THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2017 AND 2016 (In Thousands of New Taiwan Dollars)

KSSTY Claim and calculation (solute) SA (2000) % Sa (2000)		2017			
Description for actual bank and call bank to bank (note ?) 219,500,00 13 24,471,00 1 Frame all assets all fairs what through grottic to lose (cote .8) 10,767,251 1 12,741,90 1 Securation proclated intends agenerated (note 9) 15,50,171 1 15,50,171 1 15,50,171 1 1 12,741,90 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 2 1 2<	ASSETS	Amount	%	Amount	%
Former of a social flat value through profit or loss (notes) 10,800 (15),801 1 12,744,978 2 12,220,174 1 12,220,174 1 12,220,174 1 12,220,174 2 1 2 2 12,220,174 2	Cash and cash equivalents (note 6)	\$ 74,683,305	4	\$ 66,775,994	4
Pacient Paci	Due from the central bank and call loans to banks (note 7)	219,570,594	13	244,371,302	15
Perceivables, me (notes 10 and 33) 18,795,711 1 15,256,174 1 1 15,256,174 1 1 1 1 1 1 1 1 1	Financial assets at fair value through profit or loss (note 8)	10,767,854	1	12,744,976	1
Process in a content was sested, (stock 11) 12 12 13 13 13 13 13 13	Securities purchased under resale agreements (note 9)	195,061	-	-	-
Discounts and learn, net (rotes 11, 33 and 34) 26, 26, 27, 27, 26, 26, 27, 27, 26, 28, 28, 28, 28, 28, 28, 28, 28, 28, 28	Receivables, net (notes 10 and 33)	16,705,711	1	15,326,174	1
Available-for-sale financial assets, not (notes 12 and 34) 340,590,108 20 351,18,863 2 Equity inventional assets, not (notes 13 and 34) 112,888,032 7 72,686,706 5 Equity inventional assets, not (note 16) 1,472,600 - 1,421,566 - Other financial assets, not (note 16) 2,194,727 1 2,228,203 - Properties, net (note 17) 3,576,003 - 7,706,008 - Posteriord moone tax assets (note 31) 7,706,008 - 4,000,405 - Other assets, net (note 19) 2,396,327 - 4,000,405 - Total Description (note 18) 3,374,755 2 5,568,406 - Total central label for set (note 19) 33,741,755 2 5,548,866 2 Post centries and label for (note 10) 83,741,755 2 5,548,866 2 Proceed instanced label for (note 12) 33,741,755 2 5,548,866 2 Post carries and label for (note 12) 33,741,755 2 5,548,866 2 Securities and und	Current income tax assets (note 31)	90,429	-	112,400	-
Part	Discounts and loans, net (notes 11, 33 and 34)	926,652,676	53	849,330,659	52
Page transmiss under the equity method, not (rote 15) 1.472,600 1.472,600 1.674,60	Available-for-sale financial assets, net (notes 12 and 34)	340,550,108	20	351,138,563	21
Other financial assets, net (note 16) 5,814 c 6,749 c Properties, net (note 17) 21,201,727 1 22,202,025 1 Investment properties, net (note 18) 52,202,97 c 5,760,628 c Other assets, note (note 19) 7,993,528 c 1,010,874 c Other assets, note (note 19) 8,733,499,779 (m) 2,460,549,500 c Total 8,733,499,779 (m) 2,460,549,500 c Total 8,733,499,779 (m) 2,460,549,500 c Total 8,733,499,779 (m) 2,534,866 c Post of excurral bank and bank (note 20) 8,374,1735 2 5,354,866 c Securities sold under repurchase agreements (note 21) 29,920,67 2 10,166,212 c Payable (notes 22 and 33) 1,345,461,94 2 2,340,348 c 2 2,340,348	Held-to-maturity financial assets, net (notes 13 and 34)	112,498,032	7	72,666,706	5
Properties, net (note 17)	Equity investments under the equity method, net (note 15)	1,472,690	-	1,421,566	-
Processing the properties, net (note 18) 5,290,387 5,760,628 7,000,628	Other financial assets, net (note 16)	5,814	-	6,749	-
Peterred income tax assets (note 31) 753,867 1, 101,874 2 1, 101	Properties, net (note 17)	21,291,727	1	22,280,250	1
Companies Comp	Investment properties, net (note 18)	5,292,397	-	5,760,628	-
Table	Deferred income tax assets (note 31)	753,867	-	1,010,874	-
Due to the central bank and banks (note 20)	Other assets, net (note 19)	2,969,532	<u>-</u> _	4,002,465	
Pose to the central bank and banks (note 20) \$1,377,770 \$1,277,7	Total	<u>\$ 1,733,499,797</u>	<u>100</u>	<u>\$ 1,646,949,306</u>	<u>100</u>
Pose to the central bank and banks (note 20) \$1,377,770 \$1,277,7					
