



第一商業銀行

香港分行

First Commercial Bank Limited

Hong Kong Branch

Key Financial Information Disclosure Statement

For the year ended 31 December 2014



KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

<u>CONTENTS</u>	<u>PAGE(S)</u>
SECTION A. - INFORMATION OF THE BRANCH 〈INCLUDE HONG KONG BRANCH ONLY〉	
I. Profit and loss information	1
II. Balance sheet information	2
III. Supplement financial information	
1. Trade bills and impairment allowances on trade bills	3
2. Advances and impairment allowances on advances	3~5
3. Debt securities held and other accounts	6~7
4. Off-balance sheet information	8
5. Gross advances to customers analysed and reported by loan usage	9~10
6. Cross-border claims disclosure	11
7. Non-bank Mainland China exposures	12
8. Foreign currency position	13
9. Liquidity ratio	13
IV. Other information	
1. Disclosure of remuneration	14
2. Liquidity risk management	14
3. Publication of key financial information disclosure statement on website	14
SECTION B. - INFORMATION OF THE BANK 〈CONSOLIDATED BASIS〉	
I. Capital and capital adequacy ratio	15
II. Other financial information	15
DECLARATION	16



SECTION A. - INFORMATION OF THE BRANCH (INCLUDE H.K. BR. ONLY)

I. PROFIT AND LOSS INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2014

Figures in HKD thousands

	For the year ended 31 December	
	<u>2014</u>	<u>2013</u>
Interest Income	359,148	215,501
Interest Expense	<u>(159,983)</u>	<u>(72,401)</u>
Net interest income	199,165	143,100
Fee and commission income	47,803	39,466
Fee and commission expense	<u>(1,969)</u>	<u>(1,786)</u>
Net fee and commission income	45,834	37,680
Other operating income		
- Gains less losses arising from dealing in foreign currencies	4,534	5,245
- Net gains/(losses) on financial instruments designated at fair value through profit or loss	1,664	922
- Gains less losses on disposal of available-for-sale securities	-	1,517
- Others	<u>-</u>	<u>1,358</u>
	6,198	9,042
Total income	<u>251,197</u>	<u>189,822</u>
Operating expenses		
- Staff and rental expenses	(34,514)	(29,275)
- Other expenses	<u>(8,082)</u>	<u>(4,884)</u>
Total expenses	<u>(42,596)</u>	<u>(34,159)</u>
Profit before impairment allowances	208,601	155,663
Impairment losses written back/(charges) on loans and advances	(6,372)	(23,069)
Impairment losses on available-for-sale securities	<u>-</u>	<u>-</u>
Profit before taxation	<u>202,229</u>	<u>132,594</u>
Taxation charge	-	-
Profit after taxation	<u>202,229</u>	<u>132,594</u>

Notes:

1. The accounting policies adopted by the Bank, are consistent with those applied in the previous financial year.
2. Comparative figures
Certain comparative figures have been reclassified to conform with the financial statements presentation adopted in current period.



II. BALANCE SHEET INFORMATION

AS AT 31 DECEMBER 2014

Figures in HKD thousands

	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
<u>ASSETS</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	2,490,724	3,222,426
Placement with banks and other financial institutions maturing between one and twelve months (except those included in amount due from overseas offices)	1,613,769	1,244,501
Amount due from overseas offices	347,611	348,780
Trade bills less impairment allowances	619,810	268,449
Loans and advances less impairment allowances	7,040,657	7,089,507
Certificates of deposit held	426,575	426,283
Available-for-sale debt securities less impairment allowances	1,021,022	1,093,922
Held-to-maturity debt securities	-	-
Other assets		
- Accrued interest	32,100	39,670
- Other accounts	46,636	41,540
Property, plant and equipment	3,152	2,076
Total assets	<u>13,642,056</u>	<u>13,777,154</u>
<u>LIABILITIES</u>		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas offices)	1,203,890	1,645,313
Current, fixed, savings and other deposits from customers		
- Demand deposits and current accounts	261,853	270,157
- Savings deposits	4,996,651	4,796,466
- Time deposits	5,531,997	5,193,208
- Structured deposits	4,190	16,352
Amount due to overseas offices	568,075	872,108
Other accounts and provisions	94,296	77,606
Total liabilities	<u>12,660,952</u>	<u>12,871,210</u>
Reserves and current profit/(loss)	<u>981,104</u>	<u>905,944</u>
Total equity and liabilities	<u>13,642,056</u>	<u>13,777,154</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION

Figures in HKD thousands

1. TRADE BILLS AND IMPAIRMENT ALLOWANCES ON TRADE BILLS

	As at	
	31-Dec-2014	30-Jun-2014
Trade bills	619,829	268,472
Collective impairment allowances	(19)	(23)
Gross trade bills less impairment allowances	<u>619,810</u>	<u>268,449</u>

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES

A. Advances to customers and impairment allowances on advances to customers

	As at	
	31-Dec-2014	30-Jun-2014
Advances to customers	7,084,566	7,091,626
Advances to banks and other financial institutions	32,000	72,000
Total	<u>7,116,566</u>	<u>7,163,626</u>
Collective impairment allowances	(71,165)	(71,637)
Individual impairment allowances	(4,744)	(2,482)
Total	<u>(75,909)</u>	<u>(74,119)</u>
Gross advances less impairment allowances	<u>7,040,657</u>	<u>7,089,507</u>
Allowances as a percentage of gross advances		
- Collective impairment allowances	1.00%	1.00%
- Individual impairment allowances	0.07%	0.03%
Total allowances	<u>1.07%</u>	<u>1.03%</u>

B. Impairment allowances

	Individual impairment allowances	Collective impairment allowances	Total
Balance as at 31 Dec 2014			
- Advances to customers	4,744	70,845	75,589
- Advances to banks and other financial institutions	-	320	320
	<u>4,744</u>	<u>71,165</u>	<u>75,909</u>
Balance as at 30 Jun 2014			
- Advances to customers	2,482	70,916	73,398
- Advances to banks and other financial institutions	-	721	721
	<u>2,482</u>	<u>71,637</u>	<u>74,119</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES - *continued*

C. Impaired advances to customers

	As at	
	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
- Gross impaired advances to customers	6,857	7,714
- Individual impairment allowances	<u>(4,744)</u>	<u>(2,482)</u>
Total	<u>2,113</u>	<u>5,232</u>
Market value of collateral pledged	<u>0</u>	<u>0</u>
Covered portion of impaired advances	<u>0</u>	<u>0</u>
Uncovered portion of impaired advances	<u>6,857</u>	<u>7,714</u>
Gross impaired advances as a percentage of gross advances to customers	<u>0.10%</u>	<u>0.11%</u>
Individual impairment allowances as a percentage of gross impaired advances	<u>69.18%</u>	<u>32.18%</u>

There were no impaired advances to banks and other financial institutions; nor were there any individual impairment allowances made for them as at 31 December 2014 and 30 June 2014.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES - *continued*

D. Overdue and rescheduled advances to customers

	As at	
	31-Dec-2014	30-Jun-2014
a. Advances to customers overdue for		
more than 1 month and up to 3 months	4,070	-
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	-
more than 1 year	-	-
	<u>4,070</u>	<u>0</u>
Individual impairment allowances made in respect of the above overdue advances	<u>0</u>	<u>0</u>
Market value of collateral held against the covered portion of all overdue advances	<u>0</u>	<u>0</u>
Covered portion of all overdue advances	<u>0</u>	<u>0</u>
Uncovered portion of all overdue advances	<u>4,070</u>	<u>0</u>
b. Rescheduled advances to customers	<u>6,857</u>	<u>7,714</u>
(Net of those overdue advances which have been disclosed in above)		

	As a percentage of total gross advances to customers	
	31-Dec-2014	30-Jun-2014
	Percentage (%)	Percentage (%)
c. Advances to customers overdue for		
more than 1 month and up to 3 months	0.06	-
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	-
more than 1 year	-	-
	<u>0.06</u>	<u>0.00</u>
d. Rescheduled advances to customers	<u>0.10</u>	<u>0.11</u>

