

Supplementary Financial Information

The following information is disclosed as part of the accompanying information to the accounts and does not form part of the audited accounts.

1 Corporate governance

(a) The Bank has fully complied with the requirements set out in the guideline on “Corporate Governance of Locally Incorporated Authorized Institutions” issued by the Hong Kong Monetary Authority throughout the year except for the following two points. While the Audit Committee of the Bank prior to 18th September 2002 consisted mainly of non-executive directors who are not independent, changes to the composition of members were made on 18th September 2002 and the majority of the Audit Committee now consists of independent members. As for the requirement on attendance by directors, all Directors of the Bank attended more than half of the board meetings held in 2002, either personally or represented by the alternate, except for Mr. David Joseph Zuercher who attended five out of eleven board meetings held in 2002.

(b) Key specialised committees established under the Board of Directors (the “Board”)

(i) Executive Committee

The Executive Committee meets monthly and operates as a general management committee under the direct authority of the Board to review the management and performance of the Bank. The current members of the Executive Committee are Mr. John Kam-pak Yan (Chairman), Mr. Hung-ching Yung, Mr. Frank Kai-shu Lau, Mr. Ernesto Tang-fai Ng, Mr. Shen Ruolei, Mr. David Sek-chi Kwok and Mr. Robert Law Joss.

(ii) Audit Committee

The Audit Committee meets quarterly to consider the nature and scope of audit reviews, review the Bank’s financial statements, the findings of both internal and external auditors and the effectiveness of the internal control systems of the Bank. The current members of the Audit Committee are Dr. Phillip Kin Hang Wong (Chairman), Mr. Lincoln Chu Kuen Yung and Mr. Jung-sen Lee.

(iii) Asset and Liability Committee

The Asset and Liability Committee meets monthly to oversee the Bank’s operations relating to interest rate risk and liquidity risk and in particular to ensure that the Bank has adequate funds to meet its obligations. The members of the Asset and Liability Committee are Mr. John Kam-pak Yan (Chairman), Mr. Frank Kai-shu Lau, Mr. Ernesto Tang-fai Ng, Mr. David Sek-chi Kwok, Mr. Ambrose Kwong-chung Chan and Mr. Henry Koon-man To.

(iv) Credit Committee

The Credit Committee meets monthly to ensure that the Bank’s lending policies are adequate and lending activities are conducted in accordance with established policies and relevant laws and regulations. The Credit Committee is also responsible for establishing credit policies, monitoring loan portfolio quality, ensuring compliance with statutory and internal lending limits, and evaluating credit applications and making credit decisions. The members of the Credit Committee are Mr. Frank Kai-shu Lau (Chairman), Mr. Ernesto Tang-fai Ng, Mr. David Sek-chi Kwok and Mr. Chun-sum Chan.

2 Qualitative information on management of risks

The Bank has in place policies and procedures for the control and monitoring of credit, liquidity, market, interest rate and foreign exchange risks. One of the major functions of the Board is to ensure that the Bank establishes policies, procedures and controls to manage the various types of risk with which it faces. The Board has delegated its powers to the Executive Committee, the Audit Committee, the Asset and Liability Committee and the Credit Committee for the supervision of major functional areas, and in particular, the Executive Committee has been delegated the authority to oversee and guide the management of different risks. Senior management is always watchful for changes in economic, political and market conditions in which the Bank operates and the inherent risks the Bank faces. The Internal Audit Department performs regular audits to ensure compliance with the policies and procedures. The Risk Manager is responsible for monitoring the overall risk management of the Bank’s operations, except for credit risk, which is managed by the Credit Committee. Reconciliation procedures are also in place to ensure that the systems capture all necessary data. All of the above arrangements ensure that the risk management processes are operating effectively.

