



玉山銀行
E.SUN BANK

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SWIFT/ESUNHKHH

**E.SUN COMMERCIAL BANK, LIMITED
HONG KONG BRANCH**

**Key Financial Information Disclosure Statement
For The Half Year Ended 30 June 2015**

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

Key Financial Information Disclosure Statement For The Half Year Ended 30 June 2015

<u>CONTENTS</u>	<u>PAGE(S)</u>
SECTION A - INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)	
I. PROFIT AND LOSS INFORMATION	1
II. BALANCE SHEET INFORMATION	2
III. ADDITIONAL BALANCE SHEET INFORMATION	3-4
IV. OFF-BALANCE SHEET INFORMATION	5
V. OTHER FINANCIAL INFORMATION	6-9
VI. LIQUIDITY RATIO	9
VII. DISCLOSURE ON REMUNERATION OF SENIOR MANAGEMENT	9
SECTION B - INFORMATION OF THE BANK (CONSOLIDATED BASIS)	
I. CAPITAL AND CAPITAL ADEQUACY RATIO	10
II. OTHER FINANCIAL INFORMATION	10
DECLARATION	11

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH**SECTION A - INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)****I. PROFIT AND LOSS INFORMATION
FOR THE HALF YEAR ENDED 30 June 2015****HK\$'000**

	For The Half Year Ended	
	<u>30 June 2015</u>	<u>30 June 2014</u>
Interest Income	136,092	118,969
Interest Expense	(51,164)	(51,684)
Net Interest Income	<u>84,928</u>	<u>67,285</u>
Other Operating Income		
Gains less losses arising from trading in foreign currencies	32,079	26,675
Gains less losses on securities held for trading purposes	313	5,504
Gains less losses from other trading activities	147	1,044
Income from fees and commissions	37,268	26,263
Fees and commission expenses	(1,013)	(884)
Net fees and commission income	<u>36,255</u>	<u>25,379</u>
Others	-	-
TOTAL INCOME	<u>153,722</u>	<u>125,887</u>
OPERATING EXPENSES		
Staff and rental expenses	(29,932)	(23,115)
Other expenses	(7,862)	(5,909)
Net charges for other provisions	-	-
	<u>(37,794)</u>	<u>(29,024)</u>
NET (CHARGE) / CREDIT FOR DEBT PROVISION	3,867	(3,782)
TANGIBLE FIXED ASSETS WRITTEN OFF	-	-
PROFIT BEFORE TAXATION	<u>119,795</u>	<u>93,081</u>
TAXATION CHARGE	(21,498)	(14,400)
PROFIT AFTER TAXATION	<u>98,297</u>	<u>78,681</u>

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

II. BALANCE SHEET INFORMATION

AS AT 30 June 2015

HKS'000

	<u>30 June 2015</u>	<u>31 December 2014</u>
ASSETS		
Cash and short term funds (Except those included in amount due from overseas offices)	570,666	785,361
Placement with banks and other financial institutions maturing between one and twelve months (Except those included in amount due from overseas offices)	-	-
Amount due from overseas offices	2,293,665	2,215,336
Account receivable under reverse repos	189,482	37,419
Trade bills	5,531	46,616
Held-to-Maturity Securities	643,433	678,949
Available-For-Sale Securities	3,803,801	2,677,978
Advances and other accounts (Net of provisions)	7,409,749	7,726,888
Tangible fixed assets	7,874	4,170
Total Assets	<u>14,924,201</u>	<u>14,172,717</u>
LIABILITIES		
Deposits and balances of banks and other financial institutions (Except those included in amount due to overseas offices)	137,407	174,678
Current, fixed, savings and other deposits from customers		
Demand deposits and current accounts	78,918	49,797
Savings deposits	5,326,656	4,661,369
Time deposits	6,133,029	5,334,768
Amount due to overseas offices	1,699,071	1,854,123
Other accounts	877,286	1,524,446
Total liabilities	<u>14,252,367</u>	<u>13,599,181</u>
Reserves and current profit	671,834	573,536
Total Equity And Liabilities	<u>14,924,201</u>	<u>14,172,717</u>

