

VIII

Financial Overview

- 65 I. Financial Highlights
- 67 II. Condensed Balance Sheet and Income Statement Data for the Past 5 Years
- 69 III. Financial Analysis for the Past 5 Years





I . Financial Highlights

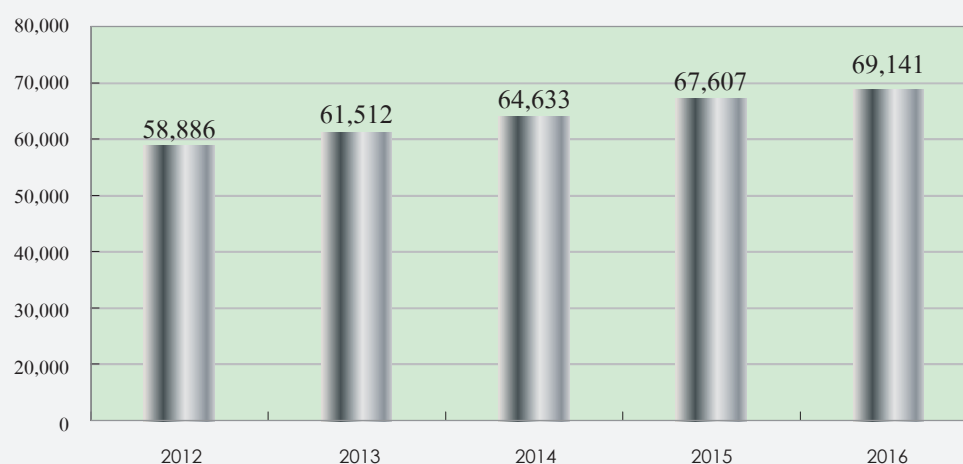
Unit: NT\$ million

Item	2012	2013	2014	2015	2016
Assets	5,888,612	6,151,178	6,463,325	6,760,682	6,914,128
Discounts and Loans	41,453	44,802	45,924	51,415	51,078
Mutual Funds and Long-term Investments	3,515,701	3,759,184	4,134,026	4,411,666	4,571,095
Liabilities	5,771,234	6,021,311	6,319,607	6,618,243	6,751,802
Deposits and Remittances	4,986,008	5,203,532	5,542,898	5,813,762	5,994,921
Owner's Equity	117,378	129,867	143,718	142,439	162,326
Total Revenue	280,438	286,871	286,005	286,692	272,120
Interest Revenue	96,442	98,452	101,634	103,525	97,230
Total Expenses	271,391	274,810	274,011	274,912	262,313
Interest Expenses	47,385	49,659	52,429	55,657	49,565
Net Income	9,047	12,061	11,994	11,780	9,807
Return on Assets	0.16%	0.20%	0.19%	0.18%	0.14%
Return on Equity	8.24%	9.76%	8.77%	8.23%	6.44%

Note: 1. Return on Assets= Net Income/ Average Assets
 2. Return on Equity= Net Income/ Average Equity
 3. Total expenses include income tax
 4. The 2012-2015 Financial Statements was prepared in accordance with the Statement of Financial Accounting Standards of Taiwan and the settlement of explanation base. The 2012-2014 Financial Statement was prepared in accordance with the 2013 IFRS with adjustment of accounting changes. The 2016 Financial Statement was attested by CPA.

