

Bank of China Limited 2008 Annual Report - BOCG Investment

24 March, 2009

BOCG Investment

The Bank is engaged in direct investment and investment management business through its wholly-owned subsidiary, BOCG Investment. Through its business roots in Hong Kong, it penetrates the Chinese Mainland and reaches out to the world. Its main business scope includes corporate equity investment, non-performing assets (“NPA”) investment and fixed assets investment and management.

In 2008, BOCG Investment actively developed its business in prudent manner, increased investment value and constantly explored enhancements to its own business model, growth model and management mechanism. It achieved healthy results from all businesses and registered an after-tax profit of RMB0.249 billion. In 2008, the external environment substantially impacted the direct investment business. Accordingly, BOCG Investment adjusted its investment speed and strategy, clarified key investment targets, broadened and maintained business channels, and marketed investment products. Through prudent project selection and business development, it made investments in a number of equities and funds. Through strengthening cooperation with the Group and other peer companies, it made significant returns from NPA investment. BOCG Investment disposed of NPA investment assets efficiently and took initiatives in exploring merger & acquisition opportunities. In addition, it clarified the business model for real estate investment, developed strict investment entry standards, proactively selected cooperation projects with great prudence, and maintained good returns on its investment projects.

In 2009, BOCG Investment will closely monitor the changes in the macro-economic environment, focus on long-term development plans and respond to the new competitive situation and customers' demands. It will explore innovative operating models and new products, reinforce project operation and implementation capability, analyse and seize potential business opportunities and effectively facilitate sound development of its investment business.