

# EXECUTIVE DIRECTORS' REPORT

## FINANCIAL REVIEW

### Financial Performance

Global financial markets suffered an unprecedented upheaval in the last quarter of 2008, damaging business confidence throughout the world. The BEA Group faced the challenge with decisive action, disposing of or writing down to zero value its entire collateralised debt obligation ("CDO") portfolio. As a result of this action, the BEA Group enters 2009 with a strong balance sheet and no further downside exposure to the CDO market.

After accounting for the HK\$3.5 billion one-off write down of the CDO portfolio, the BEA Group recorded a profit after tax of HK\$104 million for the year ended 31st December, 2008.

Despite the adverse market conditions, BEA Group sustained its core business growth during 2008. The Bank Group recorded a rise in net interest income of HK\$816 million, or 13.7%, to HK\$6,793 million, principally due to the performance of banking operations on the Mainland. However, the Bank Group's non-interest income decreased by HK\$3,173 million, or 111.9%, mainly due to the loss on CDOs and a decrease in net trading profits. As a result, total operating income decreased by 26.7% to HK\$6,457 million.

Operating expenses increased by 23.2% compared to 2007, to HK\$5,779 million, due to the continuing expansion of the Group's activities. Operating profit before impairment losses was HK\$678 million, a decrease of HK\$3,445 million, or 83.6%, as compared with 2007.

In light of the increase in credit risk in global credit markets, the Bank Group has taken appropriate steps to control impairment losses on loans and advances. Impairment losses increased by HK\$342 million, or 157.8%, when compared with last year. Impairment losses on notes issued by structured investment vehicles ("SIVs") and other available-for-sale financial assets totalled HK\$396 million, leading to an increase in total impairment losses of HK\$553 million, a rise of 140.2%.

The net profit on disposal of available-for-sale financial assets decreased to HK\$197 million. Net profit on sale of subsidiaries or associates also fell, as during 2007 the Group recorded an exceptional gain on the sale of a

49% interest in a wholly-owned subsidiary for a profit of HK\$406 million.

Due to the impact of the financial crisis, the Bank Group recorded a valuation loss on investment properties of HK\$168 million in 2008, after recognising a HK\$293 million valuation gain in 2007. The Bank Group recorded a net profit on disposal of fixed assets of HK\$178 million for the year 2008, mainly due to the disposal of the former branch building in Singapore.

After accounting for income taxes, profit after taxation was HK\$104 million, a decrease of 97.5% compared to the HK\$4,221 million recorded the previous year. Profit attributable to equity holders of the Group was HK\$39 million, representing a decrease of 99.1%. Basic earnings per share were HK\$0.02. Return on average assets and return on average equity were 0.01% and 0.12%, respectively.

### Final Dividend and Bonus Issue of Shares

At the forthcoming Annual General Meeting, to be held on Thursday, 16th April, 2009, the Directors will propose a final dividend of HK\$0.02 per share, which, together with the interim dividend of HK\$0.23 per share that was paid in September 2008, will constitute a total dividend of HK\$0.25 per share for the full year (2007: HK\$1.66 per share).

In celebration of the Bank's 90th Anniversary, the Directors will also propose a bonus issue of shares to the shareholders of the Bank, on the basis of one new ordinary share of HK\$2.50 each for every ten ordinary shares held.

### Financial Position

Total consolidated assets of the BEA Group were HK\$415,254 million at the end of 2008, an increase of 5.4% from HK\$393,979 million at the end of 2007. Advances to customers increased to HK\$230,339 million, a rise of 5.6%. Total equity increased to HK\$32,485 million, a rise of 6.7%.

Demand deposits and current accounts increased by a combined HK\$6,342 million to HK\$36,332 million. The amount in savings accounts decreased to HK\$45,781 million, a drop of HK\$3,435 million. The value of time deposits at year-end 2008 stood at HK\$241,689 million, an increase of HK\$36,709 million, when compared with the balance at the end of 2007. Customer deposits rose

# 執行董事報告書

## 財務回顧

### 財務表現

環球金融市場於2008年第4季經歷前所未有的震盪，令全球商業信心受損。本集團以果斷行動面對挑戰，全數出售所持有的債務抵押證券或將其價值撇銷至零，令本集團在堅穩的財務狀況下邁進2009年，而無需再承擔債務抵押證券市場進一步下跌的風險。

經計入債務抵押證券的港幣35億元一次性撇銷後，本集團在截至2008年12月31日止年度的除稅後溢利為港幣1億400萬元。

雖然市道欠佳，本集團於2008年仍能保持核心業務的增長。本集團錄得淨利息收入增長港幣8億1,600萬元，或13.7%，至港幣67億9,300萬元，主要是內地銀行業務的優秀表現所致。然而，本集團非利息收入減少港幣31億7,300萬元，或111.9%，主要因為債務抵押證券投資虧損和交易溢利淨額減少。因此，經營收入總額下跌26.7%，至港幣64億5,700萬元。

由於本集團業務不斷擴張，經營支出相比2007年上升23.2%，至港幣57億7,900萬元。未扣除減值損失之經營溢利為港幣6億7,800萬元，較2007年減少港幣34億4,500萬元，或83.6%。

鑒於環球信貸市場風險增加，本集團已採取適當措施控制貸款減值損失。比對上年度，減值損失增加港幣3億4,200萬元，或157.8%。結構性投資工具及其他可供出

售金融資產的減值損失合計為港幣3億9,600萬元，故此減值損失總額增加港幣5億5,300萬元，或140.2%。

出售可供出售金融資產之淨溢利下降至港幣1億9,700萬元。於2007年，本集團出售一間全資附屬公司的49%股權，獲得溢利港幣4億600萬元的特殊收益，致令出售附屬公司或聯營公司之淨溢利同樣下跌。

受金融危機影響，本集團於2008年錄得重估投資物業虧損港幣1億6,800萬元，而於2007年則有重估溢利港幣2億9,300萬元。2008年，本集團從出售固定資產錄得淨溢利港幣1億7,800萬元，主要為出售一座位於新加坡的舊分行大廈。

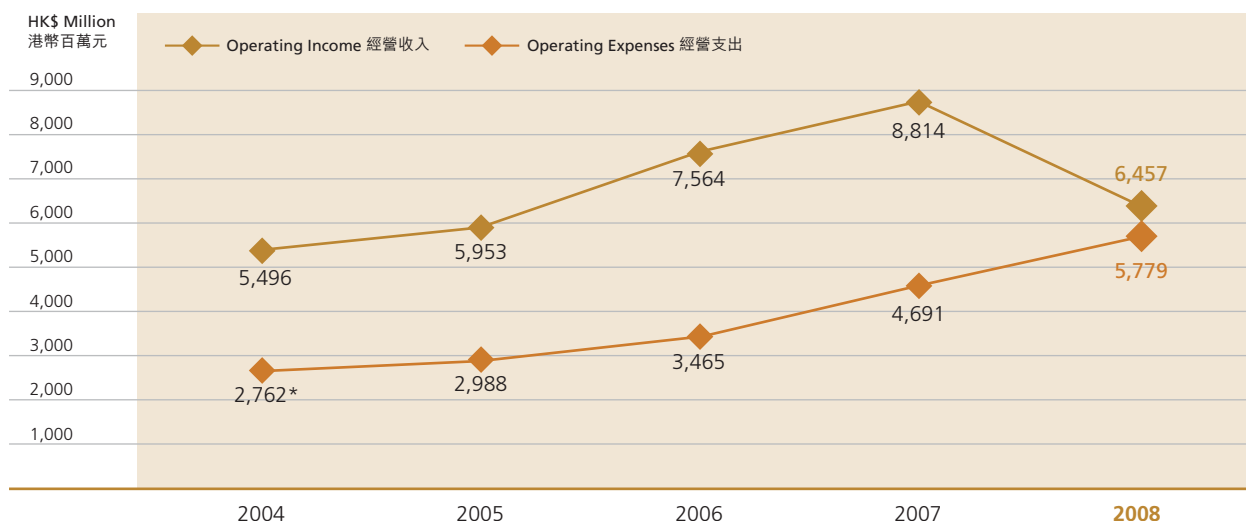
經計及稅項支出後，除稅後溢利為港幣1億400萬元，相比上年度港幣42億2,100萬元，下跌97.5%。可歸屬於集團股東溢利港幣3,900萬元，下降99.1%。每股基本盈利港幣0.02元。平均資產回報率為0.01%，而平均股本回報率為0.12%。