E. Reconciliation for advances to customer between overdue advances and impaired advances is as follows:

	31-Dec-2014	30-Jun-2014
Advances to customers overdue for more than 3 months	-	-
Less: loans overdue but not impaired	-	-
Add: overdue loans for 3 months or less and on which interest is being placed in suspense or interest ceased to accrue	-	-
Add: impaired loans overdue for 3 months or less or not yet overdue and on which is still being accrued	<u>6,857</u>	<u>7,714</u>
Total impaired advances	<u>6,857</u>	<u>7,714</u>

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

F. Repossessed assets

As at 31 December 2014 and 30 June 2014, there were no repossessed assets held by our bank.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

3. DEBT SECURITIES HELD AND OTHER ACCOUNTS

A. Available-for-sale securities

	As at	
	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
Government Bonds (including Hong Kong Exchange Fund Bills)	49,891	50,036
Floating rate notes	-	-
Debt securities	971,131	1,043,886
Total	<u>1,021,022</u>	<u>1,093,922</u>
Issued by:		
Government organization	49,891	50,036
Banks	-	-
Other financial institutions	292,593	291,861
Corporate entities	678,538	752,025
Total	<u>1,021,022</u>	<u>1,093,922</u>
Impairment allowances	-	-
Available-for-sale securities less impairment allowances	<u>1,021,022</u>	<u>1,093,922</u>
Impairment allowances as a percentage of Available-for-sale securities	<u>0.00%</u>	<u>0.00%</u>

B. Held-to-maturity securities

	As at	
	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
Debt securities	-	-
Issued by:		
Other financial institutions outside Hong Kong	-	-

C. Overdue or impaired securities

<u>Balance as at 31 Dec 2014</u>	Available-for-sale securities	Held-to-maturity securities	Individual impairment allowances
- Neither overdue nor impaired	1,021,022	-	-
- Non-overdue but impaired	-	-	-
- Overdue and impaired	-	-	-
Total	<u>1,021,022</u>	<u>0</u>	<u>0</u>
<u>Balance as at 30 Jun 2014</u>	Available-for-sale securities	Held-to-maturity securities	Individual impairment allowances
- Neither overdue nor impaired	1,093,922	-	-
- Non-overdue but impaired	-	-	-
- Overdue and impaired	-	-	-
Total	<u>1,093,922</u>	<u>0</u>	<u>0</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

3. DEBT SECURITIES HELD AND OTHER ACCOUNTS - *continued*

D. Other accounts

	As at	
	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
Outward cheques receivable	5,975	9,343
Deferred tax asset	25,052	18,671
Evaluation adjustment on Available-for-sale securities	7,388	5,537
Other accounts	<u>8,221</u>	<u>7,989</u>
Total	46,636	41,540



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

4. OFF-BALANCE SHEET INFORMATION

A. Contingent liabilities and commitments

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

	As at	
	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
Direct credit substitutes	37,302	37,377
Trade-related contingencies		
- Customer's liabilities under letter of credit	22,629	42,835
- Customer's liabilities under guarantee	-	-
- Customer's liabilities under acceptance	22,096	16,138
Forward forward deposits placed	-	-
Other commitments		
- Other commitments with an original maturity of not more than one year	1,124,594	1,060,362
- Other commitments with an original maturity of more than one year	8,730	15,717
	<u>1,215,351</u>	<u>1,172,429</u>

B. Derivative financial instruments

	Contract / notional amount	Contract / notional amount
Exchange rate contracts		
- Spot and forwards	18,344	13,036
- Swaps	112,604	163,309
- Options purchased	422,652	418,875
- Options written	422,652	418,875
	<u>976,252</u>	<u>1,014,095</u>

Replacement Costs of Derivatives (of the above derivatives)

	Replacement costs	Replacement costs
Exchange rate contracts		
- Spot and forwards	1	-
- Swaps	120	20
- Options purchased	4,203	4,819
- Options written	4,057	4,687
	<u>8,381</u>	<u>9,526</u>

For contingent liabilities and commitments, the contract amounts represent the amounts at risk should the contract be fully drawn upon and the client default. Since a significant portion of guarantees and commitments is expected to expire without being drawn upon, the total of the contract amount is not representative of future liquidity requirements. 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.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

5. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY LOAN USAGE

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking returns of Quarterly Analysis of Loans and Advances and the Provisions (MA(BS)2A) and Assets and Liabilities of an Authorised Institution (MA(BS)1) submitted to the Hong Kong Monetary Authority.

