

Chairman's Statement
主席匯報



The global economy faced a wide range of uncertainties in the year of 2011. Among the key events were the earthquake and tsunami in Japan in March, the downgrade of U.S. credit rating in August, and the negative impact on global asset markets from the European sovereign debt crisis throughout the year. The global economic outlook remained subdued as the global supply chains were disrupted by various natural disasters and economic growth in emerging countries moderated. In addition, China's prudent monetary policies tightened market liquidity and increased funding costs in the banking industry.

Against this backdrop of challenging economic conditions, the Bank continued to adopt a growth-yet-prudent strategy in 2011. We believed that our robust risk management framework and focus on financial prudence would allow us to weather the risks and achieve satisfactory performance. While we exercised strict cost control measures, we continued to invest in information technology infrastructure to enhance our customer experience and improve operational efficiency. The Bank's capital and liquidity positions remained strong and costs were well managed. The further integration and collaboration with our parent company, Fubon Financial Holding Co., Ltd. ("Fubon Financial"), not only allowed us to maximize revenue and reduce costs, but also provided us with a strong foundation to achieve steady growth.

Notwithstanding the global economic uncertainties and intense competition in the financial sector, we continued to make progress in improving our financial performance in 2011. We generated a net profit of HK\$280 million amid the volatile market conditions in 2011, a 5% increase from HK\$266 million for the year of 2010. The results demonstrated the success of our strategies of financial prudence, enhancing risk management and developing strong client relationships.

In Corporate & Investment Banking, improvement in the credit environment and strengthened risk and control management enabled us to achieve growth and sustain low default risk. Reflecting our efforts to enhance our customer experience, we soft-launched Fubon Business Online in the second half of 2011. This new e-banking service caters to our corporate clients by providing them a full range of cash management services. Leveraging on the Group's regional franchise and business platforms, we continued to expand our quality customer base both domestically and in China through intensive cross selling activities, and provided our clients with premium financing solutions needed for expanding their businesses and opportunities.

2011年，全球經濟存在著多項不明朗因素。日本於3月發生地震及海嘯、美國信貸評級於8月被調低，以及全球資產市場亦全年受到歐洲主權債務危機所影響。由於全球供應鏈受到天災影響，加上新興國家的經濟增長放緩，全球經濟前景持續低迷。此外，中國審慎的貨幣政策令市場上的流動資金緊絀，銀行業的資金成本上升。

面對充滿挑戰的經濟狀況，本行於2011年繼續採取穩中求進的策略，並深信憑藉我們穩健的風險管理架構及審慎的理財方針，將有助本行抵禦風險，取得令人滿意的業績。我們在嚴格執行成本監控措施的同時，亦繼續在資訊科技方面作出投資，以提升客戶體驗和營運效率。本行繼續保持充裕的資本及流動資金，對成本亦控制得宜。本行與母公司富邦金融控股股份有限公司（「富邦金控」）的進一步整合和合作，不但有助我們提升收入和降低成本，同時亦為達致穩定增長提供了一個堅實的基礎。

儘管全球經濟不明朗、金融業競爭激烈，本行於2011年繼續在提升財務表現方面取得進展。在市場環境波動的情況下，本行於2011年錄得淨溢利2.80億港元，較2010年的2.66億港元上升5%，體現了本行審慎理財、強調風控以及深耕客戶關係之策略的成功。

企業金融部在信貸環境進一步改善、以及本行強健的風險控管措施下實現了業績增長及維持低違約風險。本行在提升客戶體驗方面一向不遺餘力，我們於2011年下半年推出了電子銀行服務平台「富邦商務網」，並已在試行階段，為企業客戶提供全面的現金管理服務。憑藉集團於區內的業務版圖及平台，我們將繼續透過積極的協銷合作，擴大本地及中國大陸的優質客戶基盤，並為客戶提供優質的融資及貸款方案，協助他們擴展業務及開拓商機。

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In Wealth Management, we provided an array of comprehensive services that best suited our customer's specific investment needs and risk appetite. Moreover, we continued to review and enhance our policies and procedures to cope with the latest regulatory requirements. Our strategic partnership with China Life Insurance (Overseas) Company Limited ("China Life") allowed us to offer our customers exclusive and diversified insurance products from China Life and recorded promising results. Our professional investment services and sub-brokerage channels also enabled our Taiwan stock brokerage business to further expand our customer base in Greater China.

The liberalization of Renminbi ("RMB") created new opportunities and boosted the demand for RMB products and services. Our overall RMB deposit base and RMB customer base recorded encouraging growth in 2011. Our foreign exchange trading fee income also improved steadily due to the increased trading volume in corporate off-shore RMB transactions. In August 2011, the Bank reached another important milestone by becoming the first Taiwanese-invested bank approved by the People's Bank of China to participate in China's inter-bank bond market using RMB.

