CONTENTS

		PAGE
Finar	ncial Highlights	1
Chairman's Statement		2
Chief Executive's Report		4
Mana	agement's Discussion and Analysis	10
Cond	ensed Consolidated Income Statement	44
Condensed Consolidated Statement of Comprehensive Income		45
Cond	lensed Consolidated Balance Sheet	46
Cond	lensed Consolidated Statement of Changes in Equity	47
Cond	ensed Consolidated Cash Flow Statement	49
Note	s to the Interim Financial Information	
1.	Basis of preparation and accounting policies	50
2.	Critical accounting estimates and judgements in applying accounting policies	51
3.	Financial risk management	51
4.	Net interest income	79
5.	Net fees and commission income	80
6.	Net trading income	81
7.	Net gain on investment in securities	81
8.	Net insurance premium income	81
9.	Other operating income	81
10.	Net insurance benefits and claims	82
11.	Net charge of impairment allowances	82
12.	Operating expenses	83
13.	Net gain from disposal of/fair value adjustments on investment properties	83
14.	Net loss from disposal/revaluation of properties, plant and equipment	83
15.	Taxation	84
16.	Dividends	85
17.	Earnings per share for profit attributable to the equity holders of the Company	85
18.	Retirement benefit costs	85
19.	Share option schemes	86
20.	Cash and balances with banks and other financial institutions	88
21.	Financial assets at fair value through profit or loss	88
22.	Derivative financial instruments	90
23.	Advances and other accounts	96
24.	Investment in securities	97
25.	Investment properties	99
26.	Properties, plant and equipment	99
27.	Other assets	100
28.	Financial liabilities at fair value through profit or loss	100
29.	Deposits from customers	101
30.	Other accounts and provisions	101
31.	Assets pledged as security	102
32.	Deferred taxation	102
33.	Insurance contract liabilities	103
34.	Subordinated liabilities	104

		PAGE
35.	Share capital	104
36.	Reserves	104
37.	Notes to condensed consolidated cash flow statement	105
38.	Contingent liabilities and commitments	106
39.	Capital commitments	106
40.	Operating lease commitments	107
41.	Segmental reporting	108
42.	Significant related party transactions	111
43.	Liquidity ratio	118
44.	Currency concentrations	119
45.	Cross-border claims	120
46.	Non-bank Mainland China exposures	121
47.	Events after the balance sheet date	122
48.	Compliance with HKAS 34	122
49.	Statutory accounts	122

Additional Information

1.	Corporate information	123
2.	Dividend and closure of register of members	124
3.	Substantial interests in share capital	124
4.	Directors' rights to acquire shares	125
5.	Directors' and Chief Executive's interests in shares, underlying shares and debentures	126
6.	Purchase, sale or redemption of the Company's shares	126
7.	Audit Committee	126
8.	Compliance with the Code on Corporate Governance Practices of the Listing Rules	127
9.	Compliance with the Codes for Securities Transactions by Directors	127
10.	Compliance with the Banking (Disclosure) Rules and the Listing Rules	127
11.	Interim Report	127
12.	Reconciliation between HKFRSs vs IFRS/CAS	128
Independent Review Report		130

Appendix	
Subsidiaries of the Company	131

Definitions

135