### 末期股息及派送紅股

董事會將於2009年4月16日星期四舉行的股東周年常會，建議派發末期股息每股港幣0.02元。連同2008年9月派發的中期股息每股港幣0.23元，全年合共派發股息每股0.25元（2007年：每股港幣1.66元）。

為慶祝東亞銀行成立90周年，董事會亦建議派送紅股，按每10股普通股股份可獲派送一股面值港幣2.50元的新普通股股份。

## OPERATING INCOME VS OPERATING EXPENSES 經營收入及經營支出



\* Restated due to changes in accounting policies

\* 因會計政策變更而重報

## Executive Directors' Report (continued)

by 13.9% to HK\$323,802 million, while total deposits increased by 11.1% to HK\$329,293 million. Certificates of deposit and subordinated debt issued stood at HK\$16,527 million.

During 2008, BEA issued HKD fixed rate certificates of deposit with a face value of HK\$1,450 million, HKD floating rate certificates of deposit with a face value of HK\$450 million, USD fixed rate certificates of deposit with a face value of US\$65 million and USD floating rate certificates of deposit with a face value of US\$115 million. The Bank redeemed a quantity of certificates of

deposit amounting to HK\$9,954 million equivalent upon maturity, and repurchased its own certificates of deposit amounting to HK\$6 million equivalent. The Bank also issued and redeemed a number of short term TWD fixed rate certificates of deposit.

After taking into account all debt instruments issued, the loan-to-deposit ratio was 69.9% at the end of 2008, 3.7% lower than the 73.6% reported at the end of 2007.

At the end of December 2008, the face value of the outstanding debt portfolio was HK\$5,699 million, with the carrying amount equal to HK\$5,491 million.

### Maturity Profile of Debts Issued

As at 31st December, 2008

(All expressed in millions of dollars)

	Currency	Total Face Value	Year of Maturity					
			2009	2010	2011	2013	2014	2015
<b>Floating Rate Certificates of Deposit</b>								
Issued in 2006	HKD	500	500					
Issued in 2008	HKD	450	350	100				
Issued in 2008	USD	80	50		30			
<b>Fixed Rate Certificates of Deposit</b>								
Issued in 2006	HKD	500	500					
Issued in 2008	HKD	1,150	650	500				
Issued in 2008	USD	65		50	15			
Issued in 2008	TWD	1,800	1,800					
<b>Zero Coupon Certificates of Deposit</b>								
Issued in 2006	USD	50			50			
Issued in 2007	USD	150				50	50	50
<b>Total Debts issued in HKD equivalent</b>		<b>5,699</b>	<b>2,812</b>	<b>987</b>	<b>736</b>	<b>388</b>	<b>388</b>	<b>388</b>

### Maturity Profile of Loan Capital

As at 31st December, 2008

(All expressed in millions of dollars)

	Currency	Total Face Value	Year of Maturity		
			2015	2017	Perpetual
Issued in 2005	Note 1	USD	550	550	
Issued in 2007	Note 2	USD		600	
Issued in 2007	Note 3	GBP	300		300
<b>Total Loan Capital issued in HKD equivalent</b>		<b>12,277</b>	<b>4,263</b>	<b>4,650</b>	<b>3,364</b>

Notes

1. Callable on 14th December, 2010

2. Callable on 22nd June, 2012

3. Callable on 21st March, 2012 and on each interest payment date thereafter

## 執行董事報告書 (續)

### 財務狀況

於2008年底，本集團的綜合資產總額為港幣4,152億5,400萬元，相較2007年同日總額港幣3,939億7,900萬元，上升5.4%。客戶貸款增加5.6%，達港幣2,303億3,900萬元。股東權益總額上升6.7%，至港幣324億8,500萬元。

活期存款和往來存款合計港幣363億3,200萬元，增加港幣63億4,200萬元。儲蓄存款為港幣457億8,100萬元，減少港幣34億3,500萬元。於2008年底的定期存款為港幣2,416億8,900萬元，對比2007年底結餘增加港幣367億900萬元。客戶存款上升13.9%，至港幣3,238億200萬元，

而存款總額為港幣3,292億9,300萬元，升幅11.1%。存款證和後償票據總額為港幣165億2,700萬元。

本行於2008年發行面值港幣14億5,000萬元的港元定息存款證、4億5,000萬元的港元浮息存款證、6,500萬美元的美元定息存款證及1億1,500萬美元的美元浮息存款證，並於到期時贖回等值港幣99億5,400萬元的各類存款證，和購回等值港幣600萬元的存款證。本行亦發行若干短期的台幣定息存款證，及於到期時將存款證贖回。

經計及所有已發行債務證券後，本行於2008年底的貸款對存款比率為69.9%，較2007年底的73.6%下跌3.7%。

2008年12月底，本集團的債務組合總面值為港幣56億9,900萬元，賬面值為港幣54億9,100萬元。

### 已發行債務證券的年期

2008年12月31日

(以百萬元位列示)

	貨幣	總面值	到期年份						
			2009	2010	2011	2013	2014	2015	
<b>浮息存款證</b>									
2006年發行	港幣	500	500						
2008年發行	港幣	450	350	100					
2008年發行	美元	80	50		30				
<b>定息存款證</b>									
2006年發行	港幣	500	500						
2008年發行	港幣	1,150	650	500					
2008年發行	美元	65		50	15				
2008年發行	台幣	1,800	1,800						
<b>零息存款證</b>									
2006年發行	美元	50			50				
2007年發行	美元	150				50	50	50	
<b>所有已發行債務證券 (相等於港幣)</b>			5,699	2,812	987	736	388	388	388

### 借貸資本的年期

2008年12月31日

(以百萬元位列示)

	貨幣	總面值	到期年份			
			2015	2017	無到期日	
2005年發行	美元	550	550			
2007年發行	美元	600		600		
2007年發行	英鎊	300			300	
<b>所有已發行借貸資本 (相等於港幣)</b>			12,277	4,263	4,650	3,364

附註

1. 於2010年12月14日可贖回
2. 於2012年6月22日可贖回
3. 於2012年3月21日和其後各利息支付日期可贖回

## Risk Management

The Bank has established comprehensive risk management procedures in line with the requirements set out by the Hong Kong Monetary Authority to identify, measure, monitor and control the various types of risk the Bank faces, including credit risk, market risk, liquidity risk and operational risk, and where appropriate, to allocate capital against those risks. All risk management policies have been approved by the Board of Directors, and risk management mechanisms have been established at different levels throughout the Group. This is supplemented by active management involvement, effective internal controls and comprehensive audits in the best interest of the Group.

The risk management mechanisms are built around a centralised framework and incorporate specialised risk management committees, namely: Credit Committee; Asset & Liability Management Committee; and Operational Risk Management Committee. These mechanisms capture the different risk-related management activities on a Group basis, including formulation of policies, setting up of procedures and control limits, on-going monitoring for observance, etc., before the same are reported via the Risk Management Committee to the Board of Directors so as to ensure compliance with the various bank policies, and legal and regulatory requirements in Hong Kong, the Mainland of China and overseas. The Chief Risk Officer ensures that appropriate measures are in place to enhance the overall risk management capability of the Bank Group.

