

Chairman's Statement 主席報告書



FINANCIAL SUMMARY

The Group's revenue for the first time exceeded one billion. Revenue for the year ended 31 December 2004 was 56.9% higher than the previous year, and was approximately HK\$1,113,048,000.

The substantial increase in revenue generated an annual profit attributable to shareholders of approximately HK\$150,494,000, which was a marked turn-around after a loss of approximately HK\$72,937,000 in 2003.

The performance of InfoNews continued to be encouraging, with revenue for 2004 reaching approximately HK\$189,768,000, which was a dramatic jump from approximately HK\$26,873,000 it made during 2003.

The Board recommended a final dividend of HK\$0.01 per share.

財務概要

本集團收入首次超越十億港元。截至二零零四年十二月三十一日止年度的收入約1,113,048,000港元，較去年上升56.9%。

收入大幅增加帶來股東應佔年度溢利約150,494,000港元，較二零零三年錄得虧損約72,937,000港元顯著改善並轉虧為盈。

資訊台的表現繼續令人鼓舞，二零零四年的收入約189,768,000港元，較二零零三年內錄得約26,873,000港元大幅躍升。

董事會建議派發末期股息每股0.01港元。

RESULTS

This year represented a dramatic turn-around for the Phoenix Group. The Group's revenue for 2004 increased 56.9% over that of 2003 to approximately HK\$1,113,048,000. The growth in advertising revenue, which represented over 90% of the Group's total revenue, was the major contributor. Profit attributable to shareholders reached a record high of approximately HK\$150,494,000. Operating costs increased by 22.2% to approximately HK\$974,512,000, mainly as a consequence of the increase in commission expenses incurred by the substantial rise in advertising revenue.

The Group's profit from operations and profit attributable to shareholders for the year ended 31 December 2004 were approximately HK\$138,536,000 and HK\$150,494,000 respectively. Compared to same period of 2003, there were significant improvements of approximately HK\$226,443,000 and HK\$223,431,000 respectively.

The chart of results presented below compares the performance of the year ended 31 December 2004 with that of the same period of 2003 in order to give a clearer picture of the overall trend of the Group's operations.

業績

本集團於二零零四年度的業績顯著改善並轉虧為盈。本集團於二零零四年的收入較二零零三年上升56.9%至約1,113,048,000港元。收入增長之主要動力源自廣告收入之躍升(佔本集團總收入超過90%)。股東應佔溢利達到約150,494,000港元的破紀錄高位。經營成本上升22.2%至約974,512,000港元，主要原因為廣告收入大幅增加而引致佣金開支上漲之故。

本集團截至二零零四年十二月三十一日止年度的經營溢利及股東應佔溢利分別約138,536,000港元及150,494,000港元。與二零零三年同期比較，更分別顯著上升約226,443,000港元及223,431,000港元。

以下呈列的業績圖表比較截至二零零四年十二月三十一日止年度及二零零三年度的業績表現，以便更清楚顯示本集團業務的整體趨勢。



Year ended 31 December
截至十二月三十一日止年度
2004 2003
二零零四年 二零零三年
HK\$'000千港元 **HK\$'000千港元**

Phoenix Chinese Channel	鳳凰衛視中文台	828,042	605,446
Phoenix InfoNews Channel	鳳凰衛視資訊台	189,768	26,873
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	鳳凰衛視電影台、 鳳凰衛視美洲台及 鳳凰衛視歐洲台	54,328	53,514
Other businesses	其他業務	40,910	23,554
Group's total revenue	本集團之總收入	1,113,048	709,387
Profit / (Loss) from operations	經營溢利 / (虧損)	138,536	(87,907)
Profit / (Loss) attributable to shareholders	股東應佔溢利 / (虧損)	150,494	(72,937)
Earnings / (Loss) per share, Hong Kong cents	每股盈利 / (虧損) · 港仙	3.05	(1.47)

BUSINESS OVERVIEW AND PROSPECTS

2004 was a remarkably successful year for the Phoenix Group. The Group's annual revenue exceeded one billion Hong Kong dollars for the first time in the company's history, and at the same time was able to keep operating costs under tight control, leading to a substantial profit of approximately 150 million Hong Kong dollars. After two consecutive loss-making years this was an exceptional performance, and the Board believes that this performance is set to be continued over the coming twelve-month period. Therefore, the Directors recommend a final dividend of HK\$0.01 per share. No dividend has previously ever been declared or paid by the Company.

One of the main factors behind the Group's success during 2004 was the introduction of a new multi-agency advertising sales system, which allowed advertising agencies across China to market advertising on behalf of Phoenix. This new system has produced a much more dynamic and comprehensive network of advertising agencies with an interest in marketing Phoenix, with the consequence that advertising sales have grown at a rapid rate.

