



HANG SENG BANK 恒生銀行

2005

INTERIM REPORT 中期報告

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業績簡報 RESULTS IN BRIEF

| | 二零零五年 六月三十日 30 June 2005 | 二零零四年 六月三十日 重新列示* 30 June 2004 restated* | 二零零四年 十二月三十一日 重新列示* 31 December 2004 restated* | |
|--------------------------------------|---|---|---|--------------|
| 半年期內 | For the half-year ended | HK\$m | HK\$m | HK\$m |
| 扣除貸款減值(提撥)/回撥及 其他信貸風險準備前之 營業溢利 | Operating profit before loan impairment (charges)/releases and other credit risk allowances | 5,934 | 6,070 | 5,751 |
| 營業溢利 | Operating profit | 5,632 | 6,816 | 5,782 |
| 除稅前溢利 | Profit before tax | 7,062 | 7,260 | 6,023 |
| 股東應得之溢利 | Profit attributable to shareholders | 6,045 | 6,188 | 5,176 |
| 每股計 | Per share | HK\$ | HK\$ | HK\$ |
| 每股盈利 | Earnings per share | 3.16 | 3.24 | 2.71 |
| 每股股息 | Dividends per share | 2.20 | 2.20 | 3.00 |
| 於期末 | At period-end | HK\$m | HK\$m | HK\$m |
| 股東資金 | Shareholders' funds | 41,500 | 39,342 | 40,924 |
| 總資產 | Total assets | 569,719 | 502,558 | 546,988 |
| | | HK\$ | HK\$ | HK\$ |
| 每股資產淨值 | Net asset value per share | 22.19 | 20.96 | 21.85 |
| 比率 | Ratios | % | % | % |
| 半年期內 | For the half-year ended | | | |
| 平均股東資金回報率 | Return on average shareholders' funds | 29.7 | 32.0 | 25.2 |
| 成本對收入比率 | Cost:income ratio | 26.7 | 24.6 | 28.1 |
| 平均流動資金比率 | Average liquidity ratio | 43.6 | 48.1 | 46.3 |
| 於期末 | At period-end | | | |
| 總資本比率** | Total capital ratio ** | 12.4 | 12.8 | 12.0 |
| 第一級資本比率** | Tier 1 capital ratio ** | 10.5 | 11.6 | 10.8 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

** 資本比率已根據香港金融管理局之監管政策手冊內有關指引計及市場風險。

** The capital ratios take into account market risks in accordance with the relevant Hong Kong Monetary Authority guideline under the Supervisory Policy Manual.

CHAIRMAN'S STATEMENT

In the first half of 2005, Hang Seng's total operating income reached HK\$10,499 million, an increase of 8.9% over the same period in 2004. This was achieved against a backdrop of an increasingly competitive environment.

Profit attributable to shareholders was HK\$6,045 million, a fall of 2.3% compared with the first half of last year which benefited from a HK\$698 million release in general provisions.

The return on average shareholders' funds was 29.7%, compared with 32% and 25.2% in the first and second halves of 2004 respectively. Earnings per share were down 2.5% at HK\$3.16.

Economic profit – the difference between post-tax profit and the cost of invested capital – was HK\$3,268 million as Hang Seng continued to create value for shareholders.

Our total capital ratio on 30 June 2005 was 12.4%, compared with 12% on 31 December 2004. Our tier 1 capital ratio was 10.5%, down 0.3 percentage points.

Following our quarterly dividend programme, the Directors have declared a second interim dividend of HK\$1.10 per share. Together with the first interim of HK\$1.10 per share, this brings the total distribution for the first half of 2005 to HK\$2.20, the same as for the first half of 2004.

With mainland China continuing to grow in economic importance, we are making good progress with our strategy for developing our Mainland business. During the first half of this year, we recorded a rise in our share of profits from Industrial Bank and increased the number of our Mainland outlets to 10.

With a total Mainland investment of around RMB3 billion, we are well placed to capitalise on the growth opportunities created by the ongoing financial liberalisation in this exciting market.

Hang Seng's first-ever subordinated notes offering was successfully undertaken in June. The dual-tranche issue enjoyed strong investor interest and was upsized from HK\$1.5 billion to HK\$2.5 billion. The offering has helped to balance, and facilitate the more efficient use of, our capital. The net proceeds will be used for general funding purposes and to support business growth.

I took over as Chairman of Hang Seng following Mr David Eldon's retirement in April. His tenure saw the Bank build on its financial strength and market reputation. We will continue to work to the standards of excellence established under his leadership.

In May, Mr Vincent Cheng stepped down as Vice-Chairman and Chief Executive of Hang Seng in order to succeed Mr Eldon as Chairman of The Hongkong and Shanghai Banking Corporation Limited. I would like to thank Mr Cheng for his hard work on behalf of Hang Seng's customers and shareholders and to welcome his successor, Mr Raymond Or.

Our total number of average full-time equivalent staff has increased by 193. This follows recruitment to meet the needs of our growing business, particularly in Personal Financial Services and on the Mainland.

With the rate of economic growth in the second half of 2005 expected to be more moderate, the competitive banking environment is set to continue. However, our overall outlook for the year remains positive. The improvement in employment, coupled with the wealth effects resulting from the sustained economic recovery, will help ensure that domestic demand maintains momentum.

Hang Seng will continue to focus on diversifying income through expanding wealth management, consumer finance and services for small and medium-sized enterprises, improving productivity and exploring business opportunities on the Mainland. This strategy will enable us to strengthen our profitability and continue to deliver value to our shareholders.



Michael Smith

Chairman

Hong Kong, 1 August 2005

CHIEF EXECUTIVE'S REPORT

Hang Seng's results in the first half of 2005 reflect the opportunities and challenges created by the recent economic environment.

The strengthening local economy enabled us to capitalise on personal and commercial loan demand. Rising interest rates improved interest spreads on deposits but exerted downward pressure on income from Treasury investment and money market portfolios. Competition within the banking sector remained keen.

Total operating income rose by HK\$854 million, or 8.9%, to HK\$10,499 million.

Operating profit before loan impairment allowances was HK\$5,934 million, down 2.2%.

Profit before tax amounted to HK\$7,062 million, a 2.7% fall compared with the first half of 2004, but a 17.3% increase on the second half.

At HK\$6,045 million, attributable profit was down 2.3%.

Financial highlights

Underpinned by rising interest rates and continuing domestic demand, net interest income increased by HK\$549 million, or 11.6%, to HK\$5,264 million.

Average interest-earning assets grew by HK\$27.8 billion, or 5.9%. Total assets grew by 4.2% to HK\$569.7 billion.

Net interest margin improved by 11 basis points to 2.13% with an increase of 4 basis points in net interest spread.

The upward trend in interest rates slowed capital-guaranteed fund sales, which were exceptionally high during the first half of 2004. Along with a change in the accounting treatment of credit facilities fees, this led to a drop of HK\$295 million, or 16.2%, in net fee income.

Trading income was down HK\$125 million, although this figure hides encouraging growth in structured product sales to commercial and personal customers.

Income from wealth management fell by HK\$54 million to HK\$1,759 million. However, compared with the second half of 2004, it increased by HK\$137 million.

In response to rising interest rates, we shifted the focus of our investment services to yield enhancement structured investment instruments. We continued to expand our investment product range and took steps to grow our Private Banking business.

Insurance agency and underwriting income reached HK\$704 million, a year-on-year increase of 14.3%.

Total funds under management grew by 10.6% to HK\$99.4 billion.

Investment in business growth saw operating costs rise by 8.8% to HK\$2,156 million. Driven largely by the expansion of Personal Financial Services and our Mainland network, our average headcount rose by 193, contributing to a 6.5% increase in personnel costs. We also made investments in IT and in marketing to promote credit card and insurance products.

However, we maintained a low cost:income ratio of 26.7%, compared with 24.6% and 28.1% in the first and second halves of 2004 respectively.

Our average liquidity ratio remained strong at 43.6%.

Our total and tier 1 capital ratios at 30 June 2005 were 12.4% and 10.5% respectively, well above the statutory required minimums.

In June 2005, we completed a HK\$2.5 billion subordinated notes offering. Qualifying as tier 2 capital, the proceeds helped to balance our capital structure and will support future business growth.

Shareholders' funds, excluding proposed dividends, rose by 5.6% to HK\$39.4 billion. The return on average shareholders' funds was 29.7%, down from 32% in the first half of last year, but up from 25.2% in the second half.

Loans and deposits

Advances to customers after loan impairment allowances grew by 3.6% to HK\$260.5 billion, compared with HK\$251.6 billion at the end of 2004.

Lending to the industrial, commercial and financial sectors increased by HK\$5.5 billion, or 5.2%.

Lending to individuals rose by 2%, excluding mortgages in suspension under the Government Home Ownership Scheme. Despite keen competition, we increased our market share of new residential mortgage loan business. This was achieved through the introduction of several new mortgage plans that offer customers a wide range of funding and repayment options. Overall, residential mortgage lending rose by 1.9%.

Card advances and other lending to individuals, mainly personal advances and overdrafts, together grew by 2.3% as we continued to promote consumer finance. Card receivables recorded year-on-year growth of 19.5%.

Gross advances for use outside Hong Kong increased by 17.4% to HK\$14,217 million, due largely to increased lending activity by our Mainland branches.

As at 30 June 2005, total loan impairment allowances as a percentage of gross advances to customers were 0.46%, compared with 0.39% at the end of last year. Gross impaired advances as a percentage of gross advances to customers remained unchanged at 0.7%. Loan impairment allowances as a percentage of gross impaired advances were 39.1%, down from 40.3%.

Customer deposits together with certificates of deposit and other debt securities issued amounted to HK\$458.9 billion, a fall of 1% from the end of 2004. As interest rates moved up, customers shifted from current and savings accounts to time deposits. Certificates of deposit and other debt securities in issue also gained in popularity.

Customer group highlights

Personal Financial Services (PFS) reported a 12.8% growth in pre-tax profit to HK\$3,970 million, contributing 56.2% of our total pre-tax profit.

Net interest income grew by 20.4%, with a 3.5% growth in average deposits and a widening of deposit spreads as local interest rates increased. PFS also benefited from a net release in loan impairment charges from mortgages and personal loans, reflecting rising property prices and a fall in delinquency rates.

The stronger economy helped drive consumer demand and customer advances grew by 1.2%.

Wealth management remained a central element of our PFS business.

Our insurance business performed well, helped by the introduction of new insurance plans featuring cumulative life protection and wealth benefits. Life annualised premiums rose by 6.7%.

Private Banking income rose by 37%, following encouraging growth in both customer numbers and asset management portfolios.

Other operating income grew by HK\$65 million, or 14.9%.

Credit card services income rose significantly, driven by growth of 10.6% and 20.6% in the card base and cardholder spending respectively. The number of Hang Seng credit cards in issue now exceeds 1.2 million.

Commercial Banking's (CMB) pre-tax profit fell by 66.7% to HK\$437 million. This fall is attributable mainly to a HK\$453 million net loan impairment charge, compared with a large net release for the same period last year. CMB's operating profit before loan impairment allowances was up 4.9%.

Lending to both middle market customers and small and medium-sized enterprises (SMEs) continued to enjoy robust growth. Average customer advances grew by 30.9%, helping to drive the 17.4% increase in net interest income.

Customer advances rose by 11.7%. Trade finance grew by 14.1% compared with the end of last year as CMB made good use of its strong relationship management team, trade services capabilities, and branches on the Mainland and in Macau to meet customers' needs.

Corporate and Institutional Banking (CIB) recorded a 10.8% fall in operating profit before loan impairment allowances, with the drop in net fee income outweighing the rise in net interest income following growth of 3.5% in customer advances. CIB's pre-tax profit dropped 60.2%.

Rising funding costs and the flattening of yield curves saw Treasury's net interest income decline by 31.5% and contributed to the 40.9% fall in Treasury's pre-tax profit. A drop in customer trade turnover contributed to the HK\$91 million fall in foreign exchange income. This played a significant role in the 66.3% drop in trading income. Income from derivatives trading rose by HK\$47 million.

Other business experienced strong growth of 153.4% in pre-tax profit. This was attributable mainly to the surplus on revaluation of properties and improved returns on shareholders' funds that resulted from the rise in market interest rates.

Business expansion

Our Mainland business continues to form an important part of our expansion strategy. Our investment in Industrial Bank is already yielding good results, contributing approximately HK\$190 million to our share of after-tax profits from associated companies in the first half of 2005.

Further progress was made in developing our own network of Mainland outlets. In January, we opened a new sub-branch in Shenzhen. We also relocated our Fuzhou branch to accommodate its expansion. Since the end of 2004, we have increased our Mainland headcount by 57 to 340.

Hang Seng remains a local leader in using technology to improve and expand its services. In June, we launched an e-Loan Centre, which offers customers the convenience of applying for a wide range of personal loans over the Internet.

We now have around 470,000 Personal e-Banking customers and 26,000 companies use our Business e-Banking services. In June 2005, 28.8% of all customer transactions were conducted online, up from 24% in June 2004. Of particular note was our online securities trading service, which handled 62.7% of all securities trading transactions during the first half of 2005.

Product diversification and a sharper focus on customer needs across all segments helped us maintain active wealth management business despite the challenges of weaker stock market activity and rising interest rates. In May, we received the 'Excellence in Wealth Management Award' at *The Asian Banker's* 2005 Excellence in Retail Financial Services Awards.

Moody's Investors Service affirmed Hang Seng's long-term foreign currency deposit rating of A1, long-term local currency deposit rating of Aa3, short-term foreign currency deposit rating of Prime 1, short-term local currency deposit rating of Prime 1 and bank financial strength rating of B.

In July, Standard & Poor's assigned its B+ bank fundamental strength rating to Hang Seng, the highest rating given to Hong Kong banks. It also raised our long-term and short-term foreign currency counterparty credit ratings to AA- and A-1+ respectively. Fitch maintained its individual rating of A/B, the highest for banks in Asia.

In June, Hang Seng's HK\$2.5 billion subordinated debt issue was assigned solicited ratings of A1 and A+ by Moody's and Standard & Poor's respectively.

Corporate social responsibility

We believe that good corporate citizenship is crucial to sustained business success and we are committed to supporting the communities we serve.

Education remains a key focus for the Bank. Since 1995 we have allocated over HK\$44 million to various scholarship schemes, benefiting more than 800 students.

We continue to sponsor the music education programme "Blossom With Music" that has brought the joy of music to over 360,000 people since 1998.

We actively seek to minimise our ecological footprint. In January, we became the first local financial institution to receive international ISO 14001 certification for our sound environmental practices.

Our award-winning "HANG SENG Go Green Staff Awareness Campaign" has raised environmental awareness within the Bank. We are extending our efforts to customers through initiatives such as the "Hang Seng e-Statement Tree Planting Scheme". Under this scheme, we will sponsor the planting of one tree for every 10 paper statements suppressed by our customers. Over 40,000 Hang Seng customers have already switched to our e-Statement service.

In April we successfully launched the "Hang Seng Bank – Junior Police Call Environmental Detectives" competition. Organised jointly with the Hong Kong Police Force and WWF Hong Kong, the competition aims to involve young people in the detection of the causes of environmental problems and how to solve them.

Through The Community Chest of Hong Kong's Corporate and Employee Contribution Programme, we support 143 social welfare agencies in Hong Kong.

In recognition of our socially responsible practices, we have been a constituent company of the FTSE4Good Global Index since 2001.

The way forward

The forecast slowing of economic growth in the second half of 2005 will create new challenges amid continuing strong competition. However, the wealth creation effects of the prolonged economic recovery will help underpin consumer demand and this will generate new opportunities. The improved interest margin should also continue to have a positive influence.

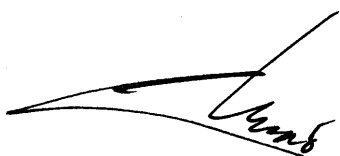
We will focus on higher margin businesses, including wealth management, consumer finance and the commercial banking and SME segments.

We will continue to take advantage of Internet technology and the Bank's integrated multi-channel network to meet customers' needs in a fast, efficient manner.

Our business will benefit from regional growth that is being driven in part by the overseas expansion of Mainland companies, the further implementation of the Closer Economic Partnership Arrangement and economic development in the Pearl River Delta.

We are finalising preparations to upgrade our Beijing representative office to a branch and over the next two months will open a Dongguan representative office and a third sub-branch in Shanghai. These developments will bring our number of Mainland outlets to 12.

Hang Seng's sound finances, brand strength, excellent customer service and leading market position provide solid foundations on which to further build our business. We will continue to manage our operations for growth and exceed the expectations of our stakeholders.



Raymond Or

Vice-Chairman and Chief Executive

Hong Kong, 1 August 2005

FINANCIAL REVIEW

On 1 January 2005, a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs") came into effect. The resulting changes in accounting treatment and presentation of various profit and loss and balance sheet items may render certain comparative figures not strictly comparable. Details of the changes are shown in appendices 1 to 5.

Profit and loss account

Summary of financial performance

| <i>(Figures in HK\$m)</i> | <i>Half-year ended 30 June 2005</i> | <i>Half-year ended 30 June 2004 restated</i> | <i>Half-year ended 31 December 2004 restated</i> |
|-------------------------------------|---|--|--|
| Net operating income | 7,788 | 8,797 | 8,033 |
| Total operating expenses | 2,156 | 1,981 | 2,251 |
| Operating profit | 5,632 | 6,816 | 5,782 |
| Profit before tax | 7,062 | 7,260 | 6,023 |
| Profit attributable to shareholders | 6,045 | 6,188 | 5,176 |
| Earnings per share (HK\$) | 3.16 | 3.24 | 2.71 |

Hang Seng Bank Limited (the Bank) and its subsidiaries and associated companies (the Group) reported an unaudited profit attributable to shareholders of HK\$6,045 million for the half-year ended 30 June 2005. This was down 2.3 per cent year-on-year but up by 16.8 per cent when compared with the second half of 2004.

Net interest income rose by HK\$549 million, or 11.6 per cent.

| <i>(Figures in HK\$m)</i> | <i>Half-year ended 30 June 2005</i> | <i>Half-year ended 30 June 2004 restated</i> | <i>Half-year ended 31 December 2004 restated</i> |
|---------------------------------|---|--|--|
| Net interest income | 5,264 | 4,715 | 4,980 |
| Average interest-earning assets | 497,987 | 470,141 | 478,253 |
| Net interest spread | 1.99% | 1.95% | 1.99% |
| Net interest margin | 2.13% | 2.02% | 2.07% |

The rise was attributable to improved interest spreads on deposits, growth in commercial banking and consumer lending portfolios, an increased contribution from net free funds and the inclusion of interest income from life insurance fund investments. These outweighed the compression of interest spreads on treasury investment and money market portfolios, which were affected negatively by the rise in interest costs and the flattening of the yield curves, and further falls in mortgage portfolio yields. Compared with the second half of 2004, net interest income rose by HK\$284 million, or 5.7 per cent. Net interest margin improved to 2.13 per cent, 11 basis points and 6 basis points higher than the first and second halves of 2004 respectively.

The year-on-year impact of individual factors on net interest income and net interest margin is analysed below:

| | <i>HK\$m Net interest income</i> | <i>Basis points Net interest margin</i> |
|--|--|---|
| Narrowing of spread on treasury securities and money market portfolios | (148) | (6) |
| Fall in mortgage portfolio yields | (123) | (5) |
| Improvement in deposits spreads | 173 | 7 |
| Contribution from net free funds | 173 | 7 |
| Interest income from insurance fund assets | 198 | 8 |
| Growth in average interest-earning assets | 276 | – |
| | 549 | 11 |

Net fee income fell by HK\$295 million, or 16.2 per cent.

| <i>(Figures in HK\$m)</i> | <i>Half-year ended 30 June 2005</i> | <i>Half-year ended 30 June 2004 restated</i> | <i>Half-year ended 31 December 2004 restated</i> |
|---------------------------|---|--|--|
| Fee income | 1,741 | 1,974 | 1,755 |
| Fee expense | (215) | (153) | (263) |
| Net fee income | 1,526 | 1,821 | 1,492 |

Income from stockbroking and securities related income fell by HK\$62 million, or 21.0 per cent. Income from retail investment products and funds under management was lower by HK\$199 million, or 22.9 per cent, as compared to the exceptionally high capital guaranteed fund sales in the first quarter of 2004, although this was partly offset by the strong sales of structured investment products and the growth in private banking business in the first half of 2005. Credit facilities income fell by HK\$82 million as all corporate loan origination fees are now reported as part of interest income under the new accounting policies that came into effect on 1 January 2005. Card services income rose by 18.0 per cent, underpinned by 20.6 per cent growth in card spending. Insurance agency commissions and trade finance also recorded encouraging growth, reflecting the business growth of the Commercial Banking Customer Group.

Compared with the second half of 2004, net fee income rose by HK\$34 million, or 2.3 per cent, mainly contributed by growth in card services fees and insurance agency commission.

Trading income fell by HK\$125 million, or 22.4 per cent.

| <i>(Figures in HK\$m)</i> | <i>Half-year ended 30 June 2005</i> | <i>Half-year ended 30 June 2004 restated</i> | <i>Half-year ended 31 December 2004 restated</i> |
|--|---|--|--|
| Net interest income | 44 | – | – |
| Dealing profits: | | | |
| • foreign exchange | 277 | 530 | 445 |
| • securities, derivatives and other trading activities | 112 | 28 | 21 |
| | 389 | 558 | 466 |
| | 433 | 558 | 466 |

Foreign exchange income fell by HK\$253 million, mainly due to the decline in customer trade volume, and a loss incurred on foreign exchange contracts used for hedging on-balance sheet positions.

Income from securities, derivatives and other trading activities rose by HK\$84 million, mainly due to the rise in profit from derivatives of HK\$136 million, attributable mainly to the packaging of structured investment products for commercial and personal customers.

Compared with the second half of 2004, trading income fell by HK\$33 million, or 7.1 per cent (a fall of HK\$77 million, or 16.5 per cent, excluding interest income and expenses from trading financial instruments being reported as trading income after the adoption of HKAS 39 on 1 January 2005).

Net income from financial instruments designated as at fair value amounted to HK\$50 million.

Financial assets, liabilities and derivatives are designated as at fair value through profit or loss mainly to achieve economic hedge of market risks and are not for short-term trading. Certain long-term insurance fund assets are also designated as at fair value through profit or loss to meet policyholders' liabilities.

Before the change in accounting policies at the beginning of this year, there was no income reported in this line since these financial instruments were recorded in the banking book (reported as cost or amortised cost with interest income and expenses reported accordingly), or as long-term insurance contract assets (with related income reported as net investment income on assets backing policyholder liabilities).

Net earned insurance premiums rose by HK\$730 million, or 36.5 per cent.

Premiums earned from policy renewal increased substantially as the portfolio of in-force policies continued to grow. Annualised premiums and net premiums earned on new policies also reported satisfactory growth. Compared with the second half of 2004, there was a rise of HK\$254 million, or 10.3 per cent.

Net insurance claims incurred and movement in policyholder liabilities increased by HK\$815 million, or 51.1 per cent.

It reflected mainly the growth in liabilities to policyholders of long-term life insurance business. This was in line with the increase in long-term insurance policies in-force. Claims for general insurance business remained stable.

Other operating income rose by HK\$39 million, or 9.2 per cent.

It was mainly attributable to the growth in embedded value of long-term insurance contracts.

Analysis of income from wealth management businesses

(Figures in HK\$m)

| | Half-year ended 30 June 2005 | Half-year ended 30 June 2004 restated | Half-year ended 31 December 2004 restated |
|---|------------------------------------|--|--|
| Investment income: | | | |
| • retail investment products and funds under management † | 789 | 869 | 630 |
| • securities/stockbroking | 233 | 295 | 265 |
| • margin trading | 33 | 33 | 33 |
| | 1,055 | 1,197 | 928 |
| Insurance income: | | | |
| • life insurance | | | |
| • underwriting including embedded value | 334 | 387 | 236 |
| • life investment income †† | 209 | 79 | 339 |
| • general insurance and others | 161 | 150 | 119 |
| | 704 | 616 | 694 |
| Total | 1,759 | 1,813 | 1,622 |

† Income from retail investment products and funds under management included that which was reported under fees and commissions including the sale of unit trust funds, third party investment products and private banking business. This also included profit on issue of structured investment products, reported under trading income.

†† Investment income from insurance funds included that reported as net interest income, trading income, net income from financial instruments designated as at fair value and net investment income on assets backing policyholder liabilities.

Wealth management business related income fell slightly by HK\$54 million, or 3.0 per cent, compared with the first half of 2004. Investment income fell by HK\$142 million, or 11.9 per cent. In a rising interest rate environment, the focus of the Bank's investment services shifted from capital guaranteed funds to yield enhancement structured instruments. The Bank continued to widen its investment products range to facilitate customers in capturing market opportunities. Private banking business recorded encouraging growth in both customers and asset management portfolios.

Total funds under management, including discretionary and advisory, grew by 10.6 per cent to HK\$99.4 billion during the first half of 2005.

Insurance agency and underwriting income, including embedded value of long-term life contracts, increased by HK\$88 million, or 14.3 per cent, following the successful launch of new insurance plans such as "Three-year Express Wealth" and "Five-year Excel" with cumulative life protection and wealth benefits.

Compared with the second half of 2004, wealth management business related income rose by HK\$137 million, or 8.4 per cent, attributable to the growth of 13.7 per cent and 1.4 per cent in investment services related income and insurance income respectively.

Loan impairment charges amounted to HK\$302 million, compared with net releases in loan impairment of HK\$746 million for the first half of 2004 and HK\$31 million for the second half of 2004.

| <i>(Figures in HK\$m)</i> | <i>Half-year ended 30 June 2005</i> | <i>Half-year ended 30 June 2004 restated</i> | <i>Half-year ended 31 December 2004 restated</i> |
|------------------------------------|---|--|--|
| Loan impairment (charges)/releases | | | |
| • individually assessed | (95) | 144 | (3) |
| • collectively assessed | | | |
| • portfolio basis | (55) | (96) | (80) |
| • individually unimpaired loans | (152) | 698 | 114 |
| | (302) | 746 | 31 |
| Of which: | | | |
| • new and additional | (666) | (241) | (222) |
| • releases | 314 | 932 | 199 |
| • recoveries | 50 | 55 | 54 |
| | (302) | 746 | 31 |

The overall loan impairment charges on individually assessed loans amounted to HK\$95 million, with new loan impairment charges on certain commercial banking accounts offset by a net release from mortgages and personal loans. This compared with a net release of HK\$144 million in the first half of 2004. Impairment loss for small homogeneous loans collectively assessed on a portfolio basis amounted to HK\$55 million, compared with HK\$96 million for the first half of 2004, reflecting further improvement in credit card charge-offs in the generally stronger economic conditions. Collective assessment of loans determined not to be individually impaired resulted in a charge of HK\$152 million, following an update of the historical loss rate to cover the economic cycle. This compared with releases in general provisions of HK\$698 million and HK\$114 million for the first and second halves of 2004 respectively.

Total loans impairment allowances as a percentage of gross advances to customers are as follows:

| | <i>At 30 June 2005</i> | <i>At 30 June 2004 restated</i> | <i>At 31 December 2004 restated</i> |
|-----------------------------------|----------------------------|---|---|
| | % | % | % |
| Loans impairment allowances | | | |
| • individually assessed | 0.28 | 0.32 | 0.27 |
| • collectively assessed | | | |
| • portfolio basis | 0.01 | 0.01 | 0.01 |
| • individually unimpaired loans | 0.17 | 0.16 | 0.11 |
| Total loans impairment allowances | 0.46 | 0.49 | 0.39 |

Total loans impairment allowances as a percentage of gross advances to customers rose to 0.46 per cent as at 30 June 2005, compared with 0.39 per cent at the end of 2004. Individually assessed allowances as a percentage of gross advances stood at the same level as last year-end at 0.28 per cent. Collectively assessed allowances rose by six basis points to 0.18 per cent of gross advances to customers, compared with 0.12 per cent at the end of 2004, following an update of the historical loss rate for calculation of allowances for collective assessment of loans which were individually determined to be unimpaired.

Operating expenses went up by HK\$175 million, or 8.8 per cent.

Personnel expenses rose by 6.5 per cent, attributable to the salary increment at the beginning of the year and the increase in average headcount of 193, which was mainly related to recruitment for Personal Financial Services business and the expansion of the mainland network. Increases in IT costs on business and credit control systems accounted for a 7.5 per cent increase in other premises and equipment cost. Other operating expenses rose by 18.4 per cent, due mainly to an increase in marketing expenditure for the promotion of card and insurance products and processing costs as further activities were outsourced to Group service centres in Guangzhou and Shanghai.

Compared with the second half of 2004, operating expenses fell by HK\$95 million, or 4.2 per cent, due to the provision made for staff performance bonuses for 2004 in the previous half-year period.

The cost:income ratio for the first half 2005 was 26.7 per cent, compared with 24.6 per cent and 28.1 per cent for the first and second halves of 2004.

Profit on disposal of tangible fixed assets and financial investments was HK\$348 million, the same as the corresponding period last year.

The profit mainly arose from the disposal of equity investments.

Net surplus on property revaluation went up by HK\$786 million.

(Figures in HK\$m)

| | Half-year ended 30 June 2005 | Half-year ended 30 June 2004 restated | Half-year ended 31 December 2004 restated |
|-------------------------------------|------------------------------------|--|--|
| Net surplus on property revaluation | | | |
| • bank premises | 148 | 91 | 55 |
| • investment properties | 729 | – | – |
| | 877 | 91 | 55 |

The revaluation surplus for bank premises amounted to HK\$918 million of which HK\$148 million was a reversal of revaluation deficits previously charged to profit and loss account. The balance of HK\$770 million was credited to premises revaluation reserve.

Revaluation gains on investment properties of HK\$729 million were recognised through the profit and loss account on the adoption of HKAS 40 which came into effect on 1 January 2005.

Balance Sheet

Total assets

Total assets grew by HK\$22.7 billion, or 4.2 per cent, to HK\$569.7 billion at 30 June 2005. Advances to customers recorded encouraging growth of 3.6 per cent, mainly in residential mortgages, trade finance and corporate lending.

Advances to customers

Lending to the industrial, commercial and financial sectors rose by 5.2 per cent during the first half of 2005. Financial concerns, including investment holding vehicles, grew by 10.1 per cent. Wholesale, retail and manufacturing together were up by 32.2 per cent, reflecting the continued expansion of the economy. Lending to the transport and transport equipment sector, mainly taxi and other motor vehicle loans, also recorded a growth of 8.1 per cent.

Individual lending was up 0.2 per cent compared with the end of 2004, or up 2.0 per cent excluding mortgages under the GHOS Scheme which is still in suspension. Residential mortgages went up by 1.9 per cent in an active and competitive market. Card advances and others, mainly personal advances, together grew 2.3 per cent as the Bank continued to promote consumer finance.

Trade finance advances recorded an encouraging growth of 8.8 per cent, benefiting from further increase in external trade activities.

Gross advances for use outside Hong Kong rose by 17.4 per cent, largely due to growth in lending activity by our mainland branches.

Current, savings and other deposit accounts

| | At 30 June 2005 | At 30 June 2004 <i>restated</i> | At 31 December 2004 <i>restated</i> |
|---|----------------------------|---------------------------------------|---|
| <i>(Figures in HK\$m)</i> | | | |
| Current, savings and other deposit accounts: | | | |
| • as per consolidated balance sheet | 430,395 | 418,638 | 447,460 |
| • structured deposits reported as trading liabilities | 7,475 | – | – |
| | 437,870 | 418,638 | 447,460 |
| By type: | | | |
| • demand and current accounts | 29,583 | 33,183 | 36,148 |
| • savings accounts | 212,344 | 231,135 | 251,192 |
| • time and other deposits | 195,943 | 154,320 | 160,120 |
| | 437,870 | 418,638 | 447,460 |

Certificates of deposit and other debt securities in issue

| | At 30 June 2005 | At 30 June 2004 <i>restated</i> | At 31 December 2004 <i>restated</i> |
|--|----------------------------|---------------------------------------|---|
| <i>(Figures in HK\$m)</i> | | | |
| Certificates of deposit and other debt securities in issue: | | | |
| • as per consolidated balance sheet | 11,158 | 9,807 | 16,055 |
| • structured certificates of deposit and other debt securities in issue reported as trading liabilities | 9,836 | – | – |
| | 20,994 | 9,807 | 16,055 |
| By type: | | | |
| • certificates of deposit in issue | 20,839 | 9,807 | 15,409 |
| • other debt securities in issue | 155 | – | 646 |
| | 20,994 | 9,807 | 16,055 |

Current, savings and other deposit accounts (including structured deposits reported as trading liabilities) fell by HK\$9.6 billion, or 2.1 per cent, to HK\$437.9 billion at 30 June 2005, compared with the last year-end. Certificates of deposit and other debt securities in issue (including those reported as trading liabilities) rose by HK\$4.9 billion to HK\$21.0 billion at 30 June 2005. As interest rates gradually moved up, customer deposits shifted from current and savings accounts to time deposits. Certificates of deposit and other deposit instruments with yield enhancement features also gained in popularity.

Subordinated liabilities

In June 2005, the Bank issued subordinated notes of total nominal value of HK\$2,500 million, divided into a fixed rate tranche of HK\$1,000 million and a floating rate tranche of HK\$1,500 million. Both tranches will mature on or about 23 June 2015 with a one-time call option in June 2010 (call option date).

The fixed rate notes bear an interest rate of 4.125 per cent per annum payable semi-annually from the issue date to the call option date at which point, if the notes are not redeemed, the interest rate will be reset to three-month HIBOR plus 0.825 per cent, payable quarterly.

The floating rate notes bear an interest at three-month HIBOR plus 35 basis points payable quarterly from the issue date to the call option date. Thereafter, if the notes are not redeemed, the interest rate will be reset to three-month HIBOR plus 0.85 per cent.

Market risk

Market risk is the risk that foreign exchange rates, interest rates or equity and commodity prices will move and result in profits or losses to the Group. The Group's market risk arises from customer-related business and from position taking.

Market risk is managed within risk limits approved by the Board of Directors. Risk limits are set by product and risk type with market liquidity being a principal factor in determining the level of limits set. Limits are set using a combination of risk measurement techniques, including position limits, sensitivity limits, as well as value at risk (VAR) limits at a portfolio level.

The Group adopts the risk management policies and risk measurement techniques developed by the HSBC Group. The daily risk monitoring process measures actual risk exposures against approved limits and triggers specific actions to ensure overall market risk is managed within an acceptable level.

VAR is a technique which estimates the potential losses that could occur on risk positions taken due to movements in market rates and prices over a specified time horizon and to a given level of confidence. In line with the HSBC Group, the Bank refined its basis of calculating VAR from one predominantly based on variance/co-variance ("VCV") to one predominantly based on historical simulation ("HS") effective 3 May 2005. This latter calculation was introduced because it better captures the non-linear characteristics of certain market risk positions. HS uses scenarios derived from historical market rates, and takes account of the relationships between different markets and rates, for example, interest rates and foreign exchange rates. Movements in market prices are calculated by reference to market data from the last two years. Aggregation of VAR from different risk types is based upon the assumption of independence between risk types. In recognition of the inherent limitations of VAR methodology, stress testing is performed to assess the impact of extreme events on market risk exposures.

The Group has obtained approval from the Hong Kong Monetary Authority (HKMA) to change the VAR model from VCV to HS for calculating market risk in capital adequacy reporting and the HKMA has expressed itself satisfied with the Group's market risk management process.

The Group's VAR for all interest rate risk and foreign exchange risk positions and on individual risk portfolios during the first halves of 2005 and 2004 are shown in the tables on page 14. The VAR figures for the first half of 2005 are based on four months' VCV and two months' HS.

