

A professional portrait of Mr. Zhu Qi, a middle-aged man with short dark hair, wearing a dark blue suit, white shirt, and a patterned tie. He is sitting at a desk with his arms crossed, looking directly at the camera. In the background, there is a globe on a stand to the left and a light-colored wall with vertical panels.

朱琦先生 董事總經理暨行政總裁

Mr. Zhu Qi *Managing Director and
Chief Executive Officer*

本人將在董事會領導之下，與管理層及本行員工一道，開拓進取、精於管理，致力於將中國工商銀行（亞洲）塑造成香港優質上市銀行之一，為股東創造更豐厚的回報。

Under the stewardship of the Board, and together with the committed efforts of our management and employees, I will lead ICBC (Asia) to be a professionally managed bank, to become one of the best listed banks in Hong Kong and to deliver increasing returns to our valued shareholders.

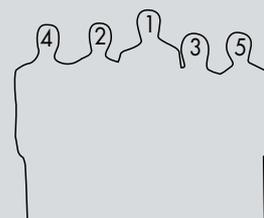


高層管理人員

- 1 朱琦先生 (董事總經理暨行政總裁)
- 2 喬維明先生 (董事、副總經理暨替任行政總裁)
- 3 趙京芬女士 (董事、副總經理暨替任行政總裁)
- 4 郭鍵雄先生 (副總經理暨替任行政總裁)
- 5 王岩先生 (副總經理)

Senior Management

- 1 Mr. Zhu Qi (Managing Director and Chief Executive Officer)
- 2 Mr. Kiu Wai Ming (Director, Deputy General Manager and Alternate Chief Executive)
- 3 Ms. Zhao Jingfen (Director, Deputy General Manager and Alternate Chief Executive)
- 4 Mr. Kwok Kin Hung (Deputy General Manager and Alternate Chief Executive)
- 5 Mr. Wang Yan (Deputy General Manager)



總覽

在經濟持續放緩及銀行業充滿挑戰下，中國工商銀行(亞洲)有限公司(「中國工商銀行(亞洲)」或「本行」)得到母公司中國工商銀行(「工商銀行」)全力支持，在資產及溢利方面均顯著增長，成果豐碩。

繼上年度轉虧為盈後，經審核綜合股東應佔溢利達330,000,000港元，較二零零零年之溢利150,000,000港元增加120%。倘扣除上年度出售附屬公司所得溢利49,000,000港元，則溢利實際增幅更超逾兩倍。每股溢利為0.56港元(二零零零年：0.33港元)，增幅達70%。

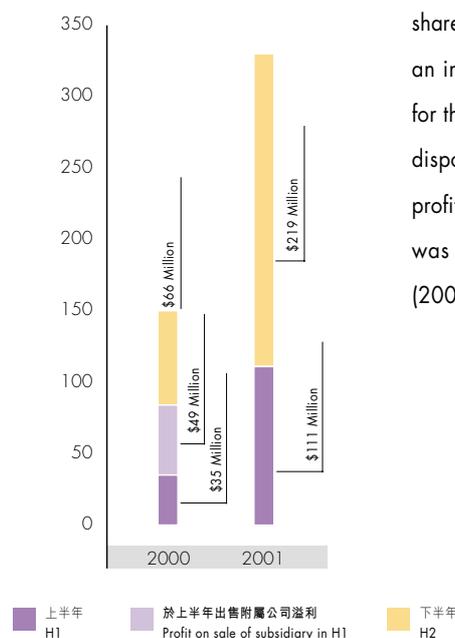
二零零一年五月四日，本行與母公司工商銀行達成業務轉讓協議，同意收購工商銀行香港分行之商業銀行業務(「分行業務」)，代價約為3,000,000,000港元，其中約2,120,000,000港元將由本行向工商銀行發行及配發新普通股及可轉換優先股之方式支付，約580,000,000港元以後償債務方式支付，而約300,000,000港元則以現金支付。收購已於二零零一年七月三日成功完成。此項收購所產生之商譽約700,000,000港元則按二十年期攤銷。

OVERVIEW

Against the background of prolonged economic slowdown and the ever challenging banking landscape, Industrial and Commercial Bank of China (Asia) Limited ("ICBC (Asia)" or "the Bank"), backed by the full support of its parent bank, The Industrial and Commercial Bank of China ("ICBC"), was able to deliver a strong result with remarkable growth both in assets and in profit.

Following the quick turnaround from last year, audited consolidated profit attributable to shareholders recorded HK\$330 million, representing an increase of 120% over that of HK\$150 million for the year of 2000. Excluding last year's profit on disposal of subsidiary of HK\$49 million, the actual profit increase was over two-fold. Earnings per share was HK\$0.56, representing an increase of 70% (2000 : HK\$0.33).

