

2019 Annual Results Presentation

2020.03.30



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.



Performance highlights of Eubon Financial Holdings **Fubon Financial Holdings**



Performance review by subsidiary

- Taipei Fubon Bank
- **■** Fubon Life
- Fubon Insurance
- Fubon Securities
- Fubon Asset Management
- Overseas Banking Operations

Fubon Financial Holdings: Milestones in 2019

Robust earnings performance

- Top EPS among Taiwan's FHCs for the eleventh year
- Total assets reached historical high of NT\$8,548bn

Diverse operational expansion

- Taipei Fubon Bank's investment of 25.1% of LINE Bank for NT\$2.51bn
- Fubon Asset Management became a direct-owned subsidiary under the holding company
- New banking rep office in Jakarta
- New Fubon Bank (China) branches in Guangzhou and Chongqing; new Ningpo branch to be set up

Commitment in ESG

- Included as a constituent of the Dow Jones
 Sustainability World Index (DJSI World) for
 three consecutive years, ranked 1st among
 Taiwanese financial institutions and 5th of 15
 financial institutions globally in the "INS
 Insurance" category.
- Included as a constituent of the Dow Jones
 Sustainability Index Emerging Markets for the fourth consecutive year.
- Selected as a constituent of the MSCI ESG
 Leaders Indexes for the third consecutive year
 and received Grade A from MSCI ESG Rating in
 the Diversified Financial category.

Fubon Financial Holdings: Operational highlights



Net profit reached NT\$58.5bn in 2019, up 23% YoY, with main subsidiaries showing improved earnings and decent growth momentum

Taipei Fubon Bank

- NIM and spread improvement from adjustment in asset and liability structure
- Growth in fee revenue driven by wealth management
- Growth in net revenue of overseas branches, with increased contribution from pre-tax profit

Fubon Life

- Market leader in FYP with 8% growth
- Top two in FYPE leading to growth in VNB
- Increase in recurring returns and steady improvement in COL

Fubon Insurance

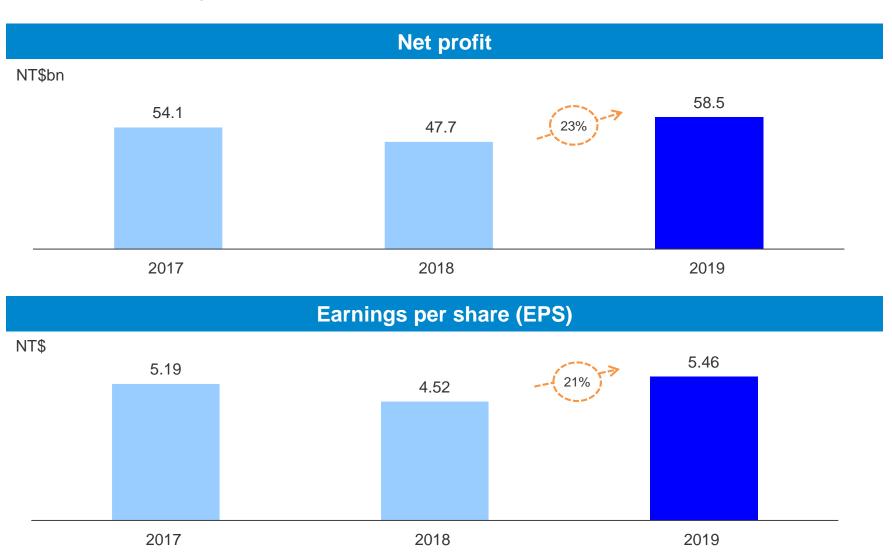
- Market leader in total premiums for 38th straight year, with continuous market share gains
- Outstanding combined ratio performance, with a focus on quality

Fubon Securities

Top three in the market for brokerage and emerging stock trading business

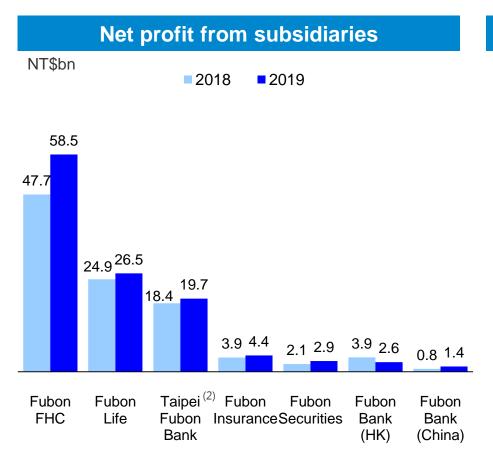
Fubon Financial Holdings: Profitability

Net profit grew 23% YoY, EPS led peers

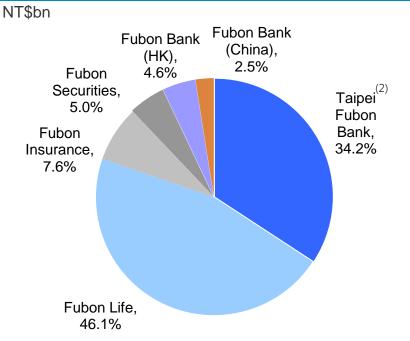


Fubon Financial Holdings: Net profit from major subsidiaries

- Subsidiaries delivered decent growth momentum with YoY earnings growth
- Fubon Life contributed 46.1% of total earnings and the three banking subsidiaries represented 41.3% of total earnings



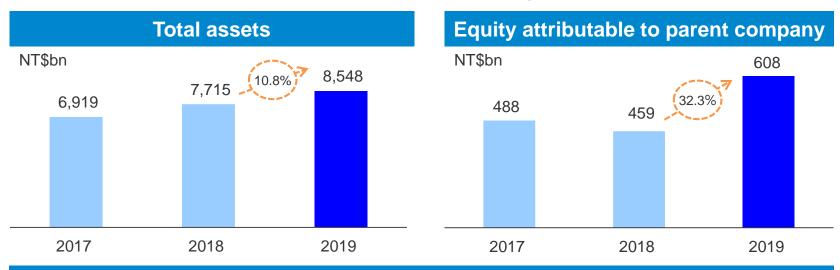
Profit contribution from subsidiaries(1)



Note: (1) Profit contribution is based on the summation of the six subsidiaries shown in the chart. The holding company and other subsidiaries have combined net profit of NT\$2,264mn. The net intercompany account is -NT\$1,323mn; (2) Net profit of Fubon Bank (China) is excluded from the Taipei Fubon Bank in the chart.

Fubon Financial Holdings: Assets and net worth

- Assets and net worth grew 10.8% and 32.3% YoY respectively
- Both assets and net worth reached historical highs

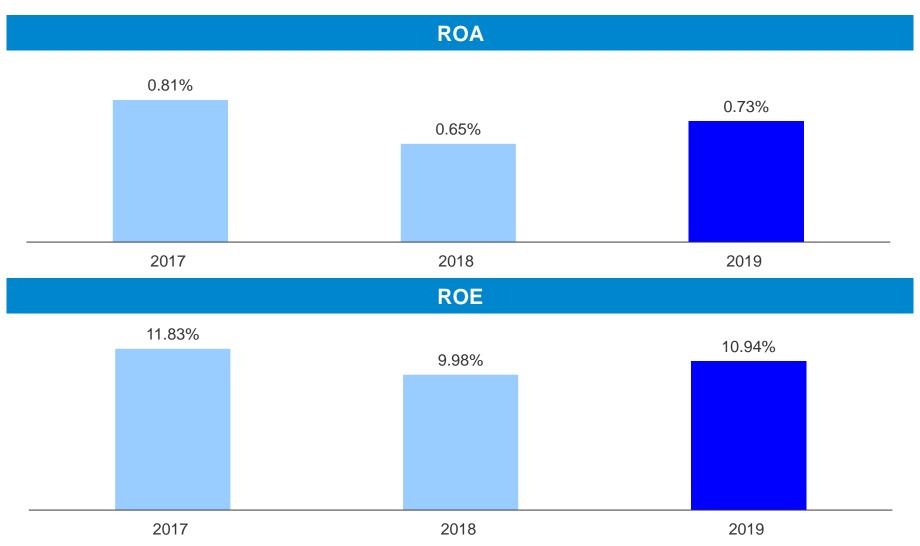


Capitalization of FHC and subsidiaries

		4Q19	Regulatory requirements
Fubon Financial	CAR	116.8%	100%
Taipei Fubon Bank	Tier-one	12.5%	8.5%
	Total CAR	14.1%	10.5%
Fubon Bank (HK)	Tier-one	17.1%	11.0%
	Total CAR	18.4%	13.0%
Fubon Bank (China)	Tier-one	10.1%	8.5%
	Total CAR	13.9%	10.5%
Fubon Insurance	RBC	564.9%	200%
Fubon Life	RBC	281.2%	200%
Fubon Securities	CAR	418.6%	150%