Financial liabilities at fair value through profit or loss (note 8) 872,808 - 1,377,770 - 1 Securities sold under repurchase agreements (note 21) 29,792,067 2 10,186,212 1 Payables (notes 22 and 33) 29,282,966 2 25,340,348 2 Current income tax liabilities (note 31) 2,427,717 - 8,737,972 - 7 Deposits and remittances (notes 23 and 33) 1,403,780,604 81 1,354,361,910 82 Bank debentures (note 24) 52,516,310 3 38,150,000 2 Other financial liabilities (note 25) 3,284,108 - 3,280,387 - 7 Provisions (note 26) 2,099,179 - 1,796,539 - 1 Deferred income tax liabilities (note 31) 1,884,851 1 Other liabilities (note 27) 1,96,539 - 1 Other liabilities (note 27) 1,96,539 - 1 Other liabilities (note 31) 2,772,722 - 2 2,246,221 - 2 Equity attribuble to owners of the Bank 2,772,722 - 3 2,246,221 - 2 Equity attribuble to owners of the Bank 3,247,772 - 3,248,248 - 3 Other quality 1,754,248 - 3 40,791,031 - 3 Other quality 1,754,248 - 3 Other quality		* • • • • • • • • • • • • • • • • • • •			•
Securities sold under repurchase agreements (note 21) 29,792,067 2 10,186,212 1 Payables (notes 22 and 33) 29,282,966 2 25,340,348 2 Current income tax liabilities (note 31) 2,427,171 - 873,972 - Deposits and remittances (notes 23 and 33) 1,403,780,604 81 1,354,361,910 82 Bank debentures (note 24) 3,284,108 3 3,815,000 2 Other financial liabilities (note 25) 3,284,108 3 3,80,387 - Provisions (note 26) 2,099,179 - 1,796,539 - Other liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (note 27 and 33) 2,772,722 - 2,246,221 - Total liabilities (note 31) 2,772,722 - 2,246,221 - Other (iabilities) 0 oners of the Bank - - - - - - - - - - - - - - - - -			2		2
Payables (notes 22 and 33) 29,282,966 2 25,340,348 2 Current income tax liabilities (note 31) 2,427,171 - 873,972 - Deposits and remittances (notes 23 and 33) 1,403,786,604 81 1,354,361,910 82 Bank debentures (note 24) 52,516,310 3 38,150,000 2 Other financial liabilities (note 25) 3,284,108 - 3,280,387 - Provisions (note 26) 2,099,179 - 1,796,539 - Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,772,722 - 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank 8 1,570,466,703 2 1,447,655 - Legal reserve 40,791,031 3 40,791,031 2 2 Retained earnings 7,538,888 7,480,146 - 3 40,652,555 - Unappro			-		-
Current income tax liabilities (note 31) 2,427,171 - 873,972 - Deposits and remittances (notes 23 and 33) 1,403,780,604 81 1,354,361,910 82 Bank debentures (note 24) 52,516,310 3 38,150,000 2 Other financial liabilities (note 25) 3,284,108 - 3,280,387 - Provisions (note 26) 2,099,179 - 1,796,539 - Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,2772,722 - 2,246,221 - Total liabilities (notes 27 and 33) 2,2772,722 - 2,246,221 - Total liabilities (notes 27 and 33) 4,091,031 3 40,791,031 2 Equity attributable to owners of the Bank 8 3,280,087 90 Equity attributable to owners of the Bank 8 40,791,031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings 7,338,888 - 7,480,146 <t< td=""><td>, , ,</td><td></td><td></td><td></td><td>-</td></t<>	, , ,				-
Deposits and remittances (notes 23 and 33) 1,403,780,604 81 1,354,361,910 82 Bank debentures (note 24) 52,516,310 3 38,150,000 2 Other financial liabilities (note 25) 3,284,108 - 3,280,387 - Provisions (note 26) 2,099,179 - 1,796,539 - Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,772,722 - 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank Share capital - 2,246,221 - Ordinary shares 40,791,031 3 40,791,031 2 Capital surplus 40,655,555 - 4,647,655 - Retained earnings 7,538,888 - 7,480,146 - Legal reserve 7,538,888 - 7,480,146 - Unappropriated earnings 1 1,233,440 - Ot			2		2
Bank debentures (note 24) 52,516,310 3 38,150,000 2 Other financial liabilities (note 25) 3,284,108 - 3,280,387 - Provisions (note 26) 2,099,179 - 1,796,539 - Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,772,7222 - 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank Share capital 9 40,791,031 2 2 2,246,221 - - - 40,41,133 2 2 464,555 - 464,1655 - - - 4,621,555 - 4,647,655 - <td></td> <td></td> <td>-</td> <td></td> <td></td>			-		
