



2020 1H Interim Results Presentation

2020.08.21



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 Fubon Financial Holdings



Performance review by subsidiary

- Taipei Fubon Bank
- Fubon Life
- Fubon Insurance
- Fubon Securities
- Overseas Banking Operations



Fubon Financial Holdings: Operational highlights



Net profit reached NT\$37.3bn in 1H20, up 35% YoY, mainly driven by investment income growth in Fubon Life

Taipei Fubon Bank

- Steady growth in deposits, loan scale and wealth management business to mitigate pressure from rate cut
- Fee growth driven by credit card business. Ranked No. 1 in active cards growth
- Asset quality remained benign

Fubon Life

- Top two in FYP, renewal premium and FYPE
- Increase in after-hedged 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

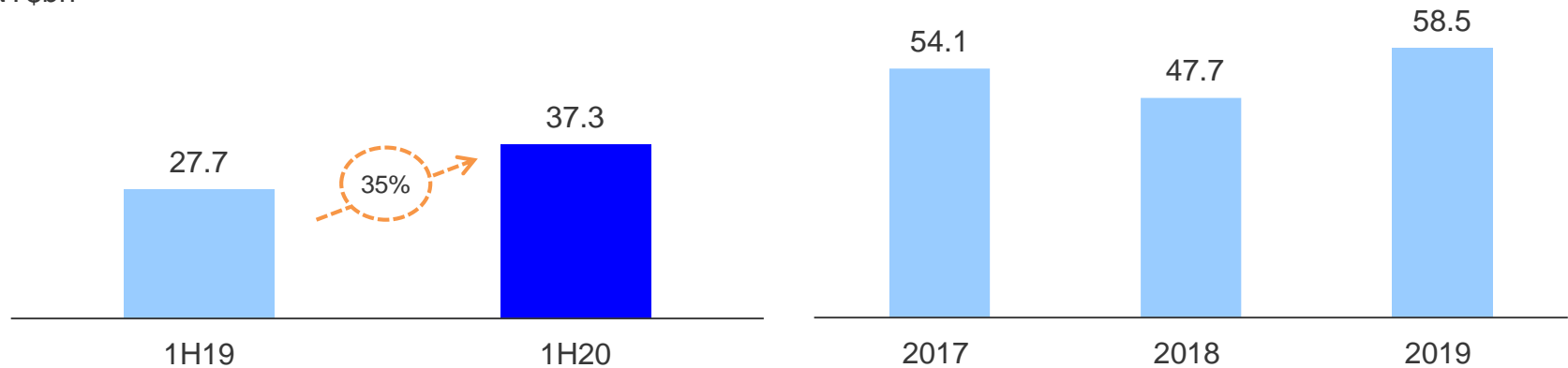
- Top three in the market for brokerage, underwriting, and emerging stock trading business
- Brokerage business growth 49.6% driven by increase in market turnover by 47%
- Capital reduction of NT\$6bn for better capital efficiency

Fubon Financial Holdings: Profitability

- Net profit grew 35% YoY, EPS led peers

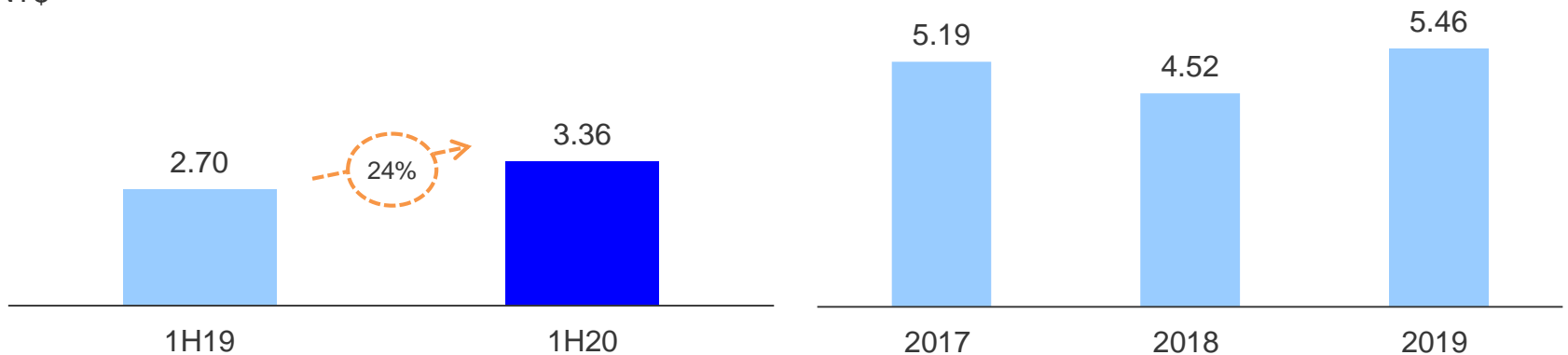
Net profit

NT\$bn



Earnings per share (EPS)