VAR

| <i>(Figures in HK\$m)</i> | <i>At 30 June 2005</i> | <i>Minimum during the period</i> | <i>Maximum during the period</i> | <i>Average for the period</i> |
|---|----------------------------|--|--|---------------------------------------|
| VAR for all interest rate risk and foreign exchange risk | 614 | 389 | 836 | 647 |
| VAR for foreign exchange risk (trading) | 7 | 1 | 10 | 4 |
| VAR for interest rate risk | | | | |
| • trading | 4 | 4 | 67 | 19 |
| • banking | 613 | 387 | 825 | 635 |

| <i>(Figures in HK\$m)</i> | <i>At 30 June 2004</i> | <i>Minimum during the period</i> | <i>Maximum during the period</i> | <i>Average for the period</i> |
|---|----------------------------|--|--|---------------------------------------|
| VAR for all interest rate risk and foreign exchange risk | 349 | 250 | 607 | 387 |
| VAR for foreign exchange risk (trading) | 37 | 35 | 58 | 43 |
| VAR for interest rate risk | | | | |
| • trading | 4 | 1 | 8 | 4 |
| • banking | 348 | 245 | 605 | 386 |

The average daily revenue earned from market risk-related treasury activities for the first half of 2005 was HK\$7 million (HK\$10 million for the first half of 2004). The standard deviation of these daily revenues was HK\$5 million (HK\$5 million for the first half of 2004). An analysis of the frequency distribution of daily revenues shows that out of 121 trading days in the first half of 2005, losses were recorded on six days and the maximum daily loss was HK\$4 million. The most frequent result was a daily revenue of between HK\$4 million and HK\$8 million, with 46 occurrences. The highest daily revenue was HK\$23 million.

The Group's foreign exchange exposures mainly comprise foreign exchange dealing by Treasury and currency exposures originated by its banking business. The latter are transferred to Treasury where they are centrally managed within foreign exchange position limits approved by the Board of Directors. The average one-day foreign exchange profit for the first half of 2005 was HK\$2 million (HK\$4 million for the first half of 2004).

Interest rate risk, which arises in both Treasury trading and non-trading portfolios and the banking books, is centrally managed by Treasury under limits approved by the Board of Directors. The average daily revenue earned from Treasury-related interest rate activities for the first half of 2005 was HK\$5 million (HK\$6 million for the first half of 2004).

Structural foreign exchange positions arising from capital investment in subsidiaries and branches outside Hong Kong, mainly in US dollar and renminbi, are managed by the Asset and Liability Management Committee.

董事長報告

儘管市場競爭愈趨激烈，恒生於二零零五年上半年之總營業收入達港幣一百零四億九千九百萬元，較二零零四年同期增加百分之八點九。

股東應得之溢利為港幣六十億四千五百萬元，較去年上半年下跌百分之二點三，而去年上半年之股東應得溢利乃受惠於一般準備有港幣六億九千八百萬元之回撥。

平均股東資金回報率為百分之二十九點七，而二零零四年上半年及下半年則分別為百分之三十二及百分之二十五點二。每股盈利下降百分之二點五，為港幣三元一角六仙。

經濟盈利是指除稅後溢利與投資之資本成本之差額，該項盈利為港幣三十二億六千八百萬元，顯示本行持續為股東增值。

總資本比率於二零零五年六月三十日為百分之十二點四，二零零四年十二月三十一日為百分之十二。本行之第一級資本比率則為百分之十點五，下跌零點三個百分點。

隨著本行實施每季派息計劃。董事會宣佈派發是年度第二次中期股息每股港幣一元一角。是次股息連同已派發之第一次中期股息每股港幣一元一角，二零零五年上半年每股派息合共港幣二元二角，與二零零四年上半年相同。

隨著中國經濟持續發展，本行拓展內地業務之策略亦取得良好進展。於二零零五年上半年，本行於興業銀行之應佔溢利有所增長，而內地業務據點亦已增加至十個。

本行於內地之總投資約為人民幣三十億元，並會積極把握內地繼續開放金融市場所帶來之商機。

於六月，恒生成功首次發行次級債券。由於投資者對該項分為兩部份的債券反應熱烈，發行額由港幣十五億元增加至港幣二十五億元。是次發行債券有助平衡及更有效地運用本行的資本。發行債券所得的淨資金，將用作一般營運及支持未來業務發展。

本人繼四月榮休之艾爾敦先生接任恒生銀行董事長。艾爾敦先生在任期間，恒生得以在雄厚財務實力及卓著聲譽的基礎上進一步發展，本行會秉承艾爾敦先生任內所建立之優良標準。

鄭海泉先生於五月退任恒生副董事長兼行政總裁職務，並接替艾爾敦先生出任香港上海滙豐銀行有限公司主席。本人謹代表恒生之客戶及股東向鄭先生之辛勞衷心感謝，並對接任其職務的柯清輝先生表示歡迎。

為配合業務增長，尤其是個人銀行服務及內地業務的擴展，本行平均員工人數較去年同期增加一百九十三人。

雖然二零零五年下半年之經濟增長預期會減慢，而銀行業的競爭持續，但本行對今年下半年之展望仍然樂觀。就業情況改善與經濟持續復甦帶來之財富效應，有助確保本地需求維持動力。

恒生會繼續透過拓展理財業務、消費貸款業務及對中小型企業客戶之服務，致力令收入多元化，並會提升生產力及開拓內地之商機，以增加本行之盈利能力及繼續為股東增值。



邵銘高

董事長

香港 二零零五年八月一日

恒生之二零零五年上半年業績，反映在目前的經濟環境下所帶來之機會和挑戰。

本地經濟持續復甦，有利本行爭取更多私人及商業貸款業務。然而利率上升雖有助改善存款息差，但對財資投資項目及貨幣市場投資組合之收入則帶來壓力。整體而言，銀行業的競爭仍然激烈。

總營業收入上升港幣八億五千四百萬元，或百分之八點九，達港幣一百零四億九千九百萬元。

扣除貸款減值準備前之營業溢利，為港幣五十九億三千四百萬元，較去年同期下跌百分之二點二。

除稅前溢利為港幣七十億六千二百萬元，較二零零四年上半年下跌百分之二點七，但與二零零四年下半年比較，則有百分之十七點三增幅。

股東應得溢利下降百分之二點三，為港幣六十億四千五百萬元。

財務概況

由於息率上升及本地需求持續增加，淨利息收入上升港幣五億四千九百萬元，或百分之十一點六，達港幣五十二億六千四百萬元。

賺取利息之平均資產增加港幣二百七十八億元，或百分之五點九。總資產上升百分之四點二，達港幣五千六百九十七億元。

淨利息收益率上升十一個基點至百分之二點一三，而淨息差亦增加四個基點。

於二零零四年上半年銷售額特別高之保本基金，今年則由於利率上升令銷售放緩。加上信貸便利服務費之會計處理方法改變，令淨服務費收入下跌港幣二億九千五百萬元，或百分之十六點二。

雖然提供予商業及個人客戶之結構性產品銷售額有令人鼓舞之增長，但買賣收入仍下降港幣一億二千五百萬元。

理財業務收入下跌港幣五千四百萬元，為港幣十七億五千九百萬元。但與二零零四年下半年比較，理財業務收入則上升港幣一億三千七百萬元。

在利率趨升環境下，本行將投資服務之重點轉向高回報之結構性投資工具。本行繼續擴展投資產品系列，並促進私人銀行業務發展。

保險代理及承保收入為港幣七億零四百萬元，與去年同期比較，上升百分之十四點三。

恒生管理之資金增加百分之十點六，達港幣九百九十四億元。

本行增加對業務之投資，令營業支出上升百分之八點八，達港幣二十一億五千六百萬元。人事費用上升百分之六點五，主要因為個人理財服務及內地分行網絡的擴展，令平均員工人數增加一百九十三人。另外，資訊科技費用及信用卡與保險產品之市場推廣費用亦有增加。

雖然如此，本行之成本對收入比率為百分之二十六點七，而二零零四年上半年及下半年，則分別為百分之二十四點六及百分之二十八點一。

本行之平均流動資金比率，仍維持於百分之四十三點六之強勁水平。

總資本比率及第一級資本比率於二零零五年六月三十日，分別為百分之十二點四及百分之十點五，均遠高於法定要求。

於二零零五年六月，本行完成發行港幣二十五億元之次級債券，是次發行債券所得資金屬第二級資本，將有助平衡本行的資本結構及支持業務將來發展。

股東資金（扣除擬派股息）增加百分之五點六，達港幣三百九十四億元。平均股東資金回報率為百分之二十九點七，較去年上半年百分之三十二減少，但較去年下半年百分之二十五點二增加。

貸款及存款

扣除貸款減值準備之客戶貸款上升百分之三點六，達港幣二千六百零五億元，二零零四年底則為港幣二千五百一十六億元。

工業、商業及金融業之貸款上升港幣五十五億元，或百分之五點二。

個人貸款（不包括停售居屋所影響之政府「居者有其屋計劃」按揭貸款）上升百分之二。面對市場激烈競爭，本行推出數項可為客戶提供不同貸款及還款選擇之新按揭計劃，令本行於新做住宅按揭貸款業務之市場佔有率有所增加，住宅按揭貸款整體上升百分之一點九。

信用卡貸款及其他個人貸款（主要為私人貸款及透支服務）共上升百分之二點三。信用卡應收賬項與去年同期比較上升百分之十九點五。

隨著內地分行之貸款業務增長，在香港以外使用之貸款總額上升百分之十七點四，達港幣一百四十二億一千七百萬元。

於二零零五年六月三十日，總貸款減值準備對總客戶貸款比率為百分之零點四六，而去年底則為百分之零點三九。總貸款減值對總客戶貸款比率則維持於百分之零點七。貸款減值準備對總貸款減值比率由百分之四十點三下跌至百分之三十九點一。

客戶存款包括已發行之存款證及其他債務證券，為港幣四千五百八十九億元，較二零零四年底下跌百分之一。由於利率上升，客戶將往來及儲蓄存款轉為定期存款，至於本行發行之存款證及其他債務證券亦廣受客戶歡迎。

業務概況

個人銀行服務之除稅前溢利上升百分之十二點八，達港幣三十九億七千萬，佔除稅前總溢利百分之五十六點二。

淨利息收入上升百分之二十點四。由於本地息率上升，令平均存款上升百分之三點五，存款息差亦得以擴闊。另外，物業價格上升及貸款拖欠比率下跌，亦令按揭及私人貸款之貸款減值有淨回撥，個人銀行服務因而受惠。

經濟轉強亦帶動消費需求上升，客戶貸款因此上升百分之一點二。

至於理財服務仍然為本行個人銀行服務之核心部分。

本行保險業務表現理想，原因乃本行推出數項兼備人壽保障及儲蓄優點之人壽保險新計劃，人壽保險之年度保費上升百分之六點七。

隨著客戶數目及管理之資產組合有令人鼓舞之增長，私人銀行業務收入增加百分之三十七。

其他營業收入上升港幣六千五百萬元，或百分之十四點九。

在信用卡客戶及消費分別上升百分之十點六及百分之二十點六之帶動下，令信用卡服務收入大幅增長，現時本行發出之信用卡數目已超過一百二十萬張。

商業銀行業務之除稅前溢利為港幣四億三千七百萬元，下跌百分之六十六點七，主要由於期內有港幣四億五千三百萬元之貸款減值淨提撥，而去年同期則有大額淨回撥。商業銀行業務於扣除貸款減值準備前之營業溢利，錄得百分之四點九增幅。

中型企業客戶及中小型企業客戶之貸款持續強勁增長。平均客戶貸款上升百分之三十點九，帶動淨利息收入增加百分之十七點四。

客戶貸款上升百分之十一點七。貿易融資與去年底比較，增長百分之十四點一，此乃由於商業銀行業務以良好客戶關係管理及多元化貿易服務，並透過內地及澳門分行為客戶提供切合需要之服務。

工商及金融機構業務之扣除貸款減值準備前之營業溢利，錄得百分之十點八之跌幅，淨服務費收入下跌抵銷了客戶貸款上升百分之三點五帶來之淨利息收入增長，工商及金融機構業務之除稅前溢利下跌百分之六十點二。

由於資金成本上升及孳息曲線放平之影響，令財資業務之淨利息收入減少百分之三十一點五，除稅前溢利則下跌百分之四十點九。客戶買賣額下跌，令外匯收入減少港幣九千一百萬元，此等均是買賣收入下跌百分之六十六點三之主要原因。來自衍生工具買賣之收入則上升港幣四千七百萬元。

其他業務之除稅前溢利大幅增長百分之一百五十三點四，主要受惠於重估物業出現增值，以及市場利率上升，令股東資金回報得到改善。

業務拓展

拓展內地市場仍為本行之主要業務策略之一，本行於興業銀行之投資已取得良好成果，於二零零五年上半年，為本行之應佔聯營公司除稅後溢利帶來港幣一億九千萬元之收益。

本行進一步拓展內地分行網絡。深圳支行已於一月開業，而福州分行亦已遷往新址以配合業務擴展。自二零零四年底以來，本行內地員工人數增加五十七人，達三百四十人。

在利用科技改善及擴展業務方面，恒生仍然為本地市場領導者之一。於六月，本行推出 e-Loan Centre，方便客戶於網上申請各項私人貸款。

現時本行之個人網上銀行客戶約為四十七萬名，商業網上銀行服務亦有約二萬六千名公司客戶。經網上銀行進行之交易宗數，由二零零四年六月佔總交易數目之百分之二十四，上升至二零零五年六月之百分之二十八點八。尤其是網上證券買賣服務，於二零零五年上半年進行之交易宗數，佔總證券交易宗數百分之六十二點七。

儘管股市疲弱及利率上升帶來挑戰，本行致力提供多元化產品並迎合不同客戶之需求，維持理財業務增長。於二零零五年五月，本行於《亞洲銀行家》雜誌 (*The Asian Banker*) 主辦之「零售理財服務卓越大獎」中，榮獲「財富管理卓越獎」。

穆迪投資服務確認本行的長期外幣存款評級為 A1、長期港元存款為 Aa3、短期外幣存款為 Prime 1、短期港元存款為 Prime 1 及銀行財務實力為 B 級。

於七月，標準普爾給予恒生銀行財務實力 (bank fundamental strength) B+ 評級，此乃香港銀行獲得之最高評級。該公司亦分別將本行之長期及短期外幣信貸評級提升至 AA- 及 A-1+。惠譽國際則維持恒生 A/B 的個別評級，此亦為亞洲銀行中獲得之最高評級。

本行於今年六月發行之港幣二十五億元次級債券，分別獲穆迪投資服務及標準普爾給予 A1 及 A+ 之評級。

企業社會責任

恒生深明履行良好企業公民責任對企業成功之重要性，同時致力回饋社會。

教育仍為本行慈善及贊助項目之重點。自一九九五年迄今，本行已為多項獎學金計劃撥出超過港幣四千四百萬元，惠及超過八百名學生。

本行亦繼續贊助「跳躍音符伴成長」音樂教育計劃，是項計劃自一九九八年起，共為超逾三十六萬名市民帶來欣賞音樂之妙趣。

本行致力減少對自然資源的消耗，於一月，本行成為首間獲頒發 ISO 14001 環境管理體系證書的本地金融機構。

為提高員工之環保意識，本行舉辦「恒生齊心為環保」計劃，並因此獲頒環保獎項。本行亦同時推出「Hang Seng e-Statement 植林計劃」，促進客戶對環保之關注。根據該計劃，客戶停止收取之郵寄月結單每達十張，本行即會贊助種植一棵樹苗，現已有超過四萬名恒生客戶轉用 e-Statement 服務。

於四月，本行成功推出「恒生銀行之少年警訊環保小偵探」比賽。是項比賽乃與香港警務處及世界自然（香港）基金會合辦，目的為加強青少年對環境問題的警覺性及提供解決方案。

恒生透過香港公益金之商業及僱員募捐計劃，共支持一百四十三所香港社會服務工作機構。

本行自二零零一年起獲納入「富時全球社會責任指數」，乃對本行致力實踐良好社會責任的認同。

展望

預期二零零五年下半年經濟增長將會放緩，銀行業競爭仍然激烈並帶來新挑戰。但經濟持續復甦帶來之財富效應，將有助增加消費需求並帶來商機。息差改善亦對業務有正面影響。

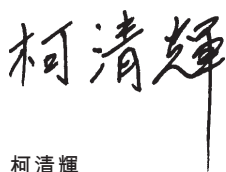
本行將加強拓展高收益之業務，包括理財業務、消費貸款、商業銀行業務及中小型企業服務。

恒生亦會繼續利用互聯網科技，配合綜合多元化銷售渠道，以滿足客戶對快捷方便服務之需求。

隨著內地企業開拓海外業務、進一步實施「更緊密經貿關係安排」以及珠三角經濟發展，令區內經濟增長，本行業務亦得以受惠。

本行計劃將北京代表處升格為分行之籌備工作，已進入最後階段。於未來兩個月，東莞代表處及上海第三間支行將會相繼開業，屆時本行之內地分行據點將增加至十二個。

恒生擁有雄厚財務實力、超卓品牌、優質客戶服務以及市場領導地位。本行將會在此等穩固基礎上進一步發展業務，同時亦會繼續致力維持增長，並為股東帶來超越期望之回報。



柯清輝

副董事長兼行政總裁

香港 二零零五年八月一日

財務概況

本行採納多項於二零零五年一月一日生效之新頒佈及經修訂之香港財務報告準則及香港會計準則，因此需對若干會計政策作出更改，由於會計處理方法及各項損益賬及資產負債表項目之表列方式改變，或會令若干比較數字未能作直接之比較。詳情列於附件第一至五。

損益賬

財務業績摘要

| | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|---------------|-------------------------|---------------------------------|-----------------------------------|
| (以港幣百萬元位列示) | | | |
| 營業收入淨額 | 7,788 | 8,797 | 8,033 |
| 總營業支出 | 2,156 | 1,981 | 2,251 |
| 營業溢利 | 5,632 | 6,816 | 5,782 |
| 除稅前溢利 | 7,062 | 7,260 | 6,023 |
| 本行股東應得之溢利 | 6,045 | 6,188 | 5,176 |
| 每股盈利 (港幣元位列示) | 3.16 | 3.24 | 2.71 |

恒生銀行有限公司 (本行)、各附屬公司及各聯營公司 (本集團) 於二零零五年上半年之未經審核股東應得溢利為港幣六十億四千五百萬元，較二零零四年上半年微跌百分之二點三。與二零零四年下半年比較，股東應得溢利則上升百分之十六點八。

淨利息收入上升港幣五億四千九百萬元，或百分之十一點六。

| | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|-------------|-------------------------|---------------------------------|-----------------------------------|
| (以港幣百萬元位列示) | | | |
| 淨利息收入 | 5,264 | 4,715 | 4,980 |
| 賺取利息之平均資產總值 | 497,987 | 470,141 | 478,253 |
| 淨息差 | 1.99% | 1.95% | 1.99% |
| 淨利息收益率 | 2.13% | 2.02% | 2.07% |

此升幅乃由於存款息差改善、商業銀行及消費貸款業務增長、來自無利息成本資金之收益增加，以及將來自人壽保險基金投資之利息收入包括在內。此方面之利好因素抵銷了財資投資項目及貨幣市場投資組合由於息差受資金成本上升及孳息曲線放平之影響而收窄，以及按揭貸款組合收益率進一步下跌等不利影響，與二零零四年下半年比較，淨利息收入上升港幣二億八千四百萬元，或百分之五點七。淨利息收益率上升至百分之二點一三，較二零零四年上半年及下半年分別增加十一個基點及六個基點。

影響淨利息收入及淨利息收益率之個別因素分析如下：

| | 港幣百萬元 淨利息收入 | 基點 淨利息收益率 |
|-----------------|----------------|--------------|
| 財資證券及貨幣市場組合息差收窄 | (148) | (6) |
| 按揭組合收益率下降 | (123) | (5) |
| 存款息差改善 | 173 | 7 |
| 來自無利息成本資金之收益 | 173 | 7 |
| 來自保險基金資產之利息收入 | 198 | 8 |
| 賺取利息之平均資產之增長 | 276 | - |
| | 549 | 11 |

淨服務費收入下降港幣二億九千五百萬元，或百分之十六點二。

| | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|-------------|-------------------------|---------------------------------|-----------------------------------|
| (以港幣百萬元位列示) | | | |
| 服務費收入 | 1,741 | 1,974 | 1,755 |
| 服務費支出 | (215) | (153) | (263) |
| 淨服務費收入 | 1,526 | 1,821 | 1,492 |

來自股票經紀及證券服務有關之收入下跌港幣六千二百萬元，或百分之二十一。相比於二零零四年首季保本基金銷售額特別高，二零零五年上半年來自零售投資產品及資金管理服務之收入減少港幣一億九千九百萬元，或百分之二十二點九，惟部份減幅被結構性投資產品銷售表現強勁及私人銀行服務之增長所抵銷。信貸便利收入減少港幣八千二百萬元，此乃由於根據二零零五年一月一日起生效之新會計政策，所有企業貸款之申辦費用均當作利息收入之一部份列賬。信用卡服務收入上升百分之十八，原因為信用卡消費增長達百分之二十點六。保險代理佣金及貿易融資亦錄得可觀之增幅，反映商業銀行客戶之業務有所增長。

與二零零四年下半年比較，淨服務費收入上升港幣三千四百萬元，或百分之二點三，主要來自信用卡服務費及保險代理佣金之增長。

買賣收入下降港幣一億二千五百萬元，或百分之二十二點四。

| | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|------------------|-------------------------|---------------------------------|-----------------------------------|
| (以港幣百萬元位列示) | | | |
| 淨利息收入 | 44 | - | - |
| 買賣溢利： | | | |
| • 外匯買賣 | 277 | 530 | 445 |
| • 證券、衍生工具及其他買賣活動 | 112 | 28 | 21 |
| | 389 | 558 | 466 |
| | 433 | 558 | 466 |

外匯買賣收入下降港幣二億五千三百萬元，主要由於客戶買賣減少，以及用作對沖外幣資產之外匯合約減值。

來自證券、衍生工具及其他買賣活動之收入上升港幣八千四百萬元，主要來自衍生工具溢利增加港幣一億三千六百萬元，此乃由於本行向商業及個人客戶提供結構性投資產品，令此方面之溢利增加。

與二零零四年下半年比較，買賣收入下降港幣三千三百萬元，或百分之七點一（如不包括因採納於二零零五年一月一日生效之香港會計準則第 39 號而列作買賣收入之利息收入及支出，則下降港幣七千七百萬元，或百分之十六點五）。

指定以公平價值列賬之金融工具收入淨額為港幣五千萬元。

金融資產、負債及衍生工具均指定以公平價值列入損益賬，主要以對沖市場風險為目標而非作短期買賣。部份長期保險基金之資產亦指定以公平價值列入損益賬，以照應保單持有人負債。

於本年初會計政策更改之前，並無此方面之收入報告，原因為該等金融工具乃紀錄於非買賣賬冊內（以成本或攤銷之成本，並於相應之利息收入及支出項下出賬），或分類為長期保險合約資產（有關收入列為照應保單持有人負債之資產投資收入淨額）。

應賺取保費淨額上升港幣七億三千萬元，或百分之三十六點五。

有效保單數目持續增長，令續保賺取之保費大幅增加。新敘做保單之年度保費有滿意增長。與二零零四年下半年比較，增加港幣二億五千四百萬元，或百分之十點三。

保險索償淨額及保單持有人負債變動增加港幣八億一千五百萬元，或百分之五十一點一。

主要來自長期人壽保險業務之保單持有人負債增長，此方面與有效長期保單增長之趨勢一致。至於一般保險業務之索償情況則維持穩定。

其他營業收入上升港幣三千九百萬元，或百分之九點二。

主要由於長期保險合約內含價值增長所致。

理財業務收入分析

| | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|----------------------------|-------------------------|---------------------------------|-----------------------------------|
| (以港幣百萬元位列示) | | | |
| 投資收入： | | | |
| • 零售投資產品及資金管理 [†] | 789 | 869 | 630 |
| • 證券經紀及有關服務 | 233 | 295 | 265 |
| • 孖展買賣 | 33 | 33 | 33 |
| | 1,055 | 1,197 | 928 |
| 保險業務收入： | | | |
| • 人壽保險 | | | |
| • 包括內含價值之承保業務 | 334 | 387 | 236 |
| • 人壽保險投資收入 ^{††} | 209 | 79 | 339 |
| • 一般保險及其他業務 | 161 | 150 | 119 |
| | 704 | 616 | 694 |
| 合計 | 1,759 | 1,813 | 1,622 |

[†] 來自零售投資產品及資金管理收入，包括該等在服務費及佣金收入項下呈報（包括基金銷售、第三者投資產品及私人銀行業務），亦包括於買賣收入項下呈報之發行結構性投資產品之溢利。

^{††} 保險基金之投資收入包括淨利息收入、買賣收入、指定以公平價值列賬之金融工具收入淨額，以及照應保單持有人負債之資產投資收入淨額。

與理財業務有關之收入較二零零四年上半年微跌港幣五千四百萬元，或百分之三。投資收入下降港幣一億四千二百萬元，或百分之十一點九。在利率趨升的環境下，本行將投資服務之重點由保本基金轉為高回報之結構性工具。本行繼續擴展投資產品系列，以方便客戶把握市場機會。私人銀行業務無論在客戶基礎及管理之資金方面，均有令人鼓舞之增長。

於二零零五年上半年，本集團管理之資金（包括全權管理及提供顧問服務之資金），增加百分之十點六，達港幣九百九十四億元。

由於成功推出新保險計劃例如兼享人壽保障及儲蓄優點之「三年智富人壽保險計劃」及「五年智選人壽保險計劃」，保險代理及承保業務收入（包括長期人壽保險合約之內含價值）增加港幣八千八百萬元，或百分之十四點三。

與二零零四年下半年比較，與理財業務有關之收入上升港幣一億三千七百萬元，或百分之八點四，乃由於與投資服務有關之收入及保險業務收入分別增長百分之十三點七及百分之一點四。

貸款減值撥提為港幣三億零二百萬元，而二零零四年上半年及下半年則分別有港幣七億四千六百萬元及港幣三千一百萬元之貸款減值淨回撥。

| (以港幣百萬元位列示) | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|--------------|-------------------------|---------------------------------|-----------------------------------|
| 貸款減值 (提撥)/回撥 | | | |
| • 個別評估 | (95) | 144 | (3) |
| • 綜合評估 | | | |
| • 組合基礎 | (55) | (96) | (80) |
| • 個別未減值貸款 | (152) | 698 | 114 |
| | (302) | 746 | 31 |
| 其中： | | | |
| • 新提撥及增加 | (666) | (241) | (222) |
| • 回撥 | 314 | 932 | 199 |
| • 收回 | 50 | 55 | 54 |
| | (302) | 746 | 31 |

個別評估貸款之總貸款減值撥提為港幣九千五百萬元，其中若干商業銀行賬戶新增貸款減值撥提為按揭及私人貸款之淨回撥所抵銷，二零零四年上半年則有港幣一億四千四百萬元之淨回撥。綜合評估之單一類別小額貸款減值虧損為港幣五千五百萬元，而二零零四年上半年則為港幣九千六百萬元，反映在經濟整體向好之情況下，信用卡撇賬進一步減少。對於決定不作個別減值並按綜合評估之貸款因應經濟周期而更新以往實際損失數據後，有港幣一億五千二百萬元之減值撥提。而二零零四年上半年及下半年則分別有港幣六億九千八百萬元及港幣一億一千四百萬元之一般準備回撥。

總貸款減值準備對總客戶貸款比率如下：

| | 二零零五年 六月三十日 | 二零零四年 六月三十日 重新列示 | 二零零四年 十二月三十一日 重新列示 |
|-----------|----------------|------------------------|--------------------------|
| | % | % | % |
| 貸款減值準備 | | | |
| • 個別評估 | 0.28 | 0.32 | 0.27 |
| • 綜合評估 | | | |
| • 組合基礎 | 0.01 | 0.01 | 0.01 |
| • 個別未減值貸款 | 0.17 | 0.16 | 0.11 |
| 總貸款減值準備 | 0.46 | 0.49 | 0.39 |

總貸款減值準備對總客戶貸款比率於二零零五年六月三十日增加至百分之零點四六，而二零零四年底則為百分之零點三九。個別評估準備對總貸款比率仍然維持於二零零四年底之水平為百分之零點二八。於本行更新以往實際損失數據以計算個別被認為未減值貸款之綜合評估準備後，綜合評估之準備上升六個基點，至總客戶貸款之百分之零點一八，而二零零四年底則為百分之零點一二。

營業支出上升港幣一億七千五百萬元，或百分之八點八。

人事費用上升百分之六點五，乃由於年初調整員工薪金，以及為配合個人銀行服務發展及內地分行網絡擴展，令平均員工人數增加一百九十三名。由於業務及信貸監控系統之資訊科技費用增加，令其他房產及設備費用上升百分之七點五。其他營業支出上升百分之十八點四，主要因為信用卡及保險產品之市場推廣費用增加，以及將工作外判予位於廣州及上海之滙豐集團處理中心所涉及之勞務費用增加。

與二零零四年下半年比較，營業支出減少港幣九千五百萬元，或百分之四點二，原因為去年下半年需對二零零四年度與員工表現掛鈎之業績獎勵金作出提撥。

二零零五年上半年之成本對收入比率為百分之二十六點七，而二零零四上下半年分別為百分之二十四點六及百分之二十八點一。

出售有形固定資產及金融投資之溢利為港幣三億四千八百萬元，維持於去年同期之水平。

溢利主要來自出售股票投資。

重估物業淨增值上升港幣七億八千六百萬元。

| | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|-------------|-------------------------|---------------------------------|-----------------------------------|
| (以港幣百萬元位列示) | | | |
| • 行址 | 148 | 91 | 55 |
| • 投資物業 | 729 | - | - |
| | 877 | 91 | 55 |

本集團之行址物業重估後有港幣九億一千八百萬元之增值，其中港幣一億四千八百萬元，屬以往之重估虧損，現撥回損益賬，至於餘下之港幣七億七千萬元已誌入物業重估儲備賬。

於採納二零零五年一月一日生效之香港會計準則第 40 號後，重估投資物業之增值港幣七億二千九百萬元並於損益賬內確認。

資產負債表

總資產

於二零零五年六月三十日總資產增加港幣二百二十七億元，或百分之四點二，達港幣五千六百九十七億元。客戶貸款錄得百分之三點六之增長，主要來自住宅按揭、貿易融資及企業貸款，增幅令人鼓舞。

總客戶貸款

工業、商業及金融業之貸款於二零零五年上半年上升百分之五點二。金融企業方面（包括控股投資工具）上升百分之十點一。批發、零售及製造業之貸款則上升百分之三十二點二，反映經濟持續增長。運輸與運輸設備之貸款，主要為的士及其他汽車貸款，亦錄得百分之八點一之增長。

個人貸款與二零零四年底比較上升百分之零點二，如不包括停售居所所影響之政府「居者有其屋計劃」按揭貸款，則有百分之二之升幅。在市場活躍及競爭激烈環境下，住宅按揭貸款上升百分之一點九。由於本行繼續推廣消費貸款，令信用卡及其他貸款（主要為私人貸款）共上升百分之二點三。

貿易融資錄得令人鼓舞之百分之八點八增長，此乃受惠於對外貿易活動進一步增加。

在香港以外使用之貸款總額上升百分之十七點四，主要為內地分行之貸款業務之增長。

往來、儲蓄及其他存款

| (以港幣百萬元位列示) | 二零零五年 六月三十日 | 二零零四年 六月三十日 重新列示 | 二零零四年 十二月三十一日 重新列示 |
|--------------------|----------------|------------------------|--------------------------|
| 往來、儲蓄及其他存款： | | | |
| • 根據綜合資產負債表 | 430,395 | 418,638 | 447,460 |
| • 列為交易賬項下之負債之結構性存款 | 7,475 | - | - |
| | 437,870 | 418,638 | 447,460 |
| 類別： | | | |
| • 通知及往來存款 | 29,583 | 33,183 | 36,148 |
| • 儲蓄存款 | 212,344 | 231,135 | 251,192 |
| • 定期及其他存款 | 195,943 | 154,320 | 160,120 |
| | 437,870 | 418,638 | 447,460 |

發出之存款證及其他債務證券

| (以港幣百萬元位列示) | 二零零五年 六月三十日 | 二零零四年 六月三十日 重新列示 | 二零零四年 十二月三十一日 重新列示 |
|-----------------------------------|----------------|------------------------|--------------------------|
| 發出之存款證及其他債務證券： | | | |
| • 根據綜合資產負債表 | 11,158 | 9,807 | 16,055 |
| • 列為交易賬項下之負債 之結構性發出之存款證及其他債務證券 | 9,836 | - | - |
| | 20,994 | 9,807 | 16,055 |
| 類別： | | | |
| • 發出之存款證 | 20,839 | 9,807 | 15,409 |
| • 發出之其他債務證券 | 155 | - | 646 |
| | 20,994 | 9,807 | 16,055 |

於二零零五年六月三十日，往來、儲蓄及其他存款（包括被列為交易賬項下之負債項目之結構性存款）較二零零四年底下跌港幣九十六億元，或百分之二點一，為港幣四千三百七十九億元。發出之存款證及其他債務證券（包括以交易賬項下之負債呈報之項目）於二零零五年六月三十日上升港幣四十九億元，達港幣二百一十億元。由於利率逐步上升，客戶將往來及儲蓄存款轉為定期存款。存款證及其他高回報之存款工具亦廣受客戶歡迎。

後償負債

於二零零五年六月，本行發行總面值為港幣二十五億元之次級債券，分別為港幣十億元的定息債券及港幣十五億元的浮息債券。兩者均約於二零一五年六月二十三日到期，發行人並可以於二零一零年六月（贖回日）行使一次過權利贖回債券。

定息債券之年息為四厘一二五，並由發行日至贖回日期間每半年派發。若發行人於贖回日不行使贖回權，息率會提高至三個月香港銀行同業拆息加八十二點五個基點，並每季派息。

浮息債券之票面息率為三個月香港銀行同業拆息加三十五個基點，並由發行日至贖回日期間季度派發。若發行人於贖回日不行使贖回權，息率會提高至三個月香港銀行同業拆息加八十五個基點。

市場風險

市場風險乃因受匯率、利率或股票及商品價格之變動，而令本集團產生盈利或虧損。客戶業務及自行持倉活動均會對本集團產生市場風險。

市場風險受董事會所核准之風險限額所規範。風險限額按每類產品及風險類別釐定。在設定風險限額時，產品之市場流通性為其中一個主要考慮因素。風險限額之設置乃配合有關風險量計之技巧，包括每個投資組合之持盤限額，敏感性限額與涉及風險數值限額。

本集團採用滙豐集團所訂定之風險管理政策及風險量計技巧，設立監察每日之實際風險與核准之風險限額比較之程序，並於有需要時作出行動以確保整體風險維持於可接受之水平。

涉及風險數值是一種按一置信水平估計由於市場匯率、利率及價格在特定持盤時間內之變動而使風險持倉盤可能出現虧損之技巧。為配合滙豐集團，本集團已於二零零五年五月三日起將計算涉及風險數值模式由採用方差/協方差之基準修改為採用歷史模擬之基準。採用後者之計算方法可更有效地反映若干市場風險情況之非線狀特性。歷史模擬模式乃採用由過往市場利率得出之情況，並考慮不同市場及利率（如利率及匯率）之關係。市場價格的變動乃參考過去兩年的市場數據計算。綜合不同風險類別的涉及風險數值乃根據各風險類別之間不互相影響假設而計算。鑑於採用涉及風險數值模式有一定局限性，本集團亦進行壓力測試，以評估在極端市況下，所承受之市場風險。

本集團已獲香港金融管理局（「金管局」）之批准，將計算資本充足比率內之市場風險之涉及風險數值模式由方差/協方差模式改為歷史模擬模式。此外，金管局亦對本集團之市場風險管理程序表示滿意。

本集團於二零零五年上半年及二零零四年上半年之所有利率及匯率之風險持倉及個別風險組合之涉及風險數值如下。二零零五年上半年之涉及風險數值乃基於四個月之方差/協方差及兩個月之歷史模擬基準計算。

