

(一) 主要會計政策(續)

午、資產負債表以外之財務工具(續)

在訂立衍生工具合約時，本集團會界定某些衍生交易作對沖用途。若衍生工具能符合以下之準則均屬對沖交易：

- (i) 衍生工具預期能合理地配合或抵銷因匯率、利率及市價潛在波動而影響所對沖資產、負債或持倉淨盤之內在風險之重大部份；及
- (ii) 有充分證據證明對沖之意圖。於對沖交易開始，便要就所對沖之資產、負債或持倉淨盤之內在風險建立起連系。

用作風險對沖之交易按所對沖之資產、負債或淨持倉盤之相同基準計算價值。任何損益均按有關資產、負債或持倉淨盤引起損益之相同基準列入損益賬。

衍生交易如一旦未能符合上述對沖之準則，此衍生工具即被視為持作買賣用途並根據上述方式入賬。

若本集團有能力堅持以淨額結算如訂立總淨額結算合約或其他具法律約束力的安排，衍生交易便可互相抵銷。如任何堅持淨額結算之權利屬於或有，則視乎本集團是否有能力在其他參與者不履行合約的情況下(包括任何交易對手無力償還)，執行淨額結算交易，並只會在合理保證有能力堅持淨額結算時才作出考慮。

除有關之結算貨幣為相同，或其貨幣單位可隨意換算為其他於活躍市場上有匯率報價之貨幣外，衍生交易不會互相抵銷。

未、分部報告

分部指本集團在提供貨品或服務(業務分部)或在某個特定經濟領域提供貨品或服務(地區分部)而從事之某個可識別部份，其所承擔之風險及回報與其他分部不同。若分部之大部份收入來自向對外客戶提供之服務，而其收入、業績或資產相等於所有分部的百分之十或以上，該等分部將分別呈報。

1 Principal accounting policies (continued)

(q) Off balance sheet financial instruments (continued)

On the date a derivative contract is entered into, the Group may designate certain derivative transactions as hedges. Derivatives are classified as a hedge when the following criteria are met:

- (i) the derivative instrument must be reasonably expected to match or eliminate a significant proportion of the risk inherent in the assets, liabilities or net positions being hedged which results from potential movements in exchange rates, interest rates and market values; and
- (ii) there is adequate evidence of the intention to hedge and linkage with the underlying risk inherent in the assets, liabilities or net positions being hedged, is established at the outset of the transaction.

Transactions designated as hedges are valued on an equivalent basis to the assets, liabilities or net positions that they are hedging. Any profit or loss is recognised in the profit and loss account on the same basis as that arising from the related assets, liabilities or net positions.

If the derivative transaction no longer meets the criteria for a hedge set out above, the derivative is deemed to be held for trading purposes and is accounted for as set out above.

Derivative transactions are offset only when the Group has the ability to insist on net settlement such as by means of entering into a master netting agreement or other legally enforceable arrangements. Any right to insist on a net settlement that is contingent is only taken into account when the Group is able to enforce net settlement in all situations of default by the other party or parties including insolvency of any parties to the contract, and the ability to insist on a net settlement is assured beyond doubt.

Derivative transactions are not offset unless the related settlement currencies are the same, or are denominated in freely convertible currencies for which quoted exchange rates are available in an active market.

(r) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Segments with a majority of revenue earned from services provided to external customers and whose revenue, results or assets are 10 per cent or more of all the segments are reported separately.

(一) 主要會計政策(續)

未、分部報告(續)

按照本集團之內部財務申報方式，本集團已決定將業務分部資料作為主要報告形式，而地區分部資料則以次要報告形式呈列。

各業務分部之間的交易乃按正常商業條款進行。資金通常會在分部之間調配，所產生之融資成本轉移已於營業收入內披露。該等資金之利息費用乃按照本集團之融資成本計算。業務分部之間並沒有其他重大收入或支出項。分部資產及負債乃指經營資產及負債，相當於資產負債表大部份項目，但不包括稅項。

分部資本開支指在年內購買分部資產(有形及無形)而產生之所有成本，但此等資產預期可在多於一個財政年度內使用。

業務及地區分部詳述於註釋(三十二)。

申、現金及等同現金項目

就編製現金流量表而言，現金及等同現金項目包括由購入日起計三個月內到期之結餘包括庫存現金、存放同業、國庫券及存款證。

(二) 利息收入

上市投資之利息收入
非上市投資之利息收入
其他利息收入

1 Principal accounting policies (continued)

(r) Segment reporting (continued)

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format.

