

2017 中期業績報告 Interim Report



中國銀行(香港)

BANK OF CHINA (HONG KONG)



百年中銀 與您同行
A CENTURY OF SERVICES, ALWAYS WITH YOU

2017 中期業績報告

Interim Report 2017



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管理層討論及分析

因應出售集友，本集團於簡要綜合收益表將集友的損益以已終止經營業務溢利列示，而比較資料亦相應重新列示。同時，於簡要綜合資產負債表將集友截至2016年12月31日的資產及負債，分別列示為待出售資產及待出售資產之相關負債。本《管理層討論及分析》中的若干比較數字已重新列示，以符合本期之列示形式。

本集團分別於2016年10月17日和2017年1月9日完成收購馬來西亞中國銀行（「中銀馬來西亞」）和中國銀行（泰國）股份有限公司（「中銀泰國」）股權的收購交割，並就該項受共同控制實體之合併，採用合併會計處理編製財務報表，而2016年之比較資料亦相應重新列示。

以上交易在本《管理層討論及分析》統稱「出售和收購」。

綜合財務回顧

因應本集團的出售和收購已重新列示2016年上半年和下半年之比較資料。

財務要點

港幣百萬元	(重列)		
	半年結算至 2017年6月30日	半年結算至 2016年12月31日	半年結算至 2016年6月30日
來自持續經營業務			
提取減值準備前之淨經營收入	22,400	20,557	19,701
經營支出	(5,899)	(6,362)	(5,641)
提取減值準備前之經營溢利	16,501	14,195	14,060
提取減值準備後之經營溢利	16,148	14,123	13,546
除稅前溢利	17,075	14,463	13,702
本銀行股東應佔溢利	16,893	12,369	42,536
- 來自持續經營業務	14,304	12,155	11,448
- 來自已終止經營業務	2,589	214	31,088

2017年上半年，本集團積極貫徹中國銀行集團「擔當社會責任，做最好的銀行」戰略要求，緊抓市場發展機遇，有效應對複雜的經營環境，核心業務表現良好，主要財務指標保持穩健。期內，本集團深耕香港本地市場；深化與中國銀行聯動，加強跨境業務拓展；加快落實區域發展戰略，東南亞業務重組按計劃有序推進；提升金融市場業務競爭力，加快多元化發展步伐，重點業務平台建設成效提升；持續深化渠道整合和金融科技創新，全面提升產品及服務智能化水平，支持業務增長。本集團亦進一步全面加強風險管理和內控合規管理，保障集團持續健康發展。

期內，本集團加快推進區域發展戰略，資產整合有序進行。2017年3月27日順利完成出售集友。穩步推進東盟地區業務重組，於2017年1月9日完成收購中銀泰國股權的交割，於2017年2月28日與中國銀行就收購印度尼西亞業務及柬埔寨業務簽訂收購協議，並於7月10日完成收購中國銀行印度尼西亞業務的交割。本集團進一步完善東盟機構管理制度和機制建設，融合工作有序進行，聯動合作有效開展，區域協同效應逐步顯現。

管理層討論及分析（續）

2017年上半年的股東應佔溢利為港幣168.93億元，持續經營業務的股東應佔溢利為港幣143.04億元，按年增加港幣28.56億元或24.9%。提取減值準備前之淨經營收入為港幣224.00億元，按年上升港幣26.99億元或13.7%，主要因平均生息資產增長及淨息差提升，帶動淨利息收入增加。淨服務費及佣金收入增加。2017年上半年，外匯掉期合約錄得淨虧損，令淨交易性收益減少，部分抵銷了以上升幅。經營支出有所上升，用於支持本集團的長遠業務發展。另外，主要由於客戶還款，按個別評估減值準備錄得淨撥回，令貸款減值準備淨撥備按年下降。投資物業公平值調整之淨收益上升。此外，已終止經營業務的股東應佔溢利為港幣25.89億元，按年減少港幣284.99億元，其中本年包含出售集友帶來的收益港幣25.04億元，去年同期則包含出售南商的收益港幣299.56億元。

與2016年下半年相比，本集團持續經營業務的股東應佔溢利上升港幣21.49億元或17.7%。提取減值準備前之淨經營收入上升港幣18.43億元或9.0%，主要因淨息差提升及平均生息資產增長，帶動淨利息收入上升，以及淨服務費及佣金收入增加，惟淨交易性收益下降，部分抵銷了以上升幅。經營支出減少，貸款減值準備淨撥備則因貸款增長而上升。投資物業公平值調整之淨收益有所上升。

收益表分析

以下收益表分析基於本集團的持續經營業務，比較資料亦因應本集團的出售和收購而予以重新列示。

淨利息收入及淨息差

港幣百萬元，百分比除外	（重列）		（重列）
	半年結算至 2017年6月30日	半年結算至 2016年12月31日	半年結算至 2016年6月30日
利息收入	21,836	17,279	16,482
利息支出	(6,285)	(4,924)	(5,677)
淨利息收入	15,551	12,355	10,805
平均生息資產	2,038,460	1,930,283	1,813,913
淨利差	1.44%	1.18%	1.11%
淨息差*	1.54%	1.27%	1.19%

* 淨息差計算是淨利息收入除以平均生息資產。

與2016年上半年相比，本集團淨利息收入上升港幣47.46億元或43.9%，由平均生息資產增加及淨息差擴闊所帶動。

平均生息資產按年增加港幣2,245.47億元或12.4%。在客戶存款平均餘額上升帶動下，客戶貸款、債券及同業結餘及存放的平均餘額均有所增加。

淨息差為1.54%，上升35個基點。本集團積極主動管理資產及負債，客戶貸款及債券等較高收益資產的平均餘額有所增加。貸款平均收益率上升，以及存款成本因審慎管理定價而保持穩定，貸存利差得到提升。此外，本集團把握同業市場機會，提升同業結餘及存放的平均收益率。

管理層討論及分析 (續)

下表為各類資產及負債項目的平均餘額和平均利率：

	半年結算至 2017年6月30日		(重列) 半年結算至 2016年12月31日		(重列) 半年結算至 2016年6月30日	
	平均餘額 港幣百萬元	平均收益率 %	平均餘額 港幣百萬元	平均收益率 %	平均餘額 港幣百萬元	平均收益率 %
資產						
在銀行及其他金融機構的結餘及 定期存放	418,173	2.36	323,244	1.28	333,825	1.46
債務證券投資	580,717	1.62	616,991	1.37	537,800	1.37
客戶貸款	1,022,277	2.36	967,965	2.22	920,469	2.24
其他生息資產	17,293	1.22	22,083	0.93	21,819	0.84
總生息資產	2,038,460	2.16	1,930,283	1.78	1,813,913	1.82
無息資產 ¹	287,671	-	288,608	-	518,957	-
資產總額	2,326,131	1.89	2,218,891	1.54	2,332,870	1.42
負債						
銀行及其他金融機構之存款及結餘	224,921	0.87	208,216	0.75	250,112	0.78
往來、儲蓄及定期存款	1,473,338	0.64	1,377,917	0.51	1,301,324	0.64
後償負債	18,885	4.63	19,339	3.38	19,533	2.72
其他付息負債	37,318	1.07	35,830	1.39	36,003	1.57
總付息負債	1,754,462	0.72	1,641,302	0.60	1,606,972	0.71
股東資金 ² 及其他無息存款及負債 ¹	571,669	-	577,589	-	725,898	-
負債總額	2,326,131	0.54	2,218,891	0.44	2,332,870	0.49

1. 分別包括待出售資產及待出售資產之相關負債。

2. 股東資金指本銀行股東應佔股本和儲備。

與2016年下半年相比，淨利息收入增加港幣31.96億元或25.9%，由平均生息資產增加及淨息差上升帶動。在客戶存款平均餘額上升帶動下，平均生息資產增加港幣1,081.77億元或5.6%。淨息差上升27個基點，主要由於客戶貸款的平均餘額增加，以及市場利率上升，帶動客戶貸款、債券和同業結餘及存放的平均收益率得到提升。然而，存款成本有所增加，抵銷部分正面影響。

管理層討論及分析（續）

淨服務費及佣金收入

港幣百萬元	(重列)		(重列)
	半年結算至 2017年6月30日	半年結算至 2016年12月31日	半年結算至 2016年6月30日
貸款佣金	2,051	1,309	2,191
信用卡業務	1,552	1,896	1,882
證券經紀	1,053	1,102	852
保險	756	923	824
基金分銷	421	358	345
匯票佣金	344	324	338
繳款服務	293	304	291
信託及託管服務	257	248	228
買賣貨幣	195	170	167
保管箱	147	134	143
其他	576	520	459
服務費及佣金收入	7,645	7,288	7,720
服務費及佣金支出	(1,697)	(2,004)	(2,004)
淨服務費及佣金收入	5,948	5,284	5,716

2017年上半年，淨服務費及佣金收入為港幣59.48億元，按年上升4.1%。本集團把握市場投資氣氛改善趨勢，向中、高端及跨境客戶作多渠道推廣，豐富產品，帶動證券經紀及基金分銷佣金收入按年分別增長23.6%及22.0%。本集團亦致力發揮多元化業務平台的優勢，在多個領域取得穩健發展。買賣貨幣收入按年上升16.8%，主要受本地及東南亞現鈔業務量上升帶動。受惠於市場氣氛活躍，信託及託管服務收入按年上升12.7%。匯票、保管箱及繳款服務的服務費及佣金收入亦錄得增長。然而，內地訪港旅客簽賬下降，本集團商戶收單業務受到影響，信用卡佣金收入按年下降17.5%。此外，保險及貸款佣金收入亦有所下降。服務費及佣金支出減少，主要因信用卡相關支出減少所致。

與2016年下半年相比，淨服務費及佣金收入上升港幣6.64億元或12.6%，主要由貸款、基金分銷、買賣貨幣、匯票、保管箱和信託及託管服務的服務費及佣金收入上升帶動。信用卡及保險收入則下跌。服務費及佣金支出下跌，主要因信用卡相關支出下降。

管理層討論及分析 (續)

淨交易性收益

港幣百萬元	(重列)		
	半年結算至 2017年6月30日	半年結算至 2016年12月31日	(重列) 半年結算至 2016年6月30日
外匯交易及外匯交易產品	(312)	2,039	1,898
利率工具及公平值對沖的項目	413	370	479
商品	107	(31)	63
股份權益及信貸衍生工具	90	63	63
淨交易性收益	298	2,441	2,503

淨交易性收益按年下降港幣 22.05 億元或 88.1% 至港幣 2.98 億元。2017 上半年，外匯交易及外匯交易產品錄得淨交易虧損，而 2016 年上半年則為淨交易性收益，主要因 2017 年上半年外匯掉期合約*錄得淨虧損而 2016 年同期則錄得淨收益，但部分減幅被外匯交易的淨收益增加抵銷。利率工具及公平值對沖的項目的淨交易性收益下降港幣 0.66 億元，主要源自若干利率工具受市場利率變動引致市場劃價變化。商品淨交易性收益的增長源於貴金屬交易的收益上升。股份權益及信貸衍生工具淨交易性收益上升，其中股票掛鈎結構性產品收入上升。

與 2016 年下半年相比，淨交易性收益下降港幣 21.43 億元或 87.8%。主要因外匯掉期合約*錄得淨虧損，相對 2016 年下半年則錄得淨收益，部分跌幅被外匯及貴金屬交易的淨收益抵銷。

* 本集團通常使用外匯掉期合約進行流動性管理和資金配置。在外匯掉期合約下，本集團將一種貨幣（原貨幣）以即期匯率調換為另一種貨幣（掉期貨幣）（即期交易），同時承諾即期交易中的同一組貨幣在指定到期日，以預先決定的匯率轉換回來（遠期交易）。這使得原貨幣的剩餘資金調換為另一種貨幣，達到流動性及資金配備的目的而匯率風險減至最低。即期及遠期合約所產生的匯兌差異列入外匯兌換損益（屬於「淨交易性收益」），而相應的原貨幣剩餘資金及掉期貨幣的利息差異反映在淨利息收入。

管理層討論及分析 (續)

經營支出

港幣百萬元	(重列)		(重列)
	半年結算至 2017年6月30日	半年結算至 2016年12月31日	半年結算至 2016年6月30日
人事費用	3,483	3,564	3,063
房屋及設備支出(不包括折舊)	785	816	717
自用固定資產折舊	915	891	890
其他經營支出	716	1,091	971
總經營支出	5,899	6,362	5,641

全職員工數目*	(重列)		(重列)
	2017年6月30日	2016年12月31日	2016年6月30日
	12,094	12,057	11,907

* 截至 2016 年 6 月 30 日及 12 月 31 日的全職員工數目的比較資料已予以重列，以便按可比基礎作出分析。

總經營支出按年增加港幣 2.58 億元或 4.6%，主要因為本集團持續投放資源於服務能力和優化系統平台，支持長遠業務發展。同時，本集團持續嚴控費用開支，成本收入比率保持在 26.33% 的低位，成本效益處於同業較佳水平。

人事費用同比增長 13.7%，主要由於年度調薪、增聘員工，以及與業績掛鈎的酬金增加。

房屋及設備支出上升 9.5%，由於優化系統平台相關費用及租金增加。

自用固定資產折舊增加 2.8%，主要是資訊科技基礎設施折舊支出增加。

其他經營支出下降 26.3%，主要由於營業稅減少，以及若干支出錄得撥回。

與 2016 年下半年相比，經營支出減少港幣 4.63 億元或 7.3%，主要由於 2017 年上半年的人事費用、廣告費和業務推廣費用有所減少，以及若干支出錄得撥回。

管理層討論及分析 (續)

貸款減值準備淨撥備

港幣百萬元	(重列)		(重列)
	半年結算至 2017年6月30日	半年結算至 2016年12月31日	半年結算至 2016年6月30日
收回已撇銷賬項前之準備淨撥回／(撥備)			
－ 按個別評估	137	138	(213)
－ 按組合評估	(527)	(291)	(368)
收回已撇銷賬項	41	88	49
貸款減值準備淨撥備	(349)	(65)	(532)

貸款減值準備淨撥備為港幣3.49億元，較2016年同期減少港幣1.83億元或34.4%。2017年上半年，按個別評估減值準備錄得淨撥回，主要由於個別公司客戶還款，而去年同期為淨撥備。按組合評估減值準備淨撥備隨客戶貸款增長而上升。

截至2017年6月30日，總貸款減值準備對總客戶貸款比率為0.31%，比2016年底的0.33%略為下降。

與2016年下半年相比，貸款減值準備淨撥備增加港幣2.84億元，主要因貸款增長令按組合評估減值準備淨撥備上升。

管理層討論及分析（續）

資產負債表分析

截至 2016 年 12 月 31 日的比較數字已重新列示，以符合本期之列示形式。

資產組成

港幣百萬元，百分比除外	（重列）			
	2017 年 6 月 30 日		2016 年 12 月 31 日	
	餘額	佔比 (%)	餘額	佔比 (%)
庫存現金及存放銀行及其他金融機構的結餘	399,458	15.9	232,378	10.4
在銀行及其他金融機構一至十二個月內到期之定期存放	81,856	3.2	70,392	3.2
香港特別行政區政府負債證明書	135,800	5.4	123,390	5.5
證券投資 ¹	553,482	22.0	584,211	26.3
貸款及其他賬項	1,134,104	45.0	995,372	44.7
固定資產及投資物業	66,049	2.6	63,962	2.9
其他資產 ²	149,339	5.9	103,033	4.6
待出售資產	-	0.0	53,586	2.4
資產總額	2,520,088	100.0	2,226,324	100.0

1. 證券投資包括證券投資、交易性證券及界定為公平值變化計入損益之證券。

2. 其他資產包括聯營公司及合資企業權益、遞延稅項資產、衍生金融工具及界定為公平值變化計入損益之其他債務工具。

截至2017年6月30日，本集團總資產達港幣25,200.88億元，較2016年底增長港幣2,937.64億元或13.2%。本集團持續強化資產負債管理，確保業務的可持續發展。

本集團總資產的主要變化包括：

- ◆ 庫存現金及存放銀行及其他金融機構的結餘增加港幣1,670.80億元或71.9%，主要由於存放同業和中央銀行的結餘增加。
- ◆ 貸款及其他賬項上升港幣1,387.32億元或13.9%，其中客戶貸款增長港幣1,263.02億元或12.9%。
- ◆ 其他資產增加港幣463.06億元或44.9%，主要由於公平值變化計入損益之其他債務工具增加，部分增幅被衍生金融工具減少抵銷。
- ◆ 待出售資產降至零，因本集團完成出售集友。

管理層討論及分析 (續)

客戶貸款

港幣百萬元，百分比除外	2017年6月30日		(重列) 2016年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
在香港使用之貸款	730,077	66.2	662,648	67.9
工商金融業	428,841	38.9	376,353	38.5
個人	301,236	27.3	286,295	29.4
貿易融資	77,199	7.0	72,182	7.4
在香港以外使用之貸款	295,471	26.8	241,615	24.7
客戶貸款總額	1,102,747	100.0	976,445	100.0

在2017年上半年，本集團持續緊抓國家戰略及東盟地區發展機遇。期內，深化中國銀行集團聯動合作，為內地「走出去」企業及東盟地區的企業提供多元化金融服務。同時，本集團深耕香港本地家族企業、商會和二、三線上市公司，並提升對中小企業、住宅按揭及其他零售貸款的服務。本集團嚴格執行審慎的授信策略，以實現優質增長，並保持資產質量良好。2017年上半年，客戶貸款增長港幣1,263.02億元或12.9%至港幣11,027.47億元。

在香港使用之貸款上升港幣674.29億元或10.2%。

- 工商金融業貸款增加港幣524.88億元或13.9%，增長廣泛，包括物業發展、製造業、運輸及運輸設備、資訊科技、批發及零售和金融企業。
- 個人貸款上升港幣149.41億元或5.2%，住宅按揭貸款（不包括政府資助置屋計劃下的按揭貸款）增加3.9%。其他個人貸款則增加13.3%。

貿易融資上升港幣50.17億元或7.0%，在香港以外使用之貸款則增加港幣538.56億元或22.3%。

管理層討論及分析（續）

貸款質量

港幣百萬元，百分比除外	（重列）	
	2017年6月30日	2016年12月31日
客戶貸款	1,102,747	976,445
特定分類或減值貸款比率	0.19%	0.22%
總減值準備	3,447	3,268
總減值準備佔客戶貸款之比率	0.31%	0.33%
住宅按揭貸款 ¹ — 拖欠及經重組貸款比率 ²	0.01%	0.02%
信用卡貸款 — 拖欠比率 ²	0.20%	0.24%
	半年結算至	半年結算至
	2017年6月30日	2016年6月30日
信用卡貸款 — 撇賬比率 ³	1.70%	1.48%

1. 住宅按揭貸款不包括「居者有其屋」計劃及其他政府資助置屋計劃下的按揭貸款。
2. 拖欠比率指逾期超過3個月之貸款佔貸款總餘額的比率。
3. 撇賬比率為期內撇賬總額對期內平均信用卡應收款的比率。

期內，本集團貸款質量保持良好。截至2017年6月30日，特定分類或減值貸款比率為0.19%。特定分類或減值之客戶貸款餘額下降港幣1.19億元或5.5%至港幣20.50億元。

住宅按揭貸款及信用卡貸款質量維持穩健，截至2017年6月底，住宅按揭貸款拖欠及經重組貸款比率為0.01%，信用卡貸款撇賬比率為1.70%。

管理層討論及分析 (續)

客戶存款*

港幣百萬元，百分比除外	(重列)			
	2017年6月30日		2016年12月31日	
	餘額	佔比 (%)	餘額	佔比 (%)
即期存款及往來存款	194,333	11.7	174,934	11.6
儲蓄存款	845,853	51.0	797,021	52.6
定期、短期及通知存款	616,279	37.1	539,133	35.6
	1,656,465	99.8	1,511,088	99.8
結構性存款	3,072	0.2	3,425	0.2
客戶存款總額	1,659,537	100.0	1,514,513	100.0

* 包括結構性存款

2017年上半年，本集團採取多項存款策略性措施，包括：重點加強發薪戶口服務，增加央行及主權機構客戶，拓展新股上市收票行、現金管理、結算、託管等業務，帶動客戶存款沉澱。截至2017年6月30日，客戶存款總額達港幣16,595.37億元，較去年底增加港幣1,450.24億元或9.6%，其中即期存款及往來存款增長11.1%，儲蓄存款增長6.1%，定期、短期及通知存款增長14.3%。

本銀行股東應佔股本和儲備

港幣百萬元	(重列)	
	2017年6月30日	2016年12月31日
股本	43,043	43,043
房產重估儲備	36,029	35,671
可供出售證券公平值變動儲備	(685)	(1,795)
監管儲備	10,109	9,227
換算儲備	(629)	(935)
合併儲備	-	2,384
留存盈利	136,622	129,166
儲備	181,446	173,718
本銀行股東應佔股本和儲備	224,489	216,761

截至2017年6月30日，本銀行股東應佔股本和儲備為港幣2,244.89億元，較2016年底增加港幣77.28億元或3.6%。留存盈利上升5.8%，主要反映2017年上半年在扣除中期股息後的盈利。房產重估儲備上升1.0%，因2017年上半年房產價格上升，部分升幅被因出售已終止經營業務而轉撥房產重估儲備至留存盈利之金額所抵銷。可供出售證券公平值變動儲備的虧損有所減少，主要反映市場利率變動。監管儲備上升9.6%，客戶貸款增長的影響部分被因出售已終止經營業務而轉撥至留存盈利之金額所抵銷。合併儲備源自本集團合併中銀泰國而採用合併會計處理。

管理層討論及分析 (續)

資本比率及流動性覆蓋比率

港幣百萬元，百分比除外	2017年6月30日	2016年12月31日
扣減後的綜合資本		
普通股權一級資本	166,259	158,828
額外一級資本	-	458
一級資本	166,259	159,286
二級資本	38,594	41,926
總資本	204,853	201,212
風險加權資產總額	941,605	900,288
普通股權一級資本比率	17.66%	17.64%
一級資本比率	17.66%	17.69%
總資本比率	21.76%	22.35%
	2017年	2016年
流動性覆蓋比率的平均值		
第一季度	121.41%	112.92%
第二季度	123.88%	109.70%

資本比率以監管規定的綜合基礎計算，並根據《銀行業（資本）規則》由中銀香港及其部分金管局指定之附屬公司組成。

出售集友帶來的收益進一步充實了本集團的資本水平，而本集團在制定內部資本管理目標時，除充分考慮不斷提高的資本監管要求外，本集團會因應集團各項戰略發展計劃，兼顧短期和長期資本要求，配合適當資本補充方案，確保資本水平長期穩定。本集團持續優化管控措施，監控資產風險權重變化，同時通過嚴格和前瞻性的壓力測試，測算不同壓力條件下的資本需求和供應情況，檢驗資本充足性管理目標，並制定資本調節方案，確保在壓力情況下仍有能力滿足資本需求。

截至2017年6月30日，普通股權一級資本比率及一級資本比率均為17.66%，較2016年底分別上升0.02個百分點及下降0.03個百分點。普通股權一級資本及一級資本分別增長4.7%及4.4%，由2017年上半年扣除支付股息後的溢利帶動。風險加權資產總額增加4.6%，主要是2017年上半年客戶貸款增長令信貸風險加權資產上升，部分增長被出售集友導致風險加權資產減少抵銷。本集團總資本比率為21.76%。

流動性覆蓋比率的平均值是基於該季度每個工作日終結時流動性覆蓋比率的算術平均數及金管局有關流動性狀況報表中列明的計算方法及指示計算。流動性覆蓋比率是以綜合基礎計算，並根據《銀行業（流動性）規則》由中銀香港及其部分金管局指定之附屬公司組成。

2017年第一季度及第二季度的流動性覆蓋比率的平均值分別為121.41%及123.88%，均高於有關的監管要求。

管理層討論及分析 (續)

業務回顧

業務分類的表現

業務分類的除稅前溢利／(虧損)

港幣百萬元，百分比除外	(重列)			
	半年結算至 2017 年 6 月 30 日		半年結算至 2016 年 6 月 30 日	
	餘額	佔比 (%)	餘額	佔比 (%)
持續經營業務				
個人銀行	4,071	23.8	3,612	26.4
企業銀行	7,289	42.7	6,382	46.6
財資業務	4,695	27.5	3,926	28.6
其他	1,020	6.0	(218)	(1.6)
除稅前溢利總額	17,075	100.0	13,702	100.0

註：詳細分類資料請見中期財務資料附註 37。

個人銀行

財務業績

2017年上半年，個人銀行除稅前溢利為港幣40.71億元，按年上升港幣4.59億元或12.7%，淨利息收入和淨服務費及佣金收入增加，部分被經營支出上升抵銷。

淨利息收入增長15.8%，主要由於存款利差改善，以及存款和貸款平均餘額增加。淨服務費及佣金收入增加8.0%，因本集團緊抓市場氣氛好轉趨勢，證券經紀及基金分銷業務表現良好，佣金收入按年升幅理想。繳款服務費收入亦健康增長。經營支出增加15.1%，主要因人事費用、租金和業務支出上升。

業務經營情況

深化分行網點轉型，打造全新概念服務模式

2017年上半年，本集團持續縱深推進網點轉型項目，充分發揮全港網點數量最多的優勢，推動網點由單一零售功能分行向對公對私全功能分行轉型，為個人及企業客戶提供更好服務。網點轉型項目促進中、高端客戶及中小企業業務，增加雙向業務轉介量，提升全渠道銀行服務效能。期內，各項業務營運效率顯著提升，客戶存款、中、高端客戶量及相關資產值均錄得理想增長。本集團秉承「以客戶為中心」的理念，持續優化業務流程、服務模式，打造全新概念的銀行服務中心，提升客戶體驗。

大力拓展跨境業務及落實東盟的重點項目

本集團落實跨境對接機制及業務策略，為客戶提供更優質和專業的服務，塑造跨境首選銀行的品牌形象。期內，本集團深化與中國銀行各分支機構的聯動合作，定期安排人員培訓及交流，並優化跨境見證開戶流程及推出一系列推廣優惠，成功吸納跨境客戶。本集團亦優化「跨境金融服務中心」，配備專職跨境業務的客戶經理，全面提升服務能力。同時，本集團的東盟區域拓展進展理想，通過優化東盟機構的組織架構及管理模式，提供專業產品和服務支援，穩步推進各項重點業務項目。中銀香港在跨境銀行業務的表現得到認同，榮獲《星島日報》頒發「跨境金融服務」大獎。

管理層討論及分析（續）

積極擴大中、高端客戶群，提升服務水平

期內，本集團致力深化客戶關係，多管齊下擴展中、高端客戶群。此外，本集團完善客層管理，繼續優化財富管理服務模型，豐富產品配套，並配合百年行慶推出一系列線上線下宣傳和營銷計劃，帶動「中銀理財」和「智盈理財」客戶數目及資產管理規模理想增長。本集團亦聚焦客戶需求，提升交叉銷售及產品滲透率。

本集團進一步優化私人銀行團隊，提升服務水平，並按客戶需求，加強開放式產品平台的業務能力，推出專屬產品及優化服務。本集團通過推出全新業務轉介方案、與集團內各單位及中國銀行內地和海外機構的緊密聯動，以及舉辦多項客戶活動，擴展香港、內地和東南亞市場的客戶基礎，以成為中國銀行集團海外私人銀行中心，並打造跨境高淨值客戶首選私人銀行的品牌形象。私人銀行的客戶數目及資產管理規模與去年底比較，錄得理想增長。

提升住宅按揭及其他零售貸款服務

2017年上半年，本港住宅物業市道相對活躍，物業價格及交易量均有上升。期內，按揭貸款市場競爭激烈，本集團採取因地制宜的銷售策略，優化銷售團隊，精簡審批流程，致力鞏固市場領先地位。本集團亦著力拓展高端及跨境按揭客戶，繼續將按揭服務拓展至豪宅市場。此外，本集團持續優化個人貸款業務，優化多項抵押貸款產品，有效提升產品競爭力。中銀香港在按揭貸款業務的表現得到認同，連續8年獲《星島日報》頒發「按揭服務」大獎；獲新城財經台及新城數碼財經台頒發「香港企業領袖品牌大獎」的「卓越銀行按揭服務品牌」。

緊抓市場節奏，擴大投資產品收入

本集團緊抓市場氣氛好轉趨勢，全力提升股票交易量，集中對中、高端股票活躍客戶、跨境客戶定向發送獨有的股票分析數據和資訊，提升客群體驗；持續透過一系列市場推廣，提升客戶的股票交易量；適時透過社交平台推廣家庭證券賬戶以及推出智能投資比賽，強化本集團緊貼金融科技發展的品牌形象。基金分銷方面，本集團持續拓展中、高端客戶基金業務，期內，透過引入私人配售基金，豐富基金選擇，多渠道宣傳推廣及客戶活動，加強吸客能力，並優化基金交易流程，提升客戶體驗。隨著市場氣氛好轉，本集團證券經紀及基金分銷業務表現良好，佣金收入按年升幅理想。

銀行保險業務方面，本集團持續擴闊產品系列，迎合客戶在不同人生階段的需要。期內，本集團推出了一系列「以客戶為中心」的優惠措施，提升客戶滲透率；為跨境客戶推出增值服務，致力加強互通及在港銷售。同時，積極協助集團東盟機構提升銀行保險銷售業務。

管理層討論及分析（續）

創新信用卡業務，鞏固競爭優勢

2017年上半年，香港本土零售消費增長乏力，傳統信用卡經營持續受壓；移動支付等創新技術的發展，儲值支付工具牌照持有人成為新的競爭者，帶來進一步衝擊。本集團信用卡業務順勢而為，持續創新發展，積極提升業務拓展力。繼去年推出VISA及萬事達卡Apple Pay 服務後，又首發銀聯信用卡和借記卡的Apple Pay服務，並推出VISA及萬事達卡Samsung Pay服務，打造差異化競爭優勢；積極與微信支付香港及支付寶香港等合作，拓展支付場景，進一步普及移動支付；更持續深化網點轉型，以擴大客戶基礎為核心，加強網點營銷信用卡能力，提升活躍交叉銷售，「獲客」和「活客」並行發展。期內，本集團在銀聯卡商戶收單及發卡業務保持香港市場領先地位。

管理層討論及分析 (續)

企業銀行

財務業績

企業銀行除稅前溢利為港幣 72.89 億元，按年增加港幣 9.07 億元或 14.2%，主要由淨利息收入增長帶動。

淨利息收入增加 16.0%，源自貸款和存款平均餘額增長以及存款利差改善。經營支出增加 8.3%，因人事費用上升。減值準備淨撥備下跌 60.2%，主要由於客戶還款，按個別評估減值準備錄得淨撥回，而去年同期為淨撥備。

業務經營情況

把握國家戰略機遇，拓展東盟及跨境業務

本集團把握國家實施重大戰略帶來的機遇，圍繞主流客戶、主流項目、主流業務及主流產品，全面拓展「一帶一路」沿線及東盟地區業務。本集團深化與中國銀行各分行的聯動，以產品及服務創新為導向，為「走出去」企業在「一帶一路」沿線的發展提供融資方案；積極爭取地區重點項目，與東盟當地龍頭企業開展多元化業務合作，進一步提升市場影響力。此外，本集團利用在業務營銷和產品服務上的優勢，協同中國銀行東盟各機構共同發展，成功拓展多個重要客戶，並與世界銀行成員多邊投資擔保機構達成首筆項目合作，支持緬甸電訊事業及經濟發展。

本集團積極發揮內地與香港兩地皆大的業務優勢，透過與中國銀行境內外機構的聯動，完成多筆跨境融資及大額雙邊融資項目，支持企業海外發展及產業整合。深入開拓七大自由貿易試驗區（「自貿區」）業務，及時把握相關改革措施，同時抓住粵港澳大灣區的發展機遇，加強與中國銀行當地各機構聯動，完成跨境融資、資金池項目等多筆首發業務。此外，作為中國銀行亞太銀團貸款中心，本集團成功籌組多筆大型銀團貸款，並在2017年上半年繼續保持港澳銀團貸款市場安排行排名首位。中銀香港跨境業務的傑出表現得到認同，榮獲新城財經台及香港大公文匯傳媒集團頒發「傑出企業／商業銀行－跨境全方位業務大獎」。

持續擴大客戶基礎，促進本地工商業務

2017年上半年，本集團繼續深化本地家族企業、商會和二三線上市公司客戶，為這些企業搭建便利有效的金融服務平台，協助客戶提升市場競爭力。透過分行網絡優勢，持續提高對本地中小企客戶的服務及營銷能力。中銀香港榮獲由香港中小型企業總商會頒發「2017 中小企業最佳拍檔金獎」，以表揚中銀香港連續10年獲得「中小企業最佳拍檔獎」。

擴大機構業務覆蓋範圍

2017年上半年，本集團繼續擴大與海外央行、主權基金客戶及國際金融組織的合作及聯繫。在香港，加強銀政合作，擴大與政府及公營機構的業務關係，進一步擴大業務覆蓋。此外，本集團擔任多宗香港大型新股上市的收票行，鞏固市場領先地位。

管理層討論及分析 (續)

創新交易銀行業務產品

本集團緊緊把握來自本地、自貿區及東南亞地區的發展機遇，持續進行產品創新及功能升級，各項業務保持良好增長。本集團發揮「大產品」協同作用，依托現金管理優勢產品帶動客戶存款沉澱；本集團積極推動資金池業務實現區域化、全球化突破；與中國銀行境內行緊密合作，並與各自貿區的主管政府部門保持密切溝通，及時把握相關政策，成功辦理多個跨境資金池項目。本集團亦繼續豐富傳統貿易及現金管理產品，優化相關業務系統，促進產品的場景化應用，並與集團東盟機構聯動，進一步擴大交易銀行業務。此外，本集團完成香港首筆貿易融資區塊鏈應用方案，新技術有助驗證交易的真實性，減少融資所需時間，提升效率。中銀香港交易銀行業務的卓越表現獲得讚揚，榮獲《亞洲銀行家》雜誌頒發「香港區最佳貿易融資銀行成就大獎」。中銀香港做的一宗泰國貿易融資項目亦同時榮獲該雜誌頒發「泰國最佳企業貿易融資交易獎」。此外，中銀香港連續4年獲《亞洲銀行及財金》雜誌評選為「香港區最佳本地現金管理銀行」。

拓展託管業務產品多元化

2017年上半年，投資市場氣氛活躍，保險類及退休金類別客群均有可觀增長，相關託管資產規模增長良好。多元化的業務平台帶來多類型客群發展，包括專戶及私募基金。期內，配合「債券通」的啟動，本集團積極籌備，以實現託管、換匯、債券交易、資金賬戶及跨境匯劃等一站式服務，為業務提供新動力。本集團亦與東盟機構保持緊密聯動，拓展跨境業務商機。至2017年6月底，在剔除參加行的人民幣信託賬戶後，本集團託管的資產總值達港幣10,215億元。

採取積極主動的應對措施抵禦風險

2017年上半年，本集團繼續嚴格執行審慎的授信政策。面對充滿不確定性的經濟環境，本集團採取了更頻繁、更主動的信貸監控措施，包括對易受市場波動影響的行業和客戶加強分析，實施更嚴格的貸前及貸後監控措施，以儘早識別負面的信貸狀況。因應一帶一路的倡議，本集團積極開展業務，同時加強各項信貸風險及業務合規的管控。此外，本集團密切留意內地市場的風險變化，嚴格控制對內地產能過剩行業客戶的信貸投放，同時進一步規範對若干行業的風險管控要求，並設定重檢觸動點，以加強監察內地信貸的風險集中度，亦定期進行壓力測試，以分析經濟環境一旦改變帶來的影響，早做好預備工作。因應內地企業「走出去」及收購中國銀行於東盟的資產，本集團貫徹審慎的風險管理原則，加強對境外行在信貸風險管理架構、內部控制、監管與合規等方面的指導，為進入新的市場設定更完善和有效的風險控制措施。

管理層討論及分析 (續)

財資業務

財務業績

財資業務除稅前溢利為港幣46.95億元，較去年上升港幣7.69億元或19.6%，增長由淨利息收入增長帶動，部分被2017年上半年錄得的淨交易性虧損抵銷。

淨利息收入大幅增長177.9%，主要由於本集團把握市場利率上升機會，提升債券和同業結餘及存放的平均收益率。2017年上半年，外匯掉期合約錄得淨虧損，令財資業務錄得淨交易性虧損，2016年上半年則為淨交易性收益。

業務經營情況

提升財資業務市場競爭力

本集團高度關注市場變化，應對跨境政策調整的挑戰，通過提供專業服務和創新多元化產品，不斷滿足客戶的廣泛需求。期內，推出了一系列的結構性產品，持續提升市場競爭力。現鈔業務方面，本集團持續拓展東南亞金融機構新客戶，進一步夯實本集團作為區域性銀行的戰略基礎。在香港本地率先推出汶萊元及南非蘭特現鈔提存服務，令零售現鈔兌換貨幣增至24種，鞏固本集團在零售現鈔兌換的市場領先地位。中銀香港財資業務的表現獲市場肯定，榮獲《亞洲銀行及財金》雜誌頒發「香港區最佳本地外匯銀行」獎項。中銀香港亦榮獲新城財經台及香港大公文匯傳媒集團合辦的「人民幣業務傑出大獎」的「傑出財資業務—點心債莊家大獎」。

全力推動東盟地區業務發展

本集團利用自身的資金優勢，滿足東盟地區各機構的資金需求，全力推動業務發展。期內，本集團成功拓展機構客戶業務及多家東盟機構人民幣現鈔業務，並聯動各東盟機構共同發掘及營銷優質新客戶，積極推進各行的財資業務進一步增長。

人民幣清算業務優勢得到進一步鞏固

2017年7月初「債券通」開通後，中銀香港擔任香港債務工具中央結算系統的獨家開戶行，為兩地機構提供跨境資金清算服務，並為「債券通」相關機構提供全面服務。同時，人民幣跨境支付系統清算業務穩定增長，進一步鞏固本集團全球人民幣清算業務優勢。

積極主動和審慎的投資策略

本集團繼續審慎管理銀行投資盤，關注市場變化，致力爭取較高的投資回報。期內，本集團把握市場利率走勢，動態調整投資盤，提升資金運用效益。

管理層討論及分析 (續)

其他重點業務平台

信託服務發展良好

本集團透過附屬公司中銀國際英國保誠信託有限公司(「中銀國際保誠信託」)提供受託人,公積金、退休金及單位信託基金行政管理服務。期內,中銀國際保誠信託透過設立有效的激勵計劃及優化系統應用功能,積極與集團內部單位合作,提升轉介、交叉銷售及新造業務。「熱線中心轉介服務」持續提升客戶電話查詢服務體驗,並以電話服務作為強積金賬戶整合契機,促進強積金資產轉入,成效令人鼓舞。此外,中銀國際保誠信託成功爭取一家非政府機構員工強積金計劃的行政服務合約,亦中標為香港一大型印刷商及一主要通訊服務商提供強積金服務。中銀國際保誠信託的信託服務備受認同,獲新城財經台及新城數碼財經台頒發「香港企業領袖品牌大獎」的「香港企業領袖之選—金融類」及「卓越網上強積金平台品牌」獎項,中銀國際保誠信託旗下的「我的強積金計劃」亦榮獲「湯森路透理柏基金香港年獎2017」的多個獎項。

證券及期貨業務持續拓展

本集團透過附屬公司寶生證券及期貨有限公司(「寶生證券及期貨」)提供期貨及期權產品的買賣服務。期內,寶生證券及期貨持續推行市場化的業務策略及擴大產品系列,包括Bloomberg DMA(直聯連接交易所)股票交易服務、「人民幣貨幣期權」及「五年期中國財政部國債期貨」買賣服務,滿足客戶的需要。隨著新證券交易系統正式投產,寶生證券及期貨開展零售客戶層股票買賣服務,推出一系列迎新優惠推廣,同時正籌備多項服務,包括建立專業銷售團隊、增設網點、擴充期貨服務及銷售固定收益產品,達至更靈活及具競爭性的經營策略。

管理層討論及分析（續）

出售集友銀行有限公司

2016年12月22日，就有關本集團出售集友共計2,114,773股普通股（佔集友總發行股份約70.49%）（「出售」），本集團與廈門國際投資有限公司（「廈門國際投資」）及福建省廈門市私立集美學校委員會（「集美校委會」）簽訂股權買賣協議並與中國銀行發佈聯合公告。

出售已於2017年3月27日（「交割日」）根據股權買賣協議的條款及條件完成交割。交割完成後，集友不再是中國銀行及本集團的附屬公司。中銀香港、集友及廈門國際投資於2016年12月22日簽訂過渡服務協議，於交割日起生效，據此，中銀香港自交割日後四年內（可按集友要求續期兩次，每次各一年）按各方同意的服務費用向集友提供若干過渡期支持、信息技術及其他協助，以利平穩過渡。

有關出售的進一步資料，請見中國銀行與本集團於2016年12月22日及2017年3月24日發佈的聯合公告。

截至出售前及2016年上半年集友進行的業務及出售集友所得收益已呈列為已終止經營業務溢利如下：

港幣百萬元	半年結算至	半年結算至
	2017年6月30日	2016年6月30日
已終止經營業務溢利	85	171
出售已終止經營業務之收益	2,504	-

管理層討論及分析（續）

東盟策略－資產整合有序推進

2017上半年，本集團在東盟地區資產整合有序推進，於2017年1月9日順利完成收購中銀泰國股權的交割。中銀泰國繼中銀馬來西亞及中銀香港文萊分行之後，成為本集團在東盟地區的第三家機構。

於2017年2月28日，中銀香港已與中國銀行就收購印度尼西亞業務以及柬埔寨業務分別簽訂資產收購協議，並於7月10日完成收購中國銀行印度尼西亞業務的交割。交割後，中國銀行雅加達分行（及其八間支行）的母行從中國銀行變更為中銀香港，而與印度尼西亞業務有關的所有資產及負債根據資產收購協議轉讓予中銀香港並由其承擔。有關收購的進一步資料，請見本集團於2017年2月28日及7月6日發佈的公告。