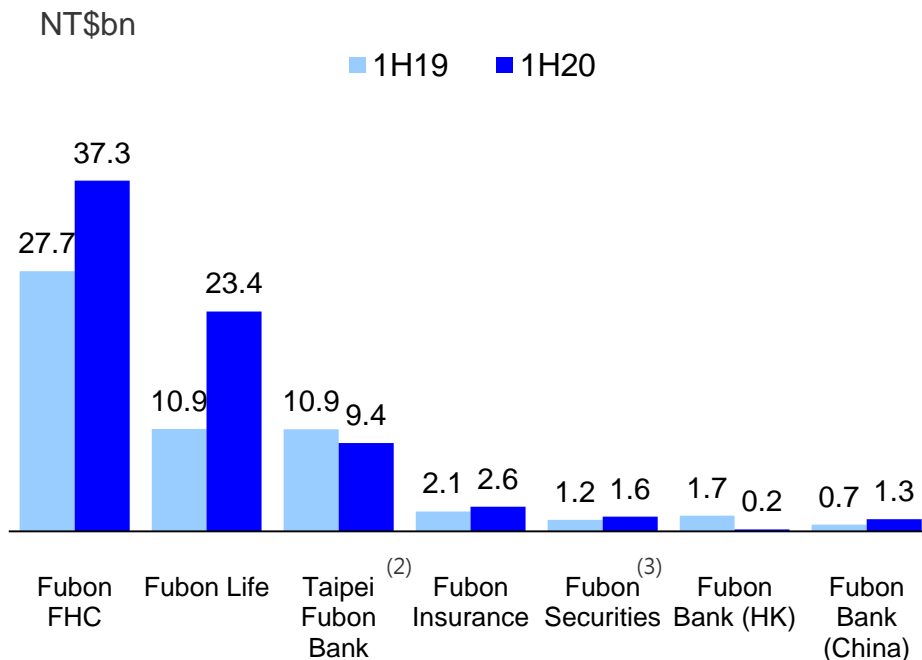
NT\$



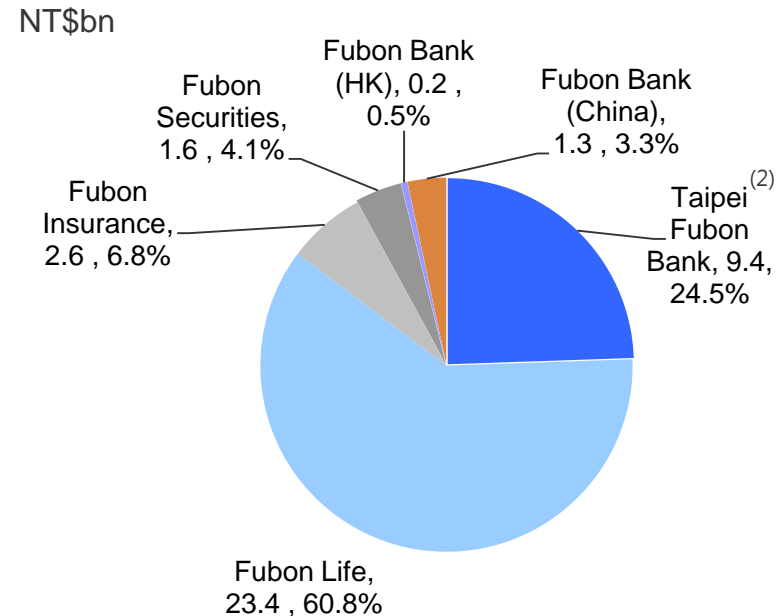
Fubon Financial Holdings: Net profit from major subsidiaries

- 1H20 net profit grew 35% yoy mainly due to investment income growth in Fubon Life
- Fubon Life contributed to 60.8% of total earnings and the three banking subsidiaries represented 28.3% of total earnings

Net profit from subsidiaries



Profit contribution from subsidiaries⁽¹⁾



Note:

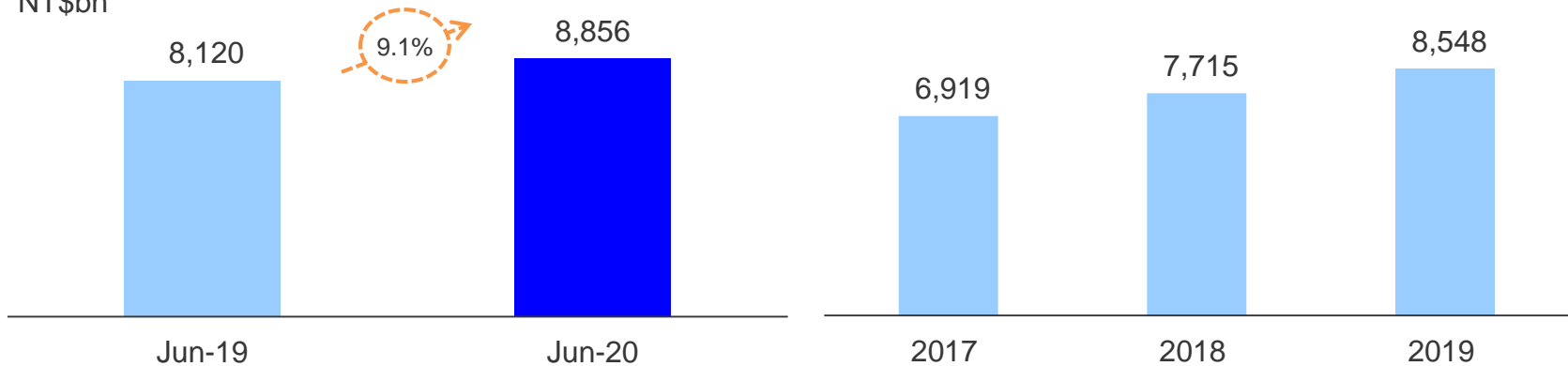
- (1) Profit contribution is based on the summation of the six subsidiaries shown in the chart. The holding company and other subsidiaries have combined net profit of -NT\$515mn. The net inter-company account is -NT\$641mn.
- (2) Net profit of Fubon Bank (China) is excluded from Taipei Fubon Bank.
- (3) FHC acquired all shares of Fubon Asset Management held by Fubon Securities on 2019/12/30. In order to use a same comparison base, net profit of Fubon Securities in 2019 exclude numbers of Fubon Asset Management.

Fubon Financial Holdings: Assets and net worth

- Assets grew 9.1% and reached a historical high
- Net worth increased 7.6% due to market recovery from marketable securities

