

2016 1H Interim Results

Fubon Financial Holdings

2016.08.26



This meeting may contain forward-looking statements with respect to the financial condition, results of operations and business of the company. These forward-looking statements represent the company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed. Certain statements, such as those that include the words "potential", "estimated", and similar expressions or variations on such expressions may be considered "forward-looking statements". Financial numbers in this report may include preliminary unaudited numbers or management accounts.



- ***Performance highlights of Fubon Financial Holdings***

- ***Performance review by subsidiary***

- *Taipei Fubon Bank*
- *Fubon Life*
- *Fubon Insurance*
- *Fubon Securities*
- *Overseas banking operation*



Net profits NT\$23,711 million in 6M16, down 43.6% yoy, due to lower investment income and higher first year strain on the back of strong premium growth as regular-paid policies increase

Taipei Fubon Bank

- Net interest revenue and net fee revenue maintain steady growth
- Net interest margin maintains stable

Fubon Life

- Recurring return continues improving and well above breakeven point
- First year premium up 43.2% yoy with 17.7% market share. Contribution from regular-paid premium continue growing

Fubon Insurance

- Leading position in premium income with 23.1% market share
- P&C (China) saw premium growth of 20.9% yoy in 1H16, ranking top five among foreign peers

Fubon Securities

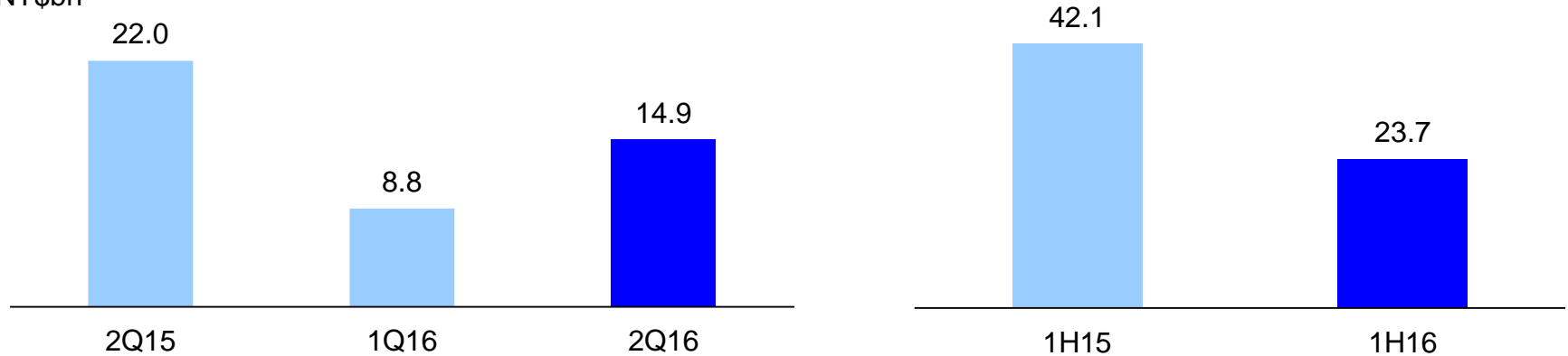
- Stable market share across business lines
- Wealth management business development, aiming to be regional ETF market leader

Fubon Financial Holdings: Profitability



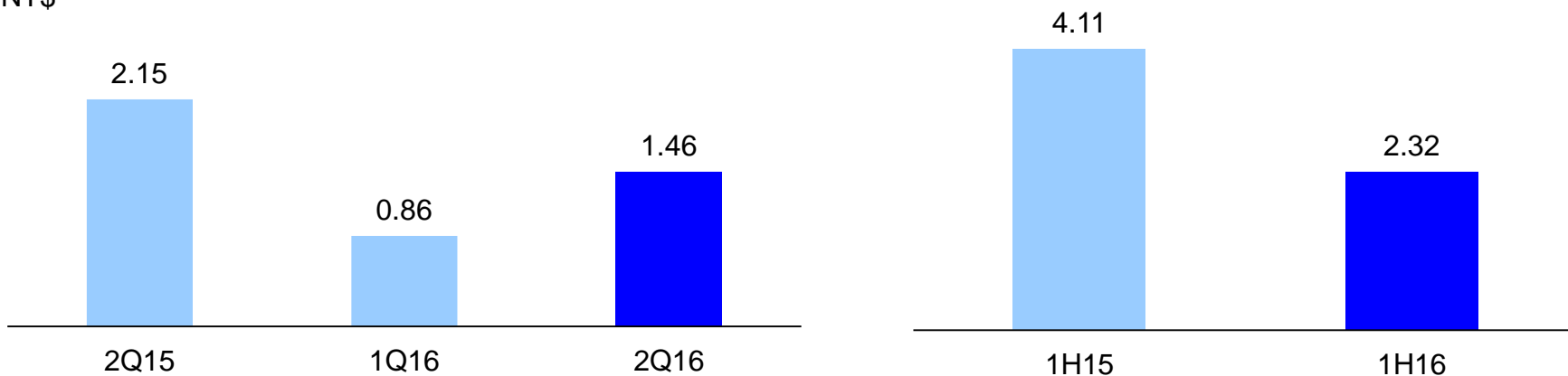
Net profits

NT\$bn



Earning per share (EPS)

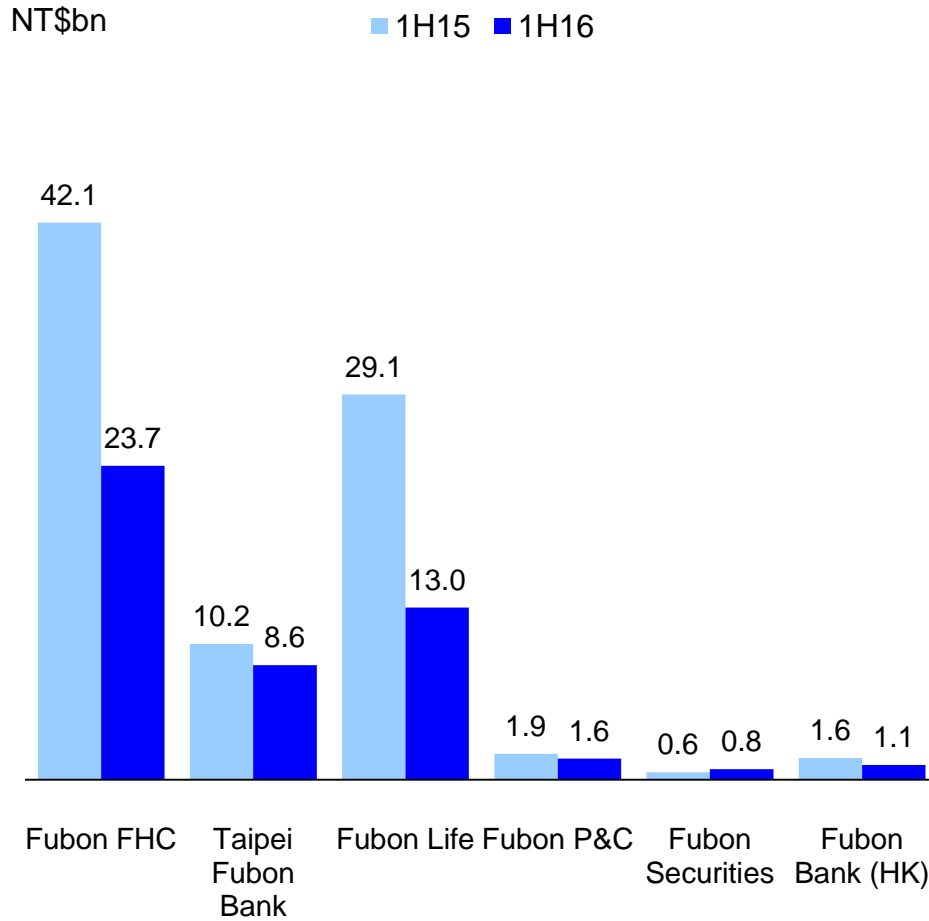
NT\$



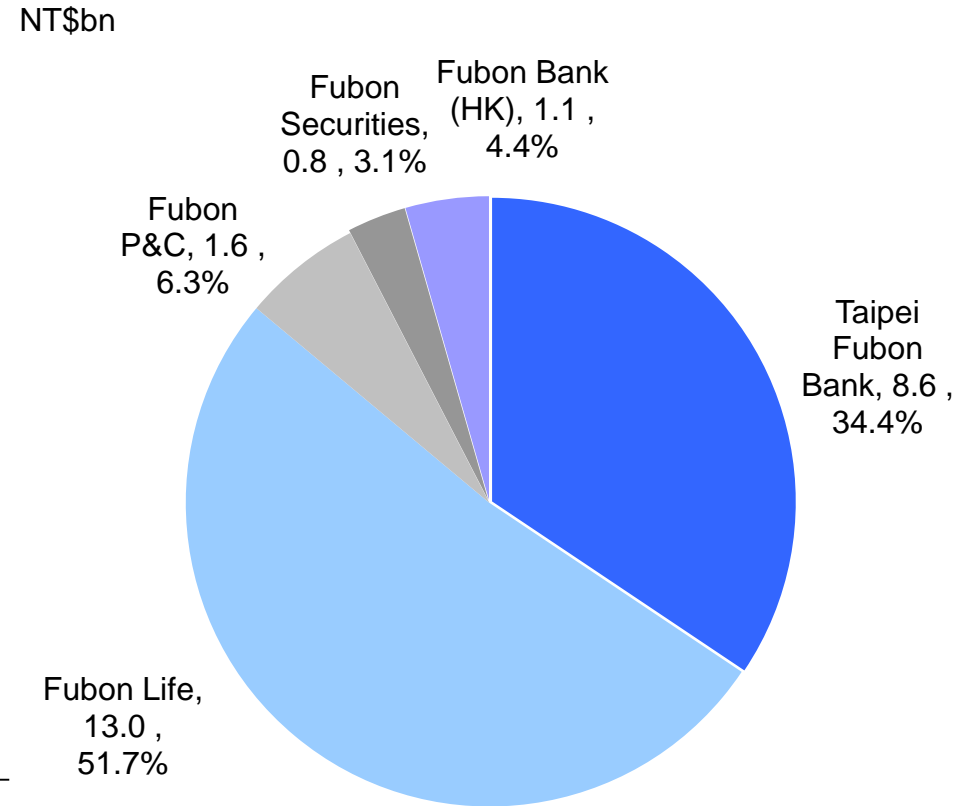
Fubon Financial Holdings: Net profits from major subsidiaries



Net profits from major subsidiaries



Profit contribution from major subsidiaries



Note:

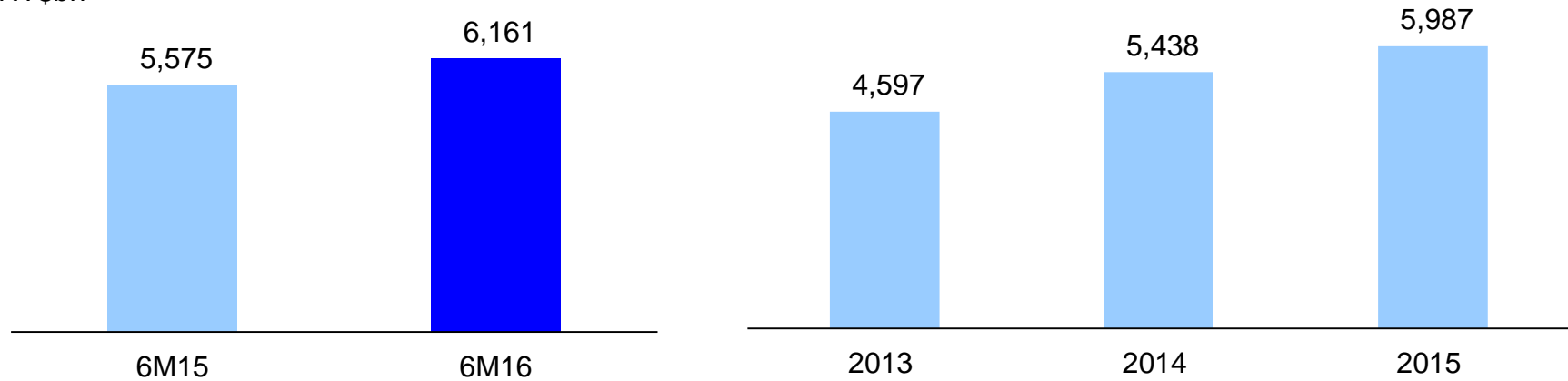
(1) Profit contribution are based on the summation of five major subsidiaries; (2) Fubon Bank (China) contributed NT\$917 mn net profits to the Company on the basis of 80% shareholding.

Fubon Financial Holdings: Asset and net worth



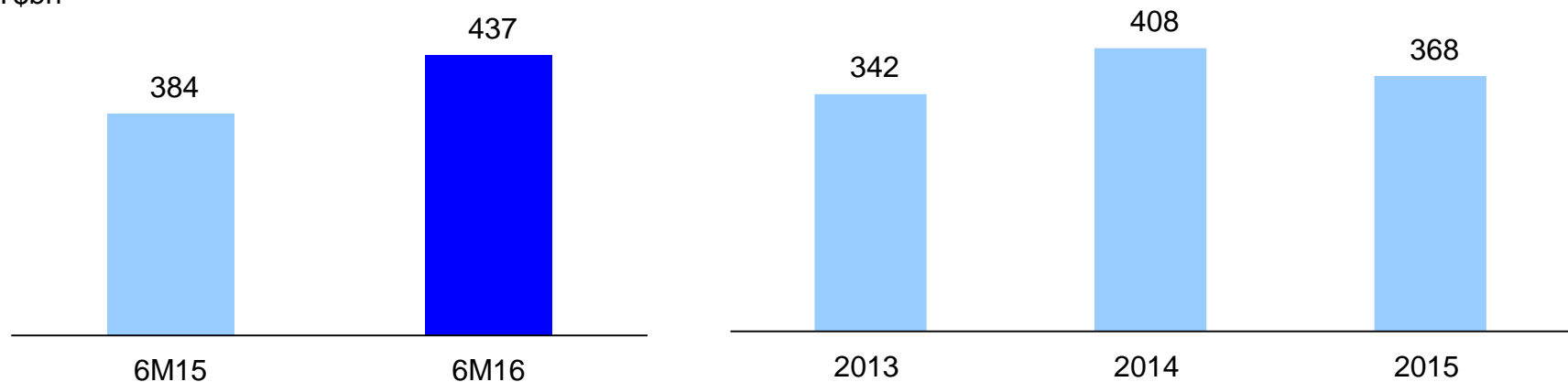
Total assets

NT\$bn



Equity attributable to parent company

NT\$bn

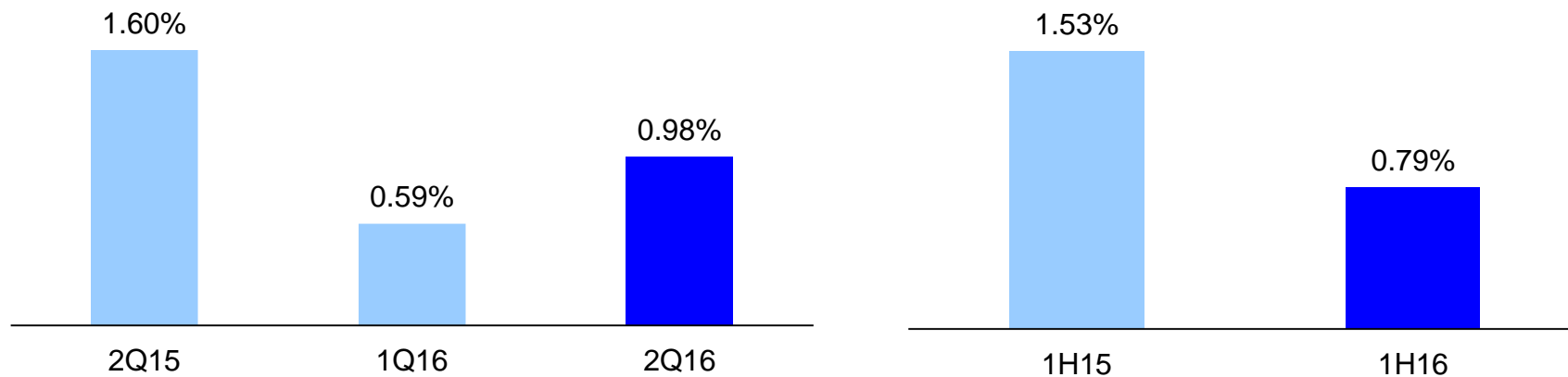


Note: Fubon adopted fair value method for investment property evaluation since September 2014. 2013 data is on pro forma basis.