2 Qualitative information on management of risks (Continued)

(a) Credit risk management

Credit risk is the risk that a customer or counterparty of the Bank will be unable or unwilling to meet a commitment when it falls due. It arises from the lending, trade finance, treasury and other activities undertaken by the Bank. Credit approval and review procedures and guidelines, delegated approval authorities and an effective credit control system are used to maintain the high quality of the loan portfolio and other risk assets. The Bank manages the credit risk of its counterparties within a conservative framework by evaluating the creditworthiness of its counterparties, and setting credit limits on individual counterparty, country and industry sector. The Bank's credit risk is managed and monitored by the Credit Committee under limits and guidelines approved by the Directors.

(b) Liquidity risk management

Liquidity risk is the risk that the Bank will be unable to meet payment obligations when they fall due. The liquidity of the Bank is managed and monitored in accordance with the guidelines and procedures laid down in the liquidity management policy approved by the Directors, which has regard to a variety of factors, including liquidity ratio, loan to deposit ratio, liquefiable assets to be kept in Hong Kong, maturity mismatch profile, diversity and stability of the deposits base and ability to borrow in the interbank market. An adequate stock of high quality liquid assets is being maintained at all times, in order to enable the Bank to meet deposit withdrawals, to repay interbank borrowings, and to make new loans and investments as and when required in a timely and cost effective manner. Liquefiable assets held comprise mainly marketable debt securities and interbank placements. The Bank's liquidity risk is managed by the Treasury Department and monitored by management and the Asset and Liability Committee under guidelines and procedures approved by the Directors.

(c) Market risk management

Market risk is the risk that interest rates, foreign exchange rates or equity prices will move relative to positions taken, resulting in profits or losses. In the ordinary course of business, the Bank enters into various types of financial instruments, mainly forward exchange contracts, that are mainly customers-driven and are entered into on behalf of customers. The measuring procedures and limit systems used for market risk management have been approved by the Directors. The Bank's market risk is managed by the Treasury Department and monitored by management. The transactions included in the trading book as at 31st December 2002 for the Group and the Bank is not significant.

(d) Interest rate risk management

Interest rate risk is the risk that the Bank's position may be adversely affected by a change of market interest rates. The Bank's interest rate risk arises primarily from the timing differences in the repricing of interest bearing assets, liabilities and commitments. The primary objective of interest rate risk management is to limit the potential adverse effects of interest rate movement on net interest income by closely monitoring the net repricing gap of the Bank's assets and liabilities. The interest rate risk is managed by the Treasury Department and monitored by management and the Asset and Liability Committee under limits approved by the Directors.

(e) Foreign exchange risk management

Foreign exchange risk is the risk that the holding of foreign currencies will affect the Bank's position as a result of a change in foreign currency exchange rates. The Bank's foreign exchange risk arises primarily from currency exposures originated by the Bank's commercial banking businesses. The foreign exchange risk is managed by the Treasury Department and monitored by management and the Asset and Liability Committee within position limits approved by the Directors.

(f) Capital management

The Bank's policy is to maintain a strong capital base to support the development of the Bank's business and to ensure compliance with the statutory capital adequacy ratio requirement, a requirement used to assess the capital adequacy of banks. Capital is allocated to the various activities of the Bank depending on the risk taken by each business division. Where the subsidiaries or branches are directly regulated by other regulators, they are required to maintain capital according to the rules of these regulators.

