





Contents

2	Corporate Information
4	Management Discussion and Analysis
15	Interim Dividend and Book Close
16	Directors' Interests
20	Interests of Substantial Shareholders and Other Persons
23	Corporate Governance and Other Information
26	Purchase, Sale or Redemption of Securities
27	Audit Committee Review
56	Independent Review Report
58	Condensed Consolidated Income Statement
59	Condensed Consolidated Statement of Comprehensive Income
60	Condensed Consolidated Statement of Financial Position
62	Condensed Consolidated Statement of Changes in Equity
63	Condensed Consolidated Statement of Cash Flows
65	Notes to the Condensed Consolidated Financial Statements

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Lee Seng Huang (*Chairman*)
Joseph Tong Tang

Non-Executive Directors

Goh Joo Chuan
Fevzi Timucin Engin
Joseph Kamal Eskandar (*alternate to
Fevzi Timucin Engin*)
Patrick Lee Seng Wei
Ming Cheng
Ho Chi Kit (*appointed on 13 July 2010*)
Roy Kuan (*appointed on 13 July 2010 as
alternate to Ho Chi Kit*)
Leung Pak To (*appointed on 13 July 2010*)

Independent Non-Executive Directors

David Craig Bartlett
Alan Stephen Jones
Carlisle Caldwell Procter
Peter Wong Man Kong

EXECUTIVE COMMITTEE

Lee Seng Huang (*Chairman*)
Joseph Tong Tang

AUDIT COMMITTEE

Alan Stephen Jones (*Chairman*)
David Craig Bartlett
Carlisle Caldwell Procter
Peter Wong Man Kong
Ho Chi Kit
Roy Kuan (*alternate to Ho Chi Kit*)

REMUNERATION COMMITTEE

Peter Wong Man Kong (*Chairman*)
David Craig Bartlett
Alan Stephen Jones
Carlisle Caldwell Procter
Ho Chi Kit
Roy Kuan (*alternate to Ho Chi Kit*)

RISK MANAGEMENT COMMITTEE

Lee Seng Huang (*Chairman*)
Joseph Tong Tang (*Alternate Chairman*)
Thomas Bennington Hulme
Tony Leung King Yuen
Kevin Tai Yiu Kuen
Ho Chi Kit
Roy Kuan (*alternate to Ho Chi Kit*)

COMPANY SECRETARY

Hester Wong Lam Chun

AUDITOR

Deloitte Touche Tohmatsu

SOLICITORS

Mallesons Stephen Jaques
P.C. Woo & Co.

BANKERS

Standard Chartered Bank (Hong Kong) Limited
CITIC Bank International Limited
(Formerly known as CITIC Ka Wah Bank Limited)
Industrial and Commercial Bank of China (Asia) Limited
Oversea-Chinese Banking Corporation Limited, Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
DBS Bank (Hong Kong) Limited
The Bank of East Asia, Limited
The Bank of New York Mellon
Fubon Bank (Hong Kong) Limited
Public Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited
Chong Hing Bank Limited
Wing Hang Bank, Limited
Bank of Communications Co., Ltd., Hong Kong Branch
KBC Bank, N.V., Hong Kong Branch
East West Bank, Hong Kong Branch

REGISTRAR

Tricor Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

REGISTERED OFFICE

42nd Floor
The Lee Gardens
33 Hysan Avenue
Causeway Bay
Hong Kong

WEBSITES

www.shkf.com
www.shkfg.com
www.shkdirect.com



Management Discussion and Analysis

RESULTS OVERVIEW

Sun Hung Kai & Co. Limited (the “Company”), together with its subsidiaries (the “Group”), which operates its financial services operations under the brand Sun Hung Kai Financial, posted an encouraging set of results for the six months ended 30 June 2010.

Notwithstanding continuing global volatility and fragile investor confidence, the Group recorded an increased profit before tax of HK\$762.7 million (2009: HK\$655.4 million) whilst at the same time distributing to shareholders HK\$3.8 billion in benefits from disposing of the Group’s interest in Tian An China Investments Company Limited (“Tian An”). Profit attributable to owners of the Company for the period was HK\$492.1 million (2009: HK\$507.2 million) and earnings per share were HK28.1 cents (2009: HK29.5 cents). Excluding the effects of the disposal of Tian An and its contribution to Group earnings, net profit attributable to owners would have grown by 24%.

The good results are rooted in a strong performance by the Company’s core Corporate Finance and Consumer Finance divisions, supported by management’s ongoing focus on driving efficiency gains.

The Board of Directors (the “Board”) has declared an interim dividend of HK10 cents per share (2009: HK6 cents per share) for the period. This is in addition to the special dividend equivalent to HK\$2.01 per share, included in the distribution in specie already made by the Company on 28 June 2010 from the disposal of Tian An (please refer to Note 8 of the condensed consolidated financial statements).

MARKET REVIEW

Concerns about rising government deficits and debt levels in some European countries resulted in a wave of ratings downgrades for European sovereign debt that weighed heavily on financial markets during the first half of the year. More recently there has been better news from some European economies, but the path of economic recovery, not just in Europe, but in the United States and elsewhere, remains very uncertain.

In Hong Kong, growth in real Gross Domestic Product eased to 6.5% year-on-year in the second quarter of 2010, still higher than through 2009. The unemployment rate came down through the first half of 2010, but inflation was higher. Despite increasing competition from regional cities, Hong Kong continues to reinforce its position as an international financial centre, most recently through the signing in July of a supplementary Memorandum of Cooperation on the expansion of the RMB trade-settlement pilot scheme by the People’s Bank of China and the Hong Kong Monetary Authority.

In the first half of 2010, the Hang Seng Index closed at 20,129 and the Hang Seng China Enterprises Index closed at 11,466, down 8.0% and 10.4% respectively on the start of the year. Daily market turnover for the first half of the year was HK\$64 billion, somewhat lower than the HK\$66 billion average in the second half of 2009.

In China, Gross Domestic Product grew in real terms by 11.9% year-on-year in the first quarter of 2010, but slowed to a more sustainable 10.3% year-on-year in the second quarter. The stock market was dampened by concerns about possible further policy tightening to contain economic overheating, and the Shanghai Composite Index closed at 2,398 on 30 June, down 26.8% from the start of the year.

BUSINESS REVIEW

The Group continued to build and strengthen its operational platforms across its five core businesses: Wealth Management & Brokerage; Asset Management; Corporate Finance; Consumer Finance and Principal Investments, ensuring that it remains well placed to enhance its franchise in Hong Kong and the Greater China Region.

During the period under review, the Group embarked on a number of significant initiatives. Firstly, the Group crystallised its entire 38.06% stake in Tian An to its parent company, Allied Properties (H.K.) Limited ("APL"). The entire consideration of HK\$3.8 billion was subsequently distributed to shareholders in the form of APL shares, giving an opportunity for shareholders to unlock the value of Tian An that had not previously been fully reflected by the market value of the Company's shares.

At the same time, the Group signed an agreement to attract up to HK\$2.1 billion in strategic investment by CVC Capital Partners in the form of mandatory convertible notes and warrants. This strategic alliance with an internationally renowned investor will significantly accelerate the growth of the Group's consumer finance and corporate finance businesses.

In order to drive greater operational efficiency, the Group undertook a major relocation of its offices to The Lee Gardens in Causeway Bay. Long term leases were signed in March 2010, resulting in the eventual consolidation of the Group's various offices scattered across several locations. Covering almost 100,000 square feet, these new premises will provide a more functional and environmentally friendly workplace for employees. The relocation is currently underway and will be managed in several phases, the last of which is expected to be completed in early 2011. The Group expects the move will result in rental savings and efficiency gains over the long term. In addition, office space currently owned and occupied by the Group with an approximate market value of almost HK\$500 million, can potentially be realised and redeployed with this initiative.



The Group has also embarked on a number of marketing programs. An integrated brand campaign and customer promotion was launched through online and above-the-line platforms in June, along with a series of recruitment drives. Pleasingly, the Group's achievements in providing a range of innovative and tailored financial solutions were again recognised with several prestigious awards, namely *FinanceAsia's* Hong Kong's Best Broker Award for the fourth consecutive year, *Economic Digest's* Outstanding Brand Award, and *Capital Magazine's* Outstanding Hong Kong Brand Enterprise Award, among others.

Wealth Management & Brokerage

The Wealth Management & Brokerage division delivered a satisfactory result during the first half of the year. However, revenue and pretax profits were lower at HK\$472.4 million and HK\$116.4 million respectively (2009: HK\$648.8 million and HK\$312.3 million), mainly reflecting a loss of HK\$65.7 million (2009: Profit of HK\$150.4 million) arising from downward adjustments to assets from mark-to-market valuations. In 2009, there had been substantial gains in the values of many financial assets, as the markets recovered from the depths of the financial crisis in 2008.

Excluding valuation effects, the core operating performance of the division was steady: revenues increased 8% year-on-year, with a gradual return of investor confidence in the market. Profits increased by 12%, as management remained vigilant on costs.

During the first half of the year, continued uncertainty meant retail clients had yet to return to full pre-crisis levels of trading activity. The value of the Group's equity portfolios was affected, as was its equity commission income. Industry competition in local equities brokerage remains keen with commercial banks aggressively competing for market share. The Group has made a conscious decision not to pursue market share at the expense of profitability and will focus on a strategy that strikes an appropriate balance. It is management's belief that the key to the sustainable growth of its securities business is a diversified and open ended product platform with a one-stop-shop capability in order to help its clients preserve and grow their wealth.

In line with this strategy, it is encouraging to report that in the first half of 2010, commission revenue from non-equities units (including but not limited to wealth management products, structured products, futures, bullion and commodities) increased by 17% and accounted for 42% of the divisions' total brokerage and commission income.

In addition, the Group entered into a strategic partnership in foreign exchange with Australian based Macquarie Bank in April this year. The foreign exchange business traditionally has experienced heavy competition from commercial banks and offshore forex specialists. With this new alliance forged, and a renewed business focus, the Group is well positioned to capitalise on growth opportunities in the forex markets. Turnover has already doubled compared with the same period last year. Following the alliance, this foreign exchange business of the Group is re-classified as a jointly controlled entity, hence both the revenue and contribution is no longer consolidated in this segment.

The Group remains focused on developing our high net worth client base. As a result of increased demand from this customer segment, the overall margin loan book stood in excess of HK\$4.6 billion as at 30 June 2010, more than 30% higher than at 31 December 2009, with a commensurate strong increase in income from margin financing.

During this period, management has also continued to strengthen the institutional sales platform. The Group continues to develop its credentials in primary and secondary markets and the success of this platform will have important synergies with the Group's growing Corporate Finance division.

Asset Management

The Group's Asset Management division recorded revenue of HK\$34.3 million, and a contribution to profits of HK\$18.9 million in the first half of 2010. Whilst the revenue figure was weaker as a result of the general decline in the industry since 2008, continued cost management resulted in a higher contribution. Total assets under management (including affiliated funds) amounted to approximately US\$570 million.

Despite the recent difficult period, the Group remains confident that its current business model, which aims to connect top tier global funds with Asia Pacific investors, will continue to be successful. The Group aims to further capitalise on strategic tie-ups and alliances with fund managers to leverage off future growth prospects within the asset management industry in Asia.

During the first half of 2010, alternative funds were already showing signs of a comeback in the Asia Pacific region where 53 new hedge funds raised a total of US\$2.13 billion. The number of new funds increased 36% from the 39 funds started in the first half of 2009. The surge in start-ups represented renewed confidence in an industry that was severely challenged last year.



The performance of the Dow Jones Credit Suisse Hedge Fund Index (formerly known as "Credit Suisse/Tremont Hedge Fund Index") remained flat at a level of 0.63% by end June this year, while SHK Fund Management's flagship products performed mostly in line with the market. The SHK Corporate Arbitrage Manager Fund and the SHK Recovery Fund have positioned themselves to take advantage of corporate restructuring, companies emerging from bankruptcies, M&A events and recovering company financials.

Corporate Finance

As a result of improving market sentiment, funds raised through initial public offerings ("IPOs") totaled HK\$50 billion in the first half of 2010, almost triple the HK\$18 billion raised in the same period last year. Notwithstanding this, funds raised via equities (including IPOs) totaled HK\$161 billion in the first six months of 2010, a decrease of 26% on the same period last year.

Against this backdrop, the Corporate Finance division registered outstanding results for the first half of 2010, with revenue and contribution to profits reaching HK\$172.3 million (2009: HK\$54.8 million) and HK\$147.6 million (2009: HK\$23.3 million) respectively. Management's strategy remains focused on targeting small to mid cap Hong Kong and Chinese enterprises. There are ample opportunities for further growth in this underserved sector especially when taken in the context of the Group's substantial balance sheet strength and distribution capabilities.

Buoyant demand from corporate clients seeking alternative funding solutions also resulted in a significant increase in the Group's structured loans. As at 30 June 2010, the structured loan balance was in excess of HK\$800 million, up from about HK\$500 million as of 31 December 2009. Included in the first half results were HK\$66.8 million of gains from financial assets, which principally resulted from realised and mark-to-market gains on the derivative component of some of these structured loans, many of which contained equity linked components.

The Group's Corporate Finance division continues to build its reputation and expertise as manager and underwriter for IPOs. During the period under review, the division assisted companies such as Asian Capital Holdings Limited, O-Net Communications (Group) Limited and Ruinian International Limited with IPO fundraising activities. It participated in and underwrote a number of share placements, and acted as arranger and settlement agent for an issue of convertible notes during the period. Issues included EPI (Holdings) Limited, ChinaVision Media Group Limited, Wah Nam International Holdings Limited, Evergrande Real Estate Group Limited, APAC Resources Limited, United Power Investment Limited and Natural Dairy (NZ) Holdings Limited.

With the completion of the strategic alliance with CVC, further growth is anticipated through the potential for increased deal flows between the two groups.

Consumer Finance

The Group's 58% owned subsidiary United Asia Finance Limited ("UAF") performed strongly in the first half of 2010, delivering a record interim profit, driven largely by reduced loan impairment charges as well as growth in the China loans business.

Revenue increased 7% to HK\$787.7 million while contribution to profit jumped 225% to HK\$385.3 million. Included in the segment results was a HK\$86.8 million amortisation charge on intangible assets stemming from the Group's acquisition of UAF in 2006. These charges are non-cash in nature.

At the end of the period, UAF's loan portfolio stood at approximately HK\$4.7 billion (as at 31 December 2009: HK\$4.3 billion). The impairment loss on loans and advances declined to HK\$137.3 million. Write back of impairment allowance for the loan book also amounted to HK\$76.4 million.

Loan businesses in mainland China continued to grow at an impressive pace in the first half of 2010. UAF added another branch in Shenzhen and launched loan businesses in Shenyang and Chongqing. The total distribution network expanded to 65 outlets, consisting of 23 in mainland China and 42 in Hong Kong. UAF also added another licence in Tianjin to its portfolio of mainland loan business and will continue to seek further opportunities in other provinces in mainland China. At the end of June 2010, UAF's China loans accounted for 9% of the gross loan book, an increase of 38% from the end of 2009.

The Greater China market has become an increasingly important part of UAF's growth strategy and the Group believes business ventures in the mainland will become a key driver of long-term growth. UAF will continue to leverage its competitive strengths including the established brand and proven market expertise to capitalise on these emerging opportunities. In Hong Kong, UAF will focus on strengthening its sales and marketing capabilities in the distribution platform and exploring more channels to reach target customers. Barring a return to a more uncertain economic environment, UAF believes growth prospects should remain strong in the second half of the year.

Principal Investments

During the first half of 2010, this division registered a loss of HK\$112.2 million, versus a gain of HK\$41.8 million during the first half of 2009. This was mainly due to the loss of HK\$159.3 million on disposal of the Company's entire interest in Tian An, a move that reflects management's strategy to continue streamlining its balance sheet and corporate structure. Excluding this loss, which is non-cash in nature, the contribution from this segment remained steady.

Management will continue to seek investment opportunities which offer attractive returns in the unlisted space and look to maximise exit values of the current portfolio.



FINANCIAL REVIEW

Financial Resources and Gearing Ratio

As of 30 June 2010, the equity attributable to owners of the Company amounted to HK\$9,052.4 million, representing a decrease of HK\$3,631.0 million or approximately 29% from 31 December 2009. The decrease was largely attributed to the distribution in specie as set out in Notes 5 and 8 to the condensed consolidated financial statements.

The Group continued to maintain a strong cash position and had short-term bank deposits, bank balances, treasury bills and cash amounting to HK\$1,451.2 million (at 31 December 2009: HK\$1,346.0 million). The Group's total bank and other borrowings, short-term loans due to fellow subsidiaries and three-year bonds amounted to HK\$5,660.5 million (at 31 December 2009: HK\$4,513.3 million). Of this, HK\$4,986.8 million (at 31 December 2009: HK\$3,657.7 million) is repayable within one year, and HK\$673.7 million (at 31 December 2009: HK\$855.6 million) repayable after one year.

The Group's liquidity as demonstrated by the current ratio (current assets/current liabilities) decreased marginally to 1.7 times as at 30 June 2010, compared to 1.9 times as at 31 December 2009.

The Group's gearing ratio (calculated on the basis of the Group's total bank and other borrowings, short-term loans due to fellow subsidiaries and three-year bonds over the equity attributable to owners of the Company) was approximately 63% at the end of the reporting period (at 31 December 2009: approximately 36%). The higher gearing ratio is largely due to the decrease in equity attributable to owners of the Company as a result of the distribution in specie as mentioned above.

Capital Structure, Bank Borrowings and Exposure to Fluctuations in Exchange Rates

During the period ended 30 June 2010, the appointed trustee of the SHK Employee Ownership Scheme ("EOS") acquired 0.4 million shares of the Company through purchases on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the awarded shares of the scheme. Details regarding share capital are set out in Note 17 to the condensed consolidated financial statements.

Other than the three-year bonds and secured instalment loans, or those borrowings repayable over one year as shown in Note 14 to the condensed consolidated financial statements, the Group's bank and other borrowings and short-term loans due to fellow subsidiaries were on a short-term basis and in HK dollars and Renminbi as at 30 June 2010. They were charged at floating interest rates. There are no known seasonal factors in the Group's borrowing profiles.

