



中信嘉華銀行
CITIC
KA WAH
BANK

掌握機遇
創建未來

Shaping the
Future

封面概念

Cover Concept



中港的緊密聯繫
勝過家庭的深厚親情
在融和間 互成互長
創出璀璨未來

親厚而和諧的關係 在中信(集團)旗下
中信嘉華銀行有限公司 與兄弟公司之間
充份體現目標一致 攜手勇往直前
憑著堅實的基礎和遠大的目光
努力開拓新境地
掌握機遇 同心創建未來

The close ties
Between China and Hong Kong
Are stronger than the special bond
Between family members.
In a harmonious relationship,
They help each other grow
And realize their full potential.

Such an amicable relationship is also exemplified by
CITIC Ka Wah Bank Limited.
As a subsidiary of the CITIC Group,
We collaborate with our sister companies
To work towards a common goal and pave our way to success.
On the back of a solid foundation and a clear vision,
We strive to break new grounds, pursue new opportunities.
Together, we SHAPE THE FUTURE.

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* 未經審核

* Unaudited

Vision 遠景

To be a leading financial services provider that brings exceptional value to our customers.

成為帶給客戶超凡價值的領先金融服務提供者。



Mission 使命

To build niches and successful franchises by delivering our integrated capabilities, so as to establish CITIC KA WAH as a leading financial services brand in Greater China.

透過融合我們各方面的實力，成功建立獨特的市場優勢及地位，確立中信嘉華為大中華區內領先的金融服務品牌。

Core Values 核 值心

Progressiveness 進取

Innovation 創新

Customer Focus 以客為尊

Professionalism 專業

Integrity 誠信

Teamwork 團隊合作

Entrepreneurship 企業精神

中信嘉華銀行 有限公司

中信嘉華銀行有限公司（「本行」）為中信國際金融控股有限公司（「中信國際金融」）的全資附屬公司。中國國際信托投資公司（「中信公司」）持有中信國際金融約百分之五十六權益。

本行於二零零二年一月收購香港華人銀行有限公司，並於二零零二年十一月完成整合，為新機構匯聚了專業的人才，並締結一個寶貴的機遇，讓我們創建一間卓越優秀且與別不同的銀行。我們新的遠景——成為帶給客戶超凡價值的領先金融服務提供者，充份體現我們對未來的決心和承諾。

我們在香港的分行數目共有三十四間，同時在美國紐約及洛杉磯設有兩間分行，並於國內北京及上海成立代表處。穆迪投資及惠譽國際分別給予我們「Baa2」及「BBB」的信貸評級。

CITIC Ka Wah Bank Limited (the "Bank") is a wholly owned subsidiary of CITIC International Financial Holdings Limited ("CIFH"), which is 56% owned by China International Trust and Investment Corporation ("CITIC").

The Bank acquired The Hongkong Chinese Bank, Limited in January 2002. The integration, completed in November 2002, brought our people together into a new organization and presented a valuable opportunity to create a bank that is exceptional and refreshingly different. Our promises and commitment for the future are embedded in our new vision to be a leading financial services provider that brings exceptional value to our customers.

We operate 34 branches in Hong Kong, two branches in the US in New York and Los Angeles, and maintain two representative offices in the PRC in Beijing and Shanghai. We are rated "Baa2" by Moody's Investors Service and "BBB" by FITCH.

CITIC
Ka Wah
Bank
Limited

中信嘉華銀行有限公司(「本行」)董事會欣然宣佈，本行及其附屬公司(統稱「本集團」)截至二零零三年六月三十日止六個月未經審核的綜合業績及本集團於該日的財政狀況及其比較數字如下：

綜合收益表

未經審核

The Board of Directors of CITIC Ka Wah Bank Limited (the "Bank") is pleased to announce the unaudited consolidated results of the Bank and its subsidiaries (the "Group") for the six months ended 30 June 2003 and the Group's state of affairs as at that date together with the comparative figures as follows:

Consolidated Income Statement

Unaudited

		本集團 The Group 截至六月三十日止六個月 Six months ended 30 June			
		附註 Note	二零零三年 未經審核 2003 Unaudited 港幣千元 HK\$'000	二零零二年 未經審核 重報 2002 Unaudited Restated 港幣千元 HK\$'000	變化 Variance %
利息收入	Interest income	2(a)	1,410,120	422,461	234
利息支出	Interest expense		(629,638)	(163,118)	286
淨利息收入	Net interest income		780,482	259,343	201
費用及佣金收入	Fees and commission income		171,661	31,027	453
費用及佣金支出	Fees and commission expense		(19,821)	(7,170)	176
其他經營收入	Other operating income	2(b)	54,306	20,774	161
非利息收入	Non-interest income		206,146	44,631	362
經營收入	Operating income		986,628	303,974	225
經營支出	Operating expenses	2(c)	(427,669)	(126,456)	238
未計準備前經營溢利	Operating profit before provisions		558,959	177,518	215
呆壞賬準備	Charge for bad and doubtful debts		(223,108)	(109,477)	104
經營溢利	Operating profit	2	335,851	68,041	394
出售有形固定資產淨溢利／(虧損)	Net profit/(loss) on disposal of tangible fixed assets		68	(4,857)	
出售聯營公司淨虧損	Net loss on disposal of associates		—	(239)	
持有至到期證券及投資證券準備回撥	Provision write back on held-to-maturity securities and investment securities		3,387	—	
應佔聯營公司溢利	Share of profits of an associate		40,368	—	
正常業務的稅前溢利	Profit from ordinary activities before taxation		379,674	62,945	503
稅項	Taxation	3	(62,435)	(314)	19,784
股東應佔溢利	Profit attributable to shareholders		317,239	62,631	407
本期宣派 中期股息	Interim dividends declared during the period		150,551	—	

綜合資產負債表

未經審核

Consolidated Balance Sheet

Unaudited

本集團
The Group

			二零零三年 六月三十日 未經審核 As at 30 June 2003 Unaudited 港幣千元 HK\$'000	二零零二年 十二月三十一日 經審核 重報 As at 31 December 2002 Audited Restated 港幣千元 HK\$'000
	附註 Note			
資產		Assets		
現金及短期資金	4 & 10	Cash and short-term funds	5,172,685	5,380,135
一個月後到期的銀行及 其他金融機構存款	10	Placements with banks and other financial institutions maturing after one month	919,916	221,006
貿易票據減準備		Trade bills less provisions	477,230	374,942
存款證	5 & 10	Certificates of deposit	992,159	1,030,944
其他證券投資	6 & 10	Other investments in securities	3,970,820	2,583,605
客戶墊款及其他 賬項減準備	7(a) & 10	Advances to customers and other accounts less provisions	41,267,040	42,847,862
持有至到期證券及 投資證券	8 & 10	Held-to-maturity securities and investment securities	22,063,720	18,575,250
遞延稅項資產	15(a)	Deferred tax assets	25,830	40,312
聯營公司投資		Investments in associates	153,050	120,110
有形固定資產		Tangible fixed assets	1,702,589	1,745,920
總資產		Total assets	76,745,039	72,920,086
負債		Liabilities		
銀行及其他金融機構存款 及結存	10	Deposits and balances of banks and other financial institutions	2,748,019	2,039,519
客戶存款	9 & 10	Deposits from customers	58,564,561	54,910,978
已發行存款證	10	Certificates of deposit issued	5,069,630	5,832,512
遞延稅項負債	15(a)	Deferred tax liabilities	18	20
其他賬項及準備		Other accounts and provisions	1,269,937	1,210,871
總負債		Total liabilities	67,652,165	63,993,900
資金來源		Capital resources		
股本		Share capital	2,393,341	2,393,341
儲備	11	Reserves	2,409,361	2,242,673
股東資金		Shareholders' funds	4,802,702	4,636,014
債務資本		Loan capital	4,290,172	4,290,172
資金來源總額		Total capital resources	9,092,874	8,926,186
負債及資金來源總額		Total liabilities and capital resources	76,745,039	72,920,086

綜合權益變動報表

未經審核

Consolidated Statement of Changes in Equity

Unaudited

本集團
The Group

		二零零三年 六月三十日 未經審核 As at 30 June 2003 Unaudited 港幣千元 HK\$'000	二零零二年 六月三十日 未經審核 重報 As at 30 June 2002 Unaudited Restated 港幣千元 HK\$'000
於一月一日的股東權益	Shareholders' equity at 1 January		
— 如前匯報	— As previously reported	4,595,722	3,238,342
— 前年度因遞延稅項 作出的調整	— Prior year adjustment in respect of deferred taxation	40,292	92,089
— 重報	— As restated	4,636,014	3,330,431
股東應佔溢利	Profit attributable to shareholders		
— 如前匯報	— As previously reported	317,239	61,637
— 前年度因遞延稅項 作出的調整	— Prior year adjustment in respect of deferred taxation	—	994
— 重報	— As restated	317,239	62,631
去年已核准及支付股息	Dividends approved and paid in respect of the previous year	—	(550,000)
本期已核准股息	Dividends approved during the period	(150,551)	—
於六月三十日的股東權益	Shareholders' equity at 30 June	4,802,702	2,843,062

簡明綜合現金流量表

未經審核

Condensed Consolidated Cash Flow Statement

Unaudited

本集團
The Group
截至六月三十日止六個月
Six months ended 30 June

		二零零三年 未經審核 2003 Unaudited 港幣千元 HK\$'000	二零零二年 未經審核 2002 Unaudited 港幣千元 HK\$'000
來自／(用於)經營業務產生的現金淨額	Net cash from/(used in) operating activities	732,391	(2,585,725)
(用於)／來自投資業務的現金淨額	Net cash (used in)/from investing activities	(7,544)	48,102
用於融資業務的現金淨額	Net cash used in financing activities	(447,161)	(550,000)
現金及現金等值項目淨增加／(減少)	Net increase/(decrease) in cash and cash equivalents	277,686	(3,087,623)
於一月一日的現金及現金等值項目	Cash and cash equivalents at 1 January	5,432,384	5,237,674
於六月三十日的現金及現金等值項目	Cash and cash equivalents at 30 June	5,710,070	2,150,051

中期財務報告附註

未經審核

(1) 編製基礎

本中期財務報告是根據香港會計師公會《會計實務準則》第25號 — 「中期財務報告」所編製，並完全符合香港金融管理局（「金管局」）所發出之《本地註冊認可機構披露中期財務資料》指引編製而成。

本中期財務報告乃未經審核惟已由畢馬威會計師事務所根據香港會計師公會頒佈的《核數準則》第700號 — 「中期財務報表的審閱」進行審閱。而畢馬威會計師事務所致董事會的獨立審閱報告刊於第四十七至四十八頁。

本中期財務報告內所載截至二零零二年十二月三十一日止財政年度的財務資料並不構成本集團於該財政年度之法定賬項，但資料則來自該等賬項，截至二零零二年十二月三十一日止年度之法定賬項（核數師已於二零零三年三月十二日發出的核數報告表示無保留之意見）可於本行的註冊辦事處索取。

除以下所提及部份，本中期財務報告是按照本集團二零零二年度法定財務報告所採用的會計政策而編製：

過往年度，遞延稅項負債是根據可預見將來因收入及支出之會計與稅務處理的重大時差而產生的稅務影響，以負債法提撥。遞延稅項資產只會在合理及肯定可實現的情況下才會確認。本集團因應香港會計師公會所發出並於二零零三年一月一日生效的《會計實務準則》第12號（修訂），採納了關於遞延稅項的新會計政策。

Notes to the Interim Financial Report

Unaudited

(1) Basis of preparation

The interim financial report complies fully with the recommendations in the Guideline on "Interim Financial Disclosure by Locally Incorporated Authorised Institutions" issued by the Hong Kong Monetary Authority ("HKMA") and Statement of Standard Accounting Practice ("SSAP") 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants ("HKSA").

