有關之再保險業務。本集團已設立嚴格的承保及理賠操作程序，以控制保險承保風險。

(b) 再保險策略

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

(c) 資產與負債配比

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

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

24 INSURANCE AND FINANCIAL RISK MANAGEMENT 24 保險及財務風險管理 (續)

(Continued)

(c) Asset and liability matching (Continued)

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

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

(d) Financial risk

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

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

(c) 資產與負債配比 (續)

然而，有關人壽保險業務，有鑒於中國現行監管及市場環境，本集團未能投資於長期足以配其壽險負債的資產。在監管及市場環境允許的情況下，本集團有意逐步延長其資產的期限。本集團密切監督資產與負債的期限差距，定期進行資產與負債的現金流動預測。目前，本集團透過以下方法降低資產與負債不配的程度：

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

(d) 財務風險

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

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

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

24 INSURANCE AND FINANCIAL RISK MANAGEMENT 24 保險及財務風險管理 (續)

(Continued)

(d) Financial risk (Continued)

(i) Market risk

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

(a) Interest rate risk

Interest rate risk is risk to the earnings or market value of a fixed-rate financial instrument due to uncertain future market interest rates.

The Group monitors this exposure through periodic reviews of its financial instruments. Estimates of cash flows, as well as the impact of interest rate fluctuations relating to the investment portfolio are modeled and reviewed periodically.

(b) Equity price risk

The Group has a portfolio of marketable equity securities, which is carried at fair value and is exposed to price risk. As the financial risks of unit-linked contracts were fully undertaken by the policyholders, the assets related to unit-linked products were not included in the analysis of financial risk below. This risk is defined as the potential loss in market value resulting from an adverse change in prices.

The Group manages the equity price risk by investing in a diverse portfolio of high quality and liquid securities.

The equity securities were carried at a fair value of \$10,202.63 million (31 December 2009: \$14,149.69 million), representing 9.2% (31 December 2009: 14.8%) of total investments held by the Group.

(d) 財務風險 (續)

(i) 市場風險

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

(a) 利率風險

利率風險乃指因不確定的未來市場利率造成的金融工具盈利或市值風險。

本集團透過定期審核其金融工具監控該風險。投資組合的現金流量估值以及因利率變動所帶來的影響均進行定期模擬及審核。

(b) 股本價格風險

本集團的有價股本證券組合以公允價值列賬及須承擔價格風險。由於投資連結合約之財務風險全部由保單持有人承擔，投資連結產品之資產並沒有包括於以下之財務風險分析中。該風險指因價格的不利變動而造成的市值的潛在損失。

本集團透過投資於高質素的多元化流動證券組合管理其股本價格風險。

股本證券以公允價值102.0263億元(二零零九年十二月三十一日：141.4969億元)列賬，佔本集團持有之總投資額9.2%(二零零九年十二月三十一日：14.8%)。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

24 INSURANCE AND FINANCIAL RISK MANAGEMENT 24 保險及財務風險管理 (續)

(Continued)

(d) Financial risk (Continued)

(i) Market risk (Continued)

(c) Foreign exchange risk

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

In respect of the life insurance and property and casualty insurance business in the PRC, premiums are received in RMB and the insurance regulation in the PRC requires insurers to hold RMB assets. Therefore the foreign exchange risk in respect of RMB for the PRC operations is not significant.

In respect of the property and casualty insurance business in Hong Kong, premiums are received in HKD and USD. The currency position of assets and liabilities is monitored by the Group periodically.

(ii) Credit risk

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

The Group is exposed to credit risks primarily associated with bank deposits, money market funds, insurance debtors, investments in debt securities, reinsurance arrangements with reinsurers and other debtors etc.

To reduce the credit risk associated with the investments in debt securities, the Group has established detailed credit control policy. In addition, the risk level of the various investment sectors is continuously monitored with the investment mix adjusted accordingly. In respect of the debt securities invested by reinsurance business, the Group restricts investments in debt securities with international credit ratings generally not below the investment grade, i.e. BBB or higher, except for certain sovereign rated securities. In respect of the debt securities invested by life insurance and property and casualty insurance business in the PRC, the investment procedures manual, which is managed by an investment committee, includes the minimum acceptable domestic credit rating of the issuers as required by the CIRC. Any noncompliance or violation of the manual will be followed up and rectification action will be taken immediately. In respect of the debt securities invested by property and casualty insurance business in Hong Kong, it is the Group's policy to invest in bonds with ratings of investment grade or above.

(d) 財務風險 (續)

(i) 市場風險 (續)

(c) 外匯風險

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

就人壽保險業務及在中國之財產保險業務而言，保費以人民幣計值，而中國保險法例規定保險公司持有人民幣資產。因此，中國業務有關人民幣的外匯風險並不重大。

就在香港之財產保險業務而言，保費以港元及美元計值。資產及負債之貨幣持倉由本集團定期監控。

(ii) 信用風險

信用風險是指債務人到期未能支付任何本金或利息而引起經濟損失的風險。

本集團主要會承受的信用風險與銀行存款、貨幣市場基金、保險客戶應收賬款、債務證券投資、再保險債務人及其他應收賬款有關。

為降低與債務證券投資有關的信用風險，本集團制定一套詳盡的信用控制政策。此外，不同投資行業的風險水平透過調整投資組合而獲得持續監控。有關再保險業務的債務證券投資，本集團限制對信貸評級一般低於投資等級（即低於BBB）的債務證券投資，但部份主權評級證券除外。有關人壽保險及於中國之財產保險業務的債務證券投資，投資程序手冊，由投資委員會管理，列出包括按中國保監會要求的發行人之最低可接受本地信貸評級。任何不合規或違反手冊者將立即被跟進及改正。有關於香港之財產保險業務的債務證券投資，投資於擁有投資等級或以上的債券乃本集團之政策。

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

24 INSURANCE AND FINANCIAL RISK MANAGEMENT 24 保險及財務風險管理 (續)

(Continued)

(d) Financial risk (Continued)

(ii) Credit risk (Continued)

The credit risk on bank balances is limited because the relevant banks are with high credit ratings.

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

The credit risk at Company level is mainly concentrated in the amounts due from subsidiaries, and is managed by assessing the recoverability of the repayment from those subsidiaries. The management monitors on a regular basis the availability of funds among the Group and the assets held by the subsidiaries are considered sufficient to cover the amount due from them. Hence, the Company's exposure to credit risks at the end of the reporting period is considered immaterial.

The credit risk associated with insurance debtors and other debtors will not cause a material impact on the Group's consolidated financial statements taking into consideration of their collateral held and maturity term of no more than one year as at 30 June 2010.

(iii) Liquidity risk

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

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

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

(d) 財務風險 (續)

(ii) 信用風險 (續)

銀行存款之信用風險有限，原因是有關銀行擁有高信用級別。

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

在公司層面之信用風險主要集中於應收附屬公司款項，並通過評估該些附屬公司還款之可收回性進行管理。管理層定期監察集團內的資金情況及附屬公司持有足夠資產以涵蓋它們之應付款項。因此，本公司於報告期末之信用風險不大。

有關保險客戶應收賬款及其他應收賬款之信用風險，考慮到持有之抵押品及於二零一零年六月三十日之到期條款不超過一年後，將不會對本集團之綜合財務報表帶來重大影響。

(iii) 流動性風險

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

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

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

Notes to the Unaudited Interim Financial Statements (Continued)

未經審核中期財務報表附註 (續)

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

24 INSURANCE AND FINANCIAL RISK MANAGEMENT 24 保險及財務風險管理 (續)

(Continued)

(e) Reserve adequacy

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

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

(e) 充足儲備

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

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

25 CONTINGENT LIABILITIES

The Group has received a query issued by the Inland Revenue Department of Hong Kong in relation to the taxability of certain investment income from its offshore investments for the years of assessment from 1999 to 2008. The directors consider that the Group has a strong legal base to support its tax position. As such, no provision for a potential tax exposure of approximately \$31,600,000 (31 December 2009: \$31,600,000) was made as at 30 June 2010.

The Group received a query issued by the Inland Revenue Department of Hong Kong in relation to the taxability of certain realized and unrealized gains from the disposal of listed investments for the years of assessment from 2000/2001 to 2002/2003. Because such gains were capital in nature, the Directors believe that the Group has good prospects to support its tax position, and therefore no provision for a potential tax exposure of approximately \$30,000,000 (31 December 2009: \$30,000,000) was made as at 30 June 2010.

Save as herein disclosed and other than those incurred in the normal course of the Group's insurance businesses, there was no outstanding litigation nor any other contingent liabilities as of 30 June 2010.

25 或然負債

本集團收到香港稅務局的詢問，質疑個別離岸投資收入於一九九九年至二零零八年評稅年度內的應課稅務責任。董事認為本集團的稅務觀點擁有堅實的法律基礎支持，因此，於二零一零年六月三十日本集團毋需就約31,600,000元(二零零九年十二月三十一日：31,600,000元)的潛在稅務風險計提準備。

本集團接獲一項由香港稅務局發出，有關二零零零年／二零零一年至二零零二年／二零零三年評稅年度出售上市投資之若干已變現及未變現收益之應課稅查詢。由於該等收益乃資本性質，故董事相信本集團的稅務定位很可能得到支持，因此於二零一零年六月三十日本集團毋須就約30,000,000元(二零零九年十二月三十一日：30,000,000元)的潛在稅務風險計提準備。

除本報告所披露者及在本集團日常保險業務中產生的訴訟外，於二零一零年六月三十日，本集團概無任何未決訴訟或或然負債。

Management Discussion and Analysis

管理層討論和分析

Readers and investors are advised to pay attention when reading the Management Discussion and Analysis and the consolidated financial results as the prior period consolidated figures have been restated.

CONSOLIDATED FINANCIAL RESULTS

During the Period, CTIH's operating units produced strong and steady operating and financial gains, despite very challenging conditions in the global capital markets. Investments in equity securities have in particular been very difficult, as almost all equity indices from around the world have had negative performance returns thus far this year. With economic, financial and investment volatility at high levels since the 2008 financial crisis, the Company has achieved its objective of maintaining stability and focused growth for the long term.

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

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

務請讀者及投資者於閱覽管理層討論和分析及綜合財務表現時注意過往財務期綜合數字已作相應重列。

綜合財務表現

於本財務期，中國太平控股各營運單位在環球資本市場充滿挑戰的情況下，仍取得強勁及穩健的營運及財務收益。股本證券投資尤其困難，今年以來幾乎全球所有的股票指數均下跌。自二零零八年金融風暴以後，經濟、金融及投資處於高度波動性的環境，本公司仍達致維持穩定及專注於長期增長的目標。

本集團期內重點表現如下：

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年 (Restated) (重列)	Change 變化
Gross premiums written, policy fees and premium deposits	毛承保保費、保單費收入及保費存款	27,791.33	17,636.00	57.6%
Less: Premium deposits of universal life products	減：萬能壽險產品之保費存款	140.43	2,876.75	(95.1%)
Premium deposits of unit-linked products	投資連結產品之保費存款	51.90	108.55	(52.2%)
Premium deposits of other products	其他產品之保費存款	325.84	263.65	23.6%
Gross premiums written and policy fees recognized in consolidated income statement	確認於綜合損益表之毛承保保費及保單費收入	27,273.16	14,387.05	89.6%
Net investment income	投資收入淨額	2,065.81	1,503.27	37.4%
Net realized investment gains	已實現投資收益淨額	546.02	640.06	(14.7%)
Net unrealized investment gains/(losses)	未實現投資收益／(虧損)淨額	15.30	(13.33)	—
Net impairment loss on securities	證券減值虧損淨額	(148.12)	(15.00)	8.9 times 倍
Net exchange (loss)/gain	匯兌(虧損)／收益	(112.48)	25.78	—
Profit before taxation	除稅前溢利	974.36	1,105.44	(11.9%)
Profit after taxation	除稅後溢利	948.26	839.76	12.9%
Net profit attributable to the owners	股東應佔溢利淨額	603.00	549.63	9.7%
Basic earnings per share (HK cent)	每股基本盈利(港仙)	35.5	35.3	0.2 cent 仙

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED FINANCIAL RESULTS (Continued)

綜合財務表現 (續)

The net profit/(loss) attributable to the owners by each business line is summarized below:

按各業務分類之股東應佔溢利／(虧損)淨額概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年 (Restated) (重列)	Change 變化
Reinsurance	再保險	173.58	273.81	(36.6%)
Life insurance	人壽保險	356.68	337.87	5.6%
Property and casualty insurance	財產保險	191.86	19.30	8.9 times 倍
PRC operations carried out by:	中國業務：			
— TPI	— 由太平財險經營	65.22	(0.98)	—
— MAC	— 由民安中國經營	(42.27)	(42.47)	(0.5%)
Hong Kong operations carried out by:	香港業務：			
— CTPI (HK) ¹	— 由中國太平香港經營 ¹	168.91	62.75	1.7 times 倍
Other businesses	其他業務	(119.12)	(81.35)	46.4%
— Pension company operated by TPP	— 由太平養老營運之養老保險公司	(58.22)	(43.74)	33.1%
— Assets management companies operated by TPAM and TPA (HK)	— 由太平資產及太平資產(香港)營運之資產管理公司	(17.30)	(20.27)	(14.7%)
— Holding company and other businesses	— 控股公司及其他業務	(43.60)	(17.34)	1.5 times 倍
Net profit attributable to the owners	股東應佔溢利淨額	603.00	549.63	9.7%

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED FINANCIAL RESULTS (Continued)

綜合財務表現 (續)

The reconciliation of the previously reported and restated net profit attributable to the owners for the six months ended 30 June 2009 by each business line is as follows:

截至二零零九年六月三十日止六個月如前呈報及重列按各業務分類的股東應佔溢利淨額對賬如下：

HK\$ million

百萬港元

		Net profit/ (loss) attributable to the owners as previously reported 股東應佔 溢利／(虧損) 淨額，如前呈報	Adjustments 調整	Effect of application of merger accounting for acquisition of MAH ² 應用合併 會計法處理 收購民安控股 之影響 ²	Effect of changes in accounting policies ³ 會計政策 變更之 影響 ³	Net profit/ (loss) attributable to the owners as restated 股東應佔 溢利／(虧損) 淨額，重列
Reinsurance	再保險	273.81	—	—	273.81	
Life insurance	人壽保險	364.97	—	(27.1)	337.87	
Property and casualty insurance	財產保險	(38.15)	29.94	27.51	19.30	
PRC operations carried out by:	中國業務：					
— TPI	— 由太平 財險經營	(38.15)	—	37.17	(0.98)	
— MAC	— 由民安 中國經營	—	(36.16)	(6.31)	(42.47)	
Hong Kong operations carried out by:	香港業務：					
— CTPI (HK) ¹	— 由中國太平 香港經營 ¹	—	66.10	(3.35)	62.75	
Other businesses	其他業務	(79.76)	(1.59)	—	(81.35)	
Total	總額	520.87	28.35	0.41	549.63	

¹ The figures include the financial results of MAH itself and the subsidiaries (other than MAC) of CTPI (HK).

¹ 數額包括民安控股本部及中國太平香港之附屬公司(民安中國除外)之財務業績。

² The Group has applied Accounting Guideline No. 5 on "Merger Accounting for Common Control Combinations" in respect of the acquisition of MAH (holding 100% equity interest of CTPI (HK) and MAC) for the year ended 31 December 2009. Accordingly, the consolidated figures of Last Period have been restated as if MAH had been consolidated with the Group. For the period before 4 November 2009, MAH was 51.34%-owned by CTIH, and therefore the results of MAH have been 51.34% consolidated with the Group for the Last Period.

² 本集團對於二零零九年十二月三十一日止年度購入民安控股(持有100%中國太平香港及民安中國權益)，已應用會計指引第5號「共同控制合併之合併會計處理」。因此，去年同期之合併數字已作重列，猶如民安控股於去年同期已合併於本集團內。於二零零九年十一月四日之前期間，中國太平控股擁有民安控股51.34%，因此民安控股去年同期業績之51.34%已併入本集團內。

³ The Group has changed the accounting policies for the year ended 31 December 2009 in respect of the measurement of insurance contract liabilities for the life insurance segment and property and casualty insurance segment and the recognition of premium income of mixed insurance contracts containing insurance and other risks. Accordingly, the consolidated figures of Last Period have been restated.

³ 本集團於二零零九年十二月三十一日止年度已對人壽保險業務及財產保險業務之保險合約負債計量方法及混合保險合約(包含保險及其他風險)保費確認的會計政策作出變更。因此，去年同期之綜合比較數據亦已相應重列。

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED FINANCIAL RESULTS (Continued)

綜合財務表現 (續)

The following analysis shows the movement of the net assets value attributable to the owners of the Company (“NAV”) from 1 January 2010 to 30 June 2010.

以下為由二零一零年一月一日至二零一零年六月三十日本公司股東應佔資產淨值變化分析。

HK\$ million

百萬港元

NAV as at 1 January 2010	於二零一零年一月一日之資產淨值	10,296.71
Profit recognized in income statement	確認於損益表之溢利	603.00
Net changes in AFS investment reserve	可供出售投資儲備變化淨額	(779.38)
Revaluation gain arising from reclassification of own-use properties into investment properties	因自用物業重新分類為投資物業而產生之重估收益	23.09
Exchange gain arising from translation of financial statements of subsidiaries outside Hong Kong	因換算香港以外地區附屬公司財務報表的匯兌收益	48.99
Other movements ⁴	其他變動 ⁴	14.85
NAV as at 30 June 2010	於二零一零年六月三十日之資產淨值	10,207.26

⁴ Other movements mainly include the amortization of the costs of Shares acquired under the Share Award Scheme and the net proceeds received for Shares issued under the Share Option Scheme.

