

2004 年报 Annual Report



中國銀行(香港)有限公司
BANK OF CHINA (HONG KONG) LIMITED

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董事會報告

董事會同仁謹此提呈本銀行及其附屬公司截至2004年12月31日止之董事會報告及經審核之綜合賬目。

主要業務

本銀行為根據《香港銀行業條例》所規定獲發牌之認可機構。本集團之主要業務為提供銀行及相关之金融服務。本集團於本年度按業務分類之經營狀況分析詳情載於賬目附注39。

業績及分配

本集團在本年度之業績載於第25頁之綜合損益賬。

於2004年6月30日，董事會宣布派发第一次中期股息，每股普通股0.090港元，總金額約為港幣38.74億元，並已於2004年9月2日支付。

於2004年12月17日，董事會宣布派发第二次中期股息，每股普通股0.095港元，總金額約為港幣40.89億元，並已於2005年2月28日支付。

董事會建議不派发截至2004年12月31日止年度之末期股息。

儲備

本集團及本銀行之儲備變動詳情分別載於第28頁之綜合權益變動結算表及第29頁之權益變動結算表。

捐款

本集團於年內之慈善及其他捐款總額約為港幣6.15百萬元。

固定資產

本集團及本銀行之固定資產變動詳情載於賬目附注25。

董事会报告(续)

董事

于年内及截至本报告书日期止，本银行的董事名单如下：

董事长	肖钢 [#]
副董事长	孙昌基 [#] 和广北
董事	华庆山 [#] 李早航 [#] 周戟群 [#] 张燕玲 [#] 冯国经 [*] 单伟建 [*] 董建成 [*] 杨曹文梅 [*] 平岳 [#] (于2004年2月2日起辞任)

[#] 非执行董事

^{*} 独立非执行董事

高级顾问 梁定邦

本银行的公司组织章程细则并无有关董事轮值告退之条款，因此所有董事将继续留任。

董事于重大合约之权益

于本年内，本银行、其控股公司、附属公司或各同系附属公司概无就本集团业务订立任何重大、而任何董事直接或间接拥有重大权益的合约。

董事认购股份之权益

于2002年7月5日，本银行间接控股公司中银(BVI)根据上市前认股权计划向下列董事授予认股权，彼等可据此向中银(BVI)购入本银行直接控股公司中银香港(控股)现有已发行股份，行使价为每股8.50港元。该等认股权自2002年7月25日起的4年内归属，有效行使期为10年。该等认股权的25%股份数目将于每年年底归属。

董事会报告 (续)

以下列出截至2004年12月31日根据上市前认股权计划向董事授予的尚未行使认股权的详情：

	授出日期	每股行使价 (港币)	行使期限	认股权数量					于2004年 12月31日
				于2002年 7月5日授出 之认股权	于2004年 1月1日	年内已行使 之认股权	年内已放弃 之认股权	年内已作废 之认股权	
孙昌基	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,590,600	1,590,600	—	—	—	1,590,600
和广北	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,446,000	1,446,000	361,500	—	—	1,084,500
华庆山	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,446,000	1,446,000	—	—	—	1,446,000
李早航	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,446,000	1,446,000	—	—	—	1,446,000
周载群	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,446,000	1,446,000	—	—	—	1,446,000
张燕玲	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,446,000	1,446,000	—	—	—	1,446,000
平岳*	2002年7月5日	8.50	2003年7月25日至 2012年7月4日	1,446,000	1,446,000	—	—	—	1,446,000

* 于2004年2月2日起辞任。

除上文披露外，于本年度任何时间内，本银行、其控股公司、附属公司或各同系附属公司概无订立任何安排，使董事可藉购买本银行或任何其他法人团体之股份或债券而获益。

管理合约

中银香港(控股)与本银行已签订服务协议，中银香港(控股)据此向本银行提供管理及投资者关系服务，并已此收取服务费。任何一方可向另一方发出不少于3个月之通知以终止该协议。

符合《本地注册认可机构披露财务资料》指引

截至2004年12月31日止的账目完全符合金管局颁布之监管政策手册《本地注册认可机构披露财务资料》指引内所载的规定。

董事會報告(續)

審計師

本年度之賬目乃由羅兵咸永道會計師事務所審計。在即將舉行的股東周年大會上，將提呈重新委任羅兵咸永道會計師事務所作為審計師之決議。

承董事會命



董事長

肖鋼

香港，2005年3月23日

Report of the Directors

The Directors are pleased to present their report together with the audited consolidated accounts of the Bank and its subsidiaries for the year ended 31 December 2004.

Principal Activities

The Bank is a licensed bank authorised under the Hong Kong Banking Ordinance. The principal activities of the Group are the provision of banking and related financial services. An analysis of the Group's performance for the year by business segments is set out in Note 39 to the accounts.

Results and Appropriations

The results of the Group for the year are set out in the consolidated profit and loss account on page 25.

On 30 June 2004, the directors declared a first interim dividend of HK\$0.090 per ordinary share, totaling approximately HK\$3,874 million, which was paid on 2 September 2004.

On 17 December 2004, the directors declared a second interim dividend of HK\$0.095 per ordinary share, totaling approximately HK\$4,089 million, which was paid on 28 February 2005.

The directors do not recommend the payment of a final dividend for the year ended 31 December 2004.

Reserves

Details of movements in the reserves of the Group and the Bank are set out in the consolidated statement of changes in equity and the statement of changes in equity on pages 28 and 29 respectively.

Donations

Charitable and other donations made by the Group during the year amounted to approximately HK\$6.15 million.

Fixed Assets

Details of movements in the fixed assets of the Group and the Bank are set out in Note 25 to the accounts.

Report of the Directors (continued)

Directors

The directors of the Bank during the year and up to the date of this report are:

Chairman	XIAO Gang [#]
Vice Chairmen	SUN Changji [#] HE Guangbei
Directors	HUA Qingshan [#] LI Zaohang [#] ZHOU Zaiqun [#] ZHANG Yanling [#] FUNG Victor Kwok King* SHAN Weijian* TUNG Chee Chen* YANG Linda Tsao* PING Yue [#] (resigned on 2 February 2004)

[#] Non-executive Directors

* Independent Non-executive Directors

Senior Adviser NEOH Anthony Francis

There being no provision in the Bank's Articles of Association for retirement by rotation, all the directors continue in office.

Directors' Interests in Contracts of Significance

No contracts of significance, in relation to the Group's business to which the Bank, its holding companies or any of its subsidiaries or fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' Rights to Acquire Shares

On 5 July 2002, the following Directors were granted options by BOC (BVI), an indirect holding company of the Bank, pursuant to a Pre-Listing Share Option Scheme to purchase from BOC (BVI) existing issued shares of BOCHK (Holdings), the immediate holding company of the Bank, at a price of HK\$8.50 per share. These options have a vesting period of four years from 25 July 2002 with a valid exercise period of ten years. Twenty-five percent of the shares subject to such options will vest at the end of each year.

Report of the Directors (continued)

Particulars of the outstanding options granted to the Directors under the Pre-Listing Share Option Scheme as at 31 December 2004 are set out below:

	Date of grant	Exercise price (HK\$)	Exercisable Period	Number of share options					
				Granted on 5 July 2002	Balances as at 1 January 2004	Exercised during the year	Surrendered during the year	Lapsed during the year	Balances as at 31 December 2004
SUN Changji	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,590,600	1,590,600	–	–	–	1,590,600
HE Guangbei	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,446,000	1,446,000	361,500	–	–	1,084,500
HUA Qingshan	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,446,000	1,446,000	–	–	–	1,446,000
LI Zaohang	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,446,000	1,446,000	–	–	–	1,446,000
ZHOU Zaiqun	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,446,000	1,446,000	–	–	–	1,446,000
ZHANG Yanling	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,446,000	1,446,000	–	–	–	1,446,000
PING Yue*	5 July 2002	8.50	25 July 2003 to 4 July 2012	1,446,000	1,446,000	–	–	–	1,446,000

* Resigned on 2 February 2004

Save as disclosed above, at no time during the year was the Bank, its holding companies, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate.

Management Contracts

There exists a services agreement between BOCHK (Holdings) and the Bank whereby BOCHK (Holdings) provides management and investor relations services to the Bank and under which costs are reimbursed and fees are payable. The said agreement can be terminated by either party giving not less than three months' prior notice.

Compliance with the Guideline on "Financial Disclosure by Locally Incorporated Authorized Institutions"

The accounts for the year ended 31 December 2004 fully comply with the requirements set out in the guideline on "Financial Disclosure by Locally Incorporated Authorized Institutions" under the Supervisory Policy Manual issued by the HKMA.

Report of the Directors (continued)

Auditors

The accounts have been audited by PricewaterhouseCoopers. A resolution for their re-appointment as auditors for the ensuing year will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



XIAO Gang
Chairman

Hong Kong, 23 March 2005

公司治理

本银行深信，保持高标准的良好公司治理机制，对确保本银行有效的内部控制，保障股东、客户、员工以及本银行的长远发展至关重要。为此，本银行严格遵守本银行营业所在地的法律法规以及金管局、香港证监会等监管机构的各项规定和指引，并积极配合国际和当地有关公司治理最佳惯例的要求。

公司治理架构

本银行一直以来在不断完善和保持高标准的以董事会为核心的公司治理架构，该架构坚持以董事会的高层指引和监控为主导，并与管理层的日常营运管理相分离。董事会的角色是为本银行提供战略指引，并对管理层进行有效监控。董事会诚实、善意地行事，按照本银行的最佳利益客观地做出决策，以尽力实现股东长期价值的最大化和切实履行对本银行其他相关者的公司责任。

为协助董事会履行其职责，在充分考虑最佳公司治理常规的基础上，董事会下设三个常设附属委员会：稽核委员会、风险委员会、提名及薪酬委员会，同时在稽核委员会下又设立了法律及合规委员会。在适当及必要的时候，董事会还设立临时附属委员会负责专项工作，并向董事会或相关常设附属委员会汇报。常设附属委员会及临时附属委员会均按照董事会赋予的职责切实履行并接受董事会的监督和指导。董事会及各附属委员会亦会根据其职责约章的规定，定期评估及审查其工作程序及有效性。

董事会给予总裁及其管理团队在日常管理及行政功能方面的适当授权，同时就管理层的权力给予清晰的指引，特别是在何种情况下管理层应向董事会汇报，以及在代表本银行作出何种决定或订立何种承诺前应取得董事会批准等。董事会将定期对这些授权和指引进行重检。此外，本银行亦已清楚区分董事会的高层战略性管理与管理层的日常管理，以确保权力、职能和责任的恰当分配。董事会由董事长领导，管理层由总裁负责，董事长和总裁有明确的分工并已在董事会的职责约章中作出明文规定；此外，本银行董事长及总裁分别由两人担任，以免使权力集中于一位人士。

为提高本集团公司治理的透明度，本银行已于企业网站内新增“公司治理”网页，内容包括本银行的治理原则和架构、董事会及各委员会的组成及其职责约章摘要。本集团的网址为：www.bochk.com。

公司治理(续)

董事会

董事会以非执行董事及独立非执行董事为主，并得到董事会高级顾问的协助，以保证董事会决策的独立、客观及对管理层实行全面和公正的监控。本银行董事会已形成并实施了一套行之有效的新董事委任程序。所有非执行董事、独立非执行董事及董事会高级顾问均有固定任期，并获发正式委任书以订明其委任的主要条款及条件。

本银行董事会现时共有董事11名，其中独立非执行董事4名，非执行董事6名，执行董事1名。独立非执行董事的占比超过董事会成员的三分之一，并包括了具备财务管理专长的董事。除董事会成员外，本银行董事会还邀请了1名具有丰富经验和崇高声誉的人士担任董事会高级顾问，该高级顾问参加董事会会议并就有关事项发表客观而专业的意见及建议。关于董事会成员及高级顾问的详细履历，请参见本集团网页 www.bochk.com。

董事会成员之间并不存在任何关系，包括财务、业务、家属或其他重大或相关的关系。肖钢先生、华庆山先生及李早航先生是中国银行的董事会成员；董事会高级顾问梁定邦先生是中国银行其中一名独立非执行董事；周载群先生及张燕玲女士是中国银行高级管理层的成员。中国银行是本银行间接控股公司，并于2004年8月重组为一家股份制有限公司及更改公司名称为中国银行股份有限公司。孙昌基先生、和广北先生、周载群先生及张燕玲女士是中国银行重组前的董事会成员。本银行董事会的职责约章中已明文规定，除非有关法律或监管规则允许，否则若有大股东或董事在董事会将予考虑的议题中存在利益冲突，有关议题将不会以书面决议的方式处理，而应就该议题举行董事会会议；在交易中没有重大利益的独立非执行董事应出席该次董事会会议。

董事会于2004年内共召开7次会议，平均出席率达95%，有关董事的出席率详列如下：

董事	出席董事会会议次数	出席率
非执行董事		
肖钢先生(董事长)	7次中出席7次	100%
孙昌基先生(副董事长)	7次中出席6次	86%
华庆山先生	7次中出席6次	86%
李早航先生	7次中出席7次	100%
周载群先生	7次中出席7次	100%
张燕玲女士	7次中出席6次	86%
独立非执行董事		
冯国经博士	7次中出席7次	100%
单伟建先生	7次中出席6次	86%
董建成先生	7次中出席7次	100%
杨曹文梅女士	7次中出席7次	100%
执行董事		
和广北先生(副董事长兼总裁)	7次中出席7次	100%

公司治理(续)

稽核委员会

稽核委员会现时成员共5名，由1名非执行董事及4名独立非执行董事组成，独立非执行董事占委员会成员的80%，主席由独立非执行董事单伟建先生担任。

稽核委员会协助董事会对本银行及其附属公司在以下方面(但不仅限于以下方面)实现监控职责：

- 账目的真实性和财务报告程式；
- 内部控制系统；
- 内部稽核职能的有效性及其内部稽核主管的绩效评估；
- 外部审计师的聘任及其资格、独立性和工作表现的评估；
- 本银行及本集团账目的定期审阅和年度审计；
- 遵循有关会计准则及法律和监管规定中有关财务资讯披露的要求。

稽核委员会于2004年8月就中国内地司法机关对本集团两位前副总裁涉嫌未获授权而将属于中国银行的某些资金作个人用途一事的调查作了全面的调查。

在独立非执行董事的积极参与下，根据本集团内部稽核及外部审计师提供的资料，委员会完成调查，并已向董事会确认有关事宜涉及的资金实益权属于中国银行，从来不是本集团或除中国银行以外的本集团任何客户的资产，有关事宜并不影响本集团的财务状况和经营业绩。

除上述调查外，稽核委员会按计划于2004年内共召开5次会议，平均出席率达92%，有关董事的出席率详列如下：

董事	出席委员会会议次数	出席率
单伟建先生(委员会主席)	5次中出席5次	100%
周载群先生	5次中出席4次	80%
冯国经博士	5次中出席4次	80%
董建成先生	5次中出席5次	100%
杨曹文梅女士	5次中出席5次	100%

公司治理(续)

风险委员会

为了进一步满足公司治理的要求并更好地反映该委员会的职责及有关成员的权责，2004年9月份，风险管理委员会正式更名为风险委员会，董事会高级顾问梁定邦先生以顾问身份参加会议并提供意见供风险委员会参考。

风险委员会现时成员共3名，全部由非执行董事组成，主席由董事长肖钢先生担任。

该委员会负责协助董事会对本银行及其附属公司在以下方面(但不仅限于以下方面)实现监控职责：

- 建立本集团的风险取向和风险管理战略，确定本集团的风险组合状况；
- 识别、评估、管理本集团不同业务单位面临的重大风险；
- 审查和评估本集团风险管理程序、制度和内部控制的充分性；
- 审查及监控本集团对风险管理程序、制度及内部控制的遵守情况，包括本集团在开展业务时是否符合审慎、合法及合规的要求。

年内，风险委员会审核了有关风险管理政策分层的方案、风险管理政策陈述及其他与风险相关的政策，并向董事会建议采纳该等政策。委员会亦审议了本集团关于落实巴塞尔新资本协定的筹备工作。此外，为了提高本集团的风险监控，委员会每月审阅由管理层编制的主要风险指标。

风险委员会于2004年内共召开7次会议，平均出席率达86%，有关董事的出席率详列如下：

董事	出席委员会会议次数	出席率
肖钢先生(委员会主席)	7次中出席6次	86%
华庆山先生	7次中出席7次	100%
张燕玲女士	7次中出席5次	71%

提名及薪酬委员会

提名及薪酬委员会现时成员共5名，由2名非执行董事及3名独立非执行董事组成，独立非执行董事占委员会成员的60%，主席由副董事长兼非执行董事孙昌基先生担任。

公司治理(续)

该委员会负责协助董事会对本银行及其附属公司在以下方面(但不仅限于以下方面)实现监控职责：

- 本集团的人力资源战略和薪酬战略；
- 董事、董事会附属委员会委员、及由董事会不时确定的部分高级管理人员的筛选和提名；
- 董事和各委员会委员的技能、经验和知识；
- 董事、各委员会委员和高级管理人员的薪酬；
- 董事会及各委员会的有效性；
- 本集团的公司治理架构及实施。

为了改善本集团的整体人力资源管理，经提名及薪酬委员会审议后，本集团于2004年7月推行了人力资源管理改革方案。委员会亦于年内审议了本集团及高层管理人员的主要绩效指标及高层管理人员绩效考核办法，并向董事会建议采纳有关指标及考核办法。

提名及薪酬委员会于2004年内共召开4次会议，平均出席率达90%，有关董事的出席率详列如下：

董事	出席委员会会议次数	出席率
孙昌基先生(委员会主席)	4次中出席4次	100%
李早航先生	4次中出席3次	75%
冯国经博士	4次中出席4次	100%
单伟建先生	4次中出席4次	100%
董建成先生	4次中出席3次	75%

临时委员会

年内，董事会设立了两个临时委员会，分别为：招聘委员会及预算委员会，以处理董事会指定的特定事务。

招聘委员会

于2004年8月中国内地司法机关对本集团两位前副总裁进行的调查后，董事会根据已通过的董事会政策，决议成立招聘委员会，负责全球性公开招聘副总裁级的高层管理人员，并将人选报提名及薪酬委员会及董事会作最终审批。

招聘委员会由独立非执行董事冯国经博士担任主席，成员包括孙昌基先生、和广北先生以及独立非执行董事单伟建先生、董建成先生和杨曹文梅女士。

公司治理(续)

委员会自2004年8月到12月期间共召开7次会议，并在国际招聘顾问公司SpencerStuart的协助下，成功于年底前聘请了高迎欣先生为主管企业银行业务的副总裁、张祐成先生为风险总监、廖仁君先生为资讯总监。在整个招聘过程中，委员会与监管机构保持密切沟通，本集团亦就招聘进展情况及时向外发出公布。

预算委员会

董事会于2004年8月成立预算委员会，负责对2005年预算和业务规划进行监察。委员会由非执行董事周载群先生及独立非执行董事杨曹文梅女士组成。审阅过程中的沟通非常充分、公开而坦诚，所有主要业务部门主管及本银行主要附属公司均有参与。委员会对本集团2005年预算和业务规划所提出的建议经董事会审议后已获采纳，并据此落实本集团2005年预算及业务规划。

董事的证券交易

本集团已采纳实施了一套《董事进行证券交易守则》(“该守则”)以规范董事的证券交易事项。经就此事专门徵询所有董事，所有董事均已确认其于2004年度内严格遵守了该守则有关条款的规定。

审计师费用

本集团2004年度财务报表由罗兵咸永道会计师事务所审计，经稽核委员会及董事会核准，审计服务费用合共2,400万港元。

于2004年，本集团须就罗兵咸永道会计师事务所向本集团提供的非审计服务支付费用1,500万港元。稽核委员会已经简要了解了非审计服务及有关费用。非审计服务包括税务相关的服务、关于天行健工程的内控重检服务及会计咨询服务。稽核委员会对该非审计服务(就服务性质、相对于审计费用的非审计服务收费总额而言)并没有影响到罗兵咸永道会计师事务所的独立性感到满意。

天行健工程

2003年9月，依据专责委员会及有关外部相关机构的建议，本集团启动了“天行健工程”，从公司治理、风险管理、授信审批和内部控制程序等方面，通过全面、系统和有组织地研究、落实各方面提出的建议，显著改善了本集团公司治理、风险管理、授信审批和内部控制程序的水平，促进了本集团市场声誉和地位的巩固和提高，加强了员工对本集团长期健康持续发展的信心，从而实现了开展这项工程的目标。本集团欣然宣布“天行健工程”已基本完成。“天行健工程”的完工，标志著本集团在强化公司治理方面已经取得了阶段性成果。本集团将在“天行健工程”创造的良好基础上继续努力，把本集团的公司治理提升到新的高度。

公司治理(续)

董事关于账目的责任声明

以下声明应与本年报中审计师报告内的审计师责任声明一并阅读。该声明旨在区别董事及审计师在账目方面的责任。

董事须按香港《公司条例》规定编制真实兼公平之账目。除非并不适宜假设本银行及本集团将继续其业务，否则账目必须以持续经营基准编制。董事有责任确保本银行存置的会计记录，可合理准确披露本银行财务状况以及可确保所编制的账目符合香港《公司条例》的规定。董事亦有责任采取合理可行的步骤，以保护本集团资产，并且查明欺诈及其他不正常情况。

董事认为于编制载于本年报的账目时，本银行已采用合适的会计政策并贯彻使用，且具有合理及审慎的判断及估计支持，并已遵守所有适用的会计标准。

Corporate Governance

The Bank believes in the upholding of the principles and practices of good corporate governance as the best means to ensure effective internal control and safeguard the interests of shareholders, customers and staff. It is also crucial to the healthy development of the Bank in the long-term. The Bank strictly abides by the laws and regulations of the jurisdiction where it operates, and observes the guidelines and rules issued by regulatory authorities such as the HKMA and the Hong Kong Securities and Futures Commission. It also strives to follow the latest international and local corporate governance best practices.

Corporate Governance Framework

With the Board at the core, the Bank's corporate governance structure operates to high standards and is kept under constant review and reinforcement to maintain such standards. Under this governance structure, the role of the Board is to provide high-level guidance and oversight and is separate from that of the Management, which is devoted to the day-to-day operation and administration of the Bank. The Board provides strategic guidance for the Bank and maintains effective oversight over the Management. The Board acts honestly and in good faith. Its decisions are made objectively and in the best interests of the Bank, with a view to maximising long-term shareholder value and fulfilling its corporate responsibility to other stakeholders of the Bank.

To assist the Board in fulfilling its responsibilities and in accordance with best corporate governance practices, three standing committees have been established under the Board, namely, Audit Committee, Risk Committee, and Nomination and Remuneration Committee. A sub-committee known as Compliance Committee is also established under the Audit Committee. Ad hoc committees will be set up to undertake special assignments as and when necessary. The ad hoc committees will report to the Board or a designated standing committee. The standing committees and ad hoc committees perform their respective roles and functions as mandated by the Board, and subject to the oversight and guidance of the Board. The Board and all Board committees will assess their respective work procedure and effectiveness on a regular basis in accordance with their mandate.

The Board delegates to the Chief Executive and his Management team the power to manage and administer the day-to-day affairs of the Bank. At the same time, the Board gives clear guidance as to the powers of the Management, in particular with respect to the circumstances under which the Management shall report back to and obtain prior approval from the Board before making a decision or entering into any commitment on behalf of the Bank. Such delegation and guidance are subject to review by the Board on a regular basis. Furthermore, the overall strategic role of the Board and the day-to-day management are clearly delineated within the Bank in order to ensure the proper allocation of authority, responsibility and accountability. While the Chairman leads the Board, the Chief Executive is the head of the Management. The roles of the Chairman and the Chief Executive are separated and are performed by different individuals so that power is not concentrated in any one individual. In addition, the division of responsibilities between the Chairman and the Chief Executive is expressly set out in the Board's mandate.

In order to enhance the transparency of the Group's corporate governance, a new corporate governance web-page is included in the Bank's corporate website. Information provided on the web-page includes the Bank's corporate governance principles and framework, the composition of the Board and its Committee and a summary of their respective terms of reference. The Bank's corporate website is at www.bochk.com.

Corporate Governance (continued)

Board of Directors

The majority of the Board is made up of Non-executive Directors and Independent Non-executive Directors and the Board is assisted by a Senior Adviser. This ensures the independence and objectivity of the Board's decision-making process and the thoroughness and impartiality of the Board's oversight of the Management. The Board has established and been implementing effective procedures for the appointment of new directors. All Non-executive Directors, Independent Non-executive Directors and the Senior Adviser are appointed for a fixed term, with formal letters of appointment setting out the key terms and conditions relative to their appointment.

The Board currently comprises eleven Directors, of whom four are Independent Non-executive Directors, six are Non-executive Directors and one is Executive Director. Independent Non-executive Directors comprise more than one-third of the Board and include Directors with appropriate financial management expertise. Apart from Board members, the Board has also appointed an experienced and reputable Senior Adviser. The Senior Adviser attends Board meetings and offers his objective and professional advice and recommendations to the Board. Biographical details of the Directors and Senior Adviser are set out in the Group's website at www.bochk.com.

There is no relationship (including financial, business, family or other material/relevant relationship(s)) among the Board members. Messrs. Xiao Gang, Hua Qingshan and Li Zaohang are directors of BOC and Mr. Anthony Neoh, the Senior Adviser to the Board, is an Independent Non-executive Director of BOC. Mr. Zhou Zaiqun and Mdm. Zhang Yanling are members of the senior management of BOC. BOC is an intermediate holding company of the Bank, which was re-organised into a joint stock company and changed its name to Bank of China Limited in August 2004. Messrs. Sun Changji, He Guangbei and Zhou Zaiqun and Mdm. Zhang Yanling were directors of BOC prior to its re-organisation. It is expressly provided in the Board's mandate that, unless permissible under applicable laws or regulations, if a substantial shareholder or Director has a conflict of interest in the matter to be considered by the Board, the matter shall not be dealt with by way of written resolutions, but a Board meeting attended by Independent Non-executive Directors who have no material interest in the matter shall be held to deliberate on the same.

Seven board meetings were held during the year with an average attendance rate of 95%. Individual attendance records of the Directors are set out as follows:

Director	Number of board meetings attended	Attendance rate
<i>Non-executive Directors</i>		
Mr. XIAO Gang (Chairman)	7 out of 7	100%
Mr. SUN Changji (Vice Chairman)	6 out of 7	86%
Mr. HUA Qingshan	6 out of 7	86%
Mr. LI Zaohang	7 out of 7	100%
Mr. ZHOU Zaiqun	7 out of 7	100%
Mdm. ZHANG Yanling	6 out of 7	86%
<i>Independent Non-executive Directors</i>		
Dr. FUNG Victor Kwok King	7 out of 7	100%
Mr. SHAN Weijian	6 out of 7	86%
Mr. TUNG Chee Chen	7 out of 7	100%
Mdm. YANG Linda Tsao	7 out of 7	100%
<i>Executive Director</i>		
Mr. HE Guangbei (Vice Chairman and Chief Executive)	7 out of 7	100%

Corporate Governance (continued)

Audit Committee

The Audit Committee currently has five members comprising one Non-executive Director and four Independent Non-executive Directors (representing 80% thereof). The Committee is chaired by Mr. Shan Weijian, an Independent Non-executive Director.

The Committee assists the Board to fulfill its oversight role over the Bank and its subsidiaries in, among others, the following areas:

- integrity of accounts and financial reporting process;
- internal control systems;
- effectiveness of internal audit function and performance appraisal of head of internal audit;
- appointment of external auditors and assessment of their qualifications, independence and performance;
- periodic review and annual audit of the Bank's and the Group's accounts; and
- compliance with applicable accounting standards and legal and regulatory requirements on financial disclosures.

In August 2004, the Audit Committee undertook a thorough investigation into the events surrounding the judicial investigation by Mainland Chinese authorities of two former deputy chief executives of the Group in connection with alleged unauthorised distribution for personal purposes of certain funds belonging to BOC.

With the proactive participation of all the Independent Non-executive Directors and based on available information from internal audit and the Group's external auditors, the Committee concluded the investigation and confirmed to the Board that the funds involved are beneficially owned by BOC and have never formed part of the assets of the Group or customers other than BOC and that the incident does not impact on the financial position and operating results of the Group.

Apart from the investigation aforesaid, five scheduled committee meetings were held during the year with an average attendance rate of 92%. Individual attendance records of the relevant Directors are set out as follows:

Director	Number of committee meetings attended	Attendance rate
Mr. SHAN Weijian (Chairman)	5 out of 5	100%
Mr. ZHOU Zaiqun	4 out of 5	80%
Dr. FUNG Victor Kwok King	4 out of 5	80%
Mr. TUNG Chee Chen	5 out of 5	100%
Mdm. YANG Linda Tsao	5 out of 5	100%

Corporate Governance (continued)

Risk Committee

For better corporate governance and to reflect more accurately its role and responsibilities as well as the authorities and obligations of its members, the name of the Committee was changed from Risk Management Committee to Risk Committee in September 2004. Mr. Anthony Neoh, the Senior Adviser to the Board, attends Committee meetings as an adviser to offer his advice.

The Risk Committee currently has three members, all of whom are Non-executive Directors. It is chaired by Mr. Xiao Gang, the Chairman of the Board.

The Committee assists the Board to fulfill its oversight role over the Bank and its subsidiaries in, among others, the following areas:

- establishment of the risk appetite, risk profile and risk management strategy of the Group;
- identification, assessment and management of the material risks faced by the various business units of the Group;
- review and assessment of the adequacy of the Group's risk management process, system and internal control; and
- review and monitoring of compliance with the Group's risk management process, system and internal control including compliance with prudential, legal and regulatory requirements governing the business of the Group.

During the year, the Committee reviewed the Proposal on Segmenting Risk Management Policies by Tiers, Risk Management Policy Statement and various other risk-related policies and recommended the same for adoption by the Board. The Committee also deliberated on the Group's preparation for Basel II implementation. To enhance the Group's risk monitoring, the Committee has been receiving key risk indicators prepared by the Management on a monthly basis.

Seven committee meetings were held during the year with an average attendance rate of 86%. Individual attendance records of the relevant Directors are set out as follows:

Director	Number of committee meetings attended	Attendance rate
Mr. XIAO Gang (Chairman)	6 out of 7	86%
Mr. HUA Qingshan	7 out of 7	100%
Mdm. ZHANG Yanling	5 out of 7	71%

Nomination and Remuneration Committee

The Nomination and Remuneration Committee currently has five members comprising two Non-executive Directors and three Independent Non-executive Directors (representing 60% thereof). It is chaired by Mr. Sun Changji, Vice-chairman of the Board and a Non-executive Director.

Corporate Governance (continued)

The Committee assists the Board to fulfill its oversight role over the Bank and its subsidiaries in, among others, the following areas:

- overall human resources and remuneration strategies of the Group;
- identification and nomination of Directors, Board committee members and certain senior management members as designated by the Board from time to time;
- skills, experience and knowledge of Directors and Board committee members;
- remuneration of Directors, Board committee members and Senior Management;
- effectiveness of the Board and Board committees; and
- corporate governance framework of the Group and implementation thereof.

With a view to improving the overall human resources management, the Group launched a human resources management reform in July 2004, after reviews and inputs by the Nomination and Remuneration Committee. The Committee also reviewed the key performance indicators of the Group and senior management and the performance appraisal manual for senior management and recommended the same for approval by the Board.

Four committee meetings were held during the year with an average attendance rate of 90%. Individual attendance records of the relevant Directors are set out as follows:

Director	Number of committee meetings attended	Attendance rate
Mr. SUN Changji (Chairman)	4 out of 4	100%
Mr. LI Zaohang	3 out of 4	75%
Dr. FUNG Victor Kwok King	4 out of 4	100%
Mr. SHAN Weijian	4 out of 4	100%
Mr. TUNG Chee Chen	3 out of 4	75%

Ad Hoc Committees

Two ad hoc committees, namely, Search Committee and Budget Committee, were established by the Board during the year to deal with specific matters delegated by the Board.

Search Committee

Following the judicial investigation by Mainland Chinese authorities in August 2004 of two former deputy chief executives of the Group, the Board, in accordance with prior approved Board policy, set up the Search Committee to conduct a global and open recruitment of candidates for the positions at deputy chief executive level and to recommend to the Nomination and Remuneration Committee and the Board for final approval.

The Committee was chaired by Dr. Victor Fung Kwok King, an Independent Non-executive Director and comprised Mr. Sun Changji, Mr. He Guangbei and Independent Non-executive Directors Mr. Shan Weijian, Mr. Tung Chee Chen and Mdm. Linda Tsao Yang.

Corporate Governance (continued)

The Committee met seven times from August to December 2004 and, with the assistance of SpencerStuart, an international search consultant, succeeded in recruiting Mr. Gao Yingxin as the Deputy Chief Executive in charge of corporate banking, Mr. Alex Cheung Yau Shing as the Chief Risk Officer, and Mr. Peter Liu Yun Kwan as the Chief Information Officer before the end of the year. Throughout the search process, the Committee maintained a close dialogue with the regulators and the Group issued timely announcements to keep the public informed of the progress.

