

財務報告
Financial Section



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董事會報告書

Report of the Directors

董事會謹將截至二零零四年十二月三十一日止年度的報告書及經審核財務報表呈覽。

主要業務

本公司為一間金融控股公司，其附屬公司的主要業務是在香港提供一般銀行及相關金融服務。本公司各主要附屬公司於二零零四年十二月三十一日的詳情載於財務報表附註20內。

財務報表

本集團截至二零零四年十二月三十一日止年度的溢利和本公司及本集團於該日的財政狀況載於第118頁至第205頁的財務報表內。

股息

本公司已於二零零四年九月十五日派發中期股息每股港幣6.6仙(二零零三年：港幣3仙)。董事會建議派發截至二零零四年十二月三十一日止年度末期股息每股港幣7.5仙(二零零三年：港幣6.3仙)。

慈善捐款

本集團於本年度的慈善捐款合共為港幣756,155元(二零零三年：港幣39,800元)。

固定資產

有形固定資產的變動載於財務報表附註24內。

儲備

本集團及本公司於本年度的儲備變動載於財務報表附註30內。

股本

本公司於本年度內的股本變動載於財務報表附註29內。

The Directors have pleasure in submitting their report together with the audited financial statements for the year ended 31 December 2004.

Principal Activities

The Company is a financial holding company and the principal activities of its subsidiaries are the provision of general banking and related financial services, primarily in Hong Kong. Particulars of the Company's principal subsidiaries as at 31 December 2004 are set out in note 20 on the financial statements.

Financial Statements

The profit of the Group for the year ended 31 December 2004 and the state of the Company and the Group's affairs as at that date are set out in the financial statements on pages 118 to 205.

Dividends

An interim dividend of HK\$0.066 (2003: HK\$0.03) per share was paid on 15 September 2004. The Directors recommend the payment of a final dividend of HK\$0.075 (2003: HK\$0.063) per share in respect of the year ended 31 December 2004.

Charitable Donations

Charitable donations made by the Group during the year amounted to HK\$756,155 (2003: HK\$39,800).

Fixed Assets

Movements in tangible fixed assets are set out in note 24 on the financial statements.

Reserves

Movements in the reserves of the Group and the Company during the year are set out in note 30 on the financial statements.

Share Capital

Movements in the share capital of the Company are set out in note 29 on the financial statements.

董事

截至二零零四年十二月三十一日止年度內及截至本報告書日期止的董事如下：

孔丹先生 (董事長)
竇建中先生 (行政總裁)
陳許多琳女士 (董事總經理兼替任行政總裁)

陳小憲先生 (於二零零五年一月十七日獲委任)
席伯倫先生 (獨立非執行董事)
(於二零零四年十二月一日獲委任)

居偉民先生
江紹智先生 (董事總經理)
林廣兆先生 (獨立非執行董事)
劉基輔先生
盧永逸先生 (董事總經理兼替任行政總裁)

曾耀強先生 (獨立非執行董事)
(於二零零四年九月一日獲委任)
王東明先生
楊超先生
張恩照先生
趙盛彪先生

李永鴻先生 (於二零零四年五月二十日離任)
范尚德先生 (於二零零四年十月十九日離任)
常振明先生 (於二零零五年一月十七日離任)

根據本公司的公司組織章程細則第98條，所有現任董事須在下屆股東週年大會上依章告退，惟依章告退的董事可膺選連任。

各董事均無與本公司或本公司任何附屬公司訂立若本公司於一年內終止便須作出賠償 (一般法定賠償除外) 的任何服務合約。

本公司、控股公司、附屬公司或同系附屬公司，概無訂立任何與本公司業務有關而令本公司董事於年終時或本年度內任何時間，可直接或間接享有重大權益的重要合約。

Directors

The Directors during the year ended 31 December 2004 and up to the date of this report are as follows:

Mr. Kong Dan (*Chairman*)
Mr. Dou Jianzhong (*Chief Executive Officer*)
Mrs. Chan Hui Dor Lam Doreen (*Managing Director and Alternate Chief Executive Officer*)
Mr. Chen Xiaoxian (appointed on 17 January 2005)
Mr. Gil-Tienda Rafael (*Independent Non-executive Director*) (appointed on 1 December 2004)
Mr. Ju Weimin
Mr. Kong Siu Chee Kenneth (*Managing Director*)
Mr. Lam Kwong Siu (*Independent Non-executive Director*)
Mr. Liu Jifu
Mr. Lo Wing Yat Kelvin (*Managing Director and Alternate Chief Executive Officer*)
Mr. Tsang Yiu Keung Paul (*Independent Non-executive Director*) (appointed on 1 September 2004)
Mr. Wang Dongming
Mr. Yang Chao
Mr. Zhang Enzhao
Mr. Zhao Shengbiao
Mr. Lee Wing Hung Raymond (resigned on 20 May 2004)
Mr. Fan Sheung Tak Stephen (resigned on 19 October 2004)
Mr. Chang Zhenming (resigned on 17 January 2005)

In accordance with Article 98 of the Company's Articles of Association, all present Directors shall retire from office at the next annual general meeting and the retiring directors shall be eligible to offer themselves for re-election.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation, other than normal statutory obligations.

No contract of significance in relation to the Company's business to which the Company, its holding company, subsidiaries or fellow subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事(續)

除下列「購股權計劃」項下的購股權計劃外，本公司、控股公司、附屬公司或同系附屬公司均沒有在本年度內任何時間訂立任何安排，致使本公司董事或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人公司的股份或債券而獲益。

本公司已收到林廣兆先生、席伯倫先生和曾耀強先生作為本公司的獨立非執行董事，於每年度須向本公司就其獨立性所作出的確認。本公司認為該三名獨立非執行董事確屬獨立人仕。

董事及行政總裁權益

於二零零四年十二月三十一日，根據香港聯合交易所有限公司證券上市規則(「上市規則」)而披露的本公司董事及行政總裁在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中的權益及淡倉的詳情如下：

1. 本公司股份權益的好倉：

董事姓名 Name of director	身份 Capacity	持有普通股數目 Number of ordinary shares held	佔已發行股本百分率 Percentage of issued share capital
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	實益擁有人 Beneficial owner	1,000,000	0.031
江紹智先生 Mr. Kong Siu Chee Kenneth	實益擁有人 Beneficial owner	1,000,000	0.031
盧永逸先生 Mr. Lo Wing Yat Kelvin	實益擁有人 Beneficial owner	300,000	0.009
趙盛彪先生 Mr. Zhao Shengbiao	實益擁有人 Beneficial owner	2,014,114	0.063

Directors (cont'd)

At no time during the year was the Company, its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors 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 with the exception of the share option schemes, details of which are set out in the following section under the heading of "Share Option Schemes".

The Company has received an annual confirmation of independence from each of the Independent Non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Gil-Tienda Rafael and Mr. Tsang Yiu Keung Paul. The Company considers all three Independent Non-executive Directors of the Company to be independent.

Directors' and Chief Executive's Interests

As at 31 December 2004, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) disclosed in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were as follows:

1. Long positions in shares of the Company:

董事及行政總裁權益 (續)

2. 本公司(就股本衍生工具而言)相關股份的好倉：

根據高級行政人員購股權計劃及中信國際金融控股有限公司購股權計劃，孔丹先生、常振明先生、陳許多琳女士、江紹智先生、盧永逸先生及趙盛彪先生獲授予購股權，以認購本公司股份。該等購股權屬非上市以實物交收的股本衍生工具。有關該等購股權於截至二零零四年十二月三十一日止年度的資料，見於下列「購股權計劃」項下。

此外，陳許多琳女士、江紹智先生及盧永逸先生按本公司全資附屬公司中信嘉華銀行有限公司(「中信嘉華銀行」)於二零零四年四月十六日所授出的Equity Linked Deferred Award(「ELDA」)，可於到期日獲發現金福利。ELDA的詳細條款如下：

Directors' and Chief Executive's Interests (cont'd)

2. Long positions in (in respect of equity derivatives) underlying shares of the Company:

Shares options, being unlisted physically settled equity derivatives, to subscribe for the shares of the Company were granted to Mr. Kong Dan, Mr. Chang Zhenming, Mrs. Chan Hui Dor Lam Doreen, Mr. Kong Siu Chee Kenneth, Mr. Lo Wing Yat Kelvin and Mr. Zhao Shengbiao pursuant to the Senior Executive Share Option Scheme and The CITIC International Financial Holdings Limited Share Option Scheme respectively. Information in relation to these share options during the year ended 31 December 2004 was shown in the following section under the heading of "Share Option Schemes".

In addition, Mrs. Chan Hui Dor Lam Doreen, Mr. Kong Siu Chee Kenneth and Mr. Lo Wing Yat Kelvin are entitled to receive a cash benefit on the maturity date under the Equity Linked Deferred Award (the "ELDA") offered by CITIC Ka Wah Bank Limited ("CKWB"), a wholly-owned subsidiary of the Company on 16 April 2004. Detailed terms of the ELDA are as follows:

董事姓名 Name of director	ELDA所涉及的普通股數目 Number of ordinary shares notionally subject to ELDA	ELDA每股股價 港幣(元) ELDA price per share (HK\$)	到期日 Maturity date
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	150,000	2.55	16/04/2006
江紹智先生 Mr. Kong Siu Chee Kenneth	100,000	2.55	16/04/2006
盧永逸先生 Mr. Lo Wing Yat Kelvin	80,000	2.55	16/04/2006

董事及行政總裁權益 (續)

2. 本公司(就股本衍生工具而言)相關股份的好倉：(續)

有關董事將於到期日獲發的現金福利數額，為ELDA所涉及的普通股數目乘以下列兩項中的較低者：

- (i) ELDA每股股價與根據香港聯合交易所有限公司(「聯交所」)每日報價表所載本公司普通股於到期日在聯交所的收市價兩者之差異；及
- (ii) 港幣3元。

按照ELDA，若根據聯交所每日報價表所載本公司普通股於到期日在聯交所的收市價低於ELDA每股股價，則有關董事將不會獲發任何款項。有關董事亦不會於ELDA到期時獲配發或轉讓本公司普通股。

3. 本公司股份及(就股本衍生工具而言)相關股份的淡倉：

無。

4. 本公司相聯法團的股份及(就股本衍生工具而言)相關股份的好倉及淡倉：

無。

5. 本公司債權證權益：

無。

Directors' and Chief Executive's Interests (cont'd)

2. Long positions in (in respect of equity derivatives) underlying shares of the Company: (cont'd)

The amount of cash benefit to be received by the respective Directors on the maturity date shall be calculated by multiplying the number of ordinary shares of the Company notionally subject to the ELDA by the lower of:

- (i) the result obtained by subtracting the ELDA price per share from the closing price of the ordinary share of the Company as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the maturity date; and
- (ii) HK\$3.00.

The respective Directors are not entitled to receive any payment pursuant to the ELDA if the closing price of the ordinary share of the Company as stated in the daily quotations sheet of the Stock Exchange on maturity date falls below the ELDA price. No ordinary shares of the Company will be allotted or transferred to the respective Directors upon the maturity of the ELDA.

3. Short positions in shares and (in respect of equity derivatives) underlying shares of the Company:

None.

4. Long and short positions in shares and (in respect of equity derivatives) underlying shares of associated corporations of the Company:

None.

5. Interests in debentures of the Company:

None.

董事及行政總裁權益 (續)**6. 本公司相聯法團債權證權益：**

董事姓名 Name of director	發行人 Issuer	身份 Capacity	債權證數額 Amount of debentures
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	CKWB (Cayman Islands) Limited	實益擁有人 Beneficial owner	300,000美元 USD300,000
盧永逸先生 Mr. Lo Wing Yat Kelvin	CKWB (Cayman Islands) Limited	實益擁有人 Beneficial owner	80,000美元 USD80,000

除上文所披露者外，於二零零四年十二月三十一日，本公司董事或行政總裁概無根據證券及期貨條例第XV部第7分部及第8分部於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中擁有或根據證券及期貨條例的有關規定被認為或被視作擁有任何權益或淡倉，或任何必須列入本公司根據證券及期貨條例第352條予以存置的登記冊內的權益。

購股權計劃

本公司於二零零三年五月十六日採納了中信國際金融控股有限公司購股權計劃(「新購股權計劃」)，並同時終止本公司於一九九五年三月三十日採納的高級行政人員購股權計劃(「舊購股權計劃」)，但舊購股權計劃內的條文仍繼續具有十足效力及作用，惟以行使終止舊購股權計劃前已授出之購股權為限。截至二零零四年十二月三十一日止年度，本公司並未有按舊購股權計劃授出任何購股權，根據新購股權計劃，本公司於二零零四年四月六日向二百九十三名合資格人仕授予可認購合共7,412,000股本公司普通股的購股權。

Directors' and Chief Executive's Interests (cont'd)**6. Interests in debentures of the associated corporation of the Company:**

Save as disclosed above, as at 31 December 2004, none of the Directors or the chief executive of the Company had, under Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions 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) or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO.

Share Option Schemes

The Company adopted The CITIC International Financial Holdings Limited Share Option Scheme (the "New Option Scheme") on 16 May 2003 and, at the same time, terminated the Senior Executive Share Option Scheme adopted by the Company on 30 March 1995 (the "Old Option Scheme"). However, the provisions of the Old Option Scheme remain in full force and effect to the extent necessary to give effect to the exercise of all options granted prior to the termination of the Old Option Scheme. For the year ended 31 December 2004, there was no option granted by the Company under the Old Option Scheme. However, options to subscribe for a total of 7,412,000 ordinary shares of the Company were granted to 293 eligible persons under the New Option Scheme on 6 April 2004.

購股權計劃 (續)

根據上市規則披露有關新購股權計劃的摘要如下：

1. 新購股權計劃的目的：

新購股權計劃旨在為本公司提供一個靈活方法，以挽留、推動、獎勵、酬謝、補償及／或提供福利予合資格人仕。

2. 新購股權計劃的參與者：

董事會可向下列合資格人仕授出購股權：

- (a) 根據與本集團成員公司訂立之合約而持有受薪職位或工作之僱員或董事；
- (b) 非執行董事(包括任何獨立非執行董事)；
- (c) 本集團任何成員公司的直接或間接股東；
- (d) 本集團任何成員公司的貨物或服務供應商；
- (e) 本集團任何成員公司的客戶、顧問、業務或合營夥伴、特許經營人、承包人、代理或代表；
- (f) 為本集團任何成員公司提供研究、開發或其他技術支援或任何顧問、諮詢或專業服務之人仕或實體；
- (g) 由屬於上述任何參與者類別之一名或多名人仕全資擁有之任何公司；或
- (h) 受益人或全權信託對象包括上述任何類別參與者的任何信託或全權信託的受託人。

3. 新購股權計劃中可發行的股份數目及其於二零零四年十二月三十一日佔已發行股本百份率：

新購股權計劃中可予發行的股份數目為247,162,119股，佔本公司於二零零四年十二月三十一日已發行股本的7.74%。

Share Option Schemes (cont'd)

The following is a summary of the New Option Scheme disclosed in accordance with the Listing Rules:

1. Purpose of the New Option Scheme:

The purpose of the New Option Scheme is to provide the Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to the eligible persons.

2. Participants of the New Option Scheme:

The Board may offer to grant an option to the following eligible persons:

- (a) an employee or director holding salaried office or employment under a contract with a member of the Group;
- (b) a non-executive director (including any independent non-executive directors);
- (c) a direct or indirect shareholder of any member of the Group;
- (d) a supplier of goods or services to any member of the Group;
- (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group;
- (f) a person or entity that provides research, development or other technological support or any advisory, consultancy and professional services to any member of the Group;
- (g) any company wholly-owned by one or more persons belonging to any of the above classes of participants; or
- (h) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any of the above classes of participants.

3. Total number of shares available for issue under the New Option Scheme and percentage of issued share capital as at 31 December 2004:

The number of shares available for issue under the New Option Scheme is 247,162,119 shares, representing 7.74% of the issued share capital of the Company as at 31 December 2004.

購股權計劃 (續)

4. 新購股權計劃中每名參與者可獲授權益上限：

倘若任何合資格人仕在行使購股權後，會導致該名合資格人仕有權認購的股份數目，加上所有於截至該等購股權要約日期（包括當日）止十二個月期間內已授予該合資格人仕的購股權而發行或將可發行的股份總數，超逾當日已發行股份的1%，則不可再向該名合資格人仕授予購股權。授予任何超逾此上限的購股權，須受刊載於新購股權計劃的規則內若干規定所約束。

5. 購股權認購股份的期限：

由該購股權授予日的第二週年開始至授予日的第十週年之前一天止。

6. 行使購股權之前須持有的最短期限：

由該購股權授予日開始至授予日的第二週年之前一天止。

7. 申請或接受購股權須付金額以及付款或通知付款的期限或償還申請有關貸款的期限：

不適用。

8. 行使價釐定基準：

行使價由董事會釐定，惟不少於下列的較高者：

- (a) 根據聯交所每日報價表所載，本公司股份於要約日期在聯交所的收市價；
- (b) 根據聯交所每日報價表所載，本公司股份在緊接要約日期前五個交易日在聯交所的平均收市價；及
- (c) 本公司股份之面值。

Share Option Schemes (cont'd)

4. Maximum entitlement of each participant under the New Option Scheme:

No options may be granted to any eligible person which, if exercised, would result in such eligible person becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued or to be issued to him under all options granted to him in the 12 month period up to and including the offer date of the relevant options, exceed 1% of the shares in issue at such date. Any grant of further options above this limit shall be subject to certain requirements as stipulated in the rules of the New Option Scheme.

5. The period within which the shares must be taken up under an option:

Beginning on the second anniversary of the date of grant of such options and ending on the day immediately before the tenth anniversary thereof.

6. The minimum period for which an option must be held before it can be exercised:

From the date of grant of such options up to the day immediately before the second anniversary thereof.

7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid:

Not applicable.

8. The basis of determining the exercise price:

The exercise price is determined by the Directors and being not less than the higher of the followings:

- (a) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of offer;
- (b) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of offer; and
- (c) the nominal value of the shares of the Company.

購股權計劃 (續)

9. 新購股權計劃尚餘的有效期：

新購股權計劃將於二零一三年五月十五日終止。

於二零零四年十二月三十一日，董事及其他合資格人仕分別根據舊購股權計劃及／或新購股權計劃獲授予以下購股權，以認購本公司普通股：

Share Option Schemes (cont'd)

9. The remaining life of the New Option Scheme:

The New Option Scheme will be ended on 15 May 2013.

At 31 December 2004, the Directors and the other eligible persons had the following interests in options, which were granted under the Old Option Scheme and/or the New Option Scheme respectively, to subscribe for the ordinary shares of the Company:

	於二零零四年 一月一日	於二零零四年 十二月三十一日	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至二零零四年	截至二零零四年	截至二零零四年	行使 購股權的 每股行使價 Price per share on exercise of options HK\$	加權平均 收市價 (附註2) Weighted average closing price (Note 2) HK\$
						十二月三十一日止 獲授予的 購股權數目 (附註1) No. of options granted during the year ended 31/12/2004 (Note 1)	十二月三十一日止 已行使的 購股權數目 No. of options exercised during the year ended 31/12/2004	十二月三十一日止 已失效的 購股權數目 No. of options lapsed during the year ended 31/12/2004		
孔丹先生 Mr. Kong Dan	根據新購股權計劃 Under the New Option Scheme		01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	-	3.540	-
	400,000	400,000				-	-	-	-	-
常振明先生 Mr. Chang Zhenming	根據新購股權計劃 Under the New Option Scheme		06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	400,000	-	-	3.775	-
	-	400,000				-	-	-	-	-
常振明先生 Mr. Chang Zhenming	根據新購股權計劃 Under the New Option Scheme		01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	-	3.540	-
	400,000	400,000				-	-	-	-	-
常振明先生 Mr. Chang Zhenming	根據新購股權計劃 Under the New Option Scheme		06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	400,000	-	-	3.775	-
	-	400,000				-	-	-	-	-

購股權計劃 (續)

Share Option Schemes (cont'd)

	於二零零四年		授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至二零零四年			行使 購股權的 每股行使價 Price per share on exercise HK\$	加權平均 收市價 (附註2) Weighted average closing price (Note 2) HK\$
	一月一日 尚未行使的 購股權數目 No. of options outstanding as at 01/01/2004	十二月三十一日 尚未行使的 購股權數目 No. of options outstanding as at 31/12/2004				十二月三十一日止 獲授予的 購股權數目 (附註1) No. of options granted during the year ended 31/12/2004 (Note 1)	十二月三十一日止 已行使的 購股權數目 No. of options exercised during the year ended 31/12/2004	十二月三十一日止 已失效的 購股權數目 No. of options lapsed during the year ended 31/12/2004		
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	根據舊購股權計劃 Under the Old Option Scheme		17/08/1999	-	20/04/2000 至 29/03/2005	-	1,000,000	-	2.217	3.173
	2,000,000	1,000,000								
	74,689	74,689	28/02/2002	-	28/02/2002 至 29/03/2005	-	-	-	2.217	-
	根據新購股權計劃 Under the New Option Scheme		01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	-	3.540	-
	300,000	300,000								
	-	300,000	06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	300,000	-	-	3.775	-
江紹智先生 Mr. Kong Siu Chee Kenneth	根據舊購股權計劃 Under the Old Option Scheme		17/08/1999	-	18/05/2001 至 29/03/2005	-	1,000,000	-	2.217	3.173
	2,000,000	1,000,000								
	74,689	74,689	28/02/2002	-	28/02/2002 至 29/03/2005	-	-	-	2.217	-
	根據新購股權計劃 Under the New Option Scheme		01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	-	3.540	-
	200,000	200,000								
	-	200,000	06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	200,000	-	-	3.775	-

購股權計劃 (續)

Share Option Schemes (cont'd)

	於二零零四年 一月一日	於二零零四年 十二月三十一日	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至二零零四年	截至二零零四年	截至二零零四年	行使 購股權的 每股行使價 港幣(元) Price per share on exercise HK\$	加權平均 收市價 (附註2) 港幣(元) Weighted average closing price (Note 2) HK\$
						十二月三十一日止 獲授予的 購股權數目 (附註1) No. of options granted during the year ended 31/12/2004 (Note 1)	十二月三十一日止 已行使的 購股權數目 No. of options exercised during the year ended 31/12/2004	十二月三十一日止 已失效的 購股權數目 No. of options lapsed during the year ended 31/12/2004		
盧永逸先生 Mr. Lo Wing Yat Kelvin	根據舊購股權計劃 Under the Old Option Scheme									
	1,200,000	300,000	17/08/1999	-	31/10/1999 至 29/03/2005	-	900,000	-	2.217	3.173
	74,689	74,689	28/02/2002	-	28/02/2002 至 29/03/2005	-	-	-	2.217	-
	根據新購股權計劃 Under the New Option Scheme									
	200,000	200,000	01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	-	3.540	-
	-	200,000	06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	200,000	-	-	3.775	-
趙盛彪先生 Mr. Zhao Shengbiao	根據舊購股權計劃 Under the Old Option Scheme									
	316,114	-	06/05/1998	-	07/05/1998 至 29/03/2005	-	316,114	-	1.000	2.738
	根據新購股權計劃 Under the New Option Scheme									
	40,000	40,000	01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	-	3.540	-
	-	40,000	06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	40,000	-	-	3.775	-

購股權計劃 (續)

Share Option Schemes (cont'd)

於二零零四年 一月一日	於二零零四年 十二月三十一日	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至二零零四年 十二月三十一日止			行使 購股權的 每股行使價 Price per share on exercise HK\$	加權平均 收市價 (附註2) Weighted average closing price (Note 2) HK\$
					獲授予的 購股權數目 (附註1) No. of options granted during the year ended 31/12/2004 (Note 1)	已行使的 購股權數目 No. of options exercised during the year ended 31/12/2004	已失效的 購股權數目 No. of options lapsed during the year ended 31/12/2004		
尚未行使的 購股權數目 No. of options outstanding as at 01/01/2004	尚未行使的 購股權數目 No. of options outstanding as at 31/12/2004								
其他合資格 人仕總計 Aggregate total of other eligible persons									
根據舊購股權計劃 Under the Old Option Scheme									
814	-	06/05/1998	-	07/05/1998 至 29/03/2005	-	814	-	1.000	2.738
203	203	28/02/2002	-	28/02/2002 至 29/03/2005	-	-	-	1.620	-
1,000,000	600,000	17/08/1999	-	01/04/2000 至 29/03/2005	-	400,000	-	2.217	3.173
71,423	44,813	28/02/2002	-	28/02/2002 至 29/03/2005	-	26,141	469	2.217	3.173
37,344	-	28/02/2002	-	01/03/2002 至 29/03/2005	-	-	37,344	1.828	-
500,000	500,000	28/03/2000	-	31/03/2000 至 29/03/2005	-	-	-	1.758	-
37,344	37,344	28/02/2002	-	28/02/2002 至 29/03/2005	-	-	-	1.758	-
100,000	-	27/06/2000	-	05/06/2002 至 29/03/2005	-	100,000	-	1.681	3.348
37,344	-	28/02/2002	-	05/06/2002 至 29/03/2005	-	37,344	-	1.681	3.348
100,000	100,000	10/08/2000	-	11/08/2001 至 29/03/2005	-	-	-	2.198	-
4,203	4,203	28/02/2002	-	28/02/2002 至 29/03/2005	-	-	-	2.198	-

購股權計劃 (續)

Share Option Schemes (cont'd)

	於二零零四年		授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至二零零四年	截至二零零四年	截至二零零四年	行使 購股權的 每股行使價 港幣(元) Price per share on exercise of options HK\$	加權平均 收市價 (附註2) 港幣(元) Weighted average closing price (Note 2) HK\$
	一月一日 尚未行使的 購股權數目 No. of options outstanding as at	十二月三十一日 尚未行使的 購股權數目 No. of options outstanding as at				十二月三十一日止 獲授予的 購股權數目 (附註1) No. of options granted during the year ended	十二月三十一日止 已行使的 購股權數目 No. of options exercised during the year ended	十二月三十一日止 已失效的 購股權數目 No. of options lapsed during the year ended		
其他合資格 人仕總計(續) Aggregate total of other eligible persons (cont'd)	根據舊購股權計劃(續) Under the Old Option Scheme (cont'd)									
	500,000	-	05/12/2000	-	22/10/2001 至 29/03/2005	-	500,000	-	1.747	3.476
	37,344	-	28/02/2002	-	28/02/2002 至 29/03/2005	-	37,344	-	1.747	3.476
	根據新購股權計劃 Under the New Option Scheme									
	5,218,000	4,178,000	01/12/2003	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	-	1,040,000	3.540	-
	-	5,004,000	06/04/2004	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	5,872,000	-	868,000	3.775	-
	14,924,200	16,072,630				7,412,000	4,317,757	1,945,813		

附註：

- (a) 本公司普通股於二零零四年四月六日授出購股權之前一天的收市價為港幣3.6元。
- (b) 董事認為評估購股權的價值涉及多方面主觀及不肯定的假設，因此不宜披露於截至二零零四年十二月三十一日止年度內授出的購股權的價值。董事相信基於揣測的假設以評估購股權的價值意義不大。

- 此為本公司普通股於購股權行使日期前的加權平均收市價。

Notes:

- (a) The closing price of the ordinary shares of the Company immediately before 6 April 2004 on which the options were granted was HK\$3.6.
- (b) The Directors consider that it is not appropriate to disclose the value of options granted during the year ended 31 December 2004 since any valuation of the options would be subject to a number of assumptions that would be subjective and uncertain. The Directors believe that the evaluation of options based upon speculative assumptions would not be meaningful and would be misleading.

- This represents the weighted average closing price of the ordinary shares of the Company immediately before the dates on which the options were exercised.

購股權計劃 (續)

除上述所披露者外，於二零零四年十二月三十一日，本公司的董事或行政總裁或其配偶或十八歲以下子女，概無獲授予或行使任何權利，以認購本公司或其任何相聯法團的股本或債務證券。

主要股東及其他人仕的權益

除下文所披露者外，董事並不知悉有任何其他人仕（本公司的董事或行政總裁或其各自的聯繫人仕除外）於二零零四年十二月三十一日在本公司的股份及相關股份中，擁有根據證券及期貨條例第XV部第2分部及第3分部之規定必須向本公司披露的權益或淡倉。

1. 本公司股份權益的好倉：

股東名稱 Name of shareholders	身份 Capacity	持有普通股數目 Number of ordinary shares held	佔已發行股本 百分率 Percentage of issued share capital
中國中信集團公司（「中信」） CITIC Group	實益擁有人 Beneficial owner	1,789,048,220	56.01
	所控制的法團的權益 Interest of controlled corporations	11,678,770	0.37
中國建設銀行 China Construction Bank	實益擁有人 Beneficial owner	168,599,268	5.28

2. 本公司股份權益的淡倉：

無。

3. 本公司(就股本衍生工具而言)相關股份的好倉及淡倉：

無。

Share Option Schemes (cont'd)

Save as disclosed above, as at 31 December 2004, none of the Directors or chief executive of the Company or their spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations.

