



二零零一年度中期業績報告

INTERIM REPORT 2001

大新金融集團有限公司(「本公司」)董事會欣然宣佈本公司及其附屬公司(「本集團」)截至二零零一年六月三十日止六個月之簡明中期業績報告。未經審核之股東應佔溢利為四億四千八百萬港元，較去年同期之三億四千零九十萬港元，上調百分之三十一點四。

The Directors of Dah Sing Financial Holdings Limited (the "Company") are pleased to present the Interim Report and condensed accounts of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2001. The unaudited profit attributable to shareholders was HK\$448.0 million for the six months ended 30th June 2001, up 31.4% from the HK\$340.9 million for the same period in 2000.

未經審核之中期業績報告

此等未經審核之簡明中期財務報表乃按照香港會計師公會所發出會計實務準則第二十五號之「中期財務報告」而編製。

本集團編製此未經審核之中期財務報表與二零零零年度財務報表所採用的會計政策均屬一致，除結算日後獲通過之擬派股息不計入集團的資產負債表中之負債內。經此調整後截至二零零一年六月三十日之流動負債減少128,221,000港元(二零零零年十二月三十一日162,709,000港元)及並無需就擬派股息作出準備。本集團已按照於二零零一年始生效的會計實務準則第九號(修訂)「結算日後的事項」將期初保留溢利作出前期調整。

UNAUDITED INTERIM FINANCIAL STATEMENTS

These unaudited consolidated condensed interim financial statements are prepared in accordance with Hong Kong Statement of Standard Accounting Practice ("SSAP") 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants.

The accounting policies used in preparing the unaudited interim financial statements of the Group are consistent with those adopted in the 2000 annual financial statements except that a proposed dividend declared after the period end is not accrued as liability in the Group's balance sheet. This adjustment has resulted in a decrease in current liabilities at 30th June 2001 by HK\$128,221,000 (31st December 2000: HK\$162,709,000) for provision for proposed dividends that is no longer required. This is to comply with SSAP 9 (revised) "Events after the balance sheet date" which becomes effective in 2001. Prior year adjustments on the opening balances of retained earnings of the Group were put through accordingly.

未經審核綜合損益結算表

截至六月三十日止六個月

UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the six months ended 30th June

		2001 HK\$'000	2000 HK\$'000 重列 Restated	變動 Variance %
利息收入	Interest income	1,749,601	1,854,058	
利息支出	Interest expense	(947,238)	(1,108,676)	
淨利息收入	Net interest income	802,363	745,382	7.6
其他營運收入	Other operating income	252,247	222,276	13.5
營運收入	Operating income	1,054,610	967,658	9.0
營運支出	Operating expenses	(441,594)	(380,936)	15.9
扣除準備前之營運溢利	Operating profit before provisions	613,016	586,722	4.5
壞賬及呆賬準備調撥	Charge for bad and doubtful debts	(147,193)	(180,395)	-18.4
扣除準備後之營運溢利	Operating profit after provisions	465,823	406,327	14.6
出售固定資產虧損	Loss on disposal of fixed assets	(220)	(2,062)	
出售持至到期及非持作買賣用途的證券溢利	Profit on disposal of held-to-maturity and non-trading securities	50,984	2,144	
一般業務溢利	Profit on ordinary activities	516,587	406,409	27.1
應佔聯營公司溢利	Share of net profits of associated companies	2,117	4,324	
除稅前溢利	Profit before taxation	518,704	410,733	26.3
稅項	Taxation	(69,604)	(62,687)	
除稅後溢利	Profit after taxation	449,100	348,046	29.0
少數股東權益	Minority interests	(1,134)	(7,175)	
股東應佔溢利	Profit attributable to shareholders	447,966	340,871	31.4
基本每股盈利	Basic earnings per share	HK\$1.82	HK\$1.39	30.9
攤薄每股盈利	Diluted earnings per share	HK\$1.81	HK\$1.38	31.2
擬派中期股息，每股0.52港元 (2000: 每股0.42港元)	Proposed interim dividend of HK\$0.52 (2000: HK\$0.42) per share	128,221	103,332	

未經審核綜合資產負債表

UNAUDITED CONSOLIDATED BALANCE SHEET

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000 重列 Restated
資產	ASSETS		
現金及短期資金	Cash and short-term funds	4,724,849	6,635,757
在銀行及其他金融機構 於一至十二個月內到期 的存款	Placements with banks and other financial institutions maturing between one and twelve months	230,000	–
貿易票據	Trade bills	484,815	454,826
持有的存款證	Certificates of deposit held	273,977	347,882
持作買賣用途的證券	Trading securities	3,333,109	1,692,257
各項客戶貸款及其他賬目	Advances to customers and other accounts	30,740,919	30,389,273
持至到期證券	Held-to-maturity securities	7,068,011	7,106,084
非持作買賣用途的證券	Non-trading securities	2,882,446	823,759
聯營公司投資	Investments in associated companies	103,748	115,175
固定資產	Fixed assets	1,356,404	1,338,171
股東應佔長期人壽保險 業務價值	Value of long-term life assurance business attributable to shareholders	538,663	517,413
投保人應佔長期資產值	Assets of long-term fund attributable to policyholders	310,158	281,006
資產合計	Total assets	<u>52,047,099</u>	<u>49,701,603</u>
負債	LIABILITIES		
銀行及其他金融機構存款 及結餘	Deposits and balances of banks and other financial institutions	397,292	427,371
客戶的往來、定期、儲蓄 及其他存款	Current, fixed, savings and other deposits of customers	31,776,512	31,384,912
已發行的存款證	Certificates of deposit issued	6,166,769	6,094,799
後償債券	Subordinated bonds	974,950	–
其他賬目及準備	Other accounts and provisions	6,816,667	6,178,071
長期負債	Long-term liabilities	430,000	430,000
投保人應佔之長期負債	Long-term liabilities attributable to policyholders	310,158	281,006
負債合計	Total liabilities	<u>46,872,348</u>	<u>44,796,159</u>
資本來源	CAPITAL RESOURCES		
少數股東權益	Minority interests	82,101	80,967
股本	Share capital	493,158	493,058
儲備	Reserves	4,471,271	4,168,710
擬派股息	Proposed dividends	128,221	162,709
股東資金	Shareholders' funds	<u>5,092,650</u>	<u>4,824,477</u>
資本來源合計	Total capital resources	<u>5,174,751</u>	<u>4,905,444</u>
負債及資本來源合計	Total liabilities and capital resources	<u>52,047,099</u>	<u>49,701,603</u>