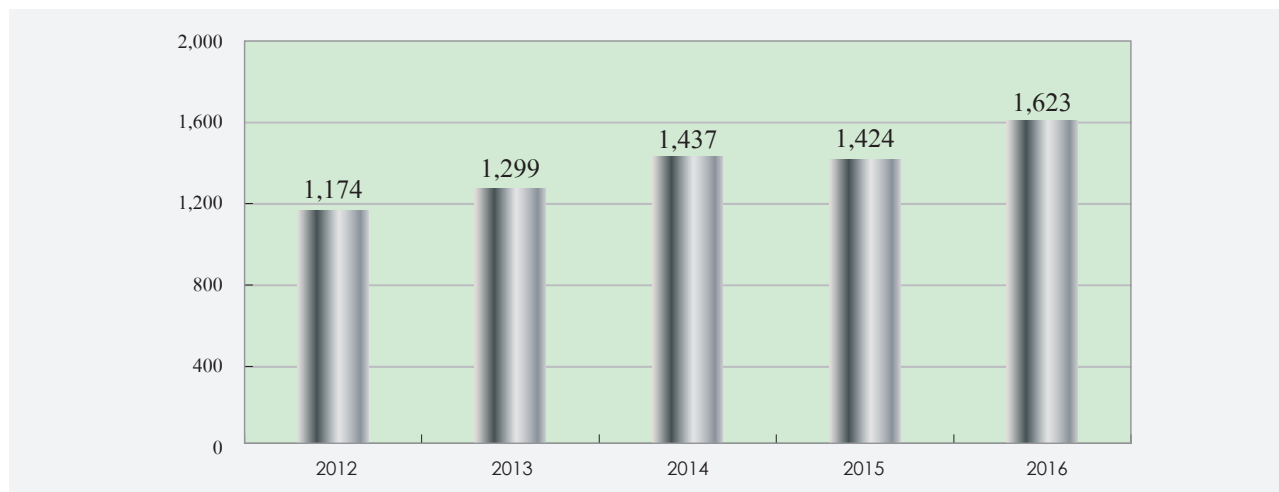
Tendency of Assets for the Past 5 Years

Unit: NT\$ 100 million



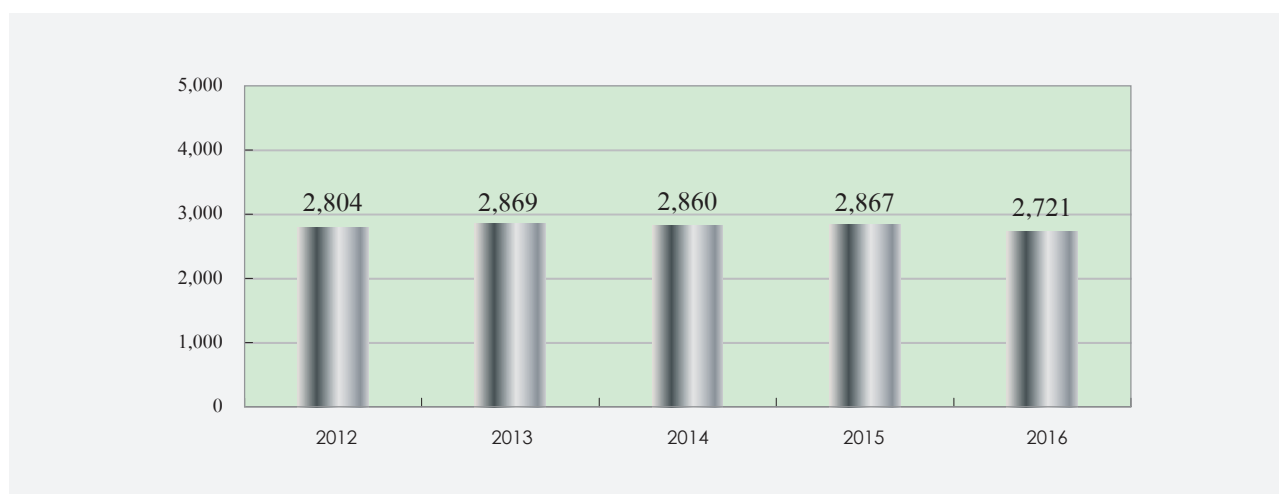
Tendency of Owner's Equity for the Past 5 Years

Unit: NT\$ 100 million



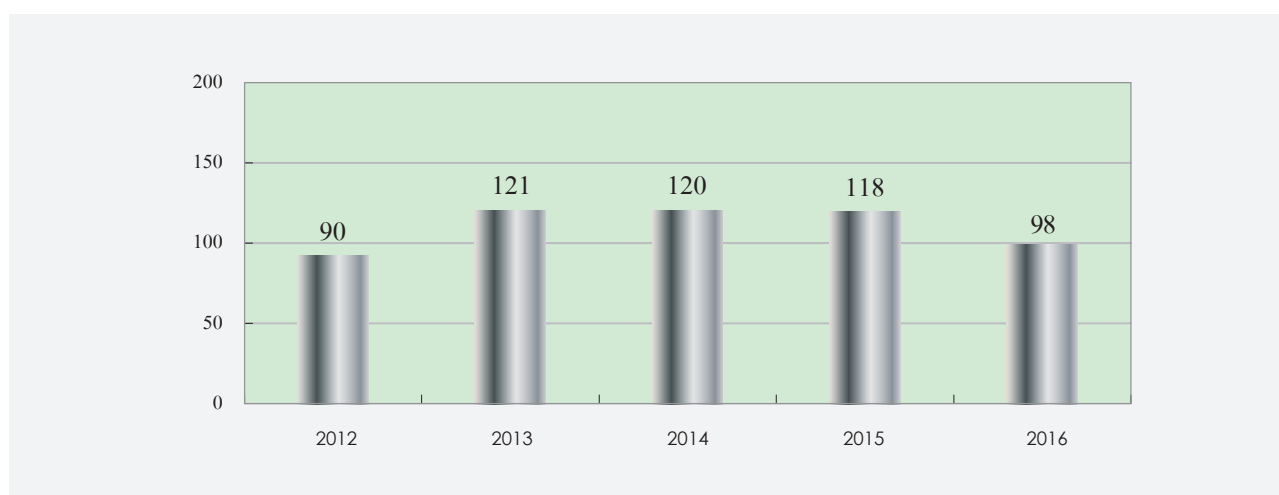
Tendency of Total Income for the Past 5 Years

