



中信嘉華銀行
CITIC
KA WAH
BANK

整合資源 · 穩中求進

Stability and Growth

二零零八年年報 ANNUAL REPORT 2008



中國匠心獨運、巧奪天工的傳統剪紙藝術，蘊含著非凡創意、細膩規劃、專業技術及精密手藝等多種特質，這正是與中信嘉華銀行經營理念支柱的共通點。我們的穩健建基於源遠流長、根深蒂固的業務基礎以及矢志不渝的企業精神，令我們可抓緊難得機遇及克服各種挑戰之餘，不斷發揮潛力，推動增長。

穩固的根基加上中國中信集團公司及西班牙對外銀行兩大股東堅定不移的支持－前者為中國領先金融和實業綜合集團，後者為達世界級水平的西班牙領先銀行－賦予中信嘉華銀行「薈萃中西」的能力，在商業資源與管理手法方面融合各方所長，盡握中國和亞洲地區的未來商機，實現成為客戶「首選中資銀行」的遠景。

Delivering excellence with precision for all to behold, the art of Chinese traditional paper cutting epitomises creative vision, scrupulous planning, professional craftsmanship and meticulous execution. These same qualities serve as the pillars of CITIC Ka Wah Bank's philosophy. Our stability is built on a long history of stalwart foundation that helps us navigate through extraordinary opportunities and challenges, and on our ingrained entrepreneurial spirit that fuels potential and kindles growth.

With our fundamentals solidly grounded, and coupled with the staunch shareholder support from CITIC Group, China's leading financial and industrial conglomerate, and Banco Bilbao Vizcaya Argentaria, S.A., a leading Spanish bank with world-class standards, CITIC Ka Wah Bank will harness the "Best of the East and the West" in business resources and management disciplines to seize opportunities in China and Asia and to realise its vision to become the China Bank of Choice for its customers.

1 企業背景
Corporate Profile

4 財務概況
Financial Performance

8 二零零八年大事回顧
2008 Milestones

12 行政總裁報告
Report Of The Chief Executive Officer

34 業務回顧
Review Of Operations

66 董事及高級行政人員簡介
Biographies Of Directors And Senior Executives

75 企業資料
Corporate Information

76 財務報告
Financial Section

中信嘉華銀行有限公司

CITIC Ka Wah Bank Limited

中信嘉華銀行有限公司(「中信嘉華」或「本行」)為中信國際金融控股有限公司(「中信國金」)的全資附屬公司，北京的中國中信集團公司及西班牙對外銀行分別持有中信國金約 70% 及 30% 的權益。

本行期望透過為大中華及海外客戶提供方案，創造價值，將財富管理和國際商業服務提升到超越客戶期望的嶄新水準，成為擁有最高國際水準及實力的客戶「首選中資銀行」。

本行網路遍佈大中華，包括香港的二十七間分行、澳門分行、上海分行以及於內地註冊的中信嘉華銀行(中國)有限公司(「中信嘉華(中國)」)；中信嘉華(中國)由本行全資擁有，總部位於深圳，分行位於上海及北京。此外，本行並於紐約及洛杉磯設有海外分行。穆迪投資給予本行「Baa2」的信貸評級，而惠譽國際則評為「BBB+」。本行於二零零七年獲香港管理專業協會頒發優質管理銀獎，肯定其在優質企業管理上的卓越成就。

CITIC Ka Wah Bank Limited ("CKWB" or the "Bank") is a wholly-owned subsidiary of CITIC International Financial Holdings Limited, which in turn is approximately 70%-owned by CITIC Group in Beijing and 30%-owned by Banco Bilbao Vizcaya Argentaria, S.A. of Spain.

By providing value-creating financial solutions to define and exceed both the wealth management and international business objectives of our Greater China and overseas customers, the Bank aspires to be the "China Bank of Choice", with the best international standards and capabilities.

The Bank's footprint in Greater China includes 27 branches in Hong Kong, a branch in Macau, a branch in Shanghai and its PRC-incorporated wholly-owned subsidiary, CITIC Ka Wah Bank (China) Limited, which is headquartered in Shenzhen with branches in Shanghai and Beijing. The Bank also has overseas branches in New York and Los Angeles. The Bank is rated "Baa2" by Moody's Investors Service and "BBB+" by FITCH. In recognition of its outstanding achievement in Quality Management, the Bank received the Silver Award in the 2007 Hong Kong Management Association Quality Award.



穩健發展 Stability & Development

我們堅守信念，銳意打造超卓的中信金融服務品牌。穩健的業務根基令我們時刻處於優越位置，迎接市場的機遇與轉變。位於珠三角這個中國經濟重地及亞洲經濟中心的策略性據點，本行已為未來持續增長和發展作好準備。

Steadfast and determined to establish pre-eminence for the CITIC financial services brand, the stability of our business fundamentals positions us at a vantage point in times of opportunities and changes. Strategically located in the Pearl River Delta region where China's economic ascendancy and Asia's centre of economic power coalesces, the Bank is primed for sustained growth and development.

財務概況

Financial Performance

二零零八年財務摘要

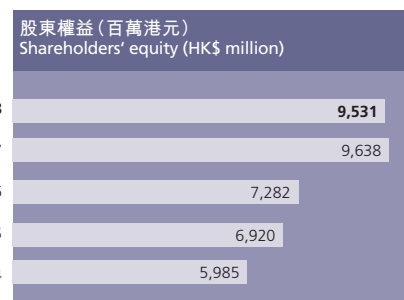
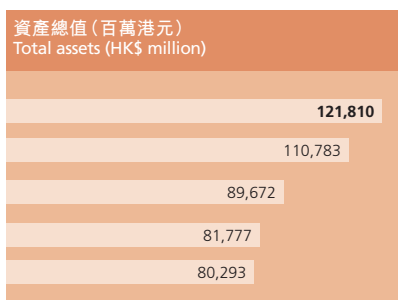
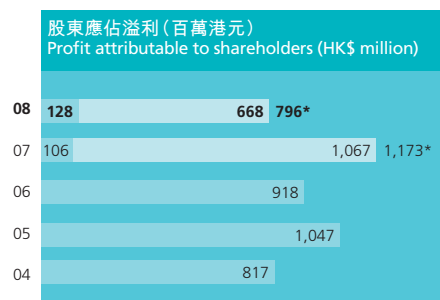
2008 Financial Highlights

全年(百萬港元)	For the year (In HK\$ million)	2008	2007	%變動 % change
淨利息收入	Net interest income	1,546	1,400	+10.4
非利息收入／(虧損)	Non-interest income / (loss)	256*	(98)*	不適用 N/A
經營支出	Operating expenses	1,325	1,179	+12.4
貸款及墊款減值虧損	Impairment losses on loans and advances	(383)	(72)	+428.7
稅前溢利	Profit before taxation	164	106	+54.5
所得稅	Income tax	36	(0.04)	不適用 N/A
股東應佔溢利	Profit attributable to shareholders	128	106	+20.6
股東應佔溢利(撇除基金投資 收入及結構性投資工具的影響)	Profit attributable to shareholders (excluding fund investment income and impact of structured investment vehicles ("SIVs"))	796	1,173	-32.1
* 包括 7.18 億港元結構性投資工具的 淨虧損及撇值 (2007 : 13.11 億港元)		* Including net loss and write-down on SIVs of HK\$718 million (2007: HK\$1,311 million)		
於年結日(百萬港元)	At year end (In HK\$ million)	2008	2007	%變動 % change
貸款及墊款	Loans and advances	74,231	67,357	+10.2
資產總值	Total assets	121,810	110,783	+10.0
存款總額	Total deposits	99,454	90,881	+9.4
股東權益	Shareholders' equity	9,531	9,638	-1.1
財務比率	Financial ratios	2008	2007	
資本充足比率	Capital adequacy	14.7%	15.8%	
全年平均流動資金比率	Average liquidity	37.0%	40.8%	
貸存比率	Loans to deposits	74.6%	74.1%	
成本對收入比率	Cost to income	73.6%	90.6%	
成本對收入比率 (撇除結構性投資工具的影響)	Cost to income (excluding SIVs impact)	52.6%	45.1%	

五年財務概況

Five Year Financial Summary

全年結算(百萬港元)	For the year (In HK\$ million)	2008	2007	2006	2005	重報 Restated 2004
淨利息收入	Net interest income	1,546	1,400	1,061	1,101	1,456
非利息收入／(虧損)	Non-interest income/(loss)	256*	(98)*	1,153	799	601
經營支出	Operating expenses	1,325	1,179	1,094	1,049	1,012
貸款及墊款減值虧損 (準備)／回撥	Impairment losses (charged for)/ written back on loans and advances	(383)	(72)	(54)	83	不適用 N/A
呆壞賬準備	Charge for bad and doubtful debts	不適用 N/A	不適用 N/A	不適用 N/A	不適用 N/A	101
稅前溢利	Profit before taxation	164	106	1,109	1,149	969
所得稅	Income tax	(36)	(0.04)	191	102	152
股東應佔溢利	Profit attributable to shareholders	128	106	918	1,047	817
股東應佔溢利(撇除基金投資 收入及結構性投資工具的影響)	Profit attributable to shareholders (excluding fund investment income and SIVs impact)	796	1,173	800	994	727
* 包括 7.18 億港元結構性投資工具的 淨虧損及撇值 (2007 : 13.11 億港元)		* Including net loss and write-down on SIVs of HK\$718 million (2007: HK\$1,311 million)				
於年結日(百萬港元)	At year end (In HK\$ million)	2008	2007	2006	2005	重報 Restated 2004
貸款及墊款	Loans and advances	74,231	67,357	51,177	42,952	42,297
減值撥備	Impairment allowance	485	294	330	409	不適用 N/A
貸款虧損準備	Loan loss provision	不適用 N/A	不適用 N/A	不適用 N/A	不適用 N/A	903
資產總值	Total assets	121,810	110,783	89,672	81,777	80,293
平均利息收益資產總值	Average interest earnings assets	103,461	90,589	72,281	69,722	69,559
存款總額	Total deposits	99,454	90,881	73,223	62,255	62,609
股東權益	Shareholders' equity	9,531	9,638	7,282	6,920	5,985
財務比率	Financial ratios	2008	2007	2006	2005	重報 Restated 2004
資本充足比率	Capital adequacy	14.7%	15.8%	16.8%	16.4%	16.5%
全年平均流動資金比率	Average liquidity	37.0%	40.8%	40.4%	51.1%	47.9%
貸存比率	Loans to deposits	74.6%	74.1%	69.9%	69.0%	67.6%
貸款對資產總值比率	Loans to total assets	60.9%	60.8%	57.1%	52.5%	52.7%
一般準備覆蓋比率	General provision coverage	不適用 N/A	不適用 N/A	不適用 N/A	不適用 N/A	1.2%
綜合評估覆蓋比率	Collective assessment coverage	0.3%	0.3%	0.5%	0.7%	不適用 N/A
成本對收入比率	Cost to income	73.6%	90.6%	49.4%	55.2%	49.2%
成本對收入比率 (撇除結構性投資工具的影響)	Cost to income (excluding SIVs impact)	52.6%	45.1%	49.4%	55.2%	49.2%
資產回報率	Return on assets	0.1%	0.1%	1.1%	1.3%	1.0%
資產回報率 (撇除結構性投資工具的影響)	Return on assets (excluding SIVs impact)	0.7%	1.2%	1.1%	1.3%	1.0%
股東權益回報率	Return on shareholders' equity	1.3%	1.3%	12.9%	16.2%	15.0%
股東權益回報率 (撇除結構性投資工具的影響)	Return on shareholders' equity (excluding SIVs impact)	7.1%	14.8%	12.9%	16.2%	15.0%



* 撇除基金投資收入及結構性投資工具的影響
* Excluding fund investment income and SIVs impact

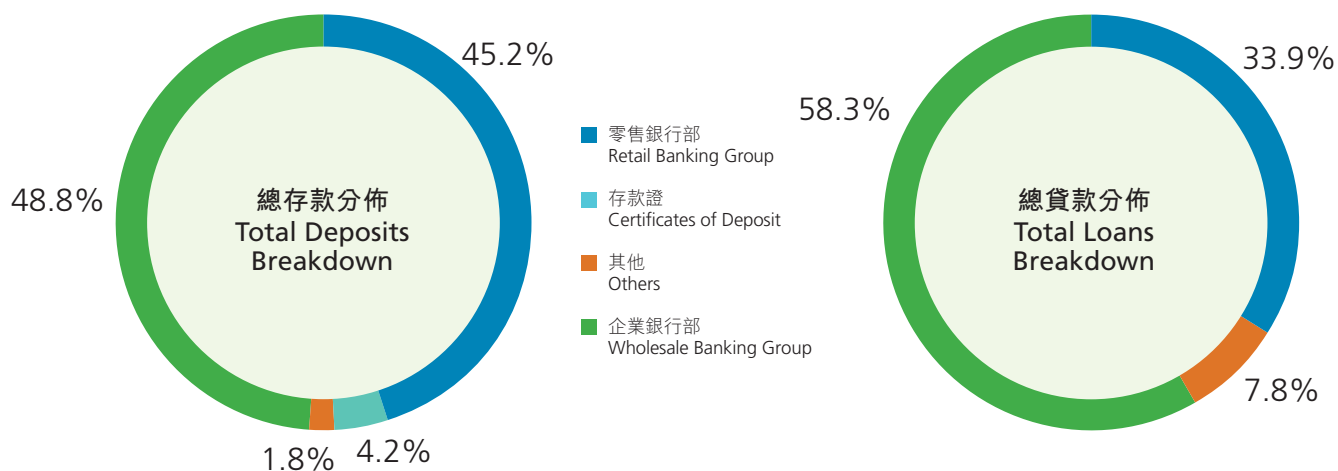
存款*

Deposits*

1. 按類別劃分	By type	2008	2007
往來	Current	8.2%	8.2%
儲蓄	Savings	14.0%	13.9%
定期	Fixed	77.8%	77.9%
合計	Total	100.0%	100.0%
2. 按到期日劃分	By maturity	2008	2007
即時償還	On demand	22.3%	22.1%
少於 3 個月	Less than 3 months	66.5%	74.5%
超過 3 個月但不足 1 年	Over 3 months but less than 1 year	10.5%	2.7%
超過 1 年但不足 5 年	Over 1 year but less than 5 years	0.7%	0.7%
合計	Total	100.0%	100.0%
3. 按貨幣劃分	By currency	2008	2007
港元	HKD	53.7%	59.4%
美元	USD	38.9%	31.9%
其他	Others	7.4%	8.7%
合計	Total	100.0%	100.0%
4. 存款賬目數目	Number of deposit accounts	2008	2007
		260,015	251,757

* 以客戶存款為基礎

* Based on customer deposits only



貸款#

Loan Portfolio#

1. 按行業劃分	By industry sectors	2008	2007
用於香港的貸款	Loans and advances for use in Hong Kong		
工商及金融界：	Industrial, commercial and financial:		
物業發展	Property development	0.2%	0.3%
物業投資	Property investment	12.4%	11.8%
金融界	Financial concerns	6.1%	7.7%
股票經紀	Stockbrokers	0.0%	0.3%
批發及零售貿易	Wholesale and retail trade	4.7%	5.1%
製造業	Manufacturing	8.8%	8.9%
運輸業及運輸設備	Transport and transport equipment	4.0%	5.1%
娛樂活動	Recreational activities	0.2%	0.1%
資訊科技	Information technology	0.0%	0.0%
其他	Others	4.2%	5.1%
個人：	Individuals:		
購買「居者有其屋計劃」、 「私人發展商參建居屋計劃」及 「租者置其屋計劃樓宇」的貸款	Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	0.0%	0.1%
購買其他住宅物業的貸款	Loans for the purchase of other residential properties	14.2%	17.1%
信用咭借貸	Credit card advances	0.5%	0.8%
其他	Others	4.3%	3.6%
貿易融資	Trade finance	6.1%	6.8%
用於香港以外地方的貸款及墊款	Loans and advances for use outside Hong Kong	34.3%	27.2%
合計	Total	100.0%	100.0%
2. 按地區分佈劃分	By geographical spread	2008	2007
香港	Hong Kong	72.1%	71.2%
中國	China	16.5%	17.3%
美國	USA	2.3%	2.7%
其他	Others	9.1%	8.8%
合計	Total	100.0%	100.0%
3. 按年期劃分	By maturity	2008	2007
即時償還	Repayable on demand	2.9%	2.4%
少於 1 年	Less than 1 year	30.5%	23.1%
超過 1 年但少於 5 年	Over 1 year but less than 5 years	39.8%	44.2%
超過 5 年	Over 5 years	25.2%	28.8%
無訂日期	Undated	1.6%	1.5%
合計	Total	100.0%	100.0%
4. 按貨幣劃分	By currency	2008	2007
港元	HKD	70.1%	74.2%
美元	USD	26.3%	22.7%
其他	Others	3.6%	3.1%
合計	Total	100.0%	100.0%
5. 貸款賬目數目	Number of loan accounts	2008	2007
		288,534	289,389

貿易票據及予銀行之放款除外

Excluding trade bills and advances to banks

二零零八年大事回顧 2008 Milestones

一月 January



- 獲香港生產力促進局頒發「二零零七年香港工商業獎：生產力及品質獎」
- 北角分行正式開幕
- Awarded the “2007 Hong Kong Awards for Industries: Productivity & Quality Award” by the Hong Kong Productivity Council
- Official opening of North Point Branch

二月 February

- 出版「中國經濟報告」
- 連續第五年獲香港社會服務聯會頒發「商界展關懷」標誌
- Published “China Economy Report”
- Awarded the “Caring Company Logo” by the Hong Kong Council of Social Service for the fifth consecutive year



三月 March

- 贊助員工參加「外展越野挑戰賽2008」，更奪得公司組別（精英路線）冠軍
- Sponsored staff members to join the “Outward Bound Adventure Race 2008” and won the Champion in the Corporate Group (Elite Route)

四月 April



- 本行全資擁有的內地註冊子銀行中信嘉華銀行(中國)有限公司正式開業
- 委任王美珍女士為執行總經理
- 獲社會福利署義工運動頒發金獎，作為對本行員工於二零零七年服務社會超過一千小時的嘉許
- 贊助香港地球之友舉辦的「綠野先鋒2008 — 植樹遠足挑戰賽」，參賽隊伍更奪得「最醒目植樹大獎」
- The Bank's wholly-owned PRC-incorporated bank, CITIC Ka Wah Bank (China) Limited, officially commenced business
- Appointed Ms. Phoebe Wong as Executive General Manager
- Received a Gold Certificate from the Social Welfare Department's Volunteer Movement for the Bank's contribution of over 1,000 volunteer service hours in 2007
- Sponsored the “Tree Planting Challenge 2008” organised by Friends of the Earth (HK) and won “The Smartest Tree Planting Team Award”

五月 May



- 參與信報財經月刊主辦的「中國房地產市場前瞻研討會」
- 與綠色力量合作在全港推出「緩減全球暖化 • 21項我們能做的事」環保教育計劃
- Participated in the “China Property Market Seminar” organised by the Hong Kong Economic Journal Monthly
- Partnered with Green Power to launch the territory-wide green educational programme entitled “Alleviate Global Warming: 21 Things We Can Do”

二零零八年大事回顧 2008 Milestones

六月 June

- 與中信証券國際有限公司合作推出客戶推薦計劃
- Partnered with CITIC Securities International Company Limited to launch customer referral programme



七月 July

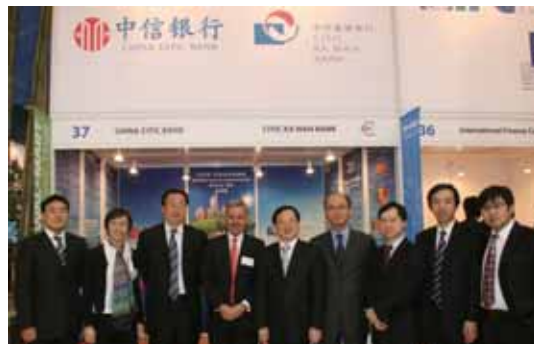
- 出版「中國房地產市場報告」
- Published “China Property Market Report”

九月 September

- 旺角分行正式開幕
- Official opening of Mongkok Branch



十月 October



- 委任陳鏡沐先生為執行副總裁兼司庫
- 與中信銀行股份有限公司合作參加沃爾瑪舉辦的「可持續發展峰會 — 北京2008」
- 出版「中國股票市場報告」

- Appointed Mr. Woody Chan as Executive Vice President and Treasurer
- Partnered with China CITIC Bank Corporation Limited to join the “Sustainability Summit – Beijing 2008” held by Walmart
- Published “China Stock Market Report”

十一月 November

- 母公司中信國際金融控股有限公司完成私有化計劃後，撤銷上市地位
- 財富管理同事在「第六屆香港財務策劃師選舉」及「二零零八年傑出財富管理師大獎」中囊括銀獎、銅獎及優異獎等七項殊榮
- 與聖雅各福群會合作推出「中信嘉華知識天使培育計劃」，並獲得社會福利署攜手扶弱基金等額撥款支持
- 參加香港圓桌會二十四小時慈善腳踏車大賽，並奪得「圓桌會獎盃」
- Parent company, CITIC International Financial Holdings Limited (“CIFH”), successfully privatised and delisted
- Wealth management staff won a total of seven Silver, Bronze and Merit Financial Planner Awards in 2008 from the “Sixth Annual Hong Kong Financial Planner of the Year Award” and the “Outstanding Financial Management Planner Awards 2008”
- Partnered with St. James' Settlement to launch the “CITIC Ka Wah Knowledge Angel Project” and received matched funding from the Social Welfare Department's Partnership Fund for the Disadvantaged
- Participated in the Hong Kong Grand Prix Round Table Pedal 2008 and won the “Round Table Cup”



十二月 December

- 出版「中國經濟報告」
- Published “China Economy Report”



策略轉型

Strategic

Transformation

我們按照遠景的方向及所奉行的價值規劃每一步，業務由本地拓展至區域性，蛻變成為與中信銀行及西班牙對外銀行三方聯盟的亞洲業務發展平台。我們在這個獨特聯盟中所擔當的角色，將為我們的銀行業務模式帶來突破性的新氣象，為相關權益者創造價值。

From local to regional, our vision and values shape every step of our transformation to become the Asian business expansion platform for our tripartite alliance with China CITIC Bank and BBVA. The new banking paradigm that arises from our role in this unique alliance will bear fruits in value creation for our stakeholders.

行政總裁報告

Report Of The Chief Executive Officer



陳許多琳女士
總裁兼行政總裁
Mrs. Doreen Chan
President &
Chief Executive Officer



施柏雅先生
替任行政總裁兼
企業銀行部主管
Mr. Roger Clark Spyer
Alternate Chief Executive Officer &
Head of Wholesale Banking Group



王美珍女士
執行總經理兼
零售銀行部主管
Ms. Phoebe Wong
Executive General Manager &
Head of Retail Banking Group



萬紅女士
執行總經理兼
中國業務部主管
Ms. Margaret Man
Executive General Manager &
Head of China Banking



陳鏡沐先生
執行副總裁兼司庫
Mr. Woody Chan
Executive Vice President &
Treasurer

經營情況

二零零八年下半年由美國次按問題引發的金融海嘯席捲全球，繼雷曼兄弟於九月宣佈申請破產保護後，多間歐美大型金融企業先後陷入財困，各地經濟急轉直下，環球信貸市場頓時癱瘓，金融市場出現空前的信心危機。香港作為亞洲區金融中心之一，難免受到波及，不但股市急跌，本地銀行同業拆息亦曾顯著急升，大大增加銀行業的資金成本，削弱其貸款意欲及能力。

另一方面，雷曼兄弟事件令眾多已購入有關結構性產品的香港零售投資者蒙受損失，所引發的民情及政治迴響極具爭議性，迫使香港銀行重新思考財富管理業務經營模式。再加上在市場資金緊絀的環境下，企業倒閉消息接踵而來，影響銀行的資產素質及盈利能力。香港銀行業在各種內外因素的影響下，面對着數十年來前所未見的嚴峻經營環境。

Operating Environment

In the second half of 2008, the world was swept by the financial tsunami that was triggered by the US sub-prime mortgage crisis. After Lehman Brothers filed for bankruptcy protection in September, major financial institutions in the US and Europe successively fell into financial distress. Economies around the world declined sharply; the global credit markets ground to a halt; the confidence crisis that ensued was unprecedented in its gravity. As one of Asia's financial centres, Hong Kong was not spared. The local stock market plummeted, while the Hong Kong Interbank Offered Rate ("HIBOR") shot up markedly for a period, sharply increasing banks' funding cost and eroding their credit appetite and ability to lend.

Meanwhile, a lot of retail investors in Hong Kong also felt the impact of Lehman Brothers' collapse as they suffered losses from investments in related structured products. Faced with the controversy that arose from the public and political outcries, banks in Hong Kong are having to rethink their wealth management business models. Tightening of liquidity in the market and increasing news of corporate collapses exerted additional pressures on the asset quality and profitability of banks. With all these internal and macro influences confronting the industry at once, the operating environment of Hong Kong banks was at its most severe in recent decades.

幸而，中國綜合國力進一步增強，經濟仍能維持相對快速的增長，背靠祖國的香港自然受惠，加上中央政府在龐大財政儲備支持下銳意刺激內需，又在人民幣業務方面推出更多利港措施，為本港銀行業提供新的機遇，創造抵禦逆境的條件。

On the more positive side, China's economic muscle and national power have grown from strength to strength. With China's economy still growing at a relatively high rate, Hong Kong would undoubtedly benefit given its geopolitical advantage. The central government has already committed its vast financial reserves to stimulate domestic demand. It has also announced more measures to promote RMB business in Hong Kong. This will bring new opportunities for the local banking industry and enable it to defend itself against the difficult economic conditions.



1. 林宗仁先生
替任行政總裁兼企業效率提升部主管
Mr. C. Y. Ling
Alternate Chief Executive Officer &
Head of Corporate Re-engineering

2. 區賀民先生
執行副總裁兼首席風險管理總監
Mr. Jaime Azcoiti Leyva
Executive Vice President &
Director of Risks

3. 李錫生先生
執行副總裁兼人力資源部主管
Mr. John Lee
Executive Vice President &
Head of Human Resources

4. 王浩成先生
執行副總裁兼財務總監
Mr. Steve Wong
Executive Vice President &
Chief Financial Officer

5. 黃致遠先生
替任行政總裁、法律顧問兼合規部主管
Mr. Roy Huang
Alternate Chief Executive Officer,
General Counsel & Head of Compliance

6. 唐婉兒女士
高級副總裁兼企業關係部主管
Ms. Barbara Tong
Senior Vice President &
Head of Corporate Relations

7. 李淑芬女士
高級副總裁兼稽核部主管
Ms. Anna Li
Senior Vice President &
Head of Audit



中信嘉華銀行有限公司(「中信嘉華」或「本行」)在二零零八年積極採取防守性策略，保障整體業務的穩健性，一面透過資源整合提高資源配置效益，一面持續與中信銀行股份有限公司(「中信銀行」)緊密合作，進一步深化一站式跨境金融平台的模式，為未來發展作好準備，務求能夠穩中求進，成為客戶在亞洲的「首選中資銀行」。

此外，鑑於環球信貸市場持續惡化，本行於去年上半年作出果斷行動，將餘下的兩項結構性投資工具全數撇值。縱使如此，結構性投資工具對二零零八年業績的影響仍遠較二零零七年為小，有助本行錄得較理想盈利表現(有關本行餘下的基金投資組合詳情請見以下業務發展 — 財資部章節。)

企業發展

二零零八年六月，本行母公司中信國際金融控股有限公司(「中信國金」)宣佈接獲 Gloryshare Investments Limited (「GIL」) 與西班牙對外銀行一致行動的通知，建議根據香港公司條例第一六六條以協議安排方式私有化中信國金(「私有化建議」)。當時北京中國中信集團公司(「中信公司」)全資附屬公司 GIL 及西班牙對外銀行分別佔中信國金約 55% 及 15% 權益。該私有化建議乃中信公司重整中國及香港商業銀行業務策略(「重整策略」)的其中一環。

CITIC Ka Wah Bank Limited (「CKWB」 or the 「Bank」) was determined in its efforts to protect its business fundamentals in 2008. While giving focus to restructure resources and maximise efficiencies, the Bank was unfaltering in its efforts to deepen collaboration with China CITIC Bank Corporation Limited (「CNCB」) and to reinforce the one-stop cross-border business model between the two banks. This will pave the way for the Bank's future growth, allow it to seize opportunities while ensuring its stability, and enable it to become its customers' "China Bank of Choice" in Asia.

Separately, CKWB took the decisive move to fully write down its investments in two structured investment vehicles (「SIVs」) in the first half of last year, given the persistent deterioration of the global credit markets. Even then, the Bank was able to report better profit performance as the impact of the SIVs on the Bank's 2008 results was substantially lower than that in 2007. (See section on Business Development – Treasury and Markets Group for full details on the Bank's remaining fund investments portfolio.)

Corporate Developments

In June 2008, the Bank's parent company, CITIC International Financial Holdings Limited (「CIFH」), announced that it had received a proposal from Gloryshare Investments Limited (「GIL」), acting in concert with Banco Bilbao Vizcaya Argentaria, S.A. (「BBVA」), to privatise CIFH by way of a Scheme of Arrangement under section 166 of the Companies Ordinance of Hong Kong (「Proposed Privatisation」). GIL, wholly-owned by CITIC Group of Beijing (「CITIC」), and BBVA then had shareholdings of approximately 55% and 15% respectively in CIFH. The Proposed Privatisation was part of CITIC's strategy to restructure and align its commercial banking businesses in Mainland China and Hong Kong (「Restructuring Strategy」).

中信國金於二零零八年十月十六日舉行的法院會議及股東特別大會上，獲少數股東以大比數通過私有化建議。十一月五日，協議安排生效，中信國金撤銷其於香港聯交所的上市地位，標誌著中信公司重整策略的首個里程碑。現時中信公司及西班牙對外銀行分別持有中信國金約 70% 及 30% 權益。在協議安排生效及相關條款達成後，中信國金亦已按原訂計劃將所持中信銀行股權按比例轉讓予兩大股東，以及償還五十一億港元過渡貸款。

中信國金成功私有化，令本行與中信銀行更能互相配合發展境內外商業銀行業務，同時，現時中信國金的股本及監管架構獲得簡化，亦有利本行進一步發揮與中信銀行及西班牙對外銀行三方聯盟的協同效益。

為完成重整策略統一旗下商業銀行業務，中信公司部署在取得所有必要的第三方及監管批准後，將所持有的中信國金股權注入中信銀行，並將視乎有關工作的進度，盡快把中信嘉華更名為中信銀行國際有限公司，以更貼切反映本行作為在三方聯盟中拓展及經營在香港及亞洲商業銀行業務平台的角色。

On 16 October 2008, CIFI received overwhelming minority shareholder support at a court meeting and extraordinary general meeting to approve its Proposed Privatisation. On 5 November 2008, the Scheme of Arrangement became effective and CIFI was delisted from the Hong Kong Stock Exchange, marking the first milestone in CITIC's Restructuring Strategy. CIFI is now approximately 70% and 30% owned by CITIC and BBVA respectively. Upon the Scheme of Arrangement becoming effective and subject to relevant conditions having been met, CIFI proportionately transferred its CNCB shareholdings to its two major shareholders and repaid its bridging loan of HK\$5.1 billion as planned.

The successful privatisation of CIFI enables CKWB and CNCB to better align their onshore and offshore commercial banking businesses. Moreover, CIFI's simplified equity and regulatory structures will facilitate and maximise further synergies that can be achieved in the tripartite cooperation between CKWB, CNCB and BBVA.

To complete its Restructuring Strategy to create a single commercial banking business platform, CITIC intends to inject its holdings in CIFI into CNCB, subject to necessary approvals from third parties and regulators (the "Injection"). Depending on the progress of the Injection, CKWB will be renamed CITIC Bank International Limited as soon as possible to better reflect its role as the commercial banking platform in Hong Kong and Asia under the tripartite collaboration.

業績

盈利

二零零八年下半年，香港銀行業受到環球金融海嘯衝擊，本行核心業務在上半年度已建立的基礎上，仍能錄得相對穩健的全年表現，淨利息收入較二零零七年上升 10.4%，淨費用及佣金收入則下跌 9.6%。期內結構性投資工具錄得七億一千八百萬港元撇值，影響明顯較二零零七年的十三億一千一百萬港元為低，令未計減值準備前經營溢利錄得四億七千六百萬港元，較二零零七年大幅上升二點八倍。

年內，經濟逆轉令信貸市場急速轉壞，本行錄得淨減值虧損三億八千三百萬港元，出售可供出售證券獲利四千六百萬港元，總計錄得一億四千萬港元經營溢利。計及其他項目及所得稅項後，股東應佔溢利為一億二千八百萬港元，較二零零七年上升 20.6%。

若撇除基金投資及結構性投資工具的撇值，本行計及減值準備及其他項目後經營溢利實質錄得九億四千萬港元，較二零零七年下跌 28.8%；股東應佔溢利則下跌 32.1% 至七億九千六百萬港元。

Business Performance

Earnings

Despite the devastation caused by the global financial tsunami on the Hong Kong banking industry in the second half of 2008, CKWB managed to deliver relatively sound full-year performance off the solid core business foundation that it laid down in the early half of the year. Net interest income grew 10.4% compared to 2007, offsetting a 9.6% decline in net fees and commission income. SIV-related write-downs for the year amounted to HK\$718 million, significantly below the 2007 amount of HK\$1,311 million. As a result, operating profit before impairment allowances increased to HK\$476 million, or over 2.8 times compared to 2007.

As economic conditions weakened and the credit market rapidly deteriorated during the year, the Bank registered HK\$383 million in net impairment charges. Including HK\$46 million in net profit on disposal of available-for-sale securities, operating profit amounted to HK\$140 million. After taking into account other items and income tax, the Bank's profit attributable to shareholders totalled HK\$128 million, which represented a 20.6% increase over 2007.

Excluding fund investments and SIV-related write-downs, CKWB's operating profit after impairment and other items would have been HK\$940 million, or a 28.8% decline compared to 2007; profit attributable to shareholders would have decreased 32.1% to HK\$796 million.

淨利息收入

二零零八年，本行淨利息收入按年增加 10.4% 至十五億四千六百萬港元，這主要是由於貸款組合於上半年的增長，同時隨著本地信貸市場普遍收緊，貸款組合得以逐步調高訂價所致。此外，二零零七年十二月中信國金向本行注資二十五億港元後，本行無利息成本資金大幅增加，亦有助提高淨利息收入。

然而，去年九月雷曼兄弟破產，令環球金融市場陷入恐慌，香港銀行同業拆息大幅飆升，嚴重影響中小型銀行的資金成本。雖然香港金融管理局為捍衛聯匯制度而多番向銀行體系注資，使香港銀行同業拆息自十一月起回落至較正常的水平，但中小型銀行的淨息差已普遍受市場動盪影響而收窄。本行經調整餘下基金投資的資金成本後，淨息差較二零零七年下跌三十三點子至 1.53%。

Net Interest Income

CKWB's net interest income for the year grew 10.4% year-on-year to HK\$1,546 million. This primarily reflected the expansion in the Bank's loan portfolio in the first half of the year and the gradual repricing of the loan portfolio given the overall tightening in the local credit market. It was also helped by the increase in its interest free capital as a result of the HK\$2.5 billion capital injection from CIFIH in December 2007.

In September 2008, the HIBOR spiked in response to the panicked reaction of the global financial markets to the bankruptcy of Lehman Brothers, placing mid- and small-sized banks under severe funding cost pressure. The HIBOR finally returned to more normalised levels in November after successive market liquidity injections by the Hong Kong Monetary Authority ("HKMA") to defend the HKD-USD peg. However, the net interest margins of mid- and small-sized banks had in general become compressed by then as a result of the market volatilities. After adjusting for the funding cost of its remaining fund investments, the Bank's net interest margin fell 33 basis points compared to 2007 to 1.53%.

非利息收入

二零零八年本行非利息收入轉虧為盈，錄得二億五千六百萬港元，二零零七年為九千八百萬港元虧損，主要是由於結構性投資工具的撇值影響大幅減少所致。年內，買賣外匯收益上升29.0%，企業貸款帶來的費用收入上升17.4%，貿易票據佣金收益上升16.5%；惟下半年起投資者信心受到市場波動及雷曼兄弟倒閉所嚴重打擊，令財富管理有關收益大幅下跌28.3%，帶動淨費用及佣金收入下跌9.6%。

經營支出

二零零八年經營支出較二零零七年上升12.4%，主要金額增長來自佔經營開支逾半的僱員成本，這是因為本行重視人力資源，於年內繼續投資在吸納及保留優秀專業人士及管理人才，為發展成為區域性銀行作好準備，令有關支出上升7.9%。此外，中信嘉華銀行(中國)有限公司(「中信嘉華(中國)」)的成立和中國業務重組，以及提升現有系統基建的一次過投資亦導致資訊科技方面開支上升27.7%。受到結構性投資工具的撇值影響，成本對收入比率為73.6%。若只計入核心業務的經營收入表現，則成本對收入比率為52.6%。

Non-Interest Income

The Bank reported non-interest income of HK\$256 million for 2008 compared to a loss of HK\$98 million in 2007. This was due primarily to the significant decrease in the impact from the SIV-related write-downs. During the year, the main drivers for non-interest income included a 29.0% increase in income from foreign exchange dealing, a 17.4% increase in corporate loans related income, and a 16.5% increase in trade bills commissions. As investor confidence got severely crushed both by the market volatilities and the collapse of Lehman Brothers in the second half of the year, wealth management related income suffered a substantial decline by 28.3%, resulting in a 9.6% decrease in net fees and commission income.

Operating Expenses

Operating expenses rose 12.4% in 2008 compared to a year ago, due primarily to a 7.9% increase in staff costs which typically account for over 50% of the Bank's total operating expenses. The Bank places a high priority on its human capital, and continued to invest in recruiting and retaining high quality professionals and management talents during the period in order to prepare for its development into a regional bank. Meanwhile, information technology-related expenses climbed 27.7% due to the establishment of CITIC Ka Wah Bank (China) Limited ("CKWB China"), the restructuring of the Bank's China businesses, as well as one-off investments related to the enhancement of the Bank's existing system infrastructure. The Bank reported a 73.6% cost-to-income ratio for the period, due primarily to the write-downs from the SIVs. Its cost-to-income ratio based on the results of its core businesses alone would have been 52.6%.

減值準備

在信貸市場風險驟增的情況下，本行採取嚴謹的減值政策，二零零八年淨減值準備錄得三億八千三百萬港元，較二零零七年上升 274.3%。個別評估貸款淨準備按年上升 179.3% 至四億零八百萬港元；綜合評估貸款錄得三千一百萬港元淨準備，而二零零七年則錄得淨回撥一千一百萬港元；壞賬回收按年減少 10.9% 至五千六百萬港元。

資產素質

資產、貸款及存款規模

於二零零八年底，本行資產總值為一千二百一十八億港元，較二零零七年底規模進一步擴大 10.0%，主要由於年末受惠於大規模的企業存款，增強了本行的流動資金及大幅提升其現金及在銀行、中央銀行及其他金融機構的結存。同時，本行亦努力維護企業銀行貸款業務在上半年所取得的強勁增長，全年總貸款達七百四十二億港元，較二零零七年增長 10.2%。另一方面，本行在吸納存款方面取得佳績，客戶存款增加 13.5%，帶動總存款上升 9.4% 至九百九十五億港元。

Impairment Allowances

With the sharp escalation in credit risks in the market, the Bank tightened its impairment policy which resulted in a 274.3% increase in net charge in impairment provision over 2007 to HK\$383 million. The charge in the Bank's individually assessed loans increased by 179.3% year-on-year to HK\$408 million. The charge for its collectively assessed loans was HK\$31 million in 2008 compared to a release of HK\$11 million in 2007. Bad debt recoveries decreased 10.9% year-on-year to HK\$56 million.

Asset Quality

Asset, Loan, And Deposit Sizes

CKWB reported total assets of HK\$121.8 billion as at the end of 2008, representing a 10.0% growth over 2007 year-end. This was primarily due to the large volume of corporate deposits received towards the end of the year, which helped to enhance the Bank's liquidity and significantly increased its cash and balances with banks, central banks and other financial institutions. Additionally, the Bank rigorously defended the strong growth in its wholesale banking loan book registered in the first half of the year. Total loans for the year amounted to HK\$74.2 billion, an increase of 10.2% compared to 2007. Meanwhile, deposits from customers grew by 13.5% on the back of successful deposit acquisition campaigns, which in turn saw total deposits increase by 9.4% to HK\$99.5 billion.

資產素質指標

年內，雖然本行資產素質受到經濟環境轉差的不利影響，但值得一提的是，本行住宅樓宇按揭貸款拖欠比率由二零零七年的 0.06% 進一步下調至二零零八年底的 0.03%，同時亦較香港金融管理局公佈的市場平均水平 0.05% 優勝。惠譽國際及穆迪投資在二零零八年七月分別確認本行信貸評級為「BBB+」及「Baa2」。惠譽國際預期中信國金私有化計劃完成後，本行與中信銀行及西班牙對外銀行的協作會進一步加強，有助本行穩步轉型成為紮根香港的區域性金融方案提供者，服務中國、香港及其他地區性企業。與此同時，穆迪投資指出本行具備穩固的資本基礎及穩健的資本管理能力。

財務狀況

於二零零八年底，本行資本充足比率處於 14.7% 健康水平。中信國金私有化計劃完成後，中信公司及西班牙對外銀行承諾為中信國金提供三十億港元備用資金，有需要時中信國金可於董事會審批後下放至本行，以支持本行資本需求及業務增長。另一方面，在市場資金普遍緊縮的環境下，本行積極推行存款及資產負債管理計劃，於二零零八年底，流動資金比率及貸存比率分別錄得 37.0% 及 74.6%，較中期有所改善。

Asset Quality Indicators

Although CKWB's asset quality was negatively impacted by the deteriorating economic environment during the year, it is worth noting that the Bank's residential mortgage delinquency ratio fell from 2007's 0.06% to 0.03% at the end of 2008, outperforming the industry average of 0.05% as announced by the HKMA. In July 2008, Fitch Ratings and Moody's affirmed the Bank's credit rating at "BBB+" and "Baa2" respectively. Fitch Ratings expects that stronger cooperation between CKWB, CNCB and BBVA post-privatisation of CIFH will help the Bank's steady transformation into a Hong Kong-based regional financial solutions provider for Chinese, Hong Kong and other regional corporates. Meanwhile, the Moody's rating was derived from the Bank's solid capital position and capital management practices.

Financial Position

As at the end of 2008, the Bank's capital adequacy ratio stood at a healthy 14.7%. Subsequent to the privatisation of CIFH, it received HK\$3 billion funding commitment from CITIC and BBVA which, upon approval by its board of directors, can be downstreamed to CKWB to support the Bank's capital and business development needs. Meanwhile, to address the general liquidity tightening in the market, the Bank actively implemented a series of deposit as well as asset and liability management programmes. As a result, its liquidity ratio and loans to deposits ratio were improved to 37.0% and 74.6% respectively by the end of the year compared to mid-year.

中信嘉華主要財務比率

CKWB's Key Financial Ratios

		二零零八年 十二月三十一日 31 December 2008	二零零七年 十二月三十一日 31 December 2007
資本充足比率	Capital adequacy	14.7%	15.8%
主要資本充足比率	Core capital adequacy	9.6%	10.1%
平均流動資金比率	Average liquidity	37.0%	40.8%
貸存比率	Loans to deposits	74.6%	74.1%
貸款對資產總值比率	Loans to total assets	60.9%	60.8%
減值貸款比率	Impaired loans	1.89%	1.15%
覆蓋率 ¹	Coverage ¹	81.2%	84.6%
貸款虧損覆蓋率	Loan loss coverage	35.0%	38.9%
綜合減值準備覆蓋率	Collective assessment coverage	0.32%	0.33%
內地放款佔總貸款比率	Mainland loans to total customer advances	16.5%	17.3%

¹ 計法為將個別評估減值準備及減值貸款押品之和除以減值貸款總額。

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

業務發展

零售銀行部

股票市場極度波動，加上雷曼兄弟倒閉後金融市場信心危機進一步加劇，令零售投資者對風險甚為抗拒，財富管理產品及服務需求因而大降，帶動零售銀行部非利息收入按年下跌 23.8% 至四億三千六百萬港元。與此同時，配合本行流動資金策略，零售銀行部積極推出吸納存款計劃，刺激零售存款額增長 13.6%，淨利息收入則輕微下降 4.7% 至六億三千三百萬港元，全年稅前盈利按年下跌 44.7% 至三億零五百萬港元。

縱然經營環境充滿挑戰，本行繼續擴大 CITICfirst 私人財富管理業務，擴充及翻新 CITICfirst 理財中心，貫徹為客戶帶來創新及獨特服務體驗的承諾。連同三間新增理財中心，現時港九新界的 CITICfirst 理財中心數目共達十四間。客戶總數較二零零七年強勁增長 32.3% 至一萬三千七百人，其中逾 21.0% 為本行的新客戶。雖然證券市場資產價格普遍下跌，但 CITICfirst 為客戶管理資產總額仍溫和上升 7.6% 至三百七十億港元。

零售融資及信貸方面，零售銀行部在經濟疲弱及市況不穩的情況下採取審慎增長策略，維持零售貸款總額在二零零七年水平，重點將零售貸款產品定位重整為向核心客戶群提供整體服務方案的其中一環，同時亦刻意避開市場上的割價競爭，故新住宅按揭貸款的價格按年上升四十點子。

Business Development

Retail Banking Group (“RBG”)

The extreme volatilities in the stock market and the confidence crisis in the financial markets especially after the collapse of Lehman Brothers led to heightened risk aversion amongst retail investors. Impacted by the sharp decline in demand for wealth management products and services, RBG's non-interest income fell 23.8% year-on-year to HK\$436 million. Meanwhile, aggressive deposit acquisition campaigns to support the Bank's liquidity strategy resulted in a moderate 4.7% decline in net interest income to HK\$633 million on a 13.6% growth in retail deposit volumes. Net profit before tax registered for the year fell 44.7% year-on-year to HK\$305 million.

Notwithstanding the challenges in the operating environment, the Bank continued to expand its CITICfirst private wealth management franchise. To deliver on its commitment to innovate and create a differentiated customer experience, the Bank invested in the expansion and revamp of its CITICfirst centres during the year. Three new CITICfirst centres were added to bring the total to 14 throughout Hong Kong, Kowloon and the New Territories. Total number of customers grew by a robust 32.3% compared to a year ago to reach over 13,700, of which over 21.0% were new-to-bank customers, while total customer assets under management grew moderately by 7.6% to HK\$37 billion despite the general decline in asset values in the equity markets.

In consumer finance and retail lending, RBG pursued a cautious growth strategy amidst the weakening economy and market uncertainties. The retail loan book was kept flat compared to 2007. Focus was placed on structuring retail loan offerings as an integral part of total service solutions for its core client segments. A conscious effort was made to stay away from fierce price-cutting competition in the market place. As a result, pricing on new residential mortgages booked during the year improved by 40 basis points compared to a year ago.

企業銀行部

企業銀行部秉持為亞洲主要客戶提供全面增值方案的使命，在二零零八年艱難的經營環境下仍取得穩健業績。全年貸款及存款分別較二零零七年上升 14.3% 及 16.4%，非利息收入增加 11.8%，佔其整體經營收入 35.8%。可是，由於去年尤其是下半年起市場資金成本急升，而貸款息率未能同步重訂，加上環球信貸市場逆轉令撥備開支增加，導致稅前溢利較二零零七年下跌 37.5% 至三億九千萬港元。

二零零八年企業銀行部繼續加強與中信銀行合作（亦見於以下中國業務一節）及分散擴展客戶組合至其他亞洲區域，同時致力增強產品實力，令客戶組合素質及核心客戶關係均得到進一步提升。年內銀團貸款籌組達三十六宗，合共為客戶籌得六十八億港元，其中十四宗擔任牽頭經理角色。香港方面的貿易融資收入及總額分別按年上升 23.0% 及 33.5% 至一億五千三百四十萬港元及三百九十二億港元。

面對史無前例的金融海嘯衝擊，企業銀行部在二零零八年初起已進行嚴格風險管理，確保訂價策略能恰當反映有關風險及資金成本，同時將重點放在業務與中國有關的核心客戶上，減少對高風險客戶或項目的借貸。

Wholesale Banking Group (“WBG”)

WBG’s strategy to deliver comprehensive value-added solutions to its Asian clientele continued to pay off with solid results despite the difficult operating environment in 2008. Its total loans and deposits for the year grew by 14.3% and 16.4% respectively compared to 2007. Non-interest income increased by 11.8% to account for 35.8% of its total operating income. However, in the latter half of last year, funding cost rose sharply but was not matched by the pace of loans repricing. Coupled with the rise in provisioning expenses due to the sharp turn in the global credit markets, its net profit before tax fell 37.5% compared to 2007 to HK\$390 million.

In 2008, WBG continued to deepen its collaboration with CNCB (also see China Banking below) and to diversify its client portfolio in Asia. It also successfully upgraded the quality of its client portfolio and further expanded its core customer relationships through strengthening of its product capability. During the year, it participated in 36 loan syndication transactions (including 14 in which it acted as lead manager), involving a total underwritten amount of HK\$6.8 billion. Hong Kong trade finance revenues rose by 23.0% year-on-year to HK\$153.4 million and volumes rose by 33.5% year-on-year to HK\$39.2 billion.

Faced with the unprecedented shocks from the financial tsunami, WBG took steps since early 2008 to tighten its portfolio and risk management disciplines and to make sure that its pricing strategy appropriately reflected the associated risks and funding costs. Focus was placed on developing relationships with China-related core customers, and credit exposures to high risk customers or projects were minimised.

另外，企業銀行部亦肩負為本行與中信銀行及西班牙對外銀行三方聯盟開拓亞洲區內新市場的責任，申請開設新加坡分行的基本準備工作現已完成，待市場穩定後將可繼續推進擴展計劃。

中國業務

本行作為中信公司在海外的商業銀行平台，一直積極與中信銀行緊密合作，主力為中信銀行的重點戰略客戶提供海外融資及有關銀行服務，幫助內地企業走出中國，另一方面透過中信銀行在內地提供人民幣銀行業務方案，幫助香港及海外企業走進內地。

年內，本行除了協助中信銀行滿足其內地客戶的外匯融資需求之外，並在全球／本地客戶關係統一管理模式下成功開發多項嶄新產品，包括離岸貿易融資方案、內保外貸及外保內貸等。二零零八年中信銀行轉介至本行並成功獲批核的信貸額達八十五億港元，較二零零七年上升 35.0%。一站式跨境金融平台模式的日趨成熟，不但讓本行深化中國業務發展，同時有助中信銀行提升境內客戶服務優勢。

Additionally, WBG is also responsible for the development of new markets in Asia for the Bank's tripartite alliance with CNCB and BBVA. Preparations to apply for the opening of a Singapore branch have basically been completed. Further progress will be made when the market stabilises in due course.

China Banking

As CITIC's offshore commercial banking platform, CKWB has been working closely with CNCB to address the needs of mainland corporates investing overseas. In particular, the focus is placed on providing offshore financing and related banking services to the key strategic customers of CNCB. Conversely, it leverages on CNCB to provide domestic RMB banking solutions to its Hong Kong and overseas corporate customers to invest and operate in China.

During the year, the Bank provided support to CNCB in fulfilling the foreign currency financing needs of its PRC customers. A number of new products were also developed under the global account management and field account management customer relationship model. These included offshore trade finance programmes, offshore lending by CKWB against domestic guarantees by CNCB, and domestic lending by CNCB against offshore guarantees by CKWB. As a result, approved credit facilities referred by CNCB rose by 35.0% over 2007 to HK\$8.5 billion. As the two banks deepen their collaboration under the one-stop cross-border financing business model, not only does it help to grow CKWB's China banking business, it also enhances CNCB's competitive advantages in servicing its domestic customer base.

本行全資擁有的內地註冊子銀行中信嘉華(中國)於二零零八年四月正式開業，首個營運年頭已在業務定位、架構重整及提升盈利等方面超過了預算目標，未來將靈活運用外資銀行的體制待遇，做好與中信銀行及西班牙對外銀行在中國境內三方合作業務平台的角色，提供清晰的溝通及服務渠道，以更有效率地執行三方之間的聯合業務，優化工作流程及服務效率，為客戶帶來協調及一致的一站式跨境融資及服務方案。

財資部

在市場瞬息萬變的環境下，財資部透過與企業銀行部及零售銀行部緊密合作，為客戶提供一系列財資相關增值產品及方案，包括協助企業客戶鎖定借貸成本的利率對沖及掉期產品，為對沖人民幣外匯風險而設的人民幣不交收遠期合約，以及針對市場存款利率偏低為零售客戶推出的結構性存款產品等。

貨幣市場運作方面亦取得理想成績。由於預期二零零八年美元及港元利率下調，財資部審慎管理本行短期投資組合，令貨幣市場的差距配對活動錄得二億三千三百萬港元回報，較二零零七年上升達 30.2%。

The Bank's wholly-owned PRC-incorporated bank, CKWB China, officially commenced business in April 2008, and managed to exceed all its business positioning, organisational restructuring and profitability targets within its first year of operation. It will leverage on the advantages of its foreign bank status and serve as the tripartite business collaboration platform with CNCB and BBVA in China. By providing clearly defined communications and service delivery channels, it will enhance the efficiency in the implementation of the tripartite business collaboration strategy, improve work flows and service efficiencies, and ensure that customers can enjoy seamless and coordinated services under the one-stop cross-border financing and service model.

Treasury And Markets Group ("TMG")

TMG worked closely with RBG and WBG during the year to provide a broad range of treasury-related value-added products and solutions to address their clients' needs against the highly volatile market conditions. These included interest rate hedging and swap products to help clients lock in their cost of funding, RMB non-deliverable forward contracts to help hedge against RMB foreign exchange risks, and retail structured deposit products to help enhance yields against a generally low savings rate environment.

TMG also did well in its money market operation. It prudently managed the Bank's short-term investment portfolio in anticipation of the downward trend in USD and HKD interest rates during the year, and generated HK\$233 million in returns from money market gapping activities, an increase of 30.2% over 2007.

至於基金投資業務，本行上半年已按計劃完成贖回選類投資組合中所有對沖基金中基金。組合內僅餘的便攜式阿爾法投資票據於二零零八年底總市值約為六億二千萬港元，與二零零七年底市值相若，但由於市場目前環境及前景不穩定，本行決定持有該批票據至二零一零年期滿以減免回購成本。

本行僅持有的兩項結構性投資工具 Beta Finance Corporation 及 Five Finance Corporation 於二零零八年十二月宣佈清盤，但由於本行於上半年業績中已將其當時七億一千八百萬港元的餘下價值全數撇值，所以未有對下半年業績構成進一步影響。

另外，本行於二零零七年十一月將其持有資本票據投資的一項結構性投資工具 Victoria Finance Limited 重組成為具充份長期資金支持的債務抵押證券 Farmington Finance Limited (「Farmington」)。於二零零八年十二月三十一日，Farmington 淨現值為 69.2%，高於二零零七年底的 59.2%。截至二零零八年底，Farmington 旗下投資組合一直如期提供現金流，雖然組合資產素質隨著整體信貸市場走勢亦出現輕微下降，但其投資已充份分散於四百多種不同資產類別上。由於截至報告日並沒有收到對 Farmington 的信貸違約掉期合約索償的要求，亦沒有資料顯示其相關的資產素質下降導致 Farmington 對長期高級債務到期之償還能力構成威脅，因此無需於該段期間對信貸違約掉期合約作出撥備(有關 Farmington 進一步詳情請見未經審核補充財務資料附註(J))。

In the area of fund investments, the Bank completed the redemption of all the funds of hedge funds within its alternative investment portfolio in the first half of 2008. The remaining portable alpha mandates in the portfolio registered an aggregate market value of approximately HK\$620 million at the end of 2008, which was similar to 2007 year-end. Given current volatilities and the uncertain market outlook, the Bank has decided to hold these remaining investments to maturity in 2010 in order to minimise redemption costs.

The Bank also had investments in two SIVs, namely Beta Finance Corporation and Five Finance Corporation. At the end of the first half of 2008, the Bank wrote down their then full remaining carrying value of HK\$718 million. Although the two SIVs subsequently entered into receivership in December 2008, this development had no further impact on the Bank's results in the latter half of the year.

In November 2007, the Bank restructured its capital notes investment in the SIV Victoria Finance Limited into a fully-funded cash flow collateralised debt obligation called Farmington Finance Limited (「Farmington」). As at 31 December 2008, the net present value (「NPV」) of Farmington stood at 69.2%, compared to 59.2% at the end of 2007. As at the end of 2008, the underlying investment portfolio of Farmington continued to meet projected cash flows. The portfolio quality showed some deterioration in line with the general credit markets, but it is well diversified amongst some 400 assets in diverse classes. Up to the date of this report, there was no settlement request claimed on the credit default swap (「CDS」) written against Farmington, nor was there any indication that the deterioration in the credit quality of the underlying assets of Farmington has threatened its ability to meet its payments under the long-term senior debt as they become due, as such, no provision was considered necessary in respect of the CDS for the period. (See Note (J) in the Unaudited Supplementary Financial Information for further details on Farmington.)

風險管理

中信嘉華一向致力保障業務基礎，在金融及經濟環境急劇變化的一年，加倍注重有效執行穩健的風險管理措施，尤其是信貸及流動資金管理。為此，本行特別強化現行政策，持續嚴格地進行風險評估，在客戶及產品組合兩個層面上不斷分析及改進，並特別重視預警監察系統的運作。當前金融海嘯迅速由產品層面蔓延至流動資金、金融業的信貸素質以至全球經濟，清晰顯示不同風險之間的密切連繫及傳導性。本行的企業風險管理模式正是要針對這種風險特性，在所有不同壓力情況下作出有效和一致的回應。

本行通過建立清晰明確的風險額度制訂程序，以配合其可承受的市場風險程度。在嚴格的風險監控制度下，本行每日進行市場風險額度監控及壓力測試，並且對看似可信但不尋常的事件進行監察。此外，前線業務部門和市場風險部亦會緊密聯繫，主動因應策略轉變而檢討額度。

本行透過積極提升系統和專業技能，不斷加強風險管理基建。未來會繼續致力開發更敏銳及以資本為基礎的風險管理工具及提高透明度，例如以風險水平作準則的訂價制度及表現測量系統，本行深信這將是未來業務及盈利持續增長的成功關鍵。本行將借助重要股東之一的西班牙對外銀行作為主要國際性銀行在這方面的豐富經驗，引進其先進的風險管理模式，以達成以上目標。

Risk Management

As part of the Bank's on-going efforts to protect its business fundamentals, CKWB continuously adapted to the rapid changes in the financial and economic environments during the year by staying extra vigilant to the execution of sound risk management practices, particularly in the areas of credit and liquidity. Special attention was given to strengthen existing policies, implement rigorous on-going risk reviews, conduct remediation at both the customer and portfolio levels, and increase emphasis on early warning mechanisms. The current economic crisis clearly demonstrated the close linkages and contagiousness of different risks as the tsunami rapidly spread from product segments to market liquidity, financial sector credit quality, and to global economies in general. The objective of the Bank's enterprise-wide risk management approach is to enable it to respond effectively and coherently in all different stress scenarios.

The Bank's market risk appetite is aligned through a well-defined limit setting process. Rigorous risk controls are in place, and market risk limits are monitored daily. Stress testing is performed daily and monitored for rare but plausible events. Front line businesses and the market risk department interact closely to proactively review limits arising from strategic changes.

The Bank's risk infrastructure is also continuously strengthened through progressive enhancements both in terms of systems and professional skill sets. Efforts continued towards the objective of developing more risk-sensitive capital-based management tools and enhanced transparency, such as risk-based pricing and risk-based performance measurement, which the Bank considers essential to sustain future growth and profitability. The ability to draw on the experiences and support of a major international bank and key shareholder such as BBVA, with its advanced risk management practices, has greatly assisted the achievement of this objective.

本行於二零零八年間亦繼續完善現時業務操作風險的架構及管理工具，如改良對風險及監控的自我評估及主要風險指標的制定程序，以更有效確認、評估、減低和匯報業務操作風險。配合其他措施的實施，將令本行更有效達致《新巴塞爾資本協定》中第二支柱的要求。

展望二零零九年，本行會繼續執行並不斷改進現時的風險管理措施，以持續提升本行實力。

人力資源發展

保留及孕育人才，並培養員工的歸屬感，一直是本行的首要重點。二零零八年本行整體員工人數上升 6.3%，主要是上半年經濟環境仍然良好時增聘人手以配合業務擴展所致。期內保留人才的措施尤為成功，在表現卓越的員工之中，離職率僅錄得單位數字，相對二零零七年的雙位數字流失率明顯較低。本行亦在年內委任了兩個重要高級管理職位，分別是新司庫及首席風險管理總監，這兩個業務領域均對本行應付目前經營環境的挑戰舉足輕重，相信藉著這兩位新加盟高級管理人員的才能及經驗將可大幅加強有關方面的核心優勢。

在過去持續專注增強員工歸屬感及團隊合作的努力下，這個企業文化已在本行植根，並成為本行其中一個致勝之道。去年發生雷曼兄弟迷你債券事件時，員工們對工作的熱誠及投入，令本行能在短短數日內調配不同部門的資深員工組成一個具規模的專責小組，以積極及專業的態度處理監管機構查詢及異常大量的客戶投訴，不少員工更是主動踏出其日常職責範疇以分擔有關工作。

Work also continued in 2008 on the refinement of the Bank's operational risk management framework and tools, such as risk and control self-assessments and key risk indicator processes, to facilitate the identification, assessment, mitigation and reporting of operational risks. Together with the other initiatives, this will enable an enhanced response to the Pillar II requirements of the New Basel Accord ("Basel II").

Looking ahead to 2009, there will be a continued need to balance strong execution of current risk management practices, with on-going enhancements to the Bank's capabilities.

Human Resources Development

Retaining and developing a competent and engaged staff force remained a high priority for the Bank. Overall headcount increased by 6.3%, largely due to the build-up during the first half of 2008 when the business was expanding under a still favourable economic environment. Talent retention amongst high performers was particularly strong, with only a single-digit turnover rate registered, as compared to the double-digit attrition rate recorded in 2007. The Bank also made two important senior executive appointments during the year, namely, CKWB's new Treasurer and Director of Risks. Both functional areas are crucial for the Bank to navigate through the challenges in the current environment. The Bank believes that the calibre and experience of these new senior talents will significantly strengthen its core competencies in these areas.