Interest of Substantial Shareholders and Other Persons

Save as disclosed below, as at 31 December 2004, the Directors were not aware of any person (other than a Director or chief executive of the Company or their respective associate(s)) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

1. Long positions in shares of the Company:

2. Short positions in shares of the Company:

None.

3. Long and short positions in (in respect of equity derivatives) underlying shares of the Company:

None.

關連交易

收購中信資本市場控股有限公司25%之權益

於二零零四年三月十八日，本公司與中信簽訂收購協議，據此，本公司以總代價港幣500,000,000元現金購入True Worth Investments Limited(「True Worth」)全部已發行股本，及將True Worth負欠中信的全部股東貸款轉讓予本公司(「收購」)。True Worth為一間控股公司，持有中信資本市場控股有限公司(「中信資本市場控股」)已發行股本的25%。本公司透過全資附屬公司Dramatic Year Limited(「Dramatic Year」)持有中信資本市場控股已發行股本的25%，收購完成後，本公司透過兩間全資附屬公司True Worth及Dramatic Year，共持有中信資本市場控股已發行股本的50%。由於中信為本公司的控股股東，收購事項構成本公司的關連交易。收購事項已於二零零四年四月二十九日完成，而中信資本市場控股亦自該日起不再被上市規則界定為本公司的關連人士。

持續關連交易

服務協議

於二零零二年五月二十七日，中信嘉華銀行與中信資本市場控股簽訂服務協議(「中信資本市場控股服務協議」)。根據中信資本市場控股服務協議，中信嘉華銀行提供管理支援服務予中信資本市場控股，而中信資本市場控股就所予提供之服務按雙方不時相互同意之時間成本基準，支付服務費用予中信嘉華銀行。於截至二零零四年十二月三十一日止年度，中信嘉華銀行按中信資本市場控股服務協議所收取或將收取的服務費總額為港幣1,947,785元。

Connected Transactions

Acquisition of a 25% interest in CITIC Capital Markets Holdings Limited

On 18 March 2004, the Company entered into an acquisition agreement with CITIC Group in connection with the purchase by the Company of the total issued share capital in True Worth Investments Limited ("True Worth") and the assignment to the Company of all shareholder's loans owing by True Worth to CITIC Group at the total consideration of HK\$500,000,000 in cash (the "Acquisition"). True Worth is the holding company of 25% of the issued share capital in CITIC Capital Markets Holdings Limited ("CCMH") which the Company had an original holding of 25% through its wholly-owned subsidiary, Dramatic Year Limited ("Dramatic Year"). Subsequent to the completion of the Acquisition, the Company held the effective shareholding of 50% in CCMH through its two wholly-owned subsidiaries, True Worth and Dramatic Year. Since CITIC Group is the substantial shareholder of the Company, the Acquisition constituted a connected transaction of the Company. Since the completion of the Acquisition on 29 April 2004, CCMH ceased to be a connected person of the Company as defined by the Listing Rules.

Continuing Connected Transactions

Service Agreement

On 27 May 2002, CKWB entered into a service agreement with CCMH ("CCMH Service Agreement"). Pursuant to the CCMH Service Agreement, CKWB would provide management support services to CCMH and CCMH would pay CKWB service fees for the services rendered on a time cost basis as mutually agreed between the parties from time to time. The aggregate service fee received or receivable by CKWB pursuant to the CCMH Service Agreement for the year ended 31 December 2004 was HK\$1,947,785.

關連交易 (續)

持續關連交易 (續)

代理協議

於二零零二年五月二十七日，中信嘉華銀行與本公司及中信的相聯公司中信資本證券有限公司(「中信資本證券」)簽訂代理協議(「中信資本證券代理協議」)。根據該代理協議，中信資本證券委任中信嘉華銀行為代理銀行，代表中信資本證券為其客戶開立證券戶口，並透過中信嘉華銀行接收中信資本證券客戶之指示。就每項成功完成之指示而言，中信嘉華銀行有權向中信資本證券收取代理費用，金額為中信資本證券客戶就有關指示須予支付之經紀佣金的30%(於二零零四年五月二十七日增加至50%)或中信資本證券與中信嘉華銀行不時相互同意的金額。於截至二零零四年十二月三十一日止年度，中信嘉華銀行所收取或將收取的代理費總額為港幣13,229,870元。

全權投資管理協議

於二零零三年七月三十一日，中信嘉華銀行與中信資本市場有限公司(「中信資本市場」)(為中信資本市場控股的附屬公司和本公司及中信的相聯公司)簽訂全權投資管理協議(「中信嘉華銀行投資管理協議」)。據此，中信嘉華銀行委任中信資本市場為投資經理，提供全權投資管理服務，按所提供的投資管理服務，中信嘉華銀行將支付管理費及表現費予中信資本市場，管理費為每年投資額的0.5%，而表現費則按全年回報率計算，若全年回報率達5%或以上則支付15%；若全年回報率達10%或以上則支付20%；及若全年回報率達15%或以上則支付25%。截至二零零四年十二月三十一日止年度，中信嘉華銀行毋須按中信嘉華銀行投資管理協議支付任何管理費及表現費。

Connected Transactions (cont'd)

Continuing Connected Transactions (cont'd)

Agency Agreement

On 27 May 2002, CKWB entered into an agency agreement with CITIC Capital Securities Limited ("CCSL"), an associated company of the Company and CITIC Group, ("CCSL Agency Agreement") whereby CCSL appointed CKWB as its agent bank to act on its behalf to open securities accounts for its customers and to receive order from CCSL's customers through CKWB. For each successfully executed order, CKWB would be entitled to receive from CCSL an agency fee amounting to 30% (which was subsequently increased to 50% on 27 May 2004) of the brokerage commission payable by CCSL's customer on such order or such amount as mutually agreed between the parties from time to time. The aggregate agency fee received or receivable by CKWB for the year ended 31 December 2004 was HK\$13,229,870.

Discretionary Investment Management Agreements

On 31 July 2003, CKWB entered into a discretionary investment management agreement with CITIC Capital Markets Limited ("CCML"), a subsidiary of CCMH and an associated company of the Company and CITIC Group, ("CKWB DIM Agreement") whereby CKWB appointed CCML as the investment manager providing discretionary investment management services to CKWB. A management fee of 0.5% per annum of the invested amount would be paid by CKWB to CCML for the investment management services provided and on top of that, a performance fee of 15% for annualized return of 5% or above, 20% for annualized return of 10% or above, and 25% for annualized return of 15% or above. For the year ended 31 December 2004, no management fee and performance fee were payable by CKWB pursuant to the CKWB DIM Agreement.

關連交易 (續)

持續關連交易 (續)

全權投資管理協議 (續)

於二零零三年九月十八日，本公司的全資附屬公司中信國際資產管理有限公司（「中信國際資產管理」）與中信資本市場簽訂全權投資管理協議（「中信國際資產管理投資管理協議」）。據此，中信國際資產管理委任中信資本市場為投資經理，提供全權投資管理服務，按所提供的投資管理服務，中信國際資產管理將每月支付管理費及表現費予中信資本市場，管理費為每年投資組合的資產淨值（即每月的平均每日結存）的0.5%，而表現費則按淨回報率計算，若淨回報率介乎5%至8%則支付10%；及若淨回報率達8%或以上則支付20%。截至二零零四年十二月三十一日止年度，中信國際資產管理按照中信國際資產管理投資管理協議而支付或須支付的管理費為港幣316,323元，惟中信國際資產管理毋須按照中信國際資產管理投資管理協議支付或須支付任何表現費。

研究服務協議

於二零零三年十月二十九日和十一月二十四日，本公司當時持有75%權益的附屬公司中信投資研究有限公司（「中信投資研究」）分別與中信資本證券和中信資本市場控股簽訂兩份研究服務協議（分別為「中信資本證券研究服務協議」和「中信資本市場控股研究服務協議」）。據此，中信投資研究為中信資本證券和中信資本市場控股編撰若干研究報告及提供工業和市場顧問服務與其他相關服務。根據中信資本證券研究服務協議，中信資本證券須每年支付服務費共港幣1,800,000元予中信投資研究；另外，根據中信資本市場控股研究服務協議，中信資本市場控股須分別支付上期款項港幣2,100,000元及每半年支付服務費港幣1,050,000元予中信投資研究，有關服務費分別於二零零四年三月三十一日及二零零四年九月三十日支付。

於二零零四年六月十七日，本公司將所持有中信投資研究的75%權益出售予中信資本市場控股，自此，中信投資研究成為中信資本市場控股的全資附屬公司。於二零零四年一月一日至二零零四年六月十七日期間，中信投資研究按照中信資本證券研究服務協議及中信資本市場控股研究服務協議，所收取的服務費分別為港幣750,000元和港幣2,975,000元。

Connected Transactions (cont'd)

Continuing Connected Transactions (cont'd)

Discretionary Investment Management Agreements (cont'd)

On 18 September 2003, CITIC International Assets Management Limited ("CIAM"), a wholly-owned subsidiary of the Company, entered into a discretionary investment management agreement with CCML ("CIAM DIM Agreement") whereby CIAM appointed CCML to act as the investment manager providing discretionary investment management services to CIAM at the respective amount of management fee and performance fee. A management fee of 0.5% per annum of the net asset value, being the average daily balance in the month, would be paid monthly by CIAM to CCML for the investment management services provided and on top of that, a performance fee of 10% for a net return portion from 5% to 8%, and 20% for the net return portion in excess of 8% would be paid by CIAM for such services. For the year ended 31 December 2004, the management fee paid or payable by CIAM was HK\$316,323 and no performance fee was paid or payable by CIAM pursuant to the CIAM DIM Agreement.

Research Service Agreement

Respectively on 29 October 2003 and 24 November 2003, CITIC Frontier China Research Limited ("CITIC Frontier"), a 75% owned subsidiary of the Company then, entered into two research service agreements with CCSL and CCMH (respectively "CCSL Research Service Agreement" and "CCMH Research Service Agreement") whereby CITIC Frontier would render certain research compilation, industrial and market advisory services and other related services to CCSL and CCMH. Pursuant to the CCSL Research Service Agreement, a service fee of HK\$1,800,000 per annum would be payable by CCSL to CITIC Frontier and pursuant to the CCMH Research Service Agreement, a service fee comprising an upfront fee of HK\$2,100,000 and a semi-annual service fee of HK\$1,050,000 each payable on 31 March 2004 and 30 September 2004 respectively would be payable by CCMH to CITIC Frontier respectively.

On 17 June 2004, the 75% interest held by the Company in CITIC Frontier was sold to CCMH and since then, CITIC Frontier became a wholly-owned subsidiary of CCMH. The service fees received by CITIC Frontier pursuant to the CCSL Research Service Agreement and the CCMH Research Service Agreement during the period from 1 January 2004 to 17 June 2004 were HK\$750,000 and HK\$2,975,000 respectively.

關連交易 (續)

持續關連交易 (續)

董事審閱持續關連交易

董事(包括獨立非執行董事)已審查上述截至二零零四年十二月三十一日止年度的持續關連交易,並確認該等交易:(i)在本公司或有關附屬公司的日常業務過程中按對本公司或有關附屬公司公平及合理的條款訂立;及(ii)符合正常商業條款及有關交易所屬各項該等協議的條款。中信嘉華銀行及中信國際資產管理根據中信嘉華銀行投資管理協議及中信國際資產管理投資管理協議所支付或須支付的管理費和表現費總額、或中信嘉華銀行根據中信資本市場控股服務協議所收取或將收取的服務費總額、或中信嘉華銀行根據中信資本證券代理協議所收取或將收取的代理費總額、或中信投資研究根據中信資本證券研究服務協議及中信資本市場控股研究服務協議所收取的服務費總額,並未有超過本公司於截至二零零四年十二月三十一日止年度的綜合有形資產淨值的3%。

核數師確認持續關連交易

本公司核數師畢馬威會計師事務所已確認截至二零零四年十二月三十一日止年度的持續關連交易:

1. 經由本公司董事會批准;
2. 乃根據有關交易的協議條款進行;及
3. 並無超逾先前有關公告披露的上限。

購買、出售或贖回本公司的上市證券

本公司於截至二零零四年十二月三十一日止年度並無贖回任何本公司的上市證券。本公司及各附屬公司於本年度均無購入或出售任何本公司的上市證券。

Connected Transactions (cont'd)

Continuing Connected Transactions (cont'd)

Directors' review on the continuing connected transactions

The Directors, including the Independent Non-executive Directors, had reviewed the continuing connected transactions made during the year ended 31 December 2004 and confirmed that these transactions were (i) entered into in the ordinary and usual course of business on terms that are fair and reasonable so far as the Company or the relevant subsidiary is concerned and (ii) on normal commercial terms and in accordance with the terms of each of the relevant agreements governing such transactions. The aggregate investment management and performance fees paid or payable by CKWB and CIAM pursuant to the CKWB DIM Agreement and the CIAM DIM Agreement, or the aggregate service fee received or receivable by CKWB pursuant to the CCMH Service Agreement, or the aggregate agency fee received or receivable by CKWB pursuant to the CCSL Agency Agreement, or the aggregate service fee received by CITIC Frontier pursuant to the CCSL Research Service Agreement and the CCMH Research Service Agreement during the relevant period of time, did not exceed 3% of the consolidated net tangible assets of the Company as at 31 December 2004.

Auditors' confirmation on the continuing connected transactions

KPMG, the Auditors of the Company for the year ended 31 December 2004, have confirmed that the continuing connected transactions made during the year ended 31 December 2004:

1. have received the approval of the Board of Directors of the Company;
2. have been entered into in accordance with the relevant agreements governing the transactions; and
3. have not exceeded the cap disclosed in the relevant previous announcements.

Purchase, Sale or Redemption on the Company's Listed Securities

The Company had not redeemed any of its listed securities during the year ended 31 December 2004. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities during the year.

管理合約

本年度內，本公司並無簽訂或存有任何與本公司全盤業務或其中重大部份業務管理有關的管理合約。

主要客戶

董事相信，本集團五大客戶佔本集團於本年度的利息收入及其他經營收入總額少於30%。

遵守《最佳應用守則》

除對獨立非執行董事的委任無具體的條款，本公司於本年度內均完全遵守由聯交所頒佈的上市規則附錄14《最佳應用守則》所載的規定。

遵從《上市發行人董事進行證券交易的標準守則》

本公司已就董事的證券交易，採納了一套與上市規則附錄10所載的「上市發行人董事進行證券交易的標準守則」的標準行為守則相同的行為守則（「行為守則」）。經向本公司所有董事作出特定查詢後，本公司所有董事在本年度內已遵守行為守則。

核數師

重新委任畢馬威會計師事務所為本公司核數師的決議案，將在即將舉行的股東週年大會上提呈。

承董事會命

孔丹
董事長

香港，二零零五年三月十日

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Major Customers

The Directors believe that the five largest customers of the Group accounted for less than 30% of the total of interest income and other operating income of the Group in the year.

Compliance with the “Code of Best Practice”

The Company had complied throughout the year with the “Code of Best Practice” as set out by the Stock Exchange in Appendix 14 of the Listing Rules except that there is no specific term for the appointment of Independent Non-executive Directors.

Compliance with the “Model Code for Securities Transactions by Directors of Listed Issuers”

The Company has adopted a code of conduct regarding directors’ securities transactions (the “Code of Conduct”) on the same terms as the “Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix 10 of the Listing Rules. Having made specific enquiry of all Directors of the Company, all Directors of the Company had complied with the Code of Conduct throughout the year.

Auditors

A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

Kong Dan
Chairman

Hong Kong, 10 March 2005

核數師報告書

Auditors' Report



致中信國際金融控股有限公司各股東

(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核刊於第118頁至第205頁按照香港公認會計原則編製的財務報表。

董事及核數師各自的責任

香港《公司條例》規定董事須編製真實與公允的財務報表。在編製真實與公允的財務報表時，董事必須貫徹採用合適的會計政策，作出審慎及合理的判斷和估計，並說明任何重大背離現行會計準則的原因。

我們的責任是根據我們審核工作的結果，對這些財務報表提出獨立意見，並按照香港《公司條例》第141條的規定，只向作為法人團體的股東報告。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。

意見的基礎

我們是按照香港會計師公會頒佈的《核數準則》進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製這些財務報表時所作的主要估計和判斷，所釐定的會計政策是否適合貴公司及貴集團的具體情況及有否貫徹運用並足夠披露這些會計政策。

我們在策劃和進行審核工作時，是以取得一切我們認為必須的資料及解釋為目標，使我們能獲得充分的憑證，就財務報表是否存在重大的錯誤陳述，作合理的確定。在提出意見時，我們亦已衡量財務報表所載資料在整體上是否足夠。我們相信，我們的審核工作已為下列意見建立合理的基礎。

Auditors' report to the shareholders of CITIC International Financial Holdings Limited

(Incorporated in Hong Kong with limited liability)

We have audited the financial statements on pages 118 to 205 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective Responsibilities of Directors and Auditors

The Hong Kong Companies Ordinance requires the directors to prepare financial statements which give a true and fair view. In preparing financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently, that judgements and estimates are made which are prudent and reasonable and that the reasons for any significant departure from applicable accounting standards are stated.

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

Basis of Opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion.

意見

我們認為，這些財務報表均真實與公允地反映貴公司及貴集團於二零零四年十二月三十一日的財政狀況及貴集團截至該日止年度的溢利和現金流量，並已按照香港《公司條例》適當地編製。

畢馬威會計師事務所

執業會計師

香港，二零零五年三月十日

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2004 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants

Hong Kong, 10 March 2005

綜合收益表

Consolidated Income Statement

截至二零零四年十二月三十一日止年度(以港幣為單位)
for the year ended 31 December 2004 (expressed in Hong Kong dollars)

		附註 Note	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
利息收入	Interest income	3(a)	2,241,410	2,523,226
利息支出	Interest expense		(767,953)	(961,655)
淨利息收入	Net interest income		1,473,457	1,561,571
費用及佣金收入	Fees and commission income		461,307	416,276
費用及佣金支出	Fees and commission expense		(26,880)	(39,000)
其他經營收入	Other operating income	3(b)	248,551	82,012
經營收入	Operating income		2,156,435	2,020,859
經營支出	Operating expenses	3(c)	(1,117,485)	(1,015,485)
未計準備前經營溢利	Operating profit before provisions		1,038,950	1,005,374
呆壞賬準備	Charge for bad and doubtful debts	3(d)	(78,065)	(513,781)
經營溢利	Operating profit	3	960,885	491,593
出售有形固定資產淨溢利/(虧損)	Net profit/(loss) on disposal of tangible fixed assets		11,862	(16,017)
重估投資物業淨盈餘	Net surplus on revaluation of investment properties		7,555	24,461
出售持有至到期證券淨溢利	Net profit on disposal of held-to-maturity securities		-	124,823
持有至到期證券回撥	Provision written back on held-to-maturity securities		9,682	169
商譽減值損失	Impairment loss on goodwill	23	(9,502)	-
其他物業減值損失	Impairment loss on other premises		-	(27,617)
所佔聯營公司溢利減虧損	Share of profits less losses of associates		75,978	174,672
正常業務的稅前溢利	Profit from ordinary activities before taxation	34	1,056,460	772,084
稅項	Income tax	5(a)	(155,491)	(115,318)
正常業務的稅後溢利	Profit from ordinary activities after taxation		900,969	656,766
少數股東權益	Minority interests		370	(188)
股東應佔溢利	Profit attributable to shareholders	30(f)	901,339	656,578
保留溢利：	Profit retained in:			
本公司及附屬公司	The Company and its subsidiaries		829,675	508,231
聯營公司	Associates		71,664	148,347
			901,339	656,578
本年度股息：	Dividends attributable to the year:	7(a)		
本年度已宣派及派發的 中期股息	Interim dividend declared and paid during the year		210,759	95,465
結算日後擬派的 期末股息	Final dividend proposed after the balance sheet date		239,636	200,960
			450,395	296,425
每股盈利	Earnings per share	8		
基本	Basic		28.24仙¢	21.00仙¢
攤薄	Diluted		25.70仙¢	20.84仙¢

第123頁至205頁的附註屬財務報表一部份。
The notes on pages 123 to 205 form part of these financial statements.

綜合資產負債表

Consolidated Balance Sheet

於二零零四年十二月三十一日(以港幣為單位)

at 31 December 2004 (expressed in Hong Kong dollars)

	附註 Note	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
資產	Assets		
現金及短期資金	Cash and short-term funds	8,345,790	7,511,643
一個月後到期的銀行及 其他金融機構存款	Placements with banks and other financial institutions maturing after one month	364,307	646,373
貿易票據減準備	Trade bills less provisions	246,081	452,489
存款證	Certificates of deposit	1,366,315	2,059,100
其他證券投資	Other investments in securities	3,968,263	2,511,606
客戶墊款及其他賬項 減準備	Advances to customers and other accounts less provisions	43,323,300	41,073,517
持有至到期證券及 投資證券	Held-to-maturity securities and investment securities	22,294,833	22,454,176
聯營公司權益	Interest in associates	1,312,357	490,444
商譽	Goodwill	1,007,749	1,077,587
遞延稅項資產	Deferred tax assets	93,562	87,477
有形固定資產	Tangible fixed assets	1,247,460	1,553,045
總資產	Total assets	83,570,017	79,917,457
負債	Liabilities		
銀行及其他金融機構存款 及結存	Deposits and balances of banks and other financial institutions	3,555,852	3,486,079
客戶存款	Deposits from customers	55,451,727	56,847,606
已發行存款證	Certificates of deposit issued	6,959,690	4,711,175
已發行債務證券	Debt securities issued	2,322,798	-
已發行可換股債券	Convertible bonds issued	1,399,384	1,397,364
現行稅項	Current taxation	6,446	17,071
遞延稅項負債	Deferred tax liabilities	8	15
其他賬項及準備	Other accounts and provisions	1,287,861	1,376,464
總負債	Total liabilities	70,983,766	67,835,774
資金來源	Capital resources		
股本	Share capital	3,194,153	3,189,835
儲備	Reserves	5,116,202	4,621,935
股東資金	Shareholders' funds	8,310,355	7,811,770
少數股東權益	Minority interests	-	191
債務資本	Loan capital	4,275,896	4,269,722
資金來源總額	Total capital resources	12,586,251	12,081,683
負債及資金來源總額	Total liabilities and capital resources	83,570,017	79,917,457

董事會於二零零五年三月十日核准並授權發佈

Approved and authorised for issue by the Board of Directors on 10 March 2005

竇建中
Dou Jianzhong
董事兼行政總裁
Director and C.E.O.

陳許多琳
Chan Hui Dor Lam Doreen
董事總經理兼替任行政總裁
Managing Director and A.C.E.O.

盧永逸
Lo Wing Yat Kelvin
董事總經理兼替任行政總裁
Managing Director and A.C.E.O.

李若齡
Lee Yuk Ling Lincoln
集團財務總監
Group Chief Financial Officer

第123頁至205頁的附註屬財務報表一部份。

The notes on pages 123 to 205 form part of these financial statements.

資產負債表

Balance Sheet

於二零零四年十二月三十一日(以港幣為單位)
at 31 December 2004 (expressed in Hong Kong dollars)

			二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
			附註 Note	
資產	Assets			
其他證券投資	Other investments in securities	13	86,074	–
客戶墊款及其他賬項減準備	Advances to customers and other accounts less provisions	14(a)	23,963	29,910
應收附屬公司款項	Amounts due from subsidiaries	18	1,070,478	1,637,049
附屬公司投資	Investments in subsidiaries	20	6,236,222	5,546,229
有形固定資產	Tangible fixed assets	24	57,823	212,735
總資產	Total assets		7,474,560	7,425,923
負債	Liabilities			
其他賬項及準備	Other accounts and provisions		6,777	7,690
應付附屬公司款項	Amounts due to subsidiaries	22	1,399,608	1,397,597
總負債	Total liabilities		1,406,385	1,405,287
資金來源	Capital resources			
股本	Share capital	29	3,194,153	3,189,835
儲備	Reserves	30	2,874,022	2,830,801
股東資金	Shareholders' funds		6,068,175	6,020,636
負債及資金來源總額	Total liabilities and capital resources		7,474,560	7,425,923

董事會於二零零五年三月十日核准並授權發佈
Approved and authorised for issue by the Board of Directors on 10 March 2005

竇建中
Dou Jianzhong
董事兼行政總裁
Director and C.E.O.

陳許多琳
Chan Hui Dor Lam Doreen
董事總經理兼替任行政總裁
Managing Director and A.C.E.O.

盧永逸
Lo Wing Yat Kelvin
董事總經理兼替任行政總裁
Managing Director and A.C.E.O.

李若齡
Lee Yuk Ling Lincoln
集團財務總監
Group Chief Financial Officer

第123頁至205頁的附註屬財務報表一部份。
The notes on pages 123 to 205 form part of these financial statements.

綜合權益變動報表

Consolidated Statement of Changes in Equity

截至二零零四年十二月三十一日止年度(以港幣為單位)
for the year ended 31 December 2004 (expressed in Hong Kong dollars)

		附註 Note	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
於1月1日的股東權益	Shareholders' equity at 1 January		7,811,770	
– 如前滙報	– As previously reported			7,426,293
– 前年度因遞延稅項作出的調整	– Prior year adjustment in respect of deferred taxation			(53,066)
– 重報	– As restated			7,373,227
滙兌差額	Exchange differences	30(e)	283	(916)
未在收益表內確認的溢利/(虧損)	Net gains/(losses) not recognised in the income statement		283	(916)
股東應佔溢利	Profit attributable to shareholders	30(f)	901,339	656,578
本年度已派發股息	Dividends paid during the year	7(c)	(411,897)	(490,095)
股權變動：	Movements in share capital:			
按舊購股權計劃發行的股份	Shares issued under the Old Option Scheme	29	4,318	9,052
按以股代息計劃發行的新股	Shares issued under scrip dividends	29	–	145,470
已收股份淨溢價	Net share premium received	30(a)	4,542	118,454
			8,860	272,976
於12月31日的股東權益	Shareholders' equity at 31 December		8,310,355	7,811,770

第123頁至205頁的附註屬財務報表一部份。
The notes on pages 123 to 205 form part of these financial statements.

綜合現金流量表

Consolidated Cash Flow Statement

截至二零零四年十二月三十一日止年度(以港幣為單位)
for the year ended 31 December 2004 (expressed in Hong Kong dollars)

	附註 Note	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
經營業務			
(用於) / 來自經營業務的現金	34	(637,954)	1,330,860
已付香港利得稅		(115,782)	(44,307)
已付海外利得稅		(1,568)	(2,408)
(用於) / 來自經營業務產生的現金淨額		(755,304)	1,284,145
投資業務			
已收股票投資股息		10,777	13,462
收聯營公司股息		-	15,180
購入有形固定資產		(64,003)	(39,756)
出售有形固定資產所得款項		241,875	20,453
新增聯營公司權益		(500,000)	-
資本注入聯營公司		(250,000)	-
購入一間附屬公司現金淨流入		-	511
出售附屬公司現金淨流出	35(b)	(8,872)	-
(用於) / 來自投資業務的現金淨額		(570,223)	9,850
融資業務			
支付股息	7(c)	(411,897)	(490,095)
發行可換股債券所得款項		-	1,369,417
支付發行可換股債券利息		(3,505)	-
支付已發行債務資本利息		(355,602)	(356,667)
發行債務證券所得款項		2,323,082	-
少數股東權益股本		-	3
發行股份所得款項		8,860	272,976
來自融資業務的現金淨額		1,560,938	795,634
現金及現金等值項目增加淨額		235,411	2,089,629
於1月1日的現金及現金等值項目		7,819,098	5,729,469
於12月31日的現金及現金等值項目	36	8,054,509	7,819,098
經營業務產生的現金流量包括：			
已收利息		3,072,324	3,321,445
已付利息		(1,549,720)	(1,818,360)

第123頁至205頁的附註屬財務報表一部份。

The notes on pages 123 to 205 form part of these financial statements.