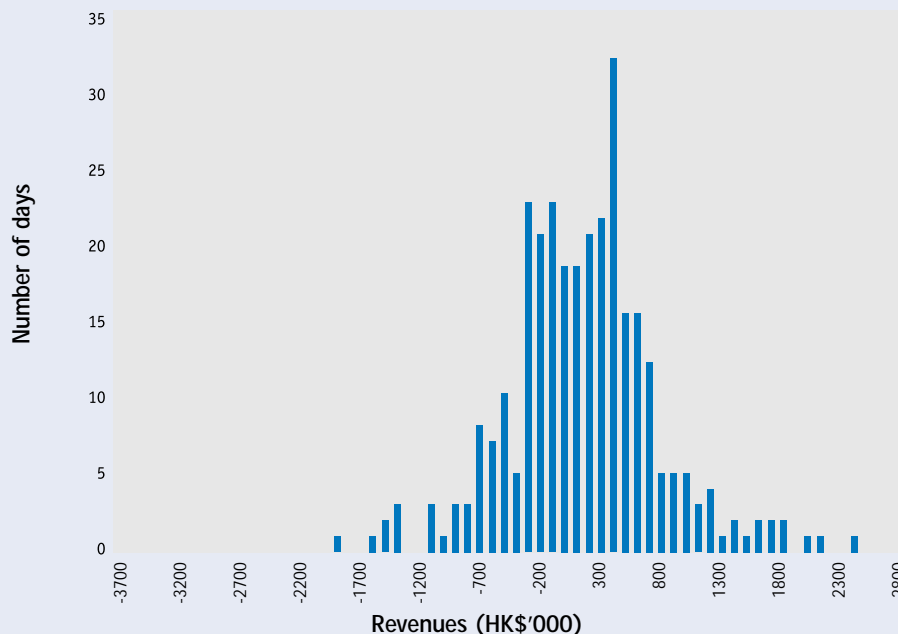
(g) Objectives, policies and strategies for the use of derivatives

The Group uses different types of derivatives to manage foreign exchange and interest rate sensitivity primarily to hedge its underlying positions. The types of derivatives used by the Group include forward exchange rate and interest rate swap contracts and are managed within approved limits or with prior approval obtained from the Executive Committee. The policy on the use of derivatives is reviewed by the Executive Committee and recommended changes and amendments are submitted to the Board for consideration.

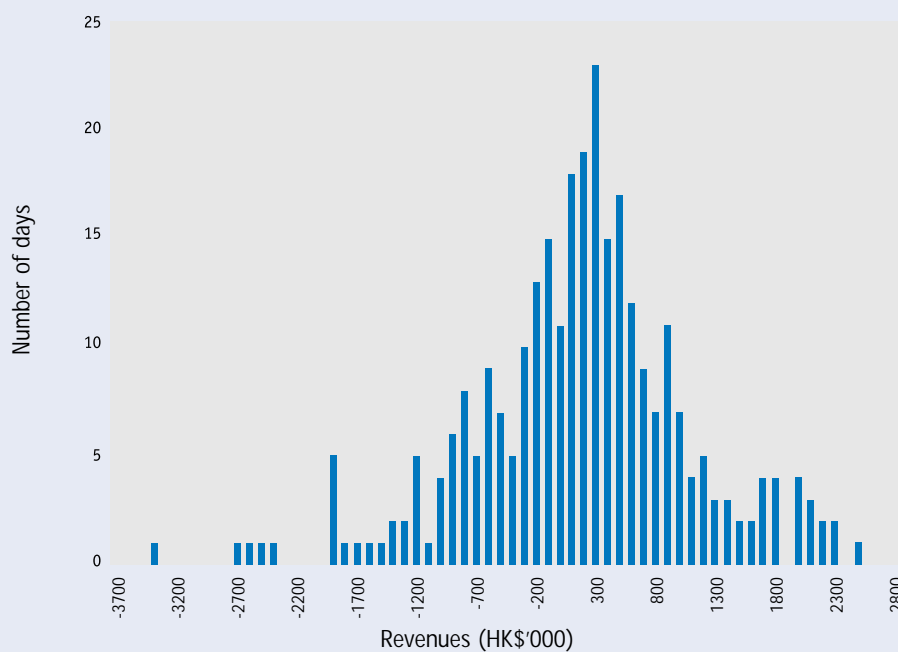
3 Quantitative information on market risk

The average daily revenue arising from foreign exchange, equity and other financial instruments exposures in the year was HK\$0.20 million (2001: HK\$0.21 million). The standard deviation of these daily revenues was HK\$0.63 million (2001: HK\$0.93 million). The highest daily revenue was HK\$2.44 million (2001: HK\$2.53 million) and the maximum daily loss was HK\$1.82 million (2001: HK\$3.39 million).

