For the purpose of preparing the consolidated cash flow statements, cash and cash equivalents comprise of the following amounts:

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Cash and cash equivalents in consolidated balance sheets	$3,329,141	$3,166,781	$2,840,102
Due from the Central Bank of China and other banks that meet the definition of cash and cash equivalents in IAS 7	17,521,290	18,294,442	19,637,610
Bills and bonds purchased under agreements to resell that meet the definition of cash and cash equivalents in IAS 7	3,460,558	4,967,234	5,878,341
Cash and cash equivalents in consolidated statement of cash flow	$24,310,989	$26,428,457	$28,356,053

6.2 Due from Central Bank and Call Loans to Banks

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Deposit reserve- Category A	$2,239,306	$2,665,825	$4,834,242
Deposit reserve- Category B	5,102,088	4,847,479	4,970,089
Due from Central Bank－National Treasury	178	－	－
NCD issued by Central Bank	15,500,000	13,160,000	11,400,000
Due from Central Bank－interbank settlement funds	370,314	635,480	130,151
Call loans to banks	8,388	3,326,630	2,800,000
Total	$23,220,274	$24,635,414	$24,134,482

(1) The deposit reserves deposited at the Central Bank of China are determined monthly at prescribed rates based on the average balances of deposits. Category A deposit reserve account is non-interest bearing and withdrawals may be made at any time. Category B reserve account is interest-bearing and no withdrawal is permitted unless upon monthly adjustment of the account or otherwise specifically provided by law.

(2) Please refer to Note 11 for details of NCD issued by the Central Bank of China as security over the various businesses of the Bank and subsidiaries as of December 31, 2013 and 2012 and January 1, 2012.

6.3 Financial Assets at Fair Balue Through Profit or Loss

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Financial assets held for trading:			
Short-term notes	$1,510,437	$1,262,610	$1,309,634
Stocks	1,235	－	－
Bonds (government, financial and corporate)	72,110	120,043	76,199
Subtotal	$1,583,782	$1,382,653	$1,385,833
Financial assets at fair value through profit or loss			
Convertible bonds	$ －	$75,459	$229,339
Subtotal	$ －	$75,459	$229,339
Derivative instruments			
Forwards	$1,789	$425	$677
Foreign exchange swaps	4,850	905	－
Subtotal	$6,639	$1,330	$677
Total	$1,590,421	$1,459,442	$1,615,849

Please refer to Note 6.17 for details of derivative contracts that have yet to mature as of December 31, 2013 and 2012 and January 1, 2012.

(1) The financial assets designated as financial assets at fair value through profit or loss are hybrid instruments.

(2) Please refer to Note 11 for details of financial assets held for trading of the Bank and its subsidiaries provided as collateral for the various businesses.

6.4 Available-For-Sale Financial Assets- Net

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Stocks	$192,515	$127,482	$93,603
Bonds (government, financial and corporate)	2,969,893	4,000,054	1,127,499
Beneficiary securities	60,923	128,428	11,207
NCD issued by the Central Bank	10,200,678	9,200,940	7,050,698
Foreign bonds	5,825,593	5,734,191	3,519,309
Less: accumulated impairment	–	–	–
Total	$19,249,602	$19,191,095	$11,802,316

(1) Please refer to Note 11 for details of available-for-sale financial assets held by the Bank and its subsidiaries provided as collateral for the various businesses as of December 31, 2013 and 2012 and January 1, 2012.

(2) The above available-for-sale financial assets of the Bank and its subsidiaries provided as the underlying securities for RP/RS trading as of December 31, 2013 and 2012 and January 1, 2012 amounted to NT$62,200 thousand, $ 59,900 thousand and $ 88,900 thousand, respectively.

6.5 Bills and Bonds With Agreements to resell

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Bills	$3,350,499	$4,712,224	$5,105,127
Government bonds	110,059	255,010	773,214
Total	$3,460,558	$4,967,234	$5,878,341

Bills and bonds with agreements to resell held by the Bank and its subsidiaries will be sold at agreed prices of $3,461,566 thousand, $4,968,743 thousand and $5,880,505 thousand, respectively after December 31, 2013 and 2012 and January 1, 2012. As of December 31, 2013 and 2012 and January 1, 2012, bonds with resell agreements were not provided as underlying securities for repurchase agreements.

6.6 Accounts Receivable

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Foreign exchange receivable	$ –	$145	$131
Interest receivable	381,552	410,205	356,666
Acceptances receivable	34,778	150,811	124,776
Credit card fees receivable	164,681	198,278	189,386
Factoring receivable	–	–	138,040
Revenues receivable	136,273	138,672	122,091
Accounts receivables from credit card issuers	15,280	11,033	12,111
Other receivable	79,469	65,083	9,000
Subtotal	$812,033	$974,227	$952,201
Less: allowance for doubtful accounts	(54,533)	(43,341)	(14,676)
Net	$757,500	$930,886	$937,525

6.7 Current Income Tax Assets/Liabilities

(1) Income tax expense

Item	2013	2012
Current income tax		
Current tax expense	$54,157	$22,000
Adjustment for prior periods	(5,411)	1,863
Subtotal	$48,746	$23,863
Deferred tax expense		
Origination and reversal of temporary differences	$11,268	($43,861)
Subtotal	$11,268	($43,861)
Income tax expense (benefit)	$60,014	($19,998)

The Bank and its subsidiaries expect to recover current income tax assets within 12 months of December 31, 2013 and 2012 and January 1, 2012 in the amounts of 19,862 thousand, $30,733 thousand, $33,357 thousand; No current asset is expected to be recovered beyond 12 months of the respective balance sheet dates. Current tax liabilities that will be repaid within 12 months of the balance sheet dates were $ 9,811 thousand, $7,301 thousand and $5,392 thousand, respectively; no tax liability was due beyond 12 months of the respective balance sheet dates.