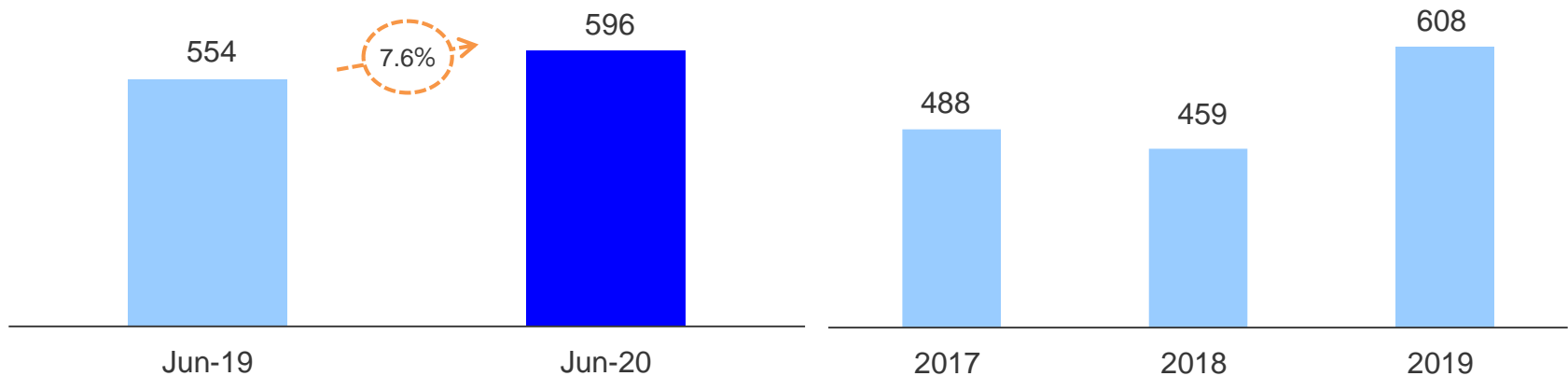
Total assets

NT\$bn



Equity attributable to parent company

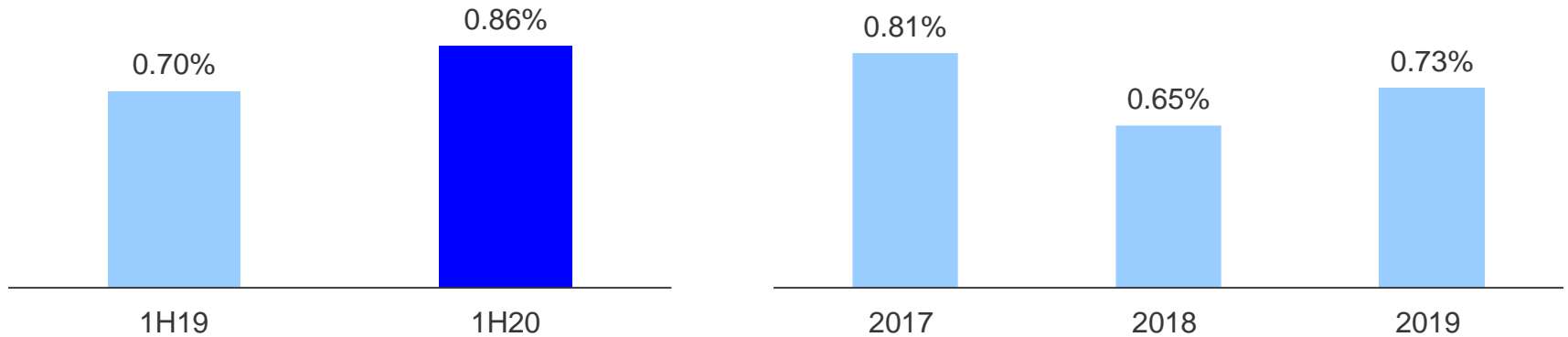
NT\$bn



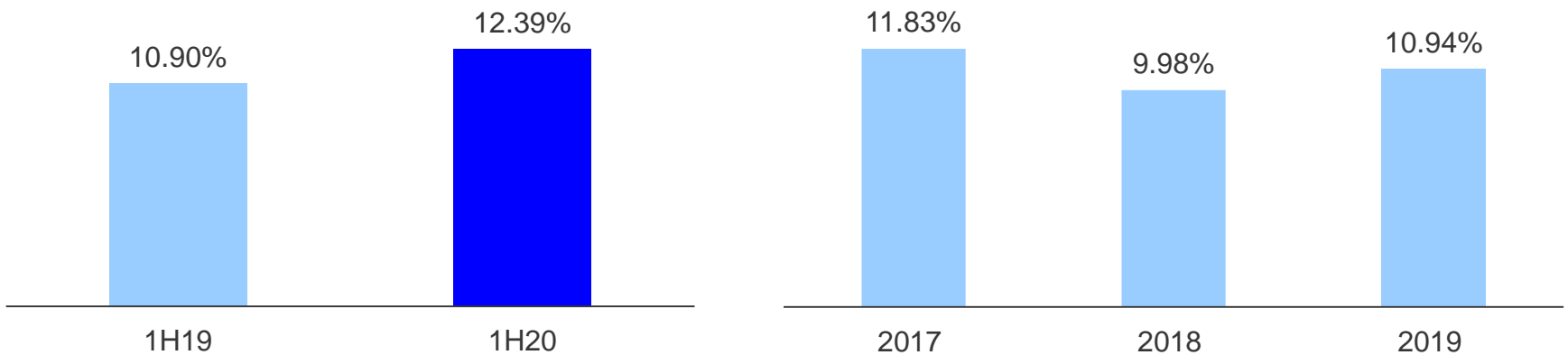
Fubon Financial Holdings: ROA & ROE

■ ROA and ROE improved YoY on earnings growth

ROA



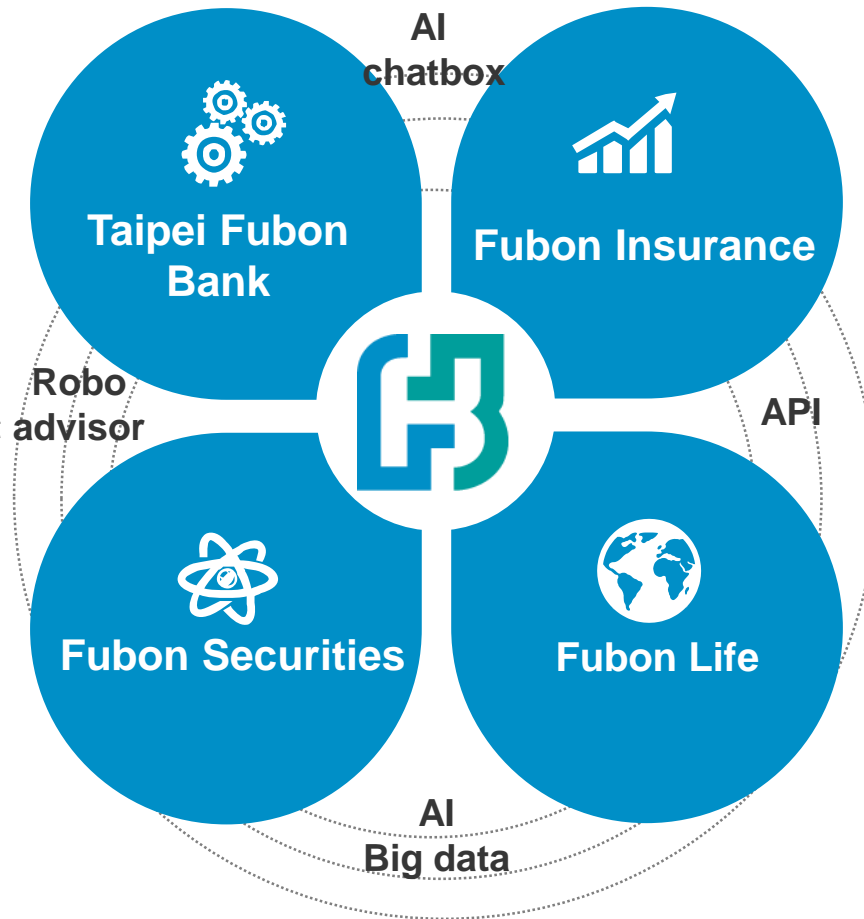
ROE



Fubon Financial Holdings: Digital Transformation

- Continue to integrate financial holding company's resources and financial technology to optimize customer experience and improve service efficiency