Daily distribution of market risk revenues in 2002



Daily distribution of market risk revenues in 2001



Supplementary Financial Information

4 Capital adequacy and liquidity ratios

	2002	2001
Capital adequacy ratio	<u>23%</u>	<u>22%</u>
Adjusted capital adequacy ratio	<u>23%</u>	<u>22%</u>
Liquidity ratio	<u>66%</u>	<u>57%</u>

The capital adequacy ratio as at 31st December 2002 represents the consolidated ratio of the Bank, Shacom Finance Limited, Shacom Investment Limited, Shacom Investment Management Limited, Shacom Property Holdings (BVI) Limited, Shacom Property (NY) Inc., Shacom Property (CA) Inc. and Shacom Assets Investments Limited, computed in accordance with the Third Schedule of the Banking Ordinance.

The adjusted capital adequacy ratio represents the capital adequacy ratio adjusted to take into account market risk as at the balance sheet date computed in accordance with the Guideline "Maintenance of Adequate Capital Against Market Risks" issued by the Hong Kong Monetary Authority.

The liquidity ratio is calculated as the simple average of each calendar month's average liquidity ratio for the twelve months of the financial year for the Bank and Shacom Finance Limited computed in accordance with the Fourth Schedule of the Banking Ordinance.

The components of the total capital base after deductions as reported in the calculation of the capital adequacy ratio as at 31st December and reported to the Hong Kong Monetary Authority are as follows:

	2002 HK\$'000	2001 HK\$'000
Core capital		
Paid up ordinary share capital	2,000,000	2,000,000
Reserves	6,110,133	5,513,620
Profit and loss account	<u>486,370</u>	<u>582,499</u>
	<u>8,596,503</u>	<u>8,096,119</u>
Supplementary capital		
Reserves on revaluation of land and interests in land	867,769	879,474
Reserves on revaluation of holding of securities not held for trading purposes	(43,618)	(60,286)
General provisions for doubtful debts	<u>373,889</u>	<u>350,532</u>
Total gross and eligible value of supplementary capital	<u>1,198,040</u>	<u>1,169,720</u>
Total capital base before deductions	<u>9,794,543</u>	<u>9,265,839</u>
Deductions from total capital base		
Shareholdings in subsidiaries or holding company	(52,082)	(51,726)
Exposures to connected companies	(87,487)	(82,455)
Equity investments of 20% or more in jointly controlled entities	(24,600)	(21,000)
Investments in the capital of other banks and financial institutions	<u>(225,540)</u>	<u>(182,961)</u>
	<u>(389,709)</u>	<u>(338,142)</u>
Total capital base after deductions	<u>9,404,834</u>	<u>8,927,697</u>

Supplementary Financial Information

5 Segmental information

(a) Gross advances to customers by industry sector

	The Group		The Bank	
	2002	2001	2002	2001
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Loans for use in Hong Kong				
Industrial, commercial and financial				
- Property development	1,488,449	1,938,005	1,488,449	1,938,005
- Property investment	4,599,702	4,955,298	4,551,472	4,903,260
- Financial concerns	32,698	54,004	32,698	53,765
- Stockbrokers	4,519	2,472	4,519	2,472
- Wholesale and retail trade	503,991	617,383	501,833	612,162
- Manufacturing	908,630	910,270	900,402	896,641
- Transport and transport equipment	232,493	143,958	211,031	130,688
- Telecommunication	800	1,226	800	1,226
- Others	3,935,462	4,352,264	3,911,521	4,326,028
Individuals				
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	891,242	1,048,390	877,954	1,036,202
- Loans for the purchase of other residential properties	5,689,049	6,547,441	5,584,240	6,429,533
- Credit card advances	370,677	404,775	370,677	404,775
- Others	1,133,178	974,703	1,104,186	931,582
Trade finance	3,743,558	3,345,173	3,743,558	3,345,173
Loans for use outside Hong Kong	4,222,429	3,873,276	4,218,911	3,870,797
	<u>27,756,877</u>	<u>29,168,638</u>	<u>27,502,251</u>	<u>28,882,309</u>

