



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 2012



**KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

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

I. PROFIT AND LOSS INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2012

Figures in HKD thousands

	For the year ended 31 December	
	<u>2012</u>	<u>2011</u>
Interest Income	160,907	109,092
Interest Expense	<u>(44,752)</u>	<u>(23,328)</u>
Net interest income	116,155	85,764
Fee and commission income	34,944	34,604
Fee and commission expense	<u>(1,661)</u>	<u>(1,171)</u>
Net fee and commission income	33,283	33,433
Other operating income		
- Gains less losses arising from dealing in foreign currencies	5,551	9,423
- Net gains/(losses) on financial instruments designated at fair value through profit or loss	17	-
- Gains less losses on disposal of available-for-sale securities	(18,223)	4
- Others	<u>7,055</u>	<u>731</u>
	<u>(5,600)</u>	<u>10,158</u>
Total income	143,838	129,355
Operating expenses		
- Staff and rental expenses	(27,067)	(24,162)
- Other expenses	<u>(4,735)</u>	<u>(5,491)</u>
Total expenses	(31,802)	(29,653)
Profit before impairment allowances	112,036	99,702
Impairment losses written back/(charges) on loans and advances	2,079	(32,337)
Impairment losses on available-for-sale securities	<u>-</u>	<u>(124)</u>
Profit before taxation	114,115	67,241
Taxation charge	-	-
Profit after taxation	<u>114,115</u>	<u>67,241</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.



第一商業銀行

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Hong Kong Branch

II. BALANCE SHEET INFORMATION

AS AT 31 DECEMBER 2012

Figures in HKD thousands

	<u>31-Dec-2012</u>	<u>30-Jun-2012</u> (restated)
<u>ASSETS</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	1,718,248	1,567,966
Placement with banks and other financial institutions maturing between one and twelve months (except those included in amount due from overseas offices)	1,996,313	1,532,108
Amount due from overseas offices	147,974	194,669
Trade bills less impairment allowances	485	965
Loans and advances less impairment allowances	4,281,484	4,481,645
Certificates of deposit held	527,305	465,360
Available-for-sale debt securities less impairment allowances	635,191	752,910
Held-to-maturity debt securities	-	-
Other assets		
- Accrued interest	13,956	12,767
- Other accounts	42,855	44,259
Property, plant and equipment	3,039	3,333
Total assets	<u>9,366,850</u>	<u>9,055,982</u>
<u>LIABILITIES</u>		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas offices)	28,019	159,288
Current, fixed, savings and other deposits from customers		
- Demand deposits and current accounts	256,754	258,285
- Savings deposits	4,698,644	4,194,822
- Time deposits	3,558,892	3,551,223
- Structured deposits	8,574	-
Amount due to overseas offices	94,343	217,264
Other accounts and provisions	31,641	22,188
Total liabilities	<u>8,676,867</u>	<u>8,403,070</u>
Reserves and current profit/(loss)	<u>689,983</u>	<u>652,912</u>
Total equity and liabilities	<u>9,366,850</u>	<u>9,055,982</u>



III. SUPPLEMENTARY FINANCIAL INFORMATION

Figures in HKD thousands

1. TRADE BILLS AND IMPAIRMENT ALLOWANCES ON TRADE BILLS

	As at	
	31-Dec-2012	30-Jun-2012
Trade bills	490	975
Collective impairment allowances	(5)	(10)
Gross trade bills less impairment allowances	<u>485</u>	<u>965</u>

2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES

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

	As at	
	31-Dec-2012	30-Jun-2012
Advances to customers	3,950,759	4,126,038
Advances to banks and other financial institutions	377,812	435,556
Total	<u>4,328,571</u>	<u>4,561,594</u>
Collective impairment allowances	(43,284)	(45,312)
Individual impairment allowances	(3,803)	(34,637)
Total	<u>(47,087)</u>	<u>(79,949)</u>
Gross advances less impairment allowances	<u>4,281,484</u>	<u>4,481,645</u>
Allowances as a percentage of gross advances		
- Collective impairment allowances	1.00%	0.99%
- Individual impairment allowances	0.09%	0.76%
Total allowances	<u>1.09%</u>	<u>1.75%</u>

