

O-BANK CO., LTD.

A. BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

Item	ASSETS	March 31, 2017		December 31, 2016		March 31, 2016	
		Amount	%	Amount	%	Amount	%
11000	Cash and cash equivalents	\$ 2,188,870	1	\$ 2,729,826	1	\$ 3,368,995	1
11500	Due from the central bank and call loans to banks	13,494,820	5	15,135,340	6	16,214,974	6
12000	Financial assets at fair value through profit or loss	37,677,653	15	39,538,632	15	45,190,959	18
12500	Securities purchased under resell agreements	198,152	-	-	-	-	-
13000	Receivables, net	4,902,221	2	4,690,507	2	4,855,774	2
13200	Current tax assets	52,401	-	55,293	-	12,638	-
13500	Discounts and loans, net	142,447,622	57	143,940,139	54	125,463,797	49
14000	Available-for-sale financial assets	33,492,148	13	32,628,260	12	30,338,478	12
14500	Held-to Maturity financial assets	899,732	-	5,544,703	2	9,544,615	4
15000	Investments accounted for using equity method	14,002,628	5	14,242,663	5	16,590,292	6
15500	Other financial assets	979,495	-	1,039,445	1	1,110,827	-
18500	Property and equipment, net	3,671,671	1	3,524,300	1	2,812,521	1
19000	Intangible assets, net	247,410	-	248,507	-	103,582	-
19300	Deferred tax assets	191,449	-	79,550	-	112,067	-
19500	Other assets	<u>594,735</u>	<u>1</u>	<u>1,757,667</u>	<u>1</u>	<u>1,825,161</u>	<u>1</u>
10000	Total assets	<u>\$255,041,007</u>	<u>100</u>	<u>\$ 265,154,832</u>	<u>100</u>	<u>\$257,544,680</u>	<u>100</u>
Item	LIABILITIES AND EQUITY						
	Liabilities						
21000	Deposits from the central bank and banks	\$ 29,306,325	11	\$ 41,875,141	16	\$ 37,838,193	15
22000	Financial liabilities at fair value through profit or loss	1,989,553	1	2,349,989	1	3,908,972	2
22500	Securities sold under agreement to repurchase	2,782,221	1	2,091,749	1	-	-
23000	Accounts payable	2,608,128	1	2,705,487	1	2,221,464	1
23200	Current tax liabilities	112,818	-	-	-	89,642	-
23500	Deposits and remittances	164,965,056	65	164,056,836	62	162,132,167	63
24000	Bank debentures	17,450,000	7	17,450,000	6	14,950,000	6
25500	Other financial liabilities	5,722,733	2	4,648,821	2	5,627,408	2
25600	Provisions	184,329	-	176,479	-	197,585	-
29300	Deferred tax liabilities	187,436	-	239,307	-	210,539	-
29500	Other liabilities	<u>142,056</u>	<u>-</u>	<u>172,365</u>	<u>-</u>	<u>155,030</u>	<u>-</u>
20000	Total liabilities	<u>225,450,655</u>	<u>88</u>	<u>235,766,174</u>	<u>89</u>	<u>227,331,000</u>	<u>89</u>
	Equity						
31100	Capital stock	<u>23,905,063</u>	<u>9</u>	<u>23,905,063</u>	<u>9</u>	<u>23,905,063</u>	<u>9</u>
31500	Capital surplus	<u>3,193</u>	<u>-</u>	<u>3,193</u>	<u>-</u>	<u>3,193</u>	<u>-</u>
	Retained earnings						
32001	Legal reserve	2,390,828	1	2,390,828	1	1,880,725	1
32003	Special reserve	1,173,293	1	1,173,293	-	1,178,307	-
32011	Unappropriated earnings	<u>2,091,172</u>	<u>1</u>	<u>1,631,566</u>	<u>1</u>	<u>2,225,076</u>	<u>1</u>
32000	Total retained earnings	<u>5,655,293</u>	<u>3</u>	<u>5,195,687</u>	<u>2</u>	<u>5,284,108</u>	<u>2</u>
32500	Other equity	<u>26,803</u>	<u>-</u>	<u>284,715</u>	<u>-</u>	<u>1,021,316</u>	<u>-</u>
30000	Total equity	<u>29,590,352</u>	<u>12</u>	<u>29,388,658</u>	<u>11</u>	<u>30,213,680</u>	<u>11</u>
	Total liabilities and equity	<u>\$255,041,007</u>	<u>100</u>	<u>\$ 265,154,832</u>	<u>100</u>	<u>\$257,544,680</u>	<u>100</u>

B. STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		For the Three Months Ended March 31			
		2017		2016	
Item		Amount	%	Amount	%
41000	Interest revenue	\$ 966,495	87	\$ 907,322	78
51000	Interest expenses	(488,387)	(43)	(414,313)	(35)
49010	Net interest	<u>478,108</u>	<u>44</u>	<u>493,009</u>	<u>43</u>
	Net revenue other than interest				
49100	Commissions and fee revenue, net	180,382	16	284,471	24
49200	Gain on financial assets and liabilities at fair value through profit or loss	(818,493)	(74)	529,132	45
49300	Realized income from available-for-sale financial assets	92,314	8	63,701	5
49600	Foreign exchange gain (loss), net	984,374	89	(380,971)	(32)
49700	Loss from asset impairment	-	-	(31,266)	(2)
49750	Investment income (loss) recognized under equity method	181,165	16	187,687	16
48005	Realized income from financial assets carried at cost	644	-	5,798	-
48045	Consulting revenue	4,900	-	1,500	-
48099	Other non-interest net gains	<u>7,657</u>	<u>1</u>	<u>11,173</u>	<u>1</u>
49020	Net revenue other than interest	<u>632,943</u>	<u>56</u>	<u>671,225</u>	<u>57</u>
4xxxx	Total net revenue	<u>1,111,051</u>	<u>100</u>	<u>1,164,234</u>	<u>100</u>

(Continued)

For the Three Months Ended March 31

<u>Item</u>	<u>2017</u>		<u>2016</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
58200 Provisions	(\$ 50,853)	(6)	(\$131,761)	(11)
Operating expense				
58500 Employee benefits expenses	393,626	34	287,273	25
59000 Depreciation and amortization expense	43,278	4	33,066	3
59500 Other general and administrative expense	<u>155,987</u>	<u>14</u>	<u>119,603</u>	10
58400 Total operating expense	<u>592,891</u>	<u>52</u>	<u>439,942</u>	<u>38</u>
61001 Profit from continuing operations before tax	467,307	42	592,531	51
61003 Income tax expense	<u>7,701</u>	<u>1</u>	<u>67,796</u>	<u>6</u>
64000 Profit	<u>459,606</u>	<u>41</u>	<u>524,735</u>	<u>45</u>
Other comprehensive income				
65300 Items that may be reclassified subsequently to profit or loss:				
65301 Exchange differences on translating foreign operations	(437,459)	(38)	(144,187)	(12)
65302 Unrealized gain (loss) on available-for-sale financial assets	83,272	7	81,391	7
65307 Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	48,435	4	61,612	5
65320 Income tax relating to the components of other comprehensive income	<u>47,841</u>	<u>4</u>	<u>-</u>	<u>-</u>
65000 Other comprehensive income (loss) for the year, net of income tax	(<u>257,911</u>)	(23)	(<u>1,184</u>)	<u>-</u>
66000 Total comprehensive income	<u>\$ 201,695</u>	<u>18</u>	<u>\$ 523,551</u>	<u>45</u>
EARNINGS PER SHARE				
67500 Basic	<u>\$ 0.19</u>		<u>\$ 0.22</u>	
67700 Diluted	<u>\$ 0.19</u>		<u>\$ 0.22</u>	

(Concluded)

C. STATEMENTS OF CHANGES IN EQUITY

For The Three Months Ended March 31, 2017 AND 2016

(In Thousands of New Taiwan Dollars)