## OPERATIONS REVIEW

### Bank Run Incident

The Bank responded quickly and forcefully to the bank run incident in September, successfully restoring confidence within 36 hours of the start of the run. The Bank Management first became aware of the spread of malicious and unfounded rumours questioning the

stability of the Bank in the afternoon of 23rd September, 2008. In the first incident of its kind in Hong Kong, the rumours were initially spread via electronic text messaging and were widely disseminated in a short period of time.

The Bank immediately reported the matter to the Hong Kong Monetary Authority ("HKMA") and the police. With the full support of the Hong Kong Special Administrative Region Government, the HKMA, various authorities, loyal customers, the media and shareholders, and the exceptional effort of the Bank's dedicated employees, the run was very quickly contained.

Confidence was speedily restored, and any impact on the Bank's deposit base was short-lived. At the end of 2008, deposits held by the Bank exceeded the total immediately prior to the bank run incident.

The Bank published announcements to thank all parties for their support. In addition, the Management paid courtesy calls to clients and to the branches to extend the Bank's gratitude to loyal customers and dedicated staff.

Management has reviewed the incident to draw lessons that will further refine and strengthen the Bank's emergency response planning regime.

### Recognition

During the past year, the Bank once again received numerous awards from its partners and independent organisations for its achievements, including:

- "2008 SME's Best Partner" by The Hong Kong Chamber of Small and Medium Business Limited;
- the award for "2007 Highest Growth Rate in Commercial Products Cardholder Spending in Hong Kong – MasterCard";
- second runner-up for "2007 Highest Growth Rate in Number of Open Cards in Hong Kong – MasterCard" from MasterCard Worldwide;

### 風險管理

本行已建立一套符合香港金融管理局規定的完善風險管理程序，以識別、衡量、監察和控制本行所承受各類風險，包括信貸風險、市場風險、流動資金風險和營運風險，並在適當情況下分配資金以抵禦該等風險。所有風險管理政策均經由董事會批准。本集團已在各業務層面建立風險管理機制，並結合管理層的積極參與、有效的內部監控和完善的稽核程序，藉以確保本集團最大的利益。

風險管理機制以中央架構為中心構建，設置專門的風險管理委員會——信貸委員會、資產負債管理委員會和營運風險管理委員會。風險管理委員會掌握整個集團內不同的風險相關管理工作，包括制訂政策、訂立程序及控制限度、持續監控遵規等工作，其後方經由風險管理委員會向董事會匯報，確保已遵守香港、中國內地和海外的各銀行政策、法例及監管規定。風險總監負責確保集團已設有適當的措施，以提升本集團的整體風險管理水平。

### 業務回顧

#### 銀行擠提事件

本行以迅速、果斷的行動，平息了9月發生的擠提事件，於事發後36小時內成功回復客戶和社會各界對本行的信心。管理層於2008年9月23日下午開始留意到市場上流傳若干關於本行財政不穩的惡意謠言，這些謠言並無根據，而且最先經由電子短訊方式於短時間內迅速散播，為香港所首見。



BEA won the "2008 SME's Best Partner" Award organised by The Hong Kong Chamber of Small and Medium Business Limited.

本行榮獲香港中小企業商會頒發「2008中小企業最佳拍檔獎」。

本行立即知會香港金融管理局（「金管局」）和警方，並且得到香港特別行政區政府、金管局及有關機構、忠實客戶、傳媒和股東的全力協助，加上本行同事上下同心，令事件得以迅速解決。

由於本行迅速恢復各界的信心，故此事件對本行存款基礎的影響僅屬短暫，於2008年底，存款總額已較事件發生前為高。

本行發佈特別通告鳴謝各界人士的支持。管理層除親自聯絡客戶表達謝意外，亦親往分行感謝忠實的客戶和盡心盡力的同事。

管理層已就事件作出檢討和從中汲取經驗，藉以進一步改善和加強本行的緊急應變策劃機制。

#### 屢獲殊榮

本行延續過往佳績，於年內榮獲多個業務夥伴和獨立機構頒贈獎項，表揚成就，其中包括：

- 香港中小企業商會「2008中小企業最佳拍檔獎」；
- 萬事達國際組織「2007香港區最高商務卡消費大獎」；
- 萬事達國際組織「2007香港區最高發卡量升幅獎銅獎」；

BEA's credit card business was recognised for its achievements by MasterCard Worldwide in 2008.

信用卡業務成就卓越，於2008年獲得萬事達國際組織頒贈獎項以作表揚。





## Executive Directors' Report (continued)

- second runner-up in the category "2007 Highest Number of Merchant Terminals – China Unionpay" by China Unionpay;
- Bronze Prize in the category "2007 Largest Merchant Sales Volume Growth – Visa" by VISA International; and
- Champion in the Top 3 HK Merchant Sales Volume Award and Top 3 HK Merchant Sales Volume Acquiring Bank Award in the "Visa Explorer Award Program".

BEA subsidiaries, including The Bank of East Asia (China) Limited ("BEA China"), were also recognised for their achievements. Details of such recognitions are set out in the respective sections below.

### Personal Banking

#### Branch Distribution

During 2008, Metro City Plaza Branch was expanded to provide a more spacious and pleasant environment to serve customers. Shamshuipo Branch and Castle Peak Road Branch were merged and relocated to a more prominent site, and a new SupremeGold Centre opened at the new branch location. In addition, SupremeGold centres were opened at Tai Wai Branch and Chuk Yuen Estate Branch, bringing the number of SupremeGold centres in Hong Kong to 48. At the end of January 2009, BEA also operated a total of 90 branches in Hong Kong.

### Cyberbanking

The Cyberbanking website was revamped in July 2008 to introduce a more intuitive and comprehensive user interface. As part of the Bank's commitment to service, the Cyberbanking website will be further enhanced as new services are offered.

The number of Cyberbanking customers continued to increase during the year. By the end of 2008, the Bank had more than 434,000 registered Cyberbanking users, representing a growth of 11% compared with the corresponding period last year. The average daily usage volume exceeded 278,000 transactions.

The Corporate Cyberbanking customer base also grew in 2008. By the end of 2008, over 21,600 corporate customers had registered with BEA's Corporate Cyberbanking, a year-on-year increase of 5%.

### Consumer Loans

#### Consumer Finance Department

The consumer loan segment was very active during 2008, and the Bank launched numerous marketing campaigns both on its own and in partnership with reputable corporations and professional firms. The Instalment Loan and Revolving Loan programme, incorporating a "Lucky Draw for Full Interest Rebate", was particularly well received.



Castle Peak Branch was relocated to a more prominent site while a new SupremeGold Centre was opened in Chuk Yuen Estate Branch in 2008. 青山道分行於2008年遷至所在地區的中心地段，而竹園邨分行增設了顯卓理財中心。



## 執行董事報告書（續）

- 中國銀聯「2007香港區商戶終端機數量銅獎」；
- VISA International「2007香港區最高商戶簽賬額增長大獎銅獎」；及
- 「Visa商戶大搜尋獎勵計劃」的「最高Visa商戶簽賬額營業員大獎」及「最高Visa商戶簽賬額發卡機構大獎」。

東亞銀行附屬公司包括東亞銀行（中國）有限公司（「東亞（中國）」），亦憑超卓表現獲取多項殊榮，詳情載於以下相關章節。

### 個人銀行業務

#### 分行業務

新都城中心分行於2008年擴建完成後環境更為舒適寬敞，讓客戶享用更佳服務。深水埗分行與青山道分行合併及遷至所在地區的中心地段，並增設顯卓理財中心。此外，大圍分行和竹園邨分行亦增設顯卓理財中心，使全港顯卓理財中心總數增至48間。至2009年1月底止，本行在香港共設有90間分行。

#### 電子網絡銀行服務

2008年7月，本行推出全新設計的電子網絡銀行服務網站，令服務更為全面易用。貫徹本行不斷完善服務的宗旨，本行會於該網站陸續推出新服務，精益求精。

年內，電子網絡銀行服務客戶人數持續增加。本行於2008年底有逾43萬4,000名電子網絡銀行服務登記客戶，相較去年同期增長11%，平均每日交易量超過27萬8,000宗。

企業電子網絡銀行服務客戶基礎亦見壯大，截至2008年底，登記使用該服務的企業客戶逾21,600名，按年增長5%。

#### 私人貸款

##### 私人財務部

2008年內，私人貸款市場蓬勃，本行除自行推出多項推廣活動外，還與一些享負盛名的企業和專業服務公司合力推廣業務，其中包括「好合你」分期貸款/循環貸款計劃。該計劃附設「全期利息回贈大抽獎」，市場反應十分熱烈。



BEA introduced a revamped Cyberbanking website with a more intuitive and comprehensive user interface.

