

9M2017 Interim Results Fubon Financial Holdings

Disclaimer



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.

Agenda



- Performance highlights of Fubon Financial Holdings
- Performance review by subsidiary
 - Taipei Fubon Bank
 - Fubon Life
 - Fubon Insurance
 - Fubon Securities
 - Fubon Bank (China)

Fubon Financial Holdings: Operation highlights



Net profits reached NT\$44,265 million in 9M17, up 9.7% yoy, due to strong cash dividend and first year strain improvement. Major subsidiaries showed earnings growth.

Taipei Fubon Bank

- Net interest revenue maintains steady growth with sound loan growth momentum
- Asset quality remains benign

Fubon Life

- Strong cash dividend income growth
- Hedging cost improvement qoq
- Contribution of renewal premium increases

Fubon Insurance

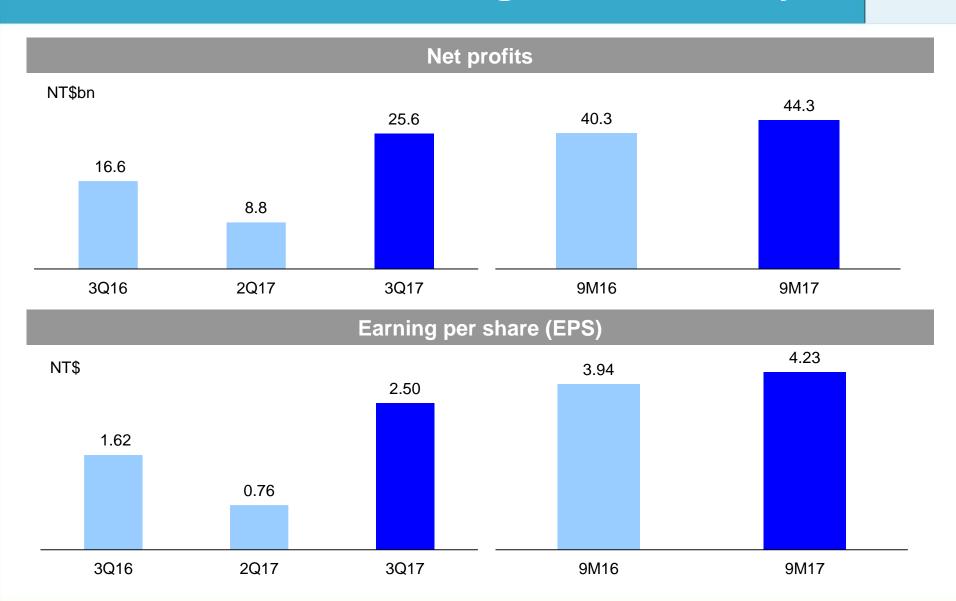
- Leading position in premium income with 23.5% market share
- Underwriting performance outstanding

Fubon Securities

- Brokerage market share increase
- Focus on regional ETF products

Fubon Financial Holdings: Profitability

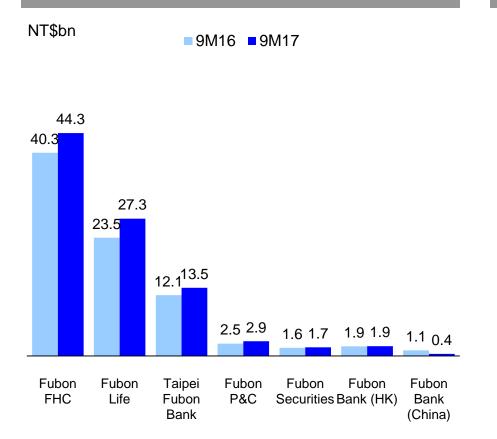




Fubon Financial Holdings: Net profits from major subsidiaries

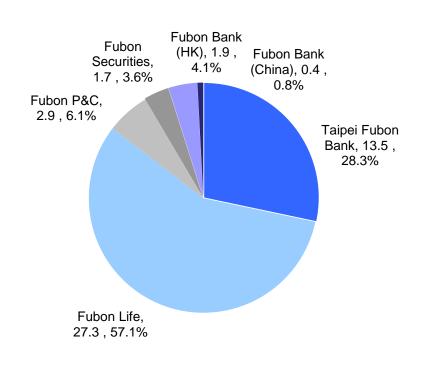


Net profits from major subsidiaries



Profit contribution from major subsidiaries

NT\$bn

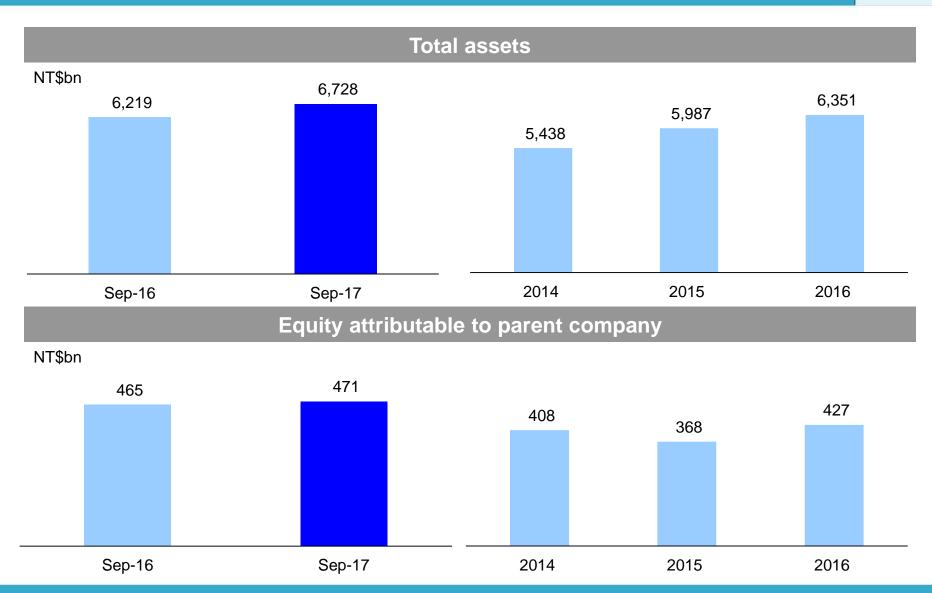


Note: Net profits of Fubon Bank(China) is not included in net profits of Taipei Fubon Bank

Note: Profit contribution are based on the summation of six major subsidiaries

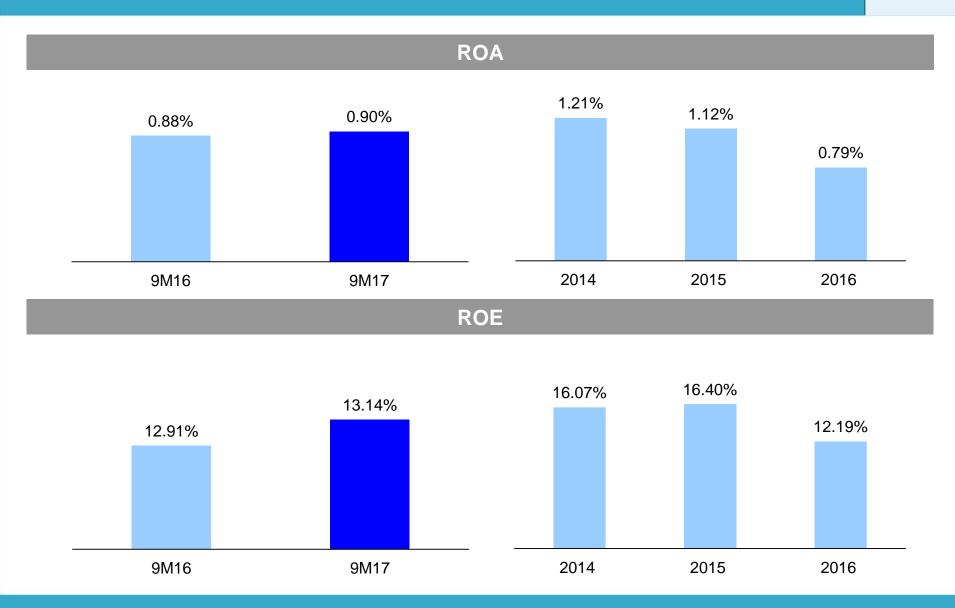
Fubon Financial Holdings: Asset and net worth





