

業務回顧

Review of Operations

集團財務撮要

(以百萬港元列示)
HK\$ Million

	二零零零年 2000	一九九九年 1999	變動 Variance
扣除準備前之營運溢利 Operating profit before provisions	1,213.7	1,102.0	10.1%
扣除準備後之營運溢利 Operating profit after provisions	902.5	695.5	29.8%
股東應佔溢利 Profit attributable to shareholders	810.3	586.5	38.1%
資產總值 Total assets	49,702	44,394	12.0%
負債合計 Total liabilities	44,959	40,065	12.2%
股東資金 Shareholders' funds	4,662	4,099	13.7%
淨利息收入對營運收入 Net interest income/operating income	75.3%	71.7%	
成本對收入比率 Cost to income ratio	40.4%	40.3%	
平均資產回報率 Return on average total assets	1.7%	1.4%	
平均股東資金回報率 Return on average shareholders' funds	18.5%	15.1%	

HIGHLIGHTS OF GROUP FINANCIAL PERFORMANCE

財務省覽

香港經濟於二零零零年漸豁出自一九九九年經濟低谷，呈現強勢復甦，本地生產總值上升逾百分之十。此增幅乃源自商品出口大幅上升，失業情況紓緩及內部消費在通縮接近百分之三情況下逐步增強所致。本地經營環境雖獲改善，但對香港金融服務公司而言，是年度仍是極具挑戰的一年，市場競爭白熱化，貸款需求放緩，新做貸款息差收窄，成本增加，顯示銀行業著意提高其扣除準備前營運溢利之重重困難。

市場環境縱然如此，集團是年度業績仍能達致理想表現，並將其盈利能力提升。扣除準備前之營運溢利較去年上升百分之十點一，主要源自銀行業務之收益增長，惟人壽保險業務溢利則較去年減少。

年內，淨利息收入增加百分之十五點九。縱使受壓於大部份商業及零售銀行業務貸款息差收窄，與全年平均銀行同業拆息溫和上升因素，集團之淨息差仍可由一九九九年百分之三點三七，大幅上調至百分之三點七九。淨息差得以拉闊，淨利息收入獲致提升，實乃在調控下較高回報貸款持續增長與資金成本控制得宜的果效。

FINANCIAL REVIEW

After emerging from recession in 1999, Hong Kong's economic recovery gathered momentum in 2000 with growth in GDP of over 10%. This growth was underpinned by stronger merchandise exports, a continued easing in unemployment and a gradual improvement in domestic consumption amidst deflation of close to 3%. Despite the improvement in the local operating environment, 2000 remained a challenging year for financial services companies in Hong Kong, as competition intensified in a market characterised by sluggish loan demand, reduced margins for new lending and rising costs. These presented difficulties for banks striving to grow core operating profit before provisions.

Against this market environment, the Group was able to achieve a stronger performance and profitability. Operating profit before provisions was 10.1% higher, mainly resulting from the increased revenue contribution from our banking business. Our life assurance business generated a lower profit relative to 1999.

Net interest income grew by 15.9% in the year. Despite the tightening in loan margins for most lending categories in the commercial and retail sectors, and the modest rise in average interbank interest rates over the year, our net interest margin increased to 3.79%, notably higher than the 3.37% we reported in 1999. The widening in the net interest margin and the increase in net interest income were largely the result of continued controlled growth in our higher yielding lending business and more effective control of our funding costs.

集團之其他營運收入較一九九九年下調百分之三點六。集團銀行業務之收費及佣金收入增幅，已被收益略遜之人壽保險業務所抵銷。銀行業務其他營運收入錄得百分之二十五的理想升幅，主要由信用卡收費收入與貸款相關收費之增長，及財資營運業績之改善所帶動。此外，根據潛在價值會計法釐定之人壽保險業務淨溢利較去年之一億一千五百六十萬港元，降低至八千六百五十萬港元。

營運支出較去年上升百分之十點七，以支付增聘員工、加添資訊科技投資用以支援業務運作與電子銀行發展，及提高宣傳及市場推廣活動的需要。惟集團成本對收入比率仍能與去年相若，維持百分之四十點四水平。

