

CHAIRMAN'S STATEMENT 主席匯報



In 2018, Hong Kong's economy grew at an above-trend pace of 3.0% after registering growth of 3.8% in 2017. The economy was supported by the continued strength of external and domestic demand, but slowed moderately towards the end of the last quarter after a year filled with financial market volatility and global trade conflicts. Retail sales grew by 8.7% in 2018 supported by a 11.4% growth in visitor arrivals and a 20-year-low unemployment rate of 2.8%.

Consecutive interest rate increases by the U.S. Federal Reserve ("Fed") together with its policy to trim the size of the balance sheet, led to rising volatility in the financial markets throughout the year. The Hang Seng Index fell by nearly 14% in 2018. Rising USD LIBOR also pushed up the USD/HKD exchange rate to the Hong Kong Monetary Authority's weak-side Convertibility Undertaking of HK\$7.85, leading to a near HK\$100 billion capital outflow from Hong Kong over the year. All these factors led to a prime rate increase by local commercial banks in September 2018, marking the first time in a decade.

Adding to the unfavourable market environment was the lingering trade conflict between the U.S. and Mainland China. Uncertainties over the U.S.-China trade relationship and the Fed policy outlook also dampened the local property market, business sentiment, and trade performance towards the end of the year.

Despite the challenging market environment, Fubon Bank (Hong Kong) Limited ("the Bank") reported a record-high net profit of HK\$823 million for the year ended 31 December 2018, representing a year-on-year increase of 41% as compared with 2017. Net interest income rose by 12% to HK\$1,356 million, benefiting from the improvement in the net interest margin and the growth in average interest-earning assets. The encouraging performance was attributable to our enhanced risk management and effective cost control measures while achieving sustainable growth.

Meanwhile, our dedicated efforts in promoting green finance and providing outstanding services gained significant recognition during the year, including "Banking & Finance Awards 2018 – Excellence Award for Green Banking Service" from Sky Post; "Tiptop Service Award – Persistently Outstanding Service Company" from Tiptop Consultants Ltd.; "Hong Kong Green Organisation" from the Environmental Campaign Committee; and "Charter on External Lighting – Platinum Award" from the Environment Bureau of the HKSAR Government, to name a few.

繼2017年經濟增長達3.8%後，香港經濟在2018年以3.0%的步伐增長，高於整體趨勢。原受外圍及本地持續強勁需求支撐的經濟，在經歷金融市場動盪及全球貿易衝突的一年後，於最後一季末時溫和放緩。2018年，訪港旅客人次增長11.4%，加上失業率為20年以來最低的2.8%，零售業銷貨額因此增長8.7%。

美國聯邦儲備局（「聯儲局」）接連加息，並推出政策削減資產負債表規模，加劇了去年金融市場的波動。恒生指數於2018年下跌近14%。美元倫敦銀行同業拆息攀升，推高美元兌港元匯率觸及香港金融管理局7.85港元兌1美元的弱方兌換保證水平，導致全年有近1,000億港元資金流出香港。上述各種因素導致本地商業銀行於2018年9月調升最優惠利率，為過去十年以來的首次。

此外，美國與中國內地之間的貿易衝突亦增加市場環境的不利因素。美中貿易關係及聯儲局政策前景存在的不明朗因素，亦壓抑了年底本地物業市場、營商情緒及貿易表現。

儘管市場環境充滿挑戰，富邦銀行（香港）有限公司（「本行」）截至2018年12月31日止錄得創新紀錄的淨溢利8.23億港元，較2017年增長41%。受惠淨息差擴闊及生息資產均額增長，淨利息收入上升12%至13.56億港元。能夠獲得令人鼓舞的業績，全因我們在追求持續增長的同時，亦加強了風險管理及採取有效的成本控制措施。

與此同時，本行在推動綠色金融及提供卓越服務方面的努力於年內亦獲得了多個獎項，包括由《晴報》頒發的「Banking & Finance Awards 2018—傑出綠色銀行服務大獎」、天高管理發展有限公司頒發的「天高服務獎—持續超卓表現機構」、環境運動委員會頒發的「香港綠色機構」以及由香港特別行政區政府環境局頒發的「戶外燈光約章—鉑金獎」等。

Our strategic initiative to grow our corporate banking business generated a 5% loan growth in 2018, with higher interest and fee income as compared with 2017. We continued to deepen existing customer relationships and acquire new customers by identifying their needs for products and services and providing customized financial solutions that best suit their needs. Leveraging on Fubon Group's extensive network and foundation in the region, we also heightened our cross-selling efforts with other entities in the Bank and collaborated with Fubon Bank (China) and Xiamen Bank. Moreover, we continued to broaden our product offering and strengthen our digital platform to provide more convenient financial services for our corporate customers.