Transactions between the business segments are on normal commercial terms and conditions. Funds are ordinarily reallocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged for these funds is determined with reference to the Group's funding cost. There are no other material items of income or expense between the business segments. Segment assets and liabilities comprise operating assets and liabilities, being the majority of the balance sheet but excluding taxation.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets (both tangible and intangible) that are expected to be used for more than one financial year.

Descriptions of business and geographical segments are set out in note 32.

(s) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition including cash, balances with banks and other financial institutions, treasury bills and certificates of deposit.

2 Interest income

	2004 HK\$'000	2003 HK\$'000
Interest income on listed investments	135,254	122,395
Interest income on unlisted investments	279,136	295,199
Other interest income	<u>1,398,796</u>	<u>1,424,529</u>
	<u>1,813,186</u>	<u>1,842,123</u>

(三) 保險營業收入及保險申索準備

3 Insurance operating income and charge for insurance claims

		2004 HK\$'000	2003 HK\$'000
保險營業收入	Insurance operating income		
– 保險費收入(註釋甲)	– Premium income (note a)	499,654	519,468
– 佣金收入	– Commission income	6,379	5,834
– 其他收入	– Other income	1,406	1,579
– 佣金支出	– Commission expenses	<u>(96,012)</u>	<u>(97,347)</u>
		411,427	429,534
保險申索準備(註釋乙)	Charge for insurance claims (note b)	<u>(322,096)</u>	<u>(339,695)</u>
		<u>89,331</u>	<u>89,839</u>

甲、保險費收入乃承保之毛保費總額港幣六億三千三百二十一萬七千元(二〇〇三年為港幣七億二千一百四十萬零九千元)扣除分出之再保險費用港幣一億四千一百七十八萬一千元(二〇〇三年為港幣一億六千一百二十三萬二千元)及加上未滿期保費之調整港幣八百二十一萬八千元(二〇〇三年扣減為港幣四千零七十萬九千元)。

(a) Premium income represents gross insurance premium written of HK\$633,217,000 (2003: HK\$721,409,000) less reinsurance premium outward of HK\$141,781,000 (2003: HK\$161,232,000) plus adjustment for unearned premium of HK\$8,218,000 (2003: less HK\$40,709,000).

乙、保險申索準備乃本集團之保險業務所承擔之賠償淨額及其有關之了結申索的開支。

(b) Charge for insurance claims represents net claims incurred on the Group's insurance business and the related claims settling expenses.

(四) 其他營業收入

4 Other operating income

		2004 HK\$'000	2003 HK\$'000
服務費及佣金收入	Fees and commission income	283,212	241,996
減：服務費及佣金支出	Less: fees and commission expense	<u>(90,845)</u>	<u>(85,510)</u>
服務費及佣金淨收入	Net fees and commission income	192,367	156,486
持作買賣用途之證券淨收益	Net gain from trading securities	32,407	27,978
衍生工具買賣淨收益	Net gain arising from derivative products	15,652	19,168
外匯買賣淨收益	Net gain from foreign exchange trading	95,679	86,841
股息收入	Dividend income		
– 上市股權證券	– Listed equity securities	15,859	8,020
– 非上市股權證券	– Unlisted equity securities	1,356	2,060
租金淨收益	Net rental income	71,299	66,115
其他	Others	<u>33,946</u>	<u>33,224</u>
		<u>458,565</u>	<u>399,892</u>

(五) 營業支出

人事費用
– 薪金及其他人事費用
– 退休福利支出[註釋(八)]
房產及設備支出，不包括折舊
– 物業租金
– 其他
折舊
廣告及業務推廣
電子數據處理
郵遞及通訊
核數師酬金
其他

