



中信國際金融控股有限公司

CITIC INTERNATIONAL FINANCIAL HOLDINGS LIMITED

(股票編號 Stock Code 183)

紮根中港 · 開拓亞洲

Expanding
Our **Asian**
Frontier

二零零八年度中期報告
INTERIM REPORT 2008





1	企業背景 Corporate Profile
2	企業資料 Corporate Information
4	綜合收益表 Consolidated Income Statement
6	綜合資產負債表 Consolidated Balance Sheet
7	綜合權益變動表 Consolidated Statement Of Changes In Equity
9	簡明綜合現金流量表 Condensed Consolidated Cash Flow Statement
10	中期財務報告附註 – 未經審核 Notes To The Interim Financial Report – Unaudited
51	未經審核財務資料補充 Unaudited Supplementary Financial Information
70	獨立審閱報告 Independent Review Report
71	管理層討論及分析 Management Discussion And Analysis
97	補充資料 Supplementary Information



中信國際金融控股有限公司 CITIC International Financial Holdings Limited

中信國際金融控股有限公司（「中信國金」）於香港聯合交易所上市（股票編號：183），是中國中信集團公司（「中信公司」）在境外的金融旗艦，於二零零八年八月三十一日，其約百分之五十五權益由中信公司持有。中信國金是一家投資控股公司，業務範圍包括商業銀行及非銀行金融業務，其主要經營業務乃透過全資附屬公司中信嘉華銀行有限公司進行，該行為一家香港註冊及持牌商業銀行。中信國金同時持有中國第七大商業銀行中信銀行股份有限公司百分之十五策略性權益。

在非銀行金融業務方面，中信國金分別持有中信資本控股有限公司百分之五十權益及中信國際資產管理有限公司百分之四十股權。前者是一家主攻中國的投資管理及諮詢公司，而後者則專注於資產管理及直接投資業務。

CITIC International Financial Holdings Limited (“CIFH”), which is listed on The Stock Exchange of Hong Kong Limited (stock code: 183), is the financial flagship of CITIC Group (“CITIC”) outside Mainland China. CIFH is approximately 55%-owned by CITIC as at 31 August 2008. CIFH is an investment holding company with interests in commercial banking as well as other non-bank financial services businesses. Its main operating business is conducted through its wholly-owned subsidiary, CITIC Ka Wah Bank Limited, a Hong Kong incorporated and licensed commercial bank. It also holds a 15% strategic stake in China CITIC Bank Corporation Limited, the seventh largest commercial bank in the PRC.

In the non-bank financial services area, CIFH holds a 50% shareholding in CITIC Capital Holdings Limited, a China-focused investment management and advisory firm, and a 40% shareholding in CITIC International Assets Management Limited, an asset management and direct investments company.

企業資料

Corporate Information

董事會

董事長

孔丹先生

副董事長

常振明先生

執行董事

竇建中先生

(行政總裁)

陳許多琳女士

(董事總經理兼替任行政總裁)

盧永逸先生

(董事總經理)

施柏雅先生

趙盛彪先生

非執行董事

何塞·巴雷伊洛先生

陳小憲先生

范一飛先生

馮曉增先生

康樂德先生

居偉民先生

劉基輔先生

王東明先生

獨立非執行董事

席伯倫先生

林廣兆先生

曾耀強先生

Board of Directors

Chairman

Mr. Kong Dan

Vice Chairman

Mr. Chang Zhenming

Executive Directors

Mr. Dou Jianzhong

(Chief Executive Officer)

Mrs. Chan Hui Dor Lam Doreen

(Managing Director and Alternate Chief Executive Officer)

Mr. Lo Wing Yat Kelvin

(Managing Director)

Mr. Roger Clark Spyer

Mr. Zhao Shengbiao

Non-executive Directors

Mr. Jose Barreiro

Mr. Chen Xiaoxian

Mr. Fan Yifei

Mr. Feng Xiaozeng

Mr. Manuel Galatas

Mr. Ju Weimin

Mr. Liu Jifu

Mr. Wang Dongming

Independent Non-executive Directors

Mr. Rafael Gil-Tienda

Mr. Lam Kwong Siu

Mr. Tsang Yiu Keung Paul

審核委員會

曾耀強先生
(主席)
席伯倫先生
居偉民先生
林廣兆先生

註冊辦事處

香港中環添美道1號
中信大廈27樓2701-9室
電話：(852) 3607 3000
傳真：(852) 2525 3303
www.citicfh.com

香港聯合交易所股份編號

183

公司秘書

黃婉貞女士

核數師

畢馬威會計師事務所

股票登記及轉讓辦事處

香港中央證券登記有限公司
香港皇后大道東183號
合和中心17樓1712至1716室
電話：(852) 2862 8628
傳真：(852) 2865 0990

Audit Committee

Mr. Tsang Yiu Keung Paul
(Chairman)
Mr. Rafael Gil-Tienda
Mr. Ju Weimin
Mr. Lam Kwong Siu

Registered Office

Suites 2701-9, 27th Floor, CITIC Tower,
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Tel: (852) 3607 3000
Fax: (852) 2525 3303
www.citicfh.com

Hong Kong Stock Exchange Code

183

Company Secretary

Ms. Kyna Y. C. Wong

Auditors

KPMG

Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East, Hong Kong.
Tel: (852) 2862 8628
Fax: (852) 2865 0990

綜合收益表

Consolidated Income Statement

截至二零零八年六月三十日止六個月 – 未經審核 (以港幣為單位)

For the six months ended 30 June 2008 – Unaudited (Expressed in Hong Kong dollars)

中信國際金融控股有限公司(「本公司」)董事會欣然宣佈本公司及其附屬公司(統稱「本集團」)截至二零零八年六月三十日止六個月未經審核的中期綜合業績及本集團於該日的財政狀況及其比較數字。本中期財務報告是採用與二零零七年度審核賬項一致的會計政策及方法所編製。本中期財務報告乃未經審核，惟已由畢馬威會計師事務所，根據香港會計師公會所頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務信息的審閱」進行審閱，而其無須修訂的審閱報告已列載於第70頁。

The Board of Directors of CITIC International Financial Holdings Limited (“the Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (“the Group”) for the six months ended 30 June 2008 and the Group’s state of affairs as at that date together with the comparative figures. The interim financial report is prepared on a basis consistent with the accounting policies and methods adopted in the 2007 audited accounts. The interim financial report is unaudited, but has been reviewed by KPMG, in accordance with Hong Kong Standards on Review Engagements 2410 “Review of interim financial information performed by the independent auditor of the entity” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), whose unmodified review report is included on page 70.

		截至六月三十日止六個月		
		Six months ended 30 June		
		二零零八年	二零零七年	
		2008	2007	
		港幣千元	港幣千元	
		HK\$'000	HK\$'000	
利息收入	Interest income	3	2,063,077	2,346,553
利息支出	Interest expense		(1,273,054)	(1,715,384)
淨利息收入	Net interest income		790,023	631,169
費用及佣金收入	Fee and commission income		445,996	391,680
費用及佣金支出	Fee and commission expense		(10,060)	(6,756)
淨費用及佣金收入	Net fee and commission income	4	435,936	384,924
結構性投資工具淨虧損及撇值	Net loss and write-down on structured investment vehicles		(717,885)	–
其他淨交易收入	Other net trading income		170,571	347,762
淨交易(虧損)/收入	Net trading (loss)/income	5	(547,314)	347,762
指定為通過損益以反映公允價值的金融工具的淨支出	Net expenses from financial instruments designated at fair value through profit or loss	6	(64,102)	(76,805)
淨對沖虧損	Net hedging loss	7	(938)	(79)
其他經營收入	Other operating income	8	22,304	24,687
經營收入	Operating income		635,909	1,311,658
經營支出	Operating expenses	9	(689,885)	(614,464)
扣除減值準備前之經營(虧損)/溢利	Operating (loss)/profit before impairment		(53,976)	697,194
貸款及墊款減值虧損回撥/(準備)	Impairment losses written back/(charged for) on loans and advances	10	9,525	(42,541)
持有至到期投資減值虧損回撥	Impairment losses written back on held-to-maturity investments		–	188
可供出售證券減值虧損回撥	Impairment losses written back on available-for-sale securities		100	–
減值虧損回撥/(準備)	Impairment losses written back/(charged for)		9,625	(42,353)
出售可供出售證券淨溢利/(虧損)	Net profit/(loss) on disposal of available-for-sale securities	11	36,909	(141)

綜合收益表

Consolidated Income Statement

截至二零零八年六月三十日止六個月 – 未經審核 (以港幣為單位)

For the six months ended 30 June 2008 – Unaudited (Expressed in Hong Kong dollars)

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零零八年	二零零七年
		2008	2007
		港幣千元	港幣千元
		HK\$'000	HK\$'000
經營 (虧損)/溢利	Operating (loss)/profit	(7,442)	654,700
攤薄聯營公司投資所得收益	Gain on dilution of investment in associate	-	201,689
出售物業及設備淨 (虧損)/溢利	Net (loss)/profit on disposal of property and equipment	(982)	19,534
投資物業重估收益	Revaluation gain on investment properties	28,112	5,497
所佔聯營公司溢利	Share of profits of associates	1,442,915	736,777
稅前溢利	Profit before taxation	1,462,603	1,618,197
所得稅	Income tax	(22,404)	(107,847)
稅後溢利	Profit after taxation	1,440,199	1,510,350
可歸屬於：	Attributable to:		
本公司股東	Equity shareholders of the Company	1,440,199	1,510,350
本期已宣派的中期股息	Interim dividend declared during the period	14	-
每股盈利	Earnings per share	15	
基本	Basic	25.01¢	27.39¢
攤薄	Diluted	25.00¢	27.27¢

第10頁至第50頁的附註屬本中期財務報告一部份。

The notes on pages 10 to 50 form part of this interim financial report.

綜合資產負債表

Consolidated Balance Sheet

於二零零八年六月三十日 – 未經審核 (以港幣為單位)

As at 30 June 2008 – Unaudited (Expressed in Hong Kong dollars)

			二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
	附註 Note			
資產		Assets		
現金及在銀行、中央銀行及 其他金融機構的結存	16	Cash and balances with banks, central banks and other financial institutions	1,290,077	1,502,876
在銀行、中央銀行及其他 金融機構的存款及墊款	17	Placements with and advances to banks, central banks and other financial institutions	7,065,223	12,647,588
貿易票據	18	Trade bills	1,128,511	1,523,200
交易用途資產	19	Trading assets	1,709,257	3,479,009
指定為通過損益以反映公允 價值的證券	20	Securities designated at fair value through profit or loss	405,850	531,025
客戶貸款及墊款及其他賬項	21	Loans and advances to customers and other accounts	77,407,327	67,704,297
可供出售證券	22	Available-for-sale securities	19,761,887	22,125,403
聯營公司權益	23	Interest in associates	22,965,309	20,635,639
物業及設備	24	Property and equipment		
– 投資物業		– Investment property	175,742	238,380
– 其他物業及設備		– Other property and equipment	909,862	836,239
商譽		Goodwill	1,007,749	1,007,749
可回收稅項	29	Tax recoverable	165,812	71,248
遞延稅項資產	29	Deferred tax assets	88,810	82,374
資產總額		Total assets	134,081,416	132,385,027
權益及負債		Equity and liabilities		
銀行及其他金融機構的 存款及結存		Deposits and balances of banks and other financial institutions	10,565,204	6,649,030
客戶存款	25	Deposits from customers	78,820,210	83,794,961
交易用途負債	26	Trading liabilities	925,433	879,690
已發行存款證	27	Certificates of deposit issued	4,786,041	6,863,124
已發行債務證券	28	Debt securities issued	2,342,413	2,314,394
已發行可換股債券		Convertible bonds issued	7,752	7,648
本期稅項	29	Current taxation	12,517	6,760
遞延稅項負債	29	Deferred tax liabilities	1,188	–
其他負債	30	Other liabilities	3,911,511	1,459,451
債務資本	31	Loan capital	3,924,513	3,926,390
負債總額		Total liabilities	105,296,782	105,901,448
權益		Equity		
股本	33	Share capital	5,758,961	5,757,321
儲備	34	Reserves	23,025,673	20,726,258
歸屬於本公司股東的 權益總額		Total equity attributable to equity shareholders of the Company	28,784,634	26,483,579
權益及負債總額		Total equity and liabilities	134,081,416	132,385,027

第10頁至第50頁的附註屬本中期財務報告一部份。

The notes on pages 10 to 50 form part of this interim financial report.

綜合權益變動表

Consolidated Statement Of Changes In Equity

截至二零零八年六月三十日止六個月 – 未經審核 (以港幣為單位)

For the six months ended 30 June 2008 – Unaudited (Expressed in Hong Kong dollars)

		截至六月三十日止六個月 Six months ended 30 June			
		二零零八年 2008		二零零七年 2007	
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
	附註 Note				
於1月1日權益總額		26,483,579		20,232,071	
於權益內直接確認的 淨收入：		Net income recognised directly in equity:			
換算以下項目 的匯兌差額：		Exchange differences on translation of:			
– 海外分行、附屬公司及 聯營公司的財務報表	34	946,856		271,248	
– 有關借款	34	7		369	
		946,863		271,617	
因出售投資物業而實現的 重估盈餘及遞延稅項負債 (前期轉自其他物業)	34		(4)		–
將其他物業重新劃歸為 投資物業的重估盈餘 (已扣除遞延稅項)	34		–		46,918
稅率下調對1月1日遞延稅項 餘額之影響	34		(449)		–
可供出售證券		Available-for-sale securities			
– 公允價值的變動	34	(45,103)		(26,468)	
– 出售時由權益轉至收益表	34	(36,539)		182	
– 由權益轉至遞延稅項	34	13,472		4,600	
		(68,170)		(21,686)	
所佔聯營公司		Share of associates			
– 公允價值儲備	34	(52,758)		(24,434)	
– 購股權儲備	34	8,019		5,727	
– 投資物業的重估儲備	34	337		–	
		(44,402)		(18,707)	
		833,838		278,142	
期內溢利		1,440,199		1,510,350	

綜合權益變動表

Consolidated Statement Of Changes In Equity

截至二零零八年六月三十日止六個月 – 未經審核 (以港幣為單位)

For the six months ended 30 June 2008 – Unaudited (Expressed in Hong Kong dollars)

		截至六月三十日止六個月 Six months ended 30 June			
		二零零八年 2008		二零零七年 2007	
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
	附註 Note				
期內確認的收入及支出總額		Total recognised income and expense for the period			
			2,274,037		1,788,492
可歸屬於：		Attributable to:			
– 本公司股東			2,274,037		1,788,492
期內已宣派股息		Dividends declared during the period			
	34		–		(322,056)
進行資本交易所產生的權益變動：		Movements in equity arising from capital transactions:			
行使股權而發行新股		Share issued under the share option scheme			
– 股本	33	1,640		4,648	
– 股份溢價	34	7,004		14,661	
– 由購股權儲備轉至股份溢價	34	(1,981)		(3,983)	
			6,663		15,326
行使可換股債券而發行		Conversion of convertible bonds into ordinary shares			
– 股本	33	–		59,024	
– 股份溢價		–		192,949	
– 權益部份	34	–		(11,796)	
				–	240,177
發行新股		Issuance of new shares			
– 股本	33	–		668,575	
– 股份溢價		–		3,229,214	
				–	3,897,789
以股權償付的股份交易		Equity-settled share-based transactions			
	34		20,355		3,250
			27,018		4,156,542
於6月30日權益總額			28,784,634		25,855,049

第10頁至第50頁的附註屬本中期財務報告一部份。

The notes on pages 10 to 50 form part of this interim financial report.

簡明綜合現金流量表

Condensed Consolidated Cash Flow Statement

截至二零零八年六月三十日止六個月 – 未經審核 (以港幣為單位)

For the six months ended 30 June 2008 – Unaudited (Expressed in Hong Kong dollars)

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
(用於)／來自經營業務的現金額	Cash (used in)/generated from operations	(3,137,027)	4,371,308
已付所得稅	Income tax paid	(103,498)	(3,474)
(用於)／來自經營業務的現金淨額	Net cash (used in)/generated from operating activities	(3,240,525)	4,367,834
來自／(用於) 投資業務的現金淨額	Net cash generated from/(used in) investing activities	335,664	(6,729,911)
(用於)／來自融資業務的現金淨額	Net cash (used in)/generated from financing activities	(207,607)	3,294,280
現金及現金等值項目 (減少)／ 增加淨額	Net (decrease)/increase in cash and cash equivalents	(3,112,468)	932,203
於1月1日的現金及現金等值項目	Cash and cash equivalents at 1 January	10,339,284	12,031,996
於6月30日的現金及現金等值項目	Cash and cash equivalents at 30 June	7,226,816	12,964,199

第10頁至第50頁的附註屬本中期財務報告一部份。

The notes on pages 10 to 50 form part of this interim financial report.

中期財務報告附註 – 未經審核

Notes To The Interim Financial Report – Unaudited

(除特別列明外，均以港幣為單位)

(Expressed in Hong Kong dollars unless otherwise indicated)

(1) 編製基礎

本中期財務報告乃根據香港聯合交易所有限公司（「聯交所」）主板上市規則有關披露條例的規定，並根據香港會計師公會頒佈的香港會計準則第34號「中期財務報告」編製而成。

本中期財務報告的編制採用了與二零零七年年報財務報告相同的會計政策。

根據香港會計準則第34條編制的中期財務報告，管理層需要對會計政策的應用及截至報表日的資產及負債、收入及支出等作出判斷、估計及假設。而實際的結果可能與這些估計有差異。

本中期財務報告包含了簡明綜合財務報告及附註摘要。附註包括那些於二零零七年年報後對集團的財務狀況及業績有重大改變的事件和交易。簡明綜合財務報告及有關附註並不包括依照香港財務報告準則所編製的完整報表內應包括的全部資訊。

本中期財務報告內所載截至二零零七年十二月三十一日止財政年度的財務資料並不構成本集團該財政年度的法定財務報表，惟該等資料是源自有關的財務報表。截至二零零七年十二月三十一日止年度之法定財務報表可於本公司的註冊辦事處索取。獨立核數師於二零零八年三月二十七日發出的報告書中，已對該等財務報表持無保留意見。

(1) Basis of Preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2007 annual financial statements.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2007 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”).

The financial information relating to the financial year ended 31 December 2007 that is included in the interim financial report as being previously reported information does not constitute the Group's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2007 are available from the Company's registered office. The independent auditors have expressed an unqualified opinion on those financial statements in their report dated 27 March 2008.

(2) 分部匯報

(a) 按地區劃分

		截至六月三十日止六個月 Six months ended 30 June			
		二零零八年 2008	二零零七年 2007	二零零八年 2008	二零零七年 2007
		稅前溢利 Profit before taxation	稅前溢利 Profit before taxation	經營收入 Operating income	經營收入 Operating income
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
香港	Hong Kong	10,771	817,674	504,401	1,210,314
中國	Mainland China	1,432,963	573,515	87,742	51,164
美國	USA	8,117	17,921	26,917	36,798
其他	Others	10,796	208,805	16,917	13,331
減：分部間項目	Less: Inter-segment items	(44)	282	(68)	51
		1,462,603	1,618,197	635,909	1,311,658

來自香港的稅前溢利包括了所佔聯營公司溢利港幣55,090,000元（二零零七年六月三十日止六個月：港幣191,677,000元）。

來自中國的稅前溢利包括了所佔聯營公司溢利港幣1,387,825,000元（二零零七年六月三十日止六個月：港幣545,100,000元）。

上述按地區分析之資料是根據附屬公司或附屬公司之分行或聯營公司的主要業務所在地點予以劃分。

(b) 按業務劃分

本集團主要從事提供銀行及相關的金融服務。以下是本集團主要業務的組成部份：

商業銀行業務： 主要包括零售銀行、企業銀行及財資等銀行業務。

資產管理： 主要包括直接投資及不良資產的管理。

未分配業務： 主要包括物業及不能合理地列入特定業務分部的任何項目。

(2) Segment Reporting

(a) By geographical areas

Profit before taxation from Hong Kong included share of profits of associates amounting to HK\$55,090,000 (six months ended 30 June 2007: HK\$191,677,000).

Profit before taxation from Mainland China included share of profits of associates amounting to HK\$1,387,825,000 (six months ended 30 June 2007: HK\$545,100,000).

The above geographical analysis is classified by the location of the principal operations of the subsidiaries or branches of its subsidiaries or associates.

(b) By business segments

The Group is principally engaged in the provision of banking and related financial services. The Group comprises the following main business segments:

Commercial banking business: It mainly comprises banking business, which includes retail banking, corporate banking and treasury activities.

Asset management: It mainly comprises direct investment and distressed assets management.

Unallocated: It mainly comprises the premises and any items which cannot be reasonably allocated to specific business segments.

(2) 分部匯報 (續)

(b) 按業務劃分 (續)

(2) Segment Reporting (cont'd)

(b) By business segments (cont'd)

		截至六月三十日止六個月 Six months ended 30 June			
		二零零八年 2008	二零零七年 2007	二零零八年 2008	二零零七年 2007
		稅前溢利／ (虧損) Profit/(loss) before taxation 港幣千元 HK\$'000	稅前溢利 Profit before taxation 港幣千元 HK\$'000	經營收入／ (虧損) Operating income/ (loss) 港幣千元 HK\$'000	經營收入 Operating income 港幣千元 HK\$'000
商業銀行業務	Commercial banking business	1,517,002	1,193,480	690,492	1,288,656
資產管理	Asset management	55,090	191,677	–	–
未分配業務	Unallocated	(109,489)	233,040	(52,345)	23,002
減：分部間項目	Less: Inter-segment items	–	–	(2,238)	–
		1,462,603	1,618,197	635,909	1,311,658

來自商業銀行業務及資產管理的稅前溢利包括所佔聯營公司溢利分別為港幣1,387,825,000元及港幣55,090,000元(截至二零零七年六月三十日止六個月：所佔聯營公司溢利分別為港幣545,100,000元及港幣191,677,000元)。

Profit before taxation from commercial banking business and asset management included share of profit of associates amounting to HK\$1,387,825,000 and HK\$55,090,000 respectively (six months ended 30 June 2007: share of profit of associates amounting to HK\$545,100,000 and HK\$191,677,000 respectively).

(3) 利息收入

(3) Interest Income

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008	二零零七年 2007
		港幣千元 HK\$'000	港幣千元 HK\$'000
上市證券	Listed securities	199,944	231,783
非上市證券	Unlisted securities	222,379	189,144
其他	Others	1,640,754	1,925,626
		2,063,077	2,346,553

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(3) 利息收入 (續)

截至二零零八年及二零零七年六月三十日止六個月，以上利息收入及相關利息支出並非按公允價值計入損益賬的金融資產的利息收入及金融負債的利息支出。

截至二零零八年六月三十日止六個月，其他利息收入包括減值金融資產的應計利息收入港幣1,570,000元（二零零七年六月三十日止六個月：港幣16,436,000元），其中包括貸款減值折現撥回的利息收入港幣1,084,000元（二零零七年六月三十日止六個月：港幣906,000元）。

(3) Interest Income (cont'd)

All interest income and interest expenses included in the income statement refer to those interest income on financial assets or interest expenses on financial liabilities that are not at fair value through profit or loss for the six months ended 30 June 2008 and 30 June 2007.

Other interest income includes the amount of interest income accrued on impaired financial assets of HK\$1,570,000 (six months ended 30 June 2007: HK\$16,436,000), which includes interest income on unwinding of discount on loan impairment losses of HK\$1,084,000 (six months ended 30 June 2007: HK\$906,000) for the six months ended 30 June 2008.

(4) 淨費用及佣金收入

(4) Net Fee and Commission Income

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
費用及佣金收入	Fee and commission income		
票據佣金	Bills commission	39,648	29,848
信用卡相關收入	Cards related income	15,606	17,473
一般銀行服務	General banking services	28,183	24,605
保險	Insurance	64,802	55,825
投資及結構性投資產品	Investment and structured investment products	113,508	111,537
貸款、透支及融資費用	Loans, overdrafts and facilities fee	183,733	151,960
其他	Others	516	432
		445,996	391,680
費用及佣金支出	Fee and commission expense	(10,060)	(6,756)
		435,936	384,924
其中：	Of which:		
淨費用及佣金收入（不包括 用作計算實際利率之金額） 關於並非按公允價值計入 損益賬的金融資產及 負債	Net fee and commission income (other than the amounts included in determining the effective interest rate) relating to financial assets and liabilities not at fair value through profit or loss		
— 費用及佣金收入	— Fee and commission income	199,339	169,433
— 費用及佣金支出	— Fee and commission expense	(3,692)	(2,106)
		195,647	167,327

(5) 淨交易（虧損）／收入

(5) Net Trading (Loss)/Income

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
結構性投資工具淨虧損及撇值	Net loss and write-down on structured investment vehicles	(717,885)	-
其他淨交易收入	Other net trading income		
買賣外幣收益減虧損	Gains less losses from dealing in foreign currencies	98,902	66,357
買賣交易用途證券收益減虧損	Gains less losses from trading securities	(25,099)	156,500
其他買賣活動收益減虧損	Gains less losses from other dealing activities	90,261	22,913
交易用途資產利息收入	Interest income on trading assets		
– 上市	– Listed	30	12,746
– 非上市	– Unlisted	6,477	73,545
非上市交易用途證券股息收入	Dividend income from unlisted trading securities	-	15,701
		170,571	347,762
		(547,314)	347,762

本集團於結構性投資工具的投資於期內由於其公允價值的變動錄得淨虧損及撇值約為港幣717,885,000元。

The Group recorded a net loss and write-down on structured investment vehicles of approximately HK\$717,885,000 during the period, which represented the changes in fair value of the investments.

(6) 指定為通過損益以反映公允價值的金融工具的淨支出

(6) Net Expenses from Financial Instruments Designated at Fair Value Through Profit or Loss

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
淨虧損	Net loss	(22,882)	(20,180)
利息收入	Interest income		
– 上市	– Listed	2,485	14,622
– 非上市	– Unlisted	8,400	6,078
利息支出	Interest expense	(52,105)	(77,325)
		(64,102)	(76,805)

(7) 淨對沖虧損

(7) Net Hedging Loss

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
公允價值對沖虧損	Fair value hedge loss	(938)	(79)

(8) 其他經營收入

(8) Other Operating Income

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
可供出售證券股息收入	Dividend income from available-for-sale securities		
– 非上市	– Unlisted	3,060	2,960
投資物業租金收入減直接	Rental income from investment properties		
支出：港幣41,000元	less direct outgoings of HK\$41,000		
(二零零七年六月三十日止	(six months ended 30 June 2007: HK\$Nil)		
六個月：無)		2,997	2,390
其他	Others	16,247	19,337
		22,304	24,687

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(9) 經營支出

(9) Operating Expenses

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
(a) 員工成本	(a) Staff costs		
薪金及其他員工成本	Salaries and other staff costs	362,978	349,241
退休金成本	Retirement costs	22,546	20,147
以股權償付的支出	Share-based payment expenses		
– 以股權償付的股份支出	– Equity-settled share-based payment expenses	20,097	3,047
– 以現金償付的股份支出	– Cash-settled share-based payment expenses	4,997	8,690
		410,618	381,125
(b) 折舊	(b) Depreciation		
物業及設備折舊	Depreciation of property and equipment		
– 根據經營租賃持有的資產	– Assets held for use under operating leases	906	7,618
– 其他資產	– Other assets	36,302	38,149
		37,208	45,767
(c) 其他經營支出	(c) Other operating expenses		
物業及設備支出 (不包括折舊)	Property and equipment expenses, excluding depreciation		
– 物業租金	– Rental of property	44,707	38,459
– 其他	– Others	40,440	34,766
核數師酬金	Auditors' remuneration	2,288	2,532
廣告費	Advertising	24,482	20,685
通訊費、印刷及文儀用品	Communication, printing and stationery	33,453	29,818
法律及專業費用	Legal and professional fee	15,661	6,176
其他	Others	81,028	55,136
		242,059	187,572
經營支出總額	Total operating expenses	689,885	614,464

其他經營支出包括根據經營租賃支出的最低應付租賃支出，分別為設備租賃支出港幣2,301,000元（二零零七年六月三十日止六個月：港幣993,000元）及其他資產租賃支出（包括物業租金）港幣42,320,000元（二零零七年六月三十日止六個月：港幣36,067,000元）。

Included in other operating expenses are minimum lease payment under operating leases of HK\$2,301,000 (six months ended 30 June 2007: HK\$993,000) for hire of equipment and HK\$42,320,000 (six months ended 30 June 2007: HK\$36,067,000) for hire of other assets (including property rentals).

**(10) 貸款及墊款減值虧損回撥／
(準備)**

**(10) Impairment Losses Written Back/
(Charged For) on Loans and Advances**

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
個別評估準備	Individual assessment charged for		
– 新提撥	– Additions	(83,565)	(58,216)
– 撥回	– Releases	6,189	2,019
– 收回金額	– Recoveries	44,612	21,298
		(32,764)	(34,899)
綜合評估回撥／ (準備)	Collective assessment written back/ (charged for)	42,289	(7,642)
		9,525	(42,541)

**(11) 出售可供出售證券淨溢利／
(虧損)**

**(11) Net Profit/(Loss) on Disposal of
Available-for-sale Securities**

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
由儲備轉入的淨重估收益／ (虧損)(附註34)	Net revaluation gain/(loss) transferred from reserves (note 34)	36,539	(182)
本期產生的淨溢利	Net profit arising in current period	370	41
		36,909	(141)

(12) 所佔聯營公司溢利

(12) Share of Profits of Associates

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
所佔聯營公司溢利	Share of profits of associates	1,449,803	691,051
減：除遞延稅項後無形資產攤銷	Less: Intangible asset amortisation, net of deferred tax	(6,888)	(6,567)
加：無形資產的遞延稅項回撥	Add: Deferred tax on intangible asset written-back	-	52,293
		1,442,915	736,777

截至二零零七年六月三十日之遞延稅項回撥是由於中華人民共和國政府頒佈新的企業所得稅法，將稅率由 33% 調低至 25%，使無形資產的遞延稅項負債由港幣217,000,000元降至港幣165,000,000元。而其相關收益港幣52,000,000元已於收益表內確認。

The write-back of the deferred tax for the six months ended 2007 was due to a reduction in the tax rate from 33% to 25% following the promulgation by the PRC government of the new Corporate Income Tax Law. The deferred tax liabilities in respect of the intangible assets fell from HK\$217 million to HK\$165 million, and a corresponding gain of HK\$52 million was recognised in the income statement.