Item	Equity Attributable to Owners of the Bank											
	Capital Stock		Retained Earnings					Other Equity		Treasury Shares	Total Equity	
	Shares (Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets			
A1	Balance at January 1, 2016	2,390,506	\$23,905,063	\$ 1,773	\$1,880,725	\$1,178,307	\$1,700,341	\$4,759,373	\$ 406,040	\$ 624,576	\$ (18,693)	\$29,678,132
D1	Net income for three months ended March 31, 2016	-	-	-	-	-	524,735	524,735	-	-	-	524,735
D3	Other comprehensive income (loss) for the three months ended March 31, 2016	-	-	-	-	-	-	-	(144,188)	(144,188)	-	(9,300)
D5	Total comprehensive income (loss) for the three months ended March 31, 2016	-	-	-	-	-	524,735	524,735	(144,188)	(144,188)	-	515,435
N1	Transmission of treasury stock for employees	-	-	1,420	-	-	-	-	-	-	18,693	20,113
Z1	Balance at March 31, 2016	<u>2,390,506</u>	<u>\$23,905,063</u>	<u>\$ 3,193</u>	<u>\$1,880,725</u>	<u>\$1,178,307</u>	<u>\$2,225,076</u>	<u>\$5,284,108</u>	<u>\$ 261,852</u>	<u>\$ 759,464</u>	<u>\$ -</u>	<u>\$30,213,680</u>
A1	Balance at January 1, 2017	2,390,506	\$23,905,063	\$ 3,193	\$2,390,828	\$1,173,293	\$1,631,566	\$5,195,687	\$ 190,990	\$ 93,725	\$ -	\$29,388,658
D1	Net income for three months ended March 31, 2017	-	-	-	-	-	459,606	459,606	-	-	-	459,606
D3	Other comprehensive income (loss) for the three months ended March 31, 2017	-	-	-	-	-	-	-	(389,619)	131,707	-	(257,912)
D5	Total comprehensive income (loss) for the three months ended March 31, 2017	-	-	-	-	-	459,606	459,606	(389,619)	131,707	-	201,694
Z1	Balance at March 31, 2017	<u>2,390,506</u>	<u>\$23,905,063</u>	<u>\$ 3,193</u>	<u>\$2,390,828</u>	<u>\$1,173,293</u>	<u>\$2,091,172</u>	<u>\$5,655,293</u>	<u>\$(198,629)</u>	<u>\$ 225,432</u>	<u>\$ -</u>	<u>\$29,590,352</u>

D. STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Item	For The Three Months Ended March 31	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
A00010	\$ 467,307	\$ 592,531
	Adjustments to reconcile profit (loss):	
A20100	30,381	25,382
A20200	12,897	7,684
A20300	50,853	131,761
A20400	818,493	(529,132)
A20900	488,387	414,313
A21200	(966,495)	(907,322)
A21300	(234)	(250)
A22300	(181,165)	(187,687)
A22500	(1,030)	-
A23500	-	31,266
A29900	(92,724)	(69,248)
Changes in operating assets and liabilities:		
A41170	2,832	(516,606)
A41120	581,680	(1,748,197)
A41150	(223,703)	375,732
A41160	1,451,257	1,883,990
A42110	(12,568,816)	1,007,401
A42120	(360,436)	(2,214,520)
A42140	690,472	-
A42150	(208,527)	69,436
A42160	908,220	6,554,577
A42180	(675)	503
A33000	(9,101,026)	4,921,614
A33100	487,745	876,850
A33200	234	250
A33300	(377,218)	(349,544)
A33500	(10,814)	(104,464)
AAAA	<u>(9,001,079)</u>	<u>5,344,706</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
B00100	(157,737)	(873,045)
B00200	581,264	616,308
B00300	(5,451,646)	(11,258,475)
B00400	4,643,365	9,540,913
B01100	4,645,000	305,000
B01300	4,712	23,683

(Continued)

Item	For The Three Months Ended March 31		
	2017	2016	
B02700	Acquisition of property and equipment	(\$ 188,523)	(\$ 113,886)
B02800	Proceeds from disposal of property and equipment	9,426	-
B03700	Decrease (increase) in refundable deposits	1,186,580	1,332,351
B04500	Acquisition of intangible assets	(12,501)	-
B06700	Increase in other assets	<u>(23,647)</u>	<u>(23,442)</u>
BBBB	Net cash flows used in investing activities	<u>5,236,293</u>	<u>(450,593)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
C01600	Increase in long-term debt	1,651,803	1,749,144
C01700	Repayments of long-term debt	(567,468)	(2,132,554)
C04100	Increase in other financial liabilities	-	989,011
C04200	Decrease in other financial liabilities	(10,423)	-
C05000	Proceeds from sale of treasury shares	-	20,113
C04400	Decrease in other liabilities	(30,309)	(118,775)
C04600	Proceeds from issuing shares	<u>-</u>	<u>-</u>
CCCC	Net cash flows (used in) from financing activities	<u>1,043,603</u>	<u>506,939</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>740,691</u>	<u>1,218,524</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(1,980,492)	6,619,576
E00100	Cash and cash equivalents at beginning of period	<u>13,843,789</u>	<u>9,430,841</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 11,863,297</u>	<u>\$ 16,050,417</u>