Budget Committee

The Budget Committee was set up in August 2004 for the purpose of overseeing the budgeting and business planning process for 2005. The Committee, comprising Mr. Zhou Zaiqun, a Non-executive Director and Mdm. Linda Tsao Yang, an Independent Non-executive Director, adopted an interactive approach in its review by engaging in open dialogue with the heads of all major business departments and principal subsidiaries of the Bank. Recommendations made by the Committee was reviewed and accepted by the Board when finalising the Group's 2005 budget and business plan.

Directors' Securities Transactions

The Group has adopted a "Code for Securities Transactions by Directors" to govern securities transactions by Directors. Having made specific enquiry of all Directors, the Directors confirmed that they have complied with the required standard set out in the said Code throughout the year of 2004.

Auditors' Fees

The Group's 2004 accounts were audited by PricewaterhouseCoopers at a total audit fee of HK\$24 million. The said audit fee was approved by the Audit Committee and endorsed by the Board.

The Group incurred a fee of HK\$15 million for non-audit services provided by PricewaterhouseCoopers in 2004. The Audit Committee has been briefed of the non-audit services and fees and was satisfied that such non-audit services did not (in terms of the nature of the services and the amount of fees charged relative to the audit fees) affect the independence of PricewaterhouseCoopers. The non-audit services mainly comprised tax-related services, internal control review services in relation to the Tian Xing Jian Project and accounting consultations.

Project Tian Xing Jian

The "Tian Xing Jian Project" was launched in September 2003 pursuant to the recommendations of the Special Committee and relevant external institutions. In this connection, the Group has conducted a comprehensive and systematic review of its corporate governance, risk management, credit approval and internal control mechanisms with a view to implementing the recommendations made by all those concerned. As a result of the Project, the standard of the Group's corporate governance, risk management, credit approval and internal control mechanisms have been significantly enhanced. The Group's image and reputation as well as the staff's confidence in the long-term development of the Group have also been reinforced. The Group is therefore pleased to announce that the Tian Xing Jian Project has been substantially completed. The completion of the Tian Xing Jian Project represents an important milestone in the Group's corporate governance and serves as the foundation on which the Group can continue to reinforce its corporate governance to attain even higher standards of excellence.

Corporate Governance (continued)

Directors' Responsibility Statement in relation to Accounts

The following statement should be read in conjunction with the Auditors' statement of their responsibilities as set out in the auditors' report contained in this Annual Report. The statement is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the accounts.

The Directors are required by the Hong Kong Companies Ordinance to prepare accounts, which give a true and fair view of the state of affairs of the Bank. The accounts should be prepared on a going concern basis unless it is not appropriate to do so. The Directors have responsibility for ensuring that the Bank keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Bank and which enable them to ensure that the accounts comply with the requirements of the Hong Kong Companies Ordinance. The Directors also have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors consider that in preparing the accounts contained in this Annual Report, the Bank has used appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

审计师报告

致中国银行(香港)有限公司全体股东

(于香港注册成立之有限公司)

本审计师已完成审核第25页至第134页之账目，该等账目乃按照香港普遍采纳之会计原则编制。

董事及审计师各自之责任

香港公司条例规定董事须编制真实兼公平之账目。在编制该等真实兼公平之账目时，董事必须采用适当之会计政策，并且贯彻应用该等会计政策。

本审计师之责任是根据审核之结果，对该等账目出具独立意见，并按照香港公司条例第141条仅向全体股东报告，除此之外，本报告别无其他目的。本审计师不会就本报告的内容向任何人士负上或承担任何责任。

意见之基础

本审计师已按照香港会计师公会所颁布之审计准则进行审核工作。审核范围包括以抽查方式查核与账目所载数额及披露事项有关之凭证，亦包括评审董事于编制账目时所作之重大估计和判断，所采用之会计政策是否适合贵银行与贵集团之具体情况，及有否贯彻应用并足够披露该等会计政策。

本审计师在策划和进行审核工作时，均以取得所有本审计师认为必需之资料及解释为目标，以便获得充分凭证，就该等账目是否存有重大错误陈述，作出合理之确定。在出具意见时，本审计师亦已评估该等账目所载之资料在整体上是否足够。本审计师相信我们之审核工作已为下列意见提供合理之基础。

意见

本审计师认为，上述之账目足以真实兼公平地显示贵银行与贵集团于2004年12月31日结算时之财务状况，及贵集团截至该日止年度之溢利及现金流量，并按照香港公司条例妥为编制。



罗兵咸永道会计师事务所

香港执业会计师

香港，2005年3月23日

Report of the Auditors

AUDITORS' REPORT TO THE SHAREHOLDERS OF BANK OF CHINA (HONG KONG) LIMITED

(incorporated in Hong Kong with limited liability)

We have audited the accounts set out on pages 25 to 134 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

Respective responsibilities of directors and auditors

The Hong Kong Companies Ordinance requires the directors to prepare accounts which give a true and fair view. In preparing accounts which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Basis of opinion

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the circumstances of the Bank and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Bank and of the Group as at 31 December 2004 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 23 March 2005

综合损益账

截至12月31日止年度

Consolidated Profit and Loss Account

For the year ended 31 December

		附注 Notes	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
利息收入	Interest income	4	15,678	17,759
利息支出	Interest expense		(4,487)	(4,888)
净利息收入	Net interest income		11,191	12,871
其他经营收入	Other operating income	5	4,661	4,385
经营收入	Operating income		15,852	17,256
经营支出	Operating expenses	6	(5,504)	(5,660)
提取拨备前经营溢利	Operating profit before provisions		10,348	11,596
呆坏账拨回/(拨备)	Write-back of/(charge for) bad and doubtful debts	7	1,628	(1,671)
提取拨备后经营溢利	Operating profit after provisions		11,976	9,925
出售/重估固定资产之净收益/(亏损)	Net gain/(loss) from disposal/ revaluation of fixed assets	8	2,113	(1,098)
出售持有至到期日证券之净收益	Net gain from disposal of held-to-maturity securities		2	-
持有至到期日证券及投资证券之减值拨备拨回	Write-back of provision for impairment on held-to-maturity securities and investment securities	9	-	30
出售附属公司之净亏损	Net loss on disposal of a subsidiary		-	(1)
出售联营公司之净收益	Net gain on disposal of an associate		50	-
联营公司权益之减值拨备拨回/(拨备)	Write-back of provision/(provision) for impairment on interests in associates		152	(132)
应占联营公司之溢利扣减亏损	Share of profits less losses of associates		(16)	(9)
除税前溢利	Profit before taxation		14,277	8,715
税项	Taxation	10	(2,127)	(601)
除税后溢利	Profit after taxation		12,150	8,114
少数股东权益	Minority interests		(158)	(139)
股东应占溢利	Profit attributable to shareholders	11	11,992	7,975
股息	Dividends	12	7,963	5,811

综合资产负债表

于12月31日

Consolidated Balance Sheet

As at 31 December

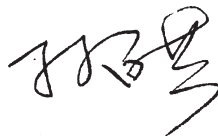
	附注 Notes	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
资产	ASSETS		
库存现金及短期资金	Cash and short-term funds	102,647	134,106
一至十二个月内到期之银行及 其他金融机构存款	Placements with banks and other financial institutions maturing between one and twelve months	107,581	78,240
贸易票据	Trade bills	1,086	691
持有之存款证	Certificates of deposit held	22,338	18,776
香港特别行政区政府负债 证明书	Hong Kong SAR Government certificates of indebtedness	34,760	31,460
持有至到期日证券	Held-to-maturity securities	181,050	101,065
投资证券	Investment securities	50	53
其他证券投资	Other investments in securities	8,288	71,400
贷款及其他账项	Advances and other accounts	309,211	300,094
联营公司权益	Interests in associates	62	278
固定资产	Fixed assets	21,877	17,582
其他资产	Other assets	7,825	8,841
资产总额	Total assets	796,775	762,586
负债	LIABILITIES		
香港特别行政区流通纸币	Hong Kong SAR currency notes in circulation	34,760	31,460
银行及其他金融机构之存款 及结余	Deposits and balances of banks and other financial institutions	34,440	41,347
客户存款	Deposits from customers	632,496	600,826
发行之存款证	Certificates of deposit issued	3,788	2,432
其他账项及准备	Other accounts and provisions	26,784	29,163
负债总额	Total liabilities	732,268	705,228
资本来源	CAPITAL RESOURCES		
少数股东权益	Minority interests	1,239	1,156
股本	Share capital	43,043	43,043
储备	Reserves	20,225	13,159
股东资金	Shareholders' funds	63,268	56,202
资本来源总额	Total capital resources	64,507	57,358
负债及资本来源总额	Total liabilities and capital resources	796,775	762,586

经董事会于2005年3月23日通过核准
并由以下人士代表签署:

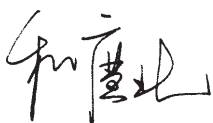
Approved by the Board of Directors on 23 March 2005 and signed on behalf of the Board
by:



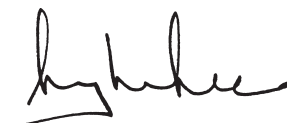
肖钢
董事
XIAO Gang
Director



孙昌基
董事
SUN Changji
Director



和广北
董事
HE Guangbei
Director



李永鸿
财务总监
LEE Wing Hung
Chief Financial Officer

资产负债表

于12月31日

Balance Sheet

As at 31 December

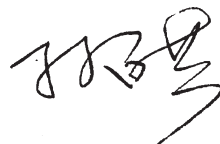
	附注 Notes	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
资产	ASSETS		
库存现金及短期资金	Cash and short-term funds	78,501	107,053
一至十二个月内到期之银行及 其他金融机构存款	Placements with banks and other financial institutions maturing between one and twelve months	96,250	66,431
贸易票据	Trade bills	681	314
持有之存款证	Certificates of deposit held	15,026	14,368
香港特别行政区政府负债 证明书	Hong Kong SAR Government certificates of indebtedness	34,760	31,460
持有至到期日证券	Held-to-maturity securities	157,209	79,329
投资证券	Investment securities	39	42
其他证券投资	Other investments in securities	7,899	70,709
贷款及其他账项	Advances and other accounts	257,958	252,081
附属公司权益	Interests in subsidiaries	13,412	13,713
联营公司权益	Interests in associates	27	217
固定资产	Fixed assets	17,060	13,470
其他资产	Other assets	7,054	7,479
资产总额	Total assets	685,876	656,666
负债	LIABILITIES		
香港特别行政区流通纸币	Hong Kong SAR currency notes in circulation	34,760	31,460
银行及其他金融机构之存款 及结余	Deposits and balances of banks and other financial institutions	33,847	41,225
客户存款	Deposits from customers	533,718	505,179
发行之存款证	Certificates of deposit issued	2,771	1,359
其他账项及准备	Other accounts and provisions	21,029	23,250
负债总额	Total liabilities	626,125	602,473
资本来源	CAPITAL RESOURCES		
股本	Share capital	43,043	43,043
储备	Reserves	16,708	11,150
股东资金	Shareholders' funds	59,751	54,193
负债及资本来源总额	Total liabilities and capital resources	685,876	656,666

经董事会于2005年3月23日通过核准
并由以下人士代表签署:

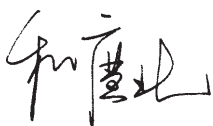
Approved by the Board of Directors on 23 March 2005 and signed on behalf of the Board
by:



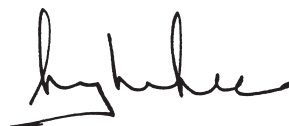
肖钢
董事
XIAO Gang
Director



孙昌基
董事
SUN Changji
Director



和广北
董事
HE Guangbei
Director



李永鸿
财务总监
LEE Wing Hung
Chief Financial Officer

综合权益变动结算表

Consolidated Statement of Changes in Equity

		投资物业					留存盈利	总计
		股本	房产 重估储备	Investment 重估储备	换算储备	重估储备		
		Share capital	Premises revaluation reserve	properties revaluation reserve	Translation reserve	Retained earnings	Total	
		港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	
于2003年1月1日	At 1 January 2003	43,043	353	-	(9)	10,700	54,087	
年度之净溢利	Net profit for the year	-	-	-	-	7,975	7,975	
货币换算差额	Currency translation difference	-	-	-	(1)	-	(1)	
2003年第一次中期股息	2003 first interim dividend	-	-	-	-	(1,937)	(1,937)	
2003年第二次中期股息	2003 second interim dividend	-	-	-	-	(3,874)	(3,874)	
物业重估	Revaluation of properties	-	(71)	-	-	-	(71)	
因物业出售之重估储备转账	Transfer on disposal of properties	-	(44)	-	-	44	-	
由递延税项计入股东权益	Release from deferred tax liabilities	-	23	-	-	-	23	
于2003年12月31日	At 31 December 2003	43,043	261	-	(10)	12,908	56,202	
本银行及附属公司	Bank and subsidiaries	43,043	261	-	(10)	12,924	56,218	
联营公司	Associates	-	-	-	-	(16)	(16)	
		43,043	261	-	(10)	12,908	56,202	
于2004年1月1日	At 1 January 2004	43,043	261	-	(10)	12,908	56,202	
年度之净溢利	Net profit for the year	-	-	-	-	11,992	11,992	
货币换算差额	Currency translation difference	-	-	-	5	-	5	
2004年第一次中期股息	2004 first interim dividend	-	-	-	-	(3,874)	(3,874)	
2004年第二次中期股息	2004 second interim dividend	-	-	-	-	(4,089)	(4,089)	
物业重估	Revaluation of properties	-	2,866	629	-	-	3,495	
因物业出售之重估储备转账	Release upon disposal of properties	-	(17)	(6)	-	17	(6)	
由股东权益计入递延税项	Release to deferred tax liabilities	-	(457)	-	-	-	(457)	
于2004年12月31日	At 31 December 2004	43,043	2,653	623	(5)	16,954	63,268	
本银行及附属公司	Bank and subsidiaries	43,043	2,653	623	(5)	16,987	63,301	
联营公司	Associates	-	-	-	-	(33)	(33)	
		43,043	2,653	623	(5)	16,954	63,268	

权益变动结算表 Statement of Changes in Equity

		股本 Share capital 港币百万元 HK\$'m	房产 重估储备 Premises revaluation reserve 港币百万元 HK\$'m	投资物业 重估储备 Investment properties revaluation reserve 港币百万元 HK\$'m	留存盈利 Retained earnings 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
于2003年1月1日	At 1 January 2003	43,043	274	–	9,315	52,632
年度之净溢利	Net profit for the year	–	–	–	7,388	7,388
2003年第一次中期股息	2003 first interim dividend	–	–	–	(1,937)	(1,937)
2003年第二次中期股息	2003 second interim dividend	–	–	–	(3,874)	(3,874)
物业重估	Revaluation of properties	–	(31)	–	–	(31)
因物业出售之重估储备转账	Transfer on disposal of properties	–	(44)	–	44	–
由递延税项计入股东权益	Release from deferred tax liabilities	–	15	–	–	15
于2003年12月31日	At 31 December 2003	43,043	214	–	10,936	54,193
于2004年1月1日	At 1 January 2004	43,043	214	–	10,936	54,193
年度之净溢利	Net profit for the year	–	–	–	11,381	11,381
2004年第一次中期股息	2004 first interim dividend	–	–	–	(3,874)	(3,874)
2004年第二次中期股息	2004 second interim dividend	–	–	–	(4,089)	(4,089)
物业重估	Revaluation of properties	–	1,887	564	–	2,451
因物业出售之重估储备转拨	Release upon disposal of properties	–	(16)	–	16	–
由股东权益计入递延税项	Release to deferred tax liabilities	–	(311)	–	–	(311)
于2004年12月31日	At 31 December 2004	43,043	1,774	564	14,370	59,751

综合现金流量表

截至12月31日止年度

Consolidated Cash Flow Statement

For the year ended 31 December

	附注 Notes	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
经营业务之现金流量	Cash flow from operating activities		
除税前经营现金之流出	Operating cash outflow before taxation		
支付香港利得税	Hong Kong profits tax paid	(2,286)	(6,099)
支付海外利得税	Overseas profits tax paid	(1,287)	(103)
		(6)	(18)
经营业务之现金流出净额	Net cash outflow from operating activities	(3,579)	(6,220)
投资业务之现金流量	Cash flow from investing activities		
收取投资证券之股息	Dividends received from investment securities	14	32
购入固定资产	Purchase of fixed assets	(450)	(369)
出售固定资产所得款项	Proceeds from disposal of fixed assets	1,201	1,061
购入投资证券	Purchase of investment securities	–	(6)
出售投资证券所得款项	Disposal of investment securities	3	–
出售附属公司所得款项	Proceeds from disposal of a subsidiary	–	157
出售联营公司所得款项	Proceeds from disposal of an associate	50	–
从联营公司清盘分派之款项	Proceeds from dissolution of associates	66	19
收取联营公司股息	Dividends received from associates	5	4
贷款予联营公司	Loans to associates	(9)	(358)
联营公司偿还之贷款	Loans repaid by associates	289	397
投资业务之现金流入净额	Net cash inflow from investing activities	1,169	937
融资业务之现金流量	Cash flow from financing activities		
支付股息	Dividends paid	(7,748)	(4,520)
支付少数股东股息	Dividends paid to minority shareholders	(99)	(97)
融资业务之现金流出净额	Net cash outflow from financing activities	(7,847)	(4,617)
现金及等同现金项目减少	Decrease in cash and cash equivalents	(10,257)	(9,900)
于1月1日之现金及等同现金项目	Cash and cash equivalents at 1 January	73,165	83,065
于12月31日之现金及等同现金项目	Cash and cash equivalents at 31 December	62,908	73,165

账目附注

1. 主要业务

本集团主要于香港从事提供银行及相关之金融服务。

2. 编制基准

本账目采用历史成本法编制，惟就若干证券投资、资产负债表外之金融工具、房产及投资物业之重估作出调整，并按照香港普遍采纳之会计原则及香港会计师公会颁布之会计准则编制。此外，本账目已完全遵守金管局发出之监管政策手册内有关《本地注册认可机构披露财务资料》要求。

本账目所采用之会计政策及计算方法与截至2003年12月31日止年度之本集团账目之编制基础一致。

3. 主要会计政策

(a) 综合账目

综合账目包括本银行及各附属公司截至12月31日止之账目。附属公司指本集团可直接和间接地控制其董事会之组成、持有超过半数投票权或持有过半数发行股本之公司。在年内购入或售出之附属公司，其业绩由收购生效日起计或计至出售生效日止列入综合损益账内。

所有集团内公司间之重大交易及结余已于编制综合账目时对冲。

Notes to the Accounts

1. Principal activities

The Group is principally engaged in the provision of banking and related financial services in Hong Kong.

2. Basis of preparation

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain investments in securities, off-balance sheet financial instruments, premises and investment properties, and in accordance with accounting principles generally accepted in Hong Kong and comply with the SSAPs issued by the HKICPA. In addition, these accounts comply fully with the requirements set out in the guideline on "Financial Disclosure by Locally Incorporated Authorized Institutions" under the Supervisory Policy Manual issued by the HKMA.

The accounting policies and methods of computation used in the preparation of the accounts are consistent with those used in the preparation of the Group's accounts for the year ended 31 December 2003.

3. Principal accounting policies

(a) Basis of consolidation

The consolidated accounts include the accounts of the Bank and its subsidiaries made up to 31 December. Subsidiaries are those entities in which the Group, directly and indirectly, controls the composition of the board of directors, controls more than half of the voting power or holds more than half of the issued share capital. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(a) 综合账目(续)

(a) Basis of consolidation (continued)

出售附属公司之收益或亏损指下列之差额：a) 出售权益之所得，及 b) 集团应占该公司之资产净值，连同任何未摊销之商誉(或已在储备记账但之前并未在综合损益账支取或摊销之商誉)，以及任何有关之累计外币换算差额。

The gain or loss on the disposal of a subsidiary represents the difference between: a) the proceeds of the sale and, b) the Group's share of its net assets together with any unamortised goodwill (or goodwill taken to reserves and which was not previously charged or recognised in the consolidated profit and loss account) and any related accumulated foreign currency translation difference.

少数股东权益指外界股东在附属公司之经营业绩及资产净值中拥有之权益。

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

在本银行之资产负债表内，附属公司之投资以成本值扣除减值准备列账。本银行将附属公司之业绩按已收及应收股息入账。

In the Bank's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Bank on the basis of dividends received and receivable.

(b) 联营公司

(b) Associates

联营公司为附属公司以外，本集团持有其股权作长期投资，并对其管理具有重大影响力之公司。

An associate is a company, not being a subsidiary, in which an equity interest is held for the long-term and significant influence is exercised in its management.

综合损益账包括本集团应占联营公司之本年度业绩，而综合资产负债表则包括本集团应占联营公司之资产净值及收购时产生之商誉/负商誉(扣除累计摊销)及扣除减值准备。

The consolidated profit and loss account includes the Group's share of the results of associates for the year. The consolidated balance sheet includes the Group's share of the net assets of the associates plus goodwill/negative goodwill (net of accumulated amortisation) on acquisition and net of any provision for impairment losses.

账目附注(续)

3. 主要会计政策(续)

(b) 联营公司(续)

当应占联营公司的亏损份额等于或超过了投资的账面金额时，除非本集团已就该联营公司作出担保责任之承担，否则即停止计入更多的亏损。

在银行之资产负债表内，联营公司之投资以成本值减去减值准备列账。而联营公司之业绩则按已收及应收股息列账。

(c) 收益确认

利息收入在应计期间于损益账内确认，惟呆账利息则会被拨入暂记账并与资产负债表上之相关结余项目对销。

服务费及佣金收入在集团赚取时确认，惟假若有关交易涉及之利率或其他风险超逾本会计期间，则按交易限期摊销。

股息收入在收取股息之权利确定时确认。

经营租赁之租金收入按直线法在租约期内确认，惟假若有其他更能反映租赁资产所产生之使用利益之模式，则采用该系统化之模式为基准。

Notes to the Accounts (continued)

3. Principal accounting policies (continued)

(b) Associates (continued)

Unless the Group has incurred obligations or guaranteed obligations in respect of the associate, its share of further losses is discontinued when the share of losses of an associate equals or exceeds the carrying value of the investment in the associate.

In the Bank's balance sheet, the investments in associates are stated at cost less provision for impairment in value. The results of associates are accounted for by the Bank on the basis of dividends received and receivable.

(c) Revenue recognition

Interest income is recognised in the profit and loss account as it accrues, except in the case of doubtful debts, where interest is credited to a suspense account which is netted in the balance sheet against the relevant balances.

Fees and commission income are recognised in the period when earned unless they relate to transactions involving an interest rate risk or other risks which extend beyond the current period, in which case they are amortised over the period of the transaction.

Dividend income is recognised when the right to receive payment is established.

Rental income under operating leases is recognised on a straight-line basis over the period of the lease unless another systematic basis is more representative of the pattern in which the benefit derived from the leased asset is used.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(d) 贷款

(d) Advances

向客户、银行及其他金融机构提供之贷款以未偿还本金额减除呆坏账准备及暂记利息后计入资产负债表。向银行及其他金融机构提供之贷款包括存放银行及其他金融机构之1年以上到期存款。

Advances to customers, banks and other financial institutions are reported on the balance sheet at the principal amount outstanding net of provisions for bad and doubtful debts and suspended interest. Advances to banks and other financial institutions include placements with banks and other financial institutions of more than one year.

所有贷款均在资金提供予借款人时确认。

All advances are recognised when cash is advanced to the borrowers.

除了因贷款重组所订立之新协议而取得之资产需以相应之资产类别在资产负债表列账外，任何被收回并已取消赎回权之待变卖资产，在被售出前应继续以贷款列账。而售出资产后收回之款项净额会用于偿付贷款余额，若有不足之数，将于损益账内撤销。

Assets acquired by repossession of collateral for realisation would continue to be reported as advances, except in the case of a loan restructuring where the asset acquired is part of the terms of a new loan agreement and the assets are recognised on the balance sheet under the relevant assets category. When the repossessed asset is realised, the sales proceeds are applied against the outstanding advance and any shortfall is written off to the profit and loss account.

(e) 呆坏账准备

(e) Provisions for bad and doubtful debts

本集团内部会将贷款分级，以反映集团对贷款人偿还能力之评估，及对有关本金及／或利息可被收回之疑虑。

The Group internally classifies loans and advances into categories reflecting the Group's assessment of the borrower's capacity to repay and on the degree of doubt about the collectibility of interest and/or principal.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(e) 呆坏账准备(续)

(e) Provisions for bad and doubtful debts (continued)

当董事对贷款本息能否全数收回存有疑虑时，会针对个别相关贷款作出特别准备。董事根据个别贷款之具体情况而进行潜在亏损评估，在考虑可用之抵押品后，将计提特别准备，以使资产之账面值减至预期之可变现净值。当未能合理估计损失时，本集团则采用集团贷款分类程序所预设之拨备水平对贷款中未有押品担保之部分进行计提。

Provisions are made against specific loans and advances as and when the directors have doubt on the ultimate recoverability of principal or interest in full. Based on the directors' assessment of the potential losses on those identified loans and advances on a case-by-case basis, specific provision is made to reduce the carrying value of the assets, taking into account available collateral, to their expected net realisable value. Where it is not possible to reliably estimate the loss, the Group applies pre-determined provisioning levels to the unsecured portion of loans and advances based on the Group's loan classification procedures.

此外，本集团亦已计提一般呆坏账准备金。上述两项准备金已从综合资产负债表之“贷款及其他账项”中扣除。假如贷款没有实际收回希望，有关结欠在资产负债表上的资产及准备金将作部分或全部撇销处理。

In addition, amounts have been set aside as a general provision for bad and doubtful debts. Specific and general provisions are deducted from "Advances and other accounts" in the consolidated balance sheet. When there is no realistic prospect of recovery, the outstanding debt is written off against the balance sheet asset and provision in part, or in whole.

(f) 固定资产

(f) Fixed assets

(i) 房产

(i) Premises

房产以成本值或估值减累计减值亏损及累计折旧列账，折旧以直线法于其如下估计可用年限内摊销：

Premises are stated at cost or valuation less accumulated impairment losses and accumulated depreciation calculated to write off the assets over their estimated useful lives on a straight-line basis as follows:

租约 按租约馀期
土地

Leasehold land

Over the remaining period of lease

楼宇 按租约馀期
及15至50年
两者之较短者

Buildings

Over the shorter of the remaining period of the lease and 15 to 50 years

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(f) 固定资产(续)

(f) Fixed assets (continued)

(i) 房产(续)

(i) Premises (continued)

房产以公开市值为基础，按个别估值模式每隔3年进行一次独立估值。相隔年间由董事参考相近物业之公平值以检讨个别物业之账面值，如董事认为该物业价值有重大变动则会作出相应调整。重估之增值拨入房产重估储备，减值则首先与同一个别资产早前之增值对销，然后在损益账中扣除。其后任何增值将拨入损益账(以早前扣减之金额为限)，然后拨往房产重估储备。出售房产时，房产重估储备中与先前估值有关之已实现部分，将从房产重估储备转拨至留存盈利。

出售房产损益为出售该资产收回之净额及其账面值间之差额，并会被确认于损益账内。

Independent valuations are performed every three years on individual properties on the basis of open market values. In the intervening years, the directors review the carrying value of individual properties, by reference to the fair values of similar properties, and adjustment is made when they consider that there has been a material change. Increases in valuation are credited to the premises revaluation reserve. Decreases in valuation are first set off against increases on earlier valuations in respect of the same individual asset and thereafter are debited to the profit and loss account. Any subsequent increases are credited to the profit and loss account up to the amount previously debited, and then to the premises revaluation reserve. Upon disposal of premises, the relevant portion of the premises revaluation reserve realised in respect of previous valuations is released and transferred from the premises revaluation reserve to retained earnings.

The gain or loss on disposal of premises is the difference between the net sales proceeds and the carrying value of the relevant asset, and is recognised in the profit and loss account.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(f) 固定资产(续)

(f) Fixed assets (continued)

(ii) 投资物业

(ii) Investment properties

投资物业乃在土地及楼宇中所占之权益，而该等土地及楼宇之建筑工程及发展经已完成，因其具有投资价值而持有，任何租金收入均按公平原则磋商厘定。

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential, any rental income being negotiated at arm's length.

投资物业每年会被重新估值并最少每隔3年独立估值一次；相隔期间每年可由集团委任具专业资格之人士负责估值。估值以物业之公开市值为计算基准。除非以整个投资物业组合为基础之投资物业重估储备不足以抵销有关之亏损，否则投资物业之价值转变将反映为投资物业重估储备之变动。若上述投资物业重估储备不足之情况下，亏损高于投资物业重估储备之部分将从损益账中扣除。若曾于损益账中扣除之亏损日后出现重估盈余，有关盈余将可贷记损益账，但以之前曾在损益账扣减之金额为限。

Investment properties are valued annually and independent valuations are performed at intervals of not more than three years; in each of the intervening years, valuations are undertaken by professionally qualified persons appointed by the Group. The valuations are on an open market value basis. Changes in the value of investment properties are treated as movements in the investment properties revaluation reserve, unless the total of the reserve is insufficient to cover a deficit on a portfolio basis. In such cases, the amount by which the deficit exceeds the total amount in the investment properties revaluation reserve is charged to the profit and loss account. Where a deficit has previously been charged to the profit and loss account and a revaluation surplus subsequently arises, this surplus is credited to the profit and loss account to the extent of the deficit previously charged.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(f) 固定资产(续)

(f) Fixed assets (continued)

(ii) 投资物业(续)

(ii) Investment properties (continued)

土地租约尚余20年或以下年期之投资物业均按土地租约尚余年期折旧。

Investment properties held on leases with unexpired periods of 20 years or less are depreciated over the remaining terms of the leases.

在出售投资物业时，投资物业重估储备中与先前估值有关之已实现部分，将从投资物业重估储备转拨至损益账。

Upon the disposal of an investment property, the relevant portion of the investment properties revaluation reserve realised in respect of previous valuations is released from the investment properties revaluation reserve to the profit and loss account.

(iii) 发展中物业

(iii) Property under development

发展中物业按成本值扣除减值亏损列账。成本值包括发展及建筑开支、利息支出及该等物业之应占其他直接成本。已落成之物业将转为房产或投资物业。

Property under development is carried at cost less impairment losses. Cost includes development and construction expenditure incurred, interest and other direct costs attributable to the development. On completion, the property is transferred to premises or investment properties.

(iv) 设备、固定设施及装置

(iv) Equipment, fixtures and fittings

设备、固定设施及装置以成本值减累计减值亏损及累计折旧列账。其折旧以直线法于估计可用年限内摊销，一般为3至15年之间。

Equipment, fixtures and fittings are stated at cost less accumulated impairment losses and accumulated depreciation calculated on a straight-line basis to write off the assets over their estimated useful lives, which are generally between 3 and 15 years.

出售设备、固定设施及装置之盈亏于损益账内确认。

The gain or loss on disposal of equipment, fixtures and fittings is recognised in the profit and loss account.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(f) 固定资产(续)

(f) Fixed assets (continued)

(v) 减值及出售盈亏

(v) Impairment and gain or loss on sale

在每年结算日，本集团会参考内部及外界资讯，评核房产、设备、固定设施及装置有否出现减值之迹象。如有迹象显示该等资产出现减值，则估算其可收回价值，及在合适情况下将减值亏损入账以将资产减至其可收回价值。此等减值亏损在损益账入账，但假若某资产乃按估值列账，而减值亏损不超过同一资产之重估盈餘，此等亏损则当作重估减值。

出售固定资产之盈亏乃出售净额与有关资产账面值之差额，并于损益账内确认。

At each balance sheet date, both internal and external sources of information are considered to determine whether there is any indication that premises, equipment, fixtures and fittings are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account except where the asset is carried at valuation and the impairment loss does not exceed the revaluation surplus for that same asset, in which case it is treated as a revaluation decrease.

The gain or loss on disposal of fixed assets is the difference between the net sales proceeds and the carrying value of the relevant assets, and is recognised in the profit and loss account.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(g) 证券投资

(g) Investments in securities

(i) 持有至到期日证券

(i) Held-to-maturity securities

持有至到期日证券指本集团有明确意图并有能力持有至到期日之有期债券。此等证券按成本值(就购入时所产生的溢价或折让按到期期间摊销而调整)减非暂时性之减值准备列账。所作减值准备乃本集团为预期无法收回之账面值作出之拨备,并在产生时在损益账中列作支出。

Held-to-maturity securities are dated debt securities which the Group has the expressed intention and ability to hold to maturity. These securities are stated at cost adjusted for the amortisation of premiums or discounts arising on acquisition over the periods to maturity, less provision for impairment in their value which is other than temporary. Provisions are made for the amount of the carrying value which the Group does not expect to recover and are recognised as an expense in the profit and loss account as they arise.