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports", issued by the HKSA. KPMG's Independent Review Report to the Board of Directors is included on pages 47 to 48.

The financial information relating to the financial year ended 31 December 2002 included in the interim financial report does not constitute the Group's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 December 2002 are available from the Bank's registered office. The external auditors expressed an unqualified opinion on those financial statements in their report dated 12 March 2003.

The interim financial report is prepared on a basis consistent with the accounting policies adopted by the Group in the 2002 statutory financial statements except as mentioned below:

In prior years, deferred tax liabilities were provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure, which were expected with reasonable probability to crystallise in the foreseeable future. Deferred tax assets were not recognised unless their realisation was assured beyond reasonable doubt. With effect from 1 January 2003, in order to comply with SSAP12 (revised) issued by the HKSA, the Group adopted a new policy for deferred tax.

中期財務報告附註

未經審核(續)

(1) 編製基礎(續)

因採納該會計政策後，本集團於期內溢利減少港幣14,480,000元(二零零二年六月三十日止六個月：增加港幣994,000元)，而於二零零三年六月三十日本集團資產及負債分別增加港幣25,830,000元及港幣18,000元(於二零零二年十二月三十一日：增加港幣40,312,000元及港幣20,000元)。新會計政策的採納是具有追溯力，保留溢利及儲備之期初數及其比較數字是按照以往期間的數額作調整，數額並於綜合權益變動報表中披露。

在新會計政策之下，期內所得稅已包括當期及遞延稅項。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時間性差異而產生。遞延稅項資產也包括尚未使用的稅項虧損及稅項抵免。除了不影響會計及稅務溢利的初期確認資產及負債外，所有遞延稅項負債及未來可能有應課稅溢利予以抵銷的遞延稅資產均予確認。

遞延稅項是以有關資產及負債的預期結算金額按結算日已頒佈或基本上已頒佈的稅率而提撥。遞延稅項資產及負債不作現值折扣。

於各結算日，本行將重新審閱有關的遞延稅項資產，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，應予轉回。

Notes to the Interim Financial Report

Unaudited (cont'd)

(1) Basis of preparation (cont'd)

As a result of the adoption of this accounting policy, the profit for the period has decreased by HK\$14,480,000 (six months ended 30 June 2002: increased by HK\$994,000) and the assets and liabilities as of 30 June 2003 have increased by HK\$25,830,000 and HK\$18,000 respectively (31 December 2002: HK\$40,312,000 and HK\$20,000). The new accounting policy has been adopted retrospectively, with the opening balances of retained profits and reserves and comparative information adjusted for the amounts relating to prior periods as disclosed in the consolidated statement of changes in equity.

Under the new accounting policy, income tax for the period comprises current and deferred tax. Deferred tax assets and liabilities arise from deductible and taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. 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, except on the initial recognition of assets or liabilities that affect neither accounting nor taxable profit.

The amount of deferred tax provided is 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.

中期財務報告附註

未經審核(續)

(1) 編製基礎(續)

綜合收益表、綜合權益變動報表及有關附註之比較數字為香港華人銀行有限公司於二零零二年十一月二十五日與中信國際金融控股有限公司(前稱中信嘉華銀行有限公司)合併前之業績，因此該等數字不能用作比較。

(2) 經營溢利

本期經營溢利已計算下列各項：

(a) 利息收入

Notes to the Interim Financial Report

Unaudited (cont'd)

(1) Basis of preparation (cont'd)

The comparative figures for the consolidated income statement, consolidated statement of changes in equity and the related notes, represent The Hongkong Chinese Bank, Limited's results prior to its merger with CITIC International Financial Holdings Limited (formerly known as CITIC Ka Wah Bank Limited) on 25 November 2002 and thus are not comparable.

(2) Operating profit

The operating profit for the period is stated after taking account of the following:

(a) Interest income

本集團
The Group
截至六月三十日止六個月
Six months ended 30 June

		二零零三年 2003 港幣千元 HK\$'000	二零零二年 2002 港幣千元 HK\$'000
證券投資利息收入	Interest income from investments in securities	551,276	26,417
其他利息收入	Other interest income	858,844	396,044
		1,410,120	422,461

中期財務報告附註

未經審核(續)

(2) 經營溢利(續)

(b) 其他經營收入

Notes to the Interim Financial Report

Unaudited (cont'd)

(2) Operating profit (cont'd)

(b) Other operating income

本集團
The Group
截至六月三十日止六個月
Six months ended 30 June

		二零零三年 2003 港幣千元 HK\$'000	二零零二年 2002 港幣千元 HK\$'000
其他收益	Other revenue		
股息收入	Dividend income		
非上市投資	Unlisted investments	4,959	1,218
租金收入減支出港幣117,000元 (二零零二年：無)	Rental income less outgoings of HK\$117,000 (2002: Nil)	5,092	2,767
		10,051	3,985
其他淨收入	Other net income		
其他證券投資淨溢利	Net gain on other investments in securities	29,932	—
外匯買賣淨溢利	Net gain arising from dealing in foreign currencies	22,066	5,852
其他買賣業務淨虧損	Net loss arising from other dealing activities	(14,583)	(550)
其他	Others	6,840	11,487
		44,255	16,789
總額	Total	54,306	20,774

中期財務報告附註

未經審核(續)

(2) 經營溢利(續)

(c) 經營支出

Notes to the Interim Financial Report

Unaudited (cont'd)

(2) Operating profit (cont'd)

(c) Operating expenses

本集團
The Group
截至六月三十日止六個月
Six months ended 30 June

		二零零三年 2003 港幣千元 HK\$'000	二零零二年 2002 港幣千元 HK\$'000
僱員成本	Staff costs		
薪金及其他僱員成本	Salaries and other staff costs	214,614	69,118
退休金成本	Retirement costs	17,628	5,062
樓宇及設備支出	Premises and equipment expenses		
樓宇租金	Rental of premises	25,893	8,369
折舊	Depreciation	60,726	20,694
其他	Others	36,261	12,348
廣告費	Advertising	16,150	1,127
傳訊、印刷及文儀用品	Communication, printing and stationery	26,531	3,867
法律及專業費用	Legal and professional fees	7,378	2,420
核數師酬金	Auditors' remuneration	1,899	858
其他	Others	20,589	2,593
		427,669	126,456

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未經審核(續)

(3) 稅項

綜合收益表內列報的稅項為：

Notes to the Interim Financial Report

Unaudited (cont'd)

(3) Taxation

Taxation in the consolidated income statement represents:

		本集團 The Group 截至六月三十日止六個月 Six months ended 30 June	
		二零零三年 2003 港幣千元 HK\$'000	二零零二年 2002 港幣千元 HK\$'000
本期稅項－香港利得稅準備	Current tax – Provision for Hong Kong Profits Tax		
本期稅項	Tax for the period	45,928	1,281
過往年度稅項超額撥備	Over-provision in respect of prior years	(1,423)	–
		44,505	1,281
本期稅項－海外	Current tax – Overseas		
本期稅項	Tax for the period	707	27
遞延稅項	Deferred tax		
是期產生之暫時性差額及回轉	Original and reversal of temporary differences	18,257	(994)
於一月一日增加稅率對 遞延稅項之影響	Effect of increase in tax rate on deferred tax balances at 1 January	(3,777)	–
		14,480	(994)
應佔聯營公司稅項	Share of an associate's taxation	2,743	–
稅項支出合計	Total income tax expense	62,435	314

於二零零三年三月，香港政府宣佈調高利得稅稅率由16%至17.5%，適用本集團於香港之運作。海外分行及附屬公司的稅款，則按照其業務經營所在國家適用的現行稅率提撥稅項準備。

In March 2003, the Hong Kong Government announced an increase in the Profits Tax rate applicable to the Group's operations in Hong Kong from 16% to 17.5%. Taxation for overseas branches and subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the relevant countries in which they operate.

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Unaudited (cont'd)

(4) 現金及短期資金

(4) Cash and short-term funds

本集團
The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
現金及於銀行和其他 金融機構的結存	Cash and balances with banks and other financial institutions	457,848	657,000
即期及短期通知存款 (a)	Money at call and short notice (a)	4,714,837	4,723,135
		5,172,685	5,380,135

(a) 即期及短期通知存款是指一個月內到期的存款。

(a) Money at call and short notice represents deposits of up to a maximum of one month maturity.

(5) 存款證

(5) Certificates of deposit

本集團
The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
持有至到期證券	Held-to-maturity securities		
— 非上市	— unlisted	962,189	937,340
— 上市	— listed	—	93,604
		962,189	1,030,944
買賣證券	Other investments in securities		
— 非上市	— unlisted	29,970	—
總額	Total	992,159	1,030,944
上市證券的市值：	Market value of listed securities:	—	97,496

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未經審核(續)

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Unaudited (cont'd)

(6) 其他證券投資

(6) Other investments in securities

本集團

The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
債務證券	Debt securities		
於香港上市	Listed in Hong Kong	129,364	68,394
香港以外地區上市	Listed outside Hong Kong	2,114,065	812,069
非上市	Unlisted	1,515,799	1,491,746
		3,759,228	2,372,209
股票	Equity securities		
於香港上市	Listed in Hong Kong	19,908	16,011
非上市	Unlisted	157,893	161,594
		177,801	177,605
投資基金 – 非上市	Investment funds – unlisted	33,791	33,791
		3,970,820	2,583,605

其他證券投資的發行機構如下：

The issuers of other investments in securities are as follows:

本集團

The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
中央政府及中央銀行	Central governments and central banks	411,161	302,790
銀行及其他金融機構	Banks and other financial institutions	2,669,288	1,591,963
法人公司	Corporate entities	480,007	246,521
公營機構	Public sector entities	410,364	442,331
		3,970,820	2,583,605
上市證券的市值：	Market value of listed securities:		
債務證券	Debt securities	2,243,429	880,463
股票	Equity securities	19,908	16,011
		2,263,337	896,474

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Notes to the Interim Financial Report

Unaudited (cont'd)

(7) 客戶墊款及其他賬項減準備

(a) 客戶墊款及其他賬項減準備

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
客戶墊款	Advances to customers	40,449,543	41,941,753
呆壞賬特別準備	Specific provisions for bad and doubtful debts	(488,237)	(442,648)
呆壞賬一般準備	General provisions for bad and doubtful debts	(460,201)	(494,985)
		39,501,105	41,004,120
銀行及其他金融機構墊款	Advances to banks and other financial institutions	63,212	79,872
應計利息及其他賬項減準備	Accrued interest and other accounts less provisions	1,702,723	1,763,870
		41,267,040	42,847,862

(b) 不履約貸款是指利息撥入暫記賬項或已停止計息的墊款如下：

(b) Non-performing loans are advances on which interest is being placed in suspense or on which interest accrual has ceased are as follows:

		本集團 The Group		利息懸賬 貸款提撥的 特別準備 Specific provisions in respect of loans on which interest is placed in suspense 港幣千元 HK\$'000	暫記利息 Amount of interest in suspense 港幣千元 HK\$'000
		利息懸賬 貸款總額 Total amount of loans on which interest is placed in suspense 港幣千元 HK\$'000	%	利息懸賬 貸款抵押金額 Pledged amount for loans on which interest is placed in suspense 港幣千元 HK\$'000	
於二零零三年 六月三十日	As at 30 June 2003	1,734,562	4.29	967,953	433,337
於二零零二年 十二月三十一日	As at 31 December 2002	1,699,314	4.05	991,769	402,491

* 佔客戶墊款總額計算

* Based on total advances to customers

中期財務報告附註

未經審核(續)

(7) 客戶墊款及其他賬項減準備(續)

- (b) 不履約貸款是指利息撥入暫記賬項或已停止計息的墊款如下(續)：

本集團截至二零零三年六月三十日及二零零二年十二月三十一日並無利息記入暫記賬項或已停止計息的銀行及其他金融機構墊款；也沒有為以上兩種墊款在該兩天提撥特別準備。

經衡量有關墊款的抵押品價值後，已提撥特別準備。

Notes to the Interim Financial Report

Unaudited (cont'd)

(7) Advances to customers and other accounts less provisions (cont'd)

- (b) Non-performing loans are advances on which interest is being placed in suspense or on which interest accrual has ceased are as follows (cont'd):

There were no advances to banks and other financial institutions in the Group on which interest is being placed in suspense or on which interest accrual has ceased as at 30 June 2003 and 31 December 2002, nor were there any specific provisions made for them on these two days.

