

## 行政總裁報告

# Chief Executive Officer's Statement

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2015年，香港銀行業受環球經濟增長乏力，金融市場更趨波動等不確定性因素影響，經營環境充滿挑戰。與此同時，中國內地推出「一帶一路」戰略、推進自貿區建設及落實一系列深化經濟改革的措施，也為銀行創新業務、持續發展提供新的驅動力。本集團在審慎經營的同時，把握市場機遇，落實各項發展策略，積極拓展業務機會，業績表現保持穩健。

In 2015, Hong Kong's banking industry was faced with a challenging business environment on uncertainties including sluggish global economic growth and greater volatility in the financial markets. At the same time, the roll-out of the "One Belt One Road" strategy, the promotion of free-trade zones as well as the implementation of a series of intensified economic reforms in Mainland China also provided banks with a new driving power for innovative business and sustainable development. While running the business prudently, the Group seized market opportunities to put development strategies into practice actively expanding business opportunities, as a result, a steady performance was maintained.



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### 財務摘要

截至2015年12月底，本集團提取減值準備前之淨經營收入按年下降2.04%至港幣65.04億元；淨利息收入港幣47.20億元，比上年底下降9.05%；非利息收入港幣17.84億元，比上年底上升23.09%，其中淨手續費收入上升8.15%至港幣13.57億元，主要由證券和保險業務的佣金收入增加所帶動。截至2015年12月底，總資產為港幣3,051.97億元，較上年底上升0.43%；資本回報率8.05%，資產回報率0.95%，分別比上年底下降0.14個百分點及上升0.01個百分點；客戶存款及貸款健康增長，分別比上年底上升4.12%及4.50%。

### FINANCIAL HIGHLIGHTS

As at the end of December 2015, the Group's net operating income before impairment allowances decreased by 2.04% year-on-year to HK\$6,504 million; net interest income was HK\$4,720 million, representing a decrease of 9.05% from the end of last year; non-interest income was HK\$1,784 million, representing an increase of 23.09% comparing with the end of last year, of which net fee income rose 8.15% to HK\$1,357 million, mainly driven by the increase in commission income from the securities and insurance operations. As at the end of December 2015, total assets amounted to HK\$3,051,977 million, representing an increase of 0.43% over the end of last year; rate of return on capital was 8.05% and rate of return on assets was 0.95%, representing a decrease of 0.14 percentage points and an increase of 0.01 percentage points respectively comparing with the end of last year; customer deposits and loans grew healthily by 4.12% and 4.50% respectively from the end of last year.



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#### 主要業務回顧

##### 個人金融業務

截至2015年12月底，個人金融業務提取減值準備前之淨經營收入增長11.80%至港幣16.53億元。除稅前溢利下降11.47%至港幣5.92億元。個人存款方面，年內，我們積極拓展優質客戶，紮實推進存款業務。我們利用報刊、海報、交通工具、網絡等媒介全方位加強宣傳，緊抓關鍵客戶存款，做大存款規模。同時，大力營銷發薪客戶，提升低無息存款佔比，並根據市場變化，注意吸納具利差貢獻貨幣的存款，存款成本得到有效控制。個人貸款方面，我們發揮跨境業務優勢，重點推出香港居民以內地物業作押的授信方案，並注重交叉銷售，滿足客戶需求的同時，增加其他業務拓展機會。年內，為鞏固和擴大客戶基礎，我們加大按揭業務營銷力度，提升市場份額，亦推出按揭戶專屬的「理財貸輕鬆」貸款計劃優惠，增強客戶粘性。個人財富管理方面，我們透過「南商理財」、「自在理財」和「智盈理財」三個理財層級針對不同客戶進行全方位推廣，全年形成一浪接一浪推廣高潮。為進一步擴大品牌知名度，我們還積極挖掘潛在客戶，推出「家庭理財新戶賞」計劃、「校園理財新戶賞」計劃等，拓展年輕客戶群。年內，我們抓住市場機遇，努力提高非利息收入佔比，代理股票、基金及保險業務的淨手續費收入錄得令人滿意的增長。