2017上半年，本集團東盟機構的業務實現良好增長，圍繞「做當地主流銀行」的戰略目標，致力拓展當地主流項目及業務，加快產品和渠道佈局，推進東盟機構業務升級和轉型。繼續發揮本集團國際化競爭優勢，加快跨境業務產品佈局，樹立品牌，擴大本集團在跨境市場上的影響力。同時，各業務板塊發揮集團協力，加強區域合作，有效提升對客戶的金融服務能力。渠道建設方面，本集團積極將移動化及智能化的渠道發展策略，推展到東盟地區，全面提升東盟客戶體驗。2017年6月底，中銀馬來西亞、中銀泰國及中銀香港文萊分行三行合計的客戶存款及貸款分別較去年底增加34.8%及17.6%。

中銀香港將進一步完善東盟機構管理制度和機制建設，加快與東盟機構的全面融合，致力提升本集團區域化發展的能力和水平。同時，發揮香港國際金融中心規範、先進監管體系優勢，加強東盟機構和業務的風險及合規管理，保障東盟機構的業務健康、持續發展。

管理層討論及分析（續）

科技及營運

本集團持續加強資訊科技及業務營運基礎設施，支持業務增長，提升營運效率。2017年上半年，本集團加大創新力度，推動金融科技應用，線上線下融合，提升網絡金融的競爭力和生產力。物業估值區塊鏈技術應用進展良好，該技術應用已覆蓋本集團大部分的估值個案。本集團亦成功完成香港首筆貿易融資區塊鏈應用方案，為業界在金融科技應用帶來更多創新意念和應用案例。於今年上半年推出的其它金融科技應用亦包括大數據，提升對客戶洞察分析能力，增強營銷效果；運用指紋登入手機銀行。本集團亦為全港首批為銀聯借記卡用戶帶來 Apple Pay 服務的銀行之一，中銀提款卡客戶可透過 Apple Pay 在中國內地及香港接受銀聯雲閃付的終端機進行支付，體驗快捷、方便和安全的流動支付服務。上述創新應用令使用互聯網和手機銀行服務等電子渠道的客戶總數於期內持續上升，累計相關交易筆數亦按年增長。

本集團致力加大創新力度，提升網絡金融服務競爭力，與中國移動國際及中國移動香港簽署戰略合作協議，致力開拓多元化服務平台，共同培育核心客戶群，並加快區域化發展，協力拓展東南亞業務。同時，本集團加強與一些大型互聯網公司的戰略合作，擴展跨境業務並提升整體競爭力。

在資訊科技基建方面，本集團正配合中國銀行集團推進信息系統整合，貫徹落實中國銀行集團全球一體化的資訊科技戰略部署。期內，災備中心遷址建設的完成，提升了應用系統災備運作效能及穩定性，為長期可持續發展奠定基石。同時配合本集團在東盟的區域化發展，建立對海外機構各項區域化資訊科技管治制度及流程。本集團亦從降低營運成本、提升營運效率、減少操作風險等角度，支持東盟機構營運管理，優化營運工作，實現對東盟機構的高效管理。

在科技風險防控方面，本集團採用國際業界標準，持續改善科技風險管理，強化網絡安保機制及偵測能力，以應對日趨頻繁複雜的網絡攻擊；提升員工網絡安全意識，時刻保持高水平的防控警覺。本集團引入了金管局的「網絡防衛評估框架」，當中的固有風險評估已於5月份完成，而成熟度評估則將按計劃於9月底前完成。

中銀香港在促進區塊鏈在本地銀行及金融業的發展及應用得到嘉許，榮獲2017香港資訊及通訊科技獎：最佳金融科技（新興解決方案／創新支付方案）金獎，指靜脈認證服務亦在相同獎項中榮獲「最佳智慧香港」優異獎。中銀香港於《亞洲銀行及財金》雜誌舉辦的第十二屆「零售銀行大獎」中，連續三年榮獲「香港區最佳流動銀行項目大獎」，連續兩年獲頒「香港區最佳電子銀行項目大獎」，並同時獲頒「香港區最佳網上證券平台大獎」，印證中銀香港在電子銀行服務的傑出表現。中銀香港在資訊科技管治方面亦獲得表彰，獲得由國際信息系統審計協會中國香港分會頒發「IT管治成就大獎」最高榮譽的金獎（私營機構）。

管理層討論及分析（續）

風險管理

集團銀行業務

總覽

本集團深信良好的風險管理是企業成功的重要元素。在日常經營中，本集團高度重視風險管理，並強調風險控制與業務發展之間必須取得平衡。本集團業務的主要內在風險包括信貸風險、利率風險、市場風險、流動資金風險、操作風險、信譽風險、法律及合規風險及策略風險。本集團的風險管理目標是在提高股東價值的同時，確保風險控制在可接受的水平之內。本集團設有經董事會審批的風險偏好陳述，表達本集團在風險可控的前提下所願意承擔的風險類型與程度，以實現業務發展目標和達到利益相關者的期望。

風險管理管治架構

本集團風險管理管治架構覆蓋業務發展的全部過程，以保證在業務經營中的各類風險都能得到有效管理及控制。本集團擁有完善的風險管理架構，並有一套全面的風險管理政策及程序，用以識別、量度、監察及控制可能出現的各類風險。本集團亦定期重檢及更新風險管理政策及程序，以配合市場及業務策略的轉變。不同層面的風險承擔者分別負責與其相關的風險管理責任。

董事會代表著股東的利益，是本集團風險管理的最高決策機構，並對風險管理負最終責任。董事會在其屬下委員會的協助下，負責確定本集團的風險管理策略，並確保本集團具備有效的風險管理系統以落實執行有關策略。

風險委員會是董事會成立的常設委員會，負責監察本集團的各類風險；審批第一層風險管理政策，並監督其執行；審查重大的或高風險的風險承擔或交易，並對認為不應該進行的交易行使否決權。審計委員會協助董事會履行內部監控系統的監控職責。

總裁負責管理本集團各類風險，在董事會授權範圍內審批重大風險承擔或交易。副總裁負責協助總裁履行日常管理各類風險的職責，在總裁授權範圍內審批重大風險承擔或交易。風險總監負責協助總裁履行對各類風險日常管理的職責，提出新的風險管理策略、項目和措施以配合監管要求的變化，從而更好地監察及管理新業務、產品及營運環境轉變而引致的風險。風險總監還在授權範圍內負責審核重大風險承擔或交易。各高級管理人員在董事會批准的風險管理政策分層原則下，亦需負責審批其主管業務範圍的風險管理辦法。

本集團的不同單位都有其相應的風險管理責任。業務單位是風險管理的第一道防線，而風險管理單位則獨立於業務單位，負責各類風險的日常管理，以及草擬、檢查和更新各類風險管理政策和程序。

本集團的主要附屬銀行亦採用與本集團一致的風險管理政策。中銀香港風險管理單位按照各自分工，監督附屬公司的相關風險管理情況。

信貸風險管理

信貸風險指因客戶或交易對手未能或不願意履行償債責任而造成損失的風險。本集團的交易賬和銀行賬、以及資產負債表內和表外之交易均存在這種風險。信貸風險主要來自借貸、貿易融資及資金業務。信貸風險總監負責主持各類信貸風險管理工作，直接向風險總監匯報，並在與本集團制定的信貸風險管理原則及要求相一致前提下管控附屬機構的信貸風險承擔。

對於貸款，不同客戶、交易對手或交易會根據其風險程度採用不同的信貸審批及監控程序。信貸評審委員會由信貸和其他業務專家組成，負責對副總裁級或以上人員審批的重大信貸申請進行獨立評審。非零售風險承擔信貸申請由風險管理單位進行獨立審核、客觀評估，並確定債務人評級（按照違約概率程度）和授信等級（按照違約損失率程度）以支持信貸審批；零售信貸交易包括零售小企業貸款、住宅按揭貸款、私人貸款及信用卡等採取零售內部評級系統進行信貸風險評估。本集團會應用貸款分類級別、債務人評級、授信等級和損失預測結果（如適用）於支持信貸審批。

本集團亦會應用貸款分類級別、債務人評級和損失預測結果（如適用）於支持信貸監控、信貸風險報告及分析。對於非零售風險承擔，本集團會對較高風險的客戶採取更頻密的評級重檢及更密切的監控；對於零售風險承擔則會在組合層面應用每月更新的內部評級及損失預測結果進行監察，對識別為高風險組別客戶，會進行更全面檢討。本集團參照金管局貸款分類制度的指引，實施信貸資產的五級分類。風險管理部定期提供信貸風險管理報告，並按管理委員會、風險委員會及董事會的特別要求，提供專題報告，以供其持續監控信貸風險。同時，本集團也會按照行業、地區、客戶或交易對手等維度識別信貸風險集中度，並監察每一交易對手信貸風險、信貸資產組合質素、信貸風險集中度的變化，定期向本集團管理層匯報。

管理層討論及分析（續）

本集團使用的內部評級總尺度表能與標準普爾(Standard & Poor's)外部信用評級相對應。該內部評級總尺度表結構符合香港《銀行業條例》項下《銀行業（資本）規則》的要求。

對於債務證券及證券化資產的投資，本集團會應用債務人評級或外部信用評級、通過評估證券相關資產的質素及設定客戶及證券發行人信貸限額，以管理債務證券及證券化資產投資的信貸風險；對於衍生產品，本集團會採用客戶限額及採用與貸款一致的審批及監控程序管理信貸風險，並制定持續監控及止損程序。減值評估中所使用的方法和假設會定期檢討。在評估資產抵押債券(ABS)與按揭抵押債券(MBS)的減值時，本集團一直以市場價格的顯著下降及相關資產的信貸轉壞作為減值的重要指標。本集團亦會考慮其他減值的客觀證據，包括流動性對市場價格的影響和每一筆由本集團持有的 ABS 與 MBS 的損失覆蓋率變化情況。

市場風險管理

市場風險是指因金融市場價格（匯率、利率、股票價格、商品價格）波動導致銀行外匯、利率、股票和商品持倉值出現變化而可能給本集團帶來的損失。本集團採取適中的市場風險偏好，實現風險與收益的平衡。市場風險管理的目標，是根據本集團的風險偏好和資金業務發展策略，依靠完善的風險管理制度和相關管理手段，有效管理本集團業務中可能產生的市場風險，促進資金業務健康發展。

本集團按照風險管理企業管治原則管理市場風險，董事會及風險委員會、高層管理人員和職能部門／單位，各司其職，各負其責。風險管理部是負責市場風險管理的主責單位，協助高層管理人員履行日常管理職責，獨立監察本集團及中銀香港的市場風險狀況以及管理政策和限額執行情況，並確保整體和個別的市場風險均控制在可接受水平內。

本集團市場風險管理的範圍，包括中銀香港及各附屬機構。本集團制訂一致的市場風險管理政策，規範中銀香港及各附屬機構的市場風險管理，同時，設置集團風險值及壓力測試限額，並根據各附屬機構業務需求和風險承受能力，統一配置和監督使用。在符合集團政策規定的前提下，各附屬機構管理者，在事前經中銀香港認可，可以制訂具體的政策及程序，並須承擔管理其機構日常市場風險的責任。

本集團設有市場風險指標及限額，用於識別、計量、監測和控制市場風險。主要風險指標和限額包括但不限於風險值、止損額、敞口額、壓力測試以及敏感性分析（基點價值、期權敏感度）等。主要風險指標和限額視管理需要劃分為四個層級，分別由風險委員會、管理委員會、風險總監及主管資金業務的副總裁或業務單位主管批准，中銀香港資金業務單位及各附屬機構（就集團限額而言）必須在批核的市場風險指標和限額範圍內開展業務。

本集團採用風險值量度一般市場風險，並定期向風險委員會和高層管理人員報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去 2 年歷史市場數據為參照，計算 99% 置信水平下及 1 天持有期內集團層面及各附屬機構的風險值，並設定本集團和各附屬機構的風險值限額。

本集團採用回顧測試衡量風險值模型計量結果的準確性。回顧測試是將每一交易日市場風險持倉的風險值數字與下一個交易日從這些持倉得到的實際及假設收入作出比較。一般而言，在 99% 置信水平下，在連續 12 個月內的例外情況應該不超過 4 次。

利率風險管理

利率風險是指因利率水平、資產負債期限結構等要素發生變動而可能導致銀行整體收益和經濟價值承受損失的風險。本集團的利率風險承擔主要來自結構性持倉。結構性持倉的主要利率風險類別為：

- 利率重訂風險：資產與負債的到期日或重訂價格期限可能錯配，進而影響淨利息收入；
- 利率基準風險：不同交易的定價基準不同，令資產的收益率和負債的成本可能會在同一重訂價格期間以不同的幅度變化；
- 收益率曲線風險：由於收益率曲線非平行式移動而對淨利息收入或經濟價值產生負面影響；及
- 客戶擇權風險：由於資產、負債或表外項目附設有期權，當期權行使時會改變相關資產或負債的現金流。

本集團風險管理架構同樣適用於利率風險管理。根據風險委員會批准的《中銀香港集團銀行賬利率風險管理政策》，資產負債管理委員會(ALCO)具體履行管理集團利率風險的職責。風險管理部（利率及流動資金風險管理）主責利率風險管理，在財務管理部之資產負債管理處、司庫、投資管理的配合下，協助資產負債管理委員會開展日常的利率風險管理工作，包括但不限於起草管理政策，選擇管理方法，設立風險指標和限額，評估目標資產負債平衡表，監督利率風險管理政策與限額執行情況，向高層管理人員以及風險委員會提交利率風險管理報告等。

管理層討論及分析（續）

本集團設定利率風險指標及限額，用於識別、計量、監測和控制利率風險。主要風險指標和限額包括但不限於重訂價缺口、利率基準風險、久期、基點現值(PVBP)、期權價格波動(Greeks)、淨利息波動比率(NII)、經濟價值波動比率(EV)等。主要風險指標和限額劃分不同層級，按不同層級分別由財務總監及風險總監、資產負債管理委員會、風險委員會批准。承擔利率風險的各業務單位必須在利率風險指標限額範圍內開展相關業務。本集團推出銀行賬新產品或新業務前，相關單位須先執行風險評估程序，包括評估潛在的利率風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行利率風險造成重大影響，須上報風險委員會審批。

淨利息波動比率(NII)和經濟價值波動比率(EV)反映利率變動對集團淨利息收入和資本基礎的影響，是本集團管理利率風險的重要風險指標。前者衡量利率變動導致的淨利息收入變動佔當年預期淨利息收入的比率；後者衡量利率變化對銀行經濟價值（即按市場利率折算的資產、負債及表外業務預測現金流的淨現值）的影響佔最新資本基礎的比率。風險委員會為這兩項指標設定限額，用來監測和控制本集團銀行賬利率風險。

本集團採用情景分析和壓力測試方法，評估不利市況下銀行賬可能承受的利率風險。情景分析和壓力測試同時用於測試儲蓄存款客戶擇權、按揭客戶提早還款、以及內含期權債務證券提前還款對銀行淨利息收入和經濟價值的影響。

流動資金風險管理

流動資金風險是指銀行因無法提供充裕資金以應對資產增加或履行到期義務，而可能要承受的不欲接受的損失的風險。本集團遵循穩健的流動資金風險偏好，確保在正常情況或壓力情景下均有能力提供穩定、可靠和足夠的現金來源，滿足流動資金需求；在極端情景下無需借助金管局的流動性支持，累積的淨現金流為正值，可以保證基本生存期內的流動資金需要。

本集團管理流動資金風險的目標，是按照流動資金風險偏好，以合理的成本有效管理資產負債表內及表外業務的流動性，實現穩健經營和持續盈利。本集團以客戶存款為主要的資金來源，積極吸納和穩定核心存款，並輔以同業市場拆入款項及在資本市場發行票據，確保穩定和充足的資金來源。本集團根據不同期限及壓力情景下的流動資金需求，調整資產組合的結構（包括貸款、債券投資及拆放同業等），保持充足的流動資產，以便提供足夠的流動資金支持正常業務需要，及在緊急情況下有能力以合理的成本及時籌集到資金，保證對外支付。本集團致力實現融資渠道和資金運用的多樣化，以避免資產負債過於集中，防止因資金來源或運用過於集中在某個方面，當其出現問題時，導致整個資金供應鏈斷裂，觸發流動資金風險。本集團制訂了集團內部流動資金風險管理指引，管理集團內各成員之間的流動資金，避免相互間在資金上過度依賴。本集團亦注重管理表外業務可能產生的流動資金風險，如貸款承諾、衍生工具、期權及其他複雜的結構性產品。本集團的流動資金風險管理策略涵蓋了外幣資產負債流動管理、抵押品、即日流動性、集團內流動性以及其它風險引致的流動資金風險等，並針對流動資金風險制訂了應急計劃。

風險委員會是流動資金風險管理決策機構，並對流動資金風險承擔最終管理責任。風險委員會授權資產負債管理委員會管理日常的流動資金風險，確保本集團的業務經營符合風險委員會設定的流動資金風險偏好和政策規定。風險管理部（利率及流動資金風險管理）主責本集團流動資金風險管理，它與財務管理部之資產負債管理處、司庫、投資管理等合作，根據各自的職責分工協助資產負債管理委員會履行具體的流動資金管理職能。

本集團設定流動資金風險指標和限額，每日用來識別、計量、監測和控制流動資金風險，包括但不限於流動性覆蓋比率、貸存比率、最大累計現金流出、以及流動資金緩衝等。本集團採用現金流量分析以評估本集團於正常情況下的流動資金狀況，並最少每月進行流動資金風險壓力測試（包括自身危機、市場危機情況及合併危機）和其他方法，評估本集團抵禦各種嚴峻流動資金危機的能力。本集團亦建立了相關管理資訊系統如資產負債管理系統及巴塞爾流動比率管理系統，提供數據及協助編製常規管理報表，以管理好流動資金風險。

本集團根據金管局頒佈之監管政策手冊 LM-2《穩健的流動資金風險管理系統及管控措施》中的要求，落實對現金流分析及壓力測試當中所採用的習性模型及假設，以強化本集團於日常及壓力情景下的現金流分析。在日常情況下的現金流分析，本集團對各項應用於表內項目（如客戶存款）及表外項目（如貸款承諾）作出假設。因應不同資產、負債及表外項目的特性，根據合約到期日、客戶習性假設及資產負債規模變化假設，以預測本集團的未來現金流量狀況。本集團設定「最大累計現金流出」指標，根據以上假設預測在日常情況下的未來 30 日之最大累計現金淨流出，以評估本集團的融資能力是否足以應付該現金流缺口，以達到持續經營的目的。

在流動資金風險壓力測試中，本集團設立了自身危機、市場危機及合併危機情景，合併危機情景結合自身危機及市場危機，並採用一套更嚴謹的假設，以評估本集團於更嚴峻的流動資金危機情況下的抵禦能力。壓力測試的假設包括零售存款、批發存款及同業存款之流失率，貸款承擔及與貿易相關的或然負債之提取率，貸款逾期比例及滾動發放比率，同業拆出及有價證券的折扣率等。於 2017 年 6 月 30 日，本集團在以上三種壓力情景下都能維持現金淨流入，表示本集團有能力應付壓力情景下的融資需要。此外，本集團的管理政策要求本集團維持流動資金緩衝，當中包括的高質素或質素相若有價證券為由官方實體、中央銀行、公營單位或多邊發展銀行發行或擔保，而其風險權重為 0% 或 20%，或由非金融企業發行的有價證券，其外部信用評級相等於 A-或以上，以確保在壓力情況下的資金需求。應急計劃明確了需根據壓力測試結果和預警指標結果為啟動方案的條件，並詳述了相關行動計劃、程序以及各相關部門的職責。

管理層討論及分析（續）

流動性覆蓋比率是根據由 2015 年 1 月 1 日起生效的《銀行業（流動性）規則》計算，本集團被金管局指定為第一類認可機構，並需要以綜合基礎計算。於 2017 年度，本集團須維持流動性覆蓋比率不少於 80%。

在部分衍生工具合約中，交易對手有權基於對集團的信用狀況的關注而向集團收取額外的抵押品。

本集團對流動資金風險的管理，同時適用於新產品或新業務。在新產品或業務推出前，相關單位必須先履行風險評估程序，包括評估潛在的流動資金風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行流動資金風險造成重大影響，須上報風險委員會審批。

本集團制訂統一的流動資金風險管理政策，規範和指導所有集團成員的流動資金風險管理；各附屬機構根據集團的統一政策，結合自身特點制訂具體的管理辦法，並承擔管理本機構流動資金風險的責任。各附屬機構須定期向中銀香港報告流動資金風險管理信息，中銀香港風險管理部（利率及流動資金風險管理）匯總各附屬機構的信息，對整個集團的流動資金風險狀況進行評估。

操作風險管理

操作風險是指由不完善或有問題的內部程序、人員、系統，以及外部事件所造成損失的風險。操作風險隱藏於業務操作的各個環節，是本集團在日常操作活動中面對的風險。

本集團實施操作風險管理「三道防線」體系：所有部門或功能單位為第一道防線，是操作風險管理的第一責任人，通過自我評估與自我提升來履行業務經營過程中自我風險控制職能。法律合規與操作風險管理部連同一些與操作風險管理相關的專門職能單位包括人力資源部、資訊科技部、公司服務部、防範金融犯罪部、財務管理部、會計部（統稱為「專門職能單位」）為第二道防線，負責評估和監控第一道防線操作風險狀況，對其工作提供指導。獨立於業務單位的法律合規與操作風險管理部，負責協助管理層管理本集團的操作風險，包括制定和重檢操作風險管理政策和框架、設計操作風險的管理工具和匯報機制、評估及向管理層和風險委員會匯報總體操作風險狀況；專門職能單位對操作風險的一些特定的範疇或與其相關事項，履行第二道防線的牽頭管理責任，除負責本單位操作風險管理外，亦須就指定的操作風險管理範疇向其他單位提供專業意見／培訓並履行集團整體的操作風險牽頭管理。集團審計為第三道防線，對操作風險管理框架的有效性與充足性作獨立評估，需定期稽查本集團各部門或功能單位操作風險管理工作的合規性和有效性，並提出整改意見。

本集團建立了有效的內部控制程序，對所有重大活動訂下政策及監控措施。設置適當的職責分工和授權乃本集團緊守的基本原則。本集團採用關鍵風險指標、自我評估、操作風險事件匯報及檢查等不同的操作風險管理工具或方法來識別、評估、監察及控制潛在於業務活動及產品內的風險，同時透過購買保險將未能預見的操作風險減低。對支援緊急或災難事件時的業務運作備有持續業務運作計劃，並維持充足的後備設施及定期進行演練。

信譽風險管理

信譽風險是指因與本集團業務經營有關的負面報導（不論是否屬實），可能引致客戶基礎縮小、成本高昂的訴訟或收入減少等風險。信譽風險隱藏於其他風險及各業務運作環節，涉及層面廣泛。

為減低信譽風險，本集團制定並遵循信譽風險管理政策。此政策的目的是當信譽風險事件發生時本集團能夠盡早識別和積極防範。鑒於信譽風險往往是由各種可能令公眾對本集團信任受損的操作及策略失誤所引發，本集團建立關鍵控制自我評估機制包括相關風險評估工具，以評估各主要風險可能對本集團造成的嚴重影響，包括對本集團信譽的損害程度。

此外，本集團建立完善機制持續監測金融界所發生的信譽風險事件，以有效管理、控制及減低信譽風險事件的潛在負面影響。本集團亦借助健全有效機制及時向利益相關者披露信息，由此建立公眾信心及樹立本集團良好公眾形象。

管理層討論及分析（續）

法律及合規風險管理

法律風險是指因不可執行合約、訴訟或不利判決而可能使本集團運作或財務狀況出現混亂或負面影響的風險。合規風險是指因未有遵守適用法例及規則，而可能導致本集團需承受遭法律或監管機構制裁、引致財務損失或信譽損失的風險。法律及合規風險由法律合規與操作風險管理部管理，而關於洗錢、恐怖分子資金籌集及金融犯罪的合規風險則由防範金融犯罪部負責作獨立管理及監控。法律合規與操作風險管理部及防範金融犯罪部均直接向風險總監匯報。法律合規風險管理政策，以及防洗錢、反恐怖分子資金籌集及防範金融犯罪合規風險管理政策是集團公司治理架構的組成部分，由董事會屬下的風險管理委員會審批。

策略風險管理

策略風險指本集團在實施各項策略，包括宏觀戰略與政策，以及為執行戰略與政策而制訂各項具體的計劃、方案和制度時，由於在策略制訂、實施及調整過程中失當，從而使本集團的盈利、資本、信譽和市場地位受到影響的風險。董事會檢討和審批策略風險管理政策。重點戰略事項均得到高層管理人員與董事會的充分評估與適當的審批。

本集團會因應最新市場情況及發展，定期檢討業務策略。

資本管理

本集團資本管理的主要目標是維持與集團整體風險狀況相稱的資本充足水平，同時為股東帶來最大回報。資產負債管理委員會定期檢討本集團資本結構，並在需要時進行調整以保持風險、回報與資本充足性的最佳平衡。

為符合金管局監管政策手冊「監管審查程序」內的要求，本集團採用內部資本充足評估程序並每年作出重檢。按金管局對第二支柱的指引，內部資本充足評估程序主要用以評估在第一支柱下未有涵蓋或充分涵蓋的重大風險所需的額外資本，從而設定本集團最低普通股權一級資本比率、最低一級資本比率及最低總資本比率。同時，本集團亦就前述的資本比率設定了運作區間，以支持業務發展需要及促進資本的有效運用。

壓力測試

本集團以壓力測試輔助各項風險的分析工作。壓力測試是一種風險管理工具，用以評估當市場或宏觀經濟因素急劇變化並產生極端不利的經營環境時銀行風險暴露的情況。本集團內各風險管理單位按金管局監管政策手冊「壓力測試」內的原則，定期進行壓力測試。資產負債管理委員會根據風險委員會批准的主要風險限額，對壓力測試的結果進行監控，財務管理部定期向董事會及風險委員會匯報本集團的綜合測試結果。

Management's Discussion and Analysis

As a result of the disposal of Chiyu, the Group reported the operating results of Chiyu as profit from discontinued operations in the condensed consolidated income statement with comparative information restated. Assets and liabilities of Chiyu as at 31 December 2016 were presented separately as assets held for sale and liabilities associated with assets held for sale in the condensed consolidated balance sheet. Certain comparative figures in this Management's Discussion and Analysis have been restated to conform with the current period's presentation.

Following the completion of the share acquisition of Bank of China (Malaysia) Berhad ("BOC Malaysia") and Bank of China (Thai) Public Company Limited ("BOC Thailand") on 17 October 2016 and 9 January 2017 respectively, the Group has applied the merger accounting method in the preparation of financial statements for the combination with entities under common control. The comparative information for the year 2016 has been restated accordingly.

The above transactions are collectively referred as the "disposal and acquisitions" in this Management's Discussion and Analysis.

CONSOLIDATED FINANCIAL REVIEW

The comparative information for the first and second half of 2016 has been restated as a result of the Group's disposal and acquisitions.

Financial Highlights

HK\$m	Half-year ended 30 June 2017	(Restated) Half-year ended 31 December 2016	(Restated) Half-year ended 30 June 2016
FROM CONTINUING OPERATIONS			
Net operating income before impairment allowances	22,400	20,557	19,701
Operating expenses	(5,899)	(6,362)	(5,641)
Operating profit before impairment allowances	16,501	14,195	14,060
Operating profit after impairment allowances	16,148	14,123	13,546
Profit before taxation	17,075	14,463	13,702
Profit attributable to the equity holders of the Bank	16,893	12,369	42,536
- from continuing operations	14,304	12,155	11,448
- from discontinued operations	2,589	214	31,088

In the first half of 2017, the Group adhered to the BOC Group's strategic goal of "Serving Society and Delivering Excellence", and seized market opportunities for development, while effectively responding to the complex operating environment. As a result, the Group achieved satisfactory performance in its core business areas with key financial indicators remaining at solid levels. During the review period, the Group cultivated the local market in Hong Kong and increased collaboration with BOC and strengthened its cross-border business development. At the same time, it accelerated the implementation of its regional development plan and conducted the restructuring of its ASEAN business in an orderly manner. Additionally, the Group sharpened its competitive edge in the financial market business, gathered pace in business diversification and improved the development of key business platforms. It also continued to deepen the channel integration and make advances in financial technology ("FinTech") and introduced more intelligent services and products to support business growth. To ensure its sustainable and healthy development, the Group further strengthened its risk management, internal controls and compliance management.

During the period, the Group stepped up its regional development strategy and carried out the restructuring of its assets in an orderly manner with the completion of the disposal of Chiyu on 27 March 2017. The Group also steadily pushed forward the restructuring of its business in the ASEAN region and completed the share acquisition of BOC Thailand on 9 January 2017. On 28 February 2017, it entered into Asset Purchase Agreements with BOC in relation to the acquisition of the Indonesia Business and the Cambodia Business respectively. The completion of the acquisition of the Indonesia Business subsequently took place on 10 July. The Group further refined the management system and mechanism of its ASEAN entities, while continuing to integrate its operations and promote collaboration for further regional synergy.

Management's Discussion and Analysis (continued)

In the first half of 2017, profit attributable to the equity holders amounted to HK\$16,893 million. Profit attributable to the equity holders from continuing operations amounted to HK\$14,304 million, an increase of HK\$2,856 million, or 24.9%, year-on-year. Net operating income before impairment allowances was HK\$22,400 million, up HK\$2,699 million, or 13.7%, year-on-year, mainly contributed by the growth in net interest income resulting from the expansion in average interest-earning assets and the rise in net interest margin. Net fee and commission income grew. The decrease in net trading gain in the first half of 2017, resulting from the net loss in foreign exchange swap contracts, partially offset the above-mentioned growth. Operating expenses rose to support the Group's long-term business expansion. The net charge of loan impairment allowances dropped year-on-year, due to the net reversal of individually assessed impairment allowances following loan repayments by customers. Moreover, a higher net gain from fair value adjustments on investment properties was recorded. Profit attributable to the equity holders from discontinued operations amounted to HK\$2,589 million which included the gain on the disposal of Chiyu of HK\$2,504 million, representing a drop of HK\$28,499 million that included the gain on the disposal of NCB of HK\$29,956 million last year.

Compared with the second half of 2016, profit attributable to the equity holders from the Group's continuing operations increased by HK\$2,149 million, or 17.7%. Net operating income before impairment allowances rose by HK\$1,843 million, or 9.0%, mainly attributable to the increase in net interest income from the rise in net interest margin and the growth in average interest-earning assets. Net fee and commission income also increased. All of the increases were partially offset by the decline in net trading gain. Operating expenses fell, while net charge of loan impairment allowances increased owing to the growth in advances to customers. Net gain from fair value adjustments on investment properties was higher.

INCOME STATEMENT ANALYSIS

The following income statement analysis is based on the Group's continuing operations, and the comparative information has been restated accordingly.

Net Interest Income and Net Interest Margin

HK\$m, except percentages	Half-year ended 30 June 2017	(Restated) Half-year ended 31 December 2016	(Restated) Half-year ended 30 June 2016
Interest income	21,836	17,279	16,482
Interest expense	(6,285)	(4,924)	(5,677)
Net interest income	15,551	12,355	10,805
Average interest-earning assets	2,038,460	1,930,283	1,813,913
Net interest spread	1.44%	1.18%	1.11%
Net interest margin*	1.54%	1.27%	1.19%

* Net interest margin is calculated by dividing net interest income by average interest-earning assets.

Compared with the first half of 2016, the Group's net interest income increased by HK\$4,746 million, or 43.9%. The increase was driven by the growth in average interest-earning assets and the widening of net interest margin.

Average interest-earning assets expanded by HK\$224,547 million, or 12.4% year-on-year. The increase in the average balance of deposits from customers led to an increase in the average balances of advances to customers, debt securities investments and balances and placements with banks.

Net interest margin was 1.54%, up 35 basis points. The Group continued to be proactive in managing its assets and liabilities, with increased average balance of higher-yielding assets, such as advances to customers and debt securities investments. The loan and deposit spread widened as a result of the enhancement in the average yield of advances to customers while deposit costs remained stable under cautious management in deposit pricing. In addition, the Group captured opportunities from the interbank market to improve the average yield of balances and placements with banks.

Management's Discussion and Analysis (continued)

The table below summarises the average balances and average interest rates of individual categories of assets and liabilities:

	Half-year ended		(Restated) Half-year ended		(Restated) Half-year ended	
	30 June 2017		31 December 2016		30 June 2016	
	Average balance	Average yield	Average balance	Average yield	Average balance	Average yield
	HK\$m	%	HK\$m	%	HK\$m	%
ASSETS						
Balances and placements with banks and other financial institutions	418,173	2.36	323,244	1.28	333,825	1.46
Debt securities investments	580,717	1.62	616,991	1.37	537,800	1.37
Advances to customers	1,022,277	2.36	967,965	2.22	920,469	2.24
Other interest-earning assets	17,293	1.22	22,083	0.93	21,819	0.84
Total interest-earning assets	2,038,460	2.16	1,930,283	1.78	1,813,913	1.82
Non interest-earning assets ¹	287,671	-	288,608	-	518,957	-
Total assets	2,326,131	1.89	2,218,891	1.54	2,332,870	1.42
LIABILITIES						
	Average balance	Average rate	Average balance	Average rate	Average balance	Average rate
	HK\$m	%	HK\$m	%	HK\$m	%
Deposits and balances from banks and other financial institutions	224,921	0.87	208,216	0.75	250,112	0.78
Current, savings and time deposits	1,473,338	0.64	1,377,917	0.51	1,301,324	0.64
Subordinated liabilities	18,885	4.63	19,339	3.38	19,533	2.72
Other interest-bearing liabilities	37,318	1.07	35,830	1.39	36,003	1.57
Total interest-bearing liabilities	1,754,462	0.72	1,641,302	0.60	1,606,972	0.71
Shareholders' funds ² and other non interest-bearing deposits and liabilities ¹	571,669	-	577,589	-	725,898	-
Total liabilities	2,326,131	0.54	2,218,891	0.44	2,332,870	0.49

1. Including assets held for sale and liabilities associated with assets held for sale respectively.

2. Shareholders' funds represent capital and reserves attributable to the equity holders of the Bank.

Compared with the second half of 2016, net interest income increased by HK\$3,196 million, or 25.9%, due to the growth in average interest-earning assets and rise in net interest margin. Average interest-earning assets grew by HK\$108,177 million, or 5.6%, which was supported by the increase in the average balance of deposits from customers. Net interest margin was up 27 basis points, which was mainly attributable to the increase in the average balance of advances to customers. Also, the rise in market interest rates led to improvement in the average yield of advances to customers, debt securities investments as well as balances and placements with banks, but this was partially offset by the increase in deposit costs.

Management's Discussion and Analysis (continued)

Net Fee and Commission Income

HK\$m	Half-year ended	(Restated) Half-year ended	(Restated) Half-year ended
	30 June 2017	31 December 2016	30 June 2016
Loan commissions	2,051	1,309	2,191
Credit card business	1,552	1,896	1,882
Securities brokerage	1,053	1,102	852
Insurance	756	923	824
Funds distribution	421	358	345
Bills commissions	344	324	338
Payment services	293	304	291
Trust and custody services	257	248	228
Currency exchange	195	170	167
Safe deposit box	147	134	143
Others	576	520	459
Fee and commission income	7,645	7,288	7,720
Fee and commission expense	(1,697)	(2,004)	(2,004)
Net fee and commission income	5,948	5,284	5,716

In the first half of 2017, net fee and commission income amounted to HK\$5,948 million, up 4.1% year-on-year. The Group captured opportunities arising from improved investment sentiment in the market and focused on providing enriched products and promotional campaigns to mid- to high-end and cross-border customers through various channels. As a result, commission income from securities brokerage and funds distribution grew 23.6% and 22.0% year-on-year respectively. The Group also leveraged its diversified business platforms to record healthy growth in a number of areas. Income from currency exchange rose by 16.8%, driven by the higher turnover of banknotes business in Hong Kong and Southeast Asia. With improved market sentiment, there was a year-on-year growth of 12.7% in income from trust and custody services. Fee and commission income from bills commissions, safe deposit box and payment services also recorded growth. However, commission income from the credit card business dropped 17.5% year-on-year as the Group's merchant acquiring business was affected by the decline in cardholder spending from Mainland visitors to Hong Kong. In addition, commission income from insurance and loans also dropped. The decrease in fee and commission expense was mainly due to lower credit card related expenses.

Compared with the second half of 2016, net fee and commission income increased by HK\$664 million, or 12.6%. The increase mainly resulted from the growth in fee and commission income from loans, funds distribution, currency exchange, bills, safe deposit box and trust and custody services. Income from credit cards and the insurance business fell. Fee and commission expense decreased, mainly due to lower credit card related expenses.

Management's Discussion and Analysis (continued)

Net Trading Gain

HK\$m	Half-year ended 30 June 2017	(Restated) Half-year ended 31 December 2016	(Restated) Half-year ended 30 June 2016
Foreign exchange and foreign exchange products	(312)	2,039	1,898
Interest rate instruments and items under fair value hedge	413	370	479
Commodities	107	(31)	63
Equity and credit derivative instruments	90	63	63
Net trading gain	298	2,441	2,503

Net trading gain decreased by HK\$2,205 million or 88.1% year-on-year, to HK\$298 million. Foreign exchange and foreign exchange products recorded a net trading loss in the first half of 2017 versus a net trading gain in the first half of 2016, mainly attributable to the net loss from foreign currency swap contracts* in the first half of 2017, as compared with the net gain recorded in the same period of 2016. This was, however, partially offset by the higher net gain from foreign exchange transactions. Net trading gain from interest rate instruments and items under fair value hedge decreased by HK\$66 million, primarily due to the mark-to-market changes of certain interest rate instruments caused by interest rate movements. The increase in net trading gain from commodities was due to the increased gain in bullion transactions. Net trading gain from equity and credit derivative instruments increased, which included an increase in income from equity-linked products.

Compared with the second half of 2016, net trading gain decreased by HK\$2,143 million, or 87.8%. The decrease was mainly attributable to the net loss from foreign currency swap contracts*, comparing to the net gain recorded in the second half of 2016, although this was partially offset by the net gain in foreign exchange and bullion transactions.

* Foreign exchange swap contracts are normally used for the Group's liquidity management and funding activities. In foreign exchange swap contracts, the Group exchanges one currency (original currency) for another (swapped currency) at the spot exchange rate (spot transaction) and commits to reverse the spot transaction by exchanging the same currency pair at a future maturity date at a predetermined rate (forward transaction). In this way, surplus funds in the original currency are swapped into another currency for liquidity and funding purposes with minimal foreign exchange risk. The exchange difference between the spot and forward contracts is recognised as a foreign exchange gain or loss (as included in "net trading gain"), while the corresponding interest differential between the surplus funds in the original currency and swapped currency is reflected in net interest income.

Management's Discussion and Analysis (continued)

Operating Expenses

HK\$m	Half-year ended 30 June 2017	(Restated) Half-year ended 31 December 2016	(Restated) Half-year ended 30 June 2016
Staff costs	3,483	3,564	3,063
Premises and equipment expenses (excluding depreciation)	785	816	717
Depreciation on owned fixed assets	915	891	890
Other operating expenses	716	1,091	971
Total operating expenses	5,899	6,362	5,641

	At 30 June 2017	(Restated) At 31 December 2016	(Restated) At 30 June 2016
Staff headcount measured in full-time equivalents*	12,094	12,057	11,907

* The comparative information of staff headcounts measured in full-time equivalents at 30 June 2016 and 31 December 2016 has been restated to enable analysis on a comparable basis.

Total operating expenses increased by HK\$258 million, or 4.6% year-on-year, as a result of the Group's ongoing investment in its service capabilities, business systems and platforms to support long-term business growth. The Group remained focused on disciplined cost control and the cost to income ratio stayed low at 26.33%, with cost efficiency at a relatively good level in the industry.

Staff costs increased by 13.7%, mainly due to annual salary increment, increased headcount, and the increase in performance-related remuneration.

Premises and equipment expenses were up 9.5%, reflecting higher related expenses associated with enhancements in business systems and platforms, and an increase in rental costs.

Depreciation on owned fixed assets rose by 2.8%, largely due to a larger depreciation charge on IT infrastructure.

Other operating expenses dropped by 26.3%, mainly due to lower business tax and the reversal of certain expenses.

Compared with the second half of 2016, operating expenses decreased by HK\$463 million, or 7.3%. The decrease was due to lower staff costs, advertising and marketing expenses, and the reversal of certain expenses in the first half of 2017.

Management's Discussion and Analysis (continued)

Net Charge of Loan Impairment Allowances

HK\$m	Half-year ended 30 June 2017	(Restated) Half-year ended 31 December 2016	(Restated) Half-year ended 30 June 2016
Net reversal/(charge) of allowances before recoveries			
- individually assessed	137	138	(213)
- collectively assessed	(527)	(291)	(368)
Recoveries	41	88	49
Net charge of loan impairment allowances	(349)	(65)	(532)

The net charge of loan impairment allowances was HK\$349 million, a decrease of HK\$183 million or 34.4%, from the same period of 2016. In the first half of 2017, there was a net reversal of individually assessed impairment allowances, mainly due to loan repayments by certain corporate customers. There was a net charge of impairment allowances in the same period of last year. Net charge of collectively assessed impairment allowances increased, mainly attributable to the growth in advances to customers.

Total loan impairment allowances as a percentage of gross advances to customers was 0.31% as at 30 June 2017, down slightly from 0.33% at the end of 2016.

Compared with the second half of 2016, net charge of loan impairment allowances increased by HK\$284 million, mainly due to a higher net charge of collectively assessed impairment allowances as a result of the growth in advances to customers.

Management's Discussion and Analysis (continued)

BALANCE SHEET ANALYSIS

The comparative figures as of 31 December 2016 have been restated to conform with the current period's presentation.