Another major driver behind this exceptional outcome was the rising fortunes of InfoNews, which in 2003 generated less than 4% of the Group's total income, but which in 2004 contributed 17% of the Group's total income. When it was established in 2001 InfoNews was a serious strain on the Group's financial situation, but in the less than two years since it was granted landing rights in mainland China InfoNews has more or less reached the break-even point. The new advertising sales system has undoubtedly contributed to this turn-around in InfoNews' financial performance, but another major factor has been the growing recognition by the Chinese television audience that InfoNews offers by far the most comprehensive news service available in Mandarin Chinese, not only in mainland China but also in other parts of the globe.

業務回顧及展望

二零零四年對鳳凰集團而言是取得非凡成就的一年。本集團的年度收入於公司歷史上首次超越十億港元，並同時嚴格控制經營成本，錄得約150,000,000港元的顯著溢利。經過連續兩年錄得虧損後，本年度的業績表現極為理想，而董事會更相信可於未來十二個月期間內維持其理想表現。因此，董事會建議派發末期股息每股0.01港元。在此之前本公司從未宣派或派發股息。

本集團於二零零四年取得成功的其中一項主要因素為推出一個全新的多個廣告代理銷售系統，令中國各地的廣告代理均可參與推廣鳳凰廣告時段。該個新系統已為有意推廣鳳凰廣告時段的廣告代理建立一個更具活力及覆蓋範圍更全面的網絡，令廣告銷售得以高速度增長。

業績表現極為理想的另一項主要因素為資訊台的收入上升。資訊台於二零零三年為本集團帶來的總收入不足4%，但於二零零四年則為本集團的總收入貢獻17%。回顧資訊台於二零零一年成立時，對本集團當時的財政狀況構成沉重壓力，但自從獲得中國大陸的落地權後不足兩年時間，資訊台已大致達致收支平衡。全新的廣告銷售系統無疑有助扭轉資訊台的財政表現，但另一項主要因素為，中國的電視觀眾已逐漸認同資訊台為目前華語社群內最全面的新聞服務，其服務範圍不單覆蓋中國大陸，更同時遍及世界各地。



During 2004 InfoNews was among the forefront of international television news agencies reporting on global events. InfoNews provided a steady stream of reporting on the continued fighting in Iraq, the Israeli/Palestine dispute and the death of Arafat; it covered the tragic Bislan massacre in Russia with reporters on the spot who followed events from close quarters as they unfolded; and extensive coverage of the United States presidential elections. InfoNews also provided comprehensive coverage of regional developments of direct interest to the Greater China region: it featured the Taiwan presidential election, including the assassination attempt on Chen Shui-bian and the live broadcast of his inauguration; it also followed the North Korean nuclear issue and the Six-Party Talks, and had an exclusive interview with United States Secretary of State Colin Powell during his visit to Beijing last October.

Phoenix Chinese Channel remained the Group's flagship, and continued to generate the bulk of the Group's income. It maintained the Phoenix tradition of innovative programming, and remained at the cutting edge of the increasingly competitive mainland Chinese television market. During 2004 Phoenix

於二零零四年內，資訊台為報道環球事件的其中一家國際電視新聞機構先驅。資訊台不斷更新有關伊拉克持續暴力事件、以巴衝突及阿拉法逝世的報道；在報道俄羅斯別斯蘭(Bislan)大屠殺慘劇期間，資訊台派遣記者前赴當地，作近距離的現場報道；該台還全面報道了美國總統大選。資訊台亦詳盡報道大中華地區內密切關注的事件，如台灣總統選舉，包括陳水扁被意圖暗殺及直播其就職典禮；該台亦報道北韓的核問題及六方會談；以及在美國國務卿鮑威爾在去年十月到訪北京期間對鮑威爾進行獨家訪問。

鳳凰衛視中文台仍然為本集團的旗艦頻道，並繼續為本集團帶來龐大收入。鳳凰衛視中文台秉承鳳凰製作創新節目的傳統，並且在競爭日益劇烈的中國大陸市場仍然處於領先優勢。在二零零四年，鳳凰衛視中文台憑藉一



Chinese Channel had considerable success with a series of documentaries, some on historical themes and others focusing on contemporary issues such as AIDS, which were able to attract considerable advertising revenue. Phoenix Chinese Channel once again staged the Miss Chinese Cosmos Pageant, which was held in Hong Kong in November, with contestants coming from all over the world.

The success of both Phoenix Chinese and InfoNews reflects a substantial growth in awareness of the Phoenix brand name. This in turn has helped to boost the popularity of the Group's international channels, the Phoenix North America Chinese Channel and the Phoenix Chinese News and Entertainment Channel covering the United States and Europe respectively. The growth of brand name awareness has also been augmented by the Phoenix website, which has been identified by Internet Weekly, China's leading internet magazine as one of the five most influential websites in China. Phoenix Website has an average daily consolidated page view of approximately 15,000,000 and an average daily visitor number of approximately 1,200,000 and has provided content for various value-added services such as short message service (SMS) and multi-media service (MMS). The Phoenix Weekly magazine, which features articles on a wide variety of subjects, is available in both Hong Kong and mainland China and more than 2,000,000 copies were sold in 2004. Phoenix Weekly is part of the inflight magazines of the major airlines operating in mainland China, including Dragonair and China Southern Airlines.

