



Annual Report 2009

二零零九年報告書

Hong Kong Aircraft Engineering Company Limited

香港飛機工程有限公司

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## FINANCIAL CALENDAR

### 財務日誌

#### Financial Calendar 2010

#### 二零一零年度財務日誌

Annual Report sent to shareholders	7th April	年度報告書送交各股東	四月七日
Shares trade ex-dividend	3rd May	股份除息交易	五月三日
Share registers closed	5th – 11th May	股票過戶手續暫停辦理	五月五日至十一日
Annual General Meeting	11th May	股東週年大會	五月十一日
Payment of 2009 final dividend	20th May	派付二零零九年度末期股息	五月二十日

#### Six months ending 30th June 2010

#### 截至二零一零年六月三十日止六個月

Interim results announcement	August	宣佈中期業績	八月
Interim dividend payable	September	派發中期股息	九月

# HIGHLIGHTS

## 摘要

	2009	2008	Change 變幅 %	
<i>(in HK\$ Million)</i>				<i>(港幣百萬元)</i>
<b>Results</b>				<b>業績</b>
Turnover	<b>4,045</b>	4,901	-17.5	營業總額
Net operating profit	<b>380</b>	1,017	-62.6	營業淨溢利
Share of after-tax results of jointly controlled companies				應佔共控公司除稅後業績
– Hong Kong Aero Engine Services Limited and Singapore Aero Engine Services Pte. Limited	<b>363</b>	397	-8.6	– 香港航空發動機維修服務有限公司 及新加坡航空發動機維修服務 有限公司
– Other jointly controlled companies	<b>57</b>	65	-12.3	– 其他共控公司
Profit attributable to the Company's shareholders	<b>688</b>	1,138	-39.5	公司股東應佔溢利
<i>(in HK\$)</i>				<i>(港元)</i>
Earnings per share attributable to the Company's shareholders (basic and diluted)	<b>4.14</b>	6.84	-39.5	公司股東應佔的每股盈利 (基本及攤薄)
<i>(in HK\$)</i>				<i>(港元)</i>
Interim and final dividends per share	<b>2.00</b>	3.18	-37.1	每股中期及末期股息
<i>(in HK\$ Million)</i>				<i>(港幣百萬元)</i>
<b>Financial Position</b>				<b>財務狀況</b>
Net (borrowings)/cash surplus	<b>(143)</b>	215	-166.5	(借款)/現金盈餘淨額
Gearing ratio	<b>2.3%</b>	–	–	資本淨負債比率
Total equity	<b>6,141</b>	5,900	+4.1	權益總額
<i>(in HK\$)</i>				<i>(港元)</i>
Equity attributable to the Company's shareholders per share	<b>31.13</b>	29.83	+4.4	公司股東應佔每股權益
<i>(in HK\$ Million)</i>				<i>(港幣百萬元)</i>
<b>Cash Flows</b>				<b>現金流量</b>
Net cash generated from operating activities	<b>729</b>	1,064	-31.5	來自營運業務的現金淨額
Net cash inflow before financing activities	<b>39</b>	54	-27.8	融資業務前的現金流入淨額

Note: The average number of shares in issue is 166,324,850 in 2009 (2008: 166,324,850).  
Additional financial information of the Group's jointly controlled companies is presented on page 55.

附註：二零零九年的平均已發行股份數目為166,324,850股  
(二零零八年為166,324,850股)。  
集團共控公司的附加財務資料於第五十五頁列述。

Terms: **Net borrowings** Total loans less bank deposits and bank balances  
**Total equity** Total of equity attributable to the Company's shareholders and minority interests

專門術語：借款淨額 貸款總額減銀行存款及銀行結餘  
權益總額 公司股東應佔權益及少數股東權益總計

$$\text{Gearing ratio} = \frac{\text{Net borrowings}}{\text{Total equity}}$$

$$\text{資本淨負債比率} = \frac{\text{借款淨額}}{\text{權益總額}}$$

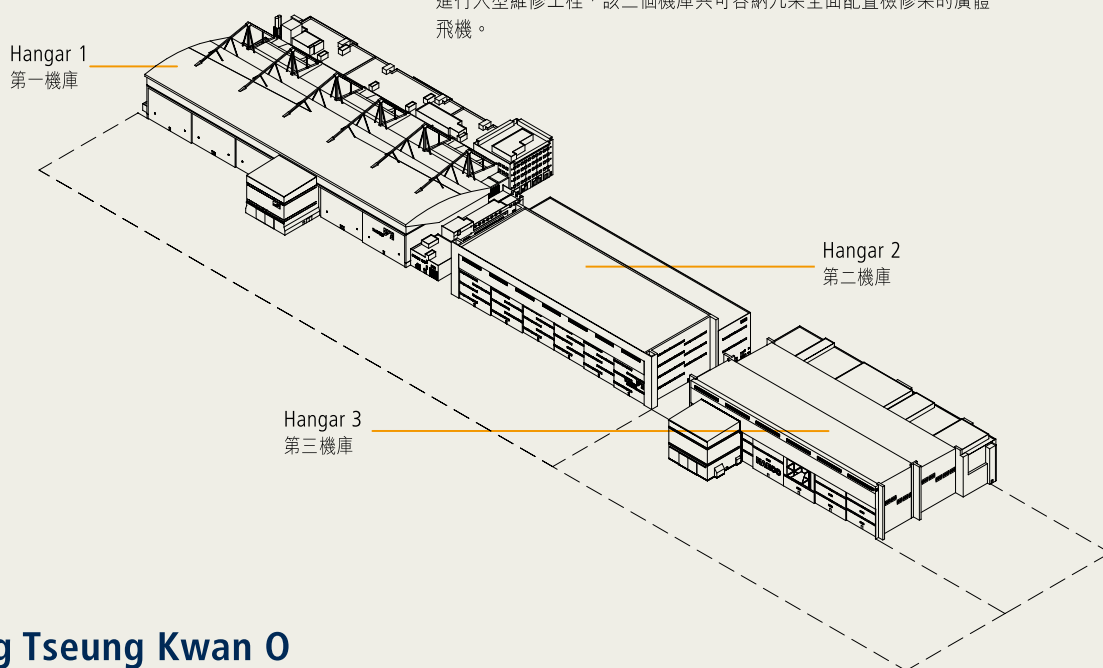
## GROUP PROFILE

### 集團簡介

## Hong Kong International Airport 香港國際機場

HAECO provides line maintenance for over 70 airlines. It also performs heavy maintenance in three hangars which hold nine wide-body aircraft fully docked.

港機工程為超過七十家航空公司提供外勤維修服務，並於三個機庫內進行大型維修工程，該三個機庫共可容納九架全面配置檢修架的廣體飛機。



## Hong Kong Tseung Kwan O 香港將軍澳工業村

HAESL overhauls Rolls-Royce Trent and 524 engines, and is constructing an additional component repair extension. HAECO has a 7,000-square metre facility performing component overhaul and training.

香港航空發動機維修服務公司為勞斯萊斯特倫特及524型引擎進行大修工程，並正增建一所部件修理擴建設施。港機工程設有面積達七千平方米的設施，作為部件大修及培訓用途。

### HAESL Engine Test Cell

香港航空發動機維修服務公司引擎測試場

### HAESL Phase 4 Workshop

香港航空發動機  
維修服務公司第四期工場

### HAECO Component Overhaul & Training Centre

港機工程部件大修及培訓中心

### HAESL Phase 5 Component Overhaul Workshop (under construction)

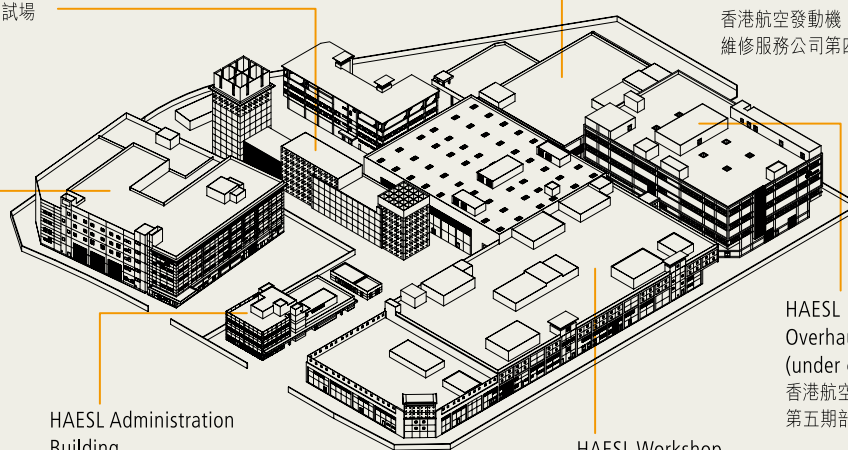
香港航空發動機維修服務公司  
第五期部件大修工場 (在建)

### HAESL Administration Building

香港航空發動機維修  
服務公司行政大樓

### HAESL Workshop

香港航空發動機  
維修服務公司工場



# Xiamen

## 廈門

TAECO has five hangars holding ten wide-body aircraft fully docked and a training centre. Its sixth hangar is under construction.

TAECO has approvals to handle a wide variety of aircraft types. It specialises in heavy maintenance on Boeing 747 aircraft including passenger to freighter conversions. It also provides line maintenance at a number of airports in Mainland China.

Taikoo (Xiamen) Landing Gear Services Limited operates a landing gear overhaul facility next to TAECO's hangars.

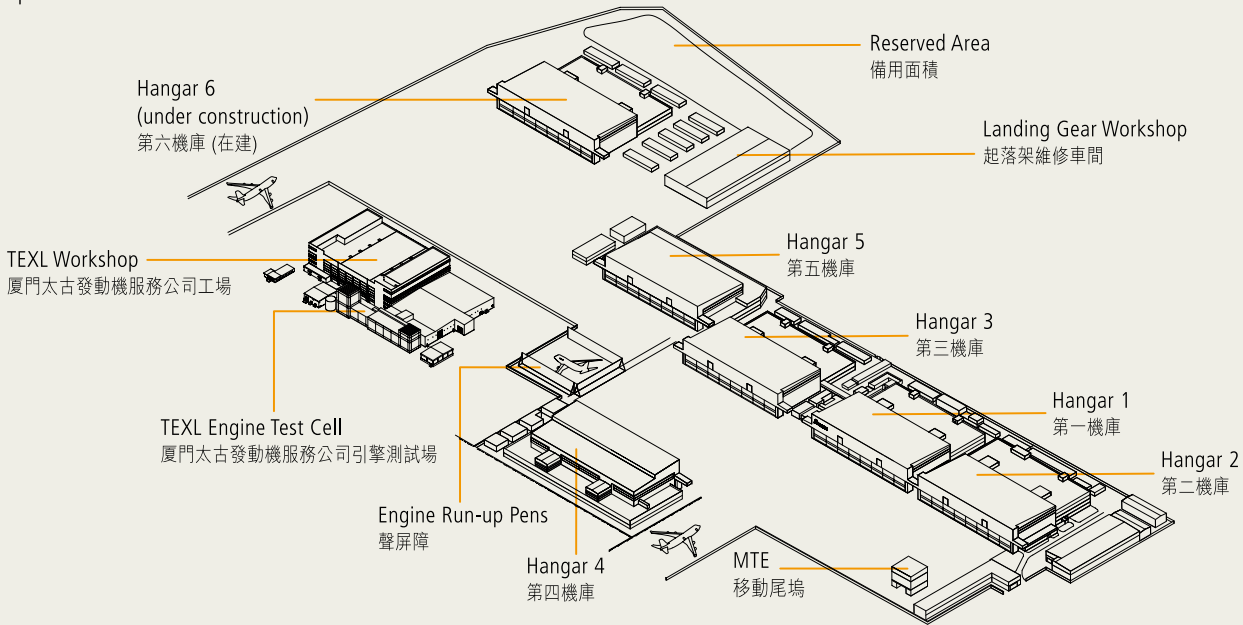
Taikoo Engine Services (Xiamen) Company Limited is upgrading its General Electric 90 engine overhaul facility for recommencement of operations scheduled for 2010.

廈門太古飛機工程公司設有五個機庫，可容納十架全面配置檢修架的廣體飛機，並設有一座培訓中心。其第六個機庫正進行興建。

廈門太古飛機工程公司獲認可處理多種型號的飛機。該公司專門進行波音747型飛機大型維修工程，包括客機改裝貨機工程，並於中國內地多個機場提供外勤維修服務。

廈門太古起落架維修服務有限公司營運一所毗鄰廈門太古飛機工程公司機庫的起落架大修設施。

廈門太古發動機服務有限公司正為其General Electric 90引擎大修設施進行提升工程，預計於二零一零年重新投入運作。

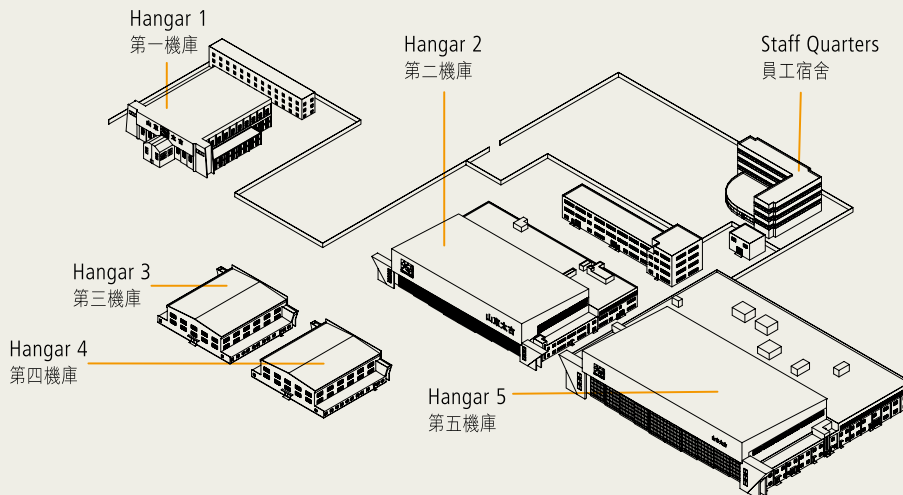


# Jinan

## 濟南

STAECO provides line and base maintenance to Shandong Airlines and specialises in performing heavy maintenance and passenger to freighter conversions for Boeing 737 aircraft for other airlines. Its five hangars can fully dock ten Boeing 737 aircraft.

山東太古飛機工程公司為山東航空公司提供外勤及基地維修服務，並專門為其他航空公司進行波音737型飛機大型維修及客機改裝貨機工程。該公司五個機庫可容納十架全面配置檢修架的波音737型飛機。



## TEN-YEAR FINANCIAL SUMMARY

### 十年財務概要

	2000	2001	2002	2003	2004
<i>(in HK\$ Million)</i>					
<b>Turnover</b>	1,874	1,983	2,118	1,992	2,134
<b>Net operating profit</b>	262	127	276	104	219
<b>Share of after-tax results of jointly controlled companies</b>	134	197	227	263	256
<b>Profit attributable to the Company's shareholders</b>	400	312	465	345	438
<b>Dividends</b>	106	108	539	306	181
<b>Interim and final dividend cover – times</b>	3.79	2.88	3.78	2.46	2.42

#### Net assets employed:

Non-current assets	1,708	1,636	1,597	1,513	3,229
Net current assets/(liabilities)	900	1,067	1,145	1,159	68
Net (borrowings)/cash surplus	(94)	15	440	316	476
Less: non-current liabilities	–	–	–	–	(169)
	2,514	2,718	3,182	2,988	3,604

#### Financed by:

Equity attributable to the Company's shareholders	2,509	2,713	3,177	2,983	3,109
Minority interests	5	5	5	5	495
	2,514	2,718	3,182	2,988	3,604

*(in HK\$)*

#### Results per share:

Earnings attributable to the Company's shareholders	2.40	1.87	2.80	2.07	2.63
Interim and final dividends	0.61	0.65	0.74	0.84	1.09
Special dividend	–	–	2.50	1.00	–
Equity attributable to the Company's shareholders	15.02	16.30	19.10	17.93	18.69

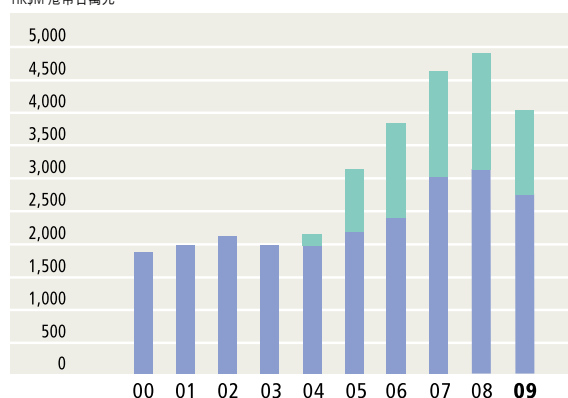
#### Number of staff:

HAECO	3,460	3,445	3,399	3,297	3,343
TAECO	1,614	1,792	1,870	1,927	2,250
HAESL	621	668	683	678	689
Other subsidiary and jointly controlled companies in which HAECO and TAECO own at least 20%	281	316	362	499	599
	5,976	6,221	6,314	6,401	6,881

#### Turnover

##### 營業總額

HK\$M 港幣百萬元

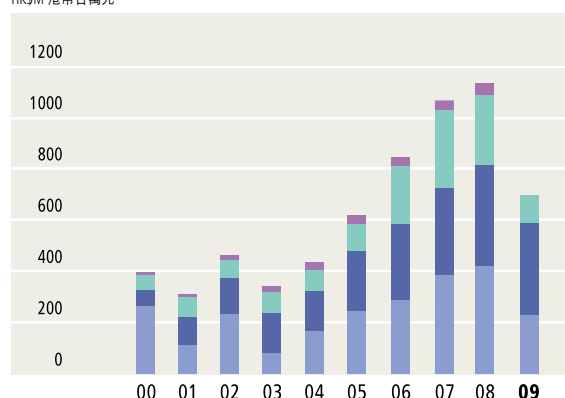


■ HAECO 港機工程  
■ TAECO 廈門太古飛機工程公司

#### Profit attributable to the Company's shareholders

##### 公司股東應佔溢利

HK\$M 港幣百萬元



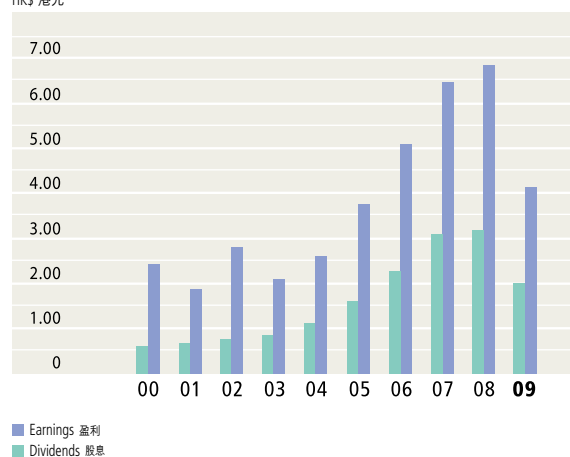
■ HAECO 港機工程    ■ HAESL and SAESL 香港航空發動機維修服務公司及新加坡航空發動機維修服務公司  
■ TAECO 廈門太古飛機工程公司    ■ Other subsidiary and jointly controlled companies 其他附屬公司及共控公司

2005	2006	2007	2008	2009	
					(港幣百萬元)
3,121	3,844	4,619	4,901	<b>4,045</b>	營業總額
508	779	1,000	1,017	<b>380</b>	營業淨溢利
267	330	399	462	<b>420</b>	應佔共控公司除稅後業績
618	847	1,073	1,138	<b>688</b>	公司股東應佔溢利
266	790	512	529	<b>332</b>	股息
2.32	2.26	2.10	2.15	<b>2.07</b>	盈利對中期及末期股息比率倍數
					所用資產淨值：
3,495	4,063	4,716	6,227	<b>6,789</b>	非流動資產
45	(212)	(38)	(162)	<b>(115)</b>	流動資產/(負債)淨值
877	834	767	215	<b>(143)</b>	(借款)/現金盈餘淨額
(319)	(338)	(551)	(380)	<b>(390)</b>	減：非流動負債
4,098	4,347	4,894	5,900	<b>6,141</b>	
					資本來源：
3,512	3,665	4,409	4,961	<b>5,177</b>	公司股東應佔權益
586	682	485	939	<b>964</b>	少數股東權益
4,098	4,347	4,894	5,900	<b>6,141</b>	
					(港元)
					每股業績：
3.72	5.09	6.45	6.84	<b>4.14</b>	公司股東應佔盈利
1.60	2.25	3.08	3.18	<b>2.00</b>	中期及末期股息
–	2.50	–	–	<b>–</b>	特別股息
21.12	22.04	26.51	29.83	<b>31.13</b>	公司股東應佔權益
					員工數目：
3,757	4,356	4,523	4,861	<b>4,621</b>	港機工程
2,945	4,098	5,086	5,268	<b>5,094</b>	廈門太古飛機工程公司
750	805	844	908	<b>892</b>	香港航空發動機維修服務公司
731	859	1,245	1,701	<b>2,008</b>	港機工程及廈門太古飛機工程公司擁有至少兩成權益 的其他附屬及共控公司
8,183	10,118	11,698	12,738	<b>12,615</b>	

## Earnings attributable to the Company's shareholders and interim & final dividends per share

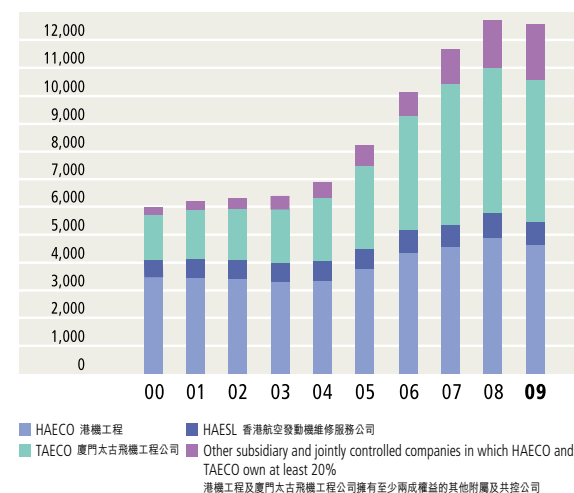
公司股東應佔每股盈利和每股中期及末期股息

HKS 港元



## Number of staff

員工數目







# CHAIRMAN'S STATEMENT

## 主席報告書

### Results

HAECO's profit attributable to shareholders in 2009 was HK\$688 million, a decrease of 40% from the 2008 profit of HK\$1,138 million.

2009 was a challenging year for the Group. The decrease in profit for the year primarily resulted from reduced demand for the Group's airframe heavy maintenance and line maintenance services. This reflected the deterioration in aviation market conditions as airlines reduced maintenance expenditure and grounded aircraft in response to the global economic downturn. For the first time in several years, the Group's airframe heavy maintenance facilities in Hong Kong and Xiamen had substantial unsold capacity. The fall in demand for line maintenance operations was in line with the level of aircraft movements at Hong Kong International Airport ("HKIA").

Your Directors have recommended a final dividend for 2009 of HK\$1.50 per share which, together with the interim dividend of HK\$0.50 per share paid on 22nd September 2009, results in a total distribution for the year of HK\$2.00 per share, compared to total dividends of HK\$3.18 per share in respect of 2008.

### Investments

Notwithstanding the current difficult operating environment, the Group has continued to invest in projects designed to expand its facilities and the range of aviation maintenance and repair services it can offer to customers.

HAECO opened its third hangar in Hong Kong in September 2009. Taikoo (Shandong) Aircraft Engineering Company Limited opened its fifth hangar in Jinan in May 2009. Taikoo Spirit AeroSystems (Jinjiang) Composite Company Limited opened its specialist composite repair facility and Dunlop Taikoo (Jinjiang) Aircraft Tyres Company Limited opened its tyre retreading facility at Jinjiang in Fujian Province in November 2009. Taikoo (Xiamen) Aircraft Engineering Company Limited ("TAECO") is expected to open its sixth hangar in the first half of 2011. Hong Kong Aero Engine Services Limited ("HAESL") is constructing a component repair extension which is planned to be operational in the first quarter of 2011. Taikoo Sichuan Aircraft Engineering Services Company Limited is constructing its first hangar in Chengdu, with operations scheduled to commence in the second half of 2010.

### 業績

港機工程二零零九年的股東應佔溢利為港幣六億八千八百萬元，較二零零八年溢利港幣十一億三千八百萬元減少百分之四十。

二零零九年對集團而言是充滿挑戰的一年。本年溢利減少主要是由於集團機身大型維修及外勤維修服務的需求下降。這反映航空市場隨著航空公司因應全球經濟逆轉削減維修開支及將部份飛機停飛而出現衰退。集團在香港及廈門的機身大型維修設施於近數年間首次錄得大量未售出的處理能力。外勤維修業務需求下降，與香港國際機場的航班升降量情況相符。

董事局建議派發二零零九年度末期股息每股港幣1.50元，連同於二零零九年九月二十二日派發的中期股息每股港幣0.50元，本年度共派息每股港幣2.00元，二零零八年度則共派息每股港幣3.18元。

### 投資

儘管目前面對艱難的經營環境，但集團仍對多個項目進行投資，以擴充設施及為客戶提供更廣泛的航空維修和修理服務。

港機工程在香港的第三個機庫於二零零九年九月啟用。山東太古飛機工程有限公司位於濟南市的第五個機庫於二零零九年五月啟用。晉江太古勢必銳複合材料有限公司及晉江鄧祿普太古飛機輪胎有限公司於二零零九年十一月分別啟用位於福建省晉江市的專門複合材料修理設施及輪胎翻新設施。廈門太古飛機工程有限公司（「廈門太古飛機工程公司」）的第六個機庫預期於二零一一年上半年啟用。香港航空發動機維修服務有限公司（「香港航空發動機維修服務公司」）正增建部件修理擴建設施，預計於二零一一年首季投入運作。四川太古飛機工程服務有限公司正於成都市興建首個機庫，預期於二零一零年下半年投入運作。



## Staff

In view of the current weakness in the market, the Group imposed a general recruitment freeze in 2009, but continued to seek engineering apprentices and to invest in training staff to cater for business growth in the longer term. The Group's total headcount at the end of 2009 was 12,615, a marginal decrease from the end of 2008.

On behalf of the shareholders, I would like to thank all staff for their hard work and continuing support.

## Outlook

In recent months there has been some recovery from the difficult market conditions which the Group encountered for most of 2009. This recovery is expected to continue although the speed at which it does so remains uncertain. We expect increased aircraft movements at HKIA and better utilisation of our hangars in 2010. However, start up losses at our new joint ventures in Mainland China will affect the Group's results in 2010. Overall 2010 will be another challenging year. We will endeavour to contain costs whilst continuing to deliver quality service to customers.

The Group has been building for the future with confidence. I believe that with the investments made in new strategic joint ventures and core business facilities, and with its excellent quality of work and service, the Group is well placed to take advantage of future long term growth in the aviation industry.

## Christopher Pratt

*Chairman*

*Hong Kong, 9th March 2010*

## 員工

鑑於現時市場情況疲弱，集團於二零零九年採取凍結招聘人手的措施，但仍繼續吸納工程學徒及投資於員工培訓，以應付長遠的業務增長。集團二零零九年底的僱員總數為一萬二千六百一十五人，較二零零八年底的人數稍微下降。

本人謹代表各股東衷心感謝全體員工的努力和不斷支持。

## 展望未來

集團在二零零九年間大部分時間經歷艱難的市場情況，而近月市況已出現復甦。儘管市場復甦的速度仍未明確，但預期能夠持續。我們預計二零一零年香港國際機場的航班升降量會增加，機庫使用率亦會有改善。集團在中國內地新成立的合資企業在營運初期出現的虧損，將對集團二零一零年的業績造成影響。整體而言，二零一零年將再度充滿挑戰。我們將致力控制成本，同時繼續為客戶提供高質素的服務。

集團一直充滿信心，致力建設未來。本人相信集團憑藉在新的策略性合資企業和核心業務設施所進行的投資，加上優質的工程和服務，定能掌握航空業未來長遠發展的先機。

主席

白紀圖

香港，二零一零年三月九日

## REVIEW OF OPERATIONS

### 業務回顧

The Company's profit attributable to its shareholders comprises:

公司的股東應佔溢利包括：

	2009	2008	Change % 變幅	
<i>(in HK\$ Million)</i>				<i>(港幣百萬元)</i>
HAECO Hong Kong operations	<b>227</b>	420	-46	港機工程在香港的業務
Share of:				應佔：
TAECO	<b>106</b>	275	-61	廈門太古飛機工程公司
HAESL and SAESL	<b>363</b>	397	-9	香港航空發動機維修服務公司及 新加坡航空發動機維修服務公司
Other subsidiary and jointly controlled companies	<b>(8)</b>	46	-117	其他附屬及共控公司
	<b>688</b>	1,138	-40	

#### HAECO Hong Kong Operations

The Company's Hong Kong operations comprise airframe heavy maintenance in its hangars, line maintenance at the passenger and cargo terminals at HKIA, component overhaul at Tseung Kwan O and inventory technical management services.

The airframe heavy maintenance division in Hong Kong provides a comprehensive range of scheduled maintenance checks, modifications and overhaul work on a wide variety of aircraft types. It competes on price, availability of space, turnaround time and quality of workmanship with other maintenance, repair and overhaul facilities worldwide. In 2009, there was reduced demand for airframe heavy maintenance services. Manhours sold decreased from 2.65 million in 2008 to 2.39 million in 2009. Approximately 63% of the division's work was for airlines based outside Hong Kong. The Company opened its third heavy maintenance hangar in Hong Kong in September 2009. Space has also been provided for further expansion on an adjacent site.

The line maintenance division provides a comprehensive range of technical and non-technical services to airlines operating at HKIA. As a result its activities are linked with the level of aircraft movements. There was a reduction in aircraft movements at HKIA in 2009, reflecting a weak cargo market and a reduction in scheduled passenger services, although there was some recovery in the final quarter. The average number of movements handled by HAECO was 249 per day in 2009, 9% down from 274 per day in 2008.

The component overhaul division occupies 7,000 square metres of workshop space at Tseung Kwan O. Although equipment manufacturers are engaging more in the component overhaul business as part of their after sales service, the Company has continued to make investments designed to enhance its capabilities in this area of business. Manhours sold for component overhaul activities were 0.28 million in 2009, 8% up from 0.26 million in 2008. Utilisation of the component overhaul facilities during the year was reasonable.

#### 港機工程在香港的業務

公司在香港的業務包括於機庫進行機身大型維修工程、於香港國際機場的客貨運站進行外勤維修工程、於將軍澳進行部件大修工程，以及提供庫存技術管理服務。

在香港的機身大型維修部為不同類型的飛機提供全面的定期維修檢查、改裝及大修工程。該部門無論在價格、機庫可用空間、周轉時間及工程質量上，均足以與世界其他維修、修理及大修設施競爭。在二零零九年，機身大型維修服務的需求出現下降。售出工時由二零零八年的二百六十五萬小時，減少至二零零九年的二百三十九萬小時。其中，約百分之六十三來自非以香港為基地的航空公司。公司位於香港的第三個大型維修機庫於二零零九年九月啟用。公司亦已於毗鄰預留空地，以供日後進行擴建。

外勤維修部為於香港國際機場營運航班的航空公司提供全面的技術性及非技術性服務，該部門的業務因而受到航班升降量所影響。儘管最後一季的航班升降量有所回升，但二零零九年香港國際機場的航班升降量下降，反映貨運市場疲弱，以及定期客運航班減少。二零零九年港機工程平均每日處理的飛機數目為二百四十九架，較二零零八年每日處理二百七十四架下降百分之九。

部件大修部位於將軍澳的工場佔地七千平方米。儘管設備生產商不斷發展部件大修業務作為售後服務的一部分，但公司仍持續進行投資，以加強此業務範疇的處理能力。二零零九年部件大修業務的售出工時為二十八萬小時，較二零零八年二十六萬小時上升百分之八。年內部件大修設施的使用率處於合理水平。

The Company provides inventory technical management services for rotatable spares for various aircraft, including Airbus A300-600F, A319-100, A320-200 and A330-300 and Boeing 747-200F aircraft.

Total headcount for the Hong Kong operations decreased by 5% during the year to 4,621 at the end of 2009.

### **Taikoo (Xiamen) Aircraft Engineering Company Limited**

TAECO performs airframe heavy maintenance and passenger to freighter conversions using five wide-body double bay hangars at Xiamen Gaoqi International Airport. It also performs line maintenance operations in Beijing, Tianjin, Shanghai and Xiamen, handling an average of 40 movements per day during the year.

TAECO reported a significant reduction in profitability in 2009, with profit attributable to the Company's shareholders down by 61% to HK\$106 million. Although business in the first half of the year held up reasonably well, the company's facilities were severely under-utilised during the second half of 2009, as the impact of the global downturn on the aviation industry made itself felt. Against a background of capacity reductions by most of TAECO's major customers, manhours sold decreased by 27% from 4.07 million in 2008 to 2.98 million in 2009. Despite measures taken to contain costs, the fact that a significant proportion of costs are fixed meant that profit fell substantially. The passenger to freighter conversion business remained weak in 2009 with four Boeing 747-400 passenger to freighter conversion aircraft completed during the year and two in progress at the year-end.

The company is constructing its sixth hangar, the opening of which was delayed until 2011 in view of market conditions. Under an agreement with Airbus, TAECO is creating a cabin completion centre in Mainland China for Airbus corporate and business aircraft. It is expected to be operational by the end of 2010.