Asset Composition

HK\$m, except percentages	At 30 June 2017		At 31 December 2016 (Restated)	
	Amount	% of total	Amount	% of total
Cash and balances with banks and other financial institutions	399,458	15.9	232,378	10.4
Placements with banks and other financial institutions maturing between one and twelve months	81,856	3.2	70,392	3.2
Hong Kong SAR Government certificates of indebtedness	135,800	5.4	123,390	5.5
Securities investments ¹	553,482	22.0	584,211	26.3
Advances and other accounts	1,134,104	45.0	995,372	44.7
Fixed assets and investment properties	66,049	2.6	63,962	2.9
Other assets ²	149,339	5.9	103,033	4.6
Assets held for sale	-	0.0	53,586	2.4
Total assets	2,520,088	100.0	2,226,324	100.0

1. Securities investments comprise investment in securities, trading securities and securities designated at fair value through profit or loss.

2. Interests in associates and a joint venture, deferred tax assets, derivative financial instruments and other debt instruments designated at fair value through profit or loss are included in other assets.

As at 30 June 2017, total assets of the Group amounted to HK\$2,520,088 million, an increase of HK\$293,764 million, or 13.2%, from the end of 2016. The Group continued to enhance its management of assets and liabilities to ensure its sustainable business development.

Key changes in the Group's total assets include the following:

- ◆ Cash and balances with banks and other financial institutions increased by HK\$167,080 million, or 71.9%, mainly due to the increase in balances with banks and central banks.
- ◆ Advances and other accounts rose by HK\$138,732 million, or 13.9%, with the growth in advances to customers by HK\$126,302 million, or 12.9%.
- ◆ Other assets increased by HK\$46,306 million, or 44.9%, mainly due to the increase in other debt instruments designated at fair value through profit or loss, partially offset by the decrease in derivative financial instruments.
- ◆ Assets held for sale dropped to zero as the Group completed the disposal of Chiyu.

Management's Discussion and Analysis (continued)

Advances to Customers

HK\$m, except percentages	At 30 June 2017		At 31 December 2016 (Restated)	
	Amount	% of total	Amount	% of total
Loans for use in Hong Kong	730,077	66.2	662,648	67.9
Industrial, commercial and financial	428,841	38.9	376,353	38.5
Individuals	301,236	27.3	286,295	29.4
Trade finance	77,199	7.0	72,182	7.4
Loans for use outside Hong Kong	295,471	26.8	241,615	24.7
Total advances to customers	1,102,747	100.0	976,445	100.0

In the first half of 2017, the Group continued to capture opportunities arising from national strategies and growth opportunities in the ASEAN region. During this period, it strengthened its collaboration with the BOC Group to provide a comprehensive range of financial services to Mainland enterprises going global as well as leading corporates in the ASEAN region. The Group also developed the local market in Hong Kong with a focus on family-owned businesses, trade associations, and second- and third-tier listed companies. Additionally, it enhanced its services in the SME, residential mortgage and other retail loan businesses. To achieve quality growth, the Group adhered to a prudent credit strategy and maintained benign asset quality. Advances to customers grew by HK\$126,302 million, or 12.9%, to HK\$1,102,747 million in the first half of 2017.

Loans for use in Hong Kong grew by HK\$67,429 million or 10.2%.

- Lending to the industrial, commercial and financial sectors increased by HK\$52,488 million or 13.9%, representing broad-based growth in various industry sectors including property development, manufacturing, transport and transport equipment, information technology, wholesale and retail trade as well as financial concerns.
- Lending to individuals increased by HK\$14,941 million or 5.2%. Residential mortgage loans (excluding those under the Government-sponsored home purchasing schemes) grew by 3.9% while other individual loans increased by 13.3%.

Trade finance rose by HK\$5,017 million or 7.0%, while loans for use outside Hong Kong grew by HK\$53,856 million or 22.3%.

Management's Discussion and Analysis (continued)

Loan Quality

HK\$m, except percentages	At 30 June 2017	(Restated) At 31 December 2016
Advances to customers	1,102,747	976,445
Classified or impaired loan ratio	0.19%	0.22%
Total impairment allowances	3,447	3,268
Total impairment allowances as a percentage of advances to customers	0.31%	0.33%
Residential mortgage loans ¹ - delinquency and rescheduled loan ratio ²	0.01%	0.02%
Card advances - delinquency ratio ²	0.20%	0.24%
	Half-year ended 30 June 2017	Half-year ended 30 June 2016
Card advances - charge-off ratio ³	1.70%	1.48%

1. Residential mortgage loans exclude those under the Home Ownership Scheme and other government-sponsored home purchasing schemes.

2. The delinquency ratio is measured by the ratio of the total amount of overdue advances (more than three months) to total outstanding advances.

3. The charge-off ratio is measured by the ratio of total write-offs made during the period to average card receivables during the period.

The Group maintained benign asset quality during the period. The classified or impaired loan ratio was 0.19% as at 30 June 2017. Classified or impaired advances to customers decreased by HK\$119 million, or 5.5%, to HK\$2,050 million.

The credit quality of the Group's residential mortgage loans and card advances remained sound. The combined delinquency and rescheduled loan ratio of residential mortgage loans was 0.01% at the end of June 2017. The charge-off ratio of card advances was 1.70%.

Management's Discussion and Analysis (continued)

Deposits from Customers*

HK\$m, except percentages	At 30 June 2017		At 31 December 2016 (Restated)	
	Amount	% of total	Amount	% of total
Demand deposits and current accounts	194,333	11.7	174,934	11.6
Savings deposits	845,853	51.0	797,021	52.6
Time, call and notice deposits	616,279	37.1	539,133	35.6
	1,656,465	99.8	1,511,088	99.8
Structured deposits	3,072	0.2	3,425	0.2
Deposits from customers	1,659,537	100.0	1,514,513	100.0

* Including structured deposits

The Group implemented a number of deposit strategic initiatives in the first half of 2017. These included the development of payroll account services, expansion of central bank and supranational clients, and the development of receiving bank business for IPOs, cash management, settlement and custody business to acquire deposits from customers. As at 30 June 2017, total deposits from customers amounted to HK\$1,659,537 million, up HK\$145,024 million, or 9.6%, from the end of last year. Demand deposits and current accounts grew by 11.1%, saving deposits increased by 6.1%, and time, call and notice deposits were up 14.3%.

Capital and Reserves Attributable to the Equity Holders of the Bank

HK\$m	At 30 June 2017	At 31 December 2016 (Restated)
Share capital	43,043	43,043
Premises revaluation reserve	36,029	35,671
Reserve for fair value changes of available-for-sale securities	(685)	(1,795)
Regulatory reserve	10,109	9,227
Translation reserve	(629)	(935)
Merger reserve	-	2,384
Retained earnings	136,622	129,166
Reserves	181,446	173,718
Capital and reserves attributable to the equity holders of the Bank	224,489	216,761

Capital and reserves attributable to the equity holders of the Bank amounted to HK\$224,489 million as at 30 June 2017, an increase of HK\$7,728 million, or 3.6%, from the end of 2016. Retained earnings rose by 5.8%, mainly reflecting the profit for the first half of 2017 after the appropriation of the interim dividends. The premises revaluation reserve increased by 1.0%, which was attributable to the increase in property prices in the first half of 2017. This was partially offset by the corresponding amount released to retained earnings upon disposal of discontinued operations. The deficit on reserve for fair value changes of available-for-sale securities decreased, mainly reflecting market interest rate movements. The regulatory reserve rose by 9.6%, as the growth in advances to customers was partly offset by the corresponding regulatory reserve released to retained earnings upon the disposal of discontinued operations. Merger reserve was arising on the Group's application of the merger accounting method in relation to its combination with BOC Thailand.

Management's Discussion and Analysis (continued)

Capital Ratio and Liquidity Coverage Ratio

HK\$m, except percentages	At 30 June 2017	At 31 December 2016
Consolidated capital after deductions		
Common Equity Tier 1 capital	166,259	158,828
Additional Tier 1 capital	-	458
Tier 1 capital	166,259	159,286
Tier 2 capital	38,594	41,926
Total capital	204,853	201,212
Total risk-weighted assets	941,605	900,288
Common Equity Tier 1 capital ratio	17.66%	17.64%
Tier 1 capital ratio	17.66%	17.69%
Total capital ratio	21.76%	22.35%
	2017	2016
Average value of liquidity coverage ratio		
First quarter	121.41%	112.92%
Second quarter	123.88%	109.70%

The capital ratios, which are computed on a consolidated basis for regulatory purposes comprise the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Capital) Rules.

The Group's capital level was further enhanced by the gain from the disposal of Chiyu. During the course of formulating its internal capital management targets, the Group took into consideration not only the additional regulatory requirements but also its strategic initiatives and short- and long-term capital requirement, with the support of capital replenishment solutions, to ensure the long-term stability of its capital level. The Group also continued to refine its measures for monitoring changes in the risk-weights of its assets. At the same time, the Group made use of stringent and forward-looking stress testing to assess the demand and supply of capital under different stress scenarios, examined management targets for capital adequacy and formulated a capital adjustment solution to ensure the Group's ability to comply with the capital requirement under stress conditions.

At 30 June 2017, both the CET1 capital ratio and Tier 1 capital ratio was 17.66%, up 0.02 and down 0.03 percentage point respectively from the end of 2016. Profits net of dividends for the first half of 2017 drove up CET1 capital and Tier 1 capital by 4.7% and 4.4% respectively. Total RWAs were up 4.6%, driven by the increase in credit RWAs due to the growth in advances to customers in the first half of 2017, partially offset by the reduction in RWAs following the disposal of Chiyu. The total capital ratio of the Group was 21.76%.

The average value of the liquidity coverage ratio ("LCR") is calculated based on the arithmetic mean of the LCR as at the end of each working day in the quarter and the calculation methodology and instructions set out in the HKMA return of liquidity position. The LCR is computed on a consolidated basis, which comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Liquidity) Rules.

The average value of LCR in the first and second quarter of 2017 was 121.41% and 123.88% respectively, which was higher than the regulatory minimum.

Management's Discussion and Analysis (continued)

BUSINESS REVIEW

Business Segment Performance

Profit/(Loss) before Taxation by Business Segments

HK\$m, except percentages	Half-year ended 30 June 2017		Half-year ended 30 June 2016 (Restated)	
	Amount	% of total	Amount	% of total
FROM CONTINUING OPERATIONS				
Personal Banking	4,071	23.8	3,612	26.4
Corporate Banking	7,289	42.7	6,382	46.6
Treasury	4,695	27.5	3,926	28.6
Others	1,020	6.0	(218)	(1.6)
Total profit before taxation	17,075	100.0	13,702	100.0

Note: For additional segmental information, see Note 37 to the Interim Financial Information.

PERSONAL BANKING

Financial Results

Personal Banking's profit before taxation was HK\$4,071 million in the first half of 2017, an increase of HK\$459 million, or 12.7%, year-on-year. The increase in net interest income and net fee and commission income was partially offset by the increase in operating expenses.

Net interest income increased by 15.8%. This was mainly driven by the improvement in the deposit spread along with the increase in the average balance of deposits and loans. Net fee and commission income increased by 8.0% as the Group took advantage of improvements in market sentiment and achieved satisfactory performance in the securities brokerage and funds distribution business with encouraging year-on-year growth in related commission income. Fee income from payment services also grew healthily. Operating expenses rose by 15.1%, mainly due to the increase in staff costs, rental and business-related expenses.

Business operation

Deepening in the branch transformation project and introducing a new concept service model

In the first half of 2017, the Group deepened its branch transformation project and leveraged its branch network — the most extensive in Hong Kong — to transform from its retail-focused service coverage to a more comprehensive service model that better serves personal and corporate customers. The branch transformation project helped the Group penetrate the mid- to high-end customers segment as well as SMEs for more two-way business referrals, enhancing the efficacy of the omni-channel banking service. During the period, operational efficiency was increased across all business areas, resulting in satisfactory growth in deposits from customers, and the number and related asset values of mid- to high-end customers. The Group remained customer-centric, continued to refine its business workflows and service model, and set up new concept service centres to enhance the overall customer experience.

Expansion in cross-border business and implementation of key projects in ASEAN

The Group implemented a joint mechanism and cross-border business strategy to provide better and more professional services to enhance its image as the first choice for cross-border customers. During the period, the Group collaborated further with BOC entities by providing regular staff training and arranging visits. It also optimised procedures for the attestation of cross-border account opening applications and launched a series of promotional campaigns that succeeded in acquiring more cross-border customers. Additionally, the Group improved its overall service capabilities by optimising its cross-border financial services centres with relationship managers dedicated to the cross-border business. Having made good progress in the expansion of its ASEAN business, the Group refined the organisational structure and management model of its ASEAN entities and provided professional support in products and services to achieve steady progress in various key business projects. In recognition of its performance in the cross-border banking business, BOCHK won the Cross-border Financial Services Award from *Sing Tao Daily*.

Management's Discussion and Analysis (continued)

Expansion of mid- to high-end customer segment with enhanced service levels

During the review period, the Group focused on deepening customer relationships and expanded the mid- to high-end customer segment through multiple channels. Additionally, the Group refined customer segment management, continued to enhance its high-net-worth customer model, enriched its product offering and launched a series of online and offline promotions under the theme of BOCHK's centenary celebration. These initiatives led to satisfactory growth in the total number of Wealth Management and Enrich Banking customers as well as their assets under management ("AUM"). The Group also stepped up cross-selling activities with products that meet customer needs.

The Group further optimised its Private Banking team to enhance service levels. It also upgraded its open product platform, launched customised products and optimised services tailored to clients' needs. With the goal of becoming the Offshore Private Banking Centre of BOC Group and the first choice in Private Banking for cross-border high-net-worth clients, a new business referral scheme was introduced during the period. This was implemented via collaboration with all units within the Group and BOC's Mainland and overseas entities. The Group also organised a number of customer activities to expand its customer base in Hong Kong, the Mainland and Southeast Asian markets. As a result, the total number of Private Banking clients and their AUM grew satisfactorily from the end of last year.

Improvements in the residential mortgage business and other retail loan services

The local residential property market was relatively buoyant in the first half of 2017 with the rise in property prices and transactions. As competition in the residential mortgage market was intense during the period, the Group adopted a flexible sales strategy, optimised the sales team and streamlined the credit assessment approval process to maintain its leading market position. At the same time, the Group reinforced its market position among high-end and cross-border clients and continued to develop its mortgage service in the luxury property market. In addition, the Group continued to refine its personal lending business and enhanced a range of secured lending products that improved its competitiveness. In recognition of its residential mortgage service, BOCHK won the Mortgage Services Award from *Sing Tao Daily* for the eighth consecutive year and the Hong Kong Leaders' Choice Brand Award in Excellent Brand of Mortgage – Banking from Metro Finance and Metro Finance Digital.

Capturing market trends to expand income from investment products

The Group took advantage of improvements in market sentiment to increase transaction volumes in its securities brokerage business. Among the measures taken was the provision of exclusive stock analysis data and information to targeted mid- to high-end and cross-border customers with the aim of enhancing the customer experience. In addition, the Group continued to launch a range of marketing campaigns aimed at enhancing clients securities brokerage trading. By promoting family securities accounts in social media and the launch of a Smart Investment Contest, the Group reinforced its reputation as a leader in FinTech development. In the funds distribution business, the Group continued to expand its funds business among mid- to high-end customers. During the period, the Group acquired more customers through the introduction of private placements and provision of a wider variety of funds, which were supported by multi-channel promotions and customer activities. In addition, it optimised the funds transaction process to improve the customer experience. With improved market sentiment, the Group was able to achieve satisfactory performance in the securities brokerage and funds distribution business with encouraging year-on-year growth in related commission income.

In the bancassurance business, the Group provided a wide range of products to meet customers' needs at different life stages. During the period, the Group launched a series of customer-centric offers to reach a larger number of customers. It also launched valued-added services for cross-border customers to enhance two-way information and sales in Hong Kong. Additionally, the Group assisted its ASEAN entities to expand their bancassurance business.

Management's Discussion and Analysis (continued)

Innovation in credit card business to consolidate its competitive edge

In the first half of 2017, retail consumption in Hong Kong remained stagnant and traditional credit card business continued to come under pressure. These trends, coupled with the development of technological innovations such as mobile payments and the arrival of Store Value Facility licensees as new competitors in the market, created more challenges. Under this market situation, the Group's credit card business continued its innovative development and actively furthered its business expansion. Following the launch of Apple Pay with VISA and MasterCard last year, the Group pioneered the launch of Apple Pay with UnionPay credit card and debit card customers and also launched Samsung Pay with VISA and MasterCard to create differentiated competitive edges. At the same time, it co-operated with WeChat Pay Hong Kong and Alipay Hong Kong to expand these payment scenarios and further popularise mobile payment services. With the ongoing progress of the branch transformation project, the Group focused on expanding its customer base by strengthening credit card sales at the branch network level and enhancing cross-selling activities to acquire and activate customers at the same time. During the review period, the Group maintained its leadership in the UnionPay merchant acquiring and card issuing business in Hong Kong.

Management's Discussion and Analysis (continued)

CORPORATE BANKING

Financial Results

Corporate Banking's profit before taxation was HK\$7,289 million, a growth of HK\$907 million, or 14.2%, year-on-year. The growth was mainly driven by the increase in net interest income.

Net interest income increased by 16.0%, with the positive impact from the increase in the average balance of loans and deposits, coupled with the improvement in the deposit spread. Operating expenses were up 8.3%, owing to the increase in staff costs. Net charge of impairment allowances decreased by 60.2% as there was a net reversal of individually assessed loan impairment allowances following loan repayments by customers. There was a net charge of impairment allowances in the same period of last year.

Business operation

Opportunities from national strategies, expansion in ASEAN and the cross-border business

The Group captured the opportunities arising out of major national strategic initiatives and expanded its business along the Belt and Road and in the ASEAN region by focusing on mainstream customers, projects, businesses and products. With strengthened collaboration among BOC's branches and a focus on product and service innovation, the Group provided enterprises going global with financing solutions to support their development along the Belt and Road. At the same time, the Group made a concerted effort to acquire major projects in the region and promoted diversified business cooperation with leading local enterprises, which further increased its market influence in the ASEAN region. By capitalising on its competitive edge in marketing, products and services and through coordination with BOC entities in ASEAN, the Group successfully acquired a number of key clients. Moreover, it launched its first cooperative project with the Multilateral Investment Guarantee Agency, a member of the World Bank Group, to develop the telecommunications business and economic development in Myanmar.

Capitalising on its business leadership in the Mainland and Hong Kong, and collaboration with BOC's Mainland and overseas entities, the Group completed a number of cross-border financing and major bilateral financing projects in support of enterprises' overseas expansion and business restructuring. In other initiatives during the period, the Group developed its business in the seven Free Trade Zones ("FTZs") of the Mainland of China and took advantage of opportunities arising from other related reforms. In the Guangdong-Hong Kong-Macau Bay Area, the Group cooperated with BOC branches to complete a number of business firsts in cross-border financing and cash pooling projects. Acting as BOC's Asia-Pacific Syndicated Loan Centre, the Group successfully arranged a number of significant syndicated loans and remained the top mandated arranger in the Hong Kong & Macau syndicated loan market in the first half of 2017. In recognition of its performance in the cross-border business, BOCHK received the Outstanding Corporate/Commercial Banking – Cross-border All-round Services award from Metro Finance and Hong Kong Ta Kung Wen Wei Media Group.

Promoting local commercial businesses with enlarging customer base

In the first half of 2017, the Group continued to expand its customer base among family-owned businesses, trade associations and second- and third-tier listed companies in the local market, cooperating with these enterprises to establish a convenient and effective financial service platform and help to improve their overall market competitiveness. Capitalising on the competitive edge from its branch network, the Group reinforced its service capabilities for local SME customers. BOCHK won the Best SME's Partner Gold Award 2017 from the Hong Kong General Chamber of Small and Medium Business in recognition of its acquisition of the Best SME's Partner Award for ten years in a row.

Broader coverage in the institutional businesses

In the first half of 2017, the Group continued to collaborate and connect with overseas central banks, sovereign wealth funds and international financial institutions. In Hong Kong, the Group expanded its business relationships with government and public sector entities, further increasing its business coverage. Moreover, it served as the receiving bank for a number of major IPOs in Hong Kong, which consolidated its leading position in the market.

Management's Discussion and Analysis (continued)

Product innovation in transaction banking

The Group achieved satisfactory growth across various business areas by capturing business opportunities in the local market, FTZs and Southeast Asia as well as providing continuous product innovation and feature enhancements. It leveraged the synergy created by leading products and acquired deposits from customers by offering competitive cash management products while pushing forward with the breakthrough in the regionalisation and globalisation of its cash pooling business. Working closely with BOC entities in the Mainland, it communicated regularly with government departments in the FTZs, stayed up-to-date on related policies and completed a number of cross-border cash pooling projects. The Group also enriched its traditional trade and cash management products, refined its business systems including scenario-based applications of products, and collaborated with ASEAN entities to further expand its transaction banking business. In addition, the Group completed the first application using blockchain technology for trade finance in Hong Kong, which will help to authenticate transactions, expedite the financing process and increase efficiency. In recognition of its outstanding transaction banking services, BOCHK received the Achievement Award for Best Trade Finance Bank in Hong Kong from *The Asian Banker*. A trade finance project in Thailand undertaken by BOCHK was also named the Best Corporate Trade Finance Deal in Thailand. In addition to these accolades, BOCHK was named Hong Kong Domestic Cash Management Bank of the Year for the fourth consecutive year by *Asian Banking and Finance*.

Product diversification in custody services

In the first half of 2017, the active market contributed to a material increase in investment activities from the insurance and pension segments as well as satisfactory growth in assets under custody. Its diversified business platform enabled the Group to acquire a larger range of clients including those in mandates accounts and private fund services. In anticipation of the launch of Bond Connect, the Group actively made preparation with the aim of providing a one-stop service covering custody, currency exchange, bond dealing, cash accounts and cross-border remittance, all of which created new growth drivers for business development. The Group also closely collaborated with its ASEAN entities to explore new opportunities in cross-border business. At the end of June 2017, excluding the RMB fiduciary accounts, total assets under the Group's custody were valued at HK\$1,021.5 billion.

Proactive measures to contain risk

In the first half of 2017, the Group continued to adhere to a prudent credit strategy. In view of the uncertain economic environment, the Group carried out close credit monitoring on a more frequent and proactive basis. This included increasing the analysis of industries and clients that could be negatively affected by market volatility. More stringent pre-lending and post-lending monitoring measures were also adopted to allow for timely identification of negative credit situations. With regard to the Belt and Road Initiative, the Group actively expanded its business development and enhanced the related credit risk and compliance controls. Additionally, the Group remained alert to risks in the Mainland market and strictly controlled its credit exposure to Mainland customers in segments under threat of overcapacity. For certain industries, risk management was increased and a trigger point established to review and monitor the concentration risk of Mainland exposures. What's more, the Group conducted regular stress tests to analyse the effects of changes in the economic environment and completed the corresponding preparation work. As regards Mainland enterprises going global and the acquisition of BOC's assets in ASEAN, the Group acted in accordance with its prudent risk management principles. It also guided its overseas entities on the management structure, internal control, regulations and compliance issues pertaining to credit risk, to ensure more efficient and sound risk control measures are in place governing the Group's business development in new markets.

Management's Discussion and Analysis (continued)

TREASURY

Financial Results

Treasury's profit before taxation was HK\$4,695 million, an increase of HK\$769 million, or 19.6%, from the same period last year. The growth was driven by the increase in net interest income, which was partially offset by the net trading loss recorded in the first half of 2017.

Net interest income surged by 177.9% as the Group captured opportunities from the rise in market interest rates to improve the average yield on debt securities investments and balances and placements with banks. Treasury recorded a net trading loss in the first half of 2017, caused by the net loss from foreign currency swap contracts. Meanwhile, a net trading gain was recorded in the first half of 2016.

Business Operations

Improved competitiveness in the treasury business

The Group remained alert to changes in the market and responded to any challenges from changes in cross-border policies. Through the professional services and innovative products it offers, the Group was able to meet customers' needs throughout the review period. To enhance its market competitiveness, the Group launched a series of structured products. In the banknotes business, the Group acquired new financial institution clients in Southeast Asia, further consolidating its strategic goal of becoming a regional bank. The Group was the first bank in Hong Kong to include Brunei dollar and South African rand for withdrawal and deposit, which led to the total number of listed currencies for currency exchange at retail counters to 24, further reinforcing the Group's market leadership in local retail notes exchange. In recognition of its performance in the treasury business, BOCHK received the Hong Kong Domestic Foreign Exchange Bank of the Year award by *Asian Banking and Finance*. BOCHK also received the Outstanding Treasury Business – Dim Sum Bond Market Maker at the RMB Business Outstanding Awards organised by Metro Finance and Hong Kong Ta Kung Wen Wei Media Group.

Promoting business development in ASEAN

The Group capitalised on its competitive advantage in funding by meeting the funding needs of ASEAN entities for their business development. During the period, it successfully expanded its institutional and RMB banknotes businesses for ASEAN entities and collaborated with them to explore and market new clients to further develop the treasury business of these entities.

Further enhancement in RMB clearing business

Following the launch of Bond Connect in early July 2017, BOCHK has been acting as the sole account-opening bank for the Hong Kong Central Moneymarkets Unit to provide cross-border fund settlement services for institutions in both Hong Kong and the Mainland, while providing comprehensive services for institutions relating to Bond Connect. With a stable growth in the clearing business conducted through the Cross-border Interbank Payment System, the Group further enhanced its competitive advantage in the global RMB clearing business.

A proactive but risk aware investment strategy

The Group continued to be prudent in managing its banking book investments. It monitored changes in the market and sought investment opportunities to enhance returns. During the review period, the Group proactively adjusted its investment portfolio in response to changes in market interest rates and enhanced its returns from the use of funding.

Management's Discussion and Analysis (continued)

OTHER KEY BUSINESS PLATFORMS

Development of the trustee services business

The Group provides trustee, provident fund, retirement fund and unit trust administration services through its subsidiary company, BOCI-Prudential Trustee Limited ("BOCI-Prudential Trustee"). During the period, BOCI-Prudential Trustee stepped up business referrals, cross-selling activities and new business development by establishing an effective incentive scheme, making functional enhancements to its systems and collaborating with various units of the Group. The Hotline Referral Service continued to enhance the customer experience in enquiries and achieved encouraging results in converting service calls into MPF account consolidation opportunities and creating MPF transfer-in of assets. Moreover, BOCI-Prudential Trustee successfully secured the role of trustee for the Staff MPF scheme of a non-government organisation. It also won the bid to provide MPF services for a large printing house and a major communication service provider in Hong Kong. In recognition of its performance in trustee services, BOCI-Prudential Trustee was awarded Leaders' Choice Brand – Finance and Excellent Brand of MPF Online Platform in The Hong Kong Leaders' Choice Brand Award 2017 organised by Metro Finance and Metro Finance Digital. The My Choice of MPF Scheme also received a number of awards in the Thomson Reuters Lipper Fund Awards 2017.

Expansion of securities and futures brokerage services

The Group engages in the provision of brokerage services for futures and options trading through its subsidiary company, Po Sang Securities and Futures Limited ("Po Sang Securities and Futures"). During the period, Po Sang Securities and Futures continued to carry out its market-oriented business strategy and broaden its product range, which included the introduction of Bloomberg DMA (Direct Market Access) stock trading and trading services for RMB Currency Options Contracts and 5-year China Ministry of Finance Treasury Bond Futures, to satisfy customers' needs. Operating with a new securities trading platform, Po Sang Securities and Futures introduced securities trading services for retail customers and launched a series of promotional campaigns. In addition, it is in the process of introducing a number of new services, including the set-up of an Account Executive team, the expansion of its branch network, the development of a futures business and distribution of fixed income products, in order to achieve a more flexible and competitive operating strategy.

Management's Discussion and Analysis (continued)

Disposal of Chiyu Banking Corporation Limited

On 22 December 2016, the Group entered into a Sale and Purchase Agreement with Xiamen International Investment Limited ("XIL") and the Committee of Jimei Schools ("CB") and jointly made an announcement with BOC in relation to the Group's disposal of a total of 2,114,773 ordinary shares of Chiyu (representing approximately 70.49% of the total issued shares of Chiyu (the "Disposal") by BOCHK.

The Disposal was completed on 27 March 2017 (the "Completion Date") in accordance with the terms and conditions of the Sale and Purchase Agreement. Upon completion, Chiyu ceased to be a subsidiary of both BOC and the Group. BOCHK, Chiyu and XIL entered into a Transitional Services Agreement on 22 December 2016, which took effect from the Completion Date, pursuant to which BOCHK provides certain transitional support, information technology and other assistance to Chiyu at service charges mutually agreed for a term of four years from the Completion Date (with an option for Chiyu to extend this term for two consecutive periods of one year each) to facilitate the transition.

For further information on the Disposal, please refer to the joint announcements made by BOC and the Group on 22 December 2016 and 24 March 2017.

The operating results of Chiyu, which are reported as discontinued operations, for the period up to the date of the disposal and the first half of 2016 and the gain on disposal of Chiyu are as follows:

HK\$m	Half-year ended 30 June 2017	Half-year ended 30 June 2016
Profit of discontinued operations	85	171
Gain on disposal of discontinued operations	2,504	-

Management's Discussion and Analysis (continued)

ASEAN strategy: orderly progress in asset integration

In the first half of 2017, the Group's asset integration in the ASEAN region was conducted in an orderly manner. On 9 January 2017, the Group completed the share acquisition of BOC Thailand, which is the Group's third entity in the ASEAN region following BOC Malaysia and BOCHK Brunei Branch.

On 28 February 2017, BOCHK entered into Asset Purchase Agreements with BOC in relation to the acquisition of the Indonesia Business and the Cambodia Business, respectively. The completion of the acquisition of the Indonesia Business took place on 10 July. Upon completion, the Head Office of Bank of China Limited, Jakarta Branch (and its eight sub-branches) changed from BOC to BOCHK. All the assets and liabilities arising in connection with the Indonesia Business have been transferred to and assumed by BOCHK in accordance with the Asset Purchase Agreement. For further information on the acquisition, please refer to the announcements made by the Group on 28 February and 6 July 2017.

In the first half of 2017, the Group's ASEAN entities achieved satisfactory growth. With the strategic goal of becoming the mainstream bank in local areas of the region, the Group was committed to pushing forward with the upgrade and transformation of the businesses of its ASEAN entities by developing local mainstream projects and businesses as well as accelerating the development of products and distribution channels. The Group also leveraged its international competitive edge, accelerated its cross-border products offerings and built up its brand image to expand its influence in the cross-border markets. At the same time, various business segments capitalised on the synergies within the Group, reinforced regional co-operation and effectively enhanced its financial service capabilities to customers. With respect to the development of distribution channels, the Group advanced its strategy for mobile and an intelligent distribution channel for its ASEAN entities to improve the local customer experience. At the end of June 2017, the total amount of deposits from customers and advances to customers of BOC Malaysia, BOC Thailand and BOCHK Brunei Branch increased by 34.8% and 17.6% respectively from the end of last year.

BOCHK will further enhance the management system and mechanism of its ASEAN entities and accelerate full integration to raise the Group's regional capabilities and service. Additionally, the Group will capitalise on Hong Kong's strong governance and advanced regulations from its status as an international financial centre to strengthen the risk management and compliance control of its ASEAN entities for their healthy and sustainable business development.

Management's Discussion and Analysis (continued)

Technology and Operations

The Group continued to strengthen its information technology and business operation infrastructure to support its business growth and improve its operational efficiency. In the first half of 2017, the Group stepped up its efforts in innovation to promote the real-life application of FinTech and Online-to-Offline ("O2O") integration, and improve the competitiveness and productivity of e-Finance. Development of the blockchain technology application for property valuation made good progress with the majority of valuation cases of the Group being conducted with this technology. The Group also successfully completed the first application using blockchain technology for trade finance in Hong Kong, paving the way for broader innovative ideas and application examples of FinTech in the industry. Other FinTech applications launched in the first half of the year included the use of Big Data, which enhances customer insight analysis for more effective marketing, and fingerprint authentication for mobile banking logins. The Group also became one of the first banks in Hong Kong to bring Apple Pay to UnionPay debit card cardholders, allowing BOC Card customers to enjoy fast, convenient and secure payments at UnionPay QuickPass terminals in the Mainland of China and Hong Kong with Apple Pay. As a result of these initiatives, the total number of customers using e-channels including Internet and Mobile Banking services in the review period continued to rise, together with the total number of related transactions year-on-year.

As part of its commitment to driving innovation and enhancing its competitiveness in e-Finance, the Group signed a strategic cooperation agreement with China Mobile International and China Mobile Hong Kong. The partnership enabled all parties to develop diversified service platforms, create a core customer base, accelerate regional development and jointly develop the Southeast Asian business. In addition, the Group strived to strengthen its strategic cooperation with some of the largest Internet companies in order to expand its cross-border business and improve overall competitiveness.

As regards to its information technology ("IT") infrastructure, the Group has been working towards the global integration of the information systems of the BOC Group as part of BOC Group's global IT strategic deployment. The relocation of the disaster recovery centre was completed during the review period to improve the operational efficiency and stability of the application systems during disaster recovery, which laid a solid foundation for the Group's long-term sustainable development. In line with the Group's development in the ASEAN region, regional IT governance and processes on overseas entities have been established. The Group also enhanced the operations of ASEAN entities through lowering operating costs, improving operational efficiency and minimising operational risk to achieve more effective management of its ASEAN entities.

For technology risk prevention and control, the Group has adopted international standards and industry best practices, while continuously improving its technology risk management. To combat more frequent and complex cyber-attacks, the Group strengthened its preventive measures and detection capabilities in cybersecurity, while raising staff awareness on cyber security of the need to maintain a high level of vigilance. The Group also implemented the Cyber Resilience Assessment Framework introduced by the HKMA. The Inherent Risk Assessment was completed in May while the Maturity Assessment will be completed by the end of September as planned.

In recognition of its effort to develop blockchain technology and its application in the local banking and finance industry, BOCHK won the Hong Kong ICT Awards 2017: Best FinTech (Emerging Solutions/Payment Innovation) Gold Award. Its finger vein authentication function also won the Best Smart Hong Kong Certificate of Merit in the same award. In its 12th Retail Banking Awards by *Asian Banking and Finance*, BOCHK received the Mobile Banking Initiative of the Year – Hong Kong for the third consecutive year, the Digital Banking Initiative of the Year – Hong Kong for the second consecutive year, and the Online Securities Platform of the Year – Hong Kong, reflecting BOCHK's outstanding performance in e-banking services. As a commendation to BOCHK's IT governance, it was awarded the Gold Medal in the IT Governance Achievement Award in Private Sector presented by ISACA China Hong Kong Chapter.

Management's Discussion and Analysis (continued)

RISK MANAGEMENT

Banking Group

Overview

The Group believes that sound risk management is crucial to the success of any organisation. In its daily operation, the Group attaches a high degree of importance to risk management and emphasises that a balance must be struck between risk control and business development. The principal types of risk inherent in the Group's businesses are credit risk, interest rate risk, market risk, liquidity risk, operational risk, reputation risk, legal and compliance risk, and strategic risk. The Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable limits. The Group has a defined risk appetite statement approved by the Board, which is an expression of the types and level of risk that the Group is willing to take in a controllable way in order to achieve its business goals and to meet the expectations of its stakeholders.

Risk management governance structure

The Group's risk management governance structure is designed to cover all business processes and ensures various risks are properly managed and controlled in the course of conducting business. The Group has a robust risk management organisational structure with a comprehensive set of policies and procedures to identify, measure, monitor and control various risks that may arise. These risk management policies and procedures are regularly reviewed and updated to reflect changes in markets and business strategies. Various groups of risk takers assume their respective responsibilities for risk management.

The Board of Directors, representing the interests of shareholders, is the highest decision-making authority of the Group and has the ultimate responsibility for risk management. The Board, with the assistance of its committees, has the primary responsibility for the formulation of risk management strategies and ensuring that the Group has an effective risk management system to implement these strategies.

The Risk Committee ("RMC"), a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, approving Level I risk management policies and monitoring their implementation, reviewing significant or high risk exposures or transactions and exercising its power of veto if it considers that any transaction should not proceed. The Audit Committee assists the Board in fulfilling its role in overseeing the internal control system.

The Chief Executive ("CE") is responsible for managing the Group's various types of risks, and material risk exposures or transactions within his authority delegated by the Board of Directors. The Deputy Chief Executives ("DCEs") assist the CE in fulfilling his responsibilities on the day-to-day management of various types of risk, and are responsible for approving material risk exposures or transactions within their authorities delegated by the CE. The Chief Risk Officer ("CRO") assists the CE in fulfilling his responsibilities for the day-to-day management of risks. The CRO is responsible for initiating new risk management strategies, projects and measures in response to regulatory changes that will enable the Group to better monitor and manage any risks that may arise from time to time from new businesses, products and changes in the operating environment. The CRO is also responsible for reviewing material risk exposures or transactions within his delegated authority. In accordance with the principle of setting the hierarchy of risk management policies approved by the Board, Senior Management are also responsible for approving the detailed risk management policies of their responsible areas.

Various units of the Group have their respective risk management responsibilities. Business units act as the first line of defence while risk management units, which are independent from the business units, are responsible for the day-to-day management of different kinds of risks. Risk management units have the primary responsibilities for drafting, reviewing and updating various risk management policies and procedures.

The Group's principal banking subsidiaries are subject to risk management policies that are consistent with those of the Group. Risk management units of BOCHK monitor the risk management status of these subsidiaries.

Management's Discussion and Analysis (continued)

Credit risk management

Credit risk is the risk of loss that a customer or counterparty is unable to or unwilling to meet its contractual obligations. Credit risk exists in the trading book and banking book, as well as from on- and off-balance sheet transactions of the Group. It arises principally from lending, trade finance and treasury businesses. The Chief Credit Officer, who reports directly to the CRO, takes charge of credit risk management and is also responsible for the control of credit risk exposures of subsidiaries in line with the credit risk management principles and requirements set by the Group.

For advances, different credit approval and control procedures are adopted according to the level of risk associated with the customer, counterparty or transaction. The Credit Risk Assessment Committee, comprising experts from credit and other functions, is responsible for making an independent assessment of material credit applications which require the approval of DCEs or above. Credit applications for non-retail exposures are independently reviewed and objectively assessed by risk management units. Obligor ratings (in terms of probability of default) and facility ratings (in terms of loss given default) are assigned to these portfolios to support credit approval. Retail internal rating systems are deployed in the risk assessment of retail credit transactions, including small business retail exposures, residential mortgage loans, personal loans and credit cards. Loan grades, obligor and facility ratings as well as loss estimates (if applicable) are used to support credit approval.

The Group also uses loan grades, obligor ratings and loss estimates (if applicable) to support credit monitoring, reporting and analysis of credit risk information. For non-retail exposures, more frequent rating review and closer monitoring are required for higher-risk customers. For retail exposures, monthly updated internal ratings and loss estimates are used for credit monitoring on a portfolio basis. More comprehensive review is required for obligors being identified under high-risk pools. The Group adopts loan grading criteria which divides credit assets into five categories with reference to the HKMA's guidelines. The Risk Management Department ("RMD") provides regular credit management information reports and ad hoc reports to the Management Committee ("MC"), RMC and Board of Directors to facilitate their continuous monitoring of credit risk. In addition, the Group identifies credit concentration risk by industry, geography, customer and counterparty. The Group monitors changes to counterparty credit risk, quality of the credit portfolio and credit risk concentrations, and reports regularly to the Group's Management.

The Group employs an internal master rating scale that can be mapped to Standard & Poor's external credit ratings. The structure of internal master rating scale is in compliance with the requirement of the Banking (Capital) Rules under the Hong Kong Banking Ordinance.

For investments in debt securities and securitisation assets, the obligor ratings or external credit ratings, assessment of the underlying assets and credit limits setting on customer/security issuer basis are used for managing credit risk associated with the investment. For derivatives, the Group sets customer limits to manage the credit risk involved and follows the same approval and control processes as applied for advances. On-going monitoring and stop-loss procedures are established. The methodology and assumptions used for impairment assessments are reviewed regularly. In evaluating impairment of asset backed securities ("ABS") and mortgage backed securities ("MBS"), the Group continues to use a significant decline in market price and credit deterioration of the underlying assets to be the key indicators of impairment. The Group also considers other objective evidence of impairment, taking into account the impact of liquidity on market prices and the movement in loss coverage ratios of individual ABS and MBS held by the Group.

Market risk management

Market risk refers to the risk of loss arising from movements in the value of foreign exchange, interest rate, equity and commodity positions held by the Group due to the volatility of financial market price (foreign exchange rate, interest rate, equity price, commodity price). The Group adopts a moderate market risk appetite to achieve a balance between risk and return. The Group's objective in managing market risk is to secure healthy growth of the treasury business, by effective management of potential market risk in the Group's business, according to the Group's overall risk appetite and strategy of treasury business on the basis of a well-established risk management regime and related management measures.

Management's Discussion and Analysis (continued)

In accordance with the Group's corporate governance principles in respect of risk management, the Board and RMC, senior management and functional departments/units perform their duties and responsibilities to manage the Group's market risk. The RMD is mainly responsible for managing market risk, assisting senior management to perform their day-to-day duties, independently monitoring the market risk profile and compliance of management policies and limits of the Group and BOCHK, and ensuring that the aggregate and individual market risks are within acceptable levels.

The Group's market risk management covers BOCHK and its subsidiaries. The Group establishes consistent market risk management policies to regulate BOCHK's and subsidiaries' market risk management; meanwhile, the Group sets up the Group VAR and stress test limits, which are allocated and monitored across the Group, according to the subsidiaries' business requirements and risk tolerance levels. In line with the requirements set in the Group policy, the management of subsidiaries may, subject to prior consent by BOCHK, formulate the detailed policies and procedures and are responsible for managing their daily market risk.