(2) Differences between pre-tax income and taxable income are reconciled as follows:

An income tax rate of 17% was applicable to the Bank and its subsidiaries for the years ended December 31, 2013 and 2012. Please refer to Note 6.8 for details of deferred income tax items.

The Bank and subsidiaries' pre-tax income multiplied by the statutory tax rate and income tax expense were reconciled as follows:

Item	2013	2012
Pre-tax income	$479,119	$438,296
Income tax from pre-tax income calculated at a statutory rate of 17%	$81,450	$74,510
Adjustments:		
Net changes in deferred tax assets	11,268	(43,861)
Effects of income tax exemption	(39,926)	(20,397)
Effects of other tax adjustments	(13,259)	(43,911)
Differences in general tax amounts and basic tax amounts	25,892	11,798
Income tax adjustment for prior period	(5,411)	1,863
Income tax expense (benefit)	$60,014	($19,998)

(3) Please see Note 6 (25)- other equity for details of tax effects of other comprehensive income items.

(4) As of December 31, 2013, the income tax returns of the Bank, Insurance Agency and General Insurance Agency have been assessed by the tax authorities through to 2012.

(5) Imputation Tax System and Other Information:

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Balance of imputation tax credit	$170,660	$202,690	$163,588
Unappropriated earnings-before June 30, 1998	–	–	–
Unappropriated earnings-July 1, 1998 & thereafter	214,246	75,776	(780,278)

Item	2013	2012
Ratio of deductible tax credit for the appropriation of earnings	20.48% (Estimated)	20.48% (Actual)

The tax credit distributed to individual shareholders is computed based on the balance of the imputation credit account as of the dividend distribution date. As such, the Bank anticipates that the imputation tax credit rate used for appropriation of the 2013 earnings may differ from the tax credit rate applicable when distributed.

(6) Details of income tax credits the Bank and its subsidiaries were entitled to pursuant to the Statue for Upgrading Industry as of December 31, 2013: None.

6.8 Deferred Tax Assets/Liabilities

(1) Deferred income tax assets and liabilities are offset on the balance sheet when the Bank and its subsidiaries have a legally enforceable right to do so and that they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

Deferred tax assets and liabilities for years 2013 and 2012 were calculated by multiplying all temporary differences by the weighted-average effective tax rate of 17%.

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Deferred tax assets			
Deferred tax assets- recoverable in more than 12 months			
－Unrealized expense on provision of employees' pension	$132,629	$122,395	$50,415
－Other	1,364	1,390	3,101
Subtotal	$133,993	$123,785	$53,516
Deferred tax assets- recoverable in less than 12 months			
－Unused tax losses	$ －	$13,620	$40,766
－Other	(172)	4,521	678
Subtotal	($172)	$18,141	$41,444
Deferred income tax assets-net	$133,821	$141,926	$94,960

(2) Unrecognised deferred income tax assets

As of December 31, 2013 and 2012 and January 1, 2012, the balance of unrecognized deferred income tax assets was nil as of the respective balance sheet dates.

(3) Changes in deferred income tax assets

Item	2013	2012
Balance, January 1	$141,926	$94,960
Amount recognised in current income	(11,268)	43,861
Amount recognised in other comprehensive income	3,163	3,105
Balance, December 31	$133,821	$141,926

(4) Deferred income tax assets recognized in current income:

Item	2013	2012
Unrealized expense on provision of employees' pension	$5,459	$71,980
Carry-forward loss	(13,620)	(27,146)
Other	(3,107)	(973)
Deferred tax benefit (expense)	($11,268)	$43,861

(5) Deductible temporary difference and unused tax losses within the scope that are probable to offset taxable income are recognized by the Bank and subsidiaries as deferred income tax. The recoverability of deferred income tax assets recognized by the Bank and its subsidiaries as of in December 31, 2013 was assessed on the basis of profitability projections for the next 10 years. The Bank and its subsidiaries shall make adjustments to the recognized deferred tax asset amounts accordingly shall there be subsequent changes in the profitability assumptions. As of December 31, 2013, tax losses or amounts recoverable recognised as deferred income tax assets were both nil.

6.9 Discounts and Loans, Net

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Discounts	$1,001	$43,513	$10,982
Overdrafts	464,145	611,813	765,466
Short-term loans	54,386,478	53,744,128	57,460,456
Short-term secured loans	15,569,546	12,757,972	13,139,277
Medium-term loans	21,941,064	19,065,295	19,761,881
Medium-term secured loans	24,546,631	22,432,612	24,524,823
Long-term loans	13,192,243	13,829,419	12,490,735
Long-term secured loans	48,526,499	39,747,546	38,370,150
Import/export negotiations	31,304	34,759	64,545
Overdue loans	883,659	1,129,862	1,311,407
Subtotal	$179,542,570	$163,396,919	$167,899,722
Less: allowance for doubtful accounts	(1,281,095)	(1,352,574)	(1,683,852)
Net	$178,261,475	$162,044,345	$166,215,870

(1) Please see Note 8.3 (8) for details of evaluation on impairment of discounts and loans and receivables as of December 31, 2013 and 2012 and January 1, 2012.

(2) The Bank and its subsidiaries made appropriate allowance for credit losses arising from discounts, loans and receivables. As of December 31, 2013, details for allowance for credit losses in respect of discounts, loans and receivables are as follows:

A. Changes in allowance for credit losses with respect to discounts and loans:

Item	2013	2012
Balance, January 1	$1,352,574	$1,683,852
Provision	347,737	197,539
Write-offs	(505,706)	(837,942)
Recovery of written-off credits	174,015	319,474
Effects of exchange rate changes and others	(87,525)	(10,349)
Balance, December 31	$1,281,095	$1,352,574

B. Changes in allowance for credit losses with respect to accounts receivable:

Item	2013	2012
Balance, January 1	$43,341	$14,676
Provision	14,338	28,492
Write-offs	(3,498)	(505)
Recovery of written-off credits	1,114	–
Effects of exchange rate changes and others	(762)	678
Balance, December 31	$54,533	$43,341

C. Changes allowance for credit losses with respect to overdue accounts other than loans:

Item	2013	2012
Balance, January 1	$11,520	$20,061
Provision	2,463	19,807
Write-offs	(3,872)	(28,493)
Recovery of written-off credits	–	–
Effects of exchange rate changes and others	(432)	145
Balance, December 31	$9,679	$11,520

D. The Bank and its subsidiaries recognized $ 400,838 thousand bad debt expenses for the year ended December 31, 2013, of which $364,538 thousand were included in allowance for credit losses and $ 36,300 thousand in guarantee reserves. The Bank and its subsidiaries recognized $260,838 thousand bad debt expenses for the year ended December 31, 2012, of which $245,838 thousand were included in allowance for credit losses and $15,000 thousand in guarantee reserves.