Unit: NT\$ 100 million



Tendency of Net Profit for the Past 5 Years

Unit: NT\$ 100 million





II. Condensed Balance Sheet and Income Statement Data for the Past 5 Years

Condensed Balance Sheet

Unit: NT\$ 1,000

Item		2012	2013	2014	2015	2016
Cash and Due from Banks		411,992,788	404,684,466	354,231,823	334,131,757	308,398,555
Due from the Central Bank		1,768,825,973	1,788,840,169	1,764,864,633	1,792,151,063	1,807,288,531
Financial Assets at Fair Value through Income Statement		3,425,838	2,120,108	6,348,105	3,437,618	2,797,089
Investment under REPO		1,155,909	1,732,741	2,442,947	3,010,995	7,502,104
Receivable Accounts - Net		45,139,359	45,727,126	48,215,101	46,873,747	42,727,220
Income Tax Assets		9,607,097	12,928,803	12,539,684	17,285,934	16,009,678
Loan - Net		41,452,762	44,802,128	45,923,932	51,414,808	51,078,402
Available-for-Sale Financial Assets - Net		395,034,115	376,416,235	303,778,585	387,554,681	390,386,007
Held-to-Maturity Financial Assets - Net		2,819,744,981	3,004,267,976	3,403,310,764	3,610,747,319	3,769,005,065
Investment under the Equity Method - Net		58,510	62,657	67,673	75,363	78,498
Investment in Bonds without Active Market - Net		295,764,283	374,757,769	423,413,366	409,292,211	405,435,774
Other Financial Assets - Net		5,099,080	3,679,466	3,455,899	3,996,874	6,189,943
Investment-based Real Estate - Net		2,420,214	2,697,624	2,682,329	3,073,474	3,915,367
Real Estate Investments - Net		86,654,074	86,453,554	86,415,744	91,150,904	93,524,585
Intangible Assets - Net		305,731	379,728	360,011	433,941	412,972
Deferred Income Tax Assets - Net		270,022	795,133	4,363,257	5,041,832	1,707,104
Other Assets - Net		1,661,026	832,428	911,488	1,009,947	7,670,773
Total Assets		5,888,611,762	6,151,178,111	6,463,325,341	6,760,682,468	6,914,127,667
Due to Banks		12,215,000	15,015,000	11,515,000	4,915,000	16,515,000
Financial Liabilities at Fair Value through Income Statement		422,233	3,494,253	24,969,663	17,503,913	6,773,119
Liabilities under REPO		-	-	-	4,800,000	1,005,364
Amount Dues		76,218,404	72,787,562	76,411,980	71,878,172	67,580,982
Deposits and Remittances		4,986,008,243	5,203,531,534	5,542,897,815	5,813,761,964	5,994,921,433
Insurance Liabilities		677,017,503	698,778,180	631,670,477	677,325,478	646,177,801
Foreign Exchange Valuation Reserve		370	105,835	870,217	1,451,301	1,107,493
Provisions for Employee Benefits		12,795,341	20,196,288	18,874,579	12,176,967	9,039,637
Deferred Income Tax Liabilities		2,703,476	2,732,038	7,242,387	9,628,523	5,339,436
Other Liabilities		3,853,431	4,669,939	5,154,794	4,801,545	3,341,540
Total Liabilities	Before Distribution	5,763,653,311	6,014,606,920	6,312,740,782	6,612,114,413	6,751,801,805
	After Distribution	5,771,234,001	6,021,310,629	6,319,606,912	6,618,242,863	-
Capital Stock	Before Distribution	40,000,000	40,000,000	40,000,000	65,000,000	67,311,000
	After Distribution	40,000,000	40,000,000	65,000,000	67,311,000	-
Capital Surplus		27,107,576	27,107,576	27,107,576	6,407,576	6,407,576
Retained Earnings	Before Distribution	43,631,008	48,110,978	53,401,751	54,017,005	55,384,154
	After Distribution	36,050,318	41,407,269	42,235,621	45,577,555	-
Other Owner's Equities		14,219,867	21,352,637	30,075,232	23,143,474	33,223,132
Owner's Equities	Before Distribution	124,958,451	136,571,191	150,584,559	148,568,055	162,325,862
	After Distribution	117,377,761	129,867,482	143,718,429	142,439,605	-