At the end of 2009, TAECO's headcount totalled 5,094, a 3% reduction compared to 5,268 at the end of 2008.

### **Hong Kong Aero Engine Services Limited**

HAESL (45% owned) repairs and overhauls Rolls-Royce engines and engine components at its facility at Tseung Kwan O. The company reported satisfactory profit growth in the first half of 2009 but business was weak in the second half of the year as major customers reduced flying hours and grounded aircraft, in particular B747s. 204 engine equivalents were handled in 2009 compared to 223 in 2008. The effect of the reduction in volume was partially offset by a favourable work mix and by measures taken to control costs.

公司為不同類型飛機的可修周轉件提供庫存技術管理服務，這些機型包括空中巴士A300-600F型貨機、A319-100型、A320-200型及A330-300型客機、以及波音747-200F型貨機。

年內香港業務的僱員總數減少百分之五，於二零零九年年底為四千六百二十一人。

### **廈門太古飛機工程有限公司**

廈門太古飛機工程公司於廈門高崎國際機場使用五個可容納廣體飛機的雙機位機庫，提供機身大型維修及客機改裝貨機服務。公司亦在北京、天津、上海及廈門從事外勤維修業務，年內平均每日處理四十班升降航班。

廈門太古飛機工程公司二零零九年的溢利率大幅下降，公司股東應佔溢利減少百分之六十一至港幣一億零六百萬元。儘管二零零九年上半年的業務表現尚好，但下半年全球航空業衰退的影響浮現，公司設施的使用率嚴重偏低。隨著廈門太古飛機工程公司大部分主要客戶削減可載容量，售出工時下降百分之二十七，由二零零八年的四百零七萬減少至二零零九年的二百九十八萬。儘管該公司已採取控制成本的措施，但實際上絕大部分的成本為固定成本，因此溢利大幅下降。二零零九年的客機改裝貨機業務仍然疲弱，年內共為四架波音747-400型客機完成改裝貨機工程，年底時另有兩架飛機正進行改裝工程。

該公司正興建第六個機庫，考慮到市場情況，機庫的啟用日期已推延至二零一一年。根據與空中巴士公司的協議，廈門太古飛機工程公司正於中國內地建立一所機艙整裝中心，為空中巴士公司的公務及商用飛機提供服務。該機艙整裝中心預期於二零一零年年底前投入運作。

截至二零零九年年底，廈門太古飛機工程公司的僱員數目合共五千零九十四人，較二零零八年年底的五千二百六十八人減少百分之三。

### **香港航空發動機維修服務有限公司**

香港航空發動機維修服務公司（港機工程持有四成半權益）於將軍澳的設施為勞斯萊斯引擎及引擎部件進行修理及大修工程。該公司二零零九年上半年的溢利增長令人滿意，但下半年由於主要客戶削減飛行時數並將部份飛機（特別是波音747型飛機）停飛，因此業務表現疲弱。二零零九年共處理二百零四台引擎，二零零八年則為二百二十三台。工程量減少所帶來的影響，部分因工種配合得宜加上實施控制成本措施而抵銷。

Singapore Aero Engine Services Pte. Limited ("SAESL"), in which HAESL has a 20% interest, reported a slight reduction in turnover but an increase in profit due to a favourable work mix and good cost controls in 2009. The Group's share of the after-tax profit of HAESL, including its interest in SAESL, fell 9% in 2009 to HK\$363 million.

HAESL is constructing a 9,600 square metre extension to its existing component repair facilities. It is expected to commence operations in early 2011.

### Other Principal Subsidiary and Jointly Controlled Companies

The Group's other principal subsidiary and jointly controlled companies comprise:

- HAECO ATE Component Service Limited (100% owned), which provides computerised testing of components in Hong Kong.
- Singapore HAECO Pte. Limited (100% owned), which handles line maintenance at Singapore Changi Airport.
- Taikoo Engine Services (Xiamen) Company Limited ("TEXL") (75.01% owned by HAECO and 10% by TAECO), a Xiamen-based engine overhaul facility, which overhauls commercial aero engines and has a globally branded service agreement with General Electric ("GE") for overhauling GE90 engines. There was good progress in upgrading its facilities, and the company is scheduled to commence operations in the second quarter of 2010.
- Taikoo (Xiamen) Landing Gear Services Company Limited ("TALSCO") (50% owned by HAECO and 10% by TAECO), which provides landing gear overhaul services in Xiamen.
- Dunlop Taikoo (Jinjiang) Aircraft Tyres Company Limited (28% owned by HAECO and 9% by TAECO), which provides tyre retreading services for commercial aircraft at Jinjiang in Fujian Province. The company commenced operations in November 2009.
- Goodrich Asia-Pacific Limited (49% owned), which refurbishes carbon brakes and overhauls wheel hubs at Fanling in Hong Kong.
- Goodrich TAECO Aeronautical Systems Limited (35% owned by TAECO), which overhauls fuel control systems and pumps in Xiamen.
- Honeywell TAECO Aerospace (Xiamen) Company Limited (25% owned by HAECO and 10% by TAECO), which overhauls auxiliary power units and other rotatables.

香港航空發動機維修服務公司擁有兩成權益的新加坡航空發動機維修服務有限公司(新加坡航空發動機維修服務公司)二零零九年營業總額錄得輕微下降,但由於工種配合得宜加上有效控制成本,因此溢利有所增加。二零零九年集團應佔香港航空發動機維修服務公司(包括於新加坡航空發動機維修服務公司的權益)除稅後溢利減少百分之九至港幣三億六千三百萬元。

香港航空發動機維修服務公司正於現有的部件修理設施進行擴建工程,提供額外九千六百平方米的設施。擴建部分預期於二零一一年年初投入運作。

### 其他主要附屬及共控公司

集團其他主要附屬及共控公司包括:

- HAECO ATE Component Service Limited (港機工程持有全部權益), 於香港提供電腦化部件測試服務。
- Singapore HAECO Pte. Limited (港機工程持有全部權益), 於新加坡樟宜機場從事飛機外勤維修業務。
- 廈門太古發動機服務有限公司(「廈門太古發動機服務公司」)(港機工程持有百分之七十五點零一權益、廈門太古飛機工程公司持有一成權益)是一所以廈門為基地的引擎大修設施,為商用航空引擎提供大修服務,並與通用電氣公司訂立了全球品牌服務協議,為GE90引擎進行大修工程。該公司的設施提升工程進展良好,預計於二零一零年第二季投入運作。
- 廈門太古起落架維修服務有限公司(「廈門太古起落架維修服務公司」)(港機工程持有五成權益,廈門太古飛機工程公司持有一成權益),於廈門提供起落架大修服務。
- 晉江鄧祿普太古飛機輪胎有限公司(港機工程持有二成八權益、廈門太古飛機工程公司持有百分之九權益),於福建省晉江市為商用飛機提供輪胎翻新服務。該公司於二零零九年十一月投入服務。
- Goodrich Asia-Pacific Limited (港機工程持有四成九權益),於香港粉嶺從事碳質掣動片整修及輪轂大修業務。
- 廈門豪富太古宇航有限公司(廈門太古飛機工程公司持有三成五權益),於廈門從事燃料控制系統及燃料泵大修業務。
- 廈門霍尼韋爾太古宇航有限公司(港機工程持有兩成半權益、廈門太古飛機工程公司持有一成權益)從事輔助動力裝置及其他可修周轉件大修業務。

- Taikoo (Shandong) Aircraft Engineering Company Limited (30% owned by HAECO and 10% by TAECO), which provides airframe heavy maintenance services at Jinan in Shandong Province for Boeing 737 and other narrow-body aircraft. It also undertakes Boeing 737 passenger to freighter conversions. The company opened its fifth hangar in May 2009.
- Taikoo Spirit AeroSystems (Jinjiang) Composite Company Limited (41.8% owned by HAECO and 10.76% by TAECO), which undertakes composite material aeronautic parts and systems repair, manufacturing and sales. The company opened its specialist composite repair facility at Jinjiang in Fujian Province in November 2009.
- Taikoo Sichuan Aircraft Engineering Services Company Limited (40% owned by HAECO and 9% by TAECO), which provides airframe heavy maintenance services at Chengdu in Sichuan Province for Airbus aircraft. The company is constructing its first hangar and opening is scheduled for the second half of 2010.
- 山東太古飛機工程有限公司 (港機工程持有三成權益、廈門太古飛機工程公司持有一成權益)，於山東省濟南市為波音737型飛機及其他狹體飛機提供機身大型維修服務，同時亦進行波音737型客機改裝貨機工程。該公司第五個機庫於二零零九年五月啟用。
- 晉江太古勢必銳複合材料有限公司 (港機工程持有百分之四十一點八權益、廈門太古飛機工程公司持有百分之十點七六權益)，從事複合材料航空零件和系統修理、製造及銷售服務。該公司位於福建省晉江市的專門複合材料修理設施於二零零九年十一月啟用。
- 四川太古飛機工程服務有限公司 (港機工程持有四成權益、廈門太古飛機工程公司持有百分之九權益)，於四川省成都市為空中巴士飛機提供機身大型維修服務。該公司正興建其首個機庫，預計於二零一零年下半年啟用。

Except for Honeywell TAECO Aerospace (Xiamen) Company Limited (which recorded an increase in profit in 2009), the above companies recorded disappointing results in 2009. The aviation business environment was difficult and the new joint ventures in Mainland China incurred start up losses.

除廈門霍尼韋爾太古宇航有限公司於二零零九年錄得溢利增長外，上述公司二零零九年的業績均令人失望。航空業的經營環境艱難，在中國內地新成立的合資企業在營運初期亦出現虧損。

## Financial Review

## 財務回顧

	2009	2008	Change 變幅 %	
<i>(in HK\$ Million)</i>				<i>(港幣百萬元)</i>
<b>Consolidated Income Statement</b>				<b>綜合收益表</b>
Turnover	<b>4,045</b>	4,901	-17	營業總額
The decrease in turnover comprised a 12% decrease for the Company's Hong Kong operations and a 28% decrease for TAECO.				營業總額減少，包括公司在香港的業務下降百分之十二及廈門太古飛機工程公司的業務下降百分之二十八。
Operating profit	<b>385</b>	1,010	-62	營業溢利
The decrease in operating profit was due to lower turnover and lower margins of both the Company's Hong Kong operations and TAECO.				營業溢利減少，是由於公司在香港的業務及廈門太古飛機工程公司的營業額及邊際利潤均下降所致。
Share of after-tax results of jointly controlled companies	<b>420</b>	462	-9	應佔共控公司除稅後業績
The decrease in share of after-tax results of jointly controlled companies was primarily due to profit decrease in HAESL.				應佔共控公司除稅後業績減少，主要是由於香港航空發動機維修服務公司溢利下降所致。
Profit for the year	<b>760</b>	1,350	-44	本年溢利
The decrease in profit for the year was mainly due to less aircraft movements and reduced airframe heavy maintenance work in Hong Kong, substantially lower airframe heavy maintenance operations in TAECO and less engine overhaul work within HAESL.				本年溢利減少，主要是由於香港的航班升降量減少及機身大型維修工程減少、廈門太古飛機工程公司的機身大型維修業務大幅下降，以及香港航空發動機維修服務公司的引擎大修工程量減少所致。

Financial Review (continued)

財務回顧(續)

(in HK\$ Million)	2009	2008	Change 變幅 %	(港幣百萬元)
<b>Consolidated Statement of Financial Position</b>				<b>綜合財務狀況表</b>
<b>Non-current assets</b>	<b>6,789</b>	6,227	+9	<b>非流動資產</b>
The increase primarily related to the construction of the Company's third hangar and TAECO's sixth hangar, and upgrading of TEXL's engine overhaul facilities.				非流動資產增加，主要是由於興建公司第三個機庫和廈門太古飛機工程公司第六個機庫，以及廈門太古發動機服務公司的引擎大修設施進行提升工程。
<b>Net current liabilities</b>				<b>流動負債淨額</b>
Other current assets	<b>889</b>	1,002	-11	其他流動資產
Other current liabilities	<b>(1,004)</b>	(1,164)	-14	其他流動負債
Net current liabilities	<b>(115)</b>	(162)	-29	流動負債淨額
The decrease in net current liabilities primarily reflected less trade and other payables partially offset by the decrease in trade and other receivables, following lower turnover.				流動負債淨額減少，主要反映貿易及其他應付款項減少，部分因營業總額下降而引致貿易及其他應收款項減少所抵銷。
<b>Net (borrowings)/cash surplus</b>	<b>(143)</b>	215	-167	<b>(借款) / 現金盈餘淨額</b>
The increase in borrowings was mainly due to additional borrowings undertaken by subsidiary companies to finance capital expenditure payments.				借款增加主要是由於附屬公司為融資支付資本性開支的額外借款。
<b>Non-current liabilities</b>	<b>390</b>	380	+3	<b>非流動負債</b>
The increase was mainly due to higher deferred tax liabilities relating to depreciation allowances.				非流動負債增加主要是由於與折舊免稅額相關的遞延稅項負債增加所致。
<b>Consolidated Statement of Cash Flows</b>				<b>綜合現金流量表</b>
<b>Net cash generated from operating activities</b>	<b>729</b>	1,064	-31	<b>來自營運業務的現金淨額</b>
HK\$405 million was generated by HAECO's own operations and HK\$378 million by TAECO.				港機工程的業務帶來港幣四億零五百萬元，廈門太古飛機工程公司則帶來港幣三億七千八百萬元。
<b>Capital expenditure</b>	<b>905</b>	1,228	-26	<b>資本性開支</b>
2009 additions mainly included HK\$447 million on the Company's third hangar, HK\$170 million on TAECO's sixth hangar and HK\$157 million on TEXL's engine overhaul facilities.				二零零九年增置主要包括公司的第三個機庫港幣四億四千七百萬元、廈門太古飛機工程公司的第六個機庫港幣一億七千萬，以及廈門太古發動機服務公司的引擎大修設施港幣一億五千七百萬元。
<b>Dividends received from jointly controlled companies</b>	<b>392</b>	381	+3	<b>於共控公司收取的股息</b>
Dividends received in 2009 comprised HK\$350 million from HAESL and HK\$42 million from other jointly controlled companies.				二零零九年收取的股息包括來自香港航空發動機維修服務公司港幣三億五千萬，及來自其他共控公司港幣四千二百萬元。



## Liquidity and Financing

At 31st December 2009, the Group had net borrowings amounting to HK\$143 million, with a gearing ratio of 2.3%. Net borrowings comprised short-term loans of HK\$425 million and long-term loans of HK\$701 million less bank balances and short-term deposits of HK\$983 million. Committed loan facilities amounted to HK\$2,048 million, of which HK\$1,008 million remained undrawn. In addition, the Group had undrawn uncommitted facilities totalling HK\$137 million.

Sources of funds at 31st December 2009 comprised:

	Available 可動用	Drawn 已動用	Undrawn expiring within one year 一年內到期 可動用而未動用	Undrawn expiring beyond one year 一年後到期 可動用而未動用	
<i>(in HK\$ Million)</i>					<i>(港幣百萬元)</i>
<b>Committed facilities</b>					<b>已承擔信貸安排</b>
– Loans	2,048	1,040	386	622	– 貸款
<b>Uncommitted facilities</b>					<b>未承擔信貸安排</b>
– Loans	223	86	132	5	– 貸款
<b>Total</b>	<b>2,271</b>	<b>1,126</b>	<b>518</b>	<b>627</b>	<b>總額</b>

## 資金流動性及融資

於二零零九年十二月三十一日結算，集團有借款淨額港幣一億四千三百萬元，資本淨負債比率為百分之二點三。借款淨額包括短期貸款港幣四億二千五百萬元及長期貸款港幣七億零一百萬元減銀行結餘及短期存款港幣九億八千三百萬元。已承擔貸款信貸安排合共港幣二十億四千八百萬元，當中港幣十億零八百萬元尚未動用。此外，集團有未動用且未承擔信貸安排合共港幣一億三千七百萬元。

於二零零九年十二月三十一日，資金來源包括：

## Audited Financial Information

For accounting purposes, the loans at 31st December are classified as follows:

	Group 集團		Company 公司		
	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>					
Short-term loans - in HK dollars	<b>267</b>	57	<b>200</b>	–	短期貸款 – 港元
- in US dollars	<b>158</b>	230	–	–	– 美元
- in other currencies	–	2	–	–	– 其他貨幣
	<b>425</b>	289	<b>200</b>	–	
Long-term loans at amortised cost					按已攤銷成本的長期貸款
- in HK dollars	<b>30</b>	–	–	–	– 港元
- in US dollars	<b>671</b>	388	–	–	– 美元
	<b>701</b>	388	–	–	
Less: amount due within one year included under current liabilities					減：列入流動負債項下須於一年內償還款項
- in US dollars	<b>106</b>	–	–	–	– 美元
	<b>595</b>	388	–	–	

All the loans are unsecured. The carrying amounts approximate their fair values.

## 經審核財務資料

就會計方面而言，十二月三十一日結算的貸款分類如下：

所有貸款均為無抵押。其賬面值與公平值相若。

### Audited Financial Information (continued)

The maturity of long-term loans at 31st December is as follows:

	Group 集團	
	2009	2008
<i>(in HK\$ Million)</i>		
Bank loans:		
Repayable within 1 year	106	—
Repayable between 1 and 2 years	437	—
Repayable between 2 and 5 years	158	388
	<b>701</b>	388

### 經審核財務資料(續)

於十二月三十一日結算，長期貸款的期限如下：

	Group 集團	
	2009	2008
<i>(港幣百萬元)</i>		
銀行貸款：		
一年內償還	106	—
一年至兩年內償還	437	—
兩年至五年內償還	158	388
	<b>701</b>	388

The exposure of borrowings to interest rate changes and the contractual repricing dates at 31st December is as follows:

	Group 集團		Company 公司	
	2009	2008	2009	2008
<i>(in HK\$ Million)</i>				
6 months or less	1,126	677	200	—

於十二月三十一日結算，借款相對於利率變化的風險以及合約重新訂價日期如下：

	Group 集團		Company 公司	
	2009	2008	2009	2008
<i>(港幣百萬元)</i>				
六個月或以下	1,126	677	200	—

The Group's and Company's weighted average effective interest rates per annum at 31st December 2009 are 0.95% (2008: 2.68%) and 0.62% (2008: no bank loans) respectively.

於二零零九年十二月三十一日結算，集團及公司的加權平均實際年利率分別為百分之零點九五(二零零八年為百分之二點六八)及百分之零點六二(二零零八年並無銀行貸款)。

### Currency Fluctuations

The Group's income is primarily in HK and US dollars and is matched by expenditure in the same currencies. The exception to this is TAECO which has substantial Renminbi expenditure. TAECO reduces its exposure to changes in the exchange rate of the Renminbi against the US dollar by retaining surplus funds in Renminbi and by selling US dollars and HK dollars forward for Renminbi. At 31st December 2009, TAECO had sold forward a total of US\$83 million and HK\$80 million to fund part of its Renminbi requirement for 2010 and 2011.

### 貨幣浮動

集團的收入以港幣及美元為主，開支亦以同類貨幣為主。唯一例外是廈門太古飛機工程公司，該公司大量開支以人民幣計算。廈門太古飛機工程公司透過以人民幣保留盈餘資金以及賣出遠期美元及港元換成人民幣，以減低人民幣兌美元匯率變動所產生的風險。於二零零九年十二月三十一日結算，廈門太古飛機工程公司已出售合共遠期八千三百萬美元及港幣八千萬元，以應付二零一零及二零一一年的部分人民幣資金需求。

# CORPORATE GOVERNANCE

## 企業管治

### Corporate Governance Practices

The Board is committed to a high standard of corporate governance and has adopted the Code on Corporate Governance Practices (the "Code") promulgated by The Stock Exchange of Hong Kong Limited. It has complied throughout the year with all the mandatory code provisions and with all the recommended best practices with the following exceptions:

- Independent Non-Executive Directors representing one-third of the Board (Section A.3.2 of the Code).
- quarterly reporting (Section C.1.4 of the Code) which the Board considers would provide little information of additional value to shareholders while increasing administrative costs and pressure to focus on short-term results rather than long-term value creation.
- establishing a nomination committee (Section A.4.4 of the Code) as the Board considers it is in the best interest of the Company and potential new appointees that they collectively review and approve the appointment of new directors.

### Investor Relations

All communications for shareholders including reports, announcements and the results of polls of shareholders at shareholder meetings are posted on the Company's website: [www.haeco.com](http://www.haeco.com). Printed copies of the Annual and Interim Reports are also sent to all shareholders. Briefings for the investment community are held shortly after the interim and final results announcements.

The Company's 2009 Annual General Meeting was held on 12th May 2009 and the minutes were posted on the Company's website. This meeting was open to all shareholders and members of the press. The votes of the Annual General Meeting were taken by poll and the poll results were posted on the websites of the Stock Exchange and the Company.

Key shareholder dates for 2010 are set out on the inside front cover of this report.

### Board of Directors

The Company is governed by a Board of Directors which is responsible for directing and supervising its affairs. This Board is accountable to shareholders for the development of the Group with the goal of maximising long-term shareholder value, while balancing broader stakeholder interests.

The Board is also responsible for the integrity of financial information and the effectiveness of the Group's systems of internal control and risk management processes. The Directors acknowledge their responsibility for the preparation of the accounts of the Company, its keeping of fair and accurate accounting records and its compliance with the Hong Kong Companies Ordinance. The Board has, with the assistance of its Audit

### 企業管治常規

董事局致力達致高水平的企業管治，並採納香港聯合交易所有限公司頒佈的《企業管治常規守則》（「該守則」）。董事局全年均遵守所有強制性守則條文，並遵守除以下各項外所有建議最佳常規：

- 獨立非常務董事人數佔董事局成員人數三分之一（該守則第A.3.2條）。
- 季度財務報告（該守則第C.1.4條），董事局認為季度財務報告僅為股東提供少量具額外價值的資訊，卻令行政成本增加，及增添壓力將注意力集中於短期業績而非創造長期的價值。
- 成立提名委員會（該守則第A.4.4條），董事局認為由董事局共同審核及批准委任新董事，乃合乎公司及準新董事的最佳利益。

### 投資者關係

所有股東通訊（包括年度報告書、公告及股東於股東大會上的投票表決結果）均於公司網站 [www.haeco.com](http://www.haeco.com) 登載。年度報告書及中期報告的印刷本亦會發送予全體股東。公司於中期及年度業績公佈後不久，為投資界舉行簡報會。

公司二零零九年度股東週年大會於二零零九年五月十二日舉行，會議紀錄於公司網站登載。該會議開放予全體股東及傳媒人士。股東週年大會上以投票方式表決，投票結果於聯交所及公司網站登載。

二零一零年與股東有關的主要日期載於本報告書封面內頁。

### 董事局

公司由一個董事局管理，董事局負責領導及監督公司的事務。董事局須就集團的發展向股東負責，以期盡量提高長期股東價值，同時平衡更多利益相關者的利益。

董事局亦有責任維持財務資料的完整性及集團內部監控制度與風險管理程序的有效程度。各董事明白其肩負責任編製公司賬目、確保賬目紀錄公正和準確，並符合《香港公司條例》的規定。董事局在審核委員會及太古集團內部審核部協助下，已就集團內部監控制

Committee and the Swire Group Internal Audit, conducted a review of the effectiveness of the Group's systems of internal control including the adequacy of the resources, qualifications and experience of the staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Board comprises the Chairman, four other Executive Directors, and eight Non-Executive Directors. The roles of Chairman and Chief Executive Officer are segregated and are not performed by the same person. All Directors are subject to re-election by shareholders every three years. New Directors, being individuals who are suitably qualified and expected to make a positive contribution to the performance of the Board, are identified by existing Directors and proposed to the Board for appointment. A Director appointed by the Board is subject to election by shareholders at the first general meeting after his or her appointment.

The Non-Executive Directors bring independent judgement on issues of strategy, performance, risk and people through their contribution at Board and Committee meetings. The Board considers that four of the eight Non-Executive Directors are independent in character and judgement and fulfil the independence guidelines set out in Listing Rule 3.13. The Company has received from each of its Independent Non-Executive Directors confirmation of his independence pursuant to Listing Rule 3.13.

The Chairman ensures that the Directors receive accurate, timely and clear information. Directors are encouraged to update their skills, knowledge and familiarity with the Group through their initial induction, ongoing participation at Board and Committee meetings, and through meeting key members of management.

All Directors have access to the services of the Company Secretary who regularly updates the Board on governance and regulatory matters. Any Director wishing to do so in the furtherance of his or her duties, may take independent professional advice through the Chairman at the Company's expense. The availability of professional advice extends to the Audit and Remuneration Committees.

The Company has arranged appropriate insurance cover in respect of legal actions against its Directors and Officers.

Minutes of Board meetings are taken by the Company Secretary and, together with any supporting Board papers, are available to all Board members.

度的效能進行檢討，包括公司在會計及財務匯報職能方面的資源、員工資歷和經驗是否足夠，以及員工所接受的培訓計劃和有關預算是否充足。

董事局包括主席、另外四名常務董事及八名非常務董事。主席與行政總裁的職責分開，且由不同人士擔任。所有董事每隔三年須經股東重選。在任董事如認為個別人士具備合適資格並預期可對董事局的表現帶來正面貢獻，可提呈董事局委任為新董事。由董事局委任的董事，須於獲委任後第一次股東大會經股東投票通過。

非常務董事就策略、表現、風險及人才等事宜提供獨立的判斷，透過董事局及委員會會議作出貢獻。董事局認為八名非常務董事中，其中四名為身份獨立的董事，具備上市規則第 3.13 條所載獨立指引所描述的獨立判斷能力。公司已收到各獨立非常務董事根據上市規則第 3.13 條就其獨立性作出的確認。

主席確保各董事收到準確、適時及清楚的資料。公司並鼓勵各董事透過就職時所獲的就任須知、持續參與董事局及委員會會議，以及與主要管理人員會面，不斷更新其技能、知識，以及加深對集團的熟悉程度。

所有董事均可享用公司秘書的服務，公司秘書須定期讓董事局知悉有關管治及規管事宜的最新資料。董事可為履行職責而透過主席尋求獨立專業意見，費用由公司支付。審核委員會及薪酬委員會亦可尋求專業意見。

公司已就其董事及要員可能會面對的法律行動作適當的投保安排。

董事局會議紀錄由公司秘書負責撰寫，這些會議紀錄連同任何有關的董事局會議文件，均向所有董事局成員提供。

The Board has three sub-committees: an Executive Committee, an Audit Committee and a Remuneration Committee. The Audit and Remuneration Committees have terms of reference which accord with the principles set out in the Code and minutes are taken by the Company Secretary. The work of these Committees is reported to the Board.

All Directors disclose to the Board on their first appointment their interests as a director or otherwise in other companies or organisations and such declarations of interests are updated annually. When the Board considers any proposal or transaction in which a Director has a conflict of interest, the Director declares his or her interest.

### **Directors' Securities Transactions**

The Company has adopted a code of conduct ("the Securities Code") regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("the Model Code") contained in Appendix 10 to the Listing Rules. A copy of the Securities Code is sent to each Director of the Company first on his or her appointment and thereafter twice annually, one month before the date of the Board meetings to approve the Company's half-year results and annual results, with a reminder that the Director cannot deal in the securities and derivatives of the Company until after such results have been published, and that all his or her dealings must be conducted in accordance with the Securities Code.

Under the Securities Code, Directors of the Company are required to notify the Chairman and receive a dated written acknowledgement before dealing in the securities and derivatives of the Company, and, in the case of the Chairman himself, he must notify the Chairman of the Audit Committee and receive a dated written acknowledgement before any dealing.

On specific enquiries made, all the Directors of the Company have confirmed that they have complied with the required standard set out in the Securities Code.

Directors' interests as at 31st December 2009 in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) are set out on page 32.

### **Executive Committee**

The Executive Committee comprises four Executive Directors, one Non-Executive Director who chairs its meetings and four senior executives, two of whom are from the Company's jointly controlled companies and customers. It is responsible to the Board for overseeing the day-to-day operation of the Company.

董事局轄下有三個小組委員會：執行委員會、審核委員會及薪酬委員會。審核委員會及薪酬委員會按照該守則所訂的原則制定其職權範圍，會議紀錄由公司秘書撰寫。該等委員會向董事局匯報工作。

所有董事須於首次獲委任時向董事局申報在其他公司或機構擔任董事或其他職務的身份，有關利益申報每年更新一次。倘董事在董事局討論任何動議或交易時存在利益衝突，該董事須申報利益。

### **董事證券交易**

公司已就董事進行的證券交易，採納一套比上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）所訂標準更高的董事證券交易守則（「證券守則」）。公司每位董事在受委任之初會獲發一份證券守則，之後每年兩次，分別於董事局召開會議通過公司的半年及全年業績前一個月；當中亦會提醒董事不得買賣公司的證券及衍生產品，直至此等業績公佈為止，而其一切交易必須按照證券守則進行。

根據證券守則，公司董事在買賣公司的證券及衍生產品前，須先通知主席並接獲註明日期的確認書；若為主席本人，則必須通知審核委員會主席，並接獲註明日期的確認書後才可進行有關的買賣。

經特定查詢後，公司所有董事均確認已遵從證券守則所訂的準則。

二零零九年十二月三十一日結算，各董事於公司及其相聯法團（定義見證券及期貨條例第XV部）持有的股份權益於第三十二頁開列。

### **執行委員會**

執行委員會的成員包括四名常務董事、一名非常務董事（負責主持委員會會議），以及四名高級行政人員，其中兩名來自公司的共控公司及客戶。執行委員會負責監察公司的日常運作，並對董事局負責。

## Audit Committee

The Audit Committee assists the Board in discharging its responsibilities for corporate governance, financial reporting, and corporate control. The Committee consists of three Non-Executive Directors, two of whom including the Chairman, L.K.K. Leong, are independent. All the members served for the whole of 2009. At the invitation of the Committee, the Director Finance, Head of Group Internal Audit of John Swire & Sons (H.K.) Limited, and representatives of the external auditors regularly attend its meetings. The Committee also meets regularly with the external auditors without the presence of the Company's management.

The terms of reference of the Audit Committee follow the guidelines set out by the Hong Kong Institute of Certified Public Accountants and are available on the Company's website.

The Audit Committee met three times in 2009 and in March 2010. Each meeting receives written reports from the external and internal auditors covering matters of significance arising from the work conducted since the previous meeting. The work of the Committee included the following matters:

- reviewing HAECO management's assessment of the effectiveness of its system of internal control including financial, operational and compliance controls. This assessment was based on completing control self assessment questionnaires.
- reviewing HAECO management's assessment of the effectiveness of its risk management functions. This involved the compilation of registers of the risks involved in managing the business and actively managing the mitigation of these risks. Registers are kept both for enterprise wide risks which are monitored by Executive Directors and for specific risks which are monitored by departmental managers.
- reviewing the 2008 annual, 2009 interim and annual financial statements.
- after reviewing the independence of the external auditors, PricewaterhouseCoopers, and the policy on their conducting non-audit work, recommending their re-appointment to the Board, for the approval by shareholders. Approving the 2009 audit plan and the auditors' remuneration.
- approving the annual internal audit programme, reviewing progress against the programme and discussing matters arising. The Company's internal audit coverage is provided by a combination of its own internal section and visits by Swire Group Internal Audit.

## 審核委員會

審核委員會協助董事局履行企業管治、財務報告及企業監控責任。委員會成員包括三名非常務董事，當中兩名包括主席梁國權在內為獨立非常務董事。全體委員於二零零九年全年任職。財務董事、香港太古集團有限公司集團內部審核部主管及外聘核數師代表應委員會邀請，定期出席委員會會議。委員會亦在公司管理層不在場的情況下，定期與外聘核數師會面。

審核委員會的職權範圍遵照香港會計師公會的指引訂定，並於公司網站登載。

審核委員會在二零零九年間開會三次，並於二零一零年三月開會。每次會議均省覽外聘及內部核數師的書面報告，內容包括自上次會議日期後進行的工作所引出的重大事項。委員會的工作包括下列事宜：

- 檢討港機工程管理層就其內部監控制度（包括財務、營運及合規監控）的有效程度所作的評估。此評估乃根據監控自我評估問卷調查的結果而進行的。
- 檢討港機工程管理層就其風險管理職能的有效程度所作的評估。這包括編製管理業務所涉風險的紀錄冊，以及積極謀求減低該等風險。紀錄冊記錄企業風險及特定風險，企業風險由常務董事監控，特定風險則由部門經理監控。
- 檢討二零零八年報告書、二零零九年中中期報告及二零零九年報告書的財務報表。
- 在檢討外聘核數師－羅兵咸永道會計師事務所及其進行非審核工作政策的獨立性後，向董事局提出續聘建議讓股東通過。通過二零零九年度審核計劃及核數師酬金。
- 通過年度內部審核計劃，檢討計劃進度及討論所引出的事項。公司的內部審核工作由本身的內部審核部門及由太古集團內部審核部進行視察而提供。

- reviewing the Company's compliance with regulatory and statutory requirements.

Audit Committee meetings are usually held a few days before Board meetings with the results of the Audit Committee's work being reported to and considered at the Board meeting.

### Remuneration Committee

The Remuneration Committee comprises three Non-Executive Directors, two of whom – R.E. Adams and L.K.K. Leong - are Independent Non-Executive Directors. It is chaired by P.A. Johansen. The terms of reference of the Remuneration Committee have been reviewed with reference to the Code and are posted on the Company's website.