B. Impairment allowances

	Individual impairment allowances	Collective impairment allowances	Total
Balance as at 31 Dec 2012			
- Advances to customers	3,803	39,506	43,309
- Advances to banks and other financial institutions	-	3,778	3,778
	<u>3,803</u>	<u>43,284</u>	<u>47,087</u>
Balance as at 30 Jun 2012			
- Advances to customers	34,637	40,956	75,593
- Advances to banks and other financial institutions	-	4,356	4,356
	<u>34,637</u>	<u>45,312</u>	<u>79,949</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-2012</u>	<u>30-Jun-2012</u>
- Gross impaired advances to customers	20,248	55,445
- Individual impairment allowances	<u>(3,803)</u>	<u>(34,637)</u>
Total	<u>16,445</u>	<u>20,808</u>
Market value of collateral pledged	<u>11,170</u>	<u>12,070</u>
Covered portion of impaired advances	<u>5,530</u>	<u>8,234</u>
Uncovered portion of impaired advances	<u>14,718</u>	<u>47,211</u>
Gross impaired advances as a percentage of gross advances to customers	<u>0.51%</u>	<u>1.34%</u>
Individual impairment allowances as a percentage of gross impaired advances	<u>18.78%</u>	<u>62.47%</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 2012 and 30 June 2012.



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-2012	30-Jun-2012
a. Advances to customers overdue for		
more than 1 month and up to 3 months	1,499	-
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	12,022
more than 1 year	162	18,395
	<u>1,661</u>	<u>30,417</u>
Individual impairment allowances made in respect of the above overdue advances	162	30,511
Market value of collateral held against the covered portion of all overdue advances	4,300	0
Covered portion of all overdue advances	1,499	0
Uncovered portion of all overdue advances	162	30,417
b. Rescheduled advances to customers	16,786	22,394
(Net of those overdue advances which have been disclosed in above)		

	As a percentage of total gross advances to customers	
	31-Dec-2012	30-Jun-2012
	Percentage (%)	Percentage (%)
c. Advances to customers overdue for		
more than 1 month and up to 3 months	0.04	-
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	0.29
more than 1 year	-	0.45
	<u>0.04</u>	<u>0.74</u>
d. Rescheduled advances to customers	0.42	0.54

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

	31-Dec-2012	30-Jun-2012
Advances to customers overdue for more than 3 months	162	30,417
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	20,086	25,028
Total impaired advances	<u>20,248</u>	<u>55,445</u>

There were no advances to banks and other financial institutions which were overdue or rescheduled as at 31 December 2012 and 30 June 2012.

F. Repossessed assets

As at 31 December 2012 and 30 June 2012, 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-2012</u>	<u>30-Jun-2012</u> (restated)
Government Bonds (including Hong Kong Exchange Fund Bills)	123,844	123,160
Floating rate notes	381,219	478,550
Debt securities	<u>130,128</u>	<u>151,200</u>
Total	635,191	752,910
Issued by:		
Government organization	123,844	123,160
Banks	381,219	440,175
Other financial institutions	-	62,630
Corporate entities	<u>130,128</u>	<u>126,945</u>
Total	635,191	752,910
Impairment allowances	-	-
Available-for-sale securities less impairment allowances	<u>635,191</u>	<u>629,750</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-2012</u>	<u>30-Jun-2012</u>
Debt securities	-	-
Issued by:		
Other financial institutions outside Hong Kong	-	-

C. Overdue or impaired securities

Balance as at 31 Dec 2012

	Available-for-sale securities	Held-to-maturity securities	Individual impairment allowances
- Neither overdue nor impaired	635,191	-	-
- Non-overdue but impaired	-	-	-
- Overdue and impaired	-	-	-
Total	<u>635,191</u>	<u>0</u>	<u>0</u>

Balance as at 30 Jun 2012

	Available-for-sale securities (restated)	Held-to-maturity securities	Individual impairment allowances
- Neither overdue nor impaired	752,910	-	-
- Non-overdue but impaired	-	-	-
- Overdue and impaired	-	-	-
Total	<u>752,910</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-2012</u>	<u>30-Jun-2012</u>
Outward cheques receivable	26,176	14,751
Deferred tax asset	11,237	8,981
Evaluation adjustment on Available-for-sale securities	3,585	18,654
Other accounts	<u>1,857</u>	<u>1,873</u>
Total	42,855	44,259