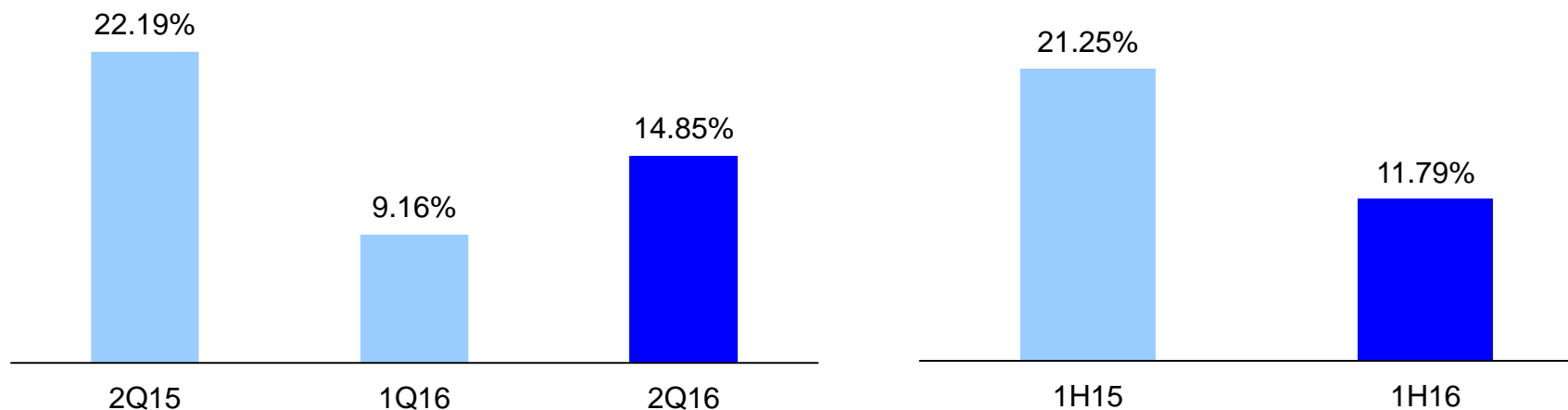
Fubon Financial Holdings: ROA & ROE



ROA



ROE



- ***Performance highlights of Fubon Financial Holdings***
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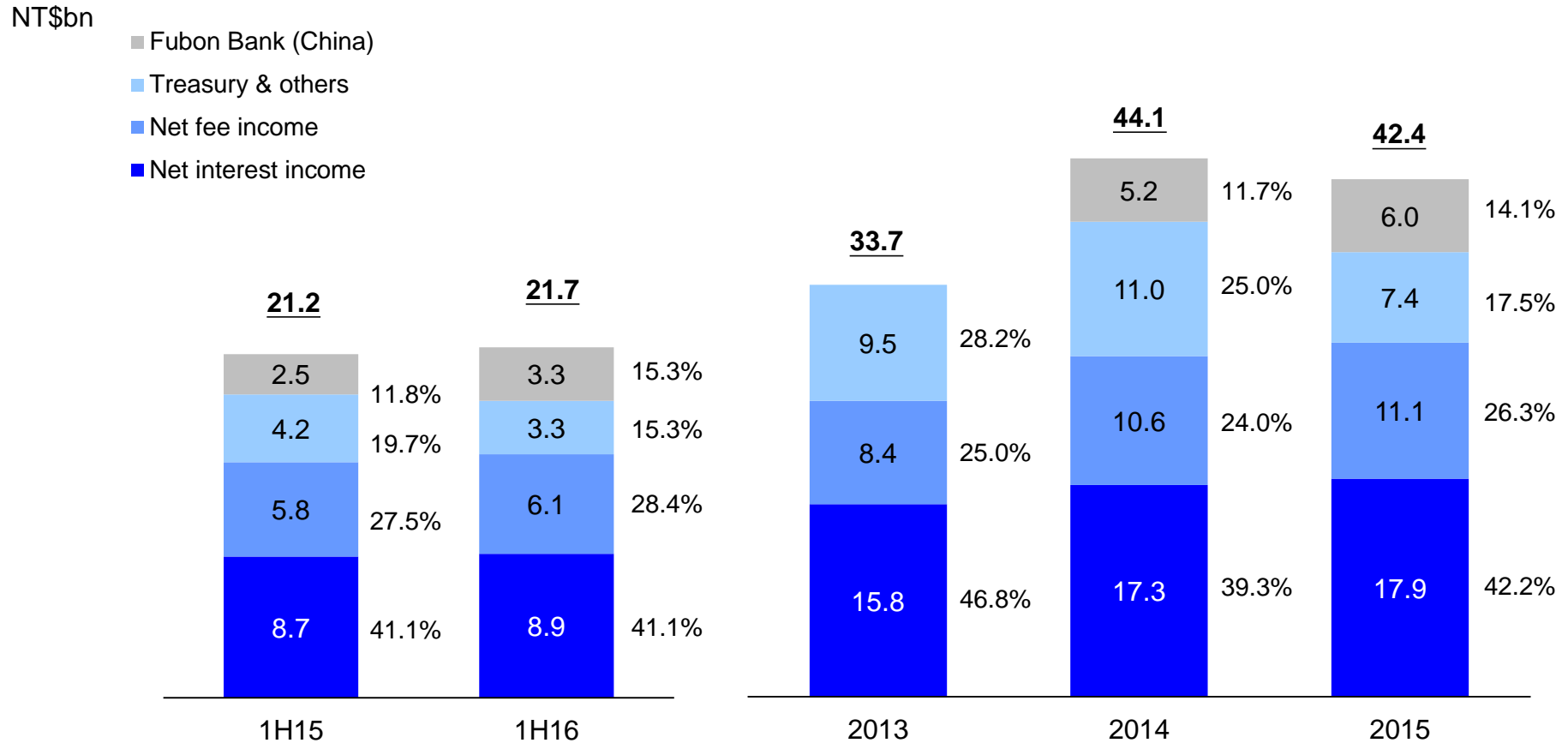
- *Overseas banking operation*

Taipei Fubon Bank: Revenue



- Steadily growth from net interest income and net fee revenue

Revenue composition of Taipei Fubon Bank



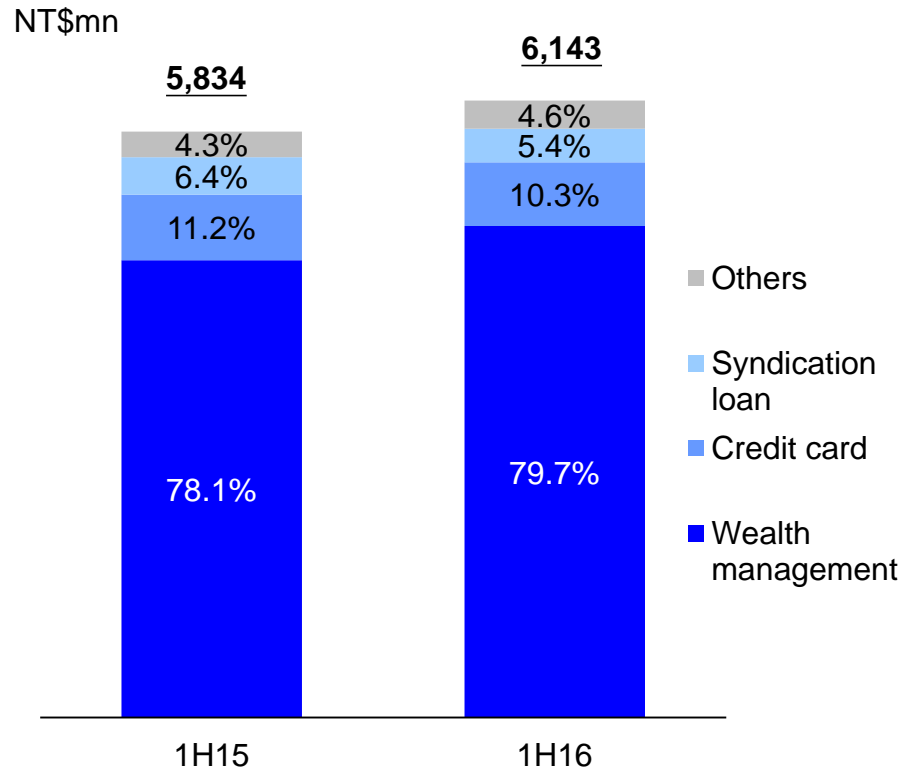
Note: Consolidated basis; Fubon Bank (China) accounted starting from Jan. 7th, 2014

Taipei Fubon Bank: Fee and wealth management revenue

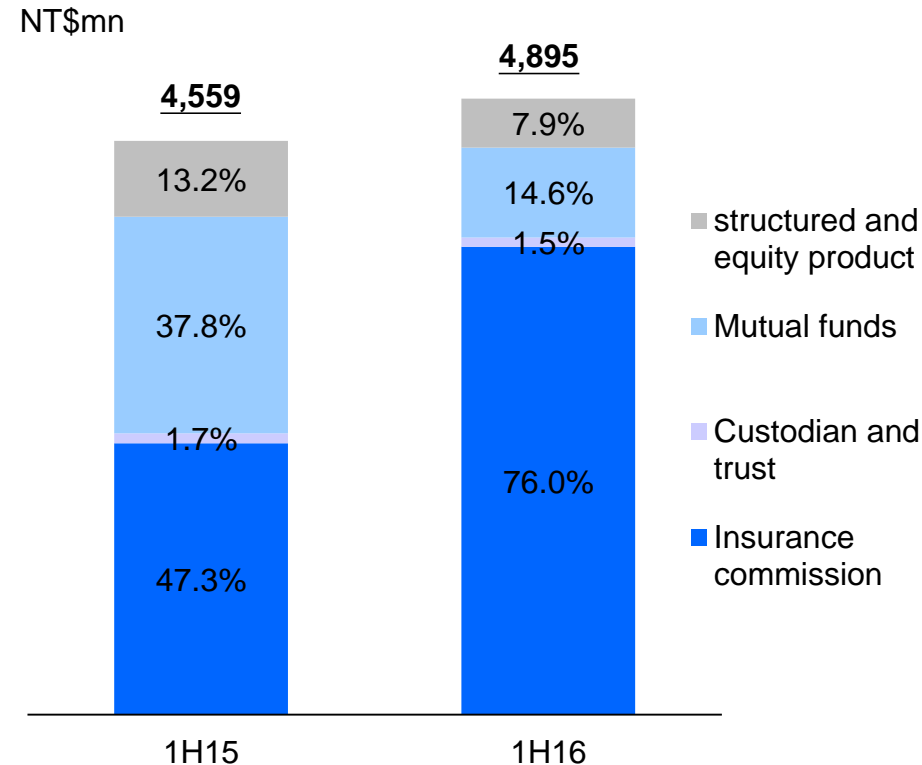


■ Wealth management business continues growing with bancassurance contribution increase

Sources of fee revenue⁽¹⁾



Wealth management fee⁽²⁾



Note: (1) Fee income including Taipei Fubon Bank standalone and Taipei Fubon Bank Life Insurance Agency

(2) Wealth management revenue includes fee in the chart and other income (1H16: NT\$169mn; 1H15: NT\$228mn)

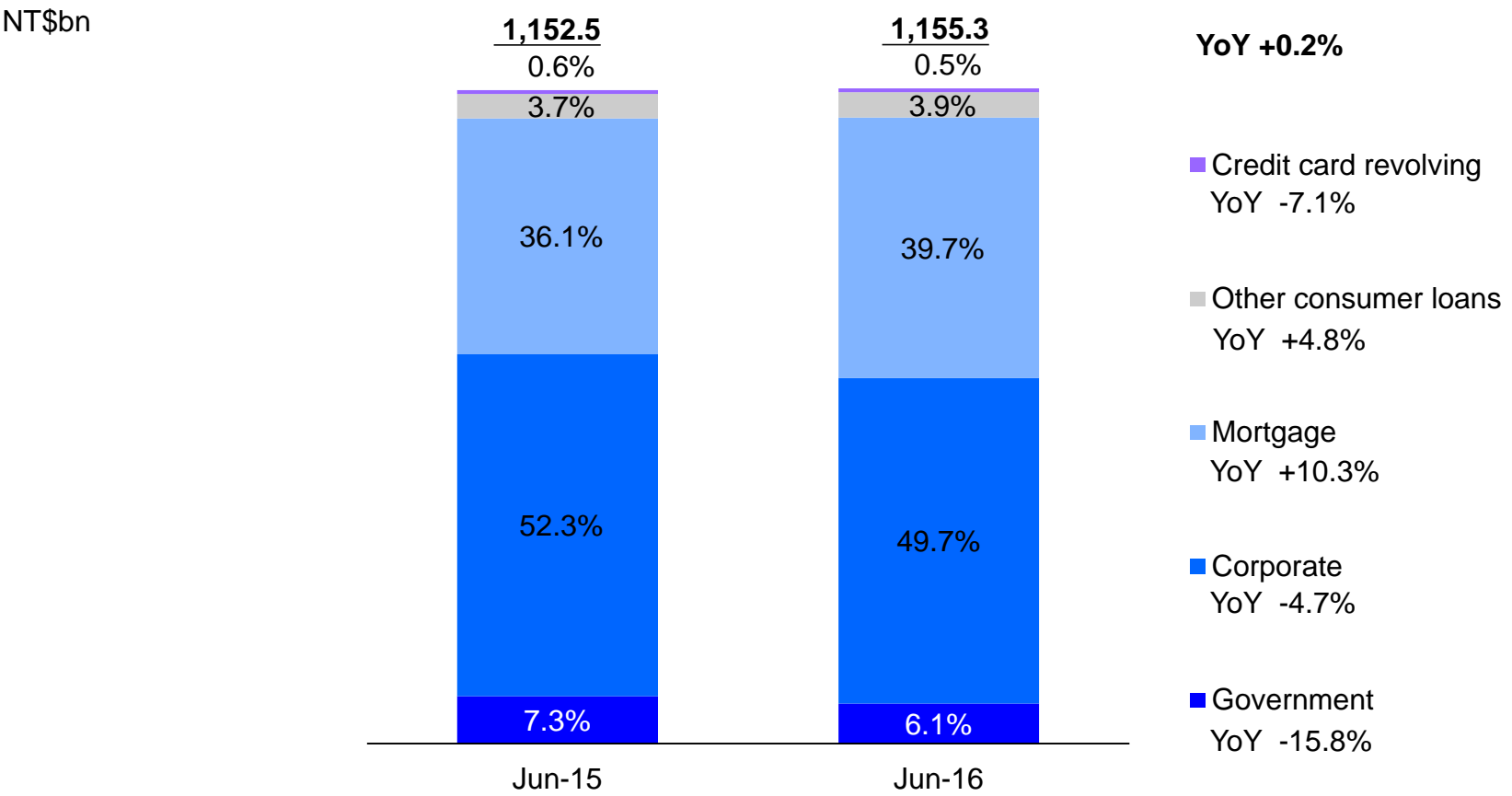
(3) Data are stand-alone basis in page 11-16