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

(8) 持有至到期證券及投資證券

(8) Held-to-maturity securities and investment securities

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
持有至到期證券－債務證券	Held-to-maturity securities – debt securities		
於香港上市	Listed in Hong Kong	1,205,889	276,062
於香港以外地區上市	Listed outside Hong Kong	8,509,938	5,096,234
非上市	Unlisted	9,715,827 12,356,636	5,372,296 13,215,061
		22,072,463	18,587,357
投資證券－債務證券	Investment securities – debt securities		
非上市	Unlisted	15,932	15,932
投資證券－股票	Investment securities – equity securities		
非上市	Unlisted	24,042	24,065
		22,112,437	18,627,354
減值準備	Provision for diminution in value		
持有至到期證券	Held-to-maturity securities	(48,717)	(52,104)
		22,063,720	18,575,250

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未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(8) 持有至到期證券及投資證券(續)

(8) Held-to-maturity securities and investment securities (cont'd)

本集團
The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
債務證券及股票的發行 機構如下：	The issuers of debt securities and equity securities are as follows:		
中央政府及中央銀行	Central governments and central banks	1,183,806	1,011,640
銀行及其他金融機構	Banks and other financial institutions	11,029,918	7,866,612
法人公司	Corporate entities	9,607,004	9,456,110
公營機構	Public sector entities	279,777	281,060
其他	Others	11,932	11,932
		22,112,437	18,627,354
上市證券的市值	Market value of listed securities		
債務證券	Debt securities	10,773,168	5,709,174

(9) 客戶存款

(9) Deposits from customers

本集團
The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
活期及往來賬戶存款	Demand deposits and current deposits	7,392,657	1,271,813
儲蓄存款	Savings deposits	7,608,242	7,194,928
定期、即期及短期通知存款	Time, call and notice deposits	43,563,662	46,444,237
		58,564,561	54,910,978

中期財務報告附註

未經審核(續)

(10)到期日分析

Notes to the Interim Financial Report

Unaudited (cont'd)

(10)Maturity profile

本集團 The Group

		三個月內 但無須 即時償還 3 months or less but not repayable on demand 港幣千元 HK\$'000	三個月以上 至一年 1 year or less but over 3 months 港幣千元 HK\$'000	一年以上 至五年 5 years or less but over 1 year 港幣千元 HK\$'000	五年以上 After 5 years 港幣千元 HK\$'000	無註明 日期 Undated 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
二零零三年六月三十日 資產 As at 30 June 2003 Assets							
現金及短期資金	Cash and short-term funds	457,848	4,714,837	–	–	–	5,172,685
一個月後到期的銀行及 其他金融機構存款	Placements with banks and other financial institutions maturing after one month	–	919,916	–	–	–	919,916
存款證	Certificates of deposit	–	224,000	248,369	519,790	–	992,159
其他證券投資	Other investments in securities	–	702,617	309,987	1,988,741	753,802	3,759,228
– 債務證券	– debt securities	–	702,617	309,987	1,988,741	753,802	3,759,228
客戶墊款	Advances to customers	2,186,433	3,162,797	6,017,453	14,678,918	13,177,966	40,449,543
銀行及其他金融機構墊款	Advances to banks and other financial institutions	–	–	3,212	60,000	–	63,212
持有至到期證券及投資證券	Held-to-maturity securities and investment securities	–	–	–	–	–	–
– 債務證券	– debt securities	–	2,197,780	1,648,485	11,430,223	6,711,371	22,088,395
		2,644,281	11,921,947	8,227,506	28,677,672	20,643,139	73,445,138
負債 Liabilities							
銀行及其他金融機構 存款及結存	Deposits and balances of banks and other financial institutions	182,533	2,560,486	5,000	–	–	2,748,019
客戶存款	Deposits from customers	15,029,595	41,249,269	2,105,055	180,642	–	58,564,561
已發行存款證	Certificates of deposit issued	–	266,985	1,962,029	2,840,616	–	5,069,630
		15,212,128	44,076,740	4,072,084	3,021,258	–	66,382,210

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未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(10)到期日分析(續)

(10)Maturity profile (cont'd)

		本集團 The Group						
		即時償還	三個月內 但無須 即時償還 3 months or less but not repayable on demand 港幣千元 HK\$'000	三個月以上 至一年	一年以上 至五年	五年以上	無註明 日期	總額
				1 year or less but over 3 months 港幣千元 HK\$'000	5 years or less but over 1 year 港幣千元 HK\$'000	After 5 years 港幣千元 HK\$'000	Undated 港幣千元 HK\$'000	Total 港幣千元 HK\$'000
二零零二年十二月三十一日 As at 31 December 2002								
資產		Assets						
現金及短期資金	Cash and short-term funds	657,000	4,723,135	—	—	—	—	5,380,135
一個月後到期的銀行及 其他金融機構存款	Placements with banks and other financial institutions maturing after one month	—	221,006	—	—	—	—	221,006
存款證	Certificates of deposit	—	16,069	458,366	556,509	—	—	1,030,944
其他證券投資	Other investments							
— 債務證券	— debt securities	—	—	861,769	1,240,980	265,379	4,081	2,372,209
客戶墊款	Advances to customers	2,593,094	3,643,828	4,688,290	15,167,716	14,461,832	1,386,993	41,941,753
銀行及其他金融機構墊款	Advances to banks and other financial institutions	—	—	19,872	60,000	—	—	79,872
持有至到期證券及投資證券	Held-to-maturity securities and investment securities							
— 債務證券	— debt securities	—	193,974	2,474,339	9,359,058	6,548,386	27,532	18,603,289
		3,250,094	8,798,012	8,502,636	26,384,263	21,275,597	1,418,606	69,629,208
負債		Liabilities						
銀行及其他金融機構 存款及結存	Deposits and balances of banks and other financial institutions	166,164	1,873,355	—	—	—	—	2,039,519
客戶存款	Deposits from customers	8,950,666	42,939,888	3,016,233	4,191	—	—	54,910,978
已發行存款證	Certificates of deposit issued	—	1,000,000	1,566,579	3,265,933	—	—	5,832,512
		9,116,830	45,813,243	4,582,812	3,270,124	—	—	62,783,009

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未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(11)儲備

(11)Reserves

本集團
The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
(a) 股份溢價	(a) Share Premium		
於一月一日及六月三十日／ 十二月三十一日	At 1 January and 30 June/31 December	282,930	282,930
(b) 投資物業重估儲備	(b) Investment property revaluation reserve		
於一月一日	At 1 January	—	—
因合併而增加的數額	Addition through merger	—	20,481
重估淨虧損	Net deficit on revaluation	—	(20,481)
於六月三十日／ 十二月三十一日	At 30 June/ 31 December	—	—
(c) 其他物業重估儲備	(c) Other property revaluation reserve		
於一月一日	At 1 January	11,945	—
因合併而增加的數額	Addition through merger	—	11,945
於六月三十日／ 十二月三十一日	At 30 June/ 31 December	11,945	11,945
(d) 資本儲備	(d) Capital reserve		
於一月一日	At 1 January	41,271	3,771
因合併而增加的數額	Addition through merger	—	37,500
於六月三十日／ 十二月三十一日	At 30 June/ 31 December	41,271	41,271
(e) 一般儲備	(e) General reserve		
於一月一日	At 1 January	100,000	—
因合併而增加的數額	Addition through merger	—	100,000
於六月三十日／ 十二月三十一日	At 30 June/ 31 December	100,000	100,000
(f) 匯兌差額	(f) Exchange differences		
於一月一日	At 1 January	2	—
因合併而增加的數額	Addition through merger	—	19
本期／年度	Current period/year	—	(17)
於六月三十日／ 十二月三十一日	At 30 June/ 31 December	2	2

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未經審核(續)

Notes to the Interim Financial Report

Unaudited (cont'd)

(11)儲備(續)

(11)Reserves (cont'd)

本集團
The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
(g) 保留溢利	(g) Retained profits		
於一月一日	At 1 January		
一如前匯報	– As previously reported	1,766,233	558,300
一前年度因遞延稅項 作出的調整	– Prior year adjustment in respect of deferred taxation	40,292	92,089
一重報	– As restated	1,806,525	650,389
因合併而增加的數額	Addition through merger		
一如前匯報	– As previously reported	–	908,852
一前年度因遞延稅項 作出的調整	– Prior year adjustment in respect of deferred taxation	–	21,235
一重報	– As restated	–	930,087
本期／年度溢利	Profit for the period/year		
一如前匯報	– As previously reported	317,239	645,797
一前年度因遞延稅項 作出的調整	– Prior year adjustment in respect of deferred taxation	–	(73,032)
一重報	– As restated	317,239	572,765
本期／年度宣派股息	Dividends declared in respect of the current period/year	(150,551)	(346,716)
於六月三十日／ 十二月三十一日	At 30 June/ 31 December	1,973,213	1,806,525
儲備總額	Total reserves	2,409,361	2,242,673

股份溢價賬的應用受香港《公司條例》第48B條所管轄。

The application of the share premium is governed by section 48B of the Hong Kong Companies Ordinance.

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未經審核(續)

(12)資產負債表外風險

(a) 或有負債及承擔

以下是每類主要或有負債及承擔合約金額概要：

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
直接信貸代替品	Direct credit substitutes	804,360	1,187,756
與交易有關的或有項目	Transaction-related contingencies	38,993	38,994
與貿易有關的或有項目	Trade-related contingencies	1,805,132	1,262,930
遠期有期存款	Forward forward deposits placed	75,000	–
其他承擔：	Other commitments:		
— 原到期日在一年以下 或可無條件撤銷	– with an original maturity of under 1 year or which are unconditionally cancellable	9,786,726	9,294,444
— 原到期日在一年或以上	– with an original maturity of 1 year or over	1,014,801	922,801
		13,525,012	12,706,925

或有負債及承擔是與信貸相關的工具，當中包括承兌票據、信用證、提供信貸的擔保及承擔。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。由於信貸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入。

Notes to the Interim Financial Report

Unaudited (cont'd)

(12)Off-balance sheet exposures

(a) Contingent liabilities and commitments

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 acceptances, letters of credit, guarantees and commitments to extend credit. 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.

中期財務報告附註

未經審核(續)

(12)資產負債表外風險(續)

(b) 衍生工具

衍生工具是指根據一項或多項基本資產或指數的價值來釐定其價值的財務合約。

以下是本集團各種主要衍生工具的名義金額概要：

Notes to the Interim Financial Report

Unaudited (cont'd)

(12)Off-balance sheet exposures (cont'd)

(b) Derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices.