未經審核綜合現金流量結算表
截至六月三十日止六個月

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30th June

		2001 HK\$'000	2000 HK\$'000
經營業務現金流出淨額	Net cash outflow from operating activities	(2,277,210)	(611,496)
投資回報及融資利息 現金流出淨額	Net cash outflow from returns on investments and servicing of finance	(338,734)	(282,783)
已繳稅款	Tax paid	(3,712)	(263)
投資活動現金流出淨額	Net cash outflow from investing activities	(59,151)	(30,161)
融資前現金流出淨額	Net cash outflow before financing	(2,678,807)	(924,703)
融資現金流入淨額	Net cash inflow from financing	1,047,630	1,301,828
現金及等同現金項目 之(減少)/增加	(Decrease)/increase in cash and cash equivalents	(1,631,177)	377,125
期初現金及等同現金項目	Cash and cash equivalents at beginning of the period	4,565,439	4,961,185
期末現金及等同現金項目	Cash and cash equivalents at end of the period	2,934,262	5,338,310
現金及等同現金項目之 結餘分析	Analysis of the balances of cash and cash equivalents		
現金及在銀行及其他金融 機構的結餘	Cash and balances with banks and other financial institutions	385,784	667,666
通知及短期存款	Money at call and short notice	1,991,850	3,146,573
三個月以內到期的國庫債券	Treasury bills with original maturity within three months	598,162	1,464,124
三個月以內到期之定期存放 在銀行的存款	Placements with banks with original maturity within three months	230,000	280,000
三個月以內到期的銀行及 其他金融機構存款及結餘	Deposits and balances of banks and other financial institutions with original maturity within three months	(271,534)	(220,053)
		2,934,262	5,338,310

現金及短期資金

CASH AND SHORT-TERM FUNDS

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000
現金及在銀行及 其他金融機構的結餘	Cash and balances with banks and other financial institutions	385,784	423,456
通知及短期存款	Money at call and short notice	1,991,850	2,894,623
國庫債券 (包括外匯基金票據)	Treasury bills (including Exchange Fund Bills)	2,347,215	3,317,678
		4,724,849	6,635,757
持有國庫債券的分析如下： 持作買賣用途的證券， 按公平值	An analysis of treasury bills held is as follows: Trading securities, at fair value		
非上市	Unlisted	66,811	1,858,289
持至到期，按攤銷成本值 非上市	Held-to-maturity, at amortised cost Unlisted	2,280,404	1,459,389
		2,347,215	3,317,678

**扣除準備後之營運溢利與經營業務現金
流出淨額對賬表**

截至六月三十日止六個月

**RECONCILIATION OF OPERATING PROFIT AFTER
PROVISIONS TO NET CASH OUTFLOW FROM
OPERATING ACTIVITIES**

for the six months ended 30th June

		2001 HK\$'000	2000 HK\$'000
扣除準備後之營運溢利	Operating profit after provisions	465,823	406,327
壞賬及呆賬準備	Provisions for bad and doubtful debts	147,193	180,395
減除收回後之貸款撇除淨額	Advances written off net of recoveries	(121,101)	(129,296)
折舊	Depreciation	31,325	26,865
已發行的存款證利息支出	Interest expense on certificates of deposit issued	159,889	190,450
三個月以上到期的國庫債券 之變動	Change in treasury bills maturing beyond three months	(5,677)	661,614
貿易票據之變動	Change in trade bills	(30,292)	(30,188)
所持存款證之變動	Change in certificates of deposit held	73,905	(10,077)
持作買賣用途的證券之變動	Change in trading securities	(1,640,852)	(538,974)
各項客戶貸款及其他賬目 之變動	Change in advances to customers and other accounts	(357,671)	(239,457)
持至到期證券之變動	Change in held-to-maturity securities	83,184	(2,868,728)
非持作買賣用途的證券 之變動	Change in non-trading securities	(2,060,179)	(27,700)
股東應佔長期人壽保險 業務價值之變動	Change in value of long-term life assurance business attributable to shareholders	(21,250)	(9,780)
三個月以上到期的銀行及其他 金融機構存款及結餘之變動	Change in deposits and balances of banks and other financial institutions maturing beyond three months	25,329	(293,516)
客戶的往來、定期、儲蓄及 其他存款之變動	Change in current, fixed, savings and other deposits of customers	391,600	(426,557)
其他負債之變動	Change in other liabilities	572,665	2,494,436
匯兌調整	Exchange adjustments	8,899	2,690
經營業務現金流出淨額	Net cash outflow from operating activities	<u>(2,277,210)</u>	<u>(611,496)</u>

未經審核綜合已確認損益報表

截至六月三十日止六個月

**UNAUDITED CONSOLIDATED STATEMENT OF
RECOGNISED GAINS AND LOSSES**

for the six months ended 30th June

		2001 HK\$'000	2000 HK\$'000
直接計入權益之收益及虧損	Gains and losses recognised directly in equity		
非持作買賣用途的證券公平 價值變動所產生之已確認虧損	Recognised losses arising from change in fair value of non-trading securities	(12,310)	(1,295)
期內淨溢利	Net profit for the period	447,966	340,871
出售非持作買賣用途的證券 而變現之投資重估儲備	Investment revaluation reserve realised on disposal of non-trading securities	(5,451)	(181)
期內已確認收益總額	Total recognised gains for the period	<u>430,205</u>	<u>339,395</u>

股東資金

SHAREHOLDERS' FUNDS

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000 重列 Restated
股本	Share capital	493,158	493,058
儲備	Reserves		
股份溢價	Share premium	817,703	817,126
資本儲備	Capital reserve	5,073	9,195
投資物業重估儲備	Investment properties revaluation reserve	12,425	12,425
行產重估儲備	Premises revaluation reserve	325,165	325,165
一般儲備	General reserve	588,930	588,930
投資重估儲備	Investment revaluation reserve	(37,414)	(23,775)
保留溢利(註)	Retained profits (Note)	2,887,610	2,602,353
擬派股息	Proposed dividends	(128,221)	(162,709)
		<u>4,471,271</u>	<u>4,168,710</u>
擬派股息	Proposed dividends	128,221	162,709
合計	Total	<u>5,092,650</u>	<u>4,824,477</u>
註：	Note:		
保留溢利	Retained profits		
承前報告	As previously reported		2,439,644
重列擬派末期股息	Proposed final dividends restated		162,709
重列數字	As restated		<u>2,602,353</u>

綜合股東資金變動對賬表

截至六月三十日止六個月

RECONCILIATION OF MOVEMENTS IN CONSOLIDATED SHAREHOLDERS' FUNDS

for the six months ended 30th June

		2001 HK\$'000	2000 HK\$'000
一月一日結存	At 1st January	4,824,477	4,222,008
派發末期股息	Payment of final dividend	(162,709)	(122,914)
行使認股權之股本增加	Increase in share capital due to exercise of options	100	400
股份溢價增加	Increase in share premium	577	2,312
儲備之變動	Change in reserves	(17,761)	(1,476)
股東應佔溢利	Profit attributable to shareholders	447,966	340,871
六月三十日結存	At 30th June	<u>5,092,650</u>	<u>4,441,201</u>

壞賬及呆賬準備調撥

截至六月三十日止六個月

CHARGE FOR BAD AND DOUBTFUL DEBTS

for the six months ended 30th June

		2001 HK\$'000	2000 HK\$'000	變動 Variance %
特別準備調撥	Specific provision charged	146,341	168,138	-13.0
一般準備調撥	General provision charged	852	12,257	-93.0
		<u>147,193</u>	<u>180,395</u>	-18.4

