

CHAIRMAN'S STATEMENT

主席匯報



Volatility in the global economy and slower economic growth in Mainland China and Hong Kong created a complex operating environment for business in 2016. Hong Kong's economic growth moderated to 1.9% year-on-year in real terms, from 2.4% in 2015, amid weak performances in trade, tourism and retail sales. In line with the slowing pattern of external trade in Mainland China, total trade fell by 0.7% in 2016, which was considerably better than the 3.0% drop in 2015. Dragged by a noticeable decline in tourist arrivals, retail sales in Hong Kong dropped by nearly 8% in 2016, following a decline of 3.7% in 2015. Local interest rates were steady to slightly higher, as the U.S. Federal Reserve continued its gradualist approach to raising interest rates.

In early 2016, volatilities in the China A Share, Renminbi exchange rate and oil prices led to risk-averse sentiment worldwide. Throughout the year, financial markets were also being clouded by the uncertainties over the pending Brexit referendum in June and the U.S. presidential election in November. To a certain extent, expansionary policy actions taken by the central banks in Britain, Euroland and Japan, together with a delay of the tightening decision by the Federal Reserve and the new infrastructure spending programme adopted by the Chinese government, all helped to ease financial market concerns and stabilize the global economy. However, the potential rise of protectionism in some developed countries and the lingering political risks in Europe will continue to be impediments to the global economic recovery in the year ahead.

By adopting a prudent growth strategy, Fubon Bank (Hong Kong) Limited ("the Bank") was able to maintain a growth momentum and made satisfactory progress in its financial performance in 2016. We achieved a net profit of HK\$635 million, up 22% as compared with 2015 despite the uncertain economic conditions and intense competition in the industry. Our accomplishment was attributable to our staff's dedicated efforts and an enhanced brand image. Prudent risk management and cost management remain the key pillars in our business philosophy to ensure sustainable growth.

全球經濟動盪不穩，加上中國內地與香港經濟增長減慢，令2016年的營商環境愈趨複雜。面對貿易、旅遊及零售銷售表現疲弱，香港經濟增長溫和，由2015年實質增長2.4%減慢至1.9%。隨著中國內地對外貿易放緩，貿易總額於2016年下跌0.7%，較2015年跌幅3.0%為佳。受訪港旅客人次明顯下降所拖累，香港的零售業銷貨額繼2015年下降3.7%後，於2016年減少近8%。美國聯邦儲備局繼續其逐步加息的方針，令本地利率處於穩定至略高的水平。

於2016年年初，中國A股價格、人民幣匯率及油價均波動不定，令全球處於風險規避的氛圍。綜觀全年，6月英國脫歐公投及11月美國總統大選等種種不明朗因素令金融市場陰霾密布。英國、歐盟國家及日本推行擴張性政策，加上聯儲局延遲收緊貨幣政策，及中國政府採納新基建投資計劃，在一定程度上有助緩和金融市場的憂慮、穩定全球經濟發展。然而，部分已發展國家的保護主義可能升溫以及歐洲政治風險持續，來年將繼續對全球經濟復甦帶來重重障礙。

富邦銀行(香港)有限公司(「本行」)於2016年採取穩中求進的策略，以維持增長勢頭及令人滿意的財務表現。儘管經濟狀況不明朗以及行業競爭熾烈，我們仍錄得淨溢利6.35億港元，較2015年增加22%。我們的成功全賴本行員工的努力以及更鮮明的品牌形象。此外，審慎的風險管理及成本管理仍是本行經營理念的重要支柱，以確保持續獲得豐厚回報。

The Bank's determination to enhance its retail banking service channels over the last two years not only improved the customer experience but also reinforced their engagement. The launch of iBranch and a comprehensive range of digital banking services, including mobile banking, e-Statement and e-Cheque services, have been well-received by customers and have enhanced their impression of the FUBON EXPERIENCE. Our efforts led to various recognitions of our services during the year: Banking & Finance Awards 2016 – My Favourite Innovative Branch Experience Award from Sky Post, Hong Kong Outstanding Digital Brand Awards – Outstanding Intelligent Branch – Banking Services from Metro Broadcast and The Chamber of Hong Kong Computer Industry, to name but a few.

In addition to our existing bancassurance partnership with China Life, the Bank entered into a partnership with Fubon Life Hong Kong last year to broaden the range of insurance products and services that we offer to our customers. In 2017, we will launch our third and our fourth iBranches in Mongkok and Shatin, respectively. The Mongkok iBranch will also act as a sales hub offering customers a comprehensive range of financial services including consumer finance, securities services and commercial banking services. After the rebranding of our Ambassador Banking in 2017, we believe we are well-positioned to acquire new customers and to strengthen our customer relationships by providing all-rounded financial solutions that best suit their diverse needs.