稅後溢利上升1.2倍
Profit After Tax Up 120%
(百萬港元) (HK\$ Million)



On 4th May 2001, the Bank entered into the Business Transfer Agreement with its parent bank, ICBC, pursuant to which the Bank agreed to acquire the commercial banking business of the Hong Kong Branch of ICBC ("Branch Business") for a consideration of approximately HK\$3,000 million which was to be satisfied as to approximately HK\$2,120 million by the issue and allotment of new ordinary shares and convertible preference shares by the Bank to ICBC, as to approximately HK\$580 million by the issuance of subordinated debt due to ICBC, and as to approximately HK\$300 million by cash. The acquisition was successfully completed on 3rd July 2001. The goodwill arising from the acquisition amounting to approximately HK\$700 million is to be amortised over 20 years.

管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

營運業績

淨利息收入

二零零一年度之綜合淨利息收入增長27%至488,000,000港元(二零零零年: 386,000,000港元), 主要是由於收購及內部增長而壯大之資產負債表所致。雖然年內共減息11次, 使借貸息差及重訂息率差距收窄, 導致淨息差從1.99%下降33個基點至1.66%, 但本行之附息資產由17,000,000,000港元增長至38,000,000,000港元, 增長122%, 從而克服整體銀行業面對息差收窄之負面影響。

其他營運收入

根據二零零一年七月《銀行家》雜誌所載, 按一級資本計算, 工商銀行名列全球第七大銀行, 亦是中國境內最大之商業銀行。在工商銀行之品牌效應下, 中國工商銀行(亞洲)於香港積極參與本地銀團貸款市場及資本市場融資活動, 大大增加收費收入, 非利息收入強勁增長108%至204,000,000港元(二零零零年: 98,000,000港元)。非利息收入佔整體營運收入之比例上升至30%(二零零零年: 20%)。

RESULTS OF OPERATIONS

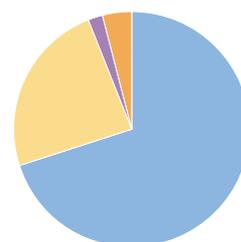
Net Interest Income

Net interest income for the year of 2001 increased by 27% to HK\$488 million (2000 : HK\$386 million) primarily as a result of strong balance sheet growth via acquisition and organic growth. The decline of 33 basis points in the net interest margin from 1.99% to 1.66% arising from narrowing lending margins and the repricing gaps associated with 11 rounds of interest rate cuts during the year, was fully offset by the growth in the average interest bearing assets which grew 122% from HK\$17 billion to HK\$38 billion.

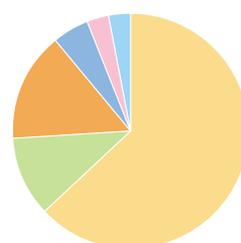
Other Operating Income

According to "The Banker" published in July 2001, in terms of tier one capital, ICBC was ranked as the 7th largest bank in the world and is also the largest commercial bank in China. The unified brand name of ICBC in Hong Kong under ICBC (Asia) has greatly boosted the Bank's fee income generating ability in the areas of participation in syndicated loans and capital markets. Non-interest income surged by 108% to HK\$204 million (2000: HK\$98 million), mainly contributed by the arrangement fees received via the active participation in these markets. The proportion of non-interest income to total operating income sprang to 30% (2000: 20%).

Income Composition 2001 收入組合 二零零一年		
淨利息收入	Net Interest Income	70%
淨收費及佣金收入	Net Fees and Commissions	24%
外匯交易收益淨額	Net Gains on Dealing in Foreign Currencies	2%
其他收入	Other Income	4%



Operating Expenses Composition 2001 營運支出組合 二零零一年		
員工支出	Staff Expenses	63%
物業支出	Premises Expenses	11%
營運支出	Operation Expenses	15%
電腦支出	Computer Expenses	5%
業務推廣支出	Business Promotion Expenses	3%
通訊支出	Communication Expenses	3%



營運支出

雖然總營運收入上升43%至692,000,000港元，但在本行有效控制開支下，營運支出僅增加26%至289,000,000港元（二零零零年：230,000,000港元），結果錄得較佳之成本對收入比率42%（未計入商譽攤銷18,000,000港元），上年度則為48%。

二零零一年十二月三十一日之員工總數為558名，二零零零年則為504名，主要是由於將工商銀行香港分行原僱員納入中國工商銀行（亞洲）所致。因此，員工支出於二零零一年上升32%至183,000,000港元。

除灣仔、荃灣、上環及將軍澳分行外，所有銀行物業均為自置物業。其他支出主要包括專業服務、保險、通訊及業務推廣開支等收入相關成本。

呆壞賬撥備

二零零一年度之綜合呆壞賬撥備淨額由上年度156,000,000港元減少58%至66,000,000港元。新增撥備減少39,000,000港元至238,000,000港元（二零零零年：277,000,000港元），另外由於清收壞賬工作取得顯著進展，令撥備回撥增加51,000,000港元至172,000,000港元（二零零零年：121,000,000港元）。