5 Operating expenses

	2004 HK\$'000	2003 HK\$'000
Staff costs		
– Salaries and other costs	312,217	305,271
– Retirement benefit costs (note 8)	7,016	13,187
Premises and equipment expenses, excluding depreciation		
– Rental of premises	8,543	9,566
– Others	20,513	18,463
Depreciation	52,494	57,534
Advertising and business promotion	23,373	14,890
Electronic data processing	24,376	21,627
Postage and communications	19,327	17,421
Auditors' remuneration	2,615	2,219
Others	63,886	63,217
	<u>534,360</u>	<u>523,395</u>

(六) 呆壞賬準備撥回/(調撥)

特殊準備
– 新增
– 撥回
– 收回[註釋(十九)]
一般準備
– 撥回[註釋(十九)]
撥回/(支取)損益賬淨額 [註釋(十九)]

6 Write back of/(charge for) bad and doubtful debts

	2004 HK\$'000	2003 HK\$'000
Specific provisions		
– new provisions	(42,204)	(139,659)
– releases	71,020	54,676
– recoveries (note 19)	9,128	8,660
	<u>37,944</u>	<u>(76,323)</u>
General provisions		
– releases (note 19)	75,946	9,201
Net credit/(charge) to the profit and loss account (note 19)	<u>113,890</u>	<u>(67,122)</u>

(七) 董事及高層管理人員酬金

甲、董事酬金

獨立非執行董事袍金
其他董事袍金
薪金及津貼
退休福利供款
獎金

7 Directors' and senior management emoluments

(a) Directors' emoluments

	2004 HK\$'000	2003 HK\$'000
Fees to independent non-executive directors	500	320
Other directors' fees	620	310
Salaries and allowances	15,099	14,825
Retirement benefit contributions	606	591
Bonuses	6,061	4,881
	<u>22,886</u>	<u>20,927</u>

(七) 董事及高層管理人員酬金(續)

甲、董事酬金(續)

個別董事之酬金，歸納入下列薪酬範圍：

薪酬範圍	Emoluments band
港幣	HK\$
0 - 1,000,000	0 - 1,000,000
4,000,001 - 4,500,000	4,000,001 - 4,500,000
4,500,001 - 5,000,000	4,500,001 - 5,000,000
5,000,001 - 5,500,000	5,000,001 - 5,500,000
5,500,001 - 6,000,000	5,500,001 - 6,000,000
6,000,001 - 6,500,000	6,000,001 - 6,500,000

乙、五位薪酬最高者之酬金

本集團五位薪酬最高者包括四位董事(二〇〇三年為四位)，其酬金如下：

薪金、津貼及袍金
退休福利供款
獎金

五位薪酬最高者之酬金，歸納入下列薪酬範圍：

薪酬範圍	Emoluments band
港幣	HK\$
2,500,001 - 3,000,000	2,500,001 - 3,000,000
3,000,001 - 3,500,000	3,000,001 - 3,500,000
4,000,001 - 4,500,000	4,000,001 - 4,500,000
4,500,001 - 5,000,000	4,500,001 - 5,000,000
5,000,001 - 5,500,000	5,000,001 - 5,500,000
5,500,001 - 6,000,000	5,500,001 - 6,000,000
6,000,001 - 6,500,000	6,000,001 - 6,500,000

7 Directors' and senior management emoluments (continued)

(a) Directors' emoluments (continued)

The emoluments of individual directors fell within the following bands:

Emoluments band	董事數目	
	Number of directors 2004	2003
HK\$		
0 - 1,000,000	11	10
4,000,001 - 4,500,000	–	1
4,500,001 - 5,000,000	1	1
5,000,001 - 5,500,000	1	1
5,500,001 - 6,000,000	1	1
6,000,001 - 6,500,000	1	–
	<u>15</u>	<u>14</u>

(b) The emoluments of the five highest paid individuals

Details of the emoluments of the five individuals, including four directors (2003: four directors), whose emoluments were the highest in the Group are as follows:

	2004 HK\$'000	2003 HK\$'000
Salaries, allowances and fees	17,405	16,987
Retirement benefit contributions	1,011	946
Bonuses	6,738	5,393
	<u>25,154</u>	<u>23,326</u>

The emoluments of the five highest paid individuals fell within the following bands:

Emoluments band	人數	
	Number of individuals 2004	2003
HK\$		
2,500,001 - 3,000,000	–	1
3,000,001 - 3,500,000	1	–
4,000,001 - 4,500,000	–	1
4,500,001 - 5,000,000	1	1
5,000,001 - 5,500,000	1	1
5,500,001 - 6,000,000	1	1
6,000,001 - 6,500,000	1	–
	<u>5</u>	<u>5</u>

