

至二零零三年十二月三十一日全年結算
(除特別列明外均以港幣百萬元位列示)

Year ended 31 December 2003
(Figures expressed in millions of Hong Kong Dollars unless otherwise indicated)

1. 編製基礎

(甲) 本賬項乃按照香港會計師公會頒佈之香港財務報告準則(包括會計實務準則及註釋)編製,並符合香港公認會計準則及香港公司法例之規定。本賬項已完全遵守香港金融管理局發出之監管政策手冊內有關「本地註冊認可機構披露財務資料」要求,及符合香港聯合交易所有限公司上市條例有關財務披露之規定。

(乙) 本綜合賬項包括恒生銀行(簡稱「銀行」)及其附屬與聯營公司(簡稱「集團」)截至十二月三十一日止年度之賬項。綜合賬項包括應佔聯營公司之業績及儲備,乃根據該等公司截止日期不早於十二月三十一日前六個月之賬項編製。集團內公司之間一切重大交易已於綜合計算時予以抵銷。

(丙) 本賬項乃採用原值成本慣例編製,惟若干投資證券及行址與投資物業則按照附註4(戊)及(己)之會計政策,修訂為以重估公平價值列示。

(丁) 除附註2「會計政策之變動」內所列示之變更外,編製本賬項所採用之會計政策與往年貫徹一致。

1. Basis of preparation

(a) These accounts have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (which includes all applicable Statements of Standard Accounting Practice and Interpretations) issued by the Hong Kong Society of Accountants, accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. In addition, these accounts comply fully with the module on "Financial Disclosure by Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority. These accounts also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

(b) The consolidated accounts comprise the accounts of Hang Seng Bank Limited ("the Bank") and all its subsidiary and associated companies ("the Group") made up to 31 December. The consolidated accounts include the attributable share of the results and reserves of associated companies based on accounts made up to dates not earlier than six months prior to 31 December. All significant intra-group transactions have been eliminated on consolidation.

(c) The accounts have been prepared under the historical cost convention, as modified by the revaluation of certain securities and premises and investment properties as set out in the accounting policies in notes 4(e) and 4(f) respectively.

(d) The accounting policies used in the preparation of these accounts are consistent with those used in the previous year except for those set out in note 2 "Change in accounting policy".

2. 會計政策之變動

往年，遞延稅項是因會計及稅務對收支處理不同而引起的所有重大時差，預計在可見未來可能出現的稅項負擔，按負債法提撥準備。遞延稅項資產，必須有充足理由確定在可見將來實現才會確認入賬。由二零零三年一月一日起，本集團改變有關遞延稅項之政策，以符合香港會計師公會發出香港會計實務準則第十二號（修訂）「利得稅項」之要求。新政策詳列於第一百一十九頁之附註4（癸）「利得稅項」項下。二零零三年十二月三十一日之綜合資產負債表內之遞延稅項資產及遞延稅項負債之結餘分別為港幣五千二百萬元及港幣六億四千三百萬元（二零零二年十二月三十一日則分別為港幣七千三百萬元及港幣六億三千五百萬元）。於二零零三年，撥回損益賬之遞延稅項為港幣四千九百萬元，而二零零二年則為支取損益賬港幣四千一百萬元。

採納香港會計實務準則第十二號導致會計政策改變並追溯至前年度。過往年度賬項因而作出調整。因此二零零二年之比較數字已重新列示，以符合是年度賬項之編排。

2. Change in accounting policy

In prior years, deferred tax liabilities were provided for using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 January 2003, the Group has changed its policy for deferred tax in order to comply with Hong Kong Statement of Standard Accounting Practice 12 (revised) (HKSSAP 12) on "Income Taxes" issued by the Hong Kong Society of Accountants. Details of the new policy are set out in note 4(j) "Income tax" on page 119. The balances of deferred tax assets and deferred tax liabilities in the consolidated balance sheet at 31 December 2003 were HK\$52 million and HK\$643 million respectively (HK\$73 million and HK\$635 million respectively at 31 December 2002). The deferred tax released to the profit and loss account in 2003 was HK\$49 million, compared with a charge of HK\$41 million in 2002.

The adoption of HKSSAP 12 represents a change in accounting policy which has been applied retrospectively. The change in accounting policy has been reflected by way of a prior year adjustment and the comparative figures for 2002 have been restated to conform with the current year's presentation accordingly.

3. 業務性質

本集團主要從事銀行業及有關之金融服務。

3. Nature of business

The Group is engaged primarily in the provision of banking and related financial services.

4. 主要會計政策

(甲) 收入之確認

除貸款已列為呆賬外(附註4(丙))，利息收入均以應計基準在損益賬內確認。

費用及佣金收入均於列為應收項目時計入收益，除非該等收入是用以彌補向客戶持續提供服務之成本或須為客戶承擔風險，或屬利息性質收入。在該等情況下，費用則於有關期間內按適當之基準確認。

4. Principal accounting policies

(a) Income recognition

Interest income is recognised in the profit and loss account as it accrues, except in the case of doubtful debts (note 4(c)).

Fee and commission income is accounted for in the period when receivable, except where the fee is charged to cover the costs of a continuing service to or risk borne for the customer, or is interest in nature. In these cases, it is recognised on an appropriate basis over the relevant period.

4. 主要會計政策 續**(乙) 商譽**

當收購附屬或聯營公司之成本高於或低於本集團購得其所佔可分離資產份額之公平淨值時，即產生商譽或折讓。於一九九八年一月一日起收購所產生之商譽已列入資產負債表之「其他資產」項內，而所產生之折讓則列於「其他負債」項內，並按照其估計可用年期以直線法攤銷。於一九九八年一月一日前進行之收購，其產生之商譽於收購當年從「儲備」項內撇除，而收購所產生之折讓則於收購當年誌入「儲備」項內。

於出售附屬或聯營公司時，任何未攤銷或已誌入儲備內之商譽或折讓，將與本集團購得其所佔資產份額之公平淨值一併計算出售該等公司之損益。

(丙) 呆賬及準備

(一) 當管理層對最終收回貸款本金或利息之機會存疑，或應償還之本金或利息已逾期九十天，該等貸款即列為呆賬；有關利息即作懸欠利息處理，並按需要提撥特殊準備。

惟於下述特殊情況下貸款可逾期至十二個月始列作懸欠利息處理：

- 持有之現金抵押足以償付貸款本金及利息總額，並可合法行使抵償權；
- 可變現之有形抵押品淨值足以抵償貸款本金及利息，並通過信審程序批准將利息累積或撥入本金；或
- 按組合基準以滾動率程式提撥準備之單一類別之小額貸款組合，可在逾期九十日後仍累計利息，累計利息將撥入本金按組合基準提撥準備。

4. Principal accounting policies *continued***(b) Goodwill**

Goodwill or discount arises on the acquisition of subsidiary and associated companies when the cost of acquisition differs from the fair value of the Group's share of separable net assets acquired. For acquisitions made on or after 1 January 1998, goodwill is included in the balance sheet in "Other assets" and discount on acquisition is included in "Other liabilities" and they are amortised over their estimated lives on a straight line basis. For acquisitions prior to 1 January 1998, goodwill was charged against "Reserves" and discount on acquisition was credited to "Reserves" in the year of acquisition.

On disposal of the subsidiary or associated companies, any goodwill or discount on acquisition previously taken directly to reserves or not yet amortised in the profit and loss account is included in the Group's share of net assets of the company in the calculation of the profit or loss on disposal of the company.

(c) Doubtful debts and provisions

(i) Loans are designated as doubtful as soon as management has doubts as to the ultimate recoverability of principal or interest or when contractual payments of principal or interest are 90 days overdue. When a loan is considered doubtful, interest will be suspended and a specific provision raised if required.

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

- where cash collateral is held covering the total of principal and interest due and the right of set-off is in place;
- where the value of net realisable tangible collateral is considered more than sufficient to cover the full repayment of all principal and interest due and credit approval has been given to the rolling-up or capitalisation of interest payments; or
- for portfolios of small homogeneous loans where provisions are made on a portfolio basis using the roll rate methodology, interest income will continue to accrue after the account is 90 days overdue and the interest will be included as part of the loan balance for the purpose of making provisions.

4. 主要會計政策 續

集團政策規定須以審慎及貫徹一致之基準迅速提撥適當之呆壞賬準備。所提撥之準備基本上分為特殊及一般兩種，兩者均須考慮抵押品情況及未償還金額而釐定。

(二) 特殊準備

特殊準備是對已確認之呆壞賬項衡量其實際及預期損失數字作出提撥，並在資產負債表之貸款項內扣除。

特殊準備是根據個別呆壞賬評估作提撥，惟單一類別之小額貸款組合則以整體組合作為評估基準。特殊準備之數額是按集團保守評估提撥，足以抵銷將有關貸款撇減至最終可收回之數值，並考慮包括下列之各項因素：

- 切實評估客戶之財政狀況，包括其在可接受之期限內償還欠款之可能性；
- 集團對客戶之總風險；
- 若客戶清盤或破產可獲得之派發金額；
- 貸款抵押品之可變現值；
- 追收貸款及將抵押品變現所涉及之費用；及
- 若貸款並非以本地貨幣為單位，則需考慮借款人獲取有關外幣之能力。

單一類別之小額貸款組合，是按組合基準以滾動率程式或相近之程式提撥特殊準備。採用之滾動率程式為一種根據統計分析以往趨勢預測不同程度的逾期貸款，最終無法償還及損失之比率，並參照其他過往經驗及評估當前經濟情況，計算預期損失而釐定合適之特殊準備。

4. Principal accounting policies *continued*

It is the Group's policy to make provisions for bad and doubtful debts promptly where required and on a prudent and consistent basis. There are two basic types of provisions, specific and general, each of which is considered in terms of the charge and the amount outstanding.

(ii) Specific provisions

Specific provisions represent the quantification of actual and expected losses from identified accounts and are deducted from loans and advances in the balance sheet.

Other than where provisions on small balance homogenous loans are assessed on a portfolio basis, the amount of specific provision raised is assessed case by case. The amount of specific provision raised is the Group's conservative estimate of the amount needed to reduce the carrying value of the asset to the expected ultimate net realisable value, and in reaching a decision consideration is given, among other things, to the following factors:

- the financial standing of the customer, including a realistic assessment of the likelihood of repayment of the loan within an acceptable period;
- the Group's aggregate exposure to the customer;
- the likely dividend available on liquidation or bankruptcy;
- the realisable value of any collateral for the loan;
- the costs associated with obtaining repayment and realisation of the collateral; and
- if loans are not in local currency, the ability of the borrower to obtain the relevant foreign currency.

For portfolios of small homogeneous loans, specific provisions are made on a portfolio basis using the roll rate methodology or similar formulaic approach. Roll rate methodology is a statistical analysis of historical trends of the probability of default and amount of consequential loss, assessed at each time period for which payments are overdue and takes into account other historical data and an evaluation of current economic conditions to calculate an appropriate level of specific provisions based on expected loss.

4. 主要會計政策 續**(丙) 呆賬及準備 續****(三) 一般準備**

一般準備作為補充特殊準備，以照應於結算日已存在但於日後始能確認之貸款損失。提撥水平乃根據集團之貸款組合結構及風險特性，及根據過往損失經驗預計貸款組合之個別部份之損失，並須參照過往經驗評估之潛在風險，定期檢討以維持適當之一般準備水平。一般準備於資產負債表所列客戶貸款中扣除。

(四) 懸欠利息之貸款

在編製資產負債表時，懸欠利息已從「客戶貸款」及「預付及應計收益」項下之應收利息賬項內扣除。收回之現金還款（變現抵押品所得現金除外），首先抵償懸欠利息並進誌損益賬，同時按已收利息之數額，對未償本金餘額提撥特別準備。變現抵押品所得的款項將用於償還未償本金，餘額則用以彌補特殊準備及懸欠利息。

(五) 停止計息貸款

倘收回利息之機會渺茫，即停止累計利息。

直至客戶能夠依期償還本金與利息及確保將來之還款能力，方可重新列為正常收取利息之貸款。

(六) 貸款撇除

當欠債務已再無實際機會收回時，該貸款及其懸欠利息即作出撇賬。信用卡及無抵押私人貸款按一般程序於逾期二百一十日後予以撇除。

4. Principal accounting policies *continued***(c) Doubtful debts and provisions *continued*****(iii) General provisions**

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

(iv) Loans on which interest is being suspended

Interest suspended on doubtful debts is netted in the balance sheet against "Advances to customers" and accrued interest receivable in "Prepayments and accrued income". On receipt of cash (other than from the realisation of collateral), suspended interest is recovered and taken to the profit and loss account. A specific provision of the same amount as the interest receipt is then raised against the principal balance. Amounts received from the realisation of collateral are applied to the repayment of outstanding indebtedness, with any surplus used to recover any specific provisions and then suspended interest.