資產負債表分析

本行於二零零一年十二月三十一日之綜合總資產為43,497,000,000港元，較二零零零年度年結時上升22,840,000,000港元，增幅達111%（二零零零年：20,657,000,000港元）。詳細分析載於以下各段。

Operating Expenses

While total operating income was HK\$692 million, up 43%, operating expenses were effectively controlled and only up by 26% to HK\$289 million (2000: HK\$230 million), resulting in a more efficient cost income ratio (excluding amortisation of goodwill of HK\$18 million) of 42% compared to 48% last year.

Total number of staff at 31st December 2001 was increased to 558 compared with 504 in 2000, primarily due to the integration of the ex-staff of ICBC, Hong Kong Branch into ICBC (Asia). Accordingly, staff expenses increased by 32% to HK\$183 million in 2001.

All bank premises are owned properties other than Wanchai, Tsuen Wan, Sheung Wan and Tseung Kwan O branches. Other expenses comprised mainly of income-related costs e.g. professional services, insurance, communication and business promotion expenses.

Provisions for Bad and Doubtful Debts

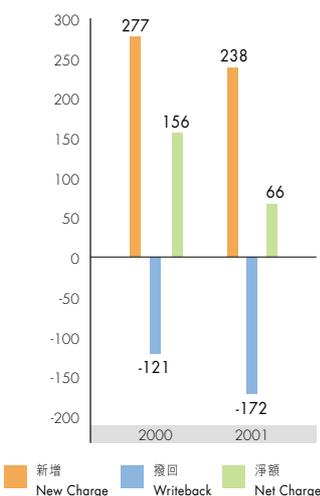
Consolidated net charge for bad and doubtful debts for the year ended 2001 reduced 58% to HK\$66 million, as compared with last year of HK\$156 million. New provisions reduced HK\$39 million to HK\$238 million (2000: HK\$277 million), on the other hand, thanks to the strong recovery efforts, provision written-back increased by HK\$51 million to HK\$172 million (2000: HK\$121 million).

BALANCE SHEET ANALYSIS

Total consolidated assets were HK\$43,497 million as at 31st December 2001, a rise of HK\$22,840 million or 111% when compared with the 2000 year end (2000: HK\$20,657 million). Detailed analyses are provided in the following sections.

呆壞賬撥備下降 58%
Charge For Bad & Doubtful Debts Down 58%

(百萬港元) (HK\$ Million)



管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

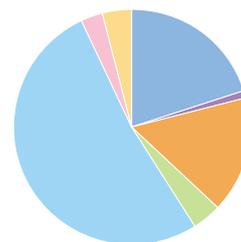
貸款及墊款

本行透過收購分行業務及內部增長，令整體貸款增長108%至28,452,000,000港元。新增貸款以大藍籌公司之銀團貸款為主，使整體貸款之風險組合得以改善。此外，住宅按揭、貿易融資、租購及租賃等貸款皆錄得增長。

Loans and Advances

The loan book registered a growth of 108% to HK\$28,452 million through the acquisition of the Branch Business and organic growth. The majority of new loans were syndicated loans to large cap blue-chip companies, resulting in a much improved risk profile of the loan book. Other growth was also recorded in residential mortgages, trade finance, and hire purchase and leasing loans.

貸款組合 二零零一年 Loans Composition 2001		
物業發展及其他物業投資	Property Development & Other Property Investment	20%
物業投資 — 住宅按揭	Property Investment — Residential Mortgage	1%
個人 — 住宅按揭	Individuals — Residential Mortgage	16%
個人 — 其他	Individuals — Others	4%
工商及金融業	Industrial, Commercial and Finance	52%
貿易融資	Trade Finance	3%
香港以外使用之貸款	Loans For Use Outside Hong Kong	4%



投資證券

債券投資亦增加160%至6,742,000,000港元。於二零零一年十二月三十一日，平均為五年期之優質投資評級債券佔債券投資組合88%。於二零零一年十二月，本行策略性認購中保國際控股有限公司9.9%權益，代價為474,000,000港元，期望可從具高增長潛力之中國保險業務中受惠。該投資以本行發行後償債務作融資，並獲母公司工商銀行全數認購。

Investment Securities

Investment in debt securities also grew by 160% to HK\$6,742 million. As at 31st December 2001, 88% of the debt securities were of investment grade with average duration of 5 years. In December 2001, the Bank strategically acquired a 9.9% stake in China Insurance International Holdings Company Limited for HK\$474 million with a view to explore the huge growth potential in China's insurance sector. The investment was financed by the issuance of subordinated debt subscribed by our parent bank, ICBC.