(b) Gross advances to customers by location of counterparty or guarantor if the advances are guaranteed by a party in a location which is different from that of the counterparty are as follows:

	The Group		Non-performing advances		Overdue advances	
	Total advances		2002		2001	
	2002	2001	2002	2001	2002	2001
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	23,349,000	24,624,000	691,000	553,000	195,000	275,000
North America	3,205,000	3,015,000	14,000	-	14,000	-
	The Bank		Non-performing advances		Overdue advances	
	Total advances		2002		2001	
	2002	2001	2002	2001	2002	2001
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	23,094,000	24,337,000	674,000	539,000	194,000	259,000
North America	3,205,000	3,015,000	14,000	-	14,000	-

5 Segmental information (Continued)

(c) Cross-border claims

Cross-border claims which include financial claims on balances due from banks and other financial institutions, treasury bills, loans and advances, trade bills, certificates of deposit held and investments in securities by location and type of counterparties are as follows (in general, risk transfer should only be made if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country):

**The Group and the Bank
2002**

	Banks and other financial institutions HK\$'000	Public sector entities HK\$'000	Others HK\$'000	Total HK\$'000
Asia & Pacific excluding Hong Kong	7,944,000	4,000	390,000	8,338,000
North America	1,385,000	2,051,000	382,000	3,818,000
Western Europe	21,178,000	17,000	956,000	22,151,000

2001

	Banks and other financial institutions HK\$'000	Public sector entities HK\$'000	Others HK\$'000	Total HK\$'000
Asia & Pacific excluding Hong Kong	7,414,000	227,000	547,000	8,188,000
North America	3,170,000	688,000	1,004,000	4,862,000
Western Europe	17,557,000	13,000	842,000	18,412,000

(d) By geographical area

The information concerning geographical analysis has been classified by the location of the principal operations of the subsidiary, or in the case of the Bank itself, on the location of the branch responsible for reporting the results or booking the assets.

2002

	Hong Kong HK\$'000	Europe HK\$'000	Americas HK\$'000	Intersegment eliminations HK\$'000	Consolidated HK\$'000
Operating income	1,772,005	46,602	141,884	-	1,960,491
Profit before taxation	919,254	31,356	29,755	-	980,365
Taxation	(113,472)	(8,000)	3,326	-	(118,146)
Minority interests	(410)	-	-	-	(410)
Segment results	805,372	23,356	33,081	-	861,809
Segment assets	63,970,962	6,960,596	5,777,165	(3,436,547)	73,272,176
Segment liabilities	54,279,234	6,939,801	5,136,311	(3,309,602)	63,045,744
Segment contingent liabilities and commitments	24,719,207	107,845	1,664,514	-	26,491,566

Supplementary Financial Information

5 Segmental information (Continued)

(d) By geographical area (Continued) 2001

	Hong Kong HK\$'000	Europe HK\$'000	Americas HK\$'000	Intersegment eliminations HK\$'000	Consolidated HK\$'000
Operating income	<u>1,883,157</u>	<u>37,771</u>	<u>135,671</u>	-	<u>2,056,599</u>
Profit before taxation	1,033,376	22,413	75,477	-	1,131,266
Taxation	(140,340)	(2,672)	(27)	-	(143,039)
Minority interests	(72)	-	-	-	(72)
Segment results	<u>892,964</u>	<u>19,741</u>	<u>75,450</u>	-	<u>988,155</u>
Segment assets	<u>62,817,919</u>	<u>6,849,496</u>	<u>5,646,960</u>	<u>(3,661,111)</u>	<u>71,653,264</u>
Segment liabilities	<u>53,570,984</u>	<u>6,831,379</u>	<u>5,039,423</u>	<u>(3,534,405)</u>	<u>61,907,381</u>
Segment contingent liabilities and commitments	<u>20,075,475</u>	<u>68,407</u>	<u>1,244,493</u>	-	<u>21,388,375</u>