(v) Non-accrual loans

Where the probability of receiving interest payments is remote, interest is no longer accrued.

Loans are not reclassified as accruing until interest and principal payments are up-to-date and future payments are reasonably assured.

(vi) Write-off of loans

Where the loan has no reasonable prospect of recovery, the loan and related suspended interest are written off. Credit card and unsecured personal loans are normally charged off after 210 days overdue.

4. 主要會計政策 續

(丙) 呆賬及準備 續

(七) 重整貸款

重整貸款是基於客戶財政困難而重組或重訂償還條件之貸款，貸款重整之目的為提高逾期貸款最終之收回數額。藉著放緩追收欠款之正常程序，容許合資格之客戶改善賬戶情況或重新商議償還貸款條件。重整貸款條件通常較原來優惠。重整後之貸款按新還款期重新列為未逾期貸款，能按新還款期正常償還為期六至十二個月後，即不再列為重整貸款。若在新還款期仍逾期三個月，則按照香港金融管理局發出之監管政策手冊內有關「本地註冊認可機構披露財務資料」要求，列為「逾期貸款」而不再列為重整貸款。

(八) 貸款變現而換取之資產

為有秩序地將其變現以抵償貸款而購入之資產均繼續列為貸款。所購入資產按轉換當日被清理之貸款賬面值列賬，而其日後減值則悉數提撥準備。

(丁) 外幣伸算

外幣本位之資產及負債均按年結日之市價滙率伸算為港元。海外分行及海外附屬公司之業績則按是年度平均滙率伸算為港元。

期初之外幣資本投資淨額及以平均滙率伸算之業績均於年結日重新按當日滙率伸算，所產生之損益將誌入「保留溢利」賬內。其他換算損益則誌入損益賬內。

4. Principal accounting policies *continued*

(c) *Doubtful debts and provisions continued*

(vii) Rescheduled advances

Rescheduled advances are those which have been rescheduled or renegotiated for reasons related to the borrower's financial difficulties. Rescheduling activity is designed to maximise cash recovery on overdue accounts by slowing down the formal steps in collection management to allow qualifying customers to repair or renegotiate satisfactory maintenance of their accounts. This will normally involve the granting of concession terms and resetting the overdue account to non-overdue status. A rescheduled advance will continue to be disclosed as such unless the debt has been performing in accordance with the rescheduled terms for a period of six to twelve months. Rescheduled advances which have been overdue for more than three months under the rescheduled terms are reported as "overdue advances" in accordance with the module on "Financial Disclosure by Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority.

(viii) Assets acquired in exchange for advances

Assets acquired in exchange for advances in order to achieve an orderly realisation continue to be reported as advances. The asset acquired is recorded at the carrying value of the advance disposed of at the date of the exchange, and provisions are made based on any subsequent deterioration in its value.

(d) *Translation of foreign currencies*

Assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the rates of exchange ruling at the year-end. The results of overseas branches and subsidiary companies are translated into Hong Kong dollars at the average rates of exchange for the year.

Exchange differences arising from the retranslation of opening foreign currency net investments and exchange differences arising from retranslation of the result for the year from the average rate to the exchange rate ruling at the year-end are accounted for in "Retained profits". Other exchange differences are recognised in the profit and loss account.

4. 主要會計政策 續**(戊) 投資****(一) 持作買賣用途及長期投資之證券**

集團就擁有明確意向及能力持有至到期日之債務證券均列為「持至期滿之債務證券」並按類列入資產負債表內之「庫券」(列於「庫存現金及短期資金」項下)、「存款證」或「長期投資」。持至期滿之債務證券均按成本扣除減值準備列賬(附註4(庚))。

以溢價或折讓價購入之有期債務證券，其溢價及折讓均按購買日起至到期日止期間於損益賬內攤銷。此等證券均按成本調整購入溢價及折讓之攤銷列入資產負債表內。溢價及折讓之攤銷則列作「利息收入」。

持至期滿之債務證券若於到期日前售出或轉為持作買賣用途，因而產生之任何溢利或虧損均於當日列入損益賬內，並包括於「有形固定資產及長期投資之溢利」項內。

擬持續持有之股票均列為「長期投資」，並按公平價值列入資產負債表內；因市值變動所產生之溢利或虧損，則誌入「長期股票投資重估儲備」賬內。當出售或決定將投資減值時，所累積之溢利或減值即誌入該期損益結算表之「有形固定資產及長期投資之溢利」項內。

其他持作買賣用途之證券均按公平價值列入資產負債表內並按類列入「庫券」(列於「庫存現金及短期資金」項下)、「存款證」或「持作買賣用途之證券」。該等資產之公平價值變動則於損益結算表之「買賣溢利」項內確認。

4. Principal accounting policies *continued***(e) Investments****(i) Securities held for dealing purposes and long-term investments**

Debt securities in respect of which the Group has the expressed intention and ability to hold until maturity are classified as "Held-to-maturity securities" and are included in the balance sheet in the categories of "Treasury bills" (included in "Cash and short-term funds"), "Certificates of deposit" or "Long-term investments" as appropriate. Held-to-maturity debt securities are included in the balance sheet at cost less provision for any impairment (note 4(g)).

Where dated debt securities have been purchased at a premium or discount, those premiums and discounts are amortised through the profit and loss account over the period from the date of purchase to the date of maturity. These securities are included in the balance sheet at cost adjusted for the amortisation of premiums and discounts arising on acquisition. The amortisation of premiums and discounts is included in "Interest income".

Any profit or loss arising on disposal of held-to-maturity securities prior to maturity or on transfer to securities held for dealing purposes is included in the profit and loss account as it arises and is included in "Profit on tangible fixed assets and long-term investments".

Equity shares intended to be held on a continuing basis are classified as "Long-term investments" and are included in the balance sheet at fair value. Gains and losses arising from changes in fair value are accounted for as movements in the "Long-term equity investment revaluation reserve". When an investment is disposed of or the investment is determined to be impaired, the cumulative profit or loss, including any amounts previously recognised in the long-term equity investment revaluation reserve, is included in the profit and loss account for the year in "Profit on tangible fixed assets and long-term investments".

Other securities are classified as held for dealing purposes and included in the balance sheet at fair value in the categories of "Treasury bills" (included in "Cash and short-term funds"), "Certificates of deposit", or "Securities held for dealing purposes" as appropriate. Changes in fair value of such assets are recognised in the profit and loss account as "Dealing profits" as they arise.

4. 主要會計政策 續

(戊) 投資 續

售出之證券如附有按預定價格回購之承諾，仍按原分類列於資產負債表內，而出售所得之金額則以負債方式列示。相反，根據類似轉售承諾而購入之證券則不會在資產負債表內確認，而所支付之金額則視乎交易對手之性質為銀行或非銀行而列入「庫存現金及短期資金」或「客戶貸款」賬內。

(二) 附屬公司投資

附屬公司投資均按成本值扣除董事認為需要提撥之減值準備後於銀行之資產負債表內列賬(附註4(庚))。

(三) 聯營公司投資

聯營公司投資於綜合賬項內以權益法計算集團應佔該等公司之資產淨值列賬；而在銀行之資產負債表內則以成本值扣除董事認為需要提撥之減值準備後列賬(附註4(庚))。

(己) 有形固定資產

(一) 行址按估值減除折舊後列賬。折舊乃按照資產之估計可用年數攤銷全部賬面價值，計算方式如下：

- 永久業權之土地不予折舊；
- 租約業權之土地按照租約剩餘年數攤銷；及
- 房屋及其改良成本按直線法每年攤銷百分之二或按租約剩餘年數分攤折舊，兩者以較高者為準。

4. Principal accounting policies *continued*

(e) Investments *continued*

Where securities are sold subject to a commitment to repurchase them at a predetermined price, they remain in the balance sheet and a liability is recorded in respect of the consideration received. Conversely, securities purchased under analogous commitments to resell are not recognised in the balance sheet and the consideration paid is recorded in "Cash and short-term funds" where the counterparty is a bank or in "Advances to customers" where the counterparty is a non-bank customer.

(ii) Investments in subsidiary companies

Investments in subsidiary companies are stated at cost less provision for any impairment (note 4(g)) as determined by the Directors in the Bank's balance sheet.

(iii) Investments in associated companies

Investments in associated companies are stated at the Group's attributable share of the net assets of the associated companies using the equity method of accounting in the Group's consolidated balance sheet and are stated at cost less provision for any impairment (note 4(g)) as determined by the Directors in the Bank's balance sheet.

(f) Tangible fixed assets

(i) Premises are stated at valuation less depreciation calculated to write off the assets over their estimated useful lives as follows:

- freehold land is not depreciated;
- leasehold land is depreciated over the unexpired terms of the leases; and
- buildings and improvements thereto are depreciated at the greater of 2% per annum on the straight line basis or over the unexpired terms of the leases.

4. 主要會計政策 續**(己) 有形固定資產 續**

(二) 行址均由具專業資格之估價師定期估值，以確保其賬面淨值與公平價值無大差異。因重估而產生之溢價先沖回誌於損益賬內有關該物業過往重估所產生之虧損，餘數誌入儲備項下之「行址重估儲備」內。因重估而產生之虧損先從「行址重估儲備」內扣除該物業過往之重估溢價，不足之數於損益賬內支銷。

(三) 投資物業由具專業資格之估價師估計其公開市值列示於資產負債表。按投資組合計算之重估溢價已誌入「投資物業重估儲備」賬內。按組合計算而產生之重估虧損先從過往重估溢價內扣除，不足之數於損益賬內支銷。

租約期尚餘二十年或以下之投資物業需按估值減除折舊後列賬。折舊乃按照租約之剩餘年數攤銷全部賬面價值計算。

(四) 設備包括傢俬、機械及其他設備按成本減除折舊後列賬。折舊之計算乃按照資產之估計可用年數（一般在三至十年間），以直線折舊法攤銷。

(五) 出售行址、投資物業及設備之損益均以淨售所得與該資產之賬面淨值差價計算。因出售行址而實現之有關重估溢價由「行址重估儲備」項下撥往「保留溢利」項下。因出售投資物業而實現之有關重估溢價或虧損，則由「投資物業重估儲備」項下撥往「保留溢利」項下。

4. Principal accounting policies *continued***(f) Tangible fixed assets *continued***

(ii) Premises are revalued by professionally qualified valuers with sufficient regularity to ensure that the net carrying amount does not differ materially from the fair value. Surpluses arising on revaluation are credited firstly to the profit and loss account to the extent of any deficits arising on revaluation previously charged to the profit and loss account in respect of the same premises, and are thereafter taken to the "Premises revaluation reserve". Deficits arising on revaluation are firstly set off against any previous revaluation surpluses included in the "Premises revaluation reserve" in respect of the same premises, and are thereafter taken to the profit and loss account.

(iii) Investment properties are stated in the balance sheet at their open market values which are assessed by professionally qualified valuers. Surpluses arising on revaluation on a portfolio basis are credited to the "Investment properties revaluation reserve". Deficits arising on revaluation on a portfolio basis are firstly set off against any previous revaluation surpluses and thereafter taken to the profit and loss account.

