

Notes to the Consolidated Financial Statements

綜合財務報表附註

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

Significant Accounting Policies

(a) Statement of compliance

These financial statements have been prepared in accordance with the applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and the applicable requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the financial statements

The consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”).

The functional currency of the major entities in the Group is RMB, the currency of the primary economic environment in which the respective entities in the Group operate. For the convenience of the consolidated financial statements users, the consolidated financial statements are presented in Hong Kong dollars.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- (i) investment properties;
- (ii) investments in debt and equity securities classified as available-for-sale;
- (iii) investments in debt and equity securities held for trading;
- (iv) policyholder account assets in respect of unit-linked products; and
- (v) investment contract liabilities.

1 主要會計政策／會計政策改變／重列

主要會計政策

(a) 遵例聲明

本財務報表已按照香港會計師公會頒布的適用《香港財務報告準則》(其統稱已包括個別適用的《香港財務報告準則》、《香港會計準則》及詮釋)編製，並符合適用的香港《公司條例》之規定。此外，本綜合財務報表亦符合《香港聯合交易所有限公司證券上市規則》有關的披露規定。以下是本集團採用的主要會計政策概要。

(b) 財務報表的編製基準

綜合財務報表包括本公司及其附屬公司(合稱為「本集團」)。

本集團內主要實體公司的功能貨幣為人民幣，功能貨幣為本集團有關實體公司經營的主要經濟環境內通行的貨幣。為方便綜合財務報表使用者，本綜合財務報表以港幣呈列。

除以下資產及負債是以公允價值列賬外，本財務報表是以歷史成本作為編製基準。有關詳情載列於下列會計政策：

- (i) 投資物業；
- (ii) 歸類為可供出售的債務及股本證券投資；
- (iii) 持有作交易用途的債務及股本證券投資；
- (iv) 有關投資連結產品之保單持有人資產；及
- (v) 投資合約負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(b) Basis of preparation of the financial statements (Continued)

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 48.

(c) Classification of contracts

(i) Insurance contracts

Contracts under which the Group accepts significant insurance risk from another party ("the policyholder") by agreeing to compensate the policyholder or other beneficiary if a specified uncertain future event ("the insured event") adversely affects the policyholder or other beneficiary are classified as insurance contracts. Insurance risk is risk other than financial risk that is transferred from the holder of a contract to the issuer. Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party of the contract.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(b) 財務報表的編製基準 (續)

按《香港財務報告準則》之要求，在編製財務報表時，管理層須作判斷、估計及假設從而影響政策實施及資產、負債、收入及支出之呈報金額。有關估計及假設乃按在既定情況下可合理地相信，根據過往之經驗及其他因素，作出判斷那些未能從其他來源確定的資產及負債的賬面值。實際結果可能與此等估計不盡相同。

有關估計及假設須不斷檢討。若修訂只影響該修訂期，會計估計的修訂於該修訂期內確認；或如該修訂影響本期及未來會計期，則於修訂期及未來會計期確認。

在附註48內，已載有管理層估計《香港財務報告準則》對下年度的財務報表及估計有重大影響引致可能產生重大的調整風險。

(c) 合約分類

(i) 保險合約

倘將來特定的不確定事件（「承保事件」）對另一方（「保單持有人」）有不利影響，而本集團透過合約接受來自該保單持有人或受益人的重大保險風險並同意賠償該保單持有人或受益人，該等合約歸類為保險合約。保險風險為由合約持有人轉移至發行人的財務風險以外之風險。財務風險指特定利率、證券價格、商品價格、匯率、價格或利率指數、信貸評級或信貸指數或其他變量等等的其中一項或多項將來可能出現變動的風險，惟倘為非財務變量，則並非專門針對合約的某一訂約方。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
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1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(c) Classification of contracts (Continued)

(i) Insurance contracts (Continued)

Insurance risk is significant if, and only if, an insured event could cause the Group to pay significant additional benefits. Once a contract is classified as an insurance contract it remains classified as an insurance contract until all rights and obligations are extinguished or have expired.

Some contracts of the Group have both the insurance and investment components. These contracts are required to be unbundled into the respective components as set out in note 1(d)(ix).

(ii) Investment contracts

Insurance policies that are not considered insurance contracts under HKFRS4 are classified as investment contracts, which are accounted for under HKAS 39.

(d) Recognition and measurement of contracts

(i) Recognition of gross premiums written

Gross premiums written in respect of life insurance contracts are recognized as revenue when due from the policyholders. Gross premiums written from short-term accident and health insurance contracts are recognized when written.

Gross premiums written in respect of property and casualty insurance contracts are recognized as revenue when the amount is determined, which is generally when the risk commences.

Gross premiums written in respect of reinsurance contracts reflect business written during the year, and exclude any taxes or duties based on premiums. Premiums written include estimates for "pipeline" premiums and adjustments to estimates of premiums written in previous years.

Gross premiums written in respect of investment contracts and the investment component of unbundled contracts are accounted for as deposits and booked directly to a liability account.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(c) 合約分類 (續)

(i) 保險合約 (續)

當且僅當承保事件可能引致本集團賠付重大額外利益時，保險風險乃屬重大。一旦合約歸類為保險合約，在全部權利及義務獲解除或屆滿前，其將一直歸類為保險合約。

本集團一些合約包含保險及投資部份。這些合約需要按附註1(d)(ix)分拆有關部份。

(ii) 投資合約

根據香港財務報告準則第4號而不被視為保險合約之保單歸類為投資合約，並根據香港會計準則第39號列賬。

(d) 合約確認及計量

(i) 毛承保保費之確認

有關人壽保險合約的毛承保保費，於應收保單持有人時確認為收入。短期意外及健康險合約的毛承保保費，於承保時記入。

有關財產保險合約的毛承保保費於數額釐定後確認為收入，一般為風險開始時。

有關再保險合約的毛承保保費可反映年內已承保的保險業務，並經扣除任何保費稅項或稅務。承保保費包括「在途」保費估計及對過往年度承保保費估計作出的調整。

有關投資合約及已分拆合約的投資部份之毛承保保費按存款計入並直接於負債賬項入賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(ii) Life insurance contract liabilities

Life insurance contract liabilities, other than universal life and unit-linked insurance contracts, are determined using a gross premium approach plus a residual margin. Under the gross premium approach, the assumptions used in the actuarial valuation of life insurance contract liabilities reflect the management's assessment of the expected best estimate of future policy cash flows subject to market based allowance for risk. The residual margin is estimated so that, after considering the effects of acquisition costs related to the acquisition of new business, including but not limited to commissions, underwriting, marketing and policy issue expenses, no gain or loss will be recognized on the initial recognition of the life insurance contract. Profits are expected to emerge over the life of the insurance contracts as the residual margins are released over the life of the contracts in proportion to insurance policies in force and allowance for risk is released.

(iii) Unearned premium provisions

The unearned premium provisions comprise the proportion of gross premiums written which is estimated to be earned in the following or subsequent financial years, computed on a time-apportioned basis, adjusted if necessary to reflect any variation in the incidence of risk during the period covered by the contract.

(iv) Provision for outstanding claims

Provision for outstanding claims comprises provision for the Group's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period whether reported or not, and related internal and external claims handling expenses and an appropriate prudential margin. Provision for outstanding claims is assessed by reviewing individual claims and making allowance for claims incurred but not yet reported, the effect of both internal and external foreseeable events, such as changes in claims handling procedures, inflation, judicial trends, legislative changes and past experience and trends. Adjustments to claims provisions established in prior years are reflected in the consolidated financial statements for the year in which the adjustments are made and disclosed separately if material. The methods used, and the estimates made, are reviewed regularly.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(ii) 壽險合約負債

除萬能壽險及投資連結保險合約以外的壽險合約負債乃以毛承保保費計算法加上剩餘價差釐定。根據毛承保保費計算法，壽險合約負債精算估值之假設是反映管理層對未來保單現金流量所作出之預期最佳估計，以及按市場基準提撥風險準備。剩餘價差已考慮到獲得新業務的相關成本，包括但不限於佣金、承保、市場推廣及簽發保單之費用後，不會於首次確認壽險合約時確認任何損益估計。當剩餘價差在保單期內按有效保單及風險準備釋放之比例釋放，溢利預計將會在保險合約期內顯現。

(iii) 未到期責任準備金

未到期責任準備金包括毛承保保費中估計將於下個或其後財政年度賺取的部份，按時間劃分進行計算，如有必要，可予以調整，以反映合約承保期內風險產生的任何變動。

(iv) 未決賠款準備

未決賠款準備包括就本集團於報告期末已產生但尚未支付 (不論是否已申報) 的全部賠款最終結算成本所估計作出的準備，及相關內部及外部賠款處理費用以及合適的保守利潤。評估未決賠款準備時，需對個別賠款進行審核，並對已發生但尚未申報的賠款、內部及外部可預見事件 (如賠款處理程序變動、通脹、司法趨勢、立法變動及過往經驗及趨勢等) 的影響提撥準備。對於過往年度賠款準備作出的調整載於作出該等調整年度的綜合財務報表，如屬重大，須分開披露。所採用的方法及所作估計會定期檢討。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(v) Liability adequacy test

At the end of each reporting period, liability adequacy tests are performed to determine if the life insurance contract liabilities are adequate. Current best estimates of all future contractual cash flows and related expenses, such as claims handling expenses, and investment income from assets backing the life insurance contract liabilities are used in performing these tests. Any deficiency is recognized in the income statement for the current year.

Provision is made for unexpired risks arising from property and casualty insurance contracts and reinsurance contracts where the expected value of claims and expenses attributable to the unexpired periods of policies in force at the end of the reporting period exceeds the unearned premium provisions in relation to such policies. The unexpired risk provision, which is included in provision for outstanding claims at the reporting date is calculated by reference to classes of business which are managed together, after taking into account the future investment return on investments held to back the unearned premium provisions and the unexpired risk provision.

(vi) Investment contracts liabilities

Investment contract liabilities of the Group include liabilities arising from investment contract that carry no significant insurance risk and also investment components of universal life contracts and unit-linked contracts that carry no significant insurance risk.

The liability of investment components of an unbundled universal life contract is measured at amortized cost using effective interest rate while the liability arising from unit-linked contract is measured at fair value. The liability for the insurance component is calculated as the excess, if positive, of a gross premium liability over the account value. The liabilities of the insurance component of universal life contracts and unit-linked contracts are minimal and accordingly, the entire contracts are classified as investment contracts.

Assets related to unit-linked contracts are presented as “policyholder account assets in respect of unit-linked products” and are presented separately from the rest of the Group’s assets.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(v) 負債充足性測試

於各報告期末，本集團均會進行負債充足性測試，以確定壽險責任負債是否充足。在進行該等測試時，將採用目前對例如賠款處理費用等所有將來的合約現金流及相關費用的當期最佳估計以及就壽險合約負債所持資產的投資收入。任何虧絀會於當年的損益表內確認。

倘於報告期末未到期的有效保單應佔賠款及開支的估計價值超過就相關保單作出的未到期責任準備金，則會就財產保險合約及再保險合約的未到期風險提撥準備。包含於報告日期之未決賠款準備內的未到期風險準備金，乃參照與其一并管理的業務種類，並經計及為進行未到期責任準備金及未到期風險準備金而持有投資的未來投資回報計算。

(vi) 投資合約負債

本集團的投資合約負債包括沒有附帶重大保險風險的投資合約及萬能壽險合約及投資連結合約的投資部份所產生之負債。

萬能壽險合約已分拆投資部份之負債按有效利率方法計算之攤銷成本計量，而投資連結合約之負債按公允價值計量。保險部份之負債，按毛承保保費責任超過賬值的部份計算(如屬正數)。由於萬能壽險合約及投資連結合約的保險部份之負債非常少，因此整份合約歸類為投資合約。

有關投資連結合約的資產以「有關投資連結產品之保單持有人賬戶資產」呈列，並與本集團其他資產分開呈列。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(vii) Policyholders' benefits

Policyholders' benefits include maturities, annuities, surrenders, claims and claims handling expenses, and policyholder dividend allocated in anticipation of a dividend declaration. Maturity and annuity claims are recognized as an expense when due for payment. Surrender claims are recognized when paid. Claims are recognized when notified but not settled and an estimate is made for claims incurred but not reported at the reporting date. Policyholder dividends are recognized when declared.

(viii) Embedded derivatives in insurance contracts

The Group has taken advantage of the exemptions available in HKFRS 4, Insurance Contracts, not to separate and fair value a policyholder's option to surrender an insurance contract for a fixed amount (or for an amount based on a fixed amount and an interest rate) even if the exercise price differs from the carrying amount of the host insurance liability.

(ix) Unbundling

The Group unbundles the investment component of insurance contracts when the Group can measure separately the investment component. Receipts and payments such as premiums, policy benefit and claims relating to the investment component, except for the policy fee income which is recognized in accordance with HKAS 18, are not recognized in the consolidated income statement but as financial assets and financial liabilities. The financial assets or financial liabilities arising from the investment component are accounted for under HKAS 39.

(x) Reinsurance

The Group cedes insurance/reinsurance in the normal course of business for the purpose of limiting its net loss potential through the diversification of its risks. Assets, liabilities, income and expense arising from ceded insurance/reinsurance contracts are presented separately from the assets, liabilities, income and expense arising from the related insurance contracts because the reinsurance arrangements do not relieve the Group from its direct obligations to its policyholders.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(vii) 保單持有人利益

保單持有人利益包括到期、年金、退保、賠款及賠款處理費用，以及按預期宣派及配發予保單持有人的紅利。到期及年金賠款於到期付款時確認為開支。退保賠款於支付時予以確認。賠款於獲通知但未支付時予以確認及已發生但於結算日尚未報告時以估算確認。保單持有人的紅利於宣派時確認。

(viii) 嵌入在保險合約的衍生工具

本集團利用香港財務報告準則第4號「保險合約」的豁免，即使保單持有人的保險合約定額退保選擇權（或基於定額及利率的數額）的行使價與主保險合約負債的賬面值有所差異，此退保選擇權無需與主保險合約負債分離及按公允價值調整。

(ix) 分拆

如投資部份可分開計量，本集團將分拆保險合約的投資部份。有關投資部份的收入及支出，如保費、保單利益及賠款，除保單費收入按香港會計準則第18號確認外，並不在綜合損益表內確認，而確認為金融資產及金融負債。來自投資部份的金融資產及金融負債按香港會計準則第39號計入。

(x) 再保險

本集團在日常業務過程中會分出保險／再保險以分散風險，以限制其潛在賠款淨額。來自已分出保險／再保險合約的資產、負債、收入及開支與有關保險合約的相關資產、負債、收入及開支分開呈列，原因為再保險安排並無解除本集團對保單持有人的直接責任。

Notes to the Consolidated Financial Statements (Continued)

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1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(d) Recognition and measurement of contracts (Continued)

(x) Reinsurance (Continued)

Only contracts that give rise to a significant transfer of insurance risk are accounted for as reinsurance contracts. Rights under contracts that do not transfer significant insurance risk are accounted for as financial instruments.

The benefits to which the Group is entitled under its reinsurance contracts held are recognized as reinsurance assets. These assets consist of balances due from reinsurers, as well as other receivables (classified as reinsurance assets) that are dependent on the expected claims and benefits arising under 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, which are recognized as an expense when due.

Amounts due/recoverable under reinsurance and the reinsurers' share of insurance contract provisions are assessed for impairment at end of each reporting period. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Group may not recover all amounts due and that the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurers. The impairment loss is calculated following the same method used for financial assets held at amortized cost and the carrying amount is reduced through the use of an allowance account similar to insurance receivables.

(xi) Commission

Commission include both amounts paid or payable to agents and brokers and amounts received or receivable from reinsurers. Commission expense is accounted for when paid or payable and therefore varies in line with insurance premiums written.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(d) 合約確認及計量 (續)

(x) 再保險 (續)

只有引致保險風險大部份轉移的合約，方可列作再保險合約。合約下並無轉移大部份保險風險的權利列作金融工具。

本集團依據持有的再保險合同而擁有的保險利益為再保險資產。這些資產包括取決於有關再保險合約之預期賠款及利益而引致的分保公司應收款及其他應收款(列為再保險資產)。分保公司的應收應付金額與有關再保險合同的約定金額一致並滿足再保險合同條款的規定。再保險負債主要是再保險合同的應付分保費，並在到期時確認為費用。

再保險應收／可收回款項及分保公司應佔保險合約準備均會於各報告期末進行減值評估。尚有客觀證據顯示，於該資產初次被確認後發生了一些事件，令本集團不可收回全部到期款項以及該事件可對本集團從分保公司收取的金額造成可靠地計量的影響。減值是按攤銷成本持有之金融資產所採用之相同方法計算，其賬面值透過準備賬沖減，與保險應收賬款相似。

(xi) 佣金

佣金包括應付或已付代理及經紀之金額及應收或已收再保險商之金額。佣金支出於支付或應付時計入。因此，計入方法會隨承保保費的種類而有所不同。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(e) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year, except those acquired under common control combinations for which merger accounting method is used, are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Prior to 1 January 2010, losses applicable to the non-controlling interests in excess of the non-controlling interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(e) 綜合基準

綜合財務報表包括本公司及本公司所控制之實體(其附屬公司)之財務報表。控制是指本公司有權掌管該實體之財務及營運政策，從而受惠於其經營活動。

本年度所購入或出售的附屬公司之業績，除共同控制合併者使用合併會計法外，均自有效收購日期起計及至有效出售日期止(視情況而定)並包含於綜合損益表內。

如有需要，將會對附屬公司之財務報表作出調整，以使其會計政策與本集團其他成員公司採用之會計政策一致。

所有集團內部交易、結餘、收益及開支已於編製綜合賬目時抵銷。

附屬公司的非控股股東權益與本集團當中的權益分開呈列。

分配全面收益總額予非控股股東權益

附屬公司的全面收益及開支總額歸於本公司股東權益及非控股股東權益，即使此舉會導致非控股股東權益出現虧絀結餘。於二零一零年一月一日前，非控股股東權益之虧損超過非控股股東應佔附屬公司權益之虧損計入本集團之權益內，除非非控股股東受具約束力之責任所規限並且有能力作出額外投資彌補虧損則除外。

本集團於現有附屬公司擁有權之變動

本集團於附屬公司擁有權出現並無導致本集團失去該等附屬公司的控制權之變動，均以權益交易入賬。本集團之權益與非控股股東權益之賬面值均予以調整，以反映彼等於附屬公司之相關權益的變動。非控股股東權益所調整之款額與所付或所收代價之公允價值兩者之間的差額，均直接於權益確認並歸屬於本公司股東。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(e) Basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(o)). The results of subsidiaries are accounted for by the Company on the basis of dividends received or receivable.

(f) Associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investments in associates are initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associates. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(e) 綜合基準 (續)

倘本集團失去附屬公司控制權，出售產生之損益按(i)所收代價之公允價值及任何保留權益之公允價值與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股股東權益兩者之間的差額計算。倘附屬公司之若干資產乃按重估金額或公允價值計量，而相關累計損益已於其他全面收益中確認並累計入權益中，則先前於其他全面收益確認並累計入權益之款額，會按猶如本公司已直接出售相關資產入賬(即重新分類至損益或直接轉撥至保留溢利)。於失去控制權當日在前附屬公司保留的任何投資之公允價值，會根據香港會計準則第39號財務工具：確認及計量在其後入賬時被列作首次確認之公允價值，或(如適用)首次確認投資聯營公司或共同控制實體之成本。

在本公司的財務狀況表中，附屬公司投資是以成本減去減值(參看附註1(o))列賬。本公司把附屬公司之業績按已收及應收股息入賬。

(f) 聯營公司

聯營公司為本集團可行使重大影響力的實體，但並非附屬公司或於合營企業的權益。重大影響乃指參與投資對象之財務及經營政策決策但非控制或共同控制投資對象之權力。

聯營公司之業績與資產及負債，乃按權益會計法列入本綜合財務報表，惟若該項投資分類為持有作出售者除外，在該等情況下，則按香港財務報告準則第5號持有作出售之非流動資產及終止業務處理。根據權益法，於聯營公司之投資初步在綜合財務狀況表按成本確認，並於其後就確認本集團應佔該聯營公司之損益及其他全面收益而作出調整。當本集團應佔一間聯營公司虧損超出本集團於該聯營公司之權益時(包括任何實際上構成本集團於聯營公司投資淨值其中部份之長遠權益)，本集團會終止確認其應佔之進一步虧損。當本集團產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(f) Associates (Continued)

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

From 1 January 2010 onwards, upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with HKAS 39. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(f) 聯營公司 (續)

收購成本超出本集團於收購當日分佔有關共同控制實體可予識別資產、負債及或然負債公允淨值之差額，確認為商譽。有關商譽計入投資賬面值。

本集團應佔可識別資產、負債及或然負債之公允淨值超出收購成本之差額，於重新評估後隨即於損益確認。

香港會計準則第39號之規定予以應用，以釐定是否需要就本集團於聯營公司之投資確認任何減值。於需要時，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號 *資產減值* 以單一資產的方式進行減值測試，方法是比較其可收回金額(即使用價值與公允價值減出售成本之較高者)與賬面值。任何已確認之減值構成該項投資之賬面值的一部份，有關減值之任何撥回乃於該項投資之可收回金額其後增加之情況根據香港會計準則第36號確認。

由二零一零年一月一日起，若出售聯營公司會導致本集團失去對該聯營公司之重大影響力，則任何保留之投資會按當日之公允價值計量，並以其根據香港會計準則第39號首次確認為金融資產之公允價值作其公允價值。先前保留權益應佔聯營公司賬面值與其公允價值之間的差額，乃計入出售該聯營公司之損益。此外，本集團會將先前在其他全面收益就該聯營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債的基準相同。因此，若該聯營公司先前已認列於其他全面收益之損益，則會於出售相關資產或負債時重新分類至損益，當本集團失去對該聯營公司之重大影響力時，本集團將收益或虧損由權益重新分類至損益(作為重新分類調整)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(f) Associates (Continued)

When a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

In the Company's statement of financial position, its investments in associates are stated at cost less impairment losses (see note 1(o)). The results of associates are accounted for by the Company on the basis of dividends received or receivable.

(g) Business combinations and goodwill

(i) Business combinations

Business combinations that took place prior to 1 January 2010

The acquisition of business is accounted for using the purchase method except for acquisition of business under common control which will apply the merger accounting method mentioned in (ii). The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the relevant conditions for recognition are recognized at their fair values at the acquisition date.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in income statement.

The non-controlling interest in the acquiree is initially measured at the non-controlling interest's proportionate share of the recognized amounts of the assets, liabilities and contingent liabilities of the acquiree.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(f) 聯營公司 (續)

倘一集團實體與其聯營公司交易，與該聯營公司交易所產生之損益只會在有關聯營公司之權益與本集團無關的情況下，才會在本集團之綜合財務報表確認。

本公司財務狀況表所示於聯營公司的投資，是按成本減去減值入賬（參看附註1(o)）。本公司將聯營公司之業績按已收及應收股息入賬。

(g) 業務合併及商譽

(i) 業務合併

於二零一零年一月一日前進行之業務合併

收購業務乃採用收購法入賬，除收購共同控制之業務則使用(ii)所提及之合併會計法。收購成本按交換當日所給予之資產、所產生或需承擔之負債以及本集團為控制被收購公司而所發行股本工具之總公允價值，加上業務合併直接應佔之任何成本計量。符合相關確認條件之被收購公司的可識別資產、負債及或然負債，均按收購當日之公允價值確認。

收購所產生之商譽被確認為資產及最初按成本計算，確認以業務合併成本超出本集團應佔之可識別資產、負債及或然負債之公允價值數額。在作出重估後，如本集團所攤佔之可識別資產、負債及或然負債之公允價值淨額超出業務合併成本之數額，超出部份即時於損益表中確認。

被收購者之非控股股東權益最初按非控股股東所佔於購入日的已確認資產、負債及或然負債之公允價值淨額比例計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(i) Business combinations (Continued)

Business combinations that took place prior to 1 January 2010 (Continued)

Contingent consideration is recognized, if and only if, the contingent consideration is probable and could be measured reliably. Subsequent adjustments to contingent consideration are recognized against the cost of the acquisition.

Business combinations achieved in stages are accounted for as separate steps. Goodwill is determined at each step. Any additional acquisition do not affect the previously recognized goodwill.

Business combinations that took place on or after 1 January 2010

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Noncurrent Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(i) 業務合併 (續)

於二零一零年一月一日前進行之業務合併 (續)

或然代價倘及僅會於有可能發生及能夠可靠估計情況下方會確認。往後調整或然代價會確認於收購成本。

以分階段型式進行之業務合併按每階段分別入賬。商譽於每階段分別確定。任何新增收購均不會影響以往已確認之商譽。

於二零一零年一月一日或之後進行之業務合併

收購業務採用收購法入賬。業務合併之收購代價按公允價值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方之控制權發行之股權之總額。有關收購之費用於產生時確認於損益中。

所收購之可識別資產及所承擔之負債乃於收購日按公允價值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排所產生之資產或負債分別按香港會計準則第12號 *所得稅* 及第19號 *僱員福利* 確認及計量；
- 與被收購方以股份為基礎之付款支出交易有關或以本集團以股份為基礎之付款支出交易取代被收購方以股份為基礎之付款支出交易有關之負債及權益工具，乃於收購日期按香港財務報告準則第2號 *以股份為本之付款* 計量；及
- 根據香港財務報告準則第5號 *持有作出售之非流動資產及終止業務* 分類為持有作出售之資產 (或出售組別) 根據該準則計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(i) Business combinations (Continued)

Business combinations that took place on or after 1 January 2010 (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or another measurement basis required by another Standard.

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(i) 業務合併 (續)

於二零一零年一月一日或之後進行之業務合併 (續)

商譽是以所轉撥之代價、非控股權益於被收購方中所佔金額、及收購方以往持有之被收購方股權之公允價值 (如有) 之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。倘經過評估後，所收購之可識別淨資產與所承擔負債於收購日期之淨額高於轉撥之代價、非控股權益於被收購方中所佔金額以及收購方以往持有之被收購方股權之公允價值 (如有) 之總和，則差額即時於損益內確認為廉價收購收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔實體淨資產之非控股權益，可初步按公允價值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公允價值或另一項準則規定之另一項計量基準計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公允價值計量並視為於業務合併中所轉撥之代價一部份。或然代價之公允價值變動 (如符合計量期間調整資格) 可回顧調整，並對商譽或廉價收購收益作出相應調整。計量期間調整為於計量期間就於收購日期存在之事實及情況獲得額外資訊而引致之調整。計量期間不超過收購日期起計一年內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(i) Business combinations (Continued)

Business combinations that took place on or after 1 January 2010 (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Changes in the value of the previously held equity interest recognized in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(i) 業務合併 (續)

於二零一零年一月一日或之後進行之業務合併 (續)

不符合計量期間調整資格之或然代價公允價值變動的隨後入帳，取決於或然代價如何劃分。劃分為權益之或然代價並無於隨後申報日期重新計量，而是隨後於權益內入帳。劃分為資產或負債之或然代價根據香港會計準則第39號或香港會計準則第37號撥備、或然負債及或然資產(如適用)於隨後申報日期重新計量，而相應之收益或虧損於損益中確認。

倘業務合併分階段完成，本集團先前持有被收購方權益重新計量至收購日期(即本集團獲得控制權當日)的公允價值，而所產生的收益或虧損(如有)於損益確認。在收購日前於其他全面收益中確認來自被收購方權益之金額，在權益出售時重新分類至損益。

先前持有的股權之價值變動於其他全面收益中確認及於收購日期前累計於權益，而該價值變動於本集團獲得收購方的控制權時重新劃分至損益。

倘於合併產生之報告期間結算日仍未完成業務合併之初步會計處理，本集團則就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，或確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(ii) Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling parties' perspective. No amount is recognized in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated income statement includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the previous reporting period or when they first came under common control, whichever is shorter.

Application of merger accounting for the acquisition of MAH

Prior to 30 July 2009, the Company held 3.54% equity interest in MAH indirectly through its subsidiary. On 30 July 2009, the Company completed an acquisition of a 47.8% equity interest in MAH from TPG (HK). Because MAH and the Company were both under the common control of TPG (HK) before and after the acquisitions, the Group has applied Accounting Guideline No. 5 "Merger Accounting for Common Control Combinations". Under these principles of merger accounting, the acquisition of MAH is accounted for as though the business of MAH has always been carried out by the Group. The consolidated financial statements are prepared as if the current group structure had been in existence throughout the periods presented. The consolidated income statement includes the results of MAH from the earliest date presented, taking into account the profit or loss attributable to the non-controlling interest recorded in the consolidated financial statements of TPG (HK).

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(ii) 涉及受共同控制實體的業務合併之合併會計法

綜合財務報表包括共同控制合併的合併實體或業務之財務報表，猶如自該等合併實體或業務首次受控制方控制當日起已經合併一般。

合併實體或業務的資產淨值乃按控制方的現有賬面值進行合併。在控制方持續擁有權益的條件下，共同控制合併時並無就商譽或於被收購公司的可識別資產、負債及或然負債的公允淨值高出成本的部份確認任何金額。

綜合損益表包括自最早呈列日期起或自該等合併實體或業務首次受共同控制日期起以期限較短者為準(不論共同控制合併的日期)的業績。

綜合財務報表的比較金額乃按猶如該等實體或業務於先前報告期或當該等實體或業務首次受共同控制時已合併的方式呈列(以較短者為準)。

對收購民安控股採用合併會計法

於二零零九年七月三十日前，本集團透過其附屬公司間接持有3.54%民安控股權益。於二零零九年七月三十日，中國太平控股完成從中國太平集團(香港)購入民安控股47.8%股本權益。由於在此購入前及購入後，民安控股及本公司均共同受到中國太平集團(香港)之控制，本集團應用會計指引第5號「共同控制合併之合併會計處理」。按該等合併會計原則對購入民安控股進行會計處理，猶如民安控股之業務一直由本集團經營。綜合財務報表乃按現行之集團架構一直存在於呈列之往前期間而編製。綜合損益表包括民安控股於最早日期呈列之業績。非控股股東權益應佔之損益，經計及於中國太平集團(香港)綜合損益表內之非控股股東應佔損益後重列。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

- (ii) Merger accounting for business combination involving entities under common control (Continued)

Application of merger accounting for the acquisition of MAH (Continued)

In November 2009, the Company acquired the remaining 48.66% equity interest of MAH held by non-controlling interest. MAH became a wholly owned subsidiary of the Company since then. The acquisition of additional interest in MAH was accounted for using the accounting policy for changes in the Group's ownership interests in existing subsidiaries set out in note 1(e).

An uniform set of accounting policies is adopted by the Group. The Group recognizes the assets, liabilities and equity of MAH at the carrying amounts in the consolidated financial statements of TPG (HK) prior to the purchase of MAH. The excess of consideration over carrying value at the time of combination is treated as a merger reserve in equity.

- (iii) Acquisition of additional interest in subsidiaries

On acquisition of additional interest in subsidiaries, the difference between the cost of additional interest acquired and the decrease in the carrying amount of the non-controlling interest are recorded in capital reserves.

- (iv) Goodwill

Goodwill arising on an acquisition of net assets and operations of another entity is carried at cost less any accumulated impairment losses and is presented separately in the consolidated statement of financial position.

1 主要會計政策／會計政策改變／ 重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

- (ii) 涉及受共同控制實體的業務合併之合併會計法 (續)

對收購民安控股採用合併會計法 (續)

於二零零九年十一月，本公司購入由非控股股東持有餘下之48.66%民安控股權益。此後，民安控股成為本公司之全資附屬公司。購入民安控股額外之權益，根據載列於附註1(e)有關本集團於現有附屬公司擁有權之變動的會計政策計入。

本集團採納統一的會計政策。本集團以民安控股於被收購前民安控股在中國太平集團(香港)綜合財務報表內的賬面值，確認其資產、負債及權益。在合併時購入價高於賬面值的部份，將於權益賬內列為合併儲備。

- (iii) 購入附屬公司額外權益

於購入附屬公司額外權益時，購入額外權益的成本及非控股股東權益賬面值減少之差異於資本儲備中錄入。

- (iv) 商譽

收購其他公司淨資產及業務所產生之商譽，按成本減任何累計減值列賬及於綜合財務狀況表分開呈列。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(g) Business combinations and goodwill (Continued)

(iv) Goodwill (Continued)

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalized is included in the determination of the amount of profit or loss on disposal.

(v) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognized separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see note 1 (o)).

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(g) 業務合併及商譽 (續)

(iv) 商譽 (續)

就減值測試而言，收購所產生之商譽分配至預期受惠於收購所產生協同效益之有關現金產生單位或一組現金產生單位。獲分配商譽之現金產生單位會每年及當有跡象顯示該單位可能出現減值時進行減值測試。就因收購產生商譽之財政年度而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值會先用作減低任何分配至該單位之商譽賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。商譽減值直接於損益確認。商譽減值並不會於往後期間撥回。

於出售有關現金產生單位時，釐定出售所得損益包括已撥充資本化商譽應佔金額。

(v) 業務合併所獲得的無形資產

倘於業務合併收購之無形資產符合無形資產之定義，且其公允價值能可靠計量，則會予以識別及與商譽分開確認。該等無形資產之成本為於收購當日之公允價值。

於初次確認後，具有無限使用年期之無形資產可按成本減任何其後累計減值列賬 (參看附註1(o))。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(h) Investments in debt and equity securities

Investments in debt and equity securities are initially measured at fair value, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Attributable transaction costs are included in the fair value, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

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

Financial assets at fair value through profit or loss has two subcategories, including financial assets held-for-trading and those designated as at fair value through profit or loss on initial recognition.

A financial asset is classified as held for trading if:

- (1) it has been acquired principally for the purpose of selling in the near future; or
- (2) it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- (3) it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- (1) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- (2) the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- (3) it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(h) 債務及股本證券投資

債務及股本證券之投資初步按公允價值列賬。公允價值即其交易價，除非可以用估值技巧(其變數僅包括可觀察市場之數據)更可靠地估計其公允價值。應計交易成本包括在公允價值內，惟下文所指定者除外。該等投資其後按下列方式列賬，惟需視乎其類別而定：

(i) 通過損益以反映公允價值的金融資產

通過損益以反映公允價值的金融資產細分為兩類，包括持有作交易用途及於初始確認時被指定為通過損益以反映公允價值之金融資產。

金融資產被撥歸為持有作交易用途，如：

- (1) 收購之主要目的為於短期內出售；或
- (2) 屬本集團一併管理的已識別金融工具組合的一部份，並且具近期有實際短期套利模式；或
- (3) 其為不指定及有效作為對沖工具之衍生工具。

除持有作交易用途的金融資產外，金融資產可能於初次確認被確認為通過損益以反映公允價值，如：

- (1) 按該訂值可以消除或大幅減少計量或確認出現的不一致的情況；或
- (2) 金融資產構成一組金融資產、金融負債或一組金融資產及負債，根據本集團明文規定的風險管理或投資策略，按公允價值基準管理及評估表現，而內部亦根據該基準呈報該組金融工具的資訊；或
- (3) 其組成內含一種或多種嵌入式衍生工具，而香港會計準則第39號允許整份合併合約(資產或負債)劃分為通過損益以反映公允價值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(h) Investments in debt and equity securities (Continued)

(i) Financial assets at fair value through profit or loss (Continued)

At the end of each reporting period subsequent to initial recognition, financial assets held for trading are measured at fair value, with changes in fair value recognized directly in profit or loss in the period in which they arise. The net gain or loss recognized in profit or loss excludes any dividend or interest earned on the financial assets and is included in the net unrealized investment gains/(losses) in the consolidated income statement.

(ii) Held-to-maturity securities

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated in the statement of financial position at amortized cost using effective interest method less impairment losses (see note 1(o)).

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At end of each reporting period subsequent to initial recognition, loans and receivables are carried at amortized cost using the effective interest method, less any identified impairment losses (see note 1(o)).

(iv) Available-for-sale securities

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognized directly in other comprehensive income and accumulated in fair value reserve, except for foreign exchange gains and losses resulting from changes in the amortized cost of monetary items such as debt securities which are recognized directly in the income statement. Where these investments are interest-bearing, interest calculated using the effective interest method is recognized in the income statement and included in "net investment income". When these investments are derecognized or impaired (see note 1(o)), the cumulative gain or loss previously accumulated in the fair value reserve is reclassified to income statement.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(h) 債務及股本證券投資 (續)

(i) 通過損益以反映公允價值的金融資產 (續)

於首次確認後之每個報告期末，持有作交易用途的金融資產乃按公允價值計量，而公允價值之變動則於產生期間直接於損益表確認。於損益表確認之收益或虧損淨額(不包括任何股息或於金融資產賺取之利息)，是包含於綜合損益表內之未實現投資收益/(虧損)。

(ii) 持有至到期證券

本集團及／或本公司有肯定能力及意向持有至到期的有期債務證券，歸類為持有至到期證券。持有至到期證券按有效利率計算的已攤銷成本減任何減值後記入財務狀況表(參看附註1(o))。

(iii) 貸款及應收款項

貸款及應收款項為附帶固定或可確定金額付款之非衍生金融資產，該等資產並非在交投活躍之市場掛牌。於首次確認後之每個報告期末，貸款及應收款項乃採用有效利率法按攤銷成本減任何已確定之減值後列賬(參看附註1(o))。

(iv) 可供出售證券

未有分類為以上類別的證券投資，歸類為可供出售證券。於每個報告期末重新計算其公允價值，任何收益或虧損，直接於其他全面收益內確認及累計於公允價值儲備，但貨幣項目如債務證券的攤銷成本變化之外匯收益及虧損則直接在損益表內確認。如是帶息投資，利息按有效利率方法計算並確認在損益表內及包括於「投資收入淨額」內。當投資被終止確認或減值時(參看附註1(o))，過往累計於公允價值儲備之收益或虧損，重新分類至損益表。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(h) Investments in debt and equity securities (Continued)

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognized in the statement of financial position at cost less impairment losses (see note 1(o)).

All regular way purchases or sales of investments in debt and equity securities are recognized and derecognized on a trade date basis.

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount of the financial asset on initial recognition.

(i) Sales and repurchase/purchases and resale agreements

Securities sold under repurchase agreements represent short-term financing arrangements secured by the securities sold. The securities remain on the statement of financial position and a liability is recorded in respect of the consideration received. Interest is calculated based upon the effective interest method. The “securities sold under repurchase agreements” liabilities are carried in the statement of financial position at amortized cost. Conversely, securities purchased under resale agreements represent short-term lending arrangements secured by the securities purchased. The securities purchased are not recognized as financial assets on the statement of financial position and the consideration paid is recorded as “securities purchased under resale agreements” and carried in the statement of financial position at amortized cost. Interest is calculated using the effective interest method.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(h) 債務及股本證券投資 (續)

沒有活躍市場報價及其公允價值不能可靠地計量的股本證券投資，按成本減去減值後確認在財務狀況表內（參看附註1(o)）。

所有一般買賣之債務及股本證券投資皆以交易日基準確認及終止確認。

有效利率法乃計算金融資產之已攤銷成本及於相關期間攤分利息收入之方法。有效利率指按金融資產之預期可使用年期或較短期間內（如適用）實際折現估計未來現金收入（包括組成有效利率、交易成本及其他溢價或折價主要部份之已付或收到之全部費用）至金融資產初始確認時的賬面淨值之利率。

(i) 賣出回購／購入返售合約

賣出回購證券指以所出售的證券作抵押之短期財務安排。該等證券仍留在財務狀況表，並就所收取之代價記錄為負債。利息乃按有效利率方法計算。賣出回購證券負債是按已攤銷成本記入財務狀況表。相反，買入返售證券指以所購買的證券作抵押之短期借貸安排。該等證券不會於財務狀況表確認為金融資產，而已支付的代價會記入「買入返售證券」，並按已攤銷成本記入財務狀況表。利息乃按有效利率方法計算。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(j) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

Investment properties are stated in the statement of financial position at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognized in the income statement. Rental income from investment properties is accounted for as described in note 1(v)(iv).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it was held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases.

(k) Property and equipment

Property and equipment including buildings and leasehold land (classified as finance leases) held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less subsequent accumulated depreciation and impairment losses (see note 1(o)).

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in the income statement on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Land and buildings are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Other fixed assets 3 – 6 years

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(j) 投資物業

土地及／或房屋若持有或以租約業權擁有，目的為賺取租金及／或實現資本增值為目的，列為投資物業。投資物業包括未明確日後用途之土地。

投資物業是以公允價值於財務狀況表列示。因公允價值變動或報廢或出售而產生的損益在損益表內確認。投資物業租金收入按附註1(v)(iv)所述計算。

集團是根據個別情況，把以經營租賃方式持有用作租金收入或資本增值(或二者皆是)的物業權益分類為投資物業。任何已歸類為投資物業的物業權益，當作持有融資租賃入賬。其他根據融資租賃租出的投資物業，採用同一會計政策入賬。

(k) 物業及設備

物業及設備包括持有用於生產或提供貨物或服務，或用於行政用途之樓宇及租賃土地(分類為融資租賃)，乃按成本減後續累計折舊及累計減值列賬(參看附註1(o))。

由報廢或出售物業及設備項目收益或虧損是按出售所得淨額與項目賬面金額之間的差額釐定，並於報廢或出售日在損益表內確認。

物業及設備折舊是根據下列分類，按預計可使用年期以直線法沖銷其成本，減去其估計剩餘價值，如有：

- 土地及樓宇按尚餘租賃期及其估計可使用年期(以較短者為準)計提折舊，即於完成日期後不多於五十年。
- 其他固定資產 三至六年

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(k) Property and equipment (Continued)

Where parts of an item of property and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

If an item of property and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognized in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to retained profits.

(l) Prepaid lease payments and buildings under construction

When the leasehold land and buildings are in the course of development for production or for administrative purposes, the leasehold land component classified as an operating lease is classified as a prepaid lease payment and amortized over a straight-line basis over the lease term. The amortization is charged to income statement before the commencement of the construction. During the construction period, the amortization charge provided for the leasehold land is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

(m) Insurance debtors, other debtors and amounts due from group companies

Insurance debtors, other debtors and amounts due from group companies are initially recognized at fair value and thereafter stated at amortized cost using effective interest method less allowance for impairment (see note 1(o)), except where the receivables are interest-free or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(k) 物業及設備 (續)

倘某物業及設備項目之部份有不同可使用年期，該項目之成本須在各部份間按合理基準釐定，而各部份須分別計提折舊。資產及其剩餘價值之可使用年限(如有)，須每年檢討。

當物業及設備項目因業主不再自用，證明其用途改變而成為投資物業時，該項目於轉撥當日之賬面金額及公允價值間任何差額於其他全面收益確認及累計於物業重估儲備內。日後出售或報廢該資產時，物業重估儲備將直接轉入保留溢利。

(l) 預付租賃付款及發展中的樓宇

在發展中用以生產或行政用途的租賃土地及樓宇，其分類為經營租賃的租賃土地部份分類為預付租賃付款並以租賃年期以直線法攤銷。於開始興建前，攤銷計入損益表。於建築期內，租賃土地的攤銷則構成在建樓宇成本的一部份。在建樓宇按成本減去任何已識別減值後列賬。當樓宇可供使用始計算其折舊(即管理層認為其已具備有能力運作的狀態及所需條件)。

(m) 保險客戶應收賬款、其他應收賬款及應收集團內公司款項

保險客戶應收賬款、其他應收賬款及應收集團內公司款項在最初產生時以公允價值確認，其後按有效利率計算的已攤銷成本減去減值入賬(參看附註1(o))。然而，如應收賬款是無息或折算現值後的影響不大，則按成本減去減值入賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(n) Insurance creditors and amounts due to group companies

Insurance creditors and amounts due to group companies are initially recognized at fair value and thereafter stated at amortized cost using effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liabilities, or, where appropriate, a shorter period to the net carrying amount of the liability on initial recognition.