#### REVIEW ON CORE BUSINESS

##### Personal Banking

As at the end of December 2015, net operating income before impairment allowances generated by the personal banking business grew by 11.80% to HK\$1,653 million. Profit before tax declined by 11.47% to HK\$592 million. For personal deposits, during the year, we actively developed quality customers to boost the deposit business. We strengthened publicity in all domains via newspapers and periodicals, posters, transportation means, networks and other media to secure deposits of key customers and expand the size of deposits. At the same time, we geared vigorous marketing to payroll clientele to raise the percentage of low to zero-interest deposits and sourced deposits primarily denominated in currencies with spread contributions according to market changes, hence the cost of deposits was kept under effective control. For personal loans, we gave play to advantages of the cross-border business on the major launch of credit solutions targeting Hong Kong residents using Mainland properties as collaterals and focused on cross-selling to expand opportunities for the development of other businesses while meeting customer needs. During the year, to consolidate and expand customer base, we intensified marketing efforts on the mortgage business to improve market share and introduced "Easi-Personal Loan" offers exclusively for mortgage clients to strengthen customer retention. On the wealth management front, we conducted all-around promotions through "Wealth Management", "i-Free" and "Enrich" at three levels targeting different customers to form wave after wave of promotion climax through the year. To further increase brand awareness, we actively tapped potential customers by launching programs including "New Wealth Management Family Customer Rewards" and "New Wealth Management Campus Customer Rewards" to develop young customer groups. During the year, we seized market opportunities to vigorously improve the percentage of non-interest income and a satisfactory growth in net fee income from the equity and fund agency and insurance operations was recorded.



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### 主要業務回顧 (續)

#### 企業金融業務

企業金融業務增長良好，收入穩定增長。截至2015年12月底，企業放款錄得3.11%增幅至港幣1,217.21億元；提取減值準備前之淨經營收入和除稅前溢利分別比上年底下降3.43%和增長27.56%，至港幣32.77億元和港幣16.29億元。年內，企業金融業務強調資金來源與貸款運用平衡發展，擴大資產規模的同時，加強企業存款的營銷力度，先後推出「僱主發薪服務」迎新優惠及「商業理財賬戶提升計劃」等，積極爭取企業客戶的往來結算業務，帶動低無息存款增長。同時，積極抓住國內人民幣市場逐步開放，「一帶一路」以及內地自貿區建設等國家戰略機遇，緊跟市場，積極尋找風險合理的業務增長點，跨境業務及本地業務齊抓並舉，成功落實多項大額放款業務，保持可持續發展動力。繼2013年我行成為前海跨境人民幣貸款首批參與銀行後，年內，在國家政策的支持下，藉深港澳三地緊密合作，我們成功牽頭辦理用於前海建設的大額跨境人民幣貸款，有力支持了前海建設和發展。此外，我們以「同一品牌，同一理想」的策略，與附屬公司南商（中國）積極聯動拓展業務，為內地「走出去」的企業提供不同的融資及資金收付解決方案和優質服務。中小企業業務方面，我們堅持以做好本地商戶服務為經營方向，持續拓展「南商小企錢」及「中小企融資擔保計劃」貸款方案，為各類中小企提供資金融通管道，支援其業務發展。