⁴ 其他變動主要包括根據股份獎勵計劃而購入之股份的成本攤銷及根據認股權計劃發行新股所收取之款項淨額。

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED INVESTMENT PERFORMANCE

綜合投資表現

Consolidated investment assets

綜合投資資產

The total investments of the Group are summarized as follows: 本集團的投資總值概述如下：

	At 30 June 2010		At 31 December 2009	
	於二零一零年六月三十日	於二零零九年十二月三十一日	於二零一零年六月三十日	於二零零九年十二月三十一日
	HK\$ million	% of Total	HK\$ million	% of Total
	百萬港元	佔總額百分比	百萬港元	佔總額百分比
Debt securities 債務證券	73,648.40	65.3%	59,940.21	62.6%
Equity securities 股本證券	7,486.63	6.6%	8,433.55	8.8%
Investment funds 投資基金	2,815.00	2.5%	5,716.14	6.0%
Cash and bank deposits 現金及銀行存款	27,564.09	24.5%	20,474.76	21.4%
Investment properties 投資物業	1,273.28	1.1%	1,193.23	1.2%
Total investments 投資總額	112,787.40	100.0%	95,757.89	100.0%

The investments in securities are classified as Held-to-Maturity (“HTM”), Available-for-Sale (“AFS”), Held for Trading (“HFT”) and Loans and Receivables (“LR”). The detailed breakdown by such classifications for the total investment portfolio of the Group was as follows:

證券投資被歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項。本集團總投資組合按此歸類的分佈概述如下：

At 30 June 2010, HK\$ million

於二零一零年六月三十日，百萬港元

		HTM	AFS	HFT	LR	Total
		持有至到期日	可供出售	持有作交易用途	貸款及應收款項	
Debt securities 債務證券		50,533.14	19,444.54	249.08	3,421.64	73,648.40
Equity securities 股本證券		—	7,364.65	121.98	—	7,486.63
Investment funds 投資基金		—	2,779.74	35.26	—	2,815.00
		50,533.14	29,588.93	406.32	3,421.64	83,950.03

At 31 December 2009, HK\$ million

於二零零九年十二月三十一日，百萬港元

		HTM	AFS	HFT	LR	Total
		持有至到期日	可供出售	持有作交易用途	貸款及應收款項	
Debt securities 債務證券		39,333.10	18,111.62	286.48	2,209.01	59,940.21
Equity securities 股本證券		—	8,320.25	113.30	—	8,433.55
Investment funds 投資基金		—	5,669.99	46.15	—	5,716.14
		39,333.10	32,101.86	445.93	2,209.01	74,089.90

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管理層討論和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

綜合投資表現 (續)

The percentages of the Group's total investments held by each business segment in terms of carrying values at the end of the reporting period were as follows:

於報告期末各業務分類佔本集團投資總額賬面值之百分比如下：

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Reinsurance	再保險	4.6%	5.2%
Life insurance	人壽保險	84.5%	83.1%
Property and casualty insurance	財產保險	9.6%	10.5%
Other businesses	其他業務	1.3%	1.2%
		100.0%	100.0%

Consolidated investment income

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

綜合投資收入

本集團確認在綜合損益表內之稅前投資收入總額概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年 (Restated) (重列)	Change 變化
Net investment income	投資收入淨額	2,065.81	1,503.27	37.4%
Net realized investment gains	已實現投資收益淨額	546.02	640.06	(14.7%)
Net unrealized investment gains/(losses)	未實現投資 收益/(虧損)淨額	15.30	(13.33)	—
Net impairment loss on securities	證券減值虧損淨額	(148.12)	(15.00)	8.9 times 倍
Total investment income	投資收入總額	2,479.01	2,115.00	17.2%

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

Consolidated investment income (Continued)

The total investment income of the Group recognized in the consolidated income statement increased by 17.2% to HK\$2,479.01 million in the Period from HK\$2,115.00 million (*restated*) in the Last Period. Although equities traded in the PRC and Hong Kong did not perform well during the Period, a significant increase in interest income from a larger investment portfolio was behind the higher levels of net investment income.

According to the Group's impairment policy, investments in debt and equity securities other than those held for trading are reviewed periodically to determine whether there is objective evidence of impairment. Objective evidence of impairment may include specific information about the issuer, but may also include information about material changes that have taken place in areas such as technology, markets, economic or legal, which taken together or taken alone may provide evidence that the cost of those debt and equity securities may not be recovered. Under such criterion, significant or prolonged declines in the fair value of an asset below its cost are also objective evidence of impairment. In 2010, the net impairment loss on debt and equity securities recognized in the consolidated income statement was HK\$148.12 million (2009 (*restated*): HK\$15.00 million).

綜合投資表現 (續)

綜合投資收入 (續)

本集團確認於綜合損益表內的投資收入總額由去年同期的21.1500億港元 (*重列*) 上升17.2%至本財務期的24.7901億港元。儘管本財務期內於中國及香港買賣的股票表現並不理想，但投資組合增大令利息收入顯著上升，使投資收入淨額上升。

按本集團減值政策，將會定期檢討債務及股本證券投資 (持有作交易用途除外)，以釐訂有否客觀證據顯示減值的需要。減值的客觀證據可包括有關發行人的具體個別資料，但亦包括例如有關科技、市場、經濟或法律方面已發生重大變化的資料，而這些資料可提供證據顯示債務及股本證券的成本可能無法收回。在此前提下，資產的公允價值如大幅或長期下跌至低於其成本，亦被視為減值的客觀證據。於二零一零年，綜合損益表內確認的債務及股本證券減值虧損淨額為1.4812億港元 (二零零九年 (*重列*): 1,500萬港元)。

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED INVESTMENT PERFORMANCE

(Continued)

綜合投資表現 (續)

The details of the Group's investment income/(loss) on a pre-tax basis are summarized as follows:

本集團稅前投資收入／(虧損)之詳細分析如下：

For the six months ended 30 June 2010, HK\$ million

截至二零一零年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認					Net impairment loss 回撥／(確認)減值虧損淨額	Sub total 小計	Unrealized gains/(losses) recognized in the fair value reserve 於公允價值儲備內確認之未實現收益／(虧損)	Grand total 總額
		Net investment income 投資收入淨額			Net realized gains/(losses) 已實現收益／(虧損)淨額	Net unrealized gains/(losses) 未實現收益／(虧損)淨額				
		Interest income/(expense) 利息收入／(支出)	Dividend income 股息收入	Rental income 租金收入						
Debt securities	債務證券									
HTM	持有至到期日	996.86	—	—	—	—	2.53	999.39	—	999.39
AFS	可供出售	401.52	—	—	88.77	—	—	490.29	394.19	884.48
HFT	持有作交易用途	9.60	—	—	(0.19)	13.33	—	22.74	—	22.74
LR	貸款及應收款項	92.79	—	—	—	—	—	92.79	—	92.79
Equity securities	股本證券									
AFS	可供出售	—	47.16	—	265.88	—	(150.65)	162.39	(1,278.69)	(1,116.30)
HFT	持有作交易用途	—	0.31	—	3.34	(3.50)	—	0.15	—	0.15
Investment funds	投資基金									
AFS	可供出售	—	260.49	—	190.64	—	—	451.13	(775.17)	(324.04)
HFT	持有作交易用途	—	1.71	—	(2.42)	(1.17)	—	(1.88)	—	(1.88)
Cash and bank deposits	現金及銀行存款	262.81	—	—	—	—	—	262.81	—	262.81
Investment properties	投資物業	—	—	25.94	—	6.64	—	32.58	—	32.58
Securities sold under repurchase agreements	賣出回購證券	(37.31)	—	—	—	—	—	(37.31)	—	(37.31)
Others	其他	3.93	—	—	—	—	—	3.93	—	3.93
		1,730.20	309.67	25.94	546.02	15.30	(148.12)	2,479.01	(1,659.67)	819.34

Management Discussion and Analysis

管理層討論和分析

CONSOLIDATED INVESTMENT PERFORMANCE

綜合投資表現 (續)

(Continued)

For the six months ended 30 June 2009, HK\$ million (Restated)

截至二零零九年六月三十日止六個月，百萬港元(重列)

		Recognized in the consolidated income statement 於綜合損益表內確認					Unrealized gains/ (losses) recognized in the fair value reserve 於公允價值儲備內確認之未實現		Grand total	
		Net investment income 投資收入淨額			Net realized gains/ (losses) 已實現收益/ (虧損)淨額	Net unrealized gains/ (losses) 未實現收益/ (虧損)淨額	Net impairment loss 確認減值虧損淨額	Sub total 小計	之未實現收益/ (虧損)	總額
		Interest income/ (expense) 利息收入/ (支出)	Dividend income 股息收入	Rental income 租金收入						
Debt securities	債務證券									
HTM	持有至到期日	530.13	—	—	—	—	(15.00)	515.13	—	515.13
AFS	可供出售	559.75	—	—	118.25	—	—	678.00	(391.14)	286.86
HFT	持有作交易用途	13.25	—	—	21.15	(2.76)	—	31.64	—	31.64
LR	貸款及應收款項	66.29	—	—	—	—	—	66.29	—	66.29
Equity securities	股本證券									
AFS	可供出售	—	46.54	—	228.48	—	—	275.02	696.33	971.35
HFT	持有作交易用途	—	1.77	—	51.44	(9.56)	—	43.65	—	43.65
Investment funds	投資基金									
AFS	可供出售	—	45.61	—	176.10	—	—	221.71	815.99	1,037.70
HFT	持有作交易用途	—	2.11	—	44.64	(14.26)	—	32.49	—	32.49
Cash and bank deposits	現金及銀行存款	277.29	—	—	—	—	—	277.29	—	277.29
Investment properties	投資物業	—	—	23.48	—	13.25	—	36.73	—	36.73
Securities sold under repurchase agreements	賣出回購證券	(62.97)	—	—	—	—	—	(62.97)	—	(62.97)
Others	其他	0.02	—	—	—	—	—	0.02	—	0.02
		1,383.76	96.03	23.48	640.06	(13.33)	(15.00)	2,115.00	1,121.18	3,236.18

Management Discussion and Analysis

管理層討論和分析

REINSURANCE BUSINESS

The Group's reinsurance business is operated by Taiping Reinsurance Company Ltd. ("TPRe"). TPRe is a Hong Kong-incorporated company and wholly-owned by the Group, and is mainly engaged in the underwriting of all classes of reinsurance business around the globe, consisting mainly of short-tail, property reinsurance business in the Asia Pacific region. TPRe has chosen not to engage in long-tail, liability reinsurance business from outside of Asia, such as from the United States and Europe. TPRe's key markets are Mainland China, Hong Kong and Macau, Japan, the rest of Asia, Europe and other parts of the world.

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

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

再保險業務

本集團之再保險業務由本集團全資擁有之香港註冊公司太平再保險有限公司(「太平再保險」)營運。太平再保險主要從事承保全球各類再保險業務，主要包括亞太地區的短尾巴，財產再保險業務。太平再保險選擇不從事亞洲以外如來自美國及歐洲的長尾巴責任險業務。太平再保險之主要市場為中國大陸、香港及澳門、日本、亞洲其他地區、歐洲及世界其他地方。

再保險業務之主要財務數據及主要表現指標概述如下：

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Gross premiums written	毛承保保費	1,566.39	1,060.45	47.7%
Net premiums written	淨承保保費	1,375.09	920.01	49.5%
Net earned premiums	已賺取保費淨額	912.85	751.65	21.4%
Net claims incurred	賠款淨額	(497.77)	(404.02)	23.2%
Net commission expenses	佣金支出淨額	(319.22)	(184.43)	73.1%
Underwriting profit	承保溢利	77.82	146.89	(47.0%)
Total investment income	投資收入總額	148.19	133.64	10.9%
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(28.83)	26.57	—
Profit before taxation	除稅前溢利	185.68	292.60	(36.5%)
Profit attributable to the owners	股東應佔溢利	173.58	273.81	(36.6%)
Technical reserves ratio	技術性儲備比率	373.2%	382.6%	(9.4 pts 點)
Retained ratio	自留比率	87.8%	86.8%	1.0 pt 點
Earned premiums ratio	已賺取保費率	58.3%	70.9%	(12.6 pts 點)
Loss ratio ¹	賠付率 ¹	54.5%	53.8%	0.7 pt 點
Expense ratio ¹	費用率 ¹	36.9%	26.7%	10.2 pts 點
Combined ratio ²	綜合成本率 ²	91.4	80.5	10.9 pts 點

¹ Both the loss ratio and expense ratio are based on net earned premiums.

¹ 賠付率及費用率均按已賺取保費淨額為基準計算。

² The combined ratio is the sum of the loss ratio and the expense ratio.

² 綜合成本率為賠付率與費用率的總和。

Management Discussion and Analysis

管理層討論和分析

REINSURANCE BUSINESS (Continued)

Profit Attributable to the Owners

The reinsurance business contributed net profit to the owners of HK\$173.58 million during the Period (2009: HK\$273.81 million), representing a decrease of 36.6% compared to Last Period.

Gross Premiums Written

TPRe's gross premiums written for the Period was HK\$1,566.39 million, representing an increase of 47.7% from HK\$1,060.45 million in the Last Period. The significant premium growth was partly due to higher levels of business being written in Mainland China, where new business opportunities were, and continue to be, abundant.

After a benign year in 2009 in which no major catastrophes occurred, the renewal terms and conditions for business written by TPRe during the major renewals in January and April 2010 showed slight downward adjustments. Nevertheless, TPRe has been able to maintain its pricing discipline and successfully renewed most of its in-force business portfolio with only minor adjustments in terms and conditions. In Mainland China, due to the successful and opportune opening of the Beijing Branch in December 2008, and the hiring of reputable and experienced professionals from the local market, TPRe has been very successful in its business expansion in the country.

再保險業務 (續)

股東應佔溢利

於本財務期內，再保險業務對股東淨溢利的貢獻為1.7358億港元(二零零九年：2.7381億港元)，較去年同期下跌36.6%。

毛承保保費

太平再保險之毛承保保費由去年同期10.6045億港元上升47.7%至15.6639億港元。保費大幅增長部份是由於中國大陸的承保業務增加。這裏持續充滿新商機。

二零零九年全年沒有發生嚴重巨災，於二零一零年一月及四月的續保期，太平再保險承保業務的續保條件及條款輕微下調。然而，太平再保險能在條件及條款只有輕微調整下，維持其定價原則及續保大部份業務。於中國大陸，由於北京分公司成功及適時於二零零八年十二月開業，並僱用當地市場知名及經驗豐富的專業人員，令太平再保險於國內的業務發展非常成功。

Management Discussion and Analysis

管理層討論和分析

REINSURANCE BUSINESS (Continued)

再保險業務 (續)

Gross Premiums Written (Continued)

毛承保保費 (續)

TPRe's geographical distribution of gross premiums written is summarized as follows:

太平再保險按地區分佈劃分之毛承保保費簡報如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Hong Kong & Macau	香港及澳門	218.85	14.0%	188.28	17.7%
Mainland China (& Taiwan)	中國大陸 (及台灣)	578.73	36.9%	275.35	26.0%
Japan	日本	83.80	5.4%	79.31	7.5%
Rest of Asia	亞洲其他地區	336.81	21.5%	275.67	26.0%
Europe	歐洲	209.64	13.4%	167.80	15.8%
Others	其他	138.56	8.8%	74.04	7.0%
		1,566.39	100.0%	1,060.45	100.0%

Net Claims Incurred

淨賠款總額

In contrast to the Last Period, there were several catastrophic loss events during the Period, such as the 8.8-Richter scale earthquake in Chile in February 2010 and the deepwater oil rig explosion in the Gulf of Mexico in April 2010, both of which significantly impacted the insurance and reinsurance markets. TPRe experienced an approximate HK\$102.11 million loss from the Chilean earthquake and an approximate HK\$24.16 million loss from the deepwater oil rig explosion. As a result, the loss ratio of the reinsurance operations increased to 54.5% from 53.8% in the Last Period. The combined ratio during the Period was 91.4 (2009: 80.5).

相對於去年同期，本財務期內發生數宗巨災事件，如二零一零年二月智利發生的黎克特制8.8級地震及二零一零年四月墨西哥灣發生的深水鑽油台爆炸，均對保險及再保險市場帶來重大影響。太平再保險估計來自智利地震的索賠約1.0211億港元及來自深水鑽油台爆炸的索賠約2,416萬港元。因此，再保險業務的賠付率由去年同期的53.8%上升至54.5%。於本財務期之綜合成本率為91.4(二零零九年：80.5)。

Management Discussion and Analysis

管理層討論和分析

REINSURANCE BUSINESS (Continued)

再保險業務 (續)

Investment Performance

投資表現

The composition of investments held by TPRé was as follows: 太平再保險持有之投資組合情況如下：

		At 30 June 2010		At 31 December 2009	
		於二零一零年六月三十日		於二零零九年十二月三十一日	
		HK\$ million	% of Total	HK\$ million	% of Total
		百萬港元	佔總額百分比	百萬港元	佔總額百分比
Debt securities	債務證券	3,130.66	60.7%	2,852.02	57.6%
Equity securities	股本證券	384.21	7.4%	302.41	6.1%
Investment funds	投資基金	47.88	0.9%	77.16	1.6%
Cash and bank deposits	現金及銀行存款	1,495.44	29.0%	1,620.59	32.7%
Investment properties	投資物業	104.77	2.0%	98.13	2.0%
Total invested assets	投資總額	5,162.96	100.0%	4,950.31	100.0%

During the Period, with general investment markets performance and sentiment declining in Hong Kong, TPRé continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were maintained at a relatively low percentage of the asset allocation, while debt securities and cash and bank deposits constituted a combined total of approximately 89.7% of the total invested assets as at 30 June 2010 (31 December 2009: 90.3%).

