

The Hong Kong Mortgage Corporation Limited
香港按揭證券有限公司

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James H. Lau Jr. JP 劉怡翔
Chief Executive Officer 總裁

14 June 2010

The Hon Chan Kam-lam, SBS, JP
Chairman, Panel on Financial Affairs
Legislative Council
8 Jackson Road
Hong Kong

Dear Kam-lam,

The Hong Kong Mortgage Corporation Limited
2009 Annual Report

It is my pleasure to present the 2009 Annual Report of The Hong Kong Mortgage Corporation Limited for the information of the Financial Affairs Panel and also other members of the Legislative Council.

The Annual Report sets out the major business developments and a review of the financial performance of the Corporation in 2009. The strong performance strengthens the Corporation's financial position and greatly enhances its ability to perform its strategic functions in pursuit of its policy objectives. The Corporation will continue to contribute to the development of Hong Kong's housing-finance system and to complement the Government's policies through product innovation, making mortgage financing more accessible to homebuyers.

Yours sincerely,



The Hong Kong Mortgage Corporation Limited
香港按揭證券有限公司



ANNUAL
REPORT
2009
年 報

CORE
MISSIONS



To **enhance the stability** of the banking sector through the offering of a reliable source of liquidity, thereby **reducing the concentration** and **liquidity risks** of mortgage lending of the banks



To facilitate the **growth** and **development** of the debt securities and mortgage-backed securities markets in Hong Kong



To promote **wider home ownership** in Hong Kong

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FINANCIAL HIGHLIGHTS

	2009 HK\$'000	2008 HK\$'000	2007 HK\$'000
FOR THE YEAR			
Net interest income	1,037,707	709,850	649,332
Profit attributable to shareholders	1,006,469	604,994	740,664
Loan purchases	8,768,789	26,037,165	9,603,916
Debt securities issued	22,688,680	24,405,704	16,412,345
Mortgage insurance – net premiums written	784,650	358,579	153,901
AT YEAR END			
Loan portfolio, net	43,788,716	50,760,112	34,460,291
Total assets	59,750,624	65,628,334	48,627,923
Debt securities issued	44,495,073	42,814,988	33,311,190
Mortgage-backed securities issued	2,020,394	3,225,624	4,229,159
Mortgage insurance – risk-in-force ¹	11,592,494	5,713,065	3,512,923
OTHER STATISTICS			
Net interest margin	1.7%	1.3%	1.5%
Capital-to-assets ratio	9.5%	8.7%	11.2%
Cost-to-income ratio	12.4%	17.5%	13.6%
Return on assets	1.6%	1.1%	1.6%
Return on shareholders' equity	16.2%	10.5%	13.7%

¹ The risk-in-force excludes exposure that has been covered by reinsurance arrangement.



CHAIRMAN'S STATEMENT



Operating in a difficult environment against the backdrop of the global financial crisis, the Corporation has demonstrated its resilience and ability to perform its strategic policy roles of:

- promoting financial stability by purchasing loan assets from local banks in a prudent commercial manner to provide banks with liquidity
- promoting wider home ownership through the Mortgage Insurance Programme
- facilitating the further growth and development of the debt market in Hong Kong

Promoting Banking and Financial Stability

Total local asset purchases in 2009 amounted to HK\$5.7 billion. The Corporation provides liquidity to banks by purchasing assets from them. This role as liquidity provider was especially prominent during the “rainy days” of the Asian financial turmoil and the recent global financial crisis. As the market has stabilised due to abundant liquidity inflows, banks have less need to offload their assets in return for liquidity. Nevertheless, the Corporation continues to provide an important, readily available platform to help banks meet their needs for liquidity and prudent capital and balance sheet management.

Promoting Wider Home Ownership

The Corporation's Mortgage Insurance Programme (“MIP”) continues to provide an effective channel for promoting wider home ownership in Hong Kong, benefiting first-time homebuyers in particular. In 2009, the MIP loan drawdown reached a record high of HK\$36 billion and the usage rate (in terms of the amount of loans drawn down as a percentage of total market mortgage drawdown) increased to 18%, compared with 11% in 2008. Since 1999,

the MIP has helped over 73,000 families to attain home ownership, with loan drawdown totalling over HK\$151 billion. The average loan size under the MIP is HK\$2.1 million, indicating that the MIP mainly helps first-time buyers to acquire homes.

The overall performance of mortgage loans under the MIP has been satisfactory, with the ratio of loans that had been delinquent for more than 90 days standing at 0.003% at the end of 2009. This is primarily attributable to the Corporation's stringent mortgage underwriting criteria, which not only help to limit the risk exposure of the Corporation, but also serve as a benchmark that helps to maintain the quality of banks' mortgage portfolios.

Facilitating Debt Market Development

The Corporation maintains its excellent credit ratings of "AA+" from Standard & Poor's and "Aa2" from Moody's, at the same level as the HKSAR Government. The Corporation continues to play an active role in promoting the development of the bond market and helps to reinforce Hong Kong's position as an international financial centre. The Corporation acts as a pivotal intermediary in channelling liquidity from long-term insurance, pension and investment funds to the mortgage markets,

thereby helping to make home ownership more affordable and accessible to a wider spectrum of the population in Hong Kong.

The Corporation raised a total amount of HK\$22.7 billion in 2009 through a variety of debt instruments and remained the most active corporate debt issuer in the Hong Kong-dollar debt market for the ninth consecutive year. The total outstanding amount of issued debt and mortgage-backed securities stood at HK\$46.5 billion on 31 December 2009.

Performance in 2009

The Corporation achieved good financial results in 2009. Profits after tax reached a record high of HK\$1,006 million, an increase of 66% over 2008. The return on shareholder's equity was 16.2%, and the capital-to-assets ratio was 9.5%. The Corporation declared a final dividend of HK\$500 million.

The Corporation operates on prudent commercial principles and the strong performance in 2009 was mainly attributable to the significant loan purchases made in response to banks' liquidity needs during the global financial crisis, the favourable interest-rate environment and excellent loan quality, and the Corporation's prudent business development strategy and strong commitment to risk management.

The strong performance strengthens the Corporation's financial position and greatly enhances its ability to perform its strategic functions in pursuit of its policy objectives.

Outlook for 2010

2010 will be another challenging year. The potential impact of the exit strategies of the US and other governments on the Hong Kong economy is uncertain and may be a cause for concern. The possibility of a double-dip economic downturn cannot be ruled out. Maintaining the financial stability of Hong Kong is therefore of the utmost importance. Against this backdrop, the Corporation will continue to reinforce its business focus in Hong Kong to fulfil its core objectives. The Corporation will strive to contribute further to the development of Hong Kong's housing-finance system and to complement the Government's policies through product innovation, making mortgage financing more accessible to homebuyers. The Corporation's prudent criteria for purchasing mortgage loans and underwriting loans under the MIP will provide a useful benchmark in the market to maintain the high quality of mortgage loans.

In pursuing its business and funding activities, the Corporation will maintain a strong emphasis on risk management and good corporate governance. It will focus on further enhancing its risk management framework with a view to improving its effectiveness and strengthening its readiness to meet the challenges ahead.

Apart from its business objectives, the Corporation is also committed to fulfilling its responsibilities to its staff and its corporate social responsibility. It will continue to encourage staff to take part in social activities and charitable events to promote a healthy work-life balance and foster a culture of care for the community.

Finally, I would like to thank my fellow Directors, Management and all staff of the Corporation for their dedication and hard work in 2009. I look forward to another successful year for the Corporation in 2010.



John C Tsang

Chairman

BOARD OF DIRECTORS



The Honourable
John TSANG Chun-wah, JP
Chairman
Financial Secretary



Mr. Norman CHAN Tak-lam, SBS, JP
Deputy Chairman
(appointed on 1 October 2009)
Chief Executive
Hong Kong Monetary Authority



Mr. Joseph YAM Chi-kwong, GBS, JP
Deputy Chairman
(retired on 1 October 2009)



Professor the Honourable
K C CHAN, SBS, JP
Director
Secretary for Financial
Services and the Treasury



The Honourable
Eva CHENG, JP
Director
Secretary for Transport and
Housing



Mr. Peter PANG Sing-tong, JP
Executive Director
Deputy Chief Executive
Hong Kong Monetary Authority



Mr. Eddie YUE Wai-man, JP
Executive Director
Deputy Chief Executive
Hong Kong Monetary Authority



Professor the Honourable
Anthony CHEUNG Bing-leung,
GBS, SBS, JP
Director
Member of Executive Council
Chairman
Consumer Council



The Honourable
Ronald Joseph ARCULLI,
CVO, GBS, OBE, JP
Director
(retired on 16 April 2009)
Member of Executive Council
Senior Partner, King & Wood
Chairman, Hong Kong
Exchanges and Clearing Limited



Dr. the Honourable
David LI Kwok-po,
GBM, GBS, LLD (Cantab), JP
Director
Legislative Councillor
Chairman and Chief Executive
The Bank of East Asia, Limited



The Honourable
Abraham SHEK Lai-him,
SBS, JP
Director
Legislative Councillor



The Honourable
Andrew LEUNG Kwan-yuen,
 SBS, JP
 Director
 Legislative Councillor
 Chairman, Sun Hing Knitting
 Factory Limited



The Honourable
CHAN Kin-por, JP
 Director
 Legislative Councillor
 Member of the China Advisory Board
 Munich Reinsurance Company
 Hong Kong Branch



The Honourable
Starry LEE Wai-king
 Director
 (appointed on 16 April 2009)
 Legislative Councillor



The Honourable
CHAN Kam-lam, SBS, JP
 Director
 (retired on 16 April 2009)
 Legislative Councillor



Mr. Geoffrey Jay MANSFIELD
 Director



Mr. Eddie TAN Cheng-soo
 Director
 Regional Treasurer
 Asia Pacific
 Citibank, N.A.



Mr. Eddy FONG Ching, GBS, JP
 Director
 Chairman
 Securities and Futures
 Commission



Ms. Louisa CHEANG
 Director
 (appointed on 16 April 2009)
 Regional Director, Personal
 Financial Services
 Asia-Pacific
 The Hongkong and Shanghai
 Banking Corporation Limited



Mr. Lester Garson HUANG, JP
 Director
 (appointed on 16 April 2009)
 Partner
 P. C. Woo & Co.



The Honourable
Tanya CHAN
 Director
 (appointed on 16 April 2009)
 Legislative Councillor



The Honourable
SIN Chung-kai, SBS, JP
 Director
 (retired on 16 April 2009)
 Deputy Chairman of the
 Democratic Party



Mr. David LAM Yim-nam
 Director
 (retired on 16 April 2009)
 Deputy Chief Executive
 Bank of China (Hong Kong)
 Limited

MANAGEMENT TEAM

► (from left to right)

Ms. Susie Cheung
Mr. Desmond Cheng
Mr. James H. Lau Jr., JP
Mr. Raymond Liu

▼ (from left to right)

Front Row

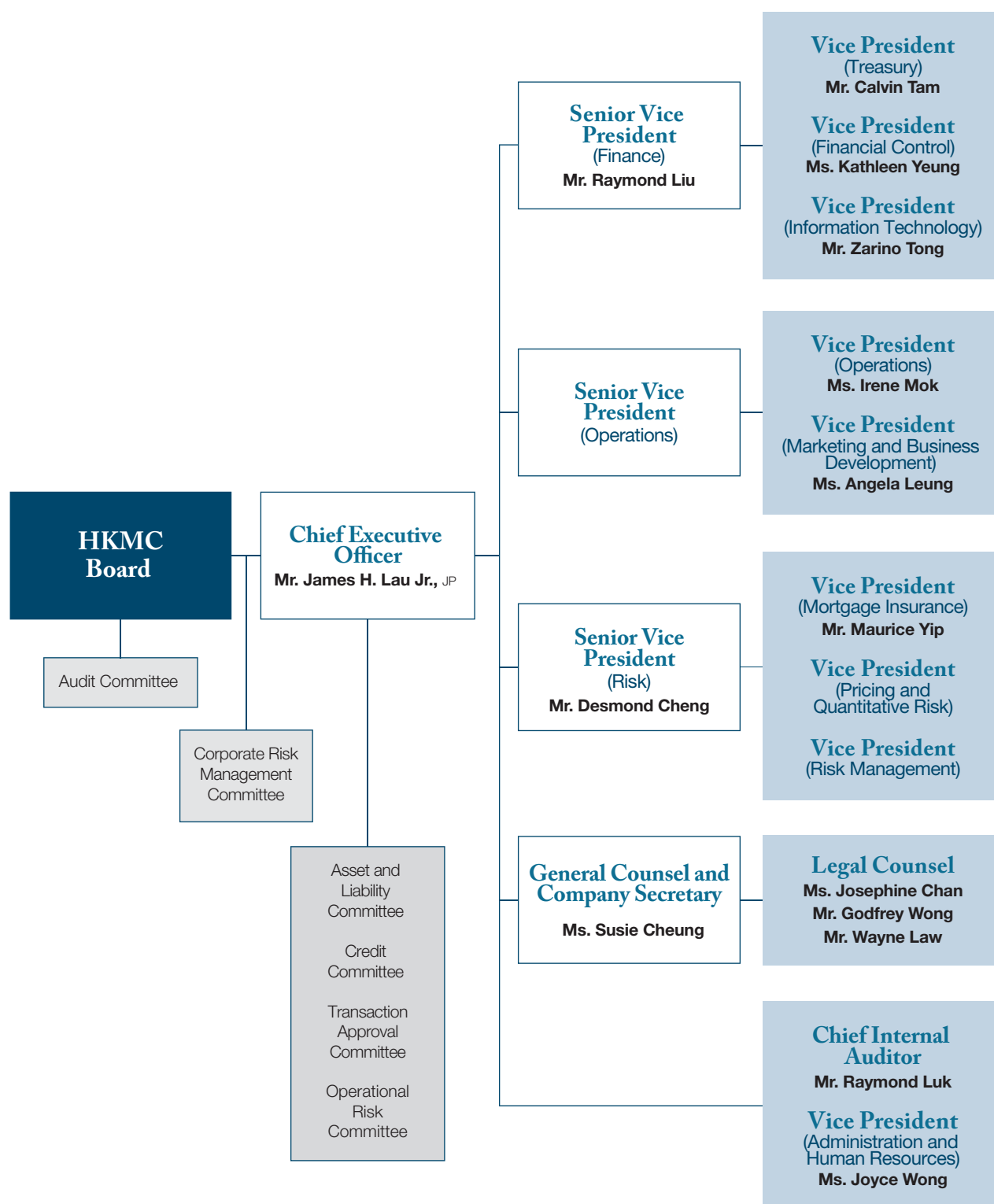
Ms. Angela Leung
Mr. Godfrey Wong
Ms. Irene Mok
Ms. Josephine Chan

Second Row

Ms. Kathleen Yeung
Mr. Calvin Tam
Mr. Raymond Luk
Mr. Maurice Yip
Mr. Wayne Law
Ms. Joyce Wong
Mr. Zarino Tong



ORGANISATION STRUCTURE





CORPORATE GOVERNANCE REPORT

Corporate Governance Practices

The Corporation is committed to ensuring a high standard of corporate governance to improve the overall accountability, transparency and long-term sustainability of its operations to meet its three key objectives. The Corporation's corporate governance practices are set out in the "Corporate Governance Code" (the "Code") approved by the Board. The Code is premised on the principles of fairness, transparency, accountability and responsibility to all stakeholders and has been issued to the shareholders and the Directors. The Code is also available on our website and is accessible by the public.

Throughout 2009, the Corporation has complied with the provisions of the Code. Maintaining a robust and sensible framework of corporate governance for the effective and prudent management of the Corporation has always been a top corporate priority.

Enhanced Corporate Governance Measures Adopted by the Corporation in 2009

Best Practice Checklist on Good Governance and Internal Control in Public Organizations published by the Independent Commission Against Corruption ("ICAC") in November 2009 ("Best Practice Checklist")

In light of the recent publication of the Best Practice Checklist by the ICAC, Management has augmented the Corporation's Self-assessment Form to provide a more comprehensive checklist for departments to verify due compliance with the best practice.

Strengthening of Risk Oversight and Management

In 2009, the Corporation further strengthened its accountability and responsibility to all stakeholders by establishing a new division to assist the Chief Executive Officer in risk oversight and management and to make regular enterprise level reporting to the Board.

The new division also examines compliance with risk appetite and risk policies, the general risk management practices and any necessary adjustment to the overall risk management framework of the Corporation.

Two new committees (the Corporate Risk Management Committee and the Operational Risk Committee) have also been established to provide a platform for more focused assessment of risk issues.

Shareholders

All the shares of the Corporation are beneficially owned by the Financial Secretary of Hong Kong as Controller of the Exchange Fund. Therefore, whilst the Corporation

operates under prudent commercial principles, the Board endeavours to ensure that the Corporation delivers its performance based on good corporate governance practices which are commensurate with the best international standards.

The Board

The Board is responsible for leading the Corporation and promoting its success in a responsible and effective manner. In fulfilling its responsibility in terms of providing strategic leadership and effective control of the Corporation, the Board meets in person at least once every three months to oversee the Corporation's business strategy and policies, budgeting and planning, organisational and financial performance, risk management, human resources as well as community relations, and on other occasions whenever a Board decision is required on major issues. In order to ensure that well-balanced decisions are made by the Board, the Directors of the Corporation include officials from the government and regulators, representatives from the political parties, banking sector, insurance sector, industry associations, the accounting and legal professions, and also the Consumer Council. During 2009, the Board held four quarterly meetings.

Directors are requested to declare their direct or indirect interests, if any, in any transactions to be considered by the Board at Board meetings and withdraw from the meetings as appropriate. In respect of each financial reporting period, the Corporation will seek confirmation

from the Directors in respect of their material interests in transactions involving the Corporation or its subsidiaries. Contracts which are significant to the Corporation's business in which a Director has a material interest and/or material related party transactions are disclosed in the Report of the Directors by reference to Note 33 to the financial statements for the year ended 31 December 2009.

As at 31 December 2009, there were 18 Directors, all of whom had been duly appointed by the Financial Secretary in his capacity as shareholder of the Corporation. Information about the Directors is set out in the Report of the Directors published in the Annual Report. All Directors (with the exception of the four Executive Directors) are non-executive and independent of the Corporation's Management. An updated list of the Directors is published on the Corporation's website (www.hkmc.com.hk). Whilst not actively involved in the day-to-day management of the Corporation, Non-Executive Directors do play an important role in bringing their independent judgment and considerable knowledge and diverse expertise to the Board's deliberations, which in turn provide effective steer to Management in pursuit of the Corporation's policies. The Corporation does not remunerate its Directors.

Whenever a Director is newly appointed, the Corporation will provide a briefing and an induction package to the Director on the business activities, strategies and objectives of the Corporation to ensure that he or she is informed of the affairs of the Corporation.

The term of a Non-Executive Director is typically one year. Non-Executive Directors are typically appointed at an Annual General Meeting. Under the Articles of Association of the Corporation, all Non-Executive Directors will retire at the next Annual General Meeting following their appointment but are eligible for re-election.

The Corporation maintains a directors and officers liability insurance policy for its Directors and officers against legal proceedings and other claims arising in the course of discharge of their duties.

Chairman and Chief Executive Officer

In 2009, the post of Chairman was held by Mr. John C. Tsang. The post of Chief Executive Officer was held by Mr. James H. Lau Jr. The segregation of the posts of Chairman and Chief Executive Officer ensures a clear division of responsibilities between the Board and the executive functions of the Corporation's Management. The Board is responsible for laying down strategic direction and business guidelines, approving financial objectives and closely monitoring the Corporation's performance on an on-going basis. The Chief Executive Officer, who is accountable to the Board, is responsible for leading Management in implementing the Board's decisions in a proper and efficient manner. The Chief Executive Officer ensures that adequate information relating to the Corporation's business will be reported to the Board on a regular basis.

Company Secretary

The Company Secretary is directly accountable to the Board and her main duty is to ensure that all company secretarial procedures are followed by the Corporation and the Board. In addition, the Company Secretary oversees the preparation of meeting agendas and Board papers and ensures that they are distributed to Directors in a timely and comprehensive manner prior to each Board meeting and the Annual General Meeting of the Corporation. Directors have free access to the advice and services of the Company Secretary concerning corporate governance matters, and she provides guidance to Directors to make appropriate declarations to avoid conflicts of interest.

The Board meeting schedule for 2009 was provided to Directors in advance to facilitate Directors' attendance at Board meetings. Board papers were sent to Directors at least seven days before the relevant Board meeting so that Directors could be properly briefed before the Board meeting. The Board papers typically contained comprehensive background and/or explanatory information about the subject matters and included supporting documents, analyses, research findings, projections, budgets and forecasts, where appropriate. However, any Director adjudged to have a conflict of interests in the subject matter under discussion in a Board paper would not be provided with the relevant Board paper.

All the minutes of Board meetings were taken in sufficient detail, including the matters considered, decisions reached, concerns raised by Directors and dissenting views expressed at the meetings. All minutes of Board meetings and Audit Committee meetings are kept by the Company Secretary and made available for inspection by any Director, except as regards any materials with respect to an agenda item in which that Director is perceived to have a conflict of interest, in such case, the relevant Board papers and Board minutes would be withheld from such Director.

Audit Committee

The Audit Committee members during the year were:

- Dr. David Li, Chairman, Non-Executive Director
- Mr. Peter Pang, Executive Director
- Mr. Eddie Yue, Executive Director
- Mr. Ronald Arculli, Non-Executive Director (until 16 April 2009)
- Mr. Eddy Fong, Non-Executive Director
- Mr. Chan Kam Lam, Non-Executive Director (until 16 April 2009)
- Mr. Andrew Leung, Non-Executive Director (from 16 April 2009)
- Mr. Abraham Shek, Non-Executive Director (from 16 April 2009)



Audit Committee Meeting

The Audit Committee is responsible for reviewing the Corporation's financial statements, the composition and accounting principles adopted in such statements, the results of the financial audits and the Corporation's management procedures to ensure the adequacy and effectiveness of internal control systems. The Terms of Reference of the Audit Committee are published on the Corporation's website.

The Audit Committee holds regular meetings with Management, Chief Internal Auditor and external auditors, and special meetings may be called to review significant control or financial issues. The Audit Committee also meets on an ad hoc basis to consider special issues requiring its attention. The Chairman of the Audit Committee summarises the reviews conducted by the Audit Committee and highlights the major issues in a report for submission to the Board for consideration by Directors. During 2009, the Committee met on three occasions.

Internal Auditor

The Corporation has an Internal Audit Department which operates independent of Management and plays a major role in monitoring the internal control systems of the Corporation. The Internal Audit Department is led by the Chief Internal Auditor who reports directly to the Chairman of the Audit Committee on all matters relating to the internal control systems. The Chief Internal Auditor also reports to the Chief Executive Officer on the day-to-day administrative functions of the Internal Audit Department,

and is entitled to communicate freely with the Chairman of the Audit Committee without reference to Management.

Each year, the Audit Committee formally approves the annual Internal Audit Plan drawn up by the Chief Internal Auditor based on his independent risk assessment and other risk management issues observed by him at the regular Operational Risk Committee meetings. In accordance with the annual Internal Audit Plan, the Internal Audit Department adopts a risk-based audit approach in conducting its periodic independent reviews of the Corporation's internal control systems. After each review, the Internal Audit Department discusses the audit findings and recommendations with the relevant department heads and Senior Management. Regular internal audit reports are first submitted to the Internal Audit Committee which is chaired by an Executive Director. The membership composition of the Internal Audit Committee comprises two Executive Directors, the Chief Executive Officer, the Senior Vice Presidents, General Counsel and the Chief Internal Auditor. The internal audit reports and meeting minutes prepared for the Internal Audit Committee are then submitted to the Audit Committee for further review and, thereafter, to the Board of Directors for information.

Over the years, Management has taken an active approach in considering the audit findings and recommendations made by the Chief Internal Auditor

and monitors closely their implementation. In 2009, the Internal Audit Department conducted 15 reviews and one ad hoc investigation.

External Auditors

The Corporation's external auditors are PricewaterhouseCoopers. Detailed information in respect of the Auditors' remuneration is disclosed in the Corporation's financial statements. The external auditors are allowed to communicate freely with the Chief Internal Auditor and the Audit Committee. To ensure the independence of the external auditors, the external auditors would issue a letter to the Audit Committee prior to the commencement of audit work confirming their independence in accordance with the Code of Ethics for Professional Accountants of the Hong Kong Institute of Certified Public Accountants. Such a letter was issued by PricewaterhouseCoopers to the Audit Committee in July 2009.

Financial Reporting

The Corporation aims to present a clear, balanced and comprehensible assessment of its financial position and prospects. Directors are responsible for the preparation of the financial statements, and there is a statement by the auditors about their reporting responsibilities in the Auditor's Report on the Financial Statements. The Annual Report contains a statement from the Corporation's auditors explaining their responsibility to form an

independent opinion, based on their audit, on the financial statements prepared by the Directors and to report their opinion. The Directors ensure that financial statements are prepared so as to give a true and fair view of the financial status of the Corporation. For the reporting and disclosure of the Corporation's financial statements and business performance, the Corporation aims at providing a comprehensive disclosure of the Corporation's performance, position and prospect to its stakeholders and the general public.

Internal Control

The Board has the overall responsibility for the Corporation's internal control systems and, through the Audit Committee, conducts periodic review on the effectiveness and efficiency of the systems.

In December 2009, the Board approved the establishment of the Corporate Risk Management Committee, which is chaired by an Executive Director, to oversee the financial and non-financial risks of the Corporation from an enterprise-wide perspective. In addition, the Board further approved the establishment of the Operational Risk Committee to bring all the operational risk items under regular review and monitoring. The other committees already set up to ensure the efficient operation and prudent risk management of the Corporation include the Credit Committee, Transaction Approval Committee and Asset and Liability Committee.

All of the above executive risk committees (other than the Corporate Risk Management Committee) are chaired by the Chief Executive Officer, and all such committees operate under prudent guidelines and procedures. Detailed description of these four executive risk committees and the risk management framework of the Corporation are set out in the section on Business Overview. The internal control systems are designed to provide reasonable assurance against material misstatement or loss, manage risks of failure in the operational systems and the achievement of business objectives, safeguard assets against unauthorised use, ensure the maintenance of proper accounting records for internal use and publication and assure compliance with applicable legislation and regulations.

In March 2010, the Chief Internal Auditor duly conducted an independent review of the Self-assessment Forms provided by each Department in relation to compliance with the Code for 2009. Based on the audit findings on the Corporation's internal control systems and the Self-assessment Forms for the year, the Chief Internal Auditor was of the opinion that there had been no material breach of the Code in 2009.

Code of Conduct

The Corporation requires the highest standards of integrity and conduct from its staff members. The requirements and the relevant legal obligations are

clearly set out in a code of conduct ("Code of Conduct") incorporated into the Staff Handbook. The Code of Conduct also sets out, in particular, provisions as regards potential conflicts of interest situations which may arise between the staff members and the Corporation in respect of which the staff members should be aware, and other provisions designed to ensure that they carry out their work properly, ethically, impartially and free from any suggestion of improper influence.

A copy of the Code of Conduct is posted on the Corporation's intranet to make it readily accessible by all staff members.

Staff members are required to give written confirmation of their compliance with the Code of Conduct on an annual basis. Based on the confirmation received from the staff members, Management was satisfied that staff members had complied with the Code of Conduct during 2009.

Communication

The Corporation attaches great importance to communications with the public at large. The Annual Report of the Corporation contains comprehensive information on its business strategies and developments. The Corporation's website (www.hkmc.com.hk) offers timely access to the Corporation's press releases and its other business information. The Corporation also maintains a hotline telephone system to service enquiries from the public.

Conclusion

The Board was satisfied with the corporate governance practices of the Corporation during 2009. In 2010, the Corporation will continue to review its corporate governance framework with a view to updating the Code to improve those practices in light of ongoing experience, regulatory changes, international trends and developments in order to enhance the Corporation's efficiency and effective management in pursuit of its business objectives.

CALENDAR OF EVENTS

APRIL 16

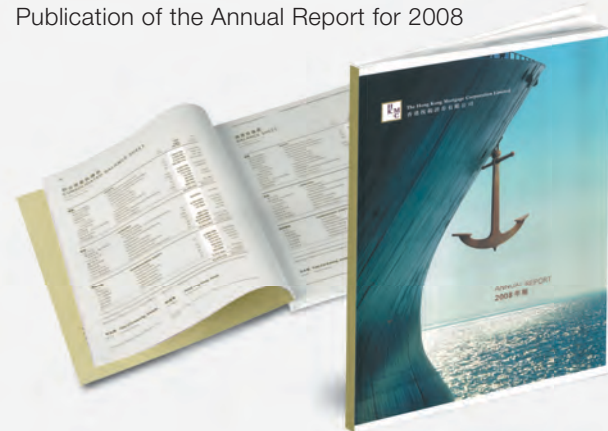
Financial Results for 2008 and Business Performance

JUNE 19

Issuance of HK\$1 billion 15-year Callable Zero Coupon Bond, the largest in the local bond market

JUNE 11

Publication of the Annual Report for 2008



JULY 10

Opening Ceremony of Bauhinia HKMC Corporation Limited in Shenzhen



AUGUST 4

Debut public benchmark issuance of US\$500 million fixed rate notes under the Medium Term Note Programme



SEPTEMBER 11

Half-Year Financial Results for 2009

OCTOBER 1

Appointment of Mr. Norman T. L. Chan as Deputy Chairman and Executive Director

OCTOBER 21

Launch of a special scheme under the Corporation's Fixed Adjustable Rate Mortgage Programme, with fixed-rate periods ranging from one to 10 years



OCTOBER 23

Announcement of refinements to the Eligibility Criteria of the Mortgage Insurance Programme

DECEMBER 10

Enhancement of the Risk-based Pricing Scheme under the Mortgage Insurance Programme



BUSINESS OVERVIEW

Despite the challenges of the global financial crisis, the Hong Kong economy witnessed early signs of market rebound in 2009 after experiencing a sharp downturn early in the year. Amid the volatile market conditions, the Corporation continued to operate under prudent principles and play its strategic role as a liquidity provider for promoting banking and financial stability. Along with the great resilience shown in the local property market, the Corporation also once again demonstrated its important role of promoting home ownership in Hong Kong through a rising usage of its mortgage insurance products.

Performance Highlights

The Corporation continued to provide timely liquidity to the banking sector, while the market was recuperating from the aftershocks of the global financial tsunami. The Corporation's mortgage insurance products were also well received by homebuyers who could buy their homes with a reduced downpayment.

The major achievements of the Corporation for the year include:

- Purchase of a total of HK\$8.8 billion of assets, including HK\$1.7 billion of residential mortgage loans and HK\$4 billion of commercial mortgage loan in Hong Kong, and HK\$3.1 billion of residential mortgage loans in Korea in the form of mortgage-backed securities.
- Drawdown of mortgage insurance coverage for newly originated mortgage loans reaching a record high of HK\$36 billion in total, achieving a usage rate (in terms of drawdown loan amount against total market mortgage drawdown) of 18%.
- Issuance of HK\$22.7 billion of debt securities in a cost-effective manner, maintaining the Corporation's position as the most active corporate issuer in the

Hong Kong dollar debt market for nine consecutive years.

- Safeguarding excellent asset quality, with a delinquency ratio (above 90-day ratio) of 0.003% for the mortgage insurance portfolio; a combined delinquency ratio (above 90-day ratio and rescheduled loan ratio) of 0.12% for the Hong Kong residential mortgage portfolio (same as the industry average of 0.12%), and 0.07% across all asset classes as at 31 December 2009.
- Maintaining long-term foreign and local currency debt ratings of AA+ and Aa2 by Standard & Poor's ("S&P") and Moody's Investors Service, Inc. ("Moody's") respectively.

The Corporation registered very solid financial results for 2009:

- Profit after tax of HK\$1,006 million, which was HK\$401 million or 66% up from 2008.
- Net interest spread improved to 1.7% amid favourable interest rate environment, compared to 1.1% in 2008.
- Return on assets of 1.6%, an increase of 0.5 percentage point over 2008.
- Return on shareholder's equity of 16.2%, an increase of 5.7 percentage point over 2008.
- Capital-to-assets ratio remained strong at 9.5%, well above the minimum requirement of 5%.
- Cost-to-income ratio of 12.4%, significantly lower than the banking industry average of 49.3%.

Operational Highlights

Overall Business Strategy

The Corporation focuses on fulfilling its roles to maintain banking stability, promote home ownership and develop Hong Kong's debt market. The Corporation strived to maintain its capacity and capability so that it could discharge its responsibilities effectively and efficiently.

Mortgage Insurance

In light of a sharp rise in the prices of the high-end residential property market, the Corporation took steps in October 2009 to tighten certain eligibility criteria for the Mortgage Insurance Programme ("MIP") to reduce risk exposure to luxurious and non owner-occupied properties.

The Corporation further refined the MIP's Risk-based Pricing Scheme in December 2009 so that a greater number of borrowers can be eligible for premium discounts and the range of premium discounts has been widened as well.

The MIP usage rate (in terms of drawdown loan amount against total market mortgage drawdown) increased from 11% in 2008 to 18% in 2009. This reflects an increasing demand for mortgage insurance.

The Corporation continued to provide regular training for the frontline staff and credit personnel of the MIP participating banks. This is an integral part of the strong partnership between the Corporation and banks in promoting mortgage insurance to the public.

The Corporation maintained a high degree of processing efficiency for MIP applications through automation and use of the internet platform.

Fund-raising

- Issuance of a total of HK\$22.7 billion of corporate debts with tenor up to 15 years in a prudent and cost-effective manner to support asset purchase activities and redemption of maturing debts.
- For the ninth year in a row, the Corporation was the most active corporate issuer in the Hong Kong dollar

debt market, with issuance of HK\$17.2 billion of debt securities in the local institutional market.

- Issuance of the Corporation's first-ever 15-year callable zero coupon bond for HK\$1 billion in total, which was the largest ever in Hong Kong and helped to promote the development of the local bond market.
- Debut public benchmark issuance of US\$500 million of fixed rate notes under the Medium Term Note Programme to raise funds in the international market and to broaden the Corporation's investor base and funding sources.

Market Overview

General Economic Conditions

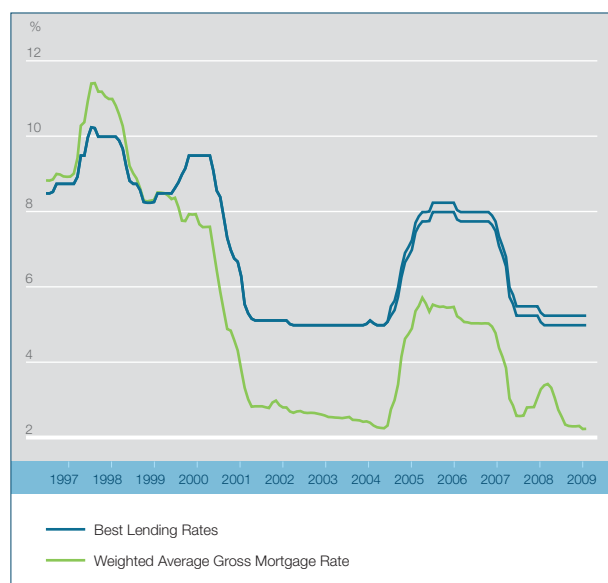
Hong Kong experienced a severe setback leading to a deep contraction in the early part of 2009 as a result of the global financial tsunami triggered by the sub-prime crisis in the US. However, driven by the robust growth of the Mainland China economy, the Hong Kong economy showed great resilience in weathering the market turbulence and witnessed signs of recovery from the second quarter of 2009. The global economy also started to stabilise somewhat in the second half of the year, following the concerted policy actions taken by different countries across the globe to restore market confidence. The Government of the Hong Kong Special Administrative Region ("HKSAR Government") also took timely measures to stabilise the financial markets and banking system, alleviate liquidity pressure, support enterprises and preserve employment, thereby giving impetus to the local economy and restoring confidence.

For 2009 as a whole, Hong Kong's Gross Domestic Product ("GDP") shrank by 2.7% in real terms, representing the first annual recession since 1998. Nevertheless, the quick revival of the economy saw the GDP growth back in positive territory of 2.6% in real terms in the fourth quarter of 2009. The labour market also demonstrated much resilience. Against the backdrop of deteriorating external market conditions, the unemployment rate in Hong Kong surged to 5.4% in mid-2009, but gradually came down to 4.9% at the end of the year.

Interest Rate Environment

The liquidity condition of the Hong Kong banking sector eased in 2009. The Hong Kong Interbank Offered Rate ("HIBOR") continued to soften amid continued inflow of funds. The Best Lending Rates ("BLRs") in the market remained at 5% and 5.25% throughout the year. As the competition in mortgage lending intensified, banks adopted increasingly aggressive pricing strategies by cutting mortgage rates, and in some cases offering HIBOR-based mortgage rates, to gain market share. The BLR-based gross mortgage rates for new mortgage loans drifted down from 3.25% – 3.5% p.a. in early 2009 to 2.25% – 2.5% p.a. by the end of the year (Figure 1). HIBOR-based mortgage rate was even as low as HIBOR + 0.65% by year end, which was generally below 1% p.a.

Figure 1:
Best Lending Rates and Average Gross Mortgage Rate



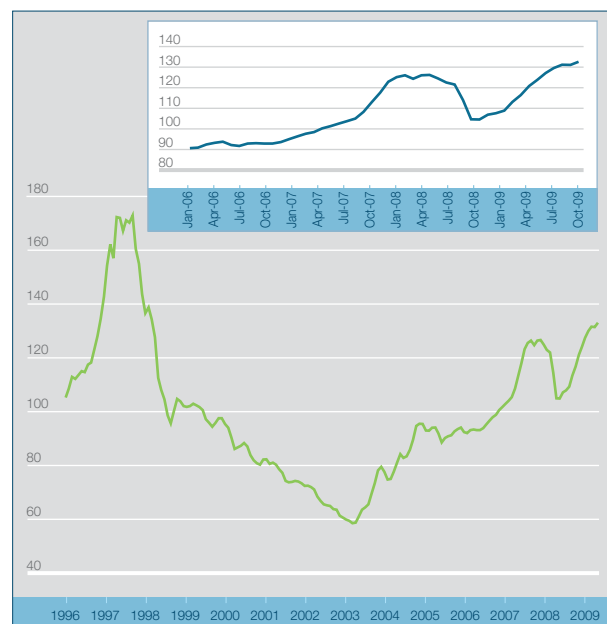
Source: HKMA

Property Market

The residential property market staged a sharp rebound in 2009, attributable to the accommodative market conditions of low interest rates underpinned by a strong influx of funds. Both property price and transaction volume for residential properties picked up sharply. According to the Private Domestic Price Index on overall housing published by the Rating and Valuation Department, the residential property prices in December 2009 were 28%

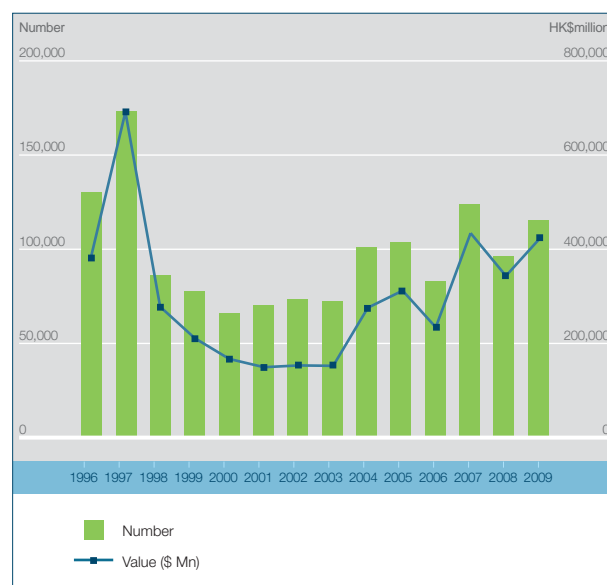
up from a year ago. The Land Registry statistics showed that the total volume and value for residential property transactions saw a strong rebound by 20% and 24% year-on-year to about 115,000 cases and HK\$426 billion in 2009 respectively (Figures 2 and 3).

Figure 2:
Private Domestic Price Index (1999=100)



Source: Rating and Valuation Department

Figure 3:
Agreements of Sale and Purchase of Residential Building Units



Source: Land Registry

Mortgage Market

The buoyant property market in 2009 made mortgage lending an attractive business particularly as banks had ample liquidity. Banks were aggressive in cutting interest rates to compete in the mortgage market which they perceived to be of low risk. According to the Monthly Residential Mortgage Survey conducted by the Hong Kong Monetary Authority ("HKMA"), the proportion of newly approved mortgage loans priced at more than 2.5% below the BLR was less than 1% in early 2009, but surged to around 40% by year end. Moreover, borrowers were increasingly inclined to opt for HIBOR-based mortgages to take advantage of the prevailing low HIBOR environment. As a result, the proportion of newly approved HIBOR-based mortgage loans climbed to a record high of 62% in December 2009 (Figure 4).

Figure 4:
Pricing of New Residential Mortgage Loans Approved

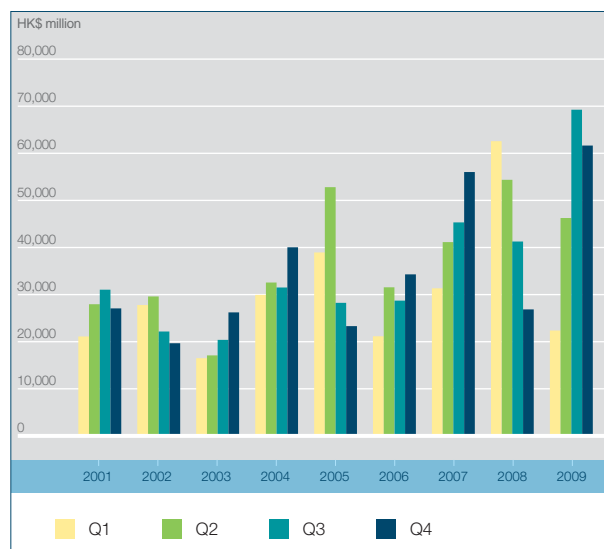


BLR: Best Lending Rate

Source: HKMA

In line with the buoyant property market activities, the mortgage loan origination volume also exhibited a prominent uptrend in 2009. The HKMA's Monthly Residential Mortgage Survey showed that the total outstanding value of overall residential mortgage loans registered a 7.4% increase to HK\$698 billion at the end of the year (Figure 5).

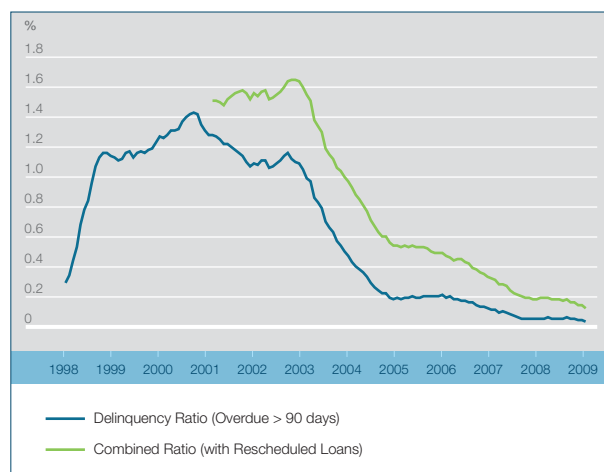
Figure 5:
New Residential Mortgage Loans Made



Source: HKMA

The asset quality of residential mortgage loans remained at high quality with low delinquency ratio in 2009, owing to the prudent underwriting standards adopted by industry practitioners and the effective regulation and monitoring of the mortgage market by the HKMA. According to the HKMA's survey, the delinquency ratio of mortgage loans overdue for more than 90 days remained stable at about 0.05% in the first three quarters of 2009 and trended down to 0.03% by the end of the year. The combined ratio, which takes into account both delinquent and rescheduled loans, declined from 0.19% in January to 0.12% in December 2009 (Figure 6).

Figure 6:
Delinquency Ratio of Residential Mortgage Loans

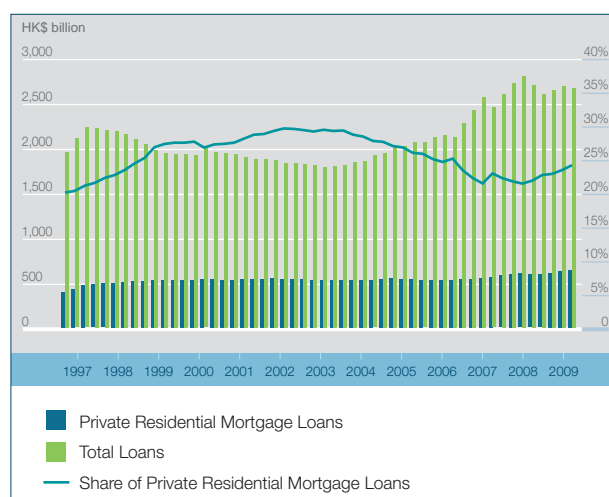


Source: HKMA

Banking Sector Exposure

Due to the rebound in banks' mortgage lending, the total outstanding value of mortgage loans for private residential properties rose to HK\$647 billion at the end of 2009, up from HK\$593 billion a year ago, accounting for about one-fourth of the total loans for use in Hong Kong (Figure 7). Taking into account the loans for building and construction, as well as property development and investment, the amount of property-related loans totalled HK\$1,269 billion and represented about half of the total loan book of banks. Such a high exposure to property-related lending indicates that a sharp downturn in the property market could have an adverse impact on the overall stability of the banking system, although banks in Hong Kong in general have a strong capital base.

Figure 7:
Total Loans and Private Residential Mortgage Loans of All Authorized Institutions



Source: HKMA

Asset Acquisition

In 2009, the Corporation acquired a total of HK\$8.8 billion of local and overseas mortgage assets.

Given the possible sharp increase in mortgage interest rate as global economy started to recover, the Corporation launched a special scheme under its Fixed Adjustable Rate Mortgage Programme promoting mortgage loans with fixed-rate periods ranging from one to 10 years in 2009, which was well received by homebuyers. The fixed-

rate products primarily aimed at providing an alternative choice of financing to the borrowers, as well as allowing them to be shielded from future fluctuation in interest rates. The Corporation also successfully purchased the commercial mortgage loan valued at HK\$4 billion under the Link REIT refinancing arrangement in 2009.

The Corporation concluded the fourth mortgage purchase transaction in the form of private bilateral mortgage-backed securitisation with a leading financial institution in Korea for an amount of HK\$3.1 billion in 2009. The overseas mortgage purchase transactions are structured with very robust risk mitigation arrangements such as requiring a low loan-to-value ("LTV") ratio and a sizeable equity piece to be retained by the seller to take the first loss. Currency and interest rate risks are also fully hedged through cross-currency swaps.

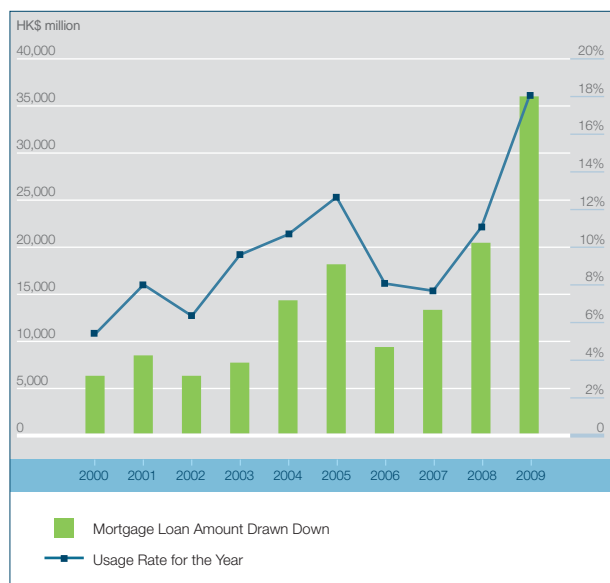
Mortgage Insurance

Over the years, the MIP has repeatedly demonstrated its effectiveness in assisting potential homebuyers to overcome the hurdle of requiring a substantial down payment for the purchase of a property. From the perspective of the banking industry as a whole, the MIP allows banks to engage in higher LTV lending without incurring additional credit risk and affecting the overall stability of the banking system. In all, the programme creates a win-win situation for both the homebuyers and the banks.

Since its inception in March 1999, the MIP has gained increasing public acceptance and has played an instrumental role of promoting home ownership in Hong Kong. For 2009 as a whole, the volume of loans drawn down amounted to a record high of HK\$36 billion and the usage rate (in terms of drawdown loan amount against total market mortgage drawdown) increased from 11% in 2008 to 18% in 2009 (Figure 8). It is notable that 90% of MIP applications received are for secondary market properties. The figure demonstrates that mortgage insurance is instrumental in assisting homebuyers in the secondary market.

Since 1999, the MIP has helped over 73,000 families to enjoy home ownership, with loan drawdown totalling over HK\$151 billion. The average loan size under the MIP is HK\$2.1 million, indicating that the MIP assists mainly first-time homebuyers in acquiring their homes.

Figure 8:
Mortgage Loan Amount Drawn Down and Usage Rate* of MIP



Source: HKMA and HKMC

* Usage Rate =
$$\frac{\text{Mortgage Loan Amount drawn down under MIP}}{\text{Total Mortgage Loan Amount drawn down in the market based on HKMA's Monthly Residential Mortgage Survey}}$$

Refinements of MIP

In light of a sharp rise in the prices of the high-end residential property market, the Corporation took steps in October 2009 to tighten certain MIP eligibility criteria. The Corporation suspended the MIP coverage in respect of non owner-occupied properties and reduced the maximum loan amount to HK\$12 million and HK\$6 million for 90% and 95% LTV mortgages respectively.

On the other hand, the Corporation received good responses from banks and homebuyers on the Risk-based Pricing Scheme ("RBPS") launched in May 2006. With new access to the consumer credit data held by the credit reference agency, TransUnion Limited, the Corporation further expanded the scope of RBPS in December 2009

and increased the maximum premium discount level for 85% LTV mortgages to 30% and 90% LTV mortgages to 25%, and extended the RBPS to 95% LTV mortgages, granting homebuyers a premium discount up to 15%.

Training and Marketing

The Corporation keeps the MIP participating banks well informed of any new developments on the MIP and consults them on new initiatives. The Corporation regularly organises training seminars on MIP product features and eligibility criteria for banks and other market players such as estate agents and referral companies, so that their frontline staff can better understand and explain the details of MIP to their customers.

Joint Venture in Shenzhen

In July 2009, the Corporation started up its business in Shenzhen by establishing a guarantee company, Bauhinia HKMC Corporation Limited, which is a joint venture with Shenzhen Financial Electronic Settlement Centre, an entity operating under the supervision of the People's Bank of China.

At the initial stage, the joint venture company provides mainly short-term bridging mortgage guarantee for residential property transactions and refinancing in the secondary mortgage market. This strategy provides an opportunity for the Corporation to have a deeper and fuller understanding of the operation and risk management for the mortgage market in Shenzhen.

Apart from bridging mortgage guarantee, the Corporation will continue to explore suitable business opportunities, including other types of mortgage and non-mortgage guarantee products, as and when appropriate.

Joint Venture in Malaysia

Cagamas HKMC Berhad is a joint venture with Cagamas Berhad and incorporated in Malaysia in 2008. The joint venture provided mortgage guarantee on conventional and Islamic mortgage portfolios.

Funding

The local and global capital markets were adversely affected by the global financial crisis at the beginning of 2009. However, as the year progressed, various liquidity and stimulus measures implemented by the governments worldwide started to take effect, and the market stress began to ease. Debt market activities revived and credit spreads narrowed. Notwithstanding the volatile market conditions, the Corporation managed to secure prudent pre-funding to cater for loan purchases and refinancing. Given the Corporation's strong background as a wholly government-owned entity and its solid credit ratings, as well as investors' flight-to-quality inclination, the Corporation continued to be the most active Hong Kong dollar corporate issuer for the ninth year. In 2009, a total amount of HK\$22.7 billion of debts were raised. At the end of 2009, the Corporation's total outstanding debt amounted to HK\$44.5 billion.

The Corporation is committed to developing the local debt market through regular debt issuance and introduction of new debt products. As one of the most active bond issuers in Hong Kong, the Corporation will continue to issue debts in both local institutional and retail markets, and diversify its funding sources and investor base to overseas institutional markets. This will not only help to broaden the Corporation's funding base, but also provide institutional and retail investors with high quality debt instruments to satisfy their need for portfolio diversification and yield enhancement.

The Corporation has three debt issuance programmes which allow the issuance of debt securities in an efficient and effective manner. With its strong credit ratings, the Corporation's debt issues are well received by the investing community such as pension funds, insurance companies, investment funds, charities, government-related funds as well as retail investors. The Corporation maintains a pro-active approach in updating investors regularly in the local and regional markets such as Mainland China, Japan and Singapore.

Debt Issuance Programme

The Debt Issuance Programme ("DIP") is the Corporation's main platform for raising Hong Kong dollar funding. The DIP was established in July 1998 targeting at institutional investors in the Hong Kong dollar debt market. It was set up with an initial programme size of HK\$20 billion and subsequently increased to HK\$40 billion in 2003. The DIP provides a flexible and efficient platform for the Corporation to issue debts and transferable loan certificates with tenor up to 15 years. Apart from plain vanilla debts, the Corporation also issued high quality structured products to meet the investor demand. A total of six Primary Dealers and 16 Selling Group Members appointed under the DIP provided wide distribution channels for both public and private debt issues.

During 2009, the Corporation drew down 51 DIP debt issues for a total amount of HK\$15.5 billion. In June 2009, the Corporation issued 15-year callable zero coupon bonds for HK\$1 billion, being the largest issue and the longest tenor in the local bond market, to meet the growing investors' appetite for long-term debt products in Hong Kong. At the end of 2009, the total outstanding amount of DIP debt securities was HK\$30.6 billion.

Retail Bond Issuance Programme

The Corporation is dedicated to promoting the local retail bond market with an objective of broadening the Corporation's investor base outside its already strong institutional investor community. In November 2001, the Corporation successfully pioneered a new offering mechanism for the retail bond market in Hong Kong.

To further spur the development of the retail bond market, the Corporation established the HK\$20 Billion Retail Bond Issuance Programme and made a debut issue in June 2004. Under this programme, banks acting as Placing Banks use their retail branch networks, telephone and electronic banking facilities to place debt securities issued by the Corporation to retail investors. To ensure the liquidity of such retail bonds, the Placing Banks are committed to making firm bid prices for the bonds in the

secondary market. Over the years, the Corporation's retail bonds have gained widespread recognition as a safe and simple investment choice with reasonably attractive returns, giving retail investors an opportunity to invest in high-grade debt securities issued by a wholly government-owned corporation. When market environment is conducive, the Corporation aims to issue retail bonds regularly to provide an additional investment tool for Hong Kong retail investors.

Since 2001, the Corporation has issued a total amount of HK\$13.7 billion retail bonds. At the end of 2009, the total outstanding amount of retail bonds stood at HK\$1.9 billion.

Medium Term Note Programme

The Corporation established the multi-currency US\$3 Billion Medium Term Note ("MTN") Programme in June 2007 to raise funds in the international market and to broaden its investor base and funding sources. The multi-currency feature of the programme enables the Corporation to issue notes in major currencies including Hong Kong dollar, US dollar, euro and yen to meet the demand of both local and overseas investors. All foreign currency denominated MTN debts are fully hedged into either US dollar or Hong Kong dollar. The programme incorporates flexible product features and offering mechanisms for both public issues and private placements so as to increase its appeal to investors with different investment horizons and requirements. An extensive dealer group comprising 10 major international and regional financial institutions has been appointed to support future MTN issuance and provide secondary market liquidity.

During 2009, the Corporation launched 11 MTN private debt issues, including debts denominated in US dollar and Singapore dollar, totalling HK\$3.4 billion equivalent. The Corporation also made a debut public issue of US\$500 million of debt securities under the MTN Programme, which was very well received by other government entities in the region, pension funds, insurance companies and investment funds. The issue has set a benchmark for other top-tier corporate bond

issuers in Hong Kong, and has helped to develop the regional bond market at the same time. At the end of 2009, the total outstanding amount of MTN debts was HK\$12 billion.

Revolving Credit Facility provided by the Exchange Fund

During the Asian Financial Crisis, the Exchange Fund through the HKMA extended a HK\$10 billion Revolving Credit Facility to the Corporation in January 1998. The Facility aims at enabling the Corporation to maintain smooth operation under exceptional circumstances so that it can better fulfill its mandate of promoting banking and financial stability in Hong Kong. Whilst the Corporation obtains long-term funding from the local and international debt markets to fund its operation, the Facility stands as a liquidity fallback for the Corporation. In light of the global financial crisis in 2008, the size of the Facility was subsequently increased to HK\$30 billion in December 2008, which demonstrated the HKSAR Government's recognition of the importance of and further support to the Corporation.

The drawing of the Revolving Credit Facility in 2008 was used to partially fund the acquisition of Hong Kong residential mortgage assets from local banks amid the distorted capital market. During 2009, the Corporation fully repaid the amount drawn under the Revolving Credit Facility by using the funds raised from its cost-effective debt issuance.

Credit Ratings

The Corporation's ability to attract investment in its debt securities is underpinned by the strong credit ratings which are equivalent to those of the HKSAR Government accorded by Moody's and S&P.

Credit Ratings of the HKMC

	Moody's		Standard & Poor's	
	Short-term	Long-term	Short-term	Long-term
Local Currency (Outlook)	P-1	Aa2 (Positive)	A-1+	AA+ (Stable)
Foreign Currency (Outlook)	P-1	Aa2 (Positive)	A-1+	AA+ (Stable)

The credit rating agencies have made very positive comments on the credit standing of the Corporation. The following comments are extracts from the credit rating reports of Moody's and S&P after their annual surveillance in May 2009, and the rating affirmation report of S&P in August 2009:

Moody's

"There is strong intrinsic economic relationship between the HKMC and the HKSAR Government, given its status as a mortgage product provider and the importance of land and property in the Hong Kong economy."