购入有期债券产生之溢价及折让之摊销在损益账中列作利息收入。出售持有至到期日证券之盈亏在产生时列入损益账。

The amortisation of premiums and discounts arising on acquisition of dated debt securities is included as part of interest income in the profit and loss account. Gain or loss on realisation of held-to-maturity securities is accounted for in the profit and loss account as they arise.

(ii) 投资证券

(ii) Investment securities

在购入时有意按既定长期目的持续持有(例如就策略性目的持有)之投资证券在资产负债表中按成本值减任何非暂时性之减值准备列账。

Securities which are intended to be held on a continuing basis for an identified long-term purpose at the time of acquisition (for example, for strategic purposes), are stated in the balance sheet at cost less any provisions for impairment in value which is other than temporary.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(g) 证券投资(续)

(g) Investments in securities (continued)

(ii) 投资证券(续)

(ii) Investment securities (continued)

投资证券之账面值会于结算日作出检讨，以评估其公允价值是否已下跌至低于其账面值。假如出现如此下跌，除非有证据显示下跌只属短期性质，否则有关证券之账面值均须调减至其公允价值，跌减之数在损益账中列作支出。

The carrying value of investment securities are reviewed as at the balance sheet date in order to assess whether the fair value has declined below the carrying value. When such a decline has occurred, the carrying value is reduced to the fair value unless there is evidence that the decline is temporary. The amount of the reduction is recognised as an expense in the profit and loss account.

公允价值指具充分资讯之自愿人士在公平交易原则下将资产交换或作债务偿付之金额。

Fair value is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

(iii) 其他证券投资

(iii) Other investments in securities

所有其他证券投资(不论作买卖或其他用途)均按公允价值在资产负债表内列账。公允价值之变动于产生时在损益账确认。

All other investments in securities (whether held for trading or otherwise) are stated in the balance sheet at fair value. Changes in fair value are recognised in the profit and loss account as they arise.

当引致减值准备之情况及事件不再存在，并有可信证据显示新的情况及事件会于可预见将来持续，则拨回就持有至到期日证券及投资证券账面值作出之准备。拨回之数额限于已提减值准备之数。

Provisions against the carrying value of held-to-maturity securities and investment securities are written back when the circumstances and events that led to the write-downs cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future. The amount written back is limited to the amount of the write-downs.

账目附注(续)

3. 主要会计政策(续)

(h) 经营租赁

经营租赁是指实质上由出租公司保留拥有资产之风险及回报之租赁。经营租赁之租金数额扣除自出租公司收取之任何回扣款额后，于租赁期内以直线法在损益账中支取。

如本集团为出租人，租赁资产在资产负债表中列为固定资产，并与同类型自置固定资产相同之基准按可使用年期折旧。租金收入在租约期内以直线法确认。特别为赚取租金收入而产生之初始直接成本在产生期内之损益账中列作支出。

(i) 准备

当本集团因为已发生之事件而须承担法律性或推定性之现有责任，而解除该责任时有可能消耗有经济利益之资源，需在责任金额能够可靠地作出估算之情况下，为确认有关责任而拨备。

当符合上述之一般条件，而本集团已开始执行详细之重组计划，或已将重组计划宣布及通知受影响者，并足以令其确切预期重组之进行不会有严重延误时，本集团会为重组费用作出拨备。

Notes to the Accounts (continued)

3. Principal accounting policies (continued)

(h) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Rentals applicable to such operating leases net of any incentives received from the lessor are charged to the profit and loss account on a straight-line basis over the lease term.

Where the Group is the lessor, the assets subject to the lease are included in fixed assets in the balance sheet. They are depreciated over their expected useful lives on a basis consistent with similar owned fixed assets. Rental income from operating leases is recognised on a straight-line basis over the lease term. Initial direct costs incurred specifically to earn revenue from an operating lease are recognised as an expense in the profit and loss account in the period in which they are incurred.

(i) Provisions

A provision is recognised when the Group has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A provision for restructuring costs is recognised when the above general recognition criteria are met and a detailed formal plan for the restructuring has been implemented, or has been announced and communicated to those affected by it in a sufficiently specific manner to raise a valid expectation that the restructuring will be carried out without long delay.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(j) 递延税项

(j) Deferred taxation

递延税项采用资产负债表负债法，根据财务报表内资产或负债之账面值与其税务基础之暂时性差额计算。主要之暂时性差额源于固定资产之折旧、房产之重估、一般呆账准备、以及结转之税务亏损，并按结算日已执行或实际会执行之税率计算。

Deferred taxation is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. The principal temporary differences arise from depreciation on fixed assets, revaluations of properties, general provision for bad and doubtful debts and tax losses carried forward. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

递延税项乃记于损益账内，除非递延税项与直接拨入或支销权益之项目相关，在这情况下，递延税项将记入权益内。

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

所有因应课税暂时性差额而产生之递延税项负债均会被确认，而当未来之应课税利润预计可被用作抵扣暂时性差额时，因该暂时性差额而产生之递延税项资产将被确认。

Deferred tax liabilities are provided in full on all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

(k) 外币换算

(k) Foreign currency translation

以外币为本位币之交易，均按交易当日之汇率折算。于结算日以外币显示之货币资产与负债则按结算日之汇率折算。由此产生之汇兑盈亏均计入损益账。

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(k) 外币换算(续)

(k) Foreign currency translation (continued)

附属公司及联营公司以外币显示之资产负债表均按结算日之汇率折算，而损益账则按当期平均汇率折算。汇兑盈亏作为换算储备变动入账。

The balance sheets of subsidiaries and associates expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss account is translated at an average rate for the period. Exchange differences are dealt with as a movement in reserves.

(l) 雇员福利

(l) Employee benefits

(i) 退休福利成本

(i) Retirement benefit costs

本集团根据认可职业退休计划或强积金计划之定额供款退休计划作出供款，集团员工均可参与。在职业退休计划下，集团与员工之供款按员工基本薪金之百分比计算，在强积金计划下该等供款则按强积金规例计算。退休福利计划成本代表本集团应向此等计划支付之供款，会于产生时在损益账支取。员工在全数享有供款前退出此职业退休计划而被没收之供款，会由本集团用作扣减目前本集团之供款负担或根据职业退休计划信托契据条款冲减其开支。

The Group contributes to defined contribution retirement schemes under either recognised occupation retirement schemes (“ORSO schemes”) or MPF schemes that are available to the Group’s employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees’ basic salaries for the ORSO schemes and in accordance with the MPF rules for MPF schemes. The retirement benefit scheme costs are charged to the profit and loss account as incurred and represent contributions payable by the Group to the schemes. Forfeited contributions by those employees who leave the ORSO scheme prior to the full vesting of their contributions are used by the Group to reduce the existing level of contributions or to meet its expenses under the trust deed of the ORSO schemes.

退休计划之资产与本集团之资产分开持有，并由独立管理基金保管。

The assets of the schemes are held in independently-administered funds separate from those of the Group.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(I) 雇员福利(续)

(I) Employee benefits (continued)

(ii) 有偿缺勤

(ii) Leave entitlements

雇员获享之年度休假及病假在累积时确认，本集团会对雇员服务至结算日所累积，但尚未使用之年度休假及预计所需支付之病假作出估算及拨备。

Employee entitlements to annual leave and sick leave are recognised when they accrue to employees. A provision is made for the estimated liability for unused annual leave and the amount of sick leave expected to be paid as a result of services rendered by employees up to the balance sheet date.

年度休假及病假以外之其他有偿缺勤均不允许累积。若雇员于获享有偿缺勤之年度内未能悉数享用该等可用缺勤，剩馀之可用缺勤将被取消。雇员于离职时亦无权收取现金以弥补任何未被使用之可用缺勤。故集团于此类缺勤发生时始予以确认。

Compensated absences other than annual leave and sick leave are non-accumulating; they lapse if the current period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group. Such compensated absences are recognised when the absences occur.

(iii) 奖金计划

(iii) Bonus plans

若因雇员提供之服务而令集团产生法律性或推定性之现有责任，而该责任之金额亦能可靠地作出估算，集团需确认该预期之奖金支出并以负债列账。

The expected cost of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

奖金计划之负债预期会于12个月内被偿付，并以偿付时之预期金额计算。

Liabilities for bonus plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

账目附注(续)

3. 主要会计政策(续)

(m) 资产负债表外之金融工具

资产负债表外之金融工具乃来自本集团在外汇、利率、股票及其他市场上进行之期货、远期、掉期、期权及其他交易合约。此等工具之记账方法视乎交易目的是为了买卖或风险对冲而定。集团在发生衍生交易合约时决定交易目的属买卖或作为风险对冲之用。

用作买卖而进行之交易均以公允价值列账。交易所挂牌买卖之合约之公允价值按市场报价厘定。非交易所挂牌买卖之合约之公允价值按交易员之报价、定价模型或具相似性质金融工具之报价厘定。因公允价值变动而产生之盈亏列入损益账内之“外汇业务之净收益/(亏损)”或“其他交易业务之净收益/(亏损)”。

因按市值列账而产生之未实现盈利列账于“其他资产”内。而因按市值列账而产生之未实现损失则列账于“其他账项及准备”内。

Notes to the Accounts (continued)

3. Principal accounting policies (continued)

(m) Off-balance sheet financial instruments

Off-balance sheet financial instruments arise from futures, forwards, swaps, options and other transactions undertaken by the Group in the foreign exchange, interest rate, equity and other markets. The accounting for these instruments is dependent upon whether the transactions are undertaken for dealing or hedging purposes. The Group designates a derivative as held for dealing or hedging purposes when it enters into a derivative contract.

Transactions undertaken for dealing purposes are marked to market at fair value. For exchange traded contracts, fair value is based on quoted market prices. For non-exchange traded contracts, fair value is based on dealers' quotes, pricing models or quoted prices for instruments with similar characteristics. The gain or loss arising from changes in fair value is recognised in the profit and loss account as "Net gain/(loss) from foreign exchange activities" or "Net gain/(loss) from other dealing activities".

Unrealised gains on transactions which are marked to market are included in "Other assets". Unrealised losses on transactions which are marked to market are included in "Other accounts and provisions".

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(m) 资产负债表外之金融工具(续)

(m) Off-balance sheet financial instruments (continued)

用作风险对冲之交易须于发生时清楚界定，并需展示此等风险对冲工具于整段对冲期间内均能高度有效地达到抵销所需对冲风险之目的。用作风险对冲之交易按所对冲之资产、负债或持仓净额等同之基准而估值。任何损益均按有关之资产、负债或持仓净额所产生损益之等基准确认于损益账内。

Hedging derivative transactions are designated as such at inception and the hedging instrument is required to be highly effective in accomplishing the objective of offsetting the risk being hedged throughout the life of the hedge. Hedging instruments are valued on an equivalent basis to the assets, liabilities or net positions that they are hedging. Any profit or loss is recognised in the profit and loss account on the same basis as that arising from the related assets, liabilities or net positions.

若有关之衍生交易不再符合风险对冲条件，该衍生工具将被视为买卖目的，并按以上所述有关方法记账。

If the derivative transaction no longer meets the criteria for a hedge, the derivative is deemed to be held for dealing purposes and is accounted for as set out above.

若集团订立了净额结算总协议或其他具有法律约束力之协议，而该等协议能毫无疑问地令集团在其他个别或多个交易对手因任何原因而不能履行付款责任，包括合约内任何一方破产时具有坚持以净额与同一交易对手进行结算之权力，则衍生交易产生之资产及负债才可以用净值列账。

Assets and liabilities arising from derivative transactions are netted off only when the Group has entered into master netting agreements or other legally enforceable arrangements, which assures beyond doubt, the Group's right to insist on settlement with the same counterparty on a net basis in all situations of default by the other party or parties including insolvency of any parties to the contract.

除非结算用之货币相同，或属可于活跃市场取得报价之可自由兑换货币，衍生交易才能对销。

Derivative transactions are not offset unless the related settlement currencies are the same, or are denominated in freely convertible currencies for which quoted exchange rates are available in an active market.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(n) 或然负债及或然资产

(n) Contingent liabilities and contingent assets

或然负债指因为已发生之事件而可能引起之责任，此等责任只能就本集团不能完全控制之一宗或多宗未来不确定事件之出现与否才能确认。或然负债亦可能是因为已发生之事件而引致之现有责任，但由于可能不需要消耗经济资源，或责任金额未能可靠地衡量而未有确认。

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

或然负债不会被确认，但会在账目附注中披露。假若消耗资源之可能性改变导致可能出现资源消耗，此等负债将被确认为准备。

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

或然资产指因为已发生之事件而可能产生之资产，此等资产只能就本集团不能完全控制之一宗或多宗未来不确定事件之出现与否才能确认。

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

或然资产不会被确认，但如有可能收到经济利益时，会在账目附注中披露。若将会收到之经济利益可被实质确定时，将确认为资产。

Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, it will be recognised as an asset.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(o) 现金及等同现金项目

(o) Cash and cash equivalents

就综合现金流量表而言，现金及等同现金项目指由其取得日期起计3个月内到期之款项，包括现金、银行及其他金融机构结存、库券、其他合资格票据及存款证。

For the purposes of the consolidated cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition including cash, balances with banks and other financial institutions, treasury bills, other eligible bills and certificates of deposit.

(p) 股息

(p) Dividends

于结算日后才建议或宣布派发之股息应披露为结算日后事项，而不会在结算日时确认为负债。

Dividends proposed or declared after the balance sheet date are disclosed as a post balance sheet event and are not recognised as a liability at the balance sheet date.

(q) 新近颁布的会计准则

(q) Recently issued accounting standards

香港会计师公会颁布了一系列新的及经修订的香港财务报告准则及香港会计准则(以下简称“新香港财务报告准则”)，并已于2005年1月1日起的会计年度生效。

The HKICPA has issued a number of new and revised HKFRSs and HKASs (the “new HKFRSs”) which are effective for accounting periods beginning on or after 1 January 2005.

本集团并没有于2004年12月31日的财务报告年度内提早采纳任何新香港财务报告准则。对于首度采纳新香港财务报告准则的影响，本集团将调整有关资产、负债、权益储备或留存盈利的2005年期初结余。

The Group has not early adopted any of the new HKFRSs in the accounts for the year ended 31 December 2004. The effect of first-time adoption of the new HKFRSs will be reported by the Group as an adjustment to the opening balances of the relevant assets, liabilities, equity reserve or retained earnings in 2005.

账目附注(续)

3. 主要会计政策(续)

(q) 新近颁布的会计准则(续)

本集团已就新香港财务报告准则之影响作出评估，并总结认为采纳下列新香港财务报告准则将对本集团账目之财务或账项列示方式产生重大影响，受影响范围现简介如下：

(i) 香港会计准则第39号“金融工具：确认与计量”

证券投资分类

现行采用之证券投资分类会计政策列示于附注3(g)内。在采纳香港会计准则第39号后，除投资于附属公司及联营公司外，所有证券投资将分为以下三类：

- 持有至到期日债券以实际利率法计算摊余成本及扣除减值亏损计量；
- 公允价值变化计入损益之证券以公允价值计量，其公允价值变化记入损益账；
- 可供出售证券以公允价值计量，其公允价值与摊余成本的差额直接记于权益储备。

Notes to the Accounts (continued)

3. Principal accounting policies (continued)

(q) Recently issued accounting standards (continued)

The Group is in the process of making an assessment of the impact of these new HKFRSs, and has so far concluded that the following HKFRSs will have significant financial or presentation effects on the Group's accounts upon adoption in the areas as briefly described below:

(i) HKAS39 "Financial instruments: Recognition and Measurement"

Classification of investments in securities

The current accounting policy on investments in securities is set out in Note 3(g) above. Upon adoption of HKAS39, all investment securities other than investments in subsidiaries and associates are classified into one of the following three categories:

- held-to-maturity debt securities are measured at amortised cost using the effective interest method less any impairment loss;
- at fair value through profit or loss securities are measured at fair value with changes in fair value recognised in the profit and loss account;
- available-for-sale securities are measured at fair value, with the difference between fair value and amortised cost reported in the equity reserve directly.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

- (i) 香港会计准则第39号“金融工具：确认与计量”(续)

- (i) HKAS39 “Financial instruments: Recognition and Measurement” (continued)

证券投资分类(续)

Classification of investments in securities (continued)

于首度采纳香港会计准则第39号时，本集团将证券投资重新分类。本集团之大部分证券被分类为持有至到期日债券或可供出售证券。可供出售证券之公允价值变化将增加权益储备之波动性。

Upon first-time adoption of HKAS39, the Group has reclassified its investment securities into the above categories. Majority of the Group's securities are classified as held-to-maturity or available-for-sale. The changes in fair value of available-for-sale securities will cause volatility to the equity reserve.

衍生工具

Derivatives

现行采用之衍生工具会计政策列示于附注3(m)内。在采纳香港会计准则第39号后，所有衍生工具将于表内分别确认为资产或负债，并以公允价值计量。公允价值变化之会计处理将确认如下：

The current accounting policy on derivatives is set out in Note 3(m) above. Upon adoption of HKAS39, all derivatives are recognised separately as either assets or liabilities in the balance sheet and measured at fair value. The accounting for changes in the fair value of derivatives are recognised as follows:

对于已被界定为公允价值对冲之衍生工具，其溢利或亏损，与相关被对冲项目之溢利或亏损，在公允价值变化期间确认于损益账；

For a derivative designated as fair value hedge, the gain or loss is recognised in the profit and loss account in the period of change together with the associated loss or gain on the hedged item;

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

- (i) 香港会计准则第39号“金融工具：确认与计量”(续)

- (i) HKAS39 “Financial instruments: Recognition and Measurement” (continued)

衍生工具(续)

Derivatives (continued)

对于已被界定为现金流量对冲之衍生工具，其对冲有效部分的溢利或亏损，先确认于权益储备，后按其所对冲的特定资产或负债于损益账已确认的部分，同步由权益储备转拨至损益账。任何对冲失效部分均于发生时确认于损益账；及

For a derivative designated as cash flow hedge, the gain or loss on the derivative associated with the effective portion of the hedge is initially recognised in equity reserve and subsequently released into the profit and loss account in line with the recognition of the element of the recognised asset or liability which is being hedged. Any ineffective portion is recognised in the profit and loss account as it arises; and

对于其他(包括用作买卖用途或进行经济上对冲，但不符合对冲会计)之衍生工具，其溢利或亏损确认于损益账。

For other derivatives (including for dealing purpose and for economic hedging purpose which do not qualify for hedge accounting), the gain or loss is recognised in the profit and loss account.

收入之波动性将会因对冲会计之严格要求而增加。权益储备之波动性亦会因被界定为现金流量对冲之衍生工具之公允价值变化而增加。

Volatility in income will become higher due to stricter requirements to qualify for hedge accounting treatment. The volatility in equity reserve will also increase due to change in fair value of derivatives designated as cash flow hedges.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

- (i) 香港会计准则第39号“金融工具：确认与计量”(续)

- (i) HKAS39 “Financial instruments: Recognition and Measurement” (continued)

收益确认

Revenue recognition

现行采用之收益确认会计政策列示于附注3(c)内。在采纳香港会计准则第39号后，过往停止累计之呆账利息，将按扣除减值准备后的账面值计算利息，并于损益账内确认。于贷款贷出时产生的相关服务费及支出，过至于手续费支出确认，现将按预计之贷款年期确认至利息收入，作为计算贷款有效利息之一部分。

The current accounting policy on revenue recognition is set out in Note 3(c) above. Upon adoption of HKAS39, interest accrual on doubtful loans ceased previously will be recognised in the profit and loss account up to the extent of their outstanding carrying value net of impairment. Directly attributable loan origination fees and costs which were previously recognised as commission expenses will be recognised as interest income over the expected life of the loan as part of the effective interest calculation.

以上在确认及分类上之转变将对本集团之净利息收入及净利息收益率产生影响。

These changes in recognition and classification will have an effect on the Group's net interest income and net interest margin.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

- (i) 香港会计准则第39号“金融工具：确认与计量”(续)

- (i) HKAS39 “Financial instruments: Recognition and Measurement” (continued)

呆坏账准备

Provisions for bad and doubtful debts

现行采用之呆坏账准备会计政策列示于附注3(e)内。在采纳香港会计准则第39号后，按个别评估之贷款减值准备是根据对金额重大贷款之未来还款现金流量折现法计提。按组合评估之贷款减值准备适用于金额并不重大、或没有减值迹象之个别贷款，以组合形式按其风险特性分类，采用方程式或统计方法计提。

The current accounting policy on loan provisions is set out in Note 3(e) above. Upon adoption of HKAS39, loan impairment provisions are calculated using a discounted future cash flow analysis of loan repayments with significant carrying value. Collective assessment of impairment for individually insignificant items or items where no impairment has been identified on an individual basis is made by adopting formula-based approaches or statistical methods on groups of loan portfolio according to their credit characteristics.

按个别评估及组合评估之合计贷款减值准备，将列示为贷款损失准备，以取代现时之特别及一般准备。

Loan impairment provisions assessed individually and collectively will be presented in an aggregate amount as allowance for losses on loans and advances instead of specific provisions and general provisions.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

(ii) 香港会计准则第17号“租赁”

(ii) HKAS17 “Leasing”

房产

Premises

现行采用之房产会计政策列示于附注3(f)(i)内。在采纳香港会计准则第17号后，对于作为自用之租约业权物业，若能于租约开始时可靠地分摊其土地与建筑部分之价值，其土地部分将被确认为经营租赁，否则，土地与建筑部分将同被确认为财务租赁。获取该土地之地价及相关支出将在土地的租约余期内摊销。

The current accounting policy on premises is set out in Note 3(f)(i) above. Upon adoption of HKAS17, the land element of a leasehold property held for own use would be recognised as operating lease if the land and building elements of the lease payment can be allocated reliably at the inception of the lease, otherwise both of the land and building elements will be recognised as finance lease. The land premiums and other related costs for acquiring the leasehold land will be amortised over the terms of the leases.

本集团将继续采纳公允价值模式列账。基于集团房产之土地与建筑价值于租约开始时未能分开之初步假设，采纳香港会计准则第17号对现有房产之财务影响并不重大，惟以上之初步假设有可能在进一步咨询独立估值师后改变。

The Group will continue to adopt the fair value model. The financial impact of adopting HKAS17 to existing premises is not significant based on the preliminary assumption that the value of the land and building elements of the Group's premises at inception of the leases cannot be separated. However, this preliminary assumption is subject to change pending further consultation with independent valuers.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

(iii) 香港会计准则第40号“投资物业”

(iii) HKAS40 “Investment property”

投资物业

Investment properties

现行采用之投资物业会计政策列示于附注3(f)(ii)内。在采纳香港会计准则第40号后，投资物业之公允价值变化将直接确认于损益账而非权益储备内。

The current accounting policy on investment properties is set out in Note 3(f)(ii) above. Upon adoption of HKAS40, change in fair value of investment properties will be recognised directly in the profit and loss account instead of equity reserve.

本集团将继续采纳公允价值模式列账。投资物业之公允价值变化将引致损益账之波动。

The Group will continue to adopt the fair value model. The change in fair value of investment properties will cause volatility in the profit and loss account.

(iv) 香港会计准则第12号“所得税”－香港会计准则诠释第21号

(iv) HKAS12 “Income taxes” – HKAS Interpretation 21

递延税项

Deferred tax

现时集团并没有对投资物业之重估储备计提递延税项。根据香港会计准则诠释第21号，本集团将对投资物业之公允价值变化，按适用的利得税率计算递延税项。当新会计政策实行时，留存盈利将因递延税的产生而减少。

There is currently no deferred tax provided on revaluation surplus of investment properties. According to the HKAS Interpretation 21, the Group will calculate deferred tax on the change in fair value of investment properties based on the applicable profits tax rate. On transition, retained earnings will be reduced by the amount of deferred tax derived.

账目附注(续)

Notes to the Accounts (continued)

3. 主要会计政策(续)

3. Principal accounting policies (continued)

(q) 新近颁布的会计准则(续)

(q) Recently issued accounting standards (continued)

本集团将继续对其他新财务报告准则进行评估，并有可能因此而发现其他重大的影响。

The Group will continue with the assessment of the other new HKFRSs and other significant changes may be identified as a result.

4. 利息收入

4. Interest income

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
上市证券投资之利息收入	Interest income from listed investments	1,753	1,669
非上市证券投资之利息收入	Interest income from unlisted investments	2,861	3,059
其他利息收入	Other interest income	11,064	13,031
		15,678	17,759

账目附注(续)

Notes to the Accounts (continued)

5. 其他经营收入

5. Other operating income

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
服务费及佣金收入(附注)	Fees and commission income (Note)	4,306	3,855
减：服务费及佣金支出	Less: Fees and commission expenses	(1,083)	(852)
服务费及佣金净收入	Net fees and commission income	3,223	3,003
证券投资股息收入	Dividend income from investments		
— 非上市证券投资	in securities – unlisted investments	14	45
其他证券投资之净收益/ (亏损)	Net gain/(loss) from other investments in securities	29	(108)
外汇业务之净收益	Net gain from foreign exchange activities	1,050	965
其他交易业务之净收益	Net gain from other dealing activities	82	42
投资物业之租金总 收入	Gross rental income from investment properties	210	241
减：有关投资物业之支出	Less: Outgoings in respect of investment properties	(69)	(80)
其他	Others	122	277
		4,661	4,385

账目附注(续)

Notes to the Accounts (continued)

5. 其他经营收入(续)

5. Other operating income (continued)

附注：

Note:

服务费及佣金收入

Fees and commission income

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
证券经纪	Securities brokerage	934	733
信用卡	Credit cards	666	560
汇票佣金	Bills commissions	547	556
贷款佣金	Loan commissions	490	473
缴款服务	Payment services	349	315
保险	Insurance	314	235
资产管理	Asset management	233	211
信托服务	Trust services	75	76
担保	Guarantees	38	39
其他	Others		
— 保管箱	— safe deposit box	161	166
— 小额存户	— low deposit balance accounts	63	106
— 买卖货币	— currency exchange	52	45
— 中银卡	— BOC cards	35	40
— 不动户口	— dormant accounts	28	24
— 代理业务	— agency services	24	24
— 邮电	— postage and telegrams	25	19
— 资讯调查	— information search	33	16
— 代理行	— correspondent banking	18	15
— 人民币业务	— RMB business	26	—
— 其他	— sundries	195	202
		4,306	3,855

账目附注(续)

Notes to the Accounts (continued)

6. 经营支出

6. Operating expenses

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
人事费用(包括董事 酬金)	Staff costs (including directors' emoluments)		
– 薪酬及其他费用	– salaries and other costs	3,045	3,066
– 补偿费用	– termination benefit	1	1
– 退休成本	– pension cost	241	246
		3,287	3,313
房产及设备支出 (不包括折旧)	Premises and equipment expenses (excluding depreciation)		
– 房产租金	– rental of premises	226	213
– 资讯科技	– information technology	301	310
– 其他	– others	198	208
		725	731
自置固定资产之折旧	Depreciation on owned fixed assets	585	611
审计师酬金	Auditors' remuneration		
– 审计服务	– audit services	24	29
– 非审计服务	– non-audit services	15	9
其他经营支出	Other operating expenses	868	967
		5,504	5,660

账目附注(续)

Notes to the Accounts (continued)

7. 呆坏账拨回/
(拨备)

7. Write-back of/(charge for) bad and doubtful debts

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
呆坏账净拨备额	Net charge for bad and doubtful debts		
特别准备	Specific provisions		
- 新提拔	- new provisions	(1,520)	(3,834)
- 拨回	- releases	1,851	768
- 收回已撤销账项(附注22)	- recoveries (Note 22)	1,356	438
		1,687	(2,628)
一般准备(附注22)	General provisions (Note 22)	(59)	957
拨回/(支取)损益账净额 (附注22)	Net credit/(charge) to profit and loss account (Note 22)	1,628	(1,671)

8. 出售/重估固定
资产之净收益/
(亏损)

8. Net gain/(loss) from disposal/revaluation of fixed assets

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
出售房产之净收益	Net gain on disposal of premises	29	8
出售投资物业之 净收益	Net gain on disposal of investment properties	196	5
出售其他固定资产之亏损	Loss on disposal of other fixed assets	(3)	(23)
重估房产之盈利/(亏损) (附注25)	Surplus/(deficit) on revaluation of premises (Note 25)	1,366	(718)
重估投资物业之盈利/ (亏损)(附注25)	Surplus/(deficit) on revaluation of investment properties (Note 25)	525	(370)
		2,113	(1,098)

账目附注(续)

Notes to the Accounts (continued)

9. 持有至到期日证券及投资证券之减值拨备拨回

9. Write-back of provision for impairment on held-to-maturity securities and investment securities

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
持有至到期日证券之减值拨备拨回	Write-back of provision for impairment on held-to-maturity securities	–	29
投资证券之减值拨备拨回	Write-back of provision for impairment on investment securities	–	1
		–	30

10. 税项

10. Taxation

损益账内之税项组成如下：

Taxation in the profit and loss account represents:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
香港利得税	Hong Kong profits tax		
– 本年税项	– current year taxation	2,116	1,470
– 往年超额拨备	– over-provision in prior years	(91)	(732)
计入递延税项	Deferred tax charge	148	67
		2,173	805
应占合夥企业投资之估计香港利得税亏损	Attributable share of estimated Hong Kong profits tax losses arising from investments in partnerships	(203)	(817)
		1,970	(12)
撤销合夥企业投资	Investments in partnerships written off	139	600
		2,109	588
香港利得税	Hong Kong profits tax		
海外税项	Overseas taxation	17	11
		2,126	599
应占联营公司税项	Share of taxation attributable to associates	1	2
		2,127	601

账目附注(续)

Notes to the Accounts (continued)

10. 税项(续)

10. Taxation (continued)

香港利得税乃按照本年度估计应课税溢利依税率17.5% (2003年: 17.5%) 提拨准备。海外溢利之税款按照本年度估计应课税溢利依集团经营业务所在国家之现行税率计算。

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

本集团订立多项飞机租赁及息票分拆交易, 涉及特别用途合夥企业。于2004年12月31日, 本集团于此等企业之投资列于综合资产负债表的“其他资产”内, 共达港币6.13亿元 (2003年: 港币14.74亿元)。本集团于此等合夥企业之投资, 按投资所得税务利益之比例, 在合夥企业年期内摊销。

The Group has entered into a number of aircraft leasing and coupon strip transactions involving special purpose partnerships. As at 31 December 2004, the Group's investments in such partnerships, which are included in "Other assets" in the consolidated balance sheet, amounted to HK\$613 million (2003: HK\$1,474 million). The Group's investments in partnerships are amortised over the life of the partnerships in proportion to the taxation benefits resulting from those investments.

上述合夥企业之总资产及总负债如下:

The total assets and liabilities of the aforementioned partnerships are as follows:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
资产	Assets	2,356	6,159
负债	Liabilities	1,655	4,098

账目附注(续)

Notes to the Accounts (continued)

10. 税项(续)

10. Taxation (continued)

本集团除税前溢利产生的实际税项，与根据香港利得税率计算的税项差异如下：

The taxation on the Group's profit before taxation that differs from the theoretical amount that would arise using the taxation rate of Hong Kong is as follows:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
除税前溢利	Profit before taxation	14,277	8,715
按税率17.5%(2003: 17.5%) 计算的税项	Calculated at a taxation rate of 17.5% (2003: 17.5%)	2,498	1,525
其他国家税率差异的影响	Effect of different taxation rates in other countries	(41)	(31)
无需课税之收入	Income not subject to taxation	(695)	(494)
税务上不可扣减之开支	Expenses not deductible for taxation purposes	536	497
未确认的税务亏损	Tax losses not recognised	2	5
未确认的暂时性差额	Temporary differences not recognised	-	67
使用往年未确认的 税务亏损	Utilisation of previously unrecognised tax losses	(19)	(21)
往年超额拨备	Over-provision in prior years	(91)	(732)
从合夥企业获取之税务利益	Tax benefits from partnerships	(64)	(217)
应占联营公司税项	Share of taxation attributable to associates	1	2
计入税项	Taxation charge	2,127	601

11. 股东应占溢利

11. Profit attributable to shareholders

截至2004年12月31日止之股东应占本银行溢利为港币113.81亿元(2003年: 港币73.88亿元)，并已列入本银行之账目内。

The profit of the Bank for the year ended 31 December 2004 attributable to shareholders and dealt with in the accounts of the Bank amounted to HK\$11,381 million (2003: HK\$7,388 million).