The Group sets up market risk indicators and limits to identify, measure, monitor and control market risk. Major risk indicators and limits include but are not limited to VAR, Stop Loss, Open Position, Stress Testing and Sensitivity Analysis (Basis Point Value, Greeks), etc. To meet management requirements, major risk indicators and limits are classified into four levels, and are approved by the RMC, MC, CRO and the DCE in charge of the treasury business or the head of the respective business unit respectively. Treasury business units of BOCHK and subsidiaries (as for Group Limit) are required to conduct their business within approved market risk indicators and limits.

The Group uses the VAR to measure and report general market risks to the RMC and senior management on a periodic basis. The Group adopts a uniformed VAR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VAR of the Group and subsidiaries over a one-day holding period with a 99% confidence level, and sets up the VAR limit of the Group and subsidiaries.

The Group adopts back-testing to measure the accuracy of VAR model results. The back-testing compares the calculated VAR figure of market risk positions of each business day with the actual and hypothetical revenues arising from those positions on the next business day. Generally speaking, the number of back-testing exceptions in a rolling 12-month period will not exceed four times, given a 99% confidence level.

Interest rate risk management

Interest rate risk means the risks to a bank's earnings and economic value arising from movements in interest rate and term structures of the bank's asset and liability positions. The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are:

- Repricing risk: mismatches in the maturity or repricing periods of assets and liabilities that may affect net interest income;
- Basis risk: different pricing basis for different transactions resulting that the yield on assets and cost of liabilities may change by different amounts within the same repricing period;
- Yield curve risk: non-parallel shifts in the yield curve that may have an adverse impact on net interest income or economic value; and
- Option risk: exercise of the options embedded in assets, liabilities or off-balance sheet items that can cause a change in the cash flows of assets and liabilities.

The Group's risk management framework applies also to interest rate risk management. The Asset and Liability Management Committee ("ALCO") exercises its oversight of interest rate risk in accordance with the "BOCHK Group Banking Book Interest Rate Risk Management Policy" approved by RMC. RMD (Interest Rate and Liquidity Risk Management) is responsible for interest rate risk management. With the cooperation of the Asset and Liability Management Division of Financial Management Department, Treasury, and Investment Management, RMD assists the ALCO to perform day-to-day interest rate risk management. Its roles include, but are not limited to, the formulation of management policies, selection of methodologies, setting of risk indicators and limits, assessment of target balance sheet, monitoring of the compliance with policies and limits, and submission of interest rate risk management reports to the senior management and RMC, etc.

Management's Discussion and Analysis (continued)

The Group sets out interest rate risk indicators and limits to identify, measure, monitor and control interest rate risk. The indicators and limits include, but are not limited to, repricing gap limits, basis risk, duration, price value of a basis point ("PVBP"), Greeks, net interest income sensitivity ratio ("NII"), economic value sensitivity ratio ("EV"), etc. The indicators and limits are classified into different levels, which are approved by the CFO and CRO, ALCO, RMC accordingly. Risk-taking business units are required to conduct their business within the boundary of the interest rate risk limits. Before launching a new product or business in the banking book, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying interest rate risk and consideration of the adequacy of current risk monitoring mechanism. Any material impact on interest rate risk noted during the risk assessment process will be submitted to RMC for approval.

NII and EV assess the impact of interest rate movement on the Group's net interest income and capital base. They are the Group's key interest rate risk indicators. The former assesses the impact of interest rate movement on net interest income as a percentage to the projected net interest income for the year. The latter assesses the impact of interest rate movement on economic value (i.e. the net present value of cash flows of assets, liabilities and off-balance sheet items discounted using market interest rate) as a percentage to the latest capital base. Limits are set by the RMC on these two indicators to monitor and control the Group's banking book interest rate risk.

The Group uses scenario analyses and stress tests to assess the banking book interest rate risk that the Group would face under adverse circumstances. Scenario analyses and stress tests are also used to assess the impact on net interest income and economic value arising from the optionality of savings deposits, the prepayment of mortgage loans and the prepayment of debt securities with embedded options.

Liquidity risk management

Liquidity risk is the risk that banks fail to provide sufficient funds to grow assets or pay due obligations, and need to bear an unacceptable loss. The Group maintains sound liquidity risk appetite to provide stable, reliable and adequate sources of cash to meet liquidity needs under normal circumstances or stressed scenarios; and to survive with net positive cumulative cash flow in extreme scenarios, without requesting the HKMA to act as the lender of last resort.

The Group's liquidity risk management objective is to effectively manage the liquidity of on- and off-balance sheet items with reasonable cost based on the liquidity risk appetite to achieve sound operation and sustainable profitability. Deposits from customers are the Group's primary source of funds. To ensure stable and sufficient source of funds are in place, the Group actively attracts new deposits, keeps the core deposit and obtains supplementary funding from the interbank market and by issuing bills in the capital market. According to different term maturities and the results of funding needs estimated from stressed scenarios, the Group adjusts its asset structure (including loans, bonds investment, interbank placement, etc.) to maintain sufficient liquid assets which provides adequate funds in support of normal business needs and ensure its ability to raise funds at a reasonable cost to serve external claims in case of emergency. The Group is committed to diversify the source of funds and the use of funds to avoid excessive concentration of assets and liabilities and prevent triggering liquidity risk due to the break of funding strand when problem occurred in one concentrated funding source. The Group has established intra-group liquidity risk management guideline to manage the liquidity funding among different entities within the Group, and to restrict their reliance of funding on each other. The Group also pays attention to manage liquidity risk created by off-balance sheet activities, such as loan commitments, derivatives, options and other complex structured products. The Group has an overall liquidity risk management strategy to cover the liquidity management of foreign currency assets and liabilities, collateral, intra-day liquidity, intra-group liquidity, the liquidity risk arising from other risks, etc., and has formulated corresponding contingency plan.

The RMC is the decision-making authority of liquidity risk management, and assumes the ultimate responsibility of liquidity risk management. As authorised by RMC, ALCO exercises its oversight of liquidity risk and ensures the daily operations of the Group are in accordance with risk appetite and policies as set by RMC. RMD (Interest Rate and Liquidity Risk Management) is responsible for overseeing the Group's liquidity risk. It cooperates with the Asset and Liability Management Division of Financial Management Department, Treasury, and Investment Management, etc. to assist the ALCO to perform liquidity management functions according to their specific responsibilities.

Management's Discussion and Analysis (continued)

The Group established liquidity risk management indicators and limits to identify, measure, monitor and control liquidity risk on daily basis. These indicators and limits include, but are not limited to liquidity coverage ratio ("LCR"), loan-to-deposit ratio, Maximum Cumulative Cash Outflow ("MCO") and liquidity cushion. The Group applies cash flow analysis to assess the Group's liquidity condition under normal conditions and also performs a liquidity stress test (including institution specific, general market crisis and combined crisis) and other methods at least on monthly basis to assess the Group's capability to withstand various severe liquidity crises. Also, relevant management information systems such as Assets and Liabilities Management System and Basel Liquidity Ratio Management System are developed to provide data and the preparation for regular management reports to facilitate liquidity risk management duties.

In accordance with the requirements of Supervisory Policy Manual LM-2 "Sound Systems and controls for Liquidity Risk Management" issued by the HKMA, the Group has implemented behaviour model and assumptions of cash flow analysis and stress test to enhance the Group's cash flow analysis under both normal and stressed conditions. In cash flow analysis under normal circumstances, assumptions have been made relating to on-balance sheet items (such as deposits from customers) and off-balance sheet items (such as loan commitments). According to various characteristics of the assets, liabilities and off-balance sheet items, the Group forecasts the future cash flow based on contractual maturity date and the assumptions of customer behaviour and balance sheet changes. The Group establishes MCO indicator which predicts the future 30 days maximum cumulative net cash outflow in normal situations based on the above assumptions, to assess if the Group has sufficient financing capacity to meet the cash flow gap in order to achieve the objective of continuing operation.

In the liquidity stress test, institution specific, general market crisis and combined crisis scenarios have been set up, combined crisis scenario is a combination of institution specific and general market crisis to assess the Group's capability to withstand a more severe liquidity crisis, with a more stringent set of assumptions being adopted. Stress test assumptions include the run-off rate of retail, wholesale and interbank deposits; drawdown rate of loan commitments and trade-related contingent liabilities; delinquency ratio and rollover rate of customer loans; and haircut of interbank placement and marketable securities. As at 30 June 2017, the Group was able to maintain a net cash inflow under the three stressed scenarios, indicating the Group has the ability to meet financing needs under stressed conditions. In addition, the Group has a policy in place to maintain a liquidity cushion which includes high quality or comparable quality marketable securities issued or guaranteed by sovereigns, central banks, public sector entities or multilateral development banks with 0% or 20% risk weight or marketable securities issued by non-financial corporate with a corresponding external credit rating of A- or above to ensure funding needs even under stressed scenarios. A contingency plan is being established which details the conditions to trigger the plan based on stress test results and early warning indicators, the action plans and relevant procedures and responsibility of relevant departments.

The LCR is calculated in accordance with the Banking (Liquidity) Rules effective from 1 January 2015, the Group, being classified as category 1 authorised institution by the HKMA, is required to calculate LCR on consolidated basis. During the year of 2017, the Group is required to maintain a LCR not less than 80%.

In certain derivative contracts, the counterparties have right to request from the Group additional collateral if they have concerns about the Group's creditworthiness.

The Group's liquidity risk management also covers new products or business developments. Before launching a new product or business, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying liquidity risk and consideration of the adequacy of the current risk management mechanism. Any material impact on liquidity risk noted during the risk assessment process will be reported to RMC for approval.

The Group has established a set of uniform liquidity risk management policies which serve as standards and guidance to all the Group's members for liquidity risk management. On the basis of the Group's uniform policy, each of the subsidiaries develops its own liquidity management policies according to its own characteristics, and assumes its own liquidity risk management responsibility. Subsidiaries are required to report their respective liquidity positions on a regular basis to RMD (Interest Rate and Liquidity Risk Management) of BOCHK, which consolidates this information and evaluates group-wide liquidity risk.

Management's Discussion and Analysis (continued)

Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and system, or from external events. The risk is inherent in every aspect of business operations and confronted by the Group in its day-to-day operational activities.

The Group has implemented the "Three Lines of Defence" for its operational risk management. All departments or functional units as the first line of defence are the first parties responsible for operational risk management, and carry out the duties and functions of self risk control in the process of business operation through self assessment and self enhancement. The Legal & Compliance and Operational Risk Management Department ("LCO"), together with certain specialist functional units in relation to operational risk management within the Group, including the Human Resources Department, Information Technology Department, Corporate Services Department, Financial Crime Compliance Department, Financial Management Department and General Accounting & Accounting Policy Department (collectively known as "specialist functional units"), are the second line of defence. They are responsible for assessing and monitoring the operational risk conditions in the first line of defence, and providing them with guidance. The LCO, being independent from the business units, is responsible for assisting the Management in managing the Group's operational risk, including the establishment and review of the operational risk management policy and framework, designing the operational risk management tools and reporting mechanism, and assessing and reporting the overall operational risk position to the Management and RMC. Specialist functional units are required to carry out their managerial duties of the second line of defence with respect to some specific aspects of operational risk and its related issues. Besides taking charge of operational risk management in their own units, these units are also required to provide other units with professional advice/training in respect of certain operational risk categories and to lead the group-wide operational risk management. Group Audit is the third line of defence which provides independent assessment to the effectiveness and adequacy of the operational risk management framework and is required to conduct periodic audit of the operational risk management activities of various departments or functional units within the Group regarding their compliance and effectiveness and to put forward recommendations for remedial actions.

The Group has put in place an effective internal control process which requires the establishment of policies and control procedures for all the key activities. The Group adheres to the fundamental principle of proper segregation of duties and authorisation. The Group adopts various operational risk management tools or methodologies such as key risk indicators, self-assessment, operational risk events reporting and review to identify, assess, monitor and control the risks inherent in business activities and products, as well as purchase of insurance to mitigate unforeseeable operational risks. Business continuity plans are established to support business operations in the event of an emergency or disaster. Adequate backup facilities are maintained and periodic drills are conducted.

Reputation risk management

Reputation risk is the risk that negative publicity about the Group's business practices, whether genuine or not, will cause a potential decline in the customer base, or lead to costly litigation or revenue decrease. Reputation risk is inherent in other types of risk and every aspect of business operation and covers a wide spectrum of issues.

In order to mitigate reputation risk, the Group has formulated and duly followed its Reputation Risk Management Policy. The policy aims to identify and prevent reputation risk proactively at an early stage when an incident occurs. Since reputation risk is often caused by various types of operational and strategic issues that negatively impact the trust and perception of the Group, all operational and key risks identified are assessed through the established Key Control Self-Assessment framework, including risk assessment tools, to evaluate the severity of their impact on the Group, including the damage to reputation.

In addition, the Group has put in place a comprehensive framework to continuously monitor reputation risk incidents in the financial industry. This continuous monitoring enables the Group to effectively manage, control and mitigate any potential adverse impact from an incident. The Group also adopts robust disclosure practices to keep our stakeholders informed at all times, which helps build confidence in the Group and establish a strong public image.

Management's Discussion and Analysis (continued)

Legal and compliance risk management

Legal risk is the risk that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial conditions of the Group. Compliance risk is the risk of legal or regulatory sanctions, financial losses or losses in reputation the Group may suffer as a result of its failure to comply with applicable laws and regulations. Legal and compliance risks are managed by the LCO, while the risks related to money laundering, terrorist financing and financial crime are independently managed and controlled by the Financial Crime Compliance Department ("FCC"). Both LCO and FCC report directly to the CRO. As part of the Group's corporate governance framework, the policies for the management of legal and compliance risks, and money laundering, terrorist financing and financial crime compliance risks are approved by the RMC as delegated by the Board.

Strategic risk management

Strategic risk generally refers to the risks that may cause current or future negative impacts on the earnings, or capital or reputation or market position of the Group because of poor business decisions, improper implementation of strategies and inadequacies in the response to the changing market condition. The Board reviews and approves the strategic risk management policy. Key strategic issues have to be fully evaluated and properly endorsed by the senior management and the Board.

The Group regularly reviews its business strategies to cope with the latest market situation and developments.

Capital management

The major objective of the Group's capital management is to maximise total shareholders' return while maintaining a capital adequacy position in relation to the Group's overall risk profile. The ALCO periodically reviews the Group's capital structure and adjusts the capital mix where appropriate to maintain an optimal balance among risk, return and capital adequacy.

To comply with the HKMA's requirements as stated in the Supervisory Policy Manual "Supervisory Review Process", the Group adopts the internal capital adequacy assessment process ("ICAAP") and reviews it annually. Based on the HKMA's guidelines on Pillar II, ICAAP has been initiated to assess the extra capital needed to cover the material risks not captured or not adequately captured under Pillar I, and therefore minimum Common Equity Tier 1 capital ratio, minimum Tier 1 capital ratio and minimum Total capital ratio are determined. Meanwhile, operating ranges for the aforementioned capital ratios have also been established which enable the flexibility for future business growth and efficiency of capital utilisation.

Stress testing

The Group supplements the analysis of various types of risks with stress testing. Stress testing is a risk management tool for estimating risk exposures under stressed conditions arising from extreme but plausible market or macroeconomic movements. These tests are conducted on a regular basis by the Group's various risk management units in accordance with the principles stated in the Supervisory Policy Manual "Stress-testing" published by the HKMA. The ALCO monitors the results against the key risk limits approved by the RMC. The Financial Management Department reports the combined stress test results of the Group to the Board and RMC regularly.

簡要綜合收益表

Condensed Consolidated Income Statement

		(重列) (Restated)	
		(未經審計) (Unaudited)	(未經審計) (Unaudited)
		半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
	附註 Notes	港幣百萬元 HK\$m	港幣百萬元 HK\$m
持續經營業務			
利息收入		21,836	16,482
利息支出		<u>(6,285)</u>	<u>(5,677)</u>
淨利息收入	5	15,551	10,805
服務費及佣金收入		7,645	7,720
服務費及佣金支出		<u>(1,697)</u>	<u>(2,004)</u>
淨服務費及佣金收入	6	5,948	5,716
淨交易性收益	7	298	2,503
界定為以公平值變化計入損益之 金融工具淨收益／(虧損)		8	(5)
其他金融資產之淨收益	8	232	418
其他經營收入	9	<u>363</u>	<u>264</u>
提取減值準備前之淨經營收入			
減值準備淨撥備	10	<u>(353)</u>	<u>(514)</u>
淨經營收入		22,047	19,187
經營支出	11	<u>(5,899)</u>	<u>(5,641)</u>
經營溢利		16,148	13,546
投資物業出售／公平值調整之 淨收益	12	894	117
出售／重估物業、器材及設備之 淨虧損	13	(1)	(3)
應佔聯營公司及合資企業之稅後 溢利扣減虧損		<u>34</u>	<u>42</u>
除稅前溢利		17,075	13,702
稅項	14	<u>(2,704)</u>	<u>(2,196)</u>
持續經營業務溢利		14,371	11,506
已終止經營業務			
已終止經營業務溢利	31	<u>2,623</u>	<u>31,190</u>
期內溢利		16,994	42,696

簡要綜合收益表 (續) Condensed Consolidated Income Statement (continued)

		(重列) (Restated)
	(未經審計) (Unaudited)	(未經審計) (Unaudited)
	半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
	附註 Notes	
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
應佔溢利：	Profit attributable to:	
本銀行股東	Equity holders of the Bank	
- 來自持續經營業務	- from continuing operations	11,448
- 來自已終止經營業務	- from discontinued operations	31,088
		42,536
非控制權益	Non-controlling interests	
- 來自持續經營業務	- from continuing operations	58
- 來自已終止經營業務	- from discontinued operations	102
		160
		42,696
股息	Dividends	
	15	13,214

第 65 至 176 頁之附註屬本中期財務資料之組成部分。

The notes on pages 65 to 176 are an integral part of this interim financial information.

簡要綜合全面收益表

Condensed Consolidated Statement of Comprehensive Income

		(重列) (Restated)
	(未經審計) (Unaudited)	(未經審計) (Unaudited)
	半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
	附註 Note	
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
期內溢利	Profit for the period	16,994
其後不可重新分類至收益表內的項目：	Items that will not be reclassified subsequently to income statement:	42,696
房產：	Premises:	
房產重估	Revaluation of premises	1,302
遞延稅項	Deferred tax	(475)
		<u>153</u>
		<u>1,109</u>
其後可重新分類至收益表內的項目：	Items that may be reclassified subsequently to income statement:	
可供出售證券：	Available-for-sale securities:	
可供出售證券之公平值變化	Change in fair value of available-for-sale securities	1,487
因處置可供出售證券之轉撥重新分類至收益表	Release upon disposal of available-for-sale securities reclassified to income statement	1,245
由可供出售證券轉至持有至到期日證券產生之攤銷重新分類至收益表	Amortisation with respect to available-for-sale securities transferred to held-to-maturity securities reclassified to income statement	(204)
遞延稅項	Deferred tax	51
		<u>84</u>
		<u>1,142</u>
貨幣換算差額	Currency translation difference	738
因出售已終止經營業務之轉撥重新分類至收益表	Release upon disposal of discontinued operations reclassified to income statement 31	243
		<u>(370)</u>
		<u>1,433</u>
期內除稅後其他全面收益	Other comprehensive income for the period, net of tax	43
期內全面收益總額	Total comprehensive income for the period	42,739
應佔全面收益總額：	Total comprehensive income attributable to:	
本銀行股東	Equity holders of the Bank	19,419
非控制權益	Non-controlling interests	117
		<u>149</u>
		<u>19,536</u>

第 65 至 176 頁之附註屬本中期財務資料之組成部分。

The notes on pages 65 to 176 are an integral part of this interim financial information.

簡要綜合資產負債表 Condensed Consolidated Balance Sheet

			(重列) (Restated)
		(未經審計) (Unaudited)	(經審計) (Audited)
		於 2017 年 6 月 30 日	於 2016 年 12 月 31 日
	附註 Notes	At 30 June 2017	At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產	ASSETS		
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	16 399,458	232,378
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	17 81,856	70,392
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	18 122,223	37,570
衍生金融工具	Derivative financial instruments	19 29,880	64,348
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	135,800	123,390
貸款及其他賬項	Advances and other accounts	20 1,134,104	995,372
證券投資	Investment in securities	21 513,770	552,418
聯營公司及合資企業權益	Interests in associates and joint ventures	352	319
投資物業	Investment properties	22 19,347	18,369
物業、器材及設備	Properties, plant and equipment	23 46,702	45,593
遞延稅項資產	Deferred tax assets	29 23	20
其他資產	Other assets	24 36,573	32,569
待出售資產	Assets held for sale	31 -	53,586
資產總額	Total assets	2,520,088	2,226,324
負債	LIABILITIES		
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	135,800	123,390
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	302,903	193,729
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	25 19,329	13,371
衍生金融工具	Derivative financial instruments	19 29,011	49,210
客戶存款	Deposits from customers	26 1,656,465	1,511,088
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	27 9,251	1,121
其他賬項及準備	Other accounts and provisions	28 113,064	40,822
應付稅項負債	Current tax liabilities	4,532	2,897
遞延稅項負債	Deferred tax liabilities	29 5,901	5,567
後償負債	Subordinated liabilities	30 19,099	19,014
待出售資產之相關負債	Liabilities associated with assets held for sale	31 -	47,074
負債總額	Total liabilities	2,295,355	2,007,283

簡要綜合資產負債表 **Condensed Consolidated Balance Sheet (continued)**
 (續)

			(未經審計) (Unaudited)	(重列) (Restated)
			(經審計) (Audited)	
			於 2017 年 6 月 30 日	於 2016 年 12 月 31 日
		附註 Notes	At 30 June 2017	At 31 December 2016
			港幣百萬元 HK\$m	港幣百萬元 HK\$m
資本	EQUITY			
股本	Share capital	32	43,043	43,043
儲備	Reserves		181,446	173,718
本銀行股東應佔股本和儲備	Capital and reserves attributable to the equity holders of the Bank		224,489	216,761
非控制權益	Non-controlling interests		244	2,280
資本總額	Total equity		224,733	219,041
負債及資本總額	Total liabilities and equity		2,520,088	2,226,324

第 65 至 176 頁之附註屬本中期財務資料之組成部分。 The notes on pages 65 to 176 are an integral part of this interim financial information.

簡要綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

		(未經審計) (Unaudited)									
		歸屬於本銀行股東 Attributable to the equity holders of the Bank									
		儲備 Reserves							非控制權益 Non-controlling interests		資本總額 Total equity
		股本 Share capital	房產 重估儲備 Premises revaluation reserve	可供出售 證券公平值 變動儲備 Reserve for fair value changes of available- for-sale securities	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total	非控制權益 Non-controlling interests	資本總額 Total equity
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於2016年1月1日之 早期列賬 合併受共同控制之 實體之影響	At 1 January 2016, as previously reported Effect of merger of entity under common control	43,043	40,340	(983)	10,928	(346)	1,789	90,305	185,076	2,137	187,213
於2016年1月1日之 重列	At 1 January 2016, as restated	43,043	40,340	(981)	10,928	(560)	4,173	90,307	187,250	2,137	189,387
期內溢利	Profit for the period	-	-	-	-	-	-	42,536	42,536	160	42,696
其他全面收益：	Other comprehensive income:										
房產	Premises	-	(312)	-	-	-	-	(312)	(312)	(10)	(322)
可供出售證券	Available-for-sale securities	-	-	734	-	-	-	734	734	4	738
貨幣換算差額	Currency translation difference	-	-	(10)	-	12	-	2	2	(5)	(3)
因出售已終止經營 業務之轉撥重新 分類至收益表	Release upon disposal of discontinued operations reclassified to income statement	-	-	(167)	-	(203)	-	-	(370)	-	(370)
全面收益總額	Total comprehensive income	-	(312)	557	-	(191)	-	42,536	42,590	149	42,739
轉撥自留存盈利	Transfer from retained earnings	-	-	-	645	-	-	(645)	-	-	-
因出售已終止經營業 務之轉撥	Release upon disposal of discontinued operations	-	(4,856)	-	(2,240)	-	-	7,096	-	-	-
股息	Dividends	-	-	-	-	-	-	(5,681)	(5,681)	(76)	(5,757)
於2016年6月30日	At 30 June 2016	43,043	35,172	(424)	9,333	(751)	4,173	133,613	224,159	2,210	226,369
期內溢利	Profit for the period	-	-	-	-	-	-	12,369	12,369	150	12,519
其他全面收益：	Other comprehensive income:										
房產	Premises	-	499	-	-	-	-	499	499	-	499
可供出售證券	Available-for-sale securities	-	-	(1,364)	-	-	-	(1,364)	(1,364)	(20)	(1,384)
貨幣換算差額	Currency translation difference	-	-	(7)	-	(184)	-	(191)	(191)	(16)	(207)
全面收益總額	Total comprehensive income	-	499	(1,371)	-	(184)	-	12,369	11,313	114	11,427
收購受共同控制之 實體	Acquisition of entity under common control	-	-	-	-	-	(4,076)	-	(4,076)	-	(4,076)
轉撥自留存盈利	Transfer from retained earnings	-	-	-	(106)	-	2,287	(2,181)	-	-	-
股息	Dividends	-	-	-	-	-	-	(14,635)	(14,635)	(44)	(14,679)
於2016年12月31日	At 31 December 2016	43,043	35,671	(1,795)	9,227	(935)	2,384	129,166	216,761	2,280	219,041

簡要綜合權益變動表
(續)

Condensed Consolidated Statement of Changes in Equity
(continued)

		(未經審計) (Unaudited)									
		歸屬於本銀行股東 Attributable to the equity holders of the Bank									
		儲備 Reserves							非控制權益 Non-controlling interests		資本總額 Total equity
		股本 Share capital	房產 重估儲備 Premises revaluation reserve	可供出售 證券公平值 變動儲備 Reserve for fair value changes of available- for-sale securities	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total	非控制權益 Non-controlling interests	資本總額 Total equity
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2017 年 1 月 1 日之 早期列賬	At 1 January 2017, as previously reported	43,043	35,671	(1,795)	9,227	(722)	-	129,163	214,587	2,280	216,867
合併受共同控制之 實體之影響	Effect of merger of entity under common control	-	-	-	-	(213)	2,384	3	2,174	-	2,174
於 2017 年 1 月 1 日之 重列	At 1 January 2017, as restated	43,043	35,671	(1,795)	9,227	(935)	2,384	129,166	216,761	2,280	219,041
期內溢利	Profit for the period	-	-	-	-	-	-	16,893	16,893	101	16,994
其他全面收益：	Other comprehensive income:										
房產	Premises	-	1,109	-	-	-	-	-	1,109	-	1,109
可供出售證券	Available-for-sale securities	-	-	1,132	-	-	-	-	1,132	10	1,142
貨幣換算差額	Currency translation difference	-	1	(32)	-	268	-	-	237	6	243
因出售已終止經營 業務之轉撥重新 分類至收益表	Release upon disposal of discontinued operations reclassified to income statement	-	-	10	-	38	-	-	48	-	48
全面收益總額	Total comprehensive income	-	1,110	1,110	-	306	-	16,893	19,419	117	19,536
收購受共同控制之 實體	Acquisition of entity under common control	-	-	-	-	-	(2,996)	-	(2,996)	-	(2,996)
轉撥自留存盈利	Transfer from retained earnings	-	-	-	1,041	-	612	(1,653)	-	-	-
因出售已終止經營 業務之轉撥	Release upon disposal of discontinued operations	-	(752)	-	(159)	-	-	911	-	(2,078)	(2,078)
股息	Dividends	-	-	-	-	-	-	(8,695)	(8,695)	(75)	(8,770)
於 2017 年 6 月 30 日	At 30 June 2017	43,043	36,029	(685)	10,109	(629)	-	136,622	224,489	244	224,733

* 除按香港會計準則第 39 號對貸款提取減值準備外，按金管局要求撥轉部分留存盈利至監管儲備作銀行一般風險之用（包括未來損失或其他不可預期風險）。

** 合併儲備乃因合併受共同控制之實體而採用合併會計處理而產生。

* In accordance with the requirements of the HKMA, the amounts are set aside for general banking risks, including future losses or other unforeseeable risks, in addition to the loan impairment allowances recognised under HKAS 39.

** Merger reserve was arising on the application of merger accounting method in relation to the combination with entity under common control.

第 65 至 176 頁之附註屬本中期財務資料之組成部分。

The notes on pages 65 to 176 are an integral part of this interim financial information.

簡要綜合現金流量表

Condensed Consolidated Cash Flow Statement

			(重列) (Restated)
		(未經審計) (Unaudited)	(未經審計) (Unaudited)
		半年結算至 2017年 6月30日	半年結算至 2016年 6月30日
	附註 Notes	Half-year ended 30 June 2017	Half-year ended 30 June 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
經營業務之現金流量			
除稅前經營現金之流入	33(a)	243,515	54,533
支付香港利得稅		(1,088)	(1,191)
支付海外利得稅		(64)	(249)
經營業務之現金流入淨額		242,363	53,093
投資業務之現金流量			
購入物業、器材及設備		(803)	(363)
出售物業、器材及設備所得款項		7	1
購入投資物業		(5)	-
出售投資物業所得款項		2	-
收取聯營公司及合資企業股息		1	2
收購受共同控制之實體	42	(2,996)	-
出售已終止經營業務之現金流入淨額	31	810	26,992
投資業務之現金(流出)/流入淨額		(2,984)	26,632
融資業務之現金流量			
支付本銀行股東股息		(8,695)	(5,681)
支付非控制權益股息		(75)	(76)
支付後償負債利息		(294)	(210)
融資業務之現金流出淨額		(9,064)	(5,967)
現金及等同現金項目增加		230,315	73,758
於1月1日之現金及等同現金項目		244,265	315,638
匯率變動對現金及等同現金項目的影響		11,033	(1,043)
於6月30日之現金及等同現金項目	33(b)	485,613	388,353

第 65 至 176 頁之附註屬本中期財務資料之組成部分。 The notes on pages 65 to 176 are an integral part of this interim financial information.

中期財務資料附註

Notes to the Interim Financial Information

1. 編製基準及主要會計政策 1. Basis of preparation and significant accounting policies

(a) 編製基準

此未經審計之中期財務資料，乃按照香港會計師公會所頒佈之香港會計準則第34號「中期財務報告」而編製。

(b) 主要會計政策

此未經審計之中期財務資料所採用之主要會計政策及計算辦法，均與截至2016年12月31日止之本集團年度財務報表之編製基礎一致，並需連同本集團2016年之年度報告一併閱覽。

已強制性地於2017年1月1日起開始的會計年度首次生效之與本集團相關的準則及修訂

- 香港會計準則第7號(經修訂)「現金流報表：披露的自主性」。該修訂乃披露自主性項目的一部分，要求企業作出更多披露以便財務報告使用者能評估因融資活動而產生的負債變化，包括現金流及非現金的變化。初次應用該項修訂並不需要提供比較資料。採納此修訂會令財務報表增加披露內容。

(a) Basis of preparation

The unaudited interim financial information has been prepared in accordance with HKAS 34 “Interim Financial Reporting” issued by the HKICPA.

(b) Significant accounting policies

The significant accounting policies adopted and methods of computation used in the preparation of the unaudited interim financial information are consistent with those adopted and used in the Group’s annual financial statements for the year ended 31 December 2016 and should be read in conjunction with the Group’s Annual Report for 2016.

Standards and amendments to standards that are relevant to the Group and mandatory for the first time for the financial year beginning on 1 January 2017

- HKAS 7 (Amendment), “Statement of Cash Flows: Disclosure Initiative”. The amendments are part of the Disclosure Initiative project and require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. No comparative information is required for first time application of these amendments. The amendments will result in additional disclosure to be provided in the financial statements.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

1. 編製基準及主要會計政策 **1. Basis of preparation and significant accounting policies (continued)**
(續)

- (c) 已頒佈並與本集團相關但尚未強制性生效及沒有被本集團於 2017 年提前採納之準則及修訂
- (c) Standards and amendments issued that are relevant to the Group but not yet effective and have not been early adopted by the Group in 2017

準則/修訂 Standards/Amendments	內容 Content	起始適用之年度 Applicable for financial years beginning on/after
香港會計準則第 28 號(2011)及 香港財務報告準則第 10 號 (經修訂) HKAS 28 (2011) and HKFRS 10 (Amendments)	投資者與其聯營或合資企業之間的資產出售或注入 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	待定 To be determined
香港會計準則第 28 號(2011) (經修訂) HKAS 28 (2011) (Amendments)	以公平值計量聯營及合資企業 Measuring an Associate or Joint Venture at Fair Value	2018 年 1 月 1 日 1 January 2018
香港會計準則第 40 號 (經修訂) HKAS 40 (Amendments)	投資物業的轉移 Transfer of Investment Property	2018 年 1 月 1 日 1 January 2018
香港財務報告準則第 9 號 HKFRS 9	金融工具 Financial Instruments	2018 年 1 月 1 日 1 January 2018
香港財務報告準則第 15 號 HKFRS 15	源於客戶合同的收入 Revenue from Contracts with Customers	2018 年 1 月 1 日 1 January 2018
香港財務報告準則第 16 號 HKFRS 16	租賃 Leases	2019 年 1 月 1 日 1 January 2019
香港財務報告準則詮釋第 22 號 HK(IFRIC) - Int 22	外幣交易及預付對價 Foreign Currency Transactions and Advance Consideration	2018 年 1 月 1 日 1 January 2018
香港財務報告準則詮釋第 23 號 HK(IFRIC) - Int 23	所得稅處理之不確定性 Uncertainty over Income Tax Treatments	2019 年 1 月 1 日 1 January 2019

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策 1. Basis of preparation and significant accounting policies (continued)
(續)

(c) 已頒佈並與本集團相關但尚未強制性生效及沒有被本集團於2017年提前採納之準則及修訂(續)

- 香港會計準則第28號(2011)(經修訂)「以公平值計量聯營及合資企業」。該項修訂為香港財務報告準則的年度改進(2014-2016週期)的一部分及闡明企業對由風險資本,或互惠基金、信託基金或類似實體(包括投資相連的保險基金)所持有的聯營及合資企業投資,可逐項投資選擇其計量方式。企業可根據香港財務報告準則第9號(HKFRS 9)選擇是否對該項投資以公平值變化計入損益計量。於初始確認聯營及合資企業投資時,需分別對每項聯營及合資企業作此選擇。該修訂需於2018年1月1日起開始的會計年度追溯性採用。應用有關修訂對本集團的財務報表沒有重大影響。
- 香港會計準則第40號(經修訂)「投資物業的轉移」。該修訂闡明物業須要有用途改變才能轉出或轉入投資物業。用途改變涉及評估該物業符合,或不再符合投資物業的定義;及於用途改變發生時,需有證據支持該改變。該修訂將於2018年1月1日起開始的會計年度生效。應用有關修訂對本集團的財務報表沒有重大影響。

(c) Standards and amendments issued that are relevant to the Group but not yet effective and have not been early adopted by the Group in 2017 (continued)

- HKAS 28 (2011) (Amendments), "Measuring an Associate or Joint Venture at Fair Value". The amendments are part of the Annual Improvements to HKFRSs 2014-2016 Cycle and clarify that an entity has an investment-by-investment choice for measuring its investment in an associate or a joint venture held by a venture capital, or a mutual fund, a unit trust or similar entities including investment-linked insurance funds. The entity may elect to measure that investments at fair value through profit or loss in accordance with HKFRS 9. This election shall be made separately for each associate or joint venture at initial recognition. These amendments shall be applied retrospectively for annual periods beginning on or after 1 January 2018. The application of these amendments will not have a material impact on the Group's financial statements.
- HKAS 40 (Amendments), "Transfer of Investment Property". The amendments clarify that there must be a change in use when a property is transferred to or from investment properties. A change in use would involve an assessment of whether a property meets, or has ceased to meet, the definition of investment property; and supporting evidence that a change in use has occurred. The amendments are effective for annual periods beginning on or after 1 January 2018. The application of these amendments will not have a material impact on the Group's financial statements.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策
(續)

1. Basis of preparation and significant accounting policies (continued)

(c) 已頒佈並與本集團相關但尚未強制性生效及沒有被本集團於2017年提前採納之準則及修訂(續)

(c) Standards and amendments issued that are relevant to the Group but not yet effective and have not been early adopted by the Group in 2017 (continued)

- 香港財務報告準則第9號「金融工具」。請參閱本集團2016年之年度報告內財務報表附註2.1(b)項對本準則的簡介。本集團已成立指導委員會監督此準則的實施工作。預期信用損失模型已進入實施的後期階段。本集團將會於2017年下半年進行並行測試，以讓本集團更好地理解HKFRS 9的潛在影響，並可適應新的管治及操作流程。當實務上能取得可靠的估算，本集團將最遲於2017年的年報內量化此準則的潛在影響。
- 香港財務報告準則詮釋第22號「外幣交易及預付對價」。該詮釋列明以付出或收到現金當日的兌換率應用於涉及預付或預收外幣對價的交易。該詮釋可追溯性或無追溯性地應用於所有資產、費用及收入。應用該詮釋對本集團的財務報表沒有重大影響。

- HKFRS 9, "Financial Instruments". Please refer to Note 2.1(b) of the Group's Annual Report for 2016 for brief explanations of the Standard. The Group has established a Steering Committee to oversee the implementation of the Standard and is at a later stage of implementing the expected credit losses (ECL) models. Parallel run will be performed during the second half of 2017 to enable the Group a better understanding of the potential effect of HKFRS 9 and to be familiar with the new governance and operational processes. The Group will quantify the potential impact of the Standard once it is practicable to make reliable estimates, which will be no later than the publication of the Annual Report for 2017.
- HK(IFRIC) - Int 22, "Foreign Currency Transactions and Advance Consideration". The interpretation specifies that the exchange rate on the date of cash payment or receipt is used for transactions that involve advance consideration paid or received in a foreign currency. The interpretation can either be applied retrospectively or prospectively to all assets, expenses and income. The application of this interpretation will not have a material impact on the Group's financial statements.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策
(續)

1. Basis of preparation and significant accounting policies (continued)

(c) 已頒佈並與本集團相關但尚未強制性生效及沒有被本集團於2017年提前採納之準則及修訂(續)

(c) Standards and amendments issued that are relevant to the Group but not yet effective and have not been early adopted by the Group in 2017 (continued)

- 香港財務報告詮釋第23號「所得稅處理之不確定性」。該詮釋列明企業需判斷稅務機關將會接納一項不確定稅務處理的可能性，以反映及計量該不確定性對所得稅核算的影響。企業可選擇按全面追溯性或按修訂追溯性其中一種方式應用該詮釋，並容許提前採納。應用該詮釋對本集團的財務報表沒有重大影響。
- 有關上述準則與修訂之餘下部分的簡介，請參閱本集團2016年之年度報告內財務報表附註2.1(b)項。

- HK(IFRIC) - Int 23, "Uncertainty over Income Tax Treatments". The interpretation specifies how an entity should reflect and measure the effects of uncertainty in accounting for income taxes by determining how probable that a taxation authority will accept an uncertain tax treatment. The interpretation can either be applied on a fully retrospective basis or on a modified retrospective basis. Earlier application is permitted. The application of this interpretation will not have a material impact on the Group's financial statements.

- Please refer to Note 2.1(b) of the Group's Annual Report for 2016 for brief explanations of the rest of the above-mentioned standards and amendments.

(d) 完善香港財務報告準則

(d) Improvements to HKFRSs

- 「完善香港財務報告準則」包含多項被香港會計師公會認為非緊急但有需要的修訂。當中包括引致在列示、確認或計量方面出現會計變更的修訂，以及多項與個別的香港財務報告準則相關之術語或編輯上的修訂。除以上提及者，此等修訂對本集團的財務報表沒有重大影響。

- "Improvements to HKFRSs" contains numerous amendments to HKFRSs which the HKICPA considers not urgent but necessary. It comprises amendments that result in accounting changes for presentation, recognition or measurement purpose as well as terminology or editorial amendments related to a variety of individual HKFRSs. Except for above mentioned, these improvements do not have a material impact on the Group's financial statements.

2. 應用會計政策時之重大會計估計及判斷

2. Critical accounting estimates and judgements in applying accounting policies

本集團會計估計的性質及假設，均與本集團截至2016年12月31日的財務報告內所採用的一致。

The nature and assumptions related to the Group's accounting estimates are consistent with those used in the Group's financial statements for the year ended 31 December 2016.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理

3. Financial risk management

本集團因從事各類業務而涉及金融風險。主要金融風險包括信貸風險、市場風險(包括外匯風險及利率風險)及流動資金風險。本附註概述本集團的這些風險承擔。

The Group is exposed to financial risks as a result of engaging in a variety of business activities. The principal financial risks are credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. This note summarises the Group's exposures to these risks.

3.1 信貸風險

3.1 Credit risk

(A) 總貸款及其他賬項

(A) Gross advances and other accounts

(a) 減值貸款

(a) Impaired advances

當有客觀證據反映貸款出現一項或多項損失事件，經過評估有關損失事件已影響其預期可靠的未來現金流，則該貸款已出現減值損失。

Advances are impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred and that loss event(s) has an impact on the estimated future cash flows of the advances that can be reliably estimated.

如有客觀證據反映貸款已出現減值損失，有關損失按該貸款賬面值與未來現金流折現值兩者間之差額計量；貸款已出現減值損失的客觀證據包括那些已有明顯訊息令本集團知悉的損失事件。

If there is objective evidence that an impairment loss on advances has been incurred, the amount of loss is measured as the difference between the carrying amount and the present value of estimated future cash flows generated by the advances. Objective evidence that advances are impaired includes observable data that comes to the attention of the Group about the loss events.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

3.1 Credit risk (continued)

**(A) 總貸款及其他賬項
(續)**

(A) Gross advances and other accounts (continued)

(a) 減值貸款 (續)

(a) Impaired advances (continued)

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
減值之客戶貸款總額	Gross impaired advances to customers	<u>1,325</u>	<u>1,386</u>
就上述貸款作出之減值準備	Impairment allowances made in respect of such advances	<u>443</u>	<u>600</u>
就上述有抵押品覆蓋的客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of such advances to customers	<u>1,236</u>	<u>1,098</u>
上述有抵押品覆蓋之客戶貸款	Covered portion of such advances to customers	<u>998</u>	<u>921</u>
上述沒有抵押品覆蓋之客戶貸款	Uncovered portion of such advances to customers	<u>327</u>	<u>465</u>

減值準備已考慮上述貸款之抵押品價值。

The impairment allowances were made after taking into account the value of collateral in respect of such advances.

