



THE GROUP'S REVENUE FOR THE YEAR ENDED 31 DECEMBER 2006 WAS APPROXIMATELY HK\$1,057,667,000, WHICH REPRESENTED A MODERATE GROWTH OF 2.2% COMPARED WITH 2005.

本集團截至二零零六年十二月三十一日止年度的收入約為1,057,667,000港元，較二零零五年溫和增長2.2%。

{ CHAIRMAN'S STATEMENT }

主席報告書

FINANCIAL SUMMARY

- Revenue for the year ended 31 December 2006 was 2.2% higher than the previous year, reaching approximately HK\$1,057,667,000.
- The increase in revenue generated an annual profit attributable to equity holders of approximately HK\$212,385,000, which was an 17.0% improvement over the profit achieved in 2005.
- The performance of InfoNews remained relatively stable, with a marginal increase in revenue being offset by a rise in operating costs.
- The Board recommended a final dividend of HK\$0.014 per share.

財務概要

- 截至二零零六年十二月三十一日止年度的收入錄得約1,057,667,000港元，較去年高出2.2%。
- 收入增長帶來權益持有人應佔年度溢利約212,385,000港元，較二零零五年所取得溢利上升17.0%。
- 鳳凰衛視資訊台的表現乃保持相對穩定，收入略有增長，惟其效益因經營成本上升而抵銷。
- 董事會建議派發末期股息每股0.014港元。

RESULTS

The Group's revenue for 2006 increased 2.2% over that of 2005, which in fact consolidated the major turn-around that the Group achieved in 2004 after several loss-making years. Profit attributable to equity holders reached a record high.

The Group's revenue for the year ended 31 December 2006 was approximately HK\$1,057,667,000, which represented a moderate growth of 2.2% as compared with 2005. Total operating costs remained at a steady level, with a marginal decrease of 1.1% to approximately HK\$866,813,000. The major fluctuation in the operating costs was the increase of programming costs, but this was offset by the reduction of doubtful debt provision.

The Group's profit from operations and profit attributable to equity holders for the 2006 financial year were approximately HK\$190,854,000 and HK\$212,385,000 respectively. These figures represented improvements of approximately HK\$32,169,000 and HK\$30,903,000 respectively over the 2005 financial year. During 2006 the Group recognized a deferred tax asset amounting to approximately HK\$13,900,000, which provided a one-off boost to the Group's income.

The chart presented below compares the Group's performance for the year ended 31 December 2006 with that for the 2005 financial year in order to give a clearer picture of the overall trend of the Group's operations.

業績

本集團二零零六年所錄得收入較二零零五年上升2.2%，而事實上二零零五年乃鞏固了本集團在經歷數年虧損後於二零零四年實現業績顯著改善的一年。權益持有人應佔溢利創出新高。

本集團截至二零零六年十二月三十一日止年度的收入約為1,057,667,000港元，較二零零五年溫和增長2.2%。經營總成本輕微減少1.1%至約866,813,000港元，維持在穩定的水平。經營成本之主要波動乃源於節目成本上升，但上升又被呆壞賬撥備減少所抵銷。

本集團二零零六年財政年度的經營溢利及權益持有人應佔溢利分別約為190,854,000港元及212,385,000港元。此兩項溢利分別較二零零五年財政年度增加約32,169,000港元及30,903,000港元。於二零零六年內，本集團確認遞延稅項資產約13,900,000港元，為本集團帶來大幅一筆過收益。

以下呈列的圖表乃比較本集團截至二零零六年十二月三十一日止年度與二零零五年財政年度的業績表現，以便更清楚地顯示本集團業務的整體發展趨勢。

		Year ended 31 December 截至十二月三十一日止年度	
		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Phoenix Chinese Channel	鳳凰衛視中文台	722,697	749,650
Phoenix InfoNews Channel	鳳凰衛視資訊台	223,550	165,186
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	68,575	61,962
Other businesses	其他業務	42,845	57,970
Group's total revenue	本集團總收入	1,057,667	1,034,768
Operating costs	經營成本	(866,813)	(876,083)
Profit from operations	經營溢利	190,854	158,685
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	212,385	181,482*
Earnings per share, Hong Kong cents	每股盈利，港仙	4.30	3.67

* This figure included the one-off gain from the disposal of 50% of Phoenix's interest in the property in Shenzhen, which amounted to approximately HK\$12,000,000 in the second quarter of 2005, and an unexpected increase in other revenue of approximately HK\$10,000,000 in the third quarter of 2005 that resulted from the upward movement of the Renminbi against the Hong Kong dollar in July 2005.

* 此數額包括於二零零五年第二季度出讓鳳凰衛視於深圳物業的50%權益而取得一筆過收益約12,000,000港元，以及於二零零五年七月人民幣兌港元的匯價上升令二零零五年第三季度的其他收入意外增加約10,000,000港元。



BUSINESS OVERVIEW AND PROSPECTS

The Phoenix Group's basic television business continued to perform well. The Phoenix Chinese Channel, which is still the core component of the Group, has maintained its position by featuring a wide array of entertainment and information programmes, ranging from talk shows and interviews through to human-interest stories about the personal hardships people can face in a time of very rapid economic and social change, that cater to the tastes of the Chinese-speaking audience in mainland China and beyond. Phoenix Chinese Channel revenue decreased slightly compared with the previous year, but this decrease was more than compensated by a significant jump in the income of InfoNews, which achieved a record high in 2006.