The Group is required to maintain foreign currency exposures to cater for its recurring operating activities and present and potential investment activities, meaning it will be subject to reasonable exchange rate exposure. The Group closely monitors this risk.

Material Acquisitions and Disposals of Subsidiaries, Associates and Jointly Controlled Entities

On 28 June 2010, the Group completed the disposal of its entire interest in Tian An, a listed associate, to a subsidiary of APL, a listed holding company. The Group recognised a loss of HK\$159.3 million on the disposal. Details regarding the disposal are set out in Note 5 to the condensed consolidated financial statements.

In April 2010, the Group also disposed of 49% ownership interest in a wholly-owned subsidiary engaging leveraged foreign exchange trading business at a consideration of HK\$66.1 million. The Group recognised a gain of HK\$29.3 million on the disposal.

Other than the above disposals, there were no material acquisitions or disposals of subsidiaries, associates or jointly controlled entities during the period.

Segment Information

Detailed segment information in respect of the Group's revenue and segment results are shown in Note 3 to the condensed consolidated financial statements.

Charges on Group Assets

Listed shares with an aggregate value of HK\$25.4 million were pledged for bank loans and overdrafts. Properties of the Group with a total book value of HK\$210.4 million were pledged by subsidiaries to banks for instalment loans granted to them with a total outstanding balance of HK\$171.6 million as at 30 June 2010. The entire share capital of a wholly-owned subsidiary, UAF Holdings Limited, was also pledged as a share mortgage for the bonds issued by the Group.

Contingent Liabilities

Details regarding the contingent liabilities are set out in Note 19 to the condensed consolidated financial statements.



HUMAN RESOURCES, LITIGATION AND MANAGEMENT OF RISKS REVIEW

Human Resources and Training

Seeking to maintain its status as an “employer of choice” and its commitment to providing the highest levels of service, the Group continued to expand the number of high quality in-house training programmes provided to frontline sales and mid and back office staff. New training programmes on personal development and management skills, including Time Management, Interpersonal Skills and a series of Effective Manager Programmes, were organised to enhance staff performance and productivity.

As at 30 June 2010, the Group’s total headcount stood at 2,193 (including Investment Consultants), representing an approximate increase of 15.6% as compared with 30 June 2009. Staff costs (including Directors’ emoluments), contributions to retirement benefit schemes and expenses recognised for the EOS amounted to approximately HK\$232.1 million, which represented little change on the previous 12 months.

The Group operates different compensation schemes reflecting the different roles within the organisation. For sales staff and investment consultants, the package may consist of either a base pay and commission/bonus/sales incentive or alternatively, it may be a straight commission arrangement. For non-sales staff, compensation comprises either a base pay with a discretionary bonus/share-based incentive, or a straight base pay, where appropriate.

Under the EOS, which was formally adopted on 18 December 2007, selected employees or directors of the Group (the “Selected Grantees”) are awarded shares of the Company. Following management’s recommendations, a total of 1,182,000 shares were granted to the Selected Grantees in May 2010 subject to various terms including, amongst other things, vesting scales whereby awarded shares will vest and become unrestricted over a three-year period. As at 30 June 2010, the outstanding awarded shares under the EOS (excluding shares awarded, but subsequently forfeited) amounted to 2,708,000 shares of which 167,000 shares were awarded to a Director.

Litigation

- (a) Following litigation that concluded in 2006, Sun Hung Kai Securities Limited (“SHKS”) holds a 12.5% interest in a 50/50 joint venture between New World Development Company Limited (“NWDC”) and IGB Corporation Berhad in Kuala Lumpur, Malaysia (the “Joint Venture”). SHKS has sought the assistance of NWDC and Stapleton Developments Limited (“Stapleton”) to ensure that the legal interest of the issued shares of the Joint Venture company, being Great Union Properties Sdn. Bhd. (“GUP”), which Stapleton holds on trust for SHKS be transferred to SHKS, and that GUP acknowledges and records in its accounts in the name of SHKS the amount of shareholders’ loans made on behalf of SHKS to it.
- (b) On 14 October 2008, a writ of summons was issued by Sun Hung Kai Investment Services Limited (“SHKIS”) in the High Court of Hong Kong against Quality Prince Limited, Allglobe Holdings Limited, the Personal Representative of the Estate of Lam Sai Wing, Chan Yam Fai Jane (“Ms. Chan”) and Ng Yee Mei (“Ms. Ng”), seeking recovery of (a) the sum of HK\$50,932,876.64; (b) interest; (c) legal costs; and (d) further and/or other relief. Having sold collateral for the partial recovery of amounts owing, SHKIS filed a Statement of Claim in the High Court of Hong Kong on 24 October 2008 claiming (a) the sum of HK\$36,030,376.64; (b) interest; (c) legal costs; and (d) further and/or other relief. Summary judgment against all the defendants was granted by Master C Chan on 25 May 2009, but judgment with respect to Ms. Chan and Ms. Ng only was overturned on appeal by the judgment of Suffiad J dated 7 August 2009. SHKIS’ appeal of that judgment to the Court of Appeal was heard on 6 May 2010, and was dismissed. The trial will be heard on a date to be fixed.
- (c) Details of proceedings relating to Chang Zhou Power Development Company Limited, a mainland PRC joint venture, are set out in Note 19(b) to the condensed consolidated financial statements.



Management of Risks

Policies and Procedures

The Group continued to assess its risk management framework. Risk management policies and procedures are reviewed and updated to reflect changes in market conditions and the Group's business strategy. The Risk Management Committee ("RMC") is a standing committee that reports to the Board. It is mandated with oversight in relation to risk-related policies that promote at all times the proper monitoring and control of all major risks arising from the Group's business activities.

Financial Risk

The Group's financial risk management is discussed in Note 21 to the condensed consolidated financial statements, which includes the management of market risk (equity, interest rate and foreign exchange risk), credit risk and liquidity risk.

Operational Risk

Operational risk is defined as the risk of monetary loss resulting from inadequate or failed internal processes, people and/or systems or from external events. The Group also extends operational risk to cover potential monetary losses arising from legal and compliance issues. The Group has robust internal controls that clearly identify lines of responsibility, the proper segregation of duties, effective reporting hierarchy, business contingency planning and compliance with applicable regulatory requirements. The management of each respective division is responsible for identifying, assessing, mitigating and controlling risks inherent in their respective business processes, activities and products. This process includes periodic monitoring and ongoing reviews conducted by Compliance and Internal Audit, which act independently and report regularly to the RMC and the Group's senior management.

Reputational Risk

Reputational risk recognises those issues, factual or not, that may potentially lead to declines in the customer base, revenue erosion or costly litigation, while adversely affecting the Group's overall franchise value. In view of the importance of ensuring the well-being of the Group, senior management has adopted a comprehensive approach to managing reputational risks through sound corporate governance practices. The objective is to ensure that adequate and comprehensive employee training is provided to all Group employees and sales personnel, that key operating procedures manuals are updated, that responsibilities and duties are properly segregated, and that the internal control functions reporting directly to the Executive Chairman and the Audit Committee remain independent.

Interim Dividend and Book Close

INTERIM DIVIDEND

The Board has declared an interim dividend of HK10 cents per share (2009: HK6 cents per share) for the period under review. This is consistent with the Group's strategy to have a payout ratio of approximately 30% of profit after tax. The interim dividend will be paid in the form of scrip, with an option to elect cash in respect of part or all of such dividend (the "Scrip Dividend Scheme"), to shareholders whose names appear on the register of members of the Company on 17 September 2010. A circular giving full details of the Scrip Dividend Scheme and the election form will be sent to shareholders as soon as practicable. The Scrip Dividend Scheme is conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the new shares of the Company to be issued. Dividend warrants and/or share certificates for the scrip shares are expected to be sent to shareholders on or around 19 October 2010.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 15 September 2010 to 17 September 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on 14 September 2010.



Directors' Interests

As at 30 June 2010, the interests of Directors in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept under Section 352 of the SFO were as follows:–

(a) INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

Directors	Capacity	Number of shares and underlying shares	Approximate % of the issued share capital
Lee Seng Huang	Interests of controlled corporation <i>(Note 1)</i>	1,091,885,163 <i>(Note 2)</i>	62.31%
Joseph Tong Tang	Beneficiary of trust	167,000 <i>(Note 3(a))</i>	0.009%
	Beneficial owner	77,000 <i>(Note 3(b))</i>	0.004%

Notes:

1. Mr. Lee Seng Huang, Director, together with Mr. Lee Seng Hui and Ms. Lee Su Hwei are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust together with Mr. Lee Seng Hui indirectly owned approximately 52.40% interest in the issued share capital of Allied Group Limited ("AGL") and was therefore deemed to have interests in the shares and underlying shares of the Company in which AGL was interested.
2. This refers to the interest in 1,091,885,163 shares of the Company.
3. (a) These include the deemed interests in:
 - (i) 45,000 unvested shares of the Company out of the total of 135,000 shares granted to Mr. Joseph Tong Tang on 15 April 2008 and accepted on 17 April 2008 under the EOS. Such shares are subject to a vesting scale in tranches whereby one-third of the shares thereof (i.e. 45,000 shares) was vested and became unrestricted from 15 April 2009 and the other one-third thereof (i.e. 45,000 shares) from 15 April 2010 (the title of such interests was transferred on 6 May 2009 and 28 April 2010 respectively); and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2011;

- (ii) 44,000 unvested shares of the Company out of the total of 66,000 shares granted to and accepted by Mr. Tong on 6 May 2009 under the EOS. Such shares are subject to a vesting scale in tranches whereby one-third of the shares thereof (i.e. 22,000 shares) was vested and became unrestricted from 15 April 2010 (the title of such interests was transferred on 3 May 2010); another one-third thereof shall be vested and become unrestricted from 15 April 2011; and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2012; and
- (iii) 78,000 shares of the Company granted to Mr. Tong on 5 May 2010 under the EOS and accepted on 10 May 2010. Such shares are subject to a vesting scale in tranches whereby one-third of the shares thereof shall be vested and become unrestricted from 15 April 2011; another one-third thereof shall be vested and become unrestricted from 15 April 2012; and the remaining one-third thereof shall be vested and become unrestricted from 15 April 2013.
- (b) This represents the 77,000 shares out of the 112,000 shares of the Company granted under the EOS that were vested and became unrestricted on 15 April 2009 and 15 April 2010.

(b) INTERESTS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF ASSOCIATED CORPORATIONS

Directors	Associated corporations	Capacity	Number of shares and underlying shares	Approximate % of the relevant issued share capital	Amount of debentures
Lee Seng Huang <i>(Note 1)</i>	AGL	Trustee (other than a bare trustee) <i>(Note 2)</i>	108,626,492	52.39%	-
	APL	Interests of controlled corporation <i>(Note 3)</i>	4,528,426,310 <i>(Note 4)</i>	65.12%	-
	SHK Hong Kong Industries Limited ("SHK HK Ind")	Interests of controlled corporation <i>(Note 5)</i>	2,952,449,606 <i>(Note 6)</i>	78.94%	-
	Quality HealthCare Asia Limited ("QHA")	Interests of controlled corporation <i>(Note 7)</i>	144,385,776	64.16%	-
	Swan Islands Limited	Interests of controlled corporation <i>(Note 8)</i>	-	-	HK\$500,000,000 <i>(Note 8)</i>

Directors	Associated corporations	Capacity	Number of shares and underlying shares	Approximate % of the relevant issued share capital	Amount of debentures
Patrick Lee Seng Wei	AGL	Beneficial owner	550,000 <i>(Note 9)</i>	0.26%	-
	APL	Beneficial owner	2,700,000 <i>(Note 10)</i>	0.04%	-

Notes:

1. Mr. Lee Seng Huang, by virtue of his interests in AGL and APL, was also deemed to be interested in the shares of the unlisted subsidiaries of AGL (and SHK HK Ind, a listed subsidiary of AGL) and APL (and QHA, a listed subsidiary of APL), which are associated corporations of the Company as defined under the SFO.

A waiver application was submitted to the Stock Exchange for exemption from disclosure of his deemed interests in the shares of such associated corporations of the Company in this Report, and a waiver was granted by the Stock Exchange on 3 August 2010.

2. Mr. Lee Seng Huang is one of the trustees of Lee and Lee Trust, being a discretionary trust which indirectly owned 108,626,492 shares of AGL.
3. This refers to the same interests held directly or indirectly by AGL in APL.
4. This refers to the interest in 4,528,426,310 shares of APL.
5. This refers to the same interests held indirectly by AGL in SHK HK Ind.
6. These include interests in (i) 2,644,202,032 shares of SHK HK Ind; and (ii) listed physically settled warrants of SHK HK Ind giving rise to an interest in 308,247,574 underlying shares of SHK HK Ind. The warrants of SHK HK Ind entitle the holders thereof to subscribe at any time during the period from 23 April 2009 to 22 April 2011 (both days inclusive) for fully paid shares of SHK HK Ind at a subscription price of HK\$0.10 per share.
7. This refers to the interest in 144,385,776 shares held indirectly by APL in QHA.
8. This represents the outstanding amount of the bonds issued by Swan Islands Limited, a wholly-owned subsidiary of the Company, to AG Capital Holding Limited, which is a wholly-owned subsidiary of AGL, to partially settle the consideration for the acquisition of UAF Holdings Limited as disclosed in the circular of the Company dated 30 June 2006.
9. This refers to the interest in 550,000 shares of AGL.
10. This refers to the interest in 2,700,000 shares of APL.

All interests stated above represent long positions. As at 30 June 2010, none of the Directors held any short positions in the shares, underlying shares of equity derivatives or debentures of the Company.

Save as disclosed above, as at 30 June 2010, neither the Directors nor the chief executive of the Company had 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) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").



Interests of Substantial Shareholders and Other Persons

As at 30 June 2010, the following shareholders had interests in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO (the "SFO Register"):

Shareholders	Capacity	Number of shares and underlying shares	Approximate % of the issued share capital
APL	Interests of controlled corporation (Note 1)	1,091,885,163 (Note 2)	62.31%
AGL	Interests of controlled corporation (Note 3)	1,091,885,163 (Note 4)	62.31%
Lee and Lee Trust	Interests of controlled corporation (Note 5)	1,091,885,163 (Note 4)	62.31%
Dubai Ventures L.L.C ("Dubai Ventures")	Beneficial owner	166,000,000 (Note 6)	9.47%
Dubai Ventures Group (L.L.C) ("DVG")	Interests of controlled corporation (Note 7)	166,000,000 (Note 8)	9.47%
Dubai Group (L.L.C) ("Dubai Group")	Interests of controlled corporation (Note 9)	166,000,000 (Note 8)	9.47%
Dubai Holding Investments Group LLC ("DHIG")	Interests of controlled corporation (Note 10)	166,000,000 (Note 8)	9.47%
Dubai Holding (L.L.C) ("Dubai Holding")	Interests of controlled corporation (Note 11)	166,000,000 (Note 8)	9.47%
Dubai Group Limited ("DGL")	Interests of controlled corporation (Note 12)	166,000,000 (Note 8)	9.47%
HH Mohammed Bin Rashid Al Maktoum	Interests of controlled corporation (Note 13)	166,000,000 (Note 8)	9.47%

Shareholders	Capacity	Number of shares and underlying shares	Approximate % of the issued share capital
Penta Investment Advisers Limited ("Penta")	Investment manager	158,737,788 <i>(Note 14)</i>	9.06%
Goldlex Limited ("Goldlex")	Beneficial owner	113,085,000 <i>(Note 15)</i>	6.42%
Lee Mei Wan Betty	Beneficial owner <i>(Note 16)</i>	113,085,000	6.42%
Asia Financial Services Group Limited ("AFSG")	Interests of controlled corporation <i>(Note 17)</i>	409,920,000 <i>(Note 19)</i>	23.40%
CVC Capital Partners Asia III Limited ("CVC Capital")	Interests of controlled corporation <i>(Note 18)</i>	409,920,000 <i>(Note 19)</i>	23.40%

Notes:

- The interests were held by AP Emerald Limited ("AP Emerald"), a wholly-owned subsidiary of AP Jade Limited which in turn was a wholly-owned subsidiary of APL. APL was therefore deemed to have interests in the shares of the Company in which AP Emerald was interested.
- This represents an interest in 1,091,885,163 shares of the Company held by APL through AP Emerald.
- AGL owned approximately a 65.12% interest in the issued share capital of APL and was therefore deemed to have interests in the shares of the Company in which APL was interested.
- This refers to the same interests in 1,091,885,163 shares of the Company held by AP Emerald.
- Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang (a Director) are the trustees of Lee and Lee Trust, being a discretionary trust. They together owned approximately 52.40% interest in the issued share capital of AGL and were therefore deemed to have interests in the shares of the Company in which AGL was interested through APL, its 65.12% owned subsidiary.
- This represents an interest in 166,000,000 shares of the Company.
- DVG owned a 99% interest in the issued share capital of Dubai Ventures and was therefore deemed to have an interest in the shares of the Company in which Dubai Ventures was interested.

8. This refers to the interests in 166,000,000 shares of the Company held by Dubai Ventures.
9. Dubai Group owned a 99% interest in the issued share capital of DVG and was therefore deemed to have an interest in the shares of the Company in which DVG was interested.
10. DHIG owned a 51% interest in the issued share capital of Dubai Group and was therefore deemed to have an interest in the shares of the Company in which Dubai Group was interested.
11. Dubai Holding owned approximately a 99.66% interest in the issued share capital of DHIG and was therefore deemed to have an interest in the shares of the Company in which DHIG was interested.
12. DGL owned a 49% interest in the issued share capital of Dubai Group. DGL was therefore deemed to have interests in the shares of the Company in which Dubai Group was interested.
13. HH Mohammed Bin Rashid Al Maktoum owned approximately a 97.40% interest in the issued share capital of Dubai Holding and was therefore deemed to have interests in the shares of the Company in which Dubai Holding was interested.
14. This includes interests in (i) 75,669,824 shares of the Company; and (ii) unlisted cash settled derivatives of the Company giving rise to an interest in 83,067,964 underlying shares of the Company.
15. This represents an interest in 113,085,000 shares of the Company.
16. Ms. Lee Mei Wan Betty owned 100% of the issued share capital of Goldlex and was therefore deemed to have an interest in the shares of the Company in which Goldlex was interested.
17. This represents an interest through two of its wholly-owned subsidiaries, Asia Financial Services Holdings Limited and Asia Financial Services Company Limited ("AFSC").
18. CVC Capital, through a wholly-owned subsidiary, owns 88% interest in AFSG and is therefore deemed to have interest in the underlying shares of the Company in which AFSG was interested.
19. This represents the deemed interests in the underlying shares arising pursuant to the Subscription Agreement entered into between the Company as issuer and ASFC as investor on 22 April 2010 whereby the Company conditionally agreed to issue and ASFC conditionally agreed to subscribe for (a) HK\$1,708,000,000 in aggregate principal amount of the Mandatory Convertible Notes and (b) HK\$427,000,000 in face value of Warrants.