The following is a summary of the notional amounts of each significant type of derivatives entered into by the Group:

		本集團 The Group					
		二零零三年六月三十日 As at 30 June 2003			二零零二年十二月三十一日 As at 31 December 2002		
		交易 Trading 港幣千元 HK\$'000	對沖 Hedging 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000	交易 Trading 港幣千元 HK\$'000	對沖 Hedging 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
匯率合約	Exchange rate contracts						
遠期交易	Forwards	967,010	—	967,010	1,095,192	—	1,095,192
掉期交易	Swaps	12,554,245	6,873,640	19,427,885	34,890,559	4,999,417	39,889,976
買入期權	Options purchased	366,272	—	366,272	66,884	—	66,884
賣出期權	Options written	328,028	—	328,028	40,490	—	40,490
利率合約	Interest rate contracts						
遠期交易及期貨交易	Forwards and futures	17,327,000	—	17,327,000	2,262,090	—	2,262,090
掉期交易	Swaps	2,420,047	9,471,045	11,891,092	2,127,535	9,526,349	11,653,884
買入期權	Options purchased	931,162	—	931,162	931,162	—	931,162
賣出期權	Options written	1,028,666	178,003	1,206,669	931,162	—	931,162
股份合約	Equity contracts						
買入期權	Options purchased	—	23,732	23,732	—	18,372	18,372
賣出期權	Options written	—	23,732	23,732	—	18,371	18,371
		35,922,430	16,570,152	52,492,582	42,345,074	14,562,509	56,907,583

以上的交易由本集團在外匯、利率及證券市場進行。這些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 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.

中期財務報告附註

未經審核(續)

(12)資產負債表外風險(續)

(c) 本集團上述資產負債表外風險的重置成本及信貸風險加權金額如下。這金額未計入雙邊淨額安排的影響，以下數據為毛額。

Notes to the Interim Financial Report

Unaudited (cont'd)

(12)Off-balance sheet exposures (cont'd)

(c) The replacement costs and credit risk weighted amounts of the above off-balance sheet exposures of the Group are as follows. These amounts do not take into account the effects of bilateral netting arrangements and accordingly these amounts are shown on a gross basis.

		本集團 The Group			
		二零零三年 六月三十日 As at 30 June 2003		二零零二年 十二月三十一日 As at 31 December 2002	
		重置成本 Replacement cost 港幣千元 HK\$'000	信貸風險 加權金額 Credit risk weighted amount 港幣千元 HK\$'000	重置成本 Replacement cost 港幣千元 HK\$'000	信貸風險 加權金額 Credit risk weighted amount 港幣千元 HK\$'000
或有負債及承擔	Contingent liabilities and commitments	不適用 N/A	1,318,328	不適用 N/A	1,332,425
匯率合約	Exchange rate contracts	128,828	75,922	135,779	118,904
利率合約	Interest rate contracts	682,516	187,633	601,457	171,752
股份合約	Equity contracts	146	1,497	104	792
		811,490	1,583,380	737,340	1,623,873

重置成本是指重置所有按市價計算具正數價值的合約成本，未計入雙邊淨額安排的影響。

信貸風險加權金額是指按照香港《銀行業條例》有關資本充足比率的附表三所計算金額，取決於合約另一方的財政狀況及到期的情況。或有負債及承擔的風險加權由0%至100%不等，而匯率、利率及其他衍生工具合約則由0%至50%不等。

Replacement cost represents the cost of replacing all contracts which have a positive value when marked to market and which have not been subject to any bilateral netting arrangement.

Credit risk-weighted amount refers to the amount as computed in accordance with the Third Schedule to the Hong Kong Banking Ordinance on capital adequacy and depend on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 100% for contingent liabilities and commitments, and from 0% to 50% for exchange rate, interest rate and other derivatives contracts.

中期財務報告附註

未經審核(續)

(13)銷售及回購的資產

用作銷售及回購交易的資產及負債詳列如下：

Notes to the Interim Financial Report

Unaudited (cont'd)

(13)Assets subject to sale and repurchase transactions

The following assets and liabilities are subject to sale and repurchase transactions:

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
包括在持有至到期證券 及投資證券	Included in held-to-maturity securities and investment securities	1,629,155	1,633,873
包括在其他證券投資	Included in other investments in securities	391,161	—
		2,020,316	1,633,873
包括在銀行及其他金融 機構的存款及結存	Included in deposits and balances of banks and other financial institutions	2,235,600	1,681,482

(14)重大關連人士交易

本期內，本集團在其日常銀行業務過程中與其控股公司及控股公司的附屬公司進行了多項交易，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。

(14)Material related party transactions

During the period, the Group entered into a number of transactions with its holding companies and its holding companies' subsidiaries, in the ordinary 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 contracts were priced based on relevant market rates at the time of each transaction, and were under the same terms as those available to other counterparties and customers of the Group. In the opinion of the directors, these transactions were conducted on normal commercial terms.

中期財務報告附註

未經審核(續)

(14)重大關連人士交易(續)

本期內，關連人士交易的收支及於
二零零三年六月三十日的結欠如下：

(a) 收入／(支出)

		本集團 The Group 截至六月三十日止六個月 Six months ended 30 June	
		二零零三年 2003 港幣千元 HK\$'000	二零零二年 2002 港幣千元 HK\$'000
利息收入	Interest income	1,473	27,770
利息支出	Interest expenses	(18,228)	(3,062)
其他收入	Other income	3,170	880
其他支出	Other expenses	(706)	—
		(14,291)	25,588

(b) 最終控股公司

Notes to the Interim Financial Report

Unaudited (cont'd)

(14)Material related party transactions (cont'd)

Information relating to income and expense from related party transactions during the period and balances outstanding as at 30 June 2003 is set out below:

(a) Income/(expense)

		本集團 The Group 截至六月三十日止六個月 Six months ended 30 June	
		二零零三年 2003 港幣千元 HK\$'000	二零零二年 2002 港幣千元 HK\$'000
利息收入	Interest income	1,473	27,770
利息支出	Interest expenses	(18,228)	(3,062)
其他收入	Other income	3,170	880
其他支出	Other expenses	(706)	—
		(14,291)	25,588

(b) Ultimate holding company

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
客戶墊款及其他 賬項減準備	Advances to customers and other accounts less provisions	201,393	117,094
客戶存款	Deposits from customers	1,824,166	1,162,517
其他賬項及準備	Other accounts and provisions	4,805	2,366
		1,828,971	1,164,883

中期財務報告附註

未經審核(續)

(14)重大關連人士交易(續)

(c) 直接控股公司

Notes to the Interim Financial Report

Unaudited (cont'd)

(14)Material related party transactions (cont'd)

(c) Immediate holding company

本集團 The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
客戶存款	Deposits from customers	33,000	—
其他賬項及準備	Other accounts and provisions	10,274	9,883
		43,274	9,883

(d) 直接控股公司之聯營公司及同系附屬公司

(d) Associates of immediate holding company and fellow subsidiaries

本集團 The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
客戶墊款及其他 賬項減準備	Advances to customers and other accounts less provisions	208,202	4,351
銀行及其他金融機構 存款及結存	Deposits and balances of banks and other financial institutions	126,049	97,316
客戶存款	Deposits from customers	919,282	1,835,970
其他賬項及準備	Other accounts and provisions	10,914	21,591
		1,056,245	1,954,877

中期財務報告附註

未經審核(續)

(15)遞延稅項

(a) 已確認的遞延稅項資產及負債

下列是已確認於綜合資產負債表的遞延稅項資產及負債和本期／年度之變動部份：

Notes to the Interim Financial Report

Unaudited (cont'd)

(15)Deferred taxation

(a) Deferred tax assets and liabilities recognised

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

遞延稅項源自：	Deferred tax arising from:	本集團 The Group			
		折舊 免稅額超出 有關折舊 Depreciation allowances in excess of related depreciation 港幣千元 HK\$'000	準備 Provisions 港幣千元 HK\$'000	虧損 Losses 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
於二零零二年一月一日	At 1 January 2002				
支取／(貸進)保留 溢利賬內	Charged/(credited) to retained earnings	25,000	(21,539)	(95,550)	(92,089)
支取／(貸進)保留 溢利賬內 －合併增加	Charged/(credited) to retained earnings － addition through merger	36,620	(54,332)	(3,523)	(21,235)
		61,620	(75,871)	(99,073)	(113,324)
支取／(貸進) 綜合收益表內	Charged/(credited) to consolidated income statement	(13,319)	1,153	85,198	73,032
於二零零二年十二月三十一日	At 31 December 2002	48,301	(74,718)	(13,875)	(40,292)
於二零零三年一月一日	At 1 January 2003	48,301	(74,718)	(13,875)	(40,292)
支取／(貸進) 綜合收益表內	Charged/(credited) to consolidated income statement	651	(46)	13,875	14,480
於二零零三年六月三十日	At 30 June 2003	48,952	(74,764)	–	(25,812)

本集團 The Group

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
在綜合資產負債表確認的 淨遞延稅項資產	Net deferred tax asset recognised on the consolidated balance sheet	(25,830)	(40,312)
在綜合資產負債表確認的 淨遞延稅項負債	Net deferred tax liability recognised on the consolidated balance sheet	18	20
		(25,812)	(40,292)

中期財務報告附註

未經審核(續)

(15)遞延稅項(續)

(b) 未確認的遞延稅項資產

未被確認的遞延稅項資產如以下項目：

Notes to the Interim Financial Report

Unaudited (cont'd)

(15)Deferred taxation (cont'd)

(b) Deferred tax assets unrecognised

Deferred tax assets have not been recognised in respect of the following item:

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
稅項虧損	Tax losses	4,106	3,753

根據現行稅務條例，稅項虧損不會到期。

The tax losses do not expire under current tax legislation.

補充財務資料

未經審核

Supplementary Financial Information

Unaudited

(1) 財務狀況摘要

(1) Summary of financial position

		本集團 The Group		
		二零零三年 六月三十日	二零零二年 十二月三十一日	變化
		As at 30 June 2003	As at 31 December 2002	Variance
		港幣千元 HK\$'000	港幣千元 HK\$'000	%
貸款和墊款	Loans and advances	40,929,925	42,319,847	(3.28)
貸款虧損準備	Loan loss provision	951,590	940,785	1.15
資產總值	Total assets	76,745,039	72,920,086	5.25
利息收益資產總值	Total interest earning assets	73,925,520	70,007,302	5.60
存款總額	Total deposits	63,634,191	60,743,490	4.76
股東資金	Shareholders' funds	4,802,702	4,636,014	3.60
<u>財務比率</u>		<u>Financial ratios</u>		
資本充足比率－未經調整*	Capital adequacy – unadjusted*	17.23%	17.38%	
資本充足比率－調整後**	Capital adequacy – adjusted**	16.76%	16.76%	
平均流動資金比率***	Average liquidity***			
二零零三年一月一日 至六月三十日	1/1/2003– 30/6/2003	48.34%	不適用 N/A	
二零零二年一月一日 至六月三十日	1/1/2002– 30/6/2002	不適用 N/A	47.43%	
貸款對存款比率	Loans to deposits	64.32%	69.67%	
貸款對資產總值比率	Loans to total assets	53.33%	58.04%	
一般準備覆蓋比率	General provision coverage	1.13%	1.18%	
物業貸款比率	Property lending	44.20%	45.20%	
成本對收入比率	Cost to income	43.35%	46.71%	
資產回報率	Return on assets	0.85%	0.79%	
股東資金回報率	Return on shareholders' funds	13.56%	12.35%	

* 未經調整資本充足比率是根據香港金融管理局(「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，並且符合香港《銀行業條例》附表三的基準計算。

** 經調整資本充足比率已考慮結算日的市場風險，按照金管局頒佈的《就市場風險維持足夠資本》指引及與未經調整資本充足比率相同的合併基準計算。

*** 平均流動資金比率根據金管局為監管目的所規定，按本行及若干附屬公司的合併基準，並且符合香港《銀行業條例》附表四的基準計算。

* The unadjusted capital adequacy ratio is computed on the consolidated basis covering the Bank and certain of its subsidiaries as required by the Hong Kong Monetary Authority ("HKMA") for its regulatory purposes, and is in accordance with the Third Schedule to the Hong Kong Banking Ordinance.

** The adjusted capital adequacy ratio which takes into account market risks as at the balance sheet date is computed in accordance with the Guideline "Maintenance of Adequate Capital Against Market Risks" issued by the HKMA and on the same consolidated basis as for unadjusted capital adequacy ratio.