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-2012</u>	<u>30-Jun-2012</u>
Direct credit substitutes	29,637	31,410
Trade-related contingencies		
- Customer's liabilities under letter of credit	49,486	43,212
- Customer's liabilities under guarantee	-	-
- Customer's liabilities under acceptance	30,010	22,384
Forward forward deposits placed	77,515	232,952
Other commitments		
- Other commitments with an original maturity of not more than one year	779,963	815,047
- Other commitments with an original maturity of more than one year	22,519	9,034
	<u>989,130</u>	<u>1,154,039</u>

B. Derivative financial instruments

	Contract / notional amount	Contract / notional amount (restated)
Exchange rate contracts		
- Spot and forwards	10,976	13,185
- Swaps	83,948	131,380
- Options purchased	9,349	-
- Options written	9,349	-
	<u>113,622</u>	<u>144,565</u>

Replacement Costs of Derivatives (of the above derivatives)

	Replacement costs	Replacement costs (restated)
Exchange rate contracts		
- Spot and forwards	2	2
- Swaps	23	131
- Options purchased	1	-
- Options written	-	-
	<u>26</u>	<u>133</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.



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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 2012</u>		<u>As at 30 Jun 2012</u>	
	Outstanding balance	Balance covered by collateral	Outstanding balance	Balance covered by collateral
a. Industrial, commercial and financial				
- Property development	223,940	90,440	261,220	142,720
- Property investment	463,279	463,279	544,601	544,601
- Financial concerns	861,972	70,254	679,150	59,137
- Wholesale and retail trade	38,598	25,437	43,040	26,811
- Manufacturing	1,057,151	67,666	1,056,428	67,174
- Transport and transport equipment	141,153	88,945	138,398	90,741
- Electricity and gas	-	-	36,400	-
- Information technology	-	-	-	-
- Others	5,719	5,719	5,769	5,769
b. Individuals				
- Loans for the purchase of other residential properties	38,111	38,111	41,690	41,690
- Others	38,550	38,550	158,930	158,930
c. Others	-	-	-	-
	<u>2,868,473</u>	<u>888,401</u>	<u>2,965,626</u>	<u>1,137,573</u>
2. Trade finance	132,582	51,679	134,337	52,258
3. Loan for use outside Hong Kong	<u>949,704</u>	<u>307,437</u>	<u>1,026,076</u>	<u>328,161</u>
Total	<u>3,950,759</u>	<u>1,247,517</u>	<u>4,126,039</u>	<u>1,517,992</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 2012</u>		<u>As at 30 Jun 2012</u>	
	Impaired advances	Individual impairment allowances	Impaired advances	Individual impairment allowances
- Manufacturing	10,095	2,123	17,019	12,875
- Loan for use outside Hong Kong	10,153	1,680	38,426	21,762
	<u>20,248</u>	<u>3,803</u>	<u>55,445</u>	<u>34,637</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 2012</u>	Outstanding balance	Advances overdue for over three months	Impaired advances	Individual impairment allowances
- Hong Kong	3,281,257	162	15,535	2,980
- Taiwan	190,778	-	4,713	823
- China	474,933	-	-	-
- Others	3,791	-	-	-
	<u>3,950,759</u>	<u>162</u>	<u>20,248</u>	<u>3,803</u>

<u>As at 30 Jun 2012</u>	Outstanding balance	Advances overdue for over three months	Impaired advances	Individual impairment allowances
- Hong Kong	3,574,395	29,013	42,383	31,092
- Taiwan	245,815	1,404	13,062	3,545
- China	289,248	-	-	-
- Others	16,580	-	-	-
	<u>4,126,038</u>	<u>30,417</u>	<u>55,445</u>	<u>34,637</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 2012</u>	<u>Banks</u>	<u>Public Sector Entities</u>	<u>Others</u>	<u>Total</u>
Asia Pacific excluding Hong Kong	4,322	-	877	5,199
- <i>Of which</i> -				
Taiwan	2,657	-	253	2,910
China	803	-	621	1,424
Rest of Asia Pacific	862	-	3	865
Others	241	-	-	241
Total	<u>4,563</u>	<u>0</u>	<u>877</u>	<u>5,440</u>

