



Chairman's
Statement
主席報告書

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In 2006, the global economy achieved its expected growth, which is attributable to the steadiness of the price of major resources and interest rate. The Mainland China economy maintaining its rapid growth momentum. In the capital market, the restructuring and listing of state-owned banks as well as the share reform scheme of Mainland listed enterprises have made substantial progress; the capital market has recovered momentum, and the Renminbi currency has maintained an appreciation trend. The unemployment rate of Hong Kong has reached its record low in six years and its economic performance is better than expected. The Hong Kong stock market remained bullish throughout the year. The Heng Seng Index hit record high. The business environment in which enterprises operate is good.



二零零六年，全球主要資源價格和利率保持相對平穩，經濟增長符合預期。中國內地經濟仍保持快速增長，金融方面，國有銀行重組上市及國有企業股權分置改革取得重大進展，資本市場恢復活躍，人民幣維持升值趨勢。香港經濟表現比預期好，失業率降至六年新低，

股市成交暢旺，恒生指數創出歷史新高，企業經營環境良好。

During this year, the Company and its subsidiaries (the "Group") have focused on improving the business structure, expanding their income base and stringently monitoring their operational risks and costs. For operations in Hong Kong, investment banking, securities brokerage, asset management and direct investment businesses have seized market opportunities and achieved a record-breaking profit. For the associated companies, Everbright Bank endeavoured to adjust its business structures and growth model and its risk management control and profit-making ability has improved. The percentage of non-performing loans continued to drop and the government-led restructuring is yet to be finalised. Everbright Securities captured the opportunities arising from the share reform scheme and the recovery of the stock market in the Mainland, and has through its effective management and the undertaking of custodianship and acquisition of other small to medium-sized securities firms stabilized its traditional income source. At the same time, Everbright Securities also maintained its leading position in the innovative products area such as collective investment/money management. For the year under review, the Group recorded a profit attributable to shareholders in the amount of approximately HK\$879 million.

期內，本公司及其附屬公司（「本集團」）努力完善業務結構，拓展收入基礎，嚴格控制經營風險和營業成本。香港日常業務方面，投資銀行業務、經紀業務、資產管理業務和直接投資業務較好把握市場機會，營業利潤實現新高。聯營公司方面，光大銀行努力調整業務結構和增長模式，風險控制和盈利能力有所提高，不良貸款比例持續下降，惟政府主導的重組尚未出台。光大証券抓住內地股權分置改革及股市復蘇的時機，通過穩健管理和託管、收購其它中小型券商，穩定傳統收入來源，同時光大証券在集合理財等創新產品領域保持領先地位。於回顧年度本集團錄得股東應佔稅後盈利港幣8.79億元。



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In 2007, although it is expected that the global economy growth may slow down after experiencing continued growth for the past few years, it is unlikely that the world economy will undergo overall recession. Under the moderate austerity measures, the Mainland China economy will further change from its rugged growth pattern and will in general still maintain a faster growth momentum. However, the abundant capital inflow may increase the exposure to market fluctuations.

On the other hand, we are also optimistic towards the growth of the Hong Kong economy. Apart from mobilizing and supporting progress on capital restructuring and listing of Everbright Bank and Everbright Securities in Mainland China, the Group shall maintain its good expanding trend in its daily operations, and maintained to stabilise the profit making structure of its core businesses of investment banking, asset management, direct investment and securities brokerage. It will also further develop the paid services platform and strengthen its risks and costs management in order to enhance the overall profit-making ability in the Mainland China.

The Group has achieved good results during the past year. May I take this opportunity to express my heartfelt gratitude for the support and contribution of our shareholders, customers, members of the Board, the management and staff of the Group!

Wang Mingquan
Chairman

Hong Kong, 29 March 2007

展望二零零七年，在經過連續幾年的增長後，環球經濟增長可能出現放緩，但出現整體經濟衰退的可能性不大。內地經濟將在適度的宏觀調控下，進一步改變粗放型的增長模式，並仍將保持較快的增長勢頭，但充裕的流動性也進一步加大了市場的波動風險。

對香港經濟我們也抱相當樂觀的預期。本集團將在推動和配合內地光大銀行和光大證券重組上市進程的同時，保持香港日常業務良好的擴張勢頭，繼續穩固以投資銀行、資產管理、直接投資和經紀業務等為主體的盈利結構，進一步拓展內地的業務平台，強化風險和成本管理，提高公司整體盈利能力。

本集團在過去一年裏取得了良好的業績，本人謹此對本集團股東、客戶、董事會成員、管理層和全體員工的支持和貢獻表示衷心感謝！

王明權
主席

香港，二零零七年三月二十九日