A. By loan usage

1. Loan for use in Hong Kong	<u>As at 31 Dec 2014</u>		<u>As at 30 Jun 2014</u>	
	Outstanding balance	Balance covered by collateral	Outstanding balance	Balance covered by collateral
a. Industrial, commercial and financial				
- Property development	393,914	135,796	367,954	136,942
- Property investment	766,828	482,751	991,231	707,295
- Financial concerns	1,408,354	93,380	1,218,778	85,353
- Wholesale and retail trade	615,935	295,513	101,429	24,353
- Manufacturing	179,764	32,490	590,318	43,798
- Transport and transport equipment	100,628	54,093	168,456	124,758
- Electricity and gas	-	-	-	-
- Information technology	-	-	-	-
- Others	204,413	2,760	204,358	2,842
b. Individuals				
- Loans for the purchase of other residential properties	33,454	33,454	34,442	34,442
- Others	15,782	15,782	29,976	23,397
c. Others	-	-	-	-
	<u>3,719,072</u>	<u>1,146,019</u>	<u>3,706,942</u>	<u>1,183,180</u>
2. Trade finance	<u>128,508</u>	<u>32,786</u>	<u>115,454</u>	<u>31,439</u>
3. Loan for use outside Hong Kong	<u>3,236,986</u>	<u>498,524</u>	<u>3,269,230</u>	<u>798,660</u>
Total	<u>7,084,566</u>	<u>1,677,329</u>	<u>7,091,626</u>	<u>2,013,279</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD thousands

5. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY LOAN USAGE- *continued*

B. Analysis of impaired advances for the individual loan usage category:

	<u>As at 31 Dec 2014</u>		<u>As at 30 Jun 2014</u>	
	Impaired advances	Individual impairment allowances	Impaired advances	Individual impairment allowances
- Manufacturing	6,245	4,591	6,645	2,169
- Loan for use outside Hong Kong	612	153	1,069	313
	<u>6,857</u>	<u>4,744</u>	<u>7,714</u>	<u>2,482</u>

C. By geographical area

After taking into account the transfer of risk, exposures to a single country exceeding 10% of the aggregate gross advances to customers which are disclosed as follows:

<u>As at 31 Dec 2014</u>	Outstanding balance	Advances overdue for over three months	Impaired advances	Individual impairment allowances
- Hong Kong	3,194,172	-	2,612	1,656
- Taiwan	1,017,280	-	4,245	3,088
- China	2,871,052	-	-	-
- Others	2,062	-	-	-
	<u>7,084,566</u>	<u>0</u>	<u>6,857</u>	<u>4,744</u>

<u>As at 30 Jun 2014</u>	Outstanding balance	Advances overdue for over three months	Impaired advances	Individual impairment allowances
- Hong Kong	3,840,723	-	3,169	1,528
- Taiwan	476,110	-	4,545	954
- China	2,772,677	-	-	-
- Others	2,116	-	-	-
	<u>7,091,626</u>	<u>0</u>	<u>7,714</u>	<u>2,482</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD millions

6. CROSS-BORDER CLAIMS DISCLOSURE

The following tables analyse cross-border 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. They are prepared in according with the HKMA banking return of "Cross-border Claims" completion instructions. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

<u>As at 31 Dec 2014</u>	<u>Banks</u>	<u>Public Sector Entities</u>	<u>Others</u>	<u>Total</u>
Asia Pacific excluding Hong Kong	4,280	-	4,761	9,041
- Of which -				
China	2,872	-	3,523	6,395
Taiwan	1,013	-	1,236	2,249
Rest of Asia Pacific	395	-	2	397
Others	370	-	-	370
Total	<u>4,650</u>	<u>0</u>	<u>4,761</u>	<u>9,411</u>

<u>As at 30 Jun 2014</u>	<u>Banks</u>	<u>Public Sector Entities</u>	<u>Others</u>	<u>Total</u>
Asia Pacific excluding Hong Kong	4,623	-	4,189	8,812
- Of which -				
China	3,557	-	3,493	7,050
Taiwan	970	-	694	1,664
Rest of Asia Pacific	96	-	2	98
Others	157	-	-	157
Total	<u>4,780</u>	<u>0</u>	<u>4,189</u>	<u>8,969</u>

* The aggregate gross amount of exposure to related foreign offices are excluded in the Taiwan area as disclosed in above.



