

SUPPLEMENTARY INFORMATION

(1) Advances and other accounts

| | 30 June 2004 HK\$'000 | 31 December 2003 HK\$'000 |
|--|--------------------------|------------------------------|
| Advances to customers | 20,676,738 | 20,185,265 |
| Advances to banks and other financial institutions | 64,284 | 58,369 |
| Accrued interest and other accounts | 251,483 | 409,497 |
| Provision for bad and doubtful debts | | |
| – Specific | (113,115) | (215,255) |
| – General | (249,665) | (215,730) |
| Interest in suspense | (132,665) | (140,603) |
| | <u>20,497,060</u> | <u>20,081,543</u> |

(2) Gross amount of advances by significant industry sectors

| | 30 June 2004 HK\$'000 | 31 December 2003 HK\$'000 |
|---|--------------------------|------------------------------|
| Loans for use in Hong Kong | | |
| – Industrial, commercial and financial | | |
| – Property development | 1,443,988 | 1,612,317 |
| – Property investment | 4,299,399 | 3,897,463 |
| – Financial concerns | 2,118,798 | 1,598,067 |
| – Stockbrokers | 348,246 | 338,695 |
| – Wholesale and retail trade | 637,564 | 640,383 |
| – Manufacturing | 994,457 | 930,717 |
| – Transport and transport equipment | 505,793 | 388,258 |
| – Others | 3,050,685 | 3,302,408 |
| – Individuals | | |
| – Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme | 978,529 | 1,034,119 |
| – Loans for the purchase of other residential properties | 2,696,311 | 2,848,979 |
| – Credit card advances | 72,881 | 83,110 |
| – Others | 1,014,592 | 1,027,973 |
| Trade finance | 644,860 | 702,168 |
| Loans for use outside Hong Kong | <u>1,870,635</u> | <u>1,780,608</u> |
| | <u>20,676,738</u> | <u>20,185,265</u> |

(3) Advances to customers - by geographical areas

The Group's gross advances to customers by countries or geographical areas after taking into account any risk transfers are as follows:

| | Total advances to customers | | Non-performing advances | | Advances overdue for over three months | |
|----------------------------|-----------------------------|-------------------|-------------------------|------------------|--|------------------|
| | 30 June 2004 | 31 December 2003 | 30 June 2004 | 31 December 2003 | 30 June 2004 | 31 December 2003 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Hong Kong | 19,098,165 | 18,645,551 | 690,589 | 905,297 | 813,957 | 1,724,435 |
| People's Republic of China | 333,512 | 359,023 | 40,547 | 67,543 | 40,599 | 69,662 |
| Macau | 264,914 | 241,712 | - | - | - | - |
| America | 482,788 | 304,683 | - | - | - | - |
| Others | 497,359 | 634,296 | - | - | - | - |
| | <u>20,676,738</u> | <u>20,185,265</u> | <u>731,136</u> | <u>972,840</u> | <u>854,556</u> | <u>1,794,097</u> |

(4) Advances to customers on which interest is being placed in suspense or has ceased to be accrued

| | 30 June 2004 | % of total | 31 December 2003 | % of total |
|------------------------------------|------------------|------------|------------------|------------|
| | HK\$'000 | advances | HK\$'000 | advances |
| Gross advances | 731,136 | 3.5 | 972,840 | 4.8 |
| Specific provision | <u>(99,743)</u> | | <u>(202,599)</u> | |
| | <u>631,393</u> | | <u>770,241</u> | |
| Market value of collateral pledged | <u>653,226</u> | | <u>775,624</u> | |
| Interest in suspense | <u>(132,665)</u> | | <u>(140,603)</u> | |

There are no advances to banks and other financial institutions on which interest is being placed in suspense or has ceased to be accrued.

SUPPLEMENTARY INFORMATION

(5) Cross-border claims

The Group's cross-border claims by countries or geographical areas which constitutes 10% or more of the relevant disclosure item after taking into account any risk transfers are as follows:

| | 30 June 2004 | | | |
|----------------------------------|--|--|----------------------------|---------------------------|
| | Banks and other financial institutions HK\$'000 | Public sector entities HK\$'000 | Others HK\$'000 | Total HK\$'000 |
| Asia Pacific excluding Hong Kong | 3,814,228 | 102,447 | 602,207 | 4,518,882 |
| North and South America | 1,614,311 | 16,168 | 919,298 | 2,549,777 |
| – of which – United States | 880,205 | 15,523 | 916,834 | 1,812,562 |
| Europe | 9,004,601 | 3,248 | 49,358 | 9,057,207 |
| – of which – Germany | 2,434,560 | 1,117 | 3,558 | 2,439,235 |
| – United Kingdom | <u>1,837,225</u> | <u>1,797</u> | <u>39,554</u> | <u>1,878,576</u> |
| | | | | |
| | 31 December 2003 | | | |
| | Banks and other financial institutions HK\$'000 | Public sector entities HK\$'000 | Others HK\$'000 | Total HK\$'000 |
| Asia Pacific excluding Hong Kong | 4,452,886 | 92,751 | 754,787 | 5,300,424 |
| North and South America | 1,502,657 | 3,149 | 810,817 | 2,316,623 |
| Europe | 8,214,313 | – | 38,878 | 8,253,191 |
| – of which – Germany | 1,930,690 | – | – | 1,930,690 |
| – United Kingdom | <u>2,384,124</u> | <u>–</u> | <u>38,878</u> | <u>2,423,002</u> |