All interests stated above represent long positions. As at 30 June 2010, no short positions were recorded in the SFO Register of the Company.

Save as disclosed above, as at 30 June 2010, the Directors are not aware of any other persons who had interests or short positions in the shares, underlying shares of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would require to be disclosed to the Company pursuant to Part XV of the SFO.

Corporate Governance and Other Information

CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 June 2010, the Company has applied the principles of, and complied with, the applicable code provisions, of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules, except for certain deviations which are summarised below:

(a) Code Provision A.2.1

Code provision A.2.1 of the CG Code stipulates that the roles of the chairman and chief executive officer ("CEO") should be separated and performed by different individuals. Under the current organisational structure of the Company, the functions of a CEO are performed by the Executive Chairman, Mr. Lee Seng Huang, in conjunction with another Executive Director, Mr. Joseph Tong Tang, and a senior executive, Mr. Rizal Wijono. The Executive Chairman oversees the management of the corporate administrative functions, principal investments, as well as the Group's interest in UAF whose day-to-day management lies with its designated Managing Director. Mr. Joseph Tong Tang acts as the CEO of Wealth Management, Brokerage & Capital Markets and Asset Management is headed by Mr. Rizal Wijono.

The Board believes that this structure spreads the workload that would otherwise be borne by an individual CEO, allowing the growing businesses of the Group to be overseen by appropriately qualified and experienced senior executives in those fields. Furthermore, it enhances communications and speeds up the decision-making process across the Company.



(b) Code Provisions B.1.3 and C.3.3

Code provisions B.1.3 and C.3.3 stipulate that the terms of reference of the remuneration committee and audit committee should include, as a minimum, those specific duties as set out in the respective code provisions.

The terms of reference of the Remuneration Committee adopted by the Company are in compliance with the code provision B.1.3, except that the Remuneration Committee should review (as opposed to determine under the code provision) and make recommendations to the Board on the remuneration packages of Executive Directors only and not senior management (as opposed to Executive Directors and senior management under the code provision).

The terms of reference of the Audit Committee adopted by the Company are in compliance with the code provision C.3.3, except that the Audit Committee should (i) recommend (as opposed to implement under the code provision) the engagement of the external auditor to supply non-audit services; (ii) scrutinise (as opposed to ensure under the code provision) whether management has discharged its duty to have an effective internal control system; and (iii) promote (as opposed to ensure under the code provision) the co-ordination between the internal and external auditors, and (iv) review (as opposed to ensure under the code provision) whether the internal audit function is adequately resourced.

The Board considers that the Remuneration Committee and the Audit Committee should continue to operate according to their respective terms of reference adopted by the Company. The Board will review the terms of reference at least once a year and make appropriate changes if considered necessary.

The reasons for the above deviations are set out in the "Corporate Governance Report" of the Company's annual report for the financial year ended 31 December 2009.

CHANGES IN DIRECTORS' INFORMATION

The changes in Directors' information as required to be disclosed pursuant to Rule 13.51(2) and Rule 13.51B(1) of the Listing Rules are set out below:

Mr. Lee Seng Huang, Executive Chairman

- Rental related expenses which are varying in nature have changed.

Mr. Patrick Lee Seng Wei, Non-Executive Director

- Resigned as an executive director and the chief executive of APL effective 18 June 2010.

For Directors

- Annual director's fee increased by 10% as from year 2010.

For all Independent Non-Executive Directors

- Consultancy fee increased by 10% as from year 2010.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. All relevant Directors have confirmed, following specific enquiries being made by the Company, that they have complied with the required standard as set out in the Model Code throughout the period under review.



Purchase, Sale or Redemption of Securities

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's securities during the six months ended 30 June 2010.

Audit Committee Review

The Audit Committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the unaudited condensed consolidated financial report for the six months ended 30 June 2010. In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditors 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, and on the interim results announcement of the listed associate, as well as reports obtained from management. The Audit Committee has not undertaken detailed independent audit checks.

On behalf of the Board

Lee Seng Huang

Executive Chairman

Hong Kong, 25 August 2010





目 錄

30	公司資料
32	管理層討論及分析
43	中期股息及截止過戶日期
44	董事權益
48	主要股東及其他人士所持權益
51	企業管治及其他資料
54	購買、出售或贖回證券
55	審核委員會之審閱
56	獨立審閱報告
58	簡明綜合收益賬
59	簡明綜合全面收益賬
60	簡明綜合財務狀況表
62	簡明綜合權益變動表
63	簡明綜合現金流量表
65	簡明綜合財務報表附註

公司資料

董事會

執行董事

李成煌 (主席)
唐登

非執行董事

吳裕泉
Fevzi Timucin Engin
Joseph Kamal Eskandar
(為Fevzi Timucin Engin之替任董事)
李成偉
明程
何志傑 (於2010年7月13日委任)
Roy Kuan (管文浩) (於2010年7月13日委任)
為何志傑之替任董事)
梁伯韜 (於2010年7月13日委任)

獨立非執行董事

白禮德
Alan Stephen Jones
Carlisle Caldwell Procter
王敏剛

執行委員會

李成煌 (主席)
唐登

審核委員會

Alan Stephen Jones (主席)
白禮德
Carlisle Caldwell Procter
王敏剛
何志傑
Roy Kuan (管文浩) (為何志傑之替任成員)

薪酬委員會

王敏剛 (主席)
白禮德
Alan Stephen Jones
Carlisle Caldwell Procter
何志傑
Roy Kuan (管文浩) (為何志傑之替任成員)

風險管理委員會

李成煌 (主席)
唐登 (替任主席)
韓滔文
梁景源
戴耀權
何志傑
Roy Kuan (管文浩) (為何志傑之替任成員)

公司秘書

黃霖春

核數師

德勤·關黃陳方會計師行

律師

萬盛國際律師事務所
胡百全律師事務所

銀行

渣打銀行(香港)有限公司
中信銀行國際有限公司
(前稱「中信嘉華銀行有限公司」)
中國工商銀行(亞洲)有限公司
華僑銀行, 香港分行
中國建設銀行(亞洲)股份有限公司
星展銀行(香港)有限公司
東亞銀行有限公司
The Bank of New York Mellon
富邦銀行(香港)有限公司
大眾銀行(香港)有限公司
中國銀行(香港)有限公司
創興銀行有限公司
永亨銀行有限公司
交通銀行有限公司(香港分行)
比利時聯合銀行, 香港分行
華美銀行, 香港分行

過戶登記處

卓佳秘書商務有限公司
香港灣仔皇后大道東28號
金鐘匯中心26樓

註冊辦事處

香港銅鑼灣
希慎道33號
利園42樓

網址

www.shkf.com
www.shkfg.com
www.shkdirect.com



管理層討論及分析

業績回顧

新鴻基有限公司（「本公司」）連同其附屬公司（統稱「集團」），以新鴻基金融集團之品牌經營金融業務，截至2010年6月30日止六個月，其業績表現令人鼓舞。

儘管環球金融市場持續動盪，投資者信心疲弱，集團仍錄得除稅前溢利762.7百萬港元（2009年：655.4百萬港元）。同時，本集團出售其於天安中國投資有限公司（「天安」）的權益，並以實物分派的方式向股東分派38億港元。期內本公司股東應佔溢利為492.1百萬港元（2009年：507.2百萬港元），而每股盈利為28.1港仙（2009年：29.5港仙），倘不包括出售天安之影響及其對本集團盈利的貢獻，股東應佔溢利淨額應增加24%。

業績理想主要有賴本公司核心業務企業融資及私人財務業務的強勁表現，以及管理層不斷專注提升效益所致。

董事會宣佈就回顧期間派發中期股息每股股份10港仙（2009年：每股股份6港仙）。此外，本公司亦已於2010年6月28日因出售天安而進行實物分派，其中包括相當於每股股份2.01港元之特別股息（請參閱簡明綜合財務報表附註8）。

市場回顧

市場對部分歐洲國家財政赤字及債務水平持續上升的關注，導致歐洲主權債務評級連番被降，金融市場於上半年因而大受影響。直至最近，雖然部份歐洲國家的經濟傳出較利好的消息，惟歐美及其他地區的經濟復甦進程仍未見明確。

香港的實質本地生產總值於2010年第二季的按年增長雖放緩至6.5%，但仍較2009年所有季度的數字為高。2010年第一季的失業率下降，惟通貨膨脹升溫。雖然來自區內其他城市的競爭不斷加劇，香港繼續加強其作為國際金融中心的地位，當中包括最近中國人民銀行與香港金融管理局於七月簽訂的補充合作備忘錄，藉以擴大人民幣交易結算試驗計劃。

於2010年上半年，恒生指數收報20,129點及恒生中國企業指數收報11,466點，較本年度初分別下跌8.0%及10.4%。本年上半年的每日市場成交額約640億港元，較2009年下半年平均的660億港元輕微下降。

在中國，2010年首季實質國內生產總值按年增長11.9%，但第二季的按年增長則放緩至較可持續的10.3%。由於市場憂慮中央可能推出更多緊縮措施以遏止經濟過熱，以致股票市場受壓。上證綜指於6月30日收報2,398點，較本年初下跌26.8%。

業務回顧

集團繼續建立並鞏固其五項核心業務：財富管理及經紀業務、資產管理、企業融資、私人財務及主要投資，以確保集團保持良好條件，在香港及大中華區拓展業務。

於回顧期內，集團進行多個重要項目。首先，集團將其於天安所持有之全部38.06%股權出售予其母公司聯合地產（香港）有限公司（「聯合地產」），隨後並將出售總代價38億港元以聯合地產股份形式分派予股東，讓股東可變現先前未能在本公司股份的市值全面反映之天安權益。

與此同時，集團與CVC Capital Partners簽訂協議，獲對方以強制性可換股債券及認股權證形式注資最多21億港元。此項與國際著名投資者組成之策略聯盟將大大加速集團之私人財務及企業融資業務的增長。

為提升營運效率，集團多個辦事處將遷往銅鑼灣利園，旨在統一集團分佈於多個地點的辦事處，而長期租約已於2010年3月簽訂。新辦事處佔地近十萬平方呎，將為集團員工提供一個既實用又環保的工作環境。該搬遷項目經已展開，並將以多個階段進行，預期將於2011年初完成。集團預計此搬遷項目長遠將可節省租金及提升效益。此外，集團目前正在使用市值近5億港元的辦公室之自置物業，則將可透過此項目得以變現或重新調配。

集團已開展多項市場推廣計劃，除了推出一連串的招聘活動外，六月份亦透過網上及廣告平台推行一項綜合品牌及客戶推廣活動。集團在提供創新及個人化的金融方案的成就再次得到認同，欣然獲頒多項殊榮，其中包括連續四年榮獲《金融亞洲》頒發「香港最佳經紀商」、《經濟一週》頒予「實力品牌大獎」及《資本雜誌》頒發「最佳香港品牌企業」。

財富管理及經紀業務

財富管理及經紀業務於上半年錄得滿意的業績，然而，收益及稅前溢利分別減少至472.4百萬港元及116.4百萬港元（2009年：648.8百萬港元及312.3百萬港元），這主要反映財務資產按市值下調而產生的65.7百萬港元虧損（2009年：150.4百萬港元溢利）。於2009年，大部份金融資產價值隨著市場從2008年金融危機的復甦而大幅升值。

撇除上述估值影響，該業務的核心營運表現穩定，收益按年增長8%，投資者亦逐漸對市場重拾信心。管理層保持一貫謹慎的成本控制，亦令溢利上升12%。

2010年上半年，市場氣氛持續不明朗，令零售客戶的投資活動尚未回復至金融危機前的水平，集團的股票業務及佣金收入均受到影響。銀行積極爭奪市場佔有率亦令本地證券經紀行業的競爭更加激烈。管理層理智決定不會犧牲利潤以提升市場佔有率，反而專注採用維持適度平衡的策略。管理層深信其一站式多元化產品平台是維持證券業務增長的關鍵，亦能協助客戶資產保值以致為我們增長財富。

隨著此策略的推行，集團之非股票業務（包括但不僅限於財富管理產品、結構性產品、期貨、黃金及商品）於2010年上半年的佣金收入增長17%，佔零售經紀業務及佣金總收入42%，令人鼓舞。

此外，集團於本年4月與澳洲麥格理銀行組成外匯策略合作聯盟。外匯業務一向面對來自商業銀行及離岸專門經營外匯之機構的激烈競爭，隨著此新聯盟的建立以及重新訂定的業務重心，集團已作好準備把握在外匯市場的增長機遇。與去年同期比較，營業額已增加一倍。此聯盟使集團的外匯業務重新分類為共同控制公司，因此有關收益及貢獻均不再綜合於本分項內。

集團繼續專注開拓高端客戶群，由於來自該客戶群的需求日益增加，於2010年6月30日的證券貸款總額整體錄得超過46億港元，較2009年12月31日增加逾30%，帶動證券放款收入強勁增長。

期內，管理層亦繼續強化其機構性投資者銷售業務平台，並繼續打造其於第一及第二市場的商譽，該項業務的成就將與集團正不斷發展的企業融資業務產生重要的協同效應。

資產管理

於2010年上半年，集團的資產管理業務錄得收益34.3百萬港元及溢利貢獻18.9百萬港元。儘管自2008年因行業衰退導致收益減少，但持續的成本管理仍然使貢獻有所增長，受管理總資產（包括關聯基金）總額約達570百萬美元。

在此艱難時期，集團仍對目前以專注為亞太區投資者推介頂級的環球基金的業務模式充滿信心，並相信將可繼續取得成功。集團計劃進一步借助與基金經理的策略性聯繫及聯盟，把握亞洲資產管理市場的未來增長機遇。

於2010年上半年，另類基金在亞太區市場出現重拾升軌的跡象，當中53項新對沖基金共募集21.3億美元。新基金數目較2009年上半年推出的39項增加36%。新推出的基金數目急升反映市場已從去年備受挑戰的環境中回復信心。

Dow Jones Credit Suisse 對沖基金指數（原名為「瑞士信貸避險基金指數」）至今年六月底維持在0.63%水平，仍依舊表現平平，而新鴻基投資管理的旗艦產品表現大致與市場同步。SHK Corporate Arbitrage Manager Fund與SHK Recovery Fund已著實定位，透過重組企業、正擺脫破產的公司、併購活動及協助挽救公司財務的項目中套利。

企業融資

鑒於市場氣氛好轉，香港資本市場於2010年上半年透過首次公開招股（「首次公開招股」）集資的數額合共500億港元，約為去年同期的180億港元的三倍。儘管如此，2010年首六個月募集的股本資金（包括首次公開招股）合共為1,610億港元，較去年同期下跌26%。

在此市況下，本集團的企業融資業務於2010年上半年依然取得亮麗成績，收益及溢利貢獻分別為172.3百萬港元（2009年：54.8百萬港元）及147.6百萬港元（2009年：23.3百萬港元）。管理層的策略乃維持專注於香港及中國內地的中小型企業，憑著集團的穩健資產負債表及分銷能力，集團將可在這未被完全拓展的領域裡找到不少商機。

企業客戶對另類集資方案的殷切需求使集團的結構性貸款顯著增加。於2010年6月30日，本集團的結構性貸款結餘超過800百萬港元，較2009年12月31日的500百萬港元有所增加。而上半年業績當中包括66.8百萬港元的金融資產收益，主要來自若干該等結構性貸款衍生工具部份的變現及按市價計算的收益，當中不少包含有股票掛鈎成份。

集團的企業融資業務繼續致力於打造其作為首次公開招股經辦人及包銷商的商譽及專長。於回顧期內，該業務協助卓亞資本有限公司、昂納光通信（集團）有限公司及瑞年國際有限公司等進行首次公開招股集資活動。該業務於期內參與及包銷多項股份配售，並就發行可換股債券擔任安排人及結算代理人。發行債券的公司包括長盈集團（控股）有限公司、文化中國傳播集團有限公司、華南投資控股有限公司、恒大地產集團有限公司、亞太資源有限公司、友力投資（控股）有限公司及天然乳品（新西蘭）控股有限公司。

隨著集團正式與CVC策略結盟，預期業務增長速度將因兩者之業務轉介增多而可進一步加快。

私人財務

集團擁有58%權益的附屬公司亞洲聯合財務有限公司（「亞洲聯合財務」）受到貸款減值費用大幅減少及中國貸款業務增長所帶動，於2010年上半年的業績表現強勁，錄得創紀錄的中期溢利。

業務收益增加7%至787.7百萬港元，而盈利貢獻則躍升225%至385.3百萬港元。分項業績當中包括集團於2006年收購亞洲聯合財務而產生為數86.8百萬港元之無形資產的攤銷支出，該等支出乃屬非現金性質。

期末，亞洲聯合財務的貸款組合約為47億港元（於2009年12月31日：43億港元）。貸款及墊款減值虧損則下降至137.3百萬港元，貸款額減值撥備撥回亦達76.4百萬港元。

於2010年上半年，中國內地的貸款業務繼續以可觀的速度增長。亞洲聯合財務在深圳再新增分行，並於瀋陽及重慶開展貸款業務，總分銷網絡已擴展至65個地點，23個位於中國大陸及42個位於香港。亞洲聯合財務亦為其中國大陸貸款業務的圖版上增添天津這另一獲營業執照的城市，並將繼續在中國大陸其他省份開拓新商機。於2010年6月底，亞洲聯合財務的中國貸款佔總貸款額的9%，較2009年底增長38%。

