

Notes to the Financial Statements

財務報告附註

1. ACTIVITIES

Fubon Bank (Hong Kong) Limited (“The Bank”) is a licensed bank incorporated and domiciled in Hong Kong and has its registered office at 38 Des Voeux Road Central, Hong Kong.

The Bank, through its branches and subsidiaries, provides a range of banking, financial and related services.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements for the year ended 31 December 2009 comprise the Bank and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

(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. These financial statements in conjunction with the unaudited supplementary financial information on page 233 to 260 also comply with the applicable disclosure provisions of the “Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited” and the disclosure requirements of the Banking (Disclosure) Rules made by the Hong Kong Monetary Authority (“HKMA”) under section 60A of the Hong Kong Banking Ordinance. A summary of the significant accounting policies adopted by the Group is set out below.

(b) New and revised HKFRSs

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Bank. Of these, the following developments are relevant to the Group’s financial statements:

- HKFRS 8 “Operating segments”
- HKAS 1 (revised 2007) “Presentation of financial statements”
- Improvements to HKFRSs (2008)
- Amendments to HKAS 27 “Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate”
- Amendments to HKFRS 7 “Financial instruments: Disclosures – improving disclosures about financial instruments”
- Amendments to HKFRS 2 “Share-based payment – vesting conditions and cancellations”

1. 業務

富邦銀行(香港)有限公司(「本行」)為一間於香港註冊成立並以香港為本籍的持牌銀行，其註冊辦事處位於香港中環德輔道中三十八號。

本行透過其分行及附屬公司提供一系列銀行、金融及相關服務。

2. 主要會計政策

截至二零零九年十二月三十一日止年度之綜合財務報告，包括本行及其附屬公司(合稱為「本集團」)及本集團於聯營公司之權益之財務報告。

(a) 遵守聲明

此等財務報告乃根據香港會計師公會(「香港會計師公會」)頒佈的一切適用香港財務報告準則(「香港財務報告準則」，該統稱包括一切適用的個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港普遍採納的會計準則及香港《公司條例》的規定而編製。此等財務報告及列載於第233頁至260頁的未經審核補充資料亦遵守「香港聯合交易所有限公司證券上市規則」的適用披露規定及香港金融管理局(「金管局」)根據《銀行業條例》第60A節頒佈的《銀行業(披露)規則》之披露規定而編製。本集團所採納的主要會計政策概要載於下文。

(b) 新訂及經修訂香港財務報告準則

香港會計師公會已頒佈一香港財務報告準則新訂本、一系列香港財務報告準則之修訂及新訂詮釋，並於本集團及本行之本期會計期間首次生效。據此，與本集團之財務報告有關之發展如下：

- 香港財務報告準則第8號「經營分部」
- 香港會計準則第1號「財務報表的列報」(二零零七年修訂本)
- 香港財務報告準則的改進(二零零八年)
- 香港會計準則第27號的修訂「合併及單獨財務報表—投資附屬公司、共同控制實體及聯營企業投資的成本」
- 香港財務報告準則第7號的修訂「金融工具：披露—改善金融工具的披露」
- 香港財務報告準則第2號的修訂「以股份為基礎的支付—歸屬條件及註銷」

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) New and revised HKFRSs (continued)

The “Improvements to HKFRSs (2008)” comprise a number of minor and non-urgent amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. The impact of these amendments is not considered to be material to the Group and have not resulted in changes to the Group’s accounting policies. The amendments to HKFRS 2 have had no material impact on the Group’s financial statements as they were consistent with policies already adopted by the Group. The impact of the remainder of these developments is as follows:

- HKFRS 8 requires segment disclosure to be based on the way that the Group’s chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group’s chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. This contrasts with the presentation of segment information in prior years which was based on a disaggregation of the Group’s financial statements into segments based on related products and services and on geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group’s most senior executive management. As this is the first period in which the Group has presented segment information in accordance with HKFRS 8, additional explanation has been included in the financial statements which explain the basis of preparation of the information (see Note 16). Corresponding amounts have also been provided on a basis consistent with the revised segment information.
- As a result of the adoption of HKAS 1 (revised 2007), details of changes in equity during the period arising from transactions with equity holders in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense recognised in profit or loss and other comprehensive income during the period are presented in a new primary statement, the consolidated statement of comprehensive income, which replaced the consolidated income statement. The new format for the consolidated statement of comprehensive income and the consolidated statement of changes in equity has been adopted and corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

2. 主要會計政策(續)

(b) 新訂及經修訂香港財務報告準則(續)

「香港財務報告準則的改進(二零零八年)」包括香港會計師公會頒佈的對一系列香港財務報告準則的多項不屬重要且非迫切性的修訂，作一批統括修訂。該等修訂並無導致本集團會計政策變動。香港財務報告準則第2號的修訂與本集團目前已採用之會計政策一致，因此對本集團財務報告並無重大影響。上述其餘發展對本集團之財務報告之影響如下：

- 香港財務報告準則第8號要求，需按向總營運決策人就資源分配及表現評估作出報告所使用的相同基準，就業務分類資料作出呈報。本集團按香港財務報告準則第8號之營業類別為客戶類別，因為總營運決策人利用客戶類別資料以決定資源分配及評估表現。此呈報方式有別於本集團以前年度按業務分項及區域分項的呈報方式。採納香港財務報告準則第8號後的部分信息披露因此與提供予總營運決策人之內部報告資料更趨向一致。由於本集團於本報告期間首先執行香港財務報告準則第8號，因此在財務報告中詳述分部報告的編制基礎(見附註16)。而比較數據亦相應地重述以提供一致信息。
- 採納香港會計準則第1號(2007修訂本)後，由與擁有人交易所產生的權益變化將與其他收入與支出分別列報於修訂後的綜合股東權益變動報告表，所有期內於損益賬及其他全面收益確認的其他收入與支出，將於綜合全面收益表中列報。此報表為新增的主報表並取代綜合收益表。新格式的綜合全面收益表及綜合股東權益變動報告表已獲採納。比較數據亦已按新的列報方式重列於報表中，以與新列報方式一致。列報方式之改變不會對損益、總收入及開支或淨資產構成任何影響。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(b) New and revised HKFRSs** (continued)

- As a result of the adoption of the amendments to HKFRS 7, the financial statements include expanded disclosures in Note 47(a) about the fair value measurement of the Group's financial instruments, categorizing these fair value measurements into a three-level fair value hierarchy according to the extent to which they are based on observable market data. The Group has taken advantage of the transitional provisions set out in the amendments to HKFRS 7, under which comparative information for the newly required disclosures about the fair value measurements of financial instruments has not been provided.
- The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investment in the investee, rather than as income. As a result, as from 1 January 2009, all dividends receivable from subsidiaries, associates and jointly controlled entities, whether out of pre- or post-acquisition profits, will be recognised in the Bank's profit or loss and the carrying amount of the investment in the investee will not be reduced unless that carrying amount is assessed to be impaired as a result of the investee declaring the dividend. In such cases, in addition to recognising dividend income in profit or loss, the Bank would recognise an impairment loss. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any dividends receivable in the current or future periods and previous periods have not been restated. Adoption of the amendments to HKAS 27 has no effect on these financial statements.

(c) 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(g));
- derivative financial instruments (see Note 2(g)); and
- certain of the Group's owned properties (see Note 2(j))

In addition, the carrying amounts of assets and liabilities that are designated as hedged items in a fair value hedge are adjusted for fair value changes attributable to the hedged risks.

2. 主要會計政策 (續)**(b) 新訂及經修訂香港財務報告準則** (續)

- 採用香港財務報告準則第7號的修訂後，財務報告包括附註47(a)已擴充的披露，該披露是有關本集團金融工具的公平價值計量，以及根據可觀察的市場數據將該等公平價值計量以公平價值等級制度分類成三個等級。本集團已利用香港財務報告準則第7號的修訂所載的過渡條文，該等條文並無規定須就新披露要求列報有關金融工具公平價值計量的比較資料。
- 香港會計準則第27號的修訂刪除對收取被投資人由收購前溢利所產生的股息應沖減對作被投資人之投資賬面值而非確認為收益之規定。因此，自二零零九年一月一日起，自附屬公司、聯營公司及共同控制實體應收取之所有股息（不論來自收購前或收購後溢利），將於本行損益賬確認，而不沖減對被投資人之投資賬面值，惟其賬面值因被投資人宣派股息而評估將予減值除外。在該情況下，除於損益賬內已確認股息之收入外，本行將確認減值虧損。根據本修訂的過渡性規定，此新政策適用於本會計年度及未來年度的應收股息，以前年度的應收股息不作重述。香港會計準則第27號的修訂之採用對該等財務報告並無影響。

(c) 財務報告的編製基準

編製財務報告所採用的計算基準為歷史成本法，但下列以公平價值列賬的資產及負債（如下文的會計政策所闡釋）除外：

- 分類為交易用途、指定通過損益以反映公平價值及可供出售之金融工具（見附註2(g)）；
- 衍生金融工具（見附註2(g)）；及
- 若干本集團擁有之物業（見附註2(j)）

另外，在公平價值對沖中指定為對沖項目的資產與負債的賬面價值，乃就與對沖風險有關的公平價值變動作出調整。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Basis of preparation of the financial statements** (continued)

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.

Judgments made by management in the application of HKFRSs that have a significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 52.

(d) Investment in subsidiaries and minority interest

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 its activities. In assessing control, potential voting rights that are presently 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.

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Bank, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meet the definition of a financial liability. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the Bank. Minority interests in the results of the Group are presented on the face of the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between minority interests and the equity shareholders of the Bank.

2. 主要會計政策 (續)**(c) 財務報告的編製基準** (續)

編製此等符合香港財務報告準則之財務報告需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策之應用及所申報之資產及負債、收入及開支等數額。該等估計及有關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理之各項其他因素為基準而作出，所得結果構成對目前未能從其他來源得出的資產及負債賬面值所作估計之基準。實際數字或會有別於此等估計數字。

本集團持續就所作估計及相關假設作出評估。會計估計之變動如只影響當期，則有關影響於估計變動之當期確認。如該項會計估計之變動影響當期及以後期間，則有關影響於當期及以後期間確認。

管理層應用對財務報告及估計不確定因素之主要來源構成重大影響之香港財務報告準則所作出之判斷於附註 52 中詳述。

(d) 附屬公司投資及少數股東權益

附屬公司為本集團控制之實體。於集團有能力監管實體之財務及營運政策以從其活動獲益時，即存在控制權。於評估控制權時，會計入現時可予行使之潛在投票權。

自控制開始日期直至控制結束日期，於受控制附屬公司之投資會併入綜合財務報告內。

集團公司內部間的結餘及交易，以及集團公司內部間交易所產生的任何未變現溢利，均於編製綜合財務報告時悉數抵銷。集團公司內部間交易所產生的未變現虧損與未變現溢利以相同方式抵銷，惟僅限於無證據顯示已出現減值的情況。

少數股東權益指非由本行擁有的權益（不論是直接或透過附屬公司間接地）應佔附屬公司的淨資產部分，而本集團未與該權益持有者達成任何附加協議，以使本集團整體上對該等權益產生符合金融負債定義的合約義務。少數股東權益在綜合資產負債表內的股東權益列賬，但與本行股東應佔權益分開呈列。本集團業績內呈列的少數股東權益在綜合收益表內列作少數股東權益與本行股東之間就本年度損益總額及全面收益總額之分配。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Investment in subsidiaries and minority interest** (continued)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

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

(e) Interests in associates

An associate is an entity in which the Group or the Bank has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

The investment in an associate in the Philippines is not equity accounted for in the consolidated financial statements as it is considered by the Directors to be immaterial to the Group. It is stated at cost less impairment losses in the Group's and the Bank's balance sheet. The result of this associated company is included in the Group's and the Bank's profit or loss to the extent of dividends received and receivable.

An investment in an associate in the PRC is accounted for in the consolidated financial statements under the equity method. It is initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the associate's net assets and any impairment loss relating to the investment, if any (see Notes 2(f) and (m)). The Group's share of the post-acquisition, post-tax results of the associate and any impairment losses for the year are recognised in profit or loss, whereas the Group's share of the post-acquisition, post tax items of the associate's other comprehensive income is recognised in the Group's other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. For these purposes, the Group's interest in the associate is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate.

2. 主要會計政策 (續)**(d) 附屬公司投資及少數股東權益** (續)

倘少數股東應佔虧損超過少數股東權益應佔附屬公司之權益，則超出之部分加上少數股東應佔之任何其他進一步虧損乃於本集團之權益中扣除，惟倘少數股東須承擔具約束力之責任及有能力作出進一步投資以彌補虧損則作別論。如果該附屬公司日後錄得溢利，本集團將獲分配所有該等溢利，直至先前由本集團承擔原應由少數股東攤佔之虧損得到彌補為止。

於本行之資產負債表中，其於附屬公司的投資乃按成本值減去減值虧損（如有）列賬（見附註2(m)）。

(e) 於聯營公司之權益

聯營公司為本集團或本行可對其管理（包括參與其財政及營運政策的決定）有重大影響力（惟並非控制或聯合控制）之實體。

由於董事認為於菲律賓之聯營公司的投資對本集團的影響並不重大，故並無以權益法計入綜合財務報告，而於本集團及本行之資產負債表中按成本值扣除減值虧損列賬。該聯營公司之業績以已收及應收的股息於本集團及本行的損益賬中列賬。

中國聯營公司的投資是按權益法記入綜合財務報告，初步以成本入賬，其後就本集團應佔該聯營公司資產淨值及有關該投資之任何減值虧損（如有）見附註2(f)及(m)在收購後的變動作出調整。本集團應佔聯營公司收購後及除稅後業績以及任何本年度減值虧損於損益賬內確認，而本集團應佔聯營公司其他全面收益之收購後及除稅後項目則確認為本集團之其他全面收益。

倘本集團應佔的虧損超過其於該聯營公司的權益，則本集團的權益會撇減至零，而除非本集團已產生法定或推定責任或代該聯營公司作出付款，否則不會繼續確認進一步虧損。就此等而言，本集團於聯營公司的權益，是以按照權益法計算投資的賬面值，以及實質上構成本集團於聯營公司投資淨額一部分的長期權益。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(e) Interests in associates (continued)**

Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in the profit or loss.

In the Bank's balance sheet, its investments in both associates are stated at cost less impairment losses, if any (see Note 2(m)).

(f) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill arising on a business combination is allocated to cash-generating units and is tested annually for impairment (see Note 2(m)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in associates and the investment as a whole is tested for impairment whenever there is objective evidence of impairment (see Note 2(m)).

Any excess of the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate is recognised immediately in the profit or loss.

On disposal of a cash generating unit, or an associate during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(g) 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 financial assets 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 of the financial asset or issue of financial liability. Transaction costs on financial assets and financial liabilities designated at fair value through profit or loss are expensed immediately.

2. 主要會計政策(續)**(e) 於聯營公司之權益(續)**

本集團與其聯營公司之間交易所產生的未變現損益，以本集團於聯營公司應佔的權益為限予以抵銷；但假如未變現虧損顯示已轉讓資產出現減值，則這些未變現虧損會即時在損益賬內確認。

本行資產負債表所示於兩家聯營公司的投資，是按成本減去減值虧損(倘有)後入賬(見附註2(m))。

(f) 商譽

商譽是指企業合併或於聯營公司之投資的成本超過本集團在被收購方的可辨別資產、負債和或有負債的公平價值淨值中所佔份額的部分。

商譽是按成本減去任何累計減值虧損後列賬。因業務合併而產生之商譽會分配至現金產生單位，並且每年接受減值測試(見附註2(m))。就聯營公司而言，商譽之賬面值乃計入聯營公司權益之賬面值，而投資則於有減值之客觀證據時整體接受減值測試(見附註2(m))。

本集團於被收購方的可識別資產、負債及或然負債之公平淨值之權益超過業務合併或於聯營公司之投資之成本即時於損益賬內確認。

於本年度出售現金產生單位或聯營公司時，所購入商譽應佔的任何金額均列入出售盈虧的計算中。

(g) 金融工具*(i) 初始確認*

本集團視乎購入資產或產生負債之目的，最初將金融工具分為以下類別：通過損益以反映公平價值、貸款和應收款項、持至到期投資、可供出售金融資產和其他金融負債。

金融工具最初按公平價值計量，而公平價值一般將與交易價相同。此外，如金融資產或金融負債不屬於指定為通過損益以反映公平價值訂值納入損益賬時，更需加上購入金融資產或發行金融負債所直接涉及之交易成本。指定為通過損益以反映公平價值的金融資產及金融負債的交易成本，會即時支銷。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Financial instruments (continued)***(i) Initial recognition (continued)*

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 designated at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets 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 are recorded.

(ii) Categorisation

Fair value through profit or loss

This category comprises financial assets and financial liabilities held for trading, and those designated at fair value through profit or loss upon initial recognition.

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(i)) are accounted for as trading instruments.

Financial instruments are designated 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; or
- the asset or liability contains an embedded derivative the separation of which from the financial instrument is clearly not prohibited.

Financial assets and liabilities under this category are carried at fair value. Changes in the fair value are included in profit or loss 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 profit or loss.

2. 主要會計政策(續)**(g) 金融工具(續)***(i) 初始確認(續)*

本集團在成為金融工具合約條文其中一方當日會確認金融資產和金融負債。以定期方式購買或出售之指定為通過損益以反映公平價值、貸款和應收款項、持至到期投資或可供出售之金融資產及金融負債使用交易日會計法予以確認。其他金融資產和金融負債按結算日會計法確認。因該等金融資產或金融負債的公平價值變動所產生的任何盈利和虧損由該日起計算。

(ii) 分類

通過損益以反映公平價值

此類別包括持作交易用途和初始確認時被指定為通過損益以反映公平價值的金融資產及金融負債。

持作交易用途之金融工具是收購或產生之主要目的為用作交易用途，或屬於一個整體管理的可識別金融工具組合的一部分，並且有證據顯示短期內出售以賺取利潤的交易模式。不符合對沖會計法(附註2(i))之衍生工具，亦分類為持作交易用途之工具入賬。

於下列情況下，金融工具於初始確認時被指定為通過損益以反映公平價值：

- 資產或負債以公平價值基準作內部管理、評估及匯報；
- 有關的指定可消除或大幅減少會計錯配的發生；
- 資產或負債包含一項嵌入衍生工具，該衍生工具可大幅改變合同規定的現金流量；或
- 資產或負債包含一項嵌入衍生工具，嵌入衍生工具可以從金融工具分離。

屬於此類別的金融資產和負債按公平價值入賬。公平價值變動計入在發生期內的損益賬。於出售或購回時，出售所得淨款項或償付淨額與賬面值的差額計入損益賬。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Financial instruments** (continued)*(ii) Categorisation (continued)***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 as 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 advances to customers, placements with banks and other financial institutions, and certain debt securities.

Debt securities classified as loans and receivables are not quoted in an active market. Investment decisions for such debt securities are subject to the same credit approval processes as loans, and the Group bears the same customer risk as it does for loans extended to those customers. These debt securities include subordinated debt instruments and senior debt instruments issued by borrowers.

Loans and receivables are carried at amortised cost using the effective interest rate method less impairment losses, if any (see Note 2(m)). Cash rebates granted in relation to residential mortgage loans are capitalised and amortised to profit or loss over their expected life.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity which the Group has the positive intention and ability to hold to maturity, other than (a) those that the Group, upon initial recognition, designates at 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(m)).

If, as a result of a change in intention or ability, it is no longer appropriate to classify an investment as held-to-maturity, it should be reclassified as available-for-sale and remeasured at fair value.

2. 主要會計政策 (續)**(g) 金融工具** (續)*(ii) 分類* (續)**貸款和應收款項**

貸款和應收款項為具固定或可確定付款金額及沒有活躍市場報價的非衍生金融資產，但不包括(a)本集團有計劃即時或於短期內出售而被區分為持作交易用途；(b)於初始確認時已被本集團指定為通過損益以反映公平價值或可供出售；或(c)本集團可能無法收回大部分初始投資而將分類為可供出售資產，但不包括因信用惡化的原因而納入此項類別之資產。貸款和應收款項主要包括向客戶所提供的貸款及存放於銀行及其他金融機構之放款，以及若干債務證券。

分類為貸款和應收款項的債務證券並無於活躍市場報價。作出與該等債務證券有關的投資決定與貸款的信貸審批程序相同，本集團須承擔等同向該等客戶授出貸款的相同客戶風險。此類債務證券包括由借款人發行的後償債務工具及優先債務工具。

貸款和應收款項採用實際利率方法減去減值虧損(如有)後按攤銷成本列賬(見附註2(m))。現金回贈予住宅按揭貸款予已資本化，並以其預計期限在損益賬內作出攤銷。

持至到期投資

持至到期投資包括有固定或可確定付款金額及有固定到期日，且本集團有明確意向和能力持至到期的非衍生金融資產，但不包括(a)本集團於初始確認時指定為通過損益以反映公平價值或可供出售，及(b)符合貸款和應收款項定義之項目。

持至到期投資採用實際利率方法減去減值虧損(如有)後按攤銷成本列賬(見附註2(m))。

倘因意向或能力改變而不再適宜將投資分類為持至到期，則須重分類為可供出售並按公平價值重新計量。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Financial instruments** (continued)*(ii) Categorisation (continued)*

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either 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 financial assets are carried at fair value. Unrealised gains and losses arising from changes in the fair value are recognised in other comprehensive income and accumulated separately in equity, except for impairment losses and foreign exchange gains and losses on monetary items such as debt securities which are recognised in profit or loss.

Investments in equity instruments 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 equity instruments are carried at cost less impairment losses, if any (see Note 2(m)).

When the available-for-sale financial assets 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 previously recognised in other comprehensive income.

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.

(iii) Fair value measurement principles

The fair value of financial instruments is ideally 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 on a recognised stock exchange, a price from a broker/dealer for non-exchange-traded financial instruments is used. If the market for a financial instrument is not active, the fair value of the instrument is estimated using a valuation technique that provide a reliable estimate of the price which could be obtained in an actual market transaction.

2. 主要會計政策 (續)**(g) 金融工具** (續)*(ii) 分類* (續)

可供出售金融資產

可供出售金融資產為指定為可供出售，或未分類為上述任何其他三個類別之非衍生金融資產。彼等包括無固定持有限期之金融資產，但亦可因應流動資金之需要或市場環境變化而出售。

可供出售金融資產以公平價值列賬。因公平價值變動引致之未變現盈利和虧損確認為其他全面收益並於權益內單獨累計，惟債務證券等貨幣項目之減值虧損及外匯盈利和虧損須於損益賬內確認。

於活躍市場並無市場報價且公平價值不能可靠計算的股本投資工具，及與該等股本工具掛鉤以及必須透過交付該等工具進行交收之衍生工具，均按成本減去減值虧損(如有)列賬(見附註2(m))。

當出售可供出售金融資產時，出售盈利或虧損包括出售所得淨款項與賬面值的差額，及先前確認於其他全面收益之累計公平價值調整。

其他金融負債

除交易賬項下負債及該等被指定為通過損益以反映公平價值之負債外，其他金融負債採用實際利率方法計算攤銷成本入賬。

(iii) 計量公平價值之原則

金融工具的公平價值是於結算日根據其市場報價但未減除將來的估計出售成本。金融資產按買入現價作價，而金融負債則按賣出現價作價。

如並沒有認可交易所的最新公開成交價或市場報價，經紀/交易商亦無作出非交易所買賣金融工具的報價，或若其市場並不流通，此工具的公平價值按估值模式計算，而該估值模式可根據市場實際交易而提供可靠的估計價格。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Financial instruments** (continued)*(iii) Fair value measurement principles (continued)*

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.

The Group uses the weighted average method to determine realised gains and losses to be recognised in profit or loss on derecognition.

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 the liability simultaneously.

(vi) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that includes both a 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. Embedded derivatives are separated from the host contract and accounted for as a derivative when (i) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract; and (ii) the hybrid (combined) instrument is not held at fair value through profit or loss.

When the embedded derivative is separated, the host contract is accounted for in accordance with the accounting policies for the relevant financial instruments. The embedded derivative is classified as a derivative financial instrument in the financial statements.

2. 主要會計政策 (續)**(g) 金融工具** (續)*(iii) 計量公平價值之原則* (續)

當採用現金流折算計價模式，需依據管理層對日後現金流量之估計，並採用在結算日具相近條款及條件的工具所適用之市場利率作為折算率。當採用其他計價模式時，輸入資料是在結算日的市場數據。

(iv) 終止確認

當收取金融資產現金流量之合約權利到期時或者該金融資產連同擁有權之所有風險或回報已被轉移時，金融資產將被終止確認。

本集團採用加權平均法來釐定在終止確認時將於損益賬內確認之已實現盈利和虧損。

當合約的義務已被履行、取消或期滿，本集團終止確認該金融負債。

(v) 對銷

若存在一項可依法強制執行的權利可對銷列賬金額，且亦有意以淨額結算或同時變現資產及償付債務，則金融資產及金融負債均予對銷，並把淨金額列入資產負債表內。

(vi) 嵌入式衍生工具

嵌入式衍生工具是組成混合工具之一部分，而該工具同時包括衍生工具及主合約，其影響是組合工具之部分現金流量與獨立之衍生工具以相近之方式變動。當嵌入式衍生工具符合下列條件時，則需與主合約分開，並將其作為衍生工具入賬：(i) 嵌入式衍生工具的經濟特徵和風險與主合約的經濟特徵和風險沒有密切關係；及(ii) 混合(組合)工具並不是按公平價值持有並於損益確認。

當嵌入式衍生工具被分開時，主合約根據相關金融工具之會計政策入賬。嵌入式衍生工具分類為衍生金融工具列入財務報告。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(h) 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 agreement) 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 is recognised as interest income and interest expense respectively, over the life of each agreement using the effective interest rate method.

(i) Hedging

Hedge accounting recognises the offsetting effects on profit or loss of changes in the fair values of the hedging instruments and the hedged items. The Group assesses and documents whether the financial instruments that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items attributable to the hedged risks both at hedge inception and on an ongoing basis. Under HKAS 39 hedge accounting is classified into three categories: (a) fair value hedges; (b) cash flow hedges and (c) net investment hedges. The Group only applies hedge accounting for fair value hedges of its subordinated notes programme (Note 38) and certain fixed rate available-for-sale investments.

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.

(i) Fair value hedge

A fair value hedge seeks to offset risks of changes in the fair value of recognised assets and liabilities that will give rise to a gain or loss being recognised in profit or loss.

The hedging instruments are measured at fair value, with fair value changes recognised in profit or loss. The carrying amounts of the hedged items are adjusted by the changes in fair value attributable to the risk being hedged. These adjustments are recognised in profit or loss to offset the effect of gains or losses on the hedging instruments.

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 profit or loss as part of the recalculated effective interest rate of the item over its remaining life.

2. 主要會計政策 (續)**(h) 回購交易和反向回購交易**

在售出後某特定時間需以固定價格回購該等證券即為根據同步協議(回購協議)售出之證券。此等證券會保留在財務報告內並根據該等證券之原來計量原則計量。出售所得款項乃列作負債並列入報告及以攤銷成本列賬。

根據轉售協議(反向回購協議)購買之證券乃按攤銷成本作為應收款項而非購回證券計入資產負債表。

反向回購協議所賺取之利息與回購協議產生之利息，分別於各個協議有效期間採用實際利率法確認為利息收入及利息開支。

(i) 對沖

對沖會計處理確認對沖工具及對沖項目之公平價值變動對溢利或虧損之抵銷效應。本集團於對沖交易開始時及於日後繼續評估對沖交易中採用之對沖工具是否能高度有效地抵銷對沖項目因應指定利率風險所引致之公平價值變動，並將有關評估記錄。根據香港會計準則第39號，對沖會計處理分為三類：(a) 公平價值對沖；(b) 現金流量對沖及(c) 投資淨額對沖。本集團僅對其後償票據計劃(附註38)及若干定息可供出售債券的公平價值對沖應用對沖會計處理。

倘(a)對沖工具到期或被出售、終止或行使；(b)對沖不再符合對沖會計處理的準則；或(c)本集團撤回指定，本集團便會分別終止對沖會計處理。

(i) 公平價值對沖

公平價值對沖目的是為抵銷已確認資產及負債的公平價值變動之風險(該等變動將導致須在損益賬內確認損益)。

對沖工具按公平價值列賬，其公平價值變動於損益賬內確認。對沖項目之賬面數額按所對沖之風險所導致之公平價值變動作出調整。此等調整在損益賬內確認，以抵銷對沖工具所產生之損益之影響。

當對沖工具到期或被出售、終止或被行使，對沖不再符合對沖會計法的標準，或本集團撤銷了指定的對沖關係時，截至當時為止對使用實際利率法計算的被對沖項目的任何調整，會在損益賬內攤銷，作為在該項目的剩餘期間重新計算其實際利率的一部分。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(i) Hedging (continued)***(ii) Hedge effectiveness testing*

In order to qualify for hedge accounting, the Group carries out prospective effectiveness testing to demonstrate that it expects the hedge to be highly effective at the inception of the hedge and throughout its life. Actual effectiveness (retrospective effectiveness) is also 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 the effectiveness testing methodology for retrospective testing. For prospective effectiveness, the hedging instruments must be expected to be highly effective in achieving offsetting changes in fair value attributable to the hedged risk during the period for which the hedge is designated and is typically demonstrated through matching of critical terms. For actual effectiveness, the hedging instrument should demonstrate that it is highly effective in offsetting changes in fair value attributable to the hedged risk. The Group considers that where changes in fair value offset each other in the range of 80 per cent to 125 per cent the hedge is highly effective.

(j) Other property and equipment

The Group's leasehold land and buildings are held under operating leases and, in the absence of reliable information to allow separation of the land and buildings components under the leases, the land and buildings are accounted for as properties under HKAS 16, 'Property, Plant and Equipment' issued by the HKICPA.

In addition, certain of the Group's leasehold land and premises have been included at Directors' valuation made having regard to independent professional valuations carried out in November 1989. The surplus arising on revaluation was credited to the revaluation reserve. Additions to revalued premises made subsequent to the revaluation are included at cost. Premises which have not been the subject of revaluation are included at cost. The revaluation reserve arising from the November 1989 revaluation was transferred to the capital redemption reserve when the Bank redeemed its "A" and "B" preference shares in 1991 and 1992.

In preparing these financial statements, advantage has been taken of the transitional provisions in paragraph 80A of HKAS 16 with the effect that premises have not been revalued to fair value at the balance sheet date. It is not the Directors' present intention to revalue the premises in the future.

2. 主要會計政策(續)**(i) 對沖(續)***(ii) 對沖有效性測試*

為符合對沖會計法，本集團於初始訂立對沖時指定對沖工具，亦於初始訂立對沖時及於其整段年期內進行預計有效性評估測試，以證明該項對沖交易能高度有效地發揮預期對沖功能。本集團亦持續地為對沖之實際有效性進行追溯有效性測試。

每項對沖關係均備有詳細文件載列該項對沖有效性之評估方法。本集團就評估對沖的有效性而採用的方法取決於其風險管理策略。

就公平價值對沖關係而言，本集團使用累計價值抵銷法作為追溯測試的有效性測試方法。就預計有效性而言，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所對沖風險而導致之公平價值變動，通常通過配對關鍵條款顯示有效性。就實際有效性而言，對沖工具必須能夠顯示能夠高度有效地抵銷所對沖風險導致之公平價值變動。本集團認為，公平價值變動抵銷比率在百分之八十至百分之一百二十五的範圍內才被視為有效。

(j) 其他物業及設備

本集團之租賃土地及樓宇根據經營租約及持有，在無可靠資料以允許根據租約分開土地和樓宇之組成部分情況下，土地及樓宇根據香港會計師公會頒佈之香港會計準則第16號「物業、廠房及設備」作為物業入賬。

此外，本集團有若干租賃土地及物業已包括在董事編製之估值(已考慮於一九八九年十一月進行之獨立專業估值)。因重新估值而產生之盈餘已撥入估值儲備。獲重估之物業於重新估值後按成本包括在內。毋須重估之物業按成本包括在內。當本行於一九九一年和一九九二年贖回「A」類和「B」類優先股後，因一九八九年十一月重新估值而產生之重估儲備已轉撥至資本贖回儲備內。

在編製此等財務報告時，本集團已應用香港會計準則第16號第80A段之過渡性條文，其影響為物業於結算日並無被重新估值為公平價值。董事現時無意將來對物業進行重新估值。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) Other property and equipment** (continued)

Subsequent expenditure relating to a fixed asset that has already been recognised is added to the carrying amount of the assets when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Gains or losses arising from the retirement or disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost or valuation of items of property and equipment using the straight line method over the estimated useful lives as follows:

- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no less than 2% per annum after the date of completion.
- Furniture and equipment is generally depreciated over periods between three to ten years.

Where parts of an item of property and equipment have different useful lives, each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(k) Leases and hire purchase contracts

An arrangement, comprising a transaction or a series of 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 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 for impairment (see Note 2(m)).

2. 主要會計政策 (續)**(j) 其他物業及設備** (續)

倘若該筆後續費用能產生未來經濟收益(超出現有資產之初始評定之表現標準)予本集團,該筆後續費用會附加在相關並已被確認資產之賬面值。所有其他後續費用於其產生期間被確認為開支。

固定資產報廢或出售固定資產的盈虧乃根據有關資產出售所得款項淨額與其賬面數額之差額而釐定,並於報廢或出售當日於損益賬內確認。

物業和設備項目於預計可用期限內以直線法撇銷成本或估值以計算折舊如下:

- 於完成日期後,座落在租賃土地之樓宇於租約餘下期間或其預計可用期限之較短期間,每年以不低於2%折舊。
- 傢俱和設備一般於三至十年之期間折舊。

當物業和設備項目之部件有不同使用期限時,每個部件須分開折舊。資產之使用期限及其殘值(如有)均須每年進行複核。

(k) 租約及租購合約

本集團確定協議具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利,則該協議(由一宗交易或一系列交易組成)為租賃或包括租賃。該釐定乃根據安排之內容評估而作出,而無論安排是否具備租賃之法律形式。

(i) 租賃資產分類

凡將擁有權之絕大部分風險與回報轉移至出租人之租約均列為融資租約。未將擁有權之絕大部分風險與回報轉由承租人承擔之租約列為經營租約。

(ii) 融資租約

凡本集團根據融資租約為承租人時,相當於租約中投資淨額之款項作為客戶貸款包括於資產負債表內。具有融資租約特徵之租購合約以同樣方式列賬為融資租約。減值虧損根據減值之會計政策入賬(見附註2(m))。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(k) Leases and hire purchase contracts (continued)***(iii) Operating leases*

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease terms, except where an alternative basis is more representative of the pattern of benefits to be delivered from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregated net lease payments made. Contingent rentals are charged to profit or loss in the period in which they are incurred. The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term.

(l) Repossessed assets

During the recovery of impaired advances to customers, 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 "Accrued interest and other accounts" and the relevant loans and advances are derecognised. The Group does not hold repossessed assets for its own use.

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

Impairment losses on subsequent remeasurement are recognised in profit or loss. Any gains on subsequent remeasurement are recognised in profit or loss until the repossessed asset is stated at the amount of related loans and advances at the date of exchange.

(m) Impairment of assets

The carrying amount of the Group's assets are 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;
- 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

2. 主要會計政策(續)**(k) 租約及租購合約(續)***(iii) 經營租約*

凡本集團根據經營租約擁有所持資產之使用權時，則根據租約作出的付款會在租賃期所涵蓋的會計期間內，以相同的分期款項在損益賬內扣除；惟倘有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。租賃協議所涉及的鼓勵措施均在損益賬中確認為租賃淨付款總額的組成部分。或然租金在其產生的期間內在損益賬扣除。經營租約所持有土地之收購成本乃於租賃期內以直線法攤銷。

(l) 收回資產

於收回已減值客戶貸款期間，本集團可能透過法院訴訟或由借方自願交付財產收回持作抵押之資產。倘預期減值資產將有秩序地變現及本集團不再尋求借方還款時，收回資產在報告內呈列為「應計利息及其他賬目」，而相關借款及貸款則撤銷確認。本集團並無收回資產作自用。

收回資產最初按相關借款及貸款之款額及公平價值減出售成本之較低者於交易日期記錄，且並不折舊或攤銷。

其後重新計量之減值虧損於損益賬內確認。其後重新計量之收益於損益賬內確認，直至收回資產於初始確認日期以相關借款及貸款之金額列賬。

(m) 資產減值

本集團之資產賬面值於每個結算日進行審閱，以釐定是否有減值之客觀證據。金融資產減值的客觀證據包括本集團注意到以下一項或多項對可以可靠估計資產的未來現金流量有影響的虧損事項的可觀察數據：

- 發行人或借款人有重大財務困難；
- 違反合約，如拖欠或無法償還利息或本金；
- 借款人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大的改變而對借款人有不利影響；
- 金融資產的活躍市場由於財務困難而消失；及

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Impairment of assets (continued)**

- 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 profit or loss.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of advances to customers, 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 advances to customers directly and any amounts held in the allowance account relating to that borrower 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 profit or loss.

(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.

The Group first assesses whether any objective evidence of impairment exists for financial assets that are individually significant and 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 then 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 any collective assessment of impairment. Assets that are not individually significant are collectively assessed for impairment by grouping together financial assets with similar risk characteristics.

2. 主要會計政策(續)**(m) 資產減值(續)**

- 於股本工具之投資大幅下跌或長時間下跌至低於其成本值。

倘存在任何該證據，賬面值須透過在損益賬扣除款項之方式減至估計可收回數額。

因按攤銷成本計量的客戶貸款的可收回性被視為難以預料而並非微乎其微，就其確認的減值虧損不會從相應的資產中直接撤銷。在此情況下，減值虧損以撥備賬記錄。倘本集團確認能收回應收賬款的機會微乎其微，則視為不可收回金額會直接從客戶貸款中撤銷，而在撥備賬中持有有關該債務的任何金額會被撥回。若之前計入撥備賬的款項在其後收回，則相關的撥備會予以撥回。撥備賬的其他變動及其後收回之前直接撤銷的款項均計入損益賬。

(i) 貸款和應收款項

貸款和應收款項的減值虧損是資產賬面值，與按其原本實際利率(即初始確認該等資產所用之實際利率)折算預計未來現金流量現值之差額。倘折現之影響屬輕微，短期之應收款項不予折現。

信貸損失撥備總額包括兩個組成部分：個別減值撥備，及綜合減值撥備。

本集團會首先評估金額重大之個別金融資產有否出現客觀之減值證據，並綜合地評估金額不重大之個別金融資產。若本集團認定被評估之個別金融資產並沒有存在減值之客觀證據，無論該金融資產重大與否，均需將該金融資產包含於信貸風險特徵相近之組別中作出綜合減值評估。綜合減值評估並不包括已被個別評估為需確認減值或需繼續確認減值之金融資產。具備類似風險特性的金融資產會綜合起來，以便對個別而言並不重大的資產進行綜合減值評估。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Impairment of assets** (continued)*(i) Loans and receivables* (continued)

The individual impairment allowance is based upon management's best estimate of the present value of 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 merits.

In assessing the need for a collective impairment allowance on individually significant loans which are not impaired, 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 advances to customers are reasonable and supportable.

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 profit or loss. 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 receivable 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.