Investment properties held on leases with 20 years or less to expiry are stated at valuation less depreciation calculated to write off the assets over the remaining terms of their leases.

(iv) Equipment, comprising furniture, plant and other equipment, is stated at cost less depreciation calculated on the straight line basis to write off the assets over their estimated useful lives, which are generally between 3 and 10 years.

(v) On disposal of premises, investment properties and equipment, the profit or loss is calculated as the difference between the net sales proceeds and the net carrying amount. Surpluses relating to premises disposed of included in the "Premises revaluation reserve" are transferred as movements in reserves to "Retained profits". Surpluses or deficits relating to investment properties disposed of included in the "Investment properties revaluation reserve" are transferred as movements in reserves to "Retained profits".

4. 主要會計政策 續

(庚) 減值

除行址及投資物業以重估價值及投資證券以公平價值及客戶貸款已扣除準備金列賬外，本集團在每結算日，均檢討各類資產，主要包括持至期滿之債務證券及附屬公司投資及聯營公司投資，有否出現減值跡象。若資產之可收回價值低於賬面值，則須減值至其可收回價值。釐定該等資產可收回價值之基準，若持至期滿之債務證券，則參照市場開報價，若附屬公司及聯營公司投資，則按董事以合適之評估基準如資產淨值或未來現金流量現值作出評估。

減值虧損應即時於損益結算表中確認。轉回之減值虧損應以資產未減值前之賬面數額為限。撥回之減值虧損在確認轉回之年度損益結算表沖回。

(辛) 融資及經營租賃

若租賃合約之大部份與擁有權有關之風險及利益實質上轉讓予承租人，即列為融資租賃。當本集團為融資租賃之出租人，則該等租賃之投資淨額將包括於資產負債表內「客戶貸款」項下。應收租賃款項所包含之融資收入將於租賃期內按投入資金之比例在「利息收入」內確認。與融資租賃性質相同之租購合約亦作融資租賃處理。

其他租賃合約均列為經營租賃。若集團為經營租賃之出租人，用作租賃之資產將包括在「有形固定資產」內，並按合適情況根據列於附註4(己)之集團折舊政策計算折舊。經營租賃之應收租金在租賃期內之會計年度以等額分期方式誌入「其他營業收入」項內。應收或有租金收入則在相應之會計年度入賬。經營租賃支付之租金則在租賃期內之會計年度以等額分期方式在損益賬內「房地產及設備費用」中支銷。應付或有租金支出則在相應之會計年度支銷。

4. Principal accounting policies *continued*

(g) Impairment

At each balance sheet date, the Group reviews the carrying amounts of its assets (other than premises and investment properties carried at revalued amounts and investment securities carried at fair value and customer advances stated net of provisions) to determine whether there is any indication that those assets, mainly including held-to-maturity securities, investments in subsidiary and associated companies, are impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The recoverable amounts of assets subject to impairment assessment is determined, in case of held-to-maturity securities, by reference to quoted market price and, in case of investments in subsidiary and associated companies, based on valuation of the Directors on an appropriate valuation basis such as net asset value or net present value of future cash flows.

Impairment losses are recognised in the profit and loss account immediately. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Reversals of impairment losses are credited to the profit and loss account in the year in which the reversals are recognised.

(h) Finance and operating leases

Leases under which substantially all the risks and benefits of ownership are transferred to the lessees are classified as finance leases. Where the Group is a lessor under finance leases, an amount representing the net investment in the lease is included in the balance sheet as "Advances to customers". Finance income implicit in the lease payment is recognised as "Interest income" over the period of the leases in proportion to the funds invested. Hire purchase contracts having the characteristics of finance leases are accounted for in the same manner as finance leases.

Other leases are classified as operating leases. Where the Group is a lessor under operating leases, the leased assets are included in "Tangible fixed assets", and where applicable, are depreciated in accordance with the Group's depreciation policy as set out in note 4(f). Rentals receivable under operating leases are recognised as "Other operating income" in equal instalments over the accounting periods covered by the lease term. Contingent rentals receivable are recognised as income in the accounting period in which they relate to. Payments made under operating leases are charged to the profit and loss account as "Premises and equipment expenses" in equal instalments over the accounting periods covered by the lease term. Contingent rentals payable are written off as an expense of the accounting period in which they are incurred.

4. 主要會計政策 續**(王) 僱員福利計劃**

(一) 薪金、年終花紅、年度有薪假期、假期旅遊津貼及非現金性福利之成本，均在有關僱員提供服務之年度內以應計基準支銷，而在年底累積之有薪假期，可以在以後年度享用或在僱員離職時領取休假代金者，亦已提撥準備。

(二) 本集團為僱員提供退休福利，按有關法例設有界定利益福利計劃和公積金福利計劃及參予強制性公積金計劃。

是年度損益賬支取之界定利益福利計劃之退休福利成本，乃按一系列精算假定，計算是期服務成本、利息成本及預計投資回報，並計及須予確認之淨精算虧損後釐定。

本集團於每一個界定利益福利計劃之負擔淨額，乃估計職員截至結算日之服務年期應賺取將來所得福利之折現值，再扣減福利計劃資產之公平價值而計算。貼現率乃參照與福利計劃負擔年期接近之高質素企業債務證券於結算日之孳息率。由合資格精算師採用 Projected Unit Credit Method 計算。

在計算本集團之負擔淨額時，累積未確認精算盈餘或虧損超過界定利益福利負擔折現值與計劃資產公平價值，兩者中較高數額百分之十，該部份須按參予計劃僱員之預計未來工作年期在損益結算表中確認。未超逾該上限之精算盈餘或虧損則不須確認。

若集團之負擔淨額低於零值而出現資產，可確認之數額不能大於集團未來可從福利計劃收回之退款或減少之供款之折現值扣除累積未確認之淨精算虧損及過往服務成本。

4. Principal accounting policies *continued***(i) Employee benefits**

(i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by the employees. Provision is made in respect of paid leave entitlement accumulated during the year, which can be carried forward into future periods for compensated absence or payment in lieu if the employee leaves employment.

(ii) The Group provides retirement benefits for staff members and operates defined benefit and defined contribution schemes and participates in mandatory provident fund schemes in accordance with the relevant laws and regulations.

The retirement benefit costs of defined benefit schemes charged to profit and loss account are determined by calculating the current service cost, interest cost and expected return on scheme assets in accordance with a set of actuarial assumptions and taking into account the amount of net actuarial losses required to be recognised.

The Group's net obligation in respect of defined benefit schemes is calculated separately for each scheme by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine the present value, and the fair value of any scheme assets is deducted. The discount rate is the yield at the balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligation. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

In calculating the Group's obligation in respect of a scheme, to the extent that any cumulative unrecognised actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognised in the profit and loss account over the expected average remaining working lives of the employees participating in the scheme. Otherwise, the actuarial gain or loss is not recognised.

Where the calculation of the Group's net obligation results in a negative amount, the asset recognised is limited to the net total of any cumulative unrecognised net actuarial losses and past service costs and the present value of any future refunds from the scheme or reductions in future contributions to the scheme.

4. 主要會計政策 續

(王) 僱員福利計劃 續

公積金計劃及強制性公積金計劃之供款乃按有關章程規定，並在該年度之損益賬內支銷。此類計劃供款之權益悉數歸於僱員。

(三) 本集團參與滙豐集團設置之股份報酬計劃認購滙豐控股有限公司之股份。按市值授出認股權之計劃，並無確認任何成本，儲蓄優先認股權計劃之認股權乃按公平價值不多於百分之二十折讓授出，此等獎勵亦無確認成本。而有限制股份獎勵計劃，本集團攤分購買股份以供有條件授出股份獎勵之成本於「人事費用」內按適用之表現要求期間攤銷。

(癸) 利得稅項

(一) 利得稅包括是年應繳稅項及遞延稅項資產及負債之增減。是年度稅項及遞延稅項資產及負債之增減均於損益賬內支銷，除非與「儲備」項目有關之遞延稅項增減，則在「儲備」項內支銷。

(二) 是年應繳稅項是按應課稅利潤以結算日已立法或實則生效之稅率計算，以及上年度應繳稅項之調整。

(三) 遞延稅項資產及負債是由財務報表之資產及負債之賬面值及課稅基礎值兩者間的暫時性差額而產生。遞延稅項資產亦可來自未扣減之稅務虧損及未運用之稅務優惠。

因課稅暫時差額而產生之所有遞延稅項負債，在一般情況下應全數確認。而遞延稅項資產則應在預期可取得足夠應課稅溢利扣減之情況下，方予以確認。

4. Principal accounting policies *continued*

(i) *Employee benefits* *continued*

The retirement benefit costs of defined contribution schemes and mandatory provident fund schemes are the contributions made in accordance with the relative scheme rules and are charged to the profit and loss account of the year. Contributions to the schemes vest immediately.

(iii) The Group participates in the share compensation plan operated by the HSBC Group for acquisition of HSBC Holdings plc shares. For the share option plan where such options are granted at fair value, no compensation costs are recognised. For the savings-related share option plan where options are granted at a discount of not more than 20% to fair value, no compensation cost is recognised for such awards. For the restricted share award plan, the Group's share of cost for acquisition of shares for the conditional award under such plan is charged to "Staff costs" over the period in respect of which the performance condition applies.

(j) *Income Tax*

(i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the profit and loss account except to the extent that they relate to items recognised directly in reserves, in which case they are recognised in reserves.

(ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

(iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the tax bases respectively. Deferred tax assets also arise from unused tax losses and unused tax credits.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available, against which deductible temporary differences can be utilised.

4. 主要會計政策 續**(癸) 利得稅項 續**

遞延稅項是按預期該等稅項負債或資產需清付或扣減時所適用之稅率計算。遞延稅項資產及負債毋須計算折現值。遞延稅項資產及負債結餘，須在結算日檢討。若預期沒有足夠應課稅溢利以供稅務扣減，則須減低遞延稅項資產額。

(四) 是年應繳稅項結餘和遞延稅項結餘及其增減，均需獨立列賬而互不抵銷。本期稅項資產抵銷本期稅項負債，及遞延稅項資產抵銷遞延稅項負債，只在本行或本集團具有合法抵銷權抵銷本期稅項資產和本期稅項負債時方可進行。通常限於同一課稅單位在同一稅務機關範圍下，才能進行抵銷。

(子) 資產負債表外之金融工具

資產負債表外之金融工具統稱衍生工具，該等合約之價值變化衍生自對照之資產、利率、匯率或指數，包括在外匯、利率及股票市場上進行之期貨、遠期、掉期及期權交易。凡具有合法抵銷權之合約均採用淨額結算。

此等工具之記賬方法視乎其交易目的為買賣或非買賣用途而定。

(一) 買賣交易

買賣用途之交易包括持盤及因應客戶需要而進行之交易及其對沖活動。

用作買賣之交易以市值記賬，因市值變動而產生損益之淨現值就未賺取之信貸息差及日後之服務成本而作出適當遞延處理後列入損益賬內之「買賣溢利」。資產負債表以外之買賣交易於可能情況下參照獨立之流通市場報價而評值。而未有報價之交易則參照獨立之市場價格或利率，採用估值模式釐定。流動性不足之持盤須按適當情況調整估值。

4. Principal accounting policies *continued***(j) Income tax *continued***

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax assets and liabilities are not discounted. The carrying amount of deferred tax assets/liabilities is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised.

(iv) Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Bank or the Group has the legally enforceable right to set off current tax assets against current tax liabilities. The principle of offsetting usually applies to income tax levied by the same tax authority on same taxable entity.

(k) Off-balance sheet financial instruments

Off-balance sheet financial instruments, commonly referred to as derivatives, are contracts the characteristics and value of which are derived from those of the underlying assets, interest and exchange rates or indices. They include futures, forwards, swap and options transactions in the foreign exchange, interest rate and equity markets. Netting is applied where a legal right of set-off exists.

The accounting for these instruments is dependent upon whether the transactions are undertaken for dealing or non-dealing purposes.

