Fubon Bank
富邦銀行

MANAGING FOR STABILITY & SUSTAINABLE GROWTH

穩健經營 持續精進

Annual Report 2011年年報

Fubon Bank (Hong Kong) Limited

富邦銀行（香港）有限公司

Fubon Bank (Hong Kong) Limited ("Fubon Bank") is a wholly owned subsidiary of Fubon Financial Holding Co., Ltd., a leading financial services group in Taiwan which is engaged in corporate and investment banking, financial markets, consumer finance, wealth management, investment management and insurance. Fubon Bank operates 24 retail outlets in Hong Kong including 22 branches and 2 Securities Services Centres, and provides a wide range of financial services encompassing consumer and wholesale banking, wealth management, financial markets, securities brokerage and investment services. Fubon Bank holds an A-2 short-term, BBB+ long-term rating from Standard & Poor's. The rating reflects Fubon Bank's strong capitalization, good liquidity and sound asset quality.

富邦銀行（香港）有限公司（「富邦銀行」）是台灣富邦金融控股股份有限公司（「富邦金控」）的全資附屬公司。富邦金控是台灣一所具領導地位的金融控股公司，提供一系列的金融服務，包括企業金融、金融市場、消費金融、財富管理、投資管理及保險服務。富邦銀行於香港透過22間分行及2間證券投資服務中心共24個零售據點為客戶提供全面的優質銀行服務，包括零售及商業銀行、財富管理、金融市場、證券及投資服務。富邦銀行獲標準普爾授予A-2短期及BBB+長期信貸評級。該評級反映富邦銀行資本雄厚，流動資金充裕及資產質素優良。

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Accolades
榮譽

The Bank was honoured by the Bank of New York Mellon with the "Straight Through Processing Award" for the fifth time in six years.
本行獲紐約梅隆銀行於六年內第五度頒發「直通式聯繫結算處理獎」。

The Bank was awarded "Highest Retail Sales Volume" and "Outstanding Retail Sales Volume Growth – Gold Prize" by VISA Hong Kong Limited.
本行獲威士國際頒發「最高零售簽賬額獎」及「傑出零售簽賬增長獎」金獎。

The Bank was granted "The Highest Growth Rate in 2011 Number of Open Cards in Hong Kong – 2nd Runner Up" by MasterCard Worldwide.
本行奪得由萬事達卡國際組織頒發的「香港發卡量最高市場增長獎」季軍。

The Bank's corporate branding TV Commercial was presented "2011 TVB Most Popular TV Commercial Awards - Citation for Excellence" by Television Broadcasts Limited.
本行的企業品牌廣告榮獲電視廣播有限公司頒發「2011 TVB 最受歡迎電視廣告大獎」優異獎。

The Bank's Annual Report 2010 was awarded "Bronze Winner - Overall Annual Report: Banks: Regional" in the 2011 International ARC Awards.
本行的2010年年報於2011年度International ARC Awards 榮獲「整體表現 — 區域銀行組別」銅獎。

The Bank participated in the 3rd ERB Manpower Developer Award Scheme organized by the Employees Retraining Board and was awarded the status of "Manpower Developer".
本行參加了由僱員再培訓局舉辦的第三屆「ERB 人才企業嘉許計劃」，並獲嘉許為「人才企業」。

The Bank was awarded the Caring Company Logo by The Hong Kong Council of Social Service for the fifth consecutive year.
本行連續第五年獲香港社會服務聯會頒發「商界展關懷」標誌。

The Bank was conferred with the "2011/2012 Corporate and Employee Contribution Programme – Bronze Award" by The Community Chest.
本行獲香港公益金頒發「2011/12 商業及僱員募捐計劃」銅獎。

Key Milestones in 2011
二零一一里程碑

- In January, Fubon Financial Holding Co., Ltd. ("Fubon Financial"), the Bank's parent company, announced a proposal to privatize the ordinary share capital of the Bank by way of a Scheme of Arrangement.

  本行母公司富邦金融控股股份有限公司(「富邦金控」)於1月宣布建議以協議安排之方式私有化本行之普通股股本。

- An Extraordinary General Meeting was held on 29 April 2011 regarding the proposal to privatize the Bank.

  本行就有關私有化之建議於 2011 年 4 月 29 日召開股東特別大會。

- The official opening of the new Causeway Bay Branch took place in May to offer customers in Causeway Bay District diversified and high quality banking services.

  全新的銅鑼灣分行於 5 月正式開幕，為銅鑼灣區的客戶提供多元化及優質的銀行服務。

- Following the successful privatization of the Bank by Fubon Financial, the Bank was officially delisted from The Stock Exchange of Hong Kong Limited ("the Hong Kong Stock Exchange") on 8 June 2011 and became a wholly owned subsidiary of Fubon Financial, the privatization provides Fubon Financial with greater flexibility in supporting the business development of the Bank.

  本行被富邦金控成功私有化後，已於2011年6月8日撤銷於香港聯合交易所有限公司(「香港聯合交易所」)的上市地位，成為富邦金控的全資附屬公司，並為富邦金控未來進一步支持本行的業務發展提供更多靈活性。

- In August, the Bank became the first Taiwanese-invested bank approved by the People's Bank of China to participate in China's inter-bank bond market using Renminbi.

  本行於 8 月成為首家獲中國人民銀行批准運用人民幣進入中國銀行間債券市場的台資銀行。

- The official opening of the new Kwun Tong Branch was held in October to align with the Bank's business development strategy and enhance the services offered to customers in Kwun Tong District.

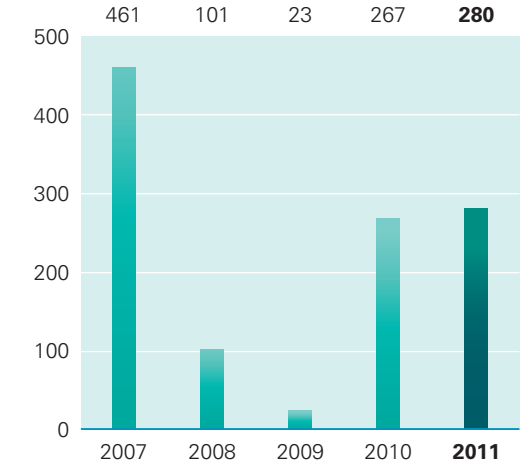
  全新的觀塘分行於 10 月正式開幕，以配合本行的業務發展策略及提升本行在觀塘區的服務。

Five-year Financial Summary
五個年度之財務概要

	2011 **二零一一年**	2010 二零一零年	2009 二零零九年	2008 二零零八年	2007 二零零七年
Profit and Loss Account (HK$ Million) **損益表**（百萬港元）					
Profit before Taxation 除稅前溢利	**314**	313	27	98	517
Profit Attributable to Equity Shareholders 股東應佔溢利	**280**	267	23	101	461
Consolidated Balance Sheet (HK$ Million) **綜合資產負債表**（百萬港元）					
Total Equity 股東權益總額	**5,052**	5,094	4,935	4,721	4,121
Total Assets 總資產	**60,256**	61,780	60,979	65,642	60,623
Advances to Customers less Impairment 客戶貸款減減值	**32,238**	28,861	28,572	33,034	31,479
Customer Deposits and Medium Term Funding 客戶存款及中期資金	**45,414**	46,878	47,183	50,817	45,229
Selected Returns and Ratios (%) **盈利及百分比簡錄**（%）					
Return on Average Equity 平均股本回報率	**5.53**	5.31	0.48	2.54	11.43
Return on Average Assets 平均資產回報率	**0.46**	0.43	0.04	0.16	0.81
Capital Adequacy Ratio 資本充足比率	**15.89**	18.23	17.18	14.04	14.42
Average Liquidity Ratio (for December) 平均流動資金比率（十二月）	**47.52**	54.80	49.99	46.35	44.08
Loan to Deposit Ratio 貸存比率	**70.47**	61.22	60.29	64.73	69.60

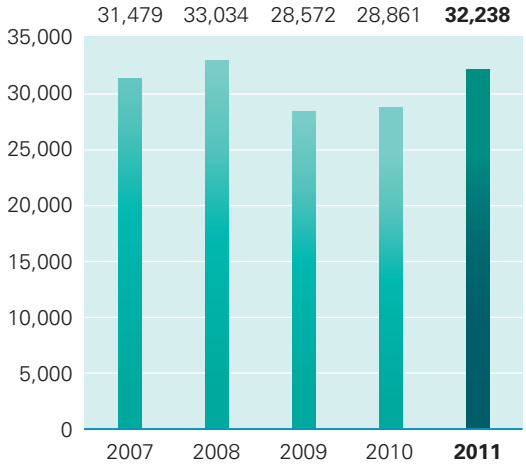
Profit Attributable to Equity Shareholders
股東應佔溢利

HK$ Million（百萬港元）



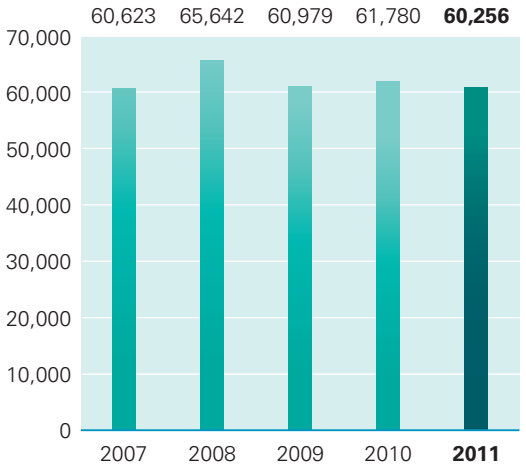
Advances to Customers less Impairment
客戶貸款減減值

HK$ Million（百萬港元）



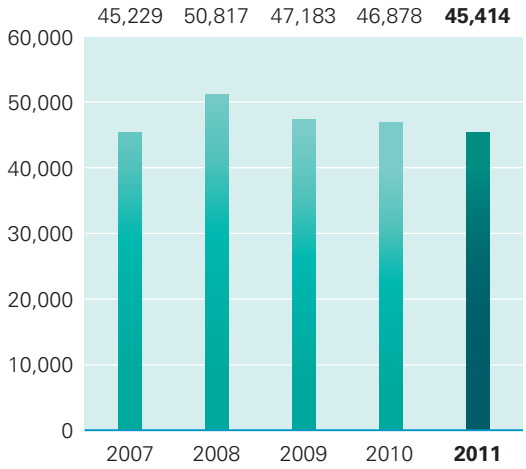
Total Assets
總資產

HK$ Million（百萬港元）



Customer Deposits and Medium Term Funding
客戶存款及中期資金

HK$ Million（百萬港元）



In 2011, Fubon Bank (Hong Kong) Limited and its subsidiaries ("The Group") achieved a net profit of HK$280 million, with an increase of 5.1% over 2010. The return on average assets was 0.46% and return on average equity was 5.53%. During the year total customer deposits and medium term funding decreased by 3.1% to HK$45.4 billion. Advances to customers less impairment increased by 11.7% to HK$32.2 billion. Total assets decreased 2.5% to HK$60.3 billion. The Group had total equity funds of HK$5.05 billion, and a capital adequacy ratio of 15.89%.

二零一一年，富邦銀行（香港）有限公司及其附屬公司（「本集團」）錄得純利2.8億港元，較二零一零年增加5.1%。平均資產回報率為0.46%，而平均股本回報率則為5.53%。於本年度，客戶存款及中期資金總額減少3.1%至454億港元，而客戶貸款減減值則增加11.7%至322億港元。總資產下降2.5%至603億港元。本集團總股本資金為50.5億港元，資本充足比率則達15.89%。

Corporate Information
公司資料

SHAREHOLDERS
100% - Fubon Financial Holding Co., Ltd.

SOLICITORS
Slaughter and May

AUDITORS
KPMG

COMPANY SECRETARY
Juliana CHIU Yuk Ching

REGISTERED OFFICE
Fubon Bank Building
38 Des Voeux Road Central
Hong Kong

股東
100% – 富邦金融控股股份有限公司

律師
司力達律師樓

核數師
畢馬威會計師事務所

公司秘書
趙玉貞

註冊辦事處
香港中環
德輔道中38號
富邦銀行大廈

Board of Directors
董事

Ming-Hsing (Richard) TSAI
蔡明興

Ming-Chung (Daniel) TSAI
蔡明忠

Pei-Hwa Thomas LIANG
梁培華

James YIP
葉強華

Dennis CHAN Wen-Yueh
詹文嶽

Victor KUNG
龔天行

Michael CHANG Ming-Yuen
張明遠

Robert James KENRICK
甘禮傑

Moses K. TSANG
曾國泰

Hung SHIH
石宏

Board of Directors
董事

Ming-Hsing (Richard) TSAI

Chairman

Aged 54. Mr. Tsai joined Fubon Group in 1983. He is Vice Chairman of Fubon Financial Holding Co., Ltd. Mr. Tsai also acts as Chairman for Fubon Life Insurance Co., Ltd. and has over 30 years of experience in these businesses. He is currently also the Chairman of Taiwan Fixed Network Co., Ltd. and Taiwan Mobile Co., Ltd., a provider of telecommunication services. Prior to this, Mr. Tsai was also the Chairman of Fubon Securities Co., Ltd. Mr. Tsai holds a Master of Business Administration Degree (1981) from New York University and a Bachelor of Business Administration Degree (1979) from National Taiwan University. Mr. Tsai is the brother of Mr. Ming-Chung (Daniel) Tsai. He became a Director of the Bank in February 2004.

蔡明興

主席

五十四歲。蔡先生於一九八三年加入富邦集團，是富邦金融控股股份有限公司的副董事長。蔡先生亦擔任富邦人壽保險股份有限公司的董事長，於有關業務擁有超過三十年的經驗。他現時亦為台灣固網股份有限公司及電訊服務供應商台灣大哥大股份有限公司的董事長。在此之前，蔡先生亦曾任富邦綜合證券股份有限公司之董事長。蔡先生持有紐約大學工商管理碩士學位（一九八一年）及國立臺灣大學工商管理學士學位（一九七九年）。蔡先生是蔡明忠先生的胞弟。他於二零零四年二月出任本行董事。

Ming-Chung (Daniel) TSAI

Vice Chairman

Aged 55. Mr. Tsai joined Fubon Group in 1981. He is currently the Chairman of Fubon Financial Holding Co., Ltd. as well as Chairman of Taipei Fubon Commercial Bank Co., Ltd. Mr. Tsai is also the Vice Chairman of Taiwan Mobile Co., Ltd. Mr. Tsai has extensive experience in banking and telecommunication services, as well as land development, construction management and building leasing business. He holds a Master of Law Degree (1979) from Georgetown University and a Bachelor of Law Degree (1978) from National Taiwan University. Mr. Tsai is the brother of Mr. Ming-Hsing (Richard) Tsai. He became a Director of the Bank in February 2004.

蔡明忠

副主席

五十五歲。蔡先生於一九八一年加入富邦集團，現時為富邦金融控股股份有限公司之董事長，及台北富邦商業銀行股份有限公司之董事長。蔡先生現時亦擔任台灣大哥大股份有限公司的副董事長。蔡先生於銀行、電訊服務、土地發展、建築管理及樓宇租賃業務方面具有豐富的經驗。他持有喬治城大學法律碩士學位（一九七九年）以及國立臺灣大學法律學士學位（一九七八年）。蔡先生是蔡明興先生之胞兄。他於二零零四年二月出任本行董事。

Pei-Hwa Thomas LIANG

Executive Director

Aged 60. Mr. Liang was appointed Managing Director of the Bank in November 2009. Mr. Liang is a veteran banker with extensive experience in financial services and IT. He joined Fubon Group in 2005 and currently serves as Head of Consumer Finance Group of Fubon Financial Holding Co., Ltd. Prior to joining the Bank, he held various senior positions within the Group including President of Retail Banking of Taipei Fubon Commercial Bank Co., Ltd., Head of IT & Operations Department of Fubon Financial Holding Co., Ltd., Director of Fubon Direct Marketing Consulting Co., Ltd. and Chairman of Taiwan Sport Lottery Corporation. Before joining Fubon Group, Mr. Liang was Deputy Executive Vice President of Far Eastern International Bank in charge of the credit card business, Country Strategic Cost Management Head and Card Center Operation & Technology Group Head of Citibank Taiwan, and held important positions in several IT companies. Mr. Liang holds a Master of Science Degree in Operations Research from Case Western Reserve University, U.S.A. and a Bachelor Degree in Industrial Engineering from Chung Yuan Christian University, Taiwan.

梁培華

執行董事

六十歲。梁先生於二零零九年十一月獲委任為本行董事總經理。梁先生是位資深銀行家，具有金融與資訊雙領域之豐富經驗。他於二零零五年加入富邦集團，現為富邦金融控股股份有限公司消費金融事業群之負責人。於加入富邦銀行之前，梁先生曾出任多個高級管理職位，包括台北富邦商業銀行股份有限公司個人金融總經理、富邦金融控股股份有限公司資訊暨作業本部之負責人，富邦行銷股份有限公司董事，及運彩科技股份有限公司董事長。梁先生於加入富邦集團之前，曾擔任遠東國際商業銀行信用卡事業群副總經理，花旗（台灣）銀行策略成本規劃處主管及信用卡中心資訊作業副總裁，及任職多家資訊公司要職。梁先生持有美國凱斯西儲大學作業研究學碩士學位及台灣中原大學工業工程系學士學位。

James YIP

Executive Director

Aged 58. Mr. Yip joined the Bank in March 2006. He is the Executive Vice President and Head of Financial Markets Group of the Bank. He was previously the Regional Treasurer, Regional Head of Capital Markets at KBC Bank, NatWest Markets, Chemical Bank and Bank of America. He has over 25 years of senior management experience in Asian treasury and capital markets with major international banks in the Asia-Pacific region; as a result, Mr. Yip has lived and worked in Tokyo, Singapore and Sydney in addition to Hong Kong. Mr. Yip was a President of the Hong Kong Financial Markets Association. He was also the Asia-Pacific Representative for the Committee for Professionalism of the Association Cambiste Internationale from 1985 to 1990. Prior to joining the Bank, he was the Chief Executive Officer and the co-founder of iMarkets Limited. Mr. Yip holds a Master of Applied Finance Degree from Macquarie University, Australia. He became a Director of the Bank in July 2006.

葉強華

執行董事

五十八歲。葉先生於二零零六年三月加盟本行，為本行執行副總裁兼金融市場部主管，過去曾擔任KBC Bank、NatWest Markets、Chemical Bank及美國銀行等銀行之地區司庫兼資本市場地區總監。他在亞洲財資及資本市場具有逾二十五年的高層管理經驗，曾服務於亞太區內主要的國際性銀行。因此，葉先生亦曾被派駐香港以外例如東京、新加坡及悉尼等地。葉先生是香港財資市場公會前會長，過去亦曾擔任國際財資市場公會專業操守委員會的亞太區代表。加盟本行前，他為iMarkets Limited的創辦人之一，並擔任其行政總監一職。葉先生持有澳洲麥覺理大學應用財務碩士學位。他於二零零六年七月出任本行董事。

Dennis CHAN Wen-Yueh

Executive Director

Aged 49, Mr. Chan has extensive experience in the banking industry. Prior to joining the Bank, Mr. Chan was the Managing Director, SME and Commercial Banking, China of Fullerton Financial Holdings Pte Ltd. ("FFH"), a wholly owned subsidiary of Temasek Holdings Pte Ltd. In this role, he served as the chief advisor to Bank of China, China Construction Bank, and China Minsheng Bank. He was also the Chief Executive Officer of Fullerton Credit Ltd., a FFH wholly-owned macro-finance subsidiary. Before joining FFH, he was the Executive Vice President, Head of Global Trade Division and Product Development Division of Chinatrust Commercial Bank, Taiwan, Commercial Banking Group Head of Citibank, Taipei and held senior positions in several international financial institutions in Taiwan. Mr. Chan obtained his MBA Degree from Georgetown University, U.S.A. and Bachelor of Business Administration Degree from National Taipei University. He became a Director of the Bank in March 2011.

詹文嶽

執行董事

四十九歲，詹先生於銀行業擁有資深經驗。於加入本行前，詹先生是富登金融控股（私人）有限公司（「富登金控」）（淡馬錫控股（私人）有限公司之全資子公司）中國區中小企業和商業銀行董事總經理，駐中國銀行、中國建設銀行和中國民生銀行總行中小企業金融首席顧問，亦為富登小額貸款公司董事兼執行長。在此之前，詹先生亦曾擔任臺灣中國信託商業銀行企業金融產品發展執行副總，花旗銀行商業銀行業務負責人和臺灣多家國際外商銀行擔任要職。詹先生擁有美國喬治城大學企管碩士學位和臺灣臺北大學企管學士學位。他於二零一一年三月出任本行董事。

Board of Directors
董事

Victor KUNG

Non-Executive Director

Aged 55. Mr. Kung joined Fubon Group in 2000, currently serves as Director and President of Fubon Financial Holding Co., Ltd. He first joined Fubon Insurance Co., Ltd. as a Director and Senior Advisor before becoming the President of Fubon Financial Holding Co., Ltd. Prior to this, he was the Executive Vice President of Walden International Investment Group, specializing in private equity investments, and an Executive Director at the private equity investment arm of Citicorp Capital Asia. He is also the Director of Taipei Fubon Commercial Bank Co., Ltd. and Fubon Insurance Co., Ltd. Mr. Kung holds both a Master of Business Administration in Finance (1988) and a Master in Economics Degree (1982) from New York University. He became a Director of the Bank in February 2004.

龔天行

非執行董事

五十五歲。龔先生於二零零零年加入富邦集團，現為富邦金融控股股份有限公司的董事及總經理。他首先加入富邦產物保險股份有限公司，出任董事兼高級顧問，其後擔任富邦金融控股股份有限公司的董事及總經理。在此之前，他是華登國際投資集團的（專門從事私人股本投資）執行副總裁，以及Citicorp Capital Asia 私人股本投資部門執行董事。龔先生亦是台北富邦商業銀行股份有限公司及富邦產物保險股份有限公司之董事。龔先生持有紐約大學工商管理碩士學位（一九八八年）及經濟系碩士學位（一九八二年）。他於二零零四年二月出任本行董事。

Michael CHANG Ming-Yuen

Non-Executive Director

Aged 55. Mr. Chang joined Fubon Group in 2004, currently serves as a Consultant of the Bank, Senior Consultant of Fubon Financial Holding Co., Ltd. and a Senior Representative of Fubon Insurance Co., Ltd., Beijing Office. Mr. Chang was an Executive Vice President and Head of Control & Risk Management Group of the Bank between 2004 and 2010. Mr. Chang is an experienced professional in banking management and has solid international exposures. He started his career in J.P. Morgan & Co. in New York as Vice President in Corporate Finance and Global Credit Risk Management. Mr. Chang also worked for China International Capital Corporation in charge of its capital markets operations. Mr. Chang was also a Managing Director in charge of the Investment Banking Division and Chief Administration Officer and Acting Chief Financial Officer while with BOC International Holdings Limited. He was also an appointed member of the Deposit-Taking Companies Advisory Committee of the Hong Kong Monetary Authority and an Independent Director of Hua Xia Bank Co., Limited. Mr. Chang obtained his Bachelor Degree from National Taiwan University and Master of Business Administration Degree from the University of Chicago. He is also a Chartered Financial Analyst. He became a Director of the Bank in April 2006.

張明遠

非執行董事

五十五歲。張先生於二零零四年加盟富邦集團，現為本行顧問，富邦金融控股股份有限公司高級顧問及富邦產物保險股份有限公司北京辦事處代表。張先生於二零零四年至二零一零年間出任本行執行副總裁兼監控及風險管理部主管。張先生在銀行管理方面擁有豐富的經驗並具有廣闊的國際視野。他曾於J.P.摩根紐約總部任職，擔任企業融資及環球信貸風險管理部的副總裁。他隨後加入中國國際金融有限公司，出任資本市場部主管。他亦曾擔任中銀國際控股有限公司投資銀行部的主管及該行行政總監。張先生亦曾擔任香港金融管理局接受存款公司諮詢委員會之委員及華夏銀行股份有限公司的獨立董事。張先生畢業於國立臺灣大學，並於美國芝加哥大學獲得工商管理碩士學位。他亦是一位特許金融分析師。他於二零零六年四月出任本行董事。

Robert James KENRICK

Independent Non-Executive Director

Aged 64. Mr. Kenrick was a partner of the international accounting firm KPMG from 1988 to 1998 and a member of the Financial Accounting Standards Committee of the Hong Kong Institute of Certified Public Accountants from 1992 to 2001. He holds a Master of Arts and Bachelor of Arts Degree (1969) from Cambridge University and is a Certified Public Accountant (Hong Kong) and Chartered Accountant (England & Wales). He became a Director of the Bank in April 1999.

甘禮傑

獨立非執行董事

六十四歲。甘先生於一九八八年至一九九八年間為國際會計師行畢馬威會計師事務所的合夥人，並於一九九二年至二零零一年間為香港會計師公會財務會計準則委員會成員。甘先生持有劍橋大學文學碩士學位及學士學位（一九六九年），現為香港執業會計師及英格蘭及威爾斯特許會計師。他於一九九九年四月出任本行董事。

Moses K. TSANG

Independent Non-Executive Director

Aged 63. Mr. Tsang is the Executive Chairman of AP Capital Holdings Inc. He has over 33 years of investment banking and Asian capital markets experience. Prior to joining AP Capital Holdings Inc., he was a General Partner of Goldman Sachs Group, a global investment bank, where he started the international fixed income group in New York, led the establishment of the fixed income group in Tokyo and headed the debt syndicate group in London. He served as the Chairman of Goldman Sachs (Asia) L.L.C. between 1989 and 1994. He is the Co-Chair of the Asia-Pacific Council and a member of the Board of Directors, The Nature Conservancy; a former councilor of the Copenhagen Climate Council; a Trustee of the Hong Kong Centre for Economic Research, The University of Hong Kong; a member of the Brown University Advisory Council in Asia and former Chairman of its Parents Council in Hong Kong; a past member of the Young Presidents' Organization – Hong Kong Chapter; a Non-Executive Independent Director of Shui On Construction and Materials Limited in Hong Kong; a member of the World Presidents' Organization and past Chairman of the Membership Committee. Mr. Tsang holds a Bachelor of Arts Degree from Bemidji State University of Minnesota, a Master Degree in Social Work from the University of Iowa, and is a Graduate College Fellow of the University of Iowa and SSA Fellow of the University of Chicago. He became a Director of the Bank in February 2004.

曾國泰

獨立非執行董事

六十三歲。曾先生為AP Capital Holdings Inc.執行主席。曾先生擁有逾三十三年投資銀行及亞洲資本市場經驗。在加入AP Capital Holdings Inc.之前，他是全球性投資銀行高盛集團之一般合夥人並為其於紐約成立國際固定收益部及於東京創辦固定收益部，並主管倫敦銀團貸款部。曾先生曾於一九八九年至一九九四年間擔任高盛（亞洲）有限責任公司的主席。他亦擔任亞太理事會聯席主席及大自然保護協會董事會成員、哥本哈根氣候會議前顧問、香港大學香港經濟研究中心之信託人、布朗大學顧問委員會亞洲區之成員、布朗大學家長委員會（香港）之前主席、Young Presidents' Organization香港分會之前會員、香港瑞安建業有限公司之獨立非執行董事、世界總裁協會香港分會之現任會員及會員委員會之前主席。曾先生持有美國明尼蘇達大學伯明基州分校文學士學位、愛荷華大學社會工作碩士學位、愛荷華大學研究院院士及芝加哥大學SSA院士。他於二零零四年二月出任本行董事。

Hung SHIH

Independent Non-Executive Director

Aged 57. Mr. Shih is the Managing Director of China Renaissance Capital Investment Limited. He was previously a Managing Director and the China Country Head of UBS AG. Mr. Shih holds both a Master of Business Administration Degree (1982) and a Master of Law Degree (1980) from the University of Michigan, as well as a Bachelor of Law Degree (1976) from National Taiwan University. He became a Director of the Bank in February 2004.

石宏

獨立非執行董事

五十七歲。石先生現為崇德基金投資有限公司董事總經理。在此之前，他是UBS AG 董事總經理兼中國區域主管。石先生持有密歇根大學工商管理碩士學位（一九八二年）及法律碩士學位（一九八零年），以及國立臺灣大學法律學士學位（一九七六年）。他於二零零四年二月出任本行董事。

Senior Management
高級管理層

Pei-Hwa Thomas LIANG
梁培華

James YIP
葉強華

Sunny CHANG Shan Li
張善利

Mike CHEN Ying Jen
陳英仁

Pei-Hwa Thomas LIANG

Managing Director

(Biographical details are set out on page 8)

梁培華

董事總經理

(資料詳情見第8頁)

James YIP

Executive Vice President and
Head of Financial Markets Group

(Biographical details are set out on page 9)

葉強華

執行副總裁兼金融市場部主管

(資料詳情見第9頁)

Sunny CHANG Shan Li

Senior Vice President and
Head of IT & Operations

Aged 52. Mr. Chang takes charge of the IT & Operations Division and is responsible for the Bank's overall IT & Operations planning and policy formulation. Before joining the Bank in February 2010, he held key positions in various leading companies and banks in Taiwan. Mr. Chang obtained his Bachelor of Science in Civil Engineering from National Taiwan University and Master of Science in Computer Science from New York University, U.S.A.

張善利

高級副總裁兼資訊科技及營運部主管

五十二歲。張先生掌管資訊科技及營運部，專責本行的科技及營運策劃及政策制訂。他在二零一零年二月加盟本行前，曾於多家台灣的大型企業及銀行出任重要職位。張先生畢業於國立臺灣大學，持有土木工程學士學位，並取得美國紐約大學電腦碩士學位。

Mike CHEN Ying Jen

Senior Vice President and Head of
Global Commercial Banking Division

Aged 49. Mr. Chen joined the Bank in February 2008. Mr. Chen is an experienced professional with more than 17 years of related working experience. He has held various senior positions in Taipei Fubon Bank, Chinatrust Commercial Bank and Citibank Taipei Branch. Before joining the Bank, Mr. Chen was Senior Vice President, Head of Greater China Banking Center, Corporate Banking Group of Taipei Fubon Bank. Mr. Chen obtained a Master degree in Quantitative Analysis, St John's University, New York.

陳英仁

高級副總裁兼環球金融部主管

四十九歲。陳先生於二零零八年二月加入本行，他在銀行界已累積了超過十七年的專業經驗。陳先生在加入本行前，曾於多家主要銀行擔任主管要職，其中包括台北富邦銀行、中國信託及花旗銀行。陳先生持有美國紐約聖約翰大學工商管理碩士學位。

Dennis HA Yiu Fai
夏耀輝

Allan HSU Wen Hung
徐文宏

Frank JUANG Tzuen Yan
莊遵嚴

Dennis HA Yiu Fai

Senior Vice President and Head of Legal and Compliance Division

Aged 54. Mr. Ha has over 20 years' experience practising in England, Australia and Hong Kong, both in private practice and as in-house counsel in international financial institutions like Westpac, HSBC and JPMorgan. Before joining the Bank in 2007, Mr. Ha was the company secretary of China Construction Bank. Mr. Ha graduated from the University of London with a Bachelor of Laws degree in 1982 (Queen Mary College) and a Master of Laws degree in 1983 (University College). He is a fellow member of the Institute of Chartered Secretaries and Administrators, U.K. and the Hong Kong Institute of Chartered Secretaries.

夏耀輝

高級副總裁兼法律及合規部主管

五十四歲。夏先生曾在英格蘭、澳大利亞及香港執業逾二十年，擔任私人執業律師以及Westpac、滙豐銀行、JP摩根等國際金融機構內部法律顧問。在二零零七年加盟本行前，他是中國建設銀行的公司秘書。夏先生於倫敦大學法律系畢業，一九八二年獲法律學士學位（Queen Mary College），一九八三年獲法律碩士學位（University College），他亦是英國特許秘書及行政人員公會及香港特許秘書公會的資深會士。

Allan HSU Wen Hung

Senior Vice President and Head of Information Technology

Aged 51. Mr. Hsu joined the Bank in July 2010 and oversees the information technology function. Mr. Hsu possesses over 20 years of information technology and related management experience. He has held senior positions in various well-established multinational financial institutions. Before joining the Bank in 2010, he was the Head of Information Technology of Manulife Insurance and Asset Management companies, Prudential Insurance, PCA Asset Management and Citibank in Taiwan. He has also worked for an IT consultant company in the U.S. for many years. Mr. Hsu obtained a Master degree in Computer Science from New York Institute of Technology, U.S.A.

徐文宏

高級副總裁兼資訊科技部主管

五十一歲。徐先生於二零一零年七月加盟本行，掌管資訊科技部工作。徐先生具逾二十年資訊科技及相關管理經驗，並曾於多家跨國的大型金融企業出任重要職位。他在二零一零年加盟本行前，曾於台灣宏利人壽／投信、保德信人壽、保誠資產管理及花旗銀行出任資訊科技部主管之職，亦曾在美國的資訊科技顧問公司工作多年。徐先生持有美國紐約理工學院電腦碩士學位。

Frank JUANG Tzuen Yan

Senior Vice President and Head of Securities Department

Aged 52. Mr. Juang oversees the Bank's securities services. Mr. Juang has been in the financial industry for over 20 years specializing in securities, futures and options trading. Before joining the Bank in January 2010, he worked at Fubon Securities in Taiwan where he had served successively as Business Officer, Manager, Area Manager, Deputy General Manager, Fubon Futures General Manager and Head of Wealth Management. Mr. Juang obtained a Bachelor of Laws degree from the National Chenchi University in Taiwan and a Master of Finance degree from the National Taiwan University.

莊遵嚴

高級副總裁兼證券投資部主管

五十二歲。莊先生負責本行證券投資服務。莊先生於金融界擁有逾二十年的豐富經驗，對證券投資、期貨、期權交易尤為熟悉。他於二零一零年一月加盟本行前，曾於台灣富邦證券工作，歷任營業員、經理人、區部長、副總經理、富邦期貨總經理及富邦證券財富管理部部長。莊先生畢業於台灣國立政治大學政治系，持有法學士學位，並取得國立臺灣大學金融碩士學位。

Senior Management
高級管理層

Stanley KU Cho Ming
谷祖明

LEE Wai Sum
李偉深

Aubrey WANG Chih-Wei
王之瑋

Henry WANG Hao-Jen
王浩人

Stanley KU Cho Ming

Senior Vice President and
Head of Consumer Finance

Aged 53, Mr. Ku joined the Bank in October 2011 and is primarily responsible for the Bank's Consumer Banking business. Mr. Ku is an experienced professional in the consumer banking business. Before joining the Bank, he was the Managing Director & Head of Retail Banking with KEB (China) Co., Ltd., a subsidiary of Korea Exchange Bank, Korea. Prior to that, he was the Head of Consumer Banking of DBS Bank in Shanghai. He has held various senior positions in American Express Bank and Standard Chartered Bank in Hong Kong. He began his banking career as Citibank's Management Associate. Mr. Ku obtained a Bachelor of Arts and a Bachelor of Business Administration degree from University of Texas at Austin, U.S.A.

谷祖明

高級副總裁兼消費金融部主管

五十三歲，谷先生於二零一一年十月加盟本行，掌管本行的消費金融業務，包括樓宇按揭、信用卡及私人貸款。谷先生曾於多家外資銀行服務並出任主要職位，其中包括星展銀行、美國運通銀行、渣打銀行及花旗銀行；具豐富的管理經驗。他在加盟本行前，任職韓國外換銀行（中國）有限公司董事總經理兼零售銀行業務主管。谷先生持有美國德克薩斯大學奧斯汀本校工商管理系學士學位及文學士學位。

LEE Wai Sum

Senior Vice President and
Acting Head of Control and Risk Management

Aged 49. Mr. Lee joined the Bank in June 2007 and is currently responsible for the Bank's risk management functions, covering credit risk, market risk and operational risk. Mr. Lee is an experienced professional in the banking industry and had held senior positions in major banks, including AMRO Bank, Canadian Imperial Bank of Commerce and Bank of Tokyo-Mitsubishi UFJ, managing different credit and marketing departments. Mr. Lee obtained his Bachelor of Social Sciences degree from The University of Hong Kong and Master of Business Administration degree from The Chinese University of Hong Kong.

李偉深

高級副總裁兼監控及風險管理部代理主管

四十九歲。李先生於二零零七年六月加盟本行，現負責本行之風險管理工作，包括授信風險、市場風險及作業風險。李先生曾於多家外資銀行工作，包括亞姆司特丹 - 鹿特丹銀行，加拿大帝國商業銀行及東京三菱UFJ，掌管不同授信及市場推廣部門。李先生持有香港大學社會科學學士學位及香港中文大學工商管理碩士學位。

Aubrey WANG Chih-Wei

Senior Vice President and
Head of Corporate Banking

Aged 49. Ms. Wang had been with HSBC in Taiwan and Hong Kong for over 10 years where she held senior positions in the areas of multinational portfolios, Commercial Banking and Corporate Relationship Management. Before joining the Bank in 2005, Ms. Wang worked for HSBC Hong Kong as Senior Vice President, Taiwan Business Development. Ms. Wang obtained a Master of Business Administration Degree from American Graduate School of International Management, U.S.A.

王之瑋

高級副總裁兼企業金融部主管

四十九歲。王女士於二零零五年加盟本行前曾於台灣及香港兩地的滙豐銀行工作，擁有超過十年跨國投資組合管理、商業銀行及客戶關係管理的豐富管理經驗。王女士持有美國亞里桑那州國際管理學院工商管理碩士學位。

Henry WANG Hao-Jen

Senior Vice President and
Chief Financial Officer

Aged 46. Mr. Wang joined the Bank in April 2009. Mr. Wang is an experienced professional with more than 17 years of related working experience. He has held various senior positions in marketing or finance field in the Chase Manhattan Bank, N.A., Banque Nationale de Paris, Taiwan Semiconductor Manufacturing Company, Ltd., Taiwan Mobile Co., Ltd. and Primax Electronics Co., Ltd. before joining the Bank. Mr. Wang obtained a MBA Degree from Rutgers, the State University of New Jersey, U.S.A. and a BA Degree in Finance, National Taiwan University.

王浩人

高級副總裁兼財務長

四十六歲。王先生於二零零九年四月加盟本行，他在銀行界及商業界已累積了超過十七年的專業經驗。王先生在加入本行前，曾於多家主要國際性銀行及台資機構擔任業務與財務相關要職，其中包括美商大通銀行、法國國家巴黎銀行、台灣積體電路製造（股）公司、台灣大哥大（股）公司及致伸科技公司。王先生擁有美國羅格斯大學企管碩士及國立臺灣大學財務金融學士學位。

Vivien WONG

Carmen YIP Ka Man
葉嘉敏

Vivian YOUNG
Lai Hau Sau
楊黎孝修

Vivien WONG

Senior Vice President and Head of Audit

Aged 51. Vivien joined the Bank in June 2008 to take up the role of Head of Audit. She is an audit professional and has held senior audit management positions in international and local banks. She started her external audit experience with Deloitte and Touche in Toronto and worked with the Bank of Montreal in Canada before moving to Hong Kong to join the Stock Exchange of Hong Kong. Before joining the Bank, she has been the Regional Head of Audit, North East Asia (NEA) of Standard Chartered Bank; Head of Audit of Wing Hang Bank; and Regional Head of Audit, Banking & Technology Audit Group of Development Bank of Singapore (DBS). She obtained a bachelor (Honor) degree in Commerce and Economics from the University of Toronto in Canada and the professional qualification of Certified General Accountant, Canada.

Vivien WONG

高級副總裁兼內部審核部主管

五十一歲。Vivien於二零零八年六月加盟本行。她曾主管多間國際及香港金融機構審核部，包括渣打銀行東北亞洲區審核部，永亨銀行審核部，新加坡發展銀行亞洲區審核部，亦曾任職於加拿大滿地可銀行，德勤會計師行（加拿大）及香港聯合交易所，擁有資深內部及外聘審核經驗。Vivien為加拿大註冊會計師及持有加拿大多倫多大學商務及經濟學雙學士學位（榮譽）。

Carmen YIP Ka Man

Senior Vice President and Head of
Wealth Management Group

Aged 47. Ms. Yip held management positions in local and foreign banks, gaining expertise in retail banking, before joining the Bank as the Manager of its flagship Central Branch in January 2000 and subsequently promoted to Regional Manager and then to her current position overseeing wealth management products, and sales and distribution, encompassing Ambassador Banking and general banking business. Ms. Yip obtained a Bachelor of Social Science Degree from The University of Hong Kong.

葉嘉敏

高級副總裁兼財富管理部主管

四十七歲。葉女士曾任多間本地及外資銀行管理要員，擁有豐富的零售銀行服務經驗。她在二零零零年一月加盟本行，擔任中環總行經理一職，其後獲擢升為分區主管，現掌管財富管理產品及銷售工作，範圍涵蓋Ambassador Banking理財服務及一般銀行業務。葉女士持有香港大學社會科學學士學位。

Vivian YOUNG Lai Hau Sau

Senior Vice President and
Head of Human Resources

Aged 57. Mrs. Young has worked in the human resources field for over 20 years, primarily with an investment bank in Hong Kong where her last position was Senior Vice President, Head of Human Resources – Greater China. Before joining the Bank in 2005, she had worked for an international consultant firm as a human resources executive consultant. She obtained a Postgraduate Diploma in Personnel Management from Manchester Polytechnic in England.

楊黎孝修

高級副總裁兼人力資源部主管

五十七歲。楊太擁有逾二十年人力資源管理的豐富經驗。她曾是本港一所投資銀行大中華區的人力資源部主管及高級副總裁。她於二零零五年加入本行前，曾任一國際顧問公司的人力資源高級顧問。楊太持有英國曼徹斯特理工大學人事管理深造文憑。

Chairman's Statement
主席匯報

The global economy faced a wide range of uncertainties in the year of 2011. Among the key events were the earthquake and tsunami in Japan in March, the downgrade of U.S. credit rating in August, and the negative impact on global asset markets from the European sovereign debt crisis throughout the year. The global economic outlook remained subdued as the global supply chains were disrupted by various natural disasters and economic growth in emerging countries moderated. In addition, China's prudent monetary policies tightened market liquidity and increased funding costs in the banking industry.

2011年，全球經濟存在著多項不明朗因素。日本於3月發生地震及海嘯、美國信貸評級於8月被調低，以及全球資產市場亦全年受到歐洲主權債務危機所影響。由於全球供應鏈受到天災影響，加上新興國家的經濟增長放緩，全球經濟前景持續低迷。此外，中國審慎的貨幣政策令市場上的流動資金緊絀，銀行業的資金成本上升。

Against this backdrop of challenging economic conditions, the Bank continued to adopt a growth-yet-prudent strategy in 2011. We believed that our robust risk management framework and focus on financial prudence would allow us to weather the risks and achieve satisfactory performance. While we exercised strict cost control measures, we continued to invest in information technology infrastructure to enhance our customer experience and improve operational efficiency. The Bank's capital and liquidity positions remained strong and costs were well managed. The further integration and collaboration with our parent company, Fubon Financial Holding Co., Ltd. ("Fubon Financial"), not only allowed us to maximize revenue and reduce costs, but also provided us with a strong foundation to achieve steady growth.

面對充滿挑戰的經濟狀況，本行於2011年繼續採取穩中求進的策略，並深信憑藉我們穩健的風險管理架構及審慎的理財方針，將有助本行抵禦風險，取得令人滿意的業績。我們在嚴格執行成本監控措施的同時，亦繼續在資訊科技方面作出投資，以提升客戶體驗和營運效率。本行繼續保持充裕的資本及流動資金，對成本亦控制得宜。本行與母公司富邦金融控股股份有限公司（「富邦金控」）的進一步整合和合作，不但有助我們提升收入和降低成本，同時亦為達致穩定增長提供了一個堅實的基礎。

Notwithstanding the global economic uncertainties and intense competition in the financial sector, we continued to make progress in improving our financial performance in 2011. We generated a net profit of HK$280 million amid the volatile market conditions in 2011, a 5% increase from HK$266 million for the year of 2010. The results demonstrated the success of our strategies of financial prudence, enhancing risk management and developing strong client relationships.

儘管全球經濟不明朗、金融業競爭激烈，本行於2011年繼續在提升財務表現方面取得進展。在市場環境波動的情況下，本行於2011年錄得淨溢利2.80億港元，較2010年的2.66億港元上升5%，體現了本行審慎理財、強調風控以及深耕客戶關係之策略的成功。

In Corporate & Investment Banking, improvement in the credit environment and strengthened risk and control management enabled us to achieve growth and sustain low default risk. Reflecting our efforts to enhance our customer experience, we soft-launched Fubon Business Online in the second half of 2011. This new e-banking service caters to our corporate clients by providing them a full range of cash management services. Leveraging on the Group's regional franchise and business platforms, we continued to expand our quality customer base both domestically and in China through intensive cross selling activities, and provided our clients with premium financing solutions needed for expanding their businesses and opportunities.

企業金融部在信貸環境進一步改善、以及本行強健的風險控管措施下實現了業績增長及維持低違約風險。本行在提升客戶體驗方面一向不遺餘力，我們於2011年下半年推出了電子銀行服務平台「富邦商務網」，並已在試行階段，為企業客戶提供全面的現金管理服務。憑藉集團於區內的業務版圖及平台，我們將繼續透過積極的協銷合作，擴大本地及中國大陸的優質客戶基磐，並為客戶提供優質的融資及貸款方案，協助他們擴展業務及開拓商機。

In Wealth Management, we provided an array of comprehensive services that best suited our customer's specific investment needs and risk appetite. Moreover, we continued to review and enhance our policies and procedures to cope with the latest regulatory requirements. Our strategic partnership with China Life Insurance (Overseas) Company Limited ("China Life") allowed us to offer our customers exclusive and diversified insurance products from China Life and recorded promising results. Our professional investment services and sub-brokerage channels also enabled our Taiwan stock brokerage business to further expand our customer base in Greater China.

財富管理部為客戶提供全面的理財服務，以切合他們特定的投資需要及風險承受程度。我們亦持續檢討及強化本行的政策及程序，以配合最新的監管規定。透過與中國人壽保險（海外）股份有限公司（「中國人壽」）的策略性夥伴關係，本行為客戶提供了多項獨家代理的中國人壽保險產品，並取得理想的成績。此外，透過我們專業的投資服務及複委託，讓本行的台灣證券投資業務能進一步拓展大中華區的客戶基磐。

The liberalization of Renminbi ("RMB") created new opportunities and boosted the demand for RMB products and services. Our overall RMB deposit base and RMB customer base recorded encouraging growth in 2011. Our foreign exchange trading fee income also improved steadily due to the increased trading volume in corporate off-shore RMB transactions. In August 2011, the Bank reached another important milestone by becoming the first Taiwanese-invested bank approved by the People's Bank of China to participate in China's inter-bank bond market using RMB.

人民幣業務的開放創造了新商機，並刺激客戶對人民幣產品及服務的需求。本行的人民幣存款總額及人民幣相關的基磐於2011年錄得令人鼓舞的增幅。隨著企業的離岸人民幣交易量增加，我們的外幣交易費用收入亦穩步增長。2011年8月，本行取得另一項重大里程碑，成為首間獲中國人民銀行批准以人民幣進入中國銀行間債券市場的台資銀行。

In Consumer Finance, our mortgage business continued to achieve satisfactory performance with our new loan bookings ranking eighth in the mortgage market share in December 2011. Various initiatives were adopted to sustain the mortgage business amid the intense market competition, including an effective one-stop direct sales channel, an enhanced segmentation pricing model and customized services to meet the diversified financial needs of our customers. We were also able to take advantage of the rapid growth in spending power of Mainland tourists and demonstrated positive growth in our card merchant business. As a result, we succeeded in registering growth in our customer base, loan receivables and fee income.

消費金融部在按揭服務方面繼續取得令人滿意的表現，本行新造貸款業務的市場佔有率於2011年12月進佔第八位。我們透過設立一站式的直銷渠道、強化分層定價模式及量身打造的服務以配合客戶不同需要等多項計劃，成功在競爭激烈的市場情況下維持按揭業務的發展。此外，本行亦把握了內地旅客消費力迅速增長所帶來的機遇，令信用卡商戶業務呈現可觀的增幅。因此，我們在客戶基磐、貸款應收賬額及費用收入三方面均錄得增長。

Following the successful privatization by Fubon Financial, the Bank was officially delisted from the Hong Kong Stock Exchange on 8 June 2011 and became a wholly owned subsidiary of Fubon Financial. The privatization facilitates closer integration between the Bank and Fubon Financial and provides Fubon Financial with greater flexibility in supporting the Bank's future business development. Moreover, the Bank will be able to leverage the resources and expertise of Fubon Financial in order to better serve our customers with enhanced products and services and also to strengthen our banking franchise in Hong Kong.

本行被富邦金控成功私有化後，已於2011年6月8日撤銷於香港聯合交易所的上市地位，成為富邦金控的全資附屬公司。此舉將有利本行與富邦金控進一步整合，並為富邦金控在未來支持本行的業務發展方面提供更多靈活性。此外，本行亦得以引入富邦金控的資源和專業知識，為客戶提供更優質的產品及服務，增強本行在地化的業務版圖。

The fears of recession in developed economies linger as we head into 2012. The global economy is facing difficulties in recovery and the sovereign debt crisis in the Eurozone may not be eased in the short term. Meanwhile, China has scaled down its GDP growth rate, signaling slower economic growth attributed to a weaker global economy. Hong Kong's economic growth is also likely to be slow this year. In the face of a rapidly changing economic environment, we will continue to adopt a prudent approach to capture new business opportunities while minimizing risks and costs. The opening up of the China market and further relaxation of RMB business has offered the Hong Kong financial sector vast opportunities. As the Bank intends to continue playing an important role in Fubon Financial's Greater China business strategy, we will stand ready to capitalize on new opportunities to offer customers diversified RMB products and services. Furthermore, we will continue to invest in IT infrastructure and enhance our Internet platform to further our relationships with customers. We believe that the policies and mechanisms that we have put in place for reinforcing our risk management control capabilities will also enable us to maintain stability and pursue sustainable growth.

踏入2012年，市場對已發展經濟體可能陷入衰退的憂慮依然持續。全球經濟復甦將面對一定的困難，歐元地區的主權債務危機於短期內亦未能紓緩。中國調低經濟增長率，顯示全球經濟疲弱令內地經濟增長步伐放緩。香港於今年的經濟增長亦可能放緩。面對瞬息萬變的經濟環境，我們在降低風險及成本的同時，亦將繼續以審慎的策略把握新的商機。中國市場對外開放、人民幣業務進一步放寬，為香港金融業帶來了龐大的機遇。本行將繼續在富邦金控的大中華地區發展策略中發揮重要作用，並作好準備以迎接新的商機，為客戶提供多元化的人民幣產品及服務。此外，本行將繼續在資訊科技的基礎建設上作出投資，並提升網路平台，以深化我們與客戶的關係。我們相信，本行為強化風險控管能力而制訂的政策及機制，亦將有助我們穩健經營及追求持續業務成長。

Ming-Hsing (Richard) TSAI
Chairman
March 2012

蔡明興
主席
二零一二年三月

Operating Performance
經營表現

Fubon Bank (Hong Kong) Limited ("the Bank") and its subsidiaries ("the Group") registered a net profit of HK$280 million for the financial year ended 31 December 2011, an increase of 5% from the HK$266 million reported in 2010 notwithstanding the challenging environment in Hong Kong and worldwide.

富邦銀行（香港）有限公司（「本行」）及其附屬公司（「本集團」）截至2011年12月31日止錄得的淨溢利為2.80億港元，在本港及全球經濟均面對挑戰的情況下，仍較2010年的淨溢利上升5%。

Gross interest income rose by 5% to HK$1,254 million in 2011, underpinned by the higher average interest-earning assets resulting from the increase in mortgage business and commercial lending. Nevertheless, gross interest expense soared 80% to HK$618 million as driven by the keen competition for deposits, which led to enduring high deposit costs in 2011. As a result, net interest income declined by HK$216 million or 25% to HK$636 million while net interest margin narrowed by 47 basis points to 1.09% from 1.56% for 2010.