2. 主要會計政策 (續)**(m) 資產減值** (續)*(i) 貸款和應收款項* (續)

個別減值撥備乃根據管理層對現金流量現值之最佳估計，即按原實際利率折現預期將獲得之款項。在估計該等現金流量時，管理層須判斷借款人的財政狀況及給予本集團的抵押品或擔保之可變現淨值。每項減值資產均按照其理據進行評估。

於評估並未減值之金額重大之個別貸款所需的綜合減值撥備時，管理層須考慮的因素包括信貸素質、組合規模、信貸集中、及經濟因素。為估計所需的撥備，本集團根據過往經驗和現時之經濟情況去釐定潛在風險及輸入變數。

減值撥備之準確性須視乎本集團能否在評估個別減值撥備時準確估計交易對手的未來現金流量及在釐定綜合減值撥備時所採用的標準假設及參數。雖然此須視乎判斷而定，本集團相信客戶貸款之減值撥備是合理和足夠的。

在較後期間，任何因估計未來現金流量的金額及時間與先前估計的有所轉變，而該轉變是可客觀地與撇銷後發生的事件有關連，從而導致貸款和應收款項之減值撥備亦需改變，該轉變會支銷或計入損益賬。所轉回的減值虧損以假定往年若沒有確認減值虧損而原應已釐定的資產賬面值為限。

於再無合理預期可收回貸款時，貸款及相關懸欠利息將會予以撇銷。

具有經重新磋商條件之貸款及應收款項是指由於借款人的財務狀況惡化而獲重新議定原來不會獲考慮的特別寬鬆償還條件的貸款。重新磋商的貸款及應收款項須接受持續監測，以釐定彼等是否仍減值或已逾期。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Impairment of assets (continued)***(ii) Held-to-maturity investments*

Impairment on held-to-maturity investments is considered at both an individual and collective level. If impairment is identified, 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 held-to-maturity investments found not to be individually impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

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 profit or loss. 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.

(iii) Available-for-sale financial assets

Where there is objective evidence that an available-for-sale financial asset is impaired, the cumulative loss that had been recognised in other comprehensive income is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss 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 profit or loss.

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. Such impairment losses are not reversed.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

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 profit or loss.

2. 主要會計政策(續)**(m) 資產減值(續)***(ii) 持至到期投資*

本集團會從個別和綜合兩個層面考慮持至到期投資是否出現減值。若確定減值，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持至到期投資會接受綜合評估，以確定是否有任何已出現但未確定的減值情況。

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，則減值虧損會透過損益賬回撥。減值虧損回撥不得導致資產賬面值超出減值虧損從未在往年確認而應已釐定的資產賬面值。

(iii) 可供出售金融資產

倘有客觀證據顯示可供出售金融資產已經出現減值，確認為其他全面收益之累計虧損於損益賬內重新分類。在損益賬內確認的累計損失數額等於購入成本(已扣除任何本金還款和攤銷)與當期公平價值之間的差額，減去早前已在損益賬內確認的該資產的任何減值虧損。

就沒有市價而按成本列賬之可供出售股本證券而言，如折現的影響屬重大，減值虧損是按股本證券的賬面值與按類似金融資產的現行市場回報率折算估計未來現金流量的現值之間的差額計算。該減值虧損不可回撥。

在損益賬所確認有關可供出售股本證券之減值虧損不會透過損益賬撥回。該等資產其後之任何公平價值增加確認為其他全面收益。

倘可供出售債務證券之公平價值在日後增加，而有關的增加可以客觀地與確認減值虧損後發生的事件聯繫起來，便會將減值虧損轉回。在該等情況下，減值虧損轉回須在損益賬內確認。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Impairment of assets** (continued)*(iv) Goodwill and other assets*

Goodwill is tested annually by comparing the carrying amount of the relevant cash-generating unit with its recoverable amount.

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;
- pre-paid interests in leasehold land classified as being held under an operating lease; and
- investments in subsidiaries and associates

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

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs to sell 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 the 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 generate cash inflows independently (i.e. a cash-generating unit).

Recognition of impairment losses

An impairment loss is recognised in profit or loss 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.

Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2. 主要會計政策(續)**(m) 資產減值(續)***(iv) 商譽及其他資產*

商譽乃透過比較有關現金產生單位的賬面值與可回收金額按年度基準進行測試。

於結算日，本公司審閱內部及外來資料以辨認以下資產可有減值跡象或先前已確認之減值虧損已不再存在或可能已減少：

- 物業及設備；
- 預付租賃土地權益分類為按經營租約持有；及
- 附屬公司及聯營公司投資

如果出現減值跡象，資產的可收回數額便會作估計。

計算可收回數額

資產的可收回數額以其公平值減銷售成本和使用價值兩者中的較高數額為準。在評估使用價值時，會使用除稅前折算率將估計未來現金流量折算至現值。該折算率須反映市場當時所評估的金錢時間價值和該資產的獨有風險。如果資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別(即現金產生單位)釐定可收回數額。

確認減值虧損

倘資產或其所屬之賺取現金業務之賬面值超過其可收回數額，則於損益賬確認減值虧損。就賺取現金業務確認之減值虧損首先分配作為減少分配至賺取現金業務(或業務類別)之任何商譽之賬面數額，繼而按比例基準作為減少業務(或業務類別)之其他資產之賬面數額，惟資產之賬面值將不會減少至低於其個別公平價值減出售成本或使用價值(倘能計算)。

減值虧損轉回

就除商譽以外的資產而言，倘若用以釐定可收回數額的估計發生有利的變化，便會將減值虧損轉回。有關商譽之減值虧損不予轉回。

所轉回的減值虧損以假定往年若沒有確認減值虧損而原應已釐定的資產賬面值為限。所轉回的減值虧損在確認轉回的年度計入損益賬。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Impairment of assets (continued)***(v) Interim financial reporting and impairment*

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare 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 Notes 2(m)(i) to (iv)).

Impairment losses recognised in an interim period in respect of goodwill and available-for-sale 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. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

(n) Cash equivalents

Cash equivalents are short-term, 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.

(o) Employee benefits*(i) Short term employee benefits*

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

(ii) Defined benefit retirement scheme

The Group's obligation in respect of its defined benefit retirement scheme is calculated by estimating the amount of future benefits that the Group is committed to pay to the employees after their retirement using actuarial techniques. In calculating the Group's obligations, to the extent that any cumulative unrecognised gains or losses exceed 10% of the present value of the obligation or the fair value of the plan assets (whichever is higher) at the balance sheet date, that portion is amortised to profit or loss over the average remaining service life of the employees in the scheme. Otherwise, the gain or loss is not recognised.

2. 主要會計政策(續)**(m) 資產減值(續)***(v) 中期財務報告及減值*

根據香港聯合交易所有限公司證券上市規則，本集團須根據香港會計準則第34號「中期財務報告」就年度首六個月編製中期財務報告。於中期完結時，本集團採用於年度完結時應採用之同一減值測試、確認及撥回條件(見附註2(m)(i)至(iv))。

於中期內就商譽及按成本列賬的可供出售股本證券所確認的減值虧損不可在往後期間撥回。假設在中期相關年度完結時才評估該等減值，即使毋需確認虧損或確認較少虧損，亦不可撥回減值虧損。因此，倘可供出售股本證券之公平價值於剩餘年度期間或任何其他後續期間增加，則該增加確認為其他全面收益而非損益。

(n) 等同現金項目

等同現金項目為短期和流動性極高的投資項目。這些項目可以容易地換算為已知的現金數額，而所須承受的價值變動風險甚小，並在購入後三個月內到期。

(o) 僱員福利*(i) 短期僱員福利*

短期僱員福利包括薪酬、每年花紅、有薪年假、界定供款退休計劃供款及非貨幣福利成本，於本集團僱員提供有關服務之年度內累計。倘延遲付款或清償將會帶來嚴重影響，該等數額須按現值列賬。

(ii) 定額福利退休計劃

本集團定額福利退休計劃的責任以精算方式估計本集團對員工承諾支付其未來退休後的福利的金額計算。在計算本集團之責任時，倘任何未確認累計損益超過有關責任於結算日之現值或計劃資產之公平價值(以較高者為準)之10%，該部分會按僱員於計劃內之平均剩餘服務年期於收益表內攤銷，否則該損益不予確認。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Employee benefits (continued)***(iii) Share-based payments*

The fair value of share options granted to employees by the ultimate holding company is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date 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 the 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.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expense qualifies 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 the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the ultimate holding company's shares.

The equity amount is recognised in capital reserve until the option expires (when it is released directly to retained earnings).

(p) 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 profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

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.

2. 主要會計政策(續)**(o) 僱員福利(續)***(iii) 以股份為基礎之付款*

由最終控股公司授予僱員認股權的公平價值會確認為僱員成本，並相應在權益內增加資本儲備。公平價值於授予日期計量，當中考慮到授予認股權的條款及條件。倘若僱員須符合歸屬條件才無條件擁有認股權，則認股權的估計公平價值總額會於考慮到認股權歸屬的可能性後在歸屬期內分攤。

於歸屬期內會檢討預期歸屬的認股權數目。對以前年度已確認的累積公平價值所作出的調整，會在檢討年度扣自／計入收益表，除非原有僱員開支符合資格確認為資產，則作別論，並在資本儲備內作出相應調整。在歸屬日期，確認為開支的金額會作出調整，以反映實際歸屬的認股權數目（並在資本儲備內作出相應調整），惟倘若僅因未能滿足有關最終控股公司股份市場價格的歸屬條件而沒收則除外。

權益金額於資本儲備內確認，直至認股權到期（於直接撥回至保留溢利時）。

(p) 所得稅

本年度之所得稅包括即期稅項以及遞延稅項資產及負債之變動。即期稅項以及遞延稅項資產及負債之變動於損益賬確認，惟與確認為其他全面收益或直接在權益確認之項目相關者除外，在此情況下，相關稅額分別確認為其他全面收益或直接確認為權益。

即期稅項乃預期於本年度就應課稅收入應付之稅項（按於結算日已頒佈或實質頒佈之稅率計算），以及過往年度應繳稅項之任何調整。

遞延稅項資產及負債乃分別來自可扣稅或應課稅暫時性差異，即因資產及負債分別就財務報告及稅基而言之賬面值之間的差異而產生。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Income tax (continued)

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 limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

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.

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 the Bank or the Group 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 Bank or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

2. 主要會計政策(續)

(p) 所得稅(續)

除若干有限情況外，所有遞延稅項負債及遞延稅項資產當其甚有可能用於抵銷未來應課稅溢利時均會予以確認。支持確認可由抵扣暫時差異所產生遞延稅項資產的未來應課稅溢利，包括因轉回目前存在的應課稅暫時差異而產生的數額；但這些轉回的差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計轉回的同一年間或遞延所得稅資產所產生可抵扣虧損可轉回或結轉的期間內轉回。在決定目前存在的應課稅暫時差異是否足以支持確認由未可抵扣虧損和未利用稅款抵減所產生的遞延所得稅資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應課稅實體有關，並是否預期在能使用可抵扣虧損和未利用稅項抵減撥回的同一年間內轉回。

不確認遞延稅項資產和負債的暫時差異產生自以下少數例外情況：不可在稅務方面獲得扣減的商譽、不影響會計或應課稅溢利的資產或負債的初始確認（如屬業務合併的一部分則除外）；以及與投資附屬公司有關係的暫時差異（如屬應課稅差異，只限於本集團可以控制轉回的時間，而且在可預見的將來不大可能轉回該等差異；或如屬可抵扣差異，則只限於很可能在將來轉回的差異）。

遞延稅項確認額乃按資產及負債之賬面值之預期變現或支付形式，使用於結算日已頒佈或實質頒佈之稅率計算。遞延稅項資產及負債不予折現計算。

於各結算日，遞延稅項資產之賬面值均進行複核，對預期不再有足夠之應課稅溢利以供使用有關遞延稅項則予扣減。倘若有可能獲得足夠之應課稅溢利，則任何有關扣減均會被撥回。

即期稅項結餘及遞延稅項結餘以及有關變動，均會個別呈列及不作抵銷。如本行或本集團可依法行使權利將即期稅項資產抵銷即期稅項負債，並在符合下列其他條件之情況下，即期稅項資產方會與即期稅項負債抵銷，以及遞延稅項資產會與遞延稅項負債抵銷：

- 如屬即期稅項資產及負債，本行或本集團擬以淨額基準清償或同時變現資產並清償負債；或

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(p) Income tax (continued)**

- 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 related current tax assets and settle the related current tax liabilities on a net basis or realise and settle simultaneously.

(q) Financial guarantees issued, provisions and contingent liabilities*(i) Financial guarantees issued*

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the holder) for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee to customers, the fair value of the guarantee (being the guarantee fees received) is initially recognised as deferred income within other liabilities. Where the Bank issues a financial guarantee to its subsidiaries, the fair value of the guarantee is estimated and capitalised as the cost of investment in subsidiaries and deferred income recognised within other liabilities.

The deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with Note 2(q)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in other liabilities in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Other provisions and contingent liabilities

Provisions are recognised for other 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 expenditures expected to settle the obligation.

2. 主要會計政策(續)**(p) 所得稅(續)**

- 如屬遞延稅項資產及負債，被同一稅務機關對以下實體徵收所得稅而產生：
 - 同一個應課稅實體；或
 - 不同的應課稅實體，在未來每一個預期將清償或收回重大數額之遞延稅項資產及負債的期間，該等實體擬以淨額變現即期稅項資產及清償即期稅項負債或兩者同時進行。

(q) 已發出財務擔保、撥備及或然負債*(i) 已發出財務擔保*

財務擔保乃要求發行人(即擔保人)因特定債務人未能根據債務文據的條款於到期時付款而蒙受的損失，而向擔保的受益人(持有人)支付特定款項以作出償付的合約。

倘本集團向客戶發出財務擔保，該擔保的公平價值(即已收擔保費用)最初確認為其他負債內的遞延收入。倘本行向其附屬公司發出財務擔保，該擔保的公平價值須予估計及轉為附屬公司之投資成本上，遞延收入則確認為其他負債。

遞延收入按擔保年期於損益賬內攤銷為已發出財務擔保的收入。此外，倘(i)擔保的持有人可能根據擔保向本集團催收款項；及(ii)預期向本集團提出的申索款額高於現時就該擔保列於其他負債項下的數額(即最初確認的金額)，扣除累計攤銷後的撥備，即須按照附註2(q)(ii)確認。

(ii) 其他撥備及或然負債

撥備乃本集團或本行因過往事件引致之法律或推定義務而可能需要付出經濟利益以履行有關義務及能作出可靠估計時，就未能確定之時間或數額之其他負債確認。倘金錢時間價值乃屬重大，撥備則以預計用以履行有關義務之開支現值列賬。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(q) Financial guarantees issued, provisions and contingent liabilities**
(continued)*(ii) Other provisions and contingent liabilities* (continued)

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.

(r) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. 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 profit or loss as follows:

(i) Interest income

Interest income from all interest-bearing financial instruments is recognised in profit or loss on an accrual basis using the effective interest rate method. Interest income from trading assets and financial assets designated at fair value through profit or loss is recognised on basis of accrued coupon.

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 option) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, together with transaction costs and all other premiums or discounts. Cash rebates granted in relation to residential mortgage loans are capitalised and amortised to profit or loss over their expected life.

(ii) Net income from financial instruments designated at fair value through profit or loss and net trading income

Net income from financial instruments designated as 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, foreign exchange differences and dividend income attributable to those financial instruments.

2. 主要會計政策 (續)**(q) 已發出財務擔保、撥備及或然負債** (續)*(ii) 其他撥備及或然負債* (續)

倘可能無須付出經濟效益，或未能可靠估計付出之金額，有關義務則披露為或然負債，除非付出經濟利益之可能性極微。需就未來事件發生與否方能確認之可能義務亦只披露為或然負債，除非付出經濟利益之可能性是極微。

(r) 收益確認

收益乃按已收或應收代價之公平價值計量。當經濟利益很可能流入本集團，而收入及成本(倘適用)能可靠地計算時，收益會按下列方式在損益賬確認：

(i) 利息收入

所有計息金融工具之利息收入均採用實際利率法按應計基準於損益賬內確認。持作交易用途之資產及指定為通過損益以反映公平價值之金融資產的利息收入按權責發生制確認於損益賬內。

實際利率法乃計算金融資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃按金融工具預計年期折讓估計日後現金付款或收入(或適當時按較短期間折讓金融資產之賬面淨值)之比率。計算實際利率時，本集團估計現金流量時，考慮到金融工具之一切合約條款(例如提前還款，認購或類似期權)，而並無計及未來信貸虧損。計算範圍包括實際利率為主體部分訂約各方所付或所收之一切費用及代價，交易成本及其他所有溢價或折讓。住宅按揭貸款之現金回贈會予以資本化，並以其預計期限在損益賬內攤銷。

(ii) 指定為通過損益以反映公平價值之金融工具淨收益以及交易淨收益

指定為通過損益以反映公平價值之金融工具淨收益以及交易淨收益，包括來自該等金融資產及金融負債之公平價值變動(扣除應計票息)之所有盈利及虧損、外匯差額及該等金融工具應佔之股息收入。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(r) Revenue recognition (continued)***(iii) Fee and commission income*

Fee and commission income arises on financial services provided by the Group including cash management services, brokerage services, investment banking services, investment management services, project and structured finance transactions services. 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 is incurred or is accounted for as interest income.

Origination or commitment fees received by the Group which result in the creation or acquisition of a financial instrument are deferred and recognised as an adjustment to the effective interest rate unless it is a trading asset or liability or a financial asset designated at fair value through profit or loss. In this case it is immediately recognised in profit or loss. If the commitment expires without the Group making a loan, the fee is recognised as revenue on expiry.

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

Finance income implicit in 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. Contingent rentals receivable are recognised as income in the accounting period in which they are earned.

(v) Dividend income

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

(s) 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 dealt with in profit or loss.

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

2. 主要會計政策(續)**(r) 收益確認(續)***(iii) 費用及佣金收入*

費用及佣金收入乃本集團提供金融服務，包括現金管理服務、證券服務、投資銀行服務、投資管理服務、項目及結構性融資交易服務之所得收入。費用及佣金收入於提供相關服務時確認，以彌補向客戶持續提供服務之成本、或為客戶承擔風險，屬利息性質之費用則除外。在該等情況下，費用會於產生成本或風險之會計期間確認為收入或作為利息收入入賬。

本集團已收因增設或購入金融工具而產生之辦理或承擔費用，除有關於持作交易用途之資產或負債或指定為通過損益以反映公平價值之金融資產的相關款項直接於損益賬內確認外，將作為實際利率之調整遞延及確認。如承擔期滿而本集團毋須作出貸款，該費用於期滿時確認為收入。

(iv) 來自融資租約及租購合約之財務收入

融資租約之隱含財務收入及租購付款於租約年期確認為利息收入，以令每個會計期間租約尚餘淨投資額的定期回報率大致相同。應收或然租金於賺取之會計期間確認為收入。

(v) 股息收入

非上市投資之股息收入於股東收取款項之權利確立時予以確認。上市投資之股息收入於投資項目之股價為除息時確認。

(s) 外幣換算

本年度內外幣交易以交易日之匯率換算為港元。以外幣結算的貨幣性資產及負債以結算日之匯率換算為港元。所有外幣換算之損益均撥入損益賬內處理。

以歷史成本列賬並以外幣定值之非貨幣資產與負債按交易日的匯率換算為港元。以外幣結算及以公平價值列賬的非貨幣資產與負債於釐定公平價值當日按當時匯率換算為港元。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(s) Translation of foreign currencies (continued)**

Exchange differences relating to financial investments held at fair value through profit or loss and derivative financial instruments are included in net income from financial instruments designated at fair value through profit or loss and net gain/(loss) on derivative financial instruments, respectively. All other exchange differences relating to monetary items are presented as gains less losses from dealing in foreign currencies in profit or loss and are reported within "Other operating income". Differences arising on translation of available-for-sale equity instruments are recognised in other comprehensive income.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Assets and liabilities are translated at the closing rate at the date of that balance sheet. All resulting exchange differences are recognised in the other comprehensive income and accumulated in equity in the foreign exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(t) 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 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.

2. 主要會計政策(續)**(s) 外幣換算(續)**

通過損益以反映公平價值計入損益賬之投資及衍生金融工具之匯兌差額分別包括於指定為通過損益以反映公平價值之金融工具淨收益及衍生工具淨溢利/(虧損)。其他有關貨幣性項目的匯兌差額則於損益賬內呈列為外幣買賣淨盈虧，並於「其他營運收入」內呈報。換算可供出售股本工具之差額確認為其他全面收益。

海外業務的業績按與交易日的匯率相若的匯率換算為港幣。資產及負債則按結算日的收市率換算。產生的匯兌差額確認為其他全面收益，並於外幣換算儲備內累計為權益。

出售海外業務時，在權益內確認與該等海外業務有關之匯兌差額之累計金額，乃於出售之盈虧已確認時由權益重新分類至損益。

(t) 關連各方

就此等財務報告而言，被視為與本集團有關連的一方是指：

- (i) 該方有能力直接或間接透過一個或多個中介人控制，或可發揮重大影響本集團的財務及經營決策，或共同控制本集團；
- (ii) 本集團及該方均互相控制；
- (iii) 該方屬本集團的聯營公司；
- (iv) 該方屬本集團或本集團母公司主要管理人員的成員，或屬該人士的近親家庭成員，或受該等人士控制，或共同控制或重大影響的實體；
- (v) 該方屬(i)所指一方的近親家庭成員，或受該等人士控制，或共同控制或重大影響的實體；或
- (vi) 該方屬提供福利予本集團僱員的離職後福利計劃或與屬本集團關連方的任何實體。

個人的近親家庭成員指預料可影響(或受該個人影響)他們與該實體交易的家庭成員。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. BASIS OF CONSOLIDATION

These consolidated financial statements cover the consolidated positions of the Bank and all its subsidiaries unless otherwise stated (together referred to as the Group) and the Group's interest in associates. For information required to be reported in accordance with the Banking (Disclosures) Rules, the basis of consolidation is set out in Notes (A) and (B) in the Unaudited Supplementary Financial Information.

2. 主要會計政策(續)

(u) 分項報告

財務報告中的經營分部和每個分部項總營運決策人的金額源自於定期向本集團總營運決策人提供的財務資料，以供管理層對本集團不同業務和地區進行資源分配和業績評價。

重大的單個經營分部不會因財務報告目的而進行加總，除非該等分部擁有相似的經濟特性、產品及服務性質、生產流程、客戶類型和級別、銷售產品或提供服務的方式及監管環境的性質。不重大的單個經營分部如果享有大部分以上相似性質，則可以進行加總。

3. 綜合基準

除另有指明外，該等綜合財務報告包括本行及本行所有附屬公司(統稱為本集團)的綜合狀況，以及本集團於聯營公司之權益。根據《銀行業(披露)規則》所需呈報的資料，其綜合基準載列於未經審核補充財務資料附註(A)及(B)內。

4. INTEREST INCOME AND EXPENSE

(a) Interest income

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Listed investments	上市投資	370,942	295,237
Other	其他	1,162,423	1,916,338
Interest income on financial assets that are not at fair value through profit or loss	非通過損益以反映公平價值之金融資產之利息收入	1,533,365	2,211,575
Interest income on trading assets	持作交易用途之資產之利息收入		
– listed investments	– 上市投資	468	125
– unlisted investments	– 非上市投資	766	3,149
Interest income on financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產之利息收入	23,901	30,921
		1,558,500	2,245,770

(b) Interest expense

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deposits from customers, banks and other financial institutions and certificates of deposit issued	客戶、銀行同業及其他金融機構之存款及已發行存款證	382,631	1,192,630
Debt securities issued which are wholly repayable within 5 years	須於五年內悉數償還之已發行債務證券	6,245	27,075
Other borrowings	其他借款	11,378	12,078
Interest expense on financial liabilities that are not at fair value through profit or loss	非通過損益以反映公平價值之金融負債之利息支出	400,254	1,231,783
Interest expense on trading liabilities	交易賬項下負債之利息支出	2,144	12,163
Interest expense on financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債之利息支出	13,598	12,984
		415,996	1,256,930

4. 利息收入及支出

(a) 利息收入

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Listed investments	上市投資	370,942	295,237
Other	其他	1,162,423	1,916,338
Interest income on financial assets that are not at fair value through profit or loss	非通過損益以反映公平價值之金融資產之利息收入	1,533,365	2,211,575
Interest income on trading assets	持作交易用途之資產之利息收入		
– listed investments	– 上市投資	468	125
– unlisted investments	– 非上市投資	766	3,149
Interest income on financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產之利息收入	23,901	30,921
		1,558,500	2,245,770

(b) 利息支出

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Deposits from customers, banks and other financial institutions and certificates of deposit issued	客戶、銀行同業及其他金融機構之存款及已發行存款證	382,631	1,192,630
Debt securities issued which are wholly repayable within 5 years	須於五年內悉數償還之已發行債務證券	6,245	27,075
Other borrowings	其他借款	11,378	12,078
Interest expense on financial liabilities that are not at fair value through profit or loss	非通過損益以反映公平價值之金融負債之利息支出	400,254	1,231,783
Interest expense on trading liabilities	交易賬項下負債之利息支出	2,144	12,163
Interest expense on financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債之利息支出	13,598	12,984
		415,996	1,256,930

5. FEE AND COMMISSION INCOME AND EXPENSE

(a) Fee and commission income

Fee and commission income arising from:	由以下業務所產生的費用及佣金收入：
Credit related services	信貸業務
Trade finance services	貿易融資業務
Credit card services	信用卡業務
Securities brokerage and investment services	證券經紀及投資服務
Insurance services	保險業務
Unit trust services	信託基金業務
Other fees	其他費用
of which:	其中：
Fee and commission income arising from:	費用及佣金收入來自：
– Financial assets or financial liabilities which are not measured at fair value through profit or loss	– 非通過損益以反映公平價值之金融資產或金融負債
– Trust or other fiduciary activities	– 信託及其他受託業務

Fee and commission income arising from trust and other fiduciary activities relate to fees from asset management activities where the Group will hold assets or invest on behalf of customers.

Comparative figures have been revised to conform to current year's presentation.

(b) Fee and commission expense

Handling fees and commission	手續費及佣金
Other fees paid	其他已付費用
of which:	其中：
Fee and commission expense arising from:	費用及佣金支出來自：
– Financial assets or financial liabilities which are not measured at fair value through profit or loss	– 非通過損益以反映公平價值之金融資產或金融負債

5. 費用及佣金收入及支出

(a) 費用及佣金收入

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (Restated) (重述)
27,598	39,126
11,221	23,033
85,894	75,055
60,112	61,208
40,518	34,183
34,960	60,855
20,861	31,787
281,164	325,247
83,305	80,700
2,237	4,653

費用及佣金收入來自信託及其他受託業務，與本集團就資產管理業務中代表其客戶持有資產或進行資產投資所收取的費用相關。

為使列報一致，本集團已重述其上一一年度的比較數據。

(b) 費用及佣金支出

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
44,580	40,564
26,216	19,923
70,796	60,487
44,299	39,272

6. OTHER OPERATING INCOME

6. 其他營運收入

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (Restated) (重述)
Gains less losses from dealing	交易收益減虧損		
– Foreign exchange	– 外匯	87,841	64,823
– Trading securities	– 持作交易用途之證券	16,389	9,791
– Other dealing activities*	– 其他買賣交易*	40,971	173,331
– Short selling activities	– 賣空交易	718	(2,191)
		145,919	245,754
Net hedging income from fair value hedges	公平價值對沖之淨對沖收入		
Net gain/(loss) on hedged items attributable to the hedged risk	與對沖風險相關之被對沖項目之淨收益/(虧損)	10,278	(27,301)
Net (loss)/gain on hedging instruments	對沖工具之淨(虧損)/收益	(10,278)	27,301
		–	–
Net gain on other financial instruments designated at fair value through profit or loss	指定為通過損益以反映公平價值之其他金融工具之淨收益		
Net gain on sale of other financial instruments designated at fair value through profit or loss	出售指定為通過損益以反映公平價值之其他金融工具之淨收益	5,251	5,412
Revaluation (loss)/gain on other financial instruments designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融工具之重估淨(虧損)/收益	(2,794)	34,910
		2,457	40,322
Losses less gains from other financial liabilities measured at amortised cost	按攤餘成本列賬之其他金融負債之虧損減收益	(5)	(2,545)
Revaluation (loss)/gain on derivative financial instruments	衍生金融工具之重估(虧損)/收益	(102,734)	19,114
Dividend income from listed available-for-sale securities	可供出售上市證券之股息收入	785	6,192
Dividend income from unlisted available-for-sale securities	可供出售非上市證券之股息收入	10,616	5,691
Rental income	租金收入	986	1,277
Others	其他	10,452	13,723
		68,476	329,528

* Other dealing activities refers to customer-driven dealing in derivative financial instruments including equity linked notes, options and structured deposit products.

* 其他買賣交易指客戶買賣衍生金融工具，包括股票掛鈎票據、期權及結構性存款產品。

Certain comparative figures have been revised to confirm with current year's presentation.

為使列報一致，本集團已重述其上一年度的比較數據。

7. OPERATING EXPENSES

7. 營運支出

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Staff costs	僱員成本		
Contributions to defined contribution scheme	定額供款計劃供款	6,939	6,962
Defined benefit scheme expenses (Note 44(c))	定額福利計劃支出 (附註44(c))	31,988	29,242
Retirement scheme costs	退休計劃成本	38,927	36,204
Equity-settled share-based payment expenses	以股份為基礎作支付之費用	2,715	12,969
Salaries and other staff costs	薪金及其他僱員成本	447,374	472,557
		489,016	521,730
Premises and other fixed assets	物業及其他固定資產		
Rental of premises	物業租金	47,685	46,561
Depreciation (Note 28)	折舊(附註28)	66,598	64,918
Others	其他	20,662	22,377
Auditors' remuneration	核數師酬金	2,345	2,522
Other operating expenses	其他營運支出		
Business promotion	業務推廣	55,986	61,299
Legal and professional fees	法律顧問費用	25,913	24,802
Communication	通訊	17,718	22,156
Electronic data processing and computer systems	電子資料處理及電腦系統	80,521	87,985
Others	其他	147,852	110,926
		954,296	965,276

During 2007, certain employees of the Group were granted unlisted physically settled options under the share option scheme of the Bank's ultimate holding company, Fubon Financial Holding Co., Ltd. ("Fubon Financial") for the services rendered to the Group. HKFRS 2 requires the fair value of the options issued to be shown as an expense in the Group financial statements, apportioned over the period from the grant date to the vesting date, with a corresponding credit to reserves (Note 41). There will be no cash expense to Fubon Bank (Hong Kong) Limited as it is not required to make payment to any party in respect of either the issue of the options or their exercise. Shareholders of the Bank will suffer no dilution from the issue of shares by the ultimate holding company in the event that the options are exercised.

於二零零七年內，根據本行最終控股公司富邦金融控股股份有限公司(「富邦金控」)的認股權計劃，本集團若干僱員因向本集團提供服務獲授非上市而實股結算之認股權。香港財務報告準則第2號規定已發行認股權的公平價值，由授出日期至歸屬日期之期間按比例於本集團財務報告內列為一項支出，並計處相應的儲備內(附註41)。富邦銀行(香港)有限公司毋須就發行認股權或行使認股權而向任何人士作出付款，因此其將不會發生現金支出。倘該等認股權獲行使，本行股東將不會因最終控股公司發行股份而遭受攤薄。

7. OPERATING EXPENSES (continued)**Terms and conditions of the share option grants**

Date of options granted 授出認股權日期	Exercise price per share 每股行使價 NT\$ 新台幣	As at 於	
		31 December 2009 Number of options 二零零九年 十二月三十一日 認股權數目	31 December 2008 Number of options 二零零八年 十二月三十一日 認股權數目
31 July 2007 二零零七年七月三十一日	29.00 (previously NT\$30.50)	5,312,500	6,570,000
7 December 2007 二零零七年十二月七日	26.70 (previously NT\$28.20)	8,787,000	9,552,000
		14,099,500	16,122,000

50% of the options will be exercisable between the second and the third anniversaries of the date grant, 75% between the third and fourth anniversaries and 100% between the fourth and fifth anniversaries, provided that the employee remains with the Fubon Group.

The number and weighted average exercise prices of share options

		2009 二零零九年		2008 二零零八年	
		Weighted average exercise price 加權 平均行使價	Number of options 認股權數目	Weighted average exercise price 加權 平均行使價	Number of options 認股權數目
Outstanding at the beginning of the year	年初尚未行使	27.64	16,122,000	27.64	16,122,000
Transferred in during the year	本年度轉入	27.66	4,140,000	N/A	–
Exercised during the year	本年度行使	28.23	(2,092,500)	N/A	–
Forfeited during the year	本年度沒收	27.60	(4,070,000)	N/A	–
Outstanding at the end of the year	年終尚未行使	27.57	14,099,500	27.64	16,122,000
Exercisable at the year end of	於年終可行使		6,003,500		–

The options outstanding at 31 December 2009 have a weighted average remaining contractual life of 2.80 years (2008: 3.79 years). The weighted average share price at the date of exercise for the share options exercised during the year was HK\$37.12 (2008: Not applicable).

The share price of Fubon Financial at 31 December 2009 was NT\$39.30 (2008: NT\$23.90).

7. 營運支出(續)**已授出認股權的條款及條件**

As at 於	
31 December 2009 Number of options 二零零九年 十二月三十一日 認股權數目	31 December 2008 Number of options 二零零八年 十二月三十一日 認股權數目
5,312,500	6,570,000
8,787,000	9,552,000
14,099,500	16,122,000

認股權的50%可於授出日期滿兩週年之日至滿三週年之日期間行使，75%可於滿三週年之日至滿四週年之日期間行使，100%可於滿四週年之日至滿五週年之日期間行使，條件是僱員仍受聘於富邦集團。

認股權數目及加權平均行使價

2009 二零零九年		2008 二零零八年	
Weighted average exercise price 加權 平均行使價	Number of options 認股權數目	Weighted average exercise price 加權 平均行使價	Number of options 認股權數目
27.64	16,122,000	27.64	16,122,000
27.66	4,140,000	N/A	–
28.23	(2,092,500)	N/A	–
27.60	(4,070,000)	N/A	–
27.57	14,099,500	27.64	16,122,000
	6,003,500		–

於二零零九年十二月三十一日尚未行使之認股權擁有加權平均剩餘合約年期2.80年(二零零八年：3.79年)。本年度已行使認股權之行使日之加權平均股價為37.12港元(二零零八年：不適用)。

富邦金控於二零零九年十二月三十一日之股價為39.30元新台幣(二零零八年：23.90元新台幣)。

7. OPERATING EXPENSES (continued)

Fair values of share options

The Group has applied HKFRS 2 "Share-based Payments" to account for share options granted on 31 July 2007 and 7 December 2007.

The fair values of share options granted by the Company were determined by using Black-Scholes option pricing model (the "Model"). The Model is one of the commonly used models to estimate the fair value of an option. The variables and assumptions used in computing the fair value of the share options are based on management's best estimate. The value of an option varies with different variables of certain subjective assumptions. Any change in the variables so adopted may materially affect the estimation of the fair value of an option. The inputs into the Model were as follows:

Closing share price at grant date (NT\$)	於授出日期的股份收市價(新台幣)
Exercise price (NT\$)	行使價(新台幣)
Risk-free interest rate (%) (Note a)	無風險利率%(附註a)
Expected life of option (Note b)	預計認股權有效期(附註b)
Expected volatility (%) (Note c)	預計波幅%(附註c)
Expected dividend yield (%) (Note d)	預計股息收益率%(附註d)
Estimated fair value per share option (NT\$)	每份認股權的估計公平價值(新台幣)

Notes:

- (a) Risk free rate: being the approximate yields of 5-year TVWD swap rate traded on the date of grant, matching the expected life of each option.
- (b) Expected life of option: being the period of 5 years commencing on the date of grant, based on the date of grant, based on management's best estimate for the effects of non-transferability, exercise restriction and behavioural consideration.
- (c) Expected volatility: being the implied volatility derived from traded options over Fubon Financial shares at the date of grant.
- (d) Expected dividend per annum: being the annual cash dividend for past financial year.

7. 營運支出(續)

認股權的公平價值

本集團已應用香港財務報告準則第2號「以股份為基礎的付款」，列賬於二零零七年七月三十一日及二零零七年十二月七日授出的認股權。

本公司採用Black-Scholes認股權定價模型(「該模型」)釐定所授出認股權的公平價值。該模型為普遍採用的模型之一，用於估計認股權的公平價值。於計算認股權公平價值時所採用的變量及假設是以管理層的最佳估計為基準。認股權的價值會隨若干主觀假設的不同變量而變化。就此採納的任何變量變化可能會對估計認股權的公平價值帶來重大影響。輸入該模型的數據如下：

Option granted on 31 July 2007 於二零零七年 七月三十一日 授出的認股權	Option granted on 7 December 2007 於二零零七年 十二月七日 授出的認股權
30.50	28.20
30.50	28.20
2.41	2.41
5 years	5 years
33.37	33.41
3.50	3.50
6.82	7.37

附註：

- (a) 無風險利率：即於授出日期交易的五年期台幣掉期利率的概約收益率，與每份認股權的預計有效期相匹配。
- (b) 預計認股權有效期：即於授出日期開始五年期限，基於授出日期，根據管理層對非轉讓性、行使限制及行為考慮因素影響的最佳估計為基準。
- (c) 預計波幅：即於授出日期富邦金控股份已交易認股權的隱含波幅。
- (d) 預計每年股息：即上個財政年度的全年現金股息。

8. DIRECTORS' REMUNERATION

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

8. 董事酬金

根據香港《公司條例》第161條規定披露之董事酬金如下：

The Group 本集團	Directors' Fee 董事袍金 HK\$'000 千港元	Salaries, allowances and other benefits 薪金、津貼 及其他福利 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	Retirement scheme contributions 退休計劃 供款 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Share-based payment expense (Note) 以股份為 基礎之付款 支出(附註) HK\$'000 千港元	2009 Total 二零零九年 總額 HK\$'000 千港元
Executive directors <i>執行董事</i>							
Pei-Hwa Thomas Liang 梁培華	62	588	-	10	660	-	660
Jin-Yi Lee 李晉頌	300	5,899	-	265	6,464	623	7,087
Michael Chang Ming-Yuen 張明遠	361	3,514	-	168	4,043	1,778	5,821
James Yip 葉強華	305	2,365	400	216	3,286	1,774	5,060
Non-executive directors <i>非執行董事</i>							
Ming-Hsing (Richard) Tsai 蔡明興	490	-	-	-	490	-	490
Ming-Chung (Daniel) Tsai 蔡明忠	406	-	-	-	406	-	406
Victor Kung 龔天行	453	-	-	-	453	-	453
David Chang Kuo-Chun 張果軍	285	-	-	-	285	-	285
Independent Non-Executive directors <i>獨立非執行董事</i>							
Robert James Kenrick 甘禮傑	555	-	-	-	555	-	555
Moses Tsang 曾國泰	335	-	-	-	335	-	335
Hung Shih 石宏	482	-	-	-	482	-	482
	4,034	12,366	400	659	17,459	4,175	21,634

8. DIRECTORS' REMUNERATION (continued)

8. 董事酬金(續)

The Group 本集團	Directors' Fee 董事袍金 HK\$'000 千港元	Salaries, allowances and other benefits 薪金、津貼 及其他福利 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	Retirement scheme contributions 退休計劃 供款 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Share-based payment expense (Note) 以股份為 基礎之付款 支出(附註) HK\$'000 千港元	2008 Total 二零零八年 總額 HK\$'000 千港元
Executive directors 執行董事							
Jin-Yi Lee 李晉頤	392	5,302	400	265	6,359	3,303	9,662
Michael Chang Ming-Yuen 張明遠	392	3,360	250	168	4,170	2,032	6,202
James Yip 葉強華	329	2,345	300	216	3,190	2,028	5,218
Non-executive directors 非執行董事							
Ming-Hsing (Richard) Tsai 蔡明興	507	-	-	-	507	-	507
Ming-Chung (Daniel) Tsai 蔡明忠	456	-	-	-	456	-	456
Victor Kung 龔天行	444	-	-	-	444	-	444
David Chang Kuo-Chun 張果軍	275	-	-	-	275	-	275
Independent Non-Executive directors 獨立非執行董事							
Robert James Kenrick 甘禮傑	590	-	-	-	590	-	590
Moses Tsang 曾國泰	331	-	-	-	331	-	331
Hung Shih 石宏	532	-	-	-	532	-	532
	4,248	11,007	950	649	16,854	7,363	24,217

Note: These represent the estimated value of unlisted physically settled share options granted to the directors under the share option scheme of the Bank's ultimate holding company, Fubon Financial Holding Co., Ltd. during 2007 for the services rendered to the Group. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(o)(iii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "options" in the directors' report and note 7.