大中華市場對亞洲聯合財務的發展策略日益重要，集團相信內地經營項目將成為長遠增長的主要動力。亞洲聯合財務將憑藉其競爭優勢，包括已建立的品牌及備受肯定的市場專業知識，繼續把握新興的商機。在香港，亞洲聯合財務將加強分銷平台的銷售及市場推廣能力，並探索更多渠道接觸目標客戶。除非經濟環境再度不明朗，否則亞洲聯合財務相信增長前景將可於今年下半年延續。

主要投資

於2010年上半年，該業務錄得112.2百萬港元虧損，而於2009年上半年收益則為41.8百萬港元。主要是由於出售本公司於天安的全部股權所造成159.3百萬港元的虧損，此舉正正反映本公司管理層所訂下之持續優化資產負債表及公司架構策略。撇除該項非現金性質的虧損，來自該業務的貢獻則保持穩定。

管理層將繼續在非上市範疇中物色有可觀回報的投資機會，並為當前投資組合尋求最高套現價值。

財務回顧

財政資源及資本與負債比率

於2010年6月30日，本公司股東應佔權益為9,052.4百萬港元，較2009年12月31日之數額減少3,631.0百萬港元，或約29%，該減少主要是由於實物分派所致（刊載於簡明綜合財務報表附註5及附註8）。

集團繼續持有充裕之現金，其短期銀行存款、銀行結存、國庫券及現金合共為1,451.2百萬港元（於2009年12月31日：1,346.0百萬港元）。集團之銀行及其他借款、欠同系附屬公司之短期借款及三年期債券合共為5,660.5百萬港元（於2009年12月31日：4,513.3百萬港元），須於一年內償還之款項為4,986.8百萬港元（於2009年12月31日：3,657.7百萬港元），而須於一年後償還之款項為673.7百萬港元（於2009年12月31日：855.6百萬港元）。

於2010年6月30日，顯示集團流動性之流動資產比率（流動資產相對流動負債）減至1.7倍（於2009年12月31日：1.9倍）。

集團於期末之資本與負債比率（按集團之銀行及其他借款、欠同系附屬公司之短期借款及三年期債券之總額相對本公司股東應佔權益計算）約為63%（於2009年12月31日：約36%）。增加之資本與負債比率主要是由上述實物分派使本公司股東應佔權益減少所致。

資本結構、銀行貸款及匯率浮動風險

於截至2010年6月30日之期間內，新鴻基僱員股份擁有計劃（「僱員股份計劃」）之委任受託人就計劃的授予股份透過香港聯合交易所有限公司（「聯交所」）購入0.4百萬股本公司股份。有關股本詳情刊載於簡明綜合財務報表附註17。

除了三年期債券及於簡明綜合財務報表附註14刊載的有抵押分期借款以及於一年後到期還款的借款外，集團於2010年6月30日之銀行及其他貸款及欠同系附屬公司之短期借款為港元和人民幣短期貸款，並根據浮動利率計算。集團之借款組合並不受任何已知之季節性因素所影響。

為應付日常營運活動，以及目前及日後的投資活動所需，集團需持有外匯結餘，即集團須面對適當的匯兌風險，惟集團將會對有關風險不時密切監察。

附屬公司、聯營公司及共同控制公司之重大收購及出售

於2010年6月28日，集團完成出售於天安（一上市聯營公司）之全部權益，售予集團一家上市控股公司聯合地產之附屬公司。集團於出售所確認之虧損為159.3百萬港元。有關該出售詳情是刊載於簡明綜合財務報表附註5。

於2010年4月，集團出售一從事槓桿式外匯買賣業務之全資附屬公司其中49%股東權益，代價為66.1百萬港元。集團於該項出售確認收益29.3百萬港元。

除上述出售以外，集團於本期內並無其他有關附屬公司、聯營公司及共同控制公司之重大收購及出售。

分項資料

有關集團收益及分項業績之分項資料詳情是刊載於簡明綜合財務報表附註3。

集團資產押記

有總值25.4百萬港元之上市公司股份為銀行貸款及透支而抵押予銀行。集團之附屬公司亦將其賬面總值210.4百萬港元之物業抵押予銀行，作為給予分期貸款之抵押，該等貸款於2010年6月30日之未償還總結餘為171.6百萬港元。UAF Holdings Limited（一全資附屬公司）的全部股份亦以股票按揭作為集團發行的債券之抵押。

或然負債

或然負債詳情載於簡明綜合財務報表附註19。

人力資源、訴訟及風險管理回顧

人力資源及培訓

為保持其「最佳僱主」的商譽及為客戶提供最佳服務的承諾，集團繼續加強為前線銷售人員及中、後勤員工提供的高質素內部培訓。集團舉辦多項個人發展及管理技巧課程，當中包括時間管理、人際關係技巧及一系列管理人員課程，以提升員工表現及生產力。

於2010年6月30日，集團旗下總人數為2,193人（包括投資顧問），與2009年6月30日相比增加約15.6%。僱員成本（包括董事酬金）、退休福利計劃供款及僱員股份計劃的開支合共約232.1百萬港元，與過往12個月的數字有輕微的變動。

集團根據不同工作崗位以訂立不同薪酬福利制度。營銷僱員及投資顧問之薪酬包括底薪以及佣金／花紅／銷售獎金，或僅佣金制度。而非營銷的僱員之薪酬則為底薪連同酌情發放之花紅／以股份派發之獎勵，或於適當情況下僅有底薪。

根據於2007年12月18日正式採納的僱員股份計劃，被挑選之集團僱員或董事（「入選承授人」）可獲獎授本公司股份。根據管理層的提議，僱員股份計劃於2010年5月授出合共1,182,000股股份予入選承授人，該等獎授股份受制於各種條件，其中包括獎授股份將於三年期間內被歸屬及不受限制。截至2010年6月30日止，在僱員股份計劃下已獎授之股份為2,708,000股（不包括已向入選承授人獎授但其後被放棄之股份），當中167,000股股份乃獎授予一名董事。

訴訟

- (a) 於2006年訴訟後之總結，新鴻基證券有限公司（「新鴻基證券」）在新世界發展有限公司（「新世界發展」）與IGB Corporation Berhad於馬來西亞吉隆坡成立各佔一半權益之合營企業（「合營企業」）中擁有12.5%權益。新鴻基證券已向新世界發展及Stapleton Developments Limited（「Stapleton」）尋求協助，確保由Stapleton以信託形式代新鴻基證券持有之合營企業，即Great Union Properties Sdn. Bhd.（「GUP」）已發行股份之法定權益已轉讓至新鴻基證券名下，以及GUP承認並於其賬目中記錄代新鴻基證券墊支之股東貸款金額已轉至新鴻基證券名下。
- (b) 於2008年10月14日，新鴻基投資服務有限公司（「新鴻基投資服務」）於香港高等法院向Quality Prince Limited、Allglobe Holdings Limited及林世榮的遺產代理人、陳吟揮（「陳女士」）及伍綺媚（「伍女士」）發出傳訊令狀，以尋求收回(a)50,932,876.64港元之金額；(b)利息；(c)訴訟費；及(d)額外及／或其他濟助。在出售抵押品收回部份欠款後，新鴻基投資服務於2008年10月24日在香港高等法院存檔了一份申索陳述書，以索償(a)36,030,376.64港元；(b)利息；(c)訴訟費；及(d)額外及／或其他濟助。陳爵聆案官於2009年5月25日已作出判所有被告人敗訴的簡易判決，但其後石輝法官於2009年8月7日判陳女士及伍女士上訴成功並推翻原來對陳女士及伍女士的簡易判決。新鴻基投資服務就該判決向上訴法庭提出的上訴已於2010年5月6日進行聆訊，並已被駁回。有關審訊日期將另行確定。
- (c) 有關長州電力發展有限公司，一間中華人民共和國的合資企業之法律程序詳情，已載列於簡明綜合財務報表附註19(b)內。

風險管理

政策及程序

集團持續評估其綜合風險管理制度。集團檢討及更新其風險管理之政策及程序，以反映市況及集團業務策略的變化。風險管理委員會乃常務委員會，須直接向董事會匯報。其獲授權監督與風險有關的政策，以促使在任何情況下因集團業務產生之所有主要風險均得到妥善監控。

金融風險

集團之金融風險管理包括市場風險（股本、利率及外匯風險）、信貸風險及流動資金風險，並於簡明綜合財務報表附註21內論述。

營運風險

營運風險指因內部程序、人為及／或制度不足或失當或外在事件而導致財政上的損失的風險。集團亦擴大營運風險的範圍，以覆蓋包括因違反法律及法規而導致潛在的金錢損失的風險。集團擁有健全的內部監控，著重清晰的職權範圍、恰當的職務分工、有效的匯報機制、業務應變計劃及遵守適用的監管規定。各部門管理層負責辨別、評估、降低及控制各自業務過程、活動及產品中的風險。此過程包括由獨立運作及定期向風險管理委員會及集團高級管理層匯報的合規及內部審計部門進行的定期監察及持續檢討。

商譽風險

商譽風險，無論真實與否，均可導致客戶基礎削弱、收益侵蝕或代價高昂的訴訟，同時對集團的整體特許權價值產生不利影響。有見確保集團利益的重要性，高級管理層已採納一套綜合性措施，以透過完善的企業管治慣例管理商譽風險。此舉乃旨在確保集團全體僱員及銷售人員能獲提供足夠及全面的員工培訓，及時更新主要營運守則，恰當地把職務分工，以及直接向執行主席及審核委員會匯報的內部監控部門都能維持獨立。

中期股息及截止過戶日期

中期股息

董事會欣然宣佈就回顧期間派發中期股息每股10港仙（2009年：每股6港仙）予2010年9月17日名列本公司股東名冊內之股東，此乃符合本集團派息率約為除稅後溢利約30%的策略。中期股息將以股代息方式派發，股東可就部份或全部股息選擇收取現金（「以股代息計劃」）。載有是項以股代息計劃詳情之通函將儘快連同有關選擇表格寄予各股東。根據以股代息計劃而發行的本公司新股份有待聯交所上市委員會批准後方可派發及作買賣。預期股息單及／或以股代息的股票將約於2010年10月19日寄予股東。

截止過戶日期

本公司將於2010年9月15日至2010年9月17日（包括首尾兩天）暫停辦理股份過戶登記，在此期間本公司股份之轉讓手續將不予辦理。如欲得享中期股息資格，必須於2010年9月14日下午四時前將所有過戶文件連同有關股票送交香港灣仔皇后大道東28號金鐘匯中心26樓本公司過戶登記處卓佳秘書商務有限公司辦理過戶登記手續。



董事權益

於2010年6月30日，根據證券及期貨條例（「證券期貨條例」）第352條規定所存放之登記冊，董事於本公司及其相聯法團（釋義見證券期貨條例第XV部）之股份、相關股份及債券中擁有以下權益：

(a) 於本公司股份及相關股份之權益

董事	身份	股份及相關 股份數目	佔已發行股本之 概約百分比
李成煌	受控法團之權益 (附註1)	1,091,885,163 (附註2)	62.31%
唐登	信託受益人	167,000 (附註3(a))	0.009%
	實益擁有人	77,000 (附註3(b))	0.004%

附註：

1. 李成煌先生（董事），與李成輝先生及李淑慧小姐為全權信託Lee and Lee Trust的信託人。Lee and Lee Trust連同李成輝先生間接持有聯合集團有限公司（「聯合集團」）已發行股本約52.40%權益，彼因此被視作擁有聯合集團所持本公司股份及相關股份之權益。
2. 此為於1,091,885,163股本公司股份之權益。
3. (a) 此被視作擁有之權益包括：
 - (i) 根據僱員股份計劃於2008年4月15日授予唐登先生（並於2008年4月17日接納）的合共135,000股股份中權益未被歸屬的45,000股本公司股份。該等股份根據歸屬比例，三分之一之股份（即45,000股股份）從2009年4月15日起被歸屬及變成不受限制及另外三分之一（即45,000股股份）於2010年4月15日被歸屬及變成不受限制（股份權益分別於2009年5月6日及2010年4月28日轉讓）；餘下之三分之一從2011年4月15日起將被歸屬及變成不受限制；

- (ii) 根據僱員股份計劃於2009年5月6日授予唐先生並獲彼接納的合共66,000股股份中未被歸屬的44,000股本公司股份。該等股份根據歸屬比例，三分之一之股份（即22,000股股份）從2010年4月15日被歸屬及變成不受限制（股份權益於2010年5月3日轉讓）；另外三分之一從2011年4月15日起將被歸屬及變成不受限制；餘下三分之一從2012年4月15日起將被歸屬及變成不受限制；及
- (iii) 根據僱員股份計劃於2010年5月5日授予唐先生（並於2010年5月10日接納）的78,000股本公司股份。該等股份根據歸屬比例，三分之一之股份從2011年4月15日起將被歸屬及變成不受限制；另外三分之一從2012年4月15日起將被歸屬及變成不受限制；及餘下三分之一從2013年4月15日起將被歸屬及變成不受限制。
- (b) 此為根據僱員股份計劃授予並於2009年4月15日及2010年4月15日被歸屬及變成不受限制的112,000股本公司股份中的77,000股股份。

(b) 於相聯法團股份、相關股份及債券之權益

董事	相聯法團	身份	佔有關已發行 股本之概約		債券金額
			股份及相關 股份數目	百分比	
李成煌 (附註1)	聯合集團	信託人 (非被動信託人) (附註2)	108,626,492	52.39 %	-
	聯合地產	受控法團之權益 (附註3)	4,528,426,310 (附註4)	65.12%	-
	新工投資有限公司 (「新工投資」)	受控法團之權益 (附註5)	2,952,449,606 (附註6)	78.94%	-
	卓健亞洲有限公司 (「卓健」)	受控法團之權益 (附註7)	144,385,776	64.16%	-
	Swan Islands Limited	受控法團之權益 (附註8)	-	-	500,000,000港元 (附註8)

董事	相聯法團	身份	股份及相關 股份數目	佔有關已發行 股本之概約	
				百分比	債券金額
李成偉	聯合集團	實益擁有人	550,000 (附註9)	0.26%	-
	聯合地產	實益擁有人	2,700,000 (附註10)	0.04%	-

附註：

- 基於李成偉先生於聯合集團及聯合地產之權益，彼亦被視作擁有聯合集團（及新工投資－聯合集團之上市附屬公司）及聯合地產（及卓健－聯合地產之上市附屬公司）之非上市附屬公司之股份權益，而根據證券期貨條例之定義，該等附屬公司乃本公司之相聯法團。

本公司已向聯交所提交一項豁免申請，以豁免於本報告內披露李先生被視作於本公司此等相聯法團之股份權益，而聯交所已於2010年8月3日授予該豁免。
- 李成偉先生為全權信託Lee and Lee Trust之信託人之一，該信託間接持有108,626,492股聯合集團股份。
- 此為聯合集團於聯合地產直接或間接持有之相同權益。
- 此為於4,528,426,310股聯合地產股份之權益。
- 此為聯合集團於新工投資間接持有之權益。
- 此包括(i)於新工投資的2,644,202,032股股份；及(ii)可產生308,247,574股新工投資相關股份之權益之以實物交收之新工投資上市認股權證。新工投資之認股權證賦予其持有人權利，可於2009年4月23日至2011年4月22日（包括首尾兩天）之期間任何時間內按認購價每股0.10港元認購新工投資繳足股款之股份。
- 此為聯合地產於卓健間接持有144,385,776股股份之權益。
- 此為由本公司之全資附屬公司Swan Islands Limited向聯合集團之全資附屬公司AG Capital Holding Limited發行之債券的未贖回金額，以支付收購UAF Holdings Limited之部份代價，詳情已於本公司2006年6月30日之通函中披露。
- 此為於550,000股聯合集團股份之權益。
- 此為於2,700,000股聯合地產股份之權益。

上述所有權益均屬長倉。於2010年6月30日，概無董事持有任何本公司股份、股票衍生工具之相關股份或債券之淡倉。

除上文所披露外，於2010年6月30日，本公司各董事或最高行政人員概無於本公司或其任何相聯法團（釋義見證券期貨條例第XV部）之股份、相關股份或債券中擁有須記錄於證券期貨條例第352條所規定存放之登記冊內或根據上市發行人董事進行證券交易的聯交所證券上市規則（「上市規則」）附錄10所載之標準守則（「標準守則」）須另行知會本公司及聯交所之任何權益或淡倉。



主要股東及其他人士所持權益

於2010年6月30日，根據證券期貨條例第336條規定所存放之登記冊（「證券期貨條例登記冊」），持有本公司股份及相關股份權益之股東如下：

股東	身份	股份及相關 股份數目	佔已發行股本之 概約百分比
聯合地產	受控法團之權益 (附註1)	1,091,885,163 (附註2)	62.31%
聯合集團	受控法團之權益 (附註3)	1,091,885,163 (附註4)	62.31%
Lee and Lee Trust	受控法團之權益 (附註5)	1,091,885,163 (附註4)	62.31%
Dubai Ventures L.L.C (「Dubai Ventures」)	實益擁有人	166,000,000 (附註6)	9.47%
Dubai Ventures Group (L.L.C) (「DVG」)	受控法團之權益 (附註7)	166,000,000 (附註8)	9.47%
Dubai Group (L.L.C) (「Dubai Group」)	受控法團之權益 (附註9)	166,000,000 (附註8)	9.47%
Dubai Holding Investments Group LLC (「DHIG」)	受控法團之權益 (附註10)	166,000,000 (附註8)	9.47%
Dubai Holding (L.L.C) (「Dubai Holding」)	受控法團之權益 (附註11)	166,000,000 (附註8)	9.47%
Dubai Group Limited (「DGL」)	受控法團之權益 (附註12)	166,000,000 (附註8)	9.47%
HH Mohammed Bin Rashid Al Maktoum	受控法團之權益 (附註13)	166,000,000 (附註8)	9.47%

股東	身份	股份及相關 股份數目	佔已發行股本之 概約百分比
Penta Investment Advisers Limited (「Penta」)	投資經理	158,737,788 (附註14)	9.06%
Goldlex Limited (「Goldlex」)	實益擁有人	113,085,000 (附註15)	6.42%
Lee Mei Wan Betty	實益擁有人 (附註16)	113,085,000	6.42%
Asia Financial Services Group Limited (「AFSG」)	受控法團之權益 (附註17)	409,920,000 (附註19)	23.40%
CVC Capital Partners Asia III Limited (「CVC Capital」)	受控法團之權益 (附註18)	409,920,000 (附註19)	23.40%

