

Opportunities & Challenges of Asian NPLs Markets

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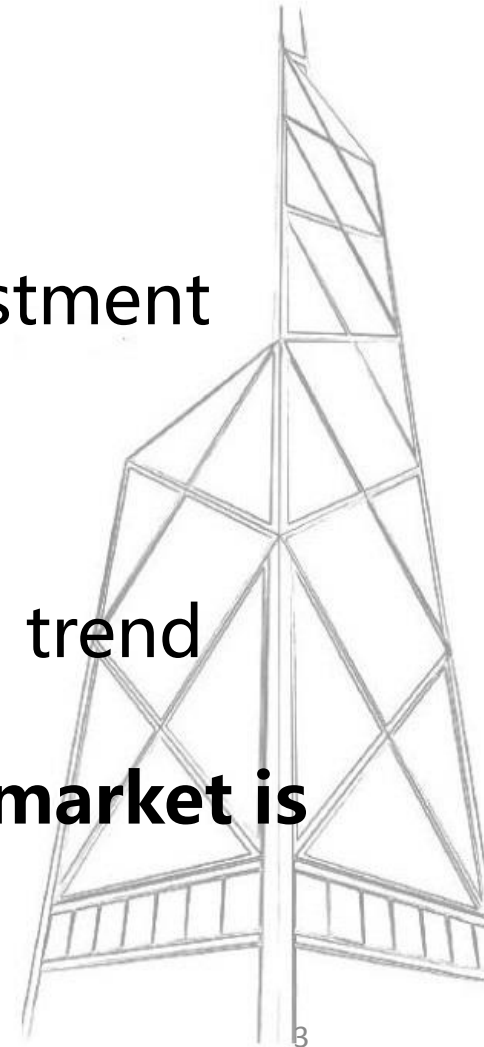


I. New Opportunities for Asian NPLs Market in New Situation

The World Economy Post Int'l Financial Crisis

- The world economy recovery is yet to be achieved
- New changes keep showing up in the indepth adjustment stage
- Asian economies all facing the pressure of downward trend

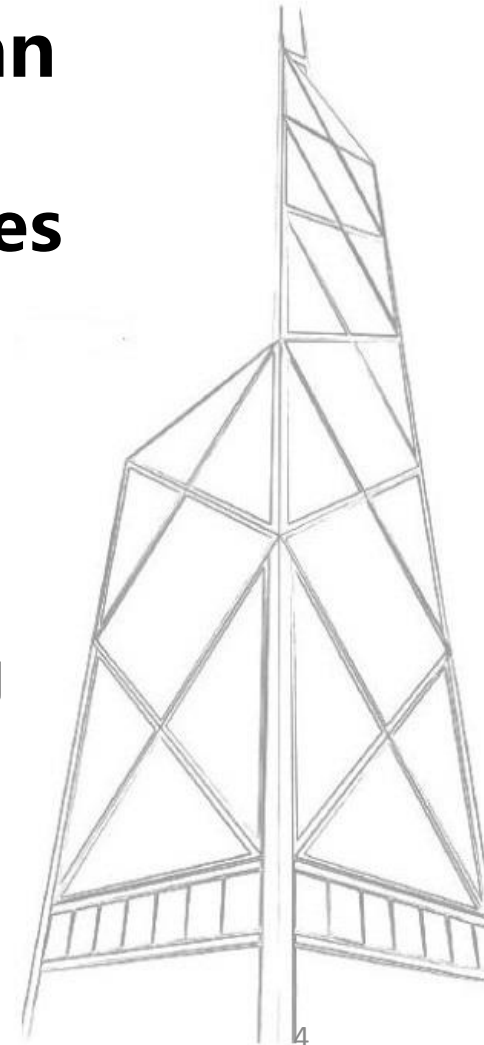
The obvious feature of counter-cyclical Asian NPLs market is facing development challenges.