2011年的利息收入總額較去年同期增加5%至12.54億港元，這主要受惠於按揭業務及商業貸款的增長，帶動生息資產均額上升。儘管如此，由於存款業務競爭激烈，導致存款成本持續高企，2011年的利息支出總額上升80%至6.18億港元。因此，淨利息收入下跌2.16億港元或25%至6.36億港元，淨息差則由2010年的1.56%下調47個基點至2011年的1.09%。

Non-interest income amounted to HK$431 million in 2011, representing an increase of HK$145 million when compared with 2010. Normalized non-interest income grew 3% and normalized ratio of non-interest income to total operating income reached 31.59%, versus 25.09% a year ago. Operating expenses was

2011年的非利息收入為4.31億港元，較2010年增長1.45億港元。若撇除特殊收益，實際非利息收入增加3%，相應非利息收入對總營運收入比率為31.59%，而2010年則為25.09%。2011年的營運支出較2010年增加

9% higher than in 2010 whereas normalized operating expenses reduced 4% year-on-year. Normalized cost to income ratio was 88.82% for 2011.

9%。若不計及特殊支出，營運支出則按年減少4%，相應2011年的成本對收入比率為88.82%。

Further improvement in the credit environment, accompanied with our robust risk management framework and prudent credit management supported the Bank's comparatively conservative loan growth. There was a write back of impairment losses on advances to customers of HK$80 million for the full year of 2011 when compared with the charge for impairment losses of HK$10 million in 2010. The impaired loans ratio dropped to 0.33% as of 31 December 2011 (0.66% as of 31 December 2010). The coverage of impaired loans improved from 96% at 31 December 2010 to 97% at 31 December 2011.

隨著信貸環境進一步改善，加上本行健全的風險管理框架及穩健的信貸管理，令本行能維持一個較為審慎的貸款增長。與2010年的客戶貸款之減值虧損1,000萬港元相比，2011年客戶貸款之減值虧損回撥為8,000萬港元。截至2011年12月31日止，減值貸款比率下降至0.33%（截至2010年12月31日止為0.66%）。減值貸款覆蓋率則由2010年12月31日的96%上升至2011年12月31日的97%。

Benefiting from the robust economic growth in China, Xiamen Bank delivered a strong performance with the Bank's share of profits amounted to HK$91 million. After accounting for impairment charges, other gains and tax charge, the Group registered profits after taxation stood at HK$280 million. Return on average assets increased 3 basis points to 0.46% and return on average equity improved 22 basis points to 5.53% for 2011.

受惠於中國穩健的經濟增長，廈門銀行錄得强勁的業績表現，本行應佔廈門銀行溢利為9,100萬港元。計及減值虧損、其他收益及税項後，本集團的除税後溢利為2.80億港元。平均資產回報率及平均股本回報率於2011年分別上升3個基點至0.46%及上升22個基點至5.53%。

Total assets slightly reduced by 2% to HK$60 billion as at 31 December 2011. As at 31 December 2011, gross advances to customers rose 11% to HK$32 billion whereas customer deposits decreased moderately from HK$46 billion to HK$44 billion. As a result, the loan-to-deposit ratio increased to 70.47% from 61.22% as at 31 December 2010. The Group's capital and liquidity positions remained strong. The capital adequacy ratio was 15.89% as at 31 December 2011 (18.23% at 2010 year-end). The average liquidity ratio stood at a healthy level of 49.37% for 2011.

截至2011年12月31日，總資產輕微下跌2%至600億港元。截至2011年12月31日止，客戶貸款總額上升11%至320億港元，而客戶存款則由460億港元溫和下調至440億港元。貸存比率由2010年12月31日止的61.22%上升至70.47%。本集團繼續保持充裕的資本及流動資金。截至2011年12月31日止，資本充足比率為15.89%（2010年年底為18.23%），而2011年的平均流動資金比率維持在49.37%的健康水平。

In 2011, the Bank continued to offer pragmatic products and services with balanced focus on both market expansion and risk management. While strict cost control was implemented, the Bank continued to invest in IT infrastructure in order to facilitate the use of our internet platform so as to improve customer experience. Following the successful privatization of the Bank by its parent company, Fubon Financial Holding Co., Ltd. ("Fubon Financial"), the Bank will collaborate more closely with Fubon Financial to strengthen its local franchise, enhance its product and service offering and pursue sustainable growth.

2011年，本行繼續向客戶提供務實的產品及服務，並同時在市場拓展及風險管理兩方面作出平衡發展。在嚴格規管支出的同時，本行亦繼續在資訊科技的基礎建設上作出投資，以促進網絡平台的使用並提升客戶體驗。隨著本行被母公司富邦金融控股股份有限公司（「富邦金控」）成功私有化後，本行將繼續與富邦金控保持緊密的合作，進一步強化在地化的業務版圖，提升本行的產品及服務，維持持續的增長。

Corporate & Investment Banking
企業金融

CORPORATE BANKING

Corporate Banking Division experienced another rewarding year in 2011 despite uncertainties and challenges in the global economy. Our strategy to invest and build our local and China business franchises with the aim of achieving steady and sustainable growth continued to deliver positive results.

Thanks to the talent and tremendous efforts of the China and Hong Kong teams and satisfactory progress made in various product fronts, Corporate Banking Division delivered another strong set of business results in 2011. Although we faced greater market competition for quality customers and pressure on lending margins, we succeeded in consolidating our market foothold. This has led to encouraging results with loan balance up 13.60% from HK$12.50 billion at 31 December 2010 to HK$14.20 billion at 31 December 2011.

During the year, the Hong Kong team continued to focus on acquiring first tier customers in the local market with the aim of charting steady growth for the future. We closed some key deals and customer relationships remained strong and intact. Meanwhile, the China team continued to establish and cement business relationships with key China corporations. We provided our China based customers with premium services and premier financial products which helped to keep business momentum strong.

企業金融

面對全球經濟前景不明朗及充滿挑戰的經營環境，企業金融部於2011年仍繼續取得豐碩成果。我們在本港及中國的業務上作出投資以不斷擴展，並積極落實以穩定及持續增長的策略，繼續締造佳績。

憑藉中國及香港業務團隊的超卓才能和努力及在各項產品方面均取得滿意的進展，企業金融部於2011年再次錄得強健的業績。儘管面對市場對優質客戶的競爭日益加劇及貸款息差受壓，但我們仍能在市場上取得令人鼓舞的績效，放款餘額由2010年12月31日的125億港元上升13.60%，至2011年12月31日的142億港元。

年內，香港業務團隊繼續專注拓展本地市場優質客戶基磐，實現穩中求進的策略。我們完成數項重大交易，並與客戶保持穩固及緊密的關係。與此同時，中國業務團隊亦繼續與主要的中國企業建立及鞏固業務關係，為他們提供卓越的服務和一流的金融產品，以助維持業務的強勁增長動力。

In 2012, Corporate Banking Division will continue to widen its customer base and deepen its existing relationships through proactive cross-selling and a solution-and-service driven approach. This proven strategy will enable us to meet the challenges ahead. We will also focus on developing close collaboration with the Group by leveraging on its ever-expanding regional franchise. Regular and frequent interactions with various business affiliates of the Group including Xiamen Bank, Taipei Fubon Bank and other Group units will further promote customer satisfaction while consolidating our strategic position as one of the key regional platforms for the Group.

2012年，企業金融部將繼續秉持為客戶提供解決方案和以服務為首的方針，積極進行交叉銷售，以擴大客戶基磐及深化客戶關係。這項行之有效的策略，將有助我們迎接未來的機遇及挑戰。我們亦會進一步與富邦集團緊密合作，利用其不斷擴展的區域版圖優勢，並與富邦集團的不同聯屬機構，包括廈門銀行、台北富邦銀行及其他集團單位保持頻密的交流，以助提升客戶的滿意程度，並鞏固本行作為富邦集團主要區域性平台的策略地位。

GLOBAL COMMERCIAL BANKING

Global Commercial Banking Division continues to provide a full range of financial services to meet the genuine business needs from local mid-sized corporates. With the strong support from our parent company and our regional business platforms, we proudly provide our clients with tailor-made banking products to facilitate their overseas expansions.

環球金融

為滿足本地中小型企業客戶的商業需求，環球金融部持續為客戶提供全方位的金融服務。以母公司富邦金控及其區域業務平台為強力後盾，我們很自豪能提供予客戶量身訂作的銀行服務以協助其拓展海外市場。

Amid the slow recovery of the U.S. economy during 2011, the global economic atmosphere was worsened by the earthquake disaster in Japan and the series of debt crises in Europe. Markets became pessimistic about the global economic conditions which led to the gloomy business environment during the year. Adopting conservative strategies has been one of our key missions.

2011年美國經濟在緩慢復甦中，全球景氣又遭逢日本地震災害及歐盟經濟體一連串債務危機而惡化。市場因此對全球經濟情勢變得悲觀，使全年經營環境表現黯淡。因此，採取穩健的經營策略成為我們主要的任務之一。

Throughout 2011, we continued to implement risk management by concentrating on credit monitoring and control. We aimed to improve the quality of our portfolio as well as to lower the default risk by strictly following credit review and routine monitoring procedures. Meanwhile, we made it our mission to deepen client relationships, know our customers, improve customer satisfaction, and broaden our customer base. Furthermore, as we focused on expanding our client base, we also capitalized on cross-selling opportunities of banking products. Consequently, we were able to achieve profitable growth and sustain low default risk.

於2011年度，我們藉著專注於信用監控來持續落實風險管理。我們嚴格遵行信用審查及定期監控以致力改善貸放品質及降低違約風險。同時深耕客戶關係、了解客戶、提升客戶滿意度及擴展客戶基磐亦為重要任務項目。除此之外，我們亦掌握銀行產品的交叉銷售機會。因此，我們得以實現利潤成長及維持低違約風險。

Although markets are expected to recover at a slow pace in 2012, there are many uncertainties which will make it a challenging year. In order to cope with the difficulties ahead and maintain our competitiveness, we will continue to broaden our client base prudently by exploring new business opportunities and penetrating our existing clientele. We will also focus on customer retention, particularly of high quality clients, and optimize products utilization. Moreover, we will aim to generate higher and stable fee income and interest income by strengthening our internet banking platform, deposits, trade finance and factoring services.

因市場仍存在諸多未明朗因素並預期將緩慢復甦，2012年將會是深具挑戰的一年。為能妥善應付未來將面臨的困境及保持競爭力，我們將以發掘新業務商機及擴大並深入既有客戶以審慎地拓展客戶基磐。我們亦將加強客戶維繫，特別是保留優質客戶並有效提升產品使用率。此外，我們將強化網路銀行功能、存款、貿易融資和應收賬款承購業務等服務，以獲致更高且穩健的手續費及利息收益。

Financial Markets
金融市場

For the global financial markets, 2011 was truly an unparalleled year.

The European debt crisis dominated investors' risk appetite. Although the European Union tackled the crisis by injecting liquidity into the market through the Long-Term Refinancing Operation ("LTRO"), the lack of confidence caused market participants to act cautiously.

The U.S. Federal Reserve's attempt to stimulate the economy through Operation Twist and its vow to maintain low interest rates until late 2014 also suggested market participants were timid. Nonetheless, despite the downgrade of the U.S. credit rating, the U.S. treasury continued to be perceived as a low risk asset and continued to function as the risk-free benchmark.

In Asia, Japan's earthquake last March 11 and Thailand's floods in late 2011 disrupted the global supply chain and drastically affected the global GDP, further illustrating that the globalization of the world economy has taken place.

對全球金融市場來説，2011年確是史無前例的一年。

歐洲債務危機對投資者的風險承受程度帶來重大衝擊。儘管歐盟透過「長期再融資操作」(「LTRO」) 向市場注資以緩解危機，但市場參與者因欠缺信心，繼續持審慎態度。

美國聯邦儲備局嘗試透過「扭曲操作」刺激經濟，並承諾維持低利率至2014年底，顯示出市場人心虛怯。然而，即使美國信貸評級被下調，美國國庫券仍繼續被視為低風險資產，並繼續被用來作為零風險投資的比較基準。

在亞洲，日本311地震和泰國2011年年底發生的水災，擾亂了全球供應鏈的運作，嚴重影響全球本地生產總值，進一步印證世界經濟已開始一體化的進程。

Financial Markets Group ("FMG") responded to these unfavourable market movements by taking a more defensive approach towards its investment portfolio. We have prudently shifted our focus from developed markets to Asia-Pacific. This approach enabled the Bank to maintain a stable investment portfolio during the European debt crisis.

面對市場的不利形勢，金融市場部採取防守性較強的投資方針。我們審慎地將業務重心由已發展市場轉移至亞太地區，令本行在歐債危機期間的投資組合仍然保持穩定。

On the other hand, our customer business continued to grow as a result of strong market fluctuations. Uncertain market conditions prompted investors to hedge risks and reduce their investment appetite. Customers moved away from high risk investment products such as equities to currency-related investments to take advantage of the market movements. By providing customized risk-hedging products and currency-related investments, the FMG Marketing team achieved 17% growth in fee income in 2011.

另一方面，市場大幅波動令本行的對客服務業務持續增長。不明朗的市況促使投資者對沖風險及降低其投資意欲。客戶由持有高風險投資產品，例如股票，改為持有與貨幣有關的投資產品及服務，以把握市場波動所帶來的回報潛力。金融市場的市場推廣部為客戶提供量身訂造的風險對沖產品及與貨幣有關的投資產品和服務，於2011年的費用收入錄得17%的增長。

Our Renminbi ("RMB") business remained strong despite the global turmoil.

儘管全球金融市場動盪不安，本行的人民幣業務保持強勁增長。

The development of Hong Kong as an offshore RMB business centre continued to create new opportunities for the RMB business in Hong Kong. Liberalization of RMB trading and an increase in RMB liquidity in the market significantly boosted demand for RMB-related financial products.

香港發展成為離岸人民幣業務中心，繼續為本港的人民幣業務創造新商機。人民幣業務的放寬，以及市場上的人民幣流動資金上升，大大刺激了客戶對人民幣相關金融產品的需求。

The Bank's overall RMB deposit base doubled and our RMB customer base recorded 23% growth in 2011. Foreign exchange trading fee income also improved steadily due to the increased trading volume in corporate off-shore RMB transactions ("CNH"). The Bank also became the first Taiwanese-invested bank approved by the People's Bank of China ("PBoC") to participate in China's inter-bank bond market.

本行的人民幣存款總額增長一倍，人民幣相關的基磐於2011年亦錄得23%的增幅。由於企業的離岸人民幣交易量增加，外幣交易費用收入亦有穩定的增長。此外，本行亦成為首間獲中國人民銀行（「人行」）批准進入內地銀行間債券市場的台資銀行。

Nevertheless, PBoC's tightening policy drained liquidity out of Hong Kong and increased funding costs across the banking industry. Competition for deposits was fierce. Despite our efforts to minimize the impact, compared to interim performance, our net interest margin still decreased three basis points to 1.09%. However, our average liquidity ratio stood at a healthy level of 49.37% at the end of 2011.

儘管如此，人行的緊縮政策令本地流動資金緊絀，導致銀行業的資金成本上升，存款競爭趨劇烈。即使我們已努力減輕這方面的影響，跟中期業績相比，本行的淨息差仍下跌3個基點至1.09%。然而，本行於2011年底的平均流動資金比率仍維持在49.37%的健康水平。

Given the current economic situation, FMG will continue to be vigilant about the uncertainty of the global economy, focusing on enhancing our deposit base, and strengthening our efficiency and cost control mechanisms. In particular, FMG will continue to expand the Bank's RMB business by diversifying our RMB products, aiming to facilitate a stable and sustainable growth in 2012.

有見當前的經濟狀況，金融市場部將繼續注視全球經濟的不明朗因素，專注增強本行的存款基礎、提升營運效率及成本監控機制。金融市場部亦將透過多元化的人民幣產品來繼續拓展本行的人民幣業務，力求於2012年達致穩定及持續的增長。

Wealth Management
財富管理

In 2011, the economy was very fragile due to the devastating earthquake in Japan at the beginning of the year, followed by growing economic uncertainties triggered by incidents such as the European debt crisis, fiscal and monetary instability in the U.S., and the threat of inflation. Investors were more cautious and reluctant to invest, preferring to keep more cash on hand. Our sales team and Investment Service Advisors were proactively contacting customers through market updates, portfolio reviews and rebalances. Our priority, as always, is to achieve customer satisfaction in wealth management.

2011年，全球經濟極為疲弱，首先是日本於年初發生猛烈地震，其後歐洲債務危機、美國財政和金融狀況不穩，加上通脹威脅，令經濟前景更趨不明朗。投資者變得更加審慎且投資意欲減弱，寧可持有更多現金。我們的銷售團隊和投資理財顧問透過最新的市場資訊、投資組合檢討及重組，積極與客戶保持聯繫。一如既往，致力為我們的顧客提供稱心滿意的財富管理服務。

The Bank observed the changing customer needs to seek stability of returns in a risk averse environment. Therefore, we launched a series of fixed deposit and demand deposit promotion programmes with the support of newspaper advertisements, bus panel banners and branch exterior and interior displays. Also, to cope with the increasing demand for Renminbi ("RMB") services, we enhanced the functions of our automatic teller machines ("ATMs") at branches to allow withdrawal of RMB. In addition, a range of wealth management products denominated in RMB is under development and will be rolled out to customers in due course.

本行關注客戶需求的轉變，在避險心態深重的環境下，幫助客戶尋求穩定回報。因此，我們推出一系列定期和活期存款的推廣計劃，並在報紙、巴士和分行內外廣為宣傳。為應付市場對人民幣服務的更高需求，我們強化了分行自動櫃員機的功能，提供人民幣提取服務。另外，我們正在開展一系列以人民幣計價的財富管理產品，並將適時向客戶推出。

In response to the proposal of the Securities and Futures Commission on classifying investors into different levels based on their knowledge, experience and expertise, the Bank reviewed and revised its entire investment product selling process and procedure to cope with the requirements for Investor Characterization. We adopted a holistic approach for conducting client assessment so that we could make a reasonable determination of the investment needs of our customers. A series of training sessions was arranged to frontline staff before launching the revised selling process for Investor Characterization in September 2011.

為配合證券及期貨事務監察委員會的建議，按投資者的認識、投資經驗和專業知識將客戶分級的計劃，本行已檢討及修訂投資產品的整體銷售流程和手續，以切合投資者分類的要求。我們為客戶進行全面評估，以合理地評估他們的投資需要。為配合因應投資者分類計劃而修訂的銷售流程於2011年9月推出，我們已為前線員工安排一系列培訓課程。

Our strategic partnership with China Life Insurance (Overseas) Company Limited ("China Life") continued to record promising results and received overwhelming responses from our customers. With the aim of offering our customers a guaranteed income with protection for better retirement planning, the Bank has once again obtained the exclusive selling rights for "START Guaranteed Annuity Plan" from China Life. The plan provides a unique immediate annuity option, which is a brand new feature in the market.

我們與中國人壽保險（海外）有限公司（「中國人壽」）的策略性夥伴關係繼續創下佳績，並獲客戶熱烈支持。本行再次獲得中國人壽給予「駿發即期保證年金計劃」的獨家代理權，藉此為客戶提供保證收入和更佳的退休保障。該計劃獨有派發即期年金的選擇，是市場上一項嶄新的產品特色。

In 2012, we foresee that customers will continue to look for steady returns from their assets. A series of deposit infrastructure enhancements is in process to cater for more flexibility in our service platform. RMB will continue to be attractive to customers and demand will continue to rise. We will implement promotional activities to continue to acquire and grow our RMB deposit base. With the pilot launch of RMB Qualified Foreign Institutional Investors ("RQFII") in 2012, we expect a range of RQFII investment products will soon be available and we will closely source opportunities for our customers to invest directly in the China market.

2012年，我們預期客戶會繼續尋求穩定的資產回報。因此，我們正進行一系列的存款機制強化措施，以提升服務平台的靈活程度配合運作。由於人民幣繼續受客戶青睞，人民幣服務的需求亦將不斷上升。我們將進行推廣活動，繼續吸納人民幣存款及擴大人民幣存款基礎。隨著人民幣合資格境外機構投資者（「RQFII」）將於2012年開展業務試點，預期RQFII的投資工具將會很快推出，我們亦將積極為客戶物色直接投資中國市場的機會。

SECURITIES SERVICES

2011 was a tough year for investors. The European debt crisis caused the Hang Seng Index to drop approximately 34% from the highest in April to the lowest in October. Under these circumstances, Securities Department provided a series of services to reduce risks for our customers.

證券投資服務

對投資者而言，2011年是沉重的一年。歐債危機的爆發令恒生指數自4月的高點向下滑落約34%至10月的低點。在此等情況下，證券投資部為證券投資者提供了一系列服務以降低投資者的投資風險。

Externally, our professional investment strategies, such as IPO subscription of Sun Art and CITIC Securities, generated remarkable profits for our customers and reserved their capability for future investments. In such a turbulent market, our account executives stood closely by our customers and provided them with timely market analysis and stock recommendations, which not only strengthened customers' trust in us, but also helped them to seize fleeting opportunities. Through sub-brokerage, we offered channels for Taiwanese institutional and individual investors to invest in the Hong Kong stock market. We also offered a platform for the subsidiaries of Hong Kong-based China securities companies to invest in the Taiwan stock market.

對外，我們向客戶提供專業的投資策略，例如透過精選之高鑫零售、中信証券等IPO股票，讓客戶獲利，更令他們保存了再投資的實力。藉此動蕩市況，我們的客戶經理與客戶同舟共濟，為他們提供最新的市場分析與個股訊息。這不僅提升了客戶對我們的信任，更讓客戶捕捉到稍縱即逝的獲利契機。除此之外，我們透過複委託交易平台有效促進了台灣的機構投資者與個人投資者投資港股，同時我們也為更多在港的大陸券商子公司提供了投資台股的平台。

Internally, we grew our client base successfully with support from the 22 branches and Offshore Ambassador Banking Department of the Bank. We provided internal training to our colleagues to enhance their knowledge in international financial market. Moreover, we optimized standard operating procedures to strengthen risk management and reduce potential operational risks.

對內，在本行22間分行及境外理財服務部的支持下，我們在開發新客戶的股票賬戶方面得到了良好的效果。我們亦為員工提供內部培訓，以增強他們的國際金融市場知識。此外，我們亦優化了標準作業程序，以強化風險管理意識，降低潛在的營運風險。

Looking into 2012, we are still very cautious about the global economy even though the European debt crisis is fading away. For this reason, we definitely will follow the Bank's theme of "Managing for Stability and Sustainable Growth". We will launch new services such as portfolio recommendation, selected IPO subscription, enhanced IST service and a trading platform across Greater China. We believe all of these services and channel expansions will gear up our communication and mutual trust with customers and achieve a win-win target.

展望2012年，即使歐債危機逐漸遠去，我們對環球經濟仍採取審慎的態度。因此，我們亦將秉持本行「穩健經營 持續精進」的發展方針。我們將會推展一系列的新服務，包括投資組合建議服務、精選IPO認購服務、網路交易品質提升、以及提供橫跨大中華地區的交易平台。相信透過上述豐富的業務活動，必能促進我們與客戶間的溝通與互信，進而達致共贏，為今年的業績結出豐碩的果實。

Consumer Finance
消費金融

Consumer Finance Division continued to exhibit good business performance in 2011. Our focus included launching various credit card usage programmes, rolling out different personal loan programmes, strengthening the mortgage business channels, and growing the merchant acquiring business. All these initiatives contributed significantly to our growth in customer base, loan receivables and fee income.

消費金融部於2011年繼續保持佳績。部門的重點工作包括推出多項信用卡簽賬計劃、推廣各類私人貸款計劃、強化按揭業務銷售渠道，以及擴展商戶收單業務。這些計劃對客戶基磐、貸款應收賬額及費用收入三方面的增長均貢獻良多。

To further build and stimulate customer usage habits, the Bank continued to strengthen its credit card product platform by communicating the "Yearly Real Benefit" platform with a focus on "Easy to Earn" bonus point, promoting a series of attractive utilization programmes such as the highly popular "Sure Win Spending Rewards" and leveraging on YATA outlet expansion in San Po Kong for new customer acquisition. In 2011, our total credit card base grew by 11%, with our affluent card base increasing by 14% compared to the previous year. Also, card spending grew by 21% while fee income and card receivables increased by 8% and 13% respectively.

為進一步建立及刺激客戶的簽賬意欲，本行不斷強化信用卡產品平台，包括透過年度「真優惠」計劃為客戶呈獻「易賺激賞」積分計劃，推出一系列精彩的簽賬優惠，例如廣受歡迎的「簽賬必有賞」，以及藉一田百貨在新蒲崗擴充營業的機會吸納新客戶。2011年，本行信用卡客戶總數增長11%，其中富裕客戶群較去年增加14%。此外，簽賬額增長21%，信用卡費用收入總額和信用卡應收賬額亦分別增長8%和13%。

The Bank also demonstrated positive growth in its card merchant business. Our strategy of providing a one-stop solution for merchant support and banking services, while focusing on capturing the rapid growth of spending power of Mainland tourists by expanding our China UnionPay ("CUP") merchant base, resulted in strong growth in merchant sales volume and fee income of 17% and 9% respectively.

本行的信用卡商戶業務亦呈正面增長。透過我們一站式的商戶支援、優質的銀行服務，以及擴展銀聯商戶基磐以捕捉內地旅客迅速增長的消費力所帶來的商機，令商戶銷售額及費用收入分別增長17%及9%。

In 2011, the Bank also placed great efforts on building its personal loan business. We launched various programmes to suit the different needs of our customer segments, including "Perfect Fit Personal Loan", "Credit Go Personal Loan" and "Tax Loan". In addition to expanding the acquisition channel, the use of advertising helped created high exposure and awareness for these programmes in the market. This led to very positive business results with impressive growth of 29% in new loan business and 44% in loan receivables.

本行於2011年亦致力發展私人貸款業務。我們推出了多項計劃以迎合各客戶層的不同需要，其中包括「合您意私人貸款」、「卡數清私人貸款」及「稅務貸款」。除了拓展銷售渠道之外，我們亦透過廣告宣傳為這些貸款計劃帶來高度的市場曝光率及公眾的注意力，令業務錄得可觀的增長，其中新造貸款額及貸款應收賬額分別錄得29%及44%的驕人升幅。

To drive steady growth for the unsecured lending business, we managed a dedicated telemarketing channel in-house to systematize and personalize customer interactions so as to deliver a consistent, high quality customer experience. Customers responded very positively to the sales and services contacts, which turned into an annual growth of 29% in new business.

為推動無抵押貸款業務穩步增長，我們設立了專門的電話銷售渠道，使本行與客戶之間的互動更系統化和個人化，以提供一致及優質的客戶體驗。客戶對該銷售及服務渠道反應良好，令新造貸款按年增長29%。

To counteract the dynamic and challenging market, the Bank continued to place great emphasis on the mortgage business. Highlights included maintaining an effective one-stop direct sales channel, strengthening the segmentation pricing model, and providing customized and tailor-made services to meet the needs of different customer segments. Through these focused strategies, the mortgage business achieved a very satisfactory performance with total loan receivables increasing by 12%. Also, it was the very first time that our new loan booking ranked 8th in market share in December of 2011. The encouraging results not only reflected our efforts to reach beyond the target, but also served as a strong foundation for future success.

為應對市場的急速變化及挑戰，本行將繼續專注加強拓展樓宇按揭業務。重點包括維持我們一站式的直接銷售渠道、強化分層定價模式，以及為不同層面的客戶提供度身訂造的服務。透過這些目標明確的策略，本行的樓宇按揭業務獲得非常理想的成績，總貸款應收賬額上升了12%。2011年12月，我們新造貸款業務的市場佔有率首次進佔第八位。這個令人鼓舞的成績不但反映出我們超越目標的努力，也為來年的成功奠下強健基礎。

Looking forward, Consumer Finance Division will strive for customer growth through various business opportunities and initiatives. Along with product development, customer management and channel expansion, we aim to increase the customer base and provide more tailor-made products and services to our customers. In 2012, we will enhance our customer development and segmentation strategies to foster individual engagement with the Bank's services, prolong customer life and value, and expand high engagement relationship coverage. By focusing on our customer-oriented marketing and dedicated channel support, we pledge to turn consumer insights into business performance to improve profitability, customer experience and loyalty.

展望未來，消費金融部將繼續透過不同的商機和項目來開拓客源，並配合產品發展、客戶管理及擴大營銷渠道等方式，以擴展客戶基磐及向客戶提供更多度身訂造的產品及服務為目標。於2012年，本行將強化客戶開發及分層策略，以吸引個人客戶選用本行的服務、與客戶建立更持久的合作關係，以及擴大他們跟本行的業務關係。憑藉本行以客為本的市場推廣及特定的銷售管道支援，我們定能將對客戶的透徹了解轉化為業務機會，令盈利表現、客戶體驗及忠誠度均得以提升。

Control & Risk Management
監控及風險管理

ENTERPRISE CREDIT RISK MANAGEMENT

In 2011, Enterprise Credit Risk Management ("ECRM") formulated and issued a range of new credit policies and guidelines to mitigate credit risks. ECRM has also enhanced its management of credit risk concentrations to customers groups, as well as to industries, loan products, collateral and countries. Such risks are monitored regularly and reviewed by the Bank's Risk Management Committee on a monthly basis. In addition, ECRM closely monitored the performance of the Bank's commercial credit portfolio so that it could achieve healthy and profitable growth throughout the year.

Looking at 2012, there will be increasing uncertainty and volatility in the markets due to the slow recovery of the U.S. economy, the ongoing European debt crisis, as well as the softening growth in the local Hong Kong economy. As such, ECRM will proactively monitor our corporate customers and manage the relevant credit risks.

CONSUMER CREDIT RISK MANAGEMENT

The global economy continued to struggle in 2011, however the economic pain in Asia was relatively muted and much of the region sustained strong growth. In 2011, Consumer Credit Risk Management ("CCRM") met all challenges and continued to manage the asset quality of the Bank's consumer finance products including credit cards, personal installment loans and mortgage loans. We made tremendous efforts to strengthen our credit risk measures, especially on mortgage and unsecured loans acquisition management. As of December 2011, the annualized net charge-off rate for the credit card and unsecured personal loan portfolios were 0.76% and 1.91%

企業信貸風險管理

2011年，企業信貸風險管理部制訂並推出一系列新的信貸政策及指引，以降低信貸風險。企業信貸風險管理部亦加強管理不同層面的信貸風險集中度，包括客戶群、行業、貸款產品、抵押品及國家，以避免信貸風險過度集中。本行的風險管理委員定期監察這些風險，並每月進行檢討。此外，企業信貸風險管理部亦緊密監察本行商業信貸組合的表現，令本行可於年內達致穩健增長，保持盈利能力。

展望2012年，美國經濟復甦緩慢、歐洲債務危機持續，加上香港經濟增長轉弱，將使市況更趨不明朗，波動加劇。因此，企業信貸風險管理部將積極監察本行企業客戶的情況，及管理相關的信貸風險。

消費信貸風險管理

全球經濟於2011年持續面對困境，就直接影響而言，亞洲區的經濟問題相對上較為輕微，而區內有部份國家在全球經濟萎縮的陰霾下依然錄得持續性增長。在2011年，消費信貸風險管理部克服各種挑戰，繼續有效管理所有消費金融產品，包括信用卡、私人分期貸款及按揭貸款之資產質素。我們致力加強本行的信貸風險監控措施，特別是吸納按揭及無抵押貸款客戶方面的管理工作。截至2011年12月，信用卡和無抵押私人貸款組合的全年淨撇賬率分別為

respectively. For the mortgage loan portfolio, the annualized net charge-off rate was 0%. The credit quality of all consumer finance loan portfolios was satisfactory.

0.76%及1.91%。按揭貸款組合方面，全年淨撇賬率為0%。所有消費金融貸款組合的信貸質素均令人滿意。

2012 will be a challenging year as the likelihood of the European debt crisis spilling into the Asia Pacific countries is increasing. CCRM will continue to fine-tune its credit acquisition and portfolio management policies, and have already set out initiatives for 2012 to strengthen asset quality management, improve operation efficiency, and prepare supportive actions for consumer finance business growth.

放眼全球經濟概況，歐債危機蔓延至亞太區國家的可能性正不斷上升，2012年將是充滿挑戰的一年。消費信貸風險管理部將緊密監察並不斷調整吸納客戶及貸款組合方面的管理政策，我們亦已為2012年制訂多項計劃，以強化資產質素管理、提升營運效益，並作出多方面的配合，以支持消費金融業務的擴展。

MARKET RISK MANAGEMENT

The collapse of Greece triggered a European sovereign debt crisis in 2011 which affected most European markets. Meanwhile, the economic recovery in the U.S. was far from expectations. Market uncertainty remains high in the banking industry. Consequently, risk management plays a very important role in bank operations.

市場風險管理

於2011年，希臘經濟瀕臨崩潰所引發的歐洲主權債務危機，影響了當地大部份市場。同時，美國經濟的復甦步伐遠比預期緩慢，銀行業的市況依然不明朗。因此，風險管理在銀行營運中佔有極其重要的地位。

In 2011, Market Risk Management ("MRM") continuously exercised its professionalism and expertise in monitoring the market risks for the Bank's trading and investment activities. We reviewed the product risk levels of all structured and unit trust products based on the changing market environment to ensure optimum risk management of our clients' investments.

市場風險管理部繼續發揮其專業精神和市場風險知識，監控本行在交易及投資活動中的市場風險。我們根據不斷變化的市場環境審核所有結構性及單位信託基金產品的風險等級，確保為客戶的投資提供最佳的風險管理。

In the coming year, MRM will continue to monitor the fast changing markets and gauge how market changes will affect the values of the Bank's trading and investment positions. We will also improve the quality of our risk management reports, enhance product control under pre-defined risk levels, and increase the effectiveness of the overall market risk management.

展望來年，市場風險管理部將繼續監察瞬息萬變的市場，判斷這些轉變將如何影響本行的交易及投資持倉的價值。我們將不斷求進，提升風險管理報告的質素，按照預設的風險水平，加強對本行的產品管控，並提升整體市場風險管理的成效。

OPERATIONAL RISK MANAGEMENT

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The Bank has established an appropriate and robust operational risk management framework to identify, assess, monitor and mitigate operational risks.

營運風險管理

營運風險是因不足或失效之內部程序、人為錯誤、系統故障或外在事故而導致損失的風險。本行已設立適當及穩健的營運風險管理架構，以辨識、評估、監察及降低營運風險。

In order to cope with the changing environment in 2011, the Bank fine-tuned its operational risk management and analytical tools, generated various risk trend analyses and reports, continued to conduct regular reviews on Control Self Assessment, and provided operational risk training to staff. As operational risks are inherent in the processes and products of each business unit, Operational Risk Management ("ORM") collaborated closely with other departments to conduct ongoing reviews of operating procedures, focusing on control over the risk areas identified. Furthermore, the appropriateness and readiness of operational and system controls were evaluated before launching new products.

面對2011年不斷轉變的經營環境，本行優化了營運風險管理和分析工具、進行各項風險趨勢分析及撰寫營運風險報告、持續定期檢討控制落實度自評工作，以及為員工提供營運風險培訓。鑑於每個業務單位的作業流程和產品均不免存在營運風險，營運風險管理部與其他部門緊密合作，不斷檢討營運程序，專注監控已識別的風險範疇。此外，我們在推出新產品之前，均會評估營運和系統監控是否適當及已準備就緒。

For 2012, ORM will continue to enhance its risk management tools, provide timely and useful analyses to different levels of management, with the objective of strengthening the Bank's internal controls to reduce operational risks.

於2012年，營運風險管理部將繼續強化風險管理工具、向各級管理層適時提供實用的分析，以加強銀行之內部監控，減低營運風險。

IT & Operations
資訊科技及營運

INFORMATION TECHNOLOGY

The Bank successfully transformed its Information Technology service model in 2011 from a pure outsourcing dependent model to a totally in-house support model. We further strengthened our in-house management capabilities to provide better customer services delivery in the areas of data centre management, application development, infrastructure management, governance and risk control.

The heavy investment we made also included a move to a new Tier-3 data centre with a complete upgrade of numerous infrastructure devices which demonstrated the Bank's commitment to continue expanding its business franchise in Hong Kong. The revamp of our disaster recovery site has built an excellent resilience to minimize any impact on customers should a disaster occur, with 24-hour on-line data synchronization between our new data centre site and new disaster recovery site. The entire infrastructure design and blueprint are supported by Fubon Financial using the most advanced technology to support business growth and expansion for many years to come.

In addition to this major transformation, we soft-launched Fubon Business Online ("FBO") in 2011. FBO is an e-banking service catering to our prestigious corporate clients by providing a full range of innovative cash management services for medium to large corporations.

Going forward in 2012, the Bank will continue to invest in many product innovation and process automation systems, such as an

資訊科技

本行於2011年成功改變資訊科技的服務模式，由原來純外判模式轉型為全面自主模式。我們進一步強化內部管理能力，以提升顧客服務，範圍包括數據中心管理、應用程式發展、基建管理、管治及風險管控等。

我們作出的重大投資還包括遷進全新的Tier-3數據中心，當中的多項基礎設施更得到全面升級，彰顯出本行繼續在香港拓展業務的承諾。此外，我們亦提升了緊急災難備援數據中心，使其與新的數據中心保持全天候24小時即時數據同步，從而建立超卓的抗逆能力，以在發生緊急災難時將客戶受到的影響減至最低。整個項目的基建設計及藍圖均由富邦金控以最先進的科技作出支援，以配合未來業務增長及擴展的需要。

除了這項重要的轉型外，本行於2011年更為尊貴的企業客戶推出電子銀行服務平台「富邦商務網」，並已在試行階段，為中大型企業客戶提供全面而創新的現金管理服務。

展望2012年，本行將繼續在多項產品創新及程序自動化系統上作出投資，例如自動化信用卡處

automated credit card processing system to provide better customer services delivery, innovation and operational efficiency, as well as a document imaging system to move us towards a "paperless", centralized and electronic environment. We will also continue to focus on technology governance, operational efficiency, production innovation, risk management and regulatory compliance to support the Bank in achieving its objectives of steady growth.

理系統以提升顧客服務、創意和營運效率，以及設立文件影像系統，以邁向「無紙化」、中央化及電子化的營運環境。我們亦將繼續以資訊科技管理、營運效率、產品創新、風險管控及法令遵循為重心，以支持本行達致穩中求進的營運目標。

OPERATIONS

Having established an extensive and solid foundation in 2010, including Standard Operation Procedures and Balanced Scorecard, we continued to transform our Operations in 2011 into a leaner organization with better embedded quality and risk management.

To promote total quality management awareness in Operations, we conducted extensive and in-depth training for all Operations Units during the first half of 2011. Senior and middle-level management of Operations participated in workshops to practise various methodologies including eliminating waste by applying the 14 principles of The Toyota Way, Root Cause Analysis with the fish-bone diagram approach, and Key Process Mapping and Streamlining, etc. Consequently, the effectiveness and efficiency of Operations were substantially enhanced while reported Operational Risk Events were significantly reduced. For example, the speedy turnaround time for existing release of inward remittance funds was further reduced by 2 hours. Also, we relocated our back-office units to North Point which created a more cohesive and consolidated operational hub for eliminating handover waste.

In addition, Operations offered both brand new and streamlined services to customers in 2011. For example, the process of opening Global Accounts for individuals was revamped by eliminating unnecessary forms which tremendously shortened the required duration time by half, while complying with the Personal Data (Privacy) Ordinance and the Hong Kong Monetary Authority regulations. Our Causeway Bay Branch and Kwun Tong Branch were successfully relocated to better serve our customers. Also, the enhanced daily-limit controlled withdrawal of Renminbi notes from ATMs was launched successfully and seamlessly.

We are proud to report that in 2011, we again ranked as one of the top performing banks out of 500 banks in the Asian region and earned the Straight Through Processing Award for the fifth time in the past six years. This award was presented by our USD clearing bank, the Bank of New York Mellon, in recognition of our excellent quality fund transfer operations.

Looking ahead, the Operations Management will endeavor to strike an optimal balance among Service, Productivity, Quality, Control, and Morale. In addition, we will continue to benchmark with Fubon Financial and our Hong Kong peers to pursue the best practices in operations.

營運管理

繼我們於2010年奠下堅實廣泛的運作基礎，包括落實標準作業程序及平衡計分卡，我們於2011年繼續轉型，達致更精簡的組織架構，當中更加強了品質及風險管控。

為提升在各項作業的整體品質管理意識，我們於2011年上半年為所有營運部門提供了廣泛而深入的培訓。各營運單位的中高階管理人員均參與了工作坊，練習不同的品質管理方法，例如運用豐田模式的14個原則來減少浪費、以魚骨圖進行根本成因分析、關鍵流程配對及精簡等。因此，各營運部門的效益及效率均大幅提升，而營運風險事故也大大減少。舉例說，本已快捷的匯入匯款轉賬過程再進一步縮短2小時。另外，我們將後勤單位遷往北角，從而建立凝聚力更強、運作更緊密的營運樞紐，減少不必要的交接浪費。

此外，各營運部門亦於2011年向客戶提供全新、更精簡的服務。例如，將個人開立統一賬戶的程序重整，減少表格數目，在符合個人資料（私隱）條例及香港金融管理局規例的同時，亦將處理時間縮短一半。本行的銅鑼灣分行及觀塘分行已喬遷新址，為客戶提供更佳服務。此外，本行更成功地提高從自動櫃員機提取人民幣的每日金額控管。

本行再次於2011年在亞洲地區500間銀行中脱穎而出，榮獲本行的美元結算銀行 — 紐約梅隆銀行頒發「直通式聯繫結算處理獎」；這已是本行於過去六年內第五度獲頒該獎項，亦是對本行傑出的資金轉賬服務的肯定與表揚。

展望未來，營運管理層將繼續竭力謀求在傑出服務、高生產力、持續品質保證、穩健內部管控及良好員工士氣間達致最佳平衡。此外，我們與富邦金控及香港同業間的作業基準比較亦將持續進行，以期達到最佳的營運實務的目標。

People Development
人才管理及發展

In implementing the Bank's strategy of managing for stability and sustainable growth in 2011, Human Resources Division successfully developed and launched the following major human resources initiatives against a background of tightening business and regulatory environment.

貫徹本行保持穩定發展及可持續增長的管理策略，在日益嚴峻的經營及監管環境下，人力資源部於2011年成功地制訂及推出以下主要的人力資源措施。

COMPENSATION AND BENEFITS

In 2011, Human Resources Division fine-tuned the Bank's Remuneration Policy in order to provide a more comprehensive and clearer framework as well as guiding principles on the Bank's remuneration system and procedures. At the same time, the Bank's benefit programmes were enhanced to include a new medical check-up scheme for Senior Managers and improvement of the existing out-patient medical benefits for general staff. Human Resources Division also established a number of Standard Operating Procedures to achieve better operational efficiency and control. In line with the Group's mission to enhance the efficiency and effectiveness of information retrieval and analysis, the Bank participated in the development and user acceptance testing of the Group's Human Resources Information System in 2011. The new system will be rolled out in 2012.

薪酬及福利

2011年，人力資源部優化了本行的薪酬政策，為薪酬制度和程序提供一套更加全面和清晰的框架和指引。同時，本行亦強化了福利計劃的內容，加入了為高級經理而設的新體檢計劃，以及改善一般員工享用的現有門診醫療福利。人力資源部也制訂多項標準作業程序，以提升營運效率及加強監控。為配合富邦集團旨在提高資料檢索及分析工作的效率及效益，本行於2011年參與了富邦集團人力資源資料系統的開發及驗收測試工作，而新的系統將於2012年推出。

Looking ahead, Human Resources Division will continue to monitor and benchmark with the market to ensure that the Bank's remuneration packages are tailored to recruiting and retaining talents to sustain growth and success.

展望未來，人力資源部將繼續監察市場狀況和與市場基準作出比較，以確保本行的薪酬方案能吸引和挽留出色的人才，以持續本行的業務增長和成果。

RECRUITMENT

The Bank considers its staff as its greatest assets. Hence, Human Resources Division implemented effective measures aimed at attracting and retaining talents to achieve a stable and capable workforce. As at 31 December 2011, the total number of staff force stood at 882.

The introduction of the Hong Kong Monetary Authority's Guidelines on Competence & Ethical Behaviour in July 2011 provided a framework for the professional competence and ethical behavior of staff in Hong Kong's banking industry. Human Resources Division conducted a review of staff competence in the areas of financial markets, treasury, settlement and credit risk to ensure compliance with all relevant requirements. Enhancement measures will be implemented in due course.

The Batch 7 Management Associate Programme was launched with eight university graduates being hired for business and support units. They were assigned to various units to undergo a two-year training programme with continuous assessment to ensure they will be capable of carrying out management roles in the future.

Six fresh graduates with qualifications of a higher diploma or above will join the newly introduced Teller Trainee Programme in February 2012. The objectives of the programme are to provide an energetic, well-trained and qualified workforce in branch operations. The trainees will undergo a one-month all-round training before starting on-the-job training in branches.

TRAINING AND DEVELOPMENT

In 2011, the Bank organized 387 in-house training classes and product briefings for 10,666 participants. In line with the Bank's prudent business practices and the stepping up of regulatory requirements by regulatory bodies, diversified training opportunities were provided to staff members to develop their competence in the areas of compliance, risk and control. One-year programmes were also organized for management and supervisory development. Product related training and sales telephone skills training were organized for sales staff. The importance of such training cannot be over-emphasized as sales staff represent the Bank's image and are pivotal to acquiring business.

In early 2011, major revisions were made to the Education Sponsorship Scheme and Professional Award Scheme under the Training and Development Guideline. The revisions were aimed at further promoting a learning culture within the Bank with more incentives and motivation for staff members to attain higher and professional qualifications.

To conclude, Human Resources Division will continue to provide efficient and effective human resources services in acquiring, rewarding and retaining talents in line with the growth and strategies of the Bank.

招聘

本行視員工為最寶貴的資產。因此，人力資源部推行有效的措施來吸引及挽留人才，以維持一支穩定而能幹的員工團隊。截至2011年12月31日，本行的員工總數為882。

香港金融管理局於2011年7月推出「能力及道德行為」指引，為規範香港銀行業員工的專業能力及道德行為提供一個框架。人力資源部已就金融市場、財資、結算及信貸風險等範疇，評估有關員工的工作能力，以確保他們符合所有相關要求。本行將在適當時候推行相關強化措施。

本行籌辦的第七屆「見習管理人員計劃」，招聘了八位大學畢業生加入業務單位及後勤部門。他們被派往不同部門，進行為期兩年的培訓計劃，並將持續接受表現評估，以確保日後能勝任管理工作。

六位擁有高級文憑或以上學歷的畢業生將參加本行於2012年2月推出的全新「見習櫃員計劃」。計劃的目的是為分行營運提供充滿幹勁、訓練有素且能夠勝任的員工。這批見習員將進行一個月的全面培訓課程，然後在分行接受在職培訓。

培訓及發展

2011年，本行共舉辦了387次內部培訓課程和產品簡介會，出席人次達10,666。為配合本行審慎的經營實務及監管機構更嚴格的監管規定，我們向員工提供多元化的培訓機會，以加強他們在合規、風險管理及監控方面的能力。我們還為管理層和督導級員工舉辦為期一年的培訓計劃，同時為銷售員工提供和產品相關及行銷電話技巧的培訓。銷售員工代表本行的形象，對爭取業務極具關鍵性，因此這些培訓活動的重要性不容忽視。

2011年初，本行按照「培訓及發展指引」對「教育資助計劃」及「專業獎勵計劃」作出了重大修訂，以提供更多獎勵和推動員工爭取更高的學歷及專業資格，藉此進一步提升銀行內的學習文化。

總括而言，人力資源部將繼續提供迅速有效的人力資源服務，以吸納、獎勵及挽留人才，從而配合本行的增長需要及發展策略。

Corporate Social Responsibility
企業社會責任

COMMITMENT TO THE COMMUNITY

The Bank is committed to being a responsible corporate citizen in the communities where we operate. In 2011, we actively organized and supported a wide range of charitable initiatives to further our corporate philosophy of "Giving back to the Community" and to benefit people in need.

In addition to organizing different volunteering activities under the Fubon Caring Ambassador Programme, making various donations, and sponsoring activities held by public welfare organizations, the Bank continued to support charitable and non-profit organizations by distributing donation forms through free statement inserts to its customers.

In recognition of the Bank's ongoing commitment to corporate citizenship, it was awarded the Caring Company Logo for the fifth consecutive year by The Hong Kong Council of Social Service. Also, the Bank was presented with the Bronze Award of "2011 / 2012 Corporate & Employee Contribution Programme" by The Community Chest.

DONATING TO THE NEEDY AND UNDERPRIVILEGED

While the Bank continued to support activities and events organized by The Community Chest, it also made contributions to other

熱心社群

本行一向致力履行企業社會責任。為進一步貫徹「取之社會•用之社會」的企業理念，本行於2011年積極策劃並支持多項公益活動，讓社會上有需要的人士受惠。

藉著「富邦關懷大使」計劃，本行積極籌組各類義工活動。此外，本行亦有作出不同的捐獻及贊助由公益團體主辦的活動。同時，本行繼續協助志願團體及非牟利機構郵寄募捐表格。

本行連續第五年獲香港社會服務聯會頒發「商界展關懷」標誌，以表揚本行一直竭盡企業公民的責任。本行亦榮獲香港公益金頒發「2011/2012年度商業及僱員募捐計劃」銅獎。

樂於捐助貧弱

2011年，本行除了繼續支持香港公益金舉辦的活動及項目之外，亦向其他公益團體作出捐

charitable organizations in 2011. We made a cash donation to Foodlink Foundation Limited for the second consecutive year to support the organization's initiative to deliver surplus food to individuals and families in need. In addition, together with our staff, we launched a campaign to collect and donate food to the Food Bank of St. James' Settlement and participated in the "Care for the Elderly Raffle Tickets" fund-raising campaign, which raised money through ticket sales to support the elderly services run by St. James' Settlement.

獻。我們已連續兩年向膳心連基金有限公司作出捐款，以支持該機構運送「廚餘」予有需要的人士及家庭。此外，本行亦與員工攜手收集和捐贈食物予聖雅各福群會屬下的食物銀行「眾膳坊」，並參與「敬老護老愛心券」慈善籌款活動，將售賣愛心券的收益撥捐予聖雅各福群會作為長者服務的發展經費。

Recognizing the importance of improving the welfare of vulnerable children, the Bank continued to co-organize with Po Leung Kuk the "Fubon Caring 1+1" Child Sponsorship Programme in 2011. The Programme matched each child or "House" sponsorship by our staff on a one-to-one basis for a year. One hundred children or "Houses" benefited last year, demonstrating the Bank's and our staff's strong commitment to the community.

本行十分關注並致力改善弱勢兒童的福利，故於2011年繼續與保良局合辦富邦銀行「愛心共顯1+1」兒童助養計劃。透過此助養計劃，本行以1：1的配對形式，贊助員工助養保良局的兒童或家舍一年。去年，本行員工一共贊助了共100名兒童或家舍，充份體現本行上下一心服務社群的堅定承諾。

In the wake of the massive earthquake and tsunami in Japan in March 2011, the Bank initiated a fund-raising programme and made donations to the Hong Kong Red Cross to support its relief operations and efforts.

日本於2011年3月發生大地震及海嘯後，本行亦發起了籌款運動，以支持香港紅十字會的救災工作。

PROMOTING VOLUNTEERING SERVICES

Under the Fubon Caring Ambassador Programme, the Bank continued to partner with various NGOs to organize an array of volunteering programmes. In 2011, the Fubon Caring Ambassadors took part in social outreach programmes jointly organized with St. James' Settlement, Po Leung Kuk and Tung Wah Group of Hospitals to serve the community and the underprivileged.