(o) Impairment of assets

(i) Impairment of financial assets other than those at fair value through profit or loss

Financial assets other than those at fair value through profit or loss are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(n) 保險客戶應付賬款及應付集團內公司款項

保險客戶應付賬款及應付集團內公司款項在最初產生時以公允值確認，其後按有效利率計算已攤銷成本入賬。然而，如折算現值後的影響不大，則按成本入賬。

有效利率法乃計算金融負債之已攤銷成本及於相關期間分攤利息成本之方法。有效利率指按金融負債之預期可使用年期或較短期間內(如適用)實際折現估計未來現金付款至負債初始確認時的賬面淨值之利率。

(o) 資產減值

(i) 除通過損益以反映公允價值外之金融資產減值

除通過損益以反映公允價值外之金融資產於每年報告期末檢討，以釐定有否客觀證據可以證明需要減值。減值之客觀證據包括集團注意到以下一項或多項虧損事項之可觀察數據：

- 債務人有重大財務困難；
- 違反合約，如拖欠償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；及
- 股本工具投資之公允價值大幅或長期下跌至低於其成本值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(i) Impairment of financial assets other than those at fair value through profit or loss (Continued)

If any such evidence exists, any impairment loss is determined and recognized as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities are not reversed.
- For insurance and other debtors and other financial assets carried at amortized cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognized, the impairment loss is reversed through the income statement. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognized in prior years.

- For available-for-sale securities, the cumulative loss that has been recognized directly in other comprehensive income and accumulated in fair value reserve is removed from fair value reserve and is recognized in the income statement when the available-for-sale securities are disposed of or are determined to be impaired. The amount of the cumulative loss that is recognized in the income statement is the excess of the acquisition cost (net of any principal repayment and amortization) over the current fair value, less any impairment loss on that asset previously recognized in the income statement.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(i) 除通過損益以反映公允價值外之金融資產減值 (續)

如任何此等證據存在，任何減值根據下列方法釐定及確認：

- 就按成本列賬的無報價股本證券而言，如果折算現值的影響重大，減值將按金融資產的賬面值及估計未來現金流根據相同金融資產的現時市場回報率折算後，以兩者之差額計算。股本證券的減值並不會被撥回。
- 就按攤銷成本列賬的保險及其他應收賬款及其他金融資產而言，如果折算現值的影響重大，減值按金融資產的賬面值及以原有有效利率（即該資產在初始確認時計算之有效利率）估計未來現金流折算為現值，以兩者之差額計算。

若在較後期間，減值的金額減少而該減少是可客觀地與撇銷後發生的事件有關連，減值沖回損益表內。減值沖回損益表的金額不能超過假設該資產於往年從來未有確認減值的賬面值。

- 就可供出售證券而言，當可供出售證券被出售或確定已減值，已直接確認在其他全面收益及累計於公允價值儲備內的累積虧損將被剔除，並於損益表內確認。須於損益表內確認累積虧損之金額，是購入成本（減去任何本金償還及攤銷）超出現時公允價值之差額，再減去往年已於損益表內確認的減值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

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1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(i) Impairment of financial assets other than those at fair value through profit or loss (Continued)

Impairment losses recognized in the income statement in respect of available-for-sale equity securities are not reversed through the income statement. Any subsequent increase in the fair value of such assets is recognized directly in other comprehensive income and accumulated in fair value reserve.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognized. Reversals of impairment losses in such circumstances are recognized in the income statement.

- For certain categories of financial assets, such as insurance and other debtors, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of insurance and other debtors, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognized in income statement. When an insurance or other debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to income statement.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(i) 除通過損益以反映公允價值外之金融資產減值 (續)

有關可供出售股本證券的已確認減值是不能沖回損益表。其後該資產之公允價值增加須直接在其他全面收益內確認及累計於公允價值儲備。

就可供出售債務證券而言，如其後該資產之公允價值增加，而該增加是可客觀地與確認減值後發生的事件有關連，減值可沖回。在此情況下，沖回減值於損益表內確認。

- 就若干類別之金融資產（如保險及其他應收賬款）而言，並無個別被評估為已減值之資產隨後將按組合基準評估減值。應收款組合減值之客觀證據可包括本集團之過往收款經驗、組合內延遲還款至超逾平均信貸期之次數增加，以及與應收款逾期有關之國家或地方經濟狀況明顯改變。

除保險及其他應收賬款之賬面值通過計提撥備削減外，所有金融資產之賬面值均直接按減值予以削減。撥備賬面值之變動於損益表內確認。當一項保險客戶及其他應收款被認為不可收回，其將從撥備撇銷。隨後追回以前撇銷之款項計入損益表。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired:

- property and equipment;
- reinsurers' share of insurance contract provisions;
- investments in subsidiaries and associates;
- intangible asset; and
- goodwill.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible asset and goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

(i) Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

(ii) Recognition of impairment losses

An impairment loss is recognized in the income statement whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(ii) 其他資產減值

於各報告期末均會審閱內部及外部資料，以衡量下列資產有否出現減值：

- 物業及設備；
- 分保公司應佔保險合約準備；
- 附屬及聯營公司投資；
- 無形資產；及
- 商譽。

如任何此等徵兆存在，須估計該資產的可收回金額。此外，不論是否有任何減值迹象，每年亦會估計無形資產及商譽的可收回額。

(i) 計算可收回金額

資產的可收回金額以其公允價值減去銷售成本和使用價值兩者中的較高數額為準。在評估使用價值時，以除稅前折讓率將估計未來現金流量折讓至現值。該折讓率是反映市場當時所評估的貨幣時間價值和該資產的獨有風險。如果資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別(即現金產生單位)來釐定可收回金額。

(ii) 減值之確認

當資產或其所屬的現金生產單位的賬面值超過可收回金額時，須於損益表內確認減值。有關確認現金生產單位減值時，首先減低分配予現金生產單位(或其單位組別)之商譽賬面值，其後再按比例減低在該單位(或其單位組別)其他資產的賬面值，但該資產的賬面值不可低過其個別公允價值減出售成本或使用值(如可確定的話)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(o) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

(iii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(q) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between the amount initially recognized and redemption value being recognized in the income statement over the period of the borrowings using the effective interest method.

(r) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(o) 資產減值 (續)

(ii) 其他資產減值 (續)

(iii) 減值沖回

除商譽外的有關資產，如在用來釐定可收回金額的估計發生有利的變化，則減值會被沖回。商譽的減值不可沖回。

減值沖回只局限至該資產的賬面值，猶如從未於往年年度確認該等減值。減值沖回在被確認的年度計入損益表。

(p) 現金及現金等價物

現金及現金等價物包括銀行及庫存現金、存置於銀行及其他金融機構之即時存款、可隨時兌換作已知現金金額的短期且有高度流動性的投資，該等投資的到期日為其收購日期起三個月內，且受輕微價值變動的風險所影響。於要求時償還的銀行透支組成本集團的現金管理的一部份，亦就現金流量表而計入現金及現金等價物一部份。

(q) 需付息借款

需付息借款在最初確認時按公允價值減去應佔交易費用。最初確認後，須付息借款按攤銷成本列賬，而最初確認數額與贖回價值之差額，按有效利率方法計算於借款期內在損益表中確認。

(r) 短期僱員福利及已訂定退休供款計劃供款

與僱員所提供的服務有關的薪金、年度花紅、有薪假期、已訂定退休供款計劃供款及非金錢利益的成本均累計在年度內。倘有任何遞延付款或還款而帶有重大影響，則該等金額乃以其現值列賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(s) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

1 主要會計政策／會計政策改變／ 重列 (續)

主要會計政策 (續)

(s) 利得稅

利得稅支出指當期應付稅項及遞延稅項總和。

當期應付稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣稅收入或開支項目，亦不包括毋須課稅或不可扣稅之項目，故與綜合損益表所列溢利不同。本集團當期稅項負債按於報告期末有規定或已有頒令實施之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產於應課稅溢利可能用作扣減可扣減暫時差額時確認。倘商譽或由初次確認不影響應課稅溢利或會計溢利之交易（業務合併除外）之其他資產及負債產生暫時差額，有關資產及負債不予確認。

遞延稅項負債乃就附屬公司及聯營公司之投資產生之暫時應課稅項差異予以確認，惟若本公司能夠控制暫時差異之撥回而短期差異有可能於可見未來不能撥回則除外。遞延稅項資產於可能有足夠應課稅溢利可用作抵銷該投資及利益有關之可扣減暫時差異的情況下確認，暫時差異預期於可預見未來撥回。

遞延稅項資產之賬面值於各報告期末審閱，並於不再可能有足夠應課稅溢利以收回全部或部份資產時減少。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(s) Income tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognized in income statement, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case the deferred tax is also recognized in other comprehensive income or directly in equity respectively.

(t) Provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Group or Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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

(u) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

1 主要會計政策／會計政策改變／ 重列 (續)

主要會計政策 (續)

(s) 利得稅 (續)

遞延稅項資產及負債乃根據報告期末已制訂或實質制訂之稅率(及稅法)，按資產變現或負債清償期間之預期適用稅率計算。遞延稅項負債及資產之計量反映出倘按本集團預期於報告期末收回或結算其資產及負債賬面值計算的稅項結果。遞延稅項確認於損益表，惟倘遞延稅項與其他全面收益或直接於權益確認之項目有關，則遞延稅項亦於其他全面收益或直接於權益中處理。

(t) 準備及或然負債

倘若本集團或本公司須就已發生的事件承擔法律或推定義務，而履行該義務預期會導致含有經濟效益的資源外流，並可作出可靠的估計，便會就該時間或數額不定的負債計提準備。如果貨幣時間價值重大，則按預計履行義務所需資源的現值計列準備。

倘若含有經濟效益的資源外流的可能性不大，或是無法對有關數額作出可靠的估計，便會將該義務披露為或然負債；但假如這類資源外流的可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否的潛在義務，亦會披露為或然負債；但假如這類資源外流的可能性極低則除外。

(u) 股本工具

本公司發行之股本工具按已收所得款項扣除直接發行成本入賬。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(v) Revenue recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in the income statement as follows:

(i) Gross premiums written from insurance contracts

The accounting policies for the recognition of revenue from insurance contracts are disclosed in note 1(d).

(ii) Policy fee income

Fees from investment contracts or investment components of insurance contracts are recognized in the period in which the services are provided.

(iii) Commission income

Commission income is recognized as revenue when received or receivable from reinsurers.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognized in the income statement in equal installments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognized in the income statement as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognized as income in the accounting period in which they are earned.

(v) Income from asset management, insurance intermediary and pension businesses

Income from asset management, insurance intermediary and pension businesses are recognized when the service is rendered.

(vi) Dividends

Dividend income from investments is recognized when the shareholder's right to receive payment is established.

(vii) Interest income

Interest income is recognized as it accrues using the effective interest method.

1 主要會計政策／會計政策改變／ 重列 (續)

主要會計政策 (續)

(v) 收入確認

收入是在經濟效益預期會流入本集團，以及能夠可靠地計算收入和成本(如適用)時，根據下列方法在損益表中確認：

(i) 保險合約毛承保保費

有關確認保險合約收益的會計政策，詳情載於附註1(d)。

(ii) 保單費收入

投資合約或保險合約投資部份的費用在提供服務期間確認。

(iii) 佣金收入

佣金收入在從再保險商收到及應收款項時確認為收入。

(iv) 經營租賃的租金收入

經營租賃的應收租金收入於相關租賃期的會計期間內，以等額方式在損益表內確認，除非另有基準能更清楚地反映源自運用租賃資產的利益模式。經營租賃協議涉及的激勵機制在損益表內列作應收租賃淨付款總額的一部份。或然租金在產生的會計期間內確認為收入。

(v) 資產管理、保險中介及養老保險業務的收入

資產管理、保險中介及養老保險業務的收入在提供服務時確認。

(vi) 股息

投資的股息收入在股東收取款項的權利確立時確認。

(vii) 利息收入

利息收入乃按有效利率方法累計確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(w) Translation of foreign currencies

Foreign currency transactions during the year are translated into the functional currencies of respective entities in the Group at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currencies of respective entities in the Group at the exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into the functional currencies of respective entities in the Group using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into the functional currency of respective entities in the Group using the foreign exchange rates ruling at the dates the fair value was determined.

The results of operations outside Hong Kong are translated into the Group's presentation currency (i.e. Hong Kong dollars) at approximately the average exchange rates for the year. Statement of financial position items are translated into Hong Kong dollars at the foreign exchange rates ruling at the end of the reporting period. Goodwill arising on acquisition of an operation outside Hong Kong is translated into Hong Kong dollars at the foreign exchange rate prevailing at the end of the reporting period. The resulting exchange differences are recognized directly in a separate component of equity.

From 1 January 2010 onwards, on the disposal of an operation outside Hong Kong (i.e. a disposal of the Group's entire interest in an operation outside Hong Kong, or a disposal involving loss of control over a subsidiary that includes an operation outside Hong Kong, or a disposal involving loss of significant influence over an associate that includes an operation outside Hong Kong), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. In addition, in relation to a partial disposal that does not result in the Group losing control over a subsidiary that includes an operation outside Hong Kong, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognized in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(w) 外幣換算

年內的外幣交易按交易日的匯率換算為本集團內有關實體公司的功能貨幣。以外幣為單位的貨幣性資產及負債則按報告期末的匯率換算為本集團內有關實體公司的功能貨幣。匯兌收益及虧損均已記錄在損益表內。

按歷史成本以外幣計值之非貨幣資產及負債按交易日的匯率換算為本集團內有關實體公司的功能貨幣。以外幣計值並以公允值列賬之非貨幣資產與負債按釐定公允值當日之外幣匯率換算為本集團內有關實體公司的功能貨幣。

香港以外業務業績按大約相等於年內平均匯率折算為本集團之呈報貨幣，(即港元)。財務狀況表項目按報告期末之匯率折算為港元。收購香港以外業務所產生之商譽按報告期末之匯率折算為港元。產生之匯兌差額直接在股東權益內以一獨立組成部份確認。

由二零一零年一月一日開始，出售香港以外業務(例如出售集團香港以外業務的全部利益，或涉及失去一間附屬公司控制權之出售(當中包括香港以外業務)，或涉及對一間聯營公司失去重大影響之出售(當中包括香港以外業務))，有關該業務本公司股東應佔所有累計於權益之匯兌差額，重新分類至損益。另外，部份出售但未導致集團失去控制權的附屬公司(當中包括香港以外業務)，其累計匯兌差額按相應比例計入非控股股東權益，而不計入損益。其他部份出售(例如部份出售不會導致集團失去重大影響、聯合控制的聯營公司權益)，按比例將累計匯兌差額重新分類至損益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(w) Translation of foreign currencies (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of an operation outside Hong Kong are treated as assets and liabilities of the operation outside Hong Kong and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in the foreign currency translation reserve.

(x) Jointly controlled assets

When a group entity undertakes its activities with other parties, constituted as jointly controlled assets, the Group's share of the jointly controlled assets are recognized in the consolidated financial statements and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis.

Income from the sale or use of the Group's share of the output of the jointly controlled assets, together with its share of any expenses incurred, are recognized when it is probable that the economic benefits associated with the transaction will flow to/from the Group.

(y) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in income statement in the period in which they are incurred.

1 主要會計政策／會計政策改變／ 重列 (續)

主要會計政策 (續)

(w) 外幣換算 (續)

於收購香港以外業務時所產生的商譽及可識別資產的公允價值調整乃作為該香港以外業務的資產及負債處理，並按報告期末之匯率換算。所產生的匯兌差異乃於匯兌儲備內確認。

(x) 共同控制資產

當集團內的公司與其他方進行活動時，構成共同控制資產，本集團在共同控制資產所佔的權益在綜合財務報表中予以確認，並按照他們的性質作出分類。為共同控制資產權益而直接產生的負債及費用均會以應計基準計入。

而從銷售或使用本集團在共同控制資產的產生所佔部份而得的收入及費用中所佔的部份，會在有關交易的經濟利益能可靠地計量，並很可能流入／流出本集團時才予以確認。

(y) 借款費用

購買、興建或生產合資格資產(即需經一段長時間方能作擬定用途或出售之資產)而直接產生之借款費用一律列入該資產之成本，直至資產之大部份已可作擬定用途或出售時為止。

特定借款用於合資格資產之前作為短暫投資所賺取之投資收入於符合資本化之借款費用中扣除。

所有其他借款費用在實際產生費用之時確認於損益表內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(z) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the consolidated income statement over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1 主要會計政策／會計政策改變／ 重列 (續)

主要會計政策 (續)

(z) 租賃

倘租約條款將擁有權之絕大部份風險及回報轉歸承租人所有時，有關租賃將列作融資租賃。所有其他租賃列作經營租賃。

本集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於綜合損益表確認。於協商及安排經營租賃時引致之初步直接成本乃加至租賃資產之賬面值，並按租期以直線法確認為開支。

本集團作為承租人

根據融資租賃持有之資產按租賃開始時之公允價值或(倘為較低者)按最低租賃付款之現值確認為本集團之資產。出租人之相應負債於綜合財務狀況表列作融資租賃承擔。租賃付款按比例於融資費用及減少租賃承擔之間作出分配，從而使該等負債應付餘額之息率固定。融資費用按租期直接於綜合損益表中扣除，以使該等負債於各會計期間之餘額維持基本固定之費率。

經營租賃付款乃按租賃年期以直線法確認，除有其他系統化基準更能反映租賃資產所產生的經濟利益。經營租賃的或然租金於所產生之期間內列作開支。

當訂立經營租賃時收到租賃優惠時，該等優惠被確認為負債。各項優惠以直線法遞減經營性租賃支出確認。除有其他系統化基準更能反映租賃資產所產生的經濟利益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(z) Leasing (Continued)

Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortized over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property and equipment, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

(aa) Related parties

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

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(z) 租賃 (續)

自用租賃土地

當租賃包括土地及樓宇部份時，本集團根據各部份資產的擁有權之絕大部份回報與風險是否已撥歸本集團評估每部份分類應分類為融資租賃或經營租賃。具體來說，最低租賃付款(包括任何一筆過預付款項)按土地部份及樓宇部份於租約開始時之租賃權益相對公允價值比例於土地及樓宇部份之間分配。

倘若能就租賃付款可靠地分配，於租賃土地權益應作為經營租賃入賬並於綜合財務狀況表列作「預付租賃付款」，並於租賃年期以直線法攤銷。如租賃付款無法於土地及樓宇部份之間作可靠分配，除清楚各部份皆為經營租賃時整份租賃視作經營租賃外，整份租賃通常視作融資租賃，並按物業及設備入賬。

(aa) 關連人士

就編製本綜合財務報表而言，有關人士即被視為本集團的關連人士，如：

- (i) 該人士有能力直接或間接透過一個或多個中介人控制，或可發揮重大影響本集團的財務及經營決策，或共同控制本集團；
- (ii) 本集團及該人士均受共同控制；
- (iii) 該人士屬本集團的聯營公司或該人士乃合營企業而本集團為合營方；
- (iv) 該人士屬本集團或本集團母公司主要管理人員的成員、或屬該個人的近親家庭成員、或受該等個人人士控制、或共同控制或重大影響的實體；

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(aa) Related parties (Continued)

- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of an entity that is a related party of the Group.

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

(ab) Share based payment transactions

(i) Share Options Scheme and Share Award Scheme

The fair value of share options and awarded shares granted to employees in an equity-settled share based payment transaction is recognized as an employment cost with a corresponding increase in the employee share-based compensation reserve within equity. In respect of share options, the fair value is measured at grant date using the Black Scholes pricing model, taking into account the terms and conditions upon which the options were granted. In respect of awarded shares, the fair value is based on the closing price at the grant date. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options and awarded shares, the total estimated fair value of the share options and awarded shares is spread over the vesting period, taking into account the probability that the share options and awarded shares will vest.

During the vesting period, the number of share options and awarded shares that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognized in prior years is charged/credited to the income statement for the year of the review, with a corresponding adjustment to the employee share-based compensation reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of share options and awarded shares that vest (with a corresponding adjustment to the employee share-based compensation reserve).

The equity amount for the share options is recognized in the employee share-based compensation reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(aa) 關連人士 (續)

- (v) 該人士如屬(i)所指的近親家庭成員或受該等個人人士控制、或共同控制或重大影響的實體；或
- (vi) 屬提供福利予本集團或與本集團關聯的實體的僱員離職後福利計劃。

個人的近親家庭成員指可影響，或受該個人影響，他們與該實體交易的家庭成員。

(ab) 以股份為本支付之交易

(i) 認股權計劃及股份獎勵計劃

於股本償本之股份為本交易賦予員工的認股權及獎授股份之公允價值被確認為員工成本，並在股東權益內的以股份為本之僱員補償儲備作相應的增加。有關認股權之公允價值乃採用 Black Scholes 認股權定價模式，按認股權授予日及授予認股權的條款而計算。至於獎授股份方面，其公允價值是已支付之代價。當僱員須符合歸屬期條件才可無條件享有該等認股權及獎授股份，認股權及獎授股份的預計公允價值總額在歸屬期內攤分入賬，並已考慮認股權及獎授股份歸屬的或然率。

估計可歸屬認股權及獎授股份的數目須在歸屬期內作出檢討。任何已在往年確認的累積公允價值調整須在檢討期內的損益表支銷或回撥，並在以股份為本之僱員補償儲備作相應調整。在歸屬日，確認為支出之金額按歸屬認股權及獎授股份的實際數目作調整（並在以股份為本之僱員補償儲備作相應調整）。

屬認股權的權益金額在以股份為本之僱員補償儲備確認，直至當認股權被行使時（轉入股份溢價），或當認股權之有效期屆滿時（轉入保留溢利）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

Significant Accounting Policies (Continued)

(ab) Share based payment transactions (Continued)

(ii) Shares held for Share Award Scheme

Where the shares of the Company are acquired under the Share Award Scheme, the consideration paid, including any directly attributable incremental costs, is presented as "Shares held for Share Award Scheme" and deducted from total equity.

When the awarded shares are transferred to the awardees upon vesting, the related weighted average cost of the awarded shares vested are credited to "shares held for Share Award Scheme", and the related employment costs of the awarded shares vested are debited to the employee share-based compensation reserve. The difference between the related weighted average cost and the related employment costs of the awarded shares is transferred to retained profits.

Where the shares held for Share Award Scheme are revoked and the revoked shares are disposed of, the related gain or loss is transferred to retained profits, and no gain or loss is recognized in the income statement.

Where the cash or non-cash dividend distribution is declared in respect of the shares held for Share Award Scheme, the cash or fair value of the non-cash dividend is transferred to retained profits, and no gain or loss is recognized in the income statement.

1 主要會計政策／會計政策改變／重列 (續)

主要會計政策 (續)

(ab) 以股份為本支付之交易 (續)

(ii) 為股份獎勵計劃而持有之股份

倘根據股份獎勵計劃下購入的公司股份，已支付之代價，包括所有直接有關的增量成本，被提出作為「為股份獎勵計劃而持有之股份」並從總權益中扣除。

當獎授股份於歸屬時轉至獲獎授人時，有關已歸屬獎授股份的加權平均成本計入「為股份獎勵計劃而持有之股份」的貸方及有關的員工成本計入以股份為本之僱員補償儲備借方。有關加權平均成本及有關獎勵計劃的員工成本之差額轉入保留溢利。

當取消為股份獎勵計劃而持有之股份時，取消之股份將出售有關損益轉入保留溢利，損益表不確認任何損益。

當為股份獎勵計劃而持有之股份宣派現金或非現金股息，分派之現金或非現金股息之公允價值轉入保留溢利，損益表不確認任何損益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

1 主要會計政策／會計政策改變／重列 (續)

CHANGES IN ACCOUNTING POLICIES AND RESTATEMENTS

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

會計政策改變及重列

本年度，本集團已應用下列由香港會計師公會頒布之新及經修訂準則、修訂及詮釋（「新及經修訂香港財務報告準則」）。

HKFRSs (Amendments) 香港財務報告準則 (修訂)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008 香港財務報告準則第5號之修訂 (於二零零八年頒布之香港財務報告準則改進的一部份)
HKFRSs (Amendments) 香港財務報告準則 (修訂)	Improvements to HKFRSs issued in 2009 於二零零九年頒布之香港財務報告準則的改進
HKAS 27 (as revised in 2008) 香港會計準則第27號 (於二零零八年修訂)	Consolidated and Separate Financial Statements 綜合及獨立財務報表
HKFRS 39 (Amendments) 香港會計準則第39號 (修訂)	Eligible Hedged Items 合資格對沖項目
HKFRS 2 (Amendments) 香港財務報告準則第2號 (修訂)	Group Cash-settled Share-based Payment Transactions 集團以現金結算股份為本付款之交易
HKFRS 3 (as revised in 2008) 香港財務報告準則第3號 (於二零零八年修訂)	Business Combinations 業務合併
HK Int 5 香港詮釋 — 第5條	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause 財務報表之呈報 — 借款人對包含按要求還款條文之有期貨款的分類
HK(IFRIC) — Int 17 香港 (國際財務報告準則 詮釋委員會) 詮釋 — 第17條	Distributions of Non-cash Assets to Owners 向擁有人分配非現金資產

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

除以下所述外，採納新及經修訂香港財務報告準則將不會對本集團於現在或往前會計期之綜合財務報表構成重大影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

CHANGES IN ACCOUNTING POLICIES AND RESTATEMENTS (Continued)

New and revised HKFRSs affecting presentation and disclosure only

Amendment to HKAS 17 Lease

As part of Improvements to HKFRSs issued in 2009, HKAS 17 Leases has been amended in relation to the classification of leasehold land. Before the amendment to HKAS 17, the Group was required to classify leasehold land as operating leases and to present leasehold land as interests in leasehold land held for own use under operating leases and prepaid lease payments in the consolidated statement of financial position. The amendment to HKAS 17 has removed such a requirement. The amendment requires that the classification of leasehold land should be based on the general principles set out in HKAS 17, that is, whether or not substantially all the risks and rewards incidental to ownership of a leased asset have been transferred to the lessee.

In accordance with the transitional provisions set out in the amendment to HKAS 17, the Group reassessed the classification of unexpired leasehold land as at 1 January 2010 based on information that existed at the inception of the leases. Leasehold land that qualifies for finance lease classification has been reclassified from interests in leasehold land held for own use under operating leases to property and equipment retrospectively. This resulted in a reclassification of interests in leasehold land held for own use under operating leases with previous carrying amount of \$250,459,000 as at 1 January 2009 as property and equipment that are measured using the cost model.

1 主要會計政策／會計政策改變／重列 (續)

會計政策改變及重列 (續)

只影響呈報及披露之新及經修訂香港財務報告準則

香港會計準則第17號租賃之修訂

作為二零零九年頒佈之香港財務報告準則改進之一部份，香港會計準則第17號租賃對有關租賃土地之分類作出了修訂。香港會計準則第17號修訂前，規定本集團須把租賃土地歸類為經營租賃並於綜合財務狀況表上把租賃土地列為以經營租賃租入持作自用之租賃土地權益及預付租賃付款。香港會計準則第17號修訂後則已刪除該規定。此修訂規定租賃土地應按照香港會計準則第17號的一般原則進行分類，即以租賃資產擁有權所附帶風險及回報是否大部份已轉移至承租人為基準。

根據載於修訂香港會計準則第17號之過渡性條文，本集團將於二零一零年一月一日，按訂立租約時存在的資料重新評估未屆滿租約的租賃土地之分類。租賃土地如符合融資租賃之準則，已追溯地由以經營租賃租入持作自用之租賃土地權益重新分類為物業及設備。此令於二零零九年一月一日賬面值為250,459,000元之以經營租賃租入持作自用之租賃土地權益重新分類為按成本模式計量之物業及設備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

CHANGES IN ACCOUNTING POLICIES AND RESTATEMENTS (Continued)

New and revised HKFRSs affecting presentation and disclosure only (Continued)

Amendment to HKAS 17 Lease (Continued)

The effect of changes in accounting policies described above on the consolidated financial position of the Group as at 31 December 2009 is as follows:

1 主要會計政策／會計政策改變／重列 (續)

會計政策改變及重列 (續)

只影響呈報及披露之新及經修訂香港財務報告準則 (續)

香港會計準則第17號租賃之修訂 (續)

上述會計政策變更對本集團於二零零九年十二月三十一日的綜合財務狀況之影響如下：

		As at 31 December 2009 (Originally stated) 於二零零九年 十二月三十一日 (原本列示) \$'000 千元	Adjustments 調整 \$'000 千元	As at 31 December 2009 (Restated) 於二零零九年 十二月三十一日 (重列) \$'000 千元
Property and equipment	物業及設備	2,936,442	253,079	3,189,521
Interests in leasehold land held for own use under operating leases	以經營租賃租入持作自用之租賃土地權益	253,079	(253,079)	—
Total effects on net assets	對資產淨值的影響總額	3,189,521	—	3,189,521
Retained profits, total effects on equity	保留溢利，對權益的影響總額	—	—	—

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

1 SIGNIFICANT ACCOUNTING POLICIES/CHANGES IN ACCOUNTING POLICIES/RESTATEMENTS

(Continued)

CHANGES IN ACCOUNTING POLICIES AND RESTATEMENTS (Continued)

New and revised HKFRSs affecting presentation and disclosure only (Continued)

Amendment to HKAS 17 Lease (Continued)

The effect of changes in accounting policies described above on the consolidated financial position of the Group as at 1 January 2009 is as follows:

		As at 1 January 2009 (Originally stated) 於二零零九年 一月一日 (原本列示) \$'000 千元	Adjustments 調整 \$'000 千元	As at 1 January 2009 (Restated) 於二零零九年 一月一日 (重列) \$'000 千元
Property and equipment	物業及設備	2,838,675	250,459	3,089,134
Interests in leasehold land held for own use under operating leases	以經營租賃租入持作自用之租賃土地權益	250,459	(250,459)	—
Total effects on net assets	對資產淨值的影響總額	3,089,134	—	3,089,134
Retained profits, total effects on equity	保留溢利，對權益的影響總額	—	—	—

As at 31 December 2010, leasehold land that qualifies for finance lease classification with the carrying amount of \$230,754,000 has been included in property and equipment. The application of the amendments to HKAS 17 had no impact on the reported profit or loss for the current and prior years.

HKAS 24 (Revised) Related party disclosures

The Group has early adopted HKAS 24 (Revised) in advance of its effective date 1 January 2011 in respect of the partial disclosure exemption for transactions between the Group and government/government-related entities. The early adoption of the partial exemption applicable to government-related entities does not have any effect on the Group's operating results, financial positions or comprehensive income.

Other than disclosed above, the Group has not applied any new HKFRS that is not yet effective for the current accounting period (see note 50).

1 主要會計政策／會計政策改變／重列 (續)

會計政策改變及重列 (續)

只影響呈報及披露之新及經修訂香港財務報告準則 (續)

香港會計準則第17號租賃之修訂 (續)

上述會計政策變更對本集團於二零零九年一月一日的綜合財務狀況之影響如下：

於二零一零年十二月三十一日，物業及設備包括賬面值230,754,000元符合分類為融資租賃之租賃土地。應用香港會計準則第17號並沒有對本年度及往年度所呈報的損益帶來影響。

香港會計準則第24號 (經修訂) 關連人士之披露

本集團提早應用了尚未生效的香港會計準則第24號 (經修訂) (二零一一年一月一日起生效) 有關本集團與政府／政府相關實體間交易披露要求的部份豁免。提早應用政府相關實體間的部份豁免並沒有對本集團營運業績、財務狀況或全面收益帶來影響。

除上述披露外，本集團沒有採納任何在本會計年度尚未實施的新香港財務報告準則 (參看附註50)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT

2 保險、財務及資本風險管理

(a) Risk management objectives, policies and processes for mitigating insurance risk

The Group is principally engaged in the underwriting of life insurance business in the PRC, property and casualty insurance business in the PRC and Hong Kong and reinsurance business around the world. The Group's management of insurance and financial risk is a critical aspect of the business. Insurance risks are managed through the application of various policies and procedures relating to underwriting, pricing, claims and reinsurance as well as experience monitoring.

The Group uses several methods to assess and monitor insurance risk exposures both for individual types of risks insured and overall risks. These methods include internal risk measurement models, sensitivity analyzes and scenario analyzes.

The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contracts. The principal risk is that the frequency and severity of claims is greater than expected. Insurance events are, by their nature, random, and the actual number and size of events during any year may vary from those estimated using established statistical techniques.

(b) Underwriting strategy

Life insurance business

The Group operates its life insurance business in the PRC's life insurance market, offering a wide range of insurance products covering different types of individual and group life insurance, health insurance, accident insurance and annuity. With regard to the control of quality of the insurance policies underwritten, the Group has formulated strict operational procedures on underwriting and claims settlement to control risks on insurance underwriting.

Property and casualty insurance business

The Group is engaged in the underwriting of property and casualty insurance business in the PRC and Hong Kong. The Group focuses its property and casualty insurance business by offering a wide range of insurance products covering different types of property insurance (including compulsory motor insurance), liability insurance, credit insurance, guarantee insurance business and short-term accident and health insurance and the related reinsurance business. The Group has formulated strict operational procedures on underwriting and claims settlement to control risks on insurance underwriting.

(a) 風險管理目標及降低保險風險政策和步驟

本集團的主要業務為承保中國人壽保險業務、中國及香港財產保險業務及全球各地再保險業務。本集團的保險及財務風險管理乃主要的業務領域。本集團藉應用各種與承保、定價、賠款及再保險以及經驗監測有關的政策及程序管理保險風險。

本集團採用多種方法評估及監測保險風險，包括個別類型的承保風險及整體風險。該等方法包括內部風險計量模式、敏感性分析及方案分析。

保險合約組合的定價及準備應用概率理論。主要風險為賠款次數及嚴重性超過預期。保險事件在性質上具有任意性，任何年度內事件的實際數目及結果可能與使用現行統計技術所估計者不同。

(b) 承保策略

人壽保險業務

本集團人壽保險業務營運於中國人壽保險市場，提供各種各樣的保險產品，包括不同類型的個人及團體人壽保險、健康險、意外險及年金。在承保的保單質量控制方面，本集團已設立嚴格的承保及理賠操作程序，以控制保險承保的風險。

財產保險業務

本集團從事承保中國及香港財產保險業務。本集團集中其財產保險業務，提供各種各樣的保險產品，包括不同類型的財產保險(包括機動車交通事故責任強制保險)、責任險、信用保險、保證保險及短期意外及健康險及有關之再保險業務。本集團已設立嚴格的承保及理賠操作程序，以控制保險承保風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(b) Underwriting strategy (Continued)

Reinsurance business

The Group's reinsurance portfolio is made up of a mix of business spreading across different geographic regions and classes, with emphasis towards Asian countries covering property damage, marine cargo and hull and miscellaneous non-marine classes. In addition to diversifying its underwriting portfolio, the Group does not actively seek acceptance of any liability reinsurance business from customers operating outside the Asia Pacific region, in particular, the United States of America. In the Asia Pacific region, where these are core-markets of the Group, liability reinsurance for motor, workers' compensation and general third party liability businesses are written on a limited scale in order to provide customers in the region with comprehensive reinsurance services.

(c) Reinsurance strategy

The Group purchases reinsurance protection from other reinsurers in the normal course of business in order to limit the potential for losses arising from longer and concentrated exposures. In assessing the credit worthiness of reinsurers, the Group takes into account, among other factors, ratings and evaluation performed by recognized credit rating agencies, their claims-paying and underwriting track record, as well as the Group's past experience with them.

(d) Asset and liability matching

The objective of the Group's asset and liability management is to match the Group's assets with liabilities on the basis of duration. The Group actively manages its assets using an approach that balances quality, diversification, asset and liability matching, liquidity and investment return. The goal of the investment process is to maximize investment returns at a tolerable risk level, whilst ensuring that the assets and liabilities are managed on a cash flow and duration basis.

However, in respect of life insurance business, under the current regulatory and market environment in the PRC, the Group is unable to invest in assets with a duration of sufficient length to match the duration of its life insurance liabilities. When the regulatory and market environment permits, the Group intends to gradually lengthen the duration of its assets. The Group monitors the duration gap between the assets and liabilities closely and prepares cash flow projection from assets and liabilities on a regular basis. Currently, the Group reduces the level of the asset-liability mismatch by:

2 保險、財務及資本風險管理 (續)

(b) 承保策略 (續)

再保險業務

本集團的再保險組合由涵蓋不同地區及類別的一系列業務組成，重點在於亞洲國家，包括財產損毀、貨運及船隻保險以及其他非海事保險。除多元化承保組合外，本集團並無積極從亞太地區以外（尤其是美國）營運的客戶尋求任何責任再保險業務。在亞太地區，即本集團的核心市場，本集團會有限度承保汽車責任再保險、工傷賠償及一般第三者責任險，為區內客戶提供全面再保險服務。

(c) 再保險策略

本集團於日常業務過程中向其他再保險公司購買再保險保障，以限制因較長期及集中風險而產生的潛在損失。在評估再保險公司的信用水平時，本集團會考慮認可信用評級機構的評級及評估、以往賠款及承保記錄及與本集團以往的交易經驗等因素。

(d) 資產與負債配比

本集團的資產與負債管理目標為按期限基準配比本集團的資產與負債。本集團通過平衡質素、多元組合、資產與負債配比、流動性與投資回報等方面來積極管理資產。投資過程的目標是在可容忍的風險程度內將投資回報提升至最高水平，同時確保資產與負債按現金流動及期限基準管理。

然而，有關人壽保險業務，有鑒於中國現行監管及市場環境，本集團未能投資於期限足以配比其壽險負債的資產。在監管及市場環境允許的情況下，本集團有意逐步延長其資產的期限。本集團密切監察資產與負債的期限差距，定期進行資產與負債的現金流預測。目前，本集團透過以下方法降低資產與負債不配的程度：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(d) Asset and liability matching (Continued)

- actively seeking to acquire longer dated fixed rate debt investments with an acceptable level of yield;
- upon the maturity dates of fixed rate debt investments, rolling over the proceeds to longer dated fixed rate debt investments;
- disposing of some of the shorter dated fixed rate debt investments, particularly those with lower yields, and rolling over the proceeds to longer dated fixed rate debt investments; and
- investing in equities for the long term and in property holding company.

(e) Insurance risk

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.

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 and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits 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 its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

2 保險、財務及資本風險管理 (續)

(d) 資產與負債配比 (續)

- 積極尋求取得收益水平可接受的較長期定息債務投資；
- 於定息債務投資到期後，將所得款項滾存入更長期的定息債務投資；
- 出售部份短期定息債務投資，尤其是收益率較低者，將收益滾存入更長期定息債務投資；及
- 長期投資股份及投資物業持有公司。

(e) 保險風險

每份保險合約的風險在於承保事件發生的可能性和由此引起的賠款金額的不確定性。從每份保險合約的根本性質來看，上述風險是隨機發生的，從而無法預計。

對於按照概率理論進行定價和計提準備的保險合約組合，本集團面臨的主要風險是實際賠付超出保險負債的賬面值。這種情況發生是由於賠付頻率或嚴重程度超出估計。保險事件的發生具隨機性，實際賠付的數量和金額每年都會與通過統計方法建立的估計有所不同。

經驗顯示具相似性質的保險合約組合越大，預計結果的相關可變性就越小。另外，一個更加分散化的組合受組合中的任何子組合變化影響的可能性較小。本集團已經建立起了分散承保風險類型的保險承保策略，並在每個類型的保險風險中保持足夠數量的保險合約總量，從而減少預期結果的不確定性。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(e) Insurance risk (Continued)

The concentration and mitigation of insurance risk in each business line are set out below:

(i) Life insurance business

Concentration of insurance risks

Concentration risk is the risk of incurring a major loss as a result of having a significant mortality or other insurance coverage on a particular person or a group of persons due to the same event. The Group manages the concentration of insurance risks by way of reinsurance arrangements with a maximum retention risk of RMB500,000 per person in life and personal accident policies and RMB200,000 on critical illness insurance. In addition, the Group purchases catastrophe protection for losses arising from claims involving multiple lives from the same event. The maximum retention risk is RMB1 million for each and every loss occurrence, and the total coverage is RMB80 million for each and every loss occurrence. The Group purchases surplus treaties and proportional treaties to cover life, accident and long term health risks. In addition, an excess of loss reinsurance contract is applied for any insurance contract with significant sum insured.

The distribution of sum insured is summarized as follows:

(e) 保險風險 (續)

各業務的保險風險集中及保險風險管理載列如下：

(i) 人壽保險業務

保險風險集中

集中風險指本集團因相同事件造成特定人士或一群人士發生重大死亡或屬於其他承保範圍而蒙受重大損失的風險。本集團透過再保險安排(壽險及個人意外保單的最高自留金限額風險為每人人民幣500,000元，重大疾病保險的最高自留金限額風險為每人人民幣200,000元)管理集中風險。此外，本集團就同一事故造成涉及人數眾多的保險賠款而產生的巨額賠償購買巨災保障保險。每宗事故的最高自留限額風險為人民幣100萬元，而再保險保障上限為人民幣8,000萬元。本集團購買溢額合約保險及比例合約保險以保障壽險、意外風險保險及長期健康保險。此外，任何受保的重大金額保險合約均安排了超額賠款再保險合約。

受保金額的分佈概述如下：

RMB'000 人民幣千元	Before reinsurance 再保險前		After reinsurance 再保險後	
	Year ended 31 December 截至十二月三十一日止年度		Year ended 31 December 截至十二月三十一日止年度	
	2010	2009	2010	2009
	二零一零年	二零零九年	二零一零年	二零零九年
0-200	98.5%	98.81%	98.64%	98.88%
201-500	1.22%	0.90%	1.36%	1.12%
501-750	0.06%	0.04%	—	—
751-1,000	0.11%	0.12%	—	—
1,001-1,500	0.02%	0.01%	—	—
1,501-2,000	0.02%	0.01%	—	—
2,001-2,500	0.00%	0.01%	—	—
>2,500	0.07%	0.10%	—	—
	100.00%	100.00%	100.00%	100.00%

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(e) Insurance risk (Continued)

(e) 保險風險 (續)

(i) Life insurance business (Continued)

(i) 人壽保險業務 (續)

Management of risks

風險管理

The key risk associated with life insurance contracts is the risk of potential loss arising with respect to a particular insurance product as a result of actual market conditions and loss experience being different from the assumed market conditions and loss experience used when designing and pricing the product.

壽險合約的主要風險為實際市場狀況導致特定保險產品產生潛在虧損，以及賠付經驗與假設的市場狀況及設計及定價產品所使用的賠付經驗不同而引致的潛在賠付風險。

The Group manages the risks by centralising the product design function at the head office level, headed by the chief appointed actuary and senior management in other key functional departments. Standards and guidelines are established to ensure that the risks associated with particular products are within the acceptable level. The pricing method, the solvency requirement, the profit margin, the loss experience, etc., are key considerations in designing a product.