I. New Opportunities for Asian NPLs Market in New Situation

The Three Development Challenges of Asian NPLs Market

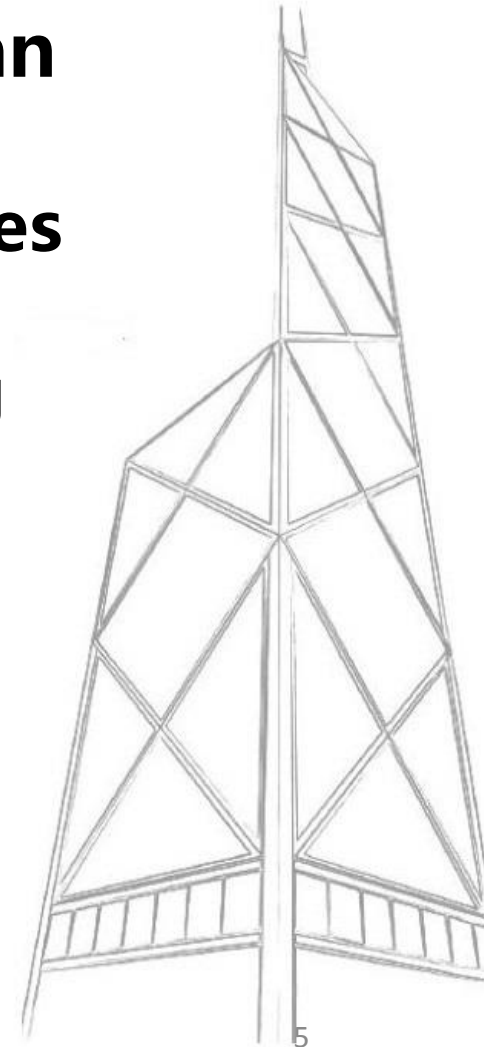
- **There will be counter-cyclical business chances** keeping emerged.
- The regulatory agency is about to guide the financial institutions of banking arena to collect and write off the NPLs
 - NPLs on supply side will be amplified
- **The economic transformation and upgrading** brings a broad space fo the market
- **Favouable policies** create opportunies for development.



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The Three Development Challenges of Asian NPLs Market

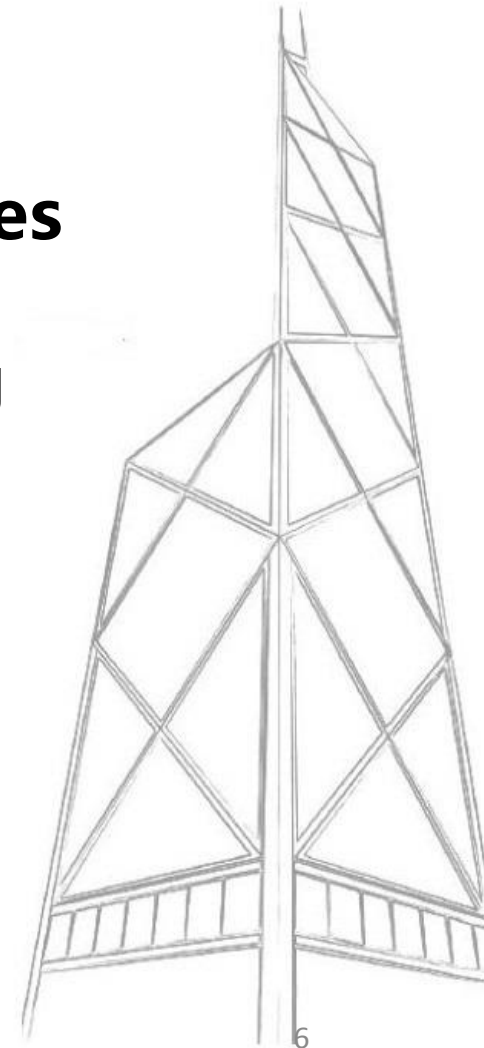
- **There will be counter-cyclical business chances** keeping emerged.
- **The economic transformation and upgrading** brings a broad space for the market
 - The new economy growth and the upgrading of traditional industries
 - New clients and new market of NPLs
- **Favourable policies** create opportunities for development.



I. New Opportunities for Asian NPLs Market in New Situation

The Three Development Challenges of Asian NPLs Market

- **There will be counter-cyclical business chances** keeping emerged.
- **The economic transformation and upgrading** brings a broad space fo the market
- **Favourable policies** create opportunies for development.
 - all countries : loosen control, promoting competition, supporting innovation, enlarging opening up
 - China : “seven deleverging measures”