Other financial liabilities (note 25) 3,284,108 - 3,280,387 - Provisions (note 26) 2,099,179 - 1,796,539 - Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,772,722 - 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank 3,284,066,703 91 1,483,926,876 90 Equity attributable to owners of the Bank 40,791,031 3 40,791,031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings 44,117,426 3 40,592,926 3 Special reserve 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 466,538,513 4 Other equity 4,323,170 - 8,339,449 1	Deposits and remittances (notes 23 and 33)		81		82
Provisions (note 26) 2,099,179 - 1,796,539 - Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,772,722 - 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank 8 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 2 40,791,031 2 40,791,031 2 40,791,031 2 40,791,031 2 40,791,031 2 40,791,031 2 2 40,791,031 <td>Bank debentures (note 24)</td> <td></td> <td>3</td> <td></td> <td>2</td>	Bank debentures (note 24)		3		2
Deferred income tax liabilities (note 31) 9,897,033 1 10,884,851 1 Other liabilities (notes 27 and 33) 2,772,722 2 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank 8 3 40,791,031 2 2 Capital surplus 4,0791,031 3 40,791,031 2 2 2 Retained earnings 4,0791,031 3 40,791,031 2 2 2 44,676,555 2 2 44,676,555 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 4 2 2 4 4,676,555 2 2 4 4,676,555 2 2 4 4,676,555 2 2 4 4,676,555 2 4 4,676,555 2 4 4,676,555 2 4 4,676,555 2 4 4,676,555 2 <td>Other financial liabilities (note 25)</td> <td>3,284,108</td> <td>-</td> <td>3,280,387</td> <td>-</td>	Other financial liabilities (note 25)	3,284,108	-	3,280,387	-
Other liabilities (notes 27 and 33) 2,772,722 - 2,246,221 - Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank Share capital Ordinary shares 40,791,031 3 40,791,031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings 41,117,426 3 40,592,926 3 Special reserve 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 1 1,846,5441 1 Total retained earnings 21,066,873 1 1,846,5441 1 Total requity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926	Provisions (note 26)	2,099,179	-	1,796,539	-
Total liabilities 1,570,466,703 91 1,483,926,876 90 Equity attributable to owners of the Bank Share capital Ordinary shares 40,791,031 3 40,791,031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings 44,117,426 3 40,592,926 3 Special reserve 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 18,465,441 1 Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,022,430 10	Deferred income tax liabilities (note 31)	9,897,033	1	10,884,851	1
Equity attributable to owners of the Bank Share capital 40,791,031 3 40,791,031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 18,465,441 1 Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,033,094 9 163,022,430 10	Other liabilities (notes 27 and 33)	2,772,722		2,246,221	
Share capital 40,791,031 3 40,791.031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings - - 4,655,555 - 4,647,655 - Legal reserve 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 18,465,441 1 Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,022,430 10	Total liabilities	1,570,466,703	91	1,483,926,876	90
Ordinary shares 40,791,031 3 40,791,031 2 Capital surplus 4,655,555 - 4,647,655 - Retained earnings - 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 18,465,441 1 Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,033,094 9 163,022,430 10					
Retained earnings Legal reserve 44,117,426 3 40,592,926 3 Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 18,465,441 1 Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,022,430 10	Ordinary shares		3		2
Special reserve 7,538,888 - 7,480,146 - Unappropriated earnings 21,066,873 1 18,465,441 1 Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,033,094 9 163,022,430 10	Retained earnings		3		3