### REVIEW ON CORE BUSINESS (Cont'd)

#### Corporate Banking

The corporate banking business saw positive growth and a stable increase in income. As at the end of December 2015, corporate loans grew 3.11% to HK\$1,217,211 million; net operating income before impairment allowances and profit before tax were HK\$3,277 million and HK\$1,629 million respectively, representing a decrease of 3.43% and an increase of 27.56% comparing with the end of last year. During the year, emphasis of the corporate banking business was put on a balanced development between sources of funds and use of loans in stepping up marketing efforts on corporate loans while expanding the size of assets, successively launching "Employer Payroll Service" welcome offers and "NCB Wealth Management Account Upgrade Scheme" to actively seek trade settlement business among corporate clients with the aim of driving the growth in low to zero-interest deposits. At the same time, through actively seizing opportunities arising from national strategies including the gradual opening of the domestic Renminbi market, the "One Belt One Road" initiative and the establishment of free-trade zones in the mainland and keeping abreast of the market, we actively looked for sources of business growth with reasonable risk in tackling the cross-border business and the local business simultaneously and successfully implemented a number of large-sum loan operations, hence maintaining the momentum for sustainable development. After becoming one of the first banks participating in cross-border Renminbi loans in Qianhai in 2013, during the year, with the support of national policies, we successfully led the processing of large-sum cross-border Renminbi loans to be used for construction in Qianhai capitalizing on the close cooperation among Shenzhen, Hong Kong and Macau, thereby providing strong support to the establishment and development of Qianhai. In addition, we actively developed business through synergy with our subsidiary NCB (China) based on the "One Brand One Ideal" strategy, providing varying financing and capital receipt-payment solutions and quality services for mainland enterprises "going abroad". On the SME business front, we adhered to the business direction of doing well local business services and continued to expand "NCB Microfinance" and "SME Financing Guarantee Scheme" loan solutions to provide financing channels for all types of SMEs to support their business developments.

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### 主要業務回顧 (續)

#### 財資業務

截至2015年12月底，財資業務提取減值準備前之淨經營收入港幣14.22億元，當中淨利息收入同比下降29.55%。年內，受內地多次降息及調低存款準備金的影響，我行人民幣存放業務大幅減少，雖已積極轉投人民幣債券市場，惟人民幣存款持續下跌而放款增加，加劇內地人民幣存放業務萎縮。及至第三季，為應對人民幣貶值及資金外流壓力，我行及時調整策略，增持美元／港元債券，令銀行盤債券業務淨利息收入有所增加。此外，配合國家開放政策，我行積極開拓境內融資渠道，包括增加自貿區拆借、境內現金賬戶融資及內地人民幣質押式債券回購等，以冀擴寬人民幣資金來源及降低利息支出。

#### 風險管控

由於市場環境持續不穩，企業經營壓力持續增加，對銀行資產質素亦造成一定影響。為此，我們積極強化風險管控力度。首先，針對不同風險因素變化，開展各項風險篩查，做好信貸風險預警工作。其次，根據風險取向及本行的業務策略，持續優化各類風險政策和制度，審慎做好授信風險分析和評估，強化資產質素監察機制。同時，加強應對風險的預案研究，針對不同情景，優化壓力測試方法，建立快速反應機制，保障銀行資產質素。相關管理措施取得較明顯成效，期內，資產質量總體保持穩健。

### REVIEW ON CORE BUSINESS (Cont'd)

#### Treasury

As at the end of December 2015, net operating income before impairment allowances generated by the treasury business amounted to HK\$1,422 million, of which net interest income declined by 29.55% year-on-year. During the year, due to the impact of multiple interest rate cuts and the lowering of deposit reserves in the mainland, a sharp decline in the Renminbi deposit business was recorded. Despite of our proactive switch to the Renminbi bond market, Renminbi deposits continued to decrease while Renminbi loans increased and this has intensified the contraction of the mainland Renminbi deposit business. Up till the third quarter, in response to the depreciation of Renminbi and pressure from capital flight, we made timely adjustments to our strategy and increased holdings of bonds denominated in United States/Hong Kong dollars, which has resulted in a growth in net fee income from the proprietary bond trading business. In addition, to act in concert with the State's opening policy, we actively explored domestic financing channels, including increasing offerings in free-trade zones, financing for domestic cash accounts and onshore Renminbi bond pledged repos, with the hope of expanding sources of Renminbi funds and reducing interest expenses.

### RISK MANAGEMENT AND CONTROL

Continued instability in the market environment and increasing pressure on business operation have also exerted some impact on the quality of bank assets. For this reason, we have actively strengthened efforts on risk management and control. First of all, we have carried out screening of various risks in connection to changes in different risk factors to ensure that early warning of credit risk is in place. Secondly, we have continuously enhanced various types of risk policies and systems according to risk orientation and the Bank's business strategies and have prudently conducted credit risk analysis and assessment for stronger asset quality monitoring mechanisms. At the same time, we have been working to strengthen study plans to cope with risks, optimize stress testing methods aiming at different scenarios and establish rapid reaction mechanisms to ensure the quality of bank assets. Relevant management measures have achieved relatively evident results and the overall quality of assets was kept steady during the period.