本集團透過總部將產品設計功能中央化以管理風險，由委任的首席精算師及其他職能部門的高級管理層領導，設立標準及指引以確保特定保險產品的相關風險皆於可接受範圍內。定價方法、償付能力清償規定、利潤率及賠付經驗等均是設計保險產品時考慮的關鍵因素。

In addition, the underwriting and claim processing departments strictly follow the established standards and procedures.

此外，承保及賠款處理部門嚴格遵守既定的標準及程序。

(ii) Property and casualty insurance business

(ii) 財產保險業務

Concentration of insurance risks

保險風險集中

Within the insurance process, concentration of risk may arise where a particular event or series of events could impact heavily upon the Group's liabilities. Such concentrations may arise from a single insurance contract or through a small number of related contracts, and relate to circumstances where significant liabilities could arise.

在保險程序中，集中的風險可能令當特定事件或一連串事件出現時嚴重影響本集團的負債。該等集中可能因單一保險合約或透過少量有關連合約引起，和涉及引起重大負債的情況。

The concentration of insurance risk before and after reinsurance by classes of business is summarized below, with reference to premiums written in the years ended 31 December 2010 and 2009.

關於截至二零一零年及二零零九年十二月三十一日止年度承保保費，按業務種類劃分再保險前及再保險後之保險風險集中情況概述如下。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(e) Insurance risk (Continued)

(e) 保險風險 (續)

(ii) Property and casualty insurance business (Continued)

(ii) 財產保險業務 (續)

Concentration of insurance risks (Continued)

保險風險集中 (續)

TPI

太平財險

Year ended 31 December 2010
截至二零一零年十二月三十一日止年度

		Gross written premiums 毛承保保費 \$'000 千元	Premiums ceded to reinsurers 保費之 再保份額 \$'000 千元	Net written premiums 淨承保保費 \$'000 千元	Ceding ratio 分出比率 %
Motor	車險	5,020,620	369,670	4,650,950	7.4%
Marine	水險	156,690	63,083	93,607	40.3%
Non-marine	非水險	957,423	366,460	590,963	38.3%
Total	總額	6,134,733	799,213	5,335,520	13.0%

TPI

太平財險

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

		Gross written premiums 毛承保保費 \$'000 千元	Premiums ceded to reinsurers 保費之 再保份額 \$'000 千元	Net written premiums 淨承保保費 \$'000 千元	Ceding ratio 分出比率 %
Motor	車險	4,149,762	305,140	3,844,622	7.4%
Marine	水險	165,561	63,465	102,096	38.3%
Non-marine	非水險	791,074	364,867	426,207	46.1%
Total	總額	5,106,397	733,472	4,372,925	14.4%

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(e) Insurance risk (Continued)

(e) 保險風險 (續)

(ii) Property and casualty insurance business (Continued)

(ii) 財產保險業務 (續)

Concentration of insurance risks (Continued)

保險風險集中 (續)

MAC

民安中國

Year ended 31 December 2010
截至二零一零年十二月三十一日止年度

		Gross written premiums 毛承保保費 \$'000 千元	Premiums ceded to reinsurers 保費之 再保份額 \$'000 千元	Net written premiums 淨承保保費 \$'000 千元	Ceding ratio 分出比率 %
Motor	車險	1,459,358	44,099	1,415,259	3.0%
Marine	水險	60,301	28,199	32,102	46.8%
Non-marine	非水險	399,614	219,491	180,123	54.9%
Total	總額	1,919,273	291,789	1,627,484	15.2%

MAC

民安中國

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

		Gross written premiums 毛承保保費 \$'000 千元	Premiums ceded to reinsurers 保費之 再保份額 \$'000 千元	Net written premiums 淨承保保費 \$'000 千元	Ceding ratio 分出比率 %
Motor	車險	1,055,387	5,707	1,049,680	0.5%
Marine	水險	55,715	30,399	25,316	54.6%
Non-marine	非水險	338,052	180,021	158,031	53.3%
Total	總額	1,449,154	216,127	1,233,027	14.9%

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(e) Insurance risk (Continued)

(e) 保險風險 (續)

(ii) Property and casualty insurance business (Continued)

(ii) 財產保險業務 (續)

Concentration of insurance risks (Continued)

保險風險集中 (續)

CTPI (HK)

中國太平香港

Year ended 31 December 2010
截至二零一零年十二月三十一日止年度

		Gross written premiums 毛承保保費 \$'000 千元	Premiums ceded to reinsurers 保費之 再保份額 \$'000 千元	Net written premiums 淨承保保費 \$'000 千元	Ceding ratio 分出比率 %
Motor	車險	192,213	30,838	161,375	16.0%
Marine	水險	167,123	92,010	75,113	55.1%
Non-marine	非水險	452,696	144,979	307,717	32.0%
Total	總額	812,032	267,827	544,205	33.0%

CTPI (HK)

中國太平香港

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

		Gross written premiums 毛承保保費 \$'000 千元	Premiums ceded to reinsurers 保費之 再保份額 \$'000 千元	Net written premiums 淨承保保費 \$'000 千元	Ceding ratio 分出比率 %
Motor	車險	201,360	25,857	175,503	12.8%
Marine	水險	150,131	83,927	66,204	55.9%
Non-marine	非水險	426,711	155,459	271,252	36.4%
Total	總額	778,202	265,243	512,959	34.1%

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(ii) Property and casualty insurance business (Continued)

Management of risks

The Group delegates underwriting authority to experienced underwriters. Each underwriting department has an underwriting manual for each class of business. The underwriting manual is approved by the Business Management Committee and specifies the authority of underwriters at each level. Each underwriting manual clearly states the insurable risk, risks that can be insured on a limited scale and uninsurable risk as well as the probable maximum loss which underwriters at each level can underwrite. Risks that exceed the underwriting authority of the head of the underwriting department have to be reviewed and approved by the Business Management Committee. For claims handling, there is a procedures manual that lays down the operational procedures and controls required to mitigate the insurance risk.

The Group also arranges both treaty reinsurance and facultative reinsurance in accordance with international practice. Treaty reinsurance provides automatic reinsurance cover under specific reinsurance contract terms and conditions. Facultative reinsurance is reinsurance of individual risk. Each contract is arranged separately. The choice of reinsurance contract depends on market conditions, market practice and the nature of business. Facultative reinsurance is arranged when an individual risk is not covered by treaty reinsurance or exceeds treaty reinsurance capacity and exceeds its own underwriting capacity.

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(ii) 財產保險業務 (續)

風險管理

本集團把承保權委託給有經驗之核保人。每個承保部門在每個業務種類均有承保手冊。承保手冊經業務管理委員會核准及明確說明各個級別的核保人之權力。每本承保手冊清楚載列可承保之風險、限制承保之風險及禁止承保之風險、以及各級別核保人可承保之最大可能賠付。超越承保部門主管承保權之風險需由業務管理委員會審閱及核准。在賠款處理方面，程序手冊載列有需要之營運程序及控制以減輕保險風險。

本集團亦根據國際慣例安排合約分保及臨時分保。合約分保於特定再保險合約條款下提供自動再保險保障。臨時分保為個別風險之分保。每份合約皆個別洽商。再保險合約按市場狀況、市場慣例及業務性質選擇。當個別風險沒有在合約分保涵蓋或超出合約分保的容量且超出自身承保能力時，將安排臨時分保。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(e) Insurance risk (Continued)

(e) 保險風險 (續)

(iii) Reinsurance business

(iii) 再保險業務 (續)

Concentration of insurance risks

保險風險集中

Concentration of risk arises from the accumulation of risks within a particular business line and geographic area. The Group's key methods in managing these risks are diversification of the business line and areas where the gross premiums are written. The tables below indicate the gross premiums written by business line and geographic territory for the year ended 31 December 2010.

風險集中因特定業務種類與地理區域的風險累積而產生。本集團管理該等風險的主要方法為分散保費總額的業務種類及地區。下表顯示截至二零一零年十二月三十一日止年度按業務種類及地理區域分佈的保費總額。

By business line:

按業務種類：

% to total gross premiums written 佔毛承保保費總額百分比

2010	2009
二零一零年	二零零九年

Proportional treaty	比例合約	65.5%	54.9%
Non-proportional treaty	非比例合約	25.6%	34.9%
Facultative	臨時合約	8.9%	10.2%
		100.0%	100.0%

By geographical territory:

按地理區域：

% to total gross premiums written 佔毛承保保費總額百分比

2010	2009
二零一零年	二零零九年

Hong Kong & Macau	香港及澳門	13.3%	15.8%
Mainland China (& Taiwan)	中國大陸(及台灣)	40.1%	30.2%
Japan	日本	6.2%	6.6%
Rest of Asia	亞洲其他地區	22.2%	25.4%
Europe	歐洲	10.8%	13.8%
Others	其他地區	7.4%	8.2%
		100.0%	100.0%

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(e) Insurance risk (Continued)

(iii) Reinsurance business (Continued)

Management of risks

The key risk associated with reinsurance contracts are those relating to underwriting.

The Group maintains underwriting teams who are responsible for the underwriting and sales of the Group's reinsurance products. The team promoting a certain product to a customer has the requisite expertise to determine whether the Group can meet the specific requirement of the customer within the Group's risk appetite. All inward business is screened and analyzed by the underwriting staff. The decision to underwrite and the level of risk exposure accepted are determined by reference to the underwriting guideline setting out the types of business desired, and the maximum capacity per risk and per zone. Such criteria are determined by considering factors including the risk exposure, the pricing, the profit potential, the class of business, the marketing strategy, the retrocession facilities available and the market trends.

The Group arranges prorata and excess of loss retrocessions for its different lines of reinsurance business, in order to enhance its underwriting capacity as well as to harmonise its net retained exposures. Proportional retrocessions have been arranged in respect of its non-marine reinsurance business from the Asia-Pacific territories. In addition, a series of excess of loss retrocession covers are also arranged to protect the Group against major catastrophic events.

2 保險、財務及資本風險管理 (續)

(e) 保險風險 (續)

(iii) 再保險業務 (續)

風險管理

再保險合約的主要風險為與承保相關的風險。

本集團設有若干承保團隊負責承保及銷售本集團的再保險產品。向客戶推銷一種特定產品的團隊擁有專門技術，從而釐定本集團能否在本集團既定的風險承擔範圍內滿足客戶的特定要求。承保人員會篩選及分析所有承接的業務。承保的決定及風險水平參照以下各項釐定：承保指引設定所需業務的類型、每種風險及每區的最大承保能力。該等標準經考慮多種因素後釐定，包括風險因素、定價、盈利潛力、業務類別、市場推廣策略、可用轉分保險及市場趨勢等。

本集團亦安排比例及超賠轉分保險以擴大承保能力，並同時可優化自留風險。對亞太地區的非水險業務，本集團安排了比例轉分保險。此外，本集團的巨災風險現時通過一系列超賠轉分保險的方式保障。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk

The carrying amounts of the Group's financial assets at the reporting date were as follows:

(f) 財務風險

於報告日，本集團的金融資產之賬面值如下：

		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Financial assets — held-to-maturity investments	金融資產 — 持有至到期日投資	62,764,505	39,333,096
Financial assets — available-for-sale investments	金融資產 — 可供出售投資	35,509,380	32,101,856
Financial assets — held-for-trading — Investment in debt and equity securities	金融資產 — 持有作交易用途 — 債務及股本證券投資	564,537	445,928
Policyholder account assets in respect of unit-linked products (note 45)	有關投資連結產品之保單持有人賬戶資產 (附註45)	4,909,273	5,078,319
Financial assets — loans and receivables — Investments in debt securities	金融資產 — 貸款及應收賬款 — 債務證券投資	4,109,604	2,209,015
Other financial assets — loans and receivables	其他金融資產 — 貸款及應收賬款		
— Statutory deposits	— 法定存款	1,466,793	1,350,037
— Securities purchased under resale agreements	— 買入返售證券	53,471	34,072
— Amounts due from group companies	— 應收集團內公司款項	9,257	20,208
— Other debtors	— 其他應收賬款	5,851,646	2,575,684
— Pledged deposits at banks	— 已抵押銀行存款	160,613	92,225
— Deposits at banks with original maturity more than three months	— 原到期日超過三個月的銀行存款	11,495,414	6,534,677
— Cash and cash equivalents	— 現金及現金等價物	16,289,214	12,497,821
		35,326,408	23,104,724
		143,183,707	102,272,938

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

The carrying amounts of the Group's financial liabilities at the reporting date were as follows:

(f) 財務風險 (續)

於報告日，本集團之金融負債之賬面值如下：

		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Financial liabilities at fair value through profit or loss	指定為通過損益以反映公允價值之金融負債		
— Investment contract liabilities	— 投資合約負債	4,909,273	5,078,319
Financial liabilities measured at amortized cost	按攤銷成本之金融負債		
— Investments contract liabilities	— 投資合約負債	31,368,968	31,303,618
— Interest-bearing notes	— 需付息票據	10,231,074	5,725,110
— Securities sold under repurchase agreements	— 賣出回購證券	9,829,946	6,606,088
— Amounts due to group companies	— 應付集團內公司款項	1,113,915	1,295
		52,543,903	43,636,111
		57,453,176	48,714,430

Transactions in financial instruments and insurance assets/liabilities may result in the Group assuming financial risks. These include market risk, credit risk and liquidity risk. Each of these financial risks is described below, together with a summary of the ways in which the Group manages these risks.

There is no significant change in the Group's exposures to risk and how they arise, nor the Group's objectives, policies and processes for managing each of these risks.

(i) Market risk

Market risk can be described as the risk of change in fair value of a financial instrument due to changes in interest rates, equity prices or foreign currency exchange rates.

金融工具及保險資產／負債交易可引致本集團須承擔若干財務風險。該等風險包括市場風險、信用風險及流動資金風險。各有關財務風險連同本集團管理該等風險的方法闡述如下。

不論本集團承受的風險及該些風險如何產生或本集團就管理上述每一項風險的目標、政策及過程，皆沒有重大改變。

(i) 市場風險

市場風險乃指因利率、股本價格或外幣匯率變動造成金融工具的公允價值變動而引致的風險。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(i) Market risk (Continued)

(i) 市場風險 (續)

(a) Interest rate risk

(a) 利率風險

Interest rate risk is risk to the earnings or market value of a fixed-rate financial instrument due to uncertain future market interest rates.

利率風險乃指因不確定的未來市場利率造成的固定利率金融工具盈利或市值風險。

The Group monitors this exposure through periodic reviews of its financial instrument. Estimates of cash flows, as well as the impact of interest rate fluctuations relating to the investment portfolio are modelled and reviewed periodically.

本集團透過定期審核其金融工具監控該風險。投資組合的現金流量估值以及因利率變動所帶來的影響均進行定期模擬及審閱。

The Group is exposed to fair value interest rate in relation to the debt investments classified as available-for-sale and held-for-trading of \$19,222.91 million and \$355.02 million respectively (31 December 2009: \$18,111.62 million and \$286.48 million respectively). A decrease of 50 basis points in interest rates of the debt investments classified as available-for-sale and held-for-trading, with all other variables held constant, has no significant effect on the Group's profit before tax and increase the Group's total equity by approximately 0.5% of the total investments held by the Group as at 31 December 2010 (31 December 2009: no significant effect on the Group's profit before tax and increase Group's total equity by approximately 1.3% of the total investments held by the Group).

本集團須就192.2291億元及3.5502億元(二零零九年十二月三十一日:181.1162億元及2.8648億元)分別歸類為可供出售及持有作交易用途的債務證券承擔利率風險。假設可供出售及持有作交易用途的債務投資利率下跌50點子,其他參數不變,並沒有對本集團稅前溢利造成明顯影響及令本集團總權益上升約相等於本集團截止二零一零年十二月三十一日的總投資額0.5%(二零零九年十二月三十一日:沒有對本集團稅前溢利造成明顯影響及令本集團總權益上升約相等於本集團總投資額1.3%)。

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The analysis is performed on the same basis for 2009. The Group does not have significant amount of floating-rate financial instruments.

上述的敏感性分析是假設利率變動於報告期末發生及被應用於該日存在的衍生及非衍生金融工具的利率風險上。分析乃按二零零九年之相同基準而作出。本集團沒有重大金額的浮息金融工具。

(b) Equity price risk

(b) 股本價格風險

The Group has a portfolio of marketable equity securities, which is carried at fair value and is exposed to price risk. As the financial risks of unit-linked contracts are fully undertaken by the policyholders, the assets related to unit-linked products are not included in the analysis of financial risk below. This risk is defined as the potential loss in market value resulting from an adverse change in prices.

本集團的有價股本證券組合以公允價值列賬及須承擔價格風險。由於投資連結合約之財務風險全部由保單持有人承擔,投資連結產品之資產並沒有包括於以下之財務風險分析中。該風險指因價格的不利變動而造成的市值潛在損失。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(i) Market risk (Continued)

(i) 市場風險 (續)

(b) Equity price risk (Continued)

(b) 股本價格風險 (續)

The Group manages the equity price risk by investing in a diverse portfolio of high quality and liquid securities.

本集團透過投資於高質素的多元化流動證券組合管理其股本價格風險。

The equity securities were carried at a fair value of \$16,495.98 million (31 December 2009: \$14,149.69 million), representing 12.3% (31 December 2009: 14.8%) of total investments held by the Group.

股本證券以公允價值164.9598億元(二零零九年十二月三十一日: 141.4969億元)列賬, 佔本集團持有之總投資額12.3%(二零零九年十二月三十一日: 14.8%)。

A 10% increase/decrease in market value of the equity securities and investment fund classified as available-for-sale and held for trading and held by the Group as at 31 December 2010, with all other variables held constant, would increase/decrease the Group's profit before tax by \$20.95 million and fair value reserve by \$1,628.65 million (31 December 2009: Group's profit before tax by \$15.95 million and fair value reserve by \$1,399.02 million).

假設於二零一零年十二月三十一日本集團持有之可供出售及持有作交易用途股本證券及投資基金的市值上升/下跌10%, 其他參數不變, 將令本集團稅前溢利和公允價值儲備分別上升/下跌約2,095萬元及16.2865億元(二零零九年十二月三十一日: 本集團稅前溢利和公允價值儲備分別上升/下跌約1,595萬元及13.9902億元)。

(c) Foreign exchange risk

(c) 外匯風險

In respect of the life insurance and property and casualty insurance business in the PRC, premiums are received in RMB and the insurance regulation in the PRC requires insurers to hold RMB assets. Therefore the foreign exchange risk in respect of RMB for the Group's PRC operations is not significant.

就人壽保險業務及在中國之財產保險業務而言, 保費以人民幣計值, 而中國保險法例規定保險公司持有人民幣資產。因此, 本集團的中國業務有關人民幣的外匯風險並不重大。

In respect of the property and casualty insurance business in Hong Kong, almost all the premiums are received in HKD and USD. The currency position of assets and liabilities is monitored by the Group periodically.

就在香港之財產保險業務而言, 幾乎所有的保費均以港元及美元計值。資產及負債之貨幣持有由本集團定期監控。

In respect of the reinsurance business, premiums are received mainly in HKD and USD and also in a number of Asian currencies which follow closely the USD currency rate movement. The Group aims to hold assets in these currencies in broadly similar proportion to its insurance liabilities.

就再保險業務而言, 保費主要以港幣及美元計值, 同時亦以多種緊隨美元匯率變動的亞洲貨幣計值。本集團致力維持以該等貨幣持有資產的比例與其保險負債大致相同。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(i) Market risk (Continued)

(i) 市場風險 (續)

(c) Foreign exchange risk (Continued)

(c) 外匯風險 (續)

The following table presents the Group's carrying values of financial and insurance assets and liabilities in the consolidated statement of financial position in HKD equivalent by major currencies:

下表呈現本集團於綜合財務狀況表內按主要貨幣分類的金融及保險資產及負債之港幣賬面等值：

		31 December 2010 二零一零年十二月三十一日				Total
		RMB	USD	HKD	Other foreign currencies	Total
		人民幣	美元	港幣	其他外幣	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Financial assets:	金融資產：					
Statutory deposits	法定存款	1,144,625	322,168	—	—	1,466,793
Investments in debt and equity securities	債務及股本證券投資	96,129,195	4,593,010	1,631,437	594,384	102,948,026
— debt securities	— 債務證券	81,248,494	4,440,884	189,774	572,893	86,452,045
— equity securities/ investment fund	— 股本證券/ 投資基金	14,880,701	152,126	1,441,663	21,491	16,495,981
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	4,909,273	—	—	—	4,909,273
Securities purchased under resale agreements	買入返售證券	53,471	—	—	—	53,471
Amounts due from group companies	應收集團內公司款項	4,236	11	4,995	15	9,257
Other debtors	其他應收賬款	5,107,995	487,744	240,838	15,069	5,851,646
Pledged deposits at banks	已抵押銀行存款	—	160,613	—	—	160,613
Deposits at banks with original maturity more than three months	原到期日超過三個月之銀行存款	10,754,072	405,012	336,330	—	11,495,414
Cash and cash equivalents	現金及現金等價物	14,165,431	653,389	893,808	576,586	16,289,214
		132,268,298	6,621,947	3,107,408	1,186,054	143,183,707
Insurance assets:	保險資產：					
Insurance debtors	保險客戶應收賬款	786,009	170,695	148,195	243,856	1,348,755
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	1,061,798	149,090	785,870	51,592	2,048,350
		1,847,807	319,785	934,065	295,448	3,397,105

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(i) Market risk (Continued)

(i) 市場風險 (續)

(c) Foreign exchange risk (Continued)

(c) 外匯風險 (續)

31 December 2010
二零一零年十二月三十一日

		RMB 人民幣 \$'000 千元	USD 美元 \$'000 千元	HKD 港幣 \$'000 千元	Other foreign currencies 其他外幣 \$'000 千元	Total 總額 \$'000 千元
Financial liabilities:	金融負債：					
Investment contract liabilities	投資合約負債	36,278,241	—	—	—	36,278,241
Interest-bearing notes	需付息票據	8,872,609	1,358,465	—	—	10,231,074
Securities sold under repurchase agreements	賣出回購證券	9,829,946	—	—	—	9,829,946
Amounts due to group companies	應付集團內公司款項	1,113,828	—	87	—	1,113,915
		56,094,624	1,358,465	87	—	57,453,176
Insurance liabilities:	保險負債：					
Life insurance contract liabilities	壽險合約負債	60,391,614	—	—	—	60,391,614
Unearned premium provisions	未到期責任準備金	3,320,897	187,085	312,671	246,661	4,067,314
Provision for outstanding claims	未決賠款準備	3,360,914	760,008	2,291,842	1,226,095	7,638,859
Insurance creditors	保險客戶應付賬款	1,173,926	29,788	282,191	15,542	1,501,447
		68,247,351	976,881	2,886,704	1,488,298	73,599,234
Net assets/(liabilities)	資產/(負債)淨值	9,774,130	4,606,386	1,154,682	(6,796)	15,528,402

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(i) Market risk (Continued)

(i) 市場風險 (續)

(c) Foreign exchange risk (Continued)

31 December 2009

二零零九年十二月三十一日

		RMB 人民幣 \$'000 千元	USD 美元 \$'000 千元	HKD 港幣 \$'000 千元	Other foreign currencies 其他外幣 \$'000 千元	Total 總額 \$'000 千元
Financial assets:	金融資產：					
Statutory deposits	法定存款	1,299,287	23,250	27,500	—	1,350,037
Investments in debt and equity securities	債務及股本證券投資	68,559,949	4,121,296	1,012,879	395,771	74,089,895
— debt securities	— 債務證券	55,381,590	3,922,444	240,402	395,771	59,940,207
— equity securities/ investment fund	— 股本證券/ 投資基金	13,178,359	198,852	772,477	—	14,149,688
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	5,078,319	—	—	—	5,078,319
Securities purchased under resale agreements	買入返售證券	34,072	—	—	—	34,072
Amounts due from group companies	應收集團內公司款項	13,557	—	6,651	—	20,208
Other debtors	其他應收賬款	2,414,147	59,106	59,341	43,090	2,575,684
Pledged deposits at bank	已抵押銀行存款	—	92,225	—	—	92,225
Deposits at bank with original maturity more than three months	原到期日超過三個月的銀行存款	5,695,181	778,953	60,543	—	6,534,677
Cash and cash equivalents	現金及現金等價物	7,671,460	2,173,099	1,618,100	1,035,162	12,497,821
		90,765,972	7,247,929	2,785,014	1,474,023	102,272,938
Insurance assets:	保險資產：					
Insurance debtors	保險客戶應收賬款	731,395	167,765	223,368	221,299	1,343,827
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	981,342	150,060	913,275	42,985	2,087,662
		1,712,737	317,825	1,136,643	264,284	3,431,489

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(i) Market risk (Continued)

(i) 市場風險 (續)

(c) Foreign exchange risk (Continued)

31 December 2009
二零零九年十二月三十一日

		RMB 人民幣 \$'000 千元	USD 美元 \$'000 千元	HKD 港幣 \$'000 千元	Other foreign currencies 其他外幣 \$'000 千元	Total 總額 \$'000 千元
Financial liabilities:	金融負債：					
Investment contract liabilities	投資合約負債	36,381,937	—	—	—	36,381,937
Interest-bearing notes	需付息票據	4,372,599	1,352,511	—	—	5,725,110
Securities sold under repurchase agreements	賣出回購證券	6,606,088	—	—	—	6,606,088
Amounts due to group companies	應付集團內公司款項	1,295	—	—	—	1,295
		47,361,919	1,352,511	—	—	48,714,430
Insurance liabilities:	保險負債：					
Life insurance contract liabilities	壽險合約負債	31,089,308	—	—	—	31,089,308
Unearned premium provisions	未到期責任準備金	3,140,865	161,989	321,261	194,691	3,818,806
Provision for outstanding claims	未決賠款準備	2,893,578	622,731	2,463,134	1,003,313	6,982,756
Insurance creditors	保險客戶應付賬款	984,845	82,371	322,931	17,626	1,407,773
		38,108,596	867,091	3,107,326	1,215,630	43,298,643
Net assets	資產淨值	7,008,194	5,346,152	814,331	522,677	13,691,354

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(ii) Credit risk

Credit risk is the risk of economic loss resulting from the failure of one of the obligors to make any payment of principal or interest when due.

The Group is exposed to credit risks primarily associated with bank deposits, money market funds, insurance debtors, investments in debt securities, reinsurance arrangements with reinsurers and other debtors etc.

The maximum exposure of the Group to credit risk in the event of the counterparties' failure to perform their obligations as at the end of the reporting period is the carrying amount of the assets as shown in the table below:

(f) 財務風險 (續)

(ii) 信用風險

信用風險是指債務人到期未能支付任何本金或利息而引起經濟損失的風險。

本集團主要會承受的信用風險與銀行存款、貨幣市場基金、保險客戶應收賬款、債務證券投資、分保公司再保險安排及其他應收賬款有關。

因交易對手未能履行責任而使本集團於報告期末需承受的最高信用風險為下表載列之資產賬面值：

		31 December 2010 二零一零年 十二月三十一日		31 December 2009 二零零九年 十二月三十一日	
		\$'000	% of Total	\$'000	% of Total
		千元	佔總額百分比	千元	佔總額百分比
Statutory deposits and deposits with banks	法定存款及銀行存款	29,251,421	23.4%	20,382,535	23.6%
Investments in debt securities	債務證券投資	86,452,045	69.2%	59,940,207	69.4%
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	2,048,350	1.6%	2,087,662	2.4%
Insurance debtors	保險客戶應收賬款	1,348,755	1.1%	1,343,827	1.6%
Other debtors	其他應收賬款	5,851,646	4.7%	2,575,684	3.0%
		124,952,217	100.0%	86,329,915	100.0%

For the distribution of investment in debt securities by class for 31 December 2010 and 2009, please refer to note 3(b) and 3(e) respectively.

於二零零九年及二零一零年十二月三十一日債務證券投資按類別的分佈，請分別參考附註3(e)及3(b)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(ii) Credit risk (Continued)

To reduce the credit risk associated with the investments in debt securities, the Group has established detailed credit control policy. In addition, the risk level of the various investment sectors is continuously monitored with the investment mix adjusted accordingly. In respect of the debt securities invested by life insurance and property and casualty insurance business in the PRC, the investment procedures manual, which is managed by an investment committee, includes the minimum acceptable domestic credit rating of the issuers as required by the CIRC. Any non-compliance or violation of the manual will be followed up and rectification action will be taken immediately. In respect of the debt securities invested by property and casualty insurance business in Hong Kong, it is the Group's policy to invest in bonds with ratings of investment grade or above. In respect of the debt securities invested by reinsurance business, the Group restricts investments in debt securities with international credit ratings generally not below the investment grade, i.e. BBB or higher, except for certain sovereign rated securities.

The credit risk on bank balances is limited because the relevant banks are with high credit ratings.

In assessing the need for impairment allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors.

The credit risk associated with insurance debtors and other debtors will not cause a material impact on the Group's consolidated financial statements taking into consideration of their collateral held and maturity term of no more than one year as at 31 December 2010.

The credit risk at Company level is mainly concentrated in the amounts due from subsidiaries, and is managed by assessing the recoverability of the repayment from those subsidiaries. The management monitors on a regular basis the availability of funds among the Group and the assets held by the subsidiaries are considered sufficient to cover the amount due from them. Hence, the Company's exposure to credit risks at the end of the reporting period is considered immaterial.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(ii) 信用風險 (續)

為降低與債務證券投資有關的信用風險，本集團制定一套詳盡的信用控制政策。此外，不同投資行業的風險水平透過調整投資組合而獲得持續監控。有關人壽保險及於中國之財產保險業務的債務證券投資，投資程序手冊，由投資委員會管理，列出包括按中國保監會要求的發行人之最低可接受本地信貸評級。任何不合規或違反手冊將立即被跟進及改正。有關於香港之財產保險業務的債務證券投資，投資於擁有投資等級的債券乃本集團之政策。有關再保險業務的債務證券投資，本集團限制對信貸評級一般低於投資等級（即低於BBB）的債務證券投資，但部份主權評級證券除外。

銀行存款之信用風險有限，原因是有關銀行擁有高信用級別。

在評定減值準備的需要時，管理人員考慮的因素包括信用質素、組合規模、集中程度及經濟因素。

有關保險客戶應收賬款及其他應收賬款之信用風險，考慮到持有之抵押品及於二零一零年十二月三十一日之到期條款不超過一年後，將不會對本集團之綜合財務報表帶來重大影響。

在公司層面之信用風險主要集中於應收附屬公司款項，並通過評估該些附屬公司還款之可收回性進行管理。管理層定期監察集團內的資金情況及附屬公司持有足夠資產以涵蓋它們之應付款項。因此，本公司於報告期末之信用風險不大。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(f) Financial risk (Continued)

(iii) Liquidity risk

The Group has to meet daily calls on its cash resources, notably from claims arising from its life insurance contracts, property and casualty insurance contracts and reinsurance contracts. There is, therefore, a risk that cash will not be available to settle liabilities when due.

The Group manages this risk by formulating policies and general strategies of liquidity management to ensure that the Group can meet its financial obligations in normal circumstances and that an adequate stock of high-quality liquid assets is maintained in order to contain the possibility of a liquidity crisis.

Apart from liquidity management and regulatory compliance, the Group always strives to maintain a comfortable liquidity cushion as a safety net for coping with unexpected large funding requirements and to maintain a contingency plan to be enacted should there be a company specific crisis.

The following table details the Group's remaining contractual obligations for its non-derivative financial liabilities based on the agreed repayment terms, except for investment contract liabilities which are based on expected maturity dates. It has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay and includes both interest and principal cash flows. The table excludes life insurance contract liabilities. Assuming that all surrender and transfer options are exercised would result in all insurance contracts being presented as falling due within one year or less.

2 保險、財務及資本風險管理 (續)

(f) 財務風險 (續)

(iii) 流動性風險

本集團須滿足其現金資源的每日調用，尤其是其人壽保險合約、財產保險合約及再保險合約產生的賠款費用，因此存在現金不足以償還到期負債的風險。

本集團透過制定流動資金管理的政策及一般策略管理該風險，以確保本集團滿足正常財務需求及備存充裕的高質素流動資產，以應對可能產生的流動資金危機。

除流動資金管理及監管遵從外，本集團通常會留存適度的流動資金緩衝額作為應對意外大筆資金需求的安全措施，以及制定應急計劃以應付公司的特定危機。

下表載列本集團非衍生工具金融負債根據議定還款條款的餘下合約責任情況，而投資合約負債則根據預期到期日列示。此根據未折現金融負債現金流按本集團需要支付的最早日期而編製，並包括利息及本金現金流。下表不包括人壽保險合約負債。假設所有退保及轉讓選擇權被行使，令所有呈列之保險合約於一年或以內到期。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(f) Financial risk (Continued)

(f) 財務風險 (續)

(iii) Liquidity risk (Continued)

(iii) 流動性風險 (續)

		1 year or less 一年 或以下 \$'000 千元	5 years or less but over 1 year 五年或 以下但 超過一年 \$'000 千元	After 5 years 五年後 \$'000 千元	Total undiscounted cashflows 未折現現金流 總額 \$'000 千元	Carrying value at 31 December 於 十二月三十一日 之賬面值 \$'000 千元
At 31 December 2010	於二零一零年 十二月三十一日					
Financial liabilities:	金融負債：					
Interest-bearing notes	需付息票據	537,669	5,177,689	9,356,959	15,072,317	10,231,074
Investment contract liabilities	投資合約負債	2,377,293	7,823,156	50,726,552	60,927,001	36,278,241
Securities sold under repurchase agreements	賣出回購證券	9,829,946	—	—	9,829,946	9,829,946
Amounts due to group companies	應付集團內公司款項	1,113,915	—	—	1,113,915	1,113,915
		13,858,823	13,000,845	60,083,511	86,943,179	57,453,176
Insurance liabilities:	保險負債：					
Provision for outstanding claims	未決賠款準備	4,223,903	2,517,401	897,555	7,638,859	7,638,859
Insurance creditors	保險客戶應付賬款	1,232,948	267,271	1,228	1,501,447	1,501,447
		5,456,851	2,784,672	898,783	9,140,306	9,140,306
At 31 December 2009	於二零零九年 十二月三十一日					
Financial liabilities:	金融負債：					
Interest-bearing notes	需付息票據	320,286	4,249,268	3,649,814	8,219,368	5,725,110
Investment contract liabilities	投資合約負債	2,092,952	6,940,300	60,728,886	69,762,138	36,381,937
Securities sold under repurchase agreements	賣出回購證券	6,606,088	—	—	6,606,088	6,606,088
Amounts due to group companies	應付集團內公司款項	1,295	—	—	1,295	1,295
		9,020,621	11,189,568	64,378,700	84,588,889	48,714,430
Insurance liabilities:	保險負債：					
Provision for outstanding claims	未決賠款準備	3,785,450	2,332,226	865,080	6,982,756	6,982,756
Insurance creditors	保險客戶應付賬款	1,218,961	188,812	—	1,407,773	1,407,773
		5,004,411	2,521,038	865,080	8,390,529	8,390,529

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

(g) Capital management

The Group's key business operations are its life insurance business, the property and casualty insurance business and the reinsurance business, which are conducted through its subsidiaries. The Group manages its capital to ensure that the entities conducting the life insurance business, the property and casualty insurance business and reinsurance business will be able to meet statutory solvency requirements in the jurisdictions in which they operate. The Group's capital management initiatives also strive to maintain a surplus for future business expansion opportunities. The Group's overall capital management strategy remains unchanged from the prior year. The statutory solvency requirements for life insurance business, property and casualty insurance business and reinsurance business are set out in the Solvency Reporting Standards for Insurance Companies issued by CIRC and Hong Kong Insurance Companies Ordinance. The Group's capital includes the components of total equity and interest-bearing notes. The Group complied with the various solvency requirements throughout the year.

(h) Claims development

Claims development information for the property and casualty insurance business and reinsurance business is disclosed below in order to illustrate the insurance risk inherent in the Group. The tables provide a review of current estimates of the cumulative claims and demonstrate how the estimated claims have changed at subsequent reporting or underwriting year-ends. The estimates increased or decreased as losses are paid and more information becomes known about the frequency and severity of unpaid claims.

2 保險、財務及資本風險管理 (續)

(g) 資本管理

本集團之主要業務為人壽保險業務、財產保險業務及再保險業務，其業務皆透過附屬公司進行。本集團之資本管理，是確保從事人壽保險業務、財產保險業務及再保險業務之公司將可符合業務經營相關司法權區之法定償付能力規定。本集團之資本管理策略亦致力為未來業務擴展機會維持充裕資金。本集團之整體資本管理策略與去年保持不變。人壽保險業務及財產保險業務及再保險業務之法定償付能力規定載於由中國保監會頒佈之《保險公司償付能力報告編報規則》及香港保險公司條例內。本集團之資本包括總權益組成部份及需付息票據。本集團整年皆符合各償付能力之要求。

(h) 賠款發展

披露財產保險業務及再保險業務的賠款發展資料的目的旨在說明本集團內在的保險風險。下列表格乃是對累積賠款當前估計的回顧，並說明估計賠款額於其後報告或承保年度年結日的變動情況。估計賠款額隨著賠付而增加或減少，並會揭示出更多有關未支付賠款額的頻次及嚴重性的信息。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development – gross of reinsurance for TPI

賠款發展分析—太平財險之未扣除再保險毛額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	1,217,424	1,901,570	3,138,746	2,939,888	3,362,397	
One year later	一年後	1,105,458	1,792,027	3,070,169	2,995,493	—	
Two years later	兩年後	1,254,443	1,796,711	3,185,454	—	—	
Three years later	三年後	1,252,349	1,858,523	—	—	—	
Four years later	四年後	1,295,971	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	1,295,971	1,858,523	3,185,454	2,995,493	3,362,397	12,697,838
Cumulative payments to date	迄今累計付款	(1,281,984)	(1,817,703)	(3,001,574)	(2,600,572)	(1,623,098)	(10,324,931)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	13,987	40,820	183,880	394,921	1,739,299	2,372,907
Liabilities in respect of accident years 2005 and earlier	於二零零五年意外年度及以前的負債						147,714
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						2,520,621

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	919,502	1,217,424	1,901,570	3,138,746	2,939,888	
One year later	一年後	856,037	1,105,458	1,792,027	3,070,169	—	
Two years later	兩年後	752,007	1,254,443	1,796,711	—	—	
Three years later	三年後	851,727	1,252,349	—	—	—	
Four years later	四年後	839,313	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	839,313	1,252,349	1,796,711	3,070,169	2,939,888	9,898,430
Cumulative payments to date	迄今累計付款	(814,225)	(1,225,538)	(1,715,088)	(2,718,636)	(1,651,042)	(8,124,529)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	25,088	26,811	81,623	351,533	1,288,846	1,773,901
Liabilities in respect of accident years 2004 and earlier	於二零零四年意外年度及以前的負債						102,405
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						1,876,306

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development – net of reinsurance for TPI

賠款發展分析—太平財險之減去再保險淨額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	921,899	1,520,294	2,381,620	2,539,543	2,936,648	
One year later	一年後	942,630	1,434,394	2,427,124	2,634,679	—	
Two years later	兩年後	959,771	1,444,382	2,519,078	—	—	
Three years later	三年後	953,989	1,497,195	—	—	—	
Four years later	四年後	986,198	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	986,198	1,497,195	2,519,078	2,634,679	2,936,648	10,573,798
Cumulative payments to date	迄今累計付款	(975,526)	(1,468,389)	(2,418,124)	(2,318,108)	(1,466,407)	(8,646,554)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	10,672	28,806	100,954	316,571	1,470,241	1,927,244
Liabilities in respect of accident years 2005 and earlier	於二零零五年意外年度及以前的負債						131,039
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						2,058,283

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	704,159	921,899	1,520,294	2,381,620	2,539,543	
One year later	一年後	667,407	942,630	1,434,394	2,427,124	—	
Two years later	兩年後	629,316	959,771	1,444,382	—	—	
Three years later	三年後	662,356	953,989	—	—	—	
Four years later	四年後	656,613	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	656,613	953,989	1,444,382	2,427,124	2,539,543	8,021,651
Cumulative payments to date	迄今累計付款	(637,742)	(935,642)	(1,384,669)	(2,188,353)	(1,477,123)	(6,623,529)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	18,871	18,347	59,713	238,771	1,062,420	1,398,122
Liabilities in respect of accident years 2004 and earlier	於二零零四年意外年度及以前的負債						86,410
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						1,484,532

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development — gross of reinsurance for CTPI (HK)

賠款發展分析—中國太平香港之未扣除再保險毛額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	971,487	623,315	978,265	582,129	618,956	
One year later	一年後	829,655	552,175	635,594	588,167	—	
Two years later	兩年後	750,047	507,245	595,284	—	—	
Three years later	三年後	765,796	450,395	—	—	—	
Four years later	四年後	752,403	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	752,403	450,395	595,284	588,167	618,956	3,005,205
Cumulative payments to date	迄今累計付款	(666,136)	(286,662)	(324,801)	(186,050)	(91,482)	(1,555,131)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	86,267	163,733	270,483	402,117	527,474	1,450,074
Liabilities in respect of accident years 2005 and earlier	於二零零五年意外年度及以前的負債						324,328
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						1,774,402

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	637,473	971,487	623,315	978,265	582,129	
One year later	一年後	546,436	829,655	552,175	635,594	—	
Two years later	兩年後	541,016	750,047	507,245	—	—	
Three years later	三年後	406,734	765,796	—	—	—	
Four years later	四年後	501,964	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	501,964	765,796	507,245	635,594	582,129	2,992,728
Cumulative payments to date	迄今累計付款	(413,542)	(608,842)	(231,824)	(248,667)	(99,058)	(1,601,933)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	88,422	156,954	275,421	386,927	483,071	1,390,795
Liabilities in respect of accident years 2004 and earlier	於二零零四年意外年度及以前的負債						415,265
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						1,806,060

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development – net of reinsurance for CTPI (HK)

賠款發展分析—中國太平香港之減去再保險淨額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	368,342	391,379	654,304	408,665	392,784	
One year later	一年後	328,346	340,374	387,612	383,830	—	
Two years later	兩年後	267,547	345,727	346,174	—	—	
Three years later	三年後	279,066	316,657	—	—	—	
Four years later	四年後	261,440	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	261,440	316,657	346,174	383,830	392,784	1,700,885
Cumulative payments to date	迄今累計付款	(213,955)	(206,442)	(161,694)	(123,472)	(59,805)	(765,368)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	47,485	110,215	184,480	260,358	332,979	935,517
Liabilities in respect of accident years 2005 and earlier	於二零零五年意外年度及以前的負債						123,404
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						1,058,921

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	411,913	368,342	391,379	654,304	408,665	
One year later	一年後	367,921	328,346	340,374	387,612	—	
Two years later	兩年後	366,643	267,547	345,727	—	—	
Three years later	三年後	281,153	279,066	—	—	—	
Four years later	四年後	340,895	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	340,895	279,066	345,727	387,612	408,665	1,761,965
Cumulative payments to date	迄今累計付款	(283,504)	(184,708)	(166,813)	(114,905)	(64,229)	(814,159)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	57,391	94,358	178,914	272,707	344,436	947,806
Liabilities in respect of accident years 2004 and earlier	於二零零四年意外年度及以前的負債						97,575
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						1,045,381

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development — gross of reinsurance for MAC

賠款發展分析—民安中國之未扣除再保險毛額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	146,355	234,925	603,835	699,447	838,095	
One year later	一年後	139,091	212,543	597,275	753,266	—	
Two years later	兩年後	129,020	201,263	608,266	—	—	
Three years later	三年後	127,647	188,160	—	—	—	
Four years later	四年後	132,838	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	132,838	188,160	608,266	753,266	838,095	2,520,625
Cumulative payments to date	迄今累計付款	(130,847)	(180,818)	(594,089)	(681,654)	(436,649)	(2,024,057)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	1,991	7,342	14,177	71,612	401,446	496,568
Liabilities in respect of accident years 2005 and earlier	於二零零五年意外年度及以前的負債						1,385
Eliminated on disposal	於出售時對銷						(497,953)
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						—

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	129,377	146,355	234,925	603,835	699,447	
One year later	一年後	106,471	139,091	212,543	597,275	—	
Two years later	兩年後	110,816	129,020	201,263	—	—	
Three years later	三年後	110,263	127,647	—	—	—	
Four years later	四年後	110,662	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	110,662	127,647	201,263	597,275	699,447	1,736,294
Cumulative payments to date	迄今累計付款	(107,568)	(126,151)	(162,246)	(535,749)	(364,223)	(1,295,937)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	3,094	1,496	39,017	61,526	335,224	440,357
Liabilities in respect of accident years 2004 and earlier	於二零零四年意外年度及以前的負債						2,345
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						442,702

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development – net of reinsurance for MAC

賠款發展分析—民安中國之減去再保險淨額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	63,208	144,143	380,205	613,983	734,748	
One year later	一年後	56,983	134,125	420,951	685,112	—	
Two years later	兩年後	52,425	117,942	404,394	—	—	
Three years later	三年後	51,079	120,447	—	—	—	
Four years later	四年後	51,194	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	51,194	120,447	404,394	685,112	734,748	1,995,895
Cumulative payments to date	迄今累計付款	(50,349)	(117,482)	(395,354)	(626,641)	(403,505)	(1,593,331)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	845	2,965	9,040	58,471	331,243	402,564
Liabilities in respect of accident years 2005 and earlier	於二零零五年意外年度及以前的負債						729
Eliminated on disposal	於出售時對銷						(403,293)
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						—

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Accident year 意外年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Estimate of cumulative claims	估計累計賠款						
At the end of accident year	於意外年度年結時	56,149	63,208	144,143	380,205	613,983	
One year later	一年後	45,906	56,983	134,125	420,951	—	
Two years later	兩年後	42,215	52,425	117,942	—	—	
Three years later	三年後	41,927	51,079	—	—	—	
Four years later	四年後	40,605	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	40,605	51,079	117,942	420,951	613,983	1,244,560
Cumulative payments to date	迄今累計付款	(38,923)	(48,637)	(105,660)	(374,958)	(348,978)	(917,156)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	1,682	2,442	12,282	45,993	265,005	327,404
Liabilities in respect of accident years 2004 and earlier	於二零零四年意外年度及以前的負債						1,231
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						328,635

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development — gross of reinsurance for TPR

賠款發展分析—太平再保險之未扣除再保險毛額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Underwriting year 承保年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Unearned premium provisions at the end of underwriting year (note)	於承保年度末之未到期責任準備金(註)	523,080	560,466	604,802	544,175	861,794	
Estimate of cumulative claims (note)	估計累計賠款(註)						
At the end of underwriting year	於承保年度年結時	617,028	813,412	1,050,587	842,040	1,102,624	
One year later	一年後	928,909	1,157,883	1,343,934	1,444,193	—	
Two years later	兩年後	885,898	1,199,548	1,293,801	—	—	
Three years later	三年後	862,930	1,163,480	—	—	—	
Four years later	四年後	817,351	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	817,351	1,163,480	1,293,801	1,444,193	1,102,624	5,821,449
Cumulative payments to date	迄今累計付款	(679,117)	(840,548)	(798,784)	(573,242)	(31,361)	(2,923,052)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	138,234	322,932	495,017	870,951	1,071,263	2,898,397
Liabilities in respect of underwriting years 2005 and earlier	於二零零五年承保年度及以前的負債						221,490
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						3,119,887

Note: Above balances exclude the unearned premiums provision/claims liabilities for the life reinsurance business.