"The expected high level of (government) support reflects the HKMC's status as a wholly-owned Government entity to carry out critical functions in enhancing financial and banking stability in Hong Kong by providing liquidity for the mortgage and property markets via banks and housing agencies, promoting home ownership, and spearheading the development of the debt and securitisation markets in Hong Kong."

"The HKMC's asset-liability management is well developed within the constraints of the local markets in terms of the availability of tools and long-term funding. Its ability to assess and manage risk has resulted in risk levels well within its own guidelines and, in some cases, superior to some of its larger international peers."

"Over the years, the HKMC has demonstrated a strong ability to secure funding, even when liquidity in the system had shrunk during unexpected circumstances thanks to special exemptions or privileges for its securities and its strong fundamentals."

S&P

"We affirmed the ratings to reflect the equalisation with the ratings on its sole owner, the Government of the Hong Kong Special Administrative Region. In our opinion, there is an almost certain likelihood that the Hong Kong government would provide timely and sufficient extraordinary support to the HKMC in the event of financial distress."

"On a standalone basis, the ratings reflect the HKMC's prudent credit risk management, strong liquidity, and satisfactory capital base."

"The HKMC has a traditional and generally prudent approach to risk management. Recognising credit risk as its focus of risk appetite, the Corporation has adopted stringent policies, a simple and effective business model and management structure, and various hedging tools to largely mitigate other types of risks."

"The HKMC's liquidity position is adequately managed... The Corporation also maintains a reasonably high level of liquid assets in the form of marketable debt securities, cash and bank deposits, which provides a liquidity fallback."

Mortgage-Backed Securitisation

The Corporation has established two mortgage-backed securitisation programmes for issuance of mortgage-backed securities ("MBS") in an efficient and effective manner. These two programmes – the Guaranteed Mortgage-Backed Pass-Through Securitisation Programme and the Bauhinia Mortgage-Backed Securitisation Programme – were the first-ever securitisation programmes set up in the Hong Kong debt market.

MBS are powerful financial instruments that can channel long-term funding from the debt market to supplement the need for long-term financing generated by mortgage loans. Banks and financial institutions can make use of MBS to manage risks inherent in mortgage loans, such as credit risk, liquidity risk, interest rate risk and asset liability maturity mismatch risk. A deep and liquid MBS market can help to enhance the development of an efficient secondary mortgage market and further promote Hong Kong as an international financial centre.

The Corporation made no MBS issuance in 2009 due to a fall in investor demand and unfavourable market conditions following the global financial crisis.

Guaranteed Mortgage-Backed Pass-Through Securitisation Programme

This first MBS securitisation programme of the Corporation was established in October 1999 targeting at banks that not only wanted to off load mortgage loans but also wished to enjoy the benefits of holding MBS guaranteed by the Corporation.

The back-to-back structure under this programme allows the Corporation to acquire mortgage loans from a bank and then sell the mortgage loans directly to a bankruptcy remote special purpose entity ("SPE"). The SPE in turn issues MBS to the bank as investor of the security. Through this back-to-back exercise, the bank can convert illiquid mortgage loans into liquid MBS. Furthermore, as far as the capital adequacy requirement is concerned, MBS guaranteed by the Corporation are assigned a 20% risk asset weighting under the Banking (Capital) Rules as opposed to 35% - 100% for mortgage loans, thereby allowing banks to utilise their capital more efficiently. Since the inception of the programme, four series of MBS with a total amount of HK\$2.8 billion have been issued.

Bauhinia Mortgage-Backed Securitisation Programme

The Bauhinia Mortgage-Backed Securitisation Programme established in December 2001 is a US\$3 billion multi-currency mortgage-backed securitisation programme. The programme provides a convenient, flexible and cost-efficient platform for the Corporation to issue MBS with various product structures, credit enhancements and distribution methods. MBS issued under the Bauhinia Mortgage-Backed Securitisation Programme have the trading and settlement characteristics of a eurobond. Trading of the MBS in the secondary market is therefore made more convenient and efficient.

Since the inception of the Bauhinia Mortgage-Backed Securitisation Programme, the Corporation has successfully securitised HK\$10.4 billion of mortgage loans through five public issues and one private placement

issue. The debut MBS issue under the programme with a size of HK\$2 billion was done in March 2002. The second issue of HK\$3 billion done in November 2003 was the largest ever Hong Kong dollar denominated residential MBS. The third public issue of HK\$2 billion, split into two portions for institutional and retail investors respectively, was done in November 2004. This was the first time in the whole of Asia that retail investors were given the opportunity to invest in MBS. The fourth MBS issue of HK\$1 billion was done in November 2005. The fifth public issue of HK\$2 billion, split into three senior tranches rated "Aaa/AAA" and one subordinated tranche rated "Aaa/AA", was done in November 2006. This was the first-ever partially guaranteed MBS under the programme.

Risk Management

The Corporation operates under prudent commercial principles, and the principle of "prudence before profitability" guides the design of the overall risk management framework and discipline in day-to-day business execution. Over the years, the Corporation has continuously made refinements to its well-established, robust and time-tested risk management framework. There were two important developments in the area of risk governance in 2009.

Corporate Risk Management Committee

To further strengthen the overall risk governance, the Board approved the establishment of a Corporate Risk Management Committee ("CRC") in December 2009 to manage all financial and non-financial risks from an enterprise-wide perspective. The CRC drives and monitors improvement efforts in governance, policies and tools. It also assigns priorities and responsibilities to individual departments in enhancing the risk management framework. The Committee is chaired by an Executive Director, with members including another Executive Director, Chief Executive Officer, Senior Vice President (Operations), Senior Vice President (Finance), General Counsel and Senior Vice President (Risk).

Risk Oversight and Management

The Board also approved the establishment of a risk division in 2009 to further enhance the corporate risk governance through strengthening risk oversight and risk management. It makes regular reports to the CRC and the Board on the key risk issues faced by the Corporation, relevant actions taken to address such issues, compliance with risk appetite and risk policies, general risk management practices and any necessary adjustments to the overall risk management framework of the Corporation.

The five major risk areas faced by the Corporation comprise credit risk, market risk, operational risk, legal risk and leveraging risk.

(a) Credit Risk

Credit risk is the primary risk exposure for the Corporation. It represents the risk of default by loan borrowers and counterparties.

(i) Default risk

To address default risk effectively, the Corporation adheres to a four-pronged approach to safeguard and maintain the quality of its asset and MIP portfolios:

- Careful selection of Approved Sellers/ Servicers/Reinsurers
- Prudent asset purchase criteria and insurance application eligibility criteria
- Effective due diligence process
- Enhanced protection for higher-risk mortgages or transactions

Losses may arise if there is a shortfall in the recovery amount for defaulted loans under the Mortgage

Purchase Programme (“MPP”). To mitigate such default risk, the Corporation has adopted a set of prudent loan purchase criteria and conducts effective due diligence review as part and parcel of the loan purchase process in order to maintain the credit quality of loans purchased. In addition, depending on the projected risk exposure of the underlying loan portfolio, credit enhancement arrangements such as reserve fund for absorbing credit losses will be agreed with the seller on a deal-by-deal basis so as to reduce the potential credit losses arising from the borrower’s default.

Similarly, losses may also arise from default on loans under the MIP insurance coverage. Each MIP application is underwritten by the Corporation in accordance with a set of prudent eligibility criteria, and each claim from a participating bank will be audited by the Corporation to ensure the fulfillment of all MIP coverage conditions and to detect any fraud elements. As a result, the default risk for loans with MIP coverage is greatly reduced. To reduce possible concentration of such default risk, the Corporation transfers a portion of the risk-in-force to Approved Reinsurers by way of a reinsurance risk-sharing arrangement.

(ii) Seller/Servicer counterparty risk

Counterparty risk may arise from failure of a Seller/ Servicer of an acquired portfolio to remit scheduled payments to the Corporation in a timely and accurate manner. The Corporation adopts a counterparty risk limit framework that limits the aggregate amount of assets it can purchase from the Approved Sellers. There are also individual limits on the maximum amount of assets that the Corporation can purchase from a counterparty. The risk limit framework acts as a good device for managing the counterparty exposure on the basis of risk profile of each Seller/Servicer and to avoid concentration of acquisition from a few sellers only.

(iii) Reinsurer counterparty risk

Reinsurer counterparty risk refers to the failure of an Approved Reinsurer to make claim payment to the Corporation. In order to mitigate counterparty risk effectively, the Corporation has established a framework for the assessment of mortgage reinsurers' financial strengths, credit ratings and relevant experience in mortgage insurance.

(iv) Treasury counterparty risk

Treasury counterparty risk arises when a delay or failure of treasury counterparties in making payment with respect to treasury instruments transacted with the Corporation. The Corporation adopts a prudent treasury counterparty limit framework, under which each potential treasury counterparty is assessed on the basis of its credit ratings, financial strengths, capability in treasury products, etc. Based on the evaluation results, a treasury counterparty limit will be assigned to each specific type of treasury instrument exposure.

(v) Control mechanism

Portfolio performance and analysis reports are compiled on a regular basis to provide Management with up-to-date information on critical credit risk indicators such as loan delinquency ratios, equity positions and cumulative credit losses, so as to enable timely review and swift responses to changes in the operating environment. Stress tests on the retained portfolio and mortgage insurance portfolio are conducted to analyse the Corporation's financial capability to weather extreme scenarios.

The counterparty limits of all Sellers and Servicers are subject to regular review whereby their financial strengths, management capabilities, loan servicing quality and transaction experience are taken into consideration for renewal and/or adjustment in limit. The limits for treasury counterparties are reviewed and adjusted on a regular basis based on their financial strengths, as well as the capital base of

the Corporation. To date, the Corporation has not experienced any loss on a treasury transaction due to credit default by a counterparty.

The Corporation also performs annual review of Approved Reinsurers' financial strengths, business proposal, reinsurance arrangement and management capabilities. The result of the review is used for determining the on-going business allocation and risk-sharing portion.

(vi) Governance

At the heart of the Corporation's credit risk management framework are two committees: the Credit Committee and the Transaction Approval Committee.

Credit Committee

The Credit Committee is responsible for setting the Corporation's overall credit policies and eligibility criteria, particularly for asset acquisition and mortgage insurance. The Committee operates under the framework approved by the Board. It is the approval authority for accepting applications to become Approved Sellers/Servicers under the MPP and Approved Reinsurers under the MIP. It is also responsible for setting risk exposure limits for the counterparties. Should business and operating environment change drastically, credit policies will be immediately subject to review and timely measures based on the findings will be presented to the Committee for approval.

Transaction Approval Committee

The Transaction Approval Committee is the forum for in-depth analyses of pricing economics and associated credit risk for business transactions, taking into consideration the latest market conditions and business strategies approved by the Board. Major transactions approved by the Committee are subject to endorsement by an Executive Director.

The Credit Committee and the Transaction Approval Committee are both chaired by the Chief Executive Officer with members including Senior Vice President (Operations), Senior Vice President (Finance), General Counsel, Senior Vice President (Risk) and senior staff from the relevant functional departments.

(b) Market Risk

Market risk arises when the Corporation's income or the value of its portfolios decreases due to movements in the market prices. Market risk consists of interest rate risk, asset-liability maturity mismatch risk, liquidity risk and currency risk.

(i) Interest rate risk

Net interest income is the predominant source of earnings for the Corporation. It represents the excess of interest income (from the Corporation's loan portfolio, cash and debt investments) over interest expenses (from debt issuance and other borrowings). Interest rate risk arises when changes in market interest rates affect the interest income or interest expenses associated with the assets and liabilities respectively.

The primary objective of interest rate risk management is therefore to limit the potential adverse effects arising from interest rate movements on interest income/expenses, while maintaining a stable earnings growth. The interest rate risk faced by the Corporation is two-fold, namely, interest rate mismatch risk and basis risk. Interest rate mismatch risk is the most substantial risk affecting the Corporation's net interest income. It arises mainly as a result of the differences in the timing of interest rate re-pricing for the Corporation's interest-earning assets and interest-bearing liabilities. Interest rate mismatch risk is most evident in the loan portfolio where the majority of the loans earn floating interest rate (benchmarked against the Prime rate, the HIBOR or Composite Interest Rate), whilst the majority of the Corporation's liabilities are fixed-rate

debt securities. The Corporation therefore makes prudent use of a range of financial instruments such as interest rate swaps, interest rate swaptions, basis swaps, forward rate agreements and the issuance of MBS to manage the interest rate mismatch risk. The proceeds of the fixed-rate debt securities are generally swapped into HIBOR-based funds via interest rate swaps in order to better match with the floating-rate income from the mortgage assets.

The Corporation also uses duration gap as an indicator to monitor, measure and manage interest rate mismatch risk. Duration gap measures the difference in interest rate re-pricing intervals between assets and liabilities. The wider the duration gap, the higher the interest rate mismatch risk, and vice versa. A positive duration gap means that the duration of assets is longer than that of the liabilities, and represents a greater risk exposure to rising interest rates. On the other hand, a negative duration gap indicates a greater risk exposure to declining interest rates. Depending on the prevailing interest rate outlook and market conditions, the Corporation proactively re-balances the duration gap of its asset-liability portfolio under the guidance and supervision of the Asset and Liability Committee ("ALCO"). A cap of three months for the duration gap has been set to limit the interest rate mismatch risk. In 2009, the average duration gap was kept at around one month, indicating that the Corporation handles interest rate mismatch risk in a very prudent manner.

Basis risk represents the difference in basis of the Corporation's interest-earning assets that are Prime-based and interest-bearing liabilities that are HIBOR-based. There are limited financial instruments currently available in the market to hedge the Prime-HIBOR basis risk fully. In general, basis risk can only be effectively addressed when mortgage assets and non-mortgage assets are based on HIBOR to match the funding base or when related risk management instruments become more prevalent or economical.

Over the past few years, the Corporation has consciously adopted the strategy of acquiring more HIBOR-based assets and as at the end of 2009, about 56% of the Corporation's mortgage assets and non-mortgage assets are HIBOR-based loans. As a result, the Prime-HIBOR basis risk for the Corporation has been substantially reduced. In addition, the issuance of Prime-based MBS and the use of hedging derivatives have also been deployed to mitigate the basis risk of the Prime-based portion of the Corporation's loan portfolio.

(ii) Asset-liability maturity mismatch risk

Even though the contractual maturity of a mortgage loan can go up to 30 years, the actual average life of a portfolio of mortgage loans is much shorter. The average life will depend on the speed of scheduled mortgage repayments and unscheduled prepayments. Higher prepayment rates will shorten the average life of a portfolio of mortgage loans. In Hong Kong, prepayment occurs for two main reasons: (i) housing turnover – borrowers repaying their mortgage loans upon the sale of the underlying property; and (ii) refinancing – borrowers refinancing their mortgage loans to obtain lower mortgage rates.

Asset-liability maturity mismatch risk can be more specifically characterised as reinvestment risk and refinancing risk. Reinvestment risk refers to the risk of a lower return from the reinvestment of proceeds received by the Corporation from prepayments and repayments of its loan portfolio. Refinancing risk is the risk of refinancing liabilities at a higher level of interest rate or credit spread. The Corporation will be exposed to refinancing risk (in both funding amount and cost of funds) when it uses short-term liabilities to finance long-term floating-rate loan portfolio.

Reinvestment risk is managed through the on-going efforts to purchase new loans to replenish the rundown in the retained portfolio and through the investment of surplus cash in debt securities or cash deposits to fine-tune the average life of the overall pool of assets.

Refinancing risk is managed through the issuance of callable bonds and transferable loan certificates. The call option included in callable bonds and transferable loan certificates allows the Corporation to adjust the average life of its liabilities to match more closely with that of the overall pool of assets. In this regard, the Corporation has the flexibility of issuing debt securities on a broad spectrum of maturities ranging from one month to 15 years. This again serves to adjust the average life of the overall liability portfolio in a dynamic fashion. In addition, refinancing risk can be mitigated by adjusting the maturities of assets in the investment portfolio and off-loading mortgage assets through securitisation of mortgage loans as MBS.

Asset-liability maturity gap ratio (ratio of average life of total interest earning assets to average life of total interest bearing liabilities) is used to monitor and manage the maturity mismatch risk, with a target ratio set by the ALCO to ensure a proper balance in the average life of the Corporation's assets and liabilities.

(iii) Liquidity risk

Liquidity risk represents the risk of the Corporation not being able to repay its obligations such as redemption of maturing debt or to fund the committed purchases of loan portfolios. Liquidity risk is managed through monitoring the daily inflow and outflow of funds and projecting longer-term inflow and outflow of funds across a full maturity spectrum. The Corporation measures its liquidity risk with a target liquid asset ratio (ratio of liquid asset to total assets) set by the ALCO to monitor and manage its liquidity position. The Corporation manages pre-funding prudently through well-diversified funding sources so that all foreseeable funding commitments can be met when they fall due, in order to support the growth of its business and the maintenance of a well-balanced liability portfolio. Such diversification allows the Corporation to pursue a strategy of pre-funding at the lowest possible cost, whilst at the same time offering safeguards against the inability to raise funds in distorted market conditions. The current funding sources include:

- **Shareholders' Capital:** authorised capital of HK\$3 billion, of which HK\$2 billion is fully paid up. Accumulated shareholders' funds amounted to HK\$6.7 billion as at 31 December 2009.
- **HK\$40 Billion Debt Issuance Programme:** there are six Primary Dealers and 16 Selling Group Members which underwrite and distribute debts to institutional investors under the DIP. The Transferable Loan Certificate Sub-Programme under the DIP provides a further diversification of funding sources and broadening of investor base.
- **HK\$20 Billion Retail Bond Issuance Programme:** this debt issuance programme has 19 Placing Banks which assist in offering retail bonds to investors.
- **US\$3 Billion Medium Term Note Programme:** there are 10 Dealers which underwrite and distribute local and foreign currency debts to the international institutional investors under the programme.
- **US\$3 Billion Bauhinia Mortgage-Backed Securitisation Programme:** with a total of eight Dealers, this multi-currency mortgage-backed securitisation programme permits the Corporation to originate MBS in both the local and international markets.
- **Cash and Debt Investment Portfolio:** the portfolio comprises mainly cash and bank deposits, commercial papers, high-quality certificates of deposit and notes that can be readily converted into cash.
- **HK\$30 Billion Revolving Credit Facility:** the Exchange Fund commits to provide the Corporation with HK\$30 billion in revolving credit.

- **Money Market Lines:** the Corporation has procured money market lines from a large number of local and international banks for short-term financing.

Given the strong background as a wholly government-owned entity and solid credit ratings, the Corporation enjoys advantage in raising funds from the debt market with both the institutional and retail funding bases. This is supplemented by the Corporation's portfolios of highly liquid investments which are held to enable it to respond swiftly and smoothly to unforeseen liquidity requirements. The HK\$30 Billion Revolving Credit Facility from the Exchange Fund further provides the Corporation with a liquidity fallback even when exceptional market strains last for a prolonged period of time.

The Corporation implements its liquidity risk management framework in response to changes in market conditions. The Corporation has continuously monitored the impact of recent market events on its liquidity positions, and has pursued prudent pre-funding strategy which has helped to contain the impact of the global financial turmoil on its liquidity.

(iv) **Currency risk**

Currency risk arises from the impact of foreign exchange rate fluctuations on the Corporation's financial position and foreign currency denominated cash flows. The Corporation manages its currency risk in strict accordance with the investment guidelines approved by the Board and under the supervision of the ALCO which sets daily monitoring limits on currency exposure. So far, the Corporation has primarily limited its net foreign currency exposure to US dollar only.

The Corporation does not speculate in foreign currencies and all the foreign currency exposure in the asset-liability portfolio must be fully hedged into either Hong Kong dollar or US dollar. In accordance

with this prudent risk management principle, the net exposure of the foreign currency denominated debts issued under the MTN Programme and the overseas residential mortgage loans purchased were fully hedged with the use of cross-currency swaps.

(v) Control mechanism

Transaction execution is segregated among front, middle and back offices to ensure adequate checks and balances. The Treasury Department, acting as the front office, is responsible for monitoring financial market movements and executing transactions in the cash, derivatives, debt and securitisation markets in accordance with the strategies laid down by the ALCO. The Financial Control Department assumes the middle office role and monitors the compliance with treasury counterparty and market risk limits. The Operations Department, acting as the back office, is responsible for deal verification, confirmation, settlement and payment process.

(vi) Governance

Asset & Liability Committee

The ALCO manages the Corporation's asset-liability portfolio based on prudent risk management principles. It has the authority to set market risk management policies and limits to facilitate day-to-day market risk management. Regular meetings are held to review the latest financial market development and the asset-liability portfolio mix. Furthermore, it also oversees the implementation of risk management and investment guidelines approved by the Board.

The ALCO is chaired by the Chief Executive Officer, with members including Senior Vice President (Finance), Senior Vice President (Operations), Senior Vice President (Risk) and senior staff from the relevant functional departments.

(c) Operational Risk

Operational risk represents the risk of losses arising from inadequacies or failure of internal processes, people, systems or external interruptions.

(i) Control mechanism

The Corporation adopts a bottom-up approach in identifying operational risk by carrying out in-depth analysis on new products, business activities, processes, system enhancements and due diligence review of new operational flows. Comprehensive validation rules, management information system reports and audit trails are put in place to track and report any error and deficiency.

The Corporation actively manages operational risk through its comprehensive systems with well-established internal controls, authentication structure and operational procedures. Operational infrastructures are well designed to support launch of new products in different business areas, including asset acquisition, mortgage insurance, treasury operations, bond issuance, securitisation and overseas business. Rigorous review to identify possible operational risk and to ensure adequate segregation of duties will be conducted before the implementation of operational or system infrastructure.

To prevent potential human errors and to ensure efficient and effective discharge of daily operations, the Corporation pursues advanced technological solution with robust business logics and controls to carry out its operational activities and business processes. Steps have been taken to ensure the accuracy, availability and security of these systems as they are critical to business operations and risk management.

The Corporation has taken careful steps to institute adequate checks and balances in financial controls to ensure its operations are properly directed and controlled. Effective financial controls also help to minimise the financial risks and safeguard the assets against inappropriate use or loss, including prevention and detection of fraud.

The Corporation's Information Security Manual ("ISM") documents security standards and practices relating to information and data security for observance by all staff. All system security measures must follow the requirements stated in the ISM. The Corporation implements various security measures, such as double firewall protections, intrusion detection systems, virus alert and quarantine system, and vulnerability scanning system so as to minimise its exposure to external attacks. Internally, the Corporation also has a virtual Local Area Network and workstation security policies to reduce the damages in the event of a malicious intrusion. The Corporation engages external consultants for testing out the intrusion vulnerability in order to enhance system security as appropriate.

To ensure a high degree of compliance, the Corporation's core operating systems and processes are subject to regular audit and review by internal and external auditors. Furthermore, all staff are required to sign an undertaking to comply with the requirements in the ISM every year. The ISM is updated whenever there is a new security measure or a new system. Any changes to the ISM require Senior Management's approval.

To ensure the business recovery procedures are practical and to facilitate continuous improvement, a business recovery drill is conducted by both IT and user departments every year. Daily back-up and off-site storage of back-up tapes are put in place to protect the Corporation from IT disasters.

(ii) Governance

Operational Risk Committee

In December 2009, the Board approved the establishment of the Operational Risk Committee ("ORC") as a formal platform to bring all operational risk items, as well as legal risk of the Corporation, under regular review and monitoring.

The ORC is chaired by the Chief Executive Officer, with members including Senior Vice President (Operations), Senior Vice President (Finance), General Counsel, Senior Vice President (Risk) and senior staff in the relevant functional departments.

(d) Legal Risk

Legal risk is the risk arising from uncertainty in the application or interpretation of laws, regulations and legal documents, or failure to comply with the statutory, regulatory or legal obligations.

(i) Control mechanism

The Legal Office, headed by General Counsel and Company Secretary, advises the Corporation on legal matters with a view to controlling legal risk. When new products or business activities are considered, the Legal Office will advise on the relevant laws and regulatory environment, as well as the legal documentation, and identify possible legal pitfalls with a view to protecting the best interests of the Corporation. Where appropriate, external counsel will be engaged to assist the Legal Office in providing full legal support to the Corporation. The Legal Office works closely with the other departments of the Corporation and advises on legal issues and documentation.

The General Counsel and Company Secretary ensures that company secretarial arrangements, for example, arrangements relating to the holding of Board meetings and general meetings, distribution

of Board papers, passing of resolutions and maintenance of meeting minutes etc., comply with the applicable laws and regulations, as well as the constitutional documents of the Corporation and the Code on Corporate Governance. The General Counsel and Company Secretary also provides advice and support to the Directors with a view to ensuring that best practices relating to Board procedures, avoidance of conflicts of interest and other aspects of corporate governance are observed.

(ii) Governance

The ORC is the governance committee for legal risk.

(e) Leveraging Risk

To ensure the Corporation will not engage in excessive leveraging in expanding its business activities to over a certain proportion of its capital base, the Financial Secretary of the HKSAR Government has issued Guidelines on the Capital-to-Assets Ratio ("CAR") of the Corporation. The minimum CAR stipulated in the Guidelines is 5%.

In accordance with the capital requirement laid down in the Guidelines, the maximum leverage of the Corporation should be maintained at a healthy and low level. As at 31 December 2009, the Corporation has a capital base of HK\$6.3 billion and a CAR at 9.5% which is well above the minimum requirement of 5%.

Capital adequacy and prudent use of regulatory capital are monitored daily by Management in accordance with the Guidelines issued by the Financial Secretary. The Chief Executive Officer is required to submit a quarterly report to the Board by reference to the Guidelines. An early warning system will alert Management when the ratio drops below 6%. Any breach or likely breach of the Guidelines must be reported to the Financial Secretary.

Process Management and Information Technology

A well-tested operational framework supported by robust and innovative business processes, system automation and control are the key to ensure efficiency and effectiveness in the Corporation's daily operations. Throughout the past decade, the Corporation has devoted significant resources to developing and upgrading its business operations, internal control and application systems to support its missions and strategies.

In 2009, the Corporation started to revamp its treasury system infrastructure. The new solution aims to bring in further enhancement on the timeliness of developing new treasury and hedging products, better risk management integration across various products, counterparts and regions, better integration and more reliable collaboration between the front, middle and back offices, as well as more robust and responsive adaptations to meet with the future regulatory and reporting requirements. It is expected that the new treasury system will be launched in the first quarter of 2011 after a comprehensive trial.

To monitor the quality of overseas assets, a dedicated application system, namely the Portfolio Information Processing System, was put in place in 2008. The system produces management reports and helps to verify massive loan data for analytical and effective monitoring purposes. Moreover, the Corporation has continued to strengthen the MIP processing systems to further streamline the underwriting and servicing operations, and to cater for introduction of new products and risk management initiatives.

Riding on the Corporation's know-how and expertise on document imaging and paperless operations adopted for the MIP operations, the Corporation will establish an IT infrastructure to streamline the treasury and mortgage operations in order to better cope with the increasing transaction volume and sophistication. This automation on indexing, filing and retrieval of vast amount of paper documents is essential to upgrade the current platform for timely transaction management and operational control. It will also provide the extra benefit of unifying the filing and retrieval process for the straight-through-processing of trade confirmations, securities settlement, payment authentication and document storage. This scalable infrastructure can be extended to document imaging needs for other new business operational areas in future.

To support the joint venture in Shenzhen, the Corporation has set up a dedicated project team to identify the operational risks and design the operation infrastructure, internal control systems and IT infrastructure to enable the commencement of business in September 2009. Continuous enhancements have been made to strengthen the internal control and process automation to meet with the operational and business needs. The process management team of the Corporation will continue to work with the local expertise in Shenzhen to further improve the operational infrastructure in 2010.

Business Continuity Plan

The Corporation has conducted a comprehensive review by integrating the disaster recovery plan and the business continuity plan of respective business and operational units into the corporate-wide business continuity plan which provides a robust decision-making and reporting framework in response to any disastrous event that may result in damages to any of the three core resources of the Corporation, namely office premises, information systems and human resources.

The Corporation has also expanded its off-site back-up and disaster recovery centre to enhance the resilience of its business operations and to ensure that its IT systems

can continue to operate even in the event of a core system failure or other unexpected major disruptions. In case of a contingency situation that restricts staff access to its main office in Central, a certain portion of the staff members will be arranged to work from home with remote computer access to continue the key operations. The corporate business continuity plan and the above operational risk mitigation measures are reviewed and tested annually with staff participation so as to strengthen the staff's readiness and operational robustness.

Corporate Social Responsibility

In recognition of the Corporation's contributions to the community and its commitment to corporate social responsibility in the past year, the Hong Kong Council of Social Service awarded the Corporation with the honour of "Caring Organisation 2009/10" under its Caring Company Scheme for the second year.



As a socially responsible organisation, the Corporation cares for both its staff and the community. The Corporation has underlined its commitment to corporate social responsibility by caring for its employees' well-being, participating in charity activities and implementing environmental protection measures.



Caring Company Recognition Ceremony

Care for Employees

Staffing and Remuneration

With the Corporation's core missions in enhancing stability of banking sector, promoting wider home ownership and facilitating the development of debt securities market, it attracts and grooms talents in its key business areas of mortgage purchase, mortgage insurance and debt issuance. The Corporation provides employees with competitive remuneration packages and fringe benefits, promising career path and development opportunities, as well as a healthy and safe working environment. It also adopts family-friendly practices by offering a five-day week to help the employees maintain a good work-life balance, as well as comprehensive medical and dental insurance plans which cover both the employees and their family members.

Through system automation and process re-engineering, the Corporation has maintained a lean and efficient workforce, notwithstanding the increase in the scope of purchases and the complexity of the products it offers. The permanent establishment of the Corporation was 144 and the staff turnover rate was 6.61% in 2009.

Training and Development

The Corporation recognises the importance of on-going trainings and has devoted considerable resources to enhancing its employees' professional knowledge and skills continuously. In 2009, the Corporation arranged both internal and external courses to help the employees improve their managerial and technical skills. The in-house training sessions covered a range of topics from credit default swap and legal knowledge, to self-development and Putonghua, while the external courses covered various topics such as mortgage-related issues, credit management, risk management, finance and accounting, corporate governance, information technology and management skills. In addition, all new staff members were provided with an induction session which would give them an overview of the Corporation's operations as well as their specific scope of work.



Self-Development Workshop



Credit Rating Training

Health and Safety

As a caring employer, the Corporation is dedicated to looking after both the physical and mental health of its staff. An Employee Support Programme is in place to provide confidential external counseling and consultation services to the employees and their family members when needed. A vaccination programme for prevention of influenza and a health check programme at privileged rates were also offered to the staff for participation.

The Corporation has further reviewed and strengthened its contingency plans, such as a split-team arrangement, to ensure a swift response to a possible outbreak of influenza pandemic. The contingency plans aim to prevent the spread of communicable diseases among the employees and to minimise any unexpected or sudden disruption to the business operations. Periodic drills are organised to make sure the staff are conversant with the activation of the back-up facilities, the contingency plans and the communication arrangements in case of emergency.

Employee Relations and Staff Activities

To promote a better work-life balance and foster a family-friendly working place, the HKMC Staff Club, composed of members from various departments, regularly organises different staff activities to cultivate better relationships and communication among the employees. The activities, such as Bowling Fun Day, staff gatherings and sharing sessions are well received by the employees and their family members. The Corporation also participates in friendly table tennis and soccer games with other organisations for the enjoyment of staff and building team spirit.



Bowling Fun Day

Care for the Community

Charity and Social Activities

The Corporation strongly encourages staff to support charity and fund-raising activities. In 2009, the Corporation staff made donation to the victims of a typhoon disaster in Taiwan. Other charity donation campaigns during the year included the Dress Special Day and the Walk for Millions for the Community Chest, and a fund-raising event for education projects in the Mainland China. Same as the previous years, Blood Donation Day for the Hong Kong Red Cross was also held in 2009.



Voluntary Service – Visiting the Elderly



Flag Day



Dress Special Day



Walk for Millions

In addition, the Corporation partnered with some social service organisations to take part in a number of voluntary services in 2009, including a Flag Day organised by the Hong Kong AIDS Foundation, and visits to the elderly and low-income families organised by the Salvation Army. The Corporation staff members are keen to participate in various voluntary services by devoting their time and effort to showcase their concern for the needy in the society.

Among the active volunteers in the Corporation, Alex Luk, Amy Wong and Cherry Lo would like to share their experience and thoughts on their contributions to voluntary services:

“My family joined a charity programme and an eleven-year-old boy, Xiao Tao, from Henan came to stay at our home during the Lunar New Year in 2009. Xiao Tao’s parents died of AIDS when he was still a toddler. During his stay, we not only provided him with accommodation and new clothes, but also our care and concern, which I think was the most important. Although Xiao Tao only stayed with us for a short time and we couldn’t do much to change the plight he was living in, I still hope our sincere concern could give him some comfort and encourage him to fight against the challenges. On the day when Xiao Tao left, I encouraged him to study hard and asked him to write to me. I hope all of us can help build a brighter future for the children.”



Alex Luk

Information Technology Department

“In February 2009, nine months after the devastating Sichuan earthquake on 12 May 2008, I joined a volunteer team which aimed to provide medical services and rehabilitation trainings to the earthquake survivors in Sichuan. The team consisted of physiotherapists, nurses, social workers and other professionals. I was responsible for providing administrative support.

The area we visited abounded with people who had lost their beloved families and properties, and many of them became crippled during the tragedy. Most of them were still living in temporary partition houses and tents during the freezing winter. Despite the adversity, the victims did not show any signs of succumbing. On the contrary, they displayed a great degree of perseverance, resilience and aspiration for a new life in their efforts to rebuild homes. Those hopeful faces and grateful smiles deeply touched my heart, reminding me how lucky I am. I wish I could have chances to visit them again in the future.”



Amy Wong

Risk Management Department

“Since 2003, I have been serving as a volunteer for the Senior Citizen Home Safety Association and the Hong Kong Red Cross First Aid Team. My target groups are the elderly, the handicapped, children and people from broken families. I find it very meaningful to help the people in need, and am very happy that I have built a close bonding with the other volunteers from all walks of life.

Most of the Hong Kong people are living in affluence, but there are still many fighting against poverty, who need the care, support and help from the society. Although I am not as great as Mother Theresa, I often remind myself of not missing any chance to help the others.”



Cherry Lo
Operations Department

Student Programmes

To help nurture talents for the future, the Corporation provides a number of internship and placement programmes for undergraduates so that they can have a taste of the real business world and better prepare themselves for their future career. The students who have joined the programmes are all very pleased with the valuable learning and working opportunities they have been exposed to.

Environmental Protection

The Corporation has continuously supported and implemented various green measures to make the office more environmentally-friendly. It has strived to raise the staff awareness of waste reduction and energy conservation. Employees are encouraged to adopt a paperless working practice by using more electronic communication means. They are also encouraged to collect waste paper and used toner cartridges for recycling, as well as to switch off their computers before they leave the office every day. Since 2006, the Corporation has undertaken new measures to better control the office temperature in the interest of energy efficiency. The Corporation welcomes its staff to make suggestions for a greener office and encourages its suppliers to use or offer more environmentally-friendly products whenever possible.

2010 Outlook

While the economy is gradually recovering from the global financial crisis, the prospect of a double dip recession cannot be ruled out. The Corporation will continue to play its critical role as a liquidity provider to promote banking and financial stability in Hong Kong. It will also continue to promote home ownership for Hong Kong families through enhancement of its MIP to better serve the homebuyers and the banking sector.

The Corporation will also focus on developing new mortgage products in Hong Kong to complement Government initiatives and meet the needs of society. It will also keep on contributing to the development of debt and securitisation markets through regular issuance and product innovation.



FINANCIAL REVIEW

Given the economic stimulus and liquidity measures by governments and central banks across the globe, the global economy showed clear signs of improvement in the second half of 2009. The HKSAR Government implemented the strategies of “stabilising the financial system, supporting enterprises and preserving employment” in the shortest possible time and provided impetus to the local economy and restored people’s confidence. For 2009 as a whole, the economy registered a year-on-year decline of 2.7% in real terms, as compared to a growth of 2.4% in 2008. Underpinned by strong influx of liquidity, the local economy showed a significant upturn later in the year. By the end of 2009, Hang Seng Index rebounded by 52% from the end of 2008 and the local property prices rose nearly 25% from the trough hit in December 2008 on investment demand, recouping all the price correction during the financial crisis. Luxury residential units recorded even larger gains and made record prices since the peak in 1997. The positive wealth effects from the booming asset markets lifted consumer confidence, boosted local spending and improved unemployment. Retail sales have seen a significant rebound in recent months registering an increase of 12.8% in the final quarter as compared to a decline of 3.4% in

the first three quarters, reflecting a return of consumer confidence. The unemployment rate steadily came down for four consecutive months, registering 4.9% for the final quarter of 2009.

Income Statement

Financial Performance

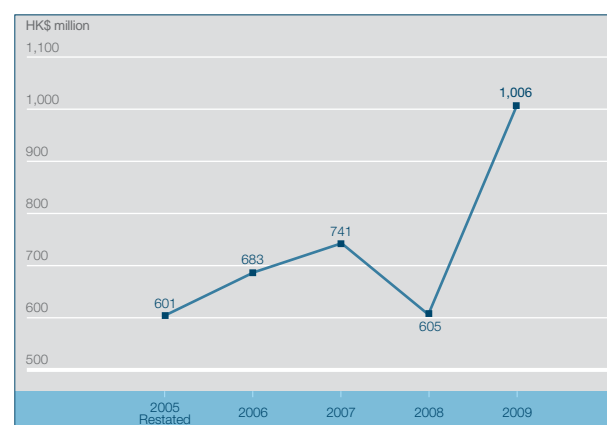
Riding on the strong rebound of the Hong Kong economy and the property market’s rally amid the favourable interest rate environment, the Corporation managed to achieve good financial results in 2009. Profits attributable to shareholders amounted to HK\$1,006 million in 2009 (Figures 1 and 2), recording a year-on-year growth of 66.3%, which was mainly attributable to the full-year effect of the significant loan purchases made in response to banks’ liquidity needs during the global financial crisis, the favourable Prime-HIBOR spread and excellent loan quality.

Operating profit before impairment increased by HK\$441 million, or 65.8%, to HK\$1,111 million, supported by the key drivers, net interest income that grew 46.2% and other income which rebounded by 127.5%.

Figure 1
Summary of Financial Performance

	2009 HK\$ million	2008 HK\$ million
Operating profit before impairment	1,111	670
Profit before tax	1,150	634
Profit attributable to shareholders	1,006	605
Return on shareholders’ equity	16.2%	10.5%
Return on assets	1.6%	1.1%
Cost-to-income ratio	12.4%	17.5%
Capital-to-assets ratio	9.5%	8.7%

Figure 2
Profit Attributable to Shareholders



The return on shareholders' equity rose to 16.2% (2008: 10.5%), while the return on assets climbed to 1.6% (2008: 1.1%). Although the increased resources to enhance risk management lifted the operating expenses by 11.3%, the significant rise in operating income by 56.3% improved the cost-to-income ratio to 12.4% (2008: 17.5%). The capital-to-assets ratio remained robust at 9.5% (2008: 8.7%), well above the guideline of a minimum at 5% stipulated by the Financial Secretary.

Figure 3
Net Interest Income

	2009 HK\$'000	2008 HK\$'000
Interest income	1,338,301	1,825,214
Interest expense	(300,594)	(1,115,364)
Net interest income	1,037,707	709,850
Average interest-earning assets	60,017,628	53,515,092
Net interest margin	1.7%	1.3%
Net interest spread on interest-bearing liabilities ¹	1.7%	1.1%

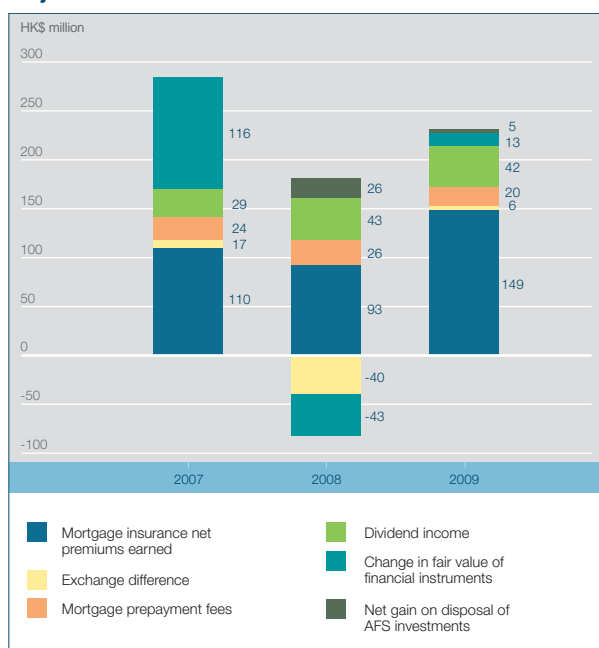
¹ Net interest spread on interest-bearing liabilities = Return on interest-earning assets – Funding cost on interest-bearing liabilities

Average loan portfolio rose by HK\$10.5 billion as compared to 2008, following the significant mortgage purchases in late 2008 to provide banking liquidity, which was offset partially by the reduction in cash and available-for-sale investments of HK\$4.2 billion and thus resulted in a net increase of HK\$6.5 billion average interest earning assets in 2009. This improved the net interest income for the year by 46.2% from HK\$710 million to HK\$1,038 million (Figure 3). The net interest spread on interest-bearing liabilities rose to 1.7%, compared to 1.1% for 2008, mainly reflecting the favourable Prime-HIBOR spread. Taking into account the shareholders' equity, the net interest margin improved from 1.3% to 1.7%.

Other Income

Other income reported a sharp increase of 127.5% to HK\$232 million in 2009 (2008: HK\$102 million). The key item was the mortgage insurance premium earned from the MIP (Figure 4).

Figure 4
Major Sources of Other Income



The Corporation operates the MIP business on a risk-sharing basis with approved reinsurers. Whereas the new residential mortgage loans drawn down in the market increased from HK\$184.8 billion in 2008 to HK\$199.3 billion in 2009, the Corporation's new business underwritten under MIP rose from HK\$20.4 billion to HK\$36 billion due to the significant improvement in usage rate (in terms of drawdown loan amount against total market mortgage drawdown) from 11% to 18%. The risk-in-force borne by the Corporation grew by 102.9% to HK\$11.6 billion in 2009. As a result, the net premiums earned before claims incurred for the year increased by 26.7% from HK\$135 million to HK\$171 million. After reserving the additional provisions for outstanding claims of HK\$22 million, the net premiums earned after provisions increased by 60.2% from HK\$93 million to HK\$149 million.

Change in fair value of financial instruments recorded a gain of HK\$13 million (2008: HK\$43 million fair value loss) amid a stable interest rate environment in 2009. Against 2008, the swing in mark-to-market value represented a drop in hedging costs and mark-to-market losses from asset-liability management in 2009.

Dividend income of HK\$42 million from listed investment securities equivalent to a dividend yield of about 5% was received in 2009 (2008: HK\$43 million), arising from the investments in bond fund and real estate investment trust.

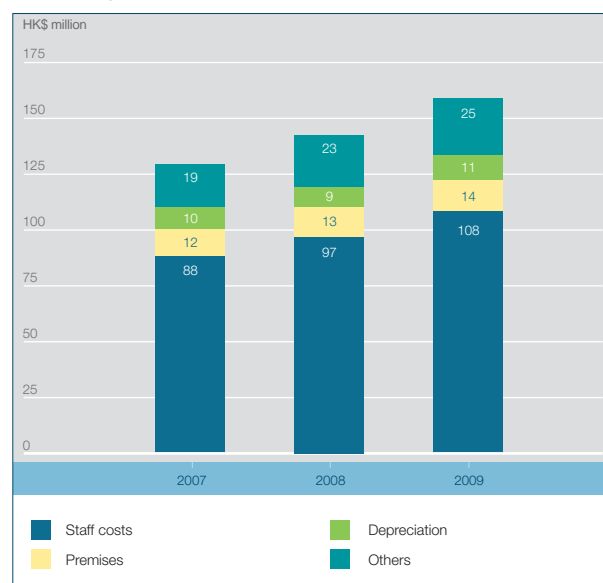
Early prepayment fees were HK\$20 million, 23.1% lower than that in 2008 (2008: HK\$26 million), reflecting the decrease in mortgage refinancing activities in 2009.

An exchange gain of HK\$6 million was recorded as compared to a loss of HK\$40 million in 2008, primarily due to the revaluation on US dollar net exposures.

Operating Expenses

The Corporation continued to maintain stringent cost controls and improved operating efficiency. Operating expenses recorded an increase of 11.3% to HK\$158 million as compared to 2008, but HK\$17 million lower than that of the approved budget. Staff costs rose by 11.3% to HK\$108 million, mainly for the establishment of the Risk function and further enhancement of credit risk management capabilities, accounting for 68.6% of the total operating expenses (2008: HK\$97 million and 68.5%). Premises rental and the related costs increased slightly by HK\$1 million to HK\$14 million, mainly attributable to the increase in office area. Depreciation charges on assets increased by 22.2% to HK\$11 million (2008: HK\$9 million) (Figure 5).

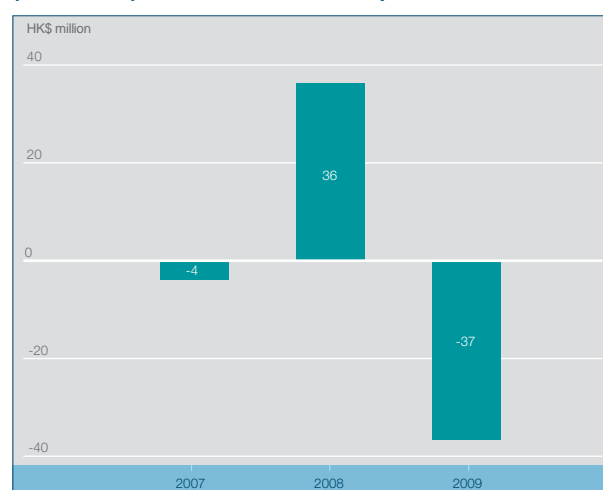
Figure 5
Operating Expenses



Allowance for Loan Impairment

Asset quality remained strong, with the delinquency ratio stayed at 0.04% in 2009, the same level as 2008. Collective assessment for loan impairment of HK\$37 million was written back in 2009 (Figure 6) in light of the general rebound of the property market and a reduction of loan portfolio by HK\$7 billion to HK\$43.8 billion.

Figure 6
(Write-back) / Provisions of Loan Impairment Allowances



In respect of the overseas mortgage loan portfolio, the asset quality remained healthy as a result of stringent purchasing criteria and prudent risk mitigation. No collective assessment for loan impairment was needed for 2009 (2008: nil).

Total allowance for loan impairment accounted for 0.03% of the outstanding principal balance (HK\$43.8 billion) of the loan portfolio as at end-2009, generally similar to the local market level (Figure 7).

Figure 7
Ratios

	2009	2008
Delinquency ratio for loan portfolio overdue for more than 90 days	0.04%	0.04%
Total allowance for loan impairment as a percentage of the gross loan portfolio	0.03%	0.10%

Financial Position Sheet

Total assets fell by HK\$5.8 billion to HK\$59.8 billion (2008: HK\$65.6 billion) (Figure 8), mainly due to the reduction of loan portfolio by HK\$7 billion to HK\$43.8 billion. Surplus cash from the mortgage receipts was invested in short-term investment securities to bridge the redemption of matured debt securities issued.

Figure 8
Asset Deployment



Loan Portfolio

During the year, the Corporation made a purchase of HK\$8.8 billion loan assets (2008: HK\$26 billion), including HK\$5.7 billion of mortgage assets in Hong Kong and HK\$3.1 billion of residential mortgage portfolio in Korea.

At the end of 2009, the outstanding balance of local residential mortgage portfolio and securitised portfolio stood at HK\$22 billion and HK\$1.3 billion respectively. The outstanding balance of Korean residential mortgages was HK\$15.4 billion. The commercial mortgage portfolio, backed by local commercial buildings, was HK\$4 billion.

The average prepayment rate of the loan portfolio (including securitised mortgages) increased from 13.8% in 2008 to 16.3% for 2009. Mainly due to the normal run-off and competitive refinancing activities in the local mortgage market, the loan portfolio recorded a net reduction by HK\$7 billion to HK\$43.8 billion (Figure 9).

A significant improvement in the property market price saw loan impairment provisions fall by HK\$37 million to HK\$14 million. During the year, the loans written off amounted to HK\$3 million (2008: HK\$4 million), which were offset by the recovery of HK\$3 million of loans previously written off (2008: HK\$5 million).

Figure 9
Loan Portfolio, Net

	2009 HK\$'000	2008 HK\$'000
Mortgage portfolio		
Residential		
– Hong Kong	21,980,141	27,624,099
– Overseas	15,441,285	15,905,032
Commercial	4,000,000	4,000,000
Securitised portfolio	1,314,685	1,878,761
Non-mortgage portfolio	1,066,616	1,402,756
	43,802,727	50,810,648
Allowance for loan impairment	(14,011)	(50,536)
Loan portfolio, net	43,788,716	50,760,112

Investment Securities

The Corporation adopts a prudent and low-risk approach in managing its surplus funds and investment activities in accordance with the approved investment guidelines. The Corporation's investment portfolio is mainly made up of bank deposits, short-term commercial paper, certificates of deposit, bonds, yield-based government bond funds and real estate investment trust. The liquid investment portfolio serves as a buffer to support the Corporation's business operations, enabling it to respond quickly and smoothly to unforeseen liquidity requirements. As at 31 December 2009, the total investment portfolio stood at HK\$9.4 billion which included HK\$3.6 billion of available-for-sale investments and HK\$5.8 billion of held-to-maturity investments. The increase in investment portfolio from HK\$7.7 billion in 2008 was due to the active pre-funding activities in 2009, in contrast with the contraction in 2008 to meet funding needs following the outbreak of financial crisis. With the prudent investment guidelines and asset and liability management, the Corporation did not directly or indirectly hold any sub-prime investment, special investment vehicles, collateralised debt obligations or debt securities issued by the failed financial institutions in its portfolios. There were no impairment losses or provisions against the investment portfolio in 2009 (2008: nil).

Debt Securities Issued

The Corporation issued a total of HK\$22.7 billion of debts in 2009, comprising HK\$15.5 billion debts under the DIP and HK\$7.2 billion under the MTN. All non-Hong Kong dollar debts issued under MTN were swapped into Hong Kong dollar or US dollar liabilities. As at 31 December 2009, the total outstanding balance of debts issued rose slightly by 4% or HK\$1.7 billion to HK\$44.5 billion as compared with 2008. The rise reflected the net increase after redemption of HK\$19.6 billion debts matured in 2009 and the change in fair value of debt securities issued. Without taking into account the expected full and partial prepayments, the average life of the loan portfolio at the end of 2009 was nine years on a contractual basis while 86.7% of the Corporation's outstanding debts would mature within five years, given that the Corporation has issued debts with tenors from one month to 15 years.

Mortgage-Backed Securities Issued

During the year, the Corporation did not issue any MBS. As at 31 December 2009, the total outstanding balance of the MBS issued dropped by 37.5% or HK\$1.2 billion to HK\$2 billion from 2008, reflecting the redemption of MBS in 2009.

Advance from the Exchange Fund

The Corporation has a HK\$30 billion Revolving Credit Facility from the Exchange Fund as back-up liquidity. During the year, the Corporation repaid all outstanding advances (HK\$8 billion from 2008) under the facility.

Overseas Businesses

The Corporation acquired HK\$3.1 billion of Korean mortgage portfolio in 2009, and the outstanding balance stood at HK\$15.4 billion by year end.

The Corporation has joint ventures in Malaysia (50% owned) and in Shenzhen, China, (90% owned) with an investment of HK\$121 million and HK\$102 million respectively, together representing 0.4% of the Corporation's total assets. The joint venture in Malaysia engages in mortgage guarantee business and recorded a share of profit of HK\$1.9 million in 2009 as compared to a loss of HK\$8,000 in 2008. The joint venture in Shenzhen started its bridging mortgage guarantee business in late 2009 and incurred a loss of HK\$4.3 million mainly due to the initial set-up cost. The aggregate profit contribution from the overseas businesses amounted to HK\$126 million (2008: HK\$52 million), or 11% of the Corporation's profit before tax in 2009.

Cash Flow Management

In 2009, the Corporation generated HK\$1.2 billion (HK\$0.6 billion in 2008) of cash flows from operating activities before changes in operating assets and liabilities, derived mainly from net interest income received. Repayment on mortgage portfolio was used to finance debt securities redemption and invest in short-term available-for-sale investment portfolio. Net increase in cash amounted to HK\$1.1 billion in 2009, which compared favourably to HK\$338 million in 2008.

Capital Management

The Financial Secretary has approved the following capital adequacy framework to account for different levels of risk

embedded in the financial products under the MPP, the two MBS Programmes, non-residential mortgage loans, non-mortgage loans and the MIP (Figure 10).

Figure 10

Product	Minimum Capital-to-Assets Ratio
Mortgage Purchase Programme	
(i) regular mortgage loans	5% of regular mortgage loan portfolio (based on outstanding principal balance or committed amount plus accrued interest)
(ii) loans originated under the Home Starter Loan Scheme (HSLs) and Sandwich Class Housing Loan Scheme (SCHLS)	2% of HSLs and SCHLS loans (based on outstanding principal balance or committed amount plus accrued interest)
Mortgage-Backed Securities (MBS)	2% of MBS portfolio (based on outstanding principal balance plus accrued interest)
Securitised mortgage loans transferred from the Corporation to the special purpose entities (SPE) that are qualified for derecognition from the Corporation's balance sheet before account consolidation of the SPE	0% of securitised mortgage loans
Securitised mortgage loans transferred from the Corporation to the SPE that are not qualified for derecognition from the Corporation's balance sheet before account consolidation of the SPE, where the mortgage-backed securities issued are:	
(i) guaranteed by the Corporation	2% of securitised mortgage loans
(ii) not guaranteed by the Corporation	5% of securitised mortgage loans
Non-residential mortgage loans	8% of the non-residential mortgage loan portfolio
Non-mortgage loans	8% of the non-mortgage loan portfolio
Overseas residential mortgage loans	The capital requirement applicable to the jurisdiction in which the overseas residential property is situated to adjust for the 5% requirement on regular mortgage loan portfolio
Mortgage Insurance Programme	0% of risk-in-force value of exposure covered by the reinsurance arrangement with Approved Reinsurers
	5% of risk-in-force value of exposure not covered by the reinsurance arrangement

The capital base, defined as shareholders' equity excluding hedging reserve plus the allowance for loan impairment under collective assessment, grew by 12.5% from HK\$5.6 billion in 2008 to HK\$6.3 billion in 2009 amid the earnings growth. At the end of 2009, the aggregate amount of the Corporation's on-balance sheet assets and off-balance sheet exposure was HK\$66.2 billion, which mainly consisted of HK\$35.2 billion of risk-weighted mortgage loans, HK\$1.7 billion of hire purchase assets, HK\$9.4 billion of investment securities, HK\$4.1 billion of cash and bank balances, HK\$11.6 billion of risk-weighted mortgage insurance exposure, HK\$2.8 billion of replacement costs and potential future credit exposures of derivative contracts, HK\$0.3 billion of risk-weighted guarantee exposure under the MBS programmes and HK\$1.1 billion of other assets. The CAR stood at a healthy level of 9.5%, well above the minimum level of 5% stipulated by the Financial Secretary (2008: 8.7%).

Dividend

At the Annual General Meeting held on 20 April 2010 Shareholders, having considered the exceptional financial performance of the Corporation in 2009, approved a final dividend of HK\$0.25 (2008: HK\$0.125) per share, totalling HK\$500 million (2008: HK\$250 million), representing 49.7% of the profit after tax.