Fubon Financial Holdings: ROA & ROE

■ ROA and ROE improved YoY on earnings growth



Fubon Financial Holdings: Market position

■ Leading market position across business lines

Fubon Life					
	Market ranking	Market share			
FYP through bancassurance	1	17.3%			
First year premium	1	16.2%			
First year premium equivalent	2	18.1%			
Total premium	2	17.2%			

Taipei Fubon Bank				
	Market ranking (Overall/ private banks)	Market share/ amount		
Loan syndication	8/3	5.8%		
Mortgage loan	5/2	5.6%		
Loan balance of OBU and overseas branches	6/3	5.1%		
Monthly per card spending ⁽¹⁾	1	NT\$11,585		
New cards issued	3	12.3%		

Fubon Insurance					
	Market ranking	Market share			
Direct written premium	1	23.8%			
Commercial line	1	24.8%			
Personal line	1	23.3%			
Premium through online	1	36.0%			

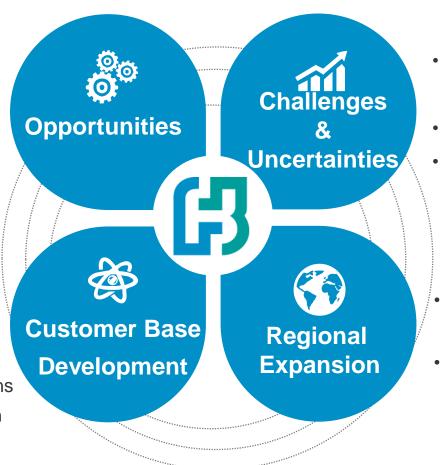
Fubon Securities				
	Market ranking	Market share		
Brokerage	3	5.4%		
Emerging stock trading	2	21.3%		
IPO+SPO amount	5	5.15%		

Note: (1) Ranking among top 6 card issuers; per active card basis; (2) Ranking among top 10 brokers

Fubon Financial Holdings: Opportunities and challenges

- Prudent capitalization for growth
- Wealth management opportunities

- Enhance customer
 experience and
 satisfaction
 through fintech solutions
- Clients base expansion and efficiency management
- · Cross-sale synergy



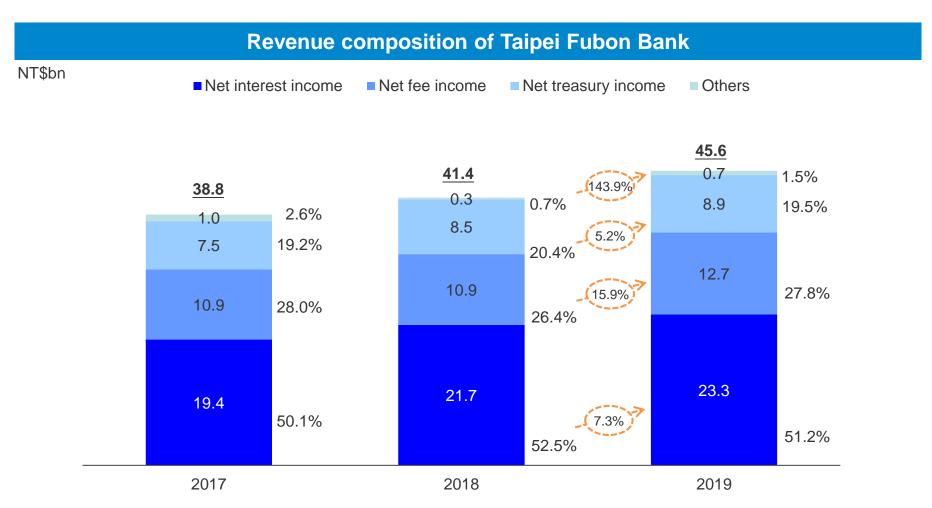
- Impact of coronavirus on global economy
- Evolving trade tensions
- Easing monetary policy globally

- Focused cultivation of major overseas markets
- M&A and strategic alliance opportunities domestically and overseas



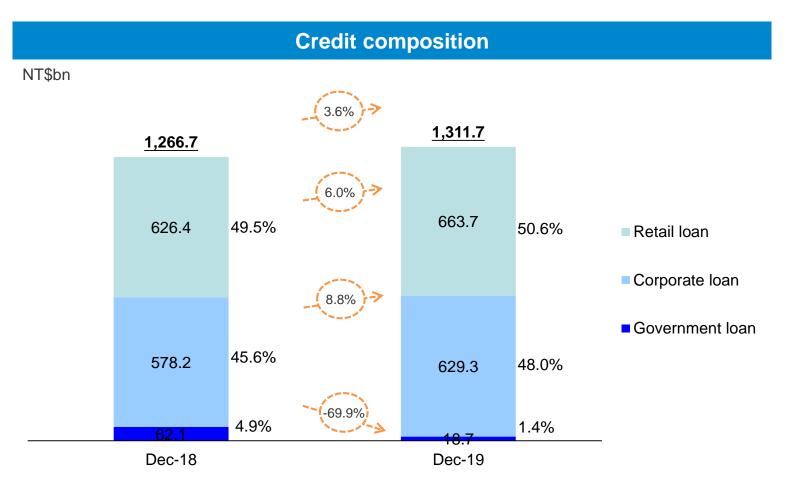
Taipei Fubon Bank: Revenue

■ Revenue of NT\$45.6bn increased 10% from 2018, with a significant contribution from each element



Taipei Fubon Bank: Credit composition

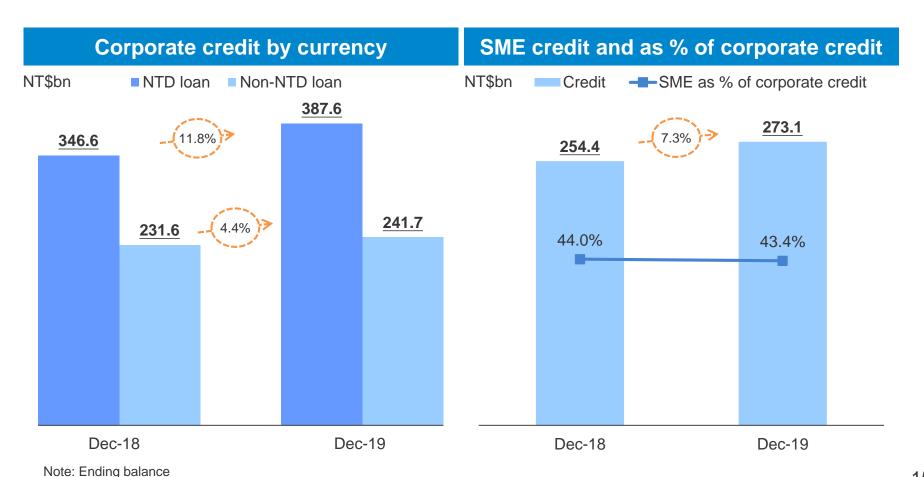
Corporate and retail loans showed stable growth. Total outstanding loans rose 3.6% YoY, and
 7.3% if excluding government loans



Note: Ending balance

Taipei Fubon Bank: Corporate credit

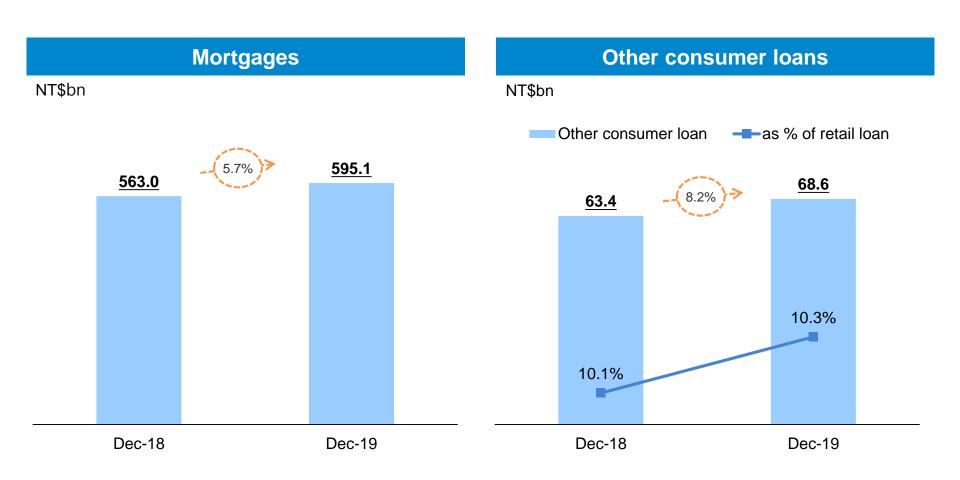
- Both NTD and FX corporate loan balances showed strong growth, resulting in total corporate loan growth of 8.8% YoY
- SME loans rose 7.3% YoY and continued to represent a stable portion of corporate loans