涉及風險數值

| (以港幣百萬元位列示) | 二零零五年 六月三十日 | 期內 最低數值 | 期內 最高數值 | 期內 平均數值 |
|--------------------|----------------|------------|------------|------------|
| 所有利率及匯率之風險 | | | | |
| 持倉之涉及風險數值 | 614 | 389 | 836 | 647 |
| 匯率之風險持倉之涉及風險數值（買賣） | 7 | 1 | 10 | 4 |
| 利率之風險持倉之涉及風險數值 | | | | |
| • 買賣項目 | 4 | 4 | 67 | 19 |
| • 非買賣項目 | 613 | 387 | 825 | 635 |
| (以港幣百萬元位列示) | 二零零四年 六月三十日 | 期內 最低數值 | 期內 最高數值 | 期內 平均數值 |
| 所有利率及匯率之風險 | | | | |
| 持倉之涉及風險數值 | 349 | 250 | 607 | 387 |
| 匯率之風險持倉之涉及風險數值（買賣） | 37 | 35 | 58 | 43 |
| 利率之風險持倉之涉及風險數值 | | | | |
| • 買賣項目 | 4 | 1 | 8 | 4 |
| • 非買賣項目 | 348 | 245 | 605 | 386 |

於二零零五年上半年，與市場風險有關之財資業務每日平均收入為港幣七百萬元（二零零四年上半年為港幣一千萬元）。該等每日收入之標準差為港幣五百萬元（二零零四年上半年為港幣五百萬元）。在二零零五年上半年之一百二十一個交易日中，只有六日錄得虧損，而最高之一日虧損為港幣四百萬元。最常見之一日收入，是介乎港幣四百萬元至港幣八百萬元之間，佔四十六日。最高之一日收入則為港幣二千三百萬元。

本集團之外匯風險主要包括財資處之外匯買賣及源自銀行業務之滙兌風險，後者亦交由財資處統籌，按董事會核准之外匯買賣限額內集中管理。二零零五年上半年每日平均外匯溢利為港幣二百萬元（二零零四年上半年為港幣四百萬元）。

來自財資的交易及非財資交易組合及應計賬項利率風險，由財資處於董事會核准之限額內集中管理。二零零五年上半年來自財資處與利率風險有關之業務每日平均收入為港幣五百萬元（二零零四年上半年為港幣六百萬元）。

結構性外匯倉盤由海外附屬公司及分行之資本投資，主要為美元及人民幣所產生，該等投資由資產負債管理委員會管理。

綜合損益結算表

未經審核

CONSOLIDATED PROFIT AND LOSS ACCOUNT

unaudited

| | | | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示* | 半年結算至 二零零四年 十二月三十一日 重新列示* |
|---|---|------|---------------------------------------|--|--|
| | | 附註 | Half-year ended 30 June 2005 | Half-year ended 30 June 2004 restated* | Half-year ended 31 December 2004 restated* |
| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | note | | | |
| 利息收入 | Interest income | 1 | 7,900 | 5,875 | 6,597 |
| 利息支出 | Interest expense | 2 | (2,636) | (1,160) | (1,617) |
| 淨利息收入 | Net interest income | | 5,264 | 4,715 | 4,980 |
| 服務費收入 | Fee income | | 1,741 | 1,974 | 1,755 |
| 服務費支出 | Fee expense | | (215) | (153) | (263) |
| 淨服務費收入 | Net fee income | 3 | 1,526 | 1,821 | 1,492 |
| 買賣收入 | Trading income | | 433 | 558 | 466 |
| 指定以公平價值列賬之 金融工具收入淨額 | Net income from financial instruments designated as at fair value | | 50 | – | – |
| 照應保單持有人負債之 資產投資收入淨額 | Net investment income on assets backing policyholder liabilities | | – | 83 | 346 |
| 股息收入 | Dividend income | | 37 | 48 | 27 |
| 應賺取保費淨額 | Net earned insurance premiums | | 2,728 | 1,998 | 2,474 |
| 其他營業收入 | Other operating income | | 461 | 422 | 463 |
| 總營業收入 | Total operating income | | 10,499 | 9,645 | 10,248 |
| 保險索償淨額及保單持有人 負債變動 | Net insurance claims incurred and movement in policyholder liabilities | | (2,409) | (1,594) | (2,246) |
| 扣除貸款減值(提撥)/ 回撥及其他信貸 風險準備前之 淨營業收入 | Net operating income before loan impairment (charges)/ releases and other credit risk allowances | | 8,090 | 8,051 | 8,002 |
| 貸款減值(提撥)/回撥及 其他信貸風險準備 | Loan impairment (charges)/releases and other credit risk allowances | 4 | (302) | 746 | 31 |
| 營業收入淨額 | Net operating income | | 7,788 | 8,797 | 8,033 |
| 人事費用支出 | Personnel expenses | | (1,125) | (1,056) | (1,178) |
| 一般及行政支出 | General and administrative expenses | | (892) | (795) | (939) |
| 行址及設備折舊 | Depreciation of business premises and equipment | | (135) | (126) | (130) |
| 無形資產攤銷 | Amortisation of intangible assets | | (4) | (4) | (4) |
| 總營業支出 | Total operating expenses | 5 | (2,156) | (1,981) | (2,251) |
| 營業溢利 | Operating profit | | 5,632 | 6,816 | 5,782 |
| 出售有形固定資產及 金融投資之溢利 | Profit on disposal of tangible fixed assets and financial investments | 6 | 348 | 349 | 93 |
| 重估物業淨增值 | Net surplus on property revaluation | | 877 | 91 | 55 |
| 應佔聯營公司之溢利 | Share of profits in associated companies | | 205 | 4 | 93 |
| 除稅前溢利 | Profit before tax | | 7,062 | 7,260 | 6,023 |
| 稅項支出 | Tax expenses | 7 | (924) | (992) | (719) |
| 期內之溢利 | Profit for the period | | 6,138 | 6,268 | 5,304 |
| 少數股東權益應得之溢利 | Profit attributable to minority interests | | (93) | (80) | (128) |
| 本行股東應得之溢利 | Profit attributable to shareholders | | 6,045 | 6,188 | 5,176 |
| (以港幣元位列示) | (Figures in HK\$) | | | | |
| 每股盈利 | Earnings per share | 8 | 3.16 | 3.24 | 2.71 |
| 每股股息 | Dividends per share | 9 | 2.20 | 2.20 | 3.00 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

綜合資產負債表

未經審核

CONSOLIDATED BALANCE SHEET

unaudited

| | | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示* At 30 June 2004 restated* | 二零零四年 十二月三十一日 重新列示* At 31 December 2004 restated* |
|-----------------------|--|-------------|--------------------------------------|--|--|
| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | 附註 note | | | |
| 資產 | ASSETS | | | | |
| 庫存現金及短期資金 | Cash and short-term funds | 11, 12 & 13 | 50,966 | 62,213 | 64,845 |
| 一個月以上之定期存放 同業 | Placements with banks maturing after one month | 11 & 12 | 22,832 | 5,319 | 17,482 |
| 持作交易用途之證券 | Trading securities | 14 & 18 | 13,812 | 3,953 | 6,000 |
| 指定以公平價值誌入損益賬 之金融資產 | Financial assets designated as at fair value through profit or loss | 15 & 18 | 3,743 | – | – |
| 衍生金融工具 | Derivatives financial instruments | 11 & 12 | 1,552 | 1,209 | 1,684 |
| 客戶貸款 | Advances to customers | 11, 12 & 16 | 260,512 | 246,394 | 251,553 |
| 金融投資項目 | Financial investments | 17 & 18 | 192,951 | 162,118 | 182,938 |
| 聯營公司投資 | Investments in associated companies | 20 | 2,449 | 2,103 | 2,299 |
| 無形資產 | Intangible assets | 21 | 1,426 | 1,146 | 1,266 |
| 行址及設備 | Premises and equipment | | 6,559 | 5,277 | 5,558 |
| 投資物業 | Investment properties | | 3,913 | 3,260 | 3,383 |
| 其他資產 | Other assets | 22 | 9,004 | 9,566 | 9,980 |
| | | | 569,719 | 502,558 | 546,988 |
| 負債 | LIABILITIES | | | | |
| 往來、儲蓄及其他存款 | Current, savings and other deposit accounts | 11, 12 & 23 | 430,395 | 418,638 | 447,460 |
| 同業存款 | Deposits from banks | 11 & 12 | 34,753 | 13,118 | 11,934 |
| 交易賬項下之負債 | Trading liabilities | 25 | 24,358 | 2,657 | 5,840 |
| 指定以公平價值誌入損益賬 之金融負債 | Financial liabilities designated as at fair value through profit or loss | 11, 12 & 27 | 995 | – | – |
| 衍生金融工具 | Derivatives financial instruments | 11 & 12 | 1,857 | 961 | 1,273 |
| 發出存款證及其他債務 證券 | Certificates of deposit and other debt securities in issue | 11, 12 & 24 | 11,158 | 9,807 | 16,055 |
| 對投資合約客戶 之負債 | Liabilities to customers under investment contracts | 11 & 12 | 542 | – | – |
| 其他負債 | Other liabilities | 26 | 7,866 | 15,195 | 20,982 |
| 對保險合約客戶 之負債 | Liabilities to customers under insurance contracts | 11 & 12 | 11,558 | – | – |
| 遞延稅項及本期稅項 負債 | Deferred tax and current tax liabilities | | 2,310 | 2,116 | 1,668 |
| 後償負債 | Subordinated liabilities | 11, 12 & 27 | 1,496 | – | – |
| | | | 527,288 | 462,492 | 505,212 |
| 資本來源 | CAPITAL RESOURCES | | | | |
| 少數股東權益 | Minority interests | | 931 | 724 | 852 |
| 股本 | Share capital | | 9,559 | 9,559 | 9,559 |
| 儲備 | Reserves | | 29,838 | 27,680 | 27,732 |
| 擬派股息 | Proposed dividends | | 2,103 | 2,103 | 3,633 |
| 股東資金 | Shareholders' funds | 28 | 41,500 | 39,342 | 40,924 |
| | | | 42,431 | 40,066 | 41,776 |
| | | | 569,719 | 502,558 | 546,988 |
| (以港幣元位列示) | (Figures in HK\$) | | | | |
| 每股資產淨值 | Net asset value per share | | 22.19 | 20.96 | 21.85 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

綜合權益變動結算表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核

unaudited

| | | 股東應得 | | | 總額 | 少數股東權益 | 總權益重新列示* |
|---------------------------------|--|---------------|----------------|------------------|---------|--------------------|------------------------|
| | | 股本 | 其他儲備 | 保留溢利 | | | |
| | | Share capital | Other reserves | Retained profits | Total | Minority interests | Total equity restated* |
| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | | | | | | |
| 二零零五年一月一日結餘 | Balance at 1 January 2005 | | | | | | |
| • 如上 | • as above | 9,559 | 3,878 | 27,487 | 40,924 | 852 | 41,776 |
| • 採納香港會計準則第39號及香港財務報告準則第4號之期初調整 | • opening adjustment for the adoption of HKAS 39 and HKFRS 4 | - | 535 | 535 | 1,070 | (14) | 1,056 |
| • 重新列示 | • as restated | 9,559 | 4,413 | 28,022 | 41,994 | 838 | 42,832 |
| 除稅後之行址重估儲備 | Premises revaluation reserve, net of tax | | | | | | |
| • 未實現之重估增值 | • unrealised surplus on revaluation | - | 609 | 26 | 635 | - | 635 |
| • 支取重估儲備賬之折舊 | • depreciation charge on revaluation | - | 635 | - | 635 | - | 635 |
| | | - | (26) | 26 | - | - | - |
| 除稅後之可供出售投資項目 | Available-for-sale investments, net of tax | | | | | | |
| • 計作權益之估值減值 | • valuation losses taken to equity | - | (1,165) | - | (1,165) | - | (1,165) |
| • 出售後支取損益賬 | • transferred to profit or loss on disposal | - | (842) | - | (842) | - | (842) |
| | | - | (323) | - | (323) | - | (323) |
| 除稅後之現金流量對沖 | Cash flow hedges, net of tax | | | | | | |
| • 計作權益之估值減值 | • valuation losses taken to equity | - | (265) | - | (265) | - | (265) |
| | | - | (265) | - | (265) | - | (265) |
| 換算及其他調整 | Exchange and other adjustments | | | | | | |
| | | - | (4) | (23) | (27) | - | (27) |
| 界定利益福利計劃精算虧損 | Actuarial loss on defined benefit plan | | | | | | |
| | | - | - | (9) | (9) | - | (9) |
| 認股權儲備 | Share option reserve | | | | | | |
| | | - | 28 | - | 28 | - | 28 |
| 期內之溢利 | Profit for the period | | | | | | |
| | | - | - | 6,045 | 6,045 | 93 | 6,138 |
| 期內宣派或通過派發之股息 | Dividends declared or approved during the period | | | | | | |
| | | - | - | (5,736) | (5,736) | - | (5,736) |
| 二零零五年六月三十日之結餘 | Balance at 30 June 2005 | 9,559 | 3,616 | 28,325 | 41,500 | 931 | 42,431 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

綜合權益變動結算表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核

unaudited

| | | 股東應得 | | | 總額 | 少數股東權益 | 總權益重新列示* |
|-----------------------|--|---------------|----------------|------------------|---------------|--------------------|------------------------|
| | | 股本 | 其他儲備 | 保留溢利 | | | |
| | | Share capital | Other reserves | Retained profits | Total | Minority interests | Total equity restated* |
| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | | | | | | |
| 二零零四年七月一日結餘如上 | Balance at 1 July 2004 as above | 9,559 | 3,387 | 26,396 | 39,342 | 724 | 40,066 |
| 除稅後之行址重估儲備 | Premises revaluation reserve, net of tax | | | | | | |
| • 未實現之重估增值 | • unrealised surplus on revaluation | – | 163 | 321 | 484 | – | 484 |
| • 由行址重估儲備轉為投資物業儲備 | • transfer of premises reserve to investment properties reserve | – | 220 | 257 | 477 | – | 477 |
| • 支取重估儲備賬之折舊 | • depreciation charge on revaluation | – | (32) | 32 | – | – | – |
| • 實現之出售行址重估增值 | • realisation of revaluation surplus on disposal of premises | – | (25) | 25 | – | – | – |
| | | – | – | 7 | 7 | – | 7 |
| 除稅後之長期股票投資重估儲備 | Long-term equity investment revaluation reserve, net of tax | | | | | | |
| • 計作權益之估值增值 | • valuation gains taken to equity | – | 300 | – | 300 | – | 300 |
| • 出售後支取損益賬 | • transferred to profit or loss on disposal | – | 389 | – | 389 | – | 389 |
| | | – | (89) | – | (89) | – | (89) |
| 換算及其他調整 | Exchange and other adjustments | | | | | | |
| | | – | – | 10 | 10 | – | 10 |
| 界定利益福利計劃精算虧損 | Actuarial loss on defined benefit plan | | | | | | |
| | | – | – | (210) | (210) | – | (210) |
| 認股權儲備 | Share option reserve | | | | | | |
| | | – | 28 | – | 28 | – | 28 |
| 期內之溢利 | Profit for the period | | | | | | |
| | | – | – | 5,176 | 5,176 | 128 | 5,304 |
| 期內宣派或通過派發之股息 | Dividends declared or approved during the period | | | | | | |
| | | – | – | (4,206) | (4,206) | – | (4,206) |
| 二零零四年十二月三十一日結餘 | Balance at 31 December 2004 | 9,559 | 3,878 | 27,487 | 40,924 | 852 | 41,776 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new “HKFRSs”), details of which are set out in note 34 “Accounting policies” on page 70.

綜合權益變動結算表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核

unaudited

| | | 股東應得 | | | 少數 股東權益 | 總權益 重新列示* | |
|----------------------------|--|------------------------------|---------------------------|-----------------------------|---------------|-----------------------|------------------------------|
| | | Attributable to shareholders | | | | | |
| | | 股本 Share capital | 其他儲備 Other reserves | 保留溢利 Retained profits | 總額 Total | Minority interests | Total equity restated* |
| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | | | | | | |
| 二零零四年一月一日結餘 | Balance at 1 January 2004 | | | | | | |
| • 如前期報告 | • as previously reported | 9,559 | 6,921 | 23,161 | 39,641 | 644 | 40,285 |
| • 會計政策改變之調整 | • arising on change in accounting policies | – | (3,679) | 2,255 | (1,424) | – | (1,424) |
| • 重新列示 | • as restated | 9,559 | 3,242 | 25,416 | 38,217 | 644 | 38,861 |
| 除稅後之行址重估儲備 | Premises revaluation reserve, net of tax | | | | | | |
| • 未實現之重估增值 | • unrealised surplus on revaluation | – | 501 | 390 | 891 | – | 891 |
| • 由投資物業儲備轉為行址 儲備 | • transfer of investment properties reserve to premises reserve | – | 492 | 380 | 872 | – | 872 |
| • 支取重估儲備賬之折舊 | • depreciation charge on revaluation | – | 32 | (32) | – | – | – |
| • 實現之出售行址重估增值 | • realisation of revaluation surplus on disposal of premises | – | (21) | 21 | – | – | – |
| | | – | (2) | 21 | 19 | – | 19 |
| 除稅後之長期資本投資 重估儲備 | Long-term equity investment revaluation reserve, net of tax | | | | | | |
| • 計作權益之估值減值 | • valuation losses taken to equity | – | (374) | – | (374) | – | (374) |
| • 出售後支取損益賬 | • transferred to profit or loss on disposal | – | (57) | – | (57) | – | (57) |
| | | – | (317) | – | (317) | – | (317) |
| 換算及其他調整 | Exchange and other adjustments | | | | | | |
| | | – | – | (6) | (6) | – | (6) |
| 界定利益福利計劃精算虧損 | Actuarial loss on defined benefit plan | | | | | | |
| | | – | – | (48) | (48) | – | (48) |
| 認股權儲備 | Share option reserve | | | | | | |
| | | – | 18 | – | 18 | – | 18 |
| 期內之溢利 | Profit for the period | | | | | | |
| | | – | – | 6,188 | 6,188 | 80 | 6,268 |
| 期內宣派或通過派發之股息 | Dividends declared or approved during the period | | | | | | |
| | | – | – | (5,544) | (5,544) | – | (5,544) |
| 二零零四年六月三十日之結餘 | Balance at 30 June 2004 | 9,559 | 3,387 | 26,396 | 39,342 | 724 | 40,066 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

經濟盈利是以除稅後溢利計及物業重估增值/減值及物業重估增值應計折舊之調整，並考慮本行股東之投資資本成本計算。按此基準分析，顯示本行持續為股東增值。

Economic profit is calculated from post-tax profit, adjusted for surpluses/deficits on properties revaluation and depreciation attributable to revaluation surpluses, and takes into account the cost of capital invested by the Bank's shareholders. The analysis indicates that the Bank continues to create value for its shareholders.

| | | 半年結算至 二零零五年 六月三十日 Half-year ended 30 June 2005 | 半年結算至 二零零四年 六月三十日 重新列示* Half-year ended 30 June 2004 restated* | 半年結算至 二零零四年 十二月三十一日 重新列示* Half-year ended 31 December 2004 restated* |
|-------------|--|--|--|--|
| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | | | |
| | | % | % | % |
| 平均投資資本 | Average invested capital | 35,708 | 33,272 | 34,825 |
| 投資資本回報** | Return on invested capital ** | 5,340 | 6,144 | 5,182 |
| 資本成本 | Cost of capital | (2,072) | (1,903) | (2,038) |
| 經濟盈利 | Economic profit | 3,268 | 4,241 | 3,144 |
| | | 30.1 | 37.1 | 29.6 |
| | | (11.7) | (11.5) | (11.6) |
| | | | 25.6 | 18.0 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

** 投資資本回報乃根據除稅後溢利扣減物業重估增值/減值及物業重估增值應計折舊計算。

** Return on invested capital is based on post-tax profit excluding surpluses/deficits on properties revaluation and depreciation attributable to revaluation surpluses.

綜合現金流量結算表 CONSOLIDATED CASH FLOW STATEMENT

未經審核

unaudited

| (以港幣百萬元位列示) | (Expressed in millions of Hong Kong dollars) | 附註 note | 半年結算至 二零零五年 六月三十日 Half-year ended 30 June 2005 | 半年結算至 二零零四年 六月三十日 重新列示* Half-year ended 30 June 2004 restated* |
|----------------------------|--|------------|--|--|
| 來自營業活動之現金流入淨額 | Net cash inflow from operating activities | 31(a) | 10,716 | 826 |
| 來自投資活動之現金流量 | Cash flows from investing activities | | | |
| 購入聯營公司權益 | Purchase of an interest in an associated company | | - | (1,634) |
| 收取聯營公司股息 | Dividends received from an associated companies | | 55 | 4 |
| 購入可供出售投資 | Purchase of available-for-sale investments | | (37,944) | (30,345) |
| 出售或贖回可供出售投資所得 | Proceeds from sale or redemption of available-for-sale investments | | 11,844 | 21,455 |
| 購入固定資產 | Purchase of fixed assets | | (97) | (58) |
| 出售固定資產所得 | Proceeds from sale of fixed assets | | 94 | 141 |
| 收取可供出售投資利息 | Interest received from available-for-sale investments | | 2,190 | 1,395 |
| 收取可供出售投資股息 | Dividends received from available-for-sale investments | | 35 | 76 |
| 投資活動之現金流出淨額 | Net cash outflow from investing activities | | (23,823) | (8,966) |
| 來自融資活動之現金流量 | Cash flows from financing activities | | | |
| 已派股息 | Dividends paid | | (5,736) | (5,544) |
| 發出後償債券包括指定以 公平價值列賬之金融負債 | Issuance of subordinated debts, including financial liabilities designated as at fair value | | 2,492 | - |
| 融資活動之現金流出淨額 | Net cash outflow from financing activities | | (3,244) | (5,544) |
| 現金及等同現金項目之減少 | Decrease in cash and cash equivalents | | (16,351) | (13,684) |
| 期初之現金及等同現金項目 | Cash and cash equivalents at beginning of period | | 67,051 | 77,575 |
| 外幣兌換率轉變之影響 | Effect of foreign exchange rate changes | | (235) | (371) |
| 期末之現金及等同現金項目 | Cash and cash equivalents at end of period | | 50,465 | 63,520 |

* 若干數字經重新列示，以反映本行採用多項新頒佈及經修訂之香港財務報告準則及香港會計準則（「新財務報告準則」），有關詳情於第70頁附註34「會計政策」內列示。

* Certain figures have been restated to reflect the adoption of a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (new "HKFRSs"), details of which are set out in note 34 "Accounting policies" on page 70.

附註 NOTES

(除特別列明外均以港幣百萬元位列示)

(Figures expressed in millions of Hong Kong dollars unless otherwise indicated)

1 利息收入

1 Interest income

| | | 半年結算至 二零零五年 六月三十日 <i>Half-year ended 30 June 2005</i> | 半年結算至 二零零四年 六月三十日 重新列示 <i>Half-year ended 30 June 2004 restated</i> | 半年結算至 二零零四年 十二月三十一日 重新列示 <i>Half-year ended 31 December 2004 restated</i> |
|-----------|---|--|---|---|
| 上市證券利息收入 | Interest income on listed investments | 123 | 481 | 533 |
| 非上市證券利息收入 | Interest income on unlisted investments | 2,582 | 1,280 | 1,454 |
| 其他利息收入 | Other interest income | 5,195 | 4,114 | 4,610 |
| | | 7,900 | 5,875 | 6,597 |

2 利息支出

2 Interest expense

| | | 半年結算至 二零零五年 六月三十日 <i>Half-year ended 30 June 2005</i> | 半年結算至 二零零四年 六月三十日 重新列示 <i>Half-year ended 30 June 2004 restated</i> | 半年結算至 二零零四年 十二月三十一日 重新列示 <i>Half-year ended 31 December 2004 restated</i> |
|----------------------|---|--|---|---|
| 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 | 17 | 23 | 27 |
| 五年後到期之客戶存款之 利息支出 | Interest expense on customer accounts maturing after five years | 9 | 2 | 4 |
| 其他利息支出 | Other interest expense | 2,610 | 1,135 | 1,586 |
| | | 2,636 | 1,160 | 1,617 |

3 淨服務費收入

3 Net fee income

| | | 半年結算至 二零零五年 六月三十日 <i>Half-year ended 30 June 2005</i> | 半年結算至 二零零四年 六月三十日 重新列示 <i>Half-year ended 30 June 2004 restated</i> | 半年結算至 二零零四年 十二月三十一日 重新列示 <i>Half-year ended 31 December 2004 restated</i> |
|-------------------|--|--|---|---|
| • 證券經紀及有關服務 | • securities/stockbroking | 233 | 295 | 265 |
| • 零售投資產品及 資金管理 | • retail investment products and funds under management | 670 | 869 | 630 |
| • 保險 | • insurance | 77 | 51 | 50 |
| • 賬戶服務 | • account services | 110 | 108 | 106 |
| • 滙款 | • remittance | 67 | 60 | 65 |
| • 信用卡 | • cards | 334 | 283 | 315 |
| • 信貸便利 | • credit facilities | 41 | 123 | 117 |
| • 入口/出口押滙 | • import/export | 139 | 118 | 138 |
| • 其他 | • other | 70 | 67 | 69 |
| 服務費收入 | Fee income | 1,741 | 1,974 | 1,755 |
| 服務費支出 | Fee expense | (215) | (153) | (263) |
| 淨服務費收入 | Net fee income | 1,526 | 1,821 | 1,492 |

4 貸款減值(提撥)/回撥及其他信 貸風險準備

4 Loan impairment (charges)/releases and other credit risk allowances

| | | 半年結算至 二零零五年 六月三十日 <i>Half-year ended 30 June 2005</i> | 半年結算至 二零零四年 六月三十日 重新列示 <i>Half-year ended 30 June 2004 restated</i> | 半年結算至 二零零四年 十二月三十一日 重新列示 <i>Half-year ended 31 December 2004 restated</i> |
|-------------|------------------------------------|--|---|---|
| 貸款減值(提撥)/回撥 | Loan impairment (charges)/releases | | | |
| • 個別評估 | • individually assessed | (95) | 144 | (3) |
| • 綜合評估 | • collectively assessed | | | |
| • 組合基礎 | • portfolio basis | (55) | (96) | (80) |
| • 個別未減值貸款 | • individually unimpaired loans | (152) | 698 | 114 |
| | | (302) | 746 | 31 |
| 其中： | Of which: | | | |
| • 新提撥及增加 | • new and additional | (666) | (241) | (222) |
| • 回撥 | • releases | 314 | 932 | 199 |
| • 收回 | • recoveries | 50 | 55 | 54 |
| | | (302) | 746 | 31 |

5 總營業支出

5 Total operating expenses

| | | 半年結算至 二零零五年 六月三十日 <i>Half-year ended 30 June 2005</i> | 半年結算至 二零零四年 六月三十日 重新列示 <i>Half-year ended 30 June 2004 restated</i> | 半年結算至 二零零四年 十二月三十一日 重新列示 <i>Half-year ended 31 December 2004 restated</i> |
|-------------|--|--|---|---|
| 人事費用支出： | Personnel expenses: | | | |
| • 薪金及其他人事費用 | • salaries and other costs | 1,059 | 972 | 1,093 |
| • 退休福利計劃支出 | • retirement benefit costs | 66 | 84 | 85 |
| | | 1,125 | 1,056 | 1,178 |
| 一般及行政支出： | General and administrative expenses: | | | |
| • 租金支出 | • rental expenses | 98 | 95 | 98 |
| • 其他房產及設備費用 | • other premises and equipment | 343 | 319 | 358 |
| • 其他經營費用 | • other operating expenses | 451 | 381 | 483 |
| | | 892 | 795 | 939 |
| 行址及 設備折舊 | Depreciation of business premises and equipment | 135 | 126 | 130 |
| 無形資產攤銷 | Amortisation of intangible assets | 4 | 4 | 4 |
| | | 2,156 | 1,981 | 2,251 |
| 成本對收入比率 | Cost:income ratio | 26.7% | 24.6% | 28.1% |
| 各區域員工人數* | Staff numbers by region* | | | |
| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 <i>At 30 June 2004</i> | 二零零四年 十二月三十一日 <i>At 31 December 2004</i> |
| 香港 | Hong Kong | 7,148 | 7,233 | 7,229 |
| 內地及其他地方 | Mainland and others | 377 | 242 | 313 |
| 總數 | Total | 7,525 | 7,475 | 7,542 |

* 相等於全職員工人數

* Full-time equivalent

6 出售有形固定資產及金融投資之溢利 **6 Profit on disposal of tangible fixed assets and financial investments**

| | | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|--------------------|---|---------------------------------------|---|---|
| | | Half-year ended 30 June 2005 | Half-year ended 30 June 2004 restated | Half-year ended 31 December 2004 restated |
| 出售金融投資之溢利 | Profit on disposal of financial investments | | | |
| • 已於期初重估儲備確認而實現之數額 | • realisation of amounts previously recognised in revaluation reserves at beginning of the period | 327 | 301 | 80 |
| • 期內之盈利 | • gains arising in current period | 1 | 28 | 3 |
| | | 328 | 329 | 83 |
| 出售有形固定資產之溢利減虧損 | Profit less loss on disposal of tangible fixed assets | 20 | 20 | 10 |
| | | 348 | 349 | 93 |

7 稅項支出

綜合損益結算表內之稅項組成如下：

7 Tax expenses

Taxation in the consolidated profit and loss account represents:

| | | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 | 半年結算至 二零零四年 十二月三十一日 重新列示 |
|-----------------------|--|---------------------------------------|---|---|
| | | Half-year ended 30 June 2005 | Half-year ended 30 June 2004 restated | Half-year ended 31 December 2004 restated |
| 本期稅項 – 香港利得稅準備 | Current tax – provision for Hong Kong profits tax | | | |
| 本期稅項 | Tax for the period | 783 | 864 | 670 |
| 過往可扣減之稅務虧損額 | Benefit of previously unrecognised tax losses | – | (1) | 1 |
| 過往年度稅項準備(回撥)/不足 | (Over)/under-provision in respect of prior years | – | (15) | 3 |
| | | 783 | 848 | 674 |
| 本期稅項 – 香港以外之稅項 | Current tax – taxation outside Hong Kong | | | |
| 本期稅項 | Tax for the period | 6 | 3 | 4 |
| 遞延稅項 | Deferred tax | | | |
| 是期出現之暫時性差額及回撥 | Origination and reversal of temporary differences | 135 | 141 | 41 |
| 損益賬之總稅項支出 | Total tax expenses per profit and loss account | 924 | 992 | 719 |
| 應佔聯營公司之稅項 | Share of associated companies' taxation | 110 | 2 | 54 |
| 稅項支出(包括應佔聯營公司之稅項) | Total tax expenses (including share of associated companies' taxation) | 1,034 | 994 | 773 |
| 實際稅率 | Effective tax rate | 14.4% | 13.7% | 12.7% |

7 稅項支出 (續)

本期稅項準備乃以二零零五年上半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(二零零四年亦為百分之十七點五)。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當稅率提撥稅項準備。

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。遞延稅項按其產生之項目性質進支損益賬或進支儲備。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作稅務扣減，則須減低遞延稅項資產額。

7 Tax expenses (continued)

The current tax provision is based on the estimated assessable profit for the first half of 2005, and is determined for the Bank and its subsidiaries operating in the Hong Kong SAR using the Hong Kong profits tax rate of 17.5% (17.5% for 2004). For subsidiaries and branches operating in other jurisdictions, the appropriate tax rates prevailing in the countries in which they operate are used.

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 is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to reserves, in which case the deferred tax is also dealt with in the reserves. 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.

8 每股盈利

二零零五年上半年之每股盈利乃根據溢利港幣六十億四千五百萬元(二零零四年上半年為港幣六十一億八千八百萬元)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(自二零零四年上半年以來並無變動)計算。

8 Earnings per share

The calculation of earnings per share for the first half of 2005 is based on earnings of HK\$6,045 million (HK\$6,188 million for the first half of 2004) and on the weighted average number of ordinary shares in issue of 1,911,842,736 shares (unchanged from the first half of 2004).

9 每股股息**9 Dividends per share**

| | | 半年結算至 二零零五年 六月三十日 Half-year ended 30 June 2005 | 半年結算至 二零零四年 六月三十日 Half-year ended 30 June 2004 | 半年結算至 二零零四年 十二月三十一日 Half-year ended 31 December 2004 | | | |
|-------|----------------|--|--|--|-----------------------|---------------------------|-----------------------|
| | | 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 | 每股港幣 per share HK\$ | 港幣百萬元 HK\$ million |
| 第一次中期 | First interim | 1.10 | 2,103 | 1.10 | 2,103 | — | — |
| 第二次中期 | Second interim | 1.10 | 2,103 | 1.10 | 2,103 | — | — |
| 第三次中期 | Third interim | — | — | — | — | 1.10 | 2,103 |
| 第四次中期 | Fourth interim | — | — | — | — | 1.90 | 3,633 |
| | | 2.20 | 4,206 | 2.20 | 4,206 | 3.00 | 5,736 |

10 按類分析

按類分析資料以業務類別及地理區域列示。由於按客戶類別分析所得之業務資料較適用於本集團之營運及財務決策，故被應用作主要按類分析。

按類分析下之收入劃分，是反映各客戶類別或地理區域，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。成本分配則以各客戶類別之直接成本及分攤之管理費用計算。各類業務使用本集團自置物業，按市值計算之租金反映於「其他業務」客戶類別項下之跨業務收入及各客戶類別之跨業務支出內。

(甲) 客戶類別

本集團之業務分為五大客戶類別。個人銀行服務為個人客戶提供銀行（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與中小型企業客戶之關係及專責提供貿易融資服務。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自營買賣盤，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、物業投資及可供出售證券投資。

10 Segmental analysis

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

For the purpose of segmental analysis, the allocation of revenue reflects the benefits of capital and other funding resources allocated to the customer groups 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 customer groups and apportionment of management overheads. Rental charges at market rate for usage of premises are reflected as inter-segment income for the “Other” customer group and inter-segment expenses for the respective customer groups.

(a) By customer group

The Group's business comprises five customer groups. Personal Financial Services provides banking (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 specialises in trade-related financial services. Corporate and Institutional Banking handles 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 management of shareholders' funds and investments in premises, investment properties and available-for-sale equities.