Regarding our consumer finance business, our "Travel Companion" credit card continued to gain recognition from our customers. As a result, our Fubon Credit Card received the "U Magazine Travel Awards 2018 – The Most Favourite Travel Credit Card" from U Magazine. Our change of business focus from mass market to pre-selected customer segment also proved to be successful as the new loan booking for the personal loan business increased by 13% as compared with 2017. Also, loan impairment losses dropped to a record low. Our merchant acquiring business again delivered good performance in 2018. The introduction of a pioneering self-service card acceptance kiosk not only fostered our relationships with existing merchants but also enabled us to recruit more new strategic merchant partners. Furthermore, our Merchant Receivable Financing business had a 21% year-on-year growth in the size of new financing.

Last year, we continued to upgrade and digitize our retail banking service channels to enhance customer engagement and we received encouraging results. The number of Personal Internet Banking and Mobile Banking customers increased by 19% and 76%, respectively, as compared with 2017. Going forward, we will continue to improve our digital banking platform to meet the changing needs of our customers and provide them with more efficient and convenient banking services.

We continue to make investment in information technology ("IT") and infrastructure to enhance our digital capabilities. A new 5-Year Strategic IT Plan was developed last year to be in line with the Fintech development in the financial industry and also to offer more innovative and easy-to-use banking services to our customers. In addition to promoting green finance, the Bank is committed to building a sustainable workplace and is taking various measures to lighten its ecological footprint. We remain dedicated to our staff by providing career enhancement opportunities, ongoing support and a caring work environment so that they can reach their full potential.

我們致力發展企業金融業務的策略在2018年獲得了5%的貸款增長，利息及費用收入亦較2017年為高。我們持續深化與現有客戶的關係，並針對客戶對產品及服務的需求而提供最切合他們需要的金融方案，以吸納新客戶。憑藉富邦集團在區內的龐大網絡及根基，我們亦加強了本行部門之間的交叉銷售，並與富邦華一銀行及廈門銀行進行合作。此外，我們持續開拓新產品，並提升本行的數位化平台，為企業客戶提供更便捷的金融服務。

在消費金融業務方面，本行以「旅遊夥伴」作為富邦信用卡的產品定位且持續獲得客戶的認同，富邦信用卡亦因此獲《U Magazine》頒發「U Magazine旅遊大獎2018—我最喜愛旅遊信用卡」。我們將業務重點從大眾市場轉向預選客戶的策略也獲得了成功，個人貸款業務的新增貸款較2017年增長13%。此外，貸款減值虧損降至歷史新低。我們的信用卡商戶業務於2018年亦再度取得佳績。新增先進的信用卡自助售賣服務機不單鞏固了我們與現有商戶的關係，亦有助我們吸納更多新的策略商戶夥伴。此外，我們的「先享錢」信用卡商戶貸款業務的新增貸款額較去年增長21%。

去年，我們繼續提升及數位化零售銀行服務渠道以鞏固客戶關係，並獲得了佳績。個人網上銀行和流動理財客戶較2017年分別增加19%及76%。展望未來，我們將繼續改善我們的數位銀行平台，以滿足客戶不斷變化的需要，並為他們提供更高效率及方便的銀行服務。

我們持續在資訊科技及基礎設施上作出投資，以提升本行的數位化服務。為配合金融業的金融科技發展，並為客戶提供更創新簡易的銀行服務，我們於去年制訂了新的五年期策略性資訊科技計劃。除推廣綠色金融外，本行亦致力建設一個理想的工作場所，並採取不同措施減輕生態足跡。我們致力為員工提供職業發展機會、持續的支援以及能夠讓他們發揮潛能的工作環境。

The growth momentum of the global economy is anticipated to be slow in 2019. Despite the optimism over the U.S.-China trade deal, the tariff measures introduced by the U.S. and the Chinese governments over last year will keep impacting the global trade and business sentiment. Also, the Fed's previous tightening actions will continue to restrict the growth of the U.S. and global economy. Nevertheless, the Bank will remain its prudent growth strategy to capitalize on new opportunities and maintain sustainable growth. We will also follow our customer-centric approach and provide our customers with reliable and high-quality financial services. We will continue to leverage on the inherent strengths of our parent company, Fubon Financial Holdings, to strengthen our relationships with customers and to capture business opportunities across the region. We remain committed to become the preferred banking partner of our customers and focus on delivering the exceptional "Fubon Experience".



Ming-Chung (Daniel) Tsai

Chairman
April 2019

預期全球經濟增長於2019年將會放緩。雖然美中貿易協定傾向樂觀，但美國及中國政府於去年推出的關稅措施將會繼續影響全球貿易及營商情緒。此外，聯儲局早前採取的緊縮行動將繼續限制美國及全球經濟的增長。儘管如此，本行將保持穩中求進的策略，以把握新機遇及維持可持續增長。我們亦將維持以客為本的方針，為客戶提供可靠及優質的金融服務。憑藉母公司富邦金控的固有優勢，我們將繼續加強與客戶的關係及把握整個地區湧現的商機。我們致力成為客戶首選的銀行夥伴，並專注提供卓越的「富邦體驗」。



蔡明忠

主席
二零一九年四月