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### 風險管控 (續)

此外，針對南商(中國)的資產質素狀況，我們加強對其信貸風險管理，並制訂一系列的整改措施，監察其落實執行情況及成效，及時提出改善建議。

為符合金管局對防洗錢及反恐籌資工作的標準及要求，我們加強對防洗錢工作的管治，持續優化多項防洗錢舉報系統，有效簡化流程及提升監察質素，同時，加強操作風險及合規檢查工作，以符合監管要求，確保銀行合規經營。

### 內地經營情況

2015年，受外部宏觀經濟形勢走低、風險事件頻發及內部處於調整過渡期等諸多因素影響，南商(中國)業務面臨較大的壓力和挑戰，但在集團的全力指導支持下，南商(中國)穩步推進專業化經營，注重調整貨幣結構、客戶結構和業務結構，積極提升風險管控能力，有效提高網點效能，並加強系統建設，強化內部管理，經營狀況出現企穩回升的態勢。

### 前景展望

展望2016年，全球經濟維持低增長態勢，形勢仍將比較嚴峻。中國經濟進入轉型攻堅期，在下行中可望實現階段性企穩。隨著人民幣國際化及「一帶一路」戰略實施取得新進展、人民幣加入特別提款權貨幣籃子正式生效相關影響逐步兌現以及傳統銀行與互聯網的融合進一步深入，各種金融需求將加快湧現，業務空間進一步擴大，給銀行業務創新帶來新機遇。本集團將找準定位，創新發展，繼續通過合理、有效的資源配置，加緊主動融入互聯網金融快速發展潮流，積極尋求新的利潤增長，保持市場競爭力和持續發展力。

### RISK MANAGEMENT AND CONTROL (Cont'd)

In addition, in respect of the asset quality situation of NCB (China), we have strengthened management of its credit risk and have developed a series of corrective measures, monitoring the status and effect of their implementation and making timely recommendations for improvement.

To comply with the standards and requirements of the Hong Kong Monetary Authority regarding anti-money laundering and counter-terrorist financing work, we have strengthened the management and governance of anti-money laundering work and have constantly optimized a number of anti-money laundering reporting systems to effectively simplify the process and enhance the quality of supervision. At the same time, we have stepped up efforts on operational risk and compliance check so that regulatory requirements are met and compliance is ensured.

### OPERATING CONDITIONS IN MAINLAND CHINA

In 2015, the business of NCB (China) was faced with greater pressure and challenges due to various factors including deterioration in the external macroeconomic situation, frequent occurrence of risk incidents as well as in the midst of an adjustment and transition period internally. However, with the full guidance and support of the Group, NCB (China) steadily pushed ahead specialised management with focus on adjusting the currency, customer and business structures to actively improve risk management and control capabilities and effectively enhance the performance of networks, coupled with the strengthening of systems construction and internal management. As a result, a rebound in operating conditions has appeared.

### PROSPECTS AND OUTLOOK

Looking ahead into 2016, it is expected that a state of low global economic growth will continue and the situation will remain rather severe. The Chinese economy will enter a crucial transition period and is likely to achieve initial stability in the midst of the downturn. As the internationalisation of the Renminbi and the implementation of the "One Belt One Road" strategy makes new progress, the inclusion of the Renminbi in the Special Drawing Right currency basket enters into force and relevant effects gradually come true as well as the integration of traditional banks with the Internet further deepens, a variety of financial needs will emerge more quickly and the room for business development will further expand, hence bringing new opportunities for banking business innovation. The Group will accurately identify its positioning and innovate developments, continuously intensifying the initiative to integrate with the rapidly developing Internet banking trends through reasonable and effective allocation of resources to actively seek new sources of profit growth and maintain market competitiveness and sustainable force for development.