

Chairman's Statement

主席報告書



In 2005, the global economy was overall in good shape: the Mainland China economy maintained its strong momentum and grew healthily after adjustments according to the austerity measures and the Hong Kong economy continued to grow. Although the performance of the financial markets have been fluctuating due to substantial increases in oil prices and interest rate hikes, the Hang Seng Index continued to climb and the stock market remained bullish. The Company and its subsidiaries (the "Group") have seized upon market opportunities and made their best efforts in developing their businesses. The Group has achieved growth and profits in all lines of business in Hong Kong comprising investment banking, securities brokerage, asset management and direct investment. China Everbright Bank Company Limited ("Everbright Bank") maintained its steady pace in business development: its non-interest based businesses such as the Sunshine Collective Investment Scheme and underwriting and distribution of short term bonds have taken a leading position in the Mainland banking industry. Everbright Securities Company Limited ("Everbright Securities") endeavored to make adjustments to its business model and developed new products: it made significant breakthrough in the collective investment management and warrants issuance businesses. For the year 2005 the Group recorded a profit after tax and minority interests of approximately HK\$296 million.

It is expected that in 2006, interest rates will peak and the economy of China will in general maintain its rapid growth momentum whereas the Hong Kong economy will record slight growth. Accelerated reforms on the Mainland financial sector will lead to the eventual opening up thereof to the world. The capital market reform, improvements in corporate governance and tightened control in risk management will generally support a sustainable and healthy development of the financial sector.



二零零五年，全球經濟整體表現良好；中國內地經濟保持高速增長，經過宏觀調控經濟運行更加健康；香港經濟繼續復甦和保持增長勢頭，金融市場雖然受到國際油價大幅攀升、加息周期持續等因素的影響出現了一定的波動，但全年恒生指數上升，市場交投活躍。本

公司及附屬公司（「本集團」）積極把握市場機遇，努力拓展各項業務。其中香港業務全面發展，投資銀行業務、經紀業務、資產管理業務、直接投資業務全部實現盈利。中國光大銀行股份有限公司（「光大銀行」）公司治理不斷改善，各項業務保持平穩增長，陽光理財、短期融資券承銷等非收息業務在內地銀行中取得領先地位。光大證券股份有限公司（「光大證券」）致力業務轉型，努力開拓創新，集合理財及創設權證業務取得了積極突破。於回顧年度本集團錄得除稅及少數股東權益後盈利港幣2.96億元。

二零零六年，全球金融市場加息周期將會結束，中國內地經濟整體上還將保持快速發展，而香港經濟亦將有溫和的增長。內地加大金融改革力度，金融業將全面開放，資本結構與公司治理的改善以及風險管理水平的提高將促進金融業健康持續發展。



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Against this backdrop, it is expected that Everbright Bank will gradually raise its profitability through streamlining the business structure, enhancing risk control measures, and improvement in capital adequacy ratio and non-performing loan ratio by way of capital increase and resolution of non-performing loans. Through the introduction of new businesses, the competitiveness of Everbright Securities will increase and it is hopeful that it will raise its profitability following the recovery of the local capital market. The Group's Hong Kong operation will have continuous growth in areas of direct investment, investment banking and asset management. The securities brokerage business will continue to be a steady profit source for the Group. The Group will leverage on its cross-border financial networks, large customer base and strong brand recognition to develop its Hong Kong operations as well as actively support the development of Everbright Bank and Everbright Securities with a view to maximizing return to our shareholders.

Finally I take this opportunity to express my gratitude for the contribution of our customers, shareholders, the members of the Board, the management and the staff of the Group. I believe, through our teamwork, the Group will make considerable progress in 2006.

Wang Mingquan

Chairman

Hong Kong, 23rd March 2006

在此背景下，光大銀行將通過資本重組，增資擴股提高資本充足率，不斷優化業務結構，強化風險控制，加大不良貸款處置，提高盈利能力。隨著內地資本市場的復甦，光大證券通過業務創新，競爭力提升，提高盈利能力。本集團香港業務在直接投資、投資銀行和資產管理領域也將保持穩健發展，經紀業務將繼續保持穩定的盈利能力。本集團將充分利用貫通內地和香港的綜合金融服務網路，豐富的客戶資源和穩固的品牌形象，在穩定香港業務的同時積極支援光大銀行和光大證券加快發展，爭取為股東創造理想回報。

本人謹此向本集團的客戶、股東、董事會成員、管理層及全體員工在過去一年對本集團的貢獻表示感謝。本人相信，通過我們的共同努力，二零零六年本集團的業務一定會得到更大的發展。

王明權

主席

香港，二零零六年三月二十三日