- Over 1.6mn of online active customers with 27% yoy growth
- Transaction through digital platform with 17% yoy growth
- Promoted LINE Pay merchant with 40K payment point
- Over 75% of orders from online
- 250% yoy growth in online new account applications
- With 11 invention patents granted, ranked the top among peers



- Over 1.55mn of online customers with 10% yoy growth
- 34.8% of online insurance market share, ranked the top in the market
- With 14 patents granted, ranked the top among peers
- Nearly 90% of agents use Apps to acquire business and to better understand customers' policy portfolio
- Top 2 in online insurance
- Fubon Insurance and Fubon Life adopt Blockchain framework in claims processing with 11 peers



Performance review by subsidiary
Taipei Fubon Bank



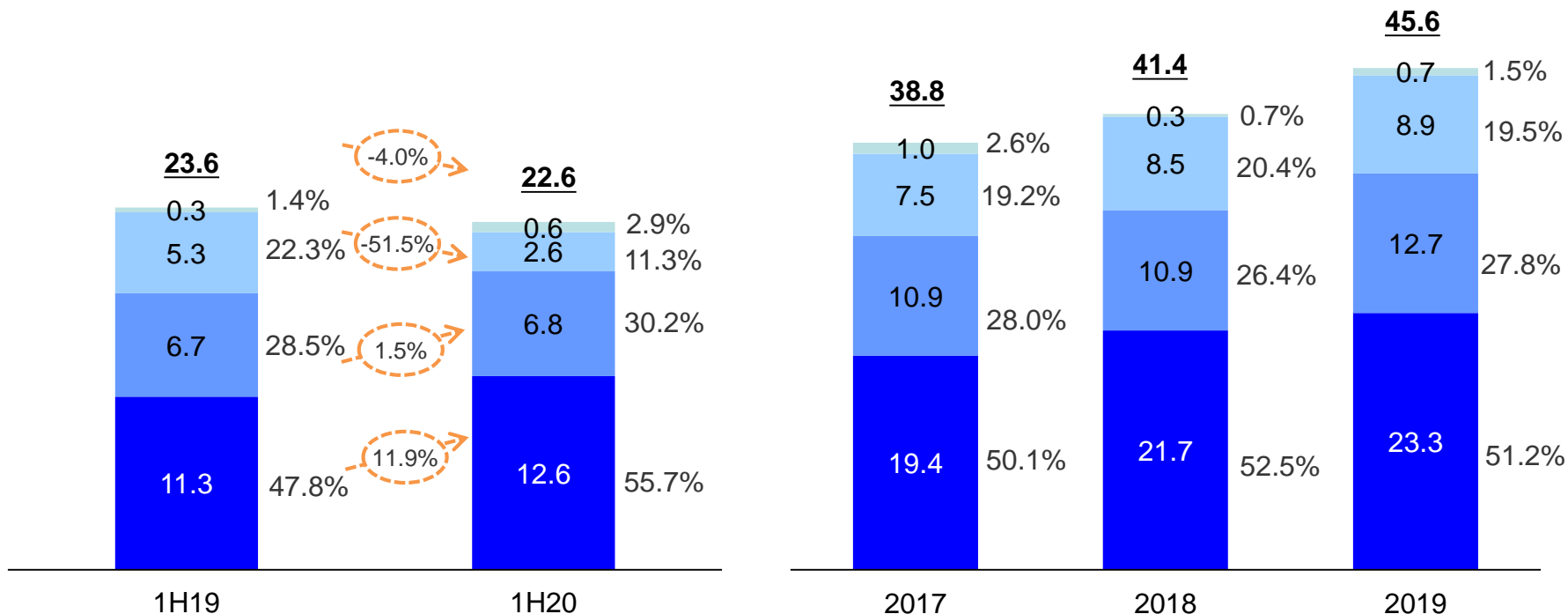
Taipei Fubon Bank: Revenue

- Core revenue performed stably with NII and net fee income rising 11.9% and 1.5%, respectively
- Net treasury income declined due to market volatility but reached NT\$2.6bn on capital market recovery