Reconciliation of the amounts in the statements of cash flows with the equivalent items reported in the balance sheets as of March 31, 2017 and 2016 is as follow:

Item	For The Three Months Ended March 31		
	2017	2016	
E00210	Cash and cash equivalents reported in the statement of financial position	\$ 2,188,870	\$ 3,368,995
E00220	Due from the Central Bank and call loans to banks qualifying for cash and cash equivalents under the definition of IAS 7	9,476,275	12,681,442
E00230	Securities purchased under resell agreements qualifying for cash and cash equivalents under the definition of IAS 7	<u>198,152</u>	<u>-</u>
E00200	Cash and cash equivalents at end of the period	<u>\$ 11,863,297</u>	<u>\$ 16,050,417</u>

(Concluded)

E. NON-PERFORMING LOANS AND ACCOUNTS RECEIVABLE

(In Thousands of New Taiwan Dollars, %)

Period		March 31, 2017					
Items		Nonperforming Loans (Note 1)	Outstanding Loan Balance	Ratio of Nonperforming Loans (Note 2)	Allowance for Possible Losses	Coverage Ratio (Note 3)	
Corporate banking	Secured	\$ 555,306	\$ 55,378,409	1.00%	\$ 644,855	116.13%	
	Unsecured	-	89,186,144	-	1,484,703	-	
Consumer banking	Housing mortgage (Note 4)	-	-	-	-	-	
	Cash card	-	-	-	-	-	
	Small-scale credit loans (Note 5)	-	12,760	-	128	-	
	Other (Note 6)	Secured	-	-	-	-	-
		Unsecured	-	-	-	-	-
Total		555,306	144,577,313	0.38%	2,129,686	383.52%	
		Nonperforming Receivables	Outstanding Receivable Balance	Ratio of Nonperforming Receivables	Allowance for Possible Losses	Coverage Ratio	
Credit cards		-	-	-	-	-	
Factoring accounts receivable without recourse		-	3,412,384	-	40,768	-	

Period		December 31, 2016					
Items		Nonperforming Loans (Note 1)	Outstanding Loan Balance	Ratio of Nonperforming Loans (Note 2)	Allowance for Possible Losses	Coverage Ratio (Note 3)	
Corporate banking	Secured	\$ 28,323	\$ 52,263,816	0.05%	\$ 612,772	2,163.51%	
	Unsecured	-	93,842,037	-	1,552,942	-	
Consumer banking	Housing mortgage (Note 4)	-	-	-	-	-	
	Cash card	NA	NA	NA	NA	NA	
	Small-scale credit loans (Note 5)	NA	NA	NA	NA	NA	
	Other (Note 6)	Secured	NA	NA	NA	NA	NA
		Unsecured	NA	NA	NA	NA	NA
Total		28,323	146,105,853	0.02%	2,165,714	7,646.49%	
		Nonperforming Receivables	Outstanding Receivable Balance	Ratio of Nonperforming Receivables	Allowance for Possible Losses	Coverage Ratio	
Credit cards		NA	NA	NA	NA	NA	
Factoring accounts receivable without recourse		-	3,514,421	-	39,498	-	

Period		March 31, 2016					
Items		Nonperforming Loans (Note 1)	Outstanding Loan Balance	Ratio of Nonperforming Loans (Note 2)	Allowance for Possible Losses	Coverage Ratio (Note 3)	
Corporate banking	Secured	\$ 357,900	\$ 42,117,027	0.85%	\$ 449,974	125.73%	
	Unsecured	-	85,275,250	-	1,732,765	-	
Consumer banking	Housing mortgage (Note 4)	-	-	-	-	-	
	Cash card	NA	NA	NA	NA	NA	
	Small-scale credit loans (Note 5)	NA	NA	NA	NA	NA	
	Other (Note 6)	Secured	NA	NA	NA	NA	NA
		Unsecured	NA	NA	NA	NA	NA
Total		357,900	127,617,799	0.28%	2,154,002	601.84%	
		Nonperforming Receivables	Outstanding Receivable Balance	Ratio of Nonperforming Receivables	Allowance for Possible Losses	Coverage Ratio	
Credit cards		NA	NA	NA	NA	NA	
Factoring accounts receivable without recourse		-	3,253,867	-	38,986	-	

Note 1: Nonperforming loans are reported to the authorities and disclosed to the public, as required by the “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/Non-accrued Loans.”