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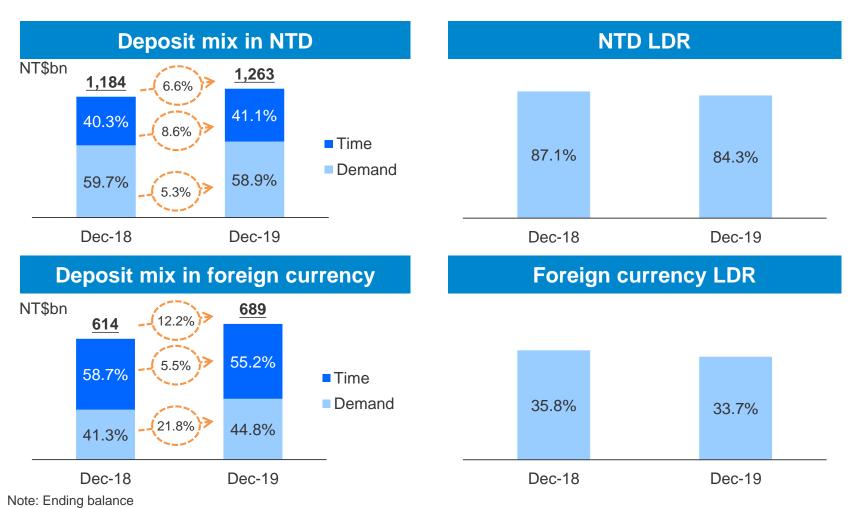
Taipei Fubon Bank - Retail credit

- Mortgages grew 5.7% YoY and maintained steady growth
- Other consumer loans accounted for 10.3% of total retail loans, up 8.2% YoY



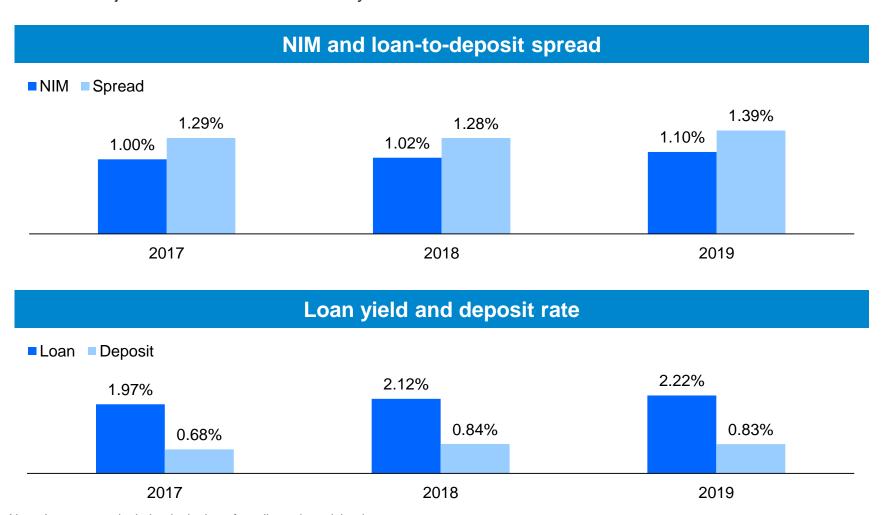
Taipei Fubon Bank: Deposit mix and LDR

- Loan-to-deposit ratio (LDR) decreased slightly due to solid deposit growth, both in NTD and FX; foreign demand deposit rose 21.8% YoY
- Including FX lending and investment, foreign currency deployment accounted for up to 63.2% of foreign deposits



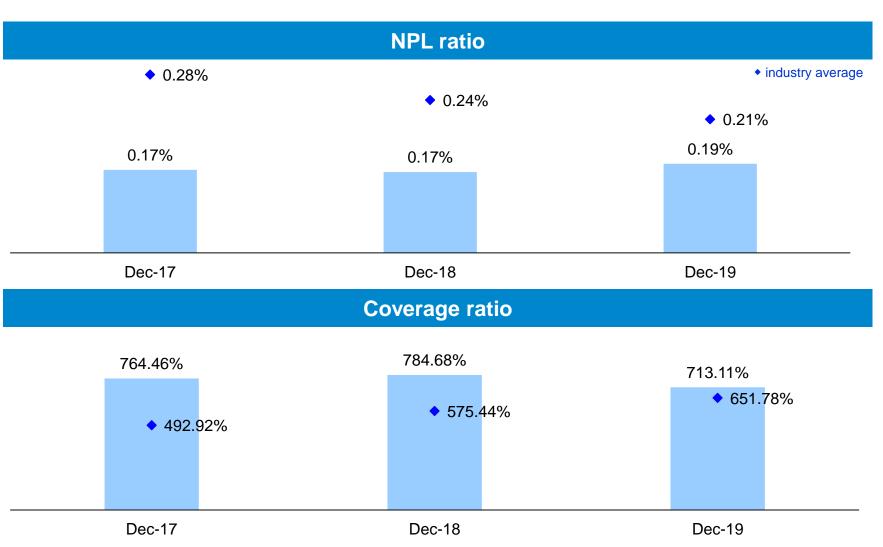
Taipei Fubon Bank: Interest spread and margin

■ NIM and loan-to-deposit spread widened 8bps and 11bps, respectively, driven primarily by adjustments in asset and liability structure



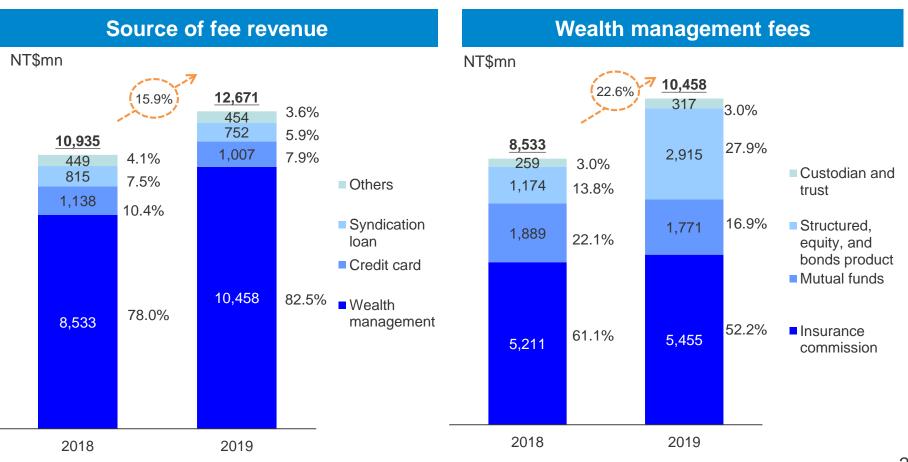
Taipei Fubon Bank: Asset quality

Continued outperformance in asset quality and coverage ratio compared to industry average



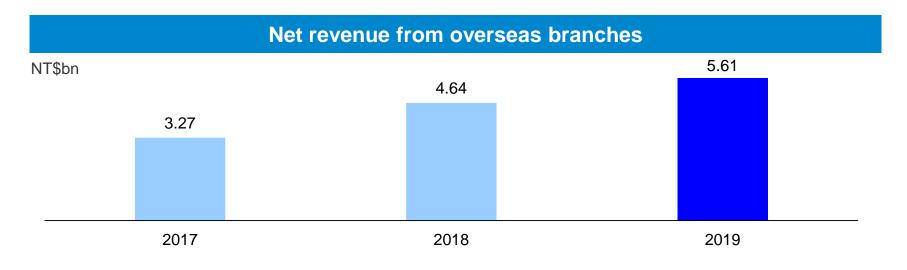
Taipei Fubon Bank: Fee and wealth management revenue

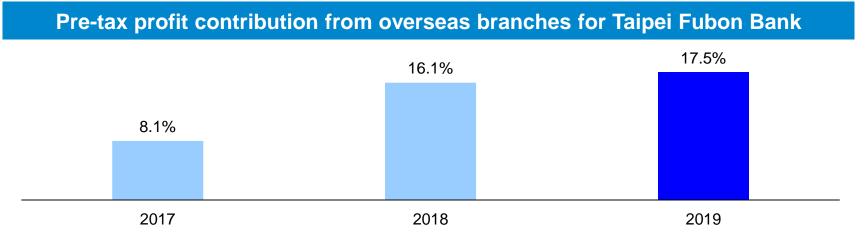
- Net fee income increased 15.9% YoY, driven by double-digit growth in wealth management revenue. Increased credit card marketing expense and delayed syndication loan projects resulted in a slight drop in credit card and syndicate loan fee income.
- Wealth management fees grew 22.6% YoY, mainly driven by overseas bonds and insurance products



Taipei Fubon Bank: Revenue and earnings from overseas branches

■ Revenue from overseas branches grew 20.9% YoY to NT\$5.61bn, mainly driven by loan growth, and contributed to 17.5% of Taipei Fubon Bank's pre-tax profit





Taipei Fubon Bank: Development and planning

Asset/liability optimization

- Loan yield enhancement: expanding overseas loans and focusing on SMEs and personal loans in Taiwan
- Liability: continuing to enhance demand deposit ratio
- Diversified investment through fixed income assets