核心使命



透過提供可靠的流動資金去**提高**銀行業**穩定性**，**減低**銀行按揭借貸的**過度集中**及**流動性風險**



促進香港債券及按揭證券市場的**發展**



協助**更多市民**在香港**置業安居**



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財務摘要

	二零零九年 千港元	二零零八年 千港元	二零零七年 千港元
本年度			
淨利息收入	1,037,707	709,850	649,332
股東應佔溢利	1,006,469	604,994	740,664
購買貸款	8,768,789	26,037,165	9,603,916
已發行債券	22,688,680	24,405,704	16,412,345
按揭保險 — 已收取淨保費	784,650	358,579	153,901
於年終			
貸款組合淨額	43,788,716	50,760,112	34,460,291
總資產	59,750,624	65,628,334	48,627,923
已發行債券	44,495,073	42,814,988	33,311,190
已發行按揭證券	2,020,394	3,225,624	4,229,159
按揭保險 — 承擔風險 ¹	11,592,494	5,713,065	3,512,923
其他數據			
淨息差	1.7%	1.3%	1.5%
資本對資產比率	9.5%	8.7%	11.2%
成本對收入比率	12.4%	17.5%	13.6%
資產回報率	1.6%	1.1%	1.6%
股東資金回報率	16.2%	10.5%	13.7%

¹ 承擔風險已撇除已作出再保險安排的風險。



主席報告



儘管面對全球金融危機、經營環境困難，本公司仍然展示出抵禦風險的能力，發揮策略性角色：

- 以審慎的商業態度透過向本地銀行購買貸款資產，為銀行提供流動資金，促進金融穩定
- 透過按揭保險計劃促進置業安居
- 推動香港債券市場的進一步發展和增長

促進銀行及金融穩定

本公司於二零零九年購入總值57億港元的本地資產，透過購入資產向銀行提供流動資金。在亞洲金融風暴及近期全球金融危機的困難時期，本公司作為流動資金供應者的角色顯得尤其重要。隨著充足的資金流入，市場已經回穩，銀行對出售資產換取流動資金的需求已不及之前殷切。然而，本公司繼續堅守着這重要的平台，以協助滿足銀行對流動資金及審慎管理資本和資產負債表的需求。

促進置業安居

本公司的按揭保險計劃提供了一個有效的渠道，促進更多人士在香港置業，當中首次置業的人士尤其受惠。二零零九年，按揭保險計劃貸款額創下360億港元的新高，使用率（以按揭保險計劃下新取用貸款所佔整體市場新取用按揭貸款總額的百分比計算）由二零零八年的11%上升至18%。自一

九九九年以來，按揭保險計劃合共協助超過73,000戶家庭購置物業，貸款額合共超過1,510億港元。按揭保險計劃的平均貸款額為210萬港元，顯示按揭保險計劃主要幫助首次置業的人士置業。

按揭保險計劃的按揭貸款整體表現一直良好，於二零零九年底貸款拖欠超過90日的比率僅佔0.003%，主要有賴於本公司嚴謹的按揭承保準則，不僅有助減低本公司面對的風險，亦同時為銀行保持優質按揭組合提供良好的基準。

推動債券市場發展

本公司繼續維持優秀的信貸評級，分別獲得標準普爾的「AA+」及穆迪的「Aa2」評級，與香港特區政府的信貸評級看齊。本公司一直積極推動債券市場的發展，協助鞏固香港的國際金融中心地位。本公司並擔當

一個重要的中介角色，將長期保險、退休金及投資基金的資金引向按揭市場，使香港更多不同階層的人士有能力安居置業。

二零零九年，本公司發行多種債務工具集資合共227億港元，連續第九年保持在港元債券市場最活躍企業發債體的地位。二零零九年十二月三十一日，已發行而未贖回的債務及按揭證券總金額達465億港元。

二零零九年表現

本公司二零零九年的財務業績相當理想，除稅後溢利創新高達10.06億港元，較二零零八年增加66%。股東資金回報率為16.2%，而資本對資產比率為9.5%。本公司宣布派發5億港元末期股息。

本公司以審慎的商業原則經營，二零零九年表現強勁，主要是由於在全球金融危機

期間配合銀行業流動資金需求，而大量購入貸款，加上利好利率環境及優良貸款組合質素，以及本公司的審慎業務拓展策略及穩健風險管理。強勁的業務表現鞏固了本公司的財務狀況，同時大大提高本公司實踐其政策目標的策略性功能。

二零一零年展望

二零一零年亦將會是另一個充滿挑戰的年頭。美國及其他政府的退市策略對香港經濟的潛在影響難料，值得市場關注，並且不能排除經濟出現雙底衰退的可能性，因此維護香港金融體系穩健尤其重要。有見及此，本公司會繼續加強業務重心於香港，實踐本身的核心目標。本公司會致力進一步發展香港的置業融資制度，配合政府政策研發新產品，使有意置業人士更容易取得按揭融資。本公司以審慎的準則購入按揭貸款及承保按揭保險計劃下的貸款，為市場維持良好的按揭貸款質素提供一個有用的基準。

在進行業務及融資活動的同時，本公司會繼續穩健的風險管理，維持良好的公司管治。本公司會努力進一步改良風險管理架構，以提升效能，鞏固應付未來挑戰的能力。

除了本身的業務目標外，本公司亦致力履行對僱員及企業社會的責任，並鼓勵員工參與社區活動及公益事務，推廣工作與生活的平衡，建構關懷社區的文化。

最後，本人謹此向董事局同寅、管理層成員及所有員工致意，感謝他們於二零零九年的竭誠工作。我期待按揭證券公司於二零一零年再次締造佳績。



主席

曾俊華

董事局 成員



曾俊華先生，太平紳士
主席
財政司司長



陳德霖先生，SBS，太平紳士
副主席
(於二零零九年十月一日獲委任)
香港金融管理局總裁



任志剛先生，GBS，太平紳士
副主席
(於二零零九年十月一日退任)



陳家強教授，SBS，太平紳士
董事
財經事務及庫務局局長



鄭汝樺女士，太平紳士
董事
運輸及房屋局局長



彭麗榮先生，太平紳士
執行董事
香港金融管理局副總裁



余偉文先生，太平紳士
執行董事
香港金融管理局副總裁



張炳良教授，GBS，BBS，太平紳士
董事
行政會議成員
消費者委員會主席



夏佳理先生，
CVO，GBS，OBE，太平紳士
董事
(於二零零九年四月十六日退任)
行政會議成員
金杜律師事務所高級合夥人
香港交易及結算有限公司主席



李國寶博士，
GBM，GBS，LLD (Cantab)，太平紳士
董事
立法會議員
東亞銀行主席兼行政總裁



石禮謙先生，SBS，太平紳士
董事
立法會議員



梁君彥先生 · SBS · 太平紳士
董事
立法會議員
新興織造廠有限公司主席



陳健波先生 · 太平紳士
董事
立法會議員
慕尼黑再保險公司香港分公司
中國事務理事會理事



李慧琼女士
董事
(於二零零九年四月十六日獲委任)
立法會議員



陳鑑林先生 · SBS · 太平紳士
董事
(於二零零九年四月十六日退任)
立法會議員



萬志輝先生
董事



陳清賜先生
董事
花旗銀行
亞太區資金部總監



方正先生 · GBS · 太平紳士
董事
證券及期貨事務監察委員會主席



鄭蔚彤女士
董事
(於二零零九年四月十六日獲委任)
香港上海滙豐銀行有限公司
亞太區個人理財業務總監



黃嘉純先生 · 太平紳士
董事
(於二零零九年四月十六日獲委任)
胡百全律師事務所合夥人



陳淑莊女士
董事
(於二零零九年四月十六日獲委任)
立法會議員



單仲偕先生 · SBS · 太平紳士
董事
(於二零零九年四月十六日退任)
民主黨副主席



林炎南先生
董事
(於二零零九年四月十六日退任)
中國銀行(香港)有限公司副總裁

管理層

► (由左至右)

張秀芬女士
鄭鑒銓先生
劉怡翔先生，太平紳士
廖志強先生



▼ (由左至右)

前排

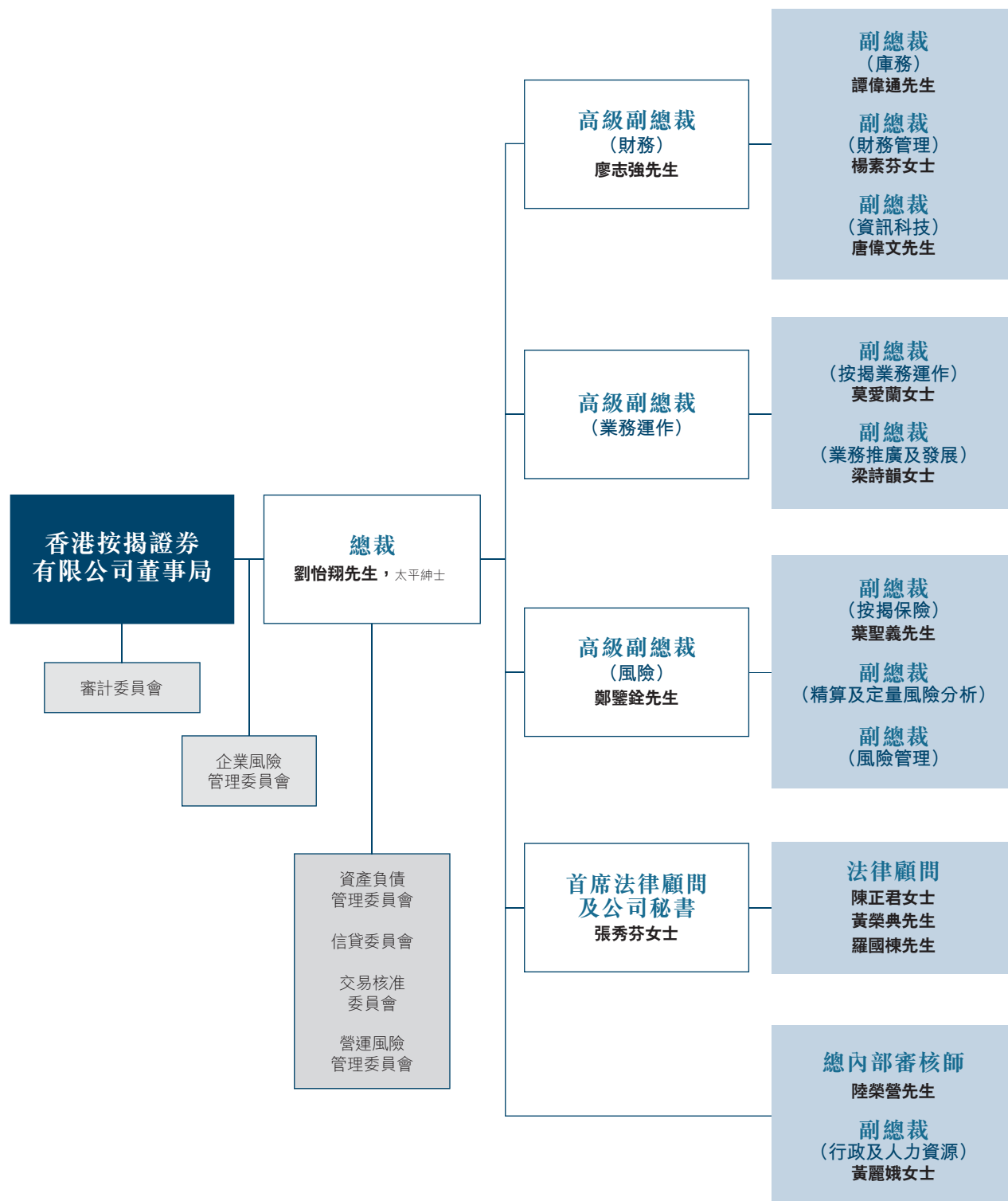
梁詩韻女士
黃榮典先生
莫愛蘭女士
陳正君女士

後排

楊素芬女士
譚偉通先生
陸榮營先生
葉聖義先生
羅國棟先生
黃麗娥女士
唐偉文先生



組織架構





公司管治 報告

公司管治常規

本公司致力確保高度的企業管治準則，提升整體問責制度、透明度及長遠持續營運能力，以達成其所定下的三項主要目標。本公司採納之公司管治常規載於董事局通過的「公司管治守則」（「守則」）內。「守則」以公平、透明、問責及向所有持份人承擔責任為前提。「守則」已向股東及董事發出，並載於本公司的網頁內供公眾查閱。

本公司於二零零九年內嚴格遵守「守則」，一直以維持穩健及理性的公司管治架構以達到有效及審慎的管理為重點。

本公司於二零零九年所採納的企業管治提升措施

香港廉政公署（「廉政公署」）於二零零九年十一月刊發公營機構的良好管治及內部監控的防貪指南（「防貪指南」）

因應廉政公署近期刊發的「防貪指南」，管理層已擴大本公司的自我評審表格，整理出一套更全面的清單供各部門在審查最佳常規的遵守情況時使用。

加強風險監察及管理

二零零九年，本公司為進一步加強問責制度及對持份人的責任，成立了新部門協助總裁監察及管理風險，並向董事局作定期企業匯報。

新部門亦負責檢查風險承擔、風險政策及一般風險管理常規的遵守情況，並對本公司整體風險管理架構作出必要調整。

本公司亦已增設兩個新委員會（企業風險管理委員會及營運風險管理委員會），提供集中於風險評估事宜的平台。

股東

本公司所有股份均由香港財政司司長以外匯基金管理人身份實益擁有。因此，董事局在公司按審慎的商業

原則營運的同時，也盡力確保公司能在符合最佳國際標準的良好公司管治常規下取得優良表現。

董事局

董事局以負責任及有效率的方式領導本公司獲取佳績。為履行其策略性領導及對本公司實施有效監控的職責，董事局至少每三個月召開一次必須由董事親身出席的董事局會議，以檢視本公司的業務策略及政策、預算及規劃、組織及財務表現、風險管理、人力資源，以及社區關係，而在董事局需要就重大事項作出決定的其他情況下亦會召開董事局會議。為確保董事局作出持平的決定，本公司董事包括來自政府及監管機構的官員、政黨、銀行界、保險界、工商業組織、會計界、法律界，以及消費者委員會的代表。於二零零九年，董事局共舉行了四次季度會議。

若有董事於董事局正在考慮的任何交易中擁有直接或間接權益的情況，須於董事局會議上申明，並適時地避席有關討論。於每個財務報告期間，本公司均要求董事確認在本公司或其附屬公司的交易中所擁有的重

大權益。對本公司業務而言關係重大且董事擁有其中重大權益之合同及／或重大關連人士交易，均已參照截至二零零九年十二月三十一日止年度財務報表附註33，於董事局報告書內披露。

於二零零九年十二月三十一日，董事局由十八名董事組成，全部由財政司司長以公司股東身份委任。有關董事的資料載於年報中董事局報告書內。所有董事(四名執行董事除外)均為非執行董事，獨立於公司管理層。最新董事名單刊載於本公司網站(www.hkmc.com.hk)。儘管非執行董事毋須積極參與本公司的日常管理，其在董事局審議的事項上依然扮演重要角色，提出獨立的判斷及提供廣博的專業知識，有效推動管理層執行公司政策。本公司並無向董事支付酬金。

對於每位新委任的董事，本公司都會向其提供有關本公司業務、策略及目標的簡介，確保新董事了解本公司的事務。

非執行董事的任期一般為一年，一般於股東週年大會獲委任。根據本公司的公司組織章程細則，全體非執行董事須於獲委任後的下一屆股東週年大會退任，惟可參選連任。

本公司已為董事及管理人員在履行職務過程中可能引起的法律訴訟程序及其他追索作出適當的保險安排。

主席與總裁

於二零零九年度，主席一職由曾俊華先生擔任。總裁的職位由劉怡翔先生擔任。將主席與總裁的職位分開能確保董事局職責與公司管理層行政職責明確劃分。董事局負責制定策略性方向及業務指引，批准財務提案及持續密切監察公司業務的表現。總裁向董事局負責，肩負帶領管理層以適當而有效的方式執行董事局決策的重任。總裁確保有關公司業務的資料充分地定期向董事局匯報。

公司秘書

公司秘書向董事局直接負責，主要職責為確保公司及董事局依循所有公司秘書程序。此外，公司秘書負責監督董事局會議議程及會議文件的編製，並確保該等文件於每次董事局會議及公司股東週年大會前適時向董事全面發送。董事可免費向公司秘書徵詢有關公司管治事宜的意見，公司秘書亦就有關避免利益衝突而作出的適當聲明等事宜向董事提供指引。

二零零九年的董事局會議時間表已提前發送予董事，以便董事安排出席會議。董事均於每次董事局會議舉行前至少七天收到董事局會議文件，讓各董事在會議舉行前有充足時間閱覽有關資料。董事局會議文件內容，一般包括有關議程的詳盡背景及／或說明資料，並且(如適用)包括支持文件、分析、研究結果、計劃書、預算及預測等。然而，在董事局會議文件內某些議題如與個別董事出現利益衝突，則有關董事不會獲發有關議題的會議文件。

所有董事局會議均有詳細會議紀錄，包括會議所討論的事項、所達成的決定、董事所提出的問題及所發表的反對意見。董事局會議紀錄及審計委員會會議紀錄均由公司秘書保管，可供董事查閱，惟倘董事被視為與議程項目有利益衝突，該名董事則不得檢閱有關董事局會議文件及董事局會議紀錄。

審計委員會

於年內審計委員會成員包括：

- 李國寶博士：主席兼非執行董事
- 彭醒棠先生：執行董事
- 余偉文先生：執行董事
- 夏佳理先生：非執行董事
(至二零零九年四月十六日止)
- 方正先生：非執行董事
- 陳鑑林先生：非執行董事
(至二零零九年四月十六日止)
- 梁君彥先生：非執行董事
(自二零零九年四月十六日起)
- 石禮謙先生：非執行董事
(自二零零九年四月十六日起)



審計委員會會議

審計委員會負責審閱本公司的財務報表、該報表的編製及所採納的會計準則、財務審計的結果以及本公司的管理程序，確保內部監控充足及有效。審計委員會的職權範圍書載於本公司的網頁。

審計委員會定期與管理層、總內部審核師及外部核數師舉行會議，並在需要審理重大監控或財務事項時召開特別會議。審計委員會亦會因應須其考慮的特別事項召開臨時會議。審計委員會主席概述審計委員會曾進行的檢討，並於報告內摘錄重點提交董事局供董事審閱。於二零零九年，審計委員會共舉行了三次會議。

內部審核師

本公司設有內部審核部，其運作獨立於管理層，在監察公司的內部監控上扮演重要角色。總內部審核師負責領導該部門，並直接向審計委員會主席匯報有關內部監控的一切事宜，也同時向總裁匯報內部審核部的

日常行政職責，並可在毋須知會管理層的情況下，隨時向審計委員會主席報告有關事項。

於每個年度，審計委員會均會正式審批總內部審核師根據其獨立風險評估及於定期舉行的營運風險管理委員會會議獲悉的其他風險管理問題而編製的年度內部審核計劃。內部審核部根據該年度審計計劃採用以風險為基礎的審計方法，定期獨立審核內部監控制度。每次審核後，內部審核部會與相關部門主管及高級管理人員討論審核結果並提出建議。定期的內部審核報告首先會呈交由一名執行董事擔任主席的內部審計委員會。內部審計委員會的成員包括兩名執行董事、總裁、高級副總裁、首席法律顧問及總內部審核師。內部審計委員會編製的內部審核報告及會議紀錄其後會呈交審計委員會作進一步審閱，再轉交董事局參考。

一直以來，管理層積極地考慮總內部審核師提出的建議，並緊密地跟進有關方案的實施。二零零九年，內部審核部進行15次審閱及一次特別調查。

外部核數師

本公司的外部核數師為羅兵咸永道會計師事務所。核數師酬金的詳細資料於本公司財務報表內披露。外部核數師可隨時與總內部審核師及審計委員會溝通。為確保外部核數師的獨立性，外部核數師須根據香港會計師公會的專業會計師操守準則於開始審核工作前致函審計委員會，確認本身的獨立身份。羅兵咸永道會計師事務所已於二零零九年七月向審計委員會發出上述函件。

財務匯報

公司的目標是對其財務狀況和前景作出清晰、平衡和全面的評估。董事負責編製財務報表，而核數師亦會在財務報表核數師報告就其呈報責任發表聲明。年報載有公司核數師聲明，匯報其進行審核工作時對董事編製的財務報表發表及呈報獨立意見的責任。董事確保所編製的財務報表真實公平和合理地反映公司的財政狀況。就呈報及披露公司的財務報表及業績表現而

言，公司致力向股東及公眾全面披露公司的表現、狀況及前景。

內部監控

董事局對公司內部監控制度承擔整體責任，並透過審計委員會對該等制度的成效及效率作出定期檢討。

於二零零九年十二月，董事局批准成立企業風險管理委員會，由一名執行董事擔任主席，負責以企業角度監督公司整體的財務及非財務風險。此外，董事局亦批准成立營運風險管理委員會，定期審閱及監察所有營運風險項目。其他為確保公司維持高效營運及謹慎的風險管理而成立的委員會，包括信貸委員會、交易核准委員會及資產負債管理委員會。該等行政風險委員會（不包括企業風險管理委員會）均由總裁擔任主席，並以謹慎的準則及程序行事。該四個行政風險委員會及公司風險管理架構的詳情載於業務回顧一節。

內部監控制度旨在提供合理的保障，以防止重大的失實陳述或損失、管理在運作系統失效以及未能達致業務目標時可能出現的風險、防止未經授權使用資產，確保供內部使用及刊發用途的會計記錄的正確及遵從有關法律與法規。

於二零一零年三月，總內部審核師對各部門就二零零九年遵從「守則」情況所提交的自我評估報表格進行適當的獨立審核。根據本公司內部監控制度的審計結果及自我評估報表格，總內部審核師認為於二零零九年並無出現重大違章。

行為守則

本公司要求員工遵守最高的誠信及行為標準。這方面的規定及有關的法律責任已明確載於員工手冊內的行為守則（「行為守則」）。「行為守則」亦提醒員工須特別注意員工與公司之間可能產生的潛在利益衝突條文，

同時載示其他相關條文以確保員工能妥善地、合乎道德地、無私地，並在毋受任何不良影響的情況下執行工作。

「行為守則」載於本公司的內部網頁，供所有員工隨時參考查閱。

員工每年均須以書面確認已遵守「行為守則」。根據已收到的員工確認書，管理層認為員工於二零零九年內均遵守「行為守則」。

交流

本公司十分重視公司的公關事務。本公司的年報載列公司的業務策略及發展等全面資料。本公司的網站 (www.hkmc.com.hk) 適時地登載公司的新聞稿件及其他業務資料，本公司設有熱線電話系統供公眾人士查詢。

結論

董事局對本公司於二零零九年內的公司管治運作表示滿意。於二零一零年，本公司將繼續檢討公司管治架構，按實際經驗、監管制度的變更、國際市場走向及發展需要，適當地作出改善及更新「守則」，從而提升本公司的管理效率及效力，以達致其業務目標。

大事紀要

四月十六日

發布二零零八年財務業績及業務報告

六月十九日

發行10億港元15年期可贖回零息債券，為本地債券市場最大宗零息債券

六月十一日

刊發二零零八年年報



七月十日

深圳經緯盈富擔保有限公司開業典禮



八月四日

根據中期債券發行計劃首次公開發行5億美元定息債券



九月十一日

發布二零零九年中中期財務業績

十月一日

委任陳德霖先生為副主席兼執行董事

十月二十一日

於定息按揭計劃下推出特別計劃，提供1年至10年期的定息按揭產品



十月二十三日

宣布就按揭保險計劃之合資格準則作出修訂

十二月十日

提升按揭保險計劃的「度身訂造保費計劃」



業務回顧

雖然面對全球金融危機，但香港經濟在二零零九年初急劇下跌之後，市場隨即出現復蘇的跡象。即使市況反覆，本公司仍採取一貫的審慎原則，履行促進銀行業及金融體系穩定的策略角色。本地物業市場顯示強大的抗跌力，本公司亦凸顯在促進香港自置居所的重要作用，按揭保險產品的滲透率不斷上升。

業績摘要

市場經歷全球金融海嘯衝擊後正在逐步喘定，本公司繼續及時為銀行業提供流動資金。本公司的按揭保險產品可減低置業首期付款額，大受置業人士歡迎。

本公司於本年度的主要成績包括：

- 購入合共88億港元資產，包括於香港購買17億港元住宅按揭貸款及40億港元商業按揭貸款，亦以按揭證券形式購入31億港元的韓國住宅按揭貸款。
- 為新批按揭貸款提供按揭保險總額達到360億港元新高，使用率（以按揭保險計劃下新取用貸款所佔整體市場新取用按揭貸款的百分比計算）為18%。
- 按成本效益原則發行227億港元債券，使本公司連續第九年在港元債券市場保持最活躍企業發債體的地位。

- 維持優良的資產質素。二零零九年十二月三十一日住宅按揭保險組合拖欠還款（90日以上）及經重組貸款比率合計為0.003%，香港住宅按揭貸款組合的合計拖欠率（90日以上及經重組貸款比率）則為0.12%（與業內平均數0.12%相若），以所有資產類別合計則為0.07%。

- 長期外幣及港元債券分別獲標準普爾及穆迪投資者服務公司（「穆迪」）給予AA+及Aa2的評級。

本公司於二零零九年取得非常良好的財務業績：

- 除稅後溢利達10.06億港元，較二零零八年上升4.01億港元或66%。
- 在利率有利的情況下，淨息差增至1.7%的水平，較二零零八年的1.1%為高。
- 資產回報率為1.6%，較二零零八年上升0.5個百分點。
- 股東資金回報率為16.2%，較二零零八年增加5.7個百分點。
- 資本對資產比率保持於9.5%的穩健水平，遠超出5%的最低要求。
- 成本對收入比率為12.4%，遠低於銀行業的平均49.3%的水平。

營運摘要

整體業務策略

本公司的業務重點保持銀行業穩定、促進置業及發展香港債券市場。本公司致力保持實力及能力，以便能有效及實際履行本身的責任。

按揭保險

鑒於豪宅價格急升，本公司於二零零九年十月已採取措施收緊按揭保險計劃的若干合資格準則，以減低豪宅及非自住物業方面的風險。

本公司於二零零九年十二月再次修訂按揭保險計劃的「度身訂造保費計劃」，讓更多借款人可以獲得優惠折扣，而折扣程度亦有所擴大。

按揭保險計劃的使用率（以按揭保險計劃下新取用貸款所佔整體市場新取用按揭貸款的百分比計算）由二零零八年的11%增至二零零九年的18%，反映對按揭保險的需求上升。

本公司不斷為按揭保險計劃參與銀行的前線人員及信貸人員提供定期培訓，此乃本公司與銀行合作向公眾推廣按揭保險計劃的重要工作。

透過自動化及互聯網，本公司維持高效率的按揭保險申請批核程序。

融資

- 以審慎而具成本效益的方式發行合共227億港元而年期最長為15年的公司債券，所得資金用於購買按揭資產及贖回未到期債券。

- 本公司於本地機構投資者市場發行172億港元債券，連續第九年在港元債券市場保持最活躍的公司發債體地位。
- 本公司首次發行合共10億港元15年可贖回零息債券，是香港最大規模的發行，亦有助促進本地債券市場發展。
- 根據中期債券計劃在國際市場發行5億美元定息債券，擴大本公司的投資者基礎及資金來源，亦成為公開發行的基準。

市況概覽

基本經濟狀況

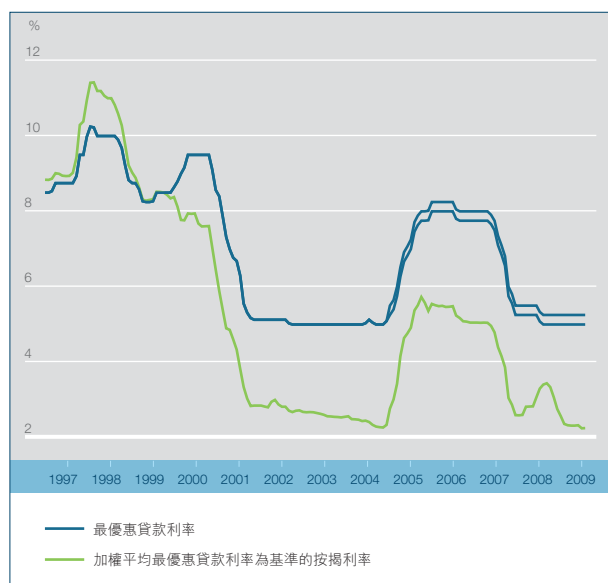
由美國次按危機所觸發的全球金融海嘯打擊下，香港經濟在二零零九年初出現嚴重收縮。然而，在中國蓬勃的經濟帶動下，香港經濟展現出高度抵禦風險的能力，渡過市場波動，自二零零九年第二季起出現復蘇跡象。在各國聯手採取恢復市場信心的政策下，全球經濟踏入二零零九年下半年亦開始喘定。香港特區政府亦及時採取措施穩定金融市場及銀行體系、消除流動資金的壓力、支持企業及保障就業，促進本地經濟及恢復市場信心。

二零零九年全年計算，香港本地生產總值實際減少2.7%，自一九九八年以來首次出現衰退。然而，經濟迅速反彈，實際本地生產總值於二零零九年第四季已返回2.6%正增長。就業市場亦有相當抗跌力，雖然外圍市場環境不斷惡化下香港失業率在二零零九年中一度急升至5.4%，但其後逐步回落，年底已減至4.9%。

利率環境

香港銀行業的資金狀況在二零零九年有所舒緩，在資金不斷流入之下，香港銀行同業拆息持續偏軟。最優惠貸款利率全年維持於5%至5.25%之間。銀行的按揭貸款業務競爭加劇，紛紛採取更為進取的定價策略，降低利率，部分更基於香港銀行同業拆息釐定息率以爭取市場佔有率。基於最優惠貸款利率釐定的按揭利率由二零零九年初的3.25%至3.5%減至二零零九年底的2.25%至2.5%（圖1）。基於香港銀行同業拆息釐定的按揭利率至年底低至香港銀行同業拆息+0.65%，一般不足1%。

圖1
最優惠貸款利率及按揭利率



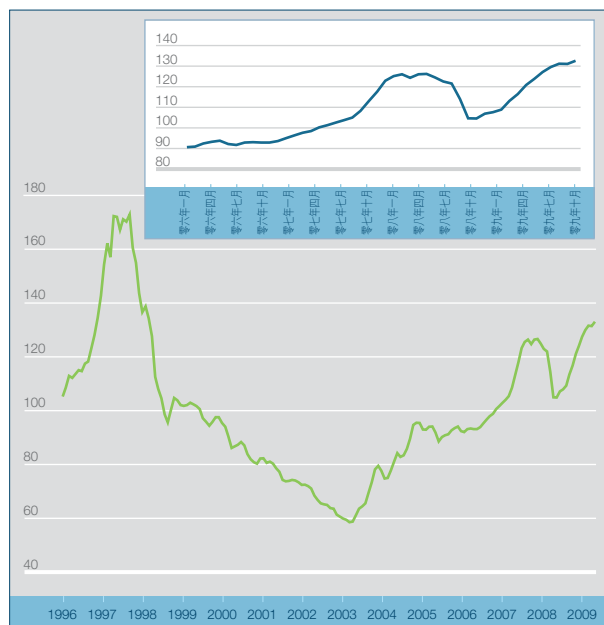
資料來源：香港金融管理局

物業市場

由於利率偏低加上大量資金流入，住宅物業市場於二零零九年強勁反彈，價格及成交量同時急升。根據差餉物業估價署所公布整體住宅的私人住宅售價指數，二零零九年十二月的住宅物業價格較去年上升28%。

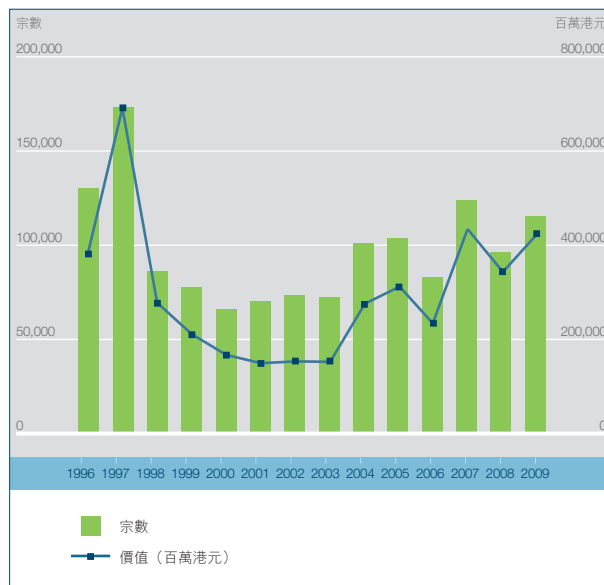
土地註冊處的統計資料顯示住宅物業總成交量及價格按年計算分別大幅上升20%及24%，達到約115,000宗及4,260億港元（圖2及圖3）。

圖2
私人住宅售價指數(1999=100)



資料來源：差餉物業估價署

圖3
住宅樓宇買賣合約

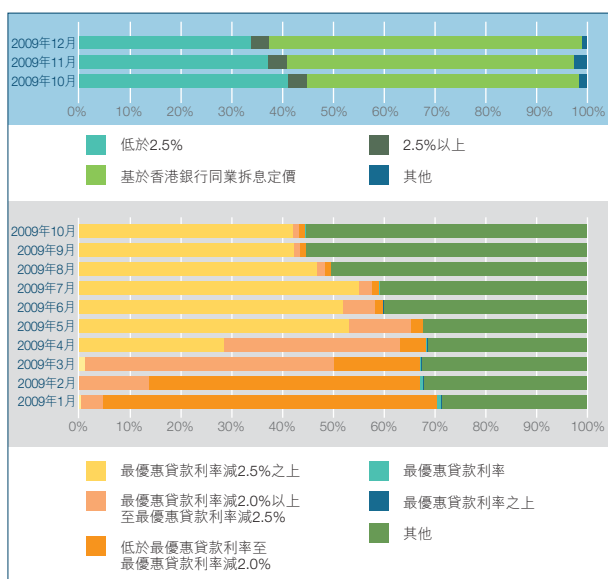


資料來源：土地註冊處

按揭市場

二零零九年物業市場蓬勃，加上銀行資金充裕，因此按揭借貸業務顯得份外吸引。銀行一般認為按揭市場風險偏低，因此紛紛以進取手法削減利率，參與競爭。根據香港金融管理局（「金管局」）的住宅按揭貸款每月統計調查，按最優惠貸款利率減2.5%以上定價的新批按揭貸款比例由二零零九年第一季不足1%急增至年底約40%。此外，更多借款人傾向選擇以目前處於低水平之香港銀行同業拆息作定價的按揭貸款。結果，基於香港銀行同業拆息定價的新批按揭貸款比例破紀錄增至二零零九年十二月的62%（圖4）。

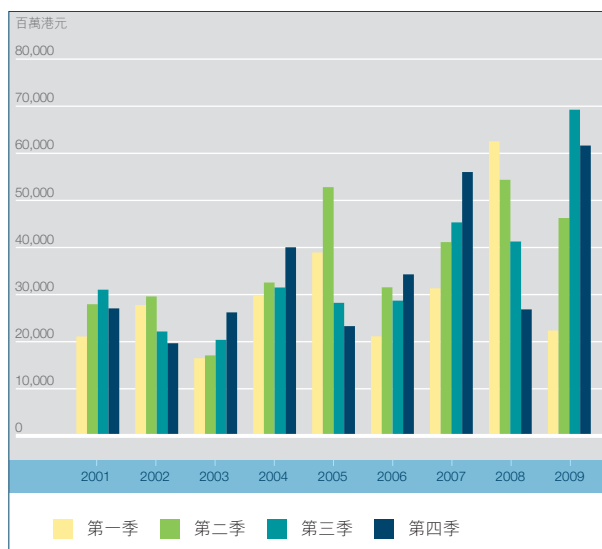
圖4
新批住宅按揭貸款



資料來源：香港金融管理局

由於物業市場蓬勃，二零零九年新增按揭貸款宗數亦顯著增長。根據金管局的住宅按揭貸款每月統計調查，年底未償還住宅按揭貸款總值較上升7.4%至6,980億港元（圖5）。

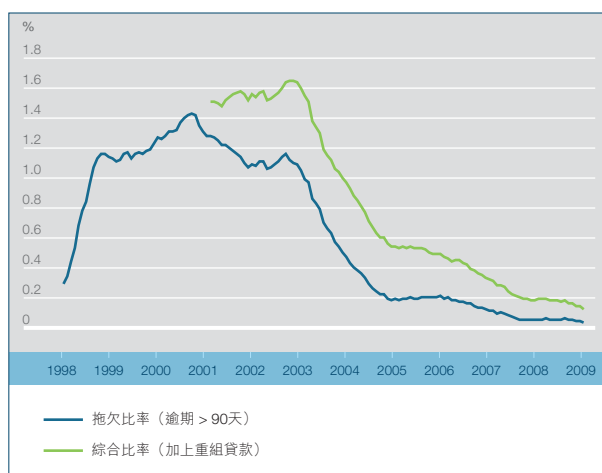
圖5
新增住宅按揭貸款



資料來源：香港金融管理局

由於業界採取審慎的借貸準則，加上金管局有效監管及監察按揭市場，二零零九年的住宅按揭貸款資產質素仍然良好，拖欠率偏低。金管局的調查顯示，二零零九年首三季過期90日以上的按揭貸款拖欠比率維持在0.05%的水平，至年底更下降至0.03%，而計入拖欠及重組貸款的綜合比率亦由二零零九年一月的0.19%減至十二月的0.12%（圖6）。

圖6
住宅按揭貸款拖欠率

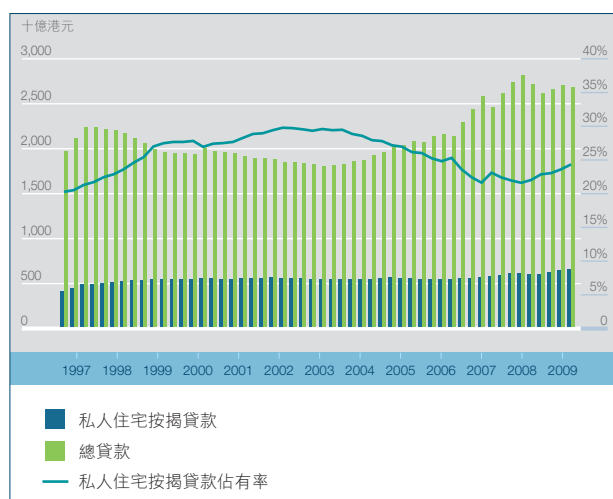


資料來源：香港金融管理局

銀行業

由於銀行按揭貸款回升，私人住宅物業按揭貸款總額由二零零八年底的5,930億港元上升至二零零九年底的6,470億港元，佔香港市場總貸款金額約四分之一（圖7）。加上房地產發展及投資的貸款一併計算，房地產相關貸款的金額達12,690億港元，約佔銀行貸款總金額一半。房地產相關的貸款之多，即使香港銀行普遍擁有雄厚資本，一旦物業市場大幅下滑亦難免會對銀行體系的整體穩定帶來負面影響。

圖7
認可機構貸款總額及私人住宅按揭貸款總額



資料來源：香港金融管理局

購買資產

本公司於二零零九年購入合共88億港元本地及海外按揭資產。

當全球經濟開始復蘇，按揭貸款利率有可能會大幅上升，因此本公司於二零零九年根據定息加浮息按揭計劃推出特別的安排，定息期由一年至十年不等，非常受置業人士歡迎。定息產品為貸款人提供另一種融資

選擇，避免受到日後利率波動的影響。本公司於二零零九年亦根據領匯的再融資安排成功購入40億港元商業按揭貸款。

本公司於二零零九年，本公司與韓國領先的金融機構達成購買第四宗31億港元私人雙邊按揭證券。本公司為購買海外按揭交易採取非常穩健的風險規避安排，例如要求偏低的按揭成數，賣方更要保留相當權益以承擔第一虧損責任。此外，本公司亦透過外匯掉期合約充分對沖貨幣及利率風險。

按揭保險

按揭保險計劃多年來屢次證明能有效地協助減輕有意置業人士購置居所的首期負擔。從銀行業整體的角度看，該計劃能讓銀行借出更高按揭成數的貸款，但不會增加其信貸風險，亦不影響銀行體系的穩定性。總括來說，該計劃能為置業人士及銀行帶來雙贏局面。

按揭保險計劃自一九九九年三月推出以來，公眾接受的程度與日俱增，在香港推動自置居所方面一直有舉足輕重的作用。二零零九年全年，計劃下新取用的按揭貸款總額達360億港元，是歷來的最高紀錄，按揭保險市場使用率（以按揭保險計劃下新取用貸款所佔整體市場新取用按揭貸款的百分比計算）由二零零八年的11%增至二零零九年的18%（圖8）。值得注意的是，約90%的按揭保險計劃申請個案均屬於二手物業市場貸款，顯示按揭保險對於在二手市場購買物業的人士相當重要。

自一九九九年以來，按揭保險計劃已協助超過73,000個家庭置業，取用貸款總額達1,510億港元，平均貸款額為210萬港元，顯示按揭保險計劃主要協助首次置業者購置居所。

圖8
按揭保險計劃下新取用按揭貸款金額及使用率*



資料來源：香港金融管理局及香港按揭證券有限公司

* 使用率 = $\frac{\text{於按揭保險計劃下新取用按揭貸款金額}}{\text{市場內新取用按揭貸款總金額}}$
(根據香港金融管理局之每月住宅按揭調查結果)

優化按揭保險計劃

鑒於豪宅價格急升，本公司於二零零九年十月已採取措施收緊按揭保險計劃的若干合資格準則。本公司暫停為非自住物業提供按揭貸款保險，並且將按揭成數達90%及95%的的貸款上限分別減至1,200萬港元及600萬港元。

另一方面，本公司於二零零六年五月所推出的「度身訂造保費計劃」深受銀行及置業人士稱許。由於可查閱信貸諮詢代理環聯資訊有限公司持有的消費者信貸資料，本公司於二零零九年十二月擴大「度身訂造保費計

劃」的範圍，將85%及90%按揭成數的貸款最高保費折扣分別提升至30%及25%，並且將95%按揭成數的貸款納入計劃之內，使相關置業人士可享受最高15%的折扣。

培訓及市場推廣

本公司和參與銀行之間就有關按揭保險計劃的最新發展一直保持密切溝通，並會在推出產品前諮詢銀行的意見。本公司亦主動邀請銀行及其他市場參與者（例如地產代理及中介公司）派員參加本公司舉辦的培訓講座。這些講座旨在介紹產品的特點及合資格準則，讓與會人士能充份了解產品，從而向客戶解釋各類按揭保險計劃產品的特色。

深圳的合資公司

二零零九年七月，本公司在深圳展開業務，與深圳結算中心成立合資擔保公司——深圳經緯盈富擔保有限公司。深圳結算中心是中國人民銀行監督下的一個單位。

該合資公司初期主要為住宅物業交易及二手按揭市場提供的短期過渡按揭擔保。此舉讓本公司有機會更深入全面了解深圳按揭市場的運作及風險管理。

除過渡按揭擔保外，本公司會不斷發掘更多合適的業務機會，包括其他形式的按揭及非按揭擔保產品。

馬來西亞的合資公司

Cagamas HKMC Berhad是本公司與Cagamas Berhad成立的合資公司，於二零零八年在馬來西亞註冊成立，為傳統及伊斯蘭按揭貸款組合提供按揭擔保。

資金來源

二零零九年初本地及環球資本市場均受到全球金融危機的嚴重打擊，但其後全球各地政府實施的注資及刺激經濟措施逐漸奏效，市場壓力開始舒緩。債務市場再度活躍，信貸差亦有所收窄。雖然市況反覆，本公司堅持審慎的預早融資策略，為購買貸款及再融資安排資金。基於本公司有強大的政府支持、良好的信貸評級及受惠於投資者追求優質投資項目的趨勢，本公司連續九年蟬聯最活躍的港元企業發債體。二零零九年，本公司合共發行227億港元債券。二零零九年底，本公司未贖回債務總額為445億港元。

本公司致力透過定期發行債券和引入嶄新債券產品，發展本地債券市場。作為香港最活躍的公司發債體之一，本公司會繼續向本地機構及零售市場發行債券，並在海外機構市場開拓資金來源及擴闊投資者基礎。這不僅有助擴大本公司的資金基礎，更能為機構投資者及零售投資者提供高質素的債券工具，滿足他們對投資組合多元化及提高收益的需求。

本公司設有三個債務工具發行計劃，在發行債券方面既有效率亦有實效。由於本公司擁有良好的信貸評級，所發行的債券受到退休基金、保險公司、投資基金、慈善及政府相關基金與零售投資者等各界投資者熱烈歡迎。本公司主動與投資者溝通，定期將最新訊息發放給本地及中國內地、日本及新加坡等區內市場的投資者。

債務工具發行計劃

債務工具發行計劃（「債務工具計劃」）是本公司港元融資的主要平台。債務工具計劃於一九九八年七月設立，發行對象是港元債務市場的機構投資者。計劃設立時的發行額定於200億港元，隨後於二零零三年增加至400億港元。債務工具計劃是一個靈活並且高效率的平台，為本公司發行債券及可轉讓貸款證，最高年期達15年。除一般債券外，本公司亦發行優質結構性產品以滿足投資者需求。債務工具計劃指定合共6家主要交易商及16間銷售團成員，為公開發售及私人配售方式發行的債券提供廣闊分銷渠道。

二零零九年，本公司根據債務工具計劃總共發行51批債券，發行總額達155億港元。二零零九年六月，本公司發行10億港元15年期可贖回零息債券，是本地債券市場最大宗及年期最長的零息債券，以滿足香港投資者對長期債務產品日漸增長的需求。截至二零零九年底，經債務工具計劃發行而未到期的債券總金額達306億港元。

零售債券發行計劃

本公司致力發展本地零售債券市場，爭取在已具規模的機構投資者市場之外擴展投資者基礎。本公司於二零零一年十一月為香港零售債券市場成功創立新發行機制。

為進一步促進零售債券市場的重大發展，本公司設立了200億港元零售債券發行計劃，於二零零四年六月發行首批債券，通過配售銀行的分行零售網絡、電話及電子銀行設施，向零售投資者配售本公司發行的債券。為確保該等零售債券的流通，配售銀行向本公司承諾在二手市場開出作實買入價。多年來，本公司零售債券獲廣泛接受，被認為是回報相當吸引及安全簡

單的投資選擇，是零售投資者投資香港特別行政區政府全資擁有的公司所發行高質素債券的機會。本公司致力在市況合適時定期發行零售債券，為本港零售投資者提供更多投資工具。

自二零零一年以來，本公司發行的零售債券總額達137億港元。截至二零零九年底，本公司已發行而未到期的零售債券總額為19億港元。

中期債券發行計劃

為了在國際市場籌集資金並且開拓投資者基礎和資金來源，本公司於二零零七年六月設立了30億美元多種貨幣中期債券發行計劃。該項計劃包含多種貨幣，本公司可以發行包括港元、美元、歐元及日圓在內的主要貨幣債券，滿足本地及海外投資者的需求。所有透過中期債券發行計劃以外幣計值發行的債券，均以美元或港元對沖。該項計劃亦兼有靈活的產品特色及發行機制，既可公開發行亦可私人配售，對不同層面及要求的投資者更具吸引力。本公司委任了10間國際及區內主要金融機構組成龐大交易商隊伍，為未來中期債券發行提供支持，亦為二手市場提供流通量。

於二零零九年，本公司根據中期債券發行計劃發行11批債券，包括美元及新加坡元債券，合共相等於34億港元等值。本公司亦根據中期債券發行計劃首次公開發行5億美元債券，相當受區內其他政府機構、退休基金、保險公司及投資基金的歡迎。該次發行成為其他

香港頂級發債公司的指標，同時亦有助發展區內的債券市場。於二零零九年底，經中期債券發行計劃發行而未到期的債務為120億港元。

外匯基金提供的備用循環信貸安排

面對亞洲金融危機衝擊，外匯基金於一九九八年一月透過金管局向本公司提供100億港元循環信貸安排，使本公司可在異常經濟環境下保持平穩營運，因而可更成功履行增強香港銀行及金融穩定性的任務。雖然本公司會從本地及國際債券市場獲得長期融資作營運用途，該備用循環信貸可作為備用流動資金。由於二零零八年爆發全球金融危機，信貸額於二零零八年十二月增加至300億港元，顯示政府重視本公司及對本公司的進一步支持。

本公司於二零零八年資本市場異常的情況下運用備用循環信貸，作為自本地銀行購入香港住宅按揭資產的部份資金。於二零零九年，本公司運用以低成本發債所得的資金，全數償還循環信貸安排的貸款。

信貸評級

穆迪及標準普爾給予本公司與特區政府看齊的高信貸評級，增強了本公司發行的債券對投資者的吸引力。

本公司的信貸評級

	穆迪		標準普爾	
	短期	長期	短期	長期
本地貨幣(展望)	P-1	Aa2 (正面)	A-1+	AA+ (穩定)
外幣(展望)	P-1	Aa2 (正面)	A-1+	AA+ (穩定)

信貸評級機構對本公司的信貸給予高度評價。以下評論摘錄自穆迪及標準普爾二零零九年五月的年度審評信貸評級報告與標準普爾二零零九年八月的評級確認報告：

穆迪

「鑑於香港按揭證券有限公司作為按揭產品提供者，以及土地及物業在香港經濟的重要性，該公司與香港特別行政區政府之間有強大的內在經濟聯繫。」

「(政府) 高度的支持反映出香港按揭證券有限公司作為一間由政府全資擁有的公司所肩負的重要功能，包括透過銀行及政府房屋機構為按揭和物業市場提供流動資金，以提升金融和銀行業的穩定，促進更多人士置業，及帶領香港債券和證券市場的發展。」

「香港按揭證券有限公司的資產負債管理經營在本地市場的局限下(以可運用的金融工具及長期資金衡量)仍然發展良好，其評估及管理風險的能力，使風險水平低處於本身訂定的風險指引水平，個別更比若干較大型的國際同業優勝。」

「多年以來，由於其債券獲得特別豁免或優待，加上基礎穩健，即使銀行體系的流動資金在未可預見的情況下減少，香港按揭證券有限公司仍能維持融資方面的雄厚實力。」

標準普爾

「我們確認香港按揭證券有限公司的評級，與其全資擁有人的香港特別行政區政府看齊。我們認為當該公司遇到財政壓力，香港政府會及時向該公司提供足夠的強大支持。」

「基於獨立衡量，評級反映香港按揭證券有限公司審慎的信貸風險管理、充足的流動資金及穩固的資本基礎。」

「香港按揭證券有限公司一直全面採取審慎的風險管理，視信貸風險是其主要面對的風險，實施嚴謹的政策，簡單而有效的業務模式和管理架構，同時運用各種對沖工具廣泛地減低其他風險。」

「香港按揭證券有限公司的流動資金狀況強健…公司流動資產維持在合理高水平，包括有價債券、現金和銀行存款，具備大量流動資金。」

按揭證券化

本公司在香港債務市場設立了首兩個按揭證券化計劃，分別為有擔保按揭通遞證券化計劃及Bauhinia 按揭證券化計劃，在發行按揭證券方面既有效率亦有實效。

按揭證券是一種強而有效的金融工具，可運用債券市場的長期資金應付按揭貸款對長期融資的需求。銀行及金融機構亦可利用按揭證券管理按揭貸款因信貸、流動資金、利率及資產負債滿期錯配而引起的風險。交易活躍及流通量高的按揭證券市場，有助促進發展具效率的二手按揭市場及進一步鞏固香港國際金融中心地位。

由於全球金融危機爆發後投資者需求有所下降且市況欠佳，本公司於二零零九年並無發行任何按揭證券。

有擔保按揭通遞證券化計劃

本公司於一九九九年十月推出首個按揭證券化計劃，服務對象是那些有意減持按揭貸款而同時希望享受投資本公司所擔保的按揭證券所帶來的好處的銀行。

計劃採用背對背式的結構，本公司從銀行購入按揭貸款，然後將按揭貸款直接出售予一家不受破產影響的特設公司，該特設公司則向銀行（作為證券投資者）發行按揭證券。經過這樣的背對背安排，銀行可將流通性低的按揭貸款轉變為高流通性的按揭證券。此外，就資本充足比率規定而言，根據《銀行業（資本）規則》，本公司擔保的按揭證券只計算20%的資產加權風險，而按揭貸款則為35%至100%不等，因此有關銀行可更有效地運用資本。自該計劃成立以來，本公司根據該計劃已發行四個系列總金額達28億港元的按揭證券。

Bauhinia 按揭證券化計劃

本公司於二零零一年十二月設立的Bauhinia 按揭證券化計劃，是一項30 億美元多貨幣按揭證券化計劃，是一個既方便又靈活兼具成本效益的平台，讓本公司可以多元化的產品結構、加強信貸及分銷方法發行按揭證券。根據由Bauhinia 按揭證券化計劃發行的按揭證券具有歐洲式債券的交易及結算特色，在二手市場買賣更為方便及更有效率。

自Bauhinia 按揭證券化計劃設立以來，本公司共安排五次公開發行及一次私人配售，成功將104 億港元的按揭貸款證券化。Bauhinia 按揭證券化計劃的首批按揭證券發行金額為20 億港元，於二零零二年三月完成。第二次發行於二零零三年十一月完成，金額高達30 億港元，創下香港有史以來以港幣作單位的最大宗

住宅按揭證券交易。第三次向公眾發行的按揭證券，金額為20 億港元，分為兩部分，一部分售予機構投資者，另一部分售予零售投資者，於二零零四年十一月完成。這是亞洲首批可讓零售投資者投資的按揭證券。第四批證券的發行金額為10 億港元，於二零零五年十一月完成。第五次公開發行的金額為20億港元，分為三批「Aaa/AAA」評級的優先組別及一批「Aaa/AA」評級的次優先組別，發行於二零零六年十一月完成。這是首批根據Bauhinia 計劃發行的非全額擔保按揭證券。

風險管理

本公司基於審慎的商業原則經營，一切以審慎為先，亦以此作為整體風險管理架構與日常經營業務的方針。多年來，本公司不斷優化本已相當完善、穩健及行之有效的風險管理制度。本公司在二零零九年有兩大重要發展。

企業風險管理委員會

為加強整體的風險管理，董事局批准成立企業風險管理委員會，負責管理整間公司所有財務及非財務風險。企業風險管理委員會推動並且監察有關管治、政策及措施的優化工作，亦會要求個別部門優先處理風險制度優化工作。委員會由一位執行董事擔任主席，成員包括另一位執行董事、總裁、高級副總裁（業務運作）、高級副總裁（財務）、首席法律顧問及高級副總裁（風險）。

風險監督及管理

董事局亦於二零零九年批准成立風險部門，透過加強風險監督及管理以優化企業風險管治。該部門定期向企業風險管理委員會及董事局匯報公司所面對的風險問題、針對問題的解決辦法、一般風險管理辦法及對本公司整體風險管理制度所需的調整。

本公司面對五大類風險，包括信貸風險、市場風險、營運風險、法律風險及槓杆風險。

(a) 信貸風險

信貸風險是本公司承擔的最主要風險，源於借款人或交易對手拖欠貸款可能使本公司承擔的潛在虧損。

(i) 拖欠風險

為有效控制拖欠風險，本公司採用四管齊下的方法維持資產及按揭保險計劃資產組合的質素：

- 仔細挑選核准賣方／管理供款機構／再保險公司
- 審慎的資產購買準則及保險資格標準
- 有效的詳細審查程序
- 充份保障高風險按揭或交易

按揭購入計劃拖欠貸款的收回金額不足會有虧損。為減輕拖欠風險，本公司採用一套審慎的貸款購買標準，並進行必要及有效的詳細審

查，以維持所購入貸款的信貸質素。此外，本公司會視乎相關貸款組合的預計風險，按每宗貸款與賣方訂立加強信貸安排（例如用以承擔信貸損失之儲備基金），以降低因借款方拖欠而可能引致的信貸虧損。

同樣，按揭保險計劃保險所承保的拖欠貸款亦可能會帶來虧損。各按揭保險計劃由本公司根據一套審慎的資格標準承保，而參與銀行的每項申索會由本公司審核，確保符合所有按揭保險計劃承保條件及偵測任何欺詐的元素，大幅降低按揭保險計劃貸款的拖欠風險。為避免拖欠風險過於集中，本公司以再保險分攤風險安排將部分風險轉移至核准再保險公司。

(ii) 賣方／管理供款機構交易對手風險

所收購組合的賣方／管理供款機構如不及時準確地匯寄定期款項予本公司時，可產生交易對手風險。本公司採用交易對手風險限額機制，規定本公司可從核准賣方購入的資產總額限額，亦設置了本公司從個別交易對手購入的資產額上限。限額機制是按各賣方／管理供款機構風險狀況管理交易對手風險的上佳方法，可避免集中僅從少數賣方購買資產。

(iii) 再保險公司交易對手風險

再保險公司交易對手風險即核准再保險公司無法向本公司支付索償款項。本公司已設立機制，評估按揭再保險公司的財務實力、信貸評級及經營按揭保險行業的經驗，以及降低交易對手風險的機制。

(iv) 庫務交易對手風險

庫務工具的庫務交易對手拖欠或無法支付款項時，可能會導致虧損。本公司採用審慎的庫務交易對手限額機制，基於信貸評級、財務實力及庫務產品功能等因素評估各目標庫務交易對手。根據評估結果，會為指定類別的庫務工具風險制定庫務交易對手限額。

(v) 監控機制

管理層會獲得定期編製的組合表現及分析報告，以取得最新有關重要的信貸風險指標資料，例如貸款拖欠率、資本狀況及累計信貸虧損，以便及時檢討並就經營環境的轉變迅速反應。對保留組合及按揭保險組合進行壓力測試，以分析本公司財務上應對極端情況的能力。

本公司會定期檢討所有賣方及供款管理機構的交易對手限額，衡量交易對手的財力、管理能力、還款質素及交易經驗而繼續及／或調整限額，亦會根據交易對手的財力及本公司的資本基礎定期

檢討及調整各庫務交易對手的限額。本公司至今未曾因交易對手信貸違約而錄得庫務交易的虧損。

本公司亦會每年檢討核准再保險公司的財務能力、業務計劃、再保險安排及管理能力，並基於檢討結果決定日後的業務分配及風險分攤比例。

(vi) 管治

本公司信貸風險管理機制的核心組織為信貸委員會及交易核准委員會。

信貸委員會

信貸委員會負責制定本公司的整體信貸政策及資格標準，尤其是有關資產收購及按揭保險的信貸政策及資格標準。委員會執行董事局批准的信貸政策，是處理要求成為購買資產計劃的核准賣方／供款管理機構及按揭保險計劃的核准再保險公司申請的審批機構，亦可制定交易對手的風險承擔限額。當業務及經營環境出現重大轉變時，即時檢討信貸政策，將適時的變更提交信貸委員會審批。

交易核准委員會

交易核准委員會負責根據最新的市況及董事局批准的業務策略，深入分析業務交易的訂價經濟因素及相關信貸風險。委員會核准的主要交易須得一名執行董事的簽署。

上述兩個委員會均由總裁擔任主席，成員包括高級副總裁（業務運作）、高級副總裁（財務）、首席法律顧問、高級副總裁（風險）與有關部門的高級職員。

(b) 市場風險

由於市場價格轉變，使本公司的收入或貸款組合價值減少，即屬市場風險。市場風險包括利率風險、資產負債滿期錯配風險、流動資金風險及貨幣風險。

(i) 利率風險

淨利息收入是本公司盈利的主要來源，即本公司的按揭貸款組合、現金及債務投資的利息收入超過債務發行及其他借款的利息支出的差額。當市場利率的變動影響資產及負債相關的利息收入或利息支出時會引致利率風險。