推動義務工作

透過「富邦關懷大使」計劃，本行繼續與各社會服務機構合辦多項義工活動。2011年，「富邦關懷大使」參加了本行與聖雅各福群會、保良局及東華三院合辦的社區外展活動，服務社會及弱勢社群。

CARING FOR THE ENVIRONMENT

The Bank has been actively supporting and participating in a series of environmental protection activities to promote the importance of environmental sustainability. Targeting underprivileged youths, the Bank partnered with St. James' Settlement to roll out the Fubon "Living the Green Life" Nurturing Project in the summer of 2011 to raise the youths' environmental awareness. The Project received an overwhelming response from participating schools. Over 200 students from low-income families attended the workshops and ecological tours under the Project to learn about the importance of environmental protection and resources conservation.

致力提倡環保

本行在推動和參與環保方面亦一直不遺餘力，積極支持及參與連串的環境保護活動，以提倡環境可持續發展的重要性。本行與聖雅各福群會於2011年夏季攜手舉辦了「富邦成長路」環保培育計劃，以提升弱勢兒童對環境保育的關注。該計劃獲參與學校的熱烈回響，共200多名來自低收入家庭的學生參加了該計劃所舉辦的工作坊及自然生態遊活動，藉此加深對環境保護的認識及珍惜資源的重要性。

In 2011, the Bank continued to promote other green initiatives including Earth Hour 2011 organized by the World Wildlife Fund and Green Day organized by The Community Chest by encouraging its staff to adopt a low-carbon lifestyle. Furthermore, the Bank actively promoted the 3R concept (Reduce, Reuse and Recycle) in its day-to-day operations to reduce the Bank's consumption of utilities.

2011年，本行繼續推動其他環保項目，包括世界自然基金會舉辦的「地球一小時2011」活動及香港公益金舉辦的「公益綠識日」，鼓勵員工實踐低碳生活。此外，本行努力將「減少使用、重複使用及循環再用」的環保原則融入日常運作當中，以減少本行的能源消耗量。

Looking forward, the Bank will continue to organize diversified welfare activities and volunteering programmes to benefit a greater number of people in need so as to strengthen its commitment to corporate social responsibility.

展望未來，本行將繼續舉辦多元化的公益及義工活動，以積極履行企業社會責任，讓更多有需要的人受惠。

Bank Network
銀行網絡

HEAD OFFICE 總辦事處

Fubon Bank Building,
38 Des Voeux Road Central, Hong Kong
香港中環德輔道中38號富邦銀行大廈
Tel 電話：(852) 2842 6222
Fax 傳真：(852) 2810 1483
Website 網址：www.fubonbank.com.hk

BRANCHES 分行

HONG KONG 香港

Central Main Branch 中環總行
Fubon Bank Building, 38 Des Voeux Road Central
德輔道中38號富邦銀行大廈

Sheung Wan 上環
G/F & 1/F, Ngan House, 210 Des Voeux Road Central
德輔道中210號顏氏大廈地下及1樓

Queen's Road East 皇后大道東
Shop 2, G/F, Wu Chung House, 213 Queen's Road East
皇后大道東213號胡忠大廈地下2號舖

Wan Chai 灣仔
Shop A2, G/F, Lucky Centre, 165-171 Wan Chai Road
灣仔道165-171號樂基中心地下A2號舖

Causeway Bay 銅鑼灣
G/F, Shing Wah Mansion, 455-457 Hennessy Road
軒尼詩道455-457號勝華樓地下

North Point 北角
Shop 2, G/F, Tsing Wan Building, 334-336 King's Road
英皇道334-336號青雲大廈地下2號舖

Taikoo Shing 太古城
Unit 3-4, Cityplaza II, Taikoo Shing
太古城中心第2期地下3-4號舖

Chai Wan 柴灣
Shops 82-83 & 85-86, Lower G/F, Koway Plaza,
111 Chai Wan Road
柴灣道111號高威廣場地下82-83及85-86號舖

KOWLOON 九龍

Kowloon Main Branch 九龍總行
G/F & 1/F, 731 Nathan Road
旺角彌敦道731號地下及1樓

Tsim Sha Tsui 尖沙咀
G/F, Grand Right Centre, 10-10A Cameron Road
金馬倫道10-10A宏威中心地下

Jordan 佐敦
Shop A, G/F, Ka Woo Building, 131-137 Woo Sung Street
吳松街131-137號嘉和大廈地下A舖

Mong Kok 旺角
G/F, President Commercial Center, 602 Nathan Road
彌敦道602號總統商業中心地下

Cheung Sha Wan 長沙灣
Shops D & E, G/F, Wing Lung Building,
220-240A Castle Peak Road
青山道220-240A號永隆大廈地下D及E舖

Mei Foo 美孚
G/F, 26B Nassau Street
蘭秀道26號B地下

Kwun Tong 觀塘
Unit 1501, 15/F Millennium City 6,
392 Kwun Tong Road
觀塘道392號創紀之城第6期15樓1501室

Richland Gardens 麗晶花園
Shops 111-112 & 117-118, Richland Gardens,
Commercial Complex, Wang Kwong Road
宏光道麗晶花園商場111-112及117-118號舖

Hung Hom 紅磡
Shop A3, G/F, 13 Tak Man Street,
Wong Po Sun Tsuen
黃埔新邨德民街13號地下A3號舖

NEW TERRITORIES 新界

Tsuen Wan 荃灣
G/F & 1/F, Wing On Mansion, 22-28 Tai Ho Road
大河道22-28號榮安大廈地下及1樓

Tuen Mun 屯門
Shop 11, G/F, Mei Hang Building, 15-45 Kai Man Path
啟民徑15-45號美恒樓地下11號舖

Yuen Long 元朗
G/F, Hing Fat House, 9 Kau Yuk Road
教育路9號興發大廈地下

Tai Po 大埔
Shop 28, G/F, Jade Plaza, On Chee Road
安慈路翠屏花園地下28號舖

Sha Tin 沙田
Shop 31L, Sha Tin Centre, 2-16 Wang Pok Street
橫壆街2-16號沙田中心商場31L號舖

Branches Tel 分行電話：(852) 2566 8181

SECURITIES SERVICES CENTRES 證券投資服務中心

Central 中環
1/F, Fubon Bank Building, 38 Des Voeux Road Central
德輔道中38號富邦銀行大廈1樓
Tel 電話：(852) 2842 6161

Yuen Long 元朗
Rooms 603 & 604, HSBC Building,
150-160 Castle Peak Road
青山公路150-160號元豐中心603-604室
Tel 電話：(852) 2869 6389

CREDIT CARD CENTRE 信用卡中心

23/F, Fortress Tower, 250 King's Road, North Point,
Hong Kong
香港北角英皇道250號北角城中心23樓

OPERATIONS CENTRE 營運中心

9/F, Fortress Tower, 250 King's Road, North Point,
Hong Kong
香港北角英皇道250號北角城中心9樓

PRINCIPAL SUBSIDIARIES 主要附屬公司

Fubon Credit (Hong Kong) Limited
富邦財務（香港）有限公司
6/F, Fubon Bank Building,
38 Des Voeux Road Central, Hong Kong
香港中環德輔道中38號富邦銀行大廈6樓
Tel 電話：(852) 2806 7228
Fax 傳真：(852) 2541 2848

FB Securities (Hong Kong) Limited
富銀證券（香港）有限公司
Fubon Bank Building,
38 Des Voeux Road Central, Hong Kong
香港中環德輔道中38號富邦銀行大廈
Tel 電話：(852) 3767 6067
Fax 傳真：(852) 2840 0742

FB Investment Management Limited
富銀投資管理有限公司
Fubon Bank Building,
38 Des Voeux Road Central, Hong Kong
香港中環德輔道中38號富邦銀行大廈
Tel 電話：(852) 2842 1688
Fax 傳真：(852) 2847 3389

Fubon Insurance Brokers Limited
富邦保險顧問有限公司
13/F, Fubon Bank Building,
38 Des Voeux Road Central, Hong Kong
香港中環德輔道中38號富邦銀行大廈13樓
Tel 電話：(852) 2842 1636
Fax 傳真：(852) 2524 9632

Fubon Nominees (Hong Kong) Limited
Fubon Bank Building,
38 Des Voeux Road Central, Hong Kong
香港中環德輔道中38號富邦銀行大廈
Tel 電話：(852) 3767 6067
Fax 傳真：(852) 2840 0742

Products & Services
產品及服務

DEPOSIT PRODUCTS	存款產品
magi©money manager HKD Account	magi©money manager 港元有息支票戶口
magi©money manager USD Account	magi©money manager 美元有息支票戶口
magi©Children Savings Account	「magi© 兒同樂」儲蓄戶口
Current Account	往來戶口
Statement Savings Account	簡便儲蓄戶口
Passbook Savings Account	存摺儲蓄戶口
Fixed Deposit Account	定期存款戶口
Multi-currency Call / Savings Accounts	綜合貨幣通知 / 存款戶口

LOAN PRODUCTS	貸款產品
Mortgage Loan	按揭貸款
Deposit-Linked Mortgage Account	「按揭存款聯繫」戶口
HIBOR Mortgage Loan	「同業拆息」按揭貸款
Property for Sale Services	物業待售服務
"Perfect Fit" Personal Loan	「合您意」私人貸款
Tax Loan	稅務貸款
"Credit Go" Personal Loan	「卡數清」私人貸款
Privileged Cash Card	富邦現金卡
Pledged Deposit	存款抵押

CREDIT CARD SERVICES	信用卡服務
VISA Gold and Classic	VISA 金卡及普通卡
VISA Platinum	VISA 白金卡
MasterCard Gold and Classic	萬事達金卡及普通卡
Titanium MasterCard	Titanium 萬事達卡
MasterCard Platinum	萬事達白金卡
myCard VISA Gold and Classic	myCard VISA 金卡及普通卡
myCard VISA Platinum	myCard VISA 白金卡
myCard MasterCard Gold and Classic	myCard 萬事達金卡及普通卡
myCard Titanium MasterCard	myCard Titanium 萬事達卡
myCard MasterCard Platinum	myCard 萬事達白金卡
Elite Platinum VISA	Elite Platinum VISA 白金卡

Co-branded / Affinity Cards	聯營卡
VISA Debit Card	VISA 扣賬卡
Corporate Card	公司信用卡
Any-can-do Purchase Installment Plan	「自由式分期」計劃
Interest-free Purchase Installment Plan	特約商戶免息分期計劃
Interest-free Cash Installment Plan	0息分期零用錢
Balance Transfer Services	結欠轉賬服務
Credit Card Bonus Point Program	信用卡積分計劃
Merchant Discount Offers	商戶消費折扣優惠
Octopus Automatic Add Value Services	八達通自動增值服務
Credit Card Merchant Services	信用卡商戶服務

RENMINBI (RMB) SERVICES 人民幣服務

RMB Exchange Services	人民幣兑換服務
RMB Fixed Deposit Account	人民幣定期存款戶口
RMB Import-Export Trade Financing	人民幣出入口貿易融資
RMB Import-Export Trade Services	人民幣出入口貿易服務
RMB Investment Services	人民幣投資服務
RMB Loans	人民幣貸款
RMB Remittance Services	人民幣匯款服務
RMB Savings Account	人民幣儲蓄戶口

CORPORATE BANKING 企業銀行

Account Receivable Financing	應收賬融資
China Business	中國業務
Commercial Loans	商業貸款
Construction Loans	建造貸款
Import-Export Trade Financing	出入口貿易融資
Project Financing	項目融資
Structured Financing	結構融資
Syndicated Loans	銀團貸款
Taiwan Business	台灣業務
Treasury Products	財資產品
Working Capital Loans	營運資金貸款

Products & Services
產品及服務

GLOBAL COMMERCIAL BANKING

Accounts Receivable Financing	應收賬融資
Commercial / Industrial Property Financing	工商物業貸款
Deposit Services	存款服務
Factoring	應收賬款承購服務
Import / Export Trade Finance	進出口貿易融資服務
RMB Services	人民幣服務
SME Loan Guarantee Scheme	中小企業信貸保證計劃
Treasury Related Products	財資相關產品
Working Capital Loans	營運資金貸款

AMBASSADOR BANKING

Deposit Services	存款服務
Insurance Services	保險服務
Investment Portfolio Management	投資組合管理
Mortgage Loan Services	樓宇按揭服務
Offshore Ambassador Banking	Ambassador 境外理財服務
Personal Credit Facilities	個人信貸服務
Wealth Management Services	財富管理服務

INVESTMENT SERVICES

Securities Services	證券投資服務
– Securities Trading	– 股票交易
– Internet Stock Trading Service	– 網上證券交易服務
– Interactive Voice Response System	– 語音下單證券交易服務
– Nominees and Custodian Services	– 代理人及托管服務
– Share Margin Financing	– 股票按揭
Investment Fund Services	基金投資服務

TREASURY PRODUCTS 財資產品

Bond Services	債券服務
Certificates of Deposit	存款證
Currency-Linked Deposit	「倍多息」外幣掛鈎存款
Currency Options	外匯期權
Equity-Linked Deposits	股票掛鈎存款
Equity-Linked Notes	股票掛鈎票據
Equity OTC Covered Call Option	場外交易備兑認購股票期權
Forward Foreign Exchange Services	遠期外匯交易服務
Liability Hedging Products	債務對沖風險產品
Retail Note	零售票據
Spot Foreign Exchange Services	即期外匯交易服務
Yield Enhancement Structured Products	提高收益結構性投資產品

INSURANCE SERVICES 保險服務

General Insurance	一般保險
Life Insurance	人壽保險

MPF SERVICES 強積金服務

MPF	強積金

FINANCIAL INSTITUTIONS 金融機構業務

Correspondent Banking	金融機構客戶服務
Forfaiting and Risk Participation	出口信用證無追索權買賣斷及信用證風險參與
Non-Bank Financial Institutions	非銀行金融機構客戶服務

ELECTRONIC BANKING 電子銀行

ATM Service	自動櫃員機服務
e-banking Service	網上理財服務
Fubon Business Online Service	富邦商務網服務
Internet Stock Trading Service	網上證券交易服務
Phone Banking Service	電話理財服務

SAFE DEPOSIT BOX SERVICES 保管箱服務

Corporate Governance Report
企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Bank, being a licensed bank incorporated in Hong Kong, is committed to the highest standards of corporate governance including but not limited to strict adherence to the principles and best practices in corporate governance as set forth in the guidelines on "Corporate Governance of Locally Incorporated Authorised Institutions" under the Supervisory Policy Manual issued by the Hong Kong Monetary Authority ("HKMA").

BOARD OF DIRECTORS

(1) The Board of Directors ("the Board") of the Bank comprises 10 Directors. Details in relation to the Board have been set out in the Corporate Information.

Full regular Board meetings are held at least four times a year, with one in each quarter. Notice of each Board meeting will be given to all Directors at least 14 days in advance and the agenda will be sent to the Directors at least 7 days before the date of each Board meeting for all Directors to review.

The Articles of Association of the Bank provide that a Director shall not be entitled to vote or be counted in the quorum in respect of any contract or arrangement in which he or any of his associates has a material interest.

Minutes of each Board meeting are circulated to all Directors for their comment prior to their confirmation at the following Board meeting. Minutes of Board meetings are kept by the Company Secretary and are open for inspection by Directors.

Directors may have access to the advice and services of the Company Secretary with a view to ensuring that Board procedures and all applicable rules and regulations, are followed.

(2) In meeting its overall duties and responsibilities to shareholders, depositors, creditors, employees and other stakeholders, the Board is responsible to ensure that there is a competent executive management which is able to run the Bank in a sound and efficient manner.

The Board is also responsible for establishing the overall business objectives of the Bank and to approve and review the corresponding business strategies and plans (including annual budgets) from time to time. The Board is also required to ensure that the operations of the Bank are conducted prudently and within the laws and regulations of the Hong Kong Special Administrative Region and thus establishes, approves and reviews such policies, codes of conduct, guidelines and systems as the Board may think necessary and appropriate from time to time.

The Board also ensures that the Bank observes a high standard of integrity in its dealings with the public and particular care is taken to comply with applicable laws and regulations (such as the Personal Data (Privacy) Ordinance, Prevention of Bribery Ordinance etc), prevention of money laundering legislation, industry standards (such as the Code of Banking Practice) and regulatory guidelines issued by the HKMA, the Securities and Futures Commission and other relevant regulatory authorities.

企業管治常規

本行作為香港成立之持牌銀行，致力實行最高水準之企業管治，包括但不限於嚴格遵守載於香港金融管理局（「金管局」）頒佈之監管政策手冊內「本地註冊認可機構之企業管治」指引之原則及企業管治最佳常規。

董事會

(1) 本行董事會（「董事會」）包括10名董事。公司資料中載有董事會之詳情。

本行每年至少舉行四次定期董事會會議，每季度一次。每次董事會會議通知會於至少14天前發給全體董事，而會議議程會於各董事會會議日期至少7天前發給全體董事以供審閱。

本行之章程細則規定，就任何合約或安排而言，倘董事或董事之聯繫人士於其擁有重大權益，則該董事無權投票或計為法定人數。

每次董事會會議之會議記錄會於下次董事會會議確認前交由全體董事傳閱及提出意見。董事會會議記錄會交由公司秘書保存並供董事公開查閱。

全體董事皆可獲得公司秘書的意見及服務以確保董事會程序及所有適用規則及條例均獲遵守。

(2) 董事會有責任確保行政管理層有能力以合理及有效的方式經營本行，以履行其對股東、存戶、債權人、僱員及其他相關人士之義務及責任。

董事會亦有責任建立本行之全盤業務目標，並不時批核及檢討相應之業務策略及計劃（包括年度財政預算）。董事會亦須確保本行謹慎營運並遵守香港特別行政區之法例及法規，從而於董事會認為有必要及適當時建議、批准及審核該等政策、行為守則、指引及系統。

董事會亦須確保本行於其對公眾之交易中遵循高標準誠信準則，並特別留意須遵守法例及法規（例如《個人資料（私隱）條例》、《防止賄賂條例》等）、防止清洗黑錢法例、行業標準（例如《銀行營運守則》），以及由金管局、證券及期貨事務監察委員會及其他相關監管機構頒佈之規管指引。

In addition, the Board regularly establishes, approves and reviews risk management strategies and policies of the Bank as it may think necessary and appropriate from time to time to identify, measure, monitor and control the various types of risk with which the Bank is faced, such as but not limited to credit, operational, market, reputational and liquidity risks. It also oversees the overall investments (other than in the ordinary course of its banking and securities business) of the Bank in assets such as property, equities or bonds.

此外，董事會於其認為有必要及適當時不時定期建立、批准及審核本行之風險管理策略及政策，以找出、計算、監察及控制各類本行所面對之風險，其中包括惟不僅限於信貸、營運、市場、聲譽及流動資金風險。董事會亦監察本行之物業、股權或債券等全盤資產之投資，惟一般之銀行及證券業務除外。

The Board also ensures that the staff of the Bank fully understands and complies with the provisions of Section 83 of the Banking Ordinance on connected lending and has established a policy on such lending.

董事會亦確保本行職員完全理解及遵守《銀行業條例》第83條之有關關連借貸之條文，並就該等借貸訂立政策。

The Board also focuses on effectively overseeing and managing the business of the Bank including delegating duties and responsibilities to the Managing Director or through the appointment of Directors to specialised Board committees with all decisions and approvals being subject to review and ratification by the Board.

董事會亦專注於有效監察及管理本行之業務，包括透過授權董事總經理，或委任董事加入專責委員會，再經由董事會審核及追認所有決定。

(3) Details of the Chairman, Ming-Hsing (Richard) Tsai, and the Chief Executive (Managing Director), Pei-Hwa Thomas Liang, have been set out in the Corporate Information. They have no relationship with each other. The roles of the Chairman and the Chief Executive (Managing Director) are segregated, with a clear division of responsibilities.

(3) 公司資料載有主席蔡明興及行政總裁梁培華之詳細資料。彼等相互並無關係。主席及行政總裁之職能互相獨立及職責清晰。

The Chairman is a Non-Executive Director and is responsible for the leadership and effective running of the Board, and ensuring that all key and appropriate issues are discussed by the Board in a timely and constructive manner.

主席為非執行董事及負責董事會之領導和運作，並確保所有重大及需要處理的事務得以有效及有建設性地進行商議。

The Chief Executive (Managing Director) is an Executive Director and is responsible without interference from individual Director for the day to day general management and control of the Bank's business and operation under delegated power and authority of the Board. However the Chief Executive (Managing Director) has discretion to consult and obtain guidance from the other Directors or the Board when he considers necessary.

行政總裁（董事總經理）為執行董事及可根據董事會之授權，負責日常管理及本行之業務營運，而不受任何個別董事之影響。然而，行政總裁（董事總經理）可於必要時酌情向任何董事或董事會進行諮詢及獲取指引。

(4) The Board comprises two Executive Directors, five Non-Executive Directors and three Independent Non-Executive Directors. More than one of the Independent Non-Executive Directors hold appropriate professional qualifications or accounting or related financial management expertise.

(4) 董事會包括二位執行董事、五位非執行董事及三位獨立非執行董事。不止一位獨立非執行董事擁有適當之專業資格或具備會計或相關財務管理專長。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All Directors are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association of the Bank.

委任及重選董事

根據本行之章程細則，所有董事均需於股東週年常會上輪值告退及膺選連任。

The Board has not established a nomination committee. Fubon Financial Holding Co., Ltd., the sole Shareholder of the Bank, is involved in the process of nominating new Directors. The appointment of new Directors will be considered and approved by the full Board of Directors or Shareholder in accordance with the Articles of Association of the Bank. Approval from the HKMA will also be obtained in accordance with the Banking Ordinance.

董事會並未成立提名委員會。本行獨立股東富邦金融控股股份有限公司會參與提名新董事之程序。根據本行之章程細則，委任新董事將由全體董事會成員或股東審核及批准。根據《銀行業條例》，亦須獲得金管局之批准。

Those directors appointed by the Board during the year shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

董事會於年度內所委任之董事只任職至下屆股東週年常會，並於其時有資格再度膺選連任。

REMUNERATION COMMITTEE

The Remuneration Committee comprises the Board's Non-Executive Chairman, Non-Executive Vice Chairman and three Independent Non-Executive Directors. The Committee meets as required to review and make recommendations to the Board in respect of the remuneration policy, structure and practices of the Bank to ensure that these are consistent with legal or regulatory requirements. It ensures that formal and transparent procedures for developing policy on remuneration are established. The Committee exercises competent and independent judgment on the remuneration policy and practices, and the job performance incentives thereby created for managing risk, capital and liquidity. It evaluates any practices by which remuneration is paid for potential future revenues whose timing and likelihood remain uncertain and to ensure that such payments are consistent with the Bank's strategic objectives, financial condition and future prospects. The Committee determines whether any adjustments for risk need to be applied when considering performance objectives or actual performance. The Committee also ensures that an annual review of the Bank's remuneration system and its operation, which will include an assessment of consistency with the regulatory requirements, is conducted independently of senior management.

薪酬委員會

薪酬委員會由董事會之非執行主席、非執行副主席及三名獨立非執行董事組成。該委員會按需要舉行會議，以就本行之薪酬政策、結構及運作進行審閱及向董事會作出建議，確保該等政策、結構及運作符合法律或法規之規定，並確定已建立了正規和清晰的薪酬政策制訂程序。委員會就薪酬政策及運作以及就管理風險、資本及流動性設立之工作表現獎勵進行恰當及獨立判斷。委員會評估就未來收入（因其時間及可能性尚不明確）而支付報酬之做法進行評估，並確保該等付款符合本行之策略目標、財務狀況及未來前景。委員會於考慮表現目標或實際表現決定時會就風險作出調整。委員會亦確定在不受高級管理層的影響下對本行之薪酬制度及其運作進行年度獨立審閱，當中包括評估其與監管規定的一致性。

The Committee reviews and approves the remuneration packages for senior management which include the Managing Director and Chief Executive, Alternate Chief Executive, Executive Director, Executive Vice President and Material Business Line Manager. Executive Directors or any of their associates do not play a part in decisions on their own remuneration. During the financial year, two meetings were held.

委員會審閱及批核高級管理人員（包括董事總經理及行政總裁、替任行政總裁、執行董事、執行副總裁及重要業務經理人）之薪酬方案。執行董事或任何彼等之聯繫人士並無參與與其相關之薪酬決策討論。於本財政年度內，薪酬委員會曾經舉行兩次會議。

During the financial year, the Remuneration Committee discussed the 2011 staff bonuses and recommended its decision to the Board for approval. The Committee also approved the 2011 bonuses for Senior Management, the employment of Dennis Chan Wen-Yueh as an Executive Director and the extension of employment service agreement of Pei-Hwa Thomas Liang as Managing Director.

於本財政年度內，薪酬委員會就職員二零一一年之花紅進行討論並向董事會提出批准之建議。該委員會亦批核了高級管理層二零一一年之花紅、委任詹文嶽先生為執行董事及批准延長梁培華先生擔任董事總經理一職之服務合約。

EMPLOYEE REMUNERATION

General

The Bank's remuneration system is applicable to the staff of the Bank and its subsidiaries. During the financial year, the Remuneration Committee reviewed the Bank's Remuneration Policy. Major changes to the policy include redefining the definition of Senior Management to include more senior executives with significant impact to the Bank's business and adding implementation details of deferment and clawback mechanism to further strengthen the risk and control of the remuneration system.

僱員薪酬

一般

本行之薪酬制度適用於本行及其附屬公司的員工。本財政年度內，薪酬委員會已審閱本行之薪酬政策。有關政策之主要轉變包括為「高級管理層」重新下定義，以包括更多對本行業務有重大影響之高級行政人員，以及加入押後發放安排及追回浮薪安排之執行細節以加強薪酬制度之風險及控制。

The Bank considers that its remuneration system for both fixed and variable pay is a key element in its ability to create long-term value and align remuneration with the time horizons of risk. The Bank has a remuneration system which provides value for its employees on a basis which is consistent with the interests of its shareholders and its risk profile. It is based on the following principles:

本行認為，其有關固定及浮動薪酬的制度對本行創造長期價值之能力十分重要，並將薪酬與風險期間連繫。本行薪酬制度向員工提供報酬所依據的基準，與股東利益及本行風險狀況保持一致，並以下列原則為基礎：

– Alignment of compensation to its profitability, risk and capital;

– 將薪酬與本行盈利能力、風險及資本掛鈎；

- Maximization of employees' and entities' performance;
- Attraction and retention of talent; and
- Calibration to the differing needs of each division and staff's levels of responsibility.

Basically, the fixed pay including base salary, allowance and double pay is determined by job function, relevant responsibilities and market salary level, while the variable pay including sales incentive, year-end bonus and share options is determined by relative performance measurements such as individual fulfilment on financial and non-financial factors, individual performance and contributions, relative business and bank-wide performance. The use of different variable pay forms depends on a number of factors such as the appropriateness of the form in coping with the long and short term business goals of the Bank and staff retention. Deferment mechanism on variable pay will be implemented if the staff member's variable pay in cash exceeds the pre-determined thresholds. The deferment period for variable pay in cash will be 6 months for general staff and 18 months for Senior Management reflecting their relative responsibilities and role. The award of deferred variable pay in cash should also be subject to pre-defined vesting conditions such as future performance of the Bank, the relevant business units and the staff member concerned. In addition, clawback mechanism will be applied under certain specific circumstances related to the staff member's individual performance, relevant business and overall performance of the bank.

The Remuneration Committee when considering salary increase budget to its staff will take into account a number of factors including but not limited to latest market and industry practice, yearly inflation rate, the results of annual surveys on trends in pay and salary adjustments made in the last financial year. The salary increase budget will be approved by the Remuneration Committee and the salary increase for individual staff member will be determined by the Managing Director taking into consideration the recommendation of Division/Department Heads, the performance of the staff member concerned, job responsibilities and level of staff etc.

Senior Management and Key Personnel

There were 13 employees classified as Senior Management in the financial year. The remuneration packages of Senior Management(Note 1) and Key Personnel(Note 2) are determined by Remuneration Committee with reference to a number of factors as follows:

- Overall business performance of the Bank;
- General economic situation;
- Latest market and industry practice;
- Risk and responsibilities;
- Individual contributions to results as confirmed in the performance evaluation process; and
- Attraction and retention of talent.

Note 1 *Senior Management refers to those senior executives who have significant impact to the Bank's performance. They include the following positions in the financial year:*

- *Managing Director / Chief Executive*
- *Alternate Chief Executive*
- *Executive Director*
- *Executive Vice President*
- *Material Business Line Manager (including respective Heads of Consumer Finance, Corporate Banking, Financial Markets and Wealth Management Group)*

- 盡量提高員工及公司之表現；
- 吸引及挽留人才；及
- 須衡量各部門之不同需要及員工各自之責任。

基本上，固定薪酬（包括基本工資、津貼及雙糧）按職務、相關責任及市場薪金水平釐定，而浮動薪酬（包括銷售獎勵、年終花紅及認股權）則按相對表現衡量，例如個人達成的財務及非財務因素、個人表現及貢獻、相對業務及銀行整體表現。薪酬會採用不同的支付形式，視乎若干因素而定，例如有關方式能否配合本行之長短期業務目標及挽留人才。如個別員工以現金發放的浮動薪酬超出預定限額，則會對其浮動薪酬實施押後發放安排。以現金發放的浮動薪酬押後發放期，普通員工將為6個月，高級管理層為18個月，以反映其相對的責任和職位。發放已押後之浮動獎勵金須符合預先界定之歸屬條件，如本行、有關業務單位及受影響員工之未來表現等。此外，在若干特定情況下，例如員工個人表現，相關業務及整體銀行表現等，本行會實行追回浮薪安排。

薪酬委員會於考慮員工加薪預算時會考慮多項因素，包括（但不限於）最近市場情況及行業慣例、全年通脹率、年度薪酬趨勢調查結果，以及上個財政年度之薪酬調整。加薪預算須經薪酬委員會批准，而個別員工之加薪幅度由董事總經理在考慮部門主管意見、有關員工之表現、職責及職級等因素後釐定。

高級管理層及主要員工

於本財政年度，有13名員工分類為高級管理層。高級管理層(附註1)和主要員工(附註2)的薪酬是由薪酬委員會參考下述因素決定：

- 本行之整體表現；
- 一般經濟環境；
- 最新市場及業界慣例；
- 風險和責任；
- 個人根據績效評估過程中確定的結果；及
- 吸引和挽留人才。

附註1 *高級管理層是指那些對本行業績產生重大影響的高級管理人員。於本財政年度內，他們包括以下職位：*

- *董事總經理／行政總裁*
- *替任行政總裁*
- *執行董事*
- *執行副總裁*
- *重要業務經理人（包括消費金融部主管、企業金融部主管、金融市場部主管、財富管理部主管）*

Note 2 *Key Personnel refers to those executives other than Senior Management who are engaged in trading and dealing activities which involve the assumption of material risk or the taking on of material exposures on behalf of the Bank. In the financial year, the Bank did not have such personnel.*

附註2 *主要員工是指那些，高級管理層以外，從事涉及重大風險的貿易及交易活動或為本行承擔主要風險。於本財政年度內，本行沒有該等人員。*

The aggregate quantitative information on remuneration(Note 3) for the Bank's Senior Management and Key Personnel for the financial year is set out below:

本行高級管理層及主要員工於本財政年度之薪酬(附註3)總額資料載列如下：

(i) Amount of remuneration for the financial year, split into fixed and variable remuneration is:

	Non-deferred (Amount in HKD)	Deferred (Amount in HKD)
Fixed Remuneration		
Cash	27.29 million	Nil
Variable Remuneration		
Cash	4.61 million (Year-end bonus paid in 1/2012)	1.86 million
Share options granted in 2011	Nil	Nil

(i) 本財政年度薪酬金額，分為固定及浮動薪酬：

	非押後發放薪酬（港幣）	押後發放薪酬（港幣）
固定薪金		
現金	27.29百萬	無
浮動薪酬		
現金	4.61百萬（於2012年1月支付之年終花紅）	1.86百萬
於2011年授予之認股權	無	無

(ii) Aggregate amount of outstanding deferred variable remuneration split into vested and unvested

	Awarded for Performance Year 2011 (Amount in HKD)	Awarded for Prior Performance Years (Amount in HKD)
Vested		
Cash	4.61 million (Year-end bonus paid in1/2012)	Nil
Shares options	Nil	4.58 million (see iii)
Unvested		
Cash	1.86 million (see iv)	Nil
Shares options	Nil	Nil

(ii) 押後發放浮動薪酬（分別為已歸屬及尚未歸屬）之總額，現臚列如下：

	就2011年度之表現所發放之總額（港幣）	就2011年度前之表現所發放之總額（港幣）
已歸屬		
現金	4.61百萬（於2012年1月支付之年終花紅）	無
認股權	無	4.58百萬（見iii）
尚未歸屬		
現金	1.86百萬（見iv）	無
認股權	無	無

There was no deferred variable remuneration being reduced through performance adjustments in 2011.

於2011年，並無任何押後發放浮動薪酬須就表現情況而作出扣減。

(iii) A total of 7.52 million shares options were granted by Fubon Financial Holding Co. Ltd., the parent company, to four beneficiaries on 31 July 2007 and 31 December 2007 respectively to acquire shares in Fubon Financial Holding Co., Ltd. As at 31 December 2011, there remains 1,809,750 outstanding share options and their aggregate fair value (as at their respective grant dates) is HKD4.58 million. According to the terms of the share option scheme, 50% of the share options are exercisable after two years from the grant date, 25% are exercisable after three years and the remaining 25% are exercisable after four years, provided that the beneficiaries are still employees of the Bank when the share options are exercised. As all outstanding share options have already met the abovementioned requirements in 2011, they are exercisable in 2012.

(iii) 本行母公司富邦金融控股股份有限公司，分別於2007年7月31日和2007年12月31日向四個受益人授予752萬富邦金融控股股份有限公司的認股權。截至2011年12月31日尚有1,809,750股未行使認股權，總公平價值（在各自授出日期）為港幣4.58百萬元。根據認股權計劃的條款，百分之五十的認股權自授出日期起計兩年後可行使、百分之二十五在三年後可行使，餘下的百分之二十五在四年後可行使，惟受益人於行使認股權時須仍為本行職員。由於所有未行使認股權於2011年已達到上述要求，故在2012年均可行使。

(iv) The Remuneration Committee has considered financial and non-financial factors and the appropriateness of the variable remuneration of Senior Management. With reference to the Remuneration Policy, a deferred portion of the year-end bonus of around HKD1.86 million in relation to three beneficiaries would be paid after 18 month from the date of 2011 bonus payment subject to the fulfillment of vesting conditions and period.

(iv) 薪酬委員會已於財務及非財務因素上對高級管理層之浮動薪酬的合適作出考慮。根據薪酬政策，對於三個受益人約港幣1.86百萬元之年終獎金押後發放部分將於18個月後支付，並須符合歸屬條件及有效期間。

(v) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit/implicit adjustments is set out below:

	(Amount in HKD)
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit/implicit adjustments	1.86 million
Total amount of deferred remuneration awarded, paid out and reduced through performance adjustments during the financial year	Nil

(vi) A guaranteed bonus of HKD450,000 was paid to one staff member during the financial year.

(vii) No new sign-on and severance payments were awarded during the financial year.

Note 3 *Remuneration refers to all remuneration payments payable to employees during the financial year of 2011. The remuneration also includes payments to three resignees during the financial year of 2011.*

AUDIT COMMITTEE

The Audit Committee comprises three members including one Non-Executive Director and two Independent Non-Executive Directors. The Audit Committee is chaired by Robert James Kenrick, an Independent Non-Executive Director who has appropriate accounting professional qualifications. It meets at least four times a year and additionally when deemed necessary.

The Audit Committee ensures adequate supervision of the Bank's financial reporting processes and systems of internal control and that the internal audit function is effective and adequately resourced and has appropriate standing within the Bank. It also ensures coordination between the internal and external auditors, and monitors compliance with internal policies, statutory regulations and recommendations made by the internal and external auditors.

During the financial year, the Audit Committee has reviewed the Bank's financial reporting process and the systems of internal control, including reviews of the internal audit function and the risk management process. In particular, the reviews undertaken by the Audit Committee on the internal audit function included review and approval of the Internal Audit Charter and the annual audit plan, review of internal audit reports and special investigation reports issued, and ensuring that management actions were taken in response to the major audit findings to mitigate the identified risks.

The Audit Committee also reviewed the appointment of the external auditors and discussed with them the nature and scope of their audits. In addition, any issues arising from their audits together with the follow up actions taken by the Bank to address these issues have also been examined by the Audit Committee. The Audit Committee also reviewed the interim and annual financial statements before recommending them to the Board for approval.

EXECUTIVE CREDIT COMMITTEE

The Executive Credit Committee comprises the Chairman, Vice Chairman and an Executive Director. This Committee serves as the Credit Committee of the Board to review and approve credit proposals within limits assigned by the Board.

(v) 於授出後作出明確／隱含調整之押後發放薪酬及被保留薪酬總結餘額，現臚列如下：

	（港幣）
於授出後作出明確／隱含調整之押後發放薪酬及被保留薪酬總結餘額	1.86百萬
於本財政年度，授予、支付及就表現情況而作出扣減之押後發放及被保留薪酬總額	無

(vi) 於本財政年度，本行曾向一名職員發放固定花紅港幣四十五萬元。

(vii) 於本財政年度，本行並無支付新聘約酬金或解僱金。

附註3 *薪酬是指所有在2011年財政年度向員工支付的報酬支付。薪酬還包括在2011年財政年度內向三位已離任員工的支出。*

審核委員會

審核委員會由三位成員組成，包括一名非執行董事及兩名獨立非執行董事。審核委員會由擁有適當會計專業資格之獨立非執行董事甘禮傑任主席。該委員會每年舉行四次會議，並在有需要時舉行特別會議。

審核委員會確保對本行之財務申報程序進行足夠之監管、檢討內部審核職能及報告、確保內部及外聘核數師互相協調，以及監控遵守內部政策、法規及由內部及外聘核數師所提出之建議。

於本財政年度內，審核委員會已就本行之財務報告編制程序及內部監控系統作出檢討，其中包括內部審核職能及風險管理程序。在內部審核職能的檢討工作方面，該委員會的審核範圍包括檢討及批核內部審核規章及年度審核方案、檢討已發布之內部審核報告及特別調查報告、及確保管理層對調查所發現之主要問題作出相應之補救行動，以減輕有關風險。

審核委員會亦對外聘核數師之委任進行檢討，並與其就審計之性質及範圍進行討論。此外，審核委員會亦就審計所發現之問題及本行所採取之相應解決行動進行審核。審核委員會亦於向董事會建議批准中期及年度財務報告之前審閱有關報告。

執行信貸委員會

執行信貸委員會由主席、副主席及兩位執行董事組成。委員會以董事會信貸委員會的身份，按董事會授予的權限，審閱及批核信貸建議。

MANAGEMENT COMMITTEE

The Management Committee comprises the Bank's Managing Director, Executive Director, Chief Financial Officer, Head of Legal and Compliance and senior management personnel as appointed by the Managing Director. The Committee is the key decision making body for the Bank and is responsible mainly for formulation of the Bank's business strategies and bank wide initiatives. The Committee also evaluates and approves new business proposals, coordinates among business and support units during the implementation process, monitors the implementation of the approved business strategies and bank wide initiatives, reviews the achievement of business targets and objectives as well as the financial performance of the Bank through monthly reporting.

管理委員會

管理委員會由本行的董事總經理、執行董事、財務主管、法律及合規部主管及董事總經理所委任的高級管理人員組成。委員會乃本行重要的決策組織，主要職責是制訂本行的業務策略及銀行首創計劃。同時，委員會在業務策略的推行過程中，亦負責通過業務小組及相關後勤部門的每月報告協調業務及後勤部門的工作，監察已批准業務策略的實施進度及銀行內措施，以及檢討工作是否合乎業務目標與預期表現，包括主要表現指數。

ASSET AND LIABILITY COMMITTEE

The Asset and Liability Committee comprises the Bank's Managing Director, Executive Director, Chief Financial Officer and senior management personnel as appointed by the Managing Director. The Committee meets at least bi-weekly with the Head of Internal Audit and Head of Legal and Compliance attending the meeting as observers to ensure overall compliance with the Bank's governing policies. The Committee's main responsibilities include regular review of the Bank's operations relating to interest rate risk, market risk and liquidity risk and in particular the Bank's ability to meet its funding obligations, and its compliance with statutory liquidity and capital adequacy requirements. The Committee regularly reviews and endorses, for the Board's approval, the Bank's policies governing asset and liability management, investment, and other risk management issues. It also formulates both long term strategy for the sources and applications of funds and short term directives to address prevailing conditions and monitors the implementation of these strategies and directives.

資產負債委員會

資產負債委員會由本行的董事總經理、執行董事、財務主管以及董事總經理所委任的高級管理人員組成。委員會最少每兩星期舉行一次會議，並由內部審核部門主管及法律及合規部主管列席旁聽，以確保全面符合本行既有的管治政策。委員會的主要職責，包括定期檢討本行涉及利率風險及流動資金風險的業務，特別針對本行應付債務的能力及遵守法定流動資金及資本充足要求事宜。委員會定期審閱及批核本行有關資產及負債管理、投資及其它風險管理事宜的政策，以上呈予董事會批准。委員會亦制訂獲得及應用資金的長遠政策，以及因應情況擬定短期方針應付當時需要，同時檢討該等政策及方針的推行情況。此外，資產負債委員會亦會評估業務部門所建議新產品涉及的風險及盈利能力，並審批有關產品。

INTERNAL CONTROL COMMITTEE

The Internal Control Committee comprises the Bank's Managing Director, Executive Director, Chief Financial Officer and Head of Control and Risk Management and senior management personnel as appointed by the Managing Director. The Committee is chaired by the Managing Director. The Committee meets at least monthly and additionally when deemed necessary. The Committee has the overall responsibilities to promote internal control culture, oversee the control framework, direct implementation of an effective internal control system, impose suitable measures for the day-to-day monitoring of controls, while enhancing the operational control standards in all divisions.

內部管理委員會

內部監控委員會由本行的董事總經理、執行董事、財務主管，以及控制和風險管理部主管及由總經理任命之高級管理層組成。該委員會由董事總經理擔任主席。該委員會至少每月舉行一次會議，如需要亦會額外舉行會議。該委員會整體負責促進內部控管文化、確定監控架構、指導實行有效的內部監控系統、就日常監察實施適當的監控措施，同時提升所有部門之營運監控標準。

INTERNAL CONTROLS

The Board is responsible for the Bank's system of internal control and for reviewing its effectiveness.

The Bank's internal control systems comprise the following key measures and provide reasonable assurance of effective and efficient operations, quality internal and external reporting and compliance with applicable laws and regulations.

Functional committees are established to monitor risks and controls in specific areas of potential risk.

內部監控

董事會亦負責本行的內部監控系統及檢討其有效性。

本行的內部監控系統包括下列主要措施，並提供有效營運的合理保證、優質內外申報以及遵照適用法例和法規。

功能委員會乃為了替特定潛在風險範疇進行監察風險和監控而成立。

A clear organization structure with well defined authority and responsibilities enables effective checks and balances. It includes a clear division of responsibility between the operating and reporting roles.

一個具有妥善界定的權限和職責的清晰組織架構，將有利於有效的牽制與平衡。該架構明確區分營運及彙報職能的責任。

All major Bank policies are set and approved by the Board. Detailed processes are defined and documented. These procedures include specific operational, financial and compliance controls which facilitate segregation of duties, accuracy of reporting and proper control over assets and risk exposure.

本行所有主要政策均由董事會制訂和批准，並界定和仔細記錄詳盡的程序。此等程序包括特定的營運、財務及法規監控，以方便分工、準確申報及對資產和風險度的適當監控。

There are risk management policies and procedures in place to identify and manage possible risks the Bank may face. Appropriate risk management policies and risk limits and guidelines have been established by the Board to monitor and control the risks identified. Risk management reports are submitted regularly to the respective committees assigned for monitoring and assessment of risks associated with the Bank's business and operations.

為識別及管理本行可能面對的風險，亦已制訂風險管理政策和程序。董事會已建立合適的風險管理政策及風險限度和指引，以對所識別的風險加以監察和監控。有關風險管理報告會定期呈交予獲指派監察及評估與本行業務及營運有關的風險的各有關委員會。

Comparisons of actual performance against budgets and business analysis are reviewed by the Board on a quarterly basis reflecting monitoring, assessment and control of performance of business, state of its affairs and potential risks.

董事會每季均會審閱實際表現與預算的比較以及業務分析，而該等比較及分析乃反映對業務表現、其事務狀況和潛在風險的監察、評估及監控。

The compliance function of the Bank is to monitor changes and developments of relevant laws, regulations and standards applicable to the Bank's banking and regulated activities and ensure that senior management and relevant business and functional units are aware of such changes and take appropriate measures to achieve compliance. Compliance reviews are conducted on business and functional units on an on-going basis to ensure the Bank's operations are in compliance with the applicable laws and regulations, standards and guidelines issued by regulators, codes of practices provided by industry associations, and internal polices and codes of conduct applicable to staff members.

本行的合規部門負責監管本行銀行及受規管業務適用的有關法律、法規及準則的變化及發展，並確保高級管理層及有關業務及職能單位知悉該等變化及發展，採取適當措施達致合規。合規審閱持續對業務及職能單位展開，檢查確保妥為遵守適用法律法規、監管機構所發布的準則及指引、行業協會提供的業務守則，以及適用於員工的內部政策及業務守則。

The internal audit function of the Bank is an independent appraisal function set up with the primary objective to assist senior management in the effective discharge of their responsibilities and functions. Internal Audit conducted a risk-based independent review on the effectiveness of the Bank's internal control system and provided recommendations to improve the control environment for the year of 2011. Audit results were reported to the Audit Committee and the Board on a quarterly basis. Measures taken to implement control recommendations have been reviewed for proper resolution.

本行的內部審核部門為獨立評估部門，設立的主要目的是協助高級管理層有效行使其職責及職能。內部審核部門開展風險獨立審核，以確定內部監控及風險管理系統的有效性，並提供建議改善2011年度之監控環境。所發現的所有問題按季報告予審核委員會。糾正及改善行動獲審核及監控，直至完全解決。

FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements and are not aware of any material uncertainty that may cast significant doubt upon the Group's or the Bank's ability to continue as a going concern. The Audit Committee has conducted a review of the effectiveness of the Group's system of internal control, including financial, operational and compliance controls and risk management functions and reported significant matters identified in the review to the Board. The Audit Committee has recommended to the Board the re-appointment of the auditors, which has been accepted by the Board.

財務報告

董事負責編制財務報告，而據其所知，並無任何可能會對本集團或本行持續發展構成重要影響之重大不明朗因素。審核委員會已檢討本集團之內部監控系統（包括財務、營運及規管遵從控制及風險管理職能），並向董事會呈報於審核中發現之重大事件。審核委員會已就重新委任核數師事宜向董事會提交建議，且獲董事會接納。

The auditors are responsible for forming an independent opinion on whether the financial statements give a true and fair view of the state of affairs of the Bank and the Group as at 31 December 2011 and of the Group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

核數師負責就財務報告是否真實及公平反映本行及本集團截至二零一一年十二月三十一日之財務狀況及本集團截至該日止年度之溢利及現金流量，以及有關財務報告是否根據《香港公司條例》妥為編制提供獨立意見。

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財務報告

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Report of the Directors
董事會報告書

The Directors have pleasure in presenting their report together with the audited financial statements of Fubon Bank (Hong Kong) Limited ("the Bank") and its subsidiaries (collectively "the Group") for the year ended 31 December 2011.

董事會欣然提呈其報告連同富邦銀行(香港)有限公司(「本行」)及其附屬公司(統稱「本集團」)截至二零一一年十二月三十一日止年度的經審核財務報告。

PRINCIPAL ACTIVITIES

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

主要業務

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。

SUBSIDIARIES

Particulars of the Bank's principal subsidiaries at 31 December 2011 are set out in Note 25 to the financial statements.

附屬公司

本行的主要附屬公司於二零一一年十二月三十一日的詳情載於財務報告附註25。

SHARE CAPITAL AND SCHEME OF ARRANGEMENT

Reference is made to the scheme document issued on 4 April 2011 in relation to the Scheme Proposal to privatise the ordinary share capital of the Bank by way of a Scheme of Arrangement under section 166 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Scheme of Arrangement was sanctioned and the reduction of share capital of the Bank involved in the Scheme of Arrangement was confirmed by the High Court on Tuesday, 7 June 2011. All of the conditions of the Scheme of Arrangement as set out in the Scheme Document were satisfied and the Scheme of Arrangement became effective on 13 June 2011.

股本及協議安排

謹此提述於2011年4月4日刊發的計劃文件就有關根據公司條例(香港法例第32章)第166條以協議安排之方式私有化本行之普通股股本的計劃建議。高等法院已於2011年6月7日(星期二)批准該協議安排以及確認按協議安排削減本行股本。載於計劃文件內有關協議安排的所有條件均已達成，而協議安排則已於2011年6月13日生效。

The withdrawal of the listing of the Shares on the Hong Kong Stock Exchange became effective from 9:00 a.m. on Wednesday, 8 June 2011.

股份撤銷在香港聯交所的上市地位已於2011年6月8日(星期三)上午九時正起生效。

On 13 June 2011, the share capital of the Bank was increased by the same amount as the reduction of share capital involved in the Scheme of Arrangement.

本行已於2011年6月13日將股本數目增加，增加之股本數目與按協議安排削減的數目相同。

Details of the share capital of the Bank are set out in Note 37 to the financial statements.

本行的股本詳情載於財務報表附註37。

PRINCIPAL PLACE OF BUSINESS

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.

主要營業地點

本行為一所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。

RESULTS AND APPROPRIATIONS

The result of the Group for the year ended 31 December 2011 is set out in the consolidated statement of comprehensive income on page 59. The state of the Bank's and Group's affairs as at 31 December 2011 are set out in the financial statements on pages 59 to 207.

業績及分派

本集團截至二零一一年十二月三十一日止年度的業績載於第59頁綜合全面收益表。有關本行及本集團於二零一一年十二月三十一日的業務狀況載於第59頁至第207頁的財務報告。

No interim dividend was paid for the year ended 31 December 2011 (2010: 2 Hong Kong cents per ordinary share, HK$23,443,200).

於本年度，本行並無派付中期股息(二零一零年：每股普通股2.0港仙，23,443,200港元)。

The Directors do not recommend a payment of final dividend in respect of the year ended 31 December 2011 (2010: 3 Hong Kong cents per ordinary share, HK$35,164,800).

董事並不建議派付截至二零一一年十二月三十一日止年度末期股息(二零一零年：每股普通股3.0港仙，35,164,800港元)。

DIRECTORS

The Directors in office during the financial year were:

Executive Directors

Pei-Hwa Thomas LIANG *(Managing Director and Chief Executive Officer)*
James YIP
Dennis CHAN Wen-Yueh (appointed on 15 March 2011)

Non-Executive Directors

Ming-Hsing (Richard) TSAI *(Chairman)*
Ming-Chung (Daniel) TSAI *(Vice Chairman)*
Victor KUNG
David CHANG Kuo-Chun (retired on 29 April 2011)
Michael CHANG Ming-Yuen

Independent Non-Executive Directors

Robert James KENRICK
Moses TSANG
Hung SHIH

ROTATION OF DIRECTORS IN THE FORTHCOMING ANNUAL GENERAL MEETING

In accordance with Article 81 of the Bank's Articles of Association, Ming-Chung (Daniel) TSAI, Moses TSANG and Michael CHANG Ming-Yuen retire and, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

The Non-Executive Directors were appointed by the Bank's shareholders at the Annual General Meeting with appointment terms in accordance with Article 77 and Article 81 of the Bank's Articles of Association.