Taipei Fubon Bank: Loan composition



- Contribution from mortgage increase
- Loan growth excluding government loans was 1.5%

Loans by type

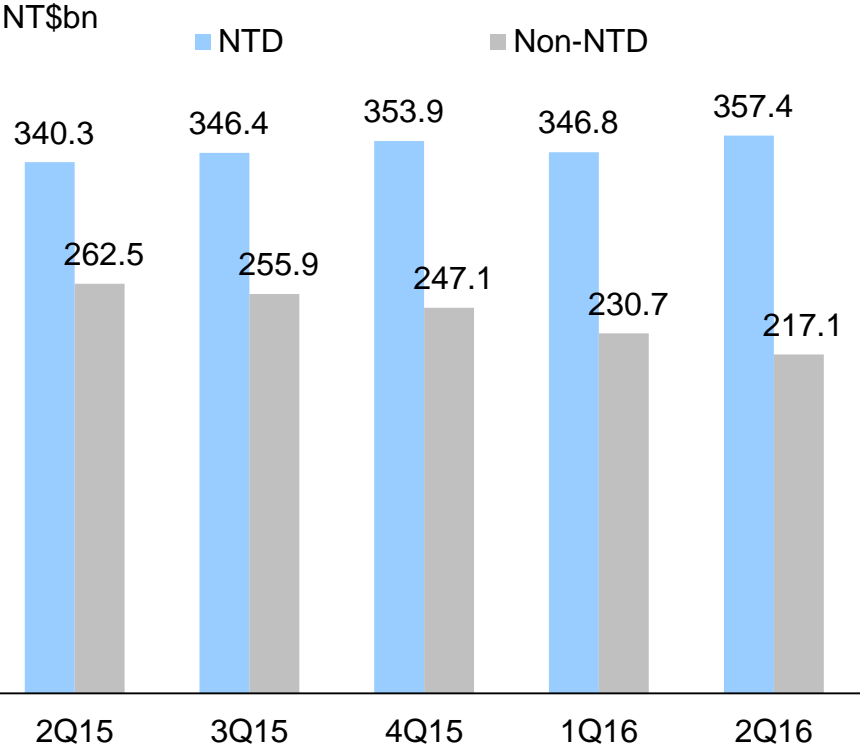


Taipei Fubon Bank: Corporate credit



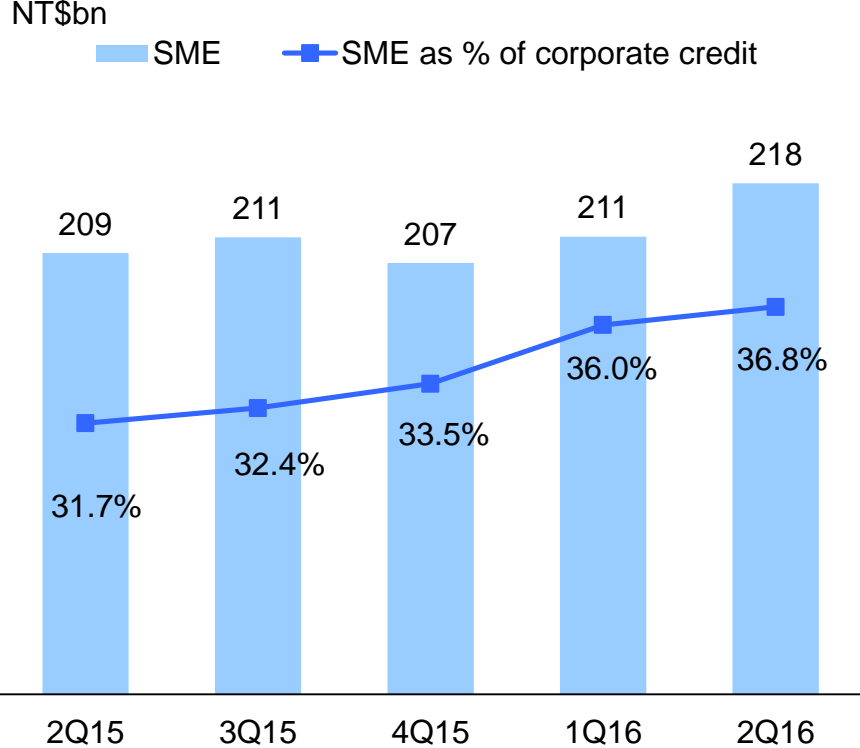
- NT dollar denominated corporate loan delivered 5% YoY growth
- SME credit accounts for 36.8% of corporate credit

Corporate loan by currency



Note: Ending balance

SME credit and as % of corporate credit

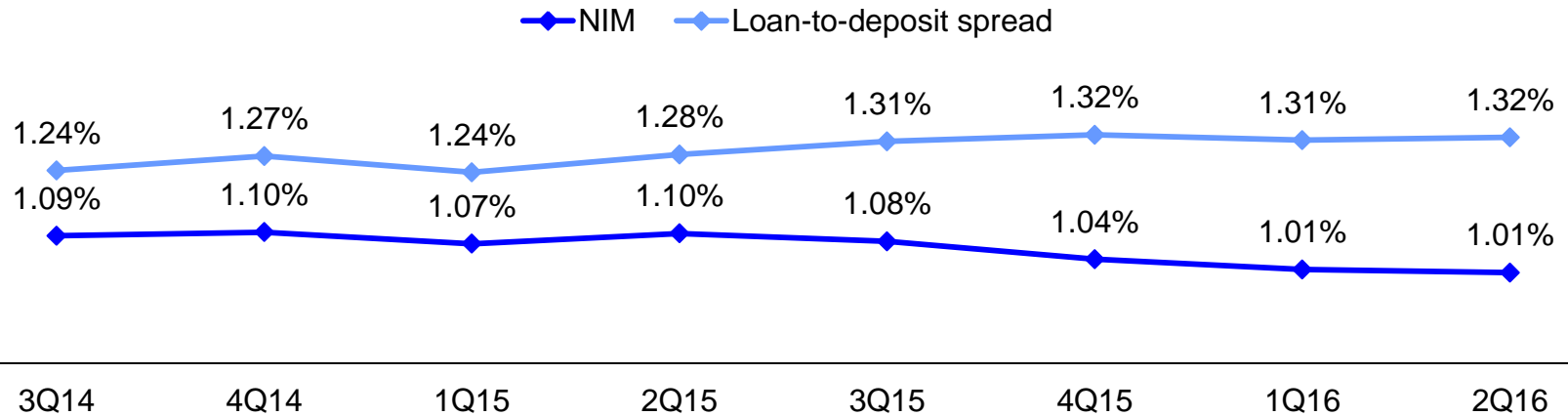


Note: SME credit and corporate credit include loan and trade finance

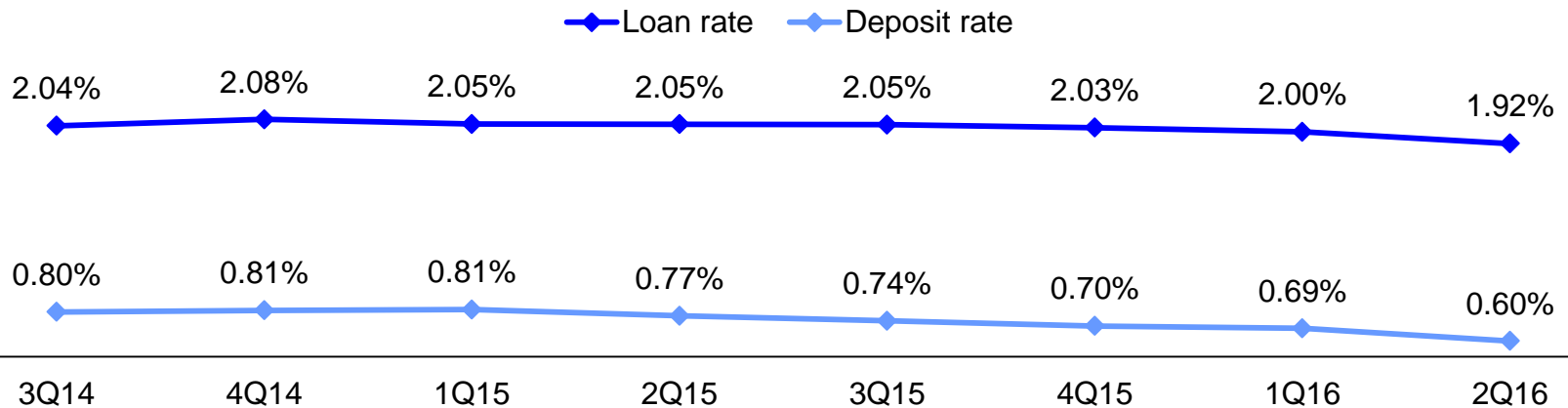
Taipei Fubon Bank: Interest yield and margin



NIM and loan-to-deposit spread



Loan yield and deposit yield

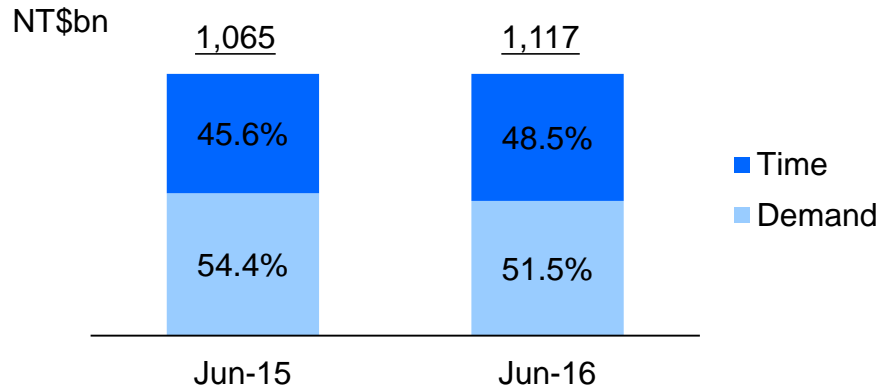


Note: Loan rate calculation inclusive of credit card revolving

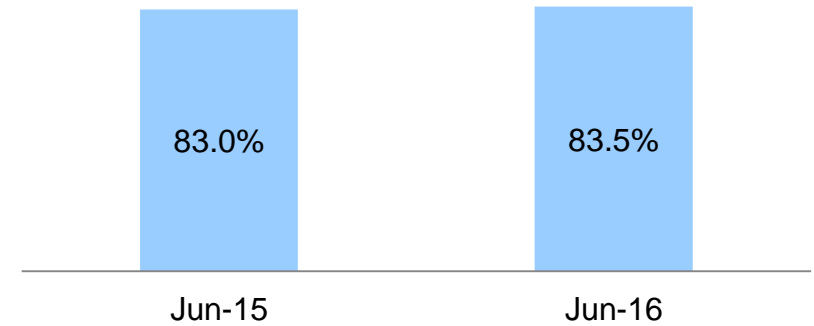
Taipei Fubon Bank: Deposit mix and LDR



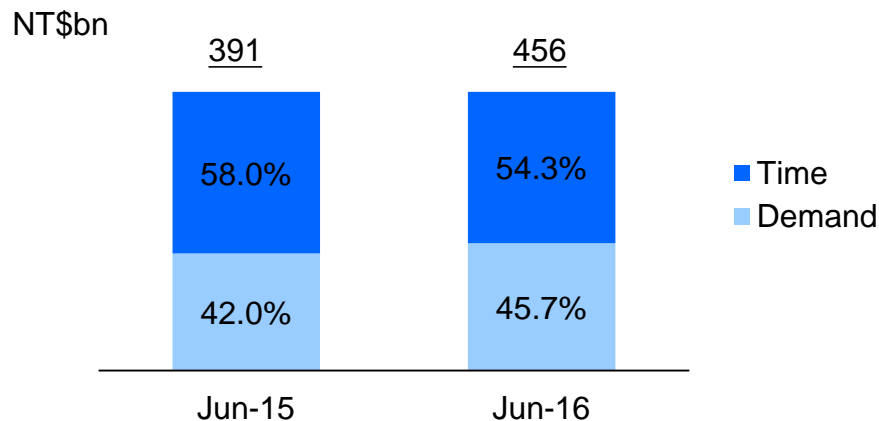
Deposit mix in NTD



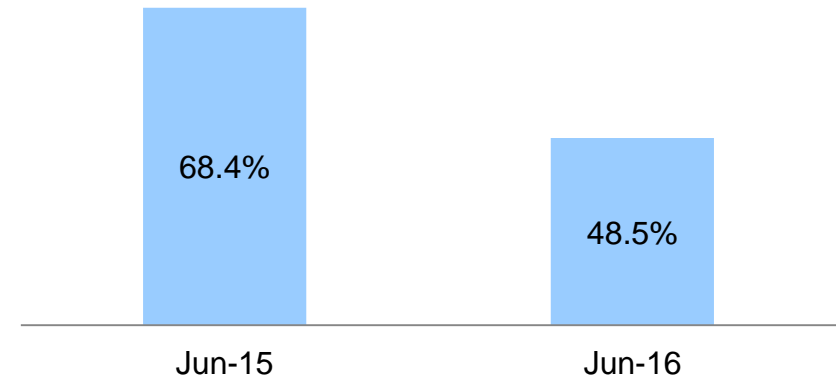
NTD loan-to-deposit ratio (LDR)