账目附注(续)

Notes to the Accounts (continued)

12. 股息

12. Dividends

	2004		2003	
	每股 港币 Per share HK\$	总额 港币百万元 Total HK\$'m	每股 港币 Per share HK\$	总额 港币百万元 Total HK\$'m
第一次中期股息	0.090	3,874	0.045	1,937
第二次中期 股息	0.095	4,089	0.090	3,874
	0.185	7,963	0.135	5,811

13. 退休福利成本

13. Retirement benefit costs

本集团给予本集团员工的定额供款计划主要为获强积金条例豁免之职业退休计划及中银保诚简易强积金计划。根据职业退休计划，雇员须向职业退休计划之每月供款为彼等基本薪金之5%，而雇主之每月供款为雇员基本月薪之5%至15%不等(视乎彼等之服务年期)。雇员有权于20年服务期届满后，在雇佣期终止时收取100%之雇主供款，或于3年至20年以下服务期届满后，在退休、提前退休、永远丧失工作能力及健康欠佳或雇佣期终止等情况(被即时解雇除外)下，收取20%至95%之雇主供款。

随著强积金条例于2000年12月1日实施，本集团亦参与中银保诚简易强积金计划，该计划之受托人为中银国际英国保诚信托有限公司，投资管理人为中银国际英国保诚资产管理有限公司，此两间公司均为本银行之有关连人士。

The principal defined contribution schemes for the Group's employees are ORSO schemes exempted under the MPF Schemes Ordinance and the BOC-Prudential Easy Choice MPF Scheme. Under the ORSO schemes, employees make monthly contributions to the ORSO schemes equal to 5% of their basic salaries, while the employer makes monthly contributions equal to 5% to 15% of the employees' monthly basic salaries, depending on years of service. The employees are entitled to receive 100% of the employer's contributions upon termination of employment after completing 20 years of service, or at a scale ranging from 20% to 95% for employees who have completed between 3 to 20 years of service, on conditions of retirement, early retirement, permanent incapacity and ill-health or termination of employment other than summary dismissal.

With the implementation of the MPF Schemes Ordinance on 1 December 2000, the Group also participates in the BOC-Prudential Easy Choice MPF Scheme, of which the trustee is BOCI-Prudential Trustee and the investment manager is BOCI-Prudential Manager, which are related parties of the Bank.

账目附注(续)

13. 退休福利成本(续)

截至2004年12月31日止，在扣除约港币2.1千万元(2003年：约港币1.9千万元)之没收供款后，职业退休计划之供款总额约为港币2.25亿元(2003年：约港币2.33亿元)，而本集团向强积金计划之供款总额则约为港币1.2千万元(2003年：约港币9百万元)。

14. 认股权计划

(a) 认股权计划及股份储蓄计划

认股权计划及股份储蓄计划的主要条款已于2002年7月10日由中银香港(控股)的全体股东以书面决议案批准并采纳。

认股权计划旨在向参与者提供购买中银香港(控股)专有权益的机会。中银香港(控股)董事会可以完全根据自己的决定，将认股权授予中银香港(控股)董事会可能选择的任何人士。股份认购价格将根据中银香港(控股)董事会的决定于授出日期按既定规则计算每股价格。认股权可于中银香港(控股)董事会确定的任何日期之后的任何时间，或在要约不时规定的时间，或于中银香港(控股)董事会确定的终止日期当日或之前，可部分或全部行使。

Notes to the Accounts (continued)

13. Retirement benefit costs (continued)

The Group's total contributions made to the ORSO schemes for the year ended 31 December 2004 amounted to approximately HK\$225 million (2003: approximately HK\$233 million), after a deduction of forfeited contributions of approximately HK\$21 million (2003: approximately HK\$19 million). For the MPF Scheme, the Group contributed approximately HK\$12 million (2003: approximately HK\$9 million) for the year ended 31 December 2004.

14. Share option schemes

(a) Share Option Scheme and Sharesave Plan

The principal terms of the Share Option Scheme and the Sharesave Plan were approved and adopted by written resolutions of all the shareholders of BOCHK (Holdings) dated 10 July 2002.

The purpose of the Share Option Scheme is to provide the participants with the opportunity to acquire proprietary interests in BOCHK (Holdings). The Board of BOCHK (Holdings) may, in its absolute discretion, offer to grant options under the Share Option Scheme to any person as the Board of BOCHK (Holdings) may select. The subscription price for the shares shall be determined on the date of grant by the Board of BOCHK (Holdings) as an amount per share calculated on the basis of established rules. An option may be exercised in whole or in part at any time after the date prescribed by the Board of BOCHK (Holdings) and from time to time as specified in the offer and on or before the termination date prescribed by the Board of BOCHK (Holdings).

账目附注(续)

Notes to the Accounts (continued)

14. 认股权计划(续)

14. Share option schemes (continued)

(a) 认股权计划及股份 储蓄计划(续)

(a) Share Option Scheme and Sharesave Plan (continued)

股份储蓄计划旨在鼓励雇员认购中银香港(控股)股份。每月为认股权支付的款项应该是合格雇员在其申请表格中指明愿意支付的额度,该额度必须不少于合格雇员于申请日期的月薪的1%亦不得多于10%,或中银香港(控股)董事会当时可能厘定的最高或最低额度。认股权可于行使期间内全部或部分行使。

The purpose of the Sharesave Plan is to encourage broad-based employee ownership of the shares of BOCHK (Holdings). The amount of the monthly contribution under the savings contract to be made in connection with an option shall be the amount which the relevant eligible employee is willing to contribute, which amount shall not be less than 1% and not more than 10% of the eligible employee's monthly salary as at the date of application or such other maximum or minimum amounts as permitted by the Board of BOCHK (Holdings). When an option is exercised during an exercise period, it may be exercised in whole or in part.

上述两个计划在本年度内并未有授出认股权。

No options were granted pursuant to the Share Option Scheme or the Sharesave Plan during the year.

(b) 上市前认股权计划

(b) Pre-Listing Share Option Scheme

于2002年7月5日,本银行间接控股公司中银(BVI)根据中银香港(控股)上市前认股权计划向若干董事及另外约60名本集团高级管理人员及中国银行员工授予认股权,彼等可据此向中银(BVI)购入合共31,132,600股中银香港(控股)现有已发行股份。

On 5 July 2002, several directors together with approximately 60 senior management personnel of the Group and employees of BOC were granted options by BOC (BVI), the indirect holding company of the Bank, pursuant to a Pre-Listing Share Option Scheme to purchase from BOC (BVI) an aggregate of 31,132,600 existing issued shares of BOCHK (Holdings).

账目附注(续)

Notes to the Accounts (continued)

14. 认股权计划(续)

14. Share option schemes (continued)

(b) 上市前认股权计划
(续)

(b) Pre-Listing Share Option Scheme (continued)

截至2004年12月31日止
认股权详情如下：

Details of the share options outstanding as at 31 December 2004 are as follows:

		董事 Directors	高级管理人员 Senior management	其他* Others*	认股权总计 Total number of share options
于2004年1月1日	At 1 January 2004	12,001,800	14,705,700	-	26,707,500
转账	Transfer	(3,181,200)	-	3,181,200	-
减：年内行使之认股权	Less: Share options exercised during the year	(361,500)	(1,814,000)	-	(2,175,500)
减：年内作废之认股权	Less: Share options lapsed during the year	-	(2,359,000)	(1,735,200)	(4,094,200)
于2004年12月31日	At 31 December 2004	8,459,100	10,532,700	1,446,000	20,437,800
于2003年1月1日	At 1 January 2003	13,737,000	17,221,600	-	30,958,600
减：年内行使之认股权	Less: Share options exercised during the year	-	(1,591,000)	-	(1,591,000)
减：年内放弃之认股权	Less: Share options surrendered during the year	(1,735,200)	-	-	(1,735,200)
减：年内作废之认股权	Less: Share options lapsed during the year	-	(924,900)	-	(924,900)
于2003年12月31日	At 31 December 2003	12,001,800	14,705,700	-	26,707,500

* 代表本集团前董事持有的
认股权。

* Represented share options held by ex-directors of the Group.

账目附注(续)

Notes to the Accounts (continued)

14. 认股权计划(续)

14. Share option schemes (continued)

(b) 上市前认股权计划 (续)

根据此计划而授出之认股权之行使价为每股港币8.50元，而相对之认股权价为港币1.00元。上述认股权在中银香港(控股)股份于联交所开始买卖之日起计1年内不得行使。该等认股权由中银香港(控股)股份于联交所开始买卖日期起计的4年内归属(该等认股权项下25%的股份将于每年年底归属)，有效行使期为10年。于中银香港(控股)股份开始在联交所买卖之日或其后，将不会再根据上市前认股权计划授出任何认股权。

(b) Pre-Listing Share Option Scheme (continued)

The options granted under this scheme can be exercised at HK\$8.50 per share in respect of the option price of HK\$1.00. None of these options may be exercised within one year from the date on which dealings in the shares commenced on The Stock Exchange of Hong Kong Limited. These options have a vesting period of four years (25% of the number of shares subject to such options will vest at the end of each year) from the date on which dealings in the shares commenced on the Stock Exchange with a valid exercise period of ten years. No offer to grant any options under the Pre-Listing Share Option Scheme will be made on or after the date on which dealings in the shares commenced on the Stock Exchange.

15. 董事及高级管理人员酬金

15. Directors' and senior management's emoluments

(a) 董事酬金

本年度就本银行董事提供服务而已付及应付未付之酬金详情如下：

(a) Directors' emoluments

Details of the emoluments paid and payable to the directors of the Bank during the year are as follows:

		2004 港币百万元 HK\$m	2003 港币百万元 HK\$m
袍金	Fees	3	2
其他酬金	Other emoluments		
— 基本薪金及津贴	— basic salaries and allowances	3	4
— 其他(包括实物福利)	— others (including benefits in kind)	1	1
		7	7

账目附注(续)

Notes to the Accounts (continued)

15. 董事及高级管理
人员酬金(续)

15. Directors' and senior management's emoluments (continued)

(a) 董事酬金(续)

(a) Directors' emoluments (continued)

董事之酬金组别如下：

Emoluments of the directors were within the following bands:

		董事人数 Number of directors	
		2004	2003
1,000,000港元或以下	Up to HK\$1,000,000	11	13
2,000,001港元至2,500,000港元	HK\$2,000,001 – HK\$2,500,000	–	1
2,500,001港元至3,000,000港元	HK\$2,500,001 – HK\$3,000,000	–	1
4,000,001港元至4,500,000港元	HK\$4,000,001 – HK\$4,500,000	1	–

本年度支付予独立非执行董事之酬金总额为港币1.20百万元(2003年：港币0.70百万元)。

Fees of HK\$1.20 million (2003: HK\$0.70 million) were paid to the Independent Non-executive Directors during the year.

2002年7月，本银行间接控股公司中银(BVI)根据上市前认股权计划向若干董事授予认股权，详情见附注14(b)。年内若干认股权被行使，惟上述披露之董事酬金中并无包括因该等认股权而产生的利益；而损益账亦无需就此作出反映。

In July 2002, options were granted to several directors of the Bank by the indirect holding company, BOC (BVI), under the Pre-Listing Share Option Scheme. Full details of the scheme are stated in Note 14(b). During the year, certain options were exercised, but no benefits arising from the granting of these share options were included in the directors' emoluments disclosed above or recognised in the profit and loss account.

账目附注(续)

Notes to the Accounts (continued)

15. 董事及高级管理人員酬金(续)

15. Directors' and senior management's emoluments (continued)

(b) 五位最高薪酬人士

(b) Five highest paid individuals

本年度，本集团内五位最高薪酬人士包括1名董事(2003年：1名)，其酬金已载于上文分析。其馀4名(2003年：4名)最高薪酬人士之酬金分析如下：

The five individuals whose emoluments were the highest in the Group for the year include 1 director (2003: 1) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 4 individuals (2003: 4) during the year are as follows:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
基本薪金及津贴	Basic salaries and allowances	7	9
酌情发放之花红	Discretionary bonuses	1	1
其他(包括退休金供款)	Others (including pension schemes)	1	1
		9	11

彼等酬金之组别如下：

Emoluments of individuals were within the following bands:

		人数 Number of individuals	
		2004	2003
2,000,001港元至2,500,000港元	HK\$2,000,001 – HK\$2,500,000	3	1
2,500,001港元至3,000,000港元	HK\$2,500,001 – HK\$3,000,000	1	2
3,000,001港元至3,500,000港元	HK\$3,000,001 – HK\$3,500,000	–	1

本年度既无董事放弃任何酬金，本集团亦无向董事或五位最高薪酬人士之中任何人士支付作为加入本集团之奖励或作为离职补偿之酬金。

During the year, no director waived any emoluments and the Group has not paid any emoluments to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

账目附注(续)

Notes to the Accounts (continued)

16. 库存现金及短期资金

16. Cash and short-term funds

		本集团		本银行	
		The Group		The Bank	
		2004	2003	2004	2003
		港币百万元	港币百万元	港币百万元	港币百万元
		HK\$'m	HK\$'m	HK\$'m	HK\$'m
库存现金	Cash	4,072	4,247	3,686	3,839
银行及其他金融机构之 结存	Balances with banks and other financial institutions	16,904	8,300	16,049	6,921
即期及1个月内到期短期 通知结余	Money at call and short notice maturing within one month	70,892	100,987	48,678	76,549
库券(包括外汇基金票据)	Treasury bills (including Exchange Fund Bills)	10,779	20,572	10,088	19,744
		102,647	134,106	78,501	107,053
库券分析如下:	An analysis of treasury bills held is as follows:				
非上市之持有至到期日证券, 按摊销成本入账	Unlisted, held-to-maturity, at amortised cost	8,947	17,867	8,256	17,039
非上市之其他证券投资, 按公允价值入账	Unlisted, other investments in securities, at fair value	1,832	2,705	1,832	2,705
		10,779	20,572	10,088	19,744

账目附注(续)

Notes to the Accounts (continued)

17. 持有之存款证

17. Certificates of deposit held

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
持有至到期日，按摊销 成本入账 — 非上市	Held-to-maturity, at amortised cost — Unlisted	22,132	6,585	14,881	2,238
其他证券投资，按公平 值入账 — 非上市	Other investments in securities, at fair value — Unlisted	206	12,191	145	12,130
		22,338	18,776	15,026	14,368

账目附注(续)

Notes to the Accounts (continued)

18. 持有至到期日证券

18. Held-to-maturity securities

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
上市·按摊销成本入账	Listed, at amortised cost	56,108	40,051	50,940	33,247
减: 减值准备	Less: Provision for impairment in value	(12)	(12)	(12)	(12)
		56,096	40,039	50,928	33,235
非上市·按摊销成本入账	Unlisted, at amortised cost	124,954	61,026	106,281	46,094
总计	Total	181,050	101,065	157,209	79,329
<hr/>					
上市·按摊销成本减准备入账	Listed, at amortised cost less provision				
— 香港	— in Hong Kong	4,443	4,000	3,215	2,054
— 海外	— outside Hong Kong	51,653	36,039	47,713	31,181
		56,096	40,039	50,928	33,235
<hr/>					
上市证券之市值	Market value of listed securities	56,480	40,906	51,190	33,850
<hr/>					
持有至到期日证券	Held-to-maturity securities are analysed by issuers as follows:				
按发行机构分析如下:					
— 中央政府及中央银行	— Central governments and central banks	3,377	2,698	2,715	1,075
— 公共机构	— Public sector entities	31,730	23,060	29,305	20,791
— 银行及其他金融机构	— Banks and other financial institutions	124,906	57,668	108,348	43,089
— 公司企业	— Corporate entities	21,037	17,639	16,841	14,374
		181,050	101,065	157,209	79,329

账目附注(续)

Notes to the Accounts (continued)

19. 投资证券

19. Investment securities

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
股份证券	Equity securities				
— 于香港上市, 按成本值入账	– Listed in Hong Kong, at cost	–	16	–	16
减: 减值准备	Less: Provision for impairment in value	–	(14)	–	(14)
		–	2	–	2
— 于海外上市, 按成本值入账	– Listed outside Hong Kong, at cost	1	1	–	–
— 非上市, 按成本值入账	– Unlisted, at cost	1 49	3 50	– 39	2 40
总计	Total	50	53	39	42
上市股份证券之 市值	Market value of listed equity securities	5	7	–	3
投资证券按发行 机构分析 如下:	Investment securities are analysed by issuers as follows:				
— 银行及其他金融 机构	– Banks and other financial institutions	1	1	–	–
— 公司企业	– Corporate entities	49	52	39	42
		50	53	39	42

账目附注(续)

Notes to the Accounts (continued)

20. 其他证券投资

20. Other investments in securities

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
按公平值入账	At fair value				
债务证券	Debt securities				
– 于香港上市	– Listed in Hong Kong	321	286	255	240
– 于海外上市	– Listed outside Hong Kong	4,655	25,440	4,561	25,364
		4,976	25,726	4,816	25,604
– 非上市	– Unlisted	3,291	45,629	3,063	45,069
		8,267	71,355	7,879	70,673
股份证券	Equity securities				
– 于香港上市	– Listed in Hong Kong	20	41	19	35
– 非上市	– Unlisted	1	4	1	1
		21	45	20	36
总计	Total	8,288	71,400	7,899	70,709
其他证券投资按 发行机构分析如下：	Other investments in securities are analysed by issuers as follows:				
– 中央政府及 中央银行	– Central governments and central banks	759	3,192	738	3,192
– 公共机构	– Public sector entities	1,387	4,873	1,385	4,858
– 银行及其他金融 机构	– Banks and other financial institutions	5,732	62,395	5,388	61,728
– 公司企业	– Corporate entities	410	940	388	931
		8,288	71,400	7,899	70,709

账目附注(续)

Notes to the Accounts (continued)

21. 贷款及其他账项

21. Advances and other accounts

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
客户贷款	Advances to customers	313,226	308,582	261,081	259,229
应计利息	Accrued interest	2,480	1,905	2,150	1,621
		315,706	310,487	263,231	260,850
呆坏账准备	Provision for bad and doubtful debts				
— 一般(附注22)	— General (Note 22)	(5,465)	(5,406)	(4,559)	(4,526)
— 特别(附注22)	— Specific (Note 22)	(2,320)	(5,507)	(1,963)	(4,763)
		(7,785)	(10,913)	(6,522)	(9,289)
		307,921	299,574	256,709	251,561
银行及其他金融机构贷款	Advances to banks and other financial institutions	1,290	520	1,249	520
		309,211	300,094	257,958	252,081
不履约贷款分析如下:	Non-performing loans are analysed as follows:				
不履约贷款	Non-performing loans	9,239	17,832	8,369	16,150
就上述不履约贷款作出之特别准备	Specific provisions made in respect of such advances	2,269	5,467	1,963	4,763
占客户贷款总额之百分比	As a percentage of total advances to customers	2.95%	5.78%	3.21%	6.23%
暂记利息	Amount of interest in suspense	172	324	159	310

账目附注(续)

Notes to the Accounts (continued)

21. 贷款及其他账项 (续)

21. Advances and other accounts (continued)

不履行贷款指利息已记入暂记账或已停止计算利息之客户贷款。特别准备之拨备已考虑有关贷款之抵押品价值。

Non-performing loans are defined as loans and advances to customers on which interest is being placed in suspense or on which interest accrual has ceased. Specific provisions were made after taking into account the value of collateral in respect of such advances.

于2004年12月31日，对银行及其他金融机构之贷款既无利息已记入暂记账或已停止计算利息，亦无任何特别准备之拨备(2003年：无)。

There were no advances to banks and other financial institutions on which interest has been placed in suspense or on which interest accrual has ceased as at 31 December 2004 (2003: Nil), nor were there any specific provisions made.

22. 呆坏账准备

22. Provisions for bad and doubtful debts

		本集团 The Group			
		2004			
		特别准备 Specific 港币百万元 HK\$'m	一般准备 General 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m	暂记利息 Suspended interest 港币百万元 HK\$'m
于2004年1月1日	At 1 January 2004	5,507	5,406	10,913	324
于损益账(拨回)/支取 (附注7)	(Credited)/charged to profit and loss account (Note 7)	(1,687)	59	(1,628)	-
撤销数额	Amounts written off	(2,856)	-	(2,856)	(139)
收回往年已撤销之贷款 (附注7)	Recoveries of advances written off in previous years (Note 7)	1,356	-	1,356	-
年内暂记利息	Interest suspended during the year	-	-	-	130
收回暂记利息	Suspended interest recovered	-	-	-	(143)
于2004年12月31日	At 31 December 2004	2,320	5,465	7,785	172
自以下项目内扣除： - 客户贷款	Deducted from: - advances to customers	2,320	5,465	7,785	

账目附注(续)

Notes to the Accounts (continued)

22. 呆坏账准备(续)

22. Provisions for bad and doubtful debts (continued)

		本银行 The Bank			
		2004			
		特别准备 Specific 港币百万元 HK\$'m	一般准备 General 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m	暂记利息 Suspended interest 港币百万元 HK\$'m
于2004年1月1日	At 1 January 2004	4,763	4,526	9,289	310
于损益账(拨回)/ 支取	(Credited)/charged to profit and loss account	(1,642)	33	(1,609)	-
撤销款额	Amounts written off	(2,331)	-	(2,331)	(117)
收回往年已撤销之 贷款	Recoveries of advances written off in previous years	1,173	-	1,173	-
年内暂记利息	Interest suspended during the year	-	-	-	107
收回暂记利息	Suspended interest recovered	-	-	-	(141)
于2004年12月31日	At 31 December 2004	1,963	4,559	6,522	159
自以下项目内扣除： - 客户贷款	Deducted from: - advances to customers	1,963	4,559	6,522	

账目附注(续)

Notes to the Accounts (continued)

22. 呆坏账准备(续)

22. Provisions for bad and doubtful debts (continued)

		本集团 The Group			
		2003			
		特别准备 Specific 港币百万元 HK\$'m	一般准备 General 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m	暂记利息 Suspended interest 港币百万元 HK\$'m
于2003年1月1日	At 1 January 2003	8,650	6,363	15,013	408
于损益账支取/(拨回) (附注7)	Charged/(credited) to profit and loss account (Note 7)	2,628	(957)	1,671	-
撤销款额	Amounts written off	(6,209)	-	(6,209)	(119)
收回往年已撤销之贷款 (附注7)	Recoveries of advances written off in previous years (Note 7)	438	-	438	-
年内暂记利息	Interest suspended during the year	-	-	-	210
收回暂记利息	Suspended interest recovered	-	-	-	(175)
于2003年12月31日	At 31 December 2003	5,507	5,406	10,913	324
自以下项目内扣除： - 客户贷款	Deducted from: - advances to customers	5,507	5,406	10,913	

账目附注(续)

Notes to the Accounts (continued)

22. 呆坏账准备(续)

22. Provisions for bad and doubtful debts (continued)

		本银行 The Bank			
		2003			
		特别准备 Specific 港币百万元 HK\$'m	一般准备 General 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m	暂记利息 Suspended interest 港币百万元 HK\$'m
于2003年1月1日	At 1 January 2003	7,762	4,651	12,413	393
于损益账支取/ (拨回)	Charged/(credited) to profit and loss account	2,196	(125)	2,071	-
撤销数额	Amounts written off	(5,486)	-	(5,486)	(94)
收回往年已撤销之 贷款	Recoveries of advances written off in previous years	291	-	291	-
年内暂记利息	Interest suspended during the year	-	-	-	184
收回暂记利息	Suspended interest recovered	-	-	-	(173)
于2003年12月31日	At 31 December 2003	4,763	4,526	9,289	310
自以下项目内扣除： - 客户贷款	Deducted from: - advances to customers	4,763	4,526	9,289	

23. 附属公司权益

23. Interests in subsidiaries

		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
非上市股份·按成本值入账	Unlisted shares, at cost	12,507	12,563
减：减值准备	Less: Provision for impairment in value	(79)	(319)
应收附属公司款项	Amounts due from subsidiaries	12,428 984	12,244 1,469
		13,412	13,713

账目附注(续)

Notes to the Accounts (continued)

23. 附属公司权益(续)

23. Interests in subsidiaries (continued)

于2004年12月31日之主要附属公司呈列如下：

The following is a list of principal subsidiaries as at 31 December 2004.

名称 Name	注册地点 Place of incorporation	已发行股本 Particulars of issued share capital	持有权益 Interest held	主要业务 Principal activities
南洋商业银行有限公司 Nanyang Commercial Bank, Limited	香港 Hong Kong	6,000,000普通股每股面值港币100元 6,000,000 ordinary shares of HK\$100 each	100%	银行业务 Banking business
集友银行有限公司 Chiyu Banking Corporation Limited	香港 Hong Kong	3,000,000普通股每股面值港币100元 3,000,000 ordinary shares of HK\$100 each	70.49%	银行业务 Banking business
中银信用卡(国际)有限公司 BOC Credit Card (International) Limited	香港 Hong Kong	4,800,000普通股每股面值港币100元 4,800,000 ordinary shares of HK\$100 each	100%	信用卡服务 Credit card services
宝生期货有限公司 Po Sang Futures Limited	香港 Hong Kong	250,000普通股每股面值港币100元 250,000 ordinary shares of HK\$100 each	*100%	商品经纪 Commodities brokerage

* 本银行间接持有股份

* Shares held indirectly by the Bank

盐业财务有限公司于2004年12月6日开始股东自动清盘程序。

Yien Yieh Finance Company Limited commenced members' voluntary winding up on 6 December 2004.

账目附注(续)

Notes to the Accounts (continued)

24. 联营公司权益

24. Interests in associates

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
非上市股份·按成本值入账	Unlisted shares, at cost	-	-	78	129
应占净资产值	Share of net assets	67	155	-	-
减: 减值准备	Less: Provision for impairment in value	(5)	(17)	(51)	(52)
		62	138	27	77
贷款予联营公司 (附注)	Loans to associates (Note)	-	280	-	280
减: 贷款予联营公司之 准备	Less: Provision for loans to associates	-	(140)	-	(140)
		-	140	-	140
		62	278	27	217

附注:

于2003年12月31日所有贷款予联营公司之条款及利率均按当时市场商业条款进行。

Note:

As at 31 December 2003, loans to associates were all on commercial terms and carried interest at the then prevailing market interest rates.

账目附注(续)

Notes to the Accounts (continued)

24. 联营公司权益(续)

24. Interests in associates (continued)

于2004年12月31日之主要联营公司均为公司企业，呈列如下：

The following is a list of the principal associates as at 31 December 2004, all of which are corporate entities.

名称 Name	注册及成立地点 Place of incorporation & establishment	已发行股本 Particulars of issued share capital	集团持有之 股份权益 Group's equity interest held	主要业务 Principal activities
朝晖置业有限公司 Charleston Investments Company Limited	香港 Hong Kong	100,000普通股每股面值港币10元 100,000 ordinary shares of HK\$10 each	40%	物业投资 Property investment
中华保险顾问有限公司 CJM Insurance Brokers Limited	香港 Hong Kong	6,000,000普通股每股面值港币1元 6,000,000 ordinary shares of HK\$1 each	33%	保险经纪 Insurance broker
银联通宝有限公司 Joint Electronic Teller Services Limited	香港 Hong Kong	100,238普通股每股面值港币100元 100,238 ordinary shares of HK\$100 each	19.96%	自动柜员机服务及 银行私人讯息转换网络 Operation of a private interbank message switching network in respect of Automated Teller Machine services
鼎协租赁国际有限公司 Trilease International Limited	香港 Hong Kong	30,000,000普通股每股面值港币1元 30,000,000 ordinary shares of HK\$1 each	40%	租赁融资服务 Provision of leasing finance

金东财务有限公司于本年内开始股东自动清盘程序，并于2005年1月28日完成清盘程序。

Kincheng-Tokyo Finance Company Limited had commenced members' voluntary winding up during the year and completed the winding up procedures on 28 January 2005.

鼎协租赁国际有限公司于2005年1月开始股东自动清盘程序。

Trilease International Limited commenced members' voluntary winding up in January 2005.

于本年内，本集团出售其全部于浙江商业银行有限责任公司之权益予独立第三者。

During the year, the Group disposed of its entire interest in Zhejiang Commercial Bank, Ltd. to an independent third party.

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产

25. Fixed assets

		本集团 The Group				
		2004				
		房产 Premises 港币百万元 HK\$m	投资物业 Investment properties 港币百万元 HK\$m	发展中物业 Property development 港币百万元 HK\$m	设备、固定 设施及装置 Equipment, fixtures and fittings 港币百万元 HK\$m	总计 Total 港币百万元 HK\$m
成本值或估值	Cost or valuation					
于2004年1月1日	At 1 January 2004	11,632	4,994	39	3,596	20,261
增置	Additions	-	-	-	450	450
出售	Disposals	(125)	(858)	-	(171)	(1,154)
重估	Revaluation	3,768	1,154	-	-	4,922
重新分类	Reclassification	(91)	91	-	-	-
于2004年12月31日	At 31 December 2004	15,184	5,381	39	3,875	24,479
累计折旧及减值	Accumulated depreciation and					
亏损	impairment losses					
于2004年1月1日	At 1 January 2004	166	-	7	2,506	2,679
本年度折旧	Depreciation for the year	328	1	-	256	585
出售	Disposals	(2)	-	-	(167)	(169)
重估回拨	Write-back on revaluation	(492)	(1)	-	-	(493)
于2004年12月31日	At 31 December 2004	-	-	7	2,595	2,602
账面净值	Net book value					
于2004年12月31日	At 31 December 2004	15,184	5,381	32	1,280	21,877
于2003年12月31日	At 31 December 2003	11,466	4,994	32	1,090	17,582
上述资产之成本值或估值	The analysis of cost or valuation of					
分析如下:	the above assets is as follows:					
于2004年12月31日	At 31 December 2004					
按成本值	At cost	-	-	39	3,875	3,914
按估值	At valuation	15,184	5,381	-	-	20,565
		15,184	5,381	39	3,875	24,479
于2003年12月31日	At 31 December 2003					
按成本值	At cost	-	-	39	3,596	3,635
按估值	At valuation	11,632	4,994	-	-	16,626
		11,632	4,994	39	3,596	20,261

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产(续)

25. Fixed assets (continued)

		本银行 The Bank			
		2004			
		房产 Premises 港币百万元 HK\$'m	投资物业 Investment properties 港币百万元 HK\$'m	设备、固定 设施及装置 Equipment, fixtures and fittings 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
成本值或估值	Cost or valuation				
于2004年1月1日	At 1 January 2004	8,701	3,972	3,044	15,717
增置	Additions	–	–	396	396
出售	Disposals	(2)	(461)	(145)	(608)
重估	Revaluation	2,739	1,001	–	3,740
重新分类	Reclassification	(139)	139	–	–
于2004年12月31日	At 31 December 2004	11,299	4,651	3,295	19,245
累计折旧及减值亏损	Accumulated depreciation and impairment losses				
于2004年1月1日	At 1 January 2004	126	–	2,121	2,247
本年度折旧	Depreciation for the year	252	1	205	458
出售	Disposals	–	–	(141)	(141)
重估回拨	Write-back on revaluation	(378)	(1)	–	(379)
于2004年12月31日	At 31 December 2004	–	–	2,185	2,185
账面净值	Net book value				
于2004年12月31日	At 31 December 2004	11,299	4,651	1,110	17,060
于2003年12月31日	At 31 December 2003	8,575	3,972	923	13,470
上述资产之成本值或估值 分析如下:	The analysis of cost or valuation of the above assets is as follows:				
于2004年12月31日	At 31 December 2004				
按成本值	At cost	–	–	3,295	3,295
按估值	At valuation	11,299	4,651	–	15,950
		11,299	4,651	3,295	19,245
于2003年12月31日	At 31 December 2003				
按成本值	At cost	–	–	3,044	3,044
按估值	At valuation	8,701	3,972	–	12,673
		8,701	3,972	3,044	15,717

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产(续)

25. Fixed assets (continued)

房产之账面值按租约剩馀期限分析如下：

The carrying value of premises is analysed based on the remaining terms of the leases as follows:

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
在香港持有：	Held in Hong Kong				
长期租约 (超过50年)	On long-term lease (over 50 years)	9,493	7,051	7,104	5,252
中期租约 (10年至50年)	On medium-term lease (10-50 years)	5,475	4,152	4,133	3,214
短期租约 (少于10年)	On short-term lease (less than 10 years)	3	2	3	2
在海外持有：	Held outside Hong Kong				
长期租约 (超过50年)	On long-term lease (over 50 years)	42	40	2	3
中期租约 (10年至50年)	On medium-term lease (10-50 years)	165	215	57	104
短期租约 (少于10年)	On short-term lease (less than 10 years)	6	6	-	-
		15,184	11,466	11,299	8,575

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产(续)

25. Fixed assets (continued)

投资物业之账面值按租约剩餘期限分析如下：

The carrying value of investment properties is analysed based on the remaining terms of the leases as follows:

		本集团		本银行	
		The Group		The Bank	
		2004	2003	2004	2003
		港币百万元	港币百万元	港币百万元	港币百万元
		HK\$'m	HK\$'m	HK\$'m	HK\$'m
在香港持有：	Held in Hong Kong				
长期租约	On long-term lease				
(超过50年)	(over 50 years)	4,566	4,070	4,156	3,387
中期租约	On medium-term				
(10年至50年)	lease (10-50 years)	681	792	396	487
在海外持有：	Held outside Hong Kong				
长期租约	On long-term lease				
(超过50年)	(over 50 years)	34	34	34	34
中期租约	On medium-term				
(10年至50年)	lease (10-50 years)	100	98	65	64
		5,381	4,994	4,651	3,972

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产(续)

于2004年12月31日，房产及投资物业由独立特许测量师卓德测计师行有限公司于2004年10月31日以公开市值为基准所进行之专业估值列于资产负债表内。卓德测计师行有限公司并确认估值与2004年12月31日并无重大变化。

根据上述之重估结果，本集团及本银行之房产及投资物业之估值变动已分别于本集团及本银行之物业重估储备、损益账及少数股东权益确认如下：

25. Fixed assets (continued)

As at 31 December 2004, the premises and investment properties are included in the balance sheet at valuation carried out at 31 October 2004 on the basis of their open market value by an independent firm of chartered surveyors, Chesterton Petty Limited. Chesterton Petty Limited also confirmed that there has been no material change in valuations at 31 December 2004.

