

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
December 31, 2018 AND 2017

(Expressed in Thousands of New Taiwan Dollars)

Codes	ASSETS	December 31, 2018		December 31, 2017	
		Amount	%	Amount	%
11000	Cash and cash equivalents (Note 6)	\$ 60,496,417	3	\$ 74,683,305	4
11500	Due from the Central Bank and call loans to banks (Note 7)	191,069,205	10	219,570,594	13
12000	Financial assets measured at fair value through profit or loss (Note 8)	13,580,032	1	10,767,854	1
12100	Financial assets measured at fair value through other comprehensive income (Notes 9, 11 and 40)	436,008,517	23	-	-
12200	Debt instrument investments measured at amortized cost (Notes 10, 11 and 40)	106,071,194	6	-	-
12500	Securities purchased under resale agreements (Note 12)	438,017	-	195,061	-
13000	Receivables, net (Notes 13 and 39)	16,993,738	1	16,705,711	1
13200	Current income tax assets (Note 35)	89,235	-	90,429	-
13500	Discounts and loans, net (Notes 14 and 39)	1,029,803,185	55	926,652,676	53
14000	Available-for-sale financial assets, net (Notes 15 and 40)	-	-	340,550,108	20
14500	Held-to-maturity financial assets, net (Notes 16 and 40)	-	-	112,498,032	7
15000	Investments under the equity method, net (Note 18)	1,738,636	-	1,472,690	-
15500	Other financial assets, net (Note 19)	2,461,333	-	5,814	-
18500	Properties, net (Note 20)	21,546,669	1	21,291,727	1
18700	Investment properties, net (Note 21)	5,661,390	-	5,292,397	-
19000	Intangible assets, net (Note 22)	1,837,331	-	120,099	-
19300	Deferred income tax assets (Note 35)	1,325,996	-	753,867	-
19500	Other assets, net (Note 23)	<u>3,288,862</u>	<u>-</u>	<u>2,849,433</u>	<u>-</u>
10000	Total assets	<u>\$ 1,892,409,757</u>	<u>100</u>	<u>\$ 1,733,499,797</u>	<u>100</u>
Codes	LIABILITIES AND EQUITY				
21000	Due to the Central Bank and banks (Note 24)	\$ 60,263,330	3	\$ 33,741,735	2
22000	Financial liabilities measured at fair value through profit or loss (Note 8)	3,781,474	-	872,808	-
22500	Securities sold under repurchase agreements (Note 25)	14,629,530	1	29,792,067	2
23000	Payables (Notes 26 and 39)	30,113,575	2	29,282,966	2
23200	Current income tax liabilities (Note 35)	1,168,875	-	2,427,171	-
23500	Deposits and remittances (Notes 27 and 39)	1,520,625,615	80	1,403,780,604	81
24000	Bank debentures (Note 28)	64,785,252	4	52,516,310	3
25500	Other financial liabilities (Note 29)	4,211,038	-	3,284,108	-
25600	Provisions (Notes 30)	2,385,217	-	2,099,179	-
29300	Deferred income tax liabilities (Note 35)	9,411,303	1	9,897,033	1
29500	Other liabilities (Notes 31 and 39)	<u>3,012,622</u>	<u>-</u>	<u>2,772,722</u>	<u>-</u>
20000	Total liabilities	<u>1,714,387,831</u>	<u>91</u>	<u>1,570,466,703</u>	<u>91</u>
	Equity (Notes 33)				
	Equity attributable to owners of the Bank				
	Share capital				
31101	Ordinary shares	<u>41,016,031</u>	<u>2</u>	<u>40,791,031</u>	<u>3</u>
31500	Capital surplus	<u>5,893,238</u>	<u>1</u>	<u>4,655,555</u>	<u>-</u>
	Retained earnings				
32001	Legal reserve	47,832,994	3	44,117,426	3
32003	Special reserve	7,600,814	-	7,538,888	-
32005	Unappropriated earnings	<u>23,499,036</u>	<u>1</u>	<u>21,066,873</u>	<u>1</u>
32000	Total retained earnings	<u>78,932,844</u>	<u>4</u>	<u>72,723,187</u>	<u>4</u>
32500	Other equity	<u>5,396,978</u>	<u>-</u>	<u>4,323,170</u>	<u>-</u>
32600	Treasury shares	<u>(83,144)</u>	<u>-</u>	<u>(83,144)</u>	<u>-</u>
31000	Total equity attributable to owners of the Bank	131,155,947	7	122,409,799	7
38000	Non-controlling interests	<u>46,865,979</u>	<u>2</u>	<u>40,623,295</u>	<u>2</u>
30000	Total equity	<u>178,021,926</u>	<u>9</u>	<u>163,033,094</u>	<u>9</u>
	Total liabilities and equity	<u>\$ 1,892,409,757</u>	<u>100</u>	<u>\$ 1,733,499,797</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, 2018 and 2017

