

Wing Lung Bank 2009 Results Announcement

Wing Lung Bank Limited announced that the Bank reported a consolidated profit after tax of HK\$884 million for 2009.

The Bank's Board of Directors noted that the global economy remained in doldrums in the wake of the sweeping financial tsunami in early 2009. In the second half of 2009, the global economy seemed to be stable, but was still complicated and changeable. In 2009, the Bank focused on its integration with China Merchants Bank ("CMB"). Coordinated business gradually started, and sign of synergies emerged. Consequently, a better-than-expected performance was achieved.

The Group recorded a consolidated profit after tax of HK\$884 million for the year ended 31 December 2009. Net interest income amounted to HK\$1,332 million, representing an increase of 4.3% from the same period of last year. Loan-to-deposit ratio was 55.5%, which is higher than 2008's 50.5%. Net fees and commission income amounted to HK\$382 million, representing an increase of 11.2% from the same period of last year, which was mainly contributed by the growth in commission income from securities brokerage given active stock market. Moreover, the Group's impairment charge for credit losses was HK\$78 million, representing a decrease of 89.6% from that of 2008.

At the end of 2009, total assets of the Group increased by 16.6% to HK\$117.3 billion when compared to the end of 2008. Total deposits from customers grew by 10.9% to HK\$92.3 billion, while total advances to customers, including trade bills, increased by 21.6% to HK\$52.9 billion as compared with that at the end of 2008.

As at 31 December 2009, the capital adequacy ratio and core capital adequacy ratio of the Group were 16.2% and 9.9% respectively, and the average liquidity ratio for 2009 was 55%.

In view of the unprecedented monetary and fiscal stimulus packages introduced by governments and central banks around the world, excess liquidity is likely to persist with rising risk of inflation and asset market bubbles during 2010. Besides, the impact of the unwinding of fiscal and monetary stimulus on the global economy is unpredictable. Confronted by uncertain economic outlook, the Bank will stay alert to the ever-changing operating environment, and devote efforts to strengthening its risk capabilities, enhancing cost control measures and improving resources allocation. Being a member of the CMB group, the Bank has strong parental support and much room for further development. The Bank will strive to realise synergy effects through further integration and collaboration with CMB. Moreover, the Bank will also cooperate with CMB to build a cross-border financial service platform, so as to enhance competitive edge and boost overall profit growth.

Note: The 2009 Annual Report of Wing Lung Bank containing all the information required by the Banking (Disclosure) Rules has been published on Wing Lung Bank's website.

Web site: <http://www.winglungbank.com>

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