(八) 職員退休福利計劃

本集團為本行之職員設有四項職員退休福利計劃，另為本行一間附屬公司之職員設有一項強積金計劃。該四項職員退休福利計劃，其中主要的計劃（簡稱為「該計劃」）包括一個界定福利計劃部份及一個界定供款計劃部份，其他計有一項為界定福利退休計劃、一項為海外僱員而設之界定供款計劃及一項為強積金計劃。凡新入職之成員均可作一次性的選擇，參加該計劃的界定供款部份或參加強積金計劃。

在該計劃的界定供款部份中，本集團每月需按選擇此計劃之成員的月薪百分之十作出供款。本集團對該計劃界定供款部份之供款額可能因員工於獲得全數供款前離開該計劃而放棄其既有利益而減少。本年度已使用之放棄供款總額為港幣九十九萬元（二〇〇三年為港幣九十六萬七千元）。於年結日，未使用之放棄供款可作為減低將來之供款總額為港幣九十八萬二千元（二〇〇三年為港幣六萬一千元）。於年結日，並無應付供款（二〇〇三年為零）。

本集團對強積金計劃之供款乃按照香港《強制性公積金計劃條例》，根據每位成員每月之有關入息之百分之五計算，而有關入息則以港幣二萬元為上限。

於年內對該等有界定供款成份之計劃及強積金計劃之供款共為港幣一千三百零四萬六千元（二〇〇三年為港幣一千三百一十一萬八千元）。

該計劃的界定福利部份及另一界定福利退休計劃（共同參照為「該等退休計劃」）之供款，是由精算師定期評估該等退休計劃之資產負債而釐定。該等退休計劃根據成員之最後薪金作為計算福利之基準，由本集團承擔所有成本。

該等退休計劃最近期一次之精算估值於二〇〇四年十二月三十一日，由專業精算師華信惠悅顧問有限公司根據香港會計師公會所頒佈之經修訂會計實務準則第三十四條作評估，該等退休計劃之界定福利義務的現值及服務成本均以預計單位貸記法計算。於估值日，該等退休計劃之注資水平達172%（二〇〇三年為180%）。

8 Staff retirement schemes

The Group operates four staff retirement schemes for the staff of the Bank and a MPF scheme for the staff of a subsidiary of the Bank. The four staff retirement schemes comprise a principal scheme (the "Scheme") which includes a defined benefit ("DB") section and a defined contribution ("DC") section, a defined benefit pension scheme, a defined contribution scheme for overseas employees and a MPF scheme. All new staff members who join the Bank are offered a once-off choice between the DC section of the Scheme or the MPF scheme.

Under the DC section of the Scheme, the Group is required to contribute 10% of the monthly salary of the members who opted for the DC arrangement. The Group's contributions to the DC section of this Scheme may be reduced by contributions forfeited by those employees who leave the Scheme prior to vesting fully in the contributions. Forfeited contributions totalling HK\$990,000 (2003: HK\$967,000) were utilised during the year. The unutilised forfeited contributions at the year end amounted to HK\$982,000 (2003: HK\$61,000) which are available to reduce future contributions. No contributions were payable at the year end (2003: Nil).

The Group's contributions to the MPF schemes are based on 5% of the monthly relevant income of each employee up to a maximum monthly relevant income of HK\$20,000 in accordance with the Hong Kong Mandatory Provident Fund Schemes Ordinance.

The contributions to schemes with defined contribution arrangements and the MPF schemes during the year amounted to HK\$13,046,000 (2003: HK\$13,118,000) in aggregate.

For the DB section of the Scheme and the defined benefit pension scheme (collectively referred to as the "Plan"), the contributions are determined based on periodic valuations of the assets and liabilities of the Plan by qualified actuaries. The Plan provides benefits based on members' final salary. The costs are solely funded by the Group.

The latest actuarial valuation of the Plan was performed in accordance with Statement of Standard Accounting Practice No. 34 (revised) issued by the Hong Kong Institute of Certified Public Accountants as at 31 December 2004 by Watson Wyatt Hong Kong Limited, a professional actuarial firm. The present value of the defined benefit obligation and current service cost of the Plan are calculated based on the projected unit credit method. At the valuation date, the Plan had a funding level of 172% (2003: 180%).