(13) 綜合收益表所示的所得稅

(13) Income Tax in the Consolidated Income Statement

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
本期稅項 – 香港利得稅	Current tax – Hong Kong Profits Tax		
期內準備	Provision for the period	2,934	107,070
過往年度稅項準備回撥	Over-provision in respect of prior years	(584)	–
		2,350	107,070
本期稅項 – 海外稅項	Current tax – Overseas		
期內準備	Provision for the period	11,701	3,893
過往年度稅項準備補提	Under-provision in respect of prior years	582	–
		12,283	3,893
遞延稅項	Deferred tax		
暫時性差額的產生／(轉回) (附註29(b))	Origination/(Reversal) of temporary differences (note 29(b))	3,343	(3,116)
稅率下調對1月1日遞延稅項 餘額之影響(附註29(b))	Effect of decrease in tax rate on deferred tax balance at 1 January (note 29(b))	4,428	–
		7,771	(3,116)
		22,404	107,847

香港利得稅稅項以期內估計應課稅溢利按稅率16.5%計算(截至二零零七年六月三十日止六個月:17.5%)。而全資附屬公司中信嘉華銀行有限公司(「中信嘉華」)的海外分行及其附屬公司的稅項,則按照有關國家的適當現行稅率提撥準備。

The provision of Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2007: 17.5%) of the estimated assessable profits for the period. Taxation for branches of the wholly-owned subsidiary, CITIC Ka Wah Bank Limited ("CKWB"), and subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

(14) 股息

(14) Dividends

(a) 股息

(a) Dividends attributable to the interim period

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
已宣派及派發的中期股息	Interim dividend declared and paid	–	–

(14) 股息 (續)

(b) 已於中期核准及派發的上一財政年度股息

(14) Dividends (cont'd)

(b) Dividends attributable to the previous financial year, approved and paid during the interim period

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
已於中期核准及派發的截至二零零七年十二月三十一日止財政年度期末股息每股普通股港幣：無（截至二零零六年十二月三十一日：每股普通股港幣5.60仙）	Final dividend in respect of the financial year ended 31 December 2007, approved and paid during the following interim period, of HK\$Nil per ordinary share (year ended 31 December 2006: HK\$0.056 per ordinary share)	-	321,000
於結算日後，但在本公司暫停辦理股份過戶登記前根據購股權計劃所發行普通股的上一財政年度末期股息	Final dividend in respect of the previous financial year on ordinary shares issued under the Share Option Scheme subsequent to the balance sheet date and before the close of the Register of Members of the Company	-	1,056
		-	322,056

(15) 每股盈利

(a) 每股基本盈利

截至二零零八年六月三十日止六個月每股基本盈利是按照期內本公司普通股股東應佔溢利港幣1,440,199,000元（二零零七年六月三十日止六個月：港幣1,510,350,000元）及已發行普通股的加權平均數5,757,633,817股（二零零七年六月三十日止六個月：5,514,687,452股）計算。

(b) 每股攤薄盈利

截至二零零八年六月三十日止六個月每股攤薄盈利是按照期內本公司普通股股東的應佔經調整溢利港幣1,440,310,000元（二零零七年六月三十日止六個月：港幣1,511,654,000元）及就所有具備潛在攤薄影響的普通股作出調整後的普通股加權平均數5,761,485,325股（二零零七年六月三十日止六個月：5,543,436,679股）計算。

(15) Earnings Per Share

(a) Basic earnings per share

The calculation of basic earnings per share for the six months ended 30 June 2008 is based on profit attributable to ordinary equity shareholders of the Company of HK\$1,440,199,000 (six months ended 30 June 2007: HK\$1,510,350,000) and the weighted average number of ordinary shares of 5,757,633,817 (six months ended 30 June 2007: 5,514,687,452).

(b) Diluted earnings per share

The calculation of diluted earnings per share for the six months ended 30 June 2008 is based on adjusted profit attributable to ordinary equity shareholders of the Company of HK\$1,440,310,000 (six months ended 30 June 2007: HK\$1,511,654,000) and the weighted average number of ordinary shares of 5,761,485,325 (six months ended 30 June 2007: 5,543,436,679), after adjusting for the effects of all dilutive potential ordinary shares.

(16) 現金及在銀行、中央銀行及其他金融機構的結存

(16) Cash and Balances with Banks, Central Banks and Other Financial Institutions

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
現金	Cash in hand	152,588	159,201
在中央銀行的結存	Balances with central banks	89,418	76,579
在銀行的結存	Balances with banks	1,027,335	1,251,023
在其他金融機構的結存	Balances with other financial institutions	20,736	16,073
		1,290,077	1,502,876

(17) 在銀行、中央銀行及其他金融機構的存款及墊款

(17) Placements with and Advances to Banks, Central Banks and Other Financial Institutions

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
在銀行的存款	Placement with banks	1,769,917	9,893,443
在銀行的墊款	Advances to banks	5,276,587	2,511,607
向其他銀行託收中的項目	Items in the course of collection from other banks	18,719	242,538
		7,065,223	12,647,588
到期日	Maturing		
– 1個月內	– within one month	1,859,273	9,552,993
– 1個月至1年內	– between one month and one year	1,796,921	582,988
– 1年後	– after one year	3,409,029	2,511,607
		7,065,223	12,647,588

(18) 貿易票據

(18) Trade Bills

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
貿易票據總額	Gross trade bills	1,128,552	1,523,243
減值準備	Impairment allowances		
– 綜合評估	– collectively assessed	(41)	(43)
		1,128,511	1,523,200

(19) 交易用途資產

(19) Trading Assets

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
債務證券	Debt securities	671,560	1,335,609
權益證券	Equity securities	3,572	5,612
投資基金	Investment funds	8,831	1,238,246
交易用途證券	Trading securities	683,963	2,579,467
衍生工具的正公允價值 (附註36(b))	Positive fair value of derivatives (note 36(b))	1,025,294	899,542
		1,709,257	3,479,009
發行機構如下：	Issued by:		
政府機關	Sovereigns	901	898
公營機構	Public sector entities	3,308	2,355
銀行及其他金融機構	Banks and other financial institutions	667,351	628,054
企業	Corporate entities	12,403	1,948,160
		683,963	2,579,467
按上市地點分析：	Analysed by place of listing:		
於香港上市	Listed in Hong Kong	1,604	1,095
於香港以外地區上市	Listed outside Hong Kong	3,572	200,165
		5,176	201,260
非上市	Unlisted	678,787	2,378,207
		683,963	2,579,467

(20) 指定為通過損益以反映公允價值的證券

(20) Securities Designated at Fair Value through Profit or Loss

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
債務證券	Debt securities	405,850	531,025
發行機構如下：	Issued by:		
銀行及其他金融機構	Banks and other financial institutions	142,522	134,422
企業	Corporate entities	263,328	396,603
		405,850	531,025
按上市地點分析：	Analysed by place of listing:		
於香港以外地區上市	Listed outside Hong Kong	82,147	82,844
非上市	Unlisted	323,703	448,181
		405,850	531,025

(21) 客戶貸款及墊款及其他賬項

(21) Loans and Advances to Customers and Other Accounts

(a) 客戶貸款及墊款及其他賬項減減值準備

(a) Loans and advances to customers and other accounts less impairment allowances

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
客戶貸款及墊款總額	Gross loans and advances to customers	75,424,484	65,833,430
減值準備	Impairment allowances		
– 個別評估	– individually assessed	(127,657)	(70,883)
– 綜合評估	– collectively assessed	(177,347)	(223,540)
		75,119,480	65,539,007
應計利息及其他賬項減 減值準備	Accrued interest and other accounts less impairment allowances	2,287,847	2,165,290
		77,407,327	67,704,297

(21) 客戶貸款及墊款及其他賬項 (續)

(21) Loans and Advances to Customers and Other Accounts (cont'd)

(b) 按行業劃分的客戶貸款及墊款

以下按經濟行業進行的分析是根據香港金融管理局(「金管局」)使用的分類及定義作出。

(b) Loans and advances to customers analysed by industry sectors

The following economic sector analysis is based on categories and definitions used by the Hong Kong Monetary Authority (“HKMA”).

		二零零八年六月三十日 As at 30 June 2008		二零零七年十二月三十一日 As at 31 December 2007	
		客戶貸款及 墊款總額 Gross loans and advances to customers 港幣千元 HK\$'000	有抵押貸款及 墊款百分率 % of loans and advances covered by collateral	客戶貸款及 墊款總額 Gross loans and advances to customers 港幣千元 HK\$'000	有抵押貸款及 墊款百分率 % of loans and advances covered by collateral
工商金融	Industrial, commercial and financial				
– 物業發展	– Property development	115,000	–	207,000	–
– 物業投資	– Property investment	8,701,185	98	7,740,669	98
– 金融企業	– Financial concerns	4,747,430	62	5,061,032	36
– 股票經紀	– Stockbrokers	19,475	67	181,000	6
– 批發及零售業	– Wholesale and retail trade	3,697,869	50	3,383,895	54
– 製造業	– Manufacturing	6,599,276	26	5,833,965	24
– 運輸及運輸 設備	– Transport and transport equipment	3,160,065	72	3,394,165	81
– 娛樂活動	– Recreational activities	128,631	99	100,800	99
– 資訊科技	– Information technology	18,521	99	1,122	80
– 其他	– Others	2,765,278	56	3,332,366	60
個人	Individuals				
– 購買居者有其屋 計劃、私人 發展商參建 居屋計劃及 租者置其屋 計劃的樓宇 貸款	– Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	33,737	100	34,963	100
– 購買其他住宅 物業的貸款	– Loans for the purchases of other residential properties	11,219,031	99	11,284,553	99
– 信用卡墊款	– Credit card advances	384,712	–	506,775	–
– 其他	– Others	3,003,987	87	2,401,149	83
在香港使用的貸款 及墊款總額	Gross loans and advances for use in Hong Kong	44,594,197	74	43,463,454	70
貿易融資	Trade finance	4,991,469	37	4,467,495	38
在香港以外使用的 貸款及墊款總額	Gross loans and advances for use outside Hong Kong	25,838,818	35	17,902,481	42
客戶貸款及墊款總額	Gross loans and advances to customers	75,424,484	58	65,833,430	61

(21) 客戶貸款及墊款及其他賬項 (續)

(21) Loans and Advances to Customers and Other Accounts (cont'd)

(c) 減值客戶貸款及墊款

(c) Impaired loans and advances to customers

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
減值客戶貸款及墊款總額	Gross impaired loans and advances to customers	937,753	757,212
減值準備 – 個別評估	Impairment allowances – individually assessed	(127,657)	(70,883)
		810,096	686,329
減值貸款及墊款總額佔客戶 貸款及墊款總額的百分率	Gross impaired loans and advances as a % of total loans and advances to customers	1.24%	1.15%

減值貸款及墊款主要是根據個別具有減值的客觀證據，以作個別減值評估的貸款。

Impaired loans and advances are mainly individually assessed loans which exhibit objective evidence of impairment on an individual basis.

經個別評估的減值準備已計及本集團就這些貸款及墊款所持抵押品的可變現價值，為港幣664,037,000元（二零零七年十二月三十一日：港幣601,359,000元）。這些抵押品主要由住宅或商業物業按揭權益和在本集團的現金存款組成。

Individually assessed impairment allowances were made after taking into account the realisable value of collateral in respect of such loans and allowances of HK\$664,037,000 (31 December 2007: HK\$601,359,000) for the Group. This collateral mainly comprises mortgage interest over residential or commercial properties and cash with the Group.

(21) 客戶貸款及墊款及其他賬項 (續)

(c) 減值客戶貸款及墊款 (續)

佔客戶貸款及墊款總額 10% 或以上，並按個別貸款用途分類的減值貸款及墊款分析如下：

(21) Loans and Advances to Customers and Other Accounts (cont'd)

(c) Impaired loans and advances to customers (cont'd)

The analysis of impaired loans and advances of the individual loan usage category, which accounted for 10% or more of the gross loans and advances to customers, is as follows:

		二零零八年六月三十日 As at 30 June 2008		
		個別減值準備 Individual impairment allowances 港幣千元 HK\$'000	綜合減值準備 Collective impairment allowances 港幣千元 HK\$'000	減值貸款及墊款 Impaired loans and advances 港幣千元 HK\$'000
物業投資	Property investment	3,059	7,090	30,118
購買其他住宅物業的 貸款及墊款	Loans and advances for the purchases of other residential properties	258	2,578	12,236
香港以外使用的貸款 及墊款	Gross loans and advances for use outside Hong Kong	46,455	57,572	630,653
		49,772	67,240	673,007

		二零零七年十二月三十一日 As at 31 December 2007		
		個別減值準備 Individual impairment allowances 港幣千元 HK\$'000	綜合減值準備 Collective impairment allowances 港幣千元 HK\$'000	減值貸款及墊款 Impaired loans and advances 港幣千元 HK\$'000
物業投資	Property investment	3,059	7,486	21,931
購買其他住宅物業的 貸款及墊款	Loans and advances for the purchases of other residential properties	1,944	4,470	13,927
香港以外使用的貸款 及墊款	Gross loans and advances for use outside Hong Kong	52,846	63,886	532,931
		57,849	75,842	568,789

(22) 可供出售證券

(22) Available-for-sale Securities

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
持有的存款證	Certificates of deposit held	184,928	150,033
債務證券	Debt securities	15,613,558	21,157,046
國庫券 (包括外匯基金票據)	Treasury bills (including Exchange Fund Bills)	3,865,883	721,180
權益證券	Equity securities	40,574	40,212
投資基金	Investment funds	56,944	56,932
		19,761,887	22,125,403
發行機構如下：	Issued by:		
政府機關	Sovereigns	3,865,883	805,060
公營機構	Public sector entities	431,534	710,682
銀行及其他金融機構	Banks and other financial institutions	10,551,595	15,450,543
企業	Corporate entities	4,912,875	5,159,118
		19,761,887	22,125,403
按上市地點分析：	Analysed by place of listing:		
於香港上市	Listed in Hong Kong	501,075	864,142
於香港以外地區上市	Listed outside Hong Kong	5,738,631	6,473,642
		6,239,706	7,337,784
非上市	Unlisted	13,522,181	14,787,619
		19,761,887	22,125,403

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(23) 聯營公司權益

(23) Interest in Associates

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
所佔淨資產	Share of net assets	17,736,806	15,754,176
商譽	Goodwill	4,374,546	4,374,546
無形資產	Intangible assets	623,516	632,700
無形資產的遞延稅項	Deferred tax on intangible assets	(155,879)	(158,175)
應收聯營公司款項	Amount due from associates	386,320	32,392
		22,965,309	20,635,639

(a) 主要聯營公司的詳情如下：

(a) Details of the principal associates are as follows:

公司名稱 Name of company	業務結構形式 Form of business structure	註冊成立/ 經營地區 Place of incorporation/ operation	本集團 實際權益 Group's effective interest	由本公司持有 Held by the Company	由附屬公司持有 Held by the subsidiaries	主要業務 Principal activities	已發行股份面值 Nominal value of issued shares
中信銀行股份有限公司 (「中信銀行」) China CITIC Bank Corporation Limited ("CNCB")	法人公司 Incorporated	中國 PRC	15%	15% (附註1) (Note 1)	—	銀行服務 Banking services	人民幣39,033,000,000元 RMB39,033,000,000
中信資本控股有限公司 CITIC Capital Holdings Limited	法人公司 Incorporated	香港 Hong Kong	50%	—	50%	投資控股 Investment holdings	港幣28,000,000元 HK\$28,000,000
中信國際資產管理有限公司 CITIC International Assets Management Limited	法人公司 Incorporated	香港 Hong Kong	40%	40%	—	投資控股及資產管理 Investment holdings and assets management	港幣2,020,092,136元 HK\$2,020,092,136

附註1：由於本集團有代表加入中信銀行之董事會及對其有重大之影響力，因此中信銀行被視作本集團之聯營公司，並將是項投資以權益法入賬。

Note 1: The Group's investment in CNCB has been accounted for as an associate using the equity method as the Group has representation on the Board of Directors and is in a position to exercise significant influence over CNCB.

(23) 聯營公司權益 (續)

(b) 無形資產的變動

(23) Interest in Associates (cont'd)

(b) Movement of the intangible assets

		核心存款和 客戶關係 Core deposits and customers		總額 Total
		品牌 Brand name	relationships	
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
成本	Cost			
於2008年1月1日及 2008年6月30日	At 1 January 2008 and 30 June 2008	400,963	250,268	651,231
累計攤銷	Accumulated amortisation			
於2008年1月1日	At 1 January 2008	–	18,531	18,531
無形資產攤銷	Amortisation of the intangible assets	–	9,184	9,184
於2008年6月30日	At 30 June 2008	–	27,715	27,715
賬面值	Carrying amount			
於2008年6月30日	At 30 June 2008	400,963	222,553	623,516
於2007年12月31日	At 31 December 2007	400,963	231,737	632,700

截至二零零八年六月三十日止期間，無形資產並無出現減值（二零零七年六月三十日止六個月：無）。

There is no impairment charged for the six months ended 30 June 2008 (six months ended 30 June 2007: HK\$Nil) on the intangible assets.

(24) 物業及設備

(24) Property and Equipment

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本或估值：	Cost or valuation:				
於2007年1月1日	At 1 January 2007	124,776	964,412	659,593	1,748,781
增加	Additions	–	–	59,595	59,595
重新分類	Reclassification	62,100	(79,607)	–	(17,507)
重新分類前之 重估盈餘	Surplus on revaluation before reclassification	–	48,098	–	48,098
出售	Disposals	(8,600)	(2,657)	(10,568)	(21,825)
重估盈餘	Surplus on revaluation	60,104	–	–	60,104
匯兌調整	Exchange adjustments	–	117	45	162
於2007年12月31日	At 31 December 2007	238,380	930,363	708,665	1,877,408
上述資產的成本或 估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	899,326	708,665	1,607,991
估值	Valuation				
– 1985年	– 1985	–	31,037	–	31,037
– 2007年	– 2007	238,380	–	–	238,380
		238,380	930,363	708,665	1,877,408
於2008年1月1日	At 1 January 2008	238,380	930,363	708,665	1,877,408
增加	Additions	–	–	22,997	22,997
重新分類	Reclassification	(88,900)	88,900	–	–
出售	Disposals	(1,850)	–	(12,175)	(14,025)
重估盈餘	Surplus on revaluation	28,112	–	–	28,112
匯兌調整	Exchange adjustments	–	5	(9)	(4)
於2008年6月30日	At 30 June 2008	175,742	1,019,268	719,478	1,914,488
上述資產的成本或 估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	899,331	719,478	1,618,809
估值	Valuation				
– 1985年	– 1985	–	31,037	–	31,037
– 2008年	– 2008	175,742	88,900	–	264,642
		175,742	1,019,268	719,478	1,914,488

(24) 物業及設備 (續)

(24) Property and Equipment (cont'd)

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
累計折舊：	Accumulated depreciation:				
於2007年1月1日	At 1 January 2007	–	272,875	476,141	749,016
本年度折舊	Charge for the year	–	19,524	62,563	82,087
因出售而撥回	Written back on disposals	–	(1,715)	(9,134)	(10,849)
重新分類	Reclassification	–	(17,507)	–	(17,507)
匯兌調整	Exchange adjustments	–	18	24	42
於2007年12月31日	At 31 December 2007	–	273,195	529,594	802,789
於2008年1月1日	At 1 January 2008	–	273,195	529,594	802,789
本期內折舊 (附註9(b))	Charge for the period (note 9(b))	–	9,991	27,217	37,208
因出售而撥回	Written back on disposals	–	–	(11,111)	(11,111)
匯兌調整	Exchange adjustments	–	1	(3)	(2)
於2008年6月30日	At 30 June 2008	–	283,187	545,697	828,884
賬面淨值：	Net book value:				
於2008年6月30日	At 30 June 2008	175,742	736,081	173,781	1,085,604
於2007年12月31日	At 31 December 2007	238,380	657,168	179,071	1,074,619

(25) 客戶存款

(25) Deposits from customers

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
活期及往來賬戶存款	Demand deposits and current deposits	6,730,230	6,872,059
儲蓄存款	Savings deposits	11,850,419	11,687,849
定期、即期及短期通知存款	Time, call and notice deposits	60,239,561	65,235,053
		78,820,210	83,794,961

(26) 交易用途負債

(26) Trading Liabilities

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
衍生工具的負公允價值 (附註36(b))	Negative fair value of derivatives (note 36(b))	925,433	879,690

(27) 已發行存款證

(27) Certificates of Deposit Issued

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
指定為通過損益以反映 公允價值	Designated at fair value through profit or loss	500,780	4,763,836
非交易用途	Non-trading	4,285,261	2,099,288
		4,786,041	6,863,124

指定為通過損益以反映公允價值的已發行存款證具備可改變現金流量的內含衍生工具，若內含衍生工具未能有效改變現金流量，則兩者需要分別入賬。

指定為通過損益以反映公允價值的已發行存款證的賬面值於二零零八年六月三十日低於到期時應付合約金額，其差額為港幣12,620,000元（二零零七年十二月三十一日：港幣31,135,000元），主要是因為基準利率變動而產生。

Certificates of deposit issued are designated at fair value through profit or loss when they contain embedded derivatives that modify the cash flows that otherwise would be required to be separated.

The carrying amount of certificates of deposit issued designated at fair value through profit or loss at 30 June 2008 was HK\$12,620,000 (31 December 2007: HK\$31,135,000) lower than the contractual amount at maturity, which was mainly due to changes in benchmark interest rate.

(28) 已發行債務證券

(28) Debt Securities Issued

	二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
非交易性已發行債務證券	2,342,413	2,314,394
Non-trading debt securities issued		

(29) 綜合資產負債表所示的所得稅

(29) Income Tax in the Consolidated Balance Sheet

(a) 綜合資產負債表所示的本期稅項為：

(a) Current taxation in the consolidated balance sheet represents:

	二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
本期／本年度香港 利得稅準備	2,934	9,544
已付暫繳利得稅	(163,773)	(136,292)
	(160,839)	(126,748)
以往年度的利得稅 準備結餘	(4,077)	55,779
	(164,916)	(70,969)
海外稅項準備	11,621	6,481
	(153,295)	(64,488)
其中：	Of which:	
可回收稅項	Tax recoverable	(165,812)
本期稅項	Current taxation	12,517
		(153,295)
		(64,488)

(29) 綜合資產負債表所示的所得稅 (續)

(29) Income Tax in the Consolidated Balance Sheet (cont'd)

(b) 已確認的遞延稅項資產及負債

已於綜合資產負債表確認的遞延稅項(資產)/負債的組合及於本期內的變動如下:

(b) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the consolidated balance sheet and the movements during the period are as follows:

		折舊免稅額 超過有關折舊 Depreciation allowances in excess of related depreciation 港幣千元 HK\$'000	貸款減值準備 for loans 港幣千元 HK\$'000	物業及其他資產 的公允價值調整 Fair value adjustments for revaluation of properties and other assets 港幣千元 HK\$'000	可供出售證券的 公允價值調整 Fair value adjustments for available- for-sale securities 港幣千元 HK\$'000	稅項虧損 Tax losses 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
遞延稅項源自:	Deferred tax arising from:							
於2007年1月1日	At 1 January 2007	17,561	(39,259)	(26,654)	41,956	-	(922)	(7,318)
綜合收益表內(撥回)/撥銷	(Credited)/charged to consolidated income statement	(132)	234	10,824	-	(34,670)	-	(23,744)
儲備內撥銷/(撥回)	Charged/(credited) to reserves	-	-	8,417	(60,347)	-	-	(51,930)
匯兌及其他調整	Exchange and other adjustments	-	-	-	-	618	-	618
於2007年12月31日	At 31 December 2007	17,429	(39,025)	(7,413)	(18,391)	(34,052)	(922)	(82,374)
於2008年1月1日	At 1 January 2008	17,429	(39,025)	(7,413)	(18,391)	(34,052)	(922)	(82,374)
綜合收益表內撥銷/(撥回) (附註13)	Charged/(credited) to consolidated income statement (note 13)	2,200	7,593	(2,809)	-	(3,895)	254	3,343
儲備內撥銷/(撥回)	Charged/(credited) to reserves	-	-	4	(13,472)	-	-	(13,468)
因稅率下調而產生的 綜合收益表內 (撥回)/撥銷 (附註13)	Effect of decrease in tax rate (credited)/charged to consolidated income statement (note 13)	(996)	2,231	1,247	-	1,946	-	4,428
因稅率下調而產生的 儲備內(撥回)/撥銷 (附註34)	Effect of decrease in tax rate (credited)/charged to reserves (note 34)	-	-	(602)	1,051	-	-	449
於2008年6月30日	At 30 June 2008	18,633	(29,201)	(9,573)	(30,812)	(36,001)	(668)	(87,622)

(29) 綜合資產負債表所示的所得稅 (續)

(29) Income Tax in the Consolidated Balance Sheet (cont'd)

(b) 已確認的遞延稅項資產及負債 (續)

(b) Deferred tax assets and liabilities recognised (cont'd)

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
在綜合資產負債表確認的淨遞延稅項資產	Net deferred tax assets recognised on the consolidated balance sheet	(88,810)	(82,374)
在綜合資產負債表確認的淨遞延稅項負債	Net deferred tax liabilities recognised on the consolidated balance sheet	1,188	-
		(87,622)	(82,374)

(c) 未確認的遞延稅項資產

由於可能未來沒有適用於有關稅務機關的應課稅溢利以彌補有關虧損，本集團並未確認累計稅項虧損的遞延稅項資產港幣114,600,000元(二零零七年十二月三十一日：港幣106,868,000元)。根據現時稅務條例，這些稅項虧損的到期日如下：

(c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$114,600,000 (31 December 2007: HK\$106,868,000), as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. Under the current tax legislation, the expiry dates of the tax losses are as follows:

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
不設到期日	No expiry date	114,600	106,868

(30) 其他負債

(30) Other Liabilities

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
應付其他金融機構 託收中的項目	Items in the course of collection to other financial institutions	1,998,768	-
其他賬項	Other accounts	1,912,743	1,459,451
		3,911,511	1,459,451

(31) 債務資本

(31) Loan Capital

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
年息率為 9.125% · 面值美金 250,000,000元的後償票據*	Subordinated notes with US\$250 million 9.125% *	1,974,633	1,976,738
年息率為倫敦銀行同業拆息率加 1.75% · 面值美金250,000,000元 的後償票據**	Subordinated notes with US\$250 million 1.75%+LIBOR rate**	1,949,880	1,949,652
		3,924,513	3,926,390

* 年息率為 9.125% · 面值美金250,000,000元 (港幣1,944,100,000元) 的後償票據是於二零零二年五月二十三日由本集團的全資附屬公司CKWH-UT2 Limited 發行，並合資格列作第二級資本。本集團之全資附屬公司中信嘉華，無條件及不可撤回地對這些票據的所有應付金額作出擔保。CKWH-UT2 Limited 可於二零一二年提前贖回年息率為9.125% 的永久後償票據。

** 二零零七年十二月十一日，中信嘉華根據一項數額為美金二十億元中期票據計劃發行年息率為三個月美金存款適用的倫敦銀行同業拆息率加 1.75%，面值為美金250,000,000元 (港幣1,949,500,000元) 的浮動利率後償票據。這些票據在新加坡交易所有限公司上市，並將於二零一七年十二月十二日到期。

* Subordinated notes with a coupon of 9.125% per annum and with face value of US\$250 million (HK\$ equivalent 1,944.1 million) were issued on 23 May 2002 by CKWH-UT2 Limited, a wholly-owned subsidiary of the Group, and qualified as tier 2 capital. CKWB, a wholly-owned subsidiary of the Group, unconditionally and irrevocably guarantees all amounts payable under the notes. The 9.125% per annum perpetual subordinated notes will be callable by CKWH-UT2 Limited in 2012.

** On 11 December 2007, CKWB, under a US\$2 billion Medium Term Note Programme, issued subordinated float rate notes with a coupon of 1.75% per annum above the LIBOR for three-month US dollar deposits with face value of US\$250 million (HK\$ equivalent 1,949.5 million). The notes are listed on the SGX-ST and will be matured on 12 December 2017.

中期財務報告附註 – 未經審核

Notes To The Interim Financial Report – Unaudited

(32) 到期日分析

以下到期日分析是按照於結算日至合約到期日的餘下期間為準。

由於交易用途資產組合可能在到期前出售，而客戶存款則可能在沒有提取的情況下到期，因此，合約到期日並不代表預計獲得未來現金流量的日期。

(32) Maturity Profile

The following maturity profile is based on the remaining period at the balance sheet date to the contractual maturity date.

As the trading portfolio may be sold before maturity or deposits from customers may mature without being withdrawn, the contractual maturity dates do not represent expected dates of future cash flows.