稅項

香港利得稅乃按照有關期內估計應課稅溢利依稅率16% (2000:16%) 提撥準備。

上列稅項已包括本集團在有限責任合夥投資之應佔估計香港稅損。本集團之有限責任合夥投資將於獲得及能利用來自該等投資之稅務利益之同期撇銷。

並無任何重大遞延稅項承擔未提撥準備。

基本及攤薄每股盈利

基本每股盈利乃根據盈利447,966,000港元 (2000: 340,871,000港元) 及期內已發行股份加權平均數246,558,360股(2000: 245,931,000股) 計算。

攤薄每股盈利乃根據盈利447,966,000港元 (2000: 340,871,000 港元) 及期內已發行股份加權平均數 246,824,333股(2000: 246,245,893股)已就所有潛在攤薄的普通股予以調整計算。

持作買賣用途的證券

按公平值：

債務證券

香港上市

香港以外上市

非上市

權益性證券

香港上市

香港以外上市

非上市

持作買賣用途的證券按發行機構類別分析如下：

中央政府和中央銀行

公營機構

銀行及其他金融機構

企業

其他

TAXATION

Hong Kong profits tax has been provided at 16% (2000: 16%) on the estimated assessable profit for the period.

Included in the taxation is the attributable share of estimated Hong Kong profits tax losses arising from investments in limited partnerships. The Group's investments in limited partnerships are written off in the same period as the taxation benefits resulting from those investments are received and utilised.

There is no significant deferred taxation liability not provided for.

BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share is based on earnings of HK\$447,966,000 (2000: HK\$340,871,000) and the weighted average number of 246,558,360 (2000: 245,931,000) shares in issue during the period.

The calculation of diluted earnings per share is based on earnings of HK\$447,966,000 (2000: HK\$340,871,000) and the weighted average number of 246,824,333 (2000: 246,245,893) shares in issue during the period after adjusting for the effect of all dilutive potential ordinary shares.

TRADING SECURITIES

	二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000
債務證券		
香港上市	2,240,980	1,149,205
香港以外上市	—	59,183
	2,240,980	1,208,388
非上市	959,441	356,169
	3,200,421	1,564,557
權益性證券		
香港上市	91,397	83,987
香港以外上市	25,866	27,205
	117,263	111,192
非上市	15,425	16,508
	132,688	127,700
	3,333,109	1,692,257
持作買賣用途的證券按發行機構類別分析如下：		
中央政府和中央銀行	2,200,696	1,106,261
公營機構	949,801	381,821
銀行及其他金融機構	50,182	79,555
企業	78,104	66,393
其他	54,326	58,227
	3,333,109	1,692,257

持至到期證券

HELD-TO-MATURITY SECURITIES

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000
承前期內 / 年度結存	Balance as at beginning of period/year	7,106,084	5,144,600
攤銷折讓 / (溢價)	Amortisation of discount/(premium)	16,175	(52,238)
增購	Additions	3,166,258	3,203,945
償還	Repayments	(2,265,361)	(624,510)
期內 / 年內出售的證券	Securities sold during the period/year	(946,213)	(563,020)
匯兌差額	Exchange difference	(8,932)	(2,693)
期內 / 年度結存	Balance as at end of period/year	7,068,011	7,106,084
上市證券，按攤銷成本值	Listed securities, at amortised cost		
香港上市	Listed in Hong Kong	2,395,668	1,479,375
香港以外上市	Listed outside Hong Kong	966,954	1,275,575
		3,362,622	2,754,950
非上市證券，按攤銷成本值	Unlisted securities, at amortised cost	3,705,389	4,351,134
		7,068,011	7,106,084
上市證券的市值	Market value of listed securities	3,411,989	2,800,390
持至到期證券按發行 機構類別分析如下：	Held-to-maturity securities are analysed by issuer as follows:		
中央政府和中央銀行	Central governments and central banks	2,322,347	1,296,235
公營機構	Public sector entities	2,058,344	1,631,224
銀行及其他金融機構	Banks and other financial institutions	961,393	2,873,089
企業	Corporate entities	1,725,927	1,305,536
		7,068,011	7,106,084

非持作買賣用途的證券

NON-TRADING SECURITIES

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000
按公平值：	At fair value:		
債務證券	Debt securities		
香港上市	Listed in Hong Kong	476,820	–
非上市	Unlisted	2,149,709	634,039
		2,626,529	634,039
權益性證券	Equity securities		
香港上市	Listed in Hong Kong	107,264	50,015
非上市	Unlisted	148,653	139,705
		255,917	189,720
		2,882,446	823,759

非持作買賣用途的證券(續)

NON-TRADING SECURITIES (Continued)

		二零零一年 六月三十日	二零零零年 十二月三十一日
		As at 30th June 2001	As at 31st Dec. 2000
		HK\$'000	HK\$'000
非持作買賣用途的證券按 發行機構類別分析如下：	Non-trading securities are analysed by issuer as follows:		
中央政府和中央銀行 公營機構	Central governments and central banks Public sector entities	1,303,211 679,080	14,044 88,016
銀行及其他金融機構	Banks and other financial institutions	72,464	66,346
企業	Corporate entities	820,882	653,832
其他	Others	6,809	1,521
		<u>2,882,446</u>	<u>823,759</u>

各項客戶貸款及其他賬目

ADVANCES TO CUSTOMERS AND OTHER
ACCOUNTS

		二零零一年 六月三十日	二零零零年 十二月三十一日	變動
		As at 30th June 2001	As at 31st Dec. 2000	Variance %
		HK\$'000	HK\$'000	
各項客戶貸款	Advances to customers	29,782,811	29,495,381	1.0
壞賬及呆賬準備	Provisions for bad and doubtful debts			
特別	Specific	(222,570)	(218,601)	
一般	General	(270,990)	(270,472)	
		<u>29,289,251</u>	<u>29,006,308</u>	1.0
應計利息	Accrued interest	334,874	367,616	
其他賬目	Other accounts	1,157,697	1,044,950	
應計利息及其他賬目 準備	Provisions against accrued interest and other accounts			
特別	Specific	(40,796)	(29,400)	
一般	General	(107)	(201)	
		<u>30,740,919</u>	<u>30,389,273</u>	1.2

