

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2013		December 31, 2012		January 1, 2012	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents (notes 4 and 6)	\$ 58,055,252	4	\$ 81,421,293	6	\$ 67,523,351	5
Due from the central bank and call loans to banks (note 7)	221,625,832	16	230,403,343	17	173,128,149	14
Financial assets at fair value through profit or loss (notes 4 and 8)	33,043,474	2	28,422,113	2	29,468,500	2
Derivative financial assets for hedging, net (notes 4 and 9)	104,418	-	189,613	-	296,410	-
Securities purchased under resell agreements (notes 4 and 10)	1,588,177	-	730,712	-	5,579,661	1
Receivables, net (notes 4,11 and 33)	15,253,958	1	16,258,258	1	17,820,074	1
Discounts and loans, net (notes 4, 12, 33 and 34)	775,609,470	54	656,688,212	49	636,418,527	50
Available-for-sale financial assets, net (notes 4, 13 and 34)	185,448,671	13	171,880,320	13	133,602,655	11
Held-to-maturity financial assets, net (notes 4, 14 and 34)	116,575,221	8	125,137,107	9	173,884,651	14
Equity investments under the equity method, net (notes 4 and 15)	979,906	-	909,893	-	840,899	-
Other financial assets, net (notes 4 and 16)	221,642	-	246,528	-	228,760	-
Properties, net (notes 4 and 17)	21,719,502	2	19,980,461	2	18,199,857	1
Investment properties, net (notes 4 and 18)	355,318	-	513,803	-	35,827	-
Deferred income tax assets (notes 4 and 31)	924,324	-	1,110,930	-	1,033,644	-
Other assets, net (notes 4 and 19)	<u>4,442,779</u>	<u>-</u>	<u>5,579,460</u>	<u>1</u>	<u>5,845,151</u>	<u>1</u>
Total	<u>\$ 1,435,947,944</u>	<u>100</u>	<u>\$ 1,339,472,046</u>	<u>100</u>	<u>\$ 1,263,906,116</u>	<u>100</u>
LIABILITIES AND EQUITY						
Due to the central bank and banks (note 20)	\$ 38,999,190	3	\$ 44,942,497	3	\$ 23,670,601	2
Borrowings from the central bank and banks	3,932,016	-	5,808,000	-	20,932,855	2
Financial liabilities at fair value through profit or loss (notes 4 and 8)	1,529,591	-	510,609	-	474,469	-
Derivative financial liabilities for hedging, net (notes 4 and 9)	24,429	-	62,087	-	104,452	-
Securities sold under repurchase agreements (notes 4 and 21)	5,746,867	-	8,482,507	1	15,463,445	1
Payables (notes 22 and 33)	21,840,540	2	24,674,582	2	24,756,854	2
Current income tax liabilities (notes 4 and 31)	939,494	-	1,015,293	-	175,947	-
Deposits and remittances (notes 23 and 33)	1,179,265,585	82	1,079,106,614	81	1,028,377,697	81
Bank debentures (note 24)	33,104,321	2	35,189,440	3	15,295,357	1
Other financial liabilities (note 25)	6,680,824	1	5,004,604	-	5,540,279	1
Provisions (notes 4 and 26)	1,218,629	-	1,100,097	-	1,065,373	-
Deferred income tax liabilities (notes 4 and 31)	8,019,995	1	7,333,388	1	6,873,575	1
Other liabilities (notes 27 and 33)	<u>2,470,300</u>	<u>-</u>	<u>2,512,157</u>	<u>-</u>	<u>2,685,596</u>	<u>-</u>
Total liabilities	<u>1,303,771,781</u>	<u>91</u>	<u>1,215,741,875</u>	<u>91</u>	<u>1,145,416,500</u>	<u>91</u>
Equity attributable to owners of the Bank (note 29)						
Share capital						
Ordinary shares	<u>37,157,916</u>	<u>3</u>	<u>37,157,916</u>	<u>3</u>	<u>35,388,492</u>	<u>3</u>
Capital surplus	<u>4,625,336</u>	<u>-</u>	<u>4,618,140</u>	<u>-</u>	<u>4,611,242</u>	<u>-</u>
Retained earnings						
Legal reserve	30,708,270	2	27,849,676	2	25,246,387	2
Special reserve	7,480,146	1	6,223,287	1	6,223,287	1
Unappropriated earnings	<u>14,913,809</u>	<u>1</u>	<u>14,472,600</u>	<u>1</u>	<u>14,737,587</u>	<u>1</u>
Total retained earnings	<u>53,102,225</u>	<u>4</u>	<u>48,545,563</u>	<u>4</u>	<u>46,207,261</u>	<u>4</u>
Other equity	4,116,983	-	2,924,459	-	2,604,037	-
Treasury stock	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>
Total equity attributable to owners of the Bank	98,919,316	7	93,162,934	7	88,727,888	7
Non-controlling interests	<u>33,256,847</u>	<u>2</u>	<u>30,567,237</u>	<u>2</u>	<u>29,761,728</u>	<u>2</u>
Total equity	<u>132,176,163</u>	<u>9</u>	<u>123,730,171</u>	<u>9</u>	<u>118,489,616</u>	<u>9</u>
Total	<u>\$ 1,435,947,944</u>	<u>100</u>	<u>\$ 1,339,472,046</u>	<u>100</u>	<u>\$ 1,263,906,116</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 Year Ended December 31				Percentage Increase (Decrease)
	2013		2012		
	Amount	%	Amount	%	%
Interest revenues	\$ 27,427,035	101	\$ 25,100,781	102	9
Interest expenses	<u>9,775,009</u>	<u>36</u>	<u>9,170,534</u>	<u>37</u>	<u>7</u>
Net interest (notes 4,30 and 33)	<u>17,652,026</u>	<u>65</u>	<u>15,930,247</u>	<u>65</u>	<u>11</u>
Net revenues other than interest (note 4)					
Service fee incomes, net (note 30)	4,774,386	18	4,657,577	19	3
Gains on financial assets and liabilities at fair value through profit or loss (note 30)	1,022,144	4	323,654	1	216
Realized gains on available-for-sale financial assets	1,196,460	5	1,008,868	4	19
Foreign exchange gains, net	543,227	2	993,810	4	(45)
Share of profit of associates and joint ventures, net	114,364	-	109,114	1	5
Other net revenues (note 33)	<u>1,735,034</u>	<u>6</u>	<u>1,577,818</u>	<u>6</u>	<u>10</u>
Total net revenues other than interest	<u>9,385,615</u>	<u>35</u>	<u>8,670,841</u>	<u>35</u>	<u>8</u>
Consolidated net revenues	<u>27,037,641</u>	<u>100</u>	<u>24,601,088</u>	<u>100</u>	<u>10</u>
Bad debt expenses (notes 4 and 12)	<u>736,933</u>	<u>3</u>	<u>307,962</u>	<u>1</u>	<u>139</u>
Operating expenses					
Personnel (notes 4, 30 and 33)	6,106,984	22	5,674,868	23	8
Depreciation and amortization (notes 4 and 30)	727,303	3	563,243	2	29
Other general and administrative	<u>3,294,802</u>	<u>12</u>	<u>3,071,405</u>	<u>13</u>	<u>7</u>
Total operating expenses	<u>10,129,089</u>	<u>37</u>	<u>9,309,516</u>	<u>38</u>	<u>9</u>
Profit before income tax	16,171,619	60	14,983,610	61	8
Income tax expense (notes 4 and 31)	<u>(3,129,561)</u>	<u>(12)</u>	<u>(2,809,891)</u>	<u>(12)</u>	<u>11</u>
Consolidated net income	13,042,058	48	12,173,719	49	7