On-going focus to build employee engagement and team work has developed a winning culture in the Bank. Enthusiastic staff support enabled the Bank to deploy, within just a few days, a sizeable special taskforce of experienced staff from different functions to proactively and professionally manage the regulatory enquiries and exceptional volumes of client complaints from the Lehman Brothers mini-bond fallout. Many staff members put in efforts beyond their normal call of duty to share the work load.

為配合成為「首選中資銀行」的定位，本行在嚴控成本的前提下推出不少培訓及發展計劃。新計劃包括針對新晉升至經理級員工的課程，目的是協助他們提升管理才能，並能以較短時間掌握新知識及技能；此外，去年亦連續第二年舉辦為中高級經理員工而設的「商業領袖培訓計劃」。年內，每名員工平均接受五日培訓。

本行定期舉行不同類型的員工活動，包括業務溝通會議、行政人員論壇、行政總裁聊天室等，讓高級管理層與員工分享業務策略及計劃，並直接聽取他們的意見。年內，人力資源部及職員康樂會為本行舉辦超過五十項活動，鼓勵員工終身學習，並在工作與生活之間取得適當平衡。其中的「Team Power Olympics」員工運動會，特別透過一系列體育項目，促進各部門及中信國金旗下公司之間相互競爭但又彼此合作的工作文化。

本行定期檢討為一千五百五十三名員工而設的薪酬結構及內容，按員工的不同表現作分層獎勵，藉以激勵員工發揮最佳表現，並確保本行能在瞬息萬變的市場環境中取得最大的成本效益。為了執行業務策略及取得佳績，本行將繼續透過人才升級法及接班計劃提升人才素質，此等措施不但持續取得業務成功的關鍵，而且為未來發展奠下穩固基礎。

In positioning the Bank to become the “China Bank of Choice”, training and development initiatives were implemented within a tough cost budget. A new programme for newly promoted managers was offered to strengthen their managerial skills and to shorten their learning curve. The “Business Leadership Development Programme” for middle to senior managers was organised for a second consecutive year. Overall, an average of five training days per staff member was attained in 2008.

A range of staff events, including business communication meetings, executive forums, and “CEO Chatrooms”, were held regularly for senior management to share and obtain direct staff feedback on the Bank’s strategies and plans. Through the human resources function and the Staff Recreation Committee, the Bank organised over 50 programmes that encouraged life-long learning and work-life balance. In particular, a series of staff sporting events, promoted as the “Team Power Olympics”, was organised to foster a competitive yet collaborative working culture across functions as well as with other participating CIFH subsidiaries.

The Bank regularly reviews the design of its compensation structure and components for its 1,553 employees. The purpose is to drive up performance through differentiation in the reward quantum for different levels of performance among individuals, and also to ensure cost effectiveness in a changing market environment. To execute the strategies and deliver good results, the Bank will continue to strengthen its talent base through a top-grading and succession planning process. All these are not only critical to the Bank’s on-going business success, but also to build a solid foundation for future growth.

展望未來

展望未來，國際金融危機會繼續蔓延，世界經濟增長將明顯減速或衰退，本港金融業將面臨更加嚴峻的挑戰和考驗。但與此同時，中央政府致力擴內需、保增長，鼓勵企業「走出去」。作為中國實施「走出去」戰略的重要跳板，香港的國際金融中心地位自然得到中央政府大力支持，一系列促進跨境金融服務及香港人民幣業務的措施已相繼出台，為香港發展成為人民幣離岸中心鋪路；更重要的是，珠三角與港澳經濟大融合獲提升為國家發展戰略，在許多領域提供了創新發展的難得機遇。

本行過去幾年重點為活躍於中國及跨境業務的客戶提供全面增值方案，貫徹執行轉型成為區域性中資銀行及為中信商業銀行業務開拓亞洲領域的策略，加上去年中信公司整合境內外商業銀行業務的部署，均令本行處於極有利位置，可以有效把握目前經濟形勢下的機遇。

Future Outlook

Looking ahead, challenges for Hong Kong's financial industry will intensify as the international financial crisis develops and global economic growth decelerates further. However, the government in China is determined to boost domestic demand, sustain growth and promote outward investments by Chinese corporates. As the springboard for China's "Go Global" strategy, Hong Kong enjoys considerable support from the Chinese government to position it as the country's international financial centre. To pave the way for Hong Kong to become the offshore RMB centre, the central government has announced successive policy measures to promote cross-border services and RMB business in Hong Kong. More importantly, China has upgraded the economic integration of Hong Kong, Macau and the Pearl River Delta Region to a national strategy, thus creating an abundance of opportunities for growth and innovation.

CKWB has been providing comprehensive value-added solutions to clients who are active in China-related cross-border businesses. This focus underpins our strategy to transform into a regional PRC bank and to become the new business expansion platform in Asia for CITIC's commercial banking businesses. With the realignment of CITIC's onshore and offshore commercial banking platforms last year, the Bank is now well-placed to capture opportunities that may arise in the current economic environment.

未來本行將以堅定信心，加大改革、創新、整合、發展力度，在確保流動性的前提下實現安全營運和健康發展，首要任務是全力協調中信公司把持有中信國金股權注入中信銀行的事宜，使中信商業銀行業務成為一個有機整體，為中信銀行走向國際化提供平台，為本行發展注入資金和活力。現時本行與中信銀行及西班牙對外銀行已着力啟動各業務上的共同策略規劃，本行將繼續積極推動有關工作，協調三方的共同業務發展需要及目標，做好作為三方亞洲區新業務發展平台的角色。本行有信心這個三方業務模式將在區內構建成一個擁有龐大競爭優勢的獨特聯盟，令中信嘉華成為客戶在亞洲的「首選中資銀行」。

The Bank will stay determined in its efforts to reform, restructure, innovate and grow. Attention will be given to ensure sound and healthy growth on a stable funding and capital base. First and foremost, however, priority will be placed to support CITIC to complete the transfer of its interest in CIFI into CNCB. This will create a unified commercial banking platform for CNCB to internationalise its business, and provide growth impetus and capital strength for CKWB. Work on tripartite strategy development among the Bank, CNCB and BBVA has already commenced in all business areas. As the new business expansion platform for the tripartite alliance in Asia, CKWB will play an active and on-going role to ensure progress in the implementation of such strategies, and to ensure that the business goals and needs of all three parties are well-coordinated. The Bank is confident that with the enormous competitive advantages that will be created under the unique partnership model in its tripartite alliance, CKWB is well on track to become the "China Bank of Choice" for its customers in Asia.



陳許多琳

Chan Hui Dor Lam Doreen

總裁兼行政總裁

President and Chief Executive Officer



蓄勢待發 Poised for Growth

我們的策略性遠景與目標已達成一致，未來絕對可以充份發揮中信嘉華銀行、中信銀行及西班牙對外銀行這個獨特三方聯盟的綜合競爭優勢。本行已為擔任中信銀行品牌海外發展跳板的角色作好策略性部署，以捕捉中國國際經貿地位日益提升引發的無限商機。

With our strategic vision and goals fully aligned, we are confident to harness the collective competitive advantages of CITIC Ka Wah Bank, China CITIC Bank and BBVA under our unique tripartite alliance. The Bank is strategically poised in its role as the springboard for overseas expansion for the CITIC Bank brand, seizing opportunities that dovetail with China's growing importance in global trade and economic development.

零售銀行部 Retail Banking Group

二零零八年，環球金融市場挑戰滿途。雷曼兄弟於去年九月倒閉後引發公眾不安，本港零售銀行業備受衝擊。幸而，本行零售銀行部於首八個月錄得穩健業績，奠下堅實的業務基礎，令其可克服下半年的困境。年內，零售銀行部精心平衡各方面工作，一方面悉心照顧客戶在動盪市況下的需要及憂慮，另一方面努力維護本行業務品牌，並調整業務模式以盡量減低市場環境對財務表現的打擊。

去年首三季市場資金普遍緊絀，加上信貸環境惡化，資產增長不免出現放緩，但零售銀行部積極推出各種吸納客戶及存款的計劃，使業務增長勢頭得以持續，舒緩淨利息收入的壓力。結果，在零售存款按年上升 13.6% 的基礎上，淨利息收入僅輕微按年下跌 4.7% 至六億三千三百萬港元。與此同時，證券市場交投減弱，零售投資者對風險的抗拒程度驟增，財富管理產品需求大降，財富管理相關收入因而按年下跌 28.3%，但非利息收入僅按年下跌 23.8% 至四億三千六百萬港元，這實有賴本行一直秉持以平衡風險與回報的原則協助客戶管理投資組合所致。在如此嚴峻的經營環境下，零售銀行部稅前盈利下降 44.7% 至三億零五百萬港元。

2008 was a challenging year by all measures for the global financial markets, and not least for the retail banking sector in Hong Kong which bore the brunt of the impact from public angst since the fall of Lehman Brothers in September 2008. The healthy performance achieved by the Bank's Retail Banking Group ("RBG") in the first eight months of the year provided a solid foundation from which to negotiate its course through the turbulence in the second half of the year. Addressing clients' needs and concerns in facing the market volatilities, protecting the Bank's franchise and adjusting its business model to minimise adverse impact on the Bank's financial performance were all important priorities that needed to be skillfully balanced during the year.

Notwithstanding the general liquidity squeeze in the market in the first three quarters and the worsening credit conditions which called for a slowdown in asset growth, RBG mitigated the impact on its net interest income through aggressive customer and deposit acquisition campaigns to sustain its business momentum. As a result, net interest income fell moderately by 4.7% year-on-year to HK\$633 million on a 13.6% year-on-year growth in retail deposit volumes. Meanwhile, the slowdown in stock market activities and heightened risk aversion amongst retail investors led to a sharp decline in the demand for wealth management products. Non-interest income fell 23.8% year-on-year to HK\$436 million despite a 28.3% decline in wealth management related income, thanks to the Bank's long-standing commitment to help customers manage their financial portfolios on a balanced risk-return basis. Amidst such challenging business conditions, net profit before tax fell by 44.7% to HK\$305 million.

CITICfirst 帶動業務持續增長

CITICfirst 自二零零五年十月推出以來，迅即獲市場公認為本行的獨特財富管理品牌，它巧妙地糅合私人銀行的個人化財富管理模式及零售銀行的便捷服務，訂下「私人財富管理新標準」。CITICfirst 的成功為本行締造重要收入來源，確保零售銀行業務基礎的穩健性，並帶來長期持續增長。

CITICfirst As Engine For Sustainable Growth

Since CITICfirst was launched in October 2005, it has quickly gained market recognition as the Bank's signature wealth management brand that is synonymous with "a new standard in private wealth management" – the smart combination of the customised portfolio management approach in private banking with the customer convenience offered in retail banking services. The success of CITICfirst has created an important revenue generator to assure the stability of RBG's business fundamentals as well as the sustainability of its long-term growth.



零售銀行部於二零零八年在 CITICfirst 已建立的客戶服務優勢及客戶忠誠度上，繼續投放資源提升現有實力，進一步拓展 CITICfirst 品牌及業務。年內推出了全新品牌推廣計劃，配以持續的媒體宣傳及成功的市場推廣。此外，本行亦不斷擴充及翻新 CITICfirst 理財中心，貫徹為客戶帶來創新及獨特服務體驗的承諾。連同去年分別在灣仔、旺角及上水新增的三間 CITICfirst 理財中心，現時共有十四間 CITICfirst 理財中心遍佈港九新界。基於以上努力，截至二零零八年底，CITICfirst 客戶總數按年強勁增長 32.3% 至超過一萬三千七百人，其中逾 21% 為本行新客戶。同時，雖然證券市場資產價格普遍下跌，但 CITICfirst 為客戶管理資產總值仍上升 7.6% 至三百七十億港元。

Building from a position of strength both in terms of the quality of customer service delivery and customer loyalty, RBG continued to invest in the expansion of the CITICfirst franchise in 2008. The launch of a new brand marketing campaign was supplemented by on-going media presence and successful marketing programmes. To deliver on its commitment to innovate and create a differentiated experience for its customers, the Bank continued to expand and revamp its network of CITICfirst centres. Three new CITICfirst centres were opened during the year, namely in Wanchai, Mongkok and Sheung Shui, to bring the total to 14 throughout Hong Kong, Kowloon and the New Territories. As a result, the CITICfirst customer base grew by a robust 32.3% year-on-year to reach over 13,700 by the end of 2008, of which over 21% were new-to-bank customers. Meanwhile, total customer assets under management grew by 7.6% to HK\$37 billion despite the general decline in asset values in the equity markets.



產品方案方面，零售銀行部繼續擴充其產品系列，年內推出十五種新產品類別，以迎合客戶不同的財務狀況及需要。這些產品方案主要屬於基本類型的投資工具，如保險產品、外幣掛鈎存款、可贖回證券掛鈎工具、零售結構性票據及私人配售產品。

憑藉 CITICfirst 創新及以客為尊的強大業務平台，零售銀行部的優秀財富管理專才於二零零八年香港註冊財務策劃師學會舉辦的「第六屆香港財務策劃師選舉」及香港銀行學會舉辦的「二零零八年傑出財富管理師大獎」中囊括銀獎、銅獎及優異獎等七項殊榮。

In terms of product solutions, RBG continued to diversify its product suite with the introduction of 15 new product types during the year to meet the varying financial circumstances and needs of its customers. These product solutions typically fell within the basic categories of investment tools such as insurance products, currency-linked deposits, callable equity linked instruments, retail structured notes and private placement products.

Supported by CITICfirst's innovative and powerful customer-focused platform, RBG's pool of qualified wealth management talents won a total of seven Silver, Bronze and Merit Financial Planner Awards in 2008 from the "Sixth Annual Hong Kong Financial Planner of the Year Award" organised by the Society of Registered Financial Planners and the "Outstanding Financial Management Planner Awards 2008" organised by the Hong Kong Institute of Bankers.



審慎管理資產及負債

年內，零售銀行部嚴格執行資產負債管理及風險管理措施，以保障本行的核心業務基礎。面對二零零八年大部份時間市場資金普遍緊絀的情況，零售銀行部成功推出全面的存款相關產品，使本行能於存款增長及流動資金管理方面達標，並帶動 CITICfirst 客戶總數取得令人鼓舞的可觀增長。

透過推出不同類型的創新產品，零售客戶存款於二零零八年底增加 13.6% 至四百五十五億港元。年內零售銀行部推出了八個結構性存款系列，吸納來自現有及新客戶合共三十九億港元存款，為本行提供長期資金支持。其中「靈活提取港元定期存款」提供高息及可於三個月後提款的雙重優惠，在接近零息的環境中特別深受低風險客戶所歡迎。此外，「活定期」港元儲蓄戶口及劃時理財戶口兩個高息存款方案，亦是重視流動現金客戶的熱門之選。

Prudent Asset And Liability Management

During the year, RBG stayed vigilant to the Bank's disciplines in asset and liability management as well as risk management to safeguard CKWB's core fundamentals. Against the backdrop of a widespread liquidity squeeze in the market for the most part of the year, RBG's ability to offer a full variety of deposit alternatives was a key contributor to the Bank's success in achieving its deposit growth and liquidity management targets in 2008. Meanwhile, these efforts also generated encouraging customer growth in the CITICfirst portfolio.

Through the deployment of a mix of creative product innovations, retail customer deposits grew by 13.6% to HK\$45.5 billion by the end of the year. Eight series of structured deposits were launched which helped to secure HK\$3.9 billion in long-term funding for the Bank from new and existing customers. Of these, the Flexible HKD Time Deposit – which offered the double benefit of high interest rates and the flexibility to withdraw deposits after three months – was particularly well-received by customers who were looking for low-risk solutions against a near-zero interest rate environment. The Bank's Value Savings and NOW accounts were also popular interest-bearing deposit solutions for customers who prized daily liquidity in managing their cash reserves.



在經濟初現逆轉勢頭時，零售銀行部已採取審慎的貸款增長策略。於二零零八年底，未償還零售貸款總額按計劃維持於二百五十二億港元，與二零零七年底規模相若，而零售貸存比率則由二零零七年底的 63.1% 減至二零零八年底的 55.4% 防守性水平。受惠於嚴謹的風險管理措施，零售貸款減值撥備僅佔零售銀行部未償還貸款總額 0.2%。

住宅按揭業務則繼續採取防守性策略，嚴格遵從審慎貸款方針，刻意避開市場上的割價競爭，反而將按揭優惠計劃定位為向零售銀行核心客戶提供整體服務方案的其中一環。結果，年內新造按揭貸款整體價格按年上升四十點子。零售銀行部審慎選擇客戶，亦有助持續改善按揭貸款組合的資產素質，令拖欠比率由二零零七年底的 0.06% 下降至二零零八年底的 0.03%。

Meanwhile, RBG adopted a cautious loan growth strategy at the onset of early signs of a looming economic downturn. At the end of 2008, total retail loan balances were maintained as planned at HK\$25.2 billion, around the same level as 2007 year-end. Retail loans to deposits ratio were kept at a defensive 55.4% as at the end of the year compared to 63.1% in 2007. Rigorous risk management disciplines helped to minimise retail loan impairment allowances at a mere 0.2% of RBG's total loan balances.

The strategy in residential mortgages remained defensive. Prudent lending disciplines were strictly enforced, and fierce price-cutting competition was deliberately eschewed. Preferential mortgage offerings were structured mainly as an integral part of total service solutions for RBG's core customer segments. As a result, overall customer pricing on new mortgages booked during the year improved by 40 basis points year-on-year. Careful customer selection also contributed to the continued improvement in the portfolio's asset quality which reported a fall in delinquency ratio from 0.06% in 2007 to 0.03% at the end of 2008.



零售信貸策略亦有所調整，由過往針對普羅大眾市場轉而將零售信貸作為深化中高端客戶關係的催化劑。這新策略不但帶動 CITIC*first* 客戶人數同步上升，並協助擴大大白金信用咭客戶基礎。在普羅客戶群方面，本行亦已定期作出檢討，以確保整體風險維持在預期水平之內。

為了有效控制中小企日漸惡化的信貸情況，零售銀行部在二零零八年初開始加緊對客戶的評估工作，令貸款組合中更大比例部份獲理想的抵押品保障。至於本行的核心客戶，零售銀行部會特別提供支援協助他們應付目前嚴峻的經濟環境。

二零零九年展望

踏入二零零九年，市場無疑會持續波動及不明朗。投資者信心仍然脆弱，加上香港即將執行更嚴謹的新監管架構，本地銀行在努力重建公眾信心的同時，亦要兼顧平衡業務發展，極有可能需要重寫現行財富管理業務模式。中信嘉華相信業務長遠持續發展的關鍵，在於繼續擴展零售銀行業務之際，致力將對合規的堅持融化成競爭優勢。同時，人才仍然是未來業務發展的決定性因素，本行將繼續投放資源，提升財富管理專才的技能及素質，讓他們進一步掌握管理多元化產品及投資組合的技巧。

RBG also shifted its consumer finance strategy from a mass strategy to one that enhances traction in deepening relationships with the affluent segment. This new acquisition strategy dovetailed with CITIC*first*'s customer inflow and resulted in the growth of its platinum credit card base. For the mass customer base, reviews were conducted regularly to ensure that the overall risk was contained at the expected level.

To manage the worsening credit conditions in the small- to medium-sized enterprise ("SME") business segment, RBG tightened its account review process in early 2008 and enhanced its security position with a higher proportion of the portfolio. For those customers who maintained core banking relationships with CKWB, special attention was placed to support them to ride out the current challenging economic conditions.

2009 Outlook

Stepping into 2009, volatility and uncertainty will no doubt prevail. With investor confidence still fragile and a new and tightened regulatory framework to be imminently enforced in Hong Kong, the wealth management business model will most likely be redrawn as local banks strive to rebuild and balance public trust and business viability. CKWB believes that the key to long-term sustainability lies in its commitment to embrace compliance as a competitive edge as it continues to grow its retail banking business. The quality of its talent pool will remain an important differentiator, and the Bank will continue to invest in upskilling and upgrading its wealth management professionals to equip them with multi-product and portfolio management skill sets.

零售銀行部並會在 CITIC*first* 的成功經驗及穩固根基上，深入研究提升服務模式以增加未來市場份額，但大前提是要繼續遵行審慎管理資產負債表及控制成本的重要原則，確保零售銀行業務能夠健康發展。

中信嘉華在與中信銀行及西班牙對外銀行三方聯盟中擔當亞洲商業銀行平台角色，本行正為此積極裝備，未來工作重點將包括建立強大的綜合財富管理平台，以中信統一品牌服務大中華及亞洲區內中高端客戶。零售銀行部亦已準備就緒，支持本行全面發揮中信公司及三方聯盟的綜合優勢，相信當區內經濟重拾動力時將能在市場競爭中脫穎而出。

Meanwhile, riding on the experience and strong foundations of CITIC*first*, RBG will seriously explore opportunities to upscale its servicing model to gain future market share. Nevertheless, prudence in balance sheet management and cost disciplines will continue to be critical guiding principles to ensure healthy growth of the retail banking franchise.

As CKWB gears up to become the regional commercial banking platform for its tripartite alliance with CNCB and BBVA, priority will be given to build a strengthened and integrated wealth management platform under a united CITIC brand to service the affluent segment in Greater China and Asia. RBG is poised to support the Bank to harness the full collective competitive advantages within CITIC Group and the tripartite alliance, and it is confident to emerge at the forefront of its competition as the region regains its economic vibrancy in due course.

企業銀行部 Wholesale Banking Group

在充滿不明朗因素的二零零八年裏，企業銀行部專注協助客戶應付異常的市場環境。同時，各業務部門盡職審慎監測貸款組合，務求在風險與回報之間取得適當平衡，以保障業務基礎的穩健性。

以上努力使本行能定位為主要企業客戶的首選財務方案提供者，而且令企業銀行部在全球經濟困境下仍取得穩健表現。貸款資產及存款較二零零七年分別上升 14.3% 及 16.4%，非利息收入則保持 11.8% 的健康按年增長，佔企業銀行部總

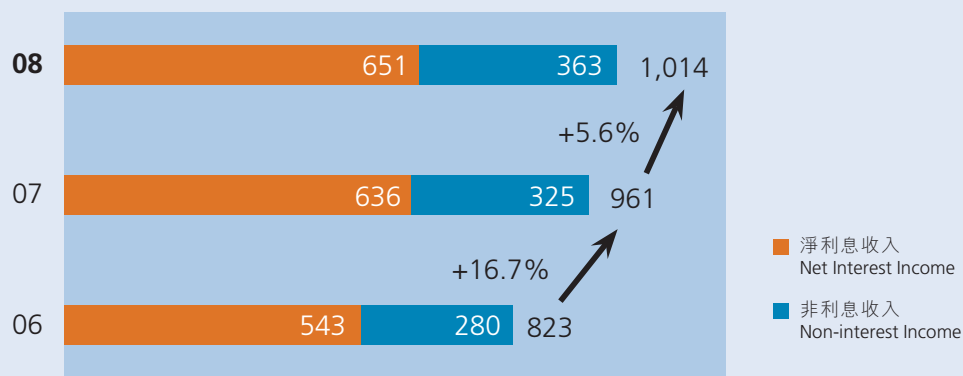
The Wholesale Banking Group ("WBG") focused on supporting its clients to navigate through the exceptional market uncertainties in 2008. At the same time, the business unit exercised due diligence in managing a reasonable risk and return balance for its portfolio to protect the robustness of its fundamentals.

The efforts paid off not just in positioning the Bank as the preferred solutions provider for its key corporate clients, but also in achieving a stable wholesale banking performance despite the global economic challenges. Loan assets and deposits grew by 14.3% and 16.4% respectively compared to a year ago. The growth of non-interest

二零零六至二零零八年 企業銀行部經營收入走勢

WBG Operating Income Trend 2006-2008

(百萬港元)
(In HK\$ million)



收入比例為 35.8%。可是，市場資金成本在二零零八年特別是九月以來急劇上升，但信貸重新訂價的效應需時反映，故未計減值前經營溢利僅錄得 0.3% 輕微上升。宏觀環境方面，信貸週期突然逆轉令撥備開支驟增，導致稅前盈利按年下跌 37.5% 至三億九千萬港元。

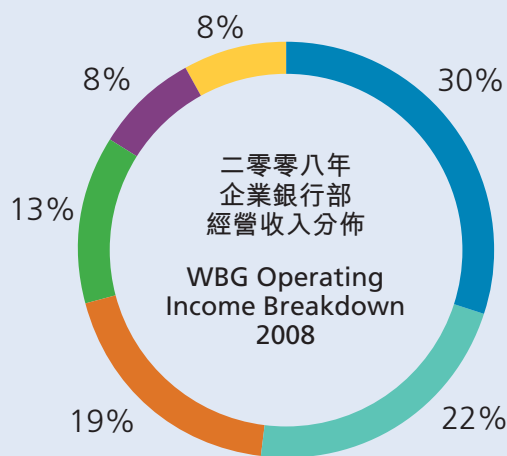
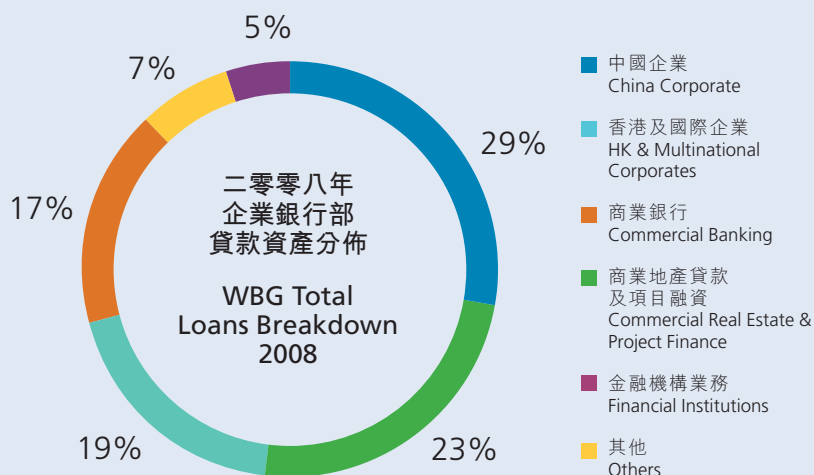
income was sustained at a healthy 11.8% compared to the previous year to account for 35.8% of WBG's total income. Partly offset by the sharp rise in market funding cost, especially since September 2008, and the lagged effect of credit repricing, operating profits before impairment recorded a mild 0.3% increase. Meanwhile, the abrupt turning of the credit cycle in the macro environment led to an increase in provisioning expenses. As such, net profit before tax fell by 37.5% year-on-year to HK\$390 million.

秉持以客為尊之宗旨

雖然二零零八年初經濟一度呈現強勁勢頭，但自年中以來金融海嘯席捲全球，市場環境急速惡化，企業盈利開始受壓，銀行借貸意欲普遍下降，銀行體系流動資金緊絀，導致資金成本上升。亞洲市場受影響程度較歐美國家輕微，但中國已逐漸受到波及，出口需求於第四季開始減弱；香港亦不能獨善其身，同樣面對着數十年來前所未見的嚴峻經營環境。

Staying Focused On Clients

Although 2008 got off to a relatively strong start, the ferocity of the financial tsunami that swept past the global economies led to rapid market deterioration since the middle of the year. Profitability in the corporate sector started to suffer while banks' appetite for lending lowered in general. Constrained liquidity in the banking system led to an increase in funding costs. Although the Asian markets were impacted to a lesser degree compared to the US and Europe, China gradually felt the pinch as demand for its exports started to diminish in the last quarter of the year. Similar to economies elsewhere in the world, the austerity that confronted Hong Kong corporates in their operating environment was unprecedented in recent decades.



年內，企業銀行部的策略是繼續專注滿足客戶需要，協助他們克服經濟環境的挑戰。具體而言，企業銀行部重點為其主要客戶提供全面財務方案，特別是針對他們對提升貿易及財資產品的需求。憑藉本行的雄厚中資背景及豐富國際經驗，企業銀行部加強了全球／本地客戶關係統一管理服務模式，為跨國及區域性企業客戶在香港、中國及亞洲的跨境業務，提供快速有效的支援。

企業銀行部繼續致力深化中信嘉華與中信銀行之間的業務協作，擴闊在一站式聯合服務模式下的產品及服務系列，並提高服務效率，令更多客戶受惠。兩行之間的業務轉介亦有所上升，為兩間「中信」商業銀行及相關客戶締造真正的「三贏」局面。（詳情請參閱「中信嘉華與中信銀行的策略協調與執行」章節）

增強產品實力

雖然經濟環境充滿挑戰，企業銀行部仍成功保持非利息收入的增長勢頭，這主要是其銳意建立及提升核心產品實力的成果。二零零八年香港方面的貿易融資收入及總額分別按年上升23.0%及33.5%至一億五千三百四十萬港元及三百九十二億港元。可是，向客戶交叉銷售財資產品及環球市場服務帶來的收入較二零零七年下跌12.9%至三千四百四十萬港元，主要是由於市場極度波動，令客戶對風險甚為抗拒所致。

WBG's strategy during the year was to remain focused on the needs of its clients and to help them address the challenging economic realities. Specifically, emphasis was given to provide "total solutions" to its key customers, especially those with needs for enhanced trade and treasury products. Leveraging on the Bank's strong China background and international experience, it strengthened its Global Account Management / Field Account Management ("GAM/FAM") service framework to provide efficient and effective support to multinational and regional corporate customers with their cross-border needs in Hong Kong, China and Asia.

As continuous efforts were made to deepen business collaboration between CKWB and CNCB, an increasing number of clients were able to benefit from the enhanced product and service range and efficiencies offered under the one-stop joint service model. Cross-referrals between the two banks also increased, resulting in a truly "win-win-win" situation for the two CITIC commercial banking vehicles and the clients concerned. (Also see section on "CKWB-CNCB Strategy Coordination and Execution".)

Enhancements In Product Competencies

WBG's success in sustaining non-interest income growth momentum despite the challenging economic environment was largely underpinned by its clear focus to build and improve its core product competencies. Indeed, for Hong Kong, its trade finance revenue and volume in 2008 rose year-on-year by 23.0% to HK\$153.4 million and 33.5% to HK\$39.2 billion respectively. However, income generated from cross-selling treasury products and global markets services declined 12.9% compared to 2007 to HK\$34.4 million, mainly due to clients' heightened risk aversion amidst the extreme market volatilities.

為了進一步裝備本行，以在與中信銀行及西班牙對外銀行的三方聯盟中，最大發揮作為中信公司拓展境外業務商業銀行平台的角色，產品開發及持續提升產品素質實在是首要重點。

為此，企業銀行部通過結構融資及銀團貸款部、商業地產貸款及項目融資部以及國際銀行及金融機構業務部三個核心優勢領域，不斷加強本行企業諮詢服務的實力。

結構融資及銀團貸款部年內為多宗客戶交易提供諮詢及貸款構建服務，突顯其投資銀行服務實力。二零零八年下半年更加強團隊陣容，增聘優秀企業融資專才，進一步提升專業水平及市場知名度。去年該部門籌組了三十六宗銀團貸款，合共為客戶籌得六十八億港元，其中十四宗擔任牽頭經理角色，涉及金額達三十四億港元。

To better equip the Bank to become the commercial banking platform for offshore business expansion for CITIC Group under the tripartite alliance with CNCB and BBVA, product development and continuous product quality upgrading are considered important priorities.

To that end, WBG has been strengthening the Bank's corporate advisory capabilities delivered through its Centres of Excellence, namely, Structured Finance and Syndication ("SFS"), Commercial Real Estate and Project Finance ("CREPF") and International Banking and Financial Institutions ("IBFI").

The SFS team provided advisory and structuring support to a number of client deals during the year and demonstrated its investment banking capabilities. In an effort to enhance its expertise and to raise its market visibility, its team was strengthened in the latter part of the year with the addition of high calibre corporate finance professionals to its talent pool. Total underwritten amount for the year reached HK\$6.8 billion through the team's participation in 36 syndication deals, 14 of which it acted as lead manager, involving a total underwritten amount of HK\$3.4 billion.



商業地產貸款及項目融資部努力展示其在推動環保融資方面的領導地位，在一間大型國際零售集團的策略性項目中，積極夥拍中信銀行成為其中一間牽頭中資銀行集團。該項目旨在建立一個符合環保原則及社會責任的環球供應鏈，它亦提供大好商機，讓本行與中國及全球主要供應商增強合作關係，協助他們提升環保水平及技術，並加強其可持續發展跨境項目的融資能力。

國際銀行及金融機構業務部繼續推廣業務至區內市場，並於二零零八年下半年開始着手建立本行交易銀行服務的實力，負責制定發展策略及產品設計，特別是在提升貿易融資產品及現金管理範疇。

中信嘉華與中信銀行的策略協調與執行

中國業務部門屬下的業務合作辦公室自二零零七年成立以來，一直是促進本行與中信銀行之間策略性協作的主要動力。過去兩年的策略性工作包括加強本行與中信銀行於環渤海、長三角及珠三角地區主要指定沿岸分行之間的夥伴關係；同時並要取得實質的業務合作成果，以彰顯兩間姊妹銀行的協同效應。

To demonstrate its leadership in championing green financing, the CREPF team engaged its CNCB partners in a proactive role to become one of the lead Chinese banking groups in a strategic project with a large international retail group to build an environmentally and socially responsible global supply chain. The project offers an attractive opportunity to forge relationships with the major suppliers in China and globally, to help them upgrade their environmental standards and technologies, and to enhance their ability to secure cross-border sustainability related financing.

Meanwhile, the IBFI team continued to expand its marketing reach to a regional coverage. It has also embarked on efforts since the latter part of last year to establish the Bank's transaction banking capabilities, taking on responsibilities for strategy development and product offering design, particularly in the areas of trade finance product enhancement and cash management.

CKWB-CNCB Strategy Coordination And Execution

Since its establishment in 2007, the New Initiatives Office ("NIO") within the China Banking Division has been the key driving force behind the strategic collaboration between the Bank and CNCB. Its strategic efforts over the past two years have been to forge partnerships with selected major coastal branches of CNCB in the Pan-Bohai, Yangtze River Delta and Pan-Pearl River Delta regions, and to achieve meaningful business cooperation successes to showcase the power of the synergies between the two sister banks.

兩行的夥伴關係網絡為提升上述全球／本地客戶關係統一管理服務模式奠定堅實基礎，使中國企業貸款及國際企業團隊能夠擴大內地市場的滲透率，為其跨境客戶提供一站式聯合財務方案，同時中信銀行亦可透過為內地主要客戶提供連貫的境外服務增強競爭優勢。

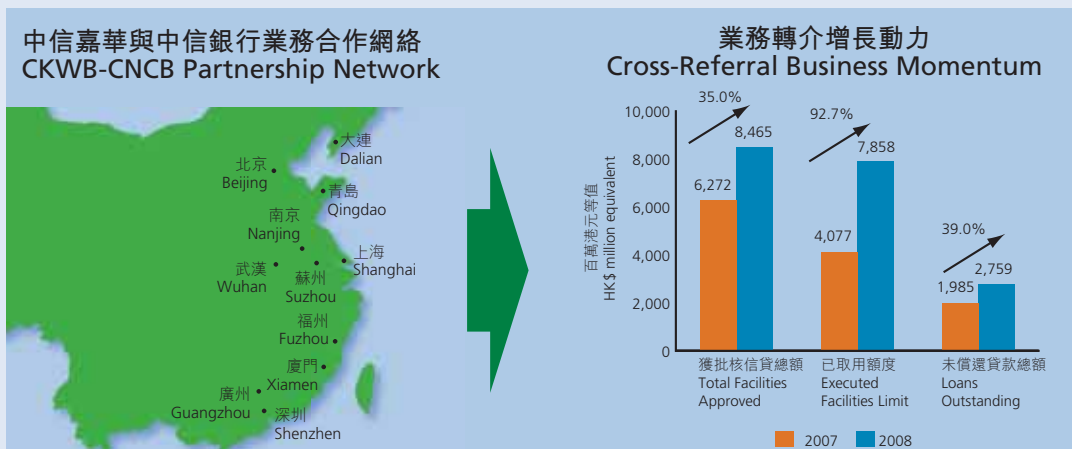
兩行之間的業務轉介和共同參與交易宗數因而錄得令人鼓舞的可觀增長。年內，中信銀行轉介至本行並成功獲批核的信貸額合共八十五億港元，比二零零七年增長 35.0%，其中已取用貸款上升 92.7% 至七十九億港元，而未償還貸款總額則增加 39.0% 至二十八億港元。

此外，本行全資擁有的內地註冊子公司中信嘉華銀行(中國)有限公司(「中信嘉華(中國)」)已於二零零八年四月正式開業，總部設於深圳，分行位於北京及上海。中信嘉華(中國)將會成為本行內地執行平台，服務香港及區域性企業客戶的跨境交易；同時亦會在本行與中信銀行、中信公司旗下子公司及西班牙對外銀行之間的聯合業務及市場推廣中擔當重要角色，協助優化工作流程及服務效率。

This partnership network formed a solid foundation on which to strengthen the above-mentioned GAM/FAM service framework. This has enabled the Bank's China Corporates Team and Multinational Corporates Team to deepen their market penetration in China to provide joint one-stop financial solutions to cross-border customers of its own, as well as to enhance CNCB's competitive edge in providing seamless offshore services to their key Chinese customers.

The resulting growth in the pipeline of cross-referrals and joint deal participations between the two banks was most encouraging. During the year, a total of HK\$8.5 billion in credit facilities referred by CNCB were approved, representing a 35.0% increase over 2007, of which executed facilities grew 92.7% to HK\$7.9 billion, while total loans outstanding grew 39.0% to HK\$2.8 billion.

Meanwhile, CITIC Ka Wah Bank (China) Limited ("CKWB China"), the Bank's PRC-incorporated wholly-owned subsidiary bank, officially commenced business operations in April 2008. Headquartered in Shenzhen, CKWB China has branches in Beijing and Shanghai. The role of CKWB China going forward will be to serve as the onshore execution platform for cross-border deals for the Bank's Hong Kong and regional corporate clients. It will also play an important role to streamline the workflow and service delivery time for joint business and marketing between the Bank and CNCB, CITIC Group subsidiaries as well as BBVA.



保障業務穩健性

為了作好準備應付預期逐漸浮現的環球經濟挑戰，企業銀行部自二零零八年初起開始收緊貸款組合及風險管理措施，全面檢討所有客戶群及客戶關係，務求能瞭解客戶最新需要；同時深入檢討貸款組合，確保訂價策略能恰當合理地反映有關風險。此外，企業銀行部更訂下清晰指引，以重質不重量為原則，通過恰當的訂價策略，在目標業務領域發掘最佳商機，並採取具體行動減少或撤出高風險項目。

企業銀行部亦透過推出存款計劃，擴大本行存款基礎規模及改善到期日的分佈，並於本行的內部資金調動機制中推出新措施及調整信貸息差，以應付資金成本的不斷上漲，為本行解決銀行體系流動資金緊絀問題作出貢獻。

出於對人力發展及孕育新晉的信念，企業銀行部為所有業務及市場推廣部門員工推出一套涵蓋不同銀行業務層面的電子學習課程，並透過本行的見習行政人員計劃，招聘十二位大學畢業生，由商業銀行部集中培訓，讓這些年青專才汲取市場推廣及風險分析的實戰經驗。

二零零九年展望

雖然各國政府正致力在環球經濟危機下振興經濟及金融體系，但救市措施的成效現時尚屬未知之數，二零零九年及二零一零年前景仍然不明朗。

Protecting Business Fundamentals

To brace the Bank for the looming global economic challenges that were unfolding, WBG took steps since early 2008 to tighten its portfolio and risk management disciplines. A thorough review of all customer groups and relationships were conducted to ensure up-to-date understanding of client needs. In-depth portfolio studies were made to ensure appropriate and reasonable risk-based pricing strategies. Instead of targeting on volume, clear directives were given to pursue quality opportunities in the right sectors and at the right pricing. Specific action plans were implemented to reduce or exit high risk exposures.

WBG also contributed to the Bank's overall efforts to address challenges arising from the liquidity crunch in the banking system. Deposit campaigns were launched to grow the scale and improve the maturity profile of its deposit base. Measures were taken in the Bank's internal fund transfer scheme and adjustments made in credit spreads to combat increasing funding costs.

WBG believes in the importance of staff development and the nurturing of new talents. A suite of electronic learning courses covering different facets of banking were introduced to all its business and marketing staff. Twelve university graduates were recruited through the Bank's Graduate Trainee Programme, and the Commercial Banking Team was assigned as the focal point to train up these young professionals to equip them with hands-on experience in marketing and risk analysis projects.

2009 Outlook

While governments around the world are still striving to revive their economies and financial systems amidst the global crisis, the likely impact of their various rescue packages has yet to materialise, and as such, the outlook for 2009 and 2010 remains obscure.

然而，中國政府決心對抗金融危機，銳意刺激經濟增長，反映我國已漸漸成為全球經濟超級大國，未來無疑會是推動全球經濟增長的火車頭，這將為香港及區內發展帶來希望及商機，好像在二零零九年一月中央政府宣佈香港在珠三角經濟藍圖中所擔當的重要角色，以及承諾支持香港發展成為人民幣離岸結算中心，便是最佳例證。

本行憑藉作為中信公司境外商業銀行平台的獨特優勢，以及與中信銀行及西班牙對外銀行組成的三方業務聯盟，目前正處於極有利位置，企業銀行部對掌握未來機遇充滿信心。

除了持續精心改善企業貸款組合素質，嚴格按風險重新訂價以恰當反映資金成本及信貸風險的上升之外，企業銀行部會集中資源服務核心客戶，特別是其以中國為主的跨國業務。

二零零八年中國企業貸款及國際企業團隊合共佔企業銀行部總經營收入 50% 以上，相信在中國保持其經濟增長目標的前提下，兩支團隊的增長勢頭料可持續。

企業銀行部在香港、中國及區內執行本行與中信銀行及西班牙對外銀行三方聯盟策略中擔當重要角色，它將透過廣泛的業務轉介，以及多方面的經驗、知識及技術交流，擴大三方業務合作範疇；同時並繼續為拓展本行區域性版圖打好基礎，待市場回穩時將可迅速開展有關步伐。企業銀行部未來的重點非常明確，就是堅決提升貸款組合、產品及業務守則至國際水平，支持本行朝着成為亞洲區內「首選中資銀行」的遠景進發。

Yet China's decisiveness to address and stimulate growth proved its growing maturity as a global economic superpower, and its undeniable role as an engine for future global economic growth offers hope and opportunities for Hong Kong and the region. This is particularly evident in Hong Kong's role in the Pearl River Delta economic blueprint announced by the Chinese government in January 2009, and in its commitment to support Hong Kong to become the offshore RMB settlement centre.

Riding on the unique advantages as CITIC Group's offshore commercial banking platform and the tripartite business alliance between the Bank, CNCB and BBVA, WBG is confident that the Bank is well-placed to capture the opportunities ahead.

In addition to rigorous and continuous efforts to improve its wholesale loan portfolio quality and to enforce disciplined risk-based repricing to properly reflect rising funding costs and credit risk, WBG will concentrate its resources on its core clients with emphasis on China-centric multinational business activities.

On the basis that China will be able to maintain its economic growth target, the China Corporates Team, and Multinational Corporates Team, which on a combined basis contributed to over 50% of WBG's total operating income in 2008, are expected to exhibit continual growth momentum.

WBG plays an important role in the strategy implementation of the tripartite alliance between the Bank, CNCB and BBVA in Hong Kong, China and regionally. It will broaden the scope of business cooperation amongst the tripartite partners through extensive business referrals and exchange of experience, knowledge and expertise in various aspects. It will also continue to lay the groundwork for the paced expansion of the Bank's regional footprint as soon as stability returns to the markets. Coupled with its clear focus and determination to raise its portfolio, products and business practices to international standards, WBG is confident that it is well on track to supporting the Bank's vision to become the "China Bank of Choice" in Asia.

財資部 Treasury And Markets Group

面對美國次級按揭市場崩潰所引伸的嚴峻經濟環境，財資部年內的工作重點是專注為本行及其客戶保護資本及防範市場風險。雖然企業及零售投資者對風險加以抗拒令有關業務受到影響，但財資部的客戶業務收入仍按年上升 7.4% 至四千七百七十萬港元。同時，財資部悉心平衡風險及回報，亦為本行的交易組合帶來理想收益。二零零八年財資部稅前盈利錄得二億一千零七十萬港元，較二零零七年增長 10.0%。

資本、資金及流動資金管理

二零零八年，受到不明朗陰霾所籠罩，全球投資者出現恐慌情緒，寬鬆信貸及流動資金充裕的時代亦隨之告終。各國政府及中央銀行向金融體系注入數千億元計的流動資金及保證金，試圖恢復投資者信心及紓緩信貸市場，希望令市場回穩。此舉徹底重新勾劃金融業形勢，在許多情況下政府成為了一些全球最大型商業銀行的直接股東。面對如此動盪的環境，所有銀行管理層均視資本、資金及流動資金管理為生存及長期持續性發展的首要重任。

In the extremely difficult economic climate brought about by the collapse of the US subprime mortgage market, the priority of the Treasury and Markets Group ("TMG") was focused on capital and market risk protection both for the Bank and for its clients. Although client-related activities were affected by the heightened risk aversion amongst corporate and retail investors, TMG still managed to report a respectable 7.4% year-on-year growth in client-driven revenues to HK\$47.7 million. Skillful risk-balancing helped to generate a healthy return on the Bank's trading portfolios. As a result, TMG reported HK\$210.7 million in net profit before tax, representing a 10.0% growth compared to 2007.

Capital, Funding And Liquidity Management

In 2008, the once robust flow of easy credit and liquidity ceased as fear and uncertainty took hold of investors worldwide. In attempts to restore investor confidence, unblock credit markets and return stability to the markets, governments and central banks around the world injected hundreds of billions of dollars in liquidity and guarantees into the financial system. This completely repainted the financial sector landscape, leaving in many cases governments to become direct stakeholders in some of the largest commercial banks in the world. Against such a turbulent backdrop, capital, funding and liquidity management topped management agenda of all banks as a matter of survival and long-term sustainability.

幸而，母公司中信國金於二零零七年十二月向本行注資二十五億港元，令中信嘉華能夠以穩健的資本迎接二零零八年，緩和年內市場震盪所造成的衝擊。雖然金融機構全年都無法於市場上發行之次級債券，但中信嘉華的核心資本及資本充足比率於年底仍分別保持於 9.6% 及 14.7% 的健康水平。中信國金於二零零八年十一月成功私有化後，其兩大股東中信公司及西班牙對外銀行履行承諾，作好準備為中信國金提供三十億港元的備用資金，有需要時中信國金可於董事會審批後下放至中信嘉華。如此強大的股東及資金支持不但確保中信嘉華的穩健性，而且有利本行未來兩年的發展。

銀行同業及資本市場資金緊絀，亦影響了本行發行存款證的能力。為了克服這個挑戰，財資部與企業銀行部及零售銀行部緊密合作，推出一系列吸納企業及零售存款的計劃，以增強本行的客戶存款基礎，結果零售銀行部為本行取得三十九億港元長期客戶存款，而企業銀行部亦成功確定了企業客戶存款淨額的穩定性。更重要的是，以上努力改善了本行於年內整體流動資金的到期日分佈。在整個二零零八年下半年，本行都能維持平均流動資金比率在接近 40.0% 的水平，而全年平均流動資金比率則為 37.0%。

Thanks to the HK\$2.5 billion capital injection from the Bank's parent, CIFIH, in December 2007, CKWB entered 2008 in a strong capital position which helped to cushion market shocks during the year. Although the market for financial institutions subordinated debt issuance was essentially unavailable throughout the year, CKWB managed to maintain its core capital and capital adequacy ratios at a healthy 9.6% and 14.7% respectively at the end of the year. Following the successful privatisation of CIFIH in November 2008, its two shareholders, CITIC Group and BBVA, honoured their commitment to provide HK\$3 billion funding support for downstreaming to CKWB upon request and subject to the approval of the CIFIH board of directors. Such strong shareholder and funding support not only safeguards the stability of CKWB, but also places the Bank in good stead for growth in the next two years.

Meanwhile, the liquidity crunch in the interbank funding and capital markets also affected the Bank's ability to issue certificates of deposits. To overcome this challenge, TMG worked closely with WBG and RBG to bolster the Bank's customer deposit reserves through a series of corporate and retail deposit acquisition campaigns throughout the year. RBG alone helped to secure HK\$3.9 billion in long-term customer deposits for the Bank. WBG was successful in securing the stability of net deposits from the Bank's corporate customer base. More importantly, such efforts culminated in an improvement in the overall maturity profile of the Bank's overall liquidity for the year. As a result, the Bank managed to maintain its average liquidity ratio at close to 40.0% throughout the second half of the year. Average liquidity ratio for the full year was 37.0%.

財資部亦透過貨幣市場運作管理本行的利率風險。由於預期全年美元及港元利率下調，財資部審慎管理本行短期投資組合，令貨幣市場的差距配對活動帶來理想回報，錄得總收入二億三千三百萬港元，較二零零七年上升30.2%。

客戶方案、產品及業務發展

財資部與企業銀行部及零售銀行部於過去兩年緊密合作，為建立以客為本的產品實力及收入來源奠定穩健基礎。鑑於客戶在二零零八年波動市況下對風險甚為抗拒，財資部秉承企業銀行部及零售銀行部以客為尊的宗旨，集中為客戶提供防範風險的財資增值方案，包括協助客戶鎖定資金成本的利率對沖及掉期產品、對沖人民幣外匯風險的人民幣不交收遠期合約、以及針對市場存款利率偏低為零售客戶而設的增益結構性存款產品，故本行財資相關的客戶業務收入得以按年增長7.4%至四千七百七十萬港元。

TMG also managed the Bank's interest rates exposure through its money market operations. Having prudently managed the Bank's short-term investment portfolio in anticipation of the downward trend in the USD and HKD interest rates throughout the year, the money market gapping activities generated excellent returns in 2008 with a total revenue of HK\$233 million, or 30.2% growth over the previous year.

Client Solutions, Product And Business Development

TMG's collaboration with WBG and RBG over the past two years has laid a healthy foundation for it to build its client-driven product and revenue capability. In 2008, given clients' heightened risk aversion amidst the market volatilities, TMG aligned itself with the customer-centric focus of WBG and RBG to concentrate on developing risk protection treasury solutions for their clients. The range of value-added solutions offered to clients included interest rate hedging and swap products to help clients lock in their cost of funding, RMB non-deliverable forward contracts to help hedge against RMB foreign exchange risks, and retail structured deposit products to help enhance yields against a generally low savings rate environment. As a result, bank-wide client-driven treasury-related income registered a 7.4% year-on-year growth to HK\$47.7 million.



外匯買賣業務方面，由於年內市場大幅波動，財資部採取相當嚴謹的經營方針。在審慎的整體策略下，二零零八年與客戶相關的外匯買賣及銷售收入較二零零七年下跌 7.2% 至六千零七十萬港元。

投資管理

本行於二零零四年成立基金投資組合，作為管理部份過剩流動資金工具。本行的策略是外聘往績彪炳的專業基金經理負責有關工作，確保能取得持續平穩的投資表現；同時本行專責人員會持續嚴密監察基金經理的表現，務求在回報、波幅或分散風險方面均符合本行的既定目標。基金資產分佈於四個主要類別，分別為定息投資、包含廣泛對沖基金中基金系列的選類投資、結構性投資工具及便攜式阿爾法投資票據。

二零零七年下半年環球流動資金市場危機令信貸市場驟然停頓下來，基金投資組合因而嚴重受壓。本行在四個獨立管理的結構性投資公司的基金經理在融資有關組合方面遇到極大困難，令本行資本票據投資深受打擊。本行於二零零七年十一月將其持有資本票據投資的一項結構性投資工具 Victoria Finance Limited 重組成為具充份長期資金支持的債務抵押證券 Farmington Finance Limited (「Farmington」)(詳見下文)。二零零八年二月，組合內另一間結構性投資公司 Whistlejacket Capital Limited 宣佈清盤。

In the area of foreign exchange trading, TMG adopted a very cautious approach given the huge fluctuations in currency rates throughout the year. Given the overall prudent strategy, total client-related foreign exchange trading and sales revenue for 2008 fell by 7.2% compared to the previous year to amount to HK\$60.7 million.

Investment Management

The Bank's fund investment portfolio was established in 2004 as a tool to manage part of its surplus liquidity. Its strategy was to engage external professional managers with proven track records to achieve sustained and stable performance. Managers' performances were subject to rigorous and continuous monitoring by the Bank's dedicated professionals against prescribed targets in terms of returns, volatility and risk diversification. The portfolio's investments were spread across four major asset classes, namely, in fixed income mandates, alternative investments comprising a broad range of funds of hedge funds mandates, structured investment vehicles ("SIVs") and portable alpha mandates.

The portfolio came under extreme pressure in the second half of 2007 as credit markets seized up under the global liquidity crunch. The Bank's capital note investments in four independently managed SIVs in particular were severely impacted as their investment managers faced difficulties funding their respective portfolios. The Bank's capital notes investment in one of the SIVs, Victoria Finance Limited, was restructured in November 2007 into a fully-funded cash flow collateralised debt obligation called Farmington Finance Limited ("Farmington"). (see below.) Another SIV within the portfolio, Whistlejacket Capital Limited, went into receivership in February 2008.

二零零八年三月，本行宣佈於二零零七年賬目中為結構性投資工具作出十三億一千一百萬港元撇值，同時亦宣佈計劃有序地全面撤出基金投資業務。二零零八年上半年，環球信貸市場持續惡化，本行採取果斷行動，將僅持有的兩項結構性投資工具 Beta Finance Corporation 及 Five Finance Corporation 的當時餘下價值七億一千八百萬港元全數撇值。雖然該兩項結構性投資工具於二零零八年十二月宣佈清盤，但未有對本行下半年業績構成進一步影響。

於二零零八年底，Farmington 旗下投資組合一直如期提供現金流。於二零零八年十二月三十一日，Farmington 淨現值為 69.2%，高於二零零七年底的 59.2%。雖然組合資產素質隨著整體信貸市場走勢亦出現輕微下降，但其投資已充份分散於約四百種不同資產類別上。由於截至報告日並沒有收到對 Farmington 信貸違約掉期合約索償的要求，亦沒有資料顯示其相關的資產素質下降導致 Farmington 對長期高級債券到期之償還能力構成威脅，因此無需於該段時間對本行信貸違約掉期合約作出撥備（有關 Farmington 進一步詳情請見未經審核補充財務資料附註(J)）。

至於基金投資組合內的其他剩餘項目，本行於二零零八年上半年已完成贖回選類投資組合中所有對沖基金中基金。組合內僅餘的便攜式阿爾法投資票據於二零零八年底總市值約為六億二千萬港元，與二零零七年底市值相若，但由於目前市況波動及市場前景不明朗，本行決定持有該批票據至二零一零年期滿以減低回購成本。

In March 2008, the Bank announced HK\$1,311 million in SIV-related write-downs in its 2007 accounts. At the same time, it also announced its plan to fully exit its fund investments business in an orderly fashion. In the first half of 2008, given the continued deterioration of the global credit markets, the Bank took the decisive move to write down the full remaining carrying value then of its investments in its two remaining SIVs, namely, Beta Finance Corporation and Five Finance Corporation, which amounted to a total of HK\$718 million. Although the two SIVs subsequently entered into receivership in December 2008, this development had no further impact on the Bank's results in the latter half of the year.

As at the end of 2008, the underlying investment portfolio of Farmington continued to meet projected cash flows. Its net present value ("NPV") on 31 December 2008 stood at 69.2% compared to 59.2% at the end of 2007. The portfolio quality showed some deterioration in line with the general credit markets, but it is well diversified amongst some 400 assets in diverse classes. Up to the date of this report, there was no settlement request claimed on the credit default swap ("CDS") written against Farmington, nor was there any indication that the deterioration in the credit quality of the underlying assets of Farmington has threatened its ability to meet its payments under the long-term senior debt as they become due, as such, no provision is considered necessary in respect of the CDS for the period. (See Note (J) in the Unaudited Supplementary Financial Information for further details on Farmington.)

As for the remainder of the fund investments portfolio, the Bank completed the redemption of all the funds of hedge funds within its alternative investment portfolio in the first half of 2008. The remaining portable alpha mandates in the portfolio registered an aggregate market value of approximately HK\$620 million at the end of 2008, which was similar to 2007 year-end. Given current volatilities and the uncertain market outlook, the Bank has decided to hold these remaining investments to maturity in 2010 in order to minimise redemption costs.

二零零九年展望

中國政府過去一年不斷有支持香港發展成為人民幣離岸及國際結算中心的政策措施出台，這將會為與內地有緊密聯繫的本地銀行帶來龐大商機。在與中信銀行及西班牙對外銀行的三方聯盟中，財資部擔任環球市場服務的亞洲專業中心及營運平台，以配合從事中國業務客戶對跨境銀行服務的需要。本行相信目前正處於有利位置，未來將可盡握以上商機，進一步邁向成為亞洲區「首選中資銀行」的目標。

為此，財資部將繼續深化與中信銀行的協作，為中信銀行及中信嘉華的戰略客戶提供合適且具競爭力的跨境財資相關方案。本行亦已與中信銀行展開磋商，策略性探討如何更大地發揮他們作為內地外匯市場的領導者地位，以掌握中港實施多種貨幣支付系統互通安排所帶來的商機。

與此同時，財資部正致力提升基建、人才及技能，包括籌備成立機構銷售及結構性產品策劃兩個團隊，以加強推廣及產品構建實力；前台交易系統、資產負債管理系統及外匯孖展系統的提升計劃亦預計於二零零九年內完成，確保財資部擁有充足裝備，支持本行未來的發展計劃及執行三方聯盟策略。

2009 Outlook

The PRC government has announced in the past year an increasing number of policy measures to support Hong Kong's role to become the RMB offshore and international settlement centre. This will open up tremendous business opportunities for local banks with strong ties to the mainland. The Bank believes that with the tripartite alliance with CNCB and BBVA to establish TMG as the Asian centre of global market expertise and the operating platform to support the cross-border needs of China-related clients, CKWB is well-placed to capture these opportunities and to further its goal to become the "China Bank of Choice" in Asia.

To prepare for this, TMG will continue to deepen its collaboration with CNCB to develop suitable and competitive cross-border treasury-related solutions for the strategic clients for both CNCB and CKWB. It has also commenced dialogue with CNCB to strategise how to leverage their domestic leadership in foreign exchange market making to capture opportunities from multi-currency cross-border payment arrangements between Hong Kong and China.

Meanwhile, work is also underway to strengthen TMG's infrastructure, talent base and skill sets. An institutional sales team and a structured product engineering team are being formed to enhance its marketing and structuring capabilities. Enhancements in its front-end trading system, asset-liability management system and foreign exchange margin system are expected to complete within 2009. This will ensure that TMG will be well-equipped to support the Bank's future growth plan and to implement the tripartite strategy.



企業社會責任 Corporate Social Responsibility

企業社會責任在中信嘉華的經營中擔當重要角色，它是推動本行達致企業目標的重要理念。本行深信要持續取得商業成就，在經營業務時必須對所有相關權益者負責，而中信嘉華所服務的社區正是其中一個主要對象。

二零零八年，本行繼續環繞三個主題推行企業社會責任工作——培育青年成為香港未來社會領袖；促進大自然和諧；以及關懷弱勢社群。此外，領袖培訓的主題更擴闊至教育範疇，並以弱勢或在貧窮線以下的社群為服務對象。

領袖培訓及教育

本行企業社會責任整體策略的其中重要一環，是透過啟發性教育發展及培育人力資本。年內本行特別專注提升貧窮線以下家庭兒童的教育素質，在香港及中國內地重點贊助兩項教育計劃，以協助紓緩跨代貧窮的問題。

At CKWB, corporate social responsibility (“CSR”) plays an important role in helping the Bank achieve its corporate goals, including its belief that in order to achieve commercial success on a sustainable basis, business needs to be conducted in a responsible way for all of the Bank’s stakeholders, key among these is the community in which CKWB serves.

In 2008, the Bank continued to focus its CSR commitment along three key themes – nurturing youths to become future leaders, building harmonious relationship with the environment, and caring for underprivileged communities. In addition, it has broadened the leadership mandate to encompass education, targeting underprivileged communities or those under poverty line.

Leadership Development And Education

Integral to the Bank’s overall CSR strategy is to develop and nurture human capital through thought-provoking education. Particular focus was given during the year to enhance the quality of education for children from families below poverty line as a means to help relieve inter-generational penury issues. Two key sponsorships on education were made in Hong Kong and the Mainland China.

Encouraging Results For CSR In 2008

2008年企業社會責任工作成績驕人

全行義工服務時數

Volunteer service hours
bank-wide reached

8,105

每位員工平
均義工服務
時數

Volunteer
service hours
per staff

5+

企業社會責任項目總支出

Total spend for CSR projects

HK\$3.3 M

Partnership And Beneficiary Network

合作夥伴及受惠機構



香港方面，中信嘉華夥拍聖雅各福群會推出「中信嘉華知識天使培育計劃」，並獲得社會福利署攜手扶弱基金等額撥款支持。此項耗資一百二十萬港元的教育計劃在二零零八／零九學年為二百四十位小學生提供免費功課輔導，減輕低教育水平及貧困家長每日督促子女完成功課的壓力。該計劃亦將會贊助學業成績有明顯進步的學生參加暑期課外活動，藉此擴闊視野。

至於中國內地方面，本行去年八月贊助思源協會於海南及廣西為一百四十位內地學生舉辦暑期英語教學營。思源協會乃一家紮根香港的基督教慈善機構。

本行亦參與香港公益金二零零七／零八年度商業及僱員募捐計劃，資助公益金會員機構舉辦的青年領袖活動。

In Hong Kong, the Bank partnered with St. James' Settlement to launch the "CITIC Ka Wah Knowledge Angel Project", and received matched funding from the Social Welfare Department's Partnership Fund for the Disadvantaged to support the initiative. This HK\$1.2 million education programme aims to provide free tutorial classes to 240 primary school students in the 2008/09 school year. This will relieve the pressure of daily homework supervision for low-educated parents with financial problems. The programme will also offer sponsorships to students who have demonstrated outstanding academic improvements to broaden their exposure to extra-curricular activities during the summer holiday period.

In Mainland China, the Bank sponsored Fountainhead Association, a Hong Kong-based Christian charitable organisation, to establish English summer camps for 140 Mainland students in Hainan and Guangxi provinces in August.

The Bank also contributed to the Community Chest's Corporate and Employee Contribution Programme 2007/08 to benefit the youth leadership programmes organised by its member agencies.