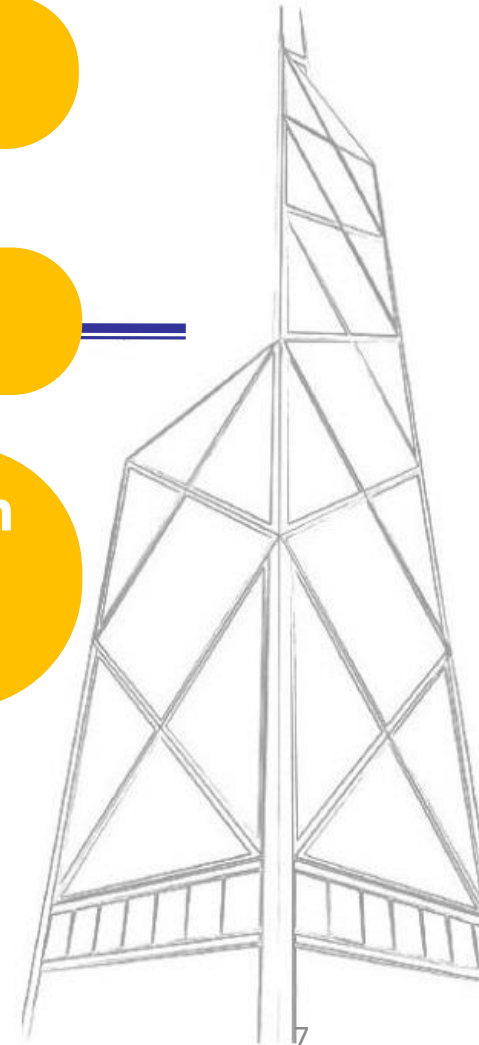


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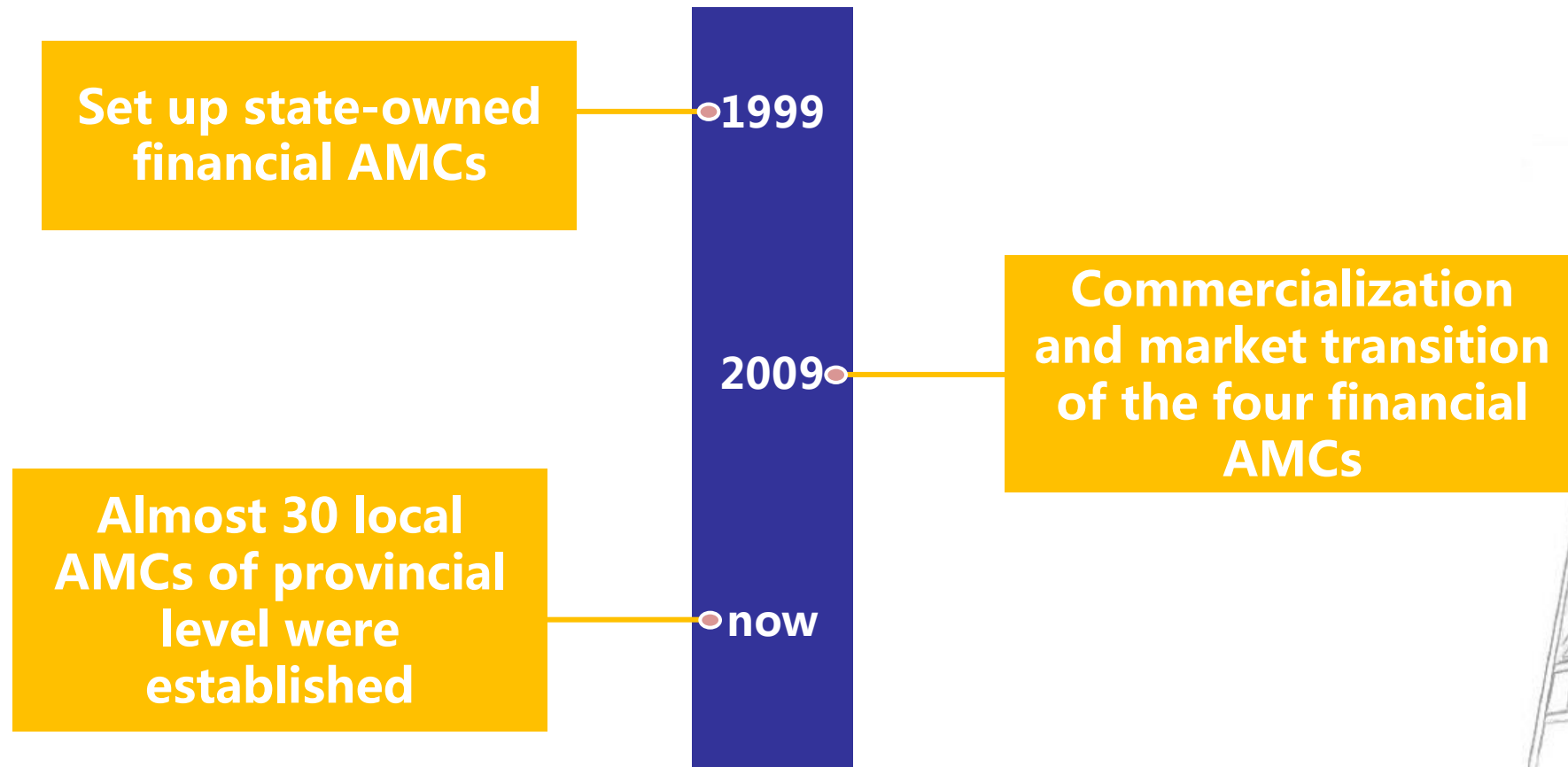
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II、 Bright Prospects for Financial AMCs in New Situations