Under a Services Agreement between the Company and John Swire & Sons (H.K.) Limited, which has been considered in detail and approved by the Independent Non-Executive Directors of the Company, staff at various levels, including Executive Directors, are seconded to the Company. Those staff report to and take instructions from the Board of the Company but remain employees of the John Swire & Sons Limited ("Swire") group.

In order to be able to attract and retain international staff of suitable calibre, the Swire group provides a competitive remuneration package. This comprises salary, provident fund, housing, leave-passage and education allowances and, after three years' service, a bonus related to the profit of the overall Swire group. The payment of bonuses on a group-wide basis enables postings to be made to group companies with different profitability profiles.

Although the remuneration of these executives is not entirely linked to the profits of the Company, it is considered that, given the volatility of aviation related businesses, this has contributed considerably to the maintenance of a stable, motivated and high-calibre senior management team in the Company. Furthermore, as a substantial shareholder of the Company, it is in the best interest of Swire to see that executives of high quality are seconded to and retained within the Company.

A number of Directors and senior staff with specialist skills are employed directly by the Company on similar terms with the principal exception that their bonuses are paid by reference to the results of the Company alone.

The Remuneration Committee has reviewed this policy and the levels of remuneration paid to Executive Directors and Officers of the Company. At its meeting in November, the Committee considered a report prepared for it by Mercer Human Resource Consulting Limited, an independent firm of consultants, which confirmed that the remuneration of the Company's Executive Directors and Officers was in line with comparators in peer

- 檢討公司有否遵守規管及法律規定。

審核委員會會議通常於董事局會議召開前數天舉行，審核委員會的工作會在董事局會議上匯報並進行討論。

### 薪酬委員會

薪酬委員會成員包括三名非常務董事，當中羅安達及梁國權二人為獨立非常務董事。薪酬委員會由容漢新出任主席。薪酬委員會的職權範圍已參照該守則予以檢討，並載於公司網站。

公司與香港太古集團有限公司訂立的服務協議已由公司的獨立非常務董事經慎重考慮後批核，根據該協議，包括常務董事在內的不同職級員工會被借調到公司工作。該等員工向公司的董事局匯報，並受其指派，但仍然是英國太古集團有限公司（「太古」）集團的僱員。

為了吸引及留住具有合適才幹的國際員工，太古集團提供具競爭力的薪酬福利，包括薪金、公積金、房屋津貼、休假旅費及教育津貼，以及服務滿三年可獲按太古集團整體溢利發放的花紅。按集團整體表現發放花紅，可將員工派駐到盈利能力不同的集團公司。

考慮到航空相關業務的表現反覆，該等行政人員的薪酬福利因而並未全然與公司的溢利掛鉤。雖然如此，但這措施已被認為在很大程度上有助公司維持一支既穩定、主動，又深具才幹的高層管理隊伍。此外，太古作為公司的主要股東，能將高質素的行政人員留住並借調到公司，亦符合其最大的利益。

多位具有專業才幹的董事及高層職員乃由公司以相若的條件直接聘用，惟主要分別是其花紅只參照公司的業績而發放。

薪酬委員會已就此政策及公司常務董事及要員的薪酬水平進行檢討。在十一月召開的會議上，委員會研究一份由獨立顧問美世人力資源顧問有限公司編製的

group companies. The Committee approved individual remuneration packages to be paid in respect of 2010.

No Director takes part in any discussion about his or her own remuneration.

The number of meetings held by the Board and Committees during the year and the attendance of Directors who are members of these bodies is set out in the table below.

報告，該報告確認公司常務董事的薪酬與同類公司相若。委員會已批准發放予各董事二零一零年度的薪酬福利。

各董事並無參與有關其本身薪酬的任何討論。

董事局及各委員會於本年度間召開的會議次數及屬於該等委員會的董事的出席次數於下表開列。

Directors 董事	Meetings Attended/Held 會議出席次數/舉行次數			
	Board 董事局	Executive Committee 執行委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會
<b>Executive Directors 常務董事</b>				
C. D. Pratt 白紀圖	6/6			
P. K. Chan 陳炳傑	6/6	10/11		
A. K. W. Tang 鄧健榮	6/6	11/11		
J. C. G. Bremridge (note 1) 彭勵志 (附註 1)	2/2	3/3		
M. Hayman 馬海文	6/6	11/11		
M. M. S. Low 劉美璇	6/6	11/11		
M. J. A. Sathianathan (note 2) 沙舒雅 (附註 2)	1/1	1/1		
<b>Non-Executive Directors 非常務董事</b>				
M. Cubbon (note 3) 郭鵬 (附註 3)	3/3			
C. P. Gibbs 簡柏基	6/6			
D. C. Y. Ho 何祖英	6/6			
P. A. Johansen 容漢新	6/6		3/3	3/3
M. B. Swire (note 4) 施銘倫 (附註 4)	6/6			
<b>Independent Non-Executive Directors 獨立非常務董事</b>				
R. E. Adams 羅安達	6/6		3/3	3/3
L. K. K. Leong 梁國權	4/6		3/3	3/3
A. K. Y. Lam 林光宇	6/6			
D. C. L. Tong 唐子樑	6/6			
Notes: 1. J.C.G. Bremridge resigned with effect from 1st April 2009. 2. M.J.A. Sathianathan retired on 31st January 2009. 3. M. Cubbon resigned with effect from 13th May 2009. 4. M.B. Swire was appointed on 1st January 2009.		附註: 1. 彭勵志由二零零九年四月一日起辭任。 2. 沙舒雅於二零零九年一月三十一日退任。 3. 郭鵬由二零零九年五月十三日起辭任。 4. 施銘倫於二零零九年一月一日獲委任。		

## External Auditors

The remuneration of the Group's external auditors is HK\$2 million for statutory audit fees as disclosed in note 4 to the accounts and HK\$0.4 million for other assurance and tax advisory services. The auditors' statement regarding their reporting responsibilities is included in their audit report on page 34.

## 外聘核數師

集團外聘核數師就提供賬目附註4所披露的法定核數費用為港幣二百萬元，就提供其他保證及稅務顧問服務的費用則為港幣四十萬元。核數師就其申報責任所作的聲明，載於第三十四頁的核數報告內。



## SUSTAINABLE DEVELOPMENT

### 可持續發展

The Group closely monitors the impact of its operations on the environment and makes every effort to reduce the extent of this impact. Its facilities incorporated systems to minimise the impact of effluents on the environment. It has an ongoing programme to reduce energy and resource usage, and to recycle waste where practicable. It also participated in a Swire group study on greenhouse gas emissions. Both the Company and TAECO have published comprehensive environmental reports on their Hong Kong and Mainland China operations respectively which are accessible on their websites.

In 2009 the Company adopted a Sustainable Development Policy which:

- Recognised the link between shareholder value and the sustainable development of its business and the communities in which they operate.
- Committed the Company to work on environmental, health and safety, employment, supply chain and community issues which its operations affect.
- Committed the Company to work with other parties to promote sustainable development in the industries in which it operates.
- Published a Supplier Corporate, Social and Environmental Responsibility Code of Conduct on the Company's website.

A taskforce focusing on studying energy saving solutions has been set up in order to tackle increasing energy consumption. Additional representatives from various departments of the Company have been nominated in order to address sustainable development more comprehensively. Assistance from outside experts has been sought where applicable.

#### Environment

The need to reduce energy consumption and greenhouse gas emission as part of avoiding dangerous climate change is the key long-term environmental issue for the Company. Actions taken include:

- The Company responds publicly to the Carbon Disclosure Project questionnaire ([www.cdproject.net](http://www.cdproject.net)) each year.
- The Company, TAECO and HAESL measure their carbon emission per unit of activity.

集團密切監控並致力減低其業務對環境造成的影響。其設施設置了多套環保系統，務求減低污水及廢氣對環境造成的影響。集團已制定持續的計劃，以減少能源及資源的使用量，並在可行的情況下將廢料循環再用。集團亦參與太古集團就溫室氣體排放所進行的研究。公司與廈門太古飛機工程公司已分別就其在香港及中國內地的業務發表全面的環保報告，並於各自的網站登載。

公司於二零零九年採納一套可持續發展政策，該政策：

- 確認股東回報與集團業務及社區的可持續發展之間的相關性。
- 承諾公司致力研究解決受其業務所影響的環境、健康及安全、就業、供應鏈及社會問題。
- 承諾公司致力與其他各方合作，在業務所屬的業界推動可持續發展工作。
- 於公司網站登載《供應商企業、社會及環保責任行為守則》。

公司已就研究節省能源的方案成立一個專責小組，以應付日益增加的能源耗量。公司已委任更多不同部門的代表參與工作，務求更全面地應付可持續發展的問題，同時亦已在適當時候對外尋求專業協助。

#### 環境保護

減少能源消耗及溫室氣體排放以助減輕嚴酷的氣候轉變問題，是公司最主要的長期環保事務。已採取的行動包括：

- 公司每年對「碳披露項目」([www.cdproject.net](http://www.cdproject.net)) 問卷作出公開回應。
- 公司、廈門太古飛機工程公司及香港航空發動機維修服務公司均有量度每一業務單元的碳排放量。

- The lighting in the office and hangars was replaced with a more energy saving one which saves about 20,000Kwh each year in energy consumption.
- A detailed analysis of the energy usage in different areas was performed in order to develop a tailor-made energy saving solution.
- The Business Environmental Council carried out an audit of the Company for the Clean Air Charter Certification Scheme and the Company was certified compliant in March 2009.
- Under the Scheme of Indoor Air Quality Certification, the Company employed an independent government approved consultant to carry out the measurement and was awarded the "Good Class" grade in August 2009.

### Health and Safety

The Group is committed to conduct its business in a manner which protects the health and safety of its employees, customers, business associates and the public. Its safety management system includes setting targets and monitoring performance. Extensive safety training is carried out and safety audits are conducted annually to ensure that statutory requirements are being met and to improve safety management performance.

Being a socially responsible company, the Company recognises its obligations to safeguard the health and safety of all employees, customers, visitors, contractors and others who may be affected by its activities. To reinforce this important commitment, the Company's Health and Safety policy was reviewed and updated in 2009.

To strive for better health and safety performance, safety programmes have been reviewed regularly with improvement including better design of equipment and workplaces; implementation of best housekeeping practices; continuous training and participation in workshops in which best health and safety practices are shared among the airport community.

To enhance traffic safety performance, a series of safe driving initiatives were developed and implemented. These initiatives included the selection, training and assessment of competent drivers, installation of state-of-the-art monitoring devices on vehicles, centralisation of driving performance data and establishment of a reminding system for drivers.

With all those concerted efforts, the occurrences of traffic and bodily injury incidents were reduced by 36% and 12% respectively in 2009.

### Employees

HAECO is an equal opportunities employer, offering its staff competitive compensation and benefit packages. It operates different types of trainee schemes that aim to train local people to be specialists in aircraft

- 於辦公室及機庫換上更具能源效益的照明裝置，每年可節省約二萬千瓦小時的能源耗量。
- 就不同範疇的能源使用量進行詳細分析，以制定一套專設的節能方案。
- 公司由商界環保協會進行《清新空氣約章認證計劃》審核，並於二零零九年三月獲得認證。
- 公司根據《室內空氣質素檢定計劃》聘用獨立的政府認可顧問進行測量，並於二零零九年八月獲頒「良好級」證書。

### 健康及安全

集團在營運業務之時，會致力保障僱員、客戶、業務夥伴及大眾的健康與安全。其安全管理制度包括設定目標及監控表現。集團每年均進行廣泛的安全培訓及安全審核，以確保符合法例規定和改進安全管理表現。

作為對社會負責任的企業，公司明白對保障所有員工、客戶、訪客、承判商，以及其他或會受到其業務影響人士的健康及安全的責任。為了加強這個重要的承諾，公司於二零零九年就其健康及安全政策進行檢討和更新。

為求取得更理想的健康及安全表現，公司定期就各項安全計劃進行檢討並作出改進，包括改進設備和工作場所的設計、實施最佳場地內務管理措施，以及持續提供培訓並籌辦工作坊和研討會，讓機場同業可互相分享最佳健康及安全常規。

為加強交通安全表現，公司已制定並推行多項安全駕駛計劃。該等計劃包括挑選、培訓和評核稱職的駕駛人員、在車輛安裝先進的監察裝置、集中管理有關駕駛表現的數據，以及為駕駛人員裝設提示系統。

在各項工作配合下，二零零九年涉及交通及人身傷亡的事故數字分別下降百分之三十六及百分之十二。

### 僱員

港機工程是提倡平等機會的僱主，為員工提供具競爭力的薪酬福利。公司推行多種不同的見習學員計劃，旨在培訓本地人員成為飛機維修的專才。公司提供

maintenance. It provides training and development programmes to help staff realise their full potential and develop their careers in the Company. It strives to provide an environment that promotes diversity and respect, safeguards health and safety and encourages an appropriate work-life balance.

The Company's medical benefit schemes cover the health needs of its staff and their family members. The Company Clinics, apart from providing medical services, organise rehabilitation programmes for staff.

The Group's headcount was:

	2009	2008	Change 變幅 %	
HAECO	<b>4,621</b>	4,861	-5	港機工程
TAECO	<b>5,094</b>	5,268	-3	廈門太古飛機工程公司
HAESL	<b>892</b>	908	-2	香港航空發動機維修服務公司
Other subsidiary and jointly controlled companies in which HAECO and TAECO own more than 20%	<b>2,008</b>	1,701	+18	港機工程及廈門太古飛機工程公司持有超過兩成 權益的其他附屬及共控公司
	<b>12,615</b>	12,738	-1	

## Communities

During the year, the Group and its staff made charitable donations of around HK\$3 million. This included HK\$2.8 million to Hong Kong charities through The Swire Group Charitable Trust, HK\$53,000 raised in the 24-hour Pedal Kart Grand Prix for charitable causes in Hong Kong, HK\$42,100 to the Hong Kong Polytechnic University as bursary for its students and HK\$34,000 for the Tai Lam Tree Planting project.

In recognition of the Company's contribution to the community, the Company was presented the following awards:

- 'Caring Company Logo' awarded by the Hong Kong Council of Social Service in appreciation of the efforts made by the Company to care for its staff and the community.
- 'Caring Training Employer' award presented by the Labour Department in recognition of the efforts made by the Company in developing the youth in Hong Kong.
- 'Certificate of Appreciation' presented by the Salvation Army Hong Kong in recognition of the efforts made by the Company to provide career development opportunities to people in our community.
- 'Certificate of Appreciation' presented by the Labour Department as a token of appreciation to the Company for providing internship positions and on-the-job training to university graduates.

The Company is an active member of the HKIA community. It co-operates with the Airport Authority to promote safety and environmental protection at the airport and make presentations to overseas delegations.

各項培訓及發展計劃，讓員工可一展所長，在公司發展事業。公司致力提供一個提倡多元化與尊重、保障健康及安全，並鼓勵適當地平衡工作與生活的工作環境。

公司的醫療福利計劃照顧員工及其家人的健康需要。公司診所除提供醫療服務外，亦為員工舉辦各種復康計劃。

集團的僱員人數如下：

## 社區

年內集團及其員工共捐款約港幣三百萬元。這包括透過太古集團慈善信託基金捐贈港幣二百八十萬元予香港多個慈善團體、捐出參加二十四小時慈善腳踏車大賽所籌得款項港幣五萬三千元作為香港慈善用途，捐出港幣四萬二千一百元予香港理工大學作為學生助學金，以及捐出港幣三萬四千元予大欖植樹項目。

公司獲頒以下獎項，以表揚對社區的貢獻：

- 由香港社會服務聯會頒發的「商界展關懷」標誌，以表揚公司在關懷員工和社區方面所作的努力。
- 由勞工處頒發的「愛心培訓機構」獎項，以表揚公司在培育香港年青人方面所作的努力。
- 由香港救世軍頒發的「嘉許狀」，以表揚公司在為社區人士提供事業發展機會方面所作的努力。
- 由勞工處頒發的「嘉許狀」，以表揚公司為大學生提供實習生職位及在職培訓機會。

公司積極參與香港國際機場社區的事務。公司與香港機場管理局合作推廣機場安全及環保，並向海外代表團進行推介。

## DIRECTORS AND OFFICERS

### 董事及要員

#### Executive Directors

**PRATT, Christopher Dale** <sup>+</sup>, CBE, aged 53, has been Chairman and a Director of the Company since August 2006. He is also Chairman of John Swire & Sons (H.K.) Limited, Swire Pacific Limited, Cathay Pacific Airways Limited and Swire Properties Limited, and a Director of The Hongkong and Shanghai Banking Corporation Limited and Air China Limited. He joined the Swire group in 1978 and in addition to Hong Kong has worked with the group in Australia and Papua New Guinea.

**CHAN, Ping Kit**, aged 64, has been Deputy Chairman since August 2001. He first joined the Company in 1966 and resigned as Deputy Chief Engineer (Maintenance) in June 1990. He rejoined in December 1992 as General Manager (Base Maintenance & China Operations) and was appointed a Director in November 1993 and Managing Director in July 1998. He was Chief Executive Officer from August 2001 until October 2008 and has contracted to work for Taikoo (Xiamen) Aircraft Engineering Company Limited, a subsidiary of the Company, as Executive Chairman for a term of three years until 31st October 2011.

**TANG, Kin Wing Augustus** <sup>+</sup>, aged 51, has been a Director and Chief Executive Officer of the Company since October 2008 and November 2008 respectively. He joined the Swire group in 1982 and has worked with Cathay Pacific Airways Limited in Hong Kong, Malaysia and Japan.

**HAYMAN, Mark**, aged 49, joined the Company in October 2001 and has been Director Engineering since February 2002. He was previously General Manager Engineering Planning and Technical Supplies of Cathay Pacific Airways Limited. He joined the Swire group in 1987.

**LOW, Mei Shuen Michelle** <sup>+</sup>, aged 49, has been Director Finance since March 2007. She was previously Finance Director of Swire Pacific Limited – Trading & Industrial Division, and The China Navigation Company Limited. She joined the Swire group in August 1987.

#### 常務董事

**白紀圖** <sup>+</sup>, CBE, 現年五十三歲，自二零零六年八月起出任公司主席兼董事，現亦擔任香港太古集團有限公司、太古股份有限公司、國泰航空有限公司及太古地產有限公司主席，以及香港上海匯豐銀行有限公司及中國國際航空股份有限公司董事。一九七八年加入太古集團，除香港外，曾於該集團在澳洲及巴布亞新畿內亞的辦事處工作。

**陳炳傑**，現年六十四歲，自二零零一年八月起出任副主席。一九六六年首次加入公司，一九九零年六月離職，當時為副總工程師（維修），一九九二年十二月再次加入公司出任總經理（基地維修及中國業務），一九九三年十一月獲委任為董事，一九九八年七月獲委任為董事總經理。陳先生於二零零一年八月至二零零八年十月期間出任行政總裁，並已簽訂合約於公司旗下附屬公司廈門太古飛機工程有限公司出任常務主席，為期三年，至二零一一年十月三十一日止。

**鄧健榮** <sup>+</sup>，現年五十一歲，自二零零八年十月及二零零八年十一月起，分別出任公司董事及行政總裁。於一九八二年加入太古集團，曾駐國泰航空有限公司在香港、馬來西亞及日本的辦事處。

**馬海文**，現年四十九歲，於二零零一年十月加入公司，並自二零零二年二月起出任工程董事。曾為國泰航空有限公司工程策劃及技術供應總經理。於一九八七年加入太古集團。

**劉美璇** <sup>+</sup>，現年四十九歲，自二零零七年三月起出任財務董事。之前任職太古股份有限公司貿易及實業部及太古輪船有限公司財務董事。於一九八七年八月加入太古集團。

## Non-Executive Directors

**GIBBS, Christopher Patrick**, aged 48, has been a Director of the Company since January 2007. He is also Engineering Director of Cathay Pacific Airways Limited and a Director of Hong Kong Aero Engine Services Limited. He joined Cathay Pacific Airways Limited in 1992.

**HO, Cho Ying Davy** <sup>+</sup>, aged 62, has been a Director of the Company since September 1999. He will retire as a Director with effect from 1st April 2010. He joined the Swire group in 1970 and has worked with the group in Hong Kong and Taiwan. He is also a Director of Swire Pacific Limited and John Swire & Sons (H.K.) Limited.

**JOHANSEN, Peter André** <sup>\*\*</sup>, aged 67, has been a Director of the Company since July 1984 and is Chairman of the Remuneration Committee. He joined the Swire group in 1973 and worked in Hong Kong, Japan and the United Kingdom before retiring from John Swire & Sons Limited on 31st December 2008. He is also a Director of Swire Pacific Limited.

**SWIRE, Merlin Bingham** <sup>+</sup>, aged 36, has been a Director of the Company since January 2009. He joined the Swire group in 1997 and has worked with the group in Hong Kong, Australia, Mainland China and London. He was Director and Chief Executive Officer of Taikoo (Xiamen) Aircraft Engineering Company Limited, a subsidiary of the Company, from May 2006 until June 2008. He is a Director and shareholder of John Swire & Sons Limited and Swire Pacific Limited.

## Independent Non-Executive Directors

**ADAMS, Robert Ernest** <sup>\*\*</sup>, aged 66, has been a Director of the Company since October 2004. He is the Managing Director of Fung Capital Asia Investments Limited, a member of the Li & Fung group. He was previously an Executive Director of CITIC Pacific Limited.

**LAM, Kwong Yu Albert**, SBS, aged 65, has been a Director of the Company since May 2006. He had more than 41 years of service with the Government of the Hong Kong Special Administrative Region and had been Director-General of Civil Aviation since October 1998 until his retirement in April 2004. He is also an Independent Director of New World First Bus Services Limited, and an Independent Non-Executive Director of China Southern Airlines Company Limited.

## 非常務董事

**簡柏基**，現年四十八歲，自二零零七年一月起出任公司董事。現亦擔任國泰航空有限公司工務董事及香港航空發動機維修服務有限公司董事。於一九九二年加入國泰航空有限公司。

**何韻英** <sup>+</sup>，現年六十二歲，自一九九九年九月起出任公司董事。將由二零一零年四月一日起退任董事。一九七零年加入太古集團，曾在該集團在香港及台灣的辦事處工作。現亦擔任太古股份有限公司及香港太古集團有限公司董事。

**容漢新** <sup>\*\*</sup>，現年六十七歲，自一九八四年七月起出任公司董事，並為薪酬委員會主席。一九七三年加入太古集團，在二零零八年十二月三十一日退任英國太古集團有限公司前，曾駐該集團在香港、日本及英國的辦事處。此外亦為太古股份有限公司董事。

**施銘倫** <sup>+</sup>，現年三十六歲，自二零零九年一月起出任公司董事。於一九九七年加入太古集團，曾駐集團在香港、澳洲、中國內地及倫敦的辦事處。由二零零六年五月起至二零零八年六月期間，出任公司旗下附屬公司廈門太古飛機工程有限公司董事兼行政總裁。亦為英國太古集團有限公司及太古股份有限公司董事兼股東。

## 獨立非常務董事

**羅安達** <sup>\*\*</sup>，現年六十六歲，自二零零四年十月起出任公司董事。現為利豐集團旗下馮氏投資(亞洲)有限公司董事總經理，曾任中信泰富有限公司執行董事。

**林光宇**，SBS，現年六十五歲，自二零零六年五月起出任公司董事，曾為香港特別行政區政府工作逾四十一年，自一九九八年十月起擔任民航處處長，至二零零四年四月退休。亦為新世界第一巴士服務有限公司獨立董事，及中國南方航空股份有限公司獨立非執行董事。

**LEONG, Kwok Kuen Lincoln** \*\*, aged 49, has been a Director of the Company since March 2003 and is Chairman of the Audit Committee. He is also Finance and Business Development Director of MTR Corporation Limited and a Non-Executive Director of Tai Ping Carpets International Limited.

**TONG, Chi Leung David**, aged 39, has been a Director of the Company since May 2006. He is also a Director of Sir Elly Kadoorie & Sons Limited, Director of CLP Power Hong Kong Limited, Deputy Chairman of Hong Kong Business Aviation Centre Limited and a Non-Executive Director of Tai Ping Carpets International Limited.

*Alternate: The Hon. Sir Michael David KADOORIE*

### Executive Officers

**CHAN, Ching Summit** <sup>+</sup>, aged 44, joined the Swire group in 1988 and has worked with the group in Hong Kong and Singapore. He was appointed Commercial Director of the Company in February 2009.

**CHI, Tin Mong John**, aged 65, joined the Company in 1962. He was appointed Director and Chief Operating Officer of Taikoo (Xiamen) Aircraft Engineering Company Limited, a subsidiary of the Company incorporated in the People's Republic of China, in September 1996.

**HEALY, Patrick** <sup>+</sup>, aged 44, joined the Swire group in 1988 and has worked with the group in Hong Kong, Germany and Mainland China. He was appointed Director and Chief Executive Officer of Taikoo (Xiamen) Aircraft Engineering Company Limited, a subsidiary of the Company incorporated in the People's Republic of China, in July 2008.

**TANG, Kwok Kit Kenny** <sup>+</sup>, aged 55, has been Corporate Development Director of the Company since September 2009. He joined the Swire group in 1979 and was previously Chief Operating Officer of AHK Air Hong Kong Limited and Chief Executive Officer of Hong Kong Dragon Airlines Limited.

### Secretary

**FU, Yat Hung David** <sup>+</sup>, aged 46, has been Company Secretary since January 2006. He joined the Swire group in 1988.

**梁國權** \*\*, 現年四十九歲，自二零零三年三月起出任公司董事，並為審核委員會主席。現亦擔任香港鐵路有限公司財務及業務拓展總監及太平地氈國際有限公司非執行董事。

**唐子樑**，現年三十九歲，自二零零六年五月起出任公司董事，亦為嘉道理父子有限公司董事、中華電力有限公司董事、香港商用航空中心有限公司副主席及太平地氈國際有限公司非執行董事。

代董事：米高嘉道理爵士

### 行政人員

**陳正** <sup>+</sup>，現年四十四歲，於一九八八年加入太古集團，曾駐該集團在香港及新加坡的辦事處。於二零零九年二月獲委任為公司商務董事。

**遲天孟**，現年六十五歲，於一九六二年加入公司。一九九六年九月獲委任為公司於中華人民共和國註冊成立的附屬公司廈門太古飛機工程有限公司的董事兼營運總裁。

**賀以禮** <sup>+</sup>，現年四十四歲，於一九八八年加入太古集團，曾駐該集團在香港、德國及中國內地的辦事處。於二零零八年七月獲委任為公司旗下於中華人民共和國註冊成立的附屬公司廈門太古飛機工程有限公司董事兼行政總裁。

**鄧國杰** <sup>+</sup>，現年五十五歲，自二零零九年九月起出任公司企業發展董事。於一九七九年加入太古集團，之前為香港華民航空有限公司常務總裁及港龍航空有限公司行政總裁。

### 公司秘書

**傅溢鴻** <sup>+</sup>，現年四十六歲，自二零零六年一月起出任公司秘書。於一九八八年加入太古集團。

Notes:

<sup>#</sup> Member of the Audit Committee

<sup>\*</sup> Member of the Remuneration Committee

<sup>+</sup> Employees of the John Swire & Sons Limited group

附註：

<sup>#</sup> 審核委員會成員

<sup>\*</sup> 薪酬委員會成員

<sup>+</sup> 英國太古集團有限公司集團僱員

## DIRECTORS' REPORT

### 董事局報告

The Directors submit their report and the audited accounts for the year ended 31st December 2009, which are set out on pages 35 to 84. Details of the following items are set out in the accounts as follows:

董事局謹提呈截至二零零九年十二月三十一日止年度的報告書及經審核賬目。該等賬目詳列於第三十五頁至第八十四頁。有關下述各項內容的詳情按以下頁數載於賬目內：

			Page 頁數
Results 業績	Consolidated Income Statement 綜合收益表		35
Principal activities 主要業務	Note 1 附註1		41
Interest 利息	Note 8 附註8		50
Fixed assets 固定資產	Note 13 附註13		52-54
Share capital 股本	Note 25 附註25		66
Reserves 儲備	Note 26 附註26		67
Commitments 承擔	Notes 30 and 31 附註30及31		69
Continuing connected transactions 持續關連交易	Note 33 附註33		71-72

### Ten-year Financial Summary

A ten-year financial summary of the results and of the assets and liabilities of the Group is shown on pages 4 and 5.

### 十年財務概要

集團的業績、資產及負債十年財務概要載於第四頁及第五頁。

### Dividends

The Directors recommend the payment of final dividend for 2009 of HK\$1.50 per share which, together with the interim dividend paid on 22nd September 2009 of HK\$0.50 per share, makes total dividends for the year of HK\$2.00, a reduction of 37.1% from that for 2008. This represents a total distribution for the year of HK\$332 million. Subject to the approval of the 2009 final dividend by the shareholders at the Annual General Meeting on 11th May 2010, it is expected that the final dividend will be paid on 20th May 2010 to shareholders registered at the close of business on the record date, being 11th May 2010. The share register will be closed from 5th May 2010 to 11th May 2010, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for entitlement to the final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 4th May 2010.

### 股息

董事局建議派發二零零九年度末期息每股港幣1.50元，連同二零零九年九月二十二日派發的中期息每股港幣0.50元，本年度共派息港幣2.00元，與二零零八年比較下降百分之三十七點一。本年度派發的股息總額為港幣三億三千二百萬元。如股東於二零一零年五月十一日召開的股東週年大會通過二零零九年度末期息，末期息預期於二零一零年五月二十日派發予於記錄日期，即二零一零年五月十一日名列股東名冊的股東。股票過戶手續將於二零一零年五月五日至二零一零年五月十一日，包括首尾兩天，暫停辦理。為符合資格享有末期息，所有過戶表格連同有關股票最遲須於二零一零年五月四日（星期二）下午四時三十分正送達公司的股份登記處香港中央證券登記有限公司，地址為香港皇后大道東一八三號合和中心十七樓。

### Donations

During the year the Company and its subsidiary companies made donations for charitable purposes totalling HK\$3 million.

### 捐款

年內公司及其附屬公司的慈善捐款共達港幣三百萬元。

### Agreement for Services

The Company has an agreement for services with John Swire & Sons (H.K.) Limited ("JSSHK"), the particulars of which are set out in note 33 to the accounts, on continuing connected transactions.

As directors/employees of the John Swire & Sons Limited ("Swire") group, J.C.G. Bremridge, M. Cubbon, D.C.Y. Ho, M.M.S. Low, C.D. Pratt, M.B. Swire and A.K.W. Tang are interested in the JSSHK Services Agreement (as defined below).

Particulars of the fees paid and expenses reimbursed for the year ended 31st December 2009 are set out in note 33 to the accounts.

### Major Customers and Suppliers (Significant Contracts)

63.9% of sales and 41.3% of purchases during the year were attributable to the Group's five largest customers and suppliers respectively. 46.7% of sales were made to the Group's largest customer, Cathay Pacific Airways Limited ("CX"), its subsidiaries Hong Kong Dragon Airlines Limited ("KA") and AHK Air Hong Kong Limited, while 20.8% of purchases were from the largest supplier, Aero Inventory (U.K.) Limited which is a wholly owned subsidiary of Aero Inventory plc. (Aero Inventory plc and Aero Inventory (U.K.) Limited have been in administration since 11th November 2009.)

In respect of the Company's transactions with CX and KA:

1. CX and its controlling shareholder Swire Pacific Limited are interested as substantial shareholders of the Company;
2. J.C.G. Bremridge and M.M.S. Low were interested as shareholders of CX;
3. C.P. Gibbs is interested as employee of CX; and
4. M. Cubbon and C.D. Pratt were interested as directors of CX.

Save as disclosed above, no Director, any of their associates or any shareholder who, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital (other than in respect of CX) has an interest in the customers or suppliers disclosed above.

### Continuing Connected Transactions

The Independent Non-Executive Directors, who are not interested in any connected transactions with the Group, have reviewed and confirmed that the continuing connected transactions as set out in note 33 have been entered into by the Group:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal

### 服務協議

公司與香港太古集團有限公司（「香港太古集團」）訂立一份服務協議，協議詳情載於賬目附註33有關持續關連交易的章節內。

彭勵志、郭鵬、何祖英、劉美璇、白紀圖、施銘倫及鄧健榮作為英國太古集團有限公司（「太古」）集團董事/僱員，在香港太古集團服務協議（定義如下所述）中有利益關係。

截至二零零九年十二月三十一日止年度的已付費用及代支費用於賬目附註33列述。

### 主要顧客及供應商 (重要合約)

年內，集團的五大客戶及供應商分別佔公司銷售額百分之六十三點九及採購額百分之四十一點三。集團的最大客戶國泰航空有限公司（「國泰航空」）、其附屬公司港龍航空有限公司（「港龍航空」）及香港華民航空有限公司佔公司銷售額百分之四十六點七，而百分之二十點八的採購額則來自最大供應商Aero-Inventory (U.K.) Limited，該公司乃Aero Inventory plc的全資附屬公司。（Aero Inventory plc及Aero-Inventory (U.K.) Limited於二零零九年十一月十一日始被接管。）

就公司與國泰航空及港龍航空的交易：

1. 國泰航空及其控股股東太古股份有限公司作為公司主要股東有利益關係；
2. 彭勵志及劉美璇作為國泰航空股東有利益關係；
3. 簡柏基作為國泰航空僱員有利益關係；及
4. 郭鵬及白紀圖作為國泰航空董事有利益關係。

除上述所披露外，各董事、其聯繫人士或任何據董事局所知擁有逾百分之五公司已發行股本的股東（國泰航空除外），均無持有在上文披露的客戶或供應商的權益。

### 持續關連交易

在集團進行的關連交易中並無任何利益關係的獨立非常務董事，已審核並確認附註33列述的持續關連交易乃集團按以下原則訂立：

- (a) 該等交易為集團的日常業務；
- (b) 該等交易按照一般商務條款進行，或若可供比



- commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Auditors of the Company have also reviewed these transactions and confirmed to the Board that:

- (a) they have been approved by the Board of the Company;
- (b) they are in accordance with the pricing policies of the Group (if the transactions involve provision of goods or services by the Group);
- (c) they have been entered into in accordance with the relevant agreements governing the transactions; and
- (d) they have not exceeded the relevant annual caps disclosed in previous announcements.