附註：這代表根據本行最終控股公司富邦金融控股股份有限公司的認股權計劃，因向本集團提供服務授予董事之非上市而實股結算之認股權之估計價值。該等認股權之價值乃根據附註2(o)(iii)所載以股份為基礎之交易之本集團會計政策編製，並(根據該政策)包括股權工具之授出於歸屬前沒收之情況下於過往年度累積之撥回金額調整。

該等福利之詳情(包括所授出認股權之主要條款及數目)於董事會報告「認股權」一段及附註7披露。

9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2008: three) are Directors whose emoluments are disclosed in Note 8 above. The aggregate of the emoluments in respect of the other two (2008: two) individuals are as follows:

Basic salaries and other allowances	底薪及其他津貼
Contributions to pension scheme	退休計劃供款
Bonuses	花紅
Share-based payment expenses (Note)	以股份為基礎之付款支出(附註)

The emoluments of the two (2008: two) individuals with the highest emoluments are within the following bands:

HK\$2,500,001 – HK\$3,000,000	2,500,001 港元–3,000,000 港元
HK\$3,000,001 – HK\$3,500,000	3,000,001 港元–3,500,000 港元
HK\$3,500,001 – HK\$4,000,000	3,500,001 港元–4,000,000 港元

Note: During 2007, two (2008: one) of the above individuals have been granted unlisted physically settled options under the share option scheme of the Bank's ultimate holding company, Fubon Financial Holding Co., Ltd. for the services rendered to the Group. The share-based payment expense for the current year calculated in accordance with HKFRS 2 is included in Staff Costs (Note 7) and amounts to HK\$1.3 million (2008: HK\$0.6 million). The share-based payment expense represent the estimated value of those options measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(o)(iii) and is included in Staff Costs (Note 7).

9. 薪酬最高人士

本集團薪酬最高之5位人士中，3位(二零零八年：3位)為董事，其薪酬已於上文附註8披露。其餘2位(二零零八年：2位)人士之酬金總額如下：

The Group 本集團	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
4,783	5,363
354	354
200	300
1,308	–
6,645	6,017

2位(二零零八年：2位)薪酬最高人士之酬金介乎以下範圍：

The Group 本集團	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
–	1
1	1
1	–

附註：於二零零七年內，根據本行最終控股公司富邦金融控股股份有限公司的認股權計劃，上述人士之其中2位(二零零八年：1位)因向本集團提供服務獲授非上市而實股結算之認股權。本年度以股份為基礎的付款支出根據香港財務報告準則第2號計算為1,300,000港元(二零零八年：600,000港元)，並計入僱員成本內(附註7)。以股份為基礎之付款支出代表該筆認股權依本集團列載於附註2(o)(iii)有關以股份為基礎之付款的會計政策所估算的估計價值，並計入僱員成本內(附註7)。

10. NET GAINS ON DISPOSALS OF AVAILABLE-FOR-SALE SECURITIES

Realisation of revaluation surplus/ (deficit) previously recognised in the investment revaluation reserve (Note 13)	過往於投資重估儲備內確認之重估盈餘／(虧絀)之變現(附註13)
Net gains arising in the current year	年內淨收益

10. 出售可供出售證券之淨收益

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
40,118	(20,763)
52,827	107,020
92,945	86,257

11. IMPAIRMENT LOSSES ON ADVANCES TO CUSTOMERS

Impairment losses (charged to)/ released on advances to customers (Note 22)	已(扣除)／撥回之客戶貸款減值虧損(附註22)
- Additions	- 增加
- Releases	- 撥回

11. 客戶借款之減值虧損

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
(532,415)	(341,848)
47,498	32,551
(484,917)	(309,297)

12. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(a) Taxation in the consolidated statement of comprehensive income represents:

The provision for Hong Kong Profits Tax for 2009 is calculated at 16.5% (2008: 16.5%) of the estimated assessable profits for the year. Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be appropriate in the relevant countries.

12. 綜合收益表內的所得稅

(a) 綜合全面收益表內的稅項

二零零九年之香港利得稅撥備乃根據本年度之評估應課稅溢利之16.5% (二零零八年：16.5%) 計算。海外附屬公司之稅項則按有關國家預期適用之估計實際年稅率計算。

		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Tax for the year	年內稅項	23,595	25,155
Over-provision in respect of prior years	過往年度超額準備	(3,243)	–
		20,352	25,155
Current tax – Overseas Tax	即期稅項 – 海外稅項		
Tax for the year	年內稅項	78	507
		78	507
Deferred tax	遞延稅項		
Effect on deferred tax balances at 1 January resulting from a change in tax rate (Note 37(b))	於一月一日因稅率變動產生之遞延稅項結餘之影響 (附註37(b))	–	(349)
Origination and reversal of temporary differences (Note 37(b))	暫時性差異產生及撥回 (附註37(b))	(16,313)	(27,695)
		(16,313)	(28,044)
		4,117	(2,382)

12. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)**(b) Reconciliation between tax expense and accounting profit at applicable tax rates**

Profit before taxation	除稅前溢利
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	除稅前溢利之估計稅項，按以有關國家適用之應課稅率計算
Tax effect of non-taxable revenue	非應課稅項收入之稅項影響
Tax effect of non-deductible expenses	非可扣減支出之稅項影響
Effect on deferred tax balances at 1 January 2008 resulting from a change in tax rate	於二零零八年一月一日因稅率變動產生之遞延稅項結餘之影響
Over-provision in respect of prior years	過往年度超額準備
Actual tax expense/(credit)	實質稅項支出／(撥回)

12. 綜合收益表內的所得稅(續)**(b) 稅項支出與按適用應課稅率計算之會計溢利間之對賬**

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
26,651	97,956
4,397	16,163
(4,584)	(23,127)
7,547	4,931
-	(349)
(3,243)	-
4,117	(2,382)

13. OTHER COMPREHENSIVE INCOME

Available-for-sale securities: Changes in fair value recognised during the year	可供出售證券：本年度確認之公平價值變動
Amortisation of previous revaluation deficits recognised on available-for-sale securities which have subsequently been reclassified as other loans and receivables	重新分類為其他貸款及應收款項之可供出售證券於以前一年度確認之重估虧蝕攤銷
Reclassification adjustments for amounts transferred to profit or loss:	重新分類至損益之金額：
- (gains)/losses on disposal (Note 10)	- 出售(收益)／虧損(附註10)
- impairment losses	- 減值虧損
Share of changes in fair value of available-for-sale securities held by an associate	應佔聯營公司之可供出售證券公平價值變動
Deferred taxation (Note 37(b))	遞延稅項(附註37(b))
Net movement in the investment revaluation reserve during the year recognised in other comprehensive income	本年度於其他全面收益確認之投資重估儲備淨變動

13. 其他全面收益

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
351,504	(299,662)
37,987	14,904
(40,118)	20,763
22,627	14,694
(3,296)	-
(63,507)	31,593
305,197	(217,708)

14. EARNINGS PER SHARE

The earnings per share is calculated on profit attributable to shareholders of HK\$22,995,000 (2008: HK\$100,896,000) less the preference share dividend of HK\$83,517,000 (2008: HK\$2,092,000) and 1,172,160,000 (2008: 1,172,160,000) ordinary shares in issue during the year. There are no convertible loan capital, options or warrants outstanding which would cause a dilution of the earnings per share.

15. PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK

The consolidated profit attributable to shareholders of the Bank includes a loss of HK\$14,718,000 (2008: profit of HK\$158,998,000) which has been dealt with in the financial statements of the Bank.

Reconciliation of the above amount to the Bank's profit for the year:

Amount of consolidated (loss)/profit attributable to equity shareholders dealt with in the Bank's financial statements	計入本行財務報告內之股東應佔綜合(虧損)/溢利
Interim dividends from a subsidiary attributable to the profits of previous financial years, approved and paid during the year	附屬公司於本年度通過及派付之來自過往財政年度溢利之中期股息
Bank's profit for the year	本行之本年度溢利

14. 每股盈利

每股盈利乃按年內股東應佔溢利減去22,995,000港元(二零零八年:100,896,000港元)(減去優先股股息83,517,000港元(二零零八年:2,092,000))及於年內已發行普通股1,172,160,000股(二零零八年:1,172,160,000股)計算。本行並無任何可兌換之資本貸款、期權或可兌換認股證以致對每股盈利構成攤薄影響。

15. 本行股東應佔溢利

本行股東應佔綜合溢利包括已計入本行財務報告內之虧損14,718,000港元(二零零八年:溢利158,998,000港元)。

上述金額與本行本年度溢利之對賬:

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	(14,718)	158,998
	178,570	-
	163,852	158,998

16. SEGMENT REPORTING

Segment information is presented in respect of the Group's operating segments which are the components of the Group about which separate financial information is available and evaluated regularly by the Chief Executive Officer in deciding how to allocate resources and in assessing performance.

Operating segments

The Bank and its subsidiaries are principally engaged in the provision of banking and related financial services. Reportable segments of the Group are set out below.

Consumer Banking comprises credit card merchant acquiring, provision of credit card advances, mortgage lending, other consumer lending, and provision of banking services to the Mass Market segment, defined as those with a lower value of assets under administration.

Wealth Management comprises securities brokerage, the sales and distribution of wealth management products to wealth management clients, defined as those with a higher value of assets under administration, and provision of insurance and unit trust wealth management services.

Corporate and Investment Banking comprises the Small and Medium Enterprise business, and the Corporate Banking Business. The Small and Medium Enterprise business include both personal and corporate equipment financing, commercial lending to small and medium enterprises, automobile and other consumer leasing contracts and lending activities. Corporate Banking business covers trade financing, syndicated loans and other corporate lending.

Financial Markets mainly provides foreign exchange services and centralized cash management for deposit taking and lending, management of trading securities, execution of management's investment strategies in money market investment instruments and the overall funding of the Group.

Segment results, assets and liabilities

For the purpose of segmental analysis, the allocation of revenue reflects the benefits of capital and other funding resources allocated to the operating segments by way of internal capital allocation and fund transfer-pricing mechanisms. To reflect the benefit of joint efforts of two or more operating segments on a third-party transaction, operating income (and the related funding costs) derived from the transaction is recorded in all relevant operating segments and the additional operating income recorded from this treatment is eliminated on consolidation.

Cost allocation is based on the direct costs incurred by the respective operating segments and apportionment of certain centralised management overheads. Rental charges at market rates for usage of premises are reflected in "Operating Expense" and "Inter-segment Expense" for the respective operating segments.

16. 分部資料

分部資料乃根據本集團的經營分部編製。本集團之經營分部為本集團之組成部份，相關之財務資料可被獨立地提供及被主要行政人員用作定期評估以決定如何分配資源和評核表現。

經營分部

本行及其附屬公司之主要業務為提供銀行及相關之金融服務。本集團可申報業務分部載列如下。

消費金融及零售市場包括信用卡商戶服務、信用卡信貸服務、按揭及其他消費信貸，以及向零售市場（解釋為受管理資產屬較少價值的客戶）提供銀行服務。

財富管理包括證券買賣、向財富管理客戶（解釋為受管理資產屬較高價值的客戶）銷售及分銷財富管理產品，以及提供保險和單位信託財富管理服務。

企業金融包括中小企業務及企業銀行業務。中小企業務包括私人及企業設備融資、中小企業商業借貸、汽車及其他消費租賃合約及借貸業務。企業銀行業務涵蓋貿易融資、銀團貸款及其他企業借貸。

金融市場業務主要包括外匯交易服務及存款和借貸的中央現金管理、證券交易管理，按管理層的投資策略在貨幣市場進行投資與及本集團的整體資金管理。

分部業績、資產及負債

按分部分析下之收入劃分，是反映各經營分部，透過內部資本分配和資金調撥機制獲分派之資本及其他資金所賺取之回報。為反映兩個或以上經營分部在第三方交易上聯合努力所賺取之回報，從這交易所賺取之營運收入（以及相關之資金成本）將紀錄在全部相關之經營分部，而從此項處理所紀錄的額外營運收入於綜合處理程序時抵銷。

成本分配以各經營分部之直接成本及分攤之若干統一管理費用計算。各經營分部使用物業，按市值計算之租金反映於各經營分部之「營運支出」及「跨業務支出」內。

16. SEGMENT REPORTING (continued)

Segment results, assets and liabilities (continued)

Segment assets mainly include advances to customers less impairment, investment in securities and financial instruments, inter-bank placements, current assets and premises attributable to the operating segments. The assets attributable to a transaction with joint efforts of two or more operating segments are recorded in all relevant operating segments and the additional assets recorded from this treatment are eliminated on consolidation.

Segment liabilities mainly include deposits from customers, certificate of deposit and debt securities issued, inter-bank borrowings, and accruals attributable to the operating segments.

In addition to receiving segment information concerning profit before taxation, management is provided with segment information concerning revenue (including inter-segment lending), interest expense, depreciation, amortisation, impairment losses and additions to non-current segment assets used by the segments in their operations.

Unallocated items mainly comprise the central management unit, management of strategic investments, premises and property management and other activities which cannot be reasonably allocated to specific business segments.

16. 分部資料(續)

分部業績、資產及負債(續)

分部資產主要包括各經營分部應佔客戶貸款減減值、證券投資、金融工具、銀行同業放款、流動資產及物業。從兩個或以上經營分部在交易上聯合努力所產生之資產記錄在全部相關之經營分部，而從此項處理所記錄的額外資產於綜合處理程序時抵銷。

分部負債主要包括各經營分部應佔客戶存款、已發行存款證、已發行債務證券、銀行同業存款及應計款項。

除了分部資料中的除稅前溢利資料外，管理層還被提供其他分部資料包括收入(包括跨業務貸款)、利息支出、折舊、攤銷、減值虧損及用於分部運作的新增非流動分部資產。

未分配項目主要包括中央管理單位、策略投資管理、樓宇及物業管理以及其他未能合理分配到特定業務類別的活動。

		2009 二零零九年				Reportable Segments Total 可申報 分部總額 HK\$'000 千港元
		Consumer Banking 消費金融及 零售市場 HK\$'000 千港元	Wealth Management 財富管理 HK\$'000 千港元	Corporate and Investment Banking 企業金融 HK\$'000 千港元	Financial Markets 金融市場 HK\$'000 千港元	
Net interest income	淨利息收入	186,202	75,034	358,202	568,556	1,187,994
Other operating income from external customers	源自外界客戶其他營運收入	149,474	303,277	71,276	70,124	594,151
Fee and commission expense	費用及佣金支出	(34,954)	(7,091)	(7,762)	(13,246)	(63,053)
Other operating income	其他營運收入	114,520	296,186	63,514	56,878	531,098
Operating income	營運收入	300,722	371,220	421,716	625,434	1,719,092
Operating expenses	營運支出	(216,827)	(319,903)	(215,564)	(123,300)	(875,594)
Inter-segment expenses	跨分部支出	(1,901)	(28,391)	(5,351)	-	(35,643)
Operating profit before gains and impairment losses	未計收益及減值虧損前經營溢利	81,994	22,926	200,801	502,134	807,855
Impairment losses on advances to customers	客戶貸款之減值虧損	(25,296)	(8,649)	(452,590)	-	(486,535)
Impairment losses on available-for-sale securities	可供出售證券減值虧損	-	-	-	(67,124)	(67,124)
Charge for impairment losses on assets acquired under lending agreements	根據貸款協議所得資產 減值虧損之扣除	-	-	(324)	-	(324)
Net gains on disposal of available-for-sale assets	出售可供出售資產之淨收益	-	-	-	80,258	80,258
Profit/(loss) before taxation	除稅前溢利/(虧損)	56,698	14,277	(252,113)	515,268	334,130
Operating expenses – depreciation	營運支出—折舊	(378)	(8,728)	(3,122)	(3,216)	(15,444)
Segment assets	分部資產	16,218,370	2,942,095	15,616,374	29,669,699	64,446,538
Segment liabilities	分部負債	2,258,594	26,945,091	15,293,344	10,608,577	55,105,606

16. SEGMENT REPORTING (continued)

Segment results, assets and liabilities (continued)

		2008 二零零八年				Reportable Segments
		Consumer Banking 消費金融及 零售市場 HK\$'000 千港元	Wealth Management 財富管理 HK\$'000 千港元	Corporate and Investment Banking 企業金融 HK\$'000 千港元	Financial Markets 金融市場 HK\$'000 千港元	Total 可申報 分部總額 HK\$'000 千港元
Net interest income	淨利息收入	162,224	152,690	486,179	233,978	1,035,071
Other operating income from external customers	源自外界客戶其他營運收入	139,122	388,581	203,044	174,632	905,379
Fee and commission expense	費用及佣金支出	(32,757)	(7,078)	(4,451)	(17,657)	(61,943)
Other operating income	其他營運收入	106,365	381,503	198,593	156,975	843,436
Operating income	營運收入	268,589	534,193	684,772	390,953	1,878,507
Operating expenses	營運支出	(209,790)	(352,547)	(235,205)	(151,446)	(948,988)
Inter-segment expenses	跨分部支出	(1,808)	(31,157)	(6,296)	-	(39,261)
Operating profit before gains and impairment losses	未計收益及減值虧損前經營溢利	56,991	150,489	443,271	239,507	890,258
Impairment losses on advances to customers	客戶貸款之減值虧損	(7,780)	(212)	(301,274)	-	(309,266)
Impairment losses on available-for-sale securities	可供出售證券減值虧損	-	-	-	(197,482)	(197,482)
Charge for impairment losses on assets acquired under lending agreements	根據貸款協議所得資產 減值虧損之扣除	-	-	(891)	-	(891)
Net gains on disposal of available-for-sale assets	出售可供出售資產之淨收益	-	-	-	70,783	70,783
Profit before taxation	除稅前溢利	49,211	150,277	141,106	112,808	453,402
Operating expenses – depreciation	營運支出 – 折舊	(402)	(8,096)	(2,399)	(4,113)	(15,010)
Segment assets	分部資產	15,995,720	3,092,901	20,495,103	30,255,957	69,839,681
Segment liabilities	分部負債	2,783,008	28,759,443	15,407,548	12,876,533	59,826,532

16. 分部資料 (續)

分部業績、資產及負債 (續)

16. SEGMENT REPORTING (continued)

Reconciliation of Reportable Segment Revenue, Profit & Loss, Assets & Liabilities

Revenues	收入
Reportable segment operating income	可申報分部營運收入
Elimination of inter-segment operating income and operating income reported in more than one segment	跨業務營運收入及紀錄在多於一個經營分部之營運收入之抵銷
Unallocated revenue	未分配收入
Consolidated operating income	綜合營運收入

Profit before tax	除稅前溢利
Reportable segment profit before tax	可申報分部除稅前溢利
Unallocated operating income	未分配營運收入
Unallocated operating expenses	未分配營運支出
Write back of impairment losses on advances to customers	客戶貸款之減值虧損回撥
Write back of impairment losses on advances to an associate	對聯營公司貸款減值虧損之回撥
Write back of/(charge for) impairment losses on assets acquired under lending agreements	根據貸款協議所得資產減值虧損之回撥/(扣除)
Net gains on disposals of available-for-sale securities	出售可供出售證券之淨收益
Net (losses)/gains on disposals of fixed assets	出售固定資產之淨(虧損)/收益
Share of profits of an associate	應佔聯營公司溢利
Elimination of inter-segment profit before tax and profit before tax reported in more than one segment	跨業務除稅前溢利及紀錄在多於一個經營分部之除稅前溢利之抵銷
Consolidated profit before tax	綜合除稅前溢利

16. 分部資料(續)

可申報業務收入、溢利及虧損、資產及負債之對賬

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	1,719,092	1,878,507
	(344,679)	(463,430)
	46,254	39,589
	1,420,667	1,454,666
	334,130	453,402
	46,254	39,589
	(101,611)	(36,250)
	2,320	252
	346	3,797
	5,061	(2,941)
	12,687	15,474
	(16)	29,123
	14,309	-
	(286,829)	(404,490)
	26,651	97,956

16. SEGMENT REPORTING (continued)

Reconciliation of Reportable Segment Revenue, Profit & Loss, Assets & Liabilities (continued)

Assets

Reportable segment assets
Unallocated advances to customers
Unallocated fixed assets
Interests in associates
Unallocated other assets
Elimination of inter-segment loans

Consolidated total assets

資產

可申報分部資產
未分配客戶貸款
未分配固定資產
於聯營公司之權益
未分配其他資產
跨業務貸款抵銷

綜合資產總額

Liabilities

Reportable segment liabilities
Unallocated other liabilities

Consolidated total liabilities

負債

可申報分部負債
未分配其他負債

綜合負債總額

Geographical information

The geographical information analysis is based on the locations of the principal operations of the subsidiaries or on the location of the branches of the Bank responsible for reporting the results or booking the assets, the location of customers and the location of assets. For the years ended 31 December 2009 and 2008, all of the Group's operating income and profit before taxation were generated by assets booked by the principal operations of the branches and subsidiaries of the Bank located in Hong Kong. No single country or geographic segment other than Hong Kong contributes 10% or more of the Group's assets, liabilities, profit or loss before taxation, total operating income or contingent liabilities and commitments.

16. 分部資料(續)

可申報業務收入、溢利及虧損、資產及負債之對賬(續)

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
可申報分部資產	64,446,538	69,839,681
未分配客戶貸款	135,100	243,403
未分配固定資產	612,627	654,378
於聯營公司之權益	386,510	293,746
未分配其他資產	995,813	686,027
跨業務貸款抵銷	(5,597,288)	(6,075,323)
綜合資產總額	60,979,300	65,641,912

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
可申報分部負債	55,105,606	59,826,532
未分配其他負債	939,134	1,094,283
綜合負債總額	56,044,740	60,920,815

區域資料

區域資料分析是根據附屬公司之主要業務所在地點，或按負責報告業績或將資產入賬之本行分行位置、客戶位置及資產位置予以披露。截至二零零九年及二零零八年十二月三十一日止年度，本集團之所有營運收入及除稅前溢利均是從位於香港的本行分行及附屬公司入賬之資產所產生。本集團沒有在香港以外的單一國家或地區佔有10%或以上的資產、負債、除稅前溢利或虧損、總營運收入或或然負債及承擔。

17. CASH AND SHORT-TERM FUNDS

Cash in hand	現金
Balances with the HKMA	香港金融管理局結餘
Balances with banks	銀行同業之結餘
Money at call and short notice *	通知及短期存款 *

17. 現金及短期資金

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
112,170	120,784	112,170	120,780
2,020,875	168,543	2,020,875	168,543
346,822	988,896	345,499	976,842
2,935,022	6,736,730	2,935,022	6,736,730
5,414,889	8,014,953	5,413,566	8,002,895

* Money at call and short notice represents deposits of up to a maximum of one month maturity from the balance sheet date.

* 通知及短期存款指由結算日起計最長一個月到期之存款。

18. PLACEMENTS WITH AND ADVANCES TO BANKS AND OTHER FINANCIAL INSTITUTIONS

Placements with banks maturing within:	以下期間內到期之 銀行同業放款：
– 3 months or less but over 1 month	– 三個月或以下 惟一個月以上
– 1 year or less but over 3 months	– 一年或以下惟三個月以上
Advances to other financial institutions	其他金融機構貸款總額

18. 銀行同業及其他金融機構放款及貸款

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
76,775	975,010	–	975,010
240,902	852,511	240,902	852,511
317,677	1,827,521	240,902	1,827,521
50,000	–	50,000	–
367,677	1,827,521	290,902	1,827,521

19. TRADING SECURITIES

19. 持作交易用途之證券

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
<i>Trading securities at fair value</i>	<i>持作交易用途之證券 之公平價值</i>				
Treasury bills (including Exchange Fund Bills) – unlisted	國庫券(包括外匯基金票據)·非上市	100,496	142,967	100,496	142,967
Debt securities	債務證券				
– Listed in Hong Kong	– 於香港上市	956	3,190	956	3,190
– Unlisted	– 非上市	3,968	4,058	3,968	4,058
Equity securities	股本證券				
– Listed in Hong Kong	– 於香港上市	102	35	–	–
Total	總值	105,522	150,250	105,420	150,215
<i>Trading securities are issued by:</i>	<i>持作交易用途之證券由以下 機構發行:</i>				
– Governments and central banks	– 政府及中央銀行	100,496	142,967	100,496	142,967
– Public sector entities	– 公營機構	4,924	7,248	4,924	7,248
– Banks	– 銀行	39	23	–	–
– Corporate entities	– 企業實體	63	12	–	–
		105,522	150,250	105,420	150,215

20. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

<i>Debt securities at fair value</i>	債務證券之公平價值
– Listed in Hong Kong	– 於香港上市
– Listed outside Hong Kong	– 於香港以外上市
– Unlisted	– 非上市
Total	總值
<i>Financial instruments designated at fair value through profit or loss are issued by:</i>	指定為通過損益以反映公平價值之金融工具由以下機構發行：
– Public sector entities	– 公營機構
– Banks	– 銀行
– Corporate entities	– 企業實體

Debt securities have been designated at fair value through profit or loss upon initial recognition when either the Group holds related derivatives at fair value through profit or loss, and designation therefore eliminates or significantly reduces an accounting mismatch that would otherwise arise; or the debt securities are managed and evaluated on a fair value basis.

21. DERIVATIVE FINANCIAL INSTRUMENTS

The sale to customers of derivatives as risk management products and the subsequent use of derivatives to manage the resulting positions is an integral part of the Group's business activities. Derivatives 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 purchases 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 or for balance sheet management. For accounting purposes, derivatives are classified as either held for trading, qualifying for hedge accounting, or managed in conjunction with financial instruments designated at fair value through profit or loss.

20. 指定為通過損益以反映公平價值之金融資產

The Group and the Bank 本集團及本行

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	84,515	469,195
	247,109	231,086
	310,113	–
	641,737	700,281
	81,853	474,235
	165,256	148,833
	394,628	77,213
	641,737	700,281

當本集團同時持有與債務證券相關通過損益以反映公平價值的衍生工具，或本集團對該債務證券是以公平價值基準作內部管理、評估及匯報，該債務證券會於初次確認時指定為通過損益以反映公平價值。

21. 衍生金融工具

向客戶出售衍生工具以作為風險管理產品及其後使用衍生工具管理相關持倉，為本集團其中一項業務。該等工具亦用以管理本集團所承受的市場風險，作為其資產負債管理的程序一部分。本集團所採用的衍生工具主要為利率及外匯相關合約，該等合約主要為場外衍生工具。本集團亦參與交易所買賣衍生工具。本集團大部分的衍生工具持倉均為配合客戶需求以及為對沖該等和其他交易倉盤或管理資產負債表而訂立。就會計目的而言，衍生工具被分類為持作交易用途、合資格採用對沖會計法或與指定通過損益以反映公平價值之金融工具共同進行管理。

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(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 instruments indicate the volume of transactions outstanding as at the balance sheet date 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:

21. 衍生金融工具(續)

(a) 衍生工具之名義金額

此等衍生工具指其價值視乎一項或多項有關資產或指數之價值而定之金融合約。此等工具之名義金額顯示於結算日尚未平倉之交易量，而並非代表涉及風險金額。以下為本集團訂立之各主要類型衍生工具之名義金額之概要：

		The Group and the Bank 本集團及本行				
		2009 二零零九年				
		Managed in conjunction with financial instruments designated at fair value through profit or loss 就指定為通過損益 以反映公平價值 之金融工具 共同進行管理			Held for trading 持作交易用途	Total 總額
		Qualifying for hedge accounting 合資格採用 對沖會計法 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Exchange rate derivatives	匯率衍生工具					
- Forwards	- 遠期	-	-	3,686,721	3,686,721	3,686,721
- Swaps	- 掉期	-	-	8,734,426	8,734,426	8,734,426
- Options purchased	- 購入期權	-	-	1,132,132	1,132,132	1,132,132
- Options written	- 沽出期權	-	-	1,128,639	1,128,639	1,128,639
		-	-	14,681,918	14,681,918	14,681,918
Interest rate derivatives	利率衍生工具					
- Swaps	- 掉期	3,941,867	592,685	11,085,267	15,619,819	15,619,819
- Options purchased	- 購入期權	-	-	67,541	67,541	67,541
		3,941,867	592,685	11,152,808	15,687,360	15,687,360
Equity derivatives	股票衍生工具					
- Swaps	- 掉期	-	-	787,594	787,594	787,594
- Options purchased	- 購入期權	-	-	133,185	133,185	133,185
- Options written	- 沽出期權	-	-	133,185	133,185	133,185
		-	-	1,053,964	1,053,964	1,053,964
Total	總額	3,941,867	592,685	26,888,690	31,423,242	31,423,242

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(a) Notional amounts of derivatives (continued)

		The Group and the Bank 本集團及本行			
		2008 二零零八年			
		Managed in conjunction with financial instruments designated at fair value through profit or loss 就指定為通過損益 以反映公平價值 之金融工具 共同進行管理			Total 總額
		Qualifying for hedge accounting 合資格採用 對沖會計法 HK\$'000 千港元	Held for trading 持作交易用途 HK\$'000 千港元		HK\$'000 千港元
Exchange rate derivatives	匯率衍生工具				
- Forwards	- 遠期	-	-	12,529,473	12,529,473
- Swaps	- 掉期	-	-	31,679,858	31,679,858
- Options purchased	- 購入期權	-	-	19,445,806	19,445,806
- Options written	- 沽出期權	-	-	19,443,518	19,443,518
- Other exchange rate derivatives	- 其他匯率衍生工具	-	-	21,700	21,700
		-	-	83,120,355	83,120,355
Interest rate derivatives	利率衍生工具				
- Swaps	- 掉期	1,937,525	966,542	54,162,230	57,066,297
- Options purchased	- 購入期權	-	-	402,905	402,905
		1,937,525	966,542	54,565,135	57,469,202
Equity derivatives	股票衍生工具				
- Swaps	- 掉期	-	-	1,633,600	1,633,600
- Options purchased	- 購入期權	-	-	83,350	83,350
- Options written	- 沽出期權	-	-	83,350	83,350
- Other equity derivatives	- 其他股票衍生工具	-	-	233,396	233,396
		-	-	2,033,696	2,033,696
Total	總額	1,937,525	966,542	139,719,186	142,623,253

The above amounts are shown on a gross basis without taking into account the effect of any bilateral netting arrangements.

Derivatives reported as qualifying for hedge accounting represent hedging instruments designated as hedges under HKAS 39.

上述金額以總額顯示，並無計及任何雙邊淨額結算安排之影響。

報告為合資格採用對沖會計法之衍生工具指根據香港會計準則第39號指定作為對沖之對沖工具。

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(b) Fair values and credit risk weighted amounts of derivatives

Credit risk-weighted amount refers to the amount as computed in accordance with the Banking (Capital) Rules of the Hong Kong Banking Ordinance. The amount depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 100%.

These amounts are shown on a gross basis without taking into account the effect of bilateral netting arrangements and are as below:

21. 衍生金融工具(續)

(b) 衍生工具之公平價值及信貸風險加權金額

信貸風險加權金額指根據《銀行業條例》下之《銀行業(資本)規則》計算之金額。此等金額須視乎交易對手之現況及到期期限特點而定。所採用之信貸風險加權比率介乎0%至100%。

該等金額並無計及雙邊淨額結算安排並以總額顯示如下：

		The Group and the Bank 本集團及本行					
		2009 二零零九年			2008 二零零八年		
		Fair value Assets 公平價值資產 HK\$'000 千港元	Fair value Liabilities 公平價值負債 HK\$'000 千港元	Credit risk weighted amount 信貸風險 加權金額 HK\$'000 千港元	Fair value Assets 公平價值資產 HK\$'000 千港元	Fair value Liabilities 公平價值負債 HK\$'000 千港元	Credit risk weighted amount 信貸風險 加權金額 HK\$'000 千港元
Exchange rate derivatives	匯率衍生工具						
- Forwards	- 遠期	311,249	1,293	2,814	544,751	117,693	299,990
- Swaps	- 掉期	26,916	10,728	18,762	938,263	1,119,277	430,405
- Options purchased	- 購入期權	651	-	2,668	99,574	-	211,047
- Options written	- 沽出期權	-	651	-	-	99,562	-
- Other exchange rate derivatives	- 其他匯率衍生工具	-	-	-	256	256	181
		338,816	12,672	24,244	1,582,844	1,336,788	941,623
Interest rate derivatives	利率衍生工具						
- Swaps	- 掉期	222,752	328,652	78,910	615,835	522,800	246,902
- Options purchased	- 購入期權	1,649	-	-	8,082	-	-
		224,401	328,652	78,910	623,917	522,800	246,902
Equity derivatives	股票衍生工具						
- Swaps	- 掉期	65,598	65,598	11,770	375,826	375,826	84,858
- Options purchased	- 購入期權	3,195	-	-	948	-	-
- Options written	- 沽出期權	-	3,195	-	-	948	-
- Other equity derivatives	- 其他股票衍生工具	-	-	-	34,538	34,538	27,610
		68,793	68,793	11,770	411,312	411,312	112,468
Other derivatives	其他衍生工具	-	241,779	-	-	235,445	-
Total	總額	632,010	651,896	114,924	2,618,073	2,506,345	1,300,993

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)**(c) Fair values of derivatives designated as hedging instruments***Fair value hedges*

Fair value hedges consist of interest rate swaps that are used to protect against changes in the fair value of the Bank's subordinated notes issued and certain fixed-rate debt securities due to movements in market interest rates.

The following is a summary of the fair values of derivatives held for hedging purposes entered into by the Group and the Bank:

Interest rate derivatives 利率衍生工具

21. 衍生金融工具(續)**(c) 指定作為對沖工具之衍生工具之公平價值***公平價值對沖*

公平價值對沖包括用作保障本行的已發行後償票據及若干定息債券因市場利率變動而出現之公平價值變化的利率掉期。

本集團及本行訂立之持作對沖目的之衍生工具之公平價值摘要如下：

The Group and the Bank 本集團及本行			
2009 二零零九年		2008 二零零八年	
Fair value Assets 公平價值資產 HK\$'000 千港元	Fair value Liabilities 公平價值負債 HK\$'000 千港元	Fair value Assets 公平價值資產 HK\$'000 千港元	Fair value Liabilities 公平價值負債 HK\$'000 千港元
91,435	113,207	134,366	52,736

(d) Remaining life of derivatives instruments

The following table provides an analysis of the notional amounts of derivatives of the Group and the Bank by relevant maturity grouping based on the remaining periods to settlement at the balance sheet date.

2009 二零零九年

Exchange rate derivatives 匯率衍生工具
Interest rate derivatives 利率衍生工具
Equity derivatives 股票衍生工具

Total 總額

(d) 衍生工具之剩餘期限

下表為本集團及本行，按於結算日時直至交收剩餘期限之相關到期組別劃分之衍生工具名義金額的分析。

The Group and the Bank 本集團及本行			
Notional amounts with remaining life of 屬以下剩餘年期之名義金額			
Total 總額 HK\$'000 千港元	1 year or less 一年或以下 HK\$'000 千港元	Over 1 year to 5 years 一年以上至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元
14,681,918	14,681,918	-	-
15,687,360	5,750,418	8,360,923	1,576,019
1,053,964	773,800	260,000	20,164
31,423,242	21,206,136	8,620,923	1,596,183

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)**(d) Remaining life of derivatives instruments** (continued)

2008	二零零八年
Exchange rate derivatives	匯率衍生工具
Interest rate derivatives	利率衍生工具
Equity derivatives	股票衍生工具
Total	總額

21. 衍生金融工具 (續)**(d) 衍生工具之剩餘期限** (續)

		The Group and the Bank 本集團及本行			
		Notional amounts with remaining life of 屬以下剩餘年期之名義金額			
		1 year or less 一年或以下	Over 1 year to 5 years 一年以上至五年	Over 5 years 五年以上	
		Total 總額			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
83,120,355	82,129,053	991,302	–		
57,469,202	47,698,855	8,766,450	1,003,897		
2,033,696	1,452,736	580,960	–		
142,623,253	131,280,644	10,338,712	1,003,897		

22. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES**(a) Advances to customers less impairment allowances:**

Gross advances to customers	客戶貸款總額
Less: Impairment allowances	減：減值撥備
– Individual impairment allowances (Note 22(b))	– 個別減值撥備 (附註22(b))
– Collective impairment allowances (Note 22(b))	– 綜合減值撥備 (附註22(b))

22. 客戶貸款減減值撥備**(a) 客戶貸款減減值撥備：**

The Group 本集團		The Bank 本行	
2009 二零零九年	2008 二零零八年	2009 二零零九年	2008 二零零八年
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
29,112,658	33,329,796	27,327,831	29,099,339
(364,647)	(181,872)	(236,845)	(91,637)
(176,044)	(114,106)	(143,288)	(69,169)
28,571,967	33,033,818	26,947,698	28,938,533

22. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES 22. 客戶貸款減值撥備(續)

(continued)

(b) Movement in impairment allowances on advances to customers:

(b) 客戶貸款減值撥備變動：

		The Group 本集團		The Bank 本行	
		Individual impairment allowances 個別減值 撥備 HK\$'000 千港元	Collective impairment allowances 綜合減值 撥備 HK\$'000 千港元	Individual impairment allowances 個別減值 撥備 HK\$'000 千港元	Collective impairment allowances 綜合減值 撥備 HK\$'000 千港元
At 1 January 2009	於二零零九年一月一日	181,872	114,106	91,637	69,169
Impairment losses charged to profit or loss (Note 11)	於損益賬扣除之減值虧損(附註11)	470,477	61,938	382,728	74,119
Impairment losses released back to profit or loss (Note 11)	於損益賬撥回之減值虧損(附註11)	(47,498)	–	(33,153)	–
Amounts written off	撇賬金額	(258,861)	–	(213,898)	–
Recoveries of advances written off in previous years	過去年度已撇賬貸款之收回	18,657	–	9,531	–
At 31 December 2009	於二零零九年十二月三十一日	364,647	176,044	236,845	143,288

		The Group 本集團		The Bank 本行	
		Individual impairment allowances 個別減值 撥備 HK\$'000 千港元	Collective impairment allowances 綜合減值 撥備 HK\$'000 千港元	Individual impairment allowances 個別減值 撥備 HK\$'000 千港元	Collective impairment allowances 綜合減值 撥備 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	72,082	82,126	43,001	55,134
Impairment losses charged to profit or loss (Note 11)	於損益賬扣除之減值虧損(附註11)	309,868	31,980	155,945	14,035
Impairment losses released back to profit or loss (Note 11)	於損益賬撥回之減值虧損(附註11)	(32,551)	–	(21,077)	–
Amounts written off	撇賬金額	(187,622)	–	(99,004)	–
Recoveries of advances written off in previous years	過去年度已撇賬貸款之收回	20,095	–	12,772	–
At 31 December 2008	於二零零八年十二月三十一日	181,872	114,106	91,637	69,169

22. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES

(continued)

(c) Advances to customers analysed by industry sector

The following economic sector analysis of gross advances to customers is based on the categories and definitions used by the HKMA.