因此，利率風險管理的主要目的是規限利率變動對利息收入／支出的潛在不利影響，同時取得穩定的盈利增長。本公司面對的利率風險有兩方面——利率錯配風險及息差風險。利率錯配風險是影響本公司淨利息收入的最大風險，主要源自本公司賺息資產及計息負債的利率重新訂價的時間差異。利率錯配風險常見於貸款組合，有關貸款大部分為以最優惠利率、香港銀行同業拆息率或綜合利率為基礎的浮息貸款，而本公司的主要負債則為定息債券。因此，本公司審慎利用各類金融工具（例如利率掉期、利率期權、息差掉期、遠期利率協議及發行按揭證券）管理利率錯配風

險。定息債券的收益一般透過利率掉期轉變為以香港銀行同業拆息率為基準的資金。利用該等掉期交易將發行債券的利息支出由定息轉為浮息，使之更能與按揭資產的浮息收入配對。

本公司亦採用期限差距作為監察、衡量及管理利率錯配風險的指標。期限差距衡量資產與負債的利率重新訂價的時差，差距愈大，利率錯配風險愈高，反之亦然。正期限差距指資產期限長於負債期限，即利率上升風險較大，而負期限差距則表明利率下跌風險較大。本公司根據資產負債管理委員會（「資產負債委員會」）的指引及監督，視乎利率的未來走勢及市況，預早重新平衡資產負債組合的期限差距。資產負債委員會將期限差距的上限設定為三個月，以限制利率錯配風險。二零零九年，平均期限差距維持約一個月，顯示本公司對利率錯配風險的管理極為謹慎。

息差風險指本公司的賺息資產以最優惠利率計息，而計息負債以香港銀行同業拆息率計息，兩者的基準有別。目前市場上可用作完全對沖最優惠利率與香港銀行同業拆息率息差的金融工具不多。一般而言，按揭貸款資產及非按揭資產均按香港銀行同業拆息率而與資金的計息基準配對時，或有關的風險管理工具更普及或更具經濟效益時，方能有效管理息差風險。過往數年，本公司特地購買較多以香港銀行同業拆息率計息的資產，於二零零九年底，本公司約56%的按揭貸款

資產及非按揭資產以香港銀行同業拆息率計息，因而以最優惠利率計息的資產已大幅減少。此外，發行以最優惠利率計息的按揭證券及採用對沖衍生工具，亦減低本公司以最優惠利率計息的部分貸款組合的息差風險。

(ii) 資產負債滿期錯配風險

儘管按揭貸款的合約年期最長可達30年，但按揭貸款組合的實際平均年期較短。平均年期視乎按期還款及提前還款的快慢而定。提前還款率愈高，則按揭貸款組合的平均年期愈短。在香港，提早還款的兩個主要原因為：(i)換樓 — 借款人出售相關物業時全數償還按揭；及(ii)轉按 — 借款人為取得較低的按揭利率重新安排按揭貸款。

資產負債滿期錯配風險更具體闡釋為再投資風險及再融資風險。再投資風險指本公司將收回的按揭貸款及提前還款重新投資所得回報較低的風險。再融資風險指以較高利率或價差再融資負債的風險。當以短期負債融資長期按揭資產時，本公司便會面對再融資風險（包括融資金額及資金成本的風險）。

再投資風險可透過不斷購買新貸款補充保留組合流失的貸款，及將剩餘現金投資債券或現金存款以調整全部資產組合的平均年期作有效管理。

透過發行可贖回債券及可轉讓貸款證管理再融資風險。本公司可運用可贖回債券及可轉讓貸款證所包含的贖回權調整負債的平均年期，使負債能更切合整體資產組合。因此，本公司可選擇發行為期一個月至十五年的債券，靈活調整整體負債組合的平均年期。此外，可透過調整投資組合的資產到期日，及將按揭貸款證券化成為按揭證券來減少本公司的按揭資產而減低再融資風險。

以資產負債期限差距比率（總資產平均年期比總負債平均年期）監控及管理期滿錯配風險，資產負債委員會設定目標比率以確保本公司資產及負債平均年期適度平衡。

(iii) 流動資金風險

流動資金風險指本公司無法償還債務（例如贖回到期債券）或無法為承諾購買的貸款組合提供資金的風險，可透過監控每日資金流，以及預測整個還款期的長期資金流情況而管理。本公司以資產負債委員會設定的目標流動資產比率（流動資產比總資產）衡量流動資金風險及管理本公司的資金流通情況。本公司已成功開拓多個融資渠道，以確保所有的可預見融資承諾於到期時可兌現，支援業務發展及維持債務組合的平衡。多元化資金來源可使本公司採取以最低成本為業務活動進行提早融資的策略，同時亦可在市場脫離常軌時保障融資能力。現時的資金來源包括：

- 股東資本：法定股本30 億港元，其中20 億港元為足繳股本。截至二零零九年十二月三十一日，累計股東資金總額為67億港元。
- 400 億港元債務工具發行計劃：有6 家主要交易商及16個銷售團成員根據債務工具計劃向機構投資者包銷及分銷債券。債務工具計劃的可轉讓貸款證附屬計劃，進一步擴大原計劃的資金來源及投資者基礎。
- 200 億港元的零售債券發行計劃：有19 家配售銀行協助本公司向投資者發行零售債券。
- 30 億美元中期債券發行計劃：有10 家交易商根據中期債券計劃向國際機構投資者包銷及分銷本地及外幣債券。
- 30 億美元Bauhinia 按揭證券化計劃：多貨幣按揭證券發行計劃，共有8 家交易商，讓香港按揭證券在本地及國際市場推出按揭證券。
- 現金及債務投資組合：該組合主要包括現金及銀行存款、商業票據、可隨時兌換成現金的優質存款證及票據。
- 300 億港元備用循環信貸安排：外匯基金承諾向本公司提供300 億港元備用循環信貸。

- 同業市場短期資金：本公司已從多家本地及國際銀行取得同業短期資金借貸額備作短期融資。

由政府全資擁有而獲得強大支持及良好的評級，本公司於債券市場進行機構及零售融資均享有融資優勢，加上有高度流動性的投資組合，均有助本公司可迅速而平穩地應付無法預見的流動資金需求。即使當市場持續異常緊縮時，本公司亦可以外匯基金的300億港元備用循環信貸作為後備流動資金。

本公司採用流動資金風險管理機制應對市況的轉變，持續監控近期市場事件對本公司流動資金狀況的影響，並採取審慎的預早融資策略，控制市場波動對香港按揭證券流動資金的影響。

(iv) 貨幣風險

貨幣風險指匯率波動對本公司財政狀況及外幣現金流量的影響。本公司嚴格按照董事局批准的投資指引，在資產負債管理委員會的監督下管理貨幣風險。資產負債管理委員會訂立每日可承受的風險上限。截至目前為止，本公司的外幣風險淨額僅局限於美元風險。

本公司並無炒賣外幣，所有資產負債組合的外幣風險須悉數以港元或美元對沖。基於審慎風險管理原則，根據中期債券發行計劃已發行的外幣計

值債券與購買海外住宅按揭貸款的資產已通過外幣換匯交易悉數對沖。

(v) 監控機制

交易分別經前線、中間及後勤辦公室處理，確保有充份制衡。庫務部為前線辦公室，負責監察金融市場的變化，並根據資產負債委員會制定的策略執行各種現金、衍生工具、債務及證券化市場交易。財務管理部則擔任中間辦事處角色，監察在交易對手的守規情況及交易的風險限額。業務運作部為後勤辦公室，負責核實、確認、結算及付款流程。

(vi) 管治

資產負債管理委員會

資產負債管理委員會依循審慎風險管理原則，執行本公司資產負債組合的重要管理工作。委員會制定利率風險管理、融資、對沖及投資策略，並定期舉行會議，檢討金融市場的最新情況及檢討資產負債組合。此外，亦監督風險管理的執行及監察董事局所核准投資指引的遵守情況。

資產負債管理委員會主席由本公司總裁擔任，成員包括高級副總裁(財務)、高級副總裁(業務運作)，高級副總裁(風險)以及有關部門的高級職員。

(c) 營運風險

營運風險指內部程序、人為、系統失誤或失靈或外界因素導致運作中斷的風險。

(i) 監控機制

本公司採用自下而上的方式，深入分析新產品、業務活動、程序、系統升級與詳細審查新業務流程而識別營運風險，採用全面驗證規則、管理資訊系統報告及審核證據追尋及呈報錯誤與不足。

本公司維持全面而完善的內部監控、核證制度及營運流程，積極管理營運風險。本公司已設有各種營運基建配合不同業務範疇推出的新產品，包括購買資產、按揭保險、庫務營運、債券發行、證券化及海外業務。本公司有既定守則進行嚴格檢討，在執行營運及系統基建設施之前識別任何可能的營運風險及確保充份區分權責。

在業務活動及流程方面，本公司廣泛採用資訊技術、有效的營運制度及監控，以減低潛在人為錯誤及確保日常營運的效率及成果。由於該等系統為業務營運及風險管理的關鍵，故本公司有措施確保該等系統準確、有用及安全。

本公司採取謹慎措施確保財務控制有充份制衡，保證營運方針正確及受到恰當控制。有效財務監控亦有助減少財務風險，同時保障資產免遭擅用或損失，包括阻止及偵測欺詐行為。

本公司有資訊安全手冊，載有所有員工須遵守的資訊及資料安全的準則及規定。所有系統安全措施必須符合資訊安全手冊的規定。本公司採用雙層防火牆防護、入侵偵測系統、病毒警告及隔離系統與漏洞掃描系統等安全措施，減少外界侵襲的風險。本公司內部亦設有虛擬局域網及終端安全政策，減少成功入侵的損失。本公司聘任外界顧問測試入侵漏洞，有需要時會提高系統安全。

為確保嚴格遵守有關準則，內部及外聘核數師會經常審核及檢討本公司的主要營運系統及程序。所有員工須每年簽署遵守資訊安全手冊與行為守則規定的承諾。當有新安全措施或新系統時會更新資訊安全手冊。資訊安全手冊的任何更改須經高級管理層批准。

為確保業務恢復程序切實可行及不斷完善，資訊科技及用戶部門每年進行業務恢復演練，亦每日備份及異地儲存備份磁帶，不容有失。

(ii) 管治

營運風險管理委員會

二零零九年十二月，董事局批准成立營運風險管理委員會，作為常規檢討及監察本公司所有營運及法律風險的正式平台。

營運風險管理委員會主席由本公司總裁擔任，成員包括高級副總裁（業務運作）、高級副總裁（財務）、首席法律顧問、高級副總裁（風險）以及有關部門的高級職員。

(d) 法律風險

法律風險指對法律、法規及法律文件的應用或詮釋不明確或指違反法律、法規或法律責任的風險。

(i) 監控機制

由首席法律顧問及公司秘書主管的法律顧問部負責就法律事務向本公司提供意見，以控制法律風險。當考慮新產品或業務時，法律顧問部會提供有關法律及監管方面及法律文件的意見，以保障本公司的最大利益。如有需要會聘請外部法律顧問協助法律顧問部為本公司提供全面的法律支援。法律顧問部與本公司其他部門緊密合作，就法律問題及法律文件提供意見。

首席法律顧問及公司秘書確保各種公司秘書事務，如安排舉行董事局會議及股東大會、傳發董事局文件、安排決議案的通過及保管會議紀錄等，均遵守相關的法例及法規、本公司的組織章程及公司管治守則。首席法律顧問及公司秘書亦

會向董事提供意見及協助，以確保董事局議事程序避免利益衝突等企業管治運作的各方面均達致最佳水平。

(ii) 管治

營運風險管理委員會是負責管理法律風險的委員會。

(e) 槓杆風險

為確保本公司擴展業務時不會採用相對於資本基礎比例過高的槓杆安排，特區政府財政司司長頒佈本公司的資本對資產比率指引，規定最低資本對資產比率為5%。

根據指引所制定的資本要求，本公司的最高槓杆比率須保持在穩健的偏低水平。本公司目前的資本基礎為63億港元，須維持不低於5%的資本對資產比率。

管理層每日根據財政司司長頒佈的指引監控資本充足比率及是否審慎使用監管資本。總裁須遵照指引向董事局提交季度報告。當資本對資產比率低於6%時，預警機制會提醒管理層注意。任何違反或可能違反該指引的行為須呈報財政司司長。

流程管理及資訊科技

為確保日常運作的效率及效果，本公司已建立一套久經考驗的營運架構，採用穩健兼創新的業務程序、自動化營運系統及監控。過去十年，本公司不斷投入大量資源和精力發展及優化業務營運內部監控與應用系統，以支持公司發展。

二零零九年，本公司著手更新庫務系統基建設施。新系統解決方案將能進一步鞏固公司在適時開發新庫務及對沖產品之能力、加強對多種產品、交易夥伴及區域的綜合風險管理、增強前台、中間及後勤辦公室的一體化以及彼等之間的可靠合作，並更有能力及更高適應能力以符合日後監管及呈報要求。預期新庫務系統會於二零一零年第一季度經充分測試後啟用。

為監察海外資產的質素，二零零八年本公司已採用專屬的資產組合資料處理系統，編撰各種管理報告，協助查核大量貸款數據，方便分析及有效監控。此外，本公司亦繼續加強按揭保險計劃的業務處理系統，達至更進一步精簡處理程序，並且配合新產品的推出及風險管理措施。

利用本公司在按揭保險計劃業務所採用文件成像及無紙化作業的實踐知識及專業技能，本公司將會建立另一資訊科技基礎設施以精簡庫務及按揭業務工作，應付與日俱增的交易量及個案複雜性。對大量文件的索引編列、歸檔及檢索工作實施自動化，對改良現有即時結算與營運風險控制平台是極之重要的，此舉亦有利於直接處理交易確認、證券結算、支付認證及文件儲存之統一歸檔及檢索流程。此文件成像程式組模會採用一種可變的設計，將來可用於其他適合的業務領域。

為配合深圳的合資公司於二零零九年九月啟業，本公司已成立專案小組，識別相關的營運風險、設計營運基建系統、內部監控制度及資訊科技系統。優化工作從未間斷，使內部監控及自動化程序更切合營運及業務需要。本公司的業務流程管理小組於二零一零年會再接再勵，與合資公司的專家同事合作進一步優化營運基建系統。

業務持續計劃

本公司經過全面檢討，將各業務及部門的災難復原計劃及業務持續計劃整合成整間公司的業務持續計劃，形成穩健的決策及申報機制，以應付可能損害本公司辦公室、資訊系統及人才資源三大核心系統的重大事故。

本公司亦已擴充異地備份及災難復原中心，以加強本公司對災難的應變能力，確保當核心系統因故失靈或因其他未能預計的重大事故出現時，資訊科技系統仍

能繼續如常運作。為應對因意外事故而導致員工無法進入中環辦公室，本公司可安排部分員工利用遠程電腦控制設備在家辦公，以維持公司的重要業務運作。本公司每年檢討及測試業務持續計劃及上述的營運風險規避措施，使員工更有準備及鞏固營運的穩健基礎。

企業社會責任

本公司去年履行企業社會責任參與及承擔得到認許，獲香港社會服務聯會根據「商界展關懷」計劃頒發二零九／一零年度「同心展關懷」標誌。



作為對社會負責任的機構，本公司關懷員工及社會。本公司重視所承擔的社會責任，關心僱員福利，鼓勵員工參與慈善活動，並推行環保措施。



「商界展關懷」嘉許典禮

關懷僱員

員工與薪酬

本公司的核心目標是加強銀行業穩定、促進自置居所及促進證券市場發展，為此而吸納及栽培專業人士，在購買按揭貸款、安排按揭保險及發行債券等主要業務上發揮所長。本公司為僱員提供適當的薪酬福利、發展機會以及健康、安全的工作場所。本公司亦實行配合家庭生活的措施，每周工作五天，讓僱員生活作息更平衡。本公司亦為僱員及其家屬提供全面的醫療及牙科保險。

儘管購買的按揭貸款種類及提供的產品漸趨繁複，但通過系統自動化及流程改革，本公司仍可維持一個精簡及有效率的人員架構。二零零九年，本公司的全職員工編制為144名，員工流失率為6.61%。

培訓及發展

本公司明白持續培訓的重要，因此投入大量資源不斷加強員工的專業知識及技能培訓。二零零九年，本公司安排多項內部及外界課程，提高員工的管理及專業技能。內部培訓課程包括信貸違約掉期及法律知識，亦有個人發展及普通話學習班；外界課程內容包括按揭相關事務、信貸管理、風險管理、財務及會計、企業管治、資訊科技以及管理技巧。此外，本公司為新入職員工舉辦公司簡介會，向他們全面介紹公司的運作及員工的工作範圍。



自我突破工作坊



信貸評級培訓

健康與安全

作為一個關懷員工的僱主，本公司一直關心員工的身心健康。本公司設有僱員支援計劃，透過一家外間機構為員工及其家屬提供保密的輔導及諮詢服務。本公司亦以優惠價為僱員安排疫苗注射以預防流感，並設立體檢計劃。

本公司進一步檢討及提升緊急應變計劃，包括分組工作安排，以應付可能出現的流感大爆發、預防傳染性疾病在僱員中擴散，以及減少未能預計或因突發事件而令業務中斷的情況。本公司定期舉行員工演習，熟習在緊急情況下啟用後備設施、執行應變計劃及落實溝通安排。

僱員關係及員工活動

來自各部門的成員所組成的員工俱樂部舉辦了多項員工活動，以培養更佳的員工關係及加強溝通，亦推廣工作與生活兼顧的精神，建立配合家庭需要的工作環境。員工活動包括保齡球賽、聚會及分享，均深受員工與家屬歡迎。本公司亦與其他公司、機構舉行乒乓球友誼賽及足球聯賽，讓員工享受康樂活動並加強團隊精神。

為進一步加強公司內部有效溝通，本公司定期更新員工網頁，讓各部門分享實用資料。本公司亦鼓勵員工提供建議，改善工作流程或工作環境。



保齡球賽

關懷社會

慈善及社會活動

本公司積極鼓勵員工支持各項慈善及籌款活動。二零零九年，本公司員工為台灣風災的災民募捐。本公司亦參與公益金舉辦的公益服飾日，公益金百萬行及為中國內地教育項目籌辦慈善募捐活動。與往年一樣，本公司於二零零九年亦舉行香港紅十字會捐血日。



義工服務 — 探訪長者



賣旗日



公益服飾日



公益金百萬行

此外，本公司於二零零九年與部分社會服務機構合作參與多項志願服務，包括香港愛滋病基金會舉辦的賣旗日，和救世軍舉辦的老人及低收入家庭探訪活動。本公司職員熱心投入各項義務工作，貢獻自己的時間和精神，對社會有需要人士顯示關愛。

陸文禮、黃兆怡及盧佩欣均是本公司的熱心義工，在此與大家分享義務工作的體驗與感想：

「2009年的農曆新年，我過了一個難忘的假期。我和家人參加了一個慈善活動，接待了一位來自河南的11歲男孩——小濤到我家住。男孩的父母在他還在蹣跚學步時死於愛滋病。我們在招待他的期間，除了提供住宿和新衣物給他之外，最重要還有給孩子所需的關懷。雖然我知道這只是短暫的幫助，很快他便要回到自己生活的地方，面對挑戰和為未來奮鬥。但我希望讓孩子知道，世上仍有關心他的人。在小濤離開的那天，我叮囑他要努力學習，寫信給我們。我亦希望大家能夠幫助孩子們建設一個更美好的將來。」



陸文禮
資訊科技部

「5•12是教人難以釋懷的日子！

2009年2月，即四川大地震後九個月，我參與醫療義工隊的工作，前赴災區，為靠近北川的安縣和江油市居民義診及提供康復訓練。同行隊員包括物理治療師、護士、社工等專業人士，我則負責幫忙總務工作。

喪失親人、家園、產業、肢體殘缺的災民觸目皆是；儘管許多災民仍然棲身於臨時搭建的板房或帳篷中，更要抵受嚴寒天氣之苦，聞者不禁為之動容。可是，置身其中，只見災民並未為驚人的災難所壓倒，反而堅強地重建家園、頑強地為生活而奮鬥下去。放眼盡是黃色油菜花的土地上、倒塌的樓房旁邊，那充滿希望的面容和感恩的微笑，最感動人心！希望將來再有機會探訪他們。」



黃兆怡
風險管理部

「自2003年起，我開始參與長者安居服務協會和香港紅十字會急救服務隊的義工服務，服務對象包括長者、傷殘人士、小朋友、和破碎家庭。從參與義工服務的過程中，我深深體會到幫助別人是一件很有意義的事，而亦很開心可以和義工們建立了深厚的友誼。」

大部分的香港人都生活在富裕的環境中，但亦有很多人仍然生活在貧乏的環境中，需要社會的關懷、支持和幫助。我雖然不像德蘭修女那麼偉大，但我會經常提醒自己，把握每個可以幫助別人的機會。」



盧佩欣
按揭業務運作部

學生計劃

為培育人才，本公司為大學生提供多個實習職位，讓學生有機會了解實際工作環境，為未來就業作好準備。所有實習學生很高興能獲得本公司提供學習機會及寶貴的工作經驗。

環境保護

本公司一直支持及推行綠色辦公室計劃，使辦公室更環保。本公司通過增加使用電子通訊，收集廢紙及打印機碳粉盒用後循環再造，以及鼓勵員工每天於離開辦公室前關掉電腦，以提高員工的環保意識。自二零零六年以來，本公司一直採取新措施，設定辦公室溫度，提高能源效益。本公司亦鼓勵員工就創建更為環保的辦公室提供建議及鼓勵供應商使用或供應更為環保的產品。

二零一零年展望

雖然經歷全球金融危機後，經濟正逐步復蘇，但不排除出現雙底衰退的可能。本公司會繼續擔當流動資金提供者的重要角色，促進香港銀行及金融的穩定，亦會優化按揭保險計劃，為置業者及銀行提供更佳服務，繼續促進香港家庭自置居所。

本公司亦會配合港府目標及社會需要，致力發展香港的新按揭產品，同時會定期發債及推出創新產品，不斷促進香港債券及按揭證券化市場的發展。



財務回顧

在全球多國政府及中央銀行紛紛推出刺激經濟及寬鬆貨幣措施下，全球經濟於二零零九年下半年出現明顯改善的跡象。香港特區政府在最短的時間內採用「穩金融、撐企業、保就業」的策略，振興了香港的經濟，穩定了市民的信心。二零零九年全年計，實質經濟較二零零八年的2.4%增長倒退2.7%。在大量流動資金湧入下，帶動本地經濟在下半年明顯回升。與二零零八年底比較，恒生指數至二零零九年底反彈52%，本地樓價亦在投資需求帶動下由二零零八年十二月的谷底上升近25%，收復自金融危機以來的所有失地。豪宅單位價格的升幅錄得自一九九七年高峰以來更大的升幅。資產市場一片好景所產生的財富效應，使消費者信心上升，促進本地消費亦令就業有所改善。相對首三季下跌3.4%，最後一季錄得達12.8%增幅，近月零售銷售明顯回升，反映消費信心恢復。失業率連續四個月穩步下降，二零零九年最後一季的數字為4.9%。

收益表

財務表現

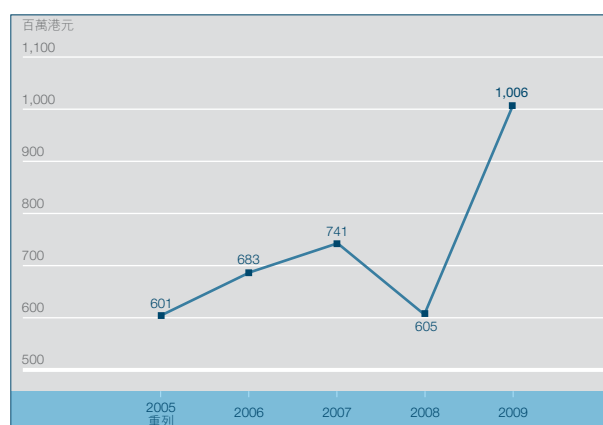
承著香港經濟強力反彈，加上物業市場及有利的利息環境下，本公司於二零零九年取得良好的業務業績。二零零九年股東應佔溢利達10.06億港元（圖1及2），與去年比較增加66.3%，主要是由於為回應銀行在全球金融危機之際對流動資金的渴求，而大量購買貸款之全年盈利貢獻，加上最優惠貸款與香港銀行同業貸款息差擴大及貸款質素良好所致。

未計減值前經營溢利上升4.41億港元至11.11億港元，增幅65.8%，主要是淨利息收入增加46.2%，及其他收入上升127.5%所致。

圖1
財務表現概要

	二零零九年 百萬港元	二零零八年 百萬港元
未計減值前的經營溢利	1,111	670
除稅前溢利	1,150	634
股東應佔溢利	1,006	605
股東資金回報率	16.2%	10.5%
資產回報率	1.6%	1.1%
成本對收入比率	12.4%	17.5%
資本對資產比率	9.5%	8.7%

圖2
股東應佔溢利



股東資金回報率上升至16.2%（二零零八年：10.5%），而資產回報率亦增至1.6%（二零零八年：1.1%）。雖然投入更多資源加強風險管理使經營支出上升11.3%，但由於經營收入大幅上升56.3%，結果成本對收入比率下降至12.4%（二零零八年：17.5%）。資本對資產比率維持穩健的9.5%（二零零八年：8.7%），遠高於財政司司長規定不低於5%的指引。

圖3
淨利息收入

	二零零九年 千港元	二零零八年 千港元
利息收入	1,338,301	1,825,214
利息支出	(300,594)	(1,115,364)
淨利息收入	1,037,707	709,850
平均計息資產	60,017,628	53,515,092
淨息差	1.7%	1.3%
計息負債淨息差 ¹	1.7%	1.1%

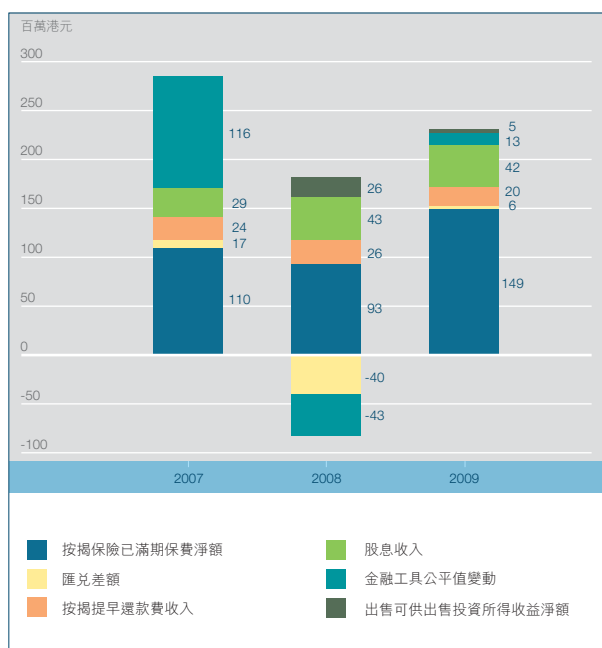
¹ 計息負債淨息差 = 計息資產回報率 - 計息負債資金成本

二零零八年後期為銀行業提供資金而大手購買按揭後，平均貸款額較二零零八年增加105億港元，有關增加被現金及可供出售投資減少42億港元而部份抵消，因此，二零零九年平均計息資產增加淨額為65億港元。這亦帶動淨利息收入由7.10億港元上升46.2%至本年度的10.38億港元（圖3）。計息負債淨息差由二零零八年的1.1%升至1.7%，主要反映最優惠利率與香港銀行同業拆息差別擴大所致。計及股東資金，淨息差由1.3%升至1.7%。

其他收入

二零零九年其他收入大幅上升127.5%至2.32億港元（二零零八年：1.02億港元），當中主要項目為按揭保險計劃的按揭保險已滿期保費淨額（圖4）。

圖4
其他收入的主要來源



本公司以核准再保險公司分擔風險方式經營按揭保險業務。市場的新增住宅按揭貸款由二零零八年的1,848億港元增至二零零九年的1,993億港元，而本公司按揭保險計劃的新承保額則由204億港元增至360億港元，原因是保險計劃的使用率（以有關計劃下新取用貸款所佔整體市場新取用按揭總貸款的百分比計算）由11%大幅升至18%。本公司所承擔的風險於二零零九年上升102.9%至116億港元。因此，本年度末計申索的已滿期保費淨額由1.35億港元上升26.7%至1.71億港元。扣除附加未決申索償撥備2,200萬港元後，已扣除撥備後的已滿期保費淨額由9,300萬港元增加60.2%至1.49億港元。

二零零九年利率穩定的情況下，金融工具公平值變動錄得1,300萬港元收益(二零零八年：4,300萬港元公平值虧損)，相對二零零八年而言，公平值的變動是由於二零零九年期內對沖成本下降及資產負債管理工具按市值入賬的虧損減少。

二零零九年來自債券基金及房地產投資信託基金的投資等上市證券投資股息收入4,200萬港元(二零零八年：4,300萬港元)，相當於約5%的股息回報率。

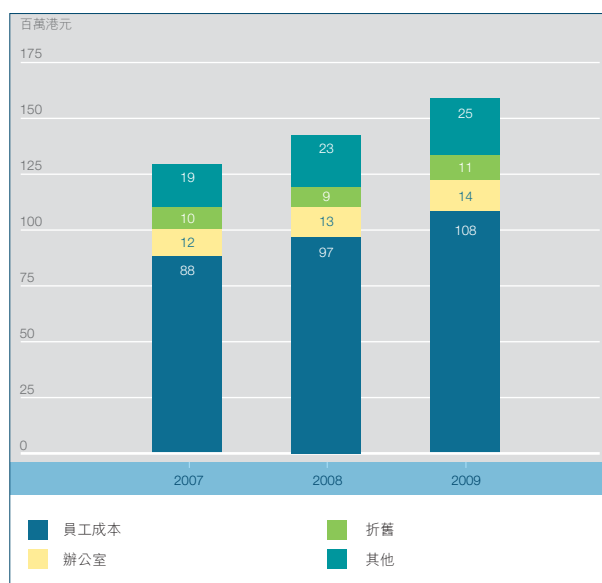
提前還款費收入為2,000萬港元(二零零八年：2,600萬港元)，較二零零八年減少23.1%，反映了二零零九年按揭再融資活動有所減少。

與二零零八年匯兌差額錄得4,000萬港元虧損比較，匯兌差額錄得600萬港元收益，主要是由於重估美元的淨風險所致。

經營支出

本公司一直致力維持嚴格的成本控制及提高營運效率。與二零零八年比較，經營支出上升11.3%至1.58億港元，但較已批准預算少1,700萬港元。僱員成本上升11.3%至1.08億港元，主要是因為增設風險管理及加強信貸風險管理的職能，佔總經營支出68.6%(二零零八年：9,700萬港元及68.5%)。辦公室租金及其他相關支出略為上升100萬港元至1,400萬港元，主要是由於增加辦公室面積。資產折舊支銷增加22.2%至1,100萬港元(二零零八年：900萬港元)(圖5)。

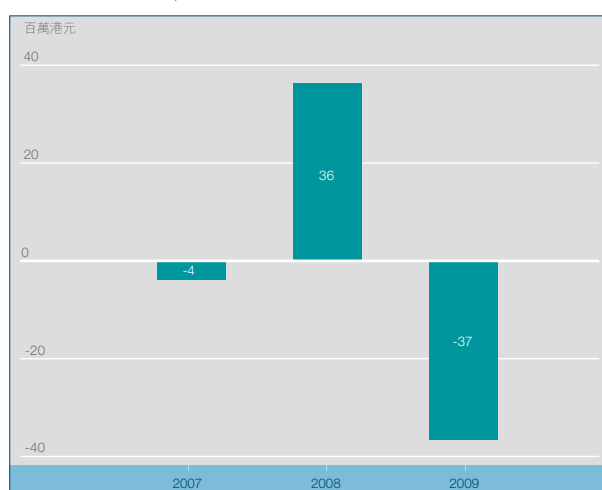
圖5
經營支出



貸款減值撥備

二零零九年資產質素維持穩健，拖欠比率為0.04%，與二零零八年相同。受惠於物業市場全面復甦，加上貸款額減少70億港元至438億港元，因此二零零九年組合評估錄得3,700萬港元的減值回撥(圖6)。

圖6
貸款減值(回撥)／撥備



就海外貸款而言，因為基於嚴格的購買準則及採取審慎的風險規避措施，因此資產質素一直保持良好，於二零零九年毋須作出組合評估貸款減值撥備(二零零八年：無)。

二零零九年底貸款減值撥備金總額佔未償還貸款組合本金餘額(438億港元)的0.03%，與本地市場水平相若(圖7)。

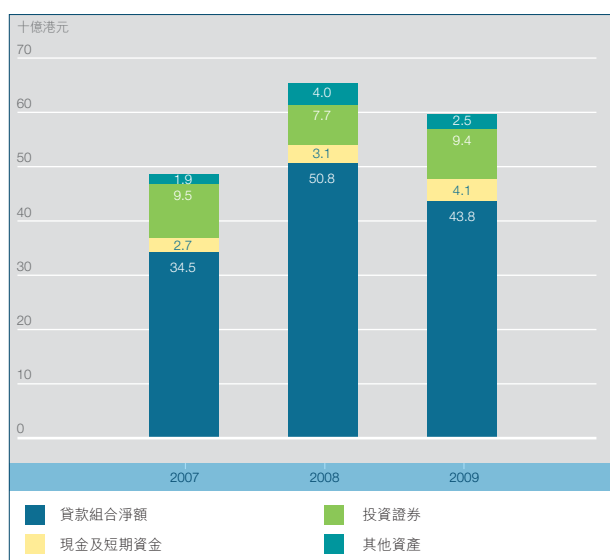
圖7
比率

	二零零九年	二零零八年
逾期超過九十日的貸款佔貸款組合的拖欠比率	0.04%	0.04%
貸款減值準備金總額佔總貸款組合的百分比	0.03%	0.10%

財務狀況表

總資產減少58億港元至598億港元(二零零八年：656億港元)(圖8)，主要是由於貸款組合減少70億港元至438億港元。按揭貸款還款所帶來剩餘現金投資於短期投資證券，藉以配合應付到期時贖回已發行債券所需。

圖8
資產分配



貸款組合

本公司於本年度購入88億港元貸款資產(二零零八年：260億港元)，包括57億港元香港按揭資產及31億港元韓國住宅按揭貸款組合。

於二零零九年底，本地住宅按揭組合及證券化按揭貸款組合的未償還結餘分別為220億港元及13億港元。韓國住宅按揭的未償還結餘為154億港元，而以本地商業樓宇擔保的商業按揭貸款組合未償還結餘為40億港元。

貸款組合(包括證券化按揭貸款)的平均提早還款率由二零零八年的13.8%上升至二零零九年的16.3%。主要由於正常流失及本地按揭市場互相競爭再融資，貸款組合錄得淨減少70億港元至438億港元(圖8)。

物業市場明顯好轉及價格的改善，使貸款減值撥備減少3,700萬港元至1,400萬港元。計及收回之前已撇銷的300萬港元(二零零八年：500萬港元)的部份抵銷，本年度撇銷貸款額為300萬港元(二零零八年：400萬港元)。

圖9
貸款組合淨額

	二零零九年 千港元	二零零八年 千港元
按揭貸款組合		
住宅		
– 香港	21,980,141	27,624,099
– 海外	15,441,285	15,905,032
商業	4,000,000	4,000,000
證券化按揭貸款組合	1,314,685	1,878,761
非按揭貸款組合	1,066,616	1,402,756
	43,802,727	50,810,648
貸款減值撥備	(14,011)	(50,536)
貸款組合淨額	43,788,716	50,760,112

證券投資

本公司按照已批准的投資指引，採取審慎和低風險的方針管理剩餘資金及投資活動。本公司的投資組合主要包括銀行存款、短期商業票據、以收益為本的政府債券基金及房地產投資基金信託組成。高流通的投資組合為本公司的業務運作提供備用流動資金，以便可迅速自如應付不可預見的流動資金需要。於二零零九年十二月三十一日，投資組合總額為94億港元，包括36億可供出售投資及58億持有至到期投資。相對二零零八年的77億港元，投資組合的增長是由於二零零九年積極進行預先籌資活動，這有別於二零零八年因為爆發金融危機後要應付購入資產的資金需要，因而縮減投資組合額。由於奉行審慎的投資指引及資產與負債管理，本公司的投資組合中並無直接或間接持有任何次按投資、特別投資工具、債務擔保證券或面臨財困的金融機構所發行的債券。二零零九年的投資組合並無作出減值撥備(二零零八年：無)。

債券發行

本公司於二零零九年合共發行227億港元債券，包括155億港元債券為根據債務工具計劃發行，另外72億港元債券根據中期債券發行計劃發行。根據中期債券發行計劃發行的所有非港元債務均已轉換成為港元或美元負債。於二零零九年十二月三十一日，所有未贖回債務總額較二零零八年略為上升4%(即17億港元)至445億港元，有關升幅是二零零九年贖回滿期的196億港元債券及已發行債務證券公平值變動合計的增加淨額。如不計算全數或部份提早還款，二零零九年底貸款組合的合約平均期限為九年，而本公司發行債券的年期由一個月至十五年不等，本公司有86.7%的未贖回債券將於五年內期滿。

按揭證券發行

本公司於本年度並無發行任何按揭證券。於二零零九年十二月三十一日，已發行而未償還的按揭證券餘額較二零零八年減少37.5%(即12億港元)至20億港元，反映二零零九年贖回按揭證券所致。

外匯基金墊款

外匯基金向本公司提供300億港元的循環信貸額度，作為本公司備用流動資金。本公司於二零零九年全數償還循環信貸的所有墊款(即二零零八年底所提取的80億港元)。

海外業務

本公司於二零零九年購入31億港元的韓國按揭貸款組合，於年底的結餘為154億港元。

本公司在馬來西亞及中國深圳均有合資公司，分別擁有50%及90%股權，投資額份別為1.21億港元及1.02億港元，合共佔本公司總資產0.4%。馬來西亞的合資公司經營按揭擔保業務，二零零九年分佔該公司溢利190萬港元，相對二零零八年則有虧損8,000港元。深圳的合資公司於二零零九年底開始經營過渡按揭貸款擔保業務，錄得430萬港元虧損，主要是由開辦業務的初期成本所致。海外業務的溢利貢獻總額為1.26億港元(二零零八年：5,200萬港元)，佔本公司二零零九年除稅前溢利11%。

現金流管理

二零零九年，本公司未計算經營資產及負債增減的經營業務所得現金流為120億港元(二零零八年：6億港元)，主要來自淨利息收入。按揭貸款組合的還款用作贖回債券，及投資短期可供出售投資組合。二零零九年現金淨增加110億港元，高於二零零八年的3.38億港元。

資本管理

財政司司長對本公司設立的購買按揭貸款計劃、兩項按揭證券化計劃、非住宅按揭貸款、非按揭貸款及按

揭保險計劃所持金融產品的不同風險水平，批准以下的本公司資本充足比率（圖10）。

圖10

產品	最低限度的資本對資產比率
購買按揭貸款計劃	
(i) 一般按揭貸款	一般按揭貸款組合的5% (按未償還本金結餘或承擔金額加入應計利息計算)
(ii) 首次置業貸款計劃及夾心階層住屋貸款	首次置業貸款計劃及夾心階層住屋貸款的2% (按未償還本金結餘或承擔金額加應計利息計算)
按揭證券	按揭證券組合的2% (按未償還本金結餘加應計利息計算)
本公司將證券化按揭貸款轉讓給特設公司，此類按揭貸款均可在本公司未綜合特設公司之資產負債表內不確認。	證券化按揭貸款的0%
本公司將證券化按揭貸款轉讓給特設公司，如屬以下情況，此類按揭貸款均須本公司未綜合特設公司之資產負債表內確認：	
(i) 由本公司提供擔保	證券化按揭貸款的2%
(ii) 並非由本公司提供擔保	證券化按揭貸款的5%
非住宅按揭貸款	非住宅按揭貸款組合的8%
非按揭貸款	非按揭貸款組合的8%
海外住宅按揭貸款	按適用於海外住宅物業所在司法權區的資本規定再就一般按揭貸款組合5%的最低規定作相處調整
按揭保險計劃	由核准再保險公司的再保險安排保障的風險投保總額的0% 並無訂立再保險安排的風險投保總額的5%

資本基礎(即股東資金扣除對沖儲備加上按整體評估的貸款減值撥備)隨盈利上升，由二零零八年的56億港元增加12.5%至二零零九年的63億港元。於二零零九年底，本公司的資產負債表資產內及資產負債表以外風險總金額為662億港元，主要包括加權風險按揭貸款352億港元、租購資產17億港元、證券投資94億港元、現金及銀行結餘41億港元、風險加權按揭保險116億港元、衍生合約的取代成本及潛在未來信貸風險28億港元，按揭證券化計劃中的風險加權擔保風險3億港元及其他資產11億港元，資本對資產比率處於9.5%的穩健水平(二零零八年：8.7%)，遠高於財政司司長規定的5%最低水平。

股息

於二零一零年四月二十日舉行的股東週年大會，考慮到二零零九年本公司的優異財務表現，股東批准派發末期股息每股0.25港元(二零零八年：0.125港元)，合共5億港元(二零零八年：2.5億港元)，佔除稅後溢利的49.7%。

目錄 – 財務報表

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董事局報告書 REPORT OF THE DIRECTORS

董事局欣然提呈董事局報告書及本公司及其附屬公司(就本報告而言，包括用以發行按揭證券的特設公司)(統稱「本集團」)截至二零零九年十二月三十一日止年度經審核財務報表。

主要業務

本公司的主要業務包括：

- (1) 向有關批授人、發行人、擁有人或賣方購買在香港或其他地區的以物業或其他抵押品作抵押的按揭或貸款組合，或收購汽車及其他資產租購或租賃安排下的權利、權益及利益，或其他債權證、應收款項、金融資產及任何類別的據法權產；
- (2) 透過購買或以其他方式向政府當局與機構及相關組織、法定團體及公營機構收購任何資產，並持有、出售、轉讓、處置及處理任何該等購買或收購回來的資產；
- (3) 透過特設公司向投資者發行按揭證券，將按揭組合證券化；及
- (4) 就認可機構所批出以住宅物業作抵押的按揭貸款，提供按揭保險。

本公司附屬公司、共同控制實體及用以發行按揭證券的特設公司的公司資料及主要業務分別載於財務報表附註22、23及34。

業績及分配

本集團截至二零零九年十二月三十一日止年度的業績連同擬派股息詳情載於第114頁的綜合收益表。

The Directors have pleasure in presenting their report together with the audited financial statements of the Company and its subsidiaries (for the purpose of this report, including the special purpose entities used for issuing mortgage-backed securities) (together the "Group") for the year ended 31 December 2009.

Principal Activities

The principal activities of the Company are:

- (1) to purchase portfolios of mortgages or loans secured on properties or other collateral situated in Hong Kong or elsewhere, to acquire rights, interest and benefits under hire purchase or leasing arrangements made in respect of motor vehicles and other assets, or other debentures, receivables, financial assets and choses in action of all kinds from their originators, issuers, owners or vendors;
- (2) to acquire, by purchase or otherwise, any assets from government bodies and agencies and related organisations, statutory bodies and public bodies and to hold, sell, transfer, dispose of and deal in any such assets so purchased or acquired;
- (3) to securitise mortgage portfolios through special purpose entities by way of issuing mortgage-backed securities to investors; and
- (4) to provide mortgage insurance cover to Authorized Institutions in respect of mortgage loans originated by such Authorized Institutions and secured by residential properties.

The corporate information and principal activities of the subsidiaries, jointly controlled entity of the Company and special purpose entities used for issuing mortgage-backed securities are shown in Notes 22, 23 and 34 respectively to the financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2009 are set out in the consolidated income statement on page 114 together with particulars of the proposed dividend.

儲備

本集團於年內的儲備變動詳情載於第118頁的綜合權益變動表。

固定資產

本年度本集團及本公司的固定資產變動詳情載於財務報表附註24。

債券發行

截至二零零九年十二月三十一日止年度，本公司根據其總額400億港元債務工具發行計劃及總額30億美元中期債券發行計劃向銀行及機構投資者發行債券，集資227億港元，以提供一般營運資金及再融資，發行價合共為221億港元。本公司截至二零零九年十二月三十一日止年度並無根據零售債券發行計劃發行任何債券。債券發行及贖回業務的概要載於財務報表附註29。

按揭證券發行

特設公司於二零零九年概無根據有擔保按揭通遞證券化計劃或30億美元Bauhinia按揭證券化計劃發行任何按揭證券。按揭證券發行及贖回業務的概要載於附註30。

董事

於年內出任董事的本公司董事局成員名單如下：

曾俊華先生，太平紳士
主席兼執行董事

陳德霖先生，SBS，太平紳士
副主席兼執行董事
(於二零零九年十月一日獲委任)

任志剛先生，GBS，太平紳士
副主席兼執行董事
(於二零零九年十月一日退任)

彭醒棠先生，太平紳士
執行董事

余偉文先生，太平紳士
執行董事

夏佳理先生，CVO，GBS，OBE，太平紳士
董事(於二零零九年四月十六日退任)

Reserves

Movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 118.

Fixed Assets

Details of the movements in fixed assets of the Group and of the Company during the year are set out in Note 24 to the financial statements.

Debt Securities Issued

The Company issued notes to banks and institutional investors under its HK\$40 Billion Debt Issuance Programme and US\$3 billion Medium Term Note Programme during the year ended 31 December 2009, totalling HK\$22.7 billion for the purposes of providing general working capital and refinancing, at the total consideration of HK\$22.1 billion. The Company did not issue any debt securities under its Retail Bond Issuance Programme during the year ended 31 December 2009. A summary of the debt securities issuance and redemption activities is set out in Note 29 to the financial statements.

Mortgage-backed Securities Issued

The special purpose entities did not issue any mortgage-backed securities under the Guaranteed Mortgage-backed Pass-through Securitisation Programme or the US\$3 Billion Bauhinia Mortgage-backed Securitisation Programme in 2009. A summary of the mortgage-backed securities redemption activities is set out in Note 30.

Directors

The Directors of the Company who served during the year were as follows:

The Honourable John TSANG Chun Wah, JP
Chairman and Executive Director

Mr. Norman CHAN Tak Lam, SBS, JP
Deputy Chairman and Executive Director
(appointed on 1 October 2009)

Mr. Joseph YAM Chi Kwong, GBS, JP
Deputy Chairman and Executive Director
(retired on 1 October 2009)

Mr. Peter PANG Sing Tong, JP
Executive Director

Mr. Eddie YUE Wai Man, JP
Executive Director

The Honourable Ronald Joseph ARCULLI, CVO, GBS, OBE, JP
Director (retired on 16 April 2009)

陳家強教授，SBS，太平紳士
董事

陳鑑林先生，SBS，太平紳士
董事（於二零零九年四月十六日退任）

陳健波先生，太平紳士
董事

陳淑莊女士
董事（於二零零九年四月十六日獲委任）

鄭蔚彤女士
董事（於二零零九年四月十六日獲委任）

鄭汝樺女士，太平紳士
董事

張炳良教授，GBS，BBS，太平紳士
董事

方正先生，GBS，太平紳士
董事

黃嘉純先生，太平紳士
董事（於二零零九年四月十六日獲委任）

林炎南先生
董事（於二零零九年四月十六日退任）

李慧瑋女士
董事（於二零零九年四月十六日獲委任）

梁君彥先生，SBS，太平紳士
董事

李國寶博士，GBM，GBS，LLD (Cantab)，太平紳士
董事

萬志輝先生
董事

石禮謙先生，SBS，太平紳士
董事

單仲偕先生，SBS，太平紳士
董事（於二零零九年四月十六日退任）

陳清賜先生
董事

按照本公司的公司組織章程細則第109條，全體董事（執行董事除外）於下屆股東週年大會退任，惟可參選連任。

Professor the Honourable K C CHAN, SBS, JP
Director

The Honourable CHAN Kam Lam, SBS, JP
Director (retired on 16 April 2009)

The Honourable CHAN Kin Por, JP
Director

The Honourable Tanya CHAN
Director (appointed on 16 April 2009)

Ms. Louisa CHEANG
Director (appointed on 16 April 2009)

The Honourable Ms. Eva CHENG, JP
Director

Professor the Honourable Anthony CHEUNG Bing Leung, GBS, BBS, JP
Director

Mr. Eddy FONG Ching, GBS, JP
Director

Mr. Lester Garson HUANG, JP
Director (appointed on 16 April 2009)

Mr. David LAM Yim Nam
Director (retired on 16 April 2009)

The Honourable Ms. Starry LEE Wai King
Director (appointed on 16 April 2009)

The Honourable Andrew LEUNG Kwan Yuen, SBS, JP
Director

Dr. the Honourable David LI Kwok Po, GBM, GBS, LLD (Cantab), JP
Director

Mr. Geoffrey Jay MANSFIELD
Director

The Honourable Abraham SHEK Lai Him, SBS, JP
Director

The Honourable SIN Chung Kai, SBS, JP
Director (retired on 16 April 2009)

Mr. Eddie TAN Cheng Soo
Director

In accordance with Article 109 of the Company's Articles of Association, all those Directors who are not Executive Directors shall retire but shall be eligible for re-election at the next annual general meeting.

董事於交易及合約中的權益

本公司財務報表附註33載列本公司年內與有關人士訂立的重大交易詳情。附註33所披露權益亦屬董事在本公司或其附屬公司的重大合約中所擁有的重大權益。除附註33所披露者外，本公司或其任何附屬公司概無參與訂立任何董事可能被視為直接或間接於其中擁有重大權益且於年底或年內任何時間維持有效的重大合約。

於本年度內本公司亦無作出任何安排，使任何董事或管理層成員能透過收購本公司或任何其他法人團體的股份或債券而獲取利益。

遵照《保險公司條例》的條文額外作出的披露

年內，根據《保險公司條例》對控權人的定義，曾俊華先生及劉怡翔先生（本公司總裁）為本公司的控權人。截至二零零九年十二月三十一日止年度，劉先生於本公司所訂立的交易或合約中概無擁有任何權益。

年內，本公司經營的保險業務，並無涉及根據香港任何條例的規定須予投保的責任或風險。

本公司已與下列核准按揭再保險公司訂立再保險安排：亞洲保險有限公司、恒生財險（香港）有限公司、滙豐保險（亞洲）有限公司、昆士蘭按揭保險（亞洲）有限公司（前稱柏偉（亞洲）按揭保險有限公司）及美國國際集團聯合保險（亞洲）有限公司。年內，本公司以風險分攤方式經營按揭保險業務。除部份按揭保險並無作再保險安排外，本公司就按揭保險50%的風險向各核准再保險公司購買再保險，其餘50%風險則由本公司承擔。

Directors' Interests in Transactions and Contracts

Note 33 to the financial statements of the Company sets out details of material related party transactions entered into by the Company during the year. The interests disclosed in Note 33 also constitute material interests of Directors in relation to contracts which were significant to the Company or its subsidiaries. Save as disclosed in Note 33, there was no contract of significance, to which the Company or any of its subsidiaries was a party and in which a Director could be deemed to have a material interest, either directly or indirectly, which subsisted at the end of the year or at any time during the year.

At no time during the year was the Company a party to any arrangement to enable any of its Directors or members of its Management to acquire benefits by means of the acquisition of shares in, or debt securities of, the Company or any body corporate.

Additional Disclosures in Compliance with the Provisions of the Insurance Companies Ordinance ("ICO")

During the year, the Controllers of the Company as defined in the ICO were the Hon. John Tsang and Mr. James H. Lau Jr. (Chief Executive Officer of the Company). Mr. Lau did not have any interests in the transactions or the contracts which the Company had entered into during the year ended 31 December 2009.

During the year, the Company did not carry on insurance business relating to liabilities or risks in respect of which persons were required by any Ordinance to be insured.

The Company had entered into reinsurance arrangements with the following approved reinsurers: Asia Insurance Company, Limited, Hang Seng General Insurance (Hong Kong) Company Limited, HSBC Insurance (Asia) Limited, QBE Mortgage Insurance (Asia) Limited (formerly known as PMI Mortgage Insurance (Asia) Limited) and AIG United Guaranty Insurance (Asia) Limited. During the year, the Company operated its mortgage insurance business on a risk-sharing basis. Except for those mortgage insurance covers in respect of which no reinsurance arrangement has been made, the Company ceded 50% of the risk exposure under its mortgage insurance to each approved reinsurer, with the remaining 50% risk exposure being retained by the Company.

核數師

財務報表已由羅兵咸永道會計師事務所審核，其任期屆滿，惟有資格並願參選連任。

Auditors

The accounts have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

承董事局命

曾俊華

主席

On behalf of the Board of Directors

John C Tsang

Chairman

香港

二零一零年四月二十日

Hong Kong,

20 April 2010.

獨立核數師報告書 INDEPENDENT AUDITOR'S REPORT

致香港按揭證券有限公司股東
(於香港註冊成立的有限公司)

呈報財務報表

本核數師已審核刊於第114至207頁香港按揭證券有限公司(「公司」)及其附屬公司(統稱「集團」)的綜合財務報表，包括於二零零九年十二月三十一日的綜合及公司財務狀況表，以及截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，連同主要會計政策概要及其他說明附註。

董事對財務報表的責任

公司董事須負責按照香港會計師公會所頒佈香港財務報告準則及香港《公司條例》編製及真實公平地呈報綜合財務報表，包括設計、實行及維持有關編製及真實公平地呈報財務報表的內部監控，確保財務報表並無任何出於欺詐或錯誤的重要錯誤陳述、選用合適的會計政策及對有關情況作出合理的會計估計。

核數師的責任

我們的責任是根據我們審核工作的結果，對該等綜合財務報表作出意見，並根據香港《公司條例》第141條僅向身為團體的股東報告我們的意見，而不作其他用途。我們概不就本報告的內容對任何其他人士負責或承擔任何責任。

我們按照香港會計師公會頒佈的《香港核數準則》進行審核工作。該等準則規定我們須遵守操守規定並計劃及進行審核工作，以合理確定財務報表是否無重大錯誤陳述。

To the shareholders of The Hong Kong Mortgage Corporation Limited
(Incorporated in Hong Kong with limited liability)

Report on the financial statements

We have audited the consolidated financial statements of The Hong Kong Mortgage Corporation Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 114 to 207, which comprise the consolidated and Company statement of financial position as at 31 December 2009, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

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

Auditor's responsibility

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

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

審核工作涉及執行情序以取得與財務報表所載數額及披露事項有關的審核憑證。所選用程序按核數師的判斷作出，包括就財務報表是否含有出於欺詐或錯誤的重大錯誤陳述作出風險評估。作出該等風險評估時，核數師會考慮由該公司編製及真實公平呈報的財務報表相關的內部監控，以及因應有關情況而制定合適的審核程序，但不會對該公司內部監控的效能發表意見。審核工作亦包括評估該公司所用的會計政策是否適宜，董事所作出的會計估計是否合理，以及評估財務報表的整體呈列方式。

我們相信，我們已獲得充足和合適的審核憑證，為審核意見提供合理的基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映公司及集團於二零零九年十二月三十一日的財政狀況及集團截至該日止年度的溢利和現金流量，並已按照香港《公司條例》適當編製。

羅兵咸永道會計師事務所

執業會計師

香港

二零一零年四月二十日

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2009 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.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong,

20 April 2010.

綜合收益表

CONSOLIDATED INCOME STATEMENT

截至二零零九年十二月三十一日止年度
for the year ended 31 December 2009

		附註 Notes	2009 千港元 HK\$'000	2008 千港元 HK\$'000
利息收入	Interest income	6	1,338,301	1,825,214
利息支出	Interest expense	7	(300,594)	(1,115,364)
淨利息收入	Net interest income		1,037,707	709,850
其他收入	Other income	8	231,588	102,100
經營收入	Operating income		1,269,295	811,950
經營支出	Operating expenses	9	(157,836)	(141,749)
未計減值前的經營溢利	Operating profit before impairment		1,111,459	670,201
貸款減值回撥／(撥備)	Write-back of loan impairment allowances /(loan impairment charge)	12	36,837	(36,225)
經營溢利	Operating profit		1,148,296	633,976
應佔合營公司溢利／(虧損)	Share of profit/(loss) of a joint venture	23	1,922	(8)
除稅前溢利	Profit before taxation		1,150,218	633,968
稅項	Taxation	13(a)	(144,186)	(28,974)
本年度溢利	Profit for the year		1,006,032	604,994
應佔溢利／(虧損)：	Profit/(loss) attributable to:			
本公司股東	Equity holders of the Company		1,006,469	604,994
沒控制權股東	Non-controlling interest		(437)	—
			1,006,032	604,994
擬派股息	Proposed dividend	16	500,000	250,000

第121至207頁所載附註為綜合財務報表的一部分。

The notes on pages 121 to 207 are an integral part of these consolidated financial statements.

綜合全面收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至二零零九年十二月三十一日止年度
for the year ended 31 December 2009

	附註 Notes	2009 千港元 HK\$'000	2008 千港元 HK\$'000
本年度溢利	Profit for the year	1,006,032	604,994
其他全面收益：	Other comprehensive income:		
可供出售證券：	Available-for-sale securities:		
– 未變現收益／(虧損)淨額	– unrealised net gains/(losses) 32	227,272	(147,960)
– 已變現收益淨額的 重新分類調整淨額	– net reclassification adjustments for realised net gains 32	(3,522)	(24,329)
– 稅項	– tax effect 32	(37,311)	29,907
– 攤銷	– amortization 32	2,381	338
現金流對沖：	Cash flow hedges:		
– 直接在權益確認的 對沖收益／(虧損)淨額	– net gains/(losses) arising on hedges recognized directly in equity 32	25,126	(86,497)
– 稅項	– tax effect 32	(4,145)	14,338
換算海外業務時產生的 匯兌差額	Exchange differences on translation of foreign operations		
– 附屬公司	– subsidiary	157	–
– 合營公司	– joint venture 32	1,279	(8,557)
本年度其他全面收益， 已扣除稅項	Other comprehensive income for the year, net of tax	211,237	(222,760)
本年度全面收益總額	Total comprehensive income for the year	1,217,269	382,234
應佔全面收益總額：	Total comprehensive income attributable to:		
本公司股東	Equity holders of the Company	1,217,707	382,234
沒控制權股東	Non-controlling interest	(438)	–
		1,217,269	382,234

第121至207頁所載附註為綜合財務報表的一部分。

The notes on pages 121 to 207 are an integral part of these consolidated financial statements.