財務報表附註

Notes on the Financial Statements

(除特別列明外以港幣為單位)

(Expressed in Hong Kong dollars unless otherwise indicated)

1. 主要業務

中信國際金融控股有限公司(統稱「本公司」)及其附屬公司(統稱「本集團」)的主要業務是提供銀行及相關金融服務。這些業務對本集團的業績或資產及負債具有重大影響。

2. 主要會計政策

(a) 遵例聲明

這些財務報表已按照香港會計師公會頒佈的所有適用之《香港財務報告準則》(包括所適用的《會計實務準則》及詮釋)、香港公認會計原則及香港《公司條例》規定編製。這些財務報表也符合香港聯合交易所《證券上市規則》的適用披露規定。本集團採用的主要會計政策概述如下。

(b) 財務報表編製基準

除了投資物業以重估值以及部份證券投資及衍生金融工具以市值列賬外，各財務報表是以歷史成本作為編製基準。有關詳情已載列於下列會計政策。

(c) 收入確認

收入是在經濟效益可能會流入本集團，以及能夠可靠地計算收入和成本(如適用)時，根據下列方法在收益表內確認：

- (i) 計劃持有至到期的有期債務證券利息收入按溢價攤銷或購入折扣所調整的數額，在產生時確認，使回報率自購入日至到期日期間維持不變。除了呆賬利息外，其他利息收入均按尚未償還債務本金及適用利率，以時間比例為基準計算(附註2(d)(v))。

1. Principal Activities

The principal activities of CITIC International Financial Holdings Limited (the "Company") and its subsidiaries (the "Group"), which materially affect the results or comprise the assets and liabilities of the Group, are the provision of banking and related financial services.

2. Significant Accounting Policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice ("SSAP") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is historical cost modified by the revaluation of premises and investment properties, and the marking to market of certain investments in securities and derivative financial instruments as explained in the accounting policies set out below.

(c) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

- (i) Interest income from dated debt securities intended to be held to maturity is recognised as it accrues, as adjusted by the amortisation of the premium or discount on acquisition, so as to achieve a constant rate of return over the period from the date of purchase to the date of maturity. Other interest income is accrued on a time-apportioned basis by reference to the principal outstanding and the rate applicable, except in the case of interest on doubtful debts (note 2(d)(v)).

2. 主要會計政策 (續)

(c) 收入確認 (續)

- (ii) 費用及佣金收入在賺取時確認，但如費用是為彌補持續為客戶提供一項服務的成本或承受風險而收取或費用性質為利息則除外。在這些情況下，收費在成本發生或承受風險的會計期確認或視作利息收入。
- (iii) 融資租賃及分期付款的隱含財務收入按租賃年期確認為利息收入，以令每個會計年度期間剩餘的淨投資回報大致上相同。支付經紀有關融資租賃及分期付款的佣金按租賃期限攤銷。
- (iv) 除非有具代表性的基準衡量從租賃資產獲取利益的模式，其經營租賃之應收租金會按該租賃資產的會計年期以等額分期確認為其他經營收入。租賃回贈收益在收益表內列作淨應收租賃支出總額的一部份。
- (v) 股息收入確認如下：
 - 上市投資的股息收入是在該項投資的股價除息時確認；及
 - 非上市投資的股息收入在股東收取款項的權利確立時確認。

2. Significant Accounting Policies (cont'd)

(c) Revenue recognition (cont'd)

- (ii) Fee and commission income is recognised when the corresponding service is provided, except where the fee is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the fee is recognised as income in the accounting period in which the costs or risk incurred or accounted for as interest income.
- (iii) Finance income implicit in the finance lease and hire purchase payments is recognised as interest income over the period of the leases so as to produce an approximately constant periodic rate of return, on the outstanding net investment in the leases for each accounting period. Commission paid to dealers for finance lease loans or hire purchase contracts is amortised over the terms of the leases.
- (iv) Rental income receivable under operating leases is recognised as other operating income in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the income statement as an integral part of the aggregate net lease payments receivable.
- (v) Dividend income is recognised as follows:
 - dividend income from listed investments is recognised when the share price of the investment goes ex-dividend; and
 - dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

2. 主要會計政策 (續)

(d) 墊款及呆賬

- (i) 向客戶提供的墊款和貿易票據在提取或獲得時按現金價款計算，並按尚餘本金減任何暫記利息和呆壞賬準備後，在資產負債表列賬。住宅按揭貸款提供的現金回贈需予以資本化及在提早還款罰息期間於收益表攤銷。
- (ii) 當管理層懷疑最終是否能收回貸款的本金或利息，或當按合約須支付的本金或利息逾期九十天，便會即時將貸款列為不履約貸款。當貸款被列為不履約貸款時，就會把利息暫記，並在有需要時提撥特別準備。

然而，在以下情況下，暫記利息可遞延達十二個月：

- 持有現金抵押品，其價值相當於到期本金及利息總和，並可合法行使抵償權；或
- 可變現之有形抵押品淨值足以抵償到期的所有本金及利息，並通過信審程序批准將利息累積或撥入本金。

(iii) 特別準備

特別準備是指來自指定賬戶的預期虧損量化金額，並從資產負債表的貸款及墊款中扣除。提撥之特別準備的金額是按個別情況而進行評估。當貸款被列為呆賬時，特別準備會按照定期檢討其賬面值減任何可實現抵押品金額而提撥，以減少這些墊款餘額。

2. Significant Accounting Policies (cont'd)

(d) Advances and doubtful debts

- (i) Advances to customers and trade bills are measured at the cash consideration at the time of drawdown/acquisition and are stated in the balance sheet at the principal amounts outstanding net of any suspended interest and provisions for bad and doubtful debts. Cash rebates granted in relation to residential mortgage loans are capitalised and amortised to the income statement over the early prepayment penalty period.
- (ii) Loans are designated as non-performing as soon as management has doubts as to the ultimate recoverability of principal or interest or when contractual payments of principal or interest are 90 days overdue. When a loan is designated as non-performing, interest will be suspended and a specific provision raised if required.

However, the suspension of interest may be deferred for up to 12 months past due in the following situations:

- where cash collateral is held covering the total of principal and interest due and the right of set-off is in place; or
- where the value of net realisable tangible collateral is considered more than sufficient to cover the full repayment of all principal and interest due and credit approval has been given to the rolling-up or capitalisation of interest payments.

(iii) Specific provisions

Specific provisions represent the quantification of expected losses from identified accounts and are deducted from loans and advances in the balance sheet. The amount of specific provisions raised is assessed on a case by case basis. Specific provisions are made against the carrying amount of advances that are identified as being in doubt, based on regular reviews of outstanding balances, to reduce these advances, net of any realisable collateral, to their recoverable amounts.

2. 主要會計政策 (續)

(d) 墊款及呆賬 (續)

(iv) 一般準備

一般準備補特別準備的不足，以照應於結算日已存在但於日後始能確認之貸款損失。本集團維持之一般準備金額乃參照貸款組合的結構和風險特點及主要根據過往的虧損經驗計算貸款組合個別部份的預期虧損。一般準備於資產負債表的客戶貸款及墊款中扣除。

(v) 利息暫記的墊款

不履約貸款的應計利息記入暫記賬。在適用的情況下，該筆款項會從資產負債表的「客戶墊款及其他賬項」或「貿易票據」中扣除。在收取現金(變現抵押品所得的現金除外)後，暫記利息就可收回，並記入收益表。變現抵押品所收取的金額用於償還未償債務，如有盈餘，則先用作抵銷任何特別準備，然後用作抵銷暫記利息。

(vi) 非應計貸款

在利息和本金付款資料未更新，未來還款未合理肯定前，貸款不會重新分類為應計貸款。如果收回利息付款的可能性很低，利息就不再視作應計利息。如果貸款沒有合理收回機會，有關貸款及任何相關的暫記利息就會撤銷。

(vii) 購入以取代墊款的資產

為實現有序的變現，取代墊款而購入的資產仍以墊款列賬。在這情況下，墊款的賬面值及估計可從售出取回資產收入之間的差額，應作減值準備。

2. Significant Accounting Policies (cont'd)

(d) Advances and doubtful debts (cont'd)

(iv) General provisions

General provisions augment specific provisions and provide cover for loans which are impaired at the balance sheet date but which will not be identified as such until some time in the future. The Group maintains a general provision which is determined taking into account the structure and risk characteristics of the Group's loan portfolio and the expected loss of the individual components of the loan portfolio based primarily on the historical loss experience. General provisions are deducted from loans and advances to customers in the balance sheet.

(v) Advances on which interest is being suspended

Interest accrued on non-performing loans is credited to a suspense account which is netted in the balance sheet against "Advances to customers and other accounts" or "Trade bills" as appropriate. On receipt of cash (other than from the realisation of collateral), suspended interest is recovered and taken to the income statement. Amounts received from the realisation of collateral are applied to the repayment of outstanding indebtedness, with any surplus used to recover any specific provisions and then suspended interest.

(vi) Non-accrual loans

Loans are not reclassified as accruing until interest and principal payments are up-to-date and future payments are reasonably assured. Where the probability of receiving interest payments is remote, interest is no longer accrued. Where the loan has no reasonable prospect of recovery, the loan and any related suspended interest are written off.

(vii) Assets acquired in exchange for advances

Assets acquired in exchange for advances in order to achieve an orderly realisation continue to be reported as advances. In this regard, provision is made on the shortfall between the carrying amount of the advances and the expected net sales proceeds from realisation of the repossessed assets.

2. 主要會計政策 (續)

(d) 墊款及呆賬 (續)

(vii) 購入以取代墊款的資產 (續)

在墊款已經沖銷的情況下，購入的資產將被重新分類，列入其他賬項。若預計購入資產之公平價值下降，則按需要把減值損失 (參閱附註2(k)) 入賬。

(e) 附屬公司

按照香港《公司條例》的規定，附屬公司是指本集團直接或間接持有超過半數已發行股本，或控制超過半數投票權，或控制其董事會組成的公司。本公司有權直接或間接管轄其財務及經營政策，以透過其活動得益的附屬公司，均視為受本公司控制。

於受控附屬公司的投資均在綜合財務報表中綜合計算。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或是在嚴格而長期的規限下運作，以致其向本集團轉移資金的能力嚴重受損，則這些投資會計入其他證券投資賬項 (參閱附註2(h)(iv))。

集團間之結餘及交易，及任何集團間之交易而產生之未實現溢利均於編製綜合財務報表時悉數抵銷，集團間交易產生之未實現虧損以未實現溢利一致之方法予以抵銷，惟僅至再無減值之證明出現。

於結算日的少數股東權益，是指並非由本公司直接或間接透過附屬公司擁有的股權所佔附屬公司的部份資產淨值；這些權益是在綜合資產負債表內與負債及股東權益分開列示。少數股東所佔本集團本年度業績的權益亦會在收益表內分開列示。

2. Significant Accounting Policies (cont'd)

(d) Advances and doubtful debts (cont'd)

(vii) Assets acquired in exchange for advances (cont'd)

In the case when the loan has been written off, the asset acquired will be reclassified to other accounts. Impairment losses (see note 2(k)), if necessary, are made to allow for declines in the estimated fair value of the assets acquired.

(e) Subsidiaries

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

An investment in a controlled subsidiary is consolidated into the consolidated financial statements, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Group, in which case the investment is accounted for as an investment in other securities (see note 2(h)(iv)).

Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Minority interests at the balance sheet date, being the portion of the net assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet separately from liabilities and the shareholders' equity. Minority interests in the results of the Group for the year are also separately presented in the income statement.

2. 主要會計政策 (續)

(e) 附屬公司 (續)

如果少數股東應佔的虧損超過其應佔附屬公司資產淨值的權益，超額部分和任何其他少數股東應佔虧損便會抵銷本集團所佔權益；但如少數股東有具約束力的義務和能力彌補虧損則除外。附屬公司的所有其後溢利均會分配予本集團，直至收回以往由本集團承擔的少數股東應佔虧損為止。

在公司的資產負債表中，於附屬公司的投資均按成本減任何減值損失（參閱附註2(k)）後入賬。然而，如購入並持有這些投資的唯一目的是在短期內將之出售或是在嚴格而長期的規限下運作，以致其向本公司轉移資金的能力嚴重受損，則這些投資會計入其他證券投資賬項（參閱附註2(h)(iv)）。

(f) 聯營公司

聯營公司是指本集團或本公司可對其管理發揮重大影響的公司，包括參與其財務及經營決策，但並不控制或共同控制其管理的實體。

聯營公司投資均在綜合財務報表最初以權益法按成本入賬，投資後本集團佔聯營公司淨資產的比例出現變化後再作調整。然而，如購入並持有這些投資的唯一目的是在短期內將之出售或是在嚴格而長期的規限下運作，以致其向本集團轉移資金的能力嚴重受損，則這些投資會計入其他證券投資賬項（參閱附註2(h)(iv)）。綜合收益表反映本集團本年度佔聯營公司投資後業績的百分比。當本集團分攤的虧損超過賬面值，其賬面值將會完全沖銷；除本集團需對該聯營公司所付的責任外，不需確認其他的虧損。

2. Significant Accounting Policies (cont'd)

(e) Subsidiaries (cont'd)

Where losses attributable to the minority exceed the minority interest in the net assets of a subsidiary, the excess, and any further losses attributable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. All subsequent profits of the subsidiary are allocated to the Group until the minority's share of losses previously absorbed by the Group has been recovered.

In the Company's balance sheet, an investment in a subsidiary is stated at cost less any impairment losses (see note 2(k)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions which significantly impair its ability to transfer funds to the Company, in which case the investment is accounted for as an investment in other securities (see note 2(h)(iv)).

(f) Associates

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An interest in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the Group, in which case the investment is accounted for as an investment in other securities (see note 2(h)(iv)). The consolidated income statement reflects the Group's share of the post-acquisition results of the associates for the year. When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further loss is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

2. 主要會計政策 (續)

(f) 聯營公司 (續)

本集團及其聯營公司間交易所產生的未實現盈虧均予抵銷，但只限於本集團於有關聯營公司的權益。然而，如能證明已轉讓的資產減值損失而產生未實現虧損，則該項虧損立即於收益表確認。

在本公司的資產負債表中，於聯營公司的投資是以成本扣除減值損失列賬(參閱附註2(k))。然而，如購入並持有這些投資的唯一目的是在短期內將之出售，或是在嚴格而長期的規限下運作，以致其向投資者轉移資金的能力嚴重受損，則這些投資會計入其他證券投資賬項(參閱附註2(h)(iv))。

(g) 商譽

綜合賬項產生的正商譽為購入成本超過本集團購入可辨認資產及負債的公平價值所佔數額。就受控附屬公司而言，正商譽按預計可使用年限，以直線法在綜合收益表攤銷。正商譽在綜合資產負債表按成本減任何累計攤銷及任何減值損失列賬(參閱附註2(k))。

就收購的聯營公司而言，正商譽以直線法按其預計的可用期在綜合損益表內攤銷。所佔的聯營公司賬面值已包括正商譽減累計攤銷及減值損失(參閱附註2(k))。

就本年度內出售受控附屬公司或聯營公司時，任何未在綜合收益表攤銷的購入商譽所佔金額應包括在計算出售溢利或虧損。

2. Significant Accounting Policies (cont'd)

(f) Associates (cont'd)

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the consolidated income statement.

In the Company's balance sheet, its interests in associates are stated at cost less impairment losses (see note 2(k)), unless it is acquired and held exclusively with a view to subsequent disposal in the near future or operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor, in which case the investment is accounted for as an investment in other securities (see note 2(h)(iv)).

(g) Goodwill

Positive goodwill arising on consolidation represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable assets and liabilities acquired. In respect of controlled subsidiaries, positive goodwill is amortised to the consolidated income statement on a straight-line basis over its estimated useful life. Positive goodwill is stated in the consolidated balance sheet at cost less any accumulated amortisation and any impairment losses (see note 2(k)).

In respect of acquisitions of associates, positive goodwill is amortised to the consolidated income statement on a straight-line basis over its estimated useful life. The cost of positive goodwill less any accumulated amortisation and any impairment losses (see note 2(k)) is included in the carrying amount of the interest in associates.

On disposal of a controlled subsidiary or an associate during the year, any attributable amount of purchased goodwill not previously amortised through the consolidated income statement is included in the calculation of the profit or loss on disposal.

2. 主要會計政策 (續)

(h) 證券投資

本集團及本公司就證券投資(於附屬公司及聯營公司的投資除外)的政策如下：

- (i) 本集團及或本公司有能力並計劃持有至到期的有期債務證券歸類持有至到期證券。持有至到期證券是以攤銷成本減任何減值準備記入資產負債表。準備是在預期不會全數收回賬面值時提撥，並在收益表內確認為支出。這些準備是就各項投資個別釐定。
- (ii) 持續持有作同一長期指定用途的投資列為投資證券。投資證券是以成本減任何減值準備記入資產負債表。除非有證據證明減值是臨時性，否則，準備是在公平價值跌至低於賬面值時提撥，並在收益表內確認為支出。這些準備是就各項投資個別釐定。
- (iii) 在引致撇減或沖銷的情況及事項不再存在，並有具說服力的憑證顯示新的情況及事項將會在可預見將來持續下去，則持有至到期證券及投資證券的賬面值的準備將撥回。
- (iv) 所有其他證券(不管是為買賣還是其他目的持有)均以公平價值記入資產負債表。公平價值的變動於產生時於收益表內確認。如果證券主要是為了從短期價格波動或證券商的利潤賺取溢利而購入，則這些證券作為買賣證券列賬。
- (v) 出售證券投資的損益按出售收入淨額與投資賬面值之間的差額釐定，並在產生時記入收益表。

2. Significant Accounting Policies (cont'd)

(h) Investments in securities

The Group's and the Company's policies for investments in securities other than investments in subsidiaries and associates are as follows:

- (i) Dated debt securities that the Group and/or the Company have the ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated in the balance sheet at amortised cost less any provisions for diminution in value. Provisions are made when carrying amounts are not expected to be fully recovered and are recognised as an expense in the income statement, such provisions being determined for each investment individually.
- (ii) Investments held on a continuing basis for an identified long-term purpose are classified as investment securities. Investment securities are stated in the balance sheet at cost less any provisions for diminution in value. Provisions are made when the fair values have declined below the carrying amounts, unless there is evidence that the decline is temporary, and are recognised as expenses in the income statement, such provisions being determined for each investment individually.
- (iii) Provisions against the carrying value of held-to-maturity securities and investment securities are written back when the circumstances and events that led to the write-down or write-off cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.
- (iv) All other securities (whether held for trading or otherwise) are stated in the balance sheet at fair values. Changes in fair value are recognised in the income statement as they arise. Securities are presented as trading securities when they were acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.
- (v) Profits or losses on disposal of investments in securities are determined as the difference between the net disposal proceeds and the carrying amount of the investments and are accounted for in the income statement as they arise.

2. 主要會計政策 (續)

(i) 銷售及重購協議

按銷售及重購協議出售的證券實質上視為有抵押貸款，因此，這些證券按其列作持有至到期日的證券、投資證券或其他投資的分類，按成本或市價列入資產負債表；而出售收入則按交易另一方的身份列入「客戶存款」或「銀行及其他金融機構存款及結存」。售價與重購價之差價在出售日至重購日之間的期間按有效收入基準攤銷，並列入利息支出。

(j) 有形固定資產及折舊

(i) 這些財務報表按香港會計師公會頒佈的會計實務準則第17號「物業、廠房及設備」第80節所載的臨時規定編製，故並無在結算日重估其他物業的公平市場價值。董事無意在將來對其他物業重估。

(ii) 有形固定資產是按下列基準記入資產負債表：

— 投資物業每年由外聘的合資格估值師所評估的公開市值記入資產負債表。除尚餘租賃期為二十年或以下之外，投資物業不需再計提折舊。

— 永久業權土地不予折舊。其他物業按以下方式在其估計可用年限內以直線法沖銷其成本或估值計算折舊：

租賃土地 — 於租賃剩餘年期內計算折舊

樓宇 — 以三十年以上或土地租賃剩餘年期兩者中的較短者計算折舊

2. Significant Accounting Policies (cont'd)

(i) Sale and repurchase agreements

Proceeds received from the sale of securities under sale and repurchase agreements are considered to be, in substance, secured loans. Therefore the securities are maintained on the balance sheet at cost or market value depending on their classification as held-to-maturity securities, investment securities or other investments and the proceeds of the sale are included in "Deposits from customers" or "Deposits and balances of banks and other financial institutions" depending on the identity of the counterparty. The difference between the sale price and the repurchase price is amortised on an effective yield basis over the period from the date of sale to the date of repurchase and is included in interest expense.

(j) Tangible fixed assets and depreciation

(i) In preparing these financial statements, advantage has been taken of the transitional provisions set out in paragraph 80 of SSAP 17 "Property, plant and equipment" issued by the HKICPA, with the effect that other premises have not been revalued to open market value at the balance sheet date. It is not the directors' intention to revalue other premises in the near future.

(ii) Tangible fixed assets are carried in the balance sheet on the following bases:

— Investment properties are stated in the balance sheet at their open market value which is assessed annually by external qualified valuers. No depreciation is provided on investment properties except where the unexpired term of the relevant lease is 20 years or less.

— Freehold land is not depreciated. Other premises are depreciated on a straight-line basis to write off their cost or valuation over their estimated useful lives which are as follows:

Land held on — over the unexpired terms of the leases leases

Buildings — over 30 years or the unexpired terms of the land leases, whichever is the shorter

2. 主要會計政策 (續)

(j) 有形固定資產及折舊 (續)

- 傢俬、裝置及設備以成本減按直線法計算的折舊入賬，以在資產的估計可用年限（一般為三至十年）內沖銷其成本。
- (iii) 重估投資物業所產生的變動一般會撥入儲備處理，但下列情況例外：
- 如果出現重估虧損，而且有關的虧損額超過投資物業組合在截至重估前計入儲備的數額，便會在收益表列支；及
 - 如果以往曾將同一項投資物業組合的重估虧損在收益表列支，則在出現重估盈餘時，便會撥入收益表計算。
- (iv) 在超過現有資產原來評估的表現水平的未來經濟效益很可能會流入本集團時，與固定資產有關而已經確認的其後支出將加入資產的賬面值。所有其他其後支出則於產生期間確認為支出。
- (v) 報廢或出售固定資產所產生的損益以出售所得淨額與資產的賬面金額之間的差額釐定，並於報廢或出售當日在收益表確認。出售投資物業時，以往記入投資物業重估儲備的有關盈餘或虧損部份亦會轉入該年度的收益表內。就所有其他固定資產而言，任何相關的重估盈餘將由重估儲備轉入保留溢利。

2. Significant Accounting Policies (cont'd)

(j) Tangible fixed assets and depreciation (cont'd)

- Furniture, fixtures and equipment are stated at cost less depreciation calculated on a straight-line basis to write off the assets over their estimated useful lives, which are generally between three and ten years.
- (iii) Changes arising on the revaluation of investment properties are generally dealt with in reserves. The only exceptions are as follows:
- when a deficit arises on revaluation, it will be charged to the income statement, if and to the extent that it exceeds the amount held in the reserve in respect of the portfolio of investment properties, immediately prior to the revaluation; and
 - when a surplus arises on revaluation, it will be taken to the income statement, if and to the extent that a deficit on revaluation in respect of the portfolio of investment properties, had previously been charged to the income statement.
- (iv) Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.
- (v) Profits or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement on the date of retirement or disposal. On disposal of an investment property, the related portion of surpluses or deficits previously taken to the investment properties revaluation reserve is also transferred to the income statement for the year. For all other fixed assets, any related revaluation surplus is transferred from the revaluation reserve to retained profits.

2. 主要會計政策 (續)

(k) 資產減值損失

本公司在每個結算日審閱下列資產的內部和外來的資料，以確定下列資產有否出現減值跡象，或以往確認的減值損失有否減少或不復存在：

- 物業、廠房及設備(按重估數額列賬的物業除外)；
- 於附屬公司及聯營公司的投資(根據附註2(h)(iv)所述，計入其他投資證券賬項者除外)；及
- 正商譽。

如果發現有減值跡象，便會估計資產的可收回數額。每當資產的賬面金額高於可收回數額時，便會確認減值損失。

(i) 計算可收回數額

資產可收回數額是出售淨額及使用值兩者中之較高者。在評估使用值時，會採用一項當時市場評估貨幣的時間值及相對於該資產的風險的稅前折扣率將預計未來現金流量貼現為現值。當某資產未能大部份地獨立於其他資產產生現金流量時，其可收回數額取決於可獨立地產生現金流量的最小資產組合(即一個現金生產單位)。

(ii) 減值損失轉回

如在用來確定除商譽外的資產的可收回數額的估計有所改變，則減值損失會被轉回。商譽的減值損失只會因招致該損失的一種特殊性質的特別外來事件在被視作不會再次出現，及可收回數額增加清楚顯示與該特別事件之轉回相關連才會被沖銷。

減值損失轉回只限於如該等減值損失從未在以往年度確認時的賬面價值。減值損失轉回在該被確認的年度記入收益表內。

2. Significant Accounting Policies (cont'd)

(k) Impairment of assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- investments in subsidiaries and associates (except for those accounted for as an investment in other securities under notes 2(h)(iv)); and
- positive goodwill.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is reversed only if the loss was caused by a specific external event of an exceptional nature, is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are taken to the income statement in the year in which the reversals are recognised.

2. 主要會計政策 (續)

(l) 融資租賃及分期付款合約

承租人基本上承受擁有權帶來的全部風險及報酬的資產租賃列為融資租賃。出租人沒有轉移擁有權的所有風險及報酬的資產租賃列為經營租賃。

(i) 融資租賃的資產

在本集團是融資租賃的出租人情況下，對融資租賃而租出的資產的投資淨額視作客戶墊款，在資產負債表列賬。有融資租賃特徵的分期付款合約以同樣方式列作融資租賃。融資租賃的收入會根據主要會計政策附註2(c)(iii)確認列於賬內。

(ii) 用於經營租賃的資產

在本集團是經營租賃的出租人情況下，對經營租賃而租出的資產視作固定資產，而在適用之情況下，折舊會根據主要會計政策附註2(j)計算及減任何減值損失(參閱附註2(k))。經營租賃的收入會根據主要會計政策附註2(c)(iv)確認列於賬內。

(iii) 經營租賃費用

如本集團使用經營租賃資產，除非有其他基準更能表示從該等經營租賃資產獲得利益的模式，否則其租賃支出按該租賃年期相關的會計年期以等額分期記入收益表。租賃回贈收入視為淨租賃支出總額的一部份，在收益表內確認。

(m) 現金及現金等值項目

現金及現金等值項目包括現金以及銀行及其他金融機構結存，以及短期、流動性極高的銀行間存款及投資，可隨時兌換為已知的現金數額，價值變動風險並不重大，並在購入後三個月內到期。

2. Significant Accounting Policies (cont'd)

(l) Leases and hire purchase contracts

Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

(i) Assets held under finance leases

Where the Group is a lessor under finance leases, an amount representing the net investment in the lease is included in the balance sheet as advances to customers. Hire purchase contracts having the characteristics of finance leases are accounted for in the same manner as finance leases. Revenue arising from finance leases is recognised in accordance with the Group's revenue recognition policies, as set out in note 2(c)(iii).

(ii) Assets held for use in operating leases

Where the Group is a lessor under operating leases, the leased assets are included in fixed assets and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in note 2(j), and less any impairment losses (see note 2(k)). Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in note 2(c)(iv).

(iii) Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with banks and other financial institutions, and short-term, highly liquid inter-bank placements and investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

2. 主要會計政策 (續)

(n) 後償負債及已發行債務證券

後償負債及已發行債務證券按發行時收取的所得款項淨額價值作發行溢價或折讓攤銷調整後，計入資產負債表。

後償負債及已發行債務證券利息按息票率作發行溢價或折讓攤銷調整後，記入收益表，使發行日至贖回日期間的比率一致。

如在到期日前回購或清償已發行的債務證券，已償還金額及賬面金額的任何差額須立即在收益表確認。

(o) 僱員福利

- (i) 本集團僱員的薪金、年度花紅、受薪年假、假期津貼及本集團非貨幣性福利成本均列入僱員提供相關服務的年度。如果有關付款或結算受到遞延，而其影響將十分重大，則這些金額將按現值列賬。
- (ii) 本集團設有一項界定供款公積金及一項強制性公積金計劃。有關供款在供款到期時計入收益表內。
- (iii) 本集團為僱員提供購股權認購本公司股份，在提供購股權當天不需要確認為僱員福利成本或債務。當購股權行使時，本集團股本按收取的金額而增加。
- (iv) 只當本集團顯示其承諾因自願離職計劃而終止僱傭關係或提供補償時才可把終止補償金確認，而且該計劃必須有詳細的正式規劃，沒有合理撤銷的可能性。

2. Significant Accounting Policies (cont'd)

(n) Subordinated liabilities and debt securities issued

Subordinated liabilities and debt securities issued are included in the balance sheet at the value of the net proceeds received upon issue, adjusted for the amortisation of any premium or discount arising on issue.

Interest on subordinated liabilities and debt securities issued is charged to the income statement at the coupon rate adjusted for the amortisation of any premium or discount arising on issue so as to achieve a constant rate of charge over the period from the date of issue to the date of redemption.