Revenue composition of Taipei Fubon Bank

NT\$bn

■ Net interest income ■ Net fee income ■ Net treasury income ■ Others

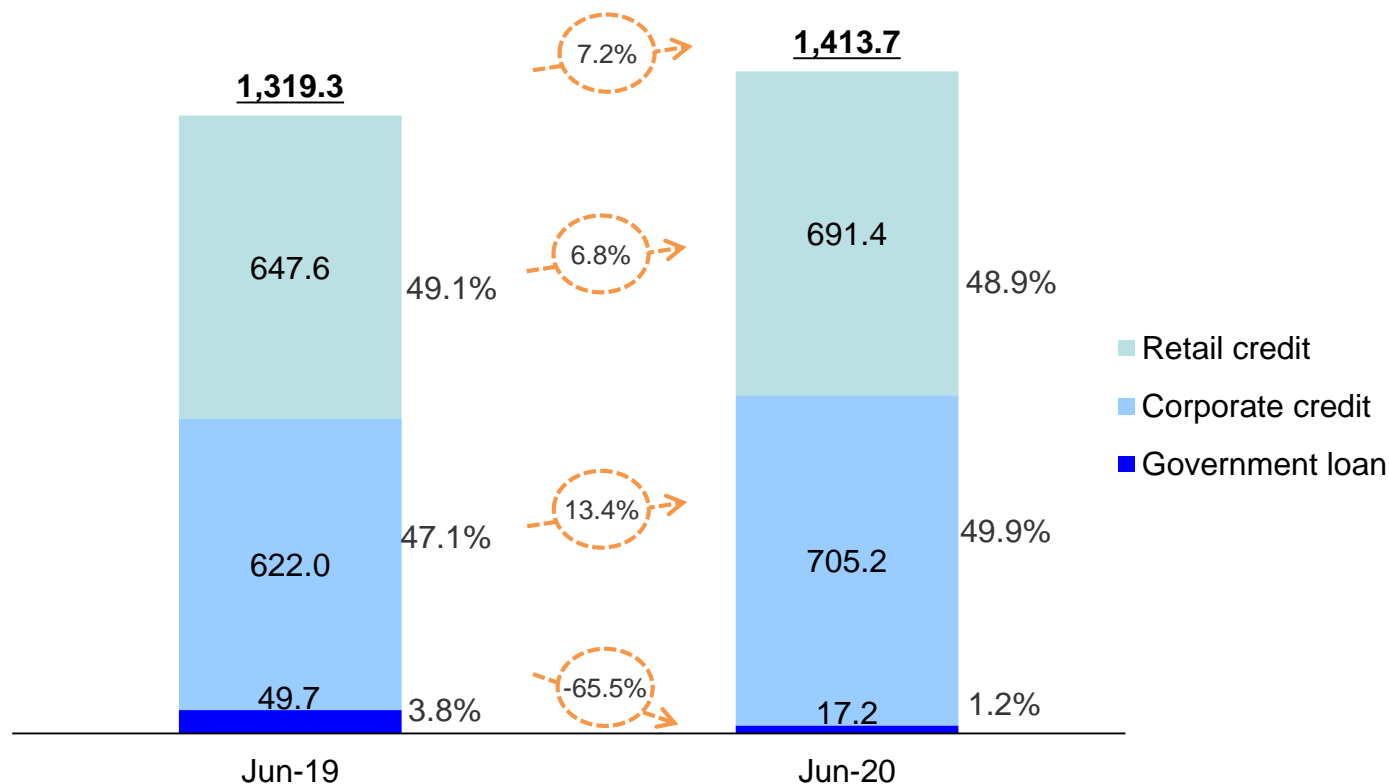


Taipei Fubon Bank: Credit composition

- Corporate and retail loan growth boosted total credit by 7.2% yoy , or 10% growth if government loans were excluded

Credit composition

NT\$bn

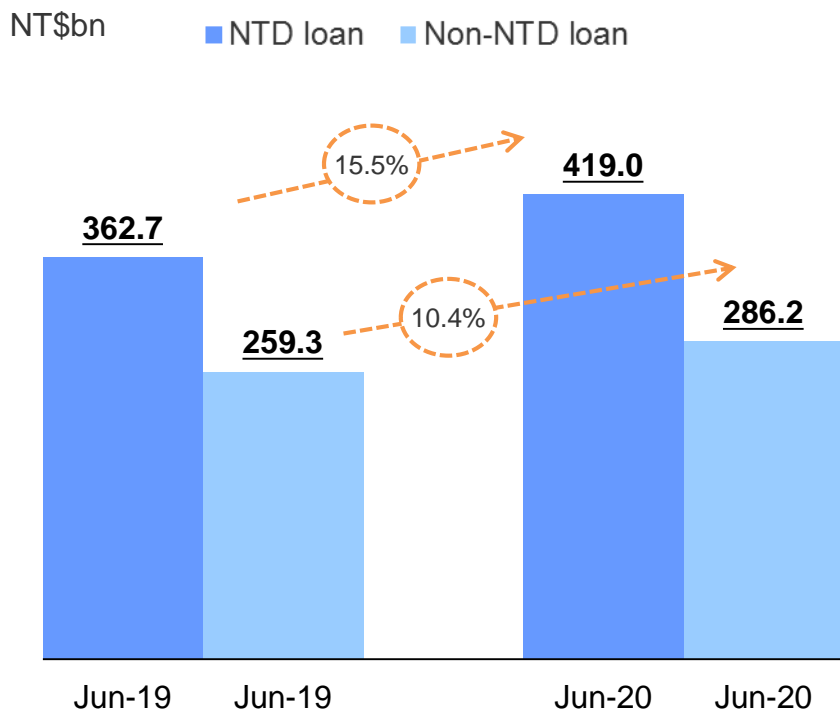


Note: Ending balance

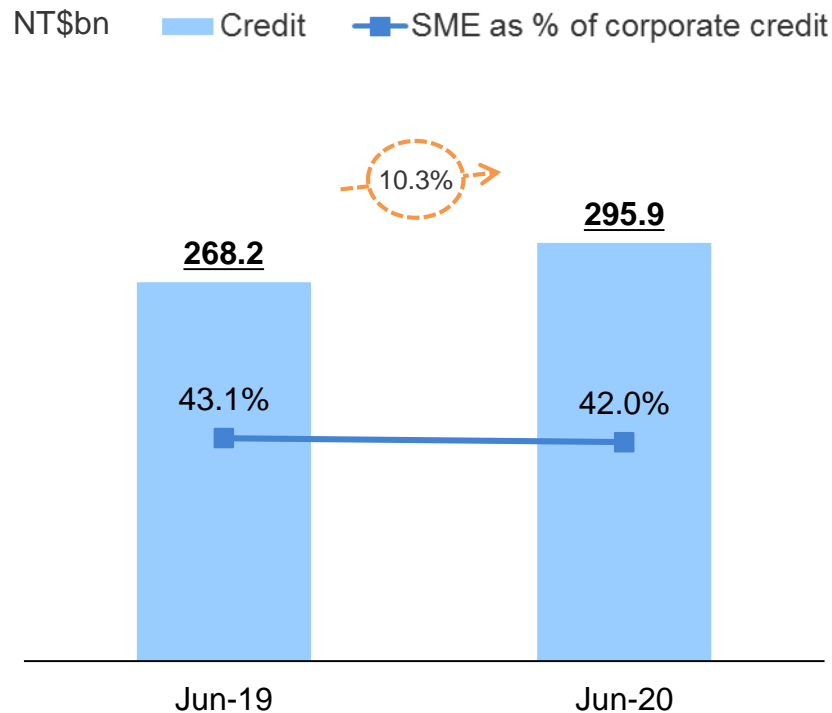
Taipei Fubon Bank: Corporate credit

- Both NTD and FX corporate loan balances showed strong growth, up 15.5% and 10.4%, respectively, pushing total corporate credit up 13.4% yoy
- SME credit was up 10.3% yoy, continuing to take over 40% in corporate loan mix