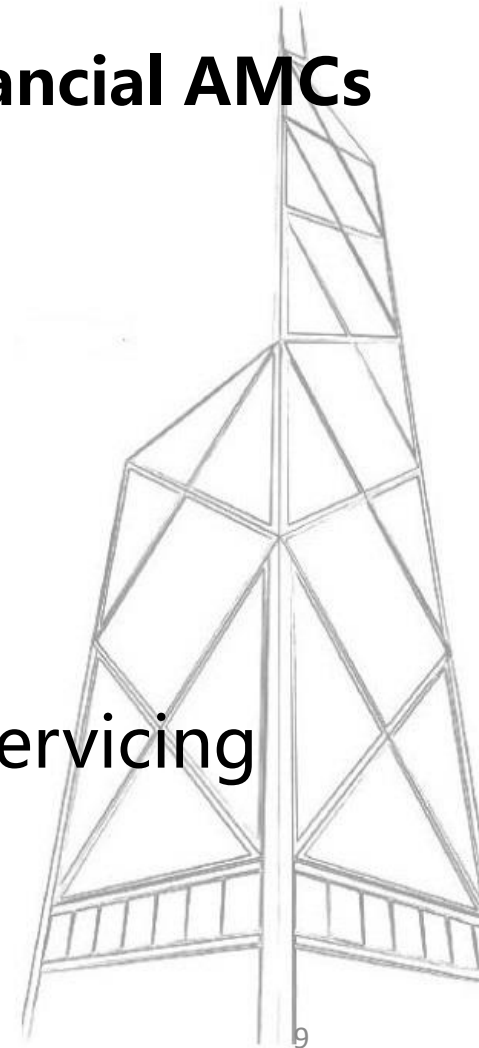
(I) Evolution of China Financial AMCs



II、 Bright Prospects for Financial AMCs in New Situations

(II) The Obvious Achievements of Reform Made by Financial AMCs

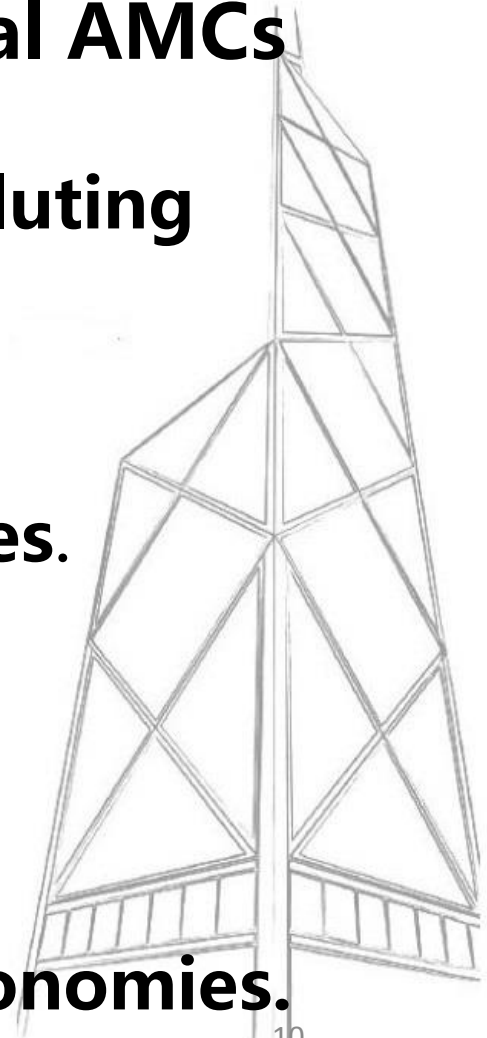
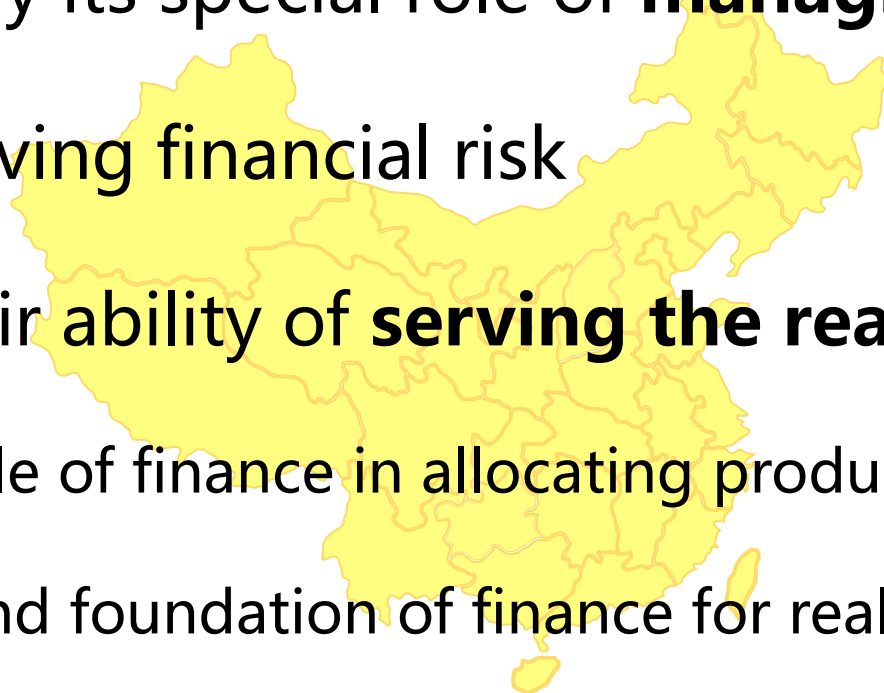
- Fast and stable growth of performance
- Important progress in reforming and transition
- Capability of group control increased
- More attention and support for resolving risks and servicing real economic entities.