附註：

- 該等權益由AP Jade Limited之全資附屬公司AP Emerald Limited (「AP Emerald」) 持有，而AP Jade Limited則為聯合地產之全資附屬公司，因此，聯合地產被視作擁有AP Emerald所持之本公司股份及相關股份之權益。
- 此為聯合地產透過AP Emerald持有1,091,885,163股本公司股份之權益。
- 聯合集團持有聯合地產已發行股本約65.12%權益，因此，被視作擁有聯合地產所持之本公司股份之權益。
- 此為由AP Emerald持有1,091,885,163股本公司股份之相同權益。
- 李成輝先生、李淑慧小姐及李成煌先生(一名董事)為全權信託Lee and Lee Trust之信託人，彼等合共擁有聯合集團已發行股本約52.40%之權益，因此被視作擁有聯合集團透過其擁有65.12%權益之附屬公司聯合地產所持之本公司股份之權益。
- 此為於166,000,000股本公司股份之權益。
- DVG擁有Dubai Ventures已發行股本99%權益，因此被視作擁有Dubai Ventures所持本公司股份之權益。

8. 此為由Dubai Ventures持有166,000,000股本公司股份之權益。
9. Dubai Group擁有DVG已發行股本99%權益，因此被視作擁有DVG所持有本公司股份之權益。
10. DHIG擁有Dubai Group已發行股本51%權益，因此被視作擁有Dubai Group所持有本公司股份之權益。
11. Dubai Holding擁有DHIG已發行股本約99.66%權益，因此被視作擁有DHIG所持有本公司股份之權益。
12. DGL擁有Dubai Group已發行股本49%權益，因此被視作擁有Dubai Group所持有本公司股份之權益。
13. HH Mohammed Bin Rashid Al Maktoum擁有Dubai Holding已發行股本約97.40%權益，因此被視作擁有Dubai Holding所持有本公司股份之權益。
14. 此包括(i)75,669,824股本公司股份；及(ii)可產生83,067,964股本公司相關股份權益之本公司非上市以現金交收之衍生工具之權益。
15. 此為於113,085,000股本公司股份之權益。
16. Lee Mei Wan Betty小姐擁有Goldlex已發行股本100%權益，因此被視作擁有Goldlex所持有本公司股份之權益。
17. 此為透過其兩間全資附屬公司Asia Financial Services Holdings Limited及Asia Financial Services Company Limited (「AFSC」) 擁有之權益。
18. CVC Capital透過一間全資附屬公司擁有AFSG之88%權益，因此被視作擁有AFSG擁有權益之本公司相關股份之權益。
19. 此為因根據本公司（作為發行人）與ASFC（作為投資者）於2010年4月22日訂立之認購協議而被視作擁有本公司相關股份之權益。根據該認購協議，本公司有條件性同意發行及ASFC有條件性同意認購(a)本金總額1,708,000,000港元之強制性可換股票據及(b)面值427,000,000港元之認股權證。

上述所有權益均屬長倉。於2010年6月30日，根據本公司之證券期貨條例登記冊所載，並無淡倉記錄。

除上文所披露外，於2010年6月30日，本公司董事並不獲悉其他人士於本公司或任何相聯法團（定義見證券期貨條例第XV部）之股份、相關股份中擁有根據證券期貨條例第XV部之規定須作出披露之權益或淡倉。

企業管治及其他資料

企業管治常規守則

於截至2010年6月30日止六個月期間，除下列簡述的部份外，本公司已應用及遵守上市規則附錄14所載之企業管治常規守則（「企業管治守則」）的適用守則條文：

(a) 守則條文A.2.1

企業管治守則條文A.2.1規定主席及行政總裁之角色應有所區分及不應由同一人出任。根據本公司現行之組織架構，行政總裁之職能由執行主席李成煌先生聯同另一名執行董事唐登先生以及一名高級行政人員黃日昌先生履行。執行主席負責監察公司之行政管理、主要投資以及集團於亞洲聯合財務之權益（其日常工作由其委派之董事總經理履行），唐登先生則擔任財富管理、經紀業務及資本市場之行政總裁，而資產管理業務乃由黃日昌先生主管。

董事會相信，此架構將原應由單一行政總裁承擔之工作量分散，讓集團迅速發展之業務由稱職且在相關事務上具資深經驗之高級行政人員管理。此舉更可加強本公司之內部溝通及加快決策過程。



(b) 守則條文B.1.3及C.3.3

守則條文B.1.3及C.3.3規定薪酬委員會及審核委員會在權責範圍方面應最低限度包括該等條文所載之特定職責。

本公司已採納之薪酬委員會之權責範圍乃遵照守則條文B.1.3之規定，惟薪酬委員會僅就執行董事（不包括高級管理層）（而非守則條文所述之執行董事及高級管理人員）之薪酬待遇作出檢討（而非守則條文所述之釐定），並僅向董事會提出建議。

本公司已採納之審核委員會之權責範圍乃遵照守則條文C.3.3之規定，惟審核委員會僅會(i)就委聘外聘核數師提供非核數服務之政策作出建議（而非守則條文所述之執行）；(ii)監察（而非守則條文所述之確保）管理層是否已履行其職責建立有效之內部監控系統；及(iii)推動（而非守則條文所述之確保）內部及外聘核數師之工作得到協調，及(iv)檢視（而非守則條文所述之確保）內部稽核功能是否獲得足夠資源運作。

董事會認為薪酬委員會及審核委員會應繼續根據本公司採納各自之權責範圍運作。董事會將最少每年檢討該等權責範圍一次，並在其認為需要時作出適當更改。

上述偏離行為之理由載於本公司截至2009年12月31日止財政年度之年報中「企業管治報告」內。

董事資料變更

根據上市規則第13.51(2)條及13.51B(1)條之規定而作出之董事資料變更之披露列載如下：

李成煌先生，執行主席

- 房屋租賃的相關費用（為不時變動的費用）改變。

李成偉先生，非執行董事

- 於2010年6月18日辭任為聯合地產之執行董事及行政總裁。

董事

- 由2010年起，董事之年度袍金增加10%。

所有獨立非執行董事

- 由2010年起，顧問費用增加10%。

董事進行證券交易之行為準則

本公司已採納標準守則，作為其董事進行證券交易之行為準則。經本公司明確查詢後，所有董事確認彼等於回顧期內已完全遵守標準守則內所訂之標準。



購買、出售或贖回證券

於截至2010年6月30日止六個月期間，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

審核委員會之審閱

本公司之審核委員會連同管理層已審閱集團所採納之會計原則及慣例，並就內部監控及財務報告事項進行商討，包括對集團截至2010年6月30日止六個月之未經審核簡明綜合中期財務報告作出概括之審閱。而審核委員會乃依賴集團外聘核數師根據香港會計師公會頒佈之香港審閱工作準則2410號「獨立核數師對中期財務資料的審閱」所作之審閱、上市聯營公司之中期業績公佈，以及管理層之報告作出上述審閱。審核委員會並無進行詳細之獨立核數審查。

承董事會命
李成煌
執行主席

香港，2010年8月25日



Independent Review Report

獨立審閱報告

TO THE BOARD OF DIRECTORS OF SUN HUNG KAI & CO. LIMITED

致新鴻基有限公司董事會

INTRODUCTION

引言

We have reviewed the interim financial information set out on pages 58 to 100, which comprises the condensed consolidated statement of financial position of Sun Hung Kai & Co. Limited as of 30 June 2010 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, 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.

我們已審閱列載於第58頁至第100頁新鴻基有限公司的中期財務報告，此中期財務報告包括於2010年6月30日的簡明綜合財務狀況表與截至該日止六個月期間的簡明綜合收益賬、全面收益賬、權益變動表和現金流量表，以及若干附註解釋。根據《香港聯合交易所有限公司證券上市規則》，上市公司必須符合該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」的規定編制中期財務報告。董事須負責根據《香港會計準則》第34號編制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。

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 interim financial information 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 information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong, 25 August 2010

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資料的審閱」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，使我們相信此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號的規定編制。

德勤•關黃陳方會計師行
執業會計師
香港，2010年8月25日



Condensed Consolidated Income
Statement

簡明綜合收益賬

		Six months ended 六個月結算至	
		30.6.2010 Unaudited 未經審核 HK\$ Million 百萬港元	30.6.2009 Unaudited 未經審核 HK\$ Million 百萬港元
		Notes 附註	
Revenue *	收益*		1,479.6
Other income	其他收入		146.3
			1,504.2
			81.5
Total income	總收益		1,625.9
Brokerage and commission expenses	經紀及佣金費用		(103.2)
Direct cost and operating expenses	直接成本及經營費用		(145.7)
Administrative expenses	管理費用		(446.1)
Other expenses	其他費用	6	(165.0)
Finance costs	融資成本		(50.6)
			715.3
Loss on disposal of a listed associate	出售一上市聯營公司虧損	5	(159.3)
Loss on warrants of a listed associate	一上市聯營公司認股權證虧損		-
Share of results of associates	所佔聯營公司業績		203.8
Share of results of jointly controlled entities	所佔共同控制公司業績		2.9
			511.9
Profit before taxation	除稅前溢利	6	762.7
Taxation	稅項	7	(130.0)
			655.4
			(98.1)
Profit for the period	本期溢利		632.7
Profit attributable to:	應佔溢利：		
- Owners of the Company	- 本公司股東		492.1
- Non-controlling interests	- 非控股權益		140.6
			507.2
			50.1
			557.3
Earnings per share	每股盈利	9	
- Basic (HK cents)	- 基本 (港仙)		28.1
			29.5
- Diluted (HK cents)	- 攤薄 (港仙)		28.1
			29.5

* Revenue is also the Group's turnover.

* 收益亦為集團營業額。

Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益賬

		Six months ended 六個月結算至	
		30.6.2010 Unaudited 未經審核 HK\$ Million 百萬港元	30.6.2009 Unaudited 未經審核 HK\$ Million 百萬港元
Profit for the period	本期溢利	632.7	557.3
Other comprehensive income	其他全面收益		
Available-for-sale investments	可供出售投資		
– Net fair value changes during the period	– 於期內公平值變動淨額	(2.1)	24.3
– Reclassification adjustment to profit or loss on disposal	– 於出售時撥至收益賬的重新分類調整	(0.4)	(2.8)
– Deferred tax	– 遞延稅項	(0.4)	(0.4)
		(2.9)	21.1
Exchange differences arising on translating foreign operations	折算海外業務的匯兌差額	11.8	(0.3)
Reclassification adjustment to profit or loss on liquidation of subsidiaries	於清算附屬公司時撥至收益賬的重新分類調整	(6.7)	–
Reclassification adjustment to profit or loss on disposal of a listed associate	於出售一上市聯營公司時撥至收益賬的重新分類調整	(320.5)	–
Revaluation gain on properties transferred from property and equipment to investment properties	於轉撥物業自物業及設備至投資物業的重估收益	5.4	–
Share of other comprehensive income of associates	所佔聯營公司的其他全面收益	(2.1)	4.7
Other comprehensive (expenses) income for the period, net of tax	扣除稅項後之本期其他全面(支出)收益	(315.0)	25.5
Total comprehensive income for the period	本期全面收益總額	317.7	582.8
Total comprehensive income attributable to:	應佔全面收益總額：		
– Owners of the Company	– 本公司股東	172.7	532.7
– Non-controlling interests	– 非控股權益	145.0	50.1
		317.7	582.8

Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表

	Notes 附註	30.6.2010 Unaudited 未經審核 HK\$ Million 百萬港元	31.12.2009 Restated 重列 HK\$ Million 百萬港元
Non-current Assets			
Investment properties		125.5	130.1
Leasehold interests in land		9.9	13.0
Property and equipment		259.6	248.7
Intangible assets		1,269.9	1,354.3
Goodwill		2,384.0	2,384.0
Interest in associates		60.5	4,185.2
Interest in jointly controlled entities		188.5	72.0
Available-for-sale investments	10	278.8	286.2
Statutory deposits		43.7	36.0
Deferred tax assets		92.5	100.5
Amounts due from associates		56.1	56.1
Loans and advances to consumer finance customers		1,951.0	1,870.2
Prepaid deposits for acquisition of property and equipment and other receivables		53.4	—
		6,773.4	10,736.3
Current Assets			
Trade and other receivables	11	7,055.8	5,655.2
Loans and advances to consumer finance customers		2,715.6	2,456.2
Financial assets at fair value through profit or loss		507.8	677.6
Amounts due from associates	12	8.1	3.0
Amounts due from fellow subsidiaries and a holding company		1.4	0.7
Taxation recoverable		1.8	2.3
Cash and cash equivalents	13	1,451.2	1,346.0
		11,741.7	10,141.0

		Notes 附註	30.6.2010 Unaudited 未經審核 HK\$ Million 百萬港元	31.12.2009 Restated 重列 HK\$ Million 百萬港元
Current Liabilities	流動負債			
Bank and other borrowings	銀行及其他借款	14	(3,421.9)	(2,093.0)
Trade and other payables	經營及其他應付賬	15	(1,468.3)	(1,557.9)
Financial liabilities at fair value through profit or loss	透過收益賬按公平值 列賬的財務負債		(8.2)	(36.1)
Amounts due to fellow subsidiaries and a holding company	同系附屬公司及 控股公司貸賬	16	(1,567.6)	(1,568.9)
Amounts due to associates	聯營公司貸賬		(8.4)	(8.1)
Amounts due to a jointly controlled entity	共同控制公司 貸賬		(75.6)	-
Provisions	準備		(53.3)	(12.4)
Taxation payable	應付稅項		(144.5)	(74.2)
			(6,747.8)	(5,350.6)
Net Current Assets	流動資產淨值		4,993.9	4,790.4
Total Assets less Current Liabilities	總資產減流動 負債		11,767.3	15,526.7
Capital and Reserves	資本及儲備			
Share capital	股本	17	350.4	350.4
Reserves	儲備		8,702.0	12,333.0
Equity attributable to owners of the Company	本公司股東 應佔權益		9,052.4	12,683.4
Non-controlling interests	非控股權益		1,803.4	1,744.7
Total Equity	權益總額		10,855.8	14,428.1
Non-current Liabilities	非流動負債			
Bonds	債券		500.0	500.0
Bank and other borrowings	銀行及其他借款	14	173.7	355.6
Provisions	準備		9.2	6.0
Deferred tax liabilities	遞延稅項負債		228.6	237.0
			911.5	1,098.6
			11,767.3	15,526.7

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

		Attributable to owners of the Company 本公司股東應佔												
		Share capital	Share premium	Capital redemption reserve	Shares held for employee ownership scheme	Employee share-based compensation reserve	Exchange reserve	Revaluation reserve	Capital reserves	Retained earnings	Dividend reserve	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本贖回儲備	為僱員股份擁有計劃持有股份	以股份為基礎的僱員酬金儲備	匯兌儲備	重估儲備	資本儲備	保留溢利	股息儲備	總額	非控股權益	權益總額
		HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元	HKS Million 百萬港元
At 1 January 2010	於2010年1月1日	350.4	5,306.2	57.6	(28.0)	9.0	321.3	245.1	(21.4)	6,163.4	279.8	12,683.4	1,744.7	14,428.1
Profit for the period	本期溢利	-	-	-	-	-	-	-	-	492.1	-	492.1	140.6	632.7
Other comprehensive income (expenses)	其他全面收益(支出)	-	-	-	-	-	(333.6)	(8.6)	21.9	0.9	-	(319.4)	4.4	(315.0)
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	-	(333.6)	(8.6)	21.9	493.0	-	172.7	145.0	317.7
Recognition of equity-settled share-based payments	確認從權益支付的以股份為基礎的酬金支出	-	-	-	-	7.2	-	-	-	-	-	7.2	-	7.2
Purchase of shares held for the SHK Employee Ownership Scheme	為新鴻基僱員股份擁有計劃而購入的股份	-	-	-	(3.6)	-	-	-	-	-	-	(3.6)	-	(3.6)
Vesting of shares of the SHK Employee Ownership Scheme	新鴻基僱員股份擁有計劃的股份歸屬	-	-	-	7.9	(7.9)	-	-	-	-	-	-	-	-
Adjustment to 2009 final dividends	調整2009年末期股息	-	-	-	-	-	-	-	-	(0.5)	0.5	-	-	-
Special dividend	特別股息	-	-	-	-	-	-	-	-	(3,527.0)	3,527.0	-	-	-
Distribution in specie	實物分派	-	-	-	-	-	-	-	-	-	(3,807.3)	(3,807.3)	-	(3,807.3)
Interim dividends declared	宣派派發中期股息	-	-	-	-	-	-	-	-	(174.9)	174.9	-	-	-
Dividends paid to non-controlling interests	支付股息予非控股權益	-	-	-	-	-	-	-	-	-	-	-	(86.3)	(86.3)
At 30 June 2010	於2010年6月30日	350.4	5,306.2	57.6	(23.7)	8.3	(123)	236.5	0.5	2,954.0	174.9	9,052.4	1,803.4	10,855.8
At 1 January 2009	於2009年1月1日	343.2	5,021.0	54.8	(32.6)	9.7	336.5	198.0	(21.6)	5,350.9	85.6	11,345.5	1,681.8	13,027.3
Profit for the period	本期溢利	-	-	-	-	-	-	-	-	507.2	-	507.2	50.1	557.3
Other comprehensive income	其他全面收益	-	-	-	-	-	-	25.5	-	-	-	25.5	-	25.5
Total comprehensive income for the period	本期全面收益總額	-	-	-	-	-	-	25.5	-	507.2	-	532.7	50.1	582.8
Recognition of equity-settled share-based payments	確認從權益支付的以股份為基礎的酬金支出	-	-	-	-	5.5	-	-	-	-	-	5.5	-	5.5
Purchase of shares held for the SHK Employee Ownership Scheme	為新鴻基僱員股份擁有計劃而購入的股份	-	-	-	(2.4)	-	-	-	-	-	-	(2.4)	-	(2.4)
Vesting of shares of the SHK Employee Ownership Scheme	新鴻基僱員股份擁有計劃的股份歸屬	-	-	-	7.4	(7.4)	-	-	-	-	-	-	-	-
Adjustment to 2008 final dividends	調整2008年末期股息	-	-	-	-	-	-	-	-	(2.2)	2.2	-	-	-
Final dividends paid	支付末期股息	-	-	-	-	-	-	-	-	-	(87.8)	(87.8)	-	(87.8)
Interim dividends declared	宣派派發中期股息	-	-	-	-	-	-	-	-	(105.3)	105.3	-	-	-
Shares issued on warrants exercised	行使認股權證所發行的股份	10.0	284.1	-	-	-	-	-	-	-	-	294.1	-	294.1
Shares repurchased and cancelled	回購及註銷股份	(1.4)	-	1.4	-	-	-	-	-	(36.7)	-	(36.7)	-	(36.7)
Dividends paid to non-controlling interests	支付股息予非控股權益	-	-	-	-	-	-	-	-	-	-	-	(83.4)	(83.4)
At 30 June 2009	於2009年6月30日	351.8	5,305.1	56.2	(27.6)	7.8	336.5	223.5	(21.6)	5,713.9	105.3	12,050.9	1,648.5	13,699.4

Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表

		Six months ended 六個月結算至	
		30.6.2010 Unaudited 未經審核 HK\$ Million 百萬港元	30.6.2009 Unaudited 未經審核 HK\$ Million 百萬港元
OPERATING ACTIVITIES	經營活動		
Cash used in operations	經營所用現金		
– Increase in trade and other receivables	– 經營及其他應收賬增加	(1,355.1)	(2,439.4)
– Other operating cash flows	– 其他經營現金流量	356.4	378.6
		(998.7)	(2,060.8)
Interest received	已收利息	209.2	156.6
Dividends received from held for trading investments	已收持作買賣投資股息	2.1	2.8
Interest paid	已付利息	(50.3)	(70.5)
Taxation paid	稅項繳付	(57.9)	(45.2)
Net cash used in operating activities	於經營活動所用現金淨額	(895.6)	(2,017.1)
INVESTING ACTIVITIES	投資活動		
Purchase of property and equipment	購入物業及設備	(9.7)	(11.9)
Purchase of intangible assets	購入無形資產	(8.9)	(46.6)
Disposal of 49% ownership interest in a subsidiary (Note 4)	出售附屬公司49%股東權益(附註4)	(95.2)	–
Disposal of a subsidiary	出售附屬公司	–	0.2
Liquidation of subsidiaries	清算附屬公司	(11.8)	–
(Payment) repayment of net amount due from associates	聯營公司淨欠賬的(付款)還款	(0.2)	0.5
Dividends received from associates	收取聯營公司股息	41.6	18.8
Expenses paid for disposal of a listed associate	出售一上市聯營公司所付之費用	(2.9)	–
Capital injection to jointly controlled entities	注入共同控制公司股本	–	(53.9)
Advance from a jointly controlled entity	來自共同控制公司借款	22.1	–
Dividends received from available-for-sale investments	收取可供出售投資股息	4.7	1.4
Purchase of available-for-sale investments	購入可供出售投資	–	(2.7)
Proceeds on disposal of available-for-sale investments	出售可供出售投資所得款項	5.4	8.7
Net payment of statutory deposits	法定按金付款淨額	(7.7)	(0.5)
Net cash used in investing activities	於投資活動所用現金淨額	(62.6)	(86.0)

		Six months ended 六個月結算至	
		30.6.2010 Unaudited 未經審核 HK\$ Million 百萬港元	30.6.2009 Unaudited 未經審核 HK\$ Million 百萬港元
FINANCING ACTIVITIES	融資活動		
Dividends paid	股息支付	-	(87.8)
Dividends and repayments to non-controlling interests	付予非控股權益之股息及還款	(86.2)	(83.5)
Net short-term bank borrowings raised	提取短期銀行借款淨額	1,082.0	2,097.9
Long term bank loans raised	提取長期銀行借款	70.0	-
Repayment of long-term bank loans	償還長期銀行借款	(7.3)	(78.0)
Repayment of bonds	償還債券	-	(400.0)
Purchase of shares for the SHK Employee Ownership Scheme	就新鴻基僱員股份擁有計劃所購入的股份	(3.6)	(2.4)
Shares repurchased and cancelled	回購及註銷股份	-	(36.7)
Net proceeds from issue of shares	發行股本所得款項淨額	-	294.1
Net cash from financing activities	於融資活動所得現金淨額	1,054.9	1,703.6
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	96.7	(399.5)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	1,328.0	1,738.9
Effect of foreign exchange rate changes	外幣匯率變動的影響	8.5	(0.3)
		1,433.2	1,339.1
Cash and cash equivalents at 30 June, represented by	於6月30日的現金及現金等價物		
Cash and cash equivalents	現金及現金等價物	1,451.2	1,354.6
Bank overdrafts	銀行透支	(18.0)	(15.5)
		1,433.2	1,339.1

Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair value.

A number of new or revised Standards and Interpretations are effective for the financial year beginning on 1 January 2010. Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed consolidated financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2009.

Amendment to HKAS 17 Leases

As part of Improvements to HKFRSs issued in 2009, HKAS 17 has been amended in relation to the classification of leasehold land. Before the amendment to HKAS 17, the Group classified leasehold land as operating leases and presented leasehold land as prepaid lease payments in the consolidated statement of financial position. The amendment has removed such a requirement.

1. 編制基準

本未經審核簡明綜合財務報表是根據香港聯合交易所有限公司證券上市規則附錄16內適用的披露規定及遵照由香港會計師公會頒佈的香港會計準則34號「中期財務報告」而編制。

2. 重要會計政策概要

除若干物業及財務工具以公平值計量外，本未經審核簡明綜合財務報表按歷史成本常規法而編制。

多項新增及經修訂準則及詮釋於2010年1月1日開始之財政年度生效。除下文所述外，本簡明綜合財務報表所採用之會計政策、呈列方式及計算方法與編制集團截至2009年12月31日止年度財務報表所沿用者一致。

HKAS 17租賃之修正

香港財務報告準則之2009年改進內其中一部分對HKAS 17就有關租賃土地之分類作出修正。對HKAS 17作出修正前，集團分類租賃土地為經營租賃及於綜合財務狀況表中列為預付租賃支出，而此修正刪除該項要求。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Amendment to HKAS 17 Leases (Continued)

In accordance with the transitional provisions of HKAS 17, the Group reassessed the classification of unexpired leasehold land as at 1 January 2010 based on information which existed at the inception of the leases. Leasehold land that qualifies the finance lease classification has been reclassified from "leasehold interests in land" to "property and equipment" retrospectively. The adjustments in respect of the comparative figures are as follows:

2. 重要會計政策概要 (續)

HKAS 17租賃之修正 (續)

根據HKAS 17之過渡條文，集團以訂立租賃時之資料，重新評定於2010年1月1日尚未到期之租賃土地，將符合融資租賃分類之租賃土地，以回溯方式由「租賃土地權益」重新分類為「物業及設備」，以下為對比較數字之調整：

		31.12.2009		31.12.2009
		Originally stated	Adjustments	Restated
		原先列賬	調整	重列
		HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元
Leasehold interests in land	租賃土地權益	131.4	(118.4)	13.0
Property and equipment	物業及設備	127.5	121.2	248.7
Trade and other receivables	經營及其他應收賬	5,658.0	(2.8)	5,655.2
		<u>5,916.9</u>	<u>-</u>	<u>5,916.9</u>

3. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating segments:

3. 分項資料

以下為以經營分項分析之集團收益及業績：

		Six months ended 30 June 2010 六個月結算至2010年6月30日					
		Corporate finance	Asset management	Consumer finance	Principal investments	Total	
Wealth management, brokerage and margin finance		Corporate finance	Asset management	Consumer finance	Principal investments	Total	
財富管理、 經紀及 證券放款		企業融資	資產管理	私人財務	主要投資	總額	
HK\$ Million 百萬港元		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	
Revenue	收益	543.1	106.4	34.5	787.7	278.3	1,750.0
Net profit (loss) from financial assets and liabilities	來自財務資產及 負債的收益(虧損)淨額	(65.7)	66.8	-	-	(0.2)	0.9
Less: inter-segment revenue	減：分項間收益	(5.0)	(0.9)	(0.2)	-	(265.2)	(271.3)
Segment revenue from external customers	來自外部顧客的 分項收益	472.4	172.3	34.3	787.7	12.9	1,479.6
Segment profit before:	下列項目前之分項收益：	116.4	147.6	18.9	385.3	47.1	715.3
Loss on disposal of a listed associate	出售一上市聯營公司虧損	-	-	-	-	(159.3)	(159.3)
Segment profit or loss	分項損益	116.4	147.6	18.9	385.3	(112.2)	556.0
Share of results of associates	所佔聯營公司業績						203.8
Share of results of jointly controlled entities	所佔共同控制 公司業績						2.9
Profit before taxation	除稅前溢利						762.7

3. SEGMENT INFORMATION
(CONTINUED)

3. 分項資料 (續)

		Six months ended 30 June 2009 六個月結算至2009年6月30日					
Wealth management, brokerage and margin finance 財富管理、經紀及證券放款		Corporate finance 企業融資	Asset management 資產管理	Consumer finance 私人財務	Principal investments 主要投資	Total 總額	
HK\$ Million 百萬港元		HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	HK\$ Million 百萬港元	
Revenue	收益	507.3	64.6	51.4	737.1	310.1	1,670.5
Net profit (loss) from financial assets and liabilities	來自財務資產及負債的收益(虧損)淨額	150.4	(6.3)	-	-	0.5	144.6
Less: inter-segment revenue	減：分項間收益	(8.9)	(3.5)	(0.3)	-	(298.2)	(310.9)
Segment revenue from external customers	來自外部顧客的分項收益	648.8	54.8	51.1	737.1	12.4	1,504.2
Segment profit before:	下列項目前之分項收益：	312.3	23.3	15.6	118.6	42.1	511.9
Loss on warrants of a listed associate	一上市聯營公司認股權證虧損	-	-	-	-	(0.3)	(0.3)
Segment profit	分項收益	312.3	23.3	15.6	118.6	41.8	511.6
Share of results of associates	所佔聯營公司業績						143.5
Share of results of jointly controlled entities	所佔共同控制公司業績						0.3
Profit before taxation	除稅前溢利						655.4

3. SEGMENT INFORMATION (CONTINUED)

3. 分項資料 (續)

The following is an analysis of the Group's segment assets by operating segments:

以下為以經營分項分析之集團分項資產：

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Wealth management, brokerage and margin finance	財富管理、經紀及 證券放款	6,889.9	6,084.0
Corporate finance	企業融資	957.3	677.3
Asset management	資產管理	74.8	93.1
Consumer finance	私人財務	9,291.8	8,808.0
Principal investments	主要投資	893.8	795.8
Total segment assets	分項資產總額	18,107.6	16,458.2

4. DISPOSAL OF 49% OWNERSHIP INTEREST IN A SUBSIDIARY

In April 2010, the Group disposed of 49% ownership interest in a wholly-owned subsidiary engaging in leveraged foreign exchange trading business. The control of the subsidiary after the disposal is shared by the Group and the other shareholder according to the relevant shareholders' agreement. As a result, the retained interest in the subsidiary is classified as a jointly controlled entity. The gain of the disposal is calculated as follows:

		HK\$ Million 百萬港元
Net assets disposed of:	出售之淨資產：	
– Cash and cash equivalents	– 現金及現金等價物	95.2
– Trade and other receivables	– 經營及其他應收賬	5.4
– Amount due from the Group	– 集團欠款	53.5
– Trade and other payables	– 經營及其他應付賬	(0.2)
– Taxation payable	– 應付稅項	(2.2)
		151.7
Consideration receivable	應收代價	(66.1)
Retained interest in a jointly controlled entity	保留權益 於共同控制公司	(114.9)
Gain on disposal of 49% ownership interest in a subsidiary	出售附屬公司49% 股東權益之收益	(29.3)

The retained interest in a jointly controlled entity included interest in non-voting shares in the former subsidiary of HK\$75.0 million. Pursuant to the terms of the relevant shareholders' agreement, after the reporting date, the non-voting shares were repurchased by the former subsidiary and the retained interest in the jointly controlled entity was reduced accordingly.

4. 出售附屬公司49%股東權益

於2010年4月，集團出售一從事槓桿式外匯買賣業務之全資附屬公司其中49%股東權益。根據有關股東協議，該附屬公司控制權於出售後是由集團與另一股東共享。因此，於該附屬公司保留之權益是分類為共同控制公司。出售收益之計算如下：

於共同控制公司之保留權益包括前附屬公司之無投票權股份權益75.0百萬港元。根據有關股東協議中之條款，於報告日後，此前附屬公司已回購該等股份，而保留權益於共同控制公司亦因而減少。

5. LOSS ON DISPOSAL OF A LISTED ASSOCIATE

On 28 June 2010, the Group completed the disposal of its entire interest in Tian An China Investments Company Limited, a listed associate, to a subsidiary of Allied Properties (H.K.) Limited ("APL"), a listed holding company. The consideration of the disposal was satisfied by a share entitlement note ("SEN"), which conferred the right to call for the issue of 2,293,561,833 fully paid shares of APL ("APL Share") for nil consideration. The fair value of the SEN was HK\$3,807.3 million which was determined based on the market value of the APL Share of HK\$1.66 per share at the completion date of the disposal. The Group recognised a loss of HK\$159.3 million on the disposal.

The SEN was immediately assigned to the shareholders of the Company on 28 June 2010 as distribution in specie as described in Note 8. Upon the assignment, the right to call for the issue of the relevant APL Share was automatically exercised.

Details regarding the disposal and the distribution are contained in the circular of the Company dated 24 May 2010.

5. 出售一上市聯營公司虧損

於2010年6月28日，集團完成出售於一上市聯營公司天安中國投資有限公司之全部權益，售予集團一家上市控股公司聯合地產（香港）有限公司（「聯合地產」）之附屬公司。出售代價以股票權益票據支付，股份權益票據賦予可要求以無代價發行2,293,561,833股聯合地產繳足股份（「聯合地產股份」）之權利。股份權益票據之公平值為3,807.3百萬港元，是按聯合地產股份於出售完成日之市值每股1.66港元而釐定。集團於出售所確認之虧損為159.3百萬港元。

股份權益票據於2010年6月28日以在附註8所述之實物分派方式隨即轉讓予本公司股東。可要求發行聯合地產股份之權利於轉讓時已自動行使。

該出售及分派之詳情已刊載於本公司於2010年5月24日發出之通函內。

6. PROFIT BEFORE TAXATION

6. 除税前溢利

		Six months ended 六個月結算至	
		30.6.2010 HK\$ Million 百萬港元	30.6.2009 HK\$ Million 百萬港元
Profit before taxation has been arrived at after crediting (charging):	除税前溢利已計入 (扣除):		
Dividends from listed investments	上市投資股息	3.9	3.0
Dividends from unlisted investments	非上市投資股息	3.8	3.3
Interest income	利息收入	1,000.5	889.1
Net profit (loss) on held for trading investments included in revenue	包括在收益內的持作買賣投資溢利 (虧損) 淨額		
– Net realised and unrealised profit on derivatives	– 衍生工具已兌現及未兌現溢利淨額	74.7	34.0
– Net profit on dealing in leveraged foreign currencies	– 槓桿式外匯買賣溢利淨額	0.5	1.4
– Net profit on other dealing activities	– 其他買賣活動溢利淨額	1.6	3.0
– Net realised and unrealised (loss) profit on trading in equity securities	– 經營股權證券已兌現及未兌現 (虧損) 溢利淨額	(67.1)	147.6
Net unrealised loss on Lehman Brothers Minibonds included in revenue	包括在收益內的雷曼兄弟迷你債券之未兌現虧損淨額	–	(42.7)
Net realised and unrealised (loss) profit on unlisted investment funds included in revenue	包括在收益內的非上市投資基金已兌現及未兌現 (虧損) 溢利淨額	(8.8)	1.3
Net realised profit on disposal of investments included in other income	包括在其他收入內的已兌現出售投資溢利淨額		
– Disposal of 49% ownership interest in a subsidiary	– 出售附屬公司49%股東權益	29.3	–
– Liquidation of subsidiaries	– 清算附屬公司	3.7	–
– Disposal of available-for-sale investments	– 出售可供出售投資	0.6	4.7

6. PROFIT BEFORE TAXATION
(CONTINUED)

6. 除税前溢利 (續)

		Six months ended 六個月結算至	
		30.6.2010	30.6.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Reversal of impairment loss included in other income	包括在其他收入內的減值虧損撥回		
- Loans and advances to consumer finance customers	- 私人財務客戶貸款及墊款	76.4	0.2
- Loans and receivables	- 貸款及應收賬	-	25.7
- Trade and other receivables	- 經營及其他應收賬	3.2	12.4
Increase in fair value of investment properties included in other income	包括在其他收入內的投資物業公平值增加	5.8	3.6
Amortisation of leasehold interests in land	攤銷租賃土地權益	(0.2)	(0.3)
Depreciation of property and equipment	物業及設備折舊	(18.8)	(17.6)
Amortisation of intangible assets	攤銷無形資產		
- Computer software (included in administrative expenses)	- 電腦軟件(包括在管理費用內)	(5.5)	(5.4)
- Other intangible assets (included in direct cost and operating expenses)	- 其他無形資產(包括在直接成本及經營費用內)	(86.8)	(90.9)
Net loss on disposal of equipment	出售設備虧損淨額	-	(1.9)
Interest expenses	利息費用	(44.6)	(52.8)
Share of taxation of associates	所佔聯營公司稅項	(84.7)	(19.4)
Share of taxation of a jointly controlled entity	所佔共同控制公司稅項	(0.4)	-

6. PROFIT BEFORE TAXATION
(CONTINUED)

6. 除稅前溢利 (續)

		Six months ended 六個月結算至	
		30.6.2010 HK\$ Million 百萬港元	30.6.2009 HK\$ Million 百萬港元
Analysis of other expenses:	其他費用之分析：		
Impairment loss	減值虧損		
– Intangible assets	– 無形資產	(1.0)	(11.0)
– Interest in associates	– 聯營公司權益	–	(2.6)
– Amounts due from associates	– 聯營公司欠賬	(0.3)	–
– Loans and advances to consumer finance customers	– 私人財務客戶 貸款及墊款	(137.3)	(306.1)
– Trade and other receivables	– 經營及其他應收賬	(4.1)	(12.5)
Trade and other receivables written off	撇銷經營及 其他應收賬	(4.7)	(3.5)
Net exchange loss	匯兌虧損淨額	(17.6)	–
		(165.0)	(335.7)

7. TAXATION

7. 稅項

		Six months ended 六個月結算至	
		30.6.2010 HK\$ Million 百萬港元	30.6.2009 HK\$ Million 百萬港元
Current tax	當期稅項		
– Hong Kong	– 香港	119.8	85.3
– Other jurisdictions	– 其他司法地區	10.7	2.9
		130.5	88.2
Under provision in prior years	前期撥備不足	0.3	0.2
		130.8	88.4
Deferred tax	遞延稅項		
– Current period	– 本期	(0.8)	9.7
		130.0	98.1

Hong Kong profits tax is calculated at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits for both periods. Taxation arising in other jurisdictions is calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in the relevant jurisdictions.

