



Press Release (For Immediate Release)

Shanghai Commercial Bank Limited

Announced 2007 Interim Consolidated Profit of HK\$950 Million

Shanghai Commercial Bank Limited (“the Group”) registered a satisfactory performance in the first half of 2007. The consolidated profit attributable to shareholders was HK\$950 million, representing an increase of 19.2% from that of the same period last year. For the six months ended 30 June 2007, the shareholders’ funds of the Group increased by 3.9% from the end of 2006 to HK\$13,539 million. Total deposits of the Group (including certificates of deposit issued) were HK\$77,688 million as at 30 June 2007, representing an increase of 3.1% from the end of 2006. Total loans and advances to customers and trade bills before impairment allowances amounted to HK\$43,901 million as at 30 June 2007, representing an increase of 14.1% from the end of 2006. The Group’s capital adequacy ratio was 20% as at 30 June 2007, while its average liquidity ratio for the first six months of 2007 was 53%.

Notwithstanding the fierce competition in the local banking sector, the net interest income of the Group increased by 6.1% as compared with the first half of 2006. The Group’s non-interest income increased by 32%, which was mainly contributed by the substantial increase in the brokerage income from its stock trading business. Meanwhile, the operating expenses of the Group increased by 5%, and there was also an increase in the impairment losses on loans and advances to customers and trade bills of the Group for the first half of 2007.



As for the second half, the Group will continue its efforts to increase its loan portfolio and to solicit more new business in trade finance which has always been its mainstay business. The Group will also continue to spend more efforts on increasing its fee and commission income.

Note: Please refer to the attached Group Interim Financial Information Disclosure Statement for the detailed financial figures.

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Summary of Interim Results for Shanghai Commercial Bank Limited

	Six months ended 30/6/2007 (HK\$million)	Six months ended 30/6/2006 (HK\$million)	Percentage Increase (+)/ Decrease (-)
Interest income	2,536	2,141	+18.43%
Interest expense	1,575	1,236	+27.44%
Net interest income	961	905	+6.13%
Other operating income	632	479	+32.01%
Operating profit before provisions	1,158	970	+19.37%
Impairment allowance on loans and advances to customers and trade bills	(48)	(9)	+411.69%
Operating profit	1,110	961	+15.52%
Profit attributable to shareholders	950	797	+19.21%

Summary of Financial Ratios for Shanghai Commercial Bank Limited

	As at 30/6/2007	As at 30/6/2006	Increase (+)/ Decrease (-)
Loan to deposit ratio*	59.47%	60.95%	-1.48%
Capital adequacy ratio**	20%	22%	-2%
Average liquidity ratio	53%	53%	-
Cost to income ratio	27.30%	29.91%	-2.61%
Net interest margin	2.08%	2.26%	-0.18%

* Including trade bills and holdings of debt securities issued by corporations

** 2007 ratio was computed in accordance with the Banking (Capital) Rules.