Deposit mix in foreign currency



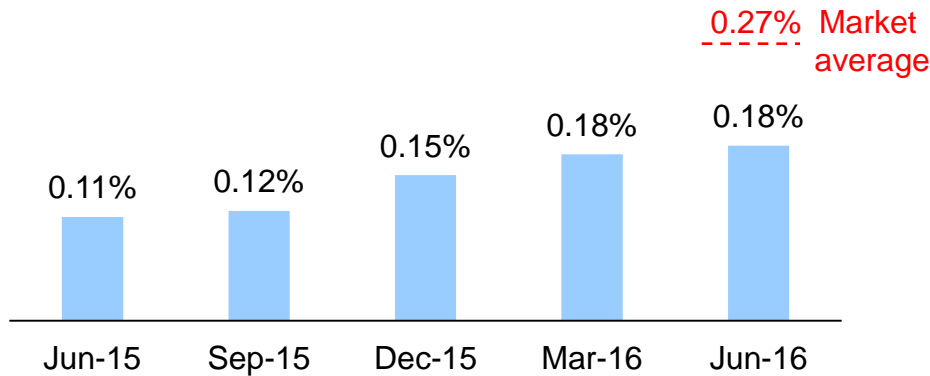
Foreign currency LDR



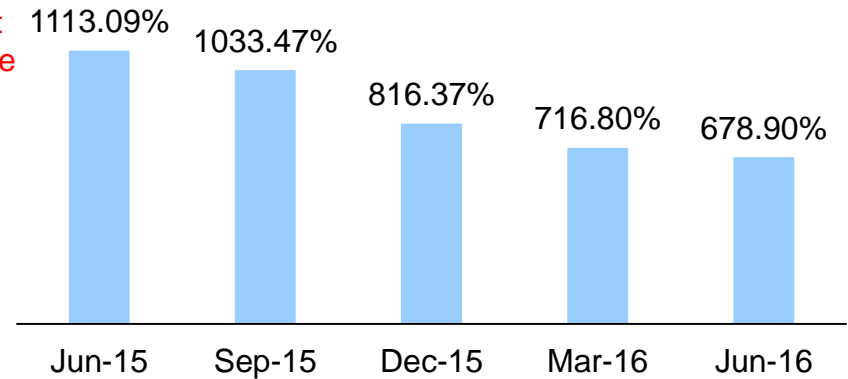
Taipei Fubon Bank: Asset quality



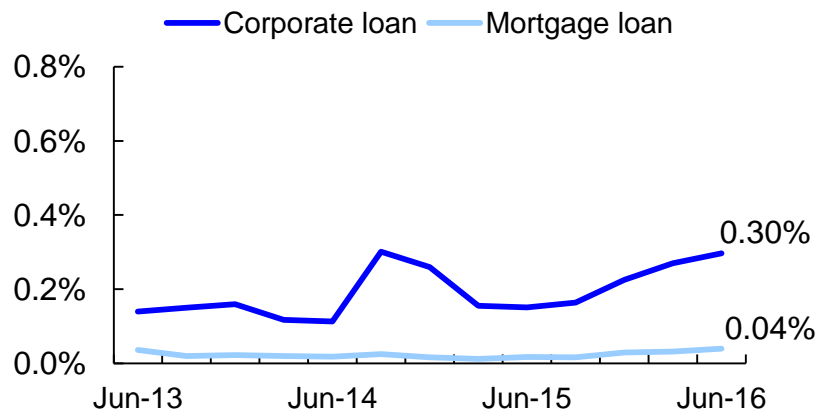
NPL ratio



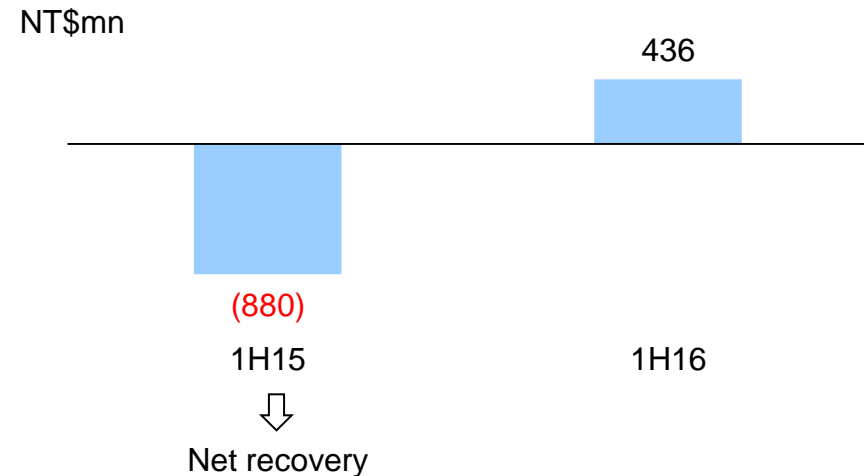
Coverage ratio



NPL ratio by business



Net provision



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 - *Overseas banking operation*

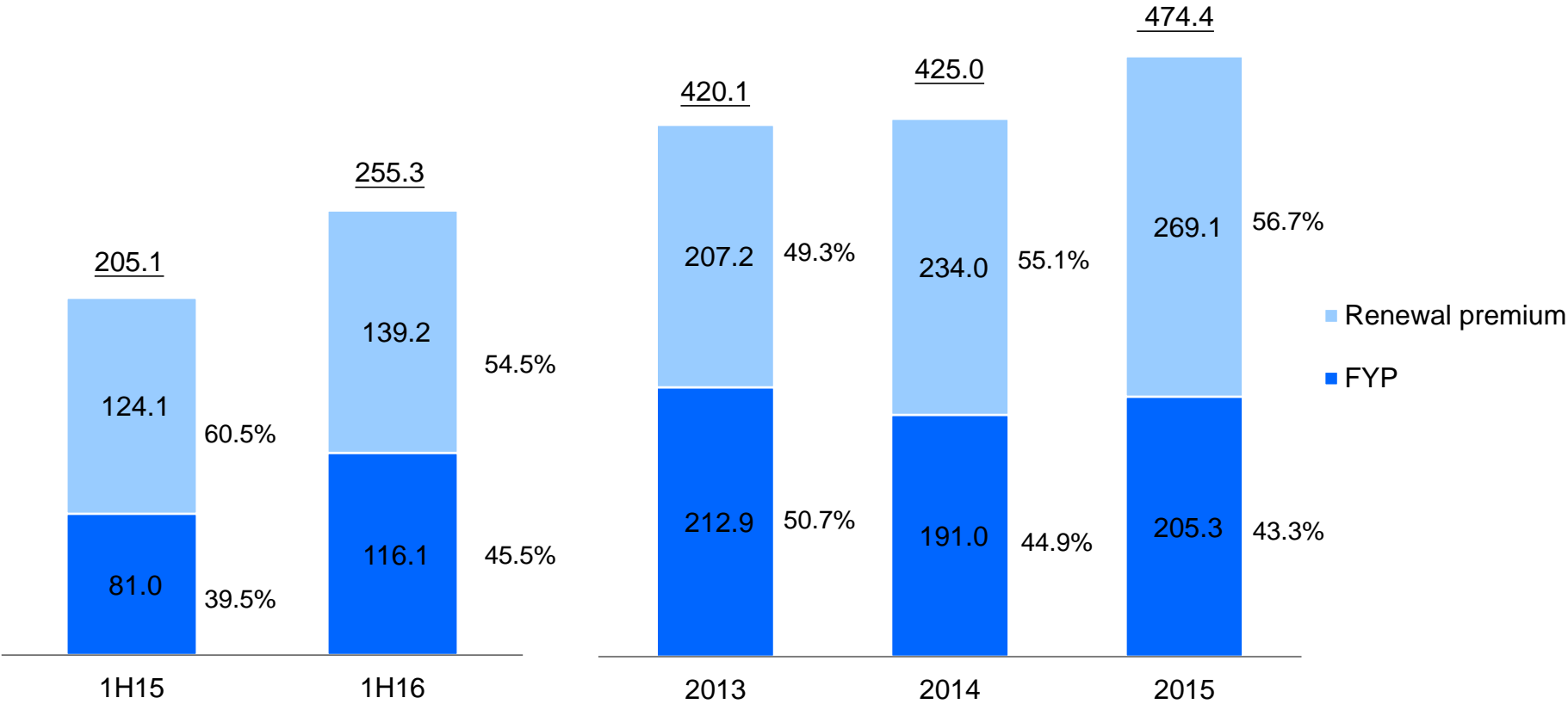


Fubon Life: Total premium



■ 24% yoy growth in total premium income

NT\$bn



Fubon Life: First year premium (FYP)



- 43% yoy growth in FYP mainly came from tradition regular-paid policies

FYP composition

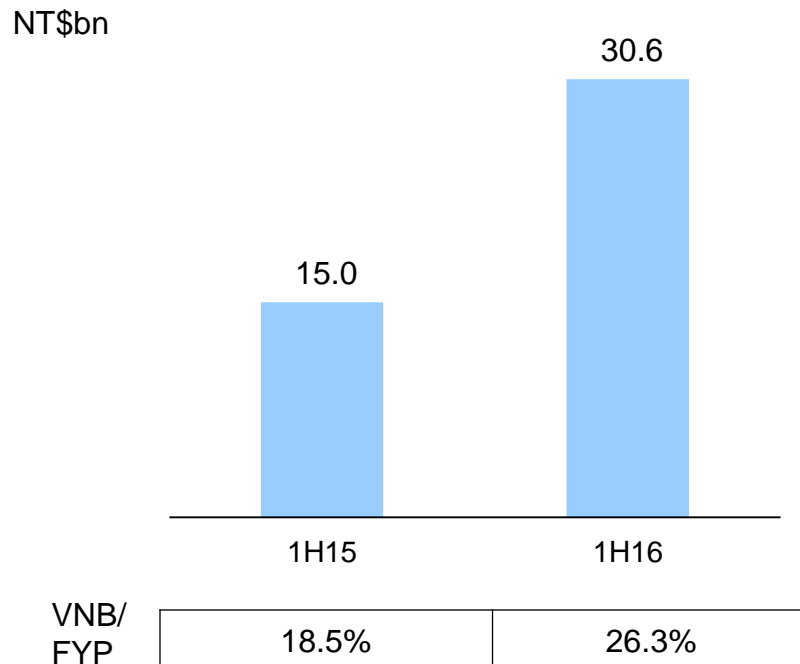
NT\$bn	1Q16	2Q16	1H16	%	1H15	%	YoY growth
Traditional life: Regular-paid	24.9	23.9	48.8	42.1%	24.7	30.5%	97.9%
Traditional life: Single-paid	22.9	18.9	41.8	36.0%	42.1	51.9%	-0.7%
Interest-sensitive annuity	7.4	6.5	13.9	12.0%	4.8	5.9%	190.9%
Investment-linked	2.5	3.1	5.6	4.8%	6.4	7.9%	-12.3%
Health, accidents and others	2.0	3.9	5.9	5.1%	3.1	3.9%	90.1%
Total	59.7	56.3	116.1	100.0%	81.0	100.0%	43.2%

Fubon Life: Value of new business (VNB) & First year premium equivalent (FYPE)

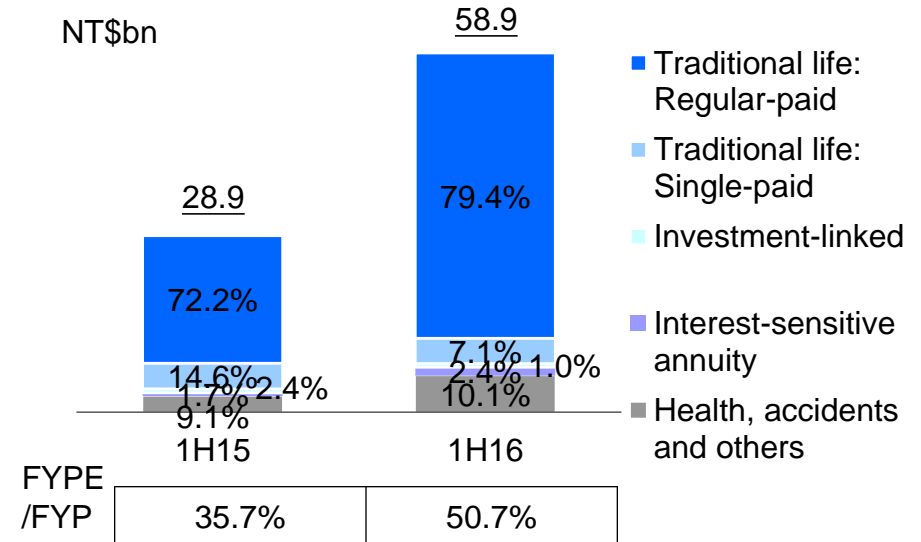


- FYPE growth 104% yoy led to improvement in FYPE/FYP ratio
- VNB grew 104% in 1H16 yoy

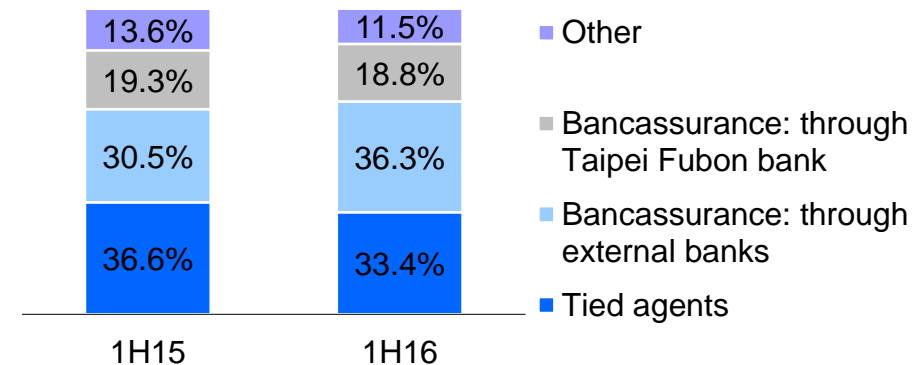
VNB



FYPE



FYPE by channel



Note: 1H16 VNB is based on 2015 EV actuarial assumptions

Fubon Life: Composition of investment income



■ Investment income mainly came from recurring revenue

NT\$bn	1H15	1H16	YoY growth	2013 ¹	2014	2015
Recurring investment income	42.6	49.9	17.1%	75.2	88.7	101.0
Cash dividend income from equity investment ²	3.5	4.4	23.6%	9.9	12.6	16.5
Realized gains from fixed income investment	11.0	13.6	23.7%	8.0	12.1	9.9
Realized gains from equity investment	23.6	3.7	-84.5%	4.0	14.0	22.6
FX and others	-6.5	-6.9	6.7%	-6.3	-6.4	-3.6
Investment property fair value movement	0.3	0.6	136.5%	5.4	1.4	0.4
Investment income	71.0	60.8	-14.3%	86.3	109.9	130.3
Total investment assets	2,656.5	2,992.1	12.6%	2,227.2	2,588.0	2,814.0

Note1: 2013 data is on pro forma basis to reflect fair value method for investment property evaluation.

Note2: Estimate cash dividend of 2H2016 is NT\$10.2bn.