22. 客戶貸款減減值撥備(續)**(c) 按行業分類的客戶貸款**

以下客戶貸款總額之經濟行業分析乃根據金管局使用的組別及定義。

As at 31 December	於十二月三十一日	The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Gross advances for use in Hong Kong	在香港使用的貸款總額				
Industrial, commercial and financial	工商金融				
- Property development	- 物業發展	1,190,968	47,500	1,190,968	47,500
- Property investment	- 物業投資	8,201,715	8,694,857	8,199,216	8,688,628
- Financial concerns	- 金融企業	416,802	492,465	416,802	492,350
- Stockbrokers	- 股票經紀	13,745	5,413	13,745	5,413
- Wholesale and retail trade	- 批發及零售業	64,511	96,448	61,979	88,492
- Manufacturing	- 製造業	1,666,263	2,204,099	1,604,722	2,044,667
- Transport and transport equipment	- 運輸及運輸設備	465,987	752,659	57,040	65,906
- Information technology	- 資訊科技	14,434	14,630	13,800	13,418
- Others	- 其他	2,321,393	2,660,900	2,163,042	2,352,785
Individuals	個人				
- Loans for the purchase of flats under the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	- 購買「居者有其屋計劃」、「私人參建居屋計劃」及「租者置其屋計劃」或其各自的後繼計劃的樓宇的貸款	52,370	10,953	52,370	10,953
- Loans for the purchase of other residential properties	- 購買其他住宅物業的貸款	7,448,480	7,312,449	7,439,284	7,294,489
- Credit card advances	- 信用卡貸款	618,106	554,171	618,106	554,171
- Others	- 其他	1,039,499	1,024,661	966,870	881,917
		23,514,273	23,871,205	22,797,944	22,540,689
Trade finance	貿易融資	809,641	1,849,658	809,641	1,849,658
Gross advances for use outside Hong Kong	在香港以外使用的貸款總額	4,788,744	7,608,933	3,720,246	4,708,992
Gross advances to customers	客戶貸款總額	29,112,658	33,329,796	27,327,831	29,099,339

22. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES

(continued)

(d) Impaired advances to customers

22. 客戶貸款減減值撥備(續)

(d) 客戶減值貸款

		The Group 本集團			
		2009 二零零九年		2008 二零零八年	
		HK\$'000 千港元	i% i百分比	HK\$'000 千港元	i% i百分比
Gross impaired advances	減值貸款總額	518,722	1.78	407,350	1.22
Individual impairment allowances made against impaired loans	就減值貸款作出的個別減值撥備	(364,647)		(181,872)	
		154,075		225,478	
Amount of collateral held in respect of impaired loans ⁱⁱ	就減值貸款持有的抵押品金額 ⁱⁱ	94,843		144,905	

		The Bank 本行			
		2009 二零零九年		2008 二零零八年	
		HK\$'000 千港元	i% i百分比	HK\$'000 千港元	i% i百分比
Gross impaired advances	減值貸款總額	315,330	1.15	234,519	0.81
Individual impairment allowances made against impaired loans	就減值貸款作出的個別減值撥備	(236,845)		(91,637)	
		78,485		142,882	
Amount of collateral held in respect of impaired loans ⁱⁱ	就減值貸款持有的抵押品金額 ⁱⁱ	13,813		74,771	

i. As a percentage of gross advances to customers.

ii. Collateral mainly comprises mortgage interests over residential properties and cash deposits with the Group. It includes an expected recovery of HK\$11.9 million (2008: HK\$24.1 million) from companies in liquidation and government guarantee schemes.

Impaired advances are individually assessed loans with objective evidence of impairment on an individual basis.

i. 估客戶貸款總額之百分比。

ii. 該等抵押品主要包括居住物業之按揭利息及存放於本集團之現金存款。包括預期可從清盤中公司及政府擔保計劃回收之金額 11,900,000 港元 (二零零八年: 24,100,000 港元)。

減值貸款是按個別基準在具備客觀的減值證據下而須作個別評估的貸款。

22. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES

(continued)

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

Advances to customers include the net investment in motor vehicles and equipment leased to customers under finance leases and hire purchase contracts having the characteristics of finance leases. The contracts usually run for an initial period of 3 to 5 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 at the year end are as follows:

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Total minimum lease payments due:	最低租賃還款總金額				
	到期期限為：				
- within 1 year	—一年以內	1,342,824	2,827,481	28,509	146,490
- after 1 year but within 5 years	—一年以後惟五年以內	417,012	1,652,424	1,045	13,868
- after 5 years	—五年以後	178,715	272,055	—	—
		1,938,551	4,751,960	29,554	160,358
Interest income relating to future periods	與未來期間有關之利息收入	(140,066)	(398,164)	(1,244)	(7,088)
Present value of the minimum lease payment receivable	應收最低租賃還款之現值	1,798,485	4,353,796	28,310	153,270
Collective impairment allowances	綜合減值撥備	(33,022)	(46,538)	(574)	(1,717)
Individual impairment allowances	個別減值撥備	(139,393)	(108,084)	(11,591)	(17,849)
Net investment in finance leases and hire purchase contracts	融資租賃及租購合約之投資淨額	1,626,070	4,199,174	16,145	133,704

The maturity profile of the present value of the minimum lease payments before impairment allowances is as follows:

減值撥備前最低租賃還款現值之期限組別如下：

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Within 1 year	一年以內	1,259,545	2,576,589	27,279	139,874
After 1 year but within 5 years	一年以後惟五年以內	385,907	1,546,675	1,031	13,396
After 5 years	五年以後	153,033	230,532	—	—
		1,798,485	4,353,796	28,310	153,270

(e) 融資租賃及租購合約之投資淨額

給予客戶之貸款包括根據融資租賃及具融資租賃特性之租購合約租予客戶之汽車及設備的投資淨額。合約一般初步為期三至五年，附帶按賬面值購買所租用資產之選擇權。根據融資租賃及租購合約應收之最低租賃還款總金額及於年結日之現值如下：

23. OTHER LOANS AND RECEIVABLES

Debt securities at amortised cost	債務證券，以攤餘成本列賬
Of which:	其中：
– Listed outside Hong Kong	– 於香港以外上市
– Unlisted	– 非上市
<i>Other loans and receivables are issued by:</i>	<i>其他貸款及應收款項由以下機構發行：</i>
– Banks	– 銀行
– Corporate entities	– 企業實體

During 2008, the Group and the Bank reclassified certain available-for-sale investment securities which met the definition of loans and receivables (if they had not been designated as available-for-sale) and for which there was no longer an active market to loans and receivables during the year. The fair value and carrying value of these securities on the date of reclassification were HK\$3,723.9 million. As at 31st December 2009, the carrying amount and fair value of these reclassified debt securities were HK\$3,392.2 million (2008: HK\$3,745.3 million) and HK\$3,146.1 million (2008: HK\$3,387.9 million) respectively.

The interest income recognised in the profit or loss in respect of these debt securities during 2009 was HK\$107.0 million (2008: HK\$188.3 million, of which HK\$114.3 million was recognised before reclassification and HK\$74.0 million was recognised after reclassification). The fair value change that would have been recognised in the investment revaluation reserve if those debt securities had not been reclassified would be a HK\$181.7 million gain (2008: HK\$342.4 million loss).

The above debt securities are neither past due nor impaired as at 31 December 2009 and 2008.

23. 其他貸款及應收款項

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
3,392,218	3,745,286
3,010,919	3,026,906
381,299	718,380
3,392,218	3,745,286
3,369,760	3,723,191
22,458	22,095
3,392,218	3,745,286

於二零零八年，本集團及本行已將若干符合貸款及應收款項定義（如其並未被指定為可供出售類別）及不存在活躍市場之可供出售投資證券重新分類至貸款及應收款項。該等證券於重新分類日期之公平價值及賬面值均為3,723,900,000港元。於二零零九年十二月三十一日，該等債務證券的賬面值及公平價值分別為3,392,200,000港元（二零零八年：3,745,300,000港元）及3,146,100,000港元（二零零八年：3,387,900,000港元）。

該等債務證券於本年內在收益表內確認之利息收入為107,000,000港元（二零零八年：188,300,000港元，其中於重新分類前確認為114,300,000港元，而於重新分類後確認為74,000,000港元）。倘該等債務證券並未重新分類，於投資重估儲備中確認之公平價值收益將為181,700,000港元收益（二零零八年：342,400,000港元虧損）。

於二零零九年及二零零八年十二月三十一日，上述經重新分類債務證券既未逾期亦無減值。

24. AVAILABLE-FOR-SALE SECURITIES

24. 可供出售證券

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Listed debt securities at fair value	上市債務證券之公平價值				
– Listed in Hong Kong	– 於香港上市	3,498,794	2,067,597	3,498,794	2,067,597
– Listed outside Hong Kong	– 於香港以外上市	4,708,120	2,869,603	4,708,120	2,869,603
		8,206,914	4,937,200	8,206,914	4,937,200
Unlisted debt securities at fair value	非上市債務證券之公平價值				
– Treasury bills (including Exchange Fund Bills)	– 國庫券(包括外匯基金票據)	1,989,636	2,151,272	1,989,636	2,151,272
– Certificates of deposit	– 存款證	–	472,897	–	472,897
– Other debt securities	– 其他債務證券	7,532,438	4,209,206	7,532,438	4,209,206
		9,522,074	6,833,375	9,522,074	6,833,375
Total debt securities	債務證券總值	17,728,988	11,770,575	17,728,988	11,770,575
Equity shares at fair value	股票之公平價值				
– Listed in Hong Kong	– 於香港上市	–	74,589	–	74,589
– Unlisted	– 非上市	210,085	244,170	210,083	244,170
		210,085	318,759	210,083	318,759
Total available-for-sale securities	可供出售證券總值	17,939,073	12,089,334	17,939,071	12,089,334
Available-for-sale securities are issued by:	可供出售證券由以下機構發行:				
– Governments and central banks	– 政府及中央銀行	4,635,124	3,743,984	4,635,124	3,743,984
– Public sector entities	– 公營機構	1,437,646	280,419	1,437,646	280,419
– Banks	– 銀行	8,601,322	6,137,612	8,601,322	6,137,612
– Corporate entities	– 企業實體	3,264,981	1,927,319	3,264,979	1,927,319
		17,939,073	12,089,334	17,939,071	12,089,334

As at 31 December 2009, debt securities issued by banks with a fair value of HK\$768.1 million (2008: Nil) and HK\$2.5 billion (2008: HK\$1.7 billion) are issued by multilateral development banks and guaranteed by governments respectively.

Included in “Other debt securities” as at 31 December 2009 were investments in structured investment vehicles (“SIVs”) with a fair value of HK\$1.0 million (2008: HK\$16.6 million). Impairment losses on these investments of HK\$30.3 million (2008: HK\$79.5 million) have been recognised in profit or loss in accordance with the accounting policy set out in Note 2(m).

於二零零九年十二月三十一日，公平價值為768,100,000港元(二零零八年：零)及2,500,000,000港元(二零零八年：1,700,000,000港元)的由銀行機構發行債務證券分別為由多邊發展銀行發行及由政府擔保。

於二零零九年十二月三十一日，列賬於「其他債務證券」包括公平價值為1,000,000港元(二零零八年：16,600,000港元)之結構性投資工具。這些投資之減值虧損30,300,000港元(二零零八年：79,500,000港元)已根據附註2(m)所載的會計政策於損益賬內確認。

24. AVAILABLE-FOR-SALE SECURITIES (continued)

In addition, the Bank had investments in collateralised debt obligations (“CDOs”) with a nominal value of US\$30 million (2008: US\$30 million). Embedded derivatives in the CDOs are bifurcated and marked to market. A revaluation loss of HK\$0.7 million (2008: HK\$128.5 million) of the embedded derivatives has been charged to profit or loss during the year. The carrying value of the investments in CDOs, inclusive of the revaluation loss on the embedded derivatives, as at 31 December 2009 was HK\$13.1 million (2008: HK\$13.6 million)

As at 31 December 2009, certain of the Group’s and the Bank’s available-for-sale equity securities with a fair value of HK\$15.3 million (2008: HK\$74.6 million) were individually determined to be impaired on the basis of a significant or prolonged decline in fair value below cost. Impairment losses on these investments of HK\$36.8 million (2008: HK\$118.0 million) were recognised in the profit or loss during the year.

25. HELD-TO-MATURITY INVESTMENTS

Debt securities at amortised cost	債務證券，以攤餘成本列賬
– Listed outside Hong Kong	– 於香港以外上市
– Unlisted	– 非上市
<i>Held-to-maturity investments are issued by:</i>	<i>持至到期之投資由下列機構發行：</i>
– Banks	– 銀行
– Corporate entities	– 企業實體
<i>Fair value of held-to-maturity investments:</i>	<i>持至到期投資之公平價值</i>
– Listed securities	– 上市證券
– Unlisted securities	– 非上市證券

24. 可供出售證券(續)

此外，本行擁有面值為30,000,000美元(二零零八年：30,000,000美元)之債務抵押證券。其中嵌入式衍生工具已與主合約分開並按公平價值重估。其本年度重估虧損700,000港元(二零零八年：128,500,000港元)已於損益賬中扣除。債務抵押證券的賬面值(包括嵌入式衍生工具的重估虧損)於二零零九年十二月三十一日為13,100,000港元(二零零八年：13,600,000港元)

於二零零九年十二月三十一日，本集團若干可供出售股本證券因其公平價值長期或大幅低於成本而被釐定為已減值證券，該等權益證券的公平價值為15,300,000港元(二零零八年：74,600,000港元)。該等權益證券的減值虧損36,800,000港元(二零零八年：118,000,000港元)已於損益中扣除。

25. 持至到期投資

The Group and the Bank
本集團及本行

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	639,669	635,776
	262,553	259,814
	902,222	895,590
	745,123	737,754
	157,099	157,836
	902,222	895,590
	693,363	659,453
	291,793	273,429
	985,156	932,882

26. INTERESTS IN ASSOCIATES

26. 於聯營公司之權益

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (Restated) (重述)	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	5,761	5,761	388,651	297,808
Advances	貸款	8,059	8,492	8,059	8,492
Share of net assets	應佔資產淨值	334,931	242,080	–	–
Goodwill	商譽	49,967	49,967	–	–
		398,718	306,300	396,710	306,300
Less: Impairment allowance on unlisted shares	減：非上市股份之 減值撥備	(5,761)	(5,761)	(5,761)	(5,761)
Impairment allowance for advances to an associate	向一間聯營公司 貸款之減值撥備	(6,447)	(6,793)	(6,447)	(6,793)
		386,510	293,746	384,502	293,746

During the year, the Bank has obtained new information on the fair value of its share of net assets of Xiamen Bank Co., Ltd. ("Xiamen Bank") (formerly Xiamen City Commercial Bank) as of the acquisition date (5 December 2008). As a result, the Bank has remeasured the share of net assets and provisional goodwill retrospectively in accordance with HKFRS 3, "Business Combinations".

The Bank is entitled to appoint three directors to the board of Xiamen Bank which comprises eleven directors. In view of the Bank's representation on the Board of Directors, Xiamen Bank is accounted for as an associated company as the directors believe they have significant influence.

The Board of Directors of Xiamen Bank announced on 11 December 2009 the raising of approximately RMB400,000,000 by way of a rights issue of 160,000,000 newly issued ordinary shares to its qualified shareholders on a pro-rata basis at a price of RMB2.5 per share, on the basis of 32 shares to every 100 shares held by the shareholders of Xiamen Bank on 13 December 2009.

On 22 December 2009, the Bank undertook to fully subscribe for its allocated 31,984,000 Rights Shares in Xiamen Bank pursuant to the terms of the Rights Issue. All necessary approvals were obtained prior to 31 December 2009 and as a result the Group recorded an increase in its interest at that date with a corresponding liability. The subscription amounts were remitted to Xiamen Bank in January 2010.

於本年度，本行已獲得其應佔廈門銀行股份有限公司（「廈門銀行」，前稱廈門市商業銀行）截至收購日期（二零零八年十二月五日）之淨資產之公平價值之新資料。因此，本行已根據香港財務報告準則第3號「業務合併」重新計量應佔之淨資產及暫時商譽。

本行有權委任三位董事加入廈門銀行的董事會（由十一位董事組成）。鑒於本行於董事會的代表人數，董事認為彼等具有重大影響力，因此廈門銀行作為一間聯營公司入賬。

廈門銀行董事會於二零零九年十二月十一日宣佈籌集約人民幣400,000,000元，方式為以每股人民幣2.5元之價格按比例基準向其合資格股東供股160,000,000股新發行普通股，基準為廈門銀行股東於二零零九年十二月十三日持有之每100股股份換取32股股份。

於二零零九年十二月二十二日，本行承諾根據供股之條款悉數認購其於廈門銀行獲配發之31,984,000股供股股份。由於本集團已於二零零九年十二月三十一日取得所有必須的審批，本集團因此於當日就所增加的權益及相關的負債記賬。有關的款項已於二零一零年一月匯至廈門銀行。

26. INTERESTS IN ASSOCIATES (continued)

The associates of the Bank are as follows:

	Place of establishment and operation 註冊成立及營運地址	Proportion of ownership interest 擁有權益比例	Principal activities 主要業務
IBA Finance Corporation	The Philippines 菲律賓	40.00%	Provision of financing and leasing services 提供財務及租賃服務
Xiamen Bank Co., Ltd. 廈門銀行股份有限公司	The People's Republic of China 中華人民共和國	19.99%	Provision of banking and related finance services 提供銀行及相關金融服務

The Group has not equity accounted for the investments in IBA Finance Corporation in view of the immaterial amount involved.

Summary of financial information on associate:

		Assets 資產 HK\$'000 千港元	Liabilities 負債 HK\$'000 千港元	Equity 權益 HK\$'000 千港元	Revenues 收入 HK\$'000 千港元	Profit/(loss) 溢利/(虧損) HK\$'000 千港元
2009	二零零九年					
100 per cent	100%	32,274,423	30,598,931	1,675,492	955,899	63,072
Group's effective interest	本集團的實際權益	6,451,657	6,116,726	334,931	191,084	14,309
2008 (Restated)	二零零八年(重述)					
100 per cent	100%	18,784,556	17,573,550	1,211,006	906,955	241,771
Group's effective interest	本集團的實際權益	3,755,033	3,512,953	242,080	-	-

26. 於聯營公司之權益 (續)

本行之聯營公司如下：

由於所涉及之金額微不足道，本集團並無以權益法將於IBA Finance Corporation之投資列入賬內。

有關聯營公司的財務資料概要：

27. INVESTMENTS IN SUBSIDIARIES

27. 附屬公司投資

		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	191,473	125,507

All principal subsidiaries which affected the results, assets or liabilities of the Group, are directly owned by the Bank. Details of principal subsidiaries as of 31 December 2009 are as follows:

主要影響本集團業績、資產或負債之全部主要附屬公司均由本行直接擁有。關於各主要附屬公司於二零零九年十二月三十一日之資料詳述如下：

		Issued and fully paid-up ordinary share capital 已發行及繳足 之普通股股本	% of ownership interest held 所持 股權百分比	Net profit/(loss) for the year 年度淨溢利/ (虧損)	Principal activities 主要業務
<i>Incorporated and operating in Hong Kong</i>		於香港註冊成立及運作			
Fubon Credit (Hong Kong) Limited	富邦財務(香港)有限公司	HK\$65,000,000 65,000,000港元	100% 100%	HK\$91,430,000 91,430,000港元	Provision of financing services 提供財務服務
Fubon (Hong Kong) Trustee Limited	富邦(香港)信託有限公司	HK\$5,000,000 5,000,000港元	100% 100%	HK\$66,000 66,000港元	Trustee services 信託服務
FB Securities (Hong Kong) Limited	富銀證券(香港)有限公司	HK\$8,000,000 8,000,000港元	100% 100%	HK\$38,175,000 38,175,000港元	Securities broking 證券經紀
FB Investment Management Limited	富銀投資管理有限公司	HK\$8,000,000 8,000,000港元	100% 100%	HK\$(5,984,000) (5,984,000)港元	Fund management 資金管理
Fubon Nominees (Hong Kong) Limited	Fubon Nominees (Hong Kong) Limited	HK\$200 200港元	100% 100%	HK\$6,000 6,000港元	Nominee services 代理人服務

28. FIXED ASSETS

Cost or valuation

At 1 January 2009

Additions

Disposals

At 31 December 2009

Representing:

Cost

Valuation – 1991

Accumulated depreciation

At 1 January 2009

Charge for the year (Note 7)

Released on disposal

At 31 December 2009

Net book value

At 31 December 2009

At 31 December 2008

成本值或估值

於二零零九年一月一日

添置

出售

於二零零九年十二月三十一日

代表：

成本值

估值—一九九一年

累計折舊

於二零零九年一月一日

年內折舊(附註7)

出售之抵免

於二零零九年十二月三十一日

賬面淨值

於二零零九年十二月三十一日

於二零零八年十二月三十一日

28. 固定資產

		The Group 本集團		
		Furniture, fixtures and equipment 傢俬、裝置 及設備		
		Premises 物業		Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		1,092,598	590,500	1,683,098
		–	33,921	33,921
		–	(5,724)	(5,724)
		1,092,598	618,697	1,711,295
		1,019,985	618,697	1,638,682
		72,613	–	72,613
		1,092,598	618,697	1,711,295
		148,044	422,775	570,819
		12,453	54,145	66,598
		–	(5,216)	(5,216)
		160,497	471,704	632,201
		932,101	146,993	1,079,094
		944,554	167,725	1,112,279

28. FIXED ASSETS (continued)

Cost or valuation

At 1 January 2008

Additions

Disposals

At 31 December 2008

Representing:

Cost

Valuation – 1991

Accumulated depreciation

At 1 January 2008

Charge for the year (Note 7)

Released on disposal

At 31 December 2008

Net book value

At 31 December 2008

At 31 December 2007

成本值或估值

於二零零八年一月一日

添置

出售

於二零零八年十二月三十一日

代表：

成本值

估值——一九九一年

累計折舊

於二零零八年一月一日

年內折舊(附註7)

出售之抵免

於二零零八年十二月三十一日

賬面淨值

於二零零八年十二月三十一日

於二零零七年十二月三十一日

28. 固定資產(續)

	The Group 本集團		
	Premises 物業	Furniture, fixtures and equipment 傢俬、裝置 及設備	Total 總額
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	1,120,170	539,638	1,659,808
	–	58,290	58,290
	(27,572)	(7,428)	(35,000)
	1,092,598	590,500	1,683,098
	1,019,985	590,500	1,610,485
	72,613	–	72,613
	1,092,598	590,500	1,683,098
	140,103	377,385	517,488
	12,637	52,281	64,918
	(4,696)	(6,891)	(11,587)
	148,044	422,775	570,819
	944,554	167,725	1,112,279
	980,067	162,253	1,142,320

28. FIXED ASSETS (continued)

Cost or valuation

At 1 January 2009

Additions

Disposals

At 31 December 2009

Representing:

Cost

Valuation – 1991

Accumulated depreciation

At 1 January 2009

Charge for the year

Released on disposal

At 31 December 2009

Net book value

At 31 December 2009

At 31 December 2008

成本值或估值

於二零零九年一月一日

添置

出售

於二零零九年十二月三十一日

代表：

成本值

估值—一九九一年

累計折舊

於二零零九年一月一日

年內折舊

出售之抵免

於二零零九年十二月三十一日

賬面淨值

於二零零九年十二月三十一日

於二零零八年十二月三十一日

28. 固定資產(續)

	Premises 物業 HK\$'000 千港元	The Bank 本行 Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
	1,055,849	587,831	1,643,680
	–	33,921	33,921
	–	(5,646)	(5,646)
	1,055,849	616,106	1,671,955
	983,236	616,106	1,599,342
	72,613	–	72,613
	1,055,849	616,106	1,671,955
	143,668	420,810	564,478
	12,128	53,958	66,086
	–	(5,156)	(5,156)
	155,796	469,612	625,408
	900,053	146,494	1,046,547
	912,181	167,021	1,079,202

28. FIXED ASSETS (continued)

Cost or valuation

At 1 January 2008

Additions

Disposals

At 31 December 2008

Representing:

Cost

Valuation – 1991

Accumulated depreciation

At 1 January 2008

Charge for the year

Released on disposal

At 31 December 2008

Net book value

At 31 December 2008

At 31 December 2007

成本值或估值

於二零零八年一月一日

添置

出售

於二零零八年十二月三十一日

代表：

成本值

估值——一九九一年

累計折舊

二零零八年一月一日

年內折舊

出售之抵免

於二零零八年十二月三十一日

賬面淨值

於二零零八年十二月三十一日

於二零零七年十二月三十一日

The net book value of those premises which have been stated in the balance sheet at valuation would have been as follows had they been stated at cost less accumulated depreciation:

28. 固定資產(續)

	Premises 物業 HK\$'000 千港元	The Bank 本行 Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2008	1,083,421	537,282	1,620,703
Additions	–	57,392	57,392
Disposals	(27,572)	(6,843)	(34,415)
At 31 December 2008	1,055,849	587,831	1,643,680
Cost	983,236	587,831	1,571,067
Valuation – 1991	72,613	–	72,613
	1,055,849	587,831	1,643,680
At 1 January 2008	136,052	375,644	511,696
Charge for the year	12,312	51,915	64,227
Released on disposal	(4,696)	(6,749)	(11,445)
At 31 December 2008	143,668	420,810	564,478
At 31 December 2008	912,181	167,021	1,079,202
At 31 December 2007	947,369	161,638	1,109,007

按估值列入資產負債表內之物業之賬面淨值若以成本值減累計折舊列賬，其賬面淨值如下：

The Group and the Bank
本集團及本行

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
14,377	14,783

Net book value at 31 December

於十二月三十一日的賬面淨值

14,377

14,783

28. FIXED ASSETS (continued)

The analysis of net book value of premises is as follows:

Premises held in Hong Kong	於香港持有的物業
– Long term leases (over 50 years)	– 長期租約(超過五十年)
– Medium term leases (10-50 years)	– 中期租約(十年至五十年)

28. 固定資產(續)

該等物業的賬面淨值分析如下：

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
616,940	620,421	584,892	588,048
315,161	324,133	315,161	324,133
932,101	944,554	900,053	912,181

29. GOODWILL**Cost and carrying amounts**

At 1 January
Acquisition

At 31 December

成本及賬面值

於一月一日
收購

於十二月三十一日

29. 商譽**The Group
本集團**

2009
二零零九年
HK\$'000
千港元

2008
二零零八年
HK\$'000
千港元
(Restated)
(重述)

50,481	514
–	49,967
50,481	50,481

The goodwill of HK\$514,000 in respect of the Group's interest in a subsidiary has been included in "accrued interest and other accounts". Goodwill of HK\$50.0 million in respect of the Group's interest in an associate has been included in "Interests in associates" (Note 26).

本集團就有關於一間附屬公司之權益之商譽為514,000港元，已列賬於「應計利息及其他賬目」。本集團就有關於一間聯營公司之權益之商譽為50,000,000港元，已列賬於「聯營公司之權益」(附註26)。

29. GOODWILL (continued)**Impairment tests for cash-generating units containing goodwill**

For the purpose of impairment testing, goodwill is allocated to the Group's cash-generating units (CGU) which are identified according to country of operation and business segment. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Xiamen Bank Co. Ltd.	廈門銀行股份有限公司
Fubon Capital (HK) Limited	富邦融資(香港)有限公司

No impairment losses on goodwill were recognised during 2009 (2008: Nil).

The recoverable amounts for both cash-generating units have been calculated based on their value in use.

Value in use for each unit was determined by discounting the future cash flows expected to be generated from the continuing use of the unit. Future cash flows were projected based on budgets and forecasts approved by management covering a 3-year period and in perpetuity with growth rate of 5%. Management determined the budgeted net profit based on past performance and its expectation for market development. The weighted average growth rates used are consistent with the forecast included in industry reports. The discount rate, currently at 10%, is based on the Bank's weighted average cost of capital and reflects specific risks relating to the CGU.

30. DEPOSITS AND BALANCES OF BANKS

Deposits and balances from banks	銀行同業之存款及結餘
Deposits and balances from the HKMA	於香港金融管理局之存款及結餘

29. 商譽(續)**包含商譽之現金產生單位的減值測試**

就減值測試而言，商譽乃分配予根據營運國家及業務分類而識別之本集團現金產生單位（「現金產生單位」）。向每個單位分配之商譽賬面值總額如下：

The Group 本集團	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (Restated) (重述)
49,967	49,967
514	514
50,481	50,481

於二零零九年內，並無確認商譽之減值虧損（二零零八年：零）。

兩項現金產生單位之可收回金額乃根據使用價值計算。

各個單位之使用價值乃通過折算預計從單位之持續使用中產生之未來現金流而釐定。未來現金流量乃按管理層批准之三年期間之財政預算及預測以及增長率5%而估計。管理層按過往表現及市場發展釐定預算純利。所用之加權平均增長率與行業報告之預測一致。折現率現時為10%，乃根據本行的加權平均資金成本計算，並反映與現金產生單位有關的特定風險。

30. 銀行同業之存款及結餘

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
2,268,102	1,758,303	2,268,102	1,758,240
156,801	228,711	156,801	228,711
2,424,903	1,987,014	2,424,903	1,986,951

31. DEPOSITS FROM CUSTOMERS

Demand deposits and current accounts	活期及往來存款
Savings deposits	儲蓄存款
Call deposits	通知存款
Time deposits	定期存款

31. 客戶存款**The Group and the Bank**
本集團及本行

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

8,840,719	5,834,870
1,299,051	879,032
5,142,848	3,256,057
31,319,557	38,027,628
46,602,175	47,997,587

32. TRADING LIABILITIES

Short positions in Exchange Fund Bills/Notes	外匯基金票據／債券之短倉
----------------------------------------------	--------------

32. 交易賬項下之負債**The Group and the Bank**
本集團及本行

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

14,275	116,145
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33. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

Zero coupon bond issued	已發行零息債券
-------------------------	---------

The zero coupon bond with a face value of HK\$520 million and issue price of 48.076615% was issued by the Bank on 12 April 2007. The maturity date for the bond is 12 April 2022 but it can be called by 12 April 2017 on the 10th anniversary of issuance. At the same time, the Bank entered into an interest rate swap to hedge the interest rate risk associated with the bond. Under the terms of the interest rate swap, the Bank makes quarterly floating rate interest payments and receives fixed rate interest income.

33. 指定為透過損益以反映公平價值之金融負債**The Group and the Bank**
本集團及本行

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

201,096	173,405
----------------	---------

本行於二零零七年四月十二日發行票面值為520,000,000港元的零息債券，發行價為票面值之48.076615%。債券於二零二二年四月十二日到期，惟可於發行第十週年，即二零一七年四月十二日被贖回。同時，本行為對沖與債券有關之利率風險而訂立了一份利率掉期合約。根據該利率掉期合約之條款，本行每季按浮動利率支付利息，並按固定利率收取利息。

33. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The carrying amount of financial liabilities designated at fair value through profit or loss at 31 December 2009 was HK\$318.9 million (2008: HK\$346.6 million) lower than the contractual amount at maturity for the Group and the Bank.

The zero coupon bond issued is measured at fair value using valuation techniques based on observable market conditions existing at balance sheet date; however, data in respect of the Bank's credit risk volatilities and correlations require management's estimation. The total loss arising from the change in the fair value of the zero coupon bond recognised in profit or loss during the year is HK\$27.7 million (2008: HK\$47.0 million), of which there is a loss of HK\$48.8 million (2008: gain of HK\$106.9 million) attributable to change of credit spread in line with the overall market conditions.

To the extent the Bank's credit risk volatilities, that are not supported by observable market prices are altered by 10% in either direction the fair value of the zero coupon bond would be either lower by HK\$8.6 million (2008: HK\$13.1 million) or higher by HK\$8.9 million (2008: HK\$14.0 million).

34. CERTIFICATES OF DEPOSIT ISSUED

3 months or less but not repayable on demand	三個月或以下惟無需即時還款
1 year or less but over 3 months	一年或以下惟三個月以上
5 years or less but over 1 year	五年或以下惟一年以上

All certificates of deposit issued are measured at amortised cost.

33. 指定為透過損益以反映公平價值之金融負債 (續)

於二零零九年十二月三十一日，指定為透過損益以反映公平價值之金融負債之賬面值比本集團及本行之合約到期日金額低318,900,000港元(二零零八年：346,600,000港元)。

已發行零息債券乃透過基於於結算日的可觀察的市場狀況的估值法按公平價值計算，然而，有關銀行信貸風險變動及相關性之數據需管理層作出估計。本年度於損益中確認的零息債券的公平價值變動虧損總額為27,700,000港元(二零零八年：47,000,000港元)。其中48,800,000港元虧損(二零零八年：106,900,000港元收益)乃因與整體市場一致的信貸風險差距變動所致。

倘非由顯著市價支持的銀行信貸風險在任何方向變動達10%，零息債券的公平價值可能低8,600,000港元(二零零八年：13,100,000港元)或高8,900,000港元(二零零八年：14,000,000港元)。

34. 已發行存款證**The Group and the Bank**
本集團及本行

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
8,650	811,981
13,450	141,400
300,000	6,800
322,100	960,181

所有已發行存款證均按攤銷成本列賬。

35. DEBT SECURITIES ISSUED

Floating rate notes	浮息票據
Variable coupon rate notes	多個息率之票據
Zero coupon notes	零息票據

The variable coupon rate notes and zero coupon notes issued represent the notes issued by the Bank under the Bank's Euro Medium Term Note Programme. These notes issued are measured at amortised cost.

Floating rate notes with a face value of US\$150 million matured on 6 April 2009.

The variable coupon rate notes issued by the Bank are denominated in HKD, USD, AUD and NZD, and mature at various dates through 2019.

36. OTHER ACCOUNTS AND LIABILITIES

Other financial liabilities *	其他金融負債*
Accounts payable and other liabilities	應付賬項及其他負債

35. 已發行債務證券

The Group and the Bank
本集團及本行

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

-	1,162,515
263,697	736,467
5,094	-
268,791	1,898,982

多個息率之票據及零息票據指本行根據其歐元中期票據計劃發行之票據。該等已發行票據乃按攤銷成本計量。

票面值為150,000,000美元的浮息票據已於二零零九年四月六日到期。

本行發行多個息率的票據，以港元、美元、澳元及紐元定值並有多個不同到期日至二零一九年。

36. 其他賬目及負債

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
2,585,236	2,490,571	2,585,236	2,490,571
1,333,943	1,106,102	1,295,839	1,004,028
3,919,179	3,596,673	3,881,075	3,494,599

* Other financial liabilities include funds obtained from financial institutions in respect of government bills and notes sold but not yet purchased.

* 其他金融負債指就已售出但尚未購回之政府票據及債券從金融機構所獲得的資金。

37. INCOME TAX IN THE BALANCE SHEET

(a) Current taxation (recoverable)/provision in the balance sheet represents:

37. 資產負債表內之所得稅

(a) 計入資產負債表之本年度稅項(可回收)/撥備為:

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Provision for Hong Kong Profits Tax for the year	年內香港利得稅準備	20,352	25,155	(3,243)	-
Provisional Hong Kong Profits Tax paid	已付香港暫繳利得稅	(6,089)	(27,624)	-	-
		14,263	(2,469)	(3,243)	-
Balance of Hong Kong Profits Tax provision relating to prior years	承過往年度香港利得稅準備結餘	(23,208)	(14,217)	(9,088)	(12,652)
		(8,945)	(16,686)	(12,331)	(12,652)
Provision for overseas taxation	海外稅項準備	76	-	76	-
		(8,869)	(16,686)	(12,255)	(12,652)
<i>Representing:</i>	<i>代表:</i>				
Hong Kong Profits Tax recoverable *	可收回之已付香港利得稅 *	(12,630)	(17,070)	(12,331)	(12,652)
Provision for Hong Kong Profits Tax *	香港利得稅準備 *	3,685	384	-	-
Provision for overseas taxation *	海外稅項準備 *	76	-	76	-
		(8,869)	(16,686)	(12,255)	(12,652)

* The amounts of taxation recoverable and payable are expected to be settled within 1 year and are included in the "Accrued interest and other accounts" and "Other accounts and liabilities" respectively.