集團壞賬及呆賬撥備支出則較去年減低百分之二十三點五，反映集團貸款組合之資產質素隨著本地經濟復甦而持續向好。集團銀行業務之逾期及重組貸款比率，由一九九九年底百分之四點九三，下降至二零零零年底百分之三點六。

銀行業務之貸款及客戶墊款總額較去年底增加百分之八點三。除商業樓宇借貸及貿易融資外，大部分貸款項目均錄得增長。集團著意擴展在可接受風險範圍內有較高回報貸款業務，信用卡應收賬項及其他客戶貸款持續激增。

集團更致力降低債務成本，令總存款額（包括客戶存款與存款證）大致維持於去年水平。此實有賴集團小心釐定存款利率與組合以增強盈利能力，同時兼顧維持審慎流動資金水平成效所致。

相較去年底資產負債表，二零零零年底集團資產總值升幅顯著，其他負債賬目亦相應提高，顯示集團積極進取的資產負債管理政策。攀升主因乃由於大新銀行藉外匯基金票據及債券市場莊家之利，利用較相宜資金用作較高回報投資所得之果效。

Our Group's total other operating income was 3.6% lower than 1999. Within that, our banking business' growth in fee and commission income over 1999 was offset by the lower revenue contribution from our life assurance business. Our banking business recorded a 25% increase in other operating income, driven by higher credit card fee income, lending related fees, and improved results from treasury activities. Our life assurance business' net contribution, using the embedded value accounting method, fell to HK\$86.5 million, against the HK\$115.6 million net profit recorded in 1999.

Operating expenses increased by 10.7% when compared with those in 1999, reflecting a higher level of staffing and an increase in our IT investment to support business and e-banking development, and a higher spend on advertising and marketing promotion. Our cost to income ratio of 40.4% was similar to that of 1999.

The Group's charge for bad and doubtful debts was 23.5% lower when compared with 1999, reflecting the continued improvement in the asset quality of our loan portfolio amidst the recovery in the local economy. The ratio of overdue and rescheduled loans of our banking business, as a percentage of total loans, dropped from 4.93% at the end of 1999 to 3.60% at the end of 2000.

For our banking business, total loans and advances to customers were 8.3% higher than the end of 1999. Except for commercial property lending and trade finance, lending to most sectors registered growth, reflecting our emphasis on growing higher yielding lending business within acceptable risk parameters. Credit card receivables and other consumer loans continued to grow at a strong pace.

A great deal of attention was devoted to managing down the cost of our liabilities, with the result that our total deposit base, comprising customer deposits and certificates of deposits, finished the year at a level similar to that of 1999. This resulted from a more careful calibration of deposit mix and pricing to enhance profitability, whilst at the same time maintaining prudent liquidity.

Relative to the balance sheet at the end of 1999, there was a notable increase in our total assets, and a corresponding increase in other accounts on the liability side at the end of 2000, reflecting a more proactive approach in managing our balance sheet. The increase was brought about by utilizing the facilities afforded to Dah Sing Bank ("DSB") as a market maker in Exchange Fund bills and notes which enabled us to access cheaper funding for reinvestment at higher rates of return.

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銀行業務回顧

REVIEW OF BANKING BUSINESS

	二零零零年 2000	一九九九年 1999	變動 Variance
淨利息差 Net interest margin	3.79%	3.37%	
(以百萬港元列示) HK\$ Million			
各項客戶貸款減準備 Advances to customers less provisions	29,006	26,761	8.4%
各項客戶存款 Customers' deposits	31,385	32,607	-3.7%
已發行存款證 Certificates of deposit issued	6,095	4,457	36.8%
存款合計 Total deposits	37,480	37,064	1.1%
貸款對存款比率 Loan to deposit ratio	77.4%	72.2%	
平均流動資金比率 Average liquidity ratio	44.4%	47.1%	
未履行貸款比率 Non-performing loan ratio	2.26%	3.43%	
逾期及重組貸款對貸款總額比率 Overdue and rescheduled loans to total loans	3.60%	4.93%	

二零零零年對香港銀行業是極具挑戰的一年，縱使出口增長持續，零售消費上揚，失業情況舒緩及通縮壓力減低，貸款需求仍然疲弱。價格競爭熾烈與貸款息差收窄情況已擴散至各項貸款產品。