Note: 1. 2012-2015 Financial Statement was prepared in accordance with the Statement of Financial Accounting Standards of Taiwan and the settlement of explanation base. The 2012-2014 Financial Statement was prepared in accordance with the 2013 IFRS with adjustment of accounting changes. The 2016 Financial Statement was attested by CPA.
 2. The 2016 retained earnings were referred to as the retained earnings before distribution.

Condensed Income Statement

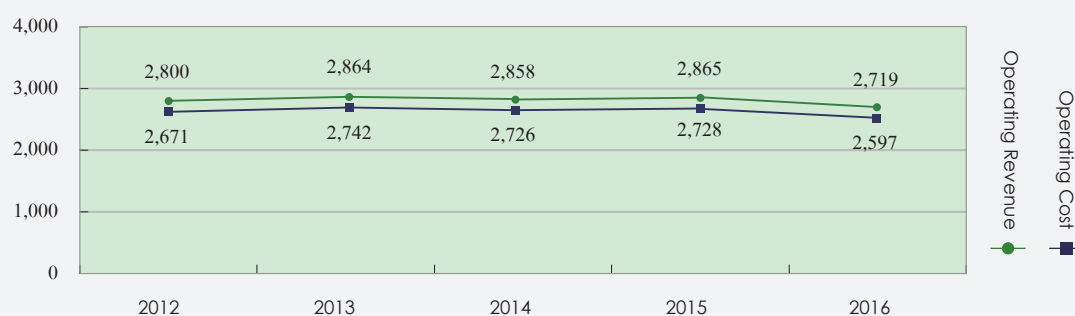
Unit: NT\$ 1,000

Item	2012	2013	2014	2015	2016
Operating Revenues	279,957,630	286,370,963	285,842,788	286,521,187	271,905,451
Operating Cost	267,122,713	274,187,229	272,612,686	272,842,442	259,691,281
Operating Profit	12,834,917	12,183,734	13,230,102	13,678,745	12,214,170
Non-Operating Profit (Loss)	367,010	424,503	58,716	60,917	102,910
Net Profit before Tax	13,201,927	12,608,237	13,288,818	13,739,662	12,317,080
Income Tax Expenses	4,154,535	547,577	1,294,336	1,960,030	2,510,481
Net Profit	9,047,392	12,060,660	11,994,482	11,779,632	9,806,599
Other Comprehensive Losses/ Gains (after tax)	13,653,267	7,132,770	8,722,595	(6,931,758)	10,079,658
Total Comprehensive Profit	22,700,659	19,193,430	20,717,077	4,847,874	19,886,257
Earnings per Share (NT\$)	1.34	1.79	1.78	1.75	1.46

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2. On April 30, 2016, the company transferred capital surplus to capital, making a total Paid-up capital of NT\$ 67.311 billion. Therefore there are readjustments in 2012-2015's Earnings per Share.