		二零零八年六月三十日 As at 30 June 2008							
		總額 Total 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月以上 至3個月 3 months or less but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	無註明日期 Undated 港幣千元 HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	1,290,077	1,290,077	-	-	-	-	-	-
在銀行、中央銀行及 其他金融機構的存款及 墊款	Placements with and advances to banks, central banks and other financial institutions	7,065,223	-	1,859,273	347,677	1,449,244	1,507,457	1,901,572	-
貿易票據	Trade bills	1,128,511	-	424,982	608,987	94,542	-	-	-
交易用途資產	Trading assets	1,709,257	1,025,294	-	901	351	670,208	100	12,403
指定為通過損益以反映 公允價值的證券	Securities designated at fair value through profit or loss	405,850	-	-	-	-	405,850	-	-
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	77,407,327	1,763,396	3,819,171	5,190,701	12,238,384	31,818,441	19,449,305	3,127,929
可供出售證券	Available-for-sale securities	19,761,887	-	4,402,853	2,602,367	2,824,299	8,397,823	1,434,890	99,655
可回收稅項	Tax recoverable	165,812	-	-	-	165,812	-	-	-
無註明日期資產	Undated assets	25,147,472	-	-	-	-	-	-	25,147,472
資產總額	Total assets	134,081,416	4,078,767	10,506,279	8,750,633	16,772,632	42,799,779	22,785,867	28,387,459
負債	Liabilities								
銀行及其他金融機構的 存款及結存*	Deposits and balances of banks and other financial institutions*	10,565,204	112,272	8,444,559	1,794,250	214,123	-	-	-
客戶存款	Deposits from customers	78,820,210	18,580,649	42,619,482	12,483,263	4,855,652	281,164	-	-
交易用途負債	Trading liabilities	925,433	925,433	-	-	-	-	-	-
已發行存款證	Certificates of deposit issued	4,786,041	-	-	39,884	3,474,672	1,271,485	-	-
已發行債務證券	Debt securities issued	2,342,413	-	-	-	21,300	2,321,113	-	-
已發行可換股債券	Convertible bond issued	7,752	-	-	-	7,752	-	-	-
債務資本	Loan capital	3,924,513	-	-	-	-	3,924,513	-	-
本期稅項	Current taxation	12,517	-	-	-	12,517	-	-	-
無註明日期負債	Undated liabilities	3,912,699	-	-	-	-	-	-	3,912,699
負債總額	Total liabilities	105,296,782	19,618,354	51,064,041	14,317,397	8,586,016	7,798,275	-	3,912,699
資產 - 負債差距	Asset - liability gap		(15,539,587)	(40,557,762)	(5,566,764)	8,186,616	35,001,504	22,785,867	

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(32) 到期日分析 (續)

(32) Maturity Profile (cont'd)

		二零零七年十二月三十一日 As at 31 December 2007							
		總額	即時償還	1個月內	1個月以上 至3個月	3個月以上 至1年	1年以上 至5年	5年以上	無註明日期
		Total	Repayable on demand	Within 1 month	over 1 month	3 months less but over 3 months	5 years or less but over 1 year	Over 5 years	Undated
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	1,502,876	823,246	101,204	77,986	500,440	-	-	-
在銀行、中央銀行及 其他金融機構的 存款及墊款	Placements with and advances to banks, central banks and other financial institutions	12,647,588	-	9,552,993	525,567	57,421	1,424,023	1,087,584	-
貿易票據	Trade bills	1,523,200	-	445,835	836,911	240,454	-	-	-
交易用途資產	Trading assets	3,479,009	899,542	-	-	948	1,086,007	248,653	1,243,859
指定為通過損益以反映 公允價值的證券	Securities designated at fair value through profit or loss	531,025	-	-	-	-	531,025	-	-
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	67,704,297	1,564,930	1,958,699	5,381,822	7,865,500	29,116,210	18,942,826	2,874,310
可供出售證券	Available-for-sale securities	22,125,403	-	1,645,774	2,822,729	6,063,073	9,785,773	1,708,876	99,178
可回收稅項	Tax recoverable	71,248	-	-	-	71,248	-	-	-
無註明日期資產	Undated assets	22,800,381	-	-	-	-	-	-	22,800,381
資產總額	Total assets	132,385,027	3,287,718	13,704,505	9,645,015	14,799,084	41,943,038	21,987,939	27,017,728
負債	Liabilities								
銀行及其他金融機構的 存款及結存*	Deposits and balances of banks and other financial institutions*	6,649,030	282,145	5,992,462	171,293	203,130	-	-	-
客戶存款	Deposits from customers	83,794,961	18,559,908	51,321,293	11,061,862	2,290,713	561,185	-	-
交易用途負債	Trading liabilities	879,690	879,690	-	-	-	-	-	-
已發行存款證	Certificates of deposit issued	6,863,124	-	-	595,802	4,199,195	2,068,127	-	-
已發行債務證券	Debt securities issued	2,314,394	-	-	-	-	2,314,394	-	-
已發行可換股債券	Convertible bond issued	7,648	-	-	-	7,648	-	-	-
債務資本	Loan capital	3,926,390	-	-	-	-	3,926,390	-	-
本期稅項	Current taxation	6,760	-	-	-	6,760	-	-	-
無註明日期負債	Undated liabilities	1,459,451	-	-	-	-	-	-	1,459,451
負債總額	Total liabilities	105,901,448	19,721,743	57,313,755	11,828,957	6,707,446	8,870,096	-	1,459,451
資產 - 負債差距	Asset - liability gap		(16,434,025)	(43,609,250)	(2,183,942)	8,091,638	33,072,942	21,987,939	

* 在「銀行及其他金融機構的存款及結存」之內，包括本公司借入的過渡貸款總額為港幣五十一億一千萬元，藉以用作購入中信銀行於二零零七年四月上市的H股股份及注資中信嘉華。該貸款每月滾轉及最終還款期為二零零八年十二月，貸款利息為香港同業拆息加邊際利率。

* Included in the "Deposits and balances of banks and other financial institutions", there are bridge loans totalling HK\$5,110 million which were borrowed by the Company for the acquisition of CNCB H shares upon its listing in April 2007 and to finance the capital injection into CKWB in December 2007. The bridge loans are rolled over monthly and will be due for repayment in December 2008. The interest rates for the loans are charged on Hong Kong Inter-bank Offer Rate plus a margin.

(33) 股本

法定及已發行股本

(33) Share Capital

Authorised and issued share capital

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
法定股本： 每股面值港幣1元的普通股 8,000,000,000股	Authorised: 8,000,000,000 ordinary shares of HK\$1 each	8,000,000	8,000,000
已發行及繳足股本： 於1月1日： 每股面值港幣1元的普通股 5,757,320,916股（2007年： 5,023,422,774股） 根據購股權計劃發行的股份 發行新股份* 根據可換股債券 而轉換的股份	Issued and fully paid: At 1 January: 5,757,320,916 (2007: 5,023,422,774) ordinary shares of HK\$1 each Share issued under the share option scheme Issuance of new shares* Conversion of convertible bonds into ordinary shares	5,757,321 1,640 – –	5,023,422 6,300 668,575 59,024
於6月30日： 每股面值港幣1元的普通股 5,758,960,916股 （2007年12月31日： 5,757,320,916股）	At 30 June: 5,758,960,916 (31 December 2007: 5,757,320,916) ordinary shares of HK\$1 each	5,758,961	5,757,321

* 截至二零零七年十二月三十一日止年度，本公司已發行了668,574,374股普通股予西班牙對外銀行。

* The Company issued 668,574,374 ordinary shares to Banco Bilbao Vizcaya Argentaria, S.A. ("BBVA") for the year ended 31 December 2007.

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(34) 儲備

(34) Reserves

		歸屬於本公司股東 Attributable to equity shareholders of the Company									
		股份溢價	資本儲備	一般儲備	匯兌 差額儲備	其他物業 重估儲備	公允 價值儲備	可換股債券 — 權益部份	購股權 儲備	保留溢利*	總額
		Share premium	Capital reserve	General reserve	Exchange differences reserve	property revaluation reserve	Fair value reserve	Convertible bond – equity component	Share option reserve	Retained profits*	Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於2007年1月1日	At 1 January 2007	6,474,230	2,818	3,861,867	10,541	16,038	197,370	71,767	26,068	4,547,950	15,208,649
本年度已發行股份的溢價	Share premium on shares issued during the year	3,441,559	-	-	-	-	-	-	-	-	3,441,559
外幣換算差額	Exchange difference on translation	-	-	-	787,384	-	-	200	-	-	787,584
除遞延稅項後的重估盈餘	Revaluation surplus, net of deferred tax	-	-	-	-	33,670	-	-	-	-	33,670
出售物業而撥回重估儲備	Release of revaluation reserve on disposal of properties	-	-	-	-	-	-	-	-	6,011	6,011
所佔聯營公司公允價值儲備	Share of fair value reserve of associates	-	-	-	-	-	(10,910)	-	-	-	(10,910)
可供出售證券	Available-for-sale securities	-	-	-	-	-	(337,476)	-	-	-	(337,476)
— 公允價值變動	- change in fair value	-	-	-	-	-	(337,476)	-	-	-	(337,476)
— 出售時轉出至收益表	- transferred to income statement on disposal	-	-	-	-	-	(7,356)	-	-	-	(7,356)
— 轉至遞延稅項	- transferred to deferred tax	-	-	-	-	-	60,346	-	-	-	60,346
可轉換股債券而轉換的股份	Conversion of convertible bonds into ordinary shares	-	-	-	-	-	-	(11,768)	-	-	(11,768)
行使購股權發行股份	Exercise of share options during the year	-	-	-	-	-	-	-	(5,228)	-	(5,228)
所佔聯營公司購股權儲備	Share of share option reserve of associates	-	-	-	-	-	-	-	8,167	-	8,167
以股權價付的 股份交易	Equity-settled share-based transactions	-	-	-	-	-	-	-	22,605	-	22,605
已派發上年度股息 (附註14(b))	Dividends paid in respect of the previous year (note 14(b))	-	-	-	-	-	-	-	-	(322,056)	(322,056)
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	1,852,461	1,852,461
於2007年12月31日	At 31 December 2007	9,915,789	2,818	3,861,867	797,925	49,708	(98,026)	60,199	51,612	6,084,366	20,726,258

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(34) 儲備 (續)

(34) Reserves (cont'd)

		歸屬於本公司股東 Attributable to equity shareholders of the Company									
		股份溢價 Share premium	資本儲備 Capital reserve	一般儲備 General reserve	匯兌 差額儲備 Exchange differences reserve	其他物業 重估儲備 Other property revaluation reserve	公允 價值儲備 Fair value reserve	可換股債券 — 權益部份 Convertible bond – equity component	購股權 儲備 Share option reserve	保留溢利* Retained profits*	總額 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於2008年1月1日	At 1 January 2008	9,915,789	2,818	3,861,867	797,925	49,708	(98,026)	60,199	51,612	6,084,366	20,726,258
本期已發行股份的溢價	Share premium on shares issued during the period	7,004	-	-	-	-	-	-	-	-	7,004
外幣換算差額	Exchange difference on translation	-	-	-	946,856	-	-	7	-	-	946,863
所佔聯營公司物業重估儲備	Share of property revaluation reserve of associates	-	-	-	-	337	-	-	-	-	337
因出售投資物業而實現的重估盈餘及遞延稅項負債 (前期轉自其他物業)	Release of revaluation surplus and deferred tax liabilities upon disposal of investment properties (transferred from other premises in prior years)	-	-	-	-	22	-	-	-	(26)	(4)
稅率下調對1月1日遞延稅項餘額之影響 (附註29(b))	Effect of decrease in tax rate on deferred tax balance at 1 January (note 29(b))	-	-	-	-	602	(1,051)	-	-	-	(449)
所佔聯營公司公允價值儲備	Share of fair value reserve of associates	-	-	-	-	-	(52,758)	-	-	-	(52,758)
可供出售證券	Available-for-sale securities	-	-	-	-	-	(45,103)	-	-	-	(45,103)
— 公允價值變動	— change in fair value	-	-	-	-	-	(45,103)	-	-	-	(45,103)
— 出售時轉出至收益表 (附註11)	— transferred to income statement on disposal (note 11)	-	-	-	-	-	(36,539)	-	-	-	(36,539)
— 轉至遞延稅項	— transferred to deferred tax	-	-	-	-	-	13,472	-	-	-	13,472
本期行使購股權發行股份	Exercise of share options during the period	-	-	-	-	-	-	-	(1,981)	-	(1,981)
所佔聯營公司購股權儲備	Share of share option reserve of associates	-	-	-	-	-	-	-	8,019	-	8,019
以股權償付的股份交易	Equity-settled share-based transactions	-	-	-	-	-	-	-	20,355	-	20,355
本期溢利	Profit for the period	-	-	-	-	-	-	-	-	1,440,199	1,440,199
於2008年6月30日	At 30 June 2008	9,922,793	2,818	3,861,867	1,744,781	50,669	(220,005)	60,206	78,005	7,524,539	23,025,673

* 為符合香港《銀行業條例》有關審慎監管的規定，中信嘉華需在規管儲備中維持超過已經或可能確認減值損失的可能貸款及墊款（於二零零七年並包括投資）的減值損失金額。經諮詢金管局後，儲備的變動已直接在保留溢利內劃定。於二零零八年六月三十日，保留溢利中包括與此有關屬可派發予中信嘉華的股東港幣764,214,000元（二零零七年十二月三十一日：港幣957,055,000元），但派發前須諮詢金管局。

* A regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes by earmarking amounts in respect of losses which CKWB will or may incur on loans and advances (and investments in the year of 2007) in addition to impairment losses recognised. Movements in the reserve are earmarked directly through retained profits and in consultation with the HKMA. As at 30 June 2008, HK\$764,214,000 (31 December 2007: HK\$957,055,000) was included in the retained profits in this respect which was distributable to equity holders of CKWB subject to consultation with the HKMA.

(35) 重大關聯方交易

除在本財務報表其他部份披露的交易及結餘外，本集團進行了以下重大關聯方交易：

(a) 與集團公司的交易

本期內，本集團在其日常銀行業務過程中與關聯方進行了多項交易，其中特別包括借貸、接受及存放同業存款、參與銀團貸款、往來銀行交易和外匯交易。這些交易的合約定價是按照每次進行交易時的相關市場利率而定，並與提供給本集團其他交易方及客戶的條款相同。董事會認為，這些交易是按正常商業條款進行。

(35) Material Related Party Transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

(a) Transactions with group companies

During the period, the Group entered into a number of transactions with related parties, in the normal course of its banking business including, inter alia, lending, acceptance and placement of inter-bank deposits, participation in loan syndicates, correspondent banking transactions and foreign exchange transactions. The transactions were priced based on relevant market rates at the time of each transaction, and were under the same terms as those available to other counterparties and customers of the Group. In the opinion of the directors, these transactions were conducted on normal commercial terms.

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(35) 重大關聯方交易 (續)

(a) 與集團公司的交易 (續)

本期內，關聯方交易的數額及於結算日的結欠如下：

(35) Material Related Party Transactions (cont'd)

(a) Transactions with group companies (cont'd)

The amount of related party transactions during the periods and outstanding balances at the end of the period/year are set out below:

		最終控股方 Ultimate controlling party		同系附屬公司 Fellow subsidiaries		聯營公司 (附註1) Associates (note 1)		關聯公司 (附註2) Related company (note 2)	
截至六月三十日止六個月 Six months ended 30 June									
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
利息收入	Interest income	-	-	8,703	2,088	6,446	8,102	-	-
利息支出	Interest expense	-	-	(81,206)	(39,952)	(41,242)	(52,694)	(18,223)	-
其他經營收入	Other operating income	-	-	-	-	21,280	19,543	-	-
經營支出	Operating expenses	(500)	(511)	(5,458)	(5,108)	-	(118)	-	-
		(500)	(511)	(77,961)	(42,972)	(13,516)	(25,167)	(18,223)	-
二零零八年六月三十日 / 二零零七年十二月三十一日 At 30 June 2008/31 December 2007									
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
貸款活動：	Lending activities:								
於1月1日	At 1 January	-	-	18,786	475,381	802,106	221,798	-	-
2008年6月30日 / 2007年12月31日	At 30 June 2008/ 31 December 2007	-	-	1,059,032	18,786	519,315	802,106	-	-
本期 / 上年度平均金額	Average for the period/ for the year	-	-	591,002	18,902	595,679	463,692	-	-
其他應收賬款：	Other receivables:								
於1月1日	At 1 January	-	-	83	2,462	32,682	124,728	-	-
於2008年6月30日 / 2007年12月31日	At 30 June 2008/ 31 December 2007	500	-	7,546	83	386,492	32,682	-	-
本期 / 上年度平均金額	Average for the period/ for the year	375	-	7,902	3,919	193,644	13,973	-	-
接受存款：	Acceptance of deposits:								
於1月1日	At 1 January	-	-	3,329,591	1,067,643	3,545,123	1,349,019	-	-
於2008年6月30日 / 2007年12月31日	At 30 June 2008/ 31 December 2007	-	-	5,448,556	3,329,591	2,451,699	3,545,123	-	-
本期 / 上年度平均金額	Average for the period/ for the year	-	-	4,261,254	2,997,448	2,864,279	2,670,054	-	-

(35) 重大關聯方交易 (續)

(a) 與集團公司的交易 (續)

(35) Material Related Party Transactions (cont'd)

(a) Transactions with group companies (cont'd)

		最終控股方 Ultimate controlling party		同系附屬公司 Fellow subsidiaries		聯營公司 (附註1) Associates (note 1)		關聯公司 (附註2) Related company (note 2)	
二零零八年六月三十日 / 二零零七年十二月三十一日 At 30 June 2008/31 December 2007									
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
其他應付賬款：	Other payables:								
於1月1日	At 1 January	-	-	6,958	1,744	7,126	369	2,508	-
於2008年6月30日 / 2007年12月31日	At 30 June 2008/ 31 December 2007	-	-	22,639	6,958	4,366	7,126	1,494	2,508
本期 / 上年度平均金額	Average for the period/ for the year	-	-	13,413	4,924	4,000	4,433	1,552	627
債務資本：	Loan Capital:								
於1月1日	At 1 January	-	-	803,257	-	389,930	-	623,889	-
於2008年6月30日 / 2007年12月31日	At 30 June 2008/ 31 December 2007	-	-	803,351	803,257	389,976	389,930	623,962	623,889
本期 / 上年度平均金額	Average for the period/ for the year	-	-	802,588	200,814	389,606	97,483	623,369	155,972

並無就上述關聯方貸款及存款作出減值準備。

No impairment allowances were made in respect of the above loans to and placements with related parties.

附註：

Note:

- (1) 聯營公司包括本公司及最終控股公司的聯營公司。
- (2) 關聯公司是指對本公司有重要影響的一位股東。

- (1) Associates included the associates of the Company and ultimate controlling party respectively.
- (2) The related company referred to a shareholder of the Company, which exercises significant influence on the Company.

(35) 重大關聯方交易 (續)

(b) 與主要管理人員的交易

本集團主要管理人員酬金(包括已付予本集團董事的款項及已付若干最高薪僱員的款項)詳情如下:

(35) Material Related Party Transactions (cont'd)

(b) Transactions with key management personnel

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and certain employees with the highest emoluments, are as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
短期僱員福利	Short-term employee benefits	16,930	16,533
離職後福利	Post-employment benefits	1,212	1,113
以股權償付	Share-based payments	10,804	3,707
		28,946	21,353

酬金總額已計入「員工成本」(附註9(a))。

Total remuneration is included in "staff costs" (note 9(a)).

本期內，本集團向集團內部及其控股公司的主要管理人員和他們的近親及由他們控制或受他們重大影響的公司提供信貸融資。信貸融資是在日常業務過程中提供，並與身份類似人仕或(如適用)與其他僱員進行可比較交易的條款大致相同。

During the period, the Group provided credit facilities to key management personnel of the Group and its holding companies and their close family members and companies controlled or significantly influenced by them. The credit facilities were provided in the ordinary course of business and on substantially the same terms as for comparable transactions with persons of a similar standing or, where applicable, with other employees.

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
於1月1日的結餘	At 1 January	13,855	13,462
於2008年6月30日/ 2007年12月31日的結餘	At 30 June 2008/ 31 December 2007	12,862	13,855
期內/年內最高結欠總額	Maximum amount during the period/year	14,745	17,170

本集團沒有就主要管理人員於期內的結欠額確認任何減值虧損，也沒有就主要管理人員和他們的近親於期末的結欠額提撥個別評估的減值準備。

No impairment losses have been recorded against balances outstanding during the period with key management personnel, and no individually assessed impairment allowances has been made on balances with key management personnel and their immediate relatives at the period end.

(36) 衍生工具

(a) 衍生工具的名義金額

衍生工具是指根據一項或多項相關資產或指數的價值來釐定其價值的財務合約。以下是每類主要衍生工具的名義金額概要：

(36) Derivatives

(a) Notional amounts of derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices. The following is a summary of the notional amounts of each significant type of derivatives entered into by the Group:

		二零零八年六月三十日 As at 30 June 2008				二零零七年十二月三十一日 As at 31 December 2007			
		與指定為通過損益 以反映公允價值的 金融工具一併進行管理 Managed in conjunction with financial instruments designated at fair value through profit or loss		其他(包括 持作買賣) Others (including held for trading)	總額 Total	與指定為通過損益 以反映公允價值的 金融工具一併進行管理 Managed in conjunction with financial instruments designated at fair value through profit or loss		其他(包括 持作買賣) Others (including held for trading)	總額 Total
		為對沖持有 Held for hedging 港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	為對沖持有 Held for hedging 港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
匯率衍生工具	Currency derivatives								
遠期交易	Forwards	-	-	21,346,213	21,346,213	-	-	21,114,508	21,114,508
掉期交易	Swaps	-	78,000	37,213,808	37,291,808	-	78,000	32,681,133	32,759,133
買入期權	Options purchased	-	-	1,198,294	1,198,294	-	-	624,865	624,865
賣出期權	Options written	-	-	1,195,450	1,195,450	-	-	624,865	624,865
利率衍生工具	Interest rate derivatives								
掉期交易	Swaps	3,597,107	687,298	34,417,174	38,701,579	3,674,725	5,337,675	22,504,576	31,516,976
股份衍生工具	Equity derivatives								
掉期交易	Swaps	-	-	42,600	42,600	-	-	-	-
		3,597,107	765,298	95,413,539	99,775,944	3,674,725	5,415,675	77,549,947	86,640,347

以上交易由本集團在外匯、利率及證券市場進行。這些衍生工具的名義金額是指仍未平倉的交易額，並非風險金額。

交易包括本集團及本公司的金融工具自營買賣倉盤、由執行客戶的交易指令或從事莊家活動而產生的倉盤，以及為對沖其他交易元素而持有的倉盤。

The above transactions are undertaken by the Group in the foreign exchange, interest rate and equity markets. The notional amounts of these instruments indicate the volume of transactions outstanding and do not represent amounts at risk.

Trading includes the Group's and the Company's proprietary positions in financial instruments, positions which arise from the execution of trade orders from customers and market making, and positions taken in order to hedge other elements of the trading book.

中期財務報告附註 – 未經審核
Notes To The Interim Financial Report – Unaudited

(36) 衍生工具 (續)

(b) 衍生工具的公允價值及信貸風險加權金額

		二零零八年六月三十日 As at 30 June 2008			二零零七年十二月三十一日 As at 31 December 2007		
		公允 價值資產 Fair value assets 港幣千元 HK\$'000	公允 價值負債 Fair value liabilities 港幣千元 HK\$'000	信貸風險 加權金額 Credit risk- weighted amount 港幣千元 HK\$'000	公允 價值資產 Fair value assets 港幣千元 HK\$'000	公允 價值負債 Fair value liabilities 港幣千元 HK\$'000	信貸風險 加權金額 Credit risk- weighted amount 港幣千元 HK\$'000
利率衍生工具	Interest rate derivatives	411,321	427,531	255,697	319,870	394,222	231,334
匯率衍生工具	Currency derivatives	612,145	496,074	629,254	579,672	485,468	685,435
股份衍生工具	Equity derivatives	1,828	1,828	3,362	-	-	-
		1,025,294	925,433	888,313	899,542	879,690	916,769
		(附註19) (Note 19)	(附註26) (Note 26)		(附註19) (Note 19)	(附註26) (Note 26)	

信貸風險加權數額是指按照於二零零七年一月一日生效的香港《銀行業條例》有關資本充足比率的《銀行業(資本)規則》的金額，取決於交易對手的財政狀況及到期的情況下計算。或有負債及承擔的風險加權由 0% 至 150% 不等(二零零七年十二月三十一日：0% 至 150%)，而匯率、利率及其他衍生工具合約則由 0% 至 150% 不等(二零零七年十二月三十一日：0% 至 150%)。

本集團沒有在期內訂立任何雙邊淨額結算安排，因此，上述數額是以總額列示。

(36) Derivatives (cont'd)

(b) Fair values and credit risk-weighted amounts of derivatives

The credit risk-weighted amount is the amount which has been calculated in accordance with the Banking (Capital) Rules effective on 1 January 2007 on capital adequacy and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 150% (31 December 2007: 0% to 150%) for contingent liabilities and commitments, and from 0% to 150% (31 December 2007: 0% to 150%) for exchange rate, interest rate and other derivatives contracts.

The Group did not enter into any bilateral netting arrangements during the period and accordingly these amounts are shown on a gross basis.

(36) 衍生工具 (續)

(c) 指定為對沖工具的衍生工具的公允價值

以下是本集團持作對沖用途的衍生工具按產品類別劃分的公允價值概要：

		二零零八年六月三十日 As at 30 June 2008		二零零七年十二月三十一日 As at 31 December 2007	
		公允 價值資產 Fair value assets 港幣千元 HK\$'000	公允 價值負債 Fair value liabilities 港幣千元 HK\$'000	公允 價值資產 Fair value assets 港幣千元 HK\$'000	公允 價值負債 Fair value liabilities 港幣千元 HK\$'000
利率合約	Interest rate contracts	26,290	122,760	26,628	127,597

公允價值對沖主要包括用作保障若干固定利率資產或負債的公允價值因市場利率變動而出現變化的利率掉期。

(36) Derivatives (cont'd)

(c) Fair value of derivatives designated as hedging instruments

The following is a summary of the fair values of derivatives held for hedging purposes by product type entered into by the Group:

Fair value hedges principally consist of interest rate swaps that are used to protect against changes in the fair value of certain fixed rate assets or liabilities due to movements in the market interest rates.

(d) 衍生工具的餘下年期

下表提供本集團根據有關到期類別（按於結算日的餘下結算期間計算）劃分的衍生工具名義金額分析：

(d) Remaining life of derivatives

The following tables provide an analysis of the notional amounts of derivatives of the Group by relevant maturity grouping based on the remaining periods to settlement at the balance sheet date:

		二零零八年六月三十日 餘下年期的名義金額 As at 30 June 2008 Notional amounts with remaining life of			
		總額 Total 港幣千元 HK\$'000	1年或以下 1 year or less 港幣千元 HK\$'000	1年以上至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000
利率衍生工具	Interest rate derivatives	38,701,579	7,202,552	31,499,027	–
匯率衍生工具	Currency derivatives	61,031,765	58,832,438	2,199,327	–
股份衍生工具	Equity derivatives	42,600	42,600	–	–
		99,775,944	66,077,590	33,698,354	–

(36) 衍生工具 (續)

(d) 衍生工具的餘下年期 (續)

		二零零七年十二月三十一日 餘下年期的名義金額 As at 31 December 2007 Notional amounts with remaining life of			
		總額 Total 港幣千元 HK\$'000	1年或以下 1 year or less 港幣千元 HK\$'000	1年以上至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000
利率衍生工具	Interest rate derivatives	31,516,976	4,106,558	27,098,474	311,944
匯率衍生工具	Currency derivatives	55,123,371	51,017,338	4,106,033	–
		86,640,347	55,123,896	31,204,507	311,944

(36) Derivatives (cont'd)

(d) Remaining life of derivatives (cont'd)

(37) 或有負債及承擔

(a) 提供信貸的或有負債及承擔

以下是每類主要或有負債及承擔的合約金額概要：

(37) Contingent Liabilities and Commitments

(a) Contingent liabilities and commitments to extend credit

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
直接信貸替代品	Direct credit substitutes	4,958,969	4,391,322
與交易有關的或有項目	Transaction-related contingencies	226,586	576,339
與貿易有關的或有項目	Trade-related contingencies	2,110,732	1,746,636
遠期有期存款	Forward forward deposits placed	21,839	–
其他承擔：	Other commitments:		
– 銀行可無條件取消或在借款人的信貸狀況轉壞時可自動取消	– which are unconditionally cancellable or automatically cancellable due to deterioration in the creditworthiness of the borrower	17,462,212	15,921,154
– 原到期日在1年或以下	– with an original maturity of not more than 1 year	4,596,063	3,551,324
– 原到期日在1年以上	– with an original maturity of more than 1 year	4,151,391	3,488,150
		33,527,792	29,674,925
信貸風險加權金額	Credit risk-weighted amounts	5,904,175	4,472,023

(37) 或有負債及承擔 (續)

(a) 提供信貸的或有負債及承擔 (續)

或有負債及承擔是與信貸相關的工具，包括遠期存款、信用證和提供信貸的擔保及承擔。涉及的風險基本上與向客戶提供貸款融資額涉及的信貸風險相同。合約金額是指在合約全數提取後發生客戶拖欠而需承擔風險的金額。由於融資額可能在到期時仍未動用，故合約金額並非預期未來現金流量。

用於計算信貸風險加權金額的風險加權由 0% 至 150% 不等 (二零零七年十二月三十一日：0% 至 150%)。

(b) 資本承擔

於結算日，因購入物業及設備而引起未償付而又未在財務報表內提撥準備的資本承擔如下：

(37) Contingent Liabilities and Commitments (cont'd)

(a) Contingent liabilities and commitments to extend credit (cont'd)

Contingent liabilities and commitments are credit-related instruments which include forward deposits placed, 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. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

The risk weights used in the computation of credit risk-weighted amounts range from 0% to 150% (31 December 2007: 0% to 150%).

(b) Capital commitments

Capital commitments for purchase of properties and equipment outstanding at balance sheet date not provided for in the financial statements were as follows:

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
已授權及訂約：	Authorised and contracted for:	6,600	3,484
已授權但未訂約：	Authorised but not contracted for:	31,300	58,100
		37,900	61,584

(38) 結算日後事項

於結算日後，本集團給予一位企業客戶的信貸額合共港幣二億三百萬元，其中部份本金和／或利息已逾期。於二零零八年六月三十日，本集團並未對相關風險進行個別賬項減值撥備，由於此時實過早評估是否需要提供撥備。當客戶的情況較為明朗後，以上事件將可能引致減值支出。

(38) Post Balance Sheet Events

Subsequent to the balance sheet date, certain amount of the facilities to a corporate customer totalling HK\$203 million became overdue in principal and/or interest. No individual impairment provision has been made on the exposures as at 30 June 2008 as it is too early to assess whether such a provision is needed. This event may lead to potential impairment charges as events relating to the circumstances of the customer unfold.

未經審核財務資料補充

Unaudited Supplementary Financial Information

(除特別列明外，均以港幣為單位)

(Expressed in Hong Kong dollars unless otherwise indicated)

(A) 財務狀況摘要

(A) Summary of Financial Position

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
客戶貸款及墊款 及貿易票據	Loans and advances to customers and trade bills	76,553,036	67,356,673
減值準備	Impairment allowances	305,045	294,466
資產總額	Total assets	134,081,416	132,385,027
存款總額	Total deposits	83,606,251	90,658,085
歸屬於本公司股東 權益總額	Total equity attributable to equity shareholders of the Company	28,784,634	26,483,579
財務比率		Financial ratios	
本期間／全年平均流動 資金比率* (二零零七年 六月三十日止六個月: 40.75%)	Average liquidity ratio for the period/ year ended* (six month ended 30 June 2007: 40.75%)	34.36%	40.77%
貸存比率	Loans to deposits	91.56%	74.30%
貸款對資產總值比率	Loans to total assets	57.09%	50.88%
成本對收入比率	Cost to income	108.49%	96.80%
成本對收入比率 (撇除結構性 投資工具的影響)	Cost to income (excluding SIVs impact)	50.96%	47.70%
資產回報率	Return on assets	2.62%	1.60%
資產回報率 (撇除結構性 投資工具的影響)	Return on assets (excluding SIVs impact)	3.07%	2.50%
本公司股東 平均權益回報率	Return on average total equity attributable to equity shareholders of the Company	12.61%	7.40%
本公司股東平均權益回報率 (撇除結構性投資工具的影響)	Return on average total equity attributable to equity shareholders of the Company (excluding SIVs impact)	14.60%	11.70%

* 本期間的平均流動資金比率為每個公曆月平均流動資金比率之簡單平均數，並根據香港金融管理局(「金管局」)為監管目的所規定，按中信嘉華銀行有限公司(「中信嘉華」)及其若干附屬公司的合併基準，及符合香港《銀行業條例》附表四的基準計算。

* The average liquidity ratio for the period is the simple average of each calendar month's average liquidity ratio, which is computed on the consolidated basis covering CITIC Ka Wah Bank Limited ("CKWB") and certain of its subsidiaries as required by the Hong Kong Monetary Authority ("HKMA") for its regulatory purposes, and is in accordance with the Fourth Schedule to the Hong Kong Banking Ordinance.

未經審核財務資料補充
Unaudited Supplementary Financial Information

(B) 分部資料

按地區劃分

(B) Segmental Information

By geographical areas

		二零零八年六月三十日 As at 30 June 2008			二零零七年十二月三十一日 As at 31 December 2007		
		總資產	總負債	或有負債 及承擔 Contingent liabilities and commitments	總資產	總負債	或有負債 及承擔 Contingent liabilities and commitments
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
香港	Hong Kong	111,513,269	103,313,812	30,039,736	111,828,224	103,640,515	26,570,652
中國	Mainland China	27,265,787	5,665,576	1,137,763	24,079,621	5,322,139	689,495
美國	USA	1,845,393	1,659,634	450,206	1,960,169	1,778,777	618,920
其他	Others	2,101,438	2,079,852	1,900,087	1,757,310	1,736,415	1,795,858
分部間項目	Inter-segment items	(8,644,471)	(7,422,092)	-	(7,240,297)	(6,576,398)	-
		134,081,416	105,296,782	33,527,792	132,385,027	105,901,448	29,674,925

上述地區分析是根據附屬公司，附屬公司的分行或聯營公司的主要業務所在地予以劃分。

The above geographical analysis is classified by the location of the principal operations of the subsidiaries or branches of its subsidiaries or associates.