(八) 職員退休福利計劃(續)

於二〇〇四年十二月三十一日資產負債表內確認之金額分析如下：

該等退休計劃資產之公平價值

已累積界定福利義務之現值
未確認之精算收益

於資產負債表內確認之資產淨額

該等退休計劃之資產包括本行之普通股股票，市值為港幣一千七百六十一萬元(二〇〇三年為港幣一千四百一十八萬六千元)及存放在本行之存款為港幣一億一千六百三十六萬三千元(二〇〇三年為港幣一億零八百四十六萬七千元)。

於損益賬內確認之金額如下：

服務成本
利息成本
預期該等退休計劃資產之回報
已確認之精算虧損淨額

包括在年內退休福利成本之收入/(支出)淨額

截至二〇〇四年十二月三十一日止，年內計劃資產之實際回報為港幣五千二百一十二萬一千元(二〇〇三年為港幣六千五百五十五萬二千元)。

於資產負債表內確認的資產淨額變動如下：

於一月一日之資產淨額
年度內淨收入/(支出)
於十二月三十一日之資產淨額

在評估時所採用之主要精算假設如下：

折算率
該等退休計劃之長期平均資產回報率
- 該計劃之界定福利部份
- 界定福利退休計劃
該計劃之界定福利部份之長期平均薪酬升幅
界定福利退休計劃之退休金增長幅度

截至二〇〇四年十二月三十一日及二〇〇三年十二月三十一日止年度並無對削減或結算作出影響。

8 Staff retirement schemes (continued)

The amounts recognised in the balance sheet as at 31 December 2004 are analysed as follows:

	2004 HK\$'000	2003 HK\$'000
Fair value of Plan assets	434,903	386,495
Present value of the funded defined benefit obligation	(252,338)	(215,179)
Unrecognised actuarial gains	(5,797)	(578)
Net asset recognised in the balance sheet	<u>176,768</u>	<u>170,738</u>

The amount of the Plan assets included ordinary shares issued by the Bank with a market value of HK\$17,610,000 (2003: HK\$14,186,000) and deposits with the Bank of HK\$116,363,000 (2003: HK\$108,467,000).

The amounts recognised in the profit and loss account are as follows:

	2004 HK\$'000	2003 HK\$'000
Current service cost	(11,101)	(11,161)
Interest cost	(9,379)	(9,052)
Expected return on Plan assets	26,581	22,289
Net actuarial losses recognised	(71)	(2,145)
Net income/(expense) for the year included in retirement benefit costs	<u>6,030</u>	<u>(69)</u>

The actual return on Plan assets for the year ended 31 December 2004 was HK\$52,121,000 (2003: HK\$65,552,000).

The movements in the net asset recognised in the balance sheet are as follows:

	2004 HK\$'000	2003 HK\$'000
Net asset at 1 January	170,738	170,807
Net income/(expense) for the year	6,030	(69)
Net asset at 31 December	<u>176,768</u>	<u>170,738</u>

The principal actuarial assumptions adopted in the valuation are as follows:

	2004 %	2003 %
Discount rate	3.5	4.5
Long-term average return on Plan assets		
- DB Section of the Scheme	7.0	7.0
- Defined benefit pension scheme	5.0	7.0
Long-term average rate of salary increase for the DB section of the Scheme	5.0	5.0
Pension increase rate for the defined benefit pension scheme	3.0	3.0

There was no curtailment or settlement impact for the years ended 31 December 2004 and 2003.