*** The average liquidity ratio 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.

補充財務資料

未經審核(續)

Supplementary Financial Information

Unaudited (cont'd)

(2) 扣除減項後資本基礎

(2) Capital base after deductions

		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 重報 As at 31 December 2002 Restated 港幣千元 HK\$'000
核心資本	Core capital		
實繳普通股本	Paid up ordinary share capital	2,393,341	2,393,341
股份溢價	Share premium	282,930	282,930
儲備	Reserves	2,069,112	1,936,526
核心資本總額	Total core capital	4,745,383	4,612,797
合格補助資本	Eligible supplementary capital		
土地及土地權益重估儲備	Reserves on revaluation of land and interests in land	8,362	8,362
呆賬一般準備	General provisions for doubtful debts	463,353	498,137
永久後償債項	Perpetual subordinated debt	1,950,078	1,950,078
有期後償債項	Term subordinated debt	1,872,075	2,306,399
補助資本總額	Gross value of supplementary capital	4,293,868	4,762,976
合格補助資本總額	Eligible value of supplementary capital	4,293,868	4,612,797
扣除減項前總資本基礎	Total capital base before deductions	9,039,251	9,225,594
總資本基礎減項	Deductions from total capital base	(135,860)	(135,865)
扣除減項後總資本基礎	Total capital base after deductions	8,903,391	9,089,729

補充財務資料

未經審核(續)

(3) 分類資料

(a) 按地區劃分

根據本集團的主要營業地點，或倘屬本行，則根據負責匯報業績或將資產記賬的分行地點而言，本集團主要在香港經營業務，本集團90%以上的經營收入、稅前溢利、總資產、總負債、或有負債及承擔均源自香港或屬香港業務賬目。

Supplementary Financial Information

Unaudited (cont'd)

(3) Segmental information

(a) By geographical area

On the basis of the location of the principal operations of the Group or, in the case of the Bank, on the location of the branches responsible for reporting the results or booking the assets, the Group operates predominantly in Hong Kong with over 90% of the Group's operating income, profit before taxation, total assets, total liabilities, contingent liabilities and commitments arise therefrom or booked therein.

		本集團 The Group					
		二零零三年六月三十日 As at 30 June 2003			二零零二年十二月三十一日 As at 31 December 2002		
		客戶墊款 Advances to customers 港幣千元 HK\$'000	逾期客戶墊款 Overdue advances to customers 港幣千元 HK\$'000	不履約貸款 Non- performing loans 港幣千元 HK\$'000	客戶墊款 Advances to customers 港幣千元 HK\$'000	逾期客戶墊款 Overdue advances to customers 港幣千元 HK\$'000	不履約貸款 Non- performing loans 港幣千元 HK\$'000
香港	Hong Kong	33,203,296	1,704,886	1,703,390	35,136,453	1,752,223	1,673,556
中國	Mainland China	4,513,951	3,840	3,840	4,319,078	—	4,732
美國	USA	480,016	—	—	693,345	—	8,731
其他	Others	2,252,280	26,835	27,332	1,792,877	12,295	12,295
		40,449,543	1,735,561	1,734,562	41,941,753	1,764,518	1,699,314

上述有關地區分析的資料已按交易另一方所在地劃分，風險轉移已考慮在內。由與交易方不同的國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。銀行或其他金融機構分行的債權風險則轉至其總部所在國家的賬項中。

客戶不履約墊款是指利息記入暫記賬項或已停止計息的墊款。

The above geographical analysis are 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. 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.

Non-performing advances to customers are those advances on which interest is being placed in suspense or on which interest accrual has ceased.

補充財務資料

未經審核(續)

(3) 分類資料(續)

(b) 按業務劃分

Supplementary Financial Information

Unaudited (cont'd)

(3) Segmental information (cont'd)

(b) By class of business

		本集團 The Group 截至六月三十日止六個月 Six months ended 30 June			
		二零零三年 2003 *溢利/(虧損) *Profit/(Loss) 港幣千元 HK\$'000	二零零二年 2002 *溢利/(虧損) *Profit/(Loss) 港幣千元 HK\$'000	二零零三年 2003 經營收入 Operating income 港幣千元 HK\$'000	二零零二年 2002 經營收入 Operating income 港幣千元 HK\$'000
零售銀行業務	Retail banking	138,652	8,189	518,662	113,021
企業銀行業務	Wholesale banking	110,554	26,519	361,597	127,258
財資業務	Treasury	237,960	29,556	278,220	56,842
未分配	Unallocated	** (107,492)	(1,319)	(171,851)	6,853
		379,674	62,945	986,628	303,974

* 正常業務的稅前溢利

** 包括應佔聯營公司溢利港幣40,368,000元(截至二零零二年六月三十日止六個月: 無)

* Profit from ordinary activities before taxation

** Including share of profits of an associate of HK\$40,368,000 (six months ended 30 June 2002: Nil)

補充財務資料

未經審核(續)

Supplementary Financial Information

Unaudited (cont'd)

(4) 客戶墊款 – 按行業劃分

(4) Advances to customers – by industry sectors

		本集團 The Group			
		二零零三年六月三十日 As at 30 June 2003		二零零二年十二月三十一日 As at 31 December 2002	變化 Variance
		港幣千元 HK\$'000	%	港幣千元 HK\$'000	%
用於香港的貸款	Loans for use in Hong Kong				
工商及金融界	Industrial, commercial and financial				
– 物業發展	– Property development	718,295	1.77	563,368	1.34
– 物業投資	– Property investment	4,791,556	11.85	5,147,370	12.27
– 金融界	– Financial concerns	1,921,430	4.75	1,621,606	3.87
– 股票經紀	– Stockbrokers	33,549	0.08	27,590	0.07
– 批發及零售貿易	– Wholesale and retail trade	2,295,040	5.67	2,464,647	5.88
– 製造業	– Manufacturing	3,117,601	7.71	3,318,627	7.91
– 運輸業及 運輸設備	– Transport and transport equipment	4,774,491	11.80	4,938,645	11.78
– 其他	– Others	3,691,501	9.13	3,175,545	7.57
個人	Individuals				
– 購入居者有其屋 計劃、私人發展 商參與興建居屋 計劃及租者置其 屋計劃單位的貸款	– Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	24,616	0.06	30,990	0.07
– 購入其他住宅 物業的貸款	– Loans for the purchase of other residential properties	12,367,174	30.57	13,246,473	31.59
– 信用卡墊款	– Credit card advances	334,280	0.83	335,647	0.80
– 其他	– Others	973,232	2.41	1,289,488	3.07
貿易融資	Trade finance	1,925,536	4.76	1,968,023	4.69
用於香港以外地區 的貸款	Loans for use outside Hong Kong	3,481,242	8.61	3,813,734	9.09
		40,449,543	100.00	41,941,753	100.00

補充財務資料

未經審核(續)

Supplementary Financial Information

Unaudited (cont'd)

(5) 逾期客戶墊款(扣除暫記利息)

扣除已資本化但記入暫記賬項內的應計利息的客戶墊款總額已逾期達：

(5) Overdue advances to customers (net of suspended interest)

The gross amount of advances, net of accrued interest that has been capitalised but accrued to a suspense account, which have been overdue for periods of:

		本集團 The Group	
		二零零三年六月三十日 As at 30 June 2003	二零零二年十二月三十一日 As at 31 December 2002
		港幣千元 HK\$'000	港幣千元 HK\$'000
		*%	*%
— 3個月至6個月	— 6 months or less		
	but over 3 months	236,180	262,097
— 6個月至1年	— 1 year or less		
	but over 6 months	330,318	169,342
— 1年以上	— over 1 year	1,169,063	1,333,079
總額	Total	1,735,561	1,764,518
有抵押逾期墊款	Secured overdue advances	1,008,483	1,059,650
無抵押逾期墊款	Unsecured overdue advances	727,078	704,868
		1,735,561	1,764,518
持有有抵押逾期墊款 抵押品的市值	Market value of collateral held against the secured overdue advances	1,265,252	1,701,268
特別準備	Specific provisions made	382,151	347,557

* 佔客戶墊款總額計算

* Based on total advances to customers

於二零零三年六月三十日及二零零二年十二月三十一日，本集團並無逾期超過三個月的銀行及其他金融機構墊款。

There were no advances to banks and other financial institutions which were overdue for over 3 months as at 30 June 2003 and 31 December 2002.

補充財務資料

未經審核(續)

Supplementary Financial Information

Unaudited (cont'd)

(6) 逾期貸款及墊款以及不履約貸款的對賬：

(6) Reconciliation between overdue loans and advances and non-performing loans:

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
逾期超過3個月的客戶墊款	Advances to customers overdue for more than 3 months	1,735,561	1,764,518
減：逾期超過3個月而仍然計息的款項	Less: Amount overdue for more than 3 months and on which interest is still being accrued	(137,529)	(173,900)
加：未逾期或逾期3個月或以下而利息記入暫記賬項或已停止計息的款項	Add: Amount overdue for 3 months or less, or not yet overdue and on which interest is being placed in suspense or on which interest accrual has ceased	81,289	75,591
加：利息記入暫記賬項或已停止計息的重整墊款	Add: Rescheduled advances on which interest is being placed in suspense or on which interest accrual has ceased	55,241	33,105
利息記入暫記賬項或已停止計息的客戶墊款	Advances to customers on which interest is being placed in suspense or on which interest accrual has ceased	1,734,562	1,699,314

(7) 其他逾期資產

(7) Other overdue assets

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003 港幣千元 HK\$'000	二零零二年 十二月三十一日 As at 31 December 2002 港幣千元 HK\$'000
貿易票據總額	The gross amount of trade bills		
已逾期達：	which has been overdue for:		
－3個月至6個月	－ 6 months or less but over 3 months	1,911	282
－1年以上	－ over 1 year	–	12,864
		1,911	13,146
逾期1年以上的持有至到期證券	Held-to-maturity securities which have been overdue for over 1 year	15,601	15,601

補充財務資料

未經審核(續)

(8) 重整貸款

Supplementary Financial Information

Unaudited (cont'd)

(8) Rescheduled loans

		本集團 The Group			
		二零零三年六月三十日 As at 30 June 2003		二零零二年十二月三十一日 As at 31 December 2002	
		港幣千元 HK\$'000		港幣千元 HK\$'000	
		* %		* %	
重整貸款	Rescheduled loans	973,326	2.41	68,559	0.16

* 佔客戶墊款總額計算

* Based on total advances to customers

於二零零三年六月三十日及二零零二年十二月三十一日，本集團並無重整的銀行及其他金融機構貸款。

There were no advances to banks and other financial institutions which were rescheduled as at 30 June 2003 and 31 December 2002.

(9) 收回資產

(9) Repossessed assets

		本集團 The Group	
		二零零三年 六月三十日 As at 30 June 2003	二零零二年 十二月三十一日 As at 31 December 2002
		港幣千元 HK\$'000	港幣千元 HK\$'000
已計入客戶墊款及其他賬項	Included in advances to customers and other accounts	420,780	409,682

補充財務資料

未經審核(續)

(10) 匯率風險

本集團來自買賣、非買賣及結構性外匯盤的匯率風險的資料披露如下。向金管局申報的期權盤淨額是按照該局的銀行持有外匯盤申報表 (MA (BS) 6) 中所載的方式計算。

Supplementary Financial Information

Unaudited (cont'd)

(10) Currency risk

The information concerning the foreign currency exposures of the Group arising from trading, non-trading and structural positions is disclosed as follows. The net option position reported is calculated in accordance with the methods set out in the banking return "Foreign Currency Position" (MA(BS)6) submitted to the HKMA.