No Director proposed for re-election at the forthcoming Annual General Meeting has an unexpired service contract with the Bank which is not determinable by the Bank or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

DIRECTORS' INTERESTS IN CONTRACTS

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

董事

本財政年度之在任董事為：

執行董事

梁培華*(董事總經理兼行政總裁)*
葉強華
詹文嶽(於二零一一年三月十五日委任)

非執行董事

蔡明興*(主席)*
蔡明忠*(副主席)*
龔天行
張果軍(於二零一一年四月二十九日退任)
張明遠

獨立非執行董事

甘禮傑
曾國泰
石宏

於下屆股東週年常會上的董事輪任

根據本行組織章程細則第八十一條，蔡明忠、曾國泰及張明遠輪值告退，並合資格膺選連任。

董事的服務合約

非執行董事按照本行組織章程細則第七十七條及第八十一條委任條款於股東週年常會上獲本行股東委任。

於下屆股東週年常會擬膺選連任的董事並無與本行訂立不可由本行或其任何附屬公司於一年內毋須賠償(一般法定責任除外)而終止的尚未屆滿服務合約。

董事之合約權益

於年底或年內任何時間，本行、其控股公司、附屬公司或同系附屬公司並無訂立與本行業務有關連，而本行董事直接或間接擁有重大權益的重要合約。

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

The Bank's holding company, Fubon Financial Holding Co., Ltd., operates a share option scheme enabling certain employees, including Directors of the Bank, to acquire registered shares of Fubon Financial Holding Co., Ltd. During the year and up to the date of this report, two Directors of the Bank, namely Pei-Hwa Thomas LIANG and James YIP exercised their options to acquire registered shares of Fubon Financial Holding Co., Ltd.

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

董事認購股份及債券之權利

本行之控股公司富邦金融控股股份有限公司實行一項認股權計劃，使本行若干僱員（包括董事）能認購富邦金融控股股份有限公司之註冊股本。於年內及直至本報告日期，分別有兩位本行董事，為梁培華及葉強華，行使其認股權認購富邦金融控股股份有限公司之註冊股份。

除上文所述者外，本行或其任何控股公司或同系附屬公司於年內之任何時間，概無訂立任何安排能令本行董事透過認購本行或任何其他法人團體之股份或債券以獲取利益。

FIXED ASSETS

Movements in fixed assets of the Bank and the Group are set out in Note 26 to the financial statements.

固定資產

本行及本集團的固定資產變動載於財務報告附註26。

DONATIONS

Donations made by the Group during the year amounted to HK$197,200 (2010: HK$1,108,000).

捐款

本集團於年內捐出197,200港元（二零一零年：1,108,000港元）。

RESERVES

Profit attributable to shareholders, before dividends, of HK$280,291,000 (2010: HK$266,966,000) has been transferred to reserves. Details of the movements in reserves are set out in the consolidated statement of changes in equity on pages 63 to 64, and Note 39 to the financial statements.

儲備

扣減股息前股東應佔溢利280,291,000港元（二零一零年：266,966,000港元）已轉撥至儲備。儲備變動詳情載於第63至64頁的綜合權益變動報告表及財務報告附註39。

RETIREMENT SCHEMES

The Group operates a defined benefit retirement scheme which covers 37% (2010: 43%) of the Group's employees, and a Mandatory Provident Fund scheme. Particulars of these retirement schemes are set out in Note 42 to the financial statements.

退休計劃

本集團推行一項界定退休福利計劃（範圍涵蓋本集團37%（二零一零年：43%）的僱員）及一項強制性公積金計劃。該等退休計劃的詳情載於財務報告附註42。

AUDIT COMMITTEE

The Audit Committee comprises three Non-Executive Directors, a majority of whom are independent, and is a committee of the Board of Directors. The Audit Committee oversees the work of the Group's internal auditors and thereby monitors the effectiveness of the Group's internal control systems and compliance with policies approved by the Board of Directors and the requirements of the regulatory authorities. The Audit Committee meets regularly with the Group's external auditors and reviews the Group's financial reports prior to approval by the Board of Directors.

審核委員會

審核委員會由三位非執行董事組成，大部分為獨立人士。該委員會附屬董事會，負責監督本集團內部核數師之工作，並監察本集團的內部監控系統能否有效地運作並且遵從由董事會批准的政策及監管機構的規定。審核委員會定期與本集團外部核數師舉行會議，在財務報告書交予董事會審批前，審核委員會會先行審閱有關報告。

COMPLIANCE WITH THE BANKING (DISCLOSURE) RULES

The financial statements for the year ended 31 December 2011 in conjunction with the unaudited supplementary information on pages 208 to 232 comply fully with 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.

遵守《銀行業(披露)規則》

截至二零一一年十二月三十一日止年度之財務報告及列載於第208頁至232頁的未經審核補充財務資料完全遵守香港金融管理局(「金管局」)根據《銀行業條例》第60A節頒佈的《銀行業(披露)規則》之規定而編製。

AUDITORS

The financial statements have been audited by KPMG who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Bank is to be proposed at the forthcoming Annual General Meeting.

核數師

財務報告已由畢馬威會計師事務所審核，彼將告退並膺選連任。於應屆股東週年常會上，一項決議案將予以提呈，以續聘畢馬威會計師事務所為本行的核數師。

On behalf of the Board

Ming-Chung (Daniel) TSAI
Vice Chairman

Hong Kong, 20 March 2012

承董事會命

蔡明忠
副主席

香港，二零一二年三月二十日

Independent Auditor's Report
獨立核數師報告

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FUBON BANK (HONG KONG) LIMITED
(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Fubon Bank (Hong Kong) Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 59 to 207, which comprise the consolidated and company balance sheets as at 31 December 2011, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

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

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

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

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

獨立核數師報告
致富邦銀行(香港)有限公司股東
(於香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計列載於第59至207頁富邦銀行(香港)有限公司(以下簡稱「貴行」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一一年十二月三十一日的綜合及銀行資產負債表，截至該日止年度的綜合全面收益表、綜合權益變動報告表和綜合現金流動表以及主要會計政策概要及其他附註解釋資料。

董事就綜合財務報表須承擔的責任

貴行的董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》編製綜合財務報表，以令財務報表作出真實而公平的反映及落實其認為編製財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

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

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

審計涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審核程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及所作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證是充足和適當地為我們的審核意見提供基礎。

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

20 March 2012

意見

我們認為，該等財務報表已根據《香港財務報告準則》真實而公平地反映　貴行及　貴集團於二零一一年十二月三十一日的事務狀況及　貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》妥為編製。

畢馬威會計師事務所
執業會計師
香港中環
遮打道10號
太子大廈8樓

二零一二年三月二十日

Consolidated Statement of Comprehensive Income
綜合全面收益表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Note 附註	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Interest income	利息收入	4(a)	**1,254,182**	1,196,169
Interest expense	利息支出	4(b)	**(618,028)**	(343,649)
Net interest income	**淨利息收入**		**636,154**	852,520
Fee and commission income	費用及佣金收入	5(a)	**323,670**	330,766
Fee and commission expense	費用及佣金支出	5(b)	**(102,726)**	(73,574)
Net fee and commission income	**淨費用及佣金收入**		**220,944**	257,192
Revaluation loss on collateralised debt obligations	債務抵押證券之重估虧損		**(177)**	(13,673)
Other operating income	其他營運收入	6	**210,248**	42,074
Operating income	營運收入		**1,067,169**	1,138,113
Operating expenses	營運支出	7	**(932,708)**	(856,152)
Operating profit before gains and impairment losses	**未計收益及減值虧損前經營溢利**		**134,461**	281,961
Write back of/(charge for) impairment losses on advances to customers	客戶貸款減值虧損之回撥／(扣除)	10	**80,481**	(9,713)
Impairment losses on available-for-sale financial assets	可供出售金融資產之減值虧損之(扣除)／回撥		**(5,415)**	(19,472)
Impairment losses on fixed assets	固定資產之減值虧損	26	**(15,733)**	–
Impairment losses on other assets	其他資產之減值虧損		**(2,676)**	(17,270)
Write back of/(charge for) impairment losses on advances to an associate	對聯營公司貸款減值虧損之回撥／(扣除)		**425**	(681)
(Charge for)/write back of 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)／回撥		**(5,029)**	417
Write back of/(charge for) impairment losses	**減值虧損之回撥／(扣除)**		**52,053**	(46,719)
Net gains on disposals of available-for-sale financial assets	出售可供出售金融資產之淨收益	9	**44,522**	50,992
Net losses on disposals of fixed assets	出售固定資產之淨虧損		**(8,661)**	(5,045)
Share of profits of an associate	應佔聯營公司溢利		**91,369**	31,352
Profit before taxation	**除稅前溢利**		**313,744**	312,541
Taxation	稅項	11	**(33,979)**	(46,248)
Profit for the year	**本年度溢利**		**279,765**	266,293
Other comprehensive income for the year, net of tax:	**本年度其他全面收益(除稅後)：**			
Available-for-sale financial assets: net movement in investment revaluation reserve	可供出售金融資產：投資重估儲備淨變動	12	**(228,622)**	(6,766)
Exchange differences on translation of an associate	聯營公司外幣報表換算差額		**26,147**	14,434
Total comprehensive income for the year	**本年度全面收益**		**77,290**	273,961

		Note 附註	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Profit attributable to:	本年度溢利歸屬於：			
– Equity holders of the Bank	－本行股東		**280,291**	266,966
– Non-controlling interests	－非控股權益		**(526)**	(673)
Profit for the year	**本年度溢利**		**279,765**	266,293
Total comprehensive income attributable to:	本年度全面收益歸屬於：			
– Equity holders of the Bank	－本行股東		**77,816**	274,634
– Non-controlling interests	－非控股權益		**(526)**	(673)
Total comprehensive income for the year	**本年度全面收益**		**77,290**	273,961

The notes on pages 67 to 207 form part of these financial statements.

載於第67頁至207頁之附註為此等財務報告之一部分。

Consolidated Balance Sheet
綜合資產負債表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
ASSETS	**資產**			
Cash and short-term funds	現金及短期資金	15	**4,382,197**	2,777,351
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	16	**1,479,530**	2,135,669
Trading assets	持作交易用途資產	17	**1,405,516**	966,773
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	18	**81,240**	406,268
Derivative financial instruments	衍生金融工具	19(b)	**494,636**	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	20	**32,238,466**	28,860,971
Other loans and receivables	其他貸款及應收款項	21	**1,204,789**	2,802,314
Accrued interest and other assets	應計利息及其他資產		**887,916**	750,435
Available-for-sale financial assets	可供出售金融資產	22	**13,731,020**	18,555,834
Held-to-maturity investments	持至到期投資	23	**2,466,707**	2,462,681
Interests in associates	於聯營公司之權益	24	**800,952**	532,353
Fixed assets	固定資產	26	**1,046,107**	1,035,542
Deferred tax assets	遞延稅項資產	35(b)	**36,784**	1,811
			60,255,860	61,779,635
LIABILITIES	**負債**			
Deposits and balances of banks	銀行同業之存款及結餘	28	**4,019,428**	3,382,793
Deposits from customers	客戶存款	29	**43,788,167**	46,038,161
Trading liabilities	交易賬項下之負債	30	**1,382,980**	920,695
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	31	**333,965**	263,986
Certificates of deposit issued	已發行存款證	32	**942,780**	797,951
Debt securities issued	已發行債務證券	33	**683,041**	41,401
Derivative financial instruments	衍生金融工具	19(b)	**538,491**	577,314
Other liabilities	其他負債	34	**1,973,748**	1,525,734
Deferred tax liabilities	遞延稅項負債	35(b)	**681**	46
Subordinated notes issued	已發行後償票據	36	**1,540,299**	3,137,286
			55,203,580	56,685,367
EQUITY	**權益**			
Share capital	股本	37	**2,097,519**	2,097,519
Share premium	股份溢價	38	**749,778**	749,778
Reserves	儲備		**2,203,587**	2,245,049
Shareholders' funds	本行股東權益		**5,050,884**	5,092,346
Non-controlling interests	非控股權益	40	**1,396**	1,922
			5,052,280	5,094,268
			60,255,860	61,779,635

Approved and authorised for issue by the Board of Directors on 20 March 2012.

經董事會於二零一二年三月二十日通過及授權頒佈。

Ming-Chung (Daniel) TSAI
蔡明忠
Director
董事

Pei-Hwa Thomas LIANG
梁培華
Director
董事

Robert James KENRICK
甘禮傑
Director
董事

The notes on pages 67 to 207 form part of these financial statements.

載於第67頁至207頁之附註為此等財務報告之一部分。

Balance Sheet
資產負債表

As at 31 December 2011 於二零一一年十二月三十一日

		Note 附註	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
ASSETS	**資產**			
Cash and short-term funds	現金及短期資金	15	**4,302,752**	2,774,901
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	16	**1,479,530**	2,058,707
Trading assets	持作交易用途資產	17	**1,405,516**	966,658
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	18	**81,240**	406,268
Derivative financial instruments	衍生金融工具	19(b)	**494,636**	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	20	**32,144,994**	28,496,116
Other loans and receivables	其他貸款及應收款項	21	**1,204,789**	2,802,314
Accrued interest and other assets	應計利息及其他資產		**851,707**	708,962
Available-for-sale financial assets	可供出售金融資產	22	**13,731,018**	18,555,832
Held-to-maturity investments	持至到期投資	23	**2,466,707**	2,462,681
Interests in associates	於聯營公司之權益	24	**650,391**	508,601
Investments in subsidiaries	附屬公司投資	25	**187,601**	187,601
Amounts due from subsidiaries	應收附屬公司款項		**12,950**	480,947
Fixed assets	固定資產	26	**1,018,654**	1,003,463
Deferred tax assets	遞延稅項資產	35(b)	**36,784**	1,157
			60,069,269	61,905,841
LIABILITIES	**負債**			
Deposits and balances of banks	銀行同業之存款及結餘	28	**4,019,428**	3,382,793
Deposits from customers	客戶存款	29	**43,788,167**	46,038,161
Trading liabilities	交易賬項下之負債	30	**1,382,980**	920,695
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	31	**333,965**	263,986
Certificates of deposit issued	已發行存款證	32	**942,780**	797,951
Debt securities issued	已發行債務證券	33	**683,041**	41,401
Derivative financial instruments	衍生金融工具	19(b)	**538,491**	577,314
Other liabilities	其他負債	34	**1,953,867**	1,488,769
Amounts due to subsidiaries	應付附屬公司款項		**142,744**	520,548
Subordinated notes issued	已發行後償票據	36	**1,540,299**	3,137,286
			55,325,762	57,168,904
EQUITY	**權益**			
Share capital	股本	37	**2,097,519**	2,097,519
Share premium	股份溢價	38	**749,778**	749,778
Reserves	儲備	39	**1,896,210**	1,889,640
Shareholders' funds	本行股東權益		**4,743,507**	4,736,937
			60,069,269	61,905,841

Approved and authorised for issue by the Board of Directors on 20 March 2012.

經董事會於二零一二年三月二十日通過及授權頒佈。

Ming-Chung (Daniel) TSAI
蔡明忠
Director
董事

Pei-Hwa Thomas LIANG
梁培華
Director
董事

Robert James KENRICK
甘禮傑
Director
董事

The notes on pages 67 to 207 form part of these financial statements.

載於第67頁至207頁之附註為此等財務報告之一部分。

Consolidated Statement of Changes in Equity
綜合權益變動報告表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Attributable to equity holders of the Bank 歸屬於本行股東										
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital redemption reserve 資本購回儲備 HK$'000 千港元	Capital reserve 資本儲備 HK$'000 千港元	Regulatory reserve 法定儲備 HK$'000 千港元	Investment revaluation reserve 投資重估儲備 HK$'000 千港元	Foreign exchange reserve 外幣換算儲備 HK$'000 千港元	Retained earnings 保留溢利 HK$'000 千港元	Total 總額 HK$'000 千港元	Non-controlling interests 非控股權益 HK$'000 千港元	Total equity 權益總額 HK$'000 千港元
At 1 January 2010	於二零一零年一月一日	2,097,519	749,778	372,000	15,684	175,211	28,577	67	1,493,033	4,931,869	2,691	4,934,560
Total comprehensive income for the year	年內全面收益	–	–	–	–	–	(6,766)	14,434	266,966	274,634	(673)	273,961
– Profit for the year	–年內溢利	–	–	–	–	–	–	–	266,966	266,966	(673)	266,293
– Other comprehensive income, of which:	–其他全面收益，其中：											
– Available-for-sale financial assets: net movement in investment revaluation reserve	–可供出售金融資產：投資重估儲備淨變動	–	–	–	–	–	(6,766)	–	–	(6,766)	–	(6,766)
– Exchange differences on translation of an associate	–聯營公司外幣報表換算差額	–	–	–	–	–	–	14,434	–	14,434	–	14,434
Dividends approved and paid in respect of the previous financial year	於年內通過及派付之上一財政年度股息	–	–	–	–	–	–	–	(17,582)	(17,582)	–	(17,582)
Interim dividend paid	已派付中期股息	–	–	–	–	–	–	–	(23,443)	(23,443)	–	(23,443)
Preference share dividend paid during the year	年內已派付優先股股息	–	–	–	–	–	–	–	(83,887)	(83,887)	–	(83,887)
Equity settled share-based transactions	以權益結算股份為基礎值付款交易	–	–	–	10,755	–	–	–	–	10,755	–	10,755
Return of capital on deregistration of a subsidiary	註銷附屬公司時返還股本	–	–	–	–	–	–	–	–	–	(96)	(96)
At 31 December 2010	於二零一零年十二月三十一日	2,097,519	749,778	372,000	26,439	175,211	21,811	14,501	1,635,087	5,092,346	1,922	5,094,268

		Attributable to equity holders of the Bank 歸屬於本行股東											
		Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital redemption reserve 資本購回儲備 HK$'000 千港元	Capital cancellation reserve 股本註銷儲備 HK$'000 千港元	Capital reserve 資本儲備 HK$'000 千港元	Regulatory reserve 法定儲備 HK$'000 千港元	Investment revaluation reserve 投資重估儲備 HK$'000 千港元	Foreign exchange reserve 外幣換算儲備 HK$'000 千港元	Retained earnings 保留溢利 HK$'000 千港元	Total 總額 HK$'000 千港元	Non-controlling interests 非控股權益 HK$'000 千港元	Total equity 權益總額 HK$'000 千港元
At 1 January 2011	於二零一一年一月一日	2,097,519	749,778	372,000	-	26,439	175,211	21,811	14,501	1,635,087	5,092,346	1,922	5,094,268
Total comprehensive income for the year	年內全面收益	-	-	-	-	-	-	(228,622)	26,147	280,291	77,816	(526)	77,290
– Profit for the year	–年內溢利	-	-	-	-	-	-	-	-	280,291	280,291	(526)	279,765
– Other comprehensive income, of which:	–其他全面收益，其中：												
– Available-for-sale financial assets: net movement in investment revaluation reserve	–可供出售金融資產：投資重估儲備淨變動	-	-	-	-	-	-	(228,622)	-	-	(228,622)	-	(228,622)
– Exchange differences on translation of an associate	–聯營公司外幣報表換算差額	-	-	-	-	-	-	-	26,147	-	26,147	-	26,147
Dividends approved and paid in respect of the previous financial year	於年內通過及派付之上一財政年度股息	-	-	-	-	-	-	-	-	(35,165)	(35,165)	-	(35,165)
Preference share dividend paid during the period	年內已派付優先股股息	-	-	-	-	-	-	-	-	(84,134)	(84,134)	-	(84,134)
Cancellation and extinguishment of ordinary shares	普通股註銷	(293,040)	-	-	293,040	-	-	-	-	-	-	-	-
Issuance of new fully paid ordinary shares	發行已全部支付普通股	293,040	-	-	(293,040)	-	-	-	-	-	-	-	-
Equity settled share-based transactions	以權益結算股份為基礎值付款交易	-	-	-	-	21	-	-	-	-	21	-	21
Transfer to regulatory reserve	轉撥至法定儲備	-	-	-	-	-	273,086	-	-	(273,086)	-	-	-
At 31 December 2011	於二零一一年十二月三十一日	2,097,519	749,778	372,000	-	26,460	448,297	(206,811)	40,648	1,522,993	5,050,884	1,396	5,052,280

The notes on pages 67 to 207 form part of these financial statements.

載於第67頁至207頁之附註為此等財務報告之一部分。

Consolidated Cash Flow Statement
綜合現金流動表

For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度

		Note 附註	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Operating activities	**營運活動**			
Profit before taxation	除税前溢利		**313,744**	312,541
Adjustments for non-cash items:	非現金項目之調整：			
(Write back of)/charge for impairment losses on advances to an associate	對聯營公司貸款之減值虧損之（回撥）／扣除		**(425)**	681
Depreciation	折舊		**63,689**	61,657
Net losses on disposals of fixed assets	出售固定資產之淨虧損		**8,661**	5,045
(Write back of)/charge for impairment losses on advances to customers	客戶貸款減值虧損之（回撥）／扣除		**(80,481)**	9,713
Impairment losses on available-for-sale financial assets	可供出售金融資產之減值虧損		**5,415**	19,472
Charge for/(write back of) 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／（回撥）		**5,029**	(417)
Revaluation loss on collateralised debt obligations	債務抵押證券之重估虧損		**177**	13,673
Equity-settled share-based payment expenses	以權益結算股份為基礎之交易支出		**21**	10,755
Share of profits of an associate	應佔聯營公司之溢利		**(91,369)**	(31,352)
Impairment losses on other assets	其他資產之減值虧損		**2,676**	17,270
Impairment losses on fixed assets	固定資產之減值虧損		**15,733**	–
Exchange difference and other non-cash items	匯兑差額及其他非現金項目		**29,950**	21,733
			272,820	440,771
Decrease/(increase) in operating assets:	營運資產之減少／（增加）：			
Treasury bills with original maturity of over three months	國庫券（原本期限為三個月以上）		**2,438,239**	(918,007)
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘		**(35,243)**	(440,589)
Trading assets	持作交易用途資產		**1,230**	915
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		**325,028**	235,469
Derivative financial instruments	衍生金融工具		**(3,003)**	140,377
Gross advances to customers	客戶貸款總額		**(3,297,014)**	(298,717)
Other loans and receivables	其他貸款及應收款項		**1,597,525**	589,904
Accrued interest and other assets	應計利息及其他資產		**(152,208)**	739,944
Certificates of deposit held	所持存款證		**(370,566)**	–
Available-for-sale financial assets	可供出售金融資產		**4,197,379**	(616,088)
Held-to-maturity investments	持至到期投資		**(4,172)**	(1,560,459)
			4,697,195	(2,127,251)
(Decrease)/increase in operating liabilities:	營運負債之（減少）／增加：			
Deposits and balances of banks	銀行同業之存款及結餘		**636,635**	957,890
Deposits from customers	客戶存款		**(2,249,994)**	(564,014)
Trading liabilities	交易賬項下之負債		**462,285**	906,420
Derivative financial instruments	衍生金融工具		**(39,000)**	(88,255)
Certificates of deposit issued	已發行存款證		**144,829**	475,851
Other liabilities	其他負債		**448,695**	(2,392,550)
			(596,550)	(704,658)
Net cash generated from/(used in) operations	**營運之現金收入／（支出）淨額**		**4,373,465**	(2,391,138)
Hong Kong Profits Tax paid	已付香港利得税		**(14,427)**	(21,072)
Overseas Tax paid	已付海外税項		**(54)**	(232)
Net cash generated from/(used in) operating activities	**營運活動之現金收入／（支出）淨額**		**4,358,984**	(2,412,442)

		Note 附註	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Investing activities	**投資活動**			
Payments for purchases of fixed assets	購買固定資產		**(98,678)**	(23,174)
Proceeds from disposals of fixed assets	出售固定資產所得款項淨額		**42**	24
Dividend received from an associate	自聯營收取公司股息		**–**	28,928
Payment for return of capital from de-registration of a subsidiary to a non-controlling shareholder	向非控股股東支付註銷附屬公司之返還股本		**–**	(96)
Payment for further investment in an associate	於聯營公司投資		**(141,791)**	(125,711)
Net cash used in investing activities	**投資活動之現金支出淨額**		**(240,427)**	(120,029)
Financing activities	**融資活動**			
Ordinary share dividends paid	已派普通股股息		**(35,165)**	(41,025)
Preference share dividends paid	已派優先股股息		**(84,134)**	(83,887)
Issuance/(redemption) of debt securities	發行／(贖回)債務證券		**641,640**	(227,390)
Payments for redemption of subordinated notes	贖回已發行後償票據		**(1,556,970)**	–
Proceeds from issuance of subordinated notes	發行後償票據		**–**	1,539,117
Net cash (used in)/generated from financing activities	**融資活動之現金(支出)／收入淨額**		**(1,034,629)**	1,186,815
Net increase/(decrease) in cash and cash equivalents	**現金及等同現金項目之增加／(減少)淨額**		**3,083,928**	(1,345,656)
Cash and cash equivalents as at 1 January	**於一月一日之現金及等同現金項目**		**4,246,504**	5,592,160
Cash and cash equivalents as at 31 December	**於十二月三十一日之現金及等同現金項目**	41	**7,330,432**	4,246,504
Cash flows from operating activities include:	**營運活動之現金流量包括：**			
Interest received	已收利息		**1,335,542**	1,234,325
Interest paid	已付利息		**(581,654)**	(343,588)
Dividends received	已收股息		**33,219**	15,265

The notes on pages 67 to 207 form part of these financial statements.

載於第67頁至207頁之附註為此等財務報告之一部分。

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 2011 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. A summary of the significant accounting policies adopted by the Group is set out below.

(b) New and revised HKFRSs

The HKICPA has issued a number of revised HKFRS and amendments to HKFRSs that are first effective for the current accounting period or available for early adoption of the Group and the Bank. However, none of the developments have a material impact on the Group's financial statement for the current or comparative periods.

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

(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))

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

截至二零一一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」)及詮譯)、香港普遍採納的會計準則及香港《公司條例》的規定而編製。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若干經修訂香港財務報告準則及香港財務報告準則之修訂，並於本期會計期間首次生效或可供本集團及本行提早採納。據此，與本集團之財務報告有關之發展如下：

本集團並無適用任何於本會計期間尚未生效之新訂準則或詮釋。

(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))

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of preparation of the financial statements (continued)

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 risk.

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 50.

(d) Investments in subsidiaries and non-controlling interests

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.

2. 主要會計政策(續)

(c) 財務報告的編製基準

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。

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的香港財務報告準則所作出之判斷於附註50中詳述。

(d) 附屬公司投資及非控股權益

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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Investments in subsidiaries and non-controlling interests (continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Bank, 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 meets the definition of a financial liability. The Group measures non-controlling interests at their proportionate share of the subsidiary's net identifiable assets. Non-controlling interests are presented in the consolidated balance sheet separately from equity attributable to the equity shareholders of the Bank. Non-controlling 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 non-controlling interests and the equity shareholders of the Bank.

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 receivable.

The 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, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's net identifiable assets over the cost of the investment (if any). Thereafter, the investment is adjusted 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 (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. 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.

2. 主要會計政策(續)

(d) 附屬公司投資及非控股權益(續)

非控股權益指非由本行(不論是直接間接)應佔附屬公司的權益，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。本集團以彼等應佔附屬公司可識別資產淨值部分計量非控股權益。非控股權益在綜合資產負債表內列賬，但與本行股東應佔權益分開呈列。本集團業績內呈列的非控股權益在綜合收益表內列作非控股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。

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，就本集團應佔被投資方的可識別淨資產與收購日期的公平值超過投資成本的部份(如有)作出調整。其後，該投資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(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。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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Interests in associates (continued)

If the Group's share of losses exceeds its interest in the associate, the Group's interest would be 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. The Group's interest in the associate is the carrying amount of the investment under the equity method.

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 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 test 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 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 profit or loss on disposal.

2. 主要會計政策(續)

(e) 於聯營公司之權益(續)

若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；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。本集團於聯營公司的權益，是按照權益法計算投資的賬面值。

本集團與其聯營公司之間交易所產生的未變現損益，是以本集團於聯營公司所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顯示減值時，接受整體減值測試(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逾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計算中。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

The Group recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets and financial liabilities at fair value through profit or loss, 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.

2. 主要會計政策(續)

(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。

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通過損益以反映公平價值之金融資產及金融負債、貸款和應收款項、持至到期投資或可供出售之金融資產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金融資產或產生金融負債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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

(ii) Categorisation (continued)
Fair value through profit or loss (continued)
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. Interest income, interest expense and dividends from instruments in this category are recorded in interest income, interest expense and other operating income respectively. 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.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than (a) those that the Group intends to sell immediately or in the near term, which will be classified as held for trading; (b) those that the Group, upon initial recognition, designates at fair value through profit or loss or as available-for-sale; or (c) those where the Group may not recover substantially all of its initial investment, other than because of credit deterioration, which will be classified as available-for-sale. Loans and receivables mainly comprise 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.

2. 主要會計政策(續)

(g) 金融工具(續)

(ii) 分類(續)
通過損益以反映公平價值(續)
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為基準作為內部管理、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，且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，該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。此類別的金融工具所產生的利息收入、利息支出及股息分別列賬於利息收入、利息支出及其他營運收入。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。

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。該等債務證券有關的投資決定與作出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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

(ii) Categorisation (continued)

Loans and receivables (continued)

Loans and receivables are carried at amortised cost using the effective interest rate method less impairment losses, if any (see Note 2(m)).

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 is reclassified as available-for-sale and remeasured at fair value.

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 interest income, impairment losses and foreign exchange gains and losses on monetary items such as debt securities which are recognised in profit or loss. Interest income is recognised using the effective interest rate method.

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)).

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(續)

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))。

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。

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利息收入、減值虧損及外匯盈利和虧損須於損益賬內確認。利息收入依實際利率法確認。

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

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

(ii) Categorisation (continued)

Available-for-sale financial assets (continued)

When available-for-sale financial assets are sold, gains or losses on disposal comprise 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 provides a reliable estimate of the price which could be obtained in an actual market transaction.

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

(iv) Derecognition

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

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

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(續)

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／交易商的報價會被用作非交易所買賣金融工具的報價。若金融工具的市場並不流通，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。

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，輸入資料是依據結算日的市場數據。

(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。

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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Financial instruments (continued)

(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 instrument. The embedded derivative is classified as a derivative financial instrument in the financial statements.

(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 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.

2. 主要會計政策(續)

(g) 金融工具(續)

(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

嵌入式衍生工具是混合(組合)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。

(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支出。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 hedging of 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.

(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.

2. 主要會計政策(續)

(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。本集團僅對若干定息可供出售投資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。

(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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Hedging (continued)

(ii) Hedge effectiveness testing (continued)

For fair value hedge relationships, the Group utilises both cumulative dollar offset method and regression analysis as the effectiveness testing methodologies 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 percent the hedge is highly effective.

(j) Other property and equipment

The Group's leasehold land and buildings are held under leasehold agreements 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.

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 these revaluations 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, Property, Plant and Equipment, 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.

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.

2. 主要會計政策(續)

(i) 對沖(續)

(ii) 對沖有效性測試(續)

就公平價值對沖關係而言，本集團使用累計價值抵銷法及回歸分析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租賃協議持有，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，土地及樓宇列作物業入賬。

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。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。

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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Other property and equipment (continued)

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 of 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)).

(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 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.

2. 主要會計政策(續)

(j) 其他物業及設備(續)

物業和設備項目於預計可用期限內以直線法攤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。該釐定乃根据安排之內容評估而作出，而非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))。

(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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 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 of assets:

Financial assets:

- 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
- A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2. 主要會計政策(續)

(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為自用。

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評估，以釐定是否有減值之客觀證據。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資產的未來現金流量有影響的虧損事項的可觀察數據：

金融資產：

- 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
- 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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of assets (continued)

Non-financial assets:

- During the period, an asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use;
- Significant changes with an adverse effect on the Group have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the Group operates or in the market to which an asset is dedicated;
- Evidence is available of obsolescence or physical damage of an asset; or
- Significant changes with an adverse effect on the Group have taken place during the period, or are expected to take place in the near future, impacting how an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.

If any such evidence exists, the carrying amount is generally reduced to the estimated recoverable amount by means of a charge to profit or loss. For available-for-sale financial assets, the carrying amount is reduced to the fair value.

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.

2. 主要會計政策(續)

(m) 資產減值(續)

非金融資產：

- 資產的市價當期大幅度下跌，其跌幅明顯高於因時間的推移或者正常使用而預計的下跌；
- 本集團經營所處的技術、市場、經濟或者法律環境或資產所處的市場在當期或者將在近期發生重大變化，從而對本集團產生不利影響；
- 有證據表明資產已經陳舊過時或者其實體已經損壞；或
- 資產使用或預計擬使用的範圍或方式在當期或者預計將在近期發生重大變化，從而對本集團產生不利影響。該等變動包括資產被閒置、計劃終止或重組資產所屬業務、計劃較先前預期日期提前出售資產及將資產的使用年期重新評估為有限期而非無限期。

倘顯示任何以上證據，賬面值一般須透過在損益賬扣除款項之方式減至估計可收回數額。可供出售金融資產的賬面值直接減至公平價值。

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撇銷，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撇銷的款項均計入損益賬。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of assets (continued)

(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 an collective impairment allowance.

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.

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

2. 主要會計政策(續)

(m) 資產減值(續)

(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。

個別減值撥備乃根據管理層對現金流量之最佳估計，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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of assets (continued)

(i) Loans and receivables (continued)

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 allowance. 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.

(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.

2. 主要會計政策(續)

(m) 資產減值(續)

(i) 貸款和應收款項(續)

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款條件的貸款。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。

(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該資產原本的實際利率(如果折現影響重大)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。

如果在往後期間，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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of assets (continued)

(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.

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.

(iv) Other assets

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

– property and equipment;

– 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).

2. 主要會計政策(續)

(m) 資產減值(續)

(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。

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。

(iv) 其他資產

於各結算日，本公司審閱內部及外來資料以辨認以下非金融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；

— 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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of assets (continued)

(iv) Other assets (continued)

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

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

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

(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.

2. 主要會計政策(續)

(m) 資產減值(續)

(iv) 商譽及其他資產(續)

確認減值虧損

倘資產或其所屬之現金產生單位之賬面值超過其可收回數額，則於損益賬確認減值虧損。就現金產生單位確認之減值虧損首先分配作為減少分配至現金產生單位(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

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。

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。

(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、定額福利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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Employee benefits (continued)

(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. Any cumulative unrecognised gains or losses exceeding 10% of the present value of the obligation or the fair value of the plan assets (whichever is higher) at the balance sheet date 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.

(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. 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).

2. 主要會計政策(續)

(o) 僱員福利(續)

(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。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%，則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。

(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／計入損益賬。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)。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

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.

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.

2. 主要會計政策(續)

(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。

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。

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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Income tax (continued)

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
- 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.

2. 主要會計政策(續)

(p) 所得稅(續)

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
- 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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

The deferred income is amortised to profit or loss over the term of the guarantee as income from financial guarantees issued. The carrying amount of the guarantee issued is remeasured 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.

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

2. 主要會計政策(續)

(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。

遞延收入按擔保年期攤銷至損益賬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)，即須按照附註2(q)(ii)對已發出之擔保重新計量。

(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。

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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 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 and is recognised in net interest income.

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)

(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

計息金融工具之利息收入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 and 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 contracts

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.

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、投資管理服務以及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。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Translation of foreign currencies

The Group and the Bank's functional currency is Hong Kong Dollars. 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 dollars 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.

Exchange differences relating to financial instruments 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 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.

2. 主要會計政策(續)

(s) 外幣換算

本集團及本行的記賬單位幣別為港元。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。

以外幣定值並以歷史成本列賬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之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。

通過損益以反映公平價值計入損益賬之金融工具及衍生金融工具的匯兑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兑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。產生的匯兑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兑差額之累計金額，於確認出售盈虧時由權益重新分類至損益。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Related parties

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

(a) a person, or a close member of that person's family, is related to the group if that person:

(i) has control or joint control over the group;

(ii) has significant influence over the group; or

(iii) is a member of the key management personnel of the group or the group's parent.

(b) an entity is related to the group if any of the following conditions applies:

(i) the entity and the group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) both entities are joint ventures of the same third party.

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) the entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group.

2. 主要會計政策(續)

(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：

(a) 個人或該個人之近親家庭成員，如該個人在以下情況下被視為與本集團有關聯：

(i) 可控制或共同控制本集團；

(ii) 對本集團有重大影響力；或

(iii) 是本集團或本集團之母公司的主要管理人員之成員。

(b) 在以下任何情況下一實體會視為與本集團有關聯：

(i) 該實體及本集團皆是同一集團成員(即每一間母公司、附屬公司及同系附屬公司與其他有關聯)。

(ii) 一實體是另一實體的聯營公司或合營公司(或該聯營公司或合營公司與該另一實體均屬同一集團)。

(iii) 兩個實體是同一第三者的合營公司。

(iv) 一實體是一第三者的合營公司而另一實體則是該第三者的聯營公司。

(v) 該實體是提供福利予本集團或與本集團有關聯之實體的僱員離職後之福利計劃。

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Related parties (continued)

(vi) the entity is controlled or jointly controlled by a person identified in (a).

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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

(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.

2. 主要會計政策(續)

(t) 關連各方(續)

(vi) 該實體受在(a)項中所辨別的個人所控制或共同控制。

(vii) 在(a)(i)項中所辨別的個人而該個人對該實體有重大影響力，或該個人是該實體(或是該實體的母公司)的主要管理人員之成員。

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。

(u) 分項報告

財務報告中的經營分部和每個分部項目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. 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 on pages 208 to 210.

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，其綜合基準載列於第208至210頁未經審核補充財務資料附註(A)及(B)內。

4. INTEREST INCOME AND EXPENSE

(a) Interest income

4. 利息收入及支出

(a) 利息收入

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'000 千港元 (Restated) （重列）
Listed investments	上市投資	**366,279**	403,060
Other	其他	**841,777**	768,491
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**	**1,208,056**	1,171,551
Interest income on trading assets	持作交易用途之資產之利息收入		
– listed	－上市	**105**	139
– unlisted	－非上市	**44,102**	21,145
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	**1,919**	3,334
		1,254,182	1,196,169

Certain comparative figures have been restated to conform to the 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。

4. INTEREST INCOME AND EXPENSE (continued)

(b) Interest expense

4. 利息收入及支出(續)

(b) 利息支出

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'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	**572,412**	316,237
Debt securities issued which are wholly repayable within 5 years	須於五年內全數償還之已發行債務證券	**5,881**	2,646
Other borrowings	其他借款	**13,041**	5,248
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**	**591,334**	324,131
Interest expense on trading liabilities	交易賬項下負債之利息支出	**11,702**	5,240
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	**14,992**	14,278
		618,028	343,649

5. FEE AND COMMISSION INCOME AND EXPENSE

5. 費用及佣金收入及支出

(a) Fee and commission income

(a) 費用及佣金收入

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
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	**47,342**	52,185
Trade finance services	貿易融資業務	**10,373**	8,581
Credit card services	信用卡業務	**104,540**	97,063
Securities brokerage and investment services	證券經紀及投資服務	**39,454**	51,508
Insurance services	保險業務	**68,114**	58,875
Unit trust services	信託基金業務	**36,725**	41,713
Other fees	其他費用	**17,122**	20,841
		323,670	330,766
of which:	其中：		(Restated) （重列）
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	**158,768**	154,135
– Trust or other fiduciary activities	－信託及其他受託業務	**1,364**	1,399

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.

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。

Certain comparative figures have been restated to conform to the current year's presentation.

為使列報一致，本集團已重述其上一年度之比較數據。

(b) Fee and commission expense

(b) 費用及佣金支出

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Handling fees and commission	手續費及佣金	**59,390**	54,790
Other fees paid	其他已付費用	**43,336**	18,784
		102,726	73,574
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	**81,298**	49,191

6. OTHER OPERATING INCOME

6. 其他營運收入

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Gains less losses from dealing	**交易收益減虧損**		
– Foreign exchange	–外匯	**(9,042)**	(63,614)
– Trading assets	–持作交易用途之證券	**8,458**	8,258
– Other dealing activities*	–其他買賣交易*	**63,351**	44,600
– Short selling activities	–賣空交易	**(5,505)**	(413)
		57,262	(11,169)
Net hedging income from fair value hedges	**公平價值對沖之淨對沖收入**		
Net gain 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	**145,197**	111,442
Net loss on hedging instruments	對沖工具之淨虧損	**(145,197)**	(111,442)
		–	–
Net gain/(loss) on 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／(虧損)**		
Net gain on sale of 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	**137,212**	1,918
Revaluation loss on 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	**(60,603)**	(57,931)
		76,609	(56,013)
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收益減虧損	**(1,880)**	1,097
Losses less gains from other financial assets measured at amortised cost	按攤餘成本列賬之其他金融資產之收益減虧損	**(5,657)**	–
Revaluation gain on derivative financial instruments	衍生金融工具之重估收益	**37,044**	80,675
Dividend income from unlisted available-for-sale financial assets	可供出售非上市金融資產之股息收入	**33,219**	15,265
Rental income	租金收入	**1,776**	1,659
Others	其他	**11,875**	10,560
		210,248	42,074

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

* *其他買賣交易包括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。*

6. OTHER OPERATING INCOME (continued)

The net positive financial impact to the profit for the year 2011 from the settlement of the final resolution proposal for certain series of Lehman Brothers Minibonds ("Minibonds") announced in March 2011 was around HK$32 million, which partially relieved the losses incurred from the repurchase of Minibonds from customers in previous years. The gain from the collateral recovery from the Minibonds and expenses due to the collateral recovery payments and the ex gratia payments to the Minibonds investors are reflected in other operating income and operating expenses respectively.

6. 其他營運收入(續)

2011年3月公佈的雷曼兄弟迷你債券(「雷曼迷你債券」)最終處理方案的實施，對本行2011年盈利的正面影響約為3千2百萬港元，抵銷部分早年回購雷曼迷你債券的損失。取回抵押品價值的收益，以及給予雷曼迷你債券投資者的抵押品收回款項及特惠款項已分別於其他營運收入及營運支出入帳。

7. OPERATING EXPENSES

7. 營運支出

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'000 千港元
Staff costs	僱員成本		
Contributions to defined contribution scheme	定額供款計劃供款	**8,000**	6,133
Defined benefit scheme expenses (Note 42(b))	定額福利計劃支出（附註42(b)）	**13,599**	17,661
Retirement scheme costs	退休計劃成本	**21,599**	23,794
Equity-settled share-based payment expenses	以股份為基礎作支付之費用	**21**	10,755
Salaries and other staff costs	薪金及其他僱員成本	**459,715**	435,381
		481,335	469,930
Premises and other fixed assets	物業及其他固定資產		
Rental of premises	物業租金	**48,387**	44,647
Depreciation (Note 26)	折舊（附註26）	**63,689**	61,657
Others	其他	**20,146**	18,541
Audit fee	核數費用	**2,807**	2,445
Other operating expenses	其他營運支出		
Business promotion	業務推廣	**34,131**	68,673
Legal and professional fees	法律顧問費用	**31,174**	24,322
Communication	通訊	**27,158**	23,688
Electronic data processing and computer systems	電子資料處理及電腦系統	**71,734**	79,085
Others	其他	**152,147**	63,164
		932,708	856,152

7. OPERATING EXPENSES (continued)

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 39). 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.

7. 營運支出(續)

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39)。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。

Terms and conditions of the share option grants

已授出認股權的條款及條件

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 2011** **二零一一年十二月三十一日** **Number of options** **認股權數目**	31 December 2010 二零一零年十二月三十一日 Number of options 認股權數目
31 July 2007 二零零七年七月三十一日	23.50 (previously NT$25.70) 23.50(先前為25.70元新台幣)	**2,160,000**	4,995,000
7 December 2007 二零零七年十二月七日	21.40 (previously NT$23.50) 21.40(先前為23.50元新台幣)	**2,378,250**	6,509,500
		4,538,250	11,504,500

50% of the options were exercisable between the second and the third anniversaries of the grant date, 75% were exercisable between the third and fourth anniversaries and 100% between the fourth and fifth anniversaries, provided that the employees remain with the Fubon Group.

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。

7. OPERATING EXPENSES (continued)

The number and weighted average exercise prices of share options

7. 營運支出(續)

認股權數目及加權平均行使價

Date of options granted 認股權授予日期		2011 二零一一年 **Weighted average exercise price** **加權平均行使價**	**Number of options** **認股權數目**	2010 二零一零年 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	**24.46**	**11,504,500**	24.33	14,099,500
Transferred in during the year	本年度轉入	**–**	**–**	23.50	220,000
Exercised during the year	本年度行使	**23.11**	**(4,368,750)**	23.75	(2,815,000)
Forfeited during the year	本年度沒收	**24.36**	**(2,597,500)**	–	–
Outstanding at the end of the year	年終尚未行使	**22.40**	**4,538,250**	24.46	11,504,500
Exercisable at the year end	於年終可行使		**4,538,250**		7,924,625

The options outstanding at 31 December 2011 have a weighted average remaining contractual life of 0.77 years (2010: 1.78 years). The weighted average share price at the date of exercise for the share options exercised during the year was NT$38.83 (2010: NT$38.67).

於二零一一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0.77年(二零一零年：1.78年)。本年度已行使認股權之行使日之加權平均股價為38.83元新台幣(二零一零年：38.67元新台幣)。

The share price of Fubon Financial at 31 December 2011 was NT$32.05 (2010: NT$40.00).

富邦金控於二零一一年十二月三十一日之股價為32.05元新台幣(二零一零年：40.00元新台幣)。

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.

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。

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:

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：

7. OPERATING EXPENSES (continued)

Fair values of share options (continued)

7. 營運支出(續)

認股權的公平價值(續)

		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
Closing share price at grant date (NT$)	於授出日期的股份收市價(新台幣)	30.50	28.20
Exercise price (NT$)	行使價(新台幣)	30.50	28.20
Risk-free interest rate (%) (Note a)	無風險利率(%)(附註a)	2.41	2.41
Expected life of option (Note b)	預計認股權有效期(附註b)	5 years	5 years
Expected volatility (%) (Note c)	預計波幅(%)(附註c)	33.37	33.41
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)	10.21	9.45

Notes:

(a) Risk free rate: being the approximate yields of 5-year TWD 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. This is nil as the exercise price is adjusted for any dividend paid.

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。此項為零乃由於行使價就任何股息支付作出調整。

8. DIRECTORS' REMUNERATION

Directors' remuneration paid 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：

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Basic salaries and other allowances	底薪及其他津貼	**10,002**	9,261
Directors' fee	董事袍金	**5,557**	5,025
Contributions to pension scheme	退休計劃供款	**491**	513
Discretionary bonuses	酌情花紅	**4,107**	3,895
Share-based payment	以股份為基礎之付款	**320**	3,789
		20,477	22,483

9. NET GAINS ON DISPOSALS OF AVAILABLE-FOR-SALE FINANCIAL ASSETS

9. 出售可供出售金融資產之淨收益

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'000 千港元
Realisation of revaluation surplus previously recognised in the investment revaluation reserve (Note 12)	過往於投資重估儲備內確認之重估盈餘之變現（附註12）	**49,755**	26,192
Net gains arising in the current year	年內淨收益	**(5,233)**	24,800
		44,522	50,992

10. IMPAIRMENT LOSSES ON ADVANCES TO CUSTOMERS

10. 客戶借款之減值虧損

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'000 千港元
Impairment losses released on/(charged to) advances to customers (Note 20(b))	已（扣除）／撥回之客戶貸款減值虧損（附註20(b)）		
– Additions	一增加	**(43,466)**	(119,195)
– Releases	一撥回	**123,947**	109,482
		80,481	(9,713)

11. 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 2011 is calculated at 16.5% (2010: 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.

11. 綜合全面收益表內的所得稅

(a) 綜合全面收益表內的稅項

二零一一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%（二零一零年：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。

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'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	**24,279**	15,042
(Over)/under-provision in respect of prior years	過往年度（超額準備）／準備不足	**(3,031)**	14
		21,248	15,056
Current tax – Overseas Tax	**即期稅項－海外稅項**		
Tax for the year	年內稅項	**–**	259
Under-provision in respect of prior years	過往年度準備不足	**–**	27
		–	286
Deferred tax	**遞延稅項**		
Origination and reversal of temporary differences (Note 35(b))	暫時性差異產生及撥回（附註35(b)）	**12,731**	30,906
		33,979	46,248

11. INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

11. 綜合全面收益表內的所得稅(續)

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

(b) 稅項支出與按適用應課稅率計算之會計溢利間之對賬

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Profit before taxation	除稅前溢利	**313,744**	312,541
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	**51,768**	51,569
Tax effect of non-taxable revenue	非應課稅項收入之稅項影響	**(29,481)**	(11,204)
Tax effect of non-deductible expenses	非可扣減支出之稅項影響	**14,723**	8,536
(Over)/under-provision in respect of prior years	過往年度(超額準備)／準備不足	**(3,031)**	41
Others	其他	**–**	(2,694)
Actual tax expense	實質稅項支出	**33,979**	46,248

12. OTHER COMPREHENSIVE INCOME

12. 其他全面收益

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Available-for-sale financial assets:	可供出售金融資產：		
Changes in fair value recognised during the year	本年度確認之公平價值變動	**(264,480)**	(24,363)
Amortisation of previous revaluation deficits recognised on available-for-sale financial assets 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金融資產於以前一年度確認之重估虧絀攤銷	**23,836**	33,834
Amounts transferred to profit or loss:	轉撥至損益之金額：		
– gains on disposal (Note 9)	–出售收益(附註9)	**(49,755)**	(26,192)
– impairment losses	–減值虧損	**5,415**	16,544
Share of changes in fair value of available-for-sale financial assets held by an associate	應佔聯營公司之可供出售金融資產公平價值變動	**9,293**	(4,184)
Deferred taxation (Note 35(b))	遞延稅項(附註35(b))	**47,069**	(2,405)
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	**(228,622)**	(6,766)

13. PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK

The consolidated profit attributable to shareholders of the Bank includes a gain of HK$137,580,000 (2010: HK$218,696,000) 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:

13. 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溢利137,580,000港元(二零一零年：218,696,000港元)。

上述金額與本行本年度溢利之對賬：

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Amount of consolidated 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溢利	**137,580**	218,696
Interim dividends from subsidiaries 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	**226,182**	86,291
Bank's profit for the year (Note 39)	本行之本年度溢利(附註39)	**363,762**	304,987

14. 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 Finance comprises credit card merchant acquiring, provision of credit card advances, mortgage lending and other consumer lending.

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, provision of banking services to the mass market segment, 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 as well as commercial lending to small and medium enterprises. Corporate Banking business covers trade financing, syndicated loans and other corporate lending.

14. 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行政總裁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。

財富管理包括證券買賣，向財富管理客戶(解釋為受管理資產價值較高的客戶)銷售及分銷財富管理產品，向零售市場提供銀行服務，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。企業銀行業務涵蓋貿易融資、銀團貸款及其他企業借貸。

14. SEGMENT REPORTING (continued)

Operating segments (continued)

Financial Markets mainly engages in foreign exchange and fixed income securities trading activities; the marketing of investment products and managing the Bank's investment portfolio.

Funding Centre manages the overall funding, liquidity and interest rate risk positions arising from the banking activities 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 operating segments on a third-party fee-related transaction, operating income derived from the transaction is split and recorded with jointly agreed splitting ratio in the relevant operating segments.

Cost allocation is based on the direct costs incurred by the respective operating segments. For consistency with internal management reporting, there is no apportionment of central management overheads and only wholly and directly attributable costs of support units are charged to the respective operating segments. Rental charges at market rates for usage of premises are reflected in "Operating Expense" and "Inter-segment Expense" for the respective operating segments.

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.

Segment liabilities mainly include deposits from customers, certificates 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.