於 2017 年 6 月 30 日，沒有減值之貿易票據和銀行及其他金融機構貸款（2016 年 12 月 31 日：無）。

As at 30 June 2017, there were no impaired trade bills and advances to banks and other financial institutions (31 December 2016: Nil).

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

**(A) 總貸款及其他賬項
(續)**

(a) 減值貸款 (續)

特定分類或減值
 之客戶貸款分析
 如下：

3.1 Credit risk (continued)

(A) Gross advances and other accounts (continued)

(a) Impaired advances (continued)

Classified or impaired advances to customers are analysed as follows:

	於 2017 年 6 月 30 日 At 30 June 2017 港幣百萬元 HK\$m	於 2016 年 12 月 31 日 At 31 December 2016 港幣百萬元 HK\$m
特定分類或減值 之客戶貸款總 額	2,050	2,169
特定分類或減值 之客戶貸款總 額對客戶貸款 總額比率	0.19%	0.22%
就上述貸款作個 別評估之減值 準備	395	547

特定分類或減值
 之客戶貸款是指
 按本集團貸款質
 量分類的「次
 級」、「呆滯」
 或「虧損」貸款
 或個別評估為減
 值的貸款。

Classified or impaired advances to customers represent advances which are either
 classified as “substandard”, “doubtful” or “loss” under the Group’s classification of
 loan quality, or individually assessed to be impaired.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 總貸款及其他賬項
(續)

(A) Gross advances and other accounts (continued)

(b) 逾期超過3個月之
貸款

(b) Advances overdue for more than three months

有明確到期日之貸款，若其本金或利息已逾期及仍未償還，則列作逾期貸款。須定期分期償還之貸款，若其中一次分期還款已逾期及仍未償還，則列作逾期處理。須即期償還之貸款若已向借款人送達還款通知，但借款人未按指示還款，或貸款一直超出借款人獲通知之批准貸款限額，亦列作逾期處理。

Advances with a specific repayment date are classified as overdue when the principal or interest is past due and remains unpaid. Advances repayable by regular instalments are classified as overdue when an instalment payment is past due 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 exceeded the approved limit that was advised to the borrower.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 總貸款及其他賬項 (續)

(A) Gross advances and other accounts (continued)

(b) 逾期超過3個月之貸款 (續)

(b) Advances overdue for more than three months (continued)

逾期超過3個月之貸款總額分析如下：

The gross amount of advances overdue for more than three months is analysed as follows:

	於2017年6月30日 At 30 June 2017		於2016年12月31日 At 31 December 2016	
	金額 Amount 港幣百萬元 HK\$m	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount 港幣百萬元 HK\$m	佔客戶貸款總額 百分比 % of gross advances to customers
客戶貸款總額，已逾期：				
- 超過3個月但不超過6個月	156	0.01%	93	0.01%
- 超過6個月但不超過1年	114	0.01%	81	0.01%
- 超過1年	274	0.03%	219	0.02%
逾期超過3個月之貸款	544	0.05%	393	0.04%
就上述貸款作個別評估之減值準備	244		147	

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

**(A) 總貸款及其他賬項
(續)**

**(b) 逾期超過3個月之
貸款 (續)**

3.1 Credit risk (continued)

(A) Gross advances and other accounts (continued)

(b) Advances overdue for more than three months (continued)

	於 2017 年 6 月 30 日 At 30 June 2017 港幣百萬元 HK\$m	於 2016 年 12 月 31 日 At 31 December 2016 港幣百萬元 HK\$m
就上述有抵押品覆蓋的客戶貸款之抵押品市值	<u>567</u>	<u>427</u>
上述有抵押品覆蓋之客戶貸款	<u>292</u>	<u>223</u>
上述沒有抵押品覆蓋之客戶貸款	<u>252</u>	<u>170</u>

逾期貸款或減值貸款的抵押品主要包括公司授信戶項下的商用資產如商業、住宅樓宇及船舶、個人授信戶項下的住宅按揭物業。

於 2017 年 6 月 30 日，沒有逾期超過 3 個月之貿易票據和銀行及其他金融機構貸款 (2016 年 12 月 31 日：無)。

Collateral held against overdue or impaired loans is principally represented by charges over business assets such as commercial, residential premises and vessels for corporate loans and mortgages over residential properties for personal loans.

As at 30 June 2017, there were no trade bills and advances to banks and other financial institutions overdue for more than three months (31 December 2016: Nil).

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 總貸款及其他賬項
(續)

(A) Gross advances and other accounts (continued)

(c) 經重組貸款

(c) Rescheduled advances

	於 2017 年 6 月 30 日 At 30 June 2017		於 2016 年 12 月 31 日 At 31 December 2016	
	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers
	港幣百萬元 HK\$m		港幣百萬元 HK\$m	
經重組客戶貸款淨額 (已扣減包含於「逾期超過 3 個月之貸款」部分)				
Rescheduled advances to customers net of amounts included in "Advances overdue for more than three months"	133	0.01%	-	-

經重組貸款乃指借款人因為財政困難或無能力如期還款而經雙方同意達成重整還款計劃之貸款。修訂還款計劃後之經重組貸款如仍逾期超過 3 個月，則包括在「逾期超過 3 個月之貸款」內。

Rescheduled advances are those advances that have been restructured or renegotiated because of deterioration in the financial position of the borrower or of the inability of the borrower to meet the original repayment schedule. Rescheduled advances, which have been overdue for more than three months under the revised repayment terms, are included in "Advances overdue for more than three months".

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(A) 總貸款及其他賬項 (續)

(d) 客戶貸款集中度

(i) 按行業分類之客戶貸款總額

以下關於客戶貸款總額之行業分類分析，其行業分類乃參照有關貸款及墊款之金管局報表的填報指示而編製。

3.1 Credit risk (continued)

(A) Gross advances and other accounts (continued)

(d) Concentration of advances to customers

(i) Sectoral analysis of gross advances to customers

The following analysis of the gross advances to customers by industry sector is based on the categories with reference to the completion instructions for the HKMA return of loans and advances.

		於 2017 年 6 月 30 日 At 30 June 2017					
		客戶貸款總額 Gross advances to customers	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	特定分類或減值 Classified or impaired	逾期 Overdue	個別評估之減值準備 Individually assessed impairment allowances	組合評估之減值準備 Collectively assessed impairment allowances
		港幣百萬元 HK\$'m		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	96,185	19.73%	-	-	-	319
- 物業投資	- Property investment	53,729	80.48%	21	114	-	173
- 金融業	- Financial concerns	9,016	3.47%	-	-	-	43
- 股票經紀	- Stockbrokers	1,657	49.90%	-	-	-	5
- 批發及零售業	- Wholesale and retail trade	38,436	35.36%	45	191	27	136
- 製造業	- Manufacturing	39,422	15.37%	57	92	6	139
- 運輸及運輸設備	- Transport and transport equipment	61,504	28.60%	1,132	5	80	207
- 休閒活動	- Recreational activities	2,296	1.61%	-	-	-	7
- 資訊科技	- Information technology	21,875	1.01%	-	-	-	70
- 其他	- Others	104,721	42.09%	11	157	6	335
個人	Individuals						
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	9,537	99.87%	12	158	-	6
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	226,972	99.92%	62	1,152	1	112
- 信用卡貸款	- Credit card advances	13,193	-	36	506	-	119
- 其他	- Others	51,534	78.30%	61	495	30	70
在香港使用之貸款總額	Total loans for use in Hong Kong	730,077	57.74%	1,437	2,870	150	1,741
貿易融資	Trade finance	77,199	14.06%	60	44	29	275
在香港以外使用之貸款	Loans for use outside Hong Kong	295,471	8.86%	553	1,496	216	1,036
客戶貸款總額	Gross advances to customers	1,102,747	41.59%	2,050	4,410	395	3,052

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(A) 總貸款及其他賬項 (續)

(d) 客戶貸款集中度 (續)

(i) 按行業分類之客戶貸款總額 (續)

3.1 Credit risk (continued)

(A) Gross advances and other accounts (continued)

(d) Concentration of advances to customers (continued)

(i) Sectoral analysis of gross advances to customers (continued)

於 2016 年 12 月 31 日
At 31 December 2016

	客戶貸款總額 Gross advances to customers	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	特定分類或減值 Classified or impaired	逾期 Overdue	個別評估之減值準備	組合評估之減值準備
					Individually assessed impairment allowances	Collectively assessed impairment allowances
	港幣百萬元 HK\$m		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
在香港使用之貸款	Loans for use in Hong Kong					
工商金融業	Industrial, commercial and financial					
- 物業發展	73,637	22.82%	-	1	-	248
- 物業投資	53,908	81.58%	27	133	-	180
- 金融業	6,285	3.13%	-	-	-	45
- 股票經紀	2,647	95.17%	-	-	-	9
- 批發及零售業	35,091	37.14%	42	186	29	127
- 製造業	26,136	17.49%	49	51	7	100
- 運輸及運輸設備	53,074	31.31%	1,239	17	289	186
- 休閒活動	2,510	1.59%	-	-	-	8
- 資訊科技	17,938	1.30%	-	-	-	58
- 其他	105,127	24.95%	15	89	10	341
個人	Individuals					
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	8,562	99.84%	10	170	-	5
- 購買其他住宅物業之貸款	218,426	99.93%	89	1,812	2	101
- 信用卡貸款	13,819	-	41	524	-	123
- 其他	45,488	74.56%	36	495	3	68
在香港使用之貸款總額	662,648	58.09%	1,548	3,478	340	1,599
貿易融資	72,182	13.99%	87	52	28	256
在香港以外使用之貸款	241,615	13.50%	534	410	179	866
客戶貸款總額	976,445	43.80%	2,169	3,940	547	2,721

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(A) 總貸款及其他賬項 (續)

(d) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額

下列關於客戶貸款之地理區域分析是根據交易對手之所在地，並已顧及風險轉移因素。若客戶貸款之擔保人所在地與客戶所在地不同，則風險將轉移至擔保人之所在地。

客戶貸款總額

香港
中國內地
其他

就客戶貸款總額作組合評估之減值準備

香港
中國內地
其他

3.1 Credit risk (continued)

(A) Gross advances and other accounts (continued)

(d) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers

The following geographical analysis of advances to customers is based on the locations of the counterparties, after taking into account the transfer of risk. For an advance to customer guaranteed by a party situated in a country different from the customer, the risk will be transferred to the country of the guarantor.

Gross advances to customers

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
Hong Kong	889,121	780,013
Mainland of China	134,041	121,195
Others	79,585	75,237
	<u>1,102,747</u>	<u>976,445</u>

Collectively assessed impairment allowances in respect of the gross advances to customers

Hong Kong	2,304	2,022
Mainland of China	424	389
Others	324	310
	<u>3,052</u>	<u>2,721</u>

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(A) 總貸款及其他賬項
(續)

(d) 客戶貸款集中度
(續)

(ii) 按地理區域分
類之客戶貸款
總額 (續)

逾期貸款

就逾期貸款作
個別評估之
減值準備

香港
中國內地
其他

就逾期貸款作
組合評估之
減值準備

香港
中國內地
其他

3.1 Credit risk (continued)

(A) Gross advances and other accounts (continued)

(d) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers (continued)

Overdue advances

Individually assessed impairment
allowances in respect of the
overdue advances

Hong Kong
Mainland of China
Others

Collectively assessed impairment
allowances in respect of the
overdue advances

Hong Kong
Mainland of China
Others

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
香港	2,848	3,418
中國內地	470	162
其他	1,092	360
	4,410	3,940

香港	105	112
中國內地	5	8
其他	142	86
	252	206

香港	84	96
中國內地	5	2
其他	7	5
	96	103

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

3.1 Credit risk (continued)

**(A) 總貸款及其他賬項
(續)**

(A) Gross advances and other accounts (continued)

**(d) 客戶貸款集中度
(續)**

(d) Concentration of advances to customers (continued)

**(ii) 按地理區域分
類之客戶貸款
總額 (續)**

(ii) Geographical analysis of gross advances to customers (continued)

**特定分類或減
值貸款**

Classified or impaired advances

香港
中國內地
其他

Hong Kong
Mainland of China
Others

於 2017 年
6 月 30 日
At 30 June
2017
港幣百萬元
HK\$'m

於 2016 年
12 月 31 日
At 31 December
2016
港幣百萬元
HK\$'m

1,515

1,716

80

75

455

378

2,050

2,169

**就特定分類或
減值貸款作
個別評估之
減值準備**

**Individually assessed impairment
allowances in respect of the
classified or impaired advances**

香港
中國內地
其他

Hong Kong
Mainland of China
Others

193

411

31

11

171

125

395

547

**就特定分類或
減值貸款作
組合評估之
減值準備**

**Collectively assessed impairment
allowances in respect of the
classified or impaired advances**

香港
中國內地
其他

Hong Kong
Mainland of China
Others

47

52

1

1

2

2

50

55

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(B) 收回資產

(B) Repossessed assets

本集團於 2017 年 6 月 30 日持有的收回資產之估值為港幣 0.68 億元 (2016 年 12 月 31 日: 港幣 0.72 億元)。這包括本集團通過對抵押取得處置或控制權的物業 (如通過法律程序或業主自願交出抵押資產方式取得) 而對借款人的債務進行全數或部分減除。

The estimated market value of repossessed assets held by the Group as at 30 June 2017 amounted to HK\$68 million (31 December 2016: HK\$72 million). The repossessed assets comprise properties in respect of which the Group has acquired access or control (e.g. through court proceedings or voluntary actions by the proprietors concerned) for release in full or in part of the obligations of the borrowers.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(C) 債務證券及存款證

(C) Debt securities and certificates of deposit

下表為以發行評級分析之債務證券及存款證賬面值。在無發行評級的情況下，則會按發行人的評級報告。

The following tables present an analysis of the carrying value of debt securities and certificates of deposit by issue rating. In the absence of such issue ratings, the ratings designated for the issuers are reported.

		於 2017 年 6 月 30 日 At 30 June 2017					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
可供出售證券	Available-for-sale securities	156,345	66,885	197,508	36,855	11,650	469,243
持有至到期日證券	Held-to-maturity securities	19,531	6,753	13,833	559	-	40,676
貸款及應收款	Loans and receivables	-	150	603	-	1,993	2,746
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	22,576	6,931	9,204	533	238	39,482
		198,452	80,719	221,148	37,947	13,881	552,147
		於 2016 年 12 月 31 日 At 31 December 2016					
		Aaa	Aa1 至 Aa3 Aa1 to Aa3	A1 至 A3 A1 to A3	A3 以下 Lower than A3	無評級 Unrated	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
可供出售證券	Available-for-sale securities	106,245	170,825	181,938	32,550	13,652	505,210
持有至到期日證券	Held-to-maturity securities	19,805	19,882	5,071	560	-	45,318
貸款及應收款	Loans and receivables	-	149	786	-	-	935
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	14,169	10,641	5,232	701	974	31,717
		140,219	201,497	193,027	33,811	14,626	583,180

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(C) 債務證券及存款證 (續)

減值債務證券分析如下：

3.1 Credit risk (continued)

(C) Debt securities and certificates of deposit (continued)

The impaired debt securities are analysed as follows:

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
持有至到期日證券	-	1

於 2017 年 6 月 30 日，沒有減值之存款證及沒有逾期之債務證券及存款證（2016 年 12 月 31 日：無）。

As at 30 June 2017, there were no impaired certificates of deposit and no overdue debt securities and certificates of deposit (31 December 2016: Nil).

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險

3.2 Market risk

(A) 風險值

(A) VAR

本集團採用風險值量度一般市場風險，並定期向風險委員會和高層管理人員報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去2年歷史市場數據為參照，計算99%置信水平下及1天持有期內集團層面及各附屬機構的風險值，並設定本集團和各附屬機構的風險值限額。

The Group uses the VAR to measure and report general market risks to the RMC and senior management on a periodic basis. The Group adopts a uniformed VAR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VAR of the Group and subsidiaries over a one-day holding period with a 99% confidence level, and sets up the VAR limit of the Group and subsidiaries.

下表詳述本集團一般市場風險持倉的風險值¹。

The following table sets out the VAR for all general market risk exposure¹ of the Group.

	年份 Year	上半年 最低數值 Minimum	上半年 最高數值 Maximum	上半年 平均數值 Average		
		於6月30日 At 30 June	for the first half of year	for the first half of year	for the first half of year	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m		
全部市場風險之風險值	VAR for all market risk	2017	46.1	38.0	80.9	57.3
		2016	30.3	30.1	58.6	42.9
匯率風險之風險值	VAR for foreign exchange risk	2017	23.6	23.6	54.1	38.4
		2016	26.8	25.5	42.1	33.3
利率風險之風險值	VAR for interest rate risk	2017	38.2	27.6	82.4	52.9
		2016	20.0	15.3	57.4	26.5
股票風險之風險值	VAR for equity risk	2017	1.4	0.7	5.3	2.6
		2016	3.1	0.0	3.1	0.9
商品風險之風險值	VAR for commodity risk	2017	1.6	1.2	2.0	1.6
		2016	0.1	0.0	0.1	0.0

註：

1. 不包括結構性外匯敞口的風險值。

Note:

1. Structural FX positions have been excluded.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(A) 風險值 (續)

(A) VAR (continued)

雖然風險值是量度市場風險的一項重要指標，但也有其局限性，例如：

Although a valuable guide to market risk, VAR should always be viewed in the context of its limitations. For example:

- 採用歷史市場數據估計未來動態未能顧及所有可能出現的情況，尤其是一些極端情況；

- the use of historical market data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;

- 1天持有期的計算方法假設所有頭盤均可以在一日內套現或對沖。這項假設未必能完全反映市場風險，尤其在市場流通度極低時，可能未及在1天持有期內套現或對沖所有頭盤；

- the use of a one-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;

- 根據定義，當採用99%置信水平時，即未有考慮在此置信水平以外或會出現的虧損；以及

- the use of a 99% confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and

- 風險值是以營業時間結束時的頭盤作計算基準，因此並不一定反映交易時段內的風險。

- VAR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(A) 風險值 (續)

(A) VAR (continued)

本集團充分了解風險值指標的局限性，因此，制定了壓力測試指標及限額以評估和管理風險值不能涵蓋的市場風險。市場風險壓力測試包括按不同風險因素改變的嚴峻程度所作的敏感性測試，以及對歷史事件的情景分析，如1987股災、1994債券市場危機、1997亞洲金融風暴、2001年美國911事件以及2008金融海嘯等。

The Group recognises these limitations by formulating stress test indicators and limits to assess and manage the market risk uncovered by VAR. The stress testing programme of the market risk includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1987 Equity Market Crash, 1994 Bond Market Crash, 1997 Asian Financial Crisis, 2001 9-11 event and 2008 Financial Tsunami, etc.

(B) 外匯風險

(B) Currency risk

本集團的資產及負債集中在港元、美元及人民幣等主要貨幣。為確保外匯風險承擔保持在可接受水平，本集團利用風險限額（例如頭盤及風險值限額）作為監控工具。此外，本集團致力於減少同一貨幣的資產與負債錯配，並通常利用外匯合約（例如外匯掉期）管理由外幣資產負債所產生的外匯風險。

The Group's assets and liabilities are denominated in major currencies, particularly the HK dollar, the US dollar and Renminbi. To ensure the currency risk exposure of the Group is kept to an acceptable level, risk limits (e.g. Position and VAR limit) are used to serve as a monitoring tool. Moreover, the Group seeks to minimise the gap between assets and liabilities in the same currency. Foreign exchange contracts (e.g. FX swaps) are usually used to manage FX risk associated with foreign currency-denominated assets and liabilities.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

(B) 外匯風險 (續)

下表列出本集團因自營交易、非自營交易及結構性倉盤而產生之主要外幣風險額，並參照有關持有外匯情況之金管局報表的填報指示而編製。期權盤淨額乃根據所有外匯期權合約之「得爾塔加權持倉」為基礎計算。

3.2 Market risk (continued)

(B) Currency risk (continued)

The following is a summary of the Group's major foreign currency exposures arising from trading, non-trading and structural positions and is prepared with reference to the completion instructions for the HKMA return of foreign currency position. The net options position is calculated based on the basis of delta-weighted positions of all foreign exchange options contracts.

於 2017 年 6 月 30 日

At 30 June 2017

港幣百萬元等值

Equivalent in million of HK\$

		美元 US Dollars	英鎊 Pound Sterling	日圓 Japanese Yen	歐羅 Euro	人民幣 Renminbi	澳元 Australian Dollars	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	756,868	21,394	25,515	46,218	479,915	39,425	44,261	1,413,596
現貨負債	Spot liabilities	(737,900)	(15,989)	(4,615)	(30,007)	(315,431)	(20,076)	(44,744)	(1,168,762)
遠期買入	Forward purchases	1,094,736	23,060	47,736	70,280	509,840	24,162	68,717	1,838,531
遠期賣出	Forward sales	(1,105,386)	(28,625)	(68,630)	(86,526)	(673,417)	(43,385)	(68,317)	(2,074,286)
期權盤淨額	Net options position	79	(19)	(2)	39	(39)	(34)	(2)	22
長 / (短) 盤淨額	Net long/(short) position	8,397	(179)	4	4	868	92	(85)	9,101

於 2016 年 12 月 31 日

At 31 December 2016

港幣百萬元等值

Equivalent in million of HK\$

		美元 US Dollars	英鎊 Pound Sterling	日圓 Japanese Yen	歐羅 Euro	人民幣 Renminbi	澳元 Australian Dollars	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	671,035	20,706	128,335	40,586	228,001	22,532	28,637	1,139,832
現貨負債	Spot liabilities	(599,092)	(14,351)	(9,056)	(28,397)	(217,947)	(19,823)	(32,101)	(920,767)
遠期買入	Forward purchases	1,095,591	26,200	58,711	56,669	579,902	28,125	55,743	1,900,941
遠期賣出	Forward sales	(1,157,958)	(32,618)	(178,070)	(68,865)	(588,688)	(30,925)	(52,907)	(2,110,031)
期權盤淨額	Net options position	1,123	2	1	1	(733)	(3)	1	392
長 / (短) 盤淨額	Net long/(short) position	10,699	(61)	(79)	(6)	535	(94)	(627)	10,367

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(B) 外匯風險 (續)

(B) Currency risk (continued)

於 2017 年 6 月 30 日

At 30 June 2017

港幣百萬元等值

Equivalent in million of HK\$

	人民幣 Renminbi	馬來西亞 林吉特 Malaysian Ringgit	泰幣 Baht	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
結構性倉盤淨額 Net structural position	-	2,406	2,271	164	4,841

於 2016 年 12 月 31 日

At 31 December 2016

港幣百萬元等值

Equivalent in million of HK\$

	人民幣 Renminbi	馬來西亞 林吉特 Malaysian Ringgit	泰幣 Baht	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
結構性倉盤淨額 Net structural position	791	2,175	-	160	3,126

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險

(C) Interest rate risk

下表概述了本集團於 2017 年 6 月 30 日及 2016 年 12 月 31 日之資產負債表內的利率風險承擔。表內以賬面值列示資產及負債，並按合約重訂息率日期或到期日（以較早者為準）分類。

The tables below summarise the Group's on-balance sheet exposure to interest rate risk as at 30 June 2017 and 31 December 2016. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing date and maturity date.

		於 2017 年 6 月 30 日						
		At 30 June 2017						
		一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m	港幣 百萬元 HK\$'m
資產	Assets							
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	379,128	-	-	-	-	20,330	399,458
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	28,140	53,716	-	-	-	81,856
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	82,967	12,398	10,998	10,630	5,000	230	122,223
衍生金融工具	Derivative financial instruments	-	-	-	-	-	29,880	29,880
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	135,800	135,800
貸款及其他賬項	Advances and other accounts	764,873	281,031	43,201	34,083	4,134	6,782	1,134,104
證券投資	Investment in securities							
- 可供出售證券	- Available-for-sale securities	32,205	89,705	100,952	159,750	86,631	1,105	470,348
- 持有至到期日證券	- Held-to-maturity securities	4,787	4,131	11,865	18,427	1,466	-	40,676
- 貸款及應收款	- Loans and receivables	-	150	2,596	-	-	-	2,746
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	352	352
投資物業	Investment properties	-	-	-	-	-	19,347	19,347
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	46,702	46,702
其他資產（包括遞延稅項資產）	Other assets (including deferred tax assets)	6,684	-	-	-	-	29,912	36,596
資產總額	Total assets	1,270,644	415,555	223,328	222,890	97,231	290,440	2,520,088

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險 (續)

(C) Interest rate risk (continued)

於 2017 年 6 月 30 日

At 30 June 2017

		一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	135,800	135,800
銀行及其他金融機構之存款及 結餘	Deposits and balances from banks and other financial institutions	226,331	6,806	385	476	-	68,905	302,903
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	3,308	8,056	6,550	908	507	-	19,329
衍生金融工具	Derivative financial instruments	-	-	-	-	-	29,011	29,011
客戶存款	Deposits from customers	1,222,051	189,947	121,749	675	-	122,043	1,656,465
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	7,343	303	425	1,180	-	-	9,251
其他賬項及準備 (包括應付稅項 及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	20,796	-	-	-	-	102,701	123,497
後償負債	Subordinated liabilities	-	-	-	19,099	-	-	19,099
負債總額	Total liabilities	1,479,829	205,112	129,109	22,338	507	458,460	2,295,355
利率敏感度缺口	Interest sensitivity gap	(209,185)	210,443	94,219	200,552	96,724	(168,020)	224,733

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險 (續)

(C) Interest rate risk (continued)

於 2016 年 12 月 31 日

At 31 December 2016

	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets						
庫存現金及存放銀行及其他金融機構的結餘	213,801	-	-	-	-	18,577	232,378
在銀行及其他金融機構一至十二個月內到期之定期存放	-	28,195	42,197	-	-	-	70,392
公平值變化計入損益之金融資產	5,507	7,875	9,965	10,981	3,166	76	37,570
衍生金融工具	-	-	-	-	-	64,348	64,348
香港特別行政區政府負債證明書	-	-	-	-	-	123,390	123,390
貸款及其他賬項	778,560	109,491	54,871	40,204	4,807	7,439	995,372
證券投資	Investment in securities						
- 可供出售證券	54,940	119,109	106,072	139,024	86,065	955	506,165
- 持有至到期日證券	611	3,869	16,629	20,814	3,395	-	45,318
- 貸款及應收款	-	-	935	-	-	-	935
聯營公司及合資企業權益	-	-	-	-	-	319	319
投資物業	-	-	-	-	-	18,369	18,369
物業、器材及設備	-	-	-	-	-	45,593	45,593
其他資產 (包括遞延稅項資產)	3,383	-	-	-	-	29,206	32,589
待出售資產	32,358	7,130	6,394	5,197	4	2,503	53,586
資產總額	1,089,160	275,669	237,063	216,220	97,437	310,775	2,226,324

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險 (續)

(C) Interest rate risk (continued)

於 2016 年 12 月 31 日

At 31 December 2016

	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities						
香港特別行政區流通紙幣						123,390	123,390
銀行及其他金融機構之存款及結餘	152,052	14,740	7,031	394	-	19,512	193,729
公平值變化計入損益之金融負債	3,705	5,578	2,161	1,335	592	-	13,371
衍生金融工具	-	-	-	-	-	49,210	49,210
客戶存款	1,137,458	184,835	80,255	398	-	108,142	1,511,088
已發行債務證券及存款證	-	-	-	1,121	-	-	1,121
其他賬項及準備 (包括應付稅項及遞延稅項負債)	19,462	-	-	-	-	29,824	49,286
後償負債	-	-	-	19,014	-	-	19,014
待出售資產之相關負債	28,972	7,428	7,145	67	-	3,462	47,074
負債總額	1,341,649	212,581	96,592	22,329	592	333,540	2,007,283
利率敏感度缺口	(252,489)	63,088	140,471	193,891	96,845	(22,765)	219,041

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.3 流動資金風險

3.3 Liquidity risk

(A) 流動性覆蓋比率

(A) Liquidity coverage ratio

		<u>2017</u>	<u>2016</u>
流動性覆蓋比率的平均值	Average value of liquidity coverage ratio		
- 第一季度	- First quarter	121.41%	112.92%
- 第二季度	- Second quarter	123.88%	109.70%

流動性覆蓋比率的平均值是基於該季度的每個工作日終結時的流動性覆蓋比率的算術平均數及有關流動性狀況之金管局報表列明的計算方法及指示計算。

The average value of liquidity coverage ratio is calculated based on the arithmetic mean of the liquidity coverage ratio as at the end of each working day in the quarter and the calculation methodology and instructions set out in the HKMA return of liquidity position.

流動性覆蓋比率是以綜合基礎計算，並根據《銀行業(流動性)規則》由中銀香港及其部分金管局指定之附屬公司組成。

The liquidity coverage ratio is computed on the consolidated basis which comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Liquidity) Rules.

有關流動性覆蓋比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of liquidity coverage ratio disclosures is available under section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險 (續)

3.3 Liquidity risk (continued)

(B) 到期日分析

(B) Maturity analysis

下表為本集團於2017年6月30日及2016年12月31日之資產及負債的到期日分析，按於結算日時，資產及負債相距合約到期日的剩餘期限分類。

The tables below analyse the Group's assets and liabilities as at 30 June 2017 and 31 December 2016 into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

		於2017年6月30日 At 30 June 2017							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	342,876	44,167	-	-	-	-	12,415	399,458
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	-	28,140	53,716	-	-	-	81,856
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性	- Held for trading								
- 債務證券	- Debt securities	-	1,785	9,682	10,523	11,335	4,974	-	38,299
- 存款證	- Certificates of deposit	-	492	115	204	372	-	-	1,183
- 股份證券及基金	- Equity securities and fund	-	-	-	-	-	-	230	230
- 其他債務工具	- Other debt instruments	80,557	99	1,855	-	-	-	-	82,511
衍生金融工具	Derivative financial instruments	11,117	2,040	3,233	6,707	4,530	2,253	-	29,880
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	135,800	-	-	-	-	-	-	135,800
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- Advances to customers	126,377	31,415	51,500	144,855	512,656	230,272	2,225	1,099,300
- 貿易票據	- Trade bills	-	4,332	5,595	17,050	-	-	-	26,977
- 銀行及其他金融機構貸款	- Advances to banks and other financial institutions	-	8	1	1,439	6,379	-	-	7,827
證券投資	Investment in securities								
- 可供出售	- Available-for-sale								
- 債務證券	- Debt securities	-	17,247	51,190	84,864	189,078	87,277	-	429,656
- 存款證	- Certificates of deposit	-	1,766	7,302	22,209	8,310	-	-	39,587
- 持有至到期日	- Held-to-maturity								
- 債務證券	- Debt securities	-	4,855	4,256	11,931	18,163	1,471	-	40,676
- 貸款及應收款	- Loans and receivables								
- 債務證券	- Debt securities	-	-	150	2,596	-	-	-	2,746
- 股份證券	- Equity securities	-	-	-	-	-	-	1,105	1,105
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	-	352	352
投資物業	Investment properties	-	-	-	-	-	-	19,347	19,347
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	46,702	46,702
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	16,415	19,351	100	632	55	-	43	36,596
資產總額	Total assets	713,142	127,557	163,119	356,726	750,878	326,247	82,419	2,520,088

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險 (續) 3.3 Liquidity risk (continued)

(B) 到期日分析 (續) (B) Maturity analysis (continued)

		於 2017 年 6 月 30 日 At 30 June 2017							
		即期	一個月內	一至三個月	三至十二個月	一至五年	五年以上	不確定日期	總計
		On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Indefinite	Total
		港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元	港幣 百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	135,800	-	-	-	-	-	-	135,800
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	239,761	55,475	6,806	385	476	-	-	302,903
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	3,308	8,058	6,550	908	505	-	19,329
衍生金融工具	Derivative financial instruments	7,118	3,668	4,067	7,866	3,788	2,504	-	29,011
客戶存款	Deposits from customers	1,040,579	303,515	189,947	121,749	675	-	-	1,656,465
已發行債務證券及存款證	Debt securities and certificates of deposit in issue								
- 債務證券	- Debt securities	-	7,343	333	425	1,150	-	-	9,251
其他賬項及準備 (包括應付稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	23,876	87,720	570	4,562	6,769	-	-	123,497
後償負債	Subordinated liabilities	-	-	421	-	18,678	-	-	19,099
負債總額	Total liabilities	1,447,134	461,029	210,202	141,537	32,444	3,009	-	2,295,355
流動資金缺口	Net liquidity gap	(733,992)	(333,472)	(47,083)	215,189	718,434	323,238	82,419	224,733

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險 (續) 3.3 Liquidity risk (continued)

(B) 到期日分析 (續) (B) Maturity analysis (continued)

		於 2016 年 12 月 31 日 At 31 December 2016							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	111,981	107,714	-	-	-	-	12,683	232,378
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	-	28,195	42,197	-	-	-	70,392
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss								
- 交易性	- Held for trading								
- 債務證券	- Debt securities	-	1,415	3,713	9,422	11,882	3,142	-	29,574
- 存款證	- Certificates of deposit	-	-	1,140	412	591	-	-	2,143
- 股份證券及基金	- Equity securities and fund	-	-	-	-	-	-	76	76
- 其他債務工具	- Other debt instruments	-	4,097	1,680	-	-	-	-	5,777
衍生金融工具	Derivative financial instruments	14,662	8,962	10,105	21,369	6,566	2,684	-	64,348
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	123,390	-	-	-	-	-	-	123,390
貸款及其他賬項	Advances and other accounts								
- 客戶貸款	- Advances to customers	90,989	22,472	63,049	133,612	438,755	222,184	2,116	973,177
- 貿易票據	- Trade bills	6	4,868	3,831	7,474	-	-	-	16,179
- 銀行及其他金融機構貸款	- Advances to banks and other financial institutions	-	3	1	577	5,435	-	-	6,016
證券投資	Investment in securities								
- 可供出售	- Available-for-sale								
- 債務證券	- Debt securities	-	37,485	80,488	79,799	164,463	86,698	-	448,933
- 存款證	- Certificates of deposit	-	2,985	16,078	30,064	7,150	-	-	56,277
- 持有至到期日	- Held-to-maturity								
- 債務證券	- Debt securities	-	657	3,794	16,888	20,584	3,394	1	45,318
- 貸款及應收款	- Loans and receivables	-	-	-	935	-	-	-	935
- 債務證券	- Debt securities	-	-	-	-	-	-	955	955
- 股份證券	- Equity securities	-	-	-	-	-	-	-	-
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	-	319	319
投資物業	Investment properties	-	-	-	-	-	-	18,369	18,369
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	45,593	45,593
其他資產 (包括遞延稅項資產)	Other assets (including deferred tax assets)	16,184	15,550	293	474	43	-	45	32,589
待出售資產	Assets held for sale	6,097	6,304	5,084	9,851	18,486	5,684	2,080	53,586
資產總額	Total assets	363,309	212,512	217,451	353,074	673,955	323,786	82,237	2,226,324

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險 (續) 3.3 Liquidity risk (continued)

(B) 到期日分析 (續) (B) Maturity analysis (continued)

		於 2016 年 12 月 31 日							
		At 31 December 2016							
		即期	一個月內	一至三個月	三至十二個月	一至五年	五年以上	不確定日期	總計
		On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Indefinite	Total
		港幣	港幣	港幣	港幣	港幣	港幣	港幣	港幣
		百萬元	百萬元	百萬元	百萬元	百萬元	百萬元	百萬元	百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	123,390	-	-	-	-	-	-	123,390
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	152,078	19,486	14,640	7,031	494	-	-	193,729
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	3,705	5,582	2,238	1,257	589	-	13,371
衍生金融工具	Derivative financial instruments	10,511	3,388	7,363	20,137	5,152	2,659	-	49,210
客戶存款	Deposits from customers	972,174	273,426	184,835	80,255	398	-	-	1,511,088
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	-	-	10	1,111	-	-	1,121
- 債務證券	- Debt securities	-	-	-	10	1,111	-	-	1,121
其他賬項及準備 (包括應付稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	24,429	14,167	1,670	2,405	6,615	-	-	49,286
後償負債	Subordinated liabilities	-	-	418	-	18,596	-	-	19,014
待出售資產之相關負債	Liabilities associated with assets held for sale	24,414	7,745	7,467	7,186	262	-	-	47,074
負債總額	Total liabilities	1,306,996	321,917	221,975	119,262	33,885	3,248	-	2,007,283
流動資金缺口	Net liquidity gap	(943,687)	(109,405)	(4,524)	233,812	640,070	320,538	82,237	219,041

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.3 流動資金風險 (續)

3.3 Liquidity risk (continued)

(B) 到期日分析 (續)

(B) Maturity analysis (continued)

上述到期日分類乃按照《銀行業(披露)規則》之相關條文而編製。本集團將逾期不超過 1 個月之資產，例如貸款及債務證券列為「即期」資產。對於按不同款額或分期償還之資產，只有該資產中實際逾期之部分被視作逾期。其他未到期之部分仍繼續根據剩餘期限分類，但假若對該資產之償還存有疑慮，則將該等款項列為「不確定日期」。上述列示之資產已扣除任何相關準備(如有)。

按尚餘到期日對債務證券之分析是為遵循《銀行業(披露)規則》之相關條文而披露的。所作披露不代表此等證券將持有至到期日。

The above maturity classifications have been prepared in accordance with relevant provisions under the Banking (Disclosure) Rules. The Group has reported assets such as advances and debt securities which have been overdue for not more than one month as "On demand". 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 "Indefinite". The above assets are stated after deduction of provisions, if any.

The analysis of debt securities by remaining period to maturity is disclosed in order to comply with relevant provisions under the Banking (Disclosure) Rules. The disclosure does not imply that the securities will be held to maturity.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理

3.4 Capital management

本集團已採用基礎內部評級基準計算法計算大部分非證券化類別風險承擔的信貸風險資本要求，並使用內部評級基準（證券化）計算法計算證券化類別風險承擔的信貸風險資本要求。剩餘小部分信貸風險承擔，包括海外子行和分行的信貸風險承擔按標準（信貸風險）計算法計算。本集團採用標準信貸估值調整方法，計算具有信貸估值調整風險的交易對手資本要求。本集團繼續採用內部模式計算法計算外匯及利率的一般市場風險資本要求，並獲金管局批准豁免計算結構性外匯敞口產生的市場風險資本要求。本集團繼續採用標準（市場風險）計算法計算其餘市場風險資本要求。本集團繼續採用標準（業務操作風險）計算法計算操作風險資本要求。

The Group has adopted the foundation internal ratings-based (“FIRB”) approach to calculate the credit risk capital charge for the majority of its non-securitisation exposures and the internal ratings-based (securitisation) approach to calculate the credit risk capital charge for its securitisation exposures. A small residual credit exposures which includes the credit exposures of oversea subsidiaries and branches are remained under the standardised (credit risk) (“STC”) approach. The Group has adopted the standardised credit valuation adjustment (“CVA”) method to calculate the capital charge for the CVA risk of the counterparty. The Group continues to adopt the internal models (“IMM”) approach to calculate the general market risk capital charge for foreign exchange and interest rate exposures and, with the approval from the HKMA, exclude its structural FX positions in the calculation of the market risk capital charge. The Group continues to adopt the standardised (market risk) (“STM”) approach to calculate the market risk capital charge for the remaining exposures. The Group continues to adopt the standardised (operational risk) (“STO”) approach to calculate the operational risk capital charge.

(A) 監管綜合基礎

(A) Basis of regulatory consolidation

監管規定的綜合基礎乃根據《銀行業（資本）規則》由中銀香港及其部分金管局指定之附屬公司組成。在會計處理方面，則按照香港財務報告準則綜合附屬公司，其名單載於「附錄－本銀行之附屬公司」。

The consolidation basis for regulatory purposes comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Capital) Rules. For accounting purposes, subsidiaries are consolidated in accordance with HKFRSs and the list of subsidiaries is set out in “Appendix – Subsidiaries of the Bank”.