		本集團 The Group					
		二零零三年六月三十日 As at 30 June 2003			二零零二年十二月三十一日 As at 31 December 2002		
相等於港幣千元	Equivalent in HK\$'000	美元 US dollars	人民幣 Renminbi	總額 Total	美元 US dollars	人民幣 Renminbi	總額 Total
現貨資產	Spot assets	25,968,389	282,727	26,251,116	27,472,826	144,948	27,617,774
現貨負債	Spot liabilities	(25,562,104)	(75,429)	(25,637,533)	(25,049,311)	(74,251)	(25,123,562)
遠期買入	Forward purchases	11,760,615	–	11,760,615	20,917,099	–	20,917,099
遠期賣出	Forward sales	(8,721,953)	–	(8,721,953)	(19,641,958)	–	(19,641,958)
期權盤淨額	Net option position	32,431	–	32,431	3,959	–	3,959
長盤淨額	Net long position	3,477,378	207,298	3,684,676	3,702,615	70,697	3,773,312

期權盤淨額是按照最差情況方式計算。

The net option position is calculated using the worst case approach.

補充財務資料

未經審核(續)

(11) 跨境債權

跨境債權資料是資產負債表上呈示考慮了風險轉移後按交易另一方所在地計算的交易另一方風險。由與交易方不同的國家的一方作出擔保的債權風險將轉至擔保方的國家賬項中。銀行或其他金融機構分行的債權風險則轉至其總部所在國家的賬項中。轉移風險後達總跨境債權10%或以上的個別國家或地區債權如下：

Supplementary Financial Information

Unaudited (cont'd)

(11) 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 institutions, the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate cross border claims are shown as follows:

		銀行及其他 金融機構 Banks and other financial institutions 港幣千元 HK\$'000	公營機構 Public sector entities 港幣千元 HK\$'000	其他 Others 港幣千元 HK\$'000	總額 Total 港幣千元 HK\$'000
二零零三年六月三十日	As at 30 June 2003				
香港以外亞太區	Asia and Pacific excluding Hong Kong	6,934,391	174,918	5,791,045	12,900,354
其中澳洲	of which Australia	3,432,220	—	68,204	3,500,424
其中中國	of which Mainland China	2,043,051	174,918	5,145,266	7,363,235
西歐	Western Europe	10,588,329	—	5,981,729	16,570,058
其中德國	of which Germany	2,674,208	—	1,429,584	4,103,792
其中英國	of which United Kingdom	2,531,544	—	1,423,971	3,955,515
二零零二年十二月三十一日	At as 31 December 2002				
香港以外亞太區	Asia and Pacific excluding Hong Kong	5,003,680	83,160	6,119,931	11,206,771
其中澳洲	of which Australia	3,073,500	—	8,550	3,082,050
其中中國	of which Mainland China	1,146,360	83,160	5,217,019	6,446,539
西歐	Western Europe	9,285,160	—	5,709,212	14,994,372
其中德國	of which Germany	3,506,880	—	1,219,750	4,726,630
其中英國	of which United Kingdom	2,226,590	—	1,153,503	3,380,093

補充財務資料

未經審核(續)

(12) 風險管理

本集團已對信貸風險、流動資金、資本及市場風險的控制與監察制定了政策和程序，並由董事會定期進行檢討。內部核數師亦會作出定期審計，評定出現主要風險的地方的控制措施是否充足及有效，而且確保本集團遵循內部的政策和程序。

為了對沖某些利率風險，本集團已使用多種主要利率衍生工具：在交易所買賣的工具(包括利率期貨及債券期貨)以及場外衍生工具(包括利率掉期)。外匯利率風險方面，本集團已採用外匯掉期、期貨及期權作對沖。本集團已採用外匯及利率衍生工具兩種工具分別對沖銀行(應計)賬項及買賣(市值)賬項的風險。所有使用主要衍生工具的利率風險及外匯風險對沖策略已在實施前獲得資產及負債管理委員會核准。

(a) 信貸風險管理

出現信貸風險是由於交易另一方可能違反合約。本集團從事的借貸、貿易融資、庫務、衍生工具及其他業務均存在信貸風險。

本集團經董事會核准的信貸政策手冊界定了信貸核准結構及核准權限的授予、提供信貸的標準、信貸的核准及監察程序、內部信貸風險評級制度、貸款分類制度和提撥準備政策，也參考了香港《銀行業條例》的規定以及金管局不時頒佈的指引。

Supplementary Financial Information

Unaudited (cont'd)

(12) Risk management

The Group has established policies and procedures for the control and monitoring of credit risk, liquidity, capital and market risk, which are reviewed regularly by the Board. The internal auditors also perform regular audits to assess the adequacy and effectiveness of controls for major risk areas and to ensure compliance with the policies and procedures.

In order to hedge some of the interest rate risks, the Group has used major interest rate derivatives: exchange traded instruments included interest rate futures and bond futures, and over-the-counter derivatives included interest rate swaps. With regard to foreign exchange risk, the Group has used FX swaps, forwards and options for hedging. The Group has used both types of derivatives, i.e. foreign exchange and interest rate derivatives, to hedge the respective risks in both the banking (accrual) book and the trading (marking to market) book. All interest rate risk and foreign exchange risk hedging strategies using major derivatives have been approved by the Asset & Liability Management Committee ("ALCO") prior to their implementation.

(a) Credit risk management

Credit risk arises from the possibility that the counterparty in a transaction may default. It arises from the lending, trade finance, treasury, derivatives and other activities undertaken by the Group.

The Group's credit policy manual, which was approved by the Board, defines the credit approval hierarchy and delegation of approval authority, the credit extension criteria, the credit approval and monitoring process, the internal credit risk rating system, the loan classification system and provisioning policy. It also takes into account the requirements of the Hong Kong Banking Ordinance and the guidelines issued by the HKMA from time to time.

補充財務資料

未經審核(續)

(12)風險管理(續)

(a) 信貸風險管理(續)

某些信貸政策在附屬公司層面制定、實施及維持。在本行及其附屬公司層面，信貸風險管理工作由董事會委任的信貸及風險委員會集中處理及監察。該委員會制定核准權力及把核准權力下放予多個處理信貸相關工作的委員會，包括處理核准信貸申請、政策例外情況、貸款分類、特別準備、被評信貸管理及銀行間交易方風險控制的委員會。這些委員會的成員包括行政總裁、集團信貸主管及其他高級管理人員。

列賬於資產負債表上項目，其信貸風險為原有價值，而衍生工具的信貸風險是正重置成本。衍生工具的信貸風險於未經審核之中期財務報告附註(12)內作出披露。

(b) 流動資金管理

本集團管理流動資金以確保符合監管要求及法定的流動資金比率。更重要的是本集團為了確保無論在正常或緊急的情況下均具備足夠的資金應付客戶的承諾。除了定期發行遠期存款證外，本集團也作出購回協議安排，以增加流動資金。本集團採取了較積極的流動資金管理方式。

Supplementary Financial Information

Unaudited (cont'd)

(12)Risk management (cont'd)

(a) Credit risk management (cont'd)

Specific credit policies are formulated, implemented and maintained at subsidiaries. At the level of the Bank and its subsidiaries, the credit risk management function is centralised and is overseen by the Credit & Risk Management Committee appointed by the Board. The Committee defines and delegates approval authorities to various credit-related functional committees in respect of the approval of credit applications, policy exceptions, loan classifications, specific provisions, management of criticised credits and the control of interbank counterparty risks. These committees comprise the Chief Executive Officer, Group Credit Head and other members of senior management.

Unlike on-balance sheet instruments, where the credit risk is generally represented by the principal value, the credit risk for derivatives is the positive replacement cost. The credit risk exposure for derivatives is disclosed in Note (12) to the unaudited interim financial report.

(b) Liquidity management

The Group manages its liquidity in order to meet all regulatory requirements and comply with the statutory liquidity ratio. More importantly, the Group must be able to meet all customer claims in both normal and emergency circumstances. Besides issuing long-dated certificates of deposit regularly, the Group has also arranged re-purchase agreement facilities in order to enhance its liquidity. The Group adopts a proactive approach towards managing liquidity.

補充財務資料

未經審核(續)

(12)風險管理(續)

(c) 資本管理

本集團的政策是維持一個雄厚的資本基礎以支持本集團的業務發展，並符合法定的資本充足比率。如上述附註(1)所披露，本集團於二零零三年六月三十日未經調整及經調整資本充足比率分別為17.23%及16.76%，遠高於法定最低比率。

本行的資金是根據各營業部門所承擔的風險分配予各個不同的業務。根據金管局的規定，若干財務附屬公司須受金管局資本要求規限方面的監管。

(d) 市場風險管理

本集團繼續透過稽核及風險管理部的市場風險管理組有效管理市場風險。市場風險管理組確保本集團只會在落實客戶指示、內部有買賣需要及對沖的情況下於外匯、利率、證券及股票等市場持買賣盤。

本集團的最高市場風險由資產及負債管理委員會訂定。這些風險需定期受到監控，並向管理層匯報。

財資部於二零零三年上半年的買賣盤業務產生的單日平均收入為港幣230,138元，標準偏差為港幣3,181,318元。

Supplementary Financial Information

Unaudited (cont'd)

(12)Risk management (cont'd)

(c) Capital management

The Group's policy is to maintain a strong capital base to support the development of the Group's business and to meet the statutory capital adequacy ratio. As disclosed in note (1) above, the Group's unadjusted capital adequacy ratio and adjusted capital adequacy ratio of 17.23% and 16.76% respectively as at 30 June 2003 are well above the statutory minimum ratio.

Capital is allocated to the various activities of the Bank depending on the risk taken by each business division. Certain financial subsidiaries, as specified by the HKMA, are subject to the HKMA's capital requirements for its regulatory supervision purposes.

(d) Market risk management

The Group continues to manage its market risk effectively via the Market Risk Management Unit (the "Unit") of the Audit & Risk Management Department. The Unit ensures that once the Group takes positions in markets such as foreign exchange, interest rates, securities and equities, such positions are driven by execution of customer orders, proprietary trading and hedging.

The Group's maximum market risk exposures are established by the ALCO. Exposures are monitored and reported to management regularly.

The average daily revenue generated from the Treasury's trading activities during the first half of 2003 was HK\$230,138 and the standard deviation was HK\$3,181,318.

補充財務資料

未經審核(續)

(12)風險管理(續)

(d) 市場風險管理(續)

本集團的買賣盤收入分析如下：

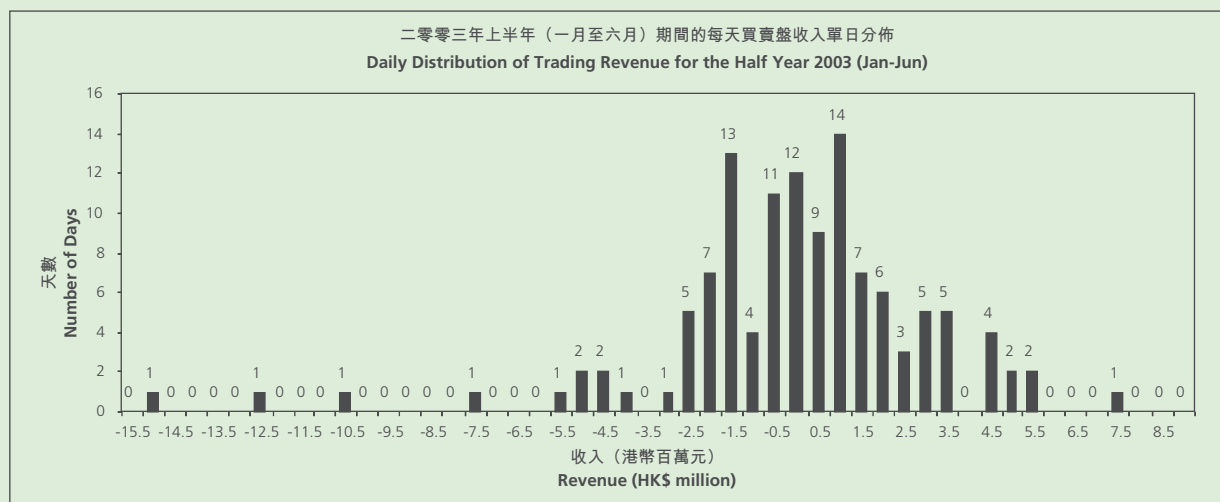
Supplementary Financial Information

Unaudited (cont'd)

(12)Risk management (cont'd)

(d) Market risk management (cont'd)

An analysis of the Group's trading revenue is shown below:



圖表：截至二零零三年六月三十日止上半年度買賣盤收入單日分佈

Figure: Daily distribution of trading revenue for the half-year ended 30 June 2003

從圖中所見，單日最高虧損為港幣14,539,477元，而121天中有51天出現虧損。最常見的單日買賣盤收入為港幣1,000,000元至港幣1,500,000元，共出現14次，而單日買賣盤虧損為港幣1,000,000元至港幣1,500,000元，共出現13次。單日最高收入為港幣7,823,437元。

This shows a maximum daily loss of HK\$14,539,477 and 51 out of 121 days showing losses. The most frequent result was a daily revenue from HK\$1 million to HK\$1.5 million with 14 occurrences and a daily loss between HK\$1 million and HK\$1.5 million with 13 occurrences. The highest daily revenue was HK\$7,823,437.

