

## Balance Sheet

Unit : NT\$'000

ASSETS		Dec.31,2016		Dec.31,2015		LIABILITIES AND EQUITIES		Dec.31,2016		Dec.31,2015	
Code	Item	Amount	%	Amount	%	Code	Item	Amount	%	Amount	%
11000	Cash and cash equivalents	41,233	0	41,461	0	21000	Deposits from the Central Bank and banks	1	0	18	0
11500	Due from the Central Bank and call loans to banks	12,436,417	7	309,331	0	21500	Due to the Central Bank and other banks	500,000	0	1,500,000	1
12000	financial asset or financial liability at fair	21,633,416	13	24,460,785	23	22000	financial liability at fair value through profit	20,203,524	12	22,147,299	21
14000	Available-for-sale financial assets - net	8,550,671	5	7,695,048	7	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	4,257,918	3	14,230,512	14
13000	Receivables - net	30,118,128	18	30,461,787	29	23200	Current income tax liabilities	10,383	0	144,721	0
13200	Current income tax assets	81,383	0	28,698	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	55,888,877	33	39,956,432	38
13500	Loans, discounted notes and bills - net	51,587,531	31	33,173,175	31	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	381,875	0	329,775	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	84,084,100	50	24,613,355	24
18500	Property and Equipment - net	13,941	0	15,632	0	20000	TOTAL LIABILITIES	165,326,678	98	102,922,112	98
19000	Intangible assets - net	0	0	0	0			0	0	0	0
19300	Deferred income tax assets - net	125,287	0	100,940	0			0	0	0	0
19500	Other assets - net	43,601,782	26	9,074,484	10	31000	Capital	1,697,320	1	1,226,897	1
						32000	Retained earnings	1,168,109	1	1,207,090	1
						32011	Unappropriated earnings	1,204,287	1	835,203	1
						32025	Current income	(36,178)	0	371,887	0
						32500	Other equity	(2,318)	0	5,242	0
						30000	TOTAL EQUITY	2,863,111	2	2,439,229	2
10000	TOTAL ASSETS	168,189,789	100	105,361,341	100		TOTAL LIAB. AND EQUITY	168,189,789	100	105,361,341	100

Commitments and Contingent Accounts		Dec.31,2016	Dec.31,2015	Allowance for uncollectible accounts		Dec.31,2016	Dec.31,2015
Code	Item	Amount	Amount	Code	Item	Amount	Amount
81004	Loan Commitment	5,023,829	2,708,788	13024	Acceptance	0	525
81005	Loan Uncommitment	82,329,790	99,723,909	13026	A/R Forfaiting - without recourse	262,656	163,828
81003	Guarantee	20,767,000	15,724,437	13590	Loans, discounted notes and bills	411,478	162,154
81011	Documentary L/C	196,402	126,295				

\* Report not certified by CPA auditors.