Total retained earnings 72,723,187 4 66,538,513 4 Other equity 4,323,170 - 8,339,449 1 Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,033,094 9 163,022,430 10	Special reserve	7,538,888	- 1	7,480,146	- 1
Treasury shares (83,144) - (83,144) - Total equity attributable to owners of the Bank 122,409,799 7 120,233,504 7 Non-controlling interests 40,623,295 2 42,788,926 3 Total equity (note 29) 163,033,094 9 163,022,430 10	Total retained earnings	72,723,187	4	66,538,513	4
Non-controlling interests Total equity (note 29) 2 42,788,926 3 163,033,094 9 163,022,430 10					
Total equity (note 29)	Total equity attributable to owners of the Bank	122,409,799	7	120,233,504	7
	Non-controlling interests	40,623,295	2	42,788,926	3
Total <u>\$ 1,733,499,797</u> <u>100</u> <u>\$ 1,646,949,306</u> <u>100</u>	Total equity (note 29)	163,033,094	9	163,022,430	10
	Total	<u>\$ 1,733,499,797</u>	<u>100</u>	<u>\$ 1,646,949,306</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 FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016		
	Amount	%	Amount	%	
Interest revenues	\$ 34,524,484	99	\$ 31,774,881	98	
Interest expenses	10,547,675	_30	9,808,954	_30	
Net interest (notes 30 and 34)	23,976,809	<u>69</u>	21,965,927	68	
Net revenues other than interest Service fee incomes, net (note 30) Gains on financial assets and liabilities at fair value	5,072,374	14	4,750,997	15	
through profit or loss (note 30)	1,321,414	4	590,393	2	
Realized gains on available-for-sale financial assets	1,312,016	4	1,995,269	6	
Foreign exchange gains, net Share of profit of associates and joint ventures, net	1,280,460	4	1,603,112	5	
(note 15)	237,742	1	154,231	_	
Other net revenues (note 34)	1,563,635	4	1,395,347	4	
Total net revenues other than interest	10,787,641	31	10,489,349	32	
Consolidated net revenues	34,764,450	100	32,455,276	100	
Bad debt expenses (note 11)	832,442	2	687,149	2	
Operating expenses Personnel (notes 28, 30 and 34) Depreciation and amortization (note 30) Other general and administrative	7,562,586 922,231 4,238,314	22 3 12	7,311,826 920,086 4,317,055	23 3 13	
Total operating expenses	12,723,131	_37	12,548,967	39	
Profit before income tax	21,208,877	61	19,219,160	59	
Income tax expense (note 31)	(4,589,911)	(13)	(4,107,035)	<u>(12</u>)	
Consolidated net income	16,618,966	48	15,112,125	<u>47</u>	
Other comprehensive income Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans Income tax relating to items that will not be reclassified subsequently to profit or loss	(98,615)	-	(101,487)	-	
(note 31)	16,717	_	14,674	_	
(11000 31)	(81,898)		(86,813)		
	(01,070)				
			(Col	ntinued)	

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2017		2016	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss: Exchange differences on translating foreign				
operations Unrealized gain (loss) on available-for-sale	\$ (8,599,699)	(25)	\$ (2,531,099)	(8)
financial assets Share of the other comprehensive income of	(1,475,943)	(4)	2,790,758	8
associates and joint ventures accounted for using the equity method Income tax relating to items that may be	16,594	-	(67,649)	-
reclassified subsequently to profit or loss (note 31)	1,186,376 (8,872,672)	<u>3</u> (26)	(448,899) (256,889)	<u>(1)</u> <u>(1)</u>
Other comprehensive loss for the period, net of income tax	(8,954,570)	(26)	(343,702)	(1)
Total comprehensive income for the period	<u>\$ 7,664,396</u>	<u>22</u>	<u>\$ 14,768,423</u>	<u>46</u>
Net profit attributable to: Owners of the Bank Non-controlling interests	\$ 12,385,227 4,233,739 \$ 16,618,966	36 12 48	\$ 11,748,332 3,363,793 \$ 15,112,125	36 11 47
Total comprehensive income (loss) attributable to: Owners of the Bank Non-controlling interests	\$ 8,287,050 (622,654)	24 (2)	\$ 10,985,444 3,782,979	34 12
	<u>\$ 7,664,396</u>	<u>22</u>	<u>\$ 14,768,423</u>	<u>46</u>
Earnings per share (note 32) Basic Diluted	\$3.04 \$3.04		\$2.89 \$2.89	

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

(Concluded)