Fubon Life: Investment portfolio



- Investment assets grew steadily
- Investment portfolio repositioned in response to market volatility

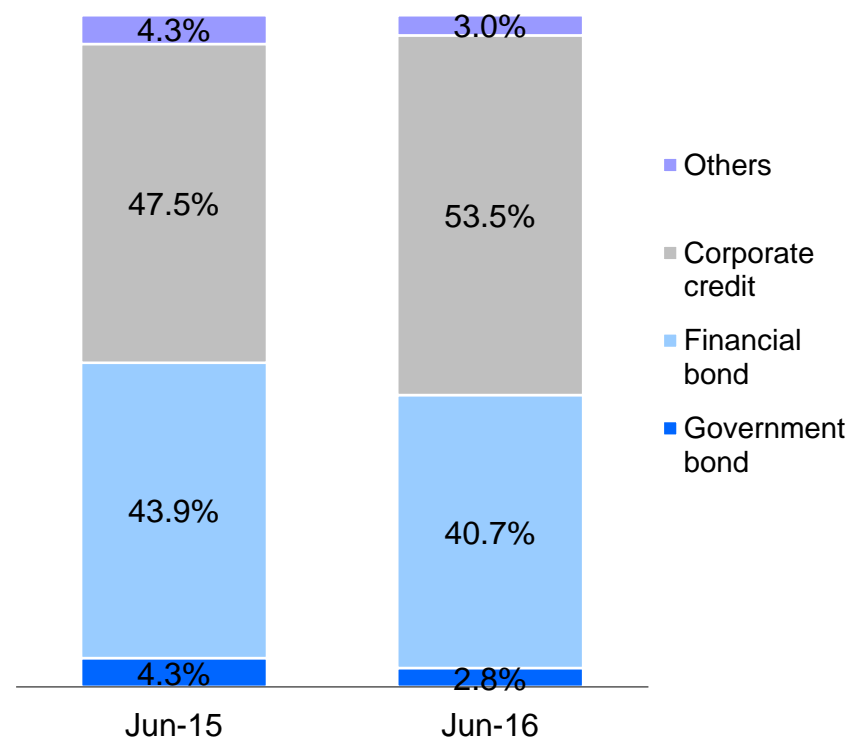
	2015/6/30		2015/12/31		2016/6/30	
NT\$bn						
Deposit and cash equivalent	159.4	6.0%	168.6	6.0%	228.8	7.6%
Domestic fixed income	576.3	21.7%	523.2	18.6%	465.5	15.6%
Overseas fixed income*	1,145.0	43.1%	1,372.6	48.8%	1,543.4	51.6%
Domestic equity	262.4	9.9%	221.7	7.9%	223.1	7.5%
Overseas equity	213.9	8.1%	182.3	6.5%	174.7	5.8%
Mortgage loans	79.4	3.0%	86.4	3.1%	91.9	3.1%
Policy loans	51.6	1.9%	55.1	2.0%	56.6	1.9%
Real estate	168.6	6.3%	204.1	7.3%	208.1	7.0%
Total Investments	2,656.5	100.0%	2,814.0	100.0%	2,992.1	100.0%
Domestic	1,250.5	47.1%	1,185.9	42.1%	1,202.6	40.2%
Overseas*	1,406.0	52.9%	1,628.1	57.9%	1,789.5	59.8%

Note: *Including OTC-listed international bond, the international bonds investment reached 10.3% of total investment assets as of 2016/06/30

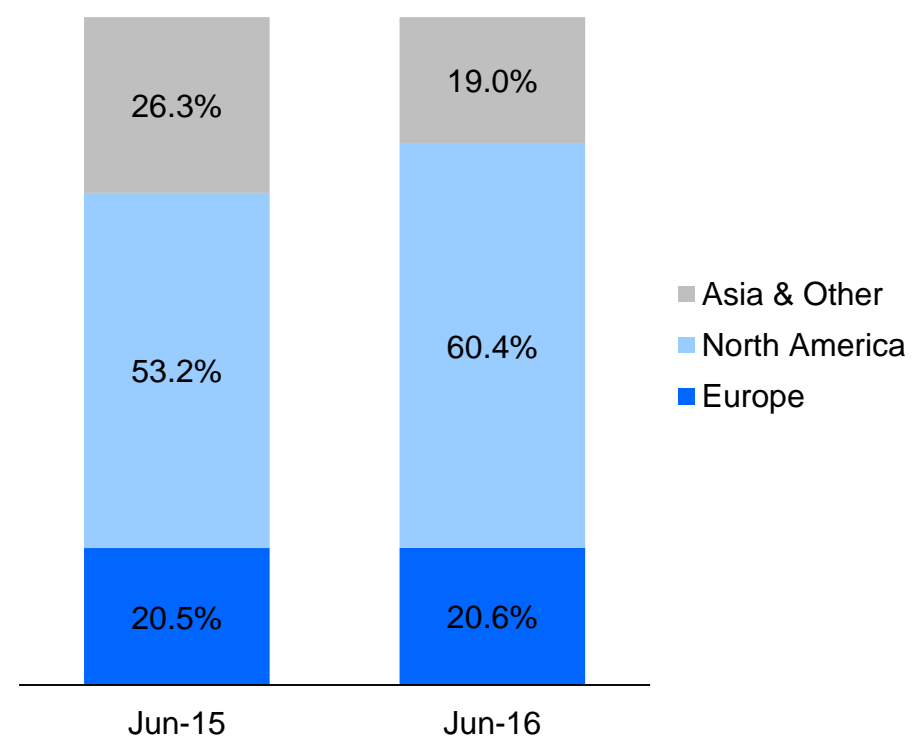
Fubon Life: Portfolio of overseas fixed income



Overseas fixed income by asset type



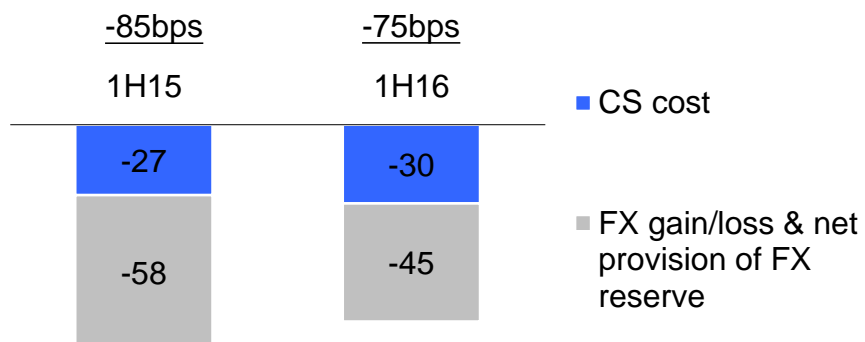
Overseas fixed income by region



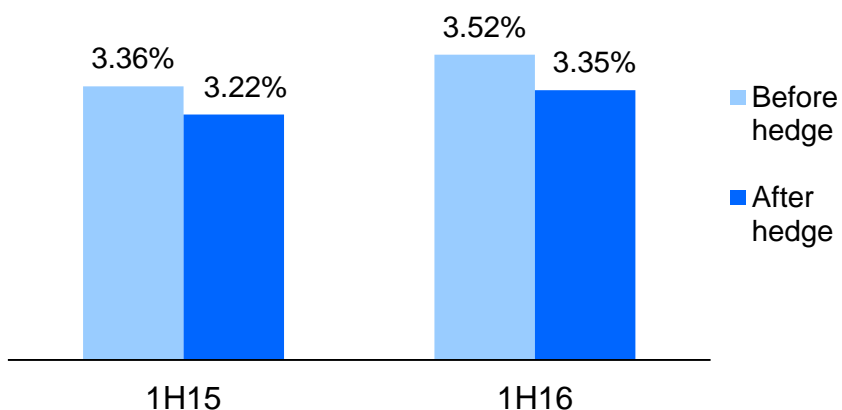


Fubon Life: Hedging composition

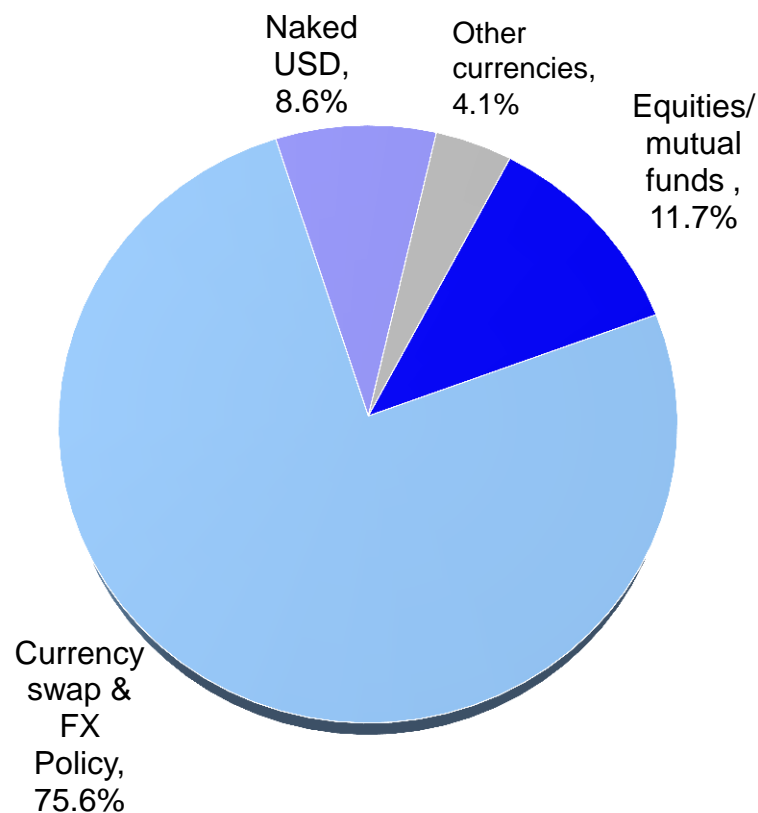
Hedging cost & FX gain/loss



Recurring return



FX position hedging composition



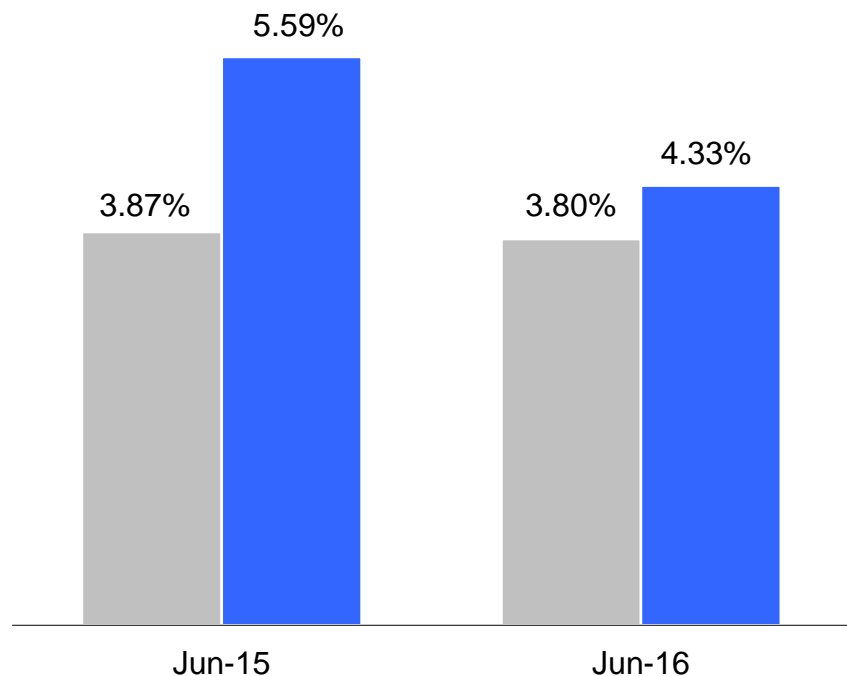
Fubon Life: Investment spread



- Cost of liability improvement continues
- Higher breakeven point (net underwriting cost) due to strong FYP growth

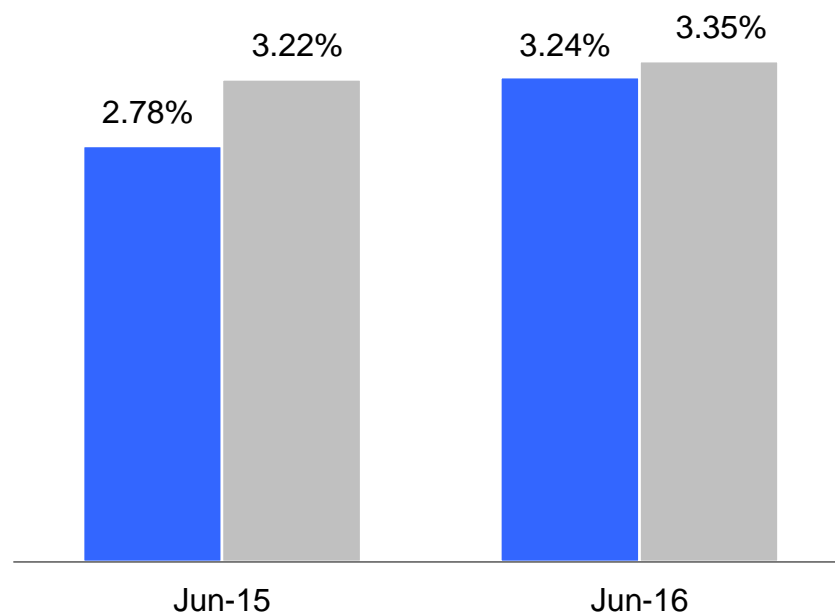
Investment spread

■ Cost of liabilities ■ Investment return



Recurring return and breakeven point

■ Breakeven point ■ Recurring return



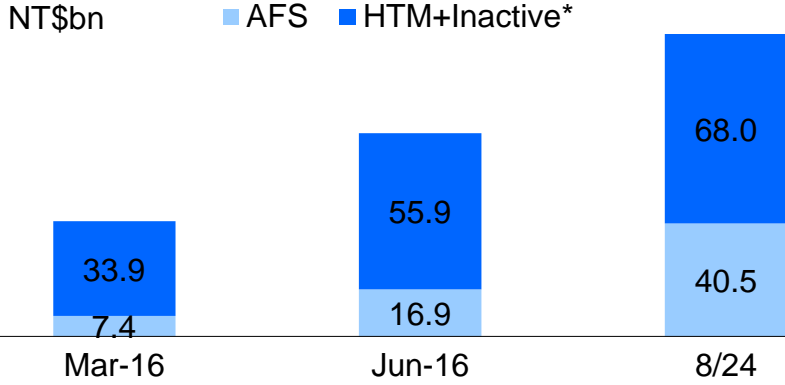
$$\text{Breakeven point} = \frac{\text{Profit before tax} - \text{Investment income}}{\text{Average investment assets}}$$

