

Balance Sheet

Unit : NT\$'000

ASSETS		Jun.30,2017		Jun.30,2016		LIABILITIES AND EQUITIES		Jun.30,2017		Jun.30,2016	
Code	Item	Amount	%	Amount	%	Code	Item	Amount	%	Amount	%
11000	Cash and cash equivalents	38,322	0	60,611	0	21000	Deposits from the Central Bank and banks	0	0	0	0
11500	Due from the Central Bank and call loans to banks	10,795,048	11	10,272,088	6	21500	Due to the Central Bank and other banks	1,200,000	1	1,500,000	1
12000	financial asset or financial liability at fair	11,426,429	12	17,615,500	11	22000	financial liability at fair value through profit	10,675,473	11	18,629,174	12
14000	Available-for-sale financial assets - net	9,260,805	10	8,417,919	5	22300	Hedging derivative financial liabilities	0	0	0	0
12300	Hedging derivative financial assets	0	0	0	0	22500	Securities sold under repurchase agreements	0	0	0	0
12500	Securities purchased under resell agreements	0	0	0	0	23000	Payables	13,718,953	14	7,327,268	5
13000	Receivables - net	34,701,734	36	23,210,509	14	23200	Current income tax liabilities	34,598	0	5,000	0
13200	Current income tax assets	80,176	0	5,532	0	23300	Liabilities Related to Assets Classified as Held for Sale	0	0	0	0
13300	Assets Classified as Held for Sale	0	0	0	0	23500	Deposits and remittances	45,901,085	48	43,002,901	27
13500	Loans, discounted notes and bills - net	27,950,905	29	35,830,178	22	24000	Financial debenture payable	0	0	0	0
14500	Held-to-maturity financial assets - net	0	0	0	0	25500	Other financial liabilities	0	0	0	0
15000	Equity investments under equity method - net	0	0	0	0	25600	Reserves for liability	378,150	0	363,933	0
15100	Restricted assets	0	0	0	0	29300	Deferred income tax liabilities	0	0	0	0
15500	Other financial assets - net	0	0	0	0	29500	Other liabilities	20,529,088	23	87,668,658	53
18500	Property and Equipment - net	14,220	0	14,399	0	20000	TOTAL LIABILITIES	92,437,347	97	158,496,934	98
19000	Intangible assets - net	0	0	0	0			0	0	0	0
19300	Deferred income tax assets - net	72,166	0	80,243	0			0	0	0	0
19500	Other assets - net	1,350,432	2	65,545,766	42	31000	Capital	1,697,320	2	1,226,897	1
						32000	Retained earnings	1,557,489	1	1,324,390	1
						32011	Unappropriated earnings	1,168,109	1	1,207,090	1
						32025	Current income	389,380	0	117,300	0
						32500	Other equity	(1,919)	0	4,524	0
						30000	TOTAL EQUITY	3,252,890	3	2,555,811	2
10000	TOTAL ASSETS	95,690,237	100	161,052,745	100		TOTAL LIAB. AND EQUITY	95,690,237	100	161,052,745	100

Commitments and Contingent Accounts		Jun.30,2017	Jun.30,2016	Allowance for uncollectible accounts		Jun.30,2017	Jun.30,2016
Code	Item	Amount	Amount	Code	Item	Amount	Amount
81004	Loan Commitment	1,400,545	1,470,497	13024	Acceptance	0	0
81005	Loan Uncommitment	128,746,735	101,997,753	13026	A/R Forfaiting - without recourse	212,958	161,413
81003	Guarantee	21,210,298	19,594,758	13590	Loans, discounted notes and bills	215,547	181,007
81011	Documentary L/C	259,683	436,112				

* Report not certified by CPA auditors.