InfoNews continues to be the outstanding broadcaster of international news in the Chinese-language market, and makes a major contribution to the Phoenix brand name, underscoring Phoenix's reputation for a global outlook and real-time information.

業務回顧及前景

鳳凰集團的基本電視業務繼續表現理想。鳳凰衛視中文台仍然為本集團的核心業務，並保持其領先地位，一如既往提供多樣化的娛樂及資訊節目，從脫口秀及訪談到關於個人奮鬥歷程的人情世故，為廣大電視觀眾展現了一幅幅在這個社會經濟急速發展的時代各等人群的人生百態，這些節目都能迎合中國內地及其他地區華語觀眾的口味。雖然鳳凰衛視中文台的收入較去年輕微下降，但資訊台的收入增幅超過了該項收入的減少，資訊台的收入於二零零六年創出新高。

資訊台繼續成為在華語市場報道國際新聞的突出電視台，並為鳳凰衛視品牌作出重要貢獻，秉承鳳凰衛視以提供全球視野及即時資訊為己任的使命。



During this period, InfoNews provided comprehensive coverage of breaking international news, including real-time coverage of the continuing violence in Iraq, the Israeli incursion into Lebanon, where a team of Phoenix reporters did on-the-spot reports on the fighting, the Iranian nuclear programme, and the North Korean missile launches and nuclear test. Phoenix also followed key China-related stories, such as President Hu Jintao's visit to the United States, the meeting of the Shanghai Cooperation Organisation, which brings together China, Russia and the four main countries of Central Asia, and Kim Jong-il's unpublicised visit to China. Phoenix did extensive reporting on Taiwan, including on the mass protests aimed at removing Chen Shui-bian from office, which were rarely mentioned by any other Chinese-language television services broadcasting to the mainland Chinese audience.

Phoenix placed special emphasis on China/United States relations at the time of President Hu Jintao's visit to the United States. Phoenix interviewed the then Deputy-Secretary of State Robert Zoellick, held discussion programmes with a number of American commentators including former Secretary of State Henry Kissinger, and together with the Brookings Institution organised a forum on China/U.S relations that featured a range of experts on China/U.S. relations.

Phoenix celebrated its tenth anniversary on 31 March 2006 with a spectacular event at Hong Kong AsiaWorld-Expo. This occasion provided an opportunity to showcase both Phoenix's capacity for entertainment, and its concern with social issues and international developments. A number of Hong Kong celebrities, including Jackie Chan, Andy Lau and Eric Tseng, took part, as did a range of government and religious figures, along with people who had witnessed some of the worst events of recent years, including the terrorist attack on New York's World Trade Center and the Beslan massacre in southern Russia.

於本期間內，資訊台提供全面而廣泛的突發國際新聞報道，包括即時報道伊拉克持續暴力、以色列入侵黎巴嫩（其中鳳凰衛視更派送一支記者隊伍對以色列入侵黎巴嫩的戰爭進程作了現場報道）、伊朗核計劃以及北韓導彈試射及核試驗等。鳳凰衛視亦追蹤報道與中國相關的重要時事新聞，例如國家主席胡錦濤訪問美國、上海合作組織峰會（成員包括中國、俄羅斯及中亞四個主要國家）以及金正日秘密訪問中國等。鳳凰衛視亦對台灣（包括民眾發起的大規模倒扁反貪腐運動）進行了廣泛報道，而其他中文電視服務廣播機構對此卻鮮有向中國內地觀眾作出報道。

鳳凰衛視特別關注國家主席胡錦濤訪問美國時的中美關係。鳳凰衛視曾採訪時任美國副國務卿的羅伯特·佐力克（Robert Zoellick）、與若干美國時事評論員包括美國前國務卿亨利·基辛格（Henry Kissinger）一道舉行政論節目，以及與布魯金斯學會（Brookings Institution）聯合組織中美關係論壇，並特邀多名從事中美關係研究的專家學者出席。

鳳凰衛視於二零零六年三月三十一日在香港亞洲國際博覽館舉行大型活動慶祝其十週歲生日。此項活動為鳳凰衛視提供了一個展示其公共娛樂地位及其密切關注社會問題及國際發展的機會。許多香港社會名流如成龍、劉德華及曾志偉連同多位政府政要及宗教名人均參加了此次慶祝活動，並邀請了近年災難事件（包括紐約世界貿易中心恐怖襲擊及俄羅斯南部別斯蘭人質事件）的親歷者參與。

Phoenix further consolidated its global reach in 2006, and began broadcasting to the two major regions that previously had no access to Phoenix programming. The North American Channel and InfoNews both began to broadcast across South America on the SATMEX-6 satellite in April, and InfoNews began to be carried on TELSTAR-12 in May, which enabled it to reach South Africa, where a sizeable Chinese minority had previously been unable to receive Phoenix. The Group strengthened its already well-established position in South-East Asia, reaching an agreement with the largest Philippines cable operator, Sky Cable, to begin carrying both the Chinese Channel and InfoNews in May this year.