		二零零八年六月三十日 As at 30 June 2008				
		客戶貸款 及墊款 Loans and advances to customers	逾期貸款 及墊款 Overdue loans and advances	減值貸款 及墊款 Impaired loans and advances	個別減值準備 Individual impairment allowances	綜合減值準備 Collective impairment allowances
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
香港	Hong Kong	53,345,476	325,693	386,252	89,391	127,668
中國	Mainland China	12,320,514	520,294	520,294	26,821	32,475
美國	USA	1,727,513	-	-	-	872
其他	Others	8,030,981	31,207	31,207	11,445	16,332
		75,424,484	877,194	937,753	127,657	177,347

未經審核財務資料補充
Unaudited Supplementary Financial Information

(B) 分部資料 (續)

按地區劃分 (續)

(B) Segmental Information (cont'd)

By geographical areas (cont'd)

二零零七年十二月三十一日
As at 31 December 2007

		客戶貸款 及墊款 Loans and advances to customers 港幣千元 HK\$'000	逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	個別減值準備 Individual impairment allowances 港幣千元 HK\$'000	綜合減值準備 Collective impairment allowances 港幣千元 HK\$'000
香港	Hong Kong	46,888,980	183,628	254,867	29,969	142,348
中國	Mainland China	11,397,494	502,346	502,345	40,914	55,616
美國	USA	1,787,427	-	-	-	1,618
其他	Others	5,759,529	51,034	-	-	23,958
		65,833,430	737,008	757,212	70,883	223,540

上述地區分析已按交易對手的所在地劃分，並已考慮風險轉移。由與交易對手不同的國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。

逾期貸款及墊款是指逾期超過三個月的貸款。

減值貸款及墊款是指按個別出現客觀減值證據而須個別評估的貸款。

The above geographical analysis is classified by 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, risk will be transferred to the country of the guarantor.

Overdue loans and advances are loans that have been overdue more than three months.

Impaired loans and advances are individually assessed loans which exhibit objective evidence of impairment on an individual basis.

未經審核財務資料補充
Unaudited Supplementary Financial Information

(C) 逾期客戶貸款及墊款

(C) Overdue Loans and Advances to Customers

		二零零八年六月三十日 As at 30 June 2008		二零零七年十二月三十一日 As at 31 December 2007	
		估客戶貸款 及墊款總額 百分率 % on total loans and advances to customers	估客戶貸款 及墊款總額 百分率 % on total loans and advances to customers	港幣千元 HK\$'000	港幣千元 HK\$'000
貸款及墊款總額 已逾期達：	The gross amount of loans and advances has been overdue for periods of:				
– 3個月以上至 6個月	– 6 months or less but over 3 months	118,706	0.16	100,158	0.15
– 6個月以上至 1年	– 1 year or less but over 6 months	178,123	0.24	55,274	0.08
– 1年以上	– over 1 year	580,365	0.77	581,576	0.88
		877,194	1.17	737,008	1.11
有抵押逾期貸款及 墊款	Secured overdue loans and advances	675,154		679,136	
無抵押逾期貸款及 墊款	Unsecured overdue loans and advances	202,040		57,872	
		877,194		737,008	
持有有抵押逾期 貸款及墊款 抵押品的市值	Market value of collateral held against the secured overdue loans and advances	905,838		982,533	
個別減值準備	Individual impairment allowance made	114,699		61,491	

有明確到期日之貸款及墊款，若其本金或利息已逾期，並於本期末仍未償還，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，但借款人仍未按指示還款，及/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。

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the period end, loans 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, and/or when the loans have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(C) 逾期客戶貸款及墊款 (續)

持有逾期貸款及墊款之抵押品主要為房地產物業。合格抵押品須符合下列條件：

- (a) 該資產的市值是可即時決定或可合理地確立及證實；
- (b) 該資產可於市場出售及有二手市場可即時將該資產出售；
- (c) 中信嘉華可在沒有障礙的情況下按法律行使收回資產的權利；及
- (d) 中信嘉華在有需要時可對該資產行使控制權。

「合格抵押品」之主要種類為「合格實質抵押品」，主要包括房地產物業。

於二零零八年六月三十日及二零零七年十二月三十一日，本集團並無逾期超過三個月的銀行及其他金融機構墊款。

(C) Overdue Loans and Advances to Customers (cont'd)

Majority of collateral held in respect of the overdue loans and advances is real estate properties. The eligible collateral should generally satisfy the following:

- (a) The market value of the asset is readily determinable or can be reasonably established and verified;
- (b) The asset is marketable and there exists a readily available secondary market for disposing of the asset;
- (c) CKWB's right to repossess the asset is legally enforceable and without impediment; and
- (d) CKWB is able to secure control over the asset if necessary.

The main type of "Eligible Collateral" is "Eligible Physical Collateral" which mainly comprises real estate.

There were no advances to banks and other financial institutions which were overdue for over 3 months as at 30 June 2008 and 31 December 2007.

(D) 其他逾期資產

(D) Other Overdue Assets

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
可供出售證券已逾期達：	Available-for-sale securities which has been overdue for:		
— 1年以上	— over 1 year	15,599	15,597

未經審核財務資料補充
Unaudited Supplementary Financial Information

(E) 經重組貸款

(E) Rescheduled Loans

		二零零八年六月三十日 As at 30 June 2008		二零零七年十二月三十一日 As at 31 December 2007	
		估客戶貸款 及墊款總額 百分率 % on total loans and advances to customers		估客戶貸款 及墊款總額 百分率 % on total loans and advances to customers	
		港幣千元 HK\$'000		港幣千元 HK\$'000	
經重組貸款	Rescheduled loans	12,792	0.02	15,970	0.02

經重組貸款是指借款人因為財政困難或無能力如期還款而經雙方同意達成重組還款計劃的墊款，這些經修訂的還款條件對本集團而言並非一般商業條款。客戶重組貸款已扣除其後逾期超過三個月並已於附註(C)匯報的逾期墊款。

Rescheduled loans are those advances which have been restructured or renegotiated because of a deterioration in the financial position of the borrower, or the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms are non-commercial to the Group. Rescheduled loans to customers are stated net of any advances that have subsequently become overdue for over 3 months and reported as overdue advances in note (C).

於二零零八年六月三十日及二零零七年十二月三十一日，本集團並無已重組的銀行及其他金融機構墊款。

There were no advances to banks and other financial institutions which were rescheduled as at 30 June 2008 and 31 December 2007.

(F) 取回資產

(F) Repossessed Assets

		二零零八年 六月三十日 As at 30 June 2008 港幣千元 HK\$'000	二零零七年 十二月三十一日 As at 31 December 2007 港幣千元 HK\$'000
已計入客戶貸款及墊款及 其他賬項中	Included in loans and advances to customers and other accounts	65,996	37,773

此數額為於二零零八年六月三十日及二零零七年十二月三十一日之收回資產的估計市值。

The amount represents the estimated market value of the repossessed assets as at 30 June 2008 and 31 December 2007.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(G) 跨境債權

跨境債權是資產負債表上呈示考慮風險轉移後按交易對手所在地計算的交易對手風險。由與交易對手不同的國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。銀行或其他金融機構分行的債權風險則轉至其總部所在國家的賬項中。轉移風險後達總跨境債權 10% 或以上的個別國家或地區債權如下：

(G) Cross-border Claims

Cross-border claims are on-balance sheet exposures of counterparties based on 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, 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:

		銀行及其他 金融機構 Banks and other financial institutions 港幣千元 HK\$'000	公營機構 Public sector entities 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
二零零八年六月三十日	At 30 June 2008				
香港以外亞太區	Asia and Pacific excluding Hong Kong	10,319,645	34,931	15,487,684	25,842,260
其中澳洲	of which Australia	2,819,463	1,015	475,513	3,295,991
其中中國	of which Mainland China	3,982,515	31,001	12,260,583	16,274,099
加勒比海	Caribbean	-	-	3,118,632	3,118,632
其中百慕達	of which Bermuda	-	-	442,619	442,619
其中開曼群島	of which Cayman Islands	-	-	1,149,096	1,149,096
其中英屬維爾京群島	of which British Virgin Islands	-	-	1,441,188	1,441,188
西歐	Western Europe	8,016,482	1,254	3,098,129	11,115,865
其中法國	of which France	768,341	-	722,691	1,491,032
其中德國	of which Germany	728,049	-	21,001	749,050
其中荷蘭	of which Netherlands	330,017	-	849,979	1,179,996
其中英國	of which United Kingdom	3,341,026	252	934,459	4,275,737
二零零七年十二月三十一日	At 31 December 2007				
香港以外亞太區	Asia and Pacific excluding Hong Kong	12,793,868	112,353	14,251,739	27,157,960
其中澳洲	of which Australia	4,620,357	1,212	352,456	4,974,025
其中中國	of which Mainland China	4,976,665	109,598	10,889,775	15,976,038
加勒比海	Caribbean	-	-	3,256,767	3,256,767
其中百慕達	of which Bermuda	-	-	482,910	482,910
其中開曼群島	of which Cayman Islands	-	-	2,185,974	2,185,974
其中英屬維爾京群島	of which British Virgin Islands	-	-	587,884	587,884
西歐	Western Europe	15,516,696	2,451	2,946,157	18,465,304
其中法國	of which France	1,746,454	-	791,162	2,537,616
其中德國	of which Germany	3,394,903	-	2,287	3,397,190
其中荷蘭	of which Netherlands	1,593,567	-	886,191	2,479,758
其中英國	of which United Kingdom	3,789,650	402	566,492	4,356,544

(H) 對中國內地非銀行對手方的風險承擔

中國內地非銀行對手風險承擔是指在中國內地與非銀行對手交易所產生之風險承擔。以下項目是根據《銀行業條例》第63章由中信嘉華提交予金管局的中國內地非銀行對手風險承擔作出分類。

(H) Non-bank Mainland China Exposures

Non-bank Mainland China exposures are the Mainland China exposures to non-bank counterparties. The categories follow the non-bank Mainland China exposures submitted by CKWB to the HKMA pursuant to section 63 of the Hong Kong Banking Ordinance.

		二零零八年六月三十日 As at 30 June 2008			
		資產負債表內 的風險承擔 On-balance sheet exposure 港幣千元 HK\$'000	資產負債表外 的風險承擔 Off-balance sheet exposure 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	個別減值準備 Individual impairment allowances 港幣千元 HK\$'000
中國內地實體 信貸是用於中國 內地之非內地 借款公司及個人	Mainland China entities Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	16,813,585	6,995,598	23,809,183	38,266
		14,546,364	6,669,454	21,215,818	41,252
		31,359,949	13,665,052	45,025,001	79,518
		二零零七年十二月三十一日 As at 31 December 2007			
		資產負債表內 的風險承擔 On-balance sheet exposure 港幣千元 HK\$'000	資產負債表外 的風險承擔 Off-balance sheet exposure 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	個別減值準備 Individual impairment allowances 港幣千元 HK\$'000
中國內地實體 信貸是用於中國 內地之非內地 借款公司及個人	Mainland China entities Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	14,800,862	5,346,463	20,147,325	37,836
		13,212,306	6,549,817	19,762,123	10,520
		28,013,168	11,896,280	39,909,448	48,356

(I) 風險管理

透過董事會的授權和密切監督，本集團主要通過中信嘉華管理各類型的風險。中信嘉華的風險管理部獲授權擔當管理職責，包括集團信貸、銀行同業信貸、市場風險、風險資產管理及政策與資產組合風險管理等職能。本集團持續不斷更新和改進其風險管理政策和系統，務求反映市場、產品、優質管治及監管規定方面的改變。

中信嘉華於二零零八年一月委任一名首席風險管理總監以進一步提高對風險組合的日常監督。此委任可確保各種業務組別都具備適當的政策、程序、實行、人力及系統支援。

本集團管理的風險主要包括以下各類：

(i) 信貸風險管理

信貸風險是透過定期分析源自客戶或交易對手不能履行其財務責任所招致的損失的目前及潛在風險來管理。本集團因其放貸、交易及資本市場營運而承受信貸風險。本集團對單一客戶的信貸風險定義為所有因對該客戶營運而可能招致的最大金額損失。這些風險不僅由資產負債表內業務產生，也包括資產負債表外業務，如包括尚待履行的貸款承諾、信用證及財務擔保等。

信貸風險管理是透過監察執行已採納釐定借款人的信貸可信度、信貸風險分類、貸款應用程序及貸款決策程序的信貸政策來進行。本集團對或有負債採用與資產負債表內記錄的金融工具相同的信貸政策，根據貸款審批程序使用限額以減低風險及監察。信貸風險亦透過向借款人及第三者取得以抵押資產形式的抵押品及擔保而減低。

本集團亦制定信貸風險管理操作守則，目的是確保風險評估過程的獨立性和完整性。本集團一般依據借款人的風險特質、還款來源及相關抵押品性質，以進行信貸風險評估，同時亦充份考慮當時借款人所面對的事件和市場的發展。本集團亦根據資產組合的標準以債務人信貸評級、抵押品、產品、行業及地理分佈來作信貸資產組合上的風險管理，以避免風險過份集中。

(I) Risk Management

The Group manages various types of risks mainly through CKWB under the delegation and close supervision of the Board. The Risk Management Group of CKWB is entrusted with the responsibilities of group credit risk, financial institution credit risk, market risk, operating risk, risk asset management and policy and portfolio risk management functions. The Group continually modifies and enhances its risk management policies and systems to reflect changes in markets, products, best practice and regulatory requirements.

CKWB appointed a Director of Risks in January 2008 to further enhance the daily oversight of its risk portfolios. Following the appointment, end-to-end reviews were conducted on various business functions to ensure proper policies, procedures, practices, people and systems have been in place.

The Group manages the following main types of risks:

(i) Credit risk management

Credit risk is managed by regular analyses of the current and potential risk of loss arising from a customer's or counterparty's inability to meet financial obligations. The Group is exposed to credit risk through its lending, trading and capital markets activities. The Group defines the credit exposure to a customer as the amount of maximum potential loss arising from all these activities. These exposures include both on- and off-balance sheet transactions, including unfunded lending commitments such as loan commitments, letters of credit and financial guarantees.

Credit risk management is effected by monitoring implementation of adopted credit policies that determine the borrower's creditworthiness, credit risks classification, loan application procedure and procedures for making lending decisions. The Group applies the same credit policy in respect of contingent liabilities as in respect of financial instruments recorded on the balance sheet, based on loan approval procedures, use of limits to reduce risk and monitoring. Credit risk is also minimised by obtaining collateral in the form of pledged assets and guarantees from borrowers and third parties.

The Group's credit risk management practices are designed to preserve the independence and integrity of the risk assessment process. The Group assesses credit risk based upon the risk profile of the borrower, the source of repayment and the nature of the underlying collateral after giving consideration to current events and market developments. Concentration risk is managed at portfolio levels in terms of obligor credit rating, collateral, product, industry and geography.

(I) 風險管理 (續)

(ii) 流動資金風險管理

本著以穩健為主的資金管理方針，中信嘉華制定了嚴格的流動性管理措施，力求涵蓋流動性管理的各個重要方面。在遵守金管局的各項準則和建議的基礎上，中信嘉華始終致力於實現最佳的流動性管理。該措施符合金管局2004年發佈的「LM-1流動性風險管理」規範，適用於中信嘉華及其所有海外分行和附屬公司。通過跟存款人、客戶、銀行同業、關聯公司及香港金管局建立並維持良好的關係，中信嘉華期待各部門同心協力使銀行無論在何種情況下都能夠成功、有效地管理流動資金。

中信嘉華時常維持適度的流動資金比率及定期作壓力測試，以確保有能力應付不利或無法預計的經濟情況所引致市場流動資金突然流失的情況。在二零零八年止六個月，中信嘉華的平均流動資金比率為 34.4%（二零零七年十二月三十一日：40.8%）。中信嘉華持有高素質的短期證券投資組合，必要時可透過購回安排或在二級市場上出售而獲得流動資金。中信嘉華亦積極從事批發銀行業務，透過發行一年的港幣存款證來取得穩定的資金來源。截至二零零八年六月三十日止六個月，中信嘉華多次成功發行存款證，合共籌得港幣3,760,000,000元（二零零七年十二月三十一日：港幣4,130,000,000元）的資金。

(iii) 市場風險管理

市場風險是指因外匯、利率、證券及商品之市場價格的變動而引起的損失風險。本集團之市場風險主要源自中信嘉華。短期交易盤及長期策略業務均為中信嘉華帶來市場風險。本集團的其他附屬公司亦有進行涉及市場風險之投資，但規模相對較小。

中信嘉華之信貸及風險管理委員會、資產負債委員會及獲其授權之委員會或委員，建立了一套風險限額架構，以管理其市場風險。該架構由三個等級的限額組成，分別為政策、商務及交易等級限額。各級架構對一系列的風險量度指標設定限額，如溢利／虧損限額、交易盤限額及敏感度限額。限額被超越時，將發出提示訊息或觸發各管理層作出適當行動。

(I) Risk Management (cont'd)

(ii) Liquidity risk management

It is CKWB's policy to exercise prudence in its funding and liquidity management. CKWB has a Liquidity Management Policy which needs to be strictly followed. The Policy covers the important aspects of CKWB's liquidity management. CKWB is committed to applying the best market practices in liquidity management by adopting the guidelines and recommendations of HKMA. The structure of this Policy conforms to the "LM-1 Liquidity Risk Management" issued by HKMA in 2004. The Policy applies to CKWB and its overseas branches and subsidiaries. CKWB expects all business units to contribute to the success of managing liquidity under normal and contingency situations by maintaining a rapport with depositors, customers, interbank counterparties, related companies and HKMA.

An appropriate level of liquidity ratio was always maintained, and stress tests were performed regularly to ensure that CKWB could handle sudden drains in market liquidity due to adverse or unexpected economic events. For the six months ended 30 June 2008, CKWB's average liquidity ratio was 34.4% (31 December 2007: 40.8%). CKWB holds a portfolio of high-grade securities with short maturities which can generate liquidity if necessary either through the re-purchase arrangements or out-right selling in the secondary market. CKWB is also active in wholesale funding through the issuances of Hong Kong dollar certificates of deposit ("CDs") so as to secure a stable source of funding. For the six months ended 30 June 2008, a total of HK\$3.76 billion (31 December 2007: HK\$4.13 billion) was raised through several successful CD issuances.

(iii) Market risk management

Market risk is the risk of loss arising from the movements in market variables such as foreign exchange rates, interest rates, equity and commodity prices. The Group's major market risk exposure is mainly derived from CKWB. Both short-term trading positions and long-term strategic businesses of CKWB generate market risk exposure. Other subsidiaries of the Group have also engaged in investments prone to market risk but in relatively small scales.

CKWB manages its market risk within a hierarchy of limits approved by CKWB's Credit and Risk Management Committee ("CRMC"), Asset and Liability Committee ("ALCO") and its delegated sub-committees or members. The hierarchy is composed of limits at 3 levels: policy, business and transaction. Each level in the hierarchy consists of limits on a series of risk measurements, including profit and loss limits, position limits and sensitivity limits. Limit excesses will set off alert signals or trigger adequate actions at different management levels.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

(iii) 市場風險管理 (續)

中信嘉華財資部是承接市場風險的中心點，並在預設的風險限額架構內管理市場風險。

風險管理部門轄下之市場風險管理部，負責每日監察及報告事宜，確保所承受之市場風險的量度指標均在預設限額之內。

中信嘉華以風險價值量度其持倉交易盤的整體市場風險。風險價值是一種按特定置信水平而估計投資組合於某一時期內的損失。中信嘉華採用 99% 置信水平下的一天風險價值，並以歷史模擬的方法計算風險價值。該模擬過程反映不同市場價格之間的歷史關係。中信嘉華於二零零八及二零零七上半年持倉交易盤的平均風險價值分別為港幣1,546,000元及港幣518,000元。

中信嘉華並對其持倉交易盤進行壓力測試，以評估於壓力情況下之潛在損失。中信嘉華採用兩種「壓力」情景：歷史性情景及假設性情景。歷史性情景指過去曾發生之「壓力」情況，包括1997年亞洲金融風暴，1998年長期資本事件及2001年恐怖份子襲擊。假設性情景則建基於影響持倉交易盤之主要風險因素。假設性情景之例子為孳息曲線平衡上升200點子、孳息曲線走峭及走平、港幣兌美元匯率轉強 10% 及七大工業國貨幣兌美元匯率升值 10%。

(I) Risk Management (cont'd)

(iii) Market risk management (cont'd)

CKWB's Treasury is the central point to take and manage market risk exposure within the prescribed limit hierarchy.

Operating as an unit under the Risk Management Group, Market Risk Management is responsible for the daily monitoring and reporting of market risk exposure to ensure that CKWB's market risk exposure measures are within the prescribed limits.

CKWB measures the overall market risk of its trading book in terms of Value-at-Risk (VaR). VaR is a statistical tool to estimate the potential loss of an investment portfolio over a selected time horizon and given a confidence level. CKWB adopts a 99% 1-day VaR and implements historical simulation to compute the VaR figure. The simulating process reflects the historical relationships among different market variables. CKWB's average VaRs for the trading portfolio were HK\$1,546,000 and HK\$518,000 during the six months ended 30 June 2008 and 2007, respectively.

CKWB also implemented stress testing for its trading portfolio to assess the potential adverse effects under the "stressed" conditions. Two types of stressed scenarios are adopted: historical and hypothetical scenarios. Historical scenarios are "stressed conditions" which happened in the past, including the Asian Crisis in 1997, the LTCM event in 1998 and the Terrorists' attacks in 2001. Hypothetical scenarios are developed in view of the key risk factors affecting the trading portfolio. Examples of hypothetical scenarios are a parallel yield curve shift by 200 basis points, steepening and flattening of yield curve, HKD strengthening against USD by 10% and G7 Currencies appreciating against USD by 10%.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

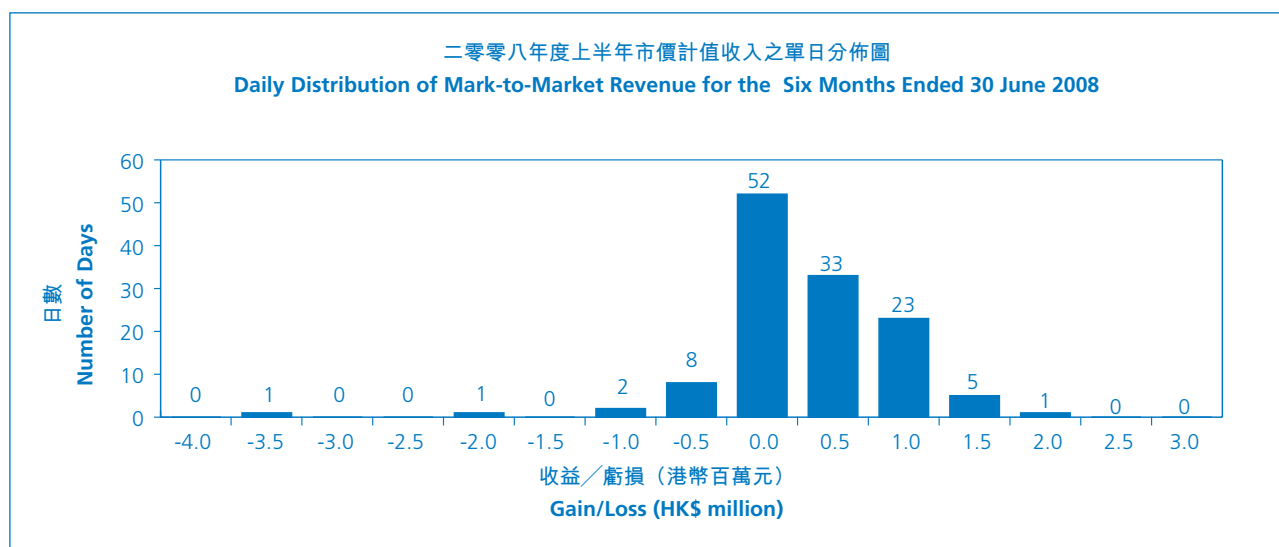
(iii) 市場風險管理 (續)

截至二零零八年六月三十日止六個月，本集團持倉交易盤及基金投資（不包括結構投資工具）之單日平均收入為溢利港幣68,000元（二零零七年六月三十日止六個月：溢利港幣2,148,000元），標準誤差為港幣665,000元（二零零七年六月三十日止六個月：港幣2,388,000元）。下圖顯示本集團按市價計值收入之單日分佈圖。

(I) Risk Management (cont'd)

(iii) Market risk management (cont'd)

For the six months ended 30 June 2008, the average daily mark-to-market revenue from the Group's trading portfolio and fund investments (excluding structured investment vehicles) was a gain of HK\$68,000 (six months ended 30 June 2007: a gain of HK\$2,148,000). The standard deviation of the daily revenue was HK\$665,000 (six months ended 30 June 2007: 2,388,000). The graph below shows a histogram of the Group's daily mark-to-market revenue for the six months ended 30 June 2008.



從上圖可見，最大單日收益為港幣1,935,000元（二零零七年六月三十日止六個月：港幣7,879,000元）及最大單日虧損為港幣3,587,000元（二零零七年六月三十日止六個月：港幣7,357,000元）。於上半年度的126買賣操作中，共有62天錄得收益，64天錄得虧損。在分佈圖中，最常見單日市價計值的損益區間為虧損港幣500,000元（二零零七年六月三十日止六個月：溢利港幣1,000,000元）至港幣0元（二零零七年六月三十日止六個月：溢利港幣1,500,000元）之間，共出現52天。

From the graph above, the maximum daily mark-to-market gain was HK\$1,935,000 (six months ended 30 June 2007: HK\$7,879,000) and the maximum daily mark-to-market loss was HK\$3,587,000 (six months ended 30 June 2007: HK\$7,357,000). Out of the 126 trading days for the period, there were 62 days with mark-to-market gains and 64 days with mark-to-market losses. The most frequent range of daily mark-to-market revenue was between a loss of HK\$500,000 (six months ended 30 June 2007: an income of HK\$1,000,000) and HK\$ Nil (six months ended 30 June 2007: an income of HK\$1,500,000), with the highest occurrence of 52 days.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

(iii) 市場風險管理 (續)

(a) 外匯風險

中信嘉華之外匯風險源自中信嘉華及其海外分行和附屬公司的外匯買賣、商業交易及外匯證券。中信嘉華之外匯買賣盤持倉限額均由資產及負債委員會核准。截至二零零八年六月三十日止六個月，中信嘉華之外匯買賣的平均單日損益為收益港幣41,000元（二零零七年六月三十日止六個月：收益港幣34,000元）及其標準誤差為港幣281,000元（二零零七年六月三十日止六個月：港幣136,000元）。

於結算日的重大外匯風險額如下：

		二零零八年六月三十日 As at 30 June 2008			
相等於港幣千元	Equivalent in HK\$'000	美元 USD	人民幣 Renminbi	其他貨幣 Others	總額 Total
現貨資產	Spot assets	40,997,906	2,040,410	4,026,717	47,065,033
現貨負債	Spot liabilities	(36,135,559)	(1,547,301)	(6,876,965)	(44,559,825)
遠期買入	Forward purchases	27,245,647	6,975,797	10,503,940	44,725,384
遠期賣出	Forward sales	(31,911,649)	(6,962,794)	(7,628,738)	(46,503,181)
長盤淨額	Net long position	196,345	506,112	24,954	727,411
結構盤淨額	Net structural position	-	227,437	48,469	275,906

		二零零七年十二月三十一日 As at 31 December 2007			
相等於港幣千元	Equivalent in HK\$'000	美元 USD	人民幣 Renminbi	其他貨幣 Others	總額 Total
現貨資產	Spot assets	38,533,981	1,247,632	5,102,689	44,884,302
現貨負債	Spot liabilities	(34,757,011)	(754,681)	(7,187,422)	(42,699,114)
遠期買入	Forward purchases	25,333,018	8,026,722	9,424,640	42,784,380
遠期賣出	Forward sales	(28,515,984)	(8,016,877)	(7,328,437)	(43,861,298)
長盤淨額	Net long position	594,004	502,796	11,470	1,108,270
結構盤淨額	Net structural position	-	213,555	48,559	262,114

期權盤淨額是按照金管局所核准的模式使用者法計算。

(I) Risk Management (cont'd)

(iii) Market risk management (cont'd)

(a) Currency risk

CKWB's foreign exchange risk stems from foreign exchange positions, commercial dealings, investments in foreign currency securities and operations of CKWB and its overseas branches and subsidiaries. Foreign exchange positions of CKWB are subject to exposure limits approved by ALCO. For the six months ended 30 June 2008, CKWB's average daily trading profit and loss from foreign exchange positions was a profit of HK\$41,000 (six months ended 30 June 2007: a profit of HK\$34,000) with a standard deviation of HK\$281,000 (six months ended 30 June 2007: HK\$136,000).

Significant foreign currency exposures at the balance sheet date were as follows:

The net options position is calculated by using the model user approach which has been approved by the HKMA.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

(iii) 市場風險管理 (續)

(b) 利率風險管理

中信嘉華之資產及負債委員會監控所有源於資產及負債利率分佈的利率風險。此利率風險包括期限差距、息率基點風險、收入率曲線風險、重訂息率風險和內嵌期權風險。資產及負債委員會根據息率／期限差距報告、息率感應分析和各種壓力測試等方法覆核中信嘉華的利率風險。

為緩和利率風險，中信嘉華使用了利率衍生工具如利率掉期等，對沖可供出售證券和非交易負債。中信嘉華亦採納會計對沖原則，讓可供出售證券／非交易負債和對沖之衍生工具的市場價值變化能互相抵銷。

截至二零零八年六月三十日止的半年度，本集團涉及利率風險的買賣之平均單日損益為收益港幣53,000元（二零零七年六月三十日止六個月：虧損港幣40,000元）及其標準誤差為港幣515,000元（二零零七年六月三十日止六個月：港幣248,000元）。

(iv) 業務操作風險管理

業務操作風險是因內部作業、人員及系統之不當與失誤，或其他外部作業與相關事件，所造成損失之風險。

中信嘉華的董事會透過設立信貸及風險管理委員會：

- 確認其應作為獨立的風險類別加以管理的主要業務操作風險；
- 核准和定期檢討其業務操作風險管理架構；及
- 確保其高級管理層已施行業務操作風險管理的政策及程序。

(I) Risk Management (cont'd)

(iii) Market risk management (cont'd)

(b) Interest rate risk

CKWB's ALCO oversees all interest rate risks arising from the interest rate profile of CKWB's assets and liabilities. These interest rate risks comprise maturity gaps, basis risks among different interest rate benchmarks, yield curve movements, interest rate re-pricing risks and risks from embedded options, if any. ALCO supervises management of the interest rate risks of the banking book through gap mismatch reports, sensitivity analyses and various stress testings.