When debt securities issued are repurchased or settled before maturity, any difference between the amount repaid and the carrying amount is recognised immediately in the income statement.

(o) Employee benefits

- (i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) The Group operates a defined contribution provident fund and a Mandatory Provident Fund scheme. Contributions are charged to the income statement as and when the contributions fall due.
- (iii) When the Group grants employees options to acquire shares of the Company, no employee benefit cost or obligation is recognised at the date of grant. When the options are exercised, equity is increased by the amount of the proceeds received.
- (iv) Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

2. 主要會計政策 (續)

(p) 稅項

- (i) 本年度所得稅包括本期稅項及遞延稅項資產和負債的變動。本期稅項及遞延稅項資產和負債的變動基本上在收益表內確認，但關乎直接確認為股東權益項目的，則確認為股東權益。
- (ii) 本期稅項為本年度應課稅收入按結算日已生效或實際上已生效的稅率計算的預計應付稅項，並已包括以往年度應付稅項的任何調整。
- (iii) 遞延稅項資產及負債是因納稅基礎計算的資產及負債與其賬面值之間的差異而分別產生的可扣稅及應課稅的暫時性差異。遞延稅項資產也包括尚未使用的稅項虧損及稅項抵免。

除了某些有限的例外情況外，所有遞延稅項負債和遞延稅項資產（只限於可用來抵銷日後應課稅溢利的部份）均予確認。

確認遞延稅項資產和負債的有限例外情況包括不可在稅務方面獲得扣減的商譽所產生的暫時性差異、不影響會計或應課稅溢利（如屬商業合併的一部份則除外）的資產或負債的初次確認、以及投資附屬公司的暫時性差異，就應課稅差異而言，只限於本集團可以控制轉回的時間，而且在可預見的將來不大可能轉回的差異，而就可扣稅的差異而言，則只限於可在將來轉回的差異。

遞延稅項是以有關資產及負債的預期結算金額按結算日已頒佈或基本上已頒佈的稅率而提撥。遞延稅項資產及負債不作淨現值折扣。

於各結算日，本公司將重新審閱有關的遞延稅項資產的賬面金額，對不再有足夠的應課稅溢利以實現相關稅務利益的部份予以扣減。被扣減的遞延稅項資產若於將來出現足夠的應課稅溢利時，應予轉回。

2. Significant Accounting Policies (cont'd)

(p) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

2. 主要會計政策 (續)

(p) 稅項 (續)

(iv) 本期稅項及遞延稅項結餘和其變動會分開列示，而且不予抵銷。本期和遞延稅項資產只會在本公司或本集團有合法權利以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件的情況下，才可以分別抵銷本期和遞延稅項負債：

- 本期稅項資產和負債：本公司或本集團計劃按淨額基準結算，或在實現資產的同時清償負債；或
- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應稅實體；或
 - 不同的應課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每個未來期間，按淨額基準實現本期稅項資產和清償本期稅項負債，或在實現資產的同時清償負債。

(q) 外幣換算

本年度內的外幣交易按交易日的匯率換算為港幣。以外幣計算的貨幣資產與負債則按資產負債表結算日的匯率換算為港幣。滙兌盈虧均撥入收益表處理。

海外企業的業績按本年度平均匯率換算為港幣。資產負債表項目則按結算日的匯率換算。產生的滙兌差額作為儲備變動處理。

計算出售海外企業的損益包括截至出售日由該企業產生的累計滙兌差額。

2. Significant Accounting Policies (cont'd)

(p) Income tax (cont'd)

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(q) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the income statement.

The results of foreign enterprises are translated into Hong Kong dollars at the average exchange rates for the year; balance sheet items are translated at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are dealt with as a movement in reserves.

On disposal of a foreign enterprise, the cumulative amount of the exchange differences which relate to that foreign enterprise is included in the calculation of the profit or loss on disposal.

2. 主要會計政策 (續)

(r) 準備及或然負債

倘若本集團或本公司須就已發生的事件承擔法律或推定義務，而履行該義務預期很可能會導致經濟效益外流，並可作出可靠的估計，便會就該不定的時間或數額的負債計提準備。如果貨幣時間價值重大，則按預計履行義務支出的現值計列準備。

倘若經濟效益外流的可能性不大，或是無法對有關數額作出可靠的估計，便會將該債務披露為或有負債；但倘若該等經濟效益外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生而確定存在與否的潛在債務，亦會披露為或有負債；但倘若該等經濟效益外流的可能性極低則除外。

(s) 資產負債表外的金融工具

資產負債表外的金融工具一般指源自本集團及本公司在外匯、利率及證券市場上所進行的期貨、遠期、掉期和期權交易的衍生工具。淨額結算安排適用於具合法抵銷權的情況，而且對無償債能力的各方人仕仍具同等效力。

該等金融工具的會計處理方法取決於所從事交易是作為買賣用途，還是作為資產及負債投資組合管理的一部份。

(i) 供買賣的衍生工具

買賣交易包括為滿足客戶需要及自用的交易，以及任何相關的對沖。

作買賣用途的交易按市價計算，所引起損益的淨現值於收益表內確認為買賣溢利／虧損。交易的未實現收益記入資產負債表的「應計利息及其他賬項」。交易的未實現虧損則記入「其他賬項及準備」。

2. Significant Accounting Policies (cont'd)

(r) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(s) Off-balance sheet financial instruments

Off-balance sheet financial instruments mainly include derivatives arising from futures, forward, swap and option transactions undertaken by the Group and the Company in the foreign exchange, interest rate and equity markets. Netting is applied where a legal right of set-off exists, which would survive the insolvency of all parties.

The accounting for these instruments is dependent upon whether the transactions are undertaken for trading purposes or as part of the management of asset and liability portfolios.

(i) Derivatives used for trading purposes

Trading transactions include transactions undertaken for market making, to service customers' needs and for proprietary purposes, as well as any related hedges.

Transactions undertaken for trading purposes are marked to market and the net present value of the gain or loss arising is recognised in the income statement as trading gains/losses. Unrealised gains on transactions are included in "Accrued interest and other accounts" in the balance sheet. Unrealised losses on transactions are included in "Other accounts and provisions".

2. 主要會計政策 (續)

(s) 資產負債表外的金融工具 (續)

(i) 供買賣的衍生工具 (續)

不在交易所買賣的衍生工具的公平價值是本集團在結算日終止合同時，考慮到當時的市場狀況及交易另一方當時的信用狀況而估計可收取或須支付的金額。

(ii) 供資產負債管理的衍生工具

合符條件作為對沖的衍生工具是以其對沖的基本資產、負債或未平倉盤淨額相同的基準估值。任何損益以相關資產、負債或未平倉盤淨額所產生損益相同的基準確認。

在以下各種條件都符合時，對沖的關係才可成立：

- 對沖開始時即有正式文件記錄對沖的資料；
- 對沖預期十分有效；
- 對沖的有效性能可靠地量度；

- 在整個報告期間對沖均十分有效；及
- 成交機會很高，可最終影響盈虧淨額的現金流量變動風險的預計交易對沖。

對沖衍生工具終止後的任何盈虧按終止合同的原來年期在收益表遞延及攤銷。當基本資產、負債或對沖盤已售或終止時，對沖衍生工具即按市值在收益表列賬。

2. Significant Accounting Policies (cont'd)

(s) Off-balance sheet financial instruments (cont'd)

(i) Derivatives used for trading purposes (cont'd)

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Group would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions and the current creditworthiness of the counterparties.

(ii) Derivatives used for asset and liability management purposes

Derivatives that qualify as hedges are valued on an equivalent basis to the underlying assets, liabilities or net positions which they are hedging. Any profit or loss is recognised on the same basis as that arising from the related assets, liabilities or net positions.

A hedging relationship exists where:

- at the inception of the hedge there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the reporting period; and
- for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect net profit or loss.

Any gain or loss on termination of hedging derivatives is deferred and amortised to the income statement over the remaining original life of the terminated contract. Where the underlying asset, liability or position is sold or terminated, the hedging derivative is immediately marked to market through the income statement.

2. 主要會計政策 (續)

(t) 關連人仕

就此等財務報表而言，與本集團有權直接或間接監控另一方或對另一方人仕的財務及經營決策作出重要影響，或另一方人仕有權直接或間接監控本集團或對本集團的財務及經營決策作出重要的影響，或本集團與另一方人仕均受制於共同的監控或共同的重要影響下，則被視為關連人仕。關連人仕可為個別人仕或其他實體。

(u) 分部匯報

分部為集團可辨認的組成部份，而且從事提供服務所得的風險與回報有別於其他分部(業務分部)，或在某種經濟環境提供的產品或服務(地區分部)。

本集團在報表中採用業務分部作基本分類，以地區分部作次級分類。

分部的收入、支出、業績、資產及負債包括直接來自某一分部，以及可以合理地分配至該分部的項目。除發生於集團企業內單一分部之間的集團內部結餘及交易外，分部的收入、支出、資產及負債是包括集團內部的結餘，而集團內部交易已經在賬項合併時抵銷。

分部資本開支是指在期內購入預計可於超過一段期間使用的分部資產(包括有形和無形資產)所產生的成本總額。

未分配的項目主要包括銀行物業及不能合理地分配至特定業務分部的項目。

2. Significant Accounting Policies (cont'd)

(t) Related parties

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

(u) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

Unallocated items mainly comprise the bank premises and any items which cannot be reasonably allocated to specific business segments.

3. 經營溢利

本年度經營溢利已計算下列各項：

(a) 利息收入

3. Operating Profit

The operating profit for the year is stated after taking account of the following:

(a) Interest income

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
上市證券利息收入	Interest income on listed securities	327,940	284,049
非上市證券利息收入	Interest income on unlisted securities	566,284	619,104
其他利息收入	Other interest income	1,347,186	1,620,073
		2,241,410	2,523,226

3. 經營溢利 (續)
(b) 其他經營收入
3. Operating Profit (cont'd)
(b) Other operating income

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
其他收益	Other revenue		
股息收入	Dividend income		
上市投資	Listed investments	488	357
非上市投資	Unlisted investments	10,289	13,105
租金收入減支出1,598,000元 (2003 : 3,694,000元)	Rental income less outgoings of \$1,598,000 (2003: \$3,694,000)	9,893	13,736
		20,670	27,198
其他淨收入	Other net income		
其他證券投資淨溢利	Net gain on other investments in securities	100,893	15,409
外匯買賣淨溢利	Net gain arising from dealing in foreign currencies	54,468	7,590
其他買賣業務淨溢利	Net gain arising from other dealing activities	22,583	14,058
出售附屬公司溢利	Profit on disposal of a subsidiary	865	-
其他	Others	49,072	17,757
		227,881	54,814
總額	Total	248,551	82,012

3. 經營溢利 (續)

(c) 經營支出

3. Operating Profit (cont'd)

(c) Operating expenses

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
僱員成本	Staff costs		
薪金及其他僱員成本	Salaries and other staff costs	556,831	459,783
退休金成本(附註37)	Retirement costs (note 37)	35,866	36,493
樓宇及設備支出	Premises and equipment expenses		
樓宇租金	Rental of premises	33,369	46,456
折舊(附註24)	Depreciation (note 24)	146,399	123,443
其他	Others	74,839	92,355
廣告費	Advertising	66,651	51,639
商譽攤銷(附註23)	Amortisation of goodwill (note 23)	60,336	59,786
通訊費、印刷及文儀用品	Communication, printing and stationery	52,694	54,294
法律及專業費用	Legal and professional fees	22,247	23,277
交通費	Transportation	7,614	7,271
核數師酬金	Auditors' remuneration	3,358	3,799
其他	Others	57,281	56,889
		1,117,485	1,015,485

3. 經營溢利 (續)

(d) 呆壞賬準備

3. Operating Profit (cont'd)

(d) Charge for bad and doubtful debts

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		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
特別準備	Specific provisions		
新準備	New provisions	427,837	699,883
撥回	Releases	(280,715)	(153,667)
收回金額	Recoveries	(44,372)	(80,935)
		102,750	465,281
一般準備	General provisions		
新準備	New provisions	2,315	94,323
撥回	Releases	(27,000)	(45,823)
		(24,685)	48,500
呆壞賬準備淨額	Net charge for bad and doubtful debts	78,065	513,781

3. 經營溢利 (續)

(e) 最高薪人士的酬金

本集團五名最高酬金人士中，其中三名(二零零三年：四名)人士為本公司董事，董事酬金資料在附註4披露。

其餘兩名(二零零三年：一名)最高薪人士的酬金如下：

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
薪金、津貼及實物福利	Salaries, allowances and benefits in kind	4,728	2,208
花紅	Bonuses	3,050	600
退休金供款	Pension contributions	228	216
		8,006	3,024

其餘兩名(二零零三年：一名)最高薪人士的酬金在以下範圍內：

		二零零四年 2004 人仕數目 Number of individuals	二零零三年 2003 人仕數目 Number of individuals
3,000,001元－3,500,000元	\$3,000,001 - \$3,500,000	–	1
3,500,001元－4,000,000元	\$3,500,001 - \$4,000,000	1	–
4,000,001元－4,500,000元	\$4,000,001 - \$4,500,000	1	–
		2	1

3. Operating Profit (cont'd)

(e) Individuals with highest emoluments

Of the Group's five individuals with the highest emoluments, three of them (2003: four) are directors of the Company and the information in respect of the directors' emoluments are disclosed in note 4.

The emoluments of the remaining two (2003: one) individuals are as follows:

The emoluments of the remaining two (2003: one) individuals with highest emoluments are within the following bands:

4. 董事酬金

根據香港《公司條例》第161條披露的董事酬金如下：

4. Directors' Remuneration

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

		本集團 The Group	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
袍金	Fees	4,660	4,500
薪金、津貼及實物福利	Salaries, allowances and benefits in kind	14,319	14,950
花紅	Bonuses	8,546	3,964
退休金供款	Pension contributions	1,263	1,394
		28,788	24,808

董事酬金包括本年度支付予獨立非執行董事的袍金700,000元(二零零三年：600,000元)。

Included in the directors' remuneration were fees of \$700,000 (2003: \$600,000) provided to independent non-executive directors during the year.

除上述酬金外，部份董事根據本公司的中信國際金融控股有限公司購股權計劃(簡稱「新購股權計劃」)及高級行政人員購股權計劃(簡稱「舊購股權計劃」)獲賦予購股權。這些實物福利的詳情於董事會報告書「購股權計劃」一段內披露。

In addition to the above emoluments, certain directors were granted share options under The CITIC International Financial Holdings Limited Share Option Scheme (the "New Option Scheme") and the Senior Executive Share Option Scheme (the "Old Option Scheme") of the Company. The details of these benefits in kind are disclosed under the paragraph "Share Option Schemes" in the directors' report.

4. 董事酬金 (續)

酬金在以下範圍內的董事數目如下：

4. Directors' Remuneration (cont'd)

The remuneration of the directors is within the following bands:

		二零零四年 2004 董事數目 Number of directors	二零零三年 2003 董事數目 Number of directors
0元－1,000,000元	\$0 - \$1,000,000	11	9
1,500,001元－2,000,000元	\$1,500,001 - \$2,000,000	–	2
2,000,001元－2,500,000元	\$2,000,001 - \$2,500,000	2	–
3,500,001元－4,000,000元	\$3,500,001 - \$4,000,000	1	1
4,000,001元－4,500,000元	\$4,000,001 - \$4,500,000	1	1
4,500,001元－5,000,000元	\$4,500,001 - \$5,000,000	–	1
5,000,001元－5,500,000元	\$5,000,001 - \$5,500,000	–	1
5,500,001元－6,000,000元	\$5,500,001 - \$6,000,000	1	–
7,500,001元－8,000,000元	\$7,500,001 - \$8,000,000	1	–
		17	15

5. 稅項

(a) 綜合收益表內列報的稅項為：

5. Income Tax

(a) Taxation in the consolidated income statement represents:

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		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
本期稅項－香港利得稅準備	Current tax – Provision for Hong Kong Profits Tax		
年內稅項	Tax for the year	156,377	94,709
過往年度稅項準備撥回	Over-provision in respect of prior years	(1,253)	(1,501)
		155,124	93,208
本期稅項－海外稅項	Current tax – Overseas		
年內稅項	Tax for the year	2,145	5,177
遞延稅項	Deferred tax		
是期產生之暫時性差額及回轉	Origination and reversal of temporary differences	(6,092)	(2,073)
增加稅率對於1月1日的遞延稅項之影響	Effect of increase in tax rate on deferred tax balances at 1 January	–	(7,319)
		(6,092)	(9,392)
所佔聯營公司稅項	Share of associates' taxation	4,314	26,325
稅項合計	Total income tax expense	155,491	115,318

香港利得稅稅款是以年度內預計應課稅溢利按稅率17.5%(二零零三年：17.5%)計算。海外分行及附屬公司的稅款，則按照業務經營所在地區的現行稅率提撥稅項準備。

The provision for Hong Kong Profits Tax is calculated at 17.5% (2003: 17.5%) of the estimated assessable profits for the year. Taxation for branches and subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

5. 稅項 (續)

(b) 稅項支出與溢利賬項按適用稅率計算稅款對賬表：

5. Income Tax (cont'd)

(b) Reconciliation between tax expenses and accounting profit at applicable tax rates:

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		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
除稅前溢利	Profit before tax	1,056,460	772,084
按以有關國家適用 利得稅率計算除稅前 溢利的名義稅項	Notional tax on profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	171,055	104,118
不可扣減支出之稅項影響	Tax effect of non-deductible expenses	56,294	21,625
非應課稅收入之稅項影響	Tax effect of non-taxable revenue	(51,687)	(21,660)
未確認的未使用稅務 虧損之稅項影響	Tax effect of unused tax losses not recognised	1,593	8,281
本年度使用以往之稅務 虧損之稅項影響	Tax effect of previous tax losses utilised in current year	(11,636)	(1,694)
稅務安排對稅項優惠之 稅項影響	Tax effect of tax benefit from tax planning arrangement	(13,247)	(13,125)
未確認的暫時性差額之 稅項影響	Tax effect of temporary allowance not recognised	58	268
因在本年度調高稅率對 遞延稅項期初結餘之 影響	Effect on opening deferred tax balances resulting from an increase in tax rate during the year	-	(7,319)
過往年度稅項準備撥回	Over-provision in prior years	(1,253)	(1,501)
所佔聯營公司稅項	Share of associates' taxation	151,177 4,314	88,993 26,325
實際稅項支出	Actual tax expense	155,491	115,318

5. 稅項 (續)

(c) 資產負債表內列報的稅項為：

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
香港利得稅	Hong Kong Profits Tax	5,275	12,892
海外稅項	Overseas taxation	1,171	4,179
		6,446	17,071

5. Income Tax (cont'd)

(c) Taxation in the balance sheet represents:

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6. 股東應佔溢利

綜合股東應佔溢利包括一筆已列入本公司財務報表，為數450,576,000元的溢利(二零零三年：332,723,000元)。

6. Profit Attributable to Shareholders

The consolidated profit attributable to shareholders includes a profit of \$450,576,000 (2003: \$332,723,000) which has been dealt with in the financial statements of the Company.

7. 股息

(a) 本年度股息

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
已宣派及派發的 中期股息每股6.6仙 (2003：每股3仙)	Interim dividend declared and paid of \$0.066 (2003: \$0.03) per share	210,759	95,465
於結算日後擬派的 期末股息每股7.5仙 (2003：每股6.3仙)	Final dividend proposed after the balance sheet date of \$0.075 (2003: \$0.063) per share	239,636	200,960
		450,395	296,425

擬於結算日後派發的期末股息並未在結算日確認為負債。

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

7. 股息 (續)

(b) 已於本年度內核准及派發的上一財政年度股息

	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	
已於本年度內核准及派發的上一財政年度期末股息每股6.3仙 (2003: 每股1角3仙)	Final dividend in respect of the previous financial year, approved and paid during the year of \$0.063 (2003: \$0.13) per share	200,960	394,591
於上一財政年度結算日後, 但在暫停辦理股份過戶登記期間根據舊購股權計劃所發行股票的期末股息	Final dividend in respect of the previous financial year on shares issued under the Old Option Scheme subsequent to the balance sheet date and before the close of the Register of Members of the Company	178	39
	201,138	394,630	

7. Dividends (cont'd)

(b) Dividends attributable to the previous financial year, approved and paid during the year

(c) 已於本年度內派發的股息

(c) Dividends paid during the year

	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	
已宣派及派發的中期股息每股6.6仙 (2003: 每股3仙)	Interim dividend declared and paid of \$0.066 (2003: \$0.03) per share	210,759	95,465
已於本年度內核准及派發的上一財政年度期末股息每股6.3仙 (2003: 每股1角3仙)	Final dividend in respect of the previous financial year, approved and paid during the year of \$0.063 (2003: \$0.13) per share	200,960	394,591
於上一財政年度結算日後, 但在暫停辦理股份過戶登記期間根據舊購股權計劃所發行股票的期末股息	Final dividend in respect of the previous financial year on shares issued under the Old Option Scheme subsequent to the balance sheet date and before the close of the Register of Members of the Company	178	39
	411,897	490,095	

8. 每股盈利

(a) 每股基本盈利

本年度內每股基本盈利是按照股東應佔溢利 901,339,000元(二零零三年：656,578,000元)及年度內已發行普通股的加權平均數 3,192,157,892股(二零零三年：3,126,742,217股)計算。

(b) 每股攤薄盈利

本年度內每股攤薄盈利是按照經調整的股東應佔溢利 904,834,000元(二零零三年：656,811,000元)及就所有潛在攤薄普通股的影響作出調整後的普通股加權平均數 3,521,197,208股(二零零三年：3,151,682,576股)計算。

(c) 對賬

8. Earnings Per Share

(a) Basic earnings per share

The calculation of basic earnings per share is based on profit attributable to shareholders of \$901,339,000 (2003: \$656,578,000) and on the weighted average of 3,192,157,892 (2003: 3,126,742,217) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on adjusted profit attributable to shareholders of \$904,834,000 (2003: \$656,811,000) and on the weighted average number of ordinary shares of 3,521,197,208 (2003: 3,151,682,576) after adjusting for the effects of all dilutive potential ordinary shares.

(c) Reconciliation

		二零零四年 2004 股份數目 Number of shares	二零零三年 2003 股份數目 Number of shares
用作計算每股基本盈利的 普通股加權平均數	Weighted average number of ordinary shares used in calculating basic earnings per share	3,192,157,892	3,126,742,217
被視為不計代價發行的普通股	Deemed issue of ordinary shares for no consideration	2,138,403	3,445,504
被視為可換股債券發行的普通股	Deemed issue of ordinary shares for Convertible Bonds	326,900,913	21,494,855
用作計算每股攤薄盈利的 普通股加權平均數	Weighted average number of ordinary shares used in calculating diluted earnings per share	3,521,197,208	3,151,682,576

9. 分部匯報

分部資料是按本集團的業務和地區分部作出呈述。由於董事認為業務分部較切合本集團內部財務資料的匯報，故已採用此業務分部資料為基本報告形式。

(i) 業務分部

本集團主要從事提供銀行及相關金融服務。以下是本集團主要業務組成部分：

商業銀行業務：主要包括零售銀行、企業銀行及財資業務活動。

資產管理：主要包括直接投資及不良資產之管理。

投資銀行業務：主要包括商人銀行、基金管理、證券經紀及交易。

未分配業務：主要包括物業及不能合理地列入特定業務分部的任何項目。

9. Segment Reporting

Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format as the directors consider that this is more relevant to the Group's internal financial reporting.

(i) Business segments

The Group is principally engaged in the provision of banking and related financial services. The Group comprises the following main business segments:

Commercial banking : It mainly comprises banking business, which includes retail banking, wholesale banking and treasury activities.

Asset management : It mainly comprises direct investment and distressed assets management.

Investment banking : It mainly comprises merchant banking, fund management and securities brokerage and dealing.

Unallocated : It mainly comprises the premises and any items which cannot be reasonably allocated to specific business segments.

9. 分部匯報 (續)

(i) 業務分部 (續)

二零零四年
2004

9. Segment Reporting (cont'd)

(i) Business segments (cont'd)

本集團
The Group

		商業銀行 Commercial banking 港幣千元 HK\$'000	資產管理 Asset management 港幣千元 HK\$'000	投資銀行 Investment banking 港幣千元 HK\$'000	未分配業務 Unallocated 港幣千元 HK\$'000	分部間抵銷 Inter-segment elimination 港幣千元 HK\$'000	綜合 Consolidated 港幣千元 HK\$'000
淨利息收入	Net interest income	1,456,353	12,417	-	4,687	-	1,473,457
其他經營收入	Other operating income	600,994	60,359	-	21,625	-	682,978
經營收入	Operating income	2,057,347	72,776	-	26,312	-	2,156,435
分部業績	Segment result	944,583	79,945	-	(63,643)	-	960,885
出售有形固定資產 淨溢利 / (虧損)	Net profit/(loss) on disposal of tangible fixed assets	19,755	-	-	(7,893)	-	11,862
重估投資物業淨盈餘	Net surplus on revaluation of investment properties	7,555	-	-	-	-	7,555
持有至到期證券回撥	Provision written back on held-to-maturity securities	9,682	-	-	-	-	9,682
商譽減值損失 所佔聯營公司 (虧損) / 溢利	Impairment loss on goodwill Share of (loss)/profit of associates	(9,502)	-	-	-	-	(9,502)
		(6,094)	-	82,072	-	-	75,978
正常業務的稅前 溢利 / (虧損)	Profit/(loss) from ordinary activities before taxation	965,979	79,945	82,072	(71,536)	-	1,056,460
稅項	Income tax	(149,583)	(54)	(6,269)	415	-	(155,491)
正常業務的除稅後 溢利 / (虧損)	Profit/(loss) from ordinary activities after taxation	816,396	79,891	75,803	(71,121)	-	900,969
少數股東權益	Minority interests	-	-	-	370	-	370
股東應佔溢利 / (虧損)	Profit/(loss) attributable to shareholders	816,396	79,891	75,803	(70,751)	-	901,339
年度內折舊	Depreciation for the year	149,070	87	-	(2,758)	-	146,399
呆壞賬準備 / (回撥)	Charge/(write back) for bad and doubtful debts	100,540	(22,475)	-	-	-	78,065
年度內商譽攤銷	Amortisation of goodwill for the year	1,056	-	6,528	52,752	-	60,336
分部資產	Segment assets	80,101,502	1,335,287	-	1,038,641	(217,770)	82,257,660
聯營公司權益	Interest in associates	191,450	-	1,120,907	-	-	1,312,357
總資產	Total assets	80,292,952	1,335,287	1,120,907	1,038,641	(217,770)	83,570,017
分部負債	Segment liabilities	70,036,532	14,064	-	1,399,608	(466,438)	70,983,766
本年度內產生的 資本開支	Capital expenditure incurred during the year	62,784	719	195,866	500	-	259,869

9. 分部匯報 (續)

(i) 業務分部 (續)

二零零三年
2003

9. Segment Reporting (cont'd)

(i) Business segments (cont'd)

本集團
The Group

		商業銀行 Commercial banking 港幣千元 HK\$'000	資產管理 Asset management 港幣千元 HK\$'000	投資銀行 Investment banking 港幣千元 HK\$'000	未分配業務 Unallocated 港幣千元 HK\$'000	分部間抵銷 Inter-segment elimination 港幣千元 HK\$'000	綜合 Consolidated 港幣千元 HK\$'000
淨利息收入	Net interest income	1,547,284	11,380	-	2,907	-	1,561,571
其他經營收入	Other operating income	399,608	54,535	-	5,145	-	459,288
經營收入	Operating income	1,946,892	65,915	-	8,052	-	2,020,859
分部業績	Segment result	555,488	9,923	-	(73,818)	-	491,593
出售有形固定資產 淨(虧損)/溢利	Net (loss)/profit on disposal of tangible fixed assets	(21,818)	-	-	5,801	-	(16,017)
重估投資物業淨盈餘	Net surplus on revaluation of investment properties	7,835	-	-	16,626	-	24,461
出售持有至到期證券 淨溢利	Net profit on disposal of held-to-maturity securities	123,948	-	-	875	-	124,823
持有至到期證券 回撥/(準備)	Provision written back/(made) on held-to-maturity securities	1,135	-	-	(966)	-	169
其他物業減值損失	Impairment loss on other premises	(4,751)	-	-	(22,866)	-	(27,617)
所佔聯營公司溢利減虧損	Share of profits less losses of associates	95,102	-	79,570	-	-	174,672
正常業務的稅前 溢利/(虧損)	Profit/(loss) from ordinary activities before taxation	756,939	9,923	79,570	(74,348)	-	772,084
稅項	Income tax	(103,214)	(7)	(11,825)	(272)	-	(115,318)
正常業務的除稅後 溢利/(虧損)	Profit/(loss) from ordinary activities after taxation	653,725	9,916	67,745	(74,620)	-	656,766
少數股東權益	Minority interests	-	-	-	(188)	-	(188)
股東應佔溢利/(虧損)	Profit/(loss) attributable to shareholders	653,725	9,916	67,745	(74,808)	-	656,578
年度內折舊	Depreciation for the year	125,537	55	-	(2,149)	-	123,443
呆壞賬準備	Charge for bad and doubtful debts	473,638	38,042	-	2,101	-	513,781
年度內商譽攤銷	Amortisation of goodwill for the year	-	-	-	59,786	-	59,786
分部資產	Segment assets	77,219,893	1,258,759	410	2,514,990	(1,567,039)	79,427,013
聯營公司權益	Interest in associates	195,306	-	295,138	-	-	490,444
總資產	Total assets	77,415,199	1,258,759	295,548	2,514,990	(1,567,039)	79,917,457
分部負債	Segment liabilities	68,208,002	18,584	-	1,397,364	(1,788,176)	67,835,774
本年度內產生的 資本開支	Capital expenditure incurred during the year	47,312	450	-	2,918	-	50,680

9. 分部匯報 (續)
(ii) 地區分部

以下的地區分部之資料是根據附屬公司或附屬公司之分行的主要業務所在地點予以劃分。

二零零四年

2004

		香港 Hong Kong 港幣千元 HK\$'000	中國 Mainland China 港幣千元 HK\$'000	美國 USA 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	分部間抵銷 Inter-segment elimination 港幣千元 HK\$'000	綜合 Consolidated 港幣千元 HK\$'000
來自外界客戶的 經營收入	Operating income from external customers	2,105,057	16,684	45,380	-	(10,686)	2,156,435
總資產	Total assets	82,997,057	690,143	1,742,424	466,479	(2,326,086)	83,570,017
本年度內產生的 資本開支	Capital expenditure incurred during the year	245,075	8,008	6,786	-	-	259,869

二零零三年

2003

		香港 Hong Kong 港幣千元 HK\$'000	中國 Mainland China 港幣千元 HK\$'000	美國 USA 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	分部間抵銷 Inter-segment elimination 港幣千元 HK\$'000	綜合 Consolidated 港幣千元 HK\$'000
來自外界客戶的 經營收入	Operating income from external customers	1,978,831	3,882	43,689	-	(5,543)	2,020,859
總資產	Total assets	78,513,770	413,576	1,911,002	354,100	(1,274,991)	79,917,457
本年度內產生的 資本開支	Capital expenditure incurred during the year	37,876	11,408	1,396	-	-	50,680

9. Segment Reporting (cont'd)
(ii) Geographical segments

The information concerning geographical analysis has been classified by the location of the principal operations of the subsidiaries or branches of its subsidiaries.