Fubon Financial Holdings: ROA & ROE





Inclusion of the ESG Indices



MEMBER OF

Dow Jones Sustainability Indices

In Collaboration with RobecoSAM (



- Inclusion of DJSI Emerging
 Markets Index for the second year
- ◆ Inclusion of the top tier DJSI World Index for the first time in 2017
- ◆ The first and only Taiwanese financial institution as the constituent under "FBN Diversified Financial Services and Capital Markets" category, ranking No.4 out of 15 financial institutions globally





2017 Constituent MSCI ESG Leaders Indexes

- ◆ Inclusion of the MSCI Global Sustainability
 Indexes for the first time in 2017
- Received Grade A from MSCI ESG Rating in the Diversified Financial Category – Taiwan, the highest grade among local peers



Inclusion of FTSE4Good Emerging Indexes



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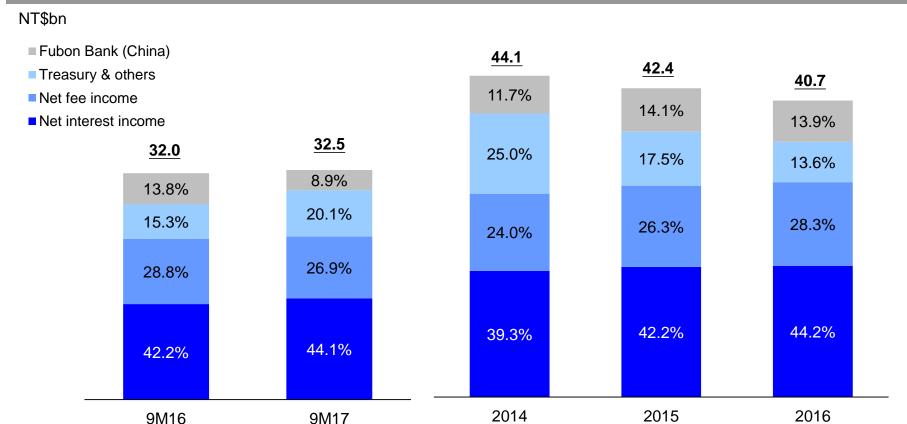
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Taipei Fubon Bank: Revenue



- Revenue up 7.1% yoy on standalone basis
- Core revenue maintains steady growth from net interest income



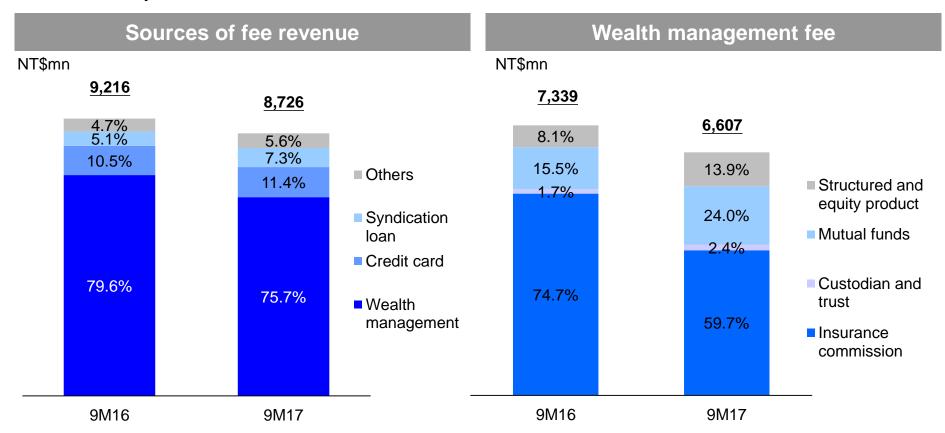


Note: Consolidated basis; Fubon Bank (China) accounted starting from Jan. 7th, 2014

Taipei Fubon Bank: Fee and wealth management revenue



- Sound growth momentum in credit card and syndication loan business
- Wealth management product sales volume continue growing, while insurance commission affected by commission rate cut



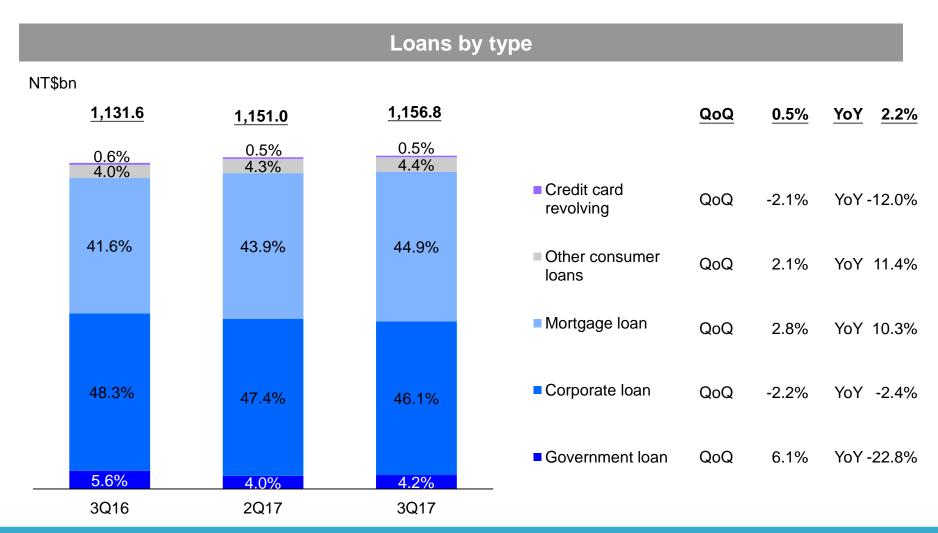
Note: (1) Wealth management revenue includes fee in the chart and other income (9M17: NT\$244mn; 9M16: NT\$232mn)