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

III. ADDITIONAL BALANCE SHEET INFORMATION

HKS'000

ADVANCES AND OTHER ACCOUNTS	<u>30 June 2015</u>	<u>31 December 2014</u>
A.		
Advances to customers	6,619,516	6,629,503
Advances to banks and other financial institutions	-	32,000
Accrued interest and other accounts		
-Accrued interest	39,519	30,966
-Other accounts	817,499	1,101,500
Total	<u>7,476,534</u>	<u>7,793,969</u>
Less: Provisions against advances and other accounts		
General provisions	66,785	67,081
Specific provisions	-	-
Total	<u>66,785</u>	<u>67,081</u>
Total advances and other accounts less provisions	<u>7,409,749</u>	<u>7,726,888</u>
B.		
Details of the non-performing advances to customers (advances on which interest is being placed in suspense or has ceased to be accrued)		
	<u>30 June 2015</u>	<u>31 December 2014</u>
Gross advances to customers	-	-
Specific provisions	-	-
Total	<u>-</u>	<u>-</u>
Suspended interest	<u>-</u>	<u>-</u>
Value of collateral	<u>-</u>	<u>-</u>
Percentage of such advances to total gross advances to customers	<u>0.00%</u>	<u>0.00%</u>

ADVANCES AND OTHER ACCOUNTS - continued

C.

Overdue and rescheduled loans and advances to customers

	<u>30 June 2015</u>		<u>31 December 2014</u>	
	Amount	% of Total Loans	Amount	% of Total Loans
a. Advances to customers overdue for				
more than 3 months and up to 6 months	-	-	-	-
more than 6 months and up to 1 year	-	-	-	-
more than 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
b. Rescheduled advances to customers (Net of those overdue advances disclosed above)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
c. Disclosure of value of collateral held against a. & b.				
current market value of collateral held	-		-	
covered portion of overdue loans and advances	-		-	
uncovered portion of overdue loans and advances	-		-	

There were no overdue and rescheduled advances to banks and other financial institutions as at 30 June 2015 and 31 December 2014.

D.

Reconciliation for advances to customers
between overdue advances and non-performing advances

	<u>30 June 2015</u>	<u>31 December 2014</u>
	Amount	Amount
Advances to customer overdue for more than 3 months	-	-
Less: Overdue loans for more than 3 months and on which interest is still being accrued	-	-
Add: Overdue loans for 3 months or less and on which interest is being placed in suspense or interest accrual ceased	-	-
Total non-performing advances	<u>-</u>	<u>-</u>

E.

Repossessed assets

There were no repossessed assets held as at 30 June 2015 and 31 December 2014.

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

IV. OFF-BALANCE SHEET INFORMATION

HKD'000

CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary of the contract amounts of each significant class of contingent liabilities and commitments:

	<u>30 June 2015</u>	<u>31 December 2014</u>
Direct credit substitutes	-	-
Transaction-related contingent items	20,408	20,972
Trade-related contingent items	92,271	70,514
Other commitments	3,718,153	2,909,729
Others	-	77,577
	<u>3,830,832</u>	<u>3,078,792</u>
Derivatives		
-Exchange rate contracts	57,272,212	70,031,818
-Interest rate contracts	5,427	5,430
	<u>57,277,639</u>	<u>70,037,248</u>
Replacement Costs of Derivatives (of the above derivatives)		
-Exchange rate contracts	550,401	86,094
-Interest rate contracts	-	-
	<u>550,401</u>	<u>86,094</u>

For contingent liabilities and commitments, the contract amounts at risk should the contract be fully drawn upon and the client default. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market. They do not take into account the effects of bilateral netting arrangements.

1 GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY INDUSTRY SECTOR

	<u>30 June 2015</u>		<u>31 December 2014</u>	
	Outstanding Amount	Balance covered by collateral	Outstanding Amount	Balance covered by collateral
A. Loans for use in Hong Kong				
Industrial, commercial and financial				
- Property development	589,135	-	618,135	57,000
- Property investment	-	-	-	-
- Financial concerns	210,016	-	195,635	-
- Stockbrokers	235,881	-	234,910	-
- Wholesale and retail trade	404,208	63,275	541,708	-
- Manufacturing	340,392	8,287	905,488	195,217
- Transport and transport equipment	12,000	-	96,399	-
- Others	105,805	3,179	140,873	14,972
B. Trade finance	29,276	-	43,661	-
C. Loan for use outside Hong Kong	4,692,803	300,540	3,852,694	270,415
Total	<u>6,619,516</u>	<u>375,281</u>	<u>6,629,503</u>	<u>537,604</u>