10. 現金及短期資金

10. Cash and Short-term Funds

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
銀行及其他金融機構存款及結存	Cash and balances with banks and other financial institutions	1,488,919	497,995
即期及短期通知存款(a)	Money at call and short notice (a)	6,458,048	7,013,648
國庫券(包括外滙基金票據)(b)	Treasury bills (including Exchange Fund Bills) (b)	398,823	–
		8,345,790	7,511,643

(a) 即期及短期通知存款是指一個月內到期的存款。

(a) Money at call and short notice represents deposits of up to a maximum of one month maturity.

(b) 國庫券(包括外滙基金票據)分析如下：

(b) The analysis of treasury bills (including Exchange Fund Bills) is as follows:

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
持有至到期證券	Held-to-maturity securities	398,823	–
非上市及由中央政府及中央銀行發行	Unlisted and issued by central governments and central banks	398,823	–

11. 貿易票據減準備

11. Trade Bills Less Provisions

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
貿易票據	Trade bills	248,567	457,060
呆壞賬一般準備(附註15)	General provisions for bad and doubtful debts (note 15)	(2,486)	(4,571)
		246,081	452,489

12. 存款證

12. Certificates of Deposit

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
持有至到期證券 — 非上市	Held-to-maturity securities – Unlisted	1,276,366	1,678,843
其他證券 — 非上市	Other investments – Unlisted	89,949	380,257
		1,366,315	2,059,100

13. 其他證券投資

13. Other Investments in Securities

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
債務證券	Debt securities				
於香港上市	Listed in Hong Kong	1,817	1,397	-	-
於香港以外地區上市	Listed outside Hong Kong	570,004	1,523,272	-	-
非上市	Unlisted	960,643	471,443	-	-
		1,532,464	1,996,112	-	-
股票	Equity securities				
於香港上市	Listed in Hong Kong	84,692	37,601	-	-
於香港以外地區上市	Listed outside Hong Kong	-	3,340	-	-
非上市	Unlisted	332,882	262,099	-	-
		417,574	303,040	-	-
投資基金 – 非上市	Investment funds – unlisted	2,018,225	212,454	86,074	-
		3,968,263	2,511,606	86,074	-

13. 其他證券投資 (續)

債務證券及股票的發行機構如下：

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
中央政府及中央銀行	Central governments and central banks	1,234	–	–	–
銀行及其他金融機構	Banks and other financial institutions	256,872	1,514,774	–	–
法人公司	Corporate entities	3,703,657	737,053	86,074	–
公營機構	Public sector entities	6,500	259,779	–	–
		3,968,263	2,511,606	86,074	–

13. Other Investments in Securities (cont'd)

The issuers of debt securities and equity securities are as follows:

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
上市證券的市值：	Market value of listed securities:				
債務證券	Debt securities	571,821	1,524,669	–	–
股票	Equity securities	84,692	40,941	–	–
		656,513	1,565,610	–	–

非上市股票包括總值123,697,000元(二零零三年：123,697,000元)的華商銀行25%股份。華商銀行於中國深圳設立及經營業務，是一家合資銀行。

The unlisted equity securities include an amount of \$123,697,000 (2003: \$123,697,000) representing 25% equity interest in Chinese Mercantile Bank (“CMB”), a joint venture bank established and operating in Shenzhen, The People’s Republic of China.

13. 其他證券投資 (續)

本集團於一九九九年委任華商銀行另一名股東尋找以約129,947,000元價款購入本集團持有的華商銀行25%股份的買家。本集團從華商銀行該股東收取相當於該商定出售價款金額的現金存款。同時，本集團和該華商銀行股東也同意，在本集團收取該筆現金存款開始，本集團不再參與華商銀行的管理和營運或參與其財務業績相關事宜。

作出以上安排後，本集團持有的華商銀行25%股份已重新分類，在資產負債表列作為「其他證券投資」並以公平價值呈示。董事認為，本集團收取的現金存款扣除預計交易成本後最能反映本集團持有華商銀行25%股份的公平價值。

於二零零四年十二月三十日，本集團與華商銀行該股東及該股東的附屬公司達成買賣協議「協議」，據此，本集團同意出售及轉讓華商銀行25%的股份，惟須受協議之條款及條件規限。協議將於中國銀行業監督管理委員會「中國銀監會」批准後方為生效。截至二零零四年十二月三十一日止，中國銀監會仍未批准該買賣協議。

13. Other Investments in Securities (cont'd)

In 1999, the Group appointed the other shareholder of CMB to identify a buyer to acquire the 25% equity interest in CMB held by the Group at a consideration of approximately \$129,947,000. A cash deposit in the amount of this agreed sale consideration was received by the Group from the other shareholder of CMB. At the same time, the Group and that other shareholder of CMB also agreed that the Group would no longer have any further involvement in the management and operations of CMB, or participation in its financial results, from the time of receipt of the cash deposit.

As a result of the above arrangements, the 25% equity interest in CMB held by the Group has been classified as "Other investments in securities" in the balance sheet, which is stated at fair value. In the opinion of the Directors, the cash deposit received by the Group less anticipated transaction costs best represents the fair value of the 25% equity interest in CMB held by the Group.

On 30 December 2004, the Group entered into a Sale and Purchase Agreement ("Agreement") with the other shareholder and a subsidiary of the other shareholder, pursuant to which the Group agreed to sell and transfer its 25% equity interest in CMB, subject to the terms and conditions of the Agreement. The Agreement shall take effect upon the approval of the China Banking Regulatory Commission ("CBRC"). As at 31 December 2004, the approval from CBRC has not been obtained.

14. 客戶墊款及其他賬項減準備

(a) 客戶墊款及其他賬項減準備

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
客戶墊款 (附註27)	Advances to customers (note 27)	42,672,715	40,186,173	-	-
呆壞賬特別準備 (附註15)	Specific provisions for bad and doubtful debts (note 15)	(537,056)	(690,501)	-	-
呆壞賬一般準備 (附註15)	General provisions for bad and doubtful debts (note 15)	(519,351)	(541,903)	-	-
銀行及其他金融 機構墊款 (附註27)	Advances to banks and other financial institutions (note 27)	41,616,308	38,953,769	-	-
應計利息及其他 賬項減準備	Accrued interest and other accounts less provisions	20,000	40,000	-	-
		1,686,992	2,079,748	23,963	29,910
		43,323,300	41,073,517	23,963	29,910

(b) 融資租賃及分期付款合約的投資淨額

客戶墊款包括按融資租賃及有融資租賃特徵的分期付款合約租借給客戶的設備的投資淨額。這些合約的最初租賃期一般為期五至二十年，期後可選擇按賬面值購入這些租借資產。

14. Advances to Customers and Other Accounts Less Provisions

(a) Advances to customers and other accounts less provisions

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
客戶墊款 (附註27)	Advances to customers (note 27)	42,672,715	40,186,173	-	-
呆壞賬特別準備 (附註15)	Specific provisions for bad and doubtful debts (note 15)	(537,056)	(690,501)	-	-
呆壞賬一般準備 (附註15)	General provisions for bad and doubtful debts (note 15)	(519,351)	(541,903)	-	-
銀行及其他金融 機構墊款 (附註27)	Advances to banks and other financial institutions (note 27)	41,616,308	38,953,769	-	-
應計利息及其他 賬項減準備	Accrued interest and other accounts less provisions	20,000	40,000	-	-
		1,686,992	2,079,748	23,963	29,910
		43,323,300	41,073,517	23,963	29,910

(b) Net investment in finance leases and hire purchase contracts

Advances to customers include net investment in equipment leased to customers under finance leases and hire purchase contracts having the characteristics of finance leases. The contracts usually run for an initial period of 5 to 20 years, with an option for acquiring the leased asset at nominal value.

14. 客戶墊款及其他賬項減準備 (續)

(b) 融資租賃及分期付款合約的投資淨額 (續)

於十二月三十一日按融資租賃交易的最低應收租金總額及其現值如下：

14. Advances to Customers and Other Accounts Less Provisions (cont'd)

(b) Net investment in finance leases and hire purchase contracts (cont'd)

At 31 December, the total minimum lease payments receivable under finance leases and hire purchase transactions, and their present values are as follows:

本集團
The Group

		二零零四年 2004			二零零三年 2003		
		最少融資 賬款現值 Present value of the minimum lease payments 港幣千元 HK\$'000	未來期間的 利息收入 Interest income relating to future periods 港幣千元 HK\$'000	最少融資 賬款總額 Total minimum lease payments 港幣千元 HK\$'000	最少融資 賬款現值 Present value of the minimum lease payments 港幣千元 HK\$'000	未來期間的 利息收入 Interest income relating to future periods 港幣千元 HK\$'000	最少融資 賬款總額 Total minimum lease payments 港幣千元 HK\$'000
1年內	Within 1 year	592,884	101,987	694,871	494,196	118,555	612,751
1年至5年	After 1 year but within 5 years	874,284	277,119	1,151,403	882,692	334,812	1,217,504
5年後	After 5 years	2,415,956	551,367	2,967,323	1,834,055	597,645	2,431,700
		3,883,124	930,473	4,813,597	3,210,943	1,051,012	4,261,955
呆壞賬準備	Provisions for bad and doubtful debts	(7,795)			(17,109)		
融資租賃及 分期付款 合約的投資 淨額	Net investment in finance leases and hire purchase contracts	3,875,329			3,193,834		

14. 客戶墊款及其他賬項減準備 (續)

(c) 不履約貸款是指利息撥入暫記賬項或已停止計息的墊款如下：

14. Advances to Customers and Other Accounts Less Provisions (cont'd)

(c) Non-performing advances on which interest is being placed in suspense or on which interest accrual has ceased are as follows:

本集團
The Group

		利息懸賬貸款總額 Total amount of loans on which interest is placed in suspense 港幣千元 HK\$'000		抵押品市值 Market value of collateral held 港幣千元 HK\$'000	提撥的 特別準備 Specific provisions made 港幣千元 HK\$'000	暫記利息 Amount of interest in suspense 港幣千元 HK\$'000
		%*				
於2004年 12月31日	At 31 December 2004	4.41	1,883,882	1,550,423	460,587	383,689
於2003年 12月31日	At 31 December 2003	6.51	2,616,208	2,018,580	657,620	389,638

* 佔客戶墊款總額計算

* Based on total advances to customers

截至二零零四年十二月三十一日及二零零三年十二月三十一日，本集團並無利息記入暫記賬項或已停止計息的銀行及其他金融機構墊款，也沒有為以上兩種墊款在該兩天提撥特別準備。

There were no advances to banks and other financial institutions on which interest is being placed in suspense or on which interest accrual has ceased as at 31 December 2004 and 31 December 2003, nor were there any specific provisions made for them on these two days.

經衡量該有關墊款的抵押品價值後，已提撥特別準備。

The specific provisions were made after taking into account the value of collateral in respect of such advances.

15. 呆壞賬準備

二零零四年
2004

15. Provisions for Bad and Doubtful Debts

本集團
The Group

		特別 Specific 港幣千元 HK\$'000	一般 General 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	暫記利息 Suspended interest 港幣千元 HK\$'000
於1月1日	At 1 January	762,063	546,474	1,308,537	389,638
沖銷數額	Amounts written off	(297,765)	–	(297,765)	(140,617)
記入收益表的新準備	New provisions charged to the income statement	427,837	2,315	430,152	–
撥回收益表的準備	Provisions released to the income statement	(325,087)	(27,000)	(352,087)	–
已收回金額	Amounts recovered	44,372	–	44,372	–
年度內的暫記利息	Interest suspended during the year	–	–	–	154,588
已收回暫記利息	Suspended interest recovered	–	–	–	(20,277)
滙兌差額	Exchange differences	61	48	109	357
於12月31日	At 31 December	611,481	521,837	1,133,318	383,689
相等於：	Representing:				
貿易票據(附註11)	Trade bills (note 11)	–	2,486	2,486	–
客戶墊款(附註14(a))	Advances to customers (note 14(a))	537,056	519,351	1,056,407	383,689
其他賬項	Other accounts	74,425	–	74,425	–
		611,481	521,837	1,133,318	383,689

15. 呆壞賬準備 (續)

15. Provisions for Bad and Doubtful Debts (cont'd)

二零零三年
2003

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The Group

		特別 Specific 港幣千元 HK\$'000	一般 General 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	暫記利息 Suspended interest 港幣千元 HK\$'000
於1月1日	At 1 January	669,976	498,137	1,168,113	370,032
因收購一間附屬公司 增加的數額	Addition through acquisition of a subsidiary	26,861	–	26,861	–
沖銷數額	Amounts written off	(480,990)	–	(480,990)	(107,100)
記入收益表的新準備	New provisions charged to the income statement	699,883	94,323	794,206	–
撥回收益表的準備	Provisions released to the income statement	(234,602)	(45,823)	(280,425)	–
已收回金額	Amounts recovered	80,935	–	80,935	–
年度內的暫記利息	Interest suspended during the year	–	–	–	183,527
已收回暫記利息	Suspended interest recovered	–	–	–	(57,201)
滙兌差額	Exchange differences	–	(163)	(163)	380
於12月31日	At 31 December	762,063	546,474	1,308,537	389,638
相等於：	Representing:				
貿易票據(附註11)	Trade bills (note 11)	–	4,571	4,571	206
客戶墊款(附註14(a))	Advances to customers (note 14(a))	690,501	541,903	1,232,404	389,432
其他賬項	Other accounts	71,562	–	71,562	–
		762,063	546,474	1,308,537	389,638

16. 重大關連人仕交易

本年度內，本集團在其日常銀行業務過程中與其最終控股公司及最終控股公司的附屬公司進行了多項交易，其中特別包括借貸、接受及存放同業存款、參與銀團貸款、往來銀行交易和外匯交易。這些交易的合約定價是按照每次進行交易時的相關市場利率而定，並與提供給本集團其他交易方及客戶的條款相同。董事會認為，這些交易是按正常商業條款進行。

本年度內，關連人仕交易的收支及於結算日的結欠如下：

(a) 收入／(支出)

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
利息收入	Interest income	8,045	6,141
利息支出	Interest expense	(17,277)	(28,426)
其他收入	Other income	20,286	15,668
其他支出	Other expense	(3,296)	(9,412)
		7,758	(16,029)

(b) 最終控股公司

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
客戶存款	Deposits from customers	190,667	529,348
其他賬項及準備	Other accounts and provisions	9	16
		190,676	529,364

16. Material Related Party Transactions

During the year, the Group entered into a number of transactions with its ultimate holding company and the ultimate holding company's subsidiaries, in the ordinary course of its banking business including, inter alia, lending, the acceptance and placement of inter-bank deposits, participation in loan syndicates, correspondent banking transactions and foreign exchange transactions. The contracts were priced based on relevant market rates at the time of each transaction, and were under the same terms as those available to other counterparties and customers of the Group. In the opinion of the directors, these transactions were conducted on normal commercial terms.

Information relating to income and expense from related party transactions during the year and balances outstanding as at the balance sheet date is set out below:

(a) Income/(expense)

本集團 The Group

(b) Ultimate holding company

本集團 The Group

16. 重大關連人仕交易 (續)

(c) 同系附屬公司

16. Material Related Party Transactions (cont'd)

(c) Fellow subsidiaries

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The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
現金及短期資金	Cash and short-term funds	80,902	371,785
客戶墊款及其他賬項 減準備	Advances to customers and other accounts less provisions	227,613	241,094
		308,515	612,879
銀行及其他金融機構 存款及結存	Deposits and balances of banks and other financial institutions	80,917	127,602
客戶存款	Deposits from customers	1,034,002	979,917
其他賬項及準備	Other accounts and provisions	385	1,039
		1,115,304	1,108,558

(d) 聯營公司

(d) Associates

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The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
客戶墊款及其他賬項 減準備	Advances to customers and other accounts less provisions	144,507	20,725
客戶存款	Deposits from customers	1,383,378	580,988
其他賬項及準備	Other accounts and provisions	20	1,940
		1,383,398	582,928

本年度內，本集團的一間聯營公司代為安排發行債務證券(附註26)。已付予該聯營公司之安排費用為1,555,000元。

During the year, an associate of the Group acted as the arranger for the issue of debt securities (note 26). An arranger fee of \$1,555,000 has been paid to the associate.

17. 遞延稅項

(a) 已確認的遞延稅項資產及負債

已確認於綜合資產負債表中遞延稅項資產及負債的組合及年內之變動如下：

17. Deferred Taxation

(a) Deferred tax assets and liabilities recognised

The components of deferred tax assets and liabilities recognised in the consolidated balance sheet and the movements during the year are as follows:

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The Group

遞延稅項源自：	Deferred tax arising from:	折舊免稅 額超過 有關折舊 Depreciation allowances in excess of related depreciation 港幣千元 HK\$'000	準備 Provisions 港幣千元 HK\$'000	物業及 資產公平價 值之調整 Fair value adjustment on properties and other assets 港幣千元 HK\$'000	虧損 Losses 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
於2004年1月1日	At 1 January 2004	51,047	(89,558)	(46,689)	-	(2,262)	(87,462)
收益表內撇銷/ (撥回)	Charged/(credited) to income statement	(9,749)	4,725	(1,068)	-	-	(6,092)
於2004年12月31日	At 31 December 2004	41,298	(84,833)	(47,757)	-	(2,262)	(93,554)
於2003年1月1日	At 1 January 2003	-	-	-	-	-	-
— 如前匯報	— as previously reported	-	-	-	-	-	-
— 前年度的調整	— prior period adjustments	58,623	(74,718)	(43,669)	(13,875)	(4,431)	(78,070)
— 重報	— as restated	58,623	(74,718)	(43,669)	(13,875)	(4,431)	(78,070)
收益表內撇銷/ (撥回)	Charged/(credited) to income statement	(7,576)	(14,840)	(3,020)	13,875	2,169	(9,392)
於2003年12月31日	At 31 December 2003	51,047	(89,558)	(46,689)	-	(2,262)	(87,462)

17. 遞延稅項 (續)

(a) 已確認的遞延稅項資產及負債 (續)

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
在資產負債表確認的 淨遞延稅項資產	Net deferred tax asset recognised on the balance sheet	(93,562)	(87,477)
在資產負債表確認的 淨遞延稅項負債	Net deferred tax liability recognised on the balance sheet	8	15
		(93,554)	(87,462)

17. Deferred Taxation (cont'd)

(a) Deferred tax assets and liabilities recognised (cont'd)

本集團
The Group

(b) 未確認的遞延稅項資產

本集團及本公司並未確認稅項虧損的遞延稅項資產分別為106,225,000元(二零零三年: 166,170,000元)及26,260,000元(二零零三年: 21,023,000元)。根據現行稅務條例, 該等稅項虧損的到期日如下:

(b) Deferred tax assets unrecognised

The Group and the Company have not recognised deferred tax assets in respect of tax losses of \$106,225,000 (2003: \$166,170,000) and \$26,260,000 (2003: \$21,023,000) respectively. Under the current tax legislation, the expiry dates of the tax losses were as follows:

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
於5年內到期	Expiring within 5 years	65,739	73,702	-	-
無到期日	No expiry date	40,486	92,468	26,260	21,023
		106,225	166,170	26,260	21,023

18. 應收附屬公司款項

18. Amounts Due from Subsidiaries

本公司
The Company

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
即期及短期通知存款	Money at call and short notice	54,602	1,405,783
客戶墊款及其他 賬項減準備(附註)	Advances to customers and other accounts less provisions (note)	1,015,876	231,266
		1,070,478	1,637,049

附註：於二零零三年十二月三十一日之結餘包括須於
一年後償還之前附屬公司貸款為10,000,000元。

Note: Balance as at 31 December 2003 included a loan to a former
subsidiary amounting to \$10,000,000 which was repayable after
one year.

19. 持有至到期證券及投資證券

19. Held-to-maturity Securities and Investment Securities

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
持有至到期證券	Held-to-maturity securities		
於香港上市	Listed in Hong Kong	717,949	1,202,690
於香港以外地區上市	Listed outside Hong Kong	7,563,978	8,294,091
非上市	Unlisted	8,281,927	9,496,781
		13,988,557	12,971,704
減值準備	Provision for diminution in value	22,270,484	22,468,485
持有至到期證券	Held-to-maturity securities	(15,492)	(54,292)
		22,254,992	22,414,193
投資證券 – 債務證券	Investment securities – debt securities		
非上市	Unlisted	15,782	15,932
投資證券 – 股票	Investment securities – equity securities		
非上市	Unlisted	24,059	24,051
		22,294,833	22,454,176

19. 持有至到期證券及投資證券 (續)

債務證券及股票的發行機構如下：

19. Held-to-maturity Securities and Investment Securities (cont'd)

The issuers of debt securities and equity securities are as follows:

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
中央政府及中央銀行	Central governments and central banks	290,170	1,190,249
銀行及其他金融機構	Banks and other financial institutions	12,934,328	12,962,613
法人公司	Corporate entities	8,285,780	7,980,893
公營機構	Public sector entities	788,265	362,781
其他	Others	11,782	11,932
		22,310,325	22,508,468
上市證券市值：	Market value of listed securities:		
債務證券	Debt securities	9,017,797	10,322,551

20. 附屬公司投資 (按成本入賬)

20. Investments in Subsidiaries, at Cost

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
非上市股份 (按成本入賬)	Unlisted shares, at cost	6,236,222	5,546,229

20. 附屬公司投資(按成本入賬)(續)

下文只列出對本集團業績或資產有重大影響的主要附屬公司詳情。

20. Investments in Subsidiaries, at Cost (cont'd)

The following list contains the particulars of principal subsidiaries which materially affect the results or assets of the Group.

公司名稱 Name of company	註冊成立/ 經營地區 Place of incorporation/ operation	持有股份 百分比 % of shares held	主要業務 Principal activities	已發行普通股本 Issued ordinary share capital
北京嘉銀通投資顧問有限公司*** Beijing Kananten Investment Consulting***	中國 PRC	100%	投資控股 Investment holding	美金500,000元 US\$500,000
California Investment LLC**	美國 USA	100%	物業持有 Property holding	美金5,415,000元 US\$5,415,000
啟福國際有限公司* Carford International Limited*	香港 Hong Kong	100%	物業持有 Property holding	港幣2元 HK\$2
中國國際財務有限公司(深圳)*** China International Finance Company Limited (Shenzhen)***	中國 PRC	100%	金融服務 Financial services	人民幣400,000,000元 RMB400,000,000
CIFH (CB-I) Limited	開曼群島 Cayman Islands	100%	發行可換股債券 Issuer of convertible bonds	美金1元 US\$1
中信國際資產管理有限公司 CITIC International Assets Management Limited	香港 Hong Kong	100%	投資控股及 資產管理 Investment holding and assets management	港幣1,261,488,146元 HK\$1,261,488,146
中信嘉華銀行有限公司 CITIC Ka Wah Bank Limited	香港 Hong Kong	100%	銀行 Banking	港幣3,083,341,176元 HK\$3,083,341,176
CKWB (Cayman Islands) Limited*	開曼群島/香港 Cayman Islands/ Hong Kong	100%	發行後償票據 Issuer of subordinated notes	美金1元 US\$1
CKWH-UT2 Limited*	開曼群島/香港 Cayman Islands/ Hong Kong	100%	發行後償票據 Issuer of subordinated notes	美金1元 US\$1
Dramatic Year Limited	英屬維爾京群島 British Virgin Islands	100%	投資控股 Investment holding	美金1元 US\$1

20. 附屬公司投資(按成本入賬)(續)

20. Investments in Subsidiaries, at Cost (cont'd)

公司名稱 Name of company	註冊成立/ 經營地區 Place of incorporation/ operation	持有股份 百分比 % of shares held	主要業務 Principal activities	已發行普通股本 Issued ordinary share capital
香港華人財務有限公司* HKCB Finance Limited*	香港 Hong Kong	100%	消費借貸 Consumer financing	港幣300,000,000元 HK\$300,000,000
香港華人保險代理有限公司* HKCB Insurance Agency Limited*	香港 Hong Kong	100%	保險代理 Insurance agency	港幣2元 HK\$2
嘉華國際財務有限公司* Ka Wah International Merchant Finance Limited*	香港 Hong Kong	100%	金融服務 Financial services	港幣32,500,000元 HK\$32,500,000
嘉信投資及顧問有限公司* KS Investment and Consultancy Limited*	英屬維爾京群島/ 香港 British Virgin Islands/ Hong Kong	100%	投資及顧問 Investment and consultancy	美金1,200,000元 US\$1,200,000
嘉華投資有限公司* KWB Investment Limited*	香港 Hong Kong	100%	投資控股 Investment holding	港幣5,000,000元 HK\$5,000,000
香港華人銀行(代理人)有限公司* The Hongkong Chinese Bank (Nominees) Limited*	香港 Hong Kong	100%	代理服務 Nominees services	港幣5,000元 HK\$5,000
嘉華銀行(信託)有限公司* The Ka Wah Bank (Trustee) Limited*	香港 Hong Kong	100%	信託服務 Trustee services	港幣3,000,000元 HK\$3,000,000
True Worth Investments Limited	英屬維爾京群島 British Virgin Islands	100%	投資控股 Investment holding	美金1元 US\$1
恒康香港有限公司* Viewcon Hong Kong Limited*	香港 Hong Kong	100%	按揭融資 Mortgage financing	港幣2元 HK\$2
除下文所列外，以上所有附屬公司均由本公司直接持有。			All of the above subsidiaries are held directly by the Company except for those indicated below.	
* 本公司間接持有的附屬公司。			* Subsidiaries held indirectly by the Company.	
** 本公司直接持有該附屬公司99%股份，其餘1%則由本公司另一家附屬公司間接持有。			** 99% of the shares of this subsidiary is held directly by the Company and the remaining 1% is held indirectly through another subsidiary of the Company.	
*** 本公司間接持有，並按中國法律在中國以「外資企業」註冊成立的附屬公司。			*** Subsidiary held indirectly by the Company incorporated in the PRC and were "Foreign Investment Enterprises" under the PRC Law.	