(e) By class of business

The Group and the Bank are engaged predominantly in banking and related financial activities. It comprises retail and corporate banking, bills, treasury and other classes of business.

The "Others" business mainly comprises remittance, share dealing, provision of trustee, wealth management and insurance agency services.

For the purpose of class of business analysis, the allocation of revenue, besides the direct revenue generated by the business, also includes the benefits of funding resources derived from the other businesses by way of internal fund transfer pricing mechanisms. Cost allocation is based on the direct cost incurred by the class of business and internal allocation of management overheads. Asset allocation is based on the assets directly attributable to the class of business and internal allocation of assets.

2002

The Group

	Retail and corporate banking HK\$'000	Bills HK\$'000	Treasury HK\$'000	Others HK\$'000	Total HK\$'000
Operating income	<u>1,269,856</u>	<u>296,010</u>	<u>251,621</u>	<u>143,004</u>	<u>1,960,491</u>
Operating profit before provisions	<u>843,339</u>	<u>132,815</u>	<u>202,916</u>	<u>(65,343)</u>	<u>1,113,727</u>
Operating profit	<u>672,733</u>	<u>129,454</u>	<u>202,916</u>	<u>(65,343)</u>	<u>939,760</u>
Profit before taxation	<u>649,756</u>	<u>128,934</u>	<u>271,200</u>	<u>(69,525)</u>	<u>980,365</u>
Segment assets	<u>26,674,025</u>	<u>3,469,249</u>	<u>42,554,021</u>	<u>574,881</u>	<u>73,272,176</u>

Supplementary Financial Information

5 Segmental information (Continued)

(e) By class of business (Continued)

2002

The Bank

	Retail and corporate banking HK\$'000	Bills HK\$'000	Treasury HK\$'000	Others HK\$'000	Total HK\$'000
Operating income	<u>1,257,904</u>	<u>296,010</u>	<u>263,103</u>	<u>140,316</u>	<u>1,957,333</u>
Operating profit before provisions	<u>834,687</u>	<u>132,815</u>	<u>214,398</u>	<u>(64,562)</u>	<u>1,117,338</u>
Operating profit	<u>668,050</u>	<u>129,454</u>	<u>214,398</u>	<u>(64,562)</u>	<u>947,340</u>
Profit before taxation	<u>663,776</u>	<u>128,934</u>	<u>271,618</u>	<u>(66,131)</u>	<u>998,197</u>
Segment assets	<u>26,336,834</u>	<u>3,452,826</u>	<u>42,560,054</u>	<u>566,638</u>	<u>72,916,352</u>

2001

The Group

	Retail and corporate banking HK\$'000	Bills HK\$'000	Treasury HK\$'000	Others HK\$'000	Total HK\$'000
Operating income	<u>1,163,902</u>	<u>282,092</u>	<u>481,766</u>	<u>128,839</u>	<u>2,056,599</u>
Operating profit before provisions	<u>670,214</u>	<u>112,584</u>	<u>428,547</u>	<u>(4,181)</u>	<u>1,207,164</u>
Operating profit	<u>543,552</u>	<u>95,931</u>	<u>428,547</u>	<u>(4,181)</u>	<u>1,063,849</u>
Profit before taxation	<u>532,107</u>	<u>95,196</u>	<u>511,034</u>	<u>(7,071)</u>	<u>1,131,266</u>
Segment assets	<u>28,709,662</u>	<u>2,935,613</u>	<u>39,666,889</u>	<u>341,100</u>	<u>71,653,264</u>

