

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Codes	ASSETS	March 31, 2018 (Reviewed)		December 31, 2017 (Audited)		March 31, 2017 (Unreviewed)	
		Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents (Note 6)	\$ 59,308,607	4	\$ 74,683,305	4	\$ 62,705,451	4
11500	Due from the Central Bank and call loans to banks (Note 7)	222,477,040	13	219,570,594	13	208,606,662	13
12000	Financial assets measured at fair value through profit or loss (Note 8)	15,872,582	1	10,767,854	1	6,765,210	1
12100	Financial assets measured at fair value through other comprehensive income (Notes 9, 11 and 37)	357,772,195	20	-	-	-	-
12200	Debt instrument investments measured at amortized cost (Notes 10, 11 and 37)	117,409,314	7	-	-	-	-
12500	Securities purchased under resale agreements (Note 12)	200,164	-	195,061	-	-	-
13000	Receivables, net (Notes 13 and 36)	18,103,293	1	16,705,711	1	16,569,188	1
13200	Current income tax assets (Note 34)	91,138	-	90,429	-	37,963	-
13500	Discounts and loans, net (Notes 14 and 36)	940,943,392	53	926,652,676	53	852,725,887	53
14000	Available-for-sale financial assets, net (Notes 15 and 37)	-	-	340,550,108	20	361,215,293	22
14500	Held-to-maturity financial assets, net (Notes 16 and 37)	-	-	112,498,032	7	85,218,117	5
15000	Equity investments under the equity method, net (Note 18)	1,473,283	-	1,472,690	-	1,413,316	-
15500	Other financial assets, net (Note 19)	5,391	-	5,814	-	6,645	-
18500	Properties, net (Note 20)	21,021,630	1	21,291,727	1	21,597,775	1
18700	Investment properties, net (Note 21)	5,174,617	-	5,292,397	-	5,414,642	-
19300	Deferred income tax assets (Note 34)	864,476	-	753,867	-	858,755	-
19500	Other assets, net (Note 22)	<u>3,134,278</u>	<u>-</u>	<u>2,969,532</u>	<u>-</u>	<u>4,273,130</u>	<u>-</u>
10000	Total assets	<u>\$ 1,763,851,400</u>	<u>100</u>	<u>\$ 1,733,499,797</u>	<u>100</u>	<u>\$ 1,627,408,034</u>	<u>100</u>
Codes	LIABILITIES AND EQUITY						
21000	Due to the Central Bank and banks (Note 23)	\$ 42,427,438	3	\$ 33,741,735	2	\$ 35,639,269	2
22000	Financial liabilities measured at fair value through profit or loss (Note 8)	737,968	-	872,808	-	873,687	-
22500	Securities sold under repurchase agreements (Note 24)	35,233,176	2	29,792,067	2	24,921,898	2
23000	Payables (Notes 25 and 36)	29,095,237	2	29,282,966	2	25,457,820	2
23200	Current income tax liabilities (Note 34)	1,993,150	-	2,427,171	-	1,612,037	-
23500	Deposits and remittances (Notes 26 and 36)	1,417,232,793	80	1,403,780,604	81	1,319,284,687	81
24000	Bank debentures (Note 27)	52,372,024	3	52,516,310	3	38,150,000	2
25500	Other financial liabilities (Note 28)	4,751,729	-	3,284,108	-	3,655,440	-
25600	Provisions (Notes 29)	1,933,003	-	2,099,179	-	1,598,473	-
29300	Deferred income tax liabilities (Note 34)	10,161,584	1	9,897,033	1	10,415,012	1
29500	Other liabilities (Notes 30 and 36)	<u>3,051,986</u>	<u>-</u>	<u>2,772,722</u>	<u>-</u>	<u>3,038,971</u>	<u>-</u>
20000	Total liabilities	<u>1,598,990,088</u>	<u>91</u>	<u>1,570,466,703</u>	<u>91</u>	<u>1,464,647,294</u>	<u>90</u>
	Equity (Notes 32)						
	Equity attributable to owners of the Bank						
	Share capital						
31101	Ordinary shares	<u>40,791,031</u>	<u>3</u>	<u>40,791,031</u>	<u>3</u>	<u>40,791,031</u>	<u>3</u>
31500	Capital surplus	<u>4,655,555</u>	<u>-</u>	<u>4,655,555</u>	<u>-</u>	<u>4,647,655</u>	<u>-</u>
	Retained earnings						
32001	Legal reserve	44,117,426	3	44,117,426	3	40,592,926	3
32003	Special reserve	7,538,888	-	7,538,888	-	7,480,146	-
32005	Unappropriated earnings	<u>24,071,760</u>	<u>1</u>	<u>21,066,873</u>	<u>1</u>	<u>21,182,802</u>	<u>1</u>
32000	Total retained earnings	<u>75,728,074</u>	<u>4</u>	<u>72,723,187</u>	<u>4</u>	<u>69,255,874</u>	<u>4</u>
32500	Other equity	<u>2,582,721</u>	<u>-</u>	<u>4,323,170</u>	<u>-</u>	<u>6,376,164</u>	<u>-</u>
32600	Treasury shares	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>
31000	Total equity attributable to owners of the Bank	123,674,237	7	122,409,799	7	120,987,580	7
38000	Non-controlling interests	<u>41,187,075</u>	<u>2</u>	<u>40,623,295</u>	<u>2</u>	<u>41,773,160</u>	<u>3</u>
30000	Total equity	<u>164,861,312</u>	<u>9</u>	<u>163,033,094</u>	<u>9</u>	<u>162,760,740</u>	<u>10</u>
	Total liabilities and equity	<u>\$1,763,851,400</u>	<u>100</u>	<u>\$ 1,733,499,797</u>	<u>100</u>	<u>\$ 1,627,408,034</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		For the Three Months Ended March 31			
Codes		2018 (Reviewed)		2017 (Unreviewed)	
		Amount	%	Amount	%
41000	Interest revenue	\$ 9,268,232	111	\$ 8,225,145	100
51000	Interest expenses	<u>3,026,846</u>	<u>36</u>	<u>2,388,671</u>	<u>29</u>
49010	Net interest (Notes 33 and 36)	<u>6,241,386</u>	<u>75</u>	<u>5,836,474</u>	<u>71</u>
	Non-interest revenue				
49100	Service fee income, net (Note 33)	1,528,542	18	1,269,939	16
49200	Gain on financial assets and liabilities measured at fair value through profit or loss (Note 33)	219,660	3	459,806	6
49300	Realized gain on available-for-sale financial assets	-	-	82,044	1
49310	Realized gain on financial assets measured at fair value through other comprehensive income (Note 33)	40,095	-	-	-
49450	Gain on financial assets measured at amortized cost	(1,659)	-	-	-
49600	Foreign exchange gain, net	(37,338)	(1)	97,638	7
49700	Impairment loss on assets	(7,301)	-	-	-
49750	Share of profit of subsidiaries, associates and joint ventures for using equity method, net (Note 18)	71,671	1	67,771	1
49800	Other non-interest revenue (Note 36)	<u>308,026</u>	<u>4</u>	<u>352,637</u>	<u>4</u>
49020	Total non-interest revenue	<u>2,121,696</u>	<u>25</u>	<u>2,329,835</u>	<u>29</u>
	Consolidated net revenue	<u>8,363,082</u>	<u>100</u>	<u>8,166,309</u>	<u>100</u>
58200	Bad debt expense, commitment and guarantee liability employee benefits (Note 14)	<u>160,540</u>	<u>2</u>	<u>228,240</u>	<u>3</u>
	Operating expenses				
58500	Employee benefits (Notes 31, 33 and 36)	1,853,301	22	1,836,014	23
59000	Depreciation and amortization (Note 33)	202,543	2	263,670	3
59500	Other general and administrative	<u>1,051,976</u>	<u>13</u>	<u>991,042</u>	<u>12</u>
58400	Total operating expenses	<u>3,107,820</u>	<u>37</u>	<u>3,090,726</u>	<u>38</u>
61001	Profit before income tax	5,094,722	61	4,847,343	59
61003	Income tax expense (Note 34)	<u>(1,249,951)</u>	<u>(15)</u>	<u>(1,112,558)</u>	<u>(13)</u>
64000	Consolidated net income	<u>3,844,771</u>	<u>46</u>	<u>3,734,785</u>	<u>46</u>
	Other comprehensive income (loss)				
	Items that will be not reclassified subsequently to profit or loss:				
65204	Gain on investments in equity instruments measured at fair value through other comprehensive income	\$ 1,222,956	15	\$ -	-
65220	Income tax relating to items that may be not reclassified subsequently to profit or loss (Note 34)	(205,784)	(3)	-	-
65200	Subtotal of items that will not be reclassified subsequently to profit or loss	1,017,172	12	-	-
	Items that may be reclassified subsequently to profit or loss:				
65301	Exchange differences on translating foreign operations	(2,415,960)	(29)	(6,279,523)	(77)
65302	Unrealized gain on available-for-sale financial assets	-	-	1,225,516	15
65307	Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	(18,292)	-	7,821	-
65308	Loss on debt instruments measured at fair value through other comprehensive income	<u>(1,062,965)</u>	<u>(12)</u>	<u>-</u>	<u>-</u>