Operating Revenue and Cost

Unit: NT\$ 100 million





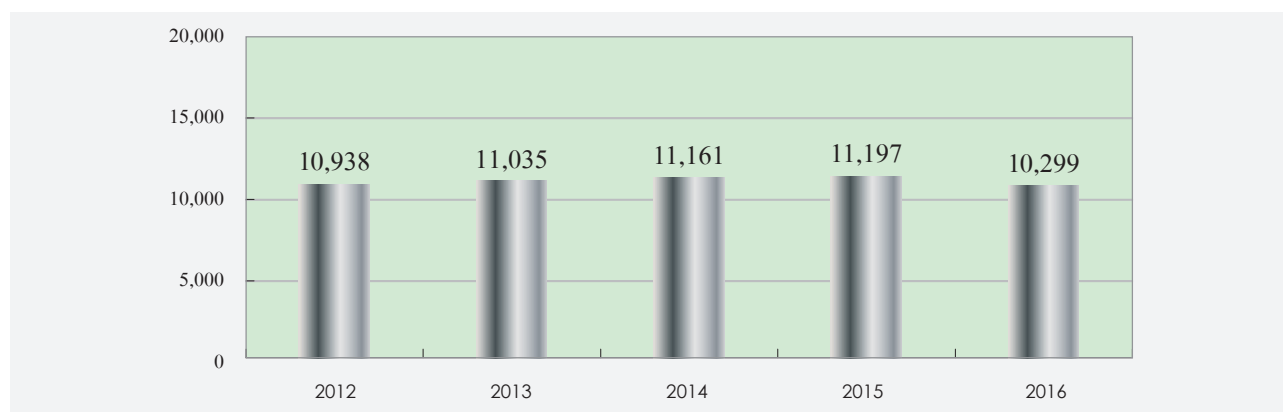
III. Financial Analysis for the Past 5 Years

Item		2012	2013	2014	2015	2016
Operating Capability	Turnover of Total Assets (Number of Times)	0.05	0.05	0.05	0.04	0.04
	Average Operating Revenue per Employee (NT\$ 1,000)	10,938	11,035	11,161	11,197	10,299
	Average Earnings per Employee (NT\$ 1,000)	353	465	468	460	371
Profitability	Return on Assets (%)	0.16	0.20	0.19	0.18	0.14
	Return on Stockholders' Equities (%)	8.24	9.76	8.77	8.23	6.44
	Net Income Ratio (%)	3.23	4.21	4.20	4.11	3.61
	Earnings per Share (NT\$)	1.34	1.79	1.78	1.75	1.46
Growth Rate	Asset Growth Rate (%)	4.79	4.46	5.07	4.60	2.27
	Profit Growth Rate (%)	28.08	(4.50)	5.40	3.39	(10.35)

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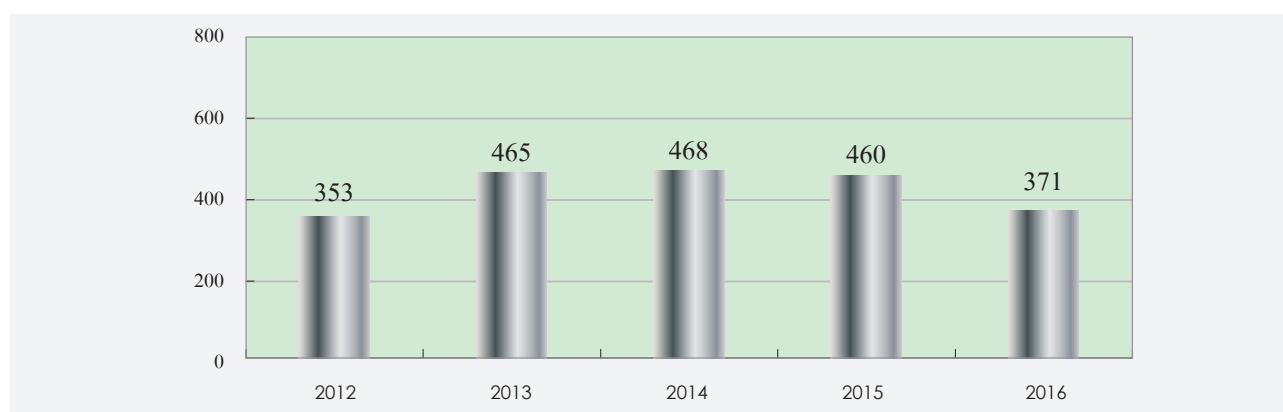
Average Operating Revenue per Employee