註：上述數額不包括人壽再保險業務之未到期責任準備金／賠款負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development — gross of reinsurance for TPR_e (Continued)

賠款發展分析—太平再保險之未扣除再保險毛額 (續)

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Underwriting year 承保年度					Total Total
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Unearned premium provisions at the end of underwriting year (note)	於承保年度末之未到期責任準備金 (註)	366,916	523,080	560,466	604,802	544,175	
Estimate of cumulative claims (note)	估計累計賠款 (註)						
At the end of underwriting year	於承保年度年結時	903,974	617,028	813,412	1,050,587	842,040	
One year later	一年後	1,251,632	928,909	1,157,883	1,343,934	—	
Two years later	兩年後	1,283,002	885,898	1,199,548	—	—	
Three years later	三年後	1,186,049	862,930	—	—	—	
Four years later	四年後	1,182,367	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	1,182,367	862,930	1,199,548	1,343,934	842,040	5,430,819
Cumulative payments to date	迄今累計付款	(1,036,506)	(635,546)	(745,846)	(597,628)	12,159	(3,003,367)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	145,861	227,384	453,702	746,306	854,199	2,427,452
Liabilities in respect of underwriting years 2004 and earlier	於二零零四年承保年度及以前的負債						227,168
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						2,654,620

Note: Above balances exclude the unearned premiums provision/claims liabilities for the life reinsurance business.

註：上述數額不包括人壽再保險業務之未到期責任準備金／賠款負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development – net of reinsurance for TPRe

賠款發展分析—太平再保險之減去再保險淨額

For the year ended 31 December 2010

截至二零一零年十二月三十一日止年度

		Underwriting year 承保年度					Total 總額
		2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	2010 \$'000 千元	\$'000 千元
Unearned premium provisions at the end of underwriting year (note)	於承保年度末之未到期責任準備金(註)	470,207	497,576	528,539	473,232	781,617	
Estimate of cumulative claims (note)	估計累計賠款(註)						
At the end of underwriting year	於承保年度年結時	568,075	752,167	922,454	788,175	1,044,956	
One year later	一年後	849,375	994,736	1,172,974	1,312,205	–	
Two years later	兩年後	807,483	1,042,789	1,128,945	–	–	
Three years later	三年後	788,861	1,021,230	–	–	–	
Four years later	四年後	743,093	–	–	–	–	
Estimate of cumulative claims	估計累計賠款	743,093	1,021,230	1,128,945	1,312,205	1,044,956	5,250,429
Cumulative payments to date	迄今累計付款	(612,904)	(732,869)	(672,373)	(539,777)	(36,552)	(2,594,475)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	130,189	288,361	456,572	772,428	1,008,404	2,655,954
Liabilities in respect of underwriting years 2005 and earlier	於二零零五年承保年度及以前的負債						195,508
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						2,851,462

Note: Above balances exclude the unearned premiums provision/claims liabilities for the life reinsurance business.

註：上述數額不包括人壽再保險業務之未到期責任準備金／賠款負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

2 INSURANCE, FINANCIAL AND CAPITAL RISK MANAGEMENT (Continued)

2 保險、財務及資本風險管理 (續)

(h) Claims development (Continued)

(h) 賠款發展 (續)

Analysis of claims development – net of reinsurance for TPRe (Continued)

賠款發展分析—太平再保險之減去再保險淨額 (續)

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

		Underwriting year 承保年度					Total 總額
		2005 \$'000 千元	2006 \$'000 千元	2007 \$'000 千元	2008 \$'000 千元	2009 \$'000 千元	\$'000 千元
Unearned premium provisions at the end of underwriting year (note)	於承保年度末之未到期責任準備金 (註)	335,296	470,207	497,576	528,539	473,232	
Estimate of cumulative claims (note)	估計累計賠款 (註)						
At the end of underwriting year	於承保年度年結時	763,448	568,075	752,167	922,454	788,175	
One year later	一年後	1,056,084	849,375	994,736	1,172,974	—	
Two years later	兩年後	1,081,483	807,483	1,042,789	—	—	
Three years later	三年後	994,160	788,861	—	—	—	
Four years later	四年後	989,629	—	—	—	—	
Estimate of cumulative claims	估計累計賠款	989,629	788,861	1,042,789	1,172,974	788,175	4,782,428
Cumulative payments to date	迄今累計付款	(853,104)	(574,871)	(656,346)	(490,060)	3,080	(2,571,301)
Liabilities recognized in the statement of financial position	確認於財務狀況表的負債	136,525	213,990	386,443	682,914	791,255	2,211,127
Liabilities in respect of underwriting years 2004 and earlier	於二零零四年承保年度及以前的負債						186,147
Total liabilities included in the statement of financial position	確認於財務狀況表的總負債						2,397,274

Note: Above balances exclude the unearned premiums provision/claims liabilities for the life reinsurance business.

註：上述數額不包括人壽再保險業務之未到期責任準備金／賠款負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS

The Group is organized primarily based on different types of business. The information reported to the Board, being the chief operating decision maker, for the purpose of resources allocation and performance assessment, are prepared and reported on such basis. Accordingly, the Group's operating segments are detailed as follows:

- Life insurance business;
- Property and casualty insurance business;
- Reinsurance business; and
- Other businesses which comprised the asset management business, insurance intermediary business, pension and group life business.

Information regarding the above segments is reported below.

Management monitors the operating results of the Group's business units separately for the purpose of performance assessment.

3 營運分部

本集團主要由各項業務組成。向董事會(即主要營運決策者)呈報以資源分配及評估表現之資料，亦按此基準編製及呈報。因此，本集團營運分部的詳情臚列如下：

- 人壽保險業務；
- 財產保險業務；
- 再保險業務；及
- 其他業務，包括資產管理業務、保險中介業務、養老保險及團險業務。

有關上述分部的資料呈列如下。

管理層透過監控本集團各業務單位之營運業績以評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

a. Segmental income statement for 2010

3 營運分部 (續)

a. 2010年分類損益表

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		Life insurance	Property and casualty insurance	Reinsurance	Other businesses	Total
		人壽保險	財產保險	再保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Income	收入					
Gross premiums written	毛承保保費	37,033,658	8,866,038	2,649,725	25,417	48,574,838
Policy fees	保單費收入	184,474	—	—	—	184,474
		37,218,132	8,866,038	2,649,725	25,417	48,759,312
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉分份額	(305,736)	(1,358,829)	(277,664)	—	(1,942,229)
Net premiums written and policy fees	淨承保保費及保單費收入	36,912,396	7,507,209	2,372,061	25,417	46,817,083
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(20,572)	(504,805)	(294,526)	(16,020)	(835,923)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	36,891,824	7,002,404	2,077,535	9,397	45,981,160
Net investment income (note (i))	投資收入淨額 (註(i))	3,564,209	417,897	223,078	41,003	4,246,187
Net realized investment gains (note (ii))	已實現投資收益淨額 (註(ii))	1,043,143	131,863	53,216	73,310	1,301,532
Net unrealized investment gains/(losses) and impairment (note (iii))	未實現投資收益/(虧損)及減值淨額 (註(iii))	(142,433)	68,544	43,794	(4,370)	(34,465)
Net exchange loss	匯兌虧損淨額	(98,192)	(26,516)	(31,471)	(2,299)	(158,478)
Other income	其他收入	74,838	10,628	4,681	385,951	476,098
Inter-segment transactions	分類之間交易	(59,571)	(3,182)	—	(222,740)	(285,493)
Segment income	分部收入	41,273,818	7,601,638	2,370,833	280,252	51,526,541
Benefits, losses and expenses	給付、賠款及費用					
Net policyholders' benefits	保單持有人利益淨額	(4,649,761)	(3,840,439)	(1,307,326)	(1,028)	(9,798,554)
Net commission expenses	佣金支出淨額	(3,195,424)	(312,357)	(595,219)	(1,719)	(4,104,719)
Administrative and other expenses	行政及其他費用	(4,654,450)	(3,085,800)	(84,997)	(598,394)	(8,423,641)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(27,543,760)	—	—	—	(27,543,760)
Inter-segment transactions	分類之間交易	204,624	65,636	8,228	7,005	285,493
		(39,838,771)	(7,172,960)	(1,979,314)	(594,136)	(49,585,181)
Profit/(loss) from operations	經營溢利/(虧損)	1,435,047	428,678	391,519	(313,884)	1,941,360
Share of results of associates	應佔聯營公司業績	163	—	—	8,784	8,947
Gain on disposal of a subsidiary	出售一間附屬公司收益	—	1,263,113	—	—	1,263,113
Finance costs	財務費用	(222,733)	(50,577)	—	(79,954)	(353,264)
Profit/(loss) before taxation	除稅前溢利/(虧損)	1,212,477	1,641,214	391,519	(385,054)	2,860,156
Income tax charge	稅項支出	(127,544)	(58,129)	(15,367)	(5,649)	(206,689)
Profit/(loss) after taxation	除稅後溢利/(虧損)	1,084,933	1,583,085	376,152	(390,703)	2,653,467
Non-controlling interests	非控股股東權益	(541,923)	(58,775)	—	192,024	(408,674)
Segment profit/(loss), representing profit/(loss) attributable to owners	分部溢利/(虧損)代表股東應佔溢利/(虧損)	543,010	1,524,310	376,152	(198,679)	2,244,793

Segment revenue and segment profit/(loss) represents the revenue and profit/(loss) earned by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部收入及分部溢利/(虧損)指各分部收入及溢利/(虧損)，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

a. Segmental income statement for 2010 (Continued)

Included in the gross premiums written and segment profit of property and casualty insurance business are gross premiums of \$1,919,273,000 and loss of \$80,806,000 respectively, related to MAC over which the Group has lost control as at 31 December 2010.

a. 2010年分類損益表 (續)

財產保險業務毛承保保費收入及分類溢利當中分別包括毛保費1,919,273,000元及虧損80,806,000元與本集團已於二零一零年十二月三十一日轉移控制權之民安中國有關。

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		Property and casualty insurance			Other businesses	Total
		Life insurance	casualty insurance	Reinsurance	businesses	Total
		人壽保險	財產保險	再保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Note (i): Net investment income	註(i): 投資收入淨額					
Interest income from debt securities	債務證券利息收入					
— Held-to-maturity	— 持有至到期日	2,076,151	41,628	133,990	1,868	2,253,637
— Available-for-sale	— 可供出售	612,860	149,671	52,210	21,356	836,097
— Held for trading	— 持有作交易用途	46	210	11,448	3,317	15,021
— Loans and receivables	— 貸款及應收款項	180,059	12,905	8	546	193,518
Dividend income from equity securities	股本證券股息收入					
— Available-for-sale	— 可供出售	54,167	11,062	10,501	4,543	80,273
— Held for trading	— 持有作交易用途	—	—	—	743	743
Dividend income from investment funds	投資基金股息收入					
— Available-for-sale	— 可供出售	249,355	73,878	1,101	—	324,334
— Held for trading	— 持有作交易用途	—	133	2,724	221	3,078
Bank deposits and other interest income	銀行存款及其他利息收入	497,747	83,211	9,814	8,469	599,241
Rentals receivable from investment properties	應收投資物業租金	—	50,109	1,282	—	51,391
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	(106,176)	(4,910)	—	(60)	(111,146)
		3,564,209	417,897	223,078	41,003	4,246,187
Note (ii): Net realized investment gains/(losses)	註(ii): 已實現投資收益/(虧損)淨額					
Debt securities	債務證券					
— Available-for-sale	— 可供出售	(12,137)	109,734	(1,117)	70,959	167,439
— Held for trading	— 持有作交易用途	—	22	654	(842)	(166)
Equity securities	股本證券					
— Available-for-sale	— 可供出售	663,687	38,900	49,848	5,348	757,783
— Held for trading	— 持有作交易用途	—	—	—	1,648	1,648
Investment funds	投資基金					
— Available-for-sale	— 可供出售	391,593	(16,793)	(736)	—	374,064
— Held for trading	— 持有作交易用途	—	—	(161)	(3,803)	(3,964)
Gain on disposal of investment properties	出售投資物業收益	—	—	4,728	—	4,728
		1,043,143	131,863	53,216	73,310	1,301,532

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

a. Segmental income statement for 2010 (Continued)

a. 2010年分類損益表 (續)

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		Life insurance	Property and casualty insurance	Reinsurance	Other businesses	Total
		人壽保險	財產保險	再保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Note (iii): Net unrealized investment gains/(losses) and impairment	註(iii): 未實現投資收益/(虧損)及減值淨額					
Debt securities	債務證券					
– Held for trading	– 持有作交易用途	–	(553)	22,647	89	22,183
Equity securities	股本證券					
– Held for trading	– 持有作交易用途	46,360	–	–	(4,132)	42,228
Investment funds	投資基金					
– Held for trading	– 持有作交易用途	–	–	144	(327)	(183)
Surplus on revaluation of investment properties	投資物業重估盈餘	–	69,097	16,200	–	85,297
Impairment loss reversed/ (recognized) on:	減值回撥/(確認):					
– Held-to-maturity debt securities	– 持有至到期日債務證券	–	–	6,610	–	6,610
– Available-for-sale equity securities and investment funds	– 可供出售股本證券及投資基金	(188,793)	–	(1,807)	–	(190,600)
		(142,433)	68,544	43,794	(4,370)	(34,465)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

b. Segmental statement of financial position for 2010

b. 2010年分類財務狀況表

		31 December 2010 二零一零年十二月三十一日				
		Life insurance	Property and casualty insurance	Reinsurance	Other businesses	Total
		人壽保險	財產保險	再保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Statutory deposits	法定存款	883,339	369,007	26,418	188,029	1,466,793
Property and equipment	物業及設備	2,325,977	854,410	56,297	44,173	3,280,857
Investment properties	投資物業	—	1,233,192	70,920	—	1,304,112
Prepaid lease payments	預付租賃付款	592,520	101,231	—	—	693,751
Debt securities (note (i))	債務證券 (註(i))	77,655,998	4,691,068	3,565,913	539,066	86,452,045
Equity securities (note (ii))	股本證券 (註(ii))	10,825,227	785,049	527,977	107,047	12,245,300
Investment funds (note (iii))	投資基金 (註(iii))	3,963,343	229,303	58,035	—	4,250,681
Cash and bank deposits	現金及銀行存款	22,881,404	3,288,209	1,503,104	272,524	27,945,241
Goodwill	商譽	154,909	148,738	—	—	303,647
Intangible asset	無形資產	—	261,408	—	—	261,408
Interest in associates	於聯營公司的權益	1,091,899	—	—	87,197	1,179,096
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	171,449	1,527,896	349,005	—	2,048,350
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	4,909,273	—	—	—	4,909,273
Other segment assets	其他分類資產	4,828,869	1,915,633	693,600	705,011	8,143,113
Segment assets	分部資產	130,284,207	15,405,144	6,851,269	1,943,047	154,483,667
Life insurance contract liabilities	壽險合約負債	60,391,614	—	—	—	60,391,614
Unearned premium provisions	未到期責任準備金	399,683	2,781,081	870,133	16,417	4,067,314
Provision for outstanding claims	未決賠款準備	218,737	4,295,023	3,124,689	410	7,638,859
Investment contract liabilities	投資合約負債	36,246,249	—	—	31,992	36,278,241
Interest-bearing notes	需付息票據	8,049,983	822,626	—	1,358,465	10,231,074
Securities sold under repurchase agreements	賣出回購證券	9,829,946	—	—	—	9,829,946
Deferred tax liabilities	遞延稅項負債	1,410,510	79,222	1,721	14	1,491,467
Other segment liabilities	其他分類負債	3,532,968	1,971,307	238,530	330,474	6,073,279
Segment liabilities	分部負債	120,079,690	9,949,259	4,235,073	1,737,772	136,001,794
Non-controlling interests	非控股股東權益					(5,769,486)
Net assets attributable to the owners of the Company	本公司股東應佔資產淨值					12,712,387

Segment assets and segment liabilities represent the assets/liabilities recorded by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部資產及分部負債指各分部資產／負債，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

b. Segmental statement of financial position for 2010 (Continued)

b. 2010年分類財務狀況表 (續)

		31 December 2010 二零一零年十二月三十一日				
		Life insurance	Property and casualty insurance	Reinsurance	Other businesses	Total
		人壽保險	財產保險	再保險	其他業務	總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Note (i): Debt securities	註(i): 債務證券					
By category:	按種類:					
– Held-to-maturity	– 持有至到期日	59,222,825	938,079	2,517,027	86,574	62,764,505
– Available-for-sale	– 可供出售	14,544,512	3,424,499	872,219	381,682	19,222,912
– Held for trading	– 持有作交易用途	33,130	99,095	169,616	53,183	355,024
– Loans and receivables	– 貸款及應收款項	3,855,531	229,395	7,051	17,627	4,109,604
		77,655,998	4,691,068	3,565,913	539,066	86,452,045
By class:	按類別:					
– Central governments and central banks	– 中央政府及中央銀行	24,325,960	772,878	417,241	94,251	25,610,330
– Public sector entities	– 公共機構	–	–	23,511	–	23,511
– Banks and other financial institutions	– 銀行及其他金融機構	28,000,927	2,098,246	1,810,884	309,548	32,219,605
– Corporate entities	– 企業實體	25,329,111	1,819,944	1,314,277	135,267	28,598,599
		77,655,998	4,691,068	3,565,913	539,066	86,452,045
Note (ii): Equity securities	註(ii): 股本證券					
By category:	按種類:					
– Available-for-sale	– 可供出售	10,683,208	785,049	527,977	73,181	12,069,415
– Held for trading	– 持有作交易用途	142,019	–	–	33,866	175,885
		10,825,227	785,049	527,977	107,047	12,245,300
By class:	按類別:					
– Public sector entities	– 公共機構	–	–	8,531	–	8,531
– Banks and other financial institutions	– 銀行及其他金融機構	–	86,348	132,498	13,434	232,280
– Corporate entities	– 企業實體	10,825,227	698,701	386,948	93,613	12,004,489
		10,825,227	785,049	527,977	107,047	12,245,300

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

b. Segmental statement of financial position for 2010 (Continued)

b. 2010年分類財務狀況表 (續)

		31 December 2010 二零一零年十二月三十一日				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Investment funds	註(iii): 投資基金					
By category:	按種類:					
– Available-for-sale	– 可供出售	3,963,343	229,303	24,407	–	4,217,053
– Held for trading	– 持有作交易用途	–	–	33,628	–	33,628
		3,963,343	229,303	58,035	–	4,250,681
By class:	按類別:					
– Banks and other financial institutions	– 銀行及其他金融機構	–	170,533	24,971	–	195,504
– Corporate entities	– 企業實體	3,963,343	–	33,064	–	3,996,407
– Others	– 其他	–	58,770	–	–	58,770
		3,963,343	229,303	58,035	–	4,250,681

c. Other segmental information for 2010

c. 2010年其他分類資料

		31 December 2010 二零一零年十二月三十一日				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Capital expenditure	資本開支	301,580	127,431	4,423	20,661	454,095
Depreciation and amortization	折舊及攤銷	192,071	97,970	2,124	18,845	311,010
Significant non-cash (income)/expenses (net exchange (gain)/loss and net unrealized investment (gains)/losses and impairment)	重大非現金(收入)/支出(匯兌(收益)/虧損及未實現投資(收益)/虧損及減值淨額)	240,625	(42,028)	(12,323)	6,669	192,943

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

d. Segmental income statement for 2009

d. 2009年分類損益表

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度				
		Life insurance 人壽保險	Property and casualty insurance 財產保險	Reinsurance 再保險	Other businesses 其他業務	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Income	收入					
Gross premiums written	毛承保保費	21,636,231	7,333,753	1,774,954	—	30,744,938
Policy fees	保單費收入	277,783	—	—	—	277,783
		21,914,014	7,333,753	1,774,954	—	31,022,721
Less: Premiums ceded to reinsurers and retrocessionaires	減：保費之再保份額及轉分份額	(206,509)	(1,214,842)	(266,195)	—	(1,687,546)
Net premiums written and policy fees	淨承保保費及保單費收入	21,707,505	6,118,911	1,508,759	—	29,335,175
Change in unearned premium provisions, net of reinsurance	未到期責任準備金變化，減再保險	(45,294)	(222,086)	60,216	—	(207,164)
Net earned premiums and policy fees	已賺取保費及保單費收入淨額	21,662,211	5,896,825	1,568,975	—	29,128,011
Net investment income (note (i))	投資收入淨額 (註(i))	2,576,910	345,991	179,308	49,521	3,151,730
Net realized investment gains (note (iii))	已實現投資收益淨額 (註(iii))	928,242	210,028	96,006	80,347	1,314,623
Net unrealized investment gains/(losses) and impairment (note (iii))	未實現投資收益/(虧損)及減值淨額 (註(iii))	(22,253)	7,390	32,594	(1,223)	16,508
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	(1,591)	(2,261)	9,911	1,812	7,871
Other income	其他收入	82,146	(68,026)	16,653	268,630	299,403
Inter-segment transactions	分類之間交易	(33,403)	(2,844)	—	(141,577)	(177,824)
Segment income	分部收入	25,192,262	6,387,103	1,903,447	257,510	33,740,322
Benefits, losses and expenses	給付、賠款及費用					
Net policyholders' benefits	保單持有人利益淨額	(4,926,991)	(3,474,376)	(1,024,383)	—	(9,425,750)
Net commission expenses	佣金支出淨額	(2,706,776)	(517,852)	(333,069)	—	(3,557,697)
Administrative and other expenses	行政及其他費用	(3,829,548)	(2,455,286)	(140,662)	(481,216)	(6,906,712)
Change in life insurance contract liabilities, net of reinsurance	壽險合約負債變化，減再保險	(12,252,385)	—	—	—	(12,252,385)
Inter-segment transactions	分類之間交易	115,224	33,859	18,066	10,675	177,824
		(23,600,476)	(6,413,655)	(1,480,048)	(470,541)	(31,964,720)
Profit/(loss) from operations	經營溢利/(虧損)	1,591,786	(26,552)	423,399	(213,031)	1,775,602
Share of results of associates	應佔聯營公司業績	1,132	(104)	—	21,716	22,744
Finance costs	財務費用	(188,039)	(50,212)	—	(79,699)	(317,950)
Profit/(loss) before taxation	除稅前溢利/(虧損)	1,404,879	(76,868)	423,399	(271,014)	1,480,396
Income tax (charge)/credit	稅項(支出)/抵免	(247,425)	(11,875)	(19,248)	(14,212)	(292,760)
Profit/(loss) after taxation	除稅後溢利/(虧損)	1,157,454	(88,743)	404,151	(285,226)	1,187,636
Non-controlling interests	非控股股東權益	(578,149)	73,220	—	143,030	(361,899)
Segment profit/(loss), representing profit/(loss) attributable to owners	分部溢利/(虧損)代表股東應佔溢利/(虧損)	579,305	(15,523)	404,151	(142,196)	825,737

Segment revenue and segment profit/(loss) represents the revenue and profit/(loss) earned by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部收入及分部溢利/(虧損)指各分部收入及溢利/(虧損)，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

d. Segmental income statement for 2009 (Continued)

d. 2009年分類損益表 (續)

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度				
		Life insurance 人壽保險	Property and casualty insurance 財產保險	Reinsurance 再保險	Other businesses 其他業務	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Note (i): Net investment income	註(i): 投資收入淨額					
Interest income from debt securities	債務證券利息收入					
– Held-to-maturity	– 持有至到期日	1,016,749	71,242	97,783	827	1,186,601
– Available-for-sale	– 可供出售	929,846	125,684	41,182	30,144	1,126,856
– Held for trading	– 持有作交易用途	150	4,119	13,180	3,551	21,000
– Loans and receivables	– 貸款及應收款項	123,583	8,347	–	–	131,930
Dividend income from equity securities	股本證券股息收入					
– Available-for-sale	– 可供出售	50,396	5,595	6,570	3,556	66,117
– Held for trading	– 持有作交易用途	1,426	507	1,572	387	3,892
Dividend income from investment funds	投資基金股息收入					
– Available-for-sale	– 可供出售	167,784	33,814	929	–	202,527
– Held for trading	– 持有作交易用途	449	292	2,717	88	3,546
Bank deposits and other interest income	銀行存款及其他利息收入	393,336	52,924	13,427	10,968	470,655
Rentals receivable from investment properties	應收投資物業租金	–	46,795	1,948	–	48,743
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	(106,809)	(3,328)	–	–	(110,137)
		2,576,910	345,991	179,308	49,521	3,151,730
Note (ii): Net realized investment gains/(losses)	註(ii): 已實現投資收益/(虧損)淨額					
Debt securities	債務證券					
– Held-to-maturity	– 持有至到期日	–	16,826	3,435	–	20,261
– Available-for-sale	– 可供出售	(309,943)	54,696	–	65,330	(189,917)
– Held for trading	– 持有作交易用途	7,004	7,288	8,224	(741)	21,775
Equity securities	股本證券					
– Available-for-sale	– 可供出售	867,038	67,246	85,399	(2,718)	1,016,965
– Held for trading	– 持有作交易用途	(6,100)	8,775	(1,052)	4,318	5,941
Investment funds	投資基金					
– Available-for-sale	– 可供出售	249,208	55,197	–	–	304,405
– Held for trading	– 持有作交易用途	121,035	–	–	14,158	135,193
		928,242	210,028	96,006	80,347	1,314,623

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

d. Segmental income statement for 2009 (Continued)

d. 2009年分類損益表 (續)

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度				
		Life insurance 人壽保險	Property and casualty insurance 財產保險	Reinsurance 再保險	Other businesses 其他業務	Total 總額
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Note (iii): Net unrealized investment gains/(losses) and impairment	註(iii): 未實現投資收益/(虧損)及減值淨額					
Debt securities	債務證券					
– Held for trading	– 持有作交易用途	–	–	13,726	(3,116)	10,610
Equity securities	股本證券					
– Held for trading	– 持有作交易用途	(22,253)	–	–	1,754	(20,499)
Investment funds	投資基金					
– Held for trading	– 持有作交易用途	–	–	4,538	139	4,677
Surplus on revaluation of investment properties	投資物業重估盈餘	–	7,390	21,410	–	28,800
Impairment on held-to-maturity debt securities	持有至到期日債務證券減值	–	–	(7,080)	–	(7,080)
		(22,253)	7,390	32,594	(1,223)	16,508

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

e. Segmental statement of financial position for 2009

e. 2009年分類財務狀況表

31 December 2009 (Restated)
二零零九年十二月三十一日 (重列)

		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Statutory deposits	法定存款	567,870	577,198	23,250	181,719	1,350,037
Property and equipment	物業及設備	2,148,364	944,707	54,007	42,443	3,189,521
Investment properties	投資物業	—	1,095,100	98,130	—	1,193,230
Prepaid lease payments	預付租賃付款	481,559	199,880	—	—	681,439
Debt securities (note (i))	債務證券 (註(i))	52,282,773	4,344,335	2,852,023	461,076	59,940,207
Equity securities (note (iii))	股本證券 (註(iii))	7,614,251	442,817	302,407	74,079	8,433,554
Investment funds (note (iii))	投資基金 (註(iii))	5,162,437	463,793	77,162	12,742	5,716,134
Cash and bank deposits	現金及銀行存款	13,905,867	3,133,748	1,597,343	487,765	19,124,723
Goodwill	商譽	154,909	148,738	—	—	303,647
Intangible asset	無形資產	—	261,048	—	—	261,048
Interest in associates	於聯營公司的權益	5,667	—	—	95,482	101,149
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	148,378	1,610,651	328,633	—	2,087,662
Policyholder account assets in respect of unit-linked products	有關投資連結產品之保單持有人賬戶資產	5,078,319	—	—	—	5,078,319
Other segment assets	其他分類資產	2,600,767	847,723	523,857	98,014	4,070,361
Segment assets	分部資產	90,151,161	14,069,738	5,856,812	1,453,320	111,531,031
Life insurance contract liabilities	壽險合約負債	31,089,308	—	—	—	31,089,308
Unearned premium provisions	未到期責任準備金	369,190	2,901,735	547,881	—	3,818,806
Provision for outstanding claims	未決賠款準備	202,013	4,125,068	2,655,675	—	6,982,756
Investment contract liabilities	投資合約負債	36,381,937	—	—	—	36,381,937
Interest-bearing notes	需付息票據	3,577,581	795,018	—	1,352,511	5,725,110
Securities sold under repurchase agreements	賣出回購證券	6,606,088	—	—	—	6,606,088
Deferred tax liabilities	遞延稅項負債	1,310,500	98,930	5,481	466	1,415,377
Other segment liabilities	其他分類負債	1,917,313	1,740,480	262,021	254,006	4,173,820
Segment liabilities	分部負債	81,453,930	9,661,231	3,471,058	1,606,983	96,193,202
Non-controlling interests	非控股股東權益					(5,041,118)
Net assets attributable to the owners of the Company	本公司股東應佔資產淨值					10,296,711

Segment assets and segment liabilities represent the assets/liabilities recorded by each segment which is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

分部資產及分部負債指各分部資產／負債，此乃向董事會呈報之方法，以進行資源分配及評估分部表現。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

e. Segmental statement of financial position for 2009 (Continued)

e. 2009年分類財務狀況表 (續)

		31 December 2009 二零零九年十二月三十一日				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i): Debt securities		註(i): 債務證券				
By category:		按種類:				
– Held-to-maturity	– 持有至到期日	35,961,153	1,357,561	2,000,863	13,519	39,333,096
– Available-for-sale	– 可供出售	14,254,573	2,850,485	706,565	299,994	18,111,617
– Held for trading	– 持有作交易用途	–	–	144,595	141,884	286,479
– Loans and receivables	– 貸款及應收款項	2,067,047	136,289	–	5,679	2,209,015
		52,282,773	4,344,335	2,852,023	461,076	59,940,207
By class:		按類別:				
– Central governments and central banks	– 中央政府及中央銀行	18,706,589	1,566,814	234,927	68,465	20,576,795
– Public sector entities	– 公共機構	–	–	50,765	–	50,765
– Banks and other financial institutions	– 銀行及其他金融機構	10,816,685	1,484,802	1,377,768	320,000	13,999,255
– Corporate entities	– 企業實體	22,759,499	1,254,316	1,188,563	72,611	25,274,989
– Others	– 其他	–	38,403	–	–	38,403
		52,282,773	4,344,335	2,852,023	461,076	59,940,207
Note (ii): Equity securities		註(ii): 股本證券				
By category:		按種類:				
– Available-for-sale	– 可供出售	7,522,908	442,817	302,407	52,113	8,320,245
– Held for trading	– 持有作交易用途	91,343	–	–	21,966	113,309
		7,614,251	442,817	302,407	74,079	8,433,554
By class:		按類別:				
– Public sector entities	– 公共機構	–	156,649	9,626	–	166,275
– Banks and other financial institutions	– 銀行及其他金融機構	–	41,002	89,517	13,976	144,495
– Corporate entities	– 企業實體	7,614,251	245,166	203,264	60,103	8,122,784
		7,614,251	442,817	302,407	74,079	8,433,554

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

3 營運分部 (續)

e. Segmental statement of financial position for 2009 (Continued)

e. 2009年分類財務狀況表 (續)

		31 December 2009 二零零九年十二月三十一日				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (iii): Investment funds	註(iii): 投資基金					
By category:	按種類:					
– Available-for-sale	– 可供出售	5,162,437	463,793	43,764	–	5,669,994
– Held for trading	– 持有作交易用途	–	–	33,398	12,742	46,140
		5,162,437	463,793	77,162	12,742	5,716,134
By class:	按類別:					
– Banks and other financial institutions	– 銀行及其他金融機構	–	–	–	3,636	3,636
– Corporate entities	– 企業實體	5,162,437	336,554	77,162	9,106	5,585,259
– Others	– 其他	–	127,239	–	–	127,239
		5,162,437	463,793	77,162	12,742	5,716,134

f. Other segmental information for 2009

f. 2009年其他分類資料

		31 December 2009 二零零九年十二月三十一日				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Capital expenditure	資本開支	273,881	125,126	2,310	18,610	419,927
Depreciation and amortization	折舊及攤銷	158,982	83,172	1,625	16,286	260,065
Significant non-cash (income)/expenses (net exchange (gain)/loss and net unrealized investment (gains)/losses and impairment)	重大非現金(收入)/支出(匯兌(收益)/虧損及未實現投資(收益)/虧損及減值淨額)	23,844	(5,129)	(42,505)	(588)	(24,378)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

3 OPERATING SEGMENTS (Continued)

Geographical distribution:

More than 95% (2009: 92%) of the Group's segment income is derived from its operations in the PRC (other than Hong Kong and Macau).

The Group's information about its non-current assets by geographical location of the assets are detailed below:

3 營運分部 (續)

地區分佈：

本集團超過95% (二零零九年：92%) 的分類收入來自於中國業務 (香港及澳門除外)。

下表詳列本集團按資產地區分佈之非當期資產：

		31 December 2010 二零一零年十二月三十一日		
		Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國 (香港及 澳門除外) \$'000 千元	Total 總額 \$'000 千元
Non-current assets (other than financial instruments, deferred tax assets and rights arising under insurance contracts)	非流動資產 (金融工具、遞延 稅項資產及有關 保險合約之 權利除外)	1,680,557	4,163,218	5,843,775
		31 December 2009 二零零九年十二月三十一日		
		Hong Kong and Macau 香港及澳門 \$'000 千元	PRC (other than Hong Kong and Macau) 中國 (香港及 澳門除外) \$'000 千元	Total 總額 \$'000 千元
Non-current assets (other than financial instruments, deferred tax assets and rights arising under insurance contracts)	非流動資產 (金融工具、遞延 稅項資產及有關 保險合約之 權利除外)	1,602,484	4,026,761	5,629,245

Information about major customers:

There were no customers for the year ended 31 December 2010 and 2009 contributing over 10% of the total gross premiums of the Group.

主要客戶資料：

於二零一零年及二零零九年十二月三十一日並無客戶為本集團毛承保保費收入帶來逾10%之貢獻。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

4 GROSS PREMIUMS WRITTEN AND POLICY FEES

4 毛承保保費及保單費收入

Principal activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are the underwriting of direct life insurance business, property and casualty insurance business and all classes of reinsurance business.

Apart from these, the Group also carries on asset management, insurance intermediary and pension businesses and, to support its insurance activities, holds money market, fixed income, equity and property investments.