## Directors

The names of the present Directors are listed on pages 26 to 28. All the present Directors served throughout the year and still hold office at the date of this report.

M.B. Swire was appointed as a Director on 1st January 2009. M.J.A. Sathianathan served as a Director until his retirement on 31st January 2009. J.C.G. Bremridge and M. Cubbon served as Directors until their resignations on 1st April 2009 and 13th May 2009 respectively.

The Hon. Sir Michael Kadoorie served as Alternate Director to D.C.L. Tong during the year.

Article 93 of the Company's Articles of Association provides for all Directors to retire at the third Annual General Meeting following their election by ordinary resolution. In accordance therewith C.D. Pratt, C.P. Gibbs, P.A. Johansen, A.K.Y. Lam, M.M.S. Low and D.C.L. Tong retire at the forthcoming Annual General Meeting of the Company and, being eligible, offer themselves for re-election.

Each of the Directors has entered into a letter of appointment, which constitutes a service contract, with the Company for a term of up to three years until his retirement under Article 91 or Article 93 of the Articles of Association of the Company, which will be renewed for a term of three years upon each election/re-election. No Director has a service contract with the Company that is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

- 較的交易不足以判斷該等交易的條款是否屬一般商務條款，則對集團而言，該等交易的條款不遜於獨立第三者可取得或提供（視屬何情況而定）的條款；及
- (c) 該等交易是根據有關協議的條款而進行，交易條款乃公平合理，並且符合公司股東的整體利益。

公司核數師亦已審核該等交易，並向董事局確認：

- (a) 該等交易已獲得公司董事局批准；
- (b) 該等交易乃按照集團的定價政策而進行（如交易涉及由集團提供貨品及服務）；
- (c) 該等交易乃根據規限有關交易的協議而進行；及
- (d) 該等交易並無超逾之前刊發的公告所披露的有關年度上限。

## 董事

現任董事的姓名列於第二十六頁至第二十八頁。所有現任董事皆於年內全年任職，並於本報告書公佈的日期仍然在任。

施銘倫於二零零九年一月一日獲委任為董事。沙舒雅出任董事直至二零零九年一月三十一日退休為止。彭勵志及郭鵬則出任董事分別至二零零九年四月一日及二零零九年五月十三日辭任為止。

米高嘉道理爵士於本年內出任唐子樑代董事。

根據公司章程第93條，所有董事在通過普通決議案獲選後，均須於第三屆股東週年大會上告退。根據上述規定，白紀圖、簡柏基、容漢新、林光宇、劉美璇及唐子樑於公司即將召開的股東週年大會告退，但因符合資格均願意候選連任。

各董事均與公司訂有一份聘書，該聘書構成服務合約，合約年期最多為三年，直至有關董事根據公司章程第91或93條退任為止，屆時可通過選舉/重選按次續約三年。各董事均無與公司訂有不可由僱主免付賠償金（法定的賠償金除外）而於一年內終止的服務合約。

Fees totalling HK\$1.4 million were paid to the Independent Non-Executive Directors during the year; they received no other emoluments from the Company or any of its subsidiary companies.

### Directors' Interests

At 31st December 2009, the registers maintained under Section 352 of the Securities and Futures Ordinance ("SFO") showed that the following Directors held beneficial interests in the shares of the Company and Taikoo (Xiamen) Aircraft Engineering Company Limited, its associated corporation (within the meaning of Part XV of the SFO):

<b>Hong Kong Aircraft Engineering Company Limited</b> 香港飛機工程有限公司	Capacity 持有身份	No. of shares 股份數目	Percentage of issued capital (%) 佔已發行股本百分比(%)	Note 附註
The Hon. Sir Michael David Kadoorie (Alternate Director) 米高嘉道理爵士(代董事)	Trust 信託	3,782,886	2.27	1
D. C. L. Tong 唐子樑	Personal 個人	20,000	0.01	
<b>Taikoo (Xiamen) Aircraft Engineering Company Limited</b> 廈門太古飛機工程有限公司	Capacity 持有身份		Percentage of issued capital (%) 佔已發行股本百分比(%)	Note 附註
P. K. Chan 陳炳傑	Controlled corporation 受控法團		2.00	2
Notes:		附註:		
1. The Hon. Sir Michael David Kadoorie is one of the beneficiaries and the founder of a discretionary trust which ultimately holds these shares.		1. 米高嘉道理爵士是最終持有此等股份的酌情信託的其中一位受益人及創立人。		
2. The shares are held by Kin Kuen Development Company Limited in which P.K. Chan holds a 30% interest.		2. 股份由陳炳傑持有三成權益的建群發展有限公司持有。		

Other than as stated above, no Director or Chief Executive of the Company had any interest or short position, whether beneficial or non-beneficial, in the shares or underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Neither during nor prior to the year under review has any right been granted to, or exercised by, any Director of the Company, or to or by the spouse or minor child of any Director, to subscribe for shares, warrants or debentures of the Company.

At no time during the year did any Director, other than as stated in this report, have a beneficial interest, whether directly or indirectly, in a contract to which the Company, or any of its associated corporations was a party, which was of significance and in which the Director's interest was material.

年內支付予獨立非常務董事的袍金總計港幣一百四十萬元；他們並無自公司或其任何附屬公司收取其他酬金。

### 董事權益

於二零零九年十二月三十一日，根據證券及期貨條例第352條須設立的名冊內所登記，董事在公司及其相聯法團（定義見證券及期貨條例第XV部）廈門太古飛機工程有限公司的股份中持有以下實益：

除上述外，公司的董事或行政總裁並無在公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份或相關股份及債券中擁有任何實益或非實益的權益或淡倉。

在本年度內或之前，公司的任何董事或其配偶或未成年子女並無獲授權或行使權利，以認購公司股份、認股權證或債券。

在本年度任何期間內，除在此報告內所述外，公司或其任何相聯法團所簽訂的重要合約，概無董事在其中直接或間接擁有重大實益。

At no time during the year was the Company, or any of its associated corporations, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### Directors' Interests in Competing Business

None of the Directors and their respective associates has any competing interests which need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

### Substantial Shareholders' and Other Interests

The register of interests in shares and short positions maintained under Section 336 of the SFO shows that as at 31st December 2009 the Company had been notified of the following interests in the shares of the Company held by substantial shareholders and other persons:

	Number of shares 股份數目	Percentage of issued capital (%) 已發行股本百分比(%)	Type of interest (notes) 權益類別(附註)
1. Cathay Pacific Airways Limited 國泰航空有限公司	24,948,728	15.00	Beneficial owner 實益擁有人
2. Swire Pacific Limited 太古股份有限公司	101,397,903	60.96	Beneficial owner and attributable interest <sup>(1)</sup> 實益擁有人及應佔權益 <sup>(1)</sup>
3. John Swire & Sons Limited 英國太古集團有限公司	101,397,903	60.96	Attributable interest <sup>(2)</sup> 應佔權益 <sup>(2)</sup>

Notes: At 31st December 2009:

(1) Swire Pacific Limited was interested in 76,449,175 shares of the Company as beneficial owner and was also deemed to be interested in the 24,948,728 shares of the Company directly held by Cathay Pacific Airways Limited by virtue of Swire Pacific Limited's interest of approximately 41.97% in Cathay Pacific Airways Limited;

(2) John Swire & Sons Limited ("Swire") and its wholly owned subsidiary John Swire & Sons (H.K.) Limited are deemed to be interested in the 101,397,903 shares of the Company, in which Swire Pacific Limited was interested, by virtue of the Swire group's interests in shares of Swire Pacific Limited representing approximately 38.99% of the issued share capital and approximately 56.84% of the voting rights.

在本年度任何期間內，公司或其任何相聯法團，概無任何安排使公司董事得以購買公司或其他法人團體的股份或債券而獲得利益。

### 董事於競爭性業務的權益

公司的董事及其各自的聯繫人士並無在任何競爭性業務中，擁有根據上市規則第8.10條規定須予披露的權益。

### 主要股東權益及其他權益

根據證券及期貨條例第336條須設立的股份及淡倉權益名冊所載，於二零零九年十二月三十一日，公司已獲主要股東及其他人等通知於公司的股份持有以下權益：

附註：於二零零九年十二月三十一日：

(1) 太古股份有限公司作為實益擁有人持有公司76,449,175股股份權益，亦因太古股份有限公司擁有國泰航空有限公司約41.97%權益，而被視作持有公司24,948,728股直接由國泰航空有限公司持有的股份權益；

(2) 因英國太古集團有限公司(「太古」)集團直接或間接擁有太古股份有限公司股份權益，即約38.99%已發行股本及約56.84%投票權，而太古股份有限公司擁有公司權益，太古及其全資附屬公司香港太古集團有限公司被視作持有公司101,397,903股股份權益。

### Public Float

From information publicly available to the Company and within the knowledge of its Directors, at least 25% of the Company's total issued share capital has been held by the public at all times.

### Auditors

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

By order of the Board

### Christopher Pratt

Chairman

Hong Kong, 9th March 2010

### 公眾持股量

據公司公開所得的資料及就公司董事所知，公司已發行股本總數至少百分之二十五一直由公眾持有。

### 核數師

在即將舉行的股東週年大會上，將動議通過再聘請羅兵咸永道會計師事務所為公司核數師的決議案。

承董事局命

主席

白紀圖

香港，二零一零年三月九日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### To the shareholders of Hong Kong Aircraft Engineering Company Limited

(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Hong Kong Aircraft Engineering Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 35 to 84, which comprise the consolidated and Company statements of financial position as at 31st December 2009, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Directors' responsibility for the financial statements

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

### Auditor's responsibility

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

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

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

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

### Opinion

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

### PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 9th March 2010

### 致香港飛機工程有限公司股東

(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第三十五至八十四頁香港飛機工程有限公司(「貴公司」)及其附屬公司(以下合稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零零九年十二月三十一日的綜合及公司財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋。

### 董事就財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部控制,以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述;選擇和應用適當的會計政策;及按情況下作出合理的會計估計。

### 核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見,並按照香港《公司條例》第141條僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等財務報表是否不存有任何重大錯誤陳述。

審核涉及執行政序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷,包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時,核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制,以設計適當的審核程序,但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性,以及評價財務報表的整體列報方式。

我們相信,我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

### 意見

我們認為,該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於二零零九年十二月三十一日的事務狀況及貴集團截至該日止年度的利潤及現金流量,並已按照香港《公司條例》妥為編製。

### 羅兵咸永道會計師事務所

執業會計師

香港,二零零九年三月九日

## CONSOLIDATED INCOME STATEMENT

### 綜合收益表

for the year ended 31st December 2009 截至二零零九年十二月三十一日止年度

	Note 附註	2009	2008	
(in HK\$ Million)				(港幣百萬元)
<b>Turnover</b>	4	<b>4,045</b>	4,901	<b>營業總額</b>
<b>Operating expenses:</b>				<b>營業開支：</b>
Staff remuneration and benefits	5	<b>(1,980)</b>	(1,965)	職員薪酬及福利
Cost of direct material and job expenses		<b>(921)</b>	(1,208)	直接材料費用及工作開支
Depreciation, amortisation and impairment	13	<b>(358)</b>	(305)	折舊、攤銷及減值
Insurance and utilities		<b>(103)</b>	(101)	保險及公用開支
Operating lease rentals – land and buildings		<b>(129)</b>	(116)	營業租賃租金 — 土地及樓宇
Repairs and maintenance		<b>(121)</b>	(154)	修理及維修
Other operating expenses		<b>(88)</b>	(134)	其他營業開支
		<b>(3,700)</b>	(3,983)	
<b>Other net gains</b>	7	<b>40</b>	92	<b>其他收益淨額</b>
<b>Operating profit</b>		<b>385</b>	1,010	<b>營業溢利</b>
<b>Net finance (charge)/income</b>	8	<b>(5)</b>	7	<b>財務(支出)/收入淨額</b>
<b>Net operating profit</b>		<b>380</b>	1,017	<b>營業淨溢利</b>
<b>Share of after-tax results of jointly controlled companies</b>	15	<b>420</b>	462	<b>應佔共控公司除稅後業績</b>
<b>Profit before taxation</b>		<b>800</b>	1,479	<b>除稅前溢利</b>
<b>Taxation</b>	9	<b>(40)</b>	(129)	<b>稅項</b>
<b>Profit for the year</b>		<b>760</b>	1,350	<b>本年溢利</b>
<b>Profit attributable to:</b>				<b>應佔溢利：</b>
The Company's shareholders	10	<b>688</b>	1,138	公司股東
Minority interests		<b>72</b>	212	少數股東權益
		<b>760</b>	1,350	
<b>Dividends</b>				<b>股息</b>
Interim – paid		<b>83</b>	155	中期 — 已付
Final – proposed/paid		<b>249</b>	374	末期 — 擬派/已付
	11	<b>332</b>	529	
(in HK\$)				(港元)
<b>Earnings per share attributable to the Company's shareholders (basic and diluted)</b>	12	<b>4.14</b>	6.84	<b>公司股東應佔每股盈利 (基本及攤薄)</b>

The notes on pages 41 to 73 and the principal accounting policies on pages 74 to 84 form part of these financial statements.

由第四十一頁至第七十三頁的附註及由第七十四頁至第八十四頁的主要會計政策均屬此財務報表的一部分。

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 綜合全面收益表

for the year ended 31st December 2009 截至二零零九年十二月三十一日止年度

	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
<b>Profit for the year</b>	<b>760</b>	1,350	<b>本年溢利</b>
<b>Other comprehensive income/(loss):</b>			<b>其他全面收益/(虧損)：</b>
Changes in cash flow hedges			現金流量對沖變動
– recognised during the year	<b>11</b>	(68)	– 於本年內確認
– deferred tax recognised	<b>7</b>	5	– 已確認遞延稅項
– transferred to other net gains	<b>(47)</b>	(51)	– 轉撥至其他收益淨額
Exchange translation differences on foreign operations	<b>1</b>	(4)	海外業務匯兌差額
<b>Other comprehensive loss for the year, net of tax</b>	<b>(28)</b>	(118)	<b>除稅後本年其他全面虧損</b>
<b>Total comprehensive income for the year</b>	<b>732</b>	1,232	<b>本年全面收益總額</b>
<b>Total comprehensive income attributable to:</b>			<b>應佔全面收益總額：</b>
The Company's shareholders	<b>673</b>	1,073	公司股東
Minority interests	<b>59</b>	159	少數股東權益
	<b>732</b>	1,232	

Note: Items other than cash flow hedges shown within other comprehensive income have no tax effect.

附註：在其他全面收益項下所示的項目除現金流量對沖外，均無稅務影響。

The notes on pages 41 to 73 and the principal accounting policies on pages 74 to 84 form part of these financial statements.

由第四十一頁至第七十三頁的附註及由第七十四頁至第八十四頁的主要會計政策均屬此財務報表的一部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

at 31st December 2009 二零零九年十二月三十一日結算

	Note 附註	2009	2008	
(in HK\$ Million)				(港幣百萬元)
<b>ASSETS AND LIABILITIES</b>				<b>資產及負債</b>
<b>Non-current assets</b>				<b>非流動資產</b>
Property, plant and equipment	13	4,618	4,197	物業、廠房及設備
Leasehold land and land use rights	13	317	326	租賃土地及土地使用權
Intangible assets	13	551	545	無形資產
Jointly controlled companies	15	988	907	共控公司
Derivative financial instruments	19	4	9	衍生金融工具
Deferred tax assets	18	39	32	遞延稅項資產
Retirement benefit assets	17	272	211	退休福利資產
		<b>6,789</b>	6,227	
<b>Current assets</b>				<b>流動資產</b>
Stocks of aircraft parts	21	221	130	飛機零件存貨
Work in progress	21	111	195	未完工程
Trade and other receivables	22	536	628	貿易及其他應收款項
Taxation recoverable		8	—	可收回稅項
Derivative financial instruments	19	13	49	衍生金融工具
Cash and cash equivalents	29(b)	844	881	現金及現金等價物
Short-term deposits	29(b)	139	11	短期存款
		<b>1,872</b>	1,894	
<b>Current liabilities</b>				<b>流動負債</b>
Trade and other payables	23	989	1,112	貿易及其他應付款項
Taxation payable		—	45	應付稅項
Derivative financial instruments	19	15	7	衍生金融工具
Short-term loans	24	425	289	短期貸款
Long-term loans due within one year	24	106	—	一年內須償還的長期貸款
		<b>1,535</b>	1,453	
<b>Net current assets</b>		<b>337</b>	441	<b>流動資產淨值</b>
<b>Total assets less current liabilities</b>		<b>7,126</b>	6,668	<b>資產總值減流動負債</b>
<b>Non-current liabilities</b>				<b>非流動負債</b>
Long-term loans	24	595	388	長期貸款
Receipt in advance	28	79	90	預收款項
Derivative financial instruments	19	—	18	衍生金融工具
Deferred tax liabilities	18	311	272	遞延稅項負債
		<b>985</b>	768	
<b>NET ASSETS</b>		<b>6,141</b>	5,900	<b>資產淨值</b>
<b>EQUITY</b>				<b>權益</b>
Share capital	25	166	166	股本
Reserves	26	5,011	4,795	儲備
<b>Equity attributable to the Company's shareholders</b>		<b>5,177</b>	4,961	<b>公司股東應佔權益</b>
<b>Minority interests</b>	27	<b>964</b>	939	<b>少數股東權益</b>
<b>TOTAL EQUITY</b>		<b>6,141</b>	5,900	<b>權益總額</b>

The financial statements have been approved by the Board of Directors and signed on their behalf by:

**Christopher Pratt**

**Lincoln Leong**

Directors

Hong Kong, 9th March 2010

The notes on pages 41 to 73 and the principal accounting policies on pages 74 to 84 form part of these financial statements.

財務報表已由董事局通過，並由下述人士代表董事局簽署：

董事

**白紀圖**

**梁國權**

香港，二零一零年三月九日

由第四十一頁至第七十三頁的附註及由第七十四頁至第八十四頁的主要會計政策均屬此財務報表的一部分。

# COMPANY STATEMENT OF FINANCIAL POSITION

## 公司財務狀況表

at 31st December 2009 二零零九年十二月三十一日結算

	Note 附註	2009	2008	
(in HK\$ Million)				(港幣百萬元)
<b>ASSETS AND LIABILITIES</b>				<b>資產及負債</b>
<b>Non-current assets</b>				<b>非流動資產</b>
Property, plant and equipment	13	2,572	2,339	物業、廠房及設備
Leasehold land	13	16	16	租賃土地
Intangible assets	13	–	1	無形資產
Subsidiary companies	14	738	738	附屬公司
Jointly controlled companies	15	135	92	共控公司
Loan to a subsidiary company	14	11	–	予一家附屬公司貸款
Retirement benefit assets	17	272	211	退休福利資產
		<b>3,744</b>	3,397	
<b>Current assets</b>				<b>流動資產</b>
Stocks of aircraft parts	21	156	69	飛機零件存貨
Work in progress	21	79	99	未完工程
Trade and other receivables	22	418	561	貿易及其他應收款項
Taxation recoverable		2	–	可收回稅項
Dividend receivable		44	88	應收股息
Cash and cash equivalents		393	307	現金及現金等價物
		<b>1,092</b>	1,124	
<b>Current liabilities</b>				<b>流動負債</b>
Trade and other payables	23	605	693	貿易及其他應付款項
Taxation payable		–	18	應付稅項
Short-term loans	24	200	–	短期貸款
		<b>805</b>	711	
<b>Net current assets</b>		<b>287</b>	413	<b>流動資產淨值</b>
<b>Total assets less current liabilities</b>		<b>4,031</b>	3,810	<b>資產總值減流動負債</b>
<b>Non-current liabilities</b>				<b>非流動負債</b>
Receipt in advance	28	79	90	預收款項
Deferred tax liabilities	18	256	215	遞延稅項負債
		<b>335</b>	305	
<b>NET ASSETS</b>		<b>3,696</b>	3,505	<b>資產淨值</b>
<b>EQUITY</b>				<b>權益</b>
<b>Equity attributable to the Company's shareholders</b>				<b>公司股東應佔權益</b>
Share capital	25	166	166	股本
Reserves	26	3,530	3,339	儲備
<b>TOTAL EQUITY</b>		<b>3,696</b>	3,505	<b>權益總額</b>

The financial statements have been approved by the Board of Directors and signed on their behalf by:

**Christopher Pratt**

**Lincoln Leong**

Directors

Hong Kong, 9th March 2010

The notes on pages 41 to 73 and the principal accounting policies on pages 74 to 84 form part of these financial statements.

財務報表已由董事局通過，並由下述人士代表董事局簽署：

董事

**白紀圖**

**梁國權**

香港，二零一零年三月九日

由第四十一頁至第七十三頁的附註及由第七十四頁至第八十四頁的主要會計政策均屬此財務報表的一部分。



## CONSOLIDATED STATEMENT OF CASH FLOWS

### 綜合現金流量表

for the year ended 31st December 2009 截至二零零九年十二月三十一日止年度

	Note 附註	2009	2008	
(in HK\$ Million)				(港幣百萬元)
<b>Operating activities</b>				<b>營運業務</b>
Cash generated from operations	29(a)	790	1,193	來自營運的現金
Interest paid		(13)	(11)	已付利息
Interest received		6	19	已收利息
Profits tax paid		(54)	(137)	已付利得稅
<b>Net cash generated from operating activities</b>		<b>729</b>	1,064	<b>來自營運業務的現金淨額</b>
<b>Investing activities</b>				<b>投資業務</b>
Purchase of property, plant and equipment		(897)	(713)	購買物業、廠房及設備
Purchase of intangible assets		(8)	(515)	購買無形資產
Sale of property, plant and equipment		6	41	出售物業、廠房及設備
Proceed from disposals of shareholdings in jointly controlled companies		–	86	出售共控公司股權所得款項
Acquisition of a subsidiary company		–	(218)	購入一家附屬公司
Purchase of shareholdings in jointly controlled companies		(42)	(67)	購買共控公司股權
Loans advanced to a jointly controlled company		(19)	–	予一家共控公司貸款
Loans repaid by a jointly controlled company		6	–	一家共控公司償還貸款
Loans advanced to a third party		–	(13)	予第三方貸款
Loans repaid by a third party		–	2	第三方償還貸款
Dividends received from jointly controlled companies		392	381	已收共控公司股息
Net (increase)/decrease in short-term deposits other than cash and cash equivalents		(128)	6	除現金及現金等價物外的短期存款 (增加)/減少淨額
<b>Net cash used in investing activities</b>		<b>(690)</b>	(1,010)	<b>投資業務所用的現金淨額</b>
<b>Net cash inflow before financing activities</b>		<b>39</b>	54	<b>融資業務前的現金流入淨額</b>
<b>Financing activities</b>				<b>融資業務</b>
Capital contribution from minority interests		–	35	少數股東注資
Proceeds from loans		893	577	貸款所得款項
Repayment of loans		(444)	(90)	償還貸款
Dividends paid to the Company's shareholders		(457)	(521)	已付予公司股東的股息
Dividends paid to the minority interests		(67)	(33)	已付予少數股東的股息
<b>Net cash used in financing activities</b>		<b>(75)</b>	(32)	<b>融資業務所用的現金淨額</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(36)</b>	22	<b>現金及現金等價物(減少)/增加淨額</b>
Cash and cash equivalents at 1st January		881	859	一月一日結算的現金及現金等價物
Translation adjustment		(1)	–	匯兌調整
<b>Cash and cash equivalents at 31st December</b>	29(b)	<b>844</b>	881	<b>十二月三十一日結算的現金及現金等價物</b>

The notes on pages 41 to 73 and the principal accounting policies on pages 74 to 84 form part of these financial statements.

由第四十一頁至第七十三頁的附註及由第七十四頁至第八十四頁的主要會計政策均屬此財務報表的一部分。

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### 綜合權益變動表

for the year ended 31st December 2009 截至二零零九年十二月三十一日止年度

Note 附註	Attributable to the Company's shareholders 公司股東應佔				Minority interests 少數股東權益	Total equity 權益總額	
	Share capital 股本	Revenue reserve 收益儲備	Other reserves 其他儲備	Total 總額			
(in HK\$ Million)							(港幣百萬元)
	<b>166</b>	<b>4,749</b>	<b>46</b>	<b>4,961</b>	<b>939</b>	<b>5,900</b>	二零零九年一月一日結算
At 1st January 2009							
Profit for the year	-	<b>688</b>	-	<b>688</b>	<b>72</b>	<b>760</b>	本年溢利
Other comprehensive loss	-	-	<b>(15)</b>	<b>(15)</b>	<b>(13)</b>	<b>(28)</b>	其他全面虧損
<b>Total comprehensive income/(loss) for the year</b>	-	<b>688</b>	<b>(15)</b>	<b>673</b>	<b>59</b>	<b>732</b>	<b>本年全面收益/(虧損)總額</b>
<b>Dividends paid and payable</b>	-	<b>(457)</b>	-	<b>(457)</b>	<b>(34)</b>	<b>(491)</b>	<b>已付及應付股息</b>
<b>At 31st December 2009</b>	<b>166</b>	<b>4,980</b>	<b>31</b>	<b>5,177</b>	<b>964</b>	<b>6,141</b>	<b>二零零九年十二月三十一日結算</b>

Note 附註	Attributable to the Company's shareholders 公司股東應佔				Minority interests 少數股東權益	Total equity 權益總額	
	Share capital 股本	Revenue reserve 收益儲備	Other reserves 其他儲備	Total 總額			
(in HK\$ Million)							(港幣百萬元)
	166	4,132	111	4,409	485	4,894	二零零八年一月一日結算
At 1st January 2008							
Profit for the year	-	<b>1,138</b>	-	<b>1,138</b>	<b>212</b>	<b>1,350</b>	本年溢利
Other comprehensive loss	-	-	<b>(65)</b>	<b>(65)</b>	<b>(53)</b>	<b>(118)</b>	其他全面虧損
Total comprehensive income/(loss) for the year	-	<b>1,138</b>	<b>(65)</b>	<b>1,073</b>	<b>159</b>	<b>1,232</b>	該年全面收益/(虧損)總額
Change in composition of Group	27	-	-	-	71	71	集團組合變動
Dividends (paid and payable)/cancellation	-	<b>(521)</b>	-	<b>(521)</b>	<b>224</b>	<b>(297)</b>	(已付及應付股息)/股息取消
<b>At 31st December 2008</b>	<b>166</b>	<b>4,749</b>	<b>46</b>	<b>4,961</b>	<b>939</b>	<b>5,900</b>	<b>二零零八年十二月三十一日結算</b>

The notes on pages 41 to 73 and the principal accounting policies on pages 74 to 84 form part of these financial statements.

由第四十一頁至第七十三頁的附註及由第七十四頁至第八十四頁的主要會計政策均屬此財務報表的一部分。

# NOTES TO THE ACCOUNTS

## 賬目附註

### 1. Principal activities

The Hong Kong Aircraft Engineering Company Limited Group is engaged in commercial aircraft overhaul, modification and maintenance mainly in Hong Kong and Mainland China. Segment information is provided in note 4.

The principal activities of the Group's subsidiary and jointly controlled companies are set out on page 73. Financial summaries of the jointly controlled companies are provided in note 15.

### 2. Financial risk management

#### (a) Financial risk factors

The Group's activities are exposed to a variety of financial risks including foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures, principally foreign exchange risk, using forward contracts. It is the Group's policy not to enter into derivative transactions for speculative purposes.

##### (i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and Renminbi. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations that are denominated in a currency that is not the entity's functional currency.

The Group Treasury's risk management policy is to hedge not more than 100% of anticipated foreign currency cash flows (largely represented by operating and capital expenditure) in each major foreign currency for the subsequent 36 months, provided that the cost of the foreign exchange forward or derivative contract is not prohibitively expensive in comparison to the underlying exposure.

At 31st December 2009, if the HK dollar had weakened/strengthened by 5% against the Renminbi with all other variables held constant, total equity would have been HK\$3 million (2008: HK\$15 million) higher/lower, arising mainly from the movement in the cash flow hedge reserve caused by fair value changes on the derivative financial instruments.

##### (ii) Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During 2008 and 2009, the Group's borrowings were at variable rates and were primarily denominated in HK dollar and US dollar.

### 1. 主要業務

香港飛機工程有限公司集團主要在香港及中國內地從事商用飛機大修、改裝及維修業務。分項資料於附註4列述。

集團的附屬及共控公司的主要業務於第七十三頁列述。共控公司的財務概要則於附註15列述。

### 2. 財務風險管理

#### (a) 財務風險因素

集團業務須承受不同的財務風險，包括外匯風險、利率風險、信貸風險及流動資金風險。集團的整體風險管理計劃，集中針對金融市場不可預測的特性，並致力將風險對集團財務表現所造成的潛在不利影響減至最低。集團採用衍生金融工具對沖須承受的若干風險，主要是採用遠期合約對沖外匯風險。集團的政策是不作投機性的衍生工具交易。

##### (i) 外匯風險

集團須承受多種外幣所產生的外匯風險，尤以美元及人民幣為甚。外匯風險來自以非企業功能貨幣的貨幣計值的未來商業交易、確認資產與負債，及海外業務的投資淨額。

假若遠期或衍生外匯合約的成本與基本風險比較時並非異常高昂，集團庫務部的風險管理政策是為隨後三十六個月對每種主要外幣預期外幣現金流量（主要為營業及資本性開支）作不多於百分之一百對沖。

在二零零九年十二月三十一日，如港元兌人民幣疲弱/加強百分之五，而所有其他可變因素保持不變，則權益總額增加/減少港幣三百萬元（二零零八年為港幣一千五百萬元），主要原因是衍生金融工具公平值變化導致現金流量對沖儲備出現變動。

##### (ii) 利率風險

由於集團並無重大的帶息資產及負債，其收入及營業現金流量大部分不受市場利率變動影響。

集團的利率風險來自借款。以浮動利率發行的借款令集團承受現金流量利率風險。以固定利率發行的借款令集團承受公平值利率風險。在二零零八年及二零零九年間，集團的借款以浮動利率發行，且主要以港幣及美元列值。

## 2. Financial risk management (continued)

### (a) Financial risk factors (continued)

#### (iii) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, generally only independently rated parties with a rating not lower than "A" are accepted. The Group has policies in place to evaluate credit risk when accepting new business and limit its credit exposure to any individual customer.

The maximum exposure to credit risk relating to financial guarantees is outlined as follows:

	Company 公司	
	2009	2008
(in HK\$ Million)		
Financial guarantees	448	316

#### (iv) Liquidity risk

The Group maintains sufficient cash and adequate undrawn committed revolving credit facilities to reduce liquidity risk and to allow for flexibility in meeting funding requirements.

Management monitors rolling forecasts of the Group's liquidity reserves (comprising undrawn borrowing facilities and cash and cash equivalents) on the basis of expected cash flow. The undiscounted payment profile of financial liabilities based on the remaining period at the reporting date to the contractual maturity date is outlined as follows:

	2009					
	Total contractual undiscounted cash flow 合約(貼現前) 現金流量總計	Within 1 year or on demand 一年內 或按要求	More than 1 year but less than 2 years 一年以上 但少於兩年	More than 2 years but less than 5 years 兩年以上 但少於五年	More than 5 years 五年以上	
(in HK\$ Million)						(港幣百萬元)
<b>Group</b>						<b>集團</b>
Bank loans (including interest obligations)	1,138	538	441	159	—	銀行貸款 (包括利息責任)
Trade and other payables	989	989	—	—	—	貿易及其他應付款項
Derivative financial liabilities at notional value	318	318	—	—	—	衍生財務負債的名義價值
	2,445	1,845	441	159	—	

## 2. 財務風險管理 (續)

### (a) 財務風險因素 (續)

#### (iii) 信貸風險

信貸風險以集團為基礎進行管理。信貸風險來自現金及現金等價物、衍生金融工具及銀行和財務機構存款，以及客戶所構成的信貸風險，包括未付的應收款項及已承擔的交易。集團一般只接受獨立評級不低於「A」的銀行及財務機構。集團已制定政策，在接受新業務時評估信貸風險，並限制任何個別客戶所構成的信貸風險程度。

與財務擔保相關的信貸風險的最大風險額概述如下：

#### (iv) 流動資金風險

集團維持充份的現金及足夠的未動用已承擔循環信貸安排，以減低流動資金風險及在符合融資需求時給予靈活性。

管理層按預期現金流量監察集團流動資金儲備 (包括未動用借貸安排以及現金及現金等價物) 的滾動預測。根據由結算日至合約到期日之間的尚餘年期，財務負債的非貼現還款期限概述如下：

## 2. Financial risk management (continued)

### (a) Financial risk factors (continued)

#### (iv) Liquidity risk (continued)

	2008					
	Total contractual undiscounted cash flow 合約(貼現前) 現金流量總計	Within 1 year or on demand 一年內 或按要求	More than 1 year but less than 2 years 一年以上 但少於兩年	More than 2 years but less than 5 years 兩年以上 但少於五年	More than 5 years 五年以上	
<i>(in HK\$ Million)</i>						<i>(港幣百萬元)</i>
Group						集團
Bank loans (including interest obligations)	703	300	10	393	–	銀行貸款 (包括利息責任)
Trade and other payables	1,112	1,112	–	–	–	貿易及其他應付款項
Derivative financial liabilities at notional value	515	197	318	–	–	衍生財務負債的名義價值
	2,330	1,609	328	393	–	

#### 2009

	2009					
	Total contractual undiscounted cash flow 合約(貼現前) 現金流量總計	Within 1 year or on demand 一年內 或按要求	More than 1 year but less than 2 years 一年以上 但少於兩年	More than 2 years but less than 5 years 兩年以上 但少於五年	More than 5 years 五年以上	
<i>(in HK\$ Million)</i>						<i>(港幣百萬元)</i>
Company						公司
Bank loans (including interest obligations)	200	200	–	–	–	銀行貸款 (包括利息責任)
Trade and other payables	605	605	–	–	–	貿易及其他應付款項
Financial guarantees	448	41	320	87	–	財務擔保
	1,253	846	320	87	–	

#### 2008

	2008					
	Total contractual undiscounted cash flow 合約(貼現前) 現金流量總計	Within 1 year or on demand 一年內 或按要求	More than 1 year but less than 2 years 一年以上 但少於兩年	More than 2 years but less than 5 years 兩年以上 但少於五年	More than 5 years 五年以上	
<i>(in HK\$ Million)</i>						<i>(港幣百萬元)</i>
Company						公司
Trade and other payables	693	693	–	–	–	貿易及其他應付款項
Financial guarantees	316	25	–	291	–	財務擔保
	1,009	718	–	291	–	

Note: Forward foreign exchange contracts are included in the derivative financial liabilities to reduce the Group's exposure to changes in exchange rates.