* 可收回及應繳稅項金額預計於一年內清償。此等項目分別包括在「應計利息及其他賬目」以及「其他賬目及負債」內。

37. INCOME TAX IN THE BALANCE SHEET (continued)**(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:

		The Group 本集團						
		Depreciation allowances in excess of related depreciation	Defined benefit scheme assets	Collective impairment allowance	Revaluation of available-for-sale securities	Revaluation of premises	Other	Total
		超過有關折舊的折舊免稅額	定額福利計劃資產	綜合減值撥備	可供出售證券重估	物業重估	其他	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	(10,886)	(2,899)	14,373	28,742	(6,790)	93	22,633
Effect on deferred tax balances at 1 January resulting from a change in tax rate:	於一月一日因稅率變動產生之遞延稅項結餘之影響：							
- Credited/(charged) in arriving at the profit for the year (Note 12(a))	—於本年度溢利中撥回/(扣除)(附註12(a))	622	166	(821)	-	388	(6)	349
- Charged to other comprehensive income (Note 13)	—於其他全面收益中扣除(附註13)	-	-	-	(1,642)	-	-	(1,642)
(Charged)/credited in arriving at the profit for the year (Note 12(a))	於本年度溢利中(扣除)/撥回(附註12(a))	(2,435)	-	5,276	-	114	24,740	27,695
Credited to other comprehensive income (Note 13)	於其他全面收益中撥回(附註13)	-	-	-	33,235	-	-	33,235
At 31 December 2008	於二零零八年十二月三十一日	(12,699)	(2,733)	18,828	60,335	(6,288)	24,827	82,270
At 1 January 2009	於二零零九年一月一日	(12,699)	(2,733)	18,828	60,335	(6,288)	24,827	82,270
Credited in arriving at the profit for the year (Note 12(a))	於本年度溢利中撥回(附註12(a))	1,891	-	10,220	-	114	4,088	16,313
Charged to other comprehensive income (Note 13)	於其他全面收益中扣除(附註13)	-	-	-	(63,507)	-	-	(63,507)
At 31 December 2009	於二零零九年十二月三十一日	(10,808)	(2,733)	29,048	(3,172)	(6,174)	28,915	35,076

37. 資產負債表內之所得稅(續)**(b) 已確認遞延稅項資產及負債**

於綜合資產負債表內確認之遞延稅項資產/(負債)之各組成部分及年內之變動如下：

37. INCOME TAX IN THE BALANCE SHEET (continued)**(b) Deferred tax assets and liabilities recognised** (continued)

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

		The Bank 本行						
		Depreciation allowances in excess of related depreciation 超過有關 折舊的折 舊免稅額 HK\$'000 千港元	Defined benefit scheme assets 計劃資產 HK\$'000 千港元	Collective impairment allowance 綜合 減值撥備 HK\$'000 千港元	Revaluation of available- for-sale securities 可供出售 證券重估 HK\$'000 千港元	Revaluation of premises 物業重估 HK\$'000 千港元	Other 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2008	於二零零八年一月一日	(9,933)	(2,899)	9,649	28,742	(6,790)	93	18,862
Effect on deferred tax balances at 1 January resulting from a change in tax rate:	於一月一日因稅率變動產生之遞延稅項結餘之影響：							
- Credited/(charged) in arriving at the profit for the year	- 於本年度溢利中撥回/(扣除)	568	166	(551)	-	388	(6)	565
- Credited to other comprehensive income	- 於其他全面收益中撥回	-	-	-	(1,642)	-	-	(1,642)
(Charged)/credited in arriving at the profit for the year	於本年度溢利中(扣除)/撥回	(2,391)	-	2,315	-	114	24,107	24,145
Credited to other comprehensive income	於其他全面收益中撥回	-	-	-	33,235	-	-	33,235
At 31 December 2008	於二零零八年十二月三十一日	(11,756)	(2,733)	11,413	60,335	(6,288)	24,194	75,165
At 1 January 2009	與二零零九年一月一日	(11,756)	(2,733)	11,413	60,335	(6,288)	24,194	75,165
Credited in arriving at the profit for the year	於本年度溢利中撥回	1,895	-	12,230	-	114	4,721	18,960
Charged to other comprehensive income	於其他全面收益中扣除	-	-	-	(63,507)	-	-	(63,507)
At 31 December 2009	於二零零九年十二月三十一日	(9,861)	(2,733)	23,643	(3,172)	(6,174)	28,915	30,618

37. 資產負債表內之所得稅 (續)**(b) 已確認遞延稅項資產及負債** (續)

年內，於資產負債表內確認之遞延稅項資產/(負債)之各組成部分之變動如下：

37. INCOME TAX IN THE BALANCE SHEET (continued)**(b) Deferred tax assets and liabilities recognised** (continued)

Deferred tax assets and liabilities recognised is summarised as follows:

Net deferred tax asset recognised on the balance sheet	於資產負債表內確認之遞延稅項資產淨額
Net deferred tax liability recognised on the balance sheet	於資產負債表內確認之遞延稅項負債淨額

37. 資產負債表內之所得稅 (續)**(b) 已確認遞延稅項資產及負債** (續)

已確認遞延稅項資產及負債概述如下：

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
35,144	82,367	30,618	75,165
(68)	(97)	-	-
35,076	82,270	30,618	75,165

(c) Deferred tax assets and liabilities unrecognised

The Group has no material unrecognised deferred tax asset or liability as at 31 December 2009 (2008: HK\$Nil).

(c) 未確認之遞延稅項資產及負債

於二零零九年十二月三十一日，本集團並無重大未確認之遞延稅項資產或負債（二零零八年：零）。

38. SUBORDINATED NOTES ISSUED

Subordinated notes of face value of US\$200 million (equivalent to HK\$1,551.0 million) and carrying amount of HK\$1,640.3 million (2008: HK\$1,684.4 million) which qualify as supplementary capital were issued by the Bank on 25 April 2006. The notes bear interest at 6.125% per annum for the period from the issuance date to 26 April 2011, payable semi-annually. The notes carry a one-time call option exercisable by the Bank on 26 April 2011. If the call option is not exercised, the interest rate for the subordinated notes will be reset at the United States treasury rate plus 1.93875% for the period from 27 April 2011 to the final maturity date on 26 April 2016, payable semi-annually.

The carrying amount of the subordinated notes includes an adjustment of HK\$89.3 million (2008: HK\$134.4 million) due to the application of fair value hedge accounting.

38. 已發行後償票據

本行於二零零六年四月二十五日發行票面值200,000,000美元（相當於1,551,000,000港元）及賬面金額1,640,300,000港元（二零零八年：1,684,400,000港元）符合附加資本準則之後償票據。該等票據由發行日期起至二零一一年四月二十六日止期間按年息率6.125%計息，須每半年付息一次。該等票據附帶一次性贖回選擇權，可由本行於二零一一年四月二十六日行使。倘該項贖回選擇權未獲行使，該等後償票據於二零一一年四月二十七日起至最終到期日二零一六年四月二十六日止期間之利率將重定為美國國庫債券利率加1.93875%，並維持每半年付息一次。

上述後償票據之賬面金額已計入因採用公平價值對沖會計法而作出之調整89,300,000港元（二零零八年：134,400,000港元）。

39. SHARE CAPITAL

Authorised:
1,406,592,000 (2008: 1,406,592,000)
ordinary shares of HK\$1 each
1,172,160,000 (2008: 1,172,160,000)
irredeemable cumulative preference
shares of US\$0.10237 each

Issued and fully paid:
1,172,160,000 (2008: 1,172,160,000)
ordinary shares of HK\$1 each
1,172,160,000 (2008: 1,172,160,000)
irredeemable cumulative
preference shares of
US\$0.10237 each

法定股本：
1,406,592,000 股(二零零八年：
1,406,592,000 股)每股面值 1 港元之普通股
1,172,160,000 股(二零零八年：1,172,160,000)
每股面值 0.10237 美元之
不可贖回累積優先股

已發行及繳足：
1,172,160,000 股(二零零八年：1,172,160,000 股)
每股面值 1 港元之普通股
1,172,160,000 股(二零零八年：1,172,160,000 股)
每股面值 0.10237 美元之不可贖回累積優先股

39. 股本

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
	1,406,592	1,406,592
	929,966	929,966
	2,336,558	2,336,558
	1,172,160	1,172,160
	925,359	925,359
	2,097,519	2,097,519

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at a general meeting of the Bank. All ordinary shares rank equally with regard to the Bank's residual assets.

The irredeemable cumulative preference shares bear a cumulative preference dividend at a fixed rate of 9% per annum, payable semi-annually, on their nominal amount and rank in priority to the ordinary shares with respect to the payment of dividends and any return of capital. Irredeemable cumulative preference shares do not carry voting rights. The Bank may elect not to declare or pay the preference dividend if, during the 12 calendar months preceding a date on which the preference dividend is due to be paid in respect of the preference shares, no dividend or distribution or other payment has been declared or paid on any class of the share capital of the Bank. The deferred preference dividends will not themselves bear interest and the terms of the preference shares will not provide for payment of any form of compensation to the preference shareholders other than payment of the preference dividend.

40. SHARE PREMIUM

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

普通股持有人有權不時收取股息及有權於本行之股東大會上就每股投一票。所有普通股對本行之剩餘資產享有同等地位。

不可贖回累積優先股根據其面值按固定年息率 9% 計息，每半年支付，並優先於普通股支付股息及返還股本。不可贖回累積優先股不享有投票權。如果於就優先股應予以支付之優先股股息之日期前十二個曆月內，並無就本行任何類別股本而宣派或支付任何股息或分派或其他付款，則本行可選擇不宣派或支付優先股股息。遞延優先股股息本身並不計息，且除支付優先股股息外，將不會就優先股之條款向優先股股東支付任何形式之補償。

40. 股份溢價

股份溢價賬之應用受香港《公司條例》第 48B 條監管。

41. RESERVES AND DIVIDENDS

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Bank's individual components of equity between the beginning and the end of the year are set out below:

41. 儲備及股息

本集團綜合權益各成分之期初及期末結餘之對賬載於綜合權益變動表。本行年初及年末之股權各成分變動詳列如下：

		The Bank 本行					
		Capital redemption reserve	Capital reserve	Regulatory reserve	Investment revaluation reserve	Retained earnings	Total
		資本贖回 儲備	資本 儲備	法定 儲備	投資重估 儲備	保留 溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2008	於二零零八年一月一日	372,000	-	189,965	(58,912)	1,107,395	1,610,448
Total comprehensive income for the year	本年度全面收益	-	-	-	(217,708)	160,384	(57,324)
Dividend paid in respect of the previous financial year (Note 41(g))	於本年度派付之上一財政年度股息 (附註41(g))	-	-	-	-	(152,381)	(152,381)
Interim dividend paid (Note 41(g))	已派付中期股息(附註41(g))	-	-	-	-	(70,330)	(70,330)
Equity settled share-based transactions (Note 7)	以股權結算之股份為基礎之交易(附註7)	-	12,969	-	-	-	12,969
Transfer to/from regulatory reserve (Note 41(d))	轉撥至/自法定儲備(附註41(d))	-	-	(39,955)	-	39,955	-
At 31 December 2008 and 1 January 2009	於二零零八年十二月三十一日 及二零零九年一月一日	372,000	12,969	150,010	(276,620)	1,085,023	1,343,382
Total comprehensive income for the year	本年度全面收益	-	-	-	308,493	163,852	472,345
Dividend approved and paid in respect of the previous financial year (Note 41(g))	於本年度通過及派付之上一財政年度股息 (附註41(g))	-	-	-	-	(17,582)	(17,582)
Interim dividend paid (Note 41(g))	已派付之中期股息(附註41(g))	-	-	-	-	(17,582)	(17,582)
Preference share dividend paid during the year (Note 41(g))	於本年度派付之優先股股息 (附註41(g))	-	-	-	-	(81,886)	(81,886)
Equity settled share-based transactions (Note 7)	以股權結算之股份為基礎之交易(附註7)	-	2,715	-	-	-	2,715
At 31 December 2009	於二零零九年十二月三十一日	372,000	15,684	150,010	31,873	1,131,825	1,701,392

41. RESERVES AND DIVIDENDS (continued)**(a) Capital redemption reserve**

The capital redemption reserve arose from the redemption of the Bank's "A" and "B" preference shares in 1991 and 1992 out of its retained earnings. The capital redemption reserve is undistributable under the Hong Kong Companies Ordinance section 79 C(2) but may be applied by the Bank in paying up its unissued shares to be allotted to its members as fully paid bonus shares.

(b) Capital reserve

The capital reserve comprises the fair value of the actual or estimated number of unexercised share options granted to employees of the Bank by the ultimate holding company which has been charged to profit or loss. Details of the terms and conditions of unexpired and unexercised share options are set out in Note 7.

(c) Foreign exchange reserve

The foreign exchange reserve of the Group comprises all foreign exchange differences arising from the translations of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in Note 2(s).

(d) Regulatory reserve

The regulatory reserve is maintained to satisfy the provisions of the Hong Kong Banking Ordinance for prudential supervision purposes. Movements in the reserve are made directly through retained earnings and in consultation with the HKMA.

(e) Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in the fair value of available-for-sale securities, excluding impairment losses, until the securities are derecognised and is dealt with in accordance with the accounting policies in Note 2(g).

(f) Distributability of reserves

At 31 December 2009, the aggregate amount of reserves available for distribution to equity shareholders of the Bank was HK\$1,128,103,000 (2008: HK\$1,082,931,000) after taking consideration of HK\$3,722,000 (2008: HK\$2,092,000) payable to preference share holders.

41. 儲備及股息 (續)**(a) 資本贖回儲備**

資本贖回儲備因在一九九一年及一九九二年自本行之保留溢利撥款贖回其「A」及「B」類優先股而產生。根據香港《公司條例》第79C(2)條，資本贖回儲備乃不可分派，但可由本行用以繳付將配發予其股東之未發行股份之股款作繳足紅股。

(b) 資本儲備

資本儲備包括已自損益賬扣除之最終控股公司授予本行僱員之實際或估計未獲行使認股權之公平價值。未到期及未行使之認股權之條款及條件之詳細資料載列於附註(7)內。

(c) 外匯儲備

本集團外匯儲備包括因折算海外業務財務報表所產生之所有外匯差異。該儲備根據附註2(s)所載之會計政策處理。

(d) 法定儲備

為根據《銀行業條例》的規定而保留法定儲備以達至嚴謹監管的目的。該儲備之變動乃在諮詢香港金融管理局之意見後直接從保留溢利轉撥。

(e) 投資重估儲備

投資重估儲備包括可供出售證券之公平價值直至證券停止確認之累計變動淨額(不包括減值虧損)，乃按附註2(g)中之會計政策處理。

(f) 可供分派儲備

於二零零九年十二月三十一日，在計及應付予優先股持有人的3,722,000港元(二零零八年：2,092,000港元)後，本行可供分派予股東之儲備總額為1,128,103,000港元(二零零八年：1,082,931,000港元)。

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	於一月一日	175,211	213,447	150,010	189,965
Transfer to retained earnings	轉撥至保留溢利	-	(38,236)	-	(39,955)
At 31 December	於十二月三十一日	175,211	175,211	150,010	150,010

41. RESERVES AND DIVIDENDS (continued)**(g) Dividends**

- (i) Dividends declared and proposed attributable to the financial year

Interim dividend declared and paid of 1.5 cents (2008: 6.0 cents) per share	已宣派及已派付之每股中期股息 1.5 仙 (二零零八年：6.0 仙)
Final dividends of 1.5 cents (2008: 1.5 cents) per share proposed after the balance sheet date	結算日後建議每股末期股息 1.5 仙 (二零零八年：1.5 仙)

The final dividend proposed has not been recognised as a liability at the balance sheet date.

- (ii) Dividends attributable to the previous financial year, approved and paid during the year

Final dividend in respect of the previous financial year, approved and paid during the period of 1.5 cents (2008: 13 cents) per share	於期內通過及派付之上一年度末期股息每股 1.5 仙 (二零零八年：13 仙)
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- (iii) Dividends on irredeemable cumulative preference shares issued by the Bank

Dividends of HK\$81,886,000 (2008: Nil) were paid and charged to retained earnings during the year.

41. 儲備及股息 (續)**(g) 股息**

- (i) 財政年度已宣派及建議之股息

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
17,582	70,330
17,582	17,582
35,164	87,912

末期股息於結算日並未確認為負債。

- (ii) 應付上一財政年度之股息，已於本年度通過及派付

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
17,582	152,381

- (iii) 本行所發行不可贖回累積優先股股息

於本年度已派付優先股股息 81,886,000 港元(二零零八年：零)並於保留溢利扣除。

42. MINORITY INTERESTS

At 1 January	於一月一日
Loss for the year	年度內虧損
At 31 December	於十二月三十一日

42. 少數股東權益

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
3,152	3,710
(461)	(558)
2,691	3,152

43. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents in the consolidated cash flow statement

Cash and balances with banks	現金及於銀行同業之結餘
Money at call and short notice (Note 17)	通知及短期存款(附註17)
Treasury bills with original maturity within three months	原於三個月內到期之國庫券
Placements with banks with original maturity within three months (Note 18)	原於三個月內到期之銀行 同業及其他金融 機構放款(附註18)

43. 現金及等同現金項目

(a) 綜合現金流動表之現金及等同現金項目

The Group 本集團	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
2,479,867	1,278,223
2,935,022	6,736,730
100,496	64,998
76,775	975,010
5,592,160	9,054,961

(b) Reconciliation to the consolidated balance sheet

Cash and short term funds (Note 17)	現金及短期資金(附註17)
Treasury bills	國庫券
- Trading securities (Note 19)	- 持作交易用途之證券(附註19)
- Available-for-sale securities (Note 24)	- 可供出售證券(附註24)
Placements with banks maturing between one and twelve months (Note 18)	一至十二個月到期之 銀行同業放款 (附註18)
Amount shown in the consolidated balance sheet	綜合資產負債表內之金額
Less: Amount with an original maturity of over three months	減: 原於三個月以後到期的金額
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流動表內之 現金及等同現金項目

(b) 綜合資產負債表之對賬

The Group 本集團	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
5,414,889	8,014,953
100,496	142,967
1,989,636	2,151,272
317,677	1,827,521
7,822,698	12,136,713
(2,230,538)	(3,081,752)
5,592,160	9,054,961

44. EMPLOYEE RETIREMENT BENEFITS**(a) Defined benefit retirement plans**

The Group operates a retirement scheme, namely the Fubon Bank (Hong Kong) Limited Retirement Scheme (“the Scheme”), which incorporates a defined benefits plan for 47% (2008: 55%) of its full time employees. The Scheme is administered by trustees who are independent. The assets of the Scheme are held separately from those of the Group. The Group has secured Mandatory Provident Fund (“MPF”) exemption status for the Scheme. The Scheme is funded by contributions from the Group in accordance with the trust deed governing the Scheme and based on an independent actuary’s recommendations. The latest independent actuarial valuation of the Scheme was at 31 December 2009 and was prepared by Scott Pollack, Associate of the Society of Actuaries, United States of America, of Mercer (Hong Kong) Limited using the projected unit credit cost method. The actuarial valuation indicates that the Group’s obligations under the Scheme are 75.06% (2008: 66.26%) covered by the plan assets held by the trustee.

44. 僱員退休福利**(a) 定額福利退休計劃**

本集團推行一項退休計劃，名為富邦銀行（香港）有限公司退休計劃（「該計劃」），為其47%（二零零八年：55%）全職僱員設立一項定額福利計劃。該計劃由獨立受託人管理。該計劃資產與本集團的資產分開持有。本集團就該計劃獲得強制性公積金（「強積金」）的豁免地位。該計劃乃由本集團根據規管該計劃的信託契據，並以獨立精算師的意見為基礎作出供款。該計劃最新的獨立精算估值乃於二零零九年十二月三十一日進行，由 Mercer (Hong Kong) Limited 的 Scott Pollack（美國精算師學會會員）以預計單位信貸方式編製。該精算估值顯示，本集團為該計劃所承擔之責任中，75.06%（二零零八年：66.26%）可透過受託人所持有的計劃資產獲得保障。

		The Group and the Bank 本集團及本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Present value of wholly or partly funded obligations	獲全數或部分資助的承擔現值	(270,743)	(322,075)
Fair value of Scheme’s assets	該計劃資產的公平價值	203,211	213,419
Unrecognised actuarial losses	尚未確認的精算虧損	52,332	109,467
Net (liability)/asset recognised in the balance sheet	於資產負債表內已獲確認的(負債)/資產淨值	(15,200)	811
Amounts in the balance sheet:	於資產負債表之金額：		
Liabilities	負債	(15,200)	-
Assets	資產	-	811
Net (liability)/asset	資產淨值	(15,200)	811

The liability of HK\$15.2 million is included in “Other accounts and liabilities”. The asset of HK\$0.8 million in 2008 was included in “Accrued interest and other accounts”.

The Scheme’s assets include ordinary shares issued by the Bank with a fair value of HK\$6,891,000 (2008: HK\$4,746,000).

15,200,000 港元負債列賬於「其他賬目及負債」。而二零零八年的800,000 港元資產則列賬於「應計利息及其他賬目」。

該計劃的資產包括本行發行公平價值為6,891,000 港元的普通股（二零零八年：4,746,000 港元）。

44. EMPLOYEE RETIREMENT BENEFITS (continued)**(b) Movements in net (liability)/asset recognised in the balance sheet are as follows:**

At 1 January	於一月一日
Contributions paid to the Scheme	對該計劃的供款
Expense recognised in the profit or loss (Note 7)	於損益賬內已獲 確認的支出(附註7)
At 31 December	於十二月三十一日

(c) Expense recognised in "Operating expenses – staff costs" in the statement of comprehensive income is as follows:

Current service cost	本期服務成本
Interest cost on obligation	所承擔責任之利息成本
Amortisation of actuarial loss	精算虧損攤銷
Expected return on Scheme's assets	該計劃資產的預計回報

The actual return on the Scheme's assets for the year ended 31 December 2009 amounted to approximately HK\$11,948,000 (2008: HK\$7,912,000).

44. 僱員退休福利(續)**(b) 於資產負債表中已獲確認的(負債)/資產淨值變動如下:**

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
811	13,158
15,977	16,895
(31,988)	(29,242)
(15,200)	811

(c) 於全面收益表內「營運支出－僱員成本」一項已獲確認的支出如下:

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
30,744	27,717
3,755	8,052
8,416	3,882
(10,927)	(10,409)
31,988	29,242

截至二零零九年十二月三十一日止年度，該計劃資產的實際回報約達11,948,000港元(二零零八年：7,912,000港元)。

44. EMPLOYEE RETIREMENT BENEFITS (continued)**(d) Amounts for the current and previous years**

Defined benefit obligations	定額福利責任
Plan assets	計劃資產
Net deficits	虧絀淨額
Experience gains/(losses) on scheme liabilities	計劃負債之經驗收益/(虧損)
Experience gains/(losses) on scheme assets	計劃資產之經驗收益/(虧損)

(e) Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation	年初界定福利責任
Current service cost	本年度服務成本
Interest cost	利息成本
Participants' contributions	參與者供款
Benefits paid	已付福利
Premiums paid	已付保費
Actuarial (gain)/loss on obligation during the year	年內責任之精算 (收益)/虧損
Closing defined benefit obligation	年終界定福利責任

(f) Composition of the plan assets are as follows:

Investments and money market	投資及貨幣市場
Bank balances and cash	銀行結餘及現金
Others	其他

44. 僱員退休福利(續)**(d) 本年度及過往年度金額****The Group and the Bank**

本集團及本行

2009	2008	2007
二零零九年	二零零八年	二零零七年
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元

270,743	322,075	244,040
203,211	213,419	197,898
(67,532)	(108,656)	(46,142)
12,629	(4,269)	(4,997)
1,021	(2,497)	5,002

(e) 界定福利責任之現值變動如下:**The Group and the Bank**

本集團及本行

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

322,075	244,040
30,744	27,717
3,755	8,052
8,181	9,958
(45,918)	(19,244)
(396)	-
(47,698)	51,552
270,743	322,075

(f) 計劃資產之組成如下:**The Group and the Bank**

本集團及本行

2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

125,534	166,781
76,744	45,648
933	990
203,211	213,419

44. EMPLOYEE RETIREMENT BENEFITS (continued)**(g) Changes in the fair value of plan assets are as follows:**

Opening fair value of plan assets	年初計劃資產之公平價值
Actual return	實際回報
Assets distributed on settlements	結算分派之資產
Premiums paid	已付保費
Contributions by employers and employees	僱主及僱員之供款
Closing fair value of plan assets	年終計劃資產之公平價值

(h) The principal actuarial assumptions used as at 31 December 2009 are as follows:

Discount rate	貼現率
Long-term rate of return on assets	資產長期回報率
Credited rate	進賬率
Future salary increases	未來薪金加幅

(i) Mandatory Provident Fund Scheme ("MPF Scheme")

The Group also operates an MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the Scheme. The Group participates in an approved MPF scheme with the Bank Consortium Trust Company Limited to provide a scheme choice to both existing and new employees. The MPF scheme is a defined contribution retirement scheme administered by independent trustee.

Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$20,000. Contributions to the scheme vest immediately.

44. 僱員退休福利(續)**(g) 計劃資產之公平價值變動如下：**

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
213,419	197,898
11,948	7,912
(45,918)	(19,244)
(396)	-
24,158	26,853
203,211	213,419

(h) 於二零零九年十二月三十一日，所用主要精算假設如下：

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
2.6% p.a. 每年2.6%	1.2% p.a. 每年1.2%
5.0% p.a. 每年5.0%	5.0% p.a. 每年5.0%
5.0% p.a. 每年5.0%	5.0% p.a. 每年5.0%
1.0% p.a. for 2010 and 4.5% p.a. thereafter 二零一零年 為每年1.0%及 其後為每年4.5%	1.5% p.a. for 2009 and 4.0% p.a. thereafter 二零零九年 為每年1.5%及 其後為每年4.0%

(i) 強制性公積金計劃(「強積金計劃」)

本集團亦根據香港強制性公積金計劃條例向根據香港僱傭條例管轄範圍內受僱而未曾納入該計劃內的僱員推行了一項強積金計劃。本集團參與銀聯信託有限公司一項獲認可的強積金計劃，以向現職及新入職僱員提供計劃選擇。強積金計劃乃由獨立受託人所管理的定額供款退休計劃。

根據強積金計劃，僱主及其僱員須各自就計劃按僱員相關收入作出5%供款，並以每月相關收入20,000港元為上限。一經對計劃作出供款，供款即予以歸屬。

45. CONTINGENT LIABILITIES AND COMMITMENTS**(a) Credit related commitments and contingencies**

Credit related commitments and contingencies include forward deposits placed, acceptances, 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 credit default. As the facilities may expire without being drawn upon, the contract amounts do not represent expected future cash flows.

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

45. 或然負債及承擔**(a) 與信貸有關之承擔及或然項目**

與信貸有關之承擔及或然項目包括用以提供信貸之遠期預約放款、承兌項目、信用證、擔保和承付款項。所涉及之風險基本上與向客戶提供貸款之信貸風險相同。合約金額是指當合約被完全提取及客戶違約時所承擔風險之數額。由於該等備用貸款可能在未經提取前到期，故合約金額並不代表預計未來現金流量。

以下為每項重大與信貸有關之承擔及或然項目類別之合約金額及信貸加權金額之摘要：

		The Group 本集團			
		2009 二零零九年		2008 二零零八年	
		Contractual amounts 合約金額 HK\$'000 千港元	Credit risk weighted amounts 信貸風險 加權金額 HK\$'000 千港元	Contractual amounts 合約金額 HK\$'000 千港元	Credit risk weighted amounts 信貸風險 加權金額 HK\$'000 千港元
Direct credit substitutes	直接信貸替代項目	236,073	126,073	271,285	161,285
Transaction-related contingencies	與交易有關之或然項目	29,193	14,597	18,417	9,209
Trade-related contingencies	與貿易有關之或然項目	158,264	31,653	428,131	85,626
Undrawn loan facilities	未提取之備用貸款				
– which are unconditionally cancellable	– 可無條件地取消	11,301,472	–	12,518,056	–
– with an original maturity of 1 year or over	– 原訂到期限為一年或以上	296,321	148,161	432,293	216,147
Forward forward deposits placed	遠期預約放款	–	–	216,254	43,251
		12,021,323	320,484	13,884,436	515,518

45. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(a) Credit related commitments and contingencies (continued)

Direct credit substitutes	直接信貸替代項目
Transaction-related contingencies	與交易有關之或然項目
Trade-related contingencies	與貿易有關之或然項目
Undrawn loan facilities	未提取之備用貸款
– which are unconditionally cancellable	– 可無條件地取消
– with an original maturity of 1 year or over	– 原訂到期限為一年或以上
Forward forward deposits placed	遠期預約放款

45. 或然負債及承擔 (續)

(a) 與信貸有關之承擔及或然項目 (續)

The Bank 本行			
2009 二零零九年		2008 二零零八年	
Contractual amounts 合約金額 HK\$'000 千港元	Credit risk weighted amounts 信貸風險加權金額 HK\$'000 千港元	Contractual amounts 合約金額 HK\$'000 千港元	Credit risk weighted amounts 信貸風險加權金額 HK\$'000 千港元
243,573	133,573	278,785	168,785
29,193	14,597	18,417	9,209
158,264	31,653	428,131	84,694
11,301,472	–	12,479,636	–
296,321	148,161	432,293	216,147
–	–	216,254	43,251
12,028,823	327,984	13,853,516	522,086

The risk weights used in the computation of credit risk weighted amounts range from 0% to 100%.

用於計算信貸風險加權金額之風險加權比率介乎0%至100%。

(b) Lease commitments

At 31 December, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

(b) 租賃承擔

於十二月三十一日，不可取消營運租賃下之未來最低應付租金總額如下：

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Properties:	物業：				
– Within one year	– 一年內	34,735	29,882	34,735	29,819
– After 1 year but within 5 years	– 一至五年間	30,843	10,512	30,843	10,512
		65,578	40,394	65,578	40,331

45. CONTINGENT LIABILITIES AND COMMITMENTS(continued)**(c) Capital commitments**

Capital commitments for purchase of equipment and available-for-sale investments outstanding at 31 December not provided for in the financial statements were as follows:

Contracted for 已訂合約

46. 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 the Group does not control the assets.

47. FAIR VALUES OF FINANCIAL INSTRUMENTS**(a) Financial instruments carried at fair value**

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. The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

45. 或然負債及承擔 (續)**(c) 資本承擔**

於十二月三十一日未於財務報告內提撥之有關購買設備及可供出售投資之未兌現資本承擔如下：

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2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元

157,429	184,502
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46. 信託業務

本集團一般以託管人及其他受託人的身份代表個人、信託、退休福利計劃及其他機構持有或存置資產。由於本集團並不控制該等資產，因此該等資產及其所產生之收入不會於此等財務報告中列賬。

47. 金融工具之公平價值**(a) 以公平價值列賬之金融工具**

公平價值之估計一般帶有主觀性質，並於特定時間點基於該金融工具之特性及相關市場資料作出評估。本集團使用下列可反映計量所用之輸入數據之重要性之公平價值等級制度計量公平價值：

47. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**(a) Financial instruments carried at fair value** (continued)

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value treatment is categorised:

47. 金融工具之公平價值 (續)**(a) 以公平價值列帳之金融工具** (續)

一級：相同工具於活躍市場之市場報價(未經調整)。

二級：基於可觀察數據(或直接(即價格)或間接(即源自價格))之估值技術。該分類包括使用下列方法進行估值之工具：類似工具於活躍市場之市場報價；不甚活躍市場之相同或類似工具之報價；或所有重要數據均可直接或間接於市場數據觀察而獲得之其他估值技術。

三級：使用重大不可觀察數據之估值技術。該分類包括估值技術並非基於可觀察數據且不可觀察數據對工具之估值有重大影響之所有工具。

下表乃以公平價值等級制度(公平價值據此分類)分析於呈報末以公平價值計量之金融工具：

		The Group 本集團			
		Level 1	Level 2	Level 3	Total
		一級	二級	三級	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
2009	二零零九年	千港元	千港元	千港元	千港元
Assets					
Trading securities	持作交易用途之證券	101,554	3,968	-	105,522
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	331,624	-	310,113	641,737
Derivative financial instruments	衍生金融工具	-	483,439	148,571	632,010
Available-for-sale securities	可供出售證券	9,777,601	7,611,964	549,508	17,939,073
		10,210,779	8,099,371	1,008,192	19,318,342
Liabilities					
Trading liabilities	交易賬項下之負債	14,275	-	-	14,275
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債	-	201,096	-	201,096
Derivative financial instruments	衍生金融工具	-	283,873	368,023	651,896
		14,275	484,969	368,023	867,267

47. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Financial instruments carried at fair value (continued)

2009	二零零九年
Assets	資產
Trading securities	持作交易用途之證券
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產
Derivative financial instruments	衍生金融工具
Available-for-sale securities	可供出售證券
Liabilities	負債
Trading liabilities	交易賬項下之負債
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債
Derivative financial instruments	衍生金融工具

47. 金融工具之公平價值(續)

(a) 以公平價值列帳之金融工具(續)

The Bank 本行			
Level 1 一級 HK\$'000 千港元	Level 2 二級 HK\$'000 千港元	Level 3 三級 HK\$'000 千港元	Total 總額 HK\$'000 千港元
101,554	3,968	-	105,522
331,624	-	310,113	641,737
-	483,439	148,571	632,010
9,777,601	7,611,964	549,506	17,939,071
10,210,779	8,099,371	1,008,190	19,318,340
14,275	-	-	14,275
-	201,096	-	201,096
-	283,873	368,023	651,896
14,275	484,969	368,023	867,267

During the year, there were no significant transfers of financial instruments between Level 1 and Level 2 of the fair value hierarchy.

(i) Valuation of financial instruments with significant unobservable inputs

The following methods have been applied in determining the fair values of financial instruments under Level 3 of the fair value hierarchy:

- (i) the fair value of unquoted equity investments is estimated using the net asset value as reported by management of the investee companies;
- (ii) the fair value of unlisted investment funds is estimated using the net asset value as reported by the managers of such funds;
- (iii) the fair value of structured investment vehicles, collateralised debt obligations and certain debt securities is estimated using the net asset value as reported by the respective counterparties;
- (iv) the fair value of certain structured debt securities is estimated based on an independent external valuation report with a discount to take into account the legal risk of the recovery process.

於本年度，並無金融工具在公平價值等級制度一級與二級之間有重大轉換。

(i) 使用重大不可觀察數據進行之金融工具估值

以下方法已用於釐定公平價值等級制度三級下之金融工具之公平價值：

- (i) 沒有市價之股本投資之公平價值乃使用該等被投資公司管理層申報的資產淨值進行估計；
- (ii) 非上市投資基金之公平價值是以該等基金之經理申報的資產淨值進行估計；
- (iii) 結構性投資工具、債務抵押證券及若干債務證券之公平價值是以各交易對手申報的資產淨值進行估計；
- (iv) 若干結構性債務證券之公平價值是根據獨立外部估值報告並計及收回程序的法律風險後進行估計。

47. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Financial instruments carried at fair value (continued)

- (i) Valuation of financial instruments with significant unobservable inputs (continued)

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

Assets
資產

At 1 January 2009	於二零零九年一月一日
Purchases	購買
Sales	出售
Settlements	結算
Changes in carrying value recognised in the profit or loss	在損益賬內確認之賬面值變動
Changes in fair value recognised in the profit or loss:	在損益賬內確認之公平價值變動：
– Impairment losses on available-for-sale securities	– 可供出售證券減值虧損
– Other operating income	– 其他營運收入
Changes in fair value recognised in other comprehensive income	在其他全面收益內確認之公平價值變動
At 31 December 2009	於二零零九年十二月三十一日
Total gains or losses for the year included in other comprehensive income for assets held at the balance sheet date	於結算日持有之資產計入其他全面收益之本年度收益或虧損總額
Total gains or losses for the year included in profit or loss for assets held at the balance sheet date	於結算日持有之資產計入損益賬之本年度收益或虧損總額

47. 金融工具之公平價值(續)

(a) 以公平價值列帳之金融工具(續)

- (i) 使用重大不可觀察數據進行之金融工具估值(續)

下表載列公平價值等級制度三級內公平價值計量之年初餘額與年終餘額之對賬：

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Financial assets designated at fair value through profit or loss 指定為通過損益以反映公平價值之金融資產 HK\$'000 千港元	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Available-for-sale securities 可供出售證券 HK\$'000 千港元	Total 總額 HK\$'000 千港元
–	498,925	601,116	1,100,041
320,823	–	32,041	352,864
–	–	(20,590)	(20,590)
–	–	(13,720)	(13,720)
–	–	6,684	6,684
–	–	(42,661)	(42,661)
(10,710)	(350,354)	–	(361,064)
–	–	(13,362)	(13,362)
310,113	148,571	549,508	1,008,192
–	–	9,264	9,264
(10,710)	(406,460)	(39,361)	(456,531)

47. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Financial instruments carried at fair value (continued)

(i) Valuation of financial instruments with significant unobservable inputs (continued)

Assets
資產

		Financial assets designated at fair value through profit or loss 指定為通過損益 以反映公平價值 之金融資產 HK\$'000 千港元
At 1 January 2009	於二零零九年一月一日	-
Purchases	購買	320,823
Sales	出售	-
Settlements	結算	-
Changes in carrying value recognised in the profit or loss	在損益賬內確認之 賬面值變動	-
Changes in fair value recognised in the profit or loss:	在損益賬內確認之 公平價值變動：	
- Impairment losses on available-for-sale securities	- 可供出售證券 減值虧損	-
- Other operating income	- 其他營運收入	(10,710)
Changes in fair value recognised in other comprehensive income	在其他全面收益內確認之 公平價值變動	-
At 31 December 2009	於二零零九年十二月三十一日	310,113
Total gains or losses for the year included in other comprehensive income for assets held at the balance sheet date	於結算日持有之資產計入 其他全面收益之 本年度收益或虧損總額	-
Total gains or losses for the year included in profit or loss for assets held at the balance sheet date	於結算日持有之資產計入 損益賬之本年度收益或 虧損總額	(10,710)

Liabilities
負債

At 1 January 2009	於二零零九年一月一日	
Changes in fair value recognised in the profit or loss:	在損益賬內確認之 公平價值變動：	
- Revaluation loss on collateralised debt obligation	- 債務抵押證券之重估虧損	
- Other operating income	- 其他營運收入	
At 31 December 2009	於二零零九年十二月三十一日	
Total gains or losses for the year included in profit or loss for liabilities held at the balance sheet date	於結算日持有之負債計入 損益賬之本年度收益或 虧損總額	

47. 金融工具之公平價值(續)

(a) 以公平價值列帳之金融工具(續)

(i) 使用重大不可觀察數據進行之金融工具估值(續)

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	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Available-for- sale securities 可供出售證券 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2009	498,925	601,116	1,100,041
Purchases	-	32,039	352,862
Sales	-	(20,590)	(20,590)
Settlements	-	(13,720)	(13,720)
Changes in carrying value recognised in the profit or loss	-	6,684	6,684
Changes in fair value recognised in the profit or loss:			
- Impairment losses on available-for-sale securities	-	(42,661)	(42,661)
- Other operating income	(350,354)	-	(361,064)
Changes in fair value recognised in other comprehensive income	-	(13,362)	(13,362)
At 31 December 2009	148,571	549,506	1,008,190
Total gains or losses for the year included in other comprehensive income for assets held at the balance sheet date	-	9,264	9,264
Total gains or losses for the year included in profit or loss for assets held at the balance sheet date	(406,460)	(39,361)	(456,531)

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	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2009	(717,696)	(717,696)
Changes in fair value recognised in the profit or loss:		
- Revaluation loss on collateralised debt obligation	(681)	(681)
- Other operating income	350,354	350,354
At 31 December 2009	(368,023)	(368,023)
Total gains or losses for the year included in profit or loss for liabilities held at the balance sheet date	405,779	405,779

47. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**(a) Financial instruments carried at fair value** (continued)

- (ii) *Effects of changes in significant unobservable assumptions to reasonably possible alternative assumptions*

Although the Group believes that its estimates of fair value are appropriate, the use of different methodology or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3 of the fair value hierarchy, a 10% change in either direction in the net asset value reported by respective counterparties would have the following effects:

47. 金融工具之公平價值 (續)**(a) 以公平價值列帳之金融工具** (續)

- (ii) *重大不可觀察假設出現變動對可行替代合理假設之影響*

雖然本集團相信其公平價值估計屬適宜，使用不同方法或假設可能導致公平價值之不同計量。就公平價值等級制度三級下之公平價值計量而言，各交易對手申報之資產淨值向任意方向變動10%可能產生下列影響：

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		Effect on Profit or Loss 對損益的影響		Effect on Other Comprehensive Income 對其他全面收益的影響	
		Favourable 有利變動 HK\$'000 千港元	Unfavourable 不利變動 HK\$'000 千港元	Favourable 有利變動 HK\$'000 千港元	Unfavourable 不利變動 HK\$'000 千港元
2009	二零零九年				
Assets	資產				
Financial assets designated at fair value through profit or loss	指定為通過損益 以反映公平價值之 金融資產	31,011	(31,011)	-	-
Available-for-sale securities	可供出售證券	1,523	(1,523)	53,428	(53,428)
Derivatives financial instruments	衍生金融工具	14,857	(14,857)	-	-
Liabilities	負債				
Derivatives financial instruments	衍生金融工具	36,802	(36,802)	-	-

(b) Fair values of financial instruments carried at other than fair value

The following methods and significant assumptions have been applied in determining the fair values of financial instruments presented in the table below:

- (i) the fair value of demand deposits and saving accounts with no specific maturity is assumed to be the amount payable on demand at the balance sheet date;
- (ii) the fair value of variable rate financial instruments and loans is assumed to be approximated by their carrying amounts. Changes in the credit quality of these financial instruments and loans are not taken into account in determining gross fair values, as the impact of credit risk is recognised separately by deducting the amount of the impairment loss and allowances from both the carrying amount and fair value;
- (iii) the fair value of fixed rate loans and mortgages carried at amortised cost is estimated by comparing market interest rates when the loans were granted with current market rates offered on similar loans. Changes in the credit quality of loans within the portfolio are not taken into account in determining gross fair values, as the impact of credit risk is recognised separately by deducting the amount of the impairment loss and allowances from both the carrying amount and fair value;

(b) 非公平價值列帳之金融工具之公平價值

下列方法及重大假設已應用於釐定於下表列示之金融工具之公平價值：

- (i) 假設活期存款及無特定期限之儲蓄賬戶之公平價值為於結算日可要求還款之金額；
- (ii) 假設浮息金融工具及貸款之公平價值接近其賬面金額。釐定公平價值毛額時並不計及這些金融工具及貸款信貸質量之變化，此乃由於信貸風險之影響透過自賬面金額及公平價值扣除減值虧損及撥備金額予以確認；
- (iii) 有關定息貸款及按揭銷成本列賬之按揭的公平價值是透過比較貸款時之市場利率與相若貸款之現時市場利率所計算。由於信貸風險之影響透過自賬面金額及公平價值扣除減值虧損及撥備金額予以單獨確認，於釐定總公平價值時並未考慮組合內各貸款之信貸質量變化；

47. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(b) Fair values of financial instruments carried at other than fair value (continued)

Carrying amount of the Group's and the Bank's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2009 and 2008 except as follows:

		The Group 本集團			
		2009 二零零九年		2008 二零零八年	
		Carrying amount 賬面金額 HK\$'000 千港元	Fair value 公平價值 HK\$'000 千港元	Carrying amount 賬面金額 HK\$'000 千港元	Fair value 公平價值 HK\$'000 千港元
<i>Financial assets</i>	<i>金融資產</i>				
Advances to customers	客戶貸款	1,963,397	1,969,613	4,297,227	4,358,387
Other loans and receivables	其他貸款及應收款項	3,392,218	3,146,132	3,745,286	3,387,936
Held-to-maturity investments	持至到期投資	902,222	985,156	895,590	932,882
<i>Financial liabilities</i>	<i>金融負債</i>				
Other accounts and liabilities	其他賬目及負債	2,585,236	2,592,553	2,490,571	2,512,159
		The Bank 本行			
		2009 二零零九年		2008 二零零八年	
		Carrying amount 賬面金額 HK\$'000 千港元	Fair value 公平價值 HK\$'000 千港元	Carrying amount 賬面金額 HK\$'000 千港元	Fair value 公平價值 HK\$'000 千港元
<i>Financial assets</i>	<i>金融資產</i>				
Advances to customers	客戶貸款	694,025	692,171	780,135	781,674
Other loans and receivables	其他貸款及應收款項	3,392,218	3,146,132	3,745,286	3,387,936
Held-to-maturity investments	持至到期投資	902,222	985,156	895,590	932,882
<i>Financial liabilities</i>	<i>金融負債</i>				
Other accounts and liabilities	其他賬目及負債	2,585,236	2,592,553	2,490,571	2,512,159

47. 金融工具之公平價值(續)

(b) 非公平價值列賬之金融工具之公平價值(續)

本集團及本行按成本或攤餘成本列賬之金融工具之賬面值與其於二零零九年及二零零八年十二月三十一日之公平價值並無重大差異，惟以下所列除外：

48. MATERIAL RELATED PARTY TRANSACTIONS

During the year, the Group entered into a number of transactions with its ultimate holding company and related parties, including Taipei Fubon Commercial Bank Co., Ltd. These transactions were entered into in the ordinary course of the Group's banking business and included, inter alia, lending, placement of interbank deposits, participation in loan syndicates, correspondent banking transactions and foreign exchange transactions. The transactions were priced at the relevant market rates at the time of each transaction, and were on 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.