全新設計的電子網絡銀行服務網站於年內推出，令服務更為全面易用。

The Bank's Instalment Loan and Revolving Loan programme was well received.

「好合你」分期貸款/循環貸款計劃受到市場熱烈歡迎。





## Executive Directors' Report (continued)

### Credit Gain Finance

Credit Gain Finance ("CGF") registered substantial growth in both its loan portfolio and its customer base. A series of marketing and advertising campaigns was launched via multi-media channels to enhance consumer awareness of the CGF brand. In addition, CGF pioneered a new product initiative – Descending Interest Rate Programme – which drew an encouraging response from the market.

In view of the intense competition in the loan market, CGF will continue to focus on innovative products and marketing campaigns in order to expand its market share.

### Credit Cards

The past year saw strong growth in BEA's credit card business. Sales and receivables both rose, as the aggregate card base grew to more than 1.1 million by the end of 2008.

A new card design was launched in May to reinforce the vibrant and dynamic image of the BEA credit card, and promote pride in carrying and using the BEA card.

Promotional activities were carried out throughout the year, with a focus on dining and entertainment in order to build habitual card usage. BEA partnered with UA Cinema Circuit Ltd to bring the BEA brand name to the BEA IMAX Theatre, while the re-launch of the FLY & DINE CLUB for the Platinum card segment further enhanced the appeal of the Bank's premiere card for the high-end credit card market.

The Bank has had particular success in attracting a younger client base, in particular the university student

sector. These customers have the potential to become lifetime elite customers of the Bank.

In the year ahead, BEA will focus on increasing card usage and receivables based on the existing portfolio, enhancing customer service and the cardholder experience, and developing prudent risk management and expense control measures.

### Property Loans

Following the onset of the global financial tsunami, the number and value of property transactions plunged by over 20% in the last quarter of 2008. BEA continued to adopt an aggressive but prudent approach to acquire quality mortgage loan business.

Throughout the year, BEA collaborated with various property developers to provide end-user financing solutions to buyers of new flats.

### Corporate Banking

#### Corporate Lending

The local corporate loan market experienced a significant slowdown during 2008, particularly in the second half of the year. Liquidity tightened even as loan demand slackened due to growing caution by local property investors and developers, and curtailed demand by Mainland enterprises due to weakening domestic demand. Despite these adverse conditions, BEA recorded moderate growth in loan volume and an upward adjustment in overall pricing to reflect the increasing risk premium.

A new card design was launched to reinforce BEA Credit Card's vibrant and dynamic image.

東亞銀行信用卡推出全新卡面設計，締造出活力充沛、積極進取的形象。



## 執行董事報告書（續）

### 領達財務

領達財務於年內推行一系列市場推廣和宣傳計劃，運用多個媒體提升品牌的知名度，因此貸款組合和客戶基礎均有大幅增長。領達財務在市場首創的產品「遞減式利率計劃」，市場反應令人鼓舞。

貸款市場競爭激烈，領達財務會繼續專注於創新產品和加強推廣，提升市場份額。

### 信用卡業務

本行信用卡業務於年內的增長強勁。發卡量於2008年底超越110萬張，銷售和循環貸款應收賬項業務同告上升。

東亞銀行信用卡於5月起用全新卡面設計，締造出活力充沛、積極進取的形象，同時突顯持卡人的尊貴身份。

本行於年內不斷舉行推廣活動，著重以飲食和娛樂優惠培養客戶經常使用本行信用卡的習慣。本行亦與UA Cinema Circuit Ltd. 合作，以東亞銀行品牌冠名BEA IMAX影院。另外，本行重新推出東亞銀行白金卡FLY & DINE CLUB，旨在提升對高端信用卡市場的吸引力。

本行更成功開拓年輕消費者市場，青年人特別是大學生客戶日益增加，該類客戶具備潛力成為本行長期客戶。

於2009年，本行將致力提升信用卡的使用量和循環應收賬業務，進一步完善客戶服務和持卡人體驗，並且制定審慎的風險管理和支出控制措施。

### 樓宇貸款業務

由於環球金融海嘯，物業成交宗數和金額於2008年第4季大跌逾20%。本行維持積極而審慎的方針以取得優質按揭貸款業務。

本行於年內聯同多個物業發展商為新樓買家提供用家貸款方案。

### 企業銀行業務

#### 企業貸款

本地企業貸款市場於2008年尤其是下半年顯著放緩。本港房地產投資者和發展商愈趨審慎，加上內地企業面對內需減少，因而令貸款需求下降，但市場的流動資金情況仍較為緊絀。儘管市場環境欠佳，本行企業貸款業務依然錄得溫和的增長，而本行亦已因應風險溢價不斷上升，上調貸款的利率及其他收費。



BEA partnered with UA Cinema Circuit Ltd. to bring the BEA brand name to the BEA IMAX Theatre.

本行與UA Cinema Circuit Ltd. 合作以東亞銀行品牌冠名BEA IMAX影院。

The Bank successfully expanded its university student cardholder base in 2008.

信用卡業務於2008年成功開拓大學生客戶市場。



## Executive Directors' Report (continued)

BEA continued to maintain an active presence in the syndicated loan market in 2008, both as coordinating arranger and as a participant. Given the uncertain financial environment, BEA has focused on improving its yield return and expanding its client base in a prudent manner by focusing on high quality local and Mainland enterprises. The upcoming infrastructure projects sponsored by the Hong Kong Special Administrative Region and Central governments will generate new opportunities.

Commercial loan business recorded moderate growth despite a sudden downturn in the economy in the second half of the year, as local businesses suffered from reduced orders and lower cash flow amid the economic slowdown in the major export markets of North America and Europe.

BEA has long supported local small and medium sized enterprises ("SME") and is an active participant in government loan guarantee schemes. BEA was among the first banks to join the enhanced SME Loan Guarantee Scheme in November 2008, and the Special Loan Guarantee Scheme in December 2008.

BEA recorded double digit-growth in its equipment loan portfolio during 2008, due to increased marketing efforts and the acquisition of a loan portfolio from the market. However, from the latter part of 2008, manufacturers have become hesitant to expand their production capacity and have deferred expansion plans. Loan demand for machinery leasing therefore slowed toward the end of the year.

### Bank of East Asia (Trustees) Limited

#### *Mandatory Provident Fund*

In order to provide more flexibility to scheme members to manage their Mandatory Provident Fund (MPF) accounts effectively, BEA launched a new service, Cyberbanking (MPF), in February 2008. Cyberbanking (MPF) is a convenient and secure way for scheme members to access their BEA MPF accounts via the Internet. With this new service, scheme members may review their account balance, contribution and withdrawal history, current investments and obtain fund information.

In order to further strengthen the competitiveness of its MPF business in the marketplace, BEA reduced the fees associated with its Hong Kong Growth Fund under the Master Trust Scheme in June 2008.

#### *Trust Services*

In addition to the provision of MPF services, Bank of East Asia (Trustees) Limited also offers a wide range of professional trustee services to personal and institutional customers, covering wills, family trusts, investment funds, unit trusts, charities and public funds. In 2008, Hamon Ireland Limited appointed the company as the Hong Kong Representative for the Hamon Asian Funds. During the year, the company recorded a 15% rise in revenue from the private trust business.