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

	For the Year Ended December 31				Percentage Increase (Decrease)
	2013		2012		
	Amount	%	Amount	%	%
Other comprehensive income					
Translation adjustments for foreign operations	2,000,224	8	(2,818,848)	(12)	171
Unrealized gain (loss) on available-for-sale financial assets	509,945	2	2,597,334	11	(80)
Cash flow hedges	32,109	-	34,297	-	(6)
Actuarial gains and losses of defined benefit plan (notes 4 and 28)	(15,900)	-	(109,494)	-	(85)
Share of the other comprehensive income of associates and joint ventures	(388)	-	684	-	(157)
Income tax relating to the components of other comprehensive income (notes 4 and 31)	<u>(234,951)</u>	<u>(1)</u>	<u>30,764</u>	<u>-</u>	<u>(864)</u>
Other comprehensive income for the period, net of income tax	<u>2,291,039</u>	<u>9</u>	<u>(265,263)</u>	<u>(1)</u>	<u>964</u>
Total comprehensive income for the period	<u>\$ 15,333,097</u>	<u>57</u>	<u>\$ 11,908,456</u>	<u>48</u>	<u>29</u>
Net profit attributable to:					
Owner of the Bank	\$ 10,143,546	37	\$ 9,506,880	38	7
Non-controlling interests	<u>2,898,512</u>	<u>11</u>	<u>2,666,839</u>	<u>11</u>	<u>9</u>
	<u>\$ 13,042,058</u>	<u>48</u>	<u>\$ 12,173,719</u>	<u>49</u>	<u>7</u>
Total comprehensive income attributable to:					
Owner of the Bank	\$ 11,322,873	42	\$ 9,736,422	39	16
Non-controlling interests	<u>4,010,224</u>	<u>15</u>	<u>2,172,034</u>	<u>9</u>	<u>85</u>
	<u>\$ 15,333,097</u>	<u>57</u>	<u>\$ 11,908,456</u>	<u>48</u>	<u>29</u>
Earnings Per Share (note 32)					
Basic	<u>\$ 2.74</u>		<u>\$ 2.57</u>		
Diluted	<u>\$ 2.74</u>		<u>\$ 2.56</u>		

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

(Concluded)