Corporate credit by currency



SME credit



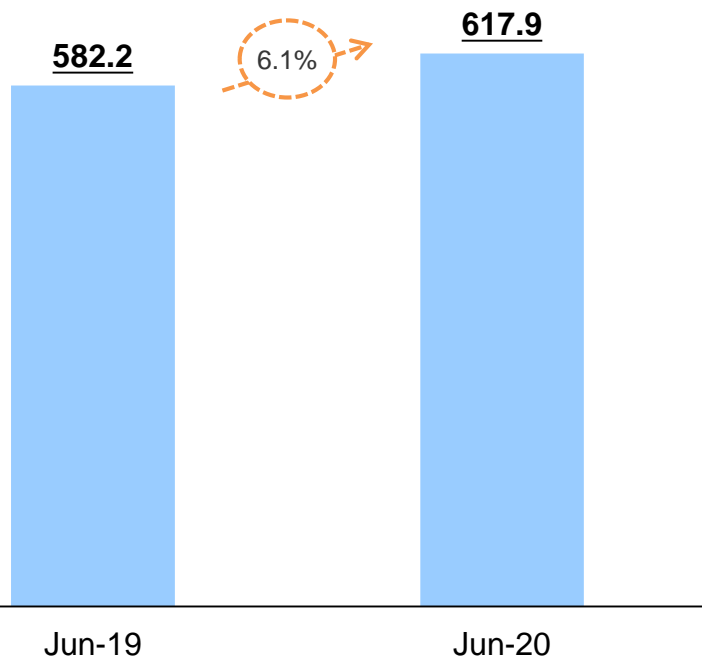
Note: Ending balance

Taipei Fubon Bank : Retail credit

- Mortgage grew 6.1% yoy, maintaining steady growth momentum
- Other consumer credit grew 12.3% yoy, accounting for 10.6% of total retail credit

Mortgage

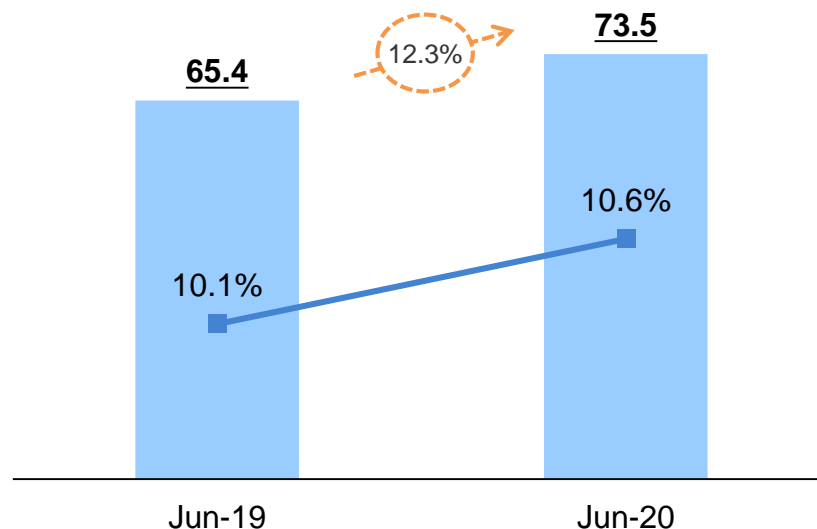
NT\$bn



Other consumer credit

NT\$bn

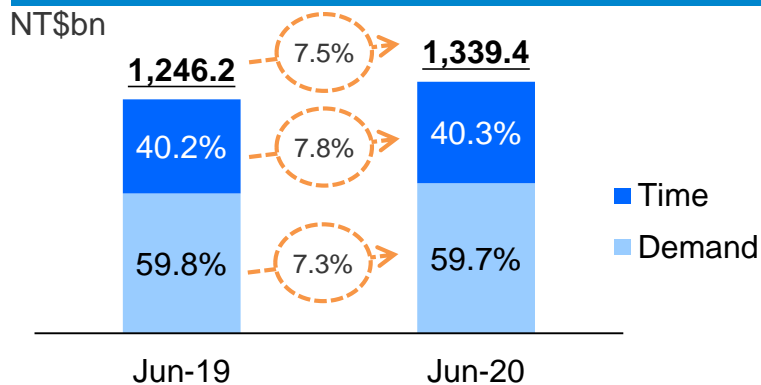
Other consumer credit as % of retail credit



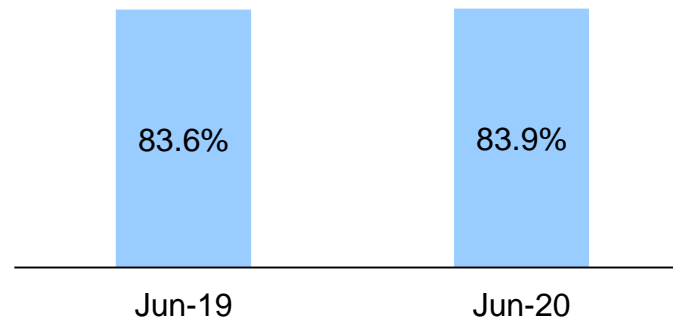
Taipei Fubon Bank: Deposit mix and LDR

- Growth in both NTD and foreign currency deposits
- Foreign currency deposit growth was boosted by demand deposit
- Including FX lending and FX investment, foreign currency deployment accounted for up to 73% of foreign deposit