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.4 資本管理 (續)

3.4 Capital management (continued)

(A) 監管綜合基礎 (續)

(A) Basis of regulatory consolidation (continued)

包括在會計準則綜合範圍, 而不包括在監管規定綜合範圍內的附屬公司之詳情如下:

The particulars of subsidiaries which are included within the accounting scope of consolidation but not included within the regulatory scope of consolidation are as follows:

名稱	Name	於 2017 年 6 月 30 日 At 30 June 2017		於 2016 年 12 月 31 日 At 31 December 2016	
		資產總額 Total assets 港幣百萬元 HK\$'m	資本總額 Total equity 港幣百萬元 HK\$'m	資產總額 Total assets 港幣百萬元 HK\$'m	資本總額 Total equity 港幣百萬元 HK\$'m
中銀集團信託人有限公司	BOC Group Trustee Company Limited	200	200	200	200
中銀國際英國保誠信託有限公司	BOCI-Prudential Trustee Limited	458	417	457	429
China Bridge (Malaysia) Sdn. Bhd.	China Bridge (Malaysia) Sdn. Bhd.	19	12	27	23
中國銀行(香港)代理人有限公司	Bank of China (Hong Kong) Nominees Limited	-	-	-	-
中國銀行(香港)信託有限公司	Bank of China (Hong Kong) Trustees Limited	11	10	10	10
中銀信息科技(深圳)有限公司	BOCHK Information Technology (Shenzhen) Co., Ltd.	315	216	309	204
中銀信息技術服務(深圳)有限公司	BOCHK Information Technology Services (Shenzhen) Co., Ltd.	338	292	313	269
浙興(代理人)有限公司	Che Hsing (Nominees) Limited	1	1	1	1
寶生金融投資服務有限公司	Po Sang Financial Investment Services Company Limited	364	346	365	346
寶生證券及期貨有限公司	Po Sang Securities and Futures Limited	799	473	603	466
新僑企業有限公司	Sin Chiao Enterprises Corporation, Limited	7	7	6	6
新華信託有限公司	Sin Hua Trustee Limited	4	4	4	4
Billion Express Development Inc. ¹	Billion Express Development Inc. ¹	-	-	-	-
Billion Orient Holdings Ltd. ¹	Billion Orient Holdings Ltd. ¹	-	-	-	-
Elite Bond Investments Ltd. ¹	Elite Bond Investments Ltd. ¹	-	-	-	-
Express Capital Enterprise Inc. ¹	Express Capital Enterprise Inc. ¹	-	-	-	-

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.4 資本管理 (續)

3.4 Capital management (continued)

(A) 監管綜合基礎 (續)

(A) Basis of regulatory consolidation (continued)

名稱	Name	於 2017 年 6 月 30 日		於 2016 年 12 月 31 日	
		At 30 June 2017		At 31 December 2016	
		資產總額	資本總額	資產總額	資本總額
		Total assets	Total equity	Total assets	Total equity
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m
Express Charm Holdings Corp. ¹	Express Charm Holdings Corp. ¹	-	-	-	-
Express Shine Assets Holdings Corp. ¹	Express Shine Assets Holdings Corp. ¹	-	-	-	-
Express Talent Investment Ltd. ¹	Express Talent Investment Ltd. ¹	-	-	-	-
Gold Medal Capital Inc. ¹	Gold Medal Capital Inc. ¹	-	-	-	-
Gold Tap Enterprises Inc. ¹	Gold Tap Enterprises Inc. ¹	-	-	-	-
Maxi Success Holdings Ltd. ¹	Maxi Success Holdings Ltd. ¹	-	-	-	-
Smart Linkage Holdings Inc. ¹	Smart Linkage Holdings Inc. ¹	-	-	-	-
Smart Union Capital Investments Ltd. ¹	Smart Union Capital Investments Ltd. ¹	-	-	-	-
Success Trend Development Ltd. ¹	Success Trend Development Ltd. ¹	-	-	-	-
Wise Key Enterprises Corp. ¹	Wise Key Enterprises Corp. ¹	-	-	-	-
中訊資訊服務有限公司 ²	Sino Information Services Company Limited ²	-	-	-	-
集友銀行(代理人)有限公司 ³	Chiyu Banking Corporation (Nominees) Limited ³	-	-	139	139
欣澤有限公司 ³	Grace Charter Limited ³	-	-	-	(11)
誠信置業有限公司 ³	Seng Sun Development Company, Limited ³	-	-	41	41

註：

- 14 間特殊目的公司的收購已於 2017 年 1 月 9 日完成交割。
- 中訊資訊服務有限公司已於 2017 年 2 月 14 日正式解散。
- 集友銀行(代理人)有限公司、欣澤有限公司及誠信置業有限公司的出售已於 2017 年 3 月 27 日完成交割。

Notes:

- The acquisition of the 14 special purpose vehicle companies was completed on 9 January 2017.
- Sino Information Services Company Limited was dissolved on 14 February 2017.
- The disposal of Chiyu Banking Corporation (Nominees) Limited, Grace Charter Limited and Seng Sun Development Company, Limited was completed on 27 March 2017.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(A) 監管綜合基礎 (續)

(A) Basis of regulatory consolidation (continued)

以上附屬公司的主要業務載於「附錄－本銀行之附屬公司」。

The principal activities of the above subsidiaries are set out in "Appendix – Subsidiaries of the Bank".

於 2017 年 6 月 30 日，並無任何附屬公司只包括在監管規定綜合範圍，而不包括在會計準則綜合範圍（2016 年 12 月 31 日：無）。

There were no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation as at 30 June 2017 (31 December 2016: Nil).

於 2017 年 6 月 30 日，亦無任何附屬公司同時包括在會計準則和監管規定綜合範圍而使用不同綜合方法（2016 年 12 月 31 日：無）。

There were also no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation where the methods of consolidation differ as at 30 June 2017 (31 December 2016: Nil).

(B) 資本比率

(B) Capital ratio

資本比率分析如下：

The capital ratios are analysed as follows:

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
普通股權一級資本比率	CET1 capital ratio	17.66%	17.64%
一級資本比率	Tier 1 capital ratio	17.66%	17.69%
總資本比率	Total capital ratio	21.76%	22.35%

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(B) 資本比率 (續)

(B) Capital ratio (continued)

用於計算以上資本比率之扣減後的綜合資本基礎分析如下：

The consolidated capital base after deductions used in the calculation of the above capital ratios is analysed as follows:

	於 2017 年 6 月 30 日 At 30 June 2017 港幣百萬元 HK\$'m	於 2016 年 12 月 31 日 At 31 December 2016 港幣百萬元 HK\$'m
普通股權一級資本：票據及儲備		
直接發行的合資格普通股權一級資本票據	43,043	43,043
保留溢利	137,197	129,644
已披露的儲備	43,880	41,446
由綜合銀行附屬公司發行並由第三方持有的普通股權一級資本票據產生的少數股東權益（可計入綜合集團的普通股權一級資本的數額）	-	722
監管扣減之前的普通股權一級資本	<u>224,120</u>	<u>214,855</u>
普通股權一級資本：監管扣減		
估值調整	(74)	(78)
已扣除遞延稅項負債的遞延稅項資產	(22)	(77)
按公平價值估值的負債因本身的信用風險變動所產生的損益	(110)	(202)
因土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	(47,546)	(46,443)
一般銀行業務風險監管儲備	(10,109)	(9,227)
對普通股權一級資本的監管扣減總額	<u>(57,861)</u>	<u>(56,027)</u>
普通股權一級資本	<u>166,259</u>	<u>158,828</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(B) 資本比率 (續)

(B) Capital ratio (continued)

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
額外一級資本：票據	AT1 capital: instruments		
由綜合銀行附屬公司發行並由第三方持有的額外一級資本票據（可計入綜合集團的額外一級資本的數額）	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	458
額外一級資本	AT1 capital	-	458
一級資本	Tier 1 capital	166,259	159,286
二級資本：票據及準備金	Tier 2 capital: instruments and provisions		
須從二級資本逐步遞減的資本票據	Capital instruments subject to phase out arrangements from Tier 2 capital	11,576	15,435
由綜合銀行附屬公司發行並由第三方持有的二級資本票據（可計入綜合集團的二級資本的數額）	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	221
合資格計入二級資本的集體減值備抵及一般銀行風險監管儲備	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	5,622	5,371
監管扣減之前的二級資本	Tier 2 capital before regulatory deductions	17,198	21,027
二級資本：監管扣減	Tier 2 capital: regulatory deductions		
加回合資格計入二級資本的因對土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	21,396	20,899
對二級資本的監管扣減總額	Total regulatory deductions to Tier 2 capital	21,396	20,899
二級資本	Tier 2 capital	38,594	41,926
總資本	Total capital	204,853	201,212

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(B) 資本比率 (續)

(B) Capital ratio (continued)

緩衝資本比率分析如下：

The capital buffer ratios are analysed as follows:

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
防護緩衝資本比率	Capital conservation buffer ratio	<u>1.250%</u>	<u>0.625%</u>
較高吸收虧損能力 比率	Higher loss absorbency ratio	<u>0.750%</u>	<u>0.375%</u>
逆周期緩衝資本比率	Countercyclical capital buffer ratio	<u>0.953%</u>	<u>0.484%</u>

有關資本披露及逆周期緩衝資本比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of capital disclosures and countercyclical capital buffer ratio disclosures is available under section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

(C) 槓桿比率

(C) Leverage ratio

槓桿比率分析如下：

The leverage ratio is analysed as follows:

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
一級資本	Tier 1 capital	<u>166,259</u>	<u>159,286</u>
槓桿比率風險承擔	Leverage ratio exposure	<u>2,455,809</u>	<u>2,155,889</u>
槓桿比率	Leverage ratio	<u>6.77%</u>	<u>7.39%</u>

有關槓桿比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of leverage ratio disclosures is available under section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 4. Fair values of financial assets and liabilities

所有以公平值計量或在財務報表內披露的金融工具，均按香港財務報告準則第13號「公平值計量」的定義，於公平值層級表內分類。該等分類乃參照估值方法所採用的因素之可觀察性及重大性，並基於對整體公平值計量有重大影響之最低層級因素來釐定：

- 第一層級：相同資產或負債在活躍市場中的報價（未經調整）。此層級包括在交易所交易的上市股份證券、部分政府發行的債務工具及若干場內交易的衍生合約。
- 第二層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）可被直接或間接地觀察。此層級包括大部分場外交易的衍生合約、從估值服務供應商獲取價格的債務證券及存款證、發行的結構性存款，以及其他債務工具。
- 第三層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）屬不可被觀察。此層級包括有重大不可觀察因素的股份投資、債務工具及若干場外交易的衍生合約。

All financial instruments for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as defined in HKFRS 13, "Fair value measurement". The categorisation are determined with reference to the observability and significance of the inputs used in the valuation methods and based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: based on quoted prices (unadjusted) in active markets for identical assets or liabilities. This category includes equity securities listed on exchange, debt instruments issued by certain governments and certain exchange-traded derivative contracts.
- Level 2: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly. This category includes majority of the over-the-counter ("OTC") derivative contracts, debt securities and certificates of deposit with quote from pricing services vendors, issued structured deposits and other debt instruments.
- Level 3: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This category includes equity investment, debt instruments and certain OTC derivative contracts with significant unobservable components.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

對於以重複基準確認於財務報表的金融工具，本集團會於每一財務報告週期的結算日重新評估其分類（基於對整體公平值計量有重大影響之最低層級因素），以確定有否在公平值層級之間發生轉移。

For financial instruments that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.1 以公平值計量的金融工具

4.1 Financial instruments measured at fair value

本集團建立了完善的公平值管治及控制架構，公平值數據由獨立於前線的控制單位確定或核實。各控制單位負責獨立核實前線業務之估值結果及重大公平值數據。其他特定控制程序包括核實可觀察的估值參數、審核新的估值模型或任何模型改動、根據可觀察的市場交易價格校準及回顧測試所採用的估值模型、深入分析日常重大估值變動、評估重大不可觀察估值參數及估值調整。重大估值事項將向高層管理人員、風險委員會及審計委員會匯報。

The Group has an established governance structure and controls framework to ensure that fair values are either determined or validated by control units independent of the front offices. Control units have overall responsibility for independent verification of valuation results from front line businesses and all other significant fair value measurements. Specific controls include verification of observable pricing inputs; review and approval for new models and changes to models; calibration and back-testing of models against observed market transactions; analysis and investigation of significant daily valuation movements; review of significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to senior management, Risk Committee and Audit Committee.

一般而言，金融工具以單一工具為計量基礎。香港財務報告準則第 13 號允許在滿足特定條件的前提下，可以選用會計政策以同一投資組合下的金融資產及金融負債的淨敞口作為公平值的計量基礎。本集團的估值調整以單一工具為基礎，與金融工具的計量基礎一致。根據衍生金融工具的風險管理政策及系統，一些滿足特定條件的組合的公平值是按其淨敞口所獲得或支付的價格計量。組合層面的估值調整按照單一工具對於投資組合的相對比重分配到單一資產或負債。

Generally, the unit of account for a financial instrument is the individual instrument. HKFRS 13 permits a portfolio exception, through an accounting policy election, to measure the fair value of a portfolio of financial assets and financial liabilities on the basis of the net open risk position when certain criteria are met. The Group applies valuation adjustments at an individual instrument level, consistent with that unit of account. According to its risk management policies and systems to manage derivative financial instruments, the fair value of certain derivative portfolios that meet those criteria is measured on the basis of the price to be received or paid for net open risk. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative size of each of the individual instruments in the portfolio.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

當無法從公開市場獲取報價時，本集團通過一些估值技術或經紀／交易商之詢價來確定金融工具的公平值。

對於本集團所持有的金融工具，其估值技術使用的主要參數包括債券價格、利率、匯率、權益及股票價格、商品價格、波幅、交易對手信貸利差及其他等，主要為可從公開市場觀察及獲取的參數。

用以釐定以下金融工具公平值的估值方法如下：

債務證券及存款證及其他債務工具

此類工具的公平值由交易所、交易商或外間獨立估值服務供應商提供的市場報價或使用貼現現金流模型分析而決定。貼現現金流模型是一個利用預計未來現金流，以一個可反映市場上相類似風險的工具所需信貸息差之貼現率或貼現差額計量而成現值的估值技術。這些參數是市場上可觀察或由可觀察或不可觀察的市場數據證實。

資產抵押債券

這類工具由外間獨立第三者提供報價。有關的估值視乎交易性質以市場標準的現金流模型及估值參數(包括可觀察或由近似發行的價格矩陣編輯而成的貼現率差價、違約及收回率、及提前預付率)估算。

4.1 Financial instruments measured at fair value (continued)

The Group uses valuation techniques or broker/dealer quotations to determine the fair value of financial instruments when unable to obtain the open market quotation in active markets.

The main parameters used in valuation techniques for financial instruments held by the Group include bond prices, interest rates, foreign exchange rates, equity and stock prices, commodity prices, volatilities, counterparty credit spreads and others, which are mostly observable and obtainable from open market.

The technique used to calculate the fair value of the following financial instruments is as below:

Debt securities and certificates of deposit and other debt instruments

The fair value of these instruments is determined by obtaining quoted market prices from exchange, dealer or independent pricing service vendors or using discounted cash flow technique. Discounted cash flow model is a valuation technique that measures present value using estimated expected future cash flows from the instruments and then discounts these flows using a discount rate or discount margin that reflects the credit spreads required by the market for instruments with similar risk. These inputs are observable or can be corroborated by observable or unobservable market data.

Asset backed securities

For this class of instruments, external prices are obtained from independent third parties. The valuation of these securities, depending on the nature of transaction, is estimated from market standard cash flow models with input parameter which include spreads to discount rates, default and recovery rates and prepayment rates that may be observable or compiled through matrix pricing for similar issues.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

衍生工具

場外交易的衍生工具合約包括外匯、利率、股票、商品或信貸的遠期、掉期及期權合約。衍生工具合約的價格主要由貼現現金流模型及期權計價模型等估值技術釐定。所使用的參數為可觀察或不可觀察市場數據。可觀察的參數包括利率、匯率、權益及股票價格、商品價格、信貸違約掉期利差及波幅。不可觀察的參數可用於嵌藏於結構性存款中非交易頻繁的期權類產品。對一些複雜的衍生工具合約，公平值將按經紀／交易商之報價為基礎。

本集團對場外交易的衍生工具作出了信貸估值調整及債務估值調整。調整分別反映對市場因素變化、交易對手信譽及集團自身信貸息差的期望。有關調整主要是按每一交易對手，以未來預期敞口、違約率及收回率釐定。

界定為以公平值變化計入損益之金融負債

這類工具包括若干嵌藏衍生工具的客戶存款。非結構性合約的估值方法與前述債務證券估值方法相近。結構性存款的公平值則由基本存款及嵌藏衍生工具的公平值組合而成。存款的公平值考慮集團自身的信貸風險並利用貼現現金流分析估算。嵌藏衍生工具的公平值與前述衍生工具的估值方法相近。

4.1 Financial instruments measured at fair value (continued)

Derivatives

OTC derivative contracts include forward, swap and option contracts on foreign exchange, interest rate, equity, commodity or credit. The fair values of these contracts are mainly measured using valuation techniques such as discounted cash flow models and option pricing models. The inputs can be observable or unobservable market data. Observable inputs include interest rate, foreign exchange rates, equity and stock prices, commodity prices, credit default swap spreads and volatilities. Unobservable inputs may be used for less commonly traded option products which are embedded in structured deposits. For certain complex derivative contracts, the fair values are determined based on broker/dealer price quotations.

Credit valuation adjustments ("CVAs") and debit valuation adjustments ("DVAs") are applied to the Group's OTC derivatives. These adjustments reflect market factors movement, expectations of counterparty creditworthiness and the Group's own credit spread respectively. They are mainly determined for each counterparty and are dependent on expected future values of exposures, default probabilities and recovery rates.

Financial liabilities designated at fair value through profit or loss

This class of instruments includes certain deposits received from customers that are embedded with derivatives. The plain vanilla contracts are valued in the similar way described in previous debt securities section. The fair value of structured deposits is derived from the fair value of the underlying deposit by using discounted cash flow analysis taking the Group's own credit risk into account, and the fair value of the embedded derivatives determined as described in the paragraph above on derivatives.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續) 4.1 Financial instruments measured at fair value (continued)

(A) 公平值的等級

(A) Fair value hierarchy

		於 2017 年 6 月 30 日 At 30 June 2017			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
金融資產	Financial assets				
公平值變化計入損益之 金融資產 (附註 18)	Financial assets at fair value through profit or loss (Note 18)				
- 交易性資產	- Trading assets				
- 債務證券及 存款證	- Debt securities and certificates of deposit	1,626	37,856	-	39,482
- 股份證券	- Equity securities	80	-	-	80
- 其他債務工具	- Other debt instruments	-	1,954	-	1,954
- 界定為以公平值 變化計入損益 之金融資產	- Financial assets designated at fair value through profit or loss				
- 基金	- Fund	150	-	-	150
- 其他債務工具	- Other debt instruments	-	80,557	-	80,557
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	11,296	18,584	-	29,880
可供出售證券 (附註 21)	Available-for-sale securities (Note 21)				
- 債務證券及 存款證	- Debt securities and certificates of deposit	36,830	432,413	-	469,243
- 股份證券	- Equity securities	-	311	794	1,105
金融負債	Financial liabilities				
公平值變化計入損益之 金融負債 (附註 25)	Financial liabilities at fair value through profit or loss (Note 25)				
- 交易性負債	- Trading liabilities	-	16,257	-	16,257
- 界定為以公平值 變化計入損益 之金融負債	- Financial liabilities designated at fair value through profit or loss	-	3,072	-	3,072
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	7,139	21,868	4	29,011

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續) 4.1 Financial instruments measured at fair value (continued)

(A) 公平值的等級 (續)

(A) Fair value hierarchy (continued)

		於 2016 年 12 月 31 日 At 31 December 2016			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
金融資產	Financial assets				
公平值變化計入損益之 金融資產 (附註 18)	Financial assets at fair value through profit or loss (Note 18)				
- 交易性資產	- Trading assets				
- 債務證券及 存款證	- Debt securities and certificates of deposit	587	30,968	162	31,717
- 股份證券	- Equity securities	76	-	-	76
- 其他債務工具	- Other debt instruments	-	5,777	-	5,777
- 界定為以公平值 變化計入損益 之金融資產	- Financial assets designated at fair value through profit or loss	-	-	-	-
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	14,658	49,690	-	64,348
可供出售證券 (附註 21)	Available-for-sale securities (Note 21)				
- 債務證券及 存款證	- Debt securities and certificates of deposit	122,789	382,207	214	505,210
- 股份證券	- Equity securities	-	237	718	955
金融負債	Financial liabilities				
公平值變化計入損益之 金融負債 (附註 25)	Financial liabilities at fair value through profit or loss (Note 25)				
- 交易性負債	- Trading liabilities	-	9,946	-	9,946
- 界定為以公平值 變化計入損益 之金融負債	- Financial liabilities designated at fair value through profit or loss	-	3,425	-	3,425
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	10,775	38,435	-	49,210

本集團之金融資產及負債於期內均沒有第一層級及第二層級之間的轉移 (2016 年 12 月 31 日: 無)。

There were no financial asset and liability transfers between level 1 and level 2 for the Group during the period (31 December 2016: Nil).

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續) 4.1 Financial instruments measured at fair value (continued)

(B) 第三層級的项目變動 (B) Reconciliation of level 3 items

		於 2017 年 6 月 30 日 At 30 June 2017			
		金融資產 Financial assets			金融負債 Financial liabilities
		交易性資產 Trading assets	可供出售證券 Available-for-sale securities		
		債務證券及存款證 Debt securities and certificates of deposit	債務證券及存款證 Debt securities and certificates of deposit	股份證券 Equity securities	衍生金融工具 Derivative financial instruments
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2017 年 1 月 1 日 (虧損) / 收益	At 1 January 2017 (Losses)/gains	162	214	718	-
- 收益表	- Income statement				
- 淨交易性虧損	- Net trading loss	(23)	-	-	(4)
- 其他全面收益	- Other comprehensive income				
- 可供出售證券之公平值變化	- Change in fair value of available-for-sale securities	-	18	76	-
買入	Purchases	-	-	-	-
賣出	Sales	(58)	-	-	-
轉出第三層級	Transfer out of level 3	(81)	(232)	-	-
於 2017 年 6 月 30 日	At 30 June 2017	-	-	794	(4)
於 2017 年 6 月 30 日持有的金融負債於期內計入收益表的未實現虧損總額	Total unrealised losses for the period included in income statement for financial liabilities held as at 30 June 2017				
- 淨交易性虧損	- Net trading loss	-	-	-	(4)

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續) 4.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動 (續) (B) Reconciliation of level 3 items (continued)

		於 2016 年 12 月 31 日 At 31 December 2016		
		金融資產 Financial assets		
		交易性資產 Trading assets	可供出售證券 Available-for-sale securities	
		債務證券 及存款證 Debt securities and certificates of deposit	債務證券 及存款證 Debt securities and certificates of deposit	股份證券 Equity securities
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2016 年 1 月 1 日 (虧損) / 收益	At 1 January 2016 (Losses)/gains	-	-	287
- 收益表	- Income statement			
- 淨交易性虧損	- Net trading loss	(8)	-	-
- 其他全面收益	- Other comprehensive income			
- 可供出售證券之 公平值變化	- Change in fair value of available-for-sale securities	-	-	17
買入	Purchases	170	799	419
賣出	Sales	-	-	-
轉出第三層級	Transfer out of level 3	-	-	-
分類為待出售資產	Classified as assets held for sale	-	(585)	(5)
於 2016 年 12 月 31 日	At 31 December 2016	162	214	718
於 2016 年 12 月 31 日 持有的金融資產於年 內計入收益表的未實 現虧損總額	Total unrealised losses for the year included in income statement for financial assets held as at 31 December 2016			
- 淨交易性虧損	- Net trading loss	(8)	-	-

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

4.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動 (續)

(B) Reconciliation of level 3 items (continued)

於 2017 年 6 月 30 日及 2016 年 12 月 31 日，分類為第三層級的金融工具主要包括債務證券及存款證、非上市股權及若干場外交易的衍生合約。

As at 30 June 2017 and 31 December 2016, financial instruments categorised as level 3 are mainly comprised of debt securities and certificates of deposit, unlisted equity shares and certain OTC derivative contracts.

所有分類為第三層級的債務證券及存款證因估值可觀察性改變於 2017 年上半年轉出第三層級。對於某些低流動性債務證券及存款證，本集團從交易對手處詢價；其公平值的計量可能採用了對估值產生重大影響的不可觀察參數。對於若干場外交易的衍生合約，其交易對手信貸利差為不可觀察參數並對其估值有重大影響。因此本集團將這些金融工具劃分至第三層級。本集團已建立相關內部控制程序監控集團對此類金融工具的敞口。

Debt securities and certificates of deposit were transferred out of level 3 during the first half of 2017 due to change of valuation observability. For certain illiquid debt securities and certificates of deposit, the Group obtains valuation quotations from counterparties which may be based on unobservable inputs with significant impact on the valuation. For certain OTC derivative contracts, the counterparty credit spreads used in valuation techniques are unobservable inputs with significant impact on valuation. Therefore, these instruments have been classified by the Group as level 3. The Group has established internal control procedures to control the Group's exposure to such financial instruments.

非上市可供出售股權的公平值乃參考可供比較的上市公司之平均市價／盈利倍數，或若沒有合適可供比較的公司，則按其資產淨值釐定。公平值與適合採用之可比較倍數比率或資產淨值存在正向關係。若股權投資的企業之資產淨值增長／減少 5%，則本集團之其他全面收益將增加／減少港幣 0.40 億元（2016 年 12 月 31 日：港幣 0.36 億元）。

The fair values of unlisted available-for-sale equity shares are determined with reference to multiples of comparable listed companies, such as average of the price/earning ratios of comparables, or net asset value, if appropriate comparables are not available. The fair value is positively correlated to the price/earning ratios of appropriate comparables or net asset values. Had the net asset value of the underlying equity investments increased/decreased by 5%, the Group's other comprehensive income would have increased/decreased by HK\$40 million (31 December 2016: HK\$36 million).

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 (續) 4. Fair values of financial assets and liabilities (continued)

4.2 非以公平值計量的金融工具

公平值是在一特定時點按相關市場資料及不同金融工具之資料來評估。以下之方法及假設已按實際情況應用於評估各類金融工具之公平值。

存放／尚欠銀行及其他金融機構之結餘及貿易票據
大部分之金融資產及負債將於結算日後一年內到期，其賬面值與公平值相若。

客戶貸款及銀行及其他金融機構貸款
大部分之客戶貸款及銀行及其他金融機構貸款是浮動利率，按市場息率計算利息，其賬面值與公平值相若。

持有至到期日證券
持有至到期日證券之公平值釐定與附註 4.1 內以公平值計量的債務證券及存款證和資產抵押債券採用之方法相同。

貸款及應收款
採用以現時收益率曲線相對應剩餘限期之利率為基礎的貼現現金流模型計算。

客戶存款
大部分之客戶存款將於結算日後一年內到期，其賬面值與公平值相若。

已發行債務證券及存款證
此類工具之公平值釐定與附註 4.1 內以公平值計量的債務證券及存款證採用之方法相同。

後償負債
後償票據之公平值是按市場價格或經紀／交易商之報價為基礎。

4.2 Financial instruments not measured at fair value

Fair value estimates are made at a specific point in time based on relevant market information and information about various financial instruments. The following methods and assumptions have been used to estimate the fair value of each class of financial instrument as far as practicable.

Balances with/from banks and other financial institutions and trade bills

Substantially all the financial assets and liabilities mature within one year from the balance sheet date and their carrying value approximates fair value.

Advances to customers and banks and other financial institutions

Substantially all the advances to customers and banks and other financial institutions are on floating rate terms, bear interest at prevailing market interest rates and their carrying value approximates fair value.

Held-to-maturity securities

The fair value of held-to-maturity securities is determined by using the same approach as those debt securities and certificates of deposit and asset backed securities measured at fair value as described in Note 4.1.

Loans and receivables

A discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

Deposits from customers

Substantially all the deposits from customers mature within one year from the balance sheet date and their carrying value approximates fair value.

Debt securities and certificates of deposit in issue

The fair value of these instruments is determined by using the same approach as those debt securities and certificates of deposit measured at fair value as described in Note 4.1.

Subordinated liabilities

Fair value for subordinated notes is based on market prices or broker/dealer price quotations.

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.2 非以公平值計量的金融工具 (續)

4.2 Financial instruments not measured at fair value (continued)

除以上其賬面值與公平值相若的金融工具外，下表為非以公平值計量的金融工具之賬面值和公平值。

The following tables set out the carrying values and fair values of the financial instruments not measured at fair value, except for the above with their carrying values being approximation of fair values.

		於 2017 年 6 月 30 日 At 30 June 2017		於 2016 年 12 月 31 日 At 31 December 2016	
		賬面值 Carrying value	公平值 Fair value	賬面值 Carrying value	公平值 Fair value
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
金融資產	Financial assets				
持有至到期日證券 (附註 21)	Held-to-maturity securities (Note 21)	40,676	40,702	45,318	45,464
貸款及應收款 (附註 21)	Loans and receivables (Note 21)	2,746	2,746	935	935
金融負債	Financial liabilities				
已發行債務證券及存款證 (附註 27)	Debt securities and certificates of deposit in issue (Note 27)	9,251	9,238	1,121	1,126
後償負債 (附註 30)	Subordinated liabilities (Note 30)	19,099	21,342	19,014	21,143

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

5. 淨利息收入

5. Net interest income

	半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS	
利息收入	Interest income	
存放於同業及其他金融機構的款項	5,108	2,423
客戶貸款	11,953	10,288
證券投資及公平值變化計入損益之金融資產	4,670	3,679
其他	105	92
	<u>21,836</u>	<u>16,482</u>
利息支出	Interest expense	
同業及其他金融機構存放的款項	(967)	(976)
客戶存款	(4,686)	(4,155)
已發行債務證券及存款證	(41)	(179)
後償負債	(434)	(265)
其他	(157)	(102)
	<u>(6,285)</u>	<u>(5,677)</u>
淨利息收入	<u>15,551</u>	<u>10,805</u>

2017年上半年之利息收入包括被界定為減值貸款的應計利息收入港幣1百萬元(2016年上半年:港幣3百萬元)。截至2017年上半年止沒有減值證券投資產生的應計利息收入(2016年上半年:港幣1百萬元)。

非以公平值變化計入損益之金融資產與金融負債所產生的利息收入及利息支出(未計算對沖影響)分別為港幣220.09億元(2016年上半年:港幣168.76億元)及港幣64.64億元(2016年上半年:港幣59.41億元)。

Included within interest income is HK\$1 million (first half of 2016: HK\$3 million) of interest with respect to income accrued on advances classified as impaired for the first half of 2017. There was no interest income accrued on impaired investment in securities for the first half of 2017 (first half of 2016: HK\$1 million).

Included within interest income and interest expense are HK\$22,009 million (first half of 2016: HK\$16,876 million) and HK\$6,464 million (first half of 2016: HK\$5,941 million), before hedging effect, for financial assets and financial liabilities that are not recognised at fair value through profit or loss respectively.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

6. 淨服務費及佣金收入 **6. Net fee and commission income**

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
服務費及佣金收入	Fee and commission income		
貸款佣金	Loan commissions	2,051	2,191
信用卡業務	Credit card business	1,552	1,882
證券經紀	Securities brokerage	1,053	852
保險	Insurance	756	824
基金分銷	Funds distribution	421	345
匯票佣金	Bills commissions	344	338
繳款服務	Payment services	293	291
信託及託管服務	Trust and custody services	257	228
買賣貨幣	Currency exchange	195	167
保管箱	Safe deposit box	147	143
其他	Others	576	459
		7,645	7,720
服務費及佣金支出	Fee and commission expense		
信用卡業務	Credit card business	(1,107)	(1,415)
證券經紀	Securities brokerage	(128)	(114)
其他	Others	(462)	(475)
		(1,697)	(2,004)
淨服務費及佣金收入	Net fee and commission income	5,948	5,716
其中源自：	Of which arise from:		
非以公平值變化計入損益 之金融資產或金融負債	Financial assets or financial liabilities not at fair value through profit or loss		
- 服務費及佣金收入	- Fee and commission income	2,169	2,353
- 服務費及佣金支出	- Fee and commission expense	(24)	(14)
		2,145	2,339
信託及其他受託活動	Trust and other fiduciary activities		
- 服務費及佣金收入	- Fee and commission income	348	320
- 服務費及佣金支出	- Fee and commission expense	(10)	(11)
		338	309

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

7. 淨交易性收益

7. Net trading gain

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
淨(虧損)/收益源自:	Net (loss)/gain from:		
外匯交易及外匯交易產品	Foreign exchange and foreign exchange products	(312)	1,898
利率工具及公平值對沖的項目	Interest rate instruments and items under fair value hedge	413	479
商品	Commodities	107	63
股份權益及信貸衍生工具	Equity and credit derivative instruments	90	63
		298	2,503

8. 其他金融資產之淨收益

8. Net gain on other financial assets

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
可供出售證券之淨收益	Net gain on available-for-sale securities	204	410
持有至到期日證券之淨收益	Net gain on held-to-maturity securities	13	6
其他	Others	15	2
		232	418

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

9. 其他經營收入

9. Other operating income

	半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS	
證券投資股息收入	Dividend income from investment in securities	
- 非上市證券投資	25	20
投資物業之租金總收入	296	250
減：有關投資物業之支出	(41)	(31)
其他	83	25
	363	264

「有關投資物業之支出」包括期內未出租投資物業之直接經營支出港幣6百萬元(2016年上半年：港幣1百萬元)。

Included in the "Outgoings in respect of investment properties" is HK\$6 million (first half of 2016: HK\$1 million) of direct operating expenses related to investment properties that were not let during the period.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

10. 減值準備淨撥備

10. Net charge of impairment allowances

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
客戶貸款	Advances to customers		
按個別評估	Individually assessed		
- 新提準備	- New allowances	(91)	(238)
- 撥回	- Releases	228	25
- 收回已撇銷賬項	- Recoveries	15	26
按個別評估貸款減值準備 淨撥回／(撥備)	Net reversal/(charge) of individually assessed loan impairment allowances	<u>152</u>	<u>(187)</u>
按組合評估	Collectively assessed		
- 新提準備	- New allowances	(527)	(398)
- 撥回	- Releases	-	30
- 收回已撇銷賬項	- Recoveries	26	23
按組合評估貸款減值準備 淨撥備	Net charge of collectively assessed loan impairment allowances	<u>(501)</u>	<u>(345)</u>
貸款減值準備淨撥備	Net charge of loan impairment allowances	<u>(349)</u>	<u>(532)</u>
其他	Others	<u>(4)</u>	<u>18</u>
減值準備淨撥備	Net charge of impairment allowances	<u><u>(353)</u></u>	<u><u>(514)</u></u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

11. 經營支出

11. Operating expenses

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$'m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$'m
持續經營業務	CONTINUING OPERATIONS		
人事費用(包括董事酬金)	Staff costs (including directors' emoluments)		
- 薪酬及其他費用	- Salaries and other costs	3,272	2,858
- 退休成本	- Pension cost	211	205
		3,483	3,063
房產及設備支出(不包括折舊)	Premises and equipment expenses (excluding depreciation)		
- 房產租金	- Rental of premises	324	311
- 資訊科技	- Information technology	260	219
- 其他	- Others	201	187
		785	717
折舊	Depreciation	915	890
核數師酬金	Auditor's remuneration		
- 審計服務	- Audit services	3	3
- 非審計服務	- Non-audit services	2	3
其他經營支出	Other operating expenses	711	965
		5,899	5,641

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

12. 投資物業出售／公平 **12. Net gain from disposal of/fair value adjustments on investment**
值調整之淨收益 **properties**

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
投資物業公平值調整之 淨收益	Net gain from fair value adjustments on investment properties	<u>894</u>	<u>117</u>

13. 出售／重估物業、器材 **13. Net loss from disposal/revaluation of properties, plant and**
及設備之淨虧損 **equipment**

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
出售設備、固定設施及裝備 之淨虧損	Net loss from disposal of equipment, fixtures and fittings	(8)	(1)
重估房產之淨收益／(虧損)	Net gain/(loss) from revaluation of premises	<u>7</u>	<u>(2)</u>
		<u>(1)</u>	<u>(3)</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

14. 稅項

14. Taxation

收益表內之稅項組成如下：

Taxation in the income statement represents:

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
本期稅項	Current tax		
香港利得稅	Hong Kong profits tax		
- 期內計入稅項	- Current period taxation	2,619	2,118
- 往期超額撥備	- Over-provision in prior periods	-	(2)
		<u>2,619</u>	<u>2,116</u>
海外稅項	Overseas taxation		
- 期內計入稅項	- Current period taxation	134	219
		<u>2,753</u>	<u>2,335</u>
遞延稅項	Deferred tax		
暫時性差額之產生及撥回 及未使用稅項抵免	Origination and reversal of temporary differences and unused tax credits	(49)	(139)
		<u>2,704</u>	<u>2,196</u>

香港利得稅乃按照截至2017年上半年估計應課稅溢利依稅率16.5%（2016年：16.5%）提撥。海外溢利之稅款按照2017年上半年估計應課稅溢利依本集團經營業務所在國家之現行稅率計算。

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits arising in Hong Kong for the first half of 2017. Taxation on overseas profits has been calculated on the estimated assessable profits for the first half of 2017 at the rates of taxation prevailing in the countries in which the Group operates.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

14. 稅項 (續)

14. Taxation (continued)

本集團除稅前溢利產生的實際稅項，與根據香港利得稅率計算的稅項差異如下：

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:

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
持續經營業務	CONTINUING OPERATIONS		
除稅前溢利	Profit before taxation	<u>17,075</u>	<u>13,702</u>
按稅率 16.5% (2016 年： 16.5%) 計算的稅項	Calculated at a taxation rate of 16.5% (2016: 16.5%)	2,817	2,261
其他國家稅率差異的影響	Effect of different taxation rates in other countries	10	10
無需課稅之收入	Income not subject to taxation	(229)	(51)
稅務上不可扣減之開支	Expenses not deductible for taxation purposes	84	55
未確認的稅務虧損	Tax losses not recognised	2	-
往期超額撥備	Over-provision in prior periods	-	(2)
海外預提稅	Foreign withholding tax	<u>20</u>	<u>(77)</u>
計入稅項	Taxation charge	<u>2,704</u>	<u>2,196</u>
實際稅率	Effective tax rate	<u>15.8%</u>	<u>16.0%</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

15. 股息

15. Dividends

	半年結算至 2017年6月30日 Half-year ended 30 June 2017		半年結算至 2016年6月30日 Half-year ended 30 June 2016	
	每股 港元 Per share HK\$	總額 港幣百萬元 Total HK\$m	每股 港元 Per share HK\$	總額 港幣百萬元 Total HK\$m
中期股息	0.156	6,715	0.307	13,214
Interim dividend				

於2017年6月28日，董事會宣派中期股息每股普通股港幣0.134元，總額約為港幣57.68億元，並已於2017年6月30日支付。

On 28 June 2017, the Board declared an interim dividend of HK\$0.134 per ordinary share amounting to approximately HK\$5,768 million, which was paid on 30 June 2017.

於2017年8月30日，董事會宣派中期股息每股普通股港幣0.022元，總額約為港幣9.47億元。此宣派中期股息並未於本中期財務資料中列作應付股息，但將於截至2017年12月31日止年度列作留存盈利分配。

On 30 August 2017, the Board declared an interim dividend of HK\$0.022 per ordinary share amounting to approximately HK\$947 million. This declared interim dividend is not reflected as a dividend payable in this interim financial information, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2017.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

16. 庫存現金及存放銀行及其他金融機構的結餘 **16. Cash and balances with banks and other financial institutions**

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫存現金	Cash	10,773	12,740
存放中央銀行的結餘	Balances with central banks	250,618	69,157
存放其他銀行及其他金融機構的結餘	Balances with other banks and other financial institutions	93,900	42,767
在中央銀行一個月內到期之定期存放	Placements with central banks maturing within one month	7,321	7,352
在其他銀行及其他金融機構一個月內到期之定期存放	Placements with other banks and other financial institutions maturing within one month	36,846	100,362
		399,458	232,378

17. 在銀行及其他金融機構一至十二個月內到期之定期存放 **17. Placements with banks and other financial institutions maturing between one and twelve months**

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
在中央銀行一至十二個月內到期之定期存放	Placements with central banks maturing between one and twelve months	182	156
在其他銀行及其他金融機構一至十二個月內到期之定期存放	Placements with other banks and other financial institutions maturing between one and twelve months	81,674	70,236
		81,856	70,392

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

18. 公平值變化計入損益之金融資產 18. Financial assets at fair value through profit or loss

		界定為以公平值變化計入損益之金融資產 Financial assets designated at fair value through profit or loss				總計 Total	
		交易性資產 Trading assets					
		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
按公平值列賬	At fair value						
庫券	Treasury bills	17,490	10,448	-	-	17,490	10,448
其他債務證券	Other debt securities	20,809	19,126	-	-	20,809	19,126
		38,299	29,574	-	-	38,299	29,574
存款證	Certificates of deposit	1,183	2,143	-	-	1,183	2,143
債務證券及 存款證總額	Total debt securities and certificates of deposit	39,482	31,717	-	-	39,482	31,717
股份證券	Equity securities	80	76	-	-	80	76
基金	Fund	-	-	150	-	150	-
證券總額	Total securities	39,562	31,793	150	-	39,712	31,793
其他債務工具	Other debt instruments	1,954	5,777	80,557	-	82,511	5,777
		41,516	37,570	80,707	-	122,223	37,570

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

18. 公平值變化計入損益
之金融資產 (續)

18. Financial assets at fair value through profit or loss (continued)

證券總額按上市地之分類
如下：

Total securities are analysed by place of listing as follows:

	交易性資產		界定為以公平值變化 計入損益之金融資產	
	Trading assets		Financial assets designated at fair value through profit or loss	
	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
債務證券及存款證				
- 於香港上市				
- 於香港以外上市				
	9,922	10,582	-	-
	2,390	2,933	-	-
	12,312	13,515	-	-
- 非上市				
- Unlisted	27,170	18,202	-	-
	39,482	31,717	-	-
股份證券				
- 於香港上市				
- Listed in Hong Kong	80	76	-	-
基金				
- 非上市				
- Unlisted	-	-	150	-
證券總額	39,562	31,793	150	-

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

18. 公平值變化計入損益之金融資產 (續) **18. Financial assets at fair value through profit or loss (continued)**

證券總額按發行機構之分類如下：

Total securities are analysed by type of issuer as follows:

		交易性資產		界定為以公平值變化計入損益之金融資產	
		Trading assets		Financial assets designated at fair value through profit or loss	
		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
官方實體	Sovereigns	30,890	21,473	-	-
公營單位	Public sector entities	146	660	-	-
銀行及其他金融機構	Banks and other financial institutions	7,549	7,720	-	-
公司企業	Corporate entities	977	1,940	150	-
證券總額	Total securities	39,562	31,793	150	-

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

19. 衍生金融工具

19. Derivative financial instruments

本集團訂立匯率、利率、商品、股份權益及信貸相關的衍生金融工具合約作買賣及風險管理之用。

The Group enters into exchange rate, interest rate, commodity, equity and credit related derivative financial instrument contracts for trading and risk management purposes.