客戶貸款總額 – 按行業分類

GROSS ADVANCES TO CUSTOMERS BY INDUSTRY SECTOR

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000	變動 Variance %
在香港使用的貸款	Loans for use in Hong Kong			
工商金融	Industrial, commercial and financial			
物業發展	Property development	435,065	247,580	75.7
物業投資	Property investment	2,252,157	2,040,681	10.4
金融企業	Financial concerns	387,591	219,453	76.6
股票經紀	Stockbrokers	13,465	13,245	1.7
批發與零售業	Wholesale and retail trade	1,237,224	1,303,074	-5.1
製造業	Manufacturing	2,347,681	2,099,579	11.8
運輸及運輸設備	Transport and transport equipment	3,181,896	4,669,011	-31.9
其他	Others	785,558	823,379	-4.6
個人	Individuals			
購買「居者有其屋計劃」、 「私人參建居屋計劃」及 「租者置其屋計劃」樓宇貸款	Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	2,114,965	1,834,950	15.3
購買其他住宅物業貸款	Loans for the purchase of other residential properties	8,419,353	8,459,579	-0.5
信用卡貸款	Credit card advances	2,491,637	2,275,706	9.5
其他	Others	3,580,209	3,050,226	17.4
在香港使用的貸款	Loans for use in Hong Kong	27,246,801	27,036,463	0.8
貿易融資	Trade finance	2,038,616	1,989,595	2.5
在香港以外使用的貸款	Loans for use outside Hong Kong	497,394	469,323	6.0
		29,782,811	29,495,381	1.0

超過九成之客戶貸款總額皆在香港。

Over 90% of gross advances to customers were extended to customers located in Hong Kong.

不履行貸款

NON-PERFORMING LOANS

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	佔總貸款額 百分比 % of Total Advances	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000	佔總貸款額 百分比 % of Total Advances
貸款總額	Gross advances	558,915	1.88	666,535	2.26
已撥出特別準備	Specific provisions made	(172,397)		(164,161)	
		386,518		502,374	
持有抵押品市值	Market value of security held	338,450		442,714	
懸欠利息	Interest in suspense	47,051		63,019	

逾期未償還貸款

OVERDUE ADVANCES

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	佔總貸款額 百分比 % of Total Advances	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000	佔總貸款額 百分比 % of Total Advances
逾期未償還貸款總額	Gross advances overdue for				
三個月以上至六個月	Six months or less but over three months	133,995	0.45	256,755	0.87
六個月以上至一年	One year or less but over six months	150,098	0.50	78,746	0.27
一年以上	Over one year	191,417	0.64	264,913	0.90
		475,510	1.60	600,414	2.04
上述貸款之仍累計 利息部份	The amount on which interest is still being accrued	66,958		107,080	
有擔保逾期貸款 所持的抵押品市值	Market value of security held against the secured advances	301,336		405,506	
有擔保逾期貸款	Secured overdue advances	283,667		402,948	
無擔保逾期貸款	Unsecured overdue advances	191,843		197,466	
已撥出特別準備	Specific provisions made	153,965		155,858	

逾期未償還貸款與不履行貸款對賬如下：

OVERDUE ADVANCES ARE RECONCILED TO NON-PERFORMING ADVANCES AS FOLLOWS:

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000
貸款逾期超過三個月	Advances which are overdue for more than three months	475,510	600,414
加：逾期不超過三個月，但 利息已撥入懸欠利息 或已停止累計利息之貸款	Add: advances which are overdue for three months or less and on which interest is being placed in suspense or on which interest accrual has ceased	12,679	8,425
加：利息懸欠或已停止累計 利息之未逾期貸款	Add: advances which are not overdue and on which interest is being placed in suspense or on which interest accrual has ceased	69,265	61,426
加：利息懸欠或已停止 累計利息之經重組貸款	Add: rescheduled advances on which interest is being placed in suspense or on which interest accrual has ceased	68,419	103,350
減：逾期超過三個月， 但仍在累計利息之貸款	Less: advances which are overdue for more than three months and on which interest is still being accrued	(66,958)	(107,080)
不履行貸款	Non-performing loans	558,915	666,535

超過九成之不履行及逾期貸款的客戶皆在香港。

Over 90% of non-performing loans and overdue loans were due from customers located in Hong Kong.

經重組貸款(已扣除載於上述逾期超過三個月以上的逾期未償還貸款)

RESCHEDULED ADVANCES (net of those which have been overdue for over three months and reported as part of Overdue Advances above)

		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	佔總貸款額 百分比 % of Total Advances	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000	佔總貸款額 百分比 % of Total Advances
經重組貸款	Rescheduled advances	<u>367,565</u>	1.23	<u>460,574</u>	1.56
已撥出特別準備	Specific provisions made	<u>25,993</u>		<u>25,523</u>	

到期情況

MATURITY PROFILE

二零零一年六月三十日
As at 30th June 2001

		即時還款 Repayable on demand HK\$'000	三個月或以下 3 months or less HK\$'000	一年或 以下，但 超過三個月 1 year but over 3 months HK\$'000	五年或 以下，但 超過一年 5 years but over 1 year HK\$'000	五年以後 After 5 years HK\$'000	無註明日期 Undated HK\$'000	合計 Total HK\$'000
資產	Assets							
國庫債券	Treasury bills	-	598,162	1,749,053	-	-	-	2,347,215
定期存放在銀行及 其他金融機構的存款	Placements with banks and other financial institutions	-	-	230,000	-	-	-	230,000
持有的存款證	Certificates of deposit held	-	50,000	188,902	35,075	-	-	273,977
各項客戶貸款	Advances to customers	5,411,814	3,705,987	2,686,229	6,805,627	10,605,524	567,630	29,782,811
債務證券計入：	Debt securities included in:							
持作買賣用途的證券	Trading securities	-	-	473,595	2,626,834	99,992	-	3,200,421
持至到期證券	Held-to-maturity securities	-	342,583	342,455	3,791,668	2,591,305	-	7,068,011
非持作買賣用途的證券	Non-trading securities	-	780,314	79,760	239,437	1,522,940	4,078	2,626,529
		<u>5,411,814</u>	<u>5,477,046</u>	<u>5,749,994</u>	<u>13,498,641</u>	<u>14,819,761</u>	<u>571,708</u>	<u>45,528,964</u>
負債	Liabilities							
銀行及其他金融機構存款 及結餘	Deposits and balances of banks and other financial institutions	73,203	322,890	1,199	-	-	-	397,292
客戶的往來、定期、儲蓄 及其他存款	Current, fixed, savings and other deposits of customers	5,846,456	23,312,757	2,455,972	161,327	-	-	31,776,512
已發行的存款證	Certificates of deposit issued	-	1,100,000	1,623,843	3,442,926	-	-	6,166,769
後償債券	Subordinated bonds	-	-	-	-	974,950	-	974,950
		<u>5,919,659</u>	<u>24,735,647</u>	<u>4,081,014</u>	<u>3,604,253</u>	<u>974,950</u>	<u>-</u>	<u>39,315,523</u>

到期情況 (續)

MATURITY PROFILE (Continued)