2 A. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY COUNTRIES OR GEOGRAPHICAL AREAS

	<u>30 June 2015</u>	<u>31 December 2014</u>
-Hong Kong	3,330,759	3,169,147
-United States	881,196	918,672
-Cayman Islands	704,309	742,354
-Others	1,703,252	1,799,330
	<u>6,619,516</u>	<u>6,629,503</u>

B. OVERDUE AND NON-PERFORMING LOANS ANALYSED AND REPORTED BY COUNTRY GEOGRAPHICAL AREAS

	<u>30 June 2015</u>	<u>31 December 2014</u>
-Hong Kong	-	-
-Others	-	-
	<u>-</u>	<u>-</u>

The above analysis has been classified according to categories and definitions used by the Hong Kong Monetary Authority. Only exposures to a single country outside Hong Kong exceeding 10% of the aggregate gross amount of advances to customer as at the above respective reporting dates are disclosed.

3 INTERNATIONAL CLAIMS

The following tables analyze international claims by types of counterparties. Country or geographical classification is based upon the locations of counterparties after taking into account the transfer of country risk. Since June 2015, the HKMA Return "Cross-border Claims" has been replaced by "Return of International Banking Statistics". So the following tables together with comparative figures have been prepared in accordance with the completion instruction of the new return. Countries or geographical areas constituting 10% or more of the total international claims are disclosed.

As at 30 June 2015	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries	1,439	347	-	2,529	-	4,315
of which:- United States	223	347	-	1,890	-	2,460
2. Offshore centres	526	267	835	2,992	-	4,620
of which:- Hong Kong	149	267	752	1,589	-	2,757
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	190	-	190
5. Developing Africa and Middle East	2	-	-	50	-	52
6. Developing Asia-Pacific	3,543	381	318	770	-	5,012
of which:- China	1,560	381	240	78	-	2,259
Taiwan	1,922	-	78	447	-	2,447
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-

As at 31 December 2014	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries	1,513	262	-	1,876	-	3,651
of which:- United States	440	262	-	1,392	-	2,094
2. Offshore centres	77	-	217	2,840	-	3,134
of which:- Hong Kong	67	-	117	1,050	-	1,234
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	112	-	112
5. Developing Africa and Middle East	3	-	-	100	-	103
6. Developing Asia-Pacific	2,415	313	335	1,861	-	4,924
of which:- China	63	313	312	1,380	-	2,068
Taiwan	2,218	-	23	285	-	2,526
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-

4 NON-BANK MAINLAND CHINA EXPOSURE

<u>As at 30 June 2015</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total Exposure</u>
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	778	-	778
2. Local governments, local government-owned entities and their subsidiaries and JVs	90	-	90
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	896	103	999
4. Other entities of central government not reported in item 1 above	633	-	633
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	2,081	1,339	3,420
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	67	196	263
Total	<u>4,545</u>	<u>1,638</u>	<u>6,183</u>
Total assets after provision	<u>14,924</u>		
On-balance sheet exposures as percentage of total assets	<u>30.46%</u>		
<u>As at 31 December 2014</u>			
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	793	-	793
2. Local governments, local government-owned entities and their subsidiaries and JVs	90	-	90
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	870	174	1,044
4. Other entities of central government not reported in item 1 above	117	-	117
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,698	372	2,070
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	123	55	178
Total	<u>3,691</u>	<u>601</u>	<u>4,292</u>
Total assets after provision	<u>14,173</u>		
On-balance sheet exposures as percentage of total assets	<u>26.04%</u>		

5 FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the HKMA Return of "Foreign Currency Position" completion instructions. The net position (regardless of sign) for each foreign currency which constitutes 10% or more of the total net position in all foreign currencies are disclosed.

<u>As at 30 June 2015</u>	<u>USD</u>	<u>JPY</u>	<u>CNY</u>	<u>AUD</u>	<u>CAD</u>	<u>OTHER</u>	<u>TOTAL</u>
Spot assets	10,508	233	1,153	816	5	106	12,821
Spot liabilities	(10,226)	(196)	(2,120)	(260)	(27)	(227)	(13,056)
Forward purchases	3,436	45	1,120	-	21	1,465	6,087
Forward sales	(2,609)	(88)	(155)	(555)	-	(2,375)	(5,782)
Net option position	(1,070)	-	43	-	-	1,027	-
Net long (short) position	<u>39</u>	<u>(6)</u>	<u>41</u>	<u>1</u>	<u>(1)</u>	<u>(4)</u>	<u>70</u>