(2) Data are stand-alone basis in page 12-17

Taipei Fubon Bank: Loan composition



Mortgages and consumer loans growth outperformed industry

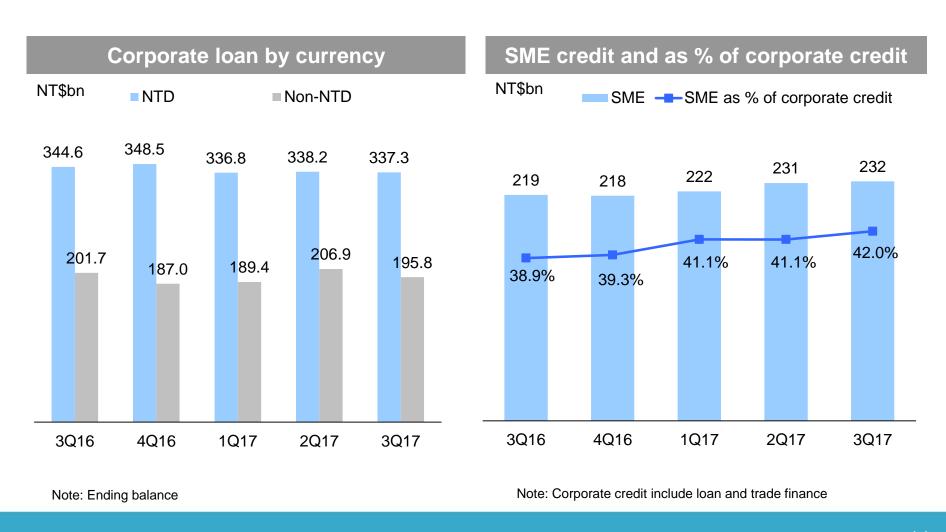


Note: Ending balance

Taipei Fubon Bank: Corporate credit

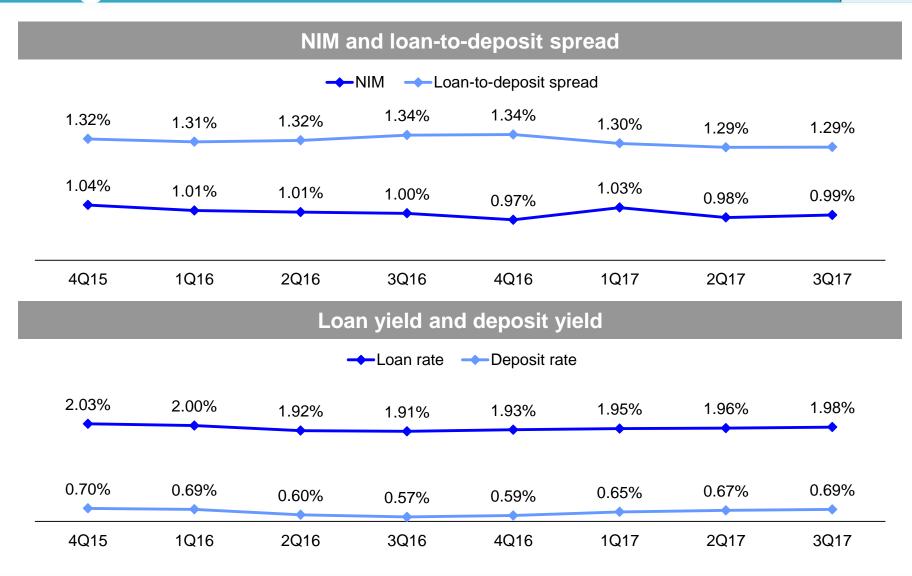


■ SME credit continues growing with contribution over 40% of corporate credit



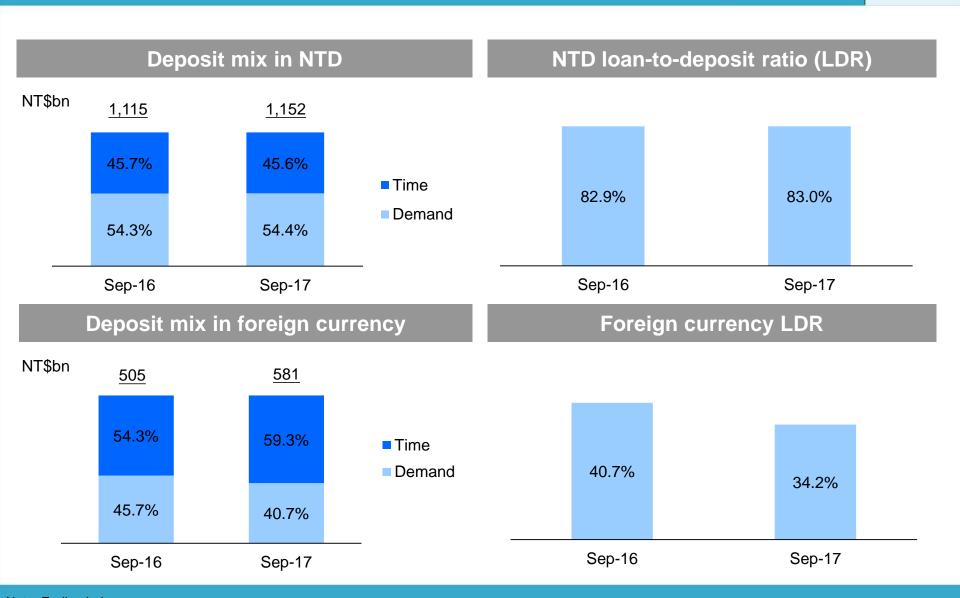
Taipei Fubon Bank: Interest yield and margin





Taipei Fubon Bank: Deposit mix and LDR

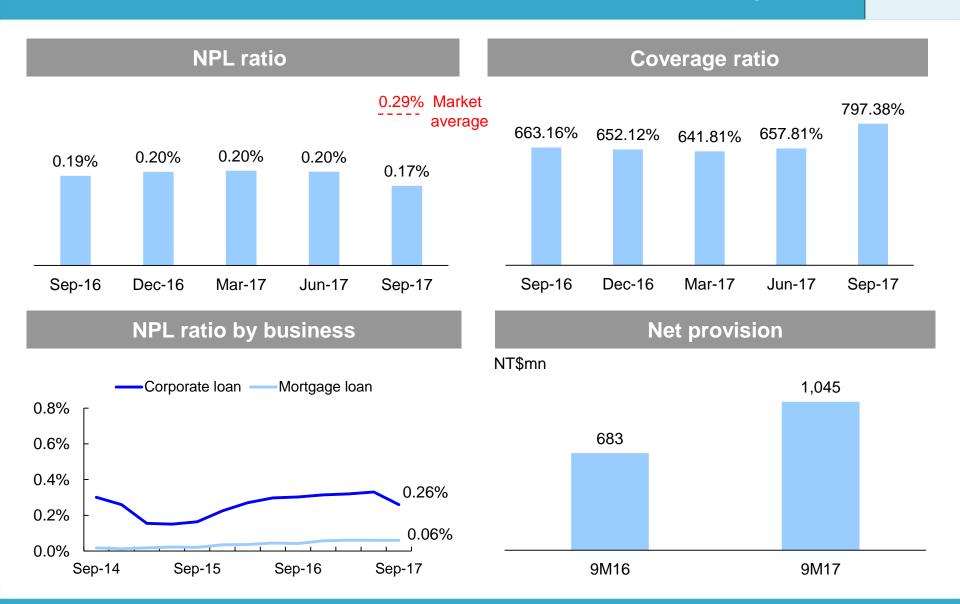




Note: Ending balance

Taipei Fubon Bank: Asset quality





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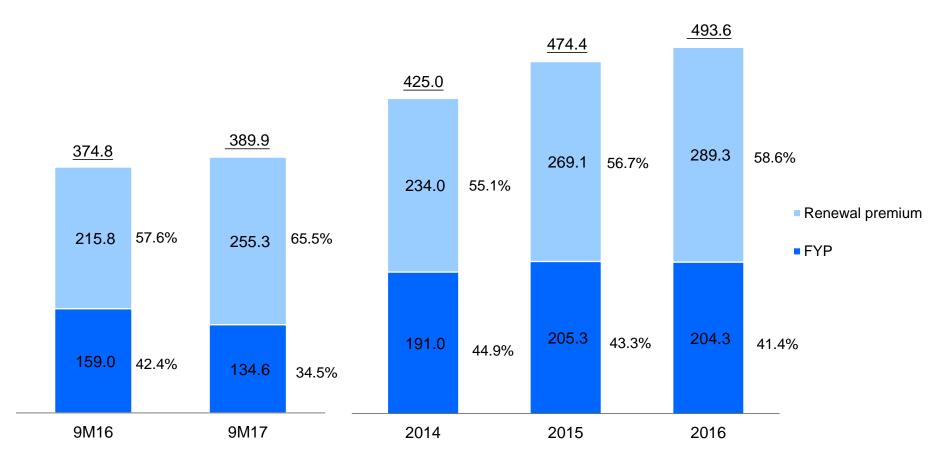
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Fubon Life: Total premium



■ 4% yoy growth in total premium income and 18% growth in renewal premium





Fubon Life: First year premium (FYP)



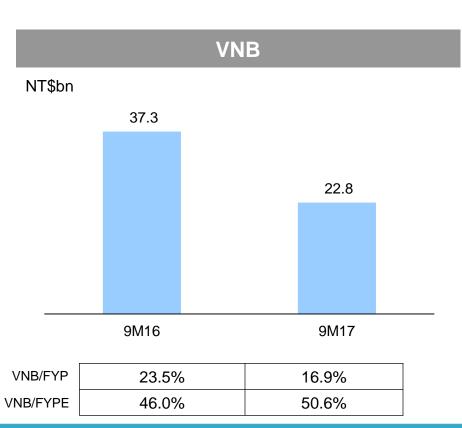
■ Contribution from traditional policies sales reached 78.7%