環保意識及可持續發展

中信嘉華時刻銘記作為企業公民的責任，堅持與所經營業務的社會及環境共同和諧發展。本行的環保活動乃按照中信嘉華環保承諾的四大原則而制定——即能源效益、資源效益、道德操守以及致力推動綠色意識，旨在提高員工及普羅大眾對環保及自然保育的意識。

去年四月，本行與另一機構共同贊助香港地球之友舉辦的「綠野先鋒2008——植樹遠足挑戰賽」，有近百位員工參與，包括十八支參賽隊伍，他們完成十公里遠足路程後在遭受山火破壞的大欖郊野公園山頭種植近九百棵樹苗。

本行相信教育是提高環保意識的最有效方法，特別是對年青一代而言。二零零八年，本行夥拍綠色力量為香港學生舉辦兩項環保教育活動，包括「緩減全球暖化•21項我們能做的事」及嘉道理農場暨植物園生態之旅。



Environmental Awareness And Sustainability

CKWB is mindful of its responsibility as a corporate citizen to grow in harmony with the societies and environment wherever its footprint sets. Its green programmes are developed along the four key principles of its environmental pledge: Energy Efficiency, Resource Efficiency, Ethical Code of Conduct and Commitment to the Promotion of Green Awareness, with the objective to raise staff and public awareness in environmental protection and nature preservation.

In April, CKWB was one of the two co-sponsors of the Tree Planting Challenge 2008 marshalled by Friends of the Earth (HK) ("FOE"). Nearly 100 staff members participated in the event including 18 teams who went on the 10-km trail to plant close to 900 saplings along the fire-damaged slopes of Tai Lam Country Park.

The Bank believes in the power of education to raise green awareness, especially among the younger generation. In 2008, the Bank partnered with Green Power to put together two green educational programmes for school children in Hong Kong, namely "Alleviate Global Warming: 21 Things We Can Do" and an eco-tour of Kadoorie Farm and Botanical Gardens.



綠色力量於五月至七月期間在全港一百七十八家小學及一百五十八家中學內推出「緩減全球暖化・21項我們能做的事」環保教育計劃，共有二十九萬零三百五十五名學生參加，此外並於十月推出相關網站，提高普羅大眾對環保的關注。

本行更結合教育及自然保護概念，連續第二年在全行發起舊書及視聽光碟回收活動，藉此鼓勵員工循環再用有用資源。在短短兩個星期便合共收集二百八十一本書籍及七十九隻視聽光碟，捐贈予本行在基督教勵行會兩個社區中心贊助成立的「中信嘉華圖書閣」，以進一步豐富該閣藏書。

年內，中信嘉華推出不少提升能源及資源效益的措施，創造更綠化的辦公室。本行參與由香港地球之友舉辦的熄燈行動及「知慳惜電」節能運動，於二零零八年六月二十一日晚上，與其他香港機構聯同內地、台灣、日本及南韓等七十多個亞洲城市關掉戶外霓虹燈一小時。中信嘉華亦在鼓勵商業機構節約用電的「知慳惜電」節能運動中獲頒發嘉許證書，表揚其於二零零八年七月至九月期間成功節省用電量。

The territory-wide green educational programme entitled “Alleviate Global Warming: 21 Things We Can Do” was launched by Green Power between May and July to reach out to 290,355 students in 178 primary schools and 158 secondary schools. General public awareness was further enhanced through the launch of a dedicated website in October.

Combining the concepts of education and nature preservation, the Bank repeated for the second year an internal staff campaign to collect used books and video discs to encourage recycled usage. A total of 281 books and 79 educational and video discs were collected in just two weeks, and were donated to two community centres of Christian Action to enrich their bank-sponsored “CKWB Libraries”.

During the year, CKWB implemented a number of initiatives to enhance energy efficiency and resource efficiency for a greener office. The Bank also participated in the Lights Out Campaign and “Power Smart” Campaign initiated by FOE. In the evening of 21 June 2008, the Bank was one of the organisations in Hong Kong to join hands with over 70 Asian cities in Mainland China, Taiwan, Japan and South Korea to switch off outdoor neon lights for one hour. For the “Power Smart” Campaign that encouraged the commercial sector to reduce electricity consumption, the Bank was awarded a certificate for proven success in electricity reduction during July-September 2008.



社會服務及捐款

中信嘉華致力推行社會服務及捐款活動，體現積極回饋及服務所經營社區的信念。本行的社會服務及捐款活動委員會由不同業務及支援部門代表組成，負責制訂及執行社會服務及捐款政策，以及審批和統籌有關活動。

二零零八年，本行夥拍多個慈善機構舉辦不同活動，幫助香港弱勢社群或有需要人士。本行員工上下一心貢獻時間及努力，積極協助推行十六項社會服務及捐款活動，主要包括：

- 一月 — 為內地及南亞裔新移民舉辦新年派對，除了透過遊戲為小朋友帶來歡樂之外，還贈送學習用品及文具，勉勵他們努力求學。

「中信嘉華圖書館」正式開幕，分別設於基督教勵行會旺角及九龍灣兩個社區中心；本行更為內地新來港兒童舉辦故事之夜。

- 三月 — 參加「外展越野挑戰賽2008」，活動所籌得的善款用以資助弱勢青年參加個人成長訓練課程。

Community Services And Donations

CKWB's commitment to community services and donations ("CSD") is embodied in the notion of giving back to and benefiting the communities within which we operate. The Bank's CSD Committee comprises representatives from all its business and functional units. It is responsible for laying down and implementing the Bank's CSD policies, and to approve and coordinate related activities.

In 2008, the Bank partnered with a number of charitable organisations to support various initiatives to benefit underprivileged or needy groups in Hong Kong. Staff from all levels of the Bank contributed their time and energy to support 16 worthy activities. Highlights of these include:

- **January** – New Year party for new immigrants from Mainland China and those of South Asian descent. Apart from fun and games, the children received learning kits and stationeries to encourage them in their studies.

Official launch of "CKWB Libraries" at two community centres of Christian Action in Mongkok and Kowloon Bay, and story-telling night for new immigrant children from Mainland China.

- **March** – Participation in "Outward Bound Adventure Race 2008" to support fund-raising for personal development courses for underprivileged youths.



- **五月** — 為母親的抉擇兒童舉辦環保布偶創作工作坊，鼓勵青少年發揮創意及宣揚環保意識。
- **五月** – Environmental puppet making workshop for children from Mother's Choice to encourage youth creativity and to promote green awareness.
- **七月** — 為一家天水圍小學的學生舉辦電影同樂日。
- **July** – Summer party and movie day for primary school students from Tin Shui Wai.
- **九月** — 為六十位葵涌區獨居長者舉辦「耆情樂聚慶中秋」午餐聚會。
- **September** – Mid-autumn luncheon party for 60 elderlies living alone in the Kwai Chung district.
- **十一月** — 參加第二十二屆香港圓桌會二十四小時慈善腳踏車大賽，為香港及區內弱勢社群籌款。
- **November** – Participation in the 22nd Hong Kong Grand Prix Round Table Pedal to help raise funds for the underprivileged in Hong Kong and around the region.
- **十二月** — 為清貧兒童及長者舉辦聖誕派對，同時並號召本行員工捐贈玩具予柴灣區低收入家庭兒童，以及發起編織冷頸巾大行動，結果有一百六十位員工及其親友參加，編織共二百六十條冷頸巾贈送荃灣區獨居長者。
- **December** – Christmas parties for needy children and the elderlies. These initiatives also incorporated an internal toys donation pitch for children of low-income families in the Chai Wan district, and a knitting campaign which resulted in 260 hand-knitted neckerchiefs from 160 of the Bank's staff, their friends and family members for elderly people living alone in Tsuen Wan.

另外，本行捐款支持去年一月華南地區雪災及五月四川地震的賑災活動，員工亦主動捐款共襄善舉。

Separately, CKWB supported disaster relief drives for the January blizzards in the Southern China and the May Sichuan earthquakes with meaningful corporate donations. These efforts were supplemented by volunteer donations from the Bank's staff.



獎項

香港社會服務聯會於二零零九年二月連續第六年頒發「商界顯關懷」標誌予中信嘉華，表揚本行積極關懷社會以及在履行企業公民責任上的不懈努力。中信嘉華亦將獲社會福利署義工運動頒發金獎，作為對本行員工過去一年服務社會超過一千小時的嘉許。

Awards

In recognition of CKWB's commitment to caring for the community and its efforts to establish good corporate citizenship, the Bank was awarded the "Caring Company Logo" for the sixth consecutive year by the Hong Kong Council of Social Service in February 2009. The Bank will also be receiving a Gold Certificate from the Social Welfare Department's Volunteer Movement for its contribution of over 1,000 volunteer service hours in 2008.



未來由此創

中信嘉華相信業務運作與企業責任是不可分割的，積極參與社會服務與業務盈利能力乃相輔相成。二零零九年縱使面對更加艱難的經營環境，本行仍將推動社會企業責任的工作，繼續發掘及投資有意義的活動，為本行的業務、客戶、廣泛的相關權益人士以至社會大眾各方面創造更佳價值。

The Future Is Now

CKWB believes that the Bank's business operations and its corporate responsibility are inseparable; active community participation and business profitability complement one another. Despite a more challenging operating environment, the Bank will maintain the momentum of its CSR initiatives in 2009 and continue to identify and invest in meaningful causes. By doing so, the Bank will be better able to create value for the business, its customers and broader stakeholders and the society at large.

領導、人才 Leadership & Talents

在管理層的英明領導下，我們一千五百位熱誠投入的員工士氣高昂、積極奮發，彰顯了中信風格的優良傳統。中信嘉華銀行致力招攬及培育頂尖人才，務求提升實力，維持高素質企業文化，並確保卓越的執行力得以持續。

Strong leadership, high morale and engagement underpin the dedication of our 1,500 staff whose passion and commitment exemplify the CITIC heritage. CITIC Ka Wah Bank recruits and nurtures top grade talents with the prescience to strengthen our bench power, uphold the quality of our corporate culture, and to ensure sustainability of our execution excellence.



董事及高級行政人員簡介

Biographies Of Directors And Senior Executives

董事簡介

竇建中先生

董事長

於二零零二年十一月二十五日獲委任為中信嘉華銀行有限公司(「本行」)董事，並於二零零六年十月十七日獲推選為本行董事長。竇先生為中國中信集團公司常務董事兼副總經理、中信國際金融控股有限公司董事兼行政總裁、中信國際資產管理有限公司董事、事安集團有限公司董事長及中信銀行股份有限公司非執行董事。竇先生於一九七九年畢業於北京對外經濟貿易大學，曾獲遼寧大學經濟學碩士銜，亦曾獲中國中信集團公司頒授「高級經濟師」之名銜。竇先生曾任中信實業銀行(現稱中信銀行股份有限公司)行長，擁有豐富的金融業務經驗。

陳許多琳女士

總裁兼行政總裁

於二零零二年一月十七日獲委任為本行董事，同年四月十六日獲委任為總裁兼行政總裁，陳太亦為中信國際金融控股有限公司董事、董事總經理兼替任行政總裁、香港華人財務有限公司及中信嘉華銀行(中國)有限公司董事長、和中信銀行股份有限公司非執行董事。加入本行前，陳太曾為本地一間國際銀行擔任零售銀行部的主管。此外，陳太熱心非牟利公益事務，身兼基督教靈實協會董事及中國神學研究院主席，陳太亦為香港浸會大學的校董會和財務委員會成員及持續教育學院榮譽顧問，並為香港浸會大學基金董事局成員。

Biographies Of Directors

Mr. Dou Jianzhong

Chairman

Appointed as a Director of CITIC Ka Wah Bank Limited (the "Bank") on 25 November 2002 and was elected Chairman on 17 October 2006. Mr. Dou is an Executive Director and Vice President of CITIC Group, Director and Chief Executive Officer of CITIC International Financial Holdings Limited, Director of CITIC International Assets Management Limited, Chairman of CIAM Group Limited and Non-executive Director of China CITIC Bank Corporation Limited. Mr. Dou graduated from the University of International Business and Economics, Beijing in 1979 and obtained a Master Degree in Economics from Liao Ning University. He was granted the prestigious title of "Senior Economist" by CITIC Group. Mr. Dou was formerly the President of CITIC Industrial Bank (now known as China CITIC Bank Corporation Limited) and has extensive experience in the finance industry.

Mrs. Chan Hui Dor Lam Doreen

President and Chief Executive Officer

Appointed as a Director of the Bank on 17 January 2002 and was further appointed as President and Chief Executive Officer of the Bank on 16 April 2002. Mrs. Chan is also the Director, Managing Director and Alternate Chief Executive Officer of CITIC International Financial Holdings Limited, Chairman of HKCB Finance Limited and CITIC Ka Wah Bank (China) Limited, and a Non-executive Director of China CITIC Bank Corporation Limited. Prior to joining the Bank, she was in charge of the retail banking business for a major international bank in Hong Kong. Mrs. Chan is also active in her support for non-profit organisations. She is currently serving on the board of Haven of Hope Christian Service and is the Chairman of China Graduate School of Theology. In addition, Mrs. Chan is a council member of the Hong Kong Baptist University and serves as a member of its Finance Committee and the Honorary Advisor of its School of Continuing Education. She is also a member of the Board of Governors of the Hong Kong Baptist University Foundation.

常振明先生

非執行董事

於二零零六年十一月十八日獲委任為本行董事。常先生為中國中信集團公司副董事長兼總經理、中信國際金融控股有限公司及中信銀行股份有限公司副董事長、中信資本控股有限公司和中信國際資產管理有限公司董事長、及中信泰富有限公司主席及董事總經理。常先生持有美國紐約保險學院工商管理碩士銜，並擁有超過二十年之廣泛銀行、金融及證券業經驗。常先生於二零零四年九月至二零零六年七月期間任中國建設銀行股份有限公司副董事長兼行長。

陳小憲博士

非執行董事

於二零零五年一月十七日獲委任為本行董事。陳博士為中信銀行股份有限公司董事兼行長、中國中信集團公司常務董事與副總經理、和中信國際金融控股有限公司非執行董事。陳博士被東北財經大學聘為博士生導師和客座教授，同時亦為中國人民大學客座教授。加入中國中信集團公司前，陳博士曾任招商銀行董事和常務副行長。陳博士畢業於中國人民大學，獲得財政金融專業的學士學位。此後，陳博士先後於西南財經大學獲得金融專業的碩士學位，於東北財經大學獲得金融學博士學位。陳博士為高級經濟師，在中國銀行業擁有二十六年從業經歷。二零零五年至二零零八年，陳博士連續四年被中國《銀行家》雜誌評選為「年度中國十大金融人物」，並於二零零六年和二零零七年被中國國際金融討論年會評選為「中國十佳新銳金融人物」。

Mr. Chang Zhenming

Non-executive Director

Appointed as a Director of the Bank on 18 November 2006. Mr. Chang is the Vice Chairman and President of CITIC Group, Vice Chairman of CITIC International Financial Holdings Limited and China CITIC Bank Corporation Limited, Chairman of CITIC Capital Holdings Limited and CITIC International Assets Management Limited, and Chairman and Managing Director of CITIC Pacific Limited. He holds an MBA from the Insurance College of New York and has over 20 years' broad range of experience in banking, finance and securities business. Mr. Chang was the Vice Chairman and President of China Construction Bank Corporation during the period from September 2004 to July 2006.

Dr. Chen Xiaoxian

Non-executive Director

Appointed as a Director of the Bank on 17 January 2005. Dr. Chen is the Director and President of China CITIC Bank Corporation Limited, Executive Director and Vice President of CITIC Group, and a Non-executive Director of CITIC International Financial Holdings Limited. Dr. Chen is a mentor for doctoral student and visiting professor of Dongbei University of Finance and Economics, as well as visiting professor of Renmin University of China. Before joining CITIC Group, Dr. Chen was a director and Executive Vice President of China Merchants Bank. Dr. Chen graduated from Renmin University of China with a Bachelor Degree in Finance. He received his Master Degree in Finance from Xinan University of Finance and Economics and his Ph.D. in Finance from Dongbei University of Finance and Economics. He is a "Senior Economist" and has 26 years' extensive experience in banking. From 2005 to 2008 consecutively, Dr. Chen received the "China's Top Ten Finance Figures of the Year Award" from "The Chinese Banker" magazine. He also received the "Top Ten New Leaders in Finance of the Year Award" from the China International Forum in 2006 and 2007.

席伯倫先生

獨立非執行董事

於二零零三年十月二十日獲委任為本行獨立非執行董事和信貸及風險管理委員會主席。席先生為 Marsh & McLennan Companies Inc. 亞洲區主席及中信國際金融控股有限公司獨立非執行董事。席先生分別於牛津大學及加州柏克萊大學考獲哲學、政治及經濟學學士銜和工商管理碩士銜。席先生曾於渣打銀行及花旗銀行工作，擁有超過二十五年銀行工作經驗。

居偉民先生

非執行董事

於二零零二年十一月二十五日獲委任為本行董事。居先生為中國中信集團公司董事兼財務總監、中信國際金融控股有限公司、中信銀行股份有限公司及中信泰富有限公司非執行董事、和中信信託有限責任公司董事長。居先生分別於杭州電子工業學院及中國人民大學考獲經濟學學士銜及經濟學碩士銜。

孔丹先生

非執行董事

於二零零二年十一月二十五日獲委任為本行董事。孔先生為中國中信集團公司、中信國際金融控股有限公司、中信銀行股份有限公司及中信資源控股有限公司董事長。孔先生持有中國社會科學院經濟學碩士銜，曾於二零零二年十一月至二零零六年十月期間出任本行董事長，孔先生亦曾出任中國光大(集團)總公司副董事長兼總經理、中國光大控股有限公司副主席及中國光大科技有限公司主席。孔先生擁有廣泛商業聯繫，並在投資、金融等方面有豐富經驗。

Mr. Rafael Gil-Tienda

Independent Non-executive Director

Appointed as an Independent Non-executive Director and Chairman of the Credit & Risk Management Committee of the Bank on 20 October 2003. Mr. Gil-Tienda is the Chairman of Marsh & McLennan Companies Inc. in Asia and an Independent Non-executive Director of CITIC International Financial Holdings Limited. Mr. Gil-Tienda obtained a Bachelor Degree in Philosophy, Politics and Economics from the Oxford University and an MBA from the University of California, Berkeley. He was formerly with Standard Chartered Bank and Citibank and has over 25 years of banking experience.

Mr. Ju Weimin

Non-executive Director

Appointed as a Director of the Bank on 25 November 2002. Mr. Ju is a Director and the Chief Financial Officer of CITIC Group, Non-executive Director of CITIC International Financial Holdings Limited, China CITIC Bank Corporation Limited and CITIC Pacific Limited, and the Chairman of CITIC Trust Company Limited. Mr. Ju obtained a Bachelor Degree in Economics from the Hangzhou Institute of Electronic Engineering and a Master Degree in Economics from the Renmin University of China.

Mr. Kong Dan

Non-executive Director

Appointed as a Director of the Bank on 25 November 2002. Mr. Kong is the Chairman of CITIC Group, CITIC International Financial Holdings Limited, China CITIC Bank Corporation Limited and CITIC Resources Holdings Limited. He holds a Master Degree in Economics from the China Academy of Social Sciences. Mr. Kong was formerly the Chairman of the Bank during the period from November 2002 to October 2006. He was also the Vice Chairman and President of China Everbright Group Limited, Vice Chairman of China Everbright Limited and Chairman of China Everbright Technology Limited. He has extensive business connections and experience in investment and finance.

林廣兆先生

獨立非執行董事

於二零零二年一月十七日獲委任為本行獨立非執行董事。林先生為中銀國際控股有限公司副董事長、中信國際金融控股有限公司、中國海外發展有限公司、閩港控股有限公司及信義玻璃控股有限公司獨立非執行董事。林先生曾任中國銀行港澳管理處副主任、寶生銀行主席、集友銀行副主席、中國銀行、中銀中國基金有限公司及恒基中國集團有限公司董事。擁有四十多年銀行工作經驗。

盧永逸先生

非執行董事

於二零零二年一月十七日獲委任為本行董事。盧先生現時亦為中信國際金融控股有限公司董事兼董事總經理、中信國際資產管理有限公司董事兼行政總裁及事安集團有限公司執行副董事長兼行政總裁。盧先生畢業於香港大學法律系，並分別於一九八四年及一九八九年取得香港最高法院和英國及威爾斯最高法院律師資格。加入本行前，盧先生曾任中國銀行港澳管理處法律顧問及年利達律師事務所之合夥人。

Mr. Lam Kwong Siu

Independent Non-executive Director

Appointed as an Independent Non-executive Director of the Bank on 17 January 2002. Mr. Lam is the Vice Chairman of BOC International Holdings Limited and the Independent Non-executive Director of CITIC International Financial Holdings Limited, China Overseas Land & Investment Limited, Fujian Holdings Limited and Xinyi Glass Holdings Limited. He was formerly the Deputy Chief Executive of Bank of China Hongkong-Macau Regional Office, Chairman of Po Sang Bank Limited, Vice Chairman of Chiyu Banking Corporation Limited and a Director of Bank of China, BOC China Fund Limited and Henderson China Holdings Limited. He has over 40 years of continuous banking experience.

Mr. Lo Wing Yat Kelvin

Non-executive Director

Appointed as a Director of the Bank on 17 January 2002. Mr. Lo is now also a Director and Managing Director of CITIC International Financial Holdings Limited, Director and Chief Executive Officer of CITIC International Assets Management Limited, and Executive Vice-chairman and Chief Executive Officer of CIAM Group Limited. Mr. Lo graduated from the University of Hong Kong with a Bachelor Degree in Law. He was admitted as a Solicitor of the Supreme Court of Hong Kong in 1984 and a Solicitor of the Supreme Court of England and Wales in 1989. Prior to joining the Bank, Mr. Lo served as an In-house Counsel of Bank of China Hongkong-Macau Regional Office and a partner of Linklaters.

施柏雅先生

執行副總裁兼替任行政總裁

於二零零五年三月加入本行為執行副總裁兼信貸及風險管理總監，於二零零五年十二月二日獲委任為本行董事兼替任行政總裁。施先生亦為中信國際金融控股有限公司董事。施先生為資深銀行家，擁有逾三十年在信貸和風險管理、企業及投資銀行、財資、資產／負債和衍生工具交易的廣泛經驗。施先生曾於一家大型國際銀行工作超過二十五年，出任該集團多項高層管理職位，之後，施先生為一名獨立顧問，為國際性客戶提供在中國銀行業市場的投資顧問服務。

曾耀強先生

獨立非執行董事

於二零零四年九月一日獲委任為本行獨立非執行董事及審核委員會主席，現亦為中信國際金融控股有限公司獨立非執行董事及審核委員會主席。曾先生為一名專業會計師，彼為香港會計師公會、英國特許公認會計師公會和英國特許秘書及行政人員公會資深會員。曾先生於畢馬威會計師事務所工作超過二十七年，於二零零三年三月三十一日退休時為銀行業高級合夥人。

趙盛彪先生

執行副總裁兼美國地區總經理

於二零零二年十一月二十五日獲委任為本行董事，現亦為本行執行副總裁兼美國地區總經理，主管本行美國地區所有業務，此外，趙先生亦為中信國際金融控股有限公司董事。趙先生畢業於北京對外經濟貿易大學，並於美國紐約保險學院考獲工商管理碩士。擁有三十多年國際銀行業務經驗，並曾在北京、倫敦、巴黎、香港及紐約工作。

Mr. Roger Clark Spyer

Executive Vice President and Alternate Chief Executive Officer

Joined the Bank in March 2005 as Executive Vice President and Chief Credit and Risk Officer, and was appointed as a Director and Alternate Chief Executive Officer of the Bank on 2 December 2005. Mr. Spyer is also a Director of CITIC International Financial Holdings Limited. He is a veteran banker with over 30 years of extensive experience in credit and risk management, wholesale and investment banking, treasury, asset/liability and derivative trading. Mr. Spyer had been working in a major international bank for 25 years where he headed senior positions at the group level. Mr. Spyer was then an independent consultant providing advisory service to international clients on investment in the Chinese banking market.

Mr. Tsang Yiu Keung Paul

Independent Non-executive Director

Appointed as an Independent Non-executive Director and Chairman of the Audit Committee of the Bank on 1 September 2004. Mr. Tsang is also an Independent Non-executive Director and Chairman of the Audit Committee of CITIC International Financial Holdings Limited. He is a professional accountant and a Fellow Member of The Hong Kong Institute of Certified Public Accountants, The Chartered Association of Certified Accountants and The Institute of Chartered Secretaries and Administrators. Mr. Tsang was with KPMG for more than 27 years, where he was a senior banking partner until he retired from the firm on 31 March 2003.

Mr. Zhao Shengbiao

Executive Vice President and Country Head, U.S.A.

Appointed as a Director of the Bank on 25 November 2002. He is now also the Executive Vice President and Country Head, U.S.A. of the Bank and in charge of the overall business operations in U.S.A. Further, Mr. Zhao is also a Director of CITIC International Financial Holdings Limited. He graduated from the University of International Business and Economics, Beijing and obtained a Master Degree in Finance from the College of Insurance, New York. He has over 30 years of experience in international banking and worked in Beijing, London, Paris, Hong Kong and New York.

高級行政人員簡介

林宗仁先生

替任行政總裁兼企業效率提升部主管

二零零三年四月加入本行為高級副總裁兼營運總監，並於同年十一月晉升為執行副總裁，林先生於二零零五年十二月獲委任為本行替任行政總裁。現為本行執行副總裁、替任行政總裁兼企業效率提升部主管。林先生擁有逾三十年資訊科技及營運工作經驗。彼為 Williams College 物理學學士及 University of Wisconsin 計算機科學碩士。加入本行之前，林先生為渣打銀行零售銀行營運主管。

王美珍女士

執行總經理兼零售銀行部主管

二零零四年十一月加入本行為高級副總裁兼財富管理及策略規劃部主管。現為本行執行總經理兼零售銀行部主管。王女士擁有逾二十年零售銀行業經驗，包括不同零售客戶群及產品管理，以至客戶銷售及服務營運。王女士為 University of Brunel 工商管理碩士及香港大學文學學士。加入本行前，王女士為渣打銀行策略規劃部主管。

Biographies Of Senior Executives

Mr. Ling Chung Yan

Alternate Chief Executive Officer and Head of Corporate Re-engineering

Joined the Bank in April 2003 as Senior Vice President and Chief Operating Officer and was promoted to Executive Vice President in November of the same year. Mr. Ling was appointed as the Alternate Chief Executive Officer of the Bank in December 2005. He is now an Executive Vice President, Alternate Chief Executive Officer and Head of Corporate Re-engineering of the Bank. He has over 30 years of experience in information technology and operations. Mr. Ling obtained a Bachelor Degree in Physics from Williams College and a M.Sc. in Computers Sciences from the University of Wisconsin. Prior to joining the Bank, Mr. Ling was the Head of Operations, Consumer Banking of Standard Chartered Bank.

Ms. Wong Mei Chun Phoebe

Executive General Manager and Head of Retail Banking Group

Joined the Bank in November 2004 as Senior Vice President and Head of Wealth Management & Strategic Planning. Ms. Wong is now an Executive General Manager and Head of Retail Banking Group of the Bank. She has over 20 years of experience in retail banking with exposure to the various retail customer segments, different product disciplines as well as customer sales and service management. Ms. Wong holds a Master Degree in Business Administration from the University of Brunel and a Bachelor Degree in Arts from the University of Hong Kong. Prior to joining the Bank, Ms. Wong was the Head of Strategic Partnership Development of Standard Chartered Bank.

區賀民先生

首席風險管理總監

二零零九年一月加入本行為首席風險管理總監，負責本行風險管理及發展三方戰略合作。區先生擁有逾二十年信貸、風險管理及結構性融資經驗。彼為西班牙 Universidad Pontificia de Comillas 工商管理學士及 Universidad Nacional de Educacion a Distancia 法律學士。加入本行前，區先生為西班牙對外銀行環球客戶及結構性融資部董事。

陳鏡沐先生

司庫兼財資部主管

二零零八年十月加入本行為執行副總裁、司庫兼財資部主管，負責管理本行的資金及流動資金，並帶領本行未來環球市場及財資業務的發展。陳先生乃資深銀行家，擁有逾二十一年財資市場營運經驗。彼為香港大學社會科學學士、麥克里大學應用財務碩士及特許財務分析師。加入本行前，陳先生為香港大新銀行總經理兼司庫。

萬紅女士

執行總經理兼中國業務部主管

一九九八年十月加入本行為高級副總裁，萬女士現為本行執行總經理兼中國業務部主管，亦為中信嘉華銀行(中國)有限公司副董事長。萬女士擁有逾二十年中國銀行業務經驗。萬女士畢業於山西財經大學，獲經濟學學士學位，後又於中國人民銀行金融研究所深造，並獲銀行及財務碩士學位。曾於八十年代於中國人民銀行工作達七年，任職處長。加入本行前，萬女士於中國新技術創業國際有限公司擔任副董事總經理。

Mr. Jaime Azcoiti Leyva

Director of Risks

Joined the Bank in January 2009 as Director of Risks. Mr. Azcoiti is responsible for managing risks of the Bank and developing the tripartite strategic alignment. He has over 20 years of experience in credit, risk management and structured finance. Mr. Azcoiti holds a Degree in Business Administration from Universidad Pontificia de Comillas and a Degree in Law from Universidad Nacional de Educacion a Distancia in Spain. Prior to joining the Bank, Mr. Azcoiti was the Global Clients & Structured Finance Director of Banco Bilbao Vizcaya Argentaria, S.A.

Mr. Chan Kang Muk Woody

Treasurer and Head of Treasury and Markets

Joined the Bank in October 2008 as Executive Vice President, Treasurer and Head of Treasury and Markets. Mr. Chan is responsible for the Bank's funding and liquidity as well as to spearhead the development of its global markets and treasury business. He is a veteran banker with over 21 years of experience in the treasury markets operations. Mr. Chan holds a Bachelor Degree in Social Sciences from the University of Hong Kong, a Master Degree in Applied Finance from Macquarie University and the Chartered Financial Analyst designation. Prior to joining the Bank, Mr. Chan was the General Manager and Treasurer of Dah Sing Bank in Hong Kong.

Ms. Margaret Man

Executive General Manager and Head of China Banking

Joined the Bank in October 1998 as Senior Vice President. Ms. Man is now an Executive General Manager and Head of China Banking. She is also the Vice Chairman of CITIC Ka Wah Bank (China) Limited. She has over 20 years of experience in china banking. Ms. Man graduated from Shanxi Financial and Economics University obtaining a Bachelor Degree in Economics and further studied in the Graduate School of the People's Bank of China obtaining a Master Degree in Banking and Finance. Ms. Man had been a Division Chief in the People's Bank of China ("PBOC") and worked for PBOC for 7 years in 1980's. Prior to joining the Bank, Ms. Man was a Deputy Managing Director of China Venturetechno International Co. Ltd.

李錫生先生

人力資源部主管

二零零六年七月加入本行。李先生為本行執行副總裁，亦為中信國際金融控股有限公司集團人力資源部主管。李先生持有經濟學學士銜及工商管理碩士銜。彼於渣打銀行服務逾二十年，曾任職該行的資訊科技部、零售銀行部、人力資源部及亞太地區合併項目業務等的管理層。加入本行之前，李先生於地鐵有限公司任職人力發展部主管。

王浩成先生

財務總監

二零零五年七月加入本行為高級副總裁及財務總監。王先生現為本行執行副總裁及財務總監，亦為中信國際金融控股有限公司集團財務總監。王先生畢業於香港理工學院，為英國特許會計師公會資深會員、香港會計師公會資深會員、英國特許秘書及行政人員公會會員及香港特許秘書公會會員。加入本行之前，王先生曾於美國大通銀行、美國大通信用咭有限公司及星展銀行出任高級管理職位。

Mr. Lee Sik Sang John

Head of Human Resources

Joined the Bank in July 2006. Mr. Lee is an Executive Vice President of the Bank and also serves as the Head of Group Human Resources in CITIC International Financial Holdings Limited. Mr. Lee holds a Bachelor Degree in Economics and a Master Degree in Business Administration. He started his banking career with Standard Chartered Bank in the information technology function and served for 20 years in various management positions in several business and support functions, including consumer banking, human resources, and post-merger integration in Asia Pacific. Prior to joining the Bank, Mr. Lee headed the people development function in Mass Transit Railway Corporation.

Mr. Wong Ho Sing Steve

Chief Financial Officer

Joined the Bank in July 2005 as Senior Vice President and Chief Financial Officer. Mr. Wong is now an Executive Vice President and Chief Financial Officer of the Bank. He is also the Group Chief Financial Officer of CITIC International Financial Holdings Limited. Mr. Wong graduated from the Hong Kong Polytechnic and is a Fellow Member of The Association of Chartered Certified Accountants and The Hong Kong Institute of Certified Public Accountants, and a member of The Institute of Chartered Secretaries & Administrators and The Hong Kong Institute of Company Secretaries. Prior to joining the Bank, Mr. Wong held senior management positions in Chase Manhattan Bank, Manhattan Card Company Limited and DBS Bank.

黃致遠先生

替任行政總裁、法律顧問兼合規部主管

二零零四年十一月加入本行為高級副總裁、法律顧問兼合規部主管。黃先生於二零零九年三月獲委任為本行替任行政總裁。現為本行執行副總裁、替任行政總裁、法律顧問兼合規部主管，亦為中信國際金融控股有限公司集團法律顧問兼集團合規主任。黃先生擁有逾二十五年香港和美國法律及監管事務經驗。黃先生畢業於加州柏克萊大學及 Georgetown University Law School。加入本行之前，黃先生為 Andersen Worldwide 合夥人，主管亞太區法律事務。

唐婉兒女士

企業關係部主管

於二零零五年一月加入本行為高級副總裁兼集團企業關係部主管，專責企業傳訊及投資者關係。唐女士一直從事有關金融業的市場推廣及傳訊工作，已累積逾二十年的經驗。唐女士為美國 Mills College 經濟學學士。加入本行之前，她曾分別擔任瑞銀集團財富管理部及摩根大通私人銀行的亞洲區市場推廣及傳訊部主管。

李淑芬女士

稽核部主管

二零零五年六月加入本行為高級副總裁兼稽核部主管。李女士為 University of South Australia 工商管理碩士，亦為英國特許會計師公會資深會員及香港會計師公會會員。李女士擁有逾二十五年稽核經驗。加入本行之前，李女士為華比銀行助理總經理兼業務計劃及發展部主管。

Mr. Roy Huang

Alternate Chief Executive Officer, General Counsel and Head of Compliance

Joined the Bank in November 2004 as Senior Vice President, General Counsel and Head of Compliance. Mr. Huang was appointed as the Alternate Chief Executive Officer of the Bank in March 2009. He is now an Executive Vice President, Alternate Chief Executive Officer, General Counsel and Head of Compliance of the Bank. He is also the Group General Counsel and Group Compliance Officer of CITIC International Financial Holdings Limited. Mr. Huang has over 25 years of experience in legal and regulatory affairs in Hong Kong and the United States. He graduated from the University of California, Berkeley and Georgetown University Law School. Prior to joining the Bank, Mr. Huang was partner in charge of legal affairs Asia-Pacific at Andersen Worldwide.

Ms. Tong Yuen Yi Barbara

Head of Corporate Relations

Joined the Bank in January 2005 as Senior Vice President and Head of Group Corporate Relations in charge of corporate communications and investor relations. Ms. Tong has over 20 years of experience in marketing and communications in the financial industry. Ms. Tong graduated from Mills College in the United States with a Bachelor Degree in Economics. Prior to joining the Bank, she headed the Asian marketing and communications function for UBS Wealth Management and JPMorgan Private Bank respectively.

Ms. Li Shuk Fan Anna

Head of Audit

Joined the Bank in June 2005 as Senior Vice President and Head of Audit. Ms. Li holds a MBA Degree from the University of South Australia and is a Fellow Member of The Association of Chartered Certified Accountants and an Associate Member of The Hong Kong Institute of Certified Public Accountants. She has over 25 years of experience in auditing. Prior to joining the Bank, Ms. Li was the Assistant General Manager and Head of Business Planning & Development in Belgian Bank.

企業資料 Corporate Information

董事會

董事長

竇建中先生

執行董事

陳許多琳女士(總裁兼行政總裁)

施柏雅先生(替任行政總裁)

趙盛彪先生

非執行董事

常振明先生

陳小憲先生

居偉民先生

孔丹先生

盧永逸先生

獨立非執行董事

席伯倫先生

林廣兆先生

曾耀強先生

審核委員會

曾耀強先生(主席)

席伯倫先生

居偉民先生

林廣兆先生

註冊辦事處

香港德輔道中232號

電話：(852) 3603 6633

傳真：(852) 3603 4000

www.citickawahbank.com

核數師

畢馬威會計師事務所

Board Of Directors

Chairman

Mr. Dou Jianzhong

Executive Directors

Mrs. Chan Hui Dor Lam Doreen (President and Chief Executive Officer)

Mr. Roger Clark Spyer (Alternate Chief Executive Officer)

Mr. Zhao Shengbiao

Non-executive Directors

Mr. Chang Zhenming

Mr. Chen Xiaoxian

Mr. Ju Weimin

Mr. Kong Dan

Mr. Lo Wing Yat Kelvin

Independent Non-executive Directors

Mr. Rafael Gil-Tienda

Mr. Lam Kwong Siu

Mr. Tsang Yiu Keung Paul

Audit Committee

Mr. Tsang Yiu Keung Paul (Chairman)

Mr. Rafael Gil-Tienda

Mr. Ju Weimin

Mr. Lam Kwong Siu

Registered Office

232 Des Voeux Road Central, Hong Kong.

Tel: (852) 3603 6633

Fax: (852) 3603 4000

www.citickawahbank.com

Auditors

KPMG

財務報告 Financial Section

- 77 董事會報告書
Report Of The Directors
- 80 獨立核數師報告書
Independent Auditor's Report
- 82 綜合收益表
Consolidated Income Statement
- 83 綜合資產負債表
Consolidated Balance Sheet
- 84 資產負債表
Balance Sheet
- 85 綜合權益變動表
Consolidated Statement Of Changes In Equity
- 86 綜合現金流量表
Consolidated Cash Flow Statement
- 88 財務報表附註
Notes To The Financial Statements
- 207 未經審核補充財務資料
Unaudited Supplementary Financial Information



董事會報告書 Report Of The Directors

董事會謹將截至二零零八年十二月三十一日止年度的報告書及經審核財務報表呈覽。

主要營業地址

中信嘉華銀行有限公司(「本行」)為於香港註冊成立的持牌銀行，並以香港為辦事處所在地，其註冊辦事處位於香港德輔道中232號。本行在澳門、上海、紐約及洛杉磯均設有海外分行。

主要業務

本行和各附屬公司(「本集團」)的主要業務是在香港提供一般銀行及相關金融服務。本行各主要附屬公司於二零零八年十二月三十一日的詳情載於財務報表附註24內。

財務報表

本集團截至二零零八年十二月三十一日止年度的溢利和本行及本集團於該日的財政狀況載於第82頁至第206頁的財務報表內。

股息

董事會不建議派發截至二零零八年十二月三十一日止年度末期股息(二零零七年：無)。

物業及設備

物業及設備的變動載於財務報表附註25內。

儲備

未扣除股息的股東應佔溢利為港幣128,308,000元(二零零七年：港幣106,365,000元)已轉入儲備。其他儲備變動載於財務報表附註36內。

股本

本行於本年度內的股本變動載於財務報表附註35內。

The Directors have pleasure in submitting their report together with the audited financial statements for the year ended 31 December 2008.

Principal Place Of Business

CITIC Ka Wah Bank Limited ("the Bank") is a licensed bank incorporated and domiciled in Hong Kong and has its registered office at 232 Des Voeux Road Central, Hong Kong. The Bank operates overseas branches in Macau, Shanghai, New York and Los Angeles.

Principal Activities

The principal activities of the Bank and its subsidiaries (the "Group") are the provision of general banking and related financial services primarily in Hong Kong. Particulars of the Bank's principal subsidiaries as at 31 December 2008 are set out in note 24 to the financial statements.

Financial Statements

The profit of the Group for the year ended 31 December 2008 and the state of the Bank's and the Group's affairs as at that date are set out in the financial statements on pages 82 to 206.

Dividends

The Directors do not recommend the payment of any dividend for the year ended 31 December 2008 (2007: Nil).

Property And Equipment

Movements in property and equipment are set out in note 25 to the financial statements.

Reserves

Profit attributable to shareholders before dividends of HK\$128,308,000 (2007: HK\$106,365,000) has been transferred to reserves. Other movements in the reserves are set out in note 36 to the financial statements.

Share Capital

Movements in the share capital of the Bank during the year are set out in note 35 to the financial statements.

董事

截至二零零八年十二月三十一日止年度內及截至本報告書日期止的董事如下：

董事長

竇建中先生

執行董事

陳許多琳女士(總裁兼行政總裁)

施柏雅先生(執行副總裁兼曾任行政總裁)

趙盛彪先生(執行副總裁兼美國地區總經理)

非執行董事

常振明先生

陳小憲先生

居偉民先生

孔丹先生

盧永逸先生

獨立非執行董事

席伯倫先生

林廣兆先生

曾耀強先生

根據本行的公司組織章程細則第97條，所有現任董事須在下屆股東週年大會上依章告退，並可膺選連任。

董事權益

於二零零三年五月十六日，本行的直接母公司中信國際金融控股有限公司(「中信國金」)採納了「中信國際金融控股有限公司購股權計劃」(「購股權計劃」)。根據購股權計劃，本行合資格的僱員，當中包括所有董事：陳許多琳女士、常振明先生、陳小憲先生、竇建中先生、席伯倫先生、居偉民先生、孔丹先生、林廣兆先生、盧永逸先生、施柏雅先生、曾耀強先生及趙盛彪先生獲授予購股權，以認購中信國金的股份。由於中信國金已於二零零八年十一月五日撤銷了其在香港聯合交易所有限公司主板的上市地位及根據公司條例第166條以協議安排形式完成私有化，故此，所有根據購股權計劃授予並且尚未行使的購股權(當中包括授予本行所有董事的購股權)已被註銷。截至二零零八年十二月三十一日，並無購股權仍然有效。

Directors

The Directors during the year ended 31 December 2008 and up to the date of this report are as follows:

Chairman

Mr. Dou Jianzhong

Executive Directors

Mrs. Chan Hui Dor Lam Doreen (President and Chief Executive Officer)

Mr. Roger Clark Spyer (Executive Vice President and Alternate Chief Executive Officer)

Mr. Zhao Shengbiao (Executive Vice President and Country Head, U.S.A.)

Non-executive Directors

Mr. Chang Zhenming

Mr. Chen Xiaoxian

Mr. Ju Weimin

Mr. Kong Dan

Mr. Lo Wing Yat Kelvin

Independent Non-executive Directors

Mr. Rafael Gil-Tienda

Mr. Lam Kwong Siu

Mr. Tsang Yiu Keung Paul

In accordance with Article 97 of the Bank's Articles of Association, all present Directors shall retire at the next Annual General Meeting and, being eligible, offer themselves for re-election.

Directors' Interests

CITIC International Financial Holdings Limited ("CIFH"), the immediate parent, adopted The CITIC International Financial Holdings Limited Share Option Scheme (the "Share Option Scheme") on 16 May 2003. Pursuant to the Share Option Scheme, options to subscribe for shares of CIFH were granted to the eligible persons including all Directors of the Bank namely, Mrs. Chan Hui Dor Lam Doreen, Mr. Chang Zhenming, Mr. Chen Xiaoxian, Mr. Dou Jianzhong, Mr. Rafael Gil-Tienda, Mr. Ju Weimin, Mr. Kong Dan, Mr. Lam Kwong Siu, Mr. Lo Wing Yat Kelvin, Mr. Roger Clark Spyer, Mr. Tsang Yiu Keung Paul and Mr. Zhao Shengbiao. As at 31 December 2008, no share options remained outstanding since all share options granted under the Share Option Scheme (including the share options granted to all Directors of the Bank) had been cancelled upon the withdrawal of listing of the shares of CIFH on the Main Board of The Stock Exchange of Hong Kong Limited and privatisation by way of a Scheme of Arrangement under Section 166 of the Companies Ordinance on 5 November 2008.

除上述者外，本行、其任何控股公司、附屬公司或同系附屬公司均沒有在本年度內任何時間訂立任何安排，致使本行董事可透過收購本行或任何其他法人公司的股份或債券而獲益。

本行、其任何控股公司、附屬公司或同系附屬公司於年終時或本年度內任何時間，概無訂立任何令本行董事可直接或間接享有重大權益的重要合約。

管理合約

本年度內，本行並無簽訂或存有任何與本行全盤業務或其中重大部份業務管理有關的合約。

遵守銀行業(披露)規則

截至二零零八年十二月三十一日止年度的財務報表，已完全符合《銀行業(披露)規則》內有關的披露條例。

核數師

本行的核數師畢馬威會計師事務所將任滿告退，但表示願意留任。重新委任畢馬威會計師事務所為本行核數師的決議案，將在即將舉行的股東週年大會上提呈。

承董事會命

竇建中

董事長

香港，二零零九年三月二十四日

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

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

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Bank was entered into or existed during the year.

Compliance With Banking (Disclosure) Rules

The financial statements for the year ended 31 December 2008 have fully complied with the applicable disclosure provisions of the Banking (Disclosure) Rules.

Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Bank is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

Dou Jianzhong

Chairman

Hong Kong, 24 March 2009

獨立核數師報告書 Independent Auditor's Report



獨立核數師報告書

致中信嘉華銀行有限公司股東

(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第82頁至206頁中信嘉華銀行有限公司(「貴行」)的綜合財務報表，此綜合財務報表包括於二零零八年十二月三十一日的綜合資產負債表及 貴行的資產負債表與截至該日止年度的綜合收益表、綜合權益變動表和綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部監控，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。我們是按照香港《公司條例》第141條的規定，僅向整體股東報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report To The Shareholders Of CITIC Ka Wah Bank Limited

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of CITIC Ka Wah Bank Limited ("the Bank") set out on pages 82 to 206, which comprise the consolidated and the Bank balance sheets as at 31 December 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility For The Financial Statements

The directors of the Bank are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴行和 貴集團於二零零八年十二月三十一日的事務狀況及集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》妥為編製。

畢馬威會計師事務所
執業會計師

香港中環
遮打道十號
太子大廈八樓

二零零九年三月二十四日

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Bank and of the Group as at 31 December 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 March 2009

綜合收益表

Consolidated Income Statement

截至二零零八年十二月三十一日止年度(以港幣為單位)
for the year ended 31 December 2008 (Expressed in Hong Kong dollars)

			二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
		附註 Note		
利息收入	Interest income	4	4,019,835	5,057,239
利息支出	Interest expense		(2,474,170)	(3,657,411)
淨利息收入	Net interest income		1,545,665	1,399,828
費用及佣金收入	Fee and commission income		760,310	835,875
費用及佣金支出	Fee and commission expense		(16,779)	(13,835)
淨費用及佣金收入	Net fee and commission income	5	743,531	822,040
結構性投資工具淨虧損及撇值	Net loss and write-down on structured investment vehicles		(717,885)	(1,311,170)
其他淨交易收入	Other net trading income		231,554	576,543
淨交易虧損	Net trading loss	6	(486,331)	(734,627)
指定為通過損益以反映公允價值之金融工具淨虧損	Net loss from financial instruments designated at fair value through profit or loss	7	(74,422)	(249,014)
淨對沖收益	Net hedging gain	8	2,933	2,455
其他經營收入	Other operating income	9	70,220	61,127
經營收入	Operating income		1,801,596	1,301,809
經營支出	Operating expenses	10	(1,325,218)	(1,179,048)
扣除減值準備前之經營溢利	Operating profit before impairment		476,378	122,761
貸款及墊款減值虧損	Impairment losses on loans and advances	12	(383,185)	(72,476)
持有至到期投資減值虧損回撥	Impairment losses written back on held-to-maturity investments		–	242
可供出售證券減值虧損回撥	Impairment losses written back on available-for-sale securities		292	–
物業及設備減值虧損	Impairment losses on property and equipment	25(a)	–	(30,068)
減值虧損	Impairment losses		(382,893)	(102,302)
出售可供出售證券淨溢利	Net profit on disposal of available-for-sale securities	13	46,195	6,905
經營溢利	Operating profit		139,680	27,364
出售物業及設備淨溢利	Net profit on disposal of property and equipment		24,185	18,859
投資物業重估收益	Revaluation gain on investment properties	25(a)	446	60,104
稅前溢利	Profit before taxation		164,311	106,327
所得稅	Income tax	14	(36,003)	38
本年度溢利	Profit for the year	15	128,308	106,365

第88頁到第206頁的附註屬本財務報表一部份。

The notes on pages 88 to 206 form part of these financial statements.

綜合資產負債表

Consolidated Balance Sheet

於二零零八年十二月三十一日(以港幣為單位)
as at 31 December 2008 (Expressed in Hong Kong dollars)

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	
		附註 Note		
資產	Assets			
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	16	10,754,122	1,502,875
在銀行、中央銀行及 其他金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	17	10,473,951	12,647,588
貿易票據	Trade bills	18	816,069	1,523,200
交易用途資產	Trading assets	19	2,065,746	3,479,009
指定為通過損益以反映 公允價值的證券	Securities designated at fair value through profit or loss	20	521,834	531,025
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	21	75,183,429	67,751,338
可供出售證券	Available-for-sale securities	23	20,683,453	22,125,403
物業及設備	Property and equipment	25		
— 投資物業	— Investment property		148,076	238,380
— 其他物業及設備	— Other property and equipment		887,788	845,856
可收回稅項	Tax recoverable	30(a)	167,267	71,248
遞延稅項資產	Deferred tax assets	30(b)	108,095	67,155
資產總額	Total assets		121,809,830	110,783,077
權益及負債	Equity and liabilities			
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	26	927,337	1,539,030
客戶存款	Deposits from customers	27	95,332,338	84,018,313
交易用途負債	Trading liabilities	28	1,385,886	879,690
已發行存款證	Certificates of deposit issued	29	4,121,408	6,863,124
已發行債務證券	Debt securities issued	31	2,333,727	2,314,394
本期稅項	Current taxation	30(a)	10,128	6,760
遞延稅項負債	Deferred tax liabilities	30(b)	1,350	—
其他負債	Other liabilities	32	4,239,497	1,596,952
債務資本	Loan capital	34	3,927,221	3,926,390
負債總額	Total liabilities		112,278,892	101,144,653
權益	Equity			
股本	Share capital	35	5,583,341	5,583,341
儲備	Reserves	36	3,947,597	4,055,083
歸屬於本行股東的 權益總額	Total equity attributable to equity shareholders of the Bank		9,530,938	9,638,424
權益及負債總額	Total equity and liabilities		121,809,830	110,783,077

董事會於二零零九年三月二十四日核准並授權發佈。

Approved and authorised for issue by the Board of Directors on 24 March 2009.

竇建中
Dou Jianzhong
董事長
Chairman

陳許多琳
Chan Hui Dor Lam Doreen
董事、總裁兼行政總裁
Director, President and CEO

施柏雅
Roger Clark Spyer
董事兼替任行政總裁
Director and ACEO

王浩成
Wong Ho Sing Steve
財務總監
Chief Financial Officer

第88頁到第206頁的附註屬本財務報表一部份。

The notes on pages 88 to 206 form part of these financial statements.

資產負債表 Balance Sheet

於二零零八年十二月三十一日(以港幣為單位)
as at 31 December 2008 (Expressed in Hong Kong dollars)

	附註 Note	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	
資產	Assets			
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	16	10,488,291	1,409,752
在銀行、中央銀行及 其他金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	17	10,239,534	12,563,176
貿易票據	Trade bills	18	816,069	1,523,200
交易用途資產	Trading assets	19	2,062,967	3,479,009
指定為通過損益以反映 公允價值的證券	Securities designated at fair value through profit or loss	20	521,834	531,025
客戶貸款及墊款及其他賬項	Loans and advances to customers and other accounts	21	67,425,537	63,578,005
應收附屬公司款項	Amounts due from subsidiaries	22	5,588,811	3,154,136
可供出售證券	Available-for-sale securities	23	20,683,453	22,125,402
附屬公司投資	Investments in subsidiaries	24	1,270,250	725,676
物業及設備	Property and equipment	25		
— 投資物業	— Investment property		125,338	219,907
— 其他物業及設備	— Other property and equipment		869,639	841,278
可回收稅項	Tax recoverable	30(a)	163,773	67,109
遞延稅項資產	Deferred tax assets	30(b)	102,584	59,803
資產總額	Total assets		120,358,080	110,277,478
權益及負債	Equity and liabilities			
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	26	815,820	1,202,903
客戶存款	Deposits from customers	27	94,289,144	83,919,751
交易用途負債	Trading liabilities	28	1,381,884	879,690
已發行存款證	Certificates of deposit issued	29	4,121,408	6,863,124
已發行債務證券	Debt securities issued	31	2,312,927	2,314,394
本期稅項	Current taxation	30(a)	4,958	5,243
遞延稅項負債	Deferred tax liabilities	30(b)	34	—
其他負債	Other liabilities	32	3,950,939	1,347,943
應付附屬公司款項	Amounts due to subsidiaries	33	2,292,317	2,357,533
債務資本	Loan capital	34	1,937,504	1,949,652
負債總額	Total liabilities		111,106,935	100,840,233
權益	Equity			
股本	Share capital	35	5,583,341	5,583,341
儲備	Reserves	36	3,667,804	3,853,904
歸屬於本行股東的 權益總額	Total equity attributable to equity shareholders of the Bank		9,251,145	9,437,245
權益及負債總額	Total equity and liabilities		120,358,080	110,277,478

董事會於二零零九年三月二十四日核准並授權發佈。

Approved and authorised for issue by the Board of Directors on 24 March 2009.

竇建中
Dou Jianzhong
董事長
Chairman

陳許多琳
Chan Hui Dor Lam Doreen
董事、總裁兼行政總裁
Director, President and CEO

施柏雅
Roger Clark Spyer
董事兼替任行政總裁
Director and ACEO

王浩成
Wong Ho Sing Steve
財務總監
Chief Financial Officer

第88頁到第206頁的附註屬本財務報表一部份。

The notes on pages 88 to 206 form part of these financial statements.

綜合權益變動表

Consolidated Statement Of Changes In Equity

截至二零零八年十二月三十一日止年度(以港幣為單位)
for the year ended 31 December 2008 (Expressed in Hong Kong dollars)

	附註 Note	二零零八年 2008		二零零七年 2007	
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
於一月一日權益總額		9,638,424		7,282,339	
於權益內直接確認的淨支出：					
換算海外附屬公司的 財務報表之匯兌差額	36	15,148		15,238	
因出售投資物業而實現的 重估盈餘	36	277		6,011	
因稅率改變對一月一日 遞延稅項餘額的影響	36	(784)		–	
可供出售證券					
– 公允價值的變動	36	(269,459)		(337,476)	
– 出售時轉至收益表	36	(45,612)		(7,356)	
– 轉至遞延稅項	36	51,987		60,346	
		(263,084)		(284,486)	
		(248,443)		(263,237)	
本年度溢利		128,308		106,365	
本年度確認的 收入及支出總額		(120,135)		(156,872)	
進行資本交易所產生的 權益變動：					
發行及分配新股	35	–		2,500,000	
以股權償付的股份交易	36	12,649		12,957	
		12,649		2,512,957	
於十二月三十一日權益總額		9,530,938		9,638,424	

第88頁到第206頁的附註屬本財務報表一部份。

The notes on pages 88 to 206 form part of these financial statements.

綜合現金流量表

Consolidated Cash Flow Statement

截至二零零八年十二月三十一日止年度(以港幣為單位)
for the year ended 31 December 2008 (Expressed in Hong Kong dollars)

	附註 Note	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
經營業務	Operating activities		
稅前溢利	Profit before taxation	164,311	106,327
非現金項目調整：	Adjustments for non-cash items:		
貸款及墊款減值虧損	Impairment losses on loans and advances	383,185	72,476
投資物業重估收益	Revaluation gain on investment properties	(446)	(60,104)
結構性投資工具淨虧損及 撤值	Net loss and write-down on structured investment vehicles	717,885	1,311,170
出售物業及設備淨溢利	Net profit on disposal of property and equipment	(24,185)	(18,859)
出售可供出售證券淨溢利	Net profit on disposal of available-for-sale securities	(46,195)	(6,905)
持有至到期投資減值 虧損回撥	Impairment losses written back on held-to-maturity investments	–	(242)
可供出售證券減值 虧損回撥	Impairment losses written back on available-for-sale securities	(292)	–
物業及設備減值虧損	Impairment losses on property and equipment	–	30,068
以股權償付的股份支出	Equity-settled share-based payment expenses	16,129	12,957
遞延支出攤銷	Amortisation of deferred expenses	69,483	66,236
物業及設備折舊	Depreciation on property and equipment	77,713	83,069
權益證券股息收入	Dividend income from equity securities	(4,100)	(20,291)
債務資本利息支出	Interest expense on loan capital	275,396	318,035
匯兌差額	Foreign exchange differences	(25,281)	36,662
		1,603,603	1,930,599
經營資產(增加)/減少	(Increase)/ decrease in operating assets		
原到期日超過3個月的在銀行、 中央銀行及其他金融機構 的存款及墊款	Placements with and advances to banks, central banks and other financial institutions with original maturity beyond three months	(953,409)	(2,115,988)
原到期日超過3個月的 國庫券	Treasury bills with original maturity beyond three months	499,609	(499,609)
原到期日超過3個月的 持有存款證	Certificates of deposit held with original maturity beyond three months	150,033	(99,734)
交易用途資產	Trading assets	695,378	1,563,797
指定為通過損益以反映公允 價值的證券	Securities designated at fair value through profit or loss	9,191	472,554
客戶貸款及墊款、其他賬項及 貿易票據	Loans and advances to customers, other accounts and trade bills	(7,164,186)	(16,999,056)
持有至到期投資	Held-to-maturity investments	–	9,988,152
可供出售證券	Available-for-sale securities	1,675,890	(16,768,423)
		(5,087,494)	(24,458,307)
經營負債增加/(減少)	Increase/ (decrease) in operating liabilities		
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	(611,693)	707,057
客戶存款	Deposits from customers	11,314,025	18,052,706
交易用途負債	Trading liabilities	506,196	451,042
已發行存款證	Certificates of deposit issued	(2,751,653)	(399,015)
已發行債務證券	Debt securities issued	31,808	4,945
其他負債	Other liabilities	2,669,597	42,290
		11,158,280	18,859,025
來自/(用於)經營業務的現金額	Cash generated from/(used in) operations	7,674,389	(3,668,683)

綜合現金流量表

Consolidated Cash Flow Statement

截至二零零八年十二月三十一日止年度(以港幣為單位)

for the year ended 31 December 2008 (Expressed in Hong Kong dollars)

	附註 Note	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
來自/(用於)經營業務的現金額	Cash generated from/(used in) operations	7,674,389	(3,668,683)
已付所得稅	Income tax paid		
已付香港利得稅	Hong Kong Profits Tax paid	(101,237)	(192,372)
已付海外稅項	Overseas tax paid	(15,620)	(7,501)
來自/(用於)經營業務的 現金淨額	Net cash generated from/(used in) operating activities	7,557,532	(3,868,556)
投資業務	Investing activities		
已收權益證券股息	Dividends received from equity securities	4,100	20,291
購入物業及設備	Purchase of property and equipment	(40,601)	(54,390)
出售物業及設備所得款項	Proceeds from disposal of property and equipment	35,861	29,143
用於投資業務的現金淨額	Net cash used in investing activities	(640)	(4,956)
融資業務	Financing activities		
發行股份所得款項	Proceeds from shares issued	–	2,500,000
支付債務資本利息	Interest paid on loan capital	(280,526)	(319,337)
發行債務資本所得款項	Proceeds from loan capital issued	–	1,949,500
贖回債務資本	Redemption of loan capital	–	(1,949,363)
(用於)/來自融資業務的 現金淨額	Net cash (used in)/generated from financing activities	(280,526)	2,180,800
現金及現金等值 增加/(減少)淨額	Net increase/(decrease) in cash and cash equivalents	7,276,366	(1,692,712)
於一月一日的現金及現金等值項目	Cash and cash equivalents as at 1 January	10,339,283	12,031,995
於十二月三十一日的現金及 現金等值項目	Cash and cash equivalents as at 31 December	17,615,649	10,339,283
經營業務產生的現金流量包括：	Cash flows from operating activities included:		
已收利息	Interest received	4,046,642	5,046,218
已付利息	Interest paid	(2,181,594)	(3,209,371)

第88頁到第206頁的附註屬本財務報表一部份。

The notes on pages 88 to 206 form part of these financial statements.

財務報表附註 Notes To The Financial Statements

(除特別列明外，均以港幣為單位)
(Expressed in Hong Kong dollars unless otherwise indicated)

1. 主要業務

中信嘉華銀行有限公司(「本行」)及其附屬公司(「本集團」)的主要業務是提供銀行及相關金融服務。這些業務對本集團的業績或資產及負債具有重大影響。

2. 主要會計政策

中信嘉華銀行有限公司為於香港註冊成立的持牌銀行，並以香港為辦事處所在地，其註冊辦事處位於香港德輔道中232號。截至二零零八年十二月三十一日止年度的綜合財務報表涵蓋本行和各附屬公司(以下統稱「本集團」)。

(a) 合規聲明

本財務報表是根據香港會計師公會頒佈，所有適用的《香港財務報告準則》(包括所有適用的個別香港財務報告準則、《香港會計準則》及詮釋)、香港一般採用的會計原則及香港《公司條例》的規定編製而成。本集團採用的主要會計政策概述如下。

香港會計師公會頒佈數項新增及經修訂的香港財務報告準則，並可於本年度本集團及本行的會計期被提早採納或生效。在與本集團有關的範圍內初次應用這些新訂的準則所引致當前和以往會計期間的會計政策變更，已於本財務報表內反映，有關資料載列於附註3。

(b) 財務報表編製基礎

除了以下資產與負債項目以公允價值列賬外，編製財務報表時是以歷史成本作為計量基礎。有關詳情已載列於下列會計政策：

- 劃歸為交易用途、指定為通過損益以反映公允價值及可供出售的金融工具
(參閱附註2(e)(ii))；
- 投資物業(參閱附註2(h))；及
- 以現金償付的股份支出(參閱附註2(n)(ii))。

1. Principal Activities

The principal activities of CITIC Ka Wah Bank Limited ("the Bank") and its subsidiaries ("the Group"), which materially affect the results or comprise the assets and liabilities of the Group, are the provision of banking and related financial services.

2. Significant Accounting Policies

CITIC Ka Wah Bank Limited is a licensed bank incorporated and domiciled in Hong Kong and has its registered office at 232 Des Voeux Road Central, Hong Kong. The consolidated financial statements for the year ended 31 December 2008 comprise the Bank and its subsidiaries (together referred to as the Group).