6.10 Held-to-Maturity Financial Assets, Net

December 31, 2013: $0.
December 31, 2012: $0.

Item	January 1, 2012
Bonds (government, financial and corporate bonds)	$2,842,182
Foreign bonds	2,724,354
Less: accumulated impairment	–
Total	$5,566,536

(1) Please see Note 11 for details of the held-to-maturity financial assets used as collateral held by the Bank and subsidiaries as of December 31, 2013 and 2012 and January 1, 2012.
(2) In consideration of increasing the flexibility of asset use, in August, 2012, the Board of Directors of the Bank and its subsidiaries resolved to reclassify the entire balance of held-to-maturity assets to available-for-sale financial assets.

6.11 Other Financial Assets, Net

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Equity investments carried at cost	$1,118,567	$1,187,137	$1,187,137
Bond investments with no active market	555,850	559,564	2,026,789
Non-performing loans transferred from accounts other than loans	19,180	28,489	30,068
Short-term advances	29,118	22,221	20,016
Remittances purchased	627	–	–
Subtotal	$1,723,342	$1,797,411	$3,264,010
Less: allowance for doubtful accounts	(9,679)	(11,520)	(20,061)
Less: Accumulated Impairment- equity investment	–	(25,000)	–
Less: Accumulated Impairment- bond investment	(147,332)	(136,983)	(1,513,416)
Net	$1,566,331	$1,623,908	$1,730,533

Changes in accumulated impairment:

Item	2013	2012
Balance, January 1	$161,983	$1,513,416
Provisions	27,937	96,301
Write-off	(43,570)	(1,387,790)
Effects of exchange rate changes	982	(59,944)
Balance, December 31	$147,332	$161,983

6.12 Property and Equipment, Net

Name of Asset	Dec. 31, 2013			
	Cost	Accumulated Depreciation	Accumulated Impairment	Carrying Amount
Land	$2,031,893	$ –	$190,198	$1,841,695
Building	1,218,188	404,934	–	813,254
Machinery equipment	530,460	480,206	–	50,254
Transportation equipment	22,270	18,285	–	3,985
Miscellaneous equipment	87,547	78,262	–	9,285
Leasehold improvement	268,852	243,243	–	25,609
Total	$4,159,210	$1,224,930	$190,198	$2,744,082

Name of Asset	Dec. 31, 2012			
	Cost	Accumulated Depreciation	Accumulated Impairment	Carrying Amount
Land	$2,031,893	$ –	$190,198	$1,841,695
Building	1,218,188	383,188	–	835,000
Machinery equipment	621,583	564,260	–	57,323
Transportation equipment	24,558	20,016	–	4,542
Miscellaneous equipment	92,562	83,118	–	9,444
Leasehold improvement	245,641	235,647	–	9,994
Total	$4,234,425	$1,286,229	$190,198	$2,757,998

Name of Asset	Jan. 1, 2012			
	Cost	Accumulated Depreciation	Accumulated Impairment	Carrying Amount
Land	$2,038,893	$ –	$190,198	$1,848,695
Building	1,239,159	369,264	–	869,895
Machinery equipment	622,593	546,961	–	75,632
Transportation equipment	22,835	20,036	–	2,799
Miscellaneous equipment	95,618	85,234	–	10,384
Leasehold improvement	245,641	225,701	–	19,940
Total	$4,264,739	$1,247,196	$190,198	$2,827,345

(1) Changes in property and equipment:

Item	Land	Building	Machinery Equipment	Transportation Equipment	Miscellaneous Equipment	Leasehold Improvement	Total
Cost							
Balance, Jan. 1, 2013	$2,031,893	$1,218,188	$621,583	$24,558	$92,562	$245,641	$4,234,425
Additions	–	–	16,236	539	2,180	23,211	42,166
Disposals	–	–	(107,394)	(2,827)	(7,196)	–	(117,417)
Foreign exchange differences	–	–	35	–	1	–	36
Balance, Dec. 31, 2013	$2,031,893	$1,218,188	$530,460	$22,270	$87,547	$268,852	$4,159,210
Accumulated Depreciation							
Balance, Jan. 1, 2013	$ –	$383,188	$564,260	$20,016	$83,118	$235,647	$1,286,229
Depreciation	–	21,746	23,307	1,096	2,340	7,596	56,085
Disposals	–	–	(107,393)	(2,827)	(7,196)	–	(117,416)
Foreign exchange differences	–	–	32	–	–	–	32
Balance, Dec. 31, 2013	$ –	$404,934	$480,206	$18,285	$78,262	$243,243	$1,224,930
Accumulated Impairment							
Balance, Jan. 1, 2013	$190,198	$ –	$ –	$ –	$ –	$ –	$190,198
Impairment loss	–	–	–	–	–	–	–
Balance, Dec. 31, 2013	$190,198	$ –	$ –	$ –	$ –	$ –	$190,198
Net							
Balance, Dec. 31, 2013	$1,841,695	$813,254	$50,254	$3,985	$9,285	$25,609	$2,744,082