中國工商銀行(亞洲)以購入中保國際控股有限公司9.9%權益，為一項策略性的投資。
ICBC (Asia) acquired a 9.9% stake in China Insurance International Holdings Company Limited as a strategic investment.

融資

客戶存款亦由二零零零年底16,106,000,000港元之水平大幅增長84%至29,705,000,000港元。本行之財政實力逐漸受到市場認同與肯定，尤以大型機構存款者為甚，使本行得以較低成本吸納存款。此外，其餘175,000,000港元之存款證已於二零零一年上半年贖回或償還。

為表示對本行之支持，控股股東工商銀行向本行提供6,000,000,000港元之備用信貸。除為本行提供主要資金來源外，亦有助減輕本行之資金成本。

由於發行及配發新普通股與可轉換優先股，以及發行後償債務，資本總額增加143%至6,279,000,000港元。

密切監察貸存比率乃本行資產與負債管理之一環。隨著貸款組合增長，貸存比率達到92%（二零零零年十二月三十一日：74%）之理想水平。

呆壞賬撥備

由於本行及資產管理公司追收壞賬成績理想，於二零零一年十二月三十一日之不履約貸款總額，由二零零零年底之3,175,000,000港元水平下降至1,929,000,000港元。總額710,000,000港元已作全數撥備之不可收回貸款已在貸款虧損儲備中撇銷。再輔以貸款組合擴大之攤薄作用，不履約貸款比率從二零零零年十二月三十一日之23.2%顯著下跌至二零零一年底6.8%。

Funding

Customers' deposits increased significantly by 84% to HK\$29,705 million from 2000 year end level of HK\$16,106 million. Benefiting from the changing perception of the financial strength of the Bank, particularly among large institutional depositors, it enhanced the competitiveness of the Bank in attracting deposits at a lower cost. In addition, the remaining of HK\$175 million of certificates of deposit were redeemed or repaid during the first half of 2001.

As a demonstration of its support to the Bank, our controlling shareholder, ICBC, extended a HK\$6 billion standby credit facility to the Bank. Not only does this provide the Bank with a vital source of funding, it also helps lower the Bank's cost of funds.

Total capital resources increased by 143% to HK\$6,279 million as a result of the issuance and allotment of new ordinary shares and convertible preference shares and the issuance of subordinated debts.

Loan to deposit ratio was closely monitored as part of the Bank's asset and liability management. With the growth in loan portfolio, the loan to deposit ratio was more efficiently geared at 92% (31st December 2000: 74%).

Bad and Doubtful Debts Provision

Compared to the year end of 2000, the gross non-performing loans (NPLs) as at 31st December 2001 dropped to HK\$1,929 million (2000: HK\$3,175 million) primarily due to the successful recovery efforts by the Bank and its asset management company. Uncollectible and fully-provided NPLs of HK\$710 million were written off against the loan loss reserves. Coupled with the dilutive effect of the expanded loan base, the NPL ratio dropped significantly from 23.2% in 31st December 2000 to 6.8% at the end of 2001.

管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

逾期貸款亦減少890,000,000港元至1,633,000,000港元，逾期貸款之覆蓋比率(即專項撥備加抵押品)進一步由二零零零年十二月三十一日88%上升至二零零一年十二月三十一日94%，其中友聯中國業務管理有限公司所管理之逾期貸款覆蓋比率為90%，而其餘逾期貸款覆蓋比率則接近100%。

於二零零一年十二月三十一日，累積呆壞賬撥備為1,222,000,000港元，其中包括專項撥備1,005,000,000港元及一般撥備217,000,000港元。

資產管理公司

友聯中國業務管理有限公司(「友聯中國業務管理」)為本行全資擁有之資產管理公司，自二零零零年四月十五日起運作，主要目標在5年內解決內地不履約貸款問題。於二零零零年四月十五日，未償還債項之賬面總淨值為1,212,000,000港元，涉及賬戶77個。

經國內之工商銀行與本行之追收小組共同努力下，未償還債項之賬面淨值於二零零一年十二月三十一日下降至541,000,000港元，涉及賬戶減少至54個。

有關優先及次等履約票據(「履約票據」)、友聯中國業務管理之貸款撥備、發行與次等履約票據相關之購股權等其他詳情，載於賬目附註5及30。

Overdue loans also reduced by HK\$890 million to HK\$1,633 million. The debt coverage ratio (i.e. specific provision + collateral) for overdue loans was further raised from 88% as of 31st December 2000 to 94% as of 31st December 2001 with 90% coverage for the portfolio under management by UB China Business Management Co. Ltd. and almost full coverage for the Bank's remaining portfolio.

As at 31st December 2001, the cumulative provisions for bad and doubtful debts were HK\$1,222 million, comprising specific provision of HK\$1,005 million and general provision of HK\$217 million.