Consolidate Income Statement

Unit : NT\$'000

代碼	項 目	Jan.-Jun.,2017		Jan.-Jun.,2016		Variable %
		Amount	%	Amount	%	
41000	Interest income	592,253	104	576,885	101	3
51000	Interest expense	(549,032)	(97)	(417,295)	(73)	32
	Net interest (expense) income	43,221	7	159,590	28	(73)
	Other operating income	0	0	0	0	0
	Commission income	61,272	11	43,389	8	41
	Gain (loss) on financial assets or liabilities measured at fair value through profit and loss	(820,845)	(144)	(2,747,494)	(483)	(70)
	Realized gain (loss) on available-for-sale financial assets	(18,083)	(3)	(41,026)	(7)	(56)
	Realized gain (loss) on held-to-maturity financial assets	0	0	0	0	0
	Foreign exchange gains (losses) - net	1,110,861	195	2,948,299	518	(62)
	Impairment loss on assets (reversal of impairment loss on assets)	0	0	0	0	0
	Others	192,474	34	139,916	25	38
	Net income	568,900	100	502,674	89	13
58200	Bad debt expenses	238,864	42	(62,380)	(11)	(483)
	Operating expenses	0	0	0	0	0
58500	Employee benefits	(168,714)	(30)	(159,789)	(28)	6
59000	Depreciation and amortization expense	(1,167)	0	(1,410)	0	(17)
59500	Other general and administrative expenses	(163,201)	(29)	(142,948)	(25)	14
	Consolidated income (loss) from continuing operations before income tax	474,682	83	136,147	24	249
61003	Consolidated income (loss) from continuing operations - Income tax (expense) benefit	(85,301)	(15)	(18,847)	(3)	353
	Consolidated income (loss) from continuing operations - after income tax	389,381	68	117,300	21	232
62500	Income (loss) from discontinued operations	0	0	0	0	0
	Net income (loss)	389,381	68	117,300	21	232
	Other comprehensive income					
65001	Exchange differences on cumulative translation adjustments	(7,593)	(1)	4,586	1	(266)
65011	Unrealized gain (loss) on available-for-sale financial assets	7,992	1	(5,304)	(1)	(251)
65031	Remeasurement of defined benefit plans	0	0	0	0	0
65051	Other comprehensive income after tax	0	0	0	0	0
	Total other comprehensive income	389,780	69	116,582	20	234
	Net income belong to:					
	Owners' equity	389,381	68	117,300	21	232
	Non-controlling Interests	0	0	0	0	0
	Total other comprehensive income belong to:					
	Owners' equity	389,780	69	116,582	20	234
	Non-controlling Interests	0	0	0	0	0

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Information on fair value hierarchy of financial instruments

Unit : NT\$'000

Instrument item measured at fair value	Jun.30,2017				Jun.30,2016			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Non-derivative financial instruments								
<u>Asset</u>								
Financial assets designated at fair value through profit or loss	1,055,187	1,055,187	-	-	2,316,300	2,316,300	-	-
Held for trading financial asset	1,055,187	1,055,187	-	-	2,316,300	2,316,300	-	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	1,055,187	1,055,187	-	-	2,316,300	2,316,300	-	-
Others	-	-	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Available-for-sale financial assets	9,260,805	5,511,072	3,749,733	-	8,146,333	2,004,232	6,142,101	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	8,710,727	5,511,072	3,199,655	-	6,946,192	2,004,232	4,941,960	-
Others	550,078	-	550,078	-	1,200,141	-	1,200,141	-
<u>Liabilities</u>								
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Held for trading financial liabilities	-	-	-	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Derivatives financial instruments	-	-	-	-	-	-	-	-
<u>Asset</u>								
Financial assets designated at fair value through profit or loss	10,371,242	-	10,371,242	-	15,299,200	-	15,299,200	-
Hedging derivative financial assets	-	-	-	-	-	-	-	-
<u>Liabilities</u>								
Financial liabilities designated at fair value through profit or loss	10,675,473	-	10,675,473	-	18,629,174	-	18,629,174	-
Hedging derivative financial liabilities	-	-	-	-	-	-	-	-

Financial asset changes in fair value measurement level 3

Unit : NT\$'000

Item	Beginning retained earning	Profit/Loss valuation		Increase during period		Decrease during period		Ending retained earning
		Income statement	Other comprehensive income	Buy in or issue	Transfers to Level 3	Sale, disposal or settlement	Converted out from Level 3	
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Held for trading financial assets	-	-	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Available-for-sale financial assets	-	-	-	-	-	-	-	-
Hedging derivative financial assets	-	-	-	-	-	-	-	-

Financial liabilities changes in fair value measurement level 3

Unit : NT\$'000

Item	Beginning retained earning	Valuation of profit/loss during the period	Increase during period		Decrease during period		Ending retained earning
			Buy in or issue	Transfers to Level 3	Sale, disposal or settlement	Converted out from Level 3	
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-
Held for trading financial liabilities	-	-	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-
Hedging derivative financial liabilities	-	-	-	-	-	-	-

ASSETS QUALITY

Unit : NT\$'000, %

Year \ Month		Jun.30,2017					Jun.30,2016					
ITEM		Overdue Amount	Loan Amount	% of Overdue loans to Total loans	Loan loss reserve	% of Loan loss reserve to Overdue Loan	Overdue Amount	Loan Amount	% of Overdue loans to Total loans	Loan loss reserve	% of Loan loss reserve to Overdue Loan	
Corporate Finance	Security	-	2,667,409	-	215,547	NA	-	209,213	-	181,007	NA	
	Unsecurity	-	25,499,043	-	-		-	35,801,972	-	-		-
Consumer Finance	Housing Loan	-	-	-	-	NA	-	-	-	-	NA	
	Cash card	-	-	-	-		-	-	-	-		-
	Small credit Loan	-	-	-	-		-	-	-	-		-
	Others	-	-	-	-		-	-	-	-		-
Total		-	28,166,452	-	215,547	-	36,011,185	-	181,007	-	-	
/		Overdue Amount	A/R Amount	% of Overdue A/R to Total A/R	Provision Amount	% of Provision to Overdue Loan	Overdue Amount	A/R Amount	% of Overdue A/R to Total A/R	Provision Amount	% of Provision to Overdue Loan	
Credit card		-	-	-	-	NA	-	-	-	-	NA	
Factoring-without recourse		-	21,295,776	-	212,958		-	16,140,500	-	-		-
Other non-performing loans		-	-	-	-		-	-	-	-		-