系列記錄片而取得理想成績，當中部份以歷史事件為主題，其他則專注探討近代發生的事件(例如愛滋病)，而有關記錄片亦能夠吸引龐大的廣告收入。鳳凰衛視中文台於十一月在香港再次舉辦「中華小姐環球大賽」，參賽者來自世界各地。

鳳凰衛視中文台及資訊台的成功反映鳳凰品牌的知名度顯著提升，繼而提升本集團分別涵蓋美國及歐洲市場的國際頻道——鳳凰衛視美洲台及鳳凰衛視歐洲台的受歡迎程度。品牌知名度提升亦令鳳凰網站受惠，此網站被國內具領導地位的互聯網雜誌《互聯網週刊》評選為中國最具影響力的首五個網站之一。鳳凰網站的每日平均綜合訪問量約為15,000,000頁視，而每日平均的訪問人次則約為1,200,000；該網站並提供如短訊服務(SMS)及多媒體服務(MMS)等多項增值服務。《鳳凰週刊》則提供內容多元化的專題報道並於香港與中國大陸發行，於二零零四年已售出超過2,000,000本。《鳳凰週刊》亦為港龍航空公司及中國南方航空公司等多間於中國大陸營運的主要航空公司所選定之機艙內雜誌。

Phoenix's global reach has also continued to expand, with InfoNews officially launch in the United States, Malaysia and Singapore. Phoenix has also greatly strengthened its position in Hong Kong as Phoenix Chinese Channel and InfoNews are now available on almost all the main pay TV broadcasting media operating in the Special Administrative Region.

The Group is also looking for ways to take advantage of the new technologies that are now becoming available for carrying television programming. At present InfoNews is available on 3G in Hong Kong and Phoenix is exploring the potential to establish arrangements with 3G mobile phone operators, internet protocol television broadcasters as well as broadband operators to carry Phoenix programming in other places. The Group is also considering taking advantage of the new regulations that have been issued by the Chinese authorities, allowing foreign investors to hold up to 49 % of programme-production companies.

The management is very optimistic about the Group's prospects for the coming year. The new advertising marketing system

鳳凰衛視的全球業務亦不斷擴展，其中資訊台已正式於美國、馬來西亞及新加坡播放。鳳凰衛視亦已大力提升其於香港的市場地位，鳳凰衛視中文台及資訊台目前可透過幾乎所有於特別行政區營運的主要收費電視廣播媒體提供廣播服務。

本集團亦正在研究多種方法以運用現時可供廣播電視節目的嶄新科技。目前，資訊台於香港已可在3G上廣播，而鳳凰正在研究在其他地方與3G流動電話營辦商、互聯網協定電視廣播機構及寬頻營辦商訂立安排以廣播鳳凰節目的可能性。本集團亦正在研究中國有關當局所頒佈容許外國投資者可持有節目製作公司最多49%股權的新規定，冀能從中獲得商機。

管理層對本集團於未來一年的前景極為樂觀。根據種種跡象，新的廣告推廣系統可繼續帶來



shows every indication of continuing to generate a high level of income, and InfoNews' performance in 2004 underscores that it is well equipped to win an ever larger audience in mainland China and beyond.

高水平收入，而資訊台於二零零四年的業績表現，已充份顯示其具備所需條件以提升於中國大陸及國外地區的收看人數。

Finally, I would like to acknowledge the enormous contribution that the staff of Phoenix has made to the Group's success in 2004. The hard work, team spirit and creativity that the staff has collectively displayed has been an essential factor in last year's performance. I would also like to acknowledge the courage that our reporting teams have some times had to display when reporting from war zones or scenes of violence, such as Bislan at the time of the massacre there. The courage of these men and women representing Phoenix has enabled to group to be at the forefront of global media organisations reporting on international crises and conflicts.

最後，本人謹此讚揚鳳凰員工作出的重要貢獻，令本集團於二零零四年取得理想成績。員工集體展示的努力不懈、團隊精神及創新動力為去年度業績表現的關鍵因素。本人亦謹此讚揚旗下採訪隊伍在戰地或暴力事件現場(例如在發生大屠殺期間的別斯蘭)作出報道時展現的勇氣。有關員工所標誌著鳳凰的果敢精神令本集團在報道國際災難及衝突事件時，能夠躋身成為全球傳媒機構的先驅。

LIU, Changle
Chairman

主席
劉長樂

Hong Kong, 10 March 2005

香港，二零零五年三月十日