香港利得稅乃按照期內估計應課稅溢利按稅率16.5% (2009年：16.5%) 計算。其他司法地區的稅款，則按照期內估計應課稅溢利，按集團經營業務有關司法地區的現行稅率計算。

8. DIVIDEND

8. 股息

		Six months ended 六個月結算至	
		30.6.2010 HK\$ Million 百萬港元	30.6.2009 HK\$ Million 百萬港元
Dividends recognised as distribution during the period	於本期內確認為分派的股息		
– 2009 final dividend of HK16 cents (2008: HK5 cents) per share	– 2009年末期股息每股16港仙 (2008年：每股5港仙)	280.3	87.8
– 2010 special dividend equivalent to HK201.3 cents (2009: Nil) per share	– 2010年特別股息每股等值201.3港仙 (2009年：無)	3,527.0	–
		3,807.3	87.8

The 2009 final dividend and 2010 special dividend were satisfied by the distribution in specie (Note 5).

2009年末期股息及2010年特別股息是以實物分派方式支付(附註5)。

Subsequent to the end of the reporting period, the Board of Directors has declared an interim dividend of HK10 cents per share (2009: HK6 cents per share) with an aggregate amount of HK\$174.9 million (2009: HK\$105.3 million). The interim dividend has been calculated with reference to the number of shares in issue at 25 August 2010. The interim dividend will be paid in the form of scrip, with the shareholders being given an option to elect cash in respect of part or all of such dividend.

於報告日後，董事會宣佈派發中期股息每股10港仙(2009年：每股6港仙)，總額為174.9百萬港元(2009年：105.3百萬港元)。中期股息是以2010年8月25日的已發行股份數目而計算。中期股息將以股代息方式派發，股東可就部份或全部股息選擇收取現金。

9. EARNINGS PER SHARE

9. 每股盈利

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

本公司股東應佔之每股基本及攤薄盈利乃按以下資料計算：

		Six months ended 六個月結算至	
		30.6.2010 HK\$ Million 百萬港元	30.6.2009 HK\$ Million 百萬港元
Earnings	盈利		
Earnings for the purposes of basic earnings per share and diluted earnings per share (profit for the period attributable to owners of the Company)	用以計算每股基本盈利及攤薄盈利之盈利(本公司股東應佔本期溢利)	492.1	507.2
		Million Shares 百萬股	Million Shares 百萬股
Number of Shares	股數		
Weighted average number of ordinary shares for the purposes of basic earnings per share (after deducting shares held for the SHK Employee Ownership Scheme)	用以計算每股基本盈利的普通股加權平均股數(已扣除為新鴻基僱員股份擁有計劃所持有的股份)	1,748.9	1,718.5
Effect of dilutive potential ordinary shares:	潛在攤薄普通股的影響：		
– Shares held for the SHK Employee Ownership Scheme	– 就新鴻基僱員股份擁有計劃而持有的股份	0.3	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	用以計算每股攤薄盈利的普通股加權平均股數	1,749.2	1,718.5

10. AVAILABLE-FOR-SALE
INVESTMENTS

10. 可供出售投資

		30.6.2010 HK\$ Million 百萬港元	31.12.2009 HK\$ Million 百萬港元
Listed equity investments issued by corporate entities, at quoted price	由企業發行的上市股權投資，按市價		
– Listed in Hong Kong	– 在香港上市	1.5	1.4
– Listed outside Hong Kong	– 在香港以外上市	41.2	45.8
		42.7	47.2
Unlisted equity investments issued by corporate entities	由企業發行的非上市股權投資		
– Hong Kong shares, at cost less impairment	– 香港股份，按原值減減值	0.4	0.4
– Overseas shares, at cost less impairment	– 海外股份，按原值減減值	167.4	172.0
– At fair value	– 按公平值	68.3	66.6
		278.8	286.2

11. TRADE AND OTHER
RECEIVABLES

11. 經營及其他應收賬

The following is an aged analysis of trade and other receivables based on the invoice/advanced date at the reporting date:

以下為經營及其他應收賬於報告日以發票日期／付款日期計算的賬齡分析：

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Less than 31 days	少於31天	1,109.3	1,256.2
31 – 60 days	31 – 60天	16.3	12.9
61 – 90 days	61 – 90天	6.1	11.6
Over 90 days	90天以上	134.6	286.0
		1,266.3	1,566.7
Secured term loans, margin loans and other receivables	有抵押有期借款、 證券放款及 其他應收賬	5,889.2	4,211.1
Prepayments and current portion of leasehold interests in land	預付費用及租賃土地 權益的流動部分	59.7	37.0
Allowances for impairment	減值撥備	(159.4)	(159.6)
		7,055.8	5,655.2

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

12. 透過收益賬按公平值列賬的財務資產

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Held for trading investments, at fair value	持作買賣投資，按公平值		
Equity securities listed in Hong Kong, at quoted price	在香港上市的股權證券，按市價		
– Issued by corporate entities	– 由企業發行	130.4	216.6
– Issued by banks	– 由銀行發行	143.4	181.1
– Issued by public utility entities	– 由公營機構發行	0.2	1.1
Equity securities listed outside Hong Kong, at quoted price	在海外上市的股權證券，按市價		
– Issued by corporate entities	– 由企業發行	65.0	112.6
– Issued by banks	– 由銀行發行	2.8	23.7
Equity and currency OTC derivatives	場外買賣之股票及貨幣衍生工具	0.1	–
Futures and options listed in Hong Kong, at quoted price	在香港上市的期貨及期權，按市價	4.3	5.1
Futures listed outside Hong Kong, at quoted price	在海外上市的期貨，按市價	–	0.2
Unlisted Hong Kong options	非上市香港期權	34.2	–
Unlisted overseas warrants and options	非上市海外認股權證及期權	1.3	4.2
Unlisted bonds, at quoted price	非上市債券，按市價	6.6	6.6
Unlisted convertible bonds	非上市可換股債券	21.0	20.6
Other held for trading investments	其他持作買賣投資	1.2	1.0
		410.5	572.8
Equity securities in unlisted investment funds, at fair value	非上市投資基金的股權證券，按公平值		
– Issued by corporate entities outside Hong Kong	– 由海外企業發行	97.3	104.8
		507.8	677.6

13. CASH AND CASH EQUIVALENTS 13. 現金及現金等價物

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Bank balances and cash	銀行結存及現金	714.8	1,224.9
Fixed deposits with banks	銀行定期存款	728.6	113.3
Treasury bills	國庫券	7.8	7.8
		1,451.2	1,346.0

The Group maintains trust and segregated accounts with licensed banks to hold clients' deposits arising from normal business transactions. At 30 June 2010, trust and segregated accounts not dealt with in these financial statements totalled HK\$5,010.5 million (2009: HK\$5,965.8 million).

集團於持牌銀行設有信託及獨立賬戶，為經營日常業務所需而持有客戶信託存款。於2010年6月30日，並未包括在本財務報表的信託及獨立賬戶共5,010.5百萬港元（2009年：5,965.8百萬港元）。

14. BANK AND OTHER
BORROWINGS

14. 銀行及其他借款

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Bank loans	銀行借款		
– Secured loans	– 有抵押借款	467.0	270.0
– Unsecured loans	– 無抵押借款	2,739.0	1,853.9
		3,206.0	2,123.9
– Secured instalment loans	– 有抵押分期借款	171.6	108.9
		3,377.6	2,232.8
Secured bank overdrafts	有抵押銀行透支	18.0	18.0
Total bank borrowings	銀行總借款	3,395.6	2,250.8
Advance from non-controlling interests	來自非控股權益借款	0.4	0.5
Other borrowings	其他借款	199.6	197.3
		3,595.6	2,448.6
Analysed for reporting purposes as:	為報告目的所作的分析：		
Current liabilities	流動負債	3,421.9	2,093.0
Non-current liabilities	非流動負債	173.7	355.6
		3,595.6	2,448.6

15. TRADE AND OTHER PAYABLES

The ageing analysis of the trade and other payables is as follows:

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Less than 31 days	少於31天	1,236.7	1,280.9
31 – 60 days	31 – 60天	11.3	9.5
61 – 90 days	61 – 90天	13.8	7.2
Over 90 days	90天以上	18.5	42.8
		1,280.3	1,340.4
Accruals and other payables	應付費用及其他應付賬	188.0	217.5
		1,468.3	1,557.9

15. 經營及其他應付賬

經營及其他應付賬的賬齡分析如下：

16. AMOUNTS DUE TO FELLOW SUBSIDIARIES AND A HOLDING COMPANY

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Short-term loans	短期貸款	1,564.9	1,564.7
Trade payables	經營應付賬	2.7	4.2
		1,567.6	1,568.9

16. 同系附屬公司及控股公司
貸賬

The short-term loans included loans of HK\$1,550.0 million drawn under a two-year revolving loan facility of HK\$1,750.0 million granted by a fellow subsidiary to the Group on 2 March 2010. The loans drawn under the facility carry interest at 2% above HIBOR per annum.

短期貸款包括有總值1,550.0百萬港元的貸款，是提取自一間同系附屬公司於2010年3月2日授予集團為數1,750.0百萬港元的兩年循環貸款信貸。從該信貸提取的貸款是附有年息按香港銀行同業拆息加二厘之利息。

17. SHARE CAPITAL

17. 股本

		Number of shares 股份數目		Share capital 股本	
		30.6.2010 Million Shares 百萬股	31.12.2009 Million Shares 百萬股	30.6.2010 HK\$ Million 百萬港元	31.12.2009 HK\$ Million 百萬港元
Ordinary shares of HK\$0.2 each	普通股每股 0.2港元				
Authorised:	法定股本：				
Balance brought forward and carried forward	結存承上及 轉下	15,000.0	15,000.0	3,000.0	3,000.0
Issued and fully paid:	發行及繳足股本：				
Balance brought forward	結存承上	1,752.1	1,716.0	350.4	343.2
Exercise of warrants	行使認股權證	-	50.0	-	10.0
Shares issued for scrip dividends	就以股代息所發行 的股份	-	0.2	-	-
Shares repurchased and cancelled	回購及註銷 股份	-	(14.1)	-	(2.8)
Balance carried forward	結存轉下	1,752.1	1,752.1	350.4	350.4

During the period, the appointed trustee of the SHK Employee Ownership Scheme (the "EOS") acquired 0.4 million shares of the Company through purchases on The Stock Exchange of Hong Kong Limited for the awarded shares of the EOS. The total amount paid to acquire the shares during the period was HK\$3.6 million, which has been deducted from the owners' equity.

新鴻基僱員股份擁有計劃（「僱員股份計劃」）之委任受託人就僱員股份計劃的授予股份於本期內透過香港聯合交易所有限公司購入0.4百萬股本公司股份。購入股份所支付總額為3.6百萬港元，是於股東權益中扣除。

18. COMMITMENTS

18. 承擔

(a) Capital commitments

(a) 資本承擔

		30.6.2010 HK\$ Million 百萬港元	31.12.2009 HK\$ Million 百萬港元
Contracted for but not provided in the financial statements	已簽約但未在財務報表中作出準備	3.8	0.9

(b) Commitments under operating leases

(b) 營運租賃承擔

At the end of the reporting period, the Group had commitments for future aggregate minimum lease payments under non-cancellable operating leases related to its office premises and office equipment which fall due as follows:

於報告日，集團根據不可撤銷營運租約，為辦公室物業及辦公室設備而須於未來支付的最低租賃付款期限如下：

		30.6.2010 HK\$ Million 百萬港元	31.12.2009 HK\$ Million 百萬港元
Within one year	一年內	95.7	88.9
In the second to fifth years inclusive	包括在第二至第五年	162.6	43.0
Over five years	五年以上	169.9	-
		428.2	131.9

19. CONTINGENT LIABILITIES

- (a) At the end of the reporting period, the Group had guarantees as follows:

		30.6.2010	31.12.2009
		HK\$ Million	HK\$ Million
		百萬港元	百萬港元
Indemnities on banking guarantees made available to a clearing house and regulatory body	對給予一間結算所及監管機構的銀行保證所作的擔保	4.5	4.5
Other guarantees	其他保證	3.0	3.0
		7.5	7.5

- (b) In 2001 an order was made by the Hubei Province Higher People's Court in China (the "2001 Order") enforcing a CIETAC award of 19 July 2000 (the "Award") by which Sun Hung Kai Securities Limited ("SHKS") was required to pay US\$3 million to Chang Zhou Power Development Company Limited (the "JVC"), a mainland PRC joint venture. SHKS had disposed of all of its beneficial interest in the JVC to SHKS' listed associate, Tian An China Investments Company Limited ("Tian An"), in 1998 and disposed of any and all interest it might hold in the registered capital of the JVC (the "Interest") to Long Prosperity Industrial Limited ("LPI") in October 2001. Subsequent to those disposals, SHKS' registered interest in the JVC in the amount of US\$3 million was frozen further to the 2001 Order. SHKS is party to the following litigation relating to the JVC:

19. 或然負債

- (a) 於報告日，集團有以下保證：

- (b) 於2001年，中國湖北省高級人民法院作出判令（「2001判令」）強制執行於2000年7月19日之CIETAC判決（「判決」），要求新鴻基證券有限公司（「新鴻基證券」）向中國合營公司長州電力發展有限公司（「合營公司」）支付3百萬美元。新鴻基證券已在1998年將其於合營公司之所有實益權益出售予新鴻基證券之上市聯營公司天安中國投資有限公司（「天安」），及於2001年10月，新鴻基證券已將其於合營公司之註冊資本可能持有之任何及所有權益（「權益」）出售予Long Prosperity Industrial Limited（「LPI」）。於該等出售後，新鴻基證券在合營公司之註冊權益（價值3百萬美元）按2001判令進一步遭受凍結。新鴻基證券乃以下關於合營公司之訴訟的一方：

19. CONTINGENT LIABILITIES (CONTINUED)

(b) (continued)

(i) On 29 February 2008, a writ of summons with general indorsement of claim was issued by Global Bridge Assets Limited ("GBA"), LPI and Walton Enterprises Limited ("WE") (the "2008 Writ") in the High Court of Hong Kong against SHKS ("HCA 317/2008"). In the 2008 Writ,

(a) GBA claims against SHKS for damages for alleged breaches of a guarantee, alleged breaches of a collateral contract, for an alleged collateral warranty, and for alleged negligent and/or reckless and/or fraudulent misrepresentation;

(b) LPI claims against SHKS damages for alleged breaches of a contract dated 12 October 2001; and

19. 或然負債 (續)

(b) (續)

(i) 於2008年2月29日，Global Bridge Assets Limited (「GBA」)、LPI及Walton Enterprises Limited (「WE」) 向新鴻基証券發出香港高等法院一般申索註明之傳訊令狀 (「2008年令狀」) (「高等法院民事訴訟2008年第317宗」)。於2008年令狀中，

(a) GBA就其聲稱一項擔保之違反、聲稱違反一份附屬合約、一項聲稱附屬保證及聲稱疏忽及／或罔顧後果及／或含欺詐成分之失實陳述而向新鴻基証券申索賠償；

(b) LPI聲稱就新鴻基証券違反日期為2001年10月12日之合約而索償；及



19. CONTINGENT LIABILITIES
(CONTINUED)

(b) (continued)

(i) (continued)

- (c) WE claims against SHKS for the sum of US\$3 million under a shareholders agreement and/or pursuant to the Award and damages for alleged wrongful breach of a shareholders agreement. GBA, LPI and WE also claim against SHKS interest on any sums or damages payable, costs, and such other relief as the Court may think fit. The 2008 Writ was served on SHKS on 29 May 2008. It is being vigorously defended. Among other things, pursuant to a 2001 deed of waiver and indemnification, LPI (being the nominee of GBA) waived and released SHKS from any claims including any claims relating to or arising from the Interest,

19. 或然負債 (續)

(b) (續)

(i) (續)

- (c) WE根據一項股東協議及／或根據判決向新鴻基證券索償3百萬美元以及就其聲稱錯誤地違反一項股東協議而向新鴻基證券申索賠償。GBA、LPI及WE亦向新鴻基證券申索應付之任何金額或損害賠償之利息、支出以及法院認為合適之其他補償。2008年令狀於2008年5月29日送達新鴻基證券。該令狀正受強力抗辯。當中，根據一份2001年豁免及彌償契約，LPI(作為GBA的代名人)已豁免及免除新鴻基證券遭受任何申索，包括與權益、合營公司或任何相關交

19. CONTINGENT LIABILITIES (CONTINUED)

(b) (continued)

(i) (continued)

(c) (continued)

the JVC or any transaction related thereto, covenanted not to sue, and assumed liability for and agreed to indemnify SHKS from any and all damages, losses and expenses arising from any claims by any entity or party arising in connection with the Interest, the JVC or any transaction related thereto. On 24 February 2010 the Court of Appeal struck out the claims of GBA and LPI, and awarded costs of the appeal and the strike out application as against GBA and LPI to SHKS. While a provision has been made for legal costs, the Company does not consider it presently appropriate to make any other provision with respect to HCA 317/2008.