Item	Land	Building	Machinery Equipment	Transportation Equipment	Miscellaneous Equipment	Leasehold Improvement	Total
Cost							
Balance, Jan. 1, 2012	$2,038,893	$1,239,159	$622,593	$22,835	$95,618	$245,641	$4,264,739
Additions	–	–	9,314	2,743	1,627	–	13,684
Disposals	(7,000)	(20,971)	(10,271)	(1,020)	(4,682)	–	(43,944)
Foreign exchange differences	–	–	(53)	–	(1)	–	(54)
Balance, Dec. 31, 2012	$2,031,893	$1,218,188	$621,583	$24,558	$92,562	$245,641	$4,234,425
Accumulated Depreciation							
Balance, Jan. 1, 2012	$ –	$369,264	$546,961	$20,036	$85,234	$225,701	$1,247,196
Depreciation	–	22,088	27,562	1,001	2,563	9,946	63,160
Disposals	–	(8,164)	(10,217)	(1,021)	(4,678)	–	(24,080)
Foreign exchange differences	–	–	(46)	–	(1)	–	(47)
Balance, Dec. 31, 2012	$ –	$383,188	$564,260	$20,016	$83,118	$235,647	$1,286,229
Accumulated Impairment							
Balance, Jan. 1, 2012	$190,198	$ –	$ –	$ –	$ –	$ –	$190,198
Impairment loss	–	–	–	–	–	–	–
Balance, Dec. 31, 2012	$190,198	$ –	$ –	$ –	$ –	$ –	$190,198
Net							
Balance, Dec. 31, 2012	$1,841,695	$835,000	$57,323	$4,542	$9,444	$9,994	$2,757,998

(2) Reconciliation of property and equipment additions with the cash flow:

Item	Dec. 31, 2013	Dec. 31, 2012
Property and equipment additions	$42,166	$13,684
Foreign exchange differences	4	(7)
Decommissioning liabilities	(2,777)	—
Consideration paid for property and equipment	$39,393	$13,677

(3) The land situated at Hsin Hsing District owned by the Bank and its subsidiaries was a land acquired by the Bank prior to privatization of the Bank, and was planned to be used as the business premise of the Bank and subsidiaries. However, after privatization of the Bank, the Bank is no longer a governmental institution and due to the zoning restrictions, the Bank and subsidiaries had applied to the Kaohsiung Municipal Government in writing to alter the zoning registration, which was approved in March, 2013.

(4) As of December 31, 2013 and 2012 and January 1, 2012, the insured amounts for property and equipment were $1,944,849 thousand, $1,935,651 thousand and $1,972,146 thousand, respectively.

6.13 Intangible Assets, Net

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Cost of computer software – being used	$159,760	$124,744	$133,428
Cost of computer software – yet to go live	—	26,875	28,219
Less: accumulated amortisation	(118,445)	(101,382)	(99,082)
Accumulated impairment	—	—	—
Net	$41,315	$50,237	$62,565

Changes in intangible assets:

Item	2013	2012
Cost		
Balance, January 1	$151,619	$161,647
Additions	8,141	764
Disposals	—	(10,792)
Balance, December 31	$159,760	$151,619
Accumulated amortisation		
Balance, January 1	$101,382	$99,082
Amortisation expense	17,063	13,092
Disposals	—	(10,792)
Balance, December 31	$118,445	$101,382
Accumulated Impairment		
Balance, January 1	$ —	$ —
Impairment loss	—	—
Balance, December 31	$ —	$ —
Intangible assets, net	$41,315	$50,237

6.14 Other Assets, Net

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Refundable deposits	$32,337	$26,795	$26,039
Miscellaneous assets	4,136	5,633	8,030
Prepayments	22,508	25,127	24,846
Total	$58,981	$57,555	$58,915

6.15 Due to Central Bank of China and Other Banks

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Due to the Central Bank	$74,907	$68,783	$57,049
Due to banks	112,487	186,624	113,021
Due to Chunghwa Post	794,472	919,994	1,500,133
Overdrafts on banks	534,499	5,308	46,355
Calls loan from other (central) banks	13,508,300	10,754,970	9,795,038
Total	$15,024,665	$11,935,679	$11,511,596

6.16 Financial Liabilities at Fair Balue Through Profit or Loss

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Derivatives			
Forwards	$857	$613	$268
Foreign exchange swaps	4,764	—	3,569
Total	$5,621	$613	$3,837

The Bank and subsidiaries engaged in derivative transactions for the years ended December 31, 2013 and 2012 for the purpose of meeting clients' trading needs, squaring the Bank's positions, meeting the Bank's funding requirements in different currencies and hedging against risks arising from interest rate fluctuations. The hedging strategy of the Bank and subsidiaries primarily aims at hedging against risks arising from market price or cash flow fluctuations. As of December 31, 2013 and 2012 and Jan. 1, 2012, the contractual amounts (notional principal) of the derivative contracts held by the Bank and subsidiaries were as follows:

	Contractual Amount		
Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Forward exchange contracts	246,395	204,236	258,018
Foreign exchange swap contracts	1,162,657	233,837	866,749

6.17 Bills and Bonds Sold with Agreement to Repurchase

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Bills	$ —	$ —	$ —
Government bonds	68,019	68,914	103,207
Total	$68,019	$68,914	$103,207

The purchase considerations for bills and bonds sold with agreement to repurchase after December 31, 2013 and 2012 and January 1, 2012 were $68,136 thousand, $69,015 thousand and $103,335 thousand.