集團繼續悉力推展如信用卡、私人貸款及予製造業之設備融資等較高回報率資產。承本港平均最優惠利率與貨幣市場息口距離拉闊之利，銀行業務淨利息收入激增，淨息差較去年百分之三點三七，調升至百分之三點七九。

在各項業務中，商業銀行業務在出口及商品貿易普遍改善情況下，貿易融資借貸仍報縮減。

反映壞賬清理和部份貿易公司及製造商對貸款融資要求已漸改變。由於實際息口仍然高企，尤以二零零零年上半年利率持續調升，企業借貸作新投資及

2000 was a challenging year for the Hong Kong banking industry. Although export growth was sustained, consumer spending picked up, unemployment eased and deflation dropped, loan demand remained sluggish. Price competition and loan margin reductions were increasingly widespread across a wide spectrum of loan products.

We continued our strategy and emphasis in growing higher yielding assets such as credit card and personal loans, and equipment finance to the manufacturing sector. Combined with the favourable effect of a wider spread between average Prime and money market rates, our banking business achieved a stronger net interest income, and an increase in our net interest margin to 3.79%, up from the 3.37% level recorded in 1999.

Within the various lines of business, Commercial Banking, despite the general pick-up in exports and merchandise trade, reported a contraction in trade finance lending. This

reflected an amount of loans workout and a gradual shift in financing requirements by some trading and manufacturing companies. As real rates of interest remained high, especially during the first half of 2000 when interest rates were increasing, corporate borrowing to



Dah Sing Bank allied with Tradelink to launch a co-branded MasterCard for Tradelink customers.

大新銀行與貿易通推出聯營萬事達卡為電子商貿用戶提供最新消費選擇。

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Mr. David S.Y. Wong (front row, left 2), Chairman of Dah Sing Bank, was present at the Prize Presentation Ceremony for the "2000 Hong Kong Top Ten Brandnames Awards" for which Dah Sing Bank was the sole sponsor.

大新銀行主席王守業先生(前排左二)出席由大新銀行獨家贊助「二零零零年香港十大名牌選舉」之頒獎典禮。

業務拓展用途受到抑壓。為彌補放緩之貿易融資活動，集團發展設備融資業務，以本地及華南地區製造商為主要對象，提供購置設備及機器融資服務。

零售銀行業務增長顯著，表現突出。集團訂立策略透過產品推陳出新與擴大客戶基礎，拓展個人理財服務業務之市場佔有率，遂致力推廣信用卡、私人貸款及私人透支借貸以增強產品之競爭力。集團尤感欣喜市場對大新信用卡服務之認受性，過往數年屢屢獲獎足以憑證。根據二零零零年度之美滿成績，大新銀行以香港發卡銀行身份，榮獲萬事達國際頒發「最多聯營卡計劃獎」及「二零零零年度本港商戶簽賬額最高升幅銅獎」；亦榮獲威士國際頒發「一九九九/二零零零最多聯營卡計劃獎」。雖然樓宇按揭及私人貸款等眾多產品之價格競爭猶見激烈，集團仍可繼續提升按揭組合及無抵押私人借貸。自一九九九年推出自動增值八達通卡服務後，卡主可經由本銀行信用卡與銀行賬戶電子系統聯繫八達通系統自

finance new investment or business growth remained subdued. To make up for the slower trade finance activities, we grew our equipment finance business targeting at the financing of equipment and machinery purchases by manufacturing companies operating both in Hong Kong and in the southern part of Mainland China.

The Retail Banking business continued its robust growth momentum and achieved a record performance. With a strategy to expand our market share in the personal financial services sector through product innovation and growth in the customer base, we focused on improving our product competitiveness by promoting credit card, personal loan and personal overdraft lending. We are particularly pleased with the market recognition of our credit card, which is reflected in the many awards we have received in the past few years. Based on our 2000 achievements, DSB was recognised as the issuing bank in Hong Kong achieving the Top Co-Branded Program Issuer in 2000 and the Second Runner-Up of the Highest Growth Rate in 2000 of Merchant Purchase Volume in Hong Kong from MasterCard International; and the Largest Number of New Co-Branded/Affinity Card Programs 1999/2000 from VISA International. Despite the keen price competition for products like residential mortgages and personal loans, we succeeded in increasing our mortgage portfolio and unsecured personal lending. After introducing in 1999 the automatic add-value service to Octopus cardholders through the electronic link of the Bank's credit card and bank accounts systems with the Octopus system, we remained the



Dah Sing received awards from MasterCard International and VISA International during the year for its credit card business.