To mitigate interest rate risks, CKWB uses interest rate derivatives, mainly interest rate swaps, to hedge both assets and liabilities such as available-for-sale securities (AFS) and non-trading liabilities (NTL). CKWB also adopts hedge accounting principles, under which the fair value changes of the AFS/NTL securities and the corresponding hedging derivative instruments are offset against each other.

For the six months ended 30 June 2008, CKWB's average daily trading profit and loss from interest rate positions was a gain of HK\$53,000 (six months ended 30 June 2007: a loss of HK\$40,000) with a standard deviation HK\$515,000 (six months ended 30 June 2007: HK\$248,000).

(iv) Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

CKWB's Board of Directors, through the establishment of CRMC:

- recognises the major aspects of CKWB's operational risks as a distinct risk category that should be managed;
- approves and periodically reviews CKWB's operational risk management framework; and
- ensures that CKWB's senior management is taking the necessary steps to implement the operational risk management policies, processes and procedures.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

(iv) 業務操作風險管理 (續)

中信嘉華的高級管理層透過設立業務操作及控制委員會：

- 確保信貸及風險管理委員會核准的業務操作風險管理架構經已施行；
- 釐定中信嘉華的業務操作風險管理的組織架構；
- 給予權力、責任和匯報關係以鼓勵和維持問責；及
- 確保業務操作風險管理有適當的人力和技術支援。

中信嘉華的風險管理部已設立業務操作風險管理部門，以便：

- 協調中信嘉華內部的業務操作風險管理活動，並且以獨立和集中的職能管理這些風險，包括（如有必要）按照業務操作及控制委員會的授權，對業務操作風險和控制限額作出核准；
- 就業務操作風險管理和控制，設立中信嘉華整體上適用的政策和程序；及
- 確保個別業務類別和職能所用的業務操作風險評估工具和匯報系統在設計和實施方面的充足度。

(I) Risk Management (cont'd)

(iv) Operational risk management (cont'd)

CKWB's senior management, through the establishment of the Operations & Control Committee ("OCC"):

- implements the operational risk management framework approved by CRMC;
- defines CKWB's organisational structure for operational risk management;
- assigns authority, responsibility and reporting relationships to encourage and maintain accountability; and
- ensures that sufficient human and technical resources are devoted to operational risk management.

CKWB's Risk Management Group has established the Operational Risk Management Section:

- to coordinate operational risk management activities across CKWB and to manage these risks as an independent, centralised function, including the approval of operational risk and control limits under authorities delegated by OCC where necessary;
- to develop and monitor bank-wide policies and procedures in relation to operational risk management and control; and
- to ensure adequacy of design and implementation of operational risk assessment methodology tool and reporting system within individual business lines and functional units.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

(iv) 業務操作風險管理 (續)

現時，中信嘉華透過不同的方法管理業務操作風險：

- 提升業務操作風險管理政策及精簡管理架構以確保業務操作風險可一致地確定、評估、監察和控制。
- 以一系列政策及程序架構管理重要的業務操作風險。
- 研製不同業務操作風險管理計劃，例如自我評估測試及主要風險指引以協助本行確定、評估、減低及匯報業務操作風險，並定期更新、擴展和提升。
- 每年複核及更新業務操作及科技政策和程序手冊，以確保所有程序皆經過充份的考慮和界定。
 - 制定人力資源政策及執行守則，以界定員工正確的營運工作行為並加以鼓勵，並且確保員工擁有所需的資歷和培訓。
 - 評估新產品和服務，以確保以該新產品或服務在推出前能充分得到相關員工、程序及技術上的支援。
 - 每年設定和測試重大突發事件的應變和業務延續計劃。測試事項包括如因失火或其他事項所導致的資料庫嚴重故障。而業務操作地點倒塌及由市場傳聞或其他原因而引致的突然大規模擠提等的應變措施，則每半年測試一次。
 - 審計部定期獨立地對中信嘉華之內部監控系統作出檢討以確保系統的足夠度及有效性。審核覆蓋所有主要監控系統，並包括金融、業務和合規管理及風險管理功能。

(I) Risk Management (cont'd)

(iv) Operational risk management (cont'd)

CKWB currently manages its operational risks through a number of ways:

- The Operational Risk Management Policy, which includes the operational risk management framework to ensure that operational risks are consistently and comprehensively identified, assessed, monitored and controlled, have been established and approved.
- Material operational risk exposures are managed through a framework of policies, procedures, processes, and indicators.
- Various operational risk management programmes, such as self-assessment exercises and key risk indicators, for assisting CKWB in identifying, assessing, mitigating and reporting operational risk have been developed and are being progressively rolled out. The programmes will be continuously updated, expanded and enhanced.
- Operations and technology policies and manuals are developed and reviewed annually to ensure processes are adequately considered and defined:
 - Human resources policies and practices are established to define and encourage proper staff behaviour, and to ensure that staff are qualified and trained for their roles.
 - New products and services are evaluated by various functional units before they are approved by CKWB's senior management to ensure that staff, processes and technology can adequately support prior to launching.
 - Disaster recovery and business continuity plans are set up and tested annually for major events such as major failure of data centre caused by fire or other events; loss of operating site and CKWB Run Drill for sudden and massive customer withdrawal due to market rumours or other factors is tested bi-annually.
 - The examination and evaluation of the adequacy and effectiveness of CKWB's internal control system is independently conducted by the Audit Department on an on-going basis. The audits cover all material controls, including financial, operational and compliance controls as well as risk management functions.

未經審核財務資料補充 Unaudited Supplementary Financial Information

(I) 風險管理 (續)

(v) 法律風險管理

本集團緊貼所有適用於其管治及營運的最新法律和監管規定，不斷致力培育員工，以及提升系統和程序，以建立警覺意識和推行必要的變動。本集團亦結合相關法例及規則訂立政策和程序及進行定期的檢討。並透過內部的傳達及培訓將該等政策和程序有效地落實，建立堅固的程序以確保法律風險受到控制。如有任何重大的缺失，法律及合規人員將向本集團審核委員會及高層管理人員進行匯報。

本集團的首席法律總監及合規主任（「法律及合規人員」）在集團的運作扮演著極為重要的角色，並為各部門提供法律與合規的意見及支援。在二零零八年上半年，法律及合規人員積極參與集團重要的策略性交易及商業合約，以及為集團處理其遍及不同地域及範疇商業活動的日常事務。在二零零八年下半年，我們將繼續支持法律及合規人員，發揮其在集團肩負重要任務的功能。

(vi) 策略及聲譽風險管理

為求與不斷變化的營運及監管環境同步並進，本集團的高級管理層認為當前要務是確保能妥善制定及執行業務和營運策略，並以專業手法及按合適時機進行。本集團致力保護集團的聲譽和充分善用品牌資產。本集團的管理委員會透過定期會議，監察和管理本集團的策略及聲譽風險，並負責執行董事會通過的政策，以識別及評估上述風險，以及改善監控。

(I) Risk Management (cont'd)

(v) Legal risk management

The Group remains abreast of all legal and regulatory requirements applicable to its governance and operations, and continuously seeks to develop its people, to enhance its systems and processes to create awareness and to implement necessary change. Policies and procedures, incorporated with relevant legal and regulatory requirements, are set and regularly reviewed. These policies and procedures are promulgated through internal communications and trainings. There is a strong process in place to ensure legal risk is under control. Any significant failings are reported by the legal and compliance function to the Group's Audit Committee and senior management.

The General Counsel and Compliance Officer of the Group ("Legal and Compliance") has played an important role to the Group in providing legal and compliance advice and support to all parts of the Group. In the first half of 2008, Legal and Compliance was actively involved in strategically important transactions and commercial agreements as well as day-to-day matters arising from the business that is diverse both geographically and in scope. In the second half of 2008, we will continue to support Legal and Compliance as a critical mission-important function of the Group.

(vi) Strategic and reputational risk management

In order to keep pace with the ever-evolving operating and regulatory environment of the Group, the Board places a high priority on ensuring that our business and operational strategies are appropriately defined and executed in a professional and time-relevant manner. Great care is taken to protect our reputation and maximise our brand equity. The Management Committee of the Group meets regularly to monitor and manage the Group's strategic and reputational risks, and is responsible for enforcing high-level policies approved by the Board to identify and assess such risks, as well as to improve controls.

(J) 結構性投資的額外資料

(i) 結構性投資工具

於二零零七年十二月三十一日止年度，本集團就所持有的結構性投資工具因公允價值變動而撇值港幣十三億一千一百二十萬元，此等投資工具包括 Beta Finance Corporation (「Beta」)，Five Finance Corporation (「Five」)，Victoria Finance Limited (「Victoria」) 及 Whistlejacket Capital Limited。

於二零零八年六月三十日止期間，本集團對 Beta 及 Five 再撇值港幣七億一千七百九十萬元，由此，所有結構性投資工具已全數撇值。於二零零八年六月三十日止，本集團再沒有任何風險承擔於結構性投資工具。

(ii) 債務抵押證券

於二零零七年十一月，本集團其中一項結構性投資工具 Victoria 被重組為全資及擁有長期資金之工具(簡稱「重組」)名為 Farmington Finance Limited (「Farmington」)。Farmington 被視為一種現金流債務抵押證券。於重組日的債務抵押證券票面值為一億二千萬美元(港幣九億三千五百九十萬元)。

由於重組關係，本集團已將其於 Victoria 之一億二千萬美元資本票據交換為由 Farmington 發行之「AAA」一億二千萬美元資本票據，此資本票據為權益分券。於重組期間及截至二零零八年六月三十日止，Farmington 所獲得的長期資金被評級為「AAA」，而一億一千四百萬美元新 Farmington 資本票據則被評級為「BBB」，其餘下六百萬美元資本票據則不獲評級。

該資本票據被本集團視為一種可供出售證券，截至二零零七年十二月三十一日止根據其淨現值 59.2%，其賬面值為七千一百萬美元(港幣五億五千三百八十萬元)，淨現值是根據其相關投資組合以折現方式計算其未來現金流量，並已考慮到此工具將維持運作直至其所有資產到期和相關投資組合不會出現未能償付的情形。截至二零零八年六月三十日止，該資本票據淨現值和其賬面值分別升至 70.3% 和八千四百四十萬美元(港幣六億五千八百萬元)。淨現值得以改善是由於期內利率下降和投資經理的相關再投資改善了現金流所引致。

(J) Additional Information on Structured Investments

(i) Structured Investment Vehicles ("SIVs")

During the year ended 31 December 2007, the Group wrote down HK\$1,311.2 million for the changes in fair value of its SIV investments which comprised Beta Finance Corporation ("Beta"), Five Finance Corporation ("Five"), Victoria Finance Limited ("Victoria") and Whistlejacket Capital Limited.

During the period ended 30 June 2008, the Group made a further write-down of HK\$717.9 million for Beta and Five and thus all SIV investments were fully written off. As at 30 June 2008, the Group did not have any exposure on SIVs.

(ii) Collateralised Debt Obligations ("CDO")

In November 2007, one of the Group's SIV investments, Victoria, was restructured into a fully-funded vehicle with long-term funding (the "Restructuring") called Farmington Finance Limited ("Farmington"). The Farmington vehicle is considered as a cash flow CDO. The nominal value of the CDO was US\$120.0 million (HK\$935.9 million) on the date of restructuring.

Under the Restructuring, the Group's US\$120.0 million capital notes in Victoria were exchanged into US\$120.0 million capital notes issued by Farmington. The capital note of US\$120.0 million represents the equity tranche. At the time of the restructuring and as of 30 June 2008, the long-term funding obtained by Farmington was rated "AAA" while the US\$114.0 million new Farmington capital note was rated "BBB". The remaining US\$6.0 million capital note was not rated.

The capital notes are accounted for as available-for-sale securities by the Group and their book carrying value as at 31 December 2007 was US\$71.0 million (HK\$553.8 million) based on their net present value ("NPV") of 59.2%. The NPV is determined based on the discounted future cash flow of the underlying investment portfolio considering that the vehicle will be maintained until all assets mature and there are no defaults in the portfolio. As at 30 June 2008, the NPV and the book carrying value of the capital notes have increased to 70.3% and US\$84.4 million (HK\$658.0 million) respectively. The improvement in NPV was due to the lower interest rates during the period and certain reinvestments by the investment manager that helped to enhance cash flows.

(J) 結構性投資的額外資料 (續)

(ii) 債務抵押證券 (續)

於二零零八年六月三十日止，Farmington 之相關投資組合符合預期之現金流量。而相關組合質素顯示部份轉趨惡化的情況與一般信貸市場情況相若。但由於投資組合多元化分佈於400種不同級別的資產，於二零零八年六月三十日止，約 91.6% 獲評為 A- 或以上評級，6.0% 獲評為 BB- 至 A- 級，另只有 2.4% 被評為 CCC+ 或以下級別。Farmington 的投資組合包括約 7% 為金融機構之債務證券，約 15% 為單線保證金融機構證券，約 17% 為住宅按揭抵押擔保證券，而其餘 61% 則為其他結構性信貸證券。於二零零八年六月三十日止，其整體投資組合之加權平均年期為3.63年。本集團認為以上相關組合對次按相關擔保證券的直接風險並不算顯著。

根據大多數債務抵押證券之常性，Farmington 受某些引發事件所支配，包括相關資產之信貸質素及其投資組合之現金流量。當上述任何引發事件發生，高級債務提供者將有權變現投資組合中之抵押品。

按協定之一部份，本集團需提供高級債務提供者以信貸違約掉期合約的方式對缺乏表現的 Farmington 作出部份信貸保護。根據信貸違約掉期合約之條款，本集團需承擔首項投資組合虧損至票面值三億四千七百三十萬美元（港幣二十七億零八百三十萬元）。於二零零七年十二月三十一日本集團在會計帳內把信貸違約掉期合約列作或有負債，其數額截至二零零八年六月三十日止仍維持不變。由於截至報告日並沒有收到對信貸違約掉期合約索償的要求，亦沒有資料顯示 Farmington 相關之資產質素下降導致 Farmington 對長期高級債務到期之償還能力構成威脅，因此無需於該段期間對信貸違約掉期合約作出撥備。但董事會已注視到全球信貸及金融市場仍持續不明朗，其將來的全面影響無法預知。

截至二零零八年六月三十日止，本集團除上述 Farmington 的債務抵押證券投資外，並再沒有持有其他債務抵押證券投資。

(J) Additional Information on Structured Investments (cont'd)

(ii) Collateralised Debt Obligations ("CDO") (cont'd)

As at 30 June 2008, the underlying investment portfolio of Farmington continued to meet projected cash flows. The portfolio quality showed some deterioration in line with the general credit markets. However, the portfolio is well diversified amongst some 400 assets in diverse classes, with approximately 91.6% rated A- or above, 6.0% rated between BB- to A-, and only 2.4% rated CCC+ or below as at 30 June 2008. The portfolio of Farmington consists of approximately 7% in debt securities of financial institutions, approximately 15% in monoline guaranteed financial institution securities, approximately 17% in residential prime mortgage-backed securities, and the remaining 61% in other structured credit securities. As at 30 June 2008, the Weighted Average Life of the whole portfolio was 3.63 years. The Group considered the portfolio's direct exposure to sub-prime related mortgage backed securities not to be significant.

As customary in most CDOs, Farmington is subject to certain trigger events that take into account the credit quality of the underlying assets and the cash flows of the portfolio. In the event that any such event is triggered, the senior debt provider will have the right to realise the collateral in the portfolio.

As part of the arrangement, the Group provided the senior debt provider with partial credit protection against non-performance of Farmington by way of a credit default swap ("CDS"). Under the terms of the CDS, the Group is responsible for the first loss of the portfolio for up to a notional value of US\$347.3 million (HK\$2,708.3 million). The CDS was accounted for as an outstanding contingent liability in the Group's accounts as at 31 December 2007, and the amount remained unchanged as at 30 June 2008. Up to the date of this report, there was no settlement request claimed on the CDS nor was there any indication that the deterioration in the credit quality of the underlying assets of Farmington has threatened Farmington's ability to meet its payments under the long-term senior debt as they become due, as such, no provision is considered necessary in respect of the CDS for the period. However, the Directors note that there are continuing uncertainties in the global credit and financial markets, the full future impact of which is unknown.

Other than the above Farmington CDO investments, the Group has not made nor does it hold any other CDO investments as at 30 June 2008.

獨立審閱報告

Independent Review Report



獨立審閱報告
致中信國際金融控股有限公司董事會

引言

我們已審閱列載於第4至第50頁中信國際金融控股有限公司的中期財務報告，此中期財務報告包括於二零零八年六月三十日的綜合資產負債表與截至該日止六個月期間的綜合收益表、綜合權益變動表和簡明綜合現金流量表以及附註解釋。根據《香港聯合交易所有限公司證券上市規則》（「上市規則」），上市公司必須符合上市規則中的相關規定和香港會計師公會頒佈的《香港會計準則》第34號「中期財務報告」的規定編製中期財務報告。董事須負責根據《香港會計準則》第34號編製及列報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照我們雙方所協定的應聘條款，僅向全體董事會報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號「獨立核數師對中期財務信息的審閱」進行審閱。中期財務報告審閱工作包括主要向負責財務會計事項的人員詢問，並實施分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證我們會注意到在審核中可能會被發現的所有重大事項。因此我們不會發表任何審核意見。

結論

根據我們的審閱工作，我們並沒有注意到任何事項，使我們相信於二零零八年六月三十日的中期財務報告在所有重大方面沒有按照《香港會計準則》第34號「中期財務報告」的規定編製。

畢馬威會計師事務所
執業會計師
香港中環
遮打道10號
太子大廈8樓

二零零八年八月二十一日

Independent Review Report to the Board of Directors of
CITIC International Financial Holdings Limited

Introduction

We have reviewed the interim financial report set out on pages 4 to 50 which comprises the consolidated balance sheet of CITIC International Financial Holdings Limited as of 30 June 2008 and the related consolidated income statement, and consolidated statement of changes in equity and condensed consolidated cash flow statement for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2008 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim financial reporting".

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

21 August 2008

管理層討論及分析

Management Discussion And Analysis

業績表現

二零零八年上半年，香港經濟在強勁的內部消費及投資的帶動下保持了良好增長勢頭。但美國經濟轉弱，以及由食品和商品價格急升引發的全球性通脹問題，已開始影響本港各行各業，其中金融業更受到市場資金緊絀、股市調整以及息率周期可能趨升等多項不利因素所困擾。

在環球金融業普遍未如理想的大環境下，內地銀行業卻一枝獨秀。中國經濟增長雖然受到宏調影響速度放慢，但表現仍然強勁，貸款需求持續增強，配合息差擴闊及資產素質保持良好等利好條件，令內地銀行業繼續保持高速增長。

中信國際金融控股有限公司（「中信國金」或「本集團」）堅定不移地抓緊中港金融服務業快速發展的良好機遇，加緊融合中信銀行股份有限公司（「中信銀行」）及中信嘉華銀行有限公司（「中信嘉華」）的共同戰略優勢，以充份發揮集團內子公司間的協同效益。

本集團旗下的香港經營平台中信嘉華核心業務表現穩健，上半年帶動本集團淨利息收入和淨費用及佣金收入分別按年上升 25.2% 及 13.3% 至七億九千萬港元及四億三千六百萬港元。（有關中信嘉華的業務表現詳情請見業務概覽第一章。）

Performance

Hong Kong's economy sustained healthy growth momentum in the first half of 2008 on the back of strong domestic consumption and investments. However, the impact of the US economic downturn and that from the commodity and food prices led global inflationary pressures have started to filter through all its business and industry sectors. The financial sector in particular is facing unfavourable challenges such as the tightening in market liquidity, stock market adjustments and a possible upward trend in the interest rate cycle.

While the global financial industry suffered from widespread malaise, China's domestic banking sector by contrast continued to deliver solid growth. The country's economy continued to thrive albeit at a slower pace under its government's macroeconomic tightening stance. Against such a backdrop, its banks continued to register high rates of growth, underpinned by sustained strong loan demand, continuous widening of interest margins and benign asset qualities.

With a clear vision to capture opportunities arising from the rapid growth of Hong Kong's and China's financial services industries, CITIC International Financial Holdings Limited ("CIFH" or the "Group") is focused on leveraging the combined competitive advantages of China CITIC Bank Corporation Limited ("CNCB") and CITIC Ka Wah Bank Limited ("CKWB") to optimise intra-group synergies.

The Group's Hong Kong operating vehicle, CKWB, delivered solid core business performance in the first half of the year, contributing to a 25.2% year-on-year increase in net interest income to HK\$790 million, and a 13.3% year-on-year increase in net fee and commission income to HK\$436 million. (See Business Overview Section 1 for full details of CKWB's performance.)

管理層討論及分析

Management Discussion And Analysis

聯營公司的整體盈利貢獻大幅攀升 95.8%，主要是中信銀行的盈利貢獻上升一點五倍至十三億八千八百萬港元所致。非銀行金融聯營公司中，本集團分別佔 50% 及 40% 權益的中信資本控股有限公司（「中信資本」）及中信國際資產管理有限公司（「中信國際資產管理」）合共帶來盈利貢獻五千五百萬港元。

然而，本集團今年上半年業績受到兩項個別性事項所影響。首先，在環球信貸市場持續惡化的環境下，中信嘉華為餘下的結構性投資工具進行七億一千八百萬港元全數撇值。（有關中信嘉華餘下基金投資組合詳情請見以下第 1.4 節中信嘉華財資部業務發展。）

此外，去年四月中信銀行成功上市為本集團持有該行總權益帶來二億二百萬港元的攤薄聯營公司投資所得收益，但今年上半年不再錄得相關收入。

計及所有項目後，本集團二零零八年上半年股東應佔溢利為十四億四千萬港元，較去年同期減少 4.6%。但若撇除基金投資及結構性投資工具的撇值，本集團的計及減值準備及其他項目後核心經營溢利為七億六千三百萬港元，較去年同期上升 39.2%，股東應佔溢利則上升 46.5% 至二十億八千三百萬港元。

二零零八年上半年本集團每股基本盈利為 25.01 港仙，較去年同期下跌 8.7%。

有關本集團各商業銀行及非銀行金融業績表現詳情已載於以下「業務概覽」內。

Aggregate profit contribution from the Group's associate companies climbed substantially by 95.8% compared to the same period in 2007. This was primarily derived from a 1.5 times increase in profit contribution from CNCB to HK\$1,388 million. The Group's non-bank financial businesses, namely, its 50%-owned CITIC Capital Holdings Limited ("CCHL") and its 40%-owned CITIC International Assets Management Limited ("CIAM"), contributed to an aggregate of HK\$55 million.

However, the Group's performance during the period was impacted by two non-recurring factors. Firstly, with the continued deterioration in the global credit markets, CKWB has proceeded to fully write down its remaining HK\$718 million exposure to structured investment vehicles ("SIVs"). (See section 1.4 Business Development - Treasury and Markets Group for full details on CKWB's remaining fund investments portfolio.)

Meanwhile, the Group's HK\$202 million gain on dilution of investment in associate arising from CNCB's successful listing in April 2007 was a one-off benefit that was not repeated in the current period.

Taking into account all other items, the Group's net profit attributable to shareholders for the first half of 2008 amounted to HK\$1,440 million, representing a 4.6% year-on-year decline. Excluding fund investments and SIV-related marked-to-market write-downs, the Group would have reported a 39.2% year-on-year growth in core operating profit after impairment and other items to HK\$763 million, while net profit attributable to shareholders would have increased 46.5% to HK\$2,083 million.

Basic earnings per share for the first half of 2008 amounted to 25.01 HK cents, representing a 8.7% decrease over the same period in 2007.

Details on the performances of the Group's commercial banking and non-bank financial businesses are outlined in the Business Overview section below.

中期股息

董事會不建議派發二零零八年度中期股息（二零零七年度：無）。

企業發展

私有化建議

二零零八年上半年，中信國金與佔其 14.51% 股權的策略性股東西班牙對外銀行繼續積極就雙方的戰略聯盟、業務合作以及西班牙對外銀行增持中信國金股權進行磋商。於有關商討過程中，本集團的最大股東北京中國中信集團公司（「中信公司」）與西班牙對外銀行亦展開討論，最後決定由中信公司的全資附屬公司及中信國金的控股公司 Gloryshare Investments Limited（「收購方」）根據香港公司條例第 166 條以進行協議安排之方式建議私有化中信國金（「該建議」），並於二零零八年六月三日首次向中信國金董事會提呈該建議。該建議的細節詳列於收購方及中信國金在二零零八年六月十日所發出的聯合公告中。（有關公告可從本集團網頁 www.citicfh.com 下載。）

待協議安排生效後，中信國金將註銷所有已發行之股份（惟中信公司、收購方及西班牙對外銀行實益持有之股份除外）（「計劃股份」），並向收購方發行已繳足股款的新股份。收購方建議計劃股份持有人每註銷一股計劃股份可獲一股中信銀行 H 股及現金一點四六港元作為註銷代價。收購方亦將向中信國金購股權持有人提出現金要約，以註銷有關購股權，及向餘下的中信國金債券持有人提出現金要約，收購所有尚未行使的可換股債券。現金要約的代價將按註銷代價價值扣除有關購股權行使價或可換股債券換股價而釐定。根據該建議提呈予中信國金前最後交易日中信銀行在香港聯合交易所（「香港聯交所」）收市報價五點四四港元計算，要約之總值為每股中信國金股份六點九港元。

Interim Dividend

The Board does not recommend an interim dividend for 2008 (2007: nil).

Corporate Developments

Proposed Privatisation

During the first half of 2008, negotiations between CIFH and Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”), the Group’s 14.51% strategic shareholder, continued in earnest regarding strategic alliance and business cooperation between the two parties, as well as an increase in shareholding by BBVA in CIFH. In connection with such negotiations, the Group’s controlling shareholder, CITIC Group of Beijing (“CITIC”) and BBVA also initiated discussions which resulted in the proposed privatisation of CIFH by CITIC’s wholly-owned subsidiary and holding company of CIFH, Gloryshare Investments Limited (the “Offeror”), through a Scheme of Arrangement under section 166 of the Companies Ordinance of Hong Kong (the “Proposal”). The Proposal was first put forward to CIFH’s Board of Directors on 3 June 2008. Full details of the Proposal were subsequently announced jointly by the Offeror and CIFH on 10 June 2008. (Both announcements can be downloaded from the Group’s website on www.citicfh.com.)

Upon the Scheme of Arrangement becoming effective, CIFH shares in issue other than those beneficially owned by CITIC, the Offeror and BBVA (the “Scheme Shares”) will be cancelled and new shares will be issued as fully paid to the Offeror. The Offeror has proposed that the holders of the Scheme Shares will receive as Cancellation Consideration one CNCB H share plus HK\$1.46 in cash for every Scheme Share cancelled. The Offeror will also make a cash offer to CIFH option holders to cancel their options and to the remaining CIFH bond holder(s) to acquire its outstanding convertible bonds. The cash offer will be determined by deducting the exercise price of the relevant option or deducting the conversion price of the convertible bonds from the value of the Cancellation Consideration. Based on CNCB’s closing price of HK\$5.44 on the Hong Kong Stock Exchange as of CIFH’s last trading day prior to the Proposal being put forward to CIFH, the total value of the offer is HK\$6.90 per CIFH share.

管理層討論及分析

Management Discussion And Analysis

該建議一經中信國金少數股東批准，將導致股份撤銷於香港聯交所上市。屆時，中信公司於中信國金的實質股權將增加 30%，由約 55% 提升至 85%，中信公司然後會將所取得的其中一半新股份轉讓予西班牙對外銀行，最終中信公司將透過收購方持有中信國金 70% 股權，而西班牙對外銀行則持有中信國金 30% 股權。

理據

該建議是中信公司重整旗下商業銀行業務整體戰略的重要一環，中信公司相信該建議若能成功執行，可更有效地配合分別由中信銀行及中信嘉華經營的中國境內及境外商業銀行業務。再者，中信國金成功私有化後將簡化其股本及監管架構，有利於進一步促進及完善發揮中信嘉華、中信銀行及西班牙對外銀行三方合作的協同效益。

中信公司相信該建議亦權衡到少數股東利益，讓他們可透過直接持有中信銀行繼續參與中信公司商業銀行業務發展，同時可實現其於中信國金的投資價值。

本集團的未來計劃

中信國金成功私有化後，本集團將繼續經營於銀行及金融服務業的核心業務，中信嘉華將更名為中信銀行國際有限公司，以更貼切反映其專利發展中信公司在港商業銀行業務及作為中信公司拓展亞洲新業務的獨立銀行平台的角色。中信公司相信，中信嘉華的地位在中信公司及西班牙對外銀行全力支持下將得到進一步鞏固，而且中信嘉華在執行業務策略時會受惠於信貸評級有可能得到較理想支持以致融資成本可能有所調減。

The Proposal, if approved by CIFH's minority shareholders, will result in the withdrawal of listing of CIFH's shares on the Hong Kong Stock Exchange. CITIC's effective shareholding in CIFH will be increased 30% or from approximately 55% to 85%. CITIC will then transfer half of the newly acquired shares to BBVA so that CIFH will be held 70% by CITIC through the Offeror and 30% by BBVA.

Rationale

The Proposal is an integral part of CITIC's overall strategy to restructure its commercial banking business. CITIC believes that the successful implementation of the Proposal will enable it to better align its onshore and offshore commercial banking businesses which are currently operated through CNCB and CKWB respectively. Moreover, the simplified equity and regulatory structure after the successful privatisation of CIFH will facilitate and maximise further synergies that can be achieved in the tri-partite cooperation between CKWB, CNCB and BBVA.

CITIC also believes that the Proposal creates an opportunity to balance the interests of Minority Shareholders by inviting them to continue their participation in CITIC's commercial banking growth through direct ownership in CNCB, and at the same time by realising the value of their investments in CIFH.

Future Plans for the Group

Upon the successful privatisation of CIFH, the Group will continue its core businesses in banking and financial services, CKWB will be renamed CITIC Bank International Limited which will better reflect its role as CITIC's exclusive vehicle for the development of commercial banking business in Hong Kong and independent banking platform for new business expansion in Asia. CITIC believes that CKWB's position will be further strengthened with the full support of CITIC and BBVA, and CKWB can benefit from the potential of enhanced credit rating support and reduced funding costs to provide for its required strategy.

管理層討論及分析

Management Discussion And Analysis

中信公司亦建議將中信國金注入中信銀行，以完成重整旗下商業銀行業務的計劃，但這須先得到各相關第三方及監管機構批准。

除上述之外，中信公司當前並無計劃於本集團成功私有化後，對中信嘉華現有經營、管理或僱員作出任何重大改變，亦無意令中信嘉華對其客戶的承諾出現變更。

條件及時間表

協議安排須待若干條件達成或獲豁免後方始作實，該等條件包括少數股東於法院會議及特別股東大會上批准協議安排及高等法院批准協議安排。

本集團將在法院會議日期落實及經監管機構最後審批後盡快向少數股東、購股權持有人及餘下的債券持有人寄發計劃文件，當中載有該建議及協議安排的進一步詳情、框架協議、說明函件、該建議的預期時間表、獨立董事委員會的推薦建議、獨立財務顧問的意見函件、法院會議及股東特別大會通告。

財務狀況

雖然二零零八年上半年本集團總貸款錄得雙位數值的強勁增長，但總資產規模於二零零八年六月底僅較去年底輕微擴大 1.3% 至一千三百四十一億港元，主要是由於中信嘉華期內逐步撤出基金投資業務，贖回組合內的所有選類投資，以及因應市場環境變化調整整體交易組合所致。權益總值則較去年底上升 8.7% 至二百八十八億港元。

Furthermore, CITIC proposes to complete the restructuring of its commercial banking businesses by injecting CIFH into CNCB, subject to necessary third parties' and regulatory approvals.