14. 分部資料(續)

經營分部(續)

金融市場業務主要從事外匯和定息證券交易活動，投資產品的市場推廣以及本行的投資組合管理。

資金部主要管理本集團整體資金、流動資金以及由銀行業務衍生之利率風險倉盤。

分部業績、資產及負債

按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。為反映兩個經營分部在第三方非利息收入相關交易上聯合努力所賺取之回報，從這交易上所賺取之營運收入將會平分並紀錄在相關之經營分部。

成本分配則以各經營分部之直接成本計算。為與內部管理報告一致，統一管理費用不被分攤，只有完全及直接可歸因於各經營分部的後勤部門費用，將在各經營部門扣除。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「跨分部支出」內。

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。

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。

14. SEGMENT REPORTING (continued)

14. 分部資料(續)

Segment results, assets and liabilities (continued)

分部業績、資產及負債(續)

		For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度					
		Consumer Finance 消費金融 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	Funding Centre 資金部 HK$'000 千港元	Reportable Segments Total 可申報分部總額 HK$'000 千港元
Net interest income	淨利息收入	141,233	66,026	178,509	91,905	156,172	633,845
Other operating income/(expense) from external customers	源自外界客戶其他營運收入/(開支)	142,496	200,674	45,610	16,986	(48,429)	357,337
Fee and commission expense	費用及佣金支出	(85,150)	(3,202)	(1,009)	(1,472)	(3,923)	(94,756)
Other operating income/(expense)	其他營運收入/(開支)	57,346	197,472	44,601	15,514	(52,352)	262,581
Operating income	營運收入	198,579	263,498	223,110	107,419	103,820	896,426
Operating expenses	營運支出	(116,973)	(229,988)	(88,763)	(40,690)	(7,007)	(483,421)
Inter-segment expenses	跨分部支出	(3,414)	(37,463)	(3,718)	–	–	(44,595)
Operating profit/(loss) before gains and impairment losses	未計收益及撥備前經營溢利/(虧損)	78,192	(3,953)	130,629	66,729	96,813	368,410
(Charge for)/write back of impairment losses on advances to customers	客戶貸款之減值虧損之(扣除)/回撥	(10,925)	1,122	73,824	–	–	64,021
Impairment losses on other assets	其他資產之減值虧損	–	(133)	(2,543)	–	–	(2,676)
Net gains on disposal of available-for-sale financial assets	出售可供出售金融資產之淨收益	–	–	–	44,073	449	44,522
Profit/(loss) before taxation	除稅前溢利/(虧損)	67,267	(2,964)	201,910	110,802	97,262	474,277
Operating expenses – depreciation	營運支出－折舊	(1,891)	(7,053)	(3,185)	(881)	(78)	(13,088)
Segment assets	分部資產	15,752,154	829,947	16,610,743	7,840,021	17,036,261	58,069,126
Segment liabilities	分部負債	658,198	32,755,066	10,276,842	1,382,980	9,350,512	54,423,598

14. SEGMENT REPORTING (continued)

14. 分部資料(續)

Segment results, assets and liabilities (continued)

分部業績、資產及負債(續)

		For the year ended 31 December 2010 截至二零一零年十二月三十一日止年度					
		Consumer Finance 消費金融 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	Funding Centre 資金部 HK$'000 千港元	Reportable Segments Total 可申報分部總額 HK$'000 千港元
Net interest income	淨利息收入	171,413	53,804	234,796	216,612	172,175	848,800
Other operating income/(expense) from external customers	源自外界客戶其他營運收入/(開支)	132,709	194,560	46,865	11,034	(40,559)	344,609
Fee and commission expense	費用及佣金支出	(45,701)	(14,938)	(1,737)	(7,451)	–	(69,827)
Other operating income/(expense)	其他營運收入	87,008	179,622	45,128	3,583	(40,559)	274,782
Operating income	營運收入	258,421	233,426	279,924	220,195	131,616	1,123,582
Operating expenses	營運支出	(137,301)	(213,172)	(87,133)	(50,689)	(4,559)	(492,854)
Inter-segment expenses	跨分部支出	(2,905)	(33,001)	(2,982)	–	–	(38,888)
Operating profit/(loss) before gains and impairment losses	未計收益及撥備前經營溢利/(虧損)	118,215	(12,747)	189,809	169,506	127,057	591,840
(Charge for)/write back of impairment losses on advances to customers	客戶貸款之減值虧損之(扣除)/回撥	(14,127)	6,510	(4,177)	–	–	(11,794)
Impairment losses on other assets	其他資產之減值虧損	–	(621)	(16,649)	–	–	(17,270)
Impairment losses on available-for-sale financial assets	可供出售證券之減值虧損	–	–	–	(15,090)	–	(15,090)
Write back of 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	–	–	17	–	–	17
Net gains on disposal of available-for-sale financial assets	出售可供出售金融資產之淨收益	–	–	–	30,512	6,845	37,357
Profit/(loss) before taxation	除稅前溢利/(虧損)	104,088	(6,858)	169,000	184,928	133,902	585,060
Operating expenses – depreciation	營運支出－折舊	(2,093)	(7,994)	(2,937)	(1,145)	(39)	(14,208)
Segment assets	分部資產	13,869,323	871,515	14,922,453	13,367,291	16,526,738	59,557,320
Segment liabilities	分部負債	520,801	28,545,664	14,893,626	920,695	10,837,386	55,718,172

14. SEGMENT REPORTING (continued)

14. 分部資料(續)

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

可申報業務收入、溢利及虧損、資產及負債之對賬

		For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度 HK$'000 千港元	31 December 2010 截至二零一零年十二月三十一日止年度 HK$'000 千港元
Revenues	**收入**		
Reportable segment operating income	可申報分部營運收入	**896,426**	1,123,582
Elimination of inter-segment operating income	跨業務營運收入抵銷	**(70,241)**	(57,732)
Unallocated revenue	未分配收入	**240,984**	72,263
Consolidated operating income	綜合營運收入	**1,067,169**	1,138,113

		For the year ended 31 December 2011 截至二零一一年十二月三十一日止年度 HK$'000 千港元	31 December 2010 截至二零一零年十二月三十一日止年度 HK$'000 千港元
Profit before tax	**除稅前溢利**		
Reportable segment profit before tax	可申報分部除稅前溢利	**474,277**	585,060
Unallocated operating income	未分配營運收入	**240,984**	72,263
Unallocated operating expenses	未分配營運支出	**(474,933)**	(382,142)
Write back of impairment losses on advances to customers	客戶貸款之減值虧損之回撥	**16,460**	2,081
Impairment losses on fixed assets	固定資產之減值虧損	**(15,733)**	–
Impairment losses on available-for-sale financial assets	可供出售金融資產減值虧損	**(5,415)**	(4,382)
Write back of/(charge for) impairment losses on advance to an associate	對聯營公司貸款之減值虧損之回撥/(扣除)	**425**	(681)
(Charge for)/write back of 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)/回撥	**(5,029)**	400
Net gains on disposals of available-for-sale financial assets	出售可供出售金融資產之淨收益	**–**	13,635
Net losses on disposals of fixed assets	出售固定資產之淨虧損	**(8,661)**	(5,045)
Share of profits of an associate	應佔聯營公司溢利	**91,369**	31,352
Consolidated profit before tax	綜合除稅前溢利	**313,744**	312,541

14. SEGMENT REPORTING (continued)

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

14. 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)

		As at 於 31 December 2011 二零一一年十二月三十一日 HK$'000 千港元	31 December 2010 二零一零年十二月三十一日 HK$'000 千港元
Assets	**資產**		
Reportable segment assets	可申報分部資產	**58,069,126**	59,557,320
Unallocated fixed assets	未分配固定資產	**585,683**	553,982
Interests in associates	於聯營公司之權益	**800,952**	532,353
Unallocated other assets	未分類其他資產	**800,099**	1,135,980
Consolidated total assets	綜合資產總額	**60,255,860**	61,779,635

		As at 於 31 December 2011 二零一一年十二月三十一日 HK$'000 千港元	31 December 2010 二零一零年十二月三十一日 HK$'000 千港元
Liabilities	**負債**		
Reportable segment liabilities	可申報分部負債	**54,423,598**	55,718,172
Unallocated other liabilities	未分類其他負債	**779,982**	967,195
Consolidated total liabilities	綜合負債總額	**55,203,580**	56,685,367

Geographical information

Geographical segment information 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 2011 and 2010, all of the Group's operating income and profit before taxation were generated by assets booked by 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.

區域資料

區域資料之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。截至二零一一年及二零一零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。除香港外，並無個別國家或區域分部佔本集團的資產、負債、稅前盈利或虧損、總營運收入或或有負債及承擔百分之十或以上。

Major Customers

For the years ended 31 December 2011 and 2010, no single customer or a group of customers under common control contributes 10% or more of the Group's revenues.

主要客戶

截至二零一一年及二零一零年十二月三十一日止年度，並無任何單一客戶或共同控制下之一組客戶佔本集團收入10%或以上。

15. CASH AND SHORT-TERM FUNDS

15. 現金及短期資金

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Cash in hand	現金	**179,378**	99,367	**179,378**	99,367
Balances with the Hong Kong Monetary Authority ("HKMA")	香港金融管理局結餘	**109,776**	661,488	**109,776**	661,488
Balances with banks	銀行同業之結餘	**956,884**	1,054,548	**877,439**	1,052,098
Money at call and short notice *	通知及短期存款 *	**3,136,159**	961,948	**3,136,159**	961,948
		4,382,197	2,777,351	**4,302,752**	2,774,901

* *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。*

16. BALANCES WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

16. 銀行同業及其他金融機構結餘

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
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	一三個月或以下惟一個月以上	**873,216**	1,481,917	**873,216**	1,404,955
– 1 year or less but over 3 months	一一年或以下惟三個月以上	**485,968**	544,173	**485,968**	544,173
		1,359,184	2,026,090	**1,359,184**	1,949,128
Amount due from banks under reverse repurchase agreements	根據逆回購協議應收銀行同業款項	**120,346**	109,579	**120,346**	109,579
		1,479,530	2,135,669	**1,479,530**	2,058,707

17. TRADING ASSETS 17. 持作交易用途資產

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Trading assets at fair value	持作交易用途資產之公平價值				
Treasury bills (including Exchange Fund Bills) - unlisted	國庫券(包括外匯基金票據)，非上市	**1,402,635**	962,662	**1,402,635**	962,662
Debt securities	債務證券				
– Listed in Hong Kong	–於香港上市	**523**	947	**523**	947
– Unlisted	–非上市	**2,358**	3,049	**2,358**	3,049
Equity securities	股本證券				
– Listed in Hong Kong	–於香港上市	**–**	115	**–**	–
Total	總值	**1,405,516**	966,773	**1,405,516**	966,658
Trading assets are issued by:	持作交易用途資產由以下機構發行：				
– Governments and central banks	–政府及中央銀行	**1,402,635**	962,662	**1,402,635**	962,662
– Public sector entities	–公營機構	**2,881**	3,996	**2,881**	3,996
– Banks	–銀行	**–**	6	**–**	–
– Corporate entities	–企業實體	**–**	109	**–**	–
		1,405,516	966,773	**1,405,516**	966,658

18. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS 18. 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Debt securities at fair value	債務證券之公平價值		
– Listed in Hong Kong	–於香港上市	**81,240**	84,724
– Unlisted	–非上市	**–**	321,544
Total	總值	**81,240**	406,268
Financial assets designated at fair value through profit or loss are issued by:	指定為通過損益以反映公平價值之金融資產由以下機構發行：		
– Corporate entities	–企業實體	**81,240**	406,268
		81,240	406,268

18. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

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.

18. 指定為通過損益以反映公平價值之金融資產（續）

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。

19. 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.

(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:

19. 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。

(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：

19. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(a) Notional amounts of derivatives (continued)

19. 衍生金融工具(續)

(a) 衍生工具之名義金額(續)

		The Group and the Bank 本集團及本行			
		2011 二零一一年			
		Qualifying for hedge accounting 合資格採用對沖會計法 HK$'000 千港元	Managed in conjunction with financial instruments designated at fair value through profit or loss 就指定為通過損益以反映公平價值之金融工具共同進行管理 HK$'000 千港元	Held for trading 持作交易用途 HK$'000 千港元	Total 總額 HK$'000 千港元
Exchange rate derivatives	匯率衍生工具				
– Forwards	–遠期	–	–	3,499,811	3,499,811
– Swaps	–掉期	–	–	6,794,764	6,794,764
– Options purchased	–購入期權	–	–	4,190,913	4,190,913
– Options written	–沽出期權	–	–	4,157,146	4,157,146
		–	–	18,642,634	18,642,634
Interest rate derivatives	利率衍生工具				
– Swaps	–掉期	2,948,388	389,106	2,396,810	5,734,304
– Options purchased	–購入期權	–	–	226,656	226,656
		2,948,388	389,106	2,623,466	5,960,960
Equity derivatives	股票衍生工具				
– Swaps	–掉期	–	–	331,118	331,118
– Options purchased	–購入期權	–	–	18,166	18,166
– Options written	–沽出期權	–	–	18,166	18,166
		–	–	367,450	367,450
Total	總額	2,948,388	389,106	21,633,550	24,971,044

19. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(a) Notional amounts of derivatives (continued)

19. 衍生金融工具(續)

(a) 衍生工具之名義金額(續)

		The Group and the Bank 本集團及本行			
		2010 二零一零年			
		Qualifying for hedge accounting 合資格採用對沖會計法 HK$'000 千港元	Managed in conjunction with financial instruments designated at fair value through profit or loss 就指定為通過損益以反映公平價值之金融工具共同進行管理 HK$'000 千港元	Held for trading 持作交易用途 HK$'000 千港元	Total 總額 HK$'000 千港元
Exchange rate derivatives	匯率衍生工具				
– Forwards	–遠期	–	–	2,902,140	2,902,140
– Swaps	–掉期	–	–	33,478,191	33,478,191
– Options purchased	–購入期權	–	–	3,059,047	3,059,047
– Options written	–沽出期權	–	–	3,043,401	3,043,401
		–	–	42,482,779	42,482,779
Interest rate derivatives	利率衍生工具				
– Swaps	–掉期	4,367,377	374,348	5,551,516	10,293,241
– Options purchased	–購入期權	–	–	227,584	227,584
		4,367,377	374,348	5,779,100	10,520,825
Equity derivatives	股票衍生工具				
– Swaps	–掉期	–	–	342,802	342,802
– Options purchased	–購入期權	–	–	136,742	136,742
– Options written	–沽出期權	–	–	136,742	136,742
		–	–	616,286	616,286
Total	總額	4,367,377	374,348	48,878,165	53,619,890

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

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。

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

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。

19. 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:

19. 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					
		2011 二零一一年			2010 二零一零年		
		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	**349,373**	**21,884**	**19,298**	324,873	2,558	3,027
– Swaps	–掉期	**10,505**	**16,154**	**15,808**	41,791	47,977	90,428
– Options purchased	–購入期權	**23,033**	**–**	**51,393**	12,503	–	32,238
– Options written	–沽出期權	**–**	**23,011**	**–**	–	12,459	–
		382,911	**61,049**	**86,499**	379,167	62,994	125,693
Interest rate derivatives	利率衍生工具						
– Swaps	–掉期	**94,975**	**374,513**	**80,542**	94,025	248,676	62,284
– Options purchased	–購入期權	**370**	**–**	**–**	1,857	–	–
		95,345	**374,513**	**80,542**	95,882	248,676	62,284
Equity derivatives	股票衍生工具						
– Swaps	–掉期	**16,264**	**16,264**	**5,072**	15,079	15,079	13,912
– Options purchased	–購入期權	**116**	**–**	**–**	1,505	–	–
– Options written	–沽出期權	**–**	**116**	**–**	–	1,505	–
		16,380	**16,380**	**5,072**	16,584	16,584	13,912
Other derivatives	其他衍生工具	**–**	**86,549**	**–**	–	249,060	–
Total	總額	**494,636**	**538,491**	**172,113**	491,633	577,314	201,889

19. 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 certain 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:

19. 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若干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			
		2011 二零一一年		2010 二零一零年	
		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
Interest rate derivatives	利率衍生工具	**659**	**330,558**	42,304	215,011

(d) Remaining life of derivative 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.

(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		
2011	**二零一一年**	**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**
Exchange rate derivatives	匯率衍生工具	**18,642,634**	**17,628,730**	**1,013,904**	**–**
Interest rate derivatives	利率衍生工具	**5,960,960**	**1,897,104**	**2,045,318**	**2,018,538**
Equity derivatives	股票衍生工具	**367,450**	**346,480**	**20,970**	**–**
Total	總額	**24,971,044**	**19,872,314**	**3,080,192**	**2,018,538**

19. DERIVATIVE FINANCIAL INSTRUMENTS (continued) 19. 衍生金融工具（續）

(d) Remaining life of derivative instruments (continued) (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			
2010	二零一零年	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
Exchange rate derivatives	匯率衍生工具	42,482,779	41,979,368	503,411	–
Interest rate derivatives	利率衍生工具	10,520,825	5,697,335	3,163,650	1,659,840
Equity derivatives	股票衍生工具	616,286	340,738	275,548	–
Total	總額	53,619,890	48,017,441	3,942,609	1,659,840

20. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES 20. 客戶貸款減減值撥備

(a) Advances to customers less impairment allowances: (a) 客戶貸款減減值撥備：

		The Group 本集團		**The Bank 本行**	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Gross advances to customers	客戶貸款總額	**32,401,522**	29,144,794	**32,282,396**	28,689,622
Less: Impairment allowances	減：減值撥備				
– Individual impairment allowances (Note 20(b))	－個別減值撥備（附註20(b)）	**(92,911)**	(163,920)	**(69,077)**	(83,087)
– Collective impairment allowance (Note 20(b))	－綜合減值撥備（附註20(b)）	**(70,145)**	(119,903)	**(68,325)**	(110,419)
		32,238,466	28,860,971	**32,144,994**	28,496,116

20. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES (continued)

20. 客戶貸款減減值撥備(續)

(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$'000 千港元	**Collective impairment allowance 綜合減值撥備 HK$'000 千港元**	**Individual impairment allowances 個別減值撥備 HK$'000 千港元**	**Collective impairment allowance 綜合減值撥備 HK$'000 千港元**
At 1 January 2011	於二零一一年一月一日	**163,920**	**119,903**	**83,087**	**110,419**
Impairment losses charged to profit or loss (Note 10)	於損益賬扣除之減值虧損(附註10)	**27,722**	**15,744**	**22,228**	**15,744**
Impairment losses released back to profit or loss (Note 10)	於損益賬撥回之減值虧損(附註10)	**(58,445)**	**(65,502)**	**(40,484)**	**(57,838)**
Amounts written off	撇賬金額	**(69,612)**	**–**	**(23,263)**	**–**
Recoveries of advances written off in previous years	過去年度已撇賬貸款之收回	**29,326**	**–**	**27,509**	**–**
At 31 December 2011 (Note 20(a))	於二零一一年十二月三十一日(附註20(a))	**92,911**	**70,145**	**69,077**	**68,325**

		The Group 本集團		The Bank 本行	
		Individual impairment allowances 個別減值撥備 HK$'000 千港元	Collective impairment allowance 綜合減值撥備 HK$'000 千港元	Individual impairment allowances 個別減值撥備 HK$'000 千港元	Collective impairment allowance 綜合減值撥備 HK$'000 千港元
At 1 January 2010	於二零一零年一月一日	364,647	176,044	236,845	143,288
Impairment losses charged to profit or loss (Note 10)	於損益賬扣除之減值虧損(附註10)	119,195	–	80,572	–
Impairment losses released back to profit or loss (Note 10)	於損益賬撥回之減值虧損(附註10)	(53,341)	(56,141)	(33,257)	(32,869)
Amounts written off	撇賬金額	(273,484)	–	(205,197)	–
Recoveries of advances written off in previous years	過去年度已撇賬貸款之收回	13,118	–	10,339	–
Reclassification to other assets	重新回歸至其他資產	(6,215)	–	(6,215)	–
At 31 December 2010 (Note 20(a))	於二零一零年十二月三十一日(附註20(a))	163,920	119,903	83,087	110,419

20. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES (continued)

20. 客戶貸款減減值撥備(續)

(c) Advances to customers analysed by industry sector

(c) 按行業分類的客戶貸款

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

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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'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	**1,969,810**	1,609,496	**1,969,810**	1,609,496
– Property investment	–物業投資	**9,010,242**	8,364,456	**9,010,029**	8,363,982
– Financial concerns	–金融企業	**556,993**	384,679	**556,993**	384,679
– Wholesale and retail trade	–批發及零售業	**555,412**	415,608	**555,205**	414,693
– Manufacturing	–製造業	**3,072,912**	1,496,567	**3,064,750**	1,473,625
– Transport and transport equipment	–運輸及運輸設備	**156,336**	221,316	**98,016**	89,211
– Recreational activities	–娛樂活動	**–**	9,406	**–**	9,406
– Information technology	–資訊科技	**195,271**	1,562	**195,271**	1,335
– Electricity and gas	–電力及燃氣	**234,000**	234,000	**234,000**	234,000
– Others	–其他	**2,055,686**	1,946,682	**2,040,724**	1,887,764
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	**11,079**	13,531	**11,079**	13,531
– Loans for the purchase of other residential properties	–購買其他住宅物業的貸款	**8,420,630**	8,212,100	**8,416,468**	8,207,308
– Credit card advances	–信用卡貸款	**796,061**	704,970	**796,061**	704,970
– Others	–其他	**1,534,645**	1,145,433	**1,526,146**	1,118,694
		28,569,077	24,759,806	**28,474,552**	24,512,694
Trade finance	貿易融資	**1,772,969**	1,047,909	**1,772,969**	1,047,909
Gross advances for use outside Hong Kong	在香港以外使用的貸款總額	**2,059,476**	3,337,079	**2,034,875**	3,129,019
Gross advances to customers	客戶貸款總額	**32,401,522**	29,144,794	**32,282,396**	28,689,622

20. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES (continued)

20. 客戶貸款減減值撥備(續)

(d) Impaired advances to customers

(d) 客戶減值貸款

		The Group 本集團			
		2011 二零一一年 HK$'000 千港元	**% of gross advances 佔貸款總額 百分比**	2010 二零一零年 HK$'000 千港元	% of gross advances 佔貸款總額 百分比
Gross impaired advances	減值貸款總額	**105,747**	**0.33**	192,754	0.66
Individual impairment allowances made against impaired loans	就減值貸款作出的個別減值撥備	**(92,911)**		(163,920)	
		12,836		28,834	
Amount of collateral held in respect of impaired loans	就減值貸款持有的抵押品金額	**10,365**		37,400	

		The Bank 本行			
		2011 二零一一年 HK$'000 千港元	**% of gross advances 佔貸款總額 百分比**	2010 二零一零年 HK$'000 千港元	% of gross advances 佔貸款總額 百分比
Gross impaired advances	減值貸款總額	**80,011**	**0.25**	97,190	0.34
Individual impairment allowances made against impaired loans	就減值貸款作出的個別減值撥備	**(69,077)**		(83,087)	
		10,934		14,103	
Amount of collateral held in respect of impaired loans	就減值貸款持有的抵押品金額	**7,272**		11,079	

Collateral mainly comprises mortgage interests over residential properties and cash deposits with the Group. It does not includes any expected recovery (2010: HK$12.1 million) from companies in liquidation and government guarantee schemes.

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，並不包括預期可從清盤中公司及政府擔保計劃回收之金額(二零一零年：12,100,000港元)。

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

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。

20. ADVANCES TO CUSTOMERS LESS IMPAIRMENT ALLOWANCES (continued)

20. 客戶貸款減減值撥備(續)

(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:

(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：

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'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	一一年以內	**74,422**	348,843	**3,281**	6,749
– after 1 year but within 5 years	一一年以後惟五年以內	**29,701**	93,037	**–**	–
– after 5 years	一五年以後	**26,500**	41,272	**–**	–
		130,623	483,152	**3,281**	6,749
Interest income relating to future periods	與未來期間有關之利息收入	**(9,867)**	(28,741)	**(167)**	(295)
Present value of the minimum lease payment receivable	應收最低租賃還款之現值	**120,756**	454,411	**3,114**	6,454
Collective impairment allowance	綜合減值撥備	**(1,820)**	(9,710)	**–**	(226)
Individual impairment allowances	個別減值撥備	**(26,948)**	(85,514)	**(3,114)**	(4,681)
Net investment in finance leases and hire purchase contracts	融資租賃及租購合約之投資淨額	**91,988**	359,187	**–**	1,547

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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Within 1 year	一年以內	**70,768**	331,772	**3,114**	6,454
After 1 year but within 5 years	一年以後惟五年以內	**26,554**	86,311	**–**	–
After 5 years	五年以後	**23,434**	36,328	**–**	–
		120,756	454,411	**3,114**	6,454

21. OTHER LOANS AND RECEIVABLES

21. 其他貸款及應收款項

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Debt securities at amortised cost	債務證券，以攤餘成本列賬	**1,204,789**	2,802,314
Of which:	其中：		
– Listed outside Hong Kong	－於香港以外上市	**1,204,789**	2,572,133
– Unlisted	－非上市	**–**	230,181
		1,204,789	2,802,314
Other loans and receivables are issued by:	其他貸款及應收款項由以下機構發行：		
– Banks	－銀行	**1,181,600**	2,779,452
– Corporate entities	－企業實體	**23,189**	22,862
		1,204,789	2,802,314

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. The fair value and carrying value of these securities on the date of reclassification was HK$3,723.9 million. As at 31 December 2011, the carrying amount and fair value of these reclassified debt securities were HK$1,204.8 million (2010: HK$2,802.3 million) and HK$1,037.8 million (2010: HK$2,482.3 million) respectively.

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。於二零一一年十二月三十一日，該等債務證券的賬面值及公平價值分別為1,204,800,000港元（二零一零年：2,802,300,000港元）及1,037,800,000港元（二零一零年：2,482,300,000港元）。

The interest income recognised in profit or loss in respect of these debt securities during the year ended 31 December 2011 was HK$50.6 million (2010: HK$71.1 million). 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 gain of HK$33.4 million (2010: loss of HK$46.5 million).

該等債務證券於本年內在收益表內確認之利息收入為50,600,000港元（二零一零年：71,100,000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收益33,400,000港元（二零一零年：虧損46,500,000港元）。

The above debt securities are neither past due nor impaired as at 31 December 2011 and 2010.

於二零一一年及二零一零年十二月三十一日，上述經重新分類債務證券既未逾期亦無減值。

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

22. 可供出售金融資產

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Available-for-sale financial assets at fair value	可供出售金融資產之公平價值				
Treasury bills (including Exchange Fund Bills)	國庫券(包括外匯基金票據)				
– Unlisted	–非上市	**1,300,859**	2,009,956	**1,300,859**	2,009,956
Certificates of deposit	存款證				
– Listed outside Hong Kong	–於香港以外上市	**77,802**	–	**77,802**	–
– Unlisted	–非上市	**292,910**	–	**292,910**	–
Debt securities	債務證券				
– Listed in Hong Kong	–於香港上市	**2,756,617**	3,828,265	**2,756,617**	3,828,265
– Listed outside Hong Kong	–於香港以外上市	**4,310,127**	5,351,014	**4,310,127**	5,351,014
– Unlisted	–非上市	**4,781,398**	7,155,697	**4,781,398**	7,155,697
Equity securities	股本證券				
– Listed in Hong Kong	–於香港上市	**5**	–	**5**	–
– Unlisted	–非上市	**211,302**	210,902	**211,300**	210,900
		13,731,020	18,555,834	**13,731,018**	18,555,832
Available-for-sale financial assets are issued by:	可供出售金融資產由以下機構發行：				
– Governments and central banks	–政府及中央銀行	**3,015,534**	4,963,395	**3,015,534**	4,963,395
– Public sector entities	–公營機構	**618,288**	1,410,319	**618,288**	1,410,319
– Banks	–銀行	**8,159,742**	9,799,914	**8,159,742**	9,799,914
– Corporate entities	–企業實體	**1,937,456**	2,382,206	**1,937,454**	2,382,204
		13,731,020	18,555,834	**13,731,018**	18,555,832

As at 31 December 2011, debt securities issued by banks include debt securities with fair value of HK$242.3 million (2010: HK$350.8 million) issued by multilateral development banks and debt securities with fair value of HK$601.7 million (2010: HK$2.5 billion) guaranteed by governments.

於二零一一年十二月三十一日，由銀行機構發行的債務證券包括公平價值為242,300,000港元(二零一零年：350,800,000港元)由多邊發展銀行發行的債務證券及公平價值為601,700,000港元(二零一零年：2,500,000,000港元)由政府擔保的債務證券。

As at 31 December 2011, certain of the Group's and the Bank's available-for-sale equity securities with a fair value of HK$67.7 million (2010: HK$37.9 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$5.4 million (2010: HK$4.4 million) were recognised in profit or loss during the year.

於二零一一年十二月三十一日，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67,700,000港元(二零一零年：37,900,000港元)。該等權益證券的減值虧損5,400,000港元(二零一零年：4,400,000港元)已於損益中扣除。

As at 31 December 2011, the remaining maturity of certificates of deposit held were more than 1 year but within 5 years.

於二零一一年十二月三十一日，所持存款證的剩餘合約期限超過一年，但少於五年。

23. HELD-TO-MATURITY INVESTMENTS

23. 持至到期投資

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Listed debt securities at amortised cost	上市債務證券，以攤餘成本列賬		
– Listed in Hong Kong	—於香港上市	**75,052**	74,826
– Listed outside Hong Kong	—於香港以外上市	**919,730**	761,649
		994,782	836,475
Unlisted debt securities at amortised cost	非上市債務證券，以攤餘成本列賬		
– Certificate of deposit held	—存款證	**155,332**	155,478
– Other debt securities	—其他債務證券	**1,316,593**	1,470,728
		1,471,925	1,626,206
		2,466,707	2,462,681
Held-to-maturity investments are issued by:	持至到期之投資由下列機構發行：		
– Banks	—銀行	**2,235,997**	2,231,211
– Corporate entities	—企業實體	**230,710**	231,470
		2,466,707	2,462,681
Fair value of held-to-maturity investments:	持至到期投資之公平價值：		
– Listed securities	—上市證券	**1,008,198**	886,970
– Unlisted securities	—非上市證券	**1,459,682**	1,558,641
		2,467,880	2,445,611

As of 31 December 2011, the certificate of deposit held has remaining contractual maturity over 5 years (2010: over 5 years).

於二零一一年十二月三十一日，所持存款證的剩餘合約到期期限超過五年（二零一零年：超過五年）。

24. INTERESTS IN ASSOCIATES

24. 於聯營公司之權益

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	**10,394**	5,761	**660,785**	514,362
Advances	貸款	**2,056**	7,128	**2,056**	7,128
Share of net assets	應佔資產淨值	**750,985**	482,386	**–**	–
Goodwill	商譽	**49,967**	49,967	**–**	–
		813,402	545,242	**662,841**	521,490
Less: Impairment allowance on unlisted shares	減：非上市股份之減值撥備	**(10,394)**	(5,761)	**(10,394)**	(5,761)
Impairment allowance for advances to an associate	向一間聯營公司貸款之減值撥備	**(2,056)**	(7,128)	**(2,056)**	(7,128)
		800,952	532,353	**650,391**	508,601

The associates of the Bank are as follows:

本行之聯營公司如下：

	Place of establishment and operation 註冊成立及營運地址	**Proportion of ownership interest 擁有權益比例**	**Particulars of issued and paid up capital 已發行及繳足之股本詳情**	**Principal activities 主要業務**
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%	214,392,750 ordinary shares of RMB1 each 214,392,750股人民幣1元的普通股	Provision of banking and related finance services 提供銀行及相關金融服務
IBA Finance Corporation	The Philippines 菲律賓	40.00%	20,000,000 ordinary shares of PHP1 each 20,000,000股菲律賓披索1元的普通股	Provision of financing and leasing services 提供財務及租賃服務

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.

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。

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

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。

24. INTERESTS IN ASSOCIATES (continued)

24. 於聯營公司之權益(續)

Summary of financial information of Xiamen Bank Co., Ltd.:

有關廈門銀行股份有限公司的財務資料概要：

		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 溢利 HK$'000 千港元
2011	**二零一一年**					
100 per cent	100%	**86,480,243**	**82,723,439**	**3,756,804**	**2,804,030**	**457,074**
Group's effective interest	本集團的實際權益	**17,287,400**	**16,536,415**	**750,985**	**560,526**	**91,369**
2010	二零一零年					
100 per cent	100%	62,401,319	59,988,183	2,413,137	1,498,304	156,843
Group's effective interest	本集團的實際權益	12,474,024	11,991,638	482,386	299,511	31,352

25. INVESTMENTS IN SUBSIDIARIES

25. 附屬公司投資

		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Unlisted shares, at cost	非上市股份，按成本值	**187,601**	187,601

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 2011 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二零一一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	Principal activities 主要業務
Incorporated and operating in Hong Kong	**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%	Provision of financing services 提供財務服務
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%	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%	Fund management 資金管理
Fubon Nominees (Hong Kong) Limited	Fubon Nominees (Hong Kong) Limited	HK$200 200港元	100%	Nominee service 代理人服務
Fubon Insurance Broker Limited	富銀保險顧問有限公司	HK$100,000 100,000港元	100%	Insurance broker services 保險經紀人服務

26. FIXED ASSETS

26. 固定資產

		The Group 本集團		
		Premises 物業 HK$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$'000 千港元	Total 總額 HK$'000 千港元
Cost or valuation	**成本值或估值**			
At 1 January 2011	於二零一一年一月一日	**1,092,598**	**625,979**	**1,718,577**
Additions	添置	**–**	**98,678**	**98,678**
Disposals	出售	**–**	**(49,821)**	**(49,821)**
At 31 December 2011	於二零一一年十二月三十一日	**1,092,598**	**674,836**	**1,767,434**
Representing:	**代表：**			
Cost	成本值	**1,019,985**	**674,836**	**1,694,821**
Valuation – 1991	估值一一九九一年	**72,613**	**–**	**72,613**
		1,092,598	**674,836**	**1,767,434**
Accumulated depreciation and impairment loss	**累計折舊及減值虧損**			
At 1 January 2011	於二零一一年一月一日	**172,950**	**510,085**	**683,035**
Charge for the year (Note 7)	年內折舊（附註7）	**12,452**	**51,237**	**63,689**
Released on disposal	出售之抵免	**–**	**(41,118)**	**(41,118)**
Impairment loss	減值虧損	**15,733**	**–**	**15,733**
Exchange adjustment	外幣調整	**–**	**(12)**	**(12)**
At 31 December 2011	於二零一一年十二月三十一日	**201,135**	**520,192**	**721,327**
Net book value	**賬面淨值**			
At 31 December 2011	於二零一一年十二月三十一日	**891,463**	**154,644**	**1,046,107**

26. FIXED ASSETS (continued) 26. 固定資產(續)

		The Group 本集團		
		Premises 物業 HK$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$'000 千港元	Total 總額 HK$'000 千港元
Cost or valuation	**成本值或估值**			
At 1 January 2010	於二零一零年一月一日	1,092,598	618,697	1,711,295
Additions	添置	–	23,174	23,174
Disposals	出售	–	(15,892)	(15,892)
At 31 December 2010	於二零一零年十二月三十一日	1,092,598	625,979	1,718,577
Representing:	**代表：**			
Cost	成本值	1,019,985	625,979	1,645,964
Valuation – 1991	估值－一九九一年	72,613	–	72,613
		1,092,598	625,979	1,718,577
Accumulated depreciation	**累計折舊**			
At 1 January 2010	於二零一零年一月一日	160,497	471,704	632,201
Charge for the year (Note 7)	年內折舊(附註7)	12,453	49,204	61,657
Released on disposal	出售之抵免	–	(10,823)	(10,823)
At 31 December 2010	於二零一零年十二月三十一日	172,950	510,085	683,035
Net book value	**賬面淨值**			
At 31 December 2010	於二零一零年十二月三十一日	919,648	115,894	1,035,542

26. FIXED ASSETS (continued) 26. 固定資產(續)

		The Bank 本行		
		Premises 物業 HK$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$'000 千港元	Total 總額 HK$'000 千港元
Cost or valuation	**成本值或估值**			
At 1 January 2011	於二零一一年一月一日	**1,055,849**	**623,342**	**1,679,191**
Additions	添置	**–**	**98,537**	**98,537**
Disposals	出售	**–**	**(49,821)**	**(49,821)**
At 31 December 2011	於二零一一年十二月三十一日	**1,055,849**	**672,058**	**1,727,907**
Representing:	**代表：**			
Cost	成本值	**983,236**	**672,058**	**1,655,294**
Valuation – 1991	估值一一九九一年	**72,613**	**–**	**72,613**
		1,055,849	**672,058**	**1,727,907**
Accumulated depreciation and impairment loss	**累計折舊及減值虧損**			
At 1 January 2011	於二零一一年一月一日	**167,924**	**507,804**	**675,728**
Charge for the year	年內折舊	**12,127**	**51,034**	**63,161**
Released on disposal	出售之抵免	**–**	**(41,118)**	**(41,118)**
Impairment loss	減值虧損	**11,494**	**–**	**11,494**
Exchange adjustment	外幣調整	**–**	**(12)**	**(12)**
At 31 December 2011	於二零一一年十二月三十一日	**191,545**	**517,708**	**709,253**
Net book value	**賬面淨值**			
At 31 December 2011	於二零一一年十二月三十一日	**864,304**	**154,350**	**1,018,654**

26. FIXED ASSETS (continued) 26. 固定資產(續)

		The Bank 本行		
		Premises 物業 HK$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及設備 HK$'000 千港元	Total 總額 HK$'000 千港元
Cost or valuation	**成本值或估值**			
At 1 January 2010	於二零一零年一月一日	1,055,849	616,106	1,671,955
Additions	添置	–	23,128	23,128
Disposals	出售	–	(15,892)	(15,892)
At 31 December 2010	於二零一零年十二月三十一日	1,055,849	623,342	1,679,191
Representing:	**代表：**			
Cost	成本值	983,236	623,342	1,606,578
Valuation – 1991	估值——九九一年	72,613	–	72,613
		1,055,849	623,342	1,679,191
Accumulated depreciation	**累計折舊**			
At 1 January 2010	於二零一零年一月一日	155,796	469,612	625,408
Charge for the year	年內折舊	12,128	49,015	61,143
Released on disposal	出售之抵免	–	(10,823)	(10,823)
At 31 December 2010	於二零一零年十二月三十一日	167,924	507,804	675,728
Net book value	**賬面淨值**			
At 31 December 2010	於二零一零年十二月三十一日	887,925	115,538	1,003,463

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:

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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Net book value at 31 December	於十二月三十一日的賬面淨值	**13,565**	13,971

26. FIXED ASSETS (continued)

26. 固定資產(續)

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

該等物業的賬面淨值分析如下：

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
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)	**594,246**	613,459	**567,087**	581,736
– Medium term leases (10-50 years)	–中期租約(十年至五十年)	**297,217**	306,189	**297,217**	306,189
		891,463	919,648	**864,304**	887,925

27. GOODWILL

27. 商譽

		The Group 本集團	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Cost and carrying amounts	**成本及賬面值**		
At 31 December	於十二月三十一日	**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 24).

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24)。

28. DEPOSITS AND BALANCES OF BANKS

28. 銀行同業之存款及結餘

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Deposits and balances from banks	銀行同業之存款及結餘	**1,119,499**	1,594,193
Deposits and balances from the HKMA	於香港金融管理局之存款及結餘	**27,561**	109,630
		1,147,060	1,703,823
Amount due to banks under repurchase agreements	回購協議項下應付銀行同業之款項	**2,872,368**	1,678,970
		4,019,428	3,382,793

29. DEPOSITS FROM CUSTOMERS

29. 客戶存款

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Demand deposits and current accounts	活期及往來存款	**7,229,994**	8,376,505
Savings deposits	儲蓄存款	**1,164,583**	1,354,774
Call deposits	通知存款	**4,159,736**	4,757,983
Time deposits	定期存款	**31,233,854**	31,548,899
		43,788,167	46,038,161

30. TRADING LIABILITIES

30. 交易賬項下之負債

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Short positions in Exchange Fund Bills/Notes	外匯基金票據／債券之短倉	**1,382,980**	920,695

31. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

31. 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Zero coupon bond issued	已發行零息債券	**333,965**	263,986

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.

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。

31. 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 2011 was HK$186.0 million (2010: HK$256.0 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$70.0 million (2010: HK$62.9 million), of which there is a loss of HK$11.9 million (2010: HK$41.2 million) attributable to change of credit spread.

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 either be lower by HK$4.8 million (2010: HK$5.8 million) or higher by HK$4.7 million (2010: HK$6.0 million).

31. 指定為透過損益以反映公平價值之金融負債（續）

於二零一一年十二月三十一日，指定為通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186,000,000港元（二零一零年：256,000,000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70,000,000港元（二零一零年：62,900,000港元），其中11,900,000港元虧損（二零一零年：41,200,000港元）乃因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4,800,000港元（二零一零年：5,800,000港元）或高4,700,000港元（二零一零年：6,000,000港元）。

32. CERTIFICATES OF DEPOSIT ISSUED

32. 已發行存款證

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
3 months or less but not repayable on demand	三個月或以下惟無需即時還款	**327,033**	235,672
1 year or less but over 3 months	一年或以下惟三個月以上	**246,582**	306,800
5 years or less but over 1 year	五年或以下惟一年以上	**369,165**	255,479
		942,780	797,951

All certificates of deposit issued are measured at amortised cost.

所有已發行存款證均按攤銷成本列賬。

33. DEBT SECURITIES ISSUED

33. 已發行債務證券

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Variable coupon rate notes	多個息率之票據	**229,724**	41,401
Zero coupon notes	零息票據	**453,317**	–
		683,041	41,401

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 and are denominated in USD and AUD, and mature at various dates through 2013. These notes issued are measured at amortised cost.

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，以美元及澳元計值，並於二零一三年內多個不同日期到期。該等已發行票據乃按攤銷成本列賬。

34. OTHER LIABILITIES

34. 其他負債

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Other financial liabilities *	其他金融負債 *	**1,299,959**	809,537	**1,299,959**	809,537
Accounts payable and other liabilities	應付賬項及其他負債	**673,789**	716,197	**653,908**	679,232
		1,973,748	1,525,734	**1,953,867**	1,488,769

* *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。*

35. INCOME TAX IN THE BALANCE SHEET

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

35. 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Provision for Hong Kong Profits Tax for the year	年內香港利得稅準備	**24,279**	15,043	**14,079**	2,950
Provisional Hong Kong Profits Tax paid	已付香港暫繳利得稅	**(8,041)**	(17,721)	**–**	–
		16,238	(2,678)	**14,079**	2,950
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	**(24,379)**	(12,283)	**(12,331)**	(12,331)
		(8,141)	(14,961)	**1,748**	(9,381)
Provision for overseas taxation	海外稅項準備	**–**	54	**–**	74
		(8,141)	(14,907)	**1,748**	(9,307)
Representing:	*代表：*				
Hong Kong Profits Tax recoverable*	可收回之已付香港利得稅*	**(10,250)**	(17,677)	**–**	(9,381)
Provision for Hong Kong Profits Tax*	香港利得稅準備*	**2,109**	2,716	**1,748**	–
Overseas taxation recoverable*	可收回之海外稅項*	**–**	(20)	**–**	–
Provision for overseas taxation*	海外稅項準備*	**–**	74	**–**	74
		(8,141)	(14,907)	**1,748**	(9,307)

* *The amounts of taxation recoverable and payable are expected to be settled within 1 year and are included in the "Accrued interest and other assets" and "Other 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「應計利息及其他資產」以及「其他負債」內。*

35. 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:

35. 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：

		The Group 本集團						
		Depreciation allowances in excess of related depreciation 超過有關折舊的折舊免稅額 HK$'000 千港元	Defined benefit scheme assets 定額福利計劃資產 HK$'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 2010	於二零一零年一月一日	(10,808)	(2,733)	29,048	(3,172)	(6,174)	28,915	35,076
(Charged)/credited in arriving at the profit for the year (Note 11(a))	於本年度溢利中(扣除)／撥回(附註11(a))	3,364	2,733	(9,195)	–	114	(27,922)	(30,906)
Charged to other comprehensive income (Note 12)	於其他全面收益中扣除(附註12)	–	–	–	(2,405)	–	–	(2,405)
At 31 December 2010	於二零一零年十二月三十一日	(7,444)	–	19,853	(5,577)	(6,060)	993	1,765
At 1 January 2011	於二零一一年一月一日	**(7,444)**	**–**	**19,853**	**(5,577)**	**(6,060)**	**993**	**1,765**
(Charged)/credited in arriving at the profit for the year (Note 11(a))	於本年度溢利中(扣除)／撥回(附註11(a))	**(3,797)**	**(1,015)**	**(8,210)**	**–**	**114**	**177**	**(12,731)**
Credited to other comprehensive income (Note 12)	於其他全面收益中撥回(附註12)	**–**	**–**	**–**	**47,069**	**–**	**–**	**47,069**
At 31 December 2011	於二零一一年十二月三十一日	**(11,241)**	**(1,015)**	**11,643**	**41,492**	**(5,946)**	**1,170**	**36,103**

35. INCOME TAX IN THE BALANCE SHEET (continued)

(b) Deferred tax assets and liabilities recognised (continued)

35. 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)

		The Bank 本行						
		Depreciation allowances in excess of related depreciation 超過有關折舊的折舊免稅額 HK$'000 千港元	Defined benefit scheme assets 定額福利計劃資產 HK$'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 2010	於二零一零年一月一日	(9,861)	(2,733)	23,643	(3,172)	(6,174)	28,915	30,618
(Charged)/credited in arriving at the profit for the year	於本年度溢利中(扣除)/撥回	3,375	2,733	(5,356)	–	114	(27,922)	(27,056)
Charged to other comprehensive income	於其他全面收益中扣除	–	–	–	(2,405)	–	–	(2,405)
At 31 December 2010	於二零一零年十二月三十一日	(6,486)	–	18,287	(5,577)	(6,060)	993	1,157
At 1 January 2011	於二零一一年一月一日	**(6,486)**	**–**	**18,287**	**(5,577)**	**(6,060)**	**993**	**1,157**
(Charged)/credited in arriving at the profit for the year	於本年度溢利中(扣除)/撥回	**(3,773)**	**(1,015)**	**(6,945)**	**–**	**114**	**177**	**(11,442)**
Credited to other comprehensive income	於其他全面收益中撥回	**–**	**–**	**–**	**47,069**	**–**	**–**	**47,069**
At 31 December 2011	於二零一一年十二月三十一日	**(10,259)**	**(1,015)**	**11,342**	**41,492**	**(5,946)**	**1,170**	**36,784**

Deferred tax assets and liabilities recognised is summarised as follows:

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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
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	**36,784**	1,811	**36,784**	1,157
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	**(681)**	(46)	**–**	–
		36,103	1,765	**36,784**	1,157

35. INCOME TAX IN THE BALANCE SHEET (continued)

(c) Deferred tax assets unrecognised

The Group has no material unrecognised deferred tax asset as at 31 December 2011 (2010: HK$Nil).

35. 資產負債表內之所得稅(續)

(c) 未確認之遞延稅項資產

於二零一一年十二月三十一日，本集團並無重大未確認之遞延稅項資產(二零一零年：零)。

36. SUBORDINATED NOTES ISSUED

36. 已發行後償票據

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
US$200 million 6.125% subordinated notes issued in 2006 *	於二零零六年發行200,000,000美元年息率為6.125%的後償票據*	**–**	1,596,605
US$200 million 6.125% subordinated notes issued in 2010 **	於二零一零年發行200,000,000美元年息率為6.125%的後償票據**	**1,540,299**	1,540,681
		1,540,299	3,137,286

* *Subordinated notes with face value of US$200 million (equivalent to HK$1,553.3 million) which qualified 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 Bank exercised the one-time call option on 26 April 2011. The carrying amount of these subordinated notes was HK$1,596.6 million as at 31 December 2010 which includes an adjustment of HK$41.8 million due to the application of fair value hedge accounting.*

** *Subordinated notes with face value of US$200 million (equivalent to HK$1,553.3 million) and carrying amount of HK$1,540.3 million which qualify as supplementary capital were issued by the Bank on 30 November 2010 and mature on 30 November 2020.*

If at any time the Hong Kong Monetary Authority ("HKMA") determines (having regard to the applicable regulatory framework) that these subordinated notes no longer qualify as supplementary capital, the Bank may, on or after 1 January 2013 at its option and subject to the prior written approval of the HKMA, provide notice to such effect to Noteholders, such notice being a "Change in Status Notice". Upon a Change in Status Notice becoming effective, these subordinated notes shall cease to constitute subordinated obligations of the Bank and shall thereafter constitute direct, unconditional, unsubordinated and unsecured obligations of the Bank and shall at all times thereafter rank pari passu and without any preference among themselves. The payment obligations of the Bank under these subordinated notes shall, save for such exceptions as may be provided by applicable legislation, at all times thereafter rank at least equally with all its other present and future unsecured and unsubordinated obligations including liabilities in respect of deposits.

These subordinated notes bear interest at 6.125% per annum, payable semi-annually. Upon a Change in Status Notice becoming effective, the interest rate for these subordinated notes will become 5.625% per annum, payable semi-annually. These subordinated notes are stated at amortised cost.

* *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1,553,300,000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。本行於二零一一年四月二十六日行使該等票據附帶一次性贖回選擇權。於二零一零年十二月三十一日，該等後償票據之賬面金額為1,596,600,000港元，並已計入因採用公平價值對沖會計法而作出之調整41,800,000港元。*

** *本行於二零一零年十一月三十日發行面值200,000,000美元(相當於1,553,300,000港元)及賬面值1,540,300,000港元附合附加資本準則後償票據，並於二零二零年十一月三十日到期。*

倘若香港金融管理局(「金管局」)於任何時候決定(經考慮適用的法規框架)本後償票據不再合資格作為附加資本，本行可於二零一三年一月一日或之後，在事先獲得金管局書面批准後選擇向票據持有人通知有關影響，該通知即為「地位變更通知」。於「地位變更通知」生效後，本後償票據將不再構成本行之後償責任，並於其後構成本行之直接、無條件、非後償及無抵押責任，並將於其後任何時間享有同等權益，且彼此並無任何優先權。除適用法律可能規定之例外情況外，本行根據本後償票據之付款責任將於其後任何時間至少與所有其他現有及未來無抵押及非後償負債(包括有關存款之負債)享有同等權益。

本後償票據按年利率6.125%計息，每半年支付一次。地位變更通知生效後，本後償票據之年利率將變為5.625%，每半年支付一次。本後償票據以攤餘成本列賬。

37. SHARE CAPITAL

37. 股本

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Authorised:	**法定股本：**		
1,406,592,000 (2010: 1,406,592,000) ordinary shares of HK$1 each	1,406,592,000股（二零一零年：1,406,592,000股）每股面值1港元之普通股	**1,406,592**	1,406,592
1,172,160,000 (2010: 1,172,160,000) irredeemable cumulative preference shares of US$0.10237 each	1,172,160,000股（二零一零年：1,172,160,000股）每股面值0.10237美元之不可贖回累積優先股	**929,966**	929,966
		2,336,558	2,336,558
Issued and fully paid:	**已發行及繳足：**		
1,172,160,000 (2010: 1,172,160,000) ordinary shares of HK$1 each	1,172,160,000股（二零一零年：1,172,160,000股）每股面值1港元之普通股	**1,172,160**	1,172,160
1,172,160,000 (2010: 1,172,160,000) irredeemable cumulative preference shares of US$0.10237 each	1,172,160,000股（二零一零年：1,172,160,000股）每股面值0.10237美元之不可贖回累積優先股	**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.

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。

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. The Bank intends, subject to HKMA approval, to exercise its early redemption option on the preference shares on or shortly after 24 December 2013.