10 按類分析(續)
(甲) 客戶類別(續)
10 Segmental analysis (continued)
(a) By customer group (continued)

| | | 個人銀行 服務 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 |
|---|--|---|-------------------------------------|--|------------------|---------------|---|---------------|
| 半年結算至 | Half-year ended | | | | | | | |
| 二零零五年六月三十日 | 30 June 2005 | | | | | | | |
| 收入及支出 | Income and expenses | | | | | | | |
| 淨利息收入 | Net interest income | 3,363 | 734 | 302 | 686 | 257 | (78) | 5,264 |
| 淨服務費收入 | Net fee income | 1,196 | 277 | 36 | (11) | 28 | - | 1,526 |
| 應賺取保費淨額 | Net earned insurance premiums | 2,619 | 109 | - | - | - | - | 2,728 |
| 其他營業收入 | Other operating income | 500 | 122 | 8 | 136 | 137 | 78 | 981 |
| 跨業務收入 | Inter-segment income | - | - | - | - | 154 | (154) | - |
| 總營業收入 | Total operating income | 7,678 | 1,242 | 346 | 811 | 576 | (154) | 10,499 |
| 保險索償淨額及 保單持有人 負債變動 | Net insurance claims incurred and movement in policyholder liabilities | (2,387) | (22) | - | - | - | - | (2,409) |
| 扣除貸款減值(提撥)/ 回撥及其他信貸 風險準備前之 淨營業收入 | Net operating income before loan impairment (charges)/ releases and other credit risk allowances | 5,291 | 1,220 | 346 | 811 | 576 | (154) | 8,090 |
| 貸款減值(提撥)/ 回撥及其他信貸 風險準備 | Loan impairment (charges)/ releases and other credit risk allowances | 260 | (453) | (109) | - | - | - | (302) |
| 營業收入淨額 | Net operating income | 5,551 | 767 | 237 | 811 | 576 | (154) | 7,788 |
| 總營業支出* | Total operating expenses* | (1,468) | (429) | (63) | (80) | (116) | - | (2,156) |
| 跨業務支出 | Inter-segment expenses | (123) | (25) | (3) | (3) | - | 154 | - |
| 營業溢利 | Operating profit | 3,960 | 313 | 171 | 728 | 460 | - | 5,632 |
| 出售有形固定 資產及金融投資 之溢利 | Profit on disposal of tangible fixed assets and financial investments | - | - | - | - | 348 | - | 348 |
| 重估物業淨增值 | Net surplus on property revaluation | - | - | - | - | 877 | - | 877 |
| 應佔聯營公司之 溢利 | Share of profits of associated companies | 10 | 124 | - | 56 | 15 | - | 205 |
| 除稅前溢利 | Profit before tax | 3,970 | 437 | 171 | 784 | 1,700 | - | 7,062 |
| 應佔除稅前溢利 | Share of pre-tax profit | 56.2% | 6.2% | 2.4% | 11.1% | 24.1% | - | 100.0% |
| 營業溢利(不包括 跨業務交易) | Operating profit excluding inter-segment transactions | 4,083 | 338 | 174 | 731 | 306 | - | 5,632 |
| * 折舊/攤銷已包括於 營業支出內 | * Including in operating expenses is depreciation/ amortisation of | (50) | (9) | (1) | (1) | (78) | - | (139) |
| 二零零五年六月三十日 | At 30 June 2005 | | | | | | | |
| 總資產 | Total assets | 146,398 | 52,351 | 80,182 | 267,687 | 23,101 | - | 569,719 |
| 總負債 | Total liabilities | 353,402 | 73,003 | 29,628 | 61,214 | 10,041 | - | 527,288 |
| 聯營公司投資 | Investments in associated companies | 96 | 1,210 | - | 546 | 597 | - | 2,449 |
| 期內資本開支 | Capital expenditure incurred during the period | 63 | 13 | 5 | 1 | 15 | - | 97 |

10 按類分析(續)
(甲) 客戶類別(續)

10 Segmental analysis (continued)
(a) By customer group (continued)

| | | 個人銀行 服務 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 重新列示 Total restated |
|----------------------------------|--|---|-------------------------------------|--|------------------|---------------|---|---------------------------------|
| 半年結算至 二零零四年六月三十日 | Half-year ended 30 June 2004 | | | | | | | |
| 收入及支出 | Income and expenses | | | | | | | |
| 淨利息收入 | Net interest income | 2,794 | 625 | 259 | 1,002 | 35 | – | 4,715 |
| 淨服務費收入 | Net fee income | 1,382 | 320 | 106 | (9) | 22 | – | 1,821 |
| 應賺取保費淨額 | Net earned insurance premiums | 1,883 | 115 | – | – | – | – | 1,998 |
| 其他營業收入 | Other operating income | 435 | 123 | 8 | 404 | 141 | – | 1,111 |
| 跨業務收入 | Inter-segment income | – | – | – | – | 159 | (159) | – |
| 總營業收入 | Total operating income | 6,494 | 1,183 | 373 | 1,397 | 357 | (159) | 9,645 |
| 保險索償淨額及 保單持有人負債變動 | Net insurance claims incurred and movement in policyholder liabilities | (1,560) | (34) | – | – | – | – | (1,594) |
| 扣除貸款減值回撥及 其他信貸風險準備 前之淨營業收入 | Net operating income before loan impairment releases and other credit risk allowances | 4,934 | 1,149 | 373 | 1,397 | 357 | (159) | 8,051 |
| 貸款減值回撥及 其他信貸風險準備 | Loan impairment releases and other credit risk allowances | 49 | 581 | 116 | – | – | – | 746 |
| 營業收入淨額 | Net operating income | 4,983 | 1,730 | 489 | 1,397 | 357 | (159) | 8,797 |
| 總營業支出* | Total operating expenses* | (1,334) | (393) | (56) | (68) | (130) | – | (1,981) |
| 跨業務支出 | Inter-segment expenses | (128) | (26) | (3) | (2) | – | 159 | – |
| 營業溢利 | Operating profit | 3,521 | 1,311 | 430 | 1,327 | 227 | – | 6,816 |
| 出售有形固定資產及 金融投資之溢利 | Profit on disposal of tangible fixed assets and financial investments | – | – | – | – | 349 | – | 349 |
| 重估物業淨增值 | Net surplus on property revaluation | – | – | – | – | 91 | – | 91 |
| 應佔聯營公司之溢利 | Share of profits of associated companies | – | – | – | – | 4 | – | 4 |
| 除稅前溢利 | Profit before tax | 3,521 | 1,311 | 430 | 1,327 | 671 | – | 7,260 |
| 應佔除稅前溢利 | Share of pre-tax profit | 48.5% | 18.1% | 5.9% | 18.3% | 9.2% | – | 100.0% |
| 營業溢利(不包括 跨業務交易) | Operating profit excluding inter-segment transactions | 3,649 | 1,337 | 433 | 1,329 | 68 | – | 6,816 |
| * 折舊/攤銷已包括於 營業支出內 | * Including in operating expenses is depreciation/ amortisation of | (53) | (9) | (1) | (1) | (66) | – | (130) |
| 二零零四年六月三十日 | At 30 June 2004 | | | | | | | |
| 總資產 | Total assets | 140,417 | 42,376 | 75,152 | 222,498 | 22,115 | – | 502,558 |
| 總負債 | Total liabilities | 327,788 | 72,671 | 24,605 | 18,538 | 18,928 | – | 462,530 |
| 聯營公司投資 | Investments in associated companies | 90 | 1,075 | – | 470 | 468 | – | 2,103 |
| 期內資本開支 | Capital expenditure incurred during the period | 35 | 6 | 1 | 1 | 15 | – | 58 |

10 按類分析(續)
(甲) 客戶類別(續)
10 Segmental analysis (continued)
(a) By customer group (continued)

| | | 個人銀行 服務 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 重新列示 Total restated |
|---|--|---|-------------------------------------|--|------------------|---------------|---|---------------------------------|
| 半年結算至 二零零四年 十二月三十一日 | Half-year ended 31 December 2004 | | | | | | | |
| 收入及支出 | Income and expenses | | | | | | | |
| 淨利息收入 | Net interest income | 2,912 | 706 | 337 | 848 | 177 | – | 4,980 |
| 淨服務費收入 | Net fee income | 1,083 | 306 | 95 | (10) | 18 | – | 1,492 |
| 應賺取保費淨額 | Net earned insurance premiums | 2,346 | 128 | – | – | – | – | 2,474 |
| 其他營業收入 | Other operating income | 726 | 140 | 8 | 303 | 125 | – | 1,302 |
| 跨業務收入 | Inter-segment income | – | – | – | – | 161 | (161) | – |
| 總營業收入 | Total operating income | 7,067 | 1,280 | 440 | 1,141 | 481 | (161) | 10,248 |
| 保險索償淨額及保單 持有人負債變動 | Net insurance claims incurred and movement in policyholder liabilities | (2,199) | (47) | – | – | – | – | (2,246) |
| 扣除貸款減值回撥及 其他信貸風險準備 前之淨營業收入 | Net operating income before loan impairment releases and other credit risk allowances | 4,868 | 1,233 | 440 | 1,141 | 481 | (161) | 8,002 |
| 貸款減值回撥及 其他信貸風險準備 | Loan impairment releases and other credit risk allowances | 2 | 15 | 14 | – | – | – | 31 |
| 營業收入淨額 | Net operating income | 4,870 | 1,248 | 454 | 1,141 | 481 | (161) | 8,033 |
| 總營業支出* | Total operating expenses* | (1,498) | (481) | (42) | (91) | (139) | – | (2,251) |
| 跨業務支出 | Inter-segment expenses | (128) | (3) | (27) | (3) | – | 161 | – |
| 營業溢利 | Operating profit | 3,244 | 764 | 385 | 1,047 | 342 | – | 5,782 |
| 有形固定資產及 金融投資之溢利 | Profit on disposal of tangible fixed assets and financial investments | – | – | – | (4) | 97 | – | 93 |
| 重估物業淨增值 | Net surplus on property revaluation | – | – | – | – | 55 | – | 55 |
| 應佔聯營公司之溢利 | Share of profits of associated companies | 4 | 45 | – | 20 | 24 | – | 93 |
| 除稅前溢利 | Profit before tax | 3,248 | 809 | 385 | 1,063 | 518 | – | 6,023 |
| 應佔除稅前溢利 | Share of pre-tax profit | 53.9% | 13.4% | 6.4% | 17.7% | 8.6% | – | 100.0% |
| 營業溢利 (不包括跨業務交易) | Operating profit excluding inter-segment transactions | 3,372 | 767 | 412 | 1,050 | 181 | – | 5,782 |
| * 折舊/攤銷已包括於 營業支出內 | * Including in operating expenses is depreciation/ amortisation of | (51) | (9) | (1) | (1) | (72) | – | (134) |
| 二零零四年 十二月三十一日 | At 31 December 2004 | | | | | | | |
| 總資產 | Total assets | 142,592 | 46,712 | 77,353 | 256,368 | 23,963 | – | 546,988 |
| 總負債 | Total liabilities | 353,076 | 77,712 | 25,150 | 21,553 | 27,721 | – | 505,212 |
| 聯營公司投資 | Investments in associated companies | 94 | 1,123 | – | 491 | 591 | – | 2,299 |
| 期內資本開支 | Capital expenditure incurred during the period | 69 | 11 | 1 | 1 | 8 | – | 90 |

10 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。

10 Segmental analysis (continued)

(b) By geographical region

The geographical regions in this analysis 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.

| | | 半年結算至 二零零五年 六月三十日 <i>Half-year ended 30 June 2005</i> | | 半年結算至 二零零四年 六月三十日 重新列示 <i>Half-year ended 30 June 2004 restated</i> | | 半年結算至 二零零四年 十二月三十一日 重新列示 <i>Half-year ended 31 December 2004 restated</i> | |
|--------|--|--|------------|---|-----|---|-----|
| | | | % | | % | | % |
| 總營業收入 | Total Operating income | | | | | | |
| 香港 | Hong Kong | 9,441 | 90 | 8,863 | 92 | 9,310 | 91 |
| 美洲 | Americas | 962 | 9 | 731 | 7 | 863 | 8 |
| 其他 | Other | 96 | 1 | 51 | 1 | 75 | 1 |
| | | 10,499 | 100 | 9,645 | 100 | 10,248 | 100 |
| 除稅前溢利 | Profit before tax | | | | | | |
| 香港 | Hong Kong | 5,877 | 83 | 6,524 | 90 | 5,075 | 84 |
| 美洲 | Americas | 947 | 13 | 718 | 10 | 848 | 14 |
| 其他 | Other | 238 | 4 | 18 | – | 100 | 2 |
| | | 7,062 | 100 | 7,260 | 100 | 6,023 | 100 |
| 期內資本開支 | Capital expenditure incurred during the period | | | | | | |
| 香港 | Hong Kong | 81 | 84 | 55 | 95 | 88 | 98 |
| 美洲 | Americas | – | – | – | – | – | – |
| 其他 | Other | 16 | 16 | 3 | 5 | 2 | 2 |
| | | 97 | 100 | 58 | 100 | 90 | 100 |

10 按類分析 (續)

(乙) 地理區域分類 (續)

10 Segmental analysis (continued)

(b) By geographical region (continued)

| | | 二零零五年 六月三十日 | | 二零零四年 六月三十日 重新列示 | | 二零零四年 十二月三十一日 重新列示 | |
|----------------|---|--------------------|------------|--------------------------------|-----|------------------------------------|-----|
| | | At 30 June 2005 | | At 30 June 2004 restated | | At 31 December 2004 restated | |
| | | % | | % | | % | |
| 總資產 | Total assets | | | | | | |
| 香港 | Hong Kong | 485,067 | 85 | 421,676 | 84 | 460,653 | 84 |
| 美洲 | Americas | 64,811 | 11 | 65,212 | 13 | 69,675 | 13 |
| 其他 | Other | 19,841 | 4 | 15,670 | 3 | 16,660 | 3 |
| | | 569,719 | 100 | 502,558 | 100 | 546,988 | 100 |
| 總負債 | Total liabilities | | | | | | |
| 香港 | Hong Kong | 510,484 | 97 | 448,473 | 97 | 490,711 | 97 |
| 美洲 | Americas | 10,095 | 2 | 7,967 | 2 | 9,315 | 2 |
| 其他 | Other | 6,709 | 1 | 6,052 | 1 | 5,186 | 1 |
| | | 527,288 | 100 | 462,492 | 100 | 505,212 | 100 |
| 或有債務及承擔 | Contingent liabilities and commitments | | | | | | |
| 香港 | Hong Kong | 145,296 | 98 | 111,159 | 98 | 127,246 | 98 |
| 美洲 | Americas | - | - | 113 | - | - | - |
| 其他 | Other | 3,429 | 2 | 1,938 | 2 | 2,925 | 2 |
| | | 148,725 | 100 | 113,210 | 100 | 130,171 | 100 |

11 按會計處理方式分類之金融資產及負債分析

以下金融資產及負債分析乃採納香港會計準則第39號之會計處理方法列示，有關會計政策之變動，詳情列於第75頁。

11 Analysis of financial assets and liabilities by accounting treatment

The following matrix sets out the financial assets and liabilities by type and by accounting treatment on adoption of HKAS 39. The related changes in accounting policies are set out on page 75.

| | | 以公平價值 誌入損益賬 Fair value through profit or loss | 可供出售 Available for sale | 攤銷成本 Amortised cost | 總額 Total |
|-------------------|------------------------------|--|-------------------------------|---------------------------|-------------|
| | 買賣 Trading | | | | |
| 二零零五年六月三十日 | At 30 June 2005 | | | | |
| 金融資產 | Financial assets | | | | |
| 庫存現金及短期資金 | | - | - | 50,966 | 50,966 |
| 一個月以上之定期存放同業 | | | | | |
| | | - | - | 22,832 | 22,832 |
| 庫券 | 1,843 | - | 4,604 | - | 6,447 |
| 存款證 | 1,017 | 190 | 30,614 | 1,124 | 32,945 |
| 投資證券 | 10,952 | 3,553 | 149,373 | 7,236 | 171,114 |
| 衍生金融工具 | | | | | |
| | | 1,326 | 3 | 223 | 1,552 |
| 客戶貸款 | | - | - | 260,512 | 260,512 |
| 金融負債 | Financial liabilities | | | | |
| 同業存款 | | - | - | 34,753 | 34,753 |
| 客戶存款 | 7,475 | - | - | 430,395 | 437,870 |
| 發出存款證及其他債務證券 | | | | | |
| | | 9,836 | - | 11,158 | 20,994 |
| 證券空倉 | 7,047 | - | - | - | 7,047 |
| 衍生金融工具 | | | | | |
| | | 1,243 | 23 | 591 | 1,857 |
| 對投資合約客戶之負債 | | | | | |
| | | - | - | 542 | 542 |
| 對保險合約客戶之負債 | | | | | |
| | | - | - | 11,558 | 11,558 |
| 後償負債 | | - | 995 | 1,496 | 2,491 |

12 按到期日剩餘期間分類之資產及負債分析

下列到期日分析乃根據列於附註11內之「按會計處理方式分類之金融資產及負債分析」而列示。

12 Analysis of assets and liabilities by remaining maturity

The maturity analysis is based on the classification set out in the table for “Analysis of financial assets and liabilities by accounting treatment” on note 11.

| | 即時到期 Repayable on demand | 三個月以內 Less than three months | 三個月以上 至一年 Three months to one year | 一年以上 至五年 One year to five years | 五年以上 Over five years | 總額 Total |
|-------------------|-----------------------------------|---------------------------------------|--|---|----------------------------|----------------|
| 二零零五年六月三十日 | At 30 June 2005 | | | | | |
| 資產 | Assets | | | | | |
| 庫存現金及短期資金 | 7,735 | 43,231 | - | - | - | 50,966 |
| 一個月以上之定期存放同業 | - | 14,436 | 8,192 | 204 | - | 22,832 |
| 庫券 | - | 3,869 | 2,578 | - | - | 6,447 |
| 存款證 | 59 | 5,285 | 10,798 | 15,514 | 1,289 | 32,945 |
| 投資證券 | - | 9,498 | 26,189 | 119,437 | 15,990 | 171,114 |
| 衍生金融工具 | - | 1,552 | - | - | - | 1,552 |
| 客戶貸款 | 13,625 | 32,801 | 30,977 | 92,770 | 90,339 | 260,512 |
| | 21,419 | 110,672 | 78,734 | 227,925 | 107,618 | 546,368 |
| 負債 | Liabilities | | | | | |
| 同業存款 | 4,800 | 29,953 | - | - | - | 34,753 |
| 客戶存款 | 245,003 | 179,555 | 9,010 | 3,552 | 750 | 437,870 |
| 發出存款證及其他債務證券 | - | 278 | 3,392 | 16,638 | 686 | 20,994 |
| 衍生金融工具 | - | 1,857 | - | - | - | 1,857 |
| 證券空倉 | - | 7,047 | - | - | - | 7,047 |
| 對投資合約客戶之負債 | 542 | - | - | - | - | 542 |
| 對保險合約客戶之負債 | - | - | - | - | 11,558 | 11,558 |
| 後償負債 | - | - | - | 995 | 1,496 | 2,491 |
| | 250,345 | 218,690 | 12,402 | 21,185 | 14,490 | 517,112 |

13 庫存現金及短期資金

13 Cash and short-term funds

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|----------------------|--|--|---|---|
| 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 | 7,816 | 5,946 | 7,248 |
| 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 | 43,150 | 56,267 | 57,597 |
| | | 50,966 | 62,213 | 64,845 |

14 持作交易用途之證券

14 Trading securities

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|--------|-------------------------|--|---|---|
| 庫券 | Treasury bills | 1,843 | 1,657 | 2,704 |
| 存款證 | Certificates of deposit | 1,017 | 63 | 70 |
| 股票投資 | Equity investments | 32 | 919 | 1,136 |
| 其他債務證券 | Other debt securities | 10,920 | 1,314 | 2,090 |
| | | 13,812 | 3,953 | 6,000 |

15 指定以公平價值誌入損益賬之 金融資產

15 Financial assets designated as at fair value through profit or loss

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|--------|-------------------------|--|---|---|
| 存款證 | Certificates of deposit | 190 | – | – |
| 股票投資 | Equity investments | 1,161 | – | – |
| 其他債務證券 | Other debt securities | 2,392 | – | – |
| | | 3,743 | – | – |

金融資產乃於開始時指定以公平價值誌入損益賬內，通常連同有關負債及衍生工具作經濟對沖。至於金融工具指定以公平價值誌入損益賬之有關政策及標準，詳列於附註34「會計政策」內。有關數字亦包括指定以公平價值列賬，以照應保單持有人負債之人壽保險基金金融資產。

Financial assets are designated as at fair value through profit and loss at inception, usually together with the related liabilities or derivatives for economic hedge. The policy and criteria for financial instruments designated as at fair value through profit or loss are set out in note 34 “Accounting policies”. The figures also include those financial assets of life insurance funds designated as at fair value for backing policyholder liabilities.

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

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated |
|-----------|--|--------------------------------------|--|--|
| 客戶貸款總額 | Gross advances to customers | 261,713 | 247,615 | 252,564 |
| 貸款減值準備： | Loans impairment allowances: | | | |
| • 個別評估 | • individually assessed | (733) | (787) | (692) |
| • 綜合評估 | • collectively assessed | (468) | (434) | (319) |
| | | 260,512 | 246,394 | 251,553 |
| 客戶貸款內已包括： | Included in advances to customers are: | | | |
| • 貿易票據 | • trade bills | 3,015 | 2,861 | 3,053 |
| • 貸款減值準備 | • loans impairment allowances | (12) | (12) | (8) |
| | | 3,003 | 2,849 | 3,045 |

(乙) 客戶貸款減值準備
(b) Loans impairment allowances against advances to customers

| | | 個別評估 Individually assessed | 綜合基礎 Portfolio basis | 綜合評估 Collectively assessed 個別未減 值貸款 Individual unimpaired loans | 總額 Total |
|--------------|--|----------------------------------|----------------------------|---|--------------|
| 二零零五年一月一日 | At 1 January 2005 | 692 | 30 | 289 | 1,011 |
| 期內撇除 | Amounts written off | (69) | (84) | – | (153) |
| 收回往年已撇除之貸款 | Recoveries of advances written off in previous years | 24 | 26 | – | 50 |
| 新減值準備支取損益賬 | New impairment allowances charged to profit and loss account | 430 | 84 | 152 | 666 |
| 撥回損益賬之減值準備 | Impairment allowances released to profit and loss account | (335) | (29) | – | (364) |
| 貸款減值虧損折現值撥回 | Unwind of discount of loans impairment loss | (9) | – | – | (9) |
| 二零零五年六月三十日結餘 | At 30 June 2005 | 733 | 27 | 441 | 1,201 |

16 客戶貸款 (續)

(乙) 客戶貸款減值準備 (續)

總貸款減值準備對客戶貸款比率如下：

16 Advances to customers (continued)

(b) Loans impairment allowances against advances to customers (continued)

Total loans impairment allowances as a percentage of gross advances to customers are as follows:

| | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated |
|-----------|--------------------------------------|--|--|
| | % | % | % |
| 貸款減值準備 | | | |
| • 個別評估 | 0.28 | 0.32 | 0.27 |
| • 綜合評估 | | | |
| • 組合基礎 | 0.01 | 0.01 | 0.01 |
| • 個別未減值貸款 | 0.17 | 0.16 | 0.11 |
| 總貸款減值準備 | 0.46 | 0.49 | 0.39 |

(丙) 客戶減值貸款及準備

客戶減值貸款詳列如下：

(c) Impaired loans and allowances

The amounts of impaired loans are as follows:

| | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|--------------------|--------------------------------------|--------------------------------------|--|
| 總減值貸款 | 1,946 | 3,434 | 1,793 |
| 貸款減值準備 | (760) | (818) | (722) |
| 減值貸款淨額 | 1,186 | 2,616 | 1,071 |
| 貸款減值準備對總減 值貸款比率 | 39.1% | 23.8% | 40.3% |
| 總減值貸款對總客戶貸款比率 | 0.7% | 1.4% | 0.7% |

客戶之減值貸款乃指未必能全部償還本金及/或利息之貸款，而當此情況明顯出現時即被列作減值貸款處理。減值準備乃根據有關貸款日後估計可收回數額之扣減值(包括抵押品變現值)之折現值計算。

Impaired loans are those advances where full repayment of principal and/or interest is considered unlikely and are so classified as soon as such a situation becomes apparent. Impairment allowances are made to write down the carrying value of the advances to the discounted value of future recoverable amounts, including the realisation of collateral.

16 客戶貸款 (續)**(丁) 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：

16 Advances to customers (continued)**(d) 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:

| | 二零零五年 六月三十日 At 30 June 2005 | | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> | | | |
|-----------------|--|--|---|------------|---|-----|-------|-----|
| | % | | % | | % | | | |
| 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 | 500 | 0.2 | 715 | 0.3 | 587 | 0.2 |
| • 六個月以上至一年 | | • one year or less but over six months | 224 | 0.1 | 378 | 0.1 | 304 | 0.1 |
| • 一年以上 | | • over one year | 423 | 0.1 | 507 | 0.2 | 430 | 0.2 |
| | | | 1,147 | 0.4 | 1,600 | 0.6 | 1,321 | 0.5 |

有明確到期日之貸款，若其本金或利息已逾期，並於期末仍未償還，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，而於期末仍未償還，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 period-end. Advances repayable by regular instalments are treated as overdue when an instalment payment is overdue and remains unpaid at the period-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.

16 客戶貸款 (續)

(戊) 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：

16 Advances to customers (continued)

(e) Rescheduled advances to customers

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

| | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated |
|---------|--|--|--|
| 重整之客戶貸款 | 357 | 2,621 | 1,512 |
| | 0.1 | 1.1 | 0.6 |

重整之客戶貸款乃因客戶財政困難而重組或重訂償還條件之貸款。重整貸款條件通常較原來優惠，並將已逾期之貸款重新設定為未逾期貸款。倘客戶能按重整貸款之條件正常還款六至十二個月後，即不再列為重整貸款。重整客戶貸款在重整還款計劃後仍逾期三個月以上者，將會列於「已逾期之客戶貸款」項內。

Rescheduled advances are those which have been rescheduled or renegotiated for reasons related to the borrower's financial difficulties. 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 12 months. Rescheduled advances which have been overdue for more than three months under the rescheduled terms are reported as overdue advances to customers.

(庚) 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。於二零零五年六月三十日，本集團超逾百分之九十之客戶貸款及有關之減值貸款與逾期貸款均劃分為香港地區貸款（與二零零四年六月三十日及二零零四年十二月三十一日相同）。

(f) 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 located in an area which is different from that of the counterparty. At 30 June 2005, over 90% of the Group's advances to customers and the related impaired loans and overdue advances were classified under the area of Hong Kong (unchanged from the positions at 30 June 2004 and 31 December 2004).

16 客戶貸款 (續)**(辛) 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分析詳列如下：

16 Advances to customers (continued)**(g) Gross advances to customers by industry sector**

The analysis of gross advances to customers by industry sector based on categories and definitions used by the Hong Kong Monetary Authority is as follows:

| | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated | |
|--|--|--|--|---|
| 在香港使用之客戶貸款總額 | Gross advances to customers for use in Hong Kong | | | |
| 工業、商業及金融業 | Industrial, commercial and financial sectors | | | |
| <ul style="list-style-type: none"> • 物業發展 • 物業投資 • 金融企業 • 股票經紀 • 批發及零售業 • 製造業 • 運輸及運輸設備 • 其他 | <ul style="list-style-type: none"> • property development • property investment • financial concerns • stockbrokers • wholesale and retail trade • manufacturing • transport and transport equipment • other | 15,048 41,986 4,399 298 5,244 7,770 12,080 23,535 110,360 | 13,909 39,960 4,819 372 5,107 3,733 11,416 20,392 99,708 | 12,818 44,732 3,996 314 5,460 4,384 11,173 22,010 104,887 |
| 個人 | Individuals | | | |
| <ul style="list-style-type: none"> • 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 • 購買其他住宅物業之按揭貸款 • 信用卡貸款 • 其他 | <ul style="list-style-type: none"> • advances for the purchase of flats under the Government Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme • advances for the purchase of other residential properties • credit card advances • other | 24,713 81,545 6,583 7,385 120,226 | 28,177 80,740 5,508 7,435 121,860 | 26,386 79,987 6,534 7,122 120,029 |
| 在香港使用之貸款總額 | Total gross advances for use in Hong Kong | | | |
| 貿易融資 | Trade finance | | | |
| 在香港以外使用之貸款 | Gross advances for use outside Hong Kong | | | |
| 客戶貸款總額 | Gross advances to customers | | | |
| | 230,586 | 221,568 | 224,916 | |
| | 16,910 | 15,807 | 15,539 | |
| | 14,217 | 10,240 | 12,109 | |
| | 261,713 | 247,615 | 252,564 | |

17 金融投資項目

17 Financial investments

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|------------------|---|--|---|---|
| 以公平價值列示之可供出售投資項目 | Available-for-sale at fair value | | | |
| • 股票投資 | • equity investments | 1,560 | 1,484 | 1,838 |
| • 存款證及其他債務證券 | • certificates of deposit and other debt securities | 183,030 | – | – |
| 持至期滿之已攤銷成本債務證券 | Held-to-maturity at amortised cost debt securities | 8,361 | 160,634 | 181,100 |
| | | 192,951 | 162,118 | 182,938 |
| 持至期滿債務證券之公平價值 | Fair value of held-to-maturity debt securities | 8,818 | 160,796 | 182,577 |
| 庫券 | Treasury bills | 4,604 | 3,715 | 3,923 |
| 存款證 | Certificates of deposit | 31,738 | 33,295 | 35,393 |
| 股票 | Equity shares | 1,560 | 1,484 | 1,838 |
| 債務證券 | Debt securities | 155,049 | 123,624 | 141,784 |
| | | 192,951 | 162,118 | 182,938 |

可供出售之投資項目包括庫券、存款證、其他債務證券及不設持有期限之股票投資，惟可出售以應付流動資金需要及配合市場環境轉變。可供出售之投資項目乃以公平價值列賬，而公平價值變動所產生之損益則於股東權益儲備內確認。

持至期滿之債務證券以攤銷成本列示，並已計及由購入時起至期滿時止溢價之攤銷及折價之遞增。

本集團於二零零五年一月一日起採納香港會計準則第39號，並已重新將有持至期滿之債務證券分類為可供出售投資項目，惟部份人壽保險基金組合則除外。此乃為維持本集團管理流動資金及利率風險之靈活性。

Available-for-sale investments include treasury bills, certificates of deposit, other debt securities and equity investments intended to be held for an indefinite period of time, but which may be sold in response to needs for liquidity or changes in the market environment. Available-for-sale investments are carried at fair value with the gains and losses from change in fair value recognised through equity reserves.

Held-to-maturity debt securities are stated at amortised cost, adjusted for the amortisation of premiums and accretion of discounts over the period from the date of purchase to the date of maturity.

On adoption of HKAS 39 on 1 January 2005, the Group has reclassified all held-to-maturity debt securities as available-for-sale, with the exception of certain life insurance fund portfolios. This is to maintain the flexibility of the Group in managing its liquidity and interest rate risks.

18 持有證券之發行機構及上市地點
分析

18 Analysis of securities by counterparty and place of listing

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated |
|-----------------------|--|--------------------------------------|--|--|
| 持作交易用途之證券 | Trading securities | 13,812 | 3,953 | 6,000 |
| 指定以公平價值誌入損益賬之 金融資產 | Financial assets designated as at fair value through profit or loss | 3,743 | – | – |
| 金融投資 | Financial investments | 192,951 | 162,118 | 182,938 |
| | | 210,506 | 166,071 | 188,938 |
| 賬面價值 | At carrying value | | | |
| 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 | 25,157 | 19,840 | 24,161 |
| • 其他公共機構 | • other public sector entities | 12,664 | 11,535 | 13,934 |
| | | 37,821 | 31,375 | 38,095 |
| 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 | 151,264 | 112,859 | 128,129 |
| • 企業 | • corporate entities | 21,421 | 21,837 | 22,714 |
| | | 172,685 | 134,696 | 150,843 |
| | | 210,506 | 166,071 | 188,938 |
| • 在香港上市 | • listed in Hong Kong | 7,429 | 6,814 | 8,069 |
| • 在香港以外地區上市 | • listed outside Hong Kong | 2,366 | 26,854 | 29,000 |
| | | 9,795 | 33,668 | 37,069 |
| • 非上市 | • unlisted | 200,711 | 132,403 | 151,869 |
| | | 210,506 | 166,071 | 188,938 |
| 公平價值 | At fair value | | | |
| 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 | 25,172 | 19,791 | 24,435 |
| • 其他公共機構 | • other public sector entities | 12,680 | 11,739 | 14,371 |
| | | 37,852 | 31,530 | 38,806 |
| 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 | 151,689 | 112,854 | 128,722 |
| • 企業 | • corporate entities | 21,422 | 21,849 | 22,887 |
| | | 173,111 | 134,703 | 151,609 |
| | | 210,963 | 166,233 | 190,415 |
| • 在香港上市 | • listed in Hong Kong | 7,433 | 6,801 | 8,176 |
| • 在香港以外地區上市 | • listed outside Hong Kong | 2,404 | 26,845 | 29,023 |
| | | 9,837 | 33,646 | 37,199 |
| • 非上市 | • unlisted | 201,126 | 132,587 | 153,216 |
| | | 210,963 | 166,233 | 190,415 |

19 存/欠直屬控股公司及同母系附屬公司

於結算日，結存或結欠直屬控股公司及同母系附屬公司已包括於綜合資產負債表內之資產及負債項下，其分析如下：

19 Amounts due from/to immediate holding company and fellow subsidiary companies

At balance sheet dates, the amounts due from/to immediate holding company and fellow subsidiary companies included in the assets and liabilities balances of the consolidated balance sheets are analysed as follows:

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|-----------------------|--|--------------------------------------|--------------------------------------|--|
| 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 | 1,013 | 1,588 | 1,227 |
| 定期存放同業 | Placings with banks | 4,619 | 3,222 | 2,416 |
| 持作交易用途之證券 | Trading securities | 50 | – | 154 |
| 指定以公平價值誌入損益賬之 金融資產 | Financial assets designated as at fair value through profit or loss | 155 | – | – |
| 金融投資 | Financial investments | 1,236 | 1,557 | 1,574 |
| 其他資產 | Other assets | 228 | 248 | 224 |
| | | 7,301 | 6,615 | 5,595 |
| 結欠項目： | Amounts due to: | | | |
| 客戶存款 | Customer accounts | 136 | 147 | 165 |
| 同業存款 | Deposits from banks | 9,946 | 7,002 | 3,301 |
| 其他負債 | Other liabilities | 770 | 381 | 465 |
| | | 10,852 | 7,530 | 3,931 |

20 聯營公司投資

20 Investments in associated companies

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 restated | 二零零四年 十二月三十一日 At 31 December 2004 重新列示 restated |
|-----------|---------------------|--------------------------------------|--|--|
| 應佔聯營公司淨資產 | Share of net assets | 2,138 | 2,103 | 1,988 |
| 商譽 | Goodwill | 311 | – | 311 |
| | | 2,449 | 2,103 | 2,299 |

21 無形資產

21 Intangible assets

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|---------------|--|--|---|---|
| 長期保險業務之有效保單價值 | Value of in-force long-term assurance business | 1,409 | 1,128 | 1,249 |
| 其他無形資產 | Other intangible assets | 17 | 18 | 17 |
| | | 1,426 | 1,146 | 1,266 |

22 其他資產

22 Other assets

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|----------|--|--|---|---|
| 同業結算應收賬項 | Items in the course of collection from other banks | 3,858 | 4,235 | 4,456 |
| 預付及應計收益 | Prepayments and accrued income | 3,328 | 2,873 | 3,029 |
| 遞延稅項資產 | Deferred tax assets | 7 | 17 | 11 |
| 待售非流動資產 | Non current assets held for sale | 237 | 385 | 320 |
| 其他賬項 | Other accounts | 1,574 | 2,056 | 2,164 |
| | | 9,004 | 9,566 | 9,980 |

根據採納之香港財務報告準則第5號，收回抵押資產已由「客戶貸款」重新分類為「其他資產」項下之「待售非流動資產」。

On adoption of HKFRS 5, repossessed collateral assets have been reclassified from "Advances to customers" to "Non current assets held for sale" under "Other assets".

23 往來、儲蓄及其他存款

23 Current, savings and other deposit accounts

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|------------------------|--|--|---|---|
| 往來、儲蓄及其他存款： | Current, savings and other deposit accounts: | | | |
| • 根據綜合資產負債表 | • as per consolidated balance sheet | 430,395 | 418,638 | 447,460 |
| • 列為交易賬項下之負債之 結構性存款 | • structured deposits reported as trading liabilities | 7,475 | – | – |
| | | 437,870 | 418,638 | 447,460 |
| 類別： | By type: | | | |
| • 通知及往來存款 | • demand and current accounts | 29,583 | 33,183 | 36,148 |
| • 儲蓄存款 | • savings accounts | 212,344 | 231,135 | 251,192 |
| • 定期及其他存款 | • time and other deposits | 195,943 | 154,320 | 160,120 |
| | | 437,870 | 418,638 | 447,460 |

24 發出存款證及其他債務證券

24 Certificates of deposit and other debt securities in issue

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|--------------------------------------|---|--|---|---|
| 發出存款證及其他債務證券 | Certificates of deposit and other debt securities in issue: | | | |
| • 根據綜合資產負債表 | • as per consolidated balance sheet | 11,158 | 9,807 | 16,055 |
| • 列為交易賬項下之負債之 發出結構性存款證及 其他債務證券 | • structured certificates of deposit and other debt securities in issue reported as trading liabilities | 9,836 | – | – |
| | | 20,994 | 9,807 | 16,055 |
| 類別： | By type: | | | |
| • 發出存款證 | • certificates of deposit in issue | 20,839 | 9,807 | 15,409 |
| • 發出其他債務證券 | • other debt securities in issue | 155 | – | 646 |
| | | 20,994 | 9,807 | 16,055 |

25 交易賬項下之負債

25 Trading liabilities

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated |
|--------------|---|--------------------------------------|--|--|
| 發出存款證及其他債務證券 | Certificates of deposit and other debt securities in issue | 9,836 | – | – |
| 結構性存款 | Structured deposits | 7,475 | – | – |
| 證券空倉 | Short positions in securities | 7,047 | 2,657 | 5,840 |
| | | 24,358 | 2,657 | 5,840 |

交易賬項下之負債包括客戶存款及內含期權之存款證，或其他衍生工具，其市場風險於營業賬冊內管理。

Trading liabilities includes customer deposits and certificates of deposit with embedded options or other derivatives, the market risk of which was managed in the trading book.