Fubon Life: Investment performance

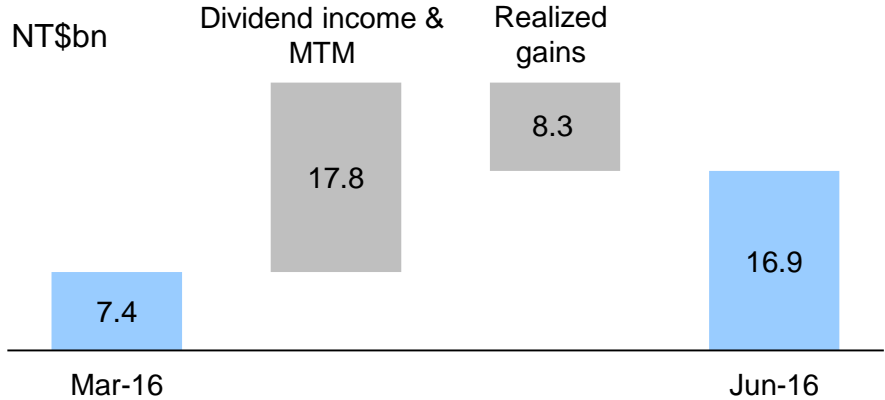


■ Improvement in unrealized position

Unrealized outstanding

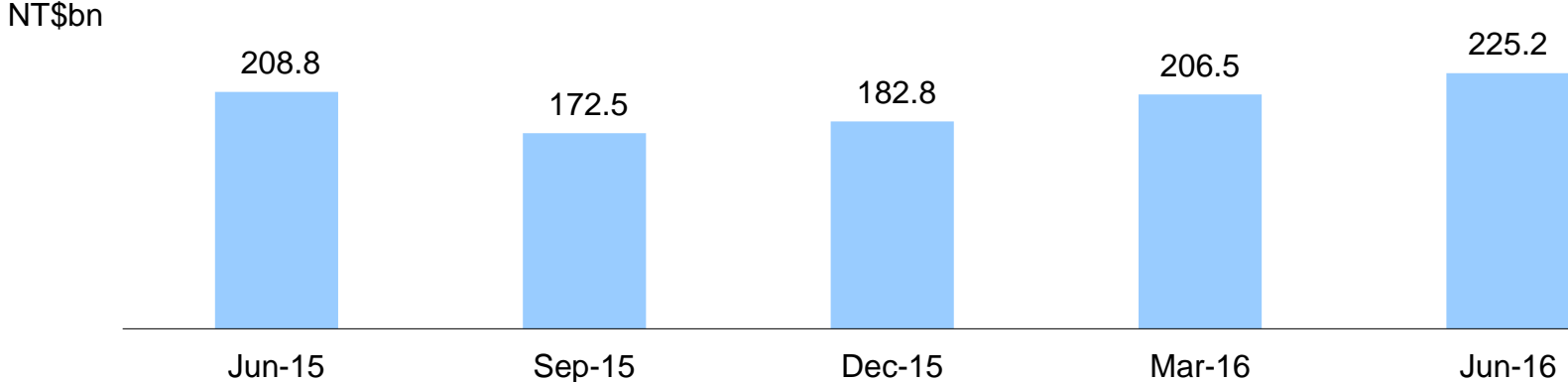


Movement of unrealized gains from AFS assets



Note: *before tax basis

Net Worth



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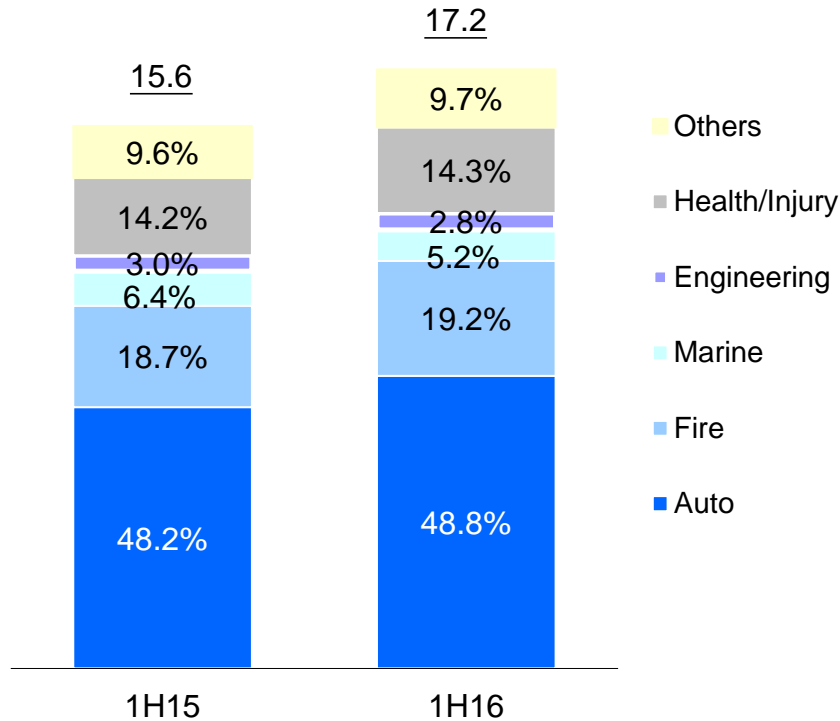
Fubon Insurance: Operating snapshot



- Premium growth outperformed industry. Top 1 position in premium market share
- Net retained losses from Tainan earthquake lifts net claim ratio by 5.7%

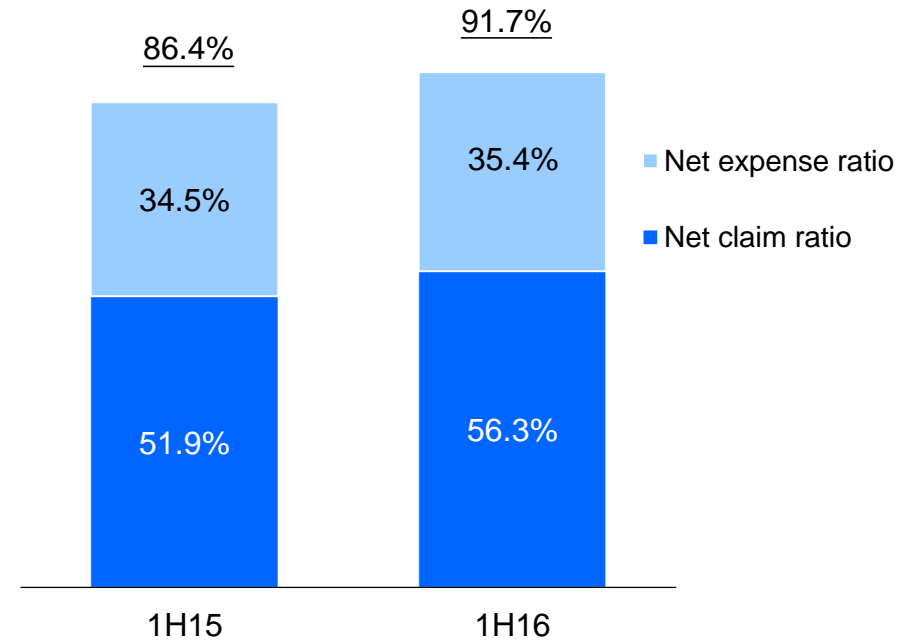
Direct written premium by product

NT\$bn



Note: Standalone basis

Net combined ratio



Note: Exclusive of auto compulsory due to the claims are reimbursed

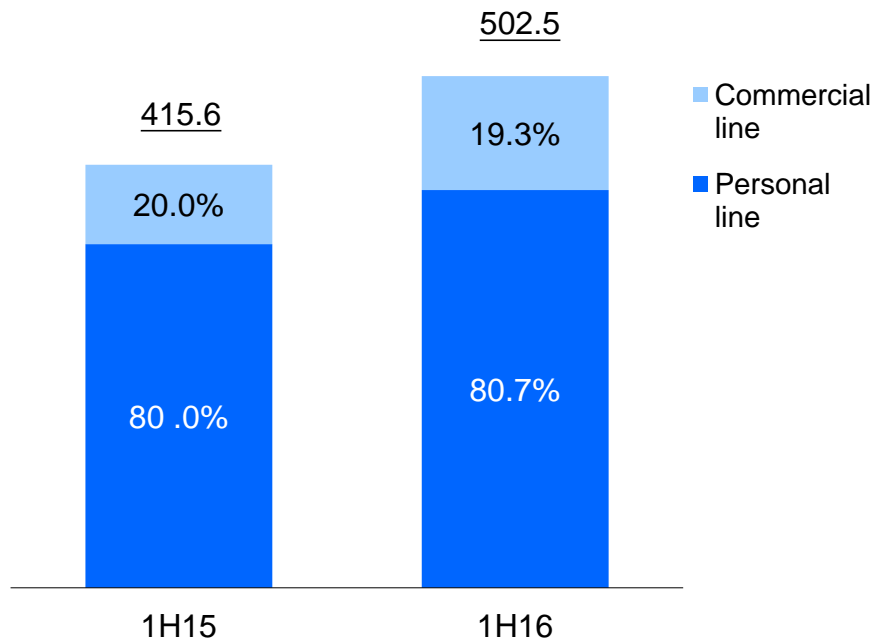
Fubon P&C (China): Business progress



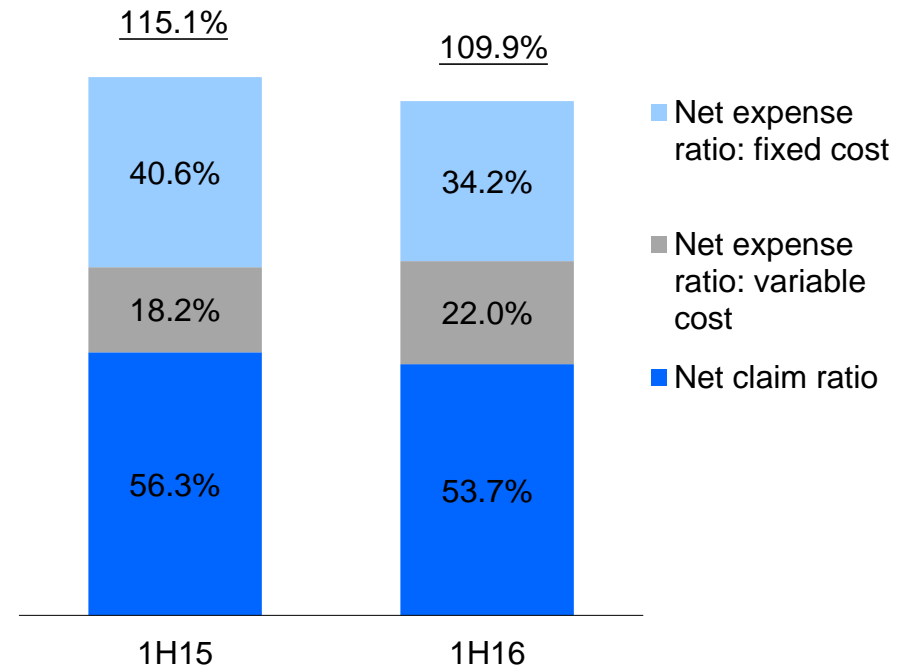
- 42 offices in 3 provinces with premium growth of 20.9% yoy
- Top five foreign P&C insurance in China in terms of premium market share

Gross written premium

RMB\$m



Net combined ratio



- ***Performance highlights of Fubon Financial Holdings***

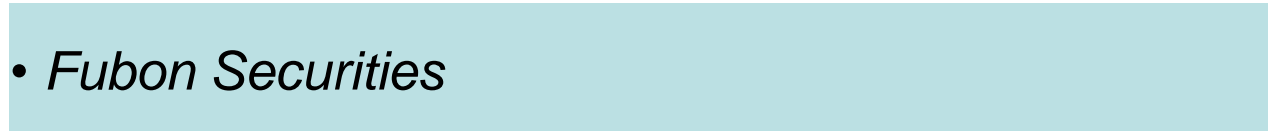
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Fubon Securities: Financial highlights



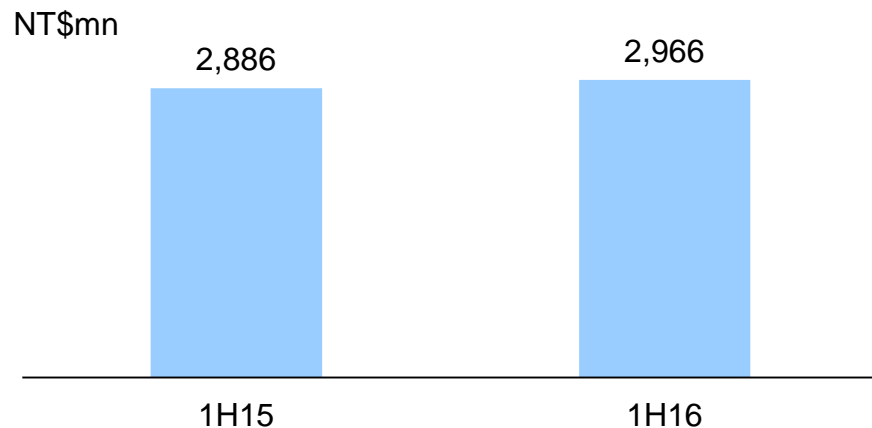
- Stable market position in major business lines
- Market leader in overseas ETF
- Growth in wealth management business

Market share & ranking

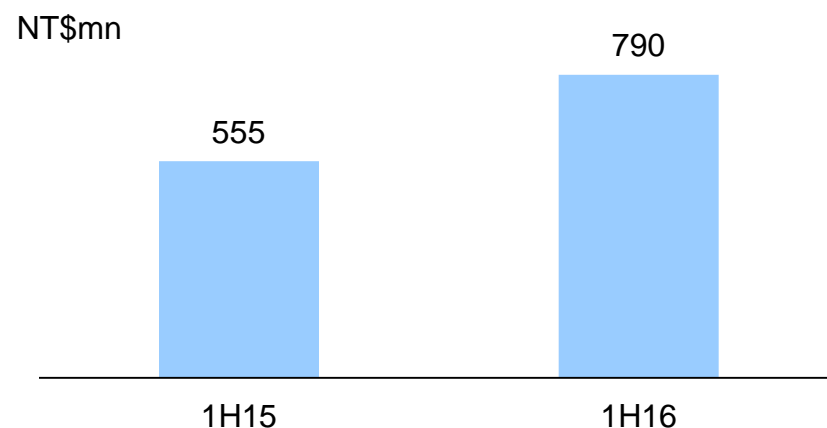
	1H2016	Ranking	1H2015	Ranking
NAV of overseas ETF (NT\$m)	58,000	#1	30,700	#2
Brokerage per branch*	0.094%	#2	0.093%	#2
Emerging stock trading	20.13%	#2	16.80%	#2
Brokerage	5.16%	#3	5.14%	#3
AUM of WM business (NT\$m)	10,639	#3	14,504	#4

Note: *Ranking among top 10 brokers

Operating revenue



Net profits



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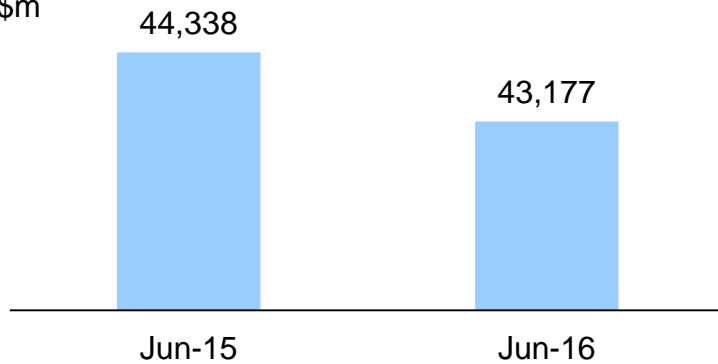
Fubon Bank (Hong Kong): Key balance sheet items



- Credit policy turns conservative given China & Hong Kong economy slowdown
- Deposits accumulation to secure sufficient liquidity given market uncertainty