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零零九年十二月三十一日
as at 31 December 2009

		附註 Notes	2009 千港元 HK\$'000	2008 千港元 HK\$'000
資產	ASSETS			
現金及短期資金	Cash and short-term funds	17	4,067,798	3,093,258
應收利息及匯款	Interest and remittance receivables	18	710,530	1,334,485
衍生金融工具	Derivative financial instruments	19	1,317,375	2,237,526
貸款組合淨額	Loan portfolio, net	20	43,788,716	50,760,112
證券投資：	Investment securities:			
– 可供出售	– available-for-sale	21(a)	3,613,064	2,052,552
– 持有至到期	– held-to-maturity	21(b)	5,817,998	5,614,666
合營公司投資	Investment in a joint venture	23	115,190	113,532
固定資產	Fixed assets	24	21,257	14,302
預付款項、按金及其他資產	Prepayments, deposits and other assets	25	32,595	30,555
遞延稅項資產	Deferred tax assets	13(b)	–	28,904
再保險資產	Reinsurance assets	27	266,101	348,442
資產總值	Total assets		59,750,624	65,628,334
負債	LIABILITIES			
應付利息	Interest payable		445,787	469,965
應付賬項、應付開支及 其他負債	Accounts payable, accrued expenses and other liabilities	26	4,274,177	4,183,693
衍生金融工具	Derivative financial instruments	19	158,246	214,994
應付稅項	Tax payable	13(b)	138,329	47,866
遞延稅項負債	Deferred tax liabilities	13(b)	15,209	–
保險負債	Insurance liabilities	27	1,462,318	908,740
外匯基金墊款	Advance from Exchange Fund	28	–	8,000,000
已發行債務證券	Debt securities issued	29	44,495,073	42,814,988
已發行按揭證券	Mortgage-backed securities issued	30	2,020,394	3,225,624
負債總額	Total liabilities		53,009,533	59,865,870
權益	EQUITY			
權益持有人應佔股本 及儲備：	Capital and reserves attributable to the equity holders:			
股本	Share capital	31	2,000,000	2,000,000
保留溢利	Retained profits		3,925,694	3,485,513
風險儲備	Contingency reserve	32	189,833	123,545
公平值儲備	Fair value reserve	32	167,449	(21,371)
對沖儲備	Hedging reserve	32	(45,685)	(66,666)
匯兌儲備	Translation reserve	32	(7,120)	(8,557)
擬派股息	Proposed dividend	16	500,000	250,000
沒控制權股東的權益	Non-controlling interest in equity		6,730,171	5,762,464
			10,920	–
權益總額	Total equity		6,741,091	5,762,464
權益及負債總額	Total equity & liabilities		59,750,624	65,628,334

董事局已於二零一零年四月二十日批准及授權刊行。

Approved and authorized for issue by the Board of Directors on 20 April 2010.

陳德霖 Norman T. L. Chan
副主席 Deputy Chairman

彭醒棠 Pang Sing Tong, Peter
執行董事 Executive Director

第121至207頁所載附註為綜合財務報表的一部分。

The notes on pages 121 to 207 are an integral part of these consolidated financial statements.

財務狀況表

STATEMENT OF FINANCIAL POSITION

於二零零九年十二月三十一日
as at 31 December 2009

		附註 Notes	2009 千港元 HK\$'000	2008 千港元 HK\$'000
資產	ASSETS			
現金及短期資金	Cash and short-term funds	17	3,924,752	3,054,735
應收利息及匯款	Interest and remittance receivables	18	698,809	1,322,591
衍生金融工具	Derivative financial instruments	19	1,273,102	2,159,479
貸款組合淨額	Loan portfolio, net	20	40,817,163	46,678,285
證券投資：	Investment securities:			
– 可供出售	– available-for-sale	21(a)	3,613,064	2,052,552
– 持有至到期	– held-to-maturity	21(b)	5,817,998	5,614,666
附屬公司投資	Investment in subsidiaries	22	1,733,580	2,210,981
合營公司投資	Investment in a joint venture	23	120,554	122,097
固定資產	Fixed assets	24	19,000	14,302
預付款項、按金及其他資產	Prepayments, deposits and other assets	25	36,681	38,118
遞延稅項資產	Deferred tax assets	13(b)	–	28,889
再保險資產	Reinsurance assets	27	266,101	348,442
資產總值	Total assets		58,320,804	63,645,137
負債	LIABILITIES			
應付利息	Interest payable		442,217	462,518
應付賬項、應付開支及其他負債	Accounts payable, accrued expenses and other liabilities	26	4,910,949	4,979,510
衍生金融工具	Derivative financial instruments	19	158,246	214,994
應付稅項	Tax payable	13(b)	131,850	47,866
遞延稅項負債	Deferred tax liabilities	13(b)	15,213	–
保險負債	Insurance liabilities	27	1,462,318	908,740
外匯基金墊款	Advance from Exchange Fund	28	–	8,000,000
已發行債務證券	Debt securities issued	29	44,495,073	43,260,323
負債總額	Total liabilities		51,615,866	57,873,951
權益	EQUITY			
權益持有人應佔股本及儲備：	Capital and reserves attributable to the equity holders:			
股本	Share capital	31	2,000,000	2,000,000
保留溢利	Retained profits		3,893,341	3,485,678
風險儲備	Contingency reserve	32	189,833	123,545
公平值儲備	Fair value reserve	32	167,449	(21,371)
對沖儲備	Hedging reserve	32	(45,685)	(66,666)
擬派股息	Proposed dividend	16	500,000	250,000
權益總額	Total equity		6,704,938	5,771,186
權益及負債總額	Total equity & liabilities		58,320,804	63,645,137

董事局已於二零一零年四月二十日批准及授權刊行。

Approved and authorized for issue by the Board of Directors on 20 April 2010.

陳德霖 Norman T. L. Chan
副主席 Deputy Chairman

彭醒棠 Pang Sing Tong, Peter
執行董事 Executive Director

第121至207頁所載附註為綜合財務報表的一部分。

The notes on pages 121 to 207 are an integral part of these consolidated financial statements.

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零零九年十二月三十一日止年度
for the year ended 31 December 2009

		本公司股東應佔 Attributable to equity holders of the Company				沒控制 權股東 Non- controlling interest	合計 Total
	附註 Notes	股本 Share capital 千港元 HK\$'000	保留溢利 Retained profits * 千港元 HK\$'000	其他儲備 Other reserves 千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年一月一日結餘	Balance as at 1 January 2008	2,000,000	3,401,567	228,663	–	–	5,630,230
本年度溢利	Profit for the year	–	604,994	–	–	–	604,994
可供出售證券的公平值 虧損淨額，已扣除稅項	Net fair value losses of available-for-sale securities, net of tax	32	–	(142,044)	–	–	(142,044)
現金流對沖的虧損淨額， 已扣除稅項	Net losses arising from cash flow hedges, net of tax	32	–	(72,159)	–	–	(72,159)
換算海外業務時產生 的匯兌差額 – 合營公司	Exchange differences on translation of foreign operations – joint venture	32	–	(8,557)	–	–	(8,557)
本年度全面收益總額	Total comprehensive income for the year	–	604,994	(222,760)	–	–	382,234
由保留溢利撥入已滿期 風險保費淨額的50% 至風險儲備	Transfer of 50% of net risk premium earned from retained profits to contingency reserve	32	–	(26,330)	26,330	–	–
撥回風險儲備至保留溢利	Release of contingency reserve to retained profits	32	–	5,282	(5,282)	–	–
已付二零零七年股息	Dividend paid related to 2007	–	(250,000)	–	–	–	(250,000)
於二零零八年 十二月三十一日結餘	Balance as at 31 December 2008	2,000,000	3,735,513	26,951	–	–	5,762,464
本年度溢利／(虧損)	Profit/(loss) for the year	–	1,006,469	–	(437)	–	1,006,032
可供出售證券的公平值 收益淨額，已扣除稅項	Net fair value gains of available-for-sale securities, net of tax	32	–	188,820	–	–	188,820
現金流對沖的收益淨額， 已扣除稅項	Net gains arising from cash flow hedges, net of tax	32	–	20,981	–	–	20,981
換算海外業務時產生 的匯兌差額 – 附屬公司	Exchange differences on translation of foreign operations – subsidiary	32	–	158	(1)	–	157
– 合營公司	– joint venture	32	–	1,279	–	–	1,279
本年度全面收益總額	Total comprehensive income for the year	–	1,006,469	211,238	(438)	–	1,217,269
沒控制權股東注資	Capital injection by non-controlling interest	–	–	–	11,358	–	11,358
由保留溢利撥入已滿期 風險保費淨額的50% 至風險儲備	Transfer of 50% of net risk premium earned from retained profits to contingency reserve	32	–	(76,313)	76,313	–	–
撥回風險儲備至保留溢利	Release of contingency reserve to retained profits	32	–	10,025	(10,025)	–	–
已付二零零八年股息	Dividend paid related to 2008	–	(250,000)	–	–	–	(250,000)
於二零零九年 十二月三十一日結餘	Balance as at 31 December 2009	2,000,000	4,425,694	304,477	10,920	–	6,741,091

* 於二零零九年十二月三十一日，已從保留溢利中
劃撥500,000,000港元(二零零八年：
250,000,000港元)作為擬派末期股息。

* As at 31 December 2009, HK\$500 million (2008: HK\$250 million) was
earmarked as proposed final dividend from retained earnings.

第121至207頁所載附註為綜合財務報表的一部分。

The notes on pages 121 to 207 are an integral part of these consolidated
financial statements.

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零零九年十二月三十一日止年度
for the year ended 31 December 2009

	附註 Notes	2009 千港元 HK\$'000	2008 千港元 HK\$'000
經營業務所得現金流量	Cash flows from operating activities		
經營溢利	Operating profit	1,148,296	633,976
就以下各項作出的調整：	Adjustment for:		
利息收入	Interest income	(1,334,981)	(1,750,116)
利息支出	Interest expense	254,642	1,071,035
股息收入	Dividend income	(42,224)	(42,867)
折舊	Depreciation	10,890	8,936
已發行債務證券折讓攤銷	Amortisation of discount on debt securities issued	45,952	44,329
貸款減值(回撥)/撥備	(Write-back of loan impairment allowances)/ loan impairment charge	(36,837)	36,225
扣除收回貸款後撇銷的貸款組合	Loan portfolio written off net of recoveries	634	716
減值折現回撥	Unwind of discount on impairment	(322)	(335)
可供出售證券轉作持有至到期證券時的未變現虧損攤銷	Amortisation of unrealised loss on available-for-sale securities transferred to held-to-maturity securities	2,381	338
證券投資折讓攤銷	Amortisation of discount on investment securities	(5,701)	(75,436)
出售可供出售證券收益淨額	Net gain on disposal of available-for-sale securities	(5,277)	(26,026)
金融工具公平值變動	Change in fair value of financial instruments	35,534	50,993
根據現金流對沖換算金融資產變動	Change in translation of financial assets under cash flow hedge	25,126	(94,542)
已收利息	Interest received	1,361,663	1,776,266
已付利息	Interest paid	(278,820)	(1,073,063)
未計經營資產及負債變動的經營業務所得現金流量	Cash flows from operating activities before changes in operating assets and liabilities	1,180,956	560,429
於三個月後到期的定期存款減少/(增加)	Decrease/(increase) in time deposits with more than three month's maturity	88,971	(88,386)
應收匯款減少/(增加)	Decrease/(increase) in remittance receivables	597,273	(478,528)
預付款項、按金及其他資產減少	Decrease in prepayments, deposits and other assets	630	11,827
貸款組合減少/(增加)	Decrease/(increase) in loan portfolio	7,007,921	(16,336,427)
應付賬項、應付開支及其他負債項增加	Increase in accounts payable, accrued expenses and other liabilities	90,484	32,187
保險負債淨額增加	Increase in insurance liabilities, net	635,919	265,295
外幣匯兌差額	Exchange differences	(2,848)	29,515
經營所得/(所用)現金	Cash generated from/(used in) operation	9,599,306	(16,004,088)
已付香港利得稅	Hong Kong profits tax paid	(51,066)	(15,584)
經營業務所得/(所用)現金淨額	Net cash generated from/(used in) operating activities	9,548,240	(16,019,672)

綜合現金流量表
CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零零九年十二月三十一日止年度
for the year ended 31 December 2009

		附註 Notes	2009 千港元 HK\$'000	2008 千港元 HK\$'000
投資活動所得現金流量	Cash flows from investing activities			
購買固定資產	Purchase of fixed assets	24	(17,845)	(7,389)
購買可供出售證券	Purchase of available-for-sale securities	21(a)	(3,134,672)	(17,311,387)
購買持有至到期證券	Purchase of held-to-maturity securities	21(b)	(2,923,038)	(3,036,106)
出售或贖回可供出售證券所得款項	Proceeds from sale or redemption of available-for-sale securities		1,813,456	18,565,927
贖回持有至到期證券所得款項	Proceeds from redemption of held-to-maturity securities	21(b)	2,731,226	3,518,682
合營公司投資	Investment in joint venture		–	(122,097)
應收合營公司款項減少	Decrease in amount due from a joint venture		1,543	–
已收可供出售證券股息	Dividend received from available-for-sale securities		39,554	41,513
投資活動(所用)/所得現金淨額	Net cash (used in)/generated from investing activities		(1,489,776)	1,649,143
融資前現金流入/(流出)淨額	Net cash inflows/(outflows) before financing		8,058,464	(14,370,529)
融資活動所得現金流量	Cash flows from financing activities			
外匯基金墊款所得款項	Proceeds from advance from Exchange Fund		57,000,000	8,000,000
償還外匯基金墊款	Repayment from advance from Exchange Fund		(65,000,000)	–
發行債務證券所得款項	Proceeds from issue of debt securities	29	22,060,740	24,377,642
贖回已發行債務證券	Redemption of debt securities issued	29	(19,645,595)	(16,362,840)
已發行按揭證券還款	Repayment of mortgage-backed securities issued	30	(1,171,456)	(1,055,906)
沒控制權股東注資	Capital injection by non-controlling interest		11,358	–
已付股息	Dividend paid	16	(250,000)	(250,000)
融資活動(所用)/所得現金淨額	Net cash (used in)/generated from financing activities		(6,994,953)	14,708,896
現金及等同現金項目增加淨額	Net increase in cash and cash equivalents		1,063,511	338,367
年初現金及等同現金項目	Beginning cash and cash equivalents		2,764,608	2,426,241
年終現金及等同現金項目	Ending cash and cash equivalents	17	3,828,119	2,764,608

第121至207頁所載附註為綜合財務報表的一部分。

The notes on pages 121 to 207 are an integral part of these consolidated financial statements.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. 編製基準

香港按揭證券有限公司(「本公司」)及其附屬公司(統稱「本集團」)的綜合財務報表乃按照由香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)(包括所有適用的個別香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋)、香港公認的會計原則,以及香港公司條例的規定編製。

本綜合財務報表乃按歷史成本慣例編製,並已就可供出售證券投資、以公平值列賬的金融資產及金融負債(包括衍生金融工具)的重估作出調整。

除另行陳述者外,編製此等綜合財務報表所應用的主要會計政策及計算方法與以往呈報的所有年度所應用的貫徹一致。

編製符合香港財務報告準則的財務報表時須採用若干重大會計估計,而管理層應用本集團會計政策時亦須自行作出判斷。需要較多判斷或較複雜的範疇,或假設及估計對綜合財務報表屬重要的範疇已在附註4披露。

1. Basis of preparation

The consolidated financial statements of The Hong Kong Mortgage Corporation Limited (the "Company") and its subsidiaries (collectively the "Group") have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs" is a collective term which includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), 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.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale investment securities, financial assets and financial liabilities (including derivative financial instruments) carried at fair value.

The principal accounting policies and methods of computation used in the preparation of these consolidated financial statements are consistently applied to all the years presented, unless otherwise stated.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2. 主要會計政策

2.1 採納香港財務報告準則

(a) 於二零零九年一月一日或以後生效的準則、修訂及詮釋

2. Significant accounting policies

2.1 Adoption of HKFRSs

(a) Standards, amendments and interpretations effective on or after 1 January 2009

準則／詮釋 Standard/ Interpretation	內容 Content	適用於以下日期／ 之後開始之財政年度 Applicable for financial years beginning on/after	與本集團相關 Relevant to the Group
香港財務報告準則第2號 HKFRS 2	股權償付 — 權益歸屬條件及註銷 Share-based payments – Vesting Conditions and Cancellations	二零零九年一月一日 1 January 2009	否 No
香港財務報告準則第7號 HKFRS 7	改進有關金融工具之披露 Improving Disclosures about Financial Instruments	二零零九年一月一日 1 January 2009	是 Yes
香港財務報告準則第8號 HKFRS 8	經營分類 Operating Segments	二零零九年一月一日 1 January 2009	是 Yes
香港會計準則第1號 HKAS 1	財務報表之呈列 Presentation of Financial Statements	二零零九年一月一日 1 January 2009	是 Yes
香港會計準則第23號 HKAS 23	借貸成本 Borrowing Costs	二零零九年一月一日 1 January 2009	否 No
香港會計準則第32號 及香港會計準則第1號 HKAS 32 and HKAS 1	可沽售金融工具及清盤產生之責任 Puttable Financial Instruments and Obligations Arising on Liquidation	二零零九年一月一日 1 January 2009	否 No
香港(國際財務報告 詮釋委員會) — 詮釋第13號 HK (IFRIC) – Int 13	客戶忠誠計劃 Customer Loyalty Programmes	二零零八年七月一日 1 July 2008	否 No
香港(國際財務報告 詮釋委員會) — 詮釋第15號 HK (IFRIC) – Int 15	房地產建造協議 Agreements for the Construction of Real Estate	二零零九年一月一日 1 January 2009	否 No
香港(國際財務報告 詮釋委員會) — 詮釋第16號 HK (IFRIC) – Int 16	境外業務投資淨額之對沖 Hedges of a Net Investment in a Foreign Operation	二零零八年十月一日 1 October 2008	否 No

- **香港財務報告準則第7號之修訂改進有關金融工具之披露**

該修訂增加有關公平值計量之披露規定，並加強有關披露流動資金風險之現有準則。該修訂就金融工具之公平值計量引入一套三級制披露規則，規定須就歸類為此分類架構中最低層次之金融工具作出若干特定的定量披露。此外，該修訂澄清及加強披露流動資金風險之現有規定，主要規定須分開對衍生及非衍生金融負債進行流動資金風險分析。採納該修訂導致額外披露，但對本集團的財務狀況或全面收益並無任何影響。

- **香港財務報告準則第8號經營分類**

該準則取代香港會計準則第14號分類呈報有關釐定主要及次要報告分類的規定。香港財務報告準則第8號規定按內部呈報所用相同基準的「管理方法」呈列分類資料。經營分類指公司主要經營決策者定期審查的公司組成部分。本集團已評估香港財務報告準則第8號的影響，並確定主要影響將為分類確定、分類資料的計量須與用於決策的管理資料相符；及增加與分類有關的質量及計量披露。

- **香港會計準則第1號財務報表之呈列**

經修訂版本於二零零七年十二月頒佈。準則禁止於權益變動表內呈列收入及開支項目（即「非所有者權益變動」），規定「非所有者權益變動」須與所有者權益變動分開呈列。所有非所有者權益變動須於業績報表中呈列，惟公司可選擇以一份業績報表（全面收益表）或兩份報表（收益表及全面收益表）呈列。本集團已選擇呈列兩份報表：收益表及全面收益表。根據經修訂準則，資產負債表重新命名為「財務狀況表」，而現金流量表的英文名稱由「Cash Flow Statement」重新命名為「Statement of Cash Flows」。

- **Amendment to HKFRS 7 Improving Disclosures about Financial Instruments**

The amendment increases the disclosure requirements about fair value measurement and reinforces existing principles for disclosure about liquidity risk. The amendment introduces a three-level hierarchy for fair value measurement disclosures and requires some specific quantitative disclosures for financial instruments in the lowest level in the hierarchy. In addition, the amendment clarifies and enhances the existing requirements for the disclosure of liquidity risk primarily requiring a separate liquidity risk analysis for derivative and non-derivative financial liabilities. The adoption of the amendment results in additional disclosures but does not have an impact on the financial position or the comprehensive income of the Group.

- **HKFRS 8 Operating Segments**

The standard replaces HKAS 14 Segment Reporting with its requirement to determine primary and secondary reporting segments. HKFRS 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. Operating segments are components of an entity regularly reviewed by an entity's chief operating decision-maker. The Group has assessed the impact of HKFRS 8 and concluded that the key impact is on the identification of segments, measurement of segment information in line with the management information for decisions making and more qualitative and quantitative disclosures related to segments.

- **HKAS 1 Presentation of Financial Statements**

A revised version was issued in December 2007. It prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present two statements: an income statement and a statement of comprehensive income. Under the revised standard, the Balance Sheet is renamed as the "Statement of Financial Position" and the Cash Flow Statement is renamed as the "Statement of Cash Flows".

比較資料亦已重新呈列，以符合經修訂準則。根據香港會計準則第1號之修訂，權益的各組成部分（包括其他全面收益項目）應就期初及期末的賬面值進行對賬。由於會計政策變動僅影響呈列，故其對保留盈利並無任何影響。

Comparative information has been re-presented so that it also conforms with the revised standard. According to the amendment of HKAS 1, each component of equity, including each item of other comprehensive income, should be reconciled between carrying amount at the beginning and the end of the period. Since the change in accounting policy only impacts presentation aspects, there is no impact on retained earnings.

(b) 已頒佈但尚未生效的準則及詮釋

以下為已頒佈且本集團須於二零零九年七月一日或之後開始之會計期間強制採用的準則及詮釋：

(b) Standards and Interpretations issued but not yet effective

The following Standards and Interpretations have been issued and are mandatory for the Group's accounting periods beginning on or after 1 July 2009 or later periods:

準則／詮釋 Standard/ Interpretation	內容 Content	適用於以下日期或之後開始之財政年度 Applicable for financial years beginning on/after	與本集團相關 Relevant to the Group
香港財務報告準則第1號及香港會計準則第27號 HKFRS 1 and HKAS 27	於附屬公司、共同控制公司或聯營公司之投資成本 Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	二零零九年七月一日 1 July 2009	否 No
香港財務報告準則第3號 HKFRS 3	企益合併 Business Combinations	二零零九年七月一日 1 July 2009	否 No
香港會計準則第27號 HKAS 27	綜合及獨立財務報表 Consolidated and Separate Financial Statements	二零零九年七月一日 1 July 2009	是 Yes
香港會計準則第39號 HKAS 39	金融工具：確認及計量 — 合資格對沖項目 Financial Instruments: Recognition and Measurements – Eligible Hedged Items	二零零九年七月一日 1 July 2009	是 Yes
香港（國際財務報告詮釋委員會） — 詮釋第17號 HK (IFRIC) – Int 17	向擁有人分派非現金資產 Distribution of Non-Cash Assets to Owners	二零零九年七月一日 1 July 2009	否 No
香港（國際財務報告詮釋委員會） — 詮釋第18號 HK (IFRIC) – Int 18	轉讓自客戶之資產 Transfers of Assets from Customers	二零零九年七月一日 1 July 2009	否 No
香港財務報告準則第9號 HKFRS 9	金融工具第一部分：分類及計量 Financial Instruments Part 1: Classification and Measurement	二零一三年一月一日 1 January 2013	是 Yes

- **香港會計準則第27號綜合及獨立財務報表**

經修訂準則規定，如控制權不變，而此等交易將不再產生商譽或損益，則集團與沒控制權股東之間的所有交易的影響必須在權益中呈列。該準則亦指明失去控制權時之會計處理方式。持有該公司之餘下權益按公平值重新計量，而損益於損益賬中確認。本集團預期將自二零一零年一月一日起應用香港會計準則第27號（經修訂）處理與沒控制權股東之間的交易。

- **香港會計準則第39號金融工具：確認及計量 – 合資格對沖項目**

合資格對沖項目的修訂於二零零八年十一月頒佈，提供兩種情況的指引：香港會計準則第39號列明，在指定對沖項目的單方面風險時，整體指定所購買期權為單方面風險對沖工具不會完全有效。除特殊情況外，通脹不可指定為對沖風險或部份風險。本集團財務報表不會有任何變動。

- **香港財務報告準則之改進**

「香港財務報告準則之改進」包含多項被香港會計師公會認為非緊急但必須之香港財務報告準則的多項修訂。「香港財務報告準則之改進」包括導致呈列、確認或計量方面出現會計變更的修訂，以及多項與個別香港財務報告準則相關之用詞或編輯修訂。大部分修訂分別於二零零九年一月一日及二零一零年一月一日或之後開始之年度期間生效，可提前應用。預期此等修訂不會令會計政策有重大變動。

- **HKAS 27 Consolidated and Separate Financial Statements**

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply HKAS 27 (Revised) prospectively to transactions with non-controlling interests from 1 January 2010.

- **HKAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items**

The amendment Eligible Hedged Items was issued in November 2008. It provides guidance in two situations: On the designation of one-sided risk in a hedged item HKAS 39 concludes that a purchased option designated in its entirety as the hedging instrument of a one-sided risk will not be perfectly effective. The designation of inflation as a hedged risk or portion is not permitted unless in particular situations. This will not give rise to any changes to the Group's financial statements.

- **Improvements to HKFRS**

'Improvements to HKFRS' contains numerous amendments to HKFRS which the HKICPA consider non-urgent but necessary. 'Improvement to HKFRS' comprise amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to a variety of individual HKFRS standards. Most of the amendments are effective for annual periods beginning on or after 1 January 2009 and 1 January 2010 respectively, with earlier application permitted. No material changes to accounting policies are expected as a result of these amendments.

• 香港財務報告準則第9號金融工具第一部份：分類及計量

香港財務報告準則第9號於二零零九年十一月頒佈，取代香港會計準則第39號有關金融資產分類及計量的部分。主要特點如下：

金融資產須分類為兩種計量類別：一種是其後按公平值計量的金融資產，另一種是其後按攤銷成本計量的金融資產。計量類別乃於初步確認時按該公司管理其金融工具的業務模式以及該工具的合約現金流量特徵而釐定。

僅在金融工具為債務工具，且公司的業務模式旨在持有該資產以收取合約現金流量，而資產的合約現金流量僅指本金及利息付款（即僅具有「基本借款特性」）的情況下，該金融工具其後方會按攤銷成本計量。所有其他債務工具均透過損益按公平值計量。

所有股本工具其後按公平值計量。持作買賣的股本工具將透過損益按公平值計量。對於所有其他股本工具，可於初步確認時作出不可撤回選擇，以透過其他全面收益而非損益確認未變現及已變現的公平值收益及虧損。公平值收益及虧損並不會重新計入損益。此項選擇可按逐個工具作出。倘股息為投資回報，則即於損益內呈列。

雖然香港財務報告第9號自二零一三年一月一日起強制採用，但可提早採用。

本集團正在考慮該準則的規定、對本集團的影響以及本集團應用該準則的時間。

(c) 提早應用準則

本集團於二零零九年並無提早應用任何新訂或經修訂準則。

• HKFRS 9 Financial Instruments Part 1: Classification and Measurement

HKFRS 9 was issued in November 2009 and replaces those parts of HKAS 39 relating to the classification and measurement of financial assets. Key features are as follows:

Financial assets are required to be classified into two measurement categories: those to be measured subsequently at fair value, and those to be measured subsequently at amortised cost. The decision is to be made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

An instrument is subsequently measured at amortised cost only if it is a debt instrument and both the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows represent only payments of principal and interest (that is, it has only 'basic loan features'). All other debt instruments are to be measured at fair value through profit or loss.

All equity instruments are to be measured subsequently at fair value. Equity instruments that are held for trading will be measured at fair value through profit and loss. For all other equity instruments, an irrevocable election can be made at initial recognition, to recognise unrealised and realised fair value gains and losses through other comprehensive income rather than profit and loss. There is to be no recycling of fair value gains and losses to profit and loss. This election may be made on an instrument-by-instrument basis. Dividends are to be presented in profit and loss, as long as they represent a return on investment.

While adoption of HKFRS 9 is mandatory from 1 January 2013, earlier adoption is permitted.

The Group is considering the implications of the standard, the impact on the Group and the timing of its adoption by the Group.

(c) Early adoption of standards

The Group did not early-adopt any new or amended standards in 2009.

2.2 綜合賬目

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日的財務報表。

(a) 附屬公司

附屬公司指本集團有權控制其財務及營運政策的所有公司(包括特設公司)，一般為擁有該公司過半數投票權之股權。評估本集團是否控制另一公司時，會考慮現時是否存在可行使或可轉換的潛在投票權及其影響。附屬公司自控制權轉移至本集團當日起全面綜合入賬，並自該控制權終止當日終止綜合入賬。

本集團成員公司間的交易、結餘及未變現收益會相互對銷。除非有證據顯示交易所轉讓資產出現減值，否則未實現虧損亦應予以沖銷。如有需要，附屬公司的會計政策需作出調整，以確保與本集團的政策一致。

沒控制權股東指並非由本公司直接或透過附屬公司間接所擁有權益應佔附屬公司淨資產的部份，本集團並無與該等權益持有人協定任何額外條款而導致本集團整體對符合金融負債定義的該等權益擁有合約責任。沒控制權股東在綜合財務狀況表及綜合全面收益表呈列，與本公司股東應佔權益分開呈列。沒控制權股東應佔本集團業績部分，在綜合收益表呈列為沒控制權股東與本公司之間的年度純利分配。

在本公司的財務狀況表中，於附屬公司的投資按成本扣減任何減值撥備列賬。附屬公司之業績由本公司按已收及應收股息入本公司賬目。

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of these interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meet the definition of a financial liabilities. They are presented in the consolidated statement of financial position and consolidation statement of comprehensive income, separately from equity attributable to equity holders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the net profit for the year between non-controlling interest and equity holders of the Company.

In the Company's statement of financial position, the investment in the subsidiaries are stated at cost less provision for impairment allowances. The results of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) 與沒控制權股東之交易

本集團的政策是將與沒控制權股東之交易視為與本集團以外人士之交易。本集團向沒控制權股東出售項目而產生之盈虧在收益表列賬。向沒控制權股東購買項目所產生之商譽指任何已付代價超過分佔所收購附屬公司淨資產之賬面值的差額。

(c) 共同控制實體

共同控制實體指涉及成立獨立公司且各合營方對其經濟活動有共同控制權的共同合營安排。對共同控制公司的投資以權益會計法入賬，首先以成本確認。

本集團應佔共同控制實體之溢利或虧損於收益表確認，而應佔儲備之增減則於儲備確認。投資賬面值會根據累積增減調整。倘本集團應佔共同控制實體之虧損等於或超過所持共同控制實體之權益（包括任何其他無抵押應收款項），則本集團不會再確認額外虧損，除非本集團有責任或已經代表合營公司付款。

本公司財務狀況表內，於共同控制實體的投資按成本扣除減值撥備列賬。共同控制實體之業績由本公司按已收及應收股息入賬。

(b) Transactions with non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interest result in gains and losses to the Group that are recorded in the income statement. Purchases from the non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(c) Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity are referred as jointly controlled entities. Investments in jointly controlled entities are accounted for using the equity method of accounting and are initially recognised at cost.

The Group's share of its jointly controlled entities' profits or losses is recognised in the income statement, and its share of movements in reserves is recognised in reserves. The cumulative movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a jointly controlled entity equals or exceeds its interest in the entity, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the entity.

In the Company's statement of financial position, the investment in the jointly controlled entity is stated at cost less provision for impairment allowances. The results of the jointly controlled entity are accounted for by the Company on the basis of dividends received and receivable.

2.3 利息收入及支出

除指定為以公平值變化計入損益者外，所有付息金融工具之利息收入及支出均採用實際利息法於收益表內確認。

實際利息法是一種計算金融資產或金融負債之攤銷成本以及攤分有關期間之利息收入或支出的方法。實際利率指於金融工具之預計年期或較短時間(如適用)內將估計未來現金支出或收入準確折現至金融資產或金融負債賬面淨值的利率。計算實際利率時，本集團會考慮金融工具的所有合約條款以估計現金流量，但不會計及未來信貸虧損。計算範圍包括訂約雙方已支付或已收取且屬於實際利率不可分割一部分的一切費用，以及交易成本及所有其他溢價或折讓。

當一項金融資產或一組同類金融資產因出現減值虧損而撇減其價值時，會按計算減值虧損時用以折現未來現金流量的利率確認利息收入。

2.4 非利息收入

(a) 費用及佣金收入

費用及佣金通常於提供服務時以應計基準確認。屬於實際利率不可分割一部分的前期安排手續費作為對釐定貸款利息收入實際利率的調整確認。

(b) 股息收入

股息收入於取得獲派股息權利時確認。

2.3 Interest income and expense

Interest income and expense are recognised in the income statement for all interest bearing financial instruments using the effective interest method except for those designated at fair value through profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense 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 or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument 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, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.4 Non interest income

(a) Fee and commission income

Fees and commissions are generally recognised on an accrual basis when the service has been provided. Upfront arrangement fees that are an integral part of the effective interest rate are recognised as an adjustment to the effective interest rate in determining interest income on the loans.

(b) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.5 金融資產

本集團將金融資產分為：以公平值變化計入損益的金融資產、貸款及應收款項、持至到期的投資及可供出售金融資產。分類方式視乎購入投資的目的而定。管理層於初始確認時決定投資分類。

(a) 以公平值變化計入損益的金融資產

此類別可細分為兩類：持作買賣的金融資產及於首次分類時指定為以公平值變化計入損益的金融資產。倘金融資產主要為在短期內出售而購入，或該資產為集合管理的可識別金融工具組合之一部分及有證據顯示近期曾實際短期獲利，則歸類為持作買賣用途。除已指定作對沖用途外，否則衍生工具亦歸類為持作買賣用途。

符合以下條件之金融資產，一般會初始時被界定為以公平值變化計入損益類別：

- (i) 若該界定能消除或大幅減少因按不同基準計量金融資產或金融負債之價值或確認其盈利或虧損，而出現不一致的計量或確認情況（有時稱為「會計錯配」）；或
- (ii) 若根據明文規定的風險管理或投資策略，有一組金融資產及／或金融負債需按公平值基準管理及評估表現，而內部亦根據該基準向管理層呈報有關該組金融資產及／或金融負債。
- (iii) 含有一項或多項對現金流量有重大影響的嵌入式衍生工具的所持有債務證券等金融資產指定為以公平值變化計入損益。

(b) 貸款及應收款項

貸款及應收款項為有固定或可確定還款額、並無活躍市場報價之非衍生金融資產，且本集團無意買賣有關貸款及應收款項。

2.5 Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

(a) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated as at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actual pattern of short-term profit-making. Derivatives are also categorised as held for trading unless they are designated as hedges.

A financial asset is typically classified as fair value through profit or loss at inception if it meets the following criteria:

- (i) the designation eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “an accounting mismatch”) that would otherwise arise from measuring the financial assets or financial liabilities or recognising the gains and losses on them on different bases; or
- (ii) a group of financial assets and/or financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and this is the basis on which information about the financial assets and/or financial liabilities is provided internally to the key management personnel.
- (iii) Financial assets, such as debt securities held, containing one or more embedded derivatives significantly modify the cash flows, are designated at fair value through profit or loss.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and for which the Group has no intention of trading.

(c) 持至到期投資

持至到期投資為有固定或可確定還款額及還款期的非衍生金融資產，且本集團管理層有明確意向及能力持至到期。若本集團出售非重大數額之持至到期資產，則整個資產類別將受影響並重新分類至可供出售資產。

(d) 可供出售投資

可供出售投資為包括指定為此類別或並無歸入任何其他類別的非衍生金融投資。可供出售投資為無限定持有時間的投資，可因應流動資金需要或利率、匯率或市價變動而出售。可供出售投資初步按公平值（包括直接及遞增交易成本）確認，其後按公平值持有。

金融資產的買賣於交收日確認。所有並非以公平值變化計入損益的金融資產初始時按公平值加上交易成本確認。以公平值變化計入損益的金融資產初步按公平值確認，而交易成本則在收益表列作支出。在該等金融資產取得現金流量的權利完結或本集團已轉讓所有權的大體上全部風險及回報時，會終止對該等金融資產之確認。

可供出售金融資產及以公平值變化計入損益的金融資產其後以公平值列賬。貸款及應收款項及持至到期的投資則採用實際利息法以攤銷成本列賬。「以公平值變化計入損益的金融資產」類別的公平值變動產生的收益及虧損，於產生時計入該期間的收益表。可供出售金融資產公平值變動產生的未變現收益及虧損於權益中直接確認，直至有關金融資產被註銷或減值時，則將先前已於權益確認之累計盈虧撥轉至收益表。然而，使用實際利息法計算的利息乃於收益表中確認。可供出售股權工具之股息於有關公司取得獲派股息權利時於收益表確認。

(c) Held-to-maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group was to sell other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

(d) Available-for-sale

Available-for-sale investments are non-derivative financial investments that are either designated in this category or not classified in any of the other categories. Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rate, exchange rate or market prices. They are initially recognised at fair value including direct and incremental transaction costs. They are subsequently held at fair value.

Purchases and sales of financial assets are recognised on settlement date. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity, until the financial asset is derecognised or impaired at which time the cumulative gain or loss previously recognised in equity should be recognised in income statement. However, interest calculated using the effective interest method is recognised in the income statement. Dividends on available-for-sale equity instruments are recognised in the income statement when the entity's right to receive payment is established.

以外幣列值及分類為可供出售的貨幣證券的公平值變動按有關證券的攤銷成本與證券賬面值的其他變動之間產生的換算差額計算。貨幣證券的換算差額於收益表確認，非貨幣證券的換算差額於權益確認。歸類為可供出售的貨幣及非貨幣證券的公平值於權益確認。

於交投活躍市場報價之投資的公平值按現時買入價計算。倘金融資產的市場並不活躍，本集團會採用估值方法訂出公平值，包括採用近期按公平原則進行的交易、參考其他大致相同的工具、現金流量折現分析及市場參與者廣泛採用的其他估值方法釐定公平值。

2.6 金融資產減值

(a) 以攤銷成本列賬之資產

本集團於各呈報期末評估有無客觀證據顯示個別金融資產或一組金融資產出現減值。於初始確認資產後發生一個或多個損失事件（「損失事件」）以致出現減值之客觀證據，且該宗（或該等）損失事件對有關金融資產或一組金融資產之未來現金流量的影響可準確估計，則該金融資產或一組金融資產將視作減值及出現減值虧損。顯示個別或一組金融資產減值之客觀證據包括本集團注意到有關可供觀察資料之以下損失事件：

- 發行人或欠債人出現嚴重財政困難；
- 違約，例如延遲支付或拖欠利息或本金；
- 因與借款人財政困難有關之經濟或法律理由，本集團給予借款人在一般情況下不予考慮之優惠條件；
- 借款人可能面臨破產或其他財務重組；
- 因財政困難至使金融資產之活躍市場消失；或

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the securities and other changes in the carrying amount of the securities. The translation differences on monetary securities are recognised in income statement; translation differences on non-monetary securities are recognised in equity. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in equity.

The fair value of quoted investments in active markets are based on current bid prices. If there is no active market for a financial asset, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and other valuation techniques commonly used by market participants.

2.6 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about the following loss events:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the Group would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or

- 可察覺的資料顯示初步確認某一金融資產組合產生時的未來預計現金流量將較最初確認有可量度下降，即使有關下降未能識別為該組合內之個別金融資產。資料包括：

- 該組合的供款人之還款狀況有不利轉變；或
- 該組合資產之逾期還款相關之經濟狀況。

本集團首先評估有否客觀證據顯示金額重大之個別金融資產出現減值，以及個別或組合地評估金額非重大之個別金融資產。若本集團確定並無客觀證據顯示所評估個別金融資產（不論金額是否屬重大）出現減值，則將該資產包括於信貸風險特徵相若的組合中，以作出組合減值評估。組合減值評估不包括已經個別評估為有減值虧損或將繼續確認減值虧損之資產。

如有客觀證據顯示以攤銷成本列賬之貸款及應收款或持至到期投資出現減值虧損，則虧損額將以資產賬面值與預計未來現金流量（不包括尚未產生的未來信貸虧損），按該金融資產原有實際利率的折現差額計算。資產的賬面值通過撥備賬目而調減，虧損金額則於收益表確認。倘貸款或持至到期投資按浮動利率計算，則計量減值虧損的折現率為合約釐定的現行實際利率。倘有實際需要，本集團可採用可供觀察的市價按金融工具公平值計量減值。

對有抵押金融資產預計未來現金流量之現值計算，可反映因收回抵押品後扣除取得及出售抵押品之成本可能產生的現金流量，不論是否可能取消贖回權。

- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:

- adverse changes in the payment status of borrowers in the group; or
- economic conditions that correlate with defaults on the assets in the group.

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

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

整體之組合減值評估而言，金融資產按相若信貸風險特徵歸類，該等特徵與預測該等資產群組之未來現金流量有關，可顯示所評估資產在合約條款下其債務人清還所有到期債務的能力。

一組共同進行減值評估的金融資產的未來現金流量，是按群組內資產的合約現金流量，及與其具相若信貸風險特徵的資產之過往虧損記錄為基準估量。過往虧損紀錄會根據現時可觀察資料予以調整，以反映並沒有對過往經驗所依據的該期間產生影響的現有狀況的影響，以及消除於過往期間出現但現時並不存在之條件的影響。

估計一組資產未來現金流量的變動時須反映各期間的相關可觀察數據（顯示該組資產虧損之可能性及程度的變動），並調整至與其一致。本集團定期檢討估計未來現金流量的方法及假設，以縮減虧損估計與實際虧損的差距。

倘貸款無法收回，則信貸委員會將酌情決定自相關貸款減值虧損撥備撤銷貸款。該等貸款將於完成所有必需程序及確定虧損金額後撤銷。倘日後收回以往已撤銷的款項，將用於減抵收益表中之減值虧損。

如日後減值虧損撥備減少，且與確認減值後發生的事件有客觀聯繫，則過往確認的減值虧損會透過調整撥備賬目撥回。回撥的金額於收益表內確認。

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics which are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period which are indicative of changes in the probability of losses in the group and their magnitude. The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectable, it is written off against the related allowance for loan impairment at the discretion of the Credit Committee. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the allowance for loan impairment in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

(b) 以公平值列賬的資產

本集團在各呈報期末評估有否客觀證據顯示個別金融資產或一組金融資產出現減值。如可供出售金融資產存在該等值證據，其累計虧損（即收購成本與現時公平值之差額扣減原先已於收益表確認之金融資產減值虧損）需自權益撥轉至收益表。如日後歸類為可供出售金融資產之債務工具的公平值增加，並與確認減值後發生之事件有客觀聯繫，則有關減值虧損將於收益表回撥。

(c) 已重組貸款

須作組合減值評估或屬個別重大的貸款如已重新協商條款則不再視為逾期，而作為已重組貸款處理。

(b) Assets carried at fair value

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statement – is removed from equity and recognised in the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in income statement, the impairment loss is reversed through the income statement.

(c) Renegotiated loans

Loans that are either subject to collective impairment assessment or individually significant and whose terms have been renegotiated are no longer considered to be past due but are treated as renegotiated loans.

2.7 金融負債

金融負債分為兩類：以公平值變化計入損益的金融負債及其他金融負債。所有金融負債於初始時分類，並初步按公平值確認。

根據債務工具發行計劃（「債務工具計劃」）發行的債券及可轉讓貸款證、透過配售銀行於獨立零售債券發行及根據零售債券發行計劃（「零售債券發行計劃」）向零售投資者發售的債券以及根據中期債券計劃發行的債券（「中期債券」），於財務狀況表入賬為已發行債務證券。特設公司透過按揭證券化計劃及Bauhinia按揭證券化計劃發行的按揭證券（「按揭證券」）於綜合處理特設公司時在財務狀況表入賬為已發行按揭證券。該等債券（包括按揭證券）初步指定為金融負債：

(i) 以公平值變化計入損益或 (ii) 其他金融負債。

2.7 Financial liabilities

Financial liabilities are classified into two categories: financial liabilities at fair value through profit or loss and other financial liabilities. All the financial liabilities are classified at inception and recognised initially at fair value.

The notes and Transferable Loan Certificates issued under the Debt Issuance Programme (“DIP”) and the notes offered to retail investors through the placing banks in standalone retail bond issues and under the Retail Bond Issuance Programme (“RBIP”) and the notes issued under the Medium Term Note Programme (“MTN”) are recorded as debt securities issued on the statement of financial position. The Mortgage-Backed Securities (“MBS”) issued by the SPEs through the MBS Programme and Bauhinia MBS Programme are recorded as mortgage-backed securities issued in the statement of financial position on consolidation of the SPEs. These notes (including MBS) are initially designated as financial liabilities either (i) at fair value through profit or loss or (ii) other financial liabilities.

當債券(包括已發行嵌入式衍生工具的債券)被界定為公平值對沖之對沖項目,且初始分類時以公平值變化計入損益,則按公平值確認,且公平值變動記錄於收益表。

指定為其他金融負債的債券按成本計量,即所收代價的公平值扣減產生的交易成本。債券其後按攤銷成本列賬,扣除交易成本後的所得款項淨額與贖回價值間的任何差額,於債務證券期間按實際利息法在收益表確認。

凡贖回/回購債券時的損益,即贖回/回購債券的金額與賬面值的差額,於贖回/回購發生期間於收益表入賬確認。

2.8 衍生金融工具及對沖會計處理

衍生工具最初於訂立衍生工具合約之日按公平值確認,其後按公平值重新計量。公平值乃根據活躍市場的報價釐定,包括最近市場交易及通過使用估值方法(包括現金流量折現模型及期權定價模型)。當衍生工具的公平值為正數時,均作為資產入賬;而當公平值為負數時,則作為負債入賬。

除非在通過與相同工具(不經修改或重新包裝)之其他可觀察當前市場交易相比較,或根據變數僅包括可觀察市場數據的估值方法,以證明工具的公平值,否則於初始確認時,最佳顯示該衍生工具之公平值應為其交易價值(即已付或已收代價之公平值)。當存在該證據時,本集團會即日確認溢利。

若干嵌入其他金融工具之衍生工具之經濟特徵及風險與所屬主合約並無密切關係,且主合約並非以公平值變化計入損益計量時,該等嵌入式衍生工具會作為獨立衍生工具處理。該等嵌入式衍生工具以公平值計量,而公平值變動則於收益表確認。

The notes (including those issued with embedded derivative instruments) designated as hedged items under a fair value hedge and at fair value through profit or loss upon initial recognition are carried at fair value, with changes in fair value being recorded in the income statement.

The notes designated as other financial liabilities are measured at cost, which is the fair value of the consideration received, net of transaction costs incurred. The notes are subsequently stated at amortised costs; any difference between proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the debt securities using the effective interest method.

On redemption/repurchase of the notes, the resulting gains or losses, being the difference between the redemption/repurchase amount and the carrying amount, are recognised in the income statement in the period in which the redemption/repurchase takes place.

2.8 Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises profits on day 1.

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the income statement.

確認公平值損益的方法取決於衍生工具是否指定為對沖工具，如屬對沖工具則須取決對沖項目性質。本集團指定若干衍生工具為：(1) 對沖已確認資產或負債或落實承擔的公平值（公平值對沖）；或(2) 對沖已確認資產或負債所產生極有可能的未來現金流量或預期交易（現金流對沖）。在符合若干條件的情況下，以此方法指定的衍生工具採納對沖會計方式處理。

本集團會於交易發生時記錄對沖工具與相關對沖項目之關係、風險管理目的以及進行各類對沖交易所採取策略。本集團亦於對沖活動發生時及所涉期間內評估有關衍生工具能否高度有效地抵銷相關對沖項目之公平值或現金流量變動，並作出記錄。

(a) 公平值對沖

指定為且合資格之公平值對沖之衍生工具的公平值變動連同對沖資產或負債之公平值變動，一併於收益表內記錄。

倘對沖不再符合對沖會計處理的標準，則會按實際利息法計算對沖項目之賬面值調整，將於直至到期日之期間攤銷至收益表。

(b) 現金流對沖

指定為且合資格列為現金流對沖之衍生工具的公平值變動的有效對沖部分於權益中確認。無效部分的損益即時於收益表確認。

權益的累積數額將於相關對沖項目影響收益表時轉出並撥入至收益表。

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (1) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge); or, (2) hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecast transaction (cash flow hedge). Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

(a) Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used, is amortised to income statement over the period to maturity.

(b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled to the income statement in the periods in which the hedged item will affect income statement.

於對沖工具到期或出售或不再符合對沖會計處理標準時，權益中的任何累計損益仍保留於權益內，直至預期進行的交易最終於收益表確認時始撥入收益表。當預期進行的交易不會落實時，權益所呈報的累計損益隨即撥入收益表。

(c) 以公平值變化計入損益的衍生工具

凡不合資格採用對沖會計處理的經濟對沖的衍生工具均按公平值計入損益。任何衍生工具的公平值變動即時於收益表確認。

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(c) Derivatives at fair value through profit or loss

Derivative instruments entered into as economic hedges that do not qualify for hedge accounting are held at fair value through profit or loss. Changes in the fair value of any derivative instrument are recognised immediately in the income statement.

2.9 對銷金融工具

如金融資產及負債具有法定權利可抵銷確認金額及有計劃按淨額結算，或同時變賣資產以清償負債，則該金融資產及金融負債可互相抵銷，而兩者之淨額列於財務狀況表內。

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when 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.

2.10 收回資產

收回抵押資產作為持作出售資產列賬，並於「其他資產」項下呈報，相關貸款則終止確認。收回抵押資產按賬面值或公平值減銷售成本之較低者計量。

2.10 Repossessed assets

Reposessed collateral assets are accounted as assets held for sale and reported in "Other assets" and the relevant loans are derecognised. The reposessed collateral assets are measured at lower of carrying amount and fair value less costs to sell.

2.11 分類呈報

經營分類按向首席經營決策者提供的內部報告一致的方式報告。首席經營決策者為分配資源及評估公司經營分類表現的個人或團體。本集團已指定行政總裁為首席經營決策者。

釐定分類業績時已計入與各分類直接相關的收入。資金成本以內部資金轉讓定價機制分配至各分類。成本分配乃基於各分類產生的直接成本及管理間接開支分配。

2.11 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Chief Executive Officer as its chief operating decision maker.

Income directly associated with each segment is included in determining segment performance. Funding costs are allocated to each segment by way of internal fund transfer pricing mechanisms. Cost allocation is based on the direct costs incurred by the respective segment and apportionment of management overheads.

2.12 外幣換算

(a) 功能及呈列貨幣

本集團旗下各公司的財務報表中所載項目採用該公司營運所在主要經濟環境所用的貨幣（「功能貨幣」）計量。綜合財務報表以本公司之功能及呈列貨幣港元呈列。

(b) 交易及結餘

外幣交易按交易當日之匯率換算為功能貨幣。結算該等交易產生之匯兌盈虧以及結算以年終匯率換算的外幣計值的貨幣資產及負債而產生的匯兌盈虧在收益表確認，惟在權益中遞延入賬之合資格現金流對沖除外。

持有以公平值變化計入損益的非貨幣項目的換算差額呈報為公平值損益的一部分。歸類為可供出售金融資產的非貨幣項目的換算差額計入權益的公平值儲備。

(c) 集團旗下公司

所有功能貨幣與呈列貨幣不同的集團公司（概無嚴重通脹經濟之貨幣），其業績及財務狀況按如下方法換算為呈列貨幣：

- 各財務狀況表內所呈報的資產及負債按財務狀況表之報告日期的收市匯率換算；
- 各收益表內的收支按平均匯率換算（倘此平均值並非該等交易日期當時匯率的累計效果之合理約數，則收支按交易日期的匯率換算）；及
- 所有由此產生的匯兌差額於其他全面收益內確認。

2.12 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges.

Translation differences on non-monetary items held at fair value through profit or loss are reported as part of the fair value gain or loss. Translation differences on non-monetary items classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(c) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income.

上述方式產生的匯兌差額於股東權益中呈報為匯兌儲備。

綜合賬目時，換算境外實體的投資淨額以及換算借款及其他指定用於對沖該等投資的貨幣工具所產生的匯兌差額計入其他全面收益。當出售全部或部份境外業務時，匯兌差額於綜合收益表確認為出售盈虧的一部份。

Exchange differences arising from the above process are reported in shareholders' equity as translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is disposed of, or partially disposed of, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale.

2.13 固定資產

固定資產按歷史成本減累計折舊及減值虧損列賬。歷史成本包括收購該等項目的直接開支。

該項目的其後成本僅在本集團有可能獲得有關項目之未來經濟利益，且能準確計量項目成本時，方可計入資產賬面值或確認為獨立資產（倘適用）。遭替換部分的賬面值終止確認。所有其他維修及保養開支均於彼等產生之財務期間自收益表確認。

折舊採用直線法按下列估計可使用年期將成本減剩餘價值計算：

租賃物業裝修	於租約尚未屆滿的期間
傢俬及裝置	於租約尚未屆滿的期間
電腦	三年
辦公室設備	三年
汽車	四年

資產的剩餘價值及可使用年期於各呈報期末檢討並於適當時調整。

出售損益按所得款項與賬面值的差額於收益表確認。

2.13 Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives.

Leasehold improvements	over the unexpired period of the lease
Furniture and fixtures	over the unexpired period of the lease
Computer	3 years
Office equipment	3 years
Motor vehicle	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gain and loss on disposal is determined by comparing proceeds with carrying amount. It is included in the income statement.

2.14 於附屬公司的投資及非金融資產減值

未釐定可使用年期或尚不可使用的資產毋須攤銷，但會每年測試有否減值。須作出攤銷的資產於出現其賬面值可能無法收回的事件或情況變動時則會評估資產有否減值。倘資產賬面值超出其可收回金額，則資產賬面值即時撇減至其可收回金額。可收回金額為資產公平值扣減銷售成本或使用價值之較高者為準。

2.15 遞延所得稅

遞延所得稅採用負債法按資產及負債的稅基與綜合財務報表所呈列賬面值之暫時差額作全數撥備。遞延稅項採用各呈報期末前已頒佈或實際頒佈並預期在相關遞延所得稅資產變現或遞延所得稅負債結算時適用之稅率釐定。

倘可能有未來應課稅溢利與可動用暫時差額抵銷，則確認遞延稅項資產。遞延所得稅就投資附屬公司而產生的暫時差額而撥備，除非暫時差異的撥回由本集團控制，並有可能在可預見將來不會撥回暫時差額則除外。

應付所得稅於溢利產生當期確認為支出。可結轉的所得稅虧損的稅務影響於該等虧損可用於抵銷日後應課稅溢利時確認為資產。

與可供出售投資及現金流對沖的公平值重新計量相關的遞延稅項直接在權益中扣除或計入權益，其後連同遞延盈虧在收益表中確認。

2.14 Impairment of investment in subsidiaries and non-financial assets

Assets that have an indefinite useful life or are not yet available for use are not subject to amortisation, but are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

2.15 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investment in the subsidiary, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future.

Income tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of income tax losses available for carry-forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax related to fair value re-measurement of available-for-sale investments and cash flow hedges, which are charged or credited directly to equity, is also credited or charged directly to equity and is subsequently recognised in the income statement together with the deferred gain or loss.

2.16 僱員福利

(a) 僱員可享有的假期

僱員所享年假及長期服務假期於計算僱員有關假期時確認。按截至各呈報期末就僱員所提供服務而估計享有的年假及長期服務假期列為應計項目。

僱員可享有的病假、產假及陪產假，於僱員休假時確認。

(b) 花紅計劃

本公司根據一項程式以考慮若干調整後所得溢利確認花紅負債及開支。本公司根據合約責任或過往經驗建立推定責任時，確認有關花紅撥備。

(c) 退休金承擔

本公司為僱員設立強制性公積金計劃及界定供款計劃，計劃相關資產通常由獨立信託人所管理之基金持有。該等退休金計劃通常由僱員及本公司供款。

本公司對強制性公積金計劃及界定供款計劃的供款於產生時列作支出，僱員於全數享有應得僱主供款前退出該計劃而被沒收的僱主供款部分會用於扣減僱主目前供款負擔。

本集團全體中國僱員均參加的退休金計劃為界定供款計劃，有不同供款比率，並符合地方慣例及規例。

2.16 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long-service leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the end of each reporting period.

Employee entitlements to sick leave, maternity or paternity leave are recognised when the absence occurs.

(b) Bonus plans

The Company recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit after certain adjustments. The Company recognises a provision where contractually obliged or where there is a past practice that has created constructive obligations.

(c) Pension obligations

The Company offers a mandatory provident fund scheme and a defined contribution scheme, the assets of which are generally held in separate trustee – administered funds. These pension plans are generally funded by payments from employees and by the Company.

The Company's contributions to the mandatory provident fund scheme and defined contribution scheme are expensed as incurred and are reduced by the portion of employer contributions being forfeited by those employees who leave the scheme prior to full vesting of the employer contributions.

The pension schemes covering all the Group's PRC employees are defined Contribution scheme at various funding rates, and are in accordance with local practices and regulations.