Information relating to income and expenses from related party transactions during the year and balances outstanding as at the balance sheet date is set out below:

(a) Interest income/expenses

<i>Ultimate holding company</i>	最終控股公司
Interest expense	利息支出
<i>Fellow subsidiaries</i>	同系附屬公司
Interest income	利息收入
Interest expense	利息支出

(b) Placement of deposits

<i>Fellow subsidiaries</i>	同系附屬公司
At 1 January	於一月一日
Placements during the year	年內放款
Repayments during the year	年內償還
At 31 December	於十二月三十一日
<i>Fellow subsidiaries</i>	同系附屬公司
Accrued interest and other accounts	應計利息及其他賬項

There was no impairment allowance made against the above placement of deposits with related parties.

48. 重大關連各方交易

年內，本集團與其最終控股公司及各關連方，包括台北富邦商業銀行股份有限公司訂立多項交易。該等交易在本集團銀行業務之日常業務過程中訂立，包括（不限於）借貸、銀行同業拆借與存款、參與銀團貸款、相關銀行交易及外匯交易。該等交易以進行各交易時之相關市場費率定價，並按與本集團可提供予其他交易對手方及客戶之相同條款進行。董事認為，該等交易乃按一般商業條款訂立。

有關年內關連各方交易所產生之收支及於結算日尚未償還餘額之資料載列如下：

(a) 利息收入／支出

	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Ultimate holding company	–	88
Fellow subsidiaries	825	1,051
	9,281	23,141

(b) 放款

The Group and the Bank 本集團及本行		
	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
At 1 January	55,000	–
Placements during the year	86,172,219	10,392,972
Repayments during the year	(86,227,219)	(10,337,972)
At 31 December	–	55,000
Fellow subsidiaries	12,615	–

該等與關連方放款並無減值撥備。

48. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Acceptance of deposits

<i>Ultimate holding company</i>	<i>最終控股公司</i>
At 1 January	於一月一日
Acceptances during the year	年內接納
Repayments during the year	年內償還
At 31 December	於十二月三十一日
<i>Fellow subsidiaries</i>	<i>同系附屬公司</i>
At 1 January	於一月一日
Acceptances during the year	年內接納
Repayments during the year	年內償還
At 31 December	於十二月三十一日
<i>Fellow subsidiaries</i>	<i>同系附屬公司</i>
Other accounts and liabilities	其他賬目及負債

(d) Financial Instruments

<i>Fellow subsidiary</i>	<i>同系附屬公司</i>
Exchange rate contracts (notional principal)	匯率合約(名義本金額)

48. 重大關連各方交易(續)

(c) 接納存款(續)

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
4,214	4,137
239,293 (243,167)	994,750 (994,673)
340	4,214
1,164,740	-
10,583,832 (11,160,822)	8,917,978 (7,753,238)
587,750	1,164,740
95,819	227,794

(d) 金融工具

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
842,042	2,778,530

48. MATERIAL RELATED PARTY TRANSACTIONS (continued)**(e) Loans to officers**

Loans to officers of the Bank disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

Aggregate amount of relevant loans at 31 December	相關貸款於十二月三十一日的總額
– by the Bank	– 本行
– by a subsidiary	– 一間附屬公司
Maximum aggregate amount of relevant loans outstanding during the year	年內尚未償還相關貸款之最高總額
– by the Bank	– 本行
– by a subsidiary	– 一間附屬公司

There was no interest due but unpaid nor any impairment allowance made against these loans at 31 December 2009 (2008: Nil).

48. 重大關連各方交易 (續)**(e) 高級職員貸款**

本行根據香港《公司條例》第161B條須予披露之高級職員貸款如下：

The Group and the Bank	
本集團及本行	
2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元
10,525	34,687
–	–
10,525	34,687
35,361	38,222
–	–
35,361	38,222

於二零零九年十二月三十一日，此等貸款並無逾期未償付利息，或就有關貸款進行任何減值撥備(二零零八年：無)。

48. MATERIAL RELATED PARTY TRANSACTIONS (continued)**(f) Key management personnel remuneration**

Remuneration for key management personnel, including amounts paid to the Bank's Directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9 is as follows:

Salaries and short-term employee benefits	薪金及短期僱員福利
----------------------------------------------	-----------

Total remuneration is included in "staff cost" (see Note 7).

Several key management personnel were granted unlisted physically settled options over shares of the Bank's ultimate holding company, Fubon Financial Holding Co., Ltd. with various vesting periods for services rendered to the Group. The share based payment expense is included in "staff cost" (see Note 7). Key management personnel are defined as directors and members of the management committee.

(g) Credit facilities to key management personnel

During the year, the Bank provided loans and credit facilities to key management personnel of the Group 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 other employees. The amounts involved, other than transactions with the ultimate holding company and fellow subsidiaries, are set out below.

48. 重大關連各方交易 (續)**(f) 主要管理人員酬金**

主要管理人員之酬金(包括附註8所披露付予本行董事之款項及附註9所披露付予最高薪僱員之款項)如下:

The Group and the Bank	
本集團及本行	
2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元
47,954	45,008

酬金總額計入「僱員成本」(見附註7)。

根據本行最終控股公司富邦金融控股股份有限公司的認股權計劃，若干主要管理人員因向本集團提供服務而被授予於多個期間歸屬的非上市而實股結算之認股權。以股份形式支付的開支計入「僱員成本」(見附註7)。主要管理人員被定義為董事及管理委員會之成員。

(g) 主要管理人員信貸服務

年內，本行向本集團之主要管理人員及彼等之直系親屬以及受該等人士所控制之公司或該等人士具有重大影響力之公司提供貸款及信貸。該等信貸服務乃於正常業務過程中提供，而有關條款與其他僱員所訂立之可資比較交易大致相同。除與最終控股公司及同系附屬公司的交易外，涉及金額載列如下。

48. MATERIAL RELATED PARTY TRANSACTIONS (continued)**(g) Credit facilities to key management personnel** (continued)

Loans, at 31 December	於十二月三十一日貨款餘額
Interest income	利息收入
Credit facilities, at 31 December	於十二月三十一日信貸服務

No impairment losses have been recorded against balances outstanding during the year with key management personnel, and no individually assessed impairment allowance been made on the above balances at the year end.

The Bank's policies for lending to related parties take into account the requirements under the Hong Kong Banking Ordinance, the guidelines of the HKMA and the Listing Rules. The Group sets internal limits – individual and aggregate group limits for individual, group, secured and unsecured exposures – and carefully monitors exposure to related parties, whether individual or corporate, and takes the necessary measures to control the risk of connected lending. Approvals are made by the Credit Committee, Managing Director and/or the Executive Credit Committee.

48. 重大關連各方交易 (續)**(g) 主要管理人員信貸服務** (續)

The Group and the Bank
本集團及本行

2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
12,686	48,172
870	1,103
4,740	4,915

並無就年內主要管理人員的未償還餘額記錄減值虧損，且於年底並無就上述餘額作出個別估計減值撥備。

本行向各關連方貸款的政策已計及香港《銀行業條例》、香港金融管理局指引及上市規則之規定。本集團設定內部限額(對個人以及有抵押及無抵押風險的個人及集團限額總額)，並審慎監督各關連方之風險(個人或企業)及採取各必須措施以控管各關連借貸之風險。信用委員會、董事總經理及/或執行信用委員會已予批准。

49. ASSETS PLEDGED AS SECURITY

The following assets have been pledged as collateral for liabilities at the balance sheet date:

Secured liabilities	已抵押負債
<i>Assets pledged:</i>	<i>已質押資產:</i>
Trading securities	持作交易用途之證券
Available-for-sale securities	可供出售證券

The following balances with banks have been pledged as collateral for margin deposits of derivatives at the balance sheet date:

Margin accounts for derivative contracts	衍生工具合約的保證金賬戶款項
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These transactions are conducted under usual and customary terms.

49. 質押作為抵押品之資產

下列資產已於結算日作為負債抵押品予以質押：

The Group and the Bank	
本集團及本行	
2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元
2,599,511	2,606,716
100,496	77,992
2,320,926	2,489,254
2,421,422	2,567,246

下列銀行結餘已於結算日作為衍生工具保證金存款抵押品予以抵押：

The Group and the Bank	
本集團及本行	
2009	2008
二零零九年	二零零八年
HK\$'000	HK\$'000
千港元	千港元
69,282	608,920

該等交易乃按照一般及慣用條款進行。

50. 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:

- Credit risk: losses resulting from customer or counterparty default and arising from credit exposures in all forms, including settlement risk.
- Market risk: exposures to market variables such as interest rates, exchange rates and equity markets.
- Liquidity and funding risk: risk that the Group is unable to meet its payment obligations when due, or that it is unable, on an ongoing basis, to borrow funds in the market on an unsecured, or even secured basis at an acceptable price to fund actual or proposed commitments.
- Operational risk: risk arising from matters such as non-adherence to systems and procedures or from frauds resulting in financial or reputation loss.

The Group has established policies and procedures to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the 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 policies and systems to reflect changes in markets, products and best practice risk management processes. Internal Audit also performs regular audits to ensure compliance with the policies and procedures.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, and the Group's management of capital.

(a) Credit risk management

This category includes credit and counterparty risk from loans and advances, issuer risk from holding securities, counterparty risk from trading activities and country risk. Credit risk arises from the potential that a borrower or counterparty will fail to perform under an obligation. It arises from the lending, trading, treasury, derivatives and other activities of the Group. The Group identifies and manages credit risk through its (a) target market definitions, (b) credit approval process, (c) post-disbursement monitoring and (d) remedial management procedures. These policies and procedures are documented in the Group's credit policy which defines the overall credit policies covering credit extension criteria, the credit approval authorities delegated from the Board, the credit monitoring processes, the loan grading system and provisioning policy.

50. 財務風險管理

本節呈列有關本集團所面臨之風險及其對該等風險之管理及控制之資料，特別是與其採用金融工具有關之主要風險：

- 信貸風險：客戶或交易對手拖欠款項而招致損失的風險，以及各類型信貸風險，包括結算風險。
- 市場風險：市場變數風險，例如息率、匯率及股市等。
- 流動資金及融資風險：本集團未能在付款責任到期時履行付款責任，或無法持續地在市場上以無抵押或甚至有抵押的方式按可接受之成本借入資金，藉此為實際或建議之承擔提供所需的資金。
- 營運風險：由未遵守制度及程序等事項而引致之風險或由欺詐致使財務或聲譽受損而引致之風險。

本集團已設有相關政策及程序以識別及分析該等風險、制定適當之風險限額及控制措施，以及憑藉可靠及先進之管理及資訊系統持續監控該等風險及限額。本集團不斷修改及加強其風險管理政策及系統，以反映市場、產品及最佳風險管理流程之改變。內部核數師亦定期進行審核以確保符合政策及程序。

此一附註呈列有關本集團就上述各項風險所承擔之風險、本集團計量及管理風險之目標、政策及程序，以及本集團之資本管理。

(a) 信貸風險管理

此類風險包括借款及貸款之信貸及交易對手風險、證券交易之發行人風險、貿易融資之交易對手風險及國家風險。信貸風險源於貸款人或交易對手未能履行其承擔，可來自本集團之貸款、貿易融資、財資、衍生工具及其他業務。本集團透過(a)目標市場定位、(b)信貸審批流程、(c)付款後監控及(d)補救管理程序來識別及管理信貸風險。該等政策及程序記錄於本集團之信貸政策內，而有關政策對整體信貸政策作出明確界定，涵信貸條件、董事會指定之信貸審批職權、信貸監管程序、貸款分類系統及撥備政策。

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)

The Board of Directors delegates credit approval to the following in descending order of authority: the Executive Credit Committee, the Chief Executive Officer and the Credit Committee.

The Credit Committee carries out the Bank's credit risk management functions. It meets once a week and is responsible for approving, advising and recommending to the Chief Executive the approval of credit exposures in accordance with the credit authority limits. The Credit Committee also reviews and implements measures on credit risk management and controls and plays a key role in credit monitoring. In addition, it reviews loans extended by lending officers and provides guidelines to all lending officers to assist them in monitoring the credit risk of the loan portfolio.

The credit departments, Enterprise Credit Risk Management Unit and Consumer Finance Risk Management Unit, receive their authority and delegated responsibilities from the Credit Committee to provide centralised management of credit risk. They are responsible for:

- independent evaluation of credit applications, which covers facility details, credit grade determination, risk review and analysis and financial spreads;
- credit risk management and control of cross-border exposures including debt securities issued by corporations, and sovereigns as well as those exposures to banks and other financial institutions;
- portfolio management of risk concentrations;
- maintenance of the loan grading system; and
- reporting to the Risk Management Committee regularly on aspects of the loan portfolio. This includes information on large credit exposures, industry exposures, country exposures and levels of bad debt provisioning.

In addition, the Group has also established guidelines to ensure that each new product is designed and reviewed by a product committee with respect to the risks involved, including among others, operational risk, legal risk, reputational risk and credit risk. All relevant departments are required to put in place the appropriate processes, systems and controls before the product is approved by the New Product and Commitment Committee.

Specific policies and measures to address different kinds of credit related activities are set out below:

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)

董事會授權以下人士依次審批信貸：執行信貸委員會、行政總裁及信貸委員會。

信貸委員會負責本行之信貸風險管理工作。該委員會每星期舉行一次會議，專責根據信貸授權限額就信貸風險批核信貸建議；並向行政總裁提供意見及推薦建議。信貸委員會亦審閱及實施信貸風險管理及控制之措施，在信貸監控方面扮演著重要之角色。此外，該委員會審閱貸款主任所批出之貸款，並向全體借貸主任提供指引，協助彼等監控貸款組合之信貸風險。

信貸部門、企業信貸風險管理部及消費信貸風險管理部獲授權並代表信貸委員會進行統一信貸風險管理，負責下列各項職責：

- 獨立審核信貸申請，包括信貸詳情、信貸評級釐定、風險評審及息差分析；
- 信貸風險管理以及跨境債權，包括由企業及主權國發行的債務證券，及銀行與其他財務機構的風險監控；
- 管理組合內風險，以避免風險過份集中；
- 更新貸款評級系統；及
- 定期向風險管理委員會匯報貸款組合情況，包括高信貸風險、行業風險、國家風險以及壞賬撥備程度等資料。

此外，本集團亦已制定政策以確保每項新產品經由產品發展委員會設計及審閱所涉及之風險（包括（其中包括）營運風險、聲譽風險及信貸風險）。所有有關之部門必須於產品獲得新產品及承擔委員會批准前，制定適當的工作流程、系統及監控措施。

針對不同類型信貸相關業務之特定政策及措施載列如下：

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)*(i) Corporate lending*

Corporate lending is generally concentrated among middle market borrowers. In addition to compliance with the Group's underwriting standards, credit risk is managed by conducting a thorough credit evaluation and obtaining proper approval for the proposed credit transactions. Subject to the size of the facility and the risk grading of the borrower, different extents of credit evaluation and levels of credit approval are required to ensure the proper credit risk management measures are exercised. Credit approval also takes into account facility structure, tenor, the repayment ability of the prospective borrower and available security.

The Group has established limits for exposures to individual industries and for borrowers and groups of borrowers, regardless of whether the credit exposure is in the form of loans or non-funded exposures. The Group also undertakes ongoing credit analysis and monitoring at several levels. The policies and procedures also take into account the requirements under the Hong Kong Banking Ordinance and the guidelines issued by the HKMA with respect to large exposures and provisioning requirements.

The credit risk management procedures are designed to promote early detection of counterparty, industry or product exposures that require special monitoring. The Enterprise Credit Risk Management Unit monitors overall portfolio risk as well as individual problem loans and potential problem loans on a regular basis. Relevant management reports are submitted to the Chief Executive Officer as well as Credit Committee for their review.

(ii) Retail credit risk

The Group's retail credit policy and approval process are designed to address high volumes of relatively homogeneous, small value lending transactions in each retail loan category. Because of the nature of retail banking, the credit policies are based primarily on statistical analyses of risks with respect to different products and types of customers. The Consumer Finance Risk Management Unit is responsible for conducting regular monitoring of the retail credit risk. They are also responsible for determination and revision of product terms and desired customer profiles on a regular basis. In addition, they also review the existing policies on underwriting, loan classification, provisioning, and write-off on a regular basis.

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)*(i) 企業借貸*

企業借貸一般集中於中型市場借款公司。除遵守本集團之貸款標準外，信貸風險亦透過就信貸申請所進行詳盡之信貸評估及經適當審批而加以控制。視乎貸款規模及借款人之風險評級，必須進行不同程度之信貸評估及不同級別之信貸審批，以確保正確之信貸風險管理措施得以實施。審批信貸時亦會考慮貸款結構、貸款年期、有關借款申請人之還款能力及有否提供抵押擔保。

本集團已制定個別行業之風險限額以及貸款人及貸款人團體之風險限額，無論信貸風險是由於貸款或非借貸交易而產生。本集團亦在不同層次持續開展信貸分析及監控。該等政策及程序亦參考香港《銀行業條例》內之規定及金管局就大額放款限度及撥備規定頒佈之指引。

信貸風險管理程序旨在促進提早發現需要特別監控之交易對手、行業或產品風險。企業信貸風險管理部定期監控貸款組合整體風險及個別問題貸款及潛在問題貸款。有關管理報告提交行政總裁及信貸委員會審閱。

(ii) 零售銀行信貸風險

本集團之零售銀行信貸政策及審批流程乃針對每個零售貸款類別中之大量同類型但價值較小之貸款交易而設計。由於零售銀行之性質，信貸政策主要依據不同產品及客戶類型之風險統計分析結果而釐定。消費信貸風險管理部負責對零售銀行信貸風險進行定期監控。他們亦負責定期釐定及修訂產品條款及理想的客戶組別。此外，他們還定期審閱有關現有的貸款承造、貸款分類、撥備及回撥之政策。

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)*(iii) Credit risk for treasury transactions*

The credit risk of the Group's treasury transactions is managed the same way as the Group manages its corporate lending risk. The Group sets individual limits to its counterparties based on its risk assessment.

Unlike on-balance sheet instruments, where the credit risk is generally represented by the principal value or the notional amount, credit risk for derivatives is the positive replacement cost together with an estimate for the potential future exposure from changes in its market value. These credit exposures, together with potential future exposure from market movements, are managed as part of the overall lending limits to the counterparties. The credit risk exposure on derivatives is disclosed in Note 21(b) of this annual report. The Group currently uses the current exposure method for the purpose of providing capital for such counterparty exposures.

(iv) Credit-related commitments

The risks involved in credit-related commitments and contingencies are essentially the same as the credit risk involved in extending loan facilities to customers. These transactions are, therefore, subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for loans.

(v) Concentration of credit risk

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.

Analysis of credit risk concentration of respective financial assets is disclosed in Notes 18 to 25.

(vi) Credit risk mitigation

The Group's credit assessment primarily relies on an evaluation of the obligor's repayment ability based on the obligor's cash flow and financial condition. In addition, the Group employs various credit risk mitigation techniques such as appropriate facility structuring, posting of collateral and/or third party support as well as transfer of risk to other third parties which form an integral part of the credit risk management process. There is immaterial credit and market risk concentration within the credit risk mitigations used by the Group. The most commonly used credit risk mitigation measures are provided below:

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)*(iii) 財資交易之信貸風險*

本集團財資交易信貸風險之管理方式與本集團管理其企業借貸風險之方式相同。本集團根據風險評估對其交易對手設定個別風險限額。

有別於資產負債表內項目(通常以本金價值或面值來表示信貸風險)，衍生工具之信貸風險為正重置成本連同以其市值之未來潛在變動之估計。該等信貸風險連同市場變動之潛在風險乃作為有關方整體貸款限額的一部分進行管理。衍生工具之信貸風險於本年報附註21(b)內披露。本集團現時以即期風險法為該等有關方風險提供資本。

(iv) 與信貸有關之承擔

與信貸有關之承擔及或然項目所涉及之風險基本上與向客戶提供貸款之信貸風險相同。因此，該等交易須遵守與客戶申請貸款相同之信貸申請、該等貸款組合要求及抵押品規定。

(v) 信貸風險過份集中

當地域、經濟或行業因素之變動對不同類別之交易對手產生類似影響，而彼等之信貸風險加起來對本集團之總風險而言屬重大時便會出現信貸風險過份集中之問題。本集團之金融資產組合經已分散至多個地域、行業及產品類別。

有關各類金融資產之信貸風險集中情況之分析於附註18至25內披露。

(vi) 減低信貸風險

本集團的信貸評估主要依賴基於債務人的現金流量及財務狀況對債務人的還款能力的估計。此外，本集團採用如適當信貸結構、給予抵押及／或第三方支持，以及將風險轉移至其他第三方等不同信貸風險減低技術，以作為其信貸風險管理流程的組成部分。本集團採用的減低信貸風險並無產生重大集中於信貸及市場風險。最常用的信貸風險減低措施載列如下：

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management (continued)***(vi) Credit risk mitigation (continued)**Collateral*

The Group holds collateral against loans and advances to customers in the form of cash deposits, marketable securities, mortgage interest over property, inventory, equipment and other physical collateral, and guarantees. The Group has in place policies and procedures that govern the assessment, acceptance and the periodic valuation of eligible collateral. For collateral taken to secure corporate and retail loans, the collateral is revalued periodically ranging from daily to semi-annually depending on the type of collateral taken. For treasury operations, any collateral taken is marked to market on a periodic basis that is mutually agreed with the counterparty.

Master netting agreements

Collateral generally is not held over loans and advances extended to banks, except when securities are held as part of reverse repurchase and securities borrowing activity. However, where applicable, the Group manages its credit exposure to banks by entering into master netting arrangements whenever it is appropriate and feasible to do so. The netting arrangement results in the settlement of counterparty exposure on a net basis in the event a default occurs.

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.

It is also common for the Group to 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.

Other credit risk mitigation measures

The Group also uses guarantees for credit risk mitigation. While the Group may accept guarantees from any counterparty, it sets a threshold internally for considering eligible guarantors.

50. 財務風險管理(續)**(a) 信貸風險管理(續)***(vi) 減低信貸風險(續)**抵押品*

本集團就客戶借款及貸款而持有抵押品，形式為現金存款、可流通證券、物業按揭、存貨、設備及其他實物抵押品，以及擔保。本集團已制定監管合資格抵押品的評估、接納及定時估值的政策及程序。就擔保公司及零售貸款的抵押品而言，抵押品乃定時被重估，週期介乎每日至每半年一次不等，這取決於抵押品的類型。就財資業務而言，任何抵押品乃以與交易對手相互協定的週期以市場情況重估。

淨額結算總協議

抵押品一般並非就給予銀行的借款及貸款而持有，惟當證券乃持作逆向購回及證券借貸活動的一部分時則除外。然而，如適合時，本集團將於適合及可行情況下透過訂立淨額結算總協議管理其銀行信貸風險。淨額結算總協議導致於違約時結算交易對手的與該交易對手之款項會以淨額結算。

本集團傾向以國際掉期業務及衍生投資工具協會(「ISDA」)總協議作為衍生工具活動的協議文件。該協議為買賣各種場外交易產品的交易活動提供主體合約模式，倘若任何一方違約或提前終止交易，則雙方受合約約束須對協議所包含的全部未平倉交易採用淨額結算。

有關雙方會於簽訂ISDA總協議時亦簽訂信用擔保附件(「CSA」)，此乃普遍的做法。根據CSA，抵押品會由交易其中一方轉交另一方，以減低未平倉交易的市場或有交易對手風險。

其他信貸風險減低措施

本集團亦應用擔保以減低信貸風險。當本集團可能接受任何交易對手的擔保時，其在內部設定考慮合資格擔保人的限制。

50. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

(vii) Maximum exposure to credit risk

The maximum exposure to credit risk at the balance sheet date without taking into consideration any collateral held or other credit enhancements is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance. A summary of the maximum exposure to credit risk for the various components of the balance sheet, contingencies and commitments is as follows:

50. 財務風險管理(續)

(a) 信貸風險管理(續)

(vii) 最高信貸風險

於結算日最高的信貸風險(不計及所持有之任何抵押品或其他信貸提升措施)為資產負債表內各項金融資產扣除任何減值準備後之賬面值。資產負債表、或然負債及承擔的各部分信貸風險的最高風險概要如下:

	The Group 本集團		The Bank 本行	
	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
<i>Credit risk exposures relating to on-balance sheet assets:</i>	<i>與資產負債表內資產有關之信貸風險:</i>			
Cash and balances with banks	5,302,719	7,894,169	5,301,396	7,882,115
Placements with and advances to banks and other financial institutions	367,677	1,827,521	290,902	1,827,521
Trading securities	105,420	150,215	105,420	150,215
Financial assets designated at fair value through profit or loss	641,737	700,281	641,737	700,281
Derivative financial instruments	632,010	2,618,073	632,010	2,618,073
Advances to customers less impairment	28,571,967	33,033,818	26,947,698	28,938,533
Other loans and receivables	3,392,218	3,745,286	3,392,218	3,745,286
Accrued interest and other accounts	1,479,757	1,048,534	1,433,164	964,687
Available-for-sale securities	17,728,988	11,770,575	17,728,988	11,770,575
Held-to-maturity investments	902,222	895,590	902,222	895,590
Interests in associates	1,612	1,699	1,612	1,699
<i>Credit risk exposures relating to off-balance sheet items:</i>	<i>與資產負債表外項目有關之信貸風險:</i>			
Financial guarantees and other credit related contingent liabilities	423,530	717,833	431,030	725,333
Loan commitments and other credit related commitments	11,597,793	13,166,603	11,597,793	13,128,183
	71,147,650	77,570,197	69,406,190	73,348,091

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)

(viii) Credit quality of loans and advances

At 31 December 2009 and 2008, no loans and advances to banks were impaired. The credit quality of advances to customers can be analysed as follows:

Neither past due nor impaired	並無逾期或減值
Past due but not impaired	已逾期但並無減值
Impaired	已減值
Of which:	其中：
Gross loans and advances to customers that are neither past due nor impaired	向客戶授出而並無逾期或減值之借款及貸款總額
– Grade 1: Pass	– 第一級：通過
– Grade 2: Special mention	– 第二級：特別提及

The Group classifies advances to customers in accordance with the loan classification system required to be adopted for reporting to the HKMA.

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)

(viii) 借款及貸款之信貸質素

於二零零九年及二零零八年十二月三十一日，向銀行同業授出之借款及貸款均並無減值。向客戶作出之貸款之信貸質素可分析如下：

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Neither past due nor impaired	並無逾期或減值	28,517,036	32,763,297	27,007,972	28,812,266
Past due but not impaired	已逾期但並無減值	76,900	159,149	4,529	52,554
Impaired	已減值	518,722	407,350	315,330	234,519
		29,112,658	33,329,796	27,327,831	29,099,339
Of which:	其中：				
Gross loans and advances to customers that are neither past due nor impaired	向客戶授出而並無逾期或減值之借款及貸款總額				
– Grade 1: Pass	– 第一級：通過	28,165,878	32,671,715	26,671,436	28,734,773
– Grade 2: Special mention	– 第二級：特別提及	351,158	91,582	336,536	77,493
		28,517,036	32,763,297	27,007,972	28,812,266

本集團根據為向香港金融管理局呈報而須採納之貸款分級制度就客戶貸款進行分類。

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)

(viii) Credit quality of loans and advances (continued)

The ageing analysis of advances to customers that are past due but not impaired is as follows:

	向客戶授出而已逾期 但並無減值之 借款及貸款總額
Gross loans and advances to customers that are past due but not impaired	
– Overdue 3 months or less	– 逾期三個月或以下
– Overdue 6 months or less but over 3 months	– 逾期六個月或以下惟三個月以上
– Overdue 1 year or less but over 6 months	– 逾期一年或以下惟六個月以上
– Overdue over 1 year	– 逾期超過一年

Loans and advances that would be past due or impaired had the terms not been renegotiated amounted to HK\$471,352,000 as at 31 December 2009 (2008: HK\$553,865,000).

No items in “Other loans and receivables” are overdue or impaired as at 31 December 2009 and 2008.

Analysis of other loans and receivables by credit rating designation at 31 December, based on Standard & Poor’s ratings or their equivalent is as follows:

AA-to AA+	AA-至AA+
A-to A+	A-至A+
Lower than A-	A-以下

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)

(viii) 借款及貸款之信貸質素(續)

向客戶授出而已逾期但並無減值之貸款賬齡分析如下：

The Group 本集團		The Bank 本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
76,900	149,528	4,529	44,314
–	8,313	–	7,939
–	154	–	28
–	1,154	–	273
76,900	159,149	4,529	52,554

於二零零九年十二月三十一日，倘條款不予重新磋商即為已逾期或已減值之借款及貸款金額為471,352,000港元(二零零八年：553,865,000港元)。

於二零零九年及二零零八年十二月三十一日，並無列入「其他貸款及應收款項」之項目是逾期或已減值。

以標準普爾之評級標準或相應之評級標準為基準按信貸評級對其他貸款及應收款項於十二月三十一日進行之分析如下：

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
603,490	843,745
1,848,401	2,582,118
940,327	319,423
3,392,218	3,745,286

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)(ix) *Credit quality of financial assets other than loans and advances*

Credit risk that arises from investments in financial assets or debt securities is managed in the same way as the Group manages its corporate lending risk with the exposure being part of the overall lending limits to the counterparties. It is the Group's credit policy not to invest in debt securities that are below the grading of BBB+ from Standard & Poor's Rating Services or A-3 from Moody's Investors Services at the time of investing. Analysis of debt securities by credit rating designation at 31 December, based on Standard & Poor's ratings or their equivalent is as follows:

AAA	AAA
AA-to AA+	AA-至AA+
A-to A+	A-至A+
Lower than A-	A-以下
Unrated	無評級

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)(ix) *借款及貸款以外之金融資產之信貸質素*

本集團按管理其公司借貸風險相同之方式管理金融資產或債務證券投資產生之信貸風險，所承擔之風險為交易對手整體借貸限額之一部分。本集團之信貸政策為，對於投資時，評級在標準普爾評級服務公司之評級BBB+以下或在穆迪投資者服務公司之評級A-3以下之債務證券，不予投資。以標準普爾之評級標準或相應之評級標準為基準按信貸評級對債務證券於十二月三十一日進行之分析如下：

The Group and the Bank

本集團及本行

2009

二零零九年

	Designated at fair value through	Trading securities	profit or loss 指定為通過 損益以反映 公平價值	Available- for-sale securities	Held-to- maturity investments	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		-	-	4,421,002	-	4,421,002
		105,420	81,853	10,005,833	262,553	10,455,659
		-	249,771	2,577,124	639,669	3,466,564
		-	-	715,792	-	715,792
		-	310,113	9,237	-	319,350
		105,420	641,737	17,728,988	902,222	19,378,367

50. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

(ix) Credit quality of financial assets other than loans and advances (continued)

AAA	AAA
AA-to AA+	AA-至 AA+
A-to A+	A-至 A+
Lower than A-	A-以下
Unrated	無評級

50. 財務風險管理(續)

(a) 信貸風險管理(續)

(ix) 借款及貸款以外之金融資產之信貸質素(續)

The Group and the Bank
本集團及本行2008
二零零八年

	Trading securities 持作交易 用途之證券 HK\$'000 千港元	Designated at fair value through profit or loss 指定為通過 損益以反映 公平價值 HK\$'000 千港元	Available- for-sale securities 可供出售證券 HK\$'000 千港元	Held-to- maturity investments 持至到期投資 HK\$'000 千港元	Total 總額 HK\$'000 千港元
	-	-	1,151,729	-	1,151,729
	150,215	474,235	7,293,120	259,814	8,177,384
	-	226,046	2,401,132	635,776	3,262,954
	-	-	907,176	-	907,176
	-	-	17,418	-	17,418
	150,215	700,281	11,770,575	895,590	13,516,661

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)*(ix) Credit quality of financial assets other than loans and advances (continued)*

Included in "financial assets designated at fair value through profit or loss" of the Group and the Bank as at 31 December 2009 are debt securities with fair value of HK\$112.0 million (2008: Nil) which are overdue.

As at 31 December 2009, investments in structured investment vehicles ("SIVs") with nominal value of HK\$238 million (2008: HK\$155 million) were individually determined to be impaired. No collateral is held by the Group for these investments.

Collateralized debt obligations ("CDOs") and SIVs held by the Bank were purchased according to the Bank's investment guidelines. As at 31 December 2009, the carrying amount of CDOs inclusive of revaluation loss on the embedded derivatives amounted to HK\$13.1 million (2008: HK\$13.6 million) and carrying amount of SIVs was HK\$1.0 million (2008: HK\$16.6 million).

(x) Collateral and other credit enhancements

An estimate of the fair value of collateral and other credit enhancements held against financial assets is as follows:

Fair value of collateral and other credit enhancements held against financial assets that are:

- Neither past due nor impaired
- Past due but not impaired
- Impaired

下列金融資產持有之抵押品及其他信貸提升措施之公平價值：

- 並無逾期或減值
- 已逾期但並無減值
- 已減值

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)*(ix) 借款及貸款以外之金融資產之信貸質素* (續)

於二零零九年十二月三十一日，本集團及本行「指定為通過損益以反映公平價值之金融資產」包括公平價值為112,000,000港元(二零零八年：無)之逾期債務證券。

於二零零九年十二月三十一日，於面值為238,000,000港元(二零零八年：155,000,000港元)之結構投資工具(SIV)之投資乃個別釐定為減值。本集團並無就該等投資持有抵押品。

本行持有之債務抵押證券(CDOs)及SIVs乃根據銀行投資指引而購入。於二零零九年十二月三十一日，債務抵押證券，包括嵌入式衍生工具的重估虧損的賬面值為13,100,000港元(二零零八年：13,600,000港元)，而SIVs的賬面值為1,000,000港元(二零零八年：16,600,000港元)。

(x) 抵押品及其他信貸提升措施

以金融資產持有之抵押品及其他信貸提升措施之估計公平價值如下：

		The Group 本集團		The Bank 本行	
		2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元
Fair value of collateral and other credit enhancements held against financial assets that are:	下列金融資產持有之抵押品及其他信貸提升措施之公平價值：				
– Neither past due nor impaired	– 並無逾期或減值	46,913,341	44,711,241	41,397,702	34,778,714
– Past due but not impaired	– 已逾期但並無減值	153,385	76,653	113,851	22,320
– Impaired	– 已減值	94,843	144,905	13,813	74,771
		47,161,569	44,932,799	41,525,366	34,875,805

50. FINANCIAL RISK MANAGEMENT (continued)**(a) Credit risk management** (continued)(xi) *Collateral and other credit enhancements obtained*

During the year, the Group obtained assets by taking possession of collateral held as security, as follows:

Carrying amount of assets obtained:	所獲得之資產之賬面值：
– Residential property	– 住宅物業

As at 31 December 2009, total repossessed assets and assets acquired under lending agreements of the Group and the Bank amounted to HK\$31,480,000 (2008: HK\$29,880,000).

Repossessed properties are sold as soon as practicable with the proceeds used to reduce the outstanding indebtedness. Repossessed property is classified in the balance sheet within other assets.

(b) Market risk management

Market risk arises on all market risk sensitive financial instruments, including securities, foreign exchange contracts, equity and other derivative instruments, as well as from balance sheet or structural positions. The Bank transacts in the money market, foreign exchange market, equity market and capital market giving rise to market risk exposures. Positions are taken as a result of the execution of customers' orders, and market making activities, and offsetting transactions taken in order to hedge the Bank's open position. The Bank does not engage in significant proprietary trading.