註：遠期外匯合約包括在衍生財務負債之內，以減低匯率變動對集團產生的風險。

### (b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net borrowings divided by total equity. Net borrowings are calculated as total borrowings (including "current and non-current borrowings")

### (b) 資本風險管理

集團管理資金的目標，是保障集團能繼續營運，從而為股東提供回報，兼顧其他利益相關者的利益，及維持最佳的資本結構以減低資金成本。

集團按資本淨負債比率監控資本。該比率是以借款淨額除以權益總額。借款淨額是以借款總額 (包括綜合財務狀況表所示的「流動及非流動借款」) 減存款及銀行結餘。權

## 2. Financial risk management (continued)

### (b) Capital risk management (continued)

as shown in the consolidated statement of financial position) less deposits and bank balances. Total equity is calculated as "equity attributable to the Company's shareholders" plus "minority interests" as shown in the consolidated statement of financial position. The gearing ratio at 31st December 2009 is 2.3% (2008: no net borrowings). The Company has entered into financial covenants in respect of maintenance of minimum consolidated net worth to secure funding. To date, none of the covenants has been breached.

### (c) Fair value estimation

Effective 1st January 2009, the group adopted the amendment to HKFRS 7 for financial instruments that are measured in the statement of financial position at fair value, this requires disclosure of fair value measurements by level based on the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Group's only financial instruments impacted by such valuation methods are derivatives used for hedging. The fair value of derivatives used for hedging is based on inputs other than quoted prices included within level 1 that are observable for the instruments therefore are all categorised as level 2. The fair value of these derivatives used for hedging are assets of HK\$17 million and liabilities of HK\$15 million.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each financial reporting date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates in the market at the reporting date.

The carrying value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

## 3. Critical accounting estimates and judgements

The Group makes estimates and assumptions as appropriate in the preparation of the accounts. These estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed below:

## 2. 財務風險管理 (續)

### (b) 資本風險管理 (續)

益總額則以綜合財務狀況表所示的「公司股東應佔權益」加「少數股東權益」。二零零九年十二月三十一日結算的資本淨負債比率為百分之二點三 (二零零八年並無借款淨額)。公司已就維持最低綜合淨值訂立財務契約條款以取得資金。公司至今並無違反任何契約條款。

### (c) 公平值估算

由二零零九年一月一日起，集團已就財務狀況表中按公平值計量的金融工具採納香港財務報告準則第7號的修訂，該修訂規定須根據以下公平值計量級次的層次進行公平值計量披露：

- 相同資產或負債在活躍市場中的報價 (未經調整的) (第一層次)。
- 第一層次中的資產或負債的市場報價以外的其他直接 (即價格) 或間接 (即按價格推算) 可觀察數值 (第二層次)。
- 資產或負債使用了非基於可觀察市場數據的數值 (即不可觀察數值) (第三層次)。

集團唯一受該等估值方法影響的金融工具乃用作對沖的衍生工具。用作對沖的衍生工具的公平值是基於使用除第一層次中的工具的市場報價以外的其他可觀察數值，因此全部歸類為第二層次。該等用作對沖的衍生工具的公平值為資產港幣一千七百萬元及負債港幣一千五百萬元。

並非於活躍市場上交易的金融工具 (如場外衍生工具)，其公平值是以估值方法來釐定。集團採用一系列方法，以財務報告結算日的市場情況為基礎作出假設。其他估值法 (如預計現金流量貼現法) 用於其餘金融工具的公平值釐定。遠期外匯合約的公平值則採用報告結算日的遠期市場匯率釐定。

貿易應收款項及應付款項的賬面值減預計信貸調整被假設為與其公平值相若。作為披露目的，財務負債的公平值是以集團同類金融工具的現行市場利率計算未來合約現金流量的貼現值。

## 3. 重要會計估算及判斷

集團在編製賬目的過程中於適當時作出估算及假設。此等估算乃根據過往經驗及其他因素而作出，其他因素包括在該等情況下對未來事項相信為合理的期望，而按定義對未來事項的期望很少與相關的實際結果相等。對資產及負債賬面值有重要影響的估算及假設如下論述：

### 3. Critical accounting estimates and judgements (continued)

#### (a) Impairment of assets

The Group tests at least annually whether goodwill and other assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of estimates.

#### (b) Income taxes

The Group is subject to income taxes in various jurisdictions. Judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

### 4. Segment information

The Group is engaged in commercial aircraft overhaul, modification and maintenance mainly in Hong Kong and Mainland China. Management has determined the operating segments based on the reports used by the Board of Directors to assess performance and allocate resources. The Board considers the business primarily from an entity perspective.

The segment information provided to the Board of Directors for the reportable segments for the year ended is as follows:

	HAECO 港機工程	TAECO 廈門太古 飛機工程 公司	TEXL 廈門太古 發動機 服務公司	HAESL 香港航空發動機維修服務公司		Other segments – subsidiary companies 其他分項 – 附屬公司	Inter- segment elimination/ unallocated adjustments 分項之間 抵銷/ 未分配調整	Total 總計	
				At 100% 佔百分比	Adjustments to reflect the Group's equity share 調整以反映 集團的權益				
<i>(in HK\$ Million)</i>									
<b>Year ended 31st December 2009</b>									
External turnover	2,708	1,260	–	7,033	(7,033)	36	–	4,004	對外營業總額
Inter-segment turnover	116	5	–	2	(2)	9	(89)	41	分項之間營業總額
Total turnover	2,824	1,265	–	7,035	(7,035)	45	(89)	4,045	營業總額總計
Operating profit/(loss)	264	209	(43)	832	(832)	(45)	–	385	營業溢利/(虧損)
Finance income	1	5	1	–	–	–	–	7	財務收入
Finance charge	(4)	(2)	(2)	(1)	1	(4)	–	(12)	財務支出
Share of after-tax results of jointly controlled companies	–	–	–	104	259	–	57	420	應佔共控公司除稅後業績
Profit/(loss) before taxation	261	212	(44)	935	(572)	(49)	57	800	除稅前溢利/(虧損)
Taxation (charge)/credit	(33)	(20)	2	(129)	129	13	(2)	(40)	稅項(支出)/記賬
Profit/(loss) for the year	228	192	(42)	806	(443)	(36)	55	760	本年溢利/(虧損)
Depreciation and amortisation	156	126	26	59	(59)	26	–	334	折舊及攤銷
Provision for impairment of stock and rotatable spares	26	5	–	8	(8)	–	–	31	存貨及可修周轉件減值準備
Auditors' remuneration – statutory audit fees	1	1	–	–	–	–	–	2	核數師酬金 – 法定核數費用

### 3. 重要會計估算及判斷 (續)

#### (a) 資產減值

集團至少每年對商譽及其他可用壽命無盡的資產作測試，以確定是否出現減值。其他資產則在情況或環境變化顯示其賬面值超出其可收回數額時作減值檢討。資產或現金產生單位的可收回數額根據使用價值計算方法釐定。該等計算方法需要作出估算。

#### (b) 所得稅

集團須在多個司法管轄區繳付所得稅。在釐定所得稅撥備時，需要作出判斷。在日常業務過程中，許多交易及釐定最終稅項的計算方法未能確定。倘最終稅項結果與初始記錄數額不同，則有關差額將會在作出決定期間影響所得稅及遞延所得稅撥備。

### 4. 分項資料

集團主要於香港及中國內地從事商用飛機大修、改裝及維修業務。管理層已根據董事局用作評估業績表現及分配資源的報告書，確定營運分項。董事局主要從實體的觀點對業務作出考慮。

提供予董事局截至本年年止應報告分項的分項資料如下：

4. Segment information (continued)

4. 分項資料 (續)

	HAECO 港機工程	TAECO 廈門太古 飛機工程 公司	TEXL 廈門太古 發動機 服務公司	HAESL 香港航空發動機維修服務公司		Other segments – subsidiary companies 其他分項 – 附屬公司	Inter- segment elimination/ unallocated adjustments 分項之間 抵銷/ 未分配調整	Total 總計	
				At 100% 佔百分比	Adjustments to reflect the Group's equity share 調整以反映 集團的權益				
<i>(in HK\$ Million)</i>									
<i>(港幣百萬元)</i>									
Year ended 31st December 2008									
截至二零零八年十二月三十一日止年度									
External turnover	3,029	1,758	–	7,424	(7,424)	26	–	4,813	對外營業總額
Inter-segment turnover	173	6	–	3	(3)	–	(91)	88	分項之間營業總額
<b>Total turnover</b>	<b>3,202</b>	<b>1,764</b>	<b>–</b>	<b>7,427</b>	<b>(7,427)</b>	<b>26</b>	<b>(91)</b>	<b>4,901</b>	<b>營業總額總計</b>
Operating profit/(loss)	466	576	(26)	943	(943)	(44)	38	1,010	營業溢利/(虧損)
Finance income	11	4	2	3	(3)	1	–	18	財務收入
Finance charge	(2)	(4)	–	(5)	5	(5)	–	(11)	財務支出
Share of after-tax results of jointly controlled companies	–	–	–	101	296	–	65	462	應佔共控公司除稅後業績
Profit/(loss) before taxation	475	576	(24)	1,042	(645)	(48)	103	1,479	除稅前溢利/(虧損)
Taxation (charge)/credit	(55)	(77)	1	(160)	160	4	(2)	(129)	稅項(支出)/記賬
<b>Profit/(loss) for the year</b>	<b>420</b>	<b>499</b>	<b>(23)</b>	<b>882</b>	<b>(485)</b>	<b>(44)</b>	<b>101</b>	<b>1,350</b>	<b>本年溢利/(虧損)</b>
Depreciation and amortisation	149	118	12	59	(59)	12	–	291	折舊及攤銷
Provision for impairment of stock and rotatable spares	18	–	–	–	–	–	–	18	存貨及可修周轉件減值準備
Auditors' remuneration – statutory audit fees	1	1	–	–	–	–	–	2	核數師酬金 – 法定核數費用



#### 4. Segment information (continued)

#### 4. 分項資料 (續)

	HAECO 港機工程	TAECO 廈門太古 飛機工程 公司	TEXL 廈門太古 發動機 服務公司	HAESL 香港航空發動機維修服務公司 At 100% 佔百分比	Adjustments to reflect the Group's equity share 調整以反映 集團的權益	Other segments – subsidiary companies 其他分項 – 附屬公司	Inter- segment elimination/ unallocated adjustments 分項之間 抵銷/ 未分配調整	Total 總計	
<i>(in HK\$ Million)</i>									<i>(港幣百萬元)</i>
<b>At 31st December 2009</b>									<b>二零零九年十二月三十一日 結算</b>
Total segment assets	<b>3,963</b>	<b>2,388</b>	<b>1,073</b>	<b>2,238</b>	<b>(2,238)</b>	<b>411</b>	<b>(192)</b>	<b>7,643</b>	分項資產總值
Total segment assets include:									分項資產總值包括：
Additions to non-current assets (other than financial instruments, retirement benefit assets and deferred tax assets)	<b>426</b>	<b>199</b>	<b>167</b>	<b>157</b>	<b>(157)</b>	<b>2</b>	<b>–</b>	<b>794</b>	非流動資產增加 (金融工具、退休福利 資產及遞延稅項資產 除外)
Total segment liabilities	<b>1,140</b>	<b>539</b>	<b>659</b>	<b>916</b>	<b>(916)</b>	<b>369</b>	<b>(187)</b>	<b>2,520</b>	分項負債總額

	HAECO 港機工程	TAECO 廈門太古 飛機工程 公司	TEXL 廈門太古 發動機 服務公司	HAESL 香港航空發動機維修服務公司 At 100% 佔百分比	Adjustments to reflect the Group's equity share 調整以反映 集團的權益	Other segments – subsidiary companies 其他分項 – 附屬公司	Inter- segment elimination/ unallocated adjustments 分項之間 抵銷/ 未分配調整	Total 總計	
<i>(in HK\$ Million)</i>									<i>(港幣百萬元)</i>
<b>At 31st December 2008</b>									<b>二零零八年十二月三十一日 結算</b>
Total segment assets	3,691	2,384	932	2,423	(2,423)	391	(213)	7,185	分項資產總值
Total segment assets include:									分項資產總值包括：
Additions to non-current assets (other than financial instruments, retirement benefit assets and deferred tax assets)	484	170	6	61	(61)	209	–	869	非流動資產增加 (金融工具、退休福利 資產及遞延稅項資產 除外)
Total segment liabilities	1,016	628	476	1,141	(1,141)	300	(199)	2,221	分項負債總額

Reportable segments' assets are reconciled to total assets as follows:

應報告分項資產與資產總值的對賬如下：

	<b>2009</b>	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Total segment assets	<b>7,643</b>	7,185	分項資產總值
Unallocated: investment in jointly controlled companies	<b>988</b>	907	未分配的共控公司投資
Unallocated: intangible assets – goodwill	<b>30</b>	29	未分配的無形資產 – 商譽
Total assets	<b>8,661</b>	8,121	資產總值

The Group's jointly controlled companies, except for SAESL, are held by HAECO and TAECO.

除新加坡航空發動機維修服務公司外，集團的共控公司由港機工程及廈門太古飛機工程公司持有。

Reportable segments' liabilities are equal to total liabilities.

應報告分項負債與負債總額相等。

Turnover between segments are carried out at an arm's length. The turnover from external parties reported to the Board of Directors is measured in a manner consistent with that in the income statement.

分項之間的營業總額按照公平原則計算。向董事局匯報的對外營業總額採用與收益表一致的方式計量。

#### 4. Segment information (continued)

HAESL has been determined as a segment, although it is a jointly controlled company. The Board of Directors reviews the full income statement and net assets of this entity as part of its performance review and resource allocation decisions. Full information on turnover, profit, assets and liabilities has been included in the above, although these amounts do not appear in the Group's income statement and statement of financial position on a line by line basis. Adjustments are also presented in the above to reflect the Group's equity share of HAESL in the income statement and statement of financial position.

	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
The Group's turnover derived from external customers:			集團來自對外客戶的營業總額：
In Hong Kong	1,957	2,285	香港
From other countries	2,088	2,616	自其他國家
	<b>4,045</b>	4,901	
Total non-current assets other than financial instruments, deferred tax assets and retirement benefit assets:			除金融工具、遞延稅項資產及退休福利資產外的非流動資產總值：
In Hong Kong	2,594	2,364	香港
In other countries (mainly in Mainland China)	2,892	2,704	自其他國家 (主要為中國內地)
	<b>5,486</b>	5,068	
Turnover in HAECO and TAECO derived from a single external customer	1,891	2,069	港機工程與廈門太古飛機工程公司來自單一對外客戶的營業總額

#### 5. Staff remuneration and benefits

Total staff remuneration and benefits including pension scheme contributions, salaries, allowances, benefits in kind and staff benefit administration costs for 2009 amounted to HK\$1,980 million (2008: HK\$1,965 million). Of the five highest paid employees, three (2008: four) were Directors and two (2008: one) were Executive Officers. Remuneration details are given in note 6.

#### 4. 分項資料 (續)

香港航空發動機維修服務公司雖是一家共控公司，但已被確定為一分項。董事局審閱該實體全面的收益表及資產淨值，作為其業績表現及資源分配決策的一部分。儘管有關營業總額、溢利、資產及負債的數額沒有逐一呈列在集團的收益表及財務狀況表中，但有關詳細資料已包括於上表中。上表亦已呈列出有關調整，以反映集團在收益表及財務狀況表中於香港航空發動機維修服務公司的權益。

#### 5. 職員薪酬及福利

二零零九年包括退休金計劃供款、薪金、津貼、實物利益及職員福利行政成本的職員薪酬及福利總額達港幣十九億八千萬(二零零八年為港幣十九億六千五百萬元)。五名最高薪職員中，三名(二零零八年為四名)為董事，兩名(二零零八年為一名)為行政人員。其酬金於附註6詳述。

## 6. Directors' and executive officers' remuneration

Total number of Directors who served during the year was sixteen (2008: seventeen) and total number of Executive Officers who served during the year was four (2008: three). Their remuneration was as follows:

	Group 集團							Total 總計	2009	2008
	Cash 現金		Non Cash 非現金							
	Basic salary/ Directors' fees <sup>a</sup> 基本薪金/ 董事袍金 <sup>a</sup>	Bonus <sup>b</sup> 花紅 <sup>b</sup>	Allowances, gratuities, and benefits 津貼、酬金 及福利	Retirement schemes contributions 退休計劃 供款	Bonus paid to retirement benefits 計入退休計劃 的花紅	Housing & other benefits 房屋及 其他福利				
<i>(in HK\$ Thousand)</i> (港幣千元)										
<b>Executive Directors:</b>										
Christopher Pratt	529	—	26	673	—	315	<b>1,543</b>	1,729	<b>常務董事:</b>	
Chan Ping Kit	3,666	3,993	1,140	12	—	4,598	<b>13,409</b>	11,205	白紀圖	
Augustus Tang	2,844	478	632	—	—	425	<b>4,379</b>	833	陳炳傑	
Charles Bremridge (to 1st April 2009)	375	988	145	474	753	504	<b>3,239</b>	6,448	鄧健榮	
J Robert Gibson (to 6th March 2007)	—	—	—	—	—	—	—	235	彭勵志 (至二零零九年四月一日)	
Mark Hayman	1,859	1,108	898	—	—	16	<b>3,881</b>	3,953	紀必信 (至二零零七年三月六日)	
Michelle Low	1,680	975	570	—	—	249	<b>3,474</b>	2,883	馬海文	
Ashokumar Sathianathan (to 31st January 2009)	254	984	485	1	—	2	<b>1,726</b>	3,246	劉美璇	
	11,207	8,526	3,896	1,160	753	6,109	<b>31,651</b>	30,532	沙舒雅 (至二零零九年一月三十一日)	
<b>Non-Executive Directors:</b>										
Martin Cubbon (to 13th May 2009)	—	—	—	—	—	—	—	—	<b>非常務董事:</b>	
Christopher Gibbs	—	—	—	—	—	—	—	—	郭鵬 (至二零零九年五月十三日)	
Davy Ho	—	—	—	—	—	—	—	—	簡柏基	
Peter Johansen	415	—	—	—	—	—	<b>415</b>	—	何祖英	
Merlin Swire (from 1st January 2009)	—	—	—	—	—	—	—	—	容漢新	
Tony Tyler (to 30th September 2008)	—	—	—	—	—	—	—	—	施銘倫 (由二零零九年一月一日起)	
	415	—	—	—	—	—	<b>415</b>	—	湯彥麟 (至二零零八年九月三十日)	
<b>Independent Non-Executive Directors:</b>										
Robert Adams	405	—	—	—	—	—	<b>405</b>	369	<b>獨立非常務董事:</b>	
Dinty Dickson Leach (to 6th May 2008)	—	—	—	—	—	—	—	149	羅安達	
Albert Lam	300	—	—	—	—	—	<b>300</b>	300	李德信 (至二零零八年五月六日)	
Lincoln Leong	430	—	—	—	—	—	<b>430</b>	421	林光宇	
David Tong	300	—	—	—	—	—	<b>300</b>	300	梁國權	
	1,435	—	—	—	—	—	<b>1,435</b>	1,539	唐子傑	
<b>2009 total</b>	<b>13,057</b>	<b>8,526</b>	<b>3,896</b>	<b>1,160</b>	<b>753</b>	<b>6,109</b>	<b>33,501</b>		<b>二零零九年總計</b>	
2008 total	12,943	8,755	6,151	884	963	2,375		32,071	二零零八年總計	
<b>Executive Officers:</b>										
Summit Chan (from 1st February 2009)	1,166	—	400	—	—	171	<b>1,737</b>	—	<b>行政人員:</b>	
John Chi	1,815	933	385	8	—	1,223	<b>4,364</b>	5,321	陳正 (由二零零九年二月一日起)	
Patrick Healy	1,380	386	705	1,755	290	2,554	<b>7,070</b>	1,786	遲天孟	
Merlin Swire (to 30th June 2008)	—	313	—	—	—	—	<b>313</b>	1,670	賀以禮	
Kenny Tang (from 7th September 2009)	597	—	223	—	—	—	<b>820</b>	—	施銘倫 (至二零零八年六月三十日)	
	4,958	1,632	1,713	1,763	290	3,948	<b>14,304</b>	8,777	鄧國杰 (由二零零九年九月七日起)	
<b>2009 total</b>	<b>4,958</b>	<b>1,632</b>	<b>1,713</b>	<b>1,763</b>	<b>290</b>	<b>3,948</b>	<b>14,304</b>		<b>二零零九年總計</b>	
2008 total	2,792	1,253	1,258	434	327	2,713		8,777	二零零八年總計	

### Notes:

a. Annual Directors' fees are determined by the Board and for 2009 comprised Director's fee of HK\$300,000 (2008: HK\$300,000), fee for members serving on Audit Committee of HK\$75,000 (2008: HK\$75,000) and fee for members serving on Remuneration Committee of HK\$30,000 (2008: HK\$30,000) respectively. The fee for Chairman of Audit Committee is HK\$100,000 (2008: HK\$100,000) and fee for Chairman of Remuneration Committee is HK\$40,000 (2008: HK\$40,000).

b. Bonuses paid to the Executive Directors and Executive Officers are based on previous years' results.

## 6. 董事及行政人員酬金

年內在任董事數目總計為十六人(二零零八年為十七人)，而年內在任行政人員數目總計則為四人(二零零八年為三人)。其酬金如下：

### 附註：

a. 每年的董事袍金由董事局決定，二零零九年包括董事袍金港幣三十萬元(二零零八年為港幣三十萬元)，出任審核委員會成員酬金港幣七萬五千元(二零零八年為港幣七萬五千元)，及出任薪酬委員會成員酬金港幣三萬元(二零零八年為港幣三萬元)。審核委員會主席酬金港幣十萬元(二零零八年為港幣十萬元)，薪酬委員會主席酬金港幣四萬元(二零零八年為港幣四萬元)。

b. 支付予常務董事及行政人員的花紅乃根據上年度的業績而定。

## 7. Other net gains

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Net foreign exchange gains	40	58	外匯收益淨額
Fair value losses on derivative financial instruments:			
Forward foreign exchange contracts not qualifying for hedge accounting	–	(4)	衍生金融工具公平值虧損： 不符合對沖會計的遠期外匯合約
Profit on sale of jointly controlled companies	–	38	出售共控公司溢利
	<b>40</b>	<b>92</b>	

## 7. 其他收益淨額

## 8. Net finance (charge)/income

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Finance income:			財務收入：
Short-term deposits and bank balances	7	18	短期存款及銀行結餘
Finance charge:			財務支出：
Bank loans	(12)	(11)	銀行貸款
	<b>(5)</b>	<b>7</b>	

## 8. 財務(支出)/收入淨額

## 9. Taxation

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Current taxation:			本期稅項：
Hong Kong profits tax	(8)	53	香港利得稅
Overseas taxation	9	86	海外稅
	<b>1</b>	<b>139</b>	
Deferred taxation (note 18):			遞延稅項 (附註18)
Increase in deferred tax assets	–	(24)	遞延稅項資產增加
Increase in deferred tax liabilities	39	14	遞延稅項負債增加
	<b>40</b>	<b>129</b>	

## 9. 稅項

Hong Kong profits tax is calculated at 16.5% (2008: 16.5%) on the estimated assessable profits for the year. Overseas tax is calculated at tax rates applicable in jurisdictions in which the Group is assessable for tax.

香港利得稅乃以本年度的估計應課稅溢利按稅率百分之十六點五計算(二零零八年為百分之十六點五)。海外稅則以集團在應課稅司法管轄區，按當地適用稅率計算。

The Group's share of jointly controlled companies' tax charge of HK\$70 million (2008: HK\$83 million) is included in the share of after-tax results of jointly controlled companies shown in the consolidated income statement.

集團應佔共控公司稅項支出港幣七千萬(二零零八年為港幣八千三百萬元)，已包括在綜合收益表所示的應佔共控公司除稅後業績之內。

## 9. Taxation (continued)

The tax charge on the Group's profit before taxation differs from the theoretical amount that would arise using the Hong Kong profits tax rate of the Company as follows:

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Profit before taxation	<b>800</b>	1,479	除稅前溢利
Calculated at a tax rate of 16.5% (2008: 16.5%)	<b>132</b>	244	按稅率百分之十六點五計算(二零零八年為百分之十六點五)
Share of after-tax results of jointly controlled companies	<b>(69)</b>	(76)	應佔共控公司除稅後業績
Effect of different tax rates in other countries	<b>(9)</b>	8	其他國家不同稅率的影響
Income not subject to tax	<b>(9)</b>	(24)	毋須課稅的收入
Unused tax losses not recognised	<b>10</b>	7	未確認的未用稅項虧損
Over-provisions in prior years	<b>-</b>	(2)	歷年超額準備
Effect of changes in tax rates	<b>(17)</b>	(20)	稅率改變的影響
Others	<b>2</b>	(8)	其他
Total charge	<b>40</b>	129	支出總計

## 10. Profit attributable to the Company's shareholders

Of the profit attributable to the Company's shareholders, HK\$648 million (2008: HK\$550 million) is dealt with in the financial statements of the Company.

## 11. Dividends

	Company 公司		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Interim dividend, paid on 22nd September 2009, of HK\$0.50 per share (2008: HK\$0.93 per share)	<b>83</b>	155	已於二零零九年九月二十二日派發的中期股息，每股港幣0.50元 (二零零八年為每股港幣0.93元)
Final dividend, proposed, of HK\$1.50 per share (2008 actual dividend paid: HK\$2.25 per share)	<b>249</b>	374	擬派末期股息每股港幣1.50元 (二零零八年實際派息每股港幣2.25元)
	<b>332</b>	529	

The proposed final dividend is not accounted for until it has been approved at the Annual General Meeting. The actual amount will be accounted for as an appropriation of the revenue reserve in the year ending 31st December 2010.

## 12. Earnings per share (basic and diluted)

Earnings per share are calculated by dividing the profit attributable to the Company's shareholders of HK\$688 million (2008: HK\$1,138 million) by the weighted average number of 166,324,850 ordinary shares in issue during the year (2008: 166,324,850).

## 9. 稅項 (續)

按集團除稅前溢利計算的稅項支出與採用適用於公司的香港利得稅率計算的理論稅額的差別如下:

## 10. 公司股東應佔溢利

公司股東應佔溢利中，港幣六億四千八百萬元 (二零零八年為港幣五億五千萬元) 已計算於公司財務報表內。

## 11. 股息

擬派末期股息須於股東週年大會上通過後始記入賬。實際數額將記入截至二零一零年十二月三十一日止年度收益儲備的分派款。

## 12. 每股盈利 (基本及攤薄)

每股盈利乃將公司股東應佔溢利港幣六億八千八百萬元 (二零零八年為港幣十一億三千八百萬元)，除以年內已發行的加權平均股份數目 166,324,850 股 (二零零八年為 166,324,850 股) 普通股計算。

**13. Property, plant and equipment, leasehold land and land use rights and intangible assets**

**13. 物業、廠房及設備、租賃土地及土地使用權及無形資產**

Group 集團

	Property, plant and equipment 物業、廠房及設備						Leasehold land and land use rights 租賃土地及土地使用權	Intangible assets – computer software, goodwill and technical licences 無形資產 – 電腦軟件、商譽及技術特許權	
	Buildings and building facilities 樓宇及樓宇設施	Plant, machinery and tools 廠房、機器及工具	Vehicles, equipment and furniture 汽車、設備及傢俬	Rotable spares 可修周轉件	Assets under construction 興建中的資產	Total 總計			
	(in HK\$ Million)						(港幣百萬元)		
<b>Cost</b>							<b>原價</b>		
At 1st January 2008	3,388	993	195	255	408	5,239	284	10	二零零八年一月一日結算
Translation differences	(8)	(3)	–	–	(2)	(13)	(2)	(1)	匯兌差額
Acquisition of a subsidiary company	234	118	1	–	–	353	81	537	購入一家附屬公司
Additions and transfers	326	299	30	16	170	841	20	8	增置及轉撥
Disposals	(5)	(21)	(12)	(9)	–	(47)	–	–	出售
At 31st December 2008	3,935	1,386	214	262	576	6,373	383	554	二零零八年十二月三十一日結算
Translation differences	1	–	–	–	–	1	1	–	匯兌差額
Additions and transfers	854	186	(6)	3	(250)	787	–	7	增置及轉撥
Disposals	(3)	(27)	(12)	(15)	–	(57)	–	–	出售
<b>At 31st December 2009</b>	<b>4,787</b>	<b>1,545</b>	<b>196</b>	<b>250</b>	<b>326</b>	<b>7,104</b>	<b>384</b>	<b>561</b>	<b>二零零九年十二月三十一日結算</b>
<b>Accumulated depreciation, amortisation and impairment</b>							<b>累積折舊、攤銷及減值</b>		
At 1st January 2008	1,014	620	167	41	–	1,842	46	8	二零零八年一月一日結算
Translation differences	(3)	(2)	(1)	–	–	(6)	–	–	匯兌差額
Acquisition of a subsidiary company	27	46	–	–	–	73	4	–	購入一家附屬公司
Depreciation and amortisation charge for the year	145	108	9	21	–	283	7	1	本年度折舊及攤銷支出
Impairment charge for the year	–	–	–	14	–	14	–	–	本年度減值支出
Disposals	–	(16)	(12)	(2)	–	(30)	–	–	出售
At 31st December 2008	1,183	756	163	74	–	2,176	57	9	二零零八年十二月三十一日結算
Depreciation and amortisation charge/ (transfer) for the year	164	143	(3)	19	–	323	10	1	本年度折舊及攤銷支出/(轉撥)
Impairment charge for the year	–	–	–	24	–	24	–	–	本年度減值支出
Disposals	(1)	(22)	(11)	(3)	–	(37)	–	–	出售
<b>At 31st December 2009</b>	<b>1,346</b>	<b>877</b>	<b>149</b>	<b>114</b>	<b>–</b>	<b>2,486</b>	<b>67</b>	<b>10</b>	<b>二零零九年十二月三十一日結算</b>
<b>Net book value</b>							<b>賬面淨值</b>		
At 31st December 2009	3,441	668	47	136	326	4,618	317	551	二零零九年十二月三十一日結算
At 31st December 2008	2,752	630	51	188	576	4,197	326	545	二零零八年十二月三十一日結算

**13. Property, plant and equipment, leasehold land and land use rights and intangible assets** (continued)

**13. 物業、廠房及設備、租賃土地及土地使用權及無形資產** (續)

Company 公司

	Property, plant and equipment 物業、廠房及設備						Leasehold land 租賃土地	Intangible assets – computer software 無形資產 – 電腦軟件	
	Buildings and building facilities 樓宇及樓宇設施	Plant, machinery and tools 廠房、機器及工具	Vehicles, equipment and furniture 汽車、設備及傢俬	Rotable spares 可修周轉件	Assets under construction 興建中的資產	Total 總計			
<i>(in HK\$ Million)</i>									
<b>Cost</b>									
At 1st January 2008	2,167	487	151	255	115	3,175	21	10	原價 二零零八年一月一日結算
Additions and transfers	15	56	17	16	380	484	–	–	增置及轉撥
Disposals	(5)	(4)	(9)	(9)	–	(27)	–	–	出售
At 31st December 2008	2,177	539	159	262	495	3,632	21	10	二零零八年十二月三十一日結算
Additions and transfers	848	61	(12)	3	(474)	426	–	–	增置及轉撥
Disposals	–	(9)	(10)	(15)	–	(34)	–	–	出售
<b>At 31st December 2009</b>	<b>3,025</b>	<b>591</b>	<b>137</b>	<b>250</b>	<b>21</b>	<b>4,024</b>	<b>21</b>	<b>10</b>	<b>二零零九年十二月三十一日結算</b>
<b>Accumulated depreciation, amortisation and impairment</b>									
At 1st January 2008	633	342	131	41	–	1,147	4	8	累積折舊、攤銷及減值 二零零八年一月一日結算
Depreciation and amortisation charge for the year	77	40	9	21	–	147	1	1	本年度折舊及攤銷支出
Impairment charge for the year	–	–	–	14	–	14	–	–	本年度減值支出
Disposals	–	(4)	(9)	(2)	–	(15)	–	–	出售
At 31st December 2008	710	378	131	74	–	1,293	5	9	二零零八年十二月三十一日結算
Depreciation and amortisation charge/ (transfer) for the year	86	59	(10)	19	–	154	–	1	本年度折舊及攤銷支出/(轉撥)
Impairment charge for the year	–	–	–	24	–	24	–	–	本年度減值支出
Disposals	–	(7)	(9)	(3)	–	(19)	–	–	出售
<b>At 31st December 2009</b>	<b>796</b>	<b>430</b>	<b>112</b>	<b>114</b>	<b>–</b>	<b>1,452</b>	<b>5</b>	<b>10</b>	<b>二零零九年十二月三十一日結算</b>
<b>Net book value</b>									
At 31st December 2009	2,229	161	25	136	21	2,572	16	–	賬面淨值 二零零九年十二月三十一日結算
At 31st December 2008	1,467	161	28	188	495	2,339	16	1	二零零八年十二月三十一日結算

### 13. Property, plant and equipment, leasehold land and land use rights and intangible assets (continued)

Assets under construction mainly relate to the construction of a sixth hangar by TAECO and engine overhaul facilities by TEXL at Xiamen, Mainland China.