於本財務期內，香港的投資市場表現及氣氛大體上減弱，太平再保險對於其投資組合的資產配置仍然十分審慎。股本投資維持在資產配置的一個較低百分比，而債務證券、現金及銀行存款於二零一零年六月三十日合共佔投資資產總額約89.7% (二零零九年十二月三十一日：90.3%)。

The classification of TPRé's investments in securities under HTM, AFS, HFT and LR was as follows:

太平再保險歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

At 30 June 2010, HK\$ million

於二零一零年六月三十日，百萬港元

		HTM	AFS	HFT	LR	Total
		持有至到期日	可供出售	持有作交易用途	貸款及應收款項	總額
Debt securities	債務證券	2,162.63	813.53	154.50	—	3,130.66
Equity securities	股本證券	—	384.21	—	—	384.21
Investment funds	投資基金	—	14.82	33.06	—	47.88
		2,162.63	1,212.56	187.56	—	3,562.75

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管理層討論和分析

REINSURANCE BUSINESS (Continued)

再保險業務 (續)

At 31 December 2009, HK\$ million

於二零零九年十二月三十一日，百萬港元

		HTM 持有至到期日	AFS 可供出售	HFT 持有作 交易用途	LR 貸款及 應收款項	Total 總額
Debt securities	債務證券	2,000.86	706.56	144.60	—	2,852.02
Equity securities	股本證券	—	302.41	—	—	302.41
Investment funds	投資基金	—	43.76	33.40	—	77.16
		2,000.86	1,052.73	178.00	—	3,231.59

The debt securities classified by type and class were as follows: 債務證券按類別分類如下：

HK\$ million

百萬港元

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Central governments and central banks	中央政府 及中央銀行	268.97	234.93
Public sector entities	公共機構	35.29	50.76
Banks and other financial institutions	銀行及其他 金融機構	1,586.20	1,377.77
Corporate entities	企業實體	1,240.20	1,188.56
		3,130.66	2,852.02

The debt securities classified by original currencies in their respective HKD equivalents were as follows: 債務證券按原貨幣分類之折合港元值如下：

HK\$ million

百萬港元

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
USD	美元	2,565.70	2,369.27
EUR	歐羅	199.34	187.71
HKD	港元	87.66	86.98
GBP	英鎊	168.47	144.12
Others	其他	109.49	63.94
		3,130.66	2,852.02

Management Discussion and Analysis

管理層討論和分析

REINSURANCE BUSINESS (Continued)

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

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

		2010 二零一零年	2009 二零零九年	Change 變化
Net investment income	投資收入淨額	104.68	82.24	27.3%
Net realized investment gains	已實現投資收益淨額	23.45	57.61	(59.3%)
Net unrealized investment gains	未實現投資收益淨額	19.23	8.79	1.2 times 倍
Net impairment loss on reversed/(recognized) securities	回撥/(確認) 證券 減值虧損淨額	0.83	(15.00)	—
Total investment income	投資收入總額	148.19	133.64	10.9%
Total investment yield (year-to-date)	總投資收益率 (本期)	2.9%	3.0%	(0.1 pt 點)

TPRe's total investment income was a gain of HK\$148.19 million for the Period, representing a solid increase from HK\$133.64 million in the Last Period. As equities traded in Hong Kong did not perform well during the Period, TPR increased its holdings of investment grade, short-duration debt securities. The higher levels of debt securities have increased TPR's net investment income. The above-described investment income and investment yield figures do not include a net exchange loss of HK\$28.83 million (2009: gain of HK\$26.57 million).

再保險業務 (續)

太平再保險確認在綜合損益表內之稅前投資收入總額及稅前投資收益率概述如下：

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Net investment income	投資收入淨額	104.68	82.24	27.3%
Net realized investment gains	已實現投資收益淨額	23.45	57.61	(59.3%)
Net unrealized investment gains	未實現投資收益淨額	19.23	8.79	1.2 times 倍
Net impairment loss on reversed/(recognized) securities	回撥/(確認) 證券 減值虧損淨額	0.83	(15.00)	—
Total investment income	投資收入總額	148.19	133.64	10.9%
Total investment yield (year-to-date)	總投資收益率 (本期)	2.9%	3.0%	(0.1 pt 點)

本財務期，太平再保險錄得投資收入總額溢利1.4819億港元，較去年同期1.3364億港元穩健上升。由於本財務期內於香港買賣的股票表現並不理想，太平再保險增加持有具投資評級的短期債務證券。持有更多的債務證券令太平再保險投資收入淨額增加。上述投資收入及投資收益率並不包括2,883萬港元匯兌虧損淨額(二零零九年：收益2,657萬港元)。

Management Discussion and Analysis

管理層討論和分析

REINSURANCE BUSINESS (Continued)

再保險業務 (續)

For the six months ended 30 June 2009, HK\$ million

截至二零零九年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認						Unrealized gains recognized in the fair value reserve 於公允價值 儲備內確認 之未實現 收益		Grand total 總額
		Net investment income 投資收入淨額			Net realized gains/ (losses) 已實現 收益/ (虧損)淨額	Net unrealized gains 未實現 收益淨額	Net impairment loss 減值虧損 回撥淨額	Sub total 小計		
		Interest income 利息收入	Dividend income 股息收入	Rental income 租金收入						
Debt securities	債務證券									
HTM	持有至到期日	41.33	—	—	—	—	(15.00)	26.33	—	26.33
AFS	可供出售	17.12	—	—	—	—	—	17.12	31.65	48.77
HFT	持有作交易用途	7.33	—	—	7.86	0.62	—	15.81	—	15.81
Equity securities	股本證券									
AFS	可供出售	—	4.28	—	50.78	—	—	55.06	44.02	99.08
HFT	持有作交易用途	—	1.56	—	(1.03)	—	—	0.53	—	0.53
Investment funds	投資基金									
AFS	可供出售	—	0.37	—	—	—	—	0.37	2.88	3.25
HFT	持有作交易用途	—	1.36	—	—	1.74	—	3.10	—	3.10
Cash and bank deposits	現金及銀行存款	7.71	—	—	—	—	—	7.71	—	7.71
Investment properties	投資物業	—	—	1.18	—	6.43	—	7.61	—	7.61
		73.49	7.57	1.18	57.61	8.79	(15.00)	133.64	78.55	212.19

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS

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

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

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

人壽保險業務

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

人壽保險業務之主要財務數據概述如下：

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年 (Restated) (重列)	Change 變化
Gross premiums written and premium deposits	毛承保保費及保費存款	21,750.83	12,700.75	71.3%
Less: Premium deposits of universal life product	減：萬能壽險產品之保費存款	140.43	2,876.75	(95.1%)
Premium deposits of unit-linked products	投資連結產品之保費存款	51.90	108.55	(52.2%)
Premium deposits of other products	其他產品之保費存款	325.84	263.65	23.6%
Gross premiums written recognized in income statement	確認於損益表之毛承保保費	21,232.66	9,451.80	1.2 times 倍 (74.7%)
Policy fees	保單費收入	57.39	227.06	
Net premiums written and policy fees	淨承保保費及保單費收入	21,181.52	9,607.10	1.2 times 倍
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	21,110.59	9,551.78	1.2 times 倍
Total investment income	投資收入總額	1,970.46	1,692.86	16.4%
Net exchange loss	匯兌虧損淨額	(78.81)	(0.52)	150.6 times 倍
Net policyholders' benefits	保單持有人利益淨額	(2,368.78)	(1,478.60)	60.2%
Net commission expenses	佣金支出淨額	(1,836.86)	(1,428.86)	28.6%
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(15,777.08)	(5,644.61)	1.8 times 倍
Administrative and other expenses	行政及其他費用	(2,216.83)	(1,679.85)	32.0%
Finance costs	財務費用	(96.00)	(91.94)	4.4%
Profit before taxation	除稅前溢利	725.48	934.36	(22.4%)
Profit after taxation	除稅後溢利	712.66	675.07	5.6%
Profit attributable to the owners	股東應佔溢利	356.68	337.87	5.6%

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

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

人壽保險業務之主要經營數據概述如下：

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日	Change 變化
Market share ¹	市場份額 ¹	3.2%	2.8%	0.4 pt 點
Number of provincial branches	省級分公司數目	33	33	—
Number of sub-branches and marketing centers	支公司及市場推廣中心數目	646	611	35
Number of in-force policies	有效之保單數目	6,363,888	5,183,756	1,180,132
Number of individual agents	個人銷售代理數目	57,435	60,781	(3,346)
Persistence ratio	第13個月之			
— 13th month ²	保費繼續率 ²			
— Individual	— 個人	88.4%	85.0%	3.4 pts 點
— Bancassurance	— 銀行保險	93.9%	92.0%	1.9 pts 點
Compound persistence ratio	第25個月之			
— 25th month ²	保費複合繼續率 ²			
— Individual	— 個人	79.5%	76.4%	3.1 pts 點
— Bancassurance	— 銀行保險	88.7%	87.9%	0.8 pt 點
Regulatory solvency margin ratio	監管性償付能力充足比率	176%	222%	(46 pts 點)

¹ Based on premiums published by the CIRC.

¹ 據中國保監會刊登之保費計算。

² Based on the amount of premiums.

² 按保費金額。

Profit Attributable to the Owners

股東應佔溢利

The life insurance business contributed net profit to the owners of HK\$356.68 million during the Period (2009 (restated): HK\$337.87 million), representing an increase of 5.6% compared to Last Period.

於本財務期內，股東來自人壽保險業務之溢利淨額為3.5668億港元(二零零九年(重列)：3.3787億港元)，較去年同期上升5.6%。

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

Gross Premiums Written and Premium Deposits

TPL's gross premiums written recognized in the consolidated income statement increased by 124.6% to HK\$21,232.66 million from HK\$9,451.80 million (*restated*) in the Last Period. Unit-linked, universal life and other products sales fell substantially, with premium deposits decreasing by 84.1% to HK\$518.17 million from HK\$3,248.95 million in the Last Period. This lower level of sales was in line with TPL's business plan, as the life insurance operations have strived to focus more on traditional life insurance products with regular premium features. Regular premium product sales experienced a substantial increase during the Period, and met the strategic focus and emphasis of TPL's directors and senior management to sell more products with higher profit margins and new actuarial business values.

TPL's gross premiums written and premium deposits by line of business were as follows:

For the six months ended 30 June 2010, HK\$ million

人壽保險業務 (續)

毛承保保費及保費存款

太平人壽確認在綜合損益表內的毛承保保費由去年同期之94.5180億港元 (*重列*) 上升124.6%至212.3266億港元。投資連結、萬能壽險及其他產品銷售顯著下跌，保費存款由去年同期之32.4895億港元下降84.1%至5.1817億港元。由於人壽保險業務着重具期繳特色的傳統人壽保險產品，因此，萬能及投連銷售水平較低，符合太平人壽的業務計劃。期繳保費產品銷售期內大幅上升，與太平人壽董事及高級管理層着重銷售更高利潤率及具業務價值產品的策略相符。

太平人壽按業務劃分之毛承保保費及保費存款如下：

截至二零一零年六月三十日止六個月，百萬港元

		Gross premiums written recognized in the consolidated income statement 確認在綜合損益表內之毛承保保費	Premium deposits of universal life products 萬能壽險產品之保費存款	Premium deposits of unit-linked products 投資連結產品之保費存款	Premium deposits of other products 其他產品之保費存款	Total 總額	% of Total 佔總額百分比
Individual	個人	5,429.48	—	25.07	53.35	5,507.90	25.3%
Bancassurance	銀行保險	15,295.78	140.43	26.83	0.68	15,463.72	71.1%
Group	團體	507.40	—	—	271.81	779.21	3.6%
		21,232.66	140.43	51.90	325.84	21,750.83	100.0%

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

For the six months ended 30 June 2009, HK\$ million

截至二零零九年六月三十日止六個月，百萬港元

		Gross premiums written recognized in the consolidated income statement	Premium deposits of universal life products	Premium deposits of unit-linked products	Premium deposits of other products	Total	% of Total
		確認為綜合損益表內之毛承保保費	萬能壽險產品之保費存款	投資連結產品之保費存款	其他產品之保費存款	總額	佔總額百分比
Individual	個人	3,362.01	—	30.56	46.12	3,438.69	27.1%
Bancassurance	銀行保險	5,728.44	2,876.75	77.99	0.39	8,683.57	68.4%
Group	團體	361.35	—	—	217.14	578.49	4.5%
		9,451.80	2,876.75	108.55	263.65	12,700.75	100.0%

During the Period, the sale of unit linked products fell significantly to HK\$51.90 million from HK\$108.55 million in the Last Period, representing a decrease of 52.2%. The sale of universal life products fell to HK\$140.43 million from HK\$2,876.75 million in the Last Period, representing a decrease of 95.1%. This decline in premium, however, was more than made up for by the strong increase in demand for traditional products, which sharply increased to HK\$21,232.66 million from HK\$9,451.80 million in the Last Period, representing an increase of 124.6%.

於本財務期內，投資連結產品的銷售大幅下降至5,190萬港元，相比去年同期1.0855億港元，減幅52.2%。萬能壽險產品的銷售由去年同期28.7675億港元下降至1.4043億港元，減幅95.1%。不過，此保費減少的幅度被傳統產品需求的強勁增長所抵銷。傳統產品的保費由去年同期94.5180億港元急升124.6%至212.3266億港元。

The strength of the traditional product sales was apparent in both the individual agency force and the bank distribution channel. Traditional premiums distributed through the individual agency force increased to HK\$5,429.48 million from HK\$3,362.01 million in the Last Period, representing a significant increase of 61.5%. Continued improvements in productivity among existing agents, as well as further expansion through new recruits, which brought the total agency force to 57,435 as of 30 June 2010 (30 June 2009: 55,657), were behind the increase in sales. In the bancassurance channel, traditional product sales increased to HK\$15,295.78 million from HK\$5,728.44 million in the Last Period, representing a substantial increase of 167.0%.

傳統產品的銷售在個人代理及銀行分銷渠道均明顯上升。透過個人代理隊伍的傳統保費由去年同期33.6201億港元上升至54.2948億港元，顯著增長61.5%。銷售上升乃由於原有代理產能持續提升，及透過新聘人員而進一步擴張。於二零一零年六月三十日個人代理隊伍增至57,435人(二零零九年六月三十日：55,657人)。銀行保險渠道方面，傳統產品銷售由去年同期57.2844億港元上升至152.9578億港元，大幅增長167.0%。

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

During the Period, more importantly, TPL continued to increase within its traditional product sales the number of its products with regular premium features. The detailed breakdown of TPL's single premium products and regular premium products by line of business is summarized as follows:

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

Individual

		2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Single Premium	躉繳保費	58.91	1.1%	60.58	1.8%
Regular Premium	期繳保費				
— First Year	— 首年	2,296.69	42.3%	1,434.18	42.7%
— Renewal Year	— 續年	3,073.88	56.6%	1,867.25	55.5%
		5,429.48	100.0%	3,362.01	100.0%

人壽保險業務 (續)

於本財務期內，更重要的是太平人壽持續在其傳統產品銷售中提高具期繳保費特色之產品佔比。以下概述太平人壽按業務劃分的躉繳保費產品及期繳保費產品的詳細分析：

截至六月三十日止六個月，百萬港元

個人

Bancassurance

		2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Single Premium	躉繳保費	10,297.85	67.3%	2,608.26	45.5%
Regular Premium	期繳保費				
— First Year	— 首年	2,029.58	13.3%	1,906.52	33.3%
— Renewal Year	— 續年	2,968.35	19.4%	1,213.66	21.2%
		15,295.78	100.0%	5,728.44	100.0%

銀行保險

Group

		2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Employee Benefit ("EB")	僱員福利	506.05	99.7%	357.93	99.1%
Annuity	年金	1.35	0.3%	3.42	0.9%
		507.40	100.0%	361.35	100.0%

團體

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

Although single premium products also increased sharply in the bancassurance channel (thereby lowering the proportion of regular premium products in the overall sales for the Period), the total premium levels of products with regular premium features in the bancassurance channel increased substantially. TPL's strategy over the past few years has been to gradually increase, within its sales of traditional products, the sales of those products with regular premium features. This prioritization has been strongly reemphasized by the directors and senior management and is now the top performance benchmark for the life insurance operations for the next three to five years. The sale of single premium products in the bank distribution channel, however, will not be completely ignored or foregone, as the demand for single premium products among policyholders in the PRC continues to be substantial. Sales of single premium products are necessary for TPL to maintain its position and presence in the bancassurance market in front of the policyholders, from which more regular premium products can be readily sold now and in the future.

In addition to the continuously increasing higher quality, regular premium products and the improvements in productivity of the individual sales force, the overall improvement in the quality of the operations can also be reflected by the steady improvements of the persistency ratio, which were 88.4% and 93.9% at 13th months and 79.5% and 88.7% at 25th months for the individual agency and bancassurance channels, respectively. The better persistency figures were in part due to TPL's recent initiatives in improving and professionalizing its customer service and back office processing functions.

The higher level of sales of regular premium products and their higher profitability are reflected in the significantly higher embedded value and new business value figures of TPL for the first half of 2010. It is encouraging to note that the embedded value of TPL (expressed in terms of HKD) has increased 30.8% to HK\$14,187 million from HK\$10,849 million at the end of Last Period. Likewise, the new business value after cost of capital for the Period increased to HK\$1,055 million from HK\$798 million at the end of Last Period, representing a strong growth of 32.2%. These latest actuarial figures of TPL are disclosed below in the section titled "Embedded Value of TPL".