(九) 稅項

香港利得稅已按本年度估計應評稅溢利以稅率百分之十七點五(二〇〇三年為百分之十七點五)計算。海外稅項已按本年度估計應評稅溢利以本集團業務所在地現行適用之稅率計算。

於綜合損益賬支銷之稅項如下：

當期稅項：

- 香港利得稅
- 海外稅項

遞延稅項：

- 有關短暫差額之產生及轉回
- 由於稅率增加所產生

應佔共同控制實體之稅項
應佔聯營公司之稅項

本集團有關除稅前溢利之稅項與假若採用本行本土國家之稅率而計算之理論稅額之差額如下：

除稅前溢利

以稅率百分之十七點五(二〇〇三年為百分之十七點五)計算

不可扣稅之支出對稅項之影響
無需課稅之收入對稅項之影響
使用以往未有確認之稅項虧損對稅項之影響
未確認之未使用稅項虧損對稅項之影響
二〇〇三年稅率增加對期初遞延稅項餘額之影響
與其他國家不同稅率之影響
往年度準備剩餘
其他

年度內稅項支出

9 Taxation

Hong Kong profits tax has been calculated at the rate of 17.5% (2003: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged to the consolidated profit and loss account represents:

	2004 HK\$'000	2003 HK\$'000
Current taxation:		
- Hong Kong profits tax	172,434	147,874
- Overseas taxation	7,828	6,207
Deferred taxation:		
- Relating to the origination and reversal of temporary differences	13,992	(506)
- Resulting from an increase in the taxation rate	-	(2,872)
	<u>194,254</u>	<u>150,703</u>
Share of taxation attributable to jointly controlled entities	1,296	507
Share of taxation attributable to associates	60	65
	<u>195,610</u>	<u>151,275</u>

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of the home country of the Bank as follows:

	2004 HK\$'000	2003 HK\$'000
Profit before taxation	1,227,295	1,010,079
Calculated at a taxation rate of 17.5% (2003: 17.5%)	214,777	176,764
Tax effect of expenses not deductible for taxation purposes	5,347	4,283
Tax effect of income not subject to taxation	(12,772)	(12,305)
Tax effect of utilisation of tax losses not previously recognised	(1,560)	(1,929)
Tax effect of unused tax losses not recognised	-	20
Effect on opening deferred tax balances resulting from an increase in taxation rate in 2003	-	(2,872)
Effect of different taxation rates in other countries	3,916	3,254
Over-provision of taxation in prior years	(14,793)	(12,890)
Others	695	(3,050)
Taxation expense for the year	<u>195,610</u>	<u>151,275</u>

(十) 股東應佔溢利

股東應佔溢利中計有港幣八億六千八百九十九萬元乃列於本行賬項內(二〇〇三年為港幣七億一千三百四十六萬二千元)。

(十一) 股息

已派中期股息，每股港幣四角八仙
(二〇〇三年派每股港幣三角八仙)

於二〇〇五年二月二十三日，擬派末期股息，每股港幣一元九角八仙(二〇〇三年派每股港幣一元三角八仙)

於二〇〇五年二月二十三日舉行之會議上，董事會擬派末期股息每股港幣一元九角八仙。此項擬派股息並無於本賬目中列作應付股息，惟將於截至二〇〇五年十二月三十一日止年度列作保留溢利分派。

(十二) 每股盈利

每股盈利乃按本集團之股東應佔溢利港幣十億三千一百六十八萬五千元(二〇〇三年為港幣八億五千八百八十萬零四千元)及是年度已發行股份二億三千二百一十九萬零一百一十五股(二〇〇三年為二億三千二百一十九萬零一百一十五股)計算。

10 Profit attributable to shareholders

The profit attributable to shareholders is dealt with in the accounts of the Bank to the extent of HK\$868,990,000 (2003: HK\$713,462,000).

11 Dividends

	2004 HK\$'000	2003 HK\$'000
Interim, paid, of HK\$0.48 (2003: HK\$0.38) per share	111,451	88,232
Final, proposed on 23 February 2005, of HK\$1.98 (2003: HK\$1.38) per share	<u>459,737</u>	<u>320,423</u>
	<u>571,188</u>	<u>408,655</u>

At a meeting held on 23 February 2005, the directors proposed a final dividend of HK\$1.98 per share. This proposed dividend is not reflected as a dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2005.

12 Earnings per share

The calculation of earnings per share is based on the Group's profit attributable to shareholders of HK\$1,031,685,000 (2003: HK\$858,804,000) and 232,190,115 (2003: 232,190,115) shares in issue during the year.