(i) Dealing transactions

Transactions for dealing purposes include those undertaken for proprietary purposes and to service customers' needs, as well as any related hedges.

Transactions undertaken for dealing purposes are marked-to-market and the net present value of any gain or loss arising is recognised in the profit and loss account as "Dealing profits", after appropriate deferrals for unearned credit margin and future servicing costs. Off-balance sheet dealing transactions are valued by reference to an independent liquid price where this is available. For those transactions where there are no readily quoted prices, market values are determined by reference to independently sourced rates, using valuation models. Adjustments are made for illiquid positions where appropriate.

4. 主要會計政策 續

(子) 資產負債表外之金融工具 續

按市值列賬之滙率、利率及股票合約所產生之資產，包括未實現盈利均列於「其他資產」項目下。按市值列賬之交易所產生之負債，包括未實現虧損，則列於「其他負債」項下。

(二) 非買賣交易

非買賣之交易是指按本集團風險管理策略，為應計基準列賬之資產、負債、持盤或未來現金收支作對沖用途之合約。非買賣交易包括符合下述條件之對沖交易及用以改變指定金融工具之風險特性之交易。

非買賣交易均以其指定資產、負債或持盤淨額相同之基準入賬。任何損益均按有關資產、負債或持盤之損益之同等基準予以確認。

符合對沖交易條件之衍生工具須有效降低相關資產、負債或預期交易之價格或利率風險，並在訂立衍生工具合約之始即列為對沖交易。因此，衍生工具之市值變動必須與相關之對沖項目在對沖合約訂立之始與及有效期內之市值變動緊密相應。符合此等條件之衍生工具會按相關對沖項目之相同基準列賬。作對沖用途之衍生工具包括掉期、遠期及期貨。

利率掉期合約亦可會用作改變金融工具之利率特性。要符合改變利率特性之要求，該衍生工具合約金額及利率風險，須與指定之單一或一籃子資產或負債組合掛鉤，以達致既定風險管理目標。此等利率掉期合約之有關收支，均以應計基準誌入「利息收入」及「利息支出」項內。

出售或終止未到期之非買賣用途合約所產生之損益，按原來合約剩餘期間攤銷。當有關之資產、負債或持盤出售或終止時，該等合約即改為以市值列賬，而產生之損益則即時誌入損益賬內。

4. Principal accounting policies *continued*

(k) Off-balance sheet financial instruments *continued*

Assets, including gains, resulting from off-balance sheet exchange rate, interest rate and equities contracts which are marked-to-market are included in "Other assets". Liabilities, including losses, resulting from such contracts, are included in "Other liabilities".

(ii) Non-dealing transactions

Non-dealing transactions are derivatives which are held for hedging purposes as part of the Group's risk management strategy against assets, liabilities, positions or cash flows measured on an accruals basis. Non-dealing transactions include qualifying hedges and positions that synthetically alter the characteristics of specified financial instruments.

Non-dealing transactions are accounted for on an equivalent basis to the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as that arising from the related assets, liabilities or positions.

To qualify as a hedge, a derivative must effectively reduce the price or interest rate risk of the asset, liability or anticipated transaction to which it is linked and be designated as a hedge at inception of the derivative contract. Accordingly, changes in the market value of the derivative must be highly correlated with changes in the market value of the underlying hedged item at inception of the hedge and over the life of the hedged contract. If these criteria are met, the derivative is accounted for on the same basis as the underlying hedged item. Derivatives used for hedging purposes include swaps, forwards and futures.

Interest rate derivatives are also used to alter synthetically the interest rate characteristics of financial instruments. In order to qualify for synthetic alteration, a derivative instrument must be linked to specific individual or pools of similar assets or liabilities by the notional principal and interest rate risks of the associated instruments, and must achieve a result that is consistent with defined risk management objectives. Interest rate derivatives for synthetic alteration are accounted for on an accruals basis with the relative income and expense accounted for as "Interest income" and "Interest expense" respectively.

Any gain or loss on termination of non-dealing derivatives is deferred and amortised to the profit and loss account over the original life of the terminated contract. Where the underlying asset, liability or position is sold or terminated, the non-dealing derivative is immediately marked-to-market through the profit and loss account.

4. 主要會計政策 續**(子) 資產負債表外之金融工具 續**

若衍生工具在訂立合約後不符合對沖條件或改變利率特性之要求，將按其市值列賬，而有關損益則列入「買賣溢利」項內。

(丑) 長期保險業務

本集團確認長期保險業務權益之估值，是審慎評估現時生效之長期保險業務未來將產生之盈利之折現值，並考慮近期經驗及一般經濟情況，及有關長期保險基金內之保留盈餘。此等估值會於每年諮詢獨立精算師後予以釐定。長期保險業務權益估值之變動乃按本集團於長期保險業務權益之投資，在損益結算表之「應佔聯營公司之溢利」或「其他營業收入」項內呈列。照應保單持有人權益之長期保險業務資產及負債已在「其他資產」及「其他負債」項內確認。

(寅) 有關連人士

就此賬項目而言，有關連人士乃指本集團能直接或間接對其財務及營運決策作出控制或重大影響，反之亦然，又或本集團與其均受同一方面之控制或重大影響。有關連人士包括個人及其他個體。

(卯) 按類分析

按類分析資料以業務類別及地理區域列示。由於按業務類別分析所得資料較適用於本集團之營運及財務決策，故被選定為主要按類分析。

(辰) 現金及等同現金項目

現金流量結算表中之現金及等同現金項目包括現金及一個月內到期之定期存於同業資金，及由購買日起計三個月內到期之庫券及存款證。

4. Principal accounting policies *continued***(k) Off-balance sheet financial instruments *continued***

Derivatives that do not qualify as hedges or synthetic alterations after inception are marked-to-market through the profit and loss account, with gains and losses included in "Dealing profits".

(l) Long-term assurance business

The value placed on the Group's interest in long-term assurance business includes a prudent valuation of the discounted future earnings expected to emerge from business currently in force, taking into account factors such as recent experience and general economic conditions, together with the surplus retained in the long-term assurance funds. These are determined annually in consultation with independent actuaries. Changes in the Group's value of long-term assurance business are reported in the profit and loss account either as "Share of profit of associated companies" or "Other operating income" depending on the Group's interest in the entity operating the long-term assurance business. Long-term assurance assets and liabilities attributable to policyholders are recognised in the Group's accounts in "Other assets" and "Other liabilities" respectively.

(m) Related parties

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

(n) Segmental analysis

Segmental information is presented in respect of business and geographical segments. Business segment information, which is more relevant to the Group in making operating and financial decisions, is chosen as the primary reporting format.

(o) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash and balances with banks maturing within one month, and treasury bills and certificates of deposit with less than three months' maturity from the date of acquisition.

4. 主要會計政策 續

(巳) 股息

於結算日後建議或宣佈派發之股息在股東資金項內獨立披露。來自附屬公司、聯營公司及共同控制機構之股息收入，在股息宣佈派發之會計年度於銀行之損益結算表之收入項內確認。

4. Principal accounting policies continued

(p) Dividends

Dividends proposed or declared after the balance sheet date are disclosed as a separate component of shareholders' funds. Dividend income from subsidiaries, associates and jointly controlled entities is recognised as income in the Bank's profit and loss account in the accounting period in which the dividends are declared.

5. 營業溢利

本年度營業溢利已計算下列各項目：

(甲) 利息收入

		2003	2002
上市證券利息收入	Interest income on listed investments	973	706
非上市證券利息收入	Interest income on unlisted investments	2,643	2,217
其他利息收入	Other interest income	9,230	12,037
		12,846	14,960

(乙) 利息支出

		2003	2002
五年後到期之已發行債券之利息支出	Interest expense on debt securities in issue maturing after five years	44	43
其他利息支出	Other interest expense	2,623	4,112
		2,667	4,155

5. Operating profit

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

(a) Interest income

(b) Interest expense

5. 營業溢利 續

(丙) 其他營業收入

5. Operating profit *continued*

(c) Other operating income

		2003	2002
股息收入	Dividend income		
• 上市證券投資	• listed investments	52	82
• 非上市證券投資	• unlisted investments	40	17
		92	99
服務費及佣金	Fees and commissions		
• 證券經紀及有關服務	• securities/stockbroking	361	244
• 零售投資基金	• retail investment funds	921	700
• 保險	• insurance	82	343
• 賬戶服務	• account services	211	255
• 滙款	• remittance	132	128
• 信用卡	• cards	551	598
• 信貸便利	• credit facilities	231	270
• 入口 / 出口押滙	• import/export	223	217
• 其他	• other	192	147
服務費及佣金收入	Fees and commissions receivable	2,904	2,902
服務費及佣金支出	Fees and commissions payable	(349)	(297)
		2,555	2,605
買賣溢利	Dealing profits		
• 外滙	• foreign exchange	764	604
• 證券及其他買賣活動	• securities and other trading activities	43	16
		807	620
保險承保業務	Insurance underwriting	1,144	333
投資物業之租金收入	Rental income from investment properties	210	225
其他	Other	390	400
		5,198	4,282

(丁) 營業支出

(d) Operating expenses

		2003	2002
人事費用	Staff costs		
• 薪金及其他人事費用	• salaries and other costs	1,860	1,867
• 退休福利計劃支出：	• retirement benefit costs:		
– 公積金福利計劃 (附註36(乙))	– defined contribution schemes (note 36(b))	18	18
– 界定利益福利計劃 (附註36(甲)(三))	– defined benefit schemes (note 36(a)(iii))	165	174
		2,043	2,059
折舊(附註23(甲))	Depreciation (note 23(a))	329	352
房地產及設備費用	Premises and equipment		
• 租金支出	• rental expenses	178	171
• 其他	• other	629	641
		807	812
其他經營費用	Other operating expenses	723	609
		3,902	3,832

5. 營業溢利 續
(戊) 呆壞賬準備

5. Operating profit *continued*
(e) Provisions for bad and doubtful debts

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
呆壞賬準備淨額支取 / (撥回)	Net charge/(release) for bad and doubtful debts				
客戶貸款(附註16(丙))	Advances to customers (note 16(c))				
特殊準備	Specific provisions				
• 新提撥	• new provisions	1,167	1,231	871	975
• 撥回	• releases	(315)	(285)	(289)	(207)
• 收回已撇除賬項	• recoveries	(54)	(45)	(40)	(25)
		798	901	542	743
一般準備	General provisions	(6)	(330)	24	(171)
支取損益賬淨額	Net charge to profit and loss account	792	571	566	572

(己) 本行五位最高薪酬人士之酬金
(一) 酬金總額

(f) The emoluments of the five highest paid individuals
(i) The aggregate emoluments

		2003	2002
薪金及實物收益	Salaries, allowances and benefits in kind	23	25
退休福利計劃所作之供款	Pension contributions	2	2
特別花紅	Discretionary bonus	1	–
		26	27

(二) 五位最高薪酬人士之酬金包括在下列範圍內：

(ii) The numbers of the five highest paid individuals whose emoluments fell within the following bands were:

		2003 人數 Number of individuals	2002 人數 Number of individuals
港元	HK\$		
3,500,001 - 4,000,000	3,500,001 - 4,000,000	1	1
4,000,001 - 4,500,000	4,000,001 - 4,500,000	–	1
4,500,001 - 5,000,000	4,500,001 - 5,000,000	2	–
5,000,001 - 5,500,000	5,000,001 - 5,500,000	1	1
5,500,001 - 6,000,000	5,500,001 - 6,000,000	–	1
7,500,001 - 8,000,000	7,500,001 - 8,000,000	1	1
		5	5

五位最高薪酬人士中包括三位執行董事(二零零二年:三位)。該等董事之董事酬金已包括於附註5(庚)項內。

Included in the emoluments of the five highest paid individuals were the emoluments of three (2002: three) Executive Directors. Their respective directors' emoluments have been included in note 5(g).