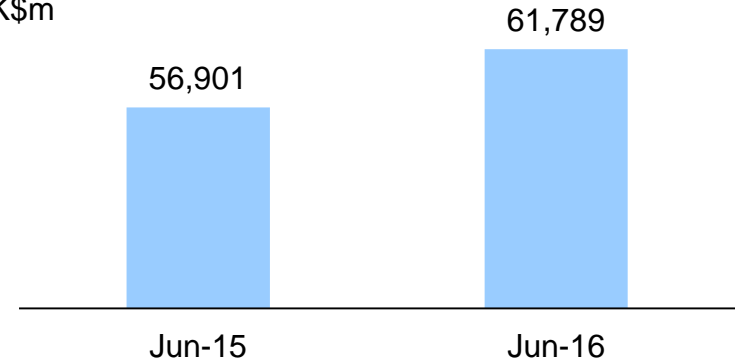
Loans

HK\$m



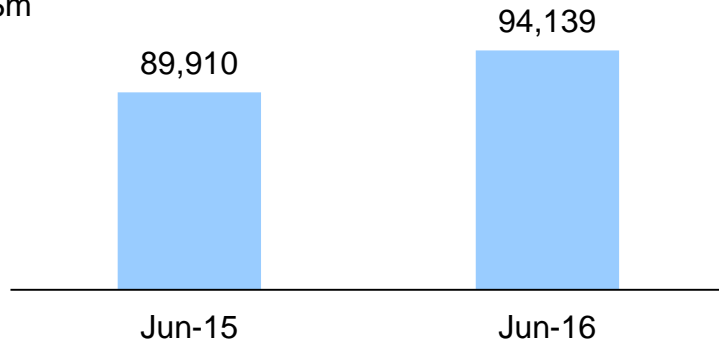
Deposits

HK\$m



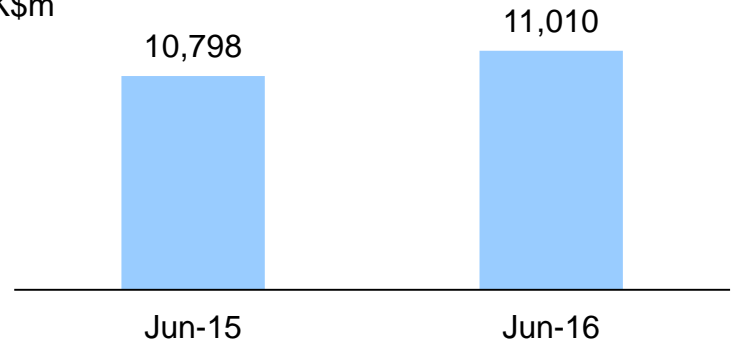
Assets

HK\$m



Net worth

HK\$m

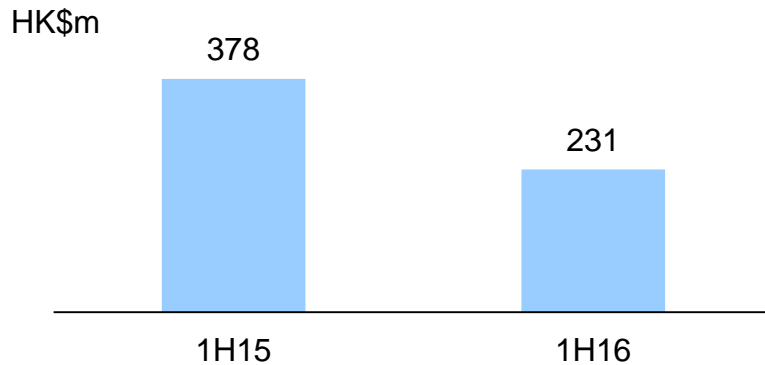


Fubon Bank (Hong Kong): Financial highlight

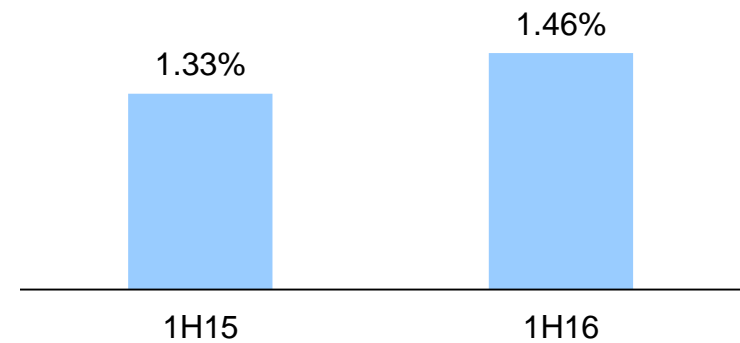


- Loan reserves raised to lift coverage ratio
- NIM widen due to continuous deposit costs improvement

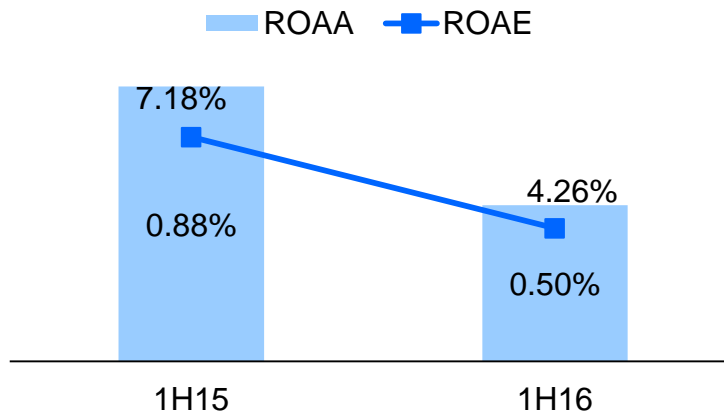
Net Profits



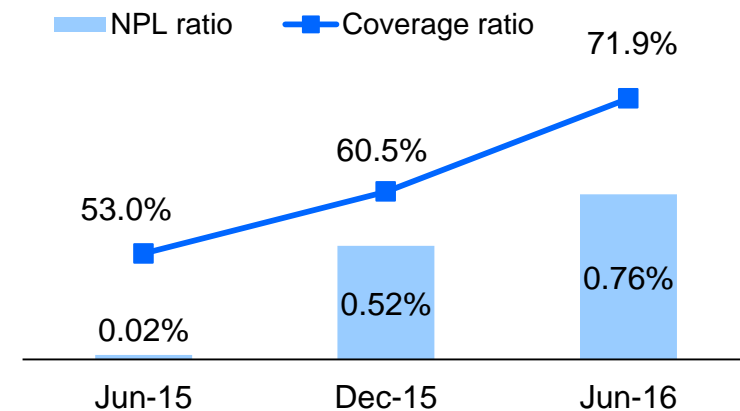
NIM



ROAA & ROAE¹



NPL ratio & Coverage ratio²



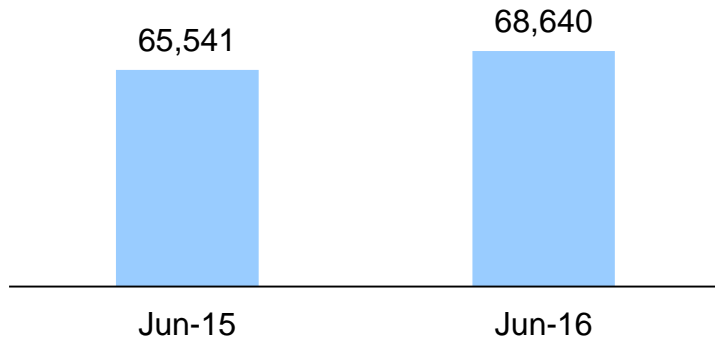
Note: (1) ROAA and ROAE are annualized basis; (2) Coverage ratio = (Allowance for loan losses + Secured balance) / NPL

Fubon Bank (China): Key balance sheet items



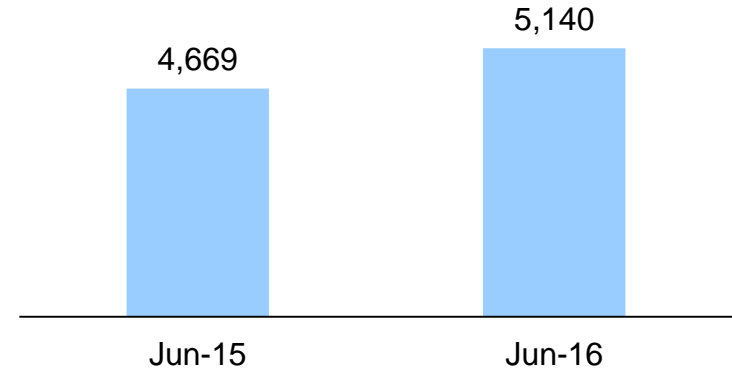
Assets

RMB\$m



Net worth

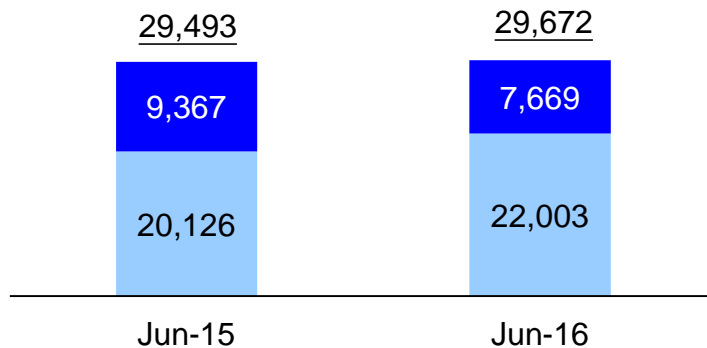
RMB\$m



Loans

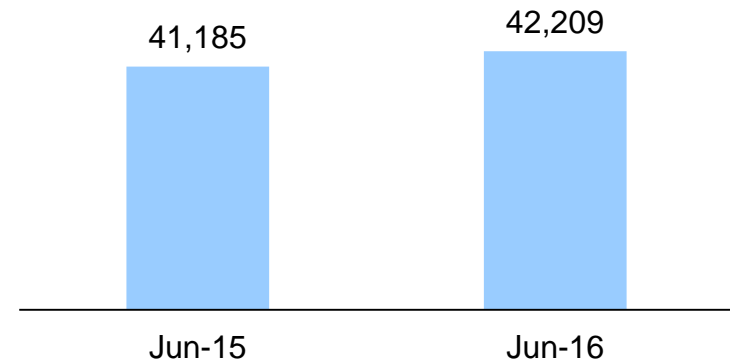
RMB\$m

■ Rediscount ■ Loans (excluding rediscount)



Deposits

RMB\$m

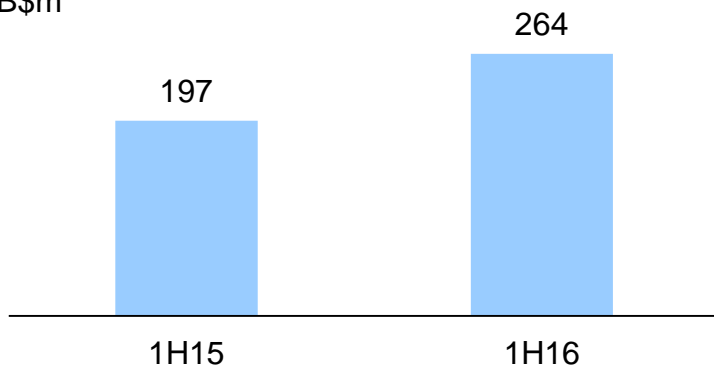


Fubon Bank (China): Financial highlight

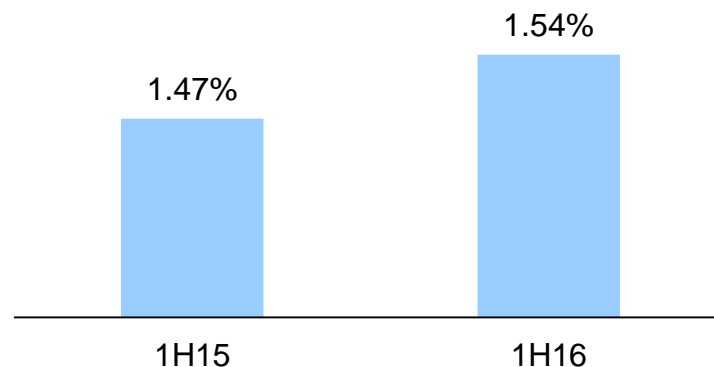


Net Profits

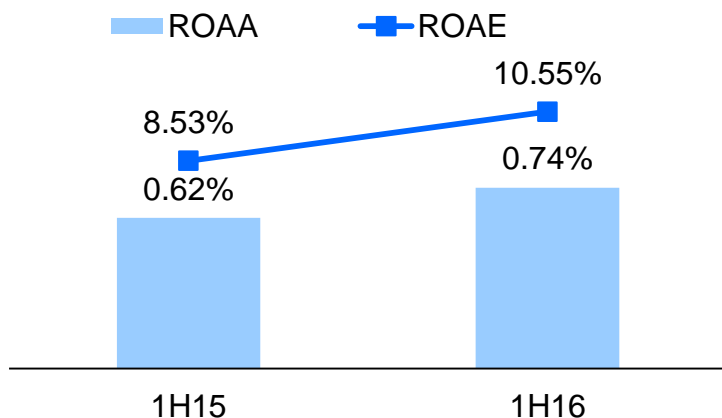
RMB\$m



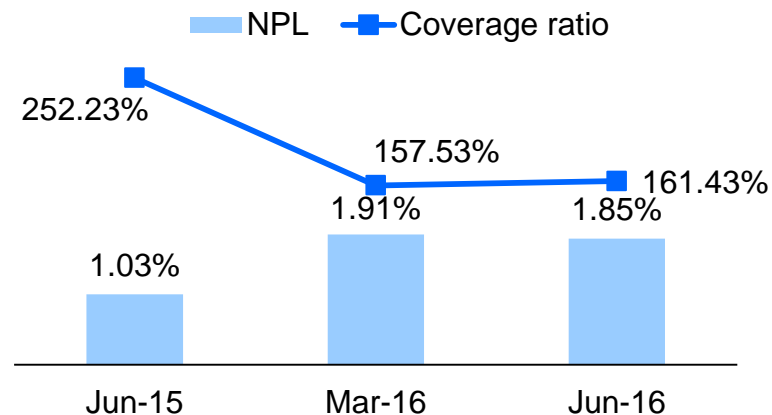
NIM



ROAA & ROAE



NPL ratio & Coverage ratio



Note: ROAA and ROAE are annualized basis



Thank you

Fubon Financial - Financial summary

<i>NT\$ millions, except for percentages</i>	1H16	1H15	YoY	2Q16	1Q16	2015	2014	YoY
Income Statement Data								
Net interest income	52,203	44,628	17.0%	26,422	25,781	94,965	89,315	6.3%
Insurance income	157,859	102,357	54.2%	79,434	78,425	264,088	230,938	14.4%
Net gains (losses) on FX and financial assets	20,771	41,773	-50.3%	14,594	6,177	73,991	59,719	23.9%
Others	(3,150)	(528)	497.0%	(1,473)	(1,677)	(2,801)	1,863	N.M.
Net revenue	227,683	188,231	21.0%	118,977	108,705	430,243	381,835	12.7%
Bad debt expense and reserve for guarantee	(1,300)	612	N.M.	(970)	(330)	(1,212)	(2,988)	-59.4%
Net change in insurance reserve	(170,155)	(112,433)	51.3%	(86,057)	(84,098)	(296,913)	(257,599)	15.3%
Operating expense	(28,093)	(25,571)	9.9%	(14,154)	(13,939)	(54,300)	(49,305)	10.1%
Income before tax	28,135	50,838	-44.7%	17,796	10,339	77,818	71,943	8.2%
Net income	23,893	42,170	-43.3%	15,006	8,887	63,806	60,478	5.5%
Net income to parent company	23,711	42,053	-43.6%	14,936	8,774	63,593	60,244	5.6%
Balance Sheet Data								
Total assets	6,160,793	5,575,005	10.5%	6,160,793	5,985,183	5,987,468	5,438,358	10.1%
Equity attributable to parent company	437,032	383,657	13.9%	437,032	398,582	367,622	408,057	-9.9%
Outstanding common shares (million shares)	10,234	10,234	0.0%	10,234	10,234	10,234	10,234	0.0%
Key Metrics								
ROA	0.79%	1.53%		0.98%	0.59%	1.12%	1.21%	
ROE	11.79%	21.25%		14.85%	9.16%	16.40%	16.07%	
Equity / assets	7.23%	7.03%		7.23%	6.80%	6.28%	7.65%	
Double leverage	112.59%	119.36%		112.60%	119.11%	120.55%	114.01%	
Capital adequacy ratio	127.00%	135.71%				124.83%	137.36%	
Cash dividend per share						2.00	3.00	