Saved for the afore-mentioned, CITIC does not have any current intention to introduce any major changes to the existing operations, management or employees of CKWB, or change the commitment of CKWB to its customers after the privatisation of CIFH.

Conditions and Timeline

The Scheme of Arrangement is conditional upon the fulfilment or waiver of a number of conditions which include, among others, the approval by Minority Shareholders at a Court Meeting and extraordinary general meeting ("EGM"), and the Sanction by the High Court of the Scheme of Arrangement.

A scheme document including further details of the Proposal, the Scheme of Arrangement, the Framework Agreement, an explanatory statement, the expected timetable relating to the Proposal, the recommendations of the independent committee of the Board, the letter of advice from the independent financial adviser and notices of the Court Meeting and the EGM is expected to be despatched to Minority Shareholders, optionholders and the remaining bondholder(s) as soon as practicable subject to court dates and final regulatory clearance.

Financial Position

Despite strong double-digit loan growth registered in the first half of this year, the Group's total assets grew only marginally by 1.3% compared to 2007 year-end to HK\$134.1 billion as at the end of June 2008. This reflected primarily the gradual exit of CKWB from its fund investments business as it redeemed all the alternative investments in its portfolio during the period under review, as well as other adjustments it made to its overall trading portfolio given changes in the market environment. Total equity increased 8.7% since 2007 year-end to HK\$28.8 billion.

管理層討論及分析 Management Discussion And Analysis

作為金融控股企業，中信國金的總借債於二零零八年六月底為五十一億港元，此乃二零零七年四月因應中信銀行上市追加認購中信銀行權益（約二十六億港元）以及二零零七年十二月注資中信嘉華二十五億港元以支持其業務及擴展所需而取用的未償還過渡貸款。負債比率及雙重槓桿比率則分別維持於 24.9% 及 117.9% 的水平。本集團將持續妥善管理資本狀況，因應現時市場環境研究各種改善整體負債的可行方案，包括在過渡貸款年底期滿時進行再融資或清還。

本集團按經常性收入計算的年度化資產回報率及平均股東權益回報率分別由去年的 1.6% 及 7.4%，上升至二零零八年上半年的 2.6% 及 12.6%。

As a financial holding company, CIFH's total debt position was at HK\$5.1 billion at the end of June 2008. This represented the outstanding bridge loans taken out in 2007 to finance the Group's top-up investment in CNCB (approximately HK\$2.6 billion) at the time of the latter's listing in April 2007, and its HK\$2.5 billion capital injection into CKWB in December 2007 to fund CKWB's business and expansion needs. The Group's debt-to-equity ratio and double leverage ratio stood at 24.9% and 117.9% respectively. As part of the Group's on-going capital management, it will take into account current market conditions and options available to improve its overall debt position, including the refinancing or repayment of its bridge loans which will mature by the end of this year.

The Group's annualised return on assets and return on shareholders' equity based on recurring income improved to 2.6% and 12.6% respectively in the first half of 2008, compared to 1.6% and 7.4% for 2007.

主要財務指標

Key Financial Indicators

		二零零八年 六月三十日 30 June 2008	二零零七年 十二月三十一日 31 December 2007
公司	Company		
總借債（十億港元）	Total debt (in HK\$ billion)	5.1	5.2
股東權益（十億港元）	Shareholders' equity (in HK\$ billion)	20.6	20.3
負債比率	Debt-to-equity	24.9%	25.7%
雙重槓桿比率	Double leverage	117.9%	119.5%
集團	Group		
綜合資產總值（十億港元）	Consolidated total assets (in HK\$ billion)	134.1	132.4
權益總值（十億港元）	Total equity (in HK\$ billion)	28.8	26.5
資產回報率	Return on assets	2.6%*	1.6%
平均股東權益回報率	Return on average shareholders' equity	12.6%*	7.4%

* 年度化數字

* Annualised figure

業務概覽

商業銀行業務

1. 中信嘉華銀行有限公司 (「中信嘉華」)

1.1 經營情況

二零零八年上半年，中國及香港經濟持續表現良好，刺激本地及中國跨境貸款維持高速增長。隨著美國連番減息，最優惠利率與本地銀行同業拆息大部份時間均能維持 3.5% 或以上的正常息差水平，資產素質亦保持穩定，促使本地銀行業的貸款業務良好發展。

但與此同時，銀行業亦面對多項環球宏觀經濟隱憂，如美國經濟持續受次按問題衝擊明顯轉弱，商品及食品價格急升引發全球通脹壓力，市場資金緊絀、股市大幅波動及息率周期可能趨升等。

二零零八年上半年，中信嘉華受惠於中港經濟的蓬勃發展，致力發展成為客戶在亞洲的「首選中資銀行」，不但加強其大中華核心業務基礎，而且專注提升其向個人及企業客戶提供適時及創新財務方案的能力，以及擴展亞洲區的客戶層及市場，其中企業銀行及財資業務與去年比較增長尤為理想。

Business Overview

Commercial Banking Business

1. CITIC Ka Wah Bank Limited (“CKWB” or the “Bank”)

1.1 Operating Environment

Strong economic expansion in China and Hong Kong helped to fuel sustained high growth in local and cross-border China-related lending in the first half of the year. With the successive interest rate cuts in the US, the interest spread between the Prime Lending Rate (“Prime”) and the Hong Kong Interbank Offered Rate (“HIBOR”) stayed at the normalised level of 3.5% or above for most of the time during the period. Asset quality remained benign and stable which also augured well for the growth of the lending business for local banks.

Nevertheless, the banking sector must inevitably be cautious of the potential impact of some of the challenges in the global macro economy, including the vulnerability of the US economy which continues to be plagued by its sub-prime mortgage issues, commodity and food prices led global inflationary pressures, tightening market liquidity, stock market volatilities and the possible upward trend in the interest rate cycle.

Benefiting from the vibrant economic conditions in China and Hong Kong in the first half of the year, CKWB stayed focused on its mission to position itself as its customers’ “China Bank of Choice” in Asia. Apart from strengthening the foundations of its core businesses in Greater China, great emphasis was placed in enhancing its abilities to create and deliver timely and innovative client solutions to individual and corporate customers, as well as to expand its customer and geographic reach in Asia. As a result, its wholesale banking business and treasury and markets operations performed particularly well compared to a year ago.

管理層討論及分析

Management Discussion And Analysis

然而，中信嘉華餘下的兩項結構性投資工具對穩健的核心業務表現帶來衝擊。二零零七年本集團年報中已表示，由於環球信貸及資本市場持續惡化，自去年底起該兩項結構性投資工具的資產淨值一直受壓，故此中信嘉華於今年上半年將這兩項結構性投資工具進行七億一千八百萬港元全數撇值。(有關中信嘉華餘下的基金投資組合詳情請見以下第 1.4 節中信嘉華財資部業務發展。)

1.2 業績

盈利

中信嘉華二零零八年上半年核心業務表現穩健，淨利息和淨費用及佣金收入分別較去年同期上升 38.3% 及 13.4%，惟受到上述結構性投資工具按市價計值所造成的撇值影響，未計減值準備前經營溢利只錄得五千六百萬港元。

期內，中信嘉華錄得淨減值回撥九百萬港元，出售可供出售證券獲利三千七百萬港元，總計錄得一億零二百萬港元經營溢利。計及二千八百萬港元投資物業重估收益、其他項目及所得稅項後，股東應佔溢利錄得一億零七百萬港元，按年下降 80.1%。若撇除基金投資及結構性投資工具的按市價計值後撇值，中信嘉華的核心業務計及減值準備及其他項目後經營溢利實質錄得八億七千二百萬港元，較去年同期上升 69.0%；股東應佔溢利則增長 66.3% 至七億五千萬港元。

淨利息收入

二零零八年上半年，中信嘉華淨利息收入按年增加 38.3% 至八億五千二百萬港元，這主要由於期內貸款組合持續擴大，同時隨著本地信貸市場普遍收緊，貸款組合得以逐步調高訂價所致。此外，二零零七年十二月中信國金向中信嘉華注資二十五億港元後，中信嘉華無利息成本資金大幅增加，亦有助提高淨利息收入。

However, the Bank's solid core business performance was compromised by the continuing difficulties in its investments in two remaining SIVs. As mentioned in the Group's annual accounts for 2007, the net asset values of these two SIVs continued to come under pressure in the persistent deterioration of the global credit and capital markets since last year-end. As a result, the Bank has fully written down its remaining HK\$718 million exposure to these two SIVs in the first half of the year. (See section 1.4 Business Development – Treasury and Markets Group for full details on CKWB's remaining fund investments portfolio.)

1.2 Business Performance

Earnings

CKWB delivered solid core business performance in the first half of 2008. Its net interest income and net fee and commission income grew by 38.3% and 13.4% respectively compared to the same period in 2007. Nevertheless, impacted by the afore-mentioned marked-to-market write-downs from its investments in SIVs, the Bank only registered operating profit before impairment allowances of HK\$56 million for the period under review.

After taking into account HK\$9 million in net impairment provisions written back and HK\$37 million in profit on disposal of available-for-sale securities, the Bank reported a net operating profit of HK\$102 million. Coupled with HK\$28 million in revaluation gain on investment properties as well as other items and income tax, the Bank's profit attributable to shareholders totalled HK\$107 million, which represented a 80.1% decline compared to the first half of 2007. Excluding fund investments and SIV-related marked-to-market write-downs, CKWB would have reported a 69.0% year-on-year growth in core operating profit after impairment and other items to HK\$872 million, while net profit attributable to shareholders would have increased 66.3% to HK\$750 million.

Net Interest Income

CKWB's net interest income for the first half of 2008 grew 38.3% year-on-year to HK\$852 million. This primarily reflected the Bank's continued expansion in its loan portfolio and the gradual repricing of its loan portfolio given the overall tightening in the local credit market. It was also helped by the increase in its interest free capital as a result of the HK\$2.5 billion capital injection from the Group in December 2007.

管理層討論及分析

Management Discussion And Analysis

然而，期內同業激烈競逐客戶存款及對存款息差構成的壓力，令到流動資金成本大幅上漲，影響中信嘉華的淨息差表現。經調整餘下基金投資的資金成本後，中信嘉華淨息差較去年同期下跌十點子至 1.76%。

非利息收入

二零零八年上半年中信嘉華淨費用及佣金收入按年增長 13.4% 至四億三千七百萬元。其中企業貸款帶來的費用收入上升 31.3%，財富管理收入上升 17.9%，貿易票據佣金收益上升 32.8%。惟受到結構性投資工具造成的按市價計值後撇值影響，引致非利息收入虧損一億六千二百萬元，二零零七年同期非利息收入則為六億七千二百萬元。

經營支出

中信嘉華致力控制經營成本，要求各核心業務必須把經營開支控制於收入增長之內。二零零八年上半年經營支出上升 7.1%。期內中信嘉華繼續投資在吸納及保留優秀專業人士及管理人才，為發展成為區域性銀行作好準備，導致佔經營開支逾半的僱員成本上升 5.9%。受到結構性投資工具的按市價計值後撇值拖累，中信嘉華成本對收入比率由二零零七年同期的 46.0% 上升至 92.0%。若只計入期內核心業務的經營收入表現，則成本對收入比率較去年同期改善至 43.5%。

Nevertheless, the Bank's net interest margin was affected by the sharp increase in liquidity cost as a result of intense competition from industry peers during the period to build customer deposits and the pressures exerted on deposit margins. After adjusting for the funding cost of its remaining fund investments, the Bank's net interest margin fell 10 basis points compared to a year ago to 1.76%.

Non-Interest Income

CKWB's net fee and commission income grew by a healthy 13.4% year-on-year in the first half of 2008 to HK\$437 million. The main drivers for this growth were a 31.3% increase in corporate loans related income, a 17.9% increase in wealth management related income, and a 32.8% increase in trade bills commissions. However, impacted by the marked-to-market write-downs from the SIVs, the Bank reported HK\$162 million in net loss in non-interest income for the period compared to a non-interest income of HK\$672 million for the same period in 2007.

Operating Expenses

CKWB is vigilant in its cost control disciplines and requires all its core businesses to manage operating expense growth within income growth. Operating expenses rose 7.1% in the first half of 2008 compared to a year ago. During the period, the Bank continued to invest in recruiting and retaining high quality professionals and management talents in order to prepare for its development into a regional bank. As a result, staff costs (which typically account for over 50% of the Bank's total operating expenses) rose by 5.9% year-on-year. The Bank's cost-to-income ratio for the period increased from 46.0% in the first half of 2007 to 92.0% in the current period, due primarily to the marked-to-market write-downs from the SIVs. Its cost-to-income ratio based on the results of its core businesses alone would have improved to 43.5%.

管理層討論及分析

Management Discussion And Analysis

減值準備

鑑於預期信貸週期逐步回復正常，中信嘉華繼續嚴格管理風險，審慎借貸以維持資產素質，期內個別評估貸款淨準備較去年同期上升 39.5% 至七千七百萬元，綜合評估貸款錄得三千七百萬元淨回撥。期內壞賬回收增加 88.3% 至四千九百萬元，但未有任何物業減值虧損，令中信嘉華獲得淨減值回撥九百萬元，而去年同期則錄得淨減值準備七千二百萬元。

1.3 資產素質

資產、貸款及存款規模

於二零零八年六月底，中信嘉華資產總值為一千一百零二億港元，大致維持於去年底規模。正如本報告早前所指出，這主要出於中信嘉華逐步撤出基金投資業務及調整整體交易組合。不過，值得指出的是，雖然市場資金緊絀，但企業銀行貸款業務仍然強勁增長，帶動總貸款增加 13.7% 至七百六十六億港元。另一方面，受市場資金普遍緊縮及低息環境影響，客戶存款減少 6.2%，令總存款較二零零七年底減少 8.0% 至八百三十六億港元。

資產素質指標

期內，中信嘉華資產素質保持良好。惠譽國際及穆迪投資在二零零八年七月分別確認中信嘉華信貸評級為「BBB+」及「Baa2」。惠譽國際預期中信國金私有化計劃完成後，中信嘉華與中信銀行及西班牙對外銀行的協作會進一步加強，有助中信嘉華穩步轉型成為紮根香港的區域性金融方案提供者，服務中國、香港及其他地區性企業。與此同時，穆迪投資指出中信嘉華具備穩固的資本基礎及穩健的資本管理能力。

Impairment Allowances

With the expected gradual normalisation of the credit cycle, CKWB stayed alert on its risk management disciplines and lent conservatively to protect its asset quality. During the period under review, the charge in the Bank's individually assessed loans increased 39.5% year-on-year to HK\$77 million, while the write-back on its collectively assessed loans amounted to HK\$37 million. Bad debt recoveries increased 88.3% to HK\$49 million, however, in the absence of any impairment losses on properties, CKWB recorded a net write-back of HK\$9 million in impairment provisions for the current period. This compared to a HK\$72 million net charge in impairment provision for the first half of 2007.

1.3 Asset Quality

Asset, Loan, and Deposit Sizes

At the end of June 2008, CKWB's total assets stood at HK\$110.2 billion, comparable to the 2007 year-end level. As mentioned earlier in this report, this largely reflected the Bank's gradual exit from its fund investments business and adjustments in its overall trading portfolio. It should be noted, however, that despite the general tightening in market liquidity, the Bank's wholesale lending business continued to generate strong growth. As a result, total loans increased by 13.7% compared to the previous year-end to HK\$76.6 billion. Total deposits meanwhile decreased by 8.0% compared to the previous year-end to HK\$83.6 billion, as customer deposits fell 6.2% due to the general tightening of market liquidity and the low interest rate environment.

Asset Quality Indicators

CKWB continued to maintain satisfactory asset quality during the period. In July 2008, Fitch Ratings and Moody's affirmed the Bank's credit rating at "BBB+" and "Baa2" respectively. Fitch Ratings expects that stronger cooperation between CKWB, CNCB and BBVA post-privatisation of CIFH will help the Bank's steady transformation into a Hong Kong-based regional financial solutions provider for Chinese, Hong Kong and other regional corporates. Meanwhile, the Moody's rating was derived from the Bank's solid capital position and capital management practices.

管理層討論及分析

Management Discussion And Analysis

財務狀況

於二零零八年六月底，中信嘉華資本充足比率為 15.6%。在市場資金普遍緊縮的環境下，中信嘉華流動資金比率及貸存比率分別錄得 34.4% 及 91.6%。但由於中信嘉華積極推行存款及資產負債管理計劃，於二零零八年七月底，流動資金比率已逐步回升，貸存比率則回落至約 85% 水平。

Financial Position

As at the end of June 2008, CKWB reported its capital adequacy ratio at 15.6%. As a result of the general liquidity tightening in the market, its liquidity ratio and loans to deposits ratio stood at 34.4% and 91.6% respectively. However, active deposit management as well as asset and liability management programmes have seen its liquidity ratio gradually trending up while its loans to deposit ratio has trended down to around the 85% level by the end of July 2008.

中信嘉華主要財務比率

CKWB's Key Financial Ratios

		二零零八年 六月三十日 30 June 2008	二零零七年 十二月三十一日 31 December 2007
資本充足比率	Capital adequacy	15.6%	15.8%
主要資本充足比率	Core capital adequacy	10.2%	10.3%
平均流動資金比率	Average liquidity	34.4%	40.8%
貸存比率	Loans to deposits	91.6%	74.1%
貸款對資產總值比率	Loans to total assets	69.5%	60.8%
減值貸款比率	Impaired loans	1.24%	1.15%
覆蓋率 ¹	Coverage ¹	80.9%	84.6%
貸款虧損覆蓋率	Loan loss coverage	32.5%	38.9%
綜合減值準備覆蓋率	Collective assessment coverage	0.23%	0.33%
內地放款佔總貸款比率	Mainland loans to total customer advances	16.3%	17.3%

1 計法為將個別評估減值準備及減值貸款押品之和除以減值貸款總額。

1 Calculated by dividing the sum of individually assessed impairment allowances and collateral of impaired loans by the gross impaired loans.

管理層討論及分析

Management Discussion And Analysis

1.4 業務發展

零售銀行部

雖然上半年市場大幅波動及經濟前景不明朗，令經營環境充滿挑戰，但零售銀行部仍持續錄得盈利增長，二零零八年上半年稅前溢利為二億九千二百萬港元，按年上升 6.5%。總費用及佣金收入按年增長 6.3%，佔零售銀行部總營運收入逾 42.6%。財富管理相關的費用收入繼續成為主要收入來源，期內按年增長 17.9%，這主要由於零售銀行部為客戶適時推出各種具防守性的增益方案以及其他經常性收入和貨幣相關產品所帶動。

中信嘉華尊貴財富管理服務平台 *CITICfirst* 不斷擴闊服務範疇，市場知名度亦與日俱增。自二零零六年三月推出以來，*CITICfirst* 客戶人數在競爭激烈的市場環境下仍一直穩定增長。截至二零零八年六月底，*CITICfirst* 為客戶資產管理總額達三百六十五億港元，客戶總數較二零零七年底進一步增加了 16% 至超過一萬二千人。與此同時，*CITICfirst* 期內吸納的新客戶之中，逾半數為中信嘉華的新客戶。

為了貫徹為客戶帶來創新及獨特體驗的承諾，中信嘉華將會繼續擴充及翻新 *CITICfirst* 理財中心，為客戶提供更寬敞、更舒適的環境。現時中信嘉華在其分行網絡內合共設有十二間 *CITICfirst* 理財中心。

中信嘉華上半年零售貸款較二零零七年底溫和上升 4.2%。零售銀行部在零售信貸方面採取審慎策略，新業務以有高度抵押的貸款為主。期內並持續執行風險管理工作，就整個現有貸款組合的穩健性作出檢討，以確保業務策略能夠貫徹以客為尊的服務方針。

1.4 Business Development

Retail Banking Group (“RBG”)

Despite challenges posed by the sharp market volatilities and the uncertain economic outlook during the period, RBG delivered sustained earnings growth and reported net profit before tax of HK\$292 million in the first six months of the year, representing a 6.5% growth over the same period in 2007. Total fee and commission income grew 6.3% year-on-year to account for over 42.6% of total operating income for the business unit. Wealth management-related fee income continued to be a key contributor with a 17.9% year-on-year growth, driven primarily by the timely roll-out of a variety of defensive yield enhancement client solutions as well as other recurring income and currency-related products.

The Bank's signature wealth management platform, *CITICfirst*, grew from strength to strength in service offering and market awareness. Since its launch in March 2006, it has maintained a steady growth in its customer base amidst intense market competition. As at the end of June 2008, its total client assets under management have reached HK\$36.5 billion. Its total number of customers has further increased by 16% since the previous year-end to surpass 12,000 at the end of June. Furthermore, of the new *CITICfirst* customers acquired during this period, over half were new-to-bank customers.

To deliver on its commitment to innovate and create a differentiated customer experience, the Bank continued to invest in the expansion and revamp of its *CITICfirst* centres which currently totalled 12 within the Bank's existing branch network, paving way for a bigger and better environment for servicing clients.

The Bank's retail loan book grew moderately by 4.2% during the period compared to 2007 year-end. RBG adopts a prudent approach in the area of consumer lending and new businesses are extended on a heavily collateralised basis. As part of its ongoing risk management discipline, the entire existing portfolio was reviewed during the period for its robustness and to ensure a consistent customer-centric approach in its business strategy.

管理層討論及分析

Management Discussion And Analysis

企業銀行部

二零零八年上半年，企業銀行部為亞洲客戶提供全面增值方案的定位繼續取得令人鼓舞的成績，稅前溢利較去年同期上升 34.6% 至四億一千八百萬港元。淨利息收入增加 20.6%，非利息收入上升 13.4%，佔其整體經營收入 35.5%。

企業銀行部致力加強與中信銀行合作（亦見於以下中國業務一節）及分散擴展客戶組合至其他亞洲區域，帶動二零零八年上半年企業貸款較二零零七年底強勁增長 17.4%。上半年銀團貸款籌組達二十五宗，合共為客戶籌得五十六億港元，較去年同期上升 22.2%。香港方面的貿易融資總額及票據佣金收入分別按年上升 57.2% 及 47.3% 至一百九十七億港元及三千萬港元。上半年交叉銷售財資部方案所帶來的收入亦上升逾 60%。

各項業務全面表現出色，其中最令人鼓舞的，是透過中信銀行業務轉介以及加強產品實力，客戶組合素質及核心客戶關係均得到進一步提升。針對內地外匯信貸緊絀情況，企業銀行部透過與中信銀行合作，提供適時及創新的增值財務方案，成功吸納或深化核心客戶業務關係，並進而成為客戶的主要銀行。同時，期內企業銀行部亦成功藉著銀團貸款及商業地產貸款等業務，繼續拓展亞洲區大型企業客戶基礎。

另外，企業銀行部在推進中信嘉華區域性擴展計劃方面繼續取得穩步進展，現正準備申請新加坡分行有關牌照，初步目標是於二零零九年初開業。

Wholesale Banking Group (“WBG”)

WBG's strategy to deliver comprehensive value-added solutions to its Asian clientele continued to pay off with encouraging results in the first half of 2008. Its net profit before tax grew 34.6% year-on-year to HK\$418 million. Its net interest income grew by 20.6% year-on-year, while non-interest income rose 13.4% year-on-year to account for 35.5% of total operating income for the business unit.

As a result of its focused efforts to enhance cooperation with CNCB (also see China Banking below) and to diversify its client portfolio in Asia, WBG recorded a solid growth of 17.4% in its loans compared to 2007 year-end. The aggregate underwritten amount of loan syndication activities for the first half of 2008 increased by 22.2% year-on-year to HK\$5.6 billion from a total of 25 deals. Trade finance volume and bills commission for Hong Kong grew significantly by 57.2% year-on-year to HK\$19.7 billion and 47.3% year-on-year to HK\$30 million respectively. Income from cross-selling of Treasury and Markets solutions also grew by over 60% in the first half of 2008.

While performance improvements were registered across all its business lines, WBG's most valued achievements lie in its success in upgrading the quality of its client portfolio and in further expanding its core customer relationships, in part through referrals from CNCB and through the strengthening of its product capability. Riding on its cooperation with CNCB, WBG was able to establish core banker status with a number of new customers or with existing relationships by providing timely and innovative value-enhancing financing solutions to help address the tight foreign currency credit environment in China. At the same time, through its loan syndication and commercial real estate lending activities, WBG was also able to expand its client coverage to include large Asian regional corporates.

Separately, WBG continued to make steady progress spearheading the Bank's regional expansion plan. Preparation for the application of a branch licence in Singapore is well underway, with an initial target to commence operations by early 2009.

管理層討論及分析

Management Discussion And Analysis

中國業務

中信嘉華全資擁有的內地註冊子銀行中信嘉華銀行(中國)有限公司(「中信嘉華(中國)」)已於二零零八年四月正式開業。中信嘉華(中國)總部設於深圳，分行位於北京和上海，專責執行中信嘉華的中國相關業務，同時並擔任與中信銀行及西班牙對外銀行在中國境內三方合作的業務平台。

二零零八年上半年中國業務部將與中信銀行及其他中信子公司之間的合作推進到了一個新的水平。二零零八年上半年由中信銀行或其他中信子公司轉介至中信嘉華並成功獲批核的信貸額達一百一十億港元。

透過與中信銀行持續強化及合作推進全球／本地客戶關係統一管理模式的應用，中信嘉華大力開發新產品以有效地結合兩行在外幣交易、信貸解決方案及結構性貿易產品等方面各自的優勢，上半年這方面取得重大進展。

中信嘉華與中信銀行緊密合作推出的各項財富增值方案及產品，得到了客戶的廣泛認可和支持。例如，針對內地外匯信貸需求日益增加的情況，中信嘉華為一些中信銀行大型企業客戶海外業務推出離岸貿易融資計劃，上半年已批出五十億港元額度。同時，中信嘉華推出信用證及非信用證項下海外代付融資的貿易融資計劃，協助客戶降低外匯融資成本並獲得人民幣預期升值帶來的匯差收益，也深受其他中信銀行客戶歡迎。僅僅在第二季，在這一計劃下來自中信銀行轉介的海外代付業務已超過四千萬美元。

China Banking

The Bank's wholly-owned China-incorporated subsidiary bank, CITIC Ka Wah Bank (China) Limited ("CKWB China"), officially commenced business in April 2008. Headquartered in Shenzhen with branches in Shanghai and Beijing, CKWB China will serve as the business platform for the Bank's China related business as well as the Bank's onshore cooperation with CNCB and BBVA.

In the first half of 2008, China Banking was responsible for bringing CKWB's cooperation with CNCB and other CITIC Group subsidiaries to new heights. Approved facilities arising from business referrals during the period reached HK\$11 billion.

Through consistent strengthening and implementation of the global account / field account customer relationship management model in cooperation with CNCB, further progress was made in the development of new products which effectively leveraged both banks' competitive advantages in the areas of foreign currency trading, credit solutions and structured trade products.

Seamless cooperation between CKWB and CNCB has delivered value-enhancing solutions which attracted encouraging client responses. For instance, approved trade lines of up to HK\$5 billion were established in the first half of the year for overseas operations for some of CNCB's large corporate clients. This was the result of an offshore trade finance programme that CKWB launched to help meet the foreign currency financing needs of these clients. Another trade programme involving the refinancing of letters of credit ("LC") and non-LC trade instruments was well received by other CNCB's clients as it helped to lower their foreign currency financing costs and allowed them to capture the foreign currency upside from the expected RMB appreciation. This programme generated over US\$40 million in trade refinance business referred from CNCB in the second quarter of the year alone.

管理層討論及分析

Management Discussion And Analysis

財資部

財資部期內與零售銀行部及企業銀行部緊密合作，以增強構建客戶方案的能力。在存款利率較低的環境下，中信嘉華為提高零售客戶的收益，期內推出共七宗利率結構性存款產品，總值達二十六億港元，同時成功以私人配售形式為財富管理客戶推出首宗由中信嘉華發行的股票掛鉤票據。此外，企業客戶對財資產品的需求亦顯著提升，特別是協助客戶鎖定借貸成本的利率對沖及掉期產品，以及為對沖人民幣外匯風險而設的人民幣不交收遠期合約等。

財資部在貨幣市場運作方面亦有不俗成績。由於去年第三季起預期美元及港元利率下調，財資部審慎管理中信嘉華的短期投資組合，令上半年貨幣市場的差距配對活動錄得出色回報。

基金投資方面，中信嘉華正按原定計劃逐步撤出有關業務，上半年已完成贖回選類投資組合中所有對沖基金中基金。組合內僅餘的便攜式阿爾法投資票據於二零零八年六月底的市值約為六億六千七百萬港元。管理層計劃於二零零九年九月贖回該批票據。

於二零零八年六月三十日，中信嘉華僅持有的兩項結構性投資工具 Beta Finance Corporation 及 Five Finance Corporation 資產淨值分別跌至 -12.3% 及 -8.5%，為此中信嘉華在上半年業績中將其七億一千八百萬港元的餘下價值全數撇值。

Treasury and Markets Group (“TMG”)

TMG worked closely with RBG and WBG to enhance its client solutions capabilities during the period. A total of seven structured deposit products were introduced to help enhance yields against a generally low savings rate environment, attracting a total of HK\$2.6 billion from the Bank's retail customers. TMG also successfully launched the Bank's first own-manufactured privately-placed equity linked note for the Bank's wealth management customers. Meanwhile, wholesale banking demand for treasury-related products increased significantly, particularly in the area of interest rate hedging and swap products to help clients lock in cost of funding, and in RMB non-deliverable forward contracts to help hedge against RMB foreign exchange risks.

TMG also did well in its money market operation. Having prudently managed the Bank's short-term investment portfolio in anticipation of the down-trend of the USD and HKD interest rates since the third quarter of last year, the money market gapping activities generated excellent returns in the first half of 2008.

In the area of fund investments, the Bank is progressing with its plans to exit this business and has completed the redemption of all the funds of hedge funds within its alternative investment portfolio by the end of June 2008. The only investments remaining in the portfolio are portable alpha mandates which had a market value of approximately HK\$667 million at the end of June 2008. It is the management's intention to redeem these mandates in September 2009.

As at 30 June 2008, the net asset values (NAVs) of the Bank's two remaining SIVs, namely, Beta Finance Corporation (“Beta”) and Five Finance Corporation (“Five”), have fallen to -12.3% and -8.5% respectively. Accordingly, the Bank has written down the full remaining carrying value of the two SIVs at an equivalent of HK\$718 million for the first half of 2008.