<u>As at 30 Jun 2012</u>	<u>Banks</u>	<u>Public Sector Entities</u>	<u>Others</u>	<u>Total</u>
Asia Pacific excluding Hong Kong	3,007	-	752	3,759
- <i>Of which</i> -				
Taiwan	1,511	-	308	1,819
China	931	-	431	1,362
Rest of Asia Pacific	565	-	13	578
Others	399	-	80	479
Total	<u>3,406</u>	<u>0</u>	<u>832</u>	<u>4,238</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

Non-bank counterparties are identified in accordance with the definitions set out in the banking return of "Quarterly Analysis of Loans and Advances and Provisions" issued by the HKMA. Exposures in Mainland China arising from non-bank counterparties are summarised as follows:

As at 31 Dec 2012

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total exposures</u>	<u>Individually assessed impairment allowances</u>
China government owned entities	75	-	75	-
Mainland China entities	31	-	31	-
Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	834	164	998	2
Other non-bank Mainland China exposures	37	-	37	-

As at 30 Jun 2012

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total exposures</u>	<u>Individually assessed impairment allowances</u>
China government owned entities	73	-	73	-
Mainland China entities	30	-	30	-
Companies and individuals outside Mainland China where the credit is granted for use in Mainland China	955	171	1,126	3
Other non-bank Mainland China exposures	37	-	37	-



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:

Currency	As at 31 Dec 2012							Total
	USD	GBP	JPY	EUR	CNY	AUD	SGD	
Spot assets	6,706	-	129	54	728	20	-	7,637
Spot liabilities	(6,632)	-	(128)	(49)	(775)	(30)	-	(7,614)
Forward purchases	16	-	-	-	50	19	-	85
Forward sales	(89)	-	(1)	(6)	-	(10)	-	(106)
Net option position	-	-	-	-	-	-	-	-
Net long (short) position	<u>1</u>	<u>0</u>	<u>0</u>	<u>(1)</u>	<u>3</u>	<u>(1)</u>	<u>0</u>	<u>2</u>

Currency	As at 30 Jun 2012							Total
	USD	GBP	JPY	EUR	CNY	AUD	SGD	
Spot assets	6,492	-	192	59	445	20	1	7,209
Spot liabilities	(6,439)	-	(192)	(55)	(479)	(26)	-	(7,191)
Forward purchases	46	-	-	-	73	12	-	131
Forward sales	(98)	-	-	(4)	(37)	(6)	-	(145)
Net option position	-	-	-	-	-	-	-	-
Net long (short) position	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>1</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>2012</u>	<u>2011</u>
	Percentage (%)	Percentage (%)
	<u>41.06</u>	<u>39.45</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	
	<u>2012</u>	<u>2011</u>
	HKD '000	HKD '000
Persons	8	8
Basic salaries, allowances and benefits	6,480	6,884
Variable remuneration	-	-
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.



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

I. CAPITAL AND CAPITAL ADEQUACY RATIO

A. Capital adequacy ratio

<u>31-Dec-2012</u>	<u>30-Jun-2012</u>
Percentage (%)	Percentage (%)
<u>10.94</u>	<u>10.44</u>

B. Aggregate amount of shareholders' funds

<u>31-Dec-2012</u>	<u>30-Jun-2012</u>
HKD '000	HKD '000
<u>33,610,478</u>	<u>31,669,069</u>

The capital adequacy ratio was compiled in accordance with the "Basel II capital accord" .

In accordance with the Capital Rules , the bank has adopted the "Standardised approach" for the calculation of the risk-weighted assets for credit risk and market risk, and "Basic indicator approach" for the calculation of operational risk.

II. OTHER FINANCIAL INFORMATION

Figures in HKD thousands

	<u>31-Dec-2012</u>	<u>30-Jun-2012</u>
Total assets	<u>549,621,566</u>	<u>529,478,419</u>
Total liabilities	<u>516,011,088</u>	<u>497,809,347</u>
Total advances	<u>385,572,537</u>	<u>365,518,115</u>
Total customer deposit	<u>430,874,509</u>	<u>414,023,536</u>
	Year to	Year to
	<u>31-Dec-2012</u>	<u>31-Dec-2011</u>
Profit/(Loss) before taxation	<u>3,252,946</u>	<u>2,205,394</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 2012. 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.

Chien-hao Lin
General Manager (Lin Chien Hao)
First Commercial Bank
Hong Kong Branch

27 March 2013

Date