



**Press Release**

For Immediate Release

**Shanghai Commercial Bank Announced  
Consolidated Profit of HK\$1,336 Million for the Year 2009**

**Hong Kong, 26 April 2010** - The consolidated profit attributable to shareholders of Shanghai Commercial Bank (the "Bank") for the year 2009 was HK\$1,336 million, representing a gain of 12.7% from 2008. At the end of 2009, shareholders' funds of the Bank increased by 8.09% from the end of 2008 to HK\$16,034 million. Total customers' deposits increased by 2.19% to HK\$91,489 million. Total loans and advances to customers and trade bills before impairment allowances decreased by 11.62% to HK\$44,340 million.

Due to the continuous narrowing of net interest margin, the Bank's net interest income fell by 11.74%. However, the Bank's capital adequacy ratio remained strong at 19% and the liquidity ratio was 55 percent. The return on average total assets and return of average equity were 1.2% and 8.7% respectively.

The cost-to-income ratio of the Bank increased to 43.7% and such increase was caused mainly by additional compensation made for the Lehman Brothers Minibonds Repurchase Scheme. Otherwise, the ratio would have been 34.9%, versus 34.3% in 2008.

Looking ahead, the planning for the upgrade of Shanghai representative office to full branch is well underway and the Bank hopes to obtain necessary approval in 2010. The redevelopment project of the Head Office building is proceeding on course and the Bank has appointed the award winning Rocco Design Architects Limited as the project's architectural firm. The general building plan is expected to be finalized some time in 2010 and demolition of the current structures will commence in mid 2011.



In addition, the Bank reiterates the commitment to continuing to strengthen collaborations with Bank of Shanghai in China and Shanghai Commercial & Savings Bank in Taiwan and enhance the “Green Channel” service, a convenient one-stop premium banking services for VIP customers of the banks in China, Hong Kong and Taiwan.

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

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**Summary of 2009 Consolidated Results for Shanghai Commercial Bank**

	31/12/2009 (HK\$million)	31/12/2008 (HK\$million)	Percentage Increase (+)/ Decrease (-)
Interest income	2,395	3,936	-39.15%
Interest expense	660	1,970	-66.49%
Net interest income	1,735	1,966	-11.74%
Other operating income	1,159	958	+20.91%
Operating profit before provisions	1,630	1,920	-15.09%
Impairment allowance of loans and advances to customers	(58)	(373)	-84.45%
Operating Profit	1,572	1,547	+1.64%
Profit before comprehensive income attributable to equity holders	1,336	1,185	+12.71%

**Summary of 2009 Financial Ratios for Shanghai Commercial Bank**

	31/12/2009	31/12/2008	Increase (+)/ Decrease (-)
Loan to deposit ratio*	52.03%	58.06%	-6.03%
Capital adequacy ratio	19%	19%	0%
Average Liquidity ratio	55%	47%	+8.00%
Cost to income ratio	43.66%	34.34%	+9.32%
Net interest margin	1.57%	1.96%	-0.39%

\* 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.