(十三) 庫存現金及短期資金**13 Cash and short-term funds**

	本集團		本行	
	The Group		The Bank	
	2004	2003	2004	2003
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
庫存現金及存放同業	1,048,321	1,124,478	1,045,853	1,119,351
短期存放同業	13,562,263	15,635,706	13,210,768	15,441,372
國庫券(包括外匯基金票據)	1,231,814	1,376,307	1,231,814	1,376,307
	15,842,398	18,136,491	15,488,435	17,937,030

持有之國庫券分析如下：

An analysis of treasury bills held is as follows:

	本集團及本行	
	The Group and the Bank	
	2004	2003
	HK\$'000	HK\$'000
非上市並持作買賣用途證券之公平價值	1,231,814	1,376,307

(十四) 商業票據**14 Trade bills**

	本集團及本行	
	The Group and the Bank	
	2004	2003
	HK\$'000	HK\$'000
商業票據	116,619	85,899
呆壞賬準備金[註釋(十九)]	(546)	(488)
	116,073	85,411

(十五) 持有之存款證**15 Certificates of deposit held**

	本集團及本行	
	The Group and the Bank	
	2004	2003
	HK\$'000	HK\$'000
非上市並持至到期存款證之攤銷成本	1,432,283	1,393,670
非上市並持作買賣用途存款證之公平價值	65,507	65,471
非上市並非持作買賣用途存款證之公平價值	768,331	852,495
	2,266,121	2,311,636

(十六) 持作買賣用途之證券

16 Trading securities

		本集團		本行	
		The Group		The Bank	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
市值：	At market value:				
債務證券	Debt securities				
– 香港上市	– Listed in Hong Kong	285,575	247,918	285,575	247,918
– 海外上市	– Listed outside Hong Kong	–	3,029	–	3,029
– 非上市	– Unlisted	104,463	104,605	104,463	104,605
		<u>390,038</u>	<u>355,552</u>	<u>390,038</u>	<u>355,552</u>
股權證券	Equity securities				
– 香港上市	– Listed in Hong Kong	85,939	52,521	–	–
– 海外上市	– Listed outside Hong Kong	637	319	–	–
		<u>86,576</u>	<u>52,840</u>	<u>–</u>	<u>–</u>
股權投資基金	Equity investment fund				
– 香港上市	– Listed in Hong Kong	3	10,202	–	–
		<u>476,617</u>	<u>418,594</u>	<u>390,038</u>	<u>355,552</u>

持作買賣用途之證券，其發行人為：

Trading securities are analysed by issuer as follows:

		本集團		本行	
		The Group		The Bank	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
中央政府及中央銀行	Central governments and central banks	338,472	247,918	338,472	247,918
公營機構	Public sector entities	52,927	104,811	50,182	104,605
銀行和其他金融機構	Banks and other financial institutions	39,665	20,591	–	–
企業	Corporate entities	45,553	45,274	1,384	3,029
		<u>476,617</u>	<u>418,594</u>	<u>390,038</u>	<u>355,552</u>

(十七)持至到期證券

17 Held-to-maturity securities

		本集團 The Group		本行 The Bank	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Listed debt securities, at amortised cost:				
上市債務證券之攤銷成本：	– Listed in Hong Kong	732,508	628,788	667,929	625,343
– 香港上市	– Listed outside Hong Kong	1,516,987	1,894,876	1,471,088	1,860,922
– 海外上市		2,249,495	2,523,664	2,139,017	2,486,265
	Unlisted debt securities, at amortised cost	6,008,642	5,952,806	5,643,524	5,854,780
非上市債務證券之攤銷成本		8,258,137	8,476,470	7,782,541	8,341,045
	Provision for diminution in value	–	(11,450)	–	(11,450)
減值準備金		8,258,137	8,465,020	7,782,541	8,329,595
	Market value of listed debt securities	2,353,756	2,656,146	2,241,642	2,617,064
上市債務證券之市值					

持至到期證券，其發行人為：

Held-to-maturity securities are analysed by issuer as follows:

		本集團 The Group		本行 The Bank	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Central governments and central banks	84,307	53,257	49,862	49,812
中央政府及中央銀行公營機構	Public sector entities	689,012	224,851	667,229	203,269
	Banks and other financial institutions	4,135,066	6,049,200	3,840,054	5,973,881
銀行和其他金融機構企業	Corporate entities	3,349,752	2,149,162	3,225,396	2,114,083
		8,258,137	8,476,470	7,782,541	8,341,045