(d) 終止利益

倘於正式退休日期前終止僱傭關係，或倘僱員接受自願離職換取利益，則本公司應付終止利益。倘本公司明確承諾根據一項不可撤回的周詳正式計劃終止僱用現有僱員，或為鼓勵自願離職而提供終止利益時，則確認終止利益。於各呈報期末後超過十二個月到期的利益會折現至現值。

(d) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of each reporting period date are discounted to present value.

2.17 撥備

倘本集團現時因過往事件而涉及法律或推定責任，而履行責任很可能須耗用資源，且可合理估計款項時，則確認撥備。

撥備按預期償付責任所需開支按除稅前比率（反映當前市場對責任特定之貨幣時間值及風險之評估）計算之現值計量。

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events where it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.18 租約**(a) 經營租約**

經營租約指由出租人承擔資產擁有權絕大部份風險及回報之租約。本集團主要以承租人身份訂立經營租約。經營租約租金（扣除出租人給予的任何優惠後）於租期內以直線法自收益表扣除。

倘經營租約於租約期滿前終止，則任何須付予出租人的罰款將於終止發生期間確認為開支。

2.18 Leases**(a) Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. The Group entered into operating leases primarily as lessee. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(b) 融資租約

融資租約指由本集團承擔擁有權的絕大部分風險及回報之資產租約。本集團主要以出租人身份訂立融資租約。融資租約於租賃開始時按租賃物業公平值或最低租金現值之較低者撥作應收款項。應收款項總額與應收款項現值的差額確認為未賺取融資收入。租約收入於租期內按反映固定回報率的淨投資法確認。具有融資租約特性的租購合約按融資租約相同方式列賬。減值撥備按附註2.6所載會計政策列賬。

(b) Finance leases

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. The Group entered into finance leases primarily as lessor. Finance leases are capitalised as receivables at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Hire purchase contracts having the characteristics of a finance lease are accounted for in the same manner as finance leases. Impairment allowances are accounted for in accordance with the accounting policies set out in Note 2.6.

2.19 現金及等同現金項目

就現金流量表而言，現金及等同現金項目包括於購入之日起計三個月內到期的結餘，包括現金、銀行及其他金融機構的結存。

2.19 Cash and cash equivalents

For the purposes of the statement of cash flow, 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.

2.20 按揭保險合約

本集團的按揭保險業務根據年度會計基準入賬。依照年度會計處理法，本集團按未來收支的可靠預測作出撥備，釐定本會計年度的承保業績。承保業績包括更正過往估計而作出的任何修訂。

2.20 Mortgage insurance contracts

The mortgage insurance business of the Group is accounted for on the annual accounting basis. Under the annual accounting approach, the Group makes provisions based on credible estimates of future income and outgoings to determine the underwriting result for the current accounting period. The underwriting result includes any adjustments arising from the correction of the previous estimates.

毛保費指本會計年度透過認可機構參與直接承保業務的保費。扣除折扣後的毛保費包括向再保險公司支付再保險保費、本集團應收風險保費及供款管理費。保險費淨額於保險生效期間之時間比例確認為收入。

Gross premiums represent direct business written through the Authorized Institutions during an accounting period. The gross premiums after deduction of discounts, include the reinsurance premiums to be paid to the approved reinsurers, the risk premiums and servicing fees earned by the Group. The net premiums are recognised as income on a time-apportioned basis during the time the insurance coverage is effective.

未賺取保費為各呈報期末後估計承擔風險及提供服務所需保費淨額部分。

Unearned premiums represent that portion of net premiums written which are estimated to relate to risks and services subsequent to the end of each reporting period.

於各呈報期末，就未決申索、已申索但未報告及虧損儲備作撥備。至於分擔風險業務方面，根據有關監管指引及在董事認為適當的情況下，將一年內已滿期風險保費淨額的50%，於一段合理時間內，預留作為風險儲備。期內可自風險儲備撤回款項以應付超額申索。於各呈報期末，風險儲備的未動用結餘可撥回至一般儲備。

再保險合約指本集團與再保險公司訂立的合約，據此本集團就本集團發出的一份或以上保險合約獲賠償損失。本集團根據再保險合約下所獲利益，確認為再保險資產。該等資產包括從再保險公司可收回的申索及應收款項（根據有關再保險合約所預期的申索及利息）。從再保險公司可收回款項或應付再保險公司與再保險合約相關金額的計量，與每份再保險合約的條款一致。再保險負債主要為再保險合約的應付保費，於到期時確認為開支。

2.21 財務擔保合約

財務擔保合約指本集團須向持有人支付定額款項以補償指定欠款人未能按債務工具條款支付到期款項所產生損失的合約。財務擔保於發行按揭證券時向投資者作出。

財務擔保初步按作出擔保當日的公平值於財務報表確認。初步確認後，本集團根據有關擔保的責任以按照香港會計準則第37號「撥備、或然負債及或然資產」釐定的金額或初步確認金額減已確認累計攤銷的較高者計量。財務擔保相關責任之任何變動於收益表處理。

2.22 股息

於呈報期末後擬派或宣派的股息作為股東權益獨立組成部分披露。

Provisions are made for outstanding claims, claims incurred but not reported and loss reserve at the end of each reporting period. For risk-sharing business, 50% of the net risk premiums earned in a year is set aside as a Contingency Reserve for a reasonable period of time and maintained in accordance with relevant regulatory guidelines and as considered by directors to be appropriate. Withdrawals from the Contingency Reserve can be made to meet excess claims at any time during the period. At the end of the reporting period, the unutilised balance of the Contingency Reserve can be released to general reserve.

Reinsurance contracts refer to contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more insurance contracts issued by the Group. Benefits to which the Group is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of claims recoverable from reinsurers and receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

2.21 Financial guarantee contracts

Financial guarantee contracts are contracts that require the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Financial guarantees are given to investors of mortgage-backed securities issued.

Financial guarantees are initially recognised in the financial statements at fair value on the date that the guarantee was given. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation recognised. Any changes in the liability relating to financial guarantees are taken to the income statement.

2.22 Dividend

Dividend proposed or declared after the end of each reporting period is disclosed as a separate component of shareholders' equity.

3. 財務風險管理

3.1 採用金融工具策略

本集團主要業務為 (i) 購買按揭或貸款組合；(ii) 透過發行債券為購買資產籌集資金；(iii) 透過特設公司將按揭組合證券化發行按揭證券；及 (iv) 向認可機構所承造的按揭貸款及以香港住宅物業作抵押的按揭貸款，提供按揭保險。根據其性質，本集團業務主要與使用金融工具有關，金融工具包括現金、貸款、債務及衍生工具。

本集團的業務面對多種財務風險，該等業務涉及分析、評估、承擔及管理一定程度的風險或風險組合。本集團於維持財務表現過程中審慎管理風險。

本集團於二零零九年設立新的風險監督分部，進一步加強管理風險的能力。風險監督分部負責本集團風險管理政策的整體風險監管架構及董事會批准的主要限額。企業風險管理委員會乃按企業級別設立，監督企業範圍內的風險事項（包括財務及非財務風險）。各管理委員會（包括信貸委員會、資產負債管理委員會、審核委員會、交易審批委員會及營運風險管理委員會）定期監控及檢討政策及限額，並向企業風險管理委員會報告。

信貸委員會監察資產收購及按揭保險的信貸政策及標準。資產負債管理委員會監察經董事會批准的風險管理及投資指引的執行情況。此外，內部審核部負責獨立審查風險管理及監控狀況。最重要的風險類型為信貸風險、流動資金風險及市場風險（包括貨幣風險及利率風險）。

3. Financial risk management

3.1 Strategy in using financial instruments

The principal activities of the Group are (i) to purchase portfolios of mortgages or loans; (ii) to raise financing for its purchase of assets through issuance of debt securities; (iii) to securitise mortgage portfolios through special purpose entities by way of issuing mortgage-backed securities ("MBS"); and (iv) to provide mortgage insurance cover to Authorized Institutions in respect of mortgage loans originated by such Authorized Institutions and secured by residential properties in Hong Kong. By their nature, the Group's activities are principally related to the use of financial instruments including cash, loans, debts and derivatives.

The Group's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Group manages the risks in a prudent manner in sustaining the Group's financial performance.

A new Risk Oversight Division was established in 2009 to further strengthen the management of risk within the Group. The Risk Oversight Division is responsible to the overall risk governance structure of the Group's risk management policies and major limits for approval by the Board of Directors. The Corporate Risk Management Committee is set up at corporate level to provide oversight of the enterprise-wide risk matters including financial and non-financial risks. The policies and limits are monitored and reviewed regularly by various management committees, including the Credit Committee, Asset and Liability Committee, Audit Committee, Transaction Approval Committee and Operational Risk Committee which report to Corporate Risk Management Committee.

The Credit Committee oversees the credit policies and standards for asset acquisition and mortgage insurance. The Asset and Liability Committee ("ALCO") oversees the implementation of market risk management and investment guidelines approved by the Board of Directors. In addition, Internal Audit is responsible for the independent review of risk management and the control environment. The most important types of risks are credit risk, liquidity risk and market risk which includes currency risk and interest rate risk.

3.2 信貸風險

本集團主要金融資產為其貸款組合、證券投資、現金及短期資金。流動資金及投資證券的信貸風險有限，因為對手主要是主權國、半主權國機構、信貸評級極高的銀行及公司。

本集團的信貸風險主要來自其貸款組合，即借款人於款項到期時未能全數償還的風險。本集團就於呈報期末已產生的虧損作出減值撥備。

經濟及本港物業市場出現的重大轉變可能導致虧損有別於呈報期末之撥備。本集團因此就管理信貸風險訂下審慎政策。

為維持資產及按揭保險組合的質素，本集團採取四路策略：(i) 謹慎挑選核准賣方；(ii) 審慎的資產購買準則及保險申請標準；(iii) 有效的核查程序；及 (iv) 確保較高風險的資產或交易有足夠的保障。本集團信貸風險並沒有高度集中，而分攤於眾多客戶、交易對手及分佈於不同地區的相關抵押品。

本集團尤其注重對問題貸款進行持續信貸審查。各業務部門將監控該等貸款，並為盡力收回款項採取如與借款人制定寬減計劃等收款行動。貸款定期進行減值評估，減值撥備根據信貸委員會批准的指引自收益表扣除。

抵押品及其他信貸安排加強措施

本集團已實施關於接受用以減低信貸風險的特定類別的抵押品的指引。該等指引定期進行審查。貸款組合的主要抵押品類型為用於加強信貸安排的物業按揭、儲備金及遞延代價。

作為除貸款組合之外的金融資產擔保持有的抵押品按工具性質確定。債務證券一般無抵押，惟抵押證券及類似工具以金融資產組合作為抵押。

3.2 Credit risk

The Group's principal financial assets are its loan portfolio, investment securities, cash and short-term funds. The credit risk on liquid funds and investment securities is limited because the counterparties are mainly sovereigns, quasi-sovereign agencies, banks and companies with very high credit ratings.

The Group's credit risk is primarily attributable to its loan portfolio, which is the risk that a loan borrower will be unable to pay amounts in full when due. Allowance for impairment is provided for losses that have been incurred at the end of the reporting period.

Significant changes in the economy and local property market could result in losses that are different from those provided for at the end of the reporting period. The Group therefore has a prudent policy for managing its exposure to credit risk.

To maintain the quality of the asset and mortgage insurance portfolios, the Group adheres to a four-pronged approach to (i) select Approved Sellers carefully, (ii) adopt prudent asset purchasing criteria and insurance eligibility criteria, (iii) conduct effective due diligence reviews and (iv) ensure adequate protection for higher-risk assets or transactions. The Group has no significant concentration of credit risk. Risk exposure is spread over a large number of customers, counterparties and a diversified geographic distribution of underlying collateral.

The Group undertakes ongoing credit review with special attention paid to problem loans. Operation units will monitor these loans and take recovery action such as establishing relief plan with borrowers in order to maximise recoveries. Loan impairment assessment is performed regularly and impairment allowance is charged to income statement in accordance with the guidelines approved by the Credit Committee.

Collateral and other credit enhancements

The Group has implemented guidelines on the acceptability of specific classes of collateral on credit risk mitigation, which are subject to regular review. The principal collateral types for loan portfolio are mortgages over properties, reserve funds and deferred consideration used for credit enhancement.

Collateral held as security for financial assets other than loan portfolio is determined by the nature of the instrument. Debt securities are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial assets.

至於金融工具，如衍生工具，本集團按照其投資指引及信貸風險政策為交易對手制定的風險限額予以監察。交易對手風險限額由信貸風險委員會每半年定期檢討。無論於何時，信貸風險的上限為對本集團有利的工具（即公平值為正數的資產）的現有公平值，就衍生工具而言，公平現值僅佔合約價值或用於反映未平倉工具數量的估算價值的小部分。信貸風險作為交易對手整體信貸限額的一部分，與市場波動的潛在風險一併管理。

結算風險存在於任何以現金、證券或股本支付並期望收取相當現金、證券或股本的情況。為涵蓋本集團於任何單一日期因市場交易產生的所有結算風險的總額，對每名交易對手均設有每日結算限額。

(a) 未計所持有抵押品或其他信貸安排加強措施的最高信貸風險

未計所持有抵押品或其他信貸安排加強措施的最高信貸風險分析如下：

For financial instruments such as derivatives, exposures are monitored against counterparty risk limits established in accordance with the investment guidelines and credit risk policy of the Group. These counterparty risk limits are subject to regular review by the Credit Committee on a semi-annual basis. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Group (i.e. assets where their fair value is positive), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall credit limits with counterparties, together with potential exposures from market movements.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Group's market transactions on any single day.

(a) Maximum exposure to credit risk before taking account of collateral held or other credit enhancements

Maximum exposure to credit risk before taking account of collateral held or other credit enhancements are analysed as follows:

		本集團 The Group		本公司 The Company	
		於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000	於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000
資產：	Assets:				
現金及短期資金	Cash and short-term funds	4,067,798	3,093,258	3,924,752	3,054,735
應收利息及匯款	Interest and remittance receivables	710,530	1,334,485	698,809	1,322,591
衍生金融工具	Derivative financial instruments	1,317,375	2,237,526	1,273,102	2,159,479
貸款組合淨額	Loan portfolio, net	43,788,716	50,760,112	40,817,163	46,678,285
證券投資：	Investment securities:				
– 可供出售債券	– available-for-sale debt securities	2,587,344	1,209,825	2,587,344	1,209,825
– 持有至到期債券	– held-to-maturity debt securities	5,817,998	5,614,666	5,817,998	5,614,666
預付款項、按金及其他資產	Prepayments, deposits and other assets	32,595	30,555	36,681	38,118
再保險資產	Reinsurance assets	266,101	348,442	266,101	348,442
資產負債表外風險：	Off-balance sheet exposures:				
財務擔保	Financial guarantees				
（按揭證券化計劃的合約金額）	（contractual amount under the MBS programmes）	–	–	1,277,647	1,717,540
風險投保	Risk-in-force	14,920,287	9,830,573	14,919,441	9,830,573
		73,508,744	74,459,442	71,619,038	71,974,254

(b) 信貸質素

貸款組合分析如下：

		本集團 The Group		本公司 The Company	
		於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000	於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000
未逾期亦未減值	Neither past due nor impaired	42,854,818	49,761,406	39,972,073	45,740,512
逾期但未減值	Past due but not impaired	942,532	1,026,708	853,688	965,174
已減值	Impaired	5,377	22,534	5,377	22,372
貸款組合總額	Gross loan portfolio	43,802,727	50,810,648	40,831,138	46,728,058
貸款減值撥備	Allowance for loan impairment	(14,011)	(50,536)	(13,975)	(49,773)
		43,788,716	50,760,112	40,817,163	46,678,285

於呈報期末未逾期亦未減值的貸款組合的信貸質素可參考本集團採納的內部評級系統進行評估。

The loan portfolio is analysed as follows:

The credit quality of loan portfolio that were neither past due nor impaired as at the end of the reporting period can be assessed by reference to the internal rating system adopted by the Group.

		本集團 The Group		本公司 The Company	
		於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000	於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000
級別：	Grades:				
1至3級	1 to 3	42,794,073	49,725,637	39,916,630	45,705,432
4級	4	—	2,409	—	2,409
5級	5	60,745	33,360	55,443	32,671
		42,854,818	49,761,406	39,972,073	45,740,512

1至3級包括無信貸風險或無先前逾期記錄的貸款，並持有不同水平的信貸安排加強措施及持作擔保的抵押品。

Grades 1 to 3 include loans with either no credit risk or no previous past due history; and with different levels of credit enhancements in addition to the collateral held as security.

4級包括有先前逾期記錄，並持有不同水平的信貸安排加強措施及抵押品的貸款。

Grade 4 includes loans with previous past due history and with different levels of credit enhancement in addition to the collateral held as security.

5級包括有先前逾期記錄及持有抵押品作為擔保的貸款。

Grade 5 includes loans with previous past due history and with collateral held as security.

(c) 逾期但未減值的貸款組合

以下為於呈報期末已逾期但未減值的貸款組合總額分析：

		本集團 The Group		本公司 The Company	
		於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000	於二零零九年 十二月三十一日 As at 31 December 2009 千港元 HK\$'000	於二零零八年 十二月三十一日 As at 31 December 2008 千港元 HK\$'000
逾期時間：	Past due:				
三個月或以下	Three months or less	933,096	1,021,165	844,512	959,955
六個月或以下， 但超過三個月	Six months or less but over three months	4,316	3,746	4,056	3,611
超過六個月	Over six months	5,120	1,797	5,120	1,608
總額	Total	942,532	1,026,708	853,688	965,174
抵押品及其他信貸 安排加強措施 的公平值	Fair value of collateral and other credit enhancement	2,753,090	2,173,979	2,515,417	2,015,777

(c) Loan portfolio past due but not impaired

The analysis below shows the gross loan portfolio that were past due but not impaired at the end of the reporting period:

(d) 已個別減值的貸款組合

本集團及本公司未計所持有抵押品及信貸安排加強措施產生的現金流量的個別減值貸款為5,377,000港元（二零零八年：本集團：22,534,000港元，本公司：22,372,000港元）。

本集團及本公司所持相關抵押品及信貸安排加強措施的公平值為9,177,000港元（二零零八年：本集團：26,602,000港元，本公司：26,338,000港元）。

(d) Loan portfolio individually impaired

The individually impaired loans of the Group and the Company before taking into account the cash flows from collateral held and credit enhancement is HK\$5,377,000 (2008: The Group: HK\$22,534,000 and the Company: HK\$22,372,000).

The fair value of related collateral held and credit enhancement of the Group and the Company is HK\$9,177,000 (2008: The Group: HK\$26,602,000 and the Company: HK\$26,338,000)

(e) 已重組的貸款組合

已重組的貸款指由於借款人財政狀況惡化而作出調整的貸款，本集團已就該等貸款作出在其他情況下不予考慮的讓步。於調整後，先前已逾期的客戶賬戶回復正常狀態，並與其他類似賬戶共同管理。調整政策及應用乃根據表明極有可能繼續支付款項的指標或標準作出。該等政策會持續進行審查。原本已逾期或減值的已重組的貸款於二零零九年十二月三十一日為3,304,000港元（二零零八年：9,811,000港元）。除非已遵照重訂條款回復良好還款狀況達六個月，否則已重組的貸款將繼續照此方式披露。

(e) Loan portfolio renegotiated

Renegotiated loans are those 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. Following restructuring, a previously overdue customer account is reset to a normal status and managed together with other similar accounts. Restructuring policies and practices are based on indicators or criteria which indicate that payment will most likely continue. These policies are kept under continuous review. Renegotiated loans that would otherwise be past due or impaired totalled HK\$3,304,000 as at 31 December 2009 (2008: HK\$9,811,000). A renegotiated loan will continue to be disclosed as such unless the loan has been performing in accordance with the rescheduled terms for a period of six months.

(f) 收回抵押品

本集團及本公司收取作為擔保的抵押品的資產如下：

		賬面值 Carrying Amount	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
住宅物業	Residential property	3,317	3,149

收回物業將在實際可行情況下盡快出售，所得款項用於減少未償還債項。收回物業於財務狀況表內歸類於其他資產項下。

(f) Repossessed collateral

The Group and the Company obtained assets by taking possession of collateral held as security, as follows:

Reposessed properties are sold as soon as practicable, with the proceeds used to reduce the outstanding indebtedness. Repossessed property is classified in the statement of financial position within other assets.

(g) 投資證券

根據董事局批准的投資指引，本公司僅可投資於特定最低信貸評級債務證券。資產負債管理委員會對按級別劃分的投資比例進行檢察及審查。

根據外部信貸機構的評級方法（Standard and Poor's、Moody's及Fitch），下列為呈報期末按評定級別對債務證券所作分析。如證券本身沒有評級，則採用證券發行人的評級。

(g) Investment securities

According to the Investment Guidelines approved by the Board of Directors, the HKMC can only invest in debt securities with a certain minimum credit rating. The proportion of investment according to rating categories is monitored and reviewed by ALCO.

The table below presents an analysis of debt securities by rating designation as at the end of the reporting period, based on external credit agency's ratings (Standard and Poor's, Moody's and Fitch). In the absence of issue-specific ratings, the ratings for the issuers are reported.

本集團及本公司 於二零零九年十二月三十一日 The Group and the Company As at 31 December 2009		可供出售證券 Available-for-sale securities 千港元 HK\$'000	持有至到期證券 Held-to-maturity securities 千港元 HK\$'000	總額 Total 千港元 HK\$'000
AAA/Aaa	AAA/Aaa	581,306	642,867	1,224,173
AA-至AA+/Aa3至Aa1	AA- to AA+/Aa3 to Aa1	2,006,038	4,330,310	6,336,348
A-至A+/A3至A1	A- to A+/A3 to A1	—	844,821	844,821
總額	Total	2,587,344	5,817,998	8,405,342

本集團及本公司 於二零零八年十二月三十一日 The Group and the Company As at 31 December 2008		可供出售證券 Available-for-sale securities 千港元 HK\$'000	持有至到期證券 Held-to-maturity securities 千港元 HK\$'000	總額 Total 千港元 HK\$'000
AAA/Aaa	AAA/Aaa	—	506,613	506,613
AA-至AA+/Aa3至Aa1	AA- to AA+/Aa3 to Aa1	1,209,825	4,558,827	5,768,652
A-至A+/A3至A1	A- to A+/A3 to A1	—	549,226	549,226
總額	Total	1,209,825	5,614,666	6,824,491

3.3 市場風險

本集團面對市場風險。市場風險指金融工具的公平值或未來現金流量因市價變動而波動的風險。市場風險乃因利率、貨幣及股本產品的未平倉合約而產生。所有該等合約均面對一般及特定市場變動及市場比率或市價(如利率、信貸息差、匯率及股價)波動水平變動的風險。本集團所面對市場風險主要因對實體的具有不同價格重訂特性的金融工具的利率管理而產生。本集團亦採用公平值對沖，透過利率掉期對沖定息債券發行大部分現有利率風險，將浮息資金與浮息資產互調以作出更好配對。

市場風險主要由庫務部採用董事局批准的風險限額進行管理。關於利率風險管理、融資、對沖、投資的策略由資產負債管理委員會制定。該委員會定期舉行會議對金融市場及資產－負債組合的近期狀況進行檢討。庫務部負責監察金融市場變動以及根據資產負債管理委員會制定的策略在現金、衍生工具及債務市場執行交易。中台部門監察對風險限額的遵守情況及實施壓力測試以評估在極端狀況下可能產生的虧損規模。壓力測試結果由資產負債管理委員會進行檢討。

利率風險管理主要指對利息收入淨額對不同利率的敏感度進行監察，並透過對沖措施減低不利影響。利率曲綫於二零零九年十二月三十一日平行下移20個基點(二零零八年：50個基點)將使未來12個月的利息收入淨額減少18,700,000港元(二零零八年：增加5,700,000港元)，反之則將使未來12個月的利息收入淨額增加13,000,000港元(二零零八年：減少5,700,000港元)。

3.3. Market risk

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Group's exposures to market risk primarily arise from the interest rate management of the entity's financial instruments of different repricing characteristics. The Group hedges a major proportion of its existing interest rate risk of the fixed-rate bond issuance using fair value hedges in the form of interest rate swaps by swapping into floating-rate funding to better match the floating-rate assets.

The management of market risk is principally undertaken by the Treasury Department using risk limits approved by the Board of Directors. Strategies on interest rate risk management, financing, hedging, investments are formulated by ALCO. A regular meeting is held to review the latest conditions in the financial markets and the asset-liability portfolio mix. The Treasury Department is responsible for monitoring financial market movements and executing transactions in the cash, derivatives and debt markets in accordance with the strategies laid down by ALCO. The middle office monitors the compliance of risk limits and performs stress tests to assess the potential size of losses that could arise in extreme conditions. The results of the stress tests are reviewed by ALCO.

A principal part of the interest rate risk management is to monitor the sensitivity of projected net interest income under different interest rate scenarios and to mitigate the negative impact through hedging operations. A 20 basis points (2008: 50 basis points) parallel downward shift of the interest rate curve as at 31 December 2009 would decrease the future net interest income for the next 12 months by HK\$18.7 million (2008: HK\$5.7 million increase) and increase by HK\$13 million (2008: HK\$5.7 million decrease) for a similar upward parallel shift.

於二零零九年十二月三十一日，倘該日利率平行下移20個基點（二零零八年：50個基點），年內除稅前溢利將減少5,400,000港元（二零零八年：增加5,900,000港元），於二零零九年十二月三十一日的儲備則將下降2,900,000港元（二零零八年：8,900,000港元）。倘利率平行上移20個基點（二零零八年：50個基點），年內除稅前溢利將增加5,000,000港元（二零零八年：減少15,200,000港元），儲備則將增加2,000,000港元（二零零八年：8,800,000港元）。

於二零零九年十二月三十一日，在所有其他可變因素保持不變的情況下，倘港元兌美元匯率下跌100點子，年內除稅前溢利將增加9,300,000港元（二零零八年：20,000,000港元）。反之，倘港元兌美元匯率上升100點子，則年內除稅前溢利將減少9,300,000港元（二零零八年：20,000,000港元）。

於二零零九年及二零零八年十二月三十一日，在所有其他可變因素保持不變的情況下，港元兌其他外幣匯率下跌或上漲100點子對年內除稅前溢利並無重大影響。

上升或下降20個基點（二零零八年：50個基點）及100點子反映管理層對利率及匯率於直至下一呈報期末止期間可能的合理變動所作評估。

As at 31 December 2009, if interest rates at that date had experienced a 20 basis points (2008: 50 basis points) parallel shift downwards, profit before tax for the year would have been HK\$5.4 million (2008: HK\$5.9 million higher) lower and the reserve would have been HK\$2.9 million lower (2008: HK\$8.9 million) as at 31 December 2009. If interest rates had experienced a 20 basis points (2008: 50 basis points) parallel shift upwards, profit before tax for the year would have been HK\$5 million (2008: HK\$15.2 million lower) higher and the reserve would have been HK\$2 million higher (2008: HK\$8.8 million).

As at 31 December 2009, with all other variables held constant, if the HK dollar had weakened by 100 price interest points against the US dollar, profit before tax for the year would have been HK\$9.3 million (2008: HK\$20 million) higher. Conversely, if the HK dollar had strengthened by 100 price interest points against the US dollar, profit before tax for the year would have been HK\$9.3 million (2008: HK\$20 million) lower.

As at 31 December 2009 & 2008, with all other variable held constant, the weakening or strengthening of HK dollar by 100 price interest points against other foreign currencies would have no significant impact on the profit before tax for the year.

The 20 basis points (2008: 50 basis points) and 100 price interest points increase or decrease represent management's assessment of a reasonably possible change in interest rate and exchange rates over the period until the next reporting period end.

(a) 貨幣風險

本集團因現行外幣市場匯率波動對其財務狀況及現金流量的影響而承擔風險。董事局設定可准許用於投資目的外幣。資產負債管理委員會設定可承受外幣風險承擔的限額，並每日進行監察。

下表概列本集團的外幣匯率風險。表內所載為本集團按賬面值列值的資產與負債，並按貨幣種類分類。

(a) Currency risk

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rate on its financial position and cash flows. The Board sets allowable currencies for investment purposes. The ALCO sets limits on the currency exposure that may be undertaken, which is monitored daily.

The tables below summarise the Group's exposure to foreign currency exchange rate risk. Included in the tables are the Group's assets and liabilities at carrying amounts, categorised by currency.

		港元 HK Dollar	美元 US Dollar	其他外幣 Other foreign currencies	總額 Total
本集團 The Group		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零九年十二月三十一日 As at 31 December 2009					
資產	Assets				
現金及短期資金	Cash and short-term funds	3,065,437	895,247	107,114	4,067,798
應收利息及匯款	Interest and remittance receivables	495,299	207,063	8,168	710,530
衍生金融工具	Derivative financial instruments	1,249,113	68,262	–	1,317,375
貸款組合淨額	Loan portfolio, net	29,289,381	14,499,335	–	43,788,716
證券投資：	Investment securities:				
– 可供出售	– available-for-sale	759,851	2,853,213	–	3,613,064
– 持有至到期	– held-to-maturity	2,379,960	3,438,038	–	5,817,998
合營公司投資	Investment in a joint venture	–	–	115,190	115,190
固定資產	Fixed assets	19,000	–	2,257	21,257
預付款項、按金及其他資產	Prepayments, deposits and other assets	32,375	–	220	32,595
再保險資產	Reinsurance assets	266,101	–	–	266,101
總資產	Total assets	37,556,517	21,961,158	232,949	59,750,624
負債	Liabilities				
應付利息	Interest payable	307,265	130,390	8,132	445,787
應付賬款、應付開支及其他負債	Accounts payable, accrued expenses and other liabilities	4,272,541	598	1,038	4,274,177
衍生金融工具	Derivative financial instruments	107,872	50,374	–	158,246
應付稅項	Tax payable	138,329	–	–	138,329
遞延稅項負債	Deferred tax liabilities	15,209	–	–	15,209
保險負債	Insurance liabilities	1,462,318	–	–	1,462,318
已發行債務證券	Debt securities issued	34,214,500	8,383,249	1,897,324	44,495,073
已發行按揭證券	Mortgage-backed securities issued	2,020,394	–	–	2,020,394
總負債	Total liabilities	42,538,428	8,564,611	1,906,494	53,009,533
持倉淨額	Net position	(4,981,911)	13,396,547	(1,673,545)	6,741,091
資產負債表外淨名義持倉 [#]	Off-balance sheet net notional position [#]	4,388,318	(6,164,030)	1,869,013	93,301

[#] 資產負債表外淨名義持倉指外幣衍生金融工具(主要用以減低本集團於貨幣波動的風險)的名義金額與其公平值的差額。

[#] Off-balance sheet net notional position represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Group's exposure to currency movements and their fair values

		港元 HK Dollar 千港元 HK\$'000	美元 US Dollar 千港元 HK\$'000	其他外幣 Other foreign currencies 千港元 HK\$'000	總額 Total 千港元 HK\$'000
本公司 The Company					
於二零零九年 十二月三十一日		As at 31 December 2009			
資產		Assets			
現金及短期資金	Cash and short-term funds	3,029,501	895,248	3	3,924,752
應收利息及匯款	Interest and remittance receivables	483,614	207,063	8,132	698,809
衍生金融工具	Derivative financial instruments	1,204,840	68,262	-	1,273,102
貸款組合淨額	Loan portfolio, net	26,317,828	14,499,335	-	40,817,163
證券投資：	Investment securities:				
– 可供出售	– available-for-sale	759,851	2,853,213	-	3,613,064
– 持有至到期	– held-to-maturity	2,379,960	3,438,038	-	5,817,998
附屬公司投資	Investment in subsidiaries	1,631,520	-	102,060	1,733,580
合營公司投資	Investment in a joint venture	-	-	120,554	120,554
固定資產	Fixed assets	19,000	-	-	19,000
預付款項、按金 及其他資產	Prepayments, deposits and other assets	36,681	-	-	36,681
再保險資產	Reinsurance assets	266,101	-	-	266,101
總資產	Total assets	36,128,896	21,961,159	230,749	58,320,804
負債		Liabilities			
應付利息	Interest payable	303,695	130,390	8,132	442,217
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,909,762	574	613	4,910,949
衍生金融工具	Derivative financial instruments	107,872	50,374	-	158,246
應付稅項	Tax payable	131,850	-	-	131,850
遞延稅項負債	Deferred tax liabilities	15,213	-	-	15,213
保險負債	Insurance liabilities	1,462,318	-	-	1,462,318
已發行債務證券	Debt securities issued	34,214,500	8,383,249	1,897,324	44,495,073
總負債	Total liabilities	41,145,210	8,564,587	1,906,069	51,615,866
持倉淨額	Net position	(5,016,314)	13,396,572	(1,675,320)	6,704,938
資產負債表外淨 名義持倉 [#]	Off-balance sheet net notional position [#]	4,388,318	(6,164,030)	1,869,013	93,301

[#] 資產負債表外淨名義持倉指外幣衍生金融工具(主要用以減低本公司於貨幣波動的風險)的名義金額與其公平值的差額。

[#] Off-balance sheet net notional position represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Company's exposure to currency movements and their fair values.

本集團 The Group		港元 HK Dollar	美元 US Dollar	其他外幣 Other foreign currencies	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日	As at 31 December 2008				
資產	Assets				
現金及短期資金	Cash and short-term funds	1,715,931	1,376,710	617	3,093,258
應收利息及匯款	Interest and remittance receivables	1,100,888	228,400	5,197	1,334,485
衍生金融工具	Derivative financial instruments	2,147,270	90,256	–	2,237,526
貸款組合淨額	Loan portfolio, net	36,086,528	14,673,584	–	50,760,112
證券投資：	Investment securities:				
– 可供出售	– available-for-sale	456,874	1,595,678	–	2,052,552
– 持有至到期	– held-to-maturity	2,887,746	2,640,087	86,833	5,614,666
合營公司投資	Investment in a joint venture	1,543	–	111,989	113,532
固定資產	Fixed assets	14,302	–	–	14,302
預付款項、按金 及其他資產	Prepayments, deposits and other assets	30,555	–	–	30,555
遞延稅項資產	Deferred tax assets	28,904	–	–	28,904
再保險資產	Reinsurance assets	348,442	–	–	348,442
總資產	Total assets	44,818,983	20,604,715	204,636	65,628,334
負債	Liabilities				
應付利息	Interest payable	280,832	183,973	5,160	469,965
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,183,693	–	–	4,183,693
衍生金融工具	Derivative financial instruments	128,374	86,620	–	214,994
應付稅項	Tax payable	47,866	–	–	47,866
保險負債	Insurance liabilities	908,740	–	–	908,740
外匯基金墊款	Advance from Exchange Fund	8,000,000	–	–	8,000,000
已發行債務證券	Debt securities issued	37,697,553	3,816,602	1,300,833	42,814,988
已發行按揭證券	Mortgage-backed securities issued	3,225,624	–	–	3,225,624
總負債	Total liabilities	54,472,682	4,087,195	1,305,993	59,865,870
持倉淨額	Net position	(9,653,699)	16,517,520	(1,101,357)	5,762,464
資產負債表外淨 名義持倉 [#]	Off-balance sheet net notional position [#]	(97,119)	(1,006,850)	1,196,717	92,748

[#] 資產負債表外淨名義持倉指外幣衍生金融工具(主要用以減低本集團於貨幣波動的風險)的名義金額與其公平值的差額。

[#] Off-balance sheet net notional position represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Group's exposure to currency movements and their fair values.

		港元 HK Dollar	美元 US Dollar	其他外幣 Other foreign currencies	總額 Total
本公司 The Company		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日	As at 31 December 2008				
資產	Assets				
現金及短期資金	Cash and short-term funds	1,677,408	1,376,710	617	3,054,735
應收利息及匯款	Interest and remittance receivables	1,088,994	228,400	5,197	1,322,591
衍生金融工具	Derivative financial instruments	2,069,223	90,256	–	2,159,479
貸款組合淨額	Loan portfolio, net	32,004,701	14,673,584	–	46,678,285
證券投資：	Investment securities:				
— 可供出售	– available-for-sale	456,874	1,595,678	–	2,052,552
— 持有至到期	– held-to-maturity	2,887,746	2,640,087	86,833	5,614,666
附屬公司投資	Investment in a subsidiary	2,210,981	–	–	2,210,981
合營公司投資	Investment in a joint venture	1,543	–	120,554	122,097
固定資產	Fixed assets	14,302	–	–	14,302
預付款項、按金 及其他資產	Prepayments, deposits and other assets	38,118	–	–	38,118
遞延稅項資產	Deferred tax assets	28,889	–	–	28,889
再保險資產	Reinsurance assets	348,442	–	–	348,442
總資產	Total assets	42,827,221	20,604,715	213,201	63,645,137
負債	Liabilities				
應付利息	Interest payable	273,385	183,973	5,160	462,518
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,979,510	–	–	4,979,510
衍生金融工具	Derivative financial instruments	128,374	86,620	–	214,994
應付稅項	Tax payable	47,866	–	–	47,866
保險負債	Insurance liabilities	908,740	–	–	908,740
外匯基金墊款	Advance from Exchange Fund	8,000,000	–	–	8,000,000
已發行債務證券	Debt securities issued	38,142,888	3,816,602	1,300,833	43,260,323
總負債	Total liabilities	52,480,763	4,087,195	1,305,993	57,873,951
持倉淨額	Net position	(9,653,542)	16,517,520	(1,092,792)	5,771,186
資產負債表外淨 名義持倉 [#]	Off-balance sheet net notional position [#]	(97,119)	(1,006,850)	1,196,717	92,748

[#] 資產負債表外淨名義持倉指外幣衍生金融工具(主要用以減低本公司於貨幣波動的風險)的名義金額與其公平值的差額。

[#] Off-balance sheet net notional position represents the difference between the notional amounts of foreign currency derivative financial instruments, which are principally used to reduce the Company's exposure to currency movements and their fair values.

(b) 現金流量及公平值利率風險

現金流量利率風險乃指金融工具的未來現金流量將隨著市場利率改變而波動的風險。公平值利率風險乃指金融工具的價值將隨著市場利率改變而波動的風險。現行市場利率水平的波動會造成本集團的公平值利率風險及現金流量利率風險。由於利率變動，息差可能會擴闊，但倘發生未能預計的波動，則亦會收窄或引致虧損。資產負債管理委員會設定息率錯配水平的限額，並定期對該限額進行監控。

下表概述本集團所面對的利率風險，並按賬面值列示本集團的資產及負債，而資產及負債則按重新定息日或到期日（以較早者為準）分類。衍生金融工具（主要用於減低本集團於利率波動承擔的風險）的賬面值列於「不計息」項目中。

(b) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. The ALCO sets limits on the level of interest rate mismatch that may be undertaken, which is monitored regularly.

The tables below summarise the Group's exposure to interest rate risks. Included in the tables are the Group's assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates. The carrying amounts of derivative financial instruments, which are principally used to reduce the Group's exposure to interest rate movements, are included under the heading "Non-interest bearing".

本集團 The Group		一個月內 Up to 1 month 千港元 HK\$'000	一個月以上 至三個月 Over 1 month to 3 months 千港元 HK\$'000	三個月以上 至一年 Over 3 months to 1 year 千港元 HK\$'000	一年以上 至五年 Over 1 year to 5 years 千港元 HK\$'000	五年以上 Over 5 years 千港元 HK\$'000	不計息 Non-interest bearing 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零九年 十二月三十一日		As at 31 December 2009						
資產	Assets							
現金及短期資金	Cash and short-term funds	3,660,995	342,787	5,679	-	-	58,337	4,067,798
應收利息及匯款	Interest and remittance receivables	-	-	-	-	-	710,530	710,530
衍生金融工具	Derivative financial instruments	-	-	-	-	-	1,317,375	1,317,375
貸款組合淨額	Loan portfolio, net	36,614,171	6,978,278	123,890	57,473	14,904	-	43,788,716
證券投資：	Investment securities：							
– 可供出售	– available-for-sale	1,201,524	931,092	454,728	-	-	1,025,720	3,613,064
– 持有至到期	– held-to-maturity	502,010	1,000,024	741,741	3,097,888	476,335	-	5,817,998
合營公司投資	Investment in a joint venture	-	-	-	-	-	115,190	115,190
固定資產	Fixed assets	-	-	-	-	-	21,257	21,257
預付款項、按金 及其他資產	Prepayments, deposits and other assets	-	-	-	-	-	32,595	32,595
再保險資產	Reinsurance assets	-	-	-	-	-	266,101	266,101
總資產	Total assets	41,978,700	9,252,181	1,326,038	3,155,361	491,239	3,547,105	59,750,624
負債	Liabilities							
應付利息	Interest payable	-	-	-	-	-	445,787	445,787
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,133,740	-	-	-	-	140,437	4,274,177
衍生金融工具	Derivative financial instruments	-	-	-	-	-	158,246	158,246
應付稅項	Tax payable	-	-	-	-	-	138,329	138,329
遞延稅項負債	Deferred tax liabilities	-	-	-	-	-	15,209	15,209
保險負債	Insurance liabilities	-	-	-	-	-	1,462,318	1,462,318
已發行債務證券	Debt securities issued	6,043,151	6,293,644	6,664,434	19,688,772	5,805,072	-	44,495,073
已發行按揭證券	Mortgage-backed securities issued	1,051,120	-	229,116	740,158	-	-	2,020,394
總負債	Total liabilities	11,228,011	6,293,644	6,893,550	20,428,930	5,805,072	2,360,326	53,009,533
利息敏感度缺口總額 *	Total interest sensitivity gap*	30,750,689	2,958,537	(5,567,512)	(17,273,569)	(5,313,833)		
利率衍生工具 (持倉淨額的名義金額)	Interest rate derivatives (notional amounts of net position)	(13,406,010)	(13,453,873)	2,715,050	18,876,598	5,361,536		

* 未計入衍生金融工具重定息對已發行債務證券及已發行按揭證券的影響。

* before the repricing effect of derivative financial instruments on the debt securities and the mortgage-backed securities issued.

本公司 The Company		一個月內 Up to 1 month 千港元 HK\$'000	一個月以上 至三個月 Over 1 month to 3 months 千港元 HK\$'000	三個月以上 至一年 Over 3 months to 1 year 千港元 HK\$'000	一年以上 至五年 Over 1 year to 5 years 千港元 HK\$'000	五年以上 Over 5 years 千港元 HK\$'000	不計息 Non-interest bearing 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零九年 十二月三十一日	As at 31 December 2009							
資產	Assets							
現金及短期資金	Cash and short-term funds	3,550,348	325,750	-	-	-	48,654	3,924,752
應收利息及匯款	Interest and remittance receivables	-	-	-	-	-	698,809	698,809
衍生金融工具	Derivative financial instruments	-	-	-	-	-	1,273,102	1,273,102
貸款組合淨額	Loan portfolio, net	33,645,048	6,978,278	123,890	55,044	14,903	-	40,817,163
證券投資：	Investment securities:							
– 可供出售	– available-for-sale	1,201,524	931,092	454,728	-	-	1,025,720	3,613,064
– 持有至到期	– held-to-maturity	502,010	1,000,024	741,741	3,097,888	476,335	-	5,817,998
附屬公司投資	Investment in subsidiaries	1,628,130	-	-	2,390	-	103,060	1,733,580
合營公司投資	Investment in a joint venture	-	-	-	-	-	120,554	120,554
固定資產	Fixed assets	-	-	-	-	-	19,000	19,000
預付款項、按金 及其他資產	Prepayments, deposits and other assets	-	-	-	-	-	36,681	36,681
再保險資產	Reinsurance assets	-	-	-	-	-	266,101	266,101
總資產	Total assets	40,527,060	9,235,144	1,320,359	3,155,322	491,238	3,591,681	58,320,804
負債	Liabilities							
應付利息	Interest payable	-	-	-	-	-	442,217	442,217
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,724,848	-	-	-	-	186,101	4,910,949
衍生金融工具	Derivative financial instruments	-	-	-	-	-	158,246	158,246
應付稅項	Tax payable	-	-	-	-	-	131,850	131,850
遞延稅項負債	Deferred tax liabilities	-	-	-	-	-	15,213	15,213
保險負債	Insurance liabilities	-	-	-	-	-	1,462,318	1,462,318
已發行債務證券	Debt securities issued	6,043,151	6,293,644	6,664,434	19,688,772	5,805,072	-	44,495,073
總負債	Total liabilities	10,767,999	6,293,644	6,664,434	19,688,772	5,805,072	2,395,945	51,615,866
利息敏感度缺口總額*	Total interest sensitivity gap*	29,759,061	2,941,500	(5,344,075)	(16,533,450)	(5,313,834)		
利率衍生工具 (持倉淨額的名義金額)	Interest rate derivatives (notional amounts of net position)	(12,481,010)	(14,378,873)	2,715,050	18,876,598	5,361,536		

* 未計入衍生金融工具重定息對已發行
債務證券的影響。

* before the repricing effect of derivative financial instruments on the
debt securities issued.

本集團 The Group		一個月內 Up to 1 month 千港元 HK\$'000	一個月以上 至三個月 Over 1 month to 3 months 千港元 HK\$'000	三個月以上 至一年 Over 3 months to 1 year 千港元 HK\$'000	一年以上 至五年 Over 1 year to 5 years 千港元 HK\$'000	五年以上 Over 5 years 千港元 HK\$'000	不計息 Non-interest bearing 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零八年 十二月三十一日		As at 31 December 2008						
資產		Assets						
現金及短期資金	Cash and short-term funds	2,681,817	164,800	206,150	–	–	40,491	3,093,258
應收利息及匯款	Interest and remittance receivables	–	–	–	–	–	1,334,485	1,334,485
衍生金融工具	Derivative financial instruments	–	–	–	–	–	2,237,526	2,237,526
貸款組合淨額	Loan portfolio, net	34,856,337	15,878,446	14,041	11,288	–	–	50,760,112
證券投資：	Investment securities：							
– 可供出售	– available-for-sale	–	1,209,825	–	–	–	842,727	2,052,552
– 持有至到期	– held-to-maturity	875,431	387,550	1,401,822	2,556,293	393,570	–	5,614,666
合營公司投資	Investment in a joint venture	–	–	–	–	–	113,532	113,532
固定資產	Fixed assets	–	–	–	–	–	14,302	14,302
預付款項、按金 及其他資產	Prepayments, deposits and other assets	–	–	–	–	–	30,555	30,555
遞延稅項資產	Deferred tax assets	–	–	–	–	–	28,904	28,904
再保險資產	Reinsurance assets	–	–	–	–	–	348,442	348,442
總資產	Total assets	38,413,585	17,640,621	1,622,013	2,567,581	393,570	4,990,964	65,628,334
負債		Liabilities						
應付利息	Interest payable	–	–	–	–	–	469,965	469,965
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,088,880	–	–	–	–	94,813	4,183,693
衍生金融工具	Derivative financial instruments	–	–	–	–	–	214,994	214,994
應付稅項	Tax payable	–	–	–	–	–	47,866	47,866
保險負債	Insurance liabilities	–	–	–	–	–	908,740	908,740
外匯基金墊款	Advance from Exchange Fund	8,000,000	–	–	–	–	–	8,000,000
已發行債務證券	Debt securities issued	10,079,026	5,244,478	5,791,690	14,969,795	6,729,999	–	42,814,988
已發行按揭證券	Mortgage-backed securities issued	1,257,577	–	990,027	978,020	–	–	3,225,624
總負債	Total liabilities	23,425,483	5,244,478	6,781,717	15,947,815	6,729,999	1,736,378	59,865,870
利息敏感度缺口總額*	Total interest sensitivity gap*	14,988,102	12,396,143	(5,159,704)	(13,380,234)	(6,336,429)		
利率衍生工具 (持倉淨額的名義金額)	Interest rate derivatives (notional amounts of net position)	(16,562,510)	(8,723,435)	6,172,000	13,974,060	5,139,885		

* 未計入衍生金融工具重定息對已發行債務證券及已發行按揭證券的影響。

* before the repricing effect of derivative financial instruments on the debt securities and the mortgage-backed securities issue.

		一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	不計息 Non-interest bearing	總額 Total
本公司 The Company		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日		As at 31 December 2008						
資產	Assets							
現金及短期資金	Cash and short-term funds	2,662,755	164,800	187,400	-	-	39,780	3,054,735
應收利息及匯款	Interest and remittance receivables	-	-	-	-	-	1,322,591	1,322,591
衍生金融工具	Derivative financial instruments	-	-	-	-	-	2,159,479	2,159,479
貸款組合淨額	Loan portfolio, net	30,776,325	15,878,446	13,191	10,323	-	-	46,678,285
證券投資：	Investment securities:							
— 可供出售	— available-for-sale	-	1,209,825	-	-	-	842,727	2,052,552
— 持有至到期	— held-to-maturity	875,431	387,550	1,401,822	2,556,293	393,570	-	5,614,666
附屬公司投資	Investment in a subsidiary	2,208,160	-	854	967	-	1,000	2,210,981
合營公司投資	Investment in a joint venture	-	-	-	-	-	122,097	122,097
固定資產	Fixed assets	-	-	-	-	-	14,302	14,302
預付款項、按金 及其他資產	Prepayments, deposits and other assets	-	-	-	-	-	38,118	38,118
遞延稅項資產	Deferred tax assets	-	-	-	-	-	28,889	28,889
再保險資產	Reinsurance assets	-	-	-	-	-	348,442	348,442
總資產	Total assets	36,522,671	17,640,621	1,603,267	2,567,583	393,570	4,917,425	63,645,137
負債	Liabilities							
應付利息	Interest payable	-	-	-	-	-	462,518	462,518
應付賬款、應付開支 及其他負債	Accounts payable, accrued expenses and other liabilities	4,831,846	-	-	-	-	147,664	4,979,510
衍生金融工具	Derivative financial instruments	-	-	-	-	-	214,994	214,994
應付稅項	Tax payable	-	-	-	-	-	47,866	47,866
保險負債	Insurance liabilities	-	-	-	-	-	908,740	908,740
外匯基金墊款	Advance from Exchange Fund	8,000,000	-	-	-	-	-	8,000,000
已發行債務證券	Debt securities issued	10,524,361	5,244,478	5,791,690	14,969,795	6,729,999	-	43,260,323
總負債	Total liabilities	23,356,207	5,244,478	5,791,690	14,969,795	6,729,999	1,781,782	57,873,951
利息敏感度缺口總額*	Total interest sensitivity gap*	13,166,464	12,396,143	(4,188,423)	(12,402,212)	(6,336,429)		
利率衍生工具 (持倉淨額的名義金額)	Interest rate derivatives (notional amounts of net position)	(14,672,510)	(8,723,435)	5,432,000	12,824,060	5,139,885		

* 未計入衍生金融工具重定息對已發行債務證券的影響。

* before the repricing effect of derivative financial instruments on the debt securities issued.

3.4 流動資金風險

流動資金風險指本集團未能償還其支付債項或未能為已承諾購買的貸款提供資金的風險。本集團每日監測資金流入及流出，並在所有工具到期期限的基礎上預計遠期資金流入及流出。本集團從不同資金來源支持其業務增長及維持均衡的負債組合。資產負債管理委員會定期對流動資金來源進行審查。

3.4. Liquidity risk

Liquidity risk represents the risk of the Group not being able to repay its payment obligations or to fund committed purchases of loans. Liquidity risk is managed by monitoring the actual inflow and outflow of funds on a daily basis and projecting longer-term inflows and outflows of funds across a full maturity spectrum. The Group has established diversified funding sources to support the growth of its business and the maintenance of a balanced portfolio of liabilities. Source of liquidity are regularly reviewed by ALCO.

(a) 未折現現金流量分析

下表列示本集團於呈報期末按剩餘合約年期根據非衍生金融負債、以淨額基準結算的衍生金融負債及以總額基準結算的衍生金融工具的現金流量。表內披露的金額為預測合約未折現現金流量，包括根據最早的可能合約到期日計算的未來利息支付款項。本集團的衍生工具包括按淨額基準結算的利率掉期以及按總額基準結算的貨幣間掉期及遠期貨幣合約。

(a) Undiscounted cash flows analysis

The table below presents cash flows payable by the Group under non-derivative financial liabilities, derivative financial liabilities that will be settled on a net basis and derivative financial instruments that will be settled on gross basis by remaining contractual maturities as at the end of the reporting period. The amounts disclosed in the table are the projected contractual undiscounted cash flows including future interest payments on the basis of their earliest possible contractual maturity. The Group's derivatives include interest rate swaps that will be settled on net basis; and cross currency swaps, currency forward contracts that will be settled on gross basis.

本集團 The Group		一個月內 Up to 1 month 千港元 HK\$'000	一個月以上 至三個月 Over 1 month to 3 months 千港元 HK\$'000	三個月以上 至一年 Over 3 months to 1 year 千港元 HK\$'000	一年以上 至五年 Over 1 year to 5 years 千港元 HK\$'000	五年以上 Over 5 years 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零九年 十二月三十一日 As at 31 December 2009							
非衍生現金流出 負債	Non-derivative cash outflows Liabilities						
已發行債務證券	Debt securities issued	(1,118,623)	(3,715,322)	(7,917,958)	(28,083,715)	(7,500,004)	(48,335,622)
已發行按揭證券	Mortgage-backed securities issued	(49,315)	(30,227)	(401,388)	(1,611,674)	-	(2,092,604)
		(1,167,938)	(3,745,549)	(8,319,346)	(29,695,389)	(7,500,004)	(50,428,226)
衍生現金流入／(流出)	Derivative cash inflows/(outflows)						
按下列基準結算的 衍生金融工具：	Derivative financial instrument settled:						
- 淨額基準	- on net basis	(11,212)	(5,829)	(84,151)	(31,888)	(7,253)	(140,333)
- 總額基準	- on gross basis						
流出總額	Total outflow	(1,363,581)	(1,276,362)	(4,185,396)	(15,797,991)	(613,371)	(23,236,701)
流入總額	Total inflow	1,357,584	1,281,986	4,187,431	15,792,814	608,060	23,227,875
		(17,209)	(205)	(82,116)	(37,065)	(12,564)	(149,159)

本公司 The Company		一個月內 Up to 1 month 千港元 HK\$'000	一個月以上 至三個月 Over 1 month to 3 months 千港元 HK\$'000	三個月以上 至一年 Over 3 months to 1 year 千港元 HK\$'000	一年以上 至五年 Over 1 year to 5 years 千港元 HK\$'000	五年以上 Over 5 years 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零九年 十二月三十一日 As at 31 December 2009							
非衍生現金流出 負債	Non-derivative cash outflows Liabilities						
已發行債務證券	Debt securities issued	(1,118,623)	(3,715,322)	(7,917,958)	(28,083,715)	(7,500,004)	(48,335,622)
衍生現金流入／(流出)	Derivative cash inflows/(outflows)						
按下列基準結算的 衍生金融工具：	Derivative financial instrument settled:						
- 淨額基準	- on net basis	(11,212)	(5,829)	(84,151)	(31,888)	(7,253)	(140,333)
- 總額基準	- on gross basis						
流出總額	Total outflow	(1,363,581)	(1,276,362)	(4,185,396)	(15,797,991)	(613,371)	(23,236,701)
流入總額	Total inflow	1,357,584	1,281,986	4,187,431	15,792,814	608,060	23,227,875
		(17,209)	(205)	(82,116)	(37,065)	(12,564)	(149,159)

本集團 The Group		一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日	As at 31 December 2008						
非衍生現金流出 負債	Non-derivative cash outflows Liabilities						
已發行債務證券	Debt securities issued	(6,660,320)	(2,078,979)	(3,709,327)	(25,822,304)	(7,530,588)	(45,801,518)
已發行按揭證券	Mortgage-backed securities issued	(13,068)	(44,943)	(1,136,283)	(2,183,220)	–	(3,377,514)
		(6,673,388)	(2,123,922)	(4,845,610)	(28,005,524)	(7,530,588)	(49,179,032)
衍生現金流入／(流出)	Derivative cash inflows/(outflows)						
按下列基準結算的 衍生金融工具：	Derivative financial instrument settled:						
– 淨額基準	– on net basis	8,616	6,225	(64,687)	(106,946)	170	(156,622)
– 總額基準	– on gross basis						
流出總額	Total outflow	(821,700)	(4,146,870)	(2,294,685)	(9,463,556)	(1,053,100)	(17,779,911)
流入總額	Total inflow	786,236	4,141,430	2,240,134	9,425,543	1,046,124	17,639,467
		(26,848)	785	(119,238)	(144,959)	(6,806)	(297,066)

本公司 The Company		一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日	As at 31 December 2008						
非衍生現金流出 負債	Non-derivative cash outflows Liabilities						
已發行債務證券	Debt securities issued	(7,106,009)	(2,078,979)	(3,709,327)	(25,822,304)	(7,530,588)	(46,247,207)
衍生現金流入／(流出)	Derivative cash inflows/(outflows)						
按下列基準結算的 衍生金融工具：	Derivative financial instrument settled:						
– 淨額基準	– on net basis	8,616	6,225	(64,687)	(106,946)	170	(156,622)
– 總額基準	– on gross basis						
流出總額	Total outflow	(821,700)	(4,146,870)	(2,294,685)	(9,463,556)	(1,053,100)	(17,779,911)
流入總額	Total inflow	786,236	4,141,430	2,240,134	9,425,543	1,046,124	17,639,467
		(26,848)	785	(119,238)	(144,959)	(6,806)	(297,066)

(b) 到期日分析

下表根據呈報期末至合約到期日剩餘期間按分類之資產及負債分析。

(b) Maturity analysis

The table below analyses the Group's assets and liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date.