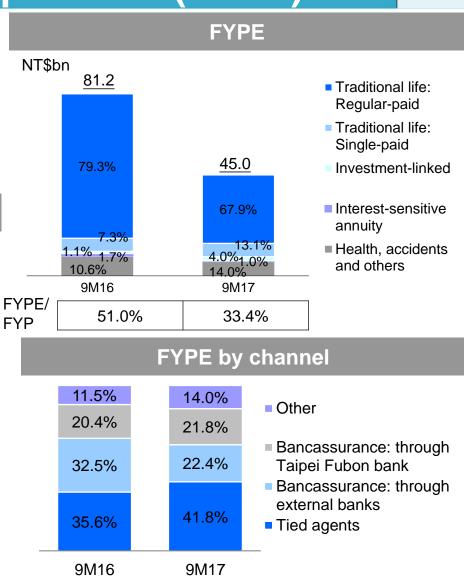
		FY	P compo	sition				
NT\$bn	1Q17	2Q17	3Q17	9M17	%	9M16	%	YoY growth
Traditional life: Regular- paid	20.5	11.6	15.0	47.1	35.0%	68.8	43.3%	-31.5%
Traditional life: Single-paid	20.0	19.8	19.1	58.8	43.7%	59.2	37.2%	-0.5%
Interest-sensitive annuity	1.3	1.8	1.5	4.7	3.5%	14.2	8.9%	-67.0%
Investment-linked	4.4	7.6	5.6	17.6	13.1%	8.3	5.2%	111.5%
Health, accidents and others	2.2	2.0	2.2	6.4	4.7%	8.6	5.4%	-25.5%
Total	48.4	42.8	43.4	134.6	100.0%	159.0	100.0%	-15.3%

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



- FYPE reached NT\$45.0 billion in 9M17, with higher contribution from tied agents
- VNB/FYPE ratio improved due to stable contributions from protection oriented policies





Fubon Life: Composition of investment income



- Investment income mainly came from recurring revenue
- Capital gains performance remains decent

NT\$bn	9M16	9M17	YoY	2014	2015	2016
Recurring investment income	81.6	88.9	8.9%	88.7	101.0	106.1
Cash dividend income from equity investment	13.8	17.6	27.7%	12.6	16.5	14.9
Realized gains from fixed income investment	20.9	11.9	-43.4%	12.1	9.9	23.9
Realized gains from equity investment	6.4	19.1	197.4%	14.0	22.6	10.3
FX and others	-14.5	-23.4	60.6%	-6.4	-3.6	-15.7
Investment property fair value movement	-0.3	0.0	N.A.	1.4	0.4	-0.3
Investment income	94.1	96.5	2.6%	109.9	130.3	124.3
Total investment assets	3,047.7	3,341.2	9.6%	2,588.0	2,814.0	3,118.4
Investment Return	4.40%	4.08%	-	4.74%	4.97%	4.30%

Fubon Life: Investment portfolio



- Steady growth of investment assets
- Investment portfolio repositioned in response to market volatility

	2016/9/30		2017/06	/30	2017/09)/30
NT\$bn						
Deposit and cash equivalent	189.7	6.2%	124.4	3.8%	133.0	4.0%
Domestic fixed income	502.8	16.5%	431.8	13.2%	430.8	12.9%
Overseas fixed income*	1,556.4	51.1%	1,745.5	53.5%	1,789.7	53.6%
Domestic equity	259.6	8.5%	364.9	11.2%	377.4	11.3%
Overseas equity	174.9	5.8%	210.2	6.4%	218.6	6.5%
Mortgage loans	98.8	3.2%	118.9	3.6%	122.7	3.7%
Policy loans	57.4	1.9%	59.8	1.8%	61.0	1.8%
Real estate	208.1	6.8%	207.8	6.4%	208.0	6.2%
Total Investments	3,047.7	100.0%	3,263.3	100.0%	3,341.2	100.0%
Domestic	1,252.0	41.1%	1,234.4	37.8%	1,262.0	37.8%
Overseas*	1,795.7	58.9%	2,028.9	62.2%	2,079.2	62.2%

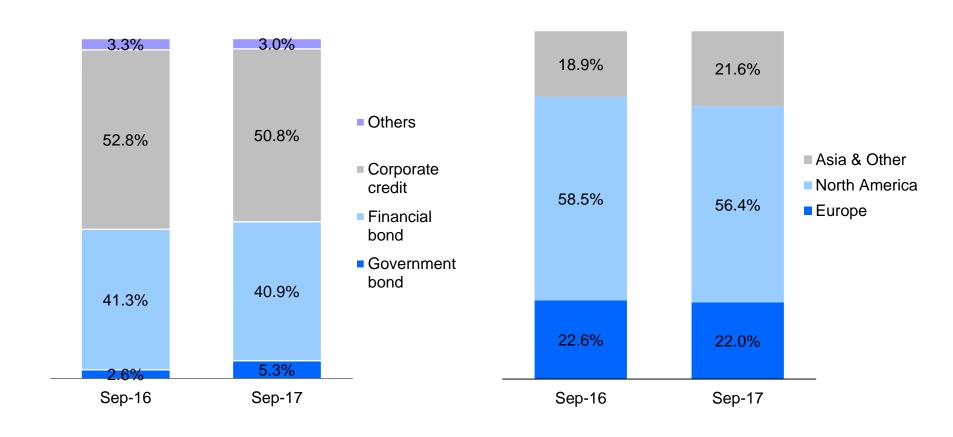
Note: *Including OTC-listed international bond, the international bonds investment reached 15.7% of total investment assets as of 2017/09/30

Fubon Life: Portfolio of overseas fixed income



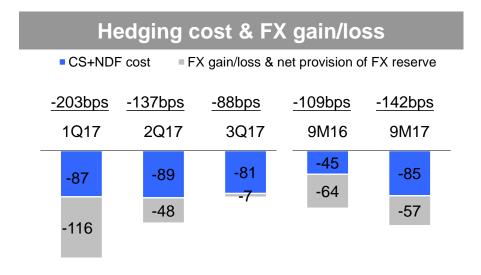
Overseas fixed income by asset type

Overseas fixed income by region

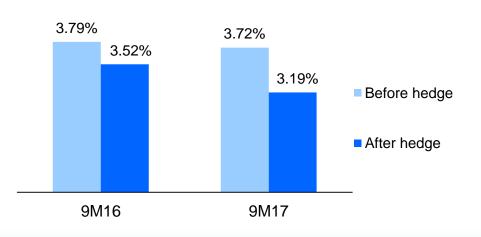


Fubon Life: Hedging composition

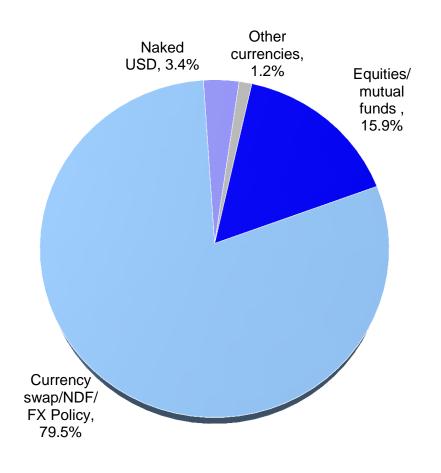




Recurring return



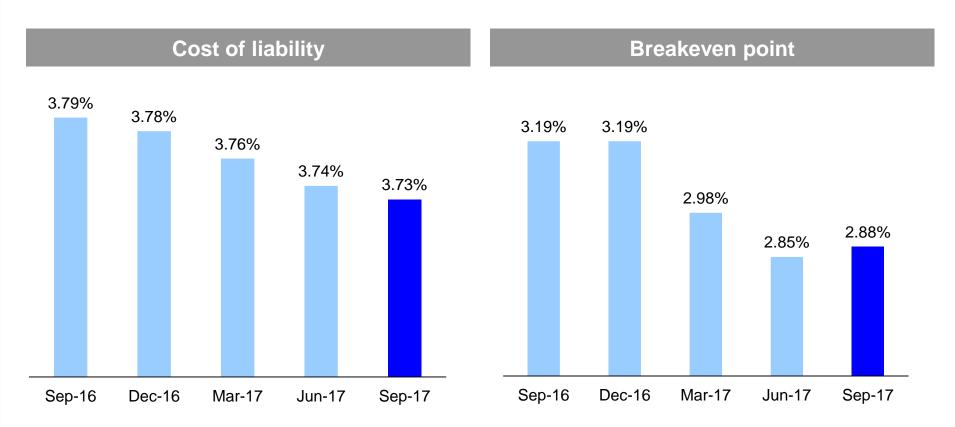
FX position



Fubon Life: Cost of liability & Breakeven point



- Cost of liability improvement continues
- Breakeven point improvement due to lower first year strain