II、 Bright Prespects for Financial AMCs in New Situaition

(III)The Unique Funcitons of State-owned Financial AMCs

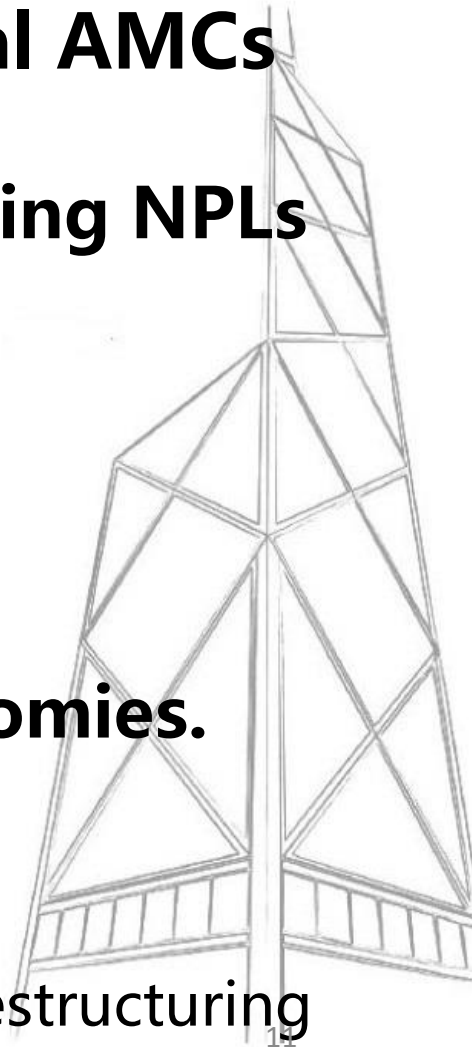
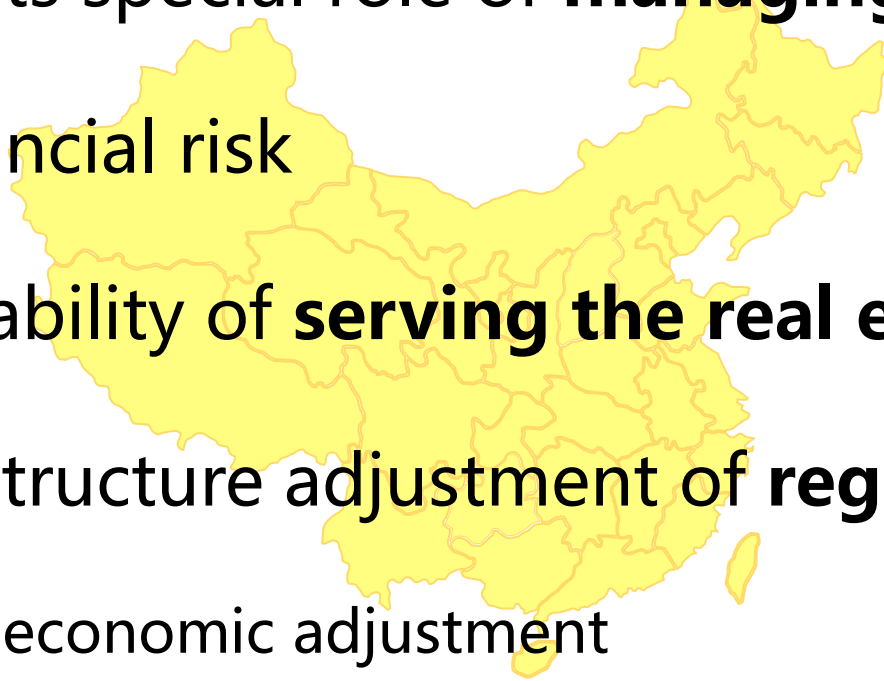
- Continue to play its special role of **managing & resoluting NPLs** and resolving financial risk
- To enhance their ability of **serving the real economies.**
 - The leading role of finance in allocating production factors
 - The support and foundation of finance for real economies
- **To promote** the structure adjustment of **regional economies.**



II、 Bright Prospects for Financial AMCs in New Situation

(III) The Unique Functions of State-owned Financial AMCs

- Continue to play its special role of **managing & resolving NPLs** and resolving financial risk
- To enhance their ability of **serving the real economies**
- **To promote** the structure adjustment of **regional economies.**
 - The jungle law in economic adjustment
 - The financial AMCs promote the adjustment, upgrading and restructuring