As a result of the above-mentioned revaluations, changes in value of the Group's and the Bank's premises and investment properties were recognised in the Group's and the Bank's property revaluation reserves, the profit and loss account and minority interests respectively as follows:

		本集团 The Group		
		2004		
		房产 Premises 港币百万元 HK\$'m	投资物业 Investment properties 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
贷记物业重估储备之 重估增值	Increase in valuation credited to property revaluation reserves	2,866	629	3,495
于损益账内拨回之 重估增值(附注8)	Increase in valuation credited to profit and loss account (Note 8)	1,366	525	1,891
贷记少数股东权益之 重估增值(附注33(c))	Increase in valuation credited to minority interests (Note 33(c))	28	1	29
		4,260	1,155	5,415

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产(续)

25. Fixed assets (continued)

		本银行 The Bank		
		2004		
		房产 Premises 港币百万元 HK\$'m	投资物业 Investment properties 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
贷记物业重估储备之 重估增值	Increase in valuation credited to property revaluation reserves	1,887	564	2,451
于损益账内拨回之 重估增值	Increase in valuation credited to profit and loss account	1,230	438	1,668
		3,117	1,002	4,119

		本集团 The Group		
		2003		
		房产 Premises 港币百万元 HK\$'m	投资物业 Investment properties 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
借记物业重估储备之 重估减值	Decrease in valuation debited to property revaluation reserves	(71)	–	(71)
于损益账内支取之 重估减值(附注8)	Decrease in valuation charged to profit and loss account (Note 8)	(718)	(370)	(1,088)
		(789)	(370)	(1,159)

账目附注(续)

Notes to the Accounts (continued)

25. 固定资产(续)

25. Fixed assets (continued)

		本银行 The Bank		
		2003		
		房产 Premises 港币百万元 HK\$'m	投资物业 Investment properties 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
借记物业重估储备之 重估减值	Decrease in valuation debited to property revaluation reserves	(31)	–	(31)
于损益账内支取之 重估减值	Decrease in valuation charged to profit and loss account	(623)	(316)	(939)
		(654)	(316)	(970)

于2004年12月31日，假若房产按成本值扣减累计折旧及减值亏损列账，本集团及本银行之资产负债表内之房产之账面净值应分别为港币60.32亿元(2003年：港币56.53亿元)及港币45.55亿元(2003年：港币42.89亿元)。

As at 31 December 2004, the net book value of premises that would have been included in the Group's and the Bank's balance sheets had the assets been carried at cost less accumulated depreciation and impairment losses were HK\$6,032 million (2003: HK\$5,653 million) and HK\$4,555 million (2003: HK\$4,289 million) respectively.

26. 香港特别行政区流通纸币

26. Hong Kong SAR currency notes in circulation

香港特别行政区流通纸币由持有之香港特别行政区政府负债证明书之存款基金作担保。

The Hong Kong SAR currency notes in circulation are secured by deposit of funds in respect of which the Hong Kong SAR Government certificates of indebtedness are held.

账目附注(续)

Notes to the Accounts (continued)

27. 客户存款

27. Deposits from customers

		本集团		本银行	
		The Group		The Bank	
		2004	2003	2004	2003
		港币百万元	港币百万元	港币百万元	港币百万元
		HK\$'m	HK\$'m	HK\$'m	HK\$'m
即期存款及往来存款	Demand deposits and current accounts	32,474	26,974	26,563	22,673
储蓄存款	Savings deposits	296,463	271,439	249,590	229,820
定期、短期及通知存款	Time, call and notice deposits	303,559	302,413	257,565	252,686
		632,496	600,826	533,718	505,179

28. 已抵押资产

28. Assets pledged as security

截至2004年12月31日，本集团之负债港币19.82亿元(2003年：港币27.35亿元)及银行之负债港币18.32亿元(2003年：港币27.05亿元)是以存放于中央保管系统以利便结算之资产作抵押。本集团为担保此等负债而质押之资产金额为港币21.70亿元(2003年：港币29.18亿元)，银行则为港币20.20亿元(2003年：港币28.88亿元)，并于“库存现金及短期资金”内列账。

As at 31 December 2004, liabilities of the Group amounting to HK\$1,982 million (2003: HK\$2,735 million) and of the Bank amounting to HK\$1,832 million (2003: HK\$2,705 million) were secured by assets deposited with central depositories to facilitate settlement operations. The amounts of assets pledged by the Group to secure these liabilities were HK\$2,170 million (2003: HK\$2,918 million) and by the Bank were HK\$2,020 million (2003: HK\$2,888 million) included in "Cash and short-term funds".

账目附注(续)

Notes to the Accounts (continued)

29. 其他账项及准备

29. Other accounts and provisions

		本集团		本银行	
		The Group		The Bank	
		2004	2003	2004	2003
		港币百万元	港币百万元	港币百万元	港币百万元
		HK\$'m	HK\$'m	HK\$'m	HK\$'m
应付利息	Interest payable	959	850	825	748
本期税项	Current taxation				
(附注 30(a))	(Note 30(a))	901	355	706	273
递延税项	Deferred taxation				
(附注 30(b))	(Note 30(b))	947	341	672	193
外汇基金票据短盘	Short positions in				
(附注28)	Exchange Fund Bills				
	(Note 28)	1,982	2,735	1,832	2,705
应付股息	Dividend payable	4,089	3,874	4,089	3,874
应计及其他应付	Accruals and other				
款项	payables	17,906	21,008	12,905	15,457
		26,784	29,163	21,029	23,250

30. 税项负债

30. Tax liabilities

		本集团		本银行	
		The Group		The Bank	
		2004	2003	2004	2003
		港币百万元	港币百万元	港币百万元	港币百万元
		HK\$'m	HK\$'m	HK\$'m	HK\$'m
本期税项	Current taxation				
(附注a)	(Note a)	901	355	706	273
递延税项	Deferred taxation				
(附注b)	(Note b)	947	341	672	193
		1,848	696	1,378	466

账目附注(续)

Notes to the Accounts (continued)

30. 税项负债(续)

30. Tax liabilities (continued)

附注：

Notes:

(a) 本期税项

(a) Current taxation

		本集团		本银行	
		The Group		The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
香港利得税	Hong Kong profits tax	884	349	705	273
海外税项	Overseas taxation	17	6	1	-
		901	355	706	273

(b) 递延税项

(b) Deferred taxation

本年度递延税项是根据会计准则第12号(经修订)“所得税”计算,就资产负债之税务基础与其在账目内账面值两者之暂时性差额作提拨。

During the year, deferred tax is recognised in respect of the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts according to SSAP 12 (revised) “Income taxes”.

账目附注(续)

Notes to the Accounts (continued)

30. 税项负债(续)

30. Tax liabilities (continued)

附注：(续)

Notes: (continued)

(b) 递延税项(续)

(b) Deferred taxation (continued)

本集团及本银行之资产负债表内之递延税项资产及负债主要组合，以及其在年度内之变动如下：

The major components of deferred tax assets and liabilities recorded in the Group's and the Bank's balance sheet, and the movements during the year are as follows:

		本集团 The Group					
		2004					
		加速折旧 免税额 Accelerated tax	资产重估 Asset revaluation	亏损 Losses	其他 暂时性差额 Other temporary differences	准备 Provisions	总计 Total
		港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m
于2004年1月1日	At 1 January 2004	262	984	(3)	(936)	18	325
于损益账内支取/ (拨回)	Charged/(credited) to profit and loss account	16	169	(13)	1	(25)	148
借记权益及少数股东 权益	Charged to equity and minority interests	-	462	-	-	-	462
于2004年12月31日	At 31 December 2004	278	1,615	(16)	(935)	(7)	935

账目附注(续)

Notes to the Accounts (continued)

30. 税项负债(续)

30. Tax liabilities (continued)

附注：(续)

Notes: (continued)

(b) 递延税项(续)

(b) Deferred taxation (continued)

		本集团 The Group					
		2003					
		加速折旧 免税额 Accelerated tax depreciation	资产重估 Asset revaluation	亏损 Losses	准备 Provisions	其他 暂时性差额 Other temporary differences	总计 Total
		港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m
于2003年1月1日	At 1 January 2003	247	1,043	(2)	(1,009)	2	281
于损益账内支取/ (拨回)	Charged/(credited) to profit and loss account	15	(36)	(1)	73	16	67
贷记权益	Credited to equity	-	(23)	-	-	-	(23)
于2003年12月31日	At 31 December 2003	262	984	(3)	(936)	18	325
		本银行 The Bank					
		2004					
		加速折旧 免税额 Accelerated tax depreciation	资产重估 Asset revaluation	亏损 Losses	准备 Provisions	其他 暂时性差额 Other temporary differences	总计 Total
		港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m
于2004年1月1日	At 1 January 2004	254	716	-	(785)	8	193
于损益账内支取/ (拨回)	Charged/(credited) to profit and loss account	6	172	-	7	(17)	168
借记权益	Charged to equity	-	311	-	-	-	311
于2004年12月31日	At 31 December 2004	260	1,199	-	(778)	(9)	672

账目附注(续)

Notes to the Accounts (continued)

30. 税项负债(续)

30. Tax liabilities (continued)

附注：(续)

Notes: (continued)

(b) 递延税项(续)

(b) Deferred taxation (continued)

		本银行 The Bank					
		2003					
		加速折旧 免税额 Accelerated tax depreciation	资产重估 Asset revaluation	亏损 Losses	准备 Provisions	其他 暂时性差额 Other temporary differences	总计 Total
		港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m
于2003年1月1日	At 1 January 2003	238	767	-	(738)	(3)	264
于损益账内支取/ (拨回)	Charged/(credited) to profit and loss account	16	(36)	-	(47)	11	(56)
贷记权益	Credited to equity	-	(15)	-	-	-	(15)
于2003年12月31日	At 31 December 2003	254	716	-	(785)	8	193

当有法定权利可将现有税项资产与现有税项负债抵销，而递延税项涉及同一财政机关，则可将个别法人的递延税项资产与递延税项负债互相抵销。下列在资产负债表内列账之金额，已计入适当抵销：

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheets:

		本集团 The Group		本银行 The Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
递延税项资产(附注)	Deferred tax assets (Note)	(12)	(16)	-	-
递延税项负债	Deferred tax liabilities	947	341	672	193
		935	325	672	193

附注：此等金额已被包括在“其他资产”内。

Note: This amount has been included in “Other assets”.

账目附注(续)

Notes to the Accounts (continued)

30. 税项负债(续)

30. Tax liabilities (continued)

附注：(续)

Notes: (continued)

(b) 递延税项(续)

(b) Deferred taxation (continued)

	本集团 The Group		本银行 The Bank	
	2004 港币百万元 HK\$m	2003 港币百万元 HK\$m	2004 港币百万元 HK\$m	2003 港币百万元 HK\$m
递延税项资产 (超过12个月后收回)	(971)	(961)	(790)	(799)
递延税项负债 (超过12个月后支付)	282	274	261	255
	(689)	(687)	(529)	(544)

31. 股本

31. Share capital

		2004 港币百万元 HK\$m	2003 港币百万元 HK\$m
法定： 100,000,000,000股每股 面值港币1.00元之普通股	Authorised: 100,000,000,000 ordinary shares of HK\$1.00 each	100,000	100,000
已发行及缴足： 43,042,840,858股每股 面值港币1.00元之普通股	Issued and fully paid: 43,042,840,858 ordinary shares of HK\$1.00 each	43,043	43,043

32. 储备

32. Reserves

本集团及本银行之本年度及往年的储备金额及变动情况分别载于第28页及第29页之综合权益变动结算表及权益变动结算表。

The amounts of the Group's and the Bank's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity and statement of changes in equity on pages 28 and 29 of the accounts respectively.

账目附注(续)

Notes to the Accounts (continued)

33. 综合现金流量表附注

33. Notes to consolidated cash flow statement

(a) 提取拨备后经营溢利与除税前经营现金之流出对账：

(a) Reconciliation of operating profit after provisions to operating cash outflow before taxation:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
提取拨备后经营溢利	Operating profit after provisions	11,976	9,925
投资证券之股息收入	Dividend income from investment securities	(14)	(32)
折旧	Depreciation	585	611
呆坏账(拨回)/ 拨备	(Write-back of)/charge for bad and doubtful debts	(1,628)	1,671
已撤销之贷款(扣除收回款额)	Advances written off net of recoveries	(1,500)	(5,771)
原到期日超过3个月之 即期及短期通知 结余之变动	Change in money at call and short notice with original maturity over three months	19,452	(17,420)
原到期日超过3个月之 库券之变动	Change in treasury bills with original maturity over three months	(467)	372
原到期日超过3个月之 银行及其他金融 机构存款之变动	Change in placements with banks and other financial institutions with original maturity over three months	(33,856)	(1,040)
贸易票据之变动	Change in trade bills	(395)	(99)
原到期日超过3个月之 持有之存款证之 变动	Change in certificates of deposit held with original maturity over three months	(3,639)	103
持有至到期日证券之变动	Change in held-to-maturity securities	(13,512)	(6,809)
其他证券投资之 变动	Change in other investments in securities	(3,359)	(7,040)
贷款及其他账项之 变动	Change in advances and other accounts	(5,989)	12,338
其他资产之变动	Change in other assets	873	(4,051)
还款期超过3个月之银行及 其他金融机构之存款及 结余之变动	Change in deposits and balances of banks and other financial institutions repayable over three months	(98)	1,115
客户存款之变动	Change in deposits from customers	31,670	(151)
发行之存款证之变动	Change in certificates of deposit issued	1,356	2,432
其他账项及准备之 变动	Change in other accounts and provisions	(3,746)	7,748
汇兑差额	Exchange difference	5	(1)
除税前经营现金之流出	Operating cash outflow before taxation	(2,286)	(6,099)

账目附注(续)

Notes to the Accounts (continued)

33. 综合现金流量表附注(续)

33. Notes to consolidated cash flow statement (continued)

(b) 出售附属公司

(b) Disposal of a subsidiary

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
出售净资产：	Net assets disposed of:		
— 固定资产	— Fixed assets	—	158
— 出售亏损	— Loss on disposal	—	(1)
		—	157
收取方式：	Satisfied by:		
— 现金	— Cash	—	157
出售附属公司之现金流入净额分析：	Analysis of net cash inflow in respect of the disposal of a subsidiary:		
— 已收现金代价	— Cash consideration received	—	157

(c) 融资变动之分析

(c) Analysis of changes in financing

		2004	
		股本 Share capital 港币百万元 HK\$'m	少数股东权益 Minority interests 港币百万元 HK\$'m
于2004年1月1日	At 1 January 2004	43,043	1,156
少数股东应占溢利	Minority interests share of profits	—	158
少数股东应占本年 物业重估储备增值 (附注25)	Minority interests share of current year increase in property revaluation reserves (Note 25)	—	29
已付少数股东股息	Dividends paid to minority shareholders	—	(99)
计入递延税项	Released to deferred tax liabilities	—	(5)
于2004年12月31日	At 31 December 2004	43,043	1,239

账目附注(续)

Notes to the Accounts (continued)

33. 综合现金流量表附注(续)

33. Notes to consolidated cash flow statement (continued)

(c) 融资变动之分析(续)

(c) Analysis of changes in financing (continued)

		2003	
		股本	少数股东权益
		Share capital	Minority interests
		港币百万元	港币百万元
		HK\$'m	HK\$'m
于2003年1月1日	At 1 January 2003	43,043	1,114
少数股东应占溢利	Minority interests share of profits	-	139
已付少数股东股息	Dividends paid to minority shareholders	-	(97)
于2003年12月31日	At 31 December 2003	43,043	1,156

(d) 现金及等同现金项目结存分析

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

		2004	2003
		港币百万元	港币百万元
		HK\$'m	HK\$'m
库存现金及银行及其他金融机构结余	Cash and balances with banks and other financial institutions	20,976	12,547
原到期日在3个月内之即期及短期通知结余	Money at call and short notice with original maturity within three months	54,281	64,924
原到期日在3个月内之库券	Treasury bills with original maturity within three months	4,871	15,131
原到期日在3个月内之银行及其他金融机构存款	Placements with banks and other financial institutions with original maturity within three months	12,249	16,764
原到期日在3个月内之持有之存款证	Certificates of deposit held with original maturity within three months	1,508	1,585
原到期日在3个月内之银行及其他金融机构之存款及结余	Deposits and balances of banks and other financial institutions with original maturity within three months	(30,977)	(37,786)
		62,908	73,165

账目附注(续)

Notes to the Accounts (continued)

33. 综合现金流量表附注(续)

33. Notes to consolidated cash flow statement (continued)

(e) 不涉及现金之重大交易

(e) Major non-cash transactions

本集团于本年内把公允价值为港币664.71亿元之“其他证券投资”转拨至“持有至到期日证券”，以切合反映本集团相关之持有意向。

During the year, “Other investments in securities” with fair value of HK\$66,471 million were transferred to “Held-to-maturity securities” to align with the Group’s associated intention of holding.

账目附注(续)

Notes to the Accounts (continued)

34. 到期日分析

由12月31日起至合约到期日之
剩余期限之资产及负债之到期
日分析如下：

34. Maturity profile

The maturity profile of assets and liabilities analysed by the remaining period as
at 31 December to the contractual maturity dates is as follows:

		本集团 The Group					
		2004					
		3个月以上 但1年内	1年以上 但5年内	5年以上	无注明日期	总计	
Repayable	即期 on demand	3个月 or less 3 months	1 year or less but over 3 months	5 years or less but over 1 year	Over 5 years	Undated	Total
	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m
资产	Assets						
库券	Treasury bills	-	7,812	2,967	-	-	10,779
库存现金及其他短期资金	Cash and other short-term funds	20,976	70,892	-	-	-	91,868
银行及其他金融 机构存款	Placements with banks and other financial institutions	16	47,849	59,716	-	-	107,581
持有之存款证	Certificates of deposit held	-	5,242	5,695	11,085	316	22,338
债务证券，含于	Debt securities included in:						
- 持有至到期日证券	- held-to-maturity securities	-	31,479	36,755	101,053	11,743	181,062
- 其他证券投资	- other investments in securities	-	506	730	6,150	881	8,267
客户贷款	Advances to customers	19,548	24,254	28,995	128,816	102,356	313,226
银行及其他金融机构 贷款	Advances to banks and other financial institutions	-	-	-	1,290	-	1,290
负债	Liabilities						
银行及其他金融机构之 存款及结余	Deposits and balances of banks and other financial institutions	14,990	16,818	2,632	-	-	34,440
客户存款	Deposits from customers	332,198	274,742	20,768	4,476	312	632,496
发行之存款证	Certificates of deposit issued	-	-	891	2,897	-	3,788

账目附注(续)

Notes to the Accounts (continued)

34. 到期日分析(续)

34. Maturity profile (continued)

		本银行 The Bank						
		2004						
		3个月以上 但1年内	1年以上 但5年内	5年以上	无注明日期	总计		
即期	3个月 或以下	1 year or less	5 years or less	Over 5 years	Undated	Total		
Repayable on demand	3 months or less	but over 3 months	but over 1 year					
港币百万元	港币百万元	港币百万元	港币百万元	港币百万元	港币百万元	港币百万元	港币百万元	
HK\$'m	HK\$'m	HK\$'m	HK\$'m	HK\$'m	HK\$'m	HK\$'m	HK\$'m	
资产	Assets							
库券	Treasury bills	-	7,171	2,917	-	-	10,088	
库存现金及其他短期资金	Cash and other short-term funds	19,735	48,678	-	-	-	68,413	
银行及其他金融 机构存款	Placements with banks and other financial institutions	16	38,450	57,784	-	-	96,250	
持有之存款证	Certificates of deposit held	-	1,854	4,691	8,278	203	15,026	
债务证券·含于	Debt securities included in:							
- 持有至到期日证券	- held-to-maturity securities	-	27,976	27,684	92,008	9,521	157,221	
- 其他证券投资	- other investments in securities	-	420	585	5,993	881	7,879	
客户贷款	Advances to customers	16,956	15,994	24,480	108,850	86,451	261,081	
银行及其他金融机构 贷款	Advances to banks and other financial institutions	-	-	-	1,249	-	1,249	
负债	Liabilities							
银行及其他金融机构之 存款及结余	Deposits and balances of banks and other financial institutions	14,967	16,406	2,474	-	-	33,847	
客户存款	Deposits from customers	278,736	238,158	15,936	841	47	533,718	
发行之存款证	Certificates of deposit issued	-	-	705	2,066	-	2,771	

账目附注(续)

Notes to the Accounts (continued)

34. 到期日分析(续)

34. Maturity profile (continued)

		本集团 The Group						
		2003						
		即期 Repayable on demand 港币百万 HK\$'m	3个月 或以下 3 months or less 港币百万 HK\$'m	3个月以上 但1年内 1 year or less 港币百万 HK\$'m	1年以上 但5年内 1 year or less 港币百万 HK\$'m	5年以上 Over 5 years 港币百万 HK\$'m	无注明日期 Undated 港币百万 HK\$'m	总计 Total 港币百万 HK\$'m
资产	Assets							
库券	Treasury bills	-	18,923	1,649	-	-	-	20,572
库存现金及其他短期资金	Cash and other short-term funds	12,547	100,987	-	-	-	-	113,534
银行及其他金融机构 存款	Placements with banks and other financial institutions	16	64,521	13,703	-	-	-	78,240
持有之存款证	Certificates of deposit held	-	3,870	3,702	10,923	281	-	18,776
债务证券·含于	Debt securities included in:							
- 持有至到期日证券	- held-to-maturity securities	-	13,358	9,161	71,227	7,297	34	101,077
- 其他证券投资	- other investments in securities	-	12,122	12,521	44,938	1,774	-	71,355
客户贷款	Advances to customers	23,690	19,161	23,859	125,786	97,944	18,142	308,582
银行及其他金融机构 贷款	Advances to banks and other financial institutions	-	1	1	518	-	-	520
负债	Liabilities							
银行及其他金融机构之 存款及结余	Deposits and balances of banks and other financial institutions	6,800	32,151	2,396	-	-	-	41,347
客户存款	Deposits from customers	303,519	278,509	17,586	1,212	-	-	600,826
发行之存款证	Certificates of deposit issued	-	-	-	2,432	-	-	2,432

账目附注(续)

Notes to the Accounts (continued)

34. 到期日分析(续)

34. Maturity profile (continued)

		本银行 The Bank						
		2003						
		3个月以上 但1年内	1年以上 但5年内	5年以上	无注明日期	总计		
即期	3个月 或以下	1 year or less	1 year or less	Over 5 years	Undated	Total		
Repayable on demand	3 months or less	3 months but over or less	1 year but over or less	5 years	Undated	Total		
港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m		
资产	Assets							
库券	Treasury bills	-	18,195	1,549	-	-	19,744	
库存现金及其他短期资金	Cash and other short-term funds	10,760	76,549	-	-	-	87,309	
银行及其他金融机构 存款	Placements with banks and other financial institutions	16	54,285	12,130	-	-	66,431	
持有之存款证	Certificates of deposit held	-	2,258	3,023	8,885	202	14,368	
债务证券·含于	Debt securities included in:							
- 持有至到期日证券	- held-to-maturity securities	-	9,393	3,387	61,505	5,022	34	79,341
- 其他证券投资	- other investments in securities	-	12,122	12,139	44,639	1,773	-	70,673
客户贷款	Advances to customers	17,812	15,652	19,388	107,716	82,328	16,333	259,229
银行及其他金融机构 贷款	Advances to banks and other financial institutions	-	1	1	518	-	-	520
负债	Liabilities							
银行及其他金融机构之存款及结余	Deposits and balances of banks and other financial institutions	7,083	31,746	2,396	-	-	-	41,225
客户存款	Deposits from customers	256,509	235,040	13,417	213	-	-	505,179
发行之存款证	Certificates of deposit issued	-	-	-	1,359	-	-	1,359

账目附注(续)

34. 到期日分析(续)

除若干递延税项资产及负债外，大部分的其他资产和其他账项及准备均属1年内到期。

上述到期日分类乃按照金管局颁布之监管政策手册规定之《本地注册认可机构披露财务资料》指引而编制。根据该指引，本集团将逾期不超过1个月之贷款及债务证券申报为“即期”资产，并将不履约资产或逾期超过1个月之资产申报为“无注明日期”资产。对于按不同款额或分期偿还之资产，只有该资产中实际逾期之部分被视作逾期。其他未到期之部分仍继续根据剩馀期限申报，但假若对该资产之偿还能力有疑虑，则将该等款项列为“无注明日期”。上述列示之资产并未扣除任何相关准备(如有)。

按尚馀到期日对其他证券投资之分析是为符合金管局颁布之监管政策手册规定之《本地注册认可机构披露财务资料》指引而披露的。所作披露不代表此等证券将持有至到期日。

Notes to the Accounts (continued)

34. Maturity profile (continued)

Apart from certain deferred tax assets and liabilities, the majority of other assets and other accounts and provisions are due within one year.

The above maturity classifications have been prepared in accordance with the guideline on “Financial Disclosure by Locally Incorporated Authorized Institutions” under the Supervisory Policy Manual issued by the HKMA. In accordance with the guideline, the Group has reported assets such as advances and debt securities which have been overdue for not more than one month as “Repayable on demand” and assets which are non-performing or which are overdue for more than one month as “Undated”. In the case of an asset that is repayable by different payments or instalments, only that portion of the asset that is actually overdue is reported as overdue. Any part of the asset that is not due is reported according to the residual maturity unless the repayment of the asset is in doubt in which case the amount is reported as “Undated”. The above assets are stated before deduction of provisions, if any.

The analysis of other investments in securities by remaining period to maturity is disclosed in order to comply with the guideline on “Financial Disclosure by Locally Incorporated Authorized Institutions” under the Supervisory Policy Manual issued by the HKMA. The disclosure does not imply that the securities will be held to maturity.

账目附注(续)

Notes to the Accounts (continued)

35. 资产负债表外之
风险

35. Off-balance sheet exposures

(a) 或然负债及承担

(a) Contingent liabilities and commitments

或然负债及承担中每项
重要类别之合约数额摘
要如下：

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

	本集团 The Group		本银行 The Bank	
	2004	2003	2004	2003
	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m
直接信贷替代项目	1,132	1,264	689	901
与交易有关之或然负债	4,647	4,427	4,446	4,248
与贸易有关之或然负债	16,266	16,120	12,932	12,830
其他承担，				
原到期日为				
- 1年以下或可无条件撤销	90,947	78,291	46,441	45,570
- 1年及以上	41,460	49,037	34,573	42,668
	154,452	149,139	99,081	106,217

账目附注(续)

Notes to the Accounts (continued)

35. 资产负债表外之
风险(续)

35. Off-balance sheet exposures (continued)

(b) 衍生工具

(b) Derivatives

衍生工具中每项重要类别之名义合约数额摘要如下：

The following is a summary of the notional amounts of each significant type of derivative:

		本集团 The Group					
		2004			2003		
		买卖 Trading 港币百万元 HK\$m	风险对冲 Hedging 港币百万元 HK\$m	总计 Total 港币百万元 HK\$m	买卖 Trading 港币百万元 HK\$m	风险对冲 Hedging 港币百万元 HK\$m	总计 Total 港币百万元 HK\$m
汇率合约	Exchange rate contracts						
现货	Spot	14,954	-	14,954	14,673	-	14,673
远期及期货合约	Forward and futures contracts	886	-	886	950	-	950
掉期	Swaps	200,862	3,715	204,577	184,524	6,254	190,778
外汇交易期权合约	Foreign exchange option contracts						
- 买入货币期权	- Currency options purchased	1,415	-	1,415	1,476	-	1,476
- 卖出货币期权	- Currency options written	2,851	-	2,851	4,435	-	4,435
		220,968	3,715	224,683	206,058	6,254	212,312
利率合约	Interest rate contracts						
利率掉期	Interest rate swaps	5,349	17,166	22,515	381	21,087	21,468
利率期货	Interest rate futures	389	-	389	-	-	-
利率期权合约	Interest rate option contracts						
- 买入掉期期权	- Swaptions purchased	469	-	469	-	-	-
- 卖出掉期期权	- Swaptions written	2,206	-	2,206	1,446	-	1,446
		8,413	17,166	25,579	1,827	21,087	22,914
贵金属合约	Bullion contracts						
贵金属合约	Bullion contracts	929	-	929	606	-	606
黄金期权合约	Gold option contracts						
- 买入黄金期权	- Gold options purchased	98	-	98	31	-	31
- 卖出黄金期权	- Gold options written	65	-	65	30	-	30
		1,092	-	1,092	667	-	667
股份权益合约	Equity contracts						
股票期权合约	Equity option contracts						
- 买入股票期权	- Equity options purchased	564	-	564	1,016	-	1,016
- 卖出股票期权	- Equity options written	450	-	450	829	-	829
		1,014	-	1,014	1,845	-	1,845
总计	Total	231,487	20,881	252,368	210,397	27,341	237,738

账目附注(续)

Notes to the Accounts (continued)

35. 资产负债表外之
风险(续)

35. Off-balance sheet exposures (continued)

(b) 衍生工具(续)

(b) Derivatives (continued)

		本银行 The Bank					
		2004			2003		
		买卖 Trading 港币百万元 HK\$'m	风险对冲 Hedging 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m	买卖 Trading 港币百万元 HK\$'m	风险对冲 Hedging 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
汇率合约	Exchange rate contracts						
现货	Spot	14,435	-	14,435	14,437	-	14,437
远期及期货合约	Forward and futures contracts	823	-	823	909	-	909
掉期	Swaps	200,890	3,514	204,404	184,402	5,941	190,343
外汇交易期权合约	Foreign exchange option contracts						
- 买入货币期权	- Currency options purchased	1,415	-	1,415	1,476	-	1,476
- 卖出货币期权	- Currency options written	2,851	-	2,851	4,435	-	4,435
		220,414	3,514	223,928	205,659	5,941	211,600
利率合约	Interest rate contracts						
利率掉期	Interest rate swaps	4,834	13,822	18,656	243	18,084	18,327
利率期货	Interest rate futures	389	-	389	-	-	-
利率期权合约	Interest rate option contracts						
- 买入掉期期权	- Swaptions purchased	341	-	341	236	-	236
- 卖出掉期期权	- Swaptions written	1,371	-	1,371	959	-	959
		6,935	13,822	20,757	1,438	18,084	19,522
贵金属合约	Bullion contracts						
贵金属合约	Bullion contracts	929	-	929	606	-	606
黄金期权合约	Gold option contracts						
- 买入黄金期权	- Gold options purchased	98	-	98	31	-	31
- 卖出黄金期权	- Gold options written	65	-	65	30	-	30
		1,092	-	1,092	667	-	667
股份权益合约	Equity contracts						
股票期权合约	Equity option contracts						
- 买入股票期权	- Equity options purchased	484	-	484	937	-	937
- 卖出股票期权	- Equity options written	369	-	369	750	-	750
		853	-	853	1,687	-	1,687
总计	Total	229,294	17,336	246,630	209,451	24,025	233,476

账目附注(续)

Notes to the Accounts (continued)

35. 资产负债表外之
风险(续)

35. Off-balance sheet exposures (continued)

(b) 衍生工具(续)

(b) Derivatives (continued)

买卖交易包括交易业务及为执行客户买卖指令或对冲该等持仓量而持有的金融工具盘。利率掉期包括简单及非标准化掉期。

The trading transactions include positions arising from dealing activities and positions arising from the execution of trade orders from customers or transactions taken to hedge those positions. Interest rate swaps include both plain vanilla and non-standard swaps.