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

Codes		2018		2017		Change (%)
		Amount	%	Amount	%	
41000	Interest revenue	\$ 42,033,449	113	\$ 34,524,484	99	22
51000	Interest expenses	14,879,053	40	10,547,675	30	41
49010	Net interest (Notes 34 and 39)	27,154,396	73	23,976,809	69	13
	Non-interest revenue					
49100	Service fee income, net (Note 34)	5,475,395	15	5,072,374	14	8
49200	Gain on financial assets and liabilities measured at fair value through profit or loss (Note 34)	(92,952)	-	1,321,414	4	(107)
49300	Realized gain on available-for-sale financial assets	-	-	1,312,016	4	(100)
49310	Realized gain on financial assets measured at fair value through other comprehensive income (Note 34)	1,107,021	3	-	-	-
49450	Gain on financial assets measured at amortized cost	(1,824)	-	-	-	-
49600	Foreign exchange gain, net	1,558,656	4	1,280,460	4	22
49700	Impairment loss on assets (Note 11)	(27,552)	-	-	-	-
49750	Proportionate share of profit of subsidiaries, associates and joint ventures under equity method, net (Note 18)	119,150	-	237,742	1	(50)
49800	Other non-interest revenue (Note 39)	1,786,084	5	1,563,635	4	14
49020	Total non-interest revenue	9,923,978	27	10,787,641	31	(8)
4xxxx	Consolidated net revenue	37,078,374	100	34,764,450	100	7
58200	Provisions for bad-debt expense, commitment and guarantee liability (Note 14)	638,721	2	832,442	2	(23)
	Operating expenses					
58500	Employee benefits (Notes 32, 34 and 39)	7,792,241	21	7,562,586	22	3
59000	Depreciation and amortization (Note 34)	825,825	2	922,231	3	(10)
59500	Other general and administrative	4,884,906	13	4,238,314	12	15
58400	Total operating expenses	13,502,972	36	12,723,131	37	6
61001	Profit before income tax	22,936,681	62	21,208,877	61	8
61003	Income tax expense (Note 35)	(4,575,035)	(12)	(4,589,911)	(13)	-
64000	Consolidated net income	18,361,646	50	16,618,966	48	10
	Other comprehensive income (loss)					
	Items that will be not reclassified subsequently to profit or loss:					
65201	Remeasurement of defined benefit plans	(101,568)	-	(98,615)	-	3
65204	Gain on investments in equity instruments measured at fair value through other comprehensive income	437,529	1	-	-	-
65220	Income tax relating to items that may be not reclassified subsequently to profit or loss (Note 35)	1,617,775	4	16,717	-	9,577
65200	Subtotal of items that will not be reclassified subsequently to profit or loss	1,953,736	5	(81,898)	-	2,486

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THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2018 and 2017

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

Codes		2018		2017		Change (%)
		Amount	%	Amount	%	
	Items that may be reclassified subsequently to profit or loss:					
65301	Exchange differences on translating foreign operations	3,910,553	11	(8,599,699)	(25)	145
65302	Unrealized gain on available-for-sale financial assets	-	-	(1,475,943)	(4)	100
65307	Share of the other comprehensive income of associates and joint ventures accounted for using the equity method	(86,834)	-	16,594	-	(623)
65309	Loss on debt instruments measured at fair value through other comprehensive income	(1,482,897)	(4)	-	-	-
65310	Allowance loss on debt instruments measured at fair value through other comprehensive income (Note 11)	28,193	-	-	-	-
65320	Income tax relating to items that may be reclassified subsequently to profit or loss (Note 35)	(548,490)	(2)	1,186,376	3	(146)
65300	Subtotal of items that may be reclassified subsequently to profit or loss	1,820,525	5	(8,872,672)	(26)	121
65000	Other comprehensive income for the period, net of income tax	3,774,261	10	(8,954,570)	(26)	142
66000	Total comprehensive income for the period	<u>\$ 22,135,907</u>	<u>60</u>	<u>\$ 7,664,396</u>	<u>22</u>	189
	Net profit attributable to:					
67101	Owners of the Bank	\$ 13,711,971	37	\$ 12,385,227	36	11
67111	Non-controlling interests	4,649,675	13	4,233,739	12	10
67100		<u>\$ 18,361,646</u>	<u>50</u>	<u>\$ 16,618,966</u>	<u>48</u>	10
	Total comprehensive income attributable to:					
67301	Owners of the Bank	\$ 15,005,116	41	\$ 8,287,050	24	81
67311	Non-controlling interests	7,130,791	19	(622,654)	(2)	1,245
67300		<u>\$ 22,135,907</u>	<u>60</u>	<u>\$ 7,664,396</u>	<u>22</u>	189
	Earnings per share (Note 36)					
67500	Basic	<u>\$3.37</u>		<u>\$3.04</u>		
67700	Diluted	<u>\$3.37</u>		<u>\$3.04</u>		

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

(Concluded)