人壽保險業務 (續)

儘管銀行保險渠道的躉繳保費急升(因而令期繳保費產品佔期內整體銷售比例降低)，銀行保險渠道具期繳特色產品的保費總額大幅提高。過去幾年，太平人壽的策略是在其傳統產品銷售中逐步提高期繳保費產品比重。董事及高級管理層重申，期繳保費產品是人壽保險業務未來三至五年最為重要的表現指標。然而，由於中國保單持有人對躉繳保費產品的需求持續殷切，銀行保險渠道的躉繳保費產品並沒有被忽略及遺忘。銷售躉繳保費產品對太平人壽維持在銀行保險市場的地位及維持其知名度而言乃屬必須，令其今後可銷售更多的期繳保費產品。

除高價值期繳保費產品持續增長及個人銷售隊伍產能提升以外，保費繼續率穩健上升(個人代理及銀行保險渠道第13個月分別為88.4%及93.9%，而第25個月則分別為79.5%及88.7%)亦反映整體業務質量提升。更佳的保費繼續率，乃部份由於太平人壽近期推行客戶服務及後援運營職能改善及專業化的措施所致。

更高的期繳保費產品比例及其更高的盈利能力使太平人壽二零一零年上半年之內涵價值及新業務價值顯著提高。令人注目的是太平人壽的內涵價值(以港幣折算)由去年同期末之108.49億港元增加30.8%至141.87億港元。同樣地，本財務期之新業務扣除資本成本後之價值為10.55億港元，較去年同期末之7.98億港元，顯著增長32.2%。這些太平人壽的最新精算數據於「太平人壽之內涵價值」一文內披露。

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

Investment Performance

投資表現

The composition of investments held by TPL was as follows: 太平人壽所持之投資組合如下：

		At 30 June 2010		At 31 December 2009	
		於二零一零年六月三十日		於二零零九年十二月三十一日	
		HK\$ million	% of Total	HK\$ million	% of Total
		百萬港元	佔總額百分比	百萬港元	佔總額百分比
Debt securities	債務證券	65,391.33	68.6%	52,282.77	65.7%
Equity securities	股本證券	6,608.08	6.9%	7,614.25	9.6%
Investment funds	投資基金	2,409.01	2.5%	5,162.44	6.5%
Cash and bank deposits	現金及銀行存款	20,927.31	22.0%	14,473.74	18.2%
Total investments	投資總額	95,335.73	100.0%	79,533.20	100.0%

During the Period, with general investment markets performance and sentiment declining in the PRC, TPL continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were maintained at a relatively low percentage of the asset allocation, while debt securities and cash and bank deposits constituted a combined total of approximately 90.6% of the total invested assets as at 30 June 2010 (31 December 2009: 83.9%).

於本財務期內，中國投資市場的表現及氣氛大體上減弱，太平人壽對於其投資組合的資產配置仍然十分審慎。股本投資維持在資產配置的一個較低百分比，而債務證券、現金及銀行存款於二零一零年六月三十日合共佔投資資產總額約90.6%（二零零九年十二月三十一日：83.9%）。

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

太平人壽歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

At 30 June 2010, HK\$ million

於二零一零年六月三十日，百萬港元

		HTM	AFS	HFT	LR	Total
		持有至到期日	可供出售	持有作交易用途	貸款及應收款項	總額
Debt securities	債務證券	47,454.65	14,750.02	—	3,186.66	65,391.33
Equity securities	股本證券	—	6,512.05	96.03	—	6,608.08
Investment funds	投資基金	—	2,409.01	—	—	2,409.01
		47,454.65	23,671.08	96.03	3,186.66	74,408.42

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

At 31 December 2009, HK\$ million

於二零零九年十二月三十一日，百萬港元

		HTM 持有至到期日	AFS 可供出售	HFT 持有作 交易用途	LR 貸款及 應收款項	Total 總額
Debt securities	債務證券	35,961.15	14,254.57	—	2,067.05	52,282.77
Equity securities	股本證券	—	7,522.91	91.34	—	7,614.25
Investment funds	投資基金	—	5,162.44	—	—	5,162.44
		35,961.15	26,939.92	91.34	2,067.05	65,059.46

The debt securities classified by type and class were as follows: 債務證券按類別分類如下：

HK\$ million

百萬港元

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Central governments and central banks	中央政府 及中央銀行	19,861.90	18,706.59
Banks and other financial institutions	銀行及其他 金融機構	22,690.60	10,816.69
Corporate entities	企業實體	22,838.83	22,759.49
		65,391.33	52,282.77

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

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

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

人壽保險業務 (續)

太平人壽確認在綜合損益表內之稅前投資收入總額及稅前投資收益率概述如下：

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Net investment income	投資收入淨額	1,725.33	1,227.24	40.6%
Net realized investment gains	已實現投資收益淨額	389.35	500.53	(22.2%)
Net unrealized investment gains/(losses)	未實現投資收益／(虧損)淨額	3.82	(34.91)	—
Net impairment loss on AFS equities	可供出售股本投資減值虧損淨額	(148.04)	—	—
Total investment income	投資收入總額	1,970.46	1,692.86	16.4%
Total investment yield (year-to-date)	總投資收益率(本期)	2.4%	2.8%	(0.4 pt 點)

TPL's total investment income was a gain of HK\$1,970.46 million during the Period, representing a solid increase from the gain of HK\$1,692.86 million in the Last Period. Although equities traded in the PRC did not perform well during the Period, the large increase in invested assets from premium inflows and an increase in dividend income were behind the solid increase in net investment income. The total investment yield was satisfactory at 2.4% for the Period despite an impairment of HK\$148.04 million being booked for AFS equities. The above-mentioned investment income and investment yield figures do not include a net exchange loss of HK\$78.81 million (2009: HK\$0.52 million).

於本財務期，太平人壽錄得投資收入總額收益19.7046億港元，較去年同期收益溢利16.9286億港元穩健增加。雖然本財務期在中國買賣的股票表現不理想，保費流入令投資資產大幅上升及股息收入上升令投資收入淨額穩健上升。儘管可供出售股本投資減值1.4804億港元，本財務期之總投資收益率仍為2.4%，令人滿意。上述投資收入及投資收益率並不包括7,881萬港元匯兌虧損淨額(二零零九年：52萬港元)。

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

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

太平人壽稅前投資收入／(虧損)之詳細分析如下：

For the six months ended 30 June 2010, HK\$ million

截至二零一零年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認					Unrealized gains/ (losses) recognized in the fair value reserve 於公允價值 儲備內確認 之未實現	Grand total 總額
		Net investment income 投資收入淨額	Dividend income 股息收入	Net realized gains/ (losses) 已實現 收益/ (虧損)淨額	Net unrealized gains 未實現 收益淨額	Net impairment loss 確認減值 虧損淨額	Sub total 小計	Grand total 總額
		Interest income/ (expense) 利息收入/ (支出)					收益/(虧損)	
Debt securities	債務證券							
HTM	持有至到期日	912.80	—	—	—	—	—	912.80
AFS	可供出售	301.97	—	(0.66)	—	—	393.46	694.77
LR	貸款及應收款項	88.37	—	—	—	—	—	88.37
Equity securities	股本證券							
AFS	可供出售	—	33.64	225.16	—	(148.04)	(1,105.69)	(994.93)
HFT	持有作交易用途	—	—	2.23	3.82	—	—	6.05
Investment funds	投資基金							
AFS	可供出售	—	202.94	162.62	—	—	(666.58)	(301.02)
HFT	持有作交易用途	—	0.07	—	—	—	—	0.07
Cash and bank deposits	現金及銀行存款	219.55	—	—	—	—	—	219.55
Securities sold under repurchase agreements	賣出回購證券	(34.01)	—	—	—	—	—	(34.01)
		1,488.68	236.65	389.35	3.82	(148.04)	(1,378.81)	591.65

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

For the six months ended 30 June 2009, HK\$ million (Restated)

截至二零零九年六月三十日止六個月，百萬港元(重列)

		Recognized in the consolidated income statement 於綜合損益表內確認					Unrealized gains/ (losses) recognized in the fair value reserve 於公允價值儲備內確認之未實現收益/(虧損)		Grand total 總額
		Net investment income 投資收入淨額	Dividend income 股息收入	Net realized gains/ (losses) 已實現收益/(虧損)	Net unrealized gains/ (losses) 未實現收益/(虧損)	Net impairment loss 確認減值虧損淨額	Sub total 小計		
		Interest income/ (expense) 利息收入/(支出)							
Debt securities	債務證券								
HTM	持有至到期日	454.97	—	—	—	—	454.97	—	454.97
AFS	可供出售	462.11	—	97.37	—	—	559.48	(491.62)	67.86
HFT	持有作交易用途	0.15	—	5.67	1.10	—	6.92	—	6.92
LR	貸款及應收款項	62.12	—	—	—	—	62.12	—	62.12
Equity securities	股本證券								
AFS	可供出售	—	35.63	151.36	—	—	186.99	599.17	786.16
HFT	持有作交易用途	—	—	44.93	(16.43)	—	28.50	—	28.50
Investment funds	投資基金								
AFS	可供出售	—	31.61	157.06	—	—	188.67	696.52	885.19
HFT	持有作交易用途	—	0.20	44.14	(19.58)	—	24.76	—	24.76
Cash and bank deposits	現金及銀行存款	241.19	—	—	—	—	241.19	—	241.19
Securities sold under repurchase agreements	賣出回購證券	(60.74)	—	—	—	—	(60.74)	—	(60.74)
		1,159.80	67.44	500.53	(34.91)	—	1,692.86	804.07	2,496.93

Management Discussion and Analysis

管理層討論和分析

LIFE INSURANCE BUSINESS (Continued)

人壽保險業務 (續)

Net Policyholders' Benefits

保單持有人利益淨額

The net policyholders' benefits of TPL are summarized as follows:

太平人壽之保單持有人利益淨額概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年 (Restated) (重列)	Change 變化
Net claims	賠償淨額	238.64	179.64	32.8%
Surrenders	退保額	586.36	486.55	20.5%
Annuity, dividends and maturity payments	年金、分紅及到期付款	922.82	203.09	3.5 times 倍
Interest allocated to investment contract	分配至投資合約之利益	620.96	609.32	1.9%
		2,368.78	1,478.60	60.2%

Administrative and Other Expenses

行政及其他費用

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

太平人壽之行政及其他費用概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Staff costs	員工成本	1,220.89	901.92	35.4%
Rental expenses	租賃開支	113.03	94.86	19.2%
Others	其他	882.91	683.07	29.3%
		2,216.83	1,679.85	32.0%

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS 財產保險業務

The Group's property and casualty insurance segment is operated by TPI, MAC and CTPI (HK) and its subsidiaries. TPI is a PRC-incorporated company and is 50.05%-owned by the Group. MAC is a PRC-incorporated company, and CTPI (HK) is a Hong Kong-incorporated company, and both are wholly-owned by the Group. TPI, MAC and CTPI (HK) are principally engaged in the underwriting of motor, marine and non-marine policies.

The Group has applied Accounting Guideline No. 5 on "Merger Accounting for Common Control Combinations" in respect of the acquisition of MAH (holding 100% equity interest of CTPI (HK) and MAC) for the year ended 31 December 2009. Accordingly, the consolidated figures of Last Period have been restated as if MAH had been consolidated with the Group. For the period before 4 November 2009, MAH was 51.34%-owned by CTIH, and therefore the results of MAH have been 51.34% consolidated with the Group for the Last Period.

Readers and investors are advised to pay attention to these details when reading the Management Discussion and Analysis and the consolidated financial statements.

本集團之財產保險業務由太平財險、民安中國及中國太平香港及其附屬公司營運。太平財險為中國註冊公司並由本集團擁有50.05%權益。民安中國為中國註冊公司及中國太平香港為香港註冊公司，並均由本集團全資擁有。太平財險、民安中國及中國太平香港主要從事承保車險、水險及非水險業務。

本集團對於二零零九年十二月三十一日止年度購入民安控股(持有100%中國太平香港及民安中國權益)，已應用會計指引第5號「共同控制合併之合併會計處理」。因此，去年同期之合併數字已作重列，猶如民安控股於去年同期已合併於本集團內。於二零零九年十一月四日前之期間，中國太平控股擁有民安控股51.34%，因此民安控股去年同期業績之51.34%已併入本集團內。

務請讀者及投資者於閱覽管理層討論及分析及綜合財務報表時注意此等細節。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI

財產保險業務 — 由太平財險營運之中國業務

The key financial data of the property and casualty insurance business operated by TPI is summarized below:

由太平財險經營之財產保險業務之主要財務數據概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年 (Restated) (重列)	Change 變化
Gross premiums written	毛承保保費	3,040.52	2,479.77	22.6%
Net premiums written	淨承保保費	2,618.12	2,123.43	23.3%
Net earned premiums	已賺取保費淨額	2,363.03	2,070.94	14.1%
Net claims incurred	賠款淨額	(1,275.99)	(1,256.93)	1.5%
Net commission expenses	佣金支出淨額	(64.39)	(129.41)	(50.2%)
Total investment income	投資收入總額	161.79	84.88	90.6%
Net exchange loss	匯兌虧損淨額	(5.05)	(0.67)	6.5 times 倍
Administrative and other expenses	行政及其他費用	(1,023.05)	(746.91)	37.0%
Finance costs	財務費用	(28.13)	(24.98)	12.6%
Underwriting profit/(loss)	承保溢利／(虧損)	2.98	(67.83)	—
Profit/(loss) before taxation	除稅前溢利／(虧損)	130.36	(18.22)	—
Profit/(loss) after taxation	除稅後溢利／(虧損)	130.32	(1.94)	—
Profit/(loss) attributable to the owners	股東應佔溢利／(虧損)	65.22	(0.98)	—
Technical reserves ratio	技術性儲備比率	160.1%	147.8%	12.3 pts 點
Retained ratio	自留比率	86.1%	85.6%	0.5 pt 點
Earned premiums ratio	已賺取保費率	77.7%	83.5%	(5.8 pts 點)
Loss ratio ¹	賠付率 ¹	54.0%	60.7%	(6.7 pts 點)
Expense ratio ¹	費用率 ¹	45.9%	42.6%	3.3 pts 點
Combined ratio ²	綜合成本率 ²	99.9	103.3	(3.4 pts 點)

¹ Both the loss ratio and expense ratio are based on net earned premiums.

¹ 賠付率及費用率均按已賺取保費淨額為基準計算。

² The combined ratio is the sum of the loss ratio and the expense ratio.

² 綜合成本率為賠付率與費用率的總和。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI (Continued)

財產保險業務 — 由太平財險營運之中國業務 (續)

The key operational data of the property and casualty insurance business operated by TPI is summarized below:

由太平財險經營之財產保險業務之主要經營數據概述如下：

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日	Change 變化
Market share ¹	市場份額 ¹	1.3%	1.5%	(0.2 pt 點)
Number of provincial branches	省級分公司數目	27	27	—
Number of sub-branches and marketing centers	支公司及市場推廣中心數目	493	378	115
Number of direct sales representatives	直接銷售代表數目	3,472	2,487	985
Total investment yield (year-to-date) ²	總投資收益率 (本期) ²	3.0%	4.6%	(1.6 pts 點)
Regulatory solvency margin ratio	監管性償付能力充足比率	156%	192%	(36 pts 點)

¹ Based on premiums published by the CIRC.

¹ 據中國保監會刊發之保費計算。

² Excluding exchange gain/(loss) incurred from foreign currency capital assets.

² 不包括外匯資本資產產生之匯兌收益/(虧損)。

Profit/(loss) Attributable to the Owners

股東應佔溢利/(虧損)

The property and casualty insurance business operated by TPI contributed net profit to the owners of HK\$65.22 million during the Period (2009 (restated): loss of HK\$0.98 million).

於本財務期內，由太平財險經營之財產保險業務對股東淨溢利的貢獻為6,522萬港元(二零零九年(重列)：虧損98萬港元)。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI (Continued)

財產保險業務 — 由太平財險營運之中國業務 (續)

Gross Premiums Written

毛承保保費

Despite the tightening controls on underwriting selections and acquisition costs, TPI's gross premiums written increased by 22.6% to HK\$3,040.52 million from HK\$2,479.77 million in the Last Period. The detailed breakdown of TPI's gross premiums written was as follows:

儘管收緊承保控制及展業開支，太平財險之毛承保保費仍由去同期之24.7977億港元上升22.6%至30.4052億港元。太平財險毛承保保費詳細分析如下：

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

截至六月三十日止六個月，百萬港元

Business Line 業務種類	2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Motor 車險	2,446.91	80.5%	1,985.32	80.1%
Marine 水險	84.83	2.8%	86.01	3.5%
Non-marine 非水險	508.78	16.7%	408.44	16.4%
	3,040.52	100.0%	2,479.77	100.0%

Combined Ratio

綜合成本率

TPI's combined ratio of 99.9 during the Period was lower than the 103.3 (*restated*) in the Last Period, and was the result of TPI's focus on improving underwriting selections and claims controls. TPI's loss ratios, expense ratios and combined ratios were as follows:

於本財務期內，太平財險之綜合成本率為99.9，低於去年同期之103.3 (*重列*)，為太平財險專注於改善承保及賠付控制的成果。太平財險之賠付率、費用率及綜合成本率情況如下：

For the six months ended 30 June

截至六月三十日止六個月

	2010 二零一零年	2009 二零零九年 (Restated) (重列)
Loss ratio 賠付率	54.0%	60.7%
Expense ratio 費用率	45.9%	42.6%
Combined ratio 綜合成本率	99.9	103.3

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PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI (Continued)

財產保險業務 — 由太平財險營運之中國業務 (續)

Investment Performance

投資表現

The composition of investments held by TPI was as follows:

太平財險所持之投資組合如下：

		At 30 June 2010		At 31 December 2009	
		於二零一零年六月三十日		於二零零九年十二月三十一日	
		HK\$ million	% of Total	HK\$ million	% of Total
		百萬港元	佔總額百分比	百萬港元	佔總額百分比
Debt securities	債務證券	2,643.52	43.8%	2,450.87	47.5%
Equity securities	股本證券	97.32	1.6%	156.65	3.0%
Investment funds	投資基金	255.76	4.2%	336.55	6.5%
Cash and bank deposits	現金及銀行存款	3,045.02	50.4%	2,218.03	43.0%
Total invested assets	投資總額	6,041.62	100.0%	5,162.10	100.0%

During the Period, with general investment markets performance and sentiment declining in the PRC, TPI continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were reduced to a low percentage of the asset allocation, while debt securities and cash and bank deposits constituted a combined total of approximately 94.2% of the total invested assets as at 30 June 2010 (31 December 2009: 90.5%).