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。本行有意於取得金管局同意後，於二零一三年十二月二十四日或其後行使優先股中的提前贖回權。

38. SHARE PREMIUM

38. 股份溢價

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

股份溢價賬之應用受香港《公司條例》第48B條監管。

39. 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:

39. 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 資本贖回儲備 HK$'000 千港元	Capital cancellation reserve 資本註銷儲備 HK$'000 千港元	Capital reserve 資本儲備 HK$'000 千港元	Regulatory reserve 法定儲備 HK$'000 千港元	Investment revaluation reserve 投資重估儲備 HK$'000 千港元	Retained earnings 保留溢利 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1 January 2010	於二零一零年一月一日	372,000	–	15,684	150,010	31,873	1,131,825	1,701,392
Total comprehensive income for the year	本年度全面收益	–	–	–	–	(2,582)	304,987	302,405
– Profit for the year (Note 13)	–年內溢利(附註13)	–	–	–	–	–	304,987	304,987
– Other comprehensive income: Available-for-sale financial assets: net movement in investment revaluation reserve	–其他全面收益：可供出售金融資產：投資重估儲備淨變動	–	–	–	–	(2,582)	–	(2,582)
Dividend approved and paid in respect of the previous financial year (Note 39(f))	於本年度通過及派付之上一財政年度股息(附註39(f))	–	–	–	–	–	(17,582)	(17,582)
Interim dividend paid (Note 39(f))	已派付中期股息(附註39(f))	–	–	–	–	–	(23,443)	(23,443)
Preference share dividend paid during the year (Note 39(f))	年內已派付優先股股息(附註39(f))	–	–	–	–	–	(83,887)	(83,887)
Equity settled share-based transactions	以股權結算之股份為基礎之交易	–	–	10,755	–	–	–	10,755
At 31 December 2010 and 1 January 2011	於二零一零年十二月三十一日及二零一一年一月一日	**372,000**	**–**	**26,439**	**150,010**	**29,291**	**1,311,900**	**1,889,640**
Total comprehensive income for the year	本年度全面收益	**–**	**–**	**-**	**–**	**(237,914)**	**363,762**	**125,848**
– Profit for the year (Note 13)	–年內溢利(附註13)	**–**	**–**	**-**	**–**	**-**	**363,762**	**363,762**
– Other comprehensive income: Available-for-sale financial assets: net movement in investment revaluation reserve	–其他全面收益：可供出售金融資產：投資重估儲備淨變動	**–**	**–**	**-**	**–**	**(237,914)**	**–**	**(237,914)**
Dividend approved and paid in respect of the previous financial year (Note 39(f))	於本年度通過及派付之上一財政年度股息(附註39(f))	**–**	**–**	**–**	**–**	**–**	**(35,165)**	**(35,165)**
Cancellation and extinguishment of ordinary shares	普通股註銷	**–**	**293,040**	**–**	**–**	**–**	**–**	**293,040**
Issuance of new fully paid ordinary shares	發行已全部支付普通股	**–**	**(293,040)**	**–**	**–**	**–**	**–**	**(293,040)**
Preference share dividend paid during the year (Note 39(f))	年內已派付優先股股息(附註39(f))	**–**	**–**	**–**	**–**	**–**	**(84,134)**	**(84,134)**
Transfer to regulatory reserve	轉撥至法定儲備	**–**	**–**	**–**	**298,223**	**–**	**(298,223)**	**–**
Equity settled share-based transactions	以股權結算之股份為基礎之交易	**–**	**–**	**21**	**–**	**–**	**–**	**21**
At 31 December 2011	**於二零一一年十二月三十一日**	**372,000**	**–**	**26,460**	**448,233**	**(208,623)**	**1,258,140**	**1,896,210**

39. 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

39. 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

		The Group 本集團		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
At 1 January	於一月一日	**175,211**	175,211	**150,010**	150,010
Transfer from retained earnings	自保留溢利轉撥	**273,086**	–	**298,223**	–
At 31 December	於十二月三十一日	**448,297**	175,211	**448,233**	150,010

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.

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) Investment revaluation reserve

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

(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。

39. RESERVES AND DIVIDENDS (continued)

(f) Dividends

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

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Interim dividend declared and paid of 2.0 cents per share during 2010	於二零一零年已宣派及已派付之每股中期股息2.0仙	–	23,443
Final dividend of 3.0 cents per share proposed after the balance sheet date for the year ended 31 December 2010	於截至二零一零年十二月三十一日止年度結算日後建議每股末期股息3.0仙	–	35,165
		–	58,608

The final dividend was not recognised as a liability at 31 December 2010.

末期股息於二零一零年十二月三十一日並未確認為負債。

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

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Final dividend in respect of the previous financial year, approved and paid during the period of 3.0 cents (2010: 1.5 cents) per share	於期內通過及派付之上一財政年度末期股息每股3.0仙（二零一零年：1.5仙）	**35,165**	17,582

(iii) Dividends on irredeemable cumulative preference shares issued by the Bank

Dividends of HK$84,134,000 (2010: HK$83,887,000) were paid and charged to retained earnings during the year.

39. 儲備及股息（續）

(f) 股息

(i) 財政年度已宣派及建議之股息

(ii) 應付上一財政年度之股息，已於本年度通過及派付

(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84,134,000港元（二零一零年：83,887,000港元）並於保留溢利扣除。

40. NON-CONTROLLING INTERESTS

40. 非控股權益

		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
At 1 January	於一月一日	**1,922**	2,691
Loss for the year	年度內虧損	**(526)**	(673)
Return of capital on deregistration of a subsidiary	註銷附屬公司時返還股本	**–**	(96)
At 31 December	於十二月三十一日	**1,396**	1,922

41. CASH AND CASH EQUIVALENTS

41. 現金及等同現金項目

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

(a) 綜合現金流動表之現金及等同現金項目

		The Group 本集團	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Cash and balances with banks	現金及於銀行同業之結餘	**1,246,038**	1,815,403
Money at call and short notice (Note 15)	通知及短期存款(附註15)	**3,136,159**	961,948
Treasury bills with original maturity within three months	原於三個月內到期之國庫券	**2,235,439**	64,975
Placements with banks with original maturity within three months	原於三個月內到期之銀行同業及其他金融機構放款	**712,796**	1,404,178
		7,330,432	4,246,504

41. CASH AND CASH EQUIVALENTS (continued)

(b) Reconciliation to the consolidated balance sheet

41. 現金及等同現金項目(續)

(b) 綜合資產負債表之對賬

		The Group 本集團	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Cash and short term funds (Note 15)	現金及短期資金(附註15)	**4,382,197**	2,777,351
Treasury bills	國庫券		
– Trading assets (Note 17)	–持作交易用途之證券(附註17)	**1,402,635**	962,662
– Available-for-sale financial assets (Note 22)	–可供出售金融資產(附註22)	**1,300,859**	2,009,956
Balances with banks and other financial institutions (Note 16)	於銀行同業及其他金融機構之結餘(附註16)	**1,359,184**	2,026,090
Amount shown in the consolidated balance sheet	綜合資產負債表內之金額	**8,444,875**	7,776,059
Less: Amount with an original maturity of over three months	減:原於三個月以後到期的金額	**(1,114,443)**	(3,529,555)
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	**7,330,432**	4,246,504

42. 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 37% (2010: 43%) 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 2011 and was prepared by Jacklyn Zhang, Fellow of the Society of Actuaries, of Mercer (Hong Kong) Limited using the projected unit credit actuarial cost method. The actuarial valuation indicates that the Group's obligations under the Scheme are 78.93% (2010: 82.29%) covered by the plan assets held by the trustee.

42. 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37%(二零一零年:43%)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二零一一年十二月三十一日進行,由Mercer (Hong Kong) Limited的Jacklyn Zhang(美國精算師學會資深會員)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,78.93%(二零一零年:82.29%)可透過受託人所持有的計劃資產獲得保障。

42. EMPLOYEE RETIREMENT BENEFITS (continued)

(a) Defined benefit retirement plans (continued)

42. 僱員退休福利(續)

(a) 定額福利退休計劃(續)

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'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	**(243,826)**	(234,723)
Fair value of Scheme's assets	該計劃資產的公平價值	**192,452**	193,146
Unrecognised actuarial losses	尚未確認的精算虧損	**59,950**	46,894
Net asset recognised in the balance sheet	於資產負債表內已獲確認的資產淨值	**8,576**	5,317
Amounts in the balance sheet:	於資產負債表之金額：		
Assets	資產	**8,576**	5,317
Net asset	資產淨值	**8,576**	5,317

The asset of HK$8.6 million (2010: HK$5.3 million) is included in "Other assets".

8,600,000港元資產(二零一零年：5,300,000港元)列賬於「其他資產」。

The Scheme's assets do not include any ordinary shares issued by the Bank (2010: Fair value of HK$6,777,000).

該計劃的資產並不包括本行發行的普通股(二零一零年：公平價值共6,777,000港元)。

42. EMPLOYEE RETIREMENT BENEFITS (continued)

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

42. 僱員退休福利(續)

(b) 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Current service cost	本期服務成本	**13,899**	23,421
Interest cost on obligation	所承擔責任之利息成本	**4,775**	6,806
Amortisation of actuarial loss/(gain)	精算虧損／(收益)攤銷	**4,220**	(2,230)
Expected return on Scheme's assets	該計劃資產的預計回報	**(9,295)**	(10,336)
		13,599	17,661

The actual return on the Scheme's assets for the year ended 31 December 2011 amounted to approximately HK$410,000 surplus (2010: HK$1,951,000 deficit).

截至二零一一年十二月三十一日止年度，該計劃資產的實際回報盈餘410,000港元(二零一零年：虧絀1,951,000港元)。

(c) Amounts for the current and previous years

(c) 本年度及過往年度金額

		The Group and the Bank 本集團及本行				
		2011 二零一一年 HK$' 000 千港元	2010 二零一零年 HK$'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	2007 二零零七年 HK$'000 千港元
Defined benefit obligation	定額福利責任	**243,826**	234,723	270,743	322,075	244,040
Plan assets	計劃資產	**192,452**	193,146	203,211	213,419	197,898
Net deficit	淨虧絀	**(51,374)**	(41,577)	(67,532)	(108,656)	(46,142)
Experience gains/(losses) on scheme liabilities	計劃負債的實際收益／(虧損)	**6,269**	8,327	12,629	(4,269)	(4,997)
Experience gains/(losses) on scheme assets	計劃資產的實際收益／(虧損)	**8,885**	12,287	1,021	(2,497)	5,002

42. EMPLOYEE RETIREMENT BENEFITS (continued)

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

42. 僱員退休福利(續)

(d) 定額福利責任之現值變動如下：

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Opening defined benefit obligation	年初定額福利責任	**234,723**	270,743
Current service cost	本年度服務成本	**13,899**	23,421
Interest cost	利息成本	**4,775**	6,806
Participants' contributions	參與者供款	**5,426**	6,339
Benefits paid	已付福利	**(23,388)**	(37,830)
Premiums paid	已付保費	**–**	(340)
Actuarial loss/(gain) on obligation during the year	年內責任之精算虧損／（收益）	**8,391**	(34,416)
Closing defined benefit obligation	年終定額福利責任	**243,826**	234,723

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

(e) 計劃資產之組成如下：

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Investments and money market	投資及貨幣市場	**109,238**	96,382
Bank balances and cash	銀行結餘及現金	**88,603**	97,048
Others	其他	**(5,389)**	(284)
		192,452	193,146

42. EMPLOYEE RETIREMENT BENEFITS (continued)

(f) Changes in the fair value of plan assets are as follows:

42. 僱員退休福利(續)

(f) 計劃資產之公平價值變動如下：

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Opening fair value of plan assets	年初計劃資產之公平價值	**193,146**	203,211
Actual return	實際回報	**410**	(1,951)
Assets distributed on settlements	結算分派之資產	**(23,388)**	(37,830)
Premiums paid	已付保費	**–**	(340)
Contributions by employer and employees	僱主及僱員之供款	**22,284**	30,056
Closing fair value of plan assets	年終計劃資產之公平價值	**192,452**	193,146

(g) The principal actuarial assumptions used as at 31 December 2011 are as follows:

(g) 於二零一一年十二月三十一日，所用主要精算假設如下：

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Discount rate	貼現率	**1.0% p.a.**	2.2% p.a. 每年2.2%
Long-term rate of return on assets	資產長期回報率	**5.0% p.a.**	5.0% p.a. 每年5.0%
Future salary increases	未來薪金加幅	**4.5%**	4.5% 每年4.5%

The long term rate of return on assets (5.0% p.a. for calculating the 2012 net cost) is based on the minimum investment guarantee that is applied to the Scheme's assets.

資產長期回報率(就計算二零一二年成本淨額為每年5.0%)乃以該計劃的資產所應用的最低投資保障為基準。

(h) 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 an independent trustee.

Under the MPF scheme, the employer and its employees are each required to make mandatory 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.

(h) 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%之強制性供款，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。

42. EMPLOYEE RETIREMENT BENEFITS (continued)

(h) Mandatory Provident Fund Scheme ("MPF Scheme") (continued)

In addition to the mandatory contribution, employees will have an one-off election to make a voluntary contribution of 5% of employee's relevant income. At the same time, the employer will make a matching voluntary contribution accordingly.

42. 僱員退休福利(續)

(h) 強制性公積金計劃(「強積金計劃」)(續)

除強制性供款外，僱員可作出一次一次性選擇，就其相關收入作出5%之自愿性供款。同時，僱主將須作出相應的等額自愿性供款。

43. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Credit related commitments and contingencies

Credit related commitments and contingencies include forward 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 credit related commitments and contingencies:

43. 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、承兑項目、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			
		2011 二零一一年		2010 二零一零年	
		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	**44,562**	**44,562**	71,606	71,606
Transaction-related contingencies	與交易有關之或然項目	**15,326**	**7,663**	21,408	10,704
Trade-related contingencies	與貿易有關之或然項目	**239,050**	**47,810**	385,469	77,094
Undrawn loan facilities	未提取之備用貸款				
– which are unconditionally cancellable	–其中可無條件地取消	**14,667,999**	**–**	13,348,722	–
– with an original maturity of not more than one year	原訂到期期限為一年內	**–**	**–**	32,276	6,455
– with an original maturity of more than one year	–原訂到期期限為一年或以上	**1,027,240**	**513,620**	441,253	220,627
		15,994,177	**613,655**	14,300,734	386,486

43. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(a) Credit related commitments and contingencies (continued)

43. 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			
		2011 二零一一年		2010 二零一零年	
		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	**44,562**	**44,562**	77,606	77,606
Transaction-related contingencies	與交易有關之或然項目	**15,326**	**7,663**	21,408	10,704
Trade-related contingencies	與貿易有關之或然項目	**239,050**	**47,810**	385,469	77,094
Undrawn loan facilities	未提取之備用貸款				
– which are unconditionally cancellable	–其中可無條件地取消	**14,667,999**	**–**	13,348,722	–
– with an original maturity of not more than one year	–原訂到期期限為一年內	**–**	**–**	32,276	6,455
– with an original maturity of more than one year	–原訂到期期限為一年或以上	**1,027,240**	**513,620**	441,253	220,627
		15,994,177	**613,655**	14,306,734	392,486

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%。

43. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(b) Lease commitments

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

43. 或然負債及承擔(續)

(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 and the Bank 本集團及本行	
	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Properties: 物業：		
– Within one year – 一年內	**31,951**	26,665
– After 1 year but within 5 years – 一至五年間	**12,035**	15,852
	43,986	42,517

(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:

(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兑現資本承擔如下：

	The Group and the Bank 本集團及本行	
	2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Contracted for 已訂合約	**133,860**	172,429

44. 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.

44. 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。

45. 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:

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:

45. 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：

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(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)分析於本報告期末以公平價值計量之金融工具：

		The Group 本集團			
		Level 1 一級	Level 2 二級	Level 3 三級	Total 總額
2011	二零一一年	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元
Assets	**資產**				
Trading assets	持作交易用途資產	1,403,158	2,358	–	1,405,516
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	81,240	–	–	81,240
Derivative financial instruments	衍生金融工具	–	466,343	28,293	494,636
Available-for-sale financial assets	可供出售金融資產	8,546,760	4,886,044	298,216	13,731,020
		10,031,158	5,354,745	326,509	15,712,412
Liabilities	**負債**				
Trading liabilities	交易賬項下之負債	1,382,980	–	–	1,382,980
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	–	333,965	–	333,965
Derivative financial instruments	衍生金融工具	–	432,532	105,959	538,491
		1,382,980	766,497	105,959	2,255,436

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(續)

		The Group 本集團			
		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
2010	二零一零年				
Assets	**資產**				
Trading assets	持作交易用途資產	963,724	3,049	–	966,773
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	84,724	–	321,544	406,268
Derivative financial instruments	衍生金融工具	–	468,122	23,511	491,633
Available-for-sale financial assets	可供出售金融資產	11,151,066	6,951,393	453,375	18,555,834
		12,199,514	7,422,564	798,430	20,420,508
Liabilities	**負債**				
Trading liabilities	交易賬項下之負債	920,695	–	–	920,695
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	–	263,986	–	263,986
Derivative financial instruments	衍生金融工具	–	320,678	256,636	577,314
		920,695	584,664	256,636	1,761,995

		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**
2011	**二零一一年**				
Assets	**資產**				
Trading assets	持作交易用途資產	**1,403,158**	**2,358**	**–**	**1,405,516**
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	**81,240**	**–**	**–**	**81,240**
Derivative financial instruments	衍生金融工具	**–**	**466,343**	**28,293**	**494,636**
Available-for-sale financial assets	可供出售金融資產	**8,546,760**	**4,886,044**	**298,214**	**13,731,018**
		10,031,158	**5,354,745**	**326,507**	**15,712,410**
Liabilities	**負債**				
Trading liabilities	交易賬項下之負債	**1,382,980**	**–**	**–**	**1,382,980**
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	**–**	**333,965**	**–**	**333,965**
Derivative financial instruments	衍生金融工具	**–**	**432,532**	**105,959**	**538,491**
		1,382,980	**766,497**	**105,959**	**2,255,436**

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(續)

		The Bank 本行			
		Level 1 一級	Level 2 二級	Level 3 三級	Total 總額
2010	二零一零年	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元
Assets	**資產**				
Trading assets	持作交易用途資產	963,609	3,049	–	966,658
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	84,724	–	321,544	406,268
Derivative financial instruments	衍生金融工具	–	468,122	23,511	491,633
Available-for-sale financial assets	可供出售金融資產	11,151,066	6,951,393	453,373	18,555,832
		12,199,399	7,422,564	798,428	20,420,391
Liabilities	**負債**				
Trading liabilities	交易賬項下之負債	920,695	–	–	920,695
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	–	263,986	–	263,986
Derivative financial instruments	衍生金融工具	–	320,678	256,636	577,314
		920,695	584,664	256,636	1,761,995

During the year 2011 and 2010, 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; and

(iv) the fair value of certain structured debt securities is estimated based on an independent external valuation reports with a discount to take into account the legal risk of the recovery process.

於二零一一年及二零一零年，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。

45. 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:

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(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：

Assets
資產

		The Group 本集團			
2011	**二零一一年**	**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 financial assets 可供出售金融資產 HK$'000 千港元**	**Total 總額 HK$'000 千港元**
At 1 January 2011	於二零一一年一月一日				
Purchases	購買	321,544	23,511	453,375	798,430
Sales	出售	–	–	29,564	29,564
Settlements	結算	–	–	(7,542)	(7,542)
Changes in fair value recognised in profit or loss:	在損益賬內確認之公平價值變動	(458,644)	–	(155,551)	(614,195)
– Impairment losses on available-for-sale financial assets	–可供出售金融資產減值虧損	–	–	(5,415)	(5,415)
– Other operating income	–其他營運收入	137,100	4,782	–	141,882
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	–	–	(16,215)	(16,215)
At 31 December 2011	於二零一一年十二月三十一日	–	28,293	298,216	326,509
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	–	–	(16,215)	(16,215)
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	–	(27,649)	28,383	734

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

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

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(續)

(i) 使用重大不可觀察數據進行之金融工具估值(續)

Assets
資產

2010 二零一零年	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 financial assets 可供出售金融資產 HK$'000 千港元	Total 總額 HK$'000 千港元
	The Group 本集團			
At 1 January 2010 於二零一零年一月一日	310,113	148,571	549,508	1,008,192
Purchases 購買	22,076	–	90,337	112,413
Sales 出售	(936)	–	(96,551)	(97,487)
Settlements 結算	–	–	(75,128)	(75,128)
Changes in carrying value recognised in profit or loss 在損益賬內確認之賬面值變動	–	–	985	985
Changes in fair value recognised in profit or loss: 在損益賬內確認之公平價值變動：				
– Impairment losses on available-for-sale financial assets –可供出售金融資產減值虧損	–	–	(2,928)	(2,928)
– Other operating income –其他營運收入	(9,709)	(125,060)	–	(134,769)
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	–	–	(12,848)	(12,848)
At 31 December 2010 於二零一零年十二月三十一日	321,544	23,511	453,375	798,430
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	–	–	3,695	3,695
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	(9,709)	(197,123)	420	(206,412)

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

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

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(續)

(i) 使用重大不可觀察數據進行之金融工具估值(續)

Assets
資產

		The Bank 本行			
2011	**二零一一年**	**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 financial assets 可供出售金融資產 HK$'000 千港元**	**Total 總額 HK$'000 千港元**
At 1 January 2011	於二零一一年一月一日				
Purchases	購買	**321,544**	**23,511**	**453,373**	**798,428**
Sales	出售	**–**	**–**	**29,564**	**29,564**
Settlements	結算	**–**	**–**	**(7,542)**	**(7,542)**
Changes in fair value recognised in profit or loss:	在損益賬內確認之公平價值變動	**(458,644)**	**–**	**(155,551)**	**(614,195)**
– Impairment losses on available-for-sale financial assets	–可供出售金融資產減值虧損	**–**	**–**	**(5,415)**	**(5,415)**
– Other operating income	–其他營運收入	**137,100**	**4,782**	**–**	**141,882**
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	**–**	**–**	**(16,215)**	**(16,215)**
At 31 December 2011	於二零一一年十二月三十一日	**–**	**28,293**	**298,214**	**326,507**
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	**–**	**–**	**(16,215)**	**(16,215)**
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	**–**	**(27,649)**	**28,383**	**734**

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

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

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(續)

(i) 使用重大不可觀察數據進行之金融工具估值(續)

Assets
資產

		The Bank 本行			
2010	二零一零年	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 financial assets 可供出售金融資產 HK$'000 千港元	Total 總額 HK$'000 千港元
At 1 January 2010	於二零一零年一月一日	310,113	148,571	549,506	1,008,190
Purchases	購買	22,076	–	90,337	112,413
Sales	出售	(936)	–	(96,551)	(97,487)
Settlements	結算	–	–	(75,128)	(75,128)
Changes in carrying value recognised in profit or loss	在損益賬內確認之賬面值變動	–	–	985	985
Changes in fair value recognised in profit or loss:	在損益賬內確認之公平價值變動：				
– Impairment losses on available-for-sale financial assets	－可供出售證券金融資產減值虧損	–	–	(2,928)	(2,928)
– Other operating income	－其他營運收入	(9,709)	(125,060)	–	(134,769)
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	–	–	(12,848)	(12,848)
At 31 December 2010	於二零一零年十二月三十一日	321,544	23,511	453,373	798,428
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	–	–	3,695	3,695
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	(9,709)	(197,123)	420	(206,412)

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

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

Liabilities
負債

2011	**二零一一年**	**The Group and the Bank 本集團及本行**	
		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 2011	於二零一一年一月一日	**(256,636)**	**(256,636)**
Settlement	結算	**155,728**	**155,728**
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	**(177)**	**(177)**
– Other operating income	–其他營運收入	**(4,874)**	**(4,874)**
At 31 December 2011	於二零一一年十二月三十一日	**(105,959)**	**(105,959)**
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	**27,288**	**27,288**

Liabilities
負債

2010	二零一零年	The Group and the Bank 本集團及本行	
		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 2010	於二零一零年一月一日	(368,023)	(368,023)
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	(13,673)	(13,673)
– Other operating income	–其他營運收入	125,060	125,060
At 31 December 2010	於二零一零年十二月三十一日	(256,636)	(256,636)
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	183,450	183,450

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(續)

(i) 使用重大不可觀察數據進行之金融工具估值(續)

45. 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:

45. 金融工具之公平價值(續)

(a) 以公平價值列賬之金融工具(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，但是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：

		The Group and the Bank 本集團及本行			
		Effect on profit or loss 對損益賬的影響		Effect on other comprehensive income 對其他全面收益的影響	
		Favourable 有利變動	Unfavourable 不利變動	Favourable 有利變動	Unfavourable 不利變動
2011	**二零一一年**	**HK$'000 千港元**	**HK$'000 千港元**	**千港元**	**千港元**
Assets	**資產**				
Available-for-sale financial assets	可供出售金融資產	**–**	**(6,775)**	**29,822**	**(23,047)**
Derivatives financial instruments	衍生金融工具	**2,829**	**(2,829)**	**–**	**–**
Liabilities	**負債**				
Derivatives financial instruments	衍生金融工具	**10,596**	**(10,596)**	**–**	**–**

		The Group and the Bank 本集團及本行			
		Effect on profit or loss 對損益賬的影響		Effect on other comprehensive income 對其他全面收益的影響	
		Favourable 有利變動	Unfavourable 不利變動	Favourable 有利變動	Unfavourable 不利變動
2010	二零一零年	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元	HK$'000 千港元
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	32,154	(32,154)	–	–
Available-for-sale financial assets	可供出售金融資產	2,037	(2,037)	43,300	(43,300)
Derivatives financial instruments	衍生金融工具	2,351	(2,351)	–	–
Liabilities	**負債**				
Derivatives financial instruments	衍生金融工具	25,664	(25,664)	–	–

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(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 savings 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; and

(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.

The carrying amount of the Group's and the Bank's financial instruments carried at cost or amortised cost are not significantly different from their fair values as at 31 December 2011 and 2010 except as follows:

45. 金融工具之公平價值(續)

(b) 非以公平價值列賬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算該等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；及

(iii) 有關定息貸款及按攤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。

本集團及本行按成本或攤銷成本列賬之金融工具之賬面值與其於二零一一年及二零一零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：

		The Group 本集團			
		2011 二零一一年		2010 二零一零年	
		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
Financial assets	*金融資產*				
Advances to customers	客戶貸款	**1,123,014**	**1,112,456**	1,116,708	1,089,773
Other loans and receivables	其他貸款及應收款項	**1,204,789**	**1,037,835**	2,802,314	2,482,312
Held-to-maturity investments	持至到期投資	**2,466,707**	**2,467,880**	2,462,681	2,445,611
Financial liabilities	*金融負債*				
Deposits from customers	客戶存款	**31,233,854**	**31,385,962**	31,548,899	31,548,767
Other liabilities	其他負債	**1,299,959**	**1,299,973**	809,537	811,815

45. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

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

45. 金融工具之公平價值(續)

(b) 非以公平價值列賬之金融工具之公平價值(續)

		The Bank 本行			
		2011 二零一一年		2010 二零一零年	
		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
Financial assets	*金融資產*				
Advances to customers	客戶貸款	**1,074,823**	**1,067,068**	853,631	848,980
Other loans and receivables	其他貸款及應收款項	**1,204,789**	**1,037,835**	2,802,314	2,482,312
Held-to-maturity investments	持至到期投資	**2,466,707**	**2,467,880**	2,462,681	2,445,611
Financial liabilities	*金融負債*				
Deposits from customers	客戶存款	**31,233,854**	**31,385,962**	31,548,899	31,548,767
Other liabilities	其他負債	**1,299,959**	**1,299,973**	809,537	811,815

46. 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) Income/expenses

46. 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。董事們認為，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) 收入 / 支出

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Fellow subsidiaries	*同系附屬公司*		
Interest income	利息收入	**2,784**	1,691
Interest expense	利息支出	**4,357**	3,561

46. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(a) Income/expenses (continued)

46. 重大關連各方交易(續)

(a) 收入/支出(續)

		The Bank 本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Subsidiaries	*附屬公司*		
Interest income	利息收入	**242**	1,715
Interest expense	利息支出	**203**	224
Fee and commission income	費用及佣金收入	**5,643**	7,985
Fee and commission expense	費用及佣金支出	**47,740**	53,214

(b) Placement of deposits

(b) 放款

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Fellow subsidiaries	*同系附屬公司*		
Cash and short-term funds	現金及短期資金	**1,954**	23,876
Fellow subsidiaries	*同系附屬公司*		
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	**–**	1,093,999
Fellow subsidiaries	*同系附屬公司*		
Accrued interest and other assets	應計利息及其他資產	**–**	731

Balances with banks and other financial institutions represent placements with fellow subsidiaries. There was no outstanding balance as at 31 December 2011 (2010: HKD1,093,999,000). Placements during the year ended 31 December 2011 amounted to HKD10,074,846,000 (2010: HKD44,097,205,000) while repayments during the same period amounted to HKD11,168,845,000 (2010: HKD43,003,206,000).

銀行同業及其他金融機構結餘代表與同系附屬公司的拆放同業，於二零一一年十二月三十一日並無結餘(二零一零年：1,093,999,000港元)。年內拆放放款共10,074,846,000港元(二零一零年：44,097,205,000港元)，而年內拆放償還共11,168,845,000港元(二零一零年：43,003,206,000港元)

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

上述與關連方放款並無減值撥備。

The amounts of placement of deposits from subsidiaries are included in "Amount due from subsidiaries" of the Bank.

本行對附屬公司放款結餘列賬於「應收附屬公司款項」。

46. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Acceptance of deposits

46. 重大關連各方交易(續)

(c) 接納存款

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Ultimate holding company Deposits from customers	*最終控股公司* 客戶存款	**1,286**	–
Fellow subsidiaries Deposits and balances of banks	*同系附屬公司* 銀行同業存款及結餘	**18,182**	273,292
Fellow subsidiaries Deposits from customers	*同系附屬公司* 客戶存款	**14,863**	7,002

Inter-bank takings from fellow subsidiaries are included in "Deposits and balances of banks" along with deposits from fellow subsidiaries. There was no outstanding balance as at 31 December 2011 (2010: HKD 233,217,000). Acceptances during the year ended 31 December 2011 amounted to HKD 6,326,144,000 (2010: HKD 4,655,778,000) while repayments during the same period amounted to HKD 6,559,361,000 (2010: HKD 5,010,311,000).

The amounts of acceptance of deposits from subsidiaries are included in "Amount due to subsidiaries" of the Bank.

與同系附屬公司的同業拆放及存款均包括在「銀行同業存款及結餘」。於二零一一年十二月三十一日，並無與同系附屬公司的同業拆放(二零一零年：233,217,000港元)。年內接納拆放共6,326,144,000港元(二零一零年：4,655,778,000港元)，而年內償還拆放共6,559,361,000港元(二零一零年：5,010,311,000港元)。

本行接納附屬公司存款結餘列賬於「應付附屬公司款項」。

(d) Financial instruments

(d) 金融工具

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Fellow subsidiary Derivative contracts (notional principal)	*同系附屬公司* 衍生工具合約(名義本金額)	**827,862**	2,478,607

46. 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:

46. 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Aggregate amount of relevant loans at 31 December by the Bank	本行相關貸款於十二月三十一日的總額	**8,358**	9,115
Maximum aggregate amount of relevant loans outstanding during the year by the Bank	本行年內尚未償還相關貸款之最高總額	**9,115**	13,368

There was no interest due but unpaid nor any impairment allowance made against these loans at 31 December 2011 (2010: Nil).

於二零一一年十二月三十一日，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(二零一零年：無)。

(f) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Bank's Directors as disclosed in Note 8 is as follows:

(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)如下：

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Salaries and short-term employee benefits	薪金及短期僱員福利	**46,192**	55,003

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

酬金總額計入「僱員成本」(見附註7)。

46. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(f) Key management personnel remuneration (continued)

Several key management personnel have been 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.

46. 重大關連各方交易(續)

(f) 主要管理人員酬金(續)

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本行最終控股公司富邦金融控股股份有限公司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。

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Loans, at 31 December	於十二月三十一日貸款餘額	**12,591**	11,087
Interest income	利息收入	**192**	263
Credit facilities, at 31 December	於十二月三十一日信貸服務	**4,725**	5,060

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 and the guidelines of the HKMA. 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.

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。

47. ASSETS PLEDGED AS SECURITY

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

47. 質押作為抵押品之資產

下列資產已於結算日作為自身負債抵押品予以質押：

		The Group and the Bank 本集團及本行	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Secured liabilities	已抵押負債	**5,555,307**	3,409,202
Assets pledged:	*已質押資產：*		
Trading assets	持作交易用途資產	**1,393,304**	99,760
Available-for-sale financial assets	可供出售金融資產	**4,172,423**	3,235,789
		5,565,727	3,335,549

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

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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Margin accounts for derivative contracts	衍生工具合約的保證金賬戶款項	**57,917**	7,774

These transactions are conducted under usual and customary terms.

該等交易乃按照一般及慣用條款進行。

48. 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 policies, which define 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 loan impairment policy.

48. 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，或無法持續在市場上以無抵押或甚至以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：由於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担之風險、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、貸款分類系統及貸款減值政策。

48. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

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

The Executive Credit Committee serves as the Credit Committee of the Board of Directors to review and approve credit proposals within limits assigned by the Board of Directors while the Chief Executive Officer has been assigned a limit lower than the Executive Credit Committee for credit approval.

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 Department and Consumer Credit Risk Management Department, 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 loan impairment.

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.

48. 財務風險管理(續)

(a) 信貸風險管理(續)

董事會授權以下部門依次審批信貸：執行信貸委員會、行政總裁及信貸委員會。

執行信貸委員會以董事會信貸委員會的身份，按董事授予的權限，審閱及批准信貸建議，而行政總裁則獲授與比執行信貸委員會為低的權限作信貸審批。

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、國家風險以及貸款減值程度等資料。

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、法律風險、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。

48. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

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

(i) Corporate lending

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 of the Hong Kong Banking Ordinance, guidelines issued by the HKMA with respect to large exposures and provisioning requirements and best market practices.

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 Department 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 senior management, the Credit Committee and the Risk Management Committee regularly for their review. The loan portfolio reports include information regarding large exposures, country exposure, industry exposure and loan impairment etc.

(ii) Consumer credit risk

The Group's consumer credit risk policy and approval process are designed to address relatively homogeneous consumer banking products such as credit cards, unsecured personal loan and mortgage loans. Because of the nature of consumer banking, the credit policies are primarily based on statistical analyses of risks with respective to different products and types of customers. The Consumer Credit Risk Management Department (CCRM) is responsible for conducting regular review and monitoring of consumer credit risk, including acquisition and portfolio risk management. CCRM is also responsible for the determination and revision of product terms and desired customer profiles on regular basis by developing, validating and fine-tuning of internal scorecard(s) and model(s). In addition, CCRM reviews and updates the existing policies on underwriting, loan classification, loan impairment and write-off on regular basis

48. 財務風險管理(續)

(a) 信貸風險管理(續)

針對不同類型信貸相關業務之特定政策及措施載列如下：

(i) 企業借貸

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。

無論信貸風險是由於貸款或非借貸交易而產生，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。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、金管局就大額放款限度及撥備規定頒佈之指引以及最佳市場慣例。

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。有關管理報告定期提交高級管理層、信貸委員會及風險管理委員會審閱。貸款組合報告包括有關大額放貸風險、國家風險、行業風險及貸款減值等資料。

(ii) 零售銀行信貸風險

本集團之零售銀行信貸風險政策及審批流程乃針對相對同類型的零售銀行產品，如信用卡、無抵押個人貸款及按揭而設計。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(包括收購及組合風險管理)。消費信貸風險管理部亦負責透過開發、認證及微調內部記分卡及模型。此外，消費信貸風險管理部還定期審閱及更新有關現有的貸款承造、貸款分類、貸款減值及回撥之政策。

48. 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 19(b) of this annual report. The Group 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 industry and product sectors etc but is concentrated in Hong Kong.

Analysis of credit risk concentration of respective financial assets is disclosed in Notes 15 to 23.

(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:

48. 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19(b)內披露。本集團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行業及產品類別，但集中於香港。

有關各類金融資產之信貸風險集中情況之分析於附註15至23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：

48. 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 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.

48. 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。

48. 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:

48. 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Credit risk exposures relating to on-balance sheet assets:	*與資產負債表內資產有關之信貸風險*				
Cash and short-term funds	現金及短期資金	**4,202,819**	2,677,984	**4,123,374**	2,675,534
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	**1,479,530**	2,135,669	**1,479,530**	2,058,707
Trading assets	持作交易用途資產	**1,405,516**	966,658	**1,405,516**	966,658
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	**81,240**	406,268	**81,240**	406,268
Derivative financial instruments	衍生金融工具	**494,636**	491,633	**494,636**	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	**32,238,466**	28,860,971	**32,144,994**	28,496,116
Other loans and receivables	其他貸款及應收款項	**1,204,789**	2,802,314	**1,204,789**	2,802,314
Accrued interest and other assets	應計利息及其他資產	**881,716**	723,735	**845,507**	682,262
Available-for-sale financial assets	可供出售金融資產	**13,519,713**	18,344,932	**13,519,713**	18,344,932
Held-to-maturity investments	持至到期投資	**2,466,707**	2,462,681	**2,466,707**	2,462,681
Credit risk exposures relating to off-balance sheet items:	*與資產負債表外項目有關之信貸風險*				
Financial guarantees and other credit related contingent liabilities	財務擔保及其他信貸相關之或然負債	**298,938**	478,483	**298,938**	484,483
Loan commitments and other credit related commitments	貸款承擔及其他信貸相關之承擔	**15,695,239**	13,822,251	**15,695,239**	13,822,251
		73,969,309	74,173,579	**73,760,183**	73,693,839

48. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

(viii) Credit quality of loans and advances

At 31 December 2011 and 2010, no loans and advances to banks were impaired. The credit quality of advances to customers can be analysed as follows:

48. 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

於二零一一年及二零一零年十二月三十一日，向銀行同業授出之借款及貸款並無減值。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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Neither past due nor impaired	並無逾期或減值	**32,293,468**	28,939,976	**32,200,100**	28,591,194
Past due but not impaired	已逾期但並無減值	**2,307**	12,064	**2,285**	1,238
Impaired	已減值	**105,747**	192,754	**80,011**	97,190
		32,401,522	29,144,794	**32,282,396**	28,689,622
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	**32,266,791**	28,879,605	**32,174,223**	28,533,378
– Grade 2: Special mention	－第二級：特別提及	**26,677**	60,371	**25,877**	57,816
		32,293,468	28,939,976	**32,200,100**	28,591,194

The Group classifies advances to customers in accordance with the loan classification system required to be adopted for reporting to the HKMA.

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。

48. 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:

48. 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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Gross loans and advances to customers that are past due but not impaired	向客戶授出而已逾期但並無減值之借款及貸款總額				
– Overdue 3 months or less	–逾期三個月或以下	**1,421**	10,921	**1,399**	1,238
– Overdue 6 months or less but over 3 months	–逾期六個月或以下惟三個月以上	**886**	1,143	**886**	–
– 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	**–**	–	**–**	–
		2,307	12,064	**2,285**	1,238

Loans and advances that would be past due or impaired had the terms not been renegotiated amounted to HK$102,880,000 as at 31 December 2011 (2010: HK$199,855,000).

於二零一一年十二月三十一日，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102,880,000港元(二零一零年：199,855,000港元)。

No items in "Other loans and receivables" are overdue or impaired as at 31 December 2011 and 2010.

於二零一一年及二零一零年十二月三十一日，並無列入「其他貸款及應收款項」之項目是逾期或已減值。

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:

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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
AA-to AA+	AA-至AA+	**–**	230,188
A-to A+	A-至A+	**701,126**	1,687,812
Lower than A–	A-以下	**503,663**	884,314
		1,204,789	2,802,314

48. 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:

48. 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				
		2011 二零一一年				
		Trading assets 持作交易用途資產 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 financial assets 可供出售金融資產 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
AAA	AAA	–	–	810,751	–	810,751
AA-to AA+	AA-至AA+	1,405,516	–	7,483,976	1,083,595	9,973,087
A-to A+	A-至A+	–	81,240	4,781,515	1,159,329	6,022,084
Lower than A–	A-以下	–	–	325,184	223,783	548,967
Unrated	無評級	–	–	118,287	–	118,287
		1,405,516	81,240	13,519,713	2,466,707	17,473,176

48. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

(ix) Credit quality of financial assets other than loans and advances (continued)

48. 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				
		2010 二零一零年				
		Trading assets 持作交易用途資產 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 financial assets 可供出售金融資產 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
AAA	AAA	603	–	3,773,777	–	3,774,380
AA-to AA+	AA-至AA+	966,055	–	10,249,597	1,159,772	12,375,424
A-to A+	A-至A+	–	84,724	3,921,340	1,302,909	5,308,973
Lower than A–	A-以下	–	–	313,224	–	313,224
Unrated	無評級	–	321,544	86,994	–	408,538
		966,658	406,268	18,344,932	2,462,681	22,180,539

There are no debt securities of the Group and the Bank overdue as at 31 December 2011 (2010: fair value of HK$321.5 million, classified as "financial assets designated at fair value through profit or loss").

本集團及本行於二零一一年十二月三十一日並未持有已逾期債務證券(於二零一零年，已逾期債務證券的公平價值為321,500,000港元，歸類為「指定為通過損益以反映公平價值之金融資產」)。

48. FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk management (continued)

(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:

48. 財務風險管理(續)

(a) 信貸風險管理(續)

(x) 抵押品及其他信貸提升措施

就金融資產所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	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元	**2011 二零一一年 HK$'000 千港元**	2010 二零一零年 HK$'000 千港元
Fair value of collateral and other credit enhancements held against financial assets that are:	就下列金融資產所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	**52,984,073**	48,716,335	**52,574,677**	47,012,624
– Past due but not impaired	－已逾期但並無減值	**2,118**	21,671	**1,928**	150
– Impaired	－已減值	**10,365**	25,277	**7,272**	2,827
		52,996,556	48,763,283	**52,583,877**	47,015,601

(xi) Collateral and other credit enhancements obtained

During the years 2011 and 2010, the Group did not obtain any assets by taking possession of collateral held as security.

As at 31 December 2011, total repossessed assets and assets acquired under lending agreements of the Group and the Bank amounted to HK$6,200,000 (2010: HK$26,700,000).

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.

(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：

於二零一一年十二月三十一日，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6,200,000港元(二零一零年：26,700,000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。

48. FINANCIAL RISK MANAGEMENT (continued)

(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.

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 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.

48. 財務風險管理(續)

(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、股票及其他衍生工具，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。

董事會檢討及審批有關市場風險管理之政策包括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走勢之預測，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所買賣之衍生工具。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此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採用之一種工具。風險值是一種按一既定信心水平及在特定持盤時間內，就市場利率及債務之變動而對持倉盤之潛在虧損之結算的技術。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。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

The VAR technique is only effective for potential loss events which are not correlated. The Group therefore 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.

(i) Sensitivity analysis of market risk exposures

Trading market risk

Currency risk
At 31 December 2011, 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$0.3 million higher (2010: HK$0.2 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$0.3 million lower (2010: HK$0.2 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 2011, 25 basis points upward movement in interest rate would result in a downward profit movement of HK$292,700 (2010: HK$1.78 million). Conversely, 25 basis points downward movement in interest rate would result in an upward profit movement of HK$292,700 (2010: HK$1.78 million).

Equity risk
At 31 December 2011, the Group has no equity position in its trading portfolio. So, if the Hang Seng Index had increased or 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 no impact (2010: HK$12,134 higher for 10% increase or HK$12,134 lower for 10% decrease).

48. 財務風險管理(續)

(b) 市場風險管理(續)

VAR技術僅對不相關的潛在虧損事項有效。因此，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。

(i) 市場風險敏感度分析

交易市場風險

貨幣風險
於二零一一年十二月三十一日，如港元兑其他貨幣升值0.5%並假設所有其他參數不變，本年度之除税前溢利將為增加300,000港元(二零一零年：減少200,000港元)。

相反地，如港元兑其他貨幣貶值0.5%，並假設所有其他參數不變，本年度之除税前溢利將為減少300,000港元(二零一零年：增加200,000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。於二零一一年十二月三十一日，利率調升25個基點將導致溢利下降292,700港元(二零一零年：1,780,000港元)。相反地，如果利率下調25個基點，溢利將上升292,700港元(二零一零年：1,780,000港元)。

股票風險
本集團於二零一一年十二月三十一日並無持有持作交易用途之股本證券，因此如果恒生指數上升或下降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並不會對本年度盈利有任何影響(二零一零年：10%上升會增加盈利12,134港元，10%下降會減少盈利12,134港元)。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(i) Sensitivity analysis of market risks exposures (continued)

Non-trading market risk

Currency risk

All of the Bank's foreign currency position arises from the Bank's non-trading activities (e.g. investments, lending and deposit taking) are captured and transferred to the Financial Markets group. The Financial Markets group monitors these foreign currency exposures and minimizes foreign currency asset and liability mismatch by entering into foreign currency spot and forward transactions. Market Risk Management Department monitors those outstanding foreign currency positions on a daily basis and report to the Asset and Liability Committee regularly.

Interest rate risk

Interest rate risk primarily results from timing differences in the repricing of interest-bearing assets, liabilities and commitments. Interest rate risk is managed by the Financial Markets Group 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 2011, if other market variables including prime rate were held constant, an increase in HKD market interest rates of 25 basis points would result in an increase in earnings over the next 12 months of HK$6.8 million (2010: HK$0.3 million increase), or an increase in economic value of HK$0.9 million (2010: HK$6.5 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$3.3 million (2010: HK$9.8 million decrease), or an increase in economic value of HK$8.6 million (2010: HK$22.3 million increase).

48. 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

貨幣風險

本行所有來自非交易活動(如投資、放款及吸收存款等)的外匯部位均轉移到金融市場部名下。金融市場部負責管理此等外幣持倉，並以外幣現貨交易及遠期交易減少外幣資產及負債錯配。市場風險管理部負責每天監察此等外幣持倉並向資產負債委員會匯報。

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。利率風險由財資部門管理，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。

於二零一一年十二月三十一日，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個月盈利增加6,800,000港元(二零一零年：增加300,000港元)，或經濟值增加900,000港元(二零一零年：增加6,500,000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3,300,000港元(二零一零年：減少9,800,000港元)，或經濟值增加8,600,000港元(二零一零年：增加22,300,000港元)。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(i) Sensitivity analysis of market risks exposures (continued)

Non-trading market risk (continued)

Interest rate risk (continued)
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 a decrease in earnings over the next 12 months of HK$6.8 million (2010: HK$0.3 million decrease), or a decrease in economic value of HK$0.9 million (2010: HK$6.5 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$3.3 million (2010: HK$9.8 million increase), or a decrease in economic value of HK$8.6 million (2010: HK$22.3 million decrease).

Equity risk
At 31 December 2011 and 2010, 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.

The Group holds non-trading unlisted equity investments and uses the net asset value reported by the management of the investee companies to determine the fair value of the investment. A sensitivity analysis on the fair value of these unlisted equity investments is disclosed in Note 45(a)(ii).

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 2011 and 2010.

(ii) Analysis of currency risk exposures
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 Financial Markets Group 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$728.0 million as of 31 December 2011 (2010: HK$461.0 million). The Group seeks to match closely its foreign currency denominated assets with corresponding liabilities in the same currencies.