大新信用卡業務於二零零零年榮獲萬事達國際及威士國際頒發獎項。

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動增值，於二零零零年，集團仍是獨家提供此項服務的銀行。此項創新服務被受市場廣泛歡迎，更裨益集團客戶基礎之增長。

經歷極艱巨的一九九八及一九九九兩年後，租購貸款業務繼續著重運輸融資，並於二零零零年度取得強勢復甦。資產價格穩定上揚，特別準備遂得以下調，有助提高此業務營運收益。

庫務部收入貢獻持續增加，乃由於在貨幣、債券及利率市場均較以往活躍成交所致。資產負債管理得法與剩餘資金投資回報上升，皆有助改善集團之淨息差。

集團仍努力不懈提升分行及銷售網路，以配合市場需要、人口轉移與科技更新。連同二零零一年二月底啟業之東涌分行，集團在本港共經營四十家分行、六所銷售服務中心、巴哈馬一家分行、海峽群島格恩西島一家附屬公司與中國深圳一代表處。

私人銀行業務

集團於二零零零年重組私人銀行營運，駐港安新私人銀行遂成為集團全資附屬公司，有關私人銀行業務、貸款及存款已於同年九月納入大新銀行內。集團是項私人銀行業務之整合有助其日後發展。安新私人銀行有限公司於二零零一年三月二日易名為MEVAS Bank Limited，並將經營為一家多渠道之電子銀行。

集團與艾比國民有限公司（「艾比國民」）及SG Hambros Bank Limited合資而直接持有百分之五十一股權之D.A.H. Hambros Bank (Channel Islands) Limited於二零零零年度錄得尚佳表現，並會繼續經營提供離岸銀行服務以支援大新銀行於香港之私人銀行業務。

人壽保險業務

二零零零年保險行業受壓於市場劇烈競爭，保險代理流失率高企，新做銷售保單滑落及利率上升等不利因素，集團人壽保險業務淨溢利較去年略遜。長期

sole provider of the service in 2000. This innovative offering was well received by the market and contributed to the growth in our customer base.

Our Hire Purchase business, having gone through an extremely difficult period during 1998 and 1999, continued to focus on transport financing and posted a strong recovery in 2000. A lower specific provisioning, due to stable and stronger asset prices, assisted in boosting the contribution from this business.

The contribution from our Treasury Division continued to improve as a result of more active dealing in the money, debt securities and interest rate markets. A more effective asset and liability management, and an improved return on investment of surplus funds assisted in improving the net interest margin of the Group.

We continued our effort in upgrading our branch and sales network in response to the market, and population and technology changes. With the opening of our new Tung Chung Branch at the end February 2001, we now operate 40 branches and another 6 sales and services centres in Hong Kong, 1 branch in the Bahamas, 1 subsidiary in Guernsey, Channel Islands and 1 representative office in Shenzhen, China.

PRIVATE BANKING BUSINESS

We reorganised our private banking operation in 2000 with the result that the Hong Kong onshore D.A.H. Private Bank was converted to a wholly owned subsidiary with a transfer of all its private banking business, loans and deposits to DSB in September 2000. The integration of the Hong Kong private banking business into DSB is expected to lead to growth in the business. D.A.H. Private Bank was renamed as MEVAS Bank Limited from the 2nd March 2001 and will soon operate as a multi-channel e-bank.

D.A.H. Hambros Bank (Channel Islands) Limited, our 51% owned offshore joint-venture private banking operations with Abbey National plc and SG Hambros Bank Limited, generated a respectable performance in 2000 and will continue to operate to provide offshore banking services to support DSB's private banking business in Hong Kong.