Unit: NT\$ 1,000

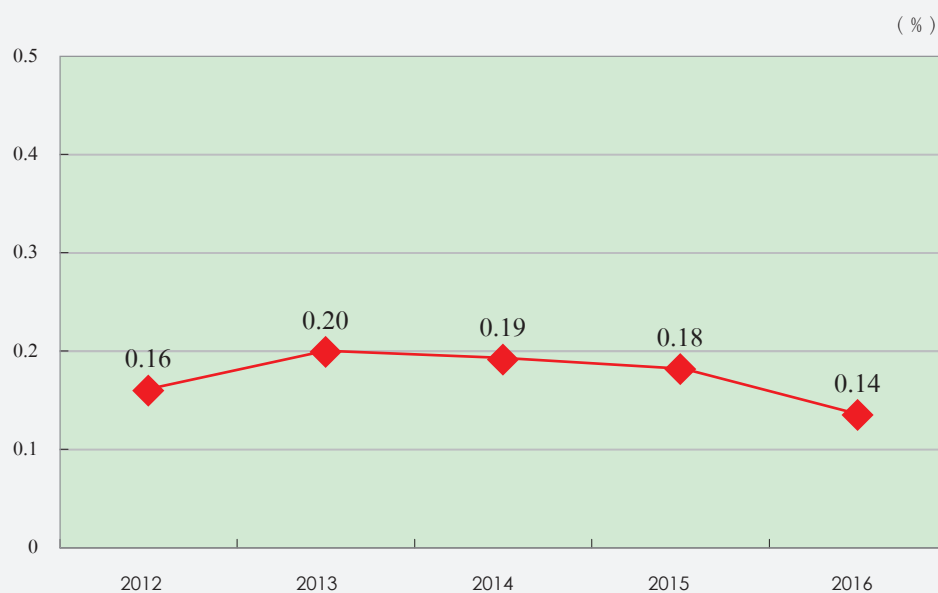


Average Earning per Employee

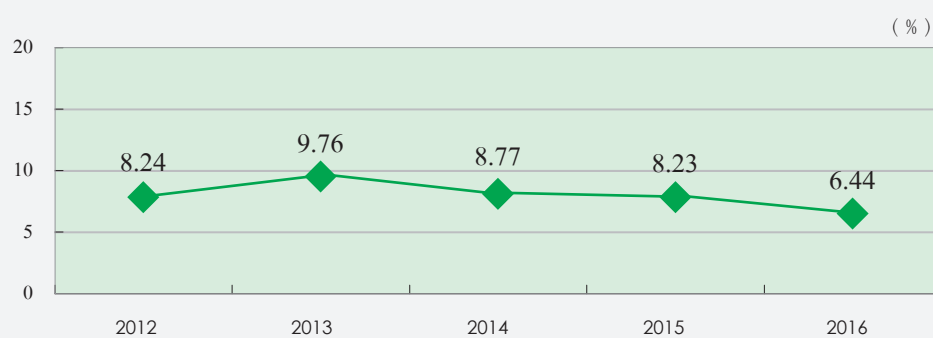
Unit: NT\$ 1,000



Return on Assets

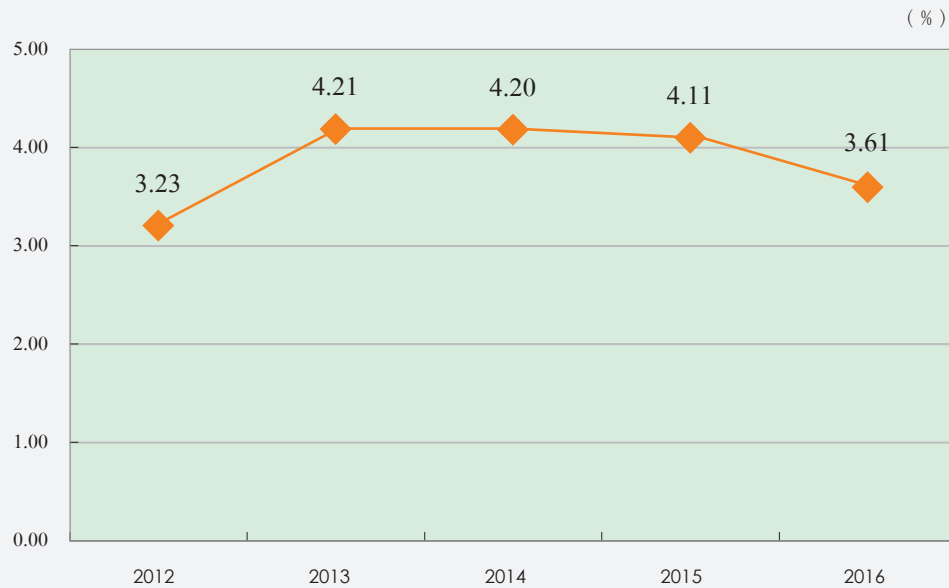


Return on Stockholders' Equity





Net Income Ratio



Earnings per Share