二零零零年十二月三十一日
As at 31st December 2000

		一年或以下，但超過三個月		五年或以下，但超過一年		五年以後	無註明日期	合計
		1 year or less	3 months or less	5 years or less	1 year or less			
資產	Assets	Repayable on demand	3 months or less	but over 3 months	but over 1 year	After 5 years	Undated	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
國庫債券	Treasury bills	-	1,574,302	1,743,376	-	-	-	3,317,678
持有的存款證	Certificates of deposit held	-	-	273,941	73,941	-	-	347,882
各項客戶貸款	Advances to customers	4,749,176	3,541,580	2,320,099	6,160,271	12,034,767	689,488	29,495,381
債務證券計入：	Debt securities included in:							
持作買賣用途的證券	Trading securities	-	201,939	219,458	500,435	642,725	-	1,564,557
持至到期證券	Held-to-maturity securities	-	1,196,738	1,236,642	2,070,047	2,602,657	-	7,106,084
非持作買賣用途的證券	Non-trading securities	-	17,699	18,454	202,557	391,251	4,078	634,039
		<u>4,749,176</u>	<u>6,532,258</u>	<u>5,811,970</u>	<u>9,007,251</u>	<u>15,671,400</u>	<u>693,566</u>	<u>42,465,621</u>
負債	Liabilities							
銀行及其他金融機構存款及結餘	Deposits and balances of banks and other financial institutions	49,390	277,552	100,429	-	-	-	427,371
客戶的往來、定期、儲蓄及其他存款	Current, fixed, savings and other deposits of customers	5,818,401	23,121,548	2,308,770	136,193	-	-	31,384,912
已發行的存款證	Certificates of deposit issued	-	100,000	1,770,488	4,224,311	-	-	6,094,799
		<u>5,867,791</u>	<u>23,499,100</u>	<u>4,179,687</u>	<u>4,360,504</u>	<u>-</u>	<u>-</u>	<u>37,907,082</u>

或然負債、承擔及衍生工具

CONTINGENT LIABILITIES, COMMITMENTS AND DERIVATIVES

各項重大或然負債及承擔之合約額分類如下：

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment:

		二零零一年	二零零零年
		六月三十日	十二月三十一日
		As at 30th June 2001	As at 31st Dec. 2000
		HK\$'000	HK\$'000
直接信貸代替品	Direct credit substitutes	74,878	75,418
與交易相關之或然負債	Transaction related contingencies	34,280	34,060
與貿易相關之或然負債	Trade-related contingencies	734,488	731,291
其他承擔，其原到期日為：	Other commitments with an original maturity of:		
少於一年或可無條件取消	under 1 year or which are unconditionally cancellable	16,127,470	14,984,965
一年及以上	1 year and over	637,806	509,360
		<u>17,608,922</u>	<u>16,335,094</u>

或然負債、承擔及衍生工具 (續)

CONTINGENT LIABILITIES, COMMITMENTS AND DERIVATIVES (Continued)

各項重大衍生工具之名義合約額分類如下：

The following is a summary of the aggregate notional contract amounts of each significant type of derivatives:

		買賣交易		對沖交易		合計	
		Trading		Hedging		Total	
		二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000	二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000	二零零一年 六月三十日 As at 30th June 2001 HK\$'000	二零零零年 十二月三十一日 As at 31st Dec. 2000 HK\$'000
匯率合約	Exchange rate contracts						
遠期合約	Forward contracts	2,638,609	2,205,021	26,871,304	19,690,743	29,509,913	21,895,764
貨幣掉期	Currency swaps	-	-	57,717	57,718	57,717	57,718
外匯期權合約：	Foreign exchange option contracts:						
購入貨幣期權	Currency options purchased	201,783	20,250	-	-	201,783	20,250
沽出貨幣期權	Currency options written	209,350	20,355	-	-	209,350	20,355
		3,049,742	2,245,626	26,929,021	19,748,461	29,978,763	21,994,087
利率合約	Interest rate contracts						
遠期及期貨合約	Forward and futures contracts	-	-	7,843,278	7,212,021	7,843,278	7,212,021
利率掉期	Interest rate swaps	-	-	3,440,923	1,840,226	3,440,923	1,840,226
		-	-	11,284,201	9,052,247	11,284,201	9,052,247
權益性合約	Equity contracts						
沽出期權	Options written	-	-	126,570	50,426	126,570	50,426

買賣交易包括為執行客戶買賣指令或對沖此等持倉交易而持有的金融工具盤。

The trading transactions include positions arising from the execution of trade orders from customers or transactions taken to hedge these positions.

上述資產負債表外之風險之信貸風險加權數額及重置成本，未經計入雙邊淨額結算安排，詳列如下：

The credit risk weighted amounts and replacement costs of the above off-balance sheet exposures, without taking into account the effect of bilateral netting arrangements, are as follows:

		二零零一年六月三十日		二零零零年十二月三十一日	
		As at 30th June 2001		As at 31st Dec. 2000	
		Credit risk weighted amount HK\$'000	Replacement cost HK\$'000	Credit risk weighted amount HK\$'000	Replacement cost HK\$'000
或然負債及承擔	Contingent liabilities and commitments	461,800		395,487	
衍生工具	Derivatives				
匯率合約	Exchange rate contracts	123,221	287,201	75,484	131,837
利率合約	Interest rate contracts	13,989	54,427	13,398	35,163
		137,210	341,628	88,882	167,000
		599,010		484,369	

或然負債、承擔及衍生工具 (續)

合約數額僅為顯示資產負債表結算日的交易量。並不代表風險數額。

信貸風險加權數額乃根據銀行業條例第三附表及香港金融管理局所發出之指引計算。而計算所得之數額則視乎交易對方及各項合約到期特性。

重置成本乃指按市值估價，其價值為正數的所有合約成本(若交易對方不履行其義務時)並以其價值為正數的合約按市值計算。重置成本亦被視為於結算日接近該等合約數額的信貸風險約數。

外匯風險

以下為本集團銀行系所持有外匯淨盤總額的10%或以上的貨幣：

相等於百萬港元
Equivalent in millions of HK\$

現貨資產	Spot assets
現貨負債	Spot liabilities
遠期買入	Forward purchases
遠期賣出	Forward sales
長/(短)盤淨額	Net long/(short) position

風險管理

董事認為來自買賣交易所產生之市場風險對本集團並無重大影響。

CONTINGENT LIABILITIES, COMMITMENTS AND DERIVATIVES (Continued)

The contract amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet date. They do not represent the amounts at risk.

The credit risk weighted amounts are the amounts which have been calculated in accordance with the Third Schedule of the Banking Ordinance and guidelines issued by the Hong Kong Monetary Authority. The amounts calculated are dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

Replacement cost is the cost of replacing all contracts which have a positive value when marked to market (should the counterparty default on its obligations) and is obtained by marking to market contracts with a positive value. Replacement cost is considered to be a close approximation of the credit risk for these contracts at the balance sheet date.