<u>As at 31 December 2014</u>	<u>USD</u>	<u>JPY</u>	<u>CNY</u>	<u>AUD</u>	<u>CAD</u>	<u>OTHER</u>	<u>TOTAL</u>
Spot assets	9,011	111	1,479	746	6	50	11,403
Spot Liabilities	(9,008)	(99)	(2,247)	(547)	(31)	(196)	(12,128)
Forward purchases	2,544	1,134	1,121	643	522	960	6,924
Forward sales	(2,201)	(1,164)	(361)	(839)	(500)	(1,109)	(6,174)
Net option position	(407)	-	118	-	-	289	-
Net long (short) position	<u>(61)</u>	<u>(18)</u>	<u>110</u>	<u>3</u>	<u>(3)</u>	<u>(6)</u>	<u>25</u>

There were no foreign currency structural positions as at 30 June 2015 and 31 December 2014.

VI. LIQUIDITY RATIO

	For The Half Year Ended	
	<u>30 June 2015</u>	<u>30 June 2014</u>
	%	%
Average liquidity ratio for the period	N/A	39.69%
Average liquidity maintenance ratio for the period	<u>38.68%</u>	<u>N/A</u>

The Liquidity Ratio specified under section 102 of the Banking Ordinance, which was replaced by the Liquidity Maintenance Ratio ("LMR") on 1 January 2015. LMR was complied in accordance with the Banking (Liquidity) Rules issued by the HKMA with effective from 1 January 2015 for the implementation of the Basel III capital framework.

The average ratio is calculated based on the arithmetic mean of the average value of its liquidity position return for each month during the reporting period.

Hong Kong Branch has also set Liquidity Risk Management Policy Statement, Strategy and System which are regulated under E.Sun Commercial Bank "Hong Kong Branch Liquidity Management Policy and Procedure".

VII. DISCLOSURE ON REMUNERATION OF SENIOR MANAGEMENT

In accordance with the disclosure requirement under the HKMA's Supervisory Policy Manual "Guideline on a Sound Remuneration System", please refer to annual report of the Bank.

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

SECTION B. - INFORMATION OF THE BANK (CONSOLIDATED BASIS)

E. Sun Commercial Bank Limited

I. CAPITAL AND CAPITAL ADEQUACY RATIO

	<u>30 June 2015</u> %	<u>31 December 2014</u> %
A. Capital adequacy ratio	<u>13.34%</u>	<u>12.75%</u>
	NTD'000	NTD'000
B. Aggregate amount of shareholders' funds	<u>111,002,809</u>	<u>105,472,258</u>

The capital adequacy ratio is computed in accordance with the "Regulations Governing the Capital Adequacy Ratio of Banks" and "Explanation of Methods for Calculating the Eligible Capital and Risk - Weighted Assets of Banks" in Taiwan after taken into account for credit risk, market risk and operational risk.

II. OTHER FINANCIAL INFORMATION

NTD'000

	<u>30 June 2015</u>	<u>31 December 2014</u>
Total Assets	<u>1,672,520,817</u>	<u>1,551,944,214</u>
Total Liabilities	<u>1,561,518,008</u>	<u>1,446,471,956</u>
Total Advances	<u>986,149,409</u>	<u>934,613,524</u>
Total Customer Deposits	<u>1,396,106,222</u>	<u>1,284,727,612</u>
For The Half Year ended	<u>30 June 2015</u>	<u>30 June 2014</u>
Profit/(Loss) before taxation	<u>7,276,889</u>	<u>6,339,680</u>

Our financial Statements together with the comparative figures have been prepared in accordance with the IFRS, IAS, IFRIC and SIC translated by the Accounting Research Development Foundation (ARDF) and issued by the Financial Supervisory Commission (FSC) since 2013. For details, please refer to annual report of The Bank.




玉山銀行
E.SUN BANK

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Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of Authorized Institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of E.Sun Commercial Bank, Limited, Hong Kong Branch for The Half Year ended 30 June 2015. We confirmed that the information contained therein complies, in all material aspects, with the relevant requirements for financial disclosure by overseas incorporated authorized institutions as set out in the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules" issued in August 2015, and to the best of my knowledge and belief, it is not false or misleading.



Ke Tsun Jen
General Manager
E.Sun Commercial Bank, Limited
Hong Kong Branch

30 SEP 2015

Date