5. 營業溢利 續**(庚) 董事酬金**

根據香港公司條例第161節計算，本行董事酬金如下：

5. Operating profit *continued***(g) Directors' emoluments**

The emoluments of the Directors of the Bank calculated in accordance with section 161 of the Hong Kong Companies Ordinance were:

	董事袍金 Fees	薪津及 實物收益 Salaries, allowances and benefits in kind	為退休金 計劃所作 之供款 Pension and pension contributions	特別花紅 Discretionary bonus	合計 Total	合計 Total
	'000	'000	'000	'000	'000	'000
執行董事						
鄭海泉先生	100 ⁽¹⁾	6,636	451	501	7,688	7,538
陸觀豪先生	80	4,782	468	149	5,479	5,270
莫偉健先生	80	4,024	397	127	4,628	4,448
非執行董事						
利國偉博士	135	—	—	—	135	135
艾爾敦先生	135 ⁽¹⁾	—	—	—	135	135
彭世文先生(於二零零三年 四月二十三日離任)	27 ⁽¹⁾	—	—	—	27	80
簡善恒先生(於二零零三年 五月二十二日委任)	53 ⁽¹⁾	—	—	—	53	—
柯清輝先生	80 ⁽¹⁾	—	—	—	80	80
陳祖澤先生 ⁽²⁾	80	—	—	—	80	80
鄭裕彤博士 ⁽²⁾	80	—	—	—	80	80
何添博士	80	—	227	—	307	307
許晉乾先生 ⁽²⁾	80	—	—	—	80	80
利漢釗博士 ⁽²⁾ (於二零零二年 四月二十四日離任)	—	—	—	—	—	27
利定昌先生 ⁽²⁾ (於二零零二年 八月三日委任)	80	—	—	—	80	33
李家祥議員 ⁽²⁾	80	—	—	—	80	80
羅康瑞博士	80	—	—	—	80	80
冼為堅博士 ⁽²⁾	80	—	—	—	80	80
鄧日燊先生 ⁽²⁾	80	—	—	—	80	80
退休董事	—	—	1,962	—	1,962	1,962
	1,410	15,442	3,505	777	21,134	20,575
二零零二年	1,390	15,329	3,520	336		

附註：

⁽¹⁾ 按滙豐集團內部政策，出任恒生銀行有限公司之董事，其應收董事袍金轉由香港上海滙豐銀行有限公司收取。

⁽²⁾ 獨立非執行董事。

Notes :

⁽¹⁾ Fees receivable as a Director of Hang Seng Bank Limited were surrendered to The Hongkong and Shanghai Banking Corporation Limited in accordance with the HSBC Group's internal policy.

⁽²⁾ Independent Non-Executive Director.

(辛) 核數師費用**(h) Auditors' remuneration**

	集團 Group	銀行 Bank		
	2003	2002	2003	2002
核數服務	8	8	6	6
非核數服務	2	3	2	3
	10	11	8	9

6. 有形固定資產及長期投資之溢利

6. Profit on tangible fixed assets and long-term investments

	2003	2002
出售長期股票投資之溢利		
• 實現已於一月一日重估儲備確認之數額	418	528
• 本年度之虧損	(8)	(105)
	<u>410</u>	423
出售持至期滿債務證券之溢利減虧損	48	46
出售有形固定資產之溢利減虧損	3	1
長期投資減值準備	-	(9)
	<u>461</u>	461

7. 稅項

(甲) 綜合損益結算表內之稅項組成如下：

7. Taxation

(a) Taxation in the consolidated profit and loss account represents:

	2003	2002 重新列示* restated*
本年度稅項 - 香港利得稅準備		
本年度稅項	1,443	1,287
過往年度稅項準備撥回	(39)	(59)
	<u>1,404</u>	1,228
本年度稅項 - 香港以外之稅項		
本年度稅項	4	6
過往年度稅項準備撥回	(14)	-
	<u>(10)</u>	6
遞延稅項 (附註25(甲))		
是年度產生之暫時性差額及撥回	70	53
稅率上升對一月一日遞延稅項結餘之影響	(9)	-
確認過往年度可扣減之稅務虧損額	(36)	-
	<u>25</u>	53
應佔聯營公司之稅項	4	20
提撥稅項合計	<u>1,423</u>	1,307
實際稅率	<u>12.8%</u>	11.6%

* 二零零二年之若干數字，因本行採納香港會計實務準則第十二號(修訂)「利得稅項」而重新列示。詳情列於第一百零九頁之附註2「會計政策之變動」項下。

* Certain figures for 2002 have been restated to reflect the adoption of Hong Kong Statement of Standard Accounting Practice 12 (revised) (HKSSAP 12) on "Income taxes", details of which are set out in note 2 "Change in accounting policy" on page 109.

本年度稅項乃以二零零三年本行及附屬公司在香港特別行政區經營之估計應課稅溢利按香港利得稅率百分之十七點五計算(二零零二年:百分之十六)。於香港特別行政區以外之附屬公司及分行亦同樣按其營業所在地區之適用稅率提撥稅項準備。

The current tax was provided for based on the estimated assessable profit in 2003 and, for the Bank and subsidiaries operating in the Hong Kong SAR, using the Hong Kong profits tax rate of 17.5% (2002:16.0%). For subsidiaries and branches operating in other jurisdictions, the appropriate tax rates prevailing in the countries in which they operate are used.

7. 稅項 續

(乙) 稅項撥提與會計溢利按適當稅率計算之對賬表：

		集團 Group	
		2003	2002 重新列示* restated*
除稅前溢利	Profit before tax	11,137	11,242
按香港利得稅率百分之十七點五 計算之假定稅項(二零零二年:百分之十六)	Notional tax on profit before tax, calculated at Hong Kong tax rate of 17.5% (2002: 16.0%)	1,949	1,798
下列各項影響之稅項增減:	Tax effect of:		
• 外地稅率差異	• different tax rates in other countries/areas	(241)	(261)
• 不獲稅務扣減之項目	• non-deductible expenses	26	33
• 豁免利得課稅之項目	• non-taxable income	(129)	(119)
• 是年產生之稅項虧損	• unused tax losses arise in current year	1	–
• 是年使用以往之稅項虧損	• previous tax losses utilized in current year	(42)	(14)
• 合夥公司投資	• investment in partnerships	(79)	(71)
• 因年內稅率增加而調高 年初遞延稅項結餘	• increase in tax rate during the year on opening deferred tax balances	(9)	–
• 過往年度稅項準備撥回	• over-provision in prior years	(53)	(59)
實際稅項撥提	Actual charge for taxation	1,423	1,307

(丙) 資產負債表中「其他資產」(附註24)或「其他負債」(附註28)之稅項組成如下:

(c) Taxation in the balance sheets which is included in "Other assets" (note 24) or "Other liabilities" (note 28) represents:

		集團 Group		銀行 Bank	
		2003	2002 重新列示* restated*	2003	2002 重新列示* restated*
「其他資產」內已包括:	Including in "Other assets":				
可收回之本期稅項	Current taxation recoverable	–	3	–	–
遞延稅項(附註24及25(甲))	Deferred taxation (notes 24 & 25(a))	52	73	–	–
		52	76	–	–
「其他負債」內已包括:	Including in "Other liabilities":				
香港利得稅準備(附註28)	Provision for Hong Kong profits tax (note 28)	519	229	479	180
香港以外之稅項準備(附註28)	Provision for taxation outside Hong Kong (note 28)	4	20	2	17
遞延稅項(附註25(甲)及28)	Deferred taxation (notes 25(a) & 28)	643	635	427	433
		1,166	884	908	630

* 二零零二年之若干數字，因本行採納香港會計實務準則第十二號(修訂)「利得稅項」而重新列示。詳情列於第一百零九頁之附註2「會計政策之變動」項下。

* Certain figures for 2002 have been restated to reflect the adoption of Hong Kong Statement of Standard Accounting Practice 12 (revised) (HKSSAP 12) on "Income taxes", details of which are set out in note 2 "Change in accounting policy" on page 109.

8. 本行股東應得之溢利

本行股東應得之溢利中計有港幣八十三億三千五百萬元(二零零二年:港幣八十八億六千五百萬元)已誌入銀行之賬項內。

本年度銀行溢利與上述金額對賬表:

		2003	2002 重新列示* restated*
本行股東應得之溢利已於銀行賬項內出賬	Amount of consolidated profit attributable to shareholders dealt with in the Bank's accounts	8,335	8,865
附屬公司於年內派發之來自保留溢利之股息	Dividends declared during the year by subsidiary companies from retained profits	—	2,413
本年度之銀行溢利(附註30)	The Bank's profit for the year (note 30)	<u>8,335</u>	<u>11,278</u>

* 二零零二年之若干數字,因本行採納香港會計實務準則第十二號(修訂)「利得稅項」而重新列示。詳情列於第一百零九頁之附註2「會計政策之變動」項下。

8. Profit attributable to shareholders

Of the profit attributable to shareholders, HK\$8,335 million (2002: HK\$8,865 million) has been dealt with in the accounts of the Bank.

Reconciliation of the above amount to the Bank's profit for the year:

		2003	2002 重新列示* restated*
Amount of consolidated profit attributable to shareholders dealt with in the Bank's accounts		8,335	8,865
Dividends declared during the year by subsidiary companies from retained profits		—	2,413
The Bank's profit for the year (note 30)		<u>8,335</u>	<u>11,278</u>

* Certain figures for 2002 have been restated to reflect the adoption of Hong Kong Statement of Standard Accounting Practice 12 (revised) (HKSSAP 12) on "Income taxes", details of which are set out in note 2 "Change in accounting policy" on page 109.

9. 每股股息

(甲) 本年度應得之股息

		2003		2002	
		每股港幣 per share HK\$	港幣百萬元 HK\$ million	每股港幣 per share HK\$	港幣百萬元 HK\$ million
第一次中期	First interim	2.10	4,015	2.10	4,015
第二次中期	Second interim	1.00	1,912	2.80	5,353
第三次中期	Third interim	1.80	3,441	—	—
特別中期	Special interim	—	—	0.50	956
		<u>4.90</u>	<u>9,368</u>	5.40	10,324

(乙) 去年批准及於年內派發之股息:

		2003	2002
去年批准而於是年內派發之第二次及特別中期股息為每股港幣三元三角(二零零二年:每股港幣二元八角)	Second and special interim dividends in respect of the previous year, approved and paid during the year, of HK\$3.30 per share (2002: HK\$2.80 per share)	<u>6,309</u>	5,353

9. Dividends per share

(a) Dividends attributable to the year

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

10. 每股盈利

每股盈利乃根據溢利港幣九十五億三千九百萬元(二零零二年全年為港幣九十九億二千萬元)及已發行普通股加權平均數之十九億一千一百八十四萬二千七百三十六股(與二零零二年相同)計算。

10. Earnings per share

The calculation of earnings per share was based on earnings of HK\$9,539 million (HK\$9,920 million in 2002) and on the weighted average number of ordinary shares in issue of 1,911,842,736 shares (same as 2002).

11. 按類分析**(甲) 業務類別**

按類分析下之收入劃分，是反映各業務類別或地理區域，透過內部資本分配和資金調撥機制獲分派之資本及其他資金所賺取之回報。成本分配則以各業務或區域之直接成本及分攤之管理費用計算。各類業務使用集團自置物業，按市值計算之租金反映於「其他業務」項下之跨業務收入及各業務類別之跨業務支出內。

集團之主要業務分為五大類別。個人銀行業務為個人客戶提供銀行服務(包括存款、信用卡、按揭及其他零售貸款)及理財服務(包括保險及投資)。商業銀行業務負責促進中小型企業客戶之關係及提供貿易融資服務。工商及金融機構業務負責向大型企業及機構客戶提供服務。至於財資業務則從事同業及資本市場活動以及銀行本身之買賣，管理流動資金以及銀行業務所產生之其他涉及市場風險之持倉。其他業務主要包括管理股東資金、行址投資、物業投資及長期證券投資。

11. Segmental analysis**(a) By business segment**

For the purpose of segmental analysis, the allocation of revenue reflects the benefits of capital and other funding resources allocated to the business or geographical segments by way of internal capital allocation and funds transfer pricing mechanisms. Cost allocation is based on the direct cost incurred by the respective segments and apportionment of management overheads. Rental charges at the market rate for usage of premises are reflected as inter-segment income for the "Other" segment and inter-segment expenses for the respective business segments.