6.18 Payables

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Accounts payable	$13,488	$10,162	$11,962
Acceptances	34,778	150,811	124,776
Interest payable	356,429	375,780	392,520
Accrued expenses	194,051	172,776	153,902
Collections for others	218,872	37,558	40,397
Checks for clearing	505,160	1,447,863	1,172,360
Payroll transfers payable	1,122,257	1,406,255	1,221,593
Other payables	302,184	355,717	263,788
Total	$2,747,219	$3,956,922	$3,381,298

6.19 Deposits and Remittances

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Checking account deposits	$2,158,202	$2,420,670	$3,382,844
Public treasury deposits	12,323,322	11,905,378	10,815,120
Demand deposits	21,236,799	19,067,491	18,339,298
Time deposits	58,184,960	55,715,621	63,872,935
Negotiable certificate of deposits	404,300	2,394,600	5,685,900
Demand savings deposits	47,034,166	44,756,545	43,517,559
Time savings deposits	57,343,514	53,191,843	48,251,659
Remittances	4,681	3,331	707
Total	$198,689,944	$189,455,479	$193,866,022

6.20 Bank debentures

Item	Offering Period Interest Rate	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Subordinate financial debentures First issue, 2007	2007. 6.12 - 2014.6.12 1.263%, 1.294% &1.261%	$1,000,000	$1,000,000	$1,000,000
Subordinate financial debentures First issue, 2009	2009. 1.20 - 2016.1.20 3.4%	3,000,000	3,000,000	3,000,000
Subordinate financial debentures First issue, 2013	2013. 8.6 -2010. 8.6 2.1%	1,300,000	—	—
Subordinate financial debentures Second issue, 2013	2013. 9.5 - 2010. 9.5 2.1%	700,000	—	—
Total		$6,000,000	$4,000,000	$4,000,000

6.21 Other Financial Liabilities

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Appropriated loan funds	$7,264	$19,500	$30,907
Appropriated loans	131,439	132,616	164,243
Total	$138,703	$152,116	$195,150

Appropriated loan funds described above refer to the various special syndicated loans organized by the Bank and subsidiaries, the Small and Medium Enterprise Development Fund, the National Youth Commission of the Executive Yuan and the Development Fund of the Executive Yuan. The collected funds were entrusted to the Bank by the respective committees to fund special project loans.

6.22 Reserves for Liabilities

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Reserve for employee benefit liabilities	$788,335	$728,138	$672,403
Reserve for guarantee liabilities	51,300	15,000	–
Other	15,855	13,078	13,078
Total	$855,490	$756,216	$685,481

(1) Changes in reserve for guarantee liabilities:

Item	2013	2012
Balance at beginning of period	$15,000	$ –
Provisions (reversals)	36,300	15,000
Balance at end of period	$51,300	$15,000

6.23 Reserves for employee benefits

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Recognised in consolidated balance sheet:			
– Defined benefit plan	$749,336	$689,207	$626,944
– Employee preferential savings plan	38,999	38,931	45,459
Total	$788,335	$728,138	$672,403

(1) Defined benefit plan:

A. The Bank and its subsidiaries have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Bank and its subsidiaries contribute monthly an amount equal to 8% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

B. The amounts recognized in the consolidated balance sheet were determined as follows:

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Defined benefit obligation	$1,334,212	$1,258,053	$1,157,647
Fair value of plan assets	584,876	568,846	530,703
Unrecognised past service costs	–	–	–
Net liabilities recognised in balance sheet	$749,336	$689,207	$626,944

C. Changes in the Present Value of Defined Benefit Obligation:

Item	2013	2012
Defined benefit obligation as of January 1	$1,258,053	$1,157,647
Service cost	91,697	92,511
Interest cost	24,823	23,078
Actuarial gain or loss	24,339	13,323
Benefits paid	(64,700)	(28,506)
Defined benefit obligation as of December 31	$1,334,212	$1,258,053

D. Changes in the Fair Value of Plan Assets:

Item	2013	2012
Fair value of plan assets as of January 1	$568,846	$530,703
Expected return on plan assets	11,711	11,034
Actuarial gain or loss	(4,434)	(5,692)
Employer contributions	48,643	49,274
Benefits paid	(39,890)	(16,473)
Fair value of plan assets as of December 31	$584,876	$568,846

E. Total amount of expenses recognised in the consolidated comprehensive income statement:

Item	2013	2012
Service cost	$91,697	$92,511
Interest cost	24,823	23,078
Expected return on plan assets	(11,711)	(11,034)
Pension cost	$104,809	$104,555

Details of pension expenses recognised in the consolidated comprehensive income statement:

Item	2013	2012
Employee benefit expense	$104,809	$104,555

F. Actuarial loss (gain) recognised in other comprehensive income:

Item	2013	2012
Accumulated balance, January 1	$19,015	$ —
Increase	28,773	19,015
Accumulated balance, December 31	$47,788	$19,015

G. The Bank of Taiwan was commissioned to manage the Fund of the Bank's and subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and Article 6 of the “Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund” (including deposits in domestic or foreign financial institutions, investment

in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of December 31, 2013 and 2012 is given in the Annual Labor Retirement Fund Utilization Report published by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilization by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

H. The principal actuarial assumptions used were as follows:

Item	2013	2012
Discount rate	2.00%	2.00%
Future salary increases	2.00%	2.00%
Expected long-term return on plan assets	2.00%	2.00%

I. Historical information of experience adjustments was as follows:

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Present value of defined benefit obligation	($1,334,212)	($1,258,053)	($1,157,647)
Fair value of plan assets	584,876	568,846	530,703
Surplus/(deficit) in the plan	($749,336)	($689,207)	($626,944)
Experience adjustments on plan liabilities	$24,339	$13,323	$ –
Experience adjustments on plan assets	$4,434	$5,692	$ –

(2) Defined contribution plan:

A. Effective July 1, 2005, the Bank and its subsidiaries have established a funded defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”). Employees have the option to be covered under the New Plan. Under the New Plan, the Bank contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The payment of pension benefits is based on the employees' individual pension fund accounts and the cumulative profit in such accounts, and the employees can choose to receive such pension benefits monthly or in lump sum.

B. The pension costs under the defined contribution pension plan recognized by the Bank and its subsidiaries for the years ended December 31, 2013 and 2012 were $13,330 thousand and $12,313 thousand, respectively.

(3) Employee preferential savings plan:

A. Please refer to Note 4.19 for details of the payment obligations of fixed-amount preferential savings of the Bank's and subsidiaries' retired employees and current employees after retirement. The employee preferential savings plan is administered in accordance with internal policies.