21. 聯營公司投資

21. Interest in Associates

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
淨資產所佔金額	Share of net assets	1,123,020	490,444
商譽	Goodwill	189,337	-
		1,312,357	490,444

於二零零四年三月十八日，本公司與本公司的最終控股公司中國中信集團公司訂立一項收購協議，由本公司購入True Worth Investments Limited(簡稱「True Worth」)全部已發行股本，及將True Worth負欠中國中信集團公司的全部股東貸款轉讓予本公司(簡稱「收購事項」)。True Worth是一間控股公司，持有中信資本市場控股有限公司(簡稱「中信資本控股」)全部已發行股本的25%。於收購事項前，本公司透過Dramatic Year Limited(簡稱「Dramatic」)間接持有中信資本控股全部已發行股本的25%。於完成收購事項後，本集團擁有中信資本控股的已發行股本合共50%。本公司就收購事項所需支付的代價為現金500,000,000元。

本年度內，Dramatic及True Worth(本公司兩間各自持有中信資本控股25%股權的全資附屬公司)認購2,000,000股每股面值1元的中信資本控股的新股，合共4,000,000股，認購價為每股62.50元。Dramatic及True Worth已付的認購總金額為250,000,000元。

所佔聯營公司溢利減虧損已包括6,529,000元(二零零三年：無)商譽攤分。

On 18 March 2004, the Company entered into an Acquisition Agreement with CITIC Group, the ultimate holding company of the Company, in connection with the purchase by the Company of the total issued share capital in True Worth Investments Limited ("True Worth") and the assignment to the Company of all shareholder's loans owing by True Worth to CITIC Group ("Acquisition"). True Worth is a holding company of 25% of the total issued share capital in CITIC Capital Markets Holdings Limited ("CCMH"). Before the Acquisition, the Company indirectly held 25% of the total issued share capital in CCMH via Dramatic Year Limited ("Dramatic"). Following the completion of the Acquisition, the Group owns 50% in aggregate of the total issued share capital of CCMH. The consideration paid by the Company for the Acquisition was \$500,000,000 in cash.

During the year, Dramatic and True Worth, two wholly-owned subsidiaries of the Company each holding a 25% interest in CCMH, subscribed for 2,000,000 new shares of \$1.00 each of CCMH, totaling 4,000,000 shares, at the subscription price of \$62.50 per share. The aggregate subscription amount paid by Dramatic and True Worth was \$250,000,000.

Share of profits less losses of associates included \$6,529,000 (2003: Nil) amortisation of positive goodwill.

21. 聯營公司投資 (續)

主要聯營公司的詳情如下：

21. Interest in Associates (cont'd)

Details of the principal associates are as follows:

公司名稱 Name of company	業務結構形式 Form of business structure	註冊成立/ 經營地區 Place of incorporation/ operation	主要業務 Principal activities	持有股份百分比 Proportion of ownership interest			已發行 股本面值 Nominal value of issued shares
				集團 所佔權益 Group's effective interest	由附屬 公司持有 Held by subsidiaries	由聯營 公司持有 Held by associate	
中信資本伙伴投資基金有限公司 CITIC Capital Active Partner Fund Limited	法人公司 Incorporated	科克群島/ 中國 Cook Islands/ PRC	投資控股 Investment holding	64.6%	41.8%	45.6%*	美金60,582元 US\$60,582
中信資本市場控股有限公司 CITIC Capital Markets Holdings Limited	法人公司 Incorporated	香港 Hong Kong	投資控股 Investment holding	50%	50%	—	港幣28,000,000元 HK\$28,000,000
中信資本證券有限公司 CITIC Capital Securities Limited	法人公司 Incorporated	香港 Hong Kong	證券經紀服務 Securities brokerage and margin financing	50%	—	100%*	港幣28,000,000元 HK\$28,000,000
中信資本市場有限公司 CITIC Capital Markets Limited	法人公司 Incorporated	香港 Hong Kong	投資銀行 Investment banking	50%	—	100%*	港幣10,000,000元 HK\$10,000,000
中信資本期貨有限公司 CITIC Capital Futures Limited	法人公司 Incorporated	香港 Hong Kong	期貨及期權買賣 Brokerage of exchange-traded futures and options contracts	50%	—	100%*	港幣20,000,000元 HK\$20,000,000
中信投資研究有限公司 CITIC Frontier China Research Limited	法人公司 Incorporated	香港 Hong Kong	股市研究及 提供意見及 證券買賣活動 Stock market research, advising on securities and dealing in securities	50%	—	100%*	港幣15,000,000元 HK\$15,000,000

所有聯營公司均由本公司間接持有。

All associated companies are held indirectly by the Company.

* 由一間佔50%權益之聯營公司持有。

* Interest held by a 50% associated company.

22. 應付附屬公司款項

22. Amounts Due to Subsidiaries

本公司
The Company

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
其他賬項及準備	Other accounts and provisions	224	233
附屬公司存款	Placement from a subsidiary	1,399,384	1,397,364
		1,399,608	1,397,597

23. 商譽

23. Goodwill

		本集團 The Group 港幣千元 HK\$'000
成本：	Cost:	
於2004年1月1日	At 1 January 2004	1,197,158
沖銷金額	Written off	(10,558)
於2004年12月31日	At 31 December 2004	1,186,600
累計攤銷：	Accumulated amortisation:	
於2004年1月1日	At 1 January 2004	119,571
本年攤銷金額	Amortisation for the year	60,336
減值損失	Impairment loss	9,502
沖銷金額	Written off	(10,558)
於2004年12月31日	At 31 December 2004	178,851
賬面金額：	Carrying amount:	
於2004年12月31日	At 31 December 2004	1,007,749
於2003年12月31日	At 31 December 2003	1,077,587

以上的商譽按二十年攤銷。商譽攤銷已計入綜合收益表內的「經營支出」。於二零零四年十二月三十一日，本集團已對被收購附屬公司的權益進行公平價值評估，而截至二零零四年十二月三十一日止，已確認的減值損失為9,502,000元（二零零三年：無）。

Goodwill is amortised over 20 years. The amortisation of goodwill for the year is included in "operating expenses" in the consolidated income statement. The Group has performed an assessment of the fair value of its interest in an acquired subsidiary and recognised an impairment loss of \$9,502,000 (2003: Nil) for the year ended 31 December 2004.

24. 有形固定資產

24. Tangible Fixed Assets

 本集團
The Group

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、裝置 及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本或估值：	Cost or valuation:				
於2004年1月1日	At 1 January 2004	197,261	1,408,697	675,944	2,281,902
增加	Additions	–	–	64,003	64,003
出售	Disposals	(139,966)	(142,627)	(39,583)	(322,176)
滙兌差額	Exchange differences	–	60	23	83
重估淨盈餘	Net surplus on revaluation	7,555	–	–	7,555
於2004年12月31日	At 31 December 2004	64,850	1,266,130	700,387	2,031,367
上述資產的成本 或估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	1,065,686	700,387	1,766,073
估值	Valuation				
– 1985年	– 1985	–	50,704	–	50,704
– 1988年	– 1988	–	149,740	–	149,740
– 2004年	– 2004	64,850	–	–	64,850
		64,850	1,266,130	700,387	2,031,367
累計折舊：	Accumulated depreciation:				
於2004年1月1日	At 1 January 2004	–	366,980	361,877	728,857
本年度折舊(附註3(c))	Charge for the year (note 3(c))	–	27,235	119,164	146,399
因出售而撥回	Written back on disposals	–	(58,725)	(32,644)	(91,369)
滙兌差額	Exchange differences	–	6	14	20
於2004年12月31日	At 31 December 2004	–	335,496	448,411	783,907
賬面淨值：	Net book value:				
於2004年12月31日	At 31 December 2004	64,850	930,634	251,976	1,247,460
於2003年12月31日	At 31 December 2003	197,261	1,041,717	314,067	1,553,045

24. 有形固定資產 (續)

24. Tangible Fixed Assets (cont'd)

本公司
The Company

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、裝置 及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本或估值：	Cost or valuation:				
於2004年1月1日	At 1 January 2004	99,916	158,426	11,338	269,680
增加	Additions	–	–	229	229
出售	Disposals	(99,916)	(95,667)	(8,956)	(204,539)
於2004年12月31日	At 31 December 2004	–	62,759	2,611	65,370
上述資產的成本 或估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	55,389	2,611	58,000
估值	Valuation	–	7,370	–	7,370
– 1985年	– 1985	–	–	–	–
		–	62,759	2,611	65,370
累計折舊：	Accumulated depreciation:				
於2004年1月1日	At 1 January 2004	–	50,029	6,916	56,945
本年度折舊	Charge for the year	–	2,837	856	3,693
因出售而撥回	Write back on disposals	–	(46,130)	(6,961)	(53,091)
於2004年12月31日	At 31 December 2004	–	6,736	811	7,547
賬面淨值：	Net book value:				
於2004年12月31日	At 31 December 2004	–	56,023	1,800	57,823
於2003年12月31日	At 31 December 2003	99,916	108,397	4,422	212,735

24. 有形固定資產 (續)

投資物業及其他樓宇的賬面淨值包括：

24. Tangible Fixed Assets (cont'd)

The net book value of investment properties and other premises comprises:

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
永久業權	Freehold				
香港以外地區	Held outside Hong Kong	38,422	189,754	2,670	153,333
租賃	Leasehold				
香港	Held in Hong Kong				
— 長期租賃 (50年以上)	— Long term leases (over 50 years)	300,399	273,745	—	—
— 中期租賃 (10年至50年)	— Medium term leases (10-50 years)	640,853	758,147	53,353	54,980
香港以外地區	Held outside Hong Kong				
— 中期租賃 (10年至50年)	— Medium term leases (10-50 years)	15,810	17,332	—	—
		995,484	1,238,978	56,023	208,313

如果其他物業均按成本減累計折舊入賬，本集團於二零零四年十二月三十一日在資產負債表中的其他樓宇賬面淨值應為107,359,000元(二零零三年：109,545,000元)及記入本公司為2,481,000元(二零零三年：2,705,000元)。

獨立測量師行威格斯(香港)有限公司於二零零四年十二月三十一日按公開市場價值重估本集團及本公司的投資物業。因物業重估而產生的盈餘達7,555,000元已計入收益表中。威格斯(香港)有限公司某些僱員為香港測量師學會會員。

The net book value of other premises of the Group and the Company at 31 December 2004 would have been \$107,359,000 (2003: \$109,545,000) and \$2,481,000 (2003: \$2,705,000) respectively had they been carried at cost less accumulated depreciation.

Investment properties of the Group and the Company were revalued at 31 December 2004 by independent firms of surveyors, Vigers Appraisal & Consulting Limited on an open market value basis. The revaluation surplus amounted to \$7,555,000 which has been credited to the income statement. Vigers Appraisal & Consulting Limited have among their staff Fellows of the Hong Kong Institute of Surveyors.

24. 有形固定資產 (續)

投資物業產生的租金收入總額為7,408,000元(二零零三年：16,064,000元)。

本年度內，出售投資物業之溢利達8,420,000元(二零零三年：2,052,000元)。

本集團通過經營租賃的方式租出投資物業。有關物業的最初租賃期一般為兩至三年，期後可於所有條款重新商定後續期。以上租賃均不涉及或有租金(二零零三年：無)。

本集團用於經營租賃的投資物業賬面金額為64,850,000元(二零零三年：197,261,000元)。

本集團及本公司按不可解除的經營租賃未來應收的最低租金總額如下：

24. Tangible Fixed Assets (cont'd)

The gross rental income arising from investment properties is \$7,408,000 (2003 : \$16,064,000).

During the year, profit on disposal of investment properties amounted to \$8,420,000 (2003: \$2,052,000).

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 leases after that date at which time all terms are renegotiated. None of the leases includes contingent rentals (2003: Nil).

The gross carrying amounts of investment properties of the Group held for use in operating leases were \$64,850,000 (2003: \$197,261,000).

The Group and the Company's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
1年內	Within 1 year	2,211	7,272	-	2,797
1年至5年	After 1 year but within 5 years	3,528	2,353	-	-
		5,739	9,625	-	2,797

25. 客戶存款

25. Deposits from Customers

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
活期及往來賬戶存款	Demand deposits and current deposits	10,204,982	12,200,834
儲蓄存款	Savings deposits	11,818,370	8,967,279
定期、即期及短期通知存款	Time, call and notice deposits	33,428,375	35,679,493
		55,451,727	56,847,606

26. 已發行債務證券

26. Debt Securities Issued

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
已發行債務證券	Debt securities issued	2,322,798	–

債務證券包括於二零零四年十一月十七日以折讓價發行年息率為4.25%的票據，其面值為美金3億元。票據由中信嘉華銀行發行及構成中信嘉華銀行直接、無條件地及無抵押的義務。而票據將於二零零九年十一月十七日到期。

The debt securities represent 4.25% per annum notes with face value of US\$300 million issued at discount on 17 November 2004. The notes were issued by CKWB and constitute direct, unconditional and unsecured obligations of CKWB. The notes will mature on 17 November 2009.

27. 到期日分析

27. Maturity Profile

本集團
The Group

		即時償還	3個月內 但無須 即時償還	3個月 以上至1年	1年以上 至5年	5年以上	無註明 日期	總額
		Repayable on demand	or less but not on demand	or less but over 3 months	or less but over 1 year	After 5 years	Undated	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於2004年12月31日	At 31 December 2004							
資產	Assets							
現金及短期資金	Cash and short-term funds	1,488,919	6,458,048	398,823	-	-	-	8,345,790
一個月後到期的 銀行及其他金融 機構存款	Placements with banks and other financial institutions maturing after one month	-	303,773	60,534	-	-	-	364,307
貿易票據	Trade bills	-	234,449	14,118	-	-	-	248,567
存款證	Certificates of deposit	-	20,002	856,386	489,927	-	-	1,366,315
其他證券投資 — 債務證券	Other investments in securities — debt securities	-	351	609	1,212,672	314,904	3,928	1,532,464
客戶墊款	Advances to customers	1,531,097	3,804,515	6,327,196	16,412,807	12,940,980	1,656,120	42,672,715
銀行及其他金融 機構墊款	Advances to banks and other financial institutions	-	-	-	20,000	-	-	20,000
持有至到期證券 及投資證券 — 債務證券	Held-to-maturity securities and investment securities — debt securities	-	1,245,907	4,573,717	11,265,058	5,132,272	69,312	22,286,266
		3,020,016	12,067,045	12,231,383	29,400,464	18,388,156	1,729,360	76,836,424
負債	Liabilities							
銀行及其他金融 機構存款及結存	Deposits and balances of banks and other financial institutions	85,678	3,470,174	-	-	-	-	3,555,852
客戶存款	Deposits from customers	22,023,352	32,125,086	1,085,817	217,472	-	-	55,451,727
已發行存款證	Certificates of deposit issued	-	674,999	1,279,926	5,004,765	-	-	6,959,690
已發行可換股債券*	Convertible bonds issued*	-	-	-	1,399,384	-	-	1,399,384
已發行債務證券	Debt securities issued	-	-	-	2,322,798	-	-	2,322,798
		22,109,030	36,270,259	2,365,743	8,944,419	-	-	69,689,451

* 到期日是按預期債券持有人的行使權利，詳情已在附註31內提及。

* Maturity based on expected Bondholders' option as mentioned in note 31.

27. 到期日分析 (續)

27. Maturity Profile (cont'd)

本集團
The Group

		3個月內 但無須 即時償還 3 months 即時償還 Repayable demand 港幣千元 HK\$'000	3個月 以上至1年 1 year or less but not on demand 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 3 months 港幣千元 HK\$'000	5年以上 5 years After 5 years 港幣千元 HK\$'000	無註明 日期 Undated 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
於2003年12月31日	At 31 December 2003						
資產	Assets						
現金及短期資金	Cash and short-term funds	497,995	7,013,648	-	-	-	7,511,643
一個月後到期的 銀行及其他金融 機構存款	Placements with banks and other financial institutions maturing after one month	-	646,373	-	-	-	646,373
貿易票據	Trade bills	6,517	368,950	81,593	-	-	457,060
存款證	Certificates of deposit	-	-	593,869	1,465,231	-	2,059,100
其他證券投資 - 債務證券	Other investments in securities - debt securities	-	155,182	40,706	1,504,331	291,979	1,996,112
客戶墊款	Advances to customers	1,969,410	4,317,032	4,693,187	15,364,994	11,848,124	40,186,173
銀行及其他金融 機構墊款	Advances to banks and other financial institutions	-	-	-	40,000	-	40,000
持有至到期證券 及投資證券 - 債務證券	Held-to-maturity securities and investment securities - debt securities	-	271,480	2,981,852	13,320,250	5,813,968	22,484,417
		2,473,922	12,772,665	8,391,207	31,694,806	17,954,071	75,380,878
負債	Liabilities						
銀行及其他金融 機構存款及結存	Deposits and balances of banks and other financial institutions	567,191	2,725,862	193,026	-	-	3,486,079
客戶存款	Deposits from customers	21,168,113	34,150,134	1,384,702	144,657	-	56,847,606
已發行存款證	Certificates of deposit issued	-	1,060,709	649,876	3,000,590	-	4,711,175
已發行可換股債券*	Convertible bonds issued*	-	-	-	1,397,364	-	1,397,364
		21,735,304	37,936,705	2,227,604	4,542,611	-	66,442,224

* 到期日是按預期債券持有人的行使權利，詳情已在附註31內提及。

* Maturity based on expected Bondholders' option as mentioned in note 31.

28. 銷售及購回的資產

以下資產及負債將供銷售及購回：

28. Assets Subject to Sale and Repurchase Transactions

The following assets and liabilities are subject to sale and repurchase transactions:

本集團 The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
已記入持有至到期證券 及投資證券賬項中	Included in held-to-maturity securities and investment securities	2,909,158	2,010,227
已記入銀行及其他金融 機構存款及結存賬項中	Included in deposits and balances of banks and other financial institutions	3,113,297	2,196,121

29. 股本

29. Share Capital

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
法定股本：	Authorised:		
每股面值1元的 普通股6,000,000,000股	6,000,000,000 ordinary shares of \$1 each	6,000,000	6,000,000
已發行及繳足股本：	Issued and fully paid:		
於1月1日：每股面值1元的 普通股3,189,835,394股 (2003：3,035,313,281股)	At 1 January: 3,189,835,394 (2003: 3,035,313,281) ordinary shares of \$1 each	3,189,835	3,035,313
根據舊購股權計劃發行的股份	Shares issued under the Old Option Scheme	4,318	9,052
根據以股代息計劃發行的股份	Shares issued under scrip dividend	–	145,470
於12月31日：每股面值1元的 普通股3,194,153,151股 (2003：3,189,835,394股)	At 31 December: 3,194,153,151 (2003: 3,189,835,394) ordinary shares of \$1 each	3,194,153	3,189,835

29. 股本 (續)

於二零零三年五月十六日，本公司採納了中國國際金融控股有限公司購股權計劃(「新購股權計劃」)，並同時終止高級行政人員購股權計劃(「舊購股權計劃」)。但舊購股權計劃之條文將繼續具有十足效力及作用，惟以行使舊購股權計劃終止前已授出之購股權為限。截至二零零四年十二月三十一日止年度，本公司未有按舊購股權計劃授出任何購股權。根據新購股權計劃，本公司於二零零四年四月六日以每股行使價3.775元向293位合資格人士授予可認購合共7,412,000股本公司普通股的購股權。於二零零四年十二月三十一日，按舊購股權計劃及新購股權計劃授出而尚未行使的購股權詳情如下：

29. Share Capital (cont'd)

On 16 May 2003, the Company adopted The CITIC International Financial Holdings Limited Share Option Scheme (the "New Option Scheme") and, at the same time, terminated the Senior Executive Share Option Scheme (the "Old Option Scheme"). The provisions of the Old Option Scheme remain in full force and effect to the extent necessary to give effect to the exercise of all options granted prior to the termination of the Old Option Scheme. There was no option granted under the Old Option Scheme for the year ended 31 December 2004. Pursuant to the New Option Scheme, options to subscribe for a total of 7,412,000 ordinary shares of the Company at the exercise price of \$3.775 per share were granted to 293 eligible persons on 6 April 2004. As at 31 December 2004, the details of the outstanding share options, which had been granted under the Old Option Scheme and the New Option Scheme, are as follows:

賦予日期 Date of grant	行使價 Exercise Price 港幣(元) (HK\$)	購股權數目 Number of options granted	授予期間 Vesting period	可行使期間 Exercisable period	於二零零四年 十二月三十一日 已行使購股權 認購的股份數目 Number of shares acquired on exercise of options as at 31 December 2004	於二零零四年 十二月三十一日 已失效的 購股權數目 Number of options lapsed as at 31 December 2004	於二零零四年 十二月三十一日 未行使的 購股權數目 Number of options outstanding as at 31 December 2004	於二零零三年 十二月三十一日 未行使的 購股權數目 Number of options outstanding as at 31 December 2003
舊購股權計劃 The Old Option Scheme								
06/05/1998	1.000	1,427,448	-	07/05/1998 至 29/03/2005	425,073	1,002,375	-	316,928
17/08/1999	2.217	19,600,000	-	31/10/1999 至 29/03/2005	8,550,000	8,150,000	2,900,000	6,200,000
28/03/2000	1.758	1,700,000	-	31/03/2000 至 29/03/2005	1,200,000	-	500,000	500,000
27/06/2000	1.681	1,000,000	-	05/06/2002 至 29/03/2005	1,000,000	-	-	100,000
10/08/2000	2.198	700,000	-	11/08/2001 至 29/03/2005	400,000	200,000	100,000	100,000
05/12/2000	1.747	2,300,000	-	22/10/2001 至 29/03/2005	2,300,000	-	-	500,000

29. 股本 (續)

29. Share Capital (cont'd)

賦予日期 Date of grant	行使價 Exercise Price 港幣(元) (HK\$)	購股權數目 Number of options granted	授予期間 Vesting period	可行使期間 Exercisable period	於二零零四年 十二月三十一日 已行使購股權 認購的股份數目 Number of shares acquired on exercise of options as at 31 December 2004	於二零零四年 十二月三十一日 已失效的 購股權數目 Number of options lapsed as at 31 December 2004	於二零零四年 十二月三十一日 未行使的 購股權數目 Number of options outstanding as at 31 December 2004	於二零零三年 十二月三十一日 未行使的 購股權數目 Number of options outstanding as at 31 December 2003
舊購股權計劃 (續) The Old Option Scheme (cont'd)								
28/02/2002	1.620	44,813	-	28/02/2002 至 29/03/2005	44,610	-	203	203
28/02/2002	2.217	481,743	-	28/02/2002 至 29/03/2005	104,095	108,768	268,880	295,490
28/02/2002	1.758	74,688	-	28/02/2002 至 29/03/2005	26,141	11,203	37,344	37,344
28/02/2002	1.681	37,344	-	05/06/2002 至 29/03/2005	37,344	-	-	37,344
28/02/2002	2.198	26,141	-	28/02/2002 至 29/03/2005	14,469	7,469	4,203	4,203
28/02/2002	1.747	85,891	-	28/02/2002 至 29/03/2005	85,891	-	-	37,344
28/02/2002	1.828	37,344	-	01/03/2002 至 29/03/2005	-	37,344	-	37,344
新購股權計劃 The New Option Scheme								
01/12/2003	3.540	6,758,000	17/11/2003 至 16/11/2005	17/11/2005 至 16/11/2013	-	1,040,000	5,718,000	6,758,000
06/04/2004	3.775	7,412,000	06/04/2004 至 05/04/2006	06/04/2006 至 05/04/2014	-	868,000	6,544,000	-
					14,187,623	11,425,159	16,072,630	14,924,200

30. 儲備

30. Reserves

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
(a) 股份溢價	(a) Share premium				
於1月1日	At 1 January	1,831,406	1,712,952	1,831,406	1,712,952
本年度已發行股份 的溢價	Share premium on shares issued during the year	4,542	118,454	4,542	118,454
於12月31日	At 31 December	1,835,948	1,831,406	1,835,948	1,831,406
(b) 其他物業重估 儲備	(b) Other property revaluation reserve				
於1月1日及 12月31日	At 1 January and 31 December	11,945	11,945	–	–
(c) 資本儲備	(c) Capital reserve				
於1月1日	At 1 January	2,818	37,500	–	–
轉出至保留溢利 (備註)	Transfer to retained profits (note)	–	(34,682)	–	–
於12月31日	At 31 December	2,818	2,818	–	–
(d) 一般儲備	(d) General reserve				
於1月1日及 12月31日	At 1 January and 31 December	100,000	100,000	–	–
(e) 匯兌差額	(e) Exchange differences				
於1月1日	At 1 January	(597)	319	–	–
本年度	Current year	283	(916)	–	–
於12月31日	At 31 December	(314)	(597)	–	–

30. 儲備 (續)

30. Reserves (cont'd)

		本集團 The Group		本公司 The Company	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
(f) 保留溢利	(f) Retained profits				
於1月1日	At 1 January	2,676,363		999,395	1,156,767
— 一如前滙報	— As previously reported		2,528,264		
— 前年度因遞延 稅項作出的 調整	— Prior year adjustment in respect of deferred taxation		(53,066)		
— 重報	— As restated		2,475,198		
派發前一年的股息 (附註7(b))	Dividends paid in respect of the previous year (note 7(b))	(201,138)	(394,630)	(201,138)	(394,630)
由資本儲備轉入 (備註)	Transfer from capital reserve (note)	—	34,682	—	—
本年度溢利	Profit for the year	901,339	656,578	450,576	332,723
本年度已派發的股息	Dividends declared in respect of the current year	(210,759)	(95,465)	(210,759)	(95,465)
於12月31日	At 31 December	3,165,805	2,676,363	1,038,074	999,395
儲備總額	Total reserves	5,116,202	4,621,935	2,874,022	2,830,801

保留溢利中有總額達457,903,000元(二零零三年:386,239,000元)為所佔聯營公司保留溢利。

股份溢價賬的應用受香港《公司條例》第48B條所管轄。滙兌差額及重估儲備賬之設立以便處理有關外幣換算及物業及投資物業重估(附註2)的會計政策。

Included in the retained profits is an amount of \$457,903,000 (2003: \$386,239,000) being the retained profits attributable to associates.

The application of the share premium is governed by section 48B of the Hong Kong Companies Ordinance. The exchange reserve and revaluation reserves have been set up and will be dealt with in accordance with the accounting policies adopted for translation of foreign currencies and the revaluation of premises and investment properties (note 2).

30. 儲備 (續)

其他物業的重估儲備不可供分派股東，因為根據香港《公司條例》第79B(2)條的定義，這些儲備不列作已實現溢利。本公司於二零零四年十二月三十一日可供分派股東的儲備總額為1,038,074,000元(二零零三年:999,395,000元)。結算日後董事會擬派發期末股息每股7.5仙(二零零三年:每股6.3仙)，總額為239,636,000元(二零零三年:200,960,000元)。該項股息並未在結算日確認為負債。

備註：於二零零三年，因附屬公司贖回部份股份，部份資本儲備已轉回保留溢利賬內。

31. 已發行可換股債券

於二零零三年十二月，本集團發行面值美金1.8億元有擔保可換股債券，其年息率為0.25%。此有擔保可換股債券由本公司只具單一目的的全資附屬公司CIFH (CB-I) Limited發行。本公司會無條件地及不會變更地對這些可換股債券的所有應付金額作出擔保。每一份可換股債券持有人有權於二零零四年一月十八日或以後直至二零零八年十一月八日為止按初始兌換價每股4.269元，兌換一股本公司面值1元之普通股股份。本公司可於二零零八年十二月八日以本金加應付利息的總數贖回該可換股債券。

由發行債券淨得款項已被用作本集團一般用途。

30. Reserves (cont'd)

The other property revaluation reserve is not available for distribution to shareholders because it does not constitute realised profits within the meaning of section 79B(2) of the Hong Kong Companies Ordinance. At 31 December 2004, the aggregate amount of reserves available for distribution to shareholders of the Company was \$1,038,074,000 (2003: \$999,395,000). After the balance sheet date the directors proposed a final dividend of 7.5 cents per share (2003: 6.3 cents per share), amounting to \$239,636,000 (2003: \$200,960,000). This dividend has not been recognised as a liability at the balance sheet date.

Note: In 2003, part of the capital reserve was released to retained profits as a result of partial redemption of shares in a subsidiary.

31. Convertible Bonds Issued

本集團
The Group

	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
可換股債券 Convertible bonds	1,399,384	1,397,364

In December 2003, the Group issued 0.25% per annum Guaranteed Convertible Bonds with face value of US\$180 million. The Bonds were issued by CIFH (CB-I) Limited, a single purpose wholly-owned subsidiary of the Company. The Company unconditionally and irrevocably guarantees all amounts payable under the Bonds. Each Bond, at the option of the holder, is convertible on or after 18 January 2004 upto and including 8 November 2008 into fully paid ordinary shares with a par value of \$1.00 of the Company at an initial conversion price of \$4.269 per share. The Bonds can be redeemed at their principal amount together with accrued interest on 8 December 2008.