FOREIGN EXCHANGE RISK

The following is the Banking Group's net foreign exchange position in individual currency that constitutes 10% or more of the total net position in all foreign currencies:

		二零零一年六月三十日 As at 30th June 2001		二零零零年十二月三十一日 As at 31st Dec. 2000	
		US\$	Yen	US\$	Yen
現貨資產	Spot assets	23,043	2,670	21,332	1,103
現貨負債	Spot liabilities	(22,881)	(2,670)	(21,250)	(1,125)
遠期買入	Forward purchases	32,460	5,863	24,667	1,409
遠期賣出	Forward sales	(31,222)	(5,876)	(24,123)	(1,388)
長/(短)盤淨額	Net long/(short) position	1,400	(13)	626	(1)

MANAGEMENT OF RISKS

The Directors are of the opinion that the market risk arising from the trading book of the Group is not material.

分類資料

SEGMENT INFORMATION

		截至二零零一年六月三十日止六個月 For the six months ended 30th June 2001		
		銀行及有關業務 Banking & related business HK\$'000	保險業務 Insurance business HK\$'000	集團 Group HK\$'000
營運收入	Operating income	1,024,405	30,205	1,054,610
除稅前溢利	Profit before taxation	490,499	28,205	518,704

		截至二零零零年六月三十日止六個月 For the six months ended 30th June 2000		
		銀行及有關業務 Banking & related business HK\$'000	保險業務 Insurance business HK\$'000	集團 Group HK\$'000
營運收入	Operating income	950,565	17,093	967,658
除稅前溢利	Profit before taxation	395,304	15,429	410,733

財務比率

FINANCIAL RATIOS

		截至 二零零一年 六月三十日止 之有關期間 Period ended 30th June 2001	截至 二零零零年 十二月 三十一日止 之有關期間 Year ended 31st Dec. 2000	截至 二零零零年 六月三十日止 之有關期間 Period ended 30th June 2000
淨利息收入/ 營運收入	Net interest income/ operating income	76.1%	75.3%	77.0%
成本對收入比率	Cost to income ratio	41.9%	40.4%	39.4%
總資產回報(年率)	Return on total assets (annualised)	1.8%	1.7%	1.5%
股東資金回報(年率)	Return on shareholders' funds (annualised)	18.2%	17.9%	15.9%
派發股息比率 (相對可派發溢利)	Dividend payout ratio (on distributable profit)	31.2%	35.2%	33.1%
貸款對存款(包括後償債券) 比率(有關期間結餘日)	Loan to deposit (including subordinated bonds) ratio (as at period end)	75.3%	77.4%	71.4%
資本充足比率(註)	Capital adequacy ratio (Note)	17.8%	14.3%	14.5%
平均流動資金比率(註)	Average liquidity ratio (Note)	44.2%	44.4%	46.7%
淨息差(年率)	Net interest margin (annualised)	3.72%	3.79%	3.75%

註：

資本充足比率表示本集團銀行系於六月三十日或十二月三十一日之綜合比率。集團銀行系內各公司之資本充足比率乃根據銀行業條例第三附表計算。

流動資金比率顯示集團銀行系於有關期內每個曆月的平均流動資金比率的簡單平均數。集團銀行系內各公司之流動資金比率是根據銀行業條例第四附表計算。

Note:

The capital adequacy ratio represents the consolidated ratio of the Banking Group as at 30th June or 31st December. The capital adequacy ratio of each entity within the Banking Group is computed in accordance with the Third Schedule of the Banking Ordinance.

The liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio for the relevant periods for the Banking Group. The liquidity ratio of each entity within the Banking Group is computed in accordance with the Fourth Schedule of the Banking Ordinance.

中期股息

董事會宣佈二零零一年度中期股息每股0.52港元，較去年同期上升百分之二十三點八。此中期股息將於二零零一年九月三日(星期一)或以後付予二零零一年八月三十一日(星期五)辦公時間結束時登記於股東名冊內之股東。

撇除未可預料情況，董事會預計全年派發股息比率將約佔可派發溢利扣除潛在價值貢獻後之百分之三十五。

暫停辦理股東登記

本公司將於二零零一年八月二十七日(星期一)至二零零一年八月三十一日(星期五)(包括首尾兩天)暫停辦理股東登記。如欲享有中期股息，須於二零零一年八月二十四日(星期五)下午四時或以前將過戶表格連同有關股票送達香港皇后大道東一八三號合和中心十七樓香港中央證券登記有限公司，本公司之股份登記處辦理過戶手續。

業務回顧

儘管美國連串減息，促使本港自二零零一年一月起利率屢次下調，惟本港經濟表現仍處迂迴狀態。相較去年經濟之強勢復甦，失業及通縮情況於期內並未有明顯改善，反之本地生產總值增長速度則銳降。美國經濟放緩削弱本港出口及轉口貿易，並為內部消費及經濟增長加添壓力。揉合以上種種因素，貸款需求持續疲弱，牽制整體銀行業之貸款增長與淨息差。

期內，集團仍保持溢利增長，盈利能力亦繼有改善。扣除準備前之營運溢利較去年同期提升百分之四點五，主要源自銀行業務收益之增加。人壽保險業務的利潤增幅亦令人鼓舞。

淨利息收入在年內首六個月上升百分之七點六。相較去年同期錄得之百分之三點七五淨息差，期內淨息差稍為收窄至百分之三點七二。稍微下調主因，一方面基於商業及按揭貸款價格調整，另一方面集團決意將高質買賣交易債券之淨利息收入，歸類為其他營運收入以求更恰當反映收益性質所致。因其影響並不重大，前期數字並未作調整。

INTERIM DIVIDEND

The Directors have declared an interim dividend of HK\$0.52 per share for 2001, up 23.8% from that paid in 2000. The dividend will be payable on or after Monday, 3rd September 2001 to shareholders on the Register of Shareholders at the close of business on Friday, 31st August 2001.

Barring unforeseen circumstances, the Directors anticipate that dividend payout ratio for the full year would be approximately 35% of distributable profit excluding embedded value contribution.

CLOSING OF REGISTER OF SHAREHOLDERS

The Register of Shareholders will be closed from Monday, 27th August 2001 to Friday, 31st August 2001, both days inclusive. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrars, Central Registration Hong Kong Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 24th August 2001.

REVIEW OF BUSINESS

Despite the series of interest rate cuts since January 2001 led by the reduction in the US interest rates, the local economic performance has been mixed. Against a background of a strong economic recovery in 2000, unemployment and deflation in the period under review did not register any clear improvement, whilst the rate of GDP growth slowed down considerably. The slowdown in the US economy dampened Hong Kong's exports and re-export activities and exerted pressure on domestic consumption and economic growth. These factors combined to cause weak loan demand, which in turn contributed to depress loan growth and the net interest margin for banks in general.

Our Group was able to sustain profit growth and to improve profitability over the period. Operating profit before provisions was 4.5% higher, mainly resulting from the increased revenue contribution from banking business. Our life assurance business also posted an encouraging profit increase.

Net interest income grew by 7.6% in the first six months of the year. Our net interest margin of 3.72% in the period tightened slightly relative to the 3.75% level reported for the first half of 2000. The minor contraction was mainly caused by loan repricing in commercial and mortgage lending, and also by our decision to reclassify the net interest income generated from trading in high credit quality securities to other operating income to properly reflect the nature of such revenue. No prior year adjustment was made as it was immaterial.