26 其他負債

26 Other liabilities

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated | 二零零四年 十二月三十一日 重新列示 At 31 December 2004 restated |
|----------------------|--|--------------------------------------|--|--|
| 同業結算應付賬項 | Items in the course of transmission to other banks | 5,629 | 5,162 | 6,136 |
| 應計賬項 | Accruals | 1,124 | 1,703 | 2,303 |
| 照應保單持有人權益之 長期保險負債 | Long-term liabilities attributable to policyholders | – | 6,342 | 8,291 |
| 其他負債 | Other | 1,113 | 1,988 | 4,252 |
| | | 7,866 | 15,195 | 20,982 |

27 後償負債

27 Subordinated liabilities

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|--|--|--------------------------------------|--------------------------------------|--|
| 於二零一五年到期之浮息次級債券 | Floating rate subordinated notes due 2015 | 1,496 | – | – |
| 於二零一五年到期票面息率為 四厘一二五之次級債券(指定以 公平價值誌入損益賬之金融負債) | 4.125 per cent subordinated notes due 2015 reported as financial liabilities designated as at fair value through profit or loss | 995 | – | – |
| | | 2,491 | – | – |

28 股東資金

28 Shareholders' funds

| | | 二零零五年 六月三十日 <i>At 30 June 2005</i> | 二零零四年 六月三十日 重新列示 <i>At 30 June 2004 restated</i> | 二零零四年 十二月三十一日 重新列示 <i>At 31 December 2004 restated</i> |
|-------------|--|--|---|---|
| 股本 | Share capital | 9,559 | 9,559 | 9,559 |
| 保留溢利 | Retained profits | 26,222 | 24,293 | 23,854 |
| 物業重估儲備 | Premises revaluation reserve | 3,387 | 2,615 | 2,778 |
| 長期股票投資重估儲備 | Long-term equity investment revaluation reserve | – | 635 | 935 |
| 現金流量對沖儲備 | Cash flow hedge reserve | (256) | – | – |
| 可供出售投資儲備 | Available-for-sale investment reserve | 294 | – | – |
| 資本贖回儲備及期權儲備 | Capital redemption and share option reserves | 193 | 137 | 165 |
| 其他儲備 | Other reserves | (2) | – | – |
| 總儲備 | Total reserves | 29,838 | 27,680 | 27,732 |
| | | 39,397 | 37,239 | 37,291 |
| 擬派股息 | Proposed dividends | 2,103 | 2,103 | 3,633 |
| 股東資金 | Shareholders' funds | 41,500 | 39,342 | 40,924 |
| 平均股東資金回報率 | Return on average shareholders' funds | 29.7% | 32.0% | 25.2% |

除於二零零五年六月發行之次級債券外，截至二零零五年六月三十日之六個月內，本行或任何附屬公司並無購買、沽售或購回本行之上市證券。

Save for the issuance of subordinated notes in June 2005, during the six months ended 30 June 2005, there was no purchase, sale or redemption by the Bank, or any of its subsidiaries, of the Bank's listed securities.

29 資本管理

資本基礎及風險加權資產分析

29 Capital resources management

Analysis of capital base and risk-weighted assets

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|-----------------|--|--------------------------------------|--------------------------------------|--|
| 資本基礎 | Capital base | | | |
| 第一級資本 | Tier 1 capital | | | |
| • 股本 | • share capital | 9,559 | 9,559 | 9,559 |
| • 保留溢利 | • retained profits | 21,829 | 21,193 | 20,560 |
| • 法定儲備 | • classified as regulatory reserve | (468) | – | – |
| • 資本贖回儲備 | • capital redemption reserve | 99 | 99 | 99 |
| • 減：商譽 | • less : goodwill | (311) | (311) | (302) |
| • 合計 | • total | 30,708 | 30,540 | 29,916 |
| 第二級資本 | Tier 2 capital | | | |
| • 物業重估儲備 | • property revaluation reserve | 4,710 | 4,965 | 5,322 |
| • 可供出售投資及股票重估儲備 | • available-for-sale investment and equity revaluation reserve | 350 | 422 | 625 |
| • 綜合減值準備 | • collective impairment allowances | 468 | 403 | 289 |
| • 法定儲備 | • regulatory reserve | 468 | – | – |
| • 有期次級債券 | • term subordinated debt | 2,491 | – | – |
| • 合計 | • total | 8,487 | 5,790 | 6,236 |
| 扣除未綜合計算之投資及其他項目 | Unconsolidated investments and other deductions | (2,871) | (2,606) | (2,829) |
| 總資本基礎 | Total capital base after deductions | 36,324 | 33,724 | 33,323 |
| 風險加權資產 | Risk-weighted assets | | | |
| 資產負債表內 | On-balance sheet | 276,339 | 245,792 | 259,429 |
| 資產負債表外 | Off-balance sheet | 17,698 | 15,591 | 16,577 |
| 總風險加權資產 | Total risk-weighted assets | 294,037 | 261,383 | 276,006 |
| 包括市場風險之總風險加權資產 | Total risk-weighted assets adjusted for market risk | 292,331 | 263,236 | 277,029 |
| 資本充足比率 | Capital adequacy ratios | | | |
| 經調整市場風險後 | After adjusting for market risk | | | |
| • 第一級比率* | • tier 1* | 10.5% | 11.6% | 10.8% |
| • 總比率* | • total* | 12.4% | 12.8% | 12.0% |
| 未調整市場風險 | Before adjusting for market risk | | | |
| • 第一級比率 | • tier 1 | 10.4% | 11.7% | 10.8% |
| • 總比率 | • total | 12.4% | 12.9% | 12.1% |

* 資本比率已根據香港金融管理局之監管政策手冊內有關指引計及市場風險。

* The capital ratios take into account market risks in accordance with the relevant Hong Kong Monetary Authority guideline under the Supervisory Policy Manual.

29 資本管理(續)

根據香港金融管理局「新頒佈香港會計準則對認可機構之資本基礎及按監管規定呈報之影響」之有關指引，本行於採納香港會計準則第39號後，已從保留溢利中保留「法定儲備」並已連同本行之綜合減值準備包括於第二級資本內。

29 Capital resources management (continued)

In accordance with the HKMA guideline "Impact of the New Hong Kong Accounting Standards on Authorised Institutions' Capital Base and Regulatory Reporting", the Bank has earmarked a "Regulatory Reserve" from retained profits and it is included as tier 2 capital together with the Bank's collective impairment allowances after the adoption of HKAS 39.

30 流動資金比率

根據香港銀行業條例附表四之準則計算，期內之平均流動資金比率為：

30 Liquidity ratio

The average liquidity ratio for the period, calculated in accordance with the Fourth Schedule of the Hong Kong Banking Ordinance, is as follows:

| | 半年結算至 二零零五年 六月三十日 Half-year ended 30 June 2005 | 半年結算至 二零零四年 六月三十日 Half-year ended 30 June 2004 | 半年結算至 二零零四年 十二月三十一日 Half-year ended 31 December 2004 |
|-----------------------|--|--|--|
| 本行及其經營銀行業務之主要 附屬公司 | 43.6% | 48.1% | 46.3% |

31 現金流量對賬表

(甲) 營業溢利與來自營業活動之淨現金流量對賬表

31 Reconciliation of cash flow statement

(a) Reconciliation of operating profit to net cash flow from operating activities

| | | 半年結算至 二零零五年 六月三十日 | 半年結算至 二零零四年 六月三十日 重新列示 |
|--------------------------|---|---------------------------------------|---|
| | | Half-year ended 30 June 2005 | Half-year ended 30 June 2004 restated |
| 營業溢利 | Operating profit | 5,632 | 6,816 |
| 淨利息收入 | Net interest income | (5,264) | (4,715) |
| 股息收入 | Dividend income | (37) | (76) |
| 貸款減值(提撥)/回撥及 其他信貸風險準備 | Loans impairment charges/(releases) and other credit risk allowances | 302 | (746) |
| 折舊 | Depreciation | 135 | 126 |
| 無形資產之攤銷 | Amortisation of intangible assets | 4 | 4 |
| 長期投資之攤銷 | Amortisation of long-term investments | 8 | 241 |
| 減除收回後之貸款撇賬淨額 | Advances written off net of recoveries | (112) | (391) |
| 收回利息 | Interest received | 5,091 | 4,592 |
| 已繳利息 | Interest paid | (2,537) | (1,161) |
| 營運資金變動前之營業溢利 | Operating profit before changes in working capital | 3,222 | 4,690 |
| 一個月以上到期之存放同業之變動 | Change in placings with banks maturing after one month | (5,350) | 14,822 |
| 持作交易用途之證券之變動 | Change in trading securities | 3,132 | 52 |
| 指定以公平價值誌入損益賬 之金融資產之變動 | Change in financial assets designated as at fair value through profit or loss | 299 | - |
| 衍生工具之變動 | Change in derivatives | (167) | 76 |
| 客戶貸款之變動 | Change in advances to customers | (8,856) | (16,297) |
| 金融投資之變動 | Change in financial investments | 1,277 | (1,497) |
| 其他資產之變動 | Change in other assets | (171) | (1,520) |
| 往來、儲蓄及其他存款之變動 | Change in current, savings and other deposit accounts | (9,789) | (13,509) |
| 同業存款之變動 | Change in deposits from banks | 22,804 | 10,090 |
| 交易賬項下之負債之變動 | Change in trading liabilities | 7,817 | 1,143 |
| 發出存款證及其他債務證券之變動 | Change in certificates of deposit and other debt securities in issue | (1,454) | 1,920 |
| 其他負債之變動 | Change in other liabilities | (731) | (675) |
| 指定以公平價值誌入損益賬之 金融負債 | Change in financial liabilities designated as at fair value through profit or loss | (1) | - |
| 撇除換算差額及其他非現金項目 | Elimination of exchange differences and other non-cash items | (1,094) | 1,743 |
| 來自營業活動產生之現金 | Cash generated from operating activities | 10,938 | 1,038 |
| 已繳稅款 | Taxation paid | (222) | (212) |
| 來自營業活動之現金流入淨額 | Net cash inflow from operating activities | 10,716 | 826 |

31 現金流量對賬表(續)

(乙) 現金及等同現金項目結餘分析

31 Reconciliation of cash flow statement (continued)

(b) Analysis of the balances of cash and cash equivalents

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 重新列示 At 30 June 2004 restated |
|----------------------|--|--------------------------------------|--|
| 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 | 7,816 | 5,945 |
| 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 | 41,614 | 55,865 |
| 庫券 | Treasury bills | 1,033 | 641 |
| 存款證 | Certificates of deposit | 2 | 1,069 |
| | | 50,465 | 63,520 |

32 或有債務、承擔及衍生工具

合約金額、信貸之相等金額
及風險加權金額

32 Contingent liabilities, commitments and derivatives

Contract amount, credit equivalent amount and risk-weighted amount

| | | 合約金額 Contract amount | 信貸之 相等金額 Credit equivalent amount | 風險 加權金額 Risk- weighted amount |
|----------------------------|--|----------------------------|---|---|
| 二零零五年六月三十日 | At 30 June 2005 | | | |
| 或有債務： | Contingent liabilities: | | | |
| 擔保 | Guarantees | 13,343 | 13,112 | 3,336 |
| 承擔： | Commitments: | | | |
| 信用證及短期貿易關連交易 | Documentary credits and short-term trade-related transactions | 8,845 | 1,782 | 1,764 |
| 未動用之正式備用便利、 信貸額及其他放款承諾： | Undrawn formal standby facilities, credit lines and other commitments to lend: | | | |
| • 一年以下 | • under one year | 100,918 | – | – |
| • 一年及以上 | • one year and over | 25,593 | 12,796 | 11,770 |
| 其他 | Other | 26 | 26 | 26 |
| | | 135,382 | 14,604 | 13,560 |
| 滙率合約： | Exchange rate contracts: | | | |
| 即期及遠期外滙交易 | Spot and forward foreign exchange | 131,827 | 1,346 | 341 |
| 其他滙率合約 | Other exchange rate contracts | 35,916 | 382 | 118 |
| | | 167,743 | 1,728 | 459 |
| 利率合約： | Interest rate contracts: | | | |
| 利率掉期 | Interest rate swaps | 169,762 | 1,476 | 406 |
| 其他利率合約 | Other interest rate contracts | 1,669 | 8 | 3 |
| | | 171,431 | 1,484 | 409 |
| 其他衍生工具合約 | Other derivative contracts | 311 | 17 | 9 |

32 或有債務、承擔及衍生工具(續)

合約金額、信貸之相等金額
及風險加權金額(續)

32 Contingent liabilities, commitments and derivatives (continued)

Contract amount, credit equivalent amount and risk-weighted amount (continued)

| | 合約金額 Contract amount | 信貸之 相等金額 Credit equivalent amount | 風險 加權金額 Risk- weighted amount |
|----------------------------|----------------------------|---|---|
| 二零零四年六月三十日 | | | |
| 或有債務： | | | |
| 擔保 | 10,905 | 10,641 | 3,580 |
| 承擔： | | | |
| 信用證及短期貿易關連交易 | 9,392 | 1,878 | 1,873 |
| 未動用之正式備用便利、 信貸額及其他放款承諾： | | | |
| • 一年以下 | 72,099 | – | – |
| • 一年及以上 | 20,649 | 10,324 | 9,382 |
| 其他 | 165 | 165 | 74 |
| | 102,305 | 12,367 | 11,329 |
| 滙率合約： | | | |
| 即期及遠期外滙交易 | 76,742 | 762 | 220 |
| 其他滙率合約 | 29,534 | 372 | 123 |
| | 106,276 | 1,134 | 343 |
| 利率合約： | | | |
| 利率掉期 | 119,216 | 1,364 | 316 |
| 其他利率合約 | 6,576 | 64 | 28 |
| | 125,792 | 1,428 | 344 |
| 其他衍生工具合約 | 36 | 3 | 1 |

32 或有債務、承擔及衍生工具(續)

合約金額、信貸之相等金額
及風險加權金額(續)

32 Contingent liabilities, commitments and derivatives (continued)

Contract amount, credit equivalent amount and risk-weighted amount (continued)

| | | 合約金額 Contract amount | 信貸之 相等金額 Credit equivalent amount | 風險 加權金額 Risk- weighted amount |
|----------------------------|--|----------------------------|---|---|
| 二零零四年十二月三十一日 | At 31 December 2004 | | | |
| 或有債務： | Contingent liabilities: | | | |
| 擔保 | Guarantees | 10,722 | 10,447 | 3,501 |
| 承擔： | Commitments: | | | |
| 信用證及短期貿易關連交易 | Documentary credits and short-term trade-related transactions | 9,020 | 1,844 | 1,805 |
| 未動用之正式備用便利、 信貸額及其他放款承諾： | Undrawn formal standby facilities, credit lines and other commitments to lend: | | | |
| • 一年以下 | • under one year | 86,714 | – | – |
| • 一年及以上 | • one year and over | 23,677 | 11,839 | 10,460 |
| 其他 | Other | 38 | 38 | 38 |
| | | 119,449 | 13,721 | 12,303 |
| 滙率合約： | Exchange rate contracts: | | | |
| 即期及遠期外滙交易 | Spot and forward foreign exchange | 138,269 | 1,066 | 298 |
| 其他滙率合約 | Other exchange rate contracts | 23,158 | 323 | 106 |
| | | 161,427 | 1,389 | 404 |
| 利率合約： | Interest rate contracts: | | | |
| 利率掉期 | Interest rate swaps | 120,603 | 1,421 | 347 |
| 其他利率合約 | Other interest rate contracts | 5,067 | 15 | 6 |
| | | 125,670 | 1,436 | 353 |
| 其他衍生工具合約 | Other derivative contracts | 1,373 | 46 | 23 |

32 或有債務、承擔及衍生工具(續)
合約金額、信貸之相等金額
及風險加權金額(續)

上表列出資產負債表以外交易之名義合約金額、信貸之相等金額及風險加權金額。計算信貸之相等金額，乃用作推算風險加權金額之用。此等金額乃根據香港銀行業條例附表三有關資本充足比率之準則而估算，並視乎對等機構之信譽及期限特性而定。如屬或有債務及承擔，則風險加權幅度為零至百分之一百，如屬滙率、利率及其他衍生工具合約，則風險加權幅度為零至百分之五十。

或有債務及承擔均屬與信貸有關之工具，包括票據承兌、信用證、擔保書及提供信貸之承擔。所涉及之風險基本上與向客戶提供貸款之風險相同，故處理此類交易時，等同審批客戶之貸款申請，需要符合信貸條件、組合管理及抵押品之要求。由於此類信貸便利可能在未運用前已到期，故合約金額之總數並不代表未來現金之需求。

資產負債表以外之金融工具來自外滙、利率及股票等市場上所進行之期貨、遠期、掉期及期權等交易。

此等工具之合約金額顯示結算當日尚未到期之交易數量，但並不代表風險數額。此等工具之信貸相等金額乃根據香港銀行業條例附表三之準則計算，即為按市值重估後具正數值之合約價值及潛在之遠期信貸風險兩者之總數。

32 Contingent liabilities, commitments and derivatives (continued)
Contract amount, credit equivalent amount and risk-weighted amount (continued)

The tables above give the nominal contract, credit equivalent and risk-weighted amounts of off-balance sheet transactions. The credit equivalent amounts are calculated for the purposes of deriving the risk-weighted amounts. These are assessed in accordance with the Third Schedule of the Hong Kong Banking Ordinance on capital adequacy and depend on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 100% for contingent liabilities and commitments, and from 0% to 50% for exchange rate, interest rate and other derivative contracts.

Contingent liabilities and commitments are credit-related instruments which include acceptances, letters of credit, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are, therefore, subject to the same credit origination, portfolio maintenance and collateral requirements as for customers applying for loans. As the facilities may expire without being drawn upon, the total of the contract amounts is not representative of future liquidity requirements.

Off-balance sheet financial instruments arise from futures, forward, swap and option transactions undertaken in the foreign exchange, interest rate and equity markets.

The contract amounts of these instruments indicate the volume of transactions outstanding at the balance sheet date and do not represent amounts at risk. The credit equivalent amount of these instruments is measured as the sum of positive mark-to-market values and the potential future credit exposure in accordance with the Third Schedule of the Hong Kong Banking Ordinance.

32 或有債務、承擔及衍生工具(續)
合約金額、信貸之相等金額
及風險加權金額(續)

衍生金融工具乃持有作買賣用途，並作為指定以公平價值誌入損益賬之金融工具或指定以公平價值對沖或現金流量對沖。每類採納香港會計準則第39號之衍生工具，詳列於附註34「會計政策」內。每類衍生工具之合約金額及按市值重估之資產及負債詳列如下：

32 Contingent liabilities, commitments and derivatives (continued)
Contract amount, credit equivalent amount and risk-weighted amount (continued)

Derivatives financial instruments are held for trading, as financial instruments designated as at the fair value through profit or loss or designated as either fair value hedge or cash flow hedges. The accounting policies for each class of derivatives on adoption of HKAS 39 are set out in note 34 "Accounting policies". The following table shows the nominal value and marked-to-market assets and liabilities of each class of derivatives.

| | | 二零零五年 六月三十日 At 30 June 2005 | | 二零零四年 六月三十日 At 30 June 2004 | | 二零零四年 十二月三十一日 At 31 December 2004 | |
|----------|----------------------------|--------------------------------------|-----------------|--------------------------------------|----------------------|--|----------------------|
| | | 買賣用途 Trading | 對沖用途 Hedging | 買賣用途 Trading | 非買賣用途 Non-trading | 買賣用途 Trading | 非買賣用途 Non-trading |
| 合約金額： | Contract amounts: | | | | | | |
| 利率合約 | Interest rate contracts | 103,968 | 67,463 | 48,677 | 77,115 | 54,755 | 70,915 |
| 滙率合約 | Exchange rate contracts | 163,743 | - | 105,965 | 311 | 161,117 | 310 |
| 其他衍生工具合約 | Other derivative contracts | 311 | - | 36 | - | 1,373 | - |
| | | 268,022 | 67,463 | 154,678 | 77,426 | 217,245 | 71,225 |
| 衍生工具資產： | Derivative assets: | | | | | | |
| 利率合約 | Interest rate contracts | 675 | 223 | 514 | - | 519 | - |
| 滙率合約 | Exchange rate contracts | 647 | - | 693 | - | 1,160 | - |
| 其他衍生工具合約 | Other derivative contracts | 7 | - | 2 | - | 5 | - |
| | | 1,329 | 223 | 1,209 | - | 1,684 | - |
| 衍生工具負債： | Derivative liabilities: | | | | | | |
| 利率合約 | Interest rate contracts | 847 | 591 | 524 | - | 477 | - |
| 滙率合約 | Exchange rate contracts | 412 | - | 437 | - | 796 | - |
| 其他衍生工具合約 | Other derivative contracts | 7 | - | - | - | - | - |
| | | 1,266 | 591 | 961 | - | 1,273 | - |

以上衍生工具資產乃衍生工具合約按市值重估後具正數值之總額及代表該等合約之重置成本，而該等合約並無任何雙邊淨額結算之安排。

The above derivative assets, being the total positive mark-to-market value of the derivative contracts and represent their replacement costs as none of these contracts are subject to any bilateral netting arrangement.

33 跨國債權

跨國債權包括應收賬項及貸款、銀行存放同業結餘及持有存款證、票據、本票、商業票據和其他可轉讓債務工具及包括上述資產之應計利息與過期未付利息。債權分類是依照交易對手所在之地區，經計及風險轉移因素後而劃定。若債權之擔保人所在地區有異於交易對手所在之地區，則風險轉移至擔保人之所在地區。若屬銀行及金融機構之分行債權，其風險將轉移至該銀行或金融機構之總行所在地區。個別國家或區域經計及風險轉移後佔跨國債權總額百分之十或以上之債權總額詳列如下：

33 Cross-border claims

Cross-border claims include receivables and loans and advances, balances due from banks and holdings of certificates of deposit, bills, promissory notes, commercial paper and other negotiable debt instruments and also include accrued interest and overdue interest on these assets. Claims are classified according to the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, the risk will be transferred to the country of the guarantor. For a claim on the branch of a bank or other financial institution, the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate cross border claims are shown as follows:

| | 同業及其他 金融機構 Banks & other financial institutions | 政府及 公營機構 Sovereign & public sector entities | 其他 Other | 合計 Total |
|------------------------|---|--|-------------|-------------|
| 二零零五年六月三十日 | | | | |
| At 30 June 2005 | | | | |
| 不包括香港在內的亞太區： | Asia-Pacific excluding Hong Kong: | | | |
| • 澳洲 | 25,194 | 61 | 954 | 26,209 |
| • 其他 | 27,760 | 1,600 | 6,197 | 35,557 |
| | 52,954 | 1,661 | 7,151 | 61,766 |
| 美洲： | The Americas: | | | |
| • 加拿大 | 19,011 | 4,599 | 1,571 | 25,181 |
| • 其他 | 13,396 | 2,601 | 10,882 | 26,879 |
| | 32,407 | 7,200 | 12,453 | 52,060 |
| 西歐： | Western Europe: | | | |
| • 英國 | 25,206 | 15 | 6,897 | 32,118 |
| • 其他 | 79,498 | 2,577 | 6,757 | 88,832 |
| | 104,704 | 2,592 | 13,654 | 120,950 |

33 跨國債權(續)

33 Cross-border claims (continued)

| | | 同業及其他 金融機構 Banks & other financial institutions | 政府及 公營機構 Sovereign & public sector entities | 其他 Other | 合計 Total |
|------------------------|--------------------------------------|---|--|-------------|-------------|
| 二零零四年六月三十日 (重新列示) | At 30 June 2004 (restated) | | | | |
| 不包括香港在內的 亞太區： | Asia-Pacific excluding Hong Kong: | | | | |
| • 澳洲 | • Australia | 19,187 | 214 | 1,063 | 20,464 |
| • 其他 | • other | 22,489 | 1,264 | 6,638 | 30,391 |
| | | 41,676 | 1,478 | 7,701 | 50,855 |
| 美洲： | The Americas: | | | | |
| • 加拿大 | • Canada | 17,502 | 6,009 | 803 | 24,314 |
| • 其他 | • other | 10,058 | 4,658 | 10,963 | 25,679 |
| | | 27,560 | 10,667 | 11,766 | 49,993 |
| 西歐： | Western Europe: | | | | |
| • 英國 | • United Kingdom | 21,508 | 16 | 5,911 | 27,435 |
| • 其他 | • other | 59,735 | 2,271 | 4,818 | 66,824 |
| | | 81,243 | 2,287 | 10,729 | 94,259 |
| 二零零四年十二月三十一日 (重新列示) | At 31 December 2004 (restated) | | | | |
| 不包括香港在內的 亞太區： | Asia-Pacific excluding Hong Kong: | | | | |
| • 澳洲 | • Australia | 22,023 | 62 | 1,223 | 23,308 |
| • 其他 | • other | 26,303 | 1,530 | 5,448 | 33,281 |
| | | 48,326 | 1,592 | 6,671 | 56,589 |
| 美洲： | The Americas: | | | | |
| • 加拿大 | • Canada | 19,748 | 4,957 | 1,566 | 26,271 |
| • 其他 | • other | 11,326 | 3,236 | 10,344 | 24,906 |
| | | 31,074 | 8,193 | 11,910 | 51,177 |
| 西歐： | Western Europe: | | | | |
| • 英國 | • United Kingdom | 24,412 | 16 | 5,969 | 30,397 |
| • 其他 | • other | 79,577 | 2,096 | 6,388 | 88,061 |
| | | 103,989 | 2,112 | 12,357 | 118,458 |

34 會計政策

製備於本中期報告所載之資料所採用之各項會計政策，除因於二零零五年一月一日起採納以下之新增及經修訂之香港財務報告準則及香港會計準則而更改外，否則與二零零四年度財務報告所採用者一致。

香港財務報告準則第2號：

「股權支付」(「香港財務報告準則第2號」)

在過往年度，按公平價值或按公平價值折讓不多於百分之二十授予員工之認股權並無確認任何成本。購入股份以供授出有限制股份獎勵之成本，則按授出條件之期間，作為「人事費用」攤銷。

在採納香港財務報告準則第2號後，所有股份報酬均按公平價值確認。公平價值應反映有關股權與股價表現有關之行使條件。股份報酬之費用乃按授予股權或股份當日價值計算，並以須符合取得報酬之服務年期作為確認費用之計算期(即可行使股權或獲取股份之年期)，作為「人事費用」入賬。由於本行控股公司授出之股權不向本行收取任何代價，故以該等股份之公平價值進誌「權益儲備」賬。

有關會計政策之改變追溯生效，並對去年底賬項作出調整及將二零零四年有關比較數字重新列示。在二零零四年十二月三十一日之已攤銷股份報酬費用為港幣六千六百萬元(二零零四年六月三十日為港幣三千八百萬元)，此項費用重整於保留溢利內。在二零零四年上半年，重新確認股份報酬費用並調整人事費用之金額分別為港幣一千九百萬元及港幣二千八百萬元。二零零五年上半年在損益賬項確認之股份報酬費用為港幣二千八百萬元。

34 Accounting policies

This interim report has been prepared on a basis consistent with the accounting policies adopted in the 2004 financial statements except for the changes in accounting policies following the adoption on 1 January 2005 of the new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards ("HKFRSs") as set out below.

HKFRS 2 : Share-Based Payments ("HKFRS 2")

In prior years, no compensation cost was recognised for share options granted at fair value or not more than 20% discount to fair value. For restricted share awards, the cost for acquisition of shares for the conditional award was charged to "Staff costs" over the period in respect of which the performance condition applied.

On adoption of HKFRS 2, all share compensations are recognised at fair value which takes into account the vesting conditions related to market performance. Compensation cost is measured at the date of grant based on the assessed value of the option or award and is recognised over the service period, which is usually the vesting period, as part of "Personnel cost". Where the options were granted by the Bank's ultimate holding company without charging the Bank for the value of the option, the value was credited to equity reserves.

The change in accounting policy has been applied retrospectively by way of prior year adjustment and restatement of comparative figures for 2004. The amortised cost of share compensation of HK\$66 million at 31 December 2004 (30 June 2004: HK\$38 million) was adjusted to retained profits. The personnel costs for the first and second halves of 2004 have been restated to recognise the share compensation cost of HK\$19 million and HK\$28 million attributable to the periods respectively. Share compensation cost for the first half of 2005 amounting to HK\$28 million was recognised through the profit and loss account.

34 會計政策(續)

香港財務報告準則第3號：

「業務合併」(「香港財務報告準則第3號」)

在過往年度，購入附屬公司和各聯營公司所產生之正商譽乃按預計公司經營年期攤銷，一般以二十年為期以直線法於損益賬內攤銷。

在採納香港財務報告準則第3號後，正商譽並不以攤銷方法入賬，而是需根據香港會計準則第36號「資產減值」在資產負債表日以公平價值對創現單位層次進行測試。

有關商譽之會計政策改變追溯生效，並於去年賬項中作出調整及將二零零四年有關比較數字重新列示。二零零四年十二月三十一日之正商譽已重整，並回撥在該日前曾作出之所有攤銷(港幣九百萬元)，二零零四年十二月三十一日之保留溢利亦相應調整。二零零四年下半年之營業溢利因而上調港幣九百萬元，以回撥在該期間之商譽(二零零四年上半年為零)。在二零零五年上半年沒有確認減值損失。

香港財務報告準則第4號：

「保險合約」(「香港財務報告準則第4號」)

在過往年度，所有保險業務的合約，包括與投資掛鈎合約均納入作保險合約。

在採納香港財務報告準則第4號後，部份不會轉讓重要保險風險的長期保險合約均作投資合約處理。此等投資合約項下所持有之金融資產現按後述之香港會計準則第39號分類，並按其分類入賬。保險合約之負債確認為財務項目並按估值列示。有關準則並無要求重整二零零四年之比較數字。

34 Accounting policies (continued)

HKFRS 3 : Business Combinations (“HKFRS 3”)

In prior years, positive goodwill arising from the acquisition of subsidiary and associated companies was amortised over its estimated life, usually taken as 20 years, on a straight-line basis in the profit and loss account.

On adoption of HKFRS 3, positive goodwill is not amortised but is tested for impairment at each balance sheet date at the cash-generating unit level by applying a fair-value-based test in accordance with HKAS 36 “Impairment of Assets”.

The accounting policy on goodwill is applied retrospectively by way of prior year adjustment and restatement of comparative figures for 2004. The positive goodwill at 31 December 2004 is restated to reverse all amortisation made prior to that date (HK\$9 million) with a corresponding adjustment through retained profit at 31 December 2004. The operating profit for the second half of 2004 is adjusted upwards by HK\$9 million to reverse the goodwill amortisation for the period (first half of 2004: nil). No impairment loss has been recognised for the first half of 2005.

HKFRS 4 : Insurance Contracts (“HKFRS 4”)

In prior years, all contracts of insurance business, including investment-linked contracts were accounted as insurance contracts.

On adoption of HKFRS 4, certain long-term insurance contracts which do not transfer significant insurance risks are treated as investment contracts. The financial assets held under these investment contracts are accounted based on their classification in accordance with HKAS 39 as described below. Liabilities under insurance contract are recognised as financial and carried at valuation. No restatement of 2004 comparative figures is required.

34 會計政策(續)**香港財務報告準則第5號：****「待售非流動資產及已終止業務」
（「香港財務報告準則第5號」）**

在過往年度，收回呆壞賬之抵押資產作客戶貸款列賬。其現行價值按收回之可兌現資產淨值調整，並分類為呆壞賬。

在採納香港財務準則第5號後，收回抵押資產作「其他資產」項下之「待售非流動資產」列賬。

有關會計政策之改變追溯生效，並對去年底賬項作出調整及將二零零四年有關比較數字重新列示。於二零零四年十二月三十一日，從「客戶貸款」轉出分類為「待售非流動資產」之收回抵押資產為港幣三億二千萬元（二零零四年六月三十日為港幣三億八千五百萬元）。出售該等資產之溢利在二零零四年上半年分別為港幣一千八百萬元及港幣一千九百萬元已由「呆壞賬淨提撥」轉為「其他營業收入」。在二零零五年上半年出售資產所得港幣九百萬元之溢利作「其他營業收入」列賬。

**香港會計準則第17號：「租賃」
（「香港會計準則第17號」）**

在過往年度，租賃物業乃經合資格專業估價師進行估值後以估值價列賬。土地與房屋部份分別所佔之價值是先計算房屋部份之淨重置成本，而餘數則為土地部份之價值。

在採納香港會計準則第17號後，以租約業權型式所擁有之自用物業，若能可靠地以其租約開始當日分攤土地及房屋之價值，則土地部份視作經營租賃，所攤分之地價或其他費用將按租賃期攤銷。若未能可靠地以租約開始當日分攤土地及房屋之價值，則整體將繼續視為融資租賃並以公平價值列賬。

34 Accounting policies (continued)**HKFRS 5 : Non-Current Assets Held for Sale and Discontinued Operations
（“HKFRS 5”）**

In prior years, collateral assets repossessed for recovery of non-performing advances were reported as advances. The carrying value was adjusted to the net realisable value of the repossessed assets and classified as non-performing advances.

On adoption of HKFRS 5, repossessed collateral assets are reported as “Non-current assets held for sale” under “Other assets”.

The change in accounting policy has been applied retrospectively and reflected by way of prior year adjustment and the restatement of comparative figures for 2004. At 31 December 2004, repossessed assets of HK\$320 million were reclassified from “Customer advances” to “Non-current assets held for sale” (30 June 2004: HK\$385 million). Gains on disposal of HK\$18 million and HK\$19 million for the first and second halves of 2004 respectively were re-classified from “Net charge for bad and doubtful debts” to “Other operating income”. Gains on disposal of HK\$9 million for the first half of 2005 were recorded under “Other operating income”.

HKAS 17 : Leasing (“HKAS 17”)

In prior years, leasehold premises were stated at valuation, as valued by professionally qualified valuers. The apportionment of the value between the land and building elements was made by estimating the net replacement cost of the building as the value of the building element, and taking the residual figure as the value of the land element.

On adoption of HKAS 17, where leasehold properties are held for own use and where the land and buildings elements can be allocated reliably as at inception of the lease, the land element is treated as an operating lease. As such, land premiums or other costs for acquiring the leasehold land are amortised over the term of the lease. Where the land and building cannot be allocated reliably as at the inception of the lease, the land and building elements will continue to be treated as finance leases and carried at fair value.

34 會計政策(續)

香港會計準則第17號：「租賃」 ([香港會計準則第17號]) (續)

其中一幢行址物業所獨立支付之地價被視作經營租賃。該土地之重估增值連同有關遞延稅項將一併沖銷，已支付之地價將在「其他資產」項之「預付賬」內列示，並按租約年期攤銷。地價攤銷現作「租賃支出」而非以折舊列賬。

有關會計政策之改變追溯生效，並對去年賬項作出調整及將二零零四年有關比較數字重新列示。

資產負債表重新列示之淨增加/
(減少)結欠

34 Accounting policies (continued)

HKAS 17 : Leasing ("HKAS 17") (continued)

The land element of a leasehold premise with the cost of land premium paid separately is accounted for as an operating lease. The revaluation reserve on the leasehold land is de-recognised and the related deferred taxation reversed, while the cost of land premium paid is reflected as a prepayment under "Other assets" and amortised over the remaining lease term. Amortisation of land premium is recognised as "Rental charges" instead of depreciation.