貨幣遠期是指於未來某一日期買或賣外幣的承諾。利率期貨是指根據合約按照利率的變化收取或支付一個淨金額的合約，或在交易所管理的金融市場上按約定價格在未來的某一日期買進或賣出利率金融工具的合約。遠期利率協議是經單獨協商而達成的利率期貨合約，要求在未來某一日期根據合約利率與市場利率的差異及名義本金的金額進行計算及現金交割。

Currency forwards represent commitments to purchase and sell foreign currency on a future date. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates or buy or sell interest rate financial instruments on a future date at an agreed price in the financial market under the administration of the stock exchange. Forward rate agreements are individually negotiated interest rate futures that call for a cash settlement at a future date for the difference between a contract rate of interest and the current market rate, based on a notional principal amount.

貨幣、利率及商品掉期是指交換不同現金流或商品的承諾。掉期的結果是交換不同貨幣、利率（如固定利率與浮動利率）或貴金屬（如白銀掉期）或以上的所有組合（如交叉貨幣利率掉期）。除某些貨幣掉期合約外，該等交易無需交換本金。

Currency, interest rate and commodity swaps are commitments to exchange one set of cash flows or commodity for another. Swaps result in an exchange of currencies, interest rates (for example, fixed rate for floating rate), or precious metals (for example, silver swaps) or a combination of all these (for example, cross-currency interest rate swaps). Except for certain currency swap contracts, no exchange of principal takes place.

外匯、利率、貴金屬及股份權益期權是指期權的賣方（出讓方）為買方（持有方）提供在未來某一特定日期或未來一定時期內按約定的價格買進（認購期權）或賣出（認沽期權）一定數量的金融工具的權利（而非承諾）的一種協議。考慮到外匯和利率風險，期權的賣方從購買方收取一定的期權費。本集團期權合約是與對手方在場外協商達成或透過交易所進行（如於交易所進行買賣之期權）。

Foreign currency, interest rate, precious metal and equity options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of the financial instrument at a predetermined price. In consideration for the assumption of foreign exchange and interest rate risk, the seller receives a premium from the purchaser. Options are negotiated over-the-counter between the Group and its counterparty or traded through the stock exchange (for example, exchange-traded stock option).

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

19. 衍生金融工具 (續)

19. Derivative financial instruments (continued)

本集團之衍生金融工具合約／名義數額及其公平值詳列於下表。各類型金融工具的合約／名義數額僅顯示於資產負債表日未完成之交易量，而若干金融工具之合約／名義數額則提供了一個與資產負債表內所確認的資產或負債的公平值對比的基礎。但是，這並不反映所涉及的未來的現金流或當前的公平值，因而也不能反映本集團所面臨的信貸風險或市場風險。隨著與衍生金融工具合約條款相關的匯率、市場利率、商品價格或股份權益價格的波動，衍生金融工具的估值可能產生有利（資產）或不利（負債）的影響，這些影響可能在不同期間有較大的波動。

The contract/notional amounts and fair values of derivative financial instruments held by the Group are set out in the following tables. The contract/notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet dates and certain of them provide a basis for comparison with the fair values of instruments recognised on the balance sheet. However, they do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative financial instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in foreign exchange rates, market interest rates, commodity prices or equity prices relative to their terms. The aggregate fair values of derivative financial instruments can fluctuate significantly from time to time.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

19. 衍生金融工具 (續) 19. Derivative financial instruments (continued)

下表概述各類衍生金融工具於 2017 年 6 月 30 日及 2016 年 12 月 31 日之合約／名義數額及其公平值：

The following tables summarise the contract/notional amounts and fair values of each class of derivative financial instrument as at 30 June 2017 and 31 December 2016:

		於 2017 年 6 月 30 日 At 30 June 2017		
		合約／ 名義數額 Contract/ notional amounts	公平值 Fair values	
			資產 Assets	負債 Liabilities
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
匯率合約	Exchange rate contracts			
即期、遠期及期貨	Spot, forwards and futures	312,291	11,893	(8,419)
掉期	Swaps	1,798,006	11,257	(14,671)
期權	Options	99,125	198	(118)
		<u>2,209,422</u>	<u>23,348</u>	<u>(23,208)</u>
利率合約	Interest rate contracts			
期貨	Futures	11,162	16	(2)
掉期	Swaps	961,570	5,864	(5,310)
期權	Options	624	-	(2)
		<u>973,356</u>	<u>5,880</u>	<u>(5,314)</u>
商品合約	Commodity contracts	<u>32,350</u>	<u>587</u>	<u>(419)</u>
股份權益合約	Equity contracts	<u>5,431</u>	<u>62</u>	<u>(67)</u>
信貸衍生工具合約	Credit derivative contracts	<u>976</u>	<u>3</u>	<u>(3)</u>
		<u>3,221,535</u>	<u>29,880</u>	<u>(29,011)</u>

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

19. 衍生金融工具 (續) **19. Derivative financial instruments (continued)**

		於2016年12月31日		
		At 31 December 2016		
		合約/ 名義數額	公平值	
		Contract/ notional amounts	Fair values	
			資產	負債
			Assets	Liabilities
		港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m
匯率合約	Exchange rate contracts			
即期、遠期及期貨	Spot, forwards and futures	321,898	17,623	(11,494)
掉期	Swaps	1,836,727	38,499	(31,241)
期權	Options	42,029	349	(391)
		<u>2,200,654</u>	<u>56,471</u>	<u>(43,126)</u>
利率合約	Interest rate contracts			
期貨	Futures	2,543	1	(8)
掉期	Swaps	875,810	6,555	(5,320)
期權	Options	-	-	-
		<u>878,353</u>	<u>6,556</u>	<u>(5,328)</u>
商品合約	Commodity contracts	<u>26,091</u>	<u>1,240</u>	<u>(675)</u>
股份權益合約	Equity contracts	<u>4,628</u>	<u>78</u>	<u>(81)</u>
信貸衍生工具合約	Credit derivative contracts	<u>388</u>	<u>3</u>	<u>-</u>
		<u>3,110,114</u>	<u>64,348</u>	<u>(49,210)</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

20. 貸款及其他賬項

20. Advances and other accounts

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
個人貸款	Personal loans and advances	305,573	289,980
公司貸款	Corporate loans and advances	797,174	686,465
客戶貸款	Advances to customers	1,102,747	976,445
貸款減值準備	Loan impairment allowances		
- 按個別評估	- Individually assessed	(395)	(547)
- 按組合評估	- Collectively assessed	(3,052)	(2,721)
		1,099,300	973,177
貿易票據	Trade bills	26,977	16,179
銀行及其他金融機構貸款	Advances to banks and other financial institutions	7,827	6,016
		1,134,104	995,372

於 2017 年 6 月 30 日，客戶貸款包括應計利息港幣 13.44 億元（2016 年 12 月 31 日：港幣 13.35 億元）。

As at 30 June 2017, advances to customers included accrued interest of HK\$1,344 million (31 December 2016: HK\$1,335 million).

於 2017 年 6 月 30 日，沒有對貿易票據和銀行及其他金融機構貸款作出任何減值準備（2016 年 12 月 31 日：無）。

As at 30 June 2017, no impairment allowance was made in respect of trade bills and advances to banks and other financial institutions (31 December 2016: Nil).

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資

21. Investment in securities

		於 2017 年 6 月 30 日 At 30 June 2017			
		按公平值列賬 At fair value	按攤銷成本列賬 At amortised cost		
			持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫券	Treasury bills	102,378	-	-	102,378
其他債務證券	Other debt securities	327,278	40,676	2,746	370,700
		429,656	40,676	2,746	473,078
存款證	Certificates of deposit	39,587	-	-	39,587
債務證券及存款證總額	Total debt securities and certificates of deposit	469,243	40,676	2,746	512,665
股份證券	Equity securities	1,105	-	-	1,105
		470,348	40,676	2,746	513,770
		於 2016 年 12 月 31 日 At 31 December 2016			
		按公平值列賬 At fair value	按攤銷成本列賬 At amortised cost		
			持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫券	Treasury bills	142,263	-	-	142,263
其他債務證券	Other debt securities	306,670	45,318	935	352,923
		448,933	45,318	935	495,186
存款證	Certificates of deposit	56,277	-	-	56,277
債務證券及存款證總額	Total debt securities and certificates of deposit	505,210	45,318	935	551,463
股份證券	Equity securities	955	-	-	955
		506,165	45,318	935	552,418

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資 (續)

21. Investment in securities (continued)

證券投資按上市地之分類如下：

Investment in securities is analysed by place of listing as follows:

		於 2017 年 6 月 30 日		
		At 30 June 2017		
		可供出售證券	持有至 到期日證券	貸款及應收款
		Available- for-sale securities	Held-to- maturity securities	Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
債務證券及存款證	Debt securities and certificates of deposit			
- 於香港上市	- Listed in Hong Kong	63,844	293	-
- 於香港以外上市	- Listed outside Hong Kong	180,017	20,416	-
		243,861	20,709	-
- 非上市	- Unlisted	225,382	19,967	2,746
		469,243	40,676	2,746
股份證券	Equity securities			
- 於香港以外上市	- Listed outside Hong Kong	311	-	-
- 非上市	- Unlisted	794	-	-
		1,105	-	-
		470,348	40,676	2,746
持有至到期日之上市證券 市值	Market value of listed held-to-maturity securities		20,733	

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資 (續)

21. Investment in securities (continued)

		於 2016 年 12 月 31 日		
		At 31 December 2016		
		可供出售證券	持有至到期日證券	貸款及應收款
		Available-for-sale securities	Held-to-maturity securities	Loans and receivables
		港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m
債務證券及存款證	Debt securities and certificates of deposit			
- 於香港上市	- Listed in Hong Kong	48,865	955	-
- 於香港以外上市	- Listed outside Hong Kong	160,540	20,570	-
		209,405	21,525	-
- 非上市	- Unlisted	295,805	23,793	935
		505,210	45,318	935
股份證券	Equity securities			
- 於香港以外上市	- Listed outside Hong Kong	237	-	-
- 非上市	- Unlisted	718	-	-
		955	-	-
		506,165	45,318	935
持有至到期日之上市證券 市值	Market value of listed held-to-maturity securities		21,518	

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資 (續)

21. Investment in securities (continued)

證券投資按發行機構之分類如下：

Investment in securities is analysed by type of issuer as follows:

		於 2017 年 6 月 30 日 At 30 June 2017		
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
官方實體	Sovereigns	143,818	340	-
公營單位	Public sector entities	32,656	12,088	-
銀行及其他金融機構	Banks and other financial institutions	201,777	15,554	2,746
公司企業	Corporate entities	92,097	12,694	-
		470,348	40,676	2,746
		於 2016 年 12 月 31 日 At 31 December 2016		
		可供出售證券 Available- for-sale securities	持有至 到期日證券 Held-to- maturity securities	貸款及應收款 Loans and receivables
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
官方實體	Sovereigns	187,559	498	-
公營單位	Public sector entities	29,819	11,608	-
銀行及其他金融機構	Banks and other financial institutions	203,092	19,330	935
公司企業	Corporate entities	85,695	13,882	-
		506,165	45,318	935

中期財務資料附註
 (續)

Notes to the Interim Financial Information (continued)

22. 投資物業

22. Investment properties

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 1 月 1 日	At 1 January	18,369	15,400
增置	Additions	5	7
出售	Disposals	(2)	-
公平值收益	Fair value gains	894	423
重新分類轉自物業、器材 及設備 (附註 23)	Reclassification from properties, plant and equipment (Note 23)	81	2,743
分類為待出售資產	Classified as assets held for sale	-	(204)
於期/年末	At period/year end	19,347	18,369

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

23. 物業、器材及設備

23. Properties, plant and equipment

		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2017 年 1 月 1 日之 賬面淨值之早期列賬	Net book value at 1 January 2017, as previously reported	43,215	2,320	45,535
合併受共同控制之實體之 影響	Effect of merger of entity under common control	-	58	58
於 2017 年 1 月 1 日之 賬面淨值之重列	Net book value at 1 January 2017, as restated	43,215	2,378	45,593
增置	Additions	25	775	800
出售	Disposals	(4)	(11)	(15)
重估	Revaluation	1,309	-	1,309
本期折舊 (附註 11)	Depreciation for the period (Note 11)	(501)	(414)	(915)
重新分類轉至投資物業 (附註 22)	Reclassification to investment properties (Note 22)	(81)	-	(81)
匯兌差額	Exchange difference	4	7	11
於 2017 年 6 月 30 日之 賬面淨值	Net book value at 30 June 2017	43,967	2,735	46,702
於 2017 年 6 月 30 日 成本值或估值	At 30 June 2017 Cost or valuation	43,967	8,838	52,805
累計折舊及減值	Accumulated depreciation and impairment	-	(6,103)	(6,103)
於 2017 年 6 月 30 日之 賬面淨值	Net book value at 30 June 2017	43,967	2,735	46,702
上述資產之成本值或估值 分析如下：	The analysis of cost or valuation of the above assets is as follows:			
於 2017 年 6 月 30 日	At 30 June 2017			
按成本值	At cost	-	8,838	8,838
按估值	At valuation	43,967	-	43,967
		43,967	8,838	52,805

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

23. 物業、器材及設備
(續)

23. Properties, plant and equipment (continued)

		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2016 年 1 月 1 日之 賬面淨值之早期列賬	Net book value at 1 January 2016, as previously reported	48,106	2,227	50,333
合併受共同控制之實體之 影響	Effect of merger of entity under common control	-	39	39
於 2016 年 1 月 1 日之 賬面淨值之重列	Net book value at 1 January 2016, as restated	48,106	2,266	50,372
增置	Additions	559	920	1,479
出售	Disposals	(1)	(7)	(8)
重估	Revaluation	(156)	-	(156)
年度折舊	Depreciation for the year	(1,056)	(751)	(1,807)
重新分類轉至投資物業 (附註 22)	Reclassification to investment properties (Note 22)	(2,743)	-	(2,743)
匯兌差額	Exchange difference	(4)	(6)	(10)
分類為待出售資產	Classified as assets held for sale	(1,490)	(44)	(1,534)
於 2016 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2016	<u>43,215</u>	<u>2,378</u>	<u>45,593</u>
於 2016 年 12 月 31 日 成本值或估值	At 31 December 2016 Cost or valuation	43,215	8,176	51,391
累計折舊及減值	Accumulated depreciation and impairment	-	(5,798)	(5,798)
於 2016 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2016	<u>43,215</u>	<u>2,378</u>	<u>45,593</u>
上述資產之成本值或估值 分析如下：	The analysis of cost or valuation of the above assets is as follows:			
於 2016 年 12 月 31 日	At 31 December 2016			
按成本值	At cost	-	8,176	8,176
按估值	At valuation	43,215	-	43,215
		<u>43,215</u>	<u>8,176</u>	<u>51,391</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

24. 其他資產

24. Other assets

		於 2017 年 6 月 30 日 At 30 June 2017 港幣百萬元 HK\$m	於 2016 年 12 月 31 日 At 31 December 2016 港幣百萬元 HK\$m
收回資產	Reposessed assets	30	38
貴金屬	Precious metals	6,889	5,633
應收賬項及預付費用	Accounts receivable and prepayments	29,654	26,898
		36,573	32,569

25. 公平值變化計入損益
之金融負債

25. Financial liabilities at fair value through profit or loss

		於 2017 年 6 月 30 日 At 30 June 2017 港幣百萬元 HK\$m	於 2016 年 12 月 31 日 At 31 December 2016 港幣百萬元 HK\$m
交易性負債	Trading liabilities		
- 外匯基金票據及債券 短盤	- Short positions in Exchange Fund Bills and Notes	16,257	9,946
界定為以公平值變化計入 損益之金融負債	Financial liabilities designated at fair value through profit or loss		
- 結構性存款(附註 26)	- Structured deposits (Note 26)	3,072	3,425
		19,329	13,371

2017 年 6 月 30 日界定為以公平值變化計入損益之金融負債的賬面值比本集團於到期日約定支付予持有人之金額少港幣 2 百萬元(2016 年 12 月 31 日: 港幣 9 百萬元)。由自有的信貸風險變化引致公平值變化計入損益之金融負債之公平值變動金額(包括期內及累計至期末)並不重大。

The carrying amount of financial liabilities designated at fair value through profit or loss as at 30 June 2017 was less than the amount that the Group would be contractually required to pay at maturity to the holders by HK\$2 million (31 December 2016: HK\$9 million). The amount of change in the fair values of financial liabilities at fair value through profit or loss, during the period and cumulatively, attributable to changes in own credit risk was insignificant.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

26. 客戶存款

26. Deposits from customers

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
往來、儲蓄及其他存款 (於資產負債表)	Current, savings and other deposit accounts (per balance sheet)	1,656,465	1,511,088
列為公平值變化計入損益 之金融負債的結構性存款 (附註 25)	Structured deposits reported as financial liabilities at fair value through profit or loss (Note 25)	3,072	3,425
		1,659,537	1,514,513
分類：	Analysed by:		
即期存款及往來存款	Demand deposits and current accounts		
- 公司	- Corporate	141,006	129,178
- 個人	- Personal	53,327	45,756
		194,333	174,934
儲蓄存款	Savings deposits		
- 公司	- Corporate	334,498	319,345
- 個人	- Personal	511,355	477,676
		845,853	797,021
定期、短期及通知存款	Time, call and notice deposits		
- 公司	- Corporate	408,054	363,369
- 個人	- Personal	211,297	179,189
		619,351	542,558
		1,659,537	1,514,513

27. 已發行債務證券及存款證

27. Debt securities and certificates of deposit in issue

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
債務證券，按攤銷成本列賬	Debt securities, at amortised cost	9,251	1,121

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

28. 其他賬項及準備

28. Other accounts and provisions

		於2017年 6月30日 At 30 June 2017	於2016年 12月31日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
其他應付賬項	Other accounts payable	113,047	40,580
準備	Provisions	17	242
		113,064	40,822

29. 遞延稅項

29. Deferred taxation

遞延稅項是根據香港會計準則第12號「所得稅」計算，就資產負債之稅務基礎與其在本中期財務資料內賬面值兩者之暫時性差額及未使用稅項抵免作提撥。

Deferred tax is recognised in respect of the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in this interim financial information and unused tax credits in accordance with HKAS 12 "Income Taxes".

資產負債表內之遞延稅項（資產）／負債主要組合，以及其在2017年上半年及截至2016年12月31日止年度之變動如下：

The major components of deferred tax (assets)/liabilities recorded in the balance sheet, and the movements during the first half of 2017 and the year ended 31 December 2016 are as follows:

		於2017年6月30日 At 30 June 2017					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	其他 Others	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於2017年1月1日之 早期列賬	At 1 January 2017, as previously reported	609	6,444	-	(430)	(1,072)	5,551
合併受共同控制之實 體之影響	Effect of merger of entity under common control	-	-	-	-	(4)	(4)
於2017年1月1日之 重列	At 1 January 2017, as restated	609	6,444	-	(430)	(1,076)	5,547
借記／(貸記)收益表 (附註14)	Charged/(credited) to income statement (Note 14)	69	(59)	(1)	(51)	(7)	(49)
借記其他全面收益	Charged to other comprehensive income	-	193	-	-	188	381
匯兌差額	Exchange difference	-	-	-	-	(1)	(1)
於2017年6月30日	At 30 June 2017	678	6,578	(1)	(481)	(896)	5,878

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

29. 遞延稅項 (續) 29. Deferred taxation (continued)

		於 2016 年 12 月 31 日 At 31 December 2016					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	其他 Others	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2016 年 1 月 1 日之 早期列賬	At 1 January 2016, as previously reported	594	7,171	-	(459)	(938)	6,368
合併受共同控制之實 體之影響	Effect of merger of entity under common control	-	-	(2)	-	(2)	(4)
於 2016 年 1 月 1 日之 重列	At 1 January 2016, as restated	594	7,171	(2)	(459)	(940)	6,364
借記/(貸記)收益表	Charged/(credited) to income statement	29	(196)	2	(63)	(61)	(289)
貸記其他全面收益	Credited to other comprehensive income	-	(323)	-	-	(108)	(431)
匯兌差額	Exchange difference	-	-	-	2	-	2
分類為待出售資產及 待出售資產之相關 負債	Classified as assets held for sale and liabilities associated with assets held for sale	(14)	(208)	-	90	33	(99)
於 2016 年 12 月 31 日	At 31 December 2016	609	6,444	-	(430)	(1,076)	5,547

當有法定權利可將現有稅項資產與現有稅項負債抵銷，而遞延稅項涉及同一財政機關，則可將個別法人的遞延稅項資產與遞延稅項負債互相抵銷。下列在資產負債表內列賬之金額，已計入適當抵銷：

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 sheet:

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
遞延稅項資產	Deferred tax assets	(23)	(20)
遞延稅項負債	Deferred tax liabilities	5,901	5,567
		5,878	5,547

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

29. 遞延稅項 (續)

29. Deferred taxation (continued)

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
遞延稅項資產 (超過 12 個月後收回)	(11)	(10)
遞延稅項負債 (超過 12 個月後支付)	6,744	6,579
	6,733	6,569

於 2017 年 6 月 30 日，本集團未確認遞延稅項資產之稅務虧損為港幣 0.22 億元 (2016 年 12 月 31 日：港幣 0.13 億元)。按照不同國家的現行稅例，其中本集團無作廢期限的有關金額為港幣 0.09 億元 (2016 年 12 月 31 日：港幣 0.09 億元)，而於 6 年內作廢的有關金額為港幣 0.13 億元 (2016 年 12 月 31 日：港幣 0.04 億元)。

As at 30 June 2017, the Group has not recognised deferred tax assets in respect of tax losses amounting to HK\$22 million (31 December 2016: HK\$13 million). Of the amount, HK\$9 million (31 December 2016: HK\$9 million) for the Group has no expiry date and HK\$13 million (31 December 2016: HK\$4 million) for the Group is scheduled to expire within six years under the current tax legislation in different countries.

30. 後償負債

30. Subordinated liabilities

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
後償票據，按攤銷成本及公平值對沖調整列賬 25.00 億美元*	19,099	19,014

於 2010 年，中銀香港發行總值 25.00 億美元上市後償票據。

In 2010, BOCHK issued listed subordinated notes with an aggregate amount of USD2,500 million.

按監管要求可作為二級資本票據之後償負債金額，於附註 3.4(B)中列示。

Amounts qualified as Tier 2 capital instruments for regulatory purposes are shown in Note 3.4(B).

* 利息每半年支付一次，年利率 5.55%，2020 年 2 月到期。

* Interest rate at 5.55% per annum payable semi-annually, due February 2020.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

31. 已終止經營業務及待出售資產 31. Discontinued operations and assets held for sale

(a) 出售南商

於 2015 年 12 月 18 日，中銀香港（作為賣方）與信達金融控股有限公司（作為買方）及中國信達（香港）控股有限公司（作為買方保證人）就出售南商已發行的全部股份簽訂股權買賣協議。出售的交割以股權買賣協議中列明的條件獲得滿足為先決條件。

股權買賣協議所述的各項先決條件已獲得滿足，而出售的交割已於 2016 年 5 月 30 日根據股權買賣協議的條款及條件完成。交割完成後，南商已不再為中銀香港的附屬公司。

(b) 出售集友

於 2016 年 12 月 22 日，中銀香港（作為賣方）與廈門國際投資有限公司及福建省廈門市私立集美學校委員會（分別作為買方）就出售集友共計 2,114,773 股普通股簽訂股權買賣協議。出售的交割取決於股權買賣協議中列明所有的先決條件獲得滿足。

股權買賣協議所述的各項先決條件已獲得滿足，而出售的交割已於 2017 年 3 月 27 日根據股權買賣協議的條款及條件完成。交割完成後，集友已不再為中銀香港的附屬公司。

簡要綜合收益表之比較數據已作重列，將已終止經營業務假設於 2016 年初已終止經營。

(a) Disposal of NCB

On 18 December 2015, BOCHK (as seller) entered into a sale and purchase agreement with Cinda Financial Holdings Co., Limited (as buyer) and China Cinda (HK) Holdings Company Limited (as buyer's guarantor) in relation to the disposal of all the issued shares of NCB. The completion of the disposal was conditional upon the satisfaction of the conditions precedent set out in the sale and purchase agreement.

All the conditions precedent set out in the sale and purchase agreement were satisfied, and completion of the disposal took place on 30 May 2016 in accordance with the terms and conditions of the sale and purchase agreement. Upon completion, NCB ceased to be a subsidiary of BOCHK.

(b) Disposal of Chiyu

On 22 December 2016, BOCHK (as seller) entered into a sale and purchase agreement with Xiamen International Investment Limited and the Committee of Jimei Schools (each as a buyer) in relation to the disposal of a total of 2,114,773 ordinary shares of Chiyu. The completion of the disposal was conditional upon the satisfaction of all the conditions precedent set out in the sale and purchase agreement.

All the conditions precedent set out in the sale and purchase agreement were satisfied, and completion of the disposal took place on 27 March 2017 in accordance with the terms and conditions of the sale and purchase agreement. Upon completion, Chiyu ceased to be a subsidiary of BOCHK.

The comparative amounts of condensed consolidated income statement have been restated as if the discontinued operations had been discontinued at the beginning of year 2016.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

31. 已終止經營業務及待出售資產 (續) **31. Discontinued operations and assets held for sale (continued)**

已終止經營業務之期內業績如下：

The results of discontinued operations for the period are as follows:

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
已終止經營業務	DISCONTINUED OPERATIONS		
利息收入	Interest income	270	3,451
利息支出	Interest expense	(77)	(1,257)
淨利息收入	Net interest income	193	2,194
服務費及佣金收入	Fee and commission income	43	637
服務費及佣金支出	Fee and commission expense	(4)	(14)
淨服務費及佣金收入	Net fee and commission income	39	623
淨交易性收益	Net trading gain	2	3
界定為以公平值變化計入 損益之金融工具淨收益 ／(虧損)	Net gain/(loss) on financial instruments designated at fair value through profit or loss	1	(3)
其他金融資產之淨收益	Net gain on other financial assets	-	108
其他經營收入	Other operating income	-	5
提取減值準備前之淨經營 收入	Net operating income before impairment allowances	235	2,930
減值準備淨撥備	Net charge of impairment allowances	(7)	(375)
淨經營收入	Net operating income	228	2,555
經營支出	Operating expenses	(87)	(1,073)
經營溢利	Operating profit	141	1,482
投資物業出售／公平值調 整之淨虧損	Net loss from disposal of/fair value adjustments on investment properties	-	(10)
出售／重估物業、器材及設 備之淨虧損	Net loss from disposal/revaluation of properties, plant and equipment	-	(2)
除稅前溢利	Profit before taxation	141	1,470
稅項	Taxation	(22)	(236)
除稅後溢利	Profit after taxation	119	1,234
出售已終止經營業務之收益	Gain on disposal of discontinued operations	2,504	29,956
已終止經營業務溢利	Profit from discontinued operations	2,623	31,190
應佔溢利：	Profit attributable to:		
本銀行股東	Equity holders of the Bank	2,589	31,088
非控制權益	Non-controlling interests	34	102
		2,623	31,190

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

31. 已終止經營業務及待
出售資產 (續)

31. Discontinued operations and assets held for sale (continued)

已終止經營業務產生的現金流量淨額如下：

The net cash flows incurred by discontinued operations are as follows:

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
經營業務	Operating activities	2,000	(15,549)
投資業務	Investing activities	(3)	(28)
融資業務	Financing activities	-	-
已終止經營業務產生的現金流入／(流出)淨額	Net cash inflow/(outflow) incurred by discontinued operations	1,997	(15,577)

出售已終止經營業務之收益分析如下：

The gain on disposal of discontinued operations is analysed as follows:

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
交易對價總額	Total consideration	7,685	68,000
出售資產淨值	Net assets disposed	(7,044)	(38,048)
非控制權益	Non-controlling interests	2,078	-
從累計換算儲備及可供出售證券公平值變動儲備重新分類至收益表	Cumulative translation reserve and reserve for fair value changes of available-for-sale securities reclassified to income statement	(48)	370
就出售產生之交易成本	Transaction costs incurred in connection with the disposal	(167)	(366)
出售已終止經營業務之收益	Gain on disposal of discontinued operations	2,504	29,956

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

31. 已終止經營業務及待出售資產 (續) **31. Discontinued operations and assets held for sale (continued)**

已終止經營業務於出售日的淨資產如下：

The net assets of discontinued operations at the dates of disposal are as follows:

		集友 Chiyu 港幣百萬元 HK\$'m	南商 NCB 港幣百萬元 HK\$'m
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	7,029	45,126
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	1,215	6,394
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	351	5,560
衍生金融工具	Derivative financial instruments	95	517
貸款及其他賬項	Advances and other accounts	31,411	168,185
證券投資	Investment in securities	14,541	56,934
投資物業	Investment properties	204	354
物業、器材及設備	Properties, plant and equipment	1,537	7,049
應收稅項資產	Current tax assets	-	64
遞延稅項資產	Deferred tax assets	63	71
其他資產	Other assets	582	2,745
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	(2,765)	(18,495)
公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	(4,579)
衍生金融工具	Derivative financial instruments	(8)	(229)
客戶存款	Deposits from customers	(46,277)	(215,253)
其他賬項及準備	Other accounts and provisions	(725)	(15,346)
應付稅項負債	Current tax liabilities	(45)	(236)
遞延稅項負債	Deferred tax liabilities	(164)	(813)
出售資產淨值	Net assets disposed	7,044	38,048

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

31. 已終止經營業務及待出售資產 (續) **31. Discontinued operations and assets held for sale (continued)**

出售已終止經營業務之現金流入淨額分析如下：

The net cash inflow from disposal of discontinued operations is analysed as follows:

		半年結算至 2017年 6月30日 Half-year ended 30 June 2017	半年結算至 2016年 6月30日 Half-year ended 30 June 2016
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
收取交易對價總額，以現金方式收取	Total consideration received, satisfied by cash	7,685	68,000
就出售產生之交易成本	Transaction costs incurred in connection with the disposal	(167)	(366)
被出售之現金及等同現金項目	Cash and cash equivalents disposed	(6,708)	(40,642)
出售已終止經營業務之現金流入淨額	Net cash inflow from disposal of discontinued operations	810	26,992

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

31. 已終止經營業務及待
出售資產 (續)

31. Discontinued operations and assets held for sale (continued)

待出售資產及待出售資產之相關負債之主要類別如下：

The major classes of assets held for sale and liabilities associated with assets held for sale are as follows:

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
待出售資產	ASSETS HELD FOR SALE		
庫存現金及存放銀行及其他金融機構的結餘	Cash and balances with banks and other financial institutions	-	5,233
在銀行及其他金融機構一至十二個月內到期之定期存放	Placements with banks and other financial institutions maturing between one and twelve months	-	1,038
公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	654
衍生金融工具	Derivative financial instruments	-	98
貸款及其他賬項	Advances and other accounts	-	31,137
證券投資	Investment in securities	-	13,387
投資物業	Investment properties	-	204
物業、器材及設備	Properties, plant and equipment	-	1,534
遞延稅項資產	Deferred tax assets	-	61
其他資產	Other assets	-	240
待出售資產總額	Total assets held for sale	-	53,586
待出售資產之相關負債	LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE		
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	-	977
衍生金融工具	Derivative financial instruments	-	12
客戶存款	Deposits from customers	-	45,431
其他賬項及準備	Other accounts and provisions	-	438
應付稅項負債	Current tax liabilities	-	56
遞延稅項負債	Deferred tax liabilities	-	160
待出售資產之相關負債總額	Total liabilities associated with assets held for sale	-	47,074
		-	6,512

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

31. 已終止經營業務及待出售資產 (續) **31. Discontinued operations and assets held for sale (continued)**

於其他全面收益確認有關待出售資產之累計收益如下：

The cumulative income recognised in other comprehensive income relating to assets held for sale is as follows:

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於其他全面收益確認之累計收益	-	1,014

32. 股本 **32. Share capital**

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
已發行及繳足： 43,042,840,858 股普通股	43,043	43,043

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

33. 簡要綜合現金流量表
附註

33. Notes to condensed consolidated cash flow statement

(a) 經營溢利與除稅前
經營現金之流入對
賬

(a) Reconciliation of operating profit to operating cash inflow before
taxation

	半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$'m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$'m
經營溢利	Operating profit	
- 來自持續經營業務	- from continuing operations	16,148
- 來自已終止經營業務	- from discontinued operations	141
		15,028
折舊	Depreciation	915
減值準備淨撥備	Net charge of impairment allowances	360
折現減值準備回撥	Unwind of discount on impairment allowances	(1)
已撇銷之貸款(扣除收回 款額)	Advances written off net of recoveries	(186)
後償負債之變動	Change in subordinated liabilities	379
原到期日超過3個月之 存放銀行及其他金融 機構的結餘之變動	Change in balances with banks and other financial institutions with original maturity over three months	4,133
原到期日超過3個月之 在銀行及其他金融機 構之定期存放之變動	Change in placements with banks and other financial institutions with original maturity over three months	(2,370)
公平值變化計入損益之 金融資產之變動	Change in financial assets at fair value through profit or loss	(2,077)
衍生金融工具之變動	Change in derivative financial instruments	14,268
貸款及其他賬項之變動	Change in advances and other accounts	(139,191)
證券投資之變動	Change in investment in securities	22,331
其他資產之變動	Change in other assets	(4,350)
銀行及其他金融機構之 存款及結餘之變動	Change in deposits and balances from banks and other financial institutions	110,962
公平值變化計入損益之 金融負債之變動	Change in financial liabilities at fair value through profit or loss	5,958
客戶存款之變動	Change in deposits from customers	146,223
已發行債務證券及存款 證之變動	Change in debt securities and certificates of deposit in issue	8,130
其他賬項及準備之變動	Change in other accounts and provisions	72,529
匯率變動之影響	Effect of changes in exchange rates	(10,787)
除稅前經營現金之流入	Operating cash inflow before taxation	243,515
經營業務之現金流量中 包括	Cash flows from operating activities included	
- 已收利息	- interest received	21,143
- 已付利息	- interest paid	5,646
- 已收股息	- dividend received	25

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

33. 簡要綜合現金流量表 **33. Notes to condensed consolidated cash flow statement (continued)**
附註 (續)

(b) 現金及等同現金項目
結存分析

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

		於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 6 月 30 日 At 30 June 2016
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
庫存現金及原到期日 在 3 個月內之存放 銀行及其他金融機 構的結餘	Cash and balances with banks and other financial institutions with original maturity within three months	386,540	351,303
原到期日在 3 個月內之 在銀行及其他金融 機構之定期存放	Placements with banks and other financial institutions with original maturity within three months	16,038	23,692
原到期日在 3 個月內之 庫券、存款證及其他 債務工具	Treasury bills, certificates of deposit and other debt instruments with original maturity within three months		
- 公平值變化計入 損益之金融資 產	- financial assets at fair value through profit or loss	82,337	4,702
- 證券投資	- investment in securities	698	8,656
		485,613	388,353

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

34. 或然負債及承擔

34. Contingent liabilities and commitments

或然負債及承擔乃參照有關資本充足比率之金管局報表的填報指示而編製，其每項重要類別之合約數額及總信貸風險加權數額概述如下：

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment and the aggregate credit risk-weighted amount and is prepared with reference to the completion instructions for the HKMA return of capital adequacy ratio.

		於 2017 年 6 月 30 日 At 30 June 2017 港幣百萬元 HK\$'m	於 2016 年 12 月 31 日 At 31 December 2016 港幣百萬元 HK\$'m
直接信貸替代項目	Direct credit substitutes	7,214	6,247
與交易有關之或然負債	Transaction-related contingencies	14,418	12,649
與貿易有關之或然負債	Trade-related contingencies	25,243	32,269
不需事先通知的無條件 撤銷之承諾	Commitments that are unconditionally cancellable without prior notice	389,098	389,307
其他承擔，原到期日為	Other commitments with an original maturity of		
- 1 年或以下	- up to one year	9,314	12,095
- 1 年以上	- over one year	131,219	132,488
		576,506	585,055
信貸風險加權數額	Credit risk-weighted amount	64,687	60,730

信貸風險加權數額是根據《銀行業(資本)規則》計算。此數額取決於交易對手之情況及各類合約之期限特性。

The credit risk-weighted amount is calculated in accordance with the Banking (Capital) Rules. The amount is dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

35. 資本承擔

35. Capital commitments

本集團未於本中期財務資料中撥備之資本承擔金額如下：

The Group has the following outstanding capital commitments not provided for in this interim financial information:

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
已批准及簽約但未撥備	429	404
已批准但未簽約	17	11
	446	415

以上資本承擔大部分為將購入之電腦硬件及軟件，以及本集團之樓宇裝修工程之承擔。

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

36. 經營租賃承擔

36. Operating lease commitments

(a) 作為承租人

(a) As lessee

根據不可撤銷之經營租賃合約，下列為本集團未來有關租賃承擔所須支付之最低租金：

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

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
土地及樓宇		
- 不超過 1 年	568	601
- 1 年以上至 5 年內	611	664
- 5 年後	10	4
	1,189	1,269

上列若干不可撤銷之經營租約可再商議及參照協議日期之市值或按租約內的特別條款說明而作租金調整。

Certain non-cancellable operating leases included in the table above were subject to renegotiation and rent adjustment with reference to market rates prevailing at specified agreed dates or according to the special conditions as stipulated in the leases.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

36. 經營租賃承擔 (續) **36. Operating lease commitments (continued)**

(b) 作為出租人

根據不可撤銷之經營租賃合約，下列為本集團與租客簽訂合約之未來有關租賃之最低應收租金：

土地及樓宇
 - 不超過 1 年
 - 1 年以上至 5 年內

本集團以經營租賃形式租出投資物業；租賃年期通常由 1 年至 3 年。租約條款一般要求租客提交保證金及於租約期滿時，因應租務市場之狀況而調整租金。

(b) As lessor

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

	於 2017 年 6 月 30 日 At 30 June 2017	於 2016 年 12 月 31 日 At 31 December 2016
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
Land and buildings		
- Not later than one year	524	400
- Later than one year but not later than five years	487	400
	1,011	800

The Group leases its investment properties under operating lease arrangements, with leases typically for a period from one to three years. The terms of the leases generally require the tenants to pay security deposits and provide for rent adjustments according to the prevailing market conditions at the expiration of the lease.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

37. 分類報告

37. Segmental reporting

本集團主要按業務分類對業務進行管理，而集團的收入、稅前利潤和資產，超過90%來自香港。現時集團業務共分為三個業務分類，它們分別是個人銀行業務、企業銀行業務和財資業務。業務線的分類是基於不同客戶層及產品種類，這與集團推行的RPC（客戶關係、產品及渠道）管理模型是一致的。

個人銀行和企業銀行業務線均會提供全面的銀行服務，包括各類存款、透支、貸款、信用卡、與貿易相關的產品及其他信貸服務、投資及保險產品、外幣業務及衍生產品。個人銀行業務線主要是服務個人及小企客戶，而企業銀行業務線主要是服務公司客戶。至於財資業務線，除了自營買賣外，還負責管理集團的流動資金、利率和外匯敞口。「其他」這一欄，主要包括本集團持有房地產、投資物業、股權投資及聯營公司與合資企業權益。

業務線的資產、負債、收入、支出、經營成果及資本性支出是基於集團會計政策進行計量。分類資料包括直接屬於該業務線的績效以及可以合理攤分至該業務線的績效。跨業務線資金的定價，按集團內部資金轉移價格機制釐定，主要是以市場利率為基準，並考慮有關產品的特性。

本集團的主要收入來源為利息收入，並且高層管理人員主要按淨利息收入來管理業務，因此所有業務分類的利息收入及支出以淨額列示。

The Group manages the business mainly from a business segment perspective and over 90% of the Group's revenues, profits before tax and assets are derived from Hong Kong. Currently, three operating segments are identified: Personal Banking, Corporate Banking and Treasury. The classification of the Group's operating segments is based on customer segment and product type, which is aligned with the RPC (relationship, product and channel) management model of the Group.

Both Personal Banking and Corporate Banking provide general banking services including various deposit products, overdrafts, loans, credit cards, trade related products and other credit facilities, investment and insurance products, and foreign currency and derivative products. Personal Banking mainly serves retail customers and small enterprises, while Corporate Banking mainly deals with corporate customers. Treasury manages the funding and liquidity, and the interest rate and foreign exchange positions of the Group in addition to proprietary trades. "Others" mainly represents the Group's holdings of premises, investment properties, equity investments and interests in associates and joint ventures.

Measurement of segment assets, liabilities, income, expenses, results and capital expenditure is based on the Group's accounting policies. The segment information includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment funding is charged according to the internal funds transfer pricing mechanism of the Group, which is primarily based on market rates with the consideration of specific features of the product.

As the Group derives a majority of revenue from interest and the senior management relies primarily on net interest income in managing the business, interest income and expense for all reportable segments are presented on a net basis.