主要業務

本公司的主要業務是投資控股。本公司之附屬公司的主要業務是承接直接人壽保險業務、財產保險業務及各類再保險業務。

此外，本集團也從事資產管理、保險中介及養老保險業務，並為配合保險業務而持有各類貨幣、固定收入證券、股票及物業投資。

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		Life insurance and investment contracts 人壽保險 及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險 合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Other businesses contracts 其他業務 合約 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written	毛承保保費收入	37,033,658	8,866,038	2,649,725	25,417	48,574,838
Policy fees	保單費收入	184,474	—	—	—	184,474
		37,218,132	8,866,038	2,649,725	25,417	48,759,312
		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度				
		Life insurance and investment contracts 人壽保險 及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險 合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Other businesses contracts 其他業務 合約 \$'000 千元	Total 總額 \$'000 千元
Gross premiums written	毛承保保費收入	21,636,231	7,333,753	1,774,954	—	30,744,938
Policy fees	保單費收入	277,783	—	—	—	277,783
		21,914,014	7,333,753	1,774,954	—	31,022,721

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME

5 投資收入

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Net investment income (note (a))	投資收入淨額 (註(a))	4,246,187	3,151,730
Net realized investment gains (note (b))	已實現投資收益淨額 (註(b))	1,301,532	1,314,623
Net unrealized investment (losses)/gains and impairment (note (c))	未實現投資(虧損)/收益及減值淨額 (註(c))	(34,465)	16,508
		5,513,254	4,482,861
(a) Net investment income	(a) 投資收入淨額		
Interest income from debt securities (note (i)):	債務證券利息收入 (註(i)):		
— Held-to-maturity	— 持有至到期日	2,253,637	1,186,601
— Available-for-sale	— 可供出售	836,097	1,126,856
— Held for trading	— 持有作交易用途	15,021	21,000
— Loans and receivables	— 貸款及應收款項	193,518	131,930
		3,298,273	2,466,387
Dividend income from equity securities (note (ii)):	股本證券股息收入 (註(ii)):		
— Available-for-sale	— 可供出售	80,273	66,117
— Held for trading	— 持有作交易用途	743	3,892
		81,016	70,009
Dividend income from investment funds (note (iii)):	投資基金股息收入 (註(iii)):		
— Available-for-sale	— 可供出售	324,333	202,527
— Held for trading	— 持有作交易用途	3,078	3,546
		327,411	206,073
Bank deposits and other interest income	銀行存款及其他利息收入	599,242	470,655
Gross rentals receivable from investment properties	應收投資物業租金毛額	54,437	52,617
Less: direct outgoings	減: 直接支出	(3,046)	(3,874)
Net rentals receivable from investment properties	應收投資物業租金淨額	51,391	48,743
Interest expenses on securities sold under repurchase agreements	賣出回購證券利息費用	(111,146)	(110,137)
		4,246,187	3,151,730
Notes:	註:		
			Year ended 31 December 截至十二月三十一日止年度
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
(i) Interest income from debt securities:	(i) 債務證券利息收入:		
Listed	上市	795,410	558,609
Unlisted	非上市	2,502,863	1,907,778
		3,298,273	2,466,387
(ii) Dividend income from equity securities:	(ii) 股本證券股息收入:		
Listed	上市	77,781	68,213
Unlisted	非上市	3,235	1,796
		81,016	70,009
(iii) Dividend income from investment funds:	(iii) 投資基金股息收入:		
Listed	上市	213,475	49,540
Unlisted	非上市	113,936	156,533
		327,411	206,073

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

5 投資收入 (續)

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
(b) Net realized investment gains/(losses)	(b) 已實現投資收益／(虧損)淨額		
Debt securities (note (i)):	債務證券(註(i)):		
– Held-to-maturity	– 持有至到期日	–	20,261
– Available-for-sale	– 可供出售	167,439	(189,917)
– Held for trading	– 持有作交易用途	(166)	21,775
		167,273	147,881
Equity securities (note (ii)):	股本證券(註(ii)):		
– Available-for-sale	– 可供出售	757,783	1,016,965
– Held for trading	– 持有作交易用途	1,648	5,941
		759,431	1,022,906
Investment funds (note (iii)):	投資基金(註(iii)):		
– Available-for-sale	– 可供出售	374,065	304,405
– Held for trading	– 持有作交易用途	(3,965)	135,193
		370,100	439,598
Gain on disposal of investment properties	出售投資物業收益	4,728	–
		1,301,532	1,314,623

Notes:

註:

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
(i) Net realized investment gains/(losses) on debt securities:	(i) 債務證券已實現投資收益／(虧損)淨額:		
Listed	上市	151,363	216,329
Unlisted	非上市	15,910	(364,210)
		167,273	147,881
(ii) Net realized investment gains/(losses) on equity securities:	(ii) 股本證券已實現投資收益／(虧損)淨額:		
Listed	上市	759,431	1,024,343
Unlisted	非上市	–	(1,437)
		759,431	1,022,906
(iii) Net realized investment gains/(losses) on investment funds:	(iii) 投資基金已實現投資收益／(虧損)淨額:		
Listed	上市	106,103	(154,809)
Unlisted	非上市	263,997	594,407
		370,100	439,598

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

5 INVESTMENT INCOME (Continued)

5 投資收入 (續)

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
(c) Net unrealized investment (losses)/gains and impairment	(c) 未實現投資(虧損)/收益及減值淨額		
Debt securities (note (i)):	債務證券(註(i)):		
– Held for trading	– 持有作交易用途	22,183	10,610
Equity securities (note (ii)):	股本證券(註(ii)):		
– Held for trading	– 持有作交易用途	42,228	(20,499)
Investment funds (note (iii)):	投資基金(註(iii)):		
– Held for trading	– 持有作交易用途	(183)	4,677
Surplus on revaluation of investment properties	投資物業重估盈餘	85,297	28,800
Impairment loss reversed/(recognized):	回撥/(確認)減值:		
– Held-to-maturity debt securities	– 持有至到期日債務證券	6,611	(7,080)
– Available-for-sale equity securities and investment funds	– 可供出售股本證券及投資基金	(190,601)	–
		(34,465)	16,508

Notes:

註:

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
(i) Net unrealized investment gains/(losses) on debt securities:	(i) 債務證券未實現投資收益/(虧損)淨額:		
Listed	上市	4,757	23,429
Unlisted	非上市	17,426	(12,819)
		22,183	10,610
(ii) Net unrealized investment gains/(losses) on equity securities:	(ii) 股本證券未實現投資收益/(虧損)淨額:		
Listed	上市	42,228	(20,499)
Unlisted	非上市	–	–
		42,228	(20,499)
(iii) Net unrealized investment (losses)/gains on investment funds:	(iii) 投資基金未實現投資(虧損)/收益淨額:		
Listed	上市	(1,039)	3,506
Unlisted	非上市	856	1,171
		(183)	4,677

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

6 OTHER INCOME

6 其他收入

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Fee income from provision of asset management services	提供資產管理服務費收入	21,902	30,418
Fee income from provision of insurance intermediary services	提供保險中介服務費收入	25,679	24,477
Fee income from provision of pension administration services	提供養老保險管理服務費收入	87,434	59,749
Gain on disposal of property and equipment	出售物業及設備收益	205	62
Net impairment losses written back on property and equipment	物業及設備減值撥回淨額	8,172	3,689
Others	其他	47,213	3,184
		190,605	121,579

7 NET POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES

7 保單持有人利益淨額及佣金支出淨額

(a) Net policyholders' benefits

(a) 保單持有人利益淨額

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		Life insurance and investment contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Other businesses contracts 其他業務合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses	賠款及賠款調整支出	783,877	4,436,898	1,412,399	929	6,634,103
Less: Reinsurers' and retrocessionaires' share	減：再保及轉分份額	(215,672)	(596,459)	(105,073)	—	(917,204)
Surrenders	退保	568,205	3,840,439	1,307,326	929	5,716,899
Annuity, dividends and maturity payments	年金、分紅及到期付款	1,412,938	—	—	—	1,412,938
Interest allocated to investment contracts	分配至投資合約之利益	1,462,716	—	—	99	1,462,815
		1,205,902	—	—	—	1,205,902
		4,649,761	3,840,439	1,307,326	1,028	9,798,554

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

7 NET POLICYHOLDERS' BENEFITS AND NET COMMISSION EXPENSES (Continued)

7 保單持有人利益淨額及佣金支出淨額 (續)

(a) Net policyholders' benefits (Continued)

(a) 保單持有人利益淨額 (續)

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度				
		Life insurance and investment contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Other businesses contracts 其他業務合約 \$'000 千元	Total 總額 \$'000 千元
Claims and claim adjustment expenses Less: Reinsurers' and retrocessionaires' share	賠款及賠款調整支出 減：再保及轉分份額	572,085 (135,780)	4,088,845 (614,469)	1,085,503 (61,120)	— —	5,746,433 (811,369)
Surrenders	退保	436,305	3,474,376	1,024,383	—	4,935,064
Annuity, dividends and maturity payments	年金、分紅及到期付款	1,036,334	—	—	—	1,036,334
Interest allocated to investment contracts	分配至投資合約之利益	2,284,027	—	—	—	2,284,027
		1,170,325	—	—	—	1,170,325
		4,926,991	3,474,376	1,024,383	—	9,425,750

(b) Net commission expenses

(b) 佣金支出淨額

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度				
		Life insurance contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Other businesses contracts 其他業務合約 \$'000 千元	Total 總額 \$'000 千元
Gross commission expenses	毛佣金支出	3,252,093	738,674	657,141	1,719	4,649,627
Reinsurance commission income	再保險佣金收入	(56,669)	(426,317)	(61,922)	—	(544,908)
Net commission expenses	佣金支出淨額	3,195,424	312,357	595,219	1,719	4,104,719

		Year ended 31 December 2009 截至二零零九年十二月三十一日止年度				
		Life insurance contracts 人壽保險及投資合約 \$'000 千元	Property and casualty insurance contracts 財產保險合約 \$'000 千元	Reinsurance contracts 再保險合約 \$'000 千元	Other businesses contracts 其他業務合約 \$'000 千元	Total 總額 \$'000 千元
Gross commission expenses	毛佣金支出	2,748,663	860,264	389,062	—	3,997,989
Reinsurance commission income	再保險佣金收入	(41,887)	(342,412)	(55,993)	—	(440,292)
Net commission expenses	佣金支出淨額	2,706,776	517,852	333,069	—	3,557,697

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

8 PROFIT BEFORE TAXATION

8 除稅前溢利

Profit before taxation is arrived at after charging/(crediting):

除稅前溢利已扣除／(抵免)：

		Year ended 31 December	
		截至十二月三十一日止年度	
		2010	2009 (Note) (註)
		二零一零年	二零零九年
			(Restated)
			(重列)
		\$'000	\$'000
		千元	千元
(a) Finance costs:	(a) 財務費用：		
Interest on interest-bearing notes	需付息票據利息		
— payable within 5 years	— 於五年內支付	156,508	155,522
— not payable within 5 years	— 不須於五年內支付	196,756	162,428
		353,264	317,950
(b) Staff costs (including directors' remuneration):	(b) 員工成本(包括董事酬金)：		
Salaries, wages and other benefits	薪金、工資及其他利益	3,014,752	2,598,185
Employee share-based compensation benefits	以股份為本之僱員補償利益	28,401	30,756
Contributions to defined contribution retirement plans	已訂定供款退休計劃供款	320,334	267,015
		3,363,487	2,895,956
(c) Other items:	(c) 其他項目：		
Auditor's remuneration	核數師酬金		
— audit services	— 核數服務	6,471	5,883
— tax services	— 稅務服務	170	2,104
— other services	— 其他服務	—	701
Depreciation of property and equipment	物業及設備折舊	297,815	214,180
Operating lease charges in respect of properties	有關物業的經營租賃費用	372,314	310,461
Share of associates' taxation charge	佔聯營公司稅項支出	—	800
Amortization of prepaid lease payments	預付租賃付款攤銷	13,195	13,962
Net impairment losses on insurance debtors and other debtors	保險客戶應收賬款及其他應收賬款減值淨額	13,557	84,690

Note: As a result of the changes in accounting policies disclosed in note 1, the amortization of interest in leasehold land held for own use is reclassified to depreciation of property and equipment in 2009.

註：由於附註1所披露之會計政策變更，於二零零九年的持作自用租賃土地權益攤銷已重新分類為物業及設備折舊。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

9 DIRECTORS' REMUNERATION

9 董事酬金

Directors' remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance was as follows:

根據香港《公司條例》第161條列報的董事酬金如下：

		Year ended 31 December 2010 截至二零一零年十二月三十一日止年度					
		Salaries and other emoluments	Discretionary bonuses	Share based payments	Retirement scheme contributions	Total	
		Directors' fees					
		\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	
Executive directors:	執行董事：						
Lin Fan ¹	林帆 ¹	—	514	1,173	—	1,805	
Song Shuguang ¹	宋曙光 ¹	—	462	1,056	—	1,618	
Xie Yiqun ¹	謝一群 ¹	—	437	997	—	1,446	
Peng Wei ¹	彭偉 ¹	—	—	—	—	—	
(appointed on 24 February 2010)	(於2010年2月24日委任)	—	372	850	—	1,233	
He Zhiguang ¹	何志光 ¹	—	—	—	—	—	
(appointed on 12 March 2009 and resigned on 12 March 2010)	(於2009年3月12日委任 及已於2010年3月12日請辭)	—	109	—	336	448	
Ng Yu Lam, Kenneth	吳俞霖	—	1,788	899	703	3,402	
Shen Koping, Michael	沈可平	—	887	1,014	4,376	6,289	
Lau Siu Mun, Sammy	劉少文	—	1,348	661	538	2,724	
Non-executive directors:	非執行董事：						
Li Tao	李濤	—	—	—	936	936	
Wu Jiesi	武捷思	300	—	—	—	300	
Che Shujian	車書劍	300	—	—	—	300	
Lee Kong Wai Conway	李港衛	200	—	—	—	200	
		800	5,917	6,650	6,889	20,701	

¹ According to the regulations of the PRC relevant authorities, the directors' salary and other emoluments and discretionary bonus has not yet been finalized.

¹ 根據國家有關部門的規定，二零一零年度最終董事薪金、其他酬金及酌定花紅仍在確認中。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

9 DIRECTORS' REMUNERATION (Continued)

9 董事酬金 (續)

		Year end 31 December 2009 截至二零零九年十二月三十一日止年度					
		Salaries and other emoluments	Discretionary bonuses	Share based payments	Retirement scheme contributions	Total	
		薪金及 其他酬金	酌定花紅	股份為本 支付	退休計劃 供款	總額	
		\$'000	\$'000	\$'000	\$'000	\$'000	
		千元	千元	千元	千元	千元	
Executive directors:	執行董事：						
Lin Fan	林帆	—	2,682	576	96	3,354	
Song Shuguang	宋曙光	—	2,387	576	96	3,059	
Xie Yiqun	謝一群	—	1,897	504	12	2,413	
He Zhiguang (appointed on 12 March 2009 and resigned on 12 March 2010)	何志光 (於2009年3月12日委任 及已於2010年3月12日請辭)	—	1,474	—	3,094	4,578	
Ng Yu Lam, Kenneth	吳俞霖	—	1,738	448	693	2,905	
Shen Koping, Michael	沈可平	—	887	1,052	12	7,139	
Lau Siu Mun, Sammy	劉少文	—	1,306	300	566	2,362	
Non-executive directors:	非執行董事：						
Li Tao (appointed on 12 March 2009)	李濤 (於2009年3月12日委任)	—	—	—	936	936	
Zheng Changyong (resigned on 12 March 2009)	鄭常勇 (已於2009年3月12日請辭)	—	—	—	—	—	
Wu Jiesi	武捷思	300	—	—	—	300	
Che Shujian	車書劍	300	—	—	—	300	
Lee Kong Wai Conway (appointed on 19 October 2009)	李港衛 (於2009年10月19日委任)	40	—	—	—	40	
Lau Wai Kit (resigned on 20 July 2009)	劉偉傑 (於2009年7月20日請辭)	150	—	—	—	150	
		790	12,371	3,456	10,477	27,536	

The above emoluments include the value of share options granted and shares awarded to certain directors under the Company's share option scheme and share award scheme, respectively, as estimated at the date of grant and award. The details of these benefits in kind are disclosed under the paragraph "share option scheme" and "share award scheme" in the directors' report and note 40.

Discretionary bonuses for directors are based on performance and duties of directors, Company's performance and the prevailing market conditions and is decided by the Board and the remuneration committee of the Company.

No directors waived any emoluments in the years ended 31 December 2010 and 2009.

上述酬金包括分別根據本公司的認股權計劃及股份獎勵計劃授予部份董事的認股權及股份於授予日及獎授日的預計價值。有關此等實物收益的詳情載於董事會報告書的「認股權計劃」、「股份獎勵計劃」及附註40內。

董事酌定花紅按董事之表現及職務、本公司之業績與盈利能力以及現行市況，並由董事會及薪酬委員會釐定。

於二零一零年及二零零九年十二月三十一日止年度，概無董事放棄收取董事酬金。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, 2 (31 December 2009: three) are directors whose emoluments are disclosed in note 9. The emoluments of the remaining 3 (31 December 2009: two) individuals are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Salaries and other emoluments	薪金及其他酬金	3,602	4,006
Discretionary bonuses	酌定花紅	5,927	1,148
Share based payments	股份為本支付	2,160	1,584
Retirement scheme contributions	退休計劃供款	—	75
		11,689	6,813

The emoluments of the individuals with the highest emoluments are within the following bands:

\$ 元	Year ended 31 December 截至十二月三十一日止年度	
	2010 二零一零年 Number of individuals 人數	2009 二零零九年 Number of individuals 人數
3,000,001 — 3,500,000	2	1
3,500,001 — 4,000,000	—	1
5,000,001 — 5,500,000	1	—

10 最高酬金人士

在五位最高酬金的人士中，2位(二零零九年十二月三十一日：三位)為董事，有關的酬金詳情載於附註9。另外3位人士(二零零九年十二月三十一日：兩位)的酬金總額如下：

該等最高酬金人士的酬金在以下範圍內：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

11 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT 11 綜合損益表內的稅項

(a) Taxation in the consolidated income statement represents:

(a) 綜合損益表所示的稅項為：

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Current tax — Hong Kong Profits Tax	當期稅項 — 香港利得稅		
Provision for the year	年度稅款準備	31,718	36,072
Over-provision in respect of prior years	多提以往年度準備	(21)	(1,033)
		31,697	35,039
Current tax — Outside Hong Kong	當期稅項 — 香港以外地區		
Provision for the year	年度稅款準備	283,020	(15,896)
Under-provision in respect of prior years	少提以往年度準備	191	90,021
		283,211	74,125
Deferred tax charge/(credit) (note)	遞延稅項支出／(抵免) (註)		
Origination and reversal of temporary differences	暫時性差異之起源及轉回	(108,219)	183,596
Attributable to a change in tax rate	稅率變動應佔	—	—
		(108,219)	183,596
Income tax charge	稅項支出	206,689	292,760

Note: For details of deferred tax recognized, refer to note 31(b).

註：遞延稅項確認之詳情，請參看31(b)。

The provision for Hong Kong Profits Tax represents the Group's estimated Hong Kong Profits Tax liability calculated at the standard tax rate of 16.5% (31 December 2009: 16.5%) on its assessable profits from property and casualty insurance, reinsurance, asset management and insurance intermediary businesses, except for its assessable profits from the business of reinsurance of offshore risks, which is calculated at 8.25% (31 December 2009: 8.25%), one-half of the standard tax rate.

香港利得稅準備是指本集團根據來自財產保險、再保險、資產管理及保險中介業務的應評稅溢利，按16.5%（二零零九年十二月三十一日：16.5%）的標準稅率計算的估計應繳香港利得稅，但來自離岸風險的再保險業務的應評稅溢利則按標準稅率的一半，即8.25%（二零零九年十二月三十一日：8.25%）計算。

Taxation outside Hong Kong for subsidiaries outside Hong Kong is calculated at the rates prevailing in the relevant jurisdictions. Under the new Enterprise Income Tax Law of the PRC, the enterprise income tax rates for domestic companies in different provinces in the PRC range from 22% to 25% (31 December 2009: 20% to 25%).

香港以外附屬公司於香港以外地區的稅項以相關司法管轄區的現行稅率計算。根據新的中華人民共和國企業所得稅法，適用於中國內地企業於各不同省份的企業所得稅率範圍為22%至25%（二零零九年十二月三十一日：20%至25%）。

Provision for the Year of current tax outside Hong Kong included an amount of \$81,130,000, being a 10% withholding tax of the PRC in relation to the disposal of MAC.

本年度香港以外地區稅款準備包括一筆81,130,000元之款項，為有關出售民安中國的中國預扣稅，稅率為10%。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

11 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (Continued) 11 綜合損益表內的稅項 (續)

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

(b) 稅項支出與會計溢利按適用稅率的稅項之對賬：

		Year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Profit before taxation	稅前溢利	2,860,156	1,480,396
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	按相關管轄地區適用的溢利稅率，計算稅前溢利的名義稅項	545,802	338,010
Tax effect of non-deductible expenses	不可扣減費用之稅項影響	171,035	448,107
Tax effect of non-taxable income	毋須課稅收入之稅項影響	(359,795)	(628,224)
Tax effect of non-deductible temporary difference not recognized	未確認不可扣減的暫時性差異之稅項影響	21,096	40,798
Effect of tax concession granted to the business of reinsurance with offshore risks	來自離岸風險的再保險業務之稅項優惠	(21,938)	(24,809)
Tax effect of unused tax losses not recognized	未確認而尚未使用的稅項虧損之稅項影響	44,336	82,108
Tax effect of prior years' tax losses utilized this year	往年度稅項虧損在本年度使用之稅項影響	(63,246)	(48,200)
Tax effect of different tax rates in branches located outside the head office	位於總公司以外之分公司的不同稅率之稅務影響	(3,523)	(4,018)
Tax effect of different tax rates on gain on disposal of MAC	出售民安中國收益的不同稅率之稅務影響	(127,248)	—
Under-provision in prior years	少提往年度準備	170	88,988
Actual tax charge	實際稅項支出	206,689	292,760

12 PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY 12 本公司股東應佔溢利

The consolidated profit attributable to owners of the Company includes profit of the Company of \$61,945,000 (31 December 2009: \$38,630,000) which has been dealt with in the financial statements of the Company.

本公司股東應佔綜合溢利包括一筆已列入本公司財務報表的本公司溢利61,945,000元(二零零九年十二月三十一日：38,630,000元)。

13 DIVIDENDS

No dividend was proposed, approved or paid during 2010 or 2009, nor has any dividend been proposed, approved or paid since the end of the reporting periods (2009: nil).

13 股息

於二零一零年及二零零九年並無擬派、核准或支付股息，於報告期後亦沒有擬派、核准或支付股息(二零零九年：無)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

14 EARNINGS PER SHARE

14 每股盈利

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of \$2,244,793,000 (31 December 2009: \$825,737,000) and the weighted average number of ordinary shares in issue during the year excluding shares held for the Share Award Scheme of 1,700,714,759 (31 December 2009: 1,567,711,192).

(a) 每股基本盈利

每股基本盈利是按照本公司股東應佔溢利2,244,793,000元(二零零九年十二月三十一日: 825,737,000元), 及不包括為股份獎勵計劃而持有之股份的年內已發行普通股的加權平均數1,700,714,759股(二零零九年十二月三十一日: 1,567,711,192)計算。

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to owners of the company of \$2,244,793,000 (31 December 2009: \$825,737,000) and the weighted average number of 1,714,442,722 ordinary shares (31 December 2009: 1,583,918,077) after adjusting for the effects of the potential dilution from ordinary shares issuable under the Company's Share Option Scheme and Share Award Scheme.

(b) 每股攤薄盈利

每股攤薄盈利是按照本公司股東應佔溢利2,244,793,000元(二零零九年十二月三十一日: 825,737,000元)及已就本公司認股權計劃及股份獎勵計劃所有具備潛在攤薄影響的可發行普通股作出調整得出的普通股加權平均數1,714,442,722股(二零零九年十二月三十一日: 1,583,918,077)計算。

(c) Reconciliations

(c) 對賬

		31 December 2010 二零一零年 十二月三十一日 Number of shares 股份數目	31 December 2009 二零零九年 十二月三十一日 Number of shares 股份數目
Weighted average number of ordinary shares less shares held for Share Award Scheme used in calculating basic earnings per share	用作計算每股基本盈利的扣除股份獎勵計劃而持有之股份後的普通股加權平均股數	1,700,714,759	1,567,711,192
Effect of Share Option Scheme	認股權計劃的影響	12,135,963	11,486,885
Effect of Share Award Scheme	股份獎勵計劃的影響	1,592,000	4,720,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	用作計算每股攤薄盈利的普通股加權平均股數	1,714,442,722	1,583,918,077

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS

15 固定資產

(a) The Group

(a) 本集團

		Property and equipment 物業及設備						Investment properties 投資物業	Prepaid lease payments 預付租賃 付款	Interests in leasehold land held for own use under operating lease 以經營租 賃租入持 作自用之 租賃土地 權益	Total 總額 \$'000 千元
		Land and buildings 土地及 建築物 \$'000 千元	Construction in progress 在建工程 \$'000 千元	Furniture and fixtures 傢具及 固定裝置 \$'000 千元	Computer equipment 電腦設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Sub-total 小計 \$'000 千元				
Cost or valuation:	成本或估值：										
At 1 January 2009 (Originally reported)	於二零零九年一月一日 (原本列示)	2,189,294	275,478	260,496	475,806	158,695	3,359,769	1,164,430	689,972	312,826	5,526,997
Reclassification	重新分類	312,826	—	—	—	—	312,826	—	—	(312,826)	—
At 1 January 2009 (Restated)	於二零零九年一月一日 (重列)	2,502,120	275,478	260,496	475,806	158,695	3,672,595	1,164,430	689,972	—	5,526,997
Exchange adjustments	匯率調整	3,017	440	343	7,402	253	11,455	—	1,104	—	12,559
Additions	增置	47,566	83,263	83,149	134,403	25,616	373,997	—	13,977	—	387,974
Disposals	出售	—	—	(39,119)	(29,753)	(141)	(69,013)	—	—	—	(69,013)
Reclassification	重新分類	319,924	(319,924)	(685)	685	—	—	—	—	—	—
Surplus on revaluation	重估盈餘	—	—	—	—	—	—	28,800	—	—	28,800
At 1 January 2010	於二零一零年一月一日	2,872,627	39,257	304,184	588,543	184,423	3,989,034	1,193,230	705,053	—	5,887,317
Exchange adjustments	匯率調整	78,490	1,311	8,969	19,097	6,286	114,153	—	26,539	—	140,692
Additions	增置	99,677	123,142	87,943	114,526	28,807	454,095	—	—	—	454,095
Disposals	出售	(13)	(4,109)	(17,653)	(30,577)	(20,553)	(72,905)	(43,127)	—	—	(116,032)
Eliminated on disposal of a subsidiary	出售一間附屬公司時對銷	(30,434)	—	(43,532)	(88,320)	(28,482)	(190,768)	—	—	—	(190,768)
Reclassification	重新分類	32,619	(37,144)	1,361	3,164	—	—	—	—	—	—
Surplus on revaluation	重估盈餘	—	—	—	—	—	—	85,297	—	—	85,297
Surplus on revaluation upon transfer from land and buildings to investment properties	重估盈餘轉自土地及 建築物至投資物業	23,094	—	—	—	—	23,094	—	—	—	23,094
Transfer from land and buildings to investment properties	轉自土地及建築物 至投資物業	(72,768)	—	—	—	—	(72,768)	68,712	—	—	(4,056)
At 31 December 2010	於二零一零年 十二月三十一日	3,003,292	122,457	341,272	606,433	170,481	4,243,935	1,304,112	731,592	—	6,279,639
Representing:	代表：										
Cost	成本	3,003,292	122,457	341,272	606,433	170,481	4,243,935	—	731,592	—	4,975,527
Valuation – 2010	估值 – 二零一零年	—	—	—	—	—	—	1,304,112	—	—	1,304,112
		3,003,292	122,457	341,272	606,433	170,481	4,243,935	1,304,112	731,592	—	6,279,639

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

15 固定資產 (續)

(a) The Group (Continued)

(a) 本集團 (續)

		Property and equipment 物業及設備						Investment properties 投資物業	Prepaid lease payments 預付租賃 付款	Interests in leasehold land held for own use under operating lease 以經營租 賃租入持 作自用之 租賃土地 權益	Total 總額
		Land and buildings 土地及 建築物 \$'000 千元	Construction in progress 在建工程 \$'000 千元	Furniture and fixtures 傢具及 固定裝置 \$'000 千元	Computer equipment 電腦設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Sub-total 小計 \$'000 千元				
Accumulated depreciation and impairment: 累計折舊及減值：											
At 1 January 2009 (Originally reported)	於二零零九年一月一日 (原本列示)	204,745	—	96,709	168,932	50,708	521,094	—	9,624	62,367	593,085
Reclassification	重新分類	62,367	—	—	—	—	62,367	—	—	(62,367)	—
At 1 January 2009 (Restated)	於二零零九年一月一日 (重列)	267,112	—	96,709	168,932	50,708	583,461	—	9,624	—	593,085
Exchange adjustments	匯率調整	199	—	137	350	181	867	—	28	—	895
Charge for the year	本年度折舊	47,104	—	49,402	93,306	24,368	214,180	—	13,962	—	228,142
Written back on disposal	出售時撥回	—	—	(866)	(1,818)	—	(2,684)	—	—	—	(2,684)
Impairment loss written back	減值回撥	(2,925)	—	—	6,614	—	3,689	—	—	—	3,689
At 1 January 2010	於二零一零年一月一日	311,490	—	145,382	267,384	75,257	799,513	—	23,614	—	823,127
Exchange adjustments	匯率調整	6,931	—	5,232	11,089	3,323	26,575	—	1,032	—	27,607
Charge for the year	本年度折舊	82,615	—	66,185	115,550	33,465	297,815	—	13,195	—	311,010
Written back on disposal	出售時撥回	—	—	(12,578)	(23,404)	(13,577)	(49,559)	—	—	—	(49,559)
Eliminated on disposal of a subsidiary	於出售一間附屬公司時對銷	(25,345)	—	(28,095)	(31,233)	(14,365)	(99,038)	—	—	—	(99,038)
Impairment loss written back	減值回撥	(8,172)	—	—	—	—	(8,172)	—	—	—	(8,172)
Transfer from land and buildings to investment properties	轉自土地及建築物 至投資物業	(4,056)	—	—	—	—	(4,056)	—	—	—	(4,056)
At 31 December 2010	於二零一零年 十二月三十一日	363,463	—	176,126	339,386	84,103	963,078	—	37,841	—	1,000,919
Net book value: 賬面淨值：											
At 31 December 2010	於二零一零年 十二月三十一日	2,639,829	122,457	165,146	267,047	86,378	3,280,857	1,304,112	693,751	—	5,278,720
At 31 December 2009 (Restated)	於二零零九年 十二月三十一日 (重列)	2,561,137	39,257	158,802	321,159	109,166	3,189,521	1,193,230	681,439	—	5,064,190
At 1 January 2009 (Restated)	於二零零九年一月一日 (重列)	2,235,008	275,478	163,787	306,874	107,987	3,089,134	1,164,430	680,348	—	4,933,912

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

15 固定資產 (續)

(b) The Company

(b) 本公司

		Furniture and fixtures 傢具及 固定裝置 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總額 \$'000 千元
Cost:	成本：			
At 1 January 2009	於二零零九年一月一日	3,007	1,671	4,678
Additions	增置	131	—	131
Disposals	出售	(293)	(855)	(1,148)
At 1 January 2010	於二零一零年一月一日	2,845	816	3,661
Additions	增置	74	—	74
Disposals	出售	(33)	—	(33)
At 31 December 2010	於二零一零年十二月三十一日	2,886	816	3,702
Accumulated depreciation:	累計折舊：			
At 1 January 2009	於二零零九年一月一日	2,801	1,671	4,472
Charge for the year	本年度折舊	62	—	62
Written back on disposal	出售時撥回	(274)	(855)	(1,129)
At 1 January 2010	於二零一零年一月一日	2,589	816	3,405
Charge for the year	本年度折舊	84	—	84
Written back on disposal	出售時撥回	(33)	—	(33)
At 31 December 2010	於二零一零年十二月三十一日	2,640	816	3,456
Net book value:	賬面淨值：			
At 31 December 2010	於二零一零年十二月三十一日	246	—	246
At 31 December 2009	於二零零九年十二月三十一日	256	—	256

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(c) Land and buildings

The analysis of net book value of land and buildings was as follows:

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日	31 December 2009 二零零九年 十二月三十一日 (Restated) (重列)
		\$'000 千元	\$'000 千元
In Hong Kong	香港		
— Long leases	— 長期租賃	343,672	383,582
— Medium-term leases	— 中期租賃	4,404	4,522
Outside Hong Kong	香港以外地區		
— Medium-term leases	— 中期租賃	2,291,753	2,173,033
		2,639,829	2,561,137

(d) Investment properties

The analysis of net book value of investment properties was as follows:

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日	31 December 2009 二零零九年 十二月三十一日
		\$'000 千元	\$'000 千元
In Hong Kong	香港		
— Long leases	— 長期租賃	1,295,152	1,177,600
— Medium-term leases	— 中期租賃	8,960	7,620
Outside Hong Kong	香港以外地區		
— Medium-term leases	— 中期租賃	—	8,010
		1,304,112	1,193,230

15 固定資產 (續)

(c) 土地及樓宇

土地及樓宇賬面淨值的分析如下：

(d) 投資物業

投資物業賬面淨值的分析如下：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

(d) Investment properties (Continued)

The investment properties of the Group were revalued as of 31 December 2010 and 2009 by independent firms of surveyors, Asset Appraisal Limited and Jones Lang LaSalle Sallmanns Limited, who have among their staff, associates of the Hong Kong Institute of Surveyors. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. A revaluation surplus of \$85,297,000 (31 December 2009: \$28,800,000) has been recognized in the consolidated income statement (see note 5(c)).

The Group leases out investment properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually reviewed every two to three years to reflect market rentals. None of the leases includes contingent rentals.

The gross carrying amounts of the investment properties of the Group held for use in operating leases were \$1,289,722,000 (31 December 2009: \$1,070,916,000).

The time period in which the Group's total future minimum lease payments under non-cancellable operating leases are receivable is as follows:

15 固定資產 (續)

(d) 投資物業 (續)

本集團的投資物業已於二零一零年及二零零九年十二月三十一日經由獨立測量師行一資產評估顧問有限公司及仲量聯行西門有限公司(該些行僱員包括若干香港測量師學會會員)重新估值。此估值乃參考市場上同類物業之成交價而釐定。為數85,297,000元(二零零九年十二月三十一日: 28,800,000元)的重估盈餘已記入綜合損益表內(參看附註5(c))。

本集團以經營租賃租出投資物業。這些租賃一般初步為期二至三年，並且有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款額通常會每二至三年檢討，以反映市場租金。各項租賃均不包括或然租金。

本集團持作經營租賃的投資物業之賬面總額為1,289,722,000元(二零零九年十二月三十一日: 1,070,916,000元)。

本集團根據不可解除的經營租賃在日後應收的最低租賃付款總額的時段如下：

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Within 1 year	一年內	51,171	48,361
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	36,777	38,318
		87,948	86,679

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

15 FIXED ASSETS (Continued)

15 固定資產 (續)

(e) Prepaid lease payments

(e) 預付租賃付款

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Prepaid lease payments comprises:	預付租賃付款包括：		
Leasehold land outside Hong Kong — Long lease	位於香港以外地區之租賃土地 — 長期租賃	693,751	681,439
Current	當期	13,521	14,460
Non-current	非當期	680,230	666,979
		693,751	681,439

The leasehold land was acquired during 2009 and 2008 by the Group and TPG for construction of properties primarily for own use. The above amount represents the Group's share of the land for the construction of building in progress. The land use rights are jointly held by the Group and TPG respective to their shareholding of the land.

租賃土地由本集團及中國太平集團於二零零九年及二零零八年購入以興建物業主要作自用。上述金額代表本集團佔在建樓宇之土地分額。該土地使用權由本集團及中國太平集團根據其於該土地之持有比例共同擁有。

16 GOODWILL AND INTANGIBLE ASSET

16 商譽及無形資產

(a) Goodwill

(a) 商譽

		The Group 本集團 \$'000 千元
Cost:	成本：	
At 1 January 2009, 31 December 2009 and 2010	於二零零九年一月一日，二零零九年及二零一零年十二月三十一日	626,923
Impairment loss:	減值：	
At 1 January 2009, 31 December 2009 and 2010	於二零零九年一月一日，二零零九年及二零一零年十二月三十一日	323,276
Carrying amount:	賬面淨值：	
At 31 December 2010	於二零一零年十二月三十一日	303,647
At 31 December 2009	於二零零九年十二月三十一日	303,647

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

16 GOODWILL AND INTANGIBLE ASSET (Continued)

16 商譽及無形資產 (續)

(b) Intangible assets

(b) 無形資產

The Group
本集團
\$'000
千元

Cost and carrying amount:

成本及賬面值：

At 1 January 2009, 31 December 2009 and 2010

於二零零九年一月一日，二零零九年
及二零一零年十二月三十一日

261,408

The intangible assets acquired in the acquisition of a subsidiary, being the trade name, are initially recognized on the basis of valuation report prepared by an independent qualified valuer. The relief-from-royalty approach is adopted to determine the fair value of the trade name. Under this approach, the fair value of the trade name is determined based on revenue estimated by TPI, royalty rate in the property and casualty insurance business industry and a discount rate estimated by independent qualified valuer. The discount rate of 14% with adjusted royalty rate of 0.715% is used to determine the fair value.

於收購一間附屬公司時購入之無形資產，即商號，最初按由永利行平值顧問有限公司(獨立合資格估值師)編制之估值報告確認。商號之公允價值以免納專利權使用費方法釐定。根據此方法，商號之公允價值按由太平財險預計的收入、獨立估值師估計的財產保險業專利權使用費及貼現率釐定。釐定公允價值時，假設貼現率為14%及經調整之專利權使用費率為0.715%。

The trade name is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The trade name will not be amortized until its useful life is determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired. Particulars of the impairment testing are disclosed below.

因此，本集團管理層認為由於預期該商號將無限期提供淨現金流，所以其具無限可使用年期。該商號不會攤銷，直至就可使用年期進行評估後，可使用年期被定為有限。相反，該商號將每年及有跡象顯示該商號可能出現減值時進行減值測試。減值測試之詳情如下。

(c) Impairment tests on goodwill and intangible assets with indefinite useful lives

(c) 商譽及無限期可用年數無形資產的減值測試

For impairment testing, goodwill and intangible assets with indefinite useful lives at 31 December 2010 were allocated to the following cash generating units:

在減值測試時，於二零一零年十二月三十一日之商譽及沒有使用限期的無形資產按下表分配至各現金生產單位：

		Intangible assets	Total
	Goodwill 商譽	無形資產	總額
	\$'000 千元	\$'000 千元	\$'000 千元
Life insurance	人壽保險	154,909	154,909
Property and casualty insurance	財產保險	148,738	410,146
		303,647	565,055

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

16 GOODWILL AND INTANGIBLE ASSET (Continued)

(c) Impairment tests on goodwill and intangible assets with indefinite useful lives (Continued)

The recoverable amount of the cash generating units containing goodwill or intangible assets was determined based on the value-in-use calculation. This calculation uses cash flow projection which represents what management believes is the best estimate of what the cash generating units are able to achieve in its business life. The directors determined the cash flow projection based on past performance and its expectation for market development. The directors believed any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount. Management of the Group determines that there are no impairments of its cash generating units containing goodwill and intangible assets.

In respect of life insurance business, the recoverable amount was determined based on TPL's appraisal value, which consists of the adjusted net worth plus the present value of inforce business and the new business value after cost of capital.

In respect of property and casualty business, the recoverable amount was determined by estimating and discounting the future cash flows to its present value using a discount rate of 14% (2009: 14%).

16 商譽及無形資產 (續)

(c) 商譽及無限期可用年數無形資產的減值測試 (續)

含商譽或無形資產的現金產生單位的可收回金額，按使用價值計算釐定。此計算使用現金流預測，代表管理層相信現金產生單位於其商業生命中能實現之最佳估計。董事根據過往表現及未來市場發展釐定現金流預測。董事相信若這些假設有任何合理改變，亦不會導致賬面總值超越可收回總值。本集團管理層認為其含商譽及無形資產之現金產生單位並沒有減值。

有關人壽保險業務，可收回金額以太平人壽之評估價值釐定。評估價值為經調整之資產淨值、扣除資本成本後之有效業務價值及新業務價值現值之總和。

有關財產保險業務，可收回金額以貼現率為14%估計及折算未來現金流至現值釐定(二零零九年：14%)。

17 INVESTMENTS IN SUBSIDIARIES

17 於附屬公司的投資

		The Company 本公司	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Unlisted shares, at cost	非上市股份，成本	3,883,149	3,883,149
Less: Impairment loss	減：減值	(344,179)	(344,179)
		3,538,970	3,538,970

The following list contains details of the Company's principal subsidiaries at the end of the reporting period. The class of shares held is ordinary unless otherwise stated.

All of these are controlled subsidiaries as defined under note 1(e) and have been consolidated into the Group's financial statements.

下表載列本公司的主要附屬公司於報告期末的詳情。除非另有說明，否則所持的股份類別指普通股。

該等附屬公司均為附註1(e)所界定的受控制附屬公司，並已綜合於本集團的財務報表內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 INVESTMENTS IN SUBSIDIARIES (Continued)

17 於附屬公司的投資 (續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立 及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情		Proportion of ownership interest 應佔權益百分比						Principal activity 主要業務
				Group's effective interest 本集團的實際權益		Held by the Company 由本公司所持權益		Held by subsidiaries 由附屬公司持有		
				31 December 十二月三十一日						
2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年			
Taiping Reinsurance Company Limited (Note (i)) 太平再保險有限公司 (註(i))	Hong Kong 香港	Ordinary 普通 \$1,000,000,000 Deferred 遞延 \$600,000,000	Ordinary 普通 \$1,000,000,000 Deferred 遞延 \$600,000,000	100%	100%	—	—	100%	100%	Reinsurance business 再保險業務
Taiping Life Insurance Company Limited (Note (ii)) 太平人壽保險有限公司 (註(ii))	PRC 中國	RMB 3,730,000,000	RMB 3,730,000,000	50.05%	50.05%	50.05%	50.05%	—	—	Life insurance business 人壽保險業務
Taiping General Insurance Company Limited (Note (ii)) 太平財產保險有限公司 (註(ii))	PRC 中國	RMB 1,570,000,000	RMB 1,570,000,000	50.05%	50.05%	50.05%	50.05%	—	—	Property and casualty insurance business in the PRC 於中國之 財產保險業務
Taiping Pension Company Limited (Note (ii)) 太平養老保險股份有限公司 (註(ii))	PRC 中國	RMB 800,000,000	RMB 800,000,000	50.03%	50.03%	—	—	86%	86%	Pension business 養老保險業務
Taiping Asset Management Company Limited (Note (ii)) 太平資產管理有限公司 (註(ii))	PRC 中國	RMB 100,000,000	RMB 100,000,000	42.03%	42.03%	—	—	72%	72%	Asset management business in the PRC 於中國之 資產管理業務
Taiping Assets Management (HK) Company Limited 太平資產管理(香港) 有限公司	Hong Kong 香港	\$212,000,000	\$212,000,000	100%	100%	100%	100%	—	—	Asset management business in Hong Kong 於香港之 資產管理業務
Taiping Reinsurance Brokers Limited (Note (i)) 太平再保險顧問 有限公司 (註(i))	Hong Kong 香港	Ordinary 普通 \$4,000,000 Deferred 遞延 \$1,000,000	Ordinary 普通 \$4,000,000 Deferred 遞延 \$1,000,000	100%	100%	—	—	100%	100%	Insurance broking 保險經紀

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 INVESTMENTS IN SUBSIDIARIES (Continued)

17 於附屬公司的投資 (續)

Name of company 公司名稱	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情	Proportion of ownership interest 應佔權益百分比						Principal activity 主要業務	
			Group's effective interest 本集團的實際權益		Held by the Company 由本公司所持權益		Held by subsidiaries 由附屬公司持有			
			2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年		2010 二零一零年
The Ming An (Holdings) Company Limited 民安(控股)有限公司	Cayman Islands/ Hong Kong 開曼群島 / 香港	\$290,638,400	\$290,638,400	100%	100%	—	—	100%	100%	Investment holding 投資控股
The Ming An Insurance Company (China) Limited (Note (ii)) 民安保險(中國)有限公司(註(ii))	PRC 中國	RMB 991,383,000	RMB 991,383,000	—	100%	—	—	—	100%	Property and casualty insurance in the PRC 於中國之財產保險業務
China Taiping Insurance (HK) Company Limited 中國太平保險(香港)有限公司	Hong Kong 香港	Ordinary 普通 \$2,386,000,000 Deferred 遞延 \$200,000,000	Ordinary 普通 \$2,386,000,000 Deferred 遞延 \$200,000,000	100%	100%	—	—	100%	100%	Property and casualty insurance in Hong Kong 於香港之財產保險業務
Quicken Assets Limited	BVI/ Hong Kong 英屬維爾京群島 / 香港	USD1	USD1	100%	100%	100%	100%	—	—	Property holding 持有物業
CIH (BVI) Limited	BVI/ Hong Kong 英屬維爾京群島 / 香港	USD1	USD1	100%	100%	100%	100%	—	—	Financing 融資
Share China Assets Limited 舍亞中國資產有限公司	BVI/ Hong Kong 英屬維爾京群島 / 香港	USD1	USD1	100%	100%	100%	100%	—	—	Investment holding 投資控股

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

17 INVESTMENTS IN SUBSIDIARIES (Continued)

Notes:

- (i) Holders of the non-voting deferred shares in TPre, TPRB and CTPI (HK) are not entitled to share profits, receive notice of or attend or vote at any general meeting of these companies. On the winding-up of these companies, the holders of the non-voting deferred shares are not entitled to the distribution of the net assets of these companies for the first \$100 billion; the balance of net assets, if any, over the first \$100 billion shall be distributed among the holders of the ordinary shares and non-voting distributed shares pari passu among themselves in proportion to their respective shareholdings.
- (ii) These companies are PRC limited companies.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

17 於附屬公司的投資 (續)

註：

- (i) 於太平再保險、太平再保顧問及中國太平香港的無投票權遞延股份的持有人無權獲得這些公司的溢利、收取這些公司的任何股東周年大會的通知、出席股東周年大會或在會上投票。在這些公司清盤時，無投票權遞延股份的持有人無權獲分這些公司首100,000,000,000元的資產淨值；超過首100,000,000,000元的資產淨值餘額(如有)則根據普通股及無投票權遞延股份持有人各自的持股量按比例進行分配。
- (ii) 這些公司為中國有限公司。

上表所列本公司之附屬公司，乃董事會認為與本集團本年度業績有重要關係，或構成本集團主要資產之附屬公司。若盡錄其他附屬公司之資料，董事會認為將過於冗長。

18 INTEREST IN ASSOCIATES

18 於聯營公司的權益

		The Group 本集團		The Company 本公司	
		31 December 十二月三十一日		31 December 十二月三十一日	
		2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Unlisted shares, at cost	非上市股份，成本	—	—	6,937	6,937
Share of net assets	所佔資產淨值	1,179,096	101,149	—	—
		1,179,096	101,149	6,937	6,937

The increase of Group's share of net assets is mainly due to the acquisition of Taiping Real Estate (Shanghai) Company Limited during the Year. The consideration amounting to \$1,085,867,000 has not been paid as at 31 December 2010, and is expected to be paid within one year.