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs"), and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the Group is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Bank. Note 3 provides information on the changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as trading, designated at fair value through profit or loss and available-for-sale
(see note 2(e)(ii));
- investment property (see note 2(h)); and
- cash-settled share-based payments (see note 2(n)(ii)).

2. 主要會計政策(續)

(b) 財務報表編製基礎(續)

管理層在按照香港財務報告準則編製財務報表時，需要對會計政策的應用和資產及負債、收入及支出的匯報數額等作判斷、估計及假設從而影響政策實施及資產和負債、及收入與支出之呈報金額。有關估計及假設乃按在既定情況下可合理地相信，根據過往之經驗及其他因素，作出判斷那些未能從其他來源確定的資產及負債的賬面值。實際結果可能與此等估計不盡相同。

有關估計及假設須定期作檢討。若修訂只影響該修訂期，會計估計的修訂於該修訂期內確認；或如該修訂影響本期及未來會計期，則於修訂期及未來會計期確認。

管理層在應用香港財務報告準則時作出對財務報表有重大影響的判斷，以及對在下年度造成重大調整的主要風險的估計，於附註49討論。

(c) 收入確認

收入是在經濟效益很可能會流入本集團，以及能夠可靠地計量收入和成本(如適用)時，根據下列方法在收益表內確認：

(i) 利息收入

所有計息金融工具的利息收入均使用實際利率法以應計基礎在收益表內確認。

實際利率法是計算金融資產的攤銷成本及分配有關期間的利息收入的方法。按照金融資產的賬面淨值折讓未來於金融工具預計有效年期或(如適用)較短期間內估計付出或取得的現金值時，所用比率即為實際利率。本集團在計算實際利率時對現金流量作出估計，並且已考慮金融工具的所有合約條款(如提前還款、認購及類似期權)，惟並無考慮未來信貸損失。合約訂約方付出或收取的所有費用(為實際利率的一部份)、交易成本及所有其他溢價或折讓，均在計算之列。因住宅物業按揭貸款所支出的現金回贈會被資本化及按其估計期限於損益表內攤銷。

2. Significant Accounting Policies (cont'd)

(b) Basis of preparation of the financial statements (cont'd)

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 49.

(c) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

(i) Interest income

Interest income for all interest-bearing financial instruments is recognised in the income statement on an accruals basis using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Cash rebates granted in relation to residential mortgage loans are capitalised and amortised to the income statement over their expected life.

2. 主要會計政策(續)

(c) 收入確認(續)

(i) 利息收入(續)

就減值貸款而言，根據貸款原來條款計算的應計利息收入已停止，但隨時間過去而引致任何減值貸款的現值增加則匯報為利息收入。

指定為通過損益以反映公允價值的金融工具的淨收入，及該等金融資產及金融負債的公允價值變動所產生的所有損益(已扣除應計息票)，所得的淨交易收入，以及該等金融工具產生的利息收入及支出和股息收入。

(ii) 費用及佣金收入

費用及佣金收入在提供相應服務時確認，但如費用是為彌補持續為客戶提供服務或承受風險的成本而收取，或費用屬於利息性質則除外。在這些情況下，費用在產生成本或承受風險的會計期間確認為收入，或視作利息收入。

因本集團創造或購入金融資產而產生之始創或承擔服務費的收入／支出須根據有效利率遞延及確認。如預計承擔不會引致提取貸款，該服務費需按承擔期限以直線法確認為收入。

(iii) 融資租賃及分期付款合約的財務收入

融資租賃及分期付款的隱含財務收入按租賃年期確認為利息收入，以令每個會計期間剩餘的淨投資回報率大致上相同。因購併融資租賃及分期付款合約而付交易商之佣金，已包含於資產的賬面值及於租賃期內攤銷並入收益表，作為對利息收入的調整。

2. Significant Accounting Policies (cont'd)

(c) Revenue recognition (cont'd)

(i) Interest income (cont'd)

For impaired loans, the accrual of interest income based on the original terms of the loan is discontinued, but any increase in the present value of impaired loans due to the passage of time is reported as interest income.

Net income from financial instruments designated at fair value through profit or loss and net trading income comprises all gains and losses from changes in fair value (net of accrued coupon) of such financial assets and financial liabilities, together with interest income and expense and dividend income attributable to those financial instruments.

(ii) Fee and commission income

Fee and commission income is recognised when the corresponding service is provided, except where the fee is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the fee is recognised as income in the accounting period in which the costs or risk incurred or accounted for as interest income.

Origination or commitment fees received/paid by the Group which result in the creation or acquisition of a financial assets are deferred and recognised as an adjustment to the effective interest rate. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

(iii) Finance income from finance lease and hire purchase contract

Finance income implicit in the finance lease and hire purchase payments is recognised as interest income over the period of the leases so as to produce an approximately constant periodic rate of return, on the outstanding net investment in the leases for each accounting period. Commission paid to dealers for acquisition of finance lease loans or hire purchase contracts is included in the carrying value of the assets and amortised to the income statement over the expected life of the lease as an adjustment to interest income.

2. 主要會計政策(續)

(c) 收入確認(續)

(iv) 經營租賃的租金收入

除非有更具代表性的基準能反映從租賃資產獲取利益的模式，其經營租賃的租金收入會按租賃年期內的會計期間，以等額分期確認為其他經營收入。經營租賃協議所涉及的激勵措施均在收益表內確認為租賃淨收款總額的組成部份。

(v) 股息收入確認如下：

- 上市投資的股息收入是在該項投資的股價除息時確認；及
- 非上市投資的股息收入在股東收取款項的權利確立時確認。

(d) 附屬公司

附屬公司是指受本集團控制的實體。控制是指本集團有權決定該實體的財務及經營業務，並藉此從其活動中取得利益。在評估控制存在與否時，現時可行使的潛在投票權會納入考慮之列。

於附屬公司的投資由控制權開始生效當日起在綜合財務報表中綜合計算，直至控制權終止期間為止。

集團內部的結餘及交易，及任何集團內部交易所產生的未實現溢利均於編製綜合財務報表時悉數抵銷。除有證據顯示已出現減值的部份外，集團內部交易產生的未實現虧損的攤銷方法與未實現收益相同。

在本行的資產負債表中，其於附屬公司的投資是按成本減去減值虧損(如有)(參閱附註2(l))後入賬。

2. Significant Accounting Policies (cont'd)

(c) Revenue recognition (cont'd)

(iv) Rental income from operating lease

Rental income received under operating leases is recognised as other operating income in equal installments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised in the income statement as an integral part of the aggregate net lease payments receivable.

(v) Dividend income is recognised as follows:

- dividend income from listed investments is recognised when the share price of the investment is quoted ex-dividend; and
- dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from their activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

In the Bank's balance sheet, its investments in subsidiaries are stated at cost less impairment losses, if any (see note 2(l)).

2. 主要會計政策(續)

(e) 金融工具

(i) 首次確認

本集團在首次確認金融工具時，是按照購入資產或產生負債的目的而將金融工具分為不同類別。分類為：通過損益以反映公允價值、貸款及應收賬項、持有至到期投資、可供出售證券及其他金融負債。

金融工具先以公允價值計量，通常與交易價相同。如果金融資產或金融負債不屬於通過損益以反映公允價值，便需加上直接歸屬於購入金融資產或發行金融負債的交易成本。通過損益以反映公允價值的金融資產及金融負債的交易成本將立即支銷。

本集團會在成為金融工具合約其中一方當日確認金融資產及金融負債。以有規律方式買賣通過損益以反映公允價值的金融資產及負債按交易日會計法予以確認。其他金融資產及負債按結算日會計法予以確認。通過損益以反映公允價值的金融資產或金融負債的公允價值變動產生的任何盈虧由該日起記錄。

(ii) 分類

通過損益以反映公允價值

該類別包括持作交易用途的金融資產及金融負債，以及於初始確認時指定為通過損益以反映公允價值的金融資產及金融負債，惟不包括沒有市場報價及不能可靠計量公允價值的股本工具投資。

交易用途金融工具為主要就交易用途而購入或招致的金融資產或金融負債，或屬可辨別金融工具組合的一部份，並有證據顯示該組合最近有可短期獲利的模式。不合資格採用對沖會計法(附註2(g))的衍生工具則計入交易用途工具。

2. Significant Accounting Policies (cont'd)

(e) Financial instruments

(i) Initial recognition

The Group classifies its financial instruments into different categories at inception, depending on the purpose for which the assets were acquired or the liabilities were incurred. The categories are: fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale securities and other financial liabilities.

Financial instruments are measured initially at fair value, which normally will be equal to the transaction price plus, in case of a financial asset or financial liability not held at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately.

The Group recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets and financial liabilities at fair value through profit or loss is recognised using trade date accounting. Other financial assets and financial liabilities are recognised using settlement date accounting. From these dates, any gains and losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

(ii) Categorisation

Fair value through profit or loss

This category comprises financial assets and liabilities held for trading, and those designated at fair value through profit or loss upon initial recognition, but exclude those investments in equity instruments that do not have a quoted market price and whose fair value cannot be reliably measured.

Trading financial instruments are financial assets or financial liabilities which are acquired or incurred principally for the purpose of trading, or are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives that do not qualify for hedge accounting (note 2(g)) are accounted for as trading instruments.

2. 主要會計政策(續)

(e) 金融工具(續)

(ii) 分類(續)

通過損益以反映公允價值(續)

如屬以下情況，本集團可以選擇在初始確認時將金融工具指定為通過損益以反映公允價值：

- 本集團內部是按公允價值基準管理、衡量和匯報有關的資產或負債；
- 作出指定後，原應出現的會計錯配情況可予消除或明顯減少；
- 有關的資產或負債包括內含衍生工具，而這些衍生工具令原來按合約所需的現金流量出現明顯的變化；和本集團沒有被禁止將嵌入衍生工具從金融工具內分開。

該類別下的金融資產及金融負債是按公允價值列賬。當此資產及負債仍然持有或發行時，除了少數的特殊情況外，將不能被重新分類至此類別或離開此類別。公允價值的變動在有關變動產生的期間計入收益表。在出售或購回時，淨銷售所得款項或淨付款與賬面值之間的差額會計入收益表內。

貸款及應收賬項

貸款及應收賬項為具有固定或可確定付款且沒有活躍市場報價的非衍生金融資產，惟除了(a)本集團擬即時或於短期內出售而劃歸為持作交易用途；(b)本集團於初始確認時已指定為通過損益以反映公允價值或可供出售者；或(c)本集團可能無法收回其絕大部份初始投資(因信貸表現惡化而無法收回者除外)則分類為可供出售。貸款及應收賬項主要包括客戶貸款及墊款和在銀行、中央銀行及其他金融機構的墊款，並採用實際利率法，按攤銷成本減去減值虧損(如有)(參閱附註2(l))後列賬。

2. Significant Accounting Policies (cont'd)

(e) Financial instruments (cont'd)

(ii) Categorisation (cont'd)

Fair value through profit or loss (cont'd)

The Group has the option to designate its financial instruments at fair value through profit or loss upon initial recognition when:

- the assets or liabilities are managed, evaluated and reported internally on a fair value basis;
- the designation eliminates or significantly reduces an accounting mismatch which would otherwise arise;
- the asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract; and the separation of the embedded derivatives from the financial instrument is not prohibited.

Financial assets and liabilities under this category are carried at fair value and are not allowed to reclassify into or out of this category while it is held or issued except in rare circumstances. Changes in the fair value are included in the income statement in the period in which they arise. Upon disposal or repurchase, the difference between the net sale proceeds or the net payment and the carrying value is included in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than (a) those that the Group intends to sell immediately or in the near term, which will be classified as held for trading; (b) those that the Group, upon initial recognition, designates at fair value through profit or loss or as available-for-sale; or (c) those where the Group may not recover substantially all of its initial investment, other than because of credit deterioration, which will be classified as available-for-sale. Loans and receivables mainly comprise loans and advances to customers, and placements with and advances to banks, central banks and other financial institutions. Loans and receivables are carried at amortised cost using the effective interest rate method less impairment losses, if any (see note 2(l)).

2. 主要會計政策(續)

(e) 金融工具(續)

(ii) 分類(續)

持有至到期投資

持有至到期投資為具有固定或可確定付款及固定到期日，且本集團有積極意欲及能力持有至到期為止的非衍生金融資產，惟(a)本集團於初始確認時已指定為通過損益以反映公允價值或可供出售者；及(b)符合貸款及應收賬項定義者除外。

持有至到期投資採用實際利率法，按攤銷成本減去減值虧損(如有)(參閱附註2(l))後列賬。

可供出售證券

可供出售證券是指定為可供出售或並無劃歸上述三個中任何一個類別的非衍生金融資產，包括計劃作不定期限持有的金融資產，惟可能因應流動資金需求或市場環境變動而出售。

可供出售證券是按公允價值列賬。除如債務證券的貨幣性項目所引致的減值虧損及外匯盈虧須在收益表確認外，因公允價值變動而產生之未實現收益及虧損直接在投資重估儲備內確認。

權益證券投資並沒有活躍市場的報價，而其公允價值並不能可靠計量，與之有所聯繫的衍生工具須透過交付該權益證券而清償，該類權益證券投資按成本減去減值虧損(如有)(參閱附註2(l))後列賬。

倘出售可供出售證券，出售收益或虧損包括淨銷售所得款項與賬面值之間的差額，及從投資重估儲備撥回的累計公允價值調整。

其他金融負債

除交易用途負債及該等指定為通過損益以反映公允價值的金融負債外，金融負債是採用實際利率法按攤銷成本計量。

2. Significant Accounting Policies (cont'd)

(e) Financial instruments (cont'd)

(ii) Categorisation (cont'd)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity where the Group has the positive intention and ability to hold to maturity, other than (a) those that the Group, upon initial recognition, designates as fair value through profit or loss or as available-for-sale; and (b) those that meet the definition of loans and receivables.

Held-to-maturity investments are carried at amortised cost using the effective interest rate method less impairment losses, if any (see note 2(l)).

Available-for-sale securities

Available-for-sale securities are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the other three categories above. They include financial assets intended to be held for an indefinite period of time, but which may be sold in response to needs for liquidity or changes in the market environment.

Available-for-sale securities are carried at fair value. Unrealised gains and losses arising from changes in the fair value are recognised directly in the investment revaluation reserve, except for impairment losses and foreign exchange gains and losses on monetary items such as debt securities which are recognised in the income statement.

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and derivatives that are linked to and must be settled by delivery of such unquoted equity securities are carried at cost less impairment losses, if any (see note 2(l)).

When the available-for-sale securities are sold, gains or losses on disposal include the difference between the net sale proceeds and the carrying value, and the accumulated fair value adjustments are released from the investment revaluation reserve.

Other financial liabilities

Financial liabilities, other than trading liabilities and those designated at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

2. 主要會計政策(續)

(e) 金融工具(續)

(iii) 公允價值計量原則

金融工具的公允價值是於結算日根據其市場報價但未扣除將來估計出售的成本計算。金融資產以當時買入價作價，而金融負債則以當時賣出價作價。

如並無最新公開成交價，或未能從認可證券交易所獲得市場報價或從經紀／交易商獲得屬於非通過交易所買賣的金融工具價格，或如市場交投不活躍，則此工具的公允價值以估值模式估值，而該估值模式可根據市場實際交易提供可靠的估計價格。

當採用現金流量折讓價格模式，估計將來現金流量按管理層的最佳估計及採用的折現率是在結算日適用於相近工具條款及條件的市場利率計算。當採用其他定價模式，輸入項目是依據結算日的市場價格資料。

(iv) 終止確認

當從金融資產獲得現金流量的合約權利屆滿，或當金融資產連同擁有權的絕大部份風險及報酬已被轉移，便會終止確認金融資產。

當合約指定的義務已經履行、取消或屆滿，便會終止確認金融負債。

(v) 抵銷

倘若存在可依法強制執行的權利可抵銷已確認數額，且有計劃按淨額基準結算或同時變現資產及償付負債，則金融資產及金融負債可予抵銷，淨額在資產負債表內匯報。

2. Significant Accounting Policies (cont'd)

(e) Financial instruments (cont'd)

(iii) Fair value measurement principles

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

If there is no publicly available latest traded price nor a quoted market price for exchange-traded financial instrument on a recognised stock exchange is not available or a price from a broker/dealer for non-exchange-traded financial instrument is not available, or if the market for a financial instrument is not active, the fair value of the instrument is estimated using valuation techniques that provides a reliable estimate of prices which could be obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the balance sheet date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the balance sheet date.

(iv) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle liability simultaneously.

2. 主要會計政策(續)

(e) 金融工具(續)

(vi) 內含衍生工具

內含衍生工具是一個包括衍生工具及主合約的混合(合併)工具的一部份，這一部份以獨立衍生工具類似的方式改變該合併工具的部份現金流量。當(a)內含衍生工具的經濟特質及風險與主合約並無密切關係；及(b)混合(合併)工具並非以公允價值計量而公允價值變動在收益表內確認，則內含衍生工具從主合約分開，並入賬列作衍生工具。

當內含衍生工具分開，則主合約根據金融工具的會計政策入賬。(參閱附註2(e)(ii))。

(f) 購回及反向購回交易

出售的證券如同時附有在某一較後日期以固定價格購回這些證券的協議(購回協議)，會在財務報表內保留，並根據其原有計量原則計量。出售所得款項匯報為負債，並以攤銷成本列賬。

根據轉售協議(反向購回協議)購買的證券並非匯報為購買證券，而是應收賬項，並以攤銷成本在資產負債表內列賬。

反向購回協議賺取的利息及購回協議產生的利息採用實際利率法，在各協議的有效期內分別確認為利息收入及利息支出。

(g) 對沖

對沖會計法確認對沖工具與被對沖項目的公允價值變動對損益構成的抵銷影響。本集團於開始進行對沖及持續進行對沖時，評估用於對沖交易的金融工具在抵銷與被對沖風險相關的被對沖項目的公允價值或現金流量變動上是否極具效用，並就此制定文件記錄。當(a)對沖工具到期或售出、終止或行使；或(b)對沖不再符合對沖會計法的使用條件；或(c)本集團撤銷對沖關係的指定，本集團將終止在往後採用對沖會計法。

2. Significant Accounting Policies (cont'd)

(e) Financial instruments (cont'd)

(vi) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that includes both the derivative and a host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. The embedded derivatives are separated from the host contract and accounted for as a derivative when (a) the economic characteristics and risks of the embedded derivative are not closely related to the host contract; and (b) the hybrid (combined) instrument is not measured at fair value with changes in fair value recognised in the income statement.

When the embedded derivative is separated, the host contract is accounted for in accordance with the accounting policies of financial instruments (see note 2(e)(ii)).

(f) Repurchase and reverse repurchase transactions

Securities sold subject to a simultaneous agreement to repurchase these securities at a certain later date at a fixed price (repurchase agreements) are retained in the financial statements and measured in accordance with their original measurement principles. The proceeds from the sale are reported as liabilities and are carried at amortised cost.

Securities purchased under agreements to resell (reverse repurchase agreements) are reported not as purchases of the securities, but as receivables and are carried in the balance sheet at amortised cost.

Interest earned on reverse repurchase agreements and interest incurred on repurchase agreements are recognised as interest income or interest expense respectively, over the life of each agreement using the effective interest rate method.

(g) Hedging

Hedge accounting recognises the offsetting effects on profit or loss of changes in the fair values of the hedging instrument and the hedged item. The Group assesses and documents whether the financial instruments that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items attributable to the hedged risks both at hedge inception and on an ongoing basis. The Group discontinues prospectively hedge accounting when (a) the hedging instrument expires or is sold, terminated or exercised; (b) the hedge no longer meets the criteria for hedge accounting; or (c) the Group revokes the designation.

2. 主要會計政策(續)

(g) 對沖(續)

(i) 公允價值對沖

公允價值對沖尋求抵銷已確認資產或負債的公允價值變動的風險，該等風險將導致損益在收益表內確認。

對沖工具以公允價值計量，公允價值變動在收益表內確認。被對沖項目的賬面值按與被對沖風險相關的對沖工具公允價值變動的數額作出調整。此調整在收益表內確認，以抵銷損益對對沖工具構成的影響。

當對沖工具到期或被出售、終止或行使、對沖不再符合對沖會計法的使用條件或本集團撤銷指定的對沖關係時，截至當時為止對採用實際利率法計量的被對沖項目作出的任何調整，均在收益表中攤銷(作為該項目在尚餘期限內重新計算的實際利率一部份)。

(ii) 現金流量對沖

倘若衍生金融工具被指定作為已確認資產或負債的現金流量變數，或很可能進行的預計交易，或已承諾進行的未來交易的外匯風險的對沖工具，則將衍生金融工具重新計量至公允價值所產生損益的有效部份直接在權益內確認。任何損益的無效部份立即在收益表內確認。

如果預計交易的對沖其後導致確認金融資產或金融負債，則相關損益會自權益移除，並於購入資產或承擔負債影響收益表的同期內在收益表予以確認。如果預計交易的對沖其後導致確認非金融資產或非金融負債，則相關累計損益自權益移除，並計入非金融資產或負債的初始成本或其他賬面值。

就所有其他現金流量對沖而言，相關的損益於被對沖現金流量影響收益表的同期內自權益移除，並在收益表內確認。

2. Significant Accounting Policies (cont'd)

(g) Hedging (cont'd)

(i) Fair value hedge

A fair value hedge seeks to offset risks of changes in the fair value of recognised asset or liability that will give rise to a gain or loss being recognised in the income statement.

The hedging instrument is measured at fair value, with fair value changes recognised in the income statement. The carrying amount of the hedged item is adjusted by the amount of the changes in fair value of the hedging instrument attributable to the risk being hedged. This adjustment is recognised in the income statement to offset the effect of the gain or loss on the hedging instrument.

When a hedging instrument expires or is sold, terminated or exercised, the hedge no longer meets the criteria for hedge accounting, or the Group revokes designation of the hedge relationship, any adjustment up to that point, to a hedged item for which the effective interest rate method is used, is amortised to the income statement as part of the recalculated effective interest rate of the item over its remaining life.

(ii) Cash flow hedge

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, or the foreign currency risk of a committed future transaction, the effective part of any gain or loss on remeasurement of the derivative financial instrument to fair value is recognised directly in equity. The ineffective portion of any gain or loss is recognised immediately in the income statement.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the asset acquired or liability assumed affects the income statement. If the hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is removed from equity and included in the initial cost or other carrying amount of the non-financial asset or liability.

For all other cash flow hedges, the associated gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the hedged cash flow affects the income statement.

2. 主要會計政策(續)

(g) 對沖(續)

(ii) 現金流量對沖(續)

當對沖工具到期或售出、終止或行使，或本集團撤銷對沖關係的指定，惟被對沖預計交易仍然預期會進行，則當時的累計損益仍會保留在權益內，並於交易進行時根據上述政策確認。倘若被對沖交易預期不會落實進行，則已在權益內確認的累計未變現損益立即在收益表內確認。

(iii) 對沖效用測試

為符合資格實施對沖會計法，在開始對沖時及預計對沖期內，本集團須進行效用測試以顯示預期對沖成效極具效用(預計效用)。在對沖期內，並必須持續顯示有實際效用(追溯效用)。

有關各種對沖關係的文件載有如何評估對沖的效用。本集團採納的對沖效用評估方法將視乎其風險管理策略而定。

就公允價值對沖關係而言，本集團採用累計價值抵銷法作為測試效用的方法。就現金流量對沖關係而言，本集團利用假設衍生工具方法論以採用累計價值抵銷法。

就預計效用而言，對沖工具必須被預期為在指定對沖期間內，能高度有效地抵銷被對沖風險的公允價值或現金流量變動。就實際效用而言，公允價值或現金流量變動抵銷額須介乎80%至125%之間才被視為有效。

(h) 投資物業

集團若擁有及／或以租約業權(參閱附註2(j))持有的土地和樓宇，以賺取租金收入及／或作資本增值的目的，列為投資物業。投資物業包括目前未確定將來用途的土地和樓宇。

2. Significant Accounting Policies (cont'd)

(g) Hedging (cont'd)

(ii) Cash flow hedge (cont'd)

When a hedging instrument expires or is sold, terminated or exercised, or the Group revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised immediately in the income statement.

(iii) Hedge effectiveness testing

The Group carries out prospective effectiveness testing to demonstrate that the Group expects the hedge to be highly effective (prospective effectiveness) at the inception of the hedge and throughout its life in order to qualify for hedge accounting. Actual effectiveness (retrospective effectiveness) also needs to be demonstrated on an ongoing basis.

The documentation of each hedging relationship sets out how the effectiveness of the hedge is assessed. The method which the Group adopts for assessing hedge effectiveness will depend on its risk management strategy.

For fair value hedge relationships, the Group utilises the cumulative dollar offset method as effectiveness testing methodologies. For cash flow hedge relationships, the Group utilises the cumulative dollar offset method using the hypothetical derivative approach.

For prospective effectiveness, the hedging instrument must be expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated. For actual effectiveness, the changes in fair value or cash flows must offset each other in the range of 80 per cent to 125 per cent for the hedge to be deemed effective.

(h) Investment property

Investment properties are land and buildings which are owned and/or held under a leasehold interest (see note 2(j)) to earn rental income and/or for capital appreciation. These include land and buildings held for a currently undetermined future use.

2. 主要會計政策(續)

(h) 投資物業(續)

投資物業按公允價值記入資產負債表中。投資物業公允價值的變動，或報廢或出售投資物業所產生的任何收益或虧損均在收益表中確認。投資物業的租金收入是按照會計政策第2(c)(iv)項所述方式入賬。

如果本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關的權益會按每項物業的基準劃歸為投資物業。劃歸為投資物業的任何物業權益的入賬方式與以融資租賃(參閱附註2(j)(ii))持有的權益一樣，而其適用的會計政策也跟以融資租賃出租的其他投資物業相同。租賃付款的入賬方式載列於附註2(c)(iii)。

(i) 其他物業及設備

這些財務報表是按照香港會計師公會頒佈的香港會計準則第16號「物業、廠房及設備」第80A段所載的過渡性條文編製，故並無在結算日重估在截至一九九五年九月三十日期間的財務報表內以重估數額列賬的其他物業的公允價值。

下列物業及設備項目以成本減累計折舊及減值虧損(如有)(參閱附註2(l))在資產負債表內列賬：

- 根據經營租賃持有的土地及其上的樓宇，而於土地及樓宇的租賃權益公允價值能在租賃年期開始時分開計量(參閱附註2(j)(iii))；及

- 其他設備項目。

物業及設備項目按以下方式在估計可用年期內以直線法計算折舊以沖銷其成本或估值(已扣除估計殘值(如有))：

- 永久業權土地不予折舊。
- 樓宇—以三十年以上或土地租賃剩餘年期兩者中的較短者計算折舊。
- 傢俬、固定裝置及設備—三至十年。

2. Significant Accounting Policies (cont'd)

(h) Investment property (cont'd)

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in the income statement. Rental income from investment property is accounted for as described in accounting policy note 2(c)(iv).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 2(j)(ii)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 2(c)(iii).

(i) Other property and equipment

In preparing these financial statements, advantage has been taken of the transitional provisions set out in paragraph 80A of HKAS 16 "Property, plant and equipment", issued by the HKICPA, with effect that other premises which are carried at revalued amounts in financial statements relating to periods ended before 30 September 1995 have not been revalued to fair value at the balance sheet date.

The following items of property and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses, if any (see note 2(l)):

- land held under operating leases and buildings thereon, where the fair value of the leasehold interest in the land and buildings can be measured separately at the inception of the lease (see note 2(j)(iii)); and
- other items of equipment.

Depreciation is calculated to write off the cost or valuation of items of property and equipment, less their estimated residual value, if any, using the straight line method over the estimated useful lives as follows:

- freehold land is not depreciated.
- buildings – over 30 years or the unexpired terms of the land leases, whichever is shorter.
- furniture, fixtures and equipment – 3 to 10 years.

2. 主要會計政策(續)

(i) 其他物業及設備(續)

倘若物業及設備項目部份的可用年期不同，則項目成本或估值在各部份作出合理分配，而各部份分開計算折舊。資產的可用年期及其餘值(如有)每年作出檢討。

報廢或出售物業及設備項目所產生的損益以出售所得淨額與項目的賬面值之間的差額釐定，並於報廢或出售當日在收益表內確認。任何相關的重估盈餘將由重估儲備轉入保留溢利。

(j) 租賃及分期付款合約

如果本集團把一項安排(包括一項交易或一系列交易)確定為在一段商定期間轉讓一項或一些特定資產的使用權，以換取一筆或多筆付款，則這項安排便包含租賃。確定時是以對有關安排的實質所作評估為準，而不管這項安排是否涉及租賃的法律形式。

(i) 租賃資產分類

承租人承受擁有權帶來的絕大部份風險及報酬的租賃列為融資租賃。出租人沒有轉移擁有權帶來的絕大部份風險及報酬的租賃列為經營租賃。

(ii) 融資租賃

在本集團是融資租賃的出租人情況下，對在租賃中租出的資產的投資淨額視作客戶貸款及墊款，在資產負債表列賬。有融資租賃特徵的分期付款合約以同樣方式列作融資租賃。減值虧損根據附註2(l)所載的會計政策入賬。

(iii) 經營租賃

倘若本集團根據經營租賃租出資產，則資產根據其性質計入資產負債表，而在適用的情況下，折舊會根據附註2(i)所載的本集團折舊政策計算。減值虧損根據附註2(l)所載的會計政策入賬。

2. Significant Accounting Policies (cont'd)

(i) Other property and equipment (cont'd)

Where parts of an item of property and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in the income statement on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits.

(j) Leases and hire purchase contracts

An arrangement, comprising a transaction or a series of the transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of leased assets

Leases which transfer substantially all the risks and rewards of ownership to the lessee are classified as finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the lessee are classified as operating leases.

(ii) Finance leases

Where the Group is a lessor under finance leases, an amount representing the net investment in the lease is included in the balance sheet as loans and advances to customers. Hire purchase contracts having the characteristics of finance leases are accounted for in the same manner as finance leases. Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(l).

(iii) Operating leases

Where the Group leases out assets under operating leases, the assets are included in the balance sheet according to their nature and, where applicable, are depreciated in accordance with the Group's depreciation policies, as set out in note 2(i). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(l).

2. 主要會計政策(續)

(j) 租賃及分期付款合約(續)

(iii) 經營租賃(續)

經營租賃的收入會根據附註2(c)(iv)所載的本集團收入確認政策確認。

如本集團使用根據經營租賃持有的資產，除非有其他基準更能表示從該等經營租賃資產獲得利益的模式，否則其租賃支出按該租賃年期相關的會計期間以等額分期記入收益表。租賃回贈收入視為淨租賃支出總額的一部份，在收益表內確認。

(k) 取回抵押資產

在收回減值貸款及墊款時，本集團可透過法律程序或借款人自願交付而取回持作抵押品的資產。當本集團再不向借款人追索還款，並欲轉為透過有秩序的減值資產變現時，則取回抵押資產會在「其他資產」下匯報。

取回資產在交易日以有關貸款及墊款的賬面值及公允價值減出售成本確認(以較低者為準)，不予折舊或攤銷。

初次分類及其後重新計量引致的減值虧損在收益表內確認。

(l) 資產減值

本集團在每個結算日審閱資產的賬面金額，以確定是否出現客觀的減值跡象。金融資產減值的客觀跡象包括本集團注意到有關以下任何一宗或多宗損失事件的可觀察數據，並對能夠可靠地估計的資產的未來現金流量構成影響。

- 發行人或借款人出現重大的財務困難；
- 違反合約，如拖欠利息或本金付款；
- 借款人很可能面臨破產或其他財務重組；

2. Significant Accounting Policies (cont'd)

(j) Leases and hire purchase contracts (cont'd)

(iii) Operating leases (cont'd)

Revenue arising from operating leases is recognised in accordance with the Group's revenue recognition policies, as set out in note 2(c)(iv).

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to income statement in equal installments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in income statement as an integral part of the aggregate net lease payments made.

(k) Repossessed assets

In the recovery of impaired loans and advances, the Group may take repossession of assets held as collateral through court proceedings or voluntary delivery of possession by the borrowers. Where it is intended to achieve an orderly realisation of the impaired assets and the Group is no longer seeking repayment from the borrower, repossessed assets are reported in "Other assets".

Repossessed assets are recognised at the lower of the carrying amount of the related loans and advances and fair value of such amounts less costs to sell at the date of exchange. They are not depreciated or amortised.

Impairment losses on initial classification and on subsequent remeasurement are recognised in the income statement.

(l) Impairment of assets

The carrying amount of the Group's assets is reviewed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence that financial assets are impaired includes observable data that comes to the attention of the Group about one or more of the following loss events which has an impact on the future cash flows on the assets that can be estimated reliably:

- significant financial difficulty of the issuer or borrower;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

2. 主要會計政策(續)

(I) 資產減值(續)

- 技術、市場、經濟或法律環境出現對借款人構成負面影響的重大變動；
- 金融資產因財務困難而失去活躍市場；及
- 於權益工具的投資顯著或長期跌至低於成本。

如果出現任何這類跡象，賬面金額便會透過在收益表內列支而減少至估計可收回金額。

減值損失會直接沖銷相應的資產，但就以攤銷成本計量的貸款及應收賬項和持有至到期投資確認的減值損失而言，其可收回性被視為可疑，但不是可能性極低則除外。在這種情況下，減值損失會採用準備賬來記錄。當本集團認為收回的可能性極低時，被視為不可收回的數額便會直接沖銷貸款及應收賬項和持有至到期投資，與該借款人／投資有關而在準備賬內持有的任何數額也會轉回。其後收回早前計入準備賬的數額會在準備賬轉回，準備賬的其他變動和其後收回早前直接沖銷的數額均在收益表內確認。

(i) 貸款及應收賬項

貸款及應收賬項的減值虧損是以資產賬面值，以及就資產以其原本的實際利率(即於首次確認這些資產時計算的實際利率)用折現方式計算預計的未來現金流量的現值差額計量。如果折現影響並不重大，則短年期應收賬項不予折現。

信貸損失準備總額包括兩個組成部份：個別減值準備及綜合減值準備。

2. Significant Accounting Policies (cont'd)

(I) Impairment of assets (cont'd)

- significant changes in the technological, market, economic or legal environment that have an adverse effect on the borrower;
- disappearance of an active market for financial assets because of financial difficulties; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, the carrying amount is reduced to the estimated recoverable amount by means of a charge to the income statement.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of loans and receivables and held-to-maturity investments, which are measured at amortised cost, whose recovery is considered doubtful but not remote. In this case, the impairment losses are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against loans and receivables or held-to-maturity investments directly and any amounts held in the allowance account relating to that borrower/investment are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in the income statement.

(i) Loans and receivables

Impairment losses on loans and receivables are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets). Receivables with a short duration are not discounted if the effect of discounting is immaterial.

The total allowance for credit losses consists of two components: individual impairment allowances and collective impairment allowances.

2. 主要會計政策(續)

(I) 資產減值(續)

(i) 貸款及應收賬項(續)

本集團首先評估客觀減值證據是否個別存在於個別上重大的金融資產，及個別或整體存在於非個別上重大的金融資產。如果本集團確定個別評估金融資產(不論是否重大)並無存在減值的客觀證據，則本集團將有相同信貸風險特質的金融資產歸類，並作綜合減值評估。作個別減值評估的資產而減值損失須持續確認，其減值損失不會包括於綜合減值評估內。

個別減值準備是根據管理層的最佳估計，以原本的實際利率折現預計收取的現金流量的現值。在估計這些現金流量時，管理層須判斷有關借款人的財政狀況及任何向本集團提供的相關抵押品或擔保的可變現淨值，並須評估每宗減值資產的真正價值。

在評估綜合減值準備的需要時，管理層考慮的因素包括信貸質素、組合規模、集中度及經濟因素。為了估計所需準備，本集團根據過往的經驗和現時的經濟情況去釐定潛在虧損及輸入變數。

減值準備的準確性須視乎本集團能否在個別評估減值準備時準確估計未來現金流量及在釐定綜合減值準備時所採用的推測模式及變數。雖然視乎判斷而定，本集團相信客戶貸款及墊款減值準備是合理和足夠的。

2. Significant Accounting Policies (cont'd)

(I) Impairment of assets (cont'd)

(i) Loans and receivables (cont'd)

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

The individual impairment allowance is based upon management's best estimate of the present value of the cash flows which are expected to be received discounted at the original effective interest rate. In estimating these cash flows, management makes judgments about the borrower's financial situation and the net realisable value of any underlying collateral or guarantees in favour of the Group. Each impaired asset is assessed on its own merits.

In assessing the need for collective impairment allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, the Group makes assumptions both to define the way the Group models inherent losses and to determine the required input parameters, based on historical experience and current economic conditions.

The accuracy of the impairment allowances the Group makes depends on how well the Group can estimate future cash flows for individually assessed impairment allowances and the model assumptions and parameters used in determining collective impairment allowances. While this necessarily involves judgment, the Group believes that the impairment allowances on loans and advances to customers are reasonable and supportable.

2. 主要會計政策(續)

(I) 資產減值(續)

(i) 貸款及應收賬項(續)

任何因估計未來現金流量的金額及時間上與先前估計的其後轉變，而該轉變是可客觀地與減值後發生的事件有關連，從而導致貸款及墊款減值準備亦需改變，該轉變會支銷或存入收益表。所回撥的減值虧損以在以往年度沒有確認任何減值虧損而應已釐定的貸款及應收款賬面金額為限。

當再無實際機會收回貸款時，則貸款及相關應收利息將會沖銷。

附有可再議條款的貸款及應收賬項是指由於借款人的財務狀況轉差而獲重新議定比一般情況寬鬆的還款條件的貸款及應收賬項。有關部門會對重新議訂條例之貸款及應收賬項作出持續監察，以決定是否仍存有減值需要或逾期的狀況。

(ii) 持有至到期投資

本集團會從個別和綜合兩個層面考慮持有至到期投資是否出現減值。個別減值準備是以資產賬面值與就資產以其原本的實際利率(如果折現影響重大)用折現方式計算預計未來現金流量的現值之間的差額計量。

在個別層面沒有出現減值的所有重大資產會接受綜合評估，以確定是否有任何已出現但未確定的減值情況。然後，具備類似風險特性的金融資產會集合起來，以便對個別而言並不重大的資產進行綜合評估。

如果在較後期間，減值虧損金額減少，而該減少是可客觀地與確認減值虧損後發生的事件有關連，則減值虧損會透過收益表回撥。減值虧損回撥只限於減值虧損從未在往年確認而應已釐定的資產賬面值。

2. Significant Accounting Policies (cont'd)

(I) Impairment of assets (cont'd)

(i) Loans and receivables (cont'd)

Any subsequent changes to the amounts and timing of the expected future cash flows compared to the prior estimates that can be linked objectively to an event occurring after the write-down, will result in a change in the impairment allowances on loans and receivables and be charged or credited to the income statement. A reversal of impairment losses is limited to the loans and receivables' carrying amount that would have been determined had no impairment loss been recognised in prior years.

When there is no reasonable prospect of recovery, the loan and the related interest receivables are written off.

Loans and receivables with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position and where the Group has made concessions that it would not otherwise consider. Renegotiated loans and receivables are subject to ongoing monitoring to determine whether they remain impaired or past due.

(ii) Held-to-maturity investments

Impairment on held-to-maturity investments is considered at both an individual and collective level. The individual impairment allowance is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate, where the effect of discounting is material.

All significant assets found not to be individually impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by grouping together financial assets with similar risk characteristics.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through the income statement. A reversal of impairment losses shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 主要會計政策(續)

(i) 資產減值(續)

(iii) 可供出售證券

當可供出售證券出現客觀證據顯示已減值時，已直接在權益內確認的累計虧損會被移除，並在收益表內確認。在收益表內確認的累計虧損金額是購入成本(扣除任何本金還款及攤銷後)與現時公允價值之間的差額，再減該資產以往在收益表內確認的任何減值虧損。

就按成本列賬的無報價可供出售股份證券而言，減值虧損是以股份證券賬面值，以及就類似金融資產(如果折現影響重大)以現行市場回報率用折現方式計算預計的未來現金流量的現值差額計量。

在收益表內確認有關可供出售股份證券的減值虧損不會透過收益表轉回。這些資產其後的任何公允價值增加會直接在權益內確認。

如果其後的公允價值增加是可客觀地與確認減值虧損後發生的事件有關連，則有關可供出售債務證券的減值虧損會回撥。在這些情況下的減值虧損回撥會在收益表內確認。

(iv) 其他資產

本行在每一結算日檢討內部和外來的資料，以確定下列資產有否出現減值跡象，或以往確認的減值虧損是否不復存在或有否減少：

- 物業及設備(以重估數額列賬的物業除外)；及
- 附屬公司及聯營公司投資。

如果存在任何有關跡象，便會估計資產的可收回數額。

2. Significant Accounting Policies (cont'd)

(i) Impairment of assets (cont'd)

(iii) Available-for-sale securities

When there is objective evidence that an available-for-sale security is impaired, the cumulative loss that had been recognised directly in equity is removed from equity and is recognised in the income statement. The amount of the cumulative loss that is recognised in the income statement is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in the income statement.

For unquoted available-for-sale equity securities that are carried at cost, the impairment loss is measured as the difference between the carrying amount of the equity securities and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material.

Impairment losses recognised in the income statement in respect of available-for-sale equity securities are not reversed through the income statement. Any subsequent increase in the fair value of such assets is recognised directly in equity.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in the income statement.

(iv) Other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased:

- property and equipment (other than properties carried at revalued amounts); and
- investments in subsidiaries and associates.

If any such indication exists, the asset's recoverable amount is estimated.

2. 主要會計政策(續)

(I) 資產減值(續)

(iv) 其他資產(續)

- 計算可收回數額
資產可收回數額是出售淨額及使用值兩者中的較高者。在評估使用值時，會採用一項當時市場評估貨幣的時間值及相對於該資產的風險的稅前折扣率將預計未來現金流量折現為現值。當某資產未能大部份地獨立於其他資產產生現金流量時，其可收回數額取決於可獨立地產生現金流量的最小資產組合(即一個現金生產單位)。
- 確認減值虧損
每當資產(或其所屬的現金生產單位)的賬面值高於其可收回數額時，便會在收益表內確認減值虧損。就現金生產單位確認的減值虧損先分配以減少任何分配至現金生產單位(或單位組別)的商譽的賬面值，然後按比例減少單位(或單位組別)內其他資產的賬面值，惟資產賬面值不會減少至低於其個別公允價值減出售成本或使用值(如可釐定)所得數額。
- 減值虧損回撥
就資產而言，如果用來確定可收回數額的估計出現有利改變，則減值虧損會被回撥。

減值虧損回撥只限於如減值虧損從未在往年確認時釐定的資產賬面值。減值虧損回撥在該回撥被確認的年度計入收益表內。

(v) 中期財務報告和減值

本集團為年度首六個月編製符合香港會計準則第34號—「中期財務報告」規定的中期財務報告。本集團在中期期末採用了在本年度終結時會採用的相同減值測試、確認和回撥準則(參閱附註2(I)(i)至(iv))。

2. Significant Accounting Policies (cont'd)

(I) Impairment of assets (cont'd)

(iv) Other assets (cont'd)

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- Recognition of impairment losses
An impairment loss is recognised in the income statement whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.
- Reversal of impairment losses
In respect of assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(v) Interim financial reporting and impairment

The Group prepares an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the year (see note 2(I)(i) to (iv)).

2. 主要會計政策(續)

(l) 資產減值(續)

(v) 中期財務報告和減值(續)

可供出售股份證券已在中期確認的減值虧損不會在其後回撥。即使僅在該中期所屬的年度終結時才評估減值並確認沒有虧損或所確認的虧損較少，也不會回撥減值虧損。

(m) 現金等值項目

現金等值項目包括短期以及流動性極高的投資，可隨時兌換為已知的現金數額，而價值變動風險並不重大，並在購入後三個月內到期。

(n) 僱員福利

(i) 短期僱員福利及界定供款退休計劃供款

薪金、年度花紅、有薪年假、界定供款計劃供款及非貨幣性福利成本均列入僱員提供相關服務的年度。如果有關付款或結算受到遞延，而其影響將十分重大，則這些金額將以現值列賬。

(ii) 以股權償付

僱員購股權計劃

授予僱員的購股權的公允價值確認為僱員成本，並在權益內的資本儲備作相應的增加。公允價值在授出日期用三項式點陣法模式計算，並根據授予購股權的條款及條件而計量。僱員須符合授予條款以無條件享有這些購股權，而購股權的總估計公允價值會於考慮購股權授予的可能性後在授予期間內攤分。

2. Significant Accounting Policies (cont'd)

(l) Impairment of assets (cont'd)

(v) Interim financial reporting and impairment (cont'd)

Impairment losses recognised in an interim period in respect of available-for-sales equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the year to which the interim period relates.

(m) Cash equivalents

Cash equivalents are short-terms, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(n) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Share-based payments

Employee share option scheme

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the trinomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to those share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

2. 主要會計政策(續)

(n) 僱員福利(續)

(ii) 以股權償付(續)

僱員購股權計劃(續)

在授予期間內，會對預期授予的購股權數目作出檢討。任何對往年確認的累計公允價值所作的調整會支銷／計入檢討年度的收益表，除非原僱員支出符合資格確認為資產，並在資本儲備作相應的調整。在授予日期，除未能達成授予條件中有關中信國際金融控股有限公司的股份市價的規定而遭沒收的情況外，確認為支出的金額會作出調整，以反映實際授予的購股權數目（並在資本儲備作相應的調整）。

權益額將保留在購股權儲備，直至購股權被行使（在此情況下將轉至股份溢價內）或購股權屆滿（在此情況下將直接撥回保留溢利內）。

授予僱員的權益相關遞延獎勵

本集團僱員獲授予權益相關遞延獎勵。應付僱員款項的公允價值確認為僱員成本，並在負債作相應的增加。公允價值先於授出日期計量，並在僱員無條件享有款項後的有效期內攤分。所授出獎勵的公允價值估計是以三項式點陣法模式計量，最高款額為每股港幣3.00元。負債在每一結算日及交收日重新計量。任何負債的公允價值變動在收益表內確認。

(iii) 員工退休計劃

本集團設有一項界定供款公積金計劃及一項強制性公積金計劃。有關供款在供款到期時計入收益表內。

(o) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產和負債的變動。本期稅項及遞延稅項資產和負債的變動在收益表內確認，但關乎直接確認為權益項目的，則在權益內確認。

2. Significant Accounting Policies (cont'd)

(n) Employee benefits (cont'd)

(ii) Share-based payments (cont'd)

Employee share option scheme (cont'd)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to capital reserve) except where forfeiture is only due to not act achieving vesting conditions that relate to the market price of the shares of CITIC International Financial Holdings Limited.

The amount recognised in share option reserve is retained until either the option is exercised (when it is transferred to share premium) or the option expires (when it is released directly to retained profits).

Employee Equity Linked Deferred Award Scheme ("ELDA")

Awards are granted to employees of the Group under ELDA. The fair value of the amount payable to the employee is recognised as an employee cost with a corresponding increase in liabilities. The fair value is initially measured at grant date and spread over the period during which the employees become unconditionally entitled to payment. The fair value estimation of the award granted is measured based on a trinomial lattice model and subject to the maximum payment of HK\$3.00 per share. The liability is remeasured at each balance sheet date and at settlement date. Any changes in the fair value of the liability are recognised in the income statement.

(iii) Staff retirement scheme

The Group operates a defined contribution provident fund and a Mandatory Provident Fund scheme. Contributions are charged to the income statement as and when the contributions fall due.

(o) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

2. 主要會計政策(續)

(o) 所得稅(續)

本期稅項為本年度應課稅收入按結算日已頒佈或基本上已頒佈的稅率計算的預計應付稅項，並已包括往年應付稅項的任何調整。

遞延稅項資產及負債是因納稅基礎計算的資產及負債與其賬面值之間的差異而分別產生的可扣稅及應課稅的暫時性差異。遞延稅項資產也包括尚未使用的稅項虧損及尚未使用的稅項抵免。

除了某些有限的例外情況外，所有遞延稅項負債和所有遞延稅項資產(只限於可用來抵銷日後應課稅溢利的部份)均予確認。

可支持確認可扣稅暫時性差異所產生的遞延稅項資產的日後應課稅溢利包括因回撥現有應課稅暫時性差異所產生者，惟該等差異必須與同一稅務機關及同一應課稅實體有關，並預期會在預期回撥可扣稅暫時性差異的同一期間或遞延稅項資產所產生的稅務虧損可向後期或前期結轉的期間內回撥。在釐定現有應課稅暫時性差異是否支持確認未使用稅務虧損及抵免所產生的遞延稅項資產時，會採用同一準則，即如果差異與同一稅務機關及同一應課稅實體有關，便會計算在內，並預期會在可動用稅務虧損或抵免的期間內回撥。

遞延稅項是以有關資產及負債賬面值的預期實現或結算金額，按結算日已頒佈或基本上已頒佈的稅率確認。遞延稅項資產及負債不予折現。

於每一結算日，本行將檢討有關的遞延稅項資產的賬面值，對不再有足夠的應課稅溢利以實現相關稅務利益的部份予以扣減。被扣減的遞延稅項資產若於將來出現足夠的應課稅溢利時，應予回撥。因派發股息而產生的額外所得稅在確認支付有關股息的責任時確認。

2. Significant Accounting Policies (cont'd)

(o) Income tax (cont'd)

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available. Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2. 主要會計政策(續)

(o) 所得稅(續)

本期稅項及遞延稅項結餘和其變動會分開列示，而且不予抵銷。當本集團或本行有合法權利並符合以下附帶條件的情況下，本期和遞延稅項資產才可分別抵銷本期和遞延稅項負債：

- 本期稅項資產和負債：本集團或本行計劃按淨額基準結算，或在實現資產的同時清償負債；或
- 遞延稅項資產和負債：這些資產和負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體。這些實體計劃在預期有大額遞延稅項負債需要清償或遞延稅項資產可以收回的每一未來期間，按淨額基準實現本期稅項資產和清償本期稅項負債，或在實現資產的同時清償負債。

(p) 外幣換算

本年度內的外幣交易按交易日的匯率換算為港幣。以外幣計算的貨幣資產與負債則按結算日的匯率換算為港幣。匯兌盈虧均在收益表確認。

以歷史成本計量的外幣非貨幣資產與負債是按交易日的匯率換算為港幣。以外幣為單位並以公允價值列賬的非貨幣資產與負債按釐定公允價值當日的外幣匯率換算。

2. Significant Accounting Policies (cont'd)

(o) Income tax (cont'd)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities if, and only if, the Group or the Bank has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group or the Bank intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(p) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into Hong Kong dollars using the foreign exchange rates ruling at the transactions dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

2. 主要會計政策(續)

(p) 外幣換算(續)

有關通過損益以反映公允價值的投資及衍生金融工具的匯兌差額，計入指定為通過損益以反映公允價值的交易用途證券或金融工具的收益減虧損中。所有其他有關貨幣項目的匯兌差額在收益表外幣買賣淨盈虧項下列示。

海外企業的業績按交易日的匯率換算為港幣。資產負債表項目則按結算日的匯率換算。所產生的匯兌差額則直接於權益內作反映。

計算出售海外企業的損益包括與該海外業務相關並且已在儲備內確認的累計匯兌差額。

(q) 準備及或有負債

倘若本集團或本行須就已發生的事件承擔法律或推定義務，而履行該義務預期很可能會導致經濟效益外流，並可作出可靠的估計，便會就該時間或數額不定的負債計提準備。如果貨幣時間價值重大，則按預計履行義務支出的現值計列準備。

倘若經濟效益外流的可能性不大，或是無法對有關數額作出可靠的估計，便會將該義務披露為或有負債；但倘若經濟效益外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生而確定存在與否的潛在義務，亦會披露為或有負債；但倘若經濟效益外流的可能性極低則除外。

2. Significant Accounting Policies (cont'd)

(p) Translation of foreign currencies (cont'd)

Exchange differences relating to investments at fair value through profit or loss and derivative financial instruments are included in gains less losses from trading securities or financial instruments designated at fair value through profit or loss. All other exchange differences relating to monetary items are presented as gains less losses from dealing in foreign currencies in the income statement.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximately the foreign exchange rates ruling at the dates of the transactions; balance sheet items are translated into Hong Kong dollars at the rates of exchange ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in reserves which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

(q) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Bank has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 主要會計政策(續)

(r) 關聯方

就本財務報表而言，集團關聯人士是指：

- (i) 該人士有能力直接或間接透過一個或多個中介人控制，或可發揮重大影響集團的財務及經營決策，或共同控制本集團；
- (ii) 本集團及該人士均受共同控制；
- (iii) 該人士屬本集團的聯營公司；
- (iv) 該人士屬本集團或本集團的母公司主要管理人員的成員、或屬個人的近親家庭成員、受該等個人人士控制、共同控制或重大影響的實體；
- (v) 該人士如屬(i)所指的近親家庭成員或受該等個人人士控制、共同控制或重大影響的實體；或
- (vi) 屬提供福利予本集團或與本集團關聯的實體的僱員離職後福利計劃。

個人的近親家庭成員指可影響，或受該個人影響，他們與該實體交易的家庭成員。

2. Significant Accounting Policies (cont'd)

(r) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group, the Group's parent or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

3. 會計政策的修訂

香港會計師公會頒佈了以下新訂的詮釋和經修訂的《香港財務報告準則》。這些準則和詮釋在本集團的當前會計期間首次生效。

- 香港(國際財務報告準則詮釋委員會)詮釋第11號,《香港財務報告準則》第2號—「集團及庫存股份交易」
- 香港(國際財務報告準則詮釋委員會)詮釋第12號—「服務經營權安排」
- 香港(國際財務報告準則詮釋委員會)詮釋第14號,《香港會計準則》第19號—「界定福利資產、最低供款要求和兩者的互相影響」
- 對《香港會計準則》第39號—「金融工具:確認和計量」和《香港財務報告準則》第7號—「金融工具:披露—金融資產的重新分類」作出的修訂

這些香港財務準則的發展與本集團已採用的會計準則一致或與本集團現有的營運並不相關,故此對本集團的財務報表並沒有重大影響。

本集團並無採用任何在當前會計期間尚未生效的新準則或詮釋(參閱附註50)。

3. Change In Accounting Policies

The HKICPA has issued the following new Interpretations and an amendment to HKFRSs that are first effective for the current accounting period of the Group:

- HK(IFRIC) 11, HKFRS 2 – Group and treasury share transactions
- HK(IFRIC) 12, Service concession arrangements
- HK(IFRIC) 14, HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction
- Amendment to HKAS 39, Financial instruments: Recognition and measurement, and HKFRS 7, Financial instruments: Disclosures – Reclassification of financial assets

These HKFRS developments have had no material impact on the Group's financial statements as either they were consistent with accounting policies already adopted by the Group or they were not relevant to the Group's current operations.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 50).

4. 利息收入

4. Interest Income

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
上市證券	Listed securities	348,506	450,986
非上市證券	Unlisted securities	394,010	488,512
其他	Others	3,277,319	4,117,741
		4,019,835	5,057,239

截至二零零八年十二月三十一日及二零零七年十二月三十一日止年度，以上利息收入和支出，包括於收益表內，並非屬於按公允價值計入損益賬的金融資產的利息收入及金融負債的利息支出。

All interest income and interest expenses included in the income statement refer to those interest income on financial assets or interest expenses on financial liabilities that are not at fair value through profit or loss for the years ended 31 December 2008 and 2007.

截至二零零八年十二月三十一日止年度，其他利息收入包括減值金融資產的應計利息收入港幣2,985,000元（二零零七年：港幣18,172,000元），其中已包括貸款減值虧損折現撥回的利息收入港幣2,136,000元（二零零七年：港幣1,820,000元）。

Included in the above is interest income accrued on impaired financial assets of HK\$2,985,000 (2007: HK\$18,172,000), which includes interest income on unwinding of discount on loan impairment losses of HK\$2,136,000 (2007: HK\$1,820,000) for the year ended 31 December 2008.

5. 淨費用及佣金收入

5. Net Fee And Commission Income

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
費用及佣金收入：	Fee and commission income:		
票據佣金	Bills commission	78,241	67,184
信用卡相關收入	Cards related income	30,410	36,549
一般銀行服務	General banking services	60,306	52,373
保險	Insurance	107,317	125,543
投資及結構性投資產品	Investment and structured investment products	159,410	270,818
貸款、透支及融資費用	Loans, overdrafts and facilities fees	323,658	282,509
其他	Others	968	899
		760,310	835,875
費用及佣金支出	Fee and commission expense	(16,779)	(13,835)
		743,531	822,040
其中：	Of which:		
淨費用及佣金收入（不包括用作計算實際利率之金額），關於並非按公允價值計入損益賬的金融資產及負債：	Net fee and commission income (other than the amounts included in determining the effective interest rate) relating to financial assets and liabilities not at fair value through profit or loss:		
— 費用及佣金收入	— Fee and commission income	354,068	319,058
— 費用及佣金支出	— Fee and commission expense	(6,593)	(4,641)
		347,475	314,417

6. 淨交易虧損

6. Net Trading Loss

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
結構性投資工具淨虧損及撇值	Net loss and write-down on structured investment vehicles	(717,885)	(1,311,170)
其他淨交易收入：	Other net trading income:		
買賣外幣收益減虧損	Gains less losses from dealing in foreign currencies	171,638	133,058
買賣交易用途證券收益減虧損	Gains less losses from trading securities	(43,560)	178,958
其他買賣活動收益減虧損	Gains less losses from other dealing activities	99,579	160,407
交易用途資產利息收入	Interest income on trading assets		
— 上市	— Listed	36	13,752
— 非上市	— Unlisted	3,861	73,937
非上市交易用途證券股息收入	Dividend income from unlisted trading securities	—	16,431
		231,554	576,543
		(486,331)	(734,627)

本集團於結構性投資工具的投資於年內由於其公允價值的變動錄得淨虧損及撇值港幣717,885,000元（二零零七年：港幣1,311,170,000元）。

The Group recorded a net loss and write-down on structured investment vehicles of approximately HK\$717,885,000 (2007: HK\$1,311,170,000) during the year, which represented the changes in fair value of the investments.

7. 指定為通過損益以反映公允價值之金融工具淨虧損

7. Net Loss From Financial Instruments Designated At Fair Value Through Profit Or Loss

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
淨虧損	Net losses	(40,561)	(103,020)
利息收入	Interest income		
— 上市	— Listed	4,964	11,304
— 非上市	— Unlisted	17,680	22,899
利息支出	Interest expense	(56,505)	(180,197)
		(74,422)	(249,014)

8. 淨對沖收益

8. Net Hedging Gain

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
公允價值對沖收益	Fair value hedge gain	2,933	2,455

9. 其他經營收入

9. Other Operating Income

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
可供出售權益證券股息收入	Dividend income from available-for-sale equity securities		
— 上市	— Listed	40	—
— 非上市	— Unlisted	4,060	3,860
投資物業租金收入減直接支出：	Rental income from investment properties		
港幣240,000元(二零零七年：	less direct outgoings of HK\$240,000		
港幣217,000元)	(2007: HK\$217,000)	4,132	5,201
其他	Others	61,988	52,066
		70,220	61,127

10. 經營支出

10. Operating Expenses

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
(a) 員工成本	(a) Staff costs		
薪金及其他員工成本	Salaries and other staff costs	686,798	631,772
退休金成本(附註37)	Retirement costs (note 37)	46,115	41,064
以股權償付的支出(附註38)	Share-based payment expenses (note 38)		
— 以股權償付的	— Equity-settled share-based		
股份支出	payment expenses	16,129	12,957
— 以現金償付的	— Cash-settled share-based		
股份支出	payment expenses	4,997	12,828
		754,039	698,621
(b) 折舊	(b) Depreciation		
物業及設備折舊(附註25)	Depreciation of property and equipment		
	(note 25)		
— 根據經營租賃持有	— Assets held for use under	10,678	13,212
的資產	operating leases		
— 其他資產	— Other assets	67,035	69,857
		77,713	83,069
(c) 其他經營支出	(c) Other operating expenses		
物業及設備支出(不包括	Property and equipment expenses (excluding		
折舊)	depreciation)		
— 物業租金	— Rental of property	88,167	81,357
— 其他	— Others	88,322	69,143
核數師酬金	Auditor's remuneration	6,238	5,169
廣告費	Advertising	41,326	56,039
通訊費、印刷及文儀用品	Communication, printing and stationery	64,188	60,815
法律及專業費用	Legal and professional fees	33,389	15,910
其他	Others	171,836	108,925
		493,466	397,358
經營支出總額	Total operating expenses	1,325,218	1,179,048

其他經營支出包括根據經營租賃支出的最低應付租賃支出，分別為設備租賃支出港幣4,834,000元(二零零七年：港幣1,983,000元)及其他資產租賃支出(包括物業租金)港幣83,133,000元(二零零七年：港幣75,889,000元)。

Included in other operating expenses are minimum lease payment under operating leases of HK\$4,834,000 (2007: HK\$1,983,000) for hire of equipment and HK\$83,133,000 (2007: HK\$75,889,000) for hire of other assets (including property rentals).

11. 董事酬金

根據香港《公司條例》第161條披露的董事酬金如下：

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
董事袍金	Directors' fees	2,370	2,375
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	10,577	8,485
酌情花紅	Discretionary bonuses	2,871	4,066
以股權償付(附註(ii))	Share-based payments (note (ii))	2,356	3,033
退休計劃供款	Retirement scheme contributions	477	463
		18,651	18,422

附註：

- (i) 上述酬金包括若干董事根據本集團之直接母公司，中信國際金融有限公司(「中信國金」)的購股權計劃獲授予購股權的公允價值。這些實物利益的詳情在董事會報告書內「董事權益」及附註38內披露。
- (ii) 本年度，本行的董事透過中信國金的 Medium-term Equity Linked Performance Bonus (「MEPB」) 計劃，因着二零零七年他們對本行的貢獻而得到以現金利益形式為數約港幣4,501,000元(二零零七年：港幣4,501,000元因着二零零六年他們的貢獻)所給予的遞延償付花紅。此遞延償付花紅的金額將於二零零九年至二零一零年內償付與董事們。

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

Note:

- (i) The above emoluments include the fair value of share options granted to certain directors under the Group's immediate parent, CITIC International Financial Holdings Limited ("CIFH") share option scheme. The details of these benefits in kind are disclosed under the paragraph "Directors' Interests" in the Report of the Directors and note 38.
- (ii) During the year, the directors of the Bank received deferred payment bonuses in form of cash benefit amounted to approximately HK\$4,501,000 (2007: HK\$4,501,000 for their achievements in the year 2006), which were granted by CIFH's Medium-term Equity Linked Performance Bonus ("MEPB") scheme for their achievements in the year 2007. Such amount of deferred payment bonus would be payable to the directors during the years 2009 to 2010.