The Bank

	Retail and corporate banking HK\$'000	Bills HK\$'000	Treasury HK\$'000	Others HK\$'000	Total HK\$'000
Operating income	<u>1,150,390</u>	<u>282,092</u>	<u>585,946</u>	<u>127,540</u>	<u>2,145,968</u>
Operating profit before provisions	<u>660,253</u>	<u>112,584</u>	<u>532,727</u>	<u>(1,763)</u>	<u>1,303,801</u>
Operating profit	<u>535,270</u>	<u>95,932</u>	<u>532,727</u>	<u>(1,763)</u>	<u>1,162,166</u>
Profit before taxation	<u>512,758</u>	<u>95,197</u>	<u>604,497</u>	<u>(3,379)</u>	<u>1,209,073</u>
Segment assets	<u>28,315,873</u>	<u>2,925,298</u>	<u>39,677,774</u>	<u>336,426</u>	<u>71,255,371</u>

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5 Segmental information (Continued)

(f) Fees and commission income by product lines

	The Group		The Bank	
	2002	2001	2002	2001
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Import and export	170,553	171,911	170,553	171,911
Retail banking operation and custodian	118,064	100,817	118,361	100,655
Credit cards	39,702	44,087	39,702	44,087
Remittances	44,936	42,158	44,936	42,158
Credit facilities	45,277	39,176	43,664	39,129
Others	3,171	2,793	3,101	2,621
Total	<u>421,703</u>	<u>400,942</u>	<u>420,317</u>	<u>400,561</u>

6 Overdue and rescheduled advances

(a) The amount of overdue advances to customers (net of suspended interest capitalised) and the percentage of such advances to total advances to customers are as follows:

The Group

	2002		2001	
	HK\$'000	%	HK\$'000	%
Gross amount of advances which have been overdue for				
- six months or less but over three months	77,347	0.28	130,411	0.45
- one year or less but over six months	44,394	0.16	91,806	0.31
- over one year	87,430	0.31	54,459	0.19
	<u>209,171</u>	<u>0.75</u>	<u>276,676</u>	<u>0.95</u>
Secured overdue advances	159,768		225,699	
Unsecured overdue advances	49,403		50,977	
	<u>209,171</u>		<u>276,676</u>	
Market value of security held against the secured overdue advances	209,395		268,615	
Specific provisions made	50,343		64,251	

The Bank

	2002		2001	
	HK\$'000	%	HK\$'000	%
Gross amount of advances which have been overdue for				
- six months or less but over three months	77,142	0.28	119,762	0.42
- one year or less but over six months	43,722	0.16	87,423	0.30
- over one year	87,423	0.32	54,451	0.19
	<u>208,287</u>	<u>0.76</u>	<u>261,636</u>	<u>0.91</u>
Secured overdue advances	158,904		214,555	
Unsecured overdue advances	49,383		47,081	
	<u>208,287</u>		<u>261,636</u>	
Market value of security held against the secured overdue advances	206,601		257,471	
Specific provisions made	50,254		61,537	

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6 Overdue and rescheduled advances (Continued)

(b) The amount of rescheduled advances to customers (net of those which have been overdue for over three months and reported in item (a) above) and the percentages of such advances to total advances to customers are as follows:

The Group

	2002		2001	
	HK\$'000	%	HK\$'000	%
Rescheduled advances	<u>222,792</u>	0.80	<u>213,620</u>	0.73

The Bank

	2002		2001	
	HK\$'000	%	HK\$'000	%
Rescheduled advances	<u>210,364</u>	0.76	<u>213,620</u>	0.74

(c) Reconciliation between overdue advances and non-performing advances to customers (net of suspended interest capitalised):