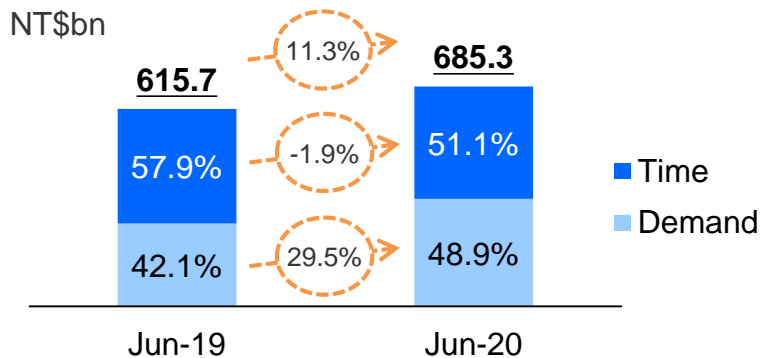
Deposit mix in NTD



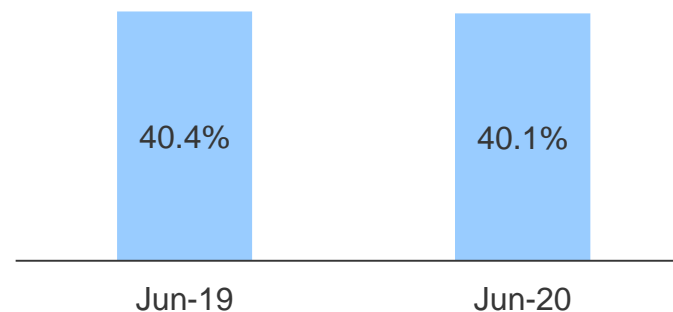
NTD loan-to-deposit ratio (LDR)



Deposit mix in foreign currency



Foreign currency LDR

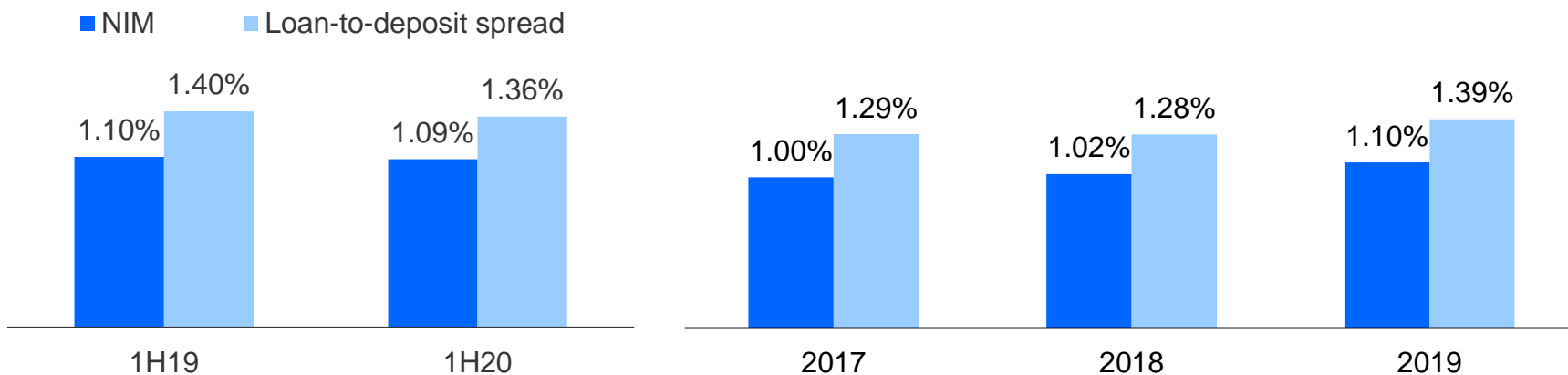


Note: Ending balance

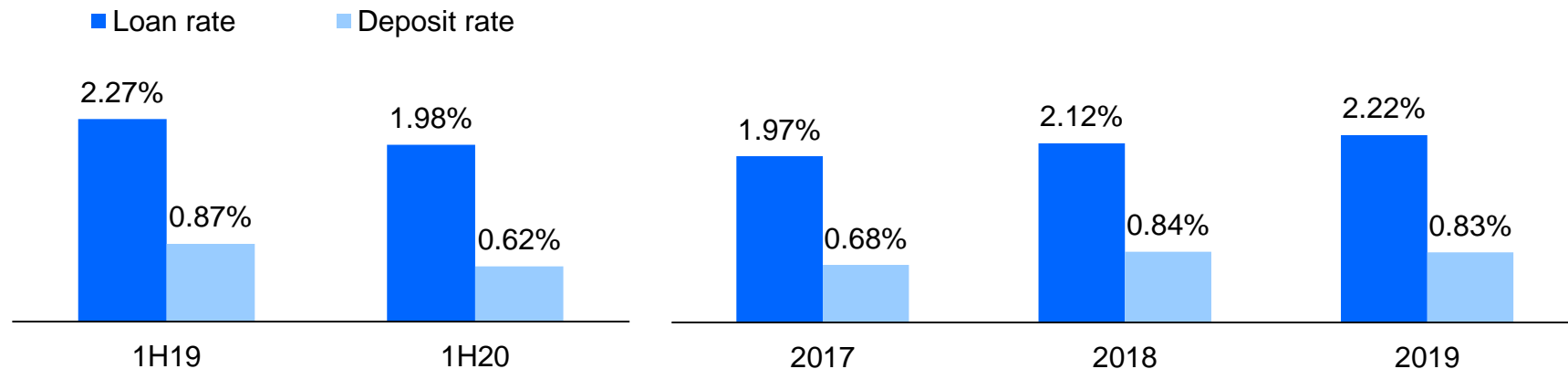
Taipei Fubon Bank : Interest spread and margin

- Loan-to-deposit spread narrowed reflected impact from rate cuts
- Adverse NIM impact from rate cuts was partially offset by better asset mix and higher demand deposit ratio. NIM dropped slightly to 1.09%