The net proceeds from the issue of the Bonds have been used for general corporate purposes of the Group.

32. 債務資本

32. Loan Capital

本集團
The Group

	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000	
後償票據	Subordinated notes	4,275,896	4,269,722

後償票據列賬包括於二零零一年七月五日發行年息率7.625%的後償票據，其面值為美金3億元，以及於二零零二年五月二十三日發行年息率9.125%的永久後償票據，其面值為美金2.5億元。該等票據分別由本公司之附屬公司中信嘉華銀行有限公司(簡稱「中信嘉華」)只具單一目的的兩間全資擁有附屬公司CKWB (Cayman Islands) Ltd及CKWH-UT2 Ltd發行及列作第二級資本。中信嘉華會無條件地及不會變更地對於這些票據的所有應付金額作出擔保。年息率7.625%的後償票據將於二零一一年七月五日期，而年息率9.125%的永久後償票據將於二零一二年贖回。

The notes represent 7.625% per annum subordinated notes with face value of US\$300 million issued on 5 July 2001 and 9.125% per annum perpetual subordinated notes with face value of US\$250 million issued on 23 May 2002. The notes were issued by CKWB (Cayman Islands) Ltd and CKWH-UT2 Ltd respectively, two separate single purpose wholly-owned subsidiaries of CITIC Ka Wah Bank Limited ("CKWB") a subsidiary of the Company, and qualify as tier 2 capital. CKWB unconditionally and irrevocably guarantees all amounts payable under the notes. The 7.625% per annum subordinated notes will mature on 5 July 2011 whereas the 9.125% per annum perpetual subordinated notes will be callable in 2012.

33. 資產負債表外風險

(a) 或有負債及承擔

以下是每類主要或有負債及承擔的合約金額概要：

33. Off-balance Sheet Exposures

(a) Contingent liabilities and commitments

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
直接信貸代替品	Direct credit substitutes	943,362	1,096,253
與貿易有關的或有項目	Trade-related contingencies	1,165,944	1,635,365
其他承擔：	Other commitments:		
— 原到期日在1年以下 或可無條件撤銷	— with an original maturity of under 1 year or which are unconditionally cancellable	10,576,584	10,387,731
— 原到期日在1年或以上	— with an original maturity of 1 year and over	588,078	734,808
		13,273,968	13,854,157

或有負債及承擔是與信貸相關的工具，當中包括承兌票據、信用證、提供信貸的擔保及承擔。涉及的風險基本上與向客戶提供貸款信貸額涉及的信貸風險相同。因此，這些交易涉及的信貸申請、組合管理及抵押品要求與銀行貸款客戶相同。合約金額是指在合約全數提取後發生客戶拖欠而需承擔風險的金額。由於信貸額可能在到期時仍未動用，故合約金額並非預期未來現金流入。

Contingent liabilities and commitments are credit-related instruments which include acceptance, letters of credit, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are, therefore, subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for loans. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contract amounts do not represent expected future cash flows.

33. 資產負債表外風險 (續)

(b) 衍生工具

衍生工具是指根據一項或多項基本資產或指數的價值來釐定其價值的財務合約。

以下是本集團各種主要衍生工具的名義金額概要：

33. Off-balance Sheet Exposures (cont'd)

(b) Derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

The following is a summary of the notional amounts of each significant type of derivatives entered into by the Group:

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The Group

		二零零四年 2004			二零零三年 2003		
		交易 Trading 港幣千元 HK\$'000	對沖 Hedging 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	交易 Trading 港幣千元 HK\$'000	對沖 Hedging 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
匯率合約 Exchange rate contracts							
遠期交易	Forwards	2,637,254	–	2,637,254	1,059,391	–	1,059,391
掉期交易	Swaps	7,447,460	3,504,209	10,951,669	12,416,034	4,966,108	17,382,142
買入期權	Options purchased	241,068	–	241,068	172,189	–	172,189
賣出期權	Options written	238,249	–	238,249	142,182	–	142,182
利率合約 Interest rate contracts							
遠期交易及 期貨交易	Forwards and futures	427,590	–	427,590	2,173,677	–	2,173,677
掉期交易	Swaps	3,570,070	11,615,697	15,185,767	3,060,615	8,992,439	12,053,054
買入期權	Options purchased	1,671,487	–	1,671,487	1,853,448	–	1,853,448
賣出期權	Options written	1,849,231	–	1,849,231	2,031,079	–	2,031,079
股份合約 Equity contracts							
買入期權	Options purchased	–	1,083	1,083	–	12,044	12,044
賣出期權	Options written	–	1,083	1,083	–	12,044	12,044
		18,082,409	15,122,072	33,204,481	22,908,615	13,982,635	36,891,250

以上的交易由本集團在外匯、利率及證券市場進行。這些工具的名義金額是指仍未平倉的交易額，並非風險金額。

The above transactions are undertaken by the Group in the foreign exchange, interest rate and equity markets. The notional amounts of these instruments indicate the volume of transactions outstanding and do not represent amounts at risk.

33. 資產負債表外風險 (續)

(c) 本集團上述資產負債表外風險的重置成本及信貸風險加權金額如下。於本年度，本集團並沒有計入雙邊淨額安排的影響於金額中，以下數據為毛額：

33. Off-balance Sheet Exposures (cont'd)

(c) The replacement costs and credit risk weighted amounts of the above off-balance sheet exposures of the Group are as follows. The Group did not enter into any bilateral netting arrangements during the year and accordingly these amounts are shown on a gross basis:

		本集團 The Group			
		二零零四年 2004		二零零三年 2003	
		重置成本 Replacement cost	信貸風險 加權金額 Credit risk weighted amount	重置成本 Replacement cost	信貸風險 加權金額 Credit risk weighted amount
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
或有負債及承擔	Contingent liabilities and commitments	不適用 N/A	1,072,223	不適用 N/A	1,414,021
滙率合約	Exchange rate contracts	119,532	66,096	120,536	71,464
利率合約	Interest rate contracts	325,439	105,037	459,238	133,659
股份合約	Equity contracts	1	46	50	599
		444,972	1,243,402	579,824	1,619,743

重置成本是指重置所有按市價計算具正數價值的合約成本，未計入雙邊淨額安排的影響。

The replacement cost represents the cost of replacing all contracts which have a positive value when marked to market and which have not been subject to any bilateral netting arrangement.

信貸風險加權金額是指按照香港《銀行業條例》有關資本充足比率的附表三所計算的金額，取決於合約另一方的財務狀況及到期的情況。或有負債及承擔的風險加權由0%至100%不等，而滙率、利率及其他衍生工具合約則由0%至50%不等。

The credit risk-weighted amount refers to the amount as computed in accordance with the Third Schedule to the Hong Kong Banking Ordinance on capital adequacy and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 100% for contingent liabilities and commitments, and from 0% to 50% for exchange rate, interest rate and other derivatives contracts.

33. 資產負債表外風險 (續)

(d) 資本承擔

於十二月三十一日未償付而又未在財務報表內提撥準備的資本承擔如下：

		本集團 The Group	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
已授權及訂約	Authorised and contracted for		
有形固定資產	Fixed assets	8,534	14,062
其他	Others	15,160	57,878
		23,694	71,940

(e) 租賃承擔

於十二月三十一日，根據不可解除經營租賃未來應付的最低租金總額如下：

		本集團 The Group	
		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
樓宇	Premises		
1年內	Within 1 year	29,700	15,348
1年至5年	After 1 year but within 5 years	43,441	7,759
5年後	After 5 years	18,728	-
		91,869	23,107
設備	Equipment		
1年內	Within 1 year	847	718
1年至5年	After 1 year but within 5 years	5,655	1,221
5年後	After 5 years	1,029	-
		7,531	1,939

本集團通過經營租賃的方式租借多項物業及設備。有關物業及設備的最初租賃期一般為兩至四年，可於所有條款重新商定後續期。以上租賃均不涉及或有租金。

33. Off-balance Sheet Exposures (cont'd)

(d) Capital commitments

Capital commitments outstanding at 31 December not provided for in the financial statements were as follows:

(e) Lease commitments

At 31 December, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

The Group leases a number of properties and items of equipment under operating leases. The leases typically run for an initial period of two to four years, with an option to renew when all terms are renegotiated. None of the leases includes contingent rentals.

**34. (用於)／產生經營業務之現金與正
常業務的稅前溢利對賬表**
**34. Reconciliation of Profit from Ordinary Activities
before Taxation to Cash (Used in)/Generated
from Operating Activities**

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
正常業務的稅前溢利	Profit from ordinary activities before taxation	1,056,460	772,084
呆壞賬準備	Charge for bad and doubtful debts	78,065	513,781
所佔聯營公司溢利減虧損	Share of profits less loss of associates	(75,978)	(174,672)
出售有形固定資產淨 (溢利)／虧損	Net (profit)/loss on disposal of tangible fixed assets	(11,862)	16,017
投資物業重估淨盈餘	Net surplus on revaluation of investment properties	(7,555)	(24,461)
其他物業減值損失	Impairment loss on other premises	-	27,617
出售附屬公司淨溢利	Net profit on disposal of a subsidiary	(865)	-
出售持有至到期證券淨溢利	Net profit on disposal of held-to-maturity securities	-	(124,823)
持有至到期證券回撥	Provision written back on held-to-maturity securities	(9,682)	(169)
遞延支出攤銷	Amortisation of deferred expenses	101,485	63,005
已發行債務證券的折讓攤銷	Amortisation of discounts on debt securities issued	(284)	-
後償票據利息支出	Interest expenses on subordinated notes	355,877	355,260
已發出可換股債券利息	Interest expenses on convertible bonds issued	3,495	301
商譽攤銷	Amortisation of goodwill	60,336	59,786
商譽減值損失	Impairment loss on goodwill	9,502	-
折舊	Depreciation	146,399	123,443
股票投資股息收入	Dividend income from equity investment securities	(10,777)	(13,462)
滙兌差額	Foreign exchange difference	7,938	(20,128)
買賣業務現金淨流入	Net cash inflow from trading activities	1,702,554	1,573,579
即期通知存款增加 (原到期日超過3個月)	Increase in money at call (original maturity over 3 months)	(19,338)	(26,893)
銀行及其他金融機構存款 減少／(增加)	Decrease/(increase) in placements with banks and other financial institutions	101,491	(262,025)
(原到期日超過3個月)	(original maturity over 3 months)	(398,823)	388,198
國庫券(增加)／減少 (原到期日超過3個月)	(Increase)/decrease in treasury bills (original maturity over 3 months)	692,785	(1,028,156)
存款證減少／(增加)	Decrease/(increase) in certificates of deposit	(1,456,657)	707,953
其他證券投資(增加)／減少	(Increase)/decrease in other investments in securities	-	-
客戶、銀行和其他金融 機構墊款、貿易票據及 其他賬項(增加)／減少	(Increase)/decrease in advances to customers, banks and other financial institutions, trade bills and other accounts	(2,270,500)	1,801,322
持有至到期證券及投資 證券減少／(增加)	Decrease/(increase) in held-to-maturity securities and investment securities	169,025	(3,707,716)
銀行及其他金融機構 存款及結存增加	Increase in deposits and balances of banks and other financial institutions	69,773	1,365,898
客戶存款(減少)／增加	(Decrease)/increase in deposits from customers	(1,395,879)	1,312,146
應付利息及其他負債 (減少)／增加	(Decrease)/increase in interest payable and other liabilities	(80,900)	327,892
已發行存款證增加／(減少)	Increase/(decrease) in certificates of deposit issued	2,248,515	(1,121,338)
(用於)／產生經營業務之現金	Cash (used in)/generated from operating activities	(637,954)	1,330,860

35. 出售附屬公司

(a) 出售淨負債

		二零零四年 2004 港幣千元 HK\$'000
現金及短期資金	Cash and short-term funds	9,198
客戶墊款及其他賬項減準備	Advances to customers and other accounts less provisions	1,003
有形固定資產	Tangible fixed assets	794
現行稅項	Current taxation	(160)
其他賬項及準備	Other accounts and provisions	(11,553)
少數股東權益	Minority interest	179
淨負債	Net liabilities	(539)
出售附屬公司淨溢利	Net profit on disposal of a subsidiary	865
涉及現金總額	Total sales price received, satisfied in cash	326

(b) 出售附屬公司導致的現金及現金等值項目 流出淨額分析

35. Disposal of a Subsidiary

(a) Net liabilities disposed

(b) Analysis of net outflow of cash and cash equivalents in respect of the disposal of a subsidiary

		二零零四年 2004 港幣千元 HK\$'000
現金代價	Cash consideration	326
出售之現金及短期資金	Cash and short-term funds disposed	(9,198)
		(8,872)

36. 現金及現金等值項目結餘分析

(i) 綜合現金流量表內的現金及現金等值主要項目

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
現金及於銀行及其他 金融機構結存	Cash and balances with banks and other financial institutions	1,488,919	497,995
即期及短期通知存款	Money at call and short notice	6,411,817	6,986,755
銀行及其他金融機構存款 (須於原到期日 3個月內償還)	Placements with banks and other financial institutions repayable with original maturity within three months	153,773	334,348
		8,054,509	7,819,098

36. Analysis of the Balances of Cash and Cash Equivalents

(i) Component of cash and cash equivalents in the consolidated cash flow statement

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(ii) 與綜合資產負債表之對賬

(ii) Reconciliation with the consolidated balance sheet

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		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
現金及短期資金	Cash and short-term funds	8,345,790	7,511,643
一個月後到期的銀行 及其他金融機構存款	Placements with banks and other financial institutions maturing after one month	364,307	646,373
綜合資產負債表的數額	Amount shown in the consolidated balance sheet	8,710,097	8,158,016
減：原到期日超過3個月的 數額	Less: amounts with an original maturity of beyond three months	(655,588)	(338,918)
綜合現金流量表內的現金及 現金等值項目	Cash and cash equivalent in the consolidated cash flow statement	8,054,509	7,819,098

37. 僱員退休計劃

本集團設有一項既定供款公積金計劃(簡稱「該退休計劃」)。據此，本集團須把相當於僱員基本薪金10%的供款撥入基金內。該退休計劃是一個強制性公積金(簡稱「強積金」)豁免計劃，涵蓋範圍遍及本集團的所有全職僱員。僱員毋須作出任何供款。如果僱員在獲得全數供款前離開本集團，本集團不得將僱員所放棄的供款用作減少現時的供款額，而需將有關供款撥入一個獨立的福利基金，作為該退休計劃成員的福利金。

除了該退休計劃外，本集團自二零零零年十二月一日起，也參與一項認可強積金退休計劃，為現有及新僱員提供計劃選擇。本集團已根據強積金計劃規定提供等同強制部份的福利。

本年度內，本集團就這些計劃作出的供款約為3,600萬元(二零零三年：3,600萬元)(附註3(c))。

38. 證券形式的福利

於二零零三年五月十六日，本公司採納了新購股權計劃，並同時終止了舊購股權計劃。舊購股權計劃的條文將繼續具有十足效力及作用，惟以行使於舊購股權計劃終止前已授出之購股權為限。截至二零零四年十二月三十一日止年度內，本公司並未有根據舊購股權計劃授出任何購股權。根據新購股權計劃，本公司於二零零四年四月六日向293位合資格人仕授予購股權，包括本集團若干董事。該購股權行使價為每股3.775元，可認購的普通股總數達7,412,000股。該等購股權屬無代價賦予，可於二零零六年四月六日至二零一四年四月五日期間內行使。

37. Staff Retirement Scheme

The Group has a defined contribution provident fund scheme (the "Retirement Scheme") under which it contributes 10% of the employee's basic salaries. The Retirement Scheme is an MPF exempted scheme and covers all permanent full-time employees of the Group. No employee contributions are required. Contributions forfeited by leavers prior to vesting fully may not be used by the Group to reduce the existing level of contribution but are transferred to a separate welfare fund which shall be applied for the welfare of the Retirement Scheme's members.

Besides the Retirement Scheme, the Group also participated in an approved MPF scheme effective on 1 December 2000 to provide scheme choice to both existing and new employees. Mandatory benefits are being provided under the MPF Scheme.

During the year, the Group contributed approximately \$36 million (2003: \$36 million) (note 3(c)) to these schemes.

38. Equity Compensation Benefits

The New Option Scheme was adopted by the Company on 16 May 2003 and, at the same time, terminated the Old Option Scheme. The provisions of the Old Option Scheme remain in full force and effect to the extent necessary to give effect to the exercise of all options granted prior to the termination of the Old Option Scheme. For the year ended 31 December 2004, there was no option granted by the Company under the Old Option Scheme. However, options to subscribe for a total of 7,412,000 ordinary shares of the Company at the exercise price of \$3.775 per share were granted to 293 eligible persons, including certain Directors of the Group, under the New Option Scheme on 6 April 2004. These options were granted for nil consideration and can be exercised during the period from 6 April 2006 to 5 April 2014.

38. 證券形式的福利 (續)

(a) 購股權變動

		二零零四年 2004 購股權數目 Numbers	二零零三年 2003 購股權數目 Numbers
於1月1日	At 1 January	14,924,200	17,736,842
已賦予	Granted	7,412,000	6,758,000
已行使	Exercised	(4,317,757)	(9,051,970)
已失效	Lapsed	(1,945,813)	(518,672)
於12月31日	At 31 December	16,072,630	14,924,200

38. Equity Compensation Benefits (cont'd)

(a) Movement in share options

(b) 於結算日未到期及未行使的購股權條款

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

授予日期 Date of grant	授予期間 Vesting period	可行使期間 Exercisable period	行使價 Exercise price 港幣(元) HK\$	購股權數目 Number of options outstanding	
				二零零四年 2004	二零零三年 2003
06/05/1998	–	07/05/1998 至 to 29/03/2005	1.000	–	316,928
17/08/1999	–	31/10/1999 至 to 29/03/2005	2.217	2,900,000	6,200,000
28/03/2000	–	31/03/2000 至 to 29/03/2005	1.758	500,000	500,000
27/06/2000	–	05/06/2002 至 to 29/03/2005	1.681	–	100,000
10/08/2000	–	11/08/2001 至 to 29/03/2005	2.198	100,000	100,000
05/12/2000	–	22/10/2001 至 to 29/03/2005	1.747	–	500,000

38. 證券形式的福利 (續)

(b) 於結算日未到期及未行使的購股權條款 (續)

38. Equity Compensation Benefits (cont'd)

(b) Terms of unexpired and unexercised share options at the balance sheet date (cont'd)

授予日期 Date of grant	授予期間 Vesting period	可行使期間 Exercisable period	行使價 Exercise price 港幣(元) HK\$	購股權數目 Number of options outstanding	
				二零零四年 2004	二零零三年 2003
28/02/2002	–	28/02/2002 至to 29/03/2005	1.620	203	203
28/02/2002	–	28/02/2002 至to 29/03/2005	2.217	268,880	295,490
28/02/2002	–	28/02/2002 至to 29/03/2005	1.758	37,344	37,344
28/02/2002	–	05/06/2002 至to 29/03/2005	1.681	–	37,344
28/02/2002	–	28/02/2002 至to 29/03/2005	2.198	4,203	4,203
28/02/2002	–	28/02/2002 至to 29/03/2005	1.747	–	37,344
28/02/2002	–	01/03/2002 至to 29/03/2005	1.828	–	37,344
01/12/2003	17/11/2003 至to 16/11/2005	17/11/2005 至to 16/11/2013	3.540	5,718,000	6,758,000
06/04/2004	06/04/2004 至to 05/04/2006	06/04/2006 至to 05/04/2014	3.775	6,544,000	–
				16,072,630	14,924,200

38. 證券形式的福利 (續)

(c) 於本年度已賦予的購股權詳情

授予期間 Vesting period	可行使期間 Exercisable period	行使價 Exercise price 港幣(元) HK\$	購股權數目 Number of options granted	
			二零零四年 2004	二零零三年 2003
06/04/2004 至 to 05/04/2006	06/04/2006 至 to 05/04/2014	3.775	7,412,000	–
17/11/2003 至 to 16/11/2005	17/11/2005 至 to 16/11/2013	3.540	–	6,758,000
			7,412,000	6,758,000

38. Equity Compensation Benefits (cont'd)

(c) Details of share options granted during the year

(d) 本年度內已行使的購股權詳情

(d) Details of share options exercised during the year

行使日期 Exercise date	行使價 Exercise price 港幣(元) HK\$	行使日的 每股份市價 Market value per share at exercise date 港幣(元) HK\$	已收取的款項 Proceeds received 港幣(元) HK\$	購股權數目 Number of options exercised
25/03/2004	1.681	3.500	168,100	100,000
29/03/2004	2.217	3.375	221,700	100,000
15/04/2004	2.217	3.400	221,700	100,000
19/04/2004	1.000	3.450	814	814
22/04/2004	2.217	3.325	665,100	300,000
10/05/2004	2.217	2.950	501,355	226,141

38. 證券形式的福利 (續)**(d) 本年度內已行使的購股權詳情 (續)****38. Equity Compensation Benefits (cont'd)****(d) Details of share options exercised during the year (cont'd)**

行使日期 Exercise date	行使價 Exercise price 港幣(元) HK\$	行使日的 每股股份市價 Market value per share at exercise date 港幣(元) HK\$	已收取的款項 Proceeds received 港幣(元) HK\$	購股權數目 Number of options exercised
10/05/2004	2.217	2.950	2,217,000	1,000,000
10/05/2004	2.217	2.950	2,217,000	1,000,000
03/06/2004	2.217	2.850	665,100	300,000
07/06/2004	1.000	2.900	200,000	200,000
23/06/2004	1.000	2.700	116,114	116,114
25/08/2004	1.681	3.100	62,775	37,344
08/10/2004	1.747	3.250	349,400	200,000
09/11/2004	1.747	3.500	349,400	200,000
25/11/2004	1.747	3.625	174,700	100,000
26/11/2004	1.747	3.500	65,240	37,344
28/12/2004	2.217	3.400	665,100	300,000
			8,860,598	4,317,757

39. 行政人員貸款

本公司根據香港《公司條例》第161B條披露行政人員的貸款詳情如下：

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
於12月31日的結欠 — 來自一間附屬公司	Balance outstanding at 31 December — By a subsidiary	2,010	1,806
本年度內最高結欠總額 — 來自一間附屬公司	Maximum aggregate amount outstanding during the year — By a subsidiary	2,630	11,633

於2004年12月31日，並無到期而未償還利息，亦沒有為這些貸款提撥準備。

39. Loans to Officers

Particulars of loans to officers of the Company disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

There was no interest due but unpaid nor any provision made against these loans at 31 December 2004.

40. 用作抵押的資產

40. Assets Pledged as Security

本集團
The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
抵押的資產	Assets pledged		
現金及短期資金	Cash and short term funds	441	33
持有至到期證券及投資證券	Held-to-maturity securities and investment securities	77,714	125,394
		78,155	125,427

於二零零四年十二月三十一日，用作抵押的資產是指抵押予美國貨幣監理處及中國人民銀行的法定存款。

As at 31 December 2004, the assets pledged represented statutory deposits pledged to the Office of the Comptroller of Currency in the USA and to the People's Bank of China in the PRC.

於二零零三年十二月三十一日，用作抵押的資產是指抵押予美國貨幣監理處的法定存款。

As at 31 December 2003, the assets pledged represented statutory deposits pledged to the Office of the Comptroller of Currency in the USA.

41. 結算日後事項

於二零零四年十一月十日，本集團接納標書將嘉華銀行中心(「該物業」)以總代價三億五千一百萬元出售。其後，於二零零四年十二月一日，本集團與買方達成買賣協議備忘錄。於二零零五年一月十二日(「完成日期」)，該物業已完成出售。就此項出售，約二億二千六百七十萬元的溢利將在二零零五年十二月三十一日年度內之本集團收益表中確認。

42. 最終控股公司

董事認為，本公司於二零零四年十二月三十一日的最終控股公司為在中華人民共和國註冊成立的中國中信集團公司。

43. 近期頒佈的會計準則

香港會計師公會頒佈多項新訂及經修訂的香港財務報告準則及香港會計準則(「新財務報告準則」)，該準則將於二零零五年一月一日或之後的會計年度生效。

本集團並未於截至二零零四年十二月三十一日止的財務報表內提前採用新財務報告準則。

本集團已開始評估該等新財務報告準則所帶來的影響，但現階段並未能說明該等新財務報告準則對本集團的業績及財務狀況的影響是否重大。

44. 財務報表核准

這些財務報表已於二零零五年三月十日獲董事會核准並授權發佈。

41. Post Balance Sheet Event

On 10 November 2004, the Group accepted a tender to sell Ka Wah Bank Centre (the "Property") for a total consideration of \$351 million. Subsequently, the Group entered into a Memorandum of Agreement for Sale and Purchase with the purchaser on 1 December 2004. The sale of the Property was completed on 12 January 2005 (the "Completion Date"). As a result of the sale, a gain of approximately of \$226.7 million for the sale will be recognised in the Group's income statement for the financial year ending 31 December 2005.

42. Ultimate Holding Company

The directors consider the ultimate holding company at 31 December 2004 to be CITIC Group, which is incorporated in the People's Republic of China.

43. Recently Issued Accounting Standards

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("new HKFRSs") which are effective for accounting periods beginning on or after 1 January 2005.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 December 2004.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

44. Approval of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 10 March 2005.

未經審核財務資料補充

Unaudited Supplementary Financial Information

於二零零四年十二月三十一日(除特別列明外以港幣為單位)

at 31 December 2004 (expressed in Hong Kong dollars unless otherwise indicated)

(A) 資本充足比率

(A) Capital Adequacy Ratio

		二零零四年 2004	二零零三年 2003
未經調整資本充足比率	Unadjusted capital adequacy ratio	15.24%	18.41%

未經調整資本充足比率是根據香港金融管理局(「金管局」)為監管目的所規定，按本公司及其若干附屬公司的合併基準，並且符合香港《銀行業條例》附表三的基準計算。

The unadjusted capital adequacy ratio is computed on the consolidated basis covering the Company and certain of its subsidiaries as required by the Hong Kong Monetary Authority (the "HKMA") for its regulatory purposes, and is in accordance with the Third Schedule to the Hong Kong Banking Ordinance.

(B) 扣除減項後資本基礎

(B) Capital Base after Deductions

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
核心資本	Core capital		
實繳普通股本	Paid up ordinary share capital	3,194,153	3,189,835
股份溢價	Share premium	1,835,948	1,831,406
儲備	Reserves	2,580,129	2,198,658
減：商譽	Deduct: Goodwill	(1,007,749)	(1,067,029)
核心資本總額	Total core capital	6,602,481	6,152,870
合格補助資本	Eligible supplementary capital		
土地及土地權益重估儲備	Reserves on revaluation of land and interests in land	8,362	8,362
呆賬一般準備	General provisions for doubtful debts	521,837	546,474
永久後償債項	Perpetual subordinated debt	1,943,589	1,940,783
有期後償債項	Term subordinated debt	932,923	1,397,364
合格補助資本總額	Total eligible supplementary capital	3,406,711	3,892,983
扣除減項前總資本基礎	Total capital base before deductions	10,009,192	10,045,853
總資本基礎減項	Deductions from total capital base	(1,295,680)	(596,936)
扣除減項後總資本基礎	Total capital base after deductions	8,713,512	9,448,917

(C) 分部資料**按地區劃分**

二零零四年
2004

(C) Segmental Information**By geographical area**

本集團
The Group

		溢利*	總資產	總負債	經營收入	或有負債 及承擔
		Profit*	Total assets	Total liabilities	Operating income	Contingent liabilities and commitments
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
香港	Hong Kong	1,043,629	82,997,057	70,385,252	2,105,057	12,921,806
中國	Mainland China	9,769	690,143	322,158	16,684	-
美國	USA	13,620	1,742,424	1,674,194	45,380	352,162
其他	Others	-	466,479	466,479	-	-
減：分部間項目	Less: Inter-segment items	(10,558)	(2,326,086)	(1,864,317)	(10,686)	-
		1,056,460	83,570,017	70,983,766	2,156,435	13,273,968

二零零三年
2003

本集團
The Group

		溢利*	總資產	總負債	經營收入	或有負債 及承擔
		Profit*	Total assets	Total liabilities	Operating income	Contingent liabilities and commitments
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
香港	Hong Kong	758,747	78,513,770	66,434,778	1,978,831	13,167,998
中國	Mainland China	152	413,576	27,173	3,882	-
美國	USA	13,185	1,911,002	1,855,577	43,689	686,159
其他	Others	-	354,100	354,100	-	-
減：分部間項目	Less: Inter-segment items	-	(1,274,991)	(835,854)	(5,543)	-
		772,084	79,917,457	67,835,774	2,020,859	13,854,157

上述有關地區分析的資料已按附屬公司或其分行的主要營業地點劃分。

* 正常業務的除稅前溢利

The above geographical analysis is classified by the location of the principal operations of the subsidiaries or branches of its subsidiaries.