The Group comprises five business segments. Personal Financial Services provides banking services (including deposits, credit cards, mortgages and other retail lending) and wealth management services (including insurance and investment) to personal customers. Commercial Banking manages middle market and smaller corporate relationships and provides trade-related financial services. Corporate and Institutional Banking handles the relationships with large corporate and institutional customers. Treasury engages in interbank and capital market activities and proprietary trading. Treasury also manages the funding and liquidity positions of the Bank and other market risk positions arising from banking activities. Other mainly represents shareholders' funds management and investments in premises, investment properties and long-term equities.

11. 按類分析 續
(甲) 業務類別 續
二零零三年

11. Segmental analysis continued
(a) By business segment continued
2003

	個人銀行 業務 Personal Financial Services	商業銀行 業務 Commercial Banking	工商及 金融機構 業務 Corporate & Institutional Banking	財資 業務 Treasury	其他 業務 Other	跨業務 收支抵銷 Inter- segment Elimination	合計 Total
收入及支出 Income and expenses							
淨利息收入 Net interest income	6,175	1,064	543	1,874	523	–	10,179
營業收入 Operating income	3,167	930	218	509	374	–	5,198
跨業務收入 Inter-segment income	–	–	–	–	345	(345)	–
總營業收入 Total operating income	9,342	1,994	761	2,383	1,242	(345)	15,377
營業支出* Operating expenses *	(2,518)	(799)	(111)	(148)	(326)	–	(3,902)
跨業務支出 Inter-segment expenses	(276)	(57)	(7)	(5)	–	345	–
扣除準備金前之營業溢利 Operating profit before provisions	6,548	1,138	643	2,230	916	–	11,475
呆壞賬準備 Provisions for bad and doubtful debts	(930)	11	127	–	–	–	(792)
營業溢利 Operating profit	5,618	1,149	770	2,230	916	–	10,683
有形固定資產及長期投資之溢利 Profit on tangible fixed assets and long-term investments	12	28	–	48	373	–	461
重估物業淨減值 Net deficit on property revaluation	–	–	–	–	(37)	–	(37)
應佔聯營公司之溢利 Share of profits of associated companies	–	–	–	–	30	–	30
除稅前一般業務溢利 Profit on ordinary activities before tax	5,630	1,177	770	2,278	1,282	–	11,137
各類業務佔集團除稅前溢利之比率 Profit on ordinary activities before tax as a percentage of total	50.6%	10.6%	6.9%	20.4%	11.5%	–	100.0%
未計跨業務交易前之營業溢利 Operating profit excluding inter-segment transactions	5,894	1,206	777	2,235	571	–	10,683
* 營業支出包括折舊 * Including depreciation	(122)	(20)	(2)	(2)	(183)	–	(329)
總資產 Total assets	137,988	31,749	68,393	242,014	22,815	–	502,959
總負債 Total liabilities	344,281	72,625	19,760	7,225	18,783	–	462,674
聯營公司投資 Investments in associated companies	–	–	–	–	549	–	549
年內資本開支 Capital expenditure incurred during the year	77	19	4	1	41	–	142

11. 按類分析 續

(甲) 業務類別 續

二零零二年

11. Segmental analysis *continued*(a) By business segment *continued*

2002

	個人銀行 業務 Personal Financial Services	商業銀行 業務 Commercial Banking	工商及 金融機構 業務 Corporate & Institutional Banking	財資 業務 Treasury	其他 業務 Other	跨業務 收支抵銷 Inter- segment Elimination	合計 Total
收入及支出 Income and expenses							
淨利息收入 Net interest income	6,583	1,023	640	1,731	828	–	10,805
營業收入 Operating income	2,422	881	253	350	376	–	4,282
跨業務收入 Inter-segment income	–	–	–	–	408	(408)	–
總營業收入 Total operating income	9,005	1,904	893	2,081	1,612	(408)	15,087
營業支出* Operating expenses *	(2,450)	(803)	(111)	(132)	(336)	–	(3,832)
跨業務支出 Inter-segment expenses	(327)	(67)	(8)	(6)	–	408	–
扣除準備金前之營業溢利 Operating profit before provisions	6,228	1,034	774	1,943	1,276	–	11,255
呆壞賬準備 Provisions for bad and doubtful debts	(785)	48	166	–	–	–	(571)
營業溢利 Operating profit	5,443	1,082	940	1,943	1,276	–	10,684
有形固定資產及長期投資之溢利 Profit on tangible fixed assets and long-term investments	21	28	–	45	367	–	461
重估物業淨減值 Net deficit on property revaluation	–	–	–	–	(36)	–	(36)
應佔聯營公司之溢利 Share of profits of associated companies	88	–	–	–	45	–	133
除稅前一般業務溢利 Profit on ordinary activities before tax	5,552	1,110	940	1,988	1,652	–	11,242
各類業務佔集團除稅前溢利之比率 Profit on ordinary activities before tax as a percentage of total	49.4%	9.9%	8.3%	17.7%	14.7%	–	100.0%
未計跨業務交易前之營業溢利 Operating profit excluding inter-segment transactions	5,770	1,149	948	1,949	868	–	10,684
*營業支出包括折舊 * Including depreciation	(125)	(22)	(3)	(2)	(200)	–	(352)
總資產 Total assets	137,762	25,937	64,783	222,879	23,293	–	474,654
總負債 Total liabilities	317,076	70,538	11,746	8,360	23,405	–	431,125
聯營公司投資 Investments in associated companies	–	–	–	–	672	–	672
年內資本開支 Capital expenditure incurred during the year	120	21	4	2	48	–	195

11. 按類分析 續

(乙) 地理區域分類

地理區域分類乃按附屬公司之主要營業地點或按銀行負責滙報業績或貸出款項之總行或分行所在地劃分。

11. Segmental analysis *continued*

(b) By geographical region

Geographical segments are classified by the location of the principal operations of the subsidiary companies or, in the case of the Bank itself, by the location of the branches responsible for reporting the results or advancing the funds.

		2003		2002	
		%		%	
總營業收入 (已扣除利息支出)	Total operating income (net of interest expense)				
香港	Hong Kong	13,981	91	13,293	88
美洲	Americas	1,322	8	1,721	11
其他	Other	74	1	73	1
		15,377	100	15,087	100
除稅前一般業務溢利	Profit on ordinary activities before tax				
香港	Hong Kong	9,781	88	9,474	84
美洲	Americas	1,295	11	1,699	15
其他	Other	61	1	69	1
		11,137	100	11,242	100
年內資本開支	Capital expenditure incurred during the year				
香港	Hong Kong	130	92	187	96
美洲	Americas	–	–	1	1
其他	Other	12	8	7	3
		142	100	195	100
總資產	Total assets				
香港	Hong Kong	427,539	85	394,165	83
美洲	Americas	65,204	13	72,359	15
其他	Other	10,216	2	8,130	2
		502,959	100	474,654	100
總負債	Total liabilities				
香港	Hong Kong	449,243	97	416,388	97
美洲	Americas	8,376	2	9,444	2
其他	Other	5,055	1	5,293	1
		462,674	100	431,125	100
或有債務及承擔	Contingent liabilities and commitments				
香港	Hong Kong	107,588	98	106,470	99
美洲	Americas	122	–	–	–
其他	Other	1,671	2	1,092	1
		109,381	100	107,562	100

12. 庫存現金及短期資金

12. Cash and short-term funds

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
庫存現金及存放同業及 其他金融機構	Cash in hand and balances with banks and other financial institutions	4,780	3,518	4,769	3,481
短期及一個月內到期之 定期存放同業	Money at call and placings with banks maturing within one month	62,566	67,170	30,759	34,821
庫券	Treasury bills	4,557	7,096	4,557	4,512
		71,903	77,784	40,085	42,814
庫券分析詳列如下:	Treasury bills are analysed as follows:				
持作買賣用途	Held for dealing purposes				
• 公平價值	• at fair value	484	2,152	484	2,152
持至期滿	Held-to-maturity				
• 攤銷成本	• at amortised cost	4,073	4,944	4,073	2,360
• 公平價值	• at fair value	4,073	4,944	4,073	2,360
庫券至到期日剩餘期間:	Remaining maturity of treasury bills:				
• 三個月內	• within three months	174	5,777	174	3,534
• 三個月以上至一年	• one year or less but over three months	4,383	1,319	4,383	978
		4,557	7,096	4,557	4,512

13. 一個月以上之定期存放同業

13. Placings with banks maturing after one month

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
至到期日剩餘期間:	Remaining maturity:				
• 一個月以上至三個月	• three months or less but over one month	15,576	27,996	13,577	21,947
• 三個月以上至一年	• one year or less but over three months	2,253	2,923	2,151	930
• 一年以上至五年	• five years or less but over one year	200	–	200	–
		18,029	30,919	15,928	22,877

14. 存款證

14. Certificates of deposit

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
至到期日剩餘期間：	Remaining maturity:				
• 三個月內但非即時到期	• three months or less but not repayable on demand	1,870	1,772	1,867	1,604
• 三個月以上至一年	• one year or less but over three months	10,171	7,312	10,161	7,035
• 一年以上至五年	• five years or less but over one year	16,642	21,036	16,634	21,033
		28,683	30,120	28,662	29,672
持作買賣用途	Held for dealing purposes				
• 公平價值	• at fair value	12	165	–	160
持至期滿	Held-to-maturity				
• 攤銷成本	• at amortised cost	28,671	29,955	28,662	29,512
• 公平價值	• at fair value	28,925	30,254	28,916	29,811

於二零零三年，並無於最終到期日前出售擬持至期滿之存款證（二零零二年：港幣三億四千二百萬元）。

In 2003, there were no certificates of deposit intended to be held to maturity disposed of prior to their final maturities (2002: HK\$342million).

15. 持作買賣用途之證券

15. Securities held for dealing purposes

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
公平價值	At fair value				
債務證券	Debt securities				
由公共機構發行	Issued by public bodies				
• 中央政府及中央銀行	• central governments and central banks	1,058	1,105	1,058	1,105
• 其他公共機構	• other public sector entities	43	49	17	8
		1,101	1,154	1,075	1,113
由其他機構發行	Issued by other bodies				
• 同業及其他金融機構	• banks and other financial institutions	108	44	–	–
• 企業	• corporate entities	6	–	1	–
		114	44	1	–
		1,215	1,198	1,076	1,113
股票	Equity shares				
由企業發行	Issued by corporate entities	17	–	17	–
持作買賣用途之證券總額	Total securities held for dealing purposes	1,232	1,198	1,093	1,113

15. 持作買賣用途之證券 續

15. Securities held for dealing purposes *continued*

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
債務證券	Debt securities				
在香港上市	Listed in Hong Kong	939	977	930	977
在香港以外地區上市	Listed outside Hong Kong	5	16	–	–
		944	993	930	977
非上市	Unlisted	271	205	146	136
		1,215	1,198	1,076	1,113
股票	Equity shares				
在香港上市	Listed in Hong Kong	5	–	5	–
非上市	Unlisted	12	–	12	–
		17	–	17	–
		1,232	1,198	1,093	1,113
債務證券	Debt securities				
至到期日剩餘期間：	Remaining maturity:				
• 三個月內但非即時到期	• three months or less but not repayable on demand	38	97	33	76
• 三個月以上至一年	• one year or less but over three months	191	90	138	30
• 一年以上至五年	• five years or less but over one year	840	890	759	886
• 五年以上	• over five years	146	121	146	121
		1,215	1,198	1,076	1,113
股票	Equity shares	17	–	17	–
		1,232	1,198	1,093	1,113

持作買賣用途之債務證券按剩餘年期至到期日之分析披露乃遵照香港金融管理局發出之監管政策手冊內有關「本地註冊認可機構披露財務資料」要求。此等披露，並不表示該等證券將會持至到期日。

The analysis of debt securities held for dealing purposes by remaining period to maturity is disclosed in order to comply with the module on "Financial Disclosure by Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority. The disclosure does not imply that the securities will be held to maturity.