本集團所佔資產淨值增加主要是由於年內購入太平置業(上海)有限公司。於二零一零年十二月三十一日，1,085,867,000元之價款尚未支付，並預期於一年內支付。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

18 INTEREST IN ASSOCIATES (Continued)

18 於聯營公司的權益 (續)

The following list contains details of the Company's principal associates, all of which are unlisted corporate entities:

下表載列本公司的主要聯營公司詳情，該等聯營公司全部均為非上市企業實體：

Name of associates 聯營公司名稱	Form of business structure 業務結構形式	Place of incorporation and operation 註冊成立及經營地點	Particulars of issued and paid up capital 已發行及繳足股本的詳情		Proportion of ownership interest 應佔權益百分比						Principal Activity 主要業務
					Group's effective interest 本集團的實際權益		Held by the Company 由本公司所持權益		Held by subsidiaries 由附屬公司所持權益		
					31 December 十二月三十一日						
			2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	2010 二零一零年	2009 二零零九年	
CMT ChinaValue Capital Partners, L.P.	Limited partnership 有限合夥企業	Cayman Islands/ Hong Kong 凱曼群島/ 香港	USD994,353	USD2,790,536	20.63%	20.74%	—	—	20.63%	20.74%	Investment holding 投資控股
CMT ChinaValue Capital Advisors Limited	Incorporated 註冊成立	Hong Kong 香港	\$1,000	\$1,000	46%	46%	—	—	46%	46%	Advisory services 顧問服務
Huatai Insurance Agency & Consultant Service Limited (Note (i)) 華泰保險經紀有限公司 (註(i))	Incorporated 註冊成立	PRC 中國	RMB 40,000,000	RMB 40,000,000	25%	25%	25%	25%	—	—	Insurance agency and consultancy 保險代理及顧問
Taiping Real Estate Shanghai Company Limited (Note (i)) 太平置業(上海)有限公司 (註(i))	Incorporated 註冊成立	PRC 中國	RMB 980,000,000	RMB 980,000,000	19.52%	—	—	—	39%	—	Property development 物業發展

Notes:

(i) These companies are PRC limited companies.

The above table lists the associates of the Group which, in the opinion of the directors of the Company, principally affected the results of the year or forms a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors of the Company, result in particulars of excessive length.

註：

(i) 這些公司為中國有限公司。

上表所列本公司之聯營公司，乃董事會認為與本集團本年度業績有重要關係，或構成本集團主要資產淨值之聯營公司。若盡錄其他聯營公司之資料，董事會認為將過於冗長。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

18 INTEREST IN ASSOCIATES (Continued)

18 於聯營公司的權益 (續)

Summary of financial information of associates

聯營公司的財務資料概要

		Assets 資產 \$'000 千元	Liabilities 負債 \$'000 千元	Equity 股東權益 \$'000 千元	Revenues 收益 \$'000 千元	Profit 溢利 \$'000 千元
31 December 2010	二零一零年十二月三十一日					
100 per cent	百分之一百	3,171,609	1,600,362	3,213,007	193,983	48,040
Group's effective interest	本集團的有效權益	1,142,808	603,999	1,179,096	47,140	8,947
31 December 2009	二零零九年十二月三十一日					
100 per cent	百分之一百	633,901	170,668	463,233	195,485	111,073
Group's effective interest	本集團的有效權益	143,822	42,673	101,149	46,648	22,744

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES

19 債務及股本證券投資

(a) The Group

(a) 本集團

		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Held-to-maturity (Note (i)):	持有至到期日 (註(i)) :		
— Debt securities	— 債務證券	62,764,505	39,333,096
Available-for-sale (Note (ii)):	可供出售 (註(ii)) :		
— Debt securities	— 債務證券	19,222,912	18,111,617
— Equity securities	— 股本證券	12,069,415	8,320,245
— Investment funds	— 投資基金	4,217,053	5,669,994
		35,509,380	32,101,856
Held for trading (Note (iii)):	持有作交易用途 (註(iii)) :		
— Debt securities	— 債務證券	355,024	286,479
— Equity securities	— 股本證券	175,885	113,309
— Investment funds	— 投資基金	33,628	46,140
		564,537	445,928
Loans and receivables (Note (iv)):	貸款及應收款項 (註(iv)) :		
— Debt securities	— 債務證券	4,109,604	2,209,015
Total	總額	102,948,026	74,089,895

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(a) The Group (Continued)

(a) 本集團 (續)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(i) Held-to-maturity	(i) 持有至到期日						
At 31 December 2010	於二零一零年十二月三十一日						
Listed in Hong Kong	上市 - 香港	—	—	33,876	123,226	—	157,102
Listed outside Hong Kong	上市 - 香港以外地區	174,420	15,753	793,845	2,124,256	—	3,108,274
Unlisted	非上市	19,251,622	7,758	25,754,999	14,484,750	—	59,499,129
		19,426,042	23,511	26,582,720	16,732,232	—	62,764,505
Fair value of securities	證券公允價值	19,455,040	24,119	26,131,052	16,525,350	—	62,135,561
Market value of listed securities	上市證券市值	207,954	16,237	1,103,868	2,342,490	—	3,670,549
At 31 December 2009	於二零零九年十二月三十一日						
Listed in Hong Kong	上市 - 香港	—	—	46,084	1,034,352	—	1,080,436
Listed outside Hong Kong	上市 - 香港以外地區	131,517	43,069	593,673	1,203,768	38,403	2,010,430
Unlisted	非上市	13,527,883	7,696	8,713,876	13,992,775	—	36,242,230
		13,659,400	50,765	9,353,633	16,230,895	38,403	39,333,096
Fair value of securities	證券公允價值	13,714,039	53,157	9,455,155	15,873,732	—	39,096,083
Market value of listed securities	上市證券市值	139,531	44,921	570,533	2,100,526	—	2,855,511

The held-to-maturity debt securities include an amount of \$881,204,000 (31 December 2009: \$346,449,000) which is maturing within one year. None of the securities are past due or impaired.

持有至到期的債務證券包括價值881,204,000元(二零零九年十二月三十一日: 346,449,000元)的債務證券, 為於一年內到期。沒有證券逾期或減值。

The fair value of the unlisted securities were determined based on quoted bid prices in active markets.

非上市證券之公允價值按活躍市場之買入報價而釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(a) The Group (Continued)

(a) 本集團 (續)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(ii) Available-for-sale	(ii) 可供出售						
At 31 December 2010	於二零一零年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	42,584	–	168,045	118,568	–	329,197
– outside Hong Kong	– 香港以外地區	3,918,644	–	1,577,709	4,093,117	–	9,589,470
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	8,531	205,515	1,199,780	–	1,413,826
– outside Hong Kong	– 香港以外地區	–	–	21,490	8,202,334	–	8,223,824
Listed investment funds	上市投資基金						
– in Hong Kong	– 香港	–	–	–	9,224	–	9,224
– outside Hong Kong	– 香港以外地區	–	–	37,532	896,264	–	933,796
Unlisted debt securities	非上市債務證券	2,180,754	–	3,797,552	3,325,939	–	9,304,245
Unlisted equity securities, at cost	非上市股本證券，按成本	–	–	–	2,431,765	–	2,431,765
Unlisted investment funds	非上市投資基金	–	–	148,185	3,067,079	58,769	3,274,033
		6,141,982	8,531	5,956,028	23,344,070	58,769	35,509,380
Level 1 – Quoted market price	第一類 – 市場報價	6,141,982	8,531	5,779,608	20,789,153	12,243	32,731,517
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法 – 採用可觀察數據	–	–	176,420	123,152	46,526	345,198
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法 – 採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	6,141,982	8,531	5,956,028	20,912,305	58,769	33,077,615
Market value of listed securities	上市證券市值	3,961,228	8,531	2,010,291	14,519,287	–	20,499,337
Current	當期	5,385,277	8,531	3,308,831	22,345,855	58,769	31,107,263
Non-current	非當期	756,705	–	2,647,197	998,215	–	4,402,117
		6,141,982	8,531	5,956,028	23,344,070	58,769	35,509,380

The above unlisted equity securities are issued by private entities incorporated in the PRC. They are measured at cost at the end of the reporting period as the management considers that their fair values cannot be measured reliably.

The Group invests in various equity instruments of open-ended or close-ended investment funds including equity, bond or composite funds.

上述非上市股本證券由中國註冊成立之私人機構發行。由於管理層認為其公允價值不能可靠地計量，所以於報告期末均按成本列賬。

本集團投資不同的開放式或封閉式投資基金股本工具，包括股票、債券或綜合基金。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(a) The Group (Continued)

(a) 本集團 (續)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(ii) Available-for-sale (continued)	(ii) 可供出售 (續)						
At 31 December 2009	於二零零九年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	42,169	–	254,031	79,312	–	375,512
– outside Hong Kong	– 香港以外地區	3,807,297	–	911,162	3,865,715	–	8,584,174
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	9,626	135,821	618,925	–	764,372
– outside Hong Kong	– 香港以外地區	–	156,649	–	5,135,927	–	5,292,576
Listed investment funds	上市投資基金						
outside Hong Kong	香港以外地區	–	–	–	1,762,402	–	1,762,402
Unlisted debt securities	非上市債務證券	2,999,711	–	3,360,183	2,792,037	–	9,151,931
Unlisted equity securities, at cost	非上市股本證券，按成本	–	–	–	2,263,297	–	2,263,297
Unlisted investment funds	非上市投資基金	–	–	–	3,780,353	127,239	3,907,592
		6,849,177	166,275	4,661,197	20,297,968	127,239	32,101,856
Level 1 – Quoted market price	第一類 – 市場報價	6,417,959	166,275	3,565,866	16,236,194	63,133	26,449,427
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法 – 採用可觀察數據	431,218	–	1,095,331	1,798,477	64,106	3,389,132
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法 – 採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	6,849,177	166,275	4,661,197	18,034,671	127,239	29,838,559
Market value of listed securities	上市證券市值	3,849,466	166,275	1,301,014	11,462,281	–	16,779,036
Current	當期	5,671,411	166,275	3,018,606	5,581,549	127,239	14,565,080
Non-current	非當期	1,177,766	–	1,642,591	14,716,419	–	17,536,776
		6,849,177	166,275	4,661,197	20,297,968	127,239	32,101,856

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(a) The Group (Continued)

(a) 本集團 (續)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iii) Held for trading	(iii) 持有作交易用途						
At 31 December 2010	於二零一零年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	–	–	–	45,753	–	45,753
– outside Hong Kong	– 香港以外地區	–	–	53,596	176,459	–	230,055
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	–	5,275	18,454	–	23,729
– outside Hong Kong	– 香港以外地區	–	–	–	152,156	–	152,156
Listed investment funds	上市投資基金						
– outside Hong Kong	– 香港以外地區	–	–	–	23,840	–	23,840
Unlisted debt securities	非上市債務證券	35,255	–	39,983	3,978	–	79,216
Unlisted investment funds	非上市投資基金	–	–	9,788	–	–	9,788
		35,255	–	108,642	420,640	–	564,537
Level 1 – Quoted market price	第一類 – 市場報價	35,255	–	108,642	420,640	–	564,537
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法 – 採用可觀察數據	–	–	–	–	–	–
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法 – 採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	35,255	–	108,642	420,640	–	564,537
Market value of listed securities	上市證券市值	–	–	58,871	416,662	–	475,533
Current	當期	35,255	–	108,642	420,640	–	564,537
Non-current	非當期	–	–	–	–	–	–
		35,255	–	108,642	420,640	–	564,537

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(a) The Group (Continued)

(a) 本集團 (續)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iii) Held for trading (continued)	(iii) 持有作交易用途 (續)						
At 31 December 2009	於二零零九年十二月三十一日						
Listed debt securities	上市債務證券						
– in Hong Kong	– 香港	–	–	–	43,976	–	43,976
– outside Hong Kong	– 香港以外地區	–	–	41,384	39,617	–	81,001
Listed equity securities	上市股本證券						
– in Hong Kong	– 香港	–	–	4,441	11,030	–	15,471
– outside Hong Kong	– 香港以外地區	–	–	4,233	93,605	–	97,838
Listed investment funds	上市投資基金						
outside Hong Kong	香港以外地區	–	–	3,636	33,593	–	37,229
Unlisted debt securities	非上市債務證券	68,218	–	78,862	14,422	–	161,502
Unlisted investment funds	非上市投資基金	–	–	–	8,911	–	8,911
		68,218	–	132,556	245,154	–	445,928
Level 1 – Quoted market price	第一類 – 市場報價	68,218	–	132,556	245,154	–	445,928
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法 – 採用可觀察數據	–	–	–	–	–	–
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法 – 採用涉及重大不可觀察數據	–	–	–	–	–	–
Fair value of securities	證券公允價值	68,218	–	132,556	245,154	–	445,928
Market value of listed securities	上市證券市值	–	–	53,694	221,821	–	275,515
Current	當期	68,218	–	132,556	245,154	–	445,928
Non-current	非當期	–	–	–	–	–	–
		68,218	–	132,556	245,154	–	445,928

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(a) The Group (Continued)

(a) 本集團 (續)

		Central governments and central banks 中央政府及中央銀行 \$'000 千元	Public sector entities 公共機構 \$'000 千元	Banks and other financial institutions 銀行及其他金融機構 \$'000 千元	Corporate entities 企業實體 \$'000 千元	Others 其他 \$'000 千元	Total 總額 \$'000 千元
(iv) Loans and receivables	(iv) 貸款及應收款項						
At 31 December 2010	於二零一零年十二月三十一日						
Unlisted debt securities (note)	非上市債務證券 (註)	7,051	—	—	4,102,553	—	4,109,604
Fair value of securities	證券公允價值	6,526	—	—	3,827,163	—	3,833,689
Current	當期	—	—	—	—	—	—
Non-current	非當期	7,051	—	—	4,102,553	—	4,109,604
		7,051	—	—	4,102,553	—	4,109,604
At 31 December 2009	於二零零九年十二月三十一日						
Unlisted debt securities (note)	非上市債務證券 (註)	—	—	—	2,209,015	—	2,209,015
Fair value of securities	證券公允價值	—	—	—	2,222,296	—	2,222,296
Current	當期	—	—	—	—	—	—
Non-current	非當期	—	—	—	2,209,015	—	2,209,015
		—	—	—	2,209,015	—	2,209,015

Note: The unlisted debt securities represent debt interest in infrastructure projects in the PRC. The debt securities will be matured from 2015 to 2020 and bear interest ranging from 5% to 6% per annum. The fair value of the unlisted debt securities are determined with reference to the estimated cashflow discounted using current market interest rates as at the end of the reporting period.

註：非上市債務證券代表於中國基建項目之債務權益。債務證券將於二零一五年至二零二零年到期及利率為每年5%至6%。非上市債務證券之公允價值乃參考於報告期末按目前市場利率之折算現金流量分析而釐定。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

19 INVESTMENTS IN DEBT AND EQUITY SECURITIES 19 債務及股本證券投資 (續)

(Continued)

(b) The Company

(b) 本公司

		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Available-for-sale (note(i)):	可供出售 (註(i)) :		
– Debt securities	– 債務證券	337,683	280,357
– Equity securities	– 股本證券	38,382	29,701
		376,065	310,058
(i) Available-for-sale	(i) 可供出售		
Listed debt securities	上市債務證券		
– in Hong Kong	– 香港	25,304	13,930
– outside Hong Kong	– 香港以外地區	295,869	207,464
Listed equity securities in Hong Kong	上市股本證券 香港	38,382	29,701
Unlisted debt securities	非上市債務證券	16,510	58,963
		376,065	310,058
Level 1 – Quoted market price	第一類 – 市場報價	376,065	310,058
Level 2 – Valuation techniques using observable inputs	第二類 – 估值方法 – 採用 可觀察數據	–	–
Level 3 – Valuation techniques with significant unobservable inputs	第三類 – 估值方法 – 採用 涉及重大不可 觀察數據	–	–
Fair value of securities	證券公允價值	376,065	310,058
Market value of listed securities	上市證券市值	359,555	251,095
Current	當期	38,382	29,701
Non-current	非當期	337,683	280,357
		376,065	310,058

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

20 AMOUNTS DUE FROM/(TO) GROUP COMPANIES

20 應收／(應付)集團內公司款項

(a) Due from group companies

(a) 應收集團內公司款項

		The Group 本集團		The Company 本公司	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元	31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Amount due from the ultimate holding company	應收最終控股公司款項	3,599	12,810	—	110
Amount due from the immediate holding company	應收直接控股公司款項	41	851	7	—
Amounts due from fellow subsidiaries	應收同系附屬公司款項	5,617	6,547	4,105	—
Amounts due from subsidiaries	應收附屬公司款項	—	—	3,906,628	3,920,351
		9,257	20,208	3,910,740	3,920,461

Included in the amounts due from subsidiaries, is the amount due from Share China Assets Limited ("SCA") of \$3,695,682,000 (31 December 2009:\$3,695,653,000). SCA is a wholly owned subsidiary of the Company and is a special purpose vehicle of the Company to hold the 100% equity interest of MAH. The above amount due from SCA to the Company is expected to be settled upon the possible realignment of ownership structure of SCA.

應收附屬公司款項當中包括之3,695,682,000元(二零零九年十二月三十一日:3,695,653,000元)為應收舍亞中國資產有限公司(「舍亞中國」)款項。舍亞中國為本公司之全資附屬公司及本公司用作持有民安控股全部權益之特定項目公司。上述舍亞中國應付本公司之款項，預期在可能優化舍亞中國之股權架構後結算。

(b) Due to group companies

(b) 應付集團內公司款項

		The Group 本集團		The Company 本公司	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元	31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Amount due to the ultimate holding company	應付最終控股公司款項	21,293	53	86	—
Amount due to the immediate holding company	應付直接控股公司款項	1	—	—	—
Amounts due to fellow subsidiaries	應付同系附屬公司款項	1,092,621	1,242	—	—
Amounts due to subsidiaries	應付附屬公司款項	—	—	1,368,793	2,022,549
		1,113,915	1,295	1,368,879	2,022,549

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

20 AMOUNTS DUE FROM/(TO) GROUP COMPANIES 20 應收／(應付)集團內公司款項 (續)

(Continued)

(b) Due to group companies (Continued)

Included in the amounts due to subsidiaries is \$1,368,176,000 (31 December 2009: \$1,360,663,000), which is unsecured, repayable after more than one year and bears interest at a rate of 6.12% (2009: 6.12%) per annum.

Other amounts due from/(to) group companies are unsecured, interest free and repayable on demand.

(b) 應付集團內公司款項 (續)

應付附屬公司款項當中包括1,368,176,000元(二零零九年十二月三十一日: 1,360,663,000元)為無抵押、於超過一年後償還,並以固定年利率6.12%計息(二零零九年: 6.12%)。

其他應收／(應付)集團內公司款項均無抵押、免息,並須於要求時償還。

21 INSURANCE DEBTORS

21 保險客戶應收賬款

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Amounts due from insurance customers	應收保險客戶款項	1,364,873	1,359,977
Less: allowance for impaired debts (Note (b))	減: 減值賬款準備 (附註(b))	(118,605)	(111,944)
		1,246,268	1,248,033
Deposits retained by cedants	分保人保留的按金	102,487	95,794
		1,348,755	1,343,827

Included in the amounts of insurance debtors is \$1,270,205,000 (2009: \$1,322,871,000), which is expected to be recovered within one year.

Amounts due from insurance customers include amounts due from fellow subsidiaries of \$5,510,000 (31 December 2009: \$6,171,000) which are insurance related in nature.

保險客戶應收賬款包括一筆1,270,205,000元(二零零九年: 1,322,871,000元)之款項,預期在一年內可以收回。

應收保險客戶款項包括應收同系附屬公司款項5,510,000元(二零零九年十二月三十一日: 6,171,000元),有關款項屬保險性質。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

21 INSURANCE DEBTORS (Continued)

(a) Ageing analysis

The following is an ageing analysis of the amounts due from insurance customers that are not individually considered to be impaired:

Uninvoiced and not yet due	未開具發票及未到期	
Current	現已到期	
More than 3 months but less than 12 months	超過三個月但少於十二個月	
More than 12 months	超過十二個月	

Amounts due from insurance customers that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Amounts due from insurance customers that were past due but not impaired relate to a number of independent policyholders and reinsurers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The amount of impaired debts is \$118,605,000 (31 December 2009: \$111,944,000). Various actions have been taken to recover the debts, but these debts have not been recovered and hence impairment is provided.

21 保險客戶應收賬款 (續)

(a) 賬齡分析

未有發現個別減值的應收保險客戶款項，其賬齡分析如下：

The Group 本集團		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Uninvoiced and not yet due	未開具發票及未到期	504,535	498,967
Current	現已到期	632,123	565,790
More than 3 months but less than 12 months	超過三個月但少於十二個月	76,946	163,396
More than 12 months	超過十二個月	32,664	19,880
		1,246,268	1,248,033

應收保險客戶之未逾期及未減值之款項乃與最近並無違約紀錄之一系列客戶有關。

已逾期但無減值之應收保險客戶款項乃與多名與本集團保持良好紀錄的獨立保單持有人及再保險人有關。按照過往經驗，管理層相信，由於信貸質素並無重大變動，且該等結餘仍被視為可全數收回，因此毋須就有關結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

減值債務為118,605,000元(二零零九年十二月三十一日：111,944,000元)。我們已採取各種各樣的行動收回債務，但該些債務仍未收回，因此計提減值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

21 INSURANCE DEBTORS (Continued)

21 保險客戶應收賬款 (續)

(b) Movement in the allowance for impaired debts

(b) 減值賬款準備變動

		The Group 本集團	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
At 1 January	於一月一日	111,944	46,805
Impairment losses recognized	已確認減值	11,023	74,979
Exchange difference	匯兌差額	3,042	53
Uncollectible amounts written off	已撇銷不可收回金額	(880)	(9,893)
Eliminated on disposal of a subsidiary	於出售一間附屬公司時對銷	(6,524)	—
At 31 December	於十二月三十一日	118,605	111,944

22 REINSURERS' SHARE OF INSURANCE CONTRACT PROVISIONS

22 分保公司應佔保險合約準備

The reinsurers' share of insurance contract provisions represents the reinsurers' share of life insurance contract liabilities, unearned premium provisions and provision for outstanding claims arising from the life insurance, property and casualty insurance and reinsurance businesses.

分保公司應佔保險合約準備份額，代表再保險公司於由人壽保險、財產保險及再保險業務產生的壽險合約負債、未到期責任準備金及未決賠款準備的份額。

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Life insurance contract liabilities (Note 27)	壽險合約負債 (附註27)	13,034	13,302
Unearned premium provisions (Note 28)	未到期責任準備金 (附註28)	538,639	513,755
Provision for outstanding claims (Note 29)	未決賠款準備 (附註29)	1,496,677	1,560,605
		2,048,350	2,087,662

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

23 OTHER DEBTORS

23 其他應收賬款

		The Group 本集團		The Company 本公司	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元	31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Sales proceeds receivable from disposal of a subsidiary (Note 43)	出售一間附屬公司之應收價款 (附註43)	1,267,914	—	—	—
Other debtors and deposits	其他應收賬款及按金	4,285,575	2,002,417	513,667	6,605
Less: allowance for impaired debts (Note (a))	減：減值賬款準備 (註(a))	(20,913)	(18,379)	—	—
		5,532,576	1,984,038	513,667	6,605
Loans and advances (Note (b))	貸款及墊款 (註(b))	1,057,445	591,646	—	—
		6,590,021	2,575,684	513,667	6,605

In 2010, included in the other debtors and deposits of the Group is an amount of \$738,375,000 related to the deposit for purchase of property. Please refer to note 47(f) for details.

於二零一零年，本集團其他應收賬款及按金當中包括738,375,000元，為有關購入物業之訂金。詳情請參閱附註47(f)。

In 2010, included in the other debtors and deposits of the Company and the Group is an amount of \$507,678,000 placed in an escrow bank account for the purpose of capital injection into TPP.

於二零一零年，本公司及本集團其他應收賬款及按金當中包括507,678,000元，為存放於託管銀行賬戶用作向太平養老增資之款項。

(a) Movement in the allowance for impaired debts:

(a) 減值賬款準備變動：

		The Group 本集團	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
At 1 January	於一月一日	18,379	8,668
Impairment losses recognized	已確認減值虧損	2,534	9,711
At 31 December	於十二月三十一日	20,913	18,379

The amount of impaired debts are \$20,913,000 (31 December 2009: \$18,379,000). We have taken various actions to recover the debts, but these debts have not yet been recovered.

減值債務為20,913,000元 (二零零九年十二月三十一日：18,379,000元)。我們已採取各種各樣的行動收回債務，但該筆債務仍未收回。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

23 OTHER DEBTORS (Continued)

23 其他應收賬款 (續)

(b) Loans and advances are repayable with the following terms:

(b) 貸款及墊款的還款期如下：

		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元	Interest rate 利率	Repayment term 還款期
Secured loans: – to policyholders	有抵押按揭貸款： – 給予保單持有人	1,057,445	591,646	4.5 – 4.7%	Less than 6 months 六個月以內

There was no amount due but unpaid, nor any provision made against the principal amount or interest on these loans as of 31 December 2009 and 2010.

於二零零九年及二零一零年十二月三十一日，沒有已到期但未支付，也沒有任何對這些貸款的本金或利息作出任何撥備。

24 PLEDGED DEPOSITS AT BANKS

24 已抵押銀行存款

The deposits at banks of \$160,613,000 (31 December 2009: \$92,225,000) are pledged to banks to secure letters of credit issued on behalf of the Group. All the pledged deposits at banks are expected to be settled within one year.

銀行存款中一筆為數160,613,000元(二零零九年十二月三十一日：92,225,000元)已抵押予銀行作為銀行代表本集團發出信用狀提供保證。所有的已抵押銀行存款預計在一年內支付。

25 STATUTORY DEPOSITS

25 法定存款

Certain subsidiaries of the Group have placed \$1,440,375,000 (31 December 2009: \$1,326,787,000) with banks as capital guarantee funds, pursuant to the relevant PRC insurance rules and regulations. The funds can only be used with the prior approval of the relevant authorities in the event that the PRC subsidiaries cannot meet the statutory solvency requirements or go into liquidation.

本集團若干附屬公司根據中國有關保險法規的規定將為數1,440,375,000元(二零零九年十二月三十一日：1,326,787,000元)的款項存於銀行，作為資本保證基金。該筆款項只可在該附屬公司不能達到法定償付能力要求或清盤時，並得到有關政府部門批准，方可動用。

In addition, a subsidiary of the Group has pledged a deposit of \$26,418,000 (31 December 2009: \$23,250,000) registered in favour of the Monetary Authority of Singapore pursuant to section 14A of the Singapore Insurance Act.

此外，本集團一間附屬公司根據新加坡保險條例第14A規定持有一筆為數26,418,000元(二零零九年十二月三十一日：23,250,000元)的抵押存款，登記人為新加坡金融管理局。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

26 CASH AND CASH EQUIVALENTS

26 現金及現金等價物

		The Group 本集團		The Company 本公司	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元	31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Deposits with banks and other financial institutions with original maturity less than three months	原到期日少於三個月的銀行及其他財務機構存款	6,268,693	3,409,806	89,277	103,795
Money market funds	貨幣市場基金	396	822,480	—	—
Cash at bank and in hand	銀行及庫存現金	10,020,125	8,265,535	13	22,194
Cash and cash equivalents in the statement of financial position and the statement of cash flow		16,289,214	12,497,821	89,290	125,989

27 LIFE INSURANCE CONTRACT LIABILITIES

27 壽險合約負債

		2010 二零一零年			2009 二零零九年		
		Reinsurers' share			Reinsurers' share		
		Gross 總額 \$'000 千元	再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	31,089,308	(13,302)	31,076,006	18,785,337	(7,780)	18,777,557
Premiums written during the year	年內承保保費	37,033,658	(305,736)	36,727,922	21,636,231	(206,509)	21,429,722
Surrenders	退保	(1,412,938)	—	(1,412,938)	(1,036,334)	—	(1,036,334)
Annuity, dividend and maturity payments	年金、分紅及到期付款	(1,333,989)	—	(1,333,989)	(2,284,027)	—	(2,284,027)
Other movements	其他變動	(6,743,683)	306,448	(6,437,235)	(6,057,981)	201,005	(5,856,976)
Exchange alignment	匯兌調整	1,759,258	(444)	1,758,814	46,082	(18)	46,064
Balance as at 31 December	於十二月三十一日結餘	60,391,614	(13,034)	60,378,580	31,089,308	(13,302)	31,076,006

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

27 LIFE INSURANCE CONTRACT LIABILITIES (Continued)

Key assumptions used in estimating the life insurance contract liabilities

The insurance contract provisions have been established based upon the following key assumptions:

- Interest rates which vary by the life of contract;
- Mortality/morbidity rates based on the China Life table (2000-2003); and
- Lapse rates based on 100% of pricing assumptions.

Sensitivities of changes in key assumptions:

27 壽險合約負債 (續)

評估壽險合約負債採納的主要假設

壽險合約的儲備乃基於以下主要假設而作出：

- 利率隨合約期限而變動；
- 死亡率／發病率根據中國人壽保險業經驗生命表計算（二零零零年至二零零三年）；及
- 作廢率根據定價假設100%計算。

主要假設變動的敏感度：

Impact on profit
after tax and
total equity
對除稅後溢利及
總權益的影響
HK\$ million
百萬港元

31 December 2010	二零一零年十二月三十一日	
1% increase in interest rate	利率增加1%	2,876.33
10% decrease in mortality/morbidity rate	死亡率／發病率減少10%	326.31
31 December 2009	二零零九年十二月三十一日	
1% increase in interest rate	利率增加1%	1,805.87
10% decrease in mortality/morbidity rate	死亡率／發病率減少10%	250.17

During the year, there were no significant changes in the key assumptions used in estimating the life insurance contract liabilities.

於本年內，評估壽險合約負債採納的主要假設，並無重大變動。

28 UNEARNED PREMIUM PROVISIONS

28 未到期責任準備金

		31 December 2010 二零一零年十二月三十一日			31 December 2009 二零零九年十二月三十一日		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Life insurance (Note (i))	人壽保險 (註(i))	399,683	(108,114)	291,569	369,190	(98,461)	270,729
Property and casualty insurance (Note (ii))	財產保險 (註(ii))	2,781,081	(350,077)	2,431,004	2,901,735	(344,131)	2,557,604
Reinsurance (Note (iii))	再保險 (註(iii))	870,133	(80,448)	789,685	547,881	(71,163)	476,718
Other businesses (Note (iv))	其他業務 (註(iv))	16,417	-	16,417	-	-	-
		4,067,314	(538,639)	3,528,675	3,818,806	(513,755)	3,305,051

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

28 UNEARNED PREMIUM PROVISIONS (Continued)

28 未到期責任準備金 (續)

Notes:

註：

(i) Analysis of movement in the unearned premium provisions for the life insurance business:

(i) 人壽保險業務的未到期責任準備金變化分析：

		2010 二零一零年			2009 二零零九年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	369,190	(98,461)	270,729	299,939	(46,236)	253,703
Premiums written during the year	年內承保保費	37,033,658	(305,736)	36,727,922	21,636,231	(206,509)	21,429,722
Premiums earned during the year	年內已賺取保費	(37,016,411)	299,652	(36,716,759)	(21,567,490)	154,407	(21,413,083)
Exchange alignment	匯兌調整	13,246	(3,569)	9,677	510	(123)	387
Balance as at 31 December	於十二月三十一日結餘	399,683	(108,114)	291,569	369,190	(98,461)	270,729

(ii) Analysis of movement in the unearned premium provisions for the property and casualty insurance business:

(ii) 財產保險業務的未到期責任準備金變化分析：

		2010 二零一零年			2009 二零零九年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	2,901,735	(344,131)	2,557,604	2,701,425	(371,830)	2,329,595
Disposal of subsidiary	出售附屬公司	(843,197)	117,982	(725,215)	—	—	—
Premiums written during the year	年內承保保費	8,866,038	(1,358,829)	7,507,209	7,333,753	(1,214,842)	6,118,911
Premiums earned during the year	年內已賺取保費	(8,224,743)	1,244,733	(6,980,010)	(7,137,841)	1,243,127	(5,894,714)
Exchange alignment	匯兌調整	81,248	(9,832)	71,416	4,398	(586)	3,812
Balance as at 31 December	於十二月三十一日結餘	2,781,081	(350,077)	2,431,004	2,901,735	(344,131)	2,557,604

(iii) Analysis of movement in the unearned premium provisions for the reinsurance business:

(iii) 再保險業務的未到期責任準備金變化分析：

		2010 二零一零年			2009 二零零九年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	547,881	(71,163)	476,718	613,329	(76,395)	536,934
Premiums written during the year	年內承保保費	2,649,725	(277,664)	2,372,061	1,774,954	(266,195)	1,508,759
Premiums earned during the year	年內已賺取保費	(2,347,733)	270,197	(2,077,536)	(1,840,402)	271,427	(1,568,975)
Exchange alignment	匯兌調整	20,260	(1,818)	18,442	—	—	—
Balance as at 31 December	於十二月三十一日結餘	870,133	(80,448)	789,685	547,881	(71,163)	476,718

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

28 UNEARNED PREMIUM PROVISIONS (Continued)

28 未到期責任準備金 (續)

Notes: (Continued)

註：(續)

(iv) Analysis of movement in the unearned premium provisions for other business:

(iv) 其他業務的未到期責任準備金變化分析：

		2010 二零一零年			2009 二零零九年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	—	—	—	—	—	
Premiums written during the year	年內承保保費	25,417	—	25,417	—	—	
Premiums earned during the year	年內已賺取保費	(9,396)	—	(9,396)	—	—	
Exchange alignment	匯兌調整	396	—	396	—	—	
Balance as at 31 December	於十二月三十一日結餘	16,417	—	16,417	—	—	

29 PROVISION FOR OUTSTANDING CLAIMS

29 未決賠款準備

		31 December 2010 二零一零年十二月三十一日			31 December 2009 二零零九年十二月三十一日		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Life insurance (Note (i))	人壽保險 (註(i))	218,737	(50,301)	168,436	202,013	(36,615)	165,398
Property and casualty insurance (Note (ii))	財產保險 (註(ii))	4,295,023	(1,177,819)	3,117,204	4,125,068	(1,266,520)	2,858,548
Reinsurance (Note (iii))	再保險 (註(iii))	3,124,689	(268,557)	2,856,132	2,655,675	(257,470)	2,398,205
Other businesses (Note (iv))	其他業務 (註(iv))	410	—	410	—	—	—
		7,638,859	(1,496,677)	6,142,182	6,982,756	(1,560,605)	5,422,151

Notes:

註：

(i) Analysis of movement in the provision for outstanding claims for the life insurance business:

(i) 人壽保險業務的未決賠款準備變化分析：

		2010 二零一零年			2009 二零零九年		
		Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元	Gross 總額 \$'000 千元	Reinsurers' share 再保險 公司份額 \$'000 千元	Net 淨額 \$'000 千元
Balance as at 1 January	於一月一日結餘	202,013	(36,615)	165,398	255,990	(15,925)	240,065
Claims paid during the year	年內已付賠款	(774,402)	203,556	(570,846)	(626,453)	115,134	(511,319)
Claims incurred during the year	年內索賠	783,877	(215,672)	568,205	572,085	(135,780)	436,305
Exchange alignment	匯兌調整	7,249	(1,570)	5,679	391	(44)	347
Balance as at 31 December	於十二月三十一日結餘	218,737	(50,301)	168,436	202,013	(36,615)	165,398

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

29 PROVISION FOR OUTSTANDING CLAIMS (Continued) 29 未決賠款準備 (續)

Notes: (Continued)

(ii) Analysis of movement in the provision for outstanding claims for the property and casualty insurance business:

		2010 二零一零年			2009 二零零九年		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Balance as at 1 January	於一月一日結餘	4,125,068	(1,266,520)	2,858,548	3,906,739	(1,451,498)	2,455,241
Disposal of a subsidiary	出售一間附屬公司	(497,953)	94,662	(403,291)	—	—	—
Claims paid during the year	年內已付賠款	(3,848,095)	605,477	(3,242,618)	(3,873,727)	800,113	(3,073,614)
Claims incurred during the year	年內索賠	4,436,898	(596,459)	3,840,439	4,088,845	(614,469)	3,474,376
Exchange alignment	匯兌調整	79,105	(14,979)	64,126	3,211	(666)	2,545
Balance as at 31 December	於十二月三十一日結餘	4,295,023	(1,177,819)	3,117,204	4,125,068	(1,266,520)	2,858,548

註：(續)

(ii) 財產保險業務的未決賠款準備變化分析：

(iii) Analysis of movement in the provision for outstanding claims for the reinsurance business:

		2010 二零一零年			2009 二零零九年		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Balance as at 1 January	於一月一日結餘	2,655,675	(257,470)	2,398,205	2,548,443	(336,683)	2,211,760
Claims paid during the year	年內已付賠款	(1,018,335)	99,914	(918,421)	(1,013,647)	140,333	(873,314)
Claims incurred during the year	年內索賠	1,412,399	(105,073)	1,307,326	1,085,503	(61,120)	1,024,383
Exchange alignment	匯兌調整	74,950	(5,928)	69,022	35,376	—	35,376
Balance as at 31 December	於十二月三十一日結餘	3,124,689	(268,557)	2,856,132	2,655,675	(257,470)	2,398,205

(iii) 再保險業務的未決賠款準備變化分析：

(iv) Analysis of movement in the provision for outstanding claims for other business:

		2010 二零一零年			2009 二零零九年		
		Reinsurers' share			Reinsurers' share		
		Gross	再保險	Net	Gross	再保險	Net
		總額	公司份額	淨額	總額	公司份額	淨額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
Balance as at 1 January	於一月一日結餘	—	—	—	—	—	—
Claims paid during the year	年內已付賠款	(529)	—	(529)	—	—	—
Claims incurred during the year	年內索賠	929	—	929	—	—	—
Exchange alignment	匯兌調整	10	—	10	—	—	—
Balance as at 31 December	於十二月三十一日結餘	410	—	410	—	—	—

(iv) 其他業務的未決賠款準備變化分析：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

30 INVESTMENT CONTRACT LIABILITIES

30 投資合約負債

(a) Unit-linked products

(a) 投資連結產品

		The Group 本集團	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Balance as at 1 January	於一月一日結餘	5,078,319	4,269,892
Premiums received during the year	年內已收保費	118,691	248,756
Investment income allocated to investment contracts	分配至投資合約之投資收入	241,923	1,322,279
Surrenders and others	退保及其他	(529,660)	(762,608)
Balance as at 31 December	於十二月三十一日結餘	4,909,273	5,078,319

(b) Universal life and other products

(b) 萬能壽險及其他產品

		The Group 本集團	
		2010 二零一零年 \$'000 千元	2009 二零零九年 \$'000 千元
Balance as at 1 January	於一月一日結餘	31,303,618	28,681,160
Premiums received during the year	年內已收保費	1,060,279	3,989,648
Interest allocated to investment contracts, net of management fee	分配至投資合約之利益，減管理費	1,205,902	1,170,325
Surrenders and others	退保及其他	(2,200,831)	(2,537,515)
Balance as at 31 December	於十二月三十一日結餘	31,368,968	31,303,618

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

31 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION 31 財務狀況表的稅項

(a) Current taxation in the statement of financial position represents:

(a) 在財務狀況表所示的當期稅項為：

		The Group 本集團		The Company 本公司	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元	31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Hong Kong Profits Tax	香港利得稅				
– Provision for the year	– 本年度準備	31,718	36,072	–	–
– Provisional tax paid	– 已暫繳的稅款	(20,678)	(5,874)	–	–
		11,040	30,198	–	–
Balance of Hong Kong Profits Tax provision for prior years	屬於往年度的香港利得稅準備結餘	166,637	156,729	–	–
Taxation outside Hong Kong	香港以外的稅項	298,328	67,239	–	–
		476,005	254,166	–	–
Amount of taxation payable expected to be settled after more than 1 year	預期在一年以後才須支付的應付稅項	–	–	–	–
Net tax recoverable recognized in the statement of financial position	已確認於財務狀況表的可收回稅項淨額	–	–	–	–
Net current taxation recognized in the statement of financial position	已確認於財務狀況表的當期稅項	476,005	254,166	–	–
		476,005	254,166	–	–

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

31 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION (Continued) 31 財務狀況表的稅項 (續)

(b) Deferred tax assets and liabilities recognized:

The Group

The components of deferred tax assets/(liabilities) (prior to the offsetting of balances within the same taxation jurisdiction) recognized in the consolidated statement of financial position and the movements during the year were as follows:

(b) 已確認遞延稅項資產及負債：

本集團

在綜合財務狀況表所確認的遞延稅項資產／(負債) (與同一徵稅地區之結餘抵銷前) 的組合及本年度的變動情況如下：

Deferred tax arising from:	遞延稅項來自：	Difference in depreciation allowances and related depreciation	Revaluation of properties	Fair value adjustment arising from business combination of available-securities	Fair value adjustment of available-securities	Life insurance contract liabilities	Unused tax losses	Securities held for trading	Others	Total
		折舊免稅額與相關折舊的差異	物業重估	業務合併之公允價值調整	可供出售證券公允價值調整	壽險合約負債	未動用稅項虧損	持有作交易用途證券	其他	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2010	於二零一零年一月一日	1,246	(523)	(79,222)	(159,969)	(985,748)	136,764	(231,715)	—	(1,319,167)
(Charged)/credited to consolidated income statement	於綜合損益表(支出)/抵免	(840)	(48,765)	—	38,027	—	48,806	27,142	43,849	108,219
Charged to other comprehensive income	於其他全面收益入賬	—	—	—	(82,206)	—	—	—	—	(82,206)
Exchange difference	匯兌調整	—	—	—	(4,387)	(34,232)	1,267	(20,098)	746	(56,704)
At 31 December 2010	於二零一零年十二月三十一日	406	(49,288)	(79,222)	(208,535)	(1,019,980)	186,837	(224,671)	44,595	(1,349,858)
At 1 January 2009	於二零零九年一月一日	2,836	(402)	(79,222)	8,332	(984,178)	79,172	7,791	—	(965,671)
(Charged)/credited to consolidated income statement	於綜合損益表(支出)/抵免	(1,590)	(121)	—	(145)	—	57,592	(239,332)	—	(183,596)
Charged to other comprehensive income	於其他全面收益入賬	—	—	—	(168,156)	—	—	—	—	(168,156)
Exchange difference	匯兌調整	—	—	—	—	(1,570)	—	(174)	—	(1,744)
At 31 December 2009	於二零零九年十二月三十一日	1,246	(523)	(79,222)	(159,969)	(985,748)	136,764	(231,715)	—	(1,319,167)

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

31 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION (Continued) 31 財務狀況表的稅項 (續)

(b) Deferred tax assets and liabilities recognized: (Continued)

The Group (Continued)

		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Net deferred tax asset recognized in the consolidated statement of financial position	已確認於綜合財務狀況表的遞延稅項資產淨額	141,609	96,210
Net deferred tax liability recognized in the consolidated statement of financial position	已確認於綜合財務狀況表的遞延稅項負債淨額	(1,491,467)	(1,415,377)
		(1,349,858)	(1,319,167)

The Company

The components of deferred tax liabilities/(assets) recognized in the statement of financial position and the movements during the year were as follows:

(b) 已確認遞延稅項資產及負債：(續)

本集團 (續)

本公司

於財務狀況表確認的遞延稅項負債/(資產)的組合及本年度的變動情況如下：

Deferred tax arising from:	遞延稅項來自：	Fair value adjustment of available-for-sale securities 可供出售證券公允價值調整 \$'000 千元
At 1 January 2010	於二零一零年一月一日	426
Charged to other comprehensive income	於其他全面收益入賬	(942)
At 31 December 2010	於二零一零年十二月三十一日	(516)
At 1 January 2009	於二零零九年一月一日	(5,549)
Charged to other comprehensive income	於其他全面收益入賬	5,975
At 31 December 2009	於二零零九年十二月三十一日	426

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

31 INCOME TAX IN THE STATEMENT OF FINANCIAL POSITION (Continued) 31 財務狀況表的稅項 (續)

(c) Deferred tax assets not recognized

At 31 December 2010, the Group did not recognize deferred tax assets in respect of certain tax losses of \$787,673,000 (31 December 2009: \$1,510,301,000). Of this amount, the total tax loss of \$383,171,000 (31 December 2009: \$587,862,000) can be carried forward up to five years after the year in which the loss was originated to offset future taxable profits, while the remaining tax losses do not expire under current tax legislation.