12. 貸款及墊款減值虧損

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
個別評估準備	Individual assessment charged for		
– 新提撥(附註21(b))	– Additions (note 21(b))	(453,922)	(158,954)
– 撥回	– Releases	43,226	11,037
– 收回金額(附註21(b))	– Recoveries (note 21(b))	50,092	53,559
		(360,604)	(94,358)
綜合評估(準備)/回撥	Collective assessment (charged for)/ written back	(22,581)	21,882
		(383,185)	(72,476)

13. 出售可供出售證券淨溢利

13. Net Profit On Disposal Of Available-for-sale Securities

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
由儲備轉撥的 淨重估收益(附註36)	Net revaluation gain transferred from reserves (note 36)	45,612	7,356
年度內產生的淨溢利／(虧損)	Net profit/(loss) arising in current year	583	(451)
		46,195	6,905

14. 綜合收益表所示的所得稅

14. Income Tax In The Consolidated Income Statement

(a) 綜合收益表所示的所得稅

(a) Income tax in the consolidated income statement

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
本期稅項－香港利得稅	Current tax – Hong Kong Profits Tax		
年內準備(附註30(a))	Provision for the year (note 30(a))	5,856	9,544
過往年度稅項準備(回撥)／補提	(Over)/under-provision in respect of prior years	(657)	3,655
		5,199	13,199
本期稅項－海外稅項	Current tax – Overseas		
年內準備	Provision for the year	18,473	10,755
過往年度稅項準備補提	Under-provision in respect of prior years	441	–
		18,914	10,755
遞延稅項	Deferred tax		
暫時性差額的產生 及轉回(附註30(b))	Origination and reversal of temporary differences (note 30(b))	8,821	(23,992)
因稅率改變對1月1日遞延稅項 餘額的影響(附註30(b))	Effect on deferred tax balances as at 1 January resulting from a change in tax rate (note 30(b))	3,069	–
		11,890	(23,992)
		36,003	(38)

14. 綜合收益表所示的所得稅(續)

(a) 綜合收益表所示的所得稅(續)

於二零零八年二月，香港特別行政區政府頒佈香港利得稅稅率由 17.5% 減至 16.5%，此稅率適用於本集團截至二零零八年十二月三十一日止年度在香港的業務。在編製本集團及本行的二零零八年財務報表時已計入稅率下調的影響。因此，二零零八年度香港利得稅稅項是以年度預計應課稅溢利按稅率 16.5% (二零零七年：17.5%) 計算，而遞延稅項的承前結餘亦已作重新估計。海外分行及附屬公司的稅項則按照相關國家的適當現行稅率提撥準備。

(b) 稅項支出／(抵免)與會計溢利按適用稅率計算稅款的對賬表

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
稅前溢利	Profit before tax	164,311	106,327
按以有關國家適用利得稅稅率 計算稅前溢利的名義稅項	Notional tax on profit before tax, calculated at the rates applicable to profits in the countries concerned	31,911	14,281
不可扣減支出的稅項影響	Tax effect of non-deductible expenses	32,553	12,394
非應課稅收入的稅項影響	Tax effect of non-taxable revenue	(33,111)	(27,366)
本年度使用以往稅務虧損的 稅項影響	Tax effect of previous tax losses utilised in current year	—	(2,686)
未確認的未使用稅務虧損的 稅項影響	Tax effect of unused tax losses not recognised	3	(316)
過往年度稅項準備(回撥)／補提	(Over)/under-provision in prior years	(216)	3,655
因稅率改變對1月1日遞延 稅項餘額的影響	Effect on deferred tax balances at 1 January resulting from a change in tax rate	3,069	—
其他	Others	1,794	—
實際稅項支出／(抵免)	Actual tax expense/(credit)	36,003	(38)

15. 本行股東應佔溢利

本行股東應佔綜合溢利包括已列入本行財務報表內的溢利港幣 64,887,000 元 (二零零七年：港幣 37,903,000 元)。

14. Income Tax In The Consolidated Income Statement (cont'd)

(a) Income tax in the consolidated income statement (cont'd)

In February 2008, the Government of the Hong Kong Special Administrative Region announced a decrease in the Profits Tax rate from 17.5% to 16.5% applicable to the Group's operations in Hong Kong as from the year ended 31 December 2008. This decrease is taken into account in the preparation of the Group's and the Bank's 2008 financial statements. Accordingly, the provision for Hong Kong Profits Tax for 2008 is calculated at 16.5% (2007: 17.5%) of the estimated assessable profits for the year and the opening balance of deferred tax has been re-estimated accordingly. Taxation for overseas branches and subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

(b) Reconciliation between tax expense/(credit) and accounting profit at applicable tax rates

15. Profit Attributable To Equity Shareholders Of The Bank

The consolidated profit attributable to equity shareholders of the Bank includes a profit of HK\$64,887,000 (2007: HK\$37,903,000) which has been dealt with in the financial statements of the Bank.

16. 現金及在銀行、中央銀行及其他金融機構的結存

16. Cash And Balances With Banks, Central Banks And Other Financial Institutions

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
現金	Cash in hand	167,898	159,200	167,104	159,199
在中央銀行的結存	Balances with central banks	310,010	76,579	167,335	22,588
在銀行的結存	Balances with banks	635,166	1,251,023	512,804	1,211,892
在其他金融機構的結存	Balances with other financial institutions	9,641,048	16,073	9,641,048	16,073
		10,754,122	1,502,875	10,488,291	1,409,752

17. 在銀行、中央銀行及其他金融機構的存款及墊款

17. Placements With And Advances To Banks, Central Banks And Other Financial Institutions

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
在銀行的存款	Placements with banks	5,535,875	9,893,443	5,363,458	9,809,031
在銀行的墊款	Advances to banks	4,705,576	2,511,607	4,643,576	2,511,607
向其他銀行託收中的項目	Items in the course of collection from other banks	232,500	242,538	232,500	242,538
		10,473,951	12,647,588	10,239,534	12,563,176
到期日：	Maturing:				
— 1個月內	— Within one month	5,527,041	9,552,993	5,393,373	9,468,581
— 1個月至1年	— Between one month and one year	1,465,650	582,988	1,364,901	582,988
— 1年後	— After one year	3,481,260	2,511,607	3,481,260	2,511,607
		10,473,951	12,647,588	10,239,534	12,563,176

於二零零八年十二月三十一日及二零零七年十二月三十一日，本集團在銀行及其他金融機構的墊款中並無減值墊款，亦無就該等墊款提撥作個別減值準備。

There were no impaired advances to banks and other financial institutions as at 31 December 2008 and 31 December 2007, nor were there any individually assessed impairment allowances made for them on these two respective dates.

18. 貿易票據

18. Trade Bills

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
貿易票據總額	Gross trade bills	816,746	1,523,243	816,746	1,523,243
減值準備	Impairment allowances				
– 個別評估(附註21(b))	– Individually assessed (note 21(b))	(508)	–	(508)	–
– 綜合評估(附註21(b))	– Collectively assessed (note 21(b))	(169)	(43)	(169)	(43)
		816,069	1,523,200	816,069	1,523,200

19. 交易用途資產

19. Trading Assets

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
債務證券	Debt securities	619,782	1,335,609	619,782	1,335,609
權益證券	Equity securities	2,340	5,612	2,340	5,612
投資基金	Investment funds	5,534	1,238,246	5,534	1,238,246
交易用途證券	Trading securities	627,656	2,579,467	627,656	2,579,467
衍生工具的正公允價值 (附註44(b))	Positive fair values of derivatives (note 44(b))	1,438,090	899,542	1,435,311	899,542
		2,065,746	3,479,009	2,062,967	3,479,009
以上項目的發行機構如下：	Issued by:				
政府機關	Sovereigns	–	898	–	898
公營機構	Public sector entities	–	2,355	–	2,355
銀行及其他金融機構	Banks and other financial institutions	619,782	628,054	619,782	628,054
企業	Corporate entities	7,874	1,948,160	7,874	1,948,160
		627,656	2,579,467	627,656	2,579,467
按上市地點分析：	Analysed by place of listing:				
於香港上市	Listed in Hong Kong	–	1,095	–	1,095
於香港以外地區上市	Listed outside Hong Kong	2,340	200,165	2,340	200,165
		2,340	201,260	2,340	201,260
非上市	Unlisted	625,316	2,378,207	625,316	2,378,207
		627,656	2,579,467	627,656	2,579,467

20. 指定為通過損益以反映公允價值的證券

20. Securities Designated At Fair Value Through Profit Or Loss

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
債務證券	Debt securities	521,834	531,025
以上項目的發行機構如下：	Issued by:		
銀行及其他金融機構	Banks and other financial institutions	257,471	134,422
企業	Corporate entities	264,363	396,603
		521,834	531,025
按上市地點分析：	Analysed by place of listing:		
於香港以外地區上市	Listed outside Hong Kong	82,029	82,844
非上市	Unlisted	439,805	448,181
		521,834	531,025

21. 客戶貸款及墊款及其他賬項

21. Loans And Advances To Customers And Other Accounts

(a) 客戶貸款及墊款及其他賬項減減值準備

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

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
客戶貸款及墊款總額	Gross loans and advances to customers	73,414,516	65,833,430	65,735,714	61,685,090
減值準備	Impairment allowances				
— 個別評估(附註21(b))	— Individually assessed (note 21(b))	(247,227)	(70,883)	(247,227)	(66,645)
— 綜合評估(附註21(b))	— Collectively assessed (note 21(b))	(237,579)	(223,540)	(237,224)	(222,577)
		72,929,710	65,539,007	65,251,263	61,395,868
應計利息及其他賬項減 減值準備	Accrued interest and other accounts less impairment allowances	2,253,719	2,212,331	2,174,274	2,182,137
		75,183,429	67,751,338	67,425,537	63,578,005

21. 客戶貸款及墊款及其他賬項(續)

(a) 客戶貸款及墊款及其他賬項減值準備(續)

其他賬項還包括在收回已減值貸款時獲得的權益價值為港幣245,000,000元(二零零七年：港幣249,000,000元)，此權益的價值為該貸款的賬面值及公允價值減出售成本(以較低者為準)，本集團打算於短期內出售此權益。

(b) 客戶貸款及墊款及其他賬項減值準備的變動

21. Loans And Advances To Customers And Other Accounts (cont'd)

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

Other accounts include equity interest of HK\$245,000,000 (2007: HK\$249,000,000) acquired through recovery of an impaired loan which the Group or the Bank plans to dispose of in the near future. The equity interest is carried at the lower of its carrying amount and fair value less costs to sale.

(b) Movement in impairment allowances on loans and advances to customers and other accounts

		本集團 The Group					
		二零零八年 2008			二零零七年 2007		
		個別評估 Individually assessed 港幣千元 HK\$'000	綜合評估 Collectively assessed 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	個別評估 Individually assessed 港幣千元 HK\$'000	綜合評估 Collectively assessed 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
於1月1日	At 1 January	85,617	223,583	309,200	91,204	253,166	344,370
在收益表列支的 減值虧損 (附註12)	Impairment losses charged to income statement (note 12)	453,922	22,581	476,503	158,954	–	158,954
在收益表撥回的 減值虧損	Impairment losses written back to income statement	(93,318)	–	(93,318)	(64,596)	(21,882)	(86,478)
沖銷數額	Amounts written off	(231,018)	(17,054)	(248,072)	(151,696)	(18,654)	(170,350)
收回以往年度已沖銷的 貸款及墊款 (附註12)	Recoveries of loans and advances written off in previous years (note 12)	50,092	8,638	58,730	53,559	10,871	64,430
貸款減值虧損折現撥回 (附註4)	Unwind of discount on loan impairment losses (note 4)	(2,136)	–	(2,136)	(1,820)	–	(1,820)
匯兌及其他調整	Exchange and other adjustments	(8)	–	(8)	12	82	94
於12月31日	At 31 December	263,151	237,748	500,899	85,617	223,583	309,200
扣除自：	Deducted from:						
客戶貸款及墊款 (附註21(a))	Loans and advances to customers (note 21(a))	247,227	237,579	484,806	70,883	223,540	294,423
其他賬項	Other accounts	15,416	–	15,416	14,734	–	14,734
貿易票據(附註18)	Trade bills (note 18)	508	169	677	–	43	43
		263,151	237,748	500,899	85,617	223,583	309,200

21. 客戶貸款及墊款及其他賬項(續)

(b) 客戶貸款及墊款及其他賬項減值準備的變動(續)

21. Loans And Advances To Customers And Other Accounts (cont'd)

(b) Movement in impairment allowances on loans and advances to customers and other accounts (cont'd)

		本行 The Bank					
		二零零八年 2008			二零零七年 2007		
		個別評估 Individually assessed 港幣千元 HK\$'000	綜合評估 Collectively assessed 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	個別評估 Individually assessed 港幣千元 HK\$'000	綜合評估 Collectively assessed 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
於1月1日	At 1 January	79,778	222,620	302,398	86,039	250,209	336,248
在收益表列支的 減值虧損	Impairment losses charged to income statement	453,886	24,190	478,076	158,138	–	158,138
在收益表撥回的 減值虧損	Impairment losses written back to income statement	(91,088)	–	(91,088)	(64,142)	(18,422)	(82,564)
沖銷數額	Amounts written off	(227,801)	(17,054)	(244,855)	(151,592)	(18,654)	(170,246)
收回以往年度已沖銷的 貸款及墊款	Recoveries of loans and advances written off in previous years	48,912	7,635	56,547	53,155	9,407	62,562
貸款減值虧損 折現撥回	Unwind of discount on loan impairment losses	(2,136)	–	(2,136)	(1,820)	–	(1,820)
匯兌及其他調整	Exchange and other adjustments	1	2	3	–	80	80
於12月31日	At 31 December	261,552	237,393	498,945	79,778	222,620	302,398
扣除自：	Deducted from:						
客戶貸款及墊款 (附註21(a))	Loans and advances to customers (note 21(a))	247,227	237,224	484,451	66,645	222,577	289,222
其他賬項	Other accounts	13,817	–	13,817	13,133	–	13,133
貿易票據(附註18)	Trade bills (note 18)	508	169	677	–	43	43
		261,552	237,393	498,945	79,778	222,620	302,398

21. 客戶貸款及墊款及其他賬項(續)

(c) 按行業分析的客戶貸款及墊款

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

21. Loans And Advances To Customers And Other Accounts (cont'd)

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

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

		本集團 The Group			
		二零零八年 2008		二零零七年 2007	
		客戶貸款及 墊款總額 Gross loans and advances to customer 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	客戶貸款及 墊款總額 Gross loans and advances to customer 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000
工商金融	Industrial, commercial and financial				
— 物業發展	— Property development	110,000	—	207,000	—
— 物業投資	— Property investment	9,124,397	11,465	7,740,669	21,931
— 金融企業	— Financial concerns	4,494,391	142	5,061,032	323
— 股票經紀	— Stockbrokers	11,360	—	181,000	—
— 批發及零售業	— Wholesale and retail trade	3,440,433	44,491	3,383,895	95,552
— 製造業	— Manufacturing	6,420,287	53,016	5,833,965	8,208
— 運輸及運輸設備	— Transport and transport equipment	2,902,689	362	3,394,165	2,750
— 娛樂活動	— Recreational activities	125,358	—	100,800	—
— 資訊科技	— Information technology	20,845	—	1,122	—
— 其他	— Others	3,065,534	35,671	3,332,366	24,483
個人	Individuals				
— 購買「居者有其屋 計劃」、「私人發展商 參建居屋計劃」及 「租者置其屋計劃」 的樓宇貸款	— Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	32,148	—	34,963	—
— 購買其他住宅物業 的貸款	— Loans for the purchase of other residential properties	10,398,618	4,448	11,284,553	13,927
— 信用卡墊款	— Credit card advances	381,074	1,969	506,775	488
— 其他	— Others	3,174,606	8,419	2,401,149	11,781
在香港使用的貸款及 墊款總額	Gross loans and advances for use in Hong Kong	43,701,740	159,983	43,463,454	179,443
貿易融資	Trade finance	4,495,859	223,740	4,467,495	44,838
在香港以外使用的貸款 及墊款總額	Gross loans and advances for use outside Hong Kong	25,216,917	1,000,456	17,902,481	532,931
客戶貸款及墊款總額	Gross loans and advances to customers	73,414,516	1,384,179	65,833,430	757,212

21. 客戶貸款及墊款及其他賬項(續)

(c) 按行業分析的客戶貸款及墊款(續)

21. Loans And Advances To Customers And Other Accounts (cont'd)

(c) Loans and advances to customers analysed by industry sectors (cont'd)

		本行 The Bank			
		二零零八年 2008		二零零七年 2007	
		客戶貸款及 墊款總額 Gross loans and advances to customer 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	客戶貸款及 墊款總額 Gross loans and advances to customer 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000
工商金融	Industrial, commercial and financial				
—物業發展	— Property development	110,000	—	207,000	—
—物業投資	— Property investment	8,363,276	11,465	7,097,241	21,931
—金融企業	— Financial concerns	4,494,391	142	5,061,032	323
—股票經紀	— Stockbrokers	11,360	—	181,000	—
—批發及零售業	— Wholesale and retail trade	3,435,193	44,491	3,373,414	95,552
—製造業	— Manufacturing	6,419,161	53,016	5,829,504	8,208
—運輸及運輸設備	— Transport and transport equipment	2,855,996	362	3,313,278	2,623
—娛樂活動	— Recreational activities	125,358	—	100,800	—
—資訊科技	— Information technology	20,845	—	1,122	—
—其他	— Others	3,063,252	35,671	3,330,232	24,483
個人	Individuals				
—購買「居者有其屋 計劃」、「私人發展商 參建居屋計劃」及 「租者置其屋計劃」 的樓宇貸款	— Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	32,148	—	34,963	—
—購買其他住宅物業 的貸款	— Loans for the purchase of other residential properties	8,575,348	3,249	9,692,689	9,158
—信用卡墊款	— Credit card advances	381,074	1,969	506,775	488
—其他	— Others	2,417,442	7,607	1,845,859	11,045
在香港使用的貸款及 墊款總額	Gross loans and advances for use in Hong Kong	40,304,844	157,972	40,574,909	173,811
貿易融資	Trade finance	4,495,859	223,740	4,467,495	44,838
在香港以外使用的貸款 及墊款總額	Gross loans and advances for use outside Hong Kong	20,935,011	947,665	16,642,686	529,706
客戶貸款及墊款總額	Gross loans and advances to customers	65,735,714	1,329,377	61,685,090	748,355

21. 客戶貸款及墊款及其他賬項(續)

(d) 減值客戶貸款及墊款

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
減值客戶貸款及 墊款總額	Gross impaired loans and advances to customers	1,384,179	757,212	1,329,377	748,355
減值準備 — 個別評估	Impairment allowances — Individually assessed	(247,227)	(70,883)	(247,227)	(66,645)
		1,136,952	686,329	1,082,150	681,710
減值貸款及墊款總額佔 客戶貸款及墊款 總額的百分率	Gross impaired loans and advances as a % of total loans and advances to customers	1.89%	1.15%	2.02%	1.21%

減值貸款及墊款是根據個別具有減值的客觀證據，以作個別減值評估的貸款。

經個別評估的減值準備已計算本集團和本行就這些貸款及墊款所持抵押品的可變現價值，分別為港幣878,996,000元及港幣824,194,000元(二零零七年：港幣601,359,000元及港幣596,740,000元)。這些抵押品主要由住宅或商業物業按揭權益和在本集團的現金存款組成。

21. Loans And Advances To Customers And Other Accounts (cont'd)

(d) Impaired loans and advances to customers

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

Individually assessed impairment allowances were made after taking into account the realisable value of collateral in respect of such loans and advances of HK\$878,996,000 and HK\$824,194,000 (2007: HK\$601,359,000 and HK\$596,740,000) for the Group and the Bank respectively. This collateral mainly comprises mortgage interest over residential or commercial properties and cash with the Group.

21. 客戶貸款及墊款及其他賬項(續)

(e) 融資租賃及分期付款合約的投資淨額

客戶貸款及墊款包括按融資租賃及具備融資租賃特徵的分期付款合約租借給客戶的汽車及設備的投資淨額。這些合約的最初租賃期一般為期五至二十年，其後可選擇按賬面值購入這些租借資產。按融資租賃及分期付款合約應收的最低租賃付款總額及其現值如下：

21. Loans And Advances To Customers And Other Accounts (cont'd)

(e) Net investment in finance leases and hire purchase contracts

Loans and advances to customers include net investment in motor vehicles and equipment leased to customers under finance leases and hire purchase contracts having the characteristics of finance leases. These contracts usually run for an initial period of 5 to 20 years, with an option for acquiring the leased asset at nominal value. The total minimum lease payments receivable under finance leases and hire purchase contracts and their present values are as follows:

		本集團 The Group			
		二零零八年 2008		二零零七年 2007	
		最低租賃 付款現值 Present value of the minimum lease payments 港幣千元 HK\$'000	最低租賃 付款總額 Total minimum lease payments 港幣千元 HK\$'000	最低租賃 付款現值 Present value of the minimum lease payments 港幣千元 HK\$'000	最低租賃 付款總額 Total minimum lease payments 港幣千元 HK\$'000
1年內	Within 1 year	356,439	421,351	406,634	533,394
1年至5年	After 1 year but within 5 years	507,852	676,590	558,357	938,127
5年後	After 5 years	1,622,742	1,955,352	2,111,777	2,960,387
		2,487,033	3,053,293	3,076,768	4,431,908
減值準備：	Impairment allowances:				
— 個別評估	— Individually assessed	(2,267)		(6,318)	
— 綜合評估	— Collectively assessed	(515)		(1,322)	
融資租賃及分期付款 合約的投資淨額	Net investment in finance leases and hire purchase contracts	2,484,251		3,069,128	

21. 客戶貸款及墊款及其他賬項(續)

(e) 融資租賃及分期付款合約的投資淨額(續)

		本行 The Bank			
		二零零八年 2008		二零零七年 2007	
		最低租賃 付款現值 Present value of the minimum lease payments 港幣千元 HK\$'000	最低租賃 付款總額 Total minimum lease payments 港幣千元 HK\$'000	最低租賃 付款現值 Present value of the minimum lease payments 港幣千元 HK\$'000	最低租賃 付款總額 Total minimum lease payments 港幣千元 HK\$'000
1年內	Within 1 year	352,871	416,691	395,574	519,218
1年至5年	After 1 year but within 5 years	497,461	662,615	540,469	911,170
5年後	After 5 years	1,590,008	1,916,836	2,058,415	2,887,016
		2,440,340	2,996,142	2,994,458	4,317,404
減值準備：	Impairment allowances:				
— 個別評估	— Individually assessed	(2,267)		(6,318)	
— 綜合評估	— Collectively assessed	(514)		(1,311)	
融資租賃及分期付款 合約的投資淨額	Net investment in finance leases and hire purchase contracts	2,437,559		2,986,829	

22. 應收附屬公司款項

22. Amounts Due From Subsidiaries

		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
在銀行及其他金融 機構存款	Placements with banks and other financial institutions	5,516,579	3,094,337
附屬公司貸款及墊款 及其他賬項	Loans and advances to subsidiaries and other accounts	72,232	59,799
		5,588,811	3,154,136

23. 可供出售證券

23. Available-for-sale Securities

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
持有的存款證	Certificates of deposit held	200,014	150,033	200,014	150,033
債務證券	Debt securities	19,219,141	21,157,046	19,219,141	21,157,045
國庫券	Treasury bills				
(包括外匯基金票據)	(including Exchange Fund Bills)	1,173,721	721,180	1,173,721	721,180
權益證券	Equity securities	34,306	40,212	34,306	40,212
投資基金	Investment funds	56,271	56,932	56,271	56,932
		20,683,453	22,125,403	20,683,453	22,125,402
以上項目的發行機構如下：	Issued by:				
政府機關	Sovereigns	1,173,721	805,060	1,173,721	805,060
公營機構	Public sector entities	727,720	710,682	727,720	710,682
銀行及其他	Banks and other				
金融機構	financial institutions	14,434,242	15,450,543	14,434,242	15,450,543
企業	Corporate entities	4,347,770	5,159,118	4,347,770	5,159,117
		20,683,453	22,125,403	20,683,453	22,125,402
按上市地點分析：	Analysed by place of listing:				
於香港上市	Listed in Hong Kong	500,428	864,142	500,428	864,142
於香港以外地區上市	Listed outside Hong Kong	4,897,115	6,473,642	4,897,115	6,473,642
		5,397,543	7,337,784	5,397,543	7,337,784
非上市	Unlisted	15,285,910	14,787,619	15,285,910	14,787,618
		20,683,453	22,125,403	20,683,453	22,125,402
個別減值權益證券的 公允價值	Fair value of individually impaired equity securities	—	18	—	18
個別減值債務證券的 公允價值	Fair value of individually impaired debt securities	2,203	2,895	2,203	2,895
個別減值投資基金的 公允價值	Fair value of individually impaired investment funds	56,271	56,932	56,271	56,932
		58,474	59,845	58,474	59,845

於二零零八年十二月三十一日，本集團和本行部份可供出售證券包括債務證券和投資基金，以公允價值長期跌至低於成本為基礎，個別釐定為已減值。這些投資的減值損失根據附註2(l)所載列的會計政策，在收益表內確認。

As at 31 December 2008, certain of the Group's and the Bank's available-for-sale securities comprising debt securities and investment funds were determined to be individually impaired on the basis of a prolonged decline in the fair value below cost. Impairment losses on these investments were recognised in the income statement in accordance with the accounting policy set out in note 2(l).

24. 附屬公司投資

24. Investments In Subsidiaries

		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
非上市股份(按成本入賬)	Unlisted shares, at cost	1,270,250	725,676

下文列出對本集團的業績、資產或負債有重大影響的主要附屬公司詳情。除非另有註明，否則所持股份類別均為普通股。

The following list contains the particulars of principal subsidiaries which materially affect the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

以下全部公司均為附註2(d)所界定的受控制附屬公司，並已在本集團的財務報表內綜合計算。

All of these are controlled subsidiaries as defined under note 2(d) and have been consolidated into the Group financial statements.

公司名稱 Name of company	註冊成立／經營地區 Place of incorporation/ operation	持有股份 百分率 % of shares held	主要業務 Principal activities	已發行及 繳足股本 Issued and paid up capital
啓福國際有限公司 Carford International Limited	香港 Hong Kong	100%	物業持有 Property holding	港幣2元 HK\$2
中信嘉華銀行(中國)有限公司(「中信嘉華(中國)」)* CITIC Ka Wah Bank (China) Limited ("CKWB (China)")*	中華人民共和國(「中國」) People's Republic of China ("PRC")	100%	銀行 Banking	人民幣1,000,000,000元 RMB1,000,000,000
中信保險服務有限公司 CITIC Insurance Brokers Limited	香港 Hong Kong	100%	保險經紀 Insurance broker	港幣5,000,000元 HK\$5,000,000
CKWB-SN Limited	開曼群島／香港 Cayman Islands/ Hong Kong	100%	發行結構票據 和投資 Issue of structured notes and investments	美金1元 US\$1
CKWH-UT2 Limited	開曼群島／香港 Cayman Islands/ Hong Kong	100%	發行後償票據 Issue of subordinated notes	美金1元 US\$1

24. 附屬公司投資 (續)

24. Investments In Subsidiaries (cont'd)

公司名稱 Name of company	註冊成立／經營地區 Place of incorporation/ operation	持有股份 百分率 % of shares held	主要業務 Principal activities	已發行及 繳足股本 Issued and paid up capital
香港華人財務有限公司 HKCB Finance Limited	香港 Hong Kong	100%	消費借貸 Consumer financing	港幣200,000,000元 HK\$200,000,000
香港華人保險代理有限公司** HKCB Insurance Agency Limited**	香港 Hong Kong	100%	保險代理 Insurance agency	港幣2元 HK\$2
嘉華國際財務有限公司 Ka Wah International Merchant Finance Limited	香港 Hong Kong	100%	金融服務 Financial services	港幣32,500,000元 HK\$32,500,000
嘉華投資有限公司 KWB Investment Limited	香港 Hong Kong	100%	投資控股 Investment holding	港幣5,000,000元 HK\$5,000,000
香港華人銀行(代理人)有限公司 The Hongkong Chinese Bank (Nominees) Limited	香港 Hong Kong	100%	代理人服務 Nominees services	港幣5,000元 HK\$5,000
嘉華銀行(信託)有限公司 The Ka Wah Bank (Trustee) Limited	香港 Hong Kong	100%	信託服務 Trustee services	港幣3,000,000元 HK\$3,000,000
恒康香港有限公司 Viewcon Hong Kong Limited	香港 Hong Kong	100%	按揭融資 Mortgage financing	港幣2元 HK\$2

除嘉華投資有限公司外，以上所有附屬公司均由本行直接持有。

All of the above subsidiaries are held directly by the Bank except for KWB Investment Limited.

* 該附屬公司是於二零零八年四月十二日由前身的中國國際財務有限公司(深圳)及本行的北京及上海分行重組而成。除保留在上海一間的記賬分行外，該附屬公司已購入本行在中國分行的所有資產及負債。該附屬公司乃本行全資擁有並於中國以「外商獨資法人銀行」方式註冊成立的附屬公司。中國國際財務有限公司(深圳)已於二零零八年九月三日撤銷註冊。

* This subsidiary was set up on 12 April 2008 from the former China International Finance Company Limited (Shenzhen) ("CIFIC") and the Bank's Beijing and Shanghai branches, which had restructured to take over all assets and liabilities of the Bank's PRC branches except those retained in a booking branch in Shanghai. This subsidiary is the Bank's wholly-owned subsidiary, which represents a foreign-invested locally-incorporated bank in the PRC. CIFIC was deregistered on 3 September 2008.

** 該附屬公司已於二零零八年九月二十六日撤銷註冊。

** This subsidiary was deregistered on 26 September 2008.

25. 物業及設備

(a) 本集團

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本或估值：	Cost or valuation:				
於2007年1月1日	At 1 January 2007	124,776	1,052,358	656,062	1,833,196
增加	Additions	–	–	54,390	54,390
重新分類	Reclassification	62,100	(121,177)	–	(59,077)
出售	Disposals	(8,600)	(2,657)	(9,199)	(20,456)
重新分類前之重估盈餘	Surplus on revaluation before reclassification	–	7,286	–	7,286
重估盈餘	Surplus on revaluation	60,104	–	–	60,104
匯兌調整	Exchange adjustments	–	–	43	43
於2007年12月31日	At 31 December 2007	238,380	935,810	701,296	1,875,486
上述資產的成本或 估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	904,773	701,296	1,606,069
估值	Valuation				
– 1985年	– 1985	–	31,037	–	31,037
– 2007年	– 2007	238,380	–	–	238,380
		238,380	935,810	701,296	1,875,486
於2008年1月1日	At 1 January 2008	238,380	935,810	701,296	1,875,486
增加	Additions	–	–	40,601	40,601
重新分類	Reclassification	(88,900)	88,900	–	–
出售	Disposals	(1,850)	(2,918)	(64,224)	(68,992)
重估盈餘	Surplus on revaluation	446	–	–	446
匯兌調整	Exchange adjustments	–	–	(88)	(88)
於2008年12月31日	At 31 December 2008	148,076	1,021,792	677,585	1,847,453
上述資產的成本或 估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	993,673	677,585	1,671,258
估值	Valuation				
– 1985年	– 1985	–	28,119	–	28,119
– 2008年	– 2008	148,076	–	–	148,076
		148,076	1,021,792	677,585	1,847,453

25. 物業及設備(續)

(a) 本集團(續)

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
累計折舊：	Accumulated depreciation:				
於2007年1月1日	At 1 January 2007	–	273,119	474,220	747,339
本年度折舊(附註10(b))	Charged for the year (note 10(b))	–	21,132	61,937	83,069
重新分類	Reclassification	–	(59,077)	–	(59,077)
因出售而撥回	Written back on disposals	–	(1,715)	(8,457)	(10,172)
減值虧損	Impairment loss	–	30,068	–	30,068
匯兌調整	Exchange adjustments	–	–	23	23
於2007年12月31日	At 31 December 2007	–	263,527	527,723	791,250
於2008年1月1日	At 1 January 2008	–	263,527	527,723	791,250
本年度折舊(附註10(b))	Charged for the year (note 10(b))	–	21,634	56,079	77,713
因出售而撥回	Written back on disposals	–	(1,181)	(56,135)	(57,316)
匯兌調整	Exchange adjustments	–	–	(58)	(58)
於2008年12月31日	At 31 December 2008	–	283,980	527,609	811,589
賬面淨值：	Net book value:				
於2008年12月31日	At 31 December 2008	148,076	737,812	149,976	1,035,864
於2007年12月31日	At 31 December 2007	238,380	672,283	173,573	1,084,236

25. Property And Equipment (cont'd)

(a) The Group (cont'd)

25. 物業及設備(續)

(b) 本行

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
成本或估值：	Cost or valuation:				
於2007年1月1日	At 1 January 2007	108,180	1,052,358	645,676	1,806,214
增加	Additions	–	–	54,070	54,070
重新分類	Reclassification	62,100	(121,177)	–	(59,077)
出售	Disposals	(8,600)	(2,657)	(9,195)	(20,452)
重新分類前之重估盈餘	Surplus on revaluation before reclassification	–	7,286	–	7,286
重估盈餘	Surplus on revaluation	58,227	–	–	58,227
匯兌調整	Exchange adjustments	–	–	42	42
於2007年12月31日	At 31 December 2007	219,907	935,810	690,593	1,846,310
上述資產的成本或 估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	904,773	690,593	1,595,366
估值	Valuation				
– 1985年	– 1985	–	31,037	–	31,037
– 2007年	– 2007	219,907	–	–	219,907
		219,907	935,810	690,593	1,846,310
於2008年1月1日	At 1 January 2008	219,907	935,810	690,593	1,846,310
增加	Additions	–	–	30,094	30,094
重新分類	Reclassification	(88,900)	88,900	–	–
出售	Disposals	(1,850)	(2,918)	(78,806)	(83,574)
重估虧損	Deficit on revaluation	(3,819)	–	–	(3,819)
匯兌調整	Exchange adjustments	–	–	(88)	(88)
於2008年12月31日	At 31 December 2008	125,338	1,021,792	641,793	1,788,923
上述資產的成本或 估值分析如下：	The analysis of cost or valuation of the above assets is as follows:				
成本	Cost	–	993,673	641,793	1,635,466
估值	Valuation				
– 1985年	– 1985	–	28,119	–	28,119
– 2008年	– 2008	125,338	–	–	125,338
		125,338	1,021,792	641,793	1,788,923

25. 物業及設備(續)

(b) 本行(續)

		投資物業 Investment properties 港幣千元 HK\$'000	其他物業 Other premises 港幣千元 HK\$'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
累計折舊：	Accumulated depreciation:				
於2007年1月1日	At 1 January 2007	–	273,120	470,795	743,915
本年度折舊	Charged for the year	–	21,132	59,235	80,367
重新分類	Reclassification	–	(59,077)	–	(59,077)
因出售而撥回	Written back on disposals	–	(1,715)	(8,456)	(10,171)
減值虧損	Impairment loss	–	30,068	–	30,068
匯兌調整	Exchange adjustments	–	–	23	23
於2007年12月31日	At 31 December 2007	–	263,528	521,597	785,125
於2008年1月1日	At 1 January 2008	–	263,528	521,597	785,125
本年度折舊	Charged for the year	–	21,634	49,508	71,142
因出售而撥回	Written back on disposals	–	(1,181)	(61,083)	(62,264)
匯兌調整	Exchange adjustments	–	–	(57)	(57)
於2008年12月31日	At 31 December 2008	–	283,981	509,965	793,946
賬面淨值：	Net book value:				
於2008年12月31日	At 31 December 2008	125,338	737,811	131,828	994,977
於2007年12月31日	At 31 December 2007	219,907	672,282	168,996	1,061,185

(c) 於二零零八年十二月三十一日，獨立測量師行，威格斯資產評估顧問有限公司，按公開市場價值為基準，重估本集團及本行的所有投資物業。有關的本集團的重估盈餘港幣446,000元及本行的重估虧損港幣3,819,000元(二零零七年：兩者均各自錄得盈餘港幣60,104,000元及港幣58,227,000元)已分別計入本集團及本行的收益表中。威格斯資產評估顧問有限公司僱員為香港測量師學會資深專業會員，具有評估同類物業地點及類別的近期經驗。

投資物業產生的租金收入總額為港幣4,372,000元(二零零七年：港幣5,418,000元)。

本年度內，出售投資物業的收益為港幣83,000元(二零零七年：出售虧損為港幣570,000元)。

25. Property And Equipment (cont'd)

(b) The Bank (cont'd)

(c) All investment properties of the Group and the Bank were revalued at 31 December 2008 by an independent firm of surveyors, Vigers Appraisal & Consulting Limited, on an open market value basis. The revaluation surplus of HK\$446,000 and revaluation deficit of HK\$3,819,000 (2007: revaluation surplus of HK\$60,104,000 and HK\$58,227,000 respectively) were recognised in the Group and the Bank respectively, which have been credited or charged to the income statement. Vigers Appraisal & Consulting Limited have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued.

The gross rental income arising from investment properties is HK\$4,372,000 (2007: HK\$5,418,000).

During the year, gain on disposal of investment properties amounted to HK\$83,000 (2007: loss on disposal amounted to HK\$570,000).

25. 物業及設備 (續)

(d) 於二零零七年，因為物業用途之改變，部份銀行物業賬面淨值大約為港幣83,568,000元需要轉為投資物業，並就此聘用獨立測量師，威格斯資產評估顧問有限公司，對有關物業進行評估其於轉移日的公允價值。結果，有關銀行物業的賬面值與相應的公允價值於轉移日之差別大約為港幣30,068,000元，並已於收益表內記錄為減值虧損。於二零零八年並無收錄類似的物業及設備減值虧損。

(e) 投資物業及其他物業的賬面淨值分析如下：

25. Property And Equipment (cont'd)

(d) In the year 2007, certain bank premises with a net book value of approximately HK\$83,568,000 were required to transfer to investment properties for the purpose of change in use. Accordingly, an independent professional valuation had been performed by Vigers Appraisal & Consulting Limited in order to assess their fair values at the date of transfer. As a result, an impairment loss of approximately HK\$30,068,000 was recognised in the income statement which represented the difference at the date of transfer between the carrying amounts of the said bank premises and their fair values. There was no such impairment loss recognised for the property and equipment in the year of 2008.

(e) The analysis of net book value of investment properties and other premises is as follows:

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
租賃	Leasehold				
香港	Held in Hong Kong				
— 長期租賃	— Long-term leases	235,650	234,937	235,650	234,937
— 中期租賃	— Medium-term leases	625,669	655,502	625,669	655,501
香港以外地區	Held outside Hong Kong				
— 中期租賃	— Medium-term leases	24,569	20,224	1,830	1,751
		885,888	910,663	863,149	892,189

本集團及本行若干其他物業曾於過往年度進行重估。如果這些物業是以成本減累計折舊入賬，本集團及本行於二零零八年十二月三十一日的其他物業賬面淨值應為港幣6,788,000元(二零零七年：港幣8,612,000元)。

Some of the other premises of the Group and the Bank have been revalued in previous years. The net book value of other premises of the Group and the Bank at 31 December 2008 would have been HK\$6,788,000 (2007: HK\$8,612,000) had they been carried at cost less accumulated depreciation.

25. 物業及設備 (續)

(f) 通過經營租賃租出的物業及設備

本集團通過經營租賃的方式租出投資物業。有關物業的最初租賃期一般為兩至三年，其後可重新商定後續期及所有條款。

本集團及本行按不可解除的投資及分租物業的經營租賃應收的未來最低租金總額如下：

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
1年內	Within 1 year	13,697	9,371	11,951	9,072
1年至5年	After 1 year but within 5 years	2,287	6,699	1,921	6,699
		15,984	16,070	13,872	15,771

25. Property And Equipment (cont'd)

(f) Property and equipment leased out under operating leases

The Group leases out investment properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the leases after that date at which time all terms are renegotiated.

The Group's and the Bank's total future minimum lease payments under non-cancellable operating leases for investment and sub-letting properties are receivable as follows:

26. 銀行及其他金融機構的存款及結存

26. Deposits And Balances Of Banks And Other Financial Institutions

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
銀行的存款及結存	Deposits and balances from banks	927,337	1,539,030	815,820	1,202,903

27. 客戶存款

27. Deposits From Customers

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
活期及往來賬戶存款	Demand deposits and current deposits	7,814,934	6,878,550	7,480,754	6,878,550
儲蓄存款	Savings deposits	13,378,528	11,691,355	13,346,387	11,691,355
定期、即期及短期通知存款	Time, call and notice deposits	74,138,876	65,448,408	73,462,003	65,349,846
		95,332,338	84,018,313	94,289,144	83,919,751

28. 交易用途負債

28. Trading Liabilities

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
衍生工具的負公允價值 (附註44(b))	Negative fair value of derivatives (note 44(b))	1,385,886	879,690	1,381,884	879,690

29. 已發行存款證

29. Certificates Of Deposit Issued

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
指定為通過損益以反映公允價值	Designated at fair value through profit or loss	497,694	4,763,836
非交易用途	Non-trading	3,623,714	2,099,288
		4,121,408	6,863,124

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

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

29. 已發行存款證 (續)

指定為通過損益以反映公允價值的已發行存款證的賬面值於二零零八年十二月三十一日較到期時應付合約金額高於港幣2,494,000元(二零零七年：低於港幣31,135,000元)，其中主要是因為基準利率變動而產生。

29. Certificates Of Deposit Issued (cont'd)

The carrying amount of certificates of deposit issued designated at fair value through profit or loss at 31 December 2008 was HK\$2,494,000 higher (2007: HK\$31,135,000 lower) than the contractual amount at maturity, which was mainly attributable to changes in benchmark interest rate.

30. 資產負債表所示的所得稅

(a) 綜合資產負債表所示的本期稅項為：

30. Income Tax In The Balance Sheet

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

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
本年度香港利得稅準備(附註14(a))	Provision for Hong Kong Profits Tax for the year (note 14(a))	5,856	9,544	–	–
已付暫繳利得稅	Provisional Profit Tax paid	(172,862)	(136,292)	(163,773)	(122,830)
		(167,006)	(126,748)	(163,773)	(122,830)
以往年度的利得稅準備結餘	Balance of Profits Tax provision relating to prior years	–	55,779	–	55,721
		(167,006)	(70,969)	(163,773)	(67,109)
海外稅項準備	Provision for overseas taxation	9,867	6,481	4,958	5,243
		(157,139)	(64,488)	(158,815)	(61,866)
其中：	Of which:				
可回收稅項	Tax recoverable	(167,267)	(71,248)	(163,773)	(67,109)
本期稅項	Current taxation	10,128	6,760	4,958	5,243
		(157,139)	(64,488)	(158,815)	(61,866)

30. 資產負債表所示的所得稅(續)

(b) 已確認的遞延稅項資產及負債

已於綜合資產負債表確認的遞延稅項(資產)/負債的組合及本年度內的變動如下：

30. Income Tax In The Balance Sheet (cont'd)

(b) Deferred tax assets and liabilities recognised

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

		本集團 The Group						
		折舊免稅額 超過有關折舊 Depreciation allowances in excess of related depreciation 港幣千元 HK\$'000	貸款 減值準備 Impairment allowances for loans 港幣千元 HK\$'000	物業 重估調整 Revaluation adjustments for properties 港幣千元 HK\$'000	可供出售 證券 重估調整 Revaluation adjustments for available- for-sale securities 港幣千元 HK\$'000	稅項虧損 Tax losses 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
遞延稅項源自：	Deferred tax arising from:							
於2007年1月1日	At 1 January 2007	8,167	(39,260)	4,681	41,958	–	(254)	15,292
綜合收益表內 撇銷/(撥回)	Charged/(credited) to consolidated income statement	244	234	10,199	–	(34,669)	–	(23,992)
儲備內撇銷/(撥回)	Charged/(credited) to reserves	–	–	1,275	(60,346)	–	–	(59,071)
匯兌及其他調整	Exchange and other adjustments	–	–	–	(1)	617	–	616
於2007年12月31日	At 31 December 2007	8,411	(39,026)	16,155	(18,389)	(34,052)	(254)	(67,155)
於2008年1月1日	At 1 January 2008	8,411	(39,026)	16,155	(18,389)	(34,052)	(254)	(67,155)
綜合收益表內 撇銷/(撥回)	Charged/(credited) to consolidated income statement	702	(975)	(6,578)	–	15,418	254	8,821
儲備內撇銷/(撥回)	Charged/(credited) to reserves	–	–	(277)	(51,987)	–	–	(52,264)
因稅率改變對1月1日 遞延稅項餘額在綜合 收益表內(撥回)/撇銷	Effect on deferred tax balances at 1 January resulting from a change in tax rate (credited)/charged to consolidated income statement	(481)	2,231	(627)	–	1,946	–	3,069
因稅率改變對1月1日 遞延稅項餘額在儲備 內(撥回)/撇銷	Effect on deferred tax balances at 1 January resulting from a change in tax rate (credited)/charged to reserve	–	–	(267)	1,051	–	–	784
於2008年12月31日	At 31 December 2008	8,632	(37,770)	8,406	(69,325)	(16,688)	–	(106,745)

30. 資產負債表所示的所得稅(續)

(b) 已確認的遞延稅項資產及負債(續)

30. Income Tax In The Balance Sheet (cont'd)

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

		本行 The Bank						
		折舊免稅額 超過有關折舊 Depreciation allowances in excess of related depreciation 港幣千元 HK\$'000	貸款 減值準備 Impairment allowances for loans 港幣千元 HK\$'000	物業 重估調整 Revaluation adjustments for properties 港幣千元 HK\$'000	可供出售 證券 重估調整 Revaluation adjustments for available- for-sale securities 港幣千元 HK\$'000	稅項虧損 Tax losses 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
遞延稅項源自：	Deferred tax arising from:							
於2007年1月1日	At 1 January 2007	14,712	(38,763)	4,681	41,956	–	–	22,586
收益表內	Charged/(credited) to							
撤銷/(撥回)	income statement	660	(126)	10,199	–	(34,669)	–	(23,936)
儲備內撤銷/(撥回)	Charged/(credited) to reserves	–	–	1,275	(60,346)	–	–	(59,071)
匯兌及其他調整	Exchange and other adjustments	–	–	–	1	617	–	618
於2007年12月31日	At 31 December 2007	15,372	(38,889)	16,155	(18,389)	(34,052)	–	(59,803)
於2008年1月1日	At 1 January 2008	15,372	(38,889)	16,155	(18,389)	(34,052)	–	(59,803)
收益表內	Charged/(credited) to							
撤銷/(撥回)	income statement	(394)	(1,079)	(7,847)	–	15,418	–	6,098
儲備內撤銷/(撥回)	Charged/(credited) to reserves	–	–	(277)	(51,987)	–	–	(52,264)
因稅率改變對1月1日	Effect on deferred tax balances							
遞延稅項餘額在	at 1 January resulting from							
收益表內(撥回)/撤銷	a change in tax rate							
	(credited)/charged to income	(878)	2,223	(656)	–	1,946	–	2,635
因稅率改變對1月1日	Effect on deferred tax balances							
遞延稅項餘額在儲備	at 1 January resulting from							
內(撥回)/撤銷	a change in tax rate							
	(credited)/charged to reserve	–	–	(267)	1,051	–	–	784
於2008年12月31日	At 31 December 2008	14,100	(37,745)	7,108	(69,325)	(16,688)	–	(102,550)

30. 資產負債表所示的所得稅(續)

(b) 已確認的遞延稅項資產及負債(續)

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
在資產負債表確認的 淨遞延稅項資產	Net deferred tax assets recognised on the balance sheet	(108,095)	(67,155)	(102,584)	(59,803)
在資產負債表確認的 淨遞延稅項負債	Net deferred tax liabilities recognised on the balance sheet	1,350	—	34	—
		(106,745)	(67,155)	(102,550)	(59,803)

(c) 未確認的遞延稅項資產

由於可能未來沒有適用於有關稅務機關的應課稅溢利以彌補有關虧損，本集團並未確認累計稅項虧損的遞延稅項資產為港幣2,997,000元(二零零七年：港幣2,979,000元)。根據現時稅務條例，這些稅項虧損的到期日如下：

(c) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$2,997,000 (2007: HK\$2,979,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. Under the current tax legislation, the expiry dates of the tax losses are as follows:

		本集團 The Group	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
不設到期日	No expiry date	2,997	2,979

31. 已發行債務證券

31. Debt Securities Issued

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
非交易性已發行債務證券	Non-trading debt securities issued	2,333,727	2,314,394	2,312,927	2,314,394

非交易性債務證券包括於二零零四年十一月十七日以折讓價發行年息率為 4.25% 的票據，其面值為美金300,000,000元(港幣2,339,600,000元)。票據由本行發行及構成其直接、無條件及無抵押義務。票據將於二零零九年十一月十七日到期。

The non-trading debt securities included the notes issued at 4.25% per annum, with face value of US\$300 million (HK\$ equivalent 2,339.6 million) issued at a discount on 17 November 2004. The notes were issued by the Bank and constitute direct, unconditional and unsecured obligations of the Bank. The notes will mature on 17 November 2009.

32. 其他負債

32. Other Liabilities

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
與其他金融機構 結算應付項目	Items in the course of transmission to other financial institutions	2,424,273	310	2,424,273	310
應計及其他應付賬項	Accruals and other payables	1,815,224	1,596,642	1,526,666	1,347,633
		4,239,497	1,596,952	3,950,939	1,347,943

33. 應付附屬公司款項

33. Amounts Due To Subsidiaries

		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
其他負債	Other liabilities	136,393	137,049
銀行及其他金融機構的 存款及結存	Deposits and balances from banks and other financial institutions	131,878	216,609
客戶存款	Deposits from customers	2,024,046	2,003,875
		2,292,317	2,357,533

34. 債務資本

34. Loan Capital

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
年息率為9.125%，面值美金 250,000,000元的後償票據*	Subordinated notes with US\$250 million 9.125%*	1,989,717	1,976,738	—	—
年息率為倫敦銀行同業拆息率 加1.75%，面值美金 250,000,000元的後償票據**	Subordinated notes with US\$250 million 1.75%+LIBOR rate**	1,937,504	1,949,652	1,937,504	1,949,652
		3,927,221	3,926,390	1,937,504	1,949,652

34. 債務資本(續)

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

** 二零零七年十二月十一日，本行，根據美金二十億元的中期票據計劃，發行年息率為三個月美金存款適用於倫敦銀行同業拆息率加 1.75%，面值美金250,000,000元(港幣1,949,500,000元)的浮動利率後償票據。這些票據在新加坡交易所有限公司上市，並將於二零一七年十二月十二日到期。

34. Loan Capital (cont'd)

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

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

35. 股本

(a) 法定及已發行股本

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
法定股本： 每股面值港幣1元的普通股 8,000,000,000股	Authorised: 8,000,000,000 ordinary shares of HK\$1 each	8,000,000	8,000,000
已發行及繳足股本： 於1月1日： 每股面值港幣1元的普通股 5,583,341,176股（二零零七年： 3,083,341,176股） 發行及配發 無（二零零七年：2,500,000,000股） 每股面值港幣1元的普通股	Issued and fully paid: At 1 January: 5,583,341,176 (2007: 3,083,341,176) ordinary shares of HK\$1 each Issue and allotment of shares Nil (2007: 2,500,000,000) ordinary shares of HK\$1 each	5,583,341 —	 3,083,341 2,500,000
於12月31日： 每股面值港幣1元的普通股 5,583,341,176股（二零零七年： 5,583,341,176股）	At 31 December: 5,583,341,176 (2007: 5,583,341,176) ordinary shares of HK\$1 each	5,583,341	5,583,341

普通股持有人有權收取不時宣派的股息，亦有權於本行的會議上按每股一票的方式投票。所有普通股均享有同等地位於本行的剩餘資產。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Bank. All ordinary shares rank equally with regard to the Bank's residual assets.

36. 儲備

(i) 本集團

36. Reserves

(i) The Group

歸屬於本行股東												
Attributable to equity shareholders of the Bank												
		股份溢價	資本儲備	一般儲備	匯兌差額 儲備	物業重估 儲備	投資重估 儲備	購股權 儲備	法定盈餘 公積	法定一般 儲備	保留溢利	總額
		Share premium	Capital reserve	General reserve	Exchange differences reserve	Property revaluation reserve	Investment revaluation reserve	Share option reserve	Statutory reserve	Regulatory general reserve	Retained profits	Total
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於2007年1月1日	At 1 January 2007	282,930	6,589	100,000	10,462	22,066	197,792	12,828	–	–	3,566,331	4,198,998
外幣換算差額	Exchange difference on translation	–	–	–	15,238	–	–	–	–	–	–	15,238
因出售投資物業 而實現的重估盈餘	Release of revaluation surplus upon disposal of investment properties	–	–	–	–	–	–	–	–	–	6,011	6,011
以股權償付的股份交易	Equity-settled share-based transactions	–	–	–	–	–	–	12,957	–	–	–	12,957
可供出售證券	Available-for-sale securities	–	–	–	–	–	–	–	–	–	–	–
– 公允價值變動	– change in fair value	–	–	–	–	–	(337,476)	–	–	–	–	(337,476)
– 出售時轉出至 收益表(附註13)	– transfer to income statement on disposal (note 13)	–	–	–	–	–	(7,356)	–	–	–	–	(7,356)
– 轉出至遞延稅項	– transfer to deferred tax	–	–	–	–	–	60,346	–	–	–	–	60,346
本年度溢利	Profit for the year	–	–	–	–	–	–	–	–	–	106,365	106,365
於2007年12月31日	At 31 December 2007	282,930	6,589	100,000	25,700	22,066	(86,694)	25,785	–	–	3,678,707	4,055,083
於2008年1月1日	At 1 January 2008	282,930	6,589	100,000	25,700	22,066	(86,694)	25,785	–	–	3,678,707	4,055,083
外幣換算差額	Exchange difference on translation	–	–	–	15,148	–	–	–	–	–	–	15,148
因出售投資物業 而實現的重估盈餘	Release of revaluation surplus upon disposal of investment properties	–	–	–	–	(1,401)	–	–	–	–	1,678	277
因稅率改變對1月1日 遞延稅項餘額的 影響(附註30(b))	Effect on deferred tax balances at 1 January resulting from a change in tax rate (note 30(b))	–	–	–	–	267	(1,051)	–	–	–	–	(784)
以股權償付的股份交易	Equity-settled share-based transactions	–	–	–	–	–	–	12,649	–	–	–	12,649
轉出至保留溢利的 已放棄的購股權	Forfeited options transferred to retained profits	–	–	–	–	–	–	(38,434)	–	–	38,434	–
可供出售證券	Available-for-sale securities	–	–	–	–	–	–	–	–	–	–	–
– 公允價值變動	– change in fair value	–	–	–	–	–	(269,459)	–	–	–	–	(269,459)
– 出售時轉出至 收益表(附註13)	– transfer to income statement on disposal (note 13)	–	–	–	–	–	(45,612)	–	–	–	–	(45,612)
– 轉出至遞延稅項	– transfer to deferred tax	–	–	–	–	–	51,987	–	–	–	–	51,987
本年度溢利	Profit for the year	–	–	–	–	–	–	–	–	–	128,308	128,308
轉自保留溢利	Transfer from retained profits	–	–	–	–	–	–	–	3,475	47,236	(50,711)	–
於2008年12月31日	At 31 December 2008	282,930	6,589	100,000	40,848	20,932	(350,829)	–	3,475	47,236	3,796,416	3,947,597

36. 儲備(續)

(ii) 本行

36. Reserves (cont'd)

(ii) The Bank

		歸屬於本行股東 Attributable to equity shareholders of the Bank							總額 Total 港幣千元 HK\$'000
		股份溢價 Share premium 港幣千元 HK\$'000	資本儲備 Capital reserve 港幣千元 HK\$'000	一般儲備 General reserve 港幣千元 HK\$'000	物業重估 儲備 Property revaluation reserve 港幣千元 HK\$'000	投資重估 儲備 Investment revaluation reserve 港幣千元 HK\$'000	購股權 儲備 Share option reserve 港幣千元 HK\$'000	保留溢利 Retained profits 港幣千元 HK\$'000	
於2007年1月1日	At 1 January 2007	282,930	2,903	100,000	22,066	197,791	12,777	3,463,074	4,081,541
因出售投資物業 而實現的重估盈餘	Release of revaluation surplus upon disposal of investment properties	-	-	-	-	-	-	6,027	6,027
以股權償付的股份交易	Equity-settled share-based transactions	-	-	-	-	-	12,919	-	12,919
可供出售證券	Available-for-sale securities								
— 公允價值變動	— change in fair value	-	-	-	-	(337,476)	-	-	(337,476)
— 出售時轉出至 收益表	— transfer to income statement on disposal	-	-	-	-	(7,356)	-	-	(7,356)
— 轉出至遞延稅項	— transfer to deferred tax	-	-	-	-	60,346	-	-	60,346
本年度溢利	Profit for the year	-	-	-	-	-	-	37,903	37,903
於2007年12月31日	At 31 December 2007	282,930	2,903	100,000	22,066	(86,695)	25,696	3,507,004	3,853,904
於2008年1月1日	At 1 January 2008	282,930	2,903	100,000	22,066	(86,695)	25,696	3,507,004	3,853,904
因出售投資物業 而實現的重估盈餘	Release of revaluation surplus upon disposal of investment properties	-	-	-	(1,401)	-	-	1,678	277
因稅率改變對1月1日 遞延稅項餘額 的影響(附註30(b))	Effect on deferred tax balances at 1 January resulting from a change in tax rate (note 30(b))	-	-	-	267	(1,051)	-	-	(784)
以股權償付的股份交易	Equity-settled share-based transactions	-	-	-	-	-	12,603	-	12,603
轉出至保留溢利的 已放棄的購股權	Forfeited options transferred to retained profits	-	-	-	-	-	(38,299)	38,299	-
可供出售證券	Available-for-sale securities								
— 公允價值變動	— change in fair value	-	-	-	-	(269,459)	-	-	(269,459)
— 出售時轉出至 收益表	— transfer to income statement on disposal	-	-	-	-	(45,611)	-	-	(45,611)
— 轉出至遞延稅項	— transfer to deferred tax	-	-	-	-	51,987	-	-	51,987
本年度溢利	Profit for the year	-	-	-	-	-	-	64,887	64,887
於2008年12月31日	At 31 December 2008	282,930	2,903	100,000	20,932	(350,829)	-	3,611,868	3,667,804

36. 儲備(續)

(iii) 儲備性質及目的

(a) 股份溢價

股份溢價賬的應用受香港《公司條例》第48B條所管轄。

(b) 資本儲備

資本儲備乃不可分派予股東。

(c) 一般儲備

一般儲備是從保留溢利轉出一部份來設立，並且可分派予股東。

(d) 匯兌差額儲備

匯兌差額儲備包括所有因換算海外業務的財務報表而產生的匯兌差額，並根據附註2(p)所載的會計政策處理。

(e) 物業重估儲備

物業重估儲備是根據附註2(i)及2(l)所載的會計政策處理，並且不可分派予股東，因為根據香港《公司條例》第79B(2)條的定義，這些儲備不屬於已實現溢利。

(f) 投資重估儲備

投資重估儲備包括於結算日持有的可供出售證券的累計淨公允價值變動，並會根據附註2(e)(iii)所載的會計政策處理。

(g) 購股權儲備

購股權儲備包括根據附註2(n)(ii)就以股權償付而採納的會計政策確認授予本行僱員的未行使購股權實際或估計數目的公允價值。

於二零零八年十二月三十一日，本行沒有任何未行使購股權，因為中信國金已於二零零八年十一月五日，撤銷了其在香港交易所主板上市地位及根據公司條例第166條以協議安排之方式私有化，根據購股權計劃授予的所有購股權(包括授予本行所有董事的購股權)亦隨之註銷。

36. Reserves (cont'd)

(iii) Nature and purpose of reserves

(a) Share premium

The application of the share premium account is governed by section 48B of the Hong Kong Companies Ordinance.

(b) Capital reserve

The capital reserve is not available for distribution to shareholders.

(c) General reserve

General reserve was set up from the transfer of retained earnings, and it is available for distribution to shareholders.

(d) Exchange differences reserve

The exchange differences reserve comprises all foreign exchange differences arising from the translation of the financial statement of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in notes 2(p).

(e) Property revaluation reserve

The property revaluation reserve is dealt with in accordance with the accounting policies set in note 2(i) and 2(l) and is not available for distribution to shareholders because it does not constitute realised profits within the meaning of section 79B(2) of the Hong Kong Companies Ordinance.

(f) Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the balance sheet date and is dealt with in accordance with the accounting policies in note 2(e)(iii).

(g) Share option reserve

The share option reserve comprises the fair value of the actual or estimated number of unexercised share options granted to employees of the Bank recognised in accordance with the accounting policy adopted for share-based payment in note 2(n)(ii).

As at 31 December 2008, no share options remained outstanding since all share options granted under the Share Option Scheme (including the share options granted to all Directors of the Bank) had been cancelled upon the withdrawal of listing of the shares of CIFIH on the Main Board of The Stock Exchange of Hong Kong Limited and privatisation by way of a Scheme of Arrangement under Section 166 of the Companies Ordinance on 5 November 2008.

36. 儲備(續)

(iii) 儲備性質及目的(續)

(h) 法定盈餘公積

根據中國相關法例規定，中信嘉華(中國)需要從其每年的稅後溢利中轉撥百分之十作為不能分派予股東的法定盈餘公積，直至法定盈餘公積達至法定股本之百分之五十的水平。

(i) 法定一般儲備

根據中國銀行法規，中信嘉華(中國)需設立法定一般儲備，透過從當年度的利潤分配，直接轉撥提取一般準備以彌補未被發現的潛在損失，提取的考慮是基於風險資產在結算日的總賬面值的百分之一計算。法定一般準備是銀行權益的組成部份。

(j) 保留溢利

為符合香港《銀行業條例》有關審慎監管的規定，本行需在規管儲備中維持超過已經確認減值損失的將會或可能產生的貸款及墊款(於二零零七年度並包括投資)的減值損失金額。經諮詢金管局後，儲備的變動已直接在保留溢利內劃定。於二零零八年十二月三十一日，保留溢利中包括與此有關並屬可派發予本行股東的金額為港幣675,465,000元(二零零七年：港幣957,055,000元)。但本行於派發前須諮詢金管局。

(iv) 儲備的可分派性

於二零零八年十二月三十一日，可供分派予本行股東的儲備總額為港幣3,036,403,000元(二零零七年：港幣2,649,949,000元)。

36. Reserves (cont'd)

(iii) Nature and purpose of reserves (cont'd)

(h) Statutory reserve

Under relevant PRC legislation, CKWB (China) is required to transfer 10% of its profit after taxation to a non-distributable statutory reserve until such reserve has reached 50% of its registered share capital.

