Press Release
HKMC Annual Report 2000 Published

The Hong Kong Mortgage Corporation Limited (HKMC) today (10 May) published its Annual Report for 2000.

"The business environment presented many challenges to the Hong Kong Mortgage Corporation in 2000. I am pleased to report that the Corporation was able to adapt its strategy to maintain a strong financial performance and convert many of these challenges into business opportunities. Through a prudent widening of business scope, product innovation and effective marketing, we exceeded most of our targets despite the difficult business environment," said Mr. Donald Tsang, former Chairman of the Board of Directors of the HKMC in the report. "The Corporation took a big step forward in its mission to promote home ownership in Hong Kong. The expanded Mortgage Insurance Programme helped over 4,600 families advance the purchase of their own flats. The decision to expand the range of Approved Sellers will enable the Corporation to form a strategic alliance with the Government housing agencies to promote home ownership for the lower income groups," he added.

According to the Annual Report, the Corporation achieved a profit after tax of HK$233.1 million in 2000, despite the difficult operating environment. It also produced a return on equity of 9.4% and a return on assets of 1.8%. Its capital-to-assets ratio of 12.3% is well above the minimum requirement of 5%. The Corporation also issued a record HK$6.63 billion of debt securities in 2000 to fund the purchases of mortgages.

In his conclusion to the Chairman's Statement, Mr. Tsang said, "Looking ahead to the year 2001, I am confident that the HKMC will be even more effective in performing its pioneering role in developing the residential mortgage and capital markets in Hong Kong."

The Hong Kong Mortgage Corporation Limited
10 May 2001