The objective of market risk management is to avoid excessive exposure of earnings and equity to loss and to reduce the Group's exposure to the volatility inherent in financial instruments.

50. 財務風險管理 (續)**(a) 信貸風險管理** (續)(xi) *已取得之抵押品及其他信貸提升措施*

年內，本集團透過接管持作擔保之抵押品獲取之資產如下：

The Group and the Bank 本集團及本行	
2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元

16,900	7,652
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於二零零九年十二月三十一日，根據本集團及本行之借貸協議獲得之收回資產和資產總值為31,480,000港元(二零零八年：29,880,000港元)。

收回物業會盡快予以出售，所得之款項將用以削減未償還之債項。於資產負債表內，收回物業分類為其他資產。

(b) 市場風險管理

市場風險產生於所有對市場風險敏感之金融工具，包括證券、外匯合約、股本及其他衍生工具，以及資產負債表或結構性倉盤。本行在貨幣市場、外匯市場、股票市場及資本市場中進行交易，因而產生市場風險。本行就執行客戶指令、市場莊家活動，以及為對沖本行之未平倉盤而持有倉盤。本行並無參與重大自營交易。

市場風險管理之目標為避免盈利及股本遭受過度損失及減少本集團因金融工具本身固有波幅所引申之風險。

50. FINANCIAL RISK MANAGEMENT (continued)**(b) Market risk management** (continued)

The Board reviews and approves policies for the management of market risks including dealing authorities and limits. The Board has delegated the responsibility for ongoing general market risk management to the Asset and Liability Committee. This committee articulates the interest rate view of the Bank and decides on future business strategy with respect to interest rates. It also reviews and sets funding policy and ensures adherence to risk management objectives.

The Group has also established clear market risk policies, including limits, reporting lines and control procedures, which are reviewed regularly and approved by the Board. Market risk is managed within various limits approved by the Board. These limits are determined for each financial instrument and include limits on product volume, gross and net positions, position concentrations, mark to market limits, stop loss limits and risk position limits.

The sale of derivatives to customers as risk management products and the subsequent use of derivatives to manage the resulting position 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 derivative instruments used by the Group are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives. The Group also purchases exchange traded derivatives. Most of the Group's derivatives positions have been entered into to meet customer demand and to hedge these and other positions.

One of the principal tools used by the Group to monitor and limit market risk exposure is Value-at-risk (VAR). VAR is a technique that estimates the potential losses that could occur on risk positions as a result of movements in market rates and prices over a specified time horizon and to a given level of confidence. The calculation uses the variance-covariance model as the means to estimate the statistical confidence level.

The Group augments its VAR limits with other positions and sensitivity limit structures. Additionally, the Group applies a wide range of sensitivity analysis, both on individual portfolios and on the Group's consolidated positions to assess the potential impact on the Group's earnings as a result of extreme movements in market prices.

50. 財務風險管理 (續)**(b) 市場風險管理** (續)

董事會檢討及審批有關市場風險管理之政策及處理授權及限額事宜。董事會已將持續一般市場風險管理之責任授予資產負債委員會。該委員會負責因應本行對利率之走勢預測，而決定有關業務策略。該委員會亦審閱及制訂融資政策並確保各風險管理目標獲得遵從。

本集團亦制定清晰之市場風險政策，包括限額、報告制度及控制程序，並由董事會定期予以檢討及批准。市場風險乃在經由董事會批准之各限額內予以管理。此等限額乃就各金融工具釐定，包括就產品量、倉盤總額及淨額、倉盤集中度、按市場調整之限額、止蝕限額及風險倉盤限額設定之限額。

向客戶出售作為風險管理產品之衍生工具及其後使用衍生工具管理相關持倉，為本集團其中一項業務。該等工具亦用於管理本集團本身之市場風險，作為其資產及負債管理流程之一部分。本集團所採用之衍生工具主要為利率及匯率相關合約等場外交易衍生工具。本集團亦有參與交易買賣衍生工具。本集團大部分衍生工具持倉均為配合客戶需求以及為對沖彼等和其他倉盤而訂立。

風險值 (VAR) 是本集團為監控及限制市場風險所主要採用之一種工具。風險值是一種按一既定信心水平估計由於市場利率及價格在特定持盤時間內之變動而使持倉盤可能出現虧損的估計數字的技術。計算方式乃使用方差與協方差模式估計統計數字信心水平。

本集團結合持其他倉盤及敏感性限額結構，以加強其風險值限額。此外，本集團對個別貸款組合及本集團之綜合狀況應用較廣範圍之敏感性分析，以評估市價之極端變動對本集團盈利之潛在影響。

50. FINANCIAL RISK MANAGEMENT (continued)**(b) Market risk management** (continued)*(i) Sensitivity analysis of market risk exposures**Trading market risk*

Currency risk

At 31 December 2009, if Hong Kong Dollar had strengthened by 0.5% against other currencies, with all other variables held constant, the profit before tax for the year would have been HK\$0.5 million higher (2008: HK\$0.7 million lower).

Conversely, if Hong Kong Dollar had weakened by 0.5% against other currencies, with all other variables held constant, the profit before tax for the year would have been HK\$0.5 million lower (2008: HK\$0.7 million higher).

Interest rate risk

The Group measures trading book interest rate risks through Present Value of Basis Point (PVBP). PVBP is a sensitivity test to measure the potential profit or loss fluctuation on interest rate positions upon a basis point movement.

The Group adopts a sensitivity test of a 25 basis points movement. At 31 December 2009, 25 basis points upward movement in interest rate would result in a downward profit movement of HK\$20,758 (2008: HK\$17,837). Conversely, 25 basis points downward movement in interest rate would result in an upward profit movement of HK\$20,758 (2008: HK\$17,837).

Equity risk

At 31 December 2009, if the Hang Seng Index had increased by 10% with all other variables held constant and all the equity instruments move according to the historical correlation with the index, earnings for the year would have been HK\$10,746 higher (2008: HK\$2,644).

Conversely, at 31 December 2009, if Hang Seng Index had decreased by 10% with all other variables held constant and all the equity instruments move according to the historical correlation with the index, earnings for the year would have been HK\$10,746 lower (2008: HK\$2,644).

50. 財務風險管理 (續)**(b) 市場風險管理** (續)*(i) 市場風險敏感度分析**交易市場風險*

貨幣風險

於二零零九年十二月三十一日，如港元兌其他貨幣升值0.5%並假設所有其他參數不變，本年度之除稅前溢利將為增加500,000港元(二零零八年：減少700,000港元)。

相反地，如港元兌其他貨幣貶值0.5%，並假設所有其他參數不變，本年度之除稅前溢利將為減少500,000港元(二零零八年：增加700,000港元)。

利率風險

本集團透過基點現值法計量交易賬利率風險。基點現值法是一項敏感度測試，用以計量基點變動對利率倉盤可能帶來之損益波動。

本集團採用25個基點變動之敏感度測試。於二零零九年十二月三十一日，利率調升25個基點將導致溢利下降20,758港元(二零零八年：17,837港元)。相反地，如果利率下調25個基點，溢利將上升20,758港元(二零零八年：17,837港元)。

股票風險

於二零零九年十二月三十一日，如果恒生指數上升10%並假設所有其他參數不變及所有股本工具根據與指數之歷史相關性變動，本年度盈利將增加10,746港元(二零零八年：2,644港元)。

相反地，於二零零九年十二月三十一日，如果恒生指數下降10%並假設所有其他參數不變及所有股本工具根據與指數之歷史相關性變動，本年度之盈利將減少10,746港元(二零零八年：2,644港元)。

50. FINANCIAL RISK MANAGEMENT (continued)**(b) Market risk management** (continued)*(i) Sensitivity analysis of market risks exposures (continued)**Non-trading market risk*

Interest rate risk

Interest rate risk primarily results from timing differences in the repricing of interest-bearing assets, liabilities and commitments. It also related to positions from non-interest bearing liabilities including shareholders' funds and current accounts, as well as from certain fixed rate loans and liabilities. Interest rate risk is managed by the treasury department within limits approved by the Board, including interest rate gap limits. The Group also uses interest rate swaps and other derivatives to manage interest rate risk.

Structural interest rate risk arises primarily from the deployment of non-interest bearing liabilities, including shareholders' funds and current accounts, as well as from certain fixed rate loans and liabilities. Structural interest rate risk is monitored by the Asset and Liability Committee.

At 31 December 2009, if other market variables including prime rate were held constant, an increase in HKD market interest rates of 25 basis points would result in a decrease in earnings over the next 12 months of HK\$0.8 million (2008: HK\$5.4 million increase), or an increase in economic value of HK\$11.8 million (2008: HK\$8.1 million increase); while an increase in USD market interest rates of 25 basis points would result in a decrease in earnings over the next 12 months of HK\$16.5 million (2008: HK\$13.8 million decrease), or an increase in economic value of HK\$27.3 million (2008: HK\$29.9 million increase).

Conversely, if other market variables including prime rate were held constant, a decrease in HKD market interest rates of 25 basis points would result in an increase in earnings over the next 12 months of HK\$0.8 million (2008: HK\$5.4 million decrease), or a decrease in economic value of HK\$11.8 million (2008: HK\$8.1 million decrease); while a decrease in USD market interest rates of 25 basis points would result in an increase in earnings over the next 12 months of HK\$16.5 million (2008: HK\$13.8 million increase), or a decrease in economic value of HK\$27.3 million (2008: HK\$29.9 million decrease).

50. 財務風險管理 (續)**(b) 市場風險管理** (續)*(i) 市場風險敏感度分析* (續)*非交易市場風險*

利率風險

利率風險主要由計息資產、負債及承擔之再定息率時差引致，亦與包括股東資金及往來賬戶在內之非計息負債，以及若干定息貸款及負債產生之倉盤有關。利率風險由資金部門管理，並維持在董事會批准之限額（包括利率差別限額）之內。本集團亦使用利率掉期及其他衍生工具管理利率風險。

結構利率風險主要由包括股東資金及往來賬戶在內之非計息負債，以及若干定息貸款及負債所產生。結構利率風險由資產負債委員會監控。

於二零零九年十二月三十一日，假設其他市場參數（包括最優惠利率）維持不變，如果港元市場利率調升25個基點，將導致接下來12個月盈利減少800,000港元（二零零八年：增加5,400,000港元），或經濟值增加11,800,000港元（二零零八年：增加8,100,000港元）；如果美元市場利率調升25個基點，將導致接下來12個月盈利減少16,500,000港元（二零零八年：減少13,800,000港元），或經濟值增加27,300,000港元（二零零八年：增加29,900,000港元）。

相反地，假設其他市場參數（包括最優惠利率）維持不變，如果港元市場利率下調25個基點，將導致接下來12個月盈利增加800,000港元（二零零八年：減少5,400,000港元），或經濟值減少11,800,000港元（二零零八年：減少8,100,000港元）；如果美元市場利率下調25個基點，將導致接下來12個月盈利增加16,500,000港元（二零零八年：增加13,800,000港元），或經濟值減少27,300,000港元（二零零八年：減少29,900,000港元）。

50. FINANCIAL RISK MANAGEMENT (continued)**(b) Market risk management** (continued)*(i) Sensitivity analysis of market risks exposures (continued)**Non-trading market risk (continued)*

Equity risk

At 31 December 2009, the Group does not hold non-trading listed equity securities. As such, movement in the Hang Seng Index would have no impact on the Group.

At 31 December 2008, if the Hang Seng Index had increased by 10% with all other variables held constant and all the equity instruments move according to the historical correlation with the index, the value of equity securities at 31 December 2008 would have been HK\$7.7 million higher.

Conversely, at 31 December 2008, if the Hang Seng Index had decreased by 10% with all other variables held constant and all the equity instruments move according to the historical correlation with the index, the value of equity securities at 31 December 2008 would have been HK\$7.7 million lower.

The method and assumptions used in the above sensitivity analysis on interest rate risk, currency risk and equity risk are performed on the same basis for both 2008 and 2009.

(ii) Currency risk

The Group's foreign currency positions arise from foreign exchange dealing, commercial banking operations and structural foreign currency exposures. All foreign currency positions are managed by the treasury department within limits approved by the Board. Structural foreign currency positions arise mainly on foreign currency investments in the Group's subsidiaries and associates of HK\$339.2 million as of 31 December 2009 (2008: HK\$0.2 million). The Group seeks to match closely its foreign currency denominated assets with corresponding liabilities in the same currencies.

50. 財務風險管理 (續)**(b) 市場風險管理** (續)*(i) 市場風險敏感度分析* (續)*非交易市場風險* (續)

股票風險

於二零零九年十二月三十一日，本集團並無持有非持作交易用途之股本證券。因此，恒生指數變動對本集團並無影響。

於二零零八年十二月三十一日，如果恒生指數上升10%並假設所有其他參數不變及所有股本工具根據與指數之歷史相關性變動，於二零零八年十二月三十一日之股本證券價值為增加7,700,000港元。

相反地，於二零零八年十二月三十一日，如果恒生指數下降10%並假設所有其他參數不變及所有股本工具根據與指數之歷史相關性變動，於二零零八年十二月三十一日之股票證券價值將減少7,700,000港元。

上述對利率風險、貨幣風險及股票風險之敏感度分析所採用之方法及假設，就二零零八年及二零零九年而言所採用者乃屬相同。

(ii) 貨幣風險

本集團之外匯持倉源自外匯買賣、商業銀行業務及結構性外幣持倉。所有外幣持倉均由資金部管理，並維持在董事會所訂定之範圍內。結構性外幣持倉主要源自本集團於附屬公司於二零零九年十二月三十一日之外幣投資共339,200,000港元(二零零八年：200,000港元)。本集團設法將以外幣為單位之資產切實配對以同樣貨幣為單位之相應負債。

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Currency risk (continued)

The following table indicates the concentration of currency risk at the balance sheet date:

		The Group 本集團		
		2009 二零零九年		
(Equivalent in HK\$'000)	(千港元等值)	US Dollars 美元	Chinese Renminbi 人民幣	Other currencies 其他貨幣
ASSETS				
Cash and short-term funds	現金及短期資金	2,960,720	209,608	89,954
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款	92,285	-	225,392
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	570,118	-	-
Advances to customers less impairment allowances	客戶貸款減減值撥備	4,583,658	-	42,053
Other loans and receivables	其他貸款及應收款項	2,956,404	-	435,814
Accrued interest and other accounts	應計利息及其他賬目	259,115	9,084	97,973
Available-for-sale securities	可供出售證券	8,667,449	28,403	4,177,505
Held-to-maturity investments	持至到期投資	902,222	-	-
Interests in associates	於聯營公司之權益	-	384,898	1,612
Spot assets	現貨資產	20,991,971	631,993	5,070,303
LIABILITIES				
Deposits and balances of banks	銀行同業之存款及結餘	589,134	-	265,624
Deposits from customers	客戶存款	15,758,256	208,665	4,882,275
Debt securities issued	已發行債務證券	120,435	-	4,812
Other accounts and liabilities	其他賬目及負債	279,692	121,671	40,406
Subordinated notes issued	已發行後償票據	1,640,257	-	-
Spot liabilities	現貨負債	18,387,774	330,336	5,193,117
Net on-balance sheet position	資產負債表內持倉淨額	2,604,197	301,657	(122,814)
Off-balance sheet position	資產負債表外倉盤			
Foreign exchange derivative contracts	外匯衍生合約	(1,909,774)	-	112,987
Net aggregate position	總持倉淨額	694,423	301,657	(9,827)
Credit commitments and other contingent liabilities in foreign currencies	以外幣結算之信貸承擔及其他或然負債	349,052	-	44,950

50. 財務風險管理(續)

(b) 市場風險管理(續)

(ii) 貨幣風險(續)

下表列示於結算日之集中貨幣風險：

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Currency risk (continued)

(Equivalent in HK\$'000)	(千港元等值)
ASSETS	資產
Cash and short-term funds	現金及短期資金
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產
Advances to customers less impairment allowances	客戶貸款減減值撥備
Other loans and receivables	其他貸款及應收款項
Accrued interest and other accounts	應計利息及其他賬目
Available-for-sale securities	可供出售證券
Held-to-maturity investments	持至到期投資
Interests in associates	於聯營公司之投資
Investments in subsidiaries	附屬公司投資
Amounts due from subsidiaries	應收附屬公司款項
Spot assets	現貨資產
LIABILITIES	負債
Deposits and balances of banks	銀行同業之存款及結餘
Deposits from customers	客戶存款
Debt securities issued	已發行債務證券
Other accounts and liabilities	其他賬目及負債
Amounts due to subsidiaries	應付附屬公司款項
Subordinated notes issued	已發行後償票據
Spot liabilities	現貨負債
Net on-balance sheet position	資產負債表內持倉淨額
Off-balance sheet position	資產負債表外倉盤
Foreign exchange derivative contracts	外匯衍生合約
Net aggregate position	總持倉淨額
Credit commitments and other contingent liabilities in foreign currencies	以外幣結算之信貸承擔及其他或然負債

50. 財務風險管理(續)

(b) 市場風險管理(續)

(ii) 貨幣風險(續)

		The Bank 本行		
		2009 二零零九年		
	US Dollars 美元	Chinese Renminbi 人民幣	Other currencies 其他貨幣	
	2,960,016	209,555	89,730	
	15,510	-	225,392	
	570,118	-	-	
	4,583,658	-	42,053	
	2,956,404	-	435,814	
	253,755	9,084	97,962	
	8,667,447	28,403	4,177,505	
	902,222	-	-	
	-	382,890	1,612	
	77,581	-	247	
	848	-	-	
	20,987,559	629,932	5,070,315	
	589,134	-	265,624	
	15,758,256	208,665	4,882,275	
	120,435	-	4,812	
	278,920	121,660	40,288	
	1,886	-	488	
	1,640,257	-	-	
	18,388,888	330,325	5,193,487	
	2,598,671	299,607	(123,172)	
	(1,909,774)	-	112,987	
	688,897	299,607	(10,185)	
	349,052	-	44,950	

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Currency risk (continued)

(Equivalent in HK\$'000)	(千港元等值)	US Dollars 美元	The Bank 本行 2008 二零零八年 Chinese Renminbi 人民幣	Other currencies 其他貨幣
ASSETS	資產			
Cash and short-term funds	現金及短期資金	5,521,456	194,078	1,087,488
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款	1,627,521	-	-
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	700,281	-	-
Advances to customers less impairment allowances	客戶貸款減減值撥備	5,693,681	-	139,702
Other loans and receivables	其他貸款及應收款項	2,987,342	-	757,944
Accrued interest and other accounts	應計利息及其他賬目	381,087	-	115,155
Available-for-sale securities	可供出售證券	3,678,986	28,395	3,355,336
Held-to-maturity investments	持至到期投資	895,590	-	-
Interests in associates	於聯營公司之投資	-	292,047	1,699
Investments in subsidiaries	附屬公司投資	11,701	-	247
Spot assets	現貨資產	21,497,645	514,520	5,457,571
LIABILITIES	負債			
Deposits and balances of banks	銀行同業之存款及結餘	1,166,471	-	275,725
Deposits from customers	客戶存款	18,615,740	192,465	4,299,317
Certificates of deposit issued	已發行存款證	7,905	-	-
Debt securities issued	已發行債務證券	1,469,884	-	46,048
Other accounts and liabilities	其他賬目及負債	244,184	30,682	318,481
Amounts due to subsidiaries	應付附屬公司款項	4,358	-	1,103
Subordinated notes issued	已發行後償票據	1,684,386	-	-
Spot liabilities	現貨負債	23,192,928	223,147	4,940,674
Net on-balance sheet position	資產負債表內持倉淨額	(1,695,283)	291,373	516,897
Off-balance sheet position	資產負債表外倉盤			
Foreign exchange derivative contracts	外匯衍生合約	1,772,740	(1,136)	(639,331)
Net aggregate position	總持倉淨額	77,457	290,237	(122,434)
Credit commitments and other contingent liabilities in foreign currencies	以外幣結算之信貸承擔及其他或然負債	937,156	-	317,882

50. 財務風險管理 (續)

(b) 市場風險管理 (續)

(ii) 貨幣風險 (續)

(Equivalent in HK\$'000)	(千港元等值)	US Dollars 美元	The Bank 本行 2008 二零零八年 Chinese Renminbi 人民幣	Other currencies 其他貨幣
ASSETS	資產			
Cash and short-term funds	現金及短期資金	5,521,456	194,078	1,087,488
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款	1,627,521	-	-
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	700,281	-	-
Advances to customers less impairment allowances	客戶貸款減減值撥備	5,693,681	-	139,702
Other loans and receivables	其他貸款及應收款項	2,987,342	-	757,944
Accrued interest and other accounts	應計利息及其他賬目	381,087	-	115,155
Available-for-sale securities	可供出售證券	3,678,986	28,395	3,355,336
Held-to-maturity investments	持至到期投資	895,590	-	-
Interests in associates	於聯營公司之投資	-	292,047	1,699
Investments in subsidiaries	附屬公司投資	11,701	-	247
Spot assets	現貨資產	21,497,645	514,520	5,457,571
LIABILITIES	負債			
Deposits and balances of banks	銀行同業之存款及結餘	1,166,471	-	275,725
Deposits from customers	客戶存款	18,615,740	192,465	4,299,317
Certificates of deposit issued	已發行存款證	7,905	-	-
Debt securities issued	已發行債務證券	1,469,884	-	46,048
Other accounts and liabilities	其他賬目及負債	244,184	30,682	318,481
Amounts due to subsidiaries	應付附屬公司款項	4,358	-	1,103
Subordinated notes issued	已發行後償票據	1,684,386	-	-
Spot liabilities	現貨負債	23,192,928	223,147	4,940,674
Net on-balance sheet position	資產負債表內持倉淨額	(1,695,283)	291,373	516,897
Off-balance sheet position	資產負債表外倉盤			
Foreign exchange derivative contracts	外匯衍生合約	1,772,740	(1,136)	(639,331)
Net aggregate position	總持倉淨額	77,457	290,237	(122,434)
Credit commitments and other contingent liabilities in foreign currencies	以外幣結算之信貸承擔及其他或然負債	937,156	-	317,882

50. FINANCIAL RISK MANAGEMENT (continued)**(b) Market risk management** (continued)*(iii) Interest rate risk*

The Group's interest rate positions mainly arise from treasury and commercial banking activities. Interest rate risk arises in both trading portfolios and available-for-sale portfolios. Interest rate risk primarily results from timing differences in the repricing of interest-bearing assets, liabilities and commitments. It also related to positions from non-interest bearing liabilities including shareholders' funds and current accounts, as well as from certain fixed rate loans and liabilities. Interest rate risk is managed by the treasury department within limits approved by the Board, including interest rate gap limits. The Group also uses interest rate swaps and other derivatives to manage interest rate risk.

Structural interest rate risk arises primarily from the deployment of non-interest bearing liabilities, including shareholders' funds and current accounts, as well as from certain fixed rate loans and liabilities. Structural interest rate risk is monitored by the Asset and Liability Committee.

The following tables indicate the effective interest rates for the relevant periods and the mismatches of the expected interest repricing dates for interest-bearing assets and liabilities at the balance sheet date. Actual repricing dates may differ from the contractual dates owing to prepayments and the exercise of options.

50. 財務風險管理 (續)**(b) 市場風險管理** (續)*(iii) 利率風險*

本集團之利率倉盤主要源自財資及商業銀行業務。利率風險由交易證券組合及可供出售證券組合所產生。利率風險主要由計息資產、負債及承擔之再定息率時差引致，亦與包括股東資金及往來賬戶在內之非計息負債，以及若干定息貸款及負債產生之倉盤有關。利率風險由資金部門管理，並維持在董事會批准之限額(包括利率差別限額)之內。本集團亦使用利率掉期及其他衍生工具管理利率風險。

結構利率風險主要由包括股東資金及往來賬戶在內之非計息負債，以及若干定息貸款及負債所產生。結構利率風險由資產負債委員會監控。

下表列示於結算日付息資產與負債於相關期間之實際利率及於預期利息調整日期之錯配。由於預付及行使期權，實際重訂價格日期可能不同於合約日期。

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Interest rate risk (continued)

ASSETS	資產
Cash and short-term funds	現金及短期資金
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款
Trading securities	持作交易用途之證券
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產
Derivative financial instruments	衍生金融工具
Advances to customers less impairment allowances	客戶貸款減減值撥備
Other loans and receivables	其他貸款及應收款項
Other assets	其他資產
Available-for-sale securities	可供出售證券
Held-to-maturity investments	持至到期投資
Undated assets	無定期資產
LIABILITIES	負債
Deposits and balances of banks	銀行同業之存款及結餘
Deposits from customers	客戶存款
Trading liabilities	交易賬項下之負債
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債
Certificates of deposit issued	已發行存款證
Debt securities issued	已發行債務證券
Derivative financial instruments	衍生金融工具
Other liabilities	其他負債
Subordinated notes issued	已發行後償票據
Undated liabilities	無定期負債
Interest rate sensitivity gap	利率敏感度差距

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

50. 財務風險管理 (續)

(b) 市場風險管理 (續)

(iii) 利率風險 (續)

The Group 本集團						
2009 二零零九年						
Average effective interest rate	3 months or less (include Total	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing	
平均實際利率	總額	三個月或逾部份	三個月以上至一年	一年以上至五年	五年以上	不計息
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
	0.72%	5,414,889	3,133,999	-	-	2,280,890
	2.37%	367,677	126,775	240,902	-	-
	0.27%	105,522	101,404	-	4,016	102
	5.63%	641,737	-	-	331,624	310,113
	N/A	632,010	-	-	-	632,010
	2.60%	28,571,967	27,022,548	852,075	532,172	78,463
	2.04%	3,392,218	2,548,956	368,460	474,802	-
	3.03%	1,198,332	26,867	1,460	-	1,170,005
	2.67%	17,939,073	3,680,878	3,231,213	9,325,959	1,481,701
	6.20%	902,222	-	-	902,222	-
	N/A	1,813,653	-	-	-	1,813,653
		60,979,300	36,641,427	4,694,110	11,570,795	1,560,164
						6,512,804
	0.77%	2,424,903	2,116,732	50,000	-	258,171
	0.56%	46,602,175	42,253,030	3,779,461	209,365	360,319
	0.48%	14,275	10,000	1,033	3,242	-
	0.63%	201,096	-	-	-	201,096
	0.82%	322,100	308,650	13,450	-	-
	0.25%	268,791	268,791	-	-	-
	N/A	651,896	-	-	-	651,896
	0.90%	3,356,848	958,495	678,111	948,630	771,612
	1.02%	1,640,257	-	-	1,640,257	-
	N/A	562,399	-	-	-	562,399
		56,044,740	45,915,698	4,522,055	2,801,494	201,096
						2,604,397
			(9,274,271)	172,055	8,769,301	1,359,068

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額釐定衍生工具(包括利率掉期)餘下到期日的進一步資料。

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Interest rate risk (continued)

		The Group 本集團					
		2008 二零零八年					
	Average effective interest rate	Total	3 months or less (include overdue)	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing
	平均實際利率	總額	三個月或以下(包括逾期部份)	三個月以上至一年	一年以上至五年	五年以上	不計息
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
ASSETS		資產					
Cash and short-term funds		8,014,953	6,736,729	-	-	-	1,278,224
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款	1,827,521	975,010	852,511	-	-	-
Trading securities	持作交易用途之證券	150,250	92,992	52,191	5,032	-	35
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	700,281	194,456	197,527	226,045	82,253	-
Derivative financial instruments	衍生金融工具	2,618,073	-	-	-	-	2,618,073
Advances to customers less impairment allowances	客戶貸款減減值撥備	33,033,818	28,728,978	2,486,623	1,548,035	147,626	122,556
Other loans and receivables	其他貸款及應收款項	3,745,286	2,489,017	442,289	813,980	-	-
Other assets	其他資產	767,871	130,086	-	-	-	637,785
Available-for-sale securities	可供出售證券	12,089,334	3,399,044	3,305,269	4,568,614	480,229	336,178
Held-to-maturity investments	持至到期投資	895,590	-	-	588,178	307,412	-
Undated assets	無定期資產	1,798,935	-	-	-	-	1,798,935
		65,641,912	42,746,312	7,336,410	7,749,884	1,017,520	6,791,786
LIABILITIES		負債					
Deposits and balances of banks	銀行同業之存款及結餘	1,987,014	1,597,066	86,174	-	-	303,774
Deposits from customers	客戶存款	47,997,587	44,101,815	3,427,471	591	-	467,710
Trading liabilities	交易賬項下之負債	116,145	111,740	-	4,405	-	-
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債	173,405	-	-	-	173,405	-
Certificates of deposit issued	已發行存款證	960,181	401,476	96,300	462,405	-	-
Debt securities issued	已發行債務證券	1,898,982	1,898,982	-	-	-	-
Derivative financial instruments	衍生金融工具	2,506,345	-	-	-	-	2,506,345
Other liabilities	其他負債	3,283,680	1,419,497	399,876	671,198	-	793,109
Subordinated notes issued	已發行後償票據	1,684,386	-	-	1,684,386	-	-
Undated liabilities	無定期負債	313,090	-	-	-	-	313,090
		60,920,815	49,530,576	4,009,821	2,822,985	173,405	4,384,028
Interest rate sensitivity gap	利率敏感度差距		(6,784,264)	3,326,589	4,926,899	844,115	

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Interest rate risk (continued)

ASSETS	資產
Cash and short-term funds	現金及短期資金
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款
Trading securities	持作交易用途之證券
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產
Derivative financial instruments	衍生金融工具
Advances to customers less impairment allowances	客戶貸款減減值撥備
Other loans and receivables	其他貸款及應收款項
Other assets	其他資產
Available-for-sale securities	可供出售證券
Held-to-maturity investments	持至到期投資
Amount due from subsidiaries	應收附屬公司款項
Undated assets	無定期資產
LIABILITIES	負債
Deposits and balances of banks	銀行同業之存款及結餘
Deposits from customers	客戶存款
Trading liabilities	交易賬項下之負債
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債
Certificates of deposit issued	已發行存款證
Debt securities issued	已發行債務證券
Derivative financial instruments	衍生金融工具
Other liabilities	其他負債
Amounts due to subsidiaries	應付附屬公司款項
Subordinated notes issued	已發行後償票據
Undated liabilities	無定期負債
Interest rate sensitivity gap	利率敏感度差距

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

50. 財務風險管理(續)

(b) 市場風險管理(續)

(iii) 利率風險(續)

The Bank 本行						
2009 二零零九年						
Average effective interest rate	3 months or less (include Total	Over 3 months or less (include overdue	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Non-interest bearing
平均實際利率	總額	三個月或以下(包括逾期部份)	三個月以上至一年	一年以上至五年	五年以上	不計息
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
0.72%	5,413,566	3,133,999	-	-	-	2,279,567
2.86%	290,902	50,000	240,902	-	-	-
0.27%	105,420	101,404	-	4,016	-	-
5.63%	641,737	-	-	331,624	-	310,113
N/A	632,010	-	-	-	-	632,010
2.33%	26,947,698	26,309,105	260,908	235,550	78,463	63,672
2.04%	3,392,218	2,548,956	368,460	474,802	-	-
3.03%	1,170,056	26,867	1,460	-	-	1,141,729
2.67%	17,939,071	3,680,878	3,231,213	9,325,959	1,481,701	219,320
6.20%	902,222	-	-	902,222	-	-
0.15%	2,043,318	2,028,246	-	-	-	15,072
N/A	1,947,728	-	-	-	-	1,947,728
	61,425,946	37,879,455	4,102,943	11,274,173	1,560,164	6,609,211
0.77%	2,424,903	2,116,732	50,000	-	-	258,171
0.56%	46,602,175	42,253,030	3,779,461	209,365	-	360,319
0.48%	14,275	10,000	1,033	3,242	-	-
0.63%	201,096	-	-	-	201,096	-
0.82%	322,100	308,650	13,450	-	-	-
0.25%	268,791	268,791	-	-	-	-
N/A	651,896	-	-	-	-	651,896
0.90%	3,344,254	958,495	678,111	948,630	-	759,018
0.02%	870,689	794,932	-	-	-	75,757
1.02%	1,640,257	-	-	1,640,257	-	-
N/A	536,821	-	-	-	-	536,821
	56,877,257	46,710,630	4,522,055	2,801,494	201,096	2,641,982
		(8,831,175)	(419,112)	8,472,679	1,359,068	

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Interest rate risk (continued)

		The Bank 本行					
		2008 二零零八年					
	Average effective interest rate	3 months or less (include Total	Over 3 months to 1 year (include overdue 三個月或以下(包括逾期部份)	Over 1 year to 5 years	Over 5 years	Non-interest bearing	
	平均實際利率	總額	三個月以上至一年	一年以上至五年	五年以上	不計息	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
ASSETS	資產						
Cash and short-term funds	現金及短期資金	1.02%	8,002,895	6,736,729	-	-	1,266,166
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款	2.61%	1,827,521	975,010	852,511	-	-
Trading securities	持作交易用途之證券	0.29%	150,215	92,992	52,191	5,032	-
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	6.60%	700,281	194,456	197,527	226,045	82,253
Derivative financial instruments	衍生金融工具	N/A	2,618,073	-	-	-	2,618,073
Advances to customers less impairment allowances	客戶貸款減減值撥備	3.13%	28,938,533	27,554,319	978,894	183,329	147,626
Other loans and receivables	其他貸款及應收款項	4.69%	3,745,286	2,489,017	442,289	813,980	-
Other assets	其他資產	3.96%	722,630	130,086	-	-	592,544
Available-for-sale securities	可供出售證券	3.37%	12,089,334	3,399,044	3,305,269	4,568,614	480,229
Held-to-maturity investments	應收附屬公司款項	6.24%	895,590	-	-	588,178	307,412
Amount due from subsidiaries	持至到期投資	1.99%	5,810,245	5,759,256	-	-	50,989
Undated assets	無定期資產	N/A	1,845,557	-	-	-	1,845,557
			67,346,160	47,330,909	5,828,681	6,385,178	1,017,520
							6,783,872
LIABILITIES	負債						
Deposits and balances of banks	銀行同業之存款及結餘	4.93%	1,986,951	1,597,066	86,174	-	303,711
Deposits from customers	客戶存款	1.77%	47,997,587	44,101,815	3,427,471	591	467,710
Trading liabilities	交易賬項下之負債	0.12%	116,145	111,740	-	4,405	-
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債	4.81%	173,405	-	-	-	173,405
Certificates of deposit issued	已發行存款證	2.82%	960,181	401,476	96,300	462,405	-
Debt securities issued	已發行債務證券	3.35%	1,898,982	1,898,982	-	-	-
Derivative financial instruments	衍生金融工具	N/A	2,506,345	-	-	-	2,506,345
Other liabilities	其他負債	0.75%	3,245,633	1,419,497	399,876	671,198	755,062
Amounts due to subsidiaries	應付附屬公司款項	1.01%	2,336,900	2,255,665	5,518	-	75,717
Subordinated notes issued	已發行後價票據	1.26%	1,684,386	-	-	1,684,386	-
Undated liabilities	無定期負債	N/A	248,966	-	-	-	248,966
			63,155,481	51,786,241	4,015,339	2,822,985	173,405
							4,357,511
Interest rate sensitivity gap	利率敏感度差距		(4,455,332)	1,813,342	3,562,193	844,115	

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. FINANCIAL RISK MANAGEMENT (continued)**(c) Liquidity risk management**

The purpose of liquidity management is to ensure sufficient cash flows to meet all financial commitments and to capitalize on opportunities for business expansion. This includes the Group's ability to meet deposit withdrawals either on demand or at contractual maturity, to repay borrowings as they mature, to comply with the statutory liquidity ratio, and to make new loans and investments as opportunities arise.

Liquidity is managed on a daily basis by the treasury department under the direction of the Asset and Liability Committee. The treasury department is responsible for ensuring that the Group has adequate liquidity for all operations, ensuring that the funding mix is appropriate so as to avoid maturity mismatches and to prevent price and reinvestment rate risk in case of a maturity gap, and monitoring relevant markets for the adequacy of funding and liquidity.

As part of its liquidity risk management, the Group focuses on a number of components, including maintaining sufficient liquid assets, maintaining diversified source of liquidity, reserving necessary funding capacity and contingent planning. The Group manages liquidity risk by holding sufficient liquid assets (e.g. cash, short term funds and securities) of appropriate quality to ensure that short term funding requirements are covered within prudent limits. In order to lengthen the duration of the funding, the Bank periodically issues certificates of deposit with maturities of not more than 5 years. Adequate standby facilities are maintained to provide strategic liquidity to meet unexpected and material cash outflows in the ordinary course of business. The Group regularly performs stress tests on its liquidity position.

The Group's consolidated average liquidity ratio for the year ended 31 December 2009 was well above the statutory minimum ratio of 25%.

50. 財務風險管理 (續)**(c) 流動資金風險管理**

流動資金風險管理旨在確保足夠現金流量以滿足所有財務承擔之所需及滿足業務擴展之所需。有關措施涵蓋本集團應付因客戶需要或合約到期產生之存款提取、於借款到期時因償還貸款、為符合法定流動資金比率所需保持資金流動性及當新貸款及投資機會出現時所需資金。

資金部門在資產負債委員會指導下每日對流動資金進行管理。資金部門負責確保本集團擁有所有營運活動所需之充足流動資金、確保資金之適當組合以避免期限錯配並在存在年期差距時防止價格及再投資利率風險並為確保充足資金及流動資金監控相關市場。

作為其流動資金風險管理之一部分，本集團集中於數個項目，包括保持充足流動資產、拓闊流動資金來源、維持所需的融資能力及應變計劃。本集團透過持有充足適當質量之流動資產（如現金及短期基金與證券）確保短期資金需求在審慎限額內來管理流動資金風險。為延長資金之持續期，本行定期發行五年內期滿之存款證。維持適當之備用貸款以提供策略性流動資金應付正常業務過程中可能出現之突然及重大現金流出。本集團定期對其流動資金狀況進行壓力測試。

本集團於截至二零零九年十二月三十一日止年度之綜合平均流動資金比率遠高於法定最低比率25%。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

- (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.