The change in accounting policy is adopted retrospectively and reflected by way of prior year adjustment and restatement of comparative figures.

Net increases/(decreases) in the outstanding balances on restatement of the balance sheets

| | | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|---------------|----------------------------------|--------------------------------------|--|
| 資產： | Assets: | | |
| 物業 | Premises | (2,501) | (2,511) |
| 預付賬 | Prepayment | 616 | 609 |
| 負債及儲備： | Liabilities and reserves: | | |
| 物業重估儲備 | Premises revaluation reserve | (1,435) | (1,502) |
| 保留溢利 | Retained profits | (120) | (66) |
| 遞延稅項負債 | Deferred tax liabilities | (330) | (334) |

下列項目於損益結算表重新列示後之
淨增加/(減少)

Increases/(decreases) in the following items on restatement of the profit and loss accounts

| | | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|----------------------------|--|--------------------------------------|--|
| 折舊 | Depreciation | (23) | (29) |
| 租金支出 | Rental expense | 7 | 7 |
| 物業重估後之淨(減值)/增值 (扣除遞延稅項) | Net (deficits)/surplus of revaluation of properties (net of deferred tax) | (25) | 17 |

二零零五年上半年租賃業權土地之租
金支出為港幣七百萬元。

Rental expense on leasehold land for the first half of 2005 amounted to HK\$7 million.

34 會計政策(續)**香港會計準則第19號：「僱員福利」
（「香港會計準則第19號」）**

在過往年度，只有超逾香港會計實務準則第34號所規定指標之精算溢利或虧損才於界定利益退休福利計劃之退休福利成本內計算。

根據由二零零五年一月一日起生效之經修訂香港會計準則第19號所提供之選擇，精算溢利或虧損全數在發生年度於「保留溢利」內確認。本集團選擇於是年度保留溢利內確認全部精算溢利或虧損。為反映是項變更，累計精算之虧損港幣八千二百萬元已於截至二零零四年十二月三十一日之「保留溢利」內調整（於二零零四年六月三十日之精算溢利為港幣一億二千八百萬元）。二零零五年上半年之精算虧損港幣九百萬元已於保留溢利內確認。

香港會計準則第27號：**「綜合及獨立財務報表」****（「香港會計準則第27號」）****香港會計準則詮釋第12號「綜合賬－
特殊目的公司」（「詮釋第12號」）****人壽保險附屬公司**

在過往年度，在綜合本行之人壽保險附屬公司之賬項後，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。長期保險業務資產收入及應賺取保費淨額於扣除保險索償淨額及保單持有人負債變動後，於損益賬之「承保溢利」列示。

在採納香港會計準則第27號後，人壽保險附屬公司之賬項根據業務綜合。人壽保險附屬公司之資產包括長期保險業務資產，將根據資產種類於集團之綜合資產負債表列示。應賺取保費淨額及保險索償淨額分別於損益賬內列示，而資產收入則於本集團之綜合損益結算表內之相同收入類別下列示。

除金融資產及有關收入之處理方法需根據後述之香港會計準則第39號之要求外，本行已追溯採納會計政策之變動，而二零零四年之比較數字已重新列示以反映前述之重新分類。

34 Accounting policies (continued)**HKAS 19 : Employee Benefit ("HKAS 19")**

In prior years, only the actuarial gains or losses exceeding the threshold prescribed by HKSSAP 34 were taken into account in calculating the retirement benefit costs of defined benefit schemes.

The revised HKAS 19 effective from 1 January 2005 provides an option for actuarial gains or losses to be recognised in full through "Retained profits" in the year of occurrence. The Group has elected to take the option to recognise all actuarial gains or losses through retained profits in the current year. To reflect the change in accounting policy, the balance of actuarial loss amounting to HK\$82 million has been adjusted through "Retained profits" as at 31 December 2004 (30 June 2004: actuarial gain of HK\$128 million). An actuarial loss for the first half of 2005, amounting to HK\$9 million, has been recognised through retained profits.

HKAS 27 : Consolidated and Separate Financial Statements ("HKAS 27")**HKAS Interpretation 12 "Consolidation - Special Purpose Entities" ("HKAS-Int 12")****Life insurance subsidiary**

In prior years, on consolidation of the life insurance subsidiary, long-term assurance assets and liabilities attributable to policyholders were recognised in aggregate under "Other assets" and "Other liabilities" respectively. Income from long-term assurance assets was reported together with net earned insurance premiums, less net insurance claims and movement in policyholder liabilities, as "Insurance underwriting profit" in the profit and loss account.

On adoption of HKAS 27, life insurance subsidiary accounts are consolidated line-by-line. Assets of the life insurance subsidiary, including long-term assurance assets, are reported according to asset type as presented in the Group's consolidated balance sheet. Net earned insurance premiums and net insurance claims are separately shown in the profit and loss account, with income on assets reported under the same income categories as in the Group's consolidated profit and loss account.

The change in accounting policy has been adopted retrospectively and the comparative figures of 2004 have been restated to reflect the aforesaid reclassifications, except for the treatment of financial assets and the related income, in accordance with the requirement of HKAS 39 as described below.

34 會計政策(續)

香港會計準則第38號：「無形資產」 (「香港會計準則第38號」)

在過往年度，用作內部之資訊科技軟件發展費均於當年損益賬內支賬。

在採納香港會計準則第38號後，於發展及生產應用軟件以作內部用途之費用，現作資本列賬及按照該軟件以估計可用年期(一般為三年)攤銷。會計政策之變動於二零零五年一月一日起生效，二零零五年上半年之資本化費用為港幣五百萬元。

以往被分類為「其他資產」之長期保險業務權益之估值(「內含價值」)於二零零五年一月一日起在「無形資產」下列賬。

香港會計準則第39號： 「金融工具－確認和計量」 (「香港會計準則第39號」)

利息收入及支出

在過往年度，貸款及債務證券獲得之利息收入存款、已發行債務證券之利息支出是採用有關合約或息率以應計基準確認。被視為無法全數償還之客戶貸款，其利息將被列為懸欠利息及停止累計。

34 Accounting policies (continued)

HKAS 38 : Intangible Assets (“HKAS 38”)

In prior years, costs incurred for development of IT software for internal use were expensed through the profit and loss account as incurred.

On adoption of HKAS 38, costs incurred in the development phase of a project to produce application software for internal use are capitalised and amortised over the software’s estimated useful life, usually three years. The change in accounting policy came into effect on 1 January 2005 and the amount of costs capitalised for the first half of 2005 amounted to HK\$5 million.

Value of in-force long-term assurance business (embedded value) previously grouped under “Other assets” are reported under “Intangible assets” with effect from 1 January 2005.

HKAS 39 : Financial Instruments - Recognition and Measurement (“HKAS 39”)

Interest income and expense

In prior years, interest income on loans and advances and debt securities and interest expense on deposits and debt instruments in issue were recognised on an accrual basis using the relative contract or coupon interest rates. When a loan was considered doubtful, interest was suspended and ceased to accrue.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

（「香港會計準則第39號」）(續)

利息收入及支出(續)

貸款費用當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。涉及信貸之產生或收購之費用，一般而言是在支付時作為利息支出或營運支出。持有之債務證券或已發行之債務工具之溢價及折讓，均按購買日起至到期日止期間內，作為部份之利息收入或支出分攤入賬。

在採納香港會計準則第39號後，利息收入及支出是採用實際利息方法確認。實際利息之計算包括所有費用、佣金、貸款之成本以及債務證券之溢價及折讓。

減值之金融資產採用貼現利率來確認利息收入以計算有關之減值。日後釋出的貼現準備則確認為利息收入。

指定以公平價值列賬之買賣資產及負債、金融資產及負債之利息收入及支出在損益表上確認為「買賣淨收入」及「指定以公平價值列賬之金融工具收入淨額」的一部份，而不計入其他金融資產及負債所產生之「利息收入」及「利息支出」。

符合對沖資格之利率衍生工具所產生之利息收入及支付將計入為相關之已確認資產或負債下之利息收入或支出。其他利率衍生工具所產生之利息收入及支付，將於損益表內確認為買賣收入或指定以公平價值列賬之金融工具所產生之收入淨額。

34 Accounting policies (continued)**HKAS 39 : Financial Instruments - Recognition and Measurement ("HKAS 39")**

(continued)

Interest income and expense (continued)

Fees on loan origination are recognised when receivable except when such fees are charged to cover the costs of continuing service to, or risk borne for, the customers, or are interest in nature. In these cases, the fees are recognised on an appropriate basis over the relevant period. Costs associated with loan origination or acquisition are usually charged as interest expenses or operating expenses when incurred. Premiums or discounts of debt securities held, or debt instruments in issue, are amortised over the period from the date of purchase or issue to the date of maturity, as part of interest income or interest expense.

On adoption of HKAS 39, interest income and expense are recognised using the effective interest method. The calculation of effective interest includes all fees, commissions and costs on loans and advances and premiums and discounts on debt securities.

Interest will continue to be recognised on impaired financial assets using the rate of interest used to discount future cash flows for the purpose of measuring the related impairment loss. Subsequent unwinding of discount allowance is recognised as interest income.

Interest income and interest expense of trading assets and liabilities and financial assets and liabilities designated as at fair value are recognised as part of "Net trading income" and "Net income on financial instruments designated as at fair value" respectively in the profit and loss account, instead of "Interest income" and "Interest expense" as for those arising from other financial assets and liabilities.

Interest receipt and payment of interest rate derivatives of qualifying hedges will be accounted as interest income or interest expense following the underlying recognised assets or liabilities. Interest receipts and payments of other interest rate derivatives are recognised as trading income or net income from financial instruments designated as at fair value through profit or loss.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

(「香港會計準則第39號」)(續)

衍生金融工具

在過往年度，持有作買賣用途之衍生金融工具以公平價值入賬。若公平價值為正數值，則會列為資產，若為負數值則列為負債。公平價值變動而產生之損益列入損益賬內。持有作非買賣用途之衍生工具，包括根據界定風險管理策略而持有之符合對沖資格及改變利率特性之持倉，按其相關之資產、負債及持倉相等基準入賬。

採納香港會計準則第39號後，所有衍生工具先按公平價值確認，若公平價值為正數值會以資產列賬，若為負數值，則確認為負債。其後公平價值之變動，將視乎該衍生工具之目的確認如下。

被指定作為對沖之衍生金融工具，若符合若干條件將應用對沖交易會計入賬。對沖可分以下兩種：

- 公平價值對沖，為一種為確認資產、負債或確實承擔之公平價值作對沖。其衍生工具之公平價值之變動，連同與對沖風險相關之對沖資產或負債之公平價值變動，將在損益表內入賬。
- 現金流量對沖，為一種為確認資產或負債或預測交易相關之現金流量作對沖。衍生工具之公平價值變動首先透過權益確認，其後則與其對沖資產或負債之收入或支出一併撥回損益賬。

持作買賣用途之衍生金融工具及該等不符合對沖交易會計之對沖工具，其公平價值變動在損益表列示。

34 Accounting policies (continued)

HKAS 39 : Financial Instruments - Recognition and Measurement ("HKAS 39") (continued)

Derivatives financial instruments

In prior years, derivatives financial instruments held for trading purposes were accounted at fair value and carried as assets when the fair value was positive and as liabilities when the fair value was negative. Gains or losses from changes in fair value were recognised through the profit and loss account. Derivatives held for non-trading purposes, including qualifying hedges and synthetic alteration positions in accordance with defined risk management strategies, were accounted for on a basis equivalent to the underlying assets, liabilities and positions.

On adoption of HKAS 39, all derivatives are initially recognised at fair value and carried as assets when the fair value is positive and as liabilities when the fair value is negative. Subsequent changes in fair value are recognised depending on the purpose of the derivatives as follows.

Derivatives financial instruments designated as hedges will apply hedge accounting provided certain qualifying criteria are met. There are two types of hedges:

- fair value hedge, a hedge against the fair value of recognised assets or liabilities or firm commitments. This will be accounted for with the changes in fair value of the derivatives, together with the changes in fair value of the hedged assets or liabilities that are attributable to the hedged risk, recorded through the profit and loss account.
- cash flow hedge, a hedge against the cash flows attributable to recognised assets or liabilities or forecast transactions. This is accounted for with changes in the fair value of the derivatives initially through equity, and subsequently released into the profit and loss account in line with the recognition of income or expense of the assets or liabilities being hedged.

Derivatives financial instruments held for trading and those that do not qualify for hedge accounting, will be accounted for with changes in fair value reported through profit and loss account.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

（「香港會計準則第39號」）(續)

金融資產

在過往年度，所有金融資產以扣除減值準備之成本或攤銷成本列賬，而以公平價值計算之持作買賣用途之證券及長期股票投資則除外。持作買賣用途之證券之公平價值變動所產生之損益，於損益表內確認；而長期股票投資之公平價值變動所產生之損益，則於權益內確認。

採納香港會計準則第39號後，金融資產是基於下列分類確認：

貸款

持作非買賣用途之貸款以攤銷成本列賬，其中計及未攤銷部份之費用及成本並減除減值準備。

持至期滿資產

管理層有意向及能力持至期滿之固定年期債務證券以攤銷成本入賬。

可供出售投資

可供出售投資包括庫券、存款證、其他債務證券及有意作無期限持有但可因應流動資金所需或市況變動出售之股票以公平價值列賬。公平價值變動所產生之損益在權益內確認，直至金融資產在賬項中沖銷或減值，於其時在權益內先前已確認之累計損益將會轉至損益表內。

持作交易用途之證券

旨在短期內出售或購回之庫券、債務證券、股票被分類為持作交易用途之證券。持作交易用途之證券以公平價值確認及交易成本在損益表內入賬。公平價值之變動在損益表內列為「買賣收入」。

34 Accounting policies (continued)**HKAS 39 : Financial Instruments-Recognition and Measurement ("HKAS 39")***(continued)***Financial assets**

In prior years, all financial assets were carried at cost or amortised cost, net of impairment provisions, except for securities held for trading purposes and long-term equity investments which were held at fair value. Gains and losses from change in fair value were recognised in the profit and loss account in respect of securities held for trading, and in equity in respect of long-term equity investments.

On adoption of HKAS 39, financial assets are recognised based on the following classifications:

Loans and advances

Loans and advances not intended for trading are carried at amortised cost taking into account the unamortised portion of fees and costs less impairment allowances.

Held to maturity

Debt securities with fixed maturities that management has the positive intention and ability to hold to maturity are carried at amortised cost.

Available for sale

Available-for-sale investments including treasury bills, certificates of deposits, other debt securities and equities intended to be held for an indefinite period of time but which may be sold in response to needs for liquidity or changes in market environment are carried at fair value. Gains and losses from changes in fair value are recognised in equity until the financial asset is derecognised or impaired, at which time the cumulative gain or loss previously recognised in equity will be transferred to the profit and loss account.

Trading securities

Treasury bills, debt securities, equity shares which have been acquired or incurred principally for the purpose of selling or repurchasing in the near term are classified as trading securities. Trading securities are recognised at fair value and transaction costs are taken to the profit and loss account. The changes in fair value are recognised as "Trading income" in the profit and loss account.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

(「香港會計準則第39號」)(續)

指定以公平價值誌入損益賬之

金融資產

符合下列條件及被管理層指定之金融工具被納入此類別。本集團指定為公平價值之金融工具，因為該指定：

- 消除或主要地減低以不同基礎上計量資產/負債或確認其損益而出現不一致之計量或確認之情況；或
- 適用於一組別之金融資產或金融負債或兩者。並根據本集團之風險管理或投資策略，及當集團之資料只提供予本集團之主要管理人員作內部閱讀的情況時，其表現以公平價值基準予以計值；或
- 有關於含有一種或以上固有衍生工具之金融工具，因其衍生工具可重大調整由金融工具產生之現金流量而需分開列賬。

所指定之金融工具首先以公平價值確認及交易成本在損益表上直接入賬。日常購買之金融資產於交易日入賬。

公平價值變動於損益表上之「指定以公平價值列賬之金融工具收入淨額」確認。

34 Accounting policies (continued)

HKAS 39 : *Financial Instruments-Recognition and Measurement* (“HKAS 39”) (continued)

Financial assets designated as at fair value through profit or loss

A financial instrument is classified in this category if it meets the criteria set out below, and is so designated by management. The Group designates financial instruments at fair value because the designation:

- eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases; or
- applies to a group of financial assets, financial liabilities or both that is managed and its performance evaluated on a fair value basis, in accordance with Group’s documented risk management or investment strategy, and where information about the Group is provided internally on that basis to Group’s key management personnel; or
- relates to financial instruments containing one or more embedded derivatives which significantly modify the cash flows resulting from the financial instruments, and which would otherwise require separate accounting.

Financial assets so designated are recognised initially at fair value and transaction costs taken directly to the profit or loss account. Regular way purchases of financial assets are accounted for at trade date.

The changes in fair value are recognised as “Net income on financial instruments designated as at fair value” in the profit or loss account.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

（「香港會計準則第39號」）(續)

金融資產減值**貸款**

在過往年度，呆壞賬準備被分類歸入特殊及一般準備。貸款之特殊準備以個別方式評估，而同一類別之小額貸款則按組合基準。對於未被個別確認為減值之貸款，即以一般準備評估。此評估方法與下列陳述之香港會計準則第39號一致。

採納香港會計準則第39號後，在發生若干如下所列之損失事項，並存在減值之客觀證據而影響貸款之未來預計現金流量估計，貸款即作減值預備。就個別大額貸款之減值損失而言，作個別評估；而具類似信貸風險特質之貸款組合，則作綜合評估。

損失事項包括：

- (i) 發行人或欠債人遇到嚴重財政困難；
- (ii) 毀約，例如逾期或拖欠利息或本金還款；
- (iii) 本集團因對借款人之財政困難相關之經濟或法律原因，而在一般情況下放款人不予考慮之優惠條件；
- (iv) 借款人有可能破產或進行其他財務重組；
- (v) 因財政困難至使該金融資產之活躍市場消失；或
- (vi) 可察覺的資料顯示某一金融資產組合所產生之未來預計現金流量將較最初確認時，有可量度之下降，雖然並未能在該組合內確定個別金融資產之下降。資料包括：
 - 該組合之供款人之還款狀況有不利轉變；或
 - 全國性或本地經濟狀況與該組合之資產之逾期還款相應。

34 Accounting policies (continued)**HKAS 39 : Financial Instruments - Recognition and Measurement ("HKAS 39") (continued)****Impairment of financial assets****Loans and advances**

In prior years, provisions for bad and doubtful debts were classified into specific and general provisions. Specific provisions on loans were assessed individually or, for small homogeneous loans, on a portfolio basis. General provisions were assessed on loans which were not identified as impaired individually. The assessment methodologies were in line with the requirements of HKAS 39 as set out below.

On adoption of HKAS 39, impairment allowances are made on a loan when there is objective evidence of impairment as a result of the occurrence of certain loss events (as listed below) that will impact on the estimated future cash flows of the loan. Impairment loss is assessed either individually for individually significant loans, or collectively for loan portfolios with similar credit risk characteristics.

Loss events include:

- (i) significant financial difficulty of the issuer or obligor;
- (ii) a breach of contract, such as a default or delinquency in interest or principal payments;
- (iii) the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;
- (iv) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (v) the disappearance of an active market for that financial asset because of financial difficulties; or
- (vi) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the Group, including:
 - adverse changes in the payment status of borrowers in the Group; or
 - national or local economic conditions that correlate with defaults on the assets in the Group.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

(「香港會計準則第39號」)(續)

金融資產減值(續)

貸款(續)

個別評估之貸款減值損失是以其賬面值，以及就個別貸款以其原本之實際利率用折現方式計算預計之未來預計現金流量之現值差額衡量。

在進行減值整體評估時，貸款是按有關未來流動現金估計相等之信貸風險特質基準分類。同一類別小額貸款組合以滾動率或損失率方法作整體評估。就經個別評估而未被釐定存有客觀減值證據之貸款，則以相等信貸特質基準為組合，以個別種類貸款之過往損失經驗及管理層對當前經濟及信貸情況作整體評估。

其他金融資產

在過往年度，貸款以外之金融資產，須在每一結算日檢討，以釐定有否出現任何減值跡象。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，其減值損失在損益表上列賬。投資證券以公平價值在「權益儲備」內列賬，任何以前誌入「權益儲備」之損益將誌入損益表內。

採用香港會計準則第39號後，持至期滿之投資及可供出售金融資產須在每結算日評估有否出現客觀減值證據。持至期滿投資減值損失會被誌入損益表內。當可供出售金融資產釐定減值時，以前誌入權益儲備之累計損益將誌入損益表內。

34 Accounting policies (continued)

HKAS 39 : Financial Instruments-Recognition and Measurement ("HKAS 39") (continued)

Impairment of financial assets (continued)

Loans and advances (continued)

Impairment loss of an individually assessed loan is measured as the difference between the carrying value and the present value of estimated future cash flows discounted at the original effective interest rate of the individual loan.

For the purpose of collective assessment of impairment, loans are grouped on the basis of similar credit risk characteristics relevant to the estimation of future cash flows. Portfolios of small homogeneous loans are collectively assessed using roll rate or historical loss rate methodologies. Loans which have been assessed individually and determined to have no objective evidence of impairment are grouped by similar credit characteristics and collectively assessed based on historical loss experience of each type of loans and management judgment of the current economic and credit environment.

Other financial assets

In prior years, financial assets, other than loans and advances, were reviewed on each balance sheet date to determine whether there was any indication of impairment. If the recoverable amount of the asset was estimated to be less than its carrying amount, the carrying amount of the asset was reduced to its recoverable amount and the impairment loss was recognised in the profit and loss account. For investment securities carried at fair value through equity, any loss previously recognised in equity was transferred to the profit and loss account.

On adoption of HKAS 39, held-to-maturity investments and available-for-sale financial assets are assessed for objective evidence of impairment at each balance sheet date. Impairment loss for held-to-maturity investments is recognised through the profit and loss account. When an available-for-sale financial asset is determined to be impaired, the cumulative loss previously recognised in equity will be transferred to the profit and loss account.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

（「香港會計準則第39號」）(續)

金融負債

在過往年度，所存金融負債除買賣證券空倉外，均以成本或經攤銷成本列賬。買賣證券空倉以公平價值列賬，任何由公平價值變動產生之盈利或虧損將誌入損益表內。

採用香港會計準則第39號後，本集團之金融負債按下列類別基準確認：

交易賬項下之負債

交易賬項下之負債（包括買賣證券空倉、客戶存款及為市場風險買賣從事之已發行之債務證券及固定衍生工具）均以公平價值列賬。由公平價值之變動所產生之盈利或虧損誌入損益表內。

指定以公平價值誌入損益賬之**金融負債**

指定以公平價值誌入損益賬之金融負債（包括自行發行之債務證券），其價值一般在經濟對沖合約開始時決定其公平價值。指定以公平價值誌入損益賬之金融負債之分類準則，已列於上文「指定以公平價值誌入損益賬之金融負債」項下。

因公平價值改變而產生之盈利或虧損，會誌入損益表之「指定以公平價值列賬之金融工具收入淨額」項下。

存款、已發行證券及其他負債

除該等指定為以公平價值列賬之交易賬項下之負債除外，存款及已發行債務證券及其他金融負債均以經攤銷成本列賬。

34 Accounting policies (continued)

HKAS 39 : Financial Instruments - Recognition and Measurement (“HKAS 39”)
(continued)

Financial liabilities

In prior years, all financial liabilities except trading securities short positions were carried at cost or amortised cost. Trading securities short positions were carried at fair value and any gains and losses from changes in fair value were recognised through the profit and loss account.

On adoption of HKAS 39, the Group’s financial liabilities are recognised based on the following classifications:

Trading liabilities

Trading liabilities, include trading securities short positions, customer deposits and debt securities in issue for market risks trading and the embedded derivatives, are carried at fair value. Gains and losses from change in fair value are recognised through the profit and loss account.

Financial liabilities designated as at fair value through profit or loss

Financial liabilities designated as at fair value through profit or loss, including own debt securities in issue, are designated as such at inception usually together with the related assets or derivatives for economic hedge. The classification criteria of financial liabilities designated as at fair value through profit or loss are set out above under the caption of “Financial assets designated as at fair value through profit or loss”.

Gains and losses from the changes in fair value are recognised as “Net income from financial instruments designated as at fair value” through profit and loss account.

Deposits, securities in issue and other liabilities

Deposits and debt securities in issue, other than those designated as trading liabilities or at fair value, and other financial liabilities, are carried at amortised cost.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

(「香港會計準則第39號」)(續)

證券及衍生工具之估值

金融工具之公平價值乃根據於資產負債表當日之市場價格並未計及扣除將來估計之銷售成本計算。金融資產以當時之買盤價釐定，而金融負債則以當時之賣盤價釐定。

若認可之交易所或經紀及交易商未能提供非經交易所買賣之金融工具市價，該等工具會以估值方法作評估，包括運用當時之公平市場交易、參考其他類似之金融工具當時之公平價值、折現現金流量方法、期權定價模式或使用由真實市場交易取得之可靠估價作其他方法評估。

使用折現現金流量方法時，未來現金流量之估值乃根據管理層評估及採用其他具相若條款及細則之金融工具於資產負債表日之市場利率計算。當採用其他期權定價模式時，則會以資產負債表日之市場數據為基準。非上市之證券投資工具之公平價值之估計，乃採用相若之上市公司證券之市盈率加以調整來反映其發行人之個別情況。

當金融工具是以相關資產之公平價值為模式作估值時，管理層亦會考慮對方之信譽、模式之可靠性及有關組合於既定政策之未來服務成本而作出調整。

市場未能提供明確數據之衍生工具，以不明確數據按估值模式計算而初步取得之公平價值增長，並不會於損益賬內變現。該金額會於交易之有效期內確認，或當數據明確後或當交易到期完結時誌入損益賬內。

其他非上市開放式投資基金之投資是按其基金經理報告之每股資產淨值列賬。

34 Accounting policies (continued)

HKAS 39 : Financial Instruments - Recognition and Measurement ("HKAS 39") (continued)

Valuation of securities and derivatives

The fair value of financial instruments is based on their quoted market prices at the balance sheet date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates, and the discount rate used is a market rate at the balance sheet date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the balance sheet date. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

When valuing instruments on a model basis using the fair value of underlying components, management additionally considers the need for adjustments to take account of counterparty creditworthiness, model uncertainty and the future costs of servicing the portfolio based on defined policies.

For derivatives where market observable data is not available, the initial increase in fair value indicated by the valuation model, but based on unobservable inputs, is not realised immediately in the profit and loss accounts. This amount is held back and recognised over the life of the transaction where appropriate, or released to the profit and loss account when the inputs become observable, or, when the transaction matures or is closed out.

Investments in other unlisted open-ended investment funds are recorded at the net asset value per share as reported by the managers of such funds.

34 會計政策(續)

香港會計準則第39號：

「金融工具－確認和計量」

〔香港會計準則第39號〕(續)

採納香港會計準則第39號之會計政策變動於二零零五年一月一日起生效。資產負債表內之期初結餘經重新列示後，總資產值淨增加港幣十一億六千八百萬元、保留溢利淨增加港幣五億三千四百萬元，權益儲備淨增加為港幣五億三千二百萬元。其他負債淨增額為港幣一億一千六百萬元。少數股東權益減少港幣一千四百萬元。有關金融資產及負債已按會計準則內之新定義及披露要求重新分類。

香港會計準則第40號：「投資物業」
〔香港會計準則第40號〕

香港會計準則第12號：「利得稅項」－
香港會計準則詮釋第21號

〔詮釋第21號〕

過往年度，投資物業由專業估價師以公開市場價值估值。按投資組合計算之重估溢價先從過往重估虧損內扣除，不足之數於損益賬內支銷。按組合計算而產生之重估增值先從過往重估增值內扣除，不足之數於損益賬內支銷。物業重估增值並無計及遞延稅項。

採納香港會計準則第40號後，投資物業會以公平價值列賬，而其公平價值之變動將直接於損益賬內反映。根據香港會計準則第12號－詮釋第21號，投資物業重估增值已計及遞延稅項。

會計政策之改變已反映於經調整之去年數字內，而於香港會計準則第40號許可毋須重新列示二零零四年之比較數字。於二零零四年十二月三十一日，投資物業重估儲備經扣除港幣五億七千四百萬元之遞延稅項後，為港幣三十二億八千三百萬元，並已誌入保留溢利賬內。於二零零五年上半年，重估溢利為港幣七億二千九百萬元及有關遞延稅項為港幣一億二千七百萬元。

34 Accounting policies (continued)

HKAS 39 : Financial Instruments - Recognition and Measurement ("HKAS 39")
(continued)

The change in accounting policies on adoption of HKAS 39 is applied with effect from 1 January 2005. The opening balance sheet has been restated with net increases in total assets of HK\$1,168 million, retained profits of HK\$534 million, equity reserves of HK\$532 million, and other liabilities of HK\$116 million and reduction in minority interests of HK\$14 million. The relevant financial assets and liabilities are re-classified to suit the new definition and requirements of the accounting standard and disclosure requirements.

HKAS 40 : Investment Property ("HKAS 40")

HKAS 12 : Income Taxes - HKAS Interpretation 21 ("HKAS-Int 21")

In prior years, investment properties were carried at valuation assessed by professional valuers on the basis of open market value. Surpluses arising on revaluation on a portfolio basis were credited to the investment properties revaluation reserve. Deficits arising on revaluation on a portfolio basis were firstly set off against any previous revaluation surpluses and thereafter taken to the profit and loss account. No deferred tax was provided on revaluation surplus.

On adoption of HKAS 40, investment properties are carried at fair value with the changes in fair value reported directly in the profit and loss account. Deferred tax is provided on revaluation surplus of investment properties in accordance with HKAS-Int 21 on HKAS 12.

The change in accounting policy was reflected by way of prior year adjustment, and as permitted by HKAS 40, no restatement of comparative figures of 2004 was made. At 31 December 2004, the balance of investment properties revaluation surplus reserves of HK\$3,283 million, after deducting deferred tax of HK\$574 million, was transferred to retained profit. Revaluation gain for the first half of 2005 was HK\$729 million and the related deferred tax amounted to HK\$127 million.

35 重新列示之損益結算表及資產負債表

以下為本中期報告之附件：

- 已呈報之二零零四年上半年及下半年損益結算表以及截至二零零四年六月三十日及二零零四年十二月三十一日之資產負債表經重新列示，以顯示因採納前述之新增及經修訂之香港財務報告準則及詮釋（香港會計準則第39號及香港財務報告準則第4號除外）對個別會計項目之影響 – 附件一至四。
- 重新列示於二零零五年一月一日之資產負債表之期初結餘，以顯示採納香港會計準則第39號及香港財務報告準則第4號之影響 – 附件五。

35 Restatement of profit and loss accounts and balance sheets

The following are shown as appendices to this Interim Report:

- the profit and loss accounts for the first and second halves of 2004 and the balance sheets at 30 June 2004 and 31 December 2004 as previously reported and as restated showing the effects of the adoption of the aforesaid new and revised HKFRSs and Interpretations (except HKAS 39 and HKFRS 4) on the individual account items - Appendices 1 to 4.
- restatement of the opening balance sheet at 1 January 2005 showing the effects of the adoption of HKAS 39 and HKFRS 4 - Appendix 5.

36 比較數字

部份比較數字已重新分類，以符合是期之賬項編排。

36 Comparative figures

Certain comparative figures have been reclassified to conform with the current period's presentation.

37 物業重估

本集團之行址及投資物業於二零零五年六月進行重估，以反映二零零五年上半年之物業市場走勢。該估值由獨立之專業估價師戴德梁行負責，並由持有香港測量師學會會員資格之專業人士進行。重估行址物業及投資物業之基準乃按照公開市場價值。本集團之行址物業重估後有港幣九億一千八百萬元之增值，其中港幣一億四千八百萬元，屬以往之重估虧損，現撥回損益賬，至於餘下之港幣七億七千萬元已誌入物業重估儲備賬。於採納香港會計準則第40號後，重估投資物業之增值港幣七億二千九百萬元於損益賬內確認。有關本集團行址物業及投資物業之遞延稅項準備分別為港幣一億六千萬元及港幣一億二千七百萬元。

37 Property revaluation

A revaluation of the Group's premises and investment properties was performed in June 2005 to reflect property market movements in the first half of 2005. The valuation was conducted by DTZ Debenham Tie Leung Limited, an independent professional valuer, and carried out by qualified persons who are members of the Hong Kong Institute of Surveyors. The basis of the valuation of premises and investment properties was open market value. The revaluation surplus for bank premises amounted to HK\$918 million of which HK\$148 million was a reversal of revaluation deficits previously charged to profit and loss account. The balance of HK\$770 million was credited to premises revaluation reserve. Revaluation gains on investment properties of HK\$729 million were recognised through the profit and loss account on adoption of HKAS 40. The related deferred tax provision of bank premises and investment properties were HK\$160 million and HK\$127 million respectively.

38 外匯倉盤

外匯風險包括因買賣、非買賣及結構性倉盤而產生。於二零零五年六月三十日，本集團只有美元非結構性外匯倉盤而佔整體外匯淨倉盤總額百分之十以上。

38 Foreign currency positions

Foreign currency exposures include those arising from dealing, non-dealing and structural positions. At 30 June 2005, the US dollar (US\$) was the only currency in which the Group had a non-structural foreign currency position which exceeded 10% of the total net position in all foreign currencies.

| | | 二零零五年 六月三十日 At 30 June 2005 | | 二零零四年 六月三十日 At 30 June 2004 | | 二零零四年 十二月三十一日 At 31 December 2004 | |
|------------|--|--------------------------------------|---------|--------------------------------------|---------|--|---------|
| 非結構性倉盤 | Non-structural position | US\$ | RMB | US\$ | RMB | US\$ | RMB |
| 現貨資產 | Spot assets | 188,701 | 4,665 | 166,456 | 1,534 | 173,071 | 2,664 |
| 現貨負債 | Spot liabilities | (177,851) | (4,526) | (161,751) | (1,415) | (171,698) | (2,400) |
| 遠期買入 | Forward purchases | 61,568 | 384 | 41,452 | 836 | 68,726 | 207 |
| 遠期賣出 | Forward sales | (71,173) | (380) | (34,390) | (835) | (69,795) | (192) |
| 期權盤淨額 | Net options positions | (4) | – | (2) | – | (37) | – |
| 持有非結構性倉盤淨額 | Net long non-structural position | 1,241 | 143 | 11,765 | 120 | 267 | 279 |

於二零零五年六月三十日，本集團之結構性外匯倉盤主要為美元和人民幣。

At 30 June 2005, the Group's major structural foreign currency positions were US dollar and renminbi.

| | | 二零零五年 六月三十日 At 30 June 2005 | | 二零零四年 六月三十日 At 30 June 2004 | | 二零零四年 十二月三十一日 At 31 December 2004 | |
|-------|---------------------|---|------|---|------|---|------|
| 結構性倉盤 | Structural position | 佔總結構性 淨倉盤比率 % of total net structural position | | 佔總結構性 淨倉盤比率 % of total net structural position | | 佔總結構性 淨倉盤比率 % of total net structural position | |
| 美元 | US dollar | 1,037 | 33.0 | 852 | 29.7 | 850 | 28.8 |
| 人民幣 | Renminbi | 1,997 | 63.6 | 1,910 | 66.6 | 1,998 | 67.6 |

39 有關連人士之重大交易

(甲) 直屬控股公司及同母系附屬公司於二零零五年上半年，本集團按正常之銀行業務經營範圍與直屬控股公司及同母系附屬公司進行業務交易，其中包括同業存款、同業放款及資產負債表以外之交易。此等交易均按當時之市場價格進行。本集團亦按其正常業務經營範圍參與經由直屬控股公司安排下之若干結構融資交易。

本集團使用直屬控股公司之電子資料處理服務並與其共用自動櫃員機網絡，及使用一同母系附屬公司提供之若干處理服務，均是按成本收回基礎計算費用。此外，本集團亦將其中一項職員退休福利計劃交由同母系附屬公司擔任承保人及管理人，本行亦為兩間同母系附屬公司代理銷售強制性公積金及分銷零售投資基金產品。此等交易之保費、佣金及其他收費均以正常公平交易為基礎。本行之直屬控股公司按正常之業務經營為基礎，為本行之次級債券發行擔任主要及配售經辦人。是項交易所支付之費用與市場類同交易之收費水平看齊。

期內由此等交易所產生之總收支及期末與有關機構之存欠結餘及資產負債表以外之總合約金額詳列如下：

期內收支

| | | 半年結算至 二零零五年 六月三十日 Half-year ended 30 June 2005 | 半年結算至 二零零四年 六月三十日 Half-year ended 30 June 2004 | 半年結算至 二零零四年 十二月三十一日 Half-year ended 31 December 2004 |
|--------|------------------------|--|--|--|
| 利息收入 | Interest income | 76 | 72 | 56 |
| 利息支出 | Interest expense | 130 | 22 | 69 |
| 其他營業收入 | Other operating income | 58 | 92 | 34 |
| 營業支出 | Operating expenses | 314 | 300 | 357 |

39 Material related-party transactions

(a) Immediate holding company and fellow subsidiary companies

During the first half of 2005, the Group entered into transactions with its immediate holding company and fellow subsidiary companies in the ordinary course of its interbank activities including the acceptance and placement of interbank deposits, correspondent banking transactions and off-balance sheet transactions. The activities were priced at the relevant market rates at the time of the transactions. The Group participated, in its ordinary course of business, in certain structured finance deals arranged by its immediate holding company.