Nonperforming credit card receivables are reported to the authorities and disclosed to the public, as required by the Banking Bureau’s letter dated July 6, 2005 (Ref. No. 0944000378).

Note 2: Ratio of nonperforming loans: $\text{Nonperforming loans} \div \text{Outstanding loan balance}$.

Ratio of nonperforming credit card receivables: $\text{Nonperforming credit card receivables} \div \text{Outstanding credit card receivables balance}$.

Note 3: Coverage ratio of loans: $\text{Allowance for possible losses for loans} \div \text{Nonperforming loans}$.

Coverage ratio of credit card receivables: $\text{Allowance for possible losses for credit card receivables} \div \text{Nonperforming credit card receivables}$.

Note 4: The mortgage loan is for house purchase or renovation and is fully secured by housing that is purchased (owned) by the borrower, the spouse or the minor children of the borrowers.

Note 5: By December 31, 2016, The Bank was still an industrial bank, so there were no other consuming financial banking loans and credit card business except for the employees’ housing mortgage loans.

Note 6: As required by the Banking Bureau in its letter dated July 19, 2005 (Ref. No. 0945000494), factoring accounts receivable without recourse are reported as nonperforming receivables within three months after the factors or insurance companies refuse to indemnify banks for any liabilities on these accounts.

Note 7: The Bank has no executed contracts on negotiated debts not reported as nonperforming loans or receivables and discharged and executed contracts on clearance of consumer debts not reported as nonperforming loans or receivables.

F. CONCENTRATION OF CREDIT EXTENSIONS

(In Thousands of New Taiwan Dollars, %)

March 31, 2017			
Rank	Company Name	Credit Extensions Balance	% of Net Asset Value
1	A Company (unclassified other financial service)	\$ 6,053,301	20.46
2	B Company (LCD and component manufacturing)	3,939,063	13.31
3	C Company (ocean transportation)	3,874,759	13.09
4	D Company (real estate development)	3,450,241	11.66
5	E Company (fuel and coal production on manufacturing)	2,914,040	9.85
6	F Company (semiconductor packaging and testing)	2,668,346	9.02
7	G Company (real estate development)	2,444,341	8.26
8	H Company (artificial fiber textile industry)	2,385,388	8.06
9	I Company (paper manufacturing)	2,206,770	7.46
10	J Company (real estate development)	2,100,048	7.10

December 31, 2016			
Rank	Company Name	Credit Extensions Balance	% of Net Asset Value
1	A Company (unclassified other financial service)	\$ 5,889,061	20.04
2	B Company (LCD and component manufacturing)	4,105,383	13.97
3	C Company (ocean transportation)	3,988,689	13.57
4	E Company (fuel and coal production on manufacturing)	3,113,561	10.59
5	G Company (real estate development)	2,979,749	10.14
6	K Company (unclassified other financial service)	2,748,125	9.35
7	I Company (paper manufacturing)	2,592,188	8.82
8	D Company (real estate development)	2,460,465	8.37
9	L Company (metal construction materials wholesale industry)	2,377,758	8.09
10	J Company (real estate development)	2,148,768	7.31

December 31, 2016			
Rank	Company Name	Credit Extensions Balance	% of Net Asset Value
1	D Company (real estate development)	\$ 4,712,435	15.60
2	B Company (LCD and component manufacturing)	3,871,542	12.81
3	A Company (unclassified other financial service)	3,172,281	10.50
4	E Company (fuel and coal production on manufacturing)	2,643,208	8.75
5	G Company (real estate development)	2,578,890	8.54
6	C Company (ocean transportation)	2,561,547	8.48
7	K Company (unclassified other financial service)	2,453,301	8.12
8	F Company (semiconductor packaging and testing)	2,429,842	8.04
9	L Company (metal construction materials wholesale industry)	2,304,297	7.63
10	M Company (computer manufacturing)	2,093,834	6.93

G. Interest Rate Sensitivity Balance Sheet

Interest Rate Sensitivity Balance Sheet (New Taiwan Dollars)