B. The amounts recognized in the consolidated balance sheet were determined as follows:

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Defined benefit obligation	$38,999	$38,931	$45,459
Fair value of plan assets	–	–	–
Unrecognized past service cost	–	–	–
Net liabilities recognized in balance sheet	$38,999	$38,931	$45,459

A. Changes in fair value of defined benefit obligation:

Item	2013	2012
Defined benefit obligation as of January 1	$38,931	$45,459
Interest cost	1,277	1,818
Actuarial loss (gain)	(693)	(8,025)
Recognise deficiency in pension expense	13,945	13,818
Benefits paid	(14,461)	(14,139)
Defined benefit obligation as of December 31	$38,999	$38,931

B. Total amount of expenses recognized in comprehensive income statement

Item	2013	2012
Interest cost	$1,277	$1,818
Adjustments required	13,945	13,818
Pension cost	$15,222	$15,636

Details of the above expenses recognized in the consolidated statement of income:

Item	2013	2012
Employee benefit expense	$15,222	$15,637

C. Actuarial loss (gain) recognized in other comprehensive income:

Item	2013	2012
Accumulated balance, January 1	($8,025)	$ —
Increase	(693)	(8,025)
Accumulated balance, December 31	($8,718)	($8,025)

D. The principal actuarial assumptions used were as follows:

Item	2013	2012
Discount rate	4.00 %	4.00%
Future pay rise rate	2.00 %	2.00%
Expected return on funds deposited	2.00%	2.00%
Annual decreasing ratio for account balance	5.837%	4.252%
Probability of cancellation of preferential savings system in the future	50.00%	50.00%
Deposit rate offered to general clients for similar deposits	2.00%	2.00%

E. Historical information of experience adjustments was as follows:

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Present value of defined benefit obligation	$38,999	$38,931	$45,459
Fair value of plan assets	—	—	—
Surplus/(deficit) in the plan	$38,999	$38,931	$45,459
Experience adjustments on plan liabilities	($693)	($8,025)	$ —
Experience adjustments on plan assets	$ —	$ —	$ —

6.24 Other Liabilities

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Guarantee deposits received	$42,132	$39,843	$38,903
Advance receipts	95,565	114,252	63,243
Temporary receipts and suspense accounts	7,063	26,487	1,135
Other	89	455	143
Total	$144,849	$181,037	$103,424

6.25 Equity

(1) Ordinary share and capital increase

As of December 31, 2013 and 2012 and January 1, 2012, the Bank's and subsidiaries' authorized capital was $15,000,000 thousand as of the balance sheet dates, while the issued capital was $7,210,492 thousand, $7,069,476 thousand and $7,069,476 thousand, respectively represented by 721,049 thousand shares, 706,947 thousand shares and 706,947 thousand shares, respectively, with a par value of $10 per share.

Shareholders of the Bank, in the shareholders' meeting held on June 20, 2013, adopted the proposal for appropriation of the 2012 earnings, which involved capital increase by capitalising shareholders' bonus in the amount of $127,251 thousand and employee profit sharing in the amount of $12,568 thousand (calculated at $9.32 per share being the closing price on the date prior to shareholders' resolution and thus resulting in issuance of 1,377 thousand shares with a total par value of $13,765 thousand). The aforesaid capital increase proposal was approved by the FSC on July 15, 2013 authorizing the Bank to issue a total of 14,102 common shares with a par value of $10. The ex-dividend date for the capital increase was scheduled to be August 7, 2013 and change of registration with the Ministry of Economic Affairs should complete on August 26, 2013.

(2) Capital surplus

Item	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Surplus arising from issuance of new shares at a premium	$2,016,544	$2,016,544	$2,016,544
Endowment received	61	61	61
Surplus arising from employee bonus	—	1,119	1,119
Total	$2,016,605	$2,017,724	$2,017,724

The Company Act provides that capital surplus arising from issuance of new shares at a premium and endowment received may be used to offset accumulated loss. Where a company incurs no loss, it may, distribute its capital surplus by issuing new shares which shall be distributable as dividend shares to its original shareholders in proportion to the number of shares being held by each of them or by cash. The Securities and Exchange Act also prescribes that the total amount of capital surplus capitalized for issuance of new shares shall not exceed 10% of the total issued capital per year. A company shall not use the capital reserve to recover its capital loss, unless the surplus reserve is insufficient to recover such loss.

(3) Legal reserve

A company shall set aside a legal reserve until its balance equals the amount of total issued capital. Legal reserve may be used to offset loss. Amendments to the Company Act announced on January 4, 2012 provide that the portion of the legal reserve exceeding 25% of paid-in capital may be capitalized or distributed by cash. On the other hand, the Banking Law provides that prior to the balance of legal reserve reaching total paid-in capital, the maximum amount distributed by cash shall not exceed 15% of total paid-in capital.

(4) Special reserve

In addition to the legal reserve, the Bank shall set aside a special reserve in accordance with the Articles of Incorporation or regulatory requirements. As of December 31, 2013 and 2012 and January 1, 2012, the Company's special surplus amounted to $0, $0 and $41,937 thousand, respectively.

(5) Other equity items

Item	Exchange differences on translation of financial statements of foreign operations	Available-for-sale financial assets	Other	Total
Balance, January 1, 2013	($6,042)	$107,961	$487	$102,406
Foreign currency translation adjustments				
– Gain or loss on translating the financial statements of foreign operating entities in the period	9,475	–	–	9,475
– Tax effects on Gain or loss on translating the financial statements of foreign operating entities in the period	(1,611)	–	–	(1,611)
Available-for-sale financial assets				
– Unrealized (loss) gain on available- for-sale financial assets	–	(141,605)	–	(141,605)
– Tax effects of unrealized (loss) gain on available-for-sale financial assets	–	–	–	–
– Reclassification of accumulated (gain) or loss on disposal of available- for-sale financial assets to income statement	–	(54,689)	–	(54,689)
– Tax effects of reclassification of Accumulated gain or loss on disposal of available-for-sale financial assets	–	–	–	–
Actuarial gain or loss on defined benefitplan				
– Amount recognized in current period	–	–	–	–
– Amount transferred to retained earnings in current period	–	–	–	–
Other				
– Movements in current period	–	–	(33)	(33)
Balance, December 31, 2013	$1,822	($88,333)	$454	($86,057)