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD millions

7. NON-BANK MAINLAND CHINA EXPOSURES

The analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the type of direct exposures defined by the Hong Kong Monetary Authority under the draft Banking (Disclosure) (Amendment) Rules 2014 with reference to the Hong Kong Monetary Authority return of non-bank Mainland exposures.

No restatement for 30 June 2014 comparative figures is necessary as the analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties under the prevailing Banking (Disclosure) Rules.

As at 31 Dec 2014

	On-balance sheet exposures	Off-balance sheet exposures	Total exposures
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	1,418	-	1,418
2. Local governments, local government-owned entities and their subsidiaries and JVs	199	-	199
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	713	-	713
4. Other entities of central government not reported in item 1 above	97	-	97
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	-	-	-
7. Other counterparties where the exposures are considered by exposures the reporting institution to be non-bank Mainland China exposure:	1,106	173	1,279
Total	<u>3,533</u>	<u>173</u>	<u>3,706</u>
Total assets after provision	<u>13,642</u>		
On-balance sheet exposures as percentage of total assets	<u>25.90%</u>		

As at 30 Jun 2014

	On-balance sheet exposures	Off-balance sheet exposures	Total exposures	Individually assessed impairment allowances
China government owned entities	1,819	-	1,819	-
Mainland China entities	380	-	380	-
Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	1,379	225	1,604	-
Other non-bank Mainland China exposures	41	-	41	-
Total	<u>3,619</u>	<u>225</u>	<u>3,844</u>	<u>0</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION - *continued*

Figures in HKD millions

8. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the HKMA banking return of "Foreign Currency Position" completion instructions. The net position in foreign currencies are disclosed as follows:

As at 31 Dec 2014								
Currency	USD	JPY	EUR	CNY	AUD	NZD	Other foreign currencies	Total
Spot assets	8,047	164	84	3,303	33	8	14	11,653
Spot liabilities	(7,959)	(157)	(84)	(3,303)	(48)	(8)	(14)	(11,573)
Forward purchases	24	-	-	1	30	-	-	55
Forward sales	(107)	(8)	-	(1)	(15)	-	-	(131)
Net option position	-	-	-	-	-	-	-	-
Net long (short) position	<u>5</u>	<u>(1)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>

As at 30 Jun 2014								
Currency	USD	JPY	EUR	CNY	AUD	NZD	Other foreign currencies	Total
Spot assets	7,940	178	63	3,314	26	-	11	11,532
Spot liabilities	(8,010)	(178)	(64)	(3,206)	(32)	-	(11)	(11,501)
Forward purchases	124	-	1	11	13	-	-	149
Forward sales	(52)	-	-	(117)	(7)	-	-	(176)
Net option position	-	-	-	-	-	-	-	-
Net long (short) position	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4</u>

There were no foreign currency structural position as at the above respective reporting dates.

9. LIQUIDITY RATIO

AVERAGE LIQUIDITY RATIO

The average liquidity ratio for the period

For the year ended 31 December

<u>2014</u>	<u>2013</u>
Percentage (%)	Percentage (%)
<u>48.43</u>	<u>44.87</u>

The Branch's average liquidity ratio for the period is the simple average of each calendar month's average liquidity ratio, which is computed in accordance with the Fourth Schedule to the Hong Kong Banking Ordinance.



IV. OTHER INFORMATION

1. DISCLOSURE OF REMUNERATION

A. Remuneration system

The reward system of our Branch is designed and reviewed by our Head Office. The basis of determining the emoluments payable by the Branch to senior management is mainly by reference to the level of emoluments normally paid by comparable banks and employees' performance. Total compensation comprises a fixed component, allowance and benefits. The reward to be expensed as cash settled, no award as shared-based compensation plan.