March 31, 2017

(In Thousands of New Taiwan Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	105,713,597	11,076,928	16,425,284	26,456,560	159,672,369
Interest rate-sensitive liabilities	43,002,854	34,096,078	33,627,140	42,229,155	152,955,227
Interest rate-sensitive gap	62,710,743	(23,019,150)	(17,201,856)	(15,772,595)	6,717,142
Net worth					28,401,503
Ratio of interest rate-sensitive assets to liabilities					104.39%
Ratio of interest rate sensitivity gap to net worth					23.65%

December 31, 2016

(In Thousands of New Taiwan Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	109,271,601	6,689,069	13,921,957	38,098,290	167,980,917
Interest rate-sensitive liabilities	82,311,467	25,533,915	16,068,903	35,693,023	159,607,308
Interest rate-sensitive gap	26,960,134	(18,844,846)	(2,146,946)	2,405,267	8,373,609
Net worth					28,413,325
Ratio of interest rate-sensitive assets to liabilities					105.25%
Ratio of interest rate sensitivity gap to net worth					29.47%

March 31, 2016

(In Thousands of New Taiwan Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	107,910,441	7,510,322	15,937,777	35,902,274	167,260,814
Interest rate-sensitive liabilities	70,837,227	40,729,397	16,089,099	32,728,799	160,384,522
Interest rate-sensitive gap	37,073,214	(33,219,075)	(151,322)	3,173,475	6,876,292
Net worth					29,434,254
Ratio of interest rate-sensitive assets to liabilities					104.28%
Ratio of interest rate sensitivity gap to net worth					23.36%

Note 1: The above amounts included only New Taiwan dollar amounts held by the Bank and excluded contingent assets and contingent liabilities items

Note 2: Interest rate-sensitive assets and liabilities mean the revenues or costs of interest-earning assets and interest-bearing liabilities affected by interest rate changes

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets ÷ Interest rate-sensitive liabilities (in New Taiwan dollars)

Interest Rate Sensitivity Balance Sheet (U.S. Dollars)

March 31, 2017

(In Thousands of U.S. Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	1,536,334	77,547	14,311	615,084	2,243,276
Interest rate-sensitive liabilities	1,557,084	681,539	42,854	86	2,281,563
Interest rate-sensitive gap	(20,750)	(603,992)	(28,543)	614,998	(38,287)
Net worth					34,770
Ratio of interest rate-sensitive assets to liabilities					98.32%
Ratio of interest rate sensitivity gap to net worth					(110.12%)

December 31, 2016

(In Thousands of U.S. Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	1,456,084	88,866	44,243	497,033	2,086,226
Interest rate-sensitive liabilities	1,525,147	577,152	73,811	73	2,176,183
Interest rate-sensitive gap	(69,063)	(488,286)	(29,568)	496,960	(89,957)
Net worth					18,419
Ratio of interest rate-sensitive assets to liabilities					95.87%
Ratio of interest rate sensitivity gap to net worth					(488.39%)

March 31, 2016

(In Thousands of U.S. Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest rate-sensitive assets	1,736,087	84,702	33,263	515,127	2,369,179
Interest rate-sensitive liabilities	1,590,281	815,870	48,044	14,813	2,469,008
Interest rate-sensitive gap	145,806	(731,168)	(14,781)	500,314	(99,829)
Net worth					16,260
Ratio of interest rate-sensitive assets to liabilities					95.95%
Ratio of interest rate sensitivity gap to net worth					(613.95%)

Note 1: The above amounts included only U.S. dollar amounts held by the Bank and excluded contingent assets and contingent liabilities.

Note 2: Interest rate-sensitive assets and liabilities mean the revenues or costs of interest-earning assets and interest-bearing liabilities affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets ÷ Interest rate-sensitive liabilities (in U.S. dollars)

H. Profitability

Unit: %

Items		For The Three Months Ended March 31, 2017	For The Three Months Ended March 31, 2016
Return on total assets	Before income tax	0.18	0.23
	After income tax	0.18	0.21
Return on equity	Before income tax	1.58	1.98
	After income tax	1.56	1.75
Net income ratio		41.37	45.07

Note 1: Return on total assets = Income before (after) income tax ÷ Average total assets

Note 2: Return on equity = Income before (after) income tax ÷ Average equity

Note 3: Net income ratio = Income after income tax ÷ Total net revenues

Note 4: Income before (after) income tax represents income for the three months ended March 31, 2017 and 2016