於本財務期內，中國投資市場的表現及氣氛大體上減弱，太平財險對於其投資組合的資產配置仍然十分審慎。股本投資在資產配置降低至一個較低百分比，而債務證券、現金及銀行存款於二零一零年六月三十日合共佔投資資產總額約94.2% (二零零九年十二月三十一日：90.5%)。

The classification of TPI's investments in securities under HTM, AFS, HFT and LR was as follows:

太平財險歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

At 30 June 2010, HK\$ million

於二零一零年六月三十日，百萬港元

		HTM	AFS	HFT	LR	Total
		持有至到期日	可供出售	持有作交易用途	貸款及應收款項	總額
Debt securities	債務證券	889.69	1,593.35	—	160.48	2,643.52
Equity securities	股本證券	—	97.32	—	—	97.32
Investment funds	投資基金	—	255.76	—	—	255.76
		889.69	1,946.43	—	160.48	2,996.60

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PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI (Continued)

財產保險業務 — 由太平財險營運之中國業務 (續)

At 31 December 2009, HK\$ million

於二零零九年十二月三十一日 · 百萬港元

		HTM 持有至到期日	AFS 可供出售	HFT 持有作 交易用途	LR 貸款及 應收款項	Total 總額
Debt securities	債務證券	880.68	1,467.97	—	102.22	2,450.87
Equity securities	股本證券	—	156.65	—	—	156.65
Investment funds	投資基金	—	336.55	—	—	336.55
		880.68	1,961.17	—	102.22	2,944.07

The debt securities classified by type and class were as follows: 債務證券按類別分類如下：

HK\$ million

百萬港元

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Central governments and central banks	中央政府及 中央銀行	1,117.85	1,118.98
Banks and other financial institutions	銀行及其他 金融機構	678.44	575.14
Corporate entities	企業實體	847.23	756.75
		2,643.52	2,450.87

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

太平財險確認在綜合損益表內之稅前投資收入總額及稅前投資收益率概述如下：

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

截至六月三十日止六個月 · 百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Net investment income	投資收入淨額	139.26	64.74	1.2 times 倍
Net realized investment gains	已實現投資收益淨額	22.53	20.14	11.9%
Net impairment loss on securities	證券減值虧損淨額	—	—	—
Total investment income	投資收入總額	161.79	84.88	90.6%
Total investment yield (year-to-date)	總投資收益率 (本期)	3.0%	2.1%	0.9 pt 點

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI (Continued)

財產保險業務 — 由太平財險營運之中國業務 (續)

TPI's total investment income was HK\$161.79 million during the Period, representing a large increase from HK\$84.88 million in the Last Period. The above-mentioned investment income and investment yield figures do not include a net exchange loss of HK\$5.05 million (2009: HK\$0.67 million).

於本財務期內，太平財險錄得投資收入總額1.6179億港元，較去年同期8,488萬港元大幅增加。上述投資收入及投資收益率並不包括505萬港元匯兌虧損淨額(二零零九年：67萬港元)。

The details of TPI's investment income/(loss) on a pre-tax basis were as follows:

太平財險稅前投資收入／(虧損)之詳細分析如下：

For the six months ended 30 June 2010, HK\$ million

截至二零一零年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認					Unrealized losses recognized in the fair value reserve 於公允價值 儲備內確認 之未實現 虧損	Grand total 總額
Net investment income 投資收入淨額		Net realized gains/ (losses) 已實現 收益/ (虧損)淨額	Net unrealized gains/ (losses) 未實現 收益/ (虧損)淨額	Net impairment loss 確認減值 虧損淨額	Sub total 小計			
Interest income/ (expense) 利息收入/ (支出)	Dividend income 股息收入							
Debt securities 債務證券								
HTM 持有至到期日		20.70	—	—	—	20.70	20.70	
AFS 可供出售		27.31	—	(0.59)	—	26.72	19.35	
LR 貸款及應收款項		4.42	—	—	—	4.42	4.42	
Equity securities 股本證券								
AFS 可供出售		—	1.30	5.94	—	7.24	(12.93)	
Investment funds 投資基金								
AFS 可供出售		—	56.31	17.18	—	73.49	(20.92)	
Cash and bank deposits 現金及銀行存款		29.00	—	—	—	29.00	29.00	
Securities sold under repurchase agreements 賣出回購證券		(3.22)	—	—	—	(3.22)	(3.22)	
Other 其他		3.44	—	—	—	3.44	3.44	
		81.65	57.61	22.53	—	161.79	(121.95)	

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管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI (Continued)

財產保險業務 — 由太平財險營運之中國業務 (續)

For the six months ended 30 June 2009, HK\$ million

截至二零零九年六月三十日止六個月，百萬港元

	Recognized in the consolidated income statement 於綜合損益表內確認					Sub total 小計	Unrealized gains/ (losses) recognized in the fair value reserve 於公允價值 儲備內確認 之未實現 收益/(虧損)	Grand total 總額
	Net Investment income 投資收入淨額		Net unrealized gains/ (losses) 未實現 收益/ (虧損)淨額					
	Interest income/ (expense) 利息收入/ (支出)	Dividend income 股息收入	Net realized gains 已實現 收益淨額	Net gains/ (losses) 未實現 收益/ (虧損)淨額	Net impairment loss 確認減值 虧損淨額			
Debt securities	債務證券							
HTM	持有至到期日	11.76	—	—	—	11.76	—	11.76
AFS	可供出售	32.35	—	2.88	—	35.23	(33.35)	1.88
LR	貸款及應收款項	3.13	—	—	—	3.13	—	3.13
Equity securities	股本證券							
AFS	可供出售	—	0.53	7.39	—	7.92	8.56	16.48
Investment funds	投資基金							
AFS	可供出售	—	7.29	9.87	—	17.16	100.52	117.68
HFT	持有作交易用途	—	0.24	—	—	0.24	—	0.24
Cash and bank deposits	現金及銀行存款							
		11.36	—	—	—	11.36	—	11.36
Securities sold under repurchase agreements	賣出回購證券							
		(1.92)	—	—	—	(1.92)	—	(1.92)
		56.68	8.06	20.14	—	84.88	75.73	160.61

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY TPI *(Continued)*

財產保險業務 — 由太平財險營運之中國業務 (續)

Administrative and Other Expenses

行政及其他費用

The administrative and other expenses of TPI are summarized as follows:

太平財險之行政及其他費用概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Staff costs	員工成本	604.59	407.15	48.5%
Rental expenses	租賃開支	28.83	32.76	(12.0%)
Business tax and additional charges	營業稅金及附加費用	169.73	138.72	22.4%
Others	其他	219.90	168.28	30.7%
		1,023.05	746.91	37.0%

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

財產保險業務 — 由民安中國營運之中國業務

On 14 March 2010, CTIH entered into a framework agreement for a possible disposed of 100% equity interest of MAC. The long stop date of this framework agreement is on or before 14 December 2010.

於二零一零年三月十四日，中國太平控股就可能出售民安中國的全部權益訂立框架協議。框架協議的最後完成日期為二零一零年十二月十四日或之前。

The key financial data of the property and casualty insurance business operated by MAC is summarized below:

由民安中國經營之財產保險業務之主要財務數據概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Gross premiums written	毛承保保費	904.69	727.69	24.3%
Net premiums written	淨承保保費	739.36	618.95	19.5%
Net earned premiums	已賺取保費淨額	642.68	545.05	17.9%
Net claims incurred	賠款淨額	(344.86)	(314.81)	9.5%
Net commission expenses	佣金支出淨額	(27.95)	(89.94)	(68.9%)
Total investment income	投資收入總額	24.21	39.47	(38.7%)
Net exchange loss	匯兌虧損淨額	(2.53)	(0.67)	2.8 times 倍
Administrative and other expenses	行政及其他費用	(337.81)	(263.44)	28.2%
Underwriting loss	承保虧損	(64.02)	(121.50)	(47.3%)
Loss before taxation	除稅前虧損	(42.22)	(82.70)	(48.9%)
Loss after taxation	除稅後虧損	(42.27)	(82.73)	(48.9%)
Loss attributable to the owners	股東應佔虧損	(42.27)	(42.47)	(0.5%)
Technical reserves ratio	技術性儲備比率	153.2%	149.2%	4.0 pts 點
Retained ratio	自留比率	81.7%	85.1%	(3.4 pts 點)
Earned premiums ratio	已賺取保費率	71.0%	74.9%	(3.9 pts 點)
Loss ratio ¹	賠付率 ¹	53.7%	57.8%	(4.1 pts 點)
Expense ratio ¹	費用率 ¹	56.3%	64.5%	(8.2 pts 點)
Combined ratio ²	綜合成本率 ²	110.0	122.3	(12.3 pts 點)

¹ Both the loss ratio and expense ratio are based on net earned premiums.

¹ 賠付率及費用率均按已賺取保費淨額為基準計算。

² The combined ratio is the sum of the loss ratio and the expense ratio.

² 綜合成本率為賠付率與費用率的總和。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

(Continued)

財產保險業務 — 由民安中國營運之中國業務 (續)

The key operational data of the property and casualty insurance business operated by MAC is summarized below:

由民安中國經營之財產保險業務之主要經營數據概述如下：

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日	Change 變化
Market share ¹	市場份額 ¹	0.4%	0.4%	—
Number of provincial branches	省級分公司數目	19	19	—
Number of sub-branches and marketing centers	支公司及市場推廣中心數目	89	91	(2)
Total investment yield (year-to-date) ²	總投資收益率(本期) ²	1.5%	4.7%	(3.2 pts 點)
Regulatory solvency margin ratio	監管性償付能力充足比率	210%	272%	(62 pts 點)

¹ Based on premiums published by the CIRC.

¹ 據中國保監會刊發之保費計算。

² Excluding exchange gain/(loss) incurred from foreign currency capital assets.

² 不包括外匯資本資產產生之匯兌收益/(虧損)。

Loss Attributable to the Owners

The property and casualty insurance business operated by MAC incurred a net loss to the owners of HK\$42.27 million during the Period (2009: HK\$42.47 million). The total losses incurred by MAC actually have improved compared to the Last Period because the losses attributable to CTIH during the Last Period reflect a lower allocation percentage.

股東應佔虧損

於本財務期內，由民安中國經營之財產保險業務使股東遭受淨虧損4,227萬港元(二零零九年：4,247萬港元)。由於中國太平控股去年同期應佔民安中國虧損的分配百分比比較低，所以民安中國的虧損總額較去年同期實質上已得到改善。

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PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

(Continued)

財產保險業務 — 由民安中國營運之中國業務 (續)

Gross Premiums Written

毛承保保費

MAC's gross premiums written increased by 24.3% to HK\$904.69 million from HK\$727.69 million in the Last Period. The detailed breakdown of MAC's gross premiums written was as follows:

民安中國之毛承保保費由去年同期之7.2769億港元上升24.3%至9.0469億港元。民安中國毛承保保費詳細分析如下：

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

截至六月三十日止六個月，百萬港元

Business Line 業務種類		2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Motor 車險		652.59	72.1%	528.63	72.6%
Marine 水險		36.50	4.0%	32.09	4.4%
Non-marine 非水險		215.60	23.9%	166.97	23.0%
		904.69	100.0%	727.69	100.0%

Net Claims Incurred

淨賠款總額

MAC's net claims incurred increased by 9.5% to HK\$344.86 million from HK\$314.81 million in the Last Period.

民安中國之淨賠款總額由去年同期之3.1481億港元上升9.5%至3.4486億港元。

Combined Ratio

綜合成本率

During the Period, MAC's loss ratio improved to 53.7% from 57.8% in the Last Period, while its expense ratio improved to 56.3% from 64.5% in the Last Period. MAC's underwriting has been more selective over recent months, and gradual and incremental improvements in the pricing environment of the PRC property and casualty insurance sector also contributed to the improving underwriting performance. The decrease in expense ratio was due to MAC's stringent focus on cost controls. As a result, MAC's combined ratio was 110.0 during the Period, which was lower than the 122.3 in the Last Period. MAC's loss ratios, expense ratios and combined ratios were as follows:

民安中國賠付率由去年同期的57.8%改善至53.7%，同時，其費用率亦由去年同期的64.5%改善至56.3%。過去數月，民安中國嚴格承保業務，以及中國財產保險業定價環境有序地改善，均令承保表現得到改善。費用率下降，是由於民安中國嚴緊的成本控制。因此，於本財務期內民安中國之綜合成本率為110.0，低於去年同期之122.3。民安中國之賠付率、費用率及綜合成本率情況如下：

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PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

(Continued)

財產保險業務 — 由民安中國營運之中國業務 (續)

Combined Ratio (Continued)

綜合成本率 (續)

For the six months ended 30 June

截至六月三十日止六個月

		2010 二零一零年	2009 二零零九年
Loss ratio	賠付率	53.7%	57.8%
Expense ratio	費用率	56.3%	64.5%
Combined ratio	綜合成本率	110.0	122.3

Investment Performance

投資表現

The composition of investments held by MAC was as follows: 民安中國所持之投資組合如下：

		At 30 June 2010 於二零一零年六月三十日		At 31 December 2009 於二零零九年十二月三十一日	
		HK\$ million 百萬港元	% of Total 佔總額百分比	HK\$ million 百萬港元	% of Total 佔總額百分比
Debt securities	債務證券	633.50	43.8%	500.38	28.4%
Equity securities	股本證券	63.87	4.4%	121.38	6.9%
Investment funds	投資基金	35.14	2.4%	63.46	3.6%
Cash and bank deposits	現金及銀行存款	713.25	49.4%	1,075.70	61.1%
Total invested assets	投資總額	1,445.76	100.0%	1,760.92	100.0%

During the Period, with general investment markets performance and sentiment declining in the PRC, MAC continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were maintained at a relatively low percentage of the asset allocation, while debt securities and cash and bank deposits constituted a combined total of approximately 93.2% of the total invested assets as at 30 June 2010 (31 December 2009: 89.5%).

於本財務期內，中國的投資市場及氣氛大體上轉差，民安中國對於其投資組合的資產配置仍然十分審慎。股本投資維持在資產配置的一個較低百分比，而債務證券、現金及銀行存款於二零一零年六月三十日合共佔投資資產總額約93.2% (二零零九年十二月三十一日：89.5%)。

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PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

(Continued)

The classification of MAC's investments in securities under HTM, AFS, HFT and LR was as follows:

財產保險業務 — 由民安中國營運之中國業務 (續)

民安中國歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

At 30 June 2010, HK\$ million

於二零一零年六月三十日，百萬港元

	HTM 持有至到期日	AFS 可供出售	HFT 持有作 交易用途	LR 貸款及 應收款項	Total 總額
Debt securities 債務證券	—	564.72	—	68.78	633.50
Equity securities 股本證券	—	63.87	—	—	63.87
Investment funds 投資基金	—	35.14	—	—	35.14
	—	663.73	—	68.78	732.51

At 31 December 2009, HK\$ million

於二零零九年十二月三十一日，百萬港元

	HTM 持有至到期日	AFS 可供出售	HFT 持有作 交易用途	LR 貸款及 應收款項	Total 總額
Debt securities 債務證券	—	466.31	—	34.07	500.38
Equity securities 股本證券	—	121.38	—	—	121.38
Investment funds 投資基金	—	63.46	—	—	63.46
	—	651.15	—	34.07	685.22

The debt securities classified by type and class were as follows: 債務證券按類別分類如下：

HK\$ million

百萬港元

	At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Central governments and central banks 中央政府及中央銀行	58.17	431.22
Banks and other financial institutions 銀行及其他金融機構	434.70	22.84
Corporate entities 企業實體	140.63	46.32
	633.50	500.38

Management Discussion and Analysis 管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

(Continued)

財產保險業務 — 由民安中國營運之中國業務 (續)

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

民安中國確認在綜合損益表內之稅前投資收入總額及稅前投資收益率概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Net investment income	投資收入淨額	13.65	21.87	(37.6%)
Net realized investment gains	已實現投資收益淨額	11.47	17.60	(34.8%)
Net impairment loss recognized on AFS equities	確認可供出售股本投資減值虧損淨額	(0.91)	—	—
Total investment income	投資收入總額	24.21	39.47	(38.7%)
Total investment yield (year-to-date)	總投資收益率(本期)	1.5%	2.7%	(1.2 pts 點)

MAC's total investment income was HK\$24.21 million for the Period, representing a decrease from HK\$39.47 million in the Last Period. The above-mentioned investment income and investment yield figures do not include a net exchange loss of HK\$2.53 million (2009: HK\$0.67 million).