(i) Regulatory general reserve

Pursuant to the PRC banking regulations, CKWB (China) is required to set up a regulatory general reserve, through a transfer directly from the current year's profit appropriation, as determined based on the 1% of the total risk assets at the balance sheet date to cover its unidentified potential loss exposures. The regulatory general reserve forms part of the equity of the Bank.

(j) Retained profits

A regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes by earmarking amounts in respect of losses which the Bank will or may incur on loans and advances (and investments in the year of 2007) in addition to impairment losses recognised. Movements in the reserve are earmarked directly through retained profits and in consultation with the HKMA. As at 31 December 2008, HK\$675,465,000 (2007: HK\$957,055,000) was included in the retained profits in this respect which was distributable to equity holders of the Bank subject to consultation with the HKMA.

(iv) Distributability of reserve

At 31 December 2008, the aggregate amount of reserves available for distribution to equity shareholders of the Bank was HK\$3,036,403,000 (2007: HK\$2,649,949,000).

37. 僱員退休計劃

本集團設有一項界定供款公積金計劃(「該退休計劃」)；據此，本集團須作出相當於僱員基本薪金百分之十的供款。該退休計劃是一個強積金豁免計劃，涵蓋範圍遍及本集團的所有全職僱員。僱員毋須作出任何供款。如果僱員在獲得全數供款前離職，本集團不得將僱員所放棄的供款用作減少現時的供款額，而需將有關供款撥入一個獨立的福利基金，作為該退休計劃成員的福利金。

除了該退休計劃外，本集團自二零零零年十二月一日起，也參與一項認可強積金計劃，為現有及新聘的僱員提供計劃選擇。本集團已根據強積金計劃提供等同強制部份的福利。

本年度內，本集團就這些計劃作出的供款約為港幣46,115,000元(二零零七年：港幣41,064,000元)(附註10(a))。

38. 以股權償付

以股權償付的股份交易

於二零零三年五月十六日，本行的直接母公司中信國際金融控股有限公司採納「中信國際金融控股有限公司購股權計劃」(「購股權計劃」)。根據購股權計劃授出的購股權，授予期間為授予日期起計兩年或三年，並且一直可行使，直至授予日期起計十週年為止。每份購股權賦予持有人認購一股中信國金普通股的權利。

中信國金已於二零零八年十一月五日，撤銷了其在香港聯合交易所有限公司主板上市地位及根據協議安排之方式私有化，根據購股權計劃授予的所有購股權亦隨之註銷。

37. Staff Retirement Scheme

The Group has a defined contribution provident fund scheme ("the Retirement Scheme") under which it contributes 10% of the employees' basic salaries. The Retirement Scheme is an MPF exempted scheme and covers all permanent full-time employees of the Group. No employee contributions are required. Contributions forfeited by leavers prior to vesting fully may not be used by the Group to reduce the existing level of contribution but are transferred to a separate welfare fund which shall be applied for the welfare of the Retirement Scheme's members.

Besides the Retirement Scheme, the Group also participated in an approved MPF scheme effective on 1 December 2000 to provide scheme choice to both existing and new employees. Mandatory benefits are being provided under the MPF Scheme.

During the year, the Group contributed approximately HK\$46,115,000 (2007: HK\$41,064,000) (note 10(a)) to these schemes.

38. Share-based Payments

Equity-settled share-based transactions

The immediate parent of the Bank, CITIC International Financial Holdings Limited adopted The CITIC International Financial Holdings Limited Share Option Scheme ("the Share Option Scheme") on 16 May 2003. The options granted under the Share Option Scheme had a vesting period of two years or three years starting from the date of grant and remained exercisable until the tenth anniversary day from the date of grant. Each option gave the holder the right to subscribe for one ordinary share in CIFIH.

CIFIH withdrew the listing of its shares on the Main Board of The Stock Exchange of Hong Kong Limited and privatisation by way of a Scheme of Arrangement on 5 November 2008. All the outstanding equity-settled share options were cancelled pursuant to the offer terms in the Scheme of Arrangement.

38. 以股權償付(續)

以股權償付的股份交易(續)

- (a) 根據購股權計劃授予的購股權(原將以股份實物交收)的條款及條件如下：

授予日期／獲授予僱員數目 Date of grant/number of employees entitled	購股權數目 Number of options	授予條件 Vesting conditions	購股權合約年期 Contractual life of options
於2003年11月17日向273名合資格人士授予購股權 Options granted to 273 eligible persons on 17 November 2003	6,758,000	由授予日期起計2年 2 years from the date of grant	由授予日期起計10年 10 years from the date of grant
於2004年4月6日向293名合資格人士授予購股權 Options granted to 293 eligible persons on 6 April 2004	7,412,000	由授予日期起計2年 2 years from the date of grant	由授予日期起計10年 10 years from the date of grant
於2005年6月13日向275名合資格人士授予購股權 Options granted to 275 eligible persons on 13 June 2005	6,800,000	由授予日期起計2年 2 years from the date of grant	由授予日期起計10年 10 years from the date of grant
於2006年5月18日向321名合資格人士授予購股權 Options granted to 321 eligible persons on 18 May 2006	8,152,000	由授予日期起計2年 2 years from the date of grant	由授予日期起計10年 10 years from the date of grant
於2007年7月6日向369名合資格人士授予購股權 Options granted to 369 eligible persons on 6 July 2007	13,455,000	由授予日期起計2年 2 years from the date of grant	由授予日期起計10年 10 years from the date of grant
於2007年7月6日向369名合資格人士授予購股權 Options granted to 369 eligible persons on 6 July 2007	13,455,000	由授予日期起計3年 3 years from the date of grant	由授予日期起計10年 10 years from the date of grant

38. Share-based Payments (cont'd)

Equity-settled share-based transactions (cont'd)

- (a) The terms and conditions of the options, which would originally be settled by physical delivery of shares, granted under the Share Option Scheme are as follows:

38. 以股權償付 (續)

以股權償付的股份交易 (續)

(b) 購股權數目及加權平均行使價如下：

		於二零零七年 授予的購股權 Share options granted in 2007		於二零零六年 授予的購股權 Share options granted in 2006		於二零零五年 授予的購股權 Share options granted in 2005		於二零零四年 授予的購股權 Share options granted in 2004		於二零零三年 已授予的購股權 Share options granted in 2003	
		行使價 Exercise price 港元 HK\$	購股權數目 Number of options	行使價 Exercise price 港元 HK\$	購股權數目 Number of options	行使價 Exercise price 港元 HK\$	購股權數目 Number of options	行使價 Exercise price 港元 HK\$	購股權數目 Number of options	行使價 Exercise price 港元 HK\$	購股權數目 Number of options
於年初未行使	Outstanding at the beginning of the year	6.570	26,402,000	4.275	6,540,000	2.925	1,792,000	3.775	1,352,000	3.540	1,112,000
本年度已放棄	Forfeited during the year		(1,142,000)		(140,000)		–		(12,000)		–
本年度已行使	Exercised during the year		–		(1,500,000)		(184,000)		(108,000)		(60,000)
因中信國金私有化而取消	Cancelled due to CIFIH's privatisation		(25,260,000)		(4,900,000)		(1,608,000)		(1,232,000)		(1,052,000)
於年終未行使	Outstanding at the end of the year		–		–		–		–		–
於年終可行使	Exercisable at the end of the year		–		–		–		–		–
本年度已行使購股權 於行使日的 加權平均股價	Weighted average share price at the date of share options exercised during the year	–		5.599		5.378		5.966		5.951	

本年度已行使購股權於行使日的加權平均股價為港幣5.610元(二零零七年：港幣6.402元)。

38. Share-based Payments (cont'd)

Equity-settled share-based transactions (cont'd)

(b) The number and weighted average exercise prices of share options are as follows:

The weighted average share price at the date of share options exercised during the year was HK\$5.610 (2007: HK\$6.402).

38. 以股權償付(續)

以股權償付的股份交易(續)

(c) 購股權的公允價值及假設

以授予購股權而獲服務的公允價值是經參考授予購股權的公允價值計量。授予購股權的公允價值估計是根據三項式點陣法模式計量。輸入這模式的購股權合約年期為10年。

38. Share-based Payments (cont'd)

Equity-settled share-based transactions (cont'd)

(c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of the share options granted. The estimate of the fair value of the share options granted is measured based on a trinomial lattice model. The 10-year contractual life of the share option is used as an input into this model.

		於二零零七年 七月六日 授予的購股權 For options granted on 6 July 2007	於二零零六年 五月十八日 授予的購股權 For options granted on 18 May 2006	於二零零五年 六月十三日 授予的購股權 For options granted on 13 June 2005	於二零零四年 四月六日 授予的購股權 For options granted on 6 April 2004	於二零零三年 十一月十七日 授予的購股權 For options granted on 17 November 2003
於計量日期的公允價值	Fair value at measurement date	HK\$3.702	HK\$1.301	HK\$0.653	HK\$1.248	HK\$0.835
股價	Share price	HK\$6.570	HK\$4.275	HK\$2.925	HK\$3.775	HK\$3.475
行使價	Exercise price	HK\$6.570	HK\$4.275	HK\$2.925	HK\$3.775	HK\$3.540
預期波幅(以三項式 點陣法模式所用的 波幅表示)	Expected volatility (expressed as volatility used in the trinomial lattice model)	53.94%	31.00%	24.30%	34.00%	24.00%
購股權年期	Option life	10 Years	10 Years	10 Years	10 Years	10 Years
預期股息 (持續孳息)	Expected dividends (continuous Yield)	2.10%	4.14%	3.84%	3.71%	3.71%
無風險利率 (根據港幣政府 債券孳息計算)	Risk-free interest rate (based on HKD government bond Yield)	4.62%	4.84%	3.22%	4.07%	4.34%

預期波幅是根據過往之波幅，再因公眾知悉的資訊影響未來波幅的估計變動而作出調整。預期股息按過往的股息。主觀輸入假設的變動可能重大影響公允價值的估計。

購股權是根據服務條件及(就授予人員的購股權而言)非市場表現條件授予。

The expected volatility is based on historic volatility and adjusted for any expected changes to future volatility according to publicly available information. Expected dividends are based on historical dividend yields. Changes in the subject input assumptions could materially affect the fair value estimates.

Share options are granted under a service condition and, for grants to personnel, a non-market performance condition.

38. 以股權償付 (續)

以現金償付的股份交易

本行作為中信國金的全資附屬公司，曾向其合資格僱員及本集團數名董事（「合資格人士」）授出 Equity Linked Deferred Award（「ELDA」）；據此，合資格人士可於指定的到期日（即授予日的第二週年及退休日兩者中的較早日期）獲發現金福利。合資格人士將於到期日獲發的現金福利數額，為 ELDA 所涉及的中信國金普通股數目乘以下列兩者中的較低數額：

1. ELDA 每股股價與聯交所每日報價表所載中信國金普通股於到期日的收市價兩者的差異；及
2. 港幣3.00元。

若根據聯交所每日報價表所載，中信國金普通股於到期日的收市價低於 ELDA 每股股價，則各合資格人士將不會根據 ELDA 獲發任何款項。各合資格人士亦不會於 ELDA 到期時獲配發或轉讓中信國金普通股。

有關授予各合資格人士的 ELDA 的詳細條款如下：

授予日期 Offer date		於二零零八年十二月三十一日 ELDA名義上涉及的中信國金 普通股數目 Number of ordinary shares of CIFH notionally subject to ELDA as at 31 December 2008
ELDA每股股價(港幣(元)) ELDA price per share (HK\$)		
2006年4月28日 28 April 2006	2.00	—

以三項式點陣法模式計量的 ELDA 的公允價值以港幣3.00元為限，即合資格人士於到期日獲發的最高現金福利。

於二零零六年授予的ELDA已於二零零八年四月二十八日全數行使，並且於二零零八年十二月三十一日已沒有未行使的ELDA。

38. Share-based Payments (cont'd)

Cash-settled share-based transactions

The Bank, a wholly-owned subsidiary of CIFH, has offered Equity Linked Deferred Award ("the ELDA") to the eligible employees and certain directors of the Group ("the Eligible Persons") whereby the Eligible Persons will receive cash benefit on the specified maturity date, being the earlier of the second calendar anniversary of the offer date and the date of retirement. The amount of cash benefit to be received by the Eligible Persons on the maturity date shall be calculated by multiplying the number of ordinary shares of CIFH notionally subject to ELDA by the lower of:

1. the result obtained by subtracting the ELDA price per share from the closing price of the ordinary share of CIFH as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the maturity date; and
2. HK\$3.00.

The Eligible Persons are not entitled to receive any payment pursuant to the ELDA if the closing price of the ordinary share of CIFH as stated in the daily quotations sheet of the Stock Exchange on the maturity date falls below the ELDA price. No ordinary shares of CIFH will be allotted or transferred to the Eligible Persons upon the maturity of the ELDA.

The detailed terms of the ELDA offered to the Eligible Persons are as follows:

The fair value of the ELDA is measured based on a trinomial lattice model and limited to HK\$3.00, which is the maximum cash benefit to be received by the Eligible Persons on the maturity date.

ELDA granted in 2006 had been fully vested on 28 April 2008 and no ELDA remained outstanding as at 31 December 2008.

38. 以股權償付(續)

僱員支出

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
(a) 以股權償付的股份交易	(a) Equity-settled share-based transactions		
於2005年已授予的購股權	Share options granted in 2005	–	994
於2006年已授予的購股權	Share options granted in 2006	1,746	2,951
於2007年已授予的購股權	Share options granted in 2007	14,383	9,012
確認為僱員成本的 總支出(附註10(a))	Total expense recognised as employee costs (note 10(a))	16,129	12,957
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
(b) 以現金償付的股份交易	(b) Cash-settled share-based transactions		
於2005年已授予的 ELDA	ELDA granted in 2005	–	3,667
於2006年已授予的 ELDA	ELDA granted in 2006	4,997	9,161
以現金償付交易負債的 總賬面值(附註10(a))	Total carrying amount of cash-settled transaction liabilities (note 10(a))	4,997	12,828

38. Share-based Payments (cont'd)

Employee expenses

39. 現金及現金等值項目

39. Cash And Cash Equivalents

		本集團 The Group	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
(i) 綜合現金流量表內的現金及現金等值項目	(i) Components of cash and cash equivalents in the consolidated cash flow statement		
現金及在銀行、中央銀行及其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,754,122	924,449
在銀行、中央銀行及其他金融機構的存款及墊款（原於3個月內到期）	Placements with and advances to banks, central banks and other financial institutions with original maturity within three months	5,487,792	9,193,263
國庫券及持有的存款證（原於3個月內到期）： — 可供出售證券	Treasury bills and certificates of deposit held with original maturity within three months: — Available-for-sale securities	1,373,735	221,571
		17,615,649	10,339,283
(ii) 與綜合資產負債表的對賬	(ii) Reconciliation with the consolidated balance sheet		
現金及在銀行、中央銀行及其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,754,122	1,502,875
在銀行、中央銀行及其他金融機構的存款及墊款	Placements with and advances to banks, central banks and other financial institutions	10,473,951	12,647,588
國庫券及持有的存款證： — 可供出售證券	Treasury bills and certificates of deposit held: — Available-for-sale securities	1,373,735	871,213
綜合資產負債表所示的數額	Amounts shown in the consolidated balance sheet	22,601,808	15,021,676
減：原到期日超過3個月的數額	Less : Amounts with an original maturity of over three months	(4,986,159)	(4,682,393)
綜合現金流量表內的現金及現金等值項目	Cash and cash equivalents in the consolidated cash flow statement	17,615,649	10,339,283

於二零零八年十二月三十一日的現金及現金等值項目內已包括受外匯監管及法定限制的中央銀行及其他金融機構的現金結存為港幣154,456,000元（二零零七年：港幣79,900,000元）。

The balances of cash and cash equivalents included cash balances with central banks and other financial institutions that are subject to exchange control and regulatory restrictions, amounting to HK\$154,456,000 at 31 December 2008 (2007: HK\$79,900,000).

40. 用作抵押的資產

40. Assets Pledged As Security

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
已抵押的資產：	Assets pledged:		
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	6,435	3,552
可供出售證券	Available-for-sale securities	74,395	77,743
		80,830	81,295

用作抵押的資產是指於結算日抵押予美國貨幣監理處的法定存款。除此之外，本集團已與高級債務提供者訂立信用違約掉期合約，為此高級債務提供者所提供缺乏表現的有期貨款作出部份信貸保護。一項保證金存款美金243,400,000元(二零零七年：美金139,500,000元)等值港幣1,886,600,000元(二零零七年：港幣1,087,600,000元)已存放於高級債務提供者以作為該項信貸保護。

The assets pledged represented statutory deposits pledged to the Office of the Comptroller of Currency in the USA at each of the balance sheet date. In addition, the Group has entered into a credit default swap with a senior loan provider as a partial credit protection against the non-performance of a term loan provided by the senior loan provider. A margin deposit of US\$243,400,000 (2007: US\$139,500,000) equivalent to HK\$1,886,600,000 (2007: HK\$1,087,600,000) has been placed with the senior loan provider for such credit protection.

41. 重大關聯方交易

41. Material Related Party Transactions

除在本財務報表其他部份披露的交易及結餘外，本集團進行了以下重大關聯方交易。

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

(a) 與集團公司的交易

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

(a) Transactions with group companies

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

41. 重大關聯方交易 (續)

(a) 與集團公司的交易 (續)

本年度內，關聯方交易的數額及於結算日的結欠如下：

41. Material Related Party Transactions (cont'd)

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

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

		本集團及本行 The Group and the Bank									
		最終控股方 Ultimate controlling party		直接控股母公司 Immediate parent		同系附屬公司 (附註(i)) Fellow subsidiaries (note (i))		聯營公司 (附註(i)及(ii)) Associates (note (i & ii))		關聯公司 (附註(iii)) Related companies (note (iii))	
		2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元	2008 二零零八年 HK\$'000 港幣千元	2007 二零零七年 HK\$'000 港幣千元
利息收入	Interest income	-	-	-	-	33,772	3,478	4,158	19,766	-	-
利息支出	Interest expense	(27,640)	(28,089)	(12,865)	(44,985)	(179,316)	(90,592)	(45,476)	(129,880)	(33,006)	(2,508)
其他經營收入	Other operating income	-	-	394	263	-	-	37,510	55,687	-	-
經營支出	Operating expenses	-	-	(5,033)	(3,620)	(14,881)	(11,610)	(665)	(52,985)	-	-
擔保及信用證	Guarantees and letter of credit	-	-	-	-	624	-	-	15,539	-	-
貸款活動：	Lending activities:										
於1月1日	At 1 January	-	-	-	-	602,607	475,381	218,285	221,798	-	-
於12月31日	At 31 December	-	-	-	-	1,371,228	18,786	200,000	802,106	-	-
本年度平均金額	Average for the year	-	-	-	-	977,301	18,902	155,250	463,692	-	-
其他應收賬項：	Other receivables:										
於1月1日	At 1 January	-	-	76,644	-	1,442	2,462	31,987	124,728	-	-
於12月31日	At 31 December	-	-	-	76,644	6,669	747	1,380	32,682	-	-
本年度平均金額	Average for the year	-	-	62,257	54,380	96,141	4,407	16,527	13,973	-	-
接受存款：	Acceptance of deposits:										
於1月1日	At 1 January	2,147,532	-	353,361	543,776	1,423,696	1,081,372	3,303,486	2,022,559	-	-
於12月31日	At 31 December	11,428,751	2,147,532	533,255	353,361	5,360,639	1,182,059	2,657,949	3,545,123	27,018	-
本年度平均金額	Average for the year	3,402,529	741,616	424,315	1,425,480	4,387,171	2,255,832	2,497,180	2,670,054	6,755	-
其他應付賬項：	Other payables:										
於1月1日	At 1 January	1,106	-	142,123	327	22,361	1,744	4,938	903	2,508	-
於12月31日	At 31 December	415	1,106	477,034	142,123	27,249	20,173	1,603	7,126	1,326	2,508
本年度平均金額	Average for the year	488	478	421,515	147,526	28,335	18,448	2,984	4,433	1,482	627
債務資本：	Loan capital:										
於1月1日	At 1 January	-	-	-	-	1,193,187	-	-	-	623,889	-
於12月31日	At 31 December	-	-	-	-	1,185,752	803,257	-	389,930	620,001	623,889
本年度平均金額	Average for the year	-	-	-	-	1,189,742	200,814	-	97,483	622,087	155,972

並無就上述關聯方貸款及存款作出減值準備。

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

41. 重大關聯方交易 (續)

(a) 與集團公司的交易 (續)

附註：

- (i) 於二零零八年十二月三十一日止年度，本集團直接控股母公司分別向本集團的最終控權方的一間附屬公司及一間關聯公司出售於一間聯營公司（聯營公司(I)）的權益，及最終控股公司對一間聯營公司（聯營公司(II)）以增持其股權權益的方式使其成為最終控股公司的附屬公司。因為聯營公司(I)及(II)均已於二零零八年十二月三十一日止成為本行的同系附屬公司，故此以上重大關聯方交易中某些賬項的期初結餘會按此而作出重報。
- (ii) 本集團及本行的聯營公司包括屬於最終控股公司及直接控股母公司的聯營公司。
- (iii) 關聯公司是指對直接控股母公司有重要影響的一位直接控股母公司的股東。

41. Material Related Party Transactions (cont'd)

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

Note:

- (i) During the year ended 31 December 2008, the immediate parent disposed of its interests in one associate ("Associate (I)") to a subsidiary of the ultimate controlling party and a related company respectively. In addition, one associate ("Associate (II)") of the ultimate controlling party became its subsidiary due to further intake of its equity interest. Both Associates (I) and (II) were then considered as two fellow subsidiaries of the Bank as at 31 December 2008, certain account opening balances for the above related party transactions were restated accordingly.
- (ii) Associates of the Group and the Bank included the associates of the ultimate controlling party and immediate parent respectively.
- (iii) Related companies referred to shareholders of the immediate parent, which exercise significant influence on the immediate parent.

		本行 The Bank	
		附屬公司 Subsidiaries	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
利息支出	Interest expense	(343,404)	(321,620)
其他經營收入	Other operating income	—	215

41. 重大關聯方交易 (續)

(b) 與主要管理人員的交易

本集團及本行主要管理人員酬金包括附註11所披露已付予本行董事的款項，詳情如下：

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
短期僱員福利	Short-term employee benefits	46,167	40,894
離職後福利	Post-employment benefits	2,124	2,030
以股權償付	Share-based payments	4,296	6,420
		52,587	49,344

酬金總額已計入「員工成本」(附註10(a))。

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

41. Material Related Party Transactions (cont'd)

(b) Transactions with key management personnel

Remuneration for key management personnel of the Group and the Bank, including amounts paid to the Bank's directors as disclosed in note 11 is as follows:

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
短期僱員福利	Short-term employee benefits	46,167	40,894
離職後福利	Post-employment benefits	2,124	2,030
以股權償付	Share-based payments	4,296	6,420
		52,587	49,344

Total remuneration is included in "staff costs" (note 10(a)).

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

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
於1月1日的結餘	At 1 January	13,505	13,112
於12月31日的結餘	At 31 December	8,739	13,505
年內最高結欠總額	Maximum amount during the year	14,829	16,820

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

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

41. 重大關聯方交易 (續)

(c) 行政人員貸款

本行根據香港《公司條例》第161B條披露行政人員的貸款如下：

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
於12月31日本行提供的 有關貸款結欠總額	Aggregate amount of relevant loans made by the Bank outstanding at 31 December	31,187	1,980
本年度內本行提供的 有關貸款最高結欠總額	Maximum aggregate amount of relevant loans made by the Bank outstanding during the year	33,335	2,633

於二零零八年十二月三十一日，本集團沒有為這些貸款提撥準備。

41. Material Related Party Transactions (cont'd)

(c) Loans to officers

Loans to officers of the Bank disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

There was no provision made against these loans as at 31 December 2008.

42. 金融風險管理

本節呈列有關本集團的風險及其對風險的管理及控制，尤其是與使用金融工具有關的主要風險：

- 信貸風險：信貸風險是客戶或交易對手因財政問題而未有履行合約責任而導致損失的可能性。
- 市場風險：因匯率、商品及股票價格等市場價格的變動，引致金融工具的公允價值或未來現金流量出現波動的風險。
- 流動資金風險：因未能準時支付所有負債及承擔之風險。這風險可能因資金流動問題，如未能將資產變現或取得資金以履行責任或因市場波動而引致市場流動問題，從而阻礙銀行在不用大幅下調市值下解除或抵銷特定的風險。
- 業務操作風險：因內部作業、人員及系統之不當與失誤，或其他外部作業與相關事件，直接或間接所造成損失之風險。

42. Financial Risk Management

This section presents information about the Group's exposure to, and its management and control of risks, in particular the primary risks associated with its use of financial instruments as follows:

- Credit risk: the possibility of loss occurring owing to the customers' or counterparties' failure to meet contractual obligations.
- Market risk: the adverse fluctuation in the fair value or future cash flows of a financial instrument resulting from changes in market rates or prices such as foreign exchange rates, commodity or equity prices.
- Liquidity risk: the inability to meet financial obligations as they fall due. This may be caused by a funding liquidity problem such as the inability to liquidate assets or obtain funding to meet obligations or may be attributable to a market liquidity problem resulting in market disruptions, thus hindering the Bank's ability to unwind or offset specific exposures without lowering market prices significantly.
- Operational risk: the risk of direct or indirect loss resulting from inadequate or failed internal processes, staff and systems or from external events.

42. 金融風險管理(續)

本集團制定了政策和程序來識別及分析這些風險，設定適當的風險限額及控制措施，及透過可靠及最新的管理及資訊系統不斷監察風險及限額。本集團不斷修改及提升其風險管理政策和系統，以緊貼市場、產品提供及國際最佳風險管理程序。本集團的內部核數師亦會定期進行獨立審核，以確保遵守內部政策和監管要求。

除了呈列有關本集團所承受及管理的上述各項風險，本附註亦包括本集團管理資本的資料。

(a) 信貸風險管理

本集團所承受之信貸風險乃源自交易對手不能履行其財務責任所招致的損失。信貸風險主要來自貸款及墊款、債務證券、國庫券及資產負債表外業務，如貸款承諾。

信貸風險管理及監控集中於信貸委員會轄下之風險管理部，並每季在董事會向信貸及風險管理委員會匯報。該委員會對本集團的風險管理程序提供合適的監察，確定集團的政策及風險取態，並為風險管理部提供方法以執行措施來減低因集團已採納的策略而產生的信貸風險。

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

產品的信貸風險會在產品計劃中確定及計量。各交易對手的信貸風險由信貸人員根據本行內部之風險評級機制確定及計量。信貸申請之批核會因情況而定，並由指定職權的信貸人員或信貸委員會負責。

42. Financial Risk Management (cont'd)

The Group has established policies and procedures to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor these risks and limits continually by means of reliable and up-to-date management and information systems. The Group continually modifies and enhances its risk management frameworks and infrastructure in keeping with the market, product offering and international best practice. The Group's internal auditor also performs regular independent audits to ensure due compliance with internal policies and regulatory requirements.

In addition to the Group's exposure to and management of the aforesaid risks, this note also includes information about the Group's capital management.

(a) Credit risk management

The Group takes on exposure to credit risk, which is the risk that the Group will incur financial loss as a result of the counterparty's failure to discharge its obligation. Credit exposures arise principally in loans and advances, debt securities, treasury bills as well as credit risk in off-balance sheet financial arrangements such as loan commitments.

Credit risk management and control is centralised in the Risk Management Group ("RMG") under the oversight of Credit Committee and reported to the Credit & Risk Management Committee ("CRMC") at the board level on a quarterly basis. These committees provide appropriate oversight on the Group's risk management practices by defining the Group's policies and risk appetite and providing RMG with the means to implement measures to mitigate credit risks arising from the Group's adopted strategy.

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

Credit risk imbedded in products is identified and measured in product programmes. Credit risk pertaining to individual customers is identified and measured by credit officers utilising internal risk rating models. Credit applications are approved by credit officers under delegated authorities or by credit committee, as the case may be.

42. 金融風險管理(續)

(a) 信貸風險管理(續)

當地理、經濟或行業因素的變動對各交易對手團體產生類似影響，而這些團體的信貸風險合計起來對本集團的總體風險而言屬重大時，便會產生信貸風險集中的問題。本集團的金融工具組合分散在不同的地區、行業和產品類別。本集團有關金融資產的信貸風險集中的分析在附註19至21及附註23中披露。

(i) 信貸風險上限

於結算日承受的信貸風險上限(未計及任何持有的抵押品或其他信用提升)為資產負債表中每項金融資產於扣除任何減值準備後的賬面金額。信貸風險上限概述如下：

42. Financial Risk Management (cont'd)

(a) Credit risk management (cont'd)

Concentration of credit risk exists when changes in geographic, economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is material in relation to the Group's total exposures. The Group's portfolio of financial instruments is diversified along geographic, industry and product sectors. Credit risk concentration of the Group's respective financial assets is disclosed in notes 19 to 21 and 23.

(i) Maximum exposure

The maximum exposure to credit risk at the balance sheet date without taking into consideration of any collateral held or other credit enhancements is represented by the carrying amount of each financial assets in the balance sheet after deducting any impairment allowance. A summary of the maximum exposure is as follows:

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
現金及在銀行、 中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,754,122	1,502,875	10,488,291	1,409,752
在銀行、中央銀行及 其他金融機構的 存款及墊款	Placements with and advances to banks, central banks and other financial institutions	10,473,951	12,647,588	10,239,534	12,563,176
貿易票據	Trade bills	816,069	1,523,200	816,069	1,523,200
交易用途資產	Trading assets	2,057,872	2,235,151	2,055,093	2,235,151
指定為通過損益以反映 公允價值的證券	Securities designated at fair value through profit or loss	521,834	531,025	521,834	531,025
客戶貸款及 墊款及其他賬項	Loans and advances to customers and other accounts	75,101,152	67,621,462	67,347,688	63,449,269
可供出售證券	Available-for-sale securities	20,592,876	22,028,259	20,592,876	22,028,258
財務擔保及其他與信貸 有關的或有負債	Financial guarantees and other credit related contingent liabilities	6,165,664	6,714,297	6,076,684	6,714,297
貸款承擔及其他與信貸 有關的承擔	Loans commitments and other credit related commitments	26,621,899	22,960,628	26,219,552	22,907,082
		153,105,439	137,764,485	144,357,621	133,361,210

42. 金融風險管理(續)

(a) 信貸風險管理(續)

(ii) 貸款及墊款的信貸質量

於二零零八年及二零零七年十二月三十一日，所有銀行貸款及墊款均沒有減值。客戶貸款及墊款的信貸質量分析如下：

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
客戶貸款及墊款總額	Gross loans and advances to customers				
— 沒有逾期或減值	— neither past due nor impaired	70,508,980	63,654,103	63,035,856	59,654,869
— 已逾期但沒有減值	— past due but not impaired	1,521,357	1,422,115	1,370,481	1,281,866
— 已減值	— impaired	1,384,179	757,212	1,329,377	748,355
		73,414,516	65,833,430	65,735,714	61,685,090

其中：

Of which:

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
沒有逾期或減值的 客戶貸款及 墊款總額	Gross loans and advances to customers that are neither past due nor impaired				
— 正常包括 評級1至10	— Pass included Grades 1 to 10	69,741,118	63,054,926	62,403,827	59,058,496
— 關注包括 評級11	— Special mention included Grade 11	767,862	599,177	632,029	596,373
		70,508,980	63,654,103	63,035,856	59,654,869

42. 金融風險管理(續)

(a) 信貸風險管理(續)

(ii) 貸款及墊款的信貸質量(續)

本行所採用的信貸評級制度是對商業及企業銀行組合中的借貸人因應其違約風險作出評定而設計。沒有減值的貸款信貸質量亦以本行所採用的信貸評級制度作出評定。

歸納於「正常」類別之貸款是指可實行現有承擔並對其利息及本金的償還能力沒有任何疑問之貸款。這包括屬於評級1至10類的貸款，這分類代表擁有不同償還能力的借貸人。

而歸納於「關注」類別之貸款是指借貸人因面臨困難而可能負面影響本行之財政情況。這包括屬於評級11類而需要密切關注的借貸。

已逾期但沒有減值的客戶貸款及墊款的賬齡分析如下：

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
已逾期但沒有減值的客戶貸款及墊款總額	Gross loans and advances to customers that are past due but not impaired				
— 逾期3個月或以下	— Overdue 3 months or less	1,514,251	1,329,359	1,363,375	1,189,110
— 3至6個月	— 6 months or less but over 3 months	7,106	51,034	7,106	51,034
— 6個月至1年	— 1 year or less but over 6 months	—	—	—	—
— 1年以上	— Over 1 year	—	41,722	—	41,722
		1,521,357	1,422,115	1,370,481	1,281,866

於二零零八年十二月三十一日，如果尚未重新商訂條款，已逾期或減值的貸款及墊款將為港幣10,692,000元(二零零七年：港幣1,776,000元)。

42. Financial Risk Management (cont'd)

(a) Credit risk management (cont'd)

(ii) Credit quality of loans and advances (cont'd)

The Bank's credit risk rating system is designed to assess the default risk of borrowers in the commercial and corporate banking portfolios. The credit quality of unimpaired loans is assessed by reference to the Bank's risk rating system.

Loans under the classification of "pass" represent loans that are current in meeting commitments and that full repayment of both principal and interest is not in doubt. This classification includes borrowers assigned Grades 1 to 10, comprising borrowers with the ability to meet financial obligations in various degrees.

Loans under the classification of "special mention" represent borrowers that are experiencing difficulties which may threaten the Bank's financial position. They include borrowers of Grade 11, comprising borrowers that require special and close monitoring.

The ageing analysis of loans and advances to customers that are past due but not impaired is as follows:

Loans and advances that would be past due or impaired had the terms not been rescheduled amounted to HK\$10,692,000 as at 31 December 2008 (2007: HK\$1,776,000).

42. 金融風險管理(續)

(a) 信貸風險管理(續)

(iii) 貸款及墊款以外金融資產的信貸質量

財資交易信貸風險的管理方式，與本集團管理企業借貸風險的方式相同，並根據各交易對手的風險評級，設定個別風險額度。本集團的信貸政策是不投資於評級低於 Baa3 的非上市債務證券。於二零零八年及二零零七年十二月三十一日，並沒有客觀的證據需要對個別上市債務證券作出減值評估。

下表呈列債務證券在結算日根據穆迪投資服務或同等機構之評級分析的信貸質量。債務證券的信貸評級代表證券或證券發行人的評級。如證券本身沒有評級，則採用證券發行人的評級。

		本集團及本行 The Group and the Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
Aaa	Aaa	1,121,366	704,326
Aa3 至 Aa1	Aa3 to Aa1	14,004,115	12,106,526
A3 至 A1	A3 to A1	3,610,693	8,097,100
低於 A3	Lower than A3	1,293,811	1,904,784
		20,029,985	22,812,736
未評級	Unrated	362,777	353,687
總額	Total	20,392,762	23,166,423

42. Financial Risk Management (cont'd)

(a) Credit risk management (cont'd)

(iii) Credit quality of financial assets other than loans and advances

Credit risk of treasury transactions is managed in the same way as the Group manages its corporate lending risk. Risk grading is applied to the debt issuers with individual credit limits set. It is the Group's credit policy not to invest in unlisted debt securities that are below the rating of Baa3. As at 31 December 2008 and 2007, there were no objective evidence that should call for impairment assessment on individual, listed debt securities.

The following table presents the credit quality of investment in debt securities analysed by the designated external credit assessment agency, Moody's Investors Service ratings (or their equivalent) at the balance sheet date. Credit ratings for those debt securities are represented by either the issue or the issuer ratings, ratings designated for the issuers are reported in case there are no issue ratings.

42. 金融風險管理(續)

(a) 信貸風險管理(續)

(iv) 抵押品及其他信用提升

本集團以物業的按揭、資產的其他註冊證券、現金存款和擔保的形式，持有客戶貸款和墊款的抵押品。在一般情況下，本集團不會就銀行貸款和墊款持有抵押品，惟當所持的抵押品是反向回購及證券借貸活動的一部份時則除外。通常抵押品不會就上市債務證券持有，而於二零零八年及二零零七年十二月三十一日，本行並沒有持有這類型抵押品。

一般而言，債務證券、國庫券和其他認可票據均為無抵押，但以金融資產組合作抵押的資產抵押證券和同類工具則除外。本集團在記錄衍生工具活動時優先採用的協議為國際掉期及衍生工具協會主協議，當中涵蓋進行多種場外交易產品的交易活動的合約框架，並在合約上約束雙方於任何一方違約時或其他事先商定的終止事件後，在終止協議所涵蓋的所有未決交易時採用淨額結算。除國際掉期及衍生工具協會的主協議外，本集團通常也會與交易對手實行信用支持附件的條款，據此，抵押品會在雙方之間轉移，以減低未平倉合約的內在市場或有交易對手風險。

貸款及墊款總額及持有作抵押金融資產之抵押品及其他信用提升的估計公允價值兩者之較低者如下：

42. Financial Risk Management (cont'd)

(a) Credit risk management (cont'd)

(iv) Collateral and other credit enhancements

The Group holds collateral against loans and advances to customers in the form of mortgage interests over properties, other registered securities over assets, cash deposits and guarantees. Collateral is generally not held against loans and advances to banks, except when securities are held as part of reverse repurchase and securities borrowing activities. Collateral is usually not held against listed debt securities, and no such collateral was held at 31 December 2008 or 2007.

Debt securities, treasury and other eligible bills are generally unsecured with the exception of asset-based securities and similar instruments, which are secured by pools of financial assets. The Group's preferred agreement for documenting derivatives activity is the ISDA Master Agreement which covers the contractual framework within which dealing activity across a full range of over-the-counter products is conducted and contractually binds both parties to apply close-out netting across all outstanding transactions covered by an agreement, if either party defaults or following other pre-agreed termination events. The Group may also execute a Credit Support Annex in conjunction with the ISDA Master Agreement with the counterparty under which collateral is passed between the parties to mitigate the market contingent counterparty risk inherent in the outstanding positions.

The lower of gross loans and advances and the estimate of the fair value of collateral and other credit enhancements held against financial assets is as follows:

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
貸款及墊款總額及 持有作抵押金融 資產之抵押品及 其他信用提升的 估計公允價值兩者之 較低者為：	Lower of gross loans and advances and fair value of collateral and other credit enhancements held against financial assets that are:				
— 沒有逾期或減值	— neither past due nor impaired	43,731,973	39,146,426	36,779,207	35,565,796
— 逾期但沒有減值	— past due but not impaired	1,168,418	1,251,351	1,017,542	1,123,778
		44,900,391	40,397,777	37,796,749	36,689,574

42. 金融風險管理(續)

(b) 市場風險管理

市場風險是因為匯率、利率及股票和商品價格等市場變數出現變動而引致虧損的風險。本行的短期買賣持倉和銀行賬中之證券均會帶來市場風險。銀行賬中之證券包括可供出售證券及指定為通過損益以反映公允價值之投資。

本行是按照其信貸及風險管理委員會、資產及負債委員會及其授權的子委員會所核准的限額等級制度來管理市場風險。該制度分為三個等級：政策、業務及交易。每個等級包含一系列的風險計量限額。一旦風險超過有關的限額，便會向高級管理人員發出預警訊號及促使他們採取充足的相應措施。

本行的財資部門是在指定限額的等級下承管市場風險的中心點。

風險管理部門轄下之市場風險管理部，負責量度、監察及報告事宜，確保本行所承受之市場風險的量度指標均在預設限額之內。用以量度市場風險的指標包括溢利及虧損、交易盤金額、敏感度如 Greeks 和 PV01（利率變動一點子對現值之影響）以及風險價值。

本行是以風險價值來計量其交易用途投資組合的整體市場風險。風險價值是一項統計工具，可用於估計投資組合在一段指定時間和某一信心水平所承受的潛在損失。本行採用了 99% 一天風險價值和以往模擬歷史數據來計算風險價值數額。模擬流程可反映不同的市場變數之間的以往關係。而這風險價值會被每天監察並與定下的限額相比。下圖顯示本行於二零零八及二零零七年十二月三十一日止的年度中持倉交易盤的風險價值。

42. Financial Risk Management (cont'd)

(b) Market risk management

Market risk is the risk of loss arising from the movements in market variables such as foreign exchange rates, interest rates, equity and commodity prices. Both short-term trading positions and banking-book securities of the Bank generate market risk exposure. Banking-book securities include the Bank's available-for-sale securities and investments designated at fair value through profit or loss.

The Bank controls its market risk within a hierarchy of limits approved by the Bank's CRMC, Asset and Liability Committee ("ALCO") and its delegated sub-committees or members. The hierarchy is composed of limits at 3 levels: policy, business and transaction. Each level in the hierarchy consists of limits on a series of risk measurements. Any excesses in limits will alert the attention of senior management and trigger appropriate actions when necessary.

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

Operating as an unit under the Risk Management Group, Market Risk Management is responsible for the measuring, monitoring and reporting functions to ensure that the Bank's market risk exposure measures are within the prescribed limits. Methods adopted to measure market risk exposure against corresponding limits include profit and loss, positions, sensitivities such as Greeks and PV01 (present value impact of 1 basis point change) and Value-at-Risk ("VaR").

The Bank measures the overall market risk of its trading portfolio in terms of VaR. VaR is a statistical tool to estimate the maximum potential loss of an investment portfolio over a selected time horizon and given a confidence level. The Bank adopts a 99% 1-day VaR and implements historical simulation to compute the VaR figure. The simulating process reflects the historical relationships among different market variables. The VaR figure is monitored against the respective limit on a daily basis. The Bank's VaRs for the trading portfolio during the year ended 31 December 2008 and 31 December 2007 are shown in the table below.

42. 金融風險管理(續)

(b) 市場風險管理(續)

		二零零八年 2008			二零零七年 2007		
		最高 Maximum 港幣千元 HK\$'000	最低 Minimum 港幣千元 HK\$'000	平均 Mean 港幣千元 HK\$'000	最高 Maximum 港幣千元 HK\$'000	最低 Minimum 港幣千元 HK\$'000	平均 Mean 港幣千元 HK\$'000
外匯風險	Foreign exchange risk	1,553	28	468	1,169	17	361
利率風險	Interest rate risk	5,916	475	1,578	1,894	85	609
風險價值總額	Total VaR	5,999	473	1,622	1,889	151	727

本行並對其持倉交易盤及整體投資組合進行壓力測試，以評估於極端情況下之潛在損失。本行採用兩種壓力情景：歷史性情景及假設性情景。歷史性情景指過去曾發生之「壓力情況」，包括一九九七年亞洲金融風暴，一九九八年長期資本事件及二零零一年恐怖襲擊。假設性情景則建基於影響持倉交易盤及整體投資組合之主要風險因素。假設性情景之例子為孳息曲線平衡上升200點子、孳息曲線走峭及走平、港幣兌美元匯率轉強 10% 及七大工業國貨幣兌美元匯率升值 10%。

本行透過經管理委員會審批的「新產品評估及批核政策」，控制其對新產品批核之程序。根據該政策，新產品所涉及的風險必須經各功能小組，包括財務管理部、營運及科技管理部、風險管理部和法律及合規部，加以清算。在獲得各功能小組之清算後，建議新產品的業務主管需向首席信貸風險官及行政總裁／替任行政總裁提交產品評估提案及申請共同審批。

截至二零零八年十二月三十一日止的年度，本行持倉交易盤及基金投資(撇除結構性投資工具)之單日平均虧損為港幣43,000元(二零零七年：收益為港幣791,000元)，單日平均收入標準誤差為港幣760,000元(二零零七年：港幣2,258,000元)。下圖顯示截至二零零八年十二月三十一日止年度本集團按市價計值收入之單日分佈圖。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

The Bank also implemented stress testing for its trading and overall portfolios to assess the potential adverse effects under the extreme conditions. Two types of stressed scenarios are adopted: historical and hypothetical scenarios. Historical scenarios are "stressed conditions" which happened in the past, including the Asian Crisis in 1997, the Long-term Capital Management event in 1998 and the Terror Attacks in 2001. Hypothetical scenarios are developed in view of the key risk factors affecting the trading and overall portfolios. Examples of hypothetical scenarios are a parallel yield curve shift by 200 basis points, steepening and flattening of yield curve, Hong Kong dollars ("HKD") strengthening against United States dollars ("USD") by 10% and G7 Currencies appreciating against USD by 10%.

The Bank's approval process for new products is controlled by the "New Product Evaluation and Approval Policy" approved by its Management Committee. According to the Policy, new products are subject to risk clearances by various functional units, including Financial Management, Operations & Technology Management, Risk Management Group and Legal & Compliance. After obtaining the functional clearances, the sponsoring Business Head shall submit the Product Evaluation Proposal for the joint approval of Director of Risk and Chief Executive Officer ("CEO") / Alternate Chief Executive Officer ("ACEO").

For the year ended 31 December 2008, the average daily mark-to-market revenue from the Bank's trading portfolio and fund investments (excluding structured investment vehicles) was a loss of HK\$43,000 (2007: a gain of HK\$791,000). The standard deviation of the daily revenue was HK\$760,000 (2007: HK\$2,258,000). The graph below shows a histogram of the Group's daily mark-to-market revenue for the year ended 31 December 2008.

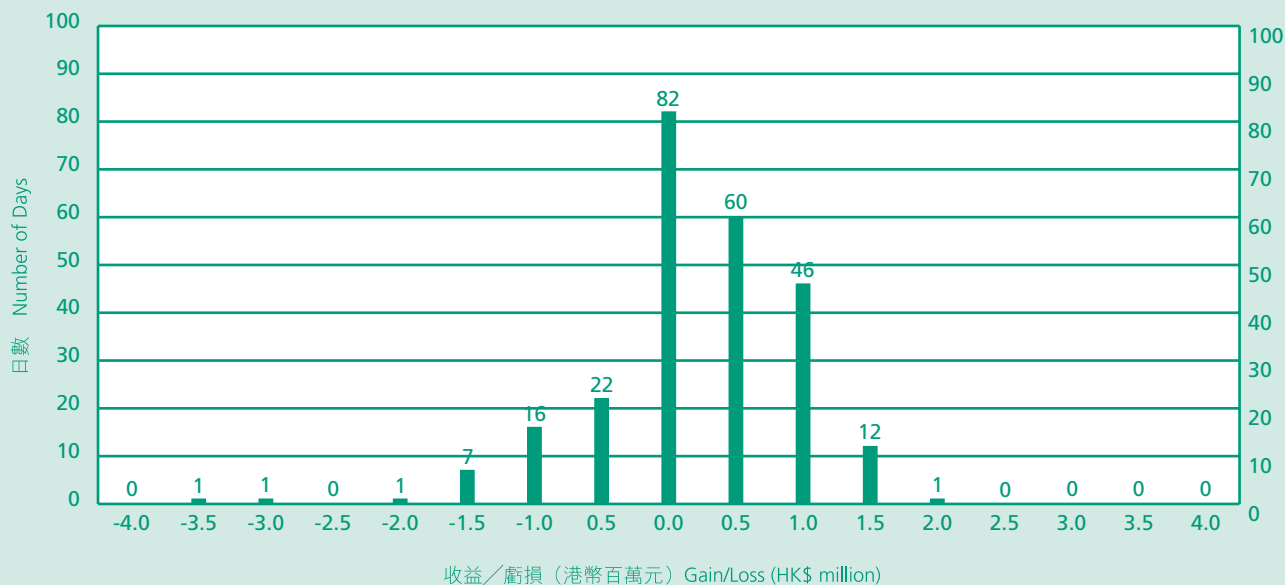
42. 金融風險管理(續)

(b) 市場風險管理(續)

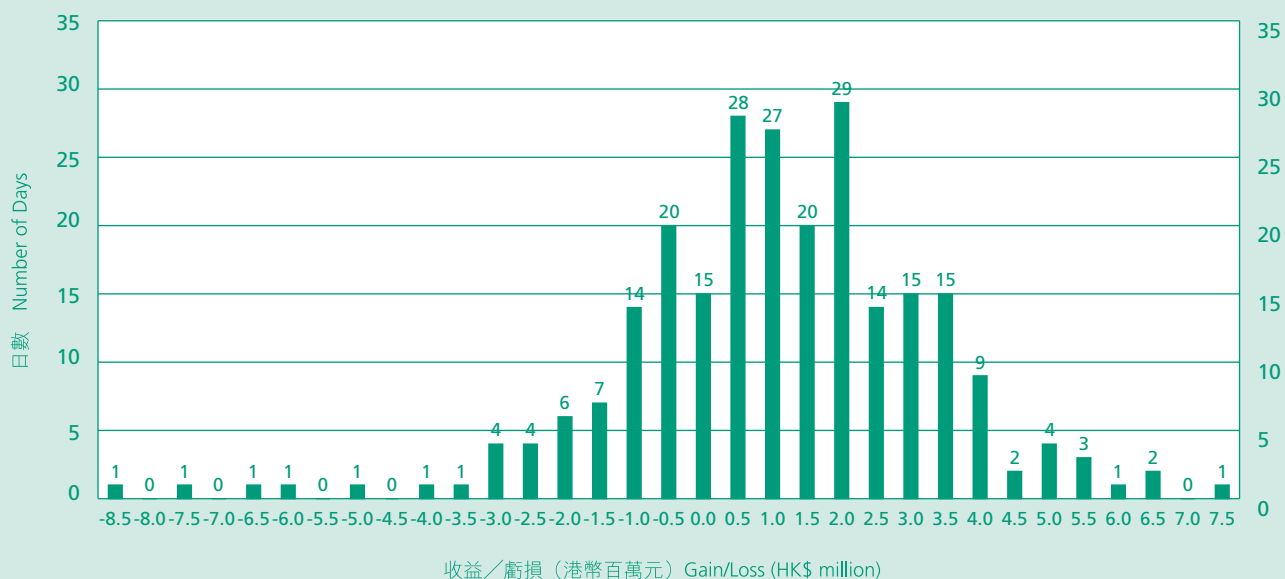
42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

截至二零零八年十二月三十一日止年度市價計值收入單日分佈圖
Daily distribution of mark-to-market revenues for the year ended 31 December 2008



截至二零零七年十二月三十一日止年度市價計值收入單日分佈圖
Daily distribution of mark-to-market revenues for the year ended 31 December 2007



42. 金融風險管理(續)

(b) 市場風險管理(續)

從上圖可見，最大單日收益為港幣1,935,000元(二零零七年：港幣7,053,000元)及最大單日虧損為港幣3,587,000元(二零零七年：港幣8,559,000元)。於年度中的249買賣操作天中，共有119天錄得收益，130天錄得虧損。在分佈圖中，最常見單日市價計值的損益區間為虧損港幣500,000元至港幣0元(二零零七年：溢利港幣1,500,000元至2,000,000元)之間，共出現82天。

本行採用標準(市場風險)計算法以計算其市場風險。二零零八年十二月三十一日，本行於此計算法下之持倉金額為港幣349,687,000元(二零零七年：港幣411,607,000元)，而其與利率、股權、外匯及商品相關之市場風險資本要求分別為港幣49,908,000元、港幣374,000元和港幣26,515,000元(二零零七年：港幣36,982,000元，港幣898,000元，港幣32,121,000元)。

外匯風險

本行的外匯風險源自外匯買賣盤、商業交易、外匯證券投資、本行及海外分行和附屬公司的營運。本行的外匯買賣盤限額均須經由資產及負債委員會核准。用以量度外匯風險的指標包括個別貨幣和整體持倉金額以及敏感度如Greeks(適用於外匯期權)。截至二零零八年十二月三十一日止的年度，外匯買賣的平均單日損益為收益港幣43,000元(二零零七年：港幣25,000元)及其標準誤差為港幣256,000元(二零零七年：港幣196,000元)。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

From the graph above, the maximum daily mark-to-market gain was HK\$1,935,000 (2007: HK\$7,053,000) and the maximum daily mark-to-market loss was HK\$3,587,000 (2007: HK\$8,559,000). Out of the 249 trading days for the year, there were 119 days with mark-to-market gains and 130 days with mark-to-market losses. The most frequent range of daily mark-to-market revenue was between a loss of HK\$500,000 and HK\$ Nil (2007: between a gain of HK\$1,500,000 and HK\$2,000,000), with the highest occurrence of 82 days.

The Bank uses the Standardised (Market Risk) approach to calculate its market risk. As at 31 December 2008, the Bank's positions covered by the approach amounted to HK\$349,687,000 (2007: HK\$411,607,000) and the market risk capital charges for the Bank's interest rate, equity, foreign exchange and commodity exposures were HK\$49,908,000, HK\$374,000 and HK\$26,515,000 (2007: HK\$36,982,000, HK\$898,000 and HK\$32,121,000) respectively.

Currency risk

The Bank's foreign exchange risk stems from taking foreign exchange positions, commercial dealings, investments in foreign currency securities and operations of the Bank and its overseas branches and subsidiaries. Foreign exchange positions of the Bank are subject to exposure limits approved by ALCO. Methods adopted to measure foreign currency risk exposure against corresponding limits include individual currency positions, overall foreign exchange positions and sensitivities such as Greeks (for foreign exchange options). For the year ended 31 December 2008, the Bank's average daily trading profit and loss from foreign exchange positions was a profit of HK\$43,000 (2007: HK\$25,000) with a standard deviation of HK\$256,000 (2007: HK\$196,000).

42. 金融風險管理(續)

(b) 市場風險管理(續)

外匯風險(續)

於結算日的重大外匯風險如下：

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Currency risk (cont'd)

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

		本集團 The Group							
		二零零八年 2008				二零零七年 2007			
相等於港幣千元	Equivalent in HK\$'000	美金 USD	人民幣 RMB	其他貨幣 Others	總額 Total	美金 USD	人民幣 RMB	其他貨幣 Others	總額 Total
現貨資產	Spot assets	42,574,348	1,914,543	3,304,502	47,793,393	38,538,910	1,255,843	5,102,714	44,897,467
現貨負債	Spot liabilities	(43,668,983)	(1,512,671)	(6,202,653)	(51,384,307)	(34,921,047)	(891,646)	(7,187,422)	(43,000,115)
遠期買入	Forward purchases	21,011,235	2,987,077	7,554,558	31,552,870	25,333,018	8,026,722	9,424,640	42,784,380
遠期賣出	Forward sales	(18,906,234)	(3,069,207)	(4,697,912)	(26,673,353)	(28,515,984)	(8,016,877)	(7,328,437)	(43,861,298)
期權盤淨額	Net options position	-	-	-	-	-	-	-	-
長/(短)盤淨額	Net long/(short) position	1,010,366	319,742	(41,505)	1,288,603	434,897	374,042	11,495	820,434
結構盤淨額	Net structural position	-	227,390	48,515	275,905	-	213,555	48,559	262,114

		本行 The Bank							
		二零零八年 2008				二零零七年 2007			
相等於港幣千元	Equivalent in HK\$'000	美金 USD	人民幣 RMB	其他貨幣 Others	總額 Total	美金 USD	人民幣 RMB	其他貨幣 Others	總額 Total
現貨資產	Spot assets	42,208,545	772,691	3,304,497	46,285,733	38,627,910	622,648	5,102,714	44,353,272
現貨負債	Spot liabilities	(43,198,938)	(439,299)	(6,203,000)	(49,841,237)	(34,988,680)	(287,901)	(7,187,422)	(42,464,003)
遠期買入	Forward purchases	20,815,045	2,863,783	7,554,558	31,233,386	25,333,018	8,026,722	9,424,640	42,784,380
遠期賣出	Forward sales	(18,779,423)	(2,875,317)	(4,697,912)	(26,352,652)	(28,515,984)	(8,016,877)	(7,328,437)	(43,861,298)
期權盤淨額	Net options position	-	-	-	-	-	-	-	-
長/(短)盤淨額	Net long/(short) position	1,045,229	321,858	(41,857)	1,325,230	456,264	344,592	11,495	812,351
結構盤淨額	Net structural position	-	-	48,515	48,515	-	-	48,559	48,559

期權盤淨額是按照金管局所核准的模式使用者法計算。

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

42. 金融風險管理(續)

(b) 市場風險管理(續)

外匯風險敏感度分析

- (i) 於二零零八年十二月三十一日，如港元兌美元以外的其他貨幣貶值 10% 並假設其他所有參數不變，本年度本集團及本行之除稅前溢利將分別增加港幣27,800,000元及港幣28,000,000元(二零零七年：本集團及本行分別增加港幣38,600,000元及港幣35,600,000元)，主要由於非港元計值之金融資產之匯兌收益抵銷非港元計值之金融負債之匯兌虧損所致。

相反地，如港元兌美元以外的其他貨幣升值 10% 並假設所有其他參數不變，本年度本集團及本行之除稅前溢利將分別減少港幣27,800,000元及港幣28,000,000元(二零零七年：本集團及本行分別減少港幣38,600,000元及港幣35,600,000元)。

- (ii) 本集團及本行所承受之貨幣風險主要源自以美元計值的財務工具(不包括人民幣200,000,000元及澳門幣50,000,000元的結構性外匯持倉)。由於美元與港幣掛鈎，本集團及本行認為美元與港幣匯率變動而引致的貨幣風險對本集團及本行沒有重大的影響。

利率風險

本行的資產及負債委員會負責監控所有由其資產及負債利率組合產生的利率風險。本行的利率風險承擔主要來自銀行賬冊及自營買賣賬冊。銀行賬冊之利率風險是由於到期日差距、息率基點風險、收益率曲線變動、重訂息率風險和內含期權風險(如有)而產生的。本行對銀行賬冊之利率風險管理是根據「利率風險管理政策—銀行賬冊」的指引。財資及市場部根據此政策來管理銀行賬冊之利率風險。

為減低利率風險，本行使用了利率衍生工具(主要是利率掉期)來對可供出售證券及非交易用途負債等資產及負債進行對沖。本行亦採納了對沖會計原則，以便將可供出售證券／非交易用途負債的公允價值變動，與相應對沖衍生工具互相抵銷。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Sensitivity analysis on foreign exchange exposures

- (i) At 31 December 2008, if HKD had weakened by 10% against other currencies (other than USD currency) with all other variables held constant, the profit before tax for the year of the Group and the Bank would have been higher by HK\$27.8 million and HK\$28 million respectively (2007: higher by HK\$38.6 million and HK\$35.6 million respectively for the Group and the Bank), mainly as a result of foreign exchange gains on translation of non-HKD denominated financial assets compensated by foreign exchange losses on translation of non-HKD denominated financial liabilities.

Conversely, if HKD had strengthened by 10% against other currencies (other than USD currency) with all other variables held constant, the profit before tax for the year of the Group and the Bank would have been lower by HK\$27.8 million and HK\$28 million respectively (2007: lower by HK\$38.6 million and HK\$35.6 million respectively for the Group and the Bank).

- (ii) The Group or the Bank exposed to currency risks primarily arising from financial instruments that are denominated in USD, excluding structural foreign exchange positions of 200 million RMB and 50 million MOP. As the USD is pegged to the HKD, the Group or the Bank considers the risk of movements in exchange rates between the HKD and the USD to be insignificant.

Interest rate risk

The Bank's ALCO oversees all interest rate risks arising from the interest rate profile of the Bank's assets and liabilities. The Bank has interest rate risk exposure from both of its banking and trading books. The interest rate risk in the banking book is caused by maturity gaps, basis risks among different interest rate benchmarks, yield curve movements, interest rate re-pricing risks and risks from embedded options, if any. The Bank's management of the interest rate risk in the banking book is governed by the Interest Rate Risk Management Policy for Banking Book. Treasury and Markets Department manages the interest rate risk in the Banking Book according to the guidance of the Policy.

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

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

本行對自營買賣賬冊之利率風險管理是根據「利率風險管理政策—自營買賣賬冊」的指引。本行主要以 PV01 計量其持倉交易盤之利率風險。截至二零零八年十二月三十一日止的年度，本行涉及利率風險的買賣之平均單日損益為收益港幣12,000元(二零零七年：虧損港幣20,000元)及其標準誤差為港幣520,000元(二零零七年：港幣377,000元)。

下表列示貨幣金融工具在截至十二月三十一日止年度的平均實際利率：

		本集團及本行 The Group and the Bank	
		二零零八年 2008 百分率 %	二零零七年 2007 百分率 %
資產	Assets		
現金及在銀行、中央銀行及 其他金融機構的結存， 以及在銀行、中央銀行及 其他金融機構的存款及墊款	Cash and balances with banks, central banks and other financial institutions and placements with and advances to banks, central banks and other financial institutions	2.8	4.5
貿易票據、客戶貸款及 墊款及其他賬項	Trade bills, loans and advances to customers and other accounts	4.1	5.9
可供出售證券	Available-for-sale securities	4.0	4.9
負債	Liabilities		
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	2.8	4.4
客戶存款	Deposits from customers	2.3	3.9
已發行存款證、已發行債務證券 及債務資本	Certificates of deposit issued, debt securities issued and loan capital	5.1	6.2

上表並不包括交易用途資產、交易用途負債及指定為通過損益以反映公允價值的金融工具，原因是這些金融工具的淨收入包括公允價值變動所產生的所有損益(已扣除應計息票)，以及利息收入及支出和股息收入。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

The Bank's management of the interest rate risk in the trading book is guided by the Interest Rate Risk Management Policy for Trading Book. The Bank mainly uses PV01 to measure its interest rate risk exposure in the trading book. For the year ended 31 December 2008, the Bank's average daily trading profit and loss from interest rate positions was a gain of HK\$12,000 (2007: a loss of HK\$20,000) with a standard deviation of HK\$520,000 (2007: HK\$377,000).

The following table indicates the average effective interest rates for the year ended 31 December for monetary financial instruments:

Trading assets, trading liabilities and financial instruments designated at fair value through profit or loss are not included in the above table because the net income from these financial instruments comprise all gains and losses from changes in fair value (net of accrued coupon) together with interest income and expense and dividend income.

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

利率風險敏感度分析

本行每季均採用利率風險承擔敏感度分析來量度銀行賬冊之利率風險。在這敏感度分析中，利率變動對本行盈利之潛在影響是根據以下假設而作出：對於所有資產和負債的兩種主要貨幣(港幣及美金)之利率將於下次利率重訂日(相對應時間的中間點)上調或下調200個點子。此評估已包括資產負債表內與表外項目的影響。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

Sensitivity analysis on interest rate exposures

The Bank measures the interest rate risk of the banking book by conducting sensitivity analysis on interest rate exposure on a quarterly basis. In the sensitivity analysis, the potential impacts of movements in interest rates on the Bank's earning are assessed under assumptions that the interest rates of two major currencies (HKD and USD) will rise or drop by 200 basis points in the repricing dates (mid-point of the corresponding time bands) of each assets and liabilities. The impacts on both on- and off-balance sheet items are included in the assessment.