	The Group		The Bank	
	2002	2001	2002	2001
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Gross amount of overdue advances (item 6(a) above)	209,171	276,676	208,287	261,636
Less: gross amount of advances which are overdue for more than three months and on which interest is still being accrued	9,011	34,302	8,885	33,501
Add: gross amount of advances which are overdue for three months or less or not yet overdue and on which interest is being placed in suspense or on which interest accrual has ceased	<u>504,359</u>	<u>310,466</u>	<u>488,438</u>	<u>310,466</u>
Gross amount of non-performing advances (Note 14)	<u>704,519</u>	<u>552,840</u>	<u>687,840</u>	<u>538,601</u>

(d) The amount of trade bills which have been overdue for:

	The Group and the Bank	
	2002	2001
	HK\$'000	HK\$'000
- six months or less but over three months	2,736	39
- one year or less but over six months	-	1,230
	<u>2,736</u>	<u>1,269</u>

7 The amount of repossessed assets held

	The Group and the Bank	
	2002	2001
	HK\$'000	HK\$'000
Repossessed assets	<u>19,010</u>	<u>13,770</u>

Supplementary Financial Information

8 Foreign currency position

2002

The Group

	Spot assets HK\$'000	Spot liabilities HK\$'000	Forward purchases HK\$'000	Forward sales HK\$'000	Net long positions HK\$'000
US Dollars	32,022,000	(29,538,000)	2,906,000	(3,015,000)	2,375,000
Pound Sterling	1,865,000	(1,845,000)	52,000	(31,000)	41,000
Canadian Dollars	1,547,000	(1,548,000)	15,000	(10,000)	4,000
Other currencies and gold	4,722,000	(4,680,000)	1,227,000	(1,263,000)	6,000
	<u>40,156,000</u>	<u>(37,611,000)</u>	<u>4,200,000</u>	<u>(4,319,000)</u>	<u>2,426,000</u>

The Bank

	Spot assets HK\$'000	Spot liabilities HK\$'000	Forward purchases HK\$'000	Forward sales HK\$'000	Net long positions HK\$'000
US Dollars	32,015,000	(29,538,000)	2,906,000	(3,015,000)	2,368,000
Pound Sterling	1,865,000	(1,845,000)	52,000	(31,000)	41,000
Canadian Dollars	1,547,000	(1,548,000)	15,000	(10,000)	4,000
Other currencies and gold	4,719,000	(4,680,000)	1,227,000	(1,263,000)	3,000
	<u>40,146,000</u>	<u>(37,611,000)</u>	<u>4,200,000</u>	<u>(4,319,000)</u>	<u>2,416,000</u>

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The Group

	Spot assets HK\$'000	Spot liabilities HK\$'000	Forward purchases HK\$'000	Forward sales HK\$'000	Net long positions HK\$'000
US Dollars	32,658,000	(30,163,000)	2,520,000	(2,550,000)	2,465,000
Pound Sterling	1,773,000	(1,731,000)	68,000	(73,000)	37,000
Japanese Yen	512,000	(528,000)	89,000	(72,000)	1,000
Other currencies and gold	4,639,000	(4,591,000)	668,000	(712,000)	4,000
	<u>39,582,000</u>	<u>(37,013,000)</u>	<u>3,345,000</u>	<u>(3,407,000)</u>	<u>2,507,000</u>

The Bank

	Spot assets HK\$'000	Spot liabilities HK\$'000	Forward purchases HK\$'000	Forward sales HK\$'000	Net long positions HK\$'000
US Dollars	32,654,000	(30,163,000)	2,520,000	(2,550,000)	2,461,000
Pound Sterling	1,773,000	(1,731,000)	68,000	(73,000)	37,000
Japanese Yen	512,000	(528,000)	89,000	(72,000)	1,000
Other currencies and gold	4,637,000	(4,591,000)	668,000	(712,000)	2,000
	<u>39,576,000</u>	<u>(37,013,000)</u>	<u>3,345,000</u>	<u>(3,407,000)</u>	<u>2,501,000</u>