INSURANCE BUSINESS

Against a backdrop of intense competition, high agency turnover, reduction in new sales and rises in interest rates for the insurance industry in 2000, our life assurance company posted a lower net profit. Net profit generated from the long-term life business, at

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人壽保險業務淨溢利為八千六百五十萬港元，較去年下降百分之二十五。收益下降主要由於新做保單銷售量輕微下跌，加上二零零零年上半年利率攀升導致投資回報削減所致。一九九九年集團壽險業務投資若干證券市場，獲利甚豐，成為推高該年盈利的部份原因。綜觀是年度本地壽險市場出現整體收縮現象，新簽保單減少，相比集團附屬壽險公司是年度業務銷售下調情況較之去年僅屬輕微。

根據獨立顧問精算師計算，於二零零零年終全年度有效人壽保單總額錄得四億五千一百七十萬港元，較一九九九年終三億九千七百六十萬港元，上升五千四百一十萬港元。

集團與CGNU合資而直接持有百分之五十一股權之大新保險有限公司自一九九九年七月啟業後，二零零零年乃首整年經營。其保險承包及營運業績與預期相約。

風險管理

延續一九九九年底前展開一連串對集團業務的全面徹底檢討與改良信貸和風險管理政策，於二零零零年集團繼續加強整體的風險管理架構。一九九七至九八年的金融危機促使本港銀行業近期之轉變，遂有是次的檢討措施。面對日益熾熱的競爭環境，採納此等政策有助集團改善信貸、市場及利率之風險管理。

集團於二零零零年上半年議決改良並落實銀行系機構風險管理，並於同年八月委任集團風險董事專責一切與集團銀行業務有關之風險管理。預期新職能可提高整體風險管理之成效，以配合集團協調規控風險之增長策略。

HK\$86.5 million, was 25% lower than that earned in 1999. The lower contribution was mainly caused by marginally lower sales and a lower investment return caused by the rise in interest rates during the first half of 2000. The higher 1999 trading profit from our life business was boosted in part by the exceptionally strong equity performance recorded in certain markets in that year. Against the local life assurance market's overall contraction in the sales of new policies in the year, our life assurance subsidiary's new business sales were down only marginally relative to 1999.

As at the end of 2000, the total value of policies in force as calculated by our independent consulting actuary was HK\$451.7 million, up HK\$54.1 million from HK\$397.6 million as at the end of 1999.

Our 51% owned general insurance subsidiary, Dah Sing General Insurance Company, a joint venture with CGNU, had its first full year of operation in 2000 after commencing business in July 1999. Its underwriting and operating results were in line with expectation.

RISK MANAGEMENT

In 2000, we continued to strengthen our overall risk management framework with a complete and full review and an upgrade of our credit and risk management policies for each business, a project initiated before the end of 1999. The review was prompted by recent changes in the Hong Kong banking market brought about by the financial crisis in 1997-1998. The adoption of these policies enabled the Group to improve the management of its credit, market and interest rate risks in an increasingly competitive environment.

A decision to upgrade and formalise the group risk management of the Banking Group was reached in the first half, leading to the appointment in August 2000 of a new group risk director responsible for the management of all types of risk related to our banking business. The new function is expected to enhance the effectiveness of overall risk management consistent with our risk-adjusted growth strategy.

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資本及流動資金

CAPITAL AND LIQUIDITY

銀行系附屬機構 Banking Group	二零零零年 2000	一九九九年 1999
資本基礎 (百萬港元) Capital base (HK\$ million)		
- 核心資本 - Core capital	3,900	3,443
- 附加資本與扣減項目 - Supplementary capital and deductions	361	337
扣減後的資本基礎總額 Total capital base after deductions	4,261	3,780
資本充足比率 (年結日) Capital adequacy ratio (as at year end)		
- 一級 - Tier 1	13.1%	12.7%
- 一級及二級 - Tier 1 and Tier 2	14.3%	13.9%
流動資金比率 (全年平均值) Liquidity ratio (average for the year)	44.4%	47.1%

銀行系機構是年度資本充足比率較去年輕微上升，反映集團增加保留溢利以支援業務發展。

為達至更佳之資本組合，大新銀行已授權予一投資銀行安排發行首批後償債券，總額為一億二千五百萬美元。此乃十年期債券，至二零一一年三月屆滿，可於發行後第五週歲即二零零六年三月以發行人認購期權全數贖回。待獲得所需監管機構對此後償資本納入集團資本基礎之最終批准後，銀行系資本充足比率將被推高百分之二以上。

集團繼續審慎落實資產負債管理（包括流動資產），令銀行系機構全年流動資金比率維持相當輕鬆水平。

人力資源

集團於是年度增聘員工應付業務增長，創新概念與用以支援傳統銀行產品及電子銀行服務應用之資訊科技系統發展。集團繼續致力僱員培訓，提升工作與業務技能以配合日益激烈的市場競爭及客戶對服務質素與增值服務的更高期望。

The Banking Group's capital adequacy ratio was slightly higher than that of 1999, reflecting a higher amount of profit retention for supporting our business growth.