Regarding our corporate and institutional banking business, we managed to grow a quality loan portfolio under very challenging conditions. We increased our marketing resources and enhanced our range of products and services to expand our customer base. We also set up dedicated SME teams to serve our target corporate customers sourced by our branch network. Going forward, we aim to build a leading SME banking franchise by deepening existing customer relationships and leveraging our enhanced corporate e-banking platform, "Fubon Business Online". With the opening of the Bank's first Commercial Banking Centre in mid-2017, we are confident in expanding our penetration into the SME market.

本行過去兩年致力改善零售銀行的服務渠道，不單提升了客戶體驗，並鞏固與客戶之關係。本行推出的iBranch以及一系列的電子化銀行服務，包括流動理財、電子結單及電子支票，深受客戶歡迎，並加強了他們對「富邦體驗」的印象。我們的努力令本行服務於年內屢獲殊榮，包括獲《晴報》頒發「Banking & Finance Awards 2016—我最喜愛的嶄新分行體驗大獎」，以及新城電台及香港電腦商會頒發「香港傑出數碼品牌大獎—服務類—傑出銀行智能分行服務」。

本行除了與中國人壽建立銀行保險合作關係，去年亦與香港富邦人壽簽訂合作協議，為客戶提供更多元化的保險產品和服務。本行的第三及第四間iBranch將於2017年分別在旺角及沙田開幕，其中位於旺角的iBranch更將作為綜合銷售中心，向客戶提供全面的金融服務，包括消費金融、證券投資服務以及商業銀行服務。此外，我們於2017年革新本行的Ambassador Banking之後，藉著我們為客戶提供最切合他們不同需要的全方位金融方案，定能吸納更多新客戶並加強與他們的關係。

在企業及機構銀行業務方面，我們在舉步維艱的環境下仍能維持優質的貸款組合增長。我們投放了更多資源進行營銷工作，並增加產品服務種類，從而擴大客戶基礎。我們亦設立了專責的中小企團隊，以服務從分行網絡覓得的目標企業客戶。展望未來，我們將深化現有的客戶關係，並藉著我們的企業電子銀行平台「富邦商務網」，建立卓越的中小企銀行業務。隨著本行首個商業銀行中心將於2017年年中開業，我們有信心能夠擴展本行於中小企市場的佔有率。

While effective cost control measures were being exercised, we continued to make crucial investments in information technology ("IT"). During the year, the Bank completed a number of important IT initiatives, such as the launch of Two Factors Authentication, which replaced the digital certificate in Corporate Electronic Banking. Our Core Banking System ("CBS") Replacement Project also made good progress. We have successfully implemented a new Customer Information System, which allows the Bank to have a 360-degree view of customer information in the CBS Replacement Project. Our significant investment in IT is in line with the Bank's business strategy to improve the customer experience and to increase its capacity to accommodate long-term business growth.

Uncertainty in the international markets and a rise in trade protectionism will make operating conditions more challenging than ever. Against this backdrop, the Bank will continue its growth strategy while heightening its risk awareness and control. Our ability to leverage our business on the inherent strengths of our parent company, Fubon Financial Holding Co., Ltd., will enable us to capture business opportunities across the region, strengthen relationships with customers and acquire new target customers. We will continue to focus on delivering an exceptional customer experience – the FUBON EXPERIENCE.

本行在有效控制成本的同時，繼續對資訊科技作出重大投資。年內，本行完成了多項重要的資訊科技計劃，例如於企業電子銀行採用保安編碼器的雙重認證服務，以取代數碼證書。此外，本行的核心銀行系統更新工程亦進展順利，其中，我們已成功推行全新的客戶資訊系統，讓本行能夠360度全方位了解客戶資料。我們在資訊科技方面作出重大投資，以配合本行致力優化客戶體驗及提升實力、達致長遠業務增長的策略。

國際市場前景不明朗以及貿易保護主義升溫，令經營環境更加艱困。在此情況下，本行將秉持增長策略，同時加強監察及控制風險。憑藉我們母公司富邦金融控股股份有限公司的鞏固優勢，我們定能抓緊區內的商機、加強與客戶的關係，吸納更多新的目標客戶。我們將繼續專注為客戶提供非凡的客戶體驗—「富邦體驗」。



Ming-Chung (Daniel) TSAI
Chairman
April 2017



蔡明忠
主席
二零一七年四月