BEA participated in the World SME Expo 2008 organised by the Hong Kong Trade & Development Council.

本行積極參與香港貿易發展局舉辦的中小企業國際推廣博覽2008。

## 執行董事報告書（續）

2008年，本行在銀團貸款市場保持活躍，擔當協調安排行和參與行的角色。在不明朗的金融環境下，本行著眼於優質的本地和內地企業，致力改善收益回報和審慎地擴展客戶基礎。香港特別行政區政府和中央政府斥資的多個基建項目快將動工，預料會帶來新的商機。

北美、歐洲等主要出口市場經濟放緩，令本地企業面對訂單和流動資金減少，本港經濟於下半年急速下滑，然而本行的商業貸款業務仍然錄得溫和的增長。

本行一直支持本地中小型企業，積極參與政府的信貸保證計劃。港府於2008年11月推出中小企業信貸保證計劃的加強措施，及於12月推出特別信貸保證計劃，本行為率先參與兩個計劃的銀行之一。

2008年的設備貸款業務錄得雙位數字增長，原因是本行加強推廣及在市場收購一項貸款業務。其後製造商在擴充生產設施上轉採觀望態度，亦暫延推行業務拓展計劃，致使年末機器融資需求減少。

To keep MPF customers well informed, BEA began issuing the BEA MPF newsletter.

強積金業務於去年開始刊發通訊，為客戶提供最新強積金資訊。



### 東亞銀行（信託）有限公司

#### 強制性公積金

本行於2008年2月推出全新服務——電子網絡銀行服務（強積金），讓計劃成員更方便地有效管理其強積金賬戶。成員可以利用互聯網進入強積金賬戶，查閱賬戶結餘、供款及提取記錄、現有投資和獲取基金資料，安全方便。

為進一步提升本行強積金業務的競爭力，本行於2008年6月下調集成信託計劃下「香港增長基金」的收費。

#### 信託服務

東亞銀行（信託）有限公司除提供強積金服務外，亦為個人和機構客戶提供各種專業信託服務，包括遺囑、家庭信託、投資基金、單位信託基金、慈善和公眾基金。2008年，該公司獲Hamon Ireland Limited委任為Hamon Asian Funds的香港代表，並在私人信託業務錄得15%的收入增長。



The Bank continued to enhance the market competitiveness of its MPF services by launching Cyberbanking (MPF) service and reducing fees.

本行持續提升強積金服務的市場競爭力，包括推出電子網絡銀行服務（強積金）及下調收費。



## Wealth Management

### Structured Products

Structured product demand and sales remained reasonably strong in the first few months of 2008, and the Bank offered a wide range of products linked to equities, currencies and commodities. However, as global markets declined and volatilities rose, investors turned cautious and significantly reduced their risk appetite. Responding to the market environment, the Bank adjusted its strategy to limit the distribution of third party retail products and to focus on more conservative and simple product offerings.

The default of Lehman Brothers' "Minibonds" series, resulting from the collapse of Lehman Brothers in September, was a major blow to investors' confidence and has resulted in a significant fall in demand for retail investment products in Hong Kong. While the Bank was not a major distributor of "Minibonds", the Bank responded proactively in order to assist affected investors.

In September 2008, the Bank reported the discovery of unauthorised manipulation of the equity derivatives trading system by a trader. The Bank considered that this was an isolated incident. The incident was immediately reported to the relevant authorities and the Bank engaged KPMG to conduct a thorough review of internal control procedures. Following receipt of the final report, the Bank formed a working group to review KPMG's findings and take any necessary follow-up action, and restructured the trading operation to further strengthen controls. Going forward, the Bank will continue to develop and offer structured products to customers, geared to market demand.

### Investment Fund Services

Addressing the need for greater asset diversification, BEA launched three self-branded mutual funds in 2008, namely BEA Global Resources Fund, BEA Hong Kong Dollar Bond Fund and BEA Asian Bond and Currency Fund. The first is equities-based, and is targeted at more adventurous investors. The latter two funds are fixed-income products that cater for conservative investors looking for capital preservation. All three funds were well received by clients.

The Bank introduced an upgraded retail financial planning system during the year, providing clients with a wide range of useful information on their investments. BEA customers are now able to track the returns of their individual investments without the need to keep track each transaction detail. In addition, the Bank ran promotional campaigns throughout the year to encourage diversification and promote prudent investment habits.

### BEA Union Investment Management Limited ("BEA Union Investment")

BEA Union Investment continued to expand its business by developing new mutual funds and investment solutions for retail and Mandatory Provident Fund (MPF) investors. It also focused on acquiring new mandates from top tier Asian institutional investors and business partners. Despite the challenging environment, a positive aggregated net fund inflow was recorded during the year.

Three BEA-branded mutual funds were launched, the BEA Global Resources Fund, BEA Asian Bond and Currency Fund, and BEA Hong Kong Dollar (HK\$) Bond Fund. 年內推出3隻東亞銀行品牌的互惠基金，包括「東亞環宇資源基金」、「東亞亞洲債券及貨幣基金」和「東亞港元債券基金」。





### 財富管理

#### 結構投資產品

於2008年初數月，結構投資產品的需求和銷售保持強勁，本行乘時推出多項股票、貨幣和商品掛鈎產品。不過，隨著環球市場萎縮及持續波動，投資者變得謹慎，風險承受能力大大降低。本行因應市場環境調整策略，減少銷售第三方零售產品，轉為銷售較保守及簡單的投資產品。

雷曼兄弟於9月倒閉，雷曼兄弟迷你債券事件嚴重地打擊投資者信心，導致本港零售投資產品的需求大減。本行雖非迷你債券的主要分銷商，但已積極主動協助受影響的投資者。

2008年9月，本行公佈一名交易員違規操控股票衍生交易系統。本行認為本事件屬個別事件。事件揭發後，本行已即時向有關規管機構報告，並已委聘畢馬威會計師事務所進行詳盡的內部監管程序檢討。本行其後除成立工作小組審閱畢馬威的檢討報告外，亦已採取必需的跟進行動和修訂交易程序以加強監管。本行於來年將會繼續配合市場需求，為客戶開發及提供結構投資產品。

#### 投資基金服務

應市場對多元化分散投資的需求增加，本行於2008年推出3隻東亞銀行品牌的互惠基金，分別為「東亞環宇資源基金」、「東亞港元債券基金」和「東亞亞洲債券及貨幣基金」。「東亞環宇資源基金」主要投資股票，以進取的投資者為對象。另外兩隻基金為定息產品，適合追求保本的保守投資者。3隻基金均受市場歡迎。

本行於年內推出升級的零售財務策劃系統，讓客戶緊貼其投資相關的有用資訊，藉系統緊貼其投資回報而無需為交易細節而操心。另外，本行亦於年內進行市場推廣，鼓勵投資者分散投資及培養審慎的投資習慣。

#### 東亞聯豐投資管理有限公司（「東亞聯豐」）

東亞聯豐持續擴展業務，為零售投資者和強積金投資者制訂新的互惠基金和投資方案，同時亦致力向高端的亞洲機構投資者及業務夥伴提供投資服務。縱使經營環境充滿挑戰，東亞聯豐的整體業務仍錄得淨資金流入。



BEA Union Investment expanded its business by developing new mutual funds and investment solutions for retail and MPF investors.

東亞聯豐持續拓展業務，為零售投資者和強積金投資者開發互惠基金產品和投資方案。

## Executive Directors' Report (continued)

Since the formation of the joint venture last year, BEA Union Investment has succeeded in integrating the complementary strengths of BEA and Union Asset Management Holding AG. The “best of breeds” investment teams located in Hong Kong and Frankfurt enhanced the performance of BEA mutual funds and MPF products, as well as the investment portfolios of institutional clients.