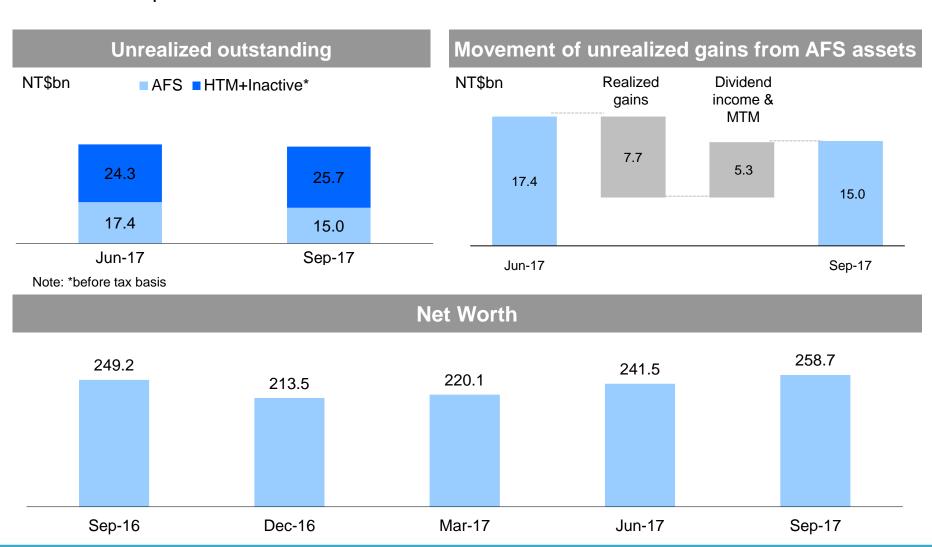


Breakeven point = (Profit before tax – Investment income) /
Average investment assets

Fubon Life: Investment performance



Unrealized position remained stable



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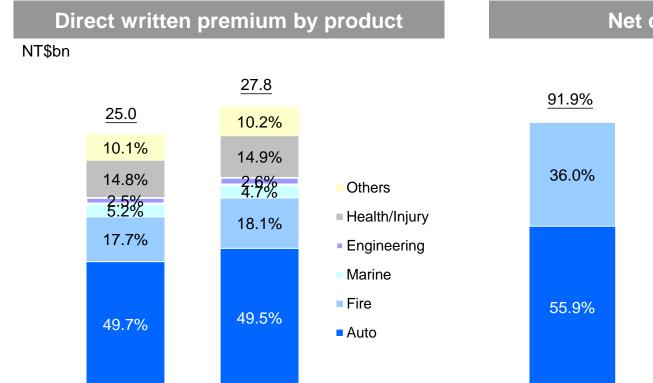


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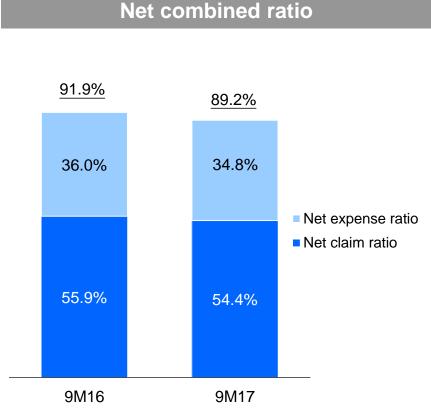
Fubon Insurance: Operating snapshot



- Premium growth outperformed industry. Top 1 in premium market share
- Outstanding underwriting performance with lower net combined ratio



9M17



Note: Standalone basis

9M16

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

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Fubon Securities: Financial highlights



- Leading market position across lines of business
- Expansion in ETF AUM and product diversifications

Market share & ranking

	9M17	Ranking	9M16	Ranking
Brokerage per branch*	0.128%	1	0.095%	2
Market Share of SPO	28.61%	1	15.29%	2
AUM of ETF (NT\$mn)	74,900	2	59,200	2
Emerging stock trading	20.13%	2	20.72%	2
Brokerage	6.14%	3	5.19	3

Note: *Ranking among top 10 brokers

Operating revenue NT\$mn 5,697 4,940 9M16 9M17



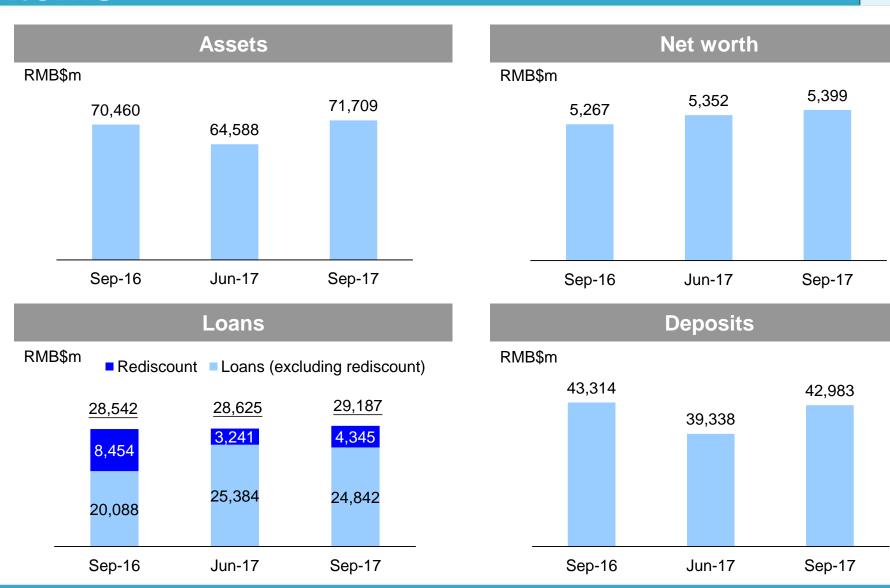
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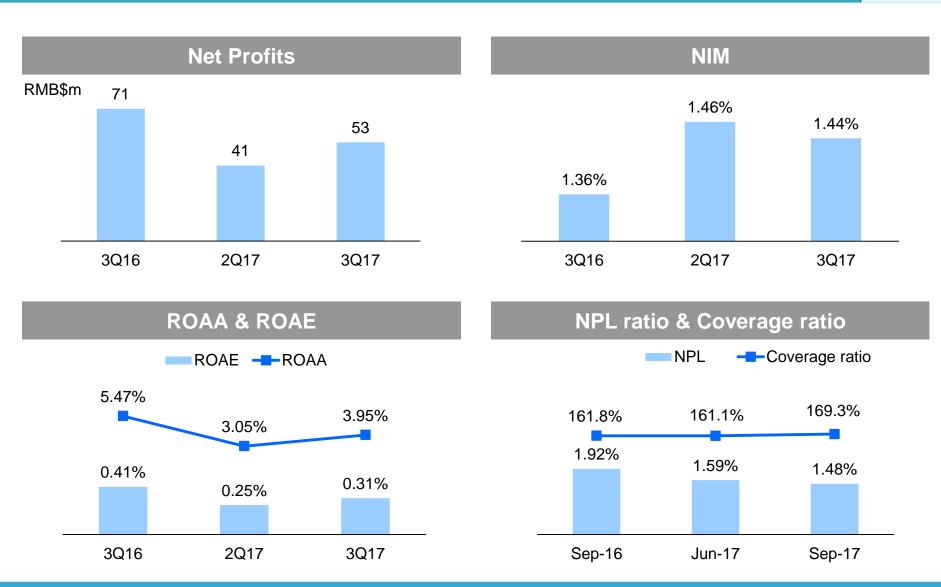
Fubon Bank (China): Key balance sheet items