The Group used the information technology of, and shared an automated teller machine network with, its immediate holding company, and used certain processing services of a fellow subsidiary on a cost recovery basis. The Group also maintained a staff retirement benefit scheme for which a fellow subsidiary company acted as insurer and administrator and the Bank acted as agent for the marketing of Mandatory Provident Fund products and the distribution of retail investment funds for two fellow subsidiary companies. The premiums, commissions and other fees on these transactions are determined on an "arm's length" basis. In the normal course of business, the immediate holding company acted as lead manager and bookrunner for the Bank in an offering of subordinated notes. The fees paid on this transaction were in line with remuneration for similar transactions in the market.

The aggregate amount of income and expenses arising from these transactions during the period, the balances of amounts due to and from the relevant related parties, and the total contract sum of off-balance sheet transactions at the period-end are as follows:

Income and expenses for the period

| | | 半年結算至 二零零五年 六月三十日 Half-year ended 30 June 2005 | 半年結算至 二零零四年 六月三十日 Half-year ended 30 June 2004 | 半年結算至 二零零四年 十二月三十一日 Half-year ended 31 December 2004 |
|--------|------------------------|--|--|--|
| 利息收入 | Interest income | 76 | 72 | 56 |
| 利息支出 | Interest expense | 130 | 22 | 69 |
| 其他營業收入 | Other operating income | 58 | 92 | 34 |
| 營業支出 | Operating expenses | 314 | 300 | 357 |

39 有關連人士之重大交易(續)**(甲) 直屬控股公司及同母系附屬公司(續)**

期末結餘

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|-----|-----------------------|--------------------------------------|--------------------------------------|--|
| 總欠款 | Total amount due from | 7,301 | 6,615 | 5,595 |
| 總存款 | Total amount due to | 10,852 | 7,533 | 3,931 |

利率及外匯合約

39 Material related-party transactions (continued)**(a) Immediate holding company and fellow subsidiary companies (continued)**

Balances at period-end

| | | 二零零五年 六月三十日 At 30 June 2005 | 二零零四年 六月三十日 At 30 June 2004 | 二零零四年 十二月三十一日 At 31 December 2004 |
|-----------------------|--|--------------------------------------|--------------------------------------|--|
| Total amount due from | | 7,301 | 6,615 | 5,595 |
| Total amount due to | | 10,852 | 7,533 | 3,931 |

Interest rate and exchange rate contracts:

| | | 合約金額 Contract amount | 信貸之相等金額 Credit equivalent amount | 風險加權金額 Risk-weighted amount |
|--------------|---------------------|-------------------------|--|-----------------------------------|
| 二零零五年六月三十日 | 30 June 2005 | 47,428 | 448 | 90 |
| 二零零四年六月三十日 | 30 June 2004 | 44,887 | 544 | 109 |
| 二零零四年十二月三十一日 | 31 December 2004 | 34,622 | 485 | 97 |

(乙) 聯營公司

本集團給予一聯營公司一項免息股東貸款，於二零零五年六月三十日之結餘為港幣二億三千三百萬元（於二零零四年六月三十日為港幣二億三千三百萬元，而於二零零四年十二月三十一日則為港幣二億三千三百萬元）。

(b) Associated companies

The Group maintained an interest-free shareholders' loan to an associated company. The balance at 30 June 2005 was HK\$233 million (HK\$233 million at 30 June 2004 and HK\$233 million at 31 December 2004).

(丙) 最終控股公司

於二零零五年上半年，與本集團最終控股公司並無進行任何交易（與二零零四年相同）。

(c) Ultimate holding company

During the first half of 2005, no transaction was conducted with the Bank's ultimate holding company (same as 2004).

(丁) 主要行政人員

於二零零五年上半年，與本集團及其控股公司之主要行政人員及其有關連人士並無重大交易（與二零零四年相同）。

(d) Key management personnel

During the first half of 2005, no material transaction was conducted with key management personnel of the Group and its holding companies and parties related to them (same as 2004).

40 法定賬項

此中期報告所載資料乃未經審核及不構成法定賬項。

截至二零零四年十二月三十一日之法定賬項，已送呈公司註冊處及香港金融管理局。該法定賬項載有於二零零五年二月二十八日發出之無保留意見之核數師報告書。截至二零零四年十二月三十一日之年報及賬項，包括法定賬項，可向本行法律及公司秘書事務部索取，地址為香港德輔道中八十三號十樓，或於恒生銀行之網址 <http://www.hangseng.com> 下載。

40 Statutory accounts

The information in this interim report is unaudited and does not constitute statutory accounts.

The statutory accounts for the year ended 31 December 2004 have been delivered to the Registrar of Companies and the Hong Kong Monetary Authority. The auditors expressed an unqualified opinion on those statutory accounts in their report dated 28 February 2005. The Annual Report and Accounts for the year ended 31 December 2004, which includes the statutory accounts, can be obtained on request from Legal and Company Secretarial Services Department, Level 10, 83 Des Voeux Road Central, Hong Kong; or from Hang Seng Bank's website <http://www.hangseng.com>.

41 最終控股公司

恒生銀行為滙豐控股有限公司間接持有百分之六十二點一四權益之附屬公司。

41 Ultimate holding company

Hang Seng Bank is an indirectly-held, 62.14%-owned subsidiary of HSBC Holdings plc.

APPENDIX 1

Hang Seng Bank and its subsidiaries Consolidated Balance Sheet as at 30 June 2004

| <i>(Figures in HK\$m)</i> | <i>As reported</i> | <i>Effect of changes in accounting policies</i> | <i>Restated</i> | | <i>Reference</i> |
|-----------------------------|--------------------|---|-----------------|---|--|
| ASSETS | | | | ASSETS | |
| Cash and short-term funds | 62,376 | (163) | 62,213 | Cash and short-term funds | HKAS 27 |
| Placings with banks | | | | Placings with banks | |
| maturing after one month | 5,315 | 4 | 5,319 | maturing after one month | Reclassification |
| Certificates of deposit | 31,478 | (31,478) | | | Reclassification |
| Securities held for dealing | | | | | |
| purposes | 1,180 | 2,773 | 3,953 | Trading securities | HKAS 27 |
| | | 1,209 | 1,209 | Derivatives financial instruments | Reclassification |
| Advances to customers | 246,779 | (385) | 246,394 | Advances to customers | HKFRS 5 |
| Amounts due from immediate | | | | | |
| holding company and | | | | | |
| fellow subsidiary companies | 5,777 | (5,777) | | | Reclassification |
| Long-term investments | 120,997 | 41,121 | 162,118 | Financial investments | HKAS 27 |
| Investments in | | | | Investments in | |
| associated companies | 2,183 | (80) | 2,103 | associated companies | HKAS-Int 21 |
| | | 1,146 | 1,146 | Intangible assets | Reclassification |
| Tangible fixed assets | 11,056 | (5,779) | 5,277 | Premises and equipment | HKAS 17 |
| | | 3,260 | 3,260 | Investment properties | Reclassification |
| Other assets | 16,788 | (7,222) | 9,566 | Other assets | HKFRS 5, HKAS 17, HKAS 19 and HKAS 27 |
| | <u>503,929</u> | | <u>502,558</u> | | |
| LIABILITIES | | | | LIABILITIES | |
| Current, savings and | | | | Current, savings and other | |
| other deposit accounts | 428,370 | (9,732) | 418,638 | deposit accounts | HKAS 27 |
| Deposits from banks | 6,082 | 7,036 | 13,118 | Deposits from banks | HKAS 27 |
| | | 2,657 | 2,657 | Trading liabilities | Reclassification |
| | | 961 | 961 | Derivatives financial instruments | Reclassification |
| | | 9,807 | 9,807 | Certificates of deposit and other debt securities in issue | HKAS 27 |
| Amounts due to immediate | | | | | |
| holding company and fellow | | | | | |
| subsidiary companies | 7,530 | (7,530) | | | Reclassification |
| Other liabilities | 19,878 | (4,683) | 15,195 | Other liabilities | HKAS 27 and HKFRS 2 |
| | | 2,116 | 2,116 | Deferred tax and current tax liabilities | HKAS 17, HKAS 19, HKAS 40 and HKAS-Int 21 |
| | <u>461,860</u> | | <u>462,492</u> | | |
| CAPITAL RESOURCES | | | | CAPITAL RESOURCES | |
| Minority interests | 724 | – | 724 | Minority interests | |
| Share capital | 9,559 | – | 9,559 | Share capital | |
| Reserves | 29,683 | (2,003) | 27,680 | Reserves | HKAS 17, HKAS 19, HKAS 27, HKAS 40, HKFRS 2 and HKAS-Int 21 |
| Proposed dividends | 2,103 | – | 2,103 | Proposed dividends | |
| Shareholders' funds | 41,345 | | 39,342 | Shareholders' funds | |
| | <u>42,069</u> | | <u>40,066</u> | | |
| | <u>503,929</u> | | <u>502,558</u> | | |

APPENDIX 2

Hang Seng Bank and its subsidiaries Consolidated Balance Sheet as at 31 December 2004

| <i>(Figures in HK\$m)</i> | <i>As reported</i> | <i>Effect of changes in accounting policies</i> | <i>Restated</i> | | <i>Reference</i> |
|--|--------------------|---|-----------------|---|--|
| ASSETS | | | | ASSETS | |
| Cash and short-term funds | 68,198 | (3,353) | 64,845 | Cash and short-term funds | HKAS 27 |
| Placings with banks maturing after one month | 16,231 | 1,251 | 17,482 | Placings with banks maturing after one month | Reclassification |
| Certificates of deposit | 33,590 | (33,590) | | | Reclassification |
| Securities held for dealing purposes | 1,866 | 4,134 | 6,000 | Trading securities | HKAS 27 |
| | | 1,684 | 1,684 | Derivatives financial instruments | Reclassification |
| Advances to customers | 251,873 | (320) | 251,553 | Advances to customers | HKFRS 5 |
| Amounts due from immediate holding company and fellow subsidiary companies | 4,598 | (4,598) | | | Reclassification |
| Long-term investments | 138,025 | 44,913 | 182,938 | Financial investments | HKAS 27 |
| Investments in associated companies | 2,397 | (98) | 2,299 | Investments in associated companies | HKAS-Int 21 |
| | | 1,266 | 1,266 | Intangible assets | Reclassification |
| Tangible fixed assets | 11,469 | (5,911) | 5,558 | Premises and equipment | HKAS 17 |
| | | 3,383 | 3,383 | Investment properties | Reclassification |
| Other assets | 20,378 | (10,398) | 9,980 | Other assets | HKFRS 5, HKAS 17, HKAS 19 and HKAS 27 |
| | <u>548,625</u> | | <u>546,988</u> | | |
| LIABILITIES | | | | LIABILITIES | |
| Current, savings and other deposit accounts | 463,416 | (15,956) | 447,460 | Current, savings and other deposit accounts | HKAS 27 |
| Deposits from banks | 8,631 | 3,303 | 11,934 | Deposits from banks | HKAS 27 |
| | | 5,840 | 5,840 | Trading liabilities | Reclassification |
| | | 1,273 | 1,273 | Derivatives financial instruments | Reclassification |
| | | 16,055 | 16,055 | Certificates of deposit and other debt securities in issue | HKAS 27 |
| Amounts due to immediate holding company and fellow subsidiary companies | 3,928 | (3,928) | | | Reclassification |
| Other liabilities | 28,613 | (7,631) | 20,982 | Other liabilities | HKAS 27 and HKFRS 2 |
| | | 1,668 | 1,668 | Deferred tax and current tax liabilities | HKAS 17, HKAS 19, HKAS 40 and HKAS-Int 21 |
| | <u>504,588</u> | | <u>505,212</u> | | |
| CAPITAL RESOURCES | | | | CAPITAL RESOURCES | |
| Minority interests | 852 | — | 852 | Minority interests | |
| Share capital | 9,559 | — | 9,559 | Share capital | |
| Reserves | 29,993 | (2,261) | 27,732 | Reserves | HKAS 17, HKAS 19, HKAS 27, HKAS 40, HKFRS 2 and HKAS-Int 21 |
| Proposed dividends | 3,633 | — | 3,633 | Proposed dividends | |
| Shareholders' funds | 43,185 | | 40,924 | Shareholders' funds | |
| | <u>44,037</u> | | <u>41,776</u> | | |
| | <u>548,625</u> | | <u>546,988</u> | | |

APPENDIX 3

Hang Seng Bank and its subsidiaries Consolidated Profit and Loss Account for the period ended 30 June 2004

| <i>(Figures in HK\$m)</i> | <i>As reported</i> | <i>Effect of changes in accounting policies</i> | <i>Restated</i> | | <i>Reference</i> |
|--|--------------------|---|-----------------|--|------------------------------|
| Interest income | 5,871 | 4 | 5,875 | Interest income | HKAS 27 |
| Interest expense | (1,160) | | (1,160) | Interest expense | |
| Net interest income | 4,711 | 4 | 4,715 | Net interest income | |
| Fees & commissions receivable | 1,993 | (19) | 1,974 | Fee income | HKAS 27 |
| Fees & commissions payable | (170) | 17 | (153) | Fee expense | HKAS 27 |
| | | | 1,821 | Net fee income | |
| Dealing profits | 558 | – | 558 | Trading income | HKAS 27 |
| | | 83 | 83 | Net investment income on assets backing policyholder liabilities | Reclassification |
| Insurance underwriting | 617 | (617) | – | | Reclassification |
| Dividend income | 76 | (28) | 48 | Dividend income | HKAS 27 |
| | | 1,998 | 1,998 | Net earned insurance premiums | Reclassification |
| Other operating income | 288 | 134 | 422 | Other operating income | HKFRS 5 and reclassification |
| Operating income | 8,073 | | 9,645 | Total operating income | |
| | | (1,594) | (1,594) | Net insurance claims incurred and movement in policyholder liabilities | Reclassification |
| | | | 8,051 | Net operating income before loan impairment releases and other credit risk allowances | |
| | | 746 | 746 | Loan impairment releases and other credit risk allowances | HKFRS 5 and reclassification |
| | | | 8,797 | Net operating income | |
| Staff costs | (1,037) | (19) | (1,056) | Personnel expenses | HKFRS 2 |
| | | (795) | (795) | General and administrative expenses | Reclassification |
| Depreciation | (153) | 27 | (126) | Depreciation of business premises and equipment | HKAS 17 and HKAS 38 |
| | | (4) | (4) | Amortisation of intangible assets | HKAS 38 |
| | | | (1,981) | Total operating expenses | |
| Operating expenses | (787) | 787 | – | | Reclassification |
| Operating profit before provisions | 6,096 | | | | |
| Provisions for bad and doubtful debts | 763 | (763) | – | | HKFRS 5 and reclassification |
| Operating profit | 6,859 | | 6,816 | Operating profit | |
| Profit on tangible fixed assets and long-term investments | 339 | 10 | 349 | Profit on disposal of tangible fixed assets and financial investments | HKAS 27 |
| Net surplus on property revaluation | 119 | (28) | 91 | Net surplus on property revaluation | HKAS 17 |
| Share of profits of associated companies | 6 | (2) | 4 | Share of profits in associated companies | Reclassification |
| Profit on ordinary activities before tax | 7,323 | | 7,260 | Profit before tax | |
| Tax on profit on ordinary activities | (998) | 6 | (992) | Tax expenses | HKAS 17 and reclassification |
| Profit on ordinary activities after tax | 6,325 | | 6,268 | Profit for the period | |
| Minority interests | (80) | | (80) | Profit attributable to minority interests | |
| Profit attributable to shareholders | 6,245 | | 6,188 | Profit attributable to shareholders | |

APPENDIX 4

Hang Seng Bank and its subsidiaries Consolidated Profit and Loss Account for the half-year ended 31 December 2004

| <i>(Figures in HK\$m)</i> | <i>As reported</i> | <i>Effect of changes in accounting policies</i> | <i>Restated</i> | | <i>Reference</i> |
|--|--------------------|---|-----------------|--|------------------------------|
| Interest income | 6,600 | (3) | 6,597 | Interest income | HKAS 27 |
| Interest expense | (1,621) | 4 | (1,617) | Interest expense | HKAS 27 |
| Net interest income | 4,979 | | 4,980 | Net interest income | |
| Fees & commissions receivable | 1,756 | (1) | 1,755 | Fee income | HKAS 27 |
| Fees & commissions payable | (239) | (24) | (263) | Fee expense | HKAS 27 |
| | | | 1,492 | Net fee income | |
| Dealing profits | 467 | (1) | 466 | Trading income | HKAS 27 |
| | | 346 | 346 | Net investment income on assets backing policyholder liabilities | Reclassification |
| Insurance underwriting | 693 | (693) | 27 | Dividend income | HKAS 27 |
| Dividend income | 20 | 7 | 27 | Net earned insurance premiums | Reclassification |
| Other operating income | 304 | 159 | 463 | Other operating income | HKFRS 5 and reclassification |
| Operating income | 7,980 | | 10,248 | Total operating income | |
| | | (2,246) | (2,246) | Net insurance claims incurred and movement in policyholder liabilities | Reclassification |
| | | | 8,002 | Net operating income before loan impairment releases and other credit risk allowances | |
| | | 31 | 31 | Loan impairment releases and other credit risk allowances | HKFRS 5 and reclassification |
| | | | 8,033 | Net operating income | |
| Staff costs | (1,150) | (28) | (1,178) | Personnel expenses | HKFRS 2 |
| | | (939) | (939) | General and administrative expenses | Reclassification |
| Depreciation | (164) | 34 | (130) | Depreciation of business premises and equipment | HKAS 17 and HKAS 38 |
| | | (4) | (4) | Amortisation of intangible assets | HKAS 38 |
| | | | (2,251) | Total operating expenses | |
| Operating expenses | (932) | 932 | | | Reclassification |
| Operating profit before provisions | 5,734 | | | | |
| Provisions for bad and doubtful debts | 51 | (51) | | | HKFRS 5 and reclassification |
| Operating profit | 5,785 | | 5,782 | Operating profit | |
| Profit on tangible fixed assets and long-term investments | 93 | — | 93 | Profit on disposal of tangible fixed assets and financial investments | HKAS 27 |
| Net surplus on property revaluation | 29 | 26 | 55 | Net surplus on property revaluation | HKAS 17 |
| Share of profits of associated companies | 137 | (44) | 93 | Share of profits in associated companies | Reclassification |
| Profit on ordinary activities before tax | 6,044 | | 6,023 | Profit before tax | |
| Tax on profit on ordinary activities | (766) | 47 | (719) | Tax expenses | HKAS 17 and reclassification |
| Profit on ordinary activities after tax | 5,278 | | 5,304 | Profit for the period | |
| Minority interests | (128) | | (128) | Profit attributable to minority interests | |
| Profit attributable to shareholders | 5,150 | | 5,176 | Profit attributable to shareholders | |

APPENDIX 5

Hang Seng Bank Limited and its subsidiaries Consolidated Balance Sheet as at 31 December 2004

| (Figures in HK\$m) | <i>Restated (HKFRSs other than HKFRS 4 and HKAS 39)</i> | <i>Effect of changes in accounting policies of HKFRS 4 and HKAS 39</i> | <i>Restated (Full HKFRSs)</i> | Reference |
|--|---|--|-----------------------------------|---------------------|
| ASSETS | | | | |
| Cash and short-term funds | 64,845 | – | 64,845 | |
| Placings with banks | | | | |
| maturing after one month | 17,482 | – | 17,482 | |
| Trading securities | 6,000 | 10,737 | 16,737 | |
| | | 4,292 | 4,292 | |
| Derivatives financial instruments | 1,684 | 94 | 1,778 | |
| Advances to customers | 251,553 | 293 | 251,846 | |
| Financial investments | 182,938 | (14,023) | 168,915 | |
| Investments in | | | | |
| associated companies | 2,299 | – | 2,299 | |
| Intangible assets | 1,266 | – | 1,266 | |
| Premises and equipment | 5,558 | – | 5,558 | |
| Investment properties | 3,383 | – | 3,383 | |
| Other assets | 9,980 | (297) | 9,683 | |
| | <u>546,988</u> | | <u>548,084</u> | |
| LIABILITIES | | | | |
| Current, savings and other | | | | |
| deposit accounts | 447,460 | (7,276) | 440,184 | |
| Deposits from banks | 11,934 | – | 11,934 | |
| Trading liabilities | 5,840 | 10,701 | 16,541 | |
| Derivatives financial instruments | 1,273 | 977 | 2,250 | |
| Certificates of deposit and | | | | |
| other debt securities in issue | 16,055 | (3,443) | 12,612 | |
| | | 540 | 540 | |
| Other liabilities | 20,982 | (10,317) | 10,665 | |
| | | 8,656 | 8,656 | |
| Deferred tax and | | | | |
| current tax liabilities | 1,668 | 202 | 1,870 | |
| | <u>505,212</u> | | <u>505,252</u> | |
| CAPITAL RESOURCES | | | | |
| Minority interests | 852 | (14) | 838 | |
| Share capital | 9,559 | – | 9,559 | |
| Reserves | 27,732 | 1,070 | 28,802 | |
| Proposed dividends | 3,633 | – | 3,633 | |
| Shareholders' funds | 40,924 | | 41,994 | |
| | <u>41,776</u> | | <u>42,832</u> | |
| | <u>546,988</u> | | <u>548,084</u> | |
| ASSETS | | | | |
| Cash and short-term funds | | | | |
| Placings with banks | | | | |
| maturing after one month | | | | |
| Trading securities | | | | HKAS 39 |
| Financial assets designated as at fair | | | | |
| value through profit or loss | | | | HKAS 39 |
| Derivatives financial instruments | | | | HKAS 39 |
| Advances to customers | | | | HKAS 39 |
| Financial investments | | | | HKAS 39 |
| Investments in | | | | |
| associated companies | | | | |
| Intangible assets | | | | |
| Premises and equipment | | | | |
| Investment properties | | | | |
| Other assets | | | | HKAS 39 and HKFRS 4 |
| LIABILITIES | | | | |
| Current, savings and other deposit | | | | |
| accounts | | | | HKAS 39 |
| Deposits from banks | | | | |
| Trading liabilities | | | | HKAS 39 |
| Derivatives financial instruments | | | | HKAS 39 |
| Certificates of deposit and | | | | |
| other debt securities in issue | | | | HKAS 39 |
| Liabilities to customers under | | | | |
| investment contracts | | | | HKFRS 4 |
| Other liabilities | | | | HKAS 39 and HKFRS 4 |
| Liabilities to customers under | | | | |
| insurance contracts | | | | HKFRS 4 |
| Deferred tax and | | | | |
| current tax liabilities | | | | HKAS 39 |
| CAPITAL RESOURCES | | | | |
| Minority interests | | | | HKAS 39 |
| Share capital | | | | |
| Reserves | | | | HKAS 39 and HKFRS 4 |
| Proposed dividends | | | | |
| Shareholders' funds | | | | |

恒生銀行有限公司及其附屬公司
二零零四年六月三十日之綜合資產負債表

| (以港幣百萬元位列示) | 會計政策 | | | 附註 # |
|----------------------|---------|----------|---------|--|
| | 如前期報告 | 改變之影響 | 重新列示 | |
| 資產 | | | | |
| 庫存現金及短期資金 | 62,376 | (163) | 62,213 | HKAS 27 |
| 一個月以上之定期存放同業 | 5,315 | 4 | 5,319 | 重新分類 |
| 存款證 | 31,478 | (31,478) | | 重新分類 |
| 持作買賣用途之證券 | 1,180 | 2,773 | 3,953 | HKAS 27 |
| | | 1,209 | 1,209 | 重新分類 |
| 客戶貸款 | 246,779 | (385) | 246,394 | HKFRS 5 |
| 直屬控股公司及 同母系附屬公司欠款 | 5,777 | (5,777) | | 重新分類 |
| 長期投資 | 120,997 | 41,121 | 162,118 | HKAS 27 |
| 聯營公司投資 | 2,183 | (80) | 2,103 | HKAS-Int 21 |
| | | 1,146 | 1,146 | 重新分類 |
| 有形固定資產 | 11,056 | (5,779) | 5,277 | HKAS 17 |
| | | 3,260 | 3,260 | 重新分類 |
| 其他資產 | 16,788 | (7,222) | 9,566 | HKFRS 5, HKAS 17, HKAS 19及HKAS 27 |
| | 503,929 | | 502,558 | |
| 負債 | | | | |
| 往來、儲蓄及其他存款 | 428,370 | (9,732) | 418,638 | HKAS 27 |
| 同業存款 | 6,082 | 7,036 | 13,118 | HKAS 27 |
| | | 2,657 | 2,657 | 重新分類 |
| | | 961 | 961 | 重新分類 |
| | | 9,807 | 9,807 | HKAS 27 |
| 直屬控股公司及 同母系附屬公司存款 | 7,530 | (7,530) | | 重新分類 |
| 其他負債 | 19,878 | (4,683) | 15,195 | HKAS 27 及 HKFRS 2 |
| | | 2,116 | 2,116 | HKAS 17, HKAS 19, HKAS 40及HKAS-Int 21 |
| | 461,860 | | 462,492 | |
| 資本來源 | | | | |
| 少數股東權益 | 724 | — | 724 | |
| 股本 | 9,559 | — | 9,559 | |
| 儲備 | 29,683 | (2,003) | 27,680 | HKAS 17, HKAS 19, HKAS 27, HKAS 40, HKFRS 2 及 HKAS-Int 21 |
| 擬派股息 | 2,103 | — | 2,103 | |
| 股東資金 | 41,345 | | 39,342 | |
| | 42,069 | | 40,066 | |
| | 503,929 | | 502,558 | |

HKAS: 香港會計準則
HKFRS: 香港財務報告準則
HKAS-Int: 香港會計準則詮釋

附件二

恒生銀行有限公司及其附屬公司 二零零四年十二月三十一日之綜合資產負債表

| (以港幣百萬元位列示) | 會計政策 | | | 附註 # |
|----------------------|---------|----------|---------|--|
| | 如前期報告 | 改變之影響 | 重新列示 | |
| 資產 | | | | |
| 庫存現金及短期資金 | 68,198 | (3,353) | 64,845 | HKAS 27 |
| 一個月以上之定期存放同業 | 16,231 | 1,251 | 17,482 | 重新分類 |
| 存款證 | 33,590 | (33,590) | | 重新分類 |
| 持作買賣用途之證券 | 1,866 | 4,134 | 6,000 | HKAS 27 |
| | | 1,684 | 1,684 | 重新分類 |
| 客戶貸款 | 251,873 | (320) | 251,553 | HKFRS 5 |
| 直屬控股公司及 同母系附屬公司欠款 | 4,598 | (4,598) | | 重新分類 |
| 長期投資 | 138,025 | 44,913 | 182,938 | HKAS 27 |
| 聯營公司投資 | 2,397 | (98) | 2,299 | HKAS-Int 21 |
| | | 1,266 | 1,266 | 重新分類 |
| 有形固定資產 | 11,469 | (5,911) | 5,558 | HKAS 17 |
| | | 3,383 | 3,383 | 重新分類 |
| 其他資產 | 20,378 | (10,398) | 9,980 | HKFRS 5, HKAS 17, HKAS 19及HKAS 27 |
| | 548,625 | | 546,988 | |
| 負債 | | | | |
| 往來、儲蓄及其他存款 | 463,416 | (15,956) | 447,460 | HKAS 27 |
| 同業存款 | 8,631 | 3,303 | 11,934 | HKAS 27 |
| | | 5,840 | 5,840 | 重新分類 |
| | | 1,273 | 1,273 | 重新分類 |
| | | 16,055 | 16,055 | HKAS 27 |
| 直屬控股公司及 同母系附屬公司存款 | 3,928 | (3,928) | | 重新分類 |
| 其他負債 | 28,613 | (7,631) | 20,982 | HKAS 27及HKFRS 2 |
| | | 1,668 | 1,668 | HKAS 17, HKAS 19, HKAS 40及HKAS-Int 21 |
| | 504,588 | | 505,212 | |
| 資本來源 | | | | |
| 少數股東權益 | 852 | - | 852 | |
| 股本 | 9,559 | - | 9,559 | |
| 儲備 | 29,993 | (2,261) | 27,732 | HKAS 17, HKAS 19, HKAS 27, HKAS 40, HKFRS 2及HKAS-Int 21 |
| 擬派股息 | 3,633 | - | 3,633 | |
| 股東資金 | 43,185 | | 40,924 | |
| | 44,037 | | 41,776 | |
| | 548,625 | | 546,988 | |

HKAS: 香港會計準則
HKFRS: 香港財務報告準則
HKAS-Int: 香港會計準則詮釋

附件三

恒生銀行有限公司及其附屬公司 至二零零四年六月三十日之綜合損益結算表

| (以港幣百萬元位列示) | 會計政策 | | 重新列示 | | 附註# |
|--------------------|--------------|----------------|--------------|---------------------------------|-----------------|
| | 如前期報告 | 改變之影響 | | | |
| 利息收入 | 5,871 | 4 | 5,875 | 利息收入 | HKAS 27 |
| 利息支出 | (1,160) | | (1,160) | 利息支出 | |
| 淨利息收入 | 4,711 | 4 | 4,715 | 淨利息收入 | |
| 服務費及佣金收入 | 1,993 | (19) | 1,974 | 服務費收入 | HKAS 27 |
| 服務費及佣金支出 | (170) | 17 | (153) | 服務費支出 | HKAS 27 |
| | | | 1,821 | 淨服務費收入 | |
| 買賣溢利 | 558 | - | 558 | 買賣收入 | HKAS 27 |
| | | 83 | 83 | 照應保單持有人負債之資產投資收入淨額 | 重新分類 |
| 保險承保業務溢利 | 617 | (617) | | | 重新分類 |
| 股息收入 | 76 | (28) | 48 | 股息收入 | HKAS 27 |
| | | 1,998 | 1,998 | 應賺取保費淨額 | 重新分類 |
| 其他營業收入 | 288 | 134 | 422 | 其他營業收入 | HKFRS 5及重新分類 |
| 營業收入 | 8,073 | (1,594) | 9,645 | 總營業收入 | |
| | | | (1,594) | 保險索償淨額及保單持有人負債變動 | 重新分類 |
| | | | 8,051 | 扣除貸款減值回撥及其他信貸風險準備前之淨營業收入 | |
| | | 746 | 746 | 貸款減值回撥及其他信貸風險準備 | HKFRS 5及重新分類 |
| | | | 8,797 | 營業收入淨額 | |
| 人事費用 | (1,037) | (19) | (1,056) | 人事費用支出 | HKFRS 2 |
| | | (795) | (795) | 一般及行政支出 | 重新分類 |
| 折舊 | (153) | 27 | (126) | 行址及設備折舊 | HKAS 17及HKAS 38 |
| | | (4) | (4) | 無形資產攤銷 | HKAS 38 |
| | | | (1,981) | 總營業支出 | |
| 營業支出 | (787) | 787 | | | 重新分類 |
| 扣除準備金前之營業溢利 | 6,096 | | | | |
| 呆壞賬準備 | 763 | (763) | | | HKFRS 5及重新分類 |
| 營業溢利 | 6,859 | | 6,816 | 營業溢利 | |
| 有形固定資產及 長期投資之溢利 | 339 | 10 | 349 | 出售有形固定資產及金融投資之溢利 | HKAS 27 |
| 重估物業淨增值 | 119 | (28) | 91 | 重估物業淨增值 | HKAS 17 |
| 應佔聯營公司之溢利 | 6 | (2) | 4 | 應佔聯營公司之溢利 | 重新分類 |
| 除稅前一般業務溢利 | 7,323 | | 7,260 | 除稅前溢利 | |
| 一般業務溢利之稅項 | (998) | 6 | (992) | 稅項支出 | HKAS 17及重新分類 |
| 除稅後一般業務溢利 | 6,325 | | 6,268 | 期內之溢利 | |
| 少數股東權益 | (80) | | (80) | 少數股東權益應得之溢利 | |
| 本行股東應得之溢利 | 6,245 | | 6,188 | 本行股東應得之溢利 | |

HKAS: 香港會計準則
HKFRS: 香港財務報告準則

附件四

恒生銀行有限公司及其附屬公司 至二零零四年十二月三十一日綜合損益結算表

| (以港幣百萬元位列示) | 會計政策 | | 重新列示 | | 附註 # |
|--------------------|--------------|------------|---------------|---------------------------------|-------------------|
| | 如前期報告 | 改變之影響 | | | |
| 利息收入 | 6,600 | (3) | 6,597 | 利息收入 | HKAS 27 |
| 利息支出 | (1,621) | 4 | (1,617) | 利息支出 | HKAS 27 |
| 淨利息收入 | 4,979 | | 4,980 | 淨利息收入 | |
| 服務費及佣金收入 | 1,756 | (1) | 1,755 | 服務費收入 | HKAS 27 |
| 服務費及佣金支出 | (239) | (24) | (263) | 服務費支出 | HKAS 27 |
| | | | 1,492 | 淨服務費收入 | |
| 買賣溢利 | 467 | (1) | 466 | 買賣收入 | HKAS 27 |
| 保險承保業務溢利 | 693 | 346 | 346 | 照應保單持有人負債之資產投資收入淨額 | 重新分類 |
| 股息收入 | 20 | (693) | 27 | 股息收入 | 重新分類 |
| 其他營業收入 | 304 | 7 | 2,474 | 應賺取保費淨額 | HKAS 27 |
| | | 2,474 | 463 | 其他營業收入 | 重新分類 |
| 營業收入 | 7,980 | 159 | 10,248 | 總營業收入 | |
| | | (2,246) | (2,246) | 保險索償淨額及保單持有人負債變動 | 重新分類 |
| | | | 8,002 | 扣除貸款減值回撥及其他信貸風險準備前之淨營業收入 | |
| | | 31 | 31 | 貸款減值回撥及其他信貸風險準備 | HKFRS 5 及重新分類 |
| | | | 8,033 | 營業收入淨額 | |
| 人事費用 | (1,150) | (28) | (1,178) | 人事費用支出 | HKFRS 2 |
| 折舊 | (164) | (939) | (939) | 一般及行政支出 | 重新分類 |
| | | 34 | (130) | 行址及設備折舊 | HKAS 17 及 HKAS 38 |
| | | (4) | (4) | 無形資產攤銷 | HKAS 38 |
| | | | (2,251) | 總營業支出 | |
| 營業收入 | (932) | 932 | | | 重新分類 |
| 扣除準備金前之營業溢利 | 5,734 | | | | |
| 呆壞賬準備 | 51 | (51) | | | HKFRS 5 及重新分類 |
| 營業溢利 | 5,785 | | 5,782 | 營業溢利 | |
| 有形固定資產及 | | | | | |
| 長期投資之溢利 | 93 | - | 93 | 出售有形固定資產及金融投資之溢利 | HKAS 27 |
| 重估物業淨增值 | 29 | 26 | 55 | 重估物業淨增值 | HKAS 17 |
| 應佔聯營公司之溢利 | 137 | (44) | 93 | 應佔聯營公司之溢利 | 重新分類 |
| 除稅前一般業務溢利 | 6,044 | | 6,023 | 除稅前溢利 | |
| 一般業務溢利之稅項 | (766) | 47 | (719) | 稅項支出 | HKAS 17 及重新分類 |
| 除稅後一般業務溢利 | 5,278 | | 5,304 | 期內之溢利 | |
| 少數股東權益 | (128) | | (128) | 少數股東權益應得之溢利 | |
| 本行股東應得之溢利 | 5,150 | | 5,176 | 本行股東應得之溢利 | |

HKAS: 香港會計準則
HKFRS: 香港財務報告準則

附件五

恒生銀行有限公司及其附屬公司 至二零零四年十二月三十一日之綜合資產負債表

| (以港幣百萬元位列示) | 重新列示 (經採納除 HKFRS 4 及 HKAS 39 外 之 HKFRSs) | | HKFRS 4 及 HKAS 39 會計 政策改變 之影響 | 重新列示 (經採納全部 HKFRSs) | 附註 # |
|---------------|---|----------|--|---------------------------|-------------------|
| | | | | | |
| 資產 | | | | | |
| 庫存現金及短期資金 | 64,845 | - | | 64,845 | |
| 一個月以上之定期存放同業 | 17,482 | - | | 17,482 | |
| 持作交易用途之證券 | 6,000 | 10,737 | 4,292 | 16,737 | HKAS 39 |
| | | | | 4,292 | HKAS 39 |
| 衍生金融工具 | 1,684 | 94 | | 1,778 | HKAS 39 |
| 客戶貸款 | 251,553 | 293 | | 251,846 | HKAS 39 |
| 金融投資項目 | 182,938 | (14,023) | | 168,915 | HKAS 39 |
| 聯營公司投資 | 2,299 | - | | 2,299 | |
| 無形資產 | 1,266 | - | | 1,266 | |
| 行址及設備 | 5,558 | - | | 5,558 | |
| 投資物業 | 3,383 | - | | 3,383 | |
| 其他資產 | 9,980 | (297) | | 9,683 | HKAS 39 及 HKFRS 4 |
| | 546,988 | | | 548,084 | |
| 負債 | | | | | |
| 往來、儲蓄及其他存款 | 447,460 | (7,276) | | 440,184 | HKAS 39 |
| 同業存款 | 11,934 | - | | 11,934 | |
| 交易賬項下之負債 | 5,840 | 10,701 | | 16,541 | HKAS 39 |
| 衍生金融工具 | 1,273 | 977 | | 2,250 | HKAS 39 |
| 發出之存款證及其他債務證券 | 16,055 | (3,443) | | 12,612 | HKAS 39 |
| | | 540 | | 540 | HKFRS 4 |
| 其他負債 | 20,982 | (10,317) | | 10,665 | HKAS 39 及 HKFRS 4 |
| | | 8,656 | | 8,656 | HKFRS 4 |
| 遞延稅項及現有稅項負債 | 1,668 | 202 | | 1,870 | HKAS 39 |
| | 505,212 | | | 505,252 | |
| 資本來源 | | | | | |
| 少數股東權益 | 852 | (14) | | 838 | HKAS 39 |
| 股本 | 9,559 | - | | 9,559 | |
| 儲備 | 27,732 | 1,070 | | 28,802 | HKAS 39 及 HKFRS 4 |
| 擬派股息 | 3,633 | - | | 3,633 | |
| 股東資金 | 40,924 | | | 41,994 | |
| | 41,776 | | | 42,832 | |
| | 546,988 | | | 548,084 | |

HKAS: 香港會計準則
HKFRS: 香港財務報告準則

ADDITIONAL INFORMATION

The code for securities transactions by Directors

In relation to securities transactions by Directors, the Bank has revised its code of conduct and has since 31 March 2004 adopted in its terms no less exacting than the required standard set out in the model code for securities transactions by directors of listed issuers (ie Appendix 10 of the Hong Kong Main Board Listing Rules) as then in force.