To achieve a better mix of capital structure, in February 2001, DSB mandated an investment bank to arrange our first subordinated bond issue for an amount of US\$125 million. This is a 10-year issue due in March 2011 with an issuer call option to fully redeem the whole bond at the 5th anniversary in March 2006. Subject to receiving final regulatory approval for the inclusion of this subordinated capital as part of our capital base, the capital adequacy ratio of our Banking Group will be boosted by more than 2%.

We continued to manage our assets and liabilities, including liquid assets, on a prudent basis throughout the year with the result that our Banking Group's liquidity ratio was sustained at a very comfortable level.

HUMAN RESOURCES

We increased our staff force in 2000 to cope with business growth, new initiatives and IT development to support both traditional products and new e-banking applications. We continued to emphasize training to upgrade the job and business skills of our staff in response to the more competitive market and higher expectations from customers on service quality and value-adding services.

業務回顧

Review of Operations

於二零零零年底，集團聘用人數共一千五百五十一名，較一九九九年底之一千二百七十七名，增加二百七十四名。

資訊科技與電子商務

由互聯網與新經濟熱潮隨着美國納斯達克指數自二零零零年下半年急挫而逐漸減退，惟集團認為互聯網科技之日益普及與深化，藉提供電子銀行金融服務吸納部份正在擴大掌握科技知識的客戶市場，將為正確的業務取向。

集團將貫徹為資訊科技系統投入大量資源，以維持集團競爭力、支援業務發展、改善客戶服務質素，以及提升生產力。資訊科技系統支銷中大部份使費乃用於投資建立藉集團網頁 www.dahsing.com 提供更佳的電子網上銀行功能應用，補足分行、銷售及服務中心、電話理財中心與自動櫃員機等舊有渠道未臻完善之處。承接去年度作出之投資與開展之計劃，大新銀行發展電子網上銀行服務進度良好，並於年內陸續推出創新網上產品。現時集團之電子銀行服務可處理多項即時網上應用。集團計劃於二零零一年繼續為網上銀行服務增值，發展產品服務多元化。

多渠道電子銀行MEVAS Bank Limited快將投入服務。預期此項發展能加促集團業績增長，擴展業務營運與吸納新客戶。

At the end of 2000, the total number of employees of the Group was 1,551, up 274 from the 1,277 at the end of 1999.

INFORMATION TECHNOLOGY AND E-BUSINESS



Dah Sing Bank offered TradeCard services to Hong Kong traders with a total online solution for international trade.

大新銀行為本港出入口商推出TradeCard服務，提供網上辦理國際貿易之全面方案。



Official launch of Dah Sing Bank's iBanking strategic alliance with The Chinese Manufacturers' Association of Hong Kong to offer its members online trade financing services and tailor-made privileges.

大新銀行推出「商貿通」企業網上銀行服務提供即時網上貿易融資服務及切合優惠予策略聯盟香港中華廠商聯合會之成員。

The euphoria surrounding Internet and the New Economy gradually subsided in the second half of 2000 following the sharp reduction in the US NASDAQ index. We are, however, of the view that Internet and technology penetration is widening and deepening, and providing e-banking financial services to capture a share of an expanding base of more technology savvy customers is a sound business proposition.

We continued to invest a significant amount of resources in IT to enable us to remain competitive, support business growth, upgrade customer service and raise productivity. A higher amount of IT spend was invested to accomplish on-line e-banking capabilities distributed through our website www.dahsing.com, complementing the traditional channels of branches, sales and services centres, call centres and ATMs. Riding on the investment and initiatives made in 1999, DSB achieved notable progress in delivering on-line e-banking services and new product launches in the year. Our e-banking capabilities now include a host of

different on-line applications. We plan to continue to enhance the value and product features of our e-banking services in 2001.

Our multi-channel e-bank MEVAS Bank Limited will shortly launch its services to the public. We hope this new development will allow us to accelerate growth and expand our businesses and customers.