Despite its short history, BEA Union Investment has quickly been recognised as a market leader, and received a total of four industry awards in 2008:

- “Best of the Best Performance Award in ASEAN Region (3 years)” and the “Best MPF Manager (5 years) – Merit Award” by Asia Asset Management;
- “Best QDII Wealth Management Product” and “Best Foreign Currency Wealth Management Product” for BEA’s Jijinbao Series – BEA Hong Kong Growth Fund by China’s 21st Century Business Herald.

### Insurance Business

BEA Life Limited (“BEA Life”), a wholly owned subsidiary of the Bank, commenced business in January 2008. It focuses on life insurance business and uses the Bank as its main distribution platform. It features an extensive range of life insurance products and services, including whole life, endowment, annuity, retirement and term plans. Underwritten by BEA Life, the Bank launched its first

self-branded investment-linked insurance plan, “Capital Link Insurance”, in February. Life insurance sales were satisfactory in 2008, recording significant growth in terms of the New Business Index.

Blue Cross, the Bank’s general insurance arm, also registered healthy growth in premium income. In addition, it has successfully launched new channels for many of its products, including the internet and telemarketing.

In recognition of its service excellence, Blue Cross received the following awards in 2008:

- “Capital Weekly Service Award 2008 – Medical Insurance” and the “Quality Life Award 2008 – Quality Insurance Service”;
- “The Most Popular Travel Insurance Company” (for the 4th consecutive year), from Weekend Weekly Magazine; and
- “Caring Company 2008/09”, from the Hong Kong Council of Social Service.

As part of its on-going effort to promote the well-being of the less fortunate within the community, Blue Cross also supported a series of charitable activities in conjunction with the Hong Kong Physically Handicapped and Able-Bodied Association.



Despite its short history, BEA Union Investment has already won four industry awards.  
東亞聯豐雖然成立不久，但已獲得4個業界獎項。



Underwritten by BEA Life, the Bank launched the first BEA-branded investment-linked insurance plan.  
本行推出東亞人壽承保的首個東亞銀行品牌投資相連保險計劃。



## 執行董事報告書（續）

東亞聯豐於去年成立以來，已成功整合本行與德聯豐的互補優勢，位於香港和法蘭克福的優秀投資團隊提升了互惠基金、強積金產品及機構客戶所持投資組合的表現。

東亞聯豐雖然成立不久，但已迅速獲得市場的認同，並於2008年獲得4個業界獎項：

- Asia Asset Management 雜誌的「東協國家地區最佳投資表現獎（3年）」和「最佳強積金投資經理優異獎（5年）」；及
- 東亞銀行基金寶系列 — 「東亞香港增長基金」獲中國《21世紀經濟導報》評選為「最佳QDII財富管理產品」和「最佳外幣財富管理產品」。

### 保險業務

本行全資附屬公司 — 東亞人壽保險有限公司（「東亞人壽」）於2008年1月開業，專注拓展人壽保險業務及以本行為主要分銷平台。東亞人壽提供一應俱全的人壽保險產品和服務，包括終身壽險、儲蓄壽險、年金計劃、退休保障和定

期保險計劃。本行於2008年2月推出東亞人壽承保的首個東亞銀行品牌投資相連保險計劃「富資寶」。以新造業務指數計算，2008年的人壽保險銷售成績理想。

藍十字專責銷售本行一般保險，除在保費方面錄得健康增長外，亦於年內成功推出互聯網、電話行銷等多個新銷售渠道。

藍十字憑超卓的服務表現，於2008年獲得下列榮譽：

- 「資本壹週服務大獎2008 — 醫療保險」及「優質生活大獎2008 — 優質保險服務」；
- 《新假期》雜誌「最受歡迎旅遊保險公司（連續4年獲獎）」；及
- 香港社會服務聯會「商界展關懷2008/09」。

藍十字致力幫助社會上有需要人士，於年內贊助了香港傷健協會舉辦的多項慈善活動。



Blue Cross won the “Capital Weekly Service Award 2008 – Medical Insurance” and the “Quality Life Award 2008 – Quality Insurance Service”.

藍十字榮獲「資本壹週服務大獎2008 — 醫療保險」及「優質生活大獎2008 — 優質保險服務」。

Blue Cross received “The Most Popular Travel Insurance Company” Award for the fourth consecutive year from Weekend Weekly Magazine.

藍十字連續4年獲得《新假期》雜誌頒贈「最受歡迎旅遊保險公司」獎項。



## Executive Directors' Report (continued)

### Private Banking

The past year has seen an unprecedented level of global deleveraging, causing losses in nearly every asset class. The Bank's Private Banking business slowed in the second half of the year, as both experienced and novice investors retreated, fearing the worst is yet to come.

Despite the sluggish environment, BEA Private Banking expanded its client base by over 30% during the past year. With enhanced capabilities, the Bank will continue to innovate and expand its services to high-net-worth customers.

### Investment Banking and Services

#### East Asia Securities Company Limited – Securities Cybertrading

East Asia Securities is committed to using proven technology to improve and expand its brokerage service network. When compared with the corresponding period last year, the company registered a rise of 11% in the number of Cybertrading accounts. As of 31st December, 2008, more than 82% of the company's securities clients had subscribed to Cybertrading.

The volume of transactions executed via the Cybertrading platform, expressed as a percentage of total turnover, reached 63% of the number of trades and 20% of the gross transaction value during the period under review.

With the dramatic increase in the trading volume conducted through Cybertrading, East Asia Securities further upgraded its Automated Phone Service capacity in the second quarter of 2008.

#### East Asia Futures Limited – Futures Cybertrading

For the year 2008, despite the weak local market sentiment, East Asia Futures, the wholly-owned futures and option broking arm of the Bank, recorded a 10.6% rise in trading volume, as compared with the corresponding period last year. The volume of transactions executed via the Futures Cybertrading System, expressed as a percentage of total turnover, accounted for some 69% of the number of trades and 59% of the transaction value. As of 31st December, 2008, more than 73% of the company's clients had subscribed to the Futures Cybertrading Service.

East Asia Futures completed a software and hardware upgrade in the third and fourth quarters of 2008, respectively. Both the function and performance of the electronic trading system has been greatly enhanced.

With a view to enlarging its client base and boosting the usage of its electronic trading platform, East Asia Futures will launch various promotional campaigns in 2009.



East Asia Securities Limited registered an 11% increase in the number of Cybertrading accounts and upgraded its automated phone service.

東亞證券的電子網絡買賣服務賬戶錄得 11% 增長，自動電話交易服務亦已提升。



## 執行董事報告書（續）

### 私人銀行

年內的全球性去槓桿化達到前所未有的程度，令近乎所有資產級別出現虧損。本行私人銀行業務於下半年開始放緩，富經驗的投資者和新進的投資者皆擔心環境持續惡化，故退出市場。

儘管市況欠佳，本行私人銀行的客戶基礎於年內擴大了逾30%。本行藉強大業務基礎，將會不斷為高資產值客戶創新和擴展服務。

### 投資銀行服務

#### 東亞證券有限公司 — 電子網絡證券買賣服務

東亞證券使用先進科技，致力完善和擴充代理服務網絡。與去年同期比較，東亞證券於年內的電子網絡買賣服務賬戶增加11%。至2008年12月31日止，東亞證券逾82%客戶已登記使用該服務。

經由電子網絡股票買賣系統完成的交易（以營業總額的百分比計算），佔總成交宗數的63%和總成交金額的20%。

經由電子網絡股票買賣系統進行的交易大增，東亞證券於2008年第2季進一步提升自動電話交易服務。

#### 東亞期貨有限公司 — 電子網絡期貨買賣服務

雖然2008年本地市場情緒低落，本行全資附屬期貨和期權買賣服務公司 — 東亞期貨於年內的成交宗數上升10.6%。經由電子網絡期貨買賣系統完成的交易（以營業額的百分比計算），分別佔總成交宗數和總成交金額的69%和59%。於2008年12月31日，東亞期貨逾73%客戶已登記使用該服務。

東亞期貨於2008年第3季完成提升軟件後，再於第4季完成提升硬件工程，大大提高了電子交易系統的性能和表現。

為擴大客戶基礎和鼓勵客戶使用電子交易平台，東亞期貨將於2009年推出多項宣傳計劃。

More than 73% of East Asia Futures Limited's clients subscribed to Futures Cybertrading.