## Consolidate Income Statement

Unit : NT\$'000

代碼	項 目	Jan.-Dec.,2016		Jan.-Dec.,2015		Variable %
		Amount	%	Amount	%	
41000	Interest income	1,241,784	127	868,791	89	43
51000	Interest expense	(720,060)	(74)	(494,695)	(51)	46
	Net interest (expense) income	521,724	53	374,096	38	39
	Other operating income	0	0	0	0	0
	Commission income	78,352	8	127,556	13	(39)
	Gain (loss) on financial assets or liabilities measured at fair value through profit and loss	(107,111)	(11)	(112,450)	(11)	(5)
	Realized gain (loss) on available-for-sale financial assets	(68,470)	(7)	(34,631)	(4)	98
	Realized gain (loss) on held-to-maturity financial assets	0	0	0	0	0
	Foreign exchange gains (losses) - net	270,289	28	448,304	46	(40)
	Impairment loss on assets (reversal of impairment loss on assets)	0	0	0	0	0
	Others	283,587	29	189,845	19	49
	Net income	978,371	100	992,720	101	(1)
58200	Bad debt expenses	(401,006)	(41)	0	0	NA
	Operating expenses	0	0	0	0	0
58500	Employee benefits	(320,722)	(33)	(298,709)	(31)	7
59000	Depreciation and amortization expense	(2,533)	0	(3,124)	0	(19)
59500	Other general and administrative expenses	(307,652)	(31)	(274,819)	(28)	12
	Consolidated income (loss) from continuing operations before income tax	(53,542)	(5)	416,068	43	(113)
61003	Consolidated income (loss) from continuing operations - Income tax (expense) benefit	17,365	2	(44,181)	(5)	(139)
	Consolidated income (loss) from continuing operations - after income tax	(36,177)	(4)	371,887	38	(110)
62500	Income ( loss) from discontinued operations	0	0	0	0	0
	Net income (loss)	(36,177)	(4)	371,887	38	(110)
	Other comprehensive income					
65001	Exchange differences on cumulative translation adjustments	5,034	1	3,028	0	66
65011	Unrealized gain (loss) on available-for-sale financial assets	(12,595)	(1)	4,739	0	(366)
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	(43,738)	(4)	379,654	39	(112)
	Net income belong to:					
	Owners' equity	(36,177)	(4)	371,887	38	(110)
	Non-controlling Interests	0	0	0	0	0
	Total other comprehensive income belong to:					
	Owners' equity	(43,738)	(4)	379,654	39	(112)
	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	Dec.31,2016				Dec.31,2015			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
<b>Non-derivative financial instruments</b>								
<u>Asset</u>								
Financial assets designated at fair value through profit or loss	1,011,301	1,011,301	-	-	2,002,821	2,002,821	-	-
Held for trading financial asset	1,011,301	1,011,301	-	-	2,002,821	2,002,821	-	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	1,011,301	1,011,301	-	-	2,002,821	2,002,821	-	-
Others	-	-	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss on initial recognition	-	-	-	-	-	-	-	-
Available-for-sale financial assets	8,550,671	5,107,896	3,442,775	-	7,695,396	6,495,320	1,200,076	-
Equity investment	-	-	-	-	-	-	-	-
Bond investment	8,000,530	5,107,896	2,892,634	-	6,495,320	6,495,320	-	-
Others	550,141	-	550,141	-	1,200,076	-	1,200,076	-
<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	20,622,115	-	20,622,115	-	22,457,964	-	22,457,964	-
Hedging derivative financial assets	-	-	-	-	-	-	-	-
<u>Liabilities</u>								
Financial liabilities designated at fair value through profit or loss	20,203,524	-	20,203,524	-	22,147,299	-	22,147,299	-
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		Dec.31,2016					Dec.31,2015					
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	-	200,860	-	411,478	NA	-	216,699	-	162,154	NA	
	Unsecurity	-	51,798,150	-			-	33,118,630	-			
Consumer Finance	Housing Loan	-	-	-	-	NA	-	-	-	-	NA	
	Cash card	-	-	-			-	-	-			
	Small credit Loan	-	-	-			-	-	-			-
	Others	-	-	-			-	-	-			-
Total		-	51,999,010	-	411,478	-	33,335,329	-	162,154	-	-	
/		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		-	26,265,591	-	262,656		-	16,498,875	-	-		
Other non-performing loans		-	-	-	-		-	-	-	-		

Year \ Month	Dec.31,2016	Dec.31,2015
Loan classified as non-Pass-Due with normal payment after debt negotiation	-	-

### Credit Exposure Concentration

Unit : NTS'000, %

Year \ Month	Dec.31,2016				Dec.31,2015			
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	Foxxxx Plxxxxxx	Manufacturing	8,966,933	313%	Foxxxx Plxxxxxx	Manufacturing	9,897,722	406%
2	Quxxxx	Manufacturing	8,761,219	306%	Quxxxx	Manufacturing	8,622,972	354%
3	Taxxx Sxxxx Coxxxxxxx	Manufacturing	5,809,185	203%	CxCx	Construction	3,978,009	163%
4	CxCx	Construction	4,960,525	173%	Mexxxxxx Cxx	Financial Service Activities	3,959,730	162%
5	Kixxx	Manufacturing	4,738,255	165%	Csxx Coxxxxxxx	Manufacturing	2,820,333	116%
6	Csxx Coxxxxxxx	Manufacturing	3,831,644	134%	Fxx Eaxxxxx Texxxxx	Manufacturing	2,059,691	84%
7	Hxx Hxx	Manufacturing	3,227,325	113%	Unxxxx Mixxxxxxxxxxxxxxx	Manufacturing	1,319,910	54%
8	Pox Chxx	Financial Holding	2,615,017	91%	Chxxxx Stxxxx	Smelting & Refining of Iron and Steel	899,528	37%
9	Mixxxx Texxxxxxxx	Manufacturing	2,500,000	87%	Yuxxx Moxxx	Manufacturing	659,955	27%
10	Evxxxxxxx	Transportation and warehousing	1,992,591	70%	Taxxxx Cexxxx	Manufacturing	626,957	26%