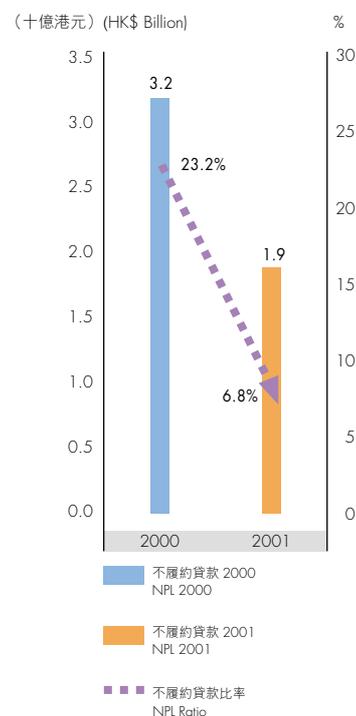
Asset Management Company

UB China Business Management Co. Ltd. ("UBCBM") is a wholly-owned asset management company of the Bank which commenced operations on 15th April 2000 with the primary objective to resolve the Mainland China NPLs within 5 years. The total net book value of the portfolio being managed as at 15th April 2000 was HK\$1,212 million with 77 accounts.

With the concerted efforts of ICBC in the Mainland and our strenuous recovery team, the net book value of the portfolio was reduced to HK\$541 million as at 31st December 2001 and the number of accounts was down to 54.

Further disclosure regarding the Senior and Junior Performance-linked Notes ("PLNs"), the provisioning on the UBCBM loans, the issue of options in connection with the issue of Junior PLNs are given in Notes 5 and 30 of the Accounts.

不履約貸款比率由 23.2% 下降至 6.8%
NPL Ratio Down From 23.2% to 6.8%



聯營公司

本行所佔聯營公司中國平安保險(香港)有限公司之溢利於二零零一年上升至3,500,000港元(二零零零年：2,600,000港元)。

Associated company

The Bank's share of profit of the associated company, China Ping An Insurance (Hong Kong) Company Limited, rose to HK\$3.5 million in 2001 (2000: HK\$2.6 million).

財務及風險管理

FINANCIAL AND RISK MANAGEMENT

資本管理

本行資本充足比率維持在16%之穩健水平，遠高於國際結算銀行所要求之8%，反映管理層與監管當局採取穩健之政策，此舉在變動不居之營商環境下尤顯其重要性。

Capital Management

The Bank's capital adequacy ratio remained at a healthy level of 16% compared with the BIS minimum requirement of 8%. This reflects the prudent approach adopted by the management and the regulatory authority, especially in times of turbulent operating environment.

流動資金及市場風險管理

二零零一年度資金維持充裕，平均流動資金比率達40% (二零零零年：平均為43%)，遠高於法定要求之25%。

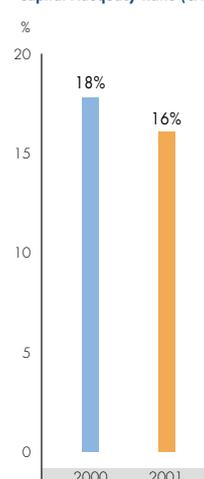
Liquidity and Market Risk Management

The liquidity position remained strong throughout the year of 2001 with average liquidity ratio at 40% (2000 average: 43%), which was well above the statutory requirement of 25%.

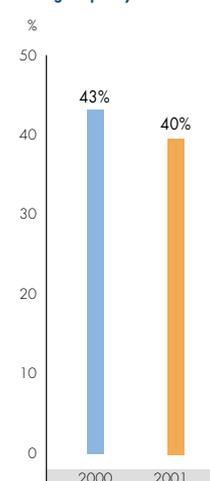
本行資產及負債管理委員會(「資產負債委員會」)密切監察各種流動資產與資金來源之組合，與利率及匯率波動之風險。資產負債委員會成員每月開會審視，並因應內部需求及外圍市場指標而釐定最佳流動資金比率。本行成為工商銀行集團成員後，市場地位得以提升，在資產管理方面獲得更大發揮空間及實力。

The Bank's Asset and Liability Management Committee (the "ALCO") closely monitors the mix of liquid assets and funding channels, and the exposure to movements in interest rate and foreign exchange. ALCO members meet monthly to review the optimal liquidity level in response to internal requirements and external market indicators. The elevation of the Bank's profile, being a member of the ICBC Group, has created more room and capabilities in the balance sheet management of the Bank.