Cross-sale opportunities

- Joint service across overseas branches and subsidiaries to elevate synergy
- Exploring opportunities in Fubon ecosystem
- Market intelligence through data analytics and AI

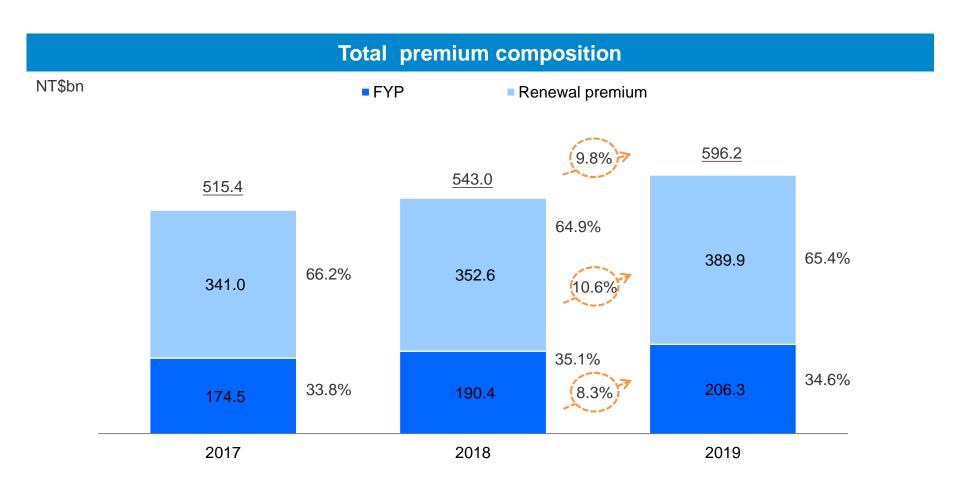
Fintech development

- Core banking system upgrade complemented with private cloud to develop applications
- Online payment solutions have attracted over 400,000 users
- Merchant stores under LINE Pay surpassed
 10,000 in the first year



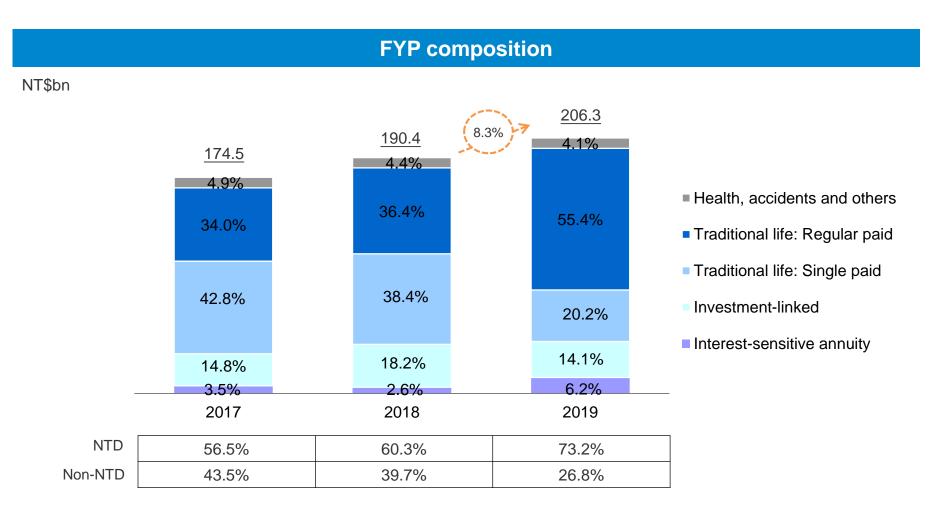
Fubon Life: Total premiums

- 9.8% growth in total premiums driven by 10.6% renewal premium growth
- Market leader in FYP, top two in total premiums and FYPE



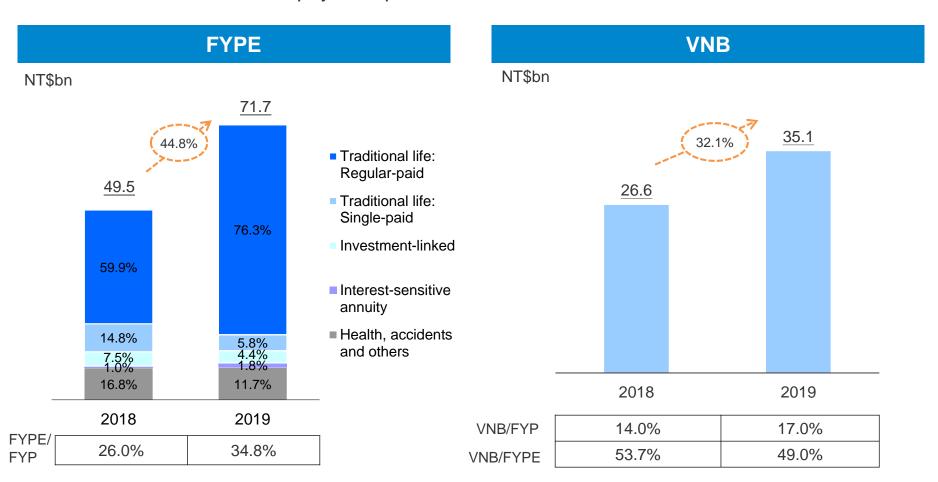
Fubon Life: First year premiums (FYP)

■ FYP growth of 8.3% YoY driven by growth in regular-paid policies with 55.4% of FYP contribution



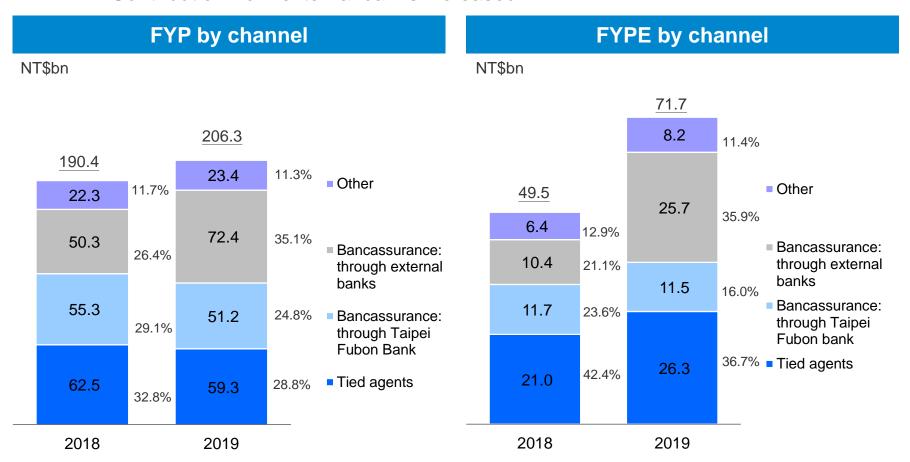
Fubon Life: FYPE & VNB

■ 44.8% growth in FYPE led to VNB growth of 32.1%, driven by growth in traditional installment-payment policies



Fubon Life: Channels

- Over 50% contribution coming from internal channels. FYPE from agent channels grew 25.6% YoY
- Contribution from external banks increased



Fubon Life: Investment portfolio

- Steady investment asset growth at 11.6% YoY
- Portfolio additions mainly focused on domestic assets

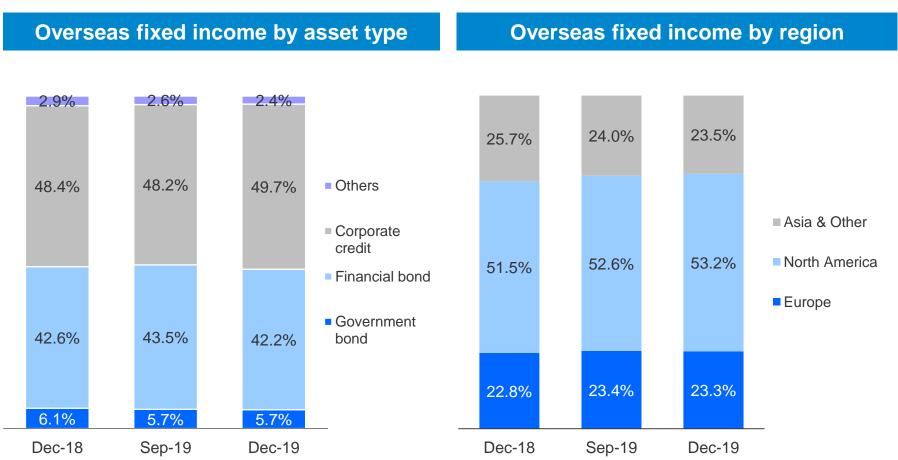
NT\$bn	2018/12/31		2019/09/30		2019/12/31	
Deposit and cash equivalent	170.5	4.7%	208.4	5.2%	226.6	5.6%
Domestic fixed income ⁽¹⁾	466.4	12.9%	543.1	13.7%	597.0	14.8%
Overseas fixed income ⁽²⁾	2,056.7	56.8%	2,174.5	54.7%	2,141.9	53.0%
Domestic equity	320.0	8.8%	368.2	9.3%	390.0	9.6%
Overseas equity	187.1	5.2%	207.5	5.2%	208.1	5.1%
Mortgage loans	143.9	4.0%	154.2	3.9%	159.7	4.0%
Policy loans	69.1	1.9%	70.0	1.8%	71.5	1.8%
Real estate	208.6	5.7%	245.9	6.2%	247.6	6.1%
Total Investments	3,622.3	100.0%	3,971.8	100.0%	4,042.4	100.0%
Domestic	1,284.1	35.5%	1,468.5	37.0%	1,575.3	39.0%
Overseas	2,338.2	64.5%	2,503.3	63.0%	2,467.1	61.0%