於本財務期，民安中國錄得投資收入總額2,421萬港元，較去年同期溢利3,947萬港元減少。上述投資收入及投資收益率並不包括253萬港元匯兌虧損淨額(二零零九年：67萬港元)。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

(Continued)

財產保險業務 — 由民安中國營運之中國業務 (續)

The details of MAC's investment income/(loss) on a pre-tax basis were as follows:

民安中國稅前投資收入／(虧損)之詳細分析如下：

For the six months ended 30 June 2010, HK\$ million

截至二零一零年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認					Unrealized losses recognized in the fair value reserve 於公允價值 儲備內確認 之未實現 虧損		Grand total 總額
Net investment income 投資收入淨額		Net impairment loss recognized Sub total 小計							
Interest income/ (expense) 利息收入/ (支出)		Dividend income 股息收入	Net realized gains 已實現 收益淨額	Net unrealized gains 未實現 收益淨額	Net impairment loss recognized 確認減值 虧損淨額				
Debt securities	債務證券								
AFS	可供出售	5.17	—	0.63	—	—	5.80	(0.56)	5.24
LR	貸款及應收款項	1.82	—	—	—	—	1.82	—	1.82
Equity securities	股本證券								
AFS	可供出售	—	0.15	0.01	—	(0.91)	(0.75)	(18.27)	(19.02)
Investment funds	投資基金								
AFS	可供出售	—	0.36	10.83	—	—	11.19	(17.17)	(5.98)
HFT	持有作交易用途	—	0.13	—	—	—	0.13	—	0.13
Cash and bank deposits	現金及銀行存款	5.89	—	—	—	—	5.89	—	5.89
Securities sold under repurchase agreements	賣出回購證券	(0.05)	—	—	—	—	(0.05)	—	(0.05)
Other	其他	0.18	—	—	—	—	0.18	—	0.18
		13.01	0.64	11.47	—	(0.91)	24.21	(36.00)	(11.79)

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — PRC OPERATIONS CARRIED OUT BY MAC

財產保險業務 — 由民安中國營運之中國業務 (續)

(Continued)

For the six months ended 30 June 2009, HK\$ million

截至二零零九年六月三十日止六個月，百萬港元

	Recognized in the consolidated income statement 於綜合損益表內確認					Net impairment loss recognized 確認減值虧損淨額	Sub total 小計	Unrealized gains/ (losses) recognized in the fair value reserve 於公允價值儲備內確認之未實現收益/(虧損)	Grand total 總額
	Net investment income 投資收入淨額	Dividend income 股息收入	Net realized gains/ (losses) 已實現收益/(虧損)淨額	Net unrealized gains 未實現收益淨額	Net impairment loss recognized 確認減值虧損淨額				
Debt securities	債務證券								
AFS	可供出售	7.25	—	0.01	—	—	7.26	(16.16)	(8.90)
LR	貸款及應收款項	1.04	—	—	—	—	1.04	—	1.04
Equity securities	股本證券								
AFS	可供出售	—	0.30	8.43	—	—	8.73	6.96	15.69
Investment funds	投資基金								
AFS	可供出售	—	5.39	9.16	—	—	14.55	15.62	30.17
HFT	持有作交易用途	—	0.23	—	—	—	0.23	—	0.23
Cash and bank deposits	現金及銀行存款								
		7.97	—	—	—	—	7.97	—	7.97
Securities sold under repurchase agreements	賣出回購證券								
		(0.31)	—	—	—	—	(0.31)	—	(0.31)
		15.95	5.92	17.60	—	—	39.47	6.42	45.89

Administrative and Other Expenses

行政及其他費用

The administrative and other expenses of MAC are summarized as follows:

民安中國之行政及其他費用概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Staff costs	員工成本	196.39	146.90	33.7%
Rental expenses	租賃開支	17.33	18.63	(7.0%)
Business tax and additional charges	營業稅金及附加費用	46.87	36.81	27.3%
Others	其他	77.22	61.10	26.4%
		337.81	263.44	28.2%

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK)

財產保險業務 — 由中國太平香港營運之 香港業務

The key financial data of the property and casualty insurance business operated in Hong Kong is summarized below:

在香港經營之財產保險業務之主要財務數據概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Gross premiums written	毛承保保費	471.51	440.28	7.1%
Net premiums written	淨承保保費	295.95	272.01	8.8%
Net earned premiums	已賺取保費淨額	266.02	269.15	(1.2%)
Net claims incurred	賠款淨額	(139.22)	(147.29)	(5.5%)
Net commission expenses	佣金支出淨額	(52.52)	(54.34)	(3.3%)
Total investment income	投資收入總額	158.37	123.27	28.5%
Net exchange gain	匯兌收益淨額	8.52	0.56	14.2 times 倍
Administrative and other expenses	行政及其他費用	(73.11)	(72.57)	0.7%
Underwriting profit/(loss)	承保溢利／(虧損)	4.50	(3.34)	—
Profit before taxation	除稅前溢利	168.92	122.50	37.9%
Profit after taxation	除稅後溢利	168.91	122.22	38.2%
Profit attributable to the owners	股東應佔溢利	168.91	62.75	1.7 times 倍
Technical reserves ratio	技術性儲備比率	492.5%	497.9%	(5.4 pts 點)
Retained ratio	自留比率	62.8%	61.8%	1.0 pt 點
Earned premiums ratio	已賺取保費率	56.4%	61.1%	(4.7 pts 點)
Loss ratio ¹	賠付率 ¹	52.3%	54.7%	(2.4 pts 點)
Expense ratio ¹	費用率 ¹	46.0%	46.5%	(0.5 pt 點)
Combined ratio ²	綜合成本率 ²	98.3	101.2	(2.9 pts 點)

¹ Both the loss ratio and expense ratio are based on net earned premiums.

¹ 賠付率及費用率均按已賺取保費淨額為基準計算。

² The combined ratio is the sum of the loss ratio and the expense ratio.

² 綜合成本率為賠付率與費用率的總和。

Profit Attributable to the Owners

股東應佔溢利

The Hong Kong operations recorded a net profit to the owners of HK\$168.91 million during the Period (2009: HK\$62.75 million). The net profits during the Period have been 100% allocated to CTIH, while the net profit attributable to CTIH during the Last Period reflect a lower allocation percentage.

於本財務期內，香港經營之財產保險業務使股東錄得淨溢利1.6891億港元（二零零九年：6,275萬港元）。本財務期的淨溢利全數分配至中國太平控股，而去年同期中國太平控股應佔的淨溢利分配百分比則較低。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK) (Continued)

財產保險業務 — 由中國太平香港營運之香港業務 (續)

Gross Premiums Written

毛承保保費

Gross premiums written increased by 7.1% to HK\$471.51 million from HK\$440.28 million in the Last Period. During the Period, recovering economic growth and activity in Hong Kong helped to bolster the property and casualty insurance sector. The detailed breakdown of gross premiums written was as follows:

毛承保保費由去年同期之4.4028億港元上升7.1%至4.7151億港元。於本財務期，香港經濟回復增長令財產保險業得到支持。毛承保保費詳細分析如下：

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

截至六月三十日止六個月，百萬港元

Business Line 業務種類	2010 二零一零年	% of Total 佔總額百分比	2009 二零零九年	% of Total 佔總額百分比
Motor 車險	93.28	19.8%	95.39	21.7%
Marine 水險	95.90	20.3%	82.79	18.8%
Non-marine 非水險	282.33	59.9%	262.10	59.5%
	471.51	100.0%	440.28	100.0%

Combined Ratio

綜合成本率

The expense ratio, calculated based on net earned premiums was 46.0% similar to 46.5% in the Last Period. The loss ratio decreased to 52.3% from 54.7% in the Last Period. As a result, the combined ratio improved to 98.3 from 101.2 in the Last Period. The loss ratios, expense ratios and combined ratios were as follows:

按已賺取保費淨額為基準計算之費用率為46.0%，與去年同期的46.5%相約。賠付率由去年同期的54.7%下降至52.3%。因此，綜合成本率由去年同期的101.2改善至98.3。賠付率、費用率及綜合成本率情況如下：

For the six months ended 30 June

截至六月三十日止六個月

	2010 二零一零年	2009 二零零九年
Loss ratio 賠付率	52.3%	54.7%
Expense ratio 費用率	46.0%	46.5%
Combined ratio 綜合成本率	98.3	101.2

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK) (Continued)

財產保險業務 — 由中國太平香港營運之
香港業務 (續)

Investment Performance

投資表現

The composition of investments was as follows:

投資組合情況如下：

		At 30 June 2010		At 31 December 2009	
		於二零一零年六月三十日		於二零零九年十二月三十一日	
		HK\$ million	% of Total	HK\$ million	% of Total
		百萬港元	佔總額百分比	百萬港元	佔總額百分比
Debt securities	債務證券	1,374.17	41.8%	1,393.08	44.5%
Equity securities	股本證券	257.84	7.8%	164.79	5.3%
Investment funds	投資基金	65.01	2.0%	63.78	2.0%
Cash and bank deposits	現金及銀行存款	423.29	12.9%	417.21	13.3%
Investment properties	投資物業	1,168.51	35.5%	1,095.10	34.9%
Total invested assets	投資總額	3,288.82	100.0%	3,133.96	100.0%

During the Period, with general investment markets performance and sentiment declining in Hong Kong, CTPI (HK) continued to be very cautious in its asset allocation for its investment portfolio. Equity investments were maintained at a relatively low percentage of the asset allocation, while debt securities and cash and bank deposits constituted a combined total of approximately 54.7% of the total invested assets as at 30 June 2010 (31 December 2009: 57.8%).

於本財務期內，香港投資市場的表現及氣氛大體上轉弱，中國太平香港對於其投資組合的資產配置仍然十分審慎。股本投資維持在資產配置的一個較低百分比，而債務證券、現金及銀行存款於二零一零年六月三十日合共佔投資資產總額約54.7% (二零零九年十二月三十一日：57.8%)。

The classification of investments in securities under HTM, AFS, HFT and LR was as follows:

歸類為持有至到期日、可供出售、持有作交易用途及貸款及應收款項的證券投資如下：

At 30 June 2010, HK\$ million

於二零一零年六月三十日，百萬港元

		HTM	AFS	HFT	LR	Total
		持有至到期日	可供出售	持有作 交易用途	貸款及 應收款項	總額
Debt securities	債務證券	—	1,374.17	—	—	1,374.17
Equity securities	股本證券	—	257.84	—	—	257.84
Investment funds	投資基金	—	65.01	—	—	65.01
		—	1,697.02	—	—	1,697.02

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK) (Continued)

財產保險業務 — 由中國太平香港營運之
香港業務 (續)

At 31 December 2009, HK\$ million

於二零零九年十二月三十一日，百萬港元

		HTM 持有至到期日	AFS 可供出售	HFT 持有作 交易用途	LR 貸款及 應收款項	Total 總額
Debt securities	債務證券	476.87	916.21	—	—	1,393.08
Equity securities	股本證券	—	164.79	—	—	164.79
Investment funds	投資基金	—	63.78	—	—	63.78
		476.87	1,144.78	—	—	1,621.65

The debt securities classified by type and class were as follows: 債務證券按類別分類如下：

HK\$ million

百萬港元

		At 30 June 2010 於二零一零年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Central governments and central banks	中央政府及 中央銀行	25.96	16.61
Banks and other financial institutions	銀行及其他 金融機構	824.29	886.82
Corporate entities	企業實體	523.92	451.24
Others	其他	—	38.41
		1,374.17	1,393.08

Management Discussion and Analysis 管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK) (Continued)

財產保險業務 — 由中國太平香港營運之 香港業務 (續)

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

確認在綜合損益表內之稅前投資收入總額及稅前投資收益率概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Net investment income	投資收入淨額	64.92	80.43	(19.3%)
Net realized investment gains	已實現投資收益淨額	93.45	32.34	1.9 times 倍
Net unrealized investment gains	未實現投資收益淨額	—	10.50	—
Net impairment loss on securities	證券減值虧損淨額	—	—	—
Total investment income	投資收入總額	158.37	123.27	28.5%
Total investment yield (year-to-date)	總投資收益率 (本期)	5.0%	3.4 %	1.6 pts 點

Total investment income was HK\$158.37 million for the Period, representing a solid increase from HK\$123.27 million in the Last Period. Careful and selective sales of fixed income securities over recent months to secure capital gains were behind the significant increase in net realized investment gains. Despite many uncertainties and challenges in the global investment markets, the total investment yield for the Period was a very satisfactory 5.0%. The above-mentioned investment income and investment yield figures do not include a net exchange gain of HK\$8.52 million (2009: HK\$0.56 million).

本財務期內錄得投資收入總額1.5837億港元，較去年同期1.2327億港元穩健上升。經嚴選出售了一部份定息證券鎖定資本收益，令已實現投資收益淨額顯著上升。儘管全球投資市場不明朗及充滿挑戰性，本財務期總投資收益率達5.0%，令人非常滿意。上述投資收入及投資收益率並不包括852萬港元匯兌收益淨額(二零零九年：56萬港元)。

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK) (Continued)

財產保險業務 — 由中國太平香港營運之
香港業務 (續)

The details of CTPI (HK)'s investment income/(loss) on a pre-tax basis were as follows:

中國太平香港稅前投資收入／(虧損)之詳細分析如下：

For the six months ended 30 June 2010, HK\$ million

截至二零一零年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認						Unrealized gains/ (losses) recognized in the fair value reserve 於公允價值 儲備內確認	Grand total	
		Net investment income 投資收入淨額			Net realized gains 已實現 收益淨額	Net unrealized gains 未實現 收益淨額	Net impairment loss 減值 虧損淨額	Sub total 小計	之未實現 收益／(虧損)	總額
Interest income 利息收入	Dividend income 股息收入	Rental income 租金收入								
Debt securities AFS	債務證券 可供出售	32.39	—	—	87.33	—	—	119.72	(23.14)	96.58
Equity securities AFS	股本證券 可供出售	—	6.30	—	6.12	—	—	12.42	(28.89)	(16.47)
Investment funds AFS	投資基金 可供出售	—	0.51	—	—	—	—	0.51	0.92	1.43
Cash and bank deposits	現金及銀行存款	0.46	—	—	—	—	—	0.46	—	0.46
Investment properties	投資物業	—	—	25.26	—	—	—	25.26	—	25.26
		32.85	6.81	25.26	93.45	—	—	158.37	(51.11)	107.26

Management Discussion and Analysis

管理層討論和分析

PROPERTY AND CASUALTY INSURANCE BUSINESS — HONG KONG OPERATIONS CARRIED OUT BY CTPI (HK) (Continued)

財產保險業務 — 由中國太平香港營運之
香港業務 (續)

For the six months ended 30 June 2009, HK\$ million

截至二零零九年六月三十日止六個月，百萬港元

		Recognized in the consolidated income statement 於綜合損益表內確認						Unrealized gains recognized in the fair value reserve 於公允價值 儲備內確認 之未實現 收益	Grand total 總額	
		Net investment income 投資收入淨額			Net realized gains 已實現 收益淨額	Net unrealized gains 未實現 收益淨額	Net impairment loss 減值 虧損淨額	Sub total 小計		
		Interest income 利息收入	Dividend income 股息收入	Rental income 租金收入						
Debt securities	債務證券									
HTM	持有至到期日	21.65	—	—	—	—	—	21.65	—	21.65
AFS	可供出售	25.81	—	—	7.18	—	—	32.99	52.94	85.93
HFT	持有作交易用途	3.99	—	—	6.20	0.53	—	10.72	—	10.72
Equity securities	股本證券									
AFS	可供出售	—	2.66	—	14.79	—	—	17.45	11.38	28.83
HFT	持有作交易用途	—	—	—	4.17	3.14	—	7.31	—	7.31
Investment funds	投資基金									
AFS	可供出售	—	0.95	—	—	—	—	0.95	0.45	1.40
Cash and bank deposits	現金及銀行存款	3.07	—	—	—	—	—	3.07	—	3.07
Investment properties	投資物業	—	—	22.30	—	6.83	—	29.13	—	29.13
		54.52	3.61	22.30	32.34	10.50	—	123.27	64.77	188.04

Administrative and Other Expenses

行政及其他費用

The administrative and other expenses are summarized as follows:

行政及其他費用概述如下：

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

截至六月三十日止六個月，百萬港元

		2010 二零一零年	2009 二零零九年	Change 變化
Staff costs	員工成本	54.56	57.46	(5.0%)
Rental expenses	租賃開支	0.14	0.12	16.7%
Others	其他	18.41	14.99	22.8%
		73.11	72.57	0.7%

Management Discussion and Analysis

管理層討論和分析

OUTLOOK

CTIH expects its core operating units to continue the positive momentum established in the first half of 2010. Although investment markets are likely to remain challenging and volatile, the Company will continue its conservative and prudent asset allocation for its investment portfolio to ensure steady investment income and cash inflows. Overall, CTIH believes that satisfactory consolidated results will be achieved for the full year of 2010.

Reinsurance Business – TPRe

As the reinsurance business in Mainland China now and in the future continues to grow rapidly, TPRe anticipates that its gross premiums written for the full year of 2010 will be higher than Last Year. TPRe will continue to balance its overall portfolio by writing across different lines of insurance and across different clients and geographies. TPRe's objective is to achieve balance and even distribution in its in-force portfolio, as well as optimal mix and risk profiles.

With most of its business in short-tail property damage, the upcoming typhoon/hurricane and rainstorm season during the second half of the year may have a significant impact on the underwriting results of TPRe for the full year. Adequate retrocession protections are already in place to ensure that no single natural catastrophe will have an undue impact to TPRe's business results. Barring major catastrophic claims and an upheaval of the global financial markets in the second half year, it is anticipated that TPRe will have a satisfactory result for the full year of 2010.

Life Insurance Business – TPL

With the current strong GDP growth momentum of the PRC economy and the continuing positive fundamentals of the life insurance industry during the Period, the directors and senior management of TPL are optimistic for the prospects of the PRC life insurance industry for the remainder of 2010. In the ensuing months, TPL will continue to focus on its strategic objective of selling more traditional products with regular premium features. This strategic prioritization is not just for 2010, but will continue for at least several more years, if not longer into the foreseeable future.

展望

中國太平控股預期核心營運單位將繼續二零一零年上半年的良好勢頭。雖然投資市場可能持續充滿挑戰性及波動性，本公司將繼續保持其投資組合穩健審慎的資產配置，以確保投資收入及現金流入穩定。整體而言，中國太平控股相信將可達致令人滿意的二零一零年全年業績。

再保險業務 — 太平再保險

由於中國大陸再保險業務繼續迅速增長，故太平再保險預期二零一零年全年的毛承保保費會較去年度高。太平再保險將繼續透過承保不同險種、客戶及地區以平衡其整體承保組合。太平再保險的目標為達致一個均衡業務分佈，以及與風險最佳匹配之有效組合。

因為業務集中在短尾巴財產損毀保險，於下半年的颱風暴雨季節可能會對太平再保險全年承保業績構成重大影響。太平再保險已安排充足轉分保險保障，以確保單一的自然災害不會對業績造成過度的影響。除下半年出現重大巨災索償及全球金融市場出現劇變以外，預期太平再保險於二零一零年會有令人滿意之全年業績。

人壽保險業務 — 太平人壽

於本財務期，鑑於國內生產總值強勁增長的勢頭及人壽保險業的基調持續向好，太平人壽董事及高級管理層對中國人壽保險業在二零一零年下半年的前景感到樂觀。在未來數月，太平人壽將繼續集中銷售更多具期繳特色的傳統人壽保險產品。此策略不只針對二零一零年，並會繼續至少數年，甚至會在可見將來一貫推行。

Management Discussion and Analysis

管理層討論和分析

OUTLOOK (Continued)

Life Insurance Business – TPL (Continued)

In order to further expand into the sizable insurance markets of Mainland China, TPL will continue to build scale and further spread its network throughout the country, with more than 150 new sub-branches and marketing centers being planned to be opened during the second half of 2010. TPL will also continue to develop its individual agency force, and intends to continue increasing the number of its new recruits without compromising the high quality of its people.