Year \ Month	Jun.30,2017	Jun.30,2016
Loan classified as non-Pass-Due with normal payment after debt negotiation	-	-

Credit Exposure Concentration

Unit : NTS'000, %

Year \ Month	Jun.30,2017				Jun.30,2016			
Ranking	Group Name	INDUSTRIAL CLASSIFICATION	Credit Amount	% of Credit amount to net worth (%)	Group Name	INDUSTRIAL CLASSIFICATION	Credit Amount	% of Credit amount to net worth (%)
1	Axxxx	Manufacturing	21,295,776	655%	Axxxx	Manufacturing	16,140,500	632%
2	Fxxxxx Plxxxxxx	Manufacturing	10,176,166	313%	Fxxxxx Plxxxxxx	Manufacturing	10,349,972	405%
3	Gxx	Retail Sales	6,489,426	199%	Quxxxx	Manufacturing	7,437,327	291%
4	Ctxx	Construction	4,486,941	138%	Gxx	Retail Sales	6,489,426	254%
5	Quxxxx	Manufacturing	3,818,209	117%	Ctxx	Construction	5,588,894	219%
6	Mixxxx Sexxxxxxxxxx	Manufacturing	2,500,000	77%	Csxx Coxxxxxxxxxx	Manufacturing	3,770,899	148%
7	Fxx Eaxxxx	Manufacturing	2,362,067	73%	Daxxxx	Financial Service	3,300,000	129%
8	Evxxxxxxxx	Transportation	2,266,038	70%	Fxx Eaxxxx	Manufacturing	2,259,205	88%
9	Daxxxx	Financial Service	1,800,000	55%	Evxxxxxxxx	Transportation	1,860,727	73%
10	Csxx Coxxxxxxxxxx	Manufacturing	1,684,092	52%	Mexxxxxx	Manufacturing	1,614,050	63%

Interest-Rate Sensitivity - TWD Currency

Jun.30,2017

Unit : NT\$'000, %

ITEM	0 to 90 days	91 to 180 days	181 days to 1 year	over 1 year	TOTAL
Sensitive assets	17,618,730	322,708	3,639,542	9,480,258	31,061,238
Sensitive liabilities	7,059,816	850,000	3,000,000	1,328,123	12,237,939
Sensitive Gap	10,558,914	(527,292)	639,542	8,152,135	18,823,299
Equity					3,122,114
Ratio of interest-rate sensitive assets to liabi					253.81 %
Ratio of interest-rate sensitive gap to equity					602.90 %

Interest-Rate Sensitivity - USD Currency

Jun.30,2017

Unit : US\$'000, %

ITEM	0 to 90 days	91 to 180 days	181 days to 1 year	over 1 year	TOTAL
Sensitive assets	283,682	1,141	85,120	200,574	570,517
Sensitive liabilities	1,662,876	77,019	8,600	-	1,748,495
Sensitive Gap	(1,379,194)	(75,878)	76,520	200,574	(1,177,978)
Equity					4,297
Ratio of interest-rate sensitive assets to liabi					32.63 %
Ratio of interest-rate sensitive gap to equity					-27,413.96 %

Note:

- Interest-rate sensitive assets or liabilities represent interest bearing assets or interest paying liabilities influenced by the fluctuation of interest rates.
- Ratio of interest-rate sensitive assets to liabilities = Interest-rate sensitive assets ÷ Interest-rate sensitive liabilities (i.e. New Taiwan Dollar interest-rate sensitive assets and New Taiwan Dollar interest-rate sensitive liabilities with tenors of less than one year)
- Interest-rate sensitive gap = Interest-rate sensitive assets — Interest-rate sensitive liabilities

Ratio of Profitability

Unit : %

ITEM		Jun.30,2017	Jun.30,2016
Ratio of return on assets	before income tax	0.41 %	0.10 %
	after incometax	0.34 %	0.09 %
Ratio of return on equity	before income tax	14.79 %	5.45 %
	after incometax	12.14 %	4.69 %
Ratio of net income		68.51 %	23.19 %

Note:

1. Ratio of return on assets = Income before income tax ÷ Average assets
2. Ratio of return on equity = Income before income tax ÷ Average equity
3. Ratio of net income = Income before income tax ÷ Total revenue
4. Income before income tax is the year-to-date accumulated income.