		本集團 The Group			
		二零零八年 2008		二零零七年 2007	
		港幣 HKD	美金 USD	港幣 HKD	美金 USD
相等於港幣千元	Equivalent in HK\$'000				
倘利率上調200個點子 對未來12個月的 盈利影響	Impact on earnings over the next 12 months if interest rates rise by 200 basis points	(1,658)	(117,067)	46,507	(133,486)
倘利率上調200個點子 對經濟價值的影響	Impact on economic value if interest rates rise by 200 basis points	52,734	77,308	131,757	205,545

		本行 The Bank			
		二零零八年 2008		二零零七年 2007	
		港幣 HKD	美金 USD	港幣 HKD	美金 USD
相等於港幣千元	Equivalent in HK\$'000				
倘利率上調200個點子 對未來12個月的 盈利影響	Impact on earnings over the next 12 months if interest rates rise by 200 basis points	(44,201)	(113,447)	17,012	(133,437)
倘利率上調200個點子 對經濟價值的影響	Impact on economic value if interest rates rise by 200 basis points	70,898	76,884	148,656	209,825

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

利率風險敏感度分析(續)

該敏感度分析僅用於風險管理目的，依據資產及負債的利率風險資料作出。有關分析乃根據以下假設進行：

- (i) 收益率曲線及利率出現平行移動；
- (ii) 組合並無其他變動；
- (iii) 假設沒有提早償還貸款，因大部份貸款屬於浮息貸款；及
- (iv) 假設沒有固定到期日的存款於翌日再定息。

利率上調而導致本行淨利息收入及經濟價值的實際變動與該敏感度分析的結果可能有所不同。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

Sensitivity analysis on interest rate exposures (cont'd)

This sensitivity analysis, which is based on an interest rate risk profile of assets and liabilities, is used for risk management purposes only. The analysis is based on the following assumptions:

- (i) there is a parallel shift in the yield curve and in interest rates;
- (ii) there are no other changes to the portfolio;
- (iii) no loan prepayment is assumed as the majority of loans is on floating rate base; and
- (iv) deposits without fixed maturity dates are assumed to be repriced on the next day.

Actual changes in the Bank's net interest income and the economic value resulting from the increase in interest rates may differ from the results of this sensitivity analysis.

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

下表顯示於結算日的計息資產及負債的預期下個重訂息率日期(或到期日，以較早者為準)之錯配。

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

The following tables indicate the mismatches of the expected next repricing dates (or maturity dates whichever are earlier) for the interest bearing assets and liabilities at the balance sheet date.

		本集團 The Group					
		二零零八年 2008					
		3個月內 (包括逾期) 3 months or less (including 總額 Total 港幣千元 HK\$'000	3個月以上 至1年 Over 3 months to 1 year 港幣千元 HK\$'000	1年以上 至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	非計息 Non-interest bearing 港幣千元 HK\$'000	
資產	Assets						
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,754,122	9,626,267	-	-	1,127,855	
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	10,473,951	9,812,254	429,199	232,498	-	
貿易票據	Trade bills	816,069	695,822	101,839	-	18,408	
交易用途資產	Trading assets	2,065,746	-	-	-	2,065,746	
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	521,834	-	16,903	498,111	-	
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	75,183,429	67,042,309	4,554,478	405,396	3,171,545	
可供出售證券	Available-for-sale securities	20,683,453	8,609,589	5,390,947	5,270,961	730,685	
非計息資產	Non-interest bearing assets	1,311,226	-	-	-	1,311,226	
資產總額	Total assets	121,809,830	95,786,241	10,493,366	6,406,966	8,432,285	
負債	Liabilities						
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	927,337	508,680	222,499	-	196,158	
客戶存款	Deposits from customers	95,332,338	88,836,667	4,032,448	472,501	1,990,722	
交易用途負債	Trading liabilities	1,385,886	-	-	-	1,385,886	
已發行存款證	Certificates of deposit issued	4,121,408	3,080,402	961,143	79,863	-	
已發行債務證券	Debt securities issued	2,333,727	20,800	2,312,927	-	-	
債務資本	Loan capital	3,927,221	1,937,504	-	1,989,717	-	
非計息負債	Non-interest bearing liabilities	4,250,975	-	-	-	4,250,975	
負債總額	Total liabilities	112,278,892	94,384,053	7,529,017	2,542,081	7,823,741	
利率敏感度差距	Interest rate sensitivity gap		1,402,188	2,964,349	3,864,885	690,972	

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

		本集團 The Group					
		二零零七年 2007					
		總額 Total 港幣千元 HK\$'000	3個月內 (包括逾期) 3 months or less (including overdue) 港幣千元 HK\$'000	3個月以上 至1年 Over 3 months to 1 year 港幣千元 HK\$'000	1年以上 至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	非計息 Non-interest bearing 港幣千元 HK\$'000
資產	Assets						
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	1,502,875	679,630	—	—	—	823,245
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	12,647,588	11,623,071	1,024,517	—	—	—
貿易票據	Trade bills	1,523,200	1,275,882	238,387	—	—	8,931
交易用途資產	Trading assets	3,479,009	—	948	2,203	102	3,475,756
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	531,025	—	—	531,025	—	—
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	67,751,338	60,145,416	4,351,504	178,566	12,935	3,062,917
可供出售證券	Available-for-sale securities	22,125,403	4,961,560	5,903,812	9,623,835	978,973	657,223
非計息資產	Non-interest bearing assets	1,222,639	—	—	—	—	1,222,639
資產總額	Total assets	110,783,077	78,685,559	11,519,168	10,335,629	992,010	9,250,711
負債	Liabilities						
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	1,539,030	1,256,886	—	—	—	282,144
客戶存款	Deposits from customers	84,018,313	79,190,536	2,292,332	561,185	—	1,974,260
交易用途負債	Trading liabilities	879,690	—	—	—	—	879,690
已發行存款證	Certificates of deposit issued	6,863,124	2,271,534	3,019,270	1,572,320	—	—
已發行債務證券	Debt securities issued	2,314,394	—	—	2,314,394	—	—
債務資本	Loan capital	3,926,390	1,949,652	—	1,976,738	—	—
非計息負債	Non-interest bearing liabilities	1,603,712	—	—	—	—	1,603,712
負債總額	Total liabilities	101,144,653	84,668,608	5,311,602	6,424,637	—	4,739,806
利率敏感度差距	Interest rate sensitivity gap		(5,983,049)	6,207,566	3,910,992	992,010	

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

		本行 The Bank					
		二零零八年 2008					
		3個月內 (包括逾期) 3 months or less (including overdue) 總額 Total 港幣千元 HK\$'000	3個月以上 至1年 Over 3 months to 1 year 港幣千元 HK\$'000	1年以上 至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	非計息 Non-interest bearing 港幣千元 HK\$'000	
資產	Assets						
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,488,291	9,626,267	–	–	–	862,024
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	10,239,534	9,678,586	328,450	232,498	–	–
貿易票據	Trade bills	816,069	695,822	101,839	–	–	18,408
交易用途資產	Trading assets	2,062,967	–	–	–	–	2,062,967
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	521,834	–	16,903	498,111	–	6,820
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	67,425,537	60,256,043	3,719,453	405,248	9,701	3,035,092
可供出售證券	Available-for-sale securities	20,683,453	8,609,589	5,390,947	5,270,961	681,271	730,685
應收附屬公司款項	Amount due from subsidiaries	5,588,811	2,787,803	2,500,101	–	–	300,907
非計息資產	Non-interest bearing assets	2,531,584	–	–	–	–	2,531,584
資產總額	Total assets	120,358,080	91,654,110	12,057,693	6,406,818	690,972	9,548,487
負債	Liabilities						
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	815,820	474,662	145,000	–	–	196,158
客戶存款	Deposits from customers	94,289,144	88,470,346	3,817,909	10,167	–	1,990,722
交易用途負債	Trading liabilities	1,381,884	–	–	–	–	1,381,884
已發行存款證	Certificates of deposit issued	4,121,408	3,080,402	961,143	79,863	–	–
已發行債務證券	Debt securities issued	2,312,927	–	2,312,927	–	–	–
債務資本	Loan capital	1,937,504	1,937,504	–	–	–	–
應付附屬公司款項	Amount due to subsidiaries	2,292,317	84,058	1,651	1,937,504	–	269,104
非計息負債	Non-interest bearing liabilities	3,955,931	–	–	–	–	3,955,931
負債總額	Total liabilities	111,106,935	94,046,972	7,238,630	2,027,534	–	7,793,799
利率敏感度差距	Interest rate sensitivity gap		(2,392,862)	4,819,063	4,379,284	690,972	

42. 金融風險管理(續)

(b) 市場風險管理(續)

利率風險(續)

42. Financial Risk Management (cont'd)

(b) Market risk management (cont'd)

Interest rate risk (cont'd)

		本行 The Bank					
		二零零七年 2007					
		總額 Total 港幣千元 HK\$'000	3個月內 (包括逾期) 3 months or less (including overdue) 港幣千元 HK\$'000	3個月以上 至1年 Over 3 months to 1 year 港幣千元 HK\$'000	1年以上 至5年 Over 1 year to 5 years 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	非計息 Non-interest bearing 港幣千元 HK\$'000
資產	Assets						
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	1,409,752	679,630	–	–	–	730,122
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	12,563,176	11,538,659	1,024,517	–	–	–
貿易票據	Trade bills	1,523,200	1,275,882	238,387	–	–	8,931
交易用途資產	Trading assets	3,479,009	–	948	2,203	102	3,475,756
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	531,025	–	–	531,025	–	–
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	63,578,005	56,007,076	4,348,340	176,727	12,935	3,032,927
可供出售證券	Available-for-sale securities	22,125,402	4,961,560	5,903,812	9,623,835	978,973	657,222
應收附屬公司款項	Amount due from subsidiaries	3,154,136	1,306,070	1,537,781	79,266	–	231,019
非計息資產	Non-interest bearing assets	1,913,773	–	–	–	–	1,913,773
資產總額	Total assets	110,277,478	75,768,877	13,053,785	10,413,056	992,010	10,049,750
負債	Liabilities						
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	1,202,903	920,759	–	–	–	282,144
客戶存款	Deposits from customers	83,919,751	79,140,698	2,243,608	561,185	–	1,974,260
交易用途負債	Trading liabilities	879,690	–	–	–	–	879,690
已發行存款證	Certificates of deposit issued	6,863,124	2,271,534	3,019,270	1,572,320	–	–
已發行債務證券	Debt securities issued	2,314,394	–	–	2,314,394	–	–
債務資本	Loan capital	1,949,652	1,949,652	–	–	–	–
應付附屬公司款項	Amount due to subsidiaries	2,357,533	195,143	–	2,053,925	–	108,465
非計息負債	Non-interest bearing liabilities	1,353,186	–	–	–	–	1,353,186
負債總額	Total liabilities	100,840,233	84,477,786	5,262,878	6,501,824	–	4,597,745
利率敏感度差距	Interest rate sensitivity gap		(8,708,909)	7,790,907	3,911,232	992,010	

42. 金融風險管理(續)

(c) 流動資金風險管理

本着以穩健為主的資金管理方針，本行制定了嚴格的流動性管理措施，力求涵蓋流動性管理的各個重要方面。在遵守金管局的各項準則和建議的基礎上，本行始終致力於實現最佳的流動性管理。該措施符合金管局二零零四年發佈的「LM-1流動性風險管理」規範，適用於本行及其所有海外分行和附屬公司。通過跟存款人、客戶、銀行同業、關聯公司及金管局建立並維持良好的關係，本行期待各部門同心協力使銀行無論在何種情況下都能夠成功、有效地管理流動資金。

本行時常維持適當流動資金比率及定期作壓力測試，以確保本行有能力應付不利或無法預計的經濟情況所引致市場流動資金突然流失的情況。本行持有高素質的短期證券投資組合，必要時可透過購回安排或在二級市場上出售而獲得流動資金。本行亦積極從事批發銀行業務，透過發行港幣存款證來取得穩定的資金來源。截至二零零八年十二月三十一日，本行多次成功發行存款證，合共籌得港幣3,910,000,000元(二零零七年十二月三十一日：港幣4,130,000,000元)。

(i) 根據餘下期間作出的資產及負債分析

以下到期日分析是以結算日至合約到期日的餘下期間為準。

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

42. Financial Risk Management (cont'd)

(c) Liquidity risk management

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

An appropriate level of liquidity ratio was always maintained, and stress tests were performed regularly to ensure that the Bank could handle sudden drains in market liquidity due to adverse or unexpected economic events. The Bank holds a portfolio of high-grade securities with short maturities which can generate liquidity if necessary either through the re-purchase arrangements or out-right selling in the secondary market. It participates in wholesale funding through the issuances of HKD certificates of deposit ("CDs") so as to secure a stable source of funding. As at 31 December 2008, a total of HK\$3.91 billion (31 December 2007: HK\$4.13 billion) was raised through several successful CD issuances.

(i) Analysis of assets and liabilities by remaining maturity

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

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

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(i) 根據餘下期間作出的資產及負債分析(續)

42. Financial Risk Management (cont'd)

(c) Liquidity risk management (cont'd)

(i) Analysis of assets and liabilities by remaining maturity (cont'd)

		本集團 The Group							
		二零零八年 2008							
					1個月以上 至3個月 3 months or less but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	無註明日期 Undated 港幣千元 HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,754,122	10,754,122	-	-	-	-	-	-
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	10,473,951	-	5,527,041	534,751	930,899	1,594,654	1,886,606	-
貿易票據	Trade bills	816,069	-	250,814	436,246	103,343	-	-	25,666
交易用途資產	Trading assets	2,065,746	1,438,090	-	-	-	619,782	-	7,874
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	521,834	-	-	-	16,904	504,930	-	-
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	75,183,429	2,121,819	3,744,429	6,501,410	12,159,969	29,220,568	18,468,563	2,966,671
可供出售證券	Available-for-sale securities	20,683,453	-	1,774,172	5,463,835	5,316,979	6,036,518	1,999,179	92,770
可回收稅項	Tax recoverable	167,267	-	-	-	167,267	-	-	-
無註明日期資產	Undated assets	1,143,959	-	-	-	-	-	-	1,143,959
資產總額	Total assets	121,809,830	14,314,031	11,296,456	12,936,242	18,695,361	37,976,452	22,354,348	4,236,940
負債	Liabilities								
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	927,337	196,158	234,589	240,073	256,517	-	-	-
客戶存款	Deposits from customers	95,332,338	21,193,462	48,119,602	15,298,771	10,027,553	692,950	-	-
交易用途負債	Trading liabilities	1,385,886	1,385,886	-	-	-	-	-	-
已發行存款證	Certificates of deposit issued	4,121,408	-	-	-	3,309,352	812,056	-	-
已發行債務證券	Debt securities issued	2,333,727	-	20,800	-	2,312,927	-	-	-
債務資本	Loan capital	3,927,221	-	-	-	-	3,927,221	-	-
本期稅項	Current taxation	10,128	-	-	-	10,128	-	-	-
其他負債	Other liabilities	4,239,497	-	2,424,273	-	-	-	-	1,815,224
無註明日期負債	Undated liabilities	1,350	-	-	-	-	-	-	1,350
負債總額	Total liabilities	112,278,892	22,775,506	50,799,264	15,538,844	15,916,477	5,432,227	-	1,816,574
資產－負債差距	Asset – liability gap		(8,461,475)	(39,502,808)	(2,602,602)	2,778,884	32,544,225	22,354,348	

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(i) 根據餘下期間作出的資產及負債分析(續)

		本集團及本行 The Group and the Bank						
		二零零八年 2008						
		即時償還 總額 港幣千元 HK\$'000	1個月內 Repayable on demand 港幣千元 HK\$'000	1個月以上 Within 1 month 港幣千元 HK\$'000	3個月以上 3 months or less but over 1 month 港幣千元 HK\$'000	1年以上 1 year or less but over 3 months 港幣千元 HK\$'000	5年以上 5 years or less but over 1 year 港幣千元 HK\$'000	無註明日期 Over 5 years 港幣千元 HK\$'000 Undated 港幣千元 HK\$'000
其中：	Of which:							
持有的存款證	Certificates of deposit held							
—已計入可供出售證券	— included in available-for-sale securities	200,014	—	—	200,014	—	—	—
債務證券	Debt securities							
—已計入交易用途資產	— included in trading assets	619,782	—	—	—	—	619,782	—
—已計入指定為通過損益 以反映公允價值的證券	— included in securities designated at fair value through profit or loss	521,834	—	—	—	16,904	504,930	—
—已計入可供出售證券	— included in available-for-sale securities	19,219,141	—	600,451	5,263,821	5,316,979	6,036,518	1,999,180
		20,360,757	—	600,451	5,263,821	5,333,883	7,161,230	1,999,180
已發行存款證	Certificates of deposit issued							
—已計入非交易用途 已發行債務證券	— included in non-trading debt securities issued	3,623,714	—	—	—	3,309,352	314,362	—
—已計入指定為通過損益 以反映公允價值的 金融負債	— included in financial liabilities designated at fair value through profit or loss	497,694	—	—	—	—	497,694	—
		4,121,408	—	—	—	3,309,352	812,056	—

42. Financial Risk Management (cont'd)

(c) Liquidity risk management (cont'd)

(i) Analysis of assets and liabilities by remaining maturity (cont'd)

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(i) 根據餘下期間作出的資產及負債分析(續)

42. Financial Risk Management (cont'd)

(c) Liquidity risk management (cont'd)

(i) Analysis of assets and liabilities by remaining maturity (cont'd)

		本集團 The Group							
		二零零七年 2007							
		總額	即時償還	1個月內	1個月以上 至3個月	3個月以上 至1年	1年以上 至5年	5年以上	無註明日期
		Total	Repayable	Within	but over	but over	but over	Over	Undated
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	1,502,875	823,245	101,204	77,986	500,440	—	—	—
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	12,647,588	—	9,552,993	525,567	57,421	1,424,023	1,087,584	—
貿易票據	Trade bills	1,523,200	—	445,835	836,911	240,454	—	—	—
交易用途資產	Trading assets	3,479,009	899,542	—	—	948	1,086,007	248,653	1,243,859
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	531,025	—	—	—	—	531,025	—	—
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	67,751,338	1,564,930	1,958,699	5,381,822	7,865,500	29,116,210	18,942,826	2,921,351
可供出售證券	Available-for-sale securities	22,125,403	—	1,645,774	2,822,729	6,063,073	9,785,773	1,708,876	99,178
可回收稅項	Tax recoverable	71,248	—	—	—	71,248	—	—	—
無註明日期資產	Undated assets	1,151,391	—	—	—	—	—	—	1,151,391
資產總額	Total assets	110,783,077	3,287,717	13,704,505	9,645,015	14,799,084	41,943,038	21,987,939	5,415,779
負債	Liabilities								
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	1,539,030	282,145	882,462	171,293	203,130	—	—	—
客戶存款	Deposits from customers	84,018,313	18,569,905	51,534,648	11,061,862	2,290,713	561,185	—	—
交易用途負債	Trading liabilities	879,690	879,690	—	—	—	—	—	—
已發行存款證	Certificates of deposit issued	6,863,124	—	—	595,801	4,199,195	2,068,128	—	—
已發行債務證券	Debt securities issued	2,314,394	—	—	—	—	2,314,394	—	—
債務資本	Loan capital	3,926,390	—	—	—	—	3,926,390	—	—
本期稅項	Current taxation	6,760	—	—	—	6,760	—	—	—
其他負債	Other liabilities	1,596,952	—	310	—	—	—	—	1,596,642
負債總額	Total liabilities	101,144,653	19,731,740	52,417,420	11,828,956	6,699,798	8,870,097	—	1,596,642
資產－負債差距	Asset－liability gap		(16,444,023)	(38,712,915)	(2,183,941)	8,099,286	33,072,941	21,987,939	

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(i) 根據餘下期間作出的資產及負債分析(續)

		本集團及本行 The Group and the Bank							
		二零零七年 2007							
		總額 Total 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月以上 至3個月 3 months or less but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	無註明日期 Undated 港幣千元 HK\$'000
其中：	Of which:								
持有的存款證	Certificates of deposit held								
—已計入可供出售證券	— included in available-for-sale securities	150,033	—	—	—	150,033	—	—	—
債務證券	Debt securities								
—已計入交易用途資產	— included in trading assets	1,335,609	—	—	—	948	1,086,007	248,654	—
—已計入指定為通過損益 以反映公允價值的證券	— included in securities designated at fair value through profit or loss	531,025	—	—	—	—	531,025	—	—
—已計入可供出售證券	— included in available-for-sale securities	21,157,046	—	929,894	2,817,429	5,913,039	9,785,773	1,708,875	2,036
		23,023,680	—	929,894	2,817,429	5,913,987	11,402,805	1,957,529	2,036
已發行存款證	Certificates of deposit issued								
—已計入非交易用途 已發行債務證券	— included in non-trading debt securities issued	2,099,288	—	—	385,665	1,179,924	533,699	—	—
—已計入指定為通過損益 以反映公允價值的 金融負債	— included in financial liabilities designated at fair value through profit or loss	4,763,836	—	—	210,136	3,019,271	1,534,429	—	—
		6,863,124	—	—	595,801	4,199,195	2,068,128	—	—

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(i) 根據餘下期間作出的資產及負債分析(續)

42. Financial Risk Management (cont'd)

(c) Liquidity risk management (cont'd)

(i) Analysis of assets and liabilities by remaining maturity (cont'd)

		本行 The Bank							
		二零零八年 2008							
		總額 Total 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月以上 至3個月 3 months but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	無註明日期 Undated 港幣千元 HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	10,488,291	10,488,291	-	-	-	-	-	-
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	10,239,534	-	5,393,373	534,751	830,150	1,594,654	1,886,606	-
貿易票據	Trade bills	816,069	-	250,814	436,246	103,343	-	-	25,666
交易用途資產	Trading assets	2,062,967	1,435,311	-	-	-	619,782	-	7,874
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	521,834	-	-	-	16,904	504,930	-	-
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	67,425,537	2,121,042	3,468,175	6,234,707	10,879,555	26,895,638	14,993,215	2,833,205
可供出售證券	Available-for-sale securities	20,683,453	-	1,774,172	5,463,835	5,316,979	6,036,518	1,999,180	92,769
應收附屬公司款項	Amount due from subsidiaries	5,588,811	-	161,319	1,568,300	2,919,842	867,118	-	72,232
可回收稅項	Tax recoverable	163,773	-	-	-	163,773	-	-	-
無註明日期資產	Undated assets	2,367,811	-	-	-	-	-	-	2,367,811
資產總額	Total assets	120,358,080	14,044,644	11,047,853	14,237,839	20,230,546	36,518,640	18,879,001	5,399,557
負債	Liabilities								
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	815,820	196,158	234,589	240,073	145,000	-	-	-
客戶存款	Deposits from customers	94,289,144	20,827,141	48,010,498	15,193,336	9,565,219	692,950	-	-
交易用途負債	Trading liabilities	1,381,884	1,381,884	-	-	-	-	-	-
已發行存款證	Certificates of deposit issued	4,121,408	-	-	-	3,309,352	812,056	-	-
已發行債務證券	Debt securities issued	2,312,927	-	-	-	2,312,927	-	-	-
債務資本	Loan capital	1,937,504	-	-	-	-	1,937,504	-	-
應付附屬公司款項	Amount due to subsidiaries	2,292,317	132,710	81,088	2,971	1,651	1,937,504	-	136,393
本期稅項	Current taxation	4,958	-	-	-	4,958	-	-	-
其他負債	Other liabilities	3,950,939	-	2,424,273	-	-	-	-	1,526,666
無註明日期負債	Undated liabilities	34	-	-	-	-	-	-	34
負債總額	Total liabilities	111,106,935	22,537,893	50,750,448	15,436,380	15,339,107	5,380,014	-	1,663,093
資產－負債差距	Asset – liability gap		(8,493,249)	(39,702,595)	(1,198,541)	4,891,439	31,138,626	18,879,001	

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(i) 根據餘下期間作出的資產及負債分析(續)

		本行 The Bank							
		二零零七年 2007							
		總額 Total 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月以上 至3個月 3 months or less but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	無註明日期 Undated 港幣千元 HK\$'000
資產	Assets								
現金及在銀行、中央銀行及 其他金融機構的結存	Cash and balances with banks, central banks and other financial institutions	1,409,752	730,122	101,204	77,986	500,440	-	-	-
在銀行、中央銀行及 其他金融機構的存款 及墊款	Placements with and advances to banks, central banks and other financial institutions	12,563,176	-	9,468,581	525,567	57,421	1,424,023	1,087,584	-
貿易票據	Trade bills	1,523,200	-	445,835	836,911	240,454	-	-	-
交易用途資產	Trading assets	3,479,009	899,542	-	-	948	1,086,007	248,653	1,243,859
指定為通過損益 以反映公允價值的證券	Securities designated at fair value through profit or loss	531,025	-	-	-	-	531,025	-	-
客戶貸款及墊款及 其他賬項	Loans and advances to customers and other accounts	63,578,005	1,564,226	1,865,330	5,141,811	7,542,354	27,478,790	17,096,924	2,888,570
可供出售證券	Available-for-sale securities	22,125,402	-	1,645,774	2,822,729	6,063,073	9,785,774	1,708,875	99,177
應收附屬公司款項	Amount due from subsidiaries	3,154,136	-	26,730	1,320,704	1,668,917	77,986	-	59,799
可回收稅項	Tax recoverable	67,109	-	-	-	67,109	-	-	-
無註明日期資產	Undated assets	1,846,664	-	-	-	-	-	-	1,846,664
資產總額	Total assets	110,277,478	3,193,890	13,553,454	10,725,708	16,140,716	40,383,605	20,142,036	6,138,069
負債	Liabilities								
銀行及其他金融機構的 存款及結存	Deposits and balances of banks and other financial institutions	1,202,903	282,144	847,962	72,575	222	-	-	-
客戶存款	Deposits from customers	83,919,751	18,569,905	51,484,810	11,061,862	2,241,989	561,185	-	-
交易用途負債	Trading liabilities	879,690	879,690	-	-	-	-	-	-
已發行存款證	Certificates of deposit issued	6,863,124	-	-	595,801	4,199,195	2,068,128	-	-
已發行債務證券	Debt securities issued	2,314,394	-	-	-	-	2,314,394	-	-
債務資本	Loan capital	1,949,652	-	-	-	-	1,949,652	-	-
應付附屬公司款項	Amount due to subsidiaries	2,357,533	68,717	197,601	2,896	1,619	1,949,652	-	137,048
本期稅項	Current taxation	5,243	-	-	-	5,243	-	-	-
其他負債	Other liabilities	1,347,943	-	310	-	-	-	-	1,347,633
負債總額	Total liabilities	100,840,233	19,800,456	52,530,683	11,733,134	6,448,268	8,843,011	-	1,484,681
資產－負債差距	Asset－liability gap		(16,606,566)	(38,977,229)	(1,007,426)	9,692,448	31,540,594	20,142,036	

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(ii) 金融負債剩餘期限分析

以下的剩餘期限分析顯示本集團及本行的金融負債的最早可能的合約到期日之餘下期間為準的未折現現金流量。

		本集團 The Group						
		二零零八年 2008						
				1個月以上 至3個月 3 months or less 1 month but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less 3 months but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less 1 year but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	934,092	196,158	234,704	241,549	261,681	-	-
客戶存款	Deposits from customers	95,875,227	21,193,462	48,283,716	15,384,058	10,320,289	693,702	-
已發行存款證	Certificates of deposit issued	4,201,357	-	13,686	13,699	3,357,933	816,039	-
已發行債務證券	Debt securities issued	2,444,628	-	20,811	-	2,423,817	-	-
債務資本	Loan capital	4,880,474	-	-	18,642	232,724	4,629,108	-
衍生金融工具	Derivative financial instruments	1,234,918	-	22,446	53,560	381,067	777,845	-
		109,570,696	21,389,620	48,575,363	15,711,508	16,977,511	6,916,694	-

		本集團 The Group						
		二零零七年 2007						
				1個月以上 至3個月 3 months or less 1 month but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less 3 months but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less 1 year but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000	
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	1,542,241	282,145	884,766	172,200	203,130	-	-
客戶存款	Deposits from customers	84,417,270	18,569,905	51,727,125	11,183,435	2,375,604	561,201	-
已發行存款證	Certificates of deposit issued	7,110,635	-	8,733	658,111	4,288,582	2,155,209	-
已發行債務證券	Debt securities issued	2,540,657	-	-	-	100,537	2,440,120	-
債務資本	Loan capital	5,386,524	-	-	78,809	236,426	5,071,289	-
衍生金融工具	Derivative financial instruments	481,768	-	2,660	16,461	129,410	332,430	807
		101,479,095	18,852,050	52,623,284	12,109,016	7,333,689	10,560,249	807

42. 金融風險管理(續)

(c) 流動資金風險管理(續)

(ii) 金融負債剩餘期限分析(續)

		本行 The Bank						
		二零零八年 2008						
		現金流量總額 Gross cash flows 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月以上 至3個月 3 months or less but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	821,762	196,158	234,704	241,549	149,351	-	-
客戶存款	Deposits from customers	94,645,450	20,827,141	48,173,409	15,278,503	9,672,695	693,702	-
已發行存款證	Certificates of deposit issued	4,201,357	-	13,686	13,699	3,357,933	816,039	-
已發行債務證券	Debt securities issued	2,423,817	-	-	-	2,423,817	-	-
債務資本	Loan capital	2,235,782	-	-	18,642	55,927	2,161,213	-
衍生金融工具	Derivative financial instruments	1,234,918	-	22,446	53,560	381,067	777,845	-
應付附屬公司款項	Amount due to subsidiaries	2,756,065	132,710	81,089	2,974	1,660	2,537,632	-
		108,319,151	21,156,009	48,525,334	15,608,927	16,042,450	6,986,431	-

		本行 The Bank						
		二零零七年 2007						
		現金流量總額 Gross cash flows 港幣千元 HK\$'000	即時償還 Repayable on demand 港幣千元 HK\$'000	1個月內 Within 1 month 港幣千元 HK\$'000	1個月以上 至3個月 3 months or less but over 1 month 港幣千元 HK\$'000	3個月以上 至1年 1 year or less but over 3 months 港幣千元 HK\$'000	1年以上 至5年 5 years or less but over 1 year 港幣千元 HK\$'000	5年以上 Over 5 years 港幣千元 HK\$'000
銀行及其他金融機構的存款及結存	Deposits and balances of banks and other financial institutions	1,205,561	282,145	850,187	73,007	222	-	-
客戶存款	Deposits from customers	84,314,679	18,569,905	51,676,086	11,182,088	2,325,399	561,201	-
已發行存款證	Certificates of deposit issued	7,110,635	-	8,733	658,111	4,288,582	2,155,209	-
已發行債務證券	Debt securities issued	2,540,657	-	-	-	100,537	2,440,120	-
債務資本	Loan capital	2,636,296	-	-	34,332	102,997	2,498,967	-
衍生金融工具	Derivative financial instruments	481,768	-	2,660	16,461	129,410	332,430	807
應付附屬公司款項	Amount due to subsidiaries	3,131,024	380,796	-	44,477	133,429	2,572,322	-
		101,420,620	19,232,846	52,537,666	12,008,476	7,080,576	10,560,249	807

42. 金融風險管理(續)

(d) 業務操作風險管理

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

本行的董事會透過設立信貸及風險管理委員會，以便：

- 知悉其應作為獨立的風險類別加以管理的主要業務操作風險；
- 核准和定期檢討本行業務操作風險管理架構；及
- 確保本行高級管理層已施行業務操作風險管理的政策、進程及程序。

本行的高級管理層透過設立業務操作及控制委員會，以確保：

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

風險管理部透過設立業務操作風險管理部門，以便：

- 協調本行內部的業務操作風險管理活動，並且以獨立和集中的職能監察這些風險；
- 就業務操作風險管理和控制，發展及管理本行整體上適用的政策和程序；及
- 確保個別業務類別和職能所用的業務操作風險評估工具和匯報系統在設計和實施方面的充足度。

42. Financial Risk Management (cont'd)

(d) Operational risk management

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

The Bank's Board of Directors through the establishment of CRMC:

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

The Bank's senior management, through the establishment of the Operations and Control Committee ("OCC"):

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

The RMG has established the Operational Risk Management Section:

- to coordinate operational risk management activities across the Bank and to monitor these risks as an independent and centralised function;
- to develop and monitor bank-wide policies and procedures in relation to operational risk management and control; and
- to ensure adequacy of design and implementation of operational risk assessment methodology tool and reporting system within individual business lines and functional units.

42. 金融風險管理(續)

(d) 業務操作風險管理(續)

現時，本行以不同的方法管理業務操作風險，例如：

- 設立及核准業務操作風險管理政策，包括業務操作風險管理架構以確保業務操作風險可一致及廣泛地確定、評估、監察和控制。
- 以一系列政策、程序、進程及指引管理重要的業務操作風險。
- 研製不同業務操作風險管理計劃，例如自我評估測試及主要風險指引以協助本行確定、評估、減低及匯報業務操作風險，並定期更新、擴展和提升。
- 每年更新及複核業務操作及技術政策和程序手冊，以確保所有程序皆經過充分的考慮和界定。
- 制定人力資源政策和執行守則，以界定員工正確的營運工作行為並加以鼓勵，並且確保員工擁有所需的資歷和培訓。
- 在本行高級管理層審批前，由各功能小組評估新產品和服務，以確保該新產品或服務在推出前能充分得到相關員工、程序及技術上的支援。
- 每年設定和測試重大突發事件的應變和業務延續計劃。測試事項包括如因失火或其他事項所導致的資料庫嚴重故障。而業務操作地點倒塌及由市場傳聞或其他原因而引致的突然大規模擠提等這些事件會每半年測試一次。
- 審計部定期獨立地對本行之內部監控系統作出檢討以確保系統的足夠度及有效性。審核覆蓋所有主要監控系統，並包括金融、業務和合規管理及風險管理功能。

42. Financial Risk Management (cont'd)

(d) Operational risk management (cont'd)

The Bank currently manages its operational risks through a number of ways:

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

42. 金融風險管理(續)

(e) 資本管理

金管局制定及監察本集團銀行整體的資本規定。為了實行當前的資本規定，金管局要求本集團須維持一個總資本對總風險加權資產的設定比率。本集團採用標準計算法以計算其在持倉交易盤及信貸風險加權的市場風險，而業務操作風險則採用基本指標法。銀行業務被歸類為交易賬項或銀行賬項，而風險加權資產是按照嘗試反映資產所附帶的不同風險程度和資產負債表外風險承擔的指明規定加以釐定。

除了符合監管規定外，本集團管理資本的主要目的還有維護其持續經營的能力，從而繼續為股東提供回報，並為其他利益相關者提供利益。

本集團積極及定期檢討和管理其資本架構，以在維持較高槓桿比率可能帶來的高股東回報與穩健資本狀況的優點和保證之間取得平衡，並因應不同的經濟狀況為資本架構作出調整。

按照行業慣常做法，本集團以資本充足比率監管其資本架構，而於年內，本集團的資本管理政策並無重大變動。

於二零零八年十二月三十一日的資本充足比率是本行及其若干附屬公司根據金管局為監管而要求的綜合基準計算，並已遵照《銀行業(資本)規則》。

截至二零零八年及二零零七年十二月三十一日止年度，本集團及其個別受監管的業務均一直遵守所有外部施加的資本規定，且有關資本水平一直遠高於金管局要求的最低比率。

42. Financial Risk Management (cont'd)

(e) Capital management

The HKMA sets and monitors capital requirements for the Group as a whole. In implementing current capital requirements the HKMA requires the Group to maintain a prescribed ratio of total capital to total risk-weighted assets. The Group adopts standardised approach to calculate market risk in its trading portfolios, risk weightings for credit risk and basic indicator approach for operational risk. Banking operations are categorised as either trading or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

In addition to meeting the regulatory requirements, the Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other shareholders.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might otherwise be possible with greater gearing and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of the capital adequacy ratio and there have been no material changes in the Group's policy on the management of capital during the year.

The capital adequacy ratios as at 31 December 2008 are computed on the consolidated basis of the Bank and certain of its subsidiaries as specified by the HKMA for its regulatory purposes, and are in accordance with the Banking (Capital) Rules of the Hong Kong Banking Ordinance.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year ended 31 December 2008 and 2007 and is well above the minimum required ratio set by the HKMA.

42. 金融風險管理(續)

(f) 法律風險管理

本行緊貼所有適用於其管治及營運的最新法律和監管規定，不斷致力培育員工，以及提升系統和程序，以建立警覺意識和推行必要的變動。本行亦經常根據有關法律和監管規定制定政策和程序，並不時進行檢討，並以內部溝通及培訓的形式傳遞這些政策。本行亦設立了一項有力的程序以確保有效地控制法律風險，如有任何重大未合規事件發生，法律及合規職能部門會匯報於本行的審核委員會及高級管理層。

本行的法律及合規部在本行的運作扮演著極為重要的角色，並為各部門提供法律與合規的意見及支援。在二零零八年，法律及合規部積極參與本行推出的新產品及事務，重要的策略性交易及商業合約、外匯合約、以及為本行處理其遍及不同地域及範疇商業活動的日常事務。除此，二零零八年是甚具挑戰的一年，因金融市場及制度正面對前所未見的壓力，如未能預期在監管上對銀行業的監督及投資者保護作出基礎性的改變，金融市場及制度於二零零九年仍會面對重大的壓力。法律及合規部將繼續就本行的需要提供意見及支援以盡力克服現時環境轉變所帶來的挑戰。

(g) 策略性及聲譽風險管理

策略性風險管理是源自本行為建立、支持及拖行有關長期增長及發展的策略性決定所付出的努力。聲譽風險管理則源自本行致力保護其品牌及業務經營權免除由有關本行經營慣例、行為或財務狀況的負面公眾消息所導致的潛在損害。

本行的信貸及風險管理委員會定期開會，監察和管理本行的策略性及聲譽風險。本行高級管理層認為當前要務是確保能妥善制定及執行業務和營運策略，並以專業手法及按合適時機進行。此等策略會定時作出檢討以使本行能與不斷變化的營運及監管環境同步並進。本行以銀行整體基礎為業務重點，連同一些能清楚配合支持本行策略的個別業務及職能單位，可計量的目標會分配到不同單位以確保能完善執行。本行亦非常關注保護本行的聲譽及加強其品牌效應達至最大效益，此需要持續致力監管及確保客戶的滿意度、營運的效率、法律與監管的合規性、與公眾的溝通及發佈的管理等方面能維持高水平。

42. Financial Risk Management (cont'd)

(f) Legal risk management

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

The Legal and Compliance Department ("LCD") has been a key partner in the business, providing legal and compliance advice and support to all parts of the Bank. In 2008, LCD was actively involved in launching new products and new business, strategically important transactions and commercial agreements, outsourcing arrangement as well as day-to-day matters arising from the business that is diverse both geographically and in scope. In addition, 2008 has been a particularly challenging year as financial markets and systems have been stressed beyond levels seen in recent memory. In 2009, these stresses will continue to be significant if not fundamental changes can be expected in the regulatory approach as to how banks are supervised and in the area of investor protection. LCD will continue to provide the advice and support that the Bank will require as it strives to meet the challenges these changes will present.

(g) Strategic and reputational risks management

Strategic risk management refers to the Bank's efforts to develop, uphold and implement strategic decisions related to its long-term growth and development. Reputational risk management refers to the Bank's efforts to protect its brand name and business franchise from any potential damages arising from negative publicity about its business practices, conduct or financial condition.

The CRMC of the Bank meets regularly to monitor and oversee the Bank's strategic and reputational risks. High priority is placed by senior management to ensure that the Bank's business and operational strategies are appropriately defined and executed in a professional and time-relevant manner. Such strategies are reviewed on a regular basis to enable the Bank to make timely responses to changes in its operating and regulatory environment. Business priorities are set on a bank-wide basis as well as for individual business and functional units which are clearly aligned to support the Bank's strategies, and measurable targets are assigned to ensure executional excellence. Great care is also taken to protect the Bank's reputation and to maximise its brand equity. This involves on-going efforts to monitor and ensure high standards in customer satisfaction, operational efficiencies, legal and regulatory compliance, public communications and issues management, etc.

43. 公允價值資料

(a) 公允價值的估計

在可以獲得相關資料的情況下，計算公允價值的最適當方法是可觀察的市場報價。由於大部份金融工具(尤其是貸款、存款及非上市衍生工具)均沒有可觀察的市場報價，公允價值是根據多項有關各種金融工具的風險特質、折現率、未來現金流量估計、未來預期損失經驗及其他因素的現時市場參數方法及假設作出估計。再者，公允價值是於所給予的匯報日期所應用的理論價值，因此只可用作為未來出售時實現價值的指標。不確定性及假設的變動可嚴重影響這些估計及所產生的公允價值估計。

(b) 公允價值

除另有說明外，所有金融工具均以公允價值列賬，或以與二零零八年及二零零七年十二月三十一日的公允價值差別不大的賬面值列賬。

(i) 金融資產

本集團的金融資產主要包括現金、銀行、中央銀行及其他金融機構存款、客戶貸款及墊款、投資及金融衍生工具。

銀行、中央銀行及其他金融機構存款的公允價值主要按照市場利率定價，並於一年內到期。因此，賬面值與公允價值相若。

客戶貸款及墊款的公允價值經考慮有關市場利率及通常按照接近市場利率的浮動利率定價，並主要於三個月內重新定價，故相等於其賬面值。

交易用途資產、指定為通過損益以反映公允價值的證券及可供出售證券在財務報表內以公允價值列賬。

43. Fair Value Information

(a) Estimation of fair values

Where available, the most suitable measure for fair value is the quoted and observable market prices. In the absence of such quoted and observable market prices for most financial instruments, and in particular for loans, deposits and unlisted derivatives, the fair values are estimated based on a range of valuation, current market parameters methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors. In particular, the fair value is a theoretical value applicable at a given reporting date, and hence can only be used as an indicator of the value realisable in a future sale. Changes in the uncertainties and assumptions could materially affect these estimates and the resulting fair value estimates.

(b) Fair value

All financial instruments are stated at fair value or carried at amounts not materially different from their fair values as at 31 December 2008 and 2007 unless otherwise stated.

(i) Financial assets

The Group's financial assets mainly include cash, placements with banks, central banks and other financial institutions, loans and advances to customers, investments and financial derivative instruments.

The fair values of placements with banks, central banks and other financial institutions are mainly priced at market interest rates and mature within one year. Accordingly, the carrying values approximate the fair values.

The fair values of loans and advances to customers, taking into account the relevant market interest rates and being mostly priced at floating rates close to the market interest rate which are mainly repriced within 3 months, equal their carrying amounts.

Trading assets, securities designated at fair value through profit or loss and available-for-sale securities are stated at fair value in the financial statements.

43. 公允價值資料(續)

(b) 公允價值(續)

(ii) 金融負債

除下述者外，所有金融負債均以公允價值呈列或按照與其於二零零八年及二零零七年十二月三十一日的公允價值分別不大的賬面值入賬：

		本集團 The Group			
		二零零八年 2008		二零零七年 2007	
		賬面金額 Carrying amount 港幣千元 HK\$'000	公允價值 Fair value 港幣千元 HK\$'000	賬面金額 Carrying amount 港幣千元 HK\$'000	公允價值 Fair value 港幣千元 HK\$'000
已發行債務證券	Debt securities issued	2,333,727	2,279,666	2,314,394	2,335,371
債務資本	Loan capital	3,927,221	3,982,034	3,926,390	4,155,545
		6,260,948	6,261,700	6,240,784	6,490,916

		本行 The Bank			
		二零零八年 2008		二零零七年 2007	
		賬面金額 Carrying amount 港幣千元 HK\$'000	公允價值 Fair value 港幣千元 HK\$'000	賬面金額 Carrying amount 港幣千元 HK\$'000	公允價值 Fair value 港幣千元 HK\$'000
已發行債務證券	Debt securities issued	2,312,927	2,258,867	2,314,394	2,335,371
債務資本	Loan capital	1,937,504	1,941,164	1,949,652	1,950,918
		4,250,431	4,200,031	4,264,046	4,286,289

44. 衍生工具

使用衍生工具作自營買賣和出售予客戶作為風險管理產品是本集團經營業務的一個重要部份。作為資產與負債管理流程的一環，這些工具也會用作管理本集團本身所承擔的市場風險。本集團所用的主要衍生工具為與利率和匯率相關的合約，主要為場外交易的衍生工具。本集團也會簽訂場內買賣的衍生工具合約。本集團大多為符合客戶的要求和作對沖及買賣用途而持有衍生工具倉盤。就會計目的而言，衍生工具均劃歸為持作買賣或持作對沖。

43. Fair Value Information (cont'd)

(b) Fair value (cont'd)

(ii) Financial liabilities

All financial liabilities are stated at fair value or carried at amounts not materially different from their fair values as at 31 December 2008 and 2007 except as follows:

44. Derivatives

The use of derivatives for proprietary trading and their sale to customers as risk management products is an integral part of the Group's business activities. These instruments are also used to manage the Group's own exposures to market risk as part of its asset and liability management process. The principal derivatives instruments used by the Group are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives. The Group also participates in exchange traded derivatives. Most of the Group's derivatives positions have been entered into to meet customer demand and to hedge these and other trading positions. For accounting purposes, derivatives are classified as either held for trading or held for hedging.

44. 衍生工具(續)

(a) 衍生工具的名義金額

衍生工具是指根據一項或多項相關資產或指數的價值來釐定其價值的財務合約。這些工具的名義數額代表未完成的交易額，並不代表風險數額。

以下是本集團及本行各種主要衍生工具的名義金額概要：

44. Derivatives (cont'd)

(a) Notional amounts of derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices. The notional amounts of these investments indicate the value of outstanding transactions and do not represent amounts at risk.

The following is a summary of the notional amounts of each significant type of derivatives entered into by the Group and the Bank:

		本集團 The Group							
		二零零八年 2008				二零零七年 2007			
		與指定為通過損益 以反映公允價值的 金融工具一 併進行管理 Managed in conjunction with financial instruments				與指定為通過損益 以反映公允價值的 金融工具一 併進行管理 Managed in conjunction with financial instruments			
		為對沖持有 Held for hedging	designated at fair value through profit or loss	其他 (包括持作買賣) Others (including held for trading)	總額 Total	為對沖持有 Held for hedging	designated at fair value through profit or loss	其他 (包括持作買賣) Others (including held for trading)	總額 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
匯率衍生工具	Currency derivatives								
遠期交易	Forwards	-	-	11,091,168	11,091,168	-	-	21,114,508	21,114,508
掉期交易	Swaps	-	78,000	29,252,333	29,330,333	-	78,000	32,681,133	32,759,133
買入期權	Options purchased	-	-	138,112	138,112	-	-	624,865	624,865
賣出期權	Options written	-	-	137,770	137,770	-	-	624,865	624,865
利率衍生工具	Interest rate derivatives								
掉期交易	Swaps	3,123,755	664,950	41,442,694	45,231,399	3,674,725	5,337,675	22,504,576	31,516,976
股權衍生工具	Equity derivatives								
掉期交易	Swaps	-	-	41,600	41,600	-	-	-	-
		3,123,755	742,950	82,103,677	85,970,382	3,674,725	5,415,675	77,549,947	86,640,347

44. 衍生工具(續)

(a) 衍生工具的名義金額(續)

		本行 The Bank							
		二零零八年 2008				二零零七年 2007			
		與指定為通過損益 以反映公允價值的 金融工具一 併進行管理 Managed in conjunction with financial instruments				與指定為通過損益 以反映公允價值的 金融工具一 併進行管理 Managed in conjunction with financial instruments			
		為對沖持有 Held for hedging	designated at fair value through profit or loss	其他 (包括持作買賣) Others (including held for trading)	總額 Total	為對沖持有 Held for hedging	designated at fair value through profit or loss	其他 (包括持作買賣) Others (including held for trading)	總額 Total
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
匯率衍生工具	Currency derivatives								
遠期交易	Forwards	-	-	10,771,684	10,771,684	-	-	21,114,508	21,114,508
掉期交易	Swaps	-	78,000	29,252,333	29,330,333	-	78,000	32,681,133	32,759,133
買入期權	Options purchased	-	-	138,112	138,112	-	-	624,865	624,865
賣出期權	Options written	-	-	137,770	137,770	-	-	624,865	624,865
利率衍生工具	Interest rate derivatives								
掉期交易	Swaps	3,123,755	664,950	41,442,694	45,231,399	3,674,725	5,337,675	22,504,576	31,516,976
股權衍生工具	Equity derivatives								
掉期交易	Swaps	-	-	41,600	41,600	-	-	-	-
		3,123,755	742,950	81,784,193	85,650,898	3,674,725	5,415,675	77,549,947	86,640,347

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

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

44. 衍生工具(續)

(b) 衍生工具的公允價值及信用風險加權數額

44. Derivatives (cont'd)

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

		本集團 The Group					
		二零零八年 2008			二零零七年 2007		
		公允價值 資產 Fair value assets 港幣千元 HK\$'000	公允價值 負債 Fair value liabilities 港幣千元 HK\$'000	信用風險 加權數額 Credit risk- weighted amount 港幣千元 HK\$'000	公允價值 資產 Fair value assets 港幣千元 HK\$'000	公允價值 負債 Fair value liabilities 港幣千元 HK\$'000	信用風險 加權數額 Credit risk- weighted amount 港幣千元 HK\$'000
利率衍生工具	Interest rate derivatives	994,046	1,076,592	707,634	319,870	394,222	231,334
匯率衍生工具	Currency derivatives	435,759	301,009	234,980	579,672	485,468	685,435
股權衍生工具	Equity derivatives	8,285	8,285	9,665	—	—	—
		1,438,090	1,385,886	952,279	899,542	879,690	916,769
(附註/note 19) (附註/note 28)				(附註/note 19) (附註/note 28)			

		本行 The Bank					
		二零零八年 2008			二零零七年 2007		
		公允價值 資產 Fair value assets 港幣千元 HK\$'000	公允價值 負債 Fair value liabilities 港幣千元 HK\$'000	信用風險 加權數額 Credit risk- weighted amount 港幣千元 HK\$'000	公允價值 資產 Fair value assets 港幣千元 HK\$'000	公允價值 負債 Fair value liabilities 港幣千元 HK\$'000	信用風險 加權數額 Credit risk- weighted amount 港幣千元 HK\$'000
利率衍生工具	Interest rate derivatives	994,046	1,076,592	707,634	319,870	394,222	231,334
匯率衍生工具	Currency derivatives	432,980	297,007	231,815	579,672	485,468	685,435
股權衍生工具	Equity derivatives	8,285	8,285	9,665	—	—	—
		1,435,311	1,381,884	949,114	899,542	879,690	916,769
(附註/note 19) (附註/note 28)				(附註/note 19) (附註/note 28)			

44. 衍生工具(續)

(b) 衍生工具的公允價值及信用風險加權數額(續)

信貸風險加權數額是指按照《銀行業(資本)規則》有關資本充足的要求，並取決於交易對手的財政狀況及到期的情況下計算。或有負債及承擔的風險加權由 0% 至 150% 不等(二零零七年：0% 至 150%)，而匯率、利率及其他衍生工具合約則由 0% 至 150% 不等(二零零七年：0% 至 150%)。

本集團沒有在年內訂立任何雙邊淨額結算安排，因此，上述數額是以總額列示。

(c) 指定為對沖工具的衍生工具的公允價值

以下是本集團及本行持作對沖用途的衍生工具按產品類別劃分的公允價值概要：

		本集團及本行 The Group and the Bank			
		二零零八年 2008		二零零七年 2007	
		公允價值資產 Fair value assets	公允價值負債 Fair value liabilities	公允價值資產 Fair value assets	公允價值負債 Fair value liabilities
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
利率合約	Interest rate contracts	57,192	196,015	26,628	127,597

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

44. Derivatives (cont'd)

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

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

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

(c) Fair value of derivatives designated as hedging instruments

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

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

44. 衍生工具(續)

(d) 衍生工具的餘下年期

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

44. Derivatives (cont'd)

(d) Remaining life of derivatives

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

		本集團 The Group							
		二零零八年 2008 餘下年期的名義金額 Notional amounts with remaining life of				二零零七年 2007 餘下年期的名義金額 Notional amounts with remaining life of			
		1年或以下 1年以上至5年 總額 1 year or Over 1 year 5年以上 Total less to 5 years Over 5 years 港幣千元 港幣千元 港幣千元 港幣千元 HK\$'000 HK\$'000 HK\$'000 HK\$'000				1年或以下 1年以上至5年 總額 1 year or Over 1 year 5年以上 Total less to 5 years Over 5 years 港幣千元 港幣千元 港幣千元 港幣千元 HK\$'000 HK\$'000 HK\$'000 HK\$'000			
利率衍生工具	Interest rate derivatives	45,231,399	13,426,714	31,804,685	–	31,516,976	4,106,558	27,098,474	311,944
匯率衍生工具	Currency derivatives	40,697,383	40,434,250	263,133	–	55,123,371	51,017,338	4,106,033	–
股權衍生工具	Equity derivatives	41,600	41,600	–	–	–	–	–	–
		85,970,382	53,902,564	32,067,818	–	86,640,347	55,123,896	31,204,507	311,944

		本行 The Bank							
		二零零八年 2008 餘下年期的名義金額 Notional amounts with remaining life of				二零零七年 2007 餘下年期的名義金額 Notional amounts with remaining life of			
		1年或以下 1年以上至5年 總額 1 year or Over 1 year 5年以上 Total less to 5 years Over 5 years 港幣千元 港幣千元 港幣千元 港幣千元 HK\$'000 HK\$'000 HK\$'000 HK\$'000				1年或以下 1年以上至5年 總額 1 year or Over 1 year 5年以上 Total less to 5 years Over 5 years 港幣千元 港幣千元 港幣千元 港幣千元 HK\$'000 HK\$'000 HK\$'000 HK\$'000			
利率衍生工具	Interest rate derivatives	45,231,399	13,426,714	31,804,685	–	31,516,976	4,106,558	27,098,474	311,944
匯率衍生工具	Currency derivatives	40,377,899	40,114,766	263,133	–	55,123,371	51,017,338	4,106,033	–
股權衍生工具	Equity derivatives	41,600	41,600	–	–	–	–	–	–
		85,650,898	53,583,080	32,067,818	–	86,640,347	55,123,896	31,204,507	311,944

45. 或有資產、負債及承擔

(a) 提供信貸的或有負債及承擔

以下是每類主要或有負債及承擔的合約金額概要：

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
直接信貸代替品	Direct credit substitutes	4,818,512	4,391,322	4,818,512	4,391,322
與交易有關的或有項目	Transaction-related contingencies	357,938	576,339	357,938	576,339
與貿易有關的或有項目	Trade-related contingencies	989,214	1,746,636	900,234	1,746,636
其他承擔：	Other commitments:				
— 銀行可無條件 取消或在借款人的 信貸狀況轉壞時可自動 取消	— which are unconditionally cancellable or automatically cancellable due to deterioration in the creditworthiness of the borrower	18,894,280	15,921,154	18,894,280	15,921,154
— 原到期日在1年或 以下	— with an original maturity of not more than 1 year	4,258,945	3,551,324	4,189,858	3,545,109
— 原到期日在1年 以上	— with an original maturity of more than 1 year	3,468,674	3,488,150	3,135,414	3,440,819
		32,787,563	29,674,925	32,296,236	29,621,379
信貸風險加權數額	Credit risk-weighted amounts	5,269,794	4,472,023	5,072,364	4,447,751

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

用於計算信用風險加權數額的風險加權由 0% 至 150% (二零零七年：0% 至 150%) 不等。

45. Contingent Assets, Liabilities And Commitments

(a) Contingent liabilities and commitments to extend credit

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

Contingent liabilities and commitments are credit-related instruments which include forward deposits placed, letters of credit, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contract amounts do not represent expected future cash flows.

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

45. 或有資產、負債及承擔(續)

(b) 資本承擔

於二零零八年十二月三十一日，因購入物業及設備而引起又未在財務報表內提撥準備的資本承擔如下：

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
已授權及訂約	Authorised and contracted for	20,620	3,484	19,356	3,391
已授權但未訂約	Authorised but not contracted for	23,138	58,100	23,138	58,100
		43,758	61,584	42,494	61,491

(c) 租賃承擔

於二零零八年十二月三十一日，根據不可解除經營租賃應付的未來最低租金總額如下：

		本集團 The Group		本行 The Bank	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000	二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
物業租賃於 以下期間期滿：	Properties leases expiring:				
1年內	Within 1 year	83,298	92,061	74,750	87,722
1年至5年	After 1 year but within 5 years	259,198	254,291	252,131	249,336
5年後	After 5 years	87,826	259,567	87,826	259,567
		430,322	605,919	414,707	596,625
設備租賃於 以下期間期滿：	Equipment leases expiring:				
1年內	Within 1 year	4,658	4,576	3,648	4,576
1年至5年	After 1 year but within 5 years	3,494	4,990	1,681	4,990
		8,152	9,566	5,329	9,566

本集團及本行通過經營租賃的方式租借多項物業及設備。有關物業及設備的最初租賃期一般為一至九年，可於續期時重新商定所有條款。以上租賃均不涉及或有租金。

45. Contingent Assets, Liabilities And Commitments

(cont'd)

(b) Capital commitments

Capital commitments for purchase of properties and equipment outstanding at 31 December 2008 not provided for in the financial statements were as follows:

(c) Lease commitments

At 31 December 2008, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

The Group and the Bank lease a number of properties and items of equipment under operating leases. The leases typically run for an initial period of one to nine years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

45. 或有資產、負債及承擔(續)

(d) 有關法律申索的或有負債

本集團及其附屬公司並沒有牽涉任何可能對其財政狀況構成重大影響的法律行動。

46. 非調整結算日後事項

於二零零九年一月本集團與 Farmington Finance Limited(「Farmington」)的高級債務提供者訂立第二份信用違約掉期合約，為此高級債務提供者所提供缺乏表現的Farmington有期貨款作出部份信貸保護。根據信用違約掉期兩份合約的條款，本集團現時需要承擔首項虧損不多於投資組合票面值456,000,000美元(二零零七年：347,300,000美元)，等值港幣3,535,700,000元(二零零七年：港幣2,708,300,000元)。

47. 信託活動

本集團通常擔任受託人及以其他受信人身份，代表個別人士、信託、退休福利計劃及其他機構持有或存放資產。由於這些資產並非本集團的資產，故這些資產及其產生的收入不包括在本財務報表內。

48. 直接母公司及最終控權方

董事會認為，本集團於二零零八年十二月三十一日的直接母公司為在香港註冊成立的中信國際金融控股有限公司，而本集團最終控權方為在中華人民共和國註冊成立的中國中信集團公司。

45. Contingent Assets, Liabilities And Commitments

(cont'd)

(d) Contingent liability in respect of legal claim

The Group and its subsidiaries are not involved in any legal actions that would be material to the financial position of the Group.

46. Non-adjusting Post Balance Sheet Events

In January 2009 the Group entered into a second credit default swap ("CDS") with the senior loan provider of Farmington Finance Limited ("Farmington") as a partial credit protection against non-performance of a term loan to Farmington provided by this senior loan provider. Under the terms of the two CDS entered, the Group is now responsible for the first loss of the portfolio up to a notional value of US\$456 million (2007: US\$347.3 million) equivalent to HK\$3,535.7 million (2007: HK\$2,708.3 million).

47. Trust Activities

The Group commonly acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these financial statements, as they are not assets of the Group.

48. Immediate Parent And Ultimate Controlling Party

At 31 December 2008, the directors consider the immediate parent of the Group to be CITIC International Financial Holdings Limited, which is incorporated in Hong Kong, and the ultimate controlling party of the Group to be CITIC Group, which is incorporated in the People's Republic of China.

49. 會計估計及判斷

管理層編製財務報表時，需要就財務報表日的資產及負債的匯報數額及或有資產及負債的披露，以及呈報年度收入及支出的匯報數額等作出估計及假設。假設變更可能會對更改假設期間的財務報表構成重大影響。應用假設及估計表示選擇任何不同的假設均可導致本集團的匯報有差異。本集團相信所作假設屬適當，故財務報表在各重大方面均公允地呈報財政狀況及業績。

管理層曾與審核委員會討論本集團主要會計政策及估計的制定、選擇及披露原則，以及這些政策及估計的應用。

估計不可確定因素的主要來源

附註25(c)和附註38載有關於投資物業評估和已授予購股權公允價值的假設及風險因素。其他估計不可確定因素的主要來源如下：

(i) 減值虧損

貸款及墊款

貸款組合會定期檢討，以評估減值虧損是否存在。本集團會判斷貸款組合是否存在任何減值的客觀證據(即估計未來現金流量是否減少)。減值的客觀證據詳述於會計政策附註2(l)。如管理層根據其判斷確定減值的客觀證據存在，則預期未來現金流量會根據本集團內具有類似的信貸風險特質的資產的過往損失經驗來作出估計。過往損失經驗是以目前的可觀察數據為基礎作出調整。管理層會定期檢討估計未來現金流量所採用的方法及假設，以減少損失估計及實際損失經驗之間的任何差異。

49. Accounting Estimates And Judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Changes in assumptions may have a significant impact on the financial statements in the periods where the assumptions are changed. The application of assumptions and estimates means that any selection of different assumptions would cause the Group's reporting to differ. The Group believes that the assumptions that have been made are appropriate and that the financial statements therefore present the financial position and results fairly, in all material respects.

Management discussed with the Audit Committee the development, selection and disclosure of the Group's significant accounting policies and estimates and the application of these policies and estimates.

Key sources of estimation uncertainty

Notes 25(c) and 38 contain information about the assumptions and their risk factors relating to valuation of investment property and fair value of share options granted. Other key sources of estimation uncertainty are as follows:

(i) Impairment losses

Loans and advances

Loans portfolios are reviewed periodically to assess whether impairment losses exist. The Group makes judgements as to whether there is any objective evidence that a loan portfolio is impaired, i.e. whether there is a decrease in estimated future cash flows. Objective evidence for impairment is described in the accounting policy note 2(l). If management has determined, based on their judgement, that objective evidence of impairment exists, expected future cash flows are estimated based on historical loss experience for assets with credit risk characteristics similar to those of the Group. Historical loss experience is adjusted on the basis of the current observable data. Management reviews the methodology and assumptions used in estimating future cash flows regularly to reduce any difference between loss estimates and actual loss experience.