Taipei Fubon Bank - Financial summary

<i>NT\$ millions, except for percentages</i>	1H16	1H15	YoY	2Q16	1Q16	2015	2014	YoY
<u>Income statement data</u>								
Interest income	22,041	23,013	-4.2%	10,818	11,223	46,647	45,231	3.1%
Interest expense	(10,339)	(11,880)	-13.0%	(4,962)	(5,377)	(23,294)	(22,964)	1.4%
Net interest income	11,702	11,133	5.1%	5,857	5,846	23,352	22,268	4.9%
Net fee income	6,446	6,107	5.6%	3,056	3,390	11,649	11,080	5.1%
Other income	3,502	3,993	-12.3%	1,238	2,264	7,367	10,727	-31.3%
Total net revenue	21,651	21,233	2.0%	10,151	11,500	42,369	44,075	-3.9%
Operating expenses	(10,283)	(9,987)	3.0%	(5,095)	(5,188)	(20,690)	(19,293)	7.2%
Pre-provision profits	11,368	11,246	1.1%	5,056	6,312	21,679	24,782	-12.5%
Provision for credit losses	(594)	949	N.M.	(408)	(186)	(177)	(2,261)	-92.2%
Income before tax	10,774	12,194	-11.6%	4,648	6,126	21,502	22,521	-4.5%
Net income	9,209	10,659	-13.6%	3,941	5,268	18,606	19,131	-2.7%
Net income to parent company	8,647	10,245	-15.6%	3,714	4,933	17,783	18,237	-2.5%
<u>Balance sheet data</u>								
Loans and discounts	1,339,460	1,329,011	0.8%	1,339,460	1,337,192	1,353,533	1,304,563	3.8%
Deposits and remittances	1,813,143	1,675,802	8.2%	1,813,143	1,793,280	1,813,356	1,606,174	12.9%
Allowance for loan losses*	14,449	14,018	3.1%	14,449	14,543	14,651	15,483	-5.4%
Total assets	2,364,792	2,211,637	6.9%	2,364,792	2,336,284	2,409,836	2,165,405	11.3%
Equity attributable to parent company	170,357	157,422	8.2%	170,357	170,598	165,696	151,604	9.3%
<u>Key metrics</u>								
ROA	0.77%	0.97%		0.66%	0.89%	0.81%	0.97%	
ROE	10.29%	13.26%		8.84%	11.74%	11.21%	12.76%	
Equity / assets	8.02%	7.98%		8.02%	8.15%	7.69%	7.88%	
Cost / income ratio	-47.49%	-47.04%		-50.19%	-45.11%	-48.83%	-43.77%	
NPL ratio*	0.18%	0.11%		0.18%	0.18%	0.15%	0.17%	
Reserve / NPL*	678.90%	1113.09%		678.90%	716.80%	816.37%	788.58%	
Tier 1 ratio*	11.86%	11.22%				11.30%	10.43%	
BIS ratio*	13.91%	13.76%				13.44%	13.11%	

Note: Data mark with * are stand-alone basis

Fubon Life - Financial summary

<i>NT\$ millions, except for percentages</i>	1H16	1H15	YoY	2Q16	1Q16	2015	2014	YoY
<u>Income statement data</u>								
First year premium	116,064	81,022	43.25%	56,342	59,722	205,282	190,974	7.5%
Retained earned premium	243,553	191,627	27.10%	122,708	120,845	440,297	390,077	12.9%
Total investment income	60,841	70,967	-14.27%	35,358	25,537	130,256	109,876	18.5%
Recurring investment income	49,914	42,621	17.11%	26,858	23,110	101,040	88,695	13.9%
Other investment income	10,927	28,346	-61.45%	8,500	2,427	29,216	21,181	37.9%
Realized gains (losses) from fixed income	13,585	10,984	23.68%	9,982	3,603	9,870	12,127	-18.6%
Realized gains (losses) from equity	3,652	23,602	-84.53%	514	3,138	22,622	14,021	61.3%
FX and others	(6,948)	(6,510)	6.73%	(2,094)	(4,855)	(3,629)	(6,413)	-43.4%
Investment property fair value movement	638	270	136.29%	97	541	353	1,446	-75.6%
Other income	1,185	825	43.60%	559	626	2,159	2,006	7.6%
Total operating revenue	305,579	263,419	16.00%	158,625	147,008	572,711	501,960	14.1%
Retained claim payment	91,723	95,536	-3.99%	46,196	45,527	187,601	168,249	11.5%
Net commission expense	18,749	11,678	60.54%	9,635	9,113	26,093	23,215	12.4%
Net change in insurance liability	172,127	114,287	50.61%	86,502	85,625	292,665	254,691	14.9%
General and administrative expense	8,548	7,092	20.52%	4,480	4,122	15,526	13,652	13.7%
Other operating costs	941	1,044	-9.83%	479	462	1,932	1,078	79.2%
Total operating costs and expenses	292,088	229,637	27.20%	147,293	144,850	523,816	460,885	13.7%
Net non-operating income / (expenses)	225	236	-4.60%	119	106	518	222	133.7%
Income before tax	13,716	34,018	-59.68%	11,451	2,265	49,413	41,296	19.7%
Net income	12,995	29,080	-55.31%	10,858	2,137	41,018	35,367	16.0%
Net income to parent company	12,995	29,080	-55.31%	10,858	2,137	41,018	35,367	16.0%
<u>Balance sheet data</u>								
Total assets	3,223,464	2,843,190	13.37%	3,223,464	3,117,105	3,035,563	2,790,427	8.8%
Total assets (general account)	3,086,914	2,709,001	13.95%	3,086,914	2,982,282	2,900,201	2,653,199	9.3%
Insurance liabilities	2,813,256	2,447,646	14.94%	2,813,256	2,728,570	2,656,145	2,346,722	13.2%
Total liabilities	2,998,289	2,634,408	13.81%	2,998,289	2,910,646	2,852,781	2,566,830	11.1%
Total liabilities (general account)	2,861,739	2,500,220	14.46%	2,861,739	2,775,823	2,717,419	2,429,603	11.8%
Equity attributable to parent company	225,175	208,781	7.85%	225,175	206,459	182,782	223,597	-18.3%
<u>Key matrices</u>								
ROA	0.83%	2.06%		1.44%	0.28%	1.41%	1.35%	
ROE	12.74%	26.90%		19.36%	4.39%	20.19%	17.96%	
Equity / Assets	6.99%	7.34%		6.99%	6.62%	6.02%	8.01%	
Claims and benefits ratio	37.66%	49.86%		37.65%	37.67%	42.61%	43.13%	
Expense ratio	3.51%	3.70%		3.65%	3.41%	3.53%	3.50%	
Persistency ratio - 13th month	95.93%	94.57%		95.93%	96.19%	96.66%	95.12%	
Persistency ratio - 25th month	93.37%	90.71%		93.37%	92.92%	92.07%	89.67%	

Fubon Insurance - Financial summary

<i>NT\$ millions, except for percentages</i>	1H16	1H15	YoY	2Q16	1Q16	2015	2014	YoY
<u>Income statement data</u>								
Direct written premiums	19,627	17,690	10.9%	10,330	9,297	35,016	32,718	7.0%
Retention of earned premiums	14,516	13,283	9.3%	7,286	7,230	27,139	24,653	10.1%
Net income from investment	1,319	1,587	-16.9%	822	497	2,811	2,498	12.5%
Other operating revenue	734	601	22.1%	390	345	1,295	1,082	19.7%
Retained insurance payments	7,896	6,567	20.2%	4,063	3,833	14,250	13,128	8.5%
Net change in liability reserve	71	607	-88.2%	(287)	358	656	626	4.7%
Commission and operating expenses	6,776	6,088	11.3%	3,470	3,306	12,772	11,363	12.4%
Non-Operating Income	(54)	(51)	5.9%	(32)	(22)	(96)	(109)	-12.2%
Income before tax	1,772	2,158	-17.9%	1,219	553	3,472	3,007	15.5%
Net income	1,451	1,788	-18.8%	1,007	444	2,839	2,420	17.3%
Net income to parent company	1,594	1,945	-18.1%	1,077	516	3,213	2,816	14.1%
<u>Balance sheet data</u>								
Total assets	97,868	87,732	11.6%	97,868	94,323	89,213	83,349	7.0%
Investment assets	64,343	61,978	3.8%	64,343	65,752	64,689	60,362	7.2%
Policy reserve	54,299	47,350	14.7%	54,299	51,580	47,470	44,930	5.7%
Equity attributable to parent company	29,542	28,829	2.5%	29,542	30,281	28,677	27,665	3.7%
<u>Summary ratios</u>								
ROA	3.10%	4.18%		4.30%	1.94%	3.29%	2.99%	
ROE	10.95%	13.77%		14.81%	7.00%	11.41%	10.06%	
Total investment return	4.09%	5.19%		5.10%	3.05%	4.50%	4.21%	
Solvency margin (NWP/equity)	104.62%	97.91%		107.27%	99.48%	97.95%	94.11%	
Retention ratio	73.05%	75.30%		71.12%	75.19%	75.30%	76.11%	

Fubon Securities - Financial summary

<i>NT\$ millions, except for percentages</i>	1H16	1H15	YoY	2Q16	1Q16	2015	2014	YoY
Income statement data								
Brokerage commissions	1,356	1,482	-8.5%	655	701	3,044	3,204	-5.0%
Net interest income	459	520	-11.9%	244	215	942	932	1.0%
Fee income	113	45	149.6%	74	39	298	157	89.7%
Net principal transactions and financial products gains	322	256	25.5%	99	222	324	575	-43.6%
Other income	717	581	23.3%	509	208	1,419	1,089	30.3%
Total operating revenue	2,966	2,886	2.8%	1,580	1,386	6,025	5,955	1.2%
Total operating expense	(2,526)	(2,519)	0.3%	(1,296)	(1,229)	(5,216)	(5,146)	1.4%
Net non-operating income / (expenses)	400	308	30.0%	158	243	685	678	1.0%
Income before tax	841	674	24.6%	442	399	1,494	1,488	0.4%
Net income	790	555	42.3%	432	358	1,348	1,356	-0.6%
Net income to parent company	790	555	42.3%	432	358	1,348	1,356	-0.6%
Balance sheet data								
Margin loans	11,108	15,185	-26.8%	11,108	11,613	11,950	16,338	-26.9%
Total assets	99,465	83,085	19.7%	99,465	95,452	84,481	69,957	20.8%
Equity attributable to parent company	32,657	31,146	4.9%	32,657	32,551	31,576	31,333	0.8%
Key metrics								
ROA	1.72%	1.45%		2.04%	1.59%	1.75%	2.12%	
ROE	4.92%	3.56%		5.40%	4.47%	4.29%	4.39%	
Equity / assets	32.83%	37.49%		32.83%	34.10%	37.38%	44.79%	
Expenses / revenues	-85.16%	-87.30%		-85.16%	-88.73%	-86.57%	-86.41%	
Margin loans / total assets	11.17%	18.28%		11.17%	12.17%	14.14%	23.35%	
Margin loans / shareholders' equity	34.01%	48.75%		34.01%	35.68%	37.84%	52.14%	

Fubon Bank (Hong Kong) - Financial Summary

<i>HK\$ millions, except for percentages</i>	1H16	1H15	YoY	2015	2014	YoY
<u>Income Statement Data</u>						
Interest income	936	881	6.3%	1,809	1,677	7.9%
Interest expense	(370)	(381)	-2.9%	(736)	(835)	-11.8%
Net interest income	566	499	13.3%	1,073	842	27.5%
Net fee income	184	198	-7.4%	353	317	11.2%
Other income	13	115	-88.4%	78	147	-47.2%
Total revenue	763	813	-6.1%	1,504	1,306	15.1%
Operating expenses	(472)	(455)	3.6%	(1,027)	(897)	14.4%
Provision for loan losses/ write-back	(147)	(10)	1431.2%	(58)	(16)	270.9%
Net non-operating income	129	101	27.3%	194	161	20.5%
Income before tax	273	449	-39.2%	613	555	10.6%
Net income	231	378	-38.8%	522	481	8.4%
<u>Balance Sheet Data</u>						
Gross loans	43,177	44,338	-2.6%	42,570	40,368	5.5%
Customers Deposits	61,789	56,901	8.6%	58,385	52,664	10.9%
Allowance for loan losses	202	46	341.2%	75	46	63.4%
Total assets	94,139	89,910	4.7%	90,993	83,860	8.5%
Shareholders' equity	11,010	10,798	2.0%	10,806	10,416	3.7%
<u>Key metrics</u>						
Return on average assets	0.50%	0.88%		0.60%	0.62%	
Return on average equity	4.26%	7.18%		4.92%	5.18%	
Equity / assets	11.69%	12.01%		11.88%	12.42%	
Net fee income / total revenue	24.06%	24.39%		23.47%	24.30%	
Cost / income ratio	-61.84%	-56.04%		-68.29%	-68.70%	
NPL ratio	0.76%	0.02%		0.52%	0.02%	
Reserve / NPL	61.76%	497.23%		33.95%	526.05%	
Gross Loans/Customers Deposits ratio	69.88%	77.92%		72.91%	76.65%	
Tier 1 ratio	11.92%	11.81%		11.81%	12.65%	
BIS ratio	16.33%	16.58%		16.62%	17.96%	

Fubon Bank (China) - Financial Summary

<i>RMB millions, except for percentages</i>	1H16	1H15	YoY	2Q16	1Q16	2015	2014	YoY
<u>Income Statement Data</u>								
Interest income	1,046	1,131	-7.5%	555	491	2,232	2,425	-7.9%
Interest expense	(834)	(997)	-16.3%	(416)	(418)	(1,925)	(1,846)	4.3%
Net interest income	212	134	57.9%	139	73	307	579	-47.0%
Net fee income	64	64	-1.0%	32	31	120	141	-14.8%
Other income	355	257	38.4%	138	217	669	250	167.6%
Operating expenses	(260)	(221)	17.9%	(134)	(126)	(519)	(378)	37.1%
Pre-provision profits	371	235	58.0%	175	195	577	591	-2.4%
Provision for credit losses	(32)	14	N.M.	(32)	0	(84)	(59)	41.0%
Income before tax	339	248	36.5%	144	195	493	532	-7.3%
Net income	264	197	34.4%	113	152	390	422	-7.5%
<u>Balance Sheet Data</u>								
Loans	29,672	29,493	0.6%	29,672	28,388	30,822	31,163	-1.1%
Deposits	42,209	41,185	2.5%	42,209	43,387	46,013	42,063	9.4%
Total assets	68,640	65,541	4.7%	68,640	67,367	73,647	61,604	19.5%
Total equity	5,140	4,669	10.1%	5,140	5,033	4,879	4,547	7.3%
<u>Key metrics</u>								
ROA	0.74%	0.62%		0.63%	0.86%	0.58%	0.76%	
ROE	10.55%	8.53%		9.00%	12.24%	8.28%	11.09%	
Equity / assets	7.49%	7.12%		7.49%	7.47%	6.63%	7.38%	
Cost / income ratio	-38.07%	-44.09%		-39.91%	-36.32%	-43.72%	-35.08%	
NPL ratio	1.85%	1.03%		1.85%	1.91%	1.04%	0.89%	
Reserve / NPL	161.43%	252.23%		161.43%	157.53%	265.11%	282.25%	
Loan to deposit ratio (Renminbi)	68.65%	69.10%		68.65%	62.88%	74.91%	70.13%	
Tier 1 ratio	12.81%	13.04%		12.50%	13.01%	12.59%	13.93%	
BIS ratio	13.63%	14.19%		13.32%	13.82%	13.73%	15.08%	