上述持作買賣用途之債務證券，並不包括庫券及存款證，而該等證券已分別列於資產負債表之有關項目內。

Debt securities held for dealing purposes exclude treasury bills and certificates of deposit which are included under the respective headings in the balance sheet.

16. 客戶貸款
(甲) 客戶貸款16. Advances to customers
(a) Advances to customers

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
客戶貸款總額 (附註16(壬))	Gross advances to customers (note 16(i))	231,999	227,475	172,339	160,277
特殊準備 (附註16(丙)及(丁))	Specific provisions (notes 16(c) & (d))	(1,432)	(1,805)	(1,037)	(1,409)
一般準備 (附註16(丙))	General provisions (note 16(c))	(1,101)	(1,108)	(807)	(783)
		229,466	224,562	170,495	158,085

16. 客戶貸款 續
(甲) 客戶貸款 續

16. Advances to customers continued
(a) Advances to customers continued

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
至到期日剩餘期間:	Remaining maturity:				
• 即時到期	• repayable on demand	11,488	11,983	11,344	11,922
• 三個月內但非即時到期	• three months or less but not repayable on demand	20,341	18,128	17,555	16,188
• 三個月以上至一年	• one year or less but over three months	22,585	21,243	18,445	16,714
• 一年以上至五年	• five years or less but over one year	89,565	84,466	69,730	62,056
• 五年以上	• over five years	81,402	84,273	50,393	47,726
• 已逾期一個月以上	• overdue for more than one month	1,375	1,301	818	872
• 呆壞賬	• non-performing advances	5,243	6,081	4,054	4,799
客戶貸款總額	Gross advances to customers	231,999	227,475	172,339	160,277
呆壞賬準備 (附註16(丙))	Provisions for bad and doubtful debts (note 16(c))	(2,533)	(2,913)	(1,844)	(2,192)
		229,466	224,562	170,495	158,085
客戶貸款內已包括:	Included in advances to customers are:				
• 貿易票據	• trade bills	2,226	2,180	2,226	2,180
• 呆壞賬準備	• provisions for bad and doubtful debts	(17)	(78)	(17)	(78)
		2,209	2,102	2,209	2,102

上述期限分類乃按照香港金融管理局發出之監管政策手冊內「本地註冊認可機構披露財務資料」要求之期限分類劃分。根據該建議，不同還款額或不同還款期償還之資產，應申報該資產中實際逾期的部份作已逾期貸款。其他未到期之部份仍應根據剩餘期限申報，如貸款償還情況出現問題，則需全數列為已逾期。此項按期限分類已逾期之客戶貸款之分析與附註16(己)參照香港金融管理局之建議說明，即使貸款中有部份貸款尚未到期，整筆貸款仍應列作逾期之表列原則有所不同。

The above maturity classifications have been prepared in accordance with the maturity classifications contained in the module on "Financial Disclosure by Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority. In accordance with the module, in the case of an advance which is repayable by different payments or instalments, only that portion of the advance which is actually overdue is reported as overdue. Any part of the advance which is not yet due is reported according to its residual maturity unless the repayment of the advance is in doubt, in which case the whole amount is reported as overdue. This classification of overdue advances to customers for maturity profile purposes is different from the analysis disclosed in note 16(f) for which the Hong Kong Monetary Authority's module states that if part of an advance is overdue, the whole amount of the advance should be disclosed as overdue.

(乙) 總準備對客戶貸款比率

(b) Total provisions against gross advances to customers

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
		%	%	%	%
特殊準備	Specific provisions	0.62	0.79	0.60	0.88
一般準備	General provisions	0.48	0.49	0.47	0.49
準備總額	Total provisions	1.10	1.28	1.07	1.37

16. 客戶貸款 續

(丙) 客戶貸款呆壞賬準備

16. Advances to customers *continued*

(c) Provisions against advances to customers

二零零三年	2003	集團 Group			懸欠利息 Suspended interest
		特殊 Specific	一般 General	合計 Total	
二零零三年一月一日結餘	At 1 January 2003	1,805	1,108	2,913	404
年內撇除	Amounts written off	(1,226)	–	(1,226)	(196)
收回往年已撇除之貸款 (附註5(戊))	Recoveries of advances written off in previous years (note 5(e))	54	–	54	–
新增準備支取損益賬 (附註5(戊))	New provisions charged to profit and loss account (note 5(e))	1,167	–	1,167	–
撥回損益賬之準備 (附註5(戊))	Provisions released to profit and loss account (note 5(e))	(369)	(6)	(375)	–
年內懸欠利息	Interest suspended during the year	–	–	–	120
收回懸欠利息	Suspended interest recovered	–	–	–	(35)
換算調整	Exchange adjustment	1	(1)	–	–
二零零三年十二月三十一日結餘 (附註16(甲))	At 31 December 2003 (note 16(a))	1,432	1,101	2,533	293

二零零三年	2003	銀行 Bank			懸欠利息 Suspended interest
		特殊 Specific	一般 General	合計 Total	
二零零三年一月一日結餘	At 1 January 2003	1,409	783	2,192	326
年內撇除	Amounts written off	(954)	–	(954)	(162)
收回往年已撇除之貸款 (附註5(戊))	Recoveries of advances written off in previous years (note 5(e))	40	–	40	–
新增準備支取損益賬 (附註5(戊))	New provisions charged to profit and loss account (note 5(e))	871	24	895	–
撥回損益賬之準備 (附註5(戊))	Provisions released to profit and loss account (note 5(e))	(329)	–	(329)	–
年內懸欠利息	Interest suspended during the year	–	–	–	84
收回懸欠利息	Suspended interest recovered	–	–	–	(27)
二零零三年十二月三十一日結餘 (附註16(甲))	At 31 December 2003 (note 16(a))	1,037	807	1,844	221

16. 客戶貸款 續
(丙) 客戶貸款呆壞賬準備 續

16. Advances to customers continued
(c) Provisions against advances to customers continued

二零零二年	2002	集團 Group			懸欠利息 Suspended interest
		特殊 Specific	一般 General	合計 Total	
二零零二年一月一日結餘	At 1 January 2002	2,052	1,438	3,490	509
年內撇除	Amounts written off	(1,193)	–	(1,193)	(182)
收回往年已撇除之貸款 (附註5(戊))	Recoveries of advances written off in previous years (note 5(e))	45	–	45	–
新增準備支取損益賬 (附註5(戊))	New provisions charged to profit and loss account (note 5(e))	1,231	–	1,231	–
撥回損益賬之準備 (附註5(戊))	Provisions released to profit and loss account (note 5(e))	(330)	(330)	(660)	–
年內懸欠利息	Interest suspended during the year	–	–	–	150
收回懸欠利息	Suspended interest recovered	–	–	–	(73)
二零零二年十二月三十一日結餘 (附註16(甲))	At 31 December 2002 (note 16(a))	1,805	1,108	2,913	404

二零零二年一月一日結餘	At 1 January 2002	銀行 Bank			懸欠利息 Suspended interest
		特殊 Specific	一般 General	合計 Total	
二零零二年一月一日結餘	At 1 January 2002	1,570	954	2,524	400
年內撇除	Amounts written off	(929)	–	(929)	(120)
收回往年已撇除之貸款 (附註5(戊))	Recoveries of advances written off in previous years (note 5(e))	25	–	25	–
新增準備支取損益賬 (附註5(戊))	New provisions charged to profit and loss account (note 5(e))	975	–	975	–
撥回損益賬之準備 (附註5(戊))	Provisions released to profit and loss account (note 5(e))	(232)	(171)	(403)	–
年內懸欠利息	Interest suspended during the year	–	–	–	107
收回懸欠利息	Suspended interest recovered	–	–	–	(61)
二零零二年十二月三十一日結餘 (附註16(甲))	At 31 December 2002 (note 16(a))	1,409	783	2,192	326

上述懸欠利息包括已於「客戶貸款」(附註16(甲))及「預付及應計收益」(附註24)賬項下之應收利息賬項內所扣除之金額。

Suspended interest comprises both suspended interest netted against "Advances to customers" (note 16(a)) and suspended interest netted against accrued interest receivable in "Prepayments and accrued income" (note 24).

16. 客戶貸款 續

(丁) 客戶貸款之呆壞賬及準備

利息已作懸欠處理或已停止累計利息之客戶貸款呆壞賬詳列如下：

呆壞賬總額

- 利息已作懸欠處理
- 已停止累計其利息

懸欠利息
呆壞賬*
(附註16(己))
特殊準備 (附註16(甲))
呆壞賬淨額
特殊準備對呆壞賬*比率

呆壞賬*對總客戶貸款比率

*已扣除懸欠利息列示。

客戶貸款呆壞賬乃指未必能全部償還本金或利息之貸款，而當此情況明顯出現時即被列作呆壞賬處理。呆壞賬亦包括逾期未超逾三個月但被視為無法全數償還之客戶貸款。除若干特殊情況外，所有本金或利息逾期三個月以上未償還之貸款，均作為呆壞賬處理。為呆壞賬提撥特殊準備金乃根據上述列於附註4(丙)(二)項內之會計政策提撥。

16. Advances to customers *continued*

(d) Non-performing advances to customers and provisions

Non-performing advances to customers on which interest has been placed in suspense or on which interest has ceased to accrue are as follows:

	集團 Group		銀行 Bank	
	2003	2002	2003	2002
Gross non-performing advances on which interest				
• has been placed in suspense	5,182	5,767	3,987	4,480
• accrual has ceased	134	429	133	429
	5,316	6,196	4,120	4,909
Suspended interest	(73)	(115)	(66)	(110)
Gross non-performing advances* (note 16(f))	5,243	6,081	4,054	4,799
Specific provisions (note 16(a))	(1,432)	(1,805)	(1,037)	(1,409)
Net non-performing advances	3,811	4,276	3,017	3,390
Specific provisions as a percentage of gross non-performing advances*	27.3%	29.7%	25.6%	29.4%
Gross non-performing advances* as a percentage of gross advances to customers	2.3%	2.7%	2.4%	3.0%

* Stated after deduction of interest in suspense.

Non-performing advances to customers are those advances where full repayment of principal or interest is considered unlikely and are so classified as soon as such a situation becomes apparent. Non-performing advances may include advances that are not yet overdue for more than three months but are considered doubtful. Except in certain limited circumstances, all advances on which principal or interest is overdue for more than three months are classified as non-performing. Specific provisions on non-performance advances are made in accordance with the accounting policy set out in note 4(c)(ii).