In Consumer Finance, our mortgage business continued to achieve satisfactory performance with our new loan bookings ranking eighth in the mortgage market share in December 2011. Various initiatives were adopted to sustain the mortgage business amid the intense market competition, including an effective one-stop direct sales channel, an enhanced segmentation pricing model and customized services to meet the diversified financial needs of our customers. We were also able to take advantage of the rapid growth in spending power of Mainland tourists and demonstrated positive growth in our card merchant business. As a result, we succeeded in registering growth in our customer base, loan receivables and fee income.

財富管理部為客戶提供全面的理財服務，以切合他們特定的投資需要及風險承受程度。我們亦持續檢討及強化本行的政策及程序，以配合最新的監管規定。透過與中國人壽保險（海外）股份有限公司（「中國人壽」）的策略性夥伴關係，本行為客戶提供了多項獨家代理的中國人壽保險產品，並取得理想的成績。此外，透過我們專業的投資服務及複委託，讓本行的台灣證券投資業務能進一步拓展大中華區的客戶基盤。

人民幣業務的開放創造了新商機，並刺激客戶對人民幣產品及服務的需求。本行的人民幣存款總額及人民幣相關的基盤於2011年錄得令人鼓舞的增幅。隨著企業的離岸人民幣交易量增加，我們的外幣交易費用收入亦穩步增長。2011年8月，本行取得另一項重大里程碑，成為首間獲中國人民銀行批准以人民幣進入中國銀行間債券市場的台資銀行。

消費金融部在按揭服務方面繼續取得令人滿意的表現，本行新造貸款業務的市場佔有率於2011年12月進佔第八位。我們透過設立一站式的直銷渠道、強化分層定價模式及量身打造的服務以配合客戶不同需要等多項計劃，成功在競爭激烈的市場情況下維持按揭業務的發展。此外，本行亦把握了內地旅客消費力迅速增長所帶來的機遇，令信用卡商戶業務呈現可觀的增幅。因此，我們在客戶基盤、貸款應收賬額及費用收入三方面均錄得增長。

Following the successful privatization by Fubon Financial, the Bank was officially delisted from the Hong Kong Stock Exchange on 8 June 2011 and became a wholly owned subsidiary of Fubon Financial. The privatization facilitates closer integration between the Bank and Fubon Financial and provides Fubon Financial with greater flexibility in supporting the Bank's future business development. Moreover, the Bank will be able to leverage the resources and expertise of Fubon Financial in order to better serve our customers with enhanced products and services and also to strengthen our banking franchise in Hong Kong.

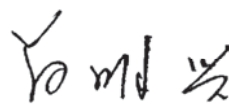
The fears of recession in developed economies linger as we head into 2012. The global economy is facing difficulties in recovery and the sovereign debt crisis in the Eurozone may not be eased in the short term. Meanwhile, China has scaled down its GDP growth rate, signaling slower economic growth attributed to a weaker global economy. Hong Kong's economic growth is also likely to be slow this year. In the face of a rapidly changing economic environment, we will continue to adopt a prudent approach to capture new business opportunities while minimizing risks and costs. The opening up of the China market and further relaxation of RMB business has offered the Hong Kong financial sector vast opportunities. As the Bank intends to continue playing an important role in Fubon Financial's Greater China business strategy, we will stand ready to capitalize on new opportunities to offer customers diversified RMB products and services. Furthermore, we will continue to invest in IT infrastructure and enhance our Internet platform to further our relationships with customers. We believe that the policies and mechanisms that we have put in place for reinforcing our risk management control capabilities will also enable us to maintain stability and pursue sustainable growth.



Ming-Hsing (Richard) TSAI
Chairman
March 2012

本行被富邦金控成功私有化後，已於2011年6月8日撤銷於香港聯合交易所的上市地位，成為富邦金控的全資附屬公司。此舉將有利本行與富邦金控進一步整合，並為富邦金控在未來支持本行的業務發展方面提供更多靈活性。此外，本行亦得以引入富邦金控的資源和專業知識，為客戶提供更優質的產品及服務，增強本行在地化的業務版圖。

踏入2012年，市場對已發展經濟體可能陷入衰退的憂慮依然持續。全球經濟復甦將面對一定的困難，歐元地區的主權債務危機於短期內亦未能紓緩。中國調低經濟增長率，顯示全球經濟疲弱令內地經濟增長步伐放緩。香港於今年的經濟增長亦可能放緩。面對瞬息萬變的經濟環境，我們在降低風險及成本的同時，亦將繼續以審慎的策略把握新的商機。中國市場對外開放、人民幣業務進一步放寬，為香港金融業帶來了龐大的機遇。本行將繼續在富邦金控的大中華地區發展策略中發揮重要作用，並作好準備以迎接新的商機，為客戶提供多元化的人民幣產品及服務。此外，本行將繼續在資訊科技的基礎建設上作出投資，並提升網路平台，以深化我們與客戶的關係。我們相信，本行為強化風險控管能力而制訂的政策及機制，亦將有助我們穩健經營及追求持續業務成長。



蔡明興
主席
二零一二年三月