東亞期貨逾73%客戶已登記使用電子網絡期貨買賣服務。





## China Operations

BEA's locally incorporated subsidiary bank on the Mainland, BEA China, celebrated its first full year of operations in 2008. It continues to maintain a leading position as one of the largest locally incorporated foreign banks on the Mainland.

With 69 outlets, BEA and BEA China currently operate one of the most extensive networks of any foreign bank on the Mainland. BEA China added a total of 19 new outlets in 2008, including the conversion of BEA Tianjin Representative Office to a full branch, the establishment of 2 new branches in Urumqi and Hefei, as well as the opening of 16 new sub-branches. BEA China is the first locally incorporated foreign bank to set up branches in Urumqi and Hefei.

In order to provide added convenience for customers, BEA China introduced a new banking concept – 24-hour self-service banking centres – during 2008. The first two centres were opened in Shanghai, enabling BEA China customers to carry out a wide range of banking transactions at any time.

The expansion of BEA China's service coverage was also greatly aided with the addition of 155 new Automatic Teller Machines (ATMs), bringing the total from 95 at the end of 2007 to 250 at the end of 2008.

In May 2008, BEA China became the first foreign bank to launch Renminbi debit cards on the Mainland and, in December 2008, partnered with Nanjing Hong Kong and China Gas Company Limited to launch BEA China's first

co-branded debit card. BEA China's pioneering position was further affirmed in December 2008 with the launch of the first Renminbi credit card by a locally incorporated foreign bank. BEA China customers can use their debit and credit cards at China UnionPay-affiliated outlets to settle transactions, as well as at all China UnionPay-affiliated ATMs to withdraw cash, both in China and overseas.

BEA China's Personal Cyberbanking Service was upgraded in October 2008 to provide customers with a higher level of security, enhanced functions and greater convenience.

In addition, BEA China launched a private banking service in April 2008, with the opening of private banking centres in Beijing, Shanghai, Guangzhou and Shenzhen.

The pioneering spirit and achievements of BEA China in 2008 have been recognised through a number of awards, including:

- "Retail Financial Service Brand", in the 2008 China Business News Financial Brand Ranking;
- "Best Foreign Retail Bank", in the 2008 Asian Banks Competitive Rankings held during the 21st Century Annual Finance Summit of Asia; and
- "2008 Best Internet Banking among Foreign Banks in China", awarded by China Internet Weekly.

Despite the impact of the financial crisis on the global economy, BEA China has maintained its steady growth in 2008. BEA China will continue to leverage BEA's banking expertise to maintain its leading position on the Mainland.



BEA China opened branches in Urumqi, Xinjiang (left) and Hefei, Anhui (right).  
東亞(中國)在新疆烏魯木齊市(左)和安徽合肥市(右)設立分行。

## 執行董事報告書（續）

### 中國業務

本行在內地註冊成立的附屬銀行 — 東亞（中國），於2008年慶祝成立一周年。東亞（中國）一直保持其領導地位，為最大的內地註冊外資銀行之一。

本行與東亞（中國）在內地共設有69個網點，為內地網絡最廣泛的外資銀行之一。2008年，東亞（中國）於內地新增設19個網點，包括由東亞銀行天津代表處升格的分行，新成立的烏魯木齊分行、合肥分行及16間支行。東亞（中國）為首間外資法人銀行於烏魯木齊市和合肥市開設分行。

為向客戶提供更便捷的理財服務，東亞（中國）於2008年內引入新理財概念 — 24小時自助銀行中心。首兩間自助銀行中心設於上海，讓客戶隨時隨地享用多項的銀行服務。

東亞（中國）於年內增設155部自動櫃員機，由2007年底的95部增至2008年底的250部，不斷擴大其服務範圍。

2008年5月，東亞（中國）成為首間外資銀行於內地推出人民幣借記卡；又於同年12月，與南京港華燃氣有限公司攜手推出東亞（中國）首張聯營借記卡，以及成為首家推出人民幣信用卡的外資法人銀行，再次彰顯其領導地位。東亞（中國）客戶可憑借記卡和信用卡，在中國和海外的銀聯聯營網點結算交易及於銀聯聯營自動櫃員機提取現金。

東亞（中國）於2008年10月提升個人網上銀行服務，為客戶提供更安全的保障、更完善的功能和更便捷的服務。

此外，東亞（中國）於2008年4月推出私人銀行服務，在北京、上海、廣州和深圳開設私人銀行部。

東亞（中國）憑創新精神及輝煌成就，於2008年內獲頒發下列獎項：

- 「2008年第一財經金融價值榜」之「年度零售金融服務品牌」；
- 21世紀亞洲金融年會暨「2008亞洲銀行競爭力排名」中「最佳外資零售銀行獎」；及
- 《互聯網週刊》之「2008年度最佳外資網上銀行」獎項。

儘管全球經濟備受金融危機影響，東亞（中國）於年內保持穩定增長，並將秉承東亞銀行的專業精神，保持在內地的領導地位。



BEA China became the first foreign bank to launch Renminbi debit cards and credit cards on the mainland. 東亞（中國）為首間外資銀行於內地推出人民幣借記卡和信用卡。



BEA China won the "Retail Financial Service Brand" Award in the 2008 China Business News Financial Brand Ranking.

東亞（中國）獲頒發「2008年第一財經金融價值榜」之「年度零售金融服務品牌」。

BEA China received the "Best Foreign Retail Bank" Award in the 2008 Asian Banks Competitive Rankings and the "2008 Best Internet Banking among Foreign Banks in China" Award.

東亞（中國）獲贈「2008亞洲銀行競爭力排名」之「最佳外資零售銀行獎」及「2008年度最佳外資網上銀行」獎項。



## Executive Directors' Report (continued)

BEA expanded its presence in Macau by opening a sub-branch in Taipa in March 2008, and setting up four ATMs in the second half of 2008. At present, BEA has four outlets and 10 ATMs in Macau.

The Bank also maintains two branches in Taipei and Kaohsiung of Taiwan. With the support of our extensive branch network in Hong Kong, Macau and Mainland China, BEA's Taiwan branches are able to provide customers with a comprehensive range of banking services, in particular, cross-strait banking services to meet the growing banking needs arising from closer business ties between Taiwan and the Mainland.

### Overseas Operations

In 2008, The Bank of East Asia (U.S.A) N.A. ("BEA-USA") opened three new branches in California, in San Gabriel, Los Angeles County; South San Francisco; and San Francisco Chinatown. The branch in the City of Industry was relocated to Hacienda Heights in June 2008. All of the new branches are in premier locations, providing individuals and businesses alike with more convenient access to the Bank's full range of banking services.

As part of its strategic plan, BEA-USA will open a new branch in Oakland in the San Francisco Bay Area, and merge its branch in the San Francisco Financial District into the San Francisco Chinatown Branch in January 2009. By the end of the first quarter of 2009, BEA will have 16 offices in the United States, covering New York and California.

The Bank's subsidiary in Canada, The Bank of East Asia (Canada), achieved a 10% growth in loan assets during the year.

In the United Kingdom, the two branches in London and Birmingham continued to perform well. The Bank launched a new product – Mini Cash Saving Account – in March 2008. A new Debit Card service is expected to be launched in the second half of 2009. The Bank is also conducting a feasibility study on the launch of local Internet banking services.

BEA Singapore Branch completed the disposal of its building at 137 Market Street. Construction work for the new BEA Singapore Branch Building at 60 Robinson Road is on schedule. The new building is expected to be ready for occupancy by the third quarter of 2009.