Item	Exchange differences on translation of financial statements of foreign operations	Available-for-sale financial assets	Other	Total
Balance, January 1, 2012	$ —	($48,932)	$521	($48,411)
Foreign currency translation adjustments				
— Gain or loss on translating the financial statements of foreign operating entities in the period	(7,280)	—	—	(7,280)
— Tax effects on Gain or loss on translating the financial statements of foreign operating entities in the period	1,238	—	—	1,238
Available-for-sale financial assets				
— Unrealized (loss) gain on available- for-sale financial assets	—	292,327	—	292,327
— Tax effects of unrealized (loss) gain on available-for-sale financial assets	—	—	—	—
— Reclassification of accumulated (gain) or loss on disposal of available- for-sale financial assets to income statement	—	(135,434)	—	(135,434)
— Tax effects of reclassification of Accumulated gain or loss on disposal of available-for-sale financial assets	—	—	—	—
Actuarial gain or loss on defined benefitplan				
— Amount recognized in current period	—	—	—	—
— Amount transferred to retained earnings in current period	—	—	—	—
Other				
— Movements in current period	—	—	(34)	(34)
Balance, December 31, 2012	($6,042)	$107,961	$487	$102,406

A. Unrealized gains or losses arising from available-for-sale financial assets refer to accumulated gains or losses arising from available-for-sale financial assets revalued at fair value, which were recognized in other comprehensive income, less any amount that was reclassified to income statement upon disposal or impairment of such assets.

B. The income tax effects of other comprehensive income items:

FY 2013:

Item	Exchange differences on translation of financial statements of foreign operations	Available-for-sale financial assets	Actuarial gain or loss arising from defined benefit plan	Total
Pre-tax amount	$9,475	($196,294)	($28,080)	($214,899)
Income tax effects	(1,611)	—	4,774	3,163
Net of tax	$7,864	($196,294)	($23,306)	($211,736)

FY 2012:

Item	Exchange differences on translation of financial statements of foreign operations	Available-for-sale financial assets	Actuarial gain or loss arising from defined benefit plan	Total
Pre-tax amount	($7,280)	$156,893	($10,990)	$138,623
Income tax effects	1,238	—	1,867	3,105
Net of tax	($6,042)	$156,893	($9,123)	$141,728

6.26 Retained of Earnings and Dividend Policy

Item	2013	2012
Unappropriated earnings at beginning of period	$75,776	($780,278)
Legal reserve used to offset loss	—	364,946
Special reserve used to offset loss	—	41,937
Provision for legal reserve	(115,861)	—
Stock dividend	(127,251)	—
Cash dividend	(14,139)	—
Employee bonuses capitalized	(78)	—
Actuarial gain or loss— employee pension liabilities	(23,881)	(15,783)
Actuarial gain or loss— employee preferential savings	575	6,660
Net income(loss)	419,105	458,294
Unappropriated earnings at end of period	$214,246	$75,776

(1) According to the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior year's operating loss, and 30% of the remaining amount should then be set aside as legal reserve. A provision for or reversal of the special reserve shall be determined in accordance with provisions under the applicable laws and regulations and according to actual business requirements. The remaining earnings are then distributed as follows: (1) 2% to as remuneration to directors and supervisors; (2) 8% as bonuses to employees; and (3) 90% for distribution of dividends to shareholders. The Board of directors may, depending on future business

requirements and profitability, retain all or part of earnings. Distribution of dividends to shareholders may be determined according to current earnings and business development requirements with the Board of Directors proposing to the shareholders' meeting to make adjustments to the percentage of earnings to be distributed as cash dividends and stock dividends, to the extent that cash dividends shall be no less than 5% of stock dividends distributed in the current year. The maximum amount of earnings that may be distributed prior to the legal reserve reaching the total amount of paid-in capital or prior to the capital adequacy level reaching the required standard as set out in the Banking Law, shall be subject to the provisions of the Banking Law and laws and regulations prescribed by the competent authority.

(2) Legal reserve may not be appropriated unless used to offset prior year's loss or the portion of the legal reserve exceeding 25% of paid-in capital may be distributed by issuing new shares which shall be distributable as dividend shares to its original shareholders in proportion to the number of shares being held by each of them or by cash.

(3) A. In accordance with Article 41 of the Securities and Exchange Act, in addition to provision for legal reserve, a company is required to set aside a portion of earnings as special reserve equivalent to the balance of contra equity accounts (such as unrealized gain or loss of financial instruments, cumulative translation adjustments etc). Subsequent reversal of any contra equity amounts may be distributed.

B. Reversal of special reserve set aside in accordance with Gin-Guan-Zheng-Fa letter No. 1010012865 of FSC dated on April 6, 2012 upon the first-time adoption of IFRSs to retained earnings shall be based on the proportion of the original ratio of special reserve upon subsequent use, disposal or reclassification of related assets.

(4) The Bank estimates the percentage of earnings that will be distributed as employee bonuses or remuneration to directors and supervisors in accordance with the Articles of Incorporation and with reference to the average percentage of distribution for prior years as resolved by shareholders' meeting. The Bank recognized the estimated costs of $13,200 thousand and $18,850 thousand as employees' bonuses and $3,300 thousand and $4,710 thousand as remuneration to directors and supervisors for years 2013 and 2012, respectively. The difference, if any, is treated as changes in accounting estimates and will be adjusted in the year in which shareholders approved the actual amounts to be distributed.