(c) 未確認的遞延稅項資產

於二零一零年十二月三十一日，本集團未有確認787,673,000元(二零零九年十二月三十一日：1,510,301,000元)之稅項虧損而產生的遞延稅項資產。於該數額內，383,171,000元(二零零九年十二月三十一日：587,862,000元)稅項虧損總額可以在發生虧損年起計，最多不多於五年，用作抵銷未來之應評稅利潤，尚餘的稅項虧損額在目前的稅務條例則並無期限。

32 INTEREST-BEARING NOTES

32 需付息票據

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
USD notes due 2013 (Note (a))	於二零一三年到期的 美元票據 (註(a))	1,358,465	1,352,511
RMB subordinated notes due 2013 (Note (b))	於二零一三年到期的 人民幣次級票據 (註(b))	1,762,770	1,703,610
RMB subordinated notes due 2018 (Note (c))	於二零一八年到期的 人民幣次級票據 (註(c))	2,409,119	2,328,267
RMB subordinated notes due 2019 (Note (d))	於二零一九年到期的 人民幣次級票據 (註(d))	352,554	340,722
RMB subordinated notes due 2020 (Note (e))	於二零二零年到期的 人民幣次級票據 (註(e))	4,348,166	—
		10,231,074	5,725,110
Fair value of interest-bearing notes	需付息票據公允價值	9,719,184	5,175,262

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

32 INTEREST-BEARING NOTES (Continued)

Notes:

- (a) On 12 November 2003, a subsidiary of the Group issued 5.8% notes for the principal amount of USD175,000,000 at a discount. The notes are listed on the Singapore Exchange Securities Trading Limited and will be redeemed on 12 November 2013 at their principal amount. Interest on the notes is payable semi-annually in arrears. The effective interest rate applied to the notes is 5.9%.

The notes may be redeemed by the subsidiary, at its option, at any time at par plus accrued interest, in the event of certain tax changes as described under "Conditions of the Notes — Redemption and Purchase" in the offering circular dated 3 November 2003.

The notes issued are unconditionally and irrevocably guaranteed by the Company.

- (b) On 23 October 2005, TPL, a subsidiary of the Group issued 4.45% subordinated notes at par for the principal amount of RMB1,500,000,000. The notes will be redeemed on 30 November 2013 at par value and cannot be repaid on demand before then. Interest on the notes is payable annually in arrears.

The notes issued are free of any collateral and guarantee.

- (c) During September and December 2008, TPL and TPI, subsidiaries of the Group issued 6.3% subordinated notes at par for the principal amount of RMB1,350,000,000 and RMB700,000,000, respectively. The notes will mature during September and October 2018 but the notes can be redeemed at the fifth anniversary year of the issue date at par value at the discretion of TPL and TPI. Interest on the notes is payable annually in arrears.

The notes issued by TPL are free of any collateral and guarantee. The notes issued by TPI are free of any collateral but are unconditionally and irrevocably guaranteed by TPG.

- (d) On 16 March 2009, TPL, a subsidiary of the Group issued 5.6% subordinated notes at par for the principal amount of RMB300,000,000. The notes will mature during March 2019 but the notes can be redeemed at the fifth anniversary year of the issue date at par value at the discretion of TPL. Interest on the notes is payable annually in arrears.

The notes issued are free of any collateral and guarantee.

- (e) On 28 October 2010, TPL, a subsidiary of the Group issued 4.8% subordinated notes at par for the principal amount of RMB3,700,000,000. The notes will mature during October 2020 but the notes can be redeemed at the fifth anniversary year of the issue date at par value at the discretion of TPL. Interest on the notes is payable annually in arrears.

The notes issued are free of any collateral and guarantee.

註：

- (a) 於二零零三年十一月十二日，本集團一家附屬公司以折讓價發行了本金價值175,000,000美元5.8%的票據。票據在新加坡證券交易所上市，本金將於二零一三年十一月十二日贖回。票據利息每半年於期末支付。應用於票據之有效利率為5.9%。

如二零零三年十一月三日發行通函「票據的條件—購買及贖回」內文所提及有關某些稅項改變發生之時，附屬公司有權在任何時間以票面值加上應計利息把票據贖回。

票據由本公司提供無條件及不可撤銷的擔保。

- (b) 於二零零五年十月二十三日，太平人壽，本集團一家附屬公司，以票面值發行了本金價值1,500,000,000元人民幣4.45%的次級票據。票據將於二零一三年十一月三十日以票面值贖回及於該日期前不可被即時償還。票據利息每年於期末支付。

票據並無任何抵押品及擔保。

- (c) 於二零零八年九月及十二月，太平人壽及太平財險，本集團之附屬公司分別以票面值發行了本金價值1,350,000,000元人民幣及700,000,000元人民幣6.3%的次級票據。票據將分別於二零一八年九月及十月到期，但票據可以由太平人壽及太平財險酌定於發行日的第五週年以票面值贖回。票據利息每年於期末支付。

太平人壽發行之票據並無任何抵押品及擔保。太平財險發行之票據並無任何抵押品但由中國太平集團提供無條件及不可撤銷的擔保。

- (d) 於二零零九年三月十六日，太平人壽，本集團一家附屬公司以票面值發行了本金價值300,000,000元人民幣5.6%的次級票據。票據將於二零一九年三月贖回，但票據可以由太平人壽酌定於發行日的第五週年以票面值贖回。票據利息每年於期末支付。

票據並無任何抵押品及擔保。

- (e) 於二零一零年十月二十八日，太平人壽，本集團一家附屬公司以票面值發行了本金價值3,700,000,000元人民幣4.8%的次級票據。票據將於二零二零年十月贖回，但票據可以由太平人壽酌定於發行日的第五週年以票面值贖回。票據利息每年於期末支付。

票據並無任何抵押品及擔保。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

33 INSURANCE CREDITORS

33 保險客戶應付賬款

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Amounts due to insurance customers	應付保險客戶款項	525,924	667,677
Deposits retained from retrocessionaires	轉分保險人保留的按金	84,225	98,900
Prepaid premiums received	預收保費	891,298	641,196
		1,501,447	1,407,773

All of the amounts due to the insurance creditors are expected to be settled within one year.

The amounts due to insurance customers include amounts due to fellow subsidiaries of \$2,982,000 (31 December 2009: \$1,125,000) which are insurance related in nature.

The following is an ageing analysis of the amounts due to insurance customers:

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Current	現時	477,467	602,676
More than 3 months but less than 12 months	超過三個月 但少於十二個月	25,207	35,107
More than 12 months	超過十二個月	23,250	29,894
		525,924	667,677

所有保險客戶應付賬款預期將於一年內清償。

應付保險客戶款項包括應付同系附屬公司款項為2,982,000元(二零零九年十二月三十一日: 1,125,000元), 有關款項屬保險性質。

應付保險客戶款項之賬齡分析如下:

34 OTHER CREDITORS

All of the other creditors are expected to be settled within one year.

35 INSURANCE PROTECTION FUND

The amount represents the amount payable to the insurance protection fund at end of the reporting period. According to the CIRC's Order (2008) No. 2 "Administration rule on insurance protection fund", the insurance protection fund is calculated on the basis of 0.8% of retained premium for accident and short-term health policies, 0.15% of retained premium for long-term life and long-term health policies with guaranteed interest, and 0.05% of retained premium for long-term life policies without guaranteed interest. The ceiling of the fund for a life insurance company is 1% of its total assets and for a property and casualty insurance company is 6% of its total assets.

34 其他應付賬款

所有其他應付賬款預期將於一年內清償。

35 保險保障基金

金額代表於報告期末應付保險保障基金之金額。根據中國保監會令[2008]2號《保險保障基金管理辦法》，保險保障基金的提撥是按個人意外及短期健康保單自留保費的0.8%，含保證利息的長期人壽及長期健康保險保單自留保費的0.15%及不含保證利息的長期人壽保單自留保費的0.05%。當人壽保險的保險保障基金餘額達到總資產的1%時，不再提取保險保障基金，而財產保險公司則為總資產的6%。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

36 SECURITIES PURCHASED UNDER RESALE AGREEMENTS/SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

The Group entered into transactions in which it transferred financial assets directly to third parties. These transfers will not give rise to derecognition of the financial assets concerned as all the risks and rewards of ownership are not transferred and control is retained.

Conversely, the Group also enters into short-term investment arrangements secured by the securities purchased. The securities purchased are not recognized on the statement of financial position.

All of the securities purchased under resale agreements and securities sold under repurchase agreements are denominated in RMB and will be settled within one year from the end of the reporting period. The carrying amount of the securities purchased under resale agreements and securities sold under repurchase agreements approximate to their fair value.

As at 31 December 2010, debt securities which are classified as available for sale and held to maturity with carrying amount of approximately \$15,885 million (31 December 2009: approximately \$7,718 million) were pledged under securities sold under repurchase agreements.

36 買入返售證券／賣出回購證券

本集團進行交易把其金融資產直接轉移至第三者。這些轉移不會構成有關的金融資產被終止確認，因為所有風險及回報之擁有權沒有轉移及仍保留控制權。

相反，本集團亦進行以買入的證券作抵押的短期投資安排。買入的證券並不確認於財務狀況表。

所有買入返售證券及賣出回購證券以人民幣為單位及將在報告期末後一年內支付。買入返售證券及賣出回購證券之賬面值約相等於其公允價值。

於二零一零年十二月三十一日，賬面值約為158.85億元(二零零九年十二月三十一日：約為77.18億元)之可供出售及持有至到期債務證券抵押為賣出回購證券。

37 SHARE CAPITAL

37 股本

		31 December 2010 二零一零年十二月三十一日		31 December 2009 二零零九年十二月三十一日	
		No. of shares 股份數目	\$'000 千元	No. of shares 股份數目	\$'000 千元
Authorized:	法定股本：				
Ordinary shares of \$0.05 each	每股面值0.05元普通股	2,000,000,000	100,000	2,000,000,000	100,000
Issued and fully paid:	已發行及繳足股本：				
At 1 January	於一月一日	1,702,065,092	85,103	1,421,721,592	71,086
Shares issued (note (a))	發行股份 (註(a))	—	—	280,343,500	14,017
Shares issued under Share Option Scheme (note (b))	根據認股權計劃發行的股份 (註(b))	1,550,000	78	—	—
At 31 December	於十二月三十一日	1,703,615,092	85,181	1,702,065,092	85,103

All of the shares issued by the Company rank pari passu and do not carry pre-emptive rights.

(a) For 2009, 138,924,700 ordinary shares of \$0.05 each at the price of HK\$21.30 per share were issued on 30 July 2009 to TPG (HK) as a consideration for the acquisition of 47.8% equity interest of MAH and 141,418,800 ordinary shares of \$0.05 each at the price of HK\$27.60 per share were issued on 4 November 2009 to non-controlling shareholders of MAH as a consideration for the acquisition of 48.66% equity interest of MAH.

(b) During the year ended 31 December 2010, options were exercised to subscribe for 1,550,000 ordinary shares (see note 40(a)) in the Company at a consideration of \$3,264,000 of which \$78,000 was credited to share capital and the balance of \$3,186,000 was credited to the share premium account.

During the year ended 31 December 2009, no options were exercised to subscribe for ordinary shares in the Company.

本公司所發行的所有股份均享有同等權益，並沒有附帶任何優先權。

(a) 於二零零九年七月三十日，按每股21.30港元發行138,924,700股每股面值0.05港元之股份予中國太平集團(香港)，作為購入民安控股47.8%股本權益之代價及於二零零九年十一月四日，按每股27.60港元發行141,418,800股每股面值0.05港元之股份予民安控股非控股股東，作為購入民安控股48.66%股本權益之代價。

(b) 截至二零一零年十二月三十一日止年度，曾行使認股權認購本公司普通股股份1,550,000股(參看附註40(a))，總價款為3,264,000元。其中78,000元已計入股本，餘數3,186,000元已計入股份溢價賬。

截至二零零九年十二月三十一日止年度，並無行使認股權認購本公司普通股股份。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES

38 儲備

(a) The Group

(a) 本集團

		Share premium	Capital reserve	Merger reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Revaluation reserve	Regulatory reserve	Retained profits	Sub-total	Non-controlling interests	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2010	於二零一零年一月一日	9,042,562	(1,504,857)	(1,683,920)	417,008	471,321	81,625	(96,788)	100,096	1,977	3,382,584	10,211,608	5,041,118	15,252,726
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	2,244,793	2,244,793	408,674	2,653,467
Other comprehensive income for the year:	本年度其他全面收益：													
Revaluation gain arising from reclassification of own-use properties into investment properties	因自用物業重新分類為投資物業而產生之重估收益	-	-	-	-	-	-	-	23,094	-	-	23,094	-	23,094
Exchange differences on translation of the financial statements of subsidiaries	換算附屬公司賬項的匯兌差異	-	-	-	185,389	-	-	-	-	-	-	185,389	199,356	384,745
Release upon disposal of a subsidiary	於出售一間附屬公司時釋放	-	-	-	(86,492)	14,411	-	-	-	-	-	(72,081)	-	(72,081)
Available-for-sale securities (note (i)):	可供出售證券 (註(i))：													
- changes in fair value	公允價值變化	-	-	-	-	543,984	-	-	-	-	-	543,984	625,072	1,169,056
- deferred tax recognized	確認遞延稅項	-	-	-	-	(38,230)	-	-	-	-	-	(38,230)	(43,976)	(82,206)
- transferred to profit or loss	轉至損益表	-	-	-	-	(502,944)	-	-	-	-	-	(502,944)	(460,758)	(963,702)
Total comprehensive income	全面收益總額	-	-	-	98,897	17,221	-	-	23,094	-	2,244,793	2,384,005	728,368	3,112,373
Release upon disposal of a subsidiary	於出售一間附屬公司時釋放	-	-	-	-	-	-	-	(1,977)	1,977	-	-	-	-
Shares issued under Share Option Scheme	根據認股權計劃發行股份	3,187	-	-	-	-	-	-	-	-	3,187	-	-	3,187
Share options exercised	已行使認股權	1,026	-	-	-	-	(1,026)	-	-	-	-	-	-	-
Share options granted	已授出認股權	-	-	-	-	-	4,296	-	-	-	-	4,296	-	4,296
Amortization arising from Share Award Scheme	來自股份獎勵計劃之攤銷	-	-	-	-	-	24,110	-	-	-	-	24,110	-	24,110
Transfer to retained profit for revoked shares under Share Award Scheme	股份獎勵計劃之取消股份轉入保留溢利	-	-	-	-	-	(922)	-	-	-	922	-	-	-
Vested share for Share Award Scheme	股份獎勵計劃之歸屬股份	-	-	-	-	-	(6,336)	5,876	-	-	460	-	-	-
At 31 December 2010	於二零一零年十二月三十一日	9,046,775	(1,504,857)	(1,683,920)	515,905	488,542	101,747	(90,912)	123,190	-	5,630,736	12,627,206	5,769,486	18,396,692

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES (Continued)

38 儲備 (續)

(a) The Group (Continued)

(a) 本集團 (續)

		Share premium	Capital reserve	Merger reserve	Exchange reserve	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Revaluation reserve	Regulatory reserve	Retained profits	Sub-total	Non-controlling interests	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
At 1 January 2009	於二零零九年一月一日	2,218,248	575,203	1,275,180	409,574	(134,993)	50,869	(96,788)	100,096	1,977	2,556,847	6,956,213	5,123,225	12,079,438
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	825,737	825,737	361,899	1,187,636
Other comprehensive income for the year:	本年度其他全面收益：													
Exchange differences on translation of the financial statements of subsidiaries	換算附屬公司賬項的匯兌差異	-	-	-	7,434	-	-	-	-	-	-	7,434	5,367	12,801
Available-for-sale securities (note (i)):	可供出售證券 (註(i))：													
- changes in fair value	— 公允價值變化	-	-	-	-	606,314	-	-	-	-	-	606,314	296,222	902,536
- deferred tax recognized	— 確認遞延稅項	-	-	-	-	1,511,788	-	-	-	-	-	1,511,788	1,111,167	2,622,955
- transferred to profit or loss	— 轉至損益表	-	-	-	-	(92,227)	-	-	-	-	-	(92,227)	(75,929)	(168,156)
		-	-	-	-	(813,247)	-	-	-	-	-	(813,247)	(739,016)	(1,552,263)
Total comprehensive income	全面收益總額	-	-	-	7,434	606,314	-	-	-	-	825,737	1,439,485	663,488	2,102,973
Acquisition of a subsidiary under common control	購入一間受共同控制之附屬公司	2,952,154	-	(2,959,100)	-	-	-	-	-	-	-	(6,946)	-	(6,946)
Acquisition of additional interests in subsidiaries	購入附屬公司之額外權益	3,872,160	(2,080,060)	-	-	-	-	-	-	-	-	1,792,100	(1,753,024)	39,076
Equity settled share-based payment transactions	股本償付之股份為本交易	-	-	-	-	-	30,756	-	-	-	-	30,756	-	30,756
Capital contributions made to a subsidiary	向一間附屬公司注入資本	-	-	-	-	-	-	-	-	-	-	-	1,007,429	1,007,429
At 31 December 2009	於二零零九年十二月三十一日	9,042,562	(1,504,857)	(1,683,920)	417,008	471,321	81,625	(96,788)	100,096	1,977	3,382,584	10,211,608	5,041,118	15,252,726

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES (Continued)

38 儲備 (續)

(a) The Group (Continued)

Notes:

(a) 本集團 (續)

註：

		2010 二零一零年				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i)	註(i)					
Debt securities	債務證券	249,471	(34,365)	41,186	(33,614)	222,678
Equity securities	股本證券	290,439	25,765	(77,118)	(8,960)	230,126
Investment funds	投資基金	(205,949)	(40,884)	2,296	—	(244,537)
		333,961	(49,484)	(33,636)	(42,574)	208,267
Deferred tax charged to reserves	於儲備入賬之遞延稅項	(84,589)	(3,454)	4,895	942	(82,206)
Share of associates	聯營公司份額	—	—	—	(2,913)	(2,913)
Shared by non-controlling interests	非控股股東應佔權益	(124,562)	4,224	—	—	(120,338)
		124,810	(48,714)	(28,741)	(44,545)	2,810
		2009 二零零九年				
		Life insurance 人壽保險 \$'000 千元	Property and casualty insurance 財產保險 \$'000 千元	Reinsurance 再保險 \$'000 千元	Other businesses 其他業務 \$'000 千元	Total 總額 \$'000 千元
Note (i)	註(i)					
Debt securities	債務證券	(809,697)	14,782	92,554	90,626	(611,735)
Equity securities	股本證券	530,802	30,154	56,202	35,361	652,519
Investment funds	投資基金	932,133	99,184	5,580	—	1,036,897
		653,238	144,120	154,336	125,987	1,077,681
Deferred tax charged to reserves	於儲備入賬之遞延稅項	(133,680)	(18,330)	(10,171)	(5,975)	(168,156)
Share of associates	聯營公司份額	—	—	—	(6,989)	(6,989)
Shared by non-controlling interests	非控股股東應佔權益	(259,519)	(36,703)	—	—	(296,222)
		260,039	89,087	144,165	113,023	606,314

Included in the retained profits is an amount of \$35,619,000 (2009: \$26,672,000), being the retained profits attributable to associates.

保留溢利當中包括聯營公司的保留溢利，為數35,619,000元（二零零九年：26,672,000元）。

Included in the fair value reserve is an amount of \$11,762,000 (2009: \$19,867,000), being the fair value reserves attributable to associates.

公允價值儲備當中包括聯營公司的公允價值儲備，為數11,762,000元（二零零九年：19,867,000元）。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES (Continued)

38 儲備 (續)

(b) The Company

(b) 本公司

		Share premium 股份溢價 \$'000 千元	Fair value reserve 公允價值儲備 \$'000 千元	Employee share-based compensation reserve 以股份為本之僱員補償儲備 \$'000 千元	Shares held for Share Award Scheme 為股份獎勵計劃而持有之股份 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 總額 \$'000 千元
At 1 January 2010	於二零一零年一月一日	9,042,562	50,016	67,693	(72,820)	(3,287,260)	5,800,191
Shares issued under Share Options Scheme	根據認股權計劃發行股份	3,187	—	—	—	—	3,187
Available-for-sale securities:	可供出售證券：						
– Changes in fair value (note (i))	– 公允價值變化 (註(i))	—	(38,762)	—	—	—	(38,762)
– Deferred tax recognized	– 確認遞延稅項	—	942	—	—	—	942
Profit for the year	本年度溢利	—	—	—	—	1,175,690	1,175,690
Share options exercised	行使認股權	1,026	—	(1,026)	—	—	—
Share options granted and vested	授出及歸屬認股權	—	—	4,296	—	—	4,296
Transfer to retained profit for revoked shares under Shares Award Scheme	股份獎勵計劃之取消股份轉入保留溢利	—	—	(733)	—	733	—
Shares transferred to subsidiary for Share Award Scheme	股份獎勵計劃轉讓股份至附屬公司	—	—	—	11,315	1,354	12,669
Amortization arising from Shares Award Scheme	來自股份獎勵計劃之攤銷	—	—	14,628	—	—	14,628
Vested share for Shares Award Scheme	股份獎勵計劃歸屬獎授股份	—	—	(637)	648	(11)	—
At 31 December 2010	於二零一零年十二月三十一日	9,046,775	12,196	84,221	(60,857)	(2,109,494)	6,972,841

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES (Continued)

38 儲備 (續)

(b) The Company (Continued)

(b) 本公司 (續)

		Share premium	Fair value reserve	Employee share-based compensation reserve	Shares held for Share Award Scheme	Retained profits	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
At 1 January 2009	於二零零九年一月一日	2,218,248	(71,065)	43,465	(72,820)	(80,278)	2,037,550
Shares issued	發行股份	6,824,314	—	—	—	—	6,824,314
Available-for-sale securities:	可供出售證券：						
– Changes in fair value (note (i))	– 公允價值變化 (註(i))	—	127,056	—	—	—	127,056
– Deferred tax recognized	– 確認遞延稅項	—	(5,975)	—	—	—	(5,975)
Loss for the year	本年度虧損	—	—	—	—	(3,206,982)	(3,206,982)
Share options granted and vested	授出及歸屬認股權	—	—	6,350	—	—	6,350
Shares awarded	獎授股份	—	—	17,878	—	—	17,878
At 31 December 2009	於二零零九年十二月三十一日	9,042,562	50,016	67,693	(72,820)	(3,287,260)	5,800,191

2010	2009
二零一零年	二零零九年
\$'000	\$'000
千元	千元

Note (i) Changes in fair value

註(i)：公允價值變化

Debt securities	債務證券	(33,055)	90,844
Equity securities	股本證券	(5,707)	36,212
		(38,762)	127,056

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES (Continued)

(c) Nature or purpose of reserves

(i) Capital reserve

The capital reserve represents the differences between the net assets value of the subsidiaries acquired and the fair value of the shares issued by the Company as consideration for the acquisition.

(ii) Reserves required under local regulatory requirements

In accordance with the Company Law of the PRC, a subsidiary established in the PRC is required to allocate 10% of its profits after tax to the statutory surplus reserve. No allocation to the statutory surplus reserve is required after the balance of such reserve reaches 50% of the registered capital of the subsidiary.

(iii) Merger reserve

Merger reserve represents the difference in (i) the fair value of the shares issued as a consideration paid to TPG (HK) for the acquisition of MAH and (ii) the share capital and share premium of MAH under the acquisition.

(iv) Share premium

The application of the share premium account is governed by Sections 48B and 49H of the Hong Kong Companies Ordinance.

(v) Exchange reserve

The exchange reserve is comprised of all of the foreign exchange differences arising from the translation of the financial statements of the operations outside Hong Kong into the Group's presentation currency. The reserve is dealt with in accordance with the accounting policy set out in note 1(w).

(vi) Fair value reserve

The fair value reserve is comprised of the cumulative net change in the fair value of available-for-sale securities held at the end of the reporting period and is dealt with in accordance with the accounting policy set out in note 1(h)(iv).

(vii) Employee share-based compensation reserve

The employee share-based compensation reserve is comprised of the fair value of the actual or estimated number of unexercised share options and unvested awarded shares granted to employees of the Group recognized in accordance with the accounting policy adopted for share based payments set out in note 1(ab)(i).

38 儲備 (續)

(c) 儲備目的或性質

(i) 資本儲備

資本儲備是指所收購附屬公司之資產淨值與本公司作為收購代價所發行股份公允價值的差額。

(ii) 國內法規規定須設立之儲備

根據中國公司法，一間於中國成立之附屬公司須分配其除稅後溢利之10%作為其法定盈餘儲備。當有關儲備結餘達該附屬公司註冊股本50%，則毋須分配至法定盈餘儲備。

(iii) 合併儲備

合併儲備代表以下兩者之差異 (i) 支付予中國太平集團(香港)有關購入民安控股代價所發行的股份之公允價值，及 (ii) 根據購入民安控股之股本及股份溢價。

(iv) 股份溢價

股份溢價賬目的運用，受香港《公司條例》第48B及第49H條所管轄。

(v) 匯兌儲備

匯兌儲備包括換算所有香港以外業務賬項至本集團之呈報貨幣所產生的匯兌差異。此儲備根據有關附註1(w)所載的會計政策處理。

(vi) 公允價值儲備

公允價值儲備包括根據有關附註1(h)(iv)所載的會計政策處理於報告期末可供出售證券的累計公允價值變動淨額。

(vii) 以股份為本之僱員補償儲備

以股份為本之僱員補償儲備包括根據已採納有關附註1(ab)(i)所載的股權支付會計政策確認授予本集團僱員之實際或估計未行使認股權及未歸屬獎授股份數目的公允價值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

38 RESERVES (Continued)

(c) Nature or purpose of reserves (Continued)

(viii) Shares held for Share Award Scheme

The Shares held for Share Award Scheme is the consideration paid, including any directly attributable incremental costs for purchase of shares under the Share Award Scheme, in accordance with the accounting policy set out in note 1(ab)(ii).

(ix) Revaluation reserve

The revaluation reserve represents the restatement of fair value of the assets and liabilities from the additional acquisition of TPI relating to previously held interest in TPI as associates and the restatement of fair value of certain properties from land and building to investment properties.

39 EMPLOYEE RETIREMENT BENEFITS

The Group operates a MPF scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance and one Staff Provident Fund Scheme (the "SPF scheme") under the Occupational Retirement Schemes Ordinance for employees employed under the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employers and its employees are each required to make contributions to the MPF scheme at 5% of the employees' relevant income, subject to a cap of a monthly relevant income of \$20,000. Contributions to the scheme vest immediately. Under the SPF scheme, the Group is required to make contributions based on a certain percentage of the relevant employees' salaries which is dependent on their length of service with the Group. Forfeited contributions to the SPF scheme are used to reduce the Group's future contributions.

As stipulated by the labour regulations of the PRC, certain subsidiaries of the Group participate in various defined contribution retirement plans authorized by municipal and provincial governments for its staff. These subsidiaries are required to contribute at a rate of 10% to 22% (31 December 2009: 10% to 22%) of the salaries, bonuses and certain allowances of their staff to the retirement plans. A member of the plans is entitled to a pension equal to a fixed proportion of the salary prevailing at his or her retirement date.

The Group has no other material obligations for the payment of its staff's retirement and other post-employment benefits other than the contributions described above.

38 儲備 (續)

(c) 儲備目的或性質 (續)

(viii) 為股份獎勵計劃而持有之股份

為股份獎勵計劃而持有之股份是已支付之代價，並根據附註1(ab)(ii)內的會計政策，包括在股份獎勵計劃下購買股份的所有直接相關的增量成本。

(ix) 重估儲備

重估儲備代表額外購入太平財險時，有關過往持有太平財險權益為聯營公司的資產及負債之公允價值重估。此外，亦包括若干物業由土地及樓宇重新分類至投資物業之公允價值重估。

39 僱員退休福利

根據香港強制性公積金計劃條例適用於按香港僱傭條例僱用的員工，本集團參與了一項強制性公積金計劃（「強積金計劃」），及根據職業退休計劃條例提供一項僱員公積金計劃（「公積金計劃」）。此強積金計劃是通過獨立信託人管理，屬已訂定供款退休計劃。根據此強積金計劃，僱主及僱員雙方均須按僱員之相關收入5%供款至此計劃，惟相關之收入上限為20,000元。供款須即時投入計劃。就公積金計劃，本集團須按有關僱員薪金按其於本集團服務年期而定之百分比作供款。公積金之沒收供款用作扣減本集團日後供款。

根據中國勞工條例，本集團若干附屬公司為其僱員參加了由市及省政府組織的不同類型已訂定供款退休計劃。這些附屬公司須按其僱員的薪金，花紅及某些津貼的10%至22%（二零零九年十二月三十一日：10%至22%）供款給那些退休計劃。參與計劃的成員可以領取相等於在其退休之時薪金的一個固定比例的退休金。

本集團除作出上述已訂定的供款外，毋須支付退休金或任何其他離職後的進一步責任。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

40 EQUITY COMPENSATION BENEFITS

40 股本補償福利

(a) Share Options Scheme

The Group has two share option schemes. Under the Old Scheme, the directors of the Company were authorized, at their discretion, to invite employees of the Group, including directors of any company in the Group, to take up options to subscribe for shares of the Company. Options granted between 24 May 2000 and 31 December 2002 were granted under the Old Scheme and in accordance with the requirements of Chapter 17 of the Listing Rules which came under effect on 1 September 2001.

A new share option scheme which is in line with the prevailing requirements of Chapter 17 of the Listing Rules was adopted on 7 January 2003.

All of the share options are settled in equity.

(i) Movements in share options

(a) 認股權計劃

本集團擁有兩項認股權計劃。根據舊計劃，本公司董事有權酌情邀請本集團僱員（包括本集團內任何公司的董事）接納可認購本公司股份的認股權。在二零零零年五月二十四日至二零零二年十二月三十一日所授出的認股權均是按舊計劃及於二零零一年九月一日起生效的上市條例第十七章的規定而授出。

新認股權計劃是根據於二零零三年一月七日起生效的上市條例第十七章的規定而授出。

所有認股權是以股權支付。

(i) 認股權的變動

		2010 二零一零年 Number 數目	2009 二零零九年 Number 數目
At 1 January	於一月一日	14,952,000	14,602,000
Granted	已授出	350,000	350,000
Exercised (note 37)	已行使 (附註37)	(1,550,000)	—
At 31 December	於十二月三十一日	13,752,000	14,952,000
Options vested at 31 December	於十二月三十一日已歸屬的認股權	13,752,000	14,952,000

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

40 EQUITY COMPENSATION BENEFITS (Continued)

40 股本補償福利 (續)

(a) Share Options Scheme (Continued)

(a) 認股權計劃 (續)

(ii) Terms of unexpired and unexercised share options at the end of the reporting period

(ii) 於報告期末尚未屆滿及尚未行使的認股權之年期

Date granted 授出日期	Exercise period 行使期	Exercise price 行使價 \$ 元	2010 二零一零年 Number 數目	2009 二零零九年 Number 數目
25/09/2000- 09/10/2000	25/09/2000- 08/10/2010	1.110	—	150,000
09/02/2001- 17/02/2001	09/02/2001- 16/02/2011	0.950	—	500,000
12/09/2002- 23/09/2002	12/09/2002- 22/09/2012	3.225	1,100,000	1,200,000
02/11/2005	23/11/2005- 27/11/2015	2.875	10,277,000	11,077,000
29/12/2006	29/12/2006- 28/12/2016	9.800	175,000	175,000
26/02/2007	26/02/2007- 25/02/2017	9.490	800,000	800,000
29/06/2007	29/06/2007- 28/06/2017	14.220	175,000	175,000
31/12/2007	31/12/2007- 30/12/2017	21.400	175,000	175,000
30/06/2008	30/06/2008- 29/06/2018	19.316	175,000	175,000
31/12/2008	31/12/2008- 30/12/2018	11.920	175,000	175,000
31/12/2009	31/12/2009- 30/12/2019	25.100	350,000	350,000
30/06/2010	30/06/2010- 29/06/2020	25.910	175,000	—
31/12/2010	31/12/2010- 30/12/2020	24.180	175,000	—
			13,752,000	14,952,000

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

40 EQUITY COMPENSATION BENEFITS (Continued)

40 股本補償福利 (續)

(a) Share Options Scheme (Continued)

(a) 認股權計劃 (續)

(iii) Details of share options granted during the year. The options were granted for \$1 in consideration.

(iii) 年內授出的認股權詳情。認股權均為以代價1元授出。

Exercise period 行使期	Exercise price 行使價 \$ 元	2010 二零一零年 Number 數目	2009 二零零九年 Number 數目
31/12/2009-30/12/2019	25.100	—	350,000
30/06/2010-29/06/2020	25.910	175,000	—
31/12/2010-30/12/2020	24.180	175,000	—
		350,000	350,000

(iv) Details of share options exercised during the year

(iv) 年內行使的認股權詳情

Exercise date 行使日	Exercise price 行使價 \$ 元	Market value per share at exercise date 行使日 每股市價 \$ 元	Proceeds received 所得款項 \$'000 千元	Number 數目
2010				
28/04/2010	1.11	25.80	167	150,000
06/05/2010	0.95	24.85	95	100,000
15/07/2010	0.95	25.35	95	100,000
15/07/2010	3.225	25.35	322	100,000
01/12/2010	2.875	26.00	1,150	400,000
15/12/2010	2.875	24.90	1,150	400,000
16/12/2010	0.95	24.10	285	300,000
			3,264	1,550,000
2009				
			—	—

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

40 EQUITY COMPENSATION BENEFITS (Continued)

(a) Share Options Scheme (Continued)

(v) Fair value of share options and assumptions

HKFRS 2 requires that, when the Group grants employees options to acquire shares of the Company, the Group recognizes the fair value of the options granted as an expense in the consolidated income statement with a corresponding increase in the employee share-based compensation reserve within equity.

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on the Black-Scholes pricing model. The contractual life of the option is used as an input into this model.

Fair value of share options and assumptions:

Fair value at measurement date (\$)	於計量日的公允價值 (元)	Date of grant 授出日	
		30 June 2010 二零一零年六月三十日	31 December 2010 二零一零年十二月三十一日
Share price (\$)	股價 (元)	13.52584	10.96776
Exercise price (\$)	行使價 (元)	25.55	23.90
Expected volatility (note i)	預期波動率 (註i)	25.91	24.18
Option life (Year)	認股權年期 (年)	46.82%	37.016%
Expected dividends (note ii)	預期股息 (註ii)	10	10
Risk-free interest rate (note iii)	無風險利率 (註iii)	0.77%	0.77%
		2.286%	2.856%

Fair value at measurement date (\$)	於計量日的公允價值 (元)	Date of grant 授出日	
		31 December 2009 二零零九年十二月三十一日	
Share price (\$)	股價 (元)	14.26914	
Exercise price (\$)	行使價 (元)	25.1	
Expected volatility (note i)	預期波動率 (註i)	50.66%	
Option life (Year)	認股權年期 (年)	10	
Expected dividends (note ii)	預期股息 (註ii)	0.77%	
Risk-free interest rate (note iii)	無風險利率 (註iii)	2.579%	

Notes:

- (i) The expected volatility is based on the historical volatility of the share price one year immediately preceding the grant date.
- (ii) Expected dividends are based on historical dividends since the listing of the Company.
- (iii) Risk-free interest rate is based on the yield of the 10-year Hong Kong Exchange Fund Note.

註：

- (i) 預計波幅是根據授出日過往一年股價的波幅。
- (ii) 預期股息按本公司上市以來過往的股息。
- (iii) 無風險利率按十年期香港外匯基金票據的孳息率。

40 股本補償福利 (續)

(a) 認股權計劃 (續)

(v) 認股權的公允價值及假設

按香港財務報告準則第2號規定，當本集團向僱員授出認股權，本集團須按授出認股權的公允價值於綜合損益表內確認為支出，並在股東權益內的以股份為本之僱員補償儲備作相應增加。

獲得服務以換取認股權的公允價值按授出認股權的公允價值計量。授出認股權之估計公允價值按Black-Scholes認股權定價模式。認股權的合約年期須輸入該模式。

認股權的公允價值及假設：

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

40 EQUITY COMPENSATION BENEFITS (Continued)

(a) Share Options Scheme (Continued)

(v) Fair value of share options and assumptions (Continued)

Share options were granted under a service condition. This condition has not been taken into account in the fair value measurement of the services received on the grant date. There were no market conditions associated with the share option grants.

(b) Share Award Scheme

The purpose of the Share Award Scheme is to recognize and reward certain employees (including without limitation an employee who is also a director) of the Group and TPG and its subsidiaries for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group.

The Share Award Scheme of the Company was adopted by the Board on 10 September 2007. A summary of the principal terms of the Share Award Scheme is set out in the Share Award Scheme Section of the Report of the Directors.

(i) Movements in the number of awarded shares and their related average fair value were as follows:

	於一月一日	2010 二零一零年 Number 數目	2009 二零零九年 Number 數目
At 1 January	於一月一日	3,304,000	3,323,500
Awarded (note a)	已獎授 (註a)	670,300	—
Vested (note b)	已歸屬 (註b)	(317,000)	—
Revoked (note c)	已取消 (註c)	(191,500)	(19,500)
At 31 December (note d)	於十二月三十一日 (註d)	3,465,800	3,304,000

Notes:

- (a) Included in the total number of awarded shares, no shares are purchased from the market during the year ended 31 December 2010 (31 December 2009: nil).
- (b) The amount represents awarded shares vested during the year.
- (c) The amount represents awarded shares lapsed automatically, according to the conditions under the Employees' Share Award Scheme.
- (d) At the end of the year, the average fair value per share is \$22.43 (31 December 2009: \$21.58). The average fair value of the awarded shares is based on the closing price at the date of award and any directly attributable incremental costs.

Apart from the awarded shares, as at 31 December 2010, 937,200 shares (31 December 2009: 1,416,000 shares) are deemed as unallocated shares which are held under Share Award Scheme and are available for future award and/or disposal pursuant to the rules of Share Award Scheme.

40 股本補償福利 (續)

(a) 認股權計劃 (續)

(v) 認股權的公允價值及假設 (續)

認股權的授予須符合服務條件。該條件並未納入計算於授予日獲得服務的公允價值。並無市場條件與授予認股權有關。

(b) 股份獎勵計劃

股份獎勵計劃旨在肯定及表揚本集團及中國太平集團及其附屬公司的僱員(包括身為董事的僱員)對本集團作出貢獻及提供長效激勵讓他們繼續為本集團的持續營運及發展努力。

董事會於二零零七年九月十日採納本公司的股份獎勵計劃。股份獎勵計劃的主要條款概要載於董事會報告書「股份獎勵計劃」標題下的內文。

(i) 獎授股份數目變化及其有關平均公允價值如下:

	2010 二零一零年 Number 數目	2009 二零零九年 Number 數目
At 1 January	3,304,000	3,323,500
Awarded (note a)	670,300	—
Vested (note b)	(317,000)	—
Revoked (note c)	(191,500)	(19,500)
At 31 December (note d)	3,465,800	3,304,000

註:

- (a) 截至二零一零年十二月三十一日止年度包括在已獎授股份數目中，並無獎授股份於期內從市場購入(二零零九年十二月三十一日：無)。
- (b) 數額代表於年內歸屬的獎授股份。
- (c) 數額代表根據僱員股份獎勵計劃自動失效之獎授股份。
- (d) 於年末平均每股公允價值為22.43元(二零零九年十二月三十一日：21.58元)。獎授股份的每股平均公允價值是根據獎授日之收市價，包括任何直接有關增量成本。

除已獎授股份外，於二零一零年十二月三十一日，937,200股(二零零九年十二月三十一日：1,416,000股)被視為未分配的股份以股份獎勵計劃持有，可供日後根據股份獎授計劃獎勵及/或出售。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

40 EQUITY COMPENSATION BENEFITS (Continued)

(b) Share Award Scheme (Continued)

(ii) The remaining vesting periods of the awarded shares outstanding are as follows:

Remaining vesting period 餘下歸屬期	At 31 December 2010 Number of awarded shares 於二零一零年 十二月三十一日 獎授股份數目	Remaining vesting period 餘下歸屬期	At 31 December 2009 Number of awarded shares 於二零零九年 十二月三十一日 獎授股份數目
	Vested 已到期		2,811,000
2 years 2年	654,800	1 year 1年	2,987,000
	3,465,800		3,304,000

40 股本補償福利 (續)

(b) 股份獎勵計劃 (續)

(ii) 獎授股份的餘下歸屬期如下：

41 MATURITY PROFILE

The following table details the Group's contractual maturity for some of its financial assets and financial liabilities.