上述资产负债表外风险之重置成本及信贷风险加权数额(并未计及双边净额结算安排之影响)如下:

The replacement costs and credit risk weighted amounts of the above off-balance sheet exposures, which do not take into account the effects of bilateral netting arrangements are as follows:

		本集团 The Group			
		2004	2003	2004	2003
		信贷风险加权数额 Credit risk weighted amount		重置成本 Replacement cost	
		港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m	港币百万元 HK\$m
或然负债及 承担	Contingent liabilities and commitments	26,303	29,813	N/A	N/A
衍生工具	Derivatives				
- 汇率合约	- Exchange rate contracts	694	673	1,264	1,227
- 利率合约	- Interest rate contracts	57	57	97	112
- 贵金属合约	- Bullion contracts	10	10	12	33
- 股份权益合约	- Equity contracts	16	29	6	9
		777	769	1,379	1,381
总计	Total	27,080	30,582	1,379	1,381

账目附注(续)

Notes to the Accounts (continued)

35. 资产负债表外之
风险(续)

35. Off-balance sheet exposures (continued)

(b) 衍生工具(续)

(b) Derivatives (continued)

		本银行 The Bank			
		2004	2003	2004	2003
		信贷风险加权数额 Credit risk weighted amount		重置成本 Replacement cost	
		港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m	港币百万元 HK\$'m
或然负债及 承担	Contingent liabilities and commitments	21,940	25,850	N/A	N/A
衍生工具	Derivatives				
- 汇率合约	- Exchange rate contracts	690	669	1,262	1,226
- 利率合约	- Interest rate contracts	30	42	39	77
- 贵金属合约	- Bullion contracts	10	10	12	33
- 股份权益合约	- Equity contracts	16	29	6	9
		746	750	1,319	1,345
总计	Total	22,686	26,600	1,319	1,345

该等工具之合约或名义数额仅显示于2004年12月31日及2003年12月31日未完成之交易量，并不代表本集团存在风险之金额。

信贷风险加权数额是根据银行业条例附表三及金管局发出之指引计算。计算金额与交易对手之情况及各类合约之期限特徵有关。

The contract or notional amounts of these instruments indicate the volume of transactions outstanding as at 31 December 2004 and 31 December 2003; they do not represent the amounts at risk.

The credit risk weighted amounts are the amounts that have been calculated in accordance with the Third Schedule of the Banking Ordinance and guidelines issued by the HKMA. The amounts calculated are dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

账目附注(续)

Notes to the Accounts (continued)

35. 资产负债表外之 风险(续)

35. Off-balance sheet exposures (continued)

(b) 衍生工具(续)

(b) Derivatives (continued)

重置成本是指重置所有按市值计算而其价值为正数的合约的成本(假设交易对手不履行责任),并根据该等合约的市值计算。重置成本是该等合约于结算日之信贷风险近似值。

Replacement cost is the cost of replacing all contracts that have a positive value when marked to market (should the counterparty default on its obligations) and is obtained by marking contracts to market. Replacement cost is a close approximation of the credit risk for these contracts at the balance sheet dates.

36. 资本承担

36. Capital commitments

本集团及本银行未于账目中拨备之资本承担金额如下:

The Group and the Bank have the following outstanding capital commitments not provided for in the accounts:

		本集团及本银行 The Group and the Bank	
		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
已批准及签约但未拨备	Authorised and contracted for but not recorded	197	117
已批准但未签约	Authorised but not contracted for	17	-
		214	117

以上资本承担大部分为将购入之电脑硬件及软件,及本集团及本银行之楼宇装修工程之承担。

The above capital commitments mainly relate to commitments to purchase computer equipment and software; and to renovate the Group's and the Bank's premises.

账目附注(续)

Notes to the Accounts (continued)

37. 经营租赁承担

37. Operating lease commitments

(a) 作为承租人

(a) As lessee

根据不可撤销之经营租赁合同，下列为本集团及本银行未来有关租赁承担所需支付之最低租金：

The Group and the Bank have commitments to make the following future minimum lease payments under non-cancellable operating leases:

	本集团		本银行	
	The Group		The Bank	
	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
土地及楼宇	Land and buildings			
– 不超过1年	– not later than one year			
– 1年以上至5年内	– later than one year but not later than five years			
– 5年后	– later than five years			
	200	183	216	199
	188	182	181	186
	3	9	–	4
	391	374	397	389
电脑设备	Computer equipment			
– 不超过1年	– not later than one year			
	1	1	–	–

上列若干不可撤销之经营租约可再商议及参照协议日期之市值而作租金调整。

Certain non-cancellable operating leases included in the above were subject to renegotiation and rent adjustment with reference to market rates prevailing at specified date agreed.

账目附注(续)

Notes to the Accounts (continued)

37. 经营租赁承担(续)

37. Operating lease commitments (continued)

(b) 作为出租人

(b) As lessor

根据不可撤销之经营租赁合同，下列为本集团及本银行与租客签订合同之未来有关租赁之最低应收租金：

The Group and the Bank have contracted with tenants for the following future minimum lease receivables under non-cancellable operating leases:

	本集团		本银行	
	The Group		The Bank	
	2004	2003	2004	2003
	港币百万元	港币百万元	港币百万元	港币百万元
	HK\$'m	HK\$'m	HK\$'m	HK\$'m
土地及楼宇				
– 不超过1年				
– 1年以上至5年内				
	135	168	125	142
	102	132	104	120
	237	300	229	262

本集团及本银行以经营租赁形式租出投资物业(附注25)；租赁年期通常由1年至3年。租约条款一般要求租客提交保证金及因应租务市况之状况而调整租金。所有租约并不包括或有租金。

The Group and the Bank lease their investment properties (Note 25) under operating lease arrangements, with leases typically run for a period from one to three years. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. None of the leases includes contingent rentals.

38. 诉讼

38. Litigation

本集团目前正面对多项由独立人士提出的索偿及反索偿。该等索偿及反索偿与本集团的正常商业活动有关。

The Group is currently being served a number of claims and counterclaims by various independent parties. These claims and counterclaims are in relation to the normal commercial activities of the Group.

由于董事认为本集团可对申索人作出有力抗辩或预计该等申索所涉及的数额不大，故并未对该等索偿及反索偿作出重大拨备。

No material provision was made against these claims and counterclaims because the directors believe that the Group has meritorious defences against the claimants or the amounts involved in these claims are not expected to be material.

账目附注(续)

39. 分类报告

分部为集团可辨认之组成部分，可以从所提供的产品及服务(业务分部)或于某单一经济地区提供产品及服务的所在地(地区分部)区分，而各分部所得之风险与回报均有分别。本集团采用业务分部为基本报告形式，而地区分部为次要报告形式。

分部收入、支出、业绩、资产和负债包括可直接地归属于一分部及所有可以合理地分配予该分部之项目。收入分配反映以内部资本分配及资金转移机制将资本及其他资金来源之利益分配予业务或地区分部。

Notes to the Accounts (continued)

39. Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in providing products and services (business segment), or in providing products and services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other business or geographical segments. The Group has chosen business segment information as the primary reporting format and geographical segment information as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment and those that can be allocated on a reasonable basis to that segment. The allocation of revenue reflects the benefits of capital and other funding resources allocated to the business or geographical segments by way of internal capital allocations and fund transfer mechanisms.

账目附注(续)

Notes to the Accounts (continued)

39. 分类报告(续)

39. Segmental reporting (continued)

(a) 按业务划分

(a) By class of business

		本集团 The Group					
		2004					
		商业银行 Commercial banking 港币百万元 HK\$'m	财资业务 Treasury 港币百万元 HK\$'m	未分配项目 Unallocated 港币百万元 HK\$'m	小计 Subtotal 港币百万元 HK\$'m	合并抵销 Eliminations 港币百万元 HK\$'m	综合 Consolidated 港币百万元 HK\$'m
净利息收入	Net interest income	7,878	2,928	385	11,191	-	11,191
其他经营收入	Other operating income	3,288	1,115	676	5,079	(418)	4,661
经营收入	Operating income	11,166	4,043	1,061	16,270	(418)	15,852
经营支出	Operating expenses	(4,317)	(159)	(1,446)	(5,922)	418	(5,504)
提取拨备前经营溢利/(亏损)	Operating profit/(loss) before provisions	6,849	3,884	(385)	10,348	-	10,348
呆坏账拨回	Write-back of bad and doubtful debts	1,628	-	-	1,628	-	1,628
提取拨备后经营溢利/(亏损)	Operating profit/(loss) after provisions	8,477	3,884	(385)	11,976	-	11,976
出售/重估固定资产 之净收益	Net gain from disposal/ revaluation of fixed assets	-	-	2,113	2,113	-	2,113
出售持有至到期日证券之 净收益	Net gain from disposal of held-to-maturity securities	-	-	2	2	-	2
出售联营公司之净收益	Net gain on disposal of an associate	-	-	50	50	-	50
联营公司权益之减值 拨备拨回	Write-back of provision for impairment on interests in associates	-	-	152	152	-	152
应占联营公司之溢利 扣减亏损	Share of profits less losses of associates	-	-	(16)	(16)	-	(16)
除税前溢利	Profit before taxation	8,477	3,884	1,916	14,277	-	14,277
资产	Assets						
分部资产	Segment assets	317,065	456,948	21,967	795,980	-	795,980
联营公司权益	Interests in associates	-	-	62	62	-	62
未分配公司资产	Unallocated corporate assets	-	-	733	733	-	733
		317,065	456,948	22,762	796,775	-	796,775
负债	Liabilities						
分部负债	Segment liabilities	652,705	72,453	4,891	730,049	-	730,049
未分配公司负债	Unallocated corporate liabilities	-	-	2,219	2,219	-	2,219
		652,705	72,453	7,110	732,268	-	732,268
其他资料	Other information						
增量固定资产	Additions of fixed assets	-	-	450	450	-	450
折旧	Depreciation	-	-	585	585	-	585
持有至到期日证券之 溢价/折让摊销	Amortisation of premium/discount of held-to-maturity securities	-	207	-	207	-	207

账目附注(续)

Notes to the Accounts (continued)

39. 分类报告(续)

39. Segmental reporting (continued)

(a) 按业务划分(续)

(a) By class of business (continued)

		本银行 The Bank					
		2004					
		商业银行 Commercial banking 港币百万元 HK\$'m	财资业务 Treasury 港币百万元 HK\$'m	未分配项目 Unallocated 港币百万元 HK\$'m	小计 Subtotal 港币百万元 HK\$'m	合并抵销 Eliminations 港币百万元 HK\$'m	综合 Consolidated 港币百万元 HK\$'m
净利息收入/(支出)	Net interest income/(expense)	5,888	3,117	(246)	8,759	-	8,759
其他经营收入	Other operating income	2,481	958	1,768	5,207	(317)	4,890
经营收入	Operating income	8,369	4,075	1,522	13,966	(317)	13,649
经营支出	Operating expenses	(3,304)	(143)	(1,117)	(4,564)	317	(4,247)
提取拨备前经营溢利	Operating profit before provisions	5,065	3,932	405	9,402	-	9,402
呆坏账拨回	Write-back of bad and doubtful debts	1,609	-	-	1,609	-	1,609
提取拨备后经营溢利	Operating profit after provisions	6,674	3,932	405	11,011	-	11,011
出售/重估固定资产之 净收益	Net gain from disposal/ revaluation of fixed assets	-	-	1,789	1,789	-	1,789
出售持有至到期日证券之 净收益	Net gain from disposal of held-to-maturity securities	-	-	2	2	-	2
附属公司权益之减值 拨备拨回	Write-back of provision for impairment on interests in subsidiaries	-	-	240	240	-	240
联营公司权益之减值 拨备拨回	Write-back of provision for impairment on interests in associates	-	-	141	141	-	141
除税前溢利	Profit before taxation	6,674	3,932	2,577	13,183	-	13,183
资产	Assets						
分部资产	Segment assets	263,493	390,726	30,907	685,126	-	685,126
联营公司权益	Interests in associates	-	-	27	27	-	27
未分配公司资产	Unallocated corporate assets	-	-	723	723	-	723
		263,493	390,726	31,657	685,876	-	685,876
负债	Liabilities						
分部负债	Segment liabilities	548,123	71,986	4,160	624,269	-	624,269
未分配公司负债	Unallocated corporate liabilities	-	-	1,856	1,856	-	1,856
		548,123	71,986	6,016	626,125	-	626,125
其他资料	Other information						
增置固定资产	Additions of fixed assets	-	-	396	396	-	396
折旧	Depreciation	-	-	458	458	-	458
持有至到期日证券之 溢价/折让摊销	Amortisation of premium/discount of held-to-maturity securities	-	104	-	104	-	104

账目附注(续)

Notes to the Accounts (continued)

39. 分类报告(续)

39. Segmental reporting (continued)

(a) 按业务划分(续)

(a) By class of business (continued)

		本集团 The Group					
		2003					
		商业银行 Commercial banking 港币百万元 HK\$'m	财资业务 Treasury 港币百万元 HK\$'m	未分配项目 Unallocated 港币百万元 HK\$'m	小计 Subtotal 港币百万元 HK\$'m	合并抵销 Eliminations 港币百万元 HK\$'m	综合 Consolidated 港币百万元 HK\$'m
净利息收入	Net interest income	9,389	2,982	500	12,871	-	12,871
其他经营收入	Other operating income	3,116	918	838	4,872	(487)	4,385
经营收入	Operating income	12,505	3,900	1,338	17,743	(487)	17,256
经营支出	Operating expenses	(4,402)	(162)	(1,583)	(6,147)	487	(5,660)
提取拨备前经营溢利/(亏损)	Operating profit/(loss) before provisions	8,103	3,738	(245)	11,596	-	11,596
呆坏账拨备	Charge for bad and doubtful debts	(1,671)	-	-	(1,671)	-	(1,671)
提取拨备后经营溢利/(亏损)	Operating profit/(loss) after provisions	6,432	3,738	(245)	9,925	-	9,925
出售/重估固定资产之 净亏损	Net loss from disposal/revaluation of fixed assets	-	-	(1,098)	(1,098)	-	(1,098)
持有至到期日证券及投资证券之 减值拨备拨回	Write-back of provision for impairment on held-to-maturity securities and investment securities	-	29	1	30	-	30
出售附属公司之净亏损	Net loss on disposal of a subsidiary	-	-	(1)	(1)	-	(1)
联营公司权益之减值拨备	Provision for impairment on interests in associates	-	-	(132)	(132)	-	(132)
应占联营公司之溢利扣减亏损	Share of profits less losses of associates	-	-	(9)	(9)	-	(9)
除税前溢利/(亏损)	Profit/(loss) before taxation	6,432	3,767	(1,484)	8,715	-	8,715
资产	Assets						
分部资产	Segment assets	310,008	432,947	18,438	761,393	-	761,393
联营公司权益	Interests in associates	-	-	278	278	-	278
未分配公司资产	Unallocated corporate assets	-	-	915	915	-	915
		310,008	432,947	19,631	762,586	-	762,586
负债	Liabilities						
分部负债	Segment liabilities	621,395	77,671	4,522	703,588	-	703,588
未分配公司负债	Unallocated corporate liabilities	-	-	1,640	1,640	-	1,640
		621,395	77,671	6,162	705,228	-	705,228
其他资料	Other information						
增量固定资产	Additions of fixed assets	-	-	369	369	-	369
折旧	Depreciation	-	-	611	611	-	611
持有至到期日证券之 溢价/折让摊销	Amortisation of premium/discount of held-to-maturity securities	-	544	-	544	-	544
除折旧/摊销外之 非现金支出	Non-cash expenses other than depreciation/amortisation	1,671	-	-	1,671	-	1,671

账目附注(续)

Notes to the Accounts (continued)

39. 分类报告(续)

39. Segmental reporting (continued)

(a) 按业务划分(续)

(a) By class of business (continued)

		本银行 The Bank					
		2003					
		商业银行 Commercial banking 港币百万元 HK\$'m	财资业务 Treasury 港币百万元 HK\$'m	未分配项目 Unallocated 港币百万元 HK\$'m	小计 Subtotal 港币百万元 HK\$'m	合并抵销 Eliminations 港币百万元 HK\$'m	综合 Consolidated 港币百万元 HK\$'m
净利息收入/(支出)	Net interest income/(expense)	7,373	3,375	(372)	10,376	-	10,376
其他经营收入	Other operating income	2,397	772	2,046	5,215	(364)	4,851
经营收入	Operating income	9,770	4,147	1,674	15,591	(364)	15,227
经营支出	Operating expenses	(3,345)	(147)	(1,243)	(4,735)	364	(4,371)
提取拨备前经营溢利	Operating profit before provisions	6,425	4,000	431	10,856	-	10,856
呆坏账拨备	Charge for bad and doubtful debts	(2,071)	-	-	(2,071)	-	(2,071)
提取拨备后经营溢利	Operating profit after provisions	4,354	4,000	431	8,785	-	8,785
出售/重估固定资产之 净亏损	Net loss from disposal/revaluation of fixed assets	-	-	(941)	(941)	-	(941)
持有至到期日证券及投资证券之 减值拨备拨回	Write-back of provision for impairment on held-to-maturity securities and investment securities	-	29	1	30	-	30
附属公司权益之减值拨备	Provision for impairment on interests in subsidiaries	-	-	(105)	(105)	-	(105)
联营公司权益之减值拨备	Provision for impairment on interests in associates	-	-	(138)	(138)	-	(138)
除税前溢利/(亏损)	Profit/(loss) before taxation	4,354	4,029	(752)	7,631	-	7,631
资产	Assets						
分部资产	Segment assets	259,395	368,052	28,106	655,553	-	655,553
联营公司权益	Interests in associates	-	-	217	217	-	217
未分配公司资产	Unallocated corporate assets	-	-	896	896	-	896
		259,395	368,052	29,219	656,666	-	656,666
负债	Liabilities						
分部负债	Segment liabilities	518,846	77,758	4,475	601,079	-	601,079
未分配公司负债	Unallocated corporate liabilities	-	-	1,394	1,394	-	1,394
		518,846	77,758	5,869	602,473	-	602,473
其他资料	Other information						
增置固定资产	Additions of fixed assets	-	-	271	271	-	271
折旧	Depreciation	-	-	476	476	-	476
持有至到期日证券之 溢价/折让摊销	Amortisation of premium/discount of held-to-maturity securities	-	427	-	427	-	427
除折旧/摊销外之 非现金支出	Non-cash expenses other than depreciation/amortisation	2,071	-	-	2,071	-	2,071

账目附注(续)

Notes to the Accounts (continued)

39. 分类报告(续)

39. Segmental reporting (continued)

(a) 按业务划分(续)

(a) By class of business (continued)

商业银行业务包括接纳存款、提供按揭贷款、信用卡贷款、汇款、证券经纪服务及保险代理服务、商业贷款、贸易融资及透支贷款。

Commercial banking business includes acceptance of deposits, mortgage lending, credit card advances, remittance, provision of securities brokerage and insurance agency services, commercial lending, trade finance and overdraft facilities.

财资业务包括资金市场、外汇买卖及资本市场业务。财资业务部门管理本集团之融资活动，为所有其他业务部门提供资金，并接纳从商业银行存款业务中筹借之资金。该等部门间资金交易按适当市场买/卖价或按其他业务部门平均资金需求所厘定之内部融资利率及有关财政年度一个月银行同业拆息率之平均定价。此外，本集团外汇业务之盈亏亦属财资业务部门之管辖范围。本附注所呈列之损益资料已按部门间支取/收入交易编制而成。分部资产及负债并无就部门间借贷之影响而作出调整(换言之，分部损益资料不可与分部资产及负债资料作比较)。

Treasury activities include money market, foreign exchange dealing and capital market activities. Treasury manages funding of the Group. Treasury provides funding to all other business segments and receives funds from commercial banking's deposit taking activities. These inter-segment funding transactions are priced either at market bid/offer rates as appropriate or at an internal funding rate as determined by the average funding requirements of other business segments and the average one-month inter-bank rates of the relevant financial year. In addition, the gains and losses on the foreign exchange activities of the Group are included in "Treasury". The profit and loss information presented in this note has been prepared using inter-segment charging/income transactions. The segmental assets and liabilities have not been adjusted to reflect the effect of inter-segment borrowing and lending (i.e. segmental profit and loss information is not comparable to segmental assets and liabilities information).

未分配项目主要包括本集团之固定资产、投资证券、联营公司权益及其他无法合理划入某一特定业务部门之项目。本集团之资本利息收入亦作为未分配项目列入利息收入净额内。租金支出按业务部门所占每平方英尺之固定比率划分。

Unallocated items mainly comprise fixed assets of the Group, investment securities, interests in associates and other items that cannot be reasonably allocated to a specific business segment. The interest benefit of the capital of the Group is also included as unallocated within net interest income. Rental expenses are allocated to business segments based on a fixed rate per square footage occupied.

账目附注(续)

Notes to the Accounts (continued)

39. 分类报告(续)

39. Segmental reporting (continued)

(a) 按业务划分(续)

(a) By class of business (continued)

职能单位之经营支出划入最常使用该部门提供服务之有关业务部门。无法划入某一特定业务部门之其他共用服务之经营支出则列入未分配项目内。

Operating expenses of a functional unit are allocated to the relevant business segment that is the predominant user of the services provided by the unit. Operating expenses of other shared services, which cannot be allocated to a specific business segment, are included in "Unallocated".

(b) 按地理区域划分

(b) By geographical area

由于本集团超过90%以上之收入来自香港，且本集团超过90%之资产乃来自于香港之商业决策及业务，故未按地域进行划分。

No geographical reporting is provided as over 90% of the Group's revenues are derived from Hong Kong and over 90% of the Group's assets are originated from business decisions and operations based in Hong Kong.

40. 董事及高级职员贷款

40. Loans to directors and officers

根据香港公司条例第161B(4B)条的规定，向银行董事及高级职员提供之贷款详情如下：

Particulars of advances made to directors and officers of the Bank pursuant to section 161B(4B) of the Hong Kong Companies Ordinance are as follows:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
于年末尚未偿还之贷款总额	Aggregate amount of relevant loans outstanding at year end	185	35
于年内未偿还贷款之最高总额	Maximum aggregate amount of relevant loans outstanding during the year	193	100

账目附注(续)

41. 主要之有关连人士交易

有关连人士指有能力直接或间接控制另一方，或可在财政及经营决策方面向另一方行使重大影响之人士。倘有关方受共同控制或共同重大影响，亦被视为有关连人士。有关连人士可为个人或他公司。

就详述于附注43，于2004年8月26日中国银行整体改制后，中国政府成立了汇金，以持有中国银行及若干其他金融机构的股权，这些股权原由国家直接持有。汇金的职能是代表国家行使投资者权力，并不从事任何商业性经营活动。根据会计准则第20号“有关连人士披露”，除中国银行外，汇金及其控制的金融机构，不被视为有关连人士。因该等公司是代表国家(类似政府部门和代理机构)与本银行进行一般交易。

年内，本集团与其有关连人士进行多种交易摘要如下：

(a) 有关连人士提供担保之第三者贷款

于2004年12月31日，间接控股公司中国银行及同系附属公司为本集团给予若干第三者之贷款港币45.12亿元(2003年：港币28.86亿元)提供担保。间接控股公司及同系附属公司拥有该等第三者不超过20%之股份权益。

Notes to the Accounts (continued)

41. Significant related party transactions

Related parties are those parties that have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or other entities.

As detailed in Note 43, pursuant to the reorganisation of BOC on 26 August 2004, the PRC government established Huijin to hold the equity capital of BOC and the equity capital of certain other financial institutions previously held directly by the State. The stated purpose of Huijin is to exercise the rights of an equity investor on behalf of the State and not to have any commercial operations. In accordance with SSAP 20 “Related Party Disclosures”, Huijin and financial institutions, other than BOC, that it controls have not been regarded as related parties, as such entities are acting on behalf of the State similar to government departments and agencies, simply by virtue of their normal dealings with the Bank.

During the year, the Group entered into various transactions with related parties which are summarised as follows:

(a) Advances to third parties guaranteed by related parties

As at 31 December 2004, BOC, the intermediate holding company and fellow subsidiaries provided guarantees for loans in favour of the Group amounting to HK\$4,512 million (2003: HK\$2,886 million) to certain third parties. The intermediate holding company and fellow subsidiaries held equity interests of not more than 20% in these third parties.

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要

(b) Summary of transactions entered into during the ordinary course of business with the related parties

与本银行之直接控股公司、间接控股公司、同系附属公司和联营公司及间接控股公司之联营公司达成之有关连人士交易所产生之总收入及支出摘要如下：

The aggregate income and expenses arising from related party transactions with the immediate holding company, intermediate holding companies, fellow subsidiaries and associates of the Bank as well as associates of an intermediate holding company are summarised as follows:

	附注 Notes	2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
损益项目：	Profit and loss items:		
利息收入	Interest income (i)	175	314
利息支出	Interest expense (ii)	(212)	(260)
已收保险佣金(净额)	Insurance commission received (net) (iii)	149	123
已收/应收行政服务费用	Administrative services fees received/receivable (iv)	55	45
已收/应收租金	Rental fees received/receivable (iv)	19	30
已付/应付信用卡佣金(净额)	Credit card commission paid/payable (net) (v)	(66)	(44)
已付/应付证券经纪佣金(净额)	Securities brokerage commission paid/payable (net) (v)	(113)	(119)
已付/应付租务、物业管理及租务代理费用	Rental, property management and letting agency fees paid/payable (v)	(66)	(62)
呆坏账拨回/(拨备)	Write-back of/(charge for) bad and doubtful debts	162	(125)
已收基金销售佣金	Funds selling commission received (vi)	71	58
已收代理银行业务费用	Correspondent banking fee received (vii)	11	8
已收贷款服务费	Loan services fees received (viii)	7	11
其他支出	Other expenses (ix)	(28)	(29)
资产负债表项目：	Balance sheet items:		
库存现金及短期资金	Cash and short-term funds (i)	11,587	27,913
银行及其他金融机构存款	Placements with banks and other financial institutions (i)	22,726	9,535
贷款及其他账项	Advances and other accounts (i)	353	604
其他证券投资	Other investments in securities (i)	-	234
其他资产	Other assets (x)	1,343	2,507
银行及其他金融机构之存款及结余	Deposits and balances of banks and other financial institutions (ii)	19,549	19,779
客户存款	Deposits from customers (ii)	6,344	17,957
其他账项及准备	Other accounts and provisions (x)	1,183	2,270

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要(续)

(b) Summary of transactions entered into during the ordinary course of business with the related parties (continued)

附注：

Notes:

(i) 利息收入

(i) Interest income

本集团在正常业务中与间接控股公司、同系附属公司及联营公司进行多种交易，包括接受现金及短期资金存款、存放同业存款、证券投资及提供贷款和信贷融资。此等交易与本集团跟其他第三者交易所订定的价格与条款相比，并无享有特别优惠。

In the ordinary course of business, the Group enters into various transactions with an intermediate holding company, fellow subsidiaries and associates including deposit of cash and short-term funds, placement of interbank deposits, investments in securities and provision of loans and credit facilities. The transactions were conducted at prices and terms that are no more favourable than those charged to and contracted with other third party customers of the Group.

(ii) 利息支出

(ii) Interest expense

本集团在正常业务中接受本银行之直接控股公司、间接控股公司和同系附属公司及间接控股公司之联营公司之同业存款及往来、定期、储蓄及其他存款，均按当时之市场价格进行。

In the ordinary course of business, the Group accepts interbank deposits and current, fixed, savings and other deposits from the immediate holding company, intermediate holding companies and fellow subsidiaries of the Bank as well as associates of an intermediate holding company at the relevant market rates at the time of the transactions.

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要(续)

(b) Summary of transactions entered into during the ordinary course of business with the related parties (continued)

附注：(续)

Notes: (continued)

(iii) 已收保险佣金(净额)

(iii) Insurance commission received (net)

本集团在正常业务中向同系附属公司提供保险代理服务及购买一般及人寿保险单，均按当时之市场价格进行。

In the ordinary course of business, the Group provides insurance agency services to and purchases general and life insurance policies from fellow subsidiaries at the relevant market rates at the time of the transactions.

(iv) 已收/应收行政服务费及租金

(iv) Administrative services fees and rental fees received/receivable

本集团在正常业务中向间接控股公司及同系附属公司提供内部稽核、科技、人力资源支援及培训等各项行政服务，主要按成本加5%的基础来收取费用。此外，本集团向同系附属公司按当时之市场价格收取写字楼物业租金。

In the ordinary course of business, the Group receives administrative services fees for the provision of various administrative services including internal audit, technology, human resources support and training to the intermediate holding companies and fellow subsidiaries mainly on the basis of cost plus a margin of 5%, and receives office premises rental fees from the fellow subsidiaries at the relevant market rates at the time of the transactions.

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要(续)

(b) Summary of transactions entered into during the ordinary course of business with the related parties (continued)

附注：(续)

Notes: (continued)

(v) 已付／应付佣金、物业管理、租务代理费用及租务费用

(v) Commission, property management, letting agency fees and rental fees paid/payable

本集团在正常业务中就信用卡之行政管理及推广服务、证券经纪服务、物业管理及租务代理支付佣金予间接控股公司及同系附属公司，并向同系附属公司支付租务费用。此等交易均按当时之市场价格进行。

In the ordinary course of business, the Group pays commission fees for credit card administrative and promotional services, securities brokerage services, property management and letting agency fees to an intermediate holding company and fellow subsidiaries. The Group also pays rental fees to fellow subsidiaries. These transactions have been entered into in the ordinary course of business and were priced at the relevant market rates at the time of the transactions.

(vi) 已收基金销售佣金

(vi) Funds selling commission received

本集团在正常业务中会向本集团客户推广和销售一间同系附属公司的基金产品并收取佣金，此等业务均按当时之市场价格进行。

In the ordinary course of business, the Group receives commission for engaging in promotion and sale of fund products of a fellow subsidiary to customers of the Group at the relevant market rates at the time of the transactions.

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要(续)

(b) Summary of transactions entered into during the ordinary course of business with the related parties (continued)

附注：(续)

Notes: (continued)

(vii) 已收代理银行业务费用

(vii) Correspondent banking fee received

间接控股公司在正常业务中向本集团客户提供代理银行服务，其中包括汇款及通知和托收本集团向客户发出之信用证。本集团与间接控股公司双方按不时议定之比例分摊客户所付费用。

In the ordinary course of business, an intermediate holding company provides services to the Group's customers including the remittance services and advising on and collecting letters of credit issued by the Group. The Group shares the fees paid by its customers with the intermediate holding company on the basis agreed between the parties from time to time.

(viii) 已收贷款服务费

(viii) Loan services fees received

本集团在正常业务中，对转让予同系附属公司及间接控股公司之贷款及相关抵押品提供管理服务，本集团在往年收取按各方不时议定之服务费用。在2004年6月，当有关贷款出售后，是项贷款服务也随之终止。

In the ordinary course of business, the Group undertakes to service and administer the loans and the related securities transferred to fellow subsidiaries and an intermediate holding company in prior years at a fee agreed among the parties from time to time. Such loan service was ended in June 2004 when the loans were sold.

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要(续)

(b) Summary of transactions entered into during the ordinary course of business with the related parties (continued)

附注：(续)

Notes: (continued)

(viii) 已收贷款服务费(续)

(viii) Loan services fees received (continued)

去年，该同系附属公司及前最终控股公司与另一同系附属公司(“承让人”)签署债权转让契据，而本集团也是合约的其中一方，本集团于本年开始对承让人持有的贷款组合提供服务，并按比例收取原有贷款协议的服务费。

In prior year, the fellow subsidiary and the former ultimate holding company entered into a Deed of Assignment with another fellow subsidiary (the “Transferee”), to which the Group is also a party, pursuant to which the Group agrees to service the loans assigned to the Transferee, commencing in this year, for essentially the same compensation, adjusted on a pro rata basis, as contained in the original loan servicing agreements.

(ix) 其他支出

(ix) Other expenses

直接控股公司在正常业务中向本集团提供管理服务，而收取的管理服务费是不时议定的。

In the ordinary course of business, the Group pays management fee for the provision of management services to the immediate holding company at rates agreed from time to time.

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(b) 与有关连人士在正常业务范围内进行交易摘要(续)

(b) Summary of transactions entered into during the ordinary course of business with the related parties (continued)

附注：(续)

Notes: (continued)

(x) 其他资产及其他账项及准备

(x) Other assets and other accounts and provisions

其他资产及其他账项及准备包括了向间接控股公司及同系附属公司之应收及应付账款，主要是由于代本集团客户买卖股票而对一间同系附属公司所产生的应收及应付账款。此等应收及应付账款从正常业务范围进行之交易所产生。

Included within "Other assets" and "Other accounts and provisions" are receivables from and payables to intermediate holding companies and fellow subsidiaries. The amounts mainly represent the accounts receivables from and payables to a fellow subsidiary in relation to dealing securities trading transactions on behalf of the Group's customers. The receivables and payables arose from transactions carried out in the normal course of business.

(c) 资产负债表外之项目

(c) Off-balance sheet items

或然负债及承担

Contingent liabilities and commitments

本集团在正常业务中按市场之一般商业条款为间接控股公司、同系附属公司及联营公司提供贷款融资、贸易融资服务及为其责任作出担保。于2004年12月31日，该等未提取之贷款承担、与贸易有关之或然负债及担保数额为港币12.83亿元(2003年：港币11.32亿元)。

In the ordinary course of business, the Group provides loan facilities and trade finance services to, and guarantees for the obligations of an intermediate holding company, fellow subsidiaries and associates on normal commercial terms. As at 31 December 2004, the total undrawn loan commitments, trade finance-related contingencies and guarantees amounted to HK\$1,283 million (2003: HK\$1,132 million).