資本充足比率
Capital Adequacy Ratio (CAR)



全年平均流動資金比率
Average Liquidity Ratio for the year



管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

信貸風險管理

本行之信貸政策由信貸委員會、管理委員會及董事會制定及定期檢討。除獨立信貸評估及完善之審批程序外，本行並對特定貸款組合或個別借貸單位進行定期信貸審核。

管理層致力監察貸款組合之還款紀錄及模式，並於二零零零年最後季度起推行更全面之內部信貸風險評級制度，以衡量本行貸款組合之穩健程度。透過各種預警機制，本行可及早識別惡化中之戶口，並加以處理。

所有問題貸款均被撥往另一監控單位負責，採取適當之補救工作及跟進措施。信貸委員會並每月審視有否按照當時之監管規定，作出充足之專項撥備。

營運風險管理

本行繼續維持全面性之內部監控制度，並有一套既定之營運指引及程序。內部審核對查察各運作層面之偏差及不足扮演非常重要之角色。

本行認為運用電子方式大量處理及儲存數據中隱藏重大營運風險，故此已制定充足之監控如應變計劃及後備系統，以減低有關風險。

Credit Risk Management

Credit policies of the Bank are set and constantly reviewed by the Credit Committee, the General Management Committee and the Board. Apart from the independent credit assessment and matrix approval process, regular credit audits are conducted on specific loan portfolio or operating units in the credit process.

The management spares no effort in monitoring the repayment history and behaviour of the loan portfolio. An expanded internal credit risk grading system was introduced since the last quarter of 2000 to track the state of health of the Bank's loan portfolio. Accounts showing signs of deterioration will be spotted and attended to swiftly through the use of various adverse reporting channels.

All problem loans will be transferred to a separate operating unit for rehabilitation and further follow-up actions as appropriate. The Credit Committee also reviews the adequacy of specific loan loss reserve on a monthly basis in compliance with the prevailing regulatory thresholds.

Operation Risk Management

The Bank continues to maintain a comprehensive system of internal controls and an established system of operating guidelines and procedures. Internal audit also plays an important role in detecting any deviations and weaknesses at all operating levels.

The Bank has perceived the extensive use of electronic processing and data storage as a major source of operating risk and sufficient control such as contingency plans and backup have been put in place to mitigate such risk.

業務回顧

企業銀行

向工商銀行收購分行業務後，企業銀行業務已成為本行業務及溢利增長之重要動力。現時該業務佔本行之貸款組合及溢利接近一半，並佔本行於二零零一年之大部份存款增長。

BUSINESS REVIEW

Corporate Banking

Since the acquisition of the Branch Business from ICBC, Corporate Banking has been a significant driving force for the Bank's business and profit growth. It now contributes roughly half of the Bank's loan portfolio and profit, and accounted for majority of the Bank's deposit growth in 2001.



企業銀行為本行業務發展的重要動力。Corporate Banking is a significant driving force for the Bank's business.

目前，本行於香港財資市場上佔有非常重要之地位，逾八成恒生指數成份股之公司均與本行建立密切之業務往來。憑藉工商銀行之強大後盾，本行已成為該等公司在本地及國內發展業務之合作夥伴。

The Bank now plays a significant role in supporting the top tier corporations in Hong Kong. Over 80% of the companies in the Hang Seng Index Constituent Stocks have substantial banking relationship with the Bank. With the strong backup of ICBC, the Bank is considered a partner in their business development locally and in the Mainland.



根據路透社附屬公司basis point提供的資料，按交易宗數計算，本行已位列香港銀團貸款協辦行中前五名。According to information provided by basis point (a subsidiary of Reuters), in terms of the number of deals, the Bank was among the top 5 arrangers in the syndication market.

管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

本行亦成為香港銀團貸款市場中之主要參與者。於二零零一年，中國工商銀行(亞洲)(包括前工商銀行香港分行)共牽頭安排及協辦23宗銀團貸款，涉及總額達1,230億港元。根據路透社附屬公司*basis point*提供之資料，按交易宗數計算，本行已位列香港銀團貸款協辦行中前五名。

商業銀行

儘管經濟環境不利，借助工商銀行集團在中國龐大之網絡及業務關係，本行在貸款資產及客戶基礎方面仍取得理想增長。在二零零一年初成立之租購及租賃部門，主要為的士、小巴及其他營業車輛之車主提供貸款，錄得理想業績。隨著中國加入世貿及全球經濟逐漸復甦，本行具備優勢為兩岸當地企業之業務提供所需服務。

零售銀行

包括存款、住宅按揭及稅務貸款在內之零售銀行產品仍存在激烈競爭。在本行員工同心協力，加上推廣「先禮後息」定期存款計劃之下，零售銀行業務取得顯著增長，而在物業市場貸款萎縮下，住宅按揭之表現尤其突出。

本行與美商大都會人壽保險香港有限公司合作推出人壽保險產品。有別於傳統人壽保險產品，此乃為客戶度身訂做著重簡化申請及投保程序之人壽保險。本行將於日後繼續開發同類之人壽保險產品。

The Bank has also become a key player in the Hong Kong loan syndication market. In the year 2001, ICBC (Asia) including the ex-Hong Kong Branch of ICBC altogether led and arranged 23 syndicated loans amounting to HK\$123 billion in Hong Kong. According to information provided by *basis point* (a subsidiary of Reuters), in terms of the number of deals, the Bank was among the top 5 arrangers in the syndication market.