Fubon Bank (China): Financial highlight





Note: ROAA and ROAE are annualized basis



富邦金控 Fubon Financial Thank you

Fubon Financial - Financial summary

NT\$ millions, except for percentages	9M17	9M16	YoY	3Q17	2Q17	1Q17	2016	2015	YoY
Income Statement Data									
Net interest income	83,488	78,483	6.4%	28,615	27,782	27,091	105,777	94,965	11.4%
Insurance income	201,336	233,562	-13.8%	55,144	61,371	84,821	294,382	264,088	11.5%
Net gains (losses) on FX and financial assets	33,578	26,214	28.1%	23,318	8,073	2,187	38,094	73,991	-48.5%
Others	(286)	1,632	N.M.	1,867	(873)	(1,281)	670	(2,801)	N.M.
Net revenue	318,116	339,891	-6.4%	108,945	96,353	112,817	438,923	430,243	2.0%
Bad debt expense and reserve for guarantee	(1,628)	(1,815)	-10.3%	(483)	(777)	(369)			115.2%
	, , ,	,					(2,608)	(1,212)	
Net change in insurance reserve	(227,939)	(250,888)	-9.1%	(67,119)	(71,263)	(89,557)	(324,613)	(296,913)	9.3%
Operating expense	(40,785)	(42,004)	-2.9%	(13,728)	(13,661)	(13,396)	(57,021)	(54,300)	5.0%
Income before tax	47,764	45,185	5.7%	27,615	10,652	9,496	54,680	77,818	-29.7%
Net income	44,188	40,498	9.1%	25,545	8,793	9,850	48,575	63,806	-23.9%
Net income to parent company	44,265	40,334	9.7%	25,576	8,811	9,879	48,421	63,593	-23.9%
Balance Sheet Data									
Total assets	6,728,018	6,219,483	8.2%	6,728,018	6,584,585	6,360,870	6,351,258	5,987,468	6.1%
Equity attributable to parent company	471,456	465,323	1.3%	471,456	447,122	436,296	426,820	367,622	16.1%
Outstanding common shares (million shares)	10,234	10,234	0.0%	10,234	10,234	10,234	10,234	10,234	0.0%
Key Metrics									
ROA	0.90%	0.88%		1.56%	0.54%	0.62%	0.79%	1.12%	
ROE	13.14%	12.91%		22.78%	8.07%	9.16%	12.19%	16.40%	
Equity / assets	7.01%	7.61%		7.01%	6.80%	6.86%	6.72%	6.28%	
Double leverage	115.32%	111.99%		115.32%	116.03%	115.33%	115.58%	120.55%	
Capital adequacy ratio							133.00%	124.83%	
Cash dividend per share							2.00	2.00	

Fubon Life - Financial summary

NT\$ millions, except for percentages	9M17	9M16	YoY	3Q17	2Q17	1Q17	2016	2015	YoY
Income statement data									
First year premium	134,622	159,030	-15.3%	43,413	42,836	48,373	204,283	205,282	-0.5%
Retained earned premium	365,267	358,014	2.0%	121,955	117,431	125,882	468,608	440,297	6.4%
Total investment income	96,552	94,130	2.6%	43,989	26,317	26,246	124,327	130,256	-4.6%
Recurring investment income	88,886	81,588	8.9%	38,686	26,997	23,203	106,072	101,040	5.0%
Other investment income	7,666	12,542	-38.9%	5,303	(681)	3,043	18,255	29,216	-37.5%
Realized gains (losses) from fixed income	11,865	20,956	-43.4%	4,172	3,291	4,401	23,933	9,870	142.5%
Realized gains (losses) from equity	19,089	6,419	197.4%	6,080	4,352	8,657	10,292	22,622	-54.5%
FX and others	(23,346)	(14,538)	60.6%	(4,960)	(8,295)	(10,091)	(15,705)	(3,629)	332.8%
Investment property fair value movement	58	(295)	N.M.	11	(29)	76	(265)	353	N.M.
Other income	1,614	1,465	10.1%	573	537	504	2,131	2,159	-1.3%
Total operating revenue	463,433	453,609	2.2%	166,517	144,284	152,632	595,066	572,711	3.9%
Retained claim payment	174,337	133,643	30.4%	70,328	59,646	44,363	185,979	187,601	-0.9%
Net commission expense	18,884	26,335	-28.3%	5,718	5,613	7,553	33,625	26,093	28.9%
Net change in insurance liability	230,446	256,368	-10.1%	66,436	70,794	93,216	327,464	292,665	11.9%
General and administrative expense	11,822	12,741	-7.2%	3,899	3,987	3,936	17,179	15,526	10.6%
Other operating costs	2,313	1,433	61.4%	635	710	968	2,035	1,932	5.3%
Total operating costs and expenses	437,802	430,521	1.7%	147,017	140,750	150,036	566,282	523,816	8.1%
Net non-operating income / (expenses)	170	396	-56.9%	114	70	(14)	489	518	-5.5%
Income before tax	25,801	23,484	9.9%	19,614	3,605	2,582	29,274	49,413	-40.8%
Net income	27,267	23,458	16.2%	18,667	4,590	4,010	28,688	41,018	-30.1%
Net income to parent company	27,267	23,458	16.2%	18,667	4,590	4,010	28,688	41,018	-30.1%
Balance sheet data									
Total assets	3,586,932	3,285,094	9.2%	3,586,932	3,511,526	3,399,391	3,353,560	3,035,563	10.5%
Total assets (general account)	3,434,671	3,145,703	9.2%	3,434,671	3,363,318	3,256,156	3,211,026	2,900,201	10.7%
Insurance liabilities	3,083,344	2,845,784	8.3%	3,083,344	3,018,120	2,944,874	2,902,374	2,656,145	9.3%
Total liabilities	3,328,193	3,035,931	9.6%	3,328,193	3,270,064	3,179,307	3,140,085	2,852,781	10.1%
Total liabilities (general account)	3,175,932	2,896,540	9.6%	3,175,932	3,121,857	3,036,072	2,997,551	2,717,419	10.3%
Equity attributable to parent company	258,739	249,163	3.8%	258,739	241,461	220,084	213,474	182,782	16.8%
Key Metrics									
ROA	1.05%	0.99%		2.15%	0.53%	0.48%	0.90%	1.41%	
ROE	15.40%	14.48%		31.62%	8.07%	7.40%	14.48%	20.19%	
Equity / Assets	7.21%	7.58%		7.21%	6.88%	6.47%	6.37%	6.02%	
Claims and benefits ratio	47.73%	37.33%		57.67%	50.79%	35.24%	39.69%	42.61%	
Expense ratio	3.24%	3.56%		3.20%	3.40%	3.13%	3.67%	3.53%	
Persistency ratio - 13th month	97.97%	96.17%		97.97%	97.95%	97.29%	96.25%	96.66%	
Persistency ratio - 25th month	94.51%	93.65%		94.51%	93.69%	93.77%	94.09%	92.07%	