Analysis of Assets and Liabilities by Maturity Date - TWD Currency
Jun.30,2017

Unit : NT\$'000

ITEM	TOTAL	Amount for the remaining period to the maturity date				
		0 to 30 days	31 to 90 days	91 to 180 days	181 days to 1 year	over 1 year
Assets	396,478,545	105,512,063	106,680,927	88,202,398	67,621,592	28,461,565
Liabilities	396,612,807	92,586,583	129,300,813	72,083,673	80,540,224	22,101,514
Gap	-134,262	12,925,480	-22,619,886	16,118,725	-12,918,632	6,360,051

Note:

1. The table includes only New Taiwan Dollar amounts (i.e. excludes assets and liabilities denominated in foreign currency).

Analysis of Assets and Liabilities by Maturity Date - USD Currency
Jun.30,2017

Unit : US\$'000

ITEM	TOTAL	Amount for the remaining period to the maturity date				
		0 to 30 days	31 to 90 days	91 to 180 days	181 days to 1 year	over 1 year
Assets	16,899,492	4,737,323	5,215,811	2,752,999	2,866,361	1,326,998
Liabilities	17,442,936	5,400,237	4,739,653	3,358,797	2,503,405	1,440,844
Gap	-543,444	-662,914	476,158	-605,798	362,956	-113,846

Note:

1. The table includes only U.S. Dollar amounts.

Ratio of Deposits, Time Deposits and Foreign Currency Deposits to Total Deposits

Unit : NT\$'000, %

	Jun.30,2017	Jun.30,2016
Demand deposits	7,459,623	816,636
% of Demand deposits	16.25 %	1.90 %
Time deposits	38,438,313	42,183,472
% of Time deposits	83.75 %	98.10 %
Foreign currency deposits	34,863,146	42,446,610
% of Foreign currency deposits	75.96 %	98.71 %

Note:

1. % of Demand deposits = demand deposits ÷ total deposits ;
 % of Time deposits = time deposits ÷ total deposits ;
 % of Foreign currency deposits = foreign currency deposits ÷ total deposits
2. Demand deposits and Time deposits include Foreign currency deposits and Treasury deposits.
3. Postal office deposits are excluded.

Ratio of Small and Medium-Size Enterprise (SME) Loans

Unit : NT\$'000, %

	Jun.30,2017	Jun.30,2016
SME Loans	-	-
% of SME Loans	0.00 %	0.00 %
Consumer Loans	-	-
% of Consumer Loans	0.00 %	0.00 %

Note:

1. % of SME Loans = SME Loans ÷ Total Loans;
% of Consumer Loans = Consumer Loans ÷ Total Loans
2. Small and Medium-Size Enterprises (SME) are identified according to the definition promulgated by the Banking Bureau.
Employee Loans under Welfare Committee and other individual Consumer Loans.

Interest Bearing Assets and Interest Paying Liabilities

Unit : NT\$'000, %

ITEM	Jun.30,2017		Jun.30,2016	
	Average balance	Average interest rate	Average balance	Average interest rate
Interest bearing assets	70,403,531	1.50 %	119,030,827	1.15 %
Due from Central Bank, other branches and other banks	11,548,545	0.82 %	56,084,888	0.85 %
Securities purchased	9,721,726	0.60 %	9,116,490	1.61 %
A/R Forfaiting - without recourse	17,521,837	1.41 %	16,196,250	0.84 %
Loans, discounted notes and bills	31,611,423	2.02 %	37,633,199	1.48 %
Interest paying liabilities	77,843,076	1.30 %	123,723,388	0.83 %
Due to banks and other branches	36,820,542	1.30 %	80,299,563	0.67 %
Deposits (demand deposits, time deposits and NCD)	41,022,534	1.30 %	43,423,825	1.14 %

Note:

1. Average balance is based on daily average balance of interest bearing assets or interest liabilities.
2. Interest bearing assets or interest paying liabilities are disclosed in accordance with the chart of accounts or their nature.

Major Foreign Currencies Net Position

Unit : NT\$'000

	Jun.30,2017		Jun.30,2016	
	Foreign currency	Equivalent to NTD	Foreign currency	Equivalent to NTD
Major foreign currencies net position (market risk)	USD	613,458	USD	50,894
	CNY	19,005	EUR	45,919
	EUR	17,611	JPY	5,815
	HKD	3,873	CNY	5,151
	JPY	2,463	AUD	3,966

Note:

1. Major foreign currencies shall mean the top five currencies with largest positions.
2. Major foreign currencies net position shall mean the absolute net balance of each currency.