BEA Labuan Branch operates in Malaysia under an offshore banking licence. The Branch focuses on wholesale banking. It achieved a 5% growth in loan assets during the year.

With the establishment of Tricor Malaysia in December 2008, BEA's Representative Office in Kuala Lumpur will take an active role in cross referrals of business between Tricor Malaysia and Affin Bank Berhad, the Bank's affiliate in which BEA has a 20.5% shareholding through an investment in Affin Holdings Berhad.

### Corporate Services

The BEA Group, through Group member Tricor Holdings Limited ("Tricor"), is a leading provider of business, corporate and investor services in the region. These services include accounting, company formation, corporate compliance and company secretarial, executive search and selection, initial public offerings ("IPO") and share registration, payroll outsourcing and fund and trust administration.



BEA-USA opened three new outlets including South San Francisco Branch (left) and Hacienda Heights Branch (right).

美國東亞銀行增設3間分行，包括南三藩市分行（左）和聖蓋博市分行（右）。

## 執行董事報告書（續）

東亞銀行拓展其澳門的營業網點，於2008年3月開設氹仔支行及於下半年增設4部自動櫃員機，現於澳門共設有4個網點和10部自動櫃員機。

本行亦於台灣的台北和高雄設有分行，在香港、澳門和中國內地偌大分行網絡的相互配合下，台灣分行能為客戶提供廣泛的銀行服務，而隨著台灣與內地的商務聯繫日益加強，更可滿足客戶對兩岸跨境銀行服務不斷擴大的需求。

### 海外業務

2008年，美國東亞銀行在加州增設3間分行，分別位於洛杉磯縣的聖蓋博市、南三藩市和三藩市華埠。工業市分行已於6月遷至哈仙達崗。全線分行均位處所在地區的主要位置，令美國東亞銀行更能靠近區內個人和企業客戶，提供全面、優質的銀行服務。

為推行策略發展計劃，美國東亞銀行於2009年1月在三藩市灣區屋崙市開設分行，同時將三藩市金融區分行與三藩市華埠分行合併。至2009年第1季末止，本行將於美國設有16個辦事處，覆蓋紐約和加州。

本行加拿大附屬銀行——加拿大東亞銀行於年內的貸款資產錄得10%增長。

在英國，倫敦分行和伯明翰分行續有良好表現。本行於2008年3月推出新產品——小額現金個人儲蓄賬戶，並預計於2009年下半年首推借記卡服務。此外，本行亦正研究在當地推出網上銀行服務。

新加坡分行完成出售Market Street 137號大廈。位於Robinson Road 60號的新加坡分行大廈的建造工程如期進行，預計於2009年第3季落成入伙。

本行納閩分行持有馬來西亞的離岸銀行牌照，專注在當地拓展批發銀行業務，於年內的貸款業務錄得5%增長。

卓佳馬來西亞辦事處於2008年12月成立，本行吉隆坡代表處將會積極拓展該辦事處與本行聯營銀行馬來西亞Affin Bank的交叉銷售業務。本行通過投資於Affin Holdings持有Affin Bank的20.5%股權。

### 企業服務

東亞銀行集團成員——卓佳集團（「卓佳」）在區內的商務、企業和投資者服務市場位居前列，服務範圍涵蓋會計、公司成立、企業法規監管及公司秘書、行政人員招聘、首次公開招股及股份登記、支薪外判、基金和信託行政管理。



Tricor's gross revenue for 2008 reached a new high, making an important contribution to the BEA Group's fee and commission income earnings.

卓佳於2008年的總收入創新高，為東亞銀行集團服務費和佣金收入帶來重大貢獻。

Following the completion of the acquisition of a major corporate services group in Malaysia, Tricor Malaysia became the leading corporate services practice in the country.

卓佳馬來西亞公司完成收購一個企業服務集團，成為在當地市場具領先地位的企業服務公司。





## Executive Directors' Report (continued)

Tricor's business was not immune to the economic downturn in 2008. The depressed IPO activity in the capital markets in Hong Kong has had an adverse impact on Tricor's revenue from IPO and share registration services. The demand for Tricor's accounting, payroll outsourcing, corporate compliance and secretarial services, which remained strong during the first six months of 2008, started to feel the pinch of the economic downturn in the second half of the year. There was a decline in Tricor's business servicing inward investment into Hong Kong and Greater China. There was also pressure on fees from clients suffering as a result of the global economic malaise. Despite the above, Tricor's gross revenue for 2008 reached a new high, making an important contribution to the BEA Group's fee and commission income earnings. However, Tricor's net profit margin declined slightly during the year.

The first quarter of 2008 saw the establishment of a Tricor office in the United Kingdom, as well as the completion of the acquisition of a major corporate services group in Malaysia, making Tricor Malaysia the leading corporate services practice in the country. During the second half of 2008, Tricor acquired the corporate services practice of Ernst & Young in Brunei, and also took up a minority interest in a professional service firm in Jakarta. The overseas operation, with its growing number of offices, made an important contribution to Tricor's total revenue during the year. Tricor now operates in 20 cities and employs over 1,400 professional and support staff, compared with a staff complement of 1,150 at the beginning of the year.

2009 is likely to be a difficult year for Tricor. To maintain its profitability, Tricor will continue to expand its global network, enlarge its scope of services and look for new business opportunities.

### Human Resources

Bank of East Asia Group employees at the end of December 2008:

Hong Kong	5,383
Other Greater China	4,321
Overseas	1,159
Total	10,863

The Bank views its staff members as its most valuable asset. The Bank reviews its human resource policies and compensation benefits on a regular basis to, on the one hand, retain and motivate talented individuals, and, on the other, monitor and control staff costs to enhance the performance of the Bank.

The Bank continuously reviews its training programmes, providing a wide range of opportunities for skills upgrading and personal advancement. During the latter half of 2008, special training courses were offered to staff members to assist them to cope effectively with the rapid changes brought about by the financial turmoil.

**David LI Kwok-po**  
Chairman & Chief Executive

Hong Kong, 17th February, 2009

**Joseph PANG Yuk-wing**  
Executive Director



## 執行董事報告書（續）

年內，卓佳業務同樣受到經濟放緩的影響。本地資本市場上首次公開招股上市活動放緩，對卓佳來自首次公開招股及股份登記服務的收入帶來負面影響。而於2008年上半年市場需求依然龐大的會計、支薪外判、企業法規監管及公司秘書服務，亦於下半年開始受到經濟放緩的衝擊。於香港和大中華區投資的相關服務需求減少。全球經濟低迷亦令服務費收入受壓。然而，卓佳於2008年的總收入創新高，為東亞銀行集團服務費和佣金收入帶來重大貢獻，但利潤率則輕微下跌。

卓佳於2008年第1季在英國設立辦事處，亦完成收購馬來西亞一個企業服務集團，使卓佳馬來西亞公司成為該國具領導地位的企業服務公司。2008年下半年，卓佳除收購安永會計師事務所所在汶萊的企業服務業務外，還購入耶加達一間專業服務公司的少數權益。海外業務辦事處增加，為卓佳於年內總收入的重要來源。卓佳業務遍及20個城市，聘用逾1,400名專業人員和支援人員，而於年初員工人數為1,150名。

卓佳預期2009年經營環境仍然困難，為保持盈利能力，將會繼續擴展環球網絡、擴大服務範圍和尋找新商機。

### 李國寶

主席兼行政總裁

香港，2009年2月17日

## 人力資源

東亞銀行集團於2008年12月的員工人數如下：

香港	5,383
其他大中華地區	4,321
海外	1,159
合計	10,863

本行視員工為最寶貴的資產，因此定期檢討人力資源政策和薪酬福利，以保留、激勵人才和監控員工成本，從而提升本行業務表現。

本行持續檢討培訓計劃，為僱員提供各類課程以便提升技能和事業發展機會。在2008年下半年，本行更提供特別訓練課程，有助員工適當地面對和處理隨金融海嘯而來的急速轉變。

### 彭玉榮

執行董事