I. Maturity analysis of assets and liabilities

Maturity Analysis of Assets and Liabilities (New Taiwan Dollars)

March 31, 2017

(In Thousands of New Taiwan Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	215,354,155	56,300,933	29,648,701	22,336,504	21,525,102	85,542,915
Main capital outflow on maturity	245,476,081	37,844,590	48,316,474	39,726,973	44,453,364	75,134,680
Gap	(30,121,926)	18,456,343	(18,667,773)	(17,390,469)	(22,928,262)	10,408,235

December 31, 2016

(In Thousands of New Taiwan Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	208,581,484	60,226,190	12,238,204	16,626,871	23,424,948	96,065,271
Main capital outflow on maturity	238,970,809	51,586,890	69,783,129	24,401,393	25,059,486	68,139,911
Gap	(30,389,325)	8,639,300	(57,544,925)	(7,774,522)	(1,634,538)	27,925,360

March 31, 2016

(In Thousands of New Taiwan Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	216,422,281	60,040,397	16,450,852	18,557,319	32,358,600	89,015,113
Main capital outflow on maturity	245,352,095	44,947,601	53,521,385	42,081,527	30,210,108	74,591,474
Gap	(28,929,814)	15,092,796	(37,070,533)	(23,524,208)	2,148,492	14,423,639

Maturity Analysis of Assets and Liabilities (U.S. Dollars)

March 31, 2017

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	4,330,818	1,310,885	1,050,055	729,099	448,730	792,049
Main capital outflow on maturity	4,950,800	1,554,279	1,316,544	812,879	454,990	812,108
Gap	(619,982)	(243,394)	(266,489)	(83,780)	(6,260)	(20,059)

December 31, 2016

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	3,701,265	1,049,555	842,859	651,303	343,742	813,806
Main capital outflow on maturity	4,173,367	1,603,848	1,054,309	510,061	377,003	628,146
Gap	(472,102)	(554,293)	(211,450)	141,242	(33,261)	185,660

March 31, 2016

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	4,174,458	1,406,979	666,884	911,716	718,288	470,591
Main capital outflow on maturity	4,555,924	1,869,800	788,980	773,237	523,061	600,846
Gap	(381,466)	(462,821)	(122,096)	138,479	195,227	(130,255)

Maturity Analysis of Overseas Assets and Liabilities (U.S. Dollars)

March 31, 2017

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	1,011,379	358,523	95,789	98,073	152,622	306,372
Main capital outflow on maturity	1,101,587	343,434	228,404	146,734	125,361	257,654
Gap	(90,208)	15,089	(132,615)	(48,661)	27,261	48,718

December 31, 2016

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	906,939	224,971	163,114	87,904	124,462	306,488
Main capital outflow on maturity	929,504	357,619	241,093	82,505	115,220	133,067
Gap	(22,565)	(132,647)	(77,979)	5,399	9,242	173,420

March 31, 2016

(In Thousands of U.S. Dollars)

	Total	Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181 Days - 1 Year	Over 1 Year
Main capital inflow on maturity	801,376	223,295	115,545	140,892	99,863	221,781
Main capital outflow on maturity	848,680	260,986	155,425	207,724	72,124	152,421
Gap	(47,304)	(37,691)	(39,880)	(66,832)	27,739	69,360

J. Balance of Demand Deposit, Time Deposit, and Foreign Currency Deposit in proportion to total deposits:

(In Thousands of New Taiwan Dollars, %)

	March 31,2017	December 31,2016	March 31,2016
Demand deposit	25,684,597	28,058,695	30,902,801
Demand deposit ratio	15.58%	17.10%	19.06%
Time deposit	139,219,648	135,997,983	131,223,095
Time deposit ratio	84.42%	82.90%	80.94%
Foreign currency deposit	62,768,572	57,495,058	50,861,206
Foreign currency deposit ratio	38.06%	35.05%	31.37%

Note:

1. Demand deposit ratio = Demand deposit ÷ Total deposit;
Time deposit ratio = Time deposit ÷ Total deposit;
Foreign currency deposit ratio = Foreign currency deposit ÷ Total deposit
2. Demand Deposit and Time Deposit include foreign currency deposit and public Treasury deposit.
3. All deposits exclude Post Office Re-Deposit.