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

37. 分類報告 (續) 37. Segmental reporting (continued)

		個人銀行 Personal Banking	企業銀行 Corporate Banking	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
半年結算至 2017年6月30日	Half-year ended 30 June 2017							
持續經營業務	CONTINUING OPERATIONS							
淨利息收入/(支出)	Net interest income/(expense)							
- 外來	- External	1,750	6,085	7,714	2	15,551	-	15,551
- 跨業務	- Inter-segment	3,041	(98)	(2,531)	(412)	-	-	-
		4,791	5,987	5,183	(410)	15,551	-	15,551
淨服務費及佣金收入	Net fee and commission income	2,824	2,797	62	384	6,067	(119)	5,948
淨交易性收益/(虧損)	Net trading gain/(loss)	393	88	(183)	-	298	-	298
界定為以公平值變化計入 損益之金融工具淨收益	Net gain on financial instruments designated at fair value through profit or loss	6	-	2	-	8	-	8
其他金融資產之淨收益	Net gain on other financial assets	-	15	217	-	232	-	232
其他經營收入	Other operating income	39	6	15	988	1,048	(685)	363
提取減值準備前之淨經營 收入	Net operating income before impairment allowances	8,053	8,893	5,296	962	23,204	(804)	22,400
減值準備淨撥備	Net charge of impairment allowances	(217)	(136)	-	-	(353)	-	(353)
淨經營收入	Net operating income	7,836	8,757	5,296	962	22,851	(804)	22,047
經營支出	Operating expenses	(3,760)	(1,468)	(600)	(875)	(6,703)	804	(5,899)
經營溢利	Operating profit	4,076	7,289	4,696	87	16,148	-	16,148
投資物業出售/公平值 調整之淨收益	Net gain from disposal of fair value adjustments on investment properties	-	-	-	894	894	-	894
出售/重估物業、器材及 設備之淨(虧損)/收 益	Net (loss)/gain from disposal/revaluation of properties, plant and equipment	(5)	-	(1)	5	(1)	-	(1)
應佔聯營公司及合資企業 之稅後溢利扣減攤銷	Share of profits less losses after tax of associates and joint ventures	-	-	-	34	34	-	34
除稅前溢利	Profit before taxation	4,071	7,289	4,695	1,020	17,075	-	17,075
於2017年6月30日	At 30 June 2017							
資產	ASSETS							
分部資產	Segment assets	337,613	825,967	1,295,208	66,854	2,525,642	(5,906)	2,519,736
聯營公司及合資企業 權益	Interests in associates and joint ventures	-	-	-	352	352	-	352
		337,613	825,967	1,295,208	67,206	2,525,994	(5,906)	2,520,088
負債	LIABILITIES							
分部負債	Segment liabilities	882,379	800,592	595,779	22,511	2,301,261	(5,906)	2,295,355
半年結算至 2017年6月30日	Half-year ended 30 June 2017							
持續經營業務	CONTINUING OPERATIONS							
其他資料	Other information							
資本性支出	Capital expenditure	3	1	-	801	805	-	805
折舊	Depreciation	229	78	47	561	915	-	915
證券攤銷	Amortisation of securities	-	-	16	-	16	-	16

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

37. 分類報告 (續) 37. Segmental reporting (continued)

		個人銀行 Personal Banking	企業銀行 Corporate Banking	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
半年結算至 2016年6月30日	Half-year ended 30 June 2016							
持續經營業務	CONTINUING OPERATIONS							
淨利息收入/(支出)	Net interest income/(expense)							
- 外來	- External	1,595	4,998	4,211	1	10,805	-	10,805
- 跨業務	- Inter-segment	2,541	162	(2,346)	(357)	-	-	-
		4,136	5,160	1,865	(356)	10,805	-	10,805
淨服務費及佣金收入	Net fee and commission income	2,614	2,849	57	289	5,809	(93)	5,716
淨交易性收益	Net trading gain	318	72	2,112	1	2,503	-	2,503
界定為以公平值變化計入 損益之金融工具淨確損	Net loss on financial instruments designated at fair value through profit or loss	-	-	(5)	-	(5)	-	(5)
其他金融資產之淨收益	Net gain on other financial assets	-	2	416	-	418	-	418
其他經營收入	Other operating income	6	2	-	898	906	(642)	264
提取減值準備前之淨經營 收入	Net operating income before impairment allowances	7,074	8,085	4,445	832	20,436	(735)	19,701
減值準備淨(撥備)/ 撥回	Net (charge)/reversal of impairment allowances	(195)	(342)	23	-	(514)	-	(514)
淨經營收入	Net operating income	6,879	7,743	4,468	832	19,922	(735)	19,187
經營支出	Operating expenses	(3,266)	(1,355)	(542)	(1,213)	(6,376)	735	(5,641)
經營溢利/(虧損)	Operating profit/(loss)	3,613	6,388	3,926	(381)	13,546	-	13,546
投資物業出售/公平值 調整之淨收益	Net gain from disposal of fair value adjustments on investment properties	-	-	-	117	117	-	117
出售/重估物業、器材及 設備之淨(虧損)/ 收益	Net (loss)/gain from disposal/revaluation of properties, plant and equipment	(1)	(6)	-	4	(3)	-	(3)
應佔聯營公司及合資企業 之稅後溢利扣減確損	Share of profits less losses after tax of associates and joint ventures	-	-	-	42	42	-	42
除稅前溢利/(虧損)	Profit/(loss) before taxation	3,612	6,382	3,926	(218)	13,702	-	13,702
於2016年12月31日	At 31 December 2016							
資產	ASSETS							
分部資產	Segment assets	318,391	702,687	1,094,863	65,267	2,181,208	(8,789)	2,172,419
聯營公司及合資企業 權益	Interests in associates and joint ventures	-	-	-	319	319	-	319
待出售資產	Assets held for sale	9,299	23,999	19,142	1,660	54,100	(514)	53,586
		327,690	726,686	1,114,005	67,246	2,235,627	(9,303)	2,226,324
負債	LIABILITIES							
分部負債	Segment liabilities	794,718	739,254	418,502	16,892	1,969,366	(9,157)	1,960,209
待出售資產之相關負債	Liabilities associated with assets held for sale	35,820	10,823	288	289	47,220	(146)	47,074
		830,538	750,077	418,790	17,181	2,016,586	(9,303)	2,007,283
半年結算至 2016年6月30日	Half-year ended 30 June 2016							
持續經營業務	CONTINUING OPERATIONS							
其他資料	Other information							
資本性支出	Capital expenditure	3	-	-	331	334	-	334
折舊	Depreciation	190	77	37	586	890	-	890
證券攤銷	Amortisation of securities	-	-	(345)	-	(345)	-	(345)

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

38. 已抵押資產

38. Assets pledged as security

於2017年6月30日，本集團之負債港幣134.14億元(2016年12月31日：港幣106.86億元)是以存放於中央保管系統以便利結算之資產作抵押。此外，本集團通過售後回購協議的債務證券抵押之負債為港幣81.26億元(2016年12月31日：港幣192.60億元)。本集團為擔保此等負債而質押之資產金額為港幣218.61億元(2016年12月31日：港幣309.03億元)，並主要於「交易性資產」及「證券投資」內列賬。

As at 30 June 2017, the liabilities of the Group amounting to HK\$13,414 million (31 December 2016: HK\$10,686 million) were secured by assets deposited with central depositories to facilitate settlement operations. In addition, the liabilities of the Group amounting to HK\$8,126 million (31 December 2016: HK\$19,260 million) were secured by debt securities related to sale and repurchase arrangements. The amount of assets pledged by the Group to secure these liabilities was HK\$21,861 million (31 December 2016: HK\$30,903 million) mainly included in "Trading assets" and "Investment in securities".

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易

39. Significant related party transactions

中華人民共和國國務院通過中國投資有限責任公司(「中投」)、其全資附屬公司中央匯金投資有限責任公司(「匯金」)及匯金擁有控制權益之中國銀行,對本集團實行控制。

The Group is subject to the control of the State Council of the PRC Government through China Investment Corporation ("CIC"), its wholly-owned subsidiary Central Huijin Investment Ltd. ("Central Huijin"), and BOC in which Central Huijin has controlling equity interests.

(a) 與母公司及母公司控制之其他公司進行的交易

(a) Transactions with the parent companies and the other companies controlled by the parent companies

母公司的基本資料:

General information of the parent companies:

本集團受中國銀行控制。匯金是中國銀行之控股公司,亦是中投的全資附屬公司,而中投是從事外匯資金投資管理業務的國有獨資公司。

The Group is controlled by BOC. Central Huijin is the controlling entity of BOC, and it is a wholly-owned subsidiary of CIC which is a wholly state-owned company engaging in foreign currency investment management.

匯金於某些內地實體均擁有控制權益。

Central Huijin has controlling equity interests in certain other entities in the PRC.

本集團在正常業務中與此等實體進行銀行業務交易,包括貸款、證券投資及貨幣市場交易。

The Group enters into banking transactions with these entities in the normal course of business which include loans, investment securities and money market transactions.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易 (續) 39. Significant related party transactions (continued)

(a) 與母公司及母公司控制之其他公司進行的交易 (續)

大部分與中國銀行進行的交易源自貨幣市場活動。於 2017 年 6 月 30 日，本集團相關應收及應付中國銀行款項總額分別為港幣 977.73 億元 (2016 年 12 月 31 日：港幣 1,062.74 億元) 及港幣 1,287.45 億元 (2016 年 12 月 31 日：港幣 586.54 億元)。2017 年上半年與中國銀行敘做此類業務過程中產生的收入及支出總額分別為港幣 5.49 億元 (2016 年上半年：港幣 7.50 億元) 及港幣 1.97 億元 (2016 年上半年：港幣 1.92 億元)。

中銀香港於 2017 年 1 月 9 日向中國銀行收購中銀泰國之全部已發行股本。有關交易詳情已於附註 42 披露。

與中國銀行控制之其他公司並無重大交易。

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

The majority of transactions with BOC arise from money market activities. As at 30 June 2017, the related aggregate amounts due from and to BOC of the Group were HK\$97,773 million (31 December 2016: HK\$106,274 million) and HK\$128,745 million (31 December 2016: HK\$58,654 million) respectively. The aggregate amounts of income and expenses of the Group arising from these transactions with BOC for the first half of 2017 were HK\$549 million (first half of 2016: HK\$750 million) and HK\$197 million (first half of 2016: HK\$192 million) respectively.

BOCHK acquired the entire issued share capital of BOC Thailand from BOC on 9 January 2017. The details of the transaction are disclosed in Note 42.

Transactions with other companies controlled by BOC are not considered material.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易 (續)

39. Significant related party transactions (continued)

(b) 與政府機構、代理機構、附屬機構及其他國有控制實體的交易

(b) Transactions with government authorities, agencies, affiliates and other state controlled entities

中華人民共和國國務院通過中投及匯金對本集團實施控制，而中華人民共和國國務院亦通過政府機構、代理機構、附屬機構及其他國有控制實體直接或間接控制大量其他實體。本集團按一般商業條款與政府機構、代理機構、附屬機構及其他國有控制實體進行常規銀行業務交易。

The Group is subject to the control of the State Council of the PRC Government through CIC and Central Huijin, which also directly or indirectly controls a significant number of entities through its government authorities, agencies, affiliates and other state controlled entities. The Group enters into banking transactions with government authorities, agencies, affiliates and other state controlled entities in the normal course of business at commercial terms.

這些交易包括但不局限於下列各項：

These transactions include, but are not limited to, the following:

- 借貸、提供授信及擔保和接受存款；
- 銀行同業之存放及結餘；
- 出售、購買、包銷及贖回由其他國有控制實體所發行之債券；
- 提供外匯、匯款及相關投資服務；
- 提供信託業務；及
- 購買公共事業、交通工具、電信及郵政服務。

- lending, provision of credits and guarantees, and deposit taking;
- inter-bank balance taking and placing;
- sales, purchases, underwriting and redemption of bonds issued by other state controlled entities;
- rendering of foreign exchange, remittance and investment related services;
- provision of fiduciary activities; and
- purchase of utilities, transport, telecommunication and postage services.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易 (續) 39. Significant related party transactions (continued)

(c) 與聯營公司、合資企業及其他有關連人士在正常業務範圍內進行之交易摘要

與本集團之聯營公司、合資企業及其他有關連人士達成之有關連人士交易所產生之總收入／支出及結餘概述如下：

(c) Summary of transactions entered into during the ordinary course of business with associates, joint ventures and other related parties

The aggregate income/expenses and balances arising from related party transactions with associates, joint ventures and other related parties of the Group are summarised as follows:

		半年結算至 2017年6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$'m	半年結算至 2016年6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$'m
收益表項目	Income statement items		
聯營公司	Associates		
- 服務費及佣金支出	- Fee and commission expenses	20	-
- 其他經營支出	- Other operating expenses	37	35
其他有關連人士	Other related parties		
- 服務費及佣金收入	- Fee and commission income	5	5
		<u>5</u>	<u>5</u>
		於2017年6月30日 At 30 June 2017 港幣百萬元 HK\$'m	於2016年12月31日 At 31 December 2016 港幣百萬元 HK\$'m
資產負債表項目	Balance sheet item		
聯營公司	Associates		
- 其他賬項及準備	- Other accounts and provisions	7	3

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

39. 主要之有關連人士交易 (續) **39. Significant related party transactions (continued)**

(d) 主要高層人員

主要高層人員是指某些能直接或間接擁有權力及責任來計劃、指導及掌管集團業務之人士，包括董事及高層管理人員。本集團在正常業務中會接受主要高層人員存款及向其提供貸款及信貸融資。於期內及往期，本集團並沒有與本銀行及其控股公司之主要高層人員或其有關連人士進行重大交易。

主要高層人員之薪酬如下：

薪酬及其他短期員工福利

(d) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior management. The Group accepts deposits from and grants loans and credit facilities to key management personnel in the ordinary course of business. During both the current and prior periods, no material transaction was conducted with key management personnel of the Bank and its holding companies, as well as parties related to them.

The compensation of key management personnel is detailed as follows:

Salaries and other short-term employee benefits

	半年結算至 2017年 6月30日 Half-year ended 30 June 2017 港幣百萬元 HK\$m	半年結算至 2016年 6月30日 Half-year ended 30 June 2016 港幣百萬元 HK\$m
	17	17

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

40. 國際債權

40. International claims

以下分析乃參照有關國際銀行業統計之金管局報表的填報指示而編製。國際債權按照交易對手所在地計入風險轉移後以交易對手之最終風險承擔的地區分佈，其總和包括所有貨幣之跨國債權及本地之外幣債權。若債權之擔保人所在地與交易對手所在地不同，則風險將轉移至擔保人之所在地。若債權屬銀行之海外分行，其風險將會轉移至該銀行之總行所在地。

本集團的個別國家或區域其已計及風險轉移後佔國際債權總額 10%或以上之債權如下：

The below analysis is prepared with reference to the completion instructions for the HKMA return of international banking statistics. International claims are exposures to counterparties on which the ultimate risk lies based on the locations of the counterparties after taking into account the transfer of risk, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies. For a claim guaranteed by a party situated in a country different from the counterparty, the risk will be transferred to the country of the guarantor. For a claim on an overseas branch of a bank whose head office is located in another country, the risk will be transferred to the country where its head office is located.

Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate international claims of the Group are shown as follows:

		於 2017 年 6 月 30 日 At 30 June 2017				
		非銀行私人機構 Non-bank private sector				總計 Total
		銀行 Banks	官方機構 Official sector	非銀行 金融機構 Non-bank financial institutions	非金融 私人機構 Non-financial private sector	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中國內地	Mainland of China	313,684	337,488	21,007	130,478	802,657
香港	Hong Kong	7,588	-	15,700	290,638	313,926
日本	Japan	11,966	18,720	4,137	805	35,628

		於 2016 年 12 月 31 日 At 31 December 2016				
		非銀行私人機構 Non-bank private sector				總計 Total
		銀行 Banks	官方機構 Official sector	非銀行 金融機構 Non-bank financial institutions	非金融 私人機構 Non-financial private sector	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中國內地	Mainland of China	312,354	83,060	12,198	122,928	530,540
香港	Hong Kong	3,974	3,516	11,019	260,812	279,321
日本	Japan	24,719	100,055	4,261	256	129,291

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

41. 非銀行的內地風險承擔

41. Non-bank Mainland exposures

對非銀行交易對手的內地相關風險承擔之分析乃參照有關內地業務之金管局報表的填報指示所列之機構類別及直接風險類別分類。此報表僅計及中銀香港之內地風險承擔。

The analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the types of direct exposures with reference to the completion instructions for the HKMA return of Mainland activities, which includes the Mainland exposures extended by BOCHK only.

		於 2017 年 6 月 30 日 At 30 June 2017			
	金管局 報表項目 Items in the HKMA return	資產負債 表內的 風險承擔 On-balance sheet exposure 港幣百萬元 HK\$m	資產負債 表外的 風險承擔 Off-balance sheet exposure 港幣百萬元 HK\$m	總風險承擔 Total exposure 港幣百萬元 HK\$m	
中央政府、中央政府持有的機構、其附屬公司及合資企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	266,573	35,327	301,900
地方政府、地方政府持有的機構、其附屬公司及合資企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	66,250	9,025	75,275
中國籍境內居民或其他在境內註冊的機構、其附屬公司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	52,044	11,927	63,971
不包括在上述第一項中央政府內的其他機構	Other entities of central government not reported in item 1 above	4	28,721	2,213	30,934
不包括在上述第二項地方政府內的其他機構	Other entities of local governments not reported in item 2 above	5	-	-	-
中國籍境外居民或在境外註冊的機構，其用於境內的信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	76,100	12,856	88,956
其他交易對手而其風險承擔被視為非銀行的內地風險承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	2,314	423	2,737
總計	Total	8	492,002	71,771	563,773
扣減準備金後的資產總額	Total assets after provision	9	2,466,867		
資產負債表內的風險承擔佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	19.94%		

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

41. 非銀行的內地風險承擔 (續) 41. Non-bank Mainland exposures (continued)

		於 2016 年 12 月 31 日 At 31 December 2016			
金管局 報表項目 Items in the HKMA return		資產負債 表內的 風險承擔 On-balance sheet exposure	資產負債 表外的 風險承擔 Off-balance sheet exposure	總風險承擔 Total exposure	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
中央政府、中央政府持有的 機構、其附屬公司及合資 企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	244,390	47,256	291,646
地方政府、地方政府持有的 機構、其附屬公司及合資 企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	63,248	9,953	73,201
中國籍境內居民或其他在境 內註冊的機構、其附屬公 司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	47,626	11,285	58,911
不包括在上述第一項中央政 府內的其他機構	Other entities of central government not reported in item 1 above	4	26,603	1,809	28,412
不包括在上述第二項地方政 府內的其他機構	Other entities of local governments not reported in item 2 above	5	-	-	-
中國籍境外居民或在境外註 冊的機構，其用於境內的 信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	58,167	11,541	69,708
其他交易對手而其風險承擔 被視為非銀行的內地風險 承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	3,654	199	3,853
總計	Total	8	<u>443,688</u>	<u>82,043</u>	<u>525,731</u>
扣減準備金後的資產總額	Total assets after provision	9	<u>2,122,272</u>		
資產負債表內的風險承擔 佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	<u>20.91%</u>		

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

42. 合併會計之應用

42. Application of merger accounting

於 2017 年 1 月 9 日，中銀香港以港幣 29.96 億元現金之總交易對價向中國銀行收購中銀泰國之全部已發行股本（其中 0.01% 股本透過收購 14 間於英屬維爾京群島註冊成立的特殊目的公司而持有）。在此合併前及合併後，中銀泰國與中銀香港均共同受到中國銀行之控制。本集團根據香港會計師公會頒佈的會計指引第 5 號「共同控制合併之合併會計處理」，採用合併會計處理以編製財務報表。比較數據已相應重新列示，將合併假設中銀泰國之業務乃一直由本集團經營。

On 9 January 2017, BOCHK acquired the entire issued share capital of BOC Thailand from BOC (0.01% of which was owned through the acquisition of the 14 special purpose vehicle companies incorporated in the British Virgin Islands) for a total consideration of HK\$2,996 million in cash. BOC Thailand and BOCHK are both under the common control of BOC before and after the combination. The Group has applied the merger accounting method in accordance with the Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the HKICPA in the preparation of financial statements. The comparative amounts have been restated accordingly as if the business of BOC Thailand had always been carried out by the Group.

於 2017 年 6 月 30 日及 2016 年 12 月 31 日之綜合資本調整表如下：

The statements of the adjustments to the consolidated equity as at 30 June 2017 and 31 December 2016 are as follows:

		於 2017 年 6 月 30 日 At 30 June 2017			
	合併前 Before combination	受共同控制 之實體 Entity under common control	調整 Adjustment	合併後 After combination	
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	
股本	Share capital	43,043	2,384	(2,384)	43,043
合併儲備	Merger reserve	-	-	(612)	(612)
留存盈利及其他 儲備	Retained earnings and other reserves	182,133	(75)	-	182,058
		225,176	2,309	(2,996)	224,489
非控制權益	Non-controlling interests	244	-	-	244
		225,420	2,309	(2,996)	224,733
		於 2016 年 12 月 31 日 At 31 December 2016			
	合併前 Before combination	受共同控制 之實體 Entity under common control	調整 Adjustment	合併後 After combination	
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	
股本	Share capital	43,043	2,384	(2,384)	43,043
合併儲備	Merger reserve	-	-	2,384	2,384
留存盈利及其他 儲備	Retained earnings and other reserves	171,544	(210)	-	171,334
		214,587	2,174	-	216,761
非控制權益	Non-controlling interests	2,280	-	-	2,280
		216,867	2,174	-	219,041

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

43. 比較數據

43. Comparative amounts

如附註 31 所述，出售集友於 2016 年下半年內被界定為已終止經營業務。與已終止經營業務有關的比較數據已根據香港財務報告準則第 5 號「待出售非流動資產及已終止經營業務」於簡要綜合收益表及相關附註重新列示。

As explained in Note 31, the disposal of Chiyu was classified as a discontinued operation in the second half of 2016. Comparative amounts relating to the discontinued operation have been restated in the condensed consolidated income statement and relevant notes in accordance with HKFRS 5, "Non-current Assets Held for Sale and Discontinued Operations".

就 2016 年 10 月 17 日向中國銀行收購中銀馬來西亞事，本集團就受共同控制的業務合併採用合併會計處理。簡要綜合收益表及相關附註之比較數據已重新列示，將合併假設中銀馬來西亞之業務乃一直由本集團經營。

In respect of the acquisition of BOC Malaysia from BOC on 17 October 2016, the Group has applied merger accounting method for the business combination under common control. Comparative amounts in the condensed consolidated income statement and relevant notes have been restated as if the business of BOC Malaysia had always been carried out by the Group.

就 2017 年 1 月 9 日向中國銀行收購中銀泰國事，如附註 42 所述，本集團就受共同控制的業務合併採用合併會計處理。中期財務資料之比較數據已重新列示，將合併假設中銀泰國之業務乃一直由本集團經營。

In respect of the acquisition of BOC Thailand from BOC on 9 January 2017, as explained in Note 42, the Group has applied merger accounting method for the business combination under common control. Comparative amounts in the interim financial information have been restated as if the business of BOC Thailand had always been carried out by the Group.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

44. 期後事項

44. Events after the balance sheet date

中銀香港與中國銀行簽訂的印度尼西亞資產收購協議項下的所有先決條件已獲得滿足，且印度尼西亞業務收購的交割已於 2017 年 7 月 10 日根據印度尼西亞資產收購協議的條款和條件進行。交割後，中國銀行雅加達分行（及其八間支行）的母行已從中國銀行變為中銀香港，而與印度尼西亞業務有關的所有資產及負債已根據印度尼西亞資產收購協議轉讓予中銀香港並由其承擔。

All the conditions precedent set out in the Indonesia Asset Purchase Agreement entered into between BOCHK and BOC were satisfied and completion of the acquisition of the Indonesia Business took place on 10 July 2017 in accordance with the terms and conditions of the Indonesia Asset Purchase Agreement. Upon completion, the Head Office of Bank of China Limited, Jakarta Branch (and its eight sub-branches) was changed from BOC to BOCHK and all the assets and liabilities arising in connection with the Indonesia Business were transferred to and assumed by BOCHK in accordance with the Indonesia Asset Purchase Agreement.

45. 符合香港會計準則第 34 號

45. Compliance with HKAS 34

截至 2017 年上半年止的未經審計中期財務資料符合香港會計師公會所頒佈之香港會計準則第 34 號「中期財務報告」之要求。

The unaudited interim financial information for the first half of 2017 complies with HKAS 34 “Interim Financial Reporting” issued by the HKICPA.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

46. 法定賬目

46. Statutory accounts

被納入本中期業績報告作為比較信息的截至 2016 年 12 月 31 日止年度有關的財務信息，雖然來源於本銀行的法定年度綜合財務報表，但不構成本銀行的法定年度綜合財務報表。按照香港《公司條例》第 436 條要求需就這些法定財務報表披露更多有關的信息如下：

本銀行已按照香港《公司條例》第 662(3)條及附表 6 第 3 部的要求送呈截至 2016 年 12 月 31 日止年度的財務報表予公司註冊處。

本銀行的核數師已就該財務報表發出核數師報告。該核數師報告為無保留意見的核數師報告；其中不包含核數師在不發出保留意見的情況下以強調的方式提請使用者注意的任何事項；亦不包含根據香港《公司條例》第 406(2)、407(2)或(3)條作出的聲明。

The financial information relating to the year ended 31 December 2016 that is included in this Interim Report as comparative information does not constitute the Bank's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Bank has delivered the financial statements for the year ended 31 December 2016 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Bank's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

其他資料

1. 符合《銀行業（披露）規則》

本未經審計之中期業績報告符合《銀行業條例》項下《銀行業（披露）規則》之有關要求。

Additional Information

1. Compliance with the Banking (Disclosure) Rules

This unaudited Interim Report complies with the applicable requirements set out in the Banking (Disclosure) Rules under the Banking Ordinance.

2. 監管披露

根據《銀行業（披露）規則》編製的 2017 年 6 月 30 日監管披露，可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。有關詳情如下：

2. Regulatory Disclosures

The Regulatory Disclosures 30 June 2017, prepared in accordance with the Banking (Disclosure) Rules, is available under section “Regulatory Disclosures” on BOCHK’s website at www.bochk.com. The details are as follows:

監管披露	Regulatory Disclosures	頁數 Page
1. 主要比率	Key ratio	1
2. 風險加權數額概覽	Overview of RWA	
OV1: 風險加權數額概覽	OV1: Overview of RWA	2
3. 非證券化類別風險承擔的信用風險	Credit risk for non-securitization exposures	
CR1: 風險承擔的信用質素	CR1: Credit quality of exposures	3
CR2: 違責貸款及債務證券的改變	CR2: Changes in defaulted loans and debt securities	3
CR3: 認可減低信用風險措施概覽	CR3: Overview of recognized credit risk mitigation	3
CR4: 信用風險承擔及認可減低信用風險措施的影響 – STC 計算法	CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach	4
CR5: 按資產類別和按風險權重劃分的信用風險承擔 – STC 計算法	CR5: Credit risk exposures by asset classes and by risk weights – for STC approach	5
CR6: 按組合及違責或然率等級劃分的信用風險承擔 – IRB 計算法	CR6: Credit risk exposures by portfolio and PD ranges – for IRB approach	6
CR7: 使用認可信用衍生工具合約作為認可減低信用風險措施對風險加權數額的影響 – IRB 計算法	CR7: Effects on RWA of recognized credit derivative contracts used as recognized credit risk mitigation – for IRB approach	14
CR8: 在 IRB 計算法下信用風險承擔的風險加權數額流動表	CR8: RWA flow statements of credit risk exposures under IRB approach	15
CR10: 在監管分類準則計算法下的專門性借貸及在簡單風險權重方法下的股權 – IRB 計算法	CR10: Specialized lending under supervisory slotting criteria approach and equities under simple risk-weight method – for IRB approach	15

其他資料 (續)

Additional Information (continued)

2. 監管披露 (續)

2. Regulatory Disclosures (continued)

監管披露	Regulatory Disclosures	頁數 Page
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CCR1: 按計算法劃分的對手方違責風險的風險承擔 (對中央交易對手方的風險承擔除外) 分析	CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches	15
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CCR3: 按資產類別和按風險權重劃分的對手方違責風險的風險承擔 (對中央交易對手方的風險承擔除外) – STC 計算法	CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights - for STC approach	16
CCR4: 按組合及違責或然率等級劃分的對手方違責風險的風險承擔 (對中央交易對手方的風險承擔除外) – IRB 計算法	CCR4: Counterparty default risk exposures (other than those to CCPs) by portfolio and PD range – for IRB approach	17
CCR5: 作為對手方違責風險的風險承擔 (包括經中央交易對手方結算的合約或交易者) 的抵押品組成	CCR5: Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)	18
CCR6: 信用相關衍生工具合約	CCR6: Credit-related derivatives contracts	18
CCR7: 在 IMM(CCR) 計算法下違責風險的風險承擔的風險加權數額流動表	CCR7: RWA flow statements of default risk exposures under IMM(CCR) approach	18
CCR8: 對中央交易對手方的風險承擔	CCR8: Exposures to CCPs	19
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SEC2: 交易帳內的證券化類別風險承擔	SEC2: Securitization exposures in trading book	20
SEC3: 銀行帳內的證券化類別風險承擔及相關資本規定 – 當認可機構作為發起人	SEC3: Securitization exposures in banking book and associated capital requirements – where AI acts as originator	20
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MR1: 在 STM 計算法下的市場風險	MR1: Market risk under STM approach	22
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其他資料 (續)

Additional Information (continued)

2. 監管披露 (續)

2. Regulatory Disclosures (continued)

監管披露	Regulatory Disclosures	頁數 Page
7. 資本披露	Capital disclosures	
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獨立審閱報告



安永會計師事務所
香港中環添美道1號
中信大廈22樓

中期財務資料的審閱報告 致中國銀行(香港)有限公司董事會 (於香港註冊成立的有限公司)

引言

本核數師(以下簡稱「我們」)已審閱列載於第 57 至 176 頁的中期財務資料,此中期財務資料包括中國銀行(香港)有限公司(「貴銀行」)及其子公司(合稱「貴集團」)於 2017 年 6 月 30 日的簡要綜合資產負債表與截至該日止 6 個月期間的相關簡要綜合收益表、簡要綜合全面收益表、簡要綜合權益變動表和簡要綜合現金流量表,以及其他附註解釋。貴銀行董事須負責根據香港會計師公會頒佈的香港會計準則第 34 號「中期財務報告」(「香港會計準則第 34 號」)編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論。我們按照委聘之條款僅向整體董事會報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第 2410 號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢,及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審計的範圍為小,故不能令我們可保證我們將知悉在審計中可能被發現的所有重大事項。因此,我們不會發表審計意見。

結論

按照我們的審閱,我們並無發現任何事項,令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號編製。



安永會計師事務所
執業會計師
香港, 2017 年 8 月 30 日

Independent Review Report



Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

Report on review of interim financial information
To the board of directors of Bank of China (Hong Kong) Limited
(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 57 to 176, which comprises the condensed consolidated balance sheet of Bank of China (Hong Kong) Limited (the “Bank”) and its subsidiaries (together, the “Group”) as at 30 June 2017 and the related condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six-month period then ended, and other explanatory notes. The directors of the Bank are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.



Ernst & Young
Certified Public Accountants
Hong Kong, 30 August 2017

附錄

Appendix

本銀行之附屬公司

Subsidiaries of the Bank

附屬公司的具體情況如下：

The particulars of subsidiaries are as follows:

名稱 Name	註冊／營業 地點及日期 Place and date of incorporation/ operation	已發行股本／ 註冊資本 Issued share capital/ registered capital	持有權益 Interest held	主要業務 Principal activities
中銀信用卡(國際)有限公司 BOC Credit Card (International) Limited	香港 1980年9月9日 Hong Kong 9 September 1980	普通股份 480,000,000 港元 Ordinary shares HK\$480,000,000	100.00%	信用卡服務 Credit card services
中銀集團信託人有限公司 BOC Group Trustee Company Limited	香港 1997年12月1日 Hong Kong 1 December 1997	普通股份 200,000,000 港元 Ordinary shares HK\$200,000,000	66.00%	信託服務 Trustee services
中銀國際英國保誠信託有限公司 BOCI-Prudential Trustee Limited	香港 1999年10月11日 Hong Kong 11 October 1999	普通股份 300,000,000 港元 Ordinary shares HK\$300,000,000	42.24%*	信託服務 Trustee services
馬來西亞中國銀行 Bank of China (Malaysia) Berhad	馬來西亞 2000年4月14日 Malaysia 14 April 2000	普通股份 760,518,480 馬來西亞林吉特 Ordinary shares RM760,518,480	100.00%	銀行業務 Banking business
China Bridge (Malaysia) Sdn. Bhd.	馬來西亞 2009年4月24日 Malaysia 24 April 2009	普通股份 1,000,000 馬來西亞林吉特 Ordinary shares RM1,000,000	100.00%	受理中國簽證 China visa application
中國銀行(泰國)股份有限公司 ¹ Bank of China (Thai) Public Company Limited ¹	泰國 2014年4月1日 Thailand 1 April 2014	普通股份 10,000,000,000 泰幣 Ordinary shares Baht10,000,000,000	100.00%	銀行業務 Banking business
中國銀行(香港)代理人有限公司 Bank of China (Hong Kong) Nominees Limited	香港 1985年10月1日 Hong Kong 1 October 1985	普通股份 2 港元 Ordinary shares HK\$2	100.00%	代理人服務 Nominee services
中國銀行(香港)信託有限公司 Bank of China (Hong Kong) Trustees Limited	香港 1987年11月6日 Hong Kong 6 November 1987	普通股份 3,000,000 港元 Ordinary shares HK\$3,000,000	100.00%	信託及代理服務 Trustee and agency services
中銀香港金融產品(開曼)有限公司 BOCHK Financial Products (Cayman) Ltd.	開曼群島 2006年11月10日 Cayman Islands 10 November 2006	普通股份 50,000 美元 Ordinary shares US\$50,000	100.00%	發行結構性票據 Issuing structured notes
中銀信息科技(深圳)有限公司 BOCHK Information Technology (Shenzhen) Co., Ltd.	中國 1990年4月16日 PRC 16 April 1990	註冊資本 70,000,000 港元 Registered capital HK\$70,000,000	100.00%	物業持有及 物業投資 Property holding and investment

附錄 (續)

Appendix (continued)

本銀行之附屬公司 (續) Subsidiaries of the Bank (continued)

名稱 Name	註冊/營業 地點及日期 Place and date of incorporation/ operation	已發行股本/ 註冊資本 Issued share capital/ registered capital	持有權益 Interest held	主要業務 Principal activities
中銀信息技術服務(深圳)有限公司 BOCHK Information Technology Services (Shenzhen) Co., Ltd.	中國 1993年5月26日 PRC 26 May 1993	註冊資本 40,000,000 港元 Registered capital HK\$40,000,000	100.00%	信息技術服務 Information technology services
浙興(代理人)有限公司 Che Hsing (Nominees) Limited	香港 1980年4月23日 Hong Kong 23 April 1980	普通股份 10,000 港元 Ordinary shares HK\$10,000	100.00%	代理人服務 Nominee services
寶生金融投資服務有限公司 Po Sang Financial Investment Services Company Limited	香港 1980年9月23日 Hong Kong 23 September 1980	普通股份 335,000,000 港元 Ordinary shares HK\$335,000,000	100.00%	黃金買賣及 投資控股 Gold trading and investment holding
寶生證券及期貨有限公司 Po Sang Securities and Futures Limited	香港 1993年10月19日 Hong Kong 19 October 1993	普通股份 335,000,000 港元 Ordinary shares HK\$335,000,000	100.00%	證券及期貨業務 Securities and futures brokerage
新僑企業有限公司 Sin Chiao Enterprises Corporation, Limited	香港 1961年9月13日 Hong Kong 13 September 1961	普通股份 3,000,000 港元 Ordinary shares HK\$3,000,000	100.00%	物業持有及 物業投資 Property holding and investment
新華信託有限公司 Sin Hua Trustee Limited	香港 1978年10月27日 Hong Kong 27 October 1978	普通股份 3,000,000 港元 Ordinary shares HK\$3,000,000	100.00%	信託服務 Trustee services
Billion Express Development Inc. ¹	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Billion Orient Holdings Ltd. ¹	英屬維爾京群島 2014年2月3日 British Virgin Islands 3 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Elite Bond Investments Ltd. ¹	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Express Capital Enterprise Inc. ¹	英屬維爾京群島 2014年2月3日 British Virgin Islands 3 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Express Charm Holdings Corp. ¹	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding

附錄 (續)

Appendix (continued)

本銀行之附屬公司 (續) Subsidiaries of the Bank (continued)

名稱 Name	註冊/營業 地點及日期 Place and date of incorporation/ operation	已發行股本/ 註冊資本 Issued share capital/ registered capital	持有權益 Interest held	主要業務 Principal activities
Express Shine Assets Holdings Corp. ¹	英屬維爾京群島 2014年1月3日 British Virgin Islands 3 January 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Express Talent Investment Ltd. ¹	英屬維爾京群島 2014年2月13日 British Virgin Islands 13 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Gold Medal Capital Inc. ¹	英屬維爾京群島 2014年1月3日 British Virgin Islands 3 January 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Gold Tap Enterprises Inc. ¹	英屬維爾京群島 2014年2月13日 British Virgin Islands 13 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Maxi Success Holdings Ltd. ¹	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Smart Linkage Holdings Inc. ¹	英屬維爾京群島 2014年2月13日 British Virgin Islands 13 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Smart Union Capital Investments Ltd. ¹	英屬維爾京群島 2014年1月3日 British Virgin Islands 3 January 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Success Trend Development Ltd. ¹	英屬維爾京群島 2014年2月18日 British Virgin Islands 18 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding
Wise Key Enterprises Corp. ¹	英屬維爾京群島 2014年2月18日 British Virgin Islands 18 February 2014	普通股份 1 美元 Ordinary shares US\$1	100.00%	投資控股 Investment holding

* 中銀國際英國保誠信託有限公司為本銀行屬下一家非全資附屬公司的附屬公司，憑藉本銀行對該公司的控制權，該公司被視為本銀行的附屬公司。

* BOCI-Prudential Trustee Limited is a subsidiary of a non-wholly-owned subsidiary of the Bank and, accordingly, is accounted for as a subsidiary by virtue of the Bank's control over it.

附錄 (續)

Appendix (continued)

本銀行之附屬公司 (續)

Subsidiaries of the Bank (continued)

註 1：中國銀行(泰國)股份有限公司及 14 間特殊目的公司的收購已於 2017 年 1 月 9 日完成交割。

Note 1: The acquisition of Bank of China (Thai) Public Company Limited and the 14 special purpose vehicle companies was completed on 9 January 2017.

中訊資訊服務有限公司已於 2017 年 2 月 14 日正式解散。

Sino Information Services Company Limited was dissolved on 14 February 2017.

集友銀行有限公司、集友銀行(代理人)有限公司、欣澤有限公司及誠信置業有限公司的出售已於 2017 年 3 月 27 日完成交割。

The disposal of Chiyu Banking Corporation Limited, Chiyu Banking Corporation (Nominees) Limited, Grace Charter Limited and Seng Sun Development Company, Limited was completed on 27 March 2017.

釋義

在本中期業績報告中，除非文義另有所指，否則下列詞彙具有以下涵義：

詞彙	涵義
「中國銀行」	中國銀行股份有限公司，一家根據中國法例成立之商業銀行及股份制有限責任公司，其 H 股及 A 股股份分別於香港聯交所及上海證券交易所掛牌上市
「中銀香港」或「本銀行」	中國銀行（香港）有限公司，根據香港法例註冊成立之公司，並為中銀香港（控股）有限公司之全資附屬公司
「中銀馬來西亞」	馬來西亞中國銀行，為中銀香港之全資附屬公司
「中銀泰國」	中國銀行（泰國）股份有限公司，為中銀香港之全資附屬公司
「董事會」	本銀行的董事會
「中投」	中國投資有限責任公司
「匯金」	中央匯金投資有限責任公司
「集友」	集友銀行有限公司，根據香港法例註冊成立之公司
「金管局」	香港金融管理局
「香港」	香港特別行政區
「強積金」	強制性公積金
「內地」或「中國內地」	中華人民共和國內地
「南商」	南洋商業銀行有限公司，根據香港法例註冊成立之公司
「中國」	中華人民共和國
「人民幣」	人民幣，中國法定貨幣
「標準普爾」	標準普爾評級服務
「本集團」	本銀行及其附屬公司
「風險值」	風險持倉涉險值

Definitions

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

Terms	Meanings
"ABS"	Asset-backed Securities
"ALCO"	the Asset and Liability Management Committee
"AT1"	Additional Tier 1
"BOC"	Bank of China Limited, a joint stock commercial bank with limited liability established under the laws of the PRC, the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
"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 BOC Hong Kong (Holdings) Limited
"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
"BOC Malaysia"	Bank of China (Malaysia) Berhad, a wholly-owned subsidiary of BOCHK
"BOC Thailand"	Bank of China (Thai) Public Company Limited, a wholly-owned subsidiary of BOCHK
"Board" or "Board of Directors"	the Board of Directors of the Bank
"CE"	Chief Executive
"CET1"	Common Equity Tier 1
"CFO"	Chief Financial Officer
"CIC"	China Investment Corporation
"CRO"	Chief Risk Officer
"CVA"	Credit Valuation Adjustment
"Central Huijin"	Central Huijin Investment Ltd.
"Chiyu"	Chiyu Banking Corporation Limited, a company incorporated under the laws of Hong Kong
"DCE"	Deputy Chief Executive
"DVA"	Debit Valuation Adjustment
"EV"	Economic Value Sensitivity Ratio
"FCC"	the Financial Crime Compliance Department
"FIRB"	Foundation Internal Ratings-based
"HKAS"	Hong Kong Accounting Standard

Definitions (continued)

Terms	Meanings
"HKFRS"	Hong Kong Financial Reporting Standard
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"HKMA"	Hong Kong Monetary Authority
"Hong Kong" or "Hong Kong SAR"	Hong Kong Special Administrative Region
"ICAAP"	Internal Capital Adequacy Assessment Process
"IMM"	Internal Models
"IRB"	Internal Ratings-based
"IT"	Information Technology
"LCO"	the Legal & Compliance and Operational Risk Management Department
"LCR"	Liquidity Coverage Ratio
"MBS"	Mortgage-backed Securities
"MC"	the Management Committee
"MPF"	Mandatory Provident Fund
"Mainland" or "Mainland of China"	the mainland of the PRC
"NCB"	Nanyang Commercial Bank, Limited, a company incorporated under the laws of Hong Kong
"OTC"	Over-the-counter
"PD"	Probability of Default
"PRC"	the People's Republic of China
"PVBP"	Price Value of a Basis Point
"RMC"	the Risk Committee
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"RMD"	the Risk Management Department
"RWA"	Risk-weighted Assets
"SME"	Small and Medium-sized Enterprise

Definitions (continued)

Terms	Meanings
"STC"	Standardised (Credit Risk)
"STM"	Standardised (Market Risk)
"STO"	Standardised (Operational Risk)
"Standard & Poor's"	Standard & Poor's Ratings Services
"the Group"	the Bank and its subsidiaries collectively referred as the Group
"US"	the United States of America
"VAR"	Value at Risk