48. 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)

利率風險(續)
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個月盈利減少6,800,000港元(二零一零年：減少300,000港元)，或經濟值減少900,000港元(二零一零年：減少6,500,000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3,300,000港元(二零一零年：增加9,800,000港元)，或經濟值減少8,600,000港元(二零一零年：減少22,300,000港元)。

股票風險
於二零一一年及二零一零年十二月三十一日，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。

本公司持有非交易非上市股權投資，並使用被投資公司管理層報告之資產淨值釐定投資之公平值。該等非上市股權投資公平值的敏感度分析披露於附註45(a)(ii)。

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，就二零一一年及二零一零年而言所採用者乃屬相同。

(ii) 貨幣風險分析
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。所有外幣持倉均由金融市場部管理，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及聯營公司於二零一一年十二月三十一日之外幣投資共728,000,000港元(二零一零年：461,000,000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。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Analysis of currency risk exposures (continued)

The following table indicates the concentration of currency risk at the balance sheet date:

50. 財務風險管理(續)

(b) 市場風險管理(續)

(ii) 貨幣風險分析(續)

下表列示於結算日之貨幣風險集中度：

		The Group 本集團			
		2011 二零一一年			
(Equivalent in HK$'000)	(千港元等值)	US Dollars 美元	Chinese Renminbi 人民幣	Australian Dollars 澳元	Other currencies 其他貨幣
ASSETS	**資產**				
Cash and short-term funds	現金及短期資金	2,684,391	938,920	6,576	43,480
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	819,340	660,190	–	–
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	81,240	–	–	–
Advances to customers less impairment allowances	客戶貸款減減值撥備	5,293,725	–	–	155,416
Other loans and receivables	其他貸款及應收款項	803,390	–	–	401,399
Accrued interest and other assets	應計利息及其他資產	345,079	135,607	24,423	44,159
Available-for-sale financial assets	可供出售金融資產	5,936,893	482,411	2,759,284	1,790,434
Held-to-maturity investments	持至到期投資	2,466,707	–	–	–
Interests in associates	於聯營公司之權益	–	800,952	–	–
Fixed assets	固定資產	–	80	–	–
Spot assets	**現貨資產**	18,430,765	3,018,160	2,790,283	2,434,888
LIABILITIES	**負債**				
Deposits and balances of banks	銀行同業之存款及結餘	3,238,937	98,720	207	201,800
Deposits from customers	客戶存款	10,364,720	1,842,329	2,907,323	1,710,386
Certificates of deposit issued	已發行存款證	403,622	–	–	–
Debt securities issued	已發行債務證券	278,265	–	3,174	–
Other liabilities	其他負債	246,594	14,570	16,619	14,117
Subordinated notes issued	已發行後償票據	1,540,299	–	–	–
Spot liabilities	**現貨資產**	16,072,437	1,955,619	2,927,323	1,926,303
Net on-balance sheet position	**資產負債表內持倉淨額**	2,358,328	1,062,541	(137,040)	508,585
Off-balance sheet position	資產負債表外倉盤				
Foreign exchange derivative contracts	外匯衍生合約	(1,637,938)	(109,684)	64,214	(524,520)
Net aggregate position	**總持倉淨額**	720,390	952,857	(72,826)	(15,935)
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**	290,913	–	–	45,878

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Analysis of currency risk exposures (continued)

48. 財務風險管理(續)

(b) 市場風險管理(續)

(ii) 貨幣風險分析(續)

		The Group 本集團 2010 二零一零年			
(Equivalent in HK$'000)	(千港元等值)	US Dollars 美元	Chinese Renminbi 人民幣	Australian Dollars 澳元	Other currencies 其他貨幣
ASSETS	**資產**				
Cash and short-term funds	現金及短期資金	1,012,722	952,845	7,155	40,354
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	1,935,669	–	–	–
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	324,812	–	–	–
Advances to customers less impairment allowances	客戶貸款減減值撥備	4,126,100	–	–	54,134
Other loans and receivables	其他貸款及應收款項	2,391,460	–	–	410,854
Accrued interest and other assets	應計利息及其他資產	213,987	217	42,227	48,698
Available-for-sale financial assets	可供出售金融資產	9,076,638	60,168	2,679,671	1,952,088
Held-to-maturity investments	持至到期投資	2,462,681	–	–	–
Interests in associates	於聯營公司之權益	–	532,353	–	–
Fixed assets	固定資產	–	293	–	–
Spot assets	**現貨資產**	21,544,069	1,545,876	2,729,053	2,506,128
LIABILITIES	**負債**				
Deposits and balances of banks	銀行同業之存款及結餘	1,958,191	–	166	214,919
Deposits from customers	客戶存款	13,976,826	904,767	2,349,691	2,099,148
Certificates of deposit issued	已發行存款證	210,362	–	–	–
Debt securities issued	已發行債務證券	30,318	–	11,083	–
Other liabilities	其他負債	473,194	3,477	8,623	20,317
Subordinated notes issued	已發行後償票據	3,137,286	–	–	–
Spot liabilities	**現貨負債**	19,786,177	908,244	2,369,563	2,334,384
Net on-balance sheet position	**資產負債表內持倉淨額**	1,757,892	637,632	359,490	171,744
Off-balance sheet position	資產負債表外倉盤				
Foreign exchange derivative contracts	外匯衍生合約	(1,230,705)	(75,542)	(372,900)	(171,513)
Net aggregate position	**總持倉淨額**	527,187	562,090	(13,410)	231
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**	545,774	–	–	175,431

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Analysis of currency risk exposures (continued)

48. 財務風險管理(續)

(b) 市場風險管理(續)

(ii) 貨幣風險分析(續)

		The Bank 本行 2011 二零一一年			
(Equivalent in HK$'000)	**(千港元等值)**	**US Dollars 美元**	**Chinese Renminbi 人民幣**	**Australian Dollars 澳元**	**Other currencies 其他貨幣**
ASSETS	**資產**				
Cash and short-term funds	現金及短期資金	2,605,883	938,762	6,576	43,265
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	819,340	660,190	–	–
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	81,240	–	–	–
Advances to customers less impairment allowances	客戶貸款減減值撥備	5,293,725	–	–	155,416
Other loans and receivables	其他貸款及應收款項	803,390	–	–	401,399
Accrued interest and other assets	應計利息及其他資產	333,546	135,607	24,423	44,159
Available-for-sale financial assets	可供出售金融資產	5,936,893	482,411	2,759,284	1,790,434
Held-to-maturity investments	持至到期投資	2,466,707	–	–	–
Interests in associates	於聯營公司之投資	–	650,391	–	–
Investments in subsidiaries	附屬公司投資	77,581	–	–	247
Amounts due from subsidiaries	應收附屬公司款項	849	–	–	–
Fixed assets	固定資產	–	80	–	–
Spot assets	**現貨資產**	18,419,154	2,867,441	2,790,283	2,434,920
LIABILITIES	**負債**				
Deposits and balances of banks	銀行同業之存款及結餘	3,238,937	98,720	207	201,800
Deposits from customers	客戶存款	10,364,720	1,842,329	2,907,323	1,710,386
Certificates of deposit issued	已發行存款證	403,622	–	–	–
Debt securities issued	已發行債務證券	278,265	–	3,174	–
Other liabilities	其他負債	246,577	14,234	16,619	13,975
Amounts due to subsidiaries	應付附屬公司款項	2,490	112	3	773
Subordinated notes issued	已發行後償票據	1,540,299	–	–	–
Spot liabilities	**現貨負債**	16,074,910	1,955,395	2,927,326	1,926,934
Net on-balance sheet position	**資產負債表內持倉淨額**	2,344,244	912,046	(137,043)	507,986
Off-balance sheet position	資產負債表外倉盤				
Foreign exchange derivative contracts	外匯衍生合約	(1,637,938)	(109,684)	64,214	(524,520)
Net aggregate position	**總持倉淨額**	706,306	802,362	(72,829)	(16,534)
Credit commitments and other contingent liabilities in foreign currencies	**以外幣結算之信貸承擔及其他**	290,913	–	–	45,878

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(ii) Analysis of currency risk exposures (continued)

50. 財務風險管理(續)

(b) 市場風險管理(續)

(ii) 貨幣風險分析(續)

		The Bank 本行 2010 二零一零年			
(Equivalent in HK$'000)	(千港元等值)	US Dollars 美元	Chinese Renminbi 人民幣	Australian Dollars 澳元	Other currencies 其他貨幣
ASSETS	**資產**				
Cash and short-term funds	現金及短期資金	1,011,357	952,786	7,155	40,160
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	1,858,707	–	–	–
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	324,812	–	–	–
Advances to customers less impairment allowances	客戶貸款減減值撥備	4,126,100	–	–	54,134
Other loans and receivables	其他貸款及應收款項	2,391,460	–	–	410,854
Accrued interest and other assets	應計利息及其他資產	207,780	197	42,227	48,699
Available-for-sale financial assets	可供出售金融資產	9,076,636	60,168	2,679,672	1,952,088
Held-to-maturity investments	持至到期投資	2,462,681	–	–	–
Interests in associates	於聯營公司之投資	–	508,601	–	–
Investments in subsidiaries	附屬公司投資	77,581	–	–	247
Amounts due from subsidiaries	應收附屬公司款項	850	–	–	–
Fixed assets	固定資產	–	293	–	–
Spot assets	**現貨資產**	21,537,964	1,522,045	2,729,054	2,506,182
LIABILITIES	**負債**				
Deposits and balances of banks	銀行同業之存款及結餘	1,958,192	–	166	214,919
Deposits from customers	客戶存款	13,978,088	904,766	2,349,694	2,099,632
Certificates of deposit issued	已發行存款證	210,362	–	–	–
Debt securities issued	已發行債務證券	30,318	–	11,083	–
Other liabilities	其他負債	239,961	3,126	8,623	20,187
Amounts due to subsidiaries	應付附屬公司款項	6,010	–	3	589
Subordinated notes issued	已發行後償票據	3,137,286	–	–	–
Spot liabilities	**現貨負債**	19,560,217	907,892	2,369,569	2,335,327
Net on-balance sheet position	**資產負債表內持倉淨額**	1,977,747	614,153	359,485	170,855
Off-balance sheet position	資產負債表外倉盤				
Foreign exchange derivative contracts	外匯衍生合約	(1,230,705)	(75,542)	(372,900)	(171,513)
Net aggregate position	**總持倉淨額**	747,042	538,611	(13,415)	(658)
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**	545,774	–	–	175,431

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Analysis of interest rate risk exposures

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.

48. 財務風險管理(續)

(b) 市場風險管理(續)

(iii) 利率風險分析

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重訂價格日期之錯配。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。

		The Group 本集團					
		2011 二零一一年					
		Average effective interest rate 平均實際利率	Total 總額 HK$'000 千港元	3 months or less (include overdue) 三個月或以下(包括逾期部份) HK$'000 千港元	Over 3 months to 1 year 三個月以上至一年 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$'000 千港元	Non-interest bearing 不計息 HK$'000 千港元
ASSETS	**資產**							
Cash and short-term funds	現金及短期資金	0.90%	4,382,197	3,844,544	–	–	–	537,653
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	2.20%	1,479,530	1,226,560	252,970	–	–	–
Trading assets	持作交易用途資產	0.16%	1,405,516	1,402,635	–	2,881	–	–
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	2.39%	81,240	–	–	81,240	–	–
Derivative financial instruments	衍生金融工具	N/A	494,636	–	–	–	–	494,636
Advances to customers less impairment allowances	客戶貸款減減值撥備	2.43%	32,238,466	30,643,057	1,162,952	408,786	14,766	8,905
Other loans and receivables	其他貸款及應收款項	2.30%	1,204,789	949,167	178,168	77,454	–	–
Available-for-sale financial assets	可供出售金融資產	2.75%	13,731,020	6,051,248	2,779,362	2,821,511	1,858,344	220,555
Held-to-maturity investments	持至到期投資	4.92%	2,466,707	–	233,324	760,064	1,473,319	–
Other assets	其他資產	3.00%	2,771,759	64,488	149,923	–	–	2,557,348
			60,255,860	44,181,699	4,756,699	4,151,936	3,346,429	3,819,097
LIABILITIES	**負債**							
Deposits and balances of banks	銀行同業之存款及結餘	0.61%	4,019,428	3,920,459	20,000	–	–	78,969
Deposits from customers	客戶存款	1.41%	43,788,167	37,191,308	6,234,601	–	–	362,258
Trading liabilities	交易賬項下之負債	0.29%	1,382,980	1,379,834	–	3,146	–	–
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	0.68%	333,965	–	–	–	333,965	–
Certificates of deposit issued	已發行存款證	1.49%	942,780	700,321	242,459	–	–	–
Debt securities issued	已發行債務證券	1.57%	683,041	672,556	–	10,485	–	–
Derivative financial instruments	衍生金融工具	N/A	538,491	–	–	–	–	538,491
Subordinated notes issued	已發行後償票據	6.25%	1,540,299	–	–	–	1,540,299	–
Other liabilities	其他負債	0.38%	1,974,429	1,299,959	–	–	–	674,470
			55,203,580	45,164,437	6,497,060	13,631	1,874,264	1,654,188
Interest rate sensitivity gap	**利率敏感度差距**			(982,738)	(1,740,361)	4,138,305	1,472,165	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Analysis of interest rate risk exposures (continued)

48. 財務風險管理(續)

(b) 市場風險管理(續)

(iii) 利率風險分析(續)

The Group 本集團

2010 二零一零年

		Average effective interest rate 平均實際利率	Total 總額 HK$'000 千港元	3 months or less (include overdue) 三個月或以下(包括逾期部份) HK$'000 千港元	Over 3 months to 1 year 三個月以上至一年 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$'000 千港元	Non-interest bearing 不計息 HK$'000 千港元
ASSETS	**資產**							
Cash and short-term funds	現金及短期資金	0.64%	2,777,351	1,901,782	–	–	–	875,569
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	0.84%	2,135,669	1,591,496	544,173	–	–	–
Trading assets	持作交易用途資產	0.32%	966,773	65,578	898,092	2,988	–	115
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	2.54%	406,268	–	–	84,724	–	321,544
Derivative financial instruments	衍生金融工具	N/A	491,633	–	–	–	–	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	2.23%	28,860,971	27,600,817	823,707	375,132	20,742	40,573
Other loans and receivables	其他貸款及應收款項	1.95%	2,802,314	2,301,080	99,974	401,260	–	–
Available-for-sale financial assets	可供出售金融資產	2.29%	18,555,834	5,208,794	5,556,402	6,090,388	1,480,092	220,158
Held-to-maturity investments	持至到期投資	4.91%	2,462,681	–	77,739	910,502	1,474,440	–
Other assets	其他資產	1.66%	2,320,141	117,171	–	–	–	2,202,970
			61,779,635	38,786,718	8,000,087	7,864,994	2,975,274	4,152,562
LIABILITIES	**負債**							
Deposits and balances of banks	銀行同業之存款及結餘	0.29%	3,382,793	3,227,412	–	–	–	155,381
Deposits from customers	客戶存款	0.85%	46,038,161	40,381,695	5,212,889	42,024	–	401,553
Trading liabilities	交易賬項下之負債	0.11%	920,695	917,483	–	3,212	–	–
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	0.73%	263,986	–	–	–	263,986	–
Certificates of deposit issued	已發行存款證	1.07%	797,951	562,578	6,800	228,573	–	–
Debt securities issued	已發行債務證券	1.48%	41,401	38,234	3,167	–	–	–
Derivative financial instruments	衍生金融工具	N/A	577,314	–	–	–	–	577,314
Subordinated notes issued	已發行後償票據	3.57%	3,137,286	–	1,596,605	–	1,540,681	–
Other liabilities	其他負債	0.68%	1,525,780	601,445	–	208,092	–	716,243
			56,685,367	45,728,847	6,819,461	481,901	1,804,667	1,850,491
Interest rate sensitivity gap	**利率敏感度差距**			(6,942,129)	1,180,626	7,383,093	1,170,607	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Analysis of interest rate risk exposures (continued)

48. 財務風險管理(續)

(b) 市場風險管理(續)

(iii) 利率風險分析(續)

The Bank 本行

2011 二零一一年

		Average effective interest rate 平均實際利率	Total 總額 HK$'000 千港元	3 months or less (include overdue) 三個月或以下(包括逾期部份) HK$'000 千港元	Over 3 months to 1 year 三個月以上至一年 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$'000 千港元	Non-interest bearing 不計息 HK$'000 千港元
ASSETS	**資產**							
Cash and short-term funds	現金及短期資金	0.90%	4,302,752	3,844,544	–	–	–	458,208
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	2.20%	1,479,530	1,226,560	252,970	–	–	–
Trading assets	持作交易用途資產	0.16%	1,405,516	1,402,635	–	2,881	–	–
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	2.39%	81,240	–	–	81,240	–	–
Derivative financial instruments	衍生金融工具	N/A	494,636	–	–	–	–	494,636
Advances to customers less impairment allowances	客戶貸款減減值撥備	2.43%	32,144,994	30,582,112	1,140,803	400,310	14,766	7,003
Other loans and receivables	其他貸款及應收款項	2.30%	1,204,789	949,167	178,168	77,454	–	–
Available-for-sale financial assets	可供出售金融資產	2.75%	13,731,018	6,051,248	2,779,362	2,821,511	1,858,344	220,553
Held-to-maturity investments	持至到期投資	4.92%	2,466,707	–	233,324	760,064	1,473,319	–
Amount due from subsidiaries	應收附屬公司款項	N/A	12,950	–	–	–	–	12,950
Other assets	其他資產	3.00%	2,745,137	64,488	149,923	–	–	2,530,726
			60,069,269	44,120,754	4,734,550	4,143,460	3,346,429	3,724,076
LIABILITIES	**負債**							
Deposits and balances of banks	銀行同業之存款及結餘	0.61%	4,019,428	3,920,459	20,000	–	–	78,969
Deposits from customers	客戶存款	1.41%	43,788,167	37,191,308	6,234,601	–	–	362,258
Trading liabilities	交易賬項下之負債	0.29%	1,382,980	1,379,834	–	3,146	–	–
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	0.68%	333,965	–	–	–	333,965	–
Certificates of deposit issued	已發行存款證	1.49%	942,780	700,321	242,459	–	–	–
Debt securities issued	已發行債務證券	1.57%	683,041	672,556	–	10,485	–	–
Derivative financial instruments	衍生金融工具	N/A	538,491	–	–	–	–	538,491
Amounts due to subsidiaries	應付附屬公司款項	0.11%	142,744	76,019	–	–	–	66,725
Subordinated notes issued	已發行後償票據	6.25%	1,540,299	–	–	–	1,540,299	–
Other liabilities	其他負債	0.38%	1,953,867	1,299,959	–	–	–	653,908
			55,325,762	45,240,456	6,497,060	13,631	1,874,264	1,700,351
Interest rate sensitivity gap	利率敏感度差距			(1,119,702)	(1,762,510)	4,129,829	1,472,165	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk management (continued)

(iii) Analysis of interest rate risk exposures (continued)

48. 財務風險管理(續)

(b) 市場風險管理(續)

(iii) 利率風險分析(續)

The Bank 本行

2010 二零一零年

		Average effective interest rate 平均實際利率	Total 總額 HK$'000 千港元	3 months or less (include overdue) 三個月或以下(包括逾期部份) HK$'000 千港元	Over 3 months to 1 year 三個月以上至一年 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$'000 千港元	Non-interest bearing 不計息 HK$'000 千港元
ASSETS	**資產**							
Cash and short-term funds	現金及短期資金	0.64%	2,774,901	1,901,782	–	–	–	873,119
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	0.82%	2,058,707	1,514,534	544,173	–	–	–
Trading assets	持作交易用途資產	0.32%	966,658	65,578	898,092	2,988	–	–
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	2.54%	406,268	–	–	84,724	–	321,544
Derivative financial instruments	衍生金融工具	N/A	491,633	–	–	–	–	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	2.18%	28,496,116	27,421,630	715,899	319,218	20,742	18,627
Other loans and receivables	其他貸款及應收款項	1.95%	2,802,314	2,301,080	99,974	401,260	–	–
Available-for-sale financial assets	可供出售金融資產	2.29%	18,555,832	5,208,794	5,556,402	6,090,388	1,480,092	220,156
Held-to-maturity investments	持至到期投資	4.91%	2,462,681	–	77,739	910,502	1,474,440	–
Amount due from subsidiaries	應收附屬公司款項	0.25%	480,947	471,460	–	–	–	9,487
Other assets	其他資產	1.66%	2,409,784	117,171	–	–	–	2,292,613
			61,905,841	39,002,029	7,892,279	7,809,080	2,975,274	4,227,179
LIABILITIES	**負債**							
Deposits and balances of banks	銀行同業之存款及結餘	0.29%	3,382,793	3,227,412	–	–	–	155,381
Deposits from customers	客戶存款	0.85%	46,038,161	40,381,695	5,212,889	42,024	–	401,553
Trading liabilities	交易賬項下之負債	0.11%	920,695	917,483	–	3,212	–	–
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	0.73%	263,986	–	–	–	263,986	–
Certificates of deposit issued	已發行存款證	1.07%	797,951	562,578	6,800	228,573	–	–
Debt securities issued	已發行債務證券	1.48%	41,401	38,234	3,167	–	–	–
Derivative financial instruments	衍生金融工具	N/A	577,314	–	–	–	–	577,314
Amounts due to subsidiaries	應付附屬公司款項	0.12%	520,548	422,358	–	–	–	98,190
Subordinated notes issued	已發行後償票據	3.57%	3,137,286	–	1,596,605	–	1,540,681	–
Other liabilities	其他負債	0.68%	1,488,769	601,445	–	208,092	–	679,232
			57,168,904	46,151,205	6,819,461	481,901	1,804,667	1,911,670
Interest rate sensitivity gap	**利率敏感度差距**			(7,149,176)	1,072,818	7,327,179	1,170,607	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. 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 Funding Centre department under the direction of the Asset and Liability Committee. The Funding Centre 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 sources of liquidity, reserving necessary funding capacity and contingent planning. The Group manages liquidity risk by holding sufficient liquid assets (e.g. cash and short term funds and securities) of appropriate quality to ensure that short term funding requirements are covered within prudential limits. In order to lengthen the duration of the funding, the Bank periodically issues certificates of deposit with different maturities. 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 2011 was well above the statutory minimum ratio of 25%.

48. 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及業務擴展之所需。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的能力。

資金部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，本行定期發行不同到期期限之存款證。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。

本集團於截至二零一一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%。

48. 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.

48. 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。

		The Group 本集團 2011 二零一一年							
		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Undated or overdue 無定期或逾期 HK$'000 千港元
ASSETS	**資產**								
Cash and short-term funds	現金及短期資金	4,382,197	1,246,038	3,136,159	–	–	–	–	–
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	1,479,530	–	120,346	873,216	485,968	–	–	–
Trading assets	持作交易用途資產	1,405,516	–	34,998	1,367,637	–	2,881	–	–
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	81,240	–	–	–	–	81,240	–	–
Derivative financial instruments	衍生金融工具	494,636	–	–	–	–	–	–	494,636
Advances to customers less impairment allowances	客戶貸款減減值撥備	32,238,466	760,795	2,412,038	2,345,185	4,544,892	10,865,833	11,295,710	14,013
Other loans and receivables	其他貸款及應收款項	1,204,789	–	–	–	646,862	557,927	–	–
Available-for-sale financial assets	可供出售金融資產	13,731,020	–	451,677	1,485,979	3,092,394	6,264,136	2,216,279	220,555
Held-to-maturity investments	持至到期投資	2,466,707	–	–	–	155,658	760,064	1,550,985	–
Other assets	其他資產	2,771,759	–	380,644	85,789	19,054	36,784	–	2,249,488
		60,255,860	2,006,833	6,535,862	6,157,806	8,944,828	18,568,865	15,062,974	2,978,692
LIABILITIES	**負債**								
Deposits and balances of banks	銀行同業之存款及結餘	4,019,428	62,616	3,055,585	881,227	20,000	–	–	–
Deposits from customers	客戶存款	43,788,167	12,554,312	17,803,665	7,195,589	6,141,372	93,229	–	–
Trading liabilities	交易賬項下之負債	1,382,980	–	1,079,973	299,861	–	3,146	–	–
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	333,965	–	–	–	–	–	333,965	–
Certificates of deposit issued	已發行存款證	942,780	–	66,032	261,001	246,582	369,165	–	–
Debt securities issued	已發行債務證券	683,041	–	404,776	73,615	–	204,650	–	–
Derivative financial instruments	衍生金融工具	538,491	–	–	–	–	–	–	538,491
Subordinated notes issued	已發行後償票據	1,540,299	–	–	–	–	–	1,540,299	–
Other liabilities	其他負債	1,974,429	–	1,459,747	47,480	57,833	1,451	–	407,918
		55,203,580	12,616,928	23,869,778	8,758,773	6,465,787	671,641	1,874,264	946,409
Net liquidity gap	**流動資金缺口淨額**		10,610,095	17,333,916	2,600,967	(2,479,041)	(17,897,224)	(13,188,710)	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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							
		2011 二零一一年							
		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Undated or overdue 無定期或逾期 HK$'000 千港元
Of which:	其中：								
Debt securities held*	持有債務證券*								
– Included in trading assets	–納入持作交易用途資產	1,405,516	–	34,998	1,367,637	–	2,881	–	–
– 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	81,240	–	–	–	–	81,240	–	–
– Included in other loans and receivable	–納入貸款及應收款項	1,204,789	–	–	–	646,862	557,927	–	–
– Included in available-for-sale financial assets	–納入可供出售金融資產	13,519,713	–	451,677	1,485,979	3,092,394	6,264,136	2,216,279	9,248
– Included in held-to-maturity investments	–納入持至到期投資	2,466,707	–	–	–	155,658	760,064	1,550,985	–
		18,677,965	–	486,675	2,853,616	3,894,914	7,666,248	3,767,264	9,248
Certificates of deposit issued	已發行存款證								
– Stated at amortised cost	–按攤銷成本列賬	942,780	–	66,032	261,001	246,582	369,165	–	–

* *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。*

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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

2010
二零一零年

		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Undated or overdue 無定期或逾期 HK$'000 千港元
ASSETS	**資產**								
Cash and short-term funds	現金及短期資金	2,777,351	1,815,403	961,948	–	–	–	–	–
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	2,135,669	–	109,579	1,481,917	544,173	–	–	–
Trading assets	持作交易用途資產	966,773	–	–	65,578	898,092	2,988	–	115
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	406,268	–	–	–	–	84,724	–	321,544
Derivative financial instruments	衍生金融工具	491,633	–	–	–	–	–	–	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	28,860,971	767,013	2,586,154	1,639,363	3,059,731	10,114,694	10,649,837	44,179
Other loans and receivables	其他貸款及應收款項	2,802,314	–	–	–	1,246,202	1,556,112	–	–
Available-for-sale financial assets	可供出售金融資產	18,555,834	–	463,979	269,119	5,950,858	9,795,459	1,856,262	220,157
Held-to-maturity investments	持至到期投資	2,462,681	–	–	–	–	910,502	1,552,179	–
Other assets	其他資產	2,320,141	–	400,454	81,719	55,430	1,811	–	1,780,727
		61,779,635	2,582,416	4,522,114	3,537,696	11,754,486	22,466,290	14,058,278	2,858,355
LIABILITIES	**負債**								
Deposits and balances of banks	銀行同業之存款及結餘	3,382,793	155,381	3,141,899	85,513	–	–	–	–
Deposits from customers	客戶存款	46,038,161	14,489,262	18,840,440	7,440,797	5,212,889	49,487	5,286	–
Trading liabilities	交易賬項下之負債	920,695	–	917,483	–	–	3,212	–	–
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	263,986	–	–	–	–	–	263,986	–
Certificates of deposit issued	已發行存款證	797,951	–	66,610	169,062	306,800	255,479	–	–
Debt securities issued	已發行債務證券	41,401	–	–	3,110	30,517	7,774	–	–
Derivative financial instruments	衍生金融工具	577,314	–	–	–	–	–	–	577,314
Subordinated notes issued	已發行後償票據	3,137,286	–	–	–	–	–	3,137,286	–
Other liabilities	其他負債	1,525,780	–	546,759	231,490	72,793	208,954	–	465,784
		56,685,367	14,644,643	23,513,191	7,929,972	5,622,999	524,906	3,406,558	1,043,098
Net liquidity gap	**流動資金缺口淨額**		12,062,227	18,991,077	4,392,276	(6,131,487)	(21,941,384)	(10,651,720)	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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

2010
二零一零年

		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Undated or overdue 無定期或逾期 HK$'000 千港元
Of which:	**其中:**								
Debt securities held*	**持有債務證券***								
– Included in trading assets	–納入持作交易用途資產	966,658	–	–	65,578	898,092	2,988	–	–
– 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	406,268	–	–	–	–	84,724	–	321,544
– Included in other loans and receivable	–納入貸款及應收款項	2,802,314	–	–	–	1,246,202	1,556,112	–	–
– Included in available-for-sale financial assets	–納入可供出售金融資產	18,344,932	–	463,979	269,119	5,950,858	9,795,459	1,856,262	9,255
– Included in held-to-maturity investments	–納入持至到期投資	2,462,681	–	–	–	–	910,502	1,552,179	–
		24,982,853	–	463,979	334,697	8,095,152	12,349,785	3,408,441	330,799
Certificates of deposit issued	**已發行存款證**								
– Stated at amortised cost	–按攤銷成本列賬	797,951	–	66,610	169,062	306,800	255,479	–	–

* *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。*

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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

2011 二零一一年

		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Undated or overdue 無定期或逾期 HK$'000 千港元
ASSETS	**資產**								
Cash and short-term funds	現金及短期資金	4,302,752	1,166,593	3,136,159	–	–	–	–	–
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	1,479,530	–	120,346	873,216	485,968	–	–	–
Trading assets	持作交易用途資產	1,405,516	–	34,998	1,367,637	–	2,881	–	–
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	81,240	–	–	–	–	81,240	–	–
Derivative financial instruments	衍生金融工具	494,636	–	–	–	–	–	–	494,636
Advances to customers less impairment allowances	客戶貸款減減值撥備	32,144,994	760,504	2,407,023	2,335,912	4,517,002	10,839,793	11,272,733	12,027
Other loans and receivables	其他貸款及應收款項	1,204,789	–	–	–	646,862	557,927	–	–
Available-for-sale financial assets	可供出售金融資產	13,731,018	–	451,677	1,485,979	3,092,394	6,264,136	2,216,279	220,553
Held-to-maturity investments	持至到期投資	2,466,707	–	–	–	155,658	760,064	1,550,985	–
Amounts due from subsidiaries	應收附屬公司款項	12,950	2,556	–	–	–	–	–	10,394
Other assets	其他資產	2,745,137	–	377,816	85,789	19,054	36,784	–	2,225,694
		60,069,269	1,929,653	6,528,019	6,148,533	8,916,938	18,542,825	15,039,997	2,963,304
LIABILITIES	**負債**								
Deposits and balances of banks	銀行同業之存款及結餘	4,019,428	62,616	3,055,585	881,227	20,000	–	–	–
Deposits from customers	客戶存款	43,788,167	12,554,312	17,803,665	7,195,589	6,141,372	93,229	–	–
Trading liabilities	交易賬項下之負債	1,382,980	–	1,079,973	299,861	–	3,146	–	–
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	333,965	–	–	–	–	–	333,965	–
Certificates of deposit issued	已發行存款證	942,780	–	66,032	261,001	246,582	369,165	–	–
Debt securities issued	已發行債務證券	683,041	–	404,776	73,615	–	204,650	–	–
Derivative financial instruments	衍生金融工具	538,491	–	–	–	–	–	–	538,491
Amounts due to subsidiaries	應付附屬公司款項	142,744	76,708	56,246	7,044	–	–	–	2,746
Subordinated notes issued	已發行後償票據	1,540,299	–	–	–	–	–	1,540,299	–
Other liabilities	其他負債	1,953,867	–	1,455,849	47,480	57,833	1,451	–	391,254
		55,325,762	12,693,636	23,922,126	8,765,817	6,465,787	671,641	1,874,264	932,491
Net liquidity gap	**流動資金缺口淨額**		10,763,983	17,394,107	2,617,284	(2,451,151)	(17,871,184)	(13,165,733)	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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 2011 二零一一年							
		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元	Undated or overdue 無定期或逾期 HK$'000 千港元
Of which:	其中：								
Debt securities held *	持有債務證券*								
– Included in trading assets	–納入持作交易用途資產	1,405,516	–	34,998	1,367,637	–	2,881	–	–
– 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	81,240	–	–	–	–	81,240	–	–
– Included in other loans and receivable	–納入貸款及應收款項	1,204,789	–	–	–	646,862	557,927	–	–
– Included in available-for-sale financial assets	–納入可供出售金融資產	13,519,713	–	451,677	1,485,979	3,092,394	6,264,136	2,216,279	9,248
– Included in held-to-maturity investments	–納入持至到期投資	2,466,707	–	–	–	155,658	760,064	1,550,985	–
		18,677,965	–	486,675	2,853,616	3,894,914	7,666,248	3,767,264	9,248
Certificates of deposit issued	已發行存款證								
– Stated at amortised cost	–按攤銷成本列賬	942,780	–	66,032	261,001	246,582	369,165	–	–

* *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。*

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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)

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ASSETS	**資產**								
Cash and short-term funds	現金及短期資金	2,774,901	1,812,953	961,948	–	–	–	–	–
Balances with banks and other financial institutions	銀行同業及其他金融機構結餘	2,058,707	–	109,579	1,404,955	544,173	–	–	–
Trading assets	持作交易用途資產	966,658	–	–	65,578	898,092	2,988	–	–
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	406,268	–	–	–	–	84,724	–	321,544
Derivative financial instruments	衍生金融工具	491,633	–	–	–	–	–	–	491,633
Advances to customers less impairment allowances	客戶貸款減減值撥備	28,496,116	764,622	2,552,212	1,580,972	2,936,406	10,031,031	10,614,507	16,366
Other loans and receivables	其他貸款及應收款項	2,802,314	–	–	–	1,246,202	1,556,112	–	–
Available-for-sale financial assets	可供出售金融資產	18,555,832	–	463,979	269,119	5,950,858	9,795,459	1,856,262	220,155
Held-to-maturity investments	持至到期投資	2,462,681	–	–	–	–	910,502	1,552,179	–
Amounts due from subsidiaries	應收附屬公司款項	480,947	3,623	233,659	237,876	–	–	–	5,789
Other assets	其他資產	2,409,784	–	398,619	81,689	55,430	1,157	–	1,872,889
		61,905,841	2,581,198	4,719,996	3,640,189	11,631,161	22,381,973	14,022,948	2,928,376
LIABILITIES	**負債**								
Deposits and balances of banks	銀行同業之存款及結餘	3,382,793	155,381	3,141,899	85,513	–	–	–	–
Deposits from customers	客戶存款	46,038,161	14,489,262	18,840,440	7,440,797	5,212,889	49,487	5,286	–
Trading liabilities	交易賬項下之負債	920,695	–	917,483	–	–	3,212	–	–
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	263,986	–	–	–	–	–	263,986	–
Certificates of deposit issued	已發行存款證	797,951	–	66,610	169,062	306,800	255,479	–	–
Debt securities issued	已發行債務證券	41,401	–	–	3,110	30,517	7,774	–	–
Derivative financial instruments	衍生金融工具	577,314	–	–	–	–	–	–	577,314
Amounts due to subsidiaries	應付附屬公司款項	520,548	103,039	245,565	168,086	–	–	–	3,858
Subordinated notes issued	已發行後償票據	3,137,286	–	–	–	–	–	3,137,286	–
Other liabilities	其他負債	1,488,769	–	532,471	231,490	72,793	208,954	–	443,061
		57,168,904	14,747,682	23,744,468	8,098,058	5,622,999	524,906	3,406,558	1,024,233
Net liquidity gap	**流動資金缺口淨額**		12,166,484	19,024,472	4,457,869	(6,008,162)	(21,857,067)	(10,616,390)	

Derivative financial instruments are carried at mark-to-market values. Note 19(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19(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(i) Analysis of assets and liabilities by remaining maturity (continued)

48. 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)

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Of which:	**其中:**								
Debt securities held *	**持有債務證券***								
– Included in trading assets	–納入持作交易用途資產	966,658	–	–	65,578	898,092	2,988	–	–
– 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	406,268	–	–	–	–	84,724	–	321,544
– Included in other loans and receivable	–納入貸款及應收款項	2,802,314	–	–	–	1,246,202	1,556,112	–	–
– Included in available-for-sale financial assets	–納入可供出售金融資產	18,344,932	–	463,979	269,119	5,950,858	9,795,459	1,856,262	9,255
– Included in held-to-maturity investments	–納入持至到期投資	2,462,681	–	–	–	–	910,502	1,552,179	–
		24,982,853	–	463,979	334,697	8,095,152	12,349,785	3,408,441	330,799
Certificates of deposit issued	**已發行存款證**								
– Stated at amortised cost	–按攤銷成本列賬	797,951	–	66,610	169,062	306,800	255,479	–	–

* *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。*

48. 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 the balance sheet date 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.

48. 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)。

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Financial liabilities	**金融負債**							
Deposits and balances of banks	銀行同業之存款及結餘	4,025,552	62,616	3,059,483	883,415	20,038	–	–
Deposits from customers	客戶存款	43,996,935	12,554,312	17,861,236	7,242,612	6,241,998	96,777	–
Trading liabilities	交易賬項下之負債	1,383,168	–	1,080,000	300,000	112	3,056	–
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	541,827	–	64	–	1,593	8,495	531,675
Certificates of deposit issued	已發行存款證	956,639	–	67,258	262,567	254,623	372,191	–
Debt securities issued	已發行債務證券	683,557	–	405,086	73,788	22	204,661	–
Subordinated notes issued	已發行後償票據	2,422,009	–	–	–	96,463	386,113	1,939,433
Other liabilities	其他負債	1,813,539	138	1,787,838	13,717	9,376	2,470	–
		55,823,226	12,617,066	24,260,965	8,776,099	6,624,225	1,073,763	2,471,108
Off-balance sheet exposures	**資產負債表外風險**							
– Contingent liabilities	–或然負債	298,938	–	298,938	–	–	–	–
– Commitments	–承擔	15,695,239	15,695,239	–	–	–	–	–
		15,994,177	15,695,239	298,938	–	–	–	–

48. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk management (continued)

(ii) Analysis of non-derivative liabilities by contractual maturities (continued)

48. 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)

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		Total 總額 HK$'000 千港元	Repayable on demand 即時還款 HK$'000 千港元	Within 1 month 一個月內 HK$'000 千港元	Over 1 month but within 3 months 一個月以上三個月以內 HK$'000 千港元	Over 3 months but within 1 year 三個月以上一年以內 HK$'000 千港元	Over 1 year but within 5 years 一年以上五年以內 HK$'000 千港元	Over 5 years 五年以上 HK$'000 千港元
Financial liabilities	**金融負債**							
Deposits and balances of banks	銀行同業之存款及結餘	3,384,181	155,547	3,142,321	86,313	–	–	–
Deposits from customers	客戶存款	46,144,397	14,489,263	18,870,087	7,470,641	5,257,004	51,890	5,512
Trading liabilities	交易賬項下之負債	920,780	–	917,500	–	112	3,168	–
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	544,952	–	546	–	1,622	8,680	534,104
Certificates of deposit issued	已發行存款證	808,495	–	67,544	169,313	312,698	258,940	–
Debt securities issued	已發行債務證券	41,730	–	43	3,215	30,669	7,803	–
Subordinated notes issued	已發行後償票據	4,080,952	–	1,266	2,757	97,599	386,476	3,592,854
Other liabilities	其他負債	1,395,574	–	958,191	212,993	12,803	211,587	–
		57,321,061	14,644,810	23,957,498	7,945,232	5,712,507	928,544	4,132,470
Off-balance sheet exposures	**資產負債表外風險**							
– Contingent liabilities	–或然負債	478,483	–	478,483	–	–	–	–
– Commitments	–承擔	13,822,251	13,822,251	–	–	–	–	–
		14,300,734	13,822,251	478,483	–	–	–	–

48. 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 operations 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 ("RMC"), 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 risk events identified, including Business Continuity Planning, Key Risk Indicator monitoring and Basel II implementation.

Operational Risk Management Department ("ORMD"), a central operational risk management function assists management in setting corporate level policies and guidelines concerning operational risk management and controls, designing and implementing operational risk assessment methodology tools and risk reporting system, consolidating reporting to the RMC and the board of directors, providing operational risk management training and advising the departments on operational risk management issues.

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.

Departments are required to appoint an Internal Control Support Officer ("ICSO") for the purpose of performing operational risk reporting and Control Self Assessment. The ICSO also assists the department head to ensure adherence to the internal control policies and procedures and compliance with applicable legal and regulatory requirement.

48. 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II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。

營運風險管理部作為管理營運風險功能，協助管理層制定有關營運風險管理及監控的企業層面政策及程序、設計並執行營運風險評估方法、工具及風險匯報制度、向風險管理委員會及董事會作綜合匯報、提供營運風險管理培訓及向各部門提供有關營運風險問題的建議。

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。

各部門均需指定一位內部監控員以執行營運風險匯報及自我監控評估。內部監控員亦需協助部門主管確保部門運作符合各項內部監控政策及程序及遵守適用的法律及合規要求。

48. FINANCIAL RISK MANAGEMENT (continued)

(d) Operational risk management (continued)

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.

(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 allowance held in respect of advances to customers and in reserves.

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.

48. 財務風險管理(續)

(d) 營運風險管理(續)

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。

(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。

48. FINANCIAL RISK MANAGEMENT (continued)

(e) Capital management (continued)

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 2011 and 2010, and were above the minimum required ratio set by the HKMA.

49. IMMEDIATE PARENT AND ULTIMATE CONTROLLING PARTY

At 31 December 2011, 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.

50. 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 45 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.

48. 財務風險管理(續)

(e) 資本管理(續)

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》。

截至二零一一年及二零一零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。

49. 直接母公司及最終控股公司

於二零一一年十二月三十一日，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。

50. 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45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。

50. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Impairment losses (continued)

Advances to customers (continued)
In assessing the need for a collective impairment allowance, besides factors such as credit quality, portfolio size, concentrations, management also considers economic factors. In order to estimate the required adjustment to the collective impairment allowance from economic factors, the Group makes assumptions and judgements to determine the relevant economic indicators and their relevant weighting based on historical experience and current economic conditions.

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.

(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 underlying investments. 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.

50. 會計估計及判斷(續)

(a) 減值虧損(續)

客戶貸款(續)
於評估綜合減值撥備的需要時，管理層除考慮信貸素質、組合規模、信貸集中等因素外，亦需一併考慮經濟因素。為估計經濟因素對所需綜合減值撥備的影響，本集團根據過往經驗及現今經濟情況對相關經濟指標及其他所佔比重作出估計及判斷。

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。

(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，以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分類為可供銷售。

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。

51. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2011

Up to the date of issue of the financial statements, the HKICPA has issued a number of amendments and five new standards which are not yet effective for the year ended 31 December 2011 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

51. 已公佈但於截至二零一一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若干修訂、新準則及詮釋及一項新準則。該等修訂、準則、詮釋於截至二零一一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。該等修訂、準則、詮釋包括下列可能與本集團有關者：

		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
Amendments to HKFRS 7, Financial instruments: Disclosures – Transfers of financial assets	經修訂《香港財務報告準則》第7號「金融工具披露 – 金融資產轉換」:	1 July 2011
Amendments to HKAS 1, Presentation of financial statements – Presentation of items of other comprehensive income	經修訂《香港會計準則》第1號「金融工具呈報 – 其他全面收益項目之呈報」	1 July 2012
HKFRS 10, Consolidated financial statements	《香港財務報告準則》第10號「綜合財務報表」	1 January 2013
HKFRS 11, Joint arrangements	《香港財務報告準則》第11號「共同協定」	1 January 2013
HKFRS 12, Disclosure of interests in other entities	《香港財務報告準則》第12號「其他實體權益之披露」	1 January 2013
HKFRS 13, Fair value measurement	《香港財務報告準則》第13號「公平價值計量」	1 January 2013
HKAS 19 (2011), Employee benefits	《香港會計準則》第19號「僱員福利(2011)」	1 January 2013
HKAS 27 (2011), Separate financial statements	《香港會計準則》第27號「獨立財務報表(2011)」	1 January 2013
HKAS 28 (2011), Investments in associates and joint ventures	《香港會計準則》第28號「聯營公司及合營公司投資」	1 January 2013
HKFRS 9, Financial instruments	《香港財務報告準則》第9號「金融工具」	1 January 2015

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 and HKFRS 13, Fair value measurement, which may have an impact on the Group's results and financial position arising from changes in the Group' 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」及《香港財務報告準則》第十三號「公平價值計量」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。

Unaudited Supplementary Financial Information
未經審核補充財務資料

(A) CAPITAL ADEQUACY RATIO

(A) 資本充足比率

		The Group 本集團	
		2011 二零一一年 %	2010 二零一零年 %
Capital adequacy ratio as at 31 December	於十二月三十一日資本充足比率	**15.89**	18.23
Core capital adequacy ratio as at 31 December	於十二月三十一日核心資本充足比率	**8.54**	9.95

The capital adequacy ratio and core capital ratio at 31 December 2011 are computed on a consolidated basis which comprises the positions of Fubon Bank (Hong Kong) Limited, Fubon Credit (Hong Kong) Limited, Fubon Factors (Hong Kong) Limited, Fubon Hong Kong (Taiwan) Co., Ltd and 富邦租賃(中國)有限公司 ("Fubon Leasing (China) Co., Ltd") as required by the Hong Kong Monetary Authority ("HKMA") for its regulatory purposes, and are compiled in accordance with the Banking (Capital) Rules issued by the HKMA under section 98A of the Hong Kong Banking Ordinance for the implementation of the "Basel II" capital accord.

於二零一一年十二月三十一日，資本充足比率及核心資本比率是根據綜合基準計算，該基準包括香港金融管理局(「金管局」)為其監管目的所須之富邦銀行(香港)有限公司、富邦財務(香港)有限公司、富邦貼現(香港)有限公司、台灣富銀股份有限公司及富邦租賃(中國)有限公司之狀況，並按照金管局為執行「巴塞爾II資本協議」而根據《香港銀行業條例》第98A條發出之《銀行業(資本)規則》編製。

In accordance with the Banking (Capital) Rules, the Group has adopted the "standardised approach" for the calculation of risk-weighted assets for credit risk and market risk and the "basic indicator approach" for the calculation of risk-weighted assets for operational risk.

按照《銀行業(資本)規則》，本集團已採用「標準化方法」計算信貸風險及市場風險之風險加權資產以及採用「基本指標方法」計算營運風險。

The Group's capital adequacy is managed by the Asset and Liability Management Committee. Key tools adopted by the Group to assess its capital adequacy include capital budgeting, monitoring and stress testing. An annual capital budget is prepared during the annual budgeting process to assess the adequacy of the Group's capital to support current and future business activities taking into account projected business growth and any new business activities. The annual budget is approved by the Board of Directors. Actual capital adequacy on a bankwide basis is measured and compared against the approved budget on a regular basis. In addition, regular stress testing and scenario analysis of major sources of risk faced by the Group is performed to assess impact on capital adequacy ratios.

本集團之資本充足性乃由資產負債管理委員會管理。本集團評估其資本充足性而採用之主要方法包括資本預算、監控及壓力測試。年度資本預算於年度預算的過程中被編製，以評估本集團之資本充足性，以支持現有及未來業務活動，並計及預計業務增長及任何新業務活動。年度預算乃由董事會批准。定期於全行範圍內計量實際資本充足性及資本回報率並將彼等與已獲批准之預算作比較。此外，本集團定期就所面對之主要風險來源為其資本充足性進行壓力測試及情況分析。

The Group operates subsidiaries in Hong Kong and the PRC. Exchange controls are in place and there may be restrictions on the transfer of regulatory capital and funds from members of the Group's consolidation group in the PRC to Hong Kong.

本集團於香港及中國經營附屬公司。由於有外匯管制，因此在將本集團於中國綜合集團之成員公司的法定資本及資金轉至香港方面會有所限制。

(A) CAPITAL ADEQUACY RATIO (continued)

Capital base

The components of the total capital base after deductions used in the calculation of the above capital adequacy ratios as at 31 December and reported under Part II of the banking return "Capital Adequacy Return" (MA(BS)3) are analysed as follows:

(A) 資本充足比率(續)

資本基礎

用於計算上述於十二月三十一日之資本充足比率及在「資本充足比率申報表」(MA(BS)3)第II部中申報的資本基礎總額在扣減後的組成部分分析如下：

		The Group 本集團	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
Core Capital	**核心資本**		
Paid up ordinary share capital	繳足股款的普通股股本	**1,172,160**	1,172,160
Reserves (including retained earnings)	儲備(包括保留盈利)	**1,171,045**	1,544,356
Share premium	股份溢價	**749,778**	749,778
Profit and loss account	溢利及虧損賬	**247,866**	190,121
Total deduction from core capital	自核心資本扣減總額	**(357,935)**	(292,810)
Core capital after deductions	扣減後的核心資本	**2,982,914**	3,363,605
Eligible supplementary capital	**可計算的附加資本**		
Reserves on revaluation of land and interest in land	土地及土地權益價值重估儲備	**23,701**	23,701
Reserves on revaluation of holdings of available-for-sale financial assets	持作可供出售證券重估儲備	**–**	15,692
Collective impairment allowance	綜合減值撥備	**59,225**	119,903
Regulatory reserve	法定儲備	**378,508**	175,211
Term subordinated notes	有期後償票據	**1,540,297**	1,824,514
Paid-up irredeemable cumulative preference shares	繳足不可贖回累積優先股	**925,359**	925,359
Total deduction from eligible supplementary capital	可計算的附加資本扣減總額	**(357,936)**	(285,422)
Supplementary capital after deductions	扣減後的附加資本	**2,569,154**	2,798,958
Total capital base after deductions	扣減後的資本基礎總額	**5,552,068**	6,162,563
Total deductions from the core capital and supplementary capital	**自核心資本及附加資本扣減總額**	**(715,871)**	(578,232)

All of the Bank's investments in subsidiaries except for Fubon Credit (Hong Kong) Limited, Fubon Factors (Hong Kong) Limited, Fubon Hong Kong (Taiwan) Co., Ltd. and 富邦租賃(中國)有限公司 ("Fubon Leasing (China) Co., Ltd") are deducted from the core capital and supplementary capital.

本行於附屬公司(不包括富邦財務(香港)有限公司、富邦貼現(香港)有限公司、台灣富銀股份有限公司及富邦租賃(中國)有限公司)之所有投資乃扣減自核心資本及附加資本。

(B) LIQUIDITY RATIO

(B) 流動資金比率

		The Group 本集團	
		2011 二零一一年 %	2010 二零一零年 %
Average liquidity ratio for the year	年內平均流動資金比率	**49.37**	51.42

The average liquidity ratio is computed as the simple average of each calendar month's average ratio, as reported in Part I(2) of the "Return of Liquidity Position of an Authorised Institution" (MA(BS)1E) calculated in accordance with the Fourth Schedule to the Hong Kong Banking Ordinance.

平均流動資金比率是以每個曆月平均比率的簡單平均數計算。每個曆月平均比率乃根據《香港銀行業條例》附表四的規定計算並與「認可機構流動資金狀況申報表」(MA(BS)1E)第I(2)部中申報的數字相同。

The ratio for the year is computed on a consolidated basis which comprises the positions of Fubon Bank (Hong Kong) Limited, Fubon Credit (Hong Kong) Limited and 富邦租賃(中國)有限公司 ("Fubon Leasing (China) Co., Ltd") as required by the HKMA for its regulatory purposes.

年內比率是根據綜合基準計算，該基準包括金管局為其監管目的所需之富邦銀行(香港)有限公司、富邦財務(香港)有限公司及富邦租賃(中國)有限公司之狀況。

(C) FURTHER ANALYSIS ON ADVANCES TO CUSTOMERS ANALYSED BY INDUSTRY SECTOR

Advances to customers analysed by industry sector and the coverage of collateral is as follows. The economic sector analysis is based on the categories and definitions used by the HKMA.

(C) 按行業分析的客戶貸款的進一步分析

按行業及有抵押貸款分析的客戶貸款如下。經濟行業分析乃基於金管局所採用的類別及定義。

		The Group 本集團			
		2011 二零一一年		2010 二零一零年	
		Gross loans and advances 借款及貸款總額 HK$'000 千港元	**% of gross loans covered by collateral 有抵押之貸款佔貸款總額之百分比 %**	Gross loans and advances 借款及貸款總額 HK$'000 千港元	% of gross loans covered by collateral 有抵押之貸款佔貸款總額之百分比 %
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	**1,969,810**	**14.44**	1,609,496	17.59
– Property investment	–物業投資	**9,010,242**	**87.07**	8,364,456	84.17
– Financial concerns	–金融企業	**556,993**	**1.26**	384,679	1.81
– Wholesale and retail trade	–批發及零售業	**555,412**	**8.12**	415,608	13.06
– Manufacturing	–製造業	**3,072,912**	**14.43**	1,496,567	12.82
– Transport and transport equipment	–運輸及運輸設備	**156,336**	**43.45**	221,316	62.41
– Recreational activities	–娛樂活動	**–**	**–**	9,406	100.00
– Information technology	–資訊科技	**195,271**	**0.57**	1,562	100.00
– Electricity and gas	–電力及燃氣	**234,000**	**–**	234,000	–
– Others	–其他	**2,055,686**	**38.50**	1,946,682	44.37
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	**11,079**	**100.00**	13,531	100.00
– Loans for the purchase of other residential properties	–購買其他住宅物業的貸款	**8,420,630**	**99.83**	8,212,100	99.92
– Credit card advances	–信用卡貸款	**796,061**	**–**	704,970	–
– Others	–其他	**1,534,645**	**47.12**	1,145,433	47.43
		28,569,077		24,759,806	
Trade finance	貿易融資	**1,772,969**	**6.80**	1,047,909	10.34
Gross advances for use outside Hong Kong	在香港以外使用的貸款總額	**2,059,476**	**0.13**	3,337,079	3.86
Gross advances to customers	客戶貸款總額	**32,401,522**	**57.87**	29,144,794	60.32

(C) FURTHER ANALYSIS ON ADVANCES TO CUSTOMERS ANALYSED BY INDUSTRY SECTOR (continued)

(C) 按行業分析的客戶貸款的進一步分析(續)

Analysis of the Group's impaired advances in respect of industry sectors which account for 10% or more of gross advances to customers:

按行業分析佔客戶貸款總額10%或以上的本集團減值貸款如下：

As at 31 December 2011 於二零一一年十二月三十一日	Overdue advances 逾期貸款 HK$'000 千港元	Impaired advances 減值貸款 HK$'000 千港元	Individual impairment allowances 個別減值撥備 HK$'000 千港元	Collective impairment allowance 綜合減值撥備 HK$'000 千港元	New provisions charged to income statement during the year 年內於收益表內扣除之新撥備 HK$'000 千港元	Loans written off during the year 年內撇賬之貸款 HK$'000 千港元
– Property investment –物業投資	–	–	–	7,919	–	–
– Loans for the purchase of other residential properties –購買其他住宅物業的貸款	–	–	–	1,448	1,266	–

As at 31 December 2010 於二零一零年十二月三十一日	Overdue advances 逾期貸款 HK$'000 千港元	Impaired advances 減值貸款 HK$'000 千港元	Individual impairment allowances 個別減值撥備 HK$'000 千港元	Collective impairment allowance 綜合減值撥備 HK$'000 千港元	New provisions charged to profit or loss during the year 年內於收益表內扣除之新撥備 HK$'000 千港元	Loans written off during the year 年內撇賬之貸款 HK$'000 千港元
– Property investment –物業投資	–	–	–	11,922	–	–
– Loans for the purchase of other residential properties –購買其他住宅物業的貸款	–	–	–	182	–	–
– Gross advances for use outside Hong Kong –在香港以外使用的貸款總額	94,566	94,486	81,390	14,446	36,513	77,734

(D) OVERDUE AND RESCHEDULED ASSETS

(i) Overdue advances to customers

(D) 逾期及經重組資產

(i) 逾期客戶貸款

		The Group 本集團			
		2011 二零一一年		2010 二零一零年	
		HK$'000 千港元	**% of gross advances 佔貸款總額之百分比**	HK$'000 千港元	% of gross advances 佔貸款總額之百分比
Gross advances to customers which have been overdue with respect to either principal or interest for periods of:	客戶貸款總額之本金或利息有逾期：				
– 6 months or less but over 3 months	–六個月或以下惟三個月以上	**3,073**	**0.01**	5,359	0.02
– 1 year or less but over 6 months	–一年或以下惟六個月以上	**69,603**	**0.21**	12,107	0.04
– Over 1 year	–超過一年	**28,661**	**0.09**	97,196	0.33
		101,337	**0.31**	114,662	0.39
Current market value of collateral held against the covered portion of overdue loans and advances	就逾期借款及貸款的有抵押部分所持有的抵押品的現行市價	**10,475**		25,332	
Covered portion of overdue loans and advances	逾期借款及貸款的有抵押部分	**9,535**		32,803	
Uncovered portion of overdue loans and advances	逾期借款及貸款的無抵押部分	**91,802**		81,859	
		101,337		114,662	
Amount of expected recoveries from companies in liquidation and government guarantee schemes in respect of the covered portion of overdue loans and advances	就逾期借款及貸款的有抵押部分中預期從清盤公司及政府保證計劃收回之價值	**–**		12,123	
Individually assessed impairment allowances in respect of advances overdue for more than three months	就逾期超過三個月之貸款所作之個別評估減值撥備	**88,850**		91,902	

Collateral held with respect to overdue loans and advances are mainly residential properties, cash deposits with the Group, and equipment against hire purchase and leasing loans.