K. Balance of Demand Deposit, Time Deposit, and Foreign Currency Deposit in proportion to total deposits:

(In Thousands of New Taiwan Dollars, %)

	March 31,2017	December 31,2016	March 31,2016
SME loan	4,757,407	3,589,129	3,855,190
SME loan ratio	3.29%	2.46%	3.02%
Consumer loan	15,230	-	23,000
Consumer loan ratio	0.01%	-	0.02%

Note :

1. SME Loans Ratio = SME Loans ÷ Total Loans; Consumer Loan Ratio = Consumer Loan ÷ Total Loans
2. SME is defined according to standard of Ministry of Economic Affairs
3. Consumer loan includes housing loan, house improvement loan, auto loan, organizational employee favored loan, and other personal consumer loan (excluding revolving interests of credit cards)

L. Average amount and average interest rate of interest-earning assets and interest-bearing liabilities

Interest rate fluctuations affect the earning assets and interest-bearing liabilities, and current average interest rates are as follows:

(In Thousands of New Taiwan Dollars, %)

	For the Three Months Ended March 31			
	2017		2016	
	Average Balance	Average Rate%	Average Balance	Average Rate%
<u>Interest-earning assets</u>				
Cash and cash equivalents - due from banks	\$ 609,682	0.80	\$ 648,167	1.73
Call loans to banks	7,511,809	0.69	7,484,222	2.32
Due from the Central Bank	3,203,678	0.68	3,053,809	0.97
Financial assets at fair value through profit or loss	37,018,151	0.56	39,852,862	0.73
Securities purchased under resell agreements	119,815	0.08	13,374	0.06
Discounts and loans	144,533,636	2.25	128,209,668	2.16
Available-for-sale financial assets	31,026,065	1.48	27,715,110	1.47
Held-to-maturity financial assets	1,467,436	0.88	9,554,652	0.81
<u>Interest-bearing liabilities</u>				
Deposits from the central bank and banks	35,653,794	1.21	39,647,681	0.56
Demand deposits	22,464,723	0.31	25,899,290	0.33
Time deposits	110,843,945	0.85	130,528,783	0.70
Securities sold under repurchase agreements	1,806,018	0.91	471,981	0.32
Bank debentures	17,450,000	2.02	14,950,000	2.14

M. Primary Net Position of Foreign Currency

Unit : In Thousands of Original Dollars and New Taiwan Dollars

	March 31,2017			December 31,2016			March 31,2016		
	Primary		NTD Equivalence	Primary		NTD Equivalence	Primary		NTD Equivalence
Primary Net Position of Foreign Currency (Market risk)	HKD	(54,707)	(213,614)	HKD	(28,749)	(119,693)	EUR	3,122	114,367
	USD	4,913	149,080	EUR	520	17,674	AUD	2,917	72,155
	CNY	23,053	101,701	JPY	(40,269)	11,085	USD	(2,175)	(70,211)
	AUD	(1,972)	(45,825)	NZD	77	(1,736)	NZD	1,843	41,100
	EUR	969	31,427	GBP	(33)	(1,318)	HKD	(9,620)	(40,052)

Note :

1. Primary foreign currencies are the top 5 highest position after converting to the same currency.
2. Primary net position is the absolute value of each currency

N. The disposal of major assets (According to 『 Procedures for Acquisition or Disposal of Assets by Public Companies 』 regulations :

The details have been published in the public information observatory as required.
(<http://mops.twse.com.tw>) :

Basic Information

Code : 2897

Company Name : O-Bank Co., Ltd.

O. The top ten shareholders :

For the Three Months Ended March 31, 2017

Name	Shares	Pledged Holding	Shareholding (%)
Ming Shan Investment Co., Ltd.	238,697,967	-	9.99%
Yi Chang Investment Co., Ltd.	238,644,084	-	9.98%
Tai Hsuan Investment Co., Ltd.	238,598,333	-	9.98%
Heng Tong Machinery Co., Ltd.	134,951,997	-	5.65%
China Steel Corporation	103,847,695	-	4.34%
ADI Corporation	103,847,695	103,847,695	4.34%
Chailease Finance Co., Ltd.	92,694,047	-	3.88%
Hung Sheng Construction Co., Ltd.	80,481,963	80,000,000	3.37%
Tai Ya Investment Co., Ltd.	77,091,768	-	3.22%
Aurora Co., Ltd.	64,017,234	64,017,234	2.68%