

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2001

## 10. DIVIDENDS

	2001 HK\$'000	2000 HK\$'000
Interim dividend paid - HK\$0.15 (2000: HK\$0.18) per share	65,250	78,300
Final dividend proposed - HK\$0.30 (2000: HK\$0.35) per share	<u>130,500</u>	<u>152,250</u>
	<u>195,750</u>	<u>230,550</u>

A final dividend of HK\$0.30 (2000: HK\$0.35) per share has been proposed by the directors and is subject to approval by the shareholders in general meeting.

## 11. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders of HK\$345,887,000 (2000: HK\$456,598,000) and on 435,000,000 (2000: 435,000,000) ordinary shares in issue during the year.

## 12. CASH AND SHORT-TERM FUNDS

	THE GROUP		THE BANK	
	2001 HK\$'000	2000 HK\$'000	2001 HK\$'000	2000 HK\$'000
Cash and balances with banks and other financial institutions	409,020	338,616	409,015	338,613
Money at call and short notice	13,034,683	13,443,296	13,034,683	13,443,296
Exchange fund bills	826,136	776,408	823,118	773,391
	<u>14,269,839</u>	<u>14,558,320</u>	<u>14,266,816</u>	<u>14,555,300</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2001

## 13. INVESTMENTS IN SECURITIES

	Trading securities		Held-to-maturity securities		Other securities		Total	
	2001	2000	2001	2000	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>THE GROUP</b>								
Equity securities:								
Listed in Hong Kong	400	577	-	-	98,022	133,819	98,422	134,396
Listed overseas	-	-	-	-	3,732	5,100	3,732	5,100
Unlisted	-	-	-	-	186,398	151,515	186,398	151,515
	<u>400</u>	<u>577</u>	<u>-</u>	<u>-</u>	<u>288,152</u>	<u>290,434</u>	<u>288,552</u>	<u>291,011</u>
Debt securities:								
Unlisted	171,935	169,213	494,874	110,573	-	-	666,809	279,786
Total:								
Listed in Hong Kong	400	577	-	-	98,022	133,819	98,422	134,396
Listed overseas	-	-	-	-	3,732	5,100	3,732	5,100
Unlisted	171,935	169,213	494,874	110,573	186,398	151,515	853,207	431,301
	<u>172,335</u>	<u>169,790</u>	<u>494,874</u>	<u>110,573</u>	<u>288,152</u>	<u>290,434</u>	<u>955,361</u>	<u>570,797</u>
Market value of listed securities:								
Listed in Hong Kong	400	577	-	-	98,022	133,819	98,422	134,396
Listed overseas	-	-	-	-	3,732	5,100	3,732	5,100
	<u>400</u>	<u>577</u>	<u>-</u>	<u>-</u>	<u>101,754</u>	<u>138,919</u>	<u>102,154</u>	<u>139,496</u>

Unlisted other securities are stated at cost. The directors are of the opinion that the cost is not materially different from the fair value as at 31 December 2001.

	Trading securities		Held-to-maturity securities		Other securities		Total	
	2001	2000	2001	2000	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>THE BANK</b>								
Equity securities:								
Listed in Hong Kong	-	-	-	-	77,807	82,049	77,807	82,049
Listed overseas	-	-	-	-	3,732	5,100	3,732	5,100
Unlisted	-	-	-	-	178,590	151,515	178,590	151,515
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,129</u>	<u>238,664</u>	<u>260,129</u>	<u>238,664</u>
Debt securities:								
Unlisted	171,935	169,213	494,874	110,573	-	-	666,809	279,786
Total:								
Listed in Hong Kong	-	-	-	-	77,807	82,049	77,807	82,049
Listed overseas	-	-	-	-	3,732	5,100	3,732	5,100
Unlisted	171,935	169,213	494,874	110,573	178,590	151,515	845,399	431,301
	<u>171,935</u>	<u>169,213</u>	<u>494,874</u>	<u>110,573</u>	<u>260,129</u>	<u>238,664</u>	<u>926,938</u>	<u>518,450</u>
Market value of listed securities:								
Listed in Hong Kong	-	-	-	-	77,807	82,049	77,807	82,049
Listed overseas	-	-	-	-	3,732	5,100	3,732	5,100
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,539</u>	<u>87,149</u>	<u>81,539</u>	<u>87,149</u>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2001

## 13. INVESTMENTS IN SECURITIES - continued

Investments in securities are analysed and reported by issuing entities as follows:

	Trading securities		Held-to-maturity securities		Other securities		Total	
	2001 HK\$'000	2000 HK\$'000	2001 HK\$'000	2000 HK\$'000	2001 HK\$'000	2000 HK\$'000	2001 HK\$'000	2000 HK\$'000
<b>THE GROUP</b>								
Central governments and central banks	-	-	11,696	11,699	-	-	11,696	11,699
Public sectors entities	46	50	-	38,785	41,825	33,194	41,871	72,029
Banks and other financial institutions	42,203	67,217	217,656	8,842	183,806	157,639	443,665	233,698
Corporate entities	107,302	79,514	-	-	42,953	48,803	150,255	128,317
Others	22,784	23,009	265,522	51,247	19,568	50,798	307,874	125,054
	<u>172,335</u>	<u>169,790</u>	<u>494,874</u>	<u>110,573</u>	<u>288,152</u>	<u>290,434</u>	<u>955,361</u>	<u>570,797</u>
<b>THE BANK</b>								
Central governments and central banks	-	-	11,696	11,699	-	-	11,696	11,699
Public sectors entities	-	-	-	38,785	41,432	32,766	41,432	71,551
Banks and other financial institutions	42,172	67,179	217,656	8,842	183,735	157,548	443,563	233,569
Corporate entities	106,979	79,025	-	-	34,437	47,825	141,416	126,850
Others	22,784	23,009	265,522	51,247	525	525	288,831	74,781
	<u>171,935</u>	<u>169,213</u>	<u>494,874</u>	<u>110,573</u>	<u>260,129</u>	<u>238,664</u>	<u>926,938</u>	<u>518,450</u>