就逾期借款及貸款而持有之抵押品主要為住宅物業、存放於本集團的現金存款及就租購及租賃貸款而抵押之設備。

(D) OVERDUE AND RESCHEDULED ASSETS (continued)

(i) Overdue advances to customers (continued)

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid at the year-end. Loans repayable by regular instalments are treated as overdue when an instalment payment is overdue and remains unpaid at year end. Loans repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, and/or when the loans have remained continuously outside the approved limit advised to the borrower for more than the overdue period in question.

(ii) Rescheduled advances to customers

Rescheduled loans and advances are those loans and advances which have been restructured or renegotiated because of deterioration in the financial position of the borrower, or of the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms are non-commercial to the Group. Rescheduled loans and advances to customers are stated net of any loans and advances that have subsequently become overdue for over 3 months and can be analysed as follows:

(D) 逾期及經重組資產(續)

(i) 逾期客戶貸款(續)

有指定還款期的借款及貸款在其本金或利息逾期並於年末仍未支付時被分類為已逾期。分期付款償還的貸款在部分分期貸款已逾期且於年末仍未支付時被視為已逾期。按要求償還的貸款在借款人收到償還要求但並無根據要求通知還款及／或在貸款已持續超出已知會借款人的獲批准的限額，而超出已知會借款人所核准限額的時間比貸款逾期的時間更長時分類為已逾期。

(ii) 重定還款期的客戶貸款

重定還款期的借款及貸款是指由於借款人財政狀況轉壞或無法按原定還款期還款，而被重定還款期的或重新議定的客戶借款及貸款，而經修訂的還款計劃對於本集團屬非商業條款。重定還款期的借款及貸款乃扣除已隨後逾期超過三個月的任何借款及貸款列賬，並可分析如下：

	The Group 本集團			
	2011 二零一一年		2010 二零一零年	
	HK$'000 千港元	**% of gross advances 佔貸款總額之百分比**	HK$'000 千港元	% of gross advances 佔貸款總額之百分比
Rescheduled advances to customers 重定還款期的客戶貸款	**4,535**	**0.01**	9,175	0.03

(D) OVERDUE AND RESCHEDULED ASSETS (continued)

(iii) Geographical analysis of overdue loans and advances to customers

(D) 逾期及經重組資產（續）

(iii) 按地區分析的已逾期客戶借款及貸款

		The Group 本集團 As at 31 December 2011 於二零一一年十二月三十一日			
		Gross loans and advances 借款及貸款總額 HK$'000 千港元	**Overdue loans and advances 已逾期借款及貸款 HK$'000 千港元**	**Impaired loans (individually determined) 減值貸款（個別釐定） HK$'000 千港元**	**Individually assessed impairment allowances 個別評估減值撥備 HK$'000 千港元**
Hong Kong	香港	**28,710,020**	**97,205**	**101,615**	**88,630**
Other	其他地區	**3,691,502**	**4,132**	**4,132**	**4,281**
		32,401,522	**101,337**	**105,747**	**92,911**

		The Group 本集團 As at 31 December 2010 於二零一零年十二月三十一日			
		Gross loans and advances 借款及貸款總額 HK$'000 千港元	Overdue loans and advances 已逾期借款及貸款 HK$'000 千港元	Impaired loans (individually determined) 減值貸款（個別釐定） HK$'000 千港元	Individually assessed impairment allowances 個別評估減值撥備 HK$'000 千港元
Hong Kong	香港	26,808,435	79,978	158,399	134,255
Other	其他地區	2,336,359	34,684	34,355	29,665
		29,144,794	114,662	192,754	163,920

The above geographical analysis is classified by the location of the borrowers after taking into account the transfer of risk. In general, risk transfer applies when a loan is guaranteed by a party situated in an area different from the counterparty.

以上地區分析按借款人所在地，經計及風險轉移後而劃定。一般而言，若貸款的擔保人所處地區與交易對手方不同，則風險轉移至擔保人的所在地區。

The collective impairment allowance is not allocated to any geographical segment as at 31 December 2011 and 2010.

於二零一一年及二零一零年十二月三十一日，概無綜合減值撥備分派予任何地區分部。

(D) OVERDUE AND RESCHEDULED ASSETS (continued)

(iv) Overdue debt securities included in "Financial assets designated at fair value through profit or loss"

There were no debt securities included in "Financial assets designated at fair value through profit or loss" overdue as at 31 December 2011. As at 31 December 2010, there were debt securities with a fair value of HK$322 million included in "Financial assets designated at fair value through profit or loss" overdue for over 1 year.

(v) Other overdue assets included in "Accrued interest and other assets"

There are no other assets overdue as at 31 December 2011. As at 31 December 2010, trade bills with carrying amount of HK$6.2 million which have been overdue for more than 1 year and were included in "Accrued interest and other assets". HK$6.2 million individual impairment allowance had been made against these overdue trade bills as at 31 December 2010.

(D) 逾期及經重組資產(續)

(iv) 計入「指定為通過損益以反映公平價值之金融資產」之逾期債務證券

於二零一一年十二月三十一日，並無已逾期債務證券計入「指定為通過損益以反映公平價值之金融資產」。於二零一零年十二月三十一日，「指定為通過損益以反映公平價值之金融資產」包括已逾期一年以上公平價值為322,000,000港元之逾期債務證券。

(v) 「應計利息及其他資產」包括的其他逾期資產

於二零一一年十二月三十一日並無已逾期其他資產。於二零一零年十二月三十一日，賬面值為6,200,000港元的商業票據已逾期超過一年，並計入「應收利息及其他資產」內。就該等逾期商業票據已個別作出6,200,000港元減值撥備。

(E) CROSS BORDER CLAIMS

Cross border claims are on-balance sheet exposures of counterparties based on the location of counterparties after taking into account the transfer of risk. For a claim guaranteed by a party situated in a country different from the counterparty, the risk is transferred to the country of the guarantor. For a claim on the branch of a bank or other financial institution the risk will be transferred to the country where its head office is situated. Claims on individual countries or areas, after risk transfer, amounting to 10% or more of the aggregate cross-border claims are shown as follows:

(E) 跨境債權

跨境債權資料是資產負債表上呈示考慮了風險轉移後按交易另一方所在地計算的風險。若債權的擔保人所處之國家有別於交易另一方之所在國家，則債權風險將轉移至擔保人之所在國家。銀行或其他金融機構分行的債權風險則轉至其總部所在國家。轉移風險後達總跨境債權10%或以上的個別國家或地區債權如下：

		The Group 本集團			
		As at 31 December 2011 於二零一一年十二月三十一日			
Figures in HK$'Million	*百萬港元*	Banks 銀行	Public sector entities 公營機構	Others 其他	Total 總額
Asia Pacific excluding Hong Kong	亞洲太平洋地區(不包括香港)	**8,649**	**203**	**4,458**	**13,310**
– Of which Australia	–其中澳洲	**2,805**	**–**	**15**	**2,820**
– Of which China	–其中中國	**3,119**	**203**	**3,301**	**6,623**
North America	北美洲	**2,534**	**158**	**522**	**3,214**
– Of which USA	–其中美國	**2,356**	**158**	**518**	**3,032**
Western Europe	西歐	**5,179**	**–**	**108**	**5,287**

		The Group 本集團			
		As at 31 December 2010 於二零一零年十二月三十一日			
Figures in HK$'Million	*百萬港元*	Banks 銀行	Public sector entities 公營機構	Others 其他	Total 總額
Asia Pacific excluding Hong Kong	亞洲太平洋地區(不包括香港)	8,697	228	2,818	11,743
– Of which Australia	–其中澳洲	4,455	–	10	4,465
– Of which China	–其中中國	1,189	12	1,937	3,138
North America	北美洲	2,611	807	1,018	4,436
– Of which USA	–其中美國	2,009	807	1,001	3,817
Western Europe	西歐	6,126	–	47	6,173

(F) NON-BANK MAINLAND EXPOSURES

The analysis of non-bank Mainland exposures includes the exposure of the Bank and certain of its subsidiaries on the basis agreed with the HKMA.

(F) 內地非銀行業之風險

內地非銀行業之風險按金管局協議包括本行及其若干附屬公司風險的分析。

		2011 二零一一年			
		On-balance sheet exposure 資產負債表內之風險 HK$'000 千港元	**Off-balance sheet exposures 資產負債表外之風險 HK$'000 千港元**	**Total 總額 HK$'000 千港元**	**Individually assessed impairment allowances 個別評估減值撥備 HK$'000 千港元**
Mainland entities	內地機構	**2,649,902**	**508,103**	**3,158,005**	**–**
Companies and individuals outside the Mainland where the credit is granted for use in Mainland	授出之信貸用於內地之內地以外公司及個人	**3,172,607**	**418,224**	**3,590,831**	**25,893**
		5,822,509	**926,327**	**6,748,836**	**25,893**

		2010 二零一零年			
		On-balance sheet exposure 資產負債表內之風險 HK$'000 千港元	Off-balance sheet exposures 資產負債表外之風險 HK$'000 千港元	Total 總額 HK$'000 千港元	Individually assessed impairment allowances 個別評估減值撥備 HK$'000 千港元
Mainland entities	內地機構	1,294,189	508,654	1,802,843	–
Companies and individuals outside the Mainland where the credit is granted for use in Mainland	授出之信貸用於內地之內地以外公司及個人	2,642,353	649,661	3,292,014	81,438
		3,936,542	1,158,315	5,094,857	81,438

Note: The balances of exposures reported above include gross advances and other claims on customers.

註：以上呈列之風險結餘包括貸款總額及客戶之其他債權。

(G) CURRENCY CONCENTRATION

The Group's net positions or net structural positions in foreign currencies are disclosed as follows when each currency constitutes 10% or more of the respective total net position or total net structural position in all foreign currencies:

(G) 外幣持盤量

本集團個別外幣的淨持有額或淨結構性倉盤若佔所持有外匯淨盤總額或結構性倉盤總淨額的10%或以上，便作出如下披露：

As at 31 December 於十二月三十一日		2011 二零一一年					
Equivalent in HK$ Million	*百萬港元等值*	US dollars 美元	Chinese Renminbi 人民幣	Australian dollars 澳元	Philippines pesos 菲律賓披索	Other foreign currencies 其他外幣	Total foreign currencies 外幣總額
Spot assets	現貨資產	**18,463**	**2,276**	**2,847**	**7**	**2,454**	**26,047**
Spot liabilities	現貨負債	**(17,029)**	**(2,017)**	**(2,928)**	**–**	**(1,933)**	**(23,907)**
Forward purchase	遠期買入	**4,691**	**1,239**	**774**	**–**	**1,652**	**8,356**
Forward sales	遠期賣出	**(6,328)**	**(1,349)**	**(710)**	**–**	**(2,177)**	**(10,564)**
Net option position	期權倉盤淨額	**(1)**	**–**	**1**	**–**	**–**	**–**
Net long/(short) position	長/(短)盤淨額	**(204)**	**149**	**(16)**	**7**	**(4)**	**(68)**
Net structural position	結構性倉盤淨額	**78**	**650**	**–**	**–**	**–**	**728**

As at 31 December 於十二月三十一日		2010 二零一零年					
Equivalent in HK$ Million	*百萬港元等值*	US dollars 美元	Chinese Renminbi 人民幣	Australian dollars 澳元	Philippines pesos 菲律賓披索	Other foreign currencies 其他外幣	Total foreign currencies 外幣總額
Spot assets	現貨資產	21,788	1,139	2,729	7	2,511	28,174
Spot liabilities	現貨負債	(20,659)	(908)	(2,370)	–	(2,346)	(26,283)
Forward purchase	遠期買入	17,496	213	300	–	1,318	19,327
Forward sales	遠期賣出	(18,726)	(289)	(674)	–	(1,488)	(21,177)
Net option position	期權倉盤淨額	(1)	–	1	–	–	–
Net long/(short) position	長/(短)盤淨額	(102)	155	(14)	7	(5)	41
Net structural position	結構性倉盤淨額	78	383	–	–	–	461

The net option position is calculated on the basis of the delta-weighted position of option contracts. Net structural position includes the Bank's investments in overseas subsidiaries and associates. The amount shown for Renminbi as at 31 December 2010 does not include HK$126 million in investment in Xiamen Bank which was recognised as a structural position with consent of HKMA in January 2011.

期權倉盤淨額乃根據所有外匯期權合約的「得爾塔加權持倉」為基準計算。結構性倉盤淨額包括涉及外匯的本行海外附屬公司及聯營公司的結構性倉盤淨額。上述人民幣列示二零一零年十二月三十一日的金額不包括126,000,000港元於廈門銀行的投資，該等金額於二零一一年一月經金管局同意後確認為結構性倉盤。

(H) CAPITAL CHARGE FOR CREDIT, MARKET AND OPERATIONAL RISKS

(H) 信貸、市場及營運風險的資本需求

(i) Capital requirement for credit risk

(i) 信貸風險的資本需求

The capital requirements on each class of exposures calculated under the Standardised (Credit Risk) Approach at the balance sheet date can be analysed as follows:

於結算日，根據標準(信貸風險)方法計算的各類型風險的資本需求分析如下：

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'000 千港元
Classes of exposures	**風險類型**		
Sovereigns	主權國	**3,643**	7,261
Public sector entities	公營機構	**9,968**	22,787
Banks	銀行	**429,222**	362,476
Securities firms	證券公司	**524**	5,822
Corporates	企業	**1,352,165**	1,158,069
Collective investment schemes	集體投資計劃	**13,321**	13,659
Regulatory retail exposures	監管零售風險	**174,669**	149,384
Residential mortgage loans	住宅按揭貸款	**360,323**	358,910
Other exposure which are not past due	並未過期之其他風險	**188,528**	296,605
Past due exposures	過期風險	**1,886**	43,327
Total capital requirements for on-balance sheet exposures	資產負債表內之風險之資本需求總額	**2,534,249**	2,418,300
Direct credit substitutes	直接信貸替代品	**4,045**	6,208
Transaction-related contingencies	與交易有關的或然項目	**613**	856
Trade-related contingencies	與貿易有關之或然項目	**3,825**	6,168
Other commitments	其他承擔	**41,089**	23,060
Exchange rate contracts	匯率合約	**6,920**	10,055
Interest rate contracts	利率合約	**6,443**	4,983
Equity contracts	股票合約	**406**	1,113
Total capital requirements for off-balance sheet exposures	資產負債表外之風險之資本需求總額	**63,341**	52,443
Total capital requirement for credit risk	**信貸風險之資本需求總額**	**2,597,590**	2,470,743

The disclosure is made by multiplying the Group's risk-weighted amount derived from the relevant calculation approach by 8%, and therefore does not represent the actual amount of capital held.

有關披露是以相關計算方法得出的本集團風險加權金額乘以8%而得出，所以並不代表持有資本之實際金額。

(H) CAPITAL CHARGE FOR CREDIT, MARKET AND OPERATIONAL RISKS (continued)

(ii) Capital requirement for market risk

The Bank uses the Standardised (Market Risk) Approach for calculation of capital requirement for market risk. Positions covered by the approach include:

- the Bank's positions held in foreign exchange, exchange rate-related derivative contracts, commodities and commodity-related derivative contracts; and
- the Bank's trading book positions held in debt securities, debt-related derivative contracts, interest rate derivative contracts, equities and equity-related derivative contracts.

The capital requirement at the balance sheet date can be analysed as follows:

		2011 二零一一年 **HK$'000** 千港元	2010 二零一零年 HK$'000 千港元
Exchange rate exposures	匯率風險	**12,523**	13,007
Interest rate exposures	利率風險	**7,288**	17,249
Equity exposures	股份風險	**–**	–
Commodity exposures	商品風險	**–**	–
Total capital requirement for market risk	**市場風險之資本需求總額**	**19,811**	30,256

The disclosure is made by multiplying the Group's risk-weighted amount derived from the relevant calculation approach by 8%, and therefore does not represent the actual amount of capital held.

(iii) Capital requirement for operational risk

The capital charge for operational risk calculated in accordance with the basic indicator approach at the balance sheet date is:

		2011 二零一一年 **HK$'000** 千港元	2010 二零一零年 HK$'000 千港元
Capital charge for operational risk	營運風險之資本需求	**184,090**	203,600

The disclosure is made by multiplying the Group's risk-weighted amount derived from the relevant calculation approach by 8%, and therefore does not represent the actual amount of capital held.

(H) 信貸、市場及營運風險的資本需求(續)

(ii) 市場風險之資本需求

本行使用標準(市場風險)方法計算市場風險之資本需求。該方法所涵蓋的持倉包括：

- 本行於外匯、與匯率相關的衍生工具合約、商品及與商品相關的衍生工具合約的持倉；及
- 本行於債務證券、與債務相關的衍生工具合約、利率衍生工具合約、股本及與股本相關的衍生工具合約的交易賬面持倉。

結算日之資本需求分析如下：

有關披露是以相關計算方法得出的本集團風險加權金額乘以8%而得出，所以並不代表持有資本之實際金額。

(iii) 營運風險之資本需求

於結算日，按照基本指標方法計算之營運風險之資本需求：

有關披露是以相關計算方法得出的本集團風險加權金額乘以8%而得出，所以並不代表持有資本之實際金額。

(I) ADDITIONAL DISCLOSURES ON CREDIT RISK MANAGEMENT

(i) Credit risk exposures

Credit ratings from Standard & Poor's Rating Services and Moody's Investors Services are used for all classes of credit exposures mentioned below. The Bank follows the process prescribed in Part 4 of the Banking (Capital) Rules to map the ratings to the exposures booked in the Bank's banking book.

(I) 信貸風險之額外披露

(i) 信貸風險承擔

標準普爾評級服務公司及穆迪投資者服務公司發出之信貸評級乃用於下文所述之各類型信貸風險。本行按照《銀行業(資本)規則》第4部分訂明之程序將評級與本行之銀行賬戶內登記之風險配對。

2011
二零一一年

The Group 本集團	Total Exposures 風險總額 HK$'000 千港元	Exposures after recognised credit risk mitigation 已確認之信貸風險減低後之風險 Rated 已評級 HK$'000 千港元	Unrated 未評級 HK$'000 千港元	Risk-weighted amounts 風險加權金額 Rated 已評級 HK$'000 千港元	Unrated 未評級 HK$'000 千港元	Total risk-weighted amounts 風險加權總金額 HK$'000 千港元	Total exposure covered by recognised collateral 由獲認可抵押品抵押之風險總額 HK$'000 千港元	Total exposure covered by recognised guarantees or recognised credit derivative contracts 由獲認可擔保人或獲認可信貸衍生工具合約擔保之風險總額 HK$'000 千港元
On-balance sheet 資產負債表內								
Sovereigns 主權國	1,843,885	2,454,035	3,761	45,534	–	45,534	–	–
Public sector entities 公營機構	623,014	623,014	–	124,603	–	124,603	–	–
Banks 銀行	16,524,746	15,914,596	688,814	5,020,869	344,407	5,365,276	–	610,150
Securities firms 證券公司	6,547	–	6,547	–	6,547	6,547	–	–
Corporates 企業	19,605,738	2,070,725	16,432,374	962,881	15,939,184	16,902,065	411,738	1,677,280
Collective investment schemes 集體投資計劃	166,512	–	166,512	–	166,512	166,512	–	–
Cash items 現金項目	192,429	–	192,429	–	–	–	–	–
Regulatory retail exposures 監管零售風險	3,000,588	–	2,911,153	–	2,183,365	2,183,365	87,890	1,545
Residential mortgage loans 住宅按揭貸款	11,710,415	–	11,708,915	–	4,504,036	4,504,036	1,500	–
Other exposure which are not past due 並無過期之其他風險	2,492,859	973,903	1,382,692	973,903	1,382,692	2,356,595	136,264	–
Past due exposures 過期風險	20,701	–	20,701	–	23,576	23,576	7,295	2,552
	56,187,434	22,036,273	33,513,898	7,127,790	24,550,319	31,678,109	644,687	2,291,527
Off-balance sheet 資產負債表外								
Off-balance sheet exposure other than OTC derivative transactions or credit derivative contracts 場外衍生工具交易或信貸衍生工具合約以外之資產負債表外之風險	619,655	–	619,655	–	619,655	619,655	–	–
OTC derivative transactions 場外衍生工具交易	349,018	212,853	83,462	88,651	83,462	172,113	52,703	–
	968,673	212,853	703,117	88,651	703,117	791,768	52,703	–
Exposures deducted from capital base 自資本基礎扣除之風險	21							

(I) ADDITIONAL DISCLOSURES ON CREDIT RISK MANAGEMENT (continued)

(I) 信貸風險之額外披露(續)

(i) Credit risk exposures (continued)

(i) 信貸風險承擔(續)

2010
二零一零年

The Group	本集團	Total Exposures 風險總額 HK$'000 千港元	Exposures after recognised credit risk mitigation 已確認之信貸風險減低後之風險 Rated 已評級 HK$'000 千港元	Unrated 未評級 HK$'000 千港元	Risk-weighted amounts 風險加權金額 Rated 已評級 HK$'000 千港元	Unrated 未評級 HK$'000 千港元	Total risk-weighted amounts 風險加權總金額 HK$'000 千港元	Total exposure covered by recognised collateral 由獲認可抵押品抵押之風險總額 HK$'000 千港元	Total exposure covered by recognised guarantees or recognised credit derivative contracts 由獲認可擔保人或獲認可信貸衍生工具合約擔保之風險總額 HK$'000 千港元
On-balance sheet	**資產負債表內**								
Sovereigns	主權國	4,849,189	7,365,258	11,262	90,769	–	90,769	–	–
Public sector entities	公營機構	1,424,167	1,424,167	–	284,833	–	284,833	–	–
Banks	銀行	16,834,731	14,318,662	623,300	4,219,297	311,650	4,530,947	–	2,516,069
Securities firms	證券公司	72,776	–	72,776	–	72,776	72,776	–	–
Corporates	企業	17,102,079	2,316,983	13,975,582	902,244	13,573,617	14,475,861	180,610	1,432,835
Collective investment schemes	集體投資計劃	170,733	–	170,733	–	170,733	170,733	–	–
Cash items	現金項目	99,368	–	99,368	–	–	–	–	–
Regulatory retail exposures	監管零售風險	2,593,087	–	2,489,730	–	1,867,298	1,867,298	98,713	4,644
Residential mortgage loans	住宅按揭貸款	11,356,542	–	11,353,812	–	4,486,376	4,486,376	2,730	–
Other exposure which are not past due	並無過期之其他風險	3,914,100	2,256,870	1,450,696	2,256,870	1,450,696	3,707,566	206,534	–
Past due exposures	過期風險	369,211	–	369,211	–	541,586	541,586	2,258	6,635
		58,785,983	27,681,940	30,616,470	7,754,013	22,474,732	30,228,745	490,845	3,960,183
Off-balance sheet	**資產負債表外**								
Off-balance sheet exposure other than OTC derivative transactions or credit derivative contracts	場外衍生工具交易或信貸衍生工具合約以外之資產負債表外之風險	453,648	–	453,648	–	453,648	453,648	–	–
OTC derivative transactions	場外衍生工具交易	636,610	520,538	53,072	151,878	50,011	201,889	63,000	–
		1,090,258	520,538	506,720	151,878	503,659	655,537	63,000	–
Exposures deducted from capital base	**自資本基礎扣除之風險**	40							

(I) ADDITIONAL DISCLOSURES ON CREDIT RISK MANAGEMENT (continued)

(I) 信貸風險之額外披露(續)

(ii) Counterparty credit risk-related exposures for derivatives

(ii) 衍生工具交易對手信貸風險相關之風險

(1) The analysis of the major classes of exposures by counterparty type is as follows:

(1) 按交易對手類別分析之主要風險類別分析如下：

		2011 二零一一年 OTC derivative transactions 場外衍生工具交易 HK$'000 千港元	2010 二零一零年 OTC derivative transactions 場外衍生工具交易 HK$'000 千港元
Notional amounts:	**名義金額：**		
Banks	銀行	**14,234,409**	43,738,937
Corporates	企業	**3,645,852**	1,591,928
Others	其他	**2,915,470**	5,108,882
		20,795,731	50,439,747
Credit equivalent amounts/net exposures:	**信貸等值金額／風險淨額：**		
Banks	銀行	**212,853**	520,538
Corporates	企業	**79,784**	38,187
Others	其他	**3,678**	14,885
		296,315	573,610
Risk-weighted amounts:	**風險加權金額：**		
Banks	銀行	**88,651**	151,878
Corporates	企業	**79,784**	38,187
Others	其他	**3,678**	11,824
		172,113	201,889

(I) ADDITIONAL DISCLOSURES ON CREDIT RISK MANAGEMENT (continued)

(ii) Counterparty credit risk-related exposures for derivatives (continued)

(2) The analysis of counterparty credit risk exposures is as follows:

(I) 信貸風險之額外披露(續)

(ii) 衍生工具交易對手信貸風險相關之風險(續)

(2) 交易對手信貸風險分析如下：

		2011 二零一一年 OTC derivative transactions 場外衍生工具交易 HK$'000 千港元	2010 二零一零年 OTC derivative transactions 場外衍生工具交易 HK$'000 千港元
Non-repo type transactions:	**非回購類別交易：**		
Gross total positive fair value	正公平價值總額	**166,748**	208,170
Credit equivalent amounts	信貸等值金額	**349,018**	636,610
Recognised collateral held:	**持有的獲認可抵押品：**		
Cash on deposit with the Bank	存放於本行的現金存款	**6,527,491**	11,258,068
Equity securities	股本證券	**11,480**	21,852
		6,538,971	11,279,920
Credit equivalent amounts or net credit exposures net of recognised collateral held	**信貸等值金額或扣除持有的獲認可抵押品之信貸風險淨額**	**296,315**	573,610
Risk-weighted amounts:	**風險加權金額：**	**172,113**	201,889

There was no outstanding repo-style transactions and credit derivative contracts as at 31 December 2011 and 2010.

於二零一一年及二零一零年十二月三十一日，並無回購類別交易及信貸衍生工具合約。

(J) ADDITIONAL DISCLOSURES ON RISK MANAGEMENT ON ASSET SECURITISATION

The Bank uses the Standardised (Securitisation) Approach to calculate the credit risk for securitisation exposures. There was no asset securitisation for which the Group is an originating institution at 31 December 2011. It is an investing institution for all classes of exposures below.

Standard and Poor's Rating Services and Moody's Investors Services are the external credit agency institutions that the Bank has used in relation to the each and all classes of securitisation exposures below:

(J) 資產證券化之風險管理之額外披露

本行就證券化風險採用標準(證券化)方法計算信貸風險。於二零一一年十二月三十一日，本集團並無作為資產證券化發行機構。其為下文全部類型風險之投資機構。

標準普爾評級服務公司及穆迪投資者服務公司為本行就下文各項及全部類型證券化風險而委聘之外聘信貸評級機構：

		The Group 本集團				
		As at 31 December 2011 於二零一一年十二月三十一日				
					Exposures deducted from 風險扣減自其	
		Outstanding Amounts 未付金額 HK$'000 千港元	Risk-weighted amount 風險加權金額 HK$'000 千港元	Capital requirements 資本需求 HK$'000 千港元	Core capital 核心資本 HK$'000 千港元	Supplementary capital 附加資本 HK$'000 千港元
Traditional securitisations	**傳統證券化**					
– Credit cards	–信用卡	–	–	–	–	–
– Home equity	–按揭貸款	–	–	–	–	–
– Auto	–汽車	–	–	–	–	–
– Instalment loans	–分期償還貸款	–	–	–	–	–
– Others	–其他	–	–	–	–	–
		–	–	–	–	–
Synthetic securitisations	**合成證券化**					
– Credit cards	–信用卡	–	–	–	–	–
– Home equity	–按揭貸款	–	–	–	–	–
– Auto	–汽車	–	–	–	–	–
– Instalment loans	–分期償還貸款	–	–	–	–	–
– Others	–其他	**21**	–	–	**10**	**11**
		21	–	–	**10**	**11**
		21	–	–	**10**	**11**

(J) ADDITIONAL DISCLOSURES ON RISK MANAGEMENT ON ASSET SECURITISATION (continued)

(J) 資產證券化之風險管理之額外披露(續)

		The Group 本集團				
		As at 31 December 2010 於二零一零年十二月三十一日				
					Exposures deducted from 風險扣減自其	
		Outstanding Amounts 未付金額 HK$'000 千港元	Risk-weighted amount 風險加權金額 HK$'000 千港元	Capital requirements 資本需求 HK$'000 千港元	Core capital 核心資本 HK$'000 千港元	Supplementary capital 附加資本 HK$'000 千港元
Traditional securitisations	**傳統證券化**					
– Credit cards	–信用卡	–	–	–	–	–
– Home equity	–按揭貸款	–	–	–	–	–
– Auto	–汽車	–	–	–	–	–
– Instalment loans	–分期償還貸款	–	–	–	–	–
– Others	–其他	–	–	–	–	–
		–	–	–	–	–
Synthetic securitisations	**合成證券化**					
– Credit cards	–信用卡	–	–	–	–	–
– Home equity	–按揭貸款	–	–	–	–	–
– Auto	–汽車	–	–	–	–	–
– Instalment loans	–分期償還貸款	–	–	–	–	–
– Others	–其他	40	–	–	20	20
		40	–	–	20	20
		40	–	–	20	20

The above capital requirement is made by multiplying the Group's risk-weighted amount derived from the relevant calculation approach by 8%, not the Bank's actual "regulatory capital".

以上資本需求是以相關計算方法得出的本集團風險加權金額乘以8%而得出。它並不代表本行的實際「法定資本」。

(K) ADDITIONAL DISCLOSURES ON EQUITY EXPOSURES IN BANKING BOOK

Equity holdings taken by the Group are differentiated between those taken for strategic reasons and those for long term investment for capital gains. Equity holdings taken for strategic reasons include the Group's investment in companies providing financial services which nourish the spectrum of the Bank's banking services. These include provident fund services provision, electronic payment services provision, and e-banking infrastructure and platform provision. All these investments are classified as "available-for-sale financial assets" and measured at fair value as described in Notes 2(g) and 45.

(K) 銀行賬戶內之股票風險之額外披露

本集團持有之股權有別於以策略原因及以長期投資以獲取資本收益而持有之股權。以策略原因持有之股權包括本集團於提供金融服務之公司之投資，這可壯大本行之銀行服務範圍。該等服務包括提供公積金服務、電子付款服務及電子銀行基礎設施及平臺。所有該等投資乃分類為「可供出售金融資產」及按公平價值計量（如附註2(g)及45所述）。

		2011 **二零一一年** **HK$'000** **千港元**	2010 二零一零年 HK$'000 千港元
In respect of long term investments:	**關於長期投資：**		
Cumulative realised gains/losses from sales and liquidations	來自於出售及清盤之累積變現收益／虧損	**5**	13,636
Unrealised gains/losses	未變現收益／虧損		
– Amount recognised in reserve but not through profit or loss	－於儲備內確認但未透過損益賬之金額	**–**	–
– Amount included in/(deducted from) supplementary capital	－計入／（扣減自）附加資本之金額	**–**	–

(L) ADDITIONAL DISCLOSURES ON RISK MANAGEMENT ON INTEREST RATE EXPOSURES IN BANKING BOOK

In accordance with the prudential return "Interest Rate Risk Exposures" issued by the HKMA, the Bank calculates, on a quarterly basis, the impact on earnings over the next 12 months under a scenario of which all interest rates other than prime rises 200 basis points.

As at 31 December 2011, the 200 basis points interest rate rise would increase earnings over the next 12 months on the HKD interest risk positions by HK$53 million (2010: decrease of HK$1 million) and decrease earnings over the next 12 months on the USD interest risk positions by HK$26 million (2010: HK$78 million).

(L) 銀行賬戶內之利率風險管理之額外披露

按照香港金融管理局發出的申報表「利率風險承擔」，本行按季度基準根據除最優惠利率外的全部利率上升200個基點之情況計算對未來十二個月之盈利之影響。

於二零一一年十二月三十一日，利率上升200個基點將使未來十二個月港元利率風險持倉之盈利增加53,000,000港元（二零一零年：減少1,000,000港元）及使未來十二個月美元利率風險持倉減少26,000,000港元（二零一零年：78,000,000港元）。

(M) CORPORATE GOVERNANCE

The Bank is committed to high standards of corporate governance, and has fully complied throughout the year with the guidelines on "Corporate Governance of Locally Incorporated Authorised Institutions" issued by the HKMA.

(M) 企業管治

本行致力實行高水平企業管治，並於本年度一直遵守金管局頒佈之「本地註冊認可機構之企業管治」指引。

(N) KEY SPECIALISED COMMITTEES

The Board of Directors has established three Board Committees to assist it in carrying out its responsibilities including the Executive Credit Committee, Audit Committee and Remuneration Committee. In addition, a number of governing committees have been set up by senior management to oversee the effectiveness of the Bank's daily operations including, inter alia, the Management Committee, Asset and Liability Committee, Internal Control Committee and Risk Management Committee. The composition and function of these committees are set out below:

(N) 主要專責委員會

董事會已成立三個董事委員會以協助董事會行使其職責，該等委員會為執行信貸委員會、審核委員會及薪酬委員會。此外，高級管理層亦成立了若干管治委員會以監督本行日常運作，該等委員會包括管理委員會、資產負債委員會、內部監控委員會及風險管理委員會。該等委員會之構成及職能載列如下：

(i) Audit Committee

The Audit Committee comprises one Non-Executive Director and two Independent Non-Executive Directors of the Bank. The Audit Committee is chaired by Mr Robert James Kenrick, an Independent Non-Executive Director who has appropriate accounting professional qualifications. It meets at least four times a year and additionally when deemed necessary.

The Audit Committee draws up and updates periodically a written Charter for the Board's approval indicating the Committee's composition, authority and duties, as well as the manner of reporting to the Board; ensures adequate supervision of the Bank's financial reporting processes and the systems of internal control; ensures the internal audit function is effective, adequately resourced and has appropriate standing within the Bank; ensures coordination between the internal and external auditors; and monitors compliance with internal policies and statutory regulations.

During the year, the Audit Committee has reviewed the Bank's financial reporting process and the systems of internal control, including reviews of the internal audit function and the risk management process. In particular, the reviews undertaken by the Audit Committee on the internal audit function included review and approval of the Internal Audit Charter, annual audit plan, internal audit reports issued, major findings identified from any audits and special investigations, and remedial action taken by the relevant business and operational management in response to the audit findings.

(i) 審核委員會

審核委員會包括本行一名非執行董事及兩名獨立非執行董事。審核委員會由擁有適當之會計專業資格之獨立非執行董事甘禮傑先生任主席。該委員會每年最少舉行四次會議，並在有需要時舉行特別會議。

審核委員會起草並定期更新供董事會批准的書面通告，當中訂明委員會之成員組成、職權及職責以及向董事會呈報的方式；確保充分監查本行財務呈報過程及內部監控體系；確保內部審核職能有效、資料來源充足並於本行保持適當地位；協調內部及外間核數師；以及監查內部政策及法定規例。

於本年度內，審核委員會已就本行之財務報告編製程序及內部監控系統作出檢討，其中包括內部審核職能及風險管理程序。特別是在內部審核職能的檢討工作方面，審核委員會的審核範圍包括檢討及批准內部審核報告、年度審核計劃、已發佈之內部審核報告、審核及特別調查所識別之重大發現以及相關業務及營運管理層就審核結果所採取之補救措施。

(N) KEY SPECIALISED COMMITTEES (continued)

(i) Audit Committee (continued)

The Audit Committee also reviews the appointment of the external auditor and discusses with them the nature and scope of their audits. Any issues arising from their audits together with the follow up actions taken by the Bank to address those issues are examined by the Audit Committee. The Audit Committee reviews the interim and annual financial statements before recommending them to the Board for approval.

(ii) Executive Credit Committee

The Executive Credit Committee comprises the Non-Executive Chairman, Non-Executive Vice Chairman and an Executive Director of the Bank. This committee serves as the Credit Committee of the Board of Directors to review and approve credit proposals within limits assigned by the Board.

(iii) Remuneration Committee

The Remuneration Committee comprises the Non-Executive Chairman, Non-Executive Vice Chairman and three Independent Non-Executive Directors of the Bank. The Remuneration Committee meets as required to review and make recommendations to the Board in respect of the remuneration policy, structure and practices of the Bank to ensure that these are consistent with legal or regulatory requirements. The committee reviews and approves the remuneration packages for senior management. Executive Directors do not take part in decisions on their own remuneration. Additionally, the committee oversees the Bank's remuneration system and its operation which covers all employees, ensures an annual review of the remuneration system is conducted and implemented, and works closely with the Bank's risk management committee in the evaluation of the incentives created by the remuneration system.

(iv) Management Committee

The Management Committee is the key decision making body for the Bank and is responsible mainly for formulation of the Bank's business strategies and bank wide initiatives. The Committee also evaluates and approves new business proposals, coordinates among business and support units during the implementation process, monitors the implementation of the approved business strategies and bank wide initiatives, reviews the achievement of business targets and objectives as well as the financial performance of the Bank through monthly reporting.

(N) 主要專責委員會(續)

(i) 審核委員會(續)

審核委員會亦對外聘核數師之委任進行檢討，並與其就審計之性質及範圍進行討論。審核委員會亦就審計所發現之問題及本行所採取之相應解決行動進行審核。審核委員會亦於向董事會建議批准中期及年度財務報告之前審閱有關報告。

(ii) 執行信貸委員會

執行信貸委員會由本行的非執行主席、非執行副主席及一名執行董事組成。該委員會以董事會信貸委員會的身份，按董事會授予的權限，審閱及批准信貸建議。

(iii) 薪酬委員會

薪酬委員會由本行的非執行主席、非執行副主席及三名獨立非執行董事組成。該委員會按需要舉行會議，以就本行的薪酬架構及方案進行審閱並向董事會作出建議，確保該等方案符合法律或法規要求。委員會審閱及批核高級行政人員之薪酬方案。執行董事並無參與與其相關之薪酬決策討論。此外，該委員會負責監察覆蓋本行所有員工的薪酬制度，確保該制度每年作出一次檢討，並與風險管理委員會緊密合作以評估薪酬制度中的獎勵方案。

(iv) 管理委員會

管理委員會乃本行重要的決策組織，主要職責是制定本行所有主要部門的業務策略及銀行內措施。同時，委員會在業務策略的推行過程中，亦負責評估及批准新業務建議、協調業務及支持部門的工作、監察已批准業務策略的實施進度及銀行內措施，以及檢討工作是否合乎業務目標與預期表現以及透過月度報告檢討本行財務表現。

(N) KEY SPECIALISED COMMITTEES (continued)

(v) Asset and Liability Committee

The Asset and Liability Committee comprises the Managing Director, Executive Director, Chief Financial Officer and senior management personnel as appointed by the Managing Director. The committee meets at least bi-weekly with the Head of Internal Audit and Head of Legal and Compliance attending the meeting as observers to ensure overall compliance with the Bank's governing policies. The committee's main responsibilities include regular review of the Bank's operations relating to interest rate risk, market risk and liquidity risk and in particular the Bank's ability to meet its funding obligations, and its compliance with statutory liquidity and capital adequacy requirements. The committee regularly reviews and endorses for the Board's approval the Bank's policies governing asset and liability management, investment, and other risk management issues. It also formulates both long term strategy for the sources and application of funds and short term directives to address prevailing conditions and monitors the implementation of these strategies and directives.

(vi) Internal Control Committee

The Internal Control Committee comprises the Bank's Managing Director, Executive Director, Chief Financial Officer, Head of Control & Risk Management and the heads of different control and support functions. The responsibilities of the Committee include promoting internal control culture, overseeing the control framework, directing implementation of an effective internal control system, imposing suitable measures for the day-to-day monitoring of controls and enhancing the operational control standards in all divisions.

(vii) Risk Management Committee

The Risk Management Committee is chaired by the Head of Control & Risk Management. The membership comprises the Bank's Managing Director, Executive Director, Chief Financial Officer and other senior management personnel as appointed by the Managing Director. The committee's objectives are to identify and quantify bank-wide risks against risk appetite and to design and oversee the implementation of policies, procedures and systems to effectively address the Bank's risk profile. The committee also monitors and reviews internal and external risks landscape and continuously revisits policies, procedures and systems in place.

(N) 主要專責委員會(續)

(v) 資產負債委員會

資產負債委員會由董事總經理、執行董事、財務總監及董事總經理所委任的高級管理人員組成。委員會最少每兩星期舉行一次會議，並由內部審核部主管及法律及合規部主管列席旁聽，以確保全面符合本行既有的管治政策。委員會的主要職責，包括定期檢討本行涉及利率風險、市場風險及流動資金風險的業務，特別針對本行應付債務的能力及遵守法定流動資金及資本充足要求事宜。委員會定期審閱及批准本行有關資產及負債管理、投資及其他風險管理事宜的政策，以供董事會審批。委員會亦制定資源及資金運用的長遠政策，以及因應情況擬定短期方針應付當時需要，同時檢討該等政策及方針的推行情況。

(vi) 內部監控委員會

內部監控委員會包括本行的董事總經理、執行董事、財務總監、監控及風險管理部主管，以及各風險管理和監控部門主管。該委員會負責推動內部監控文化、監督監控架構、指導實行有效的內部監控系統、就日常監控實施適當的措施，及提升所有部門營運監控標準。

(vii) 風險管理委員會

風險管理委員會由監控及風險管理部主管牽頭，成員包括本行的董事總經理、執行董事、財務總監以及董事總經理所委任的其他高級管理人員組成。該委員會旨在根據風險承受能力識別及量化銀行風險，制定及監管政策、程序及系統的實施，以有效管理本行的風險狀況。該委員會亦監督及監管內部及外部風險環境，並持續修訂既有政策、程序及系統。

(O) MARKET RISK MANAGEMENT

Details of the Group's market risk management policies and measures have been set out in Note 48(b).

The Group calculates VAR with a confidence level of 99%, a holding period of one trading day and using a 1-year historical observation period. The VAR methodology adopted by the Group is historical simulation approach. Historical simulation uses scenarios derived from historical market rates/prices and takes account of the relationships between different markets and rates. The VAR model is helpful in measuring the bank's exposure to day-to-day market fluctuations. It is not intended to measure the bank's exposure to individually significant events such as the bankruptcy of a major financial institution.

The Group has measured VAR for all material trading portfolios. The VAR results as shown in the below table are calculated independently according to the underlying positions, and historical market movements.

(O) 市場風險管理

本集團之市場風險管理政策及措施之詳情載於附註48(b)。

本集團對信心水平為99%，持有期為一個交易日及採用一年歷史觀察期的風險值予以計算。本集團所採用的風險值方法為歷史模擬法。歷史模擬法採用過往市場費率／價格，並考慮不同市場及費率之間的關係。風險值模式有助於計量銀行承受日常市場波動的風險，但無意計量銀行承受個別重大事件的風險，例如大型金融機構破產。

本集團已計量所有重大貿易組合的風險值。下表所列示的風險值結果乃按照相關持倉及過往市場變動進行獨立計算。

		At 31 December 於十二月三十一日	
		2011 二零一一年 HK$'000 千港元	2010 二零一零年 HK$'000 千港元
VAR by risk type:	*按風險種類劃分之風險值：*		
Foreign exchange risk	外匯風險	**17**	15
Interest rate risk	利率風險	**60**	422
Equities risk	股票風險	**–**	3
Total VAR	總風險值	**60**	422

The Group adopts a prudent approach to managing its trading portfolios, and reduces any excessive market risk by executing offsetting transactions or hedging contracts with other market counterparties. Market risk ensues once the Group takes positions in markets such as foreign exchange, interest rates, securities and equities. Such positions are driven by execution of customer orders, proprietary trading and hedging.

The Group's maximum market risk exposures are set by the Assets and Liability Committee. Exposures are monitored and reported to the management regularly. The average daily revenue generated from the treasury's trading activities for the year was HK$75,569 (2010: HK$80,447) and the standard deviation was HK$143,694 (2010: HK$123,424). An analysis of the Group's trading revenue is shown below:

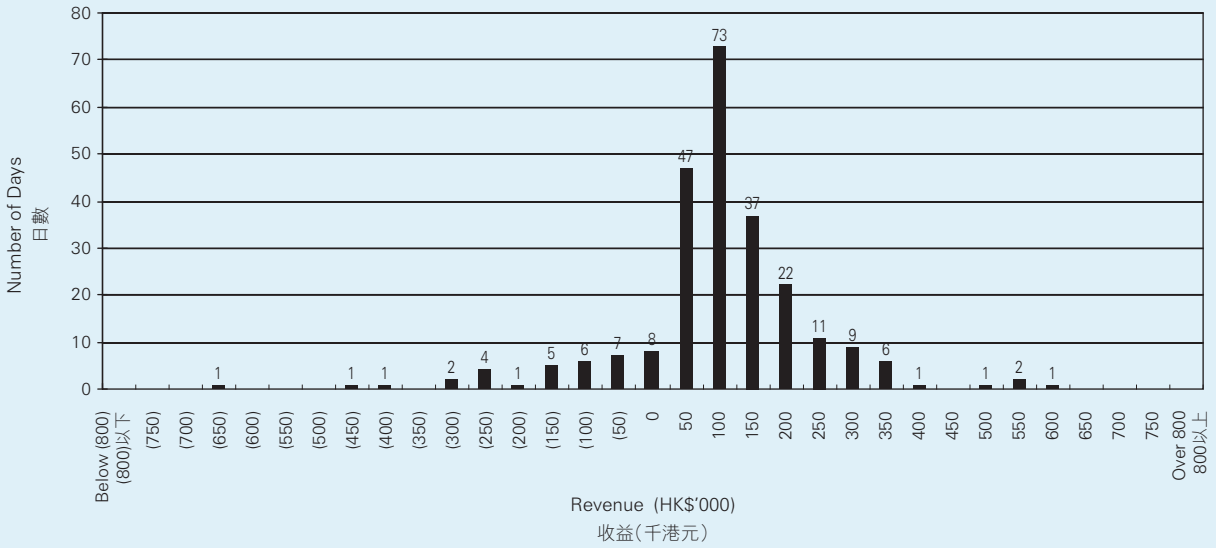
本集團採納一套謹慎的方法管理其交易組合，並透過其他市場同業簽訂抵銷交易或對沖合約，以減低任何過度市場風險。若本集團於外匯市場，利率市場或證券及股票市場持倉時便會產生市場風險，而這些皆是因應客戶的交易指示、自營買賣及對沖活動而產生的持倉。

本集團之最高市場風險承擔由資產負債委員會訂定，並定期受到監控及須向管理層匯報。年內由財資交易活動獲得的平均每日收益為75,569港元（二零一零年：80,447港元），標準偏差為143,694港元（二零一零年：123,424港元）。本集團之交易收益分析如下：

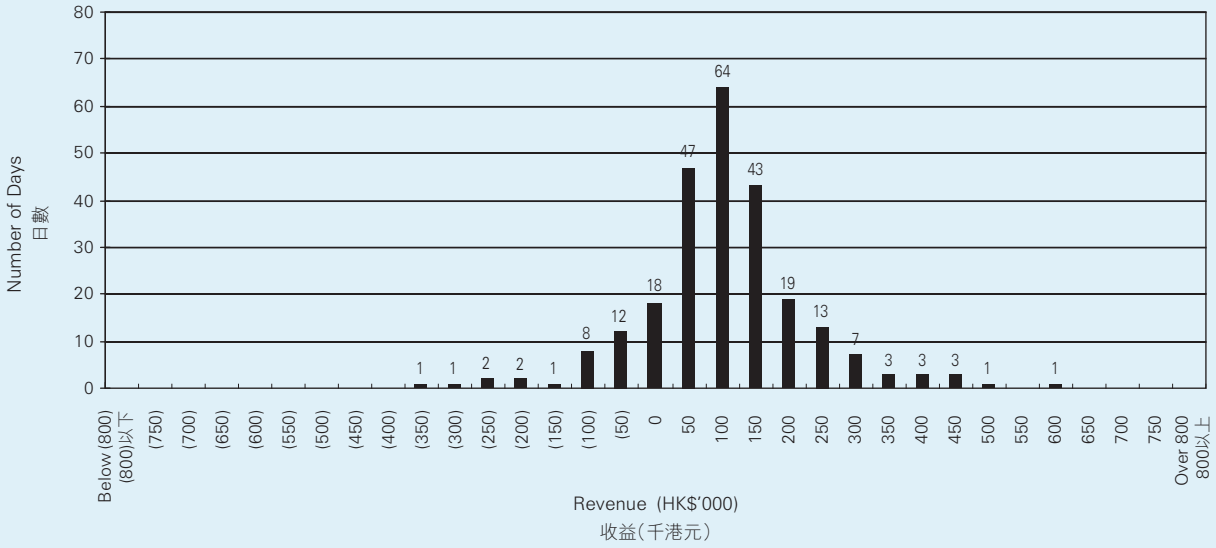
(O) MARKET RISK MANAGEMENT (continued)

(O) 市場風險管理(續)

Daily Distribution of Trading Revenue
for the Year Ended 31 December 2011
截至二零一一年十二月三十一日止年度每日交易收益分佈



Daily Distribution of Trading Revenue
for the Year Ended 31 December 2010
截至二零一零年十二月三十一日止年度每日交易收益分佈



This shows a maximum daily loss of HK$678,366 (2010: HK$399,537) with 36 days (2010: 45 days) out of 246 days (2010: 249 days) showing losses. The most frequent results were observed in daily revenue falling from HK$50,000 to HK$100,000 (2010: HK$50,000 to HK$100,000) with 73 occurrences (2010: 64 occurrences in the range). The highest daily revenue was HK$558,432 (2010: HK$556,145).

以上圖表顯示於246天(二零一零年：249天)交易日中，36天(二零一零年：45天)錄得虧損，最高每日虧損678,366港元(二零一零年：399,537港元)。最常見交易成績為每日收益介乎50,000港元至100,000港元(二零一零年：50,000港元至100,000港元)，並於該組別出現73次(二零一零年：於該組別出現64次)。最高每日收益為558,432港元(二零一零年：556,145港元)。

Coordinated and produced by Corporate Communications of Fubon Bank (Hong Kong) Limited
富邦銀行（香港）有限公司企業傳訊部統籌及製作

Design 設計：TdA – Concept and design www.tda.com.hk
Principal photography 主要攝影：Yip Siu Ki 葉紹麒
Production 製作：Equity Financial Press Limited 安業財經印刷有限公司 www.equitygroup.com.hk

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