Note: (1) Inclusive of NTD-denominated ETFs

⁽²⁾ Inclusive of OTC-listed international bonds. International bonds investment reached 14.8% of total investment assets as of 2019/12/31

Fubon Life: Overseas fixed income portfolio

- Asset allocation predominantly in investment-grade corporate loans and financial bonds
- Issuers of overseas fixed income portfolio are mainly North American



Fubon Life: Composition of investment income

- Investment income primarily came from recurring investment, with most growth stemming from interest income of bond investments and dividend income of mutual funds and equities
- Capital gains contribution from fixed income investments increased

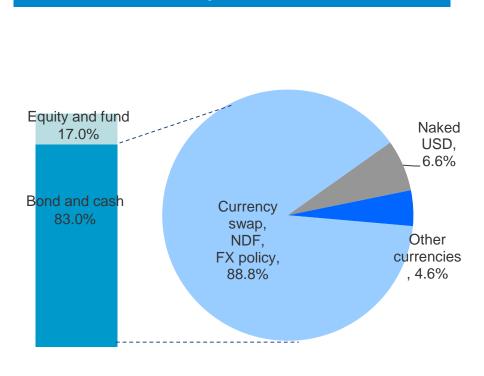
NT\$bn	2017	2018	2019	YoY growth
Recurring investment income	114.4	126.5	137.2	8.4%
Interest income	85.5	98.5	99.6	1.2%
Cash dividend income from equity investment	18.8	18.9	20.5	8.4%
Rental and others ⁽¹⁾	10.1	9.1	17.1	87.2%
Realized gains from fixed income investment	14.1	8.9	26.2	195.5%
Realized gains from equity investment	26.1	26.4	18.4	-30.3%
FX and others	-29.9	-34.8	-36.4	4.8%
Investment income	124.7	127.0	145.4	14.5%
Total investment assets	3,386.3	3,622.3	4,042.4	11.6%
Investment return (before hedge)	4.76%	4.63%	4.72%	
Investment return (after hedge)	3.93%	3.62%	3.83%	

Fubon Life: Composition of hedging portfolio

- Recurring hedging costs declined along with a narrowing interest spread between Taiwan and the US
- With NTD strengthening, un-hedged positions as a percentage of total FX assets fell while proxy position increased QoQ. Continued to dynamically adjust hedging composition in response to market conditions
- Increase in recurring returns both on pre-hedged and after-hedged basis

Hedging cost & FX gain/loss One-off FX reserves provision FX gain/loss & net provision of FX reserve CS+NDF cost -108bps -117bps -148bps -191bps -156bps -141bps 1Q19 2Q19 3Q19 4Q19 2018 2019 -88 -86 -101 -101 -127 -134 -29 -57 -28 -21 -9 -12 -48 -13





FX position

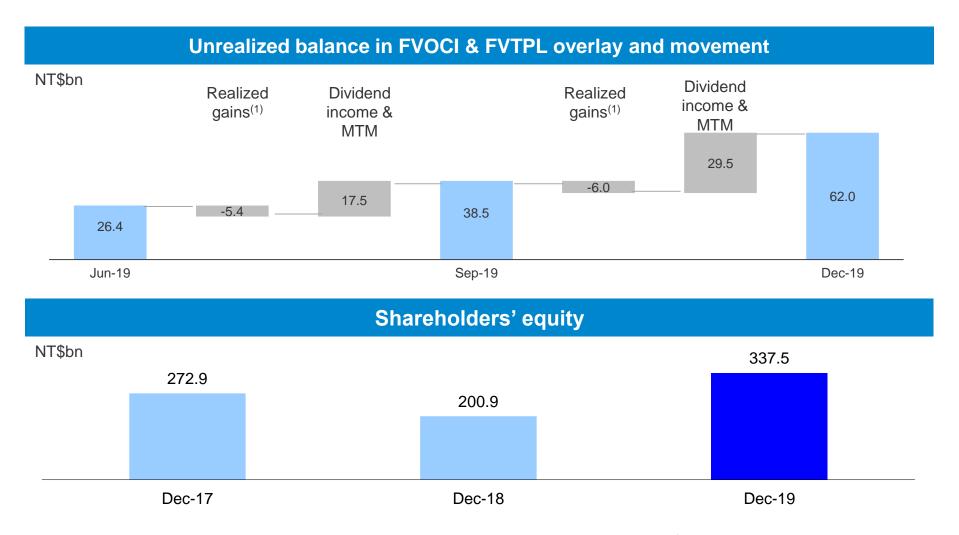
Fubon Life: Cost of liability & breakeven point

- Improvement in COL driven by new business premiums
- Rise in breakeven point due to higher FYP growth leading to rising first-year strain



Fubon Life: Investment performance

Increase in unrealized balance came from mark-to-market value appreciation of fixed income and equity assets, which led to an increase in shareholders' equity



Note: (1) Realized equity gain/ loss under FVOCI is included; (2) Ending balance of AC as of Dec 19 was NT\$103.3bn, which was close to 3Q19's ending balance of NT\$105.9bn.

Fubon Life: Initiatives and development

Channel development

- Enhanced productivity at internal channels and service at external channels
- Leverage group resources to deliver cross-selling synergy
- Online channels to attract new customer base

Product offering

- Focus on protection, pension, and retirement planning through customer segmentation approach
- Variety of investment-linked product offerings

Stable investment performance

- Consistently positive spread
- Steady growth in investment assets
- Dynamic hedging approach



Fubon Insurance: Operational snapshot

- 8.3% premium growth YoY, outperforming the industry average
- Market leader with 23.8% share, up 0.3% YoY
- Net combined ratio slightly increased due to loss ratio from compulsory auto business, while the expense ratio continued to improve

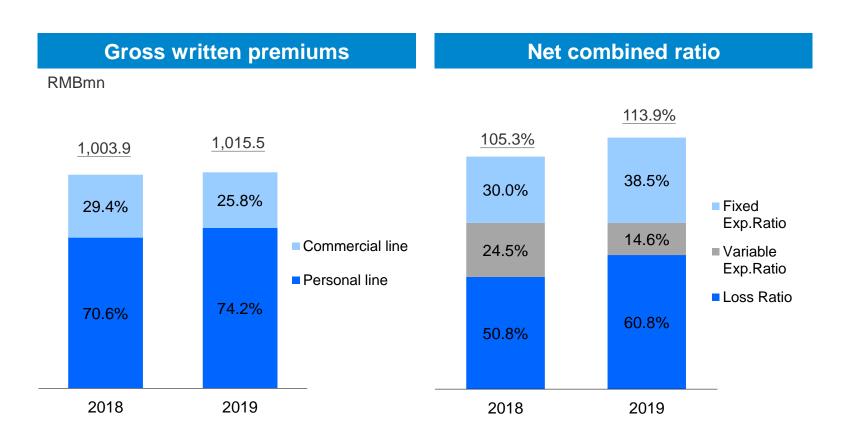
Net combined ratio Direct written premiums by product NT\$bn 92.9% 92.8% 8.3% 38.6 35.3% 36.0% 30.2% 30.2% Net expense ratio Commercial line ■ Net claim ratio Personal line 69.8% 69.8% 57.6% 56.8% 2018 2019 2018 2019

Note: Standalone basis

Note: Inclusive of compulsory auto business

Fubon P&C (China): Operational snapshot

- Focus on product mix improvement, growth in A&H insurance led to premium growth
- Well controlled expense ratio. Loss ratio increased due to increase in auto insurance claims in 1H19 but improved since 2H19



Fubon Insurance: Development and planning

Leading position in Taiwan

- Cross-selling synergy across Fubon Group
- Collaboration with external platforms and ecosystem
- Focus on quality business

Fintech application

- Efficiency improvement in claim services
- Automation in underwriting
- Market leadership in online insurance with customer experience optimization

Opportunities in Mainland China

- Increase A&H insurance sales with expanded online sales team
- Leverage operational expertise in parent company to expand business opportunities
- Intensify relationships with external partners in health insurance business