账目附注(续)

Notes to the Accounts (continued)

41. 主要之有关连人士交易(续)

41. Significant related party transactions (continued)

(c) 资产负债表外之项目(续)

(c) Off-balance sheet items (continued)

衍生工具

Derivatives

本集团在正常业务中与间接控股公司及同系附属公司订立了外汇合约及利率合约。于2004年12月31日，该等衍生交易之名义数额总值为港币69.43亿元(2003年：港币193.23亿元)。此等交易按当时之市场价格进行。

In the ordinary course of business, the Group enters into foreign exchange contracts and interest rate contracts with an intermediate holding company and fellow subsidiaries. The aggregate notional amount of such derivative transactions amounted to HK\$6,943 million as at 31 December 2004 (2003: HK\$19,323 million). These transactions are executed at the relevant market rates at the time of the transactions.

(d) 主要高层人员

(d) Key management personnel

本集团在正常业务中会接受主要高层人员存款及向其提供贷款及信贷融资。于年内及去年，本集团并没有与本银行及其控股公司之主要高层人员或其有关连人士进行重大交易。

The Group accepts deposits from and grants loans and credit facilities to key management personnel in the ordinary course of business. During the year and that of the prior year, no material transaction was conducted with key management personnel of the Bank, its holding companies and parties related to them.

账目附注(续)

Notes to the Accounts (continued)

42. 与集团公司及联营公司之结余

42. Balances with group companies and associates

下列资产负债表项目内包括与集团公司之结余如下：

Included in the following balance sheet captions are balances with group companies:

		2004		
		直接及 间接控股公司 Immediate and intermediate holding companies 港币百万元 HK\$'m	其他集团公司 Other group companies 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
库存现金及短期资金	Cash and short-term funds	11,534	53	11,587
银行及其他金融机构 存款	Placements with banks and other financial institutions	22,673	53	22,726
贷款及其他账项	Advances and other accounts	15	338	353
其他资产	Other assets	41	1,302	1,343
银行及其他金融机构之 存款及结余	Deposits and balances of banks and other financial institutions	18,536	1,013	19,549
客户存款	Deposits from customers	1,250	4,984	6,234
其他账项及准备	Other accounts and provisions	24	1,159	1,183
		2003		
		直接及 间接控股公司 Immediate and intermediate holding companies 港币百万元 HK\$'m	其他集团公司 Other group companies 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
库存现金及短期资金	Cash and short-term funds	27,789	124	27,913
银行及其他金融机构 存款	Placements with banks and other financial institutions	9,532	3	9,535
贷款及其他账项	Advances and other accounts	18	446	464
其他证券投资	Other investments in securities	234	–	234
其他资产	Other assets	35	2,472	2,507
银行及其他金融机构之 存款及结余	Deposits and balances of banks and other financial institutions	19,066	710	19,776
客户存款	Deposits from customers	14,612	3,269	17,881
其他账项及准备	Other accounts and provisions	29	2,241	2,270

账目附注(续)

Notes to the Accounts (continued)

42. 与集团公司及联营公司之结余(续)

42. Balances with group companies and associates (continued)

下列资产负债表项目内包括与本银行之附属公司之结余如下：

Included in the following balance sheet captions are balances with subsidiaries of the Bank:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
库存现金及短期资金	Cash and short-term funds	1,003	1,698
银行及其他金融机构存款	Placements with banks and other financial institutions	129	537
贷款及其他账项	Advances and other accounts	816	777
其他资产	Other assets	871	1,394
银行及其他金融机构之存款及结余	Deposits and balances of banks and other financial institutions	1,045	1,357
客户存款	Deposits from customers	274	917
其他账项及准备	Other accounts and provisions	135	528

就详述于附注43，汇金于2004年8月26日改制后已成为本银行的最终控股公司。本集团于2003年末及2004年末与汇金并没有任何结余。

As detailed in the Note 43, pursuant to the reorganisation on 26 August 2004, Huijin became the ultimate holding company of the Bank. The Group did not have any balances with Huijin for the years ended 2003 and 2004 respectively.

于2004年12月31日及2003年12月31日与本集团联营公司并没有重大之结余。

There were no material balances with associates of the Group as at 31 December 2004 and 31 December 2003 respectively.

账目附注(续)

Notes to the Accounts (continued)

43. 最终控股公司

经中华人民共和国国务院批准，中国银行(前最终控股公司)于2004年8月26日整体改建为一家于中华人民共和国成立的股份有限公司(“改制”)，并更名为“中国银行股份有限公司”。改制后，汇金拥有中国银行股份有限公司全部股份权益。汇金是经中华人民共和国国务院批准代表国家行使出资人权力。紧随改制后，汇金代表国家通过其在中国银行股份有限公司的权益而成为本银行的最终控股公司。

43. Ultimate holding company

With the approval of the State Council of the PRC, BOC, the former ultimate holding company of the Bank, has been reorganised into a joint stock company with limited liability in the PRC (the “Reorganisation”) and was renamed Bank of China Limited on 26 August 2004. Pursuant to the Reorganisation, Huijin becomes the owner of the entire equity interest in Bank of China Limited. Huijin is approved by State Council of the PRC to assume the rights and obligations of the equity owner on behalf of the State. Accordingly, Huijin, acting on behalf of the State, has become the ultimate holding company of the Bank by virtue of its interest in Bank of China Limited immediately after the Reorganisation.

44. 账目核准

本账目已于2005年3月23日经董事会通过及核准发布。

44. Approval of accounts

The accounts were approved and authorised for issue by the Board of Directors on 23 March 2005.

未经审核之
补充财务资料

Unaudited Supplementary Financial Information

1. 资本充足比率

1. Capital adequacy ratio

		2004	2003
资本充足比率	Capital adequacy ratio	16.14%	15.11%
经调整之资本充足比率	Adjusted capital adequacy ratio	16.13%	15.21%

资本充足比率乃根据银行业条例附表三及按金管局就监管规定要求以综合基准计算本银行及其指定之附属公司财务状况的比率。

The CAR is computed on the consolidated basis that comprises the positions of the Bank and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Third Schedule of the Banking Ordinance.

经调整资本充足比率乃根据金管局颁布的监管手册内之《就市场风险维持充足资本》指引，计入在资产负债表日期之市场风险，按照未经调整之资本充足比率之相同基准计算。

The adjusted CAR taking into account market risk exposure as at the balance sheet date is computed in accordance with the guideline on "Maintenance of Adequate Capital Against Market Risks" under the Supervisory Policy Manual issued by the HKMA and on the same basis as for the unadjusted CAR.

未经审核之
补充财务资料(续)

2. 扣减后的资本基础
成份

用于计算以上2004年12月31日及2003年12月31日之资本充足比率及已汇报金管局之扣减后的综合资本基础分析如下：

Unaudited Supplementary Financial Information
(continued)

2. Components of capital base after deductions

The consolidated capital base after deductions used in the calculation of the above capital adequacy ratios as at 31 December 2004 and 31 December 2003 and reported to the HKMA is analysed as follows:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
核心资本：	Core capital:		
缴足股款的普通股股本	Paid up ordinary share capital	43,043	43,043
储备	Reserves	12,408	10,468
损益账	Profit and loss account	4,491	2,327
少数股东权益	Minority interests	963	917
		60,905	56,755
附加资本：	Supplementary capital:		
一般呆账准备金	General provisions for doubtful debts	5,049	4,997
资本基础总额	Total capital base	65,954	61,752
资本基础总额的扣减项目：	Deduction from total capital base:		
持有附属公司或 控股公司的股份	Shareholdings in subsidiaries or holding company	(351)	(449)
对有连系公司的风险承担	Exposures to connected companies	(845)	(872)
持有非附属公司20%或 以上的股权投资	Equity investments of 20% or more in non-subsidiary companies	(60)	(107)
在其他银行或金融机构的 股本投资	Investments in the capital of other banks or other financial institutions	(1)	(1)
		(1,257)	(1,429)
扣减后的资本基础总额	Total capital base after deductions	64,697	60,323

未经审核之
补充财务资料(续)

3. 流动资金比率

Unaudited Supplementary Financial Information
(continued)

3. Liquidity ratio

		2004	2003
平均流动资金比率	Average liquidity ratio	36.03%	37.76%

平均流动资金比率是以本银行年内每月平均流动资金比率的简单平均值计算。

The average liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio of the Bank for the year.

流动资金比率是根据银行业条例附表四及以单独基准(即只包括香港办事处)计算。

The liquidity ratio is computed on the solo basis (the Hong Kong offices only) and is in accordance with the Fourth Schedule of the Banking Ordinance.

4. 货币风险

4. Currency concentrations

下表列出因外汇自营交易、非自营交易及结构性仓位而产生之主要外币风险额。期权盘净额之计算是根据金管局于“外币持仓”申报表所载之最保守情况计算。

The following is a summary of the major foreign currency exposures arising from trading, non-trading and structural positions. The net options position is calculated based on the worst-case approach set out in the prudential return “Foreign Currency Position” issued by the HKMA.

		2004							
		港币百万元等值 Equivalent in million of HK\$							
		日圆	澳元	澳门币	人民币	其他货币	总计		
		美元	Japanese	Euro	Australian	Macau	Renminbi	其他货币	总计
		US Dollars	Yen	Euro	Dollars	Pataca	Yuan	Others	Total
现货资产	Spot assets	228,593	21,041	16,581	21,532	181	13,129	14,189	315,246
现货负债	Spot liabilities	(161,784)	(2,893)	(7,086)	(23,701)	(2)	(12,282)	(28,630)	(236,378)
远期买入	Forward purchases	112,090	12,153	12,348	14,892	-	92	38,179	189,754
远期卖出	Forward sales	(178,122)	(30,661)	(21,972)	(12,945)	-	(54)	(23,902)	(267,656)
期权盘净额	Net options position	(319)	8	32	53	-	-	238	12
长/(短)盘净额	Net long/short position	458	(352)	(97)	(169)	179	885	74	978
结构仓位净额	Net structural position	-	-	-	-	-	94	-	94

未经审核之
补充财务资料(续)

4. 货币风险(续)

Unaudited Supplementary Financial Information
(continued)

4. Currency concentrations (continued)

		2003							
		港币百万元等值 Equivalent in million of HK\$							
		美元	日圆	欧元	澳元	澳门币	人民币	其他货币	总计
		US Dollars	Japanese Yen	Euro	Australian Dollars	Macau Pataca	Renminbi Yuan	Others	Total
现货资产	Spot assets	164,349	16,571	21,619	22,007	153	1,144	22,776	248,619
现货负债	Spot liabilities	(142,187)	(3,049)	(11,011)	(28,336)	(2)	(563)	(39,661)	(224,809)
远期买入	Forward purchases	125,005	14,602	13,252	20,289	-	-	36,248	209,396
远期卖出	Forward sales	(149,283)	(28,057)	(24,134)	(14,112)	-	-	(19,762)	(235,348)
期权盘净额	Net options position	(974)	-	59	837	-	-	95	17
长/(短)盘净额	Net long/(short) position	(3,090)	67	(215)	685	151	581	(304)	(2,125)
结构仓位净额	Net structural position	-	-	-	-	-	-	-	-

未经审核之
补充财务资料(续)

5. 分类资料

(a) 按行业分类之客户
贷款总额

根据在香港境内或境外以及借贷人从事之业务作出分类之客户贷款总额资料分析如下：

Unaudited Supplementary Financial Information
(continued)

5. Segmental information

(a) Sectoral analysis of gross advances to customers

The information concerning gross advances to customers has been analysed into loans used inside or outside Hong Kong by industry sectors of the borrowers as follows:

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
在香港使用之贷款	Loans for use in Hong Kong		
工商金融业	Industrial, commercial and financial		
– 物业发展*	– Property development*	21,323	23,161
– 物业投资	– Property investment	47,809	46,754
– 金融业	– Financial concerns	9,956	6,589
– 股票经纪	– Stockbrokers	124	41
– 批发及零售业*	– Wholesale and retail trade*	15,243	17,679
– 制造业*	– Manufacturing*	11,767	10,711
– 运输及运输设备*	– Transport and transport equipment*	11,777	12,383
– 其他*	– Others*	30,035	38,521
个人	Individuals		
– 购买居者有其屋计划、私人机构参建居屋计划及租者置其屋计划楼宇之贷款	– Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	17,430	18,244
– 购买其他住宅物业之贷款	– Loans for purchase of other residential properties	95,615	90,003
– 信用卡贷款	– Credit card advances	4,256	3,756
– 其他*	– Others*	7,386	6,959
在香港使用之贷款总额*	Total loans for use in Hong Kong*	272,721	274,801
贸易融资*	Trade finance*	13,279	12,100
在香港以外使用之贷款	Loans for use outside Hong Kong	27,226	21,681
客户贷款总额	Gross advances to customers	313,226	308,582

* 若干比较数字已重列以配合本年度之表述。

* Certain comparative amounts have been restated to conform with the current year's presentation.

未经审核之
补充财务资料(续)

5. 分类资料(续)

(b) 按地理区域分类之
客户贷款总额、逾
期贷款及不履约贷
款

下列关于客户贷款总
额、逾期超过三个月之
贷款及不履约贷款之地
理区域分析是根据交易
对手之所在地，并已顾
及有关贷款之风险转移
因素。

(i) 客户贷款总额

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
香港	Hong Kong	286,768	289,129
中国内地	Mainland China	11,166	8,434
其他	Others	15,292	11,019
		313,226	308,582

(ii) 逾期超过三个月之
贷款

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
香港	Hong Kong	5,066	11,066
中国内地	Mainland China	264	469
其他	Others	39	69
		5,369	11,604

Unaudited Supplementary Financial Information
(continued)

5. Segmental information (continued)

(b) Geographical analysis of gross advances to customers,
overdue advances and non-performing loans

The following geographical analysis of gross advances to customers, advances
overdue for over three months and NPLs is based on the location of the
counterparties, after taking into account the transfer of risk in respect of
such advances where appropriate.

(i) Gross advances to customers

(ii) Advances overdue for over three months

未经审核之
补充财务资料(续)

5. 分类资料(续)

(b) 按地理区域分类之
客户贷款总额、逾
期贷款及不履行约
款(续)

(iii) 不履行贷款

**Unaudited Supplementary Financial Information
(continued)**

5. Segmental information (continued)

(b) Geographical analysis of gross advances to customers,
overdue advances and non-performing loans (continued)

(iii) Non-performing loans

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
香港	Hong Kong	8,871	16,801
中国内地	Mainland China	321	887
其他	Others	47	144
		9,239	17,832

未经审核之
补充财务资料(续)

6. 跨国债权

跨国债权资料显示对海外交易对手之最终风险之地区分布，并会按照交易对手所在地计入任何风险转移。一般而言，假如债务之担保人所处国家与借贷人不同，或债务由某银行之海外分行作出而其总公司位处另一国家，则会确认跨国债权风险之转移。占总跨国债权10%或以上之地区方作分析及披露如下：

Unaudited Supplementary Financial Information
(continued)

6. Cross-border claims

The information on cross-border claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any transfer of risk. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country, which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country. Only regions constituting 10% or more of the aggregate cross-border claims are analysed by geographical areas and disclosed as follows:

		银行及其他 金融机构 Banks and other financial institutions 港币百万元 HK\$'m	公共机构 Public sector entities 港币百万元 HK\$'m	其他 Others 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
于2004年12月31日	At 31 December 2004				
亚洲，不包括香港	Asia, other than Hong Kong				
— 中国内地	— Mainland China	48,234	14,338	12,103	74,675
— 其他	— Others	54,183	915	7,142	62,240
		102,417	15,253	19,245	136,915
北美洲	North America				
— 美国	— United States	6,043	26,051	15,886	47,980
— 其他	— Others	11,731	395	16	12,142
		17,774	26,446	15,902	60,122
西欧	Western Europe				
— 德国	— Germany	40,020	—	4,415	44,435
— 其他	— Others	147,474	743	15,238	163,455
		187,494	743	19,653	207,890
总计	Total	307,685	42,442	54,800	404,927

未经审核之
补充财务资料(续)

6. 跨国债权(续)

**Unaudited Supplementary Financial Information
(continued)**

6. Cross-border claims (continued)

		银行及其他 金融机构 Banks and other financial institutions 港币百万元 HK\$'m	公共机构 Public sector entities 港币百万元 HK\$'m	其他 Others 港币百万元 HK\$'m	总计 Total 港币百万元 HK\$'m
于2003年12月31日	At 31 December 2003				
亚洲·不包括香港	Asia, other than Hong Kong				
— 中国内地	— Mainland China	45,698	2,157	8,507	56,362
— 其他	— Others	49,750	1,180	4,981	55,911
		95,448	3,337	13,488	112,273
北美洲	North America				
— 美国	— United States	7,571	14,850	18,130	40,551
— 其他	— Others	15,013	2,997	39	18,049
		22,584	17,847	18,169	58,600
西欧	Western Europe				
— 德国	— Germany	38,563	—	5,359	43,922
— 其他	— Others	117,451	1,470	13,949	132,870
		156,014	1,470	19,308	176,792
总计	Total	274,046	22,654	50,965	347,665

未经审核之
补充财务资料(续)

7. 逾期及经重组资产

(a) 逾期贷款与不履约
贷款

Unaudited Supplementary Financial Information
(continued)

7. Overdue and rescheduled assets

(a) Overdue and non-performing loans

		2004		2003	
		占客户贷款 总额百分比 % of gross advances to customers 金额 Amount 港币百万元 HK\$'m		占客户贷款 总额百分比 % of gross advances to customers 金额 Amount 港币百万元 HK\$'m	
客户贷款总额，已逾期：	Gross advances to customers which have been overdue for:				
— 超过3个月但不超过6个月	— six months or less but over three months	489	0.16%	977	0.31%
— 超过6个月但不超过1年	— one year or less but over six months	395	0.13%	2,521	0.82%
— 超过1年	— over one year	4,485	1.43%	8,106	2.63%
逾期超过3个月之贷款	Advances overdue for over three months	5,369	1.72%	11,604	3.76%
减：	Less:				
逾期超过3个月但仍累计利息之贷款	Amount overdue for over three months and on which interest is still being accrued	(61)	(0.02%)	(67)	(0.02%)
加：	Add:				
逾期3个月或以下，而利息记入暂记利息或停止累计利息之贷款	Amount overdue for three months or less and on which interest is being placed in suspense or on which interest accrual has ceased				
— 包括在经重组之贷款内	— included in rescheduled advances	916	0.29%	798	0.26%
— 其他	— others	3,015	0.96%	5,497	1.78%
不履约贷款总额	Gross non-performing loans	9,239	2.95%	17,832	5.78%

于2004年12月31日及2003年12月31日，没有逾期超过3个月之银行及其他金融机构贷款。

As at 31 December 2004 and 31 December 2003, there were no advances to banks and other financial institutions that were overdue for over three months.

未经审核之
补充财务资料(续)

Unaudited Supplementary Financial Information
(continued)

7. 逾期及经重组资产
(续)

7. Overdue and rescheduled assets (continued)

(b) 其他逾期资产

(b) Other overdue assets

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
已逾期：	Overdue for:		
– 超过3个月 但不超过6个月	– six months or less but over three months	2	2
– 1年以上	– over one year	1	2
		3	4

于2004年12月31日及
2003年12月31日，其他
逾期资产为应计利息。

As at 31 December 2004 and 31 December 2003, other overdue assets
represented the accrued interest.

(c) 经重组客户贷款

(c) Rescheduled advances to customers

		2004		2003	
		占客户贷款 总额百分比 % of gross amount advances to customers 港币百万元 HK\$'m	占客户贷款 总额百分比 % of gross amount advances to customers 港币百万元 HK\$'m	占客户贷款 总额百分比 % of gross amount advances to customers 港币百万元 HK\$'m	占客户贷款 总额百分比 % of gross amount advances to customers 港币百万元 HK\$'m
经重组客户贷款	Rescheduled advances to customers	974	0.31%	851	0.28%

未经审核之
补充财务资料(续)

7. 逾期及经重组资产
(续)

(c) 经重组客户贷款
(续)

有明确到期日之贷款，若其本金或利息已逾期及仍未偿还，则列作逾期贷款。须定期分期偿还之贷款，若其中一次分期还款已逾期及仍未偿还，则列作逾期处理。须即期偿还之贷款若已向借款人送达还款通知，但借款人未按指示还款，或贷款一直超出借款人获通知之批准贷款限额，亦列作逾期处理。

经重组贷款乃指客户因为财政困难或无能力如期还款而经双方同意达成重整还款计划之贷款，而经修订之还款条款(例如利率或还款期)并非一般商业条款。修订还款计划后之经重组贷款如仍逾期超过3个月，则包括在逾期贷款内。列示之经重组贷款会扣除已计入客户账但拨入暂记账之利息，但未扣除特别准备。

于2004年12月31日及2003年12月31日，没有经重组之银行及其他金融机构贷款。

Unaudited Supplementary Financial Information
(continued)

7. Overdue and rescheduled assets (continued)

(c) Rescheduled advances to customers (continued)

Advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid. Advances repayable by regular instalments are classified as overdue when an instalment payment is overdue and remains unpaid. Advances repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instruction or when the advances have remained continuously outside the approved limit that was advised to the borrower.

Rescheduled advances are those advances that have been restructured or renegotiated because of a deterioration in the financial position of the borrower or of the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms, either of interest or of repayment period, are non-commercial. Rescheduled advances, which have been overdue for more than three months under the revised repayment terms, are included in overdue advances. Rescheduled advances are stated after deduction of accrued interest that has been charged to customers but accrued to a suspense account and before deduction of specific provisions.

As at 31 December 2004 and 31 December 2003, there were no rescheduled advances to banks and other financial institutions.

未经审核之 补充财务资料(续)

8. 收回资产

		2004 港币百万元 HK\$'m	2003 港币百万元 HK\$'m
收回资产	Repossessed assets held	1,185	1,757

收回资产是指集团为解除贷款人部分或全部债务而得以存取或控制的资产，包括物业及证券(例如透过法庭程序或有关贷款人的自愿行动)。在收回资产后，所涉及的贷款仍继续记录于贷款项下直至所有催收行动经已完成及收回资产经已变卖为止。有关贷款所提取的特别准备金已考虑将出售的收回资产的市值。在收回资产出售后，已提取的特别准备金将用作冲销有关贷款。

Unaudited Supplementary Financial Information (continued)

8. Repossessed assets held

Repossessed assets are properties or securities in respect of which the Group has acquired access or control (e.g. through court proceedings or voluntary actions by the borrowers concerned) for release in full or in part of the obligations of the borrowers. Upon repossession of the assets, the related loans and advances will continue to be recorded as loans and advances until all collection efforts have been exhausted and the repossessed assets are realised. Specific provisions will be made after taking into account the market value of the repossessed assets which are yet to be disposed. Upon disposal of the repossessed assets, any specific provisions previously made will be utilised to write off the loans and advances.

9. 风险管理

总览

风险管理是本集团业务的基础和日常运作及业务发展策略的组成部分。本集团业务的主要内在风险包括信贷风险、市场风险、利率风险、流动资金风险、操作风险、策略风险、信誉风险和法律及合规风险。本集团的风险管理目标是争取经风险调节后的长期资本回报的最大化、减少收益的大幅波动及提高股东价值，同时确保风险控制可在可接受的水平之内。

9. Risk management

Overview

Risk management is fundamental to the business of the Group. It is also an integral part of its day-to-day operation and business development strategy. The principal types of risk inherent in the Group's business are credit risk, market risk, interest rate risk, liquidity risk, operational risk, strategic risk, reputation risk, and legal and compliance risk. The Group's risk management goal is to maximise its long-term risk-adjusted return on capital, to reduce volatility in earnings and to enhance shareholder value, while maintaining risk exposures within acceptable limits.

未经审核之 补充财务资料(续)

9. 风险管理(续)

风险管理管治架构

本银行的风险管理政策是用以识别及分析信贷风险、市场风险、利率风险、流动资金风险及操作风险，并设定适当的风险限额，同时透过管理程序及资讯系统持续监察这些风险及限额。本银行不断改良和提升其风险管理政策及程序，以配合市场及产品的转变。

董事会下设常设委员会，即风险委员会(前称风险管理委员会)负责审批风险管理政策及程序，以及资产负债管理委员会所提议的各项重要资产负债管理政策。

每个策略业务单位负责落实风险管理相关的政策、程序及控制。本银行风险总监领导及监察风险管理部的运作。

本银行财务总监负责监察本集团的资本及收益的健全性，并在财务部协助下监控全行的利率风险及流动资金风险，定期向资产负债管理委员会及风险委员会报告。

本银行稽核部负责直接向董事会和稽核委员会报告风险管理政策及程序的执行情况。

本银行的主要附属银行，南商及集友，亦采用与集团一致的风险管理策略及政策。这两家附属公司独立执行风险管理策略，并定期向本银行管理层汇报。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Risk Management Governance Structure

The Bank's risk management policies are designed to identify and analyse credit risk, market risk, interest rate risk, liquidity risk and operational risk, to set appropriate risk limits, and to continually monitor these risks and limits by means of administrative procedures and information systems. The Bank continually modifies and enhances its risk management policies and procedures to reflect changes in markets and products.

The Risk Committee ("RC", formerly known as Risk Management Committee), established by the Board of Directors as a standing committee, is responsible for approving risk management policies and procedures and major asset and liability management policies proposed by the Asset and Liability Management Committee ("ALCO").

Each Strategic Business Unit ("SBU") is responsible for the implementation of appropriate policies, procedures and controls in relation to risk management under the general guidance of the Chief Risk Officer ("CRO"), who oversees the operation of the Risk Management Department ("RMD").

The Chief Financial Officer ("CFO") has oversight responsibilities for the soundness of the Group's capitalisation and earnings. In addition, the CFO, with the assistance of the Finance Department, monitors the bank-wide interest rate risk and liquidity risk and reports to the ALCO and the RC on a regular basis.

The Audit Department of the Bank reports directly to the Board and the Audit Committee and is responsible for the monitoring of proper compliance by the Group on all risk management policies and procedures.

The Bank's principal banking subsidiaries, Nanyang and Chiyu, are both managed consistent with the policies of the Group. These subsidiaries execute their risk management strategy independently and report to the Bank's management on a regular basis.

未经审核之 补充财务资料(续)

9. 风险管理(续)

信贷风险管理

信贷风险指客户或交易对手将不能或不愿意履行与本银行达成的承诺。信贷风险主要来自银行的借贷、贸易融资及财资业务。

本银行的信贷风险管理目标是将信贷风险维持在可接受水平之内，同时尽量提高经风险调节后之资本回报。此外，本银行已建立和实施一套全面性的政策及程序，用以识别、量度、监督及控制整个机构内的信贷风险。

董事会负责制订信贷风险管理的策略性目标及原则。董事会以尽量扩大本银行经风险调节后的回报及股东价值为目标，对本银行的整体信贷风险管理负最终责任。

风险委员会直属董事会，负责制订及修订本银行的信贷风险管理政策及程序。本银行相信，独立和适当制衡是施行有效风险管理的关键。为此，在本银行的管理和组织架构中，风险管理部及稽核部会分别直接向风险委员会及稽核委员会汇报。

总裁负责执行信贷风险管理策略及经董事会批准的政策。总裁亦负责在为银行资产争取合理回报及维持银行在可接受的风险水平二者之间作出平衡。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Credit Risk Management

Credit risk is the risk that a customer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Bank. Credit risk arises principally from the Bank's lending, trade finance and treasury activities.

The Bank's primary goal in credit risk management is to maximise its risk-adjusted returns while maintaining its credit risk exposure within acceptable parameters. In particular, the Bank has developed and is implementing comprehensive policies and procedures to identify, measure, monitor and control credit risk across the organisation.

The Board of Directors is responsible for determining its strategic objectives and principles for credit risk management. The Board, with the aim of maximising the Bank's risk-adjusted return as well as shareholders' wealth, holds ultimate responsibility for the Bank's overall credit risk management process.

The RC is a board-level committee with the responsibility of determining and revising the Bank's credit risk management policies and procedures. The Bank believes that independence and proper check-and-balance are of crucial importance in effective risk management. To ensure independence and checks and balance, under the Bank's managerial and organisational structure, the RMD and the Audit Department report directly to the RC and the Audit Committee respectively.

The Chief Executive is responsible for, among other things, implementing the credit risk management strategy and policies approved by the Board. He is also charged with balancing the Bank's goal of generating a reasonable yield on its assets whilst maintaining risk exposures within pre-defined tolerance levels.

未经审核之 补充财务资料(续)

9. 风险管理(续)

信贷风险管理(续)

风险管理部独立于授信申请单位，根据本银行之风险管理策略及政策协助总裁管理信贷风险，并就识别、量度、监察及控制信贷风险作独立尽职审查。为避免出现利益冲突，信贷检讨独立于业务单位之外。主要根据信贷人员的专业经验、能力与责任，设置多级审批权限。所有信贷审批及审核权限均由本银行董事会授权。

特殊资产管理部负责催收不履行贷款。

本银行对高风险和低风险的贷款采用不同的审批程序。

符合有关信贷类别、贷款目的、贷款金额、担保、押品覆盖及抵押足够的若干低风险信贷交易，可以采用低风险审批程序处理。授信申请单位的信贷授权人员可以依据这些程序批核申请而毋须由风险管理部预先审核。风险管理部内相应的审核人员会对这些低风险信贷交易作贷后独立检查，并评估最初的信贷决定是否按照既定程序执行。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Credit Risk Management (continued)

The RMD, being structurally independent of credit initiation units, assists the Chief Executive in managing credit risk in accordance with the Bank's credit risk management strategy and policies. It also provides independent due diligence on identification, measurement, monitoring and control of credit risk. To avoid any potential conflicts of interests, the credit review functions are independent of the business units. Multi-level credit approval authorities are set, depending mostly on the credit officers' professional experience, skills and responsibilities. All credit approval and review authorities originate from the Bank's Board of Directors.

The Special Assets Management Department is responsible for the collection of NPLs.

The Bank follows different approval procedures for high-risk and low-risk loans.

Low-risk credit transactions that fulfil certain requirements relating to credit types, loan purposes, loan amounts, guarantees, collateral coverage and security adequacy can be processed using low-risk loan approval procedures. Under these procedures, authorised credit officers in credit initiation units may approve this type of credit applications without prior review by the RMD. A loan review officer in the RMD conducts independent post-approval reviews of such pre-approved low-risk credit transactions and assess if initial credit decisions have been made in accordance with the established procedures.

未经审核之 补充财务资料(续)

9. 风险管理(续)

信贷风险管理(续)

本银行一直致力开发信贷评分系统，用以支援零售信贷审批。评分卡是一个信贷风险评估工具，其运用统计学模型的方法对借款人资料及与信用状况有关的特征项进行分析，用以预测借款人未来的还款表现。评分卡可让银行根据信贷评分结果作出信贷决策，但不会完全替代信贷人员的信贷判断。在本年，本银行首张私人无抵押授信申请评分卡已正式投产，其他各类私人零售信贷产品的评分卡亦陆续在实施中。

至于高风险贷款，授信申请单位的信贷人员只能接受及审阅贷款申请，并作出初步贷款决定。然后，信贷申请须经由风险管理部的审核人员对该申请是否符合政策程序规定、信贷风险评估是否足够及资料是否充足等作出独立评估。风险管理部有权依据评估结果行使否决权。

对于属副总裁或以上审批权限的贷款，则需要由信贷评审委员会进行独立的风险评审。信贷评审委员会，是本行授信和其他业务专家组成的专责委员会。信贷评审委员会负责对重大授信申请进行独立风险评审，其评审结论是风险总监进行授信审核，副总裁及总裁进行授信审批决定的重要依据。信贷评审委员会没有授信审批权。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Credit Risk Management (continued)

The Bank is committed to building a credit scoring system to facilitate credit approval process for retail exposures. Scorecard is a tool for credit risk assessment, using statistical model to analyse applicants' demographic and credit characteristics to predict future repayment performance. With scorecards, credit decisions are made based on credit scoring results, but scoring does not preclude credit officers from making credit judgment. During the year, the first application scorecard for personal unsecured credit facilities was deployed. Several other scorecards for different types of personal lending products are now in the process of implementation.

For high-risk loans, credit officers in credit initiation units can only accept and review loan applications and make the initial lending decisions. These credit applications are then independently evaluated by review officers in the RMD in respect of compliance with policies and procedures, adequacy of credit risk assessment, and information sufficiency. The RMD is authorised to exercise the right of veto based on the review conclusions.

For loans reaching the approval authority of Deputy Chief Executives or above, independent risk assessment by the Credit Risk Assessment Committee ("CRAC") is required. The CRAC is a specialised committee which consists of experts from the lending and other areas of the Bank. The CRAC is responsible for making independent risk assessment of significant credit applications. Its assessment results will be an important basis for the CRO to make his credit review decision as well as the Chief Executive and Deputy Chief Executives to make their credit approval decisions. The CRAC itself has no credit approval authority.