業務回顧 (續)

其他營運收入較去年同期提高百分之十三點五。集團銀行系之收費及佣金收入表現理想，主要由於信用卡業務收益、保險佣金收入、貸款相關收費及債券交易收入所帶動。此外，根據潛在價值會計法作釐定準則之人壽保險業務淨收益為三千五百六十萬港元，較去年同期之二千六百四十萬港元，升幅達百分之三十五。

營運支出較去年同期上升百分之十五點九，增加之支出主要用作創立已於本年四月啟業之豐明銀行。豐明銀行員工隊伍於二零零零年下半年逐漸成形，去年上半年支出則輕微。支出升幅高企乃由於集團持續資訊科技投資，提高市場推廣活動使費，以及增加員工開銷所致。期內，集團的成本對收入比率上升至百分之四十一點九，若將「出售持至到期及非持作買賣用途的證券溢利」納入收入計算內，比率則下降至百分之三十九點九。

較之二零零零年首六個月，集團之壞賬及呆賬準備調撥減少百分之十八點四，主要由於新增問題貸款總額下降及期內貸款增長疲弱無需增加一般準備所致。商業銀行及租購貸款組合資產質素之持續審慎管理與改善，有助減省特別準備的支出。銀行系之逾期貸款及經重組貸款合計佔貸款總額比例由二零零零年底百分之三點六下調至本年六月底百分之二點八三。

銀行業務之客戶貸款及墊款總額較二零零零年底上升百分之一。零售及商業借貸之增長已抵銷租購貸款之收縮。面對運輸融資市場之激烈競爭與價格結構重整，集團審慎地釐定貸款價格，租購貸款總額因此而大幅下跌。在集團銳意拓展零售借貸組合的策略下，信用卡及其他客戶貸款遂得以高速發展。

由於本地銀行體系流動資金過剩，貸款增長率放緩，集團已加強調控存款利率定價以平衡存款結餘，並減低資金成本。集團於二零零一年三月完成總額一億二千五百萬美元十年期後償債券發行以提升資本充足比率。該後償債券促使集團達至更佳之資本組合，並確保集團具備穩健之資本充足比率，繼續加強業務發展。此乃大新銀行首次在資本市場發行二級資本。

REVIEW OF BUSINESS (Continued)

Other operating income was 13.5% higher than the same period in 2000. Our banking business posted solid improvement in fee and commission income, driven mainly by stronger credit card income, insurance commission, lending related fees, and the debt securities trading income. Our life assurance business' net contribution in the period, using the embedded value accounting treatment, rose to HK\$35.6 million which was 35% higher than the HK\$26.4 million profit recorded in the first half of 2000.

Operating expenses increased by 15.9% relative to the same period in 2000. The expense increase was caused mainly by building MEVAS Bank, which commenced business in April this year. The MEVAS team was built up gradually in the second half of 2000 and minimal costs were incurred in the first half of 2000. Our continued investment in IT and higher spending on marketing promotion, together with a higher level of staffing, contributed to the higher rate of expense increase. Our Group's cost to income ratio for the period increased to 41.9%. This would however drop to 39.9% if the profit on disposal of held-to-maturity and non-trading securities was included as income.

The Group's charge for bad and doubtful debts was 18.4% lower compared to that for the first six months in 2000. This largely reflected a lower amount of new problem loans and an absence of general provision charge in the period due to minimal loan growth. Continued attention to and improvement in the asset quality of the commercial banking and hire purchase loan portfolios contributed to a reduction in the specific provision charge. The combined ratio of overdue and rescheduled loans to total loans for our banking group dropped from 3.60% at the end of 2000 to 2.83% at the end of June 2001.

For our banking business, total loans and advances to customers were 1% higher compared to the end of 2000. The growth in retail and commercial lending was offset by the contraction in hire purchase lending. We adopted a more conservative pricing in response to the keen competition and repricing in the transport financing market and as a result we experienced a significant reduction in our hire purchase loan book. Our focus on growing the retail lending portfolio helped sustain the strong pace of growth in credit card and other consumer loans.

Due to the high level of surplus liquidity in the local banking sector and the slow rate of loan growth, we exercised tight control over deposit pricing, which resulted in a flat deposit balance and lowering of our cost of funds. In March 2001, Dah Sing Bank completed a US\$125 million 10-year subordinated bond issue to bolster our capital adequacy ratio. The subordinated bond enabled us to achieve a better capital structure mix and ensures that we are well positioned to pursue added business growth on the back of a stronger capital adequacy ratio. This was the first time Dah Sing Bank had issued Tier 2 capital in the capital market.

業務回顧 (續)

人壽保險業務之溢利較去年同期上升。業績得以改善主要由於新做保單銷售量增加與潛在價值提升所作出之貢獻。上半年全球證券市場普遍表現低沉，惟集團之債券投資收穫理想，有助彌補整體投資回報之下降。

集團屬下豐明銀行已於四月啟業，主力拓展零售銀行服務市場，經嶄新分銷渠道，積極推廣其創新服務與品牌。此剛開業之附屬銀行由於創立成本支銷，首六個月錄得輕微虧損。

未來前瞻

美國經濟放緩對全球經濟增長已構成不良影響，更直接牽累本港二零零一年的經濟表現。上半年美國屢次減息，預測本年年尾或明年初美國當今經濟逆勢將會逐步扭轉，本港經濟發展前景不明朗與市場進退失據之現況應有所改善，有望帶動投資及內部消費信心之重拾與改善。中國之持續經濟發展與臨近加入世貿，正有利支持集團以上樂觀之揣測。

集團認為二零零一年度下半年將極富挑戰，預料本港銀行業貸款需求依然疲弱，業內激烈價格競爭亦會繼續。由於下半年利率大幅下調空間似乎有限，大部份借貸產品息差漸次收窄，估計集團下半年淨息差將難以從現水平進一步擴闊。

就中期展望而言，依照現時本港經濟表現評估，集團預測貸款虧損將會提高。

提升收益乃集團首要重點，惟同時亦積極竭力控制成本開支上升，相信集團全年支出增長率較之上半年為低。

REVIEW OF BUSINESS (Continued)

Our life assurance business generated a higher profit than the first half of last year. The improved performance was driven by an increase in sales of new life policies and a higher contribution from the increase in embedded value. Although global equity market performance was generally depressed in the period, a stronger performance in our bond investment helped contain the drop in the overall investment return.

In April, we launched MEVAS Bank, which has been actively promoting its new businesses and brand by targeting primarily at the retail sector under a new distribution model. A small loss was incurred by this new subsidiary bank in the first six months due to start-up costs.

PROSPECTS

The slowdown in the US economy has had an adverse impact on the global economic growth and Hong Kong's economic performance in 2001 is directly affected. With the repeated cuts in US interest rates in the first half, the US economy may gradually reverse its current downturn toward the end of the year or next year. The current uncertainties and mixed sentiment on Hong Kong's economic growth prospects may give way to renewed confidence and an improvement in investment and domestic consumption. China's continued economic growth and its imminent accession to the WTO are positive factors underpinning this optimism.