NIM and loan-to-deposit spread



Loan yield and deposit rate

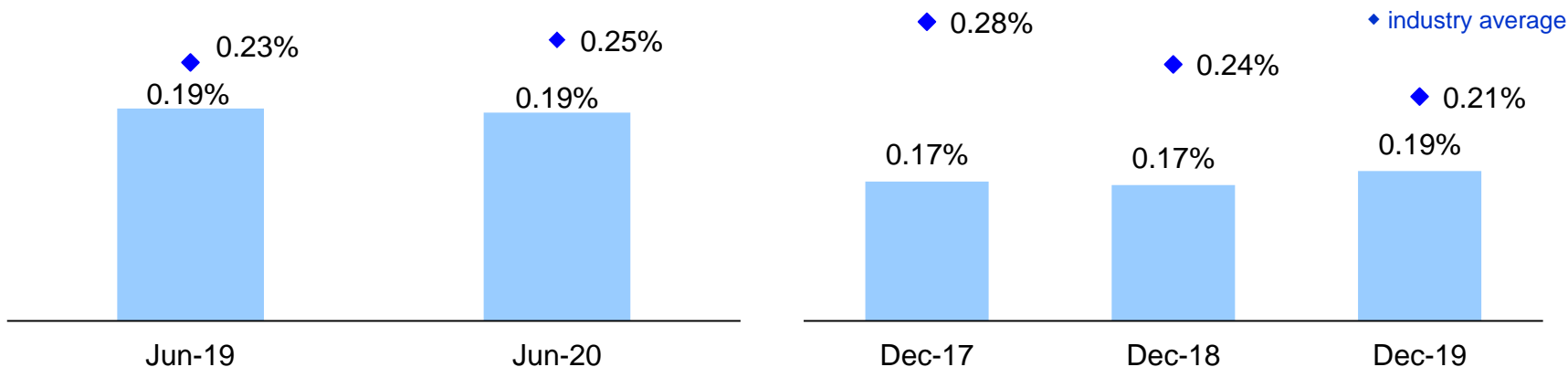


Note: Loan rate calculation inclusive of credit card revolving

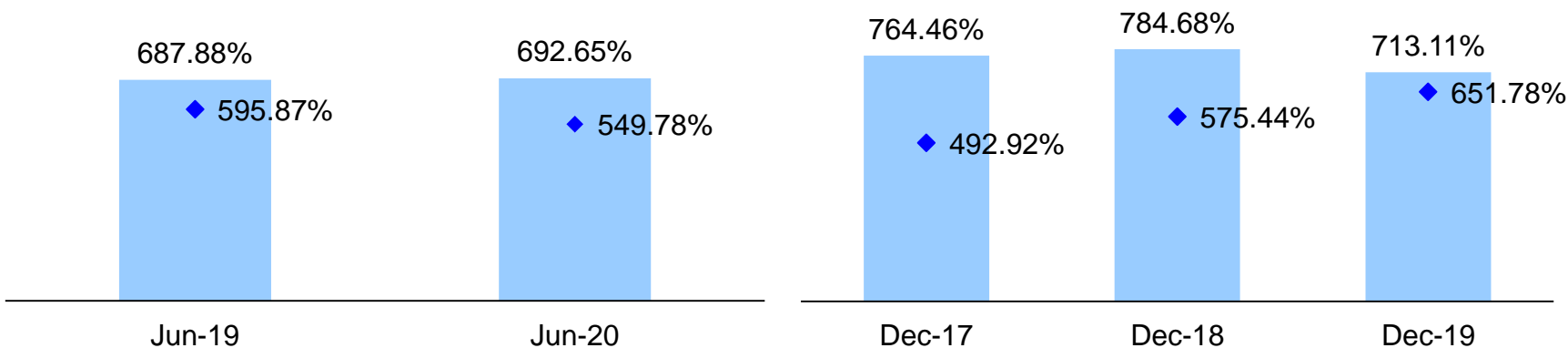
Taipei Fubon Bank: Asset quality

- Asset quality remained stable. Better NPL and coverage ratio compared to industry average

NPL ratio



Coverage ratio



Taipei Fubon Bank: Fee income

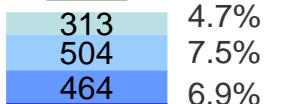
- Fee slightly increased, mainly driven by growth in credit card
- Investment products related fee grew 30.1% yoy and the contribution to wealth management fee increased to 56%. Overall wealth management fee was flattish yoy due to adjustment in insurance product mix

Net fee income

NT\$mn

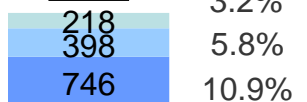
- Wealth management
- Credit card
- Syndication loan
- Others

6,727



1.5%

6,830



1H19

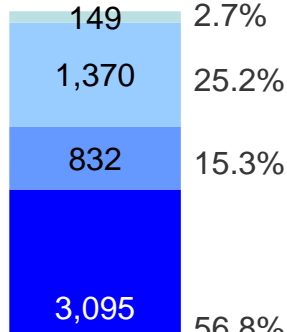
1H20

Wealth management fee

NT\$mn

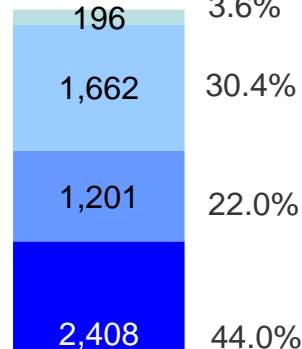
- Custodian and trust
- Structured, equity, and bonds product
- Mutual funds
- Insurance commission

5,445



0.4%

5,468



1H19

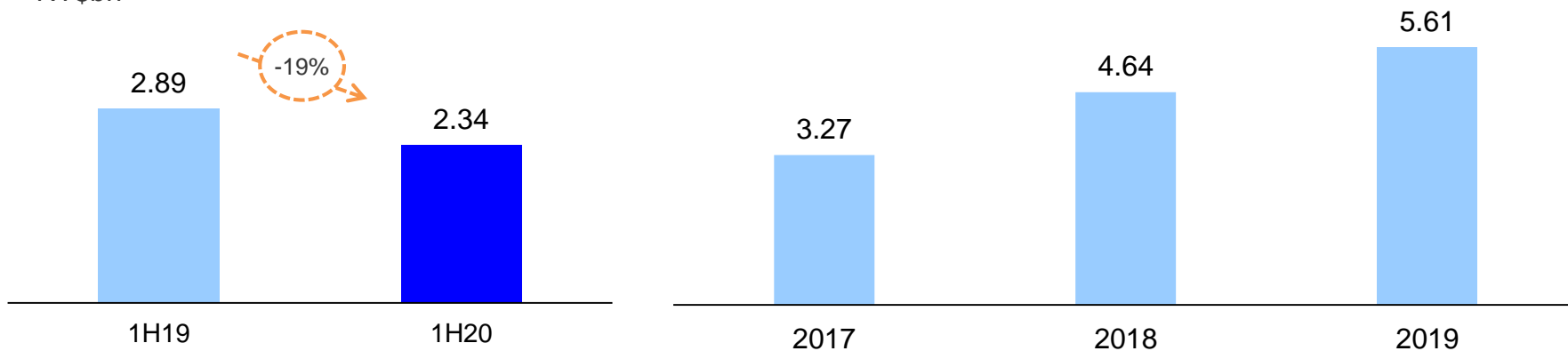
1H20

Taipei Fubon Bank: Overseas branches