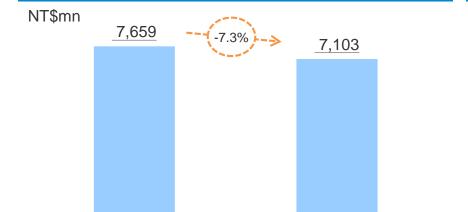
Fubon Securities: Operational snapshot

- Top three position in brokerage and emerging stock trading business
- Revenue down 7.3% YoY due to decrease in market turnover
- Net profit rose 38.8% YoY due to gain from capital markets, increase in fee income, and one-off credit loss recognition from client default in futures business in 2018

Operating revenue

Market share & ranking

	2019	Ranking	2018	Ranking
Brokerage	5.40%	3	5.97%	3
Emerging stock trading	21.32%	2	22.83%	2
IPO+SPO Amount	5.15%	5	21.30%	2



2019

2018



Fubon Securities: Initiatives and development

Service diversification

- Wealth management opportunities through customers' asset allocation
- Customer service upgrade in response to new trading mechanism in Taiwan
- Develop business opportunities under group resources

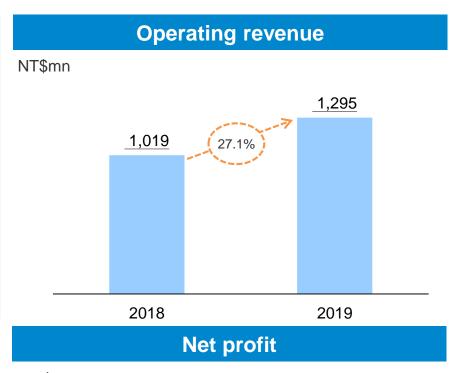
Fintech application

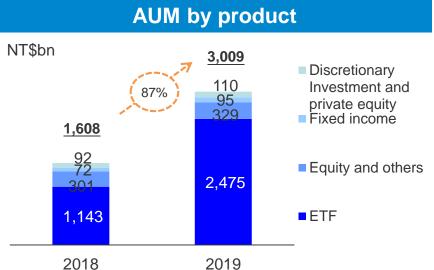
- Growth opportunities from online trading and platform enhancement
- Customer segmentation through data analytics and digital marketing to expand customer base

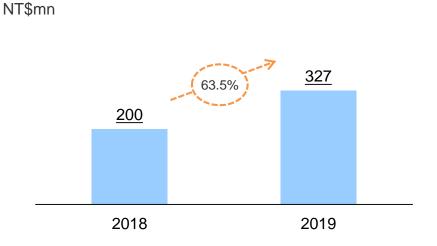


Fubon Asset Management: Operational snapshot

- Total AUM over NT\$300bn, up 87% YoY, mainly from target maturity bond funds and overseas bond ETFs
- ETFs and AUM continued growing, up 117%
 YoY; top three position in ETF issuance







Fubon Asset Management: Development and planning

Wealth management focus

- Stake transfer from Fubon Securities to holding company for NT\$3.286bn in December 2019 to lift strategic importance of asset management in the holding company's developments
- Enhance synergy across subsidiaries

Product development

- Focus on product needs for globalization, aging, and yield
- REITs, PE fund, and discretionary investment business development
- Expand ETF product lines to enhance market position



Performance review by subsidiary

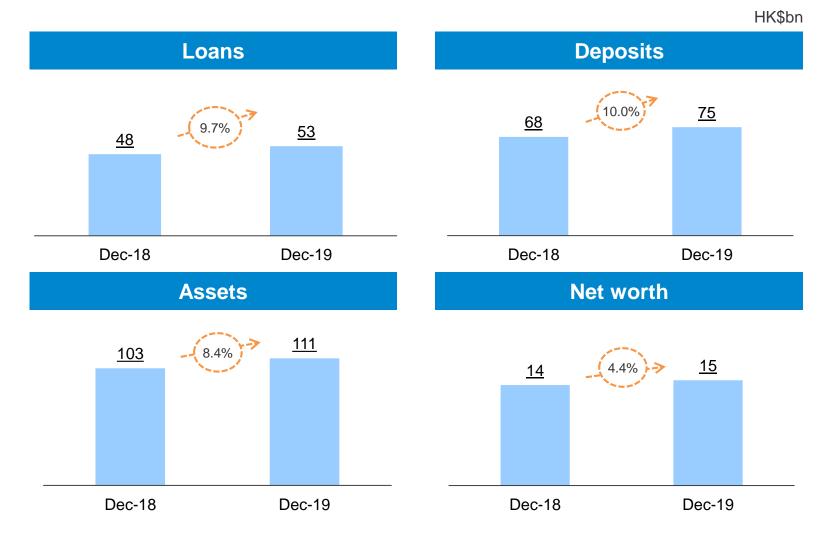
Overseas banking subsidiaries





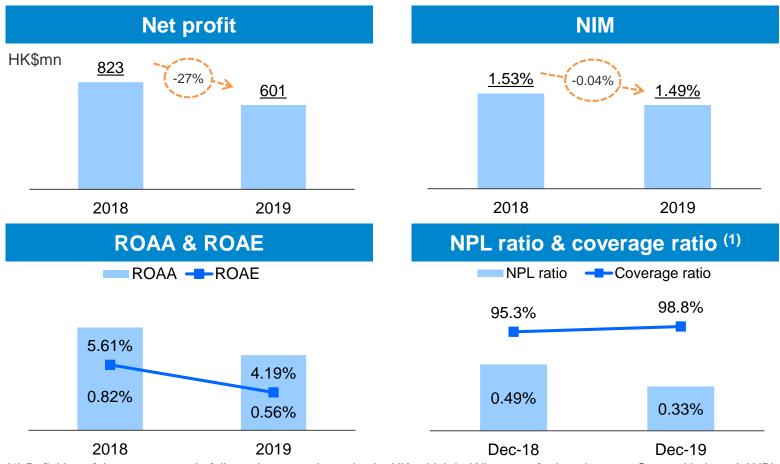
Fubon Bank (Hong Kong): Key balance sheet items

- Loan growth up 9.7% YoY, mainly driven by corporate loan growth
- Deposit growth could change according to market liquidity



Fubon Bank (Hong Kong): Financial highlights

- Net profit decreased 27% YoY, mainly due to difference in earnings recognition of Xiamen Bank and increase in general provisions
- NIM declined, mainly due to increase in deposit cost
- Stable asset quality with NPL ratio down to 0.33%



Note: (1) Definition of the coverage ratio follows the general practice in HK, which is (Allowance for loan losses + Secured balance) / NPL. The ratio would be 329% in 2018 and 417% in 2019 if all reserves for type 1~3 loans are included in the numerator, following Taiwan's practice.

Fubon Bank (Hong Kong): Development and planning

Asset optimization

- Growth in quality customers and loan pricing
- Risk control enhancement

Fee expansion

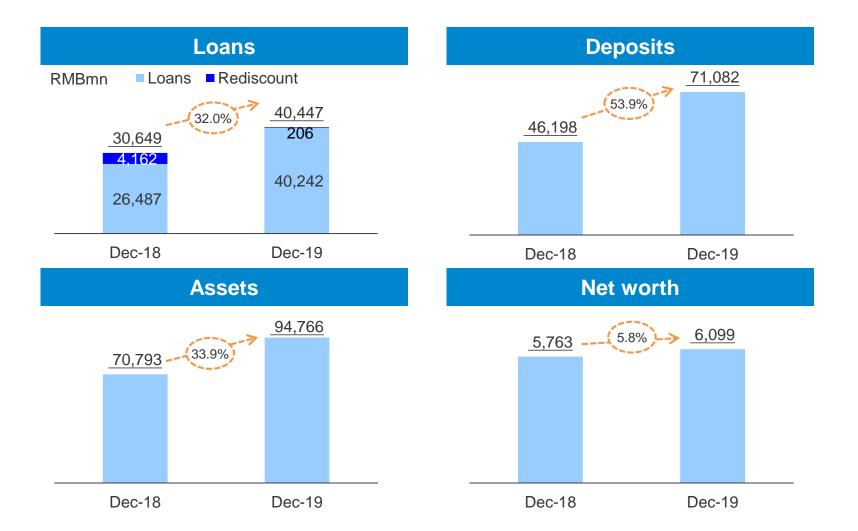
- Wealth management offering in investment and insurance products
- Corporate banking fee opportunities

Efficiency enhancement

- Online and offline platform integration
- Core banking system upgrade to enhance data analytics capabilities