49. 會計估計及判斷(續)

估計不可確定因素的主要來源(續)

(i) 減值虧損(續)

可供出售證券

當可供出售證券的公允價值大幅或持續下跌至低於其成本，本集團便會確定這些投資出現減值。確定公允價值下跌至低於成本而不能在合理時限內收回屬判斷性質，故損益可受此判斷的差異而有所影響。

(ii) 金融工具公允價值

公允價值估計一般屬主觀性質，是根據在某一特定時間中金融工具的特質及有關市場資料而作出。如情況許可，便會使用市場報價。如未能從認可證券交易所獲得市場報價，或從經紀或交易商獲得屬於非通過交易所買賣的金融工具市場報價或最新公開成交價，則公允價值以現值或使用現時市場參數的其他估值法估計。結構性投資工具的公允價值是根據由投資經理所提供其淨資產價值，並考慮其他風險因素而估計。

所有估值模式均在用作財務匯報基準前被核實。本集團盡可能將模式所得估值與類似金融工具的報價作比較，及在實現後與實際價值作比較，以進一步核實及調整模式。

這些技術涉及不確定性，並會大受有關各種金融工具的風險特質、折現率、未來現金流量估計、未來預期損失經驗及其他因素所用的假設及所作的判斷影響。假設變動可嚴重影響這些估計及所產生的公允價值。所得公允價值估計未必可用獨立市場的比較來證明，而在許多情況下，可在立即出售工具時實現。

(iii) 其他會計估計

於釐定可能就出售投資產品而產生的投訴或法律索償而應付予客戶的金額時進行了判斷。有關支出已於收益表確認，其中包括已付金額及估計未來應付的金額。

49. Accounting Estimates And Judgments (cont'd)

Key sources of estimation uncertainty (cont'd)

(i) Impairment losses (cont'd)

Available-for-sale securities

The Group determines that available-for-sale equity securities are impaired when there has been a significant or prolonged decline in the fair value below cost. The determination of when a decline in fair value below cost is not recoverable within a reasonable time period is judgemental by nature, so profit and loss could be affected by differences in this judgement.

(ii) Fair value of financial instruments

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, quoted market prices are used. If quoted price is not available on a recognised stock exchange or from a broker or dealer for non-exchange traded financial instruments or from a readily available latest trading price, the fair value is estimated using present value or other valuation techniques using current market parameters. The fair value of structured investment vehicles is based on their net assets value provided by investment managers and has taken into consideration of other risk factors.

All valuation models are validated before they are used as a basis for financial reporting. Wherever possible, the Group compares valuations derived from models with quoted prices of similar financial instruments, and with actual values when realised, in order to further validate and calibrate the models.

These techniques involve uncertainties and are materially affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rate, estimates of future cash flows, future expected loss experience and other factors. Changes in assumptions could materially affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and, in many cases, could be realised in an immediate sale of the instruments.

(iii) Other accounting estimates

Judgement has been exercised in determining the amount which may be payable to customers in respect of complaints or legal claims arising from the sale of investment products. A charge has been recognised in the income statement representing amounts paid and an estimate of future amounts which could be payable.

50. 已頒佈但於截至二零零八年十二月三十一日止年度尚未實施的修訂、新準則及詮釋的可能影響

截至本財務報表刊發日，香港會計師公會已頒佈多項修訂、新準則和詮釋，但這些修訂、新準則和詮釋在截至二零零八年十二月三十一日止年度尚未實施，亦沒有在本財務報表內採納。

本集團正在評估這些修訂、新準則和新詮釋對首次採納期間的影響。到目前為止，本集團相信採納這些修訂、新準則、新詮釋對本集團的經營業績和財政狀況應該不會有重大的影響以致需要作出重述。

此外，以下的發展可能引致在賬項中作出新修訂的披露，包括重述首次採納期間的比較數字。

50. Possible Impact Of Amendments, New Standards And Interpretations Issued But Not Yet Effective For The Year Ended 31 December 2008

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations, which are not yet effective for the year ended 31 December 2008 and which have not been adopted in these financial statements.

The Group is in the process of making an assessment of what the impact of these amendments, new standards, new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to result in a restatement of the Group's results of operations and financial position.

In addition, the following developments are expected to result in amended disclosures in the financial statements, including restatement of comparative amounts in the first period of adoption:

	由會計期開始 或以後起生效 Effective for accounting periods beginning on or after
– 香港(國際財務報告準則詮釋委員會)詮釋第13條—「客戶忠誠方案」	2008年7月1日
– HK(IFRIC) 13 – Customer Loyalty Programmes	1 July 2008
– 修訂《香港會計準則》第1號—「財務報表之呈報」	2009年1月1日
– Revised HKAS 1 – Presentation of Financial Statements	1 January 2009
– 經修訂《香港財務報告準則》第7號—「金融工具：披露—改善有關金融工具的披露」	2009年1月1日
– Amendments to HKFRS 7, Financial Instruments: Disclosures – Improving Disclosure about Financial Instruments	1 January 2009
– 《香港財務報告準則》第8號—「營運分部」	2009年1月1日
– HKFRS 8 – Operating Segments	1 January 2009
– 修訂《香港會計準則》第23號—「借款成本」	2009年1月1日
– Revised HKAS 23 – Borrowing Costs	1 January 2009
– 《香港財務報告準則》的改進	2009年1月1日或2009年7月1日
– Improvements to HKFRSs	1 January 2009 or 1 July 2009

51. 財務報表核准

本財務報表已於二零零九年三月二十四日獲董事會核准並授權發佈。

51. Approval Of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 24 March 2009.

未經審核補充財務資料 Unaudited Supplementary Financial Information

(除特別列明外以港幣為單位)
(Expressed in Hong Kong dollars unless otherwise indicated)

(A) 資本充足比率

(i) 資本充足比率

		本集團 The Group	
		二零零八年 2008	二零零七年 2007
於12月31日的資本充足比率	Capital adequacy ratio as at 31 December	14.71%	15.77%
於12月31日的核心資本比率	Core capital ratio as at 31 December	9.61%	10.13%

於二零零八年及二零零七年十二月三十一日，資本充足比率及核心資本比率，是根據金管局用作監管用途之規定及《銀行業(資本)規則》，按本行及其若干附屬公司的合併基準計算。本行採用「標準方法」計算信貸風險及市場風險的風險加權數額，而業務操作風險則採用「基本指標法」。

(A) Capital Adequacy Ratio

(i) Capital adequacy ratio

The capital adequacy ratio ("CAR") and core capital ratio, as at 31 December 2008 and 31 December 2007, are computed on the consolidated basis covering the Bank and certain of its subsidiaries as required by the HKMA for its regulatory purposes, and are in accordance with the Banking (Capital) Rules. The Bank has adopted the "standardised approach" for the calculation of the risk-weighted amount for credit risk and market risk and the "basic indicator approach" for the calculation of operational risk.

(A) 資本充足比率(續)

(ii) 扣除減項後資本基礎

(A) Capital Adequacy Ratio (cont'd)

(ii) Capital base after deductions

		本集團 The Group	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
核心資本	Core capital		
實繳普通股本	Paid up ordinary share capital	5,583,341	5,583,341
股份溢價	Share premium	282,930	282,930
儲備	Reserves	2,782,734	2,686,681
損益賬	Profit and loss account	170,834	106,352
扣除減項前的核心資本總額	Total core capital before deductions	8,819,839	8,659,304
減：遞延稅項淨資產	Less: Net deferred tax assets	(106,745)	(67,155)
減：核心資本的扣減項目	Less: Deductions from core capital	(473,652)	(357,533)
扣除減項後核心資本總額	Total core capital after deductions	8,239,442	8,234,616
合格補助資本	Eligible supplementary capital		
因按公允值重估持有被指定為 通過損益以反映公允價值之 股份及債務證券而產生的 未實現盈利(於補助資本內)	Unrealised fair value gains arising from holdings of equities and debt securities designated at fair value through profit or loss (in supplementary capital)	6,616	—
一般銀行業風險的法定儲備	Regulatory reserve for general banking risks	675,465	795,023
綜合評估減值準備	Collectively assessed impairment allowances	237,758	223,695
永久後償債項	Perpetual subordinated debt	1,989,718	1,976,738
有期後償債項	Term subordinated debt	1,937,504	1,949,652
扣除減項前補助資本總額	Total supplementary capital before deductions	4,847,061	4,945,108
減：補助資本的扣減項目	Less: Deductions from supplementary capital items	(473,652)	(357,533)
扣除減項後補助資本總額	Total supplementary capital after deductions	4,373,409	4,587,575
扣除減項後總資本基礎	Total capital base after deductions	12,612,851	12,822,191
核心資本及補助資本的 扣減項目總額	Total deductions from the core capital and supplementary capital	947,304	715,066
風險加權數額	Risk-weighted amount		
— 信貸風險	— credit risk	81,447,518	77,053,822
— 市場風險	— market risk	959,975	875,063
— 營運風險	— operational risk	3,323,050	3,384,425
		85,730,543	81,313,310

(A) 資本充足比率(續)

(iii) 流動資金比率

		本集團 The Group	
		二零零八年 2008	二零零七年 2007
截至12月31日止年度平均 流動資金比率*	Average liquidity ratio for the year ended 31 December *	37.00%	40.77%

* 本年度的平均流動資金比率為每個月份平均流動資金比率之簡單平均數，並根據金管局為監管目的所規定，按本行及其若干附屬公司的合併基準，並符合香港《銀行業條例》附表四的基準計算。

(A) Capital Adequacy Ratio (cont'd)

(iii) Liquidity ratio

* The average liquidity ratio for the year is the simple average of each calendar month's average liquidity ratio, which is computed on the consolidated basis covering the Bank and certain of its subsidiaries as required by the HKMA for its regulatory purposes, and is in accordance with the Fourth Schedule to the Hong Kong Banking Ordinance.

(iv) 綜合基礎

除特別列明外，本年度財務報告裏的所有財務資料均以就會計而言的綜合基礎編製。

本集團的資本充足比率及流動資金比率，乃根據就監管而言的綜合基礎編製。綜合基礎就會計而言與就監管而言的主要分別在於前者包括本行及本行所有附屬公司，而後者則只包括本行及本行若干附屬公司，詳情如下：

本行的資本充足比率是根據於二零零七年一月一日生效的《銀行業(資本)規則》計算。金管局已批准本行根據《銀行業(資本)規則》第28(2)(a)條，就單一綜合基礎包括下列本行之附屬公司計算本行之資本充足比率，以取代按單一基礎計算。

附屬公司名稱

CKWB (Cayman Islands) Limited*
CKWH-UT2 Limited
恒康香港有限公司

(iv) Basis of consolidation

Unless otherwise stated, all financial information contained in the financial statements are prepared according to the consolidation basis for accounting purpose.

In preparing the CAR and liquidity ratio of the Group, they are prepared according to the basis of consolidation for regulatory purposes. The main difference between the consolidation basis for accounting and regulatory purposes is that the former includes the Bank and all its subsidiaries whereas the latter includes the Bank and only some of the Group's subsidiaries, which are discussed as follows:

The Bank calculates the CAR in accordance with Banking (Capital) Rules effective on 1 January 2007. The HKMA has granted approval under section 28(2)(a) of the Banking (Capital) Rules for the Bank to calculate its CAR on a solo-consolidated basis instead of solo basis in respect of the following subsidiaries of the Bank:

Name of subsidiaries

CKWB (Cayman Islands) Limited*
CKWH-UT2 Limited
Viewcon Hong Kong Limited

(A) 資本充足比率(續)

(iv) 綜合基礎(續)

另一方面，本行須根據《銀行業條例》第98(2)(b)條，就綜合基礎包括以下附屬公司以計算其資本充足比率。

附屬公司名稱

香港華人財務有限公司
中信保險服務有限公司
嘉華銀行(信託)有限公司
KWB Management Limited
CKWB (Cayman Islands) Limited*
CKWH-UT2 Limited
恒康香港有限公司
啓福國際有限公司
中信嘉華銀行(中國)有限公司 **
CKWB-SN Limited
香港華人保險代理有限公司 ***
Ka Wah International Services Limited
嘉華投資有限公司
嘉華國際財務有限公司

根據《銀行業(資本)規則》第三部份，本行之資本基礎並不包括以下附屬公司。

附屬公司名稱

嘉華銀行(代理)有限公司
Security Nominees Limited
香港華人銀行(代理人)有限公司

* 該附屬公司已於二零零八年三月三十一日撤銷註冊。

** 該附屬公司是於二零零八年四月十二日由前身的中國國際財務有限公司(深圳)及本行的北京及上海分行重組而成。除保留在上海一間的記賬分行外，該附屬公司已購入本行在中國分行的所有資產及負債。該附屬公司乃本行全資擁有並於中國以「外商獨資法人銀行」方式註冊成立的附屬公司。中國國際財務有限公司(深圳)已於二零零八年九月三日撤銷註冊。

*** 該附屬公司已於二零零八年九月二十六日撤銷註冊。

(A) Capital Adequacy Ratio (cont'd)

(iv) Basis of consolidation (cont'd)

On the other hand, the Bank is required under section 98(2)(b) of the Banking Ordinance to calculate its CAR on a consolidated basis in respect of the following subsidiaries:

Name of subsidiaries

HKCB Finance Limited
CITIC Insurance Brokers Limited
The Ka Wah Bank (Trustee) Limited
KWB Management Limited
CKWB (Cayman Islands) Limited*
CKWH-UT2 Limited
Viewcon Hong Kong Limited
Carford International Limited
CITIC Ka Wah Bank (China) Limited**
CKWB-SN Limited
HKCB Insurance Agency Limited***
Ka Wah International Services Limited
KWB Investment Limited
Ka Wah International Merchant Finance Limited

The following subsidiaries are deducted from the Bank's capital base under Part 3 of the Banking (Capital) Rules:

Name of subsidiaries

The Ka Wah Bank (Nominees) Limited
Security Nominees Limited
The Hongkong Chinese Bank (Nominees) Limited

* This subsidiary was dissolved on 31 March 2008.

** This subsidiary was set up on 12 April 2008 from the former China International Finance Company Limited (Shenzhen) ("CIFIC") and the Bank's Beijing and Shanghai branches, which had restructured to take over all assets and liabilities of the Bank's PRC branches except those retained in a booking branch in Shanghai. This subsidiary is the Bank's wholly-owned subsidiary, which represents a foreign-invested locally-incorporated bank in the PRC. CIFIC was deregistered on 3 September 2008.

*** This subsidiary was deregistered on 26 September 2008.

(B) 分部資料

分部資料是按本集團的業務和地區分部作出呈述。由於董事會認為業務分部資料較切合本集團的內部財務資料匯報，故已採納此為基本報告形式。

(i) 按業務劃分

本集團主要從事提供銀行及相關金融服務。以下是本集團的主要業務組成部份：

零售銀行業務：	主要包括存款戶口服務、住宅物業按揭、其他消費借貸、信用卡服務及融資租賃。
企業銀行業務：	主要包括貿易融資、銀團貸款及其他企業借貸。
財資業務：	包括提供外匯交易服務、資金市場活動、管理投資證券及中央現金管理。
基金投資業務：	主要包括本行經外界基金經理管理之基金投資。
未分配業務：	主要包括本行物業及不能合理地列入特定業務分部的任何項目。

(B) Segmental Information

Segmental information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format as the directors consider that this is more relevant to the Group's internal financial reporting.

(i) Business segments

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

Retail banking business:	It mainly comprises deposit account services, residential mortgage, other consumer lendings, credit card services and finance leases.
Wholesale banking business:	It mainly comprises trade financing, syndicated loans and other corporate lendings.
Treasury:	It covers provision of foreign exchange services, money market activities, management of investment securities and central cash management.
Fund investment:	It mainly comprises all fund investments made by the Bank that are managed by external fund managers.
Unallocated:	It mainly comprises the Bank's premises and any items which cannot be reasonably allocated to specific business segments.

(B) 分部資料 (續)

(i) 按業務劃分 (續)

就分部匯報而言，經營收入的分配是根據內部轉讓價格機制反映資金的利益分配到業務分部上。

成本的分配是根據各業務分部的直接成本及以合理基準分配經常費用予各業務分部。使用銀行物業產生的市值租金會反映於「未分配業務」下的分部間之經營收入及各業務分部的分部間之經營支出中。

(B) Segmental Information (cont'd)

(i) Business segments (cont'd)

For the purpose of segment reporting, the allocation of operating income reflects the benefits of funding resources allocated to the business segments based on internal funds transfer pricing mechanism.

Cost allocation is based on the direct costs incurred by the respective business segments and apportionment of overheads on a reasonable basis to the business segments. Rental charges at market rate for usage of bank premises are reflected as inter-segment income for the "unallocated" segment and inter-segment expenses for the respective business segments.

		本集團 The Group					
		二零零八年 2008					
		企業銀行 Wholesale banking 港幣千元 HK\$'000	零售銀行 Retail banking 港幣千元 HK\$'000	財資 Treasury 港幣千元 HK\$'000	基金投資 Fund investment 港幣千元 HK\$'000	未分配 Unallocated 港幣千元 HK\$'000	綜合 Consolidated 港幣千元 HK\$'000
淨利息收入／(支出)	Net interest income/(expenses)	651,394	633,077	99,144	(42,180)	204,230	1,545,665
其他經營收入／(支出)	Other operating income/(expenses)	362,805	435,657	155,196	(758,335)	60,608	255,931
經營收入／(支出)	Operating income/(expenses)	1,014,199	1,068,734	254,340	(800,515)	264,838	1,801,596
經營支出	Operating expenses	(171,532)	(459,221)	(32,469)	–	(661,996)	(1,325,218)
分部間之經營支出	Inter-segment expenses	(159,447)	(252,772)	(46,940)	–	459,159	–
扣除減值準備前之經營 溢利／(虧損)	Operating profit/(loss) before impairment	683,220	356,741	174,931	(800,515)	62,001	476,378
貸款及墊款減值虧損	Impairment losses on loans and advances	(302,509)	(50,084)	–	–	(30,592)	(383,185)
可供出售證券減值 虧損回撥	Impairment losses written back on available-for-sale securities	163	128	–	–	1	292
減值虧損	Impairment losses	(302,346)	(49,956)	–	–	(30,591)	(382,893)
出售可供出售證券淨溢利	Net profit on disposal of available-for-sale securities	9,645	756	35,794	–	–	46,195
經營溢利／(虧損)	Operating profit/(loss)	390,519	307,541	210,725	(800,515)	31,410	139,680
出售物業及設備淨 溢利／(虧損)	Net profit/(loss) on disposal of property and equipment	(203)	(2,764)	(7)	–	27,159	24,185
投資物業重估收益	Revaluation gain on investment properties	–	–	–	–	446	446
稅前溢利／(虧損)	Profit/(loss) before taxation	390,316	304,777	210,718	(800,515)	59,015	164,311
所得稅	Income tax	–	–	–	–	(36,003)	(36,003)
本年度溢利／(虧損)	Profit/(loss) for the year	390,316	304,777	210,718	(800,515)	23,012	128,308
本年度折舊	Depreciation for the year	(3,471)	(13,634)	(200)	–	(60,408)	(77,713)
分部資產	Segment assets	47,462,577	25,632,612	48,241,247	894,176	(420,782)	121,809,830
分部負債	Segment liabilities	50,846,600	48,826,264	16,146,354	–	(3,540,326)	112,278,892
本年度產生的資本開支	Capital expenditure incurred during the year	1,073	27,197	461	–	11,870	40,601

(B) 分部資料(續)

(i) 按業務劃分(續)

(B) Segmental Information (cont'd)

(i) Business segments (cont'd)

		本集團 The Group					
		二零零七年 2007					
				(附註) (Note) (重報) (Restated)	基金投資 Fund investment	(附註) (Note) (重報) (Restated)	綜合 Consolidated
		企業銀行 Wholesale banking 港幣千元 HK\$'000	零售銀行 Retail banking 港幣千元 HK\$'000	財資 Treasury 港幣千元 HK\$'000	港幣千元 HK\$'000	未分配 Unallocated 港幣千元 HK\$'000	港幣千元 港幣千元 HK\$'000
淨利息收入/(支出)	Net interest income/(expenses)	635,929	664,512	137,757	(293,469)	255,099	1,399,828
其他經營收入/(支出)	Other operating income/(expenses)	324,593	571,785	(64,358)	(998,975)	68,936	(98,019)
經營收入/(支出)	Operating income/(expenses)	960,522	1,236,297	73,399	(1,292,444)	324,035	1,301,809
經營支出	Operating expenses	(147,804)	(418,850)	(27,474)	—	(584,920)	(1,179,048)
分部間之經營支出	Inter-segment expenses	(131,661)	(242,568)	(56,731)	—	430,960	—
扣除減值準備前之 經營溢利/(虧損)	Operating profit/(loss) before impairment	681,057	574,879	(10,806)	(1,292,444)	170,075	122,761
貸款及墊款減值虧損 (準備)/回撥	Impairment losses (charged for)/written back on loans and advances	(56,657)	(23,664)	—	—	7,845	(72,476)
持有至到期投資減值 虧損回撥	Impairment losses written back on held-to-maturity investments	—	242	—	—	—	242
物業及設備減值虧損	Impairment losses on property and equipment	—	—	—	—	(30,068)	(30,068)
減值虧損	Impairment losses	(56,657)	(23,422)	—	—	(22,223)	(102,302)
出售可供出售證券淨溢利	Net profit on disposal of available-for-sale securities	—	—	6,905	—	—	6,905
經營溢利/(虧損)	Operating profit/(loss)	624,400	551,457	(3,901)	(1,292,444)	147,852	27,364
出售物業及設備淨 溢利/(虧損)	Net profit/(loss) on disposal of property and equipment	(3)	(703)	—	—	19,565	18,859
投資物業重估收益	Revaluation gain on investment properties	—	—	—	—	60,104	60,104
稅前溢利/(虧損)	Profit/(loss) before taxation	624,397	550,754	(3,901)	(1,292,444)	227,521	106,327
所得稅	Income tax	—	—	—	—	38	38
本年度溢利/(虧損)	Profit/(loss) for the year	624,397	550,754	(3,901)	(1,292,444)	227,559	106,365
本年度折舊	Depreciation for the year	(3,836)	(15,023)	(182)	(27)	(64,001)	(83,069)
分部資產	Segment assets	43,024,517	25,873,041	37,137,738	4,846,946	(99,165)	110,783,077
分部負債	Segment liabilities	43,692,816	42,827,062	16,331,955	2,065	(1,709,245)	101,144,653
本年度產生的資本開支	Capital expenditure incurred during the year	2,488	23,203	1,103	—	27,596	54,390

附註：為了進一步提升按業務劃分的分部管理，內部資本支出的分配政策於二零零八年內有所更改。由此，部份比較數字包含於二零零七年的分部資料需要作出重報以符合披露的一致性。包括在財資業務及未分配業務的淨利息收入分別由港幣333,299,000元及港幣59,557,000元重報為港幣137,757,000元及港幣255,099,000元。

Note: For the purposes of further enhancement in business segment management, the policy for the allocation of internal capital charges was revised in the year of 2008. In light of this change, certain comparatives included in segmental information for the year of 2007 have to be restated for consistency. The net interest income for treasury and unallocated segments were then restated from HK\$333,299,000 and HK\$59,557,000 to HK\$137,757,000 and HK\$255,099,000 respectively.

(B) 分部資料 (續)

(ii) 按地區劃分

(B) Segmental Information (cont'd)

(ii) By geographical areas

		本集團 The Group				
		二零零八年 2008				
		稅前溢利／ (虧損) Profit/(loss) before taxation 港幣千元 HK\$'000	總資產 Total assets 港幣千元 HK\$'000	總負債 Total liabilities 港幣千元 HK\$'000	經營收入 Operating income 港幣千元 HK\$'000	或有負債 及承擔 Contingent liabilities and commitments 港幣千元 HK\$'000
香港	Hong Kong	48,109	119,499,885	110,270,863	1,528,173	29,587,668
中國內地	Mainland China	90,505	6,905,392	5,654,967	195,581	844,168
美國	USA	13,506	1,690,064	1,539,559	51,424	865,611
其他	Others	12,239	1,630,056	1,604,849	26,514	1,490,116
分部間項目	Inter-segment items	(48)	(7,915,567)	(6,791,346)	(96)	–
		164,311	121,809,830	112,278,892	1,801,596	32,787,563

		本集團 The Group				
		二零零七年 2007				
		稅前溢利／ (虧損) Profit/(loss) before taxation 港幣千元 HK\$'000	總資產 Total assets 港幣千元 HK\$'000	總負債 Total liabilities 港幣千元 HK\$'000	經營收入 Operating income 港幣千元 HK\$'000	或有負債 及承擔 Contingent liabilities and commitments 港幣千元 HK\$'000
香港	Hong Kong	(31,146)	108,215,373	98,738,530	1,092,362	26,570,652
中國內地	Mainland China	51,563	5,941,578	5,322,139	108,609	689,495
美國	USA	61,375	1,921,844	1,778,619	72,433	618,920
其他	Others	17,364	1,757,310	1,736,415	28,643	1,795,858
分部間項目	Inter-segment items	7,171	(7,053,028)	(6,431,050)	(238)	–
		106,327	110,783,077	101,144,653	1,301,809	29,674,925

上述地區分析是根據附屬公司或海外分行的主要業務所在地予以劃分。

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

(B) 分部資料(續)

(ii) 按地區劃分(續)

(B) Segmental Information (cont'd)

(ii) By geographical areas (cont'd)

		本集團 The Group				
		二零零八年 2008				
		客戶貸款 及墊款 Loans and advances to customers 港幣千元 HK\$'000	逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	個別 減值準備 Individual impairment allowances 港幣千元 HK\$'000	綜合 減值準備 Collective impairment allowances 港幣千元 HK\$'000
香港	Hong Kong	52,926,670	268,039	489,615	215,435	171,430
中國內地	Mainland China	12,102,527	520,855	517,303	107	41,731
美國	USA	1,661,738	–	38,711	–	1,489
其他	Others	6,723,581	233,686	338,550	31,685	22,929
		73,414,516	1,022,580	1,384,179	247,227	237,579

		本集團 The Group				
		二零零七年 2007				
		客戶貸款 及墊款 Loans and advances to customers 港幣千元 HK\$'000	逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	個別 減值準備 Individual impairment allowances 港幣千元 HK\$'000	綜合 減值準備 Collective impairment allowances 港幣千元 HK\$'000
香港	Hong Kong	46,888,980	183,628	254,867	29,969	142,348
中國內地	Mainland China	11,397,494	502,346	502,345	40,914	55,616
美國	USA	1,787,427	–	–	–	1,618
其他	Others	5,759,529	51,034	–	–	23,958
		65,833,430	737,008	757,212	70,883	223,540

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

逾期貸款及墊款是指逾期超過三個月的貸款。

減值貸款及墊款是指按個別基準出現客觀減值證據而需個別評估的貸款。

The above geographical analysis is classified by the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor.

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

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

(C) 按行業進一步分析客戶貸款及墊款

客戶貸款及墊款是按抵押品、逾期金額及減值準備作出分析。按經濟行業進行的分析是以金管局所採用的分類及定義為準。

(C) Further Analysis On Loans And Advances To Customers By Industry Sectors

Loans and advances to customers analysed by the coverage of collateral, overdue amount and the impairment allowance is as follows. The economic sector analysis is based on the categories and definitions used by the HKMA.

		本集團 The Group			
		二零零八年 2008		二零零七年 2007	
		客戶貸款及 墊款總額 Gross loans and advances 港幣千元 HK\$'000	有抵押的 貸款及墊款 總額百分率 % of gross loans and advances covered by collateral	客戶貸款及 墊款總額 Gross loans and advance 港幣千元 HK\$'000	有抵押的 貸款及墊款 總額百分率 % of gross loans and advances covered by collateral
工商金融	Industrial, commercial and financial				
— 物業發展	— Property development	110,000	—	207,000	—
— 物業投資	— Property investment	9,124,397	96	7,740,669	98
— 金融企業	— Financial concerns	4,494,391	53	5,061,032	36
— 股票經紀	— Stockbrokers	11,360	92	181,000	6
— 批發及零售業	— Wholesale and retail trade	3,440,433	48	3,383,895	54
— 製造業	— Manufacturing	6,420,287	29	5,833,965	24
— 運輸及運輸設備	— Transport and transport equipment	2,902,689	75	3,394,165	81
— 娛樂活動	— Recreational activities	125,358	100	100,800	99
— 資訊科技	— Information technology	20,845	88	1,122	80
— 其他	— Others	3,065,534	66	3,332,366	60
個人	Individuals				
— 購買「居者有其屋計劃」、 「私人發展商參建居屋 計劃」及「租者置其屋 計劃」的樓宇貸款	— Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	32,148	100	34,963	100
— 購買其他住宅物業的 貸款	— Loans for the purchase of other residential properties	10,398,618	100	11,284,553	99
— 信用卡墊款	— Credit card advances	381,074	—	506,775	—
— 其他	— Others	3,174,606	89	2,401,149	83
在香港使用的貸款及 墊款總額	Gross loans and advances for use in Hong Kong	43,701,740	74	43,463,454	70
貿易融資	Trade finance	4,495,859	33	4,467,495	38
在香港以外使用的貸款及 墊款總額	Gross loans and advances for use outside Hong Kong	25,216,917	44	17,902,481	42
客戶貸款及墊款總額	Gross loans and advances to customers	73,414,516	61	65,833,430	61

(C) 按行業進一步分析客戶貸款及墊款(續)

佔客戶貸款及墊款總額百分之十或以上，並按個別貸款用途分類的減值貸款及墊款分析如下：

(C) Further Analysis On Loans And Advances To Customers By Industry Sectors (cont'd)

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

		本集團 The Group				
		二零零八年 2008				年內在 收益表列支 的減值虧損 Impairment charged to income statement during the year 港幣千元 HK\$'000
		逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	個別減值 準備 Individual impairment allowances 港幣千元 HK\$'000	綜合減值 準備 Collective impairment allowances 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	
物業投資	Property investment	8,517	3,377	4,993	11,465	630
購買其他住宅物業的 貸款及墊款	Loans and advances for the purchase of other residential properties	2,979	–	943	4,448	3,705
在香港以外使用的 貸款及墊款總額	Gross loans and advances for use outside Hong Kong	826,354	70,182	69,216	1,000,456	141,477
		837,850	73,559	75,152	1,016,369	145,812

		本集團 The Group				
		二零零七年 2007				年內在 收益表列支 的減值虧損 Impairment charged to income statement during the year 港幣千元 HK\$'000
		逾期貸款 及墊款 Overdue loans and advances 港幣千元 HK\$'000	個別減值 準備 Individual impairment allowances 港幣千元 HK\$'000	綜合減值 準備 Collective impairment allowances 港幣千元 HK\$'000	減值貸款 及墊款 Impaired loans and advances 港幣千元 HK\$'000	
物業投資	Property investment	63,650	3,059	7,486	21,931	–
購買其他住宅物業的 貸款及墊款	Loans and advances for the purchase of other residential properties	7,238	1,944	4,470	13,927	1,378
在香港以外使用的 貸款及墊款總額	Gross loans and advances for use outside Hong Kong	582,837	52,846	63,886	532,931	16,197
		653,725	57,849	75,842	568,789	17,575

(D) 逾期資產

(i) 逾期客戶貸款及墊款

(D) Overdue Assets

(i) Overdue loans and advances to customers

		本集團 The Group			
		二零零八年 2008		二零零七年 2007	
		估客戶貸款 及墊款總額 百分率 % of total loans and advances to customers		估客戶貸款 及墊款總額 百分率 % of total loans and advances to customers	
		港幣千元 HK\$'000		港幣千元 HK\$'000	
貸款及墊款總額已逾期達：	The gross amount of loans and advances has been overdue for periods of:				
– 3個月以上至6個月	– 6 months or less but over 3 months	229,009	0.31	100,158	0.15
– 6個月以上至1年	– 1 year or less but over 6 months	127,815	0.17	55,274	0.08
– 1年以上	– over 1 year	665,756	0.91	581,576	0.88
		1,022,580	1.39	737,008	1.11
有抵押逾期貸款及墊款	Secured overdue loans and advances	722,164		679,136	
無抵押逾期貸款及墊款	Unsecured overdue loans and advances	300,416		57,872	
		1,022,580		737,008	
持有有抵押逾期貸款及墊款之抵押品市值	Market value of collateral held against the secured overdue loans and advances	867,174		982,533	
個別減值準備	Individual impairment allowances made	99,952		61,491	

有明確還款日之貸款及墊款，若其本金或利息已逾期，並於年結日仍未償還，則列作逾期處理。即時到期之貸款，若已向借款人送達還款通知，但借款人仍未按指示還款，及／或貸款已超出借款人獲通知的批准限額，而此情況持續超過上述逾期期限，亦列作逾期處理。

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the year end, loans repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, and/or when the loans have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

(D) 逾期資產 (續)

(i) 逾期客戶貸款及墊款 (續)

對於逾期貸款及墊款，本行主要持有之抵押品為房地產物業。合格抵押品須符合下列條件：

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

「合格抵押品」之主要種類為「合格實質抵押品」，主要包括房地產物業。

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

(ii) 其他逾期資產

(D) Overdue Assets (cont'd)

(i) Overdue loans and advances to customers (cont'd)

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

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

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

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

(ii) Other overdue assets

		本集團 The Group	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
貿易票據總額已逾期達： — 3個月以上至6個月	The gross amount of trade bills which has been overdue for: — 6 months or less but over 3 months	11,650	-
可供出售證券已逾期達： — 1年以上	Available-for-sale securities which have been overdue for: — over 1 year	15,500	15,597

(E) 經重組貸款

(E) Rescheduled Loans

		本集團 The Group	
		二零零八年 2008	二零零七年 2007
		佔客戶貸款 及墊款總額 百分率 % of total loans and advances to customers 港幣千元 HK\$'000	佔客戶貸款 及墊款總額 百分率 % of total loans and advances to customers 港幣千元 HK\$'000
經重組貸款	Rescheduled loans	15,297	15,970
		0.02	0.02

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

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

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

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

(F) 取回資產

(F) Repossessed Assets

		本集團 The Group	
		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
已計入客戶貸款及墊款 及其他賬項中	Included in loans and advances to customers and other accounts	69,008	37,773

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

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

(G) 跨境債權

跨境債權是經考慮風險轉移後按交易對手所在地計算，於資產負債表內呈示的交易對手風險額。由與交易對手處於不同國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。銀行或其他金融機構分行的債權風險則轉至其總部所在國家的賬項中。轉移風險後達總跨境債權百分之十或以上的個別國家或地區的債權如下：

(G) Cross-border Claims

Cross-border claims are on-balance sheet exposures of counterparties based on the location of the counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor. For a claim on the branch of a bank or other financial institution, the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate cross-border claims are shown as follows:

		本集團 The Group			
		二零零八年 2008			
		銀行及其他 金融機構 Banks and other financial institutions 港幣千元 HK\$'000	公營機構 Public sector entities 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
香港以外亞太區	Asia and Pacific excluding Hong Kong	9,519,509	33,333	14,697,159	24,250,001
其中澳洲	of which Australia	3,264,931	829	351,026	3,616,786
其中中國內地	of which Mainland China	2,798,451	30,636	11,764,953	14,594,040
西歐	Western Europe	16,189,713	1,924	2,861,252	19,052,889
其中法國	of which France	3,691,215	—	706,087	4,397,302
其中德國	of which Germany	2,612,756	—	19,498	2,632,254
其中荷蘭	of which Netherlands	1,421,752	—	924,932	2,346,684
其中英國	of which United Kingdom	5,285,005	518	653,923	5,939,446

		本集團 The Group			
		二零零七年 2007			
		銀行及其他 金融機構 Banks and other financial institutions 港幣千元 HK\$'000	公營機構 Public sector entities 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
香港以外亞太區	Asia and Pacific excluding Hong Kong	12,793,868	112,353	14,251,739	27,157,960
其中澳洲	of which Australia	4,620,357	1,212	352,456	4,974,025
其中中國內地	of which Mainland China	4,976,665	109,598	10,889,775	15,976,038
加勒比海	Caribbean	—	—	3,256,767	3,256,767
其中百慕達	of which Bermuda	—	—	482,910	482,910
其中開曼群島	of which Cayman Islands	—	—	2,185,974	2,185,974
其中英屬維爾京群島	of which British Virgin Islands	—	—	587,884	587,884
西歐	Western Europe	15,516,696	2,451	2,946,157	18,465,304
其中法國	of which France	1,746,454	—	791,162	2,537,616
其中德國	of which Germany	3,394,903	—	2,287	3,397,190
其中荷蘭	of which Netherlands	1,593,567	—	886,191	2,479,758
其中英國	of which United Kingdom	3,789,650	402	566,492	4,356,544

(H) 中國內地非銀行對手風險承擔

中國內地非銀行對手風險承擔是指在中國內地與非銀行對手交易所產生之風險承擔。以下項目是本行根據《銀行業條例》第63章提交予金管局的中國內地非銀行對手風險承擔作出的分類。

(H) Non-bank Mainland China Exposures

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

		二零零八年 2008			
		資產負債表內 的風險承擔 On-balance sheet exposure 港幣千元 HK\$'000	資產負債表外 的風險承擔 Off-balance sheet exposure 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	個別減值準備 Individual impairment allowances 港幣千元 HK\$'000
中國內地機構	Mainland China entities	16,883,465	5,898,957	22,782,422	15,516
信貸額用於中國內地 的非中國內地公司 及個人	Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	14,160,597	5,798,051	19,958,648	125,336
		31,044,062	11,697,008	42,741,070	140,852
		二零零七年 2007			
		資產負債表內 的風險承擔 On-balance sheet exposure 港幣千元 HK\$'000	資產負債表外 的風險承擔 Off-balance sheet exposure 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	個別減值準備 Individual impairment allowances 港幣千元 HK\$'000
中國內地機構	Mainland China entities	14,800,862	5,346,463	20,147,325	37,836
信貸額用於中國內地 的非中國內地公司 及個人	Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	13,212,306	6,549,817	19,762,123	10,520
		28,013,168	11,896,280	39,909,448	48,356

(I) 信貸風險管理的額外披露

(i) 資本規定

於結算日就使用標準(信用風險)計算法計算的每一類別的風險承擔的資本規定分析如下：

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
風險承擔類別：	Classes of exposure:		
政府機關	Sovereign	3,652	4,781
公營機構	Public sector entity	23,943	19,860
銀行	Bank	697,974	699,869
證券公司	Securities firm	2,665	10,629
企業	Corporate	3,759,367	3,425,346
集體投資計劃	Collective investment scheme	443	99,060
現金項目	Cash items	9,118	7,694
監管零售	Regulatory retail	370,418	377,814
住宅按揭貸款	Residential mortgage loans	514,037	476,749
其他非逾期風險	Other exposures which are not past due	524,012	524,866
逾期	Past due	108,239	78,495
資產負債表內風險承擔的 總資本規定	Total capital requirements for on-balance sheet exposures	6,013,868	5,725,163
直接信貸代替品	Direct credit substitutes	122,063	73,878
與交易有關的或有項目	Transaction-related contingencies	13,140	22,840
與貿易有關的或有項目	Trade-related contingencies	20,761	33,667
其他承擔	Other commitments	191,438	183,057
匯率及黃金合約	Exchange rate and gold contracts	18,798	54,835
利率合約	Interest rate contracts	56,611	18,507
權益合約	Equity contracts	773	—
資產負債表外風險承擔的 總資本規定	Total capital requirements for off-balance sheet exposures	423,584	386,784
信貸風險總資本規定	Total capital requirements for credit risk	6,437,452	6,111,947

(ii) 資本要求

於結算日就使用基本指標計算法計算業務操作風險的資本要求為：

(II) Additional Disclosures On Credit Risk Management

(i) Capital requirement

The capital requirements of the Group on each class of exposures calculated under the standardised (credit risk) approach at the balance sheet date can be analysed as follow:

(ii) Capital charge

The capital charge for operational risk of the Group calculated in accordance with the basic indicator approach at the balance sheet date is:

		二零零八年 2008 港幣千元 HK\$'000	二零零七年 2007 港幣千元 HK\$'000
業務操作風險的資本要求	Capital charge for operational risk	265,844	270,754

(I) 信貸風險管理的額外披露(續)

(iii) 信貸風險承擔

本集團僱用標準普爾及穆迪投資服務等外部信貸評級機構評估下列各類別的信貸風險承擔。而本集團銀行賬中的信貸評級機構發行人的分類程序與銀行業(資本)規則第四部所述一致。

於結算日按風險承擔類別分析的本集團信貸風險如下：

(I) Additional Disclosures On Credit Risk Management

(cont'd)

(iii) Credit risk exposure

Credit ratings such as from Standard & Poor's Ratings Services and Moody's Investors Service are used for all classes of credit exposures mentioned below. The Group follows the process prescribed in Part 4 of the Banking (Capital) Rules to map the ratings to the exposures booked in the Group's banking book.

An analysis of the credit risk of the Group by class of exposures at the balance sheet date is as follows:

		二零零八年 2008						
		經確認減低信貸風險安排後之 風險額 Exposures after recognised credit risk mitigation			風險加權數額 Risk-weighted amounts		總風險加權數額 Total risk-weighted amounts	確認為保合約或 信貸衍生工具 合約涵蓋之 總風險額 Total exposure covered by recognised guarantees or credit derivative contracts
		承擔總額 Total Exposures	有評級 Rated	沒有評級 Unrated	有評級 Rated	沒有評級 Unrated	確認為保合約或 信貸衍生工具 合約涵蓋之 總風險額 Total exposure covered by recognised collateral	確認為保合約或 信貸衍生工具 合約涵蓋之 總風險額 Total exposure covered by recognised collateral
		港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000	港幣千元 HK\$'000
資產負債表內	On-balance Sheet							
政府機關	Sovereign	11,259,973	11,356,817	-	45,648	-	45,648	64,720
公營機構	Public sector entity	1,513,872	1,496,445	-	299,289	-	299,289	142,743
多邊發展銀行	Multilateral development bank	205,898	205,898	-	-	-	-	-
銀行	Bank	25,061,441	24,597,863	1,830,335	7,845,149	879,521	8,724,670	1,366,757
證券公司	Securities firm	-	-	66,633	-	33,317	33,317	66,633
企業	Corporate	50,706,178	2,851,216	44,493,550	2,402,524	44,589,561	46,992,085	1,399,022
集體投資計劃	Collective investment scheme	5,533	-	5,533	-	5,533	5,533	-
現金	Cash items	172,646	-	2,250,043	-	113,969	113,969	2,077,397
監管零售	Regulatory retail	6,374,499	-	6,173,626	-	4,630,219	4,630,219	14,790
住宅按揭貸款	Residential mortgage loans	15,791,823	-	15,759,699	-	6,425,460	6,425,460	-
其他非逾期風險	Other exposures which are not past due exposures	6,594,258	4,257,819	2,292,346	4,257,819	2,292,346	6,550,165	30,950
逾期風險	Past due exposures	976,610	201	976,409	-	1,352,983	1,352,983	212,703
資產負債表外	Off-balance Sheet							
場外衍生工具交易及信貸 衍生工具合約以外的 資產負債表外風險	Off-balance sheet exposures other than OTC derivative transactions	30,569,341	971,776	29,597,565	362,383	3,980,138	4,342,521	175,199
場外衍生工具交易	OTC derivative transactions	75,118,755	51,146,913	23,971,842	214,354	737,925	952,279	4,329,965
扣除減項後資本基礎風險承擔	Exposures deducted from capital base	947,304						

(I) 信貸風險管理的額外披露(續)

(II) Additional Disclosures On Credit Risk Management

(cont'd)

(iii) 信貸風險承擔(續)

(iii) Credit risk exposure (cont'd)

		二零零七年 2007							
		經確認減低信貸風險安排後之 風險額			風險加權數額		總風險加權數額	確認抵押品涵蓋 之總風險額	確認擔保合約或 信貸衍生工具 合約涵蓋之 總風險額 Total exposure covered by recognised guarantees or recognised credit derivative contracts 港幣千元 HK\$'000
		承擔總額 Total Exposures 港幣千元 HK\$'000	有評級 Rated 港幣千元 HK\$'000	沒有評級 Unrated 港幣千元 HK\$'000	有評級 Rated 港幣千元 HK\$'000	沒有評級 Unrated 港幣千元 HK\$'000	Total risk- weighted amounts 港幣千元 HK\$'000	Total exposure covered by recognised collateral 港幣千元 HK\$'000	
資產負債表內	On-balance Sheet								
政府機關	Sovereign	865,924	965,356	–	59,757	–	59,757	–	64,406
公營機構	Public sector entity	1,241,222	1,241,222	–	248,245	–	248,245	–	182,646
多邊發展銀行	Multilateral development bank	205,632	205,632	–	–	–	–	–	–
銀行	Bank	29,933,470	28,374,640	1,800,267	8,142,824	605,542	8,748,366	–	241,437
證券公司	Securities firm	181,089	–	265,727	–	132,864	132,864	11,006	85,139
企業	Corporate	44,843,741	5,898,142	37,568,936	5,282,992	37,533,838	42,816,830	2,031,100	–
集體投資計劃	Collective investment scheme	1,238,247	–	1,238,247	–	1,238,247	1,238,247	–	–
現金	Cash items	166,281	–	1,414,649	–	96,177	96,177	1,250,308	–
監管零售	Regulatory retail	6,549,297	61,078	6,235,820	–	4,722,674	4,722,674	6,857	–
住宅按揭貸款	Residential mortgage loans	15,403,084	–	15,368,059	–	5,959,367	5,959,367	–	–
其他非逾期風險	Other exposures which are not past due exposures	6,570,609	1,200,825	5,359,996	1,200,825	5,359,996	6,560,821	35,338	–
逾期風險	Past due exposures	719,557	1,077	718,480	–	981,185	981,185	181,898	1,077
資產負債表外	Off-balance Sheet								
場外衍生工具交易及信貸 衍生工具合約以外的	Off-balance sheet exposures other than OTC derivative transactions								
資產負債表外風險	or credit derivative contracts	27,540,412	904,794	26,635,618	226,505	3,691,533	3,918,038	1,866,785	166,988
場外衍生工具交易	OTC derivative transactions	80,969,745	59,761,546	21,208,199	236,576	680,193	916,769	995,146	–
扣除減項後資本基礎風險承擔	Exposures deducted from capital base	715,066							

(I) 信貸風險管理的額外披露(續)

(iv) 交易對手信貸風險承擔

本集團主要來自場外衍生工具之信貸風險概括如下：

(1) 按交易對手信貸風險承擔的分析如下：

(I) Additional Disclosures On Credit Risk Management

(cont'd)

(iv) Counterparty credit risk exposures

The following tables summarise the Group's main credit exposures arising from over-the-counter ("OTC") derivative transactions:

(1) Below is an analysis of the counterparty credit risk exposures.

		二零零八年 2008	二零零七年 2007
		場外衍生 工具交易 OTC derivative transactions 港幣千元 HK\$'000	場外衍生 工具交易 OTC derivative transactions 港幣千元 HK\$'000
非回購種類交易：	Non-repo style transactions:		
總正公允價值總額	Gross total positive fair value	1,321,035	819,918
信貸之相等金額	Credit equivalent amount	1,791,537	1,618,858
已確認持有的抵押品：	Recognised collateral held:		
—債務證券以外	— other than debt securities	35,951	9,728
扣除已確認抵押品價值後的信貸之 相等金額／淨信貸風險承擔	Credit equivalent amounts/net credit exposures net of recognised collateral	1,791,537	1,618,858
風險加權數額	Risk weighted amounts	952,279	916,769

(I) 信貸風險管理的額外披露(續)

(I) Additional Disclosures On Credit Risk Management

(cont'd)

(iv) 交易對手信貸風險承擔(續)

(iv) Counterparty credit risk exposures (cont'd)

(2) 按交易對手類型而就其風險承擔的主要類別的分析如下。

(2) Below is an analysis of the major classes of exposures by counterparty type.

		二零零八年 2008	二零零七年 2007
		場外衍生 工具交易 OTC derivative transactions 港幣千元 HK\$'000	場外衍生 工具交易 OTC derivative transactions 港幣千元 HK\$'000
名義金額：	Notional amounts:		
— 銀行	— Banks	52,471,875	58,655,594
— 企業	— Corporates	18,295,052	21,375,773
— 其他	— Others	4,351,828	938,378
		75,118,755	80,969,745
信貸之相等金額：	Credit equivalent amounts:		
— 銀行	— Banks	1,034,261	913,566
— 企業	— Corporates	711,815	695,564
— 其他	— Others	45,461	9,728
		1,791,537	1,618,858
風險加權數額：	Risk-weighted amounts:		
— 銀行	— Banks	233,755	225,187
— 企業	— Corporates	709,024	691,582
— 其他	— Others	9,500	—
		952,279	916,769

(I) 信貸風險管理的額外披露(續)

(v) 減低信貸風險安排

本集團通過取得抵押品、與借款人或交易對手訂立可依法執行的可抵銷或按淨額基準結算的協議，以減低信貸風險。

本行一般接受的有型抵押品包括土地、房地產、設備及機械、權益股份、債券及其他可銷售的證券。在決定貸款標準時，不同的折扣率會引用於抵押品市值。本集團亦接受無型抵押品，例如：政府擔保、銀行擔保、企業擔保及個人擔保。

(vi) 市場風險

本集團使用標準計算法計算市場風險。

(I) Additional Disclosures On Credit Risk Management (cont'd)

(v) Credit risk mitigation

The Group mitigates credit risk by means of taking collateral and entering into offsetting or netting agreements with borrowers and counterparties, as the case may be, should such clauses and agreements be legally established and enforceable.

Common types of tangible collateral acceptable to the Bank include land, real estates, equipment & machinery, equity shares, bonds and other marketable securities. In determining the loan advancing level, respective haircuts will be applied on the current market value of the collateral. The Group also accepts intangible collateral such as government guarantees, bank guarantees, corporate guarantees and personal guarantees.

(vi) Market risk

The Group uses the standardised approach for calculation of market risk.

		二零零八年 2008	二零零七年 2007
		資本要求 Capital charge 港幣千元 HK\$'000	資本要求 Capital charge 港幣千元 HK\$'000
利率風險承擔(包括期權)	Interest rate exposures (including options)	49,908	36,982
股權風險承擔(包括期權)	Equity exposures (including options)	374	898
外匯風險承擔(包括黃金及期權)	Foreign exchange exposures (including gold and options)	26,515	32,121
		76,797	70,001

(I) 信貸風險管理的額外披露(續)

(vii) 資產證券化

本集團使用標準(證券化)方法以計算證券化風險承擔之信貸風險。本行對下述所有風險分類皆為投資機構。

本行使用標準普爾評級服務及穆迪投資者服務為外部信用評估機構，以計算證券化之風險承擔中「其他」之部份。

(II) Additional Disclosures On Credit Risk Management

(cont'd)

(vii) Asset securitisation

The Group uses the standardised (securitisation) approach to calculate the credit risk for securitisation exposures. It is an investing institution for all classes of exposures below.

Standard & Poor's Ratings Services and Moody's Investors Service are the external credit assessment institutions that the Bank has used in relation to the securitisation exposures of the "Others".

		二零零八年 2008				
		風險減項 Exposures deducted from its				
		未付金額 Outstanding amounts 港幣千元 HK\$'000	風險加權數額 Risk- weighted- amount 港幣千元 HK\$'000	資本要求 Capital requirements 港幣千元 HK\$'000	核心資本 Core Capital 港幣千元 HK\$'000	補助資本 Supplementary Capital 港幣千元 HK\$'000
證券化風險	Securitisation exposures					
分期貸款	Instalment loans	–	–	–	377	377
其他	Others	2,691,447	1,000,315	80,025	156,080	156,080
		2,691,447	1,000,315	80,025	156,457	156,457
		二零零七年 2007				
		風險減項 Exposures deducted from its				
		未付金額 Outstanding amounts 港幣千元 HK\$'000	風險加權數額 Risk- weighted- amount 港幣千元 HK\$'000	資本要求 Capital requirements 港幣千元 HK\$'000	核心資本 Core Capital 港幣千元 HK\$'000	補助資本 Supplementary Capital 港幣千元 HK\$'000
證券化風險	Securitisation exposures					
分期貸款	Instalment loans	–	–	–	804	804
其他	Others	2,703,323	654,482	52,359	352,151	352,151
		2,703,323	654,482	52,359	352,955	352,955

(J) 結構性投資的額外資料

(i) 結構性投資工具

於二零零七年十二月三十一日止年度，本集團就所持有的結構性投資工具因公允價值變動而撇值港幣1,311,200,000元，此等投資工具包括 Beta Finance Corporation（「Beta」），Five Finance Corporation（「Five」），Victoria Finance Limited（「Victoria」）及 Whistlejacket Capital Limited。

於二零零八年十二月三十一日止年度，本集團對 Beta 及 Five 再撇值港幣717,900,000元，由此，所有結構性投資工具已全數撇值。於二零零八年十二月三十一日止，本集團再沒有任何風險承擔於結構性投資工具。

(ii) 債務抵押證券

截至二零零八年十二月三十一日，由 Farmington Finance Limited（「Farmington」）（於二零零七年十一月由 Victoria 的結構性投資工具所重組）發行之票面值120,000,000美元（港幣930,000,000元）資本票據是本集團仍然持有唯一的現金流債務抵押證券，此資本票據代表權益分券。於二零零八年十二月九日，Farmington 所獲得的長期資金評級由「AAA」降級至「A+」，而面值114,000,000美元（港幣883,500,000元）的 Farmington 資本票據亦由「BBB」降級至「CCC」，其餘下的6,000,000美元（港幣46,500,000元）資本票據則不獲評級。

資本票據被本集團視為一種可供出售證券，截至二零零八年十二月三十一日止根據其淨現值69.2% 計算，其賬面值為83,100,000美元（港幣644,000,000元）。淨現值是根據其相關投資組合以折現方式計算其未來現金流量，並已考慮到此工具將維持運作直至其所有資產到期，而該資產組合所有還付的本金將會重新投資直至二零零九年十一月，並且將會同時減去資產組合中未能償付的預計虧損。

(J) Additional Information On Structured Investments

(i) Structured Investment Vehicles (“SIVs”)

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

During the year ended 31 December 2008, the Group made a further write-down of HK\$717.9 million for Beta and Five and thus all SIV investments were fully written off. As at 31 December 2008, the Group did not have any exposure on SIVs.

(ii) Collateralised Debt Obligations (“CDO”)

As at 31 December 2008, the US\$120.0 million (HK\$ equivalent 930.0 million) capital notes issued by Farmington Finance Limited (“Farmington”) (restructured from the Victoria’s SIV in November 2007) was still the only cash-flow CDO held by the Group. These capital notes represent the equity tranche. On 9 December 2008, the long-term funding obtained by Farmington was downgraded to “A+” from “AAA” while the US\$114.0 million (HK\$ equivalent 883.5 million) Farmington capital note was also downgraded to “CCC” from “BBB”. The remaining US\$6.0 million (HK\$ equivalent 46.5 million) capital note was not rated.

The capital notes are accounted for as available-for-sale securities by the Group and their book carrying value as at 31 December 2008 was US\$83.1 million (HK\$ equivalent 644.0 million) based on their net present value (“NPV”) of 69.2%. The NPV is determined by discounting the projected cash flows of the underlying investment portfolio considering that the vehicle will be maintained until all assets mature, all principal repayments of portfolio assets will be reinvested until November 2009, and deducted the amount of expected loss given default in the assets portfolio.

(J) 結構性投資的額外資料(續)

(ii) 債務抵押證券(續)

於二零零八年十二月三十一日止，Farmington 之相關投資組合持續符合預期的現金流量。而相關組合質素顯示部份轉趨惡化的情況與一般信貸市場情況相若。但由於投資組合多元化分佈於約400種不同級別的資產，於二零零八年十二月三十一日止，約 77% 獲評為 A- 或以上評級，16% 獲評為 B- 至 A- 級，另只有 7% 被評為 CCC+ 或以下評級。Farmington 的投資組合包括約 8% 為金融機構之債務證券，約 15% 為單線保證金融機構證券，約 18% 為住宅首次按揭抵押擔保證券，而餘下 59% 則為其他結構性信貸證券。於二零零八年十二月三十一日，其整體投資組合之加權平均年期為3.99年。Farmington 因未能通過 WARF 測試(加權平均評級因素)，故此於二零零八年要暫時停止再投資活動，但已於二零零九年一月恢復再投資活動。本集團認為以上相關組合對次按相關按揭擔保證券的直接風險並不顯著。

除了於年報內匯報的信用違約掉期合約外，於二零零九年一月本集團與 Farmington Finance Limited 的高級債務提供者訂立第二份信用違約掉期合約，為此高級債務提供者所提供缺乏表現的 Farmington 有期貨款作出部份信貸保護。根據信用違約掉期兩份合約的條款，本集團現時需要承擔首項虧損不多於投資組合票面值456,000,000美元(二零零七年：347,300,000美元)等值港幣3,535,700,000元(二零零七年：港幣2,708,300,000元)。於二零零八年十二月三十一日，本集團在會計賬內把首項信用違約掉期合約列作或有負債，而第二項信用違約掉期合約將列入下一個財務年度的會計賬內。由於截至報告日止並沒有收到對信用違約掉期合約索償的要求，亦沒有資料顯示 Farmington 相關之資產信貸質素下降導致 Farmington 對長期高級債務到期之償還能力構成威脅，因此於本年度無需對信用違約掉期合約作出撥備。

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

截至二零零八年十二月三十一日止，本集團除上述 Farmington 的債務抵押證券投資外，並再沒有持有其他債務抵押證券投資。

(J) Additional Information On Structured Investments

(cont'd)

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

As at 31 December 2008 the underlying investment portfolio of Farmington continued to meet cash flows. The portfolio quality showed some deterioration in line with the general credit markets. However, the portfolio is well diversified amongst some 400 assets in diverse classes, with approximately 77% rated A- or above, 16.0% rated between B- to A-, and 7% rated CCC+ or below as at 31 December 2008. The portfolio of Farmington consists of approximately 8% in debt securities of financial institutions, approximately 15% in monoline guaranteed financial institution securities, approximately 18% in residential prime mortgage-backed securities, and the remaining 59% in other structured credit securities. As at 31 December 2008, the Weighted Average Life of the whole portfolio was 3.99 years. Reinvestment was temporarily suspended due to a breach of the Weight Average Rating Factor ("WARF") test in 2008 but resumed in January 2009. The Group considered the portfolio's direct exposure to sub-prime related mortgage backed securities not to be significant.

In addition to the credit default swap ("CDS") as reported in the note (40) to the financial statement, the Group has entered into a second CDS in January 2009 with the senior loan provider of Farmington as a partial credit protection against non-performance of a term loan to Farmington provided by this senior loan provider. Under the terms of the two CDSs entered, the Group is now responsible for the first loss of the portfolio up to a notional value of US\$456 million (2007: US\$347.3 million) equivalent to HK\$3,535.7 million (2007: HK\$2,708.3 million). The first CDS was accounted for as an outstanding contingent liability in the Group's accounts as at 31 December 2008 and the second one will be included in the following financial year. Up to the date of this report, there was neither any settlement request claimed on the CDSs nor any indication that the deterioration in the credit quality of the underlying assets of Farmington threatening its ability to meet payments under the long-term senior debt as they become due, as such, no provision is considered necessary in respect of the CDSs for the year.

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

Other than the above Farmington CDO investments, the Group has not made nor does it hold any other CDO investments as at 31 December 2008.

(K) 企業管治

本集團致力於保持高企業管治水平，在本年度內及在所有重要的事項上均符合金管局頒佈的監管政策手冊內「本地註冊認可機構的企業管治」部份所載的規定。

(L) 董事委員會

本行董事會已設立以下委員會：

(i) 審核委員會

該委員會為獨立機構，協助董事會監察本行是否符合各項政策、程序、內部及法定規定；並協助董事會獨立檢討本行的財務匯報流程及內部控制制度的有效性。該委員會由本行四名董事組成，其中三名為獨立非執行董事。

(ii) 高層人事委員會

該委員會監督本行的高級行政人員的聘任及離任、薪酬及繼任計劃，也協助本行董事會挑選及引薦填補董事會空缺的人選。該委員會由本行五名董事組成。

(iii) 信貸及風險管理委員會

該委員會監督本行的風險管理策略、政策及機制。有關的風險主要包括信貸、市場、利率、資金流動性、營運、信譽、法律及策略性風險。該委員會通過本行管理層面的多個委員會監督本行的風險管理工作，包括信貸委員會、不良貸款委員會、資產及負債委員會以及營運及監控委員會。該委員會由本行五名董事組成。

資產及負債管理委員會負責制定及維持有關橫跨本集團銀行業務的資產負債表結構、市場風險、融資及流動資金管理的整體風險管理架構，並負責審核有關政策及指引。委員會成員包括行政總裁、財務總監、司庫、首席風險管理總監和負責存款業務的主管。委員會每隔一週舉行會議，並在有需要的情況下更頻密地開會。

(K) Corporate Governance

The Group is committed to high standards of corporate governance and has complied, in all material respects, throughout the year with the module on “Corporate Governance of Locally Incorporated Authorised Institutions” issued by the HKMA.

(L) Board Committees

The Board of Directors of the Bank has established the following committees:

(i) Audit Committee

The committee, being an independent body, assists the Board of Directors in monitoring compliance with the policies, procedures, and internal and statutory regulations. It also assists the Board of Directors in providing independent review of the effectiveness of the Bank’s financial reporting process and internal control systems. The committee comprises four Directors of the Bank, three of which are Independent Non-executive Directors.

(ii) Executive Personnel Committee

The committee provides oversight of the appointment and removal, remuneration, and succession plan of the Bank’s senior executives. It also assists the Board of Directors in selecting and recommending candidates for vacancy on the Board of Directors. The committee comprises five Directors of the Bank.

(iii) Credit & Risk Management Committee

The committee oversees the Bank’s risk management strategy, policies and mechanism. The risks concerned primarily include credit, market, interest rate, liquidity, operational, reputation, legal and strategic risks. The committee carries out its oversight function on the Bank’s risk management through various committees at the Bank’s management level, including: Credit Committee, Non Performing Loan Committee, Asset and Liability Committee (“ALCO”) and Operations and Control Committee. The committee comprises five Directors of the Bank.

The ALCO is responsible for the implementation and maintenance of the overall risk management framework relating to balance sheet structure, market risks, funding and liquidity management across the Group’s banking business. It approves policy and guidelines. The committee comprises the Chief Executive Officer, the Chief Financial Officer, the Treasurer, the Director of Risks and the officer in charge of deposit taking. It meets every alternate week and more often when conditions require.

香港德輔道中二三二號

232 Des Voeux Road Central, Hong Kong

電話 Tel : (852) 3603 6633

傳真 Fax : (852) 3603 4000

info@citickawahbank.com

www.citickawahbank.com