We are of the view that the second half of 2001 will be challenging and anticipate continued soft loan demand for the local banking market, with keen pricing competition amongst banks. As the scope for any major cuts in interest rates in the second half of the year is likely to be limited and the interest spread on most lending products is tightening, we are of the view that our net interest margin in the second half is unlikely to expand from the current level.

Going forward and in the medium term, we anticipate a higher level of loan losses based on our current assessment of local economic performance.

Although growing revenue is our key focus, we are working diligently to contain the increase in the Group's cost base and believe our full-year expense growth rate will be smaller when compared with the increase in the first half year.

董事權益

於二零零一年六月三十日，根據本公司依證券(披露權益)條例第二十九條規定而設置之登記冊所載記錄顯示，各董事在本公司股份中之權益如下：

DIRECTORS' INTERESTS

At 30th June 2001, the interests of the Directors in the share capital of the Company recorded in the register maintained under section 29 of the Securities (Disclosure of Interests) Ordinance were as follows:

董事姓名 Name of Director	持有本公司普通股之數量 Number of Ordinary Shares of the Company held			總數 Total
	個人權益 Personal Interests	法團權益 Corporate Interests (註一) (Note 1)	其他權益 Other Interests (註二) (Note 2)	
王守業 David Shou-Yeh Wong	–	91,723,982	–	91,723,982
周忠繼 Chung-Kai Chow	650,676	–	–	650,676
周偉偉 John Wai-Wai Chow	797,248	–	–	797,248
莊先進 John W. Simpson	16,017	–	–	16,017
Peter G. Birch Peter G. Birch	50,000	–	–	50,000
黃漢興 Hon-Hing Wong	–	–	800,000	800,000
伍耀明 Yiu-Ming Ng	–	–	200,000	200,000
安德生 Roderick S. Anderson	60,131	–	200,000	260,131

註：

- (一) 王守業之法團權益乃指由其擁有三分之一或以上權益公司所持有之股份。
- (二) 是項權益乃指根據一九九五年五月十七日獲股東通過之行政人員認股計劃所授予認購本公司股份之權利。本公司於二零零零年四月三日按每份認股權1港元代價授予若干董事權利可認購本公司股本中每股面值2港元之股份。於二零零零年四月三日授予之認股權價格，為每股26.28港元。該等認股權可於獲授予日期起計第一至第五周歲日期間按個別數額行使。
- (三) 於二零零一年五月，賈世德行使認股權認購200,000股本公司股份。依據行政人員認股計劃賦予權力，本公司已按認股權行使當日本公司股份每股收市價與其設定認購價26.28港元之溢價每股17.52港元，以現金代替配發新股予賈世德。支付總額為三百五十萬零四千港元。賈世德擁有本公司200,000股之認股權確認為已全數行使。

除上述所載外，本公司截至二零零一年六月三十日止六個月期間並無授予任何認購本公司股本或債務證券之權利。

Notes:

- 1) The corporate interests of David Shou-Yeh Wong are in respect of shares held by companies in which the Director has an interest of one third or more.
- 2) These interests represent share options outstanding to subscribe for shares of the Company granted pursuant to the Executive Share Option Scheme approved by shareholders on 17th May 1995. Certain Directors of the Company were granted options on 3rd April 2000 at a consideration of HK\$1 per option to subscribe for shares of the Company with a par value of HK\$2 each. Options granted on 3rd April 2000 have an exercise price of HK\$26.28 per share. The options can be exercised in varying amounts between the first and fifth anniversaries of the dates of grant.
- 3) Mr. Ronald Carstairs exercised his option to subscribe for 200,000 shares of the Company in May 2001. Instead of allotting new shares, the Company exercised its discretion as allowed by the Executive Share Option Scheme by paying Mr. Carstairs HK\$17.52 per share in cash, which is the excess of closing market price on the exercise date over the pre-determined subscription price of HK\$26.28 each. The aggregate payment amounted to HK\$3,504,000 and the option granted to Mr. Carstairs to subscribe for 200,000 shares was confirmed as exercised.

Apart from the foregoing, at no time during the six months ended 30th June 2001 did the Company grant any right to subscribe for its own equity or debt securities.

主要股東權益

於二零零一年六月三十日，根據證券(披露權益)條例第十六(一)條而設置之主要股東登記冊，顯示本公司已接獲有關下列持有本公司發行股本百分之十或以上權益之通知。此等權益並不包括以上披露之董事權益內。

股東	股份數量
The Sanwa Bank, Limited	34,539,066

註：於二零零一年八月八日本報表經董事會通過當日，The Sanwa Bank, Limited 實質持有本公司36,631,066股權益。

符合最佳應用守則聲明

無任何董事知悉足以合理地指出本公司在本報表包括之會計期間內任何時間概無或曾無遵守香港聯合交易所有限公司上市規則附錄十四建議之最佳應用守則，惟(一)由於所有董事(不包括董事總經理)均須根據本公司之組織章程細則規定在股東週年大會上輪值告退，因此非執行董事並無指定之委任任期，(二)集團審核委員會成員共五名，四名為獨立非執行董事，另一名為執行董事，為審核委員會提供有關銀行業務專才及對集團廣泛之瞭解。

審核委員會

審核委員會在管理層的協助下，經已省覽集團沿用之會計準則與實務，並就有關內部監管及財務報告事宜(包括審閱截至二零零一年六月三十日止六個月未經審核中期財務報表)進行商討研究。

本公司股份買賣

截至二零零一年六月三十日止，本公司及其任何附屬公司並無購買、出售或贖回其已上市之股份。

承董事會命
秘書 **蘇海倫** 謹啟

香港 二零零一年八月八日(星期三)

SUBSTANTIAL SHAREHOLDER'S INTERESTS

At 30th June 2001 the register of substantial shareholders maintained under section 16(1) of the Securities (Disclosure of Interests) Ordinance showed that the Company had been notified of the following interests, being 10% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors.

Shareholder	No. of shares
The Sanwa Bank, Limited	34,539,066

Note: As at 8th August 2001 when this interim report was approved, The Sanwa Bank, Limited was beneficially interested in 36,631,066 shares of the Company in issue.

COMPLIANCE WITH CODE OF BEST PRACTICE

None of the Directors are aware of information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by this interim report, in compliance with Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited, except that (1) non-executive Directors were not appointed for a specific term since all Directors, excluding the Managing Director, have been subject to rotation in annual general meetings pursuant to the Company's Articles of Association and (2) the Audit Committee comprises five members with four independent non-executive Directors and one executive Director who brings particular banking expertise and extensive knowledge of the Group to the Audit Committee.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited interim financial statements for the six months ended 30th June 2001.

DEALINGS IN THE COMPANY'S SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed shares during the period ended 30th June 2001.

By Order of the Board
H L Soo
Secretary

Hong Kong, 8th August 2001 (Wednesday)