Of the leasehold land and land use rights of HK\$317 million (2008: HK\$326 million), HK\$16 million (2008: HK\$16 million) relates to the net book value of leasehold land held in Hong Kong by the Company and HK\$301 million (2008: HK\$310 million) relates to the net book value of land use rights held in Mainland China by TAECO, TALSCO and TEXL. Both leasehold land and land use rights are held on medium-term leases.

Of the intangible assets of HK\$551 million (2008: HK\$545 million), HK\$517 million (2008: HK\$511 million) relates to the carrying amount of technical licences with a remaining amortisation period of 21 years (2008: 22 years).

#### Impairment test of goodwill

Goodwill is allocated to the Group's cash-generating unit ("CGU") identified by operating segment.

	2009	2008
(in HK\$ Million)		
TEXL	30	29

The recoverable amount attributable to this CGU is determined based on a value in use calculation. This calculation uses the financial budget and plan covering a period of ten years. Cash flows beyond this period are extrapolated at the same level as in the tenth year. The discount rate used at 31st December 2009 was 5.6%. The discount rate is pre-tax and reflects the specific risks relating to the CGU.

### 14. Subsidiary companies

	Company 公司	
	2009	2008
(in HK\$ Million)		
Unlisted shares at cost	738	738

The principal subsidiary companies are shown on page 73.

A loan due from a subsidiary company of HK\$11 million (2008: HK\$12 million included in trade and other receivables) is unsecured and interest free (2008: unsecured and interest free). The loan terms have been revised to extend the loan repayment from 2009 to 2012.

### 13. 物業、廠房及設備、租賃土地及土地使用權及無形資產 (續)

興建中的資產主要有關廈門太古飛機工程公司及廈門太古發動機服務公司於中國內地廈門分別興建第六個機庫及引擎大修設施。

港幣三億一千七百萬元 (二零零八年為三億二千六百萬元) 的租賃土地及土地使用權中, 港幣一千六百萬元 (二零零八年為港幣一千六百萬元) 與公司於香港持有的租賃土地賬面淨值相關, 而港幣三億零一百萬元 (二零零八年為港幣三億一千萬元) 則與透過廈門太古飛機工程公司、廈門太古起落架維修服務公司及廈門太古發動機服務公司於中國內地持有的土地使用權賬面淨值相關。租賃土地及土地使用權均以中期租約持有。

港幣五億五千一百萬元 (二零零八年為五億四千五百萬元) 的無形資產中, 港幣五億一千七百萬元 (二零零八年為港幣五億一千一百萬元) 與剩餘攤銷年期為二十一年 (二零零八年為二十二年) 的技術特許權的賬面值相關。

#### 商譽減值測試

商譽乃根據集團的營運分項分配至現金產生單位。

(港幣百萬元)	
廈門太古發動機服務公司	

此項現金產生單位的應佔可收回金額按照使用價值計算法釐定。此計算採用為期十年的財務預算及計劃進行。此後的現金流量則推算與第十年的水平相同。二零零九年十二月三十一日結算所用的貼現率為百分之五點六。該貼現率並未扣除稅項, 並反映現金產生單位的特定風險。

### 14. 附屬公司

(港幣百萬元)	
非上市原股值	

主要附屬公司列於第七十三頁。

一家附屬公司未償還的一項貸款港幣一千一百萬元 (二零零八年為港幣一千二百萬元, 包括在貿易及其他應收款項中) 並無抵押, 其年利率為零 (二零零八年為無抵押, 年利率為零)。貸款年期已予修訂, 將償還貸款日期由二零零九年延至二零一二年。



## 15. Jointly controlled companies

## 15. 共控公司

	Group 集團		Company 公司		
	2009	2008	2009	2008	
(in HK\$ Million)					(港幣百萬元)
Unlisted shares at cost	<b>183</b>	130	<b>135</b>	92	非上市原股值
Attributable post-acquisition reserves	<b>805</b>	777	–	–	購入後應佔儲備
	<b>988</b>	907	<b>135</b>	92	
Dividends received and receivable from jointly controlled companies during the year	<b>392</b>	381	<b>376</b>	362	年內已收及應收共控公司股息

The principal jointly controlled companies are shown on page 73.

主要共控公司列於第七十三頁。

Included in trade and other receivables are loans due from a jointly controlled company to the Group of HK\$19 million (2008: Group: HK\$3 million; Company: HK\$2 million) which are unsecured and carry interest at 3.6% per annum (2008: Group: LIBOR plus 0.6% per annum; Company: LIBOR plus 0.6% per annum). The loans are repayable at various dates in 2010.

貿易及其他應收款項包括一家共控公司未償還予集團的貸款港幣一千九百萬元 (二零零八年集團為港幣三百萬元; 公司為港幣二百萬元) 並無抵押, 其年利率為百分之三點六 (二零零八年集團的年利率為倫敦銀行同業拆息加六十個基點; 公司的年利率為倫敦銀行同業拆息加六十個基點)。其貸款於二零一零年不同日期償還。

The Group's share of the results, assets and liabilities of the jointly controlled companies for the year ended and at 31st December are as follows:

集團應佔共控公司截至十二月三十一日止年度的業績、資產及負債如下:

	HAESL 香港航空發動機 維修服務公司		Others 其他		Total 總計		
	2009	2008	2009	2008	2009	2008	
(in HK\$ Million)							(港幣百萬元)
Turnover	<b>3,166</b>	3,342	<b>329</b>	360	<b>3,495</b>	3,702	營業總額
Operating expenses	<b>(2,791)</b>	(2,918)	<b>(260)</b>	(283)	<b>(3,051)</b>	(3,201)	營業開支
Operating profit	<b>375</b>	424	<b>69</b>	77	<b>444</b>	501	營業溢利
Net finance charge	<b>(1)</b>	–	–	(1)	<b>(1)</b>	(1)	財務支出淨額
Share of after-tax results of jointly controlled companies	<b>47</b>	45	–	–	<b>47</b>	45	應佔共控公司除稅後業績
Profit before taxation	<b>421</b>	469	<b>69</b>	76	<b>490</b>	545	除稅前溢利
Taxation	<b>(58)</b>	(72)	<b>(12)</b>	(11)	<b>(70)</b>	(83)	稅項
Profit for the year	<b>363</b>	397	<b>57</b>	65	<b>420</b>	462	本年溢利
Dividends paid	<b>350</b>	343	<b>42</b>	38	<b>392</b>	381	已付股息
Net assets employed:							所用資金:
Non-current assets	<b>468</b>	423	<b>301</b>	189	<b>769</b>	612	非流動資產
Current assets	<b>628</b>	761	<b>174</b>	164	<b>802</b>	925	流動資產
	<b>1,096</b>	1,184	<b>475</b>	353	<b>1,571</b>	1,537	
Current liabilities	<b>(313)</b>	(484)	<b>(171)</b>	(117)	<b>(484)</b>	(601)	流動負債
Non-current liabilities	<b>(99)</b>	(29)	–	–	<b>(99)</b>	(29)	非流動負債
	<b>684</b>	671	<b>304</b>	236	<b>988</b>	907	
Financed by:							資本來源:
Shareholders' equity	<b>684</b>	671	<b>304</b>	236	<b>988</b>	907	股東權益

## 16. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	Group 集團			Company 公司	
	Loans and receivables 貸款及應收款項	Derivatives 衍生工具	Total 總計	Loans and receivables 貸款及應收款項	
<i>(in HK\$ Million)</i>					<i>(港幣百萬元)</i>
<b>At 31st December 2009</b>					<b>二零零九年十二月三十一日結算</b>
<b>Assets</b>					<b>資產</b>
Derivative financial instruments	–	17	17	–	衍生金融工具
Trade and other receivables	538	–	538	420	貿易及其他應收款項
Loan to a subsidiary company	–	–	–	11	予一家附屬公司貸款
Dividend receivable	–	–	–	44	應收股息
Bank balances and short-term deposits	983	–	983	393	銀行結餘及短期存款
<b>Total</b>	<b>1,521</b>	<b>17</b>	<b>1,538</b>	<b>868</b>	<b>總計</b>

	Derivatives 衍生工具	Other financial liabilities 其他財務負債	Total 總計		
				Other financial liabilities 其他財務負債	
<i>(in HK\$ Million)</i>					<i>(港幣百萬元)</i>
<b>At 31st December 2009</b>					<b>二零零九年十二月三十一日結算</b>
<b>Liabilities</b>					<b>負債</b>
Derivative financial instruments	15	–	15	–	衍生金融工具
Trade and other payables	–	989	989	605	貿易及其他應付款項
Borrowings	–	1,126	1,126	200	借款
<b>Total</b>	<b>15</b>	<b>2,115</b>	<b>2,130</b>	<b>805</b>	<b>總計</b>

	Loans and receivables 貸款及應收款項	Derivatives 衍生工具	Total 總計		
				Loans and receivables 貸款及應收款項	
<i>(in HK\$ Million)</i>					<i>(港幣百萬元)</i>
<b>At 31st December 2008</b>					<b>二零零八年十二月三十一日結算</b>
<b>Assets</b>					<b>資產</b>
Derivative financial instruments	–	58	58	–	衍生金融工具
Trade and other receivables	648	–	648	580	貿易及其他應收款項
Dividend receivable	–	–	–	88	應收股息
Bank balances and short-term deposits	892	–	892	307	銀行結餘及短期存款
<b>Total</b>	<b>1,540</b>	<b>58</b>	<b>1,598</b>	<b>975</b>	<b>總計</b>

	Derivatives 衍生工具	Other financial liabilities 其他財務負債	Total 總計		
				Other financial liabilities 其他財務負債	
<i>(in HK\$ Million)</i>					<i>(港幣百萬元)</i>
<b>At 31st December 2008</b>					<b>二零零八年十二月三十一日結算</b>
<b>Liabilities</b>					<b>負債</b>
Derivative financial instruments	25	–	25	–	衍生金融工具
Trade and other payables	–	1,112	1,112	693	貿易及其他應付款項
Borrowings	–	677	677	–	借款
<b>Total</b>	<b>25</b>	<b>1,789</b>	<b>1,814</b>	<b>693</b>	<b>總計</b>

Note: No derivatives are recognised at fair value through profit and loss (2008: assets of HK\$2 million; liabilities of HK\$6 million).

## 16. 按類別劃分的金融工具

金融工具會計政策已應用於下列項目：

附註：並無衍生工具確認為按公平值列入損益賬（二零零八年資產為港幣二百萬元；負債為港幣六百萬元）。

The derivative financial instruments, the deposits and bank balances are placed with banks which have credit ratings not lower than "A" in compliance with the Company's financial risk management policy. The trade receivables are transacted with those customers whose ratings, in the opinion of the Directors, are reasonable and acceptable. Based on historical experience, the unrecoverable rate is less than 0.5% of turnover.

衍生金融工具、存款及銀行結餘乃根據公司的財務風險管理政策存放於信貸評級不低於「A」的銀行。貿易應收款項乃與評級在董事認為合理及可接受範圍內的客戶進行交易而產生。根據以往經驗，不可收回的比率少於營業總額百分之零點五。

## 17. Retirement benefits

### (a) Overall

Staff employed by the Company before 1st December 2000 were offered a choice between Hong Kong's Mandatory Provident Fund ("MPF") and the defined benefits retirement schemes as described below. Since 1st December 2000, all new staff employed, unless specially approved by the Company, have been enrolled in the MPF scheme. This scheme requires both the Company and staff to contribute 5% of the staff's relevant income (capped at HK\$1,000 per month).

The Hong Kong Aircraft Engineering Company Local Staff Retirement Benefits Scheme ("Local Scheme") provides resignation and retirement benefits to its members upon their cessation of service with the Company. The Company meets the full cost of all benefits due by the Scheme to members, who are not required to contribute to the Scheme.

Similarly, the Hong Kong Aircraft Engineering Company Staff Retirement Benefits Scheme ("Expatriate Scheme") is for staff employed on expatriate terms. Both members and the Company contribute to the Scheme.

TAECO's local staff are covered by a statutory scheme and a defined contribution scheme in Mainland China. Local staff of other subsidiary companies operating in Mainland China are covered by a statutory scheme. Local staff employed by Singapore HAECO Pte. Limited and HAECO Bahrain Aircraft Services Company Limited are covered by the Central Provident Fund in Singapore and the Social Insurance Fund in Bahrain respectively.

The retirement benefit expense/(income) was recognised in the income statement as described in note 23 under principal accounting policies and was as follows:

	Group 集團		
	2009	2008	
(in HK\$ Million)			(港幣百萬元)
Local Scheme	57	(32)	本地僱員計劃
Expatriate Scheme	3	(11)	海外僱員計劃
MPF, statutory and other defined contribution schemes	60	54	強積金、法定及其他界定費用供款計劃
	<b>120</b>	<b>11</b>	

## 17. 退休福利

### (a) 總述

於二零零零年十二月一日前獲公司聘用的僱員，可選擇參加香港的強制性公積金（「強積金」）計劃或下述的界定退休福利計劃。自二零零零年十二月一日起，所有新入職僱員除非獲公司特別批准，否則均加入強積金計劃。在該計劃下，公司及僱員均須以僱員有關收入的百分之五供款（上限為每月港幣一千元）。

香港飛機工程有限公司的本地僱員退休福利計劃（「本地僱員計劃」），為其計劃成員離職時提供離職及退休福利。公司承擔成員根據該計劃所享有的一切福利的全部費用，成員毋須向該計劃供款。

同樣地，香港飛機工程有限公司僱員退休福利計劃（「海外僱員計劃」）乃為按海外僱傭條款聘請的僱員而設。其成員及公司均須向該計劃供款。

廈門太古飛機工程公司的當地僱員受中國內地一項法定計劃及一項界定費用供款計劃保障。其他在中國內地營運的附屬公司的當地僱員受法定計劃保障。Singapore HAECO Pte. Limited 及 HAECO Bahrain Aircraft Services Company Limited 聘用的當地僱員，分別受新加坡的中央公積金及巴林的社會保險基金保障。

如主要會計政策第23項所述，退休福利開支/(收入)於收益表中確認如下：

**17. Retirement benefits** (continued)

(b) Defined benefits retirement schemes

The amount recognised in the consolidated income statement was as follows:

	Group 集團						
	Local Scheme 本地僱員計劃		Expatriate Scheme 海外僱員計劃		Total 總計		
	2009	2008	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>							<i>(港幣百萬元)</i>
Current service cost	<b>82</b>	101	<b>4</b>	5	<b>86</b>	106	本期服務費用
Interest cost	<b>93</b>	76	<b>6</b>	4	<b>99</b>	80	利息費用
Expected return on plan assets	<b>(121)</b>	(193)	<b>(9)</b>	(15)	<b>(130)</b>	(208)	計劃資產預期回報
Net actuarial losses/(gains)	<b>3</b>	(16)	<b>2</b>	(5)	<b>5</b>	(21)	精算虧損/(收益)淨額
Total	<b>57</b>	(32)	<b>3</b>	(11)	<b>60</b>	(43)	總額
Actual return on plan assets	<b>581</b>	(962)	<b>48</b>	(81)	<b>629</b>	(1,043)	計劃資產的實際回報

The amount recognised in the statement of financial position was determined as follows:

**17. 退休福利** (續)

(b) 界定退休福利計劃

於綜合收益表中確認的數額如下：

於財務狀況表中確認的數額如下：

	Group and Company 集團及公司						
	Local Scheme 本地僱員計劃		Expatriate Scheme 海外僱員計劃		Total 總計		
	2009	2008	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>							<i>(港幣百萬元)</i>
At 31st December:							十二月三十一日結算：
Fair value of plan assets	<b>2,312</b>	1,735	<b>166</b>	142	<b>2,478</b>	1,877	計劃資產的公平值
Present value of obligations	<b>(1,924)</b>	(1,790)	<b>(107)</b>	(115)	<b>(2,031)</b>	(1,905)	責任的現值
Net assets/(liabilities)	<b>388</b>	(55)	<b>59</b>	27	<b>447</b>	(28)	資產/(負債)淨值
Net unrecognised actuarial (gains)/ losses	<b>(167)</b>	212	<b>(8)</b>	27	<b>(175)</b>	239	未確認精算(收益)/虧損淨額
Retirement benefit assets recognised in the statement of financial position	<b>221</b>	157	<b>51</b>	54	<b>272</b>	211	於財務狀況表中確認的退休福利資產

**17. Retirement benefits** (continued)

(b) Defined benefits retirement schemes (continued)

Movement in the retirement benefit assets recognised in the statement of financial position:

	Group and Company 集團及公司						
	Local Scheme 本地僱員計劃		Expatriate Scheme 海外僱員計劃		Total 總計		
	2009	2008	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>							<i>(港幣百萬元)</i>
Assets at 1st January	<b>157</b>	125	<b>54</b>	43	<b>211</b>	168	一月一日結算資產
Increase due to:							增加原因:
Total expense – as shown above	<b>(57)</b>	32	<b>(3)</b>	11	<b>(60)</b>	43	總開支 – 如上列
Contributions paid	<b>121</b>	–	–	–	<b>121</b>	–	已付供款
Assets at 31st December	<b>221</b>	157	<b>51</b>	54	<b>272</b>	211	十二月三十一日結算資產

HK\$67 million of the contributions paid represent supplementary lump-sum funding contributions.

**17. 退休福利** (續)

(b) 界定退休福利計劃 (續)

於財務狀況表中確認的退休福利資產變動:

已付供款當中，港幣六千七百萬元為一筆過撥出的補充供款。

Principal actuarial assumptions for the year:

本年度主要精算假設:

	Group and Company 集團及公司				
	Local Scheme 本地僱員計劃		Expatriate Scheme 海外僱員計劃		
	2009	2008	2009	2008	
Discount rate	<b>4.75%</b>	5.30%	<b>4.75%</b>	5.30%	貼現率
Expected rate of return on plan assets	<b>8.00%</b>	7.00%	<b>8.00%</b>	7.00%	預期計劃資產回報率
Expected rate of future salary increases	<b>4.00%</b>	3.61%	<b>4.00%</b>	3.01%	預期未來增薪率

The expected return on plan assets reflects the portfolio mix of assets, which itself is determined by the Group's current investment policy. Expected returns on equities and bonds reflect long-term real rates of return in the respective markets.

計劃資產預期回報反映資產組合狀況，而資產組合是由集團現行的投資政策釐定。權益及債券的預期回報反映各個市場的長期實質回報率。

**17. Retirement benefits** (continued)

(b) Defined benefits retirement schemes (continued)

The movement in the fair value of plan assets of the year is as follows:

	Group and Company 集團及公司						
	Local Scheme 本地僱員計劃		Expatriate Scheme 海外僱員計劃		Total 總計		
	2009	2008	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>							<i>(港幣百萬元)</i>
At 1st January	<b>1,735</b>	2,808	<b>142</b>	231	<b>1,877</b>	3,039	一月一日結算
Employer contributions	<b>121</b>	–	–	–	<b>121</b>	–	僱主供款
Employee contributions	–	–	<b>2</b>	3	<b>2</b>	3	僱員供款
Expected return on plan assets	<b>121</b>	193	<b>9</b>	15	<b>130</b>	208	計劃資產預期回報
Benefits paid	<b>(125)</b>	(111)	<b>(26)</b>	(11)	<b>(151)</b>	(122)	已付福利
Actuarial gains/(losses)	<b>460</b>	(1,155)	<b>39</b>	(96)	<b>499</b>	(1,251)	精算收益/(虧損)
At 31st December	<b>2,312</b>	1,735	<b>166</b>	142	<b>2,478</b>	1,877	十二月三十一日結算

The movement in the present value of defined benefit obligation of the year is as follows:

**17. 退休福利** (續)

(b) 界定退休福利計劃 (續)

本年度計劃資產公平值變動如下：

本年度界定福利責任的現值變動如下：

	Group and Company 集團及公司						
	Local Scheme 本地僱員計劃		Expatriate Scheme 海外僱員計劃		Total 總計		
	2009	2008	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>							<i>(港幣百萬元)</i>
At 1st January	<b>1,790</b>	2,202	<b>115</b>	131	<b>1,905</b>	2,333	一月一日結算
Current service cost	<b>82</b>	101	<b>6</b>	8	<b>88</b>	109	本期服務費用
Interest cost	<b>93</b>	76	<b>6</b>	4	<b>99</b>	80	利息費用
Actual benefits paid	<b>(125)</b>	(111)	<b>(26)</b>	(11)	<b>(151)</b>	(122)	實際已付福利
Actuarial losses/(gains)	<b>84</b>	(478)	<b>6</b>	(17)	<b>90</b>	(495)	精算虧損/(收益)
At 31st December	<b>1,924</b>	1,790	<b>107</b>	115	<b>2,031</b>	1,905	十二月三十一日結算

The major categories of plan assets are as follows:

計劃資產的各主要類別如下：

	Group and Company 集團及公司								
	Local Scheme 本地僱員計劃				Expatriate Scheme 海外僱員計劃				
	2009	2009	2008	2008	2009	2009	2008	2008	
<i>(in HK\$ Million)</i>									<i>(港幣百萬元)</i>
Equities	<b>1,678</b>	<b>73%</b>	1,157	67%	<b>115</b>	<b>69%</b>	95	67%	權益
Bonds	<b>634</b>	<b>27%</b>	560	32%	<b>51</b>	<b>31%</b>	45	32%	債券
Cash and others	–	–	18	1%	–	–	2	1%	現金及其他
Total	<b>2,312</b>	<b>100%</b>	1,735	100%	<b>166</b>	<b>100%</b>	142	100%	總計

Allowing for current market condition, a range of potential returns may be expected for the Schemes' invested assets. Based on the Schemes' benchmark asset allocation of 70% in equities and 30% in bonds and cash, and allowing for administration fees and other expense charged to the Schemes, the Company has decided to adopt a long-term return of 8.0% per annum.

鑒於現時的市場情況，預料各計劃已作投資的資產可能出現不同的潛在回報。基於各計劃的資產分配基準是百分之七十放於權益上，百分之三十放於債券及現金上，而考慮到計劃須支銷行政費用及其他開支，公司決定採納每年百分之八的長期回報率。

Expected employer contributions for the year ending 31st December 2010 are HK\$50 million for Local Scheme and nil for Expatriate Scheme.

預料截至二零一零年十二月三十一日止年度，僱主就本地僱員計劃所作的供款為港幣五千萬元，而就海外僱員計劃所作的供款則為零。

**17. Retirement benefits** (continued)

(b) Defined benefits retirement schemes (continued)

Other disclosures are as follows:

	Group and Company 集團及公司				
	Total 總計				
	2009	2008	2007	2006	2005
<i>(in HK\$ Million)</i>					
Fair value of plan assets	<b>2,478</b>	1,877	3,039	2,676	2,315
Present value of obligations	<b>(2,031)</b>	(1,905)	(2,334)	(2,155)	(2,052)
Surplus/(deficit)	<b>447</b>	(28)	705	521	263
Experience (losses)/gains on scheme liabilities	<b>(26)</b>	11	(11)	87	Note 附註
Experience gains/(losses) on scheme assets	<b>499</b>	(1,251)	288	276	76

Note: This information is not reported as it is not readily available and is not required by the Accounting Standards.

**17. 退休福利** (續)

(b) 界定退休福利計劃 (續)

其他披露資料如下：

附註：由於缺乏此項資料，且會計準則並無要求提供，因此不予報告。

**18. Deferred taxation**

The movements on deferred income tax assets and liabilities during the year, without taking into consideration the offsetting balances within the same tax jurisdiction, are as follows:

	Group 集團	
	Provisions 準備	
<i>(in HK\$ Million)</i>		
<b>Deferred tax assets</b>		<b>遞延稅項資產</b>
At 1st January 2008	8	二零零八年一月一日結算
Credited to income statement	24	於收益表中記賬
At 31st December 2008	32	二零零八年十二月三十一日結算
Credited to other comprehensive income	7	於其他全面收益中記賬
<b>At 31st December 2009</b>	<b>39</b>	<b>二零零九年十二月三十一日結算</b>

	Group 集團			
	Accelerated tax depreciation 加速稅項折舊	Retirement benefit assets 退休福利資產	Others 其他	Total 總計
<i>(in HK\$ Million)</i>				
<b>Deferred tax liabilities</b>				<b>遞延稅項負債</b>
At 1st January 2008	217	10	(1)	226
Acquisition of a subsidiary company	–	–	37	37
Charged to income statement	2	–	12	14
Credited to other comprehensive income	–	–	(5)	(5)
At 31st December 2008	219	10	43	272
Charged to income statement	30	–	9	39
<b>At 31st December 2009</b>	<b>249</b>	<b>10</b>	<b>52</b>	<b>311</b>

18. Deferred taxation (continued)

18. 遞延稅項 (續)

	Company 公司			Total 總計	
	Accelerated tax depreciation 加速稅項折舊	Retirement benefit assets 退休福利資產	Others 其他		
(in HK\$ Million)					(港幣百萬元)
<b>Deferred tax liabilities</b>					<b>遞延稅項負債</b>
At 1st January 2008	217	10	(14)	213	二零零八年一月一日結算
Charged to income statement	2	–	–	2	於收益表中支銷
At 31st December 2008	219	10	(14)	215	二零零八年十二月三十一日結算
Charged to income statement	30	–	11	41	於收益表中支銷
<b>At 31st December 2009</b>	<b>249</b>	<b>10</b>	<b>(3)</b>	<b>256</b>	<b>二零零九年十二月三十一日結算</b>

Deferred tax is calculated in full on temporary differences under the liability method. The tax rate used in respect of Hong Kong deferred tax is 16.5% (2008: 16.5%). Overseas deferred tax is calculated using tax rates prevailing in the respective jurisdictions.

遞延稅項乃採用負債法就暫時差異全數計算。香港有關遞延稅項採用的稅率為百分之十六點五（二零零八年為百分之十六點五），海外遞延稅項則按各司法管轄區所採用的稅率計算。

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of HK\$96 million (2008: HK\$47 million) to carry forward against future taxable income. Tax losses of HK\$23 million will expire in 2013, HK\$46 million will expire in 2014 and HK\$27 million have no expiry date (2008: HK\$24 million in 2013; HK\$2 million in 2028; HK\$21 million no expiry date).

有關承前稅項虧損的遞延稅項資產，只會在相關稅項利益很有可能透過未來應課稅溢利變現時才會確認。集團有港幣九千六百萬元的未確認稅項虧損（二零零八年為港幣四千七百萬元）可結轉抵銷未來應課稅收入。港幣二千三百萬元的稅項虧損將於二零一三年到期，港幣四千六百萬元的稅項虧損則於二零一四年到期，而港幣二千七百萬元的稅項虧損則無到期日（二零零八年為港幣二千四百萬元於二零一三年到期；港幣二百萬元於二零二八年到期；港幣二千一百萬元無到期日）。

The following amounts are shown separately on the statement of financial position.

	Group 集團		
	2009	2008	
(in HK\$ Million)			(港幣百萬元)
Deferred tax assets:			遞延稅項資產：
To be recovered after more than 12 months	38	26	將於十二個月後收回
To be recovered within 12 months	1	6	將於十二個月內收回
	<b>39</b>	<b>32</b>	
	Group 集團		
	2009	2008	
(in HK\$ Million)			(港幣百萬元)
Deferred tax liabilities:			遞延稅項負債：
To be settled after more than 12 months	299	249	將於十二個月後清還
To be settled within 12 months	12	23	將於十二個月內清還
	<b>311</b>	<b>272</b>	
	Company 公司		
	2009	2008	
(in HK\$ Million)			(港幣百萬元)
Deferred tax liabilities:			遞延稅項負債：
To be settled after more than 12 months	247	201	將於十二個月後清還
To be settled within 12 months	9	14	將於十二個月內清還
	<b>256</b>	<b>215</b>	

以下數額於財務狀況表中另行呈列。



## 19. Derivative financial instruments

## 19. 衍生金融工具

	Group 集團				
	Assets 資產		Liabilities 負債		
	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>					<i>(港幣百萬元)</i>
Forward foreign exchange contracts:					遠期外匯合約:
Cash flow hedges	17	56	15	19	現金流量對沖
Not qualifying for hedge accounting	–	2	–	6	不符合對沖會計
Total	17	58	15	25	總計
Less non-current portion					減非流動部分
Forward foreign exchange contracts:					遠期外匯合約:
Cash flow hedges	4	9	–	18	現金流量對沖
Current portion	13	49	15	7	流動部分

The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and, as a current asset or liability, if the maturity of the hedged item is not more than 12 months.

### Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31st December 2009 were HK\$726 million (2008: HK\$1,363 million).

The hedged highly probable forecast transactions denominated in foreign currency are expected to occur at various dates during the next 36 months. Gains and losses recognised in the cash flow hedge reserve in equity (note 26) on forward foreign exchange contracts as of 31st December 2009 are recognised in the income statement in the period or periods during which the hedged forecast transaction affects the consolidated income statement. This is generally within 3 years from the reporting date unless the gain or loss is included in the initial amount recognised for the purchase of fixed assets, in which case recognition is over the lifetime of the assets.

The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the statement of financial position.

## 20. Financial guarantees

The Company has guaranteed the drawn components of bank loans of a subsidiary company. Under the terms of the financial guarantee contracts, the Company will make payments to reimburse the lenders upon failure of the guaranteed entity to make payments when due.

The liabilities guaranteed will mature at various dates from 2010 to 2012. Their face values are as follows:

	Company 公司		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Bank loans of a subsidiary company	448	316	一家附屬公司的銀行貸款

如被對沖項目的剩餘期限超過十二個月，對沖衍生工具的全數公平值會被分類為非流動資產或負債；如被對沖項目的期限少於十二個月，對沖衍生工具的全數公平值則被分類為流動資產或負債。

### 遠期外匯合約

於二零零九年十二月三十一日，尚未履行遠期外匯合約的名義本金額為港幣七億二千六百萬元（二零零八年為港幣十三億六千三百萬元）。

以外幣計值被對沖而極有可能發生的預期交易，預期於未來三十六個月期間不同的日期進行。於二零零九年十二月三十一日，就遠期外匯合約於權益中現金流量對沖儲備確認的收益及虧損（附註26）於該（等）期間的收益表中確認。在該（等）期間，被對沖的預期交易對綜合收益表造成影響，這一般為結算日後三年間，除非收益或虧損已包括在確認購買固定資產的初訂數額內，在此情況下，則按資產的壽命確認。

於結算日的最高信貸風險為衍生資產於財務狀況表內的公平值。

## 20. 財務擔保

公司已為一家附屬公司的已動用銀行貸款提供擔保。根據財務擔保合約的條款，倘受擔保的實體在到期時未能還款，公司將向貸方償付貸款。

受擔保的負債將於二零一零年至二零一二年間不同日期到期。其面值如下：

## 21. Stocks and work in progress

Stocks and work in progress are stated at the lower of cost, calculated on a weighted average basis, and net realisable value.

	Group 集團		Company 公司	
	2009	2008	2009	2008
(in HK\$ Million)				
Carrying amounts at net realisable value:				
Stocks	192	91	154	63

The remaining balances are carried at cost.

## 22. Trade and other receivables

The credit terms given to customers vary and are generally based on their individual financial strength. Credit evaluations of trade receivables are performed periodically to minimise credit risk associated with receivables.

	Group 集團		Company 公司	
	2009	2008	2009	2008
(in HK\$ Million)				
Trade receivables –				
in HK dollars	97	102	97	102
in US dollars	204	209	131	99
in other currencies	29	12	–	–
	330	323	228	201
Less: provision for impairment of receivables	(2)	(20)	(2)	(19)
	328	303	226	182
Amounts due from subsidiary companies	–	–	78	111
Amounts due from jointly controlled companies	33	15	10	9
Amounts due from related parties	49	152	22	136
Other receivables and prepayments	126	158	82	123
	536	628	418	561

The fair values of trade receivables and other receivables are not materially different from their book values. The amounts due from subsidiary companies, jointly controlled companies and related parties are unsecured, interest free and on normal trade credit terms.

