

The year under review has been a successful period of transformation and of positioning Fubon Bank (Hong Kong) Limited (the Bank) to become a truly regional platform for Fubon Financial. In particular, strong financial performance, an expanded product and customer platform and robust infrastructure have put the Bank well in the frame as a Greater China player.

chairman's statement

主席匯報

過去一年，富邦銀行（香港）有限公司（「本行」）成功轉型，確立清晰定位，名符其實成為富邦金控的區域平台。強勁的財務表現、更廣闊的產品及客戶平台，以及更強而有效的基礎設施，令本行更有條件在大中華區金融市場奠下重要席位。

One significant highlight of the year in terms of business growth has been the conscious establishment of a broader product platform and the cultivation of new customer service capabilities that have positioned the Bank to meet the wealth management needs of both Hong Kong Special Administrative Region (HKSAR) and offshore Taiwanese customers effectively. These efforts are set to continue as we plan to expand the wealth management franchise by establishing a high net worth platform and customer franchise in the year ahead.

We are truly committed to expanding our businesses in the HKSAR. This means investing in our infrastructure to support greater volume of business as well as constantly looking for innovative ways to develop new customer relationships. During 2006, this was most clearly demonstrated in the success of cross-selling initiatives between our various Business Divisions, which successfully leveraged one set of relationships into new customers for multiple products and services.

In terms of realising potential new business opportunities, we have recognised that the Bank has a special niche in terms of serving Taiwanese enterprises and individuals who are working or doing business in the HKSAR and the People's Republic of China. Over the past 12 months, income from this Taiwanese customer group grew very impressively, with the corporate loans and deposits portfolios increasing by 152% and more than 210% respectively, the number of wealth management accounts expanding dramatically by 119% and assets under management up by more than 110%. We will continue to nurture this role as an essential partner for China-based Taiwanese businesses and their families in the years to come.

本行年內的一項重點業務發展，是建立了更廣闊的產品平台及強化客戶服務能力，以滿足香港特別行政區（「香港特區」）及台灣兩地客戶對財富管理服務的需要。我們將再接再勵，於未來一年繼續拓展我們專長的財富管理領域，包括建立以高資產值客戶為目標的業務平台。

我們積極拓展在香港特區的業務，包括投放資源提升基礎設施，以應付業務量的增長。與此同時，我們更不斷尋求嶄新途徑，開拓客源及深化客戶關係，而這方面最明顯的成果，是於二零零六年內成功在各業務部門的通力合作下進行交叉銷售，吸引客戶採用我們更多的產品和服務。

本行在服務香港及內地的台資企業以及工作或經商的個人客戶上，佔有獨特的服務優勢，潛在的業務機會極多。過去 12 個月，來自台灣客戶的收入錄得可觀增長，其中企業貸款與存款組合分別銳增 152% 及超過 210%、財富管理的賬戶數目增長 119%，而所託管的資產則上升超過 110%。我們會把握優勢拓展這方面的業務，成為以中國內地為據點的台商及其家屬的重要夥伴。

Achieving the ambitious goals that the Bank has set for itself, and realising our vision to become a regional platform of Fubon Financial and a leading wealth management player in the Greater China region ultimately, requires an unwavering commitment to improving all of our internal resources. That means consistently upgrading our infrastructure and systems as well as our people.

During 2006, we have made great strides in a number of these areas. The strength and sophistication of our back office operations was recognised in 2006 when we were presented with a "Continuous Linked Settlement Straight Through Processing Award" for high quality fund transfer operations and Continuous Linked Settlement by the Bank of New York. We also invested in and extended an IT outsourcing agreement with EDS, which is expected to instil global best practices and benchmarking while at the same time further upgrading our information technology infrastructure and improving back-office processes. These investments underpin the Bank's ability to grow consistently at the impressive rate that it has been achieving.

The Bank's growth strategy is predicated on attracting and retaining customers through its Value Banking proposition. This concept is only translated into meaningful results however, if it is understood and executed by our people every day. In 2006, an organisation-wide Culture Change Programme was rolled out to create deep understanding and buy-in from employees in both the mindset of Value Banking and the five core values that support it, namely customer-centrism, people, professionalism, teamwork and innovation. I believe the performance breakthrough that we have seen this year is related in no small part

若要實現本行遠大的目標，成為富邦金控的區域平台，以至最終成為大中華區內具領導地位的財富管理服務機構，我們需要以堅定的態度提升內部支援服務及質素。為此，我們會不斷提升基礎設施、系統及人才的質素。

二零零六年，我們在多方面取得重要的進展。後勤部門的營運實力，得到紐約銀行的嘉許，獲頒發「持續聯繫結算交收直通式處理」獎，以表揚我們在銀行間資金調撥營運及連續連結清算系統方面的出色表現。此外，我們亦投資於發展資訊科技業務系統，延伸與 EDS 的外判協議，以借鑑其全球最佳常規及基準，並進一步提升本行的資訊科技基建和改善後勤運作。在這些投資項目支持下，本行將能保持高速的擴展步伐。

本行的擴展策略，乃建基於「所享 超出所想」的經營理念，以此吸引及維繫客戶。這個理念必須得到員工透徹理解和貫徹執行，才能取得實質成果。二零零六年，本行推行「富邦企業文化革新計劃」，與員工分享這經營理念及五大核心價值——以客為本、重視員工、專業精神、群策群力及鼓勵創新的深層意義，爭取他們的支持。我相信本行年內取得突破性表現，乃歸功於我們的服務專才將這些企業價值付諸實踐的成果。

to the way our banking professionals have put these values into practice.

The organic growth opportunities for our business in the HKSAR are very encouraging, and have been demonstrated already in a number of areas in 2006. In the future, we will maximise these opportunities by integrating further with Fubon Group in terms of the corporate and investment banking services, offshore wealth management and financial markets services we provide.

The economy of China is expanding rapidly which attracted rising number of enterprises and individuals from the HKSAR and Taiwan. Looking ahead, there are tremendous opportunities for the Bank to expand its role in China and we will continue to actively explore various options to penetrate further into the Mainland China market through M&As or other forms as the opportunities arise.



Ming-Hsing (Richard) TSAI

Chairman

March 2007

在香港，本行的現有業務獲得令人鼓舞的發展機會，並已於二零零六年內體現於多個服務範疇。在未來的日子，我們將會在企業及投資銀行、離岸財富管理及金融市場服務方面，與富邦集團進一步結合，充分把握市場商機。

中國經濟正在迅速發展，吸引愈來愈多來自香港及台灣的企業和個人進入內地。中國市場商機處處，發展空間無限，展望未來，本行將會繼續積極探索各種方案，透過收購合併或其他方式，進一步拓展內地市場。



蔡明興

主席

二零零七年三月