		The Group 本集團							
		2009 二零零九年							
		Repayable		Within 1	Over 1	Over 3	Over 1	Over 5	Undated or
		Total	on demand	month	month but	within 3	within 1	year but	years
					within 3	months	year	within 5	years
		總額	即時還款	一個月內	一個月以上	三個月以上	一年以上	五年以上	無定期
		HK\$'000	HK\$'000	HK\$'000	三個月以內	一年以內	五年以內	五年以上	或逾期
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
ASSETS	資產								
Cash and short-term funds	現金及短期資金	5,414,889	2,479,867	2,935,022	-	-	-	-	-
Placements with and advances to banks and other financial institutions	銀行同業及其他金融機構放款及貸款	367,677	-	-	76,775	240,902	50,000	-	-
Trading securities	持作交易用途之證券	105,522	-	15,000	86,404	-	4,016	-	102
Financial assets designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融資產	641,737	-	-	-	-	331,624	-	310,113
Derivative financial instruments	衍生金融工具	632,010	-	-	-	-	-	-	632,010
Advances to customers less impairment allowances	客戶貸款減減值撥備	28,571,967	791,253	4,250,113	1,503,985	2,748,130	9,552,263	9,524,838	201,385
Other loans and receivables	其他貸款及應收款項	3,392,218	-	-	-	828,169	2,564,049	-	-
Other assets	其他資產	1,198,332	-	1,072,134	26,048	65,006	35,144	-	-
Available-for-sale securities	可供出售證券	17,939,073	-	50,804	804,133	3,509,535	11,578,645	1,776,634	219,322
Held-to-maturity investments	持至到期投資	902,222	-	-	-	-	902,222	-	-
Undated assets	無定期資產	1,813,653	-	-	-	-	-	-	1,813,653
		60,979,300	3,271,120	8,323,073	2,497,345	7,391,742	25,017,963	11,301,472	3,176,585
LIABILITIES	負債								
Deposits and balances of banks	銀行同業之存款及結餘	2,424,903	258,032	1,642,395	474,476	50,000	-	-	-
Deposits from customers	客戶存款	46,602,175	15,282,618	18,295,670	9,025,368	3,779,461	209,364	9,694	-
Trading liabilities	交易賬項下之負債	14,275	-	10,000	-	1,033	3,242	-	-
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債	201,096	-	-	-	-	-	201,096	-
Certificates of deposit issued	已發行存款證	322,100	-	-	8,650	13,450	300,000	-	-
Debt securities issued	已發行債務證券	268,791	-	52,086	62,938	143,685	-	10,082	-
Derivative financial instruments	衍生金融工具	651,896	-	-	-	-	-	-	651,896
Other liabilities	其他負債	3,356,848	-	1,614,893	47,683	745,628	948,644	-	-
Subordinated notes issued	已發行後償票據	1,640,257	-	-	-	-	-	1,640,257	-
Undated liabilities	無定期負債	562,399	-	-	-	-	-	-	562,399
		56,044,740	15,540,650	21,615,044	9,619,115	4,733,257	1,461,250	1,861,129	1,214,295
Net liquidity gap	流動資金缺口淨額		12,269,530	13,291,971	7,121,770	(2,658,485)	(23,556,713)	(9,440,343)	

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

- (i) 按剩餘期限分析之資產及負債
下列期限組別乃基於結算日至合約訂明到期日之剩餘期限。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

Of which:		其中：
Certificate of deposits held		持有存款證
- Included in available-for-sale securities		- 納入可供出售證券
Debt securities held *		持有債務證券*
- Included in trading securities		- 納入持作交易用途之證券
- Included in financial assets designated at fair value through profit or loss		- 納入指定為通過損益以反映公平價值之金融資產
- Included in loans and receivable		- 納入貸款及應收款項
- Included in available-for-sale securities		- 納入可供出售證券
- Included in held-to-maturity investments		- 納入持至到期投資
Certificates of deposit issued		已發行存款證
- Stated at amortised cost		- 按攤銷成本列賬

* The amount of debt securities held included certificate of deposits held.

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

(i) 按剩餘期限分析之資產及負債(續)

		The Group 本集團					
		2009 二零零九年					
		Over 1 month but	Over 3 months but	Over 1 year but	Over 5 years	Over 5 years	Undated or overdue
Total	Repayable on demand	Within 1 month	within 3 months	within 1 year	within 5 years	years	無定期
總額	即時還款	一個月內	三個月以內	一年以內	五年以內	五年以上	或逾期
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
-	-	-	-	-	-	-	-
105,420	-	15,000	86,404	-	4,016	-	-
641,737	-	-	-	-	331,624	-	310,113
3,392,218	-	-	-	828,169	2,564,049	-	-
17,728,988	-	50,804	804,133	3,509,535	11,578,645	1,776,634	9,237
902,222	-	-	-	-	902,222	-	-
22,770,585	-	65,804	890,537	4,337,704	15,380,556	1,776,634	319,350
322,100	-	-	8,650	13,450	300,000	-	-

* 持有債務證券的金額已計入持有存款證。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		The Group 本集團								
		2008 二零零八年								
		Total	Repayable on demand	Within 1 month	Over 1 month but within 3 months	Over 3 months but within 1 year	Over 1 year but within 5 years	Over 5 years	Undated or overdue	
		總額	即時還款	一個月內	三個月以內	一年以內	五年以內	五年以上	或逾期	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	千港元
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
ASSETS	資產									
Cash and short-term funds	現金及短期資金	8,014,953	1,278,223	6,736,730	-	-	-	-	-	-
Placements with and advances to banks and other financial institutions	銀行同業及其他 金融機構放款及貸款	1,827,521	-	-	975,010	852,511	-	-	-	-
Trading securities	持作交易用途之證券	150,250	-	64,998	27,994	52,191	5,032	-	35	-
Financial assets designated at fair value through profit or loss	指定為通過損益以反映 公平價值之金融資產	700,281	-	-	194,456	197,527	226,046	82,252	-	-
Derivative financial instruments	衍生金融工具	2,618,073	-	-	-	-	-	-	2,618,073	-
Advances to customers less impairment allowances	客戶貸款減減值撥備	33,033,818	958,090	4,542,224	2,883,225	4,234,941	10,431,053	9,836,489	147,796	-
Other loans and receivables	其他貸款及應收款項	3,745,286	-	-	-	420,194	3,325,092	-	-	-
Other assets	其他資產	767,871	-	406,858	111,083	151,194	98,736	-	-	-
Available-for-sale securities	可供出售證券	12,089,334	-	257,602	1,068,518	3,538,098	5,753,168	1,135,770	336,178	-
Held-to-maturity investments	持至到期投資	895,590	-	-	-	-	588,177	307,413	-	-
Undated assets	無定期資產	1,798,935	-	-	-	-	-	-	-	1,798,935
		65,641,912	2,236,313	12,008,412	5,260,286	9,446,656	20,427,304	11,361,924	4,901,017	
LIABILITIES	負債									
Deposits and balances of banks	銀行同業之存款及結餘	1,987,014	303,773	1,488,444	108,623	86,174	-	-	-	-
Deposits from customers	客戶存款	47,997,587	9,969,959	24,524,720	9,872,003	3,427,471	30,994	172,440	-	-
Trading liabilities	交易賬項下之負債	116,145	-	-	111,741	-	4,404	-	-	-
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映 公平價值之金融負債	173,405	-	-	-	-	-	173,405	-	-
Certificates of deposit issued	已發行存款證	960,181	-	20,000	791,981	141,400	6,800	-	-	-
Debt securities issued	已發行債務證券	1,898,982	-	-	64,330	1,504,281	290,380	39,991	-	-
Derivative financial instruments	衍生金融工具	2,506,345	-	-	-	-	-	-	2,506,345	-
Other liabilities	其他負債	3,283,680	-	1,767,022	320,751	524,611	671,296	-	-	-
Subordinated notes issued	已發行後償票據	1,684,386	-	-	-	-	-	1,684,386	-	-
Undated liabilities	無定期負債	313,090	-	-	-	-	-	-	-	313,090
		60,920,815	10,273,732	27,800,186	11,269,429	5,683,937	1,003,874	2,070,222	2,819,435	
Net liquidity gap	流動資金缺口淨額		8,037,419	15,791,774	6,009,143	(3,762,719)	(19,423,430)	(9,291,702)		

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		The Group 本集團						
		2008 二零零八年						
		Over 1 month but	Over 3 months but	Over 1 year but	Over 5 years	Over 5 years	Undated or overdue	
		Repayable on demand	Within 1 month	within 3 months	within 1 year	within 5 years	Over 5 years	
		Total	總額	一個月以上	三個月以上	一年以上	五年以上	
		HK\$'000	千港元	HK\$'000	千港元	HK\$'000	千港元	
		千港元	千港元	千港元	千港元	千港元	千港元	
Of which:	其中：							
Certificate of deposits held	持有存款證							
- Included in available-for-sale securities	- 納入可供出售證券	472,897	-	112,575	-	360,322	-	
Debt securities held *	持有債務證券*							
- Included in trading securities	- 納入持作交易用途之證券	150,215	-	64,998	27,994	52,191	5,032	
- Included in financial assets designated at fair value through profit or loss	- 納入指定為通過損益以反映公平價值之金融資產	700,281	-	-	194,456	197,527	226,046	
- Included in loans and receivable	- 納入貸款及應收款項	3,745,286	-	-	-	420,194	3,325,092	
- Included in available-for-sale securities	- 納入可供出售證券	11,770,575	-	257,602	1,068,518	3,538,098	5,753,168	
- Included in held-to-maturity investments	- 納入持至到期投資	895,590	-	-	-	588,177	307,413	
		17,261,947	-	322,600	1,290,968	4,208,010	9,897,515	
							1,525,435	
							17,419	
Certificates of deposit issued	已發行存款證							
- Stated at amortised cost	- 按攤銷成本列賬	960,181	-	20,000	791,981	141,400	6,800	

* The amount of debt securities held included certificate of deposits held.

* 持有債務證券的金額已計入持有存款證。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

	資產							
	現金及短期資金							
	銀行同業及其他							
	金融機構放款及貸款							
	持作交易用途之證券							
	指定為通過損益以反映							
	公平價值之金融資產							
	衍生金融工具							
	客戶貸款減值撥備							
	其他貸款及應收款項							
	其他資產							
	可供出售證券							
	持至到期投資							
	應收附屬公司款項							
	無定期資產							
	負債							
	銀行同業之存款及結餘							
	客戶存款							
	交易賬項下之負債							
	指定為通過損益以反映							
	公平價值之金融負債							
	已發行存款證							
	已發行債務證券							
	衍生金融工具							
	其他負債							
	應付附屬公司款項							
	已發行後償票據							
	無定期負債							
	流動資金缺口淨額							
ASSETS								
Cash and short-term funds	5,413,566	2,478,544	2,935,022	-	-	-	-	-
Placements with and advances to banks and other financial institutions	290,902	-	-	-	240,902	50,000	-	-
Trading securities	105,420	-	15,000	86,404	-	4,016	-	-
Financial assets designated at fair value through profit or loss	641,737	-	-	-	-	331,624	-	310,113
Derivative financial instruments	632,010	-	-	-	-	-	-	632,010
Advances to customers less impairment allowances	26,947,698	782,017	4,127,499	1,277,233	2,114,047	9,177,221	9,375,005	94,676
Other loans and receivables	3,392,218	-	-	-	828,169	2,564,049	-	-
Other assets	1,170,056	-	1,042,850	26,048	70,540	30,618	-	-
Available-for-sale securities	17,939,071	-	50,804	804,133	3,509,535	11,578,645	1,776,634	219,320
Held-to-maturity investments	902,222	-	-	-	-	902,222	-	-
Amounts due from subsidiaries	2,043,318	13,022	900,322	1,128,371	-	-	-	1,603
Undated assets	1,947,728	-	-	-	-	-	-	1,947,728
	61,425,946	3,273,583	9,071,497	3,322,189	6,763,193	24,638,395	11,151,639	3,205,450
LIABILITIES								
Deposits and balances of banks	2,424,903	258,032	1,642,395	474,476	50,000	-	-	-
Deposits from customers	46,602,175	15,282,618	18,295,670	9,025,368	3,779,461	209,364	9,694	-
Trading liabilities	14,275	-	10,000	-	1,033	3,242	-	-
Financial liabilities designated at fair value through profit or loss	201,096	-	-	-	-	-	201,096	-
Certificates of deposit issued	322,100	-	-	8,650	13,450	300,000	-	-
Debt securities issued	268,791	-	52,086	62,938	143,685	-	10,082	-
Derivative financial instruments	651,896	-	-	-	-	-	-	651,896
Other liabilities	3,344,254	-	1,602,299	47,683	745,628	948,644	-	-
Amounts due to subsidiaries	870,689	71,203	779,959	10,039	5,598	-	-	3,890
Subordinated notes issued	1,640,257	-	-	-	-	-	1,640,257	-
Undated liabilities	536,821	-	-	-	-	-	-	536,821
	56,877,257	15,611,853	22,382,409	9,629,154	4,738,855	1,461,250	1,861,129	1,192,607
Net liquidity gap	12,338,270	13,310,912	6,306,965	(2,024,338)	(23,177,145)	(9,290,510)		

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

(i) 按剩餘期限分析之資產及負債(續)

		The Bank 本行						
		2009 二零零九年						
	Repayable Total	Within 1 month	Over 1 month but within 3 months	Over 3 months but within 1 year	Over 1 year but within 5 years	Over 5 years	Undated or overdue	
	即時還款	一個月內	一個月以上 三個月以內	三個月以上 一年以內	一年以上 五年以內	五年以上	無定期 或逾期	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
ASSETS								
Cash and short-term funds	5,413,566	2,478,544	2,935,022	-	-	-	-	
Placements with and advances to banks and other financial institutions	290,902	-	-	-	240,902	50,000	-	
Trading securities	105,420	-	15,000	86,404	-	4,016	-	
Financial assets designated at fair value through profit or loss	641,737	-	-	-	-	331,624	-	
Derivative financial instruments	632,010	-	-	-	-	-	632,010	
Advances to customers less impairment allowances	26,947,698	782,017	4,127,499	1,277,233	2,114,047	9,177,221	9,375,005	
Other loans and receivables	3,392,218	-	-	-	828,169	2,564,049	-	
Other assets	1,170,056	-	1,042,850	26,048	70,540	30,618	-	
Available-for-sale securities	17,939,071	-	50,804	804,133	3,509,535	11,578,645	1,776,634	
Held-to-maturity investments	902,222	-	-	-	-	902,222	-	
Amounts due from subsidiaries	2,043,318	13,022	900,322	1,128,371	-	-	-	
Undated assets	1,947,728	-	-	-	-	-	-	
	61,425,946	3,273,583	9,071,497	3,322,189	6,763,193	24,638,395	11,151,639	
LIABILITIES								
Deposits and balances of banks	2,424,903	258,032	1,642,395	474,476	50,000	-	-	
Deposits from customers	46,602,175	15,282,618	18,295,670	9,025,368	3,779,461	209,364	9,694	
Trading liabilities	14,275	-	10,000	-	1,033	3,242	-	
Financial liabilities designated at fair value through profit or loss	201,096	-	-	-	-	-	201,096	
Certificates of deposit issued	322,100	-	-	8,650	13,450	300,000	-	
Debt securities issued	268,791	-	52,086	62,938	143,685	-	10,082	
Derivative financial instruments	651,896	-	-	-	-	-	-	
Other liabilities	3,344,254	-	1,602,299	47,683	745,628	948,644	-	
Amounts due to subsidiaries	870,689	71,203	779,959	10,039	5,598	-	-	
Subordinated notes issued	1,640,257	-	-	-	-	-	1,640,257	
Undated liabilities	536,821	-	-	-	-	-	-	
	56,877,257	15,611,853	22,382,409	9,629,154	4,738,855	1,461,250	1,861,129	
Net liquidity gap	12,338,270	13,310,912	6,306,965	(2,024,338)	(23,177,145)	(9,290,510)		

衍生金融工具按市價計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

Of which:	其中：
Certificate of deposits held	持有存款證
- Included in Available-for-sale securities	- 納入可供出售證券
Debt securities held *	持有債務證券*
- Included in trading securities	- 納入持作交易用途之證券
- Included in financial assets designated at fair value through profit or loss	- 納入指定為通過損益以反映公平價值之金融資產
- Included in loans and receivable	- 納入貸款及應收款項
- Included in available-for-sale securities	- 納入可供出售證券
- Included in held-to-maturity investments	- 納入持至到期投資
Certificates of deposit issued	已發行存款證
- Stated at amortised cost	- 按攤銷成本列賬

* The amount of debt securities held included certificate of deposits held.

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

(i) 按剩餘期限分析之資產及負債(續)

		The Bank 本行							
		2009 二零零九年							
		Over 1 month but	Over 3 months but	Over 1 within 1 year	Over 1 within 5 years	Over 5 years	Undated or overdue		
		Repayable Total on demand	Within 1 month	within 3 months	within 1 year	within 5 years	Over 5 years	Undated or overdue	
		總額	一個月內	三個月以內	一年以內	五年以內	五年以上	或逾期	
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
-	-	-	-	-	-	-	-	-	-
105,420	-	15,000	86,404	-	4,016	-	-	-	-
641,737	-	-	-	-	331,624	-	310,113	-	-
3,392,218	-	-	-	828,169	2,564,049	-	-	-	-
17,728,988	-	50,804	804,133	3,509,535	11,578,645	1,776,634	9,237	-	-
902,222	-	-	-	-	902,222	-	-	-	-
22,770,585	-	65,804	890,537	4,337,704	15,380,556	1,776,634	319,350	-	-
322,100	-	-	8,650	13,450	300,000	-	-	-	-

* 持有債務證券的金額已計入持有存款證。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		The Bank 本行						
		2008 二零零八年						
	Total	Repayable on demand	Within 1 month	Over 1 month but within 3 months	Over 3 months but within 1 year	Over 1 year but within 5 years	Over 5 years	Undated or overdue
	總額	即時還款	一個月內	三個月以內	一年以內	五年以內	五年以上	無定期 或逾期
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
ASSETS	資產							
Cash and short-term funds	8,002,895	1,266,165	6,736,730	-	-	-	-	-
Placements with and advances to banks and other financial institutions	1,827,521	-	-	975,010	852,511	-	-	-
Trading securities	150,215	-	64,998	27,994	52,191	5,032	-	-
Financial assets designated at fair value through profit or loss	700,281	-	-	194,456	197,527	226,046	82,252	-
Derivative financial instruments	2,618,073	-	-	-	-	-	-	2,618,073
Advances to customers less impairment allowances	28,938,533	941,143	4,317,377	2,443,960	2,633,454	8,916,694	9,605,957	79,948
Other loans and receivables	3,745,286	-	-	-	420,194	3,325,092	-	-
Other assets	722,630	-	381,750	111,030	154,685	75,165	-	-
Available-for-sale securities	12,089,334	-	257,602	1,068,518	3,538,098	5,753,168	1,135,770	336,178
Held-to-maturity investments	895,590	-	-	-	-	588,177	307,413	-
Amounts due from subsidiaries	5,810,245	35,127	2,224,956	3,548,386	-	-	-	1,776
Undated assets	1,845,557	-	-	-	-	-	-	1,845,557
	67,346,160	2,242,435	13,983,413	8,369,354	7,848,660	18,889,374	11,131,392	4,881,532

50. 財務風險管理 (續)

(c) 流動資金風險管理 (續)

(i) 按剩餘期限分析之資產及負債 (續)

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		The Bank 本行								
		2008 二零零八年								
		Over 1 month but		Over 3 months but		Over 1 year but				
		Repayable on demand	Within 1 month	within 3 months	within 1 year	within 5 years	Over 5 years	Undated or overdue		
		Total								
		總額	即時還款	一個月內	三個月以內	一年以內	五年以內	五年以上	或逾期	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
LIABILITIES	負債									
Deposits and balances of banks	銀行同業之存款及結餘	1,986,951	303,710	1,488,444	108,623	86,174	-	-	-	
Deposits from customers	客戶存款	47,997,587	9,969,959	24,524,720	9,872,003	3,427,471	30,994	172,440	-	
Trading liabilities	交易賬項下之負債	116,145	-	-	111,741	-	4,404	-	-	
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債	173,405	-	-	-	-	-	173,405	-	
Certificates of deposit issued	已發行存款證	960,181	-	20,000	791,981	141,400	6,800	-	-	
Debt securities issued	已發行債務證券	1,898,982	-	-	64,330	1,504,281	290,380	39,991	-	
Derivative financial instruments	衍生金融工具	2,506,345	-	-	-	-	-	-	2,506,345	
Other liabilities	其他負債	3,245,633	-	1,728,958	320,755	524,624	671,296	-	-	
Amounts due to subsidiaries	應付附屬公司款項	2,336,900	63,526	2,050,699	213,013	5,531	-	-	4,131	
Subordinated notes issued	已發行後償票據	1,684,386	-	-	-	-	-	1,684,386	-	
Undated liabilities	無定期負債	248,966	-	-	-	-	-	-	248,966	
		63,155,481	10,337,195	29,812,821	11,482,446	5,689,481	1,003,874	2,070,222	2,759,442	
Net liquidity gap	流動資金缺口淨額		8,094,760	15,829,408	3,113,092	(2,159,179)	(17,885,500)	(9,061,170)		

Derivative financial instruments are carried at mark-to-market values. Note 21(d) includes further information on the remaining maturity of derivatives, including interest rate swaps, by notional amount.

衍生金融工具按市值計價列賬。附註21(d)包括按名義金額分析衍生工具(包括利率掉期)剩餘期限的進一步資料。

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

(i) 按剩餘期限分析之資產及負債(續)

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

		The Bank 本行						
		2008 二零零八年						
		Over 1	Over 3	Over 1	Over 1	Over 5	Undated or	
		month but	months but	year but	within 5	years	overdue	
		Repayable	Within 1	within 3	within 1	Over 5	Overdue	
		on demand	month	months	year	years	or	
		Total	month	months	year	years	overdue	
		總額	一個月內	三個月以內	一年以內	五年以內	無定期	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	或逾期	
		千港元	千港元	千港元	千港元	千港元	千港元	
Of which:	其中：							
Certificate of deposits held	持有存款證							
- Included in Available-for-sale securities	- 納入可供出售證券	472,897	-	112,575	-	360,322	-	
Debt securities held *	持有債務證券*							
- Included in trading securities	- 納入持作交易用途之證券	150,215	-	64,998	27,994	52,191	5,032	
- Included in financial assets designated at fair value through profit or loss	- 納入指定為通過損益以反映公平價值之金融資產	700,281	-	-	194,456	197,527	226,046	
- Included in loans and receivable	- 納入貸款及其他應收款項	3,745,286	-	-	-	420,194	3,325,092	
- Included in available-for-sale securities	- 納入可供出售證券	11,770,575	-	257,602	1,068,518	3,538,098	5,753,168	
- Included in held-to-maturity investments	- 納入持至到期投資	895,590	-	-	-	588,177	307,413	
		17,261,947	-	322,600	1,290,968	4,208,010	9,897,515	
						1,525,435	17,419	
Certificates of deposit issued	已發行存款證							
- Stated at amortised cost	- 按攤銷成本列賬	960,181	-	20,000	791,981	141,400	6,800	

* The amount of debt securities held included certificate of deposits held

* 持有債務證券的金額已計入持有存款證。

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

- (ii) *Analysis of non-derivative liabilities by contractual maturities*
The following contractual cash flow projections of the Group's financial liabilities, and off-balance sheet exposures analysed by the remaining period as at balance sheet dates to the contractual maturity dates. The balances in the tables below will not agree directly to the balances in the consolidated balance sheet as the table incorporates all cash flows, on an undiscounted basis, related to both principal as well as those associated with all future interest and coupon payments.

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

- (ii) *按合約到期日作出之非衍生負債分析*
下列為按結算日至合約到期日之剩餘期限分析之本集團金融負債及資產負債表外風險之合約現金流預期。下表結餘將不會直接等同於綜合資產負債表之結餘，因為下表包含與全部未來票息付款之本金及相關款項有關之所有現金流(根據未折現基準)。

		The Group 本集團						
		2009 二零零九年						
		Repayable on demand		Within 1 month	Over 1 month but within 3 months	Over 3 months but within 1 year	Over 1 year but within 5 years	Over 5 years
		Total	demand	month	months	year	years	years
		總額	即時還款	一個月內	三個月以內	一年以內	五年以內	五年以上
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Financial liabilities	金融負債							
Deposits and balances of banks	銀行同業之存款及結餘	2,433,568	258,171	1,642,877	482,420	50,100	-	-
Deposits from customers	客戶存款	46,680,316	15,282,618	18,313,584	9,052,927	3,806,415	214,986	9,786
Trading liabilities	交易賬項下之負債	14,431	-	10,000	-	1,152	3,279	-
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債	542,156	-	446	-	1,325	7,091	533,294
Certificates of deposit issued	已發行存款證	326,647	-	413	8,850	15,591	301,793	-
Debt securities issued	已發行債務證券	270,353	-	52,128	63,055	143,943	523	10,704
Subordinated notes issued	已發行後償票據	1,572,168	-	1,227	2,586	12,096	5,259	1,551,000
Other liabilities	其他負債	3,784,227	-	2,119,028	9,709	731,673	923,817	-
		55,623,866	15,540,789	22,139,703	9,619,547	4,762,295	1,456,748	2,104,784
Off-balance sheet exposures	資產負債表外風險							
- Contingent liabilities	- 或然負債	423,530	-	423,530	-	-	-	-
- Commitments	- 承擔	11,597,793	11,597,793	-	-	-	-	-
		12,021,323	11,597,793	423,530	-	-	-	-

50. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(ii) Analysis of non-derivative liabilities by contractual maturities (continued)

Financial liabilities		金融負債	
Deposits and balances of banks	銀行同業之存款及結餘		
Deposits from customers	客戶存款		
Trading liabilities	交易賬項下之負債		
Financial liabilities designated at fair value through profit or loss	指定為通過損益以反映公平價值之金融負債		
Certificates of deposit issued	已發行存款證		
Debt securities issued	已發行債務證券		
Subordinated notes issued	已發行後償票據		
Other liabilities	其他負債		

Off-balance sheet exposures

- Contingent liabilities
- Commitments

資產負債表外風險

- 或然負債
- 承擔

50. 財務風險管理(續)

(c) 流動資金風險管理(續)

(ii) 按合約到期日作出之非衍生負債分析(續)

Total		Repayable on demand		Within 1 month		Over 1 month but within 3 months		Over 3 months but within 1 year		Over 1 year but within 5 years		Over 5 years	
總額	即時還款	一個月內	三個月以內	一年以內	五年以內	五年以上							
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	千港元	千港元	千港元	千港元	千港元	千港元	千港元
2,013,374	303,773	1,510,941	110,746	87,914	-	-							
48,263,266	10,088,743	24,488,771	9,934,515	3,506,290	224,822	20,125							
116,348	-	-	111,766	151	4,431	-							
685,057	-	3,260	-	-	51,782	630,015							
988,817	-	20,168	799,601	155,027	14,021	-							
1,943,178	-	45,045	35,407	1,524,142	295,872	42,712							
1,595,923	-	1,515	3,194	14,994	26,200	1,550,020							
3,508,766	30,667	1,869,513	349,446	559,944	699,147	49							
59,114,729	10,423,183	27,939,213	11,344,675	5,848,462	1,316,275	2,242,921							

717,833	-	717,833	-	-	-	-
13,166,603	12,950,349	216,254	-	-	-	-
13,884,436	12,950,349	934,087	-	-	-	-

50. FINANCIAL RISK MANAGEMENT (continued)**(d) Operational risk management**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. Operational risks arise from the Group's daily operation and fiduciary activities. An appropriate and robust Operational Risk Management Policy and related framework has been developed, based on the HKMA guidelines, to facilitate the timely identification, effective assessment and mitigation of material and relevant risks. Through this framework, the management oversight for risk exposures, especially in the prioritisation and allocation of limited risk mitigating resources, can further be strengthened.

The board of directors, through the Risk Management Committee, is aware of the major aspects of the bank's operational risks as a distinct risk category that should be managed. The Committee performs regular review and approves the operational risk framework, risk profiles, policies and guidelines. The Committee also plays an active role in monitoring the progress of implementation of mitigating measures for the risk events identified, including Business Continuity Planning, Key Risk Indicator monitoring and Basel II implementation.

Internal controls, an integral part of a sound operational risk management framework, are maintained by the established departmental operational manuals which provide guidance on the baseline controls to ensure a controlled and sound operating environment. Each new product or service introduced is subject to a rigorous risk review and sign-off process where all relevant risks are identified and assessed by departments independent of the risk-taking unit proposing the product or services. Variations of existing products or services are also subject to a similar process. Departments are required to report any risk events and failings promptly through a reporting mechanism, as well as to review their control procedures regularly to ensure compliance of the regulatory and industry requirements.

The Bank's internal audit and compliance departments play an essential role in monitoring and limiting the Group's operational risk. The primary focus of internal audit and compliance is:

- to independently evaluate the adequacy of all internal controls,
- to ensure adherence to the operating guidelines, including regulatory and legal requirements, and
- to pro-actively recommend improvements

In order to ensure total independence, internal audit reports directly to the Audit Committee of the board as well as indirectly to the Chief Executive.

50. 財務風險管理 (續)**(d) 營運風險管理**

營運風險是指因不充足或缺乏效率之內部程序、人員或制度或外在事故，致使產生損失的風險。營運風險產生自本集團之日常營運及信託業務。為提升察覺時間性、有效地評估及減低重大和相關風險，已根據金管局之指引建立適當及健全之營運風險管理政策及相關框架。透過該框架，管理層對風險之監察，尤其是對有限之減低風險資源之優先取捨及分配便能夠進一步加強。

透過風險管理委員會，董事會已注意到本行之營運風險作為一項單獨之風險類別的主要情況，須對此進行管理。該委員會定期審閱及批准營運風險框架、風險簡述、政策及指引。對於所發現之風險事故所採取之緩和措施(包括業務延續性規劃、主要風險指標監察及巴塞爾新資本協定之落實)方面，該委員會在監察該等緩和措施的實施進度上亦發揮積極之作用。

內部控制作為穩健營運風險管理框架之重要部分，已按照所建立之部門營運手冊(載有基本控制之指引，確保一個受控制且穩健的營運環境)而實施。各新產品或服務須進行嚴格風險檢討，並於建議該產品或服務之獨立風險管理部門定義及評估所有相關風險完成後，方可引進。更改現有產品或服務亦須受類似程序限制。部門須透過匯報機制迅速報告任何風險事故及不善之處，同時定期檢討其控制程序，以確保符合監管及行業規定。

本集團之內部審核及合規部門在監察及限定本集團營運風險方面具有重要作用。內部審核及監察主要專注於：

- 獨立評估所有內部控制是否適當；
- 確保遵守營運指引，包括監管機構之規定及法例規定；及
- 主動提出改善建議。

為確保完全之獨立性，內部審核部門直接向董事會審核委員會與及間接向行政總裁負責。

50. FINANCIAL RISK MANAGEMENT (continued)**(e) Capital management**

The HKMA sets and monitors capital requirements for the Group as a whole. 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 stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The principal forms of capital are included in the following balances on the consolidated balance sheet: share capital, share premium, reserves and subordinated notes issued. Capital also includes the collective impairment allowances held in respect of advances to customers and the regulatory reserve.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings 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.

The process of allocating capital to specific operations and activities is undertaken by the Asset and Liability Committee and is reviewed regularly by the board of directors.

Consistent with industry practice, the Group monitors its capital structure on the basis of its 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 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 years ended 31 December 2009 and 2008, and were above the minimum required ratio set by the HKMA.

50. 財務風險管理 (續)**(e) 資本管理**

金管局設立及監管本集團之整體資本規定。除達至監管規定外，本集團管理資本之主要目標為保證本集團之持續經營能力，從而透過與風險水平相當之產品與服務定價及確保能夠以合理成本融資，持續為股東提供回報及向其他權益持有人提供利益。

資本的主要形式包括以下於綜合資產負債表的餘額：股本、股份溢價、儲備及已發行後償票據。資本亦包括與客戶貸款相關之綜合減值撥備及法定儲備。

本集團積極及定期審閱及管理其資本結構，並在可能以高借貸水平所產生的較高股東回報，以及良好資本狀況所提供之優勢與擔保之間保持平衡，並就經濟狀況之變動對資本結構作出調整。

分配資本予特殊業務與活動之過程由資產及負債委員會進行，並由董事會定期審查。

為遵守行業慣例，本集團根據資本充足比率監管其資本結構，年內本集團之資本管理政策並無重大變動。

資本充足比率乃根據本行及其由金管局為其監管目的而指定之若干附屬公司之綜合基準計算，並遵守香港《銀行業條例》之《銀行業(資本)規則》。

截至二零零九年及二零零八年十二月三十一日止整個年度本集團及其自主監管業務均符合全部外在施加之資本規定，並高於金管局頒佈之最低比率規定。

51. IMMEDIATE PARENT AND ULTIMATE CONTROLLING PARTY

At 31 December 2009, the directors consider the immediate parent and ultimate controlling party of the Group is Fubon Financial Holding Company Limited, which is incorporated in the Republic of China.

52. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, certain assumptions and estimates have been made by management of the Group. The accuracy of these assumptions and estimates are continuously reviewed by management with reference to actual results, historical experience and other factors, including projection of future cash flows and possible outcomes from future events. Management believes that the assumptions and estimates made are reasonable and supportable.

Note 47 contains information about the assumptions and risk factors relating to fair value of financial instruments. Other key sources of estimation uncertainty are as follows:

(a) Impairment losses*Advances to customers*

Loan portfolios are reviewed periodically to assess whether impairment losses exist. Management 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 of impairment includes observable data that the payment status of borrowers in a group has adversely changed. It may also include observable data of local economic conditions that correlate with defaults on the assets in the group. If management has determined, based on their judgement, that objective evidence for 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 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.

Available-for-sale equity 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 is significant or prolonged is judgmental by nature, so profit and loss could be affected by differences in this judgment.

51. 直接母公司及最終控股公司

於二零零九年十二月三十一日，董事認為，本集團的直接母公司及最終控股方為富邦金融控股股份有限公司。該公司於中華民國註冊成立。

52. 會計估計及判斷

本集團的管理層於編製此等財務報告時作出若干假設及估計。管理層參照實際結果、歷史經驗及包括未來現金流預期及未來事件之可能後果在內之其他因素，對該等假設及估計之準確性持續進行檢討。管理層相信該等假設及估計為合理及可接受。

附註47有有關該等假設及與金融工具的公平價值有關的風險因素的資料。其他不明朗因素估計的主要來源載列如下：

(a) 減值虧損*客戶貸款*

定期為貸款組合進行檢討以評估是否存在減值虧損。管理層就是否存在客觀證據表明貸款組合已減值，即估計之未來現金流量是否減少，作出判斷。減值之客觀證據包括表明客戶群中借款人付款狀況出現不利變化之可觀測數據，亦可包括與拖欠本集團資產有關之當地經濟條件之可觀測數據。倘管理層基於其判斷確定存在減值之客觀證據，則以與本集團資產信貸風險特點相若之資產之過往實際損失對預計之未來現金流量進行估計。該過往損失則基於現時可觀察之數據再進行調整。

管理層定期對估計未來現金流量所使用之方法及假設進行檢討以減少虧損估計與實際損失之間之差異。

可供出售股本證券

於公平價值出現重大或持續下跌至低於成本數額時，本集團確定可供出售股本證券減值。確定何時公平價值的下跌低於成本數額而於合理時期內不可收回則須按其性質予以判斷，故溢利及虧損可能因所作判斷之差異而受到影響。

52. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**(b) Fair value determination**

The Group determines the fair values for the financial assets and liabilities which are carried at fair value based on quoted market prices whenever possible. If such quoted market prices are not available or an active market does not exist, the Group determines the fair values based on internally developed models which make use of market parameters, including interest rate yield curves, historical and/or implied option volatilities, currency rates, prices of the underlying instruments, and the net assets of the obligors. Model assumptions and correlation among these parameters can affect the estimates of the fair values of these financial instruments.

(c) Held-to-maturity investments

The Group classified non-derivative financial assets with fixed or determinable payments and fixed maturity and where the Group has a positive intention and ability to hold to maturity as held-to-maturity investments. In making this judgement, the Group evaluates its intention and ability to hold such investments till maturity.

If the Group fails to hold these investments to maturity other than in certain specific circumstances, the Group will have to reclassify the entire portfolio of held-to-maturity investments as available-for-sale.

This would result in held-to-maturity investments being measured at fair value instead of at amortised cost.

(d) 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 and establishing a reserve included in other liabilities. A charge has been recognised in profit or loss representing amounts paid and an estimate of future amounts which could be payable.

52. 會計估計及判斷 (續)**(b) 公平價值釐定**

本集團釐定金融資產及負債之公平價值時，盡量以該等資產及負債於市場報價作公平價值列賬。倘無法獲得市場報價或沒有流通的市場，本集團則會利用利率收益曲線、歷史及／或引伸認股權波幅、匯率、相關金融產品之價格及債務人之淨資產等市場參數並利用內部計價模式而釐定該等資產或負債之公平價值。所作出的假設及該等參數間之相關性均可影響該等金融工具公平價值之估計。

(c) 持至到期投資

本集團將固定或可確定付款金額和固定到期日，且本集團有意及能力持有至到期日的非衍生金融資產，列作持有至到期投資。在作出有關判斷時，本集團會評估本身是否有意及能力持有此等投資至到期日。

若本集團未能持有此等投資至到期日（因若干特殊情況者除外），本集團會將整個持至到期日的投資組合重新列作可供銷售。

因此，持至到期投資會改以公平價值計量，而非按攤銷成本計量。

(d) 其他會計估計

於釐定可能就出售投資產品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。有關支出已於損益賬確認為已付金額及可能應付的未來金額估計數。

53. COMPARATIVE FIGURES

As a result of the application of HKAS 1 (revised 2007), Presentation of financial statements, and HKFRS 8, Operating segments, certain comparative figures have been adjusted to conform to current year's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2009. Further details of these developments are disclosed in Note 2(b).

54. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2009

Up to the date of issue of the financial statements, the HKICPA has issued the following amendments, new standards and Interpretations which are not yet effective for the year ended 31 December 2009 and which have not been adopted in these financial statements.

53. 比較數字

採納香港會計準則第1號(二零零七年修訂本)財務報表的列報及香港財務報告準則第8號經營分部後，若干比較數字已作調整，以與本年度之列報一致並就於二零零九年首次披露之項目提供比較金額。該等改善之進一步詳情於附註2(b)內披露。

54. 已公佈但於截至二零零九年十二月三十一日止年度之會計期間尚未生效之修訂、新準則及詮釋之可能影響

於此等財務報告公佈日，香港會計師公會已公佈下列修訂、新準則及詮釋。該等修訂、準則、詮釋於截至二零零九年十二月三十一日止年度尚未生效，此等財務報告亦未予採納。

		Effective for accounting periods beginning on or after
		於下列日期或之後開始之會計期間生效
HKFRS 3 (Revised), Business combinations	香港財務報告準則第3號(修訂本)業務合併	1 July 2009 二零零九年七月一日
Amendments to HKAS 27, Consolidated and separate financial statements	香港會計準則第27號的修訂合併及單獨財務報表	1 July 2009 二零零九年七月一日
Amendments to HKAS 39, Financial instruments: Recognition and measurement – Eligible hedged items	香港會計準則第39號的修訂金融工具：確認及計量-合資格對沖項目	1 July 2009 二零零九年七月一日
HK(IFRIC) 17, Distributions of non-cash assets to owners	香港(國際財務報告詮釋委員會)第17號向股東分配非現金資產	1 July 2009 二零零九年七月一日
Improvements to HKFRSs 2009	香港財務報告準則的改進(二零零九年)	1 July 2009 or 1 January 2010 二零零九年七月一日或 二零一零年一月一日
HKFRS 9, Financial instruments	香港財務報告準則第9號金融工具	1 January 2013 二零一三年一月一日

The Group is in the process of making assessment of the expected impact of these amendments, new standards, new interpretations and additional disclosures in the period of initial application. So far it has concluded that their adoption is unlikely to result in a restatement of the Group's results of operations and financial position except for HKFRS 9, Financial instruments, which may have an impact on the Group's results and financial position arising from changes in the Group's classification and measurement of financial instruments.

本集團現正評估於期間首次採用該等修訂、新準則、新詮釋及額外披露之預期影響。迄今為止本集團認為採納彼等應不會對本集團之營運業績及財務狀況帶來重大影響，惟香港財務報告準則第9號金融工具除外，該準則可能因本集團金融工具之重新分類及計量之變動而對本集團之業績及財務狀況產生影響。