管理層討論及分析

Management Discussion And Analysis

中信嘉華去年將其持有資本票據投資的一項結構性投資工具 Victoria Finance Limited 重組（「有關重組」）成為具充份長期資金支持的債務抵押證券 Farmington Finance Limited（「Farmington」），於二零零八年六月三十日 Farmington 淨現值為 70.3%，高於二零零七年底的 59.2%。截至二零零八年六月底，Farmington 旗下投資組合一直如期提供現金流，雖然組合資產素質隨著整體信貸市場走勢亦出現輕微下降，但其投資已充份分散於四百多種不同資產類別上。（有關 Farmington 進一步詳情請見未經審核補充財務資料附註(J)）

風險管理

期內，中信嘉華繼續致力提升風險基建，在系統及專業技術層面上均作出投資。中信嘉華採取整全方針加強整體風險管理架構，其中特別針對資產負債表及流動資金管理，以及實現信貸風險管治及組合管理的最佳守則。

管理層對瞬息萬變的經營環境保持高度警覺，以預期及識別各種潛在的市場震盪或未能預見的新風險。中信嘉華一直對各業務組合嚴格執行風險管理及監察，並持續由預警委員會進行檢討，而客戶關係經理則與所有客戶保持密切聯繫，以瞭解他們的需要及市場環境的轉變。

與此同時，由於財資操作為支持地區擴展策略而重新定位，中信嘉華亦正提升市場風險系統及能力。

此外，中信嘉華亦致力管理業務操作及策略風險，並策劃實行符合《新巴塞爾資本協定》的經濟資本計劃。

As at 30 June 2008, the net present value (“NPV”) of Farmington Finance Limited (“Farmington”), a fully-funded cash flow collateralised debt obligation restructured (the “Restructuring”) from the Bank’s previous capital notes investment in the SIV Victoria Finance Limited (“Victoria”), stood at 70.3%. This compared to an NPV of 59.2% for Farmington at the end of December 2007. As at end-June 2008, the underlying investment portfolio of Farmington continued to meet projected cash flows. The portfolio quality showed some deterioration in line with the general credit markets, but it is well diversified amongst some 400 assets in diverse classes. (See Note (J) in the Unaudited Supplementary Information for further details on Farmington.)

Risk Management

Continuous investments were made during the period to upgrade its risk infrastructure, both in terms of systems and professional skill sets. A holistic approach is embraced to strengthen the Bank’s overall risk management framework, in particular in the areas of balance sheet and liquidity management, credit risk governance and portfolio management best practices.

Management stays alert to the rapid changes in the Bank’s operating environment in order to anticipate and identify potential shocks or new and unforeseen risks as these may emerge. Rigorous risk management disciplines are consistently applied across the Bank’s business portfolios which are subject to on-going watch lists and reviews by the Early Alert Committee. Relationship managers stay in close contact with all customers to understand their needs and changing circumstances.

Meanwhile, the Bank is also in the process of upgrading its market risk systems and capabilities as it repositions its treasury operations to support its regional expansion strategy.

Attention is also given to the management of operational and strategic risks, as well as the planning of economic capital implementation in compliance with Basel II requirements.

管理層討論及分析

Management Discussion And Analysis

2. 中信銀行股份有限公司 (「中信銀行」)

2.1 業績

二零零八年上半年，在國際經濟金融形勢複雜多變、國內宏觀調控持續進行、市場發生深刻變化的情況下，中信銀行把握著發展的良好機遇，取得了歷史性的經營佳績。

中信銀行上半年淨利潤較去年同期增長161.5%，創出八十四億二千九百萬人民幣的歷史新高，這既得益於中國政策方面的有利因素，也是管理層不斷改善資產負債結構、拓展多元化收入來源的結果。平均資產回報率為1.58%，較去年同期提升零點七六個百分點；權益回報率為19.4%，按年上升七點六九個百分點。淨利息收入和非利息收入雙雙大幅增長，其中淨利息收入按年增長61.9%，非利息收入按年增長226.5%。成本對收入比率則控制在31.5%的較低水平。

2.2 資產素質

資產、貸款及存款規模

於二零零八年六月底，中信銀行總資產為一萬一千一百七十一億人民幣，較去年底擴大10.5%；貸款總額為六千三百三十八億人民幣，較去年底上升10.2%；總存款為八千四百九十五億人民幣，較去年底增長7.9%。

2. China CITIC Bank Corporation Limited ("CNCB")

2.1 Business Performance

CNCB's operating environment in the first half of 2008 was characterised by the vagaries of the international economic and financial scenes, continued macroeconomic tightening in China as well as profound market changes. Nevertheless, it was successful in leveraging the favourable business opportunities to achieve record performance for the period.

Benefiting from various positive developments in China's domestic policies as well as the continuous efforts by the bank's management to improve its asset and liability structure and to diversify its income sources, CNCB's net profit for the first half of 2008 surged 161.5% year-on-year to a historic high of RMB8,429 million. Its return on average assets rose by 0.76 percentage point to 1.58% compared to the same period last year, while its return on equity increased by 7.69 percentage points year-on-year to 19.4%. Both its net interest income and non-interest income registered substantial increases, of which its net interest income rose 61.9% year-on-year while its non-interest income rose by 226.5% year-on-year. Cost to income ratio was kept at a relatively low level of 31.5%.

2.2 Asset Quality

Asset, Loan, and Deposit Sizes

As at the end of June 2008, CNCB's total assets were RMB1,117.1 billion, representing a 10.5% increase over 2007 year-end. Total loans rose by 10.2% from 2007 year-end to RMB633.8 billion. Total deposits grew by 7.9% from 2007 year-end to RMB849.5 billion.

管理層討論及分析

Management Discussion And Analysis

資產素質指標

中信銀行克服了地震災害的影響，積極應對國家宏觀調控形勢，在保持信貸合理增長的同時，著重強調信貸結構的調整。積極發展個人住房按揭業務和信用咭業務，控制中長期貸款投放，及時退出了受宏觀調控影響較大的中小房地產企業以及行業地位不高、競爭力不強的「兩高一資」（高耗能、高污染、資源性）企業，增加了涉及國計民生的基礎性行業投入，增強了信貸經營的預見性和前瞻性。截至六月底，不良貸款率為1.45%，較去年底下降約零點零三個百分點；關注類貸款率為1.90%，較去年底下降零點一六個百分點；撥備覆蓋率達115.4%，較去年底提高五點四個百分點，資產質量保持優異水平。

2.3 業務發展

企業銀行業務

企業銀行業務增勢強勁，截至二零零八年六月底，企業存款總額為七千三百九十四億人民幣、貸款總額為五千五百一十八億人民幣，分別較去年底增長15.5%及10.6%，繼續保持在內地中小股份制商業銀行的前列地位。國際業務貿易項下收付匯量逾七百二十億美元，較去年同期增長61.0%，超過了同期全國外貿增速近十個百分點。投資銀行業務非利息淨收入達三億七千八百萬人民幣，按年增長320%。托管資產規模達一千二百二十四億人民幣；托管費收入為一億一千一百萬人民幣，按年增長640%。

Asset Quality Indicators

CNCB withstood the impact of the Sichuan earthquakes and actively responded to the country's macroeconomic tightening during the period. It managed to maintain reasonable growth in its lending business while focusing on improving its credit portfolio structure. Emphasis was placed on developing mortgages for personal housing and credit card business, managing medium- to long-term lending, and to exit on a timely basis sectors that are more significantly impacted by the macroeconomic tightening measures, such as small- to medium-sized property companies, and enterprises from sectors that are deemed low priority and uncompetitive, such as those that are not energy and resource efficient and that are highly pollutant. Meanwhile, the bank has increased its involvement in sectors related to the country's economic fundamentals and the people's livelihoods, and strengthened the predictability and prospects of its credit business. As a result, CNCB reported excellent performance in its asset quality for the first half of the year. As at end-June 2008, CNCB's non-performing loan ratio fell by about 0.03 percentage points to 1.45% as compared to 2007 year-end. Special mention loan ratio fell by 0.16 percentage points to 1.90%. Coverage rose by 5.4 percentage points to 115.4%.

2.3 Business Development

Corporate Banking Business

CNCB's corporate banking business reported strong growth momentum. The bank maintained its leadership position among the small- to medium-sized joint stock commercial banks in the Mainland with corporate deposits amounting to RMB739.4 billion and total loans at RMB 551.8 billion as at end-June 2008, representing a 15.5% and 10.6% growth respectively compared to 2007 year-end. Its international trade-related remittance volume exceeded US\$72 billion, representing a 61.0% increase compared to the same period last year and outpacing the growth rate of the country's foreign trade by nearly 10 percentage points. Investment banking-related net non-interest income rose by 320% year-on-year to RMB378 million. The size of assets under custody reached RMB122.4 billion and custodian fee income was RMB111 million, representing a 640% year-on-year increase.

管理層討論及分析

Management Discussion And Analysis

零售銀行業務

零售銀行業務面對劇烈的市場變動仍保持較快增長，客戶管理資產總額達二千二百二十億人民幣，較去年底增長 18.3%。在中間業務領域方面，中信銀行實現了各類新興業務的快速發展。理財產品銷售額折計一千零十七億人民幣，按年增長 86.9%。信用卡實現稅前盈利三千八百二十八萬人民幣，發咭量、交易量和貸款總額較上年同期分別增長 86.3%、192.5% 和 207.4%，累計發咭量已逾五百六十六萬張。

資金資本市場業務

中信銀行的資金資本市場做市交易總排名繼續穩居國內市場首位。截至二零零八年年六月底，資金資本市場業務營業收入為二十億人民幣，較去年同期增長 83.7%，佔全部營業收入的 9.9%；資金資本市場非利息淨收入為九億六千九百萬人民幣，較去年同期增長 298.8%，佔全部非利息淨收入的 45.5%。

2.4 與中信公司系內金融子公司的合作

上半年，中信銀行加快了與中信公司旗下各金融子公司的合作。企業業務領域方面，與中信證券聯合為企業主承銷發行短期融資證券二十億人民幣、中期票據五十四億人民幣，與中信證券、中信信托合作的專案托管規模達九十一億人民幣。個人業務領域方面，中信銀行與中信旗下金融子公司合作開發理財產品三十五種，銷售額七百三十三億人民幣，分別較去年同期增長 59.1% 及 84.2%；第三方存管業務新增的十三萬九千五百位個人客戶中 72.5% 來自中信系統證券公司。

Retail Banking Business

CNCB's retail banking business managed to deliver relatively fast growth despite the dramatic changes in the market during the period. Client assets under management grew 18.3% to RMB222 billion compared to 2007 year-end. Various new business lines in the area of intermediary businesses also experienced rapid growth. Sales volume of wealth management products grew by 86.9% year-on-year to RMB101.7 billion. The credit card business generated RMB38.28 million in profits before tax. Card issuance rose by 86.3% year-on-year to a cumulative total of over 5.66 million cards in force, while card transaction volume and receivables rose by 192.5% and 207.4% respectively.

Treasury and Capital Markets Business

CNCB continues to rank first in terms of market-making transaction volume in China's capital markets. As at the end of June 2008, treasury and capital markets turnover rose by 83.7% year-on-year to RMB2 billion, accounting for 9.9% of CNCB's total business income. Net non-interest income of the business unit rose by 298.8% year-on-year to RMB969 million, accounting for 45.5% of CNCB's total net non-interest income.

2.4 Collaboration with CITIC Group Subsidiaries

In the first half of 2008, CNCB has stepped up its cooperation with other CITIC Group financial services companies. In the area of corporate banking business, CNCB and CITIC Securities Co., Ltd. were joint lead underwriters for RMB2 billion in short-term financial bonds and RMB5.4 billion in medium-term financial papers. In its cooperation with CITIC Securities Co., Ltd. and CITIC Trust & Investment Co., Ltd., total trust assets under custody reached RMB9.1 billion. In the area of retail banking services, joint product development with other CITIC Group financial services companies have led to the launch of 35 wealth management products and RMB73.3 billion in related sales volume, representing a year-on-year increase of 59.1% and 84.2% respectively. Of the 139,500 new customers using third party deposit account services, 72.5% came from the securities companies within the CITIC Group.

管理層討論及分析

Management Discussion And Analysis

2.5 與西班牙對外銀行的合作

二零零八年上半年，中信銀行與西班牙對外銀行召開了兩次戰略合作委員會會議，進一步確定了雙方合作的核心業務領域為零售和私人銀行業務、資金資本市場業務、企業與投資銀行業務、年金業務、汽車金融、風險管理及人員培訓。二零零八年六月十九日，雙方在北京共同舉辦了「中國企業投資拉美論壇」，研究通過利用中信銀行多年來服務國際化客戶的經驗和中信金融控股平台優勢，聯合西班牙對外銀行為中國企業在拉美市場的投資提供全面的財務顧問和配套金融服務。

非銀行金融業務

3. 中信資本控股有限公司 (「中信資本」)

3.1 業績

二零零八年上半年，中信資本綜合稅後盈利較二零零七年同期下降 63% 至一億一千三百萬港元，這主要是由於中信資本於二零零七年上半年撤出多項投資，令去年同期錄得龐大已實現收益及表現費用；加上全球投資市場動盪，對中信資本今年上半年可銷售證券業務造成影響所致。投資環境縱然困難，但中信資本旗下管理資產總值於二零零八年六月底仍大致維持於十五億美元規模。

然而，中國中長線經濟前景依然樂觀，國際及中國投資者對專注於中國的另類投資產品仍然有濃厚興趣，中信資本管理層故此對內地各種資產類別的投資商機仍充滿信心，未來會繼續擴大旗下資產管理規模的長遠策略。

2.5 Collaboration with BBVA

In the first half of 2008, the strategic cooperation committee of CNCB and BBVA met twice to reaffirm the core areas of mutual business cooperation, namely, in retail and private banking, treasury and capital markets business, corporate and investment banking, annuity business, auto-finance, risk management and staff training. A joint forum was held in Beijing on 19 June 2008 at which the two parties explored how to leverage CNCB's experience in servicing international customers and the competitive advantages of CITIC Group's financial services platform to cooperate with BBVA to provide comprehensive financial advisory and financial services to Chinese enterprises investing in Latin America.

Non-Bank Financial Businesses

3. CITIC Capital Holdings Limited ("CCHL")

3.1 Business Performance

CCHL's consolidated profit after tax for the first half of 2008 decreased by 63% year-on-year to HK\$113 million. This was mainly due to the disposal of several investments in the first half of 2007 which resulted in substantial realised gains and performance fees in the same period last year, and the impact of the global investment market turmoil on CCHL's marketable securities business. Despite a difficult investment environment, CCHL more or less maintained its total assets under management ("AUM") at US\$1.5 billion at the end of June 2008.

Nevertheless, given the robust medium- to long-term economic outlook of China, investor interest (both in China and internationally) in China-focused alternative investment products continues to be strong. As such, the management of CCHL remains confident in opportunities across different asset classes in China, and will continue its long-term strategy to grow its AUM.

管理層討論及分析

Management Discussion And Analysis

3.2 業務發展

私募投資

中信資本的中國私募投資旗艦基金中信資本中國投資基金於二零零八年上半年完成了兩個新投資項目，包括一家專門生產空調系統的高速增長汽車零件製造商，以及一家領先起重機製造商。中信資本中國投資基金目前並有兩項有關糖果製造商及嬰兒配方奶粉製造商的投資項目正待政府最後審批，預期可於二零零八年第三季前完成。當此兩項投資完成後，中信資本將推出第二個中國私募投資基金，目標基金規模將為七億五千萬美元。

在國際領域方面，中信資本中日私募投資基金出售一家食品及飲料公司部份權益，成功取得相等於投資成本八點一倍的可觀回報；該基金對一家精密設備製造商的新投資現亦接近完成。在美國方面，中美私募投資基金最近完成投資於一家銳意拓展內地市場的冷藏服務供應商。

房地產業務

儘管中國地產市場最近冷卻下來，但中信資本的房地產基金上半年全面錄得理想成績，其專注內地住宅樓房發展項目的第二個房地產基金中信萬科中國房地產開發基金，已於二零零八年一月完成所有投資。這個規模達一億五千萬美元的基金是由中信資本與內地最大房地產發展商萬科企業股份有限公司合作成立。

中信資本的第三個房地產基金已於二零零八年上半年完成兩次額外集資，令資產管理總額增加至三億八千五百萬美元，預期於二零零八年第三季完成最後集資後，基金總額將可達五億五千萬美元的目標。該基金專注於投資物業、房地產發展計劃以及入股內地房地產發展商，於二零零八年六月前已投資了三個項目。

3.2 Business Development

Private Equity

CITIC Capital China Partners, L.P. ("CCCP"), CCHL's flagship China private equity fund, closed two new investments during the first half of 2008, including a fast growing auto parts manufacturer which specialises in air conditioning systems, and a leading crawler crane manufacturer. CCCP is also in the process of obtaining final government approvals for two new investments including a confectionery manufacturer and an infant formula milk manufacturer, with target closings by the end of the third quarter of 2008. Once these two investments are closed, CCHL will launch its second China private equity fund which has a target fund size of US\$750 million.

On the international front, CCHL's Japan-China private equity fund divested part of its interest in a leading food and beverage company and generated a remarkable 8.1 times return on investment. This same fund is now in the process of closing a new investment in a precision equipment manufacturer. In the US, CCHL's US-China private equity fund has recently closed a new investment in a cold storage service provider with a strong China expansion angle.

Real Estate

Despite the recent cooling down of the property market in China, CCHL's real estate funds all performed well during the period. Its second real estate fund, CITIC Capital Vanke China Property Development Fund which focuses on residential property development projects in China, has already fully invested by January 2008. This US\$150 million fund was established in partnership with China Vanke, the largest property developer in China.

Its third real estate fund completed two additional closings in the first half of 2008 to bring its AUM to US\$385 million. Its final closing is expected to complete in the third quarter of 2008 at a target total fund size of US\$550 million. This fund focuses on investment properties, property development projects and equity investments in property developers in China. It has already made three investments by June 2008.

管理層討論及分析

Management Discussion And Analysis

夾層融資基金

二零零八年上半年，中信資本增持其共同管理的夾層融資基金 CITIC Allco Investments Limited 的股權，由 50% 增加至 75%。該夾層融資基金期內投資了兩個新項目，包括與中信資本中國投資基金共同入股一家領先起重機製造商，以及投資於一家高級特種玻璃幕牆系統公司，同時正接近完成另外兩個新投資項目。

可銷售證券

中信資本可銷售證券業務表現受到多項市場不利因素影響，包括市場憂慮美國次按危機造成的負面情緒、油價高企、以及中國股市顯著調整帶來市況大幅波動等。鑑於投資氣氛負面及市場風險高企，中信資本決定結束旗下其中一個大中華對沖基金。中信資本未來將會短暫專注發展中信資本中國機會基金及於二零零七年底與西班牙對外銀行合作在西班牙推出的互惠基金，但當市場環境好轉，中信資本將會繼續發展及推出新產品，如結合多種策略的基金中基金。

其他

中信資本致力發展新基金產品，不斷發掘具吸引力的資產類別，發展可取的投資策略，並為發展新基金進行新的重點投資。其中，中信資本已投資於內地兩個出現財政問題的房地產項目，並成功地整頓該兩個項目重新發展。

Mezzanine Fund

During the first half of 2008, CCHL increased its shareholding from 50% to 75% in the management company of CITIC Allco Investments Limited, a mezzanine fund that CCHL co-manages. This fund made two new investments during the period, including a co-investment with CCCP in a leading crawler crane manufacturer and an investment in a high-end specialty glass curtain wall system company. It is currently in the process of closing two additional new investments.

Marketable Securities

The performance of CCHL's marketable securities funds was impacted during the period by a confluence of challenges which included the negative market sentiment caused by concerns over the US sub-prime crisis, high oil prices, and volatilities arising from a substantial correction in China's stock markets. Given negative investor sentiment and the high market risks, CCHL closed down one of its Greater China hedge funds. In the near term, CCHL will focus on managing its CITIC Capital China Access Fund and the mutual fund it launched in Spain in collaboration with BBVA in late 2007. However, it will continue to develop and launch new products such as multi-strategy fund of funds when market conditions improve in due course.

Others

As part of CCHL's strategy to develop new fund products, it continuously seeks to identify attractive asset classes, develop investment strategies of interest, and make new investments as potential anchor investments for new funds. In particular, CCHL has invested in two property projects in China that were in financial distress and which it has successfully revitalised for on-going development.

管理層討論及分析

Management Discussion And Analysis

至於新基金計劃方面，中信資本與一家領先內地金融機構合作成立一個人民幣創業資本基金，現已進入最後階段。中信資本亦與哈薩克斯坦政府的持續發展基金 Kazyna 攜手成立合資基金，投資於哈薩克斯坦及中國的項目，以發掘兩地經濟聯繫日益緊密所帶來的商機。同時，中信資本並與中信公司及中信信托有限責任公司合作，透過入股一家管理 Kingview 人民幣基金系列的合資企業，開拓內地零售基金市場。

此外，中信資本已於二零零八年年初將其所持有中信証券國際有限公司的餘下 11.6% 權益，出售予中信証券有限公司。

4. 中信國際資產管理有限公司 (「中信國際資產管理」)

4.1 業績

中信國際資產管理二零零八年上半年收入表現較去年同期遜色，因亞洲股票市場疲弱，令其上市證券投資及相關的原訂沽貨時間表受到影響，未能帶來理想收入貢獻，期內主要收入來自過渡融資交易及內地人民幣資產的升值。上半年中信國際資產管理的收入及股東應佔溢利分別錄得三千萬港元及二百萬港元，分別較去年同期減少 61% 及 97%，有關業績首次包括了香港上市公司金匯投資(集團)有限公司的財務表現，中信國際資產管理於二零零八年四月完成收購該公司控制性權益並更名為事安集團有限公司(「事安集團」)。

In terms of new fund initiatives, CCHL is in the final stage of setting up an RMB venture capital fund with a leading financial institution in China. It is also working closely with Kazyna, the Kazakhstan government's sustainable development fund, to launch a joint venture fund that will invest in Kazakhstan and China so as to benefit from the increasing economic linkages between the two countries. CCHL has also joined forces with CITIC and CITIC Trust & Investment Co., Ltd. to tap the domestic retail fund market in China through equity participation in a joint venture that manages the Kingview Series of RMB funds.

Separately in early 2008, CCHL has divested its remaining 11.6% stake in CITIC Securities International Company Limited to CITIC Securities Co., Ltd. in China.

4. **CITIC International Assets Management Limited** (“CIAM”)

4.1 Financial Performance

CIAM reported weaker revenue performance in the first half of 2008 compared to a year ago as revenue contribution from its listed investments and their related divestment schedule was affected by challenges in the equity markets in Asia. As a result, its revenues for the period were derived primarily from its bridge financing transactions and the appreciation of RMB from its assets in China. Its income and profit attributable to shareholders recorded for the period amounted to HK\$30 million and HK\$2 million respectively, representing a 61% and 97% decrease respectively over the same period in 2007. These results included for the first time the financial performance of E2-Capital (Holdings) Limited, a Hong Kong-listed company in which CIAM acquired a controlling stake in April 2008 and renamed as CIAM Group Limited (“CIAM Listco”).

管理層討論及分析

Management Discussion And Analysis

4.2 業務發展

全新投資平台

中信國際資產管理於二零零八年四月完成收購事安集團 72% 權益後，向事安集團小股東作出強制性收購及現正按香港聯合交易所有關回復公眾持股量的要求安排股票配售，現時中信國際資產管理透過 Right Precious Limited 持有事安集團約 90.5% 股權。中信國際資產管理與事安集團正在管理及運作層面進行融合，未來事安集團將成為中信國際資產管理的核心投資工具及業務發展平台。

直接投資

二零零八年上半年，中信國際資產管理將直接投資業務的重點放在開拓房地產投資商機上。中信國際資產管理佔 40% 權益的金屬礦業合資企業，已於今年首季開始進行投資，進一步的股本集資計劃預期將配合投資時間表於未來十二個月內進行。房地產投資方面，中信國際資產管理已投資於內地一個住宅及商業綜合房地產發展項目，同時亦透過收購事安集團持有一個位於香港九龍塘區嘉林邊道的房地產重建項目，兩個房地產項目的規模分別約為七億人民幣及八億港元。

融資顧問業務

中信國際資產管理繼續善用其財務優勢發展相關業務。過去為客戶一併提供短期貸款及顧問服務的策略，成功帶來理想收益並擴大客戶基礎，二零零八年中信國際資產管理按計劃進一步擴展有關業務，完成一項收購融資交易，預期將於二零零八年下半年提供可觀的顧問收入及利息收入。

4.2 Business Development

New Investment Platform

In April 2008, CIAM completed the acquisition of a 72% stake in CIAM Listco. Following the mandatory general offer to CIAM Listco's minority shareholders, CIAM is in the process of share placement(s) to restore its public float requirement under the Hong Kong Stock Exchange, CIAM is now holding approximately 90.5% of CIAM Listco through Right Precious Limited. CIAM Listco's management and operations are being integrated with CIAM and it will become the core investment vehicle and business development platform under CIAM.

Direct Investments

During the first half of the year, CIAM focused its direct investments on real estate opportunities. The mining joint venture, in which CIAM owns a 40% stake, has started its investment in the first quarter of 2008. Further equity funding to this joint venture is expected to be made in the coming twelve months to align with its investment schedule. In the area of real estate investments, CIAM has invested in a residential and commercial property development complex in China. Through the acquisition of CIAM Listco, CIAM also owns a property redevelopment project on Grampian Road in the Kowloon Tong area of Hong Kong. The respective sizes of these two projects are approximately RMB700 million and HK\$800 million.

Advisory Services

CIAM continues to leverage its solid financial position to engage in ancillary businesses. It provides short-term financing to its clients packaged as part of its advisory services. This strategy has proved to be quite successful in terms of revenue generation and client base expansion. As planned, CIAM has expanded this business further in 2008 and has closed an acquisition financing deal which is expected to generate considerable advisory revenue as well as interest income in the second half of 2008.

管理層討論及分析

Management Discussion And Analysis

基金管理

基金管理為中信國際資產管理重點發展的業務範疇之一。中信國際資產管理正在成立或計劃成立多個專注於不同投資領域的新基金，並將與經驗豐富的金融機構合作管理這些基金，其中兩個基金將於二零零八年內或二零零九年初完成集資。

不良資產管理

二零零八年首季，中信國際資產管理成功收回不良資產組合的一千四百萬港元應收賬，該組合亦繼續提供足以支持業務運作的現金流。於二零零八年六月底，中信國際資產管理的不良資產組合為三億七千二百萬港元，較二零零七年底減少1%。

作好準備迎接新挑戰及機遇

中信國際資產管理增添一家上市公司成員後，管理層現正審慎調整策略及重新定位，以迎接內地龐大的發展機遇。這上市公司為中信國際資產管理日後提供靈活的集資渠道及重要的業務發展平台，配合各策略股東們各自的優勢，中信國際資產管理不但可以應付未來各種新挑戰，並能充份把握新的業務商機。

展望未來

展望二零零八年下半年，全球金融及投資市場仍將疲弱，市場信心及投資氣氛亦很大機會維持脆弱，市場對美國次按的憂慮及持續通脹壓力，將特別對全球經濟及銀行業經營環境造成困擾。然而，鑑於大中華及亞洲經濟本地消費的強勁增長及區內穩健的貿易流動，加上預期中國政府在奧運後適度調整宏觀調控，以維持國家的持續增長及發展，中信國金對經營環境的前景仍然審慎樂觀。

Fund Management

Fund management is regarded as one of the key business areas to be developed under CIAM. Several new funds with different investment focuses are in the process of being established or are in the planning stage. CIAM will partner with experienced financial institutions to manage these funds, two of which are scheduled to close within 2008 or by early 2009.

Distressed Assets Management

CIAM successfully collected HK\$14 million from receivables of its distressed assets portfolio in the first quarter of 2008. The portfolio continues to bring in cash flows to support the business operation. As at end-June 2008, CIAM's distressed assets portfolio amounted to HK\$372 million, representing a 1% decrease from 2007 year-end.

Preparing for New Challenges and Opportunities

With the addition of a listed vehicle under CIAM, the management is cautiously fine-tuning its strategy and repositioning itself to meet plentiful business opportunities in China. This listed vehicle provides CIAM with flexibility in future fund-raising exercises and serves as an important business development platform. Together with the respective strengths of its various strategic shareholders, CIAM is well-positioned to capture new business opportunities and meet new challenges in 2008 and beyond.

Future Outlook

Looking into the second half of 2008, market confidence and sentiment are likely to remain fragile given continuing frailness in the health of the global financial sector and investment markets. Lingering concerns with the US sub-prime mortgage market and persistent inflationary pressures will overhang global economies and banks' operating environments in particular. However, CIAM is cautiously optimistic of the outlook of Greater China and Asia given relatively solid growth in domestic consumption and healthy intra-regional trade flows. It is also expected that the Chinese government will adjust its macroeconomic policies after the Olympics to ensure the country's sustained growth and development.

管理層討論及分析

Management Discussion And Analysis

在過去三年，本集團專注於雙管齊下的發展策略，一方面加強核心優勢，另一方面建立新的實力及業務結連，以打造及提升中信在國際銀行及金融業務領域的品牌。憑藉現時的堅實業務基礎，以及中信國金主要股東及策略性夥伴的支持，本集團有信心面對及解決全球金融市場危機帶來的困難及考驗。

事實上，中信國金一直決心貫徹執行轉型成為區域性中資銀行集團及為中信商業銀行業務開拓亞洲領域的策略。中信嘉華與中信銀行間的合作現正取得成果。本集團的策略及轉型帶來的業務成績亦已獲兩大股東所肯定，這從他們對中信國金的未來期望，以及再次確定中信嘉華為中信公司及西班牙對外銀行拓展亞洲新業務的獨立銀行平台中可見一斑。本集團有信心中信國金私有化後，其與中信銀行及西班牙對外銀行的三方業務模式將在區內構建成一個擁有龐大競爭優勢的獨特聯盟，令本集團清晰定位成為客戶的「亞洲首選中資銀行」。

Over the past three years, the Group has focused its efforts on the two-pronged strategy of strengthening its core competencies on the one hand, and building new capabilities and linkages on the other to drive and establish the CITIC brand in international banking and financial services. With the solid foundation laid and the support of CIFH's majority shareholders and strategic partners, management is confident that the Group is well-braced to weather the trials and tribulations of the current global financial market turmoil.

Indeed, CIFH is determined to stay on course its strategy to transform into a regional China banking group and to expand the Asian frontiers for the CITIC commercial banking franchise. CKWB's cooperation with CNCB is already bearing fruit. The Group's strategic and business achievements in its transformation journey are recognised by its two major shareholders. This is evident in their future aspirations for CIFH and their reaffirmation of CKWB's future role as the independent banking platform for new business expansion in Asia for both CITIC and BBVA. The Group is confident that the tri-partite business model between the post-privatised CIFH, CNCB and BBVA will create a unique alliance with formidable competitive advantages in the region, and one that will clearly position the Group as its customers' "China Bank of Choice in Asia".