The ageing analysis of these trade receivables is as follows:

	Group 集團		Company 公司	
	2009	2008	2009	2008
(in HK\$ Million)				
Current	177	137	116	83
Up to 3 months overdue	78	105	50	39
3 to 6 months overdue	5	3	1	2
Over 6 months overdue	70	78	61	77
	330	323	228	201

## 21. 存貨及未完工程

存貨及未完工程按以加權平均基準計算的成本與可變現淨值兩者中的較低者入賬。

	Group 集團		Company 公司	
	2009	2008	2009	2008
(in HK\$ Million)				
Carrying amounts at net realisable value:				
Stocks	192	91	154	63

餘下結餘則以成本入賬。

## 22. 貿易及其他應收款項

給予客戶的信貸條件不盡相同，一般乃根據其個別的財政能力而定。集團定期為貿易應收款項進行信貸評估，以減低任何與應收款項有關的信貸風險。

	Group 集團		Company 公司	
	2009	2008	2009	2008
(in HK\$ Million)				
Trade receivables –				
in HK dollars	97	102	97	102
in US dollars	204	209	131	99
in other currencies	29	12	–	–
	330	323	228	201
Less: provision for impairment of receivables	(2)	(20)	(2)	(19)
	328	303	226	182
Amounts due from subsidiary companies	–	–	78	111
Amounts due from jointly controlled companies	33	15	10	9
Amounts due from related parties	49	152	22	136
Other receivables and prepayments	126	158	82	123
	536	628	418	561

貿易應收款項及其他應收款項的公平值與其賬面值並無重大分別。附屬公司、共控公司及有關連人士未償還款項為無抵押、免息及按正常貿易信貸期償還。

此等貿易應收款項的賬齡分析如下：

	Group 集團		Company 公司	
	2009	2008	2009	2008
(in HK\$ Million)				
Current	177	137	116	83
Up to 3 months overdue	78	105	50	39
3 to 6 months overdue	5	3	1	2
Over 6 months overdue	70	78	61	77
	330	323	228	201

## 22. Trade and other receivables (continued)

The above ageing analysis includes the receivables due from OASIS Hong Kong Airlines Limited arising from various services performed by the Group. OASIS Hong Kong Airlines Limited and OASIS Growth and Income Investments Limited entered into liquidation on 11th June 2008. In accordance to a consent summons filed jointly together with the Provisional Liquidator, which was granted by the court in early May 2008, an amount of HK\$78 million from the net proceeds of aircraft sales had been deposited into a separate bank account pending determination of the Group's claim by the court.

At 31st December 2009, trade receivables of the Group of HK\$2 million (2008: HK\$20 million) and of the Company of HK\$2 million (2008: HK\$19 million) were considered impaired and provided for. The impaired trade receivables relate to customers which are in unexpectedly difficult financial situations. The ageing of these receivables is as follows:

	Group 集團		Company 公司		
	2009	2008	2009	2008	
(in HK\$ Million)					(港幣百萬元)
Up to 3 months overdue	2	–	2	–	逾期不超過三個月
3 to 6 months overdue	–	–	–	–	逾期三至六個月
Over 6 months overdue	–	20	–	19	逾期超過六個月
	2	20	2	19	

Movements on the Group's provision for impairment of trade receivables are as follows:

	Group 集團		Company 公司		
	2009	2008	2009	2008	
(in HK\$ Million)					(港幣百萬元)
At 1st January	20	22	19	19	一月一日結算
Provision for impairment of receivables	2	1	2	–	應收款項減值準備
Utilised during the year	(20)	–	(19)	–	年內已用
Unused amounts reversed	–	(3)	–	–	未用數額撥回
At 31st December	2	20	2	19	十二月三十一日結算

The creation and release of the provision for impaired receivables has been included in cost of direct material and job expenses in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional settlement.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

## 22. 貿易及其他應收款項(續)

上述賬齡分析包括甘泉香港航空有限公司就集團所提供的不同服務而未償還的應收款項。甘泉香港航空有限公司及 Oasis Growth and Income Investments Limited 於二零零八年六月十一日進行清盤。法院已於二零零八年五月初頒下同意和解傳票，集團已與臨時清盤人共同將傳票存檔。根據同意和解傳票，出售飛機所得款項淨額中，一筆為數港幣七千八百萬元的款項已置於一個獨立的銀行戶口中，直至法院就集團的債權申索作出裁決為止。

於二零零九年十二月三十一日，集團被視作減值並已作準備的貿易應收款項為港幣二百萬元（二零零八年為港幣二千萬元），而公司減值並已作準備的貿易應收款項則為港幣二百萬元（二零零八年為港幣一千九百萬元）。減值的貿易應收款項涉及出現預料之外財務困難的客戶。此等應收款項的賬齡如下：

(港幣百萬元)

逾期不超過三個月

逾期三至六個月

逾期超過六個月

集團對貿易應收款項所作減值準備的變動如下：

應收款項減值準備的作出與撥回，已記入收益表的直接材料費用及工作開支項下。因預期不能收回額外的還款，因此記入備抵賬目的數額一般會撇銷。

於結算日的最高信貸風險為上述各類別應收款項的公平值。集團並無持有任何抵押品作為抵押物。

### 23. Trade and other payables

	Group 集團		Company 公司		
	2009	2008	2009	2008	
(in HK\$ Million)					(港幣百萬元)
Trade payables	77	133	32	14	貿易應付款項
Amounts due to subsidiary companies	–	–	34	4	應付附屬公司款項
Amounts due to jointly controlled companies	2	–	2	–	應付共控公司款項
Amount due to related parties	21	26	10	24	應付有關連人士款項
Other payables and accruals	889	953	527	651	其他應付款項及應計賬項
	<b>989</b>	<b>1,112</b>	<b>605</b>	<b>693</b>	

The ageing analysis of trade payables is as follows:

	Group 集團		Company 公司		
	2009	2008	2009	2008	
(in HK\$ Million)					(港幣百萬元)
Current	70	124	30	6	即期
Up to 3 months overdue	7	9	2	8	逾期不超過三個月
	<b>77</b>	<b>133</b>	<b>32</b>	<b>14</b>	

The fair values of trade payables and other payables are not materially different from their book values. The amounts due to subsidiary companies, jointly controlled companies and related parties are unsecured, interest free and on normal trade credit terms.

### 23. 貿易及其他應付款項

貿易應付款項的賬齡分析如下：

貿易應付款項及其他應付款項的公平值與其賬面值並無重大分別。應付附屬公司、共控公司及有關連人士的款項均為無抵押、免息及按正常貿易信貸期償還。

### 24. Borrowings

Refer to pages 15 to 16 for details of the Group's borrowings.

### 24. 借款

有關集團借款的詳情，請參閱第十五至第十六頁。

### 25. Share capital

	Company 公司				
	2009		2008		
	Number of shares 股份數目	In HK\$ Million 港幣百萬元	Number of shares 股份數目	In HK\$ Million 港幣百萬元	
Authorised:					法定股本：
Ordinary shares of HK\$1.00 each					每股面值港幣1.00元普通股
At 31st December	<b>210,000,000</b>	<b>210</b>	210,000,000	210	十二月三十一日結算
Issued and fully paid:					已發行及繳足股本：
Ordinary shares of HK\$1.00 each					每股面值港幣1.00元普通股
At 31st December	<b>166,324,850</b>	<b>166</b>	166,324,850	166	十二月三十一日結算

During the year, no purchase, sale or redemption of the Company's shares has been effected on the Hong Kong Stock Exchange by the Company or its subsidiary companies.

年內公司及其附屬公司並無在香港聯合交易所購回、售出或贖回公司任何股份。

## 26. Reserves

## 26. 儲備

	Revenue reserve 收益儲備		Capital redemption reserve 資本贖回儲備		Exchange translation reserve 匯兌儲備		Cash flow hedge reserve 現金流量對沖儲備		Total 總計		
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>											
<b>Group</b>											
At 1st January	4,749	4,132	19	19	10	11	17	81	4,795	4,243	一月一日結算
Profit for the year	688	1,138	-	-	-	-	-	-	688	1,138	本年溢利
Other comprehensive income											其他全面收益
Cash flow hedges											現金流量對沖
– recognised during the year	-	-	-	-	-	-	6	(38)	6	(38)	– 年內已確認
– deferred tax recognised	-	-	-	-	-	-	4	3	4	3	– 已確認遞延稅項
– transferred to other net gains	-	-	-	-	-	-	(26)	(29)	(26)	(29)	– 轉撥至其他收益
Exchange translation differences on foreign operations	-	-	-	-	1	(1)	-	-	1	(1)	淨額 海外業務匯兌差額
Total comprehensive income/(loss) for the year	688	1,138	-	-	1	(1)	(16)	(64)	673	1,073	本年全面收益/(虧損)總額
Previous year's final dividend paid	(374)	(366)	-	-	-	-	-	-	(374)	(366)	已付上年度末期股息
Current year's interim dividend paid	(83)	(155)	-	-	-	-	-	-	(83)	(155)	已付本年度中期股息
At 31st December	4,980	4,749	19	19	11	10	1	17	5,011	4,795	十二月三十一日結算
<b>Company</b>											
At 1st January	3,320	3,291	19	19	-	-	-	-	3,339	3,310	一月一日結算
Total comprehensive income for the year	648	550	-	-	-	-	-	-	648	550	本年全面收益總額
Previous year's final dividend paid	(374)	(366)	-	-	-	-	-	-	(374)	(366)	已付上年度末期股息
Current year's interim dividend paid	(83)	(155)	-	-	-	-	-	-	(83)	(155)	已付本年度中期股息
At 31st December	3,511	3,320	19	19	-	-	-	-	3,530	3,339	十二月三十一日結算

The Group and Company revenue reserves include HK\$249 million (2008: HK\$374 million) representing the proposed final dividend for the year (note 11).

集團及公司收益儲備包括本年度擬派末期股息 (附註11) 港幣二億四千九百萬元 (二零零八年為港幣三億七千四百萬元)。

## 27. Minority interests

## 27. 少數股東權益

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			
<i>(港幣百萬元)</i>			
At 1st January	939	485	一月一日結算
Share of profits for the year	72	212	本年應佔溢利
Share of cash flow hedge reserve	(13)	(50)	應佔現金流量對沖儲備
Share of exchange translation differences on foreign operations	-	(3)	應佔海外業務匯兌差額
Share of total comprehensive income for the year	59	159	本年應佔全面收益總額
Minority interests in a new subsidiary company	-	36	於一家新附屬公司的少數股東權益
Capital contribution from minority interests	-	35	少數股東注資
Dividends (paid and payable)/cancellation	(34)	224	(已付及應付股息)/股息取消
At 31st December	964	939	十二月三十一日結算

## 28. Receipt in advance

An advanced payment was received from Cathay Pacific Airways Limited in 2005 for storage services charges up to June 2018. At 31st December 2009, the current portion included in other payables under current liabilities is HK\$11 million (2008: HK\$11 million) while the non-current portion is HK\$79 million (2008: HK\$90 million).

## 28. 預收款項

預收款項乃國泰航空有限公司二零零五年所支付作為直至二零一八年六月的儲存服務費的預付賬項。二零零九年十二月三十一日結算，包括在流動負債項下其他應付款項的流動部分為港幣一千一百萬元(二零零八年為港幣一千一百萬元)，而非流動部分則為港幣七千九百萬元(二零零八年為港幣九千萬元)。

## 29. Notes to the consolidated statement of cash flows

(a) Reconciliation of operating profit to cash generated from operations

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Operating profit	385	1,010	營業溢利
Depreciation, amortisation and impairment provision	358	305	折舊、攤銷及減值準備
Other net gains	(4)	(34)	其他收益淨額
Loss/(profit) on disposal of property, plant and equipment	14	(6)	出售物業、廠房及設備虧損/(溢利)
Operating profit before working capital changes	753	1,275	營運資金變動前的營業溢利
Increase in retirement benefit assets	(61)	(43)	退休福利資產增加
Increase in stocks and work in progress	(7)	(32)	存貨及未完工程增加
Decrease in trade and other receivables	96	33	貿易及其他應收款項減少
Increase/(decrease) in trade and other payables	20	(29)	貿易及其他應付款項增加/(減少)
Decrease in receipt in advance	(11)	(11)	預收款項減少
Cash generated from operations	790	1,193	來自營運的現金

## 29. 綜合現金流量表附註

(a) 營業溢利與來自營運的現金對賬

(b) Analysis of deposits and bank balances at 31st December

	Group 集團		
	2009	2008	
<i>(in HK\$ Million)</i>			<i>(港幣百萬元)</i>
Cash and cash equivalents	844	881	現金及現金等價物
Deposits maturing after three months	139	11	逾三個月到期的存款
	983	892	

(b) 十二月三十一日結算的存款及銀行結餘分析

The Group's and Company's weighted average effective interest rates per annum on these deposits at 31st December 2009 are 0.73% (2008: 0.91%) and 0.05% (2008: 0.31%) respectively. These deposits have an average maturity of 59 days (2008: 25 days) for the Group and 28 days (2008: 25 days) for the Company.

二零零九年十二月三十一日結算，集團與公司此等存款的加權平均實際年利率分別為百分之零點七三(二零零八年為百分之零點九一)及百分之零點零五(二零零八年為百分之零點三一)。集團此等存款的加權平均期限為五十九日(二零零八年為二十五日)，公司則為二十八日(二零零八年為二十五日)。

### 30. Capital commitments

	Group 集團		Company 公司		
	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>					
Contracted but not provided for in the financial statements	201	459	12	407	經訂約但未在財務報表中作準備
Authorised by Directors but not contracted for	1,182	1,786	124	121	經董事局批准但未訂約
	<b>1,383</b>	2,245	<b>136</b>	528	
The Group's share of capital commitments of jointly controlled companies not included above:					
Contracted but not provided for in the financial statements	149	136			上述不包括集團應佔共控公司的資本承擔如下： 經訂約但未在財務報表中作準備
Authorised by Directors but not contracted for	80	138			經董事局批准但未訂約

Capital commitments mainly relate to the construction of a sixth hangar by TAECO and engine overhaul facilities by TEXL at Xiamen, Mainland China.

資本承擔主要是廈門太古飛機工程公司和廈門太古發動機服務公司於中國內地廈門分別興建第六個機庫及引擎大修設施。

### 31. Lease commitments

At 31st December 2009, the future aggregate minimum lease payments under non-cancellable operating leases were as follows:

	Group 集團		Company 公司		
	2009	2008	2009	2008	
<i>(in HK\$ Million)</i>					
<b>Land and buildings:</b>					<b>土地及樓宇:</b>
Not later than 1 year	106	99	105	98	一年內
Later than 1 year but not later than 5 years	408	391	407	390	一年後至五年內
Later than 5 years	2,362	2,340	2,362	2,340	五年後
	<b>2,876</b>	2,830	<b>2,874</b>	2,828	

### 31. 租賃承擔

二零零九年十二月三十一日結算，於不可撤銷營業租賃項下的未來最低租賃支出總額如下：

### 32. Business combinations

On 26th June 2008, the Company and TAECO acquired 75.01% and 10% interests respectively in TEXL, a company that provides overhaul, maintenance and test services for aircraft engines. The Group's effective shareholding is 80.67%. As part of the transaction the Group also entered into a Branded Service Agreement for TEXL to acquire a GE-Branded Service Agreement with the right to maintain GE90 engines for a period of 22 years. The Group's share of total consideration for the acquisition of TEXL and the GE-Branded Service Agreement was HK\$636 million.

No revenue and a loss of HK\$23 million were contributed to the Group for the year from TEXL to 31st December 2008. If the acquisition had occurred on 1st January 2008, the Group's consolidated turnover and consolidated profit for the year would have been increased by HK\$18 million and decreased by HK\$11 million respectively.

(a) Details of goodwill and net assets acquired are given below.

(in HK\$ Million)

The Group's share of purchase consideration is as follows:

Cash paid	227
Deferred consideration	409
	636
Fair value of net identifiable assets acquired	(606)
Goodwill	30

The goodwill is attributable to TEXL's strong position and profitability in its market and the significant synergies expected to arise after its acquisition by the Group.

The assets and liabilities arising from the acquisition are as follows:

	Acquiree's carrying amount 被收購者的賬面值	Fair value 公平值
(in HK\$ Million)		
Cash and cash equivalents	21	21
Land use rights	18	77
Property, plant and equipment	192	280
Payables	(97)	(97)
Deferred tax liabilities	—	(37)
Net assets acquired	134	244
Intangible assets acquired	507	507
	641	751
Minority interests		(145)
The Group's share of total net assets acquired		606

(b) Details of cash outflow on acquisition are as follows:

(in HK\$ Million)

Outflow of cash to acquire TEXL, net of cash acquired:

The Group's share of cash consideration	227
The minority's share of cash consideration	12
Total cash consideration	239
Cash and cash equivalents in TEXL	(21)
Cash outflow on acquisition	218

### 32. 業務合併

二零零八年六月二十六日，公司與廈門太古飛機工程公司分別購入廈門太古發動機服務公司百分之七十五點零一及百分之十權益。廈門太古發動機服務公司提供飛機引擎大修、維修及測試服務。集團的有效股權為百分之八十點六七。作為交易的一部分，集團亦訂立品牌服務協議，根據協議，廈門太古發動機服務公司取得為期二十二年維修GE90系列引擎的權利。集團應佔購入廈門太古發動機服務公司及通用電氣品牌服務協議的總代價為港幣六億三千六百萬元。

至二零零八年十二月三十一日止，廈門太古發動機服務公司於年內並無為集團帶來收益，帶來的虧損則為港幣二千三百萬元。如收購行動於二零零八年一月一日進行，則年內集團的綜合營業總額及綜合溢利將分別增加港幣一千八百萬元及減少港幣一千一百萬元。

(a) 商譽及所購資產淨值詳情如下：

(港幣百萬元)

集團應佔購買代價如下：

所付現金	227
遞延代價	409
	636
可辨認所購資產淨值公平值	(606)
商譽	30

商譽是因廈門太古發動機服務公司在市場具有穩固地位及盈利能力，且預期由集團收購後將出現重大的協同效應而產生。

收購所產生的資產及負債如下：

	Acquiree's carrying amount 被收購者的賬面值	Fair value 公平值
(港幣百萬元)		
現金及現金等價物	21	21
土地使用權	18	77
物業、廠房及設備	192	280
應付款項	(97)	(97)
遞延稅項負債	—	(37)
所購資產淨值	134	244
所購無形資產	507	507
	641	751
少數股東權益		(145)
集團應佔所購資產淨值總額		606

(b) 收購時產生的現金流出詳情如下：

(港幣百萬元)

收購廈門太古發動機服務公司的現金流出扣除所得現金：

集團應佔現金代價	227
少數股東應佔現金代價	12
現金代價總計	239
於廈門太古發動機服務公司的現金及現金等價物	(21)
收購時產生的現金流出	218



### 33. Related party and continuing connected transactions

The Group has a number of transactions with its related parties and connected persons. Details of the remuneration of key management are set out in note 6. All trading transactions are conducted in the normal course of business at prices and on terms similar to those charged to/by and contracted with other third party customers/suppliers of the Group. The aggregated transactions and balances which are material to the Group and which have not been disclosed elsewhere in the annual report are summarised below:

	Note 附註	Jointly controlled companies 共控公司		Other related parties 其他有關連人士		Total 總計			
		2009	2008	2009	2008	2009	2008		
(in HK\$ Million)								(港幣百萬元)	
Revenue from provision of services:								提供服務所得的收入：	
Cathay Pacific Airways Limited Group	a	–	–	1,891	2,069	1,891	2,069	國泰航空有限公司集團	
Other revenue	b	49	99	–	–	49	99	其他收入	
		49	99	1,891	2,069	1,940	2,168		
Purchases:								購買項目：	
Costs payable to John Swire & Sons (H.K.) Limited under services agreement								根據服務協議向香港太古集團 有限公司支付的費用	
– Service fees payable during the year	a			20	35	20	35	– 年內應付服務費	
– Expenses reimbursed at cost	a			36	28	36	28	– 按成本代支費用	
Subtotal	a			56	63	56	63	小計	
– Share of administrative services				4	3	4	3	– 分擔行政服務	
Total				60	66	60	66	總計	
Property insurance placed through SPACIOM, a captive insurance company wholly owned by Swire Pacific Limited								向一家由太古股份有限公司全 資擁有的專屬自保保險公司 SPACIOM投保的財產保險	
				4	4	4	4		
Spares purchases from Cathay Pacific Airways Limited								向國泰航空公司購買備件	
				16	61	16	61		
Other purchases	c	3	8	9	12	12	20	其他購買項目	
		3	8	89	143	92	151		

#### Notes:

a. These transactions fall under the definition of “continuing connected transactions” in Chapter 14A of the Listing Rules as detailed in note e. The other transactions are not connected transactions or continuing connected transactions which give rise to any disclosure or other obligations under Chapter 14A of the Listing Rules.

b. Other revenue from jointly controlled companies mainly came from the provision to HAESL of engine component repairs and facilities rental on a commercial arm's length basis and of certain administrative services charged at cost.

c. Purchases from jointly controlled companies comprised mainly aircraft component overhaul charges by HAESL.

d. Amounts due from and due to jointly controlled companies and other related parties at 31st December 2009 are disclosed in notes 22 and 23 to the accounts.

### 33. 有關連人士及持續關連交易

集團有若干有關連人士交易及關連交易。集團向主要管理人員發出的酬金詳情，於附註6列述。所有交易均在正常業務程序下進行，其價格及條件與集團其他第三方客戶/供應商所接受/提出並訂約的價格及條件相若。集團的重大及未有在此年報其他章節披露的交易總額及結餘摘要如下：

#### 附註：

a. 此等交易歸入上市規則第十四A章「持續關連交易」的定義類別，詳情於附註e列述。其他交易乃根據上市規則第十四A章並非須予披露或履行其他責任的關連交易或持續關連交易。

b. 來自共控公司的其他收入主要來自為香港航空發動機維修服務公司按公平商業原則提供的引擎部件修理服務及設備租賃，以及按成本收費提供的若干行政服務。

c. 自共控公司購買的服務主要為向香港航空發動機維修服務公司支付的飛機部件大修費用。

d. 於二零零九年十二月三十一日，共控公司及其他相關公司未償還的款項與欠共控公司及其他相關公司的款項，於賬目附註22及23披露。

### 33. Related party and continuing connected transactions (continued)

Notes: (continued)

e. Continuing connected transactions during 2009:

The Group had the following continuing connected transactions, details of which are set out below:

(a) Cathay Pacific Airways Limited ("CX")

The Company entered into a framework agreement ("Framework Agreement") with CX on 21st May 2007 for the provision of services by the Company and its subsidiaries ("HAECO Group") to the aircraft fleets of CX and its subsidiaries ("CX Group"). The services comprise line maintenance, base maintenance, comprehensive stores and logistics support, component and avionics overhaul, material supply, engineering services and ancillary services at Hong Kong International Airport, Xiamen or other airports. Payment is made in cash by CX Group to HAECO Group within 30 days upon receipt of the invoice. The term of the Framework Agreement is for 10 years ending on 31st December 2016.

CX is a substantial shareholder and therefore a connected person of the Company under the Listing Rules. The transactions under the Framework Agreement are continuing connected transactions in respect of which an announcement dated 21st May 2007 was published and a circular dated 5th June 2007 was sent to shareholders.

For the year ended 31st December 2009, the fees payable by CX Group to HAECO Group under the Framework Agreement totalled HK\$1,891 million.

(b) John Swire & Sons (H.K.) Limited ("JSSHK")

Pursuant to an agreement dated 1st December 2004, as amended and restated on 18th September 2008, ("JSSHK Services Agreement") with JSSHK, JSSHK provides services to the Company and its subsidiaries. The services comprise full or part time services of members of the staff of the John Swire & Sons Limited ("Swire") group, other administrative and similar services and such other services as may be agreed from time to time. They also include advice and expertise of the directors and senior officers of the Swire group including (but not limited to) assistance in negotiating with regulatory and other governmental or official bodies, and in procuring for the Company and its subsidiary, jointly controlled and associated companies the use of relevant trademarks owned by Swire. No fee is payable in consideration of such procurement obligation or such use.

In return for these services, JSSHK receives annual service fees calculated as 2.5% of the Company's consolidated profit before taxation and minority interests after certain adjustments. The fees for each year are payable in cash in arrears in two instalments, an interim payment by the end of October and a final payment by the end of April of the following year, adjusted to take account of the interim payment. The Company also reimburses the Swire group at cost for all the expenses incurred in the provision of the services.

The current term of the JSSHK Services Agreement is from 1st January 2008 to 31st December 2010 and is renewable for successive periods of three years thereafter unless either party to it gives to the other notice of termination of not less than three months expiring on any 31st December.

Swire is the ultimate holding company of Swire Pacific Limited which owns approximately 45.96% (2008: 33.52%) of the issued capital of the Company and JSSHK, a wholly owned subsidiary of Swire, is therefore a connected person of the Company under the Listing Rules. The transactions under the JSSHK Services Agreement are continuing connected transactions in respect of which announcements dated 1st December 2004, 7th March 2006 and 1st October 2007 were published.

For the year ended 31st December 2009, the fees payable by the Company to JSSHK under the JSSHK Services Agreement totalled HK\$20 million and expenses of HK\$36 million were reimbursed at cost.

### 33. 有關連人士及持續關連交易 (續)

附註：(續)

e. 二零零九年的持續關連交易：

集團有以下的持續關連交易，詳情如下列述：

(a) 國泰航空有限公司 ("國泰航空")

公司於二零零七年五月二十一日與國泰航空訂立框架協議 ("框架協議")，由公司及其附屬公司 ("港機工程集團") 向國泰航空及其附屬公司 ("國泰航空集團") 的機隊提供服務。有關服務包括於香港國際機場、廈門或其他機場提供外勤維修、基地維修、綜合倉儲及物流支援、部件及航電大修、物料供應、工程服務及配套服務。國泰航空集團於收到發票後三十天內，以現金支付予港機工程集團。框架協議的年期為十年，至二零一六年十二月三十一日止。

國泰航空為公司的主要股東，因此根據上市規則乃公司的關連人士。根據框架協議所進行的交易乃持續關連交易，公司已刊發二零零七年五月二十一日的有關公告，並已將二零零七年六月五日的有關通函發送各股東。

截至二零零九年十二月三十一日止年度，國泰航空集團根據框架協議應支付予港機工程集團的費用總額為港幣十八億九千一百萬元。

(b) 香港太古集團有限公司 ("香港太古集團")

根據二零零四年十二月一日與香港太古集團簽訂，並於二零零八年九月十八日修訂及重列的協議 ("香港太古集團服務協議")，香港太古集團提供服務予公司及其附屬公司。該等服務包括英國太古集團有限公司 ("太古") 集團員工的全職或兼職服務、其他行政及同類型服務，以及其他或會不時互相協定的服務。該等服務還包括提供太古集團董事及高層人員的意見與專業知識，包括 (但不限於) 協助與監管機構及其他政府部門或官方機構進行磋商，以及協助公司及其附屬、共控及聯屬公司取得由太古集團擁有的商標的使用權。協助取得商標使用權或使用該等商標毋須支付費用作為代價。

作為此等服務的報酬，香港太古集團收取服務年費，計算方法乃按公司扣除稅項及少數股東權益前並經若干調整後的綜合溢利的百分之二點五。每年的費用分兩期於期末以現金支付，中期付款於十月底或之前支付，末期付款則在考慮過中期付款並予以調整後，於翌年四月底或之前支付。公司亦向太古集團按其成本支付於提供服務期間所產生的一切費用。

香港太古集團服務協議現時的期限由二零零八年一月一日至二零一零年十二月三十一日，終止後可續期，每三年為一期，除非協議任何一方給予另一方不少於三個月通知於任何年份的十二月三十一日終止該協議。

香港太古集團乃太古股份有限公司的控股公司，太古股份有限公司持有公司約百分之四十五點九六 (二零零八年為百分之三十三點五二) 的已發行股本，而因香港太古集團為太古全資附屬公司，根據上市規則，該公司因此乃公司的關連人士。在香港太古集團服務協議下進行的交易乃屬持續關連交易，公司已就此發出二零零四年十二月一日、二零零六年三月七日及二零零七年十月一日的公告。

截至二零零九年十二月三十一日止年度，公司根據香港太古集團服務協議付予香港太古集團的服務費總計為港幣二千萬元，而港幣三千六百萬元費用已按成本支付。

**34. Principal subsidiary and jointly controlled companies at 31st December 2009**

**34. 二零零九年十二月三十一日結算的主要附屬公司及共控公司**

	Place of incorporation and operation 註冊成立及經營地點	Principal activities 主要業務	Issued share capital 已發行股本	Owned directly 直接擁有	Owned by subsidiary and jointly controlled companies 附屬及共控公司擁有	Attributable to the Group 集團佔有
<b>Subsidiary companies:</b>						
<b>附屬公司：</b>						
HAECO ATE Component Service Limited	Hong Kong 香港	Aircraft component repair services 飛機部件修理服務	Share capital of HK\$2,000,000 港幣2,000,000元股本	100%	—	100%
Singapore HAECO Pte. Limited	Singapore 新加坡	Line maintenance 外勤維修	Share capital of SGD1 坡幣1元股本	100%	—	100%
Taikoo (Xiamen) Aircraft Engineering Company Limited * 廈門太古飛機工程有限公司 *	Xiamen 廈門	Aircraft overhaul and maintenance 飛機大修及維修服務	Registered capital of US\$41,500,000 41,500,000美元註冊資本	56.55%	—	56.55%
Taikoo Engine Services (Xiamen) Company Limited * 廈門太古發動機服務有限公司 *	Xiamen 廈門	Commercial aero engine overhaul services 商用航空引擎大修	Registered capital of US\$63,000,000 63,000,000美元註冊資本	75.01%	10%	80.67%
Taikoo (Xiamen) Landing Gear Services Company Limited * 廈門太古起落架維修服務有限公司 *	Xiamen 廈門	Landing gear repair and overhaul 起落架修理及大修	Registered capital of US\$13,890,000 13,890,000美元註冊資本	50%	10%	55.66%
<b>Jointly controlled companies:</b>						
<b>共控公司：</b>						
Dunlop Taikoo (Jinjiang) Aircraft Tyres Company Limited * 晉江鄧祿普太古飛機輪胎有限公司 *	Jinjiang 晉江	Tyre services for commercial aircraft 商用飛機輪胎服務	Registered capital of US\$5,000,000 5,000,000美元註冊資本	28%	9%	33.09%
Goodrich Asia-Pacific Limited	Hong Kong 香港	Carbon brake machining and wheel hub overhaul 碳質掣動片切削及輪轂大修	Share capital of HK\$9,200,000 港幣9,200,000元股本	49%	—	49%
Goodrich TAECO Aeronautical Systems (Xiamen) Company Limited ** 廈門豪富太古宇航有限公司 **	Xiamen 廈門	Aircraft fuel control, flight control and electrical component repairs 飛機燃油控制儀、航空控制儀及電器部件修理	Registered capital of US\$5,000,000 5,000,000美元註冊資本	—	35%	19.79%
Honeywell TAECO Aerospace (Xiamen) Company Limited * 廈門霍尼韋爾太古宇航有限公司 *	Xiamen 廈門	Aircraft hydraulic, pneumatic, avionic component and other aviation equipment repairs 飛機液壓、氣壓、航電部件及其他航空設備修理服務	Registered capital of US\$5,000,000 5,000,000美元註冊資本	25%	10%	30.66%
Hong Kong Aero Engine Services Limited # 香港航空發動機維修服務有限公司 #	Hong Kong 香港	Commercial aero engine overhaul services 商用飛機引擎大修服務	Share capital of HK\$200 港幣200元股本	45%	—	45%
Singapore Aero Engine Services Pte. Limited # 新加坡航空發動機維修服務有限公司 #	Singapore 新加坡	Commercial aero engine overhaul services 商用飛機引擎大修服務	Share capital of US\$54,000,000 54,000,000美元股本	—	20%	9%
Taikoo (Shandong) Aircraft Engineering Company Limited ** 山東太古飛機工程有限公司 **	Jinan 濟南	Heavy maintenance services for narrow-body aircraft 狹體飛機大型維修服務	Registered capital of RMB200,000,000 人民幣200,000,000元註冊資本	30%	10%	35.66%
Taikoo Sichuan Aircraft Engineering Services Company Limited ** 四川太古飛機工程服務有限公司 **	Chengdu 成都	Line maintenance and aircraft maintenance 外勤維修及飛機維修	Registered capital of RMB60,000,000 人民幣60,000,000元註冊資本	40%	9%	45.09%
Taikoo Spirit AeroSystems (Jinjiang) Composite Company Limited * 晉江太古勢必銳複合材料有限公司 *	Jinjiang 晉江	Composite material aeronautic parts/systems repair, manufacturing and sales 複合材料航空零件/系統修理、製造及銷售	Registered capital of US\$11,663,163 11,663,163美元註冊資本	41.8%	10.76%	47.88%

Principal subsidiary and jointly controlled companies are those which, in the opinion of the Directors, materially affect the results or assets of the Group.

主要附屬公司及共控公司指董事局認為對集團業績及資產有重要影響的公司。

\* Equity joint venture incorporated in Mainland China.  
# Companies not audited by PricewaterhouseCoopers.

\* 於中國內地註冊成立的合股式合資企業  
# 羅兵咸永道會計師事務所不作審核的公司

# PRINCIPAL ACCOUNTING POLICIES

## 主要會計政策

### 1. Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and under the historical cost convention as modified by the revaluation of financial assets (including derivative instruments) at fair value through profit or loss.

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

In 2009, the Group adopted the following new or revised standards and interpretations of HKFRS below, which are relevant to its operations. Where applicable, the 2008 comparatives have been amended as required.