Taipei Fubon Bank - Financial summary

NT\$ millions, except for percentages	9M17	9M16	YoY	3Q17	2Q17	1Q17	2016	2015	YoY
Income statement data									
Interest income	33,467	32,423	3.2%	11,770	11,021	10,676	42,709	46,647	-8.4%
Interest expense	(16,227)	(15,097)	7.5%	(5,802)	(5,394)	(5,032)	(19,855)	(23,294)	-14.8%
Net interest income	17,240	17,326	-0.5%	5,969	5,627	5,644	22,854	23,352	-2.1%
Net fee income	9,016	9,611	-6.2%	2,975	2,667	3,374	11,996	11,649	3.0%
Other income	6,208	5,045	23.0%	2,336	2,451	1,421	5,822	7,367	-21.0%
Total net revenue	32,463	31,982	1.5%	11,279	10,746	10,439	40,672	42,369	-4.0%
Operating expenses	(15,625)	(15,501)	0.8%	(5,260)	(5,210)	(5,156)	(20,981)	(20,690)	1.4%
Pre-provision profits	16,838	16,481	2.2%	6,019	5,536	5,283	19,691	21,679	-9.2%
Provision for credit losses	(1,045)	(838)	24.7%	(263)	(577)	(204)	(1,372)	(177)	676.4%
Income before tax	15,793	15,643	1.0%	5,756	4,958	5,079	18,319	21,502	-14.8%
Net income	13,878	13,318	4.2%	5,125	4,349	4,405	15,272	18,606	-17.9%
Net income to parent company	13,686	12,640	8.3%	5,050	4,302	4,333	14,466	17,783	-18.7%
Balance sheet data									
Loans and discounts, net	1,321,327	1,316,465	0.4%	1,321,327	1,310,670	1,288,945	1,289,861	1,353,533	-4.7%
Deposits and remittances	1,962,074	1,859,512	5.5%	1,962,074	1,953,213	1,859,336	1,877,778	1,813,356	3.6%
Allowance for loan losses*	15,370	14,331	7.2%	15,370	15,286	14,739	14,666	14,651	0.1%
Total assets	2,540,792	2,375,875	6.9%	2,540,792	2,489,210	2,396,147	2,414,226	2,409,836	0.2%
Equity attributable to parent company	177,297	173,537	2.2%	177,297	172,419	177,644	174,634	165,696	5.4%
Key Metrics									
ROA	0.75%	0.74%		0.83%	0.71%	0.73%	0.63%	0.81%	
ROE	10.37%	9.94%		11.48%	9.92%	9.84%	8.50%	11.21%	
Equity / assets	7.71%	8.10%		7.71%	7.66%	8.16%	8.01%	7.69%	
Cost / income ratio	-48.13%	-48.47%		-46.63%	-48.48%	-49.39%	-51.59%	-48.83%	
NPL ratio*	0.17%	0.19%		0.17%	0.20%	0.20%	0.20%	0.15%	
Reserve / NPL*	797.38%	663.16%		797.38%	657.81%	641.81%	652.12%	816.37%	
Tier 1 ratio*					11.60%		12.57%	11.30%	
BIS ratio*					13.25%		14.40%	13.44%	

Note: Data mark with * are stand-alone basis

Fubon Insurance - Financial summary

NT\$ millions, except for percentages	9M17	9M16	YoY	3Q17	2Q17	1Q17	2016	2015	YoY
Income statement data									
Direct written premiums	31,395	28,788	10.3%	9,738	11,116	10,541	38,172	35,016	9.0%
Retention of earned premiums	24,251	21,968	10.4%	8,361	8,006	7,884	29,577	27,139	9.0%
Net income from investment	2,364	2,188	8.0%	872	1,080	412	2,754	2,811	-2.0%
Other operating revenue	996	1,066	-6.6%	274	364	358	1,440	1,295	11.2%
Retained insurance payments	12,954	11,890	9.0%	4,560	4,119	4,275	16,216	14,250	13.8%
Net change in liability reserve	616	441	39.7%	174	325	117	363	656	-44.6%
Commission and operating expenses	10,739	10,194	5.3%	3,592	3,604	3,543	13,769	12,772	7.8%
Non-Operating Income	(153)	(94)	63.4%	(61)	(49)	(43)	(158)	(96)	65.4%
Income before tax	3,149	2,603	21.0%	1,120	1,353	676	3,266	3,472	-5.9%
Net income	2,684	2,127	26.2%	928	1,209	547	2,672	2,839	-5.9%
Net income to parent company	2,902	2,467	17.6%	1,011	1,257	634	3,119	3,213	-2.9%
Balance sheet data									
Total assets	99,127	99,597	-0.5%	99,127	99,400	98,532	98,470	89,213	10.4%
Investment assets	67,543	65,653	2.9%	67,543	65,839	65,083	64,900	64,689	0.3%
Policy reserve	53,237	54,404	-2.1%	53,237	54,902	53,981	54,310	47,470	14.4%
Equity attributable to parent company	30,436	30,646	-0.7%	30,436	29,614	30,556	29,531	28,677	3.0%
Key Metrics									
ROA	3.62%	3.00%		3.75%	4.89%	2.22%	2.85%	3.29%	
ROE	12.91%	11.09%		13.49%	17.00%	8.44%	10.72%	11.41%	
Total investment return	4.76%	4.48%		5.27%	6.61%	2.53%	4.25%	4.50%	
Solvency margin (NWP/equity)	109.64%	100.19%		106.50%	114.51%	110.58%	104.51%	97.95%	
Retention ratio	75.10%	74.17%		78.01%	72.04%	75.60%	75.36%	75.30%	

Fubon Securities - Financial summary

NT\$ millions, except for percentages	9M17	9M16	YoY	3Q17	2Q17	1Q17	2016	2015	YoY
Income statement data									
Brokerage commissions	2,710	2,068	31.0%	1,080	852	778	2,728	3,044	-10.4%
Net interest income	734	683	7.3%	243	248	242	901	942	-4.3%
Fee income	519	194	167.2%	185	189	145	336	298	12.8%
Net principal transactions and financial products gains	365	549	-33.5%	(87)	269	183	509	324	57.0%
Other income	1,373	1,453	-5.5%	838	315	220	1,691	1,419	19.2%
Total operating revenue	5,697	4,940	15.3%	2,256	1,872	1,569	6,157	6,025	2.2%
Total operating expense	(4,314)	(3,879)	11.2%	(1,519)	(1,461)	(1,334)	(5,375)	(5,216)	3.1%
Net non-operating income / (expenses)	543	632	-14.1%	217	149	177	811	685	18.5%
Income before tax	1,926	1,693	13.7%	954	560	412	1,594	1,494	6.7%
Net income	1,712	1,622	5.5%	875	492	345	1,504	1,348	11.5%
Net income to parent company	1,717	1,622	5.9%	878	494	345	1,504	1,348	11.5%
Balance sheet data									
Margin loans	13,754	11,663	17.9%	13,754	12,577	12,554	11,142	11,950	-6.8%
Total assets	121,355	98,326	23.4%	121,355	117,421	103,532	101,278	84,481	19.9%
Equity attributable to parent company	33,328	33,200	0.4%	33,328	32,736	33,056	32,575	31,576	3.2%
Key Metrics									
ROA	2.05%	2.37%		3.15%	1.80%	1.35%	1.62%	1.75%	
ROE	6.95%	6.68%		10.66%	6.05%	4.21%	4.69%	4.29%	
Equity / assets	27.46%	33.77%		27.46%	27.88%	31.93%	32.16%	37.38%	
Expenses / revenues	-75.72%	-78.52%		-67.35%	-78.03%	-85.02%	-87.30%	-86.57%	
Margin loans / total assets	11.33%	11.86%		11.33%	10.71%	12.13%	11.00%	14.14%	
Margin loans / shareholders' equity	41.27%	35.13%		41.27%	38.42%	37.98%	34.20%	37.84%	