Property and Casualty Insurance Business

TPI

TPI's growth prospects in the PRC property and casualty insurance industry remain very attractive. Economic growth in the country continues to be strong, and the demand for property and casualty insurance protection continues to rise along with the higher levels of economic activity. The operating environment of the property and casualty insurance industry in Mainland China also continues to improve. The directors and senior management of TPI are optimistic that the good operating performance achieved in the first half of the year can be sustained throughout the full year of 2010.

In the remaining months of 2010, TPI intends to continue focusing on controlling costs and expenses, and on the implementation of a more professional and efficient underwriting approach and system. An enhanced version of a new information and technology system will also be launched, which when completed will facilitate even better centralized decision-making and supervision of the nationwide operations.

MAC

An announcement was made on 15 March 2010 on the possible disposal by CTIH of its 100% equity interest in MAC. Legal formalities are being processed awaiting approval from authorities.

展望 (續)

人壽保險業務 — 太平人壽 (續)

為進一步打入中國大陸龐大的保險市場，太平人壽將繼續擴大規模及進一步拓展其全國網絡，並計劃在二零一零年下半年開設超過150家新支公司及市場推廣中心。太平人壽亦會繼續發展其個人代理隊伍，並在增聘人員的同時，保持其員工的優良素質。

財產保險業務

太平財險

太平財險在中國財產保險業的增長前景仍然極具吸引力。國內經濟增長持續強勁，隨著國內經濟活動水平提高，對財產保險的需求亦持續上升。中國大陸財產保險業的經營環境仍會持續改善。太平財險董事及高級管理層對上半年良好的營運表現能延續至二零一零年全年感到樂觀。

在二零一零年下半年，太平財險將繼續專注於成本及費用控制，以及實行更專業及有效的承保作業系統。更先進的資訊科技系統亦將被設置，完成後全國業務將可實現最佳的集中決策及管控。

民安中國

於二零一零年三月十五日，中國太平控股刊發可能出售其持有民安中國100%股權權益之公告。現正處於法律程序，有待當局批准。

Management Discussion and Analysis

管理層討論和分析

OUTLOOK (Continued)

CTPI (HK)

CTPI (HK) will continue to focus on maintaining its position as one of the top insurers in Hong Kong. CTPI (HK)'s current initiatives at cost cutting and increasing productivity will also continue for the remainder of 2010. With the economy stabilizing in Hong Kong, the directors and senior management of CTPI (HK) are confident that it will be able to achieve its goals and deliver acceptable returns to its shareholders for the full year.

Investments

Following a strong rebound in 2009, the global investment markets have for the most part turned lower during the Period, reflecting the continued uncertainty and unpredictability of the current global financial markets and economies. In such a volatile environment, the investment policies and investment portfolios in both Hong Kong and the PRC will continue to be managed in a conservative and prudent fashion, with a special emphasis placed upon risk management and conservative asset allocation.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's cash and bank deposits as at 30 June 2010 amounted to HK\$27,564.09 million (31 December 2009: HK\$20,474.76 million). There was no bank borrowing during the Period except for certain temporary bank overdrafts for insignificant amounts. The interest-bearing notes as at 30 June 2010 amounted to HK\$5,771.33 million (31 December 2009: HK\$5,725.11 million). The gearing ratio, which represents interest-bearing notes issued divided by the total assets of the Group, was 4.4% as at 30 June 2010 (31 December 2009: 5.1%).

CAPITAL STRUCTURE

During the Period, CTIH issued 250,000 new shares (31 December 2009: 280,343,500 shares). All the shares were issued for cash under the Company's employee share option scheme, while in 2009, all of the new shares were issued for consideration other than cash for the purpose of acquiring equity interests in MAH. Net proceeds received for the shares issued for cash in aggregate amounted to HK\$0.26 million (2009: nil).

展望 (續)

中國太平香港

中國太平香港將繼續專注維持其香港首選保險商之一的地位。中國太平香港現行節省成本及提升產能的措施將會於二零一零年下半年持續。香港經濟漸趨穩定，中國太平香港董事及高級管理層對於達成目標及全年為股東帶來令人滿意的回報充滿信心。

投資

全球投資市場在經過二零零九年的強勁反彈後，大部份已於本財務期放緩，反映全球金融市場及經濟仍有不明朗因素及不可預知的情況。在此等波動的環境下，香港及中國的投資政策及投資組合將繼續保持穩健審慎的態度管理，並更加重視風險管理及採取穩健的資產配置措施。

流動資金及財務資源

於二零一零年六月三十日，本集團的現金及銀行存款為275.6409億港元(二零零九年十二月三十一日：204.7476億港元)。除若干小額臨時銀行透支外，本財務期內並無任何銀行借貸。二零一零年六月三十日須付息票據總額為57.7133億港元(二零零九年十二月三十一日：57.2511億港元)。二零一零年六月三十日已發行須付息票據除以本集團總資產所得出的槓桿比率為4.4% (二零零九年十二月三十一日：5.1%)。

資本結構

於本財務期內，中國太平控股發行250,000股新股(二零零九年十二月三十一日：280,343,500股)。全部發行之新股均根據本公司僱員認股權計劃以現金為代價發行，而二零零九年，全部發行之新股均以非現金代價發行，用以購入民安控股股權。發行新股換取現金的總代價淨額為26萬港元(二零零九年：無)。

Management Discussion and Analysis

管理層討論和分析

STAFF AND STAFF REMUNERATION

As at 30 June 2010, the Group had a total of 34,458 employees (2009 *(restated)*: 29,714 employees), an increase of 4,744 employees. Total remuneration for the Period amounted to HK\$2,266.68 million (2009 *(restated)*: HK\$1,665.06 million), an increase of 36.1%. Bonuses are linked to both the performance of the Group and the performance of the individual.

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

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

員工及員工酬金

於二零一零年六月三十日，本集團的僱員總人數達34,458人(二零零九年(重列)：29,714人)，增加4,744人。本財務期總酬金為22.6668億港元(二零零九年(重列)：16.6506億港元)，增加36.1%。花紅與本集團的業績及員工的個人表現掛鉤。

購買、出售或贖回本公司的上市證券

於本財務期內中國太平控股或任何其附屬公司概無購入、出售或贖回任何本公司的上市證券。

Embedded Value of TPL

太平人壽之內涵價值

1 CAUTIONARY STATEMENT

The calculations of embedded value and the new business value of TPL are based on certain assumptions with respect to future experience. Thus, the actual results could differ significantly from what is envisioned when these calculations were made. From an investor's perspective, the valuation of CTIH is measured by the stock market price of the Company's shares on any particular day. In valuing CTIH's shares, investors should take into account not only the embedded value and the new business value, but also various other considerations. In addition, TPL is 50.05%-owned by the Company. The embedded value and the new business value as at 30 June 2010 as disclosed below should therefore not be applied 100% in valuing CTIH. Investors are advised to pay particular attention to this factor, as well as the other assumptions underlying the calculations of the embedded value and new business value of TPL, if they believe such calculations are important and material to the valuation of the Company.

2 EMBEDDED VALUE

HK\$ million

			At 30 June 2010 於二零一零年 六月三十日	At 30 June 2009 於二零零九年 六月三十日	At 31 December 2009 於二零零九年 十二月三十一日
Adjusted net worth	經調整資產淨值	a	4,415	3,687	5,408
Value of in-force business before cost of capital	有效業務扣除資本 成本前之價值	b	12,776	8,815	10,353
Cost of capital	資本成本	c	3,004	1,653	2,135
Value of in-force business after cost of capital	有效業務扣除資本 成本後之價值	d=b-c	9,772	7,162	8,218
Embedded Value	內涵價值	e=a+d	14,187	10,849	13,626

Adjusted net worth is the shareholders' net assets of TPL as measured on a PRC statutory basis, which is different from PRC accounting standards.

1 提示聲明

計算內涵價值及新業務價值乃基於有關未來經驗之若干假設。故此實際結果可能與作出該等計算時之預測有重大差異。從投資者角度看，中國太平控股之估值乃按照本公司股份於某個別日子之股市價格計量。於評估中國太平控股股份時，投資者不僅要慮及內涵價值及新業務價值，而且亦應考慮到其他多項因素。此外，本公司擁有太平人壽之50.05%股權。因此，不應把下列所披露之於二零一零年六月三十日內涵價值及新業務價值全數作為中國太平控股之估值。倘若彼等認為該等因素重要，及對本公司之估值關係重大，投資者務須特別留意該因素，及其他支持計算太平人壽內涵價值及新業務價值計算之因素。

2 內涵價值

百萬港元

經調整資產淨值是太平人壽按中國法定基準計量之股東資產淨值，因此與中國會計準則不同。

Embedded Value of TPL 太平人壽之內涵價值

3 NEW BUSINESS VALUE

HK\$ million

3 新業務之價值

百萬港元

			For the Past 6 Months as of 30 June 2010 於二零一零年 六月三十日 過去六個月	For the Past 6 Months as of 30 June 2009 於二零零九年 六月三十日 過去六個月	For the Past 12 Months as of 31 December 2009 於二零零九年 十二月三十一日 過去十二個月
New business value before cost of capital	新業務扣除資本 成本前之價值	a	1,580	1,127	1,978
Cost of capital	資本成本	b	525	329	625
New business value after cost of capital	新業務扣除資本 成本後之價值	c=a-b	1,055	798	1,353

Changes to Information in Respect of Directors 董事資料的變動

In accordance with Rule 13.51B(1) of the Listing Rules, the changes to information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) between 30 March 2010 (being the date of approval of the Company's Annual Report 2009) and 17 August 2010 (being the date of approval of the Company's 2010 Interim Report) are set out below:

POSITION HELD WITH THE COMPANY AND OTHER MEMBERS OF THE GROUP

Mr. Song Shuguang was appointed as a director of CTPI (HK) with effect from 14 May 2010.

Mr. Shen Koping Michael ceased to be the deputy managing director of TPA (HK) with effect from 13 April 2010.

Mr. Lau Siu Mun Sammy ceased to be a director of TPI with effect from 6 July 2010.

EXPERIENCE INCLUDING OTHER DIRECTORSHIPS AND MAJOR APPOINTMENTS

Dr. Wu Jiesi was re-designated as a non-executive director and vice chairman of China Aoyuan Property Group Limited ⁽¹⁾, with effect from 24 December 2009.

Mr. Lee Kong Wai Conway became an independent non-executive director of Chaowei Power Holdings Limited ⁽¹⁾, with effect from 7 June 2010.

Notes:

⁽¹⁾ These companies are listed on the Stock Exchange.

Other than those disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

根據上市規則第13.51B(1)條，於二零一零年三月三十日（為通過本公司二零零九年年報當日）至二零一零年八月十七日（為通過本公司二零一零年中期報告當日）期間，董事按第13.51(2)條第(a)至(e)段及第(g)段規定披露資料的變動如下：

有關於本公司及本集團內其他公司擔當職位的變動

宋曙光先生自二零一零年五月十四日起獲委任為中國太平香港之董事。

沈可平先生於二零一零年四月十三日起辭任太平資產（香港）董事副總經理職務。

劉少文先生於二零一零年七月六日起辭任太平財險之董事職務。

有關擔任其他公司董事職務及其他主要任命的變動

武捷思博士於二零零九年十二月二十四日起調任中國奧園地產集團股份有限公司⁽¹⁾之非執行董事兼董事會副主席。

李港衛先生於二零一零年六月七日起出任超威動力控股有限公司⁽¹⁾之獨立非執行董事。

註：

⁽¹⁾ 這些公司皆於聯交所上市。

除上述外，本公司董事並無其他資料需根據上市規則第13.51B(1)條作出披露。

Directors' and Chief Executive's Interest and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員的股份、相關股份及債權證的權益及淡倉

As at 30 June 2010, the interests or short positions of the directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

於二零一零年六月三十日，按證券及期貨條例第352條規定存置登記冊的記錄所載，或按上市公司董事進行證券交易的標準守則要求，已經知會本公司及聯交所，董事及最高行政人員在本公司及其相聯法團（根據證券及期貨條例第XV段的釋義）的股份、相關股份或債權證中擁有的權益及淡倉如下：

Long Positions in shares and underlying shares of the Company:

本公司的股份及相關股份的好倉情況：

Name of directors 董事名稱	Shares 股份		Underlying shares pursuant to share options 根據認股權的 相關股份 (Note 1) (註1)	Awarded shares 獎授股份 (Note 2) (註2)	Total interests 總權益	Percentage of issued share capital 佔已發行 股份 %
	Beneficial Owners 實益擁有人	Interest of Spouse 配偶的權益				
Lin Fan 林帆	1,140,000	—	3,200,000	—	4,340,000	0.25
Song Shuguang 宋曙光	10,000	—	800,000	—	810,000	0.05
Xie Yiqun 謝一群	—	—	500,000	—	500,000	0.03
Peng Wei 彭偉	70,000	—	400,000	—	470,000	0.03
Ng Yu Lam, Kenneth 吳俞霖	2,193,000	693,000	1,400,000	55,000	4,341,000	0.26
Shen Koping, Michael 沈可平	4,289,000	—	1,400,000	12,000	5,701,000	0.33
Lau Siu Mun, Sammy 劉少文	1,079,200	—	900,000	45,000	2,024,200	0.12
Li Tao 李濤	—	—	—	130,000	130,000	0.01

Notes:

附註：

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

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

(2) These figures represent interests of awarded shares granted to the directors under the Employees' Share Award Scheme of the Company adopted on 10 September 2007, details of which are set out in the section "Share Award Scheme".

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

Directors' and Chief Executive's Interest and Short Positions in Shares, Underlying Shares and Debentures

董事及最高行政人員的股份、相關股份及債權證的權益及淡倉

Save as disclosed above:

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

除上述者外：

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

Share Option and Share Award Scheme

認股權及股份獎勵計劃

SHARE OPTION SCHEME

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

As of 30 June 2010, the Directors and employees of the Company had the following interests in options to subscribe for shares of the Company (market value per share at 30 June 2010 was HK\$25.55) granted at nominal consideration under the Old Scheme and the New Scheme, respectively. Each unit of option gives the holder the right to subscribe for one share.

認股權計劃

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

於二零一零年六月三十日，本公司的董事及僱員分別根據舊計劃及新計劃以名義價款獲賦予可認購本公司股份（於二零一零年六月三十日每股市值為25.55港元）的認股權中擁有以下權益。每份認股權賦予持有人認購一股股份的權利。

Directors 董事	No. of options outstanding at the beginning of the Period 於期初未行使的認股權數目	No. of options outstanding at the end of the Period 於期末未行使的認股權數目	Date granted 賦予日期	Period during which options exercisable 可行使認股權期間	No. of options granted during the Period 期內已授出的認股權數目	No. of shares acquired in exercise of options during the Period 期內行使認股權購入的股份數目	No. of options cancelled during the Period 期內取消認股權數目	Price per share to be paid on exercise of options 行使認股權時應付的每股股價	¹ Market value per share at date of grant of options during the Period ¹ 於期內認股權授出日期的每股股價	² Market value per share on exercise of options during the Period ² 於期內行使認股權日期的每股股價
Lin Fan 林帆	700,000	700,000	12 September 2002 2002年9月12日	12 September 2002 to 11 September 2012 2002年9月12日至2012年9月11日	—	—	—	HK\$3.225 3.225港元	—	—
	2,500,000	2,500,000	2 November 2005 2005年11月2日	23 November 2005 to 22 November 2015 2005年11月23日至2015年11月22日	—	—	—	HK\$2.875 2.875港元	—	—
Song Shuguang 宋曙光	800,000	800,000	2 November 2005 2005年11月2日	23 November 2005 to 22 November 2015 2005年11月23日至2015年11月22日	—	—	—	HK\$2.875 2.875港元	—	—
Xie Yiqun 謝一群	500,000	500,000	2 November 2005 2005年11月2日	23 November 2005 to 22 November 2015 2005年11月23日至2015年11月22日	—	—	—	HK\$2.875 2.875港元	—	—
Peng Wei (appointed on 24 February 2010) 彭偉 (於2010年2月24日委任)	400,000	400,000	2 November 2005 2005年11月2日	23 November 2005 to 22 November 2015 2005年11月23日至2015年11月22日	—	—	—	HK\$2.875 2.875港元	—	—
Ng Yu Lam, Kenneth 吳俞霖	400,000	400,000	12 September 2002 2002年9月12日	12 September 2002 to 11 September 2012 2002年9月12日至2012年9月11日	—	—	—	HK\$3.225 3.225港元	—	—
	1,000,000	1,000,000	2 November 2005 2005年11月2日	23 November 2005 to 22 November 2015 2005年11月23日至2015年11月22日	—	—	—	HK\$2.875 2.875港元	—	—