19. 或然負債 (續)

(b) (續)

(i) (續)

(c) (續)

易有關或因此而引致之任何申索，據此，LPI承諾不會作出起訴，並承擔因與權益、合營公司或任何相關交易有關之任何實體或一方之任何申索而產生之任何及所有損害賠償、損失及費用，及同意向新鴻基證券彌償這些損害賠償、損失及費用。於2010年2月24日，上訴法庭剔除GBA及LPI的申索，並向新鴻基證券頒回上訴費用及讓新鴻基證券取得針對GBA及LPI的剔除申請。由於本公司已為法律費用作出撥備，故本公司認為現時並不適宜就高等法院民事訴訟2008年第317宗訴訟作出任何其他撥備。

19. CONTINGENT LIABILITIES (CONTINUED)

(b) (continued)

- (ii) On 20 December 2007, a writ (the "Mainland Writ") was issued by Cheung Lai Na 張麗娜 ("Ms. Cheung") against Tian An and SHKS and was accepted by a mainland PRC court, 湖北省武漢市中級人民法院((2008) 武民商外初字第8號), claiming the transfer of a 28% shareholding in the JVC, and RMB19,040,000 plus interest thereon for the period from January 1999 to the end of 2007, together with related costs and expenses. Judgment was awarded by the mainland PRC court in Tian An and SHKS' favour on 27 July 2009 which judgment is currently being appealed against by Ms. Cheung. While a provision has been made for legal costs, the Company does not consider it presently appropriate to make any other provision with respect to this writ.

19. 或然負債 (續)

(b) (續)

- (ii) 於2007年12月20日，張麗娜(「張女士」)已向天安及新鴻基證券發出一項令狀(「國內令狀」)，並已獲中國法院湖北省武漢市中級人民法院((2008)武民商外初字第8號)受理，內容是申索轉讓合營公司之28%股權，及人民幣19,040,000元連同由1999年1月起計至2007年底之利息以及相關費用及開支。中國法院於2009年7月27日判決天安及新鴻基證券勝訴，張女士正提出上訴，反對該判決。由於本公司已為法律費用作出撥備，故本公司認為現時並不適宜就此令狀作出任何其他撥備。

19. CONTINGENT LIABILITIES (CONTINUED)

(b) (continued)

- (iii) On 4 June 2008, a writ of summons was issued by Tian An and SHKS in the High Court of Hong Kong against Ms. Cheung (the "HK Writ"), seeking declarations that (a) Ms. Cheung is not entitled to receive or obtain the transfer of 28% or any of the shareholding in the JVC from Tian An and SHKS; (b) Ms. Cheung is not entitled to damages or compensation; (c) Hong Kong is the proper and/or the most convenient forum to determine the issue of Ms. Cheung's entitlement to any shareholding in the JVC; (d) further and alternatively, that Ms. Cheung's claim against Tian An and SHKS in respect of her entitlement to the shareholding in the JVC is scandalous, vexatious and/or frivolous; and (e) damages, interest and costs as well as further or other relief (together with related costs and expenses). The HK Writ was not served on Ms. Cheung and lapsed on 3 June 2009. A further writ of summons was issued by Tian An and SHKS in the High Court of Hong Kong against Ms. Cheung on 4 June 2009 (the "2nd HK Writ") seeking the same relief as the HK Writ. The 2nd HK writ expired on 3 June 2010, and a further writ of summons was issued by Tian An and SHKS in the High Court of Hong Kong against Ms. Cheung on 4 June 2010. The Company does not consider it presently appropriate to make any provision with respect to this action.

19. 或然負債 (續)

(b) (續)

- (iii) 在2008年6月4日，天安及新鴻基證券於香港高等法院向張女士發出傳訊令狀(「香港令狀」)以尋求以下聲明：(a)張女士沒有權利取得或獲取由天安及新鴻基證券轉讓之28%或任何合營公司之股份持有權；(b)張女士沒有權利獲得損害賠償或賠償；(c)香港乃合適及／或最適宜之訴訟地以決定張女士對合營公司之任何股份持有之享有權之爭論；(d)再者及交替地，就張女士對合營公司之股份持有之享有權，其對天安及新鴻基證券所提出之申索乃屬惡意中傷、瑣屑無聊及／或無理纏擾；及(e)損害賠償、利息及開支以及進一步或其他補償(包括相關開支及費用)。香港令狀未曾送達張女士及於2009年6月3日失去時效。於2009年6月4日，天安及新鴻基證券於香港高等法院向張女士再發出傳訊令狀(「第二香港令狀」)以尋求與香港令狀相同的補償。第二香港令狀於2010年6月3日到期，於2010年6月4日，天安及新鴻基證券於香港高等法院向張女士再發出傳訊令狀。本公司並不認為現在乃適當時候就此訴訟作出任何撥備。

20. MATURITY PROFILE OF ASSETS
AND LIABILITIES

20. 資產及負債到期分析

		At 30 June 2010 於2010年6月30日					
		On demand	Within 3 months	3 months to 1 year	1 year to 5 years	After 5 years	Total
		即時還款	三個月內	三個月至一年	一年至五年	五年後	總額
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Assets	資產						
Loans and advances	私人財務						
to consumer finance	客戶貸款						
customers (before	及墊款						
impairment)	(未減值前)	497.0	699.3	1,774.3	1,987.2	190.8	5,148.6
Fixed deposits with banks	銀行定期存款	-	728.6	-	-	-	728.6
Treasury bills	國庫券	-	7.8	-	-	-	7.8
Secured term loans	有抵押有期借款	177.6	329.8	365.7	-	-	873.1
		<u>11.0</u>	<u>3,048.9</u>	<u>361.6</u>	<u>173.7</u>	<u>-</u>	<u>3,595.2</u>
Liabilities	負債						
Bank and other borrowings	銀行及其他借款	11.0	3,048.9	361.6	173.7	-	3,595.2
Amounts due to	同系附屬						
fellow subsidiaries	公司貸款	-	1,562.1	2.8	-	-	1,564.9
Bonds	債券	-	-	-	500.0	-	500.0
		<u>-</u>	<u>-</u>	<u>-</u>	<u>500.0</u>	<u>-</u>	<u>500.0</u>

20. MATURITY PROFILE OF ASSETS AND LIABILITIES (CONTINUED)

20. 資產及負債到期分析 (續)

		At 31 December 2009 於2009年12月31日					
		Within 3	3 months	1 year	After	Total	
		months	to 1 year	to 5 years	5 years		
		即時還款	三個月內	三個月至一年	一年至五年	五年後	總額
		HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Assets	資產						
Loans and advances	私人財務						
to consumer finance	客戶貸款						
customers (before	及墊款						
impairment)	(未減值前)	536.7	678.2	1,546.9	1,923.4	199.4	4,884.6
Fixed deposits with banks	銀行定期存款	-	113.3	-	-	-	113.3
Treasury bills	國庫券	-	7.8	-	-	-	7.8
Secured term loans	有抵押有期借款	260.7	128.4	210.6	-	-	599.7
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Liabilities	負債						
Bank and other borrowings	銀行及其他借款	11.0	410.6	1,671.0	355.5	-	2,448.1
Amounts due to	同系附屬						
fellow subsidiaries	公司貸款	-	1,550.0	14.7	-	-	1,564.7
Bonds	債券	-	-	-	500.0	-	500.0
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The above tables list out the assets and liabilities based on the contractual maturity. Overdue assets are reported as on demand.

上表列出根據依約到期日的資產及負債，過期而未償還的資產列為即時還款。

21. FINANCIAL RISK MANAGEMENT

Risk is inherent in the financial services business and sound risk management is a cornerstone of prudent and successful financial practice. That said, the Group acknowledges that a balance must be achieved between risks control and business growth. The principal financial risks inherent in the Group's business are market risk (including equity risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's risk management objective is to enhance shareholders' value while retaining exposure within acceptable thresholds.

The Group's risk management governance structure is designed to cover all business activities and to ensure all relevant risk classes are properly managed and controlled. The Group has adopted a sound risk management organisational structure equipped with comprehensive policies and procedures which are reviewed regularly and enhanced when necessary in response to changes in markets, the Group's operating environment and business strategies. The Group's independent control divisions, namely Internal Audit and Compliance, play an important role in the provision of assurance to the Board and senior management that a sound internal risk mechanism is implemented, maintained and adhered to.

21. 金融風險管理

金融服務行業本身存在風險，因此訂立一個妥善的風險管理制度，是企業審慎而成功的做法。換句話說，集團深信風險管理與業務增長兩者同樣重要。集團的業務存在的主要金融風險包括市場風險（包括股本風險、利率風險和外匯風險）、信貸風險和流動資金風險。集團的風險管理目標是將所面對的風險維持於可接受限額內之餘，同時致力提高股東價值。

集團的風險管治架構旨在涵蓋集團的所有業務活動，以確保所有相關風險類別已妥善管理及監控。集團採納一個妥善的風險管理組織架構，並已制訂完善的政策及程序，對有關政策及程序進行定期檢討，並在有需要時因應市場、集團的經營環境或業務策略變動而進行修訂。集團的獨立監控部門－稽核及法規監核－肩負重要的職能，在董事會及管理層授命下，確保健全的內部監控制度得到維持和遵從。

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk

(i) **Equity Risk**

There are many asset classes available for investment in the marketplace. The Group's key business undertaking is investing in equity. Market risk arising from any equity investments is driven by the daily fluctuations in market prices or fair values. The ability to mitigate such risk depends on the availability of any hedging instruments and the diversification level of the investment portfolios undertaken by the Group. More importantly, the knowledge and experience of the trading staff managing the risk is also vital to ensure exposure is being properly hedged and rebalanced in the most timely manner. Trading activities, including market-making and proprietary trading, across the Group are subject to limits approved by the Risk Management Committee ("RMC"). Valuation of these instruments is measured on both a "mark-to-market" and "mark-to-fair" basis depending on whether they are listed or unlisted. Value at Risk ("VaR") and stress tests are employed in the assessment of risk. Meanwhile other non-VaR limits such as "maximum loss" and "position" limits are also set out to restrict excess risk undertakings. VaR and stress tests are approaches which are widely used in the financial industry as tools to quantify risk by combining the size of a position and the extent of a potential market movement into a potential financial impact.

21. 金融風險管理 (續)

(a) 市場風險

(i) **股本風險**

市面上有許多可供投資的資產類別。集團之主要業務是股本投資。任何股本投資所產生之市場風險，主要來自市場價格或公平值每日的波動。減輕此項風險之能力，視乎是否備有任何對沖工具及投資組合之多元化水平。更重要的是，負責管理風險之交易人員之知識及經驗，也確保風險得到妥善對沖並以最及時之方式進行重整。集團之買賣活動（包括營造市場及自營買賣）須受風險管理委員會審批之限額限制。這些工具之估值按「市場價格」及「公平價格」計算，視乎工具是否上市。此外，評估風險時亦會使用風險值及壓力測試。同時亦設定其他非風險值限額如「虧蝕上限」及「持倉」限額以限制額外風險出現。風險值及壓力測試，結合持倉之規模及潛在市場變化對財務產生之潛在影響，以協助量化風險，是金融界廣泛使用之工具。

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk (Continued)

(i) Equity Risk (Continued)

The Group's market-making and proprietary trading positions and their financial performance are reported daily to senior management for review. Internal Audit also performs sanity checks to ensure there is adequate compliance in accordance with the established market risk limits and guidelines.

(ii) Interest Rate Risk

Interest rate risk results mainly from timing differences in the re-pricing of interest bearing assets, liabilities and commitments. It is also considered as the opportunity cost of holding interest bearing assets and commitments while benchmark interest rates of similar assets and commitments are rising.

The Group's interest rate risk exposure arises predominantly from margin financing, term financing and other lending activities. The Group possesses the legal capacity to initiate recalls efficiently which enables the timely re-pricing of margin loans to appropriate levels, in which those particularly large sensitive positions can readily be identified. Interest rates paid by the Group are managed with the objective of maximising spreads to ensure consistency with liquidity and funding obligations.

21. 金融風險管理 (續)

(a) 市場風險 (續)

(i) 股本風險 (續)

集團之所有營造市場及自營買賣活動持倉狀況及財務表現，均每日向高級管理層匯報以供審閱。稽核部亦會作出審查，確保妥善遵從集團既訂之市場風險限額及指引。

(ii) 利率風險

利率風險主要由就附有利息之資產、負債及承擔重新定息之時差所引致，即使類似資產及承擔的息率正上升，亦會被視作持有附有利息之資產及承擔之機會成本。

集團的利率風險主要來自證券放款、有期放款及其他貸款業務。集團可法定要求盡快償還貸款，或及時重訂證券放款之息率至適當水平。集團亦可容易地確定其在提供貸款時所承受之利率風險水平。集團管理所支付之利率，目的在於盡量令息差符合資金之流動性及需求。

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market Risk (Continued)

(iii) Foreign Exchange Risk

Foreign exchange risk is the risk to earnings or capital arising from movements in foreign exchange rates.

The Group's foreign exchange risk primarily arises from currency exposures originating from its leveraged foreign exchange business and purchases of foreign securities on behalf of clients. Foreign exchange risk is managed and monitored by the respective businesses in accordance with the limits approved by the Board and RMC. In relation to the Group's leveraged foreign exchange activity, its position is that of a market-maker. Hence risk arises from the open currency positions which are subject to management approved limits and are monitored and reported daily. The other source of foreign exchange risk is contributed by clients' inability to meet margin calls following a period of substantial currency turbulence.

21. 金融風險管理 (續)

(a) 市場風險 (續)

(iii) 外匯風險

外匯風險乃外幣匯率變動對盈利或資本造成之風險。

集團之外匯風險主要來自其槓桿外匯及代客購買海外證券之業務。外匯風險由有關部門按董事會及風險管理委員會所批准之限額作出管理及監察。就集團之槓桿外匯業務而言，由於集團乃擔任莊家之位置，因此，外幣未平倉合約（須受由管理層審批之限額限制，並須每日受其監控及向其匯報）會存在外匯風險。另外，倘客戶在經歷重大匯率波動後未能填補保證金額，亦可能對集團造成外匯風險。



21. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit Risk

Credit risk arises from the failure of a customer or counterparty to meet settlement obligations. As long as the Group lends, trades and deals with third parties, there will be credit risk exposure.

The Group's credit policy, governed by the Credit Committee ("CredCo"), sets out the credit approval processes and monitoring procedures, which are established in accordance with sound business practices, the requirements and provisions of the relevant ordinances, and where applicable, the codes or guidelines issued by the Securities and Futures Commission.

Day-to-day credit management is performed by the Credit Division with reference to the aforementioned criteria including creditworthiness, type and amount of collateral pledged, and risk concentration of the counterparties. Decisions are made daily by the Credit Division and are reported to and reviewed by the Executive Directors, senior management and CredCo at its regular meetings.

21. 金融風險管理 (續)

(b) 信貸風險

客戶或交易對手未能履行交收責任，將導致信貸風險。只要集團放款、買賣及與第三方進行交易，便會產生信貸風險。

集團之信貸政策(受信貸委員會規管)詳列批准信貸及監管程序。該等程序乃按照專業守則、有關條例之規定以及證券及期貨事務監察委員會發出之有關守則或指引而訂定。

日常信貸管理由集團的信貸部負責。信貸部會就交易對手之信譽、抵押品的種類及數額及風險分布作出批核。信貸部日常所作之決定是向集團之執行董事、高級管理層與信貸委員會所召開的定期例會上作出匯報及檢討。

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity Risk

The goal of liquidity management is to enable the Group, even under adverse market conditions, to actively manage and match funds inflow against all maturing repayment obligations to achieve maximum harmony on cash flow management.

The Group manages its liquidity position to ensure a prudent and adequate liquidity ratio, in strict compliance with statutory requirements. This is achieved by a transparent and collective monitoring approach across the Group involving Executive Directors, the Director of Banking & Treasury, the Chief Financial Officer and other relevant senior managers on a daily basis to ensure the availability of sufficient liquid funds to meet all obligations while in compliance with statutory requirements such as the Financial Resources Rules ("FRR").

21. 金融風險管理 (續)

(c) 流動資金風險

流動資金管理旨在使集團即使在市況不利時仍能妥善管理及調配資金流入以支付所有到期還款之責任，使現金流量管理達致最協調之目標。

集團監管其流動資金狀況，確保集團維持審慎而充裕之流動資金比率，以嚴格遵守有關之法定要求。執行董事、財務及資金總監、財務總監及有關高層管理人員每日均以具透明度及集體方式監察全公司之流動資金狀況，以確保有足夠的流動資金應付各項承擔並符合法定要求（例如財務資源條例）。



22. EVENT AFTER THE REPORTING PERIOD

On 13 July 2010, the Company issued mandatory convertible notes (“MCN”) in an aggregate principal amount of HK\$1,708.0 million and warrants in an aggregate face value of HK\$427.0 million.

The MCN bear interest of 2% per annum payable semi-annually and will mature on 13 July 2013 (the “Maturity Date”). The holders of the MCN have the right to convert their MCN into shares of the Company at a conversion price of HK\$5.0 per share at any time during the issue date to the Maturity Date. Any outstanding MCN at the Maturity Date will automatically convert to shares of the Company.

The holders of the warrants have the right to subscribe for the shares of the Company by paying a subscription price of HK\$6.25 per share at any time during the issue date to the Maturity Date.

Details regarding the principal terms and conditions of the MCN and warrants are contained in the circular of the Company dated 24 May 2010.

22. 於報告日後之事項

於2010年7月13日，本公司發行本金總值1,708.0百萬港元強制性可換股票據及面值427.0百萬港元認股權證。

強制性可換股票據是附有年息2%之利息按每半年支付一次，於2013年7月13日到期（「到期日」）。強制性可換股票據持有人有權於發行日至到期日之任何時間內以轉換價每股5.0港元轉換其強制性可換股票據成為本公司股份，於到期日之任何未被轉換的強制性可換股票據將自動轉換成本公司股份。

認股權證持有人有權於發行日至到期日之任何時間內支付認購價每股6.25港元以認購本公司股份。

強制性可換股票據及認股權證之主要條款及條件等詳情已刊載於本公司於2010年5月24日發出之通函內。



新鴻基有限公司

SUN HUNG KAI & CO. LIMITED

www.shkf.com