(a) The Group

	Repayable on demand 接獲 要求時償還 \$'000 千元	3 months or less 三個月 或以下 \$'000 千元	1 year or less but over 3 months 一年以下 但超過 三個月 \$'000 千元	5 years or less but over 1 year 五年以下 但超過一年 \$'000 千元	After 5 years 五年後 \$'000 千元	Undated 未有限限 \$'000 千元	Total 總額 \$'000 千元
			3 months or less 三個月 或以下 \$'000 千元	5 years or less but over 1 year 五年以下 但超過一年 \$'000 千元			
At 31 December 2010							
Assets							
Deposits at banks and other financial institutions (including statutory deposits)	4,921,766	2,438,544	3,439,834	7,960,685	470,072	—	19,230,901
Money market funds	396	—	—	—	—	—	396
Pledged deposits at bank Certificates of deposit (under held-to-maturity)	—	160,613	—	—	—	—	160,613
Certificates of deposit (under available-for-sale)	—	38,850	10,000	77,700	—	—	126,550
Debt securities (under held-to-maturity)	—	—	—	—	8,055	—	8,055
Debt securities (under available-for-sale)	72,243	62,613	756,749	4,046,540	57,699,810	—	62,637,955
Debt securities (under held for trading)	14,544,512	—	276,284	1,774,540	2,302,140	317,382	19,214,858
Debt securities (under loans and receivables)	50,700	—	—	142,620	110,274	51,430	355,024
Loans and advances	—	—	—	—	4,109,604	—	4,109,604
	—	—	1,057,445	—	—	—	1,057,445
	19,589,617	2,700,620	5,540,312	14,002,085	64,699,955	368,812	106,901,401
Liabilities							
Interest-bearing notes	—	—	—	3,121,235	7,109,839	—	10,231,074

41 到期情況

下表載列本集團若干金融資產及金融負債的合約到期情況詳情。

(a) 本集團

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

41 MATURITY PROFILE (Continued)

41 到期情況 (續)

(b) The Company

(b) 本公司

		Repayable on demand 接獲 要求時償還 \$'000 千元	3 months or less 三個月 或以下 \$'000 千元	1 year or less but over 3 months 一年以下 但超過 三個月 \$'000 千元	5 years or less but over 1 year 五年以下 但超過一年 \$'000 千元	After 5 years 五年後 \$'000 千元	Undated 未有期限 \$'000 千元	Total 總額 \$'000 千元
At 31 December 2010	於二零一零年 十二月三十一日							
Assets	資產							
Deposits at banks and other financial institutions	銀行及其他 財務機構存款	53,783	35,494	—	—	—	—	89,277
Debt securities	債務證券	—	—	—	71,807	265,876	—	337,683
Amounts due from group companies	應收集團內 公司款項	3,910,740	—	—	—	—	—	3,910,740
		3,964,523	35,494	—	71,807	265,876	—	4,337,700
At 31 December 2009	於二零零九年 十二月三十一日							
Assets	資產							
Deposits at banks and other financial institutions	銀行及其他 財務機構存款	—	133,101	163	—	—	—	133,264
Debt securities	債務證券	—	—	—	23,607	256,750	—	280,357
Amounts due from group companies	應收集團內 公司款項	3,920,461	—	—	—	—	—	3,920,461
		3,920,461	133,101	163	23,607	256,750	—	4,334,082

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

42 FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Fair value

All financial instruments are stated at fair value or carried at amounts not materially different from their fair values as of 31 December 2009 and 2010, except for held-to-maturity investments as set out in note 19(a)(i) and interest-bearing notes as set out in note 32.

(b) Estimation of fair values

The fair value of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to recent transaction price or quoted market bid prices and ask prices respectively;
- The fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices or rates from observable current market transactions as input; and
- The fair value of unlisted investment funds and unlisted debt securities included in financial assets at fair value through profit or loss and available-for-sale investments were established by reference to the prices quoted by respective fund administrators or by using valuations techniques including the use of recent arm's length transactions.

43 DISPOSAL OF A SUBSIDIARY

On 29 October 2010, CTPI (HK) entered into a sale and purchase agreement and a supplementary agreement with six corporate purchasers that are independent third parties of the Group, namely (1) 海口美蘭國際機場有限責任公司, (2) 渤海國際信託有限公司, (3) 上海恒嘉美聯發展有限公司, (4) 寧波韻升進出口有限公司, (5) 陝西東嶺工貿集團股份有限公司 and (6) 金達信用擔保有限公司. Pursuant to the agreements, CTPI (HK) agreed to sell its 100% equity interest in MAC to the above purchasers for a cash consideration of RMB1,541.30 million (the "Disposal"). As at 31 December 2010, the CIRC approved the Disposal and in the opinion of the directors of the Company, the Group's control over MAC's financial and business operation has been lost. Details of the Disposal are set out in the announcements of the Company dated 15 March 2010, 11 June 2010, 20 September 2010, 21 September 2010, 29 October 2010, 7 January 2011 and 16 February 2011. After the Disposal, the Group ceased to have any interest in MAC.

42 金融工具的公允價值

(a) 公允價值

除附註19(a)(i)所載有關持有至到期投資及附註32所載有關需付息票據外，所有金融工具均是以公允價值或與其於二零零九年十二月三十一日和二零一零年同日的公允價值相若的金額入賬。

(b) 公允價值估計

金融資產及金融負債之公允價值乃按以下情況釐定：

- 具有標準條款及條件並於活躍流通市場買賣之金融資產及金融負債之公允價值乃分別參考最近交易價格或市場所報買入賣出價釐定；
- 其他金融資產及金融負債(不包括衍生工具)之公允價值按折算現金流量分析之公認定價模式或採用從目前市場交易觀察所得之價格而釐定；及
- 包含於透過損益以反映公允價值及可供出售之非上市投資基金及非上市債務證券之公允價值，乃參考有關的基金管理人所提供之報價或使用估值技巧(包括使用近期經正常基礎協商之交易)而釐定。

43 出售一間附屬公司

於二零一零年十月二十九日，中國太平香港與六個獨立第三方機構買家，即(1)海口美蘭國際機場有限責任公司、(2)渤海國際信託有限公司、(3)上海恒嘉美聯發展有限公司、(4)寧波韻升進出口有限公司、(5)陝西東嶺工貿集團股份有限公司及(6)金達信用擔保有限公司訂立交易合同及補充合同。根據合同，中國太平香港同意以現金代價人民幣15.4130億元向上述買方出售民安中國的全部權益(「該出售」)。於二零一零年十二月三十一日，中國保監會批准該出售及本公司董事認為本集團已轉移對民安中國之財務及營運控制權。該出售之詳情請參閱本公司於二零一零年三月十五日、二零一零年六月十一日、二零一零年九月二十日、二零一零年九月二十一日、二零一零年十月二十九日、二零一一年一月七日及二零一一年二月十六日之公告。於該出售後，本集團不再擁有民安中國任何權益。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

43 DISPOSAL OF A SUBSIDIARY (Continued)

43 出售一間附屬公司 (續)

		\$'000 千元
Consideration received and receivable	收到及應收價款	1,811,305
Assets and liabilities of MAC over which control on its financial and business operation has been lost:	已轉移財務及營運控制權之民安中國資產及負債：	
Statutory deposits	法定存款	222,781
Property and equipment	物業及設備	91,730
Investments in debt and equity securities	債務及股本證券投資	803,053
Securities purchased under resale agreements	買入返售證券	13,162
Insurance debtors	保險客戶應收賬款	165,586
Reinsurers' share of insurance contract provisions	分保公司應佔保險合約準備	212,644
Other debtors	其他應收賬款	37,263
Deposits at banks with original maturity more than three months	原到期日超過三個月 的銀行存款	117,518
Cash and cash equivalents	現金及現金等價物	668,177
Less:	減：	
— Unearned premium provisions	— 未到期責任準備金	(843,197)
— Provision for outstanding claims	— 未決賠款準備	(497,953)
— Other liabilities	— 其他負債	(372,794)
Net assets	資產淨值	617,970

Gain on disposal of a subsidiary

出售一間附屬公司收益

Year ended 31 December 2010
二零一零年十二月三十一日止年度
\$'000
千元

Consideration received and receivable	已收到及應收價款	1,811,305
Net assets disposed of	出售之淨資產	(617,970)
Transaction expenses	交易費用	(2,303)
Cumulative net fair value loss in respect of available-for-sale debt and equity securities reclassified from equity to profit or loss on disposal of the subsidiary	於出售附屬公司時有關可供出售債務及股本證券之累計公允價值虧損淨額由權益重新分類至損益	(14,411)
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss on disposal of the subsidiary	於出售附屬公司時有關附屬公司淨資產累計之匯兌差異由權益重新分類至損益	86,492
Gain on disposal before withholding tax	扣除預扣稅前之出售收益	1,263,113
Less: withholding tax	減：預扣稅	(81,130)
Gain on disposal after withholding tax	扣除預扣稅後之出售收益	1,181,983

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

43 DISPOSAL OF A SUBSIDIARY (Continued)

Net cash outflow on disposal of a subsidiary

Cash consideration received during the year	年內收到之現金代價	
Less: cash and cash equivalent balances disposed of	減：出售之現金及現金等價物結餘	

The remaining balance of the consideration will be received by installment in accordance with the sale and purchase agreement and supplementary agreement.

43 出售一間附屬公司 (續)

出售一間附屬公司現金淨流出

Year ended 31 December 2010
二零一零年十二月三十一日止年度
\$'000
千元

543,391
(668,177)
(124,786)

價款餘額將根據買賣合同及補充合同分階段收取。

44 COMMITMENTS

- (a) Capital commitments outstanding to property and equipment and investments outstanding as of 31 December 2010 were as follows:

Contracted for but not provided	已訂約但未反映
— property and equipment	— 物業及設備
— investments in associates	— 聯營公司投資

- (b) As of 31 December 2010, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

The Group leases a number of properties under operating leases. The leases typically run for an initial period of 1 to 6 years, with an option to renew the leases when all terms are renegotiated. Lease payments are usually reviewed annually to reflect market rentals. None of the leases includes contingent rentals.

44 承擔

- (a) 於二零一零年十二月三十一日有關物業及設備及投資的資本性承諾如下：

2010	2009
二零一零年	二零零九年
\$'000	\$'000
千元	千元

97,206	179,969
6,756	6,732
<u>103,962</u>	<u>186,701</u>

- (b) 於二零一零年十二月三十一日，根據不可解除的經營租賃在日後應付的最低租賃付款額如下：

2010	2009
二零一零年	二零零九年
\$'000	\$'000
千元	千元

269,906	229,480
304,684	261,628
6,405	6,195
<u>580,995</u>	<u>497,303</u>

本集團以經營租賃租入部份物業。這些租賃一般初步為期一至六年，並有權選擇在到期日後續期，屆時所有條款均可重新商定。租賃付款通常會逐年檢討，以反映市場租金。各項租賃均不包括或然租金。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

45 POLICYHOLDER ACCOUNT ASSETS IN RESPECT OF UNIT-LINKED PRODUCTS

45 有關投資連結產品之保單持有人賬戶資產

		The Group 本集團	
		31 December 2010 二零一零年 十二月三十一日 \$'000 千元	31 December 2009 二零零九年 十二月三十一日 \$'000 千元
Investments in held for trading securities	持有作交易用途之證券投資		
– Debt securities	– 債務證券	105,034	117,562
– Equity securities	– 股本證券	1,121,446	1,339,050
– Investment fund	– 投資基金	2,108,539	2,894,457
Money market fund	貨幣市場基金	62,771	534,775
Deposits at banks with original maturity more than three months	原到期日超過三個月 的銀行存款	–	80
Cash and cash equivalents	現金及現金等價物	1,196,599	188,523
Other debtors	其他應收賬款	154,002	3,872
Securities purchased under resale agreements	買入返售證券	160,882	–
		4,909,273	5,078,319

The above assets are held for policyholders of unit-linked products.

上述資產為為投資連結產品的保單持有人而持有。

46 CONTINGENT LIABILITIES

46 或然負債

The Group had received a query issued by the Inland Revenue Department of Hong Kong in relation to the taxability of certain investment income from its offshore investments for the years of assessment from 1999 to 2009. The Directors believe that the Group has a strong legal basis to support its tax position. As such, no provision for a potential tax exposure of approximately \$31,600,000 (31 December 2009: \$31,600,000) was made as at 31 December 2010.

本集團收到香港稅務局的詢問，質疑個別離岸投資收入於一九九九年至二零零九年評稅年度內的應課稅務責任。董事相信本集團稅務觀點擁有堅實的法律基礎支持，因此，於二零一零年十二月三十一日本集團毋需就約31,600,000元(二零零九年十二月三十一日：31,600,000元)的潛在稅務責任計提準備。

The Group had also received a query issued by the Inland Revenue Department of Hong Kong in relation to the taxability of certain realized and unrealized gains from the disposal of listed investments for the years of assessment from 2000/2001 to 2002/2003. Because such gains were capital in nature, the Directors believe that the Group has good prospects to support its tax position, and therefore no provision for a potential tax exposure of approximately \$30,000,000 (31 December 2009: \$30,000,000) was made as at 31 December 2010.

本集團亦接獲一項由香港稅務局發出，有關二零零零年／二零零一年至二零零二年／二零零三年評稅年度出售上市投資之若干已變現及未變現收益之應課稅查詢。由於該等收益乃資本性質，故董事相信本集團的稅務定位很可能得到支持，因此於二零一零年十二月三十一日本集團毋須就約30,000,000元(二零零九年十二月三十一日：30,000,000元)的潛在稅務風險於綜合財務報表計提準備。

Save as herein disclosed and other than those incurred in the normal course of the Group's insurance businesses, there was no outstanding litigation nor any other contingent liabilities as of 31 December 2010.

除上述所披露及在本集團日常保險業務中產生的訴訟外，於二零一零年十二月三十一日，本集團概無任何未決訴訟或其他或然負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

47 MATERIAL RELATED PARTY TRANSACTIONS

47 重大關連人士交易

The following is a summary of significant transactions entered into between the Group and its related parties during the year:

以下是本集團與關連人士於年內進行的重大交易概要：

		For the year ended 31 December 截至十二月三十一日止年度	
		2010 二零一零年	2009 二零零九年
		\$'000 千元	\$'000 千元
Recurring transactions	經常交易		
Business ceded by related companies:	關連公司分出的業務：		
— Gross premiums written	— 毛承保保費	(i) 58,807	48,748
— Commission expenses paid	— 佣金支出	14,453	13,153
Back office service	後援營運服務費	(ii) 133,973	—
Internal audit service	內部審計服務費	(iii) 33,049	—
Investment management fee and redemption income	投資管理費及贖回費收入	(iv) 1,688	1,295
Rental income	租金收入	(v) 10,231	9,199
Training fee paid	支付培訓費	(vi) 12,308	12,030

Notes:

- (i) Certain fellow subsidiaries of the Group ceded business to and received commission from a subsidiary of the Company.
- (ii) A fellow subsidiary of the Group provides back office services to the Group and receive service fee from the Group.
- (iii) The ultimate holding company of the Company provides internal audit services to the Group and receive service fee from the Group.
- (iv) A subsidiary of the Company provided investment consultancy services to and received investment management fees and redemption income from certain fellow subsidiaries of the Group.
- (v) A subsidiary of the Company leased a number of offices, residential units and car parking spaces to immediate holding company and certain fellow subsidiaries of the Group and received rental income. The terms and conditions of these tenancy agreements were negotiated on an arm's length and were entered into on normal commercial terms.
- (vi) The company and certain subsidiaries of the Group have entered into agreements with TPG in respect of the provision of training services by TPG and its subsidiaries to the Group.

註：

- (i) 本集團若干同系附屬公司向本公司一間附屬公司轉介業務及向其收取佣金。
- (ii) 本集團一間同系附屬公司向本集團提供後援營運服務及向本集團收取服務費。
- (iii) 本公司之最終控股公司向本集團提供內部審計服務及向本集團收取服務費。
- (iv) 本公司一間附屬公司向本集團若干同系附屬公司提供投資顧問服務，並向其收取投資管理費及贖回費收入。
- (v) 本公司一間附屬公司向直接控股公司及若干同系附屬公司出租多個辦公室、住宅單位及停車位，並收取租金收入。該等租賃合同之條款及條件乃以公平原則釐定並按一般商業條款所訂立。
- (vi) 本公司及若干附屬公司與中國太平集團就中國太平集團及其附屬公司向本集團提供培訓服務訂立協議。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

47 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

Apart from the above, the Group has entered into the following non-recurring transactions with related parties:

- (a) On 31 December 2010, the Group has entered into the following agreements to re-align the ownership structure of TPAM and TPP:
- (i) TPL, TPI and CTIH entered into a share transfer agreement pursuant to which TPL and TPI agreed to sell and CTIH agreed to purchase in aggregate a 60% equity interest in TPAM for an aggregate consideration of RMB222,684,000.
 - (ii) TPA (HK) and Ageas entered into a share transfer agreement pursuant to which TPA (HK) agreed to sell and Ageas agreed to purchase a 12% equity interest in TPAM for a consideration of RMB44,536,800.
 - (iii) TPL, TPA (HK), TPI, Ageas and CTIH entered into a share transfer agreement pursuant to which TPL, TPA (HK), TPI and Ageas agreed to sell and CTIH agreed to purchase in aggregate a 96% equity interest in TPP for an aggregate consideration of RMB609,135,744 ("TPP Acquisition").

In addition, CTIH, TPG and TPP entered into a capital contribution agreement pursuant to which CTIH and TPG agreed to increase the capital of TPP in an aggregate amount of RMB450 million and to contribute such capital in cash in proportion to their respective shareholdings in TPP upon the completion of TPP Acquisition. On 31 December 2010, the Group has deposited RMB432,000,000 being the capital contribution shared by the Group, into an escrow bank account. The details of the transactions above were set out in the announcement of the Company dated 31 December 2010. As at 31 December 2010 and up to the date of this report, the transaction was not yet completed.

- (b) On 10 December 2010, CTPI (HK) entered into a share transfer agreement with China Insurance Group Investment Company Limited ("CIGICL") (an indirect wholly-owned subsidiary of TPG), pursuant to which CIGICL agreed to sell and CTPI (HK) agreed to purchase a 30% equity interest in the 深圳福田燃機電力有限公司 (Futian Gas Turbine Power Company Limited) for an aggregate consideration of RMB216,000,000. The details of the transaction were set out in the announcement of the Company dated 10 December 2010. As at 31 December 2010 and up to the date of this report, the transaction was not yet completed.

47 重大關連人士交易 (續)

除此之外，本集團與關連人士進行以下非經常交易：

- (a) 於二零一零年十二月三十一日，本集團訂立下列協議優化太平資產及太平養老的股權架構：
- (i) 太平人壽、太平財險及中國太平控股訂立股權轉讓協議，據此，太平人壽及太平財險同意出售及中國太平控股同意購入太平資產合共60%股權，作價合共人民幣222,684,000元。
 - (ii) 太平資產(香港)及富傑訂立股權轉讓協議，據此，太平資產(香港)同意出售及富傑同意購入太平資產12%權益，作價為人民幣44,536,800元。
 - (iii) 太平人壽、太平資產(香港)、太平財險、富傑及中國太平控股訂立股份轉讓協議，據此，太平人壽、太平資產(香港)、太平財險及富傑同意出售及中國太平控股同意購入太平養老合共96%股權，作價合共人民幣609,135,744元(「增購太平養老」)。

此外，中國太平控股、中國太平集團及太平養老訂立增資協議，據此，中國太平控股及中國太平集團同意增加太平養老資本合共人民幣4.50億元及按於完成增購太平養老後，其各自對太平養老之持股比例以現金投入該資本。於二零一零年十二月三十一日，本集團已把人民幣432,000,000元，即本集團應佔之增資部份，存入託管銀行帳戶。此交易之詳情請參閱本公司於二零一零年十二月三十一日之公告。於二零一零年十二月三十一日及截至本報告日期，上述交易尚未完成。

- (b) 於二零一零年十二月十日，中國太平香港與中國保險集團投資有限公司(「中保投資」)(中國太平集團之間接全資附屬公司)訂立股權轉讓協議，據此，中保投資同意出售及中國太平香港同意購入深圳福田燃機電力有限公司30%股權，作價合共人民幣216,000,000元。此交易之詳情請參閱本公司於二零一零年十二月十日之公告。於二零一零年十二月三十一日及截至本報告日期，該交易尚未完成。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

47 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

47 重大關連人士交易 (續)

- (c) On 25 June 2010, ICBC (Asia), one of the shareholders of TPI, has decided not to participate in the capital contribution into TPI as mentioned in (e) below. TPG, CTIH and ICBC (Asia) entered into a conditional agreement (the "Agreement"), pursuant to which TPG and CTIH conditionally agreed to grant the right to ICBC (Asia), to purchase, within six months from the date of the Agreement or such later date as may be extended by the parties to the Agreement, an equity interest of approximately 1.29% and 1.72% in TPI as enlarged by the Capital Contribution and the Additional Capital Contribution from TPG and CTIH, respectively, at the consideration of RMB26,663,335 and RMB35,586,665, respectively. The right will be exercisable at the discretion of ICBC (Asia) and if exercised, must be exercised in full. The details of the transaction were set out in the announcement of the Company dated 25 June 2010. ICBC (Asia) did not exercise the right within the period as stipulated in the agreement.
- (d) On 18 June 2010, TPI, TPG, TPL and Ming An China entered into a supplemental agreement (the "First Supplemental Agreement") to the Joint Bidding Agreement dated 20 March 2008 and Supplemental Agreement dated 5 November 2008, pursuant to which all the rights and interest of Ming An China in a piece of land in Shenzhen and the development of a commercial office building (representing 15% of the total investment) under the Joint Bidding Agreement as amended by the Supplemental Agreement shall be transferred to TPL at a consideration of approximately RMB94,740,000. The details of the transaction were set out in the announcement of the Company dated 18 June 2010.
- (e) On 23 December 2009, CTIH entered into a conditional agreement in respect of capital contributions into TPI (the "Capital Contribution Agreement") with TPG, TPI and ICBC (Asia). The Capital Contribution Agreement proposed that the registered capital of TPI be increased from RMB1,570,000,000 to RMB2,070,000,000 through additional registered capital of RMB500,000,000 to be contributed by TPG, the Company and ICBC (Asia) in proportion to their respective shareholdings in TPI. As at 31 December 2009, ICBC (Asia) has yet to decide whether it will participate in this capital contribution. Pursuant to the Capital Contribution Agreement, TPG and CTIH have conditionally agreed to contribute to the registered capital of TPI, in cash, (i) RMB187,500,000 and RMB250,250,000, respectively; and (ii) if ICBC (Asia) does not participate in the capital contribution, additional amounts of RMB26,663,335 and RMB35,586,665, respectively, the aggregate of which is equal to the amount of ICBC (Asia)'s proportion of the contribution, such that the registered capital of TPI will be increased by RMB500,000,000 in total. The details of this transaction were set out in the announcement of the Company dated 23 December 2009.
- (c) 二零一零年六月二十五日，工銀亞洲(太平財險股東之一)決定不參與向太平財險增資(如(e)項所述)。中國太平集團、中國太平控股及工銀亞洲訂立有條件協議(「該協議」)，據此，中國太平集團及本公司有條件同意授權予工銀亞洲，於該協議日期起計六個月內或該協議各訂約方可能延後之較後日期，向中國太平集團及本公司收購太平財險經增資及額外增資擴大後分別約1.29%及1.72%之股權，代價分別為人民幣26,663,335元及人民幣35,586,665元。權利將可由工銀亞洲選擇行使，而一經行使，則須全數行使。此交易之詳情請參閱本公司於二零一零年六月二十五日之公告。工銀亞洲並沒有於協議規定的期限內行使權利。
- (d) 於二零一零年六月十八日，太平財險、中國太平集團、太平人壽及民安中國訂立補充協議(「第一補充協議」)籍以補充於二零零八年三月二十日訂定之聯合競投協議及於二零零八年十一月五日訂定之補充協議，據此，民安中國根據經補充協議修訂後之聯合競投協議一幅位於深圳之土地及興建商業樓宇之所有權利及權益(代表投資總額15%)，以代價約人民幣94,740,000元轉讓予太平人壽。此交易之詳情請參閱本公司於二零一零年六月十八日之公告。
- (e) 於二零零九年十二月二十三日，中國太平控股與中國太平集團、太平財險及工銀亞洲訂立有關向太平財險增資之有條件協議(「增資協議」)。增資協議建議太平財險之註冊資本由人民幣1,570,000,000元，增加額外註冊資本人民幣500,000,000元至人民幣2,070,000,000元，並由中國太平集團、本公司及工銀亞洲根據各自於太平財險之持股比例增資。於二零零九年十二月三十一日，工銀亞洲仍未決定其是否參與增資。根據增資協議，中國太平集團及本公司已有條件同意以現金向太平財險新增註冊資本，(i)分別為人民幣187,500,000元及人民幣250,250,000元；及(ii)(如工銀亞洲不參與增資)額外金額分別人民幣26,663,335元及人民幣35,586,665元，合計等於工銀亞洲增資之金額，而使太平財險之註冊資本合計增加人民幣500,000,000元。此交易之詳情請參閱本公司於二零零九年十二月二十三日之公告。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

47 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

47 重大關連人士交易 (續)

- (f) On 23 November 2009, TPL entered into an acquisition agreement with TPR, a fellow subsidiary, (the "Property Acquisition Framework Agreement") pursuant to which TPL agreed to acquire from TPR certain properties consisting of approximately 16,108 square meters of gross floor area of Taiping Financial Tower, involving six floors (from the 24th to 29th floors, or such other floors as shall be agreed to by the parties in writing) for a cash consideration of RMB595,996,000. The construction of the properties are not yet completed, the consideration will be adjusted in accordance with the actual gross floor area of the completed Property to be delivered to TPL at a sum of RMB37,000 per square meter. The Company believes that the consideration will not exceed RMB613,875,880 after the adjustments. Details of this transaction were set out in the circular of the Company dated 3 December 2009. Shareholders of the Company passed the resolution to approve, ratify and confirm the Property Acquisition Framework Agreement and the transactions contemplated thereunder by way of poll at an extraordinary general meeting of CTIH on 23 December 2009.
- (g) On 23 November 2009, TPL entered into an acquisition agreement with TPIH, a fellow subsidiary, (the "Acquisition Agreement") pursuant to which TPL agreed to acquire a 39% equity interest in TPR for a cash consideration of RMB924,001,140 and to take an assignment of 39% of the loans of TPR in the amount of RMB168,446,000. The details of this transaction were set out in the circular of the Company dated 3 December 2009. CTIH shareholders passed the resolution to approve, ratify and confirm the Acquisition Agreement and the transactions contemplated thereunder by way of poll at an extraordinary general meeting of CTIH on 23 December 2009. The assignment of 39% of the loans of TPR was cancelled on 30 December 2010.
- (h) On 24 August 2009, as the pre-conditions of the Privatization Proposal had been satisfied or waived, MAH put forth the Privatization Proposal. On 7 October 2009, the independent MAH shareholders approved the Scheme at a Court Meeting. The MAH shareholders also approved a special resolution for a capital reduction, an increase in share capital and the issuance of new MAH Shares in connection with the Scheme. On 30 October 2009 (*Cayman Islands time*), the Scheme was sanctioned without modification by the Grand Court of the Cayman Islands. All conditions of the Privatization Proposal having been fulfilled, the Privatization Proposal became effective on 30 October 2009 (*Cayman Islands time*). On 4 November 2009, the Company completed the acquisition of a 48.66% equity interest of MAH by the issue and allotment of 141,418,800 Shares. MAH became a wholly-owned subsidiary of CTIH.
- (f) 於二零零九年十一月二十三日，太平人壽與太平置業(同系附屬公司)訂立收購協議(「物業收購框架協議」)，據此，太平人壽同意向太平置業收購太平金融大廈中約16,108平方米之若干建築面積，當中將包括太平金融大廈中之六個樓層(第24至29層或訂約方可能書面議定之其他樓層)，現金代價為人民幣595,996,000元。物業尚未建成，代價將可按照已建成該物業向太平人壽交付之實際建築面積，按每平方米人民幣37,000元予以調整。本公司相信調整後之代價將不超過人民幣613,875,880元。此交易之詳情請參閱本公司於二零零九年十二月三日之通函。本公司股東於二零零九年十二月二十三日舉行的中國太平控股股東特別大會上，以投票方式通過有關批准、追認及確認物業收購框架協議及其項下擬進行之交易。
- (g) 於二零零九年十一月二十三日，太平人壽與太平投資控股(同系附屬公司)訂立收購協議(「收購協議」)，據此，太平人壽同意以人民幣924,001,140元之現金代價購入太平置業39%權益，及以人民幣168,446,000元之代價轉授太平置業貸款39%。此交易之詳情請參閱本公司於二零零九年十二月三日之通函。中國太平控股股東於二零零九年十二月二十三日舉行的中國太平控股股東特別大會上，以投票方式通過有關批准、追認及確認收購協議及其項下擬進行之交易。轉授太平置業貸款39%已於二零一零年十二月三十日取消。
- (h) 於二零零九年八月二十四日，由於全面收購協議之先決條件已達成或獲豁免，民安控股提出全面收購建議。於二零零九年十月七日，民安控股獨立股東於法院會議批准該協議。民安控股股東亦通過就協議削減資本、增加股本及發行新民安控股股份的特別決議案。於二零零九年十月三十日(開曼群島時間)，該協議在沒有修訂的情況下獲大法院批准。全面收購建議之條件均已達成，而全面收購建議已於二零零九年十月三十日(開曼群島時間)開始生效。於二零零九年十一月四日，本公司以發行及配發完成141,418,800股股份完成購入民安控股48.66%權益。民安控股成為中國太平控股之全資附屬公司。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

47 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (i) On 22 May 2009, TPG (HK) and Manhold as vendors and CTIH as purchaser entered into a conditional sale and purchase agreement in relation to the acquisition of an aggregate of 1,389,247,000 ordinary shares of MAH, representing approximately 47.80% of the issued share capital of MAH (the "Stake Acquisition"). The consideration for the Stake Acquisition was payable by CTIH through the issue and allotment of an aggregate amount of 138,924,700 new ordinary shares of CTIH to TPG (HK) upon completion of the sale and purchase agreement on the basis of 1 CTIH share for every 10 MAH shares. Subject to the satisfaction of certain pre-conditions, CTIH requested the board of MAH to put forward a proposal to privatize MAH (the "Privatization Proposal") by way of a scheme of arrangement (the "Scheme") under Section 86 of the Companies Law. The details of this transaction were set out in the circular of the Company dated 19 June 2009. On 16 July 2009, CTIH shareholders passed resolutions approving, ratifying and confirming the Stake Acquisition and the Privatization Proposal, and their related connected transactions by way of poll at an extraordinary general meeting of CTIH. On 30 July 2009, the Stake Acquisition was completed, and CTIH became the controlling shareholder of MAH.

The Group operates in an economic environment predominated by enterprises directly or indirectly owned or controlled by the PRC government through its numerous authorities, affiliates or other organizations (collectively "State-Owned Entities"). During the year, the Group had transactions with State-Owned Entities including but not limited to the sales of insurance policies and banking related services. These transactions are conducted in the ordinary course of the Group's insurance business on terms similar to those that would have been entered into with non-state-owned entities. The Group has also established its pricing strategy and approval processes for its major insurance products. Such pricing strategy and approval processes do not depend on whether the customers are State-Owned Entities or not. Having due regard to the substance of the relationships, the directors believe that none of these transactions are related party transactions that require separate disclosure.

The Group considers that the key management personnel of the Group include the directors of the Company only. Their remuneration is disclosed in note 9 to the consolidated financial statements.

47 重大關連人士交易 (續)

- (i) 於二零零九年五月二十二日，中國太平集團(香港)及汶豪作為賣方與中國太平控股作為買方訂立有條件買賣協議，內容有關收購合共1,389,247,000股民安控股股份，相當於民安控股現有已發行股本約47.80% (「股權收購」)。中國太平控股須於完成買賣協議時透過按每10股民安控股股份可換1股中國太平控股股份之基準向中國太平集團(香港)發行及配發合共138,924,700股新中國太平控股股份，藉以作為支付股權收購之代價。中國太平控股已要求民安控股董事會，待達成若干先決條件後，提出根據公司法第86條，建議以協議安排(「該協議」)的方式全面收購民安控股(「全面收購建議」)。請參閱本公司於二零零九年六月十九日之通函。於二零零九年七月十六日，中國太平控股股東於中國太平控股股東特別大會上以投票表決方式正式通過有關批准、追認及確認股權收購、全面收購關連交易之決議案。於二零零九年七月三十日，完成股權收購及中國太平控股成為民安控股之控股股東。

本集團正處於一個以國家控制實體佔主導地位的經濟制度下營運，那些國家控制實體是由中國政府通過其政府機構、代理機構、附屬機構或其他機構直接或間接擁有的(統稱為「國有實體」)，本集團於年度內與國有實體進行包括但不限於保單銷售及銀行相關服務之交易，該些交易所執行的條款跟本集團日常保險業務過程中與非國有實體進行交易所執行的條款相似。本集團亦已制定就其主要保險產品的定價策略及審批程序。該等定價策略及審批程序與客戶是否國有實體無關。經考慮其關係的性質後，董事相信該等交易並非須獨立披露之關連人士交易。

本集團認為本集團的主要管理人員只包括本公司的董事。其酬金詳情載於綜合財務報表附註9內。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

48 ACCOUNTING ESTIMATES AND JUDGEMENTS

48 會計估計及判斷

The preparation of financial statements under HKFRSs requires management to make significant estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses as well as the related disclosures. Changes in assumptions may have a significant impact on the financial statements in the periods where the assumptions are changed. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Impairment of goodwill and intangible asset

The Group assesses annually if the goodwill and intangible asset associated with the acquisition of subsidiaries and associates have suffered any impairment losses in accordance with the accounting policy stated in note 1(o). The recoverable amount of the goodwill and intangible asset is determined using discounted cash flows which require the use of estimated revenue from business operations, investment returns and an appropriate discount rate.

(b) Held-to-maturity investments

The Group classifies non-derivative financial assets with fixed or determinable payments and fixed maturity and where the Group has a positive intention and ability to hold the assets to maturity as held-to-maturity investments. In making this judgement, the Group evaluates its intention and ability to hold such investments until maturity.

If the Group fails to hold these investments to maturity other than for certain specific circumstances, the Group would have to reclassify the entire portfolio of held-to-maturity investments as available-for-sale investments, as such portfolio of investments would be deemed to have been tainted. This would result in the held-to-maturity investments being measured at fair value instead of at amortized cost.

(c) Impairment of available-for-sale financial assets

The Group follows the guidance of HKAS 39 when determining whether there has been a significant or prolonged decline in the fair value of an investment in available-for-sale financial assets below its cost. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost.

根據香港財務報告準則編製財務報表時，管理層須作出重要估計及假設，因而影響到所列報之資產、負債、收入及開支，以至相關披露之金額。更改假設或會對更改假設之期間的財務報表造成重大影響。引致下個財政年度內之資產及負債之賬面值有重大調整主要風險之估計及假設論述如下：

(a) 商譽減值及無形資產

本集團每年按照附註1(o)所述之會計政策評估與收購附屬公司及聯營公司有關之商譽及無形資產是否蒙受任何減值。商譽及無形資產之可收回金額乃使用已折現現金流量釐定，已折現現金流量須使用經營業務估計收入、投資回報及適當之折現率進行計算。

(b) 持有至到期投資

本集團將有固定或可確定付款金額及固定期限而本集團又有明確意向及有能力持至到期日非衍生工具金融資產，分類為持有至到期投資。於作出此判斷時，本集團評估其持有該等投資直至到期之意向及能力。

除在若干特定情況下外，倘本集團未能持有該等投資至到期，本集團將必須把持有至到期投資之整個投資組合，重新分類為可供出售投資，因該投資組合已被視為受影響。這將導致持有至到期投資按公允價值而非按攤銷成本計算。

(c) 可供出售金融資產減值

本集團於決定可供出售金融資產之公允價值有否大幅或長期下跌至低於其成本時，乃按照香港會計準則第39號之指引作出決定。此決定需要重大的判斷。於作出此判斷時，本集團評估(包括其他因素)投資之公允價值少於其成本之年期及程度。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

48 ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(d) Determination of insurance liabilities

The Group's insurance liabilities are mainly comprised of unearned premium provisions, provision for outstanding claims and life insurance contract liabilities and estimates for premiums and claims data not received from ceding companies at the date of the consolidated financial statements. The Group determines these estimates on the basis of historical information, actuarial analyzes, financing modeling and other analytical techniques. The directors continually review the estimates and make adjustments as necessary, but actual results could differ significantly from what is envisioned when these estimates are made.

(e) Deferred tax liabilities

As at 31 December 2010, a deferred tax liability of \$1,010 million (as at 31 December 2009: \$976.00 million) has been recognized in the Group's consolidated statement of financial position, as a result of the increase in profit for prior years due to the change in accounting policies on insurance contracts of one of its subsidiary in the PRC. The PRC tax rules and regulations up to the date of the report are not clear enough to support no provision of tax liability is required for the profits related to the current and previous years. In view of its nature, it is of the opinion of the directors that such a provision should be presented as a deferred tax liability as set out in note 31. In cases there are further developments in the tax rules and regulations, a material reversal of deferred tax liability may arise, which would be recognized in profit or loss for the period in which such a reversal takes place.

49 PARENT AND ULTIMATE HOLDING COMPANIES

The immediate holding company and the ultimate holding company as of 31 December 2010 is China Taiping Insurance Group (HK) Company Limited (incorporated in Hong Kong) and China Taiping Insurance Group Co. (established in the PRC), respectively. China Taiping Insurance Group Co. is ultimately controlled by the State Council of the PRC.

48 會計估計及判斷 (續)

(d) 釐定保險負債

本集團之保險負債主要包括未到期責任準備金、未決賠款準備及壽險合約負債，以及因於綜合財務報表日期仍未收到分保公司所提供之保費及賠款金額數據而作出之估計。本集團按歷史資料、精算分析、財務模型及其他分析技巧而確定此等估計。董事不斷檢討有關之估計，並在有需要時作出調整，但實際結果可能與作出估計時預計的結果差別很大。

(e) 遞延稅項負債

於二零一零年十二月三十一日，本集團之綜合財務狀況表內已確認一筆為數10.10億元之遞延稅項負債（於二零零九年十二月三十一日：9.76億元），與一間於中國之附屬公司往前年度因保險合約會計政策變更而上升之溢利有關。截至本報告日之中國稅務法規並未有清楚支持無須為本年及往前年度之溢利計提稅項負債。鑑於其性質，董事認為該等準備應按附註31所述，以遞延稅項負債呈列。在稅務法規進一步發展的情況下，重大遞延稅項負債可能獲得回撥，並將在確認於損益之期間回撥。

49 母公司及最終控股公司

於二零一零年十二月三十一日的直屬控股公司及最終控股公司分別為於香港成立的中國太平保險集團(香港)有限公司及於中國成立的中國太平保險集團公司。中國太平保險集團公司隸屬於中國國務院。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

50 POSSIBLE IMPACT OF AMENDMENTS, NEW HKFRSs ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2010

50 已在截至二零一零年十二月三十一日止年度前頒布但尚未生效的修訂、新訂香港財務報告準則所可能產生的影響

Up to the date of issue of these financial statements, the HKICPA has issued the following new and revised standards or interpretations which are not yet effective for the year ended 31 December 2010 and which have not been adopted in these financial statements.

在此等財務報表發布日期前，香港會計師公會頒布了以下新及經修訂準則、修訂或詮釋，但此等新及經修訂準則或詮釋於截至二零一零年十二月三十一日止年度尚未生效，因此亦尚未應用於此等財務報表。

HKFRSs (Amendments) 香港財務報告準則 (修訂)	Improvements to HKFRSs issued in 2010 except for the amendments to HKFRS 3 (as revised in 2008), HKAS 1 and HKAS 28 ¹ 二零一零年所頒布香港財務報告準則之改進，惟對香港財務報告準則第3號(於二零零八年經修訂)、香港會計準則第1號及香港會計準則第28號則除外 ¹
HKFRS 7 (Amendments) 香港財務報告準則第7號 (修訂)	Disclosures — Transfers of Financial Assets ³ 披露 — 金融資產轉移 ³
HKFRS 9 香港財務報告準則第9號	Financial Instruments ⁴ 金融工具 ⁴
HKAS 12 (Amendments) 香港會計準則第12號 (修訂)	Deferred tax: Recovery of Underlying Assets ⁵ 遞延稅項：收回相關資產 ⁵
HKAS 24 (as revised in 2009) ⁸ 香港會計準則第24號 (於二零零九年修訂) ⁸	Related Party Disclosures ⁶ 關連人士之披露 ⁶
HKAS 32 (Amendments) 香港會計準則第32號 (修訂)	Classification of Rights Issues ⁷ 供股權之分類 ⁷
HK (IFRIC) — Int 14 (Amendments) 香港 (國際財務報告準則 詮釋委員會) 詮釋 — 第14條 (修訂)	Prepayments of a Minimum Funding Requirement ⁶ 最低資本規定之預付款項 ⁶
HK (IFRIC) — Int 19 香港 (國際財務報告準則 詮釋委員會) 詮釋 — 第19條	Extinguishing Financial Liabilities with Equity Instruments ² 發行權益工具以清償金融負債 ²

Note:

- ¹ Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate.
- ² Effective for annual periods beginning on or after 1 July 2010.
- ³ Effective for annual periods beginning on or after 1 July 2011.
- ⁴ Effective for annual periods beginning on or after 1 January 2013.
- ⁵ Effective for annual periods beginning on or after 1 January 2012.
- ⁶ Effective for annual periods beginning on or after 1 January 2011.
- ⁷ Effective for annual periods beginning on or after 1 February 2010.
- ⁸ The Group has early adopted the partial disclosure exemption for transactions between the Group and government/government-related entities as explained in note 1.

註：

- ¹ 由二零一零年七月一日及二零一一年一月一日(視情況而定)或以後開始之年期起生效
- ² 由二零一零年七月一日或以後開始之年期起生效
- ³ 由二零一一年七月一日或以後開始之年期起生效
- ⁴ 由二零一三年一月一日或以後開始之年期起生效
- ⁵ 由二零一二年一月一日或以後開始之年期起生效
- ⁶ 由二零一一年一月一日或以後開始之年期起生效
- ⁷ 由二零一零年二月一日或以後開始之年期起生效
- ⁸ 本集團提早應用了於附註1所述之本集團與政府/政府相關實體間部份披露豁免

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註 (續)

(Expressed in Hong Kong dollars)
(以港幣列示)

50 POSSIBLE IMPACT OF AMENDMENTS, NEW HKFRSs ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2010 (Continued)

HKFRS 9 *Financial Instruments* (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 *Financial Instruments* (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

Under HKFRS 9, all recognized financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at either amortized cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may have a significant impact on amounts reported in respect of the Groups' financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The Group is in the process of making an assessment of what the impact of these new and revised standards, amendments or interpretations is expected to be in the period of initial application.

50 已在截至二零一零年十二月三十一日止年度前頒布但尚未生效的修訂、新訂香港財務報告準則所可能產生的影響 (續)

於二零零九年十一月頒佈之香港財務報告準則第9號 *金融工具* 對金融資產之分類及計量引入新規定。香港財務報告準則第9號 *金融工具* (二零一零年十一月經修訂) 加入有關金融負債及終止確認之規定。

根據香港財務報告準則第9號，所有屬香港會計準則第39號 *金融工具：確認及計量* 範圍內之已確認金融資產，其後均按攤銷成本或公允價值計量。尤其是，按商業模式持有而目的為收取合約現金流之債務投資，以及僅為支付本金及未償還本金之利息之合約現金流之債務投資，一般均於其後會計期間結束時按攤銷成本計量。所有其他債務投資及股本投資均於其後會計期間結束時按公允價值計量。

就金融負債而言，重大變動與被歸類為通過損益以反映公允價值的金融負債有關。特別是根據香港財務報告準則第9號，就被歸類為通過損益以反映公允價值的金融負債而言，除非於其他全面收益中呈列負債的信貸風險改變的影響會於損益中產生或擴大會計錯配，否則，因負債的信貸風險改變而引致金融負債公允價值金額的變動乃於其他全面收益中呈列。金融負債的信貸風險引致的公允價值變動其後不會重新分類為損益。現時，根據香港會計準則第39號，被歸類為通過損益以反映公允價值的金融負債的公允價值變動，乃全數於損益中呈列。

香港財務報告準則第9號於二零一三年一月一日或之後開始之年度生效，並可提早應用。

董事預期，香港財務報告準則第9號將於本集團二零一三年一月一日開始之年度的綜合財務報表中採納，並預期應用香港財務報告準則第9號或會對就本集團金融資產所呈報之款額構成影響。然而，在完成詳細檢討前，並無法提供有關影響之合理估計。

本集團正在評估此等新及經修訂準則、修訂或詮釋在首個應用期產生的影響。