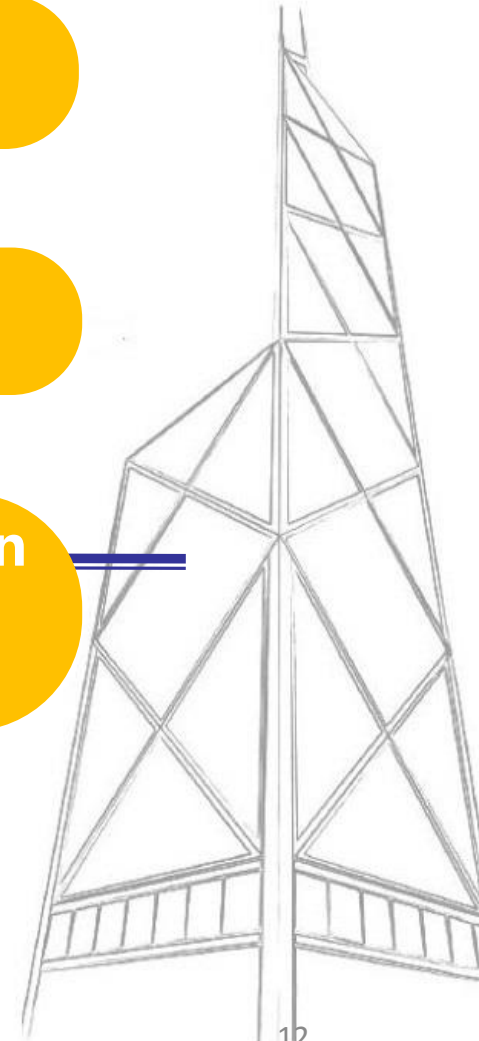


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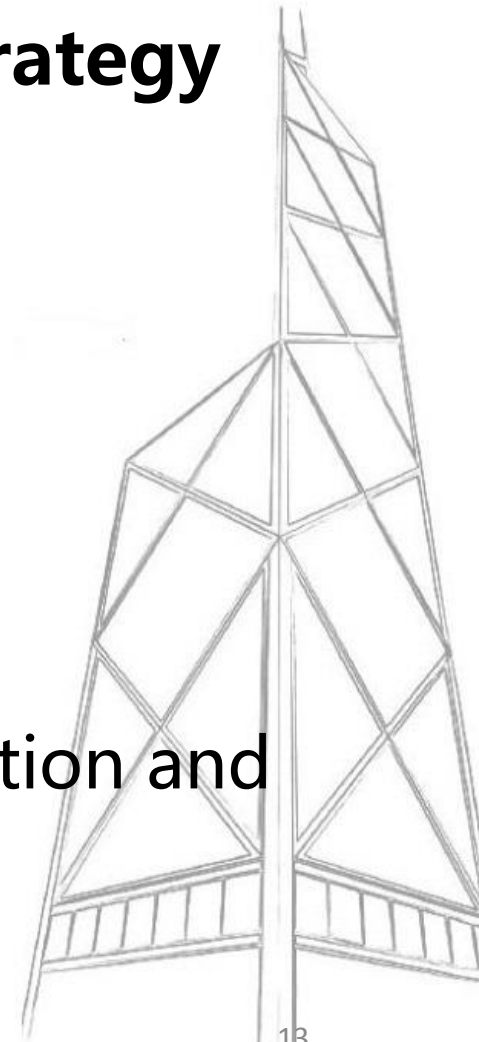
III. To Firmly Support the Innovation and the Stable Development of Financial AMC's

A. Governance Structure and Development Strategy Need to be effective

- Morden corporate governance structure
 - high efficiency of decision
 - supervision & restricting mechanism
 - incentive mächenism
- Distinct strategy for development

B. More Effective Risk Control Mechanism

- The marketization, internationalization, diversification and conglomeration of financial AMC's.
