



Press Release

For Immediate Release

**Shanghai Commercial Bank Limited Announced
Consolidated Profit of HK\$1,185 Million for the Year 2008**

Hong Kong, 27 April 2009 - The consolidated profit attributable to shareholders of Shanghai Commercial Bank Limited (“the Bank”) for the year 2008 was HK\$1,185 million, representing a decline of 46.1% from 2007. At the end of 2008, shareholders’ funds of the Bank decreased by 0.4% from the end of 2007 to HK\$14,833 million. Total customers’ deposits increased by 9.0% to HK\$89,532 million. Total loans and advances to customers and trade bills before impairment allowances increased by 8.8% to HK\$50,168 million.

Affected by the narrowing interest spread and market conditions, net interest income fell by 3.4%, while net fee and commission income from wealth management and stock brokerage businesses decreased by 33.5%.

The Bank did not involve in any direct investments in structured investment vehicles and collateralized debt obligations and maintained a strong financial position. The capital adequacy ratio was 19% and the average liquidity ratio was 47%.

The Bank completed the purchase of adjacent building at 10 Queen’s Road Central in October 2008 and the redevelopment plan is underway. The redevelopment will enhance the Bank’s corporate image and provide a better environment for customers.



Taking full advantage of the warming in cross-strait relations, the Bank has implemented the “Green Channel” service with Bank of Shanghai in China and Shanghai Commercial & Savings Bank in Taiwan. The “Green Channel” provides unique one-stop premium banking services to VIP customers of the Bank in China, Hong Kong and Taiwan.

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Summary of 2008 Consolidated Results for Shanghai Commercial Bank Limited

	31/12/2008 (HK\$million)	31/12/2007 (HK\$million)	Percentage Increase (+)/ Decrease (-)
Interest income	3,936	5,317	-25.97%
Interest expense	1,970	3,281	-39.95%
Net interest income	1,966	2,036	-3.4%
Other operating income	958	1,569	-38.91%
Operating profit before provisions	1,920	2,631	-27.03
Impairment allowance of loans and advances to customers	(373)	(97)	+285.70%
Operating Profit	1,547	2,534	-38.96%
Profit attributable to shareholders	1,185	2,199	-46.10%

Summary of 2008 Financial Ratios for Shanghai Commercial Bank Limited

	31/12/2008	31/12/2007	Increase (+)/ Decrease (-)
Loan to deposit ratio*	58.06%	59.09%	-1.03%
Capital adequacy ratio	19%	20%	-1.00%
Average Liquidity ratio	47%	52%	-5.00%
Cost to income ratio	34.34%	27.01%	+7.33%
Net interest margin	1.96%	2.10%	-0.14%

* Loan to deposit ratio is stated based on total loans and advances, trade bills and holdings of debt securities issued by corporations to total deposits.