(5) Appropriation of earnings for 2012 and 2011 resolved by the shareholders' meeting in June 2013 and June 2012, respectively and earnings per share:

	Earnings Appropriation		EPS ($)	
Item	2012	2011	2012	2011
Legal reserve	$115,861	$ —		
Special reserve	—	—		
Common shares cash dividend	14,139	—	0.02	—
Common shares stock dividend	127,251	—	0.18	—
Total	$257,251	$ —		

Information on the appropriation of the Bank's earnings as approved by the Board of Directors and in the shareholders' meeting is posted in the “Market Observation Post System” at the website of the Taiwan Stock Exchange.

(6) In 2013, shareholders resolved in the shareholders' meeting to distribute $12,568 thousand and $3,142 thousand as employee bonuses and remuneration to directors and supervisors, respectively, resulting in differences of $6,282 thousand in employee bonuses and $1,568 thousand in remuneration to directors and supervisors compared to amounts recognized in the 2012 financial statements which were, $18,850 thousand and $4,710 thousand, respectively. The aforesaid differences will be adjusted in the year of shareholders' resolution.

(7) As of March 27, 2014, the Board of Directors have yet to propose the appropriation of earnings and earnings per share for 2013.

6.27 Net interest Income

Item	2013	2012
Interest income		
Interest from bills discounted and loans	$3,591,204	$3,371,825
Interest from deposits and call loans from other banks	178,458	146,227
Interest from securities investment	348,293	397,105
Credit card revolving interest income	1,114	1,056
Other interest income	40,270	73,722
Subtotal	$4,159,339	$3,989,935
Interest expense		
Interest expenses from deposits	$1,617,178	$1,626,258
Interest expenses from interbank overdraft and call loans	139,857	138,290
Interest expenses on financial debentures	130,702	114,778
Other interest expenses	2,275	4,222
Subtotal	$1,890,012	$1,883,548
Net interest income	$2,269,327	$2,106,387

Interest accrued on financial assets on which an impairment has occurred for the years 2013 and 2012 was $14,511 thousand and $17,541 thousand, respectively.

6.28 Commission and Fee Revenues, Net

Item	2013	2012
Service fee revenue		
Service fee revenue- trust business	$109,718	$88,944
Service fee revenue- guarantees	41,421	41,561
Service fee revenue- foreign exchange	9,203	9,760
Service fee revenue- loans	54,671	50,981
Credit card service fee revenue	13,943	17,862
Agency fee revenue	234,201	214,819
Deposit and remittance service fee revenue and other service fee revenue	36,631	46,233
Subtotal	$499,788	$470,160
Service fee expense		
Service fee expense- foreign exchange	$6,129	$6,031
Deposit and remittance service fee expense and other service fee expenses	35,350	37,819
Subtotal	$41,479	$43,850
Net service fee revenue	$458,309	$426,310

The Bank and its subsidiaries provide custodian, trust, investment management and consulting services to third parties, which involve the planning, management and decision-making in determining the use of financial instruments. Assets managed under a trust fund or in an investment portfolio are separately presented in separate accounts and financial statements and are not included in the Bank's and subsidiaries' financial statements.

6.29 Financial Assets or Financial Liabilities at Fair Value Through Profit or Loss

Item	2013	2012
Gain and loss from disposal of financial assets and liabilities at fair value through profit or loss		
Interest income	$15,020	$17,873
Stock dividends	1,639	—
Gain (loss) on disposal－non-derivative instruments	3,753	17,759
Gain (loss) on disposal－derivative instruments	41,546	(33,633)
Subtotal	$61,958	$1,999
Valuation gains and losses on financial assets and liabilities at fair value through profit or loss		
Non-derivative instruments	($6,405)	($341)
Derivative instruments	301	3,877
Subtotal	($6,104)	$3,536
Total	$55,854	$5,535

6.30 Realized Gain or (Loss) on Available-for-Sale Financial Assets, Net

Item	2013	2012
Stock dividend	$4,225	$2,994
Gain on disposal		
Bond	103,633	140,858
Stock and funds	6,386	28
Subtotal	$114,244	$143,880
Loss on disposal		
Bond	$51,722	$2,521
Stock and funds	3,608	2,931
Subtotal	$55,330	$5,452
Total	$58,914	$138,428

6.31 Realized Gain (Loss) on Held-to-Maturity Financial Assets

Item	2013	2012
Gain on disposal－ government bonds	$ —	$ —
Gain on disposal－ corporate bonds	—	—
Gain on disposal－ financial debentures	—	269
Total	$ —	$269

6.32 Impairment (Reversal Gain) of Assets

Item	2013	2012
Loss on impairment of financial assets with no active market	$9,367	$71,301
Loss on impairment of financial assets carried at cost	18,570	25,000
Total	$27,937	$96,301

6.33 Other Net non-Interest Income

Item	2013	2012
Gain on rental income	$5,023	$4,721
Gain on financial assets carried at cost	36,581	35,338
Other net gain or (loss)	74,694	12,332
Total	$116,298	$52,391

Please refer to Note 12.2 for details of amounts received with respect to the Lehman Brothers investments that were transferred to income.

6.34 Employee Benefit Expense

Item	2013	2012
Wages and salaries	$1,150,859	$1,130,495
Labor and health insurance fees	90,837	88,430
Pensions costs (Note)	136,352	136,436
Other employee benefits	10,081	9,740
Total	$1,388,129	$1,365,101

(Note): Included compensation payments amounting to $2,991 thousand and $3,932 thousand, respectively.

6.35 Depreciation and Amortization Expense

Item	2013	2012
Depreciation expense- property and equipment	$56,085	$63,160
Amortisation expense- intangible assets and other assets	18,990	15,404
Total	$75,075	$78,564

6.36 Other Business and Administrative Expense

Item	2013	2012
Taxes and dues	$114,719	$106,487
Rental expense	119,273	116,110
Insurance expenses	81,230	91,977
Postage & handling	13,877	14,401
Utility expense	24,145	23,241
Consumables	24,147	21,055
Repair expense	41,233	42,622
Business promotion and advertising expenses	17,594	16,435
Professional service fees	49,201	49,388
Other	108,685	83,536
Total	$594,104	$565,252