補充財務資料

未經審核(續)

(12)風險管理(續)

(e) 外匯風險管理

本集團的外匯風險來自外匯盤買賣、商業交易、外匯證券投資及海外分行，所有外匯買賣盤均由財資部按額度管理，有關額度須獲資產及負債管理委員會核准。截至二零零三年六月三十日止上半年度單日平均外匯買賣收入為港幣68,767元。

(f) 利率風險管理

本集團的銀行賬項及買賣盤賬項中存在利率風險。前者的風險每月由資產及負債管理委員會檢討，後者則每天按市值計值。截至二零零三年六月三十日止上半年度的買賣盤賬項中的單日平均收入為港幣161,371元。

Supplementary Financial Information

Unaudited (cont'd)

(12)Risk management (cont'd)

(e) Foreign exchange risk management

The Group's foreign exchange risk stems from foreign exchange position taking, commercial dealing, investment in foreign currency securities and overseas branches. All foreign exchange positions are managed by the Treasury Department within limits approved by the ALCO. The average daily foreign exchange trading result for the half-year ended 30 June 2003 was HK\$68,767.

(f) Interest rate risk management

The Group's interest rate risk exists in both the banking book and the trading book. The risk entailed in the former is reviewed by the ALCO on a monthly basis and the latter is marked to market daily. The average daily revenue incurred in the trading book for the half-year ended 30 June 2003 was HK\$161,371.

獨立審閱報告



致中信嘉華銀行有限公司董事會

引言

本核數師（以下簡稱「我們」）已審閱 貴集團刊載於第五頁至第三十一頁的中期財務報告。

董事及核數師各自的責任

中期財務報告由董事負責，並由董事核准通過。

我們的責任是根據我們審閱工作的結果，對中期財務報告提出獨立結論，並按照我們雙方所協定的應聘條款，只向作為法人團體的董事會報告。除此以外，我們的報告書不可用作其他用途。我們概不就本報告書的內容，對任何其他人士負責或承擔法律責任。

審閱工作

我們是按照香港會計師公會所頒佈的《核數準則》第700號——「中期財務報告的審閱」進行審閱。審閱工作主要包括向集團管理層作出查詢及分析中期財務報告、評估財務報告中會計政策是否貫徹運用及賬項編列是否一致，惟賬項中另有說明的特別情況則除外。審閱工作並不包括控制測試及資產、負債和交易驗證等審核程序。由於審閱的範圍遠較審核小，所給予的保證程度也較審核低，因此，我們不會對中期財務報告發表審核意見。

Independent Review Report

TO THE BOARD OF DIRECTORS OF CITIC KA WAH BANK LIMITED

INTRODUCTION

We have been instructed by the Group to review the interim financial report set out on pages 5 to 31.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The interim financial report is the responsibility of, and has been approved by, the directors.

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

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the interim financial report.

獨立審閱報告

(續)

結論

根據這項不構成審核的審閱工作，我們並沒有察覺截至二零零三年六月三十日止六個月的中期財務報告需要作出任何重大的修訂。

畢馬威會計師事務所

執業會計師

香港，二零零三年八月二十八日

Independent Review Report

(cont'd)

REVIEW CONCLUSION

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2003.

KPMG

Certified Public Accountants

Hong Kong, 28 August 2003

行政總裁報告

Report of Chief Executive Officer

一. 經營情況

二零零三年上半年受到非典型肺炎疫症的爆發及疲弱的經濟所影響，銀行業的經營情況持續困難。面對信貸收縮、息差受壓及失業率高企的環境，中信嘉華銀行有限公司（「本行」）繼續堅守其工作方針，並積極作策略性的部署，為未來跨越式的發展作好準備。

二. 業績

(1) 盈利

截至二零零三年六月三十日止六個月，本行未計準備前經營溢利為五億五千九百萬港元。香港華人銀行有限公司（「華銀」）過去年度的稅務虧損已全數抵銷，公司利得稅稅率上調至17.5%及會計實務準則第十二號遞延稅項之影響，令實際稅率上升，加上物業價值下跌之影響，股東應佔溢利為三億一千七百萬港元。

二零零三年上半年，整合帶來的協同效益達一億零三百萬港元，67.8%來自成本減省，32.2%為收益的增加。本行透過優化分行網絡，令分行的效益不斷提高，分行數目由收購華銀後的五十間減至二零零三年六月底的三十六間，員工數目亦由約一千六百人減至約一千三百人。至於收益方面，隨著各業務範疇全面整合，業務轉介及交叉銷售產品所帶來的效益亦得到最佳的發揮。

(2) 淨利息收入

二零零三年上半年本行淨利息收入達七億八千萬港元，主要是貸款及財資部投資優質定息證券所產生的利息收入。淨息差為2.19%。

1. Review of operations

In the first half of 2003, the operating environment for the banking industry continued to remain difficult, aggravated by the outbreak of Severe Acute Respiratory Syndrome ("SARS") and a sluggish economy. Against a backdrop of sagging loan demand, narrowing interest margin and rising unemployment, CITIC Ka Wah Bank Limited (the "Bank") continued to adhere to its guiding principles and position itself for quantum growth.

2. Business performance

(1) Earnings

For the six months ended 30 June 2003, the Bank recorded an operating profit before provisions of HK\$559 million. The exhaustion of tax losses from The Hongkong Chinese Bank, Limited ("HKCB"), the change of corporate tax rate to 17.5% and deferred tax impact as per Statement of Standard Accounting Practice 12 have led to a higher effective tax rate. This, coupled with the impact of declining value of properties, resulted in a profit attributable to shareholders of HK\$317 million.

In the first half of 2003, the Bank recorded synergies of HK\$103 million from the integration, 67.8% of which came from cost savings and 32.2% from increased revenues. Through the rationalization of branch network, the Bank has enhanced its branch operating efficiency. The number of retail branches was reduced from 50 after the acquisition of HKCB to 36 by the end of June 2003. The number of staff was also reduced from approximately 1,600 to approximately 1,300. Following the integration, better performance was recorded from business referrals and cross-selling of products.

(2) Net interest income

The Bank's net interest income for the first half of 2003 reached HK\$780 million, mainly due to the interest income derived from loans and high quality fixed income securities invested by the Treasury Department. Net interest margin was 2.19%.

行政總裁報告

(續)

二. 業績 (續)

(3) 非利息收入

二零零三年上半年的非利息收入為二億零六百萬港元。雖然上半年本港受非典型肺炎影響，但本行在投資理財產品的銷售成績表現仍然理想，其中以基金銷售的表現尤為突出，有關的費用收入較去年同期大增51%至三千三百萬港元，連帶零售銀行其他的費用及佣金收入，來自零售銀行的非利息收入合共八千三百萬港元，佔非利息收入總額40.3%；期內，企業貸款及貿易票據所帶來的費用收入，共達七千五百萬港元，佔非利息收入約36.4%。

(4) 經營支出

在切實執行二零零二年成立之「成本控制委員會」所制訂的多項控制經營成本守則下，加上與華銀整合所帶來的成本效益，本行在成本控制上取得不俗的成效。二零零三年上半年的經營支出為四億二千八百萬港元，成本對收入比率亦由二零零二年年底的46.7%進一步改善至43.4%。

(5) 呆壞賬準備

鑑於失業率上升及物業價值持續下滑，本行採取了審慎的撥備政策，在二零零三年上半年作出了二億二千三百萬港元的呆壞賬準備，當中包括因抵押及收回物業減值而作出的三千三百萬港元準備，以及二千九百萬港元為抵押品價值作進一步折讓的準備。另外，一般準備覆蓋率維持於1.13%。

Report of Chief Executive Officer

(cont'd)

2. Business performance (cont'd)

(3) Non-interest income

Non-interest income for the first half of 2003 reached HK\$206 million. Despite the impact of SARS during the period, the Bank still registered satisfactory sales of wealth management products. Unit trust sales were the most outstanding among such products, with the relevant fee income surging 51% from the same period last year to HK\$33 million. Adding onto other retail banking-related fees and commissions, the total non-interest income from retail banking reached HK\$83 million, accounting for 40.3% of total non-interest income. During the period, fee income from corporate loans and trade bills totaled HK\$75 million, accounting for approximately 36.4% of total non-interest income.

(4) Operating expenses

The Bank successfully reined in operating expenses during the first half of 2003 as a result of strict observance of the guidelines issued by the "Expense Control Committee" on the control of operating costs and benefiting from the cost synergies from the integration with HKCB. The Bank's operating expenses was HK\$428 million, with a further improved cost to income ratio of 43.4% versus 46.7% at the end of 2002.

(5) Charge for bad and doubtful debts

In view of rising unemployment and falling property prices, the Bank adopted a prudent provisioning policy by making a HK\$223 million charge for bad and doubtful debts in the first half of 2003. This included HK\$33 million in provisions against the decline in value of collateral and repossessed properties and HK\$29 million for further discount on collateral values. In addition, the general provision coverage was maintained at 1.13%.

行政總裁報告

(續)

三. 資產素質

(1) 資產、貸款及存款規模

於二零零三年六月底，本行的總資產約為七百六十七億港元，較二零零二年年底增加5.2%。總貸款達四百零九億港元，較二零零二年年底下跌3.3%，主要是物業投資、樓宇按揭及消費貸款下降所致。貸款總額下跌反映整體信貸需求疲弱，以及本行因應市場息差收窄、個人破產及失業率高企而收緊信貸審批所致。總存款則較二零零二年年底上升4.8%至六百三十六億港元，增長主要來自二月推出的綜合儲蓄及往來戶口——「劃時理財戶口」所吸納的存款。

本行在二零零三年上半年發行存款證的總額達十億三千八百萬港元，不但有效地降低整體資金成本，並將負債到期日分散及延長，達致更理想的負債結構。期內已到期的存款證總額共十八億港元。

(2) 資產素質指標

二零零三年上半年本行繼續致力提升整體資產素質，期內共解決問題貸款六億七千七百萬元。不良貸款比率較二零零二年底的4.1%微升至4.3%，二零零三年六月底之覆蓋率為89.5%。

Report of Chief Executive Officer

(cont'd)

3. Asset quality

(1) Loans, deposits and asset size

At the end of June 2003, total assets of the Bank reached HK\$76.7 billion, an increase of 5.2% versus 2002 year-end. Total loans and advances amounted to HK\$40.9 billion, a drop of 3.3% compared to 2002 year-end. The decline was mainly due to the contraction in property investment, mortgage and consumer lending. The decrease in total loans reflected the overall sluggish loan demand, as well as the Bank's stringent credit approval policy in view of tighter spreads in the market, rising personal bankruptcies and high unemployment. Total deposits increased by 4.8% to HK\$63.6 billion compared to 2002 year-end. The increase primarily came from NOW Account, an integrated savings and checking account launched in February 2003.