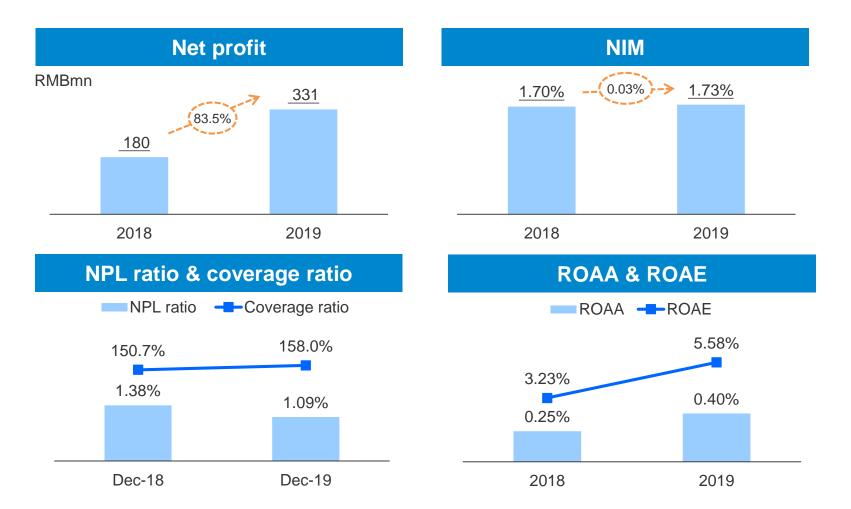
Fubon Bank (China): Key balance sheet items

 Deposit and loans reached record highs with 53.9% and 32.0% YoY growth, respectively, leading to asset scale increasing by 33.9% YoY



Fubon Bank (China): Financial highlights

- Net profit grew 83.5% YoY, mainly due to stable NII growth and increase in finance product income
- Stable asset quality with NPL ratio down to 1.09%



Fubon Bank (China): Development and planning

Growth in deposits and client coverage

- Deposit expansion with focus on corporate and online retail services
- Cross-border services for Taiwanese clients
- Continued establishment of new branches

Retail business

- Expand AUM through insurance and wealth management products
- Credit card opportunities
- Cross-border payment development



Fubon Financial - Financial summary

NT\$ millions, except for percentages	4Q19	3Q19	2Q19	1Q19	2019	2018	YoY
Income Statement Data							
Net interest income	33,658	34,152	34,338	34,533	136,681	129,948	5.2%
Insurance income	65,416	84,004	33,919	64,728	248,067	235,827	5.2%
Net gains (losses) on FX and financial assets	7,574	30,263	18,667	12,183	68,687	44,373	54.8%
Others	(1,004)	(378)	(2,362)	(1,699)	(5,443)	785	-793.4%
Net revenue	105,645	148,040	84,562	109,745	447,992	410,933	9.0%
Bad debt expense and reserve for guarantee	(1,614)	(347)	(1,134)	(128)	(3,223)	(1,463)	120.3%
Net change in insurance reserve	(84,847)	(101,401)	(50,586)	(79,444)	(316,278)	(293,423)	7.8%
Operating expense	(16,978)	(15,636)	(15,570)	(14,838)	(63,022)	(58,432)	7.9%
Income before tax	2,205	30,655	17,273	15,335	65,468	57,615	13.6%
Net income	5,542	26,259	15,203	12,569	59,573	47,721	24.8%
Net income to parent company	4,792	26,036	15,168	12,501	58,497	47,729	22.6%
Balance Sheet Data							
Total assets	8,547,702	8,249,564	8,119,735	7,840,013	8,547,702	7,715,060	10.8%
Equity attributable to parent company	607,774	581,789	554,073	537,807	607,774	459,243	32.3%
Outstanding common shares (million shares)	10,234	10,234	10,234	10,234	10,234	10,234	0.0%
Key Metrics							
ROA	0.26%	1.28%	0.76%	0.65%	0.73%	0.65%	
ROE	3.22%	18.34%	11.11%	10.01%	10.94%	9.98%	
Equity / assets	7.25%	7.20%	6.96%	6.99%	7.25%	6.08%	
Double leverage	111.82%	111.93%	111.94%	110.28%	111.82%	112.09%	
Capital adequacy ratio	116.79%		115.71%		116.79%	119.21%	
Cash dividend per share						2.00	

Fubon Life - Financial summary

NT\$ millions, except for percentages	4Q19	3Q19	2Q19	1Q19	2019	2018	YoY
Income statement data							
First year premium	38,219	51,067	52,429	64,552	206,267	190,379	8.3%
Retained earned premium	139,421	148,800	159,265	156,159	603,645	504,822	19.6%
Total investment income	31,615	51,882	38,540	33,494	155,531	130,738	19.0%
Recurring investment income	33,395	46,887	35,219	30,916	146,417	129,313	13.2%
Other investment income	(1,780)	4,995	3,321	2,578	9,114	1,425	539.6%
Realized gains (losses) from fixed income	2,806	10,867	7,049	5,568	26,290	8,833	197.6%
Realized gains (losses) from equity	6,438	1,306	4,572	6,612	18,928	26,487	-28.5%
FX and others	(11,327)	(6,931)	(7,219)	(9,052)	(34,529)	(34,739)	-0.6%
Investment property fair value movement	303	(247)	(1,081)	(550)	(1,575)	844	-286.6%
Other income	978	861	1,005	798	3,642	2,814	29.4%
Total operating revenue	172,014	201,543	198,810	190,451	762,818	638,374	19.5%
Retained claim payment	76,877	68,291	128,687	94,982	368,837	282,452	30.6%
Net commission expense	7,246	7,244	7,510	7,578	29,578	23,764	24.5%
Net change in insurance liability	84,451	100,979	48,333	78,574	312,337	287,912	8.5%
General and administrative expense	5,566	5,017	5,068	4,710	20,361	17,174	18.6%
Other operating costs	1,013	948	880	922	3,763	3,308	13.8%
Total operating costs and expenses	175,153	182,479	190,478	186,766	734,876	614,610	19.6%
Net non-operating income / (expenses)	74	158	98	130	460	333	38.2%
Income before tax	(3,065)	19,222	8,430	3,815	28,402	24,097	17.9%
Net income	(162)	16,749	7,883	3,141	27,611	24,979	10.5%
Net income to parent company	(924)	16,534	7,828	3,069	26,507	24,930	6.3%
Balance sheet data							
Total assets	4,857,322	4,720,621	4,615,915	4,495,472	4,857,322	4,385,528	10.8%
Total assets (general account)	4,444,576	4,347,204	4,237,221	4,144,290	4,444,576	4,016,093	10.7%
Insurance liabilities	3,912,818	3,847,544	3,754,975	3,700,732	3,912,818	3,620,795	8.1%
Total liabilities	4,508,174	4,392,698	4,312,339	4,219,626	4,508,174	4,175,279	8.0%
Total liabilities (general account)	4,099,813	4,024,199	3,937,216	3,869,907	4,099,813	3,805,434	7.7%
Equity attributable to parent company	337,516	316,388	292,479	265,692	337,516	200,859	68.0%
Key Metrics							
ROA	-0.01%	1.44%	0.69%	0.28%	0.60%	0.62%	
ROE	-1.13%	21.72%	11.22%	5.24%	9.81%	10.32%	
Equity / Assets	7.19%	6.95%	6.58%	6.14%	7.19%	4.79%	
Expense ratio	3.99%	3.37%	3.18%	3.02%	3.37%	3.40%	
Persistency ratio - 13th month	96.67%	97.13%	96.47%	96.29%	96.67%	96.95%	
Persistency ratio - 25th month	94.62%	96.58%	95.36%	96.24%	94.62%	96.44%	

Taipei Fubon Bank - Financial summary

NT\$ millions, except for percentages	4Q19	3Q19	2Q19	1Q19	2019	2018	YoY
Income statement data							
Interest income	15,721	15,643	15,319	14,873	61,555	55,931	10.1%
Interest expense	(8,105)	(8,297)	(8,349)	(8,040)	(32,791)	(29,606)	10.8%
Net interest income	7,616	7,346	6,970	6,833	28,765	26,325	9.3%
Net fee income	2,172	3,745	3,535	3,232	12,683	11,135	13.9%
Other income	1,764	2,326	2,612	3,285	9,987	8,386	19.1%
Total net revenue	11,551	13,416	13,117	13,351	51,435	45,846	12.2%
Operating expenses	(6,598)	(6,206)	(6,109)	(5,934)	(24,847)	(22,912)	8.4%
Pre-provision profits	4,953	7,210	7,008	7,416	26,588	22,935	15.9%
Provision for credit losses	(1,037)	(184)	(947)	(49)	(2,216)	(797)	178.1%
Income before tax	3,917	7,026	6,062	7,368	24,372	22,138	10.1%
Net income	3,327	5,992	5,169	6,149	20,637	18,826	9.6%
Net income to parent company	3,203	5,854	5,030	6,036	20,123	18,619	8.1%
Balance sheet data							
Loans and discounts, net	1,491,818	1,486,746	1,487,086	1,383,532	1,491,818	1,397,995	6.7%
Deposits and remittances	2,304,217	2,151,827	2,145,530	2,040,970	2,304,217	2,032,282	13.4%
Allowance for loan losses*	17,289	16,874	16,947	16,582	17,289	16,632	3.9%
Total assets	3,029,831	2,868,132	2,849,773	2,712,520	3,029,831	2,711,118	11.8%
Equity attributable to parent company	199,631	196,629	191,859	192,608	199,631	185,886	7.4%
Key metrics							
ROA	0.45%	0.84%	0.74%	0.91%	0.72%	0.70%	
ROE	6.47%	12.06%	10.47%	12.76%	10.44%	10.22%	
Equity / assets	7.20%	7.50%	7.39%	7.80%	7.20%	7.54%	
Cost / income ratio	-57.12%	-46.26%	-46.57%	-44.45%	-48.31%	-49.97%	
NPL ratio*	0.19%	0.20%	0.19%	0.18%	0.19%	0.17%	
Reserve / NPL*	713.11%	660.38%	687.88%	766.99%	713.11%	784.68%	
Tier 1 ratio*					12.46%	12.39%	
BIS ratio*					14.12%	13.98%	