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
Amendments to HKFRS 1 and HKAS 27	Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments – Fair Value Measurements and Liquidity Risk of Financial Instruments
HKFRS 8	Operating Segments
Annual improvements to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants in October 2008	

The adoption of such standards or interpretations does not result in substantial changes to the Group’s accounting policies and has no significant effect on the results. However, as a result of the adoption of HKAS 1 (revised) “Presentation of Financial Statements”, changes in equity arising from transactions with shareholders in their capacity as shareholders are presented separately from all other income and expenses in a revised statement of changes in equity. All such items of income and expenses as a result of non-owner changes in equity are presented in the statement of comprehensive income.

HKFRS 8 “Operating Segments” replaces HKAS 14 “Segment Reporting”. It requires a “management approach” under which information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented.

### 1. 編製原則

財務報表乃按照香港財務報告準則及依據歷史成本常規法編製，並按公平值列入損益賬的財務資產（包括衍生工具）的重估作出修訂。

遵照香港財務報告準則編製財務報表，需要作出若干重要的會計估計，亦需要管理層在應用集團的會計政策過程中行使判斷。涉及較艱深或較複雜的範疇，或所作假設及估計對財務報告有重大影響的範疇，於財務報表附註3披露。

在二零零九年，集團採納以下新訂或經修訂的香港財務報告準則及詮釋，該等準則及詮釋與其業務營運有關。如適用，二零零八年的比較數據已按需要予以修訂。

香港會計準則第1號(重訂)	財務報表的呈報
香港會計準則第23號(重訂)	借款費用
香港財務報告準則第1號及香港會計準則第27號的修訂	綜合及獨立財務報表 – 投資於附屬公司、共控實體或聯營公司的成本
香港財務報告準則第7號(修訂)	改善金融工具的披露 – 金融工具的公平值計量及流動資金風險
香港財務報告準則第8號	營運分項
香港會計師公會於二零零八年十月就香港財務報告準則頒佈的年度改進	

採納該等準則或詮釋不會對集團的會計政策造成重大改變，對業績亦無重大影響。然而，由於採納香港會計準則第1號（重訂）「財務報表的呈報」，股東以其股東身份進行的交易所產生的權益變動，在修訂的權益變動表中與其他收入 and 開支分開呈報。一切該等由非所有者權益變動產生的收入和開支項目，於全面收益表呈報。

香港財務報告準則第8號「營運分項」取代香港會計準則第14號「分項報告」。該準則要求根據一個「管理理念」，把資料按與用作內部報告用途相同的基準呈列。此準則令所呈列的應報告分項數目增加。

## 1. Basis of preparation (continued)

The Group has not early adopted the following new standards or interpretations that have been issued but are not yet effective. The adoption of such standards or interpretations would not result in substantial changes to the Group's accounting policies.

		Effective for accounting periods beginning on or after
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owner	1st July 2009
HKAS 24 (Revised)	Related Party Disclosures	1st January 2011
HKAS 27 (Revised)	Consolidated and Separate Financial Statements	1st July 2009
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement	1st July 2009
HKFRS 3 (Revised)	Business Combinations	1st July 2009
HKFRS 9	Financial Instruments	1st January 2013
Second Improvements to HKFRSs – Amendments to:		
HKAS 7	Cash Flow Statement	1st January 2010
HKAS 17	Leases	1st January 2010
HKAS 36	Impairment of Assets	1st January 2010
HKAS 38	Intangible Assets	1st January 2010
HKAS 39	Financial Instruments: Recognition and Measurement	1st July 2009
HKFRS 8	Operating Segments	1st January 2010

## 2. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies made up to 31st December.

Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiary companies by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interests. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary company acquired, the difference is recognised directly in the income statement.

## 1. 編製原則 (續)

集團並無提前採納以下已頒佈但未生效的新訂準則或詮釋。採納此等準則或詮釋不會對集團的會計政策造成重大改變。

		在當日或之後開始的會計期生效
香港 (國際財務報告詮釋委員會) – 詮釋第17號	向擁有人分派非現金資產	二零零九年七月一日
香港會計準則第24號 (重訂)	關聯方披露	二零一一年一月一日
香港會計準則第27號 (重訂)	綜合及獨立財務報表	二零零九年七月一日
香港會計準則第39號 (修訂)	金融工具：確認及計量	二零零九年七月一日
香港財務報告準則第3號 (重訂)	企業合併	二零零九年七月一日
香港財務報告準則第9號	金融工具	二零一三年一月一日
香港財務報告準則的第二次改進 – 對以下準則作出修訂：		
香港會計準則第7號	現金流量表	二零一零年一月一日
香港會計準則第17號	租賃	二零一零年一月一日
香港會計準則第36號	資產減值	二零一零年一月一日
香港會計準則第38號	無形資產	二零一零年一月一日
香港會計準則第39號	金融工具：確認及計量	二零零九年七月一日
香港財務報告準則第8號	營運分項	二零一零年一月一日

## 2. 綜合原則

綜合財務報表包括公司及其附屬公司結算至十二月三十一日的財務報表。

附屬公司自股權控制轉移至集團之日起，其賬目已全面合併於集團賬內，並於股權控制終止之日起從集團賬中剔除合併。

集團以購買會計法為集團購入的附屬公司列賬。購買成本乃按交易當日所獲資產的公平值、所發行的權益衍生工具，以及所產生或承擔的負債，加上直接因購買交易而引起的成本計算。在商業合併過程中產生的可辨認所購資產、負債及或有負債，均於購買當日按其公平值作出初步計量，而不考慮任何程度的少數股東權益。從購買成本扣除集團應佔可辨認所購資產淨值後的餘額，以商譽列賬。如購買成本低於所購入附屬公司資產淨值的公平值，其差額將直接在收益表中確認。

## 2. Basis of consolidation (continued)

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated upon consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiary and jointly controlled companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the statement of financial position, comprise the proportion of the net assets of subsidiary companies attributable to shareholders external to the Group. The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company.

## 3. Subsidiary companies

Subsidiary companies are those companies in which the Group, directly or indirectly, has an interest of more than half the voting powers or otherwise has the power to govern the financial and operating policies.

In the Company's statement of financial position, investments in subsidiary companies are stated at cost less provision for any impairment losses. The results of subsidiary companies are accounted for by the Company on the basis of dividends received and receivable.

## 4. Jointly controlled companies

A joint control represents contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to shared control and none of the participating parties has unilateral control over the economic activity of the entity.

Investments in jointly controlled companies are accounted for using the equity method of accounting and are initially recognised at cost. The excess of the cost of investment in jointly controlled companies over the fair value of the Group's share of the identifiable net assets acquired represents goodwill. The Group's investments in jointly controlled companies include goodwill (net of any accumulated impairment losses) arising on acquisitions.

The consolidated income statement includes the Group's share of results of jointly controlled companies. In the consolidated statement of financial position, the investment in jointly controlled companies represents the Group's share of net assets. When the Group's share of losses in a jointly controlled company equals or exceeds its interest in the jointly controlled company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled company. Results reported by jointly controlled companies are changed where necessary to ensure no material inconsistency with the accounting policies adopted by the Group.

In the Company's statement of financial position, investments in jointly controlled companies are stated at cost less provision for any impairment losses. The results of jointly controlled companies are accounted for by the Company on the basis of dividends received and receivable.

## 2. 綜合原則 (續)

集團旗下公司間的交易、結餘及交易的未變現收益，均於合併時抵銷。未變現虧損亦予抵銷，除非交易有證據證明轉讓資產出現減值。附屬及共控公司的會計政策已在必要時作出相應更改，以確保與集團所採納的政策一致。

在財務狀況表中的少數股東權益指集團以外的股東所佔附屬公司的資產淨值。集團政策是將與少數股東進行的交易視作集團對外交易。向少數股東權益出售而令集團出現的收益及虧損，記入收益表中。向少數股東權益購買則出現商譽，即任何已付代價與相關應佔附屬公司資產淨值的賬面值之間的差異。

## 3. 附屬公司

附屬公司乃指集團直接或間接持有逾半數投票權的權益或有權管治其財務及營業政策的公司。

在公司的財務狀況表中，附屬公司的投資按成本扣除任何減值虧損準備入賬。附屬公司業績在公司賬目中按已收及應收股息入賬。

## 4. 共控公司

共同控制乃一項合約安排，由集團及其他夥伴進行一項經濟活動，而該項經濟活動為共享控制，任何參與的夥伴均不可對該公司的經濟活動進行單方面控制。

於共控公司的投資採用權益會計法入賬，並按成本初始確認。於共控公司的投資成本高於集團應佔可辨認所購資產淨值的公平值時，其差額列作商譽。集團於共控公司的投資包括於收購時產生的商譽(扣除任何累積減值虧損)。

綜合收益表包括集團應佔共控公司的業績。在綜合財務狀況表中，於共控公司的投資相等於集團應佔資產淨值。如集團的應佔共控公司虧損相等於或超過其佔共控公司的權益，包括任何其他無抵押應收賬項，則集團不確認進一步的虧損，除非集團已代共控公司承擔負債或支付款項。如有需要，共控公司所報告的業績會作出更改，以確保並無與集團採納的會計政策有重大不一致的情況。

在公司的財務狀況表中，於共控公司的投資按成本扣除減值虧損準備列賬。共控公司的業績以所收及應收股息計算在公司賬內。

## 5. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

## 6. Foreign currency translation

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

Foreign currency denominated monetary assets and liabilities and the statements of financial position are translated into Hong Kong dollars, the Group's presentation currency, at the rates of exchange ruling at the statement of financial position date. Foreign currency transactions during the year are translated at the market exchange rates ruling at the transaction dates. Exchange differences are reflected in the income statement except for unrealised differences on net investments in foreign subsidiary and jointly controlled companies which are taken directly to reserves.

The statements of financial position of foreign subsidiary and jointly controlled companies denominated in foreign currencies are translated at the rates of exchange ruling at the statement of financial position date whilst the income statements are translated at the weighted average exchange rates during the year. When foreign subsidiary or jointly controlled companies are sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

## 7. Assets under operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases.

Payments made and due under operating lease agreements are aggregated and charged to operating profit evenly over the periods of the respective leases.

## 8. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

## 5. 分項報告

營運分項的呈報方式與向主要營運決策者提供的內部呈報方式一致。負責分配資源及評核營運分項表現的主要營運決策者，已獲認為董事局。

## 6. 外幣換算

集團旗下各公司的財務報表所載項目，均以該公司營運的主要經濟環境所採用的貨幣（「功能貨幣」）計算。綜合財務報表乃以港幣呈列，而港幣乃公司的功能及列賬貨幣。

以外幣為單位的貨幣資產及負債以及財務狀況表，經按財務狀況表結算日的兌換率化為港元，即集團的列賬貨幣。年內的外幣交易以交易日的市場匯兌率換算。匯兌差額已列入收益表，但於外國附屬及共控公司的投資淨額的未變現差額則除外，該等差額直接計入儲備中。

於年內，以外幣計值的外國附屬及共控公司的財務狀況表以財務狀況表結算日的兌換率折算，而收益表則以加權平均匯率折算。如售出外國附屬或共控公司，該等匯兌差額則作為出售盈虧的一部分於收益表中確認。

購入外國企業所產生的商譽及公平值調整，乃作為該外國公司的資產及負債處理，並按收市匯率折算。

## 7. 營業租賃資產

如絕大部分資產的回報及風險擁有權為租賃公司所持有，租賃作為營業租賃入賬。

按營業租賃協議支付或應付的租賃費用，經合併計算按各自的租賃期平均列入營業溢利賬中支銷。

## 8. 物業、廠房及設備

物業、廠房及設備按成本減累積折舊及累積減值虧損列賬。成本包括直接因購買項目而引起的開支。

其後成本只在與該項目相關的未來經濟效益很有可能歸於集團，並能可靠地計算出項目成本的情況下，始包括在資產的賬面值或確認為另立的資產（視何者適用而定）。所有其他修理及維修開支於其產生的財政期間計入收益表中。

## 8. Property, plant and equipment (continued)

Rates of depreciation are calculated using the straight line method to allocate the cost of property, plant and equipment to their residual values over their estimated useful lives. Depreciation rates in use for property, plant and equipment are as follows:

Buildings and building facilities	2.5% to 10%
Equipment, plant, machinery and tools	7.3% to 33%
Motor vehicles	18% to 20%
Rotable spares	7%
Assets under construction	Nil

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, an impairment loss is recognised to reduce the asset to its recoverable amount.

The gain or loss on disposal of property, plant and equipment represents the difference between the net sales proceeds and the carrying amount of the asset, and is recognised in the income statement.

## 9. Intangible assets

### (i) Goodwill

Goodwill arising on consolidation represents the excess of cost of acquisition of subsidiary and jointly controlled companies over the Group's share of the fair value ascribed to the separable net assets at the date of acquisition. Goodwill on acquisitions of subsidiary companies is included in intangible assets. Goodwill on acquisitions of jointly controlled companies is included in investments in jointly controlled companies. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Any impairment arising on goodwill is recognised in the income statement immediately. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to a cash generating unit for the purpose of impairment testing.

### (ii) Computer software

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the acquisition of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

Computer software costs are amortised over their estimated useful life of five years.

## 8. 物業、廠房及設備 (續)

折舊率以直線法按物業、廠房及設備的估計可供使用年期分攤其成本至其剩餘價值計算。物業、廠房及設備使用的折舊率如下：

樓宇及樓宇設施	2.5%至10%
設備、廠房、機器及工具	7.3%至33%
汽車	18%至20%
可修周轉件	7%
興建中的資產	無

資產的剩餘價值及可供使用年期均於各財務狀況表結算日進行檢討，並作出必要的調整。

如資產的賬面值高於其估計可收回值，則認算減值虧損以將資產值減至其可收回值。

出售物業、廠房及設備損益乃指出售淨收入與資產賬面值的差額，並於收益表中確認。

## 9. 無形資產

### (i) 商譽值

綜合賬目所產生的商譽值為購入附屬及共控公司的成本扣除在購入當天集團在可分資產淨值中應佔的公平值後的超出額。購入附屬公司所產生的商譽值包括在無形資產中。購入共控公司所產生的商譽值包括在共控公司的投資中。商譽值每年會進行減值測試，並按成本扣除累積減值虧損入賬。任何商譽減值即時於收益表中確認。出售企業的損益包括有關售出企業的賬面商譽值。

為進行減值測試，商譽值按各現金產生單位歸類。

### (ii) 電腦軟件

與開發或維修電腦軟件程式相關的成本按發生時以費用入賬。直接與購買集團所控制的可識別及獨有軟件產品有關，並可能產生超逾一年經濟效益的成本，以無形資產入賬。

電腦軟件成本按其估計的五年使用期攤銷。



## 9. Intangible assets (continued)

### iii) Technical licences

Separately acquired technical licences are shown at historical cost. Technical licences acquired in a business combination are recognised at fair value at the acquisition date. Technical licences have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of technical licences over their estimated useful life of twenty two years.

## 10. Impairment of assets

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

## 11. Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

### (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables" and cash and cash equivalents in the statement of financial position.

### (iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the statement of financial position date.

## 9. 無形資產 (續)

### (iii) 技術特許權

分開購入的技術特許權以歷史成本列賬。在商業合併過程中購入的技術特許權，於購入當日按公平值確認。技術特許權的可用年期有限，按成本減累積攤銷列賬。攤銷乃按技術特許權的估計可用年期二十二年，將其成本以直線法分攤計算。

## 10. 資產減值

無限定可使用年期的資產毋須作攤銷，但至少每年測試有否減值，並當情況或環境變化顯示賬面值或不能收回時作減值檢討。須攤銷的資產則在情況或環境變化顯示出賬面值或不能收回時作出減值檢討。如資產的賬面值超逾其可收回款額，超逾的款額則確認為減值虧損。可收回款額為資產公平值扣除銷售成本及使用價值兩者中較高者。為評估減值，資產按可獨立識別現金流量的最小組合歸為一組。

## 11. 財務資產

集團將其財務資產劃分為以下類別：按公平值列入損益賬、貸款及應收款項，以及可供出售。分類方法取決於財務資產的收購目的。管理層於初始確認時為其財務資產分類。

### (i) 按公平值列入損益賬的財務資產

按公平值列入損益賬的財務資產是持作買賣的財務資產。如所收購的財務資產主要是為了在短期內出售，則劃分為此類別。衍生工具亦被劃分為持作買賣用途，除非已被指定為對沖工具。此類別的資產被劃分為流動資產。

### (ii) 貸款及應收款項

貸款及應收款項均設有固定或可確定付款金額，且並無在活躍市場上報價的非衍生財務資產。此等項目已計入流動資產之內，但由財務狀況表結算日起計十二個月後方到期的項目則除外，該等項目被劃分為非流動資產。集團的貸款及應收款項包括財務狀況表內的「貿易及其他應收款項」以及現金及現金等價物。

### (iii) 可供出售的財務資產

可供出售的財務資產如指定劃分為此類別或非歸入任何其他類別，則列作非衍生工具。除非管理層計劃於財務狀況表結算日起計十二個月內出售有關投資，否則可供出售投資將計入非流動資產內。

## 11. Financial assets (continued)

### (iii) Available-for-sale financial assets (continued)

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the income statement within “other net gains” in the period in which they arise.

The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the statement of financial position date.

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in principal accounting policy 15.

## 12. Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date to the derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); (2) hedges of highly probable forecast transactions (cash flow hedge); or (3) hedges of net investments in foreign operations.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

### (i) Fair value hedge

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

## 11. 財務資產 (續)

### (iii) 可供出售的財務資產 (續)

財務資產的一般收購及出售，均於交易日（即集團承諾收購或出售該資產當日）確認。那些並無按照公平值列入損益賬的財務資產乃按公平值初始確認，並加上交易成本。按照公平值列入損益賬的財務資產則按公平值初始確認，其交易成本在收益表中支銷。當集團從投資項目收取現金流量的權利已到期或已被轉讓，或集團已大致上將擁有權的所有風險和回報轉移，則剔除確認該等財務資產。可供出售財務資產及按公平值列入損益賬的財務資產隨後按公平值列賬。貸款及應收款項以實際利率法按已攤銷成本列賬。

「按公平值列入損益賬的財務資產」類別的公平值如出現變動，所產生的收益或虧損均呈列於產生期內收益表的「其他收益淨額」項中。

遠期外匯合約的公平值則採用財務狀況表結算日的遠期匯率釐定。

集團於每個財務狀況表結算日評估有否客觀跡象顯示財務資產或一組財務資產出現減值。貿易應收款項的減值測試於主要會計政策15載述。

## 12. 衍生金融工具及對沖活動

衍生工具於訂立衍生工具合約當日按公平值初始確認，並按其後公平值重新計量。確認所得盈虧的方法，取決於衍生工具是否界定為對沖工具，如是，則取決於被對沖項目的性質。集團指定的若干衍生工具為：(1) 已確認資產或負債或堅定承諾的公平值對沖（公平值對沖）；(2) 可能性甚高的預測交易的對沖（現金流量對沖）；或(3) 海外業務投資淨額的對沖。

集團在交易開始時以文件記錄對沖工具及被對沖項目的關係，以及進行各項對沖交易的風險管理的目的與策略。集團亦就對沖交易的衍生工具（在開始及持續進行對沖時）是否能高度有效地抵銷被對沖項目的公平值變化或現金流量進行評估，並作記錄。

### (i) 公平值對沖

被指定及符合為公平值對沖工具的衍生工具的公平值變化，連同被對沖資產或負債中對沖風險應佔的公平值變化記入收益表中。

## 12. Derivative financial instruments and hedging activities (continued)

### (ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect the surplus/deficit (for instance when the forecast sale that is hedged takes place). However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or property, plant and equipment) or a liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

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

### (iii) Net investment hedge

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income; the gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Gains and losses accumulated in equity are included in the income statement when the foreign operation is disposed of.

### (iv) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

## 13. Financial guarantees

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and other bodies on behalf of subsidiary or jointly controlled companies to secure loans, overdrafts and other banking facilities. Financial guarantees are recorded in the financial statements at fair value.

## 14. Stocks and work in progress

Stocks are stated at the lower of cost, calculated on a weighted average basis, and net realisable value. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses. Work in progress represents the gross amount due from customers for all contract

## 12. 衍生金融工具及對沖活動 (續)

### ii) 現金流量對沖

被指定及符合作為現金流量對沖工具的衍生工具，其公平值變化的有效部分於其他全面收益中確認。與無效部分相關的盈虧，即時於收益表中確認。

在權益累積的數額，會在被對沖項目將對盈餘／虧損造成影響的期間回流到收益表中 (例如被對沖的預測銷售發生)。然而，如被對沖的預測交易最終確認為非財務資產 (例如存貨或物業、廠房及設備) 或負債，則過往於權益中遞延的盈虧由權益轉撥，並包括在資產或負債成本的初始計量中。

如對沖工具期滿或售出，或如對沖不再符合對沖會計的準則，則當時在權益存在的任何累積盈虧仍然保留於權益中，並會在預測的交易最終在收益表中確認時確認。如預測的交易預計不能進行，則已在權益呈報的累積盈虧會即時轉撥至收益表中。

### (iii) 投資淨額對沖

海外業務的投資淨額對沖的入賬方式與現金流量對沖相若。對沖工具與對沖有效部分相關的任何收益或虧損，於其他全面收益中確認；與無效部分相關的收入或虧損即時於收益表中確認。

在權益累積的收益利與虧損在海外業務售出時記入收益表中。

### (iv) 不符合對沖會計的衍生工具

若干衍生工具不符合對沖會計。任何不符合對沖會計的衍生工具的公平值變化，會即時於收益表中確認。

## 13. 財務擔保

財務擔保合約是指發行人須就某指定債務人未能根據債務合約的條款支付到期債務時須向合約持有人支付指定款項以償付其損失的合約。該等財務擔保乃代表附屬公司或共控公司授予銀行、金融機構及其他團體以擔保其貸款、透支及其他銀行信貸。財務擔保按公平值記入財務報表中。

## 14. 存貨及未完工程

存貨按以加權平均基準計算的成本與可變現淨值兩者中的較低者入賬。可變現淨值乃按預期出售收入減估計銷售開支而釐定。未完工程指客戶就所有未完合約工程尚欠的總額，而該等工程所產生的成本

#### 14. Stocks and work in progress (continued)

work in progress for which costs incurred plus recognised profits (less recognised losses) exceeds progress billings. Progress billings not yet paid by customers are included within "trade receivables".

#### 15. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtors, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 3 months overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

#### 16. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, amounts repayable on demand from banks and financial institutions and short-term liquid investments which were within three months of maturity when acquired, less bank overdrafts.

#### 17. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled.

#### 18. Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 19. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised costs; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date.

#### 14. 存貨及未完工程 (續)

及已確認溢利 (減已確認虧損) 超出工程進度付款。客戶未付的工程進度付款包括在「貿易及應收款項」下。

#### 15. 貿易應收款項

貿易應收款項按公平值初始確認，隨後則採用實際利率法按已攤銷成本並扣除減值撥備計量。如有客觀跡象顯示集團將不能根據應收款項的原有條款收回所有欠付賬項，即為貿易應收款項作出減值撥備。債務人面對重大財務困難、債務人可能破產或進行財務重組，以及拖欠或逾期付款 (逾期超過三個月)，均被視為貿易應收款項減值的跡象。準備金額為資產賬面值與按原實際利率貼現的預計未來現金流量的現值的差額。資產的賬面值透過使用備抵賬目沖調，而虧損數額則在收益表中確認。貿易應收款項如無法收回，則須於應收款項的備抵賬目撇銷。之前已撇銷的款項如其後收回，則於收益表中記賬。

#### 16. 現金及現金等價物

現金及現金等價物包括庫存現金、銀行及財務機構催繳時須清還的款項及於購入時三個月內期滿的短期流動投資，減銀行透支。

#### 17. 股本

普通股歸類為權益。有關發行新股的新增直接成本，於權益列作所得款項的扣減 (扣除稅項)。

當任何集團公司購入公司的權益股本，包括任何新增直接成本 (扣除所得稅) 的已付代價，由公司權益持有人應佔權益扣除，直至該等股份已註銷為止。

#### 18. 貿易應付款項

貿易應付款項最初按公平值確認，其後則採用實際利率法按已攤銷成本計量。

#### 19. 借款

借貸按公平值扣除已產生的交易成本初始確認。交易成本為財務負債直接應佔的增加成本，包括向代理商、顧問、經紀及交易商支付的費用及佣金、監管代理機構及證券交易所徵收的款項，以及過戶登記稅項及稅款。借款其後按已攤銷成本列賬；所得款項 (扣除交易成本) 與贖回價值之間的任何差額，於借款期採用實際利率法於收益表中確認。

除非集團有權無條件延遲償還負債直至財務狀況表結算日後最少十二個月，否則借款歸類為流動負債。

## 20. Deferred taxation

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Taxation rates enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiary and jointly controlled companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

## 21. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

## 22. Turnover and revenue recognition

Turnover represents the aggregated amounts invoiced to customers and changes in work in progress. Invoices are raised either on completion or on stage completion depending on the terms of individual contracts. Incomplete contract work is recognised based on a “percentage of completion method” to determine the appropriate amount. The stage of completion is measured by reference to the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Total revenue recognised for the completed contracts is equal to the aggregated amounts invoiced for the contract.

Finance income is recognised on an accrual basis.

Dividend income is recognised when the right to receive payment is established.

## 23. Staff benefits

### (i) Retirement benefits

The Company offers either Mandatory Provident Fund (“MPF”) or one of two defined benefit retirement schemes to staff. The latter schemes are held under trust arrangements and actuarially valued as required on a regular basis using a prospective actuarial valuation method. They are funded in accordance with the actuarial recommendation.

## 20. 遞延稅項

遞延稅項乃採用負債法，就資產及負債的評稅基準與其在財務報表中的賬面值引起的暫時差異作出全數準備。然而，倘遞延所得稅乃因初始確認一項非業務合併的交易中的資產或負債而產生，而在進行交易時並無影響會計或應課稅溢利或虧損，則不予計算。遞延稅項乃採用在財務狀況表結算日前已頒佈或實質頒佈，且預期於相關遞延所得稅資產變現或遞延所得稅負債清還時應用的稅率釐定。

遞延稅資產於很有可能將未來應課稅溢利與可運用的暫時差異抵銷而確認。

遞延稅項乃就附屬及共控公司投資產生的暫時差異而作出準備，但如可以控制暫時差異的撥回時間，並有可能在可預見將來不會撥回則除外。

## 21. 準備

如集團因過往事件而須承擔現有的法定或推定責任，在解除該責任時很可能引致資源流出，且流出的數額已作出可靠的估算，則需確認準備。

倘有多項類似責任，解除責任會否引致資源流出則經考慮責任的整體類別後釐定。即使相同類別責任中任何一項引致資源流出的可能性或不大，仍需確認準備。

## 22. 營業總額及收益認算

營業總額指開給客戶發票的金額總數及未完工程變動。發票根據個別合約條款於工程完畢後或按完成階段開出。未完合約工程根據「完工百分比法」認算，以確定適當的金額。完工階段參考每份合約截至報告期末止已產生的成本，佔該合約的估計總成本的百分比計算。完成工程的總認算收入相等於就該合約開出發票的金額總數。

財務收入按應計基準認算。

股息收入於確定有權接受款項後認算。

## 23. 僱員福利

### (i) 退休福利

公司讓其僱員選擇參加強制性公積金（「強積金」）或兩項界定退休福利計劃其中一項。兩項界定退休福利計劃以信託協議持有，定期要求精算師以預期精算的估值方法予以估值。此等計劃乃根據精算建議供款。

### 23. Staff benefits (continued)

#### (i) Retirement benefits (continued)

The Company's contributions to the MPF are charged to the income statement as incurred. For the two defined benefit schemes, retirement benefit costs, which are assessed using the projected unit credit method, are charged to the income statement. Under this method, plan assets are measured at fair value; retirement benefit obligations are measured as the present value of the estimated future cash flows. Actuarial gains and losses to the extent of the amount in excess of 10% of the greater of the present value of the plan obligations and the fair value of plan assets are recognised in the consolidated income statement over the expected average remaining service lives of the participating employees.

The above calculations are performed annually by an actuary or the administration manager of the schemes.

TAECO, TALSCO and TEXL pay contributions to the required statutory retirement scheme for their local employees. The scheme is operated by the Mainland China government. In addition, TAECO also operates a defined contribution scheme for employees who have worked for more than five years. Both the employers and the employees are required to contribute to the scheme. Contributions to the schemes are charged to the income statement in the period to which the contributions relate.

Singapore HAECO Pte. Limited pays contributions to the required statutory retirement scheme, Central Provident Fund, for its local employees. The scheme is operated by the Singapore government and contributions to the scheme are charged to the income statement in the period to which the contributions relate.

HAECO Bahrain Aircraft Services Company Limited pays contributions to the required statutory retirement scheme for its local employees. The scheme is operated by the General Organization for Social Insurance in Bahrain and contributions to the scheme are charged to the income statement in the period to which the contributions relate.

#### (ii) Staff leave entitlements

Costs related to staff annual leave are recognised as the leave accrues to staff.

### 24. Dividend distribution

Final dividends are recognised as a liability on approval by the Company's shareholders. Interim dividends are recognised as a liability on approval by the Company's Board.

### 25. Related parties

Related parties are individuals and companies, including subsidiary and jointly controlled companies, where the individual, company or group has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial and operating decisions.

### 23. 僱員福利 (續)

#### (i) 退休福利 (續)

公司的強積金供款如數記入收益表內。而兩項界定福利計劃則用預計單位貸記法估量的退休福利費用記入收益表。按照此法，計劃資產按公平值衡量，而退休福利責任則按照預計的未來現金流量折算為現值。精算盈虧以計劃責任現值或計劃資產公平值兩者之間較大者百分之十為限，超過此上限的金額將按參與僱員的預期平均餘下服務年期間，在綜合收益表中認算。

以上的計算每年由精算公司或計劃的管理經理進行。

廈門太古飛機工程公司、廈門太古起落架維修服務公司及廈門太古發動機服務公司為其當地僱員向所需的法定退休計劃供款。該計劃由中國內地政府運作。此外，廈門太古飛機工程公司亦為服務超過五年的僱員運作一項界定費用供款計劃。僱主及僱員均須就計劃供款。向該等計劃所作的供款，均記入該供款相關財政期的收益表內。

Singapore HAECO Pte. Limited 為其當地僱員向指定的法定退休計劃中央公積金供款。該計劃由新加坡政府運作，向該計劃所作的供款，均記入該供款相關財政期的收益表內。

HAECO Bahrain Aircraft Services Company Limited 為其當地僱員向指定的法定退休計劃供款。該計劃由巴林的社會保險機構運作，向該計劃所作的供款，均記入該供款相關財政期的收益表內。

#### (ii) 僱員可享有的假期

與僱員年假相關的費用獲認算為僱員應計假期。

### 24. 派息

末期股息在公司股東通過後確認為負債。中期股息在公司董事局通過後確認為負債。

### 25. 有關連人士

有關連人士指個人及公司，包括附屬公司及共控公司，而當中個人、公司或集團有能力直接或間接控制另一方，或可在財務及營運決策上對另一方行使重大影響力。

# CORPORATE INFORMATION

## 公司資料

### Hong Kong Aircraft Engineering Company Limited

(Incorporated in Hong Kong with limited liability)

#### Registered Office

35th Floor, Two Pacific Place  
88 Queensway  
Hong Kong

#### Auditors

PricewaterhouseCoopers

#### Stock Code

Hong Kong Stock Exchange: 00044  
Symbol for ADR Code: HKAAY  
CUSIP Reference Number: 438569105

#### Depository

The Bank of New York Mellon  
BNY Mellon Shareowner Services  
P.O. Box 358516  
Pittsburgh, PA 15252-8516  
USA  
Tel: 1-888-BNY-ADRS (Calls within USA – toll free)  
1-201-680-6825 (International callers)  
E-mail: shrrelations@bnymellon.com  
Website: www.bnymellon.com/shareowner

#### Principal Banker

The Hongkong and Shanghai Banking Corporation Limited

#### Registrars

Computershare Hong Kong Investor Services Limited  
46th Floor, Hopewell Centre  
183 Queen's Road East, Hong Kong  
Website: www.computershare.com

#### Website

www.haeco.com

For further information about Hong Kong Aircraft Engineering Company Limited, please contact:

General Manager  
Group Public Affairs  
Hong Kong Aircraft Engineering Company Limited  
35th Floor, Two Pacific Place  
88 Queensway  
Hong Kong  
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### 香港飛機工程有限公司

(於香港註冊成立的有限公司)

#### 註冊辦事處

香港金鐘道八十八號  
太古廣場二座三十五樓

#### 核數師

羅兵咸永道會計師事務所

#### 股票代號

香港聯合交易所：00044  
美國預託證券編號：HKAAY  
CUSIP參考編號：438569105

#### 股票托管處

The Bank of New York Mellon  
BNY Mellon Shareowner Services  
P.O. Box 358516  
Pittsburgh, PA 15252-8516  
U.S.A.  
電話：1-888-BNY-ADRS (美國境內免費電話)  
1-201-680-6825 (國際電話)  
電郵：shrrelations@bnymellon.com  
網址：www.bnymellon.com/shareowner

#### 主要往來銀行

香港上海匯豐銀行有限公司

#### 股份登記處

香港中央證券登記有限公司  
香港皇后大道東一八三號  
合和中心四十六樓  
網址：www.computershare.com

#### 網址

www.haeco.com

查詢有關香港飛機工程有限公司之詳情，請聯絡：

香港飛機工程有限公司  
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