Commercial Banking

Despite the difficult economic environment, the Bank has been able to achieve satisfactory growth in terms of loan assets and clientele base. This has been achieved in conjunction with the strong network and connections of ICBC group in China. The Hire Purchase and Leasing Department, formed early in the year 2001, recorded favourable business volume primarily focused on extension of loans to owners of taxi, mini-buses and other revenue-generating vehicles. With China's accession to WTO and the gradual recovery of the global economy, the Bank is well positioned to serve the business requirements of local enterprises on both sides of the border.

Retail Banking

Severe price competition continued in almost all areas of retail banking products such as deposits, residential mortgages and tax loans. Through the concerted efforts of our staff, Retail Banking succeeded in achieving significant sales growth particularly in residential mortgages, despite soft loan demand in the property market and through our fixed deposit promotion "Instant Reward Plus".

The Bank launched maiden term life insurance product in collaboration with Metropolitan Life Insurance Company of Hong Kong Limited. Unlike traditional life insurance products, it is a tailor-made life protection policy emphasizing a simple application and underwriting procedure. The Bank will continue to develop similar life insurance product in the near future.

管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

本行亦投資開發信託管理系統，為單位信託投資者提供全面之託管服務。本行可藉該系統為客戶提供有關去年新增之各項基金產品之更多資料。由於投資產品在二零零一年甚為受歡迎，本行將開發更多有關產品。

本行已推出「滙款通」服務，為客戶提供特快滙款服務至工商銀行在廣東省之指定分行，滙款可於即日送達收款人。本行即將擴展該服務至中國其他省份。

The Bank invested in a Custodial Management System to provide comprehensive custodial services to our Unit Trust investors. The system enables us to furnish more information to our customers regarding their investments in various fund houses products that were added last year. Due to the popularity of investment products in 2001, the Bank will develop more related products.

Remittance Express Service to designated branches of ICBC in Guangdong Province was launched. The funds can reach the beneficiary within a working day. The Bank will soon expand the service further to cover other provinces in China.



中國工商銀行(亞洲)充份發揮母公司中國工商銀行的優勢，致力創新及推出獨有的業務。首推特快「滙款通」服務。

ICBC (Asia) aspires to develop distinctive and innovative businesses by leveraging on parent company ICBC's competitive advantage; our first launch being the same-day Remittance Express Service.

管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

分行網絡

為更有利部署未來之發展機會，本行一直並繼續將利潤偏低之分行結束，同時將規模較小之分行合併。二零零一年三月，本行於文咸東街分行原址開設投資理財中心。於二零零一年十二月三十一日，本行在全港共有21間分行。

本行設於開曼群島之分行為客戶提供離岸存款服務。

Branch Network

In order to better its position for future growth opportunities, the Bank has been continuously taken, and will continue to take, steps to close down marginal branches and consolidate small branches. In March 2001, the Bonham Strand East branch was re-opened and transformed into an Investment Centre. As of 31st December 2001, the total number of domestic branches was 21.

The Bank's overseas branch in the Cayman Islands offers offshore deposit services to our customers.



跑馬地分行的外觀。
The Happy Valley Branch.

網上銀行

雖然網上銀行在短期內仍未能提供盈利，但本行相信網上銀行可以低成本之方式擴大客戶基礎，同時亦可提升本行產品及客戶服務之質素。

本行早於二零零零年三月已推出網上自動櫃員機服務，成為首批網上銀行之一。客戶可以在網上轉賬其戶口內之資金及處理其他自動櫃員機之交易。

Internet Banking

We believe that internet banking, though it may not be profitable on its own in the short term, is a vital low cost delivery channel to expand the Bank's customer base and at the same time improve our product and customer service quality.

The Bank was among the earliest banks to roll out the Virtual ATM service in March 2000. With the service, customers can transfer funds between their accounts and do other ATM transactions over the internet.



管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

本行之網上銀行服務在二零零零年十一月推出，為香港銀行業中採用最優良之端對端傳送保密系統之一。加入更強大及具資金過戶功能及其他針對商業客戶服務之第二階段網上銀行服務已於二零零一年十二月推出。

財資部

在利息創出新低之環境下，傳統銀行存款業務變得毫不吸引。若干高收益金融產品相繼誕生，並於二零零一年大行其道。為切合市場需求，本行相繼推出與股票或外匯掛鉤之高息存款，現時可能是本行最受歡迎之兩種產品。此外，本行亦向特選個人投資者出售債券，為日後全面在零售市場出售債券作好準備。另一方面，本行於二零零一年七月加入原工商銀行香港分行所提供之批發銀行服務，為工商銀行集團及中國內地其他銀行提供財資產品及服務。

The Bank's Internet Banking Service was launched in November 2000 featuring one of the best end-to-end encryption security systems among Hong Kong banks. The second phase of the service with enhanced functions and fund transfer capability and other services for commercial clients was launched in December 2001.