Directors' compliance with the code for securities transactions by Directors

Specific enquiry has been made of all Directors (including those who have ceased to be Directors or those who have become Directors during the first half of 2005) who have confirmed that they complied with the required standard set out in the model code for securities transactions by directors of listed issuers (ie Appendix 10 of the Hong Kong Main Board Listing Rules) and the Bank's code of conduct regarding securities transactions by Directors for the period from 1 January 2005 to 30 June 2005 (both dates inclusive).

Directors' interests

As at 30 June 2005, the interests of the Directors in the shares, underlying shares of equity derivatives and debentures of the Bank and its associated corporations (all within the meaning of Part XV of the Securities and Futures Ordinance "SFO") disclosed in accordance with the Listing Rules were detailed below.

| | Personal Interests (held as beneficial owner) | Family Interests (Interests of spouse or child under 18) | Corporate Interests (Interests of controlled corporation) | Other Interests | Total Interests | Total Interests as % of the relevant issued share capital |
|--|---|--|---|------------------------|--------------------|---|
| Number of Ordinary Shares of HK\$5 each in the Bank | | | | | | |
| Mr John C C Chan | – | – | – | 1,000 ⁽¹⁾ | 1,000 | 0.00 |
| Mr W K Mok | 1,625 | – | – | – | 1,625 | 0.00 |
| Mr Joseph C Y Poon | 5,000 | – | – | – | 5,000 | 0.00 |
| Number of Ordinary Shares of US\$0.50 each in HSBC Holdings plc | | | | | | |
| Mr Michael R P Smith | 82,602 ⁽²⁾ | – | – | 346,543 ⁽⁸⁾ | 429,145 | 0.00 |
| Mr Raymond C F Or | 113,954 | 34,690 | – | 210,572 ⁽⁸⁾ | 359,216 | 0.00 |
| Mr John C C Chan | 14,283 | – | – | 3,000 ⁽¹⁾ | 17,283 | 0.00 |
| Mr S J Glass | 285 | 8,743 | – | 64,085 ⁽⁸⁾ | 73,113 | 0.00 |
| Mr Jenkin Hui | 9,973 | 24,342 | 1,105,076 ⁽³⁾ | – | 1,139,391 | 0.01 |
| Dr Eric K C Li | – | 18,132 | 79,622 ⁽⁴⁾ | – | 97,754 | 0.00 |
| Mr W K Mok | 31,744 ⁽⁵⁾ | – | – | 67,655 ⁽⁸⁾ | 99,399 | 0.00 |
| Mr Joseph C Y Poon | 22,599 ⁽⁶⁾ | 56,276 | – | 51,543 ⁽⁸⁾ | 130,418 | 0.00 |
| Mr Peter T S Wong | – | 16,221 ⁽⁷⁾ | – | 111,843 ⁽⁸⁾ | 128,064 | 0.00 |

Notes:

(1) 1,000 shares in the Bank and 3,000 shares in HSBC Holdings plc were held by a trust of which Mr and Mrs John C C Chan were beneficiaries.

(2) 47,347 shares are jointly held by Mr and Mrs Michael R P Smith.

(3) Mr Jenkin Hui was entitled to fully control the voting power at general meetings of Parc Palais Incorporated, a private company, which beneficially held all of those shares referred to above as his corporate interests.

(4) Dr Eric K C Li was entitled to control no less than one-third of the voting power at general meetings of a private company which beneficially held all of those shares referred to above as his corporate interests.

(5) 12,315 shares are jointly held by Mr and Mrs W K Mok.

(6) These shares are jointly held by Mr and Mrs Joseph C Y Poon.

(7) Notification that his spouse held these shares was given by Mr Peter T S Wong in July 2005 on his becoming aware of the same.

(8) These represent interests in (i) options granted to Directors under the HSBC share plans to acquire ordinary shares of US\$0.50 each in HSBC Holdings plc; and (ii) conditional awards of shares under the HSBC Holdings plc Restricted Share Plan/HSBC Share Plan made in favour of Directors and held by a trust for ordinary shares of US\$0.50 each in HSBC Holdings plc, as set against their respective names below:

| | Options (please refer to the options table below for details) | Conditional awards of shares under the HSBC Holdings plc Restricted Share Plan/ HSBC Share Plan (please refer to the awards table below for further information) | Total |
|----------------------|--|---|---------|
| Mr Michael R P Smith | 73,298 | 273,245 | 346,543 |
| Mr Raymond C F Or | 3,623 | 206,949 | 210,572 |
| Mr S J Glass | 17,298 | 46,787 | 64,085 |
| Mr W K Mok | 2,526 | 65,129 | 67,655 |
| Mr Joseph C Y Poon | 33,323 | 18,220 | 51,543 |
| Mr Peter T S Wong | – | 111,843 | 111,843 |

At 30 June 2005, the undermentioned Directors held unlisted physically settled options to acquire the number of ordinary shares of US\$0.50 each in HSBC Holdings plc set against their respective names. These options were granted for nil consideration by HSBC Holdings plc.

| | Options held at 30 June 2005 | Options exercised during the first half of the year (ordinary shares of US\$0.50 each) | Exercise price per share in pence | Date granted | Exercisable from | Exercisable until |
|----------------------|---------------------------------------|--|--|-----------------|---------------------|----------------------|
| Mr Michael R P Smith | 22,500 | – | 333.34 | 1 Apr 1996 | 1 Apr 1999 | 1 Apr 2006 |
| | 24,000 | – | 501.60 | 24 Mar 1997 | 24 Mar 2000 | 24 Mar 2007 |
| | 24,000 | – | 627.67 | 16 Mar 1998 | 16 Mar 2001 | 16 Mar 2008 |
| | 2,798 | – | 602.99 | 10 Apr 2000 | 1 Aug 2005 | 31 Jan 2006 |
| | <u>73,298</u> | | | | | |
| Mr Raymond C F Or | 1,119 | – | 602.99 | 10 Apr 2000 | 1 Aug 2005 | 31 Jan 2006 |
| | 1,515 | – | 647.20 | 10 May 2004 | 1 Aug 2009 | 31 Jan 2010 |
| | 989 ⁽¹⁾ | – | 667.92 | 24 May 2005 | 1 Aug 2010 | 31 Jan 2011 |
| | <u>3,623</u> | | | | | |
| Mr S J Glass | – | 17,550 ⁽²⁾ | 637.54 | 29 Mar 1999 | 3 Apr 2002 | 29 Mar 2009 |
| | – | 6,500 ⁽²⁾ | 746.00 | 3 Apr 2000 | 3 Apr 2003 | 3 Apr 2010 |
| | 7,500 | – | 871.20 | 23 Apr 2001 | 23 Apr 2004 | 23 Apr 2011 |
| | 7,000 | – | 840.50 | 7 May 2002 | 7 May 2005 | 7 May 2012 |
| | 2,798 | – | 602.99 | 10 Apr 2000 | 1 Aug 2005 | 31 Jan 2006 |
| | <u>17,298</u> | | | | | |

Additional Information (continued)

| | Options held at 30 June 2005 | Options exercised during the first half of the year (ordinary shares of US\$0.50 each) | Exercise price per share in pence | Date granted | Exercisable from | Exercisable until |
|--------------------|------------------------------|--|-----------------------------------|--------------|------------------|-------------------|
| Mr W K Mok | 2,526 | – | 647.20 | 10 May 2004 | 1 Aug 2009 | 31 Jan 2010 |
| Mr Joseph C Y Poon | 3,750 | – | 501.60 | 24 Mar 1997 | 24 Mar 2000 | 24 Mar 2007 |
| | 9,000 | – | 637.54 | 29 Mar 1999 | 29 Mar 2002 | 29 Mar 2009 |
| | 4,750 | – | 746.00 | 3 Apr 2000 | 3 Apr 2003 | 3 Apr 2010 |
| | 2,750 | – | 871.20 | 23 Apr 2001 | 23 Apr 2004 | 23 Apr 2011 |
| | 4,400 | – | 840.50 | 7 May 2002 | 7 May 2005 | 7 May 2012 |
| | 5,050 | – | 691.00 | 2 May 2003 | 2 May 2006 | 2 May 2013 |
| | 1,119 | – | 602.99 | 10 Apr 2000 | 1 Aug 2005 | 31 Jan 2006 |
| | 1,515 | – | 647.20 | 10 May 2004 | 1 Aug 2009 | 31 Jan 2010 |
| | 989 ⁽¹⁾ | – | 667.92 | 24 May 2005 | 1 Aug 2010 | 31 Jan 2011 |
| | <u>33,323</u> | | | | | |

Notes:

(1) Notifications that they held these unlisted physically settled options to acquire ordinary shares of US\$0.50 each in HSBC Holdings plc were given by Mr Raymond C F Or and Mr Joseph C Y Poon in July 2005 on their becoming aware of the same.

(2) At the date of exercise, 15 March 2005, the market value per share was 856.00p.

At 30 June 2005, the interests of the Directors in the conditional awards of shares made in favour of them under the HSBC Holdings plc Restricted Share Plan/HSBC Share Plan and held by a trust for ordinary shares of US\$0.50 each in HSBC Holdings plc were as follows:

| | Awards held at 1 January 2005 | Awards made during the first half of the year | Shares awarded released to the Director during the first half of the year | Awards held at 30 June 2005 ⁽¹⁾ |
|----------------------|-------------------------------|---|---|--|
| Mr Michael R P Smith | 268,680 ⁽²⁾ | – | – | 273,245 |
| Mr Raymond C F Or | 161,789 | 61,768 | 20,270 | 206,949 |
| Mr S J Glass | 25,392 | 20,767 | – | 46,787 |
| Mr W K Mok | 58,203 | 17,800 | 12,111 | 65,129 |
| Mr Joseph C Y Poon | 6,199 | 11,867 | – | 18,220 |
| Mr Peter T S Wong | 111,843 ⁽³⁾ | – | – | 111,843 |

Notes:

(1) This includes additional shares arising from scrip dividends.

(2) This represents the awards held by Mr Michael R P Smith on 22 April 2005 when he was appointed a Director of the Bank.

(3) This represents the awards held by Mr Peter T S Wong on 25 May 2005 when he was appointed a Director of the Bank.

All the interests stated above represent long positions. As at 30 June 2005, no short positions were recorded in the Register of Directors' and Chief Executives' Interests and Short Positions required to be kept under section 352 of the SFO.

Other than those disclosed above, no right to subscribe for equity or debt securities of the Bank has been granted by the Bank to, nor have any such rights been exercised by, any person during the half year ended 30 June 2005.

Substantial interests in share capital

The register maintained by the Bank pursuant to the SFO recorded that, as at 30 June 2005, the following corporations had interests (as defined in that Ordinance) in the Bank set opposite their respective names:

| Name of Corporation | Number of Ordinary Shares of HK\$5 each in the Bank (Percentage of total) |
|---|---|
| The Hongkong and Shanghai Banking Corporation Limited | 1,188,057,371 (62.14%) |
| HSBC Asia Holdings BV | 1,188,057,371 (62.14%) |
| HSBC Asia Holdings (UK) | 1,188,057,371 (62.14%) |
| HSBC Holdings BV | 1,188,057,371 (62.14%) |
| HSBC Finance (Netherlands) | 1,188,057,371 (62.14%) |
| HSBC Holdings plc | 1,188,057,371 (62.14%) |

The Hongkong and Shanghai Banking Corporation Limited is a subsidiary of HSBC Asia Holdings BV, which is a wholly-owned subsidiary of HSBC Asia Holdings (UK), which in turn is a wholly-owned subsidiary of HSBC Holdings BV. HSBC Holdings BV is a wholly-owned subsidiary of HSBC Finance (Netherlands), which in turn is wholly-owned by HSBC Holdings plc. Accordingly, The Hongkong and Shanghai Banking Corporation Limited's interests are recorded as the interests of HSBC Asia Holdings BV, HSBC Asia Holdings (UK), HSBC Holdings BV, HSBC Finance (Netherlands) and HSBC Holdings plc.

The Directors regard HSBC Holdings plc to be the beneficial owner of 1,188,057,371 ordinary shares in the Bank (62.14%).

All the interests stated above represent long positions. As at 30 June 2005, no short positions were recorded in the Register of Interests in Shares and Short Positions required to be kept under section 336 of the SFO.

Capital issue

Subordinated notes of HK\$2,500 million with tenor of 10 years were issued and listed on the stock exchange in Hong Kong in June 2005. The notes were issued to balance, and facilitate more efficient use of, the Bank's capital. The net proceeds will be used for general funding purposes and to support business growth.

Purchase, sale or redemption of the Bank's listed securities

Save for the issuance of subordinated notes in June 2005, during the six months ended 30 June 2005, there was no purchase, sale or redemption by the Bank, or any of its subsidiaries, of the Bank's listed securities.

Remuneration and staff development

There have been no material changes to the information disclosed in the Annual Report 2004 in respect of the remuneration of employees, remuneration policies and staff development.

Code on Corporate Governance Practices

The Bank is committed to high standards of corporate governance and has been taking action to follow the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules. All the code provisions set out in the Code are being followed since 30 June 2005.

Supervisory Policy Manual on Interim Financial Disclosure by Locally Incorporated Authorised Institutions

The information in the interim report for the half year ended 30 June 2005 complies with the module on "Interim Financial Disclosure by Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority.

Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34")

The information in the interim report for the half year ended 30 June 2005 complies with HKAS 34.

Register of shareholders

The Register of Shareholders of the Bank will be closed on Wednesday, 24 August 2005, during which no transfer of shares can be registered. In order to qualify for the second interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Bank's Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4.00 pm on Tuesday, 23 August 2005. The second interim dividend will be payable on Thursday, 1 September 2005 to shareholders on the Register of Shareholders of the Bank on Wednesday, 24 August 2005.

Copies of the interim report

Further copies of the interim report may be obtained from Legal and Company Secretarial Services Department, Hang Seng Bank Limited, Level 10, 83 Des Voeux Road Central, Hong Kong; or from Hang Seng Bank's website <http://www.hangseng.com>.

Proposed timetables for the remaining quarterly dividends for 2005

Third interim dividend for 2005

| | |
|-------------------|------------------|
| Announcement date | 7 November 2005 |
| Book close date | 21 December 2005 |
| Payment date | 4 January 2006 |

Fourth interim dividend for 2005

| | |
|-------------------|---------------|
| Announcement date | 6 March 2006 |
| Book close date | 21 March 2006 |
| Payment date | 31 March 2006 |

Board of Directors

As at 1 August 2005, the Board of Directors of the Bank comprises Mr Michael R P Smith* (Chairman), Mr Raymond C F Or (Vice-Chairman and Chief Executive), Mr John C C Chan#, Dr Y T Cheng#, Dr Marvin K T Cheung#, Mr S J Glass*, Mr Jenkin Hui#, Mr Peter T C Lee#, Dr Eric K C Li#, Dr Vincent H S Lo*, Mr W K Mok, Mr Joseph C Y Poon, Dr David W K Sin#, Mr Richard Y S Tang# and Mr Peter T S Wong*.

* *Non-executive Director*

Independent non-executive Director

其他資料

董事買賣證券守則

本行曾對董事買賣證券之守則作出修訂，並由二零零四年三月三十一日起採納一套條款不會較當時生效之《上市發行人董事進行證券交易的標準守則》（即香港聯合交易所有限公司主板證券上市規則（「聯交所上市規則」）附錄十）為寬鬆之有關守則。

遵守董事買賣證券守則聲明

本行已就此徵詢各董事（包括於二零零五年上半年內退任或委任之董事），並獲各董事確認彼等已於二零零五年一月一日至六月三十日期間（首尾兩日包括在內）遵守《上市發行人董事進行證券交易的標準守則》（即聯交所上市規則附錄十）及本行董事買賣證券之守則。

董事權益

本行董事依照聯交所上市規則而披露於二零零五年六月三十日所持有之本行及各相聯公司之證券、股本衍生工具及債券之權益（依照證券及期貨條例第 XV 部份之釋義），現詳列於下表之內。

| | 個人權益 (實益持有) | 家屬權益 (配偶或 十八歲以 下子女之 權益) | 公司權益 (控制公司 之權益) | 其他權益 | 總數 | 總數 佔發行 股本 百分率 |
|-----------------------|-----------------------|-------------------------------------|--------------------------|------------------------|-----------|------------------------|
| 持有本行之普通股 | | | | | | |
| (每股面值港幣五元正) | | | | | | |
| 陳祖澤先生 | - | - | - | 1,000 ⁽¹⁾ | 1,000 | 0.00 |
| 莫偉健先生 | 1,625 | - | - | - | 1,625 | 0.00 |
| 潘仲賢先生 | 5,000 | - | - | - | 5,000 | 0.00 |
| 持有滙豐控股有限公司之普通股 | | | | | | |
| (每股面值 0.50 美元) | | | | | | |
| 邵銘高先生 | 82,602 ⁽²⁾ | - | - | 346,543 ⁽⁸⁾ | 429,145 | 0.00 |
| 柯清輝先生 | 113,954 | 34,690 | - | 210,572 ⁽⁸⁾ | 359,216 | 0.00 |
| 陳祖澤先生 | 14,283 | - | - | 3,000 ⁽¹⁾ | 17,283 | 0.00 |
| 簡善恒先生 | 285 | 8,743 | - | 64,085 ⁽⁸⁾ | 73,113 | 0.00 |
| 許晉乾先生 | 9,973 | 24,342 | 1,105,076 ⁽³⁾ | - | 1,139,391 | 0.01 |
| 李家祥博士 | - | 18,132 | 79,622 ⁽⁴⁾ | - | 97,754 | 0.00 |
| 莫偉健先生 | 31,744 ⁽⁵⁾ | - | - | 67,655 ⁽⁸⁾ | 99,399 | 0.00 |
| 潘仲賢先生 | 22,599 ⁽⁶⁾ | 56,276 | - | 51,543 ⁽⁸⁾ | 130,418 | 0.00 |
| 王冬勝先生 | - | 16,221 ⁽⁷⁾ | - | 111,843 ⁽⁸⁾ | 128,064 | 0.00 |

註：

- (1) 陳祖澤先生及其夫人乃一項信託之受益人，而該信託持有 1,000 股本行股份及 3,000 股滙豐控股有限公司股份。
- (2) 其中 47,347 股乃由邵銘高先生及其夫人共同持有。
- (3) 許晉乾先生全權控制一間私人公司 Parc Palais Incorporated 之股份表決權而可於其股東大會上行使者，而列於公司權益項下之股份，均全數由該公司實益持有。
- (4) 李家祥博士有權控制某一私人公司不少於三分之一之股份表決權而可於其股東大會上行使者，而列於公司權益項下之股份，均全數由該公司實益持有。
- (5) 其中 12,315 股乃由莫偉健先生及其夫人共同持有。

其他資料 (續)

- (6) 此等股份乃由潘仲賢先生及其夫人共同持有。
- (7) 王冬勝先生於二零零五年七月期間得悉其夫人持有此等股份時作出有關通知。
- (8) 此等權益乃 (i) 根據滙豐集團優先認股計劃授予董事認購每股 0.50 美元之滙豐控股有限公司普通股之優先認股權及 (ii) 根據滙豐控股有限公司有限制股份計劃/滙豐股份計劃，授予董事而由一項信託持有之每股面值 0.50 美元之滙豐控股有限公司普通股之有條件獎勵股份，現將有關數目臚列如下：

| | 優先認股權 (詳情見下列明細表) | 根據滙豐控股有限公司 有限制股份計劃/ 滙豐股份計劃之 有條件獎勵股份 (詳情見下列明細表) | 總數 |
|-------|---------------------|--|---------|
| 邵銘高先生 | 73,298 | 273,245 | 346,543 |
| 柯清輝先生 | 3,623 | 206,949 | 210,572 |
| 簡善恒先生 | 17,298 | 46,787 | 64,085 |
| 莫偉健先生 | 2,526 | 65,129 | 67,655 |
| 潘仲賢先生 | 33,323 | 18,220 | 51,543 |
| 王冬勝先生 | - | 111,843 | 111,843 |

於二零零五年六月三十日，下列董事持有每股面值 0.50 美元之非上市而實股結算之滙豐控股有限公司普通股之優先認股權。該等認股權乃滙豐控股有限公司無代價授予該等董事。

| | 於 2005 年 6 月 30 日 持有之 優先認股權 | 於上半年內 行使優先 認股權認購 每股 0.50 美元之 普通股 | 每股行使價 (以便士計) | 授予日期 | 開始行使日期 | 截止行使日期 |
|-------|--------------------------------------|--|-----------------|-----------------|-----------------|-----------------|
| 邵銘高先生 | 22,500 | - | 333.34 | 1996 年 4 月 1 日 | 1999 年 4 月 1 日 | 2006 年 4 月 1 日 |
| | 24,000 | - | 501.60 | 1997 年 3 月 24 日 | 2000 年 3 月 24 日 | 2007 年 3 月 24 日 |
| | 24,000 | - | 627.67 | 1998 年 3 月 16 日 | 2001 年 3 月 16 日 | 2008 年 3 月 16 日 |
| | 2,798 | - | 602.99 | 2000 年 4 月 10 日 | 2005 年 8 月 1 日 | 2006 年 1 月 31 日 |
| | <u>73,298</u> | | | | | |
| 柯清輝先生 | 1,119 | - | 602.99 | 2000 年 4 月 10 日 | 2005 年 8 月 1 日 | 2006 年 1 月 31 日 |
| | 1,515 | - | 647.20 | 2004 年 5 月 10 日 | 2009 年 8 月 1 日 | 2010 年 1 月 31 日 |
| | 989 ⁽¹⁾ | - | 667.92 | 2005 年 5 月 24 日 | 2010 年 8 月 1 日 | 2011 年 1 月 31 日 |
| | <u>3,623</u> | | | | | |
| 簡善恒先生 | - | 17,550 ⁽²⁾ | 637.54 | 1999 年 3 月 29 日 | 2002 年 4 月 3 日 | 2009 年 3 月 29 日 |
| | - | 6,500 ⁽²⁾ | 746.00 | 2000 年 4 月 3 日 | 2003 年 4 月 3 日 | 2010 年 4 月 3 日 |
| | 7,500 | - | 871.20 | 2001 年 4 月 23 日 | 2004 年 4 月 23 日 | 2011 年 4 月 23 日 |
| | 7,000 | - | 840.50 | 2002 年 5 月 7 日 | 2005 年 5 月 7 日 | 2012 年 5 月 7 日 |
| | 2,798 | - | 602.99 | 2000 年 4 月 10 日 | 2005 年 8 月 1 日 | 2006 年 1 月 31 日 |
| | <u>17,298</u> | | | | | |

| | 於 2005 年 6 月 30 日 持有之 優先認股權 | 於上半年內 行使優先 認股權認購 每股 0.50 美元之 普通股 | 每股行使價 (以便士計) | 授予日期 | 開始行使日期 | 截止行使日期 |
|-------|--------------------------------------|--|-----------------|-----------------|-----------------|-----------------|
| 莫偉健先生 | 2,526 | – | 647.20 | 2004 年 5 月 10 日 | 2009 年 8 月 1 日 | 2010 年 1 月 31 日 |
| 潘仲賢先生 | 3,750 | – | 501.60 | 1997 年 3 月 24 日 | 2000 年 3 月 24 日 | 2007 年 3 月 24 日 |
| | 9,000 | – | 637.54 | 1999 年 3 月 29 日 | 2002 年 3 月 29 日 | 2009 年 3 月 29 日 |
| | 4,750 | – | 746.00 | 2000 年 4 月 3 日 | 2003 年 4 月 3 日 | 2010 年 4 月 3 日 |
| | 2,750 | – | 871.20 | 2001 年 4 月 23 日 | 2004 年 4 月 23 日 | 2011 年 4 月 23 日 |
| | 4,400 | – | 840.50 | 2002 年 5 月 7 日 | 2005 年 5 月 7 日 | 2012 年 5 月 7 日 |
| | 5,050 | – | 691.00 | 2003 年 5 月 2 日 | 2006 年 5 月 2 日 | 2013 年 5 月 2 日 |
| | 1,119 | – | 602.99 | 2000 年 4 月 10 日 | 2005 年 8 月 1 日 | 2006 年 1 月 31 日 |
| | 1,515 | – | 647.20 | 2004 年 5 月 10 日 | 2009 年 8 月 1 日 | 2010 年 1 月 31 日 |
| | 989 ⁽¹⁾ | – | 667.92 | 2005 年 5 月 24 日 | 2010 年 8 月 1 日 | 2011 年 1 月 31 日 |
| | <u>33,323</u> | | | | | |

註：

(1) 柯清輝先生及潘仲賢先生於二零零五年七月期間得悉持有此等每股面值 0.50 美元之非上市而實股結算之滙豐控股有限公司普通股之優先認股權時作出有關通知。

(2) 於行使優先認股權之日，即二零零五年三月十五日，每股市值為 856.00 便士。

於二零零五年六月三十日，董事根據滙豐控股有限公司有限股份計劃/滙豐股份計劃獲授予而由一項信託持有每股面值 0.50 美元之滙豐控股有限公司普通股之有條件獎勵股份數目，現臚列如下：

| | 於 2005 年 1 月 1 日持有 之獲授股份 | 於上半年內 獲授之股份 | 於上半年內 發授予董事 之獲授股份 | 於 2005 年 6 月 30 日持有 之獲授股份 ⁽¹⁾ |
|-------|--------------------------------|----------------|-------------------------|--|
| 邵銘高先生 | 268,680 ⁽²⁾ | – | – | 273,245 |
| 柯清輝先生 | 161,789 | 61,768 | 20,270 | 206,949 |
| 簡善恒先生 | 25,392 | 20,767 | – | 46,787 |
| 莫偉健先生 | 58,203 | 17,800 | 12,111 | 65,129 |
| 潘仲賢先生 | 6,199 | 11,867 | – | 18,220 |
| 王冬勝先生 | 111,843 ⁽³⁾ | – | – | 111,843 |

註：

(1) 上列數目包括代息股份而收取之額外股份。

(2) 此乃邵銘高先生於二零零五年四月二十二日出任本行董事當日持有之獲授股份。

(3) 此乃王冬勝先生於二零零五年五月二十五日出任本行董事當日持有之獲授股份。

上述全部權益皆為長盤。根據本行依照證券及期貨條例第 352 條而設之董事及行政總裁權益及淡倉登記冊，於二零零五年六月三十日，並無淡倉記錄。

除上述外，於截至二零零五年六月三十日之半年內，本行並無發給認購本行股本或債務證券之權利予任何人士，亦無任何人士行使該等權利。

主要股東權益

根據本行依照證券及期貨條例而設之登記冊，於二零零五年六月三十日，下列公司擁有本行之權益（按照該條例所規定者）如下：

| 公司名稱 | 持有之普通股數量(每股面值港幣五元正) (佔總數百分率) |
|----------------------------|---------------------------------|
| 香港上海滙豐銀行有限公司 | 1,188,057,371 (62.14%) |
| HSBC Asia Holdings BV | 1,188,057,371 (62.14%) |
| HSBC Asia Holdings (UK) | 1,188,057,371 (62.14%) |
| HSBC Holdings BV | 1,188,057,371 (62.14%) |
| HSBC Finance (Netherlands) | 1,188,057,371 (62.14%) |
| 滙豐控股有限公司 | 1,188,057,371 (62.14%) |

香港上海滙豐銀行有限公司為 HSBC Asia Holdings BV 之附屬公司，HSBC Asia Holdings BV 為 HSBC Asia Holdings (UK) 之全資附屬公司，而 HSBC Asia Holdings (UK) 為 HSBC Holdings BV 之全資附屬公司。同時，HSBC Holdings BV 為 HSBC Finance (Netherlands) 之全資附屬公司，而 HSBC Finance (Netherlands) 則為滙豐控股有限公司之全資附屬公司。因此，香港上海滙豐銀行有限公司之權益亦被視為 HSBC Asia Holdings BV、HSBC Asia Holdings (UK)、HSBC Holdings BV、HSBC Finance (Netherlands) 及滙豐控股有限公司所擁有之權益。

本行董事會認為，滙豐控股有限公司實益持有本行之普通股 1,188,057,371 股 (62.14%)。

上述全部權益皆為長盤。根據本行依照證券及期貨條例第 336 條而設之股份權益及淡倉登記冊，於二零零五年六月三十日，並無淡倉記錄。

資本發行

本行於二零零五年六月發行十年期之次級債券，發行金額為港幣二十五億元，並在香港之交易所上市。是次發行之債券有助平衡及更有效地運用本行之資本。所得之淨資金將用作一般營運及支持業務發展。

購買、沽售或購回本行之上市證券

除於二零零五年六月發行之次級債券外，截至二零零五年六月三十日之六個月內，本行或任何附屬公司並無購買、沽售或購回本行之上市證券。

薪酬及員工發展

本行員工薪酬、薪酬政策及員工發展的資料與二零零四年年報披露者大致相同，並無重大改變。

企業管治常規守則

本行致力實施良好的企業管治，並已就遵循訂於聯交所上市規則附錄十四之企業管治常規守則（「守則」）內所載之有關守則條文而採取相應行動。由二零零五年六月三十日起，本行已遵循守則內所載之所有守則條文。

監管政策手冊內有關本地註冊認可機構披露中期財務資料之指引

此份中期報告所載截至二零零五年六月三十日止半年之資料，符合香港金融管理局頒佈之監管政策手冊內有關本地註冊認可機構披露中期財務資料指引之各項要求。

香港會計準則第三十四號之「中期財務報告」(「會計準則第三十四號」)

此份中期報告所載截至二零零五年六月三十日止半年之資料，符合會計準則第三十四號之各項要求。

暫停股份登記日期

本行將於二零零五年八月二十四日(星期三)，暫停辦理股份過戶登記手續。為確保享有第二次中期股息，股份過戶文件連同有關股票，必須於二零零五年八月二十三日(星期二)下午四時或以前，送達香港灣仔皇后大道東一八三號合和中心十七樓一七一二至一七一六室，本行股份登記處香港中央證券登記有限公司辦理過戶手續。第二次中期股息將於二零零五年九月一日(星期四)派發予於二零零五年八月二十四日(星期三)已在股東名冊內登記之股東。

中期報告

此份中期報告可向香港德輔道中八十三號十樓恒生銀行法律及公司秘書事務部索取，或於恒生銀行之網址 <http://www.hangseng.com> 下載。

二零零五年其餘季度派息之建議時間表

二零零五年度第三次中期股息:

| | |
|--------------|--------------|
| 宣佈日期 | 二零零五年十一月七日 |
| 暫停辦理過戶登記手續日期 | 二零零五年十二月二十一日 |
| 派發日期 | 二零零六年一月四日 |

二零零五年度第四次中期股息:

| | |
|--------------|-------------|
| 宣佈日期 | 二零零六年三月六日 |
| 暫停辦理過戶登記手續日期 | 二零零六年三月二十一日 |
| 派發日期 | 二零零六年三月三十一日 |

董事會

於二零零五年八月一日，本行之董事會成員為邵銘高先生*(董事長)、柯清輝先生(副董事長兼行政總裁)、陳祖澤先生#、鄭裕彤博士#、張建東博士#、簡善恒先生*、許晉乾先生#、利定昌先生#、李家祥博士#、羅康瑞博士*、莫偉健先生、潘仲賢先生、冼為堅博士#、鄧日樂先生#及王冬勝先生*。

* 非執行董事

獨立非執行董事

註冊辦事處

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股份登記處

香港中央證券登記有限公司
香港灣仔皇后大道東一八三號
合和中心四十六樓

美國預託證券託管處*

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* 本行透過紐約銀行在美國向投資者提供第一級贊助形式的美國預託證券計劃。

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* The Bank offers investors in the United States a Sponsored Level-1 American Depositary Receipts Programme through The Bank of New York.

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