B. Remuneration of Senior Management

	For the year ended 31 December	
	<u>2014</u>	<u>2013</u>
	HKD '000	HKD '000
Persons	9	8
Basic salaries, allowances and benefits	7,764	7,356
Variable remuneration	52	-
Deferred remuneration	-	-

2. LIQUIDITY RISK MANAGEMENT

A. Policy Statement of Liquidity Risk Management

- The purpose of liquidity risk management is to ensure our abilities with sufficient cash flows to meet obligations payable to our customers and interbank counterparties. And our Branch should always hold an adequate quantity of high quality liquid assets in order to handle the situation of liquidity shortfalls.
- Our Branch obeys "Asset/Liability Management Policy and Procedure", "Liquidity Management Policy", "Contingency Funding Plan" and other related regulations from our Head Office to manage the liquidity risk.
- Our Branch manages the liquidity on a prudent basis to ensure that we can always maintain a sufficiently high liquidity ratio relative to the statutory minimum. Additionally, the internal limit of liquidity ratio on average for each month and the month-end liquidity ratio are both set at 35% in order for the Branch to retain sufficient liquidity during its normal course of operation.

B. Management Mechanism of Liquidity Risk Management

- Assets and Liability Committee ("ALCO") is mainly responsible for the liquidity risk management in our Branch.
- The General Manager of our Branch is the chairman of ALCO, or in his absence, the General Manager (C.E.) could designate A.C.E. in our Branch as alternate General Manager. The other attendance members in ALCO at least include the Department Heads from Deposits, Loans, Treasury and Accounting Department. Otherwise, the General Manager could designate any other staff to attend at the ALCO in need.

3. PUBLICATION OF KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT ON WEBSITE

The Disclosure Statement of the Branch will be published on the website of the Bank (<http://www.firstbank.com.tw>) in due course. Users can download from the Bank's website for free.



SECTION B. - INFORMATION OF THE BANK < CONSOLIDATED BASIS >

I. CAPITAL AND CAPITAL ADEQUACY RATIO

A. Capital adequacy ratio

	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
	Percentage (%)	Percentage (%)
	Basel III basis	Basel III basis
	Audited	Audited
Common Equity Tier 1 capital ratio	9.02	8.64
Tier 1 capital ratio	9.02	8.64
Total capital ratio	<u>11.50</u>	<u>10.88</u>

Starting from 2013, the capital adequacy ratios of the Bank are compiled in accordance with the amended Capital Rules effective from 1 January 2013 for the implementation of the "Basel III" capital accord.

B. Aggregate amount of shareholders' funds

<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
HKD '000	HKD '000
<u>36,370,959</u>	<u>36,257,081</u>

II. OTHER FINANCIAL INFORMATION

Figures in HKD thousands

	<u>31-Dec-2014</u>	<u>30-Jun-2014</u>
Total assets	<u>559,594,947</u>	<u>586,636,593</u>
Total liabilities	<u>522,001,298</u>	<u>550,379,512</u>
Total advances	<u>369,854,471</u>	<u>381,700,891</u>
Total customer deposit	<u>445,425,116</u>	<u>457,217,489</u>
	year to	year to
	<u>31-Dec-2014</u>	<u>31-Dec-2013</u>
Profit/(Loss) before taxation	<u>3,892,485</u>	<u>3,277,225</u>



第一商業銀行
First Commercial Bank

香港分行
Hong Kong Branch

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 First Commercial Bank Limited, Hong Kong Branch for the year ended 31 December 2014. We confirmed that the information contained therein complies, in all material respects, with the supervisory policy manual CA-D-1 “Guideline on the Application of the Banking (Disclosure) Rules” issued in May 2007, and to the best of my knowledge and belief, it is not false or misleading.

A handwritten signature in black ink, appearing to read 'Yu Hsiu Hsieh'.

General Manager (SU HSIEH Yu Hsiu)
First Commercial Bank Limited
Hong Kong Branch

20 March 2015

Date