* Profit from ordinary activities before taxation

(C) 分部資料 (續)

(C) Segmental Information (cont'd)

本集團
The Group

		二零零四年 2004			二零零三年 2003		
		客戶墊款 Advances to customers 港幣千元 HK\$'000	逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	不履約貸款 Non- performing loans 港幣千元 HK\$'000	客戶墊款 Advances to customers 港幣千元 HK\$'000	逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	不履約貸款 Non- performing loans 港幣千元 HK\$'000
香港	Hong Kong	34,431,875	1,314,119	1,235,995	32,971,478	1,920,762	1,889,711
中國	Mainland China	5,899,197	596,904	596,904	4,738,547	568,987	570,993
美國	USA	714,454	50,620	50,620	611,329	51,754	51,754
其他	Others	1,627,189	363	363	1,864,819	109,531	103,750
		42,672,715	1,962,006	1,883,882	40,186,173	2,651,034	2,616,208

上述有關地區分析的資料已按交易另一方所在地劃分，風險轉移已考慮在內。由與交易方不同的國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。

客戶不履約貸款是指利息撥入暫記賬或已停止計息的墊款。

The geographical analysis is classified by the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor.

Non-performing advances to customers are those advances on which interest is being placed in suspense or on which interest accrual has ceased.

(D) 客戶墊款－按行業劃分

按行業劃分的客戶墊款資料按金管局所用的類別及定義分析。

(D) Advances to Customers – By Industry Sectors

The analysis of advances to customers by industry sectors is based on categories and definitions used by the HKMA.

本集團
The Group
客戶墊款總額
Gross advances to customers

	二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
用於香港的貸款		
工商及金融界		
– 物業發展	350,668	327,555
– 物業投資	4,313,945	4,252,571
– 金融界	2,702,487	2,695,514
– 股票經紀	39,835	20,519
– 批發及零售貿易	2,000,654	2,347,275
– 製造業	3,372,328	3,506,532
– 運輸業及運輸設備	5,404,016	4,551,838
– 其他	3,690,455	3,761,929
個人		
– 購入居者有其屋計劃、 私人發展商參與興建 居屋計劃及租者置其屋 計劃單位的貸款	19,394	23,979
– 購入其他住宅物業的貸款	10,512,764	10,920,086
– 信用卡墊款	538,041	426,249
– 其他	1,161,561	1,462,017
貿易融資	2,287,943	2,088,069
用於香港以外地區的貸款	6,278,624	3,802,040
	42,672,715	40,186,173

(E) 滙率風險

本集團來自買賣、非買賣及結構性外滙盤的滙率風險的資料披露如下。向金管局申報的期權盤淨額是按照該局的銀行持有「外滙盤申報表」(MA(BS)6)中所載的方式計算。

(E) Currency Risk

The information concerning the foreign currency exposures of the Group arising from trading, non-trading and structural positions is disclosed as follows. The net options position reported is calculated in accordance with the methods set out in the banking return “Foreign Currency Position” (MA(BS)6) submitted to the HKMA.

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		二零零四年 2004				二零零三年 2003			
相等於 港幣千元	Equivalent in HK\$'000	美元 US dollars	人民幣 Renminbi	其他 Other	總額 Total	美元 US dollars	人民幣 Renminbi	其他 Other	總額 Total
現貨資產	Spot assets	28,674,000	757,264	4,981,384	34,412,648	26,366,749	598,834	5,558,178	32,523,761
現貨負債	Spot liabilities	(30,836,628)	(134,181)	(4,656,405)	(35,627,214)	(24,441,071)	(14,114)	(5,324,368)	(29,779,553)
遠期買入	Forward purchases	7,309,008	-	2,629,869	9,938,877	9,986,595	-	2,378,099	12,364,694
遠期賣出	Forward sales	(5,848,312)	-	(2,943,565)	(8,791,877)	(8,239,058)	-	(2,621,242)	(10,860,300)
期權盤淨額	Net options position	693	-	(693)	-	23,051	-	128,193	151,244
(短)/長盤 淨額	Net (short)/long position	(701,239)	623,083	10,590	(67,566)	3,696,266	584,720	118,860	4,399,846

期權盤淨額是按照模式使用者方法計算(二零零三年：最差情況方法)。

The net options position is calculated using the model user approach (2003: worst case approach).

(F) 跨境債權

跨境債權資料是資產負債表上呈示考慮了風險轉移後按交易另一方所在地計算的交易另一方風險。由與交易方不同的國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。銀行或其他金融機構分行的債權風險則轉至其總部所在國家的賬項中。轉移風險後達總跨境債權10%或以上的個別國家或地區債權如下：

(F) Cross-border Claims

Cross-border claims are on-balance sheet exposures of counterparties based on the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor. For a claim on the branch of a bank or other financial institutions, the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate cross-border claims are shown as follows:

		銀行及其他 金融機構 Banks and other financial institutions 港幣千元 HK\$'000	公營機構 Public sector entities 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
二零零四年 2004					
香港以外	Asia and Pacific excluding				
亞太區	Hong Kong	6,765,626	201,643	7,552,627	14,519,896
其中澳洲	of which Australia	3,373,719	1,128	61,338	3,436,185
其中中國	of which Mainland China	2,196,755	199,858	6,712,491	9,109,104
西歐	Western Europe	13,717,333	3,008	4,276,585	17,996,926
其中法國	of which France	2,281,061	–	806,261	3,087,322
其中德國	of which Germany	2,519,414	–	410,682	2,930,096
其中荷蘭	of which Netherlands	1,249,111	–	720,948	1,970,059
其中英國	of which United Kingdom	3,608,631	953	1,023,518	4,633,102
二零零三年 2003					
香港以外	Asia and Pacific excluding				
亞太區	Hong Kong	6,886,634	187,909	5,439,220	12,513,763
其中澳洲	of which Australia	3,314,907	–	58,420	3,373,327
其中中國	of which Mainland China	2,076,200	187,909	4,815,870	7,079,979
西歐	Western Europe	15,428,297	–	4,997,868	20,426,165
其中法國	of which France	1,996,503	–	810,627	2,807,130
其中德國	of which Germany	4,155,222	–	1,273,093	5,428,315
其中荷蘭	of which Netherlands	865,556	–	724,171	1,589,727
其中英國	of which United Kingdom	4,361,105	–	830,528	5,191,633

(G) 逾期客戶墊款(已扣除暫記利息)

扣除已資本化但記入暫記賬項內的應計利息的客戶墊款總額已逾期達：

(G) Overdue Advances to Customers (Net of Suspended Interest)

The gross amount of advances, net of accrued interest that has been capitalised but accrued to a suspense account, which have been overdue for periods of:

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		二零零四年 2004		二零零三年 2003	
		港幣千元 HK\$'000	% *	港幣千元 HK\$'000	% *
– 3個月至6個月	– 6 months or less but over 3 months	90,905	0.21	165,835	0.41
– 6個月至1年	– 1 year or less but over 6 months	213,538	0.50	307,408	0.76
– 1年以上	– over 1 year	1,657,563	3.89	2,177,791	5.42
總額	Total	1,962,006	4.60	2,651,034	6.59
有抵押逾期墊款	Secured overdue advances	1,449,690		1,742,648	
無抵押逾期墊款	Unsecured overdue advances	512,316		908,386	
		1,962,006		2,651,034	
持有有抵押逾期 墊款抵押品 的市值	Market value of collateral held against the secured overdue advances	1,607,051		2,104,234	
特別準備	Specific provisions made	473,671		580,629	

* 佔客戶墊款總額計算

* Based on total advances to customers

於二零零四年十二月三十一日及二零零三年十二月三十一日，本集團並無逾期超過三個月的銀行及其他金融機構墊款。

There were no advances to banks and other financial institutions which were overdue for over 3 months as at 31 December 2004 and 31 December 2003.

(H) 逾期貸款與墊款及不履約貸款的對賬**(H) Reconciliation between Overdue Loans and Advances and Non-performing Loans**

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		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
逾期超過3個月的客戶墊款	Advances to customers overdue for more than 3 months	1,962,006	2,651,034
減：逾期超過3個月而仍然計息的款項	Less: Amount overdue for more than 3 months and on which interest is still being accrued	(142,832)	(247,895)
加：逾期3個月或以下或未逾期但利息記入暫記賬項或已停止計息的款項	Add: Amount overdue for 3 months or less, or not yet overdue and on which interest is being placed in suspense or on which interest accrual has ceased	11,047	84,187
加：利息記入暫記賬項或已停止計息的重整墊款	Add: Rescheduled advances on which interest is being placed in suspense or on which interest accrual has ceased	53,661	128,882
利息記入暫記賬項或已停止計息的客戶墊款	Advances to customers on which interest is being placed in suspense or on which interest accrual has ceased	1,883,882	2,616,208

(I) 其他逾期資產**(I) Other Overdue Assets**

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The Group

		二零零四年 2004 港幣千元 HK\$'000	二零零三年 2003 港幣千元 HK\$'000
貿易票據總額已逾期達：	The gross amount of trade bills which has been overdue for:		
– 3個月至6個月	– 6 months or less but over 3 months	2,565	–
– 6個月至1年	– 1 year or less but over 6 months	–	1,162
		2,565	1,162
持有至到期證券總額已逾期達：	Held-to-maturity securities which have been overdue for:		
– 6個月至1年	– 1 year or less but over 6 months	–	69,409
– 1年以上	– Over 1 year	15,549	15,526
		15,549	84,935

(J) 重整貸款

(J) Rescheduled Loans

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	二零零四年 2004		二零零三年 2003	
	港幣千元 HK\$'000	%*	港幣千元 HK\$'000	%*
重整貸款 Rescheduled loans	226,093	0.53	517,916	1.29

* 佔客戶墊款總額計算

* Based on total advances to customers

重整貸款乃指客戶因為財政困難或無能力如期還款而經雙方同意達成重整還款，這些經修訂的還款條件對本集團而言並非一般商業條款。客戶重整貸款已扣除其後逾期超過三個月並於附註(G)滙報的逾期貸款。

Rescheduled advances are those advances which have been restructured or renegotiated because of a deterioration in the financial position of the borrower, or the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms are non-commercial to the Group. Rescheduled advances to customers are stated net of any advances that have subsequently become overdue for over 3 months and reported as overdue advances in note (G).

於二零零四年十二月三十一日及二零零三年十二月三十一日，本集團並無重組的銀行及其他金融機構貸款。

There were no advances to banks and other financial institutions which were rescheduled as at 31 December 2004 and 31 December 2003.

(K) 取回資產

(K) Repossessed Assets

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	二零零四年 2004	二零零三年 2003
	港幣千元 HK\$'000	港幣千元 HK\$'000
已計入客戶墊款及其他賬項中 Included in advances to customers and other accounts	309,332	436,993

(L) 董事委員會

本公司董事會已設立以下的委員會：

審核委員會

該委員會為獨立機構，協助董事會監察本公司是否符合各項政策、程序以及內部及法定規定；並協助董事會獨立檢討本公司的財務匯報流程及內部控制制度的有效性。該委員會由本公司三名董事組成，其中兩名為獨立非執行董事。

本公司董事會除設立上述委員會外，本公司的全資附屬公司 — 中信嘉華銀行有限公司（「中信嘉華」）董事會也設立了以下三個委員會：

(i) 審核委員會

該委員會為獨立機構，協助董事會監察中信嘉華是否符合各項政策、程序以及內部及法定規定；並協助董事會獨立檢討中信嘉華的財務匯報流程及內部控制制度的有效性。該委員會由中信嘉華三名董事組成，其中兩名為獨立非執行董事。

(ii) 高層人事委員會

該委員會監督中信嘉華的高級行政人員的聘任及撤離、薪酬及繼任計劃，也協助董事會挑選及引薦填補董事會空缺的人選。該委員會由中信嘉華四名董事組成。

(L) Board Committees

The Board of Directors of the Company has established the following committees:

Audit Committee

The committee, being an independent body, assists the Board of Directors in monitoring compliance with the policies, procedures, and internal and statutory regulations. It also assists the Board of Directors in providing independent review of the effectiveness of the Company's financial reporting process and internal control systems. The committee comprises three Directors of the Company, two of which are Independent Non-executive Directors.

Apart from the above committee, the following three committees were established under the Board of Directors of CITIC Ka Wah Bank Limited (the "Bank") which is a major wholly-owned subsidiary of the Company:

(i) Audit Committee

The committee, being an independent body, assists the Board of Directors of the Bank in monitoring compliance with the policies, procedures, and internal and statutory regulations. It also assists the Board of Directors in providing independent review of the effectiveness of the Bank's financial reporting process and internal control systems. The committee comprises three Directors of the Bank, two of which are Independent Non-executive Directors.

(ii) Executive Personnel Committee

The committee provides oversight of the appointment and removal, remuneration, and succession plan of the Bank's senior executives. It also assists the Board of Directors of the Bank in selecting and recommending candidates for vacancy on the Board of Directors of the Bank. The committee comprises four Directors of the Bank.

(L) 董事委員會 (續)

(iii) 信貸及風險管理委員會

該委員會從董事會層面監督中信嘉華的風險管理策略、政策及機制。有關的風險主要包括信貸、市場、利率、資金流動性、營運、信譽、法律及策略性風險。該委員會通過中信嘉華管理層面的多個委員會監督中信嘉華的風險管理，包括信貸委員會、不良貸款委員會、資產及負債管理委員會以及營運及監控委員會。該委員會由中信嘉華六名董事組成。

(M) 風險管理

透過董事局的授權和密切監督，本集團通過中信嘉華處理各類型的風險。中信嘉華在二零零四年第一季度內，成立了風險管理部，結合所有風險管理單位，包括集團信貸、零售信貸、財務機構信貸、市場風險、風險政策、信貸監控和管理。

(i) 信貸風險管理

信貸風險源自客戶或交易對手不能履行其責任所招致的損失。本集團因其放貸、交易及資本市場營運而承受信貸風險。本集團對單一客戶的信貸風險定義為所有因對該客戶營運而可能招致的最大金額損失。這些風險不僅由資產負債表內業務產生，也包括資產負債表外業務，如包括尚待履行的貸款承諾及信用證及財務擔保等。

本集團亦制定信貸風險管理操作守則，其目的是確保風險評估過程的獨立性和完整性。本集團一般依據借款人的風險特徵、還款來源及抵押品特性，以進行信貸風險評估，同時亦充分考慮當時借款人所面對的事件和市場的發展。本集團亦根據資產組合的標準以產品、行業及地理分佈來作信貸資產組合上的風險管理，以避免風險的過份集中。

(L) Board Committees (cont'd)

(iii) Credit & Risk Management Committee

The committee oversees the Bank's risk management strategy, policies and mechanism. The risks concerned primarily include credit, market, interest rate, liquidity, operational, reputation, legal and strategic risks. The committee carries out its oversight function on the Bank's risk management through various committees at the Bank's management level, including: Credit Committee, Non Performing Loan Committee, Asset and Liability Management Committee ("ALCO") and Operations & Control Committee. The committee comprises six Directors of the Bank.

(M) Risk Management

The Group manages various types of risk mainly through the Bank under the delegation and close supervision of the Board. To centralize all its risk functions, the Bank combined all the risk management units in the first quarter of 2004 to form the Risk Management Group that consists of group credit, retail credit, inter-bank credit, market risk, risk policies, control and administration functions.

(i) Credit risk management

Credit risk is the risk of loss arising from a customer's or counterparty's inability to meet its financial obligations. The Group is exposed to credit risk through its lending, trading and capital markets activities. The Group defines the credit exposure to a customer as the amount of maximum potential loss arising from all these activities. These exposures include both on- and off-balance sheet transactions, including unfunded lending commitments such as loan commitments, letters of credit and financial guarantees.

The Group's credit risk management practices are designed to preserve the independence and integrity of the risk assessment process. The Group assesses credit risk based upon the risk profile of the borrower, source of repayment and the nature of the underlying collateral after giving consideration to current events and market developments. Credit risk is also managed at portfolio levels in terms of product, industry and geography to manage concentration risk.

(M) 風險管理 (續)

(i) 信貸風險管理 (續)

本集團經常審核和更新信貸政策手冊和監控守則，以確保信貸風險得到適當的評估、有效的批核、恆常的監控及積極的管理。

通過與附屬公司和聯營公司簽署服務協議，中信嘉華的風險管理部同時被授予管理這些公司信貸風險的責任。

(ii) 流動資金風險管理

除符合所有監管要求和遵行法定之流動資金比率以外，本集團必須能在正常及緊急情況下，應付所有顧客的承諾。為此，本集團採取了主動性的流動資金管理，經常性地發行遠期存款證，及為其流動投資組合安排了證券回購協議，用以增加流動資金。

(iii) 市場風險管理

本集團之主要風險來自中信嘉華，並由風險管理部內的市場風險管理單位負責監控既定的市場風險限額。通過顧客買賣情報、短期市場看法和較長期戰略看法，中信嘉華的財資部是承管市場風險的中心點。市場風險管理單位則確保市場風險符合既定之買賣盤限額和風險敏感度限額。

本集團的其他附屬公司亦有進行較小規模的投資活動。

截至二零零四年十二月三十一日止，本集團在從事利率買賣盤活動中，平均單日虧損為44,000元。總合市價計值盈利平均單日溢利為442,000元。下圖顯示本集團市價計值盈利單日損益直方圖。

(M) Risk Management (cont'd)

(i) Credit risk management (cont'd)

Credit policy manuals and control procedures are regularly revised and updated to ensure that credit risk is adequately assessed, properly approved, continually monitored, and proactively managed.

Through entering into services agreements with subsidiaries and associated companies, the Risk Management Group of the Bank is also entrusted with the responsibilities to manage credit risk for these companies.

(ii) Liquidity risk management

The Group must be able to meet all customer claims in both normal and emergency circumstances besides meeting all regulatory requirements and complying with statutory liquidity ratios. To adopt a proactive liquidity management, the Group has issued long-dated certificates of deposit regularly and has also arranged re-purchase agreement facilities on its liquid investment portfolio.

(iii) Market risk management

The Group's major market risk exposure rested with the Bank and is being monitored by the Market Risk Management Unit ("MRM") under Risk Management Group against established limits. The Bank's Treasury is the centre point to take on market risk exposures through customer flows, short-term market views and longer term strategic views. MRM ensures that the exposures are within established position and sensitivity limits.

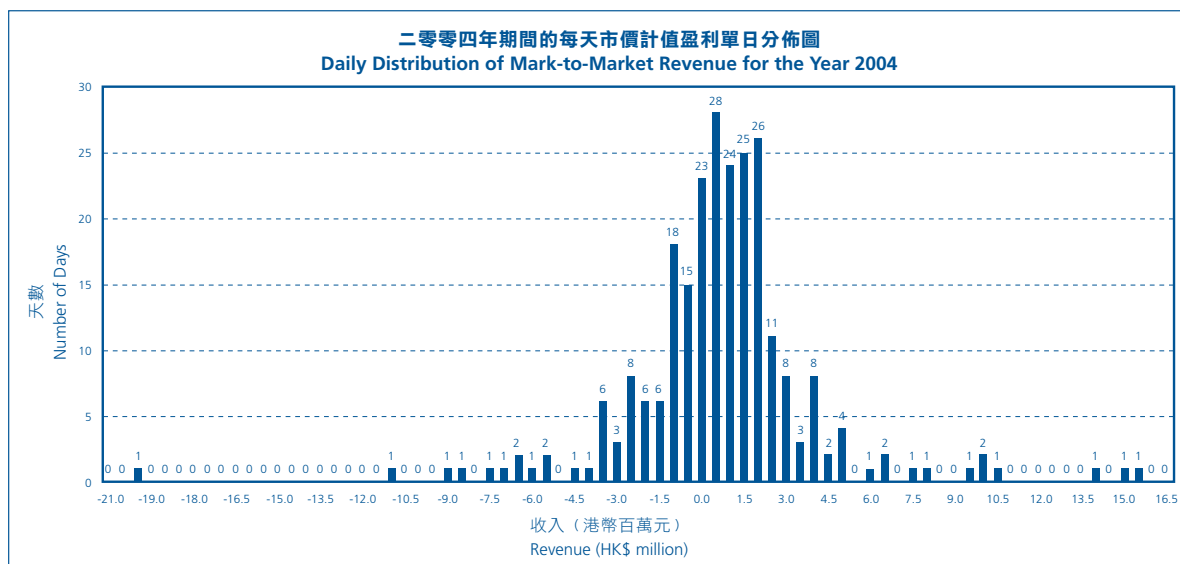
Other subsidiaries of the Group have also engaged in investments albeit in relatively smaller magnitude.

For the year ended 31 December 2004, the average daily profit and loss from the Group's trading activities in interest rate risk was a loss of \$44,000. The average daily total mark-to-market profit and loss was a gain of \$442,000. The figure below shows the histogram of the Group's daily mark-to-market profit and loss.

(M) 風險管理 (續)

(iii) 市場風險管理 (續)

圖：截至二零零四年十二月三十一日止年度市價計值盈利單日分佈圖



從上圖所見，單日虧損最大值為20,320,000元，而單日盈利最大值則為15,270,000元。以249天之買賣操作天為期，本集團錄得市價計值虧損佔98天。在分佈圖中之最常見單日市價計值盈利在0元與500,000元之間，共出現28天。

(iv) 資本充足管理

本集團的政策是維持一個雄厚的資本基礎以支持本集團的業務發展，並符合法定的資本充足比率。如上述附註(A)所披露，本集團於二零零四年十二月三十一日未經調整資本充足比率為15.24%，遠高於法定最低比率。

本集團的資金是根據各營業實體所承擔的風險分配予各個不同的業務。根據金管局的規定，若干財務附屬公司須受金管局資本要求規限方面的監管。

(M) Risk Management (cont'd)

(iii) Market risk management (cont'd)

Figure: Daily distribution of mark-to-market revenue for the year ended 31 December 2004

From the chart above, the maximum daily loss was \$20,320,000 and the maximum daily gain was \$15,270,000. Out of the 249 trading days for the period, there were 98 days with mark-to-market losses. The most frequent results were daily gains between \$0 and \$500,000 with the highest occurrence of 28 days.

(iv) Capital adequacy management

The Group has structured and is maintaining a strong capital base to support the development of the Group's business and to meet statutory capital adequacy ratios. As disclosed in note (A) above, the Group's unadjusted capital adequacy ratio was 15.24% as at 31 December 2004, well above the statutory minimum ratio.

The Group allocates its capital to various business activities depending on the risk taken by each business entities. Certain financial subsidiaries, as specified by the HKMA, are subject to the HKMA's capital requirements for its regulatory supervision purposes.

(M) 風險管理 (續)

(v) 外匯風險管理

本集團的外匯風險源自外匯盤買賣、商業交易、外匯證券投資及海外分行。所有外匯買賣盤額均由中信嘉華資產及負債管理委員會所核准。截至二零零四年度十二月三十一日止年度平均單日外匯買賣溢利為3,000元。

(vi) 利率風險管理

本集團之利率風險主要來自中信嘉華。中信嘉華的資產及負債管理委員會監控存在於中信嘉華資產及負債期限差距間的利率風險。此利率風險包括息率基點風險、收益率曲線風險、重訂息率風險和期權風險。資產及負債管理委員會通過重訂息率／期限差距報告、息率靈敏度分析和各種盈利上之假設分析，覆核中信嘉華的利率風險。緩和利息風險，中信嘉華會使用利率衍生工具對沖其資產及負債，以減輕利率風險。

(vii) 其他買賣盤及投資活動

截至二零零四年十二月三十一日止，本集團透過中信嘉華參予一些只限於黃金的商品買賣活動，其平均單日買賣盤虧損為9,000元。而中信國際資產管理有限公司參予股票買賣活動的平均單日買賣盤盈利為4,000元，而石油期貨買賣活動的平均單日買賣盤盈利為5,000元。

透過集團本身與及中信嘉華，本集團於二零零四年五月開始，投資一部分剩餘流動資金在海外基金，以提升回報。截至二零零四年十二月三十一日止，海外基金的平均單日市價計值盈利為483,000元。

(M) Risk Management (cont'd)

(v) Foreign currency risk management

The Group's foreign exchange risk stems from taking foreign exchange positions, commercial dealing, investment in foreign currency securities and operations of overseas branches. All foreign exchange positions are subject to exposure limits approved by ALCO. The Group's average daily foreign exchange trading profit and loss for the year ended 31 December 2004 was a gain of \$3,000.

(vi) Interest rate risk management

The interest rate risk for the Group comes mainly from the Bank. The mismatch arising from interest rate profile of the Bank's assets and liabilities, which gives rise to interest rate risk for the banking book, is overseen by the Bank's ALCO. This interest rate risk comprises of basis risk among different interest rate benchmarks, yield curve movements, interest rate repricing risk and embedded options if any. The Bank's ALCO reviews interest rate risk of its banking book through gap mismatch reports, sensitivity analysis and various earnings scenario analyses. To mitigate interest rate risk, the Bank has used interest rate derivatives, mainly interest rate swaps, to hedge both assets and liabilities.

(vii) Other trading and investment activities

For the year ended 31 December 2004, the Group has gold trading via the Bank with an average daily loss of \$9,000. CITIC International Assets Management Limited has equity trading and commodity trading in oil futures with an average daily trading profit of \$4,000 and \$5,000 respectively.

The Group, by itself and via the Bank, has invested part of its excess liquidity into external funds to enhance the return starting in May 2004. The average daily mark-to-market profit and loss for the year ended 31 December 2004 was a gain of \$483,000.

(M) 風險管理 (續)

(viii) 業務操作風險管理

本集團透過集團的管理委員會及中信嘉華的營運及監控委員會處理其業務操作風險。管理委員會確保集團的所有附屬公司在營運上及管理上皆遵行該附屬公司既定的風險政策和執行守則。營運及監控委員會的成員包括作為委員會主席的業務操作總監及各營業部門和支援部門的高級職員。營運及監控委員會的其中一個要務是週期性地覆核、更新和需要時測試中信嘉華的業務操作政策、業務操作程序和針對突發事件的應變計劃。

本集團的業務操作風險是因內部程序的不完善或失效、科技、系統、人員或外在因素所導致的損失。對銀行而言，業務操作風險並不陌生。近年的重大業務操作風險事件均突顯了須採取更寬闊和更全面的觀點，以更有效處理業務操作風險的需要。科技與業務操作問題固然非常重要，但其他可導致營運損失的地方也需要管理得宜。

現時，中信嘉華透過不同的方法管理其業務操作風險，當中包括：

- 每年覆核及更新業務操作科技政策和程序手冊，以確保所有的程序皆經過充份的考慮和定義。
- 訂定人力資源政策和實踐，為員工正確的營運工作行為作出定義和鼓勵，並確保員工擁有所需的資歷和培訓。
- 評估新產品和服務，以確保在推出前，該新產品或服務能充份得到相關員工、程序及科技上的支援。
- 每年設定和測試突發事件的應變計劃。測試事項包括如因失火所導致的資料庫故障、業務操作地點倒塌及由市場傳聞或其他原因而引致的突然擠提等。

(M) Risk Management (cont'd)

(viii) Operational risk management

The Group manages its operational risk through the Management Committee at the Group level and the Operations & Control Committee at the Bank level. The Management Committee ensures that all the subsidiaries are operating properly and managed in accordance with pre-set risk policies and procedures of the respective subsidiaries. The Operations & Control Committee comprises the Chief Operating Officer as the chairman and other senior staff from various business lines and support functions. One of its key responsibilities is to periodically review, update, and test as necessary the operational policies, procedures and contingency plans of the Bank.

Operational risk is the risk of losses which the Group may incur as a result of inadequate or failed processes, technology, infrastructure, personnel or from external events. Operational risk is not new to banks. Significant operational risk events in recent years have highlighted the need to manage operational risk more effectively by taking a broader and more comprehensive view. Technology and operational issues remain critically important, but other areas, which could lead to operational losses, must be managed as well.

The Bank currently manages operational risk through a number of ways, such as:

- Operations and technology polices and manual are developed and reviewed annually to ensure processes are adequately considered and defined.
- Human resources policy and practices are established to define and encourage proper staff behavior, and that staff are qualified and trained for their roles.
- New products and services are evaluated to ensure that staff, processes, and technology can adequately support prior to launching.
- Disaster recovery and business continuity plans are set up and tested annually for major events such as major failure of data centre caused by fire or other events; loss of operating site and sudden and massive customer withdrawal due to market rumors or other reasons.

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