- The Importance of Risk Control in Innovation



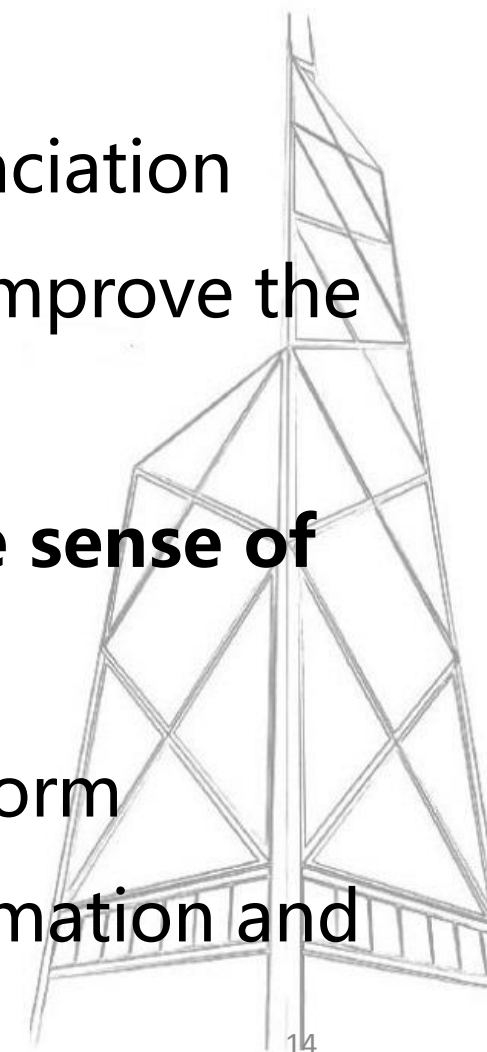
III. To Firmly Support the Innovation and the Stable Development of Financial AMCs

C. The Products and Services need changes

- Both demands for standardization and differentiation
- Customized products and innovative tools to improve the integrated ability of servicing.

D. Development Philosophy shall include more sense of social responsibilities.

- Maintaining financial stability , progressive reform
- Servicing real economies , expediting transformation and upgrading



Thank you!