本集團 The Group		即時到期 Repayable on demand	一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	無限期 Undated	總額 Total
千港元 HK\$'000		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零九年 十二月三十一日		As at 31 December 2009							
資產		Assets							
現金及短期資金	Cash and short-term funds	57,248	3,593,937	410,934	5,679	-	-	-	4,067,798
貸款組合	Loan portfolio	11,181	1,039,425	879,296	4,454,273	18,062,261	19,331,884	24,407	43,802,727
證券投資	Investment securities								
- 可供出售	- available-for-sale	-	1,201,524	931,092	454,728	-	-	1,025,720	3,613,064
- 持有至到期	- held-to-maturity	-	155,071	637,241	1,023,674	3,525,677	476,335	-	5,817,998
再保險資產	Reinsurance assets	-	-	-	-	-	-	266,101	266,101
		68,429	5,989,957	2,858,563	5,938,354	21,587,938	19,808,219	1,316,228	57,567,688
負債		Liabilities							
保險負債	Insurance liabilities	-	-	-	-	-	-	1,462,318	1,462,318
已發行債務證券	Debt securities issued	-	1,238,693	4,663,947	7,369,542	25,318,031	5,904,860	-	44,495,073
已發行按揭證券	Mortgage-backed securities issued	-	53,369	64,783	361,301	1,540,941	-	-	2,020,394
		-	1,292,062	4,728,730	7,730,843	26,858,972	5,904,860	1,462,318	47,977,785

本公司 The Company		即時到期 Repayable on demand	一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	無限期 Undated	總額 Total
千港元 HK\$'000		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零九年 十二月三十一日		As at 31 December 2009							
資產		Assets							
現金及短期資金	Cash and short-term funds	44,740	3,573,012	307,000	-	-	-	-	3,924,752
貸款組合	Loan portfolio	9,543	891,005	801,897	4,129,092	16,885,678	18,090,064	23,859	40,831,138
證券投資	Investment securities								
- 可供出售	- available-for-sale	-	1,201,524	931,092	454,728	-	-	1,025,720	3,613,064
- 持有至到期	- held-to-maturity	-	155,071	637,241	1,023,674	3,525,677	476,335	-	5,817,998
再保險資產	Reinsurance assets	-	-	-	-	-	-	266,101	266,101
		54,283	5,820,612	2,677,230	5,607,494	20,411,355	18,566,399	1,315,680	54,453,053
負債		Liabilities							
保險負債	Insurance liabilities	-	-	-	-	-	-	1,462,318	1,462,318
已發行債務證券	Debt securities issued	-	1,238,693	4,663,947	7,369,542	25,318,031	5,904,860	-	44,495,073
		-	1,238,693	4,663,947	7,369,542	25,318,031	5,904,860	1,462,318	45,957,391

		即時到期 Repayable on demand	一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	無限期 Undated	總額 Total
本集團 The Group		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日	As at 31 December 2008								
資產	Assets								
現金及短期資金	Cash and short-term funds	38,444	2,683,864	164,800	206,150	–	–	–	3,093,258
貸款組合	Loan portfolio	8,729	1,006,930	1,425,123	5,169,544	27,003,734	16,136,222	60,366	50,810,648
證券投資	Investment securities								
– 可供出售	– available-for-sale	–	696,856	512,969	–	–	–	842,727	2,052,552
– 持有至到期	– held-to-maturity	–	452,472	355,433	1,401,822	2,996,067	408,872	–	5,614,666
再保險資產	Reinsurance assets	–	–	–	–	–	–	348,442	348,442
		47,173	4,840,122	2,458,325	6,777,516	29,999,801	16,545,094	1,251,535	61,919,566
負債	Liabilities								
保險負債	Insurance liabilities	–	–	–	–	–	–	908,740	908,740
已發行債務證券	Debt securities issued	–	6,842,666	2,387,257	5,835,259	20,922,519	6,827,287	–	42,814,988
已發行按揭證券	Mortgage-backed securities issued	–	99,301	87,224	830,998	2,208,101	–	–	3,225,624
		–	6,941,967	2,474,481	6,666,257	23,130,620	6,827,287	908,740	46,949,352

		即時到期 Repayable on demand	一個月內 Up to 1 month	一個月以上 至三個月 Over 1 month to 3 months	三個月以上 至一年 Over 3 months to 1 year	一年以上 至五年 Over 1 year to 5 years	五年以上 Over 5 years	無限期 Undated	總額 Total
本公司 The Company		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零零八年 十二月三十一日	As at 31 December 2008								
資產	Assets								
現金及短期資金	Cash and short-term funds	36,342	2,666,193	164,800	187,400	–	–	–	3,054,735
貸款組合	Loan portfolio	7,869	937,317	1,248,549	4,791,178	25,265,027	14,422,538	55,580	46,728,058
證券投資	Investment securities								
– 可供出售	– available-for-sale	–	696,856	512,969	–	–	–	842,727	2,052,552
– 持有至到期	– held-to-maturity	–	452,472	355,433	1,401,822	2,996,067	408,872	–	5,614,666
再保險資產	Reinsurance assets	–	–	–	–	–	–	348,442	348,442
		44,211	4,752,838	2,281,751	6,380,400	28,261,094	14,831,410	1,246,749	57,798,453
負債	Liabilities								
保險負債	Insurance liabilities	–	–	–	–	–	–	908,740	908,740
已發行債務證券	Debt securities issued	–	7,288,001	2,387,257	5,835,259	20,922,519	6,827,287	–	43,260,323
		–	7,288,001	2,387,257	5,835,259	20,922,519	6,827,287	908,740	44,169,063

3.5 按揭保險風險

本集團為核准賣方／管理供款機構提供按揭保險，就信貸虧損風險提供的保險額最高可達按揭貸款之物業價值的25%至30%，惟批出貸款時貸款額與物業價值比率不得超過95%。

任何保險合約的風險為已投保事件發生的可能性及所引致的申索金額的不確定性。根據保險合約本身的特質，此類風險屬隨機，因此不能預計。

3.5 Mortgage insurance risk

The Group offers mortgage insurance which provides cover to the Approved Sellers/Service providers for first credit losses of up to 25% - 30% of the property value of a mortgage loan with loan-to-value ratio below 95% at origination.

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

對一組保險合約而言，當機會率的理論應用予定價及撥備時，本集團保險合約面對的主要風險為實際申索超出保險負債賬面值。當申索的次數及金額超過預計時，上述情況便可能發生。保險事件為隨機，而申索及利益的實際次數及金額每年有所不同，同時亦可能有異於使用統計方法得出的估計數字。

經驗顯示類似保險合約的組合越大，預期後果的相對可變性則越低。此外，越是多元化的組合，越是不會由於組合內任何一組分支變動而使整體受影響。本集團已制定業務策略，為分散所接納按揭保險風險種類，並在每個主要類別內歸納足夠宗數的風險，從而降低預期後果的可變性。

申索的次數及金額可受多項因素影響。最主要因素為經濟衰退及本港物業市場下滑。經濟衰退可能引致拖欠付款增加，影響申索次數。物業價格下跌，會使抵押品價值低於按揭貸款未償還餘額，因而增加索償金額。

本集團採納一套審慎的保險資格準則管理有關風險。為確保預留充足撥備應付未來索償付款，本集團以審慎負債估值假設，按監管指引內規定的方法計算技術儲備。本集團亦向核准再保險公司按比例投保攤分再保險，致力限制所面對的風險。本集團進行綜合評估，包括按信貸委員會制定的核准篩選架構，評估按揭再保險公司的財政實力及信貸評級。本集團會定期檢討核准再保險公司。

截至二零零九年十二月三十一日，倘總承保虧損率增加1%，則本年度除稅前溢利將減少170萬港元（二零零八年：130萬港元）。倘總承保虧損率下降1%，則本年度除稅前溢利將增加170萬港元（二零零八年：130萬港元）。

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The Group has developed a business strategy to diversify the type of mortgage insurance risks accepted and within each of the key categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The frequency and severity of claims can be affected by several factors. The most significant are a downturn of the economy and a slump in the local property market. Economic downturn, which may cause a rise in defaulted payment, affects the frequency of claims. A drop in property prices, where the collateral value falls below the outstanding balance of the mortgage loan, will increase the severity of claims.

The Group manages these risks by adopting a set of prudent insurance eligibility criteria. To ensure sufficient provision is set aside for meeting future claim payments, the Group calculates technical reserves on prudent liability valuation assumptions and the method prescribed in the regulatory guidelines. The Group also takes out quota-share reinsurance from its approved mortgage reinsurers in an effort to limit its risk exposure. The Group conducts comprehensive assessment including the financial strength and credit ratings of the mortgage reinsurers in accordance with the approved selection framework set by the Credit Committee. The approved mortgage reinsurers are subject to periodic reviews.

As at 31 December 2009, if total loss ratio had increased by 1%, profit before tax for the year would have been HK\$1.7 million (2008: HK\$1.3 million) lower. If total loss ratio had decreased by 1%, profit before tax for the year would have been HK\$1.7 million (2008: HK\$1.3 million) higher.

3.6 金融資產及負債的公平值

公平值估計基於相關市場資料及金融工具特性在指定時間作出。

下表概述並未於本集團財務狀況表按公平值悉數呈列的金融資產及負債的賬面值與公平值。買入價用於估計資產的公平值，而賣出價則用於估計負債的公平值。

		賬面值 Carrying value		公平值 Fair value	
		2009	2008	2009	2008
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
金融資產	Financial assets				
現金及短期資金	Cash and short-term funds	4,067,798	3,093,258	4,067,798	3,093,258
貸款組合淨額	Loan portfolio, net	43,788,716	50,760,112	43,788,716	50,760,112
證券投資	Investment securities				
– 持有至到期	– held-to-maturity	5,817,998	5,614,666	5,935,727	5,644,179
金融負債	Financial liabilities				
其他負債	Other liabilities	4,133,740	4,088,880	4,133,740	4,088,880
已發行債務證券	Debt securities issued	41,648,925	38,101,573	41,655,241	38,108,085
已發行按揭證券	Mortgage-backed securities issued	2,020,394	3,225,624	2,011,421	3,211,027

估計金融工具公平值時已使用下列方法及假設：

(a) 現金及短期資金

現金及短期資金包括銀行存款。浮息存款的公平值即其賬面值。定息存款（存款期通常少於三個月）的估計公平值乃基於使用同類信貸風險債務的現行貨幣市場利率及剩餘年期計算之折現現金流量。因此，存款的公平值約等於其賬面值。

(b) 貸款組合淨額及根據按揭通遞證券化計劃發行的按揭證券

貸款組合於扣除減值撥備後列賬。小部分貸款組合按固定利率計息。因此，貸款組合及已發行按揭證券的賬面值為公平值的合理估計。

3.6 Fair values of financial assets and liabilities

Fair value estimate are made at a specific point in time based on relevant market information and the characteristics of the financial instruments.

The following table summarises the carrying amounts and fair values of those financial assets and liabilities not wholly presented on the Group's statement of financial position at their fair value. Bid prices are used to estimate fair values of assets, whereas offer prices are applied for liabilities.

The following methods and assumptions have been used to estimate the fair values of financial instruments:

(a) Cash and short-term funds

Cash and short-term funds include bank deposits. The fair value of floating-rate deposits is the carrying amount. The estimated fair value of fixed-rate deposits, which are normally less than 3 months, is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and remaining maturity. Therefore, the fair value of the deposits is approximately equal to their carrying value.

(b) Loan portfolio, net, and mortgage-backed securities issued under the MBS Pass-Through Programme

Loan portfolio is stated net of impairment allowance. An insignificant portion of loan portfolio bears interest at fixed rate. Therefore, the carrying value of loan portfolio and the mortgage-backed securities issued is a reasonable estimate of the fair value.

(c) 證券投資

證券投資包括持有至到期計息資產，而分類為可供出售的資產按公平值計量。持有至到期資產之公平值以市價或經紀／交易商報價為基礎。倘本集團未能取得有關資料，則採用具有同類信貸、到期日及收益率等特點之證券所報市價估計公平值。

(d) 已發行債務證券

公平值總額乃基於市場報價計算。至於未有市場報價的債券，本集團基於到期前剩餘期限的現時收益率曲線並採用現金流量貼現模型計算。

(e) 根據Bauhinia按揭證券計劃發行的按揭證券

公平值總額乃基於市場報價計算。至於未有市場報價的債券，本集團基於到期前剩餘期限的現時收益率曲線並採用現金流量貼現模型計算。

(f) 其他負債

其他負債指二零零三年十二月及二零零四年一月自香港特別行政區（「香港特區」）政府購買的按揭貸款加強信貸安排的遞延代價。其他負債的公平值與賬面值相若。

(g) 於財務報表按公平值計量的金融工具

按公平值計量的金融工具並無（二零零八年：無）使用無法以明顯市場數據佐證的估值方法。

下表列示按公平值確認並根據以下方式計算的公平值分析的金融工具：

- 相同資產或負債於活躍市場中之報價（第一層）；
- 除第一層所包括之報價外，就資產或負債能直接（如股價）或間接（如從價格推斷）可觀察之數據（第二層）；及
- 有關資產或負債並非基於可觀察之市場數據（不可觀察之數據）（第三層）。

(c) Investment securities

Investment securities include only interest-bearing assets held to maturity, assets classified as available-for-sale are measured at fair value. Fair value for held-to-maturity assets is based on market prices or broker/dealer price quotations. Where this information is not available, fair value has been estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

(d) Debt securities issued

The aggregate fair values are calculated based on quoted market prices. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

(e) Mortgage-backed securities issued under the Bauhinia MBS Programme

The aggregate fair values are calculated based on quoted market prices. For those notes where quoted market prices are not available, a discounted cash flow model is used based on a current yield curve appropriate for the remaining term to maturity.

(f) Other liabilities

Other liabilities represent the deferred consideration used for credit enhancement on the mortgage loans purchased from the Government of the Hong Kong Special Administrative Region ("HKSAR") in December 2003 and January 2004. The fair value of other liabilities approximates the carrying amount.

(g) Financial instruments measured at fair value in the financial statements

There is no (2008: nil) financial instrument measured at fair value using a valuation technique that is not supported by observable market data.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

		本集團 The Group			本公司 The Company		
		第一層 Level 1 千港元 HK\$'000	第二層 Level 2 千港元 HK\$'000	總計 Total 千港元 HK\$'000	第一層 Level 1 千港元 HK\$'000	第二層 Level 2 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零九年十二月三十一日	As at 31 December 2009						
資產	Assets						
衍生金融工具	Derivative financial instruments	-	1,317,375	1,317,375	-	1,273,102	1,273,102
證券投資	Investment securities						
– 可供出售	– available-for-sale	1,104,186	2,508,878	3,613,064	1,104,186	2,508,878	3,613,064
		1,104,186	3,826,253	4,930,439	1,104,186	3,781,980	4,886,166
負債	Liabilities						
衍生金融工具	Derivative financial instruments	-	158,246	158,246	-	158,246	158,246
初步確認時指定為以公平值 變化計入損益的	Debt securities issued designated as at fair value through profit or loss upon initial recognition	-	2,846,148	2,846,148	-	2,846,148	2,846,148
已發行債務證券		-	3,004,394	3,004,394	-	3,004,394	3,004,394

本集團及本公司概無持有任何屬於第三層的金融工具。

Neither the Group nor the Company hold any financial instruments categorized as Level 3.

3.7 資本管理

本集團管理資本(其涵蓋範圍較列於財務狀況表賬面的「權益」為廣)的目的如下：

- 符合香港特別行政區政府財政司司長(「財政司司長」)制定的資本規定；
- 確保本集團持續營運的能力，以繼續為股東提供回報；
- 維持本集團的穩定及發展；
- 按有效及基於風險的方法分配資本，最優化提供予股東的經風險調報回報；及
- 維持雄厚的資本基礎支持業務發展。

3.7 Capital management

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the Financial Secretary of the Government of the Hong Kong Special Administrative Region ("Financial Secretary");
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders;
- To support the Group's stability and growth;
- To allocate capital in an efficient and risk based approach to optimise risk adjusted return to the shareholders; and
- To maintain a strong capital base to support the development of its business.

本集團管理層根據財政司司長頒佈的指引每日監控資本充足程度及監管資金的用途。指引規定資本對資產比率最低為5%。資本對資產比率為本集團資本總額與其資產負債表內及資產負債表外加權風險值總額之間的比率，以百分比表示。

總裁須根據財政司司長頒佈的指引每季度向董事局提交報告。任何違反或可能違反資本對資產比率指引的情況均須向財政司司長報告。

本集團的資本基礎包括股本、股份溢價、保留溢利及調撥保留溢利產生的風險儲備、以組合形式評估貸款減值所作之撥備以及其他儲備。

資本充足架構計及嵌入資產的風險的不同水平。經計及任何合資格抵押品或擔保後，根據資產性質應用不同兌換因素，並反映對相關風險的估計。對資產負債表外風險採取類似處理方法，並作出若干調整以反映更難以預計的潛在虧損。

下表概述本集團於呈報期末的資本基礎組成及比率。年內，本集團遵守財政司司長制定的所有資本規定。

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management in accordance with the guidelines issued by the Financial Secretary. The minimum Capital-to-Assets ratio ("CAR") stipulated in the guidelines is 5%. The CAR is calculated as a ratio, expressed as a percentage, of the Group's total capital base to the sum of its total on-balance sheet and total off-balance sheet risk-weighted exposures.

The Chief Executive Officer is required to submit a report to the Board of Directors on a quarterly basis by reference to the guidelines issued by the Financial Secretary. Any breach or likely breach of the CAR guidelines must be reported to the Financial Secretary.

The Group's capital base comprises share capital, share premium, retained profits and contingency reserve created by appropriations of retained profits, allowance for loan impairment under collective assessment and other reserve.

The capital adequacy framework takes into account different levels of risk embedded in assets. Conversion factors are applied to assets according to their nature and reflecting an estimate of underlying risks, taking into account any eligible collateral or guarantee. A similar treatment is adopted for off-balance sheet exposures, with some adjustments to reflect the more contingent nature of the potential losses.

The table below summarises the composition of capital base and the ratios of the Group as at the end of the reporting period. During the year, the Group complied with all of the capital requirement set by the Financial Secretary.

		2009 千港元 HK\$'000	2008 千港元 HK\$'000
股本	Share capital	2,000,000	2,000,000
保留溢利	Retained profits	3,925,694	3,485,513
風險儲備	Contingency reserves	189,833	123,545
其他儲備	Other reserves	160,329	(29,928)
以組合形式評估貸款減值 所作之撥備	Allowance for loan impairment under collective assessment	14,011	50,536
資本總額	Total capital base	6,289,867	5,629,666
資本對資產比率	CAR	9.5%	8.7%

4. 關鍵會計估計及假設

本集團採用對下一個財政年度的資產及負債列賬額有影響之估計及假設。本集團會根據過往經驗及其他因素(包括於有關情況下對未來事項作出的合理預期)，持續評估所作估計及判斷。

4.1 貸款組合的減值撥備

本集團至少每季檢討其貸款組合以評估減值。釐定減值虧損是否應計入收益表時，本集團會判斷有否任何觀察可得數據，在可識別出貸款組合個別貸款的預計未來現金流減少前，反映組合有關下跌的可計量數額。此等證據或會包括有可觀察數據顯示某一組借款人的還款狀況轉差，或出現與個別資產組別拖欠付款相關的經濟狀況。管理層估計未來現金流時，會依據貸款風險特徵及客觀減值證據與有關組合相若的資產過往虧損經驗。本集團會定期檢討估計未來現金流金額及時間的方法及假設，以縮小估計虧損及實際虧損經驗的差異。

4.2 衍生工具的公平值

並無活躍市場報價的金融工具公平值採用估值方法釐定。使用估值方法(如模型)釐定公平值時，該等方法經獨立於建立此等模型相關範疇的合資格人士核實及定期檢討。所有模型於使用前均被核實及調整以確保結果反映實際數據及可比較市價。在可行情況下，此等模型僅使用觀察所得數據，然而，信貸風險、波幅及相關系數等若干方面則需管理層作出估計。有關此等因素之假設的轉變可能影響所呈報的金融工具公平值。敏感度分析載於附註3.3。

4.3 可供出售投資減值

若可供出售投資的公平值大幅或持續跌至低於其成本，本集團即判定該等投資已減值。釐定是否大幅及持續需運用判斷。作出判斷時，本集團評估(其中包括)上市價格日常波動。此外，倘投資的財務穩健程度、行業及類別表現轉差以及技術、營運及融資現金流量出現變動，亦顯示可能出現減值。

4. Critical accounting estimates and assumptions

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Impairment allowances on loan portfolio

The Group reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an impairment loss should be recorded in the income statement, the Group makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group or economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

4.2 Fair value of derivatives

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (for example, models) are used to determine fair value, they are validated and periodically reviewed by qualified personnel independent of the area that created them. All models are validated before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk, volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments. Sensitivity analysis is set out in Note 3.3.

4.3 Impairment of available-for-sale investments

The Group determines that available-for-sale investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, the Group evaluates, among other factors, the normal volatility in listed price. In addition, impairment may be appropriate when there is evidence of a deterioration in the financial health of the investment, industry and sector performance, changes in technology, and operational and financing cash flows.

4.4 持有至到期投資

本集團依照香港會計準則第39號之指引，運用重大判斷，將具有既定或確定付款額及還款期的若干非衍生工具金融資產分類為持有至到期投資。作出判斷時，本集團會評估持有投資之目的及持有該資產至到期之能力。除香港會計準則第39號所指明的特定情況外，倘本集團未能持有該等投資至到期，則須將全部資產重新分類為可供出售投資並以公平值而非攤銷成本計量。

4.5 利得稅

本集團在香港須繳納利得稅。釐定利得稅撥備時需作出重大估計。日常業務過程中進行的多項交易及計算的最終稅項無法確定。本集團基於估計有否到期應繳的額外稅項確認預期稅務事宜的負債。倘該等事項的最終稅務結果有別於原來記錄的金額，則有關差額將影響釐定期間的所得稅及遞延稅項撥備。

5. 分類分析

本集團主要從事按揭業務。其他業務，例如為提供資金以購入按揭貸款而發行債務工具，及將按揭貸款收取款項所產生的盈餘資金進行再投資，視為按揭業務的附屬業務。本集團亦可以從單一按揭業務分類在集團層面計量其表現。

雖然按揭業務作為單一分類管理，惟按揭業務位於香港、韓國、馬來西亞及中國內地四個地區。香港分類包括香港按揭業務，而非香港分類包括韓國按揭資產、於馬來西亞一家合營公司的投資及於中華人民共和國深圳市的一家附屬公司的投資。主要經營決策人根據地區分類評估表現。

4.4 Held-to-maturity investments

The Group follows the guidance of HKAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held-to-maturity. This classification requires significant judgement. In making this judgement, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity other than for the specific circumstances defined in HKAS 39, it will be required to reclassify the entire class as available-for-sale and measured at fair value, not amortised cost.

4.5 Profits tax

The Group is subject to profits tax in Hong Kong. Significant estimates are required in determining the provision for profits tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred tax provisions in the period in which such determination is made.

5. Segment analysis

The Group is principally engaged in mortgage business. Other activities such as debt issuance to fund the mortgage purchase and investment to reinvest the surplus funds from mortgage receipt are considered ancillary to mortgage business. The Group is also organised in such a way that performance is measured at Group level in single segment for mortgage business.

Although the mortgage business is managed as a single segment, the mortgage businesses are located in four geographical areas, namely Hong Kong, Korea, Malaysia and China. The segment for Hong Kong includes the mortgage business in Hong Kong. The segment for non-Hong Kong includes the mortgage assets in Korea, investment in a joint venture in Malaysia and investment in a subsidiary in Shenzhen, People's Republic of China. The chief operating decision maker assesses the performance based on geographical segments.

下表呈列截至二零零九年及二零零八年十二月三十一日止年度經營分類的收益及溢利資料。可比數字已經重列以符合香港財務報告準則第8號的規定。

The following tables represent revenue and profit information for operating segments for the years ended 31 December 2009 and 2008. Comparative figures have been restated to conform to the requirements of HKFRS 8.

		香港 Hong Kong 千港元 HK\$'000	非香港 Non-Hong Kong 千港元 HK\$'000	總額 Total 千港元 HK\$'000
截至二零零九年十二月三十一日止年度 Year ended 31 December 2009				
利息收入	Interest income	1,056,085	282,216	1,338,301
利息支出	Interest expense	(176,106)	(124,488)	(300,594)
淨利息收入	Net interest income	879,979	157,728	1,037,707
其他收入	Other income	230,584	1,004	231,588
經營收入	Operating income	1,110,563	158,732	1,269,295
經營支出	Operating expenses	(123,337)	(34,499)	(157,836)
未計減值前的經營溢利	Operating profit before impairment	987,226	124,233	1,111,459
貸款減值撥回	Write-back of loan impairment allowances	36,837	–	36,837
應佔合營公司溢利	Share of profit of a joint venture	–	1,922	1,922
除稅前溢利	Profit before tax	1,024,063	126,155	1,150,218
稅項	Taxation			(144,186)
本年度溢利	Profit for the year			1,006,032
年內資本開支	Capital expenditure during the year	15,111	2,734	17,845

		香港 Hong Kong 千港元 HK\$'000	非香港 Non-Hong Kong 千港元 HK\$'000	總額 Total 千港元 HK\$'000
截至二零零八年十二月三十一日止年度 Year ended 31 December 2008				
利息收入	Interest income	1,475,276	349,938	1,825,214
利息支出	Interest expense	(840,697)	(274,667)	(1,115,364)
淨利息收入	Net interest income	634,579	75,271	709,850
其他收入	Other income	102,100	–	102,100
經營收入	Operating income	736,679	75,271	811,950
經營支出	Operating expenses	(118,844)	(22,905)	(141,749)
未計減值前的經營溢利	Operating profit before impairment	617,835	52,366	670,201
貸款減值撥備	Loan impairment charge	(36,225)	–	(36,225)
應佔合營公司虧損	Share of loss of a joint venture	–	(8)	(8)
除稅前溢利	Profit before tax	581,610	52,358	633,968
稅項	Taxation			(28,974)
本年度溢利	Profit for the year			604,994
年內資本開支	Capital expenditure during the year	7,389	–	7,389

		香港 Hong Kong 千港元 HK\$'000	非香港 Non-Hong Kong 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零九年十二月三十一日	As at 31 December 2009			
分類資產	Segment assets	44,027,821	15,607,613	59,635,434
合營公司投資	Investment in a joint venture	–	115,190	115,190
總資產	Total assets	44,027,821	15,722,803	59,750,624
分類負債	Segment liabilities	37,511,123	15,498,410	53,009,533

		香港 Hong Kong 千港元 HK\$'000	非香港 Non-Hong Kong 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零八年十二月三十一日	As at 31 December 2008			
分類資產	Segment assets	49,496,237	16,018,565	65,514,802
合營公司投資	Investment in a joint venture	–	113,532	113,532
總資產	Total assets	49,496,237	16,132,097	65,628,334
分類負債	Segment liabilities	43,847,305	16,018,565	59,865,870

6. 利息收入

6. Interest income

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
貸款組合	Loan portfolio	1,060,315	1,311,680
現金及短期資金	Cash and short-term funds	36,328	147,117
證券投資－上市	Investment securities – listed	82,176	68,731
證券投資－非上市	Investment securities – unlisted	159,482	297,686
		1,338,301	1,825,214

本年度利息收入包括488,000港元(二零零八年：690,000港元)個別已減值貸款的應計利息收入。

Included within interest income is HK\$488,000 for the year (2008: HK\$690,000) with respect to interest income accrued on individually impaired loans.

7. 利息支出

7. Interest expense

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
須於五年內悉數償還的銀行貸款、已發行債務及按揭證券	Bank loans, debt and MBS issued wholly repayable within 5 years	241,376	887,654
毋須於五年內悉數償還的已發行債務及按揭證券	Debt and MBS issued not wholly repayable within 5 years	59,218	227,710
		300,594	1,115,364

本年度利息支出包括220,700,000港元(二零零八年：399,300,000港元)並非以公平值變化計入損益的金融負債。

Included within interest expenses are HK\$220.7 million (2008: HK\$399.3 million) for financial liabilities that are not at fair value through profit and loss.

8. 其他收入

8. Other income

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
提早還款費用及過期罰款	Early prepayment fees and late charges	19,742	26,289
已滿期保費淨額(附註14)	Net insurance premiums earned (Note 14)	149,429	93,365
匯兌差額	Exchange difference	5,833	(40,455)
金融工具公平值變動	Change in fair value of financial instruments	13,011	(43,108)
可供出售上市投資的股息收入	Dividend income from available-for-sale listed investments	42,224	42,867
出售可供出售投資的收益淨額 (附註11)	Net gain on disposal of available-for-sale investments (Note 11)	5,277	26,026
其他	Others	(3,928)	(2,884)
		231,588	102,100

金融工具公平值變動相當於以下各項的總和：
(i) 指定為公平值對沖的對沖工具公平值虧損783,300,000港元(二零零八年：收益1,482,200,000港元)及被對沖項目公平值收益785,400,000港元(二零零八年：虧損1,482,200,000港元)；及(ii)指定為以公平值變化計入損益的衍生工具公平值虧損31,600,000港元(二零零八年：收益5,400,000港元)及指定以公平值變化計入損益的已發行債務證券公平值收益42,500,000港元(二零零八年：虧損48,500,000港元)。於二零零九年，概無於收益表內確認任何因現金流對沖而產生的無效項目(二零零八年：無)。

Change in fair value of financial instruments represents the aggregate of (i) HK\$783.3 million (2008: HK\$1,482.2 million gain) fair value loss on hedging instruments designated as fair value hedge and HK\$785.4 million (2008: HK\$1,482.2 million loss) fair value gain on the hedged items; and (ii) HK\$31.6 million (2008: HK\$5.4 million gain) fair value loss on derivatives designated as at fair value through profit or loss and HK\$42.5 million (2008: HK\$48.5 million loss) fair value gain on issued debt securities designated as at fair value through profit or loss. In 2009, there is no ineffectiveness recognised in the income statement that arises from cash flow hedges (2008: nil).

9. 經營支出

9. Operating expenses

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
僱員成本	Staff costs		
薪金及福利	Salaries and benefits	102,633	91,855
退休金成本－界定供款計劃	Pension costs – defined contribution plans	5,608	5,216
辦公室	Premises		
租金	Rental	7,268	6,368
其他	Others	7,050	6,333
董事酬金	Directors' emoluments	–	–
折舊(附註24)	Depreciation (Note 24)	10,890	8,936
財經資訊服務	Financial information services	5,593	5,164
顧問費	Consultancy fees	6,702	6,327
其他經營支出	Other operating expenses	12,092	11,550
		157,836	141,749

10. 核數師酬金

10. Auditor's remuneration

		本集團 The Group	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
審核服務	Audit services	867	690
其他服務	Other services	1,186	901
		2,053	1,591

11. 出售可供出售投資的
收益淨額11. Net gain on disposal of available-for-sale
investments

		本集團 The Group	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
出售可供出售投資的收益淨額：	Net gain on disposal of available-for-sale investments:		
— 於一月一日變現已於 儲備內確認的款項	— realisation of amounts recognised in reserves up to 1 January	3,522	24,329
— 本年度產生收益淨額	— net gain arising in current year	1,755	1,697
		5,277	26,026

12. 貸款減值回撥／(撥備)

12. Write-back of loan impairment allowances/
(loan impairment charge)

		本集團 The Group	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
貸款減值回撥／(撥備)	Write-back of loan impairment allowances/ (loan impairment charge)		
— 組合評估(附註20(b))	— collective assessment (Note 20 (b))	36,837	(36,225)

13. 稅項

(a) 於綜合收益表內扣除的稅項為：

13. Taxation

(a) Taxation charge in the consolidated income statement represents:

		本集團 The Group	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
香港利得稅	Hong Kong profits tax		
— 本年度撥備	— Provision for current year	126,419	39,933
— 過往年度撥備不足	— Underprovision in prior years	15,110	2,242
		141,529	42,175
遞延稅項	Deferred taxation		
— 本年度支出／(抵免)	— Charge/(credit) for current year	2,657	(13,201)
		144,186	28,974

就本年度產生的估計應課稅溢利按16.5% (二零零八年：16.5%) 的稅率計提香港利得稅撥備。遞延稅項以負債法按16.5% (二零零八年：16.5%) 的主要稅率計算全部的暫時差額。

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profit for the year. Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% (2008: 16.5%).

本集團的除稅前溢利的稅項與採用香港稅率計算的理論金額的差異如下：

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

		本集團 The Group	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
除稅前溢利	Profit before taxation	1,150,218	633,968
按16.5% (二零零八年：16.5%) 的稅率計算	Calculated at a taxation rate of 16.5% (2008: 16.5%)	189,786	104,605
應佔合營公司(溢利)／虧損的稅務影響	Tax effect of share of (profit)/loss of a joint venture	(317)	1
毋須繳稅的收入	Income not subject to taxation	(91,044)	(138,820)
不可扣稅的開支	Expenses not deductible for taxation purposes	30,651	60,946
過往年度撥備不足	Underprovision in prior years	15,110	2,242
稅項開支	Taxation charge	144,186	28,974

(b) 財務狀況表內的稅項撥備為：

(b) Provision for taxation in the statement of financial position represents:

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
香港利得稅撥備	Provision for Hong Kong profits tax	138,329	47,866	131,850	47,866
遞延稅項負債／ (資產)	Deferred tax liabilities/ (assets)	15,209	(28,904)	15,213	(28,889)
		153,538	18,962	147,063	18,977

於二零零九年及二零零八年十二月三十一日，概無任何重大未撥備遞延稅項。

There was no significant unprovided deferred taxation as at 31 December 2009 and 2008.

遞延稅項(資產)／負債的主要組成部分及年內變動如下：

The major components of deferred tax (assets)/liabilities and the movements during the year are as follows:

		本集團 The Group					
		加速稅項折舊 Accelerated tax depreciation 千港元 HK\$'000	減值撥備 Impairment allowances and provisions 千港元 HK\$'000	稅項虧損 Tax losses 千港元 HK\$'000	公平值變動 Fair value changes 千港元 HK\$'000	現金流對沖 Cash flow hedges 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零八年一月一日	As at 1 January 2008	2,676	(784)	(199)	25,684	1,165	28,542
於收益表內(計入)／ 扣除	(Credit)/charged to the income statement	(179)	(13,211)	189	—	—	(13,201)
計入權益內(附註32)	Credit to equity (Note 32)	—	—	—	(29,907)	(14,338)	(44,245)
於二零零八年十二月三十一日	As at 31 December 2008	2,497	(13,995)	(10)	(4,223)	(13,173)	(28,904)
於收益表內扣除	Charged to the income statement	951	1,696	10	—	—	2,657
於權益內扣除(附註32)	Charged to equity (Note 32)	—	—	—	37,311	4,145	41,456
於二零零九年十二月三十一日	As at 31 December 2009	3,448	(12,299)	—	33,088	(9,028)	15,209

		本公司 The Company				
		加速稅項折舊 Accelerated tax depreciation 千港元 HK\$'000	減值撥備 Impairment allowances and provisions 千港元 HK\$'000	公平值變動 Fair value changes 千港元 HK\$'000	現金流對冲 Cash flow hedges 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零八年一月一日	As at 1 January 2008	2,676	(779)	25,684	1,165	28,746
計入收益表內	Credit to the income statement	(179)	(13,211)	—	—	(13,390)
計入權益內(附註32)	Credit to equity (Note 32)	—	—	(29,907)	(14,338)	(44,245)
於二零零八年 十二月三十一日	As at 31 December 2008	2,497	(13,990)	(4,223)	(13,173)	(28,889)
於收益表內扣除	Charged to the income statement	951	1,695	—	—	2,646
於權益內扣除(附註32)	Charged to equity (Note 32)	—	—	37,311	4,145	41,456
於二零零九年 十二月三十一日	As at 31 December 2009	3,448	(12,295)	33,088	(9,028)	15,213

14. 按揭保險業務的收益賬

14. Revenue account for mortgage insurance business

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
毛保費	Gross premiums written	839,042	477,843
再保險保費	Reinsurance premiums	(54,392)	(119,264)
保險費淨額(附註27(a))	Net premiums written (Note 27(a))	784,650	358,579
未滿期保費的增加淨額	Increase in unearned premiums, net	(613,572)	(224,009)
已滿期保費淨額(附註27(a))	Net premiums earned (Note 27(a))	171,078	134,570
產生的申索(附註27(b))	Claims incurred (Note 27(b))	(21,649)	(41,205)
撥備後已滿期保費淨額(附註8)	Net premiums earned after provisions (Note 8)	149,429	93,365
管理開支(附註a)	Management expenses (Note a)	(14,399)	(10,144)
承保收益	Underwriting gains	135,030	83,221

附註

(a) 管理開支為附註9經營支出的一部分。

Note

(a) The management expenses formed part of the operating expenses in Note 9.

15. 本年度溢利

本公司財務報表所載本年度溢利為973,951,000港元(二零零八年：603,763,000港元)。

15. Profit for the year

The profit for the year is dealt with in the financial statements of the Company to the extent of HK\$973,951,000 (2008: HK\$603,763,000).

16. 股息

16. Dividend

		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
擬派股息每股普通股0.25港元 (二零零八年：0.125港元)	Proposed dividend of HK\$0.25 (2008: HK\$0.125) per ordinary share	500,000	250,000

於二零零九年已付二零零八年度股息2.5億港元。於二零一零年四月二十日，董事建議派發二零零九年末期股息每股普通股0.25港元。此項建議股息並無列為於二零零九年十二月三十一日的應付股息。

The dividend paid in 2009 in respect of 2008 was HK\$250 million. The directors proposed a final dividend in respect of 2009 of HK\$0.25 per ordinary share on 20 April 2010. The proposed dividend is not reflected as a dividend payable as at 31 December 2009.

17. 現金及短期資金

17. Cash and short-term funds

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
銀行現金	Cash at banks	57,248	38,444	44,740	36,342
銀行定期存款	Time deposits with banks	4,010,550	3,054,814	3,880,012	3,018,393
		4,067,798	3,093,258	3,924,752	3,054,735

就現金流量表而言，現金及等同現金項目包括以下自交易日期起計三個月內到期的結餘。

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following balances with less than three months' maturity from the date of transaction.

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
銀行現金	Cash at banks	57,248	38,444	44,740	36,342
銀行定期存款	Time deposits with banks	3,770,871	2,726,164	3,646,012	2,708,493
現金及等同現金項目	Cash and cash equivalents	3,828,119	2,764,608	3,690,752	2,744,835

18. 應收利息及匯款

18. Interest and remittance receivables

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
以下各項的應收利息	Interest receivable from				
— 利率掉期合約	— interest rate swap contracts	443,221	379,353	440,007	374,374
— 證券投資	— investment securities	77,432	89,956	77,432	89,956
— 銀行定期存款	— time deposits with banks	169	2,589	131	2,554
貸款組合的應收利息及 分期付款	Interest receivable and instalments, in transit from loan portfolio	189,708	862,587	181,239	855,707
		710,530	1,334,485	698,809	1,322,591

19. 衍生金融工具

(a) 應用衍生工具

本集團應用下列衍生工具對沖本集團的金融風險。就會計處理而言，根據香港會計準則第39號金融工具：確認及計量，衍生工具分類為以公平值變化計入損益或按公平值或現金流對沖的對沖工具。

貨幣遠期為購買外幣及本地貨幣的承諾。

貨幣及利率掉期為以一組現金流量換取另一組現金流量的承諾。掉期導致貨幣或利率或兩者組合的經濟轉換。除若干貨幣掉期外，該等交易不涉及轉換本金。本集團的信貨風險為交易對手未能履行其責任而重置掉期合約的潛在成本。本集團參考現行公平值、名義合約數額比例，及市場的流通量持續監測有關風險。

若干種類金融工具的名義金額，為於財務狀況表確認的工具提供一個比較的基準，惟未必反映涉及的未來現金流量的金額或工具當前的公平值，因此，並不能反映本集團面臨的信貨或價格風險。隨著市場利率及匯率相對其條款的波動，衍生工具可能對本集團產生有利(資產)或不利(負債)的影響。衍生金融工具的合約或名義金額總額、上述有利或不利影響幅度，及衍生金融資產及負債之公平總值，可能不時大幅波動。所持有的衍生工具公平值載於下文。

19. Derivative financial instruments

(a) Use of derivative

The Group uses the following derivative instruments to hedge the Group's financial risks. For accounting purposes, derivative instrument are designated as at fair value through profit or loss or hedging instruments under fair value or cash flow hedges as defined in HKAS 39 Financial Instruments: Recognition and Measurement.

Currency forwards represents commitments to purchase foreign and domestic currency.

Currency and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies or interest rates or a combination of all these. No exchange of principal takes place except for certain currency swaps. The Group's credit risk represents the potential cost to replace the swap contracts if counterparties fail to perform their obligations. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognised on the statement of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time. The fair values of derivative instruments held are set out below.

		本集團 The Group						
		2009			2008			
		合約／ 名義金額 Contract/ notional amount	公平值 Fair values		合約／ 名義金額 Contract/ notional amount	公平值 Fair values		
			資產 Assets	負債 Liabilities		資產 Assets	負債 Liabilities	
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	
(i)	指定以公平值變化計入損益的衍生工具	(i) Derivatives designated as at fair value through profit or loss						
	利率掉期	Interest rate swaps	20,736,942	127,084	(106,858)	40,867,628	217,361	(149,931)
	貨幣掉期	Currency swaps	902,100	-	(993)	-	-	-
	貨幣遠期	Currency forwards	-	-	-	9,915,468	1,375	(230)
			127,084	(107,851)		218,736	(150,161)	
(ii)	指定為公平值對沖的衍生工具	(ii) Derivatives designated as fair value hedge						
	利率掉期	Interest rate swaps	31,372,819	1,034,874	(2,847)	25,357,353	1,866,586	(318)
	貨幣掉期	Currency swaps	8,629,385	133,867	(40,521)	4,952,742	123,655	(52,490)
			1,168,741	(43,368)		1,990,241	(52,808)	
(iii)	指定為現金流對沖的衍生工具	(iii) Derivatives designated as cash flow hedge						
	貨幣掉期	Currency swaps	11,760,464	21,550	(7,027)	14,769,947	28,549	(12,025)
			21,550	(7,027)		28,549	(12,025)	
	已確認衍生資產／(負債)總額	Total recognised derivative assets/(liabilities)	1,317,375	(158,246)		2,237,526	(214,994)	

		本公司 The Company						
		2009			2008			
		合約／ 名義金額 Contract/ notional amount	公平值 Fair values		合約／ 名義金額 Contract/ notional amount	公平值 Fair values		
			資產 Assets	負債 Liabilities		資產 Assets	負債 Liabilities	
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	
(i)	指定以公平值變化計入損益的衍生工具	(i) Derivatives designated as at fair value through profit or loss						
	利率掉期	Interest rate swaps	20,736,942	127,084	(106,858)	40,867,628	217,361	(149,931)
	貨幣掉期	Currency swaps	902,100	-	(993)	-	-	-
	貨幣遠期	Currency forwards	-	-	-	9,915,468	1,375	(230)
			127,084	(107,851)		218,736	(150,161)	
(ii)	指定為公平值對沖的衍生工具	(ii) Derivatives designated as fair value hedge						
	利率掉期	Interest rate swaps	30,447,819	990,601	(2,847)	23,467,353	1,788,539	(318)
	貨幣掉期	Currency swaps	8,629,385	133,867	(40,521)	4,952,742	123,655	(52,490)
			1,124,468	(43,368)		1,912,194	(52,808)	
(iii)	指定為現金流對沖的衍生工具	(iii) Derivatives designated as cash flow hedge						
	貨幣掉期	Currency swaps	11,760,464	21,550	(7,027)	14,769,947	28,549	(12,025)
			21,550	(7,027)		28,549	(12,025)	
	已確認衍生資產／(負債)總額	Total recognised derivative assets/(liabilities)	1,273,102	(158,246)		2,159,479	(214,994)	

(b) 對沖活動

倘衍生工具為公平值對沖或現金流對沖，就會計處理而言，入賬時符合對沖資格。

(b) Hedging activities

Derivatives may qualify as hedges for accounting purposes if they are fair value hedges or cash flow hedges.

(i) 公平值對沖

本集團的公平值對沖主要包括用於保障因定息金融工具公平值的任何潛在變動引致的利率風險的利率及貨幣掉期。

(ii) 現金流對沖

本集團使用屬現金流對沖的貨幣掉期對沖外幣金融工具現金流變動產生的部分外匯風險。

(c) 重置成本及潛在未來信貸風險

重置成本為重置所有市價估值為其正值的衍生工具合約成本。潛在未來信貸風險金額指根據資本對資產比率指引(附註3.7)計算的金額。本集團從未遇到交易對手不履約的情形。

衍生工具合約的重置成本及潛在未來信貸風險金額載於下文。該等金額並無計入與交易對手進行雙向結算安排的影響。

(i) Fair value hedges

The Group's fair value hedge principally consists of interest rate and currency swaps that are used to protect interest rate risk resulting from any potential change in fair value of fixed rate financial instruments.

(ii) Cash flow hedges

The Group hedges a portion of foreign exchange risks arising from variability of cash flows from foreign currency denominated financial instruments using currency swaps under cash flow hedge.

(c) Replacement costs and potential future credit exposures

The replacement costs represent the cost of replacing all derivative contracts that have a positive value when marked to market. The potential future credit exposure amounts refer to the amount as computed in accordance with the Capital-to-Assets ratio guidelines (Note 3.7). The Group has not experienced any non-performance by its counterparties.

The replacement costs and potential future credit exposure amounts of the derivative contracts are as follows. These amounts do not take into account the effects of bilateral netting arrangements with the counterparties.

		本集團 The Group			
		2009		2008	
		重置成本 Replacement cost	潛在未來 信貸風險 Potential future credit exposure	重置成本 Replacement cost	潛在未來 信貸風險 Potential future credit exposure
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
利率合約	Interest rate contracts	1,556,847	182,660	2,428,610	203,271
匯率合約	Exchange rate contracts				
— 貨幣掉期	— Currency swaps	184,827	945,386	177,630	980,171
— 貨幣遠期	— Currency forwards	—	—	1,375	99,155
		184,827	945,386	179,005	1,079,326
		1,741,674	1,128,046	2,607,615	1,282,597

		本公司 The Company			
		2009		2008	
		重置成本 Replacement cost	潛在未來 信貸風險 Potential future credit exposure	重置成本 Replacement cost	潛在未來 信貸風險 Potential future credit exposure
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
利率合約	Interest rate contracts	1,509,359	179,160	2,345,583	197,521
匯率合約	Exchange rate contracts				
— 貨幣掉期	— Currency swaps	184,827	945,386	177,630	980,171
— 貨幣遠期	— Currency forwards	—	—	1,375	99,155
		184,827	945,386	179,005	1,079,326
		1,694,186	1,124,546	2,524,588	1,276,847

20. 貸款組合淨額

(a) 貸款組合減撥備

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
按揭貸款組合	Mortgage portfolio				
住宅	Residential				
— 香港	— Hong Kong	21,980,141	27,624,099	20,323,237	25,420,270
— 海外	— Overseas	15,441,285	15,905,032	15,441,285	15,905,032
商業	Commercial	4,000,000	4,000,000	4,000,000	4,000,000
證券化組合 (附註34)	Securitised portfolio (Note 34)	1,314,685	1,878,761	—	—
非按揭貸款組合	Non-mortgage portfolio	1,066,616	1,402,756	1,066,616	1,402,756
貸款減值撥備	Allowance for loan impairment	43,802,727 (14,011)	50,810,648 (50,536)	40,831,138 (13,975)	46,728,058 (49,773)
		43,788,716	50,760,112	40,817,163	46,678,285

於二零零九年十二月三十一日，以貸款合約為基準計算，及未計入本地按揭貸款提早還款的情況下，按揭貸款組合的加權平均年期尚餘九年（二零零八年：九年）。按揭貸款組合最遲於二零四零年到期。

貸款減值撥備總額佔貸款組合尚未償還本金結餘的百分比如下：

		本集團 The Group		本公司 The Company	
		2009	2008	2009	2008
貸款減值撥備 總額佔貸款組合 總額的百分比	Total allowance for loan impairment as a percentage of the gross loan portfolio	0.03%	0.10%	0.03%	0.11%

20. Loan portfolio, net

(a) Loan portfolio less allowance

As at 31 December 2009, the mortgage portfolio had a weighted average remaining term of 9 years (2008: 9 years) on a contractual basis, without taking into account any prepayment of local mortgage loans. Final maturity of the mortgage portfolio is in the year 2040.

Total allowance for loan impairment as a percentage of the outstanding principal balances of the loan portfolio is as follows:

(b) 按揭貸款組合的貸款減值撥備

(b) Allowance for loan impairment on mortgage portfolio

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
組合評估	Collective assessment				
於一月一日	As at 1 January	50,536	13,930	49,773	12,970
撇銷貸款	Loans written off	(2,748)	(4,227)	(2,748)	(4,227)
於收益表內(撥回)/ 扣除(附註12)	(Released)/charged to income statement (Note 12)	(36,837)	36,225	(36,110)	36,422
收回已撇銷貸款	Recoveries of loans previously written off	3,382	4,943	3,382	4,943
撥備折現值撥回	Unwind of discount on allowance	(322)	(335)	(322)	(335)
於十二月三十一日	As at 31 December	14,011	50,536	13,975	49,773

作出貸款減值撥備時，已考慮拖欠貸款的抵押品的目前市值。概無就海外及商業按揭貸款組合作出減值撥備。年內，貸款減值撥備2,641,000港元(二零零八年：3,563,000港元)已轉撥至收回資產(附註25)。

Allowance for loan impairment was made after taking into account the current market value of the collateral of the delinquent loan. There is no impairment provided for overseas and commercial mortgage portfolio. During the year, allowance for loan impairment of HK\$2,641,000 (2008: HK\$3,563,000) has been transferred to repossessed assets (Note 25).

以組合形式評估的個別已減值貸款分析如下：

Individually impaired loans collectively assessed under portfolio basis are analysed as follows:

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
減值貸款組合總額	Gross impaired loan portfolio	5,377	22,534	5,377	22,534
貸款減值撥備	Allowance for loan impairment	(1,811)	(6,636)	(1,811)	(6,636)
		3,566	15,898	3,566	15,898
貸款減值撥備 佔減值貸款組合 總額的百分比	Allowance for loan impairment as a percentage of gross impaired loan portfolio	33.7%	29.4%	33.7%	29.4%
減值貸款組合 總額佔貸款組合 總額的百分比	Gross impaired loan portfolio as a percentage of gross loan portfolio	0.01%	0.04%	0.01%	0.05%

以組合形式評估不可獨立識別的貸款所作貸款減值撥備為12,200,000港元(二零零八年：43,900,000港元)。

Allowance for loan impairment under collective assessment for loans not individually identified are HK\$12,200,000 (2008: HK\$43,900,000).

(c) 貸款組合內的融資租賃投資淨額

(c) Net investments in finance leases included in loan portfolio

		本集團及本公司 The Group and the Company 2009		
		最低應收租約 款項現值 Present value of minimum lease payments receivable 千港元 HK\$'000	未來期間的 利息收入 Interest income relating to future periods 千港元 HK\$'000	最低應收租約 款項總額 Total minimum lease payments receivable 千港元 HK\$'000
於以下期間應收款項：	Amounts receivable:			
– 一年內	– within one year	93,661	20,369	114,030
– 一年後但五年內	– after one year but within five years	335,541	63,433	398,974
– 五年後	– after five years	637,414	69,650	707,064
		1,066,616	153,452	1,220,068

		本集團及本公司 The Group and the Company 2008		
		最低應收租約 款項現值 Present value of minimum lease payments receivable 千港元 HK\$'000	未來期間的 利息收入 Interest income relating to future periods 千港元 HK\$'000	最低應收租約 款項總額 Total minimum lease payments receivable 千港元 HK\$'000
於以下期間應收款項：	Amounts receivable:			
– 一年內	– within one year	110,808	26,884	137,692
– 一年後但五年內	– after one year but within five years	419,158	85,251	504,409
– 五年後	– after five years	872,790	100,757	973,547
		1,402,756	212,892	1,615,648

於二零零九年十二月三十一日及二零零八年十二月三十一日，本集團及本公司並無就融資租賃應收款項作出減值撥備。

There is no impairment allowance for finance lease receivable as at 31 December 2009 and 31 December 2008 of the Group and the Company.

21. 證券投資

(a) 可供出售證券

		本集團及本公司 The Group and the Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
按公平值列賬的債務證券	Debt securities at fair value		
非上市	Unlisted	2,452,054	1,160,924
於香港上市	Listed in Hong Kong	78,466	48,901
於香港以外地區上市	Listed outside Hong Kong	56,824	–
		2,587,344	1,209,825
按公平值列賬的其他證券	Other securities at fair value		
於香港上市	Listed in Hong Kong	1,025,720	842,727
可供出售證券總額	Total available-for-sale securities	3,613,064	2,052,552

其他證券指交易所買賣基金及房地產投資信託。

Other securities refer to exchange-traded funds and real estate investment trust.

按發行機構類別分析可供出售證券如下：

Available-for-sale securities are analysed by categories of issuers as follows:

		本集團及本公司 The Group and the Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
銀行及其他金融機構	Banks and other financial institutions	2,452,054	1,160,924
公營機構	Public sector entities	135,290	48,901
其他	Others	1,025,720	842,727
		3,613,064	2,052,552

可供出售證券的變動概述如下：

The movement in available-for-sale securities is summarised as follows:

		本集團及本公司 The Group and the Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
於一月一日	As at 1 January	2,052,552	4,038,250
增加	Additions	3,134,672	17,311,387
重新分類為持有至到期債務證券	Reclassification to held-to-maturity debt securities	–	(641,322)
處置(出售及贖回)	Disposals (sale and redemption)	(1,811,701)	(18,564,231)
攤銷	Amortisation	8,539	72,357
公平值變動	Change in fair value	227,272	(147,960)
外幣匯兌差額	Exchange difference	1,730	(15,929)
於十二月三十一日	As at 31 December	3,613,064	2,052,552

(b) 持有至到期證券

(b) Held-to-maturity securities

		本集團及本公司 The Group and the Company	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
按攤銷成本列賬的債務證券	Debt securities at amortised cost		
於香港上市	Listed in Hong Kong	1,166,552	1,147,001
於香港境外上市	Listed outside Hong Kong	2,244,441	1,138,537
		3,410,993	2,285,538
非上市	Unlisted	2,407,005	3,329,128
持有至到期證券總額	Total held-to-maturity securities	5,817,998	5,614,666
上市證券的市值	Market value of listed securities		
— 持有至到期	— held-to-maturity	3,504,167	2,291,021

按發行機構類別分析持有至到期證券如下：

Held-to-maturity securities are analysed by categories of issuers as follows:

		本集團及本公司 The Group and the Company	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
銀行及其他金融機構	Banks and other financial institutions	3,939,368	3,664,530
公司企業	Corporate entities	622,626	561,422
公營機構	Public sector entities	715,548	771,730
中央政府	Central governments	293,287	343,610
其他	Others	247,169	273,374
		5,817,998	5,614,666

持有至到期證券的變動概述如下：

The movement in held-to-maturity securities is summarised as follows:

		本集團及本公司 The Group and the Company	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
於一月一日	As at 1 January	5,614,666	5,500,024
增加	Additions	2,923,038	3,036,106
重新分類可供出售債務證券	Reclassification from available-for-sale debt securities	—	641,322
贖回	Redemption	(2,731,226)	(3,518,682)
攤銷	Amortisation	(2,838)	3,079
外幣匯兌差額	Exchange difference	14,358	(47,183)
於十二月三十一日	As at 31 December	5,817,998	5,614,666

22. 附屬公司投資

22. Investment in subsidiaries

		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
非上市股份，成本值	Unlisted shares, at cost	103,060	1,000
附屬公司所欠款項	Due from a subsidiary	1,630,520	2,209,981
		1,733,580	2,210,981

附屬公司所欠款項無抵押及無固定還款期，並按市場利率計息。

The amount due from a subsidiary is unsecured and has no fixed term of repayment. Interest is charged at market rates.