補充資料

Supplementary Information

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉

於二零零八年六月三十日，根據香港聯合交易所有限公司證券上市規則（「上市規則」）而披露的本公司董事及行政總裁在本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）的股份、相關股份及債權證中的權益及淡倉的詳情如下：

1. 本公司股份的好倉：

董事姓名 Name of director	身份 Capacity	持有普通股數目 Number of ordinary shares held	佔已發行股本百分率 Percentage of issued share capital (附註) (Note)
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	實益擁有人 Beneficial owner	2,974,689	0.052%
趙盛彪先生 Mr. Zhao Shengbiao	實益擁有人 Beneficial owner	2,134,114	0.037%

附註：佔已發行股本百分率乃按本公司於二零零八年六月三十日的已發行股本 5,758,960,916 股普通股計算。

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2008, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) disclosed in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were as follows:

1. Long positions in shares of the Company:

Note: The percentage interest is calculated on the basis of an issued share capital of the Company of 5,758,960,916 ordinary shares as at 30 June 2008.

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉 (續)

2. 本公司(就股本衍生工具而言)相關股份的好倉：

根據本公司的購股權計劃，孔丹先生、常振明先生、竇建中先生、陳許多琳女士、陳小憲先生、范一飛先生、馮曉增先生、席伯倫先生、居偉民先生、林廣兆先生、劉基輔先生、盧永逸先生、施柏雅先生、曾耀強先生、王東明先生及趙盛彪先生獲授予購股權，以認購本公司普通股(「股份」)。該等購股權屬非上市以實物交收的股本衍生工具。有關該等購股權在截至二零零八年六月三十日止六個月的資料，見於下列「購股權計劃」項下。

再者，本公司設有一項 Medium-term Equity Linked Performance Bonus (「MEPB」) 計劃，向本公司及其附屬公司的主要僱員(包括本公司董事)(「MEPB 持有人」)授出 MEPB。MEPB 持有人可按 MEPB 的條款，於指定期間(「行使日期」)行使其所持有 MEPB 兩部份的權利以獲發現金福利。有關 MEPB 持有人將獲發現金福利的數額，為 MEPB 名義上涉及的股份數目乘以下列兩項中的較低者：

1. MEPB 每股名義上的股價與參考價兩者之差異。參考價為根據香港聯合交易所有限公司(「聯交所」)每日報價表所載，股份於指定日期(指按 MEPB 的條款與行使日期有相應關係的日期)的收市價；及

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

2. Long positions (in respect of equity derivatives) in underlying shares of the Company:

Share options, being unlisted physically settled equity derivatives, to subscribe for the ordinary shares (the "Shares") of the Company were granted to Mr. Kong Dan, Mr. Chang Zhenming, Mr. Dou Jianzhong, Mrs. Chan Hui Dor Lam Doreen, Mr. Chen Xiaoxian, Mr. Fan Yifei, Mr. Feng Xiaozeng, Mr. Rafael Gil-Tienda, Mr. Ju Weimin, Mr. Lam Kwong Siu, Mr. Liu Jifu, Mr. Lo Wing Yat Kelvin, Mr. Roger Clark Spyer, Mr. Tsang Yiu Keung Paul, Mr. Wang Dongming and Mr. Zhao Shengbiao pursuant to the share option scheme of the Company. Information in relation to these share options during the six months ended 30 June 2008 was shown in the following section under the heading of "Share Option Scheme".

Further, the Company has a Medium-term Equity Linked Performance Bonus ("MEPB") scheme whereby MEPB were granted to key staff (the "MEPB Holders") of the Company and its subsidiaries including directors of the Company. MEPB Holders will receive cash benefit upon they exercise their rights in two tranches in accordance with the terms of MEPB during the specified period (the "Exercise Date"). The amount of cash benefit to be received by the MEPB Holders shall be calculated by multiplying the number of Shares notionally subject to MEPB by the lower of:

1. the result obtained by subtracting the MEPB notional price from the Reference Price. Reference Price is the closing price of the Share as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on a specified date which is corresponding to the Exercise Date in accordance with the terms of MEPB; and

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉 (續)

2. 本公司 (就股本衍生工具而言) 相關股份的好倉: (續)

2. MEPB 每股名義上的股價與下列兩者之差異:

MEPB 第一部份: 港幣6元; 或
MEPB 第二部份: 港幣7元。

MEPB 持有人不會獲配發或轉讓股份。截至二零零八年六月三十日止, 下列本公司董事獲授予 MEPB:

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

2. Long positions (in respect of equity derivatives) in underlying shares of the Company: (Cont'd)

2. the result obtained by subtracting the MEPB notional price from HK\$6.00 for tranche 1 MEPB or HK\$7.00 for tranche 2 MEPB.

No Shares will be allotted or transferred to the MEPB Holders under MEPB. As at 30 June 2008, MEPB were granted to the following directors of the Company:

董事姓名 Name of director	授予日期 Offer date	MEPB 名義上涉及 的股份數目 Number of Shares notionally subject to MEPB		MEPB 每股名義上的股價 MEPB notional price per Share	
		第一部份 Tranche 1	第二部份 Tranche 2	第一部份 Tranche 1	第二部份 Tranche 2
				(港幣(元)) (HK\$)	(港幣(元)) (HK\$)
竇建中先生 Mr. Dou Jianzhong	15/05/2007 10/04/2008	150,000 150,000	150,000 150,000	3.00 2.00	3.00 2.00
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	15/05/2007 10/04/2008	500,000 500,000	500,000 500,000	3.00 2.00	3.00 2.00
施柏雅先生 Mr. Roger Clark Spyer	15/05/2007 10/04/2008	143,000 143,000	143,000 143,000	3.00 2.00	3.00 2.00

對於二零零七年五月十五日授出的 MEPB, 本公司在二零零八年三月二十七日向每位 MEPB 持有人提供一次性選擇, 各 MEPB 持有人可選擇現有條款維持不變, 或選擇轉至另一項安排。在新的安排下, MEPB 持有人將於二零零九年一月三十一日 (即 MEPB 第一部份最終到期日) 及二零一零年一月三十一日 (即 MEPB 第二部份最終到期日), 以每股名義上的股份獲發港幣3.00元及港幣4.00元的基準獲發現金福利。上述的竇先生、陳女士及施先生已選擇轉至該項新安排。

For the MEPB granted on 15 May 2007, the Company offered a one-off choice to the MEPB Holders on 27 March 2008 between keeping the current scheme or switching to an alternate arrangement. Under the new arrangement, the MEPB Holders will receive the maximum cash benefit of HK\$3.00 per notional Share for Tranche 1 at final maturity date on 31 January 2009 and of HK\$4.00 per notional Share for Tranche 2 at the final maturity date on 31 January 2010 respectively. All of the aforesaid Mr. Dou, Mrs. Chan and Mr. Spyer have chosen to switch to the alternate arrangement.

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉 (續)

3. 本公司股份及(就股本衍生工具而言)相關股份的淡倉:

無。

4. 本公司相聯法團的股份的好倉:

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

3. **Short positions in shares and (in respect of equity derivatives) underlying shares of the Company:**

None.

4. **Long positions in shares of associated corporations of the Company:**

董事姓名 Name of director	相聯法團名稱 Name of associated corporation	身份 Capacity	持有普通股數目 Number of ordinary shares held	佔已發行股本百分率 Percentage of issued share capital (附註) (Note)
盧永逸先生 Mr. Lo Wing Yat Kelvin	事安集團有限公司 CIAM Group Limited	實益擁有人 Beneficial owner	35,000	0.01%

附註: 佔已發行股本百分率乃按事安集團有限公司於二零零八年六月三十日的已發行股本400,633,217股普通股計算。

Note: The percentage interest is calculated on the basis of an issued share capital of CIAM Group Limited of 400,633,217 ordinary shares as at 30 June 2008.

5. 本公司相聯法團的股份的淡倉:

無。

5. **Short positions in shares of associated corporations of the Company:**

None.

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉 (續)

6. 本公司相聯法團（就股本衍生工具而言）的相關股份的好倉：

以下的相聯法團（定義見證券及期貨條例第XV部）向下列本公司董事授予可認購各相聯法團的普通股的購股權（屬非上市以實物交收的股本衍生工具）：

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

6. Long positions (in respect of equity derivatives) in underlying shares of associated corporations of the Company:

Share options, being unlisted physically settled equity derivatives, to subscribe for the ordinary shares of the following associated corporations (within the meaning of Part XV of the SFO) were granted by the respective associated corporations to the following directors of the Company:

董事姓名 Name of director	相聯法團名稱 Name of associated corporations	所涉及普通股數目 Number of ordinary shares involved	可行使購股權期間 Exercisable period
孔丹先生 Mr. Kong Dan	中信資本控股有限公司（「中信資本」） CITIC Capital Holdings Limited ("CCHL")	30,000	02/03/2007 – 01/03/2010
		25,000	04/04/2008 – 03/04/2011
		25,000	11/12/2009 – 10/12/2012
	中信資源控股有限公司 CITIC Resources Holdings Limited	20,000,000	07/03/2008 – 06/03/2012
常振明先生 Mr. Chang Zhenming	中信資本 CCHL	125,000	11/12/2009 – 10/12/2012
竇建中先生 Mr. Dou Jianzhong	中信資本 CCHL	15,000	02/03/2007 – 01/03/2010
		10,000	04/04/2008 – 03/04/2011
		10,000	11/12/2009 – 10/12/2012
陳許多琳女士 Mrs. Chan Hui Dor Lam Doreen	中信資本 CCHL	15,000	02/03/2007 – 01/03/2010
		10,000	04/04/2008 – 03/04/2011
居偉民先生 Mr. Ju Weimin	中信資本 CCHL	15,000	11/12/2009 – 10/12/2012
王東明先生 Mr. Wang Dongming	中信資本 CCHL	15,000	02/03/2007 – 01/03/2010
		10,000	04/04/2008 – 03/04/2011
		10,000	11/12/2009 – 10/12/2012

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉 (續)

7. 本公司相聯法團（就股本衍生工具而言）的相關股份的淡倉：

無。

8. 本公司債權證權益：

無。

9. 本公司相聯法團債權證權益：

無。

除上文所披露者外，於二零零八年六月三十日，本公司董事或行政總裁概無根據證券及期貨條例第 XV 部第7分部及第8分部於本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）的股份、相關股份及債權證中擁有或根據證券及期貨條例的有關規定被認為或被視作擁有任何權益或淡倉，或任何必須列入本公司根據證券及期貨條例第352條予以存置的登記冊內的權益。

購股權計劃

本公司於二零零三年五月十六日採納中信國際金融控股有限公司購股權計劃（「購股權計劃」）。根據購股權計劃，購股權將由董事會授予各合資格人士，以不低於下列各項中的較高者為行使價以認購股份：

- (i) 根據聯交所每日報價表所載，股份於授予日在聯交所的收市價；
- (ii) 根據聯交所每日報價表所載，股份在緊接授予日前五個交易日在聯交所的平均收市價；及
- (iii) 港幣1元（即股份之面值）。

截至二零零八年六月三十日止六個月，本公司並無根據購股權計劃授出可以認購股份的購股權。

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (Cont'd)

7. **Short positions (in respect of equity derivatives) in underlying shares of associated corporations of the Company:**

None.

8. **Interests in debentures of the Company:**

None.

9. **Interests in debentures of the associated corporations of the Company:**

None.

Save as disclosed above, as at 30 June 2008, none of the directors or chief executive of the Company had, under Divisions 7 and 8 of Part XV of the SFO, nor were they taken to or deemed to have under such provisions of the SFO, any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) or any interests which are required to be entered into the register kept by the Company pursuant to Section 352 of the SFO.

Share Option Scheme

The Company adopted The CITIC International Financial Holdings Limited Share Option Scheme (the "Share Option Scheme") on 16 May 2003. Under the Share Option Scheme, options will be granted by the Board to the eligible persons to subscribe for Shares of the Company at the exercise price of which shall not be less than the higher of:

- (i) the closing price of the Shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of offer;
- (ii) the average closing price of the Shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of offer; and
- (iii) HK\$1.00, representing the nominal value of the Share of the Company.

During the six months ended 30 June 2008, no option to subscribe for Shares of the Company was granted under the Share Option Scheme.

補充資料 Supplementary Information

購股權計劃 (續)

於二零零八年六月三十日，董事及其他合資格人士根據購股權計劃獲授以下購股權，以認購股份（於二零零八年六月三十日的每股股份收市價為港幣5.95元）：

Share Option Scheme (Cont'd)

At 30 June 2008, the directors and the other eligible persons had the following interests in options granted under the Share Option Scheme to subscribe for Shares of the Company (closing market value per Share on 30 June 2008 was HK\$5.95):

	於2008年 1月1日 尚未行使的 購股權數目 Number of options outstanding as at 01/01/2008	於2008年 6月30日 尚未行使的 購股權數目 Number of options outstanding as at 30/06/2008	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至2008年	截至2008年	截至2008年	行使 購股權的 每股行使價 (港幣(元)) Price per Share on exercise of options (HK\$)	加權平均 收市價 (附註) (港幣(元)) Weighted average closing price (Note) (HK\$)
						6月30日止 六個月 獲授予的 購股權數目 Number of options granted during the six months ended 30/06/2008	6月30日止 六個月 已行使的 購股權數目 Number of options exercised during the six months ended 30/06/2008	6月30日止 六個月 已失效的 購股權數目 Number of options lapsed during the six months ended 30/06/2008		
孔丹董事 Mr. Kong Dan, Director	400,000	400,000	17/11/2003	17/11/2003 – 16/11/2005	17/11/2005 – 16/11/2013	/	/	/	3.540	/
	400,000	400,000	06/04/2004	06/04/2004 – 05/04/2006	06/04/2006 – 05/04/2014	/	/	/	3.775	/
	400,000	400,000	13/06/2005	13/06/2005 – 12/06/2007	13/06/2007 – 12/06/2015	/	/	/	2.925	/
	400,000	400,000	18/05/2006	18/05/2006 – 17/05/2008	18/05/2008 – 17/05/2016	/	/	/	4.275	/
	1,600,000	1,600,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	1,600,000	1,600,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/

購股權計劃 (續)

Share Option Scheme (Cont'd)

	於2008年	於2008年	授予日期	授予期間	可行使 購股權期間	截至2008年	截至2008年	截至2008年	行使 購股權的 每股行使價 (港幣(元))	加權平均 收市價 (附註) (港幣(元)) Weighted average closing price (Note) (HK\$)
	1月1日 尚未行使的 購股權數目 Number of options outstanding as at 01/01/2008	6月30日 尚未行使的 購股權數目 Number of options outstanding as at 30/06/2008				6月30日止 六個月 獲授予的 購股權數目 Number of options granted during the six months ended 30/06/2008	6月30日止 六個月 已行使的 購股權數目 Number of options exercised during the six months ended 30/06/2008	6月30日止 六個月 已失效的 購股權數目 Number of options lapsed during the six months ended 30/06/2008		
常振明董事 Mr. Chang Zhenming, Director	1,280,000	1,280,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	1,280,000	1,280,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
竇建中董事 Mr. Dou Jianzhong, Director	400,000	400,000	18/05/2006	18/05/2006 – 17/05/2008	18/05/2008 – 17/05/2016	/	/	/	4.275	/
	1,120,000	1,120,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	1,120,000	1,120,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
陳許多琳董事 Mrs. Chan Hui Dor Lam Doreen, Director	300,000	300,000	18/05/2006	18/05/2006 – 17/05/2008	18/05/2008 – 17/05/2016	/	/	/	4.275	/
	960,000	960,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	960,000	960,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
陳小憲董事 Mr. Chen Xiaoxian, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/

購股權計劃 (續)

Share Option Scheme (Cont'd)

	於2008年 1月1日 尚未行使的 購股權數目 Number of options outstanding as at 01/01/2008	於2008年 6月30日 尚未行使的 購股權數目 Number of options outstanding as at 30/06/2008	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至2008年	截至2008年	截至2008年	行使 購股權的 每股行使價 (港幣(元)) Price per Share on exercise of options (HK\$)	加權平均 收市價 (附註) (港幣(元)) Weighted average closing price (Note) (HK\$)
						6月30日止 六個月 獲授予的 購股權數目 Number of options granted during the six months ended 30/06/2008	6月30日止 六個月 已行使的 購股權數目 Number of options exercised during the six months ended 30/06/2008	6月30日止 六個月 已失效的 購股權數目 Number of options lapsed during the six months ended 30/06/2008		
范一飛董事 Mr. Fan Yifei, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
馮曉增董事 Mr. Feng Xiaozeng, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
席伯倫董事 Mr. Rafael Gil-Tienda, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
居偉民董事 Mr. Ju Weimin, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
林廣兆董事 Mr. Lam Kwong Siu, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/

購股權計劃 (續)

Share Option Scheme (Cont'd)

	於2008年	於2008年	授予日期	授予期間	可行使 購股權期間	截至2008年	截至2008年	截至2008年	行使 購股權的 每股行使價 (港幣(元))	加權平均 收市價 (附註) (港幣(元)) Weighted average closing price (Note) (HK\$)
	1月1日 尚未行使的 購股權數目 Number of options outstanding as at 01/01/2008	6月30日 尚未行使的 購股權數目 Number of options outstanding as at 30/06/2008				6月30日止 六個月 獲授予的 購股權數目 Number of options granted during the six months ended 30/06/2008	6月30日止 六個月 已行使的 購股權數目 Number of options exercised during the six months ended 30/06/2008	6月30日止 六個月 已失效的 購股權數目 Number of options lapsed during the six months ended 30/06/2008		
劉基輔董事 Mr. Liu Jifu, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
盧永逸董事 Mr. Lo Wing Yat Kelvin, Director	200,000	200,000	17/11/2003	17/11/2003 – 16/11/2005	17/11/2005 – 16/11/2013	/	/	/	3.540	/
	200,000	200,000	06/04/2004	06/04/2004 – 05/04/2006	06/04/2006 – 05/04/2014	/	/	/	3.775	/
	200,000	200,000	13/06/2005	13/06/2005 – 12/06/2007	13/06/2007 – 12/06/2015	/	/	/	2.925	/
	200,000	200,000	18/05/2006	18/05/2006 – 17/05/2008	18/05/2008 – 17/05/2016	/	/	/	4.275	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
施柏雅董事 Mr. Roger Clark Spyer, Director	140,000	140,000	18/05/2006	18/05/2006 – 17/05/2008	18/05/2008 – 17/05/2016	/	/	/	4.275	/
	210,000	210,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	210,000	210,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/

購股權計劃 (續)

Share Option Scheme (Cont'd)

	於2008年 1月1日 尚未行使的 購股權數目 Number of options outstanding as at 01/01/2008	於2008年 6月30日 尚未行使的 購股權數目 Number of options outstanding as at 30/06/2008	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至2008年	截至2008年	截至2008年	行使 購股權的 每股行使價 (港幣(元)) Price per Share on exercise of options (HK\$)	加權平均 收市價 (附註) (港幣(元)) Weighted average closing price (Note) (HK\$)
						6月30日止 六個月 獲授予的 購股權數目 Number of options granted during the six months ended 30/06/2008	6月30日止 六個月 已行使的 購股權數目 Number of options exercised during the six months ended 30/06/2008	6月30日止 六個月 已失效的 購股權數目 Number of options lapsed during the six months ended 30/06/2008		
曾耀強董事 Mr. Tsang Yiu Keung Paul, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
王東明董事 Mr. Wang Dongming, Director	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/
趙盛彪董事 Mr. Zhao Shengbiao, Director	40,000	40,000	18/05/2006	18/05/2006 – 17/05/2008	18/05/2008 – 17/05/2016	/	/	/	4.275	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2009	06/07/2009 – 05/07/2017	/	/	/	6.570	/
	160,000	160,000	06/07/2007	06/07/2007 – 05/07/2010	06/07/2010 – 05/07/2017	/	/	/	6.570	/

購股權計劃 (續)

Share Option Scheme (Cont'd)

	於2008年 1月1日 尚未行使的 購股權數目 Number of options outstanding as at 01/01/2008	於2008年 6月30日 尚未行使的 購股權數目 Number of options outstanding as at 30/06/2008	授予日期 Date of grant	授予期間 Vesting period	可行使 購股權期間 Exercisable period	截至2008年	截至2008年	截至2008年	行使 購股權的 每股行使價 (港幣(元)) Price per Share on exercise of options (HK\$)	加權平均 收市價 (附註) (港幣(元)) Weighted average closing price (Note) (HK\$)
						6月30日止 六個月 獲授予的 購股權數目 Number of options granted during the six months ended 30/06/2008	6月30日止 六個月 已行使的 購股權數目 Number of options exercised during the six months ended 30/06/2008	6月30日止 六個月 已失效的 購股權數目 Number of options lapsed during the six months ended 30/06/2008		
其他合資格人士總計	512,000	452,000	17/11/2003	17/11/2003 –	17/11/2005 –	/	60,000	/	3.540	5.9513
Aggregate total				16/11/2005	16/11/2013					
of other	752,000	644,000	06/04/2004	06/04/2004 –	06/04/2006 –	/	108,000	/	3.775	5.9656
eligible persons				05/04/2006	05/04/2014					
	1,192,000	1,008,000	13/06/2005	13/06/2005 –	13/06/2007 –	/	184,000	/	2.925	5.3783
				12/06/2007	12/06/2015					
	5,060,000	3,660,000	18/05/2006	18/05/2006 –	18/05/2008 –	/	1,288,000	112,000	4.275	5.5390
				17/05/2008	17/05/2016					
	6,271,000	5,968,000	06/07/2007	06/07/2007 –	06/07/2009 –	/	/	303,000	6.570	/
				05/07/2009	05/07/2017					
	6,271,000	5,968,000	06/07/2007	06/07/2007 –	06/07/2010 –	/	/	303,000	6.570	/
				05/07/2010	05/07/2017					
	37,198,000	34,840,000				/	1,640,000	718,000		

附註：此為本公司股份於緊接購股權行使日期前的加權平均收市價。

Note: This represents the weighted average closing price of the Shares of the Company immediately before the dates on which the options were exercised.

除上述所披露者外，於二零零八年六月三十日，本公司的董事或行政總裁或其配偶或十八歲以下子女，概無獲授予或行使任何權利，以認購本公司或其任何相聯法團的股本或債務證券。

Save as disclosed above, as at 30 June 2008, none of the directors or chief executive of the Company or their spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations.

主要股東及其他人士持有股份及相關股份中的權益及淡倉

除下文所披露者外，董事並不知悉有任何其他人士（本公司的董事或行政總裁或其各自的聯繫人士除外）於二零零八年六月三十日在本公司的股份及相關股份中，擁有根據證券及期貨條例第XV部第2分部及第3分部之規定必須向本公司披露的權益或淡倉。

1. 本公司股份的好倉：

Substantial Shareholders and Other Persons' Interests and Short Positions in Shares and Underlying Shares

Save as disclosed below, as at 30 June 2008, the directors were not aware of any person (other than a director or chief executive of the Company or their respective associate(s)) who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

1. Long positions in shares of the Company:

股東名稱 Name of shareholder	身份 Capacity	持有股份數目 Number of Shares held	佔已發行股本百分率 (附註一) Percentage of issued share capital (Note 1)
中國中信集團公司 (「中信集團」) CITIC Group	所控制法團的權益(附註二) Interest of controlled corporations (Note 2)	3,176,395,029	55.16%
	實益擁有人(附註三) Beneficial owner (Note 3)	835,717,967	14.51%
	根據「證券及期貨條例」 第317(1)(a)條及第318條 須予披露的特定上市 法團權益(附註三) Interest of any parties to an agreement to acquire interests in a particular listed corporation required to be disclosed under Section 317(1)(a) and Section 318 of the SFO (Note 3)	835,717,967	14.51%
西班牙對外銀行(「BBVA」) Banco Bilbao Vizcaya Argentaria, S.A. (「BBVA」)	實益擁有人(附註四) Beneficial owner (Note 4)	1,727,661,985	29.99%
	其他(附註五) Other (Note 5)	3,176,395,029	55.16%

主要股東及其他人士持有股份及相關股份中的權益及淡倉 (續)

Substantial Shareholders and Other Persons' Interests and Short Positions in Shares and Underlying Shares (Cont'd)

2. 本公司股份的淡倉：

2. Short positions in shares of the Company:

股東名稱 Name of shareholder	身份 Capacity	持有股份數目 Number of Shares held	佔已發行股本 百分率 (附註一) Percentage of issued share capital (Note 1)
中信集團 CITIC Group	所控制法團的權益 (附註六) Interest of controlled corporation (Note 6)	891,944,018	15.49%
BBVA	實益擁有人 (附註三) Beneficial owner (Note 3)	835,717,967	14.51%

附註：

Notes:

- 一： 佔已發行股本百分率乃按本公司於二零零八年六月三十日的已發行股本5,758,960,916股股份計算。
- 二： 此等權益全數由中信集團的全資附屬公司Gloryshare Investments Limited 持有。
- 三： 中信集團的好倉及BBVA的淡倉乃代表中信集團根據其與BBVA於二零零六年十一月二十二日訂立的股份購買協議對BBVA擁有的股份行使優先購買權而可予收購的股份。
- 四： 此等權益乃BBVA所擁有的股份，以及BBVA根據其與中信集團及Gloryshare Investments Limited於二零零八年六月三日訂立的框架協議可向Gloryshare Investments Limited收購的新股份。
- 五： 好倉乃代表BBVA根據中信集團與BBVA於二零零六年十一月二十二日訂立的股份購買協議對中信集團擁有的股份行使優先購買權而可予收購的股份。
- 六： 淡倉乃代表Gloryshare Investments Limited 根據中信集團、Gloryshare Investments Limited與BBVA於二零零八年六月三日訂立的框架協議可能向BBVA轉讓的新股份。

1. The percentage interest is calculated on the basis of an issued share capital of the Company of 5,758,960,916 Shares as at 30 June 2008.
2. These interests are all held by Gloryshare Investments Limited which is a wholly owned subsidiary of CITIC Group.
3. The long position of CITIC Group and the short position of BBVA represent the Shares which may be acquired by CITIC Group in the exercise of its pre-emptive rights over the Shares owned by BBVA pursuant to the share purchase agreement dated 22 November 2006 entered into between CITIC Group and BBVA.
4. These interests represent the Shares owned by BBVA and the new Shares which may be acquired by BBVA from Gloryshare Investments Limited pursuant to the framework agreement dated 3 June 2008 entered into between CITIC Group, Gloryshare Investments Limited and BBVA.
5. The long position represents the Shares which may be acquired by BBVA in the exercise of its pre-emptive rights over the Shares owned by CITIC Group pursuant to the share purchase agreement dated 22 November 2006 entered into between CITIC Group and BBVA.
6. The short position represents the new Shares which may be transferred by Gloryshare Investments Limited to BBVA pursuant to the framework agreement dated 3 June 2008 entered into between CITIC Group, Gloryshare Investments Limited and BBVA.

主要股東及其他人士持有股份及相關股份中的權益及淡倉 (續)

3. 本公司(就股本衍生工具而言)相關股份的好倉及淡倉：
無。

購回、出售或贖回本公司的上市證券

本公司在截至二零零八年六月三十日止六個月並無贖回任何本公司的上市證券。本公司及各附屬公司在截至二零零八年六月三十日止六個月均無購回或出售任何本公司的上市證券。

企業管治

本公司致力維持高水平的企業管治。截至二零零八年六月三十日止六個月期間，除下文所披露者外，本公司已遵守上市規則附錄十四所載「企業管治常規守則」的守則條文。

守則條文 A.4.1 規定，非執行董事的委任應有指定任期，並需接受重新選舉。本公司非執行董事的委任並沒有指定的任期，惟彼等與本公司所有其他董事一樣，均需要按本公司的公司組織章程細則第98條，於每年股東週年大會上告退，並可膺選連任。董事認為，非執行董事需要每年重選的機制已達到守則條文的預期目標。

Substantial Shareholders and Other Persons' Interests and Short Positions in Shares and Underlying Shares (Cont'd)

3. Long and short positions (in respect of equity derivatives) in underlying shares of the Company:
None.

Purchase, Sale or Redemption of the Company's Listed Securities

The Company has not redeemed any of its listed securities during the six months ended 30 June 2008. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities during the six months ended 30 June 2008.

Corporate Governance

The Company is committed to maintaining high standards of corporate governance. Throughout the six months ended 30 June 2008, the Company has complied with the Code Provisions in the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules except for the following deviations.

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The Non-executive Directors of the Company are not appointed for a specific term, but same as all other Directors of the Company, are subject to retirement and eligible for re-election at each annual general meeting in accordance with article 98 of the Articles of Association of the Company. The Directors believe that subjecting the Non-executive Directors to annual re-election achieves the intended aims of the Code.

企業管治 (續)

守則條文 B.1.1 規定，薪酬委員會的大部份成員應為獨立非執行董事。本公司提名及薪酬委員會（「委員會」）的組合，並非大部份成員為獨立非執行董事。董事認為，現時由董事會轉授予委員會的職責條文，令整體董事會對委員會作出全面監控，已達到守則條文對獨立性的要求。委員會成員不能參予決定其自己個人的薪酬或與其直接或間接有利益衝突的事項，而所有非執行董事均有權出席委員會會議。委員會的組合及職權範圍書亦會不時作出檢討。

遵從「上市發行人董事進行證券交易的標準守則」

本公司已就證券交易採納了上市規則附錄十所載的「上市發行人董事進行證券交易的標準守則」為本公司的標準行為守則（「行為守則」）。經向本公司董事作出特定查詢後，本公司所有董事在截至二零零八年六月三十日止六個月內已遵守行為守則內的指定標準。

審核委員會審閱

本公司截至二零零八年六月三十日止六個月的財務報表已經由本公司的審核委員會（成員包括三名獨立非執行董事及一名非執行董事）審閱。

承董事會命
中信國際金融控股有限公司
竇建中
董事兼行政總裁

香港，二零零八年八月二十一日

Corporate Governance (Cont'd)

Code Provision B.1.1 stipulates that a majority of the members of the remuneration committee should be independent non-executive directors. The composition of the Nomination and Remuneration Committee of the Company (the "N&R Committee") does not include a majority of members who are Independent Non-executive Directors of the Company. The Directors believe that the terms of the delegation of duties by the Board subject the decisions of the N&R Committee to the oversight of the full Board, which in itself satisfies the independence requirements under the Code. The members of the N&R Committee shall not vote in decisions concerning each of their own remuneration or any other matters which he/she has any direct or indirect interest. All Non-executive Directors of the Company have the right to attend the meetings of the N&R Committee. The composition and the terms of reference of the N&R Committee shall be reviewed from time to time.

Compliance with the "Model Code for Securities Transactions by Directors of Listed Issuers"

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the Company (the "Model Code"). Having made specific enquiry of the Directors of the Company, all Directors of the Company had complied with the required standards as set out in the Model Code during the six months ended 30 June 2008.

REVIEW BY THE AUDIT COMMITTEE

The financial statements of the Company for the six months ended 30 June 2008 have been reviewed by the Company's Audit Committee, which comprises three Independent Non-executive Directors and one Non-executive Director of the Company.

By Order of the Board
CITIC International Financial Holdings Limited
Dou Jianzhong
Director and Chief Executive Officer

Hong Kong, 21 August 2008

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