## Interest-Rate Sensitivity - TWD Currency

Dec.31,2016

Unit : NT\$'000, %

ITEM	0 to 90 days	91 to 180 days	181 days to 1 year	over 1 year	TOTAL
Sensitive assets	22,877,775	3,211,088	1,569,688	10,230,376	37,888,927
Sensitive liabilities	5,841,608	800,000	4,850,000	628,123	12,119,731
Sensitive Gap	17,036,167	2,411,088	(3,280,312)	9,602,253	25,769,196
Equity					2,737,707
Ratio of interest-rate sensitive assets to liabi					312.62 %
Ratio of interest-rate sensitive gap to equity					941.27 %

## Interest-Rate Sensitivity - USD Currency

Dec.31,2016

Unit : US\$'000, %

ITEM	0 to 90 days	91 to 180 days	181 days to 1 year	over 1 year	TOTAL
Sensitive assets	935,332	396,835	73,500	226,200	1,631,867
Sensitive liabilities	2,720,096	406,254	11,000	-	3,137,350
Sensitive Gap	(1,784,764)	(9,419)	62,500	226,200	(1,505,483)
Equity					3,886
Ratio of interest-rate sensitive assets to liabi					52.01 %
Ratio of interest-rate sensitive gap to equity					-38,741.20 %

Note:

1. Interest-rate sensitive assets or liabilities represent interest bearing assets or interest paying liabilities influenced by the fluctuation of interest rates.
2. 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)
3. Interest-rate sensitive gap = Interest-rate sensitive assets — Interest-rate sensitive liabilities

## Ratio of Profitability

Unit : %

ITEM		Dec.31,2016	Dec.31,2015
Ratio of return on assets	before income tax	-0.04 %	0.32 %
	after incometax	-0.03 %	0.29 %
Ratio of return on equity	before income tax	-2.34 %	17.77 %
	after incometax	-1.68 %	15.92 %
Ratio of net income		-4.47 %	38.24 %

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**  
Dec.31,2016

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	640,231,108	253,826,105	187,643,102	136,354,787	38,227,380	24,179,734
Liabilities	639,491,220	208,228,251	231,066,313	147,062,531	36,212,963	16,921,162
Gap	739,888	45,597,854	-43,423,211	-10,707,744	2,014,417	7,258,572

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**  
Dec.31,2016

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	25,634,062	8,371,412	9,506,809	5,383,754	1,379,547	992,540
Liabilities	25,487,807	10,428,794	7,785,213	4,975,537	1,486,848	811,415
Gap	146,255	-2,057,382	1,721,596	408,217	-107,301	181,125

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, %

	Dec.31,2016	Dec.31,2015
Demand deposits	9,464,090	1,333,402
% of Demand deposits	16.93 %	3.34 %
Time deposits	46,422,055	38,619,838
% of Time deposits	83.07 %	96.66 %
Foreign currency deposits	44,269,147	39,262,745
% of Foreign currency deposits	79.21 %	98.27 %

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, %

	Dec.31,2016	Dec.31,2015
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.
3. Consumer Loans include Housing Loans, Housing Improvement Loans, Car Loans, Employee Loans under Welfare Committee and other individual Consumer Loans.

## Interest Bearing Assets and Interest Paying Liabilities

Unit : NT\$'000, %

ITEM	Dec.31,2016		Dec.31,2015	
	Average balance	Average interest rate	Average balance	Average interest rate
Interest bearing assets	119,852,514	1.36 %	102,513,792	0.99 %
Due from Central Bank, other branches and other banks	37,949,762	1.00 %	30,063,271	0.60 %
Securities purchased	16,424,718	1.91 %	16,490,524	1.18 %
A/R Forfaiting - without recourse	20,677,211	1.01 %	14,047,159	0.89 %
Loans, discounted notes and bills	44,800,823	1.47 %	41,912,838	1.20 %
Interest paying liabilities	116,866,705	0.90 %	98,990,844	0.77 %
Due to banks and other branches	77,878,944	0.78 %	62,026,110	0.83 %
Deposits (demand deposits, time deposits and NCD)	38,987,761	1.14 %	36,964,734	0.66 %

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

	Dec.31,2016		Dec.31,2015	
	Foreign currency	Equivalent to NTD	Foreign currency	Equivalent to NTD
Major foreign currencies net position (market risk)	USD	371,305	USD	960,484
	EUR	33,606	EUR	13,479
	CNY	23,704	AUD	4,766
	JPY	3,726	CNY	2,054
	HKD	3,202	JPY	1,753

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.