未经审核之 补充财务资料(续)

9. 风险管理(续)

信贷风险管理(续)

如贷款超越总裁的审批权限，须由风险委员会审批。

本银行风险管理部下设独立处室—授信监控处，专责统筹对全行单一客户及客户集团进行全面深入的监察，以识别及控制个别及整体贷款组合的信贷风险。

本银行进一步提升早期预警系统，以便提早察觉客户信用状况的恶化徵兆，从而对潜在问题贷款客户进行更严密的监控，以防情况进一步恶化。

为确保有足够资源改善贷款素质，本银行特别重视对重点户口的监控，并建立了一套控制指标，以衡量及评估处理问题贷款的成效。风险管理部负责定期向银行高层提供贷款质量报告。

市场风险管理

市场风险是指因为利率或市场价格波动导致资产负债表内及外持仓出现亏损的风险。本银行的市场风险包括来自客户业务及自营持仓。与市场风险有关的自营持仓每日均会按市值计价基准评估。

市场风险透过由风险委员会批核的风险限额进行管理。整体风险限额参照不同的风险因素，例如利率、汇率、商品及股票价格，细分为更具体的限额。在考虑有关产品的不同性质后，采用多种风险计算技术，包括持仓限额及敏感度限额，制定具体管理措施。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Credit Risk Management (continued)

Loans that exceed the approval authority of the Chief Executive have to be approved by the RC.

The Bank has a dedicated division, the Credit Monitoring Division within the RMD, to conduct thorough and comprehensive post-disbursement examination on each obligor and group of obligors in order to identify and control individual and overall credit risk in the loan portfolio.

The early alert programme for identifying potential problem customers has been further enhanced to detect early signs of deterioration in credit status of obligors and to trigger closer monitoring process to prevent further deterioration.

To ensure that adequate efforts are dedicated to improve loan quality, the Bank has focused more on the monitoring of significant exposures and set up internal targets to evaluate the performance in the resolution of criticised loans. The RMD regularly reports the loan quality to senior management for high-level oversight.

Market Risk Management

Market risk is the risk that the movements in interest rates or market prices will result in losses in on- and off-balance sheet positions. The Bank's market risk arises from customer-related business and from position taking. Market risk trading positions are subject to daily mark-to-market valuation.

Market risk is managed within the risk limits approved by the RC. The overall risk limits are divided into sub-limits by reference to different risk factors, including interest rate, foreign exchange rate, commodity price and equity price. Considering the different nature of the products involved, limits are set by using a combination of risk measurement techniques, including position limits and sensitivity limits.

未经审核之 补充财务资料(续)

9. 风险管理(续)

市场风险管理(续)

风险管理部下设市场风险管理处，负责本银行日常市场风险管理。该处透过既定的限额及监察程序，确保整体和个别的市场风险均控制在本银行可接受的风险水平之内。

涉险值是一种统计学方式，用以在一段特定时间内，按指定的置信度，估量由于利率、汇率、商品及股票价格波动而可能对风险持仓所造成的潜在损失。本银行以方差/共变方差基准方法，计算投资组合及个别涉险值，并采用了市场利率及价格的历史变动、99%置信水平及1天持有期等基准，同时考虑不同市场及价格的相互影响关系。

2004年12月31日，本银行所有自营市场风险持仓的涉险值为港币290万元(2003年12月31日：港币80万元)，所有自营利率风险持仓的涉险值为港币190万元(2003年12月31日：港币70万元)，而所有自营汇率风险持仓的涉险值为港币230万元(2003年12月31日：港币60万元)。2004年年内本银行所有自营市场风险持仓的平均涉险值为港币320万元(2003年：港币590万元)，最高为港币560万元，最低为港币90万元。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Market Risk Management (continued)

Having set up the monitoring limits and supervisory procedures, the Market Risk Division in the RMD is responsible for the daily oversight of the Bank's market risk to ensure that the overall and individual market risks are within the Bank's risk tolerance.

VaR is a statistical technique which estimates the potential losses that could occur on risk positions taken due to movements in interest rates, foreign exchange rates, commodity prices and equity prices over a specified time horizon and to a given level of confidence. The model used by the Bank to calculate portfolio and individual VaR on a variance/co-variance basis uses historical movements in market rates and prices, a 99% confidence level and a 1-day holding period and generally takes account of correlations between different markets and rates.

At 31 December 2004, the VaR for all trading market risk exposure of the Bank was HK\$2.9 million (31 December 2003: HK\$0.8 million), the VaR for all trading interest rate risk exposure was HK\$1.9 million (31 December 2003: HK\$0.7 million) and the VaR for all trading foreign exchange risk exposure was HK\$2.3 million (31 December 2003: HK\$0.6 million). For the year ended 31 December 2004, the average VaR was HK\$3.2 million (2003: HK\$5.9 million), with a maximum of HK\$5.6 million and a minimum of HK\$0.9 million for the period.

未经审核之 补充财务资料(续)

9. 风险管理(续)

市场风险管理(续)

截至2004年12月31日的一年内，本银行从市场风险相关的自营活动赚得的每日平均收益为港币210万元(2003年：港币190万元)，其标准差为港币230万元(2003年：港币900万元)。每日交易收益分布显示，在2004年合共249个交易日中，共有31天(2003年：36天)录得亏损，而最高单日亏损为港币690万元(2003年：港币1.19亿元)。最多出现的每日交易收益界乎港币100万元至300万元之间(2003年：港币200万元至400万元)。最高单日交易收益为港币890万元(2003年：港币3,630万元)。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Market Risk Management (continued)

For the year ended 31 December 2004, the average daily revenue of the Bank earned from market risk-related trading activities was HK\$2.1 million (2003: HK\$1.9 million). The standard deviation of these daily trading revenues was HK\$2.3 million (2003: HK\$9.0 million). An analysis on the frequency distribution of daily trading revenues illustrated below shows that 31 losses (2003: 36 losses) were recorded out of 249 trading days for the year ended 31 December 2004 and the maximum daily loss was HK\$6.9 million (2003: HK\$119 million). The most frequent result was a daily trading revenue of between HK\$1.0 million to HK\$3.0 million (2003: HK\$2.0 million to HK\$4.0 million). The highest daily revenue was HK\$8.9 million (2003: HK\$36.3 million).

未经审核之
 补充财务资料(续)

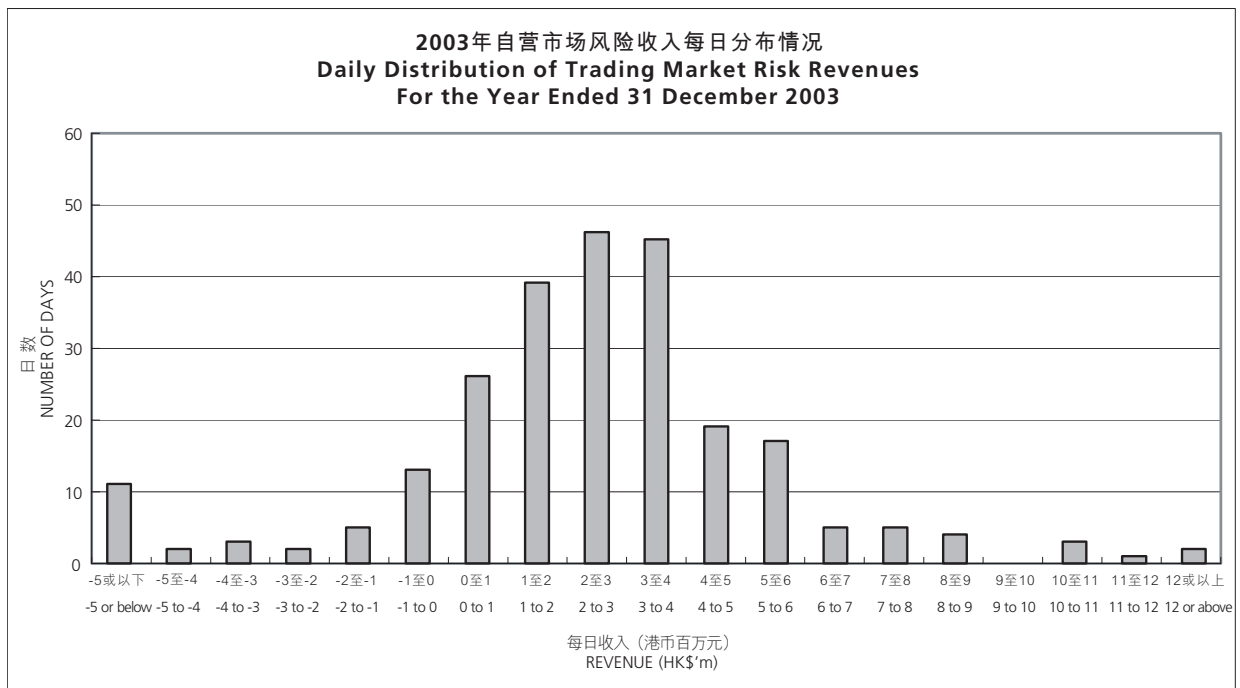
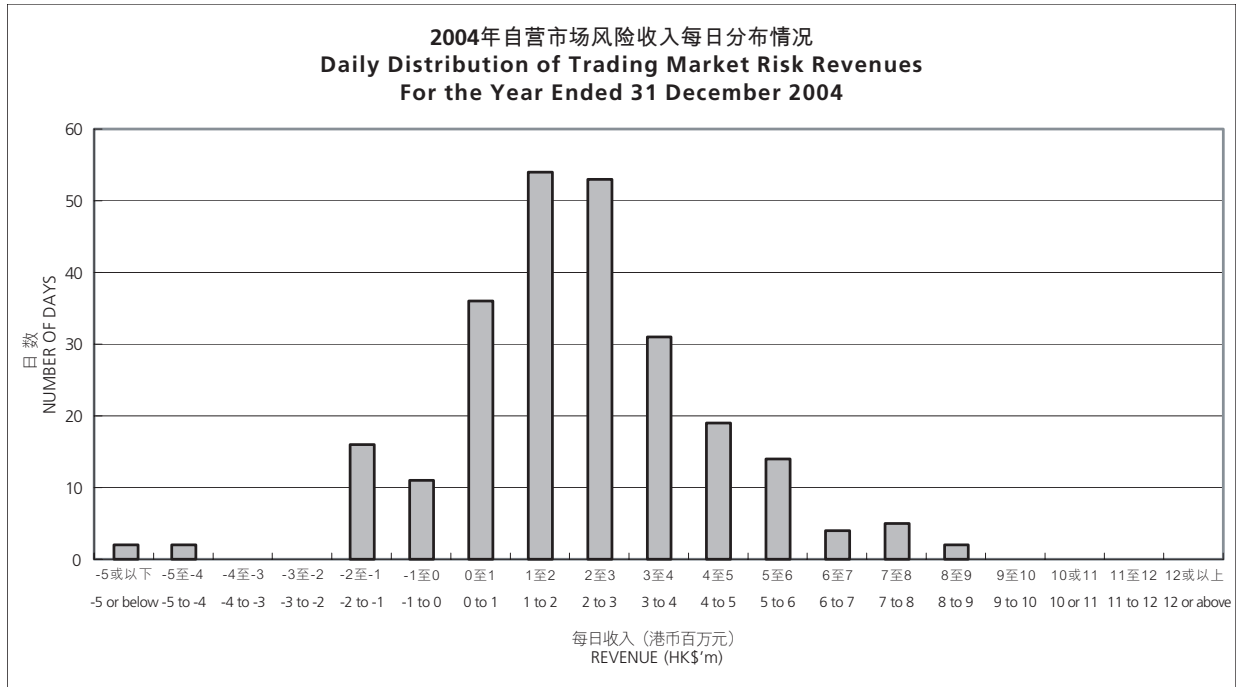
9. 风险管理(续)

市场风险管理(续)

Unaudited Supplementary Financial Information
(continued)

9. Risk management (continued)

Market Risk Management (continued)



未经审核之 补充财务资料(续)

9. 风险管理(续)

外汇风险管理

本银行向客户提供外币存款、孖展买卖及远期交易等服务。本银行在外币市场上的交易活动令其须承担汇率风险。本银行透过同业市场活动管理汇率风险。其中，本银行透过设定持仓限额及整体外汇交易亏损限额，减低外汇风险。所有限额均经风险委员会批准。风险管理部负责每日监察外汇风险、相关亏损限额及外汇交易中产生的信贷风险。

利率风险管理

本银行的利率风险主要是结构性风险。结构性持仓主要的利率风险类别为：(1)利率重订风险：由于资产及负债到期日或重订价格期限出现错配；及(2)利率基准风险：不同交易的不同定价基准，令资产的收益率和负债的成本率可能以不同的幅度变化，即使在同一重订价格期间，亦会产生利率风险。

本银行的资产负债管理委员会主利率风险管理；委员会制订的利率风险管理政策须由风险委员会审批。本银行财务总监负责督导财务部执行经批准的利率风险管理政策，及发展风险管理系统以识别、衡量及监察利率风险。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Foreign Exchange Risk Management

The Bank provides foreign exchange deposit, margin trading and forward transaction services to its customers. The Bank's trading activities in the foreign currency markets expose it to exchange rate risk. The Bank manages exchange rate risk through its interbank market activities. In particular, the Bank mitigates exchange rate risk by establishing position limits and limits on the loss of the whole foreign exchange trading floor. All these limits are approved by the RC. The RMD is responsible for monitoring foreign exchange exposure and related stop-loss limits on a day-to-day basis as well as credit risk exposure arising from foreign exchange transactions.

Interest Rate Risk Management

The Bank's interest rate risk exposures mainly comprise structural positions. The major types of structural positions are: (1) repricing risk: mismatches in the maturity or repricing periods of assets and liabilities; and (2) basis risk: different pricing basis for different transactions so that yield on assets and cost of liabilities may change by different amounts within the same repricing period.

The Bank's ALCO maintains oversight of interest rate risk and the RC sanctions the interest rate risk management policies formulated by the ALCO. The Finance Department, under the supervision of the CFO, carries out approved policies and develops systems and metrics to identify, measure and monitor interest rate risk.

未经审核之 补充财务资料(续)

9. 风险管理(续)

利率风险管理(续)

缺口分析是本银行用来量度利率风险的工具之一。这项分析提供资产负债状况的到期情况及重订价格特点的静态资料。差额或缺口的幅度显示了新订或重订价格的资产和负债引致息差方面的潜在变动风险。本银行会采用利率衍生工具来对冲利率风险，在一般情况下会利用简单的利率互换合约对冲有关风险。

在利率重订风险评估方面，盈利及经济价值对利率变化的敏感度可利用模拟的孳息曲线平衡上移或下移200个基点的利率震荡来测度，本银行需按经风险委员会通过的政策将盈利及经济价值的利率风险分别控制在当年预算的净利息收入及最近的资本基础的核定百分比水平之内。有关的结果定期向资产负债管理委员会及风险委员会报告。

在利率基准风险评估方面，透过情景分析，监察利率基准不同步变化对未来净利息收入的增减的影响，及设定不同订息基准的资产负债比例以作监控。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Interest Rate Risk Management (continued)

Gap analysis is one of the tools used to measure the Bank's exposure to interest rate risk. It provides the Bank with a static view of the maturity and repricing characteristics of its balance sheet positions. The magnitude of the gaps indicates the extent to which the Bank is exposed to the risk of potential changes in the margins on new or repriced assets and liabilities. The Bank uses interest rate derivatives to hedge its interest rate exposures and in most cases, plain vanilla interest rate swaps are used.

With respect to repricing risk, sensitivities of earnings and economic value to interest rate changes (Earnings at Risk and Economic value at Risk) are assessed through hypothetical interest rate shock of 200 basis points across the yield curve on both sides. Earnings at Risk and Economic value at Risk are respectively controlled within an approved percentage of the projected net interest income for the year and the latest capital base as sanctioned by the RC. The result is reported to the ALCO and the RC on a regular basis.

The impact of basis risk is gauged by the projected change in net interest income under scenarios of imperfect correlation in the adjustment of the rates earned and paid on different instruments. Ratios of asset and liability of different pricing basis are set to monitor such risk.

未经审核之 补充财务资料(续)

9. 风险管理(续)

利率风险管理(续)

另外，亦对利率重订风险及利率基准风险定期进行压力测试。资产负债管理委员会负责在政策所设定限额规范下监察压力测试的结果，并决定是否需要采取补救措施。

流动资金风险管理

流动资金管理的目标是令本银行即使在恶劣市况下，仍能按时应付所有到期债务，以及为其资产增长和投资机会提供所需资金，避免要在紧急情况下出售资产套现。

本银行的业务资金主要来自零售及企业客户的存款。此外，本银行亦可发行存款证以获取长期资金或因应需要透过出售投资筹集资金。本银行将所得资金大部分用于贷款、投资债务证券或拆放同业。

本银行透过保持稳健的流动资金比率(2004年的平均流动比率为36.03%)、观察存户的稳定性及集中程度、监察贷存比率、持有具高度流动性和高质素的证券组合及定期进行压力测试，藉以管理及量度其流动资金。本银行亦会透过同业市场短期拆入，辅助管理其流动资金。同业市场一般可按市况调整的利率提供足够的流动资金。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Interest Rate Risk Management (continued)

Stress tests on repricing risk and basis risk are conducted regularly. The ALCO monitors the results of stress tests against limits and decides whether remedial action should be made.

Liquidity Risk Management

The goal of liquidity management is to enable the Bank, even under adverse market conditions, to meet all its maturing repayment obligations on time and to fund all of its asset growth and strategic opportunities, without forced liquidation of its assets at short notice.

The Bank funds its operations principally by accepting deposits from retail and corporate depositors. In addition, the Bank may issue certificates of deposit to secure a long-term financing source or may raise funds through the sale of investments. The Bank uses the majority of funds raised to extend loans, to purchase debt securities or to conduct interbank placements.

The Bank manages and measures its liquidity through maintaining strong liquidity ratios (average liquidity ratio for 2004: 36.03%), examining the stability of depositors and the respective concentration risk, monitoring the loan to the deposit ratio, maintaining a portfolio of high quality liquid securities and conducting regular stress tests. The Bank also smoothens its liquidity by borrowing in the interbank markets on a short-term basis. The interbank markets generally provide an adequate amount of liquidity at borrowing rates that are subject to market conditions.

未经审核之 补充财务资料(续)

9. 风险管理(续)

流动资金风险管理 (续)

本银行资产负债管理策略的主要目标是要保持足够的流动性和资本金水平，在有效的风险管理机制内及合理的融资成本要求下，争取最佳回报。本银行的资产负债管理委员会负责制订政策方针(包括流动风险应变计划)，委员会制订的流动性管理政策须由风险委员会审批；财务部负责密切监察本银行资产负债表内、表外持仓量所衍生的流动风险，及时向资产负债管理委员会汇报。

操作风险管理

操作风险涉及因操作流程不完善或失效、人为过失、电脑系统故障或外部突发事件等因素造成的损失。本银行以业内最佳实践水平作为管理操作风险的目标，并配合巴塞尔新资本协议实施做好准备。

本银行透过识别、评估、监督、控制及减缓等方法管理操作风险，并对业务流程、活动及产品所产生之风险进行内部咨询及检讨。本银行对操作风险损失进行监控，并向风险委员会及高级管理层汇报。为达致有效的内部控制，各项业务流程均备有足够的规章制度，并强调各项业务操作均需制订职责分工和独立授权。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Liquidity Risk Management (continued)

The primary goal of the Bank's asset and liability management strategy is to achieve optimal return while ensuring adequate levels of liquidity and capital within an effective risk control framework and at reasonable cost of funding. The Bank's ALCO is responsible for establishing these policy directives (including the liquidity contingency plan), and the RC sanctions the liquidity management policies. The Finance Department closely monitors and reports the Bank's on- and off-balance sheet assets and liabilities with regard to the liquidity risk to ALCO.

Operational Risk Management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The Bank aims to manage this risk in line with the best practices of the industry and in preparation for the implementation of Basel II.

The Bank manages operational risk by identifying, assessing, monitoring, controlling and mitigating the risks, and reviews the risks inherent in business processes, activities and products through internal consultation. The Bank monitors operational risk losses and reports to the RC and senior management. As part of our effective internal control environment, the Bank maintains adequate documentation of control procedures for its business processes. The Bank also emphasises the need for appropriate segregation of duties and independent authorisation in all business activities.

未经审核之 补充财务资料(续)

9. 风险管理(续)

操作风险管理(续)

为支援灾难事件发生时的业务运作，本集团备有紧急事故应变方案及充足的后备设施，并会定期进行演练。本银行的控股公司已购买保险，以减低因操作风险可能引致的损失。

压力测试

本银行以压力测试补充各项的风险分析。压力测试是一种风险管理工具，用以评估当市场或宏观经济因素急剧变化并产生极端不利的经营环境时，银行风险暴露的情况。本银行定期进行压力测试，并将结果向董事会、风险委员会及资产负债管理委员会汇报。

资本管理

资本管理的主要目标是维持充裕的资本实力，同时为股东带来最大回报。本银行在有需要时会考虑调节资本结构，以达致整体最低的资本成本。资产负债管理委员会在财务部协助下，采用资本充足比率作为主要量度标准，以监控本银行的资本充足性。在报表披露的经营期间，本集团的资本水平符合各项法定要求。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Operational Risk Management (continued)

The Business Continuity Plan is in place to support business operations in the event of disasters. Adequate backup facilities are maintained and periodic drills are conducted. The Bank also arranges insurance cover by the immediate holding company to reduce potential losses in respect of operational risk.

Stress Testing

The Bank supplements the analysis of various types of risks with stress testing. Stress testing is a risk management tool for estimating the Bank's risk exposures under stressed conditions arising from extreme but plausible market or macroeconomic movements. These tests are conducted on a regular basis and the results are reported to the Board, the RC and the ALCO on a regular basis.

Capital Management

The major objective of capital management is to maximise the return to shareholders while maintaining a strong capital position. The Bank would consider the adjustment of capital mix when appropriate to achieve the lowest overall cost of capital. The ALCO, with the assistance of the Finance Department, monitors the adequacy of the Bank's capital using the capital adequacy ratio as one of the major measurements. The Group complied with all the statutory capital standards for all the periods presented in the report.

未经审核之 补充财务资料(续)

9. 风险管理(续)

策略风险管理

策略风险是策略制订和实施过程中失当，或未能对市场变化作出及时的调整，从而对现在或未来本银行的盈利、资本、信誉和市场地位的风险。本银行的策略风险管理政策，明确了董事会和管理层在此类风险管理中的责任，确保本银行的整体业务策略风险得到有效控制，从而保障各项策略得以审慎制订并稳妥实施。

信誉风险管理

信誉风险是因银行经营手法产生的负面消息，不论是否属实，可能引致客户流失、支付高昂诉讼费用或令收入减少的风险。信誉风险潜藏于银行每项业务运作中，涵盖层面广泛。市场传言或公众印象都是决定这类风险水平的重要因素。

为减低信誉风险，本银行制订及实施信誉风险管理政策。此政策订立标准规范本银行管理信誉风险的方式，以尽早识别和积极防范信誉风险事故，紧密监察外界的信誉风险事故，并从金融业界已公开的信誉风险例子中汲取经验。为消除或减轻对本银行的负面影响，当发生信誉风险事故时，本银行会根据紧急应变机制及特殊情况快速通报制度予以尽速处理。集团设有投资者关系委员会负责对这些紧急事故作出监察及适当反应，确保信誉风险管理政策的落实。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Strategic Risk Management

Strategic risk generally refers to the risks that may induce some current or future negative impacts on the earnings, capital, reputation or market position of the Bank because of poor strategic decisions, improper implementation of decisional strategies and lack of response to the market. The Bank's Strategic Risk Management Policy defines the responsibilities of the Board and of the Management to ensure that the strategic risks of the Bank can be effectively taken care of, and desired strategies can be successfully carried out.

Reputation Risk Management

Reputation Risk is the risk that negative publicity regarding the Bank's business practices, whether genuine or not, will cause a potential decline in the customer base or lead to costly litigation or revenue erosion. Reputation risk is inherent in every aspect of our business operation and covers a wide spectrum of issues. Market rumours or public perceptions are significant factors in determining the level of risk in this category.

In order to mitigate reputation risk, the Bank has formulated and implemented Reputation Risk Management Policy. This policy requires established standards to prevent and manage reputation risk proactively at an early stage, monitor external reputation risk incidents and learn from published failures of risk incidents within the financial industry. In order to eliminate or alleviate the negative impact on the Bank's reputation, incidents related to reputation risk are handled promptly in accordance with the Emergency Contingency Plan and Special Reporting System for Special Incidents. The Group has an Investor Relations Committee which is responsible for the monitoring and reacting to such contingencies, and to ensure compliance to the Reputation Risk Management Policy.

未经审核之 补充财务资料(续)

9. 风险管理(续)

法律及合规风险管理

法律风险指因不可执行合约、诉讼或不利判决而可能使本银行的运作或财务状况出现混乱或负面影响的风险。法律及合规部负责主动识别、评估和管理本银行在日常业务运作中所面对的法律风险。

合规风险指因未有遵守所有适用法律例、规则、国际惯例、当地行业准则、行为守则及良好的实务准则，而可能导致银行须承受遭法律或监管机构制裁、引致财务损失或信誉损失的风险。法律及合规部透过制订与维护适当的政策及指引，确保本银行经营业务时遵守有关的法律法规要求。

10. 法规发展

巴塞尔新资本协议

2004年6月，巴塞尔委员会发布巴塞尔新资本协议(亦称为新资本协议)，并将于2006年底起在全球开始实施。所有主要金融市场的国际银行将执行新资本协议。金管局已宣布本地银行将跟随巴塞尔委员会的时间表执行，而香港也是全球最先颁布实施方案的地区之一。

Unaudited Supplementary Financial Information (continued)

9. Risk management (continued)

Legal and Compliance Risk Management

Legal risk is the risk arising from the potential that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial condition of the Bank. The Legal and Compliance Department ("LCD") is responsible for proactively identifying, assessing and managing legal risk faced by the Bank in the ordinary course of its business.

Compliance risk is the risk of legal and regulatory sanctions, financial loss, or loss to reputation the Bank may suffer as a result of its failure to comply with all applicable laws, regulations, international practices, local trade standards, codes of conduct and standards of good practice. By establishing and maintaining appropriate policies and guidelines, the LCD ensures the Bank conducts its business in compliance with the requirements of relevant laws and regulations.

10. Regulatory development

The New Basel Capital Accord

In June 2004, the Basel Committee released the New Basel Capital Accord (also referred to as Basel II). Basel II will be implemented globally by end-2006. All internationally active banks in the major financial markets around the world will follow Basel II. The HKMA has announced that local banks will follow the same timetable as the Basel Committee and Hong Kong is among the first to announce its implementation proposals.

未经审核之 补充财务资料(续)

10. 法规发展(续)

巴塞尔新资本协议 (续)

首先，新资本协议有助和促进银行业的安全性和稳定性。在评估信贷风险的资本需求时，新资本协议采用风险敏感度更高的评估方法，如银行在进行高风险借贷时需要持有更多资本。而且银行首次被要求持有资本以应付操作风险。除了信贷风险、市场风险和操作风险以外，银行需要全面评估在业务营运中产生的其他类型风险和决定需要持有的资本。其次，新资本协议有助推动采用高级风险管理措施。再者，新资本协议要求银行向公众作更大程度的披露。

集团已按巴塞尔委员会和金管局的要求制订新资本协议的实施计划，并正发展所需的内部风险管理系统和为资本充足性评估程序进行全面研究，而集团将逐步采用内部评级法指导业务实践。2005年，集团会密切跟踪金管局有关新资本协议的最新规定，逐步完成有关计划。

Unaudited Supplementary Financial Information (continued)

10. Regulatory development (continued)

The New Basel Capital Accord (continued)

Firstly, Basel II helps promote the safety and stability of the banking sector. In assessing the capital requirements for credit risk, a more risk-sensitive approach will be adopted. Banks will be required to hold more capital against high-risk lending. Furthermore, banks will, for the first time, be required to hold capital against operational risk. In addition to credit risk, market risk and operational risk, banks will be required to assess the full range of other type of risks they run and determine how much capital to hold against them. Secondly, Basel II will help promote the adoption of advanced risk management practices. Thirdly, Basel II requires greater public disclosure about a bank's business.

The Group has formulated an implementation plan for Basel II according to the requirements of the Basel Committee and the HKMA. It is developing the required internal risk management system and conducting researches on the whole capital adequacy assessment process. The internal ratings-based approach will also be gradually adopted in the Group's business decisions. In 2005, the Group will closely follow the latest requirements relating to the Basel II set by the HKMA and carry out its implementation plan progressively.

释义

在本年报中，除非文义另有所指，否则下列词汇具有以下涵义：

词汇	涵义
「董事会」	本银行董事会
「中银香港(控股)董事会」	中银香港(控股)有限公司的董事会
「中国银行」	中国银行股份有限公司(前称中国银行)，一家根据中国法例成立之国有商业银行及股份有限公司
「中银(BVI)」	BOC Hong Kong (BVI) Limited，根据英属处女群岛法例注册成立之公司，并为中银香港(集团)之全资附属公司
「中银香港」或「本银行」	中国银行(香港)有限公司，根据香港法例注册成立之公司，并为中银香港(控股)有限公司之全资附属公司
「中银香港(控股)」	中银香港(控股)有限公司，根据香港法例注册成立之公司
「集友」	集友银行有限公司，根据香港法例注册成立之公司，中银香港占其70.49%股权
「本集团」	本银行及其附属公司
「金管局」	香港金融管理局
「汇金」	中央汇金投资有限责任公司
「强积金」	强制性公积金
「强积金条例」	强制性公积金计划条例，香港法例第485章(修订)
「中国内地」	中华人民共和国内地
「南商」	南洋商业银行有限公司，根据香港法例注册成立之公司，并为中银香港之全资附属公司
「不履约贷款」	将利息拨入暂记账或停止累计利息的客户贷款及垫款
「中国」	中华人民共和国
「人民币」	人民币，中国法定货币
「股份储蓄计划」	中银香港(控股)股东于2002年7月10日有条件地批准及采纳的股份储蓄计划(前称2002股份储蓄计划)
「认股权计划」	中银香港(控股)股东于2002年7月10日有条件地批准及采纳的认股权计划(前称2002认股权计划)
「会计准则」	会计实务准则
「涉险值」	风险持仓涉险值

Definitions

In this Annual Report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Terms	Meanings
“Board” or “Board of Directors”	the Board of Directors of BOCHK
“Board of BOCHK (Holdings)”	the Board of Directors of BOCHK (Holdings)
“BOC”	Bank of China Limited (formerly known as Bank of China), a state-owned commercial bank established under the laws of the PRC and a joint stock company with limited liability
“BOC (BVI)”	BOC Hong Kong (BVI) Limited, a company incorporated under the laws of the British Virgin Islands and a wholly owned subsidiary of BOC Hong Kong (Group) Limited
“BOCHK” or “The Bank”	Bank of China (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a wholly owned subsidiary of BOCHK (Holdings)
“BOCHK (Holdings)”	BOC Hong Kong (Holdings) Limited, a company incorporated under the laws of Hong Kong
“BOCI-Prudential Manager”	BOCI-Prudential Asset Management Limited, a company incorporated under the laws of Hong Kong, in which BOCI Asset Management Limited, a wholly owned subsidiary of BOC International Holdings Limited, and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
“BOCI-Prudential Trustee”	BOCI-Prudential Trustee Limited, a company incorporated under the laws of Hong Kong, in which BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
“CAR”	Capital Adequacy Ratio, computed on the consolidated basis that comprises the positions of BOCHK and certain subsidiaries specified by the HKMA for its regulatory purposes and in accordance with the Third Schedule of the Banking Ordinance
“Chiyu”	Chiyu Banking Corporation Limited, a company incorporated under the laws of Hong Kong, in which BOCHK holds an equity interest of 70.49%
“Group”	the Bank and its subsidiaries collectively referred to as the Group
“HKAS(s)”	Hong Kong Accounting Standard(s)
“HKFRSs”	Hong Kong Financial Reporting Standards

Definitions (continued)

Terms	Meanings
"HKICPA"	Hong Kong Institute of Certified Public Accountants (formerly known as Hong Kong Society of Accountants)
"HKMA"	Hong Kong Monetary Authority
"Hong Kong SAR"	Hong Kong Special Administrative Region
"Huijin"	China SAFE Investments Ltd. (previously known as Central Huijin Investment Company Limited)
"Mainland China"	The mainland of the PRC
"MPF"	Mandatory Provident Fund
"MPF Schemes Ordinance"	the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the Laws of Hong Kong, as amended
"Nanyang"	Nanyang Commercial Bank, Limited, a company incorporated under the laws of Hong Kong and a wholly owned subsidiary of BOCHK
"NPL(s)"	Non-performing loan(s)
"PRC"	The People's Republic of China
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Sharesave Plan"	the Sharesave Plan (previously known as 2002 Sharesave Plan) conditionally approved and adopted by the shareholders of BOCHK (Holdings) on 10 July 2002
"Share Option Scheme"	the Share Option Scheme (previously known as 2002 Share Option Scheme) conditionally approved and adopted by the shareholders of BOCHK (Holdings) on 10 July 2002
"SSAP(s)"	Statement(s) of Standard Accounting Practice
"VaR"	Value at Risk