Share Option and Share Award Scheme

認股權及股份獎勵計劃

Directors 董事	No. of options outstanding at the beginning of the Period 於期初未行使的認股權數目	No. of options outstanding at the end of the Period 於期末未行使的認股權數目	Date granted 賦予日期	Period during which options exercisable 可行使認股權期間	No. of options granted during the Period 期內已授出的認股權數目	No. of shares acquired in exercise of options during the Period 期內行使認股權購入的股份數目	No. of options cancelled during the Period 期內取消認股權數目	Price per share to be paid on exercise of options 行使認股權時應付的每股股價	¹ Market value per share at date of grant of options during the Period ¹ 於期內認股權授出日期的每股股價	² Market value per share on exercise of options during the Period ² 於期內行使認股權日期的每股股價
Shen Koping, Michael 沈可平	175,000	175,000	29 December 2006 2006年12月29日	29 December 2006 to 28 December 2016 2006年12月29日至2016年12月28日	—	—	—	HK\$9.800 9.800港元	—	—
	175,000	175,000	29 June 2007 2007年6月29日	29 June 2007 to 28 June 2017 2007年6月29日至2017年6月28日	—	—	—	HK\$14.220 14.220港元	—	—
	175,000	175,000	31 December 2007 2007年12月31日	31 December 2007 to 30 December 2017 2007年12月31日至2017年12月30日	—	—	—	HK\$21.400 21.400港元	—	—
	175,000	175,000	30 June 2008 2008年6月30日	30 June 2008 to 29 June 2018 2008年6月30日至2018年6月29日	—	—	—	HK\$19.316 19.316港元	—	—
	175,000	175,000	31 December 2008 2008年12月31日	31 December 2008 to 30 December 2018 2008年12月31日至2018年12月30日	—	—	—	HK\$11.920 11.920港元	—	—
	350,000	350,000	31 December 2009 2009年12月31日	31 December 2009 to 30 December 2019 2009年12月31日至2019年12月30日	—	—	—	HK\$25.10 25.10港元	—	—
—	175,000	30 June 2010 2010年6月30日	30 June 2010 to 29 June 2020 2010年6月30日至2020年6月29日	175,000	—	—	HK\$25.91 25.91港元	HK\$24.50 24.50港元	—	—
Lau Siu Mun, Sammy 劉少文	150,000	—	27 September 2000 2000年9月27日	27 September 2000 to 26 September 2010 2000年9月27日至2010年9月26日	—	150,000	—	HK\$1.110 1.110港元	—	HK\$26.60 26.60港元
	400,000	300,000	12 February 2001 2001年2月12日	12 February 2001 to 11 February 2011 2001年2月12日至2011年2月11日	—	100,000	—	HK\$0.950 0.950港元	—	HK\$25.40 25.40港元
	600,000	600,000	2 November 2005 2005年11月2日	23 November 2005 to 22 November 2015 2005年11月23日至2015年11月22日	—	—	—	HK\$2.875 2.875港元	—	—
Employees 僱員	100,000	100,000	9 February 2001 to 17 February 2001 2001年2月9日至2001年2月17日	9 February 2001 to 16 February 2011 2001年2月9日至2011年2月16日	—	—	—	HK\$0.950 0.950港元	—	—
	100,000	100,000	12 September 2002 to 23 September 2002 2002年9月12日至2002年9月23日	12 September 2002 to 22 September 2012 2002年9月12日至2012年9月22日	—	—	—	HK\$3.225 3.225港元	—	—
	5,277,000	5,277,000	2 November 2005 2005年11月2日	23 November 2005 to 27 November 2015 2005年11月23日至2015年11月27日	—	—	—	HK\$2.875 2.875港元	—	—
	800,000	800,000	26 February 2007 2007年2月26日	26 February 2007 to 25 February 2017 2007年2月26日至2017年2月25日	—	—	—	HK\$9.49 9.49港元	—	—

Notes:

- ¹ Being the closing price quoted on the Stock Exchange immediately before the dates on which the options were granted during the Period.
- ² Being the weighted average closing price quoted on the Stock Exchange immediately before the dates on which the options were exercised during the Period.

附註：

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

Share Option and Share Award Scheme 認股權及股份獎勵計劃

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

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

SHARE AWARD SCHEME

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

As at 30 June 2010, the net total number of shares acquired under Share Award Scheme is 4,403,000 shares (31 December 2009: 4,720,000 shares). As at 30 June 2010, 3,339,600 Shares were awarded to selected employees (31 December 2009: 3,304,000 shares) subject to the terms of the Share Award Scheme, but have not yet vested in such selected employees.

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

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

股份獎勵計劃

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

於二零一零年六月三十日，根據股份獎勵計劃購入之股份淨額為4,403,000股（二零零九年十二月三十一日：4,720,000股）。於二零一零年六月三十日，當中3,339,600股已根據股份獎勵計劃的條款獎授但未歸屬予選定僱員（二零零九年十二月三十一日：3,304,000股）。

Share Option and Share Award Scheme 認股權及股份獎勵計劃

Details of the Shares awarded to the Directors are set out below: 董事獲獎授股份的資料臚列如下:

Name of Directors 董事名稱	Date of award 獎授日期 (Note 1) (註1)	Number of awarded shares 獎授股份 數目	Historical acquisition cost 歷史購入 成本	Average fair value per share 每股平均 公允價值 (Note 2) (註2)	Number of shares 股份數目		Vesting date 歸屬日期
					Lapsed during the Period 期內失效	As at 30 June 2010 於二零一零年 六月三十日	
Ng Yu Lam, Kenneth 吳俞霖	20 May 2008 2008年5月20日	55,000	HK\$18.01 18.01港元	HK\$22.40 22.40港元	—	55,000	31 December 2010 2010年12月31日
Shen Koping, Michael 沈可平	20 May 2008 2008年5月20日	12,000	HK\$18.75 18.75港元	HK\$22.40 22.40港元	—	12,000	31 December 2010 2010年12月31日
Lau Siu Mun, Sammy 劉少文	20 May 2008 2008年5月20日	45,000	HK\$18.01 18.01港元	HK\$22.40 22.40港元	—	45,000	31 December 2010 2010年12月31日
Li Tao 李濤	31 December 2007 2007年12月31日	130,000	HK\$20.68 20.68港元	HK\$21.60 21.60港元	—	130,000	31 December 2010 2010年12月31日

Notes:

附註:

- | | |
|--|--|
| <p>1 The date of award refers to the date on which the selected employees agree to undertake to hold the awarded shares on the terms on which they are granted and agree to be bound by the rules of the Share Award Scheme.</p> | <p>1 獎授日是指選定僱員同意承擔持有根據股份獎勵計劃獎授的股份，並受到該等條款約束當日。</p> |
| <p>2 The average fair value of the awarded shares are based on the closing price at the date of award and any directly attributable incremental costs.</p> | <p>2 獎授股份每股平均公允價值是根據獎授日的收市價及任何直接有關增量成本。</p> |

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

主要股東及其他人士的股份及相關股份的權益及淡倉

As of 30 June 2010, the interests and short positions of the shareholders, other than a director or chief executive of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO were as follows:

於二零一零年六月三十日，按證券及期貨條例第336條規定存置之登記冊的記錄所載不屬於本公司董事或最高行政人員的股東在本公司的股份及相關股份中擁有的權益及淡倉如下：

Substantial shareholders 主要股東	Capacity 身份	Number of ordinary shares 普通股股數	Long position/ short position 好倉/淡倉	Percentage of issued share capital 佔已發行股份 %
TPG 中國太平集團	Interest of controlled corporation 控股公司權益	908,689,405 (Note 1) (註 1)	Long position 好倉	53.38
TPG (HK) 中國太平集團(香港)	643,425,705 shares as beneficial owner and 265,263,700 shares (Note 2) as interest of controlled corporation 643,425,705股為實益擁有人及 265,263,700股(註2)為控股公司權益	908,689,405	Long position 好倉	53.38
JP Morgan Chase & Co. 摩根大通	761,400 shares as beneficial owner, 4,734,600 shares as investment manager and 114,792,166 shares as custodian corporation/approved lending agent 761,400股為實益擁有人， 4,734,600股為投資經理及 114,792,166股為保管人—法團/核准借出代理人	120,288,166	Long position 好倉	7.07
	Beneficial owner 實益擁有人	70,000	Short position 淡倉	0.004

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

主要股東及其他人士的股份及相關股份的權益及淡倉

Notes:

- (1) TPG's interest in the Company is held by TPG (HK), Easiwell Limited ("Easiwell"), Golden Win Development Limited ("Golden Win"), Ming Lee Investment Limited ("Ming Lee"), Manhold, China Insurance Group Finance Company Limited ("CIGFCL"), Panbillion Finance Company Limited ("Panbillion") and China Insurance Group Investment Company Limited ("CIGICL"), all of which are wholly-owned subsidiaries of TPG.
- (2) 138,924,700 shares are held by Easiwell, 71,544,000 shares are held by Golden Win, 18,672,000 shares are held by Ming Lee, 10,768,000 shares are held by Manhold, 9,793,000 shares are held by CIGFCL, 14,597,000 shares are held by Panbillion and 965,000 shares are held by CIGICL.

Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any interests or short positions in the Shares and underlying Shares of the Company as at 30 June 2010.

附註：

- (1) 中國太平集團於本公司之權益由中國太平集團(香港)、易和有限公司(「易和」)、金和發展有限公司(「金和」)、民利投資有限公司(「民利」)、汶豪、中國保險集團財務有限公司(「中保財務」)、德茂財務有限公司(「德茂」)及中國保險集團投資有限公司(「中保投資」)持有，各公司均為中國太平集團之全資附屬公司。
- (2) 138,924,700股股份由易和持有，71,544,000股股份由金和持有，18,672,000股股份由民利持有，10,768,000股股份由汶豪持有，9,793,000股股份由中保財務持有，14,597,000股股份由德茂持有，而965,000股股份由中保投資持有。

除前述者外，按《證券及期貨條例》第336條規定存置之登記冊的記錄所示，本公司並無接獲通知任何有關於二零一零年六月三十日在本公司的股份及相關股份中擁有的權益及淡倉。

Corporate Governance Practices 企業管治常規

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

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

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

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

By order of the Board
Lin Fan
Chairman

Hong Kong, 17 August 2010

本公司於本財務期內一直遵守守則條文，惟以下除外：

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

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

本財務期的中期財務報告已經本公司審核委員會審閱。

承董事會命
董事長
林帆

香港，二零一零年八月十七日

Independent Review Report

獨立審閱報告



TO THE BOARD OF DIRECTORS OF
CHINA TAIPING INSURANCE HOLDINGS COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)

致中國太平保險控股有限公司董事會
(於香港註冊成立之有限公司)

INTRODUCTION

引言

We have reviewed the interim financial information set out on pages 2 to 74, which comprises the condensed consolidated statement of financial position of China Taiping Insurance Holdings Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 30 June 2010 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Main Board Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

我們已審閱列載於第2頁至第74頁的中期財務資料，此中期財務資料包括中國太平保險控股有限公司（「貴公司」）及其附屬公司（統稱為「貴集團」）於二零一零年六月三十日的簡明綜合財務狀況表及有關截至該日止六個月之簡明綜合損益表、全面收益表、權益變動表和現金流量表以及主要會計政策概要及其他附註解釋。根據《香港聯合交易所有限公司主板證券上市規則》（「上市規則」），上市公司必須符合上市規則中的相關規定和香港會計師公會頒佈的《香港會計準則》第34號「中期財務報告」的規定編製中期財務資料。董事須負責根據《香港會計準則》第34號編製及列報中期財務資料。我們的責任是根據我們的審閱對這中期財務資料作出結論，並按照我們雙方所協定的應聘條款，僅向全體董事會報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

SCOPE OF REVIEW

審閱範圍

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務信息的審閱」進行審閱。中期財務報告審閱工作包括主要向負責財務會計事項的人員詢問，並實施分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不

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analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

17 August 2010

能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表任何審核意見。

結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信中期財務資料在所有重大方面沒有按照《香港會計準則》第34號的規定編製。

德勤•關黃陳方會計師行
執業會計師
香港

二零一零年八月十七日

Corporate Information

公司資料

DIRECTORS

Executive directors

LIN Fan	<i>Chairman</i>
SONG Shuguang	<i>Vice Chairman</i>
XIE Yiqun	
PENG Wei	
NG Yu Lam Kenneth	<i>Chief Executive Officer</i>
SHEN Koping Michael	<i>Deputy Chief Executive Officer</i>
LAU Siu Mun Sammy	

Non-executive directors

LI Tao
WU Jiesi*
CHE Shujian*
LEE Kong Wai Conway*

* *Independent*

COMPANY SECRETARY

CHAN Man Ko *Chief Financial Officer*

AUTHORIZED REPRESENTATIVES

NG Yu Lam Kenneth
SHEN Koping Michael

REGISTERED OFFICE

22nd Floor, China Taiping Tower Phase I
8 Sunning Road
Causeway Bay
Hong Kong

董事

執行董事

林帆	董事長
宋曙光	副董事長
謝一群	
彭偉	
吳俞霖	總裁
沈可平	副總裁
劉少文	

非執行董事

李濤
武捷思*
車書劍*
李港衛*

* *獨立*

公司秘書

陳文告 *財務總監*

法定代表

吳俞霖
沈可平

註冊辦事處

香港銅鑼灣
新寧道八號
中國太平大廈第一期二十二樓

Corporate Information

公司資料

ADMINISTRATIVE OFFICE

12th Floor, China Taiping Tower Phase II
8 Sunning Road
Causeway Bay
Hong Kong
Telephone : (852) 3602 9800
Facsimile : (852) 2866 2262
E-mail : mail@ctih.cntaiping.com

REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
46th Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

INDEPENDENT AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
China Construction Bank Corporation
CITIC Bank International Limited

WEBSITE

www.ctih.cntaiping.com

STOCK MARKET LISTING

The Main Board of The Stock Exchange
of Hong Kong Limited
(Stock Code: 00966)

行政辦事處

香港銅鑼灣
新寧道八號
中國太平大廈第二期十二樓
電話 : (852) 3602 9800
傳真 : (852) 2866 2262
電郵 : mail@ctih.cntaiping.com

股份過戶登記處

香港證券登記有限公司
香港皇后大道東一八三號
合和中心四十六樓

獨立核數師

德勤•關黃陳方會計師行
執業會計師
香港金鐘道八八號
太古廣場一座三十五樓

主要往來銀行

恒生銀行有限公司
中國建設銀行股份有限公司
中信銀行國際有限公司

網址

www.ctih.cntaiping.com

上市證券交易所

香港聯合交易所有限公司主板
(股份代碼 : 00966)

Definitions

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

“Board”	the board of Directors
“CIRC”	China Insurance Regulatory Commission
“Code”	Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules
“Directors”	the directors of the Company, including the independent non-executive directors
“HKAS”	Hong Kong Accounting Standard
“HKFRS”	Hong Kong Financial Reporting Standard
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“ICBC”	The Industrial and Commercial Bank of China
“ICBC (Asia)”	Industrial and Commercial Bank of China (Asia) Limited
“Last Period”	The six months ended 30 June 2009
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MAH”	The Ming An (Holdings) Company Limited
“Manhold”	Manhold Limited
“PRC GAAP”	Accounting principles generally accepted in the PRC
“SFO”	Securities and Futures Ordinance
“Share(s)”	Share(s) of HK\$0.05 each in the capital of the Company
“Share Award Scheme”	CTIH Employees’ Share Award Scheme adopted on 10 September 2007
“the Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Company” or “CTIH”	China Taiping Insurance Holdings Company Limited

釋義

於本中期財務報告中，除文義另有所指外，下列詞彙具有以下涵義：

「中國保監會」	指	中國保險監督管理委員會
「守則」	指	上市規則附錄十四所列之企業管治守則
「董事」	指	本公司董事，包括獨立非執行董事
「中國工銀」	指	中國工商銀行
「工銀亞洲」	指	中國工商銀行(亞洲)有限公司
「去年同期」	指	截至二零零九年六月三十日止六個月
「上市規則」	指	香港聯合交易所有限公司證券上市規則
「民安控股」	指	民安(控股)有限公司
「汶豪」	指	汶豪有限公司
「中國公認會計準則」	指	中國普遍採納之會計準則
「股份」	指	本公司股本中每股面值0.05港元之股份
「股份獎勵計劃」	指	於二零零七年九月十日所採納之中國太平控股僱員股份獎勵計劃
「聯交所」	指	香港聯合交易所有限公司
「本公司」或「中國太平控股」	指	中國太平保險控股有限公司

Definitions

“the Group”	CTIH and its subsidiaries
“the Period”	The six months ended 30 June 2010
“the PRC”	The People’s Republic of China
“TPA (HK)”	Taiping Assets Management (HK) Company Limited
“TPAM”	Taiping Asset Management Company Limited
“TPG”	China Taiping Insurance Group Co.
“TPG (HK)”	China Taiping Insurance Group (HK) Company Limited
“TPI”	Taiping General Insurance Company Limited
“TPL”	Taiping Life Insurance Company Limited
“TPP”	Taiping Pension Company Limited
“TPRe”	Taiping Reinsurance Company Limited
“the Old Scheme”	Share option scheme of the Company adopted on 24 May 2000 and terminated on 7 January 2003
“the New Scheme”	Share option scheme of the Company adopted on 7 January 2003

釋義

「本集團」	指	中國太平控股及其附屬公司
「本財務期」	指	截至二零一零年六月三十日止六個月
「中國」	指	中華人民共和國
「太平資產(香港)」	指	太平資產管理(香港)有限公司
「太平資產」	指	太平資產管理有限公司
「中國太平集團」	指	中國太平保險集團公司
「中國太平集團(香港)」	指	中國太平保險集團(香港)有限公司
「太平財險」	指	太平財產保險有限公司
「太平人壽」	指	太平人壽保險有限公司
「太平養老」	指	太平養老保險股份有限公司
「太平再保險」	指	太平再保險有限公司
「舊計劃」	指	本公司於二零零零年五月二十四日所採納之認股權計劃，於二零零三年一月七日已終止
「新計劃」	指	本公司於二零零三年一月七日所採納之認股權計劃



中國太平保險控股有限公司

China Taiping Insurance Holdings Company Limited

營業地址:

香港銅鑼灣新寧道8號中國太平大廈第2期12樓

Business Address:

12/F, China Taiping Tower, Phase II, 8 Sunning Road,
Causeway Bay, Hong Kong

電話 Tel : (852) 3602 9800

傳真 Fax : (852) 2866 2262

電郵 Email : mail@ctih.cntaiping.com

網址 Website : <http://www.ctih.cntaiping.com>