16. 客戶貸款 續

(戊) 收回之資產

在追收呆壞賬過程中，本集團可透過法院程序或由借款人自願交出而收回抵押之資產。根據載於第一百一十一頁之附註4(丙)(二)之會計政策，該等呆壞賬已按照有關抵押品按時估值之變現淨值提撥特殊準備。於收回抵押之資產後，有關貸款將調整至該收回資產之變現淨值，以致部份貸款須從特殊準備中撇除。已收回抵押品之貸款仍然視作「客戶貸款」，並列為呆壞賬。收回之抵押資產總值如下：

收回之抵押資產

16. Advances to customers *continued*

(e) Repossessed assets

In the recovery of non-performing advances, the Group may take repossession of the collateral assets through court proceedings or voluntary delivery of possession by the borrowers. In accordance with the Group's accounting policy set out in note 4(c)(ii) on page 111, specific provisions for non-performing advances are maintained after taking into account the net realisable value of the related collateral which are revalued periodically. Upon repossession of the collateral assets, the advances are adjusted to the net realisable value of the repossessed assets, usually resulting in a partial write-off of the advances against specific provisions. Advances with repossessed collateral assets will continue to be accounted for as "Advances to customers" and classified as non-performing. The aggregate valuation of the repossessed collateral assets amounted to:

	集團 Group		銀行 Bank	
	2003	2002	2003	2002
收回之抵押資產	506	638	201	235

(己) 已逾期之客戶貸款

已逾期三個月以上之客戶貸款及其對總客戶貸款之比率如下：

二零零三年

總客戶貸款*之本金或利息已逾期：

- 三個月以上至六個月
- 六個月以上至一年
- 一年以上

已逾期之客戶貸款(如上)

減：利息仍作累計處理之逾期客戶貸款

加：逾期三個月或以下或未逾期，但利息已作懸欠處理之客戶貸款

- 列入重整客戶貸款
- 其他

呆壞賬(附註16(d))

*已扣除懸欠利息列示。

(f) Overdue advances to customers

The amounts of advances to customers which are overdue for more than three months and their expression as a percentage of gross advances to customers are as follows:

	集團 Group		銀行 Bank	
		%		%
總客戶貸款*之本金或利息已逾期：				
• 三個月以上至六個月	1,297	0.5	772	0.5
• 六個月以上至一年	858	0.4	390	0.2
• 一年以上	1,152	0.5	750	0.4
	3,307	1.4	1,912	1.1
已逾期之客戶貸款(如上)	3,307	1.4	1,912	1.1
減：利息仍作累計處理之逾期客戶貸款	(1,108)	(0.5)	(489)	(0.3)
加：逾期三個月或以下或未逾期，但利息已作懸欠處理之客戶貸款				
• 列入重整客戶貸款	1,536	0.7	1,257	0.8
• 其他	1,508	0.7	1,374	0.8
呆壞賬(附註16(d))	5,243	2.3	4,054	2.4

* Stated after deduction of interest in suspense.

16. 客戶貸款 續

(己) 已逾期之客戶貸款 續

二零零二年

2002

集團 Group

銀行 Bank

			%		%
總客戶貸款*之本金或利息已逾期:	Gross advances to customers* which have been overdue with respect to either principal or interest for periods of:				
• 三個月以上至六個月	• six months or less but over three months	934	0.4	428	0.3
• 六個月以上至一年	• one year or less but over six months	1,097	0.5	742	0.4
• 一年以上	• over one year	2,734	1.2	2,238	1.4
		<u>4,765</u>	<u>2.1</u>	<u>3,408</u>	<u>2.1</u>
已逾期之客戶貸款(如上)	Overdue advances to customers (as above)	4,765	2.1	3,408	2.1
減: 利息仍作累計處理之逾期客戶貸款	Less: overdue advances on which interest is still being accrued	(1,131)	(0.5)	(685)	(0.4)
加: 逾期三個月或以下或未逾期, 但利息已作懸欠處理之客戶貸款	Add: advances overdue for periods of three months or less, or which are not yet overdue, and on which interest has been placed in suspense				
• 列入重整客戶貸款	• included in rescheduled advances	1,814	0.8	1,618	1.0
• 其他	• other	633	0.3	458	0.3
呆壞賬(附註16(丁))	Gross non-performing advances (note 16(d))	<u>6,081</u>	<u>2.7</u>	<u>4,799</u>	<u>3.0</u>

*已扣除懸欠利息列示。

* Stated after deduction of interest in suspense.

有明確到期日之貸款, 若其本金或利息已逾期, 並於年結日仍未償還, 則列作逾期處理。定期分期償還之貸款, 若其中一次還款逾期, 而於年結日仍未償還, 則列作逾期處理。即時到期之貸款, 若已向借款人送達還款通知, 但借款人未按指示還款, 或貸款已超出借款人獲通知的批准限額, 而此情況持續超過上述逾期期限, 亦列作逾期處理。

Advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the year-end. Advances repayable by regular instalments are treated as overdue when an instalment payment is overdue and remains unpaid at the year-end. Advances repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, or when the advances have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

(庚) 重整之客戶貸款

重整之客戶貸款及其對總客戶貸款*之比率如下:

(g) Rescheduled advances to customers

The amount of rescheduled advances and its expression as a percentage of gross advances to customers* are as follows:

		集團 Group	%	銀行 Bank	%
二零零三年	2003	<u>2,608</u>	<u>1.1</u>	<u>2,326</u>	<u>1.3</u>
二零零二年	2002	<u>1,831</u>	<u>0.8</u>	<u>1,636</u>	<u>1.0</u>

*已扣除懸欠利息列示。

* Stated after deduction of interest in suspense.

列出之重整客戶貸款並不包括重整還款計劃後, 仍逾期三個月以上之客戶貸款, 該等貸款已包括於上述附註16(己)項內。

Rescheduled advances to customers are stated net of any advances that have subsequently become overdue for over three months and are included in overdue advances to customers set out in note 16(f) above.

16. 客戶貸款 續

(辛) 客戶貸款之地區分類分析

客戶貸款之地區分類乃依照客戶所在之地區，經計及風險轉移之因素後而劃定。在一般情況下，若貸款之擔保人所在地有異於該客戶，則風險轉移至擔保人之所在地區。截至二零零三年十二月三十一日，本集團及銀行之客戶貸款及有關之呆壞賬與逾期貸款超逾百分之九十均劃分為香港地區貸款（與二零零二年十二月三十一日相同）。

(壬) 客戶貸款之行業分類

按照香港金融管理局之行業分類及定義之總客戶貸款（已扣除懸欠利息）分析詳列如下：

16. Advances to customers *continued*

(h) Segmental analysis of advances to customers by geographical area

Advances to customers by geographical area are classified according to the location of the counterparties after taking into account the transfer of risk. In general, risk transfer applies when an advance is guaranteed by a party in an area which is different from that of the counterparty. At 31 December 2003, over 90% of the Group's and the Bank's advances to customers and the related non-performing advances and overdue advances were classified under the area of Hong Kong (unchanged from positions at 31 December 2002).

(i) Gross advances to customers by industry sector

The analysis of gross advances to customers (after deduction of interest in suspense) by industry sector based on categories and definitions used by the Hong Kong Monetary Authority is as follows:

	集團 Group		銀行 Bank	
	2003	2002	2003	2002
在香港使用之貸款	Gross advances to customers for use in Hong Kong			
工業、商業及金融業	Industrial, commercial and financial sectors			
• 物業發展	16,828	19,300	16,176	18,647
• 物業投資	34,555	31,507	31,313	27,736
• 金融企業	6,109	2,071	5,220	2,051
• 股票經紀	226	219	226	219
• 批發及零售業	4,376	3,941	4,298	3,870
• 製造業	2,556	2,037	2,513	1,994
• 運輸及運輸設備	10,139	9,238	3,661	2,982
• 其他	17,727	19,521	16,063	18,343
	92,516	87,834	79,470	75,842
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」 之住宅按揭貸款	30,431	35,050	1,090	1,273
• 購買其他住宅物業 之按揭貸款	79,830	78,518	62,995	57,955
• 信用卡貸款	5,430	5,578	5,429	5,578
• 其他	5,779	6,251	5,628	5,670
	121,470	125,397	75,142	70,476
在香港使用之貸款總額	213,986	213,231	154,612	146,318
貿易融資	11,322	9,751	11,322	9,751
在香港以外使用之貸款	6,691	4,493	6,405	4,208
客戶貸款總額 (附註16(甲))	231,999	227,475	172,339	160,277

16. 客戶貸款 續**(癸) 融資租賃之投資淨額**

客戶貸款賬內包括具融資租賃性質之租購合約租予客戶之設備投資淨額。租購合約一般為期五至二十年，並附有在租賃期滿時以象徵式價格購買租賃設備之認購權。租購合約在年底之最低應收租金總額及其現值詳列如下：

16. Advances to customers *continued***(j) Net investments in finance leases**

Advances to customers include net investments in equipment leased to customers under hire purchase contracts having the characteristics of finance leases. The hire purchase contracts usually run for an initial period of 5 to 20 years, with an option for acquiring the leased asset at nominal value at the end of the lease period. The total minimum lease payments receivable and their present value at the year-end are as follows:

		集團 Group		
		最低應收 租金現值 Present value of minimum lease payments receivable	將收取之 利息收入 Interest income relating to future periods	最低應收 租金總額 Total minimum lease payments receivable
二零零三年	2003			
應收項目：	Amounts receivable:			
• 一年以內	• within one year	708	203	911
• 一年以上至五年	• after one year but within five years	2,143	606	2,749
• 五年以上	• after five years	4,077	766	4,843
		6,928	1,575	8,503
呆壞賬準備	Provisions for bad and doubtful debts	(14)		
租購合約之投資淨額	Net investments in hire purchase contracts	6,914		
二零零二年	2002			
應收項目：	Amounts receivable:			
• 一年以內	• within one year	743	209	952
• 一年以上至五年	• after one year but within five years	2,192	631	2,823
• 五年以上	• after five years	3,715	748	4,463
		6,650	1,588	8,238
呆壞賬準備	Provisions for bad and doubtful debts	(25)		
租購合約之投資淨額	Net investments in hire purchase contracts	6,625		
於結算日銀行並無融資租賃(二零零二年:無)。	There were no finance leases maintained by the Bank at the balance sheet date (2002: Nil).			

17. 存 / 欠最終控股公司

於結算日並無結存或結欠最終控股公司(二零零二年:無)。

17. Amounts due from / to ultimate holding company

There were no amounts due from or due to ultimate holding company at the balance sheet date (2002: Nil).

**18. 存 / 欠直屬控股公司
及同母系附屬公司**

結存或結欠直屬控股公司及同母系附屬公司
詳列如下：

**18. Amounts due from / to immediate holding company
and fellow subsidiary companies**

Details of the balances due from and due to immediate holding company and fellow subsidiary
companies are as follows:

		集團 Group		銀行 Bank	
		2003	2002	2003	2002
結存項目：	Amounts due from:				
庫存現金及存放同業及其他金融機構	Cash in hand and balances with banks and other financial institutions	1,043	158	1,039	156
定期存放同業至到期日剩餘期間：	Placings with banks with remaining maturity:				
• 一個月內	• within one month	9,092	3,392	4,114	731
• 一個月以上至三個月	• three months or less but over one month	1,972	724	1,195	334
• 三個月以上至一年	• one year or less but over three months	136	595	136	10
• 一年以上至五年	• five years or less but over one year	4	25	4	25
		11,204	4,736	5,449	1,100
存款證至到期日剩餘期間：	Certificates of deposit with remaining maturity:				
• 三個月內但非即時到期	• three months or less but not repayable on demand	500	217	500	211
• 三個月以上至一年	• one year or less but over three months	248	1,030	248	1,023
• 一年以上至五年	• five years or less but over one year	468	1,056	468	1,056
		1,216	2,303	1,216	2,290
其他資產至到期日剩餘期間：	Other assets with remaining maturity:				
• 三個月內	• three months or less	239	252	232	242
• 三個月以上至一年	• one year or less but over three months	3	11	3	7
• 一年以上至五年	• five years or less but over one year	10	11	10	11
		252	274	245	260
		13,715	7,471	7,949	3,806
結欠項目：	Amounts due to:				
客戶存款	Customer accounts				
• 有協定存款期或通知期， 以餘下存款期計算：	• with agreed maturity dates or periods of notice, by remaining maturity:				
– 三個月內但非即時到期	– three months or less but not repayable on demand	155	274	155	274
– 三個月以上至一年	– one year or less but over three months	38	4	38	4
		193	278	193	278
同業存款	Deposits from banks				
• 即時到期	• repayable on demand	76	97	76	97
• 有協定存款期或通知期， 以餘下存款期計算：	• with agreed maturity dates or periods of notice, by remaining maturity:				
– 三個月內但非即時到期	– three months or less but not repayable on demand	189	973	189	973
– 三個月以上至一年	– one year or less but over three months	1,527	–	1,527	–
		1,792	1,070	1,792	1,070
其他負債至到期日剩餘期間：	Other liabilities with remaining maturity:				
• 三個月內	• three months or less	424	267	370	240
• 三個月以上至一年	• one year or less but over three months	3	–	3	–
		427	267	373	240
		2,412	1,615	2,358	1,588