Treasury & Markets

Under an environment with a record low interest rate, traditional deposits with banks became very unattractive. A number of high-yield financial products were engineered and getting more popular in 2001. To make every endeavor to meet the market needs, the Bank has promoted equity-linked notes/deposits and structured yield deposits (currency-linked), which are probably the two most popular products. In addition, bonds were sold to selected individual investors, which could pave the path for full launching of bonds sales at the retail level in the future. Besides, in line with the wholesale banking services provided by ICBC, Hong Kong Branch, with which the business was integrated in July 2001, the Bank is now offering ICBC group and other banks in Mainland China with treasury products and services.



本行財資部活躍於一手債券市場。
The Bank's Treasury and Markets has been playing an active role in the debt securities primary market.

管理層之討論與分析 • MANAGEMENT'S DISCUSSION & ANALYSIS

自二零零一年十月以來，財資部一直活躍於一手債券市場。於二零零一年最後一季，本行已參予了12筆發債交易，涉及包銷總額逾200億港元。包銷業務包括協助本港、中國大陸及跨國企業發行港元及美元債券。根據「basis point」發表之資料，以港元浮息票據發行量計算，本行在港元資本市場名列第10位。

金融機構

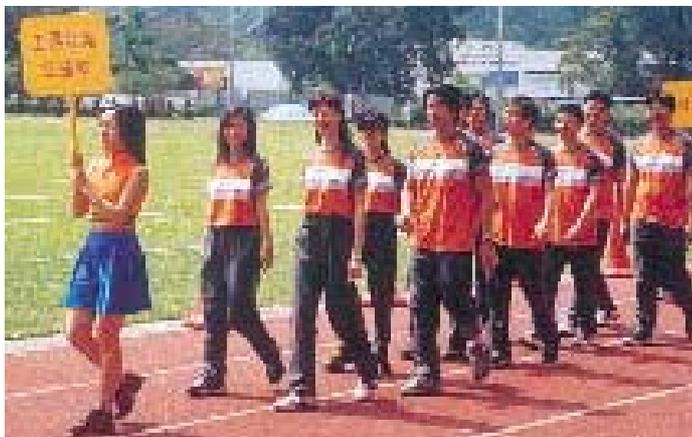
本行為增加貿易融資產品數目，於二零零一年與代理銀行合作，首次涉足承購業務。作為香港持牌銀行，本行亦具備有利條件作為中國大陸與台灣之間金融活動之橋樑。透過中國大陸之全國網絡，本行具獨有優勢，能提供快速匯款、外匯及貿易融資服務。

人力資源

本行在二零零一年與工商銀行香港分行整合後，職員人數由504名升至558名。本行重視員工價值，推行工作表現獎勵制度，表現出色之管理人員及各層員工會獲適當獎勵。

社區服務

本行對服務社區，回饋社會一向不遺餘力。本行響應香港公益金舉辦之「銀行同業為公益」慈善競技大賽，除了為公益，員工也積極參與是項活動。



本行積極參與公益事務，於年內組隊參加香港公益金舉辦的「銀行同業為公益」慈善競技大賽。

As an active participant in charity functions, we joined during the year the "Banking Industry for the Chest", an athletics meet organized by the Community Chest.

Since October 2001, Treasury and Markets Department has been playing an active role in the debt securities primary market. In the last quarter of 2001, the Bank engaged in 12 primary market deals, with the total amount underwritten over HK\$20 billion. The underwriting business covered local, Mainland as well as multinational corporations for debt issuance in both HKD and USD. Our ranking in the HKD Capital Markets stood at the 10th in terms of HKD floating rate issues, as published by "basis point".

Financial Institutions

In order to increase our trade finance products, the Bank firstly involved in factoring business in 2001 through cooperating with our correspondent banks. Also, being a Hong Kong licensed bank, the Bank is advantageously positioned to act as the bridge linking the financial activities between the Mainland and Taiwan. We enjoy unique advantage of being able to deliver express remittance, foreign exchange and trade finance services through the nationwide network in the Mainland.

Human Resources

Following the merger with the Hong Kong Branch of ICBC in 2001, our staff number increased from 504 to 558. The Bank has also introduced a performance-linked bonus system whereby well performing managers and staff can be appropriately rewarded against their results.

Community Services

The Bank has always shown its concern for the community it serves. The Bank contributed to the Community Chest by joining the athletics meet, namely "Banking Industry for the Chest". Staff members also actively participated in the programme.