於二零零九年十二月三十一日，附屬公司的詳情如下：

The details of the subsidiaries as at 31 December 2009 are:

名稱 Name	註冊成立地點 Place of incorporation	主要業務 Principal activities	已發行／ 已註冊股本詳情 Particulars of issued/registered capital	所持實際股權 Effective equity held
香港按揭管理 有限公司	香港	購入及管理 按揭貸款	1,000,000港元 每股普通股面值1港元	100%
HKMC Mortgage Management Limited	Hong Kong	Mortgage purchases and servicing	HK\$1,000,000 of HK\$1 ordinary share each	100%
深圳經緯盈富擔保 有限公司	中國	按揭貸款 擔保業務	人民幣1億元 註冊股本	90%
Bauhinia HKMC Corporation Limited	PRC	Mortgage guarantee business	RMB100 million registered capital	90%

23. 合營公司投資

23. Investment in a joint venture

		本集團 The Group	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
於一月一日	As at 1 January	111,989	–
注資	Capital injection	–	120,554
扣除稅項後應佔的溢利／(虧損)	Share of profit/(loss), net of tax	1,922	(8)
外幣匯兌差額(附註32)	Exchange differences (Note 32)	1,279	(8,557)
		115,190	111,989
合營公司所欠款項	Due from a joint venture	–	1,543
於十二月三十一日	As at 31 December	115,190	113,532

		本公司 The Company	
		2009	2008
		千港元 HK\$'000	千港元 HK\$'000
非上市股份，成本值	Unlisted shares, at cost	120,554	120,554
合營公司所欠款項	Due from a joint venture	–	1,543
		120,554	122,097

於二零零九年十二月三十一日，合營公司的詳情如下： The details of the joint venture as at 31 December 2009 are:

名稱 Name	註冊成立地點 Place of incorporation	主要業務 Principal activities	已發行股本的面值 Nominal value of issued capital	所持股份類別 Class of shares held	直接持有普通股百分比 % of ordinary shares directly held
Cagamas HKMC Berhad	馬來西亞	按揭貸款擔保業務	馬幣1億元 每股面值馬幣1元	普通股	50%
Cagamas HKMC Berhad	Malaysia	Mortgage guaranty business	RM100 million of RM1 each	Ordinary	50%

本集團於合營公司的權益如下：

The Group's interest in the joint venture is as follows:

		資產 Assets 千港元 HK\$'000	負債 Liabilities 千港元 HK\$'000	收入 Income 千港元 HK\$'000	溢利／(虧損) Profit/(Loss) 千港元 HK\$'000	所持權益百分比 % of Interest held
於二零零九年十二月三十一日	As at 31 December 2009	231,855	1,475	6,777	3,844	50%
於二零零八年十二月三十一日	As at 31 December 2008	227,365	3,387	3,703	(16)	50%

24. 固定資產

24. Fixed assets

		本集團 The Group				
		租賃物業 裝修 Leasehold improvement	辦公室設備、 傢私及裝修 Office equipment, furniture and fixtures	電腦 Computers	汽車 Motor vehicle	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本值	Cost					
於二零零九年一月一日	As at 1 January 2009	8,038	6,395	111,784	226	126,443
添置	Additions	1,137	994	15,714	–	17,845
於二零零九年十二月三十一日	As at 31 December 2009	9,175	7,389	127,498	226	144,288
累計折舊	Accumulated depreciation					
於二零零九年一月一日	As at 1 January 2009	5,331	5,284	101,375	151	112,141
本年度折舊(附註9)	Charge for the year (Note 9)	1,627	725	8,482	56	10,890
於二零零九年十二月三十一日	As at 31 December 2009	6,958	6,009	109,857	207	123,031
賬面淨值	Net book value					
於二零零九年十二月三十一日	As at 31 December 2009	2,217	1,380	17,641	19	21,257
於二零零八年十二月三十一日	As at 31 December 2008	2,707	1,111	10,409	75	14,302

		本公司 The Company				
		租賃物業 裝修 Leasehold improvement	辦公室設備、 傢私及裝修 Office equipment, furniture and fixtures	電腦 Computers	汽車 Motor vehicle	總額 Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
成本值	Cost					
於二零零九年一月一日	As at 1 January 2009	8,038	6,395	111,784	226	126,443
添置	Additions	601	123	14,387	–	15,111
於二零零九年十二月三十一日	As at 31 December 2009	8,639	6,518	126,171	226	141,554
累計折舊	Accumulated depreciation					
於二零零九年一月一日	As at 1 January 2009	5,331	5,284	101,375	151	112,141
本年度折舊	Charge for the year	1,480	553	8,324	56	10,413
於二零零九年十二月三十一日	As at 31 December 2009	6,811	5,837	109,699	207	122,554
賬面淨值	Net book value					
於二零零九年十二月三十一日	As at 31 December 2009	1,828	681	16,472	19	19,000
於二零零八年十二月三十一日	As at 31 December 2008	2,707	1,111	10,409	75	14,302

25. 預付款項、按金及其他資產

25. Prepayments, deposits and other assets

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
收回資產	Reposessed assets	3,317	3,149	3,317	3,149
公司會籍債券	Corporate club debentures	750	750	750	750
應收可供出售(上市)投資股息	Dividend receivable from available-for-sale investments (listed)	15,530	12,860	15,530	12,860
其他	Others	12,998	13,796	17,084	21,359
		32,595	30,555	36,681	38,118

26. 應付賬項、應付開支及其他負債

26. Accounts payable, accrued expenses and other liabilities

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
應付賬項及應付開支	Accounts payable and accrued expenses	126,205	81,475	172,018	134,464
其他應付款項	Other payable	—	—	591,108	742,966
其他負債	Other liabilities	4,133,740	4,088,880	4,133,740	4,088,880
其他撥備	Other provisions	14,232	13,338	14,083	13,200
		4,274,177	4,183,693	4,910,949	4,979,510

其他負債是指用於二零零三年十二月及二零零四年一月自香港特別行政區(「香港特區」)政府購買的按揭貸款加強信貸安排的遞延代價。

Other liabilities represented the deferred consideration used for credit enhancement on the mortgage loans purchased from the Government of the Hong Kong Special Administrative Region ("HKSAR") in December 2003 and January 2004.

截至二零零九年十二月三十一日，本公司向 Bauhinia MBS Limited 出售 30 億港元按揭貸款作證券化，並繼續按其擔保及持續參與的程度，確認按揭貸款為「貸款組合淨額」，以及於「其他應付款項」確認一筆應付 Bauhinia MBS Limited 的負債。於二零零九年十二月三十一日，本公司財務狀況表中的其他應付款項為 591,108,000 港元(二零零八年：742,966,000 港元)。

Up to 31 December 2009, the Company sold HK\$3 billion of mortgage loans to Bauhinia MBS Limited for securitisation, in which, the Company continues to recognise the mortgage loans in "Loan portfolio, net" to the extent of the guarantee and continuing involvement. A liability due to Bauhinia MBS Limited shown as "Other payable" has also been recognised. As at 31 December 2009, other payable was HK\$591,108,000 (2008: HK\$742,966,000) in the Company's statement of financial position.

27. 保險負債及再保險資產

27. Insurance liabilities and reinsurance assets

		本集團及本公司 The Group and the Company 2009			本集團及本公司 The Group and the Company 2008		
		毛額 Gross	再保險 Reinsurance	淨額 Net	毛額 Gross	再保險 Reinsurance	淨額 Net
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
未滿期保費撥備	Provision for unearned premium	1,372,427	240,738	1,131,689	829,370	311,253	518,117
未決申索撥備	Provision for outstanding claims						
– 已申報/(收回)申索	– claims reported/(recovery)	2,091	(27)	2,118	188	(41)	229
– 已產生但未申報申索	– claims incurred but not reported	87,800	25,390	62,410	79,182	37,230	41,952
		89,891	25,363	64,528	79,370	37,189	42,181
		1,462,318	266,101	1,196,217	908,740	348,442	560,298

(a) 未滿期保費撥備變動分析如下

(a) Analysis of movements in provision for unearned premiums

		本集團及本公司 The Group and the Company 2009			本集團及本公司 The Group and the Company 2008		
		毛額 Gross	再保險 Reinsurance	淨額 Net	毛額 Gross	再保險 Reinsurance	淨額 Net
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於一月一日	As at 1 January	829,370	311,253	518,117	658,569	364,461	294,108
年內已收取保費(附註14)	Premiums written during the year (Note 14)	839,042	54,392	784,650	477,843	119,264	358,579
年內已滿期保費(附註14)	Premiums earned during the year (Note 14)	(295,985)	(124,907)	(171,078)	(307,042)	(172,472)	(134,570)
於十二月三十一日	As at 31 December	1,372,427	240,738	1,131,689	829,370	311,253	518,117

(b) 未決申索撥備變動分析如下

(b) Analysis of movements in provision for outstanding claims

		本集團及本公司 The Group and the Company 2009			本集團及本公司 The Group and the Company 2008		
		毛額 Gross	再保險 Reinsurance	淨額 Net	毛額 Gross	再保險 Reinsurance	淨額 Net
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於一月一日	As at 1 January	79,370	37,189	42,181	2,817	1,922	895
已付申索	Claims paid	(1,804)	(1,969)	165	(486)	(400)	(86)
已收回申索	Claims recovery	1,207	674	533	477	310	167
已產生申索(附註14)	Claims incurred (Note 14)						
– 已申報申索	– claims reported	2,500	1,310	1,190	146	78	68
– 已產生但未申報申索	– claims incurred but not reported	8,618	(11,841)	20,459	76,416	35,279	41,137
於十二月三十一日	As at 31 December	89,891	25,363	64,528	79,370	37,189	42,181

(c) 負債充足測試

進行負債充足測試時，考慮全部合約現金流量及申索處理費用等相關現金流量的現時估計，測試顯示於二零零九年及二零零八年十二月三十一日，本集團有足夠保險負債。

(c) Liability adequacy test

The liability adequacy test considers current estimates of all contractual cash flows, and of related cash flows such as claims handling costs, the test shows that, as at 31 December 2009 and 2008, the Group's insurance liabilities are adequate.

28. 外匯基金墊款

外匯基金透過香港金管局向本公司提供300億港元(二零零八年：300億港元)的循環信貸。外匯基金墊款無抵押及無固定還款期，按市場利率計息。於二零零九年十二月三十一日，該信貸並無尚未償還的結餘(二零零八年：80億港元)。

28. Advance from Exchange Fund

The Exchange Fund through the HKMA has provided the Company with a HK\$30 billion (2008: HK\$30 billion) revolving credit facility. Advance from the Exchange Fund is unsecured and has no fixed term of repayment. Interest is charged at market rate. As at 31 December 2009, there was no outstanding balance under this facility (2008: HK\$8 billion).

29. 已發行債務證券

29. Debt securities issued

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
按攤銷成本列賬的 債務證券	Debt securities carried at amortised cost				
債務工具計劃債券	DIP notes	4,218,169	8,123,942	4,218,169	8,569,277
零售債券發行計劃及 其他債券	RBIP and other notes	—	86,980	—	86,980
按攤銷成本列賬的 債務證券總額	Total debt securities carried at amortised cost	4,218,169	8,210,922	4,218,169	8,656,257
指定為公平值對沖的 債務證券	Debt securities designated as fair value hedge				
債務工具計劃債券	DIP notes	24,013,513	22,517,865	24,013,513	22,517,865
零售債券發行計劃及 其他債券	RBIP and other notes	1,760,614	2,619,612	1,760,614	2,619,612
中期債券發行計劃債券	MTN notes	11,656,629	4,753,174	11,656,629	4,753,174
指定為公平值對沖的 債務證券總額	Total debt securities designated as fair value hedge	37,430,756	29,890,651	37,430,756	29,890,651
於初始確認時指定為以 公平值變化計入損益 的債務證券	Debt securities designated as at fair value through profit or loss upon initial recognition				
債務工具計劃債券	DIP notes	2,329,306	4,358,210	2,329,306	4,358,210
零售債券發行計劃及 其他債券	RBIP and other notes	167,341	355,205	167,341	355,205
中期債券發行計劃債券	MTN notes	349,501	—	349,501	—
於初始確認時指定為以 公平值變化計入損益 的債務證券總額	Total debt securities designated as at fair value through profit or loss upon initial recognition	2,846,148	4,713,415	2,846,148	4,713,415
已發行債務證券總額	Total debt securities issued	44,495,073	42,814,988	44,495,073	43,260,323

於年內，本集團於初始確認時指定該等金融負債的2,272,000,000港元（二零零八年：4,113,450,000港元）名義價值以公平值變化計入損益。該等金融負債之公平值變動源於基準利率的改變。於初始確認時指定為以公平值變化計入損益的金融負債賬面值較本集團根據合約規定於到期時須向債券持有人支付的金額少581,052,000港元（二零零八年：多10,465,000港元）。

該等指定為以公平值列賬的金融負債沒有任何重大盈虧源自本公司之信貸風險變動。

已發行債務證券的變動概述如下：

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
於一月一日	As at 1 January	40,967,452	32,958,185	41,412,787	33,064,076
於本年度發行	Issuance for the year	22,688,680	24,405,704	29,092,736	28,065,344
減：本年度贖回	Less: Redemption for the year	(19,645,595)	(16,362,840)	(26,494,986)	(19,683,036)
外幣匯兌差額	Exchange difference	13,083	(33,597)	13,083	(33,597)
名義價值總額	Total nominal value	44,023,620	40,967,452	44,023,620	41,412,787
折讓未攤銷部分	Unamortised portion of discount	(665,658)	(83,670)	(665,658)	(83,670)
公平值調整	Fair value adjustment	1,137,111	1,931,206	1,137,111	1,931,206
於十二月三十一日	As at 31 December	44,495,073	42,814,988	44,495,073	43,260,323

本年度發行的債券：

Notes issued during the year comprise:

		本集團 The Group			本公司 The Company		
		債務工具 計劃 DIP 千港元 HK\$'000	零售債券 發行計劃 RBIP 千港元 HK\$'000	中期債券 發行計劃 MTN 千港元 HK\$'000	債務工具 計劃 DIP 千港元 HK\$'000	零售債券 發行計劃 RBIP 千港元 HK\$'000	中期債券 發行計劃 MTN 千港元 HK\$'000
已發行金額面值	Amount issued at nominal value	15,462,000	-	7,226,680	21,866,056	-	7,226,680
已收取款項	Consideration received	14,881,380	-	7,179,360	21,285,435	-	7,179,360

所有已發行的債務證券均屬本集團無抵押責任，而發行該等債務證券旨在提供一般營運資金及作再融資用途。

All the debt securities issued are unsecured obligations of the Group, and are issued for the purposes of providing general working capital and refinancing.

30. 已發行按揭證券

30. Mortgage-backed securities issued

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
按攤銷成本列賬的按揭證券	MBS at amortised cost		
按揭證券化計劃	MBS Programme	60,305	83,522
Bauhinia按揭證券化計劃	Bauhinia MBS Programme	990,815	1,174,055
		1,051,120	1,257,577
指定為公平值對沖的按揭證券	MBS designated at fair value hedge		
Bauhinia 按揭證券化計劃	Bauhinia MBS Programme	969,274	1,968,047
已發行按揭證券總額(附註37)	Total MBS issued (Note 37)	2,020,394	3,225,624
於一月一日	As at 1 January	3,147,577	4,203,483
減：年內贖回	Less: Redemption for the year	(1,171,456)	(1,055,906)
總名義價值	Total nominal value	1,976,121	3,147,577
公平值調整	Fair value adjustment	44,273	78,047
於十二月三十一日	As at 31 December	2,020,394	3,225,624

所有按揭證券均為特設公司的抵押責任，並為向本公司購買按揭貸款組合提供資金而發行。按揭貸款組合中1,905,793,000港元(二零零八年：2,621,727,000港元)已作為所發行按揭證券的抵押品(附註37)。已發行按揭證券總額中1,276,120,000港元(二零零八年：1,707,577,000港元)的面值由本公司擔保。

All MBS are collateralised obligation of the SPEs and are issued for the purpose of providing funds to purchase mortgage portfolios from the Company. HK\$1,905,793,000 (2008: HK\$2,621,727,000) of mortgage portfolio are collateralised for the MBS issued (Note 37). Out of the total MBS issued, nominal value of HK\$1,276,120,000 (2008: HK\$1,707,577,000) are guaranteed by the Company.

31. 股本

31. Share Capital

		二零零九年及 二零零八年 2009 and 2008 千港元 HK\$'000
法定	Authorized	
每股面值1港元的30億股普通股	3 billion ordinary shares of HK\$1 each	3,000,000
已發行及繳足	Issued and fully paid	
每股面值1港元的20億股普通股	2 billion ordinary shares of HK\$1 each	2,000,000

32. 其他儲備

32. Other Reserves

		本集團 The Group				
		風險儲備 Contingency reserve 千港元 HK\$'000	公平值儲備 Fair value reserve 千港元 HK\$'000	對沖儲備 Hedging reserve 千港元 HK\$'000	滙兌儲備 Translation reserve 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零八年一月一日	As at 1 January 2008	102,497	120,673	5,493	–	228,663
可供出售證券的公平值變動：	Change in fair value of available-for-sale securities:					
– 未變現虧損淨額	– unrealised net losses	–	(147,960)	–	–	(147,960)
– 出售時變現	– realisation on disposal	–	(24,329)	–	–	(24,329)
– 稅項(附註13(b))	– tax effect (Note 13(b))	–	29,907	–	–	29,907
– 攤銷*	– amortization *	–	338	–	–	338
現金流對沖	Cash flow hedges					
– 直接於權益確認因對沖 產生的虧損淨額	– net losses arising from hedges recognized directly in equity	–	–	(86,497)	–	(86,497)
– 稅項(附註13(b))	– tax effect (Note 13(b))	–	–	14,338	–	14,338
貨幣匯兌差額	Currency translation difference					
– 合營公司(附註23)	– joint venture (Note 23)	–	–	–	(8,557)	(8,557)
其他全面收入	Other comprehensive income	–	(142,044)	(72,159)	(8,557)	(222,760)
由保留溢利轉撥已滿期風險 保費淨額的50%至風險儲備	Transfer of 50% of net risk premium earned from retained profits to contingency reserve	26,330	–	–	–	26,330
由風險儲備撥回至保留溢利	Release of contingency reserve to retained profits	(5,282)	–	–	–	(5,282)
於二零零八年十二月三十一日／ 二零零九年一月一日	As at 31 December 2008/ 1 January 2009	123,545	(21,371)	(66,666)	(8,557)	26,951
可供出售證券的公平值變動：	Change in fair value of available-for-sale securities:					
– 未變現收益淨額	– unrealised net gains	–	227,272	–	–	227,272
– 出售時變現	– realisation on disposal	–	(3,522)	–	–	(3,522)
– 稅項(附註13(b))	– tax effect (Note 13(b))	–	(37,311)	–	–	(37,311)
– 攤銷*	– amortization *	–	2,381	–	–	2,381
現金流對沖	Cash flow hedges					
– 直接於權益確認因對沖 產生的收益淨額	– net gains arising from hedges recognized directly in equity	–	–	25,126	–	25,126
– 稅項(附註13(b))	– tax effect (Note 13(b))	–	–	(4,145)	–	(4,145)
貨幣匯兌差額	Currency translation difference					
– 附屬公司	– subsidiary	–	–	–	158	158
– 合營公司(附註23)	– joint venture (Note 23)	–	–	–	1,279	1,279
其他全面收入	Other comprehensive income	–	188,820	20,981	1,437	211,238
由保留溢利轉撥已滿期風險 保費淨額的50%至風險儲備	Transfer of 50% of net risk premium earned from retained profits to contingency reserve	76,313	–	–	–	76,313
由風險儲備撥回至保留溢利	Release of contingency reserve to retained profits	(10,025)	–	–	–	(10,025)
於二零零九年十二月三十一日	As at 31 December 2009	189,833	167,449	(45,685)	(7,120)	304,477

* 未變現虧損於可供出售證券轉撥至持有至到期證券
時於收益表攤銷。

* amortization of unrealised loss to income statement on available-for-sale
securities transferred to held-to-maturity securities.

		本公司 The Company			
		風險儲備 Contingency reserve 千港元 HK\$'000	公平值儲備 Fair value reserve 千港元 HK\$'000	對沖儲備 Hedging reserve 千港元 HK\$'000	總額 Total 千港元 HK\$'000
於二零零八年一月一日	As at 1 January 2008	102,497	120,673	5,493	228,663
可供出售證券的公平值變動：	Change in fair value of available- for-sale securities:				
— 未變現虧損淨額	— unrealised net losses	—	(147,960)	—	(147,960)
— 出售時變現	— realisation on disposal	—	(24,329)	—	(24,329)
— 稅項(附註13(b))	— tax effect (Note 13(b))	—	29,907	—	29,907
— 攤銷*	— amortization *	—	338	—	338
現金流對沖	Cash flow hedges				
— 直接於權益確認因對沖 產生的虧損淨額	— net losses arising from hedges recognized directly in equity	—	—	(86,497)	(86,497)
— 稅項(附註13(b))	— tax effect (Note 13(b))	—	—	14,338	14,338
其他全面收入	Other comprehensive income	—	(142,044)	(72,159)	(214,203)
由保留溢利轉撥已滿期風險 保費淨額的50%至風險儲備	Transfer of 50% of net risk premium earned from retained profits to contingency reserve	26,330	—	—	26,330
由風險儲備撥回至保留溢利	Release of contingency reserve to retained profits	(5,282)	—	—	(5,282)
於二零零八年十二月三十一日/ 二零零九年一月一日	As at 31 December 2008/ 1 January 2009	123,545	(21,371)	(66,666)	35,508
可供出售證券的公平值變動：	Change in fair value of available-for-sale securities:				
— 未變現收益淨額	— unrealised net gains	—	227,272	—	227,272
— 出售時變現	— realisation on disposal	—	(3,522)	—	(3,522)
— 稅項(附註13(b))	— tax effect (Note 13(b))	—	(37,311)	—	(37,311)
— 攤銷*	— amortization *	—	2,381	—	2,381
現金流對沖	Cash flow hedges				
— 直接於權益確認因對沖 產生的收益淨額	— net gains arising from hedges recognized directly in equity	—	—	25,126	25,126
— 稅項(附註13(b))	— tax effect (Note 13(b))	—	—	(4,145)	(4,145)
其他全面收入	Other comprehensive income	—	188,820	20,981	209,801
由保留溢利轉撥已滿期風險 保費淨額的50%至風險儲備	Transfer of 50% of net risk premium earned from retained profits to contingency reserve	76,313	—	—	76,313
由風險儲備撥回至保留溢利	Release of contingency reserve to retained profits	(10,025)	—	—	(10,025)
於二零零九年十二月三十一日	As at 31 December 2009	189,833	167,449	(45,685)	311,597

* 未變現虧損於可供出售證券轉撥至持有至到期證券時於收益表攤銷。

* amortization of unrealised loss to income statement on available-for-sale securities transferred to held-to-maturity securities.

33. 與有關人士訂立的重大交易

- (a) 有關人士指有能力直接或間接控制另一人士或對另一人士財務及經營決策有重大影響力的人士，受共同控制或受共同重大影響的人士亦被視為有關人士。有關人士可為個人或其他實體。

年內，本公司與有關人士按公平原則及商業基準訂立多項交易。交易的性質載列於下表：

33. Material related party transactions

- (a) Related parties are those parties which have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the year, the Company entered into various transactions with related parties on an arm's length and commercial basis. The nature of the relationship is set out in the following table:

姓名 Name	職銜 Interests	有關交易的性質 – 見下文附註 Nature of related transaction – see the notes below
曾俊華先生，太平紳士 The Honourable John TSANG Chun Wah, JP	財政司司長 外匯基金的管理人 Financial Secretary Controller of the Exchange Fund	(2) (9) (13)
陳德霖先生，SBS，太平紳士 (於二零零九年十月一日獲委任) Norman CHAN Tak Lam, SBS, JP (appointed on 1 October 2009)	香港金融管理局總裁 Chief Executive of the Hong Kong Monetary Authority	(1) (2) (9) (10) (11)
任志剛先生，GBS，太平紳士 (於二零零九年十月一日退任) Joseph YAM Chi Kwong, GBS, JP (retired on 1 October 2009)	香港金融管理局總裁 (直至二零零九年九月三十日) Chief Executive of the Hong Kong Monetary Authority (up to 30 September 2009)	(1) (2) (9) (10) (11)
彭醒棠先生，太平紳士 Peter PANG Sing Tong, JP	香港金融管理局副總裁 Deputy Chief Executive of the Hong Kong Monetary Authority	(1) (2) (9) (10) (11)
余偉文先生，太平紳士 Eddie YUE Wai Man, JP	香港金融管理局副總裁 Deputy Chief Executive of the Hong Kong Monetary Authority	(1) (2) (9) (10) (11)
夏佳理先生，CVO，GBS，OBE，太平紳士 (於二零零九年四月十六日退任) The Honourable Ronald Joseph ARCULLI, CVO, GBS, OBE, JP (retired on 16 April 2009)	金杜律師事務所高級合夥人 (前稱夏佳理 方和 吳正和 律師事務所與 金杜律師事務所聯營) Senior Partner of King & Wood (formerly known as Arculli Fong & Ng in association with King & Wood)	(15)
陳家強教授，SBS，太平紳士 Professor the Honourable K C CHAN, SBS, JP	財經事務及庫務局局長 Secretary for Financial Services and the Treasury	(3) (13)
陳鑑林先生，SBS，太平紳士 (於二零零九年四月十六日退任) The Honourable CHAN Kam Lam, SBS, JP (retired on 16 April 2009)	立法會議員 香港房屋委員會委員 (直至二零零九年三月三十一日) Legislative Councillor Member of The Hong Kong Housing Authority (up to 31 March 2009)	(3)
鄭蔚彤女士 (於二零零九年四月十六日獲委任) Louisa CHEANG (appointed on 16 April 2009)	香港上海滙豐銀行有限公司 亞太區個人理財業務總監 Regional Director, Personal Financial Services, Asia-Pacific The Hongkong and Shanghai Banking Corporation Limited	(3) (4) (5) (6) (7) (8) (14)

姓名 Name	職銜 Interests	有關交易的性質 – 見下文附註 Nature of related transaction – see the notes below
鄭汝樺女士，太平紳士 The Honourable Ms. Eva CHENG, JP	運輸及房屋局局長 香港房屋委員會主席 Secretary for Transport and Housing Chairman of The Hong Kong Housing Authority	(3) (13)
張炳良教授，GBS，BBS，太平紳士 Professor the Honourable Anthony CHEUNG Bing Leung, GBS, BBS, JP	香港房屋委員會委員 Member of The Hong Kong Housing Authority	(3)
林炎南先生 (於二零零九年四月十六日退任) David LAM Yim Nam (retired on 16 April 2009)	中國銀行(香港)有限公司副總裁 Deputy Chief Executive of Bank of China (Hong Kong) Limited	(3) (4) (5) (6)
李國寶博士， GBM，GBS，LLD (Cantab)，太平紳士 Dr. the Honourable David Li Kwok Po, GBM, GBS, LLD (Cantab), JP	東亞銀行有限公司主席兼行政總裁 Chairman and Chief Executive of The Bank of East Asia, Limited	(3) (4) (5) (6)
單仲偕先生，SBS，太平紳士 (於二零零九年四月十六日退任) The Honourable SIN Chung Kai, SBS, JP (retired on 16 April 2009)	香港房屋委員會委員 (直至二零零九年三月三十一日) Member of The Hong Kong Housing Authority (up to 31 March 2009)	(3)
陳清賜先生 Eddie TAN Cheng Soo	花旗銀行亞太區資金部總監(駐新加坡) Regional Treasurer, Asia Pacific, Citibank, N.A. (based in Singapore)	(12)

(1) 本公司為香港金融管理局(「香港金管局」)所營運的債務工具中央結算系統服務的成員，為本公司發行的債務證券提供託管及結算代理服務。於二零零九年，本公司就該等服務向香港金管局支付80萬港元(二零零八年：110萬港元)。

(2) 外匯基金透過香港金管局向本公司提供300億港元的循環信貸。於二零零九年十二月三十一日，並無未償還餘額(二零零八年：80億港元)且相關利息為2,070萬港元(二零零八年：470萬港元)。

(1) The Company is a member of the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority ("HKMA") which provides custodian and clearing agent services for the debt securities issued by the Company. In 2009, the Company paid HK\$0.8 million (2008: HK\$1.1 million) by way of fees to the HKMA for such services.

(2) The Exchange Fund through the HKMA has provided the Company with a HK\$30 billion revolving credit facility. As at 31 December 2009, there was no outstanding balance (2008: HK\$8 billion) and the interest thereon was HK\$20.7 million (2008: 4.7 million).

- | | |
|---|--|
| <p>(3) 參與購買按揭貸款計劃，不時就購買按揭貸款與本公司訂立協議的金融機構或組織的執行董事或高級管理人員，其相關職責見上述「職銜」欄內。</p> | <p>(3) Being an executive director or senior officer of a financial institution or organisation as specified under the column headed "Interests" in the above table which has entered into an agreement with the Company in respect of the purchase of mortgage loans by the Company from time to time under the Mortgage Purchase Programme.</p> |
| <p>(4) 參與按揭保險計劃，不時就申請按揭保險保障與本公司訂立協議的金融機構或組織的執行董事或高級管理人員，其相關職責見上述「職銜」欄內。</p> | <p>(4) Being an executive director or senior officer of a financial institution or organisation as specified under the column headed "Interests" in the above table which has entered into an agreement with the Company in respect of the application for mortgage insurance cover from time to time under the Mortgage Insurance Programme.</p> |
| <p>(5) 曾作為主要交易商或銷售銀團成員，就400億港元債務工具發行計劃與本公司訂立協議的金融機構的執行董事或高級管理人員，其相關職責見上述「職銜」欄內。</p> | <p>(5) Being an executive director or senior officer of a financial institution as specified under the column headed "Interests" in the above table which has entered into an agreement with the Company, as primary dealer or selling group member in the HK\$40 Billion Debt Issuance Programme.</p> |
| <p>(6) 曾作為配售銀行，就200億港元零售債券發行計劃與本公司訂立協議的金融機構的執行董事或高級管理人員，其相關職責見上述「職銜」欄內。</p> | <p>(6) Being an executive director or senior officer of a financial institution as specified under the column headed "Interests" in the above table which has entered into an agreement with the Company, as a placing bank in the HK\$20 Billion Retail Bond Issuance Programme.</p> |
| <p>(7) 曾作為安排人或牽頭經辦人／聯席牽頭經辦人，參與本公司一項或多項按揭證券發行（包括30億美元Bauhinia按揭證券化計劃）與本公司訂立協議的金融機構的執行董事或高級管理人員，其相關職責見上述「職銜」欄內。</p> | <p>(7) Being an executive director or senior officer of a financial institution as specified under the column headed "Interests" in the above table which has entered into an agreement with the Company, as arranger or lead manager/co-lead manager in one or more of the Company's MBS issues, including the US\$3 Billion Bauhinia Mortgage-Backed Securitisation Programme.</p> |
| <p>(8) 曾作為30億美元中期債券發行計劃的安排人或交易商，與本公司訂立協議的金融機構的執行董事或高級管理人員，其相關職責見上述「職銜」欄內。</p> | <p>(8) Being an executive director or senior officer of a financial institution as specified under the column headed "Interests" in the above table which has entered into an agreement with the Company, as arranger or dealer in the US\$3 Billion Medium Term Note Programme.</p> |

- (9) 二零零四年四月二十一日，本公司與財政司司長法團訂立一項租約，由二零零五年一月一日起計，為期六年。據此，財政司司長法團向本公司出租香港中環金融街8號國際金融中心二期79樓7902室及80樓全層。按財政司司長法團的指示，本公司將租金支付予香港金管局。於二零零九年，本公司已支付合共640萬港元(二零零八年：640萬港元)之租金予香港金管局。
- (10) 自二零零九年五月二十六日起，香港金管局提供香港中環金融街8號國際金融中心二期78樓7807室供本公司使用，並收取服務費。於二零零九年，本公司已向港金管局支付合共30萬港元(二零零八年：無)之服務費。
- (11) 年內，香港金管局於二零零九年一月一日至二零零九年十二月六日及二零零九年十二月七日至二零零九年十二月三十一日分別提供位於香港鰂魚涌英皇道電訊盈科中心16樓及該大廈9樓901室，作為後勤用地供本公司使用，並收取服務費。於二零零九年，本公司已向香港金管局支付合共30萬港元(二零零八年：20萬港元)之服務費。
- (12) 花旗集團成員公司已與本公司就上文第(3)、(4)、(5)、(6)、(7)及(8)段所載事宜訂立協議。
- (13) 於二零零九年，本公司向財政司司長法團購買約1.73億港元(二零零八年：7,100萬港元)按揭貸款。
- (9) On 21 April 2004, the Company entered into a lease for a period of 6 years commencing on 1 January 2005 with The Financial Secretary Incorporated ("FSI") by which the FSI let to the Company Suite 7902 on 79th Floor and the whole of the 80th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong. At the direction of the FSI, the Company paid rental to the HKMA. In 2009, the Company paid a total of HK\$6.4 million (2008: HK\$6.4 million) of rental to the HKMA.
- (10) With effect from 26 May 2009, the HKMA provided to the Company the use of Suite 7807, 78th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong for a service fee. In 2009, the Company paid a total of HK\$0.3 million (2008: nil) of service fee to the HKMA.
- (11) During the year, the HKMA provided a back-up site, with respect to the period from 1 January 2009 to 6 December 2009, at 16th Floor, PCCW Tower, King's Road, Quarry Bay, Hong Kong, and with respect to the period from 7 December 2009 to 31 December 2009, at Unit 901, 9th Floor of the same building to the Company for a service fee. In 2009, the Company paid a total of HK\$0.3 million (2008: HK\$0.2 million) of service fee to the HKMA.
- (12) Members of the Citi group have entered into agreements with the Company in respect of the matters set out in paragraphs (3), (4), (5), (6), (7) and (8) above.
- (13) In 2009, the Company purchased about HK\$173 million of mortgage loans from the FSI (2008: HK\$71 million).

(14) 於二零零九年九月三十日，本公司與(其中包括)Shinhan Mortgage Second International Limited(發行人)、Shinhan Mortgage Second Securitization Specialty Co., Ltd.(買方)、Shinhan Bank(賣方)及香港上海滙豐銀行有限公司Seoul Securities Branch(共同安排人之一)訂立購買協議，據此，本公司向發行人購買以Shinhan Bank承造的按揭貸款所支持的4億美元票據。

(15) 於二零零九年，金杜律師事務所獲委任為本集團法律顧問，向本集團提供中國法律意見及其他法律服務，金杜律師事務所的法律費用總額為90萬港元。

(b) 主要管理層人員

主要管理層為直接或間接有權力及負責策劃、指揮及控制本集團業務的人士，包括董事及高級管理人員。

本年度主要管理層人員的薪酬包括：

(14) On 30 September 2009, the Company entered into a purchase agreement with, inter alia, Shinhan Mortgage Second International Limited (as issuer), Shinhan Mortgage Second Securitization Specialty Co., Ltd. (as purchaser), Shinhan Bank (as seller) and The Hongkong and Shanghai Banking Corporation Limited Seoul Securities Branch (as one of the joint arrangers) pursuant to which the Company purchased from the issuer a US\$400 million note backed by mortgage loans originated by Shinhan Bank.

(15) In 2009, King & Wood was appointed as legal adviser for providing Chinese legal advice and other legal services to the Group and the total amount of legal fees of King & Wood incurred was HK\$0.9 million.

(b) Key management personnel

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior officers.

Key management personnel compensation for the year comprises:

		2009 千港元 HK\$'000	2008 千港元 HK\$'000
薪金及其他短期僱員福利	Salaries and other short-term employee benefits	13,120	13,036
離職後福利	Post-employment benefits	942	817
		14,062	13,853

34. 特設公司及證券化

本公司通過兩家特設公司，即香港按揭證券融資（第一）有限公司及Bauhinia MBS Limited進行按揭貸款組合證券化工作，因而向該兩家特設公司轉讓按揭貸款組合。該等轉讓可能導致有關按揭貸款組合須全面或局部於本公司財務狀況表內終止確認。

當本公司轉讓其自按揭貸款組合收取現金流量的合約權利及其擁有權的絕大部分風險及回報時，會全面終止確認按揭貸款組合。

當本公司出售或以其他方式轉讓按揭貸款組合，以致轉讓擁有權中某一部分（而非絕大部分）風險及回報，但仍保留控制權，則會局部終止確認按揭貸款組合。該等按揭貸款組合按持續參與程度在財務狀況表確認。

大部分轉讓予特設公司而不符合全面終止確認條件的按揭貸款組合，為本公司擔保的按揭證券。

本公司因繼續參與證券化活動而仍保留的權利及責任，初步分配列入在轉讓日期被終止確認部分及繼續確認部分的金融資產公平值。

香港（準則詮釋委員會）詮釋第12號綜合賬目一特設公司規定，當特設公司與申報公司的關係實質上反映特設公司由申報公司控制，則須綜合計入特設公司，因此須於綜合財務狀況表重新綜合計入已轉讓的資產。下表概述轉讓予特設公司而已於本公司財務狀況表終止確認，但因香港（準則詮釋委員會）詮釋第12號而重新綜合計入綜合財務狀況表的按揭貸款組合之未償還本金結餘。

34. Special purpose entities and securitisations

The Company uses two special purpose entities ("SPE") namely HKMC Funding Corporation (1) Limited and Bauhinia MBS Limited to securitise mortgage portfolio that result in the transfer of mortgage portfolio to two SPEs. These transfers may give rise to full or partial derecognition of the mortgage portfolio concerned from the Company's statement of financial position.

Full derecognition occurs when the Company transfers its contractual right to receive cash flows from the mortgage portfolio and substantially all the risks and rewards of ownership.

Partial derecognition occurs when the Company sells or otherwise transfers mortgage portfolio in such a way that some but not substantially all of the risks and rewards of ownership are transferred but control is retained. These mortgage portfolio are recognised on the statement of financial position to the extent of continuing involvement.

The majority of mortgage portfolio transferred to the SPEs, that do not qualify for full derecognition, are MBS guaranteed by the Company.

The rights and obligations that the Company retains from its continuing involvement in securitisations are initially recorded as an allocation of the fair value of the financial asset between the part that is derecognised and the part that continues to be recognised on the date of transfer.

HK(SIC) INT-12 Consolidation – Special Purpose Entities requires consolidation of SPEs when the substance of the relationships between the SPE and the reporting entity indicates that the SPE is controlled by the reporting entity. This results in consolidating back the transferred assets to the consolidated statement of financial position. The following summarises the outstanding principal balances of the mortgage portfolio transferred to the SPEs that were derecognised from the Company's statement of financial position but were consolidated back to the consolidated statement of financial position as a result of HK(SIC) INT-12.

		2009 千港元 HK\$'000	2008 千港元 HK\$'000
香港按揭證券融資（第一）有限公司	HKMC Funding Corporation (1) Limited	59,829	82,702
Bauhinia MBS Limited	Bauhinia MBS Limited	1,254,856	1,796,059
已轉讓予特設公司的按揭貸款組合 （附註20(a)）	Mortgage portfolio transferred to the SPEs (Note 20(a))	1,314,685	1,878,761

35. 承擔

(a) 資本

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
已批准但未訂約	Authorized but not contracted for	19,643	19,616	19,352	19,616

(b) 經營租約

於呈報期末，根據不可註銷的經營租約而須作出的未來最低租金付款總額分析如下：

		本集團 The Group		本公司 The Company	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000	2009 千港元 HK\$'000	2008 千港元 HK\$'000
辦公室物業	Office premises				
不多於一年	not later than one year	7,264	6,368	6,368	6,368
多於一年但 不多於五年	later than one year and not later than five years	306	6,368	—	6,368
		7,570	12,736	6,368	12,736

(a) Capital

(b) Operating lease

Total future minimum lease payments under non-cancellable operating lease at the end of the reporting period are analysed as follows:

36. 按揭保險業務

本公司與核准再保險公司互相分擔風險，經營按揭保險業務。

於二零零九年十二月三十一日，風險投保總額約為149.2億港元(二零零八年：98.3億港元)，其中33.3億港元(二零零八年：41.2億港元)已向核准再保險公司購買再保險，而本公司則自行承擔餘下115.9億港元(二零零八年：57.1億港元)的風險。

36. Mortgage insurance business

The Company operates its mortgage insurance business on a risk-sharing basis with its approved reinsurers.

As 31 December 2009, the total risk-in-force was approximately HK\$14.92 billion (2008: HK\$9.83 billion) of which HK\$3.33 billion (2008: HK\$4.12 billion) was ceded to the approved reinsurers and the balance of HK\$11.59 billion (2008: HK\$5.71 billion) was retained by the Company.

37. 已抵押資產

特設公司已將其資產抵押作擔保或透過抵押方式進行轉讓，以根據有關證券化計劃規定發行有擔保或無擔保按揭證券。證券化計劃委任的抵押信託人將於有關特設公司(就有擔保按揭證券而言，則本公司作為擔保人)就任何一批按揭證券拖欠付款或違約時，行使該等作為已抵押資產的抵押品。

37. Pledged assets

SPEs have charged their assets as securities or otherwise transferred by way of security for issuing guaranteed or non-guaranteed MBS in accordance with the provisions under the relevant securitisation programmes. The security trustee appointed under the relevant securitisation programmes will enforce the securities over the relevant pledged assets when the relevant SPE (and, in the case of guaranteed MBS, the Company as guarantor) defaults in payment under any series of MBS or otherwise on the occurrence of an event of default in respect of any series of MBS.

		本集團 The Group	
		2009 千港元 HK\$'000	2008 千港元 HK\$'000
已抵押資產	Assets pledged		
銀行定期存款	Time deposits with banks	28,317	36,420
證券投資	Investment securities	–	445,335
按揭貸款組合	Mortgage portfolio	1,905,793	2,621,727
應收利息	Interest receivable	267	653
		1,934,377	3,104,135
有抵押負債	Secured liabilities		
已發行按揭證券(附註30)	Mortgage-backed securities issued (Note 30)	2,020,394	3,225,624

已抵押按揭貸款組合包括特設公司賬冊所載的證券化按揭貸款組合(附註34)，已轉讓按揭貸款組合按擔保及持續參與度繼續於「貸款組合淨額」內確認為資產(附註26)。

Mortgage portfolio pledged included securitised mortgage portfolio recorded in the SPE's book (Note 34) and the transferred mortgage portfolio continued to be recognised as assets in "Loan portfolio, net" to the extent of the guarantee and continuing involvement (Note 26).

570萬港元的定期存款已抵押予銀行作為中國按揭擔保業務的保證金。

Time deposits of HK\$5.7 million are pledged as security deposits with a bank for mortgage guarantee business in China.

38. 通過財務報表

董事局於二零一零年四月二十日通過本財務報表。

38. Approval of financial statements

The financial statements were approved by the Board of Directors on 20 April 2010.

附註甲 ANNEX A

核准賣方／管理供款機構 (於2009年12月底)

List of Approved Seller/Service as at end of December 2009

- | | |
|---------------------|---|
| 1. 荷蘭銀行 | 1. ABN AMRO Bank N.V. |
| 2. 中國銀行(香港) | 2. Bank of China (Hong Kong) Limited |
| 3. 交通銀行股份有限公司 | 3. Bank of Communications Co., Ltd. |
| 4. 東亞銀行 | 4. The Bank of East Asia, Limited |
| 5. 中國建設銀行(亞洲)股份有限公司 | 5. China Construction Bank (Asia) Corporation Limited |
| 6. 中國建設銀行(亞洲)財務有限公司 | 6. China Construction Bank (Asia) Finance Limited |
| 7. 集友銀行 | 7. Chiyu Banking Corporation Limited |
| 8. 創興銀行 | 8. Chong Hing Bank Limited |
| 9. 花旗銀行(香港)有限公司 | 9. Citibank (Hong Kong) Limited |
| 10. 中信嘉華銀行 | 10. CITIC Ka Wah Bank Limited |
| 11. 大新銀行 | 11. Dah Sing Bank, Limited |
| 12. 星展銀行(香港)有限公司 | 12. DBS Bank (Hong Kong) Limited |
| 13. 富邦銀行(香港)有限公司 | 13. Fubon Bank (Hong Kong) Limited |
| 14. 美國通用金融(香港)有限公司 | 14. GE Capital (Hong Kong) Limited |
| 15. 香港特別行政區政府 | 15. The Government of the Hong Kong Special Administrative Region |
| 16. 恒生銀行 | 16. Hang Seng Bank Limited |
| 17. 恒生存款有限公司 | 17. Hang Seng Credit Limited |

18.	恒生財務有限公司	18.	Hang Seng Finance Limited
19.	香港房屋委員會	19.	The Hong Kong Housing Authority
20.	香港房屋協會	20.	Hong Kong Housing Society
21.	香港上海滙豐銀行	21.	The Hongkong and Shanghai Banking Corporation Limited
22.	英利信用財務有限公司	22.	Inchroy Credit Corporation Limited
23.	中國工商銀行(亞洲)	23.	Industrial and Commercial Bank of China (Asia) Limited
24.	The Link Finance Limited	24.	The Link Finance Limited
25.*	港鐵儲蓄互助社	25.*	Metro Credit Union
26.	豐明銀行	26.	MEVAS Bank Limited
27.	南洋商業銀行	27.	Nanyang Commercial Bank, Limited
28.	歐力士(亞洲)有限公司	28.	ORIX Asia Limited
29.*	歐力士財務服務香港有限公司	29.*	ORIX Finance Services Hong Kong Limited
30.	大眾銀行(香港)有限公司	30.	Public Bank (Hong Kong) Limited
31.	上海商業銀行	31.	Shanghai Commercial Bank Limited
32.	渣打銀行(香港)有限公司	32.	Standard Chartered Bank (Hong Kong) Limited
33.	永亨銀行	33.	Wing Hang Bank, Limited
34.	永隆銀行	34.	Wing Lung Bank Limited

* 只核准為賣方機構

* Approved as Seller only

附註乙 ANNEX B

按揭保險計劃核准再保險公司、債務工具發行計劃的主要交易商和銷售團成員、零售債券發行計劃的配售銀行、中期債券發行計劃的計劃安排行和交易商及 Bauhinia按揭證券化計劃的計劃安排行和交易商名單

再保險公司

美國國際集團聯合保險(亞洲)有限公司
亞洲保險有限公司
恒生財險(香港)有限公司
匯豐保險(亞洲)有限公司
昆士蘭按揭保險(亞洲)有限公司

債務工具發行計劃

主要交易商

中國銀行(香港)
星展銀行
香港上海滙豐銀行
美林國際
三菱日聯證券(香港)資本有限公司
瑞士銀行

銷售團成員

中銀國際有限公司
東亞銀行
巴克萊銀行
法國巴黎銀行
花旗國際有限公司
澳洲聯邦銀行
東方滙理銀行
德意志銀行香港分行
高盛(亞洲)有限責任公司
恒生銀行
摩根大通證券(亞太)有限公司
澳洲銀行
蘇格蘭皇家銀行有限公司
法國興業亞洲有限公司
標準銀行亞洲有限公司
渣打銀行(香港)有限公司

List of Mortgage Reinsurers, Primary Dealers and Selling Group Members of Debt Issuance Programme, Placing Banks of Retail Bond Issuance Programme, Programme Arrangers and Dealers of Medium Term Note Programme and Programme Arranger and Dealers of Bauhinia MBS Programme

Mortgage Reinsurers

AIG United Guaranty Insurance (Asia) Limited
Asia Insurance Company, Limited
Hang Seng General Insurance (Hong Kong) Company Limited
HSBC Insurance (Asia) Limited
QBE Mortgage Insurance (Asia) Limited

Debt Issuance Programme

Primary Dealers

Bank of China (Hong Kong) Limited
DBS Bank Ltd.
The Hongkong and Shanghai Banking Corporation Limited
Merrill Lynch International
Mitsubishi UFJ Securities (HK) Capital, Limited
UBS AG

Selling Group Members

Bank of China International Limited
The Bank of East Asia, Limited
Barclays Bank PLC
BNP PARIBAS
Citicorp International Limited
Commonwealth Bank of Australia
Credit Agricole Corporate and Investment Bank
Deutsche Bank AG, Hong Kong Branch
Goldman Sachs (Asia) L.L.C.
Hang Seng Bank Limited
J. P. Morgan Securities (Asia Pacific) Limited
National Australia Bank Limited, Hong Kong Branch
The Royal Bank of Scotland plc
Société Générale Asia Limited
Standard Bank Asia Limited
Standard Chartered Bank (Hong Kong) Limited

零售債券發行計劃

配售銀行

中國銀行(香港)
交通銀行股份有限公司香港分行
東亞銀行
中國建設銀行(亞洲)股份有限公司
集友銀行
創興銀行
花旗銀行(香港)有限公司
中信嘉華銀行
大新銀行
星展銀行(香港)有限公司
富邦銀行(香港)有限公司
恒生銀行
香港上海滙豐銀行
中國工商銀行(亞洲)
南洋商業銀行
上海商業銀行
渣打銀行(香港)有限公司
永亨銀行
永隆銀行

中期債券發行計劃

計劃安排行

香港上海滙豐銀行
J.P. Morgan Securities Ltd.

交易商

巴克萊銀行
法國巴黎銀行
Citigroup Global Markets Limited
德意志銀行新加坡分行
高盛(亞洲)有限責任公司
香港上海滙豐銀行
J.P. Morgan Securities Ltd.
野村國際
渣打銀行
瑞士銀行

Bauhinia按揭證券化計劃

計劃安排行

美林國際

交易商

巴克萊銀行
花旗國際有限公司
星展銀行(香港)有限公司
德意志銀行香港分行
香港上海滙豐銀行
摩根大通證券(亞太)有限公司
美林國際
瑞士銀行

Retail Bond Issuance Programme

Placing Banks

Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd. Hong Kong Branch
The Bank of East Asia, Limited
China Construction Bank (Asia) Corporation Limited
Chiyu Banking Corporation Limited
Chong Hing Bank Limited
Citibank (Hong Kong) Limited
CITIC Ka Wah Bank Limited
Dah Sing Bank, Limited
DBS Bank (Hong Kong) Limited
Fubon Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited
Nanyang Commercial Bank, Limited
Shanghai Commercial Bank Limited
Standard Chartered Bank (Hong Kong) Limited
Wing Hang Bank, Limited
Wing Lung Bank Limited

Medium Term Note Programme

Programme Arrangers

The Hongkong and Shanghai Banking Corporation Limited
J.P. Morgan Securities Ltd.

Dealers

Barclays Bank PLC
BNP PARIBAS
Citigroup Global Markets Limited
Deutsche Bank AG, Singapore Branch
Goldman Sachs (Asia) L.L.C.
The Hongkong and Shanghai Banking Corporation Limited
J.P. Morgan Securities Ltd.
Nomura International plc
Standard Chartered Bank
UBS AG

Bauhinia MBS Programme

Programme Arranger

Merrill Lynch International

Dealers

Barclays Bank PLC
Citicorp International Limited
DBS Bank (Hong Kong) Limited
Deutsche Bank AG, Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited
J. P. Morgan Securities (Asia Pacific) Limited
Merrill Lynch International
UBS AG

附註丙 ANNEX C

主要業務統計數字

Key Business Statistics

		二零零九年 一月 Jan-09	二零零九年 二月 Feb-09	二零零九年 三月 Mar-09
資產購買計劃	Asset Purchase Programme			
核准賣方／管理供款機構數目	Number of Approved Sellers/Serviceirs	34	34	34
活躍賣方數目	Number of Active Sellers	28	28	28
住宅按揭貸款數目	Number of Residential Mortgage Loans	66,914	66,480	66,341
未償還本金餘額(百萬港元)	Outstanding Principal Balance (HK\$ million)	29,599	29,267	29,558
90日以上拖欠率(%)	>90-Day Delinquency Ratio (%)	0.06%	0.06%	0.05%
每月提前還款(%)	Monthly Prepayment Rate (%)	0.47%	0.74%	0.86%
加權平均數**	Weighted Average**			
批出貸款時的貸款額與物業價值比率(%)	Loan-to-Value Ratio at Origination (%)	69.2	69.2	69.0
估計現有貸款額與物業價值比率(%)	Estimated Current Loan-to-Value Ratio (%)	58.5	57.5	56.7
批出貸款時的債務對收入比率(%)	Debt-to-Income Ratio at Origination (%)	36.3	36.3	36.6
合約剩餘年期(月)	Remaining Contractual Term to Maturity (months)	189	188	186
已供款期數(月)	Seasoning (months)	46	47	48
合約年期(月)	Contractual Life (months)	235	235	234
宗數	Number	839	832	817
未償還本金餘額(百萬港元)	Outstanding Principal Balance (HK\$ million)	5,386	5,369	5,344
總宗數	Total Number	67,753	67,312	67,158
未償還本金總餘額(百萬港元)	Total Outstanding Principal Balance (HK\$ million)	34,985	34,636	34,902
		二零零九年 一月 Jan-09	二零零九年 二月 Feb-09	二零零九年 三月 Mar-09
按揭保險計劃	Mortgage Insurance Programme			
參與銀行數目	Number of Participating Banks	24	24	25
本年度截至本日止	Year-To-Date			
已批准申請	Applications Approved			
已批准申請數目	Number of Applications Approved	1,431	3,327	5,313
總金額(百萬港元)	Total Amount (HK\$ million)	2,967	6,920	11,212
物業交易類型	Types of Property Transaction			
一手(%)	Primary (%)	12	8	8
二手(%)	Secondary (%)	88	92	92
已提取貸款	Loans Drawn Down			
已提取貸款數目	Number of Loans Drawn Down	475	1,083	1,772
總金額(百萬港元)	Total Amount (HK\$ million)	998	2,256	3,685
物業交易類型	Types of Property Transaction			
一手(%)	Primary (%)	33	18	14
二手(%)	Secondary (%)	67	82	86
使用率(%)	Usage Rate (%)			
已批准申請(貸款金額)	By Applications Approved (Loan Amount)	26.4	30.6	28.5
已提取貸款(貸款金額)	By Loans Drawn Down (Loan Amount)	16.2	17.0	16.6
		二零零九年 一月 Jan-09	二零零九年 二月 Feb-09	二零零九年 三月 Mar-09
未到期證券金額 (票面值)	Outstanding Treasury Securities (in nominal value)			
債務工具發行計劃(百萬港元)	Debt Issuance Programme (HK\$ million)	28,885	31,085	31,635
中期債券發行計劃(百萬港元)	Medium Term Note Programme (HK\$ million)	4,658	4,603	4,610
零售債券(百萬港元)	Retail Bonds (HK\$ million)	3,011	2,877	2,045
Bauhinia 按揭證券(百萬港元)	Bauhinia MBS (HK\$ million)	3,049	3,033	3,004

註：

** 不包括有共同融資及特別安排之按揭貸款

Notes:

** Excluding mortgage loans with co-financing and special arrangements

二零零九年 四月 Apr-09	二零零九年 五月 May-09	二零零九年 六月 Jun-09	二零零九年 七月 Jul-09	二零零九年 八月 Aug-09	二零零九年 九月 Sep-09	二零零九年 十月 Oct-09	二零零九年 十一月 Nov-09	二零零九年 十二月 Dec-09
34 28	34 28	34 28	34 28	34 28	34 28	34 28	34 28	34 28
香港住宅按揭貸款 (包括已證券化的按揭貸款) Hong Kong Residential Mortgage Loans (including Securitised Mortgage Loans)								
65,861 28,980	65,032 28,384	64,009 27,679	62,850 26,880	61,936 26,281	60,879 25,508	59,674 24,678	58,573 23,876	57,527 23,123
0.06% 1.17%	0.08% 1.29%	0.08% 1.72%	0.08% 2.14%	0.08% 2.13%	0.09% 2.25%	0.08% 2.46%	0.07% 2.42%	0.07% 2.31%
69.0 54.6 36.6 185 49 234	69.0 52.6 36.6 183 50 233	69.0 50.4 36.6 182 50 232	68.9 48.9 36.6 181 51 232	68.9 47.5 36.6 181 52 233	68.9 46.0 36.6 179 53 232	68.8 44.8 36.6 178 54 232	68.8 44.4 36.5 177 54 231	68.7 44.1 36.5 177 55 232
香港非住宅按揭貸款和非按揭資產 Hong Kong Non-Residential Mortgage and Non-Mortgage Assets								
808 5,320	803 5,302	794 5,280	781 5,256	766 5,221	747 5,183	728 5,142	715 5,111	695 5,067
整體香港資產組合 Overall Hong Kong Portfolio								
66,669 34,300	65,835 33,686	64,803 32,959	63,631 32,136	62,702 31,502	61,626 30,691	60,402 29,820	59,288 28,987	58,222 28,190
二零零九年 四月 Apr-09	二零零九年 五月 May-09	二零零九年 六月 Jun-09	二零零九年 七月 Jul-09	二零零九年 八月 Aug-09	二零零九年 九月 Sep-09	二零零九年 十月 Oct-09	二零零九年 十一月 Nov-09	二零零九年 十二月 Dec-09
25	25	25	25	25	25	25	25	25
7,448 16,330	10,682 23,761	18,257 41,462	22,350 51,743	25,861 60,623	29,753 70,801	32,690 78,101	35,056 83,993	37,142 89,242
10 90	12 88	13 87	12 88	12 88	11 89	11 89	10 90	9 91
2,745 5,814	4,022 8,717	5,798 12,735	7,706 17,407	9,365 21,393	10,998 25,510	12,637 29,478	14,057 33,044	15,285 36,046
13 87	14 86	15 85	15 85	13 87	13 87	12 88	11 89	10 90
26.7 17.7	26.6 18.2	32.5 18.6	31.4 18.4	30.4 18.7	30.5 18.5	29.9 18.6	29.2 18.4	28.7 18.1
二零零九年 四月 Apr-09	二零零九年 五月 May-09	二零零九年 六月 Jun-09	二零零九年 七月 Jul-09	二零零九年 八月 Aug-09	二零零九年 九月 Sep-09	二零零九年 十月 Oct-09	二零零九年 十一月 Nov-09	二零零九年 十二月 Dec-09
31,048 5,697 2,049 2,991	29,375 6,046 2,058 2,867	30,065 6,040 1,915 2,856	30,395 6,047 1,915 2,842	31,995 10,675 1,915 2,825	32,415 11,479 1,915 2,812	32,180 11,949 1,915 2,796	31,740 11,988 1,915 2,669	30,195 11,914 1,915 1,916

ABBREVIATIONS USED IN THIS REPORT

ALCO	– Asset and Liability Committee
BLRs	– Best Lending Rates
CAR	– Capital-to-Assets Ratio
Code	– Corporate Governance Code
CRC	– Corporate Risk Management Committee
DIP	– Debt Issuance Programme
FSI	– Financial Secretary Incorporated
GDP	– Gross Domestic Product
HIBOR	– Hong Kong Interbank Offered Rate
HKASs	– Hong Kong Accounting Standards
HKFRSs	– Hong Kong Financial Reporting Standards
HKICPA	– Hong Kong Institute of Certified Public Accountants
HKMA	– Hong Kong Monetary Authority
HKMC/Corporation	– The Hong Kong Mortgage Corporation Limited
HKSAR	– Hong Kong Special Administrative Region
HSLS	– Home Starter Loan Scheme
ICAC	– Independent Commission Against Corruption
ICO	– Insurance Companies Ordinance
ISM	– Information Security Manual
LTV	– Loan-to-Value
MBS	– Mortgage-Backed Securities
MIP	– Mortgage Insurance Programme
Moody's	– Moody's Investors Service, Inc
MPP	– Mortgage Purchase Programme
MTN	– Medium Term Note
ORC	– Operational Risk Committee
PIPS	– Portfolio Information Processing System
RBIP	– Retail Bond Issuance Programme
RBPS	– Risk-based Pricing Scheme
S&P	– Standard & Poor's
SCHLS	– Sandwich Class Housing Loan Scheme
SPE	– Special Purpose Entity

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