In the first half of 2003, the Bank issued HK\$1,038 million worth of certificates of deposit, which effectively lowered the overall cost of funds, and spreaded out the maturity profile in the longer term to attain a better liability structure. During the period, matured certificates of deposit totaled HK\$1,800 million.

(2) Asset quality indicators

In the first half of 2003, the Bank continued to enhance its overall asset quality. During the period, the Bank resolved HK\$677 million of problem loans. The non-performing loan ratio increased slightly to 4.3% from 4.1% at the end of 2002. Coverage ratio stood at 89.5% at the end of June 2003.

行政總裁報告

(續)

三. 資產素質 (續)

(3) 財務狀況

於二零零三年六月底，本行的未經調整資本充足比率為17.2%，貸存比率為64.3%，貸款對資產總值比率為53.3%，平均流動資金比率為48.3%。

資產素質指標

Asset Quality Indicators

		二零零三年六月底 As at the end of June 2003
不良貸款比率	NPL	4.3%
覆蓋率	Coverage	89.5%
貸款虧損覆蓋率	Loan Loss Coverage	54.7%
內地放款佔總貸款比例	Mainland Loans to Total Loans	11.2%
未經調整資本充足比率	Unadjusted Capital Adequacy	17.2%
貸存比率	Loans to Deposits	64.3%
貸款對資產總值比率	Loans to Total Assets	53.3%
平均流動資金比率	Average Liquidity	48.3%

四. 業務持續擴展

二零零三年上半年本行平均每月推出兩項嶄新產品和服務，包括零售銀行部推出的「劃時理財戶口」、「CITIC Ka Wah SEED 信用咭」及提升「140%負資產轉按」計劃，以及企業銀行部所推出的「DocPrep」準備出口文件電腦系統服務及派發股息服務。

Report of Chief Executive Officer

(cont'd)

3. Asset quality (cont'd)

(3) Financial position

At the end of June 2003, the Bank's unadjusted capital adequacy ratio was 17.2%. The loans to deposits ratio was 64.3%. The loans to total assets ratio was 53.3%. The average liquidity ratio was 48.3%.

4. Continued business development

During the first half of 2003, the Bank launched on average two new products and services every month. New products from the Retail Banking Group include "NOW Account", "CITIC Ka Wah SEED Credit Card" and the enhanced "140% Mortgage Refinancing Service", while the Wholesale Banking Group offered "DocPrep" export document preparation system service and "Dividend Payment Service".

行政總裁報告

(續)

四. 業務持續擴展 (續)

二零零三年上半年推出的
新產品及服務

月份
Month

一月
January

二月
February

三月
March

四月
April

五月
May

六月
June

Report of Chief Executive Officer

(cont'd)

4. Continued business development (cont'd)

New Products and Services Launched
During the First Half of 2003

新產品及服務

New Products and Services

- 「DocPrep」準備出口文件電腦系統服務
"DocPrep" Export Document Preparation System Service
- 派發股息服務
"Dividend Payment Service"
- 「劃時理財戶口」
"NOW Account"
- 信用咭「幾時都分期」2%現金回贈
Credit Card "Interest Free Flexi Installment Plan" – 2% Cash Rebate Promotion
- 「非凡利息保證基金」
"FUTURITY Guaranteed Interest Fund"
- 中小企業信貸保證計劃 — 「營運設備及器材貸款」和「聯繫式營運資金貸款」
SME Loan Guarantee Scheme – "Business Installations and Equipment Loans" and "Associated Working Capital Loans"
- 參與「電影貸款保證基金」計劃
Participated in "Film Guarantee Fund"
- CITIC Ka Wah SEED 信用咭
CITIC Ka Wah SEED Credit Card
- 參與政府為受嚴重急性呼吸系統綜合症影響行業而設的三十五億港元貸款擔保計劃
Participated in Government's HK\$3.5 Billion Loan Guarantee Scheme for Severe Acute Respiratory Syndrome Impacted Industries
- 提升「140%負資產轉按」計劃
Enhanced "140% Mortgage Refinancing Service"
- 「精彩100退休計劃」
"ANNUITY 100 Retirement Plan"
- 中小企業信貸保證計劃 — 「應收賬融資貸款」
SME Loan Guarantee Scheme – "Accounts Receivable Loans"

行政總裁報告

(續)

四. 業務持續擴展 (續)

值得一提的是，年息率達1%的綜合儲蓄及往來戶口——「劃時理財戶口」，由於能滿足客戶在低息環境中爭取更高回報的需求，加上提供全港首創失業或罹患末期疾病免費保障，市場反應熱烈。截至六月底止，該計劃共吸引逾一萬五千個新戶口，吸納共六十億港元存款，其中五成來自新客戶，平均存款額約為三十八萬港元，為本行提供大量交叉銷售投資理財產品的機會。

五. 中國業務

為了掌握中國內地經濟騰飛帶來的各種機遇，本行繼續投放資源發展內地業務，並與中信實業銀行緊密合作，在多項銀行服務領域內取得實質的進展。在信用咭業務方面，本行與中信實業銀行共同發展的內地信用咭業務，預期可於今年第四季推出人民幣信用咭、人民幣／港幣及人民幣／美元雙幣信用咭，首年發咭目標為三十萬張。現時信用咭中心已於深圳成立，員工人數約六十人，料年底時員工數目會增至二百人。

企業銀行業務方面，本行與中信實業銀行繼續深化企業貸款的業務合作。上半年，雙方共同參與的俱樂部貸款及銀團貸款達八宗，並為本行帶來約九百萬港元的非利息收入。此外，本行自二零零零年初起為企業客戶安排人民幣借貸，主要是透過轉介方式，由中信實業銀行提供借貸和產品服務，有關服務亦繼續為本行帶來非利息收入。

Report of Chief Executive Officer

(cont'd)

4. Continued business development (cont'd)

It is worth mentioning that the NOW Account, an integrated savings and checking account offering a savings rate of 1% p.a., received favourable responses in the market as it satisfies customers' need of higher return in a low interest rate environment, and offers free premium protection for redundancy and terminal illness coverage that is unique in the market. As at the end of June, more than 15,000 new accounts were opened under the programme. The new product also attracted HK\$6 billion of deposits, of which 50% were from new customers. The average deposit size was approximately HK\$380,000. The product created enormous cross-selling opportunities of wealth management products for the Bank.

5. China banking

To capitalize on the vast business opportunities arising from China's fast growing economy, the Bank continued to commit resources for the development of its China business, and has made solid progress in a number of business areas through close collaboration with CITIC Industrial Bank. In respect of the credit card business jointly developed by the Bank and CITIC Industrial Bank, a RMB card as well as RMB/HKD and RMB/USD dual-currency cards are expected to be launched in the fourth quarter this year, with an issue target of 300,000 cards during the first year of launch. The credit card centre has been established in Shenzhen, with an approximate headcount of 60, which is expected to increase to 200 by the end of this year.

On wholesale banking, the Bank and CITIC Industrial Bank continued to strengthen their co-operation in the corporate loan business. During the first half of the year, the two parties jointly participated in 8 club deals and syndicated loan facilities, contributing approximately HK\$9 million of non-interest income for the Bank. In addition, the Bank has been offering corporate customers with RMB loans through CITIC Industrial Bank since the beginning of 2000. Such business continued to generate non-interest income for the Bank.

行政總裁報告

(續)

五. 中國業務 (續)

在中信國際金融與四間台資銀行在二零零二年底所簽署諒解備忘錄的基礎上，本行積極與有關台資銀行合作，希望能直接或透過中信實業銀行，為內地的台資機構提供全面性的金融服務，本行預期首項為內地台商而設的金融產品將於二零零三年下半年出台。

六. 未來發展

展望未來，本行一方面會繼續擴展香港業務，另一方面會掌握中、港於六月簽訂之「內地與香港關於建立更緊密經貿關係的安排」(「更緊密安排」)所帶來的各種機遇，大力發展大中華區業務。同時，本行亦會致力推行優質商業管理，以建立超卓的領導模式及國際水平的業務管理系統。

(1) 業務發展

i. 香港市場發展

面對通縮及失業率高企的問題，二零零三年下半年香港的經營環境仍未許樂觀。本行將繼續審慎地推行其增長策略，並以開拓創新的精神，積極尋求業務上的突破及開發新收入來源，同時考慮收購和兼併活動，使其規模能達致更高的台階。

ii. 內地市場發展

本行深信內地經濟在未來數年仍會維持強勁增長，而香港銀行的長遠發展，亦不能脫離內地市場。隨著「更緊密安排」之落實，本行計劃以本身品牌進入內地市場，並以珠江三角洲為基地，開設新網點，加強服務當地之商業客戶。本行會積極部署，抓緊內地與香港經濟逐漸融合所帶來的無限商機。

Report of Chief Executive Officer

(cont'd)

5. China banking (cont'd)

Building on the foundation of the separate memorandum of understanding signed between CIFH and four Taiwanese banks at the end of 2002, the Bank continued to co-operate with these Taiwanese banks, with a view to providing a comprehensive range of banking services for Taiwanese companies operating in the Mainland, either directly or in collaboration with CITIC Industrial Bank. The Bank expects the first financial product targeting this market segment to be launched in the second half of 2003.

6. Future development

Going forward, the Bank will continue to develop its business in Hong Kong, and strive to capitalize on the opportunities brought about by the Closer Economic Partnership Arrangement ("CEPA") entered into between Hong Kong and China in June, and actively expand its Greater China business. At the same time, the Bank will adopt a Business Excellence Model with a view to building sustainable leadership and a world-class business management system.

(1) Business development

i. Hong Kong market development

The operating environment for the second half of 2003 is expected to remain challenging amid persistent deflation and high unemployment. The Bank will remain prudent when implementing its business growth strategies, while at the same time adhere to the spirit of innovation, and strive to achieve business breakthroughs and develop new revenue generators. The Bank will also consider merger and acquisition opportunities with a view to further expanding business scale.

ii. Mainland market development

The Bank firmly believes that the Mainland economy will continue to grow vigorously over the next few years, and the Mainland market is crucial for the long-term development of Hong Kong's banking industry. Following the implementation of CEPA, the Bank plans to enter the Mainland market under its own brand, and will use the Pearl River Delta as a base to expand its distribution network to better serve its corporate customers operating in the region. The Bank will actively position itself to capitalize on the vast business opportunities arising from the gradual integration of the Mainland and Hong Kong economies.

行政總裁報告

(續)

六. 未來發展 (續)

(2) 提升管理效益

本行於二零零二年成功取得「香港零售管理協會優質顧客服務獎」，引證其積極提倡的一套全面品質管理計劃，並正將該計劃推廣至全行各部門。計劃包括七個範疇，分別為領導才能、策略性計劃、客戶服務、資訊分析、人力資源、程序管理及業務成績。隨著計劃的落實，將能推動本行的管理系統達至更專業化及國際水平。

陳許多琳

總裁兼行政總裁

Report of Chief Executive Officer

(cont'd)

6. Future development (cont'd)

(2) Enhancing management effectiveness

The Bank's winning of "The Hong Kong Retail Management Association Customer Service Award" in 2002 marks the success of its Business Excellence Model under implementation. To further strengthen its business management, the Bank has been extending this model throughout the organization. The model emphasizes 7 arenas including leadership, strategic planning, customer service, information analysis, HR focus, process management and business results. Its implementation is expected to upgrade the Bank's business management system to world class standard.

Chan Hui Dor Lam Doreen

President and Chief Executive Officer



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