(Continued)

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Codes		For the Three Months Ended March 31			
		2018 (Reviewed)		2017 (Unreviewed)	
		Amount	%	Amount	%
65320	Income tax relating to items that may be reclassified subsequently to profit or loss (Note 34)	<u>859,143</u>	<u>10</u>	<u>1,049,711</u>	<u>13</u>
65300	Subtotal of items that may be reclassified subsequently to profit or loss	<u>(2,638,074)</u>	<u>(31)</u>	<u>(3,996,475)</u>	<u>(49)</u>
65000	Other comprehensive income for the period, net of income tax	<u>(1,620,902)</u>	<u>(19)</u>	<u>(3,996,475)</u>	<u>(49)</u>
66000	Total comprehensive income for the period	<u>\$ 2,223,869</u>	<u>27</u>	<u>(\$ 261,690)</u>	<u>(3)</u>
	Net profit attributable to:				
67101	Owners of the Bank	\$ 2,938,774	35	\$ 2,717,361	33
67111	Non-controlling interests	<u>905,997</u>	<u>11</u>	<u>1,017,424</u>	<u>13</u>
67100		<u>\$ 3,844,771</u>	<u>46</u>	<u>\$ 3,734,785</u>	<u>46</u>
	Total comprehensive income attributable to:				
67301	Owners of the Bank	\$ 1,643,703	20	\$ 754,076	9
67311	Non-controlling interests	<u>580,166</u>	<u>7</u>	<u>(1,015,766)</u>	<u>(12)</u>
67300		<u>\$ 2,223,869</u>	<u>27</u>	<u>(\$ 261,690)</u>	<u>(3)</u>
	Earnings per share (Note 35)				
67500	Basic	<u>\$ 0.72</u>		<u>\$ 0.67</u>	
67700	Diluted	<u>\$ 0.72</u>		<u>\$ 0.67</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)