The unique position that Phoenix occupies in the global Chinese-speaking world was exemplified by Phoenix Satellite Television's sponsorship and hosting of the International Academy Day in Beijing in August, which was held by the New York-based International Academy of Television Arts and Sciences.

In September, the Group entered into an agreement with Freescale Semiconductor Hong Kong Limited to acquire a site in Tai Po, Hong Kong, in order to provide more spacious premises to cope with the future expansion of the Group's business and operational activities. The Group will take over the Tai Po site in late May 2007 and plans to move in after the refitting is completed in late 2007 or early 2008. The transaction is not expected to have any material impact on the liquidity of the Group.

While the Group's television business continued to generate a profit it has also been exploring ways to expand its access to the Chinese market. As a consequence the Group's shareholding changed in August, when China Mobile (Hong Kong) Group Limited acquired a 19.9% interest in the Group from Xing Kong Chuan Mei Group Co., Ltd., and China Mobile Limited entered into a strategic agreement with Phoenix to jointly develop, market and distribute wireless content, products, services and new media applications. This agreement creates a framework for Phoenix to cooperate with China's largest telecommunications operator, thereby enabling the Group to have direct access to China Mobile's network and provide content for China Mobile once mainland telecommunications companies begin to provide 3G services.

鳳凰衛視於二零零六年進一步擴大了其全球落地範圍，開始向先前無法接收到鳳凰衛視節目的兩個主要地區進行廣播。美洲台及資訊台均於四月開始透過SATMEX-6號衛星向南美洲地區播送節目，及資訊台於五月開始透過TELSTAR-12號衛星進行廣播，可使資訊台覆蓋範圍擴至南非，在此之前，當地大量的華人一直無法收看到鳳凰衛視節目。本集團與菲律賓最大的有線電視營運商Sky Cable訂立協議，由今年五月開始傳送中文台及資訊台兩個頻道，從而進一步鞏固其在東南亞地區已建立的良好業務。

鳳凰衛視曾於八月贊助及協辦在北京舉行的由紐約國際電視藝術及科學學院主辦的「國際學院中國日」，彰顯了鳳凰衛視在全球華語界的獨特地位。

於九月，本集團與飛思卡爾半導體香港有限公司訂立協議，購入一幢位於香港大埔的物業，該物業可提供更寬敞的辦公場地，以配合本集團將來的業務及運作活動的發展。本集團將於二零零七年五月下旬接管大埔物業，並計劃於二零零七年後期或二零零八年初完成裝修工程後遷入該物業。預期是項交易將不會對本集團的流動資金造成任何重大影響。

在本集團電視業務繼續帶來溢利的同時，本集團亦一直在尋求可拓展其中國市場的渠道。故此，本集團股權於八月有所改變，中國移動（香港）集團有限公司自Xing Kong Chuan Mei Group Co., Ltd.購入本集團的19.9%權益，而中國移動有限公司與本集團訂立戰略協議，旨在共同開發、行銷及分銷無線內容、產品、服務及新媒體應用。此協議為鳳凰衛視帶來與中國最大通信營運商進行合作的契機，從而令本集團可直接使用中國移動網絡，以及當內地通信公司開始提供3G服務時即可為中國移動提供內容服務。

The Chinese television market continues to undergo many changes, as mainland television companies increasingly compete for the Chinese market by developing innovative programming, but the Group's management remains confident that it can maintain its position as the main Mandarin Chinese-language television broadcaster that is based outside mainland China.

The Group's performance throughout 2006 has shown improvement over the previous year, providing evidence to support the assessment that the major turn-around in commercial results that Phoenix achieved in 2004 and continued to enjoy in 2005 will persist. The Chinese economy remains buoyant, and should remain a steady source of advertising revenue. At the same time Phoenix is exploring other outlets for its content in order to ensure that the effort it invests in producing new and innovative programming generates the maximum financial returns possible. The management believes that the Group's business will remain solid for the foreseeable future.

LIU Changle
Chairman

Hong Kong, 8 March 2007

華語電視市場繼續處於不斷變革之中，如內地電視公司亦透過開發新穎節目積極爭奪華語市場，但本集團管理層有充分信心集團能夠保持其作為中國內地以外的主要普通話電視台的地位。

本集團於整個二零零六年的業績表現較去年有所改善，證明鳳凰衛視於二零零四年商業業績實現盈利顯著改善及於二零零五年持續向好的情況會繼續下去。蓬勃發展的中國經濟可繼續成為廣告收入的穩定來源。同時，鳳凰衛視積極為其內容服務物色其他機會，以確保其於製作新穎節目方面的投資努力能盡量帶來最高業績回報。管理層相信在可見將來本集團業務將會持續穩定發展。

主席
劉長樂

香港，二零零七年三月八日