Note: 1. Data mark with * are stand-alone basis

2. The reclassification of REITs assets from FVTPL into FVOCI was effective in Dec 2018 in Taipei Fubon Bank.

Fubon Insurance - Financial summary

NT\$ millions, except for percentages	4Q19	3Q19	2Q19	1Q19	2019	2018	YoY
Income statement data							
Direct written premiums	10,648	10,805	12,220	11,687	45,360	42,780	6.0%
Retention of earned premiums	8,944	8,974	8,891	8,685	35,494	33,661	5.4%
Net income from investment	512	1,089	728	862	3,191	3,002	6.3%
Other operating revenue	852	543	481	374	2,249	1,431	57.2%
Retained insurance payments	5,194	5,016	5,152	4,714	20,075	18,521	8.4%
Net change in liability reserve	(152)	9	(111)	104	(149)	8	-1946.8%
Commission and operating expenses	4,296	3,881	3,946	3,699	15,822	14,830	6.7%
Non-Operating Income	(44)	(64)	(84)	(52)	(244)	(440)	-44.5%
Income before tax	926	1,637	1,028	1,352	4,943	4,294	15.1%
Net income	807	1,453	860	1,180	4,300	3,710	15.9%
Net income to parent company	843	1,432	926	1,193	4,394	3,858	13.9%
Balance sheet data							
Total assets	108,978	108,124	105,528	103,321	108,978	97,721	11.5%
Investment assets	75,639	73,932	71,811	71,321	75,639	68,033	11.2%
Policy reserve	53,825	54,127	53,914	52,595	53,825	51,769	4.0%
Equity attributable to parent company	36,330	34,779	33,537	33,737	36,330	30,216	20.2%
Key Metrics							
ROA	2.97%	5.44%	3.29%	4.69%	4.16%	3.80%	
ROE	9.49%	16.77%	11.01%	14.93%	13.21%	12.56%	
Total investment return	2.74%	5.98%	4.07%	4.95%	4.44%	4.40%	
Solvency margin (NWP/equity)	97.25%	100.03%	111.84%	109.72%	99.53%	115.02%	
Retention ratio	74.47%	73.68%	72.04%	74.45%	73.63%	75.80%	

Fubon Securities - Financial summary

NT\$ millions, except for percentages	4Q19	3Q19	2Q19	1Q19	2019	2018	YoY
Income statement data							
Brokerage commissions	1,010	978	915	807	3,711	4,208	-11.8%
Net interest income	190	177	210	192	769	1,028	-25.2%
Fee income	370	249	240	258	1,116	876	27.4%
Net principal transactions and financial products gains	131	91	174	409	805	(57)	N.M.
Other income	(957)	867	457	334	702	1,604	-56.3%
Total operating revenue	744	2,362	1,996	2,000	7,103	7,659	-7.3%
Total operating expense	(974)	(1,579)	(1,485)	(1,502)	(5,539)	(6,035)	-8.2%
Net non-operating income / (expenses)	645	353	231	310	1,539	876	75.6%
Income before tax	416	1,137	741	808	3,102	2,500	24.1%
Net income	456	1,045	662	738	2,901	2,080	39.5%
Net income to parent company	457	1,045	662	738	2,902	2,090	38.8%
Balance sheet data							
Margin loans	11,430	10,776	10,125	11,210	11,430	9,949	14.9%
Total assets	139,285	138,697	139,464	137,496	139,285	123,228	13.0%
Equity attributable to parent company	37,502	36,949	36,243	36,602	37,502	35,427	5.9%
Key Metrics							
ROA	1.31%	3.01%	1.91%	2.26%	2.21%	1.67%	
ROE	4.91%	11.42%	7.27%	8.20%	7.96%	5.94%	
Equity / assets	26.92%	26.64%	25.99%	26.62%	26.92%	28.75%	
Expenses / revenues	-130.83%	-66.83%	-74.38%	-75.10%	-77.99%	-78.80%	
Margin loans / total assets	8.21%	7.77%	7.26%	8.15%	8.21%	8.07%	
Margin loans / shareholders' equity	30.48%	29.16%	27.94%	30.63%	30.48%	28.08%	

Fubon Bank (Hong Kong) - Financial Summary

HK\$ millions, except for percentages	2H19	1H19	2019	2018	YoY
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Income Statement Data					
Interest income	1,645	1,577	3,223	2,708	19.0%
Interest expense	-925	-882	-1,807	-1,352	33.7%
Net interest income	720	696	1,416	1,356	4.4%
Net fee income	134	162	296	289	2.3%
Other income	32	19	50	42	20.0%
Total revenue	885	877	1,762	1,688	4.4%
Operating expenses	-494	-405	-899	-965	-6.8%
Provision for loan losses/ write-back	-106	1	-105	-49	114.9%
Net non-operating income	-41	0	-41	250	-116.3%
Income before tax	245	472	717	924	-22.4%
Net income	212	389	601	823	-26.9%
Balance Sheet Data Gross loans	E0 E00	50.040	F0 F0C	47.020	0.70/
	52,596	50,246	52,596	47,930	9.7%
Customers Deposits	75,043	69,020	75,043	68,248	10.0%
Allowance for loan losses	288	221	288	231	24.8%
Total assets	111,407	106,288	111,407	102,787	8.4%
Shareholders' equity	14,647	14,636	14,647	14,024	4.4%
Key metrics					
Return on average assets	0.39%	0.74%	0.56%	0.82%	
Return on average equity	2.89%	5.43%	4.19%	5.61%	
Equity / assets	13.15%	13.77%	13.15%	13.64%	
Net fee income / total revenue	15.09%	18.53%	16.80%	17.14%	
Cost / income ratio	-55.76%	-46.21%	-51.01%	-57.16%	
NPL ratio	0.33%	0.45%	0.33%	0.49%	
Reserve / NPL	168.40%	98.27%	168.40%	98.88%	
Gross Loans/Customers Deposits ratio	70.09%	72.80%	70.09%	70.23%	
Tier 1 ratio	16.72%	16.73%	16.72%	16.75%	
BIS ratio	19.66%	20.04%	19.66%	20.60%	

Fubon Bank (China) - Financial Summary

RMB millions, except for percentages	4Q19	3Q19	2Q19	1Q19	2019	2018	YoY
Income Statement Data							
Interest income	977	883	849	774	3,484	2,919	19.4%
Interest expense	(607)	(590)	(569)	(493)	(2,259)	(1,907)	18.5%
Net interest income	370	293	280	282	1,225	1,012	21.0%
Net fee income	(15)	9	4	4	3	44	-94.2%
Other income	(4)	53	35	76	160	(32)	N.M.
Operating expenses	(234)	(210)	(188)	(219)	(850)	(768)	10.7%
Pre-provision profits	118	145	131	143	537	256	109.7%
Provision for credit losses	(20)	(26)	(21)	(35)	(102)	(27)	283.3%
Income before tax	98	119	110	108	435	230	89.6%
Net income	76	91	83	81	331	180	83.5%
Balance Sheet Data Loans	40,447	38,126	35,790	33,186	40,447	30,649	32.0%
Deposits	71,082	60,889	54,656	48,266	71,082	46,198	53.9%
Total asset	94,766	85,147	83,030	72,868	94,766	70,793	33.9%
Total equity	6,099	5,980	5,876	5,821	6,099	5,763	5.8%
Key Metrics							
ROA	0.34%	0.43%	0.43%	0.45%	0.40%	0.25%	
ROE	5.02%	6.13%	5.68%	5.58%	5.58%	3.23%	
Equity / assets	6.44%	7.02%	7.08%	7.99%	6.44%	8.14%	
Cost / income ratio	-54.30%	-52.68%	-58.87%	-60.37%	-54.30%	-74.98%	
NPL ratio	1.09%	1.26%	1.29%	1.36%	1.09%	1.38%	
Reserve / NPL	157.95%	146.92%	147.43%	149.50%	157.95%	150.69%	
Loan to deposit ratio (Renminbi)	75.03%	77.23%	76.63%	74.33%	75.03%	72.32%	
Tier 1 ratio	10.14%	10.53%	10.35%	11.25%	10.14%	11.70%	
BIS ratio	13.92%	14.47%	14.28%	13.63%	13.92%	14.18%	