Fubon Bank (China) - Financial Summary

Interest expense (1,296) (1,236) 4.9% (476) (420) (399) (1,618) (1,925) -1 Net interest income 194 303 -35.9% 50 71 73 393 307 2 Net flee income 689 85 -18.5% 34 19 16 109 120 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 67 49 65 526 526 577 -1 Other income 438 465 -5.8% 67 49 65 526 526 577 -1 Other income 438 429 -5.8% 67 49 65 525 493 -1 Other income 438 428 -5.8% 67 49 65 525 493 -1 Other income 438 428 -5.8% 67 49 65 525 493 -1 Other income 438 428 -5.8% 53,338 37,960 40,210 46,013 -1 Other income 438 428 42,983 33,338 37,960 40,210 46,013 -1 Other income 438 428 42,983 33,338 37,960 40,210 46,013 -1 Other income 438 428 42,983 42,983 33,986 44,150 68,154 73,647 -1 Other income 438 42,983	RMB millions, except for percentages	9M17	9M16	YoY	3Q17	2Q17	1Q17	2016	2015	YoY
Interest expense (1,296) (1,236) 4.9% (476) (420) (399) (1,618) (1,925) -1 Net interest income 194 303 -35.9% 50 71 73 393 307 2 Net interest income 69 85 -18.5% 34 19 16 109 120 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 160 130 148 619 669 -1 Other income 438 465 -5.8% 67 49 65 526 526 577 -1 Other income 438 465 -5.8% 67 49 65 526 527 433 -1 Other income 438 459 -6.6.% 53 41 52 412 390 -1 Balance Sheet Data -1 -1 -1 -1 -1 -1 -1 -	Income Statement Data									
Net interest income	Interest income	1,489	1,538	-3.2%	527	491	472	2,011	2,232	-9.9%
Net fee income		\	(1,236)		\ /	(420)	(399)	(1,618)	· · · · · · · · · · · · · · · · · · ·	-16.0%
Other income 438 465 -5.8% 160 130 148 619 669 Operating expenses (521) (394) 32.3% (177) (171) (172) (595) (519) 1 Pre-provision profits 181 459 -60.7% 67 49 65 526 577 Provision for credit losses 0 (32) N.M. (0) 0 (0) (1) (84) -5 Income before tax 181 428 -57.8% 67 49 65 525 493 Net income 146 336 -56.6% 53 41 52 412 390 90 390 90	Net interest income									28.1%
Operating expenses (521) (394) 32.3% (177) (171) (172) (595) (519) 1 Pre-provision profits 181 459 -60.7% 67 49 65 526 577 - Provision for credit losses 0 (32) N.M. (0) 0 (0) (1) (84) -5 Income before tax 181 428 -57.8% 67 49 65 525 493 Net income 146 336 -56.6% 53 41 52 412 390 Balance Sheet Data Loans 29,187 28,542 2.3% 29,187 28,625 27,174 27,814 30,822 - Deposits 42,983 43,314 -0.8% 42,983 39,338 37,960 40,210 46,013 -1 Total assets 71,709 70,460 1.8% 71,709 64,588 64,150 68,154 73,647 - <td< td=""><td>Net fee income</td><td>69</td><td>85</td><td>-18.5%</td><td>34</td><td>19</td><td>16</td><td>109</td><td>120</td><td>-9.5%</td></td<>	Net fee income	69	85	-18.5%	34	19	16	109	120	-9.5%
Pre-provision profits 181 459 -60.7% 67 49 65 526 577 Provision for credit losses 0 (32) N.M. (0) 0 (0) (1) (84) -5 Income before tax 181 428 -57.8% 67 49 65 525 493 Net income 146 336 -56.6% 53 41 52 412 390 Balance Sheet Data Loans 29,187 28,542 2.3% 29,187 28,625 27,174 27,814 30,822 Deposits 42,983 43,314 -0.8% 42,983 39,338 37,960 40,210 46,013 -1 Total assets 71,709 70,460 1.8% 71,709 64,588 64,150 68,154 73,647 -7 Total equity 5,399 5,267 2.5% 5,399 5,352 5,318 5,286 4,879 Key Metrics	Other income		465		160	130			669	-7.4%
Provision for credit losses 0 (32) N.M. (0) 0 (0) (1) (84) -9	Operating expenses	(521)	(394)	32.3%	(177)	(171)	(172)	(595)	(519)	14.7%
Income before tax	Pre-provision profits	181	459	-60.7%	67	49	65	526	577	-8.8%
Balance Sheet Data Loans 29,187 28,542 2.3% 29,187 28,625 27,174 27,814 30,822 Deposits 42,983 43,314 -0.8% 42,983 39,338 37,960 40,210 46,013 -1 Total assets 71,709 70,460 1.8% 71,709 64,588 64,150 68,154 73,647 -7 Total equity 5,399 5,267 2.5% 5,399 5,352 5,318 5,286 4,879 Key Metrics ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62%<	Provision for credit losses	0	(32)	N.M.	(0)	0	(0)	(1)	(84)	-98.7%
Balance Sheet Data	Income before tax	181	428	-57.8%	67	49	65	525	493	6.4%
Loans 29,187 28,542 2.3% 29,187 28,625 27,174 27,814 30,822 Deposits Deposits 42,983 43,314 -0.8% 42,983 39,338 37,960 40,210 46,013 -1 Total assets 71,709 70,460 1.8% 71,709 64,588 64,150 68,154 73,647 Total equity 5,399 5,267 2.5% 5,399 5,352 5,318 5,286 4,879 Key Metrics ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60%	Net income	146	336	-56.6%	53	41	52	412	390	5.6%
Deposits 42,983 43,314 -0.8% 42,983 39,338 37,960 40,210 46,013 -1 Total assets 71,709 70,460 1.8% 71,709 64,588 64,150 68,154 73,647 Total equity 5,399 5,267 2.5% 5,399 5,352 5,318 5,286 4,879 Key Metrics ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.14% 167.08% 165.09% 265.11% Loan to	Balance Sheet Data									
Total assets 71,709 70,460 1.8% 71,709 64,588 64,150 68,154 73,647 Total equity 5,399 5,267 2.5% 5,399 5,352 5,318 5,286 4,879 Key Metrics ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91%	Loans	29,187	28,542	2.3%	29,187	28,625	27,174	27,814	30,822	-9.8%
Key Metrics Key Metrics ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Deposits	42,983	43,314	-0.8%	42,983	39,338	37,960	40,210	46,013	-12.6%
Key Metrics ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Total assets	71,709	70,460	1.8%	71,709	64,588	64,150	68,154	73,647	-7.5%
ROA 0.28% 0.62% 0.31% 0.25% 0.31% 0.58% 0.58% ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Total equity	5,399	5,267	2.5%	5,399	5,352	5,318	5,286	4,879	8.3%
ROE 3.64% 8.82% 3.95% 3.05% 3.91% 8.11% 8.28% Equity / assets 7.53% 7.48% 7.53% 8.29% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Key Metrics									
Equity / assets 7.53% 7.48% 7.53% 8.29% 8.29% 7.76% 6.63% Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	ROA	0.28%	0.62%		0.31%	0.25%	0.31%	0.58%	0.58%	
Cost / income ratio -74.27% -46.17% -72.73% -77.60% -72.76% -53.05% -47.33% NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	ROE	3.64%	8.82%		3.95%	3.05%	3.91%	8.11%	8.28%	
NPL ratio 1.48% 1.92% 1.48% 1.59% 1.62% 1.60% 1.04% Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Equity / assets	7.53%	7.48%		7.53%	8.29%	8.29%	7.76%	6.63%	
Reserve / NPL 169.32% 161.77% 169.32% 161.14% 167.08% 165.09% 265.11% Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Cost / income ratio	-74.27%	-46.17%		-72.73%	-77.60%	-72.76%	-53.05%	-47.33%	
Loan to deposit ratio (Renminbi) 69.40% 68.52% 69.40% 73.51% 73.20% 73.51% 74.91% Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	NPL ratio	1.48%	1.92%		1.48%	1.59%	1.62%	1.60%	1.04%	
Tier 1 ratio 11.78% 12.40% 11.78% 12.37% 12.91% 13.04% 12.59%	Reserve / NPL	169.32%	161.77%		169.32%	161.14%	167.08%	165.09%	265.11%	
	Loan to deposit ratio (Renminbi)	69.40%	68.52%		69.40%	73.51%	73.20%	73.51%	74.91%	
	Tier 1 ratio	11.78%	12.40%		11.78%	12.37%	12.91%	13.04%	12.59%	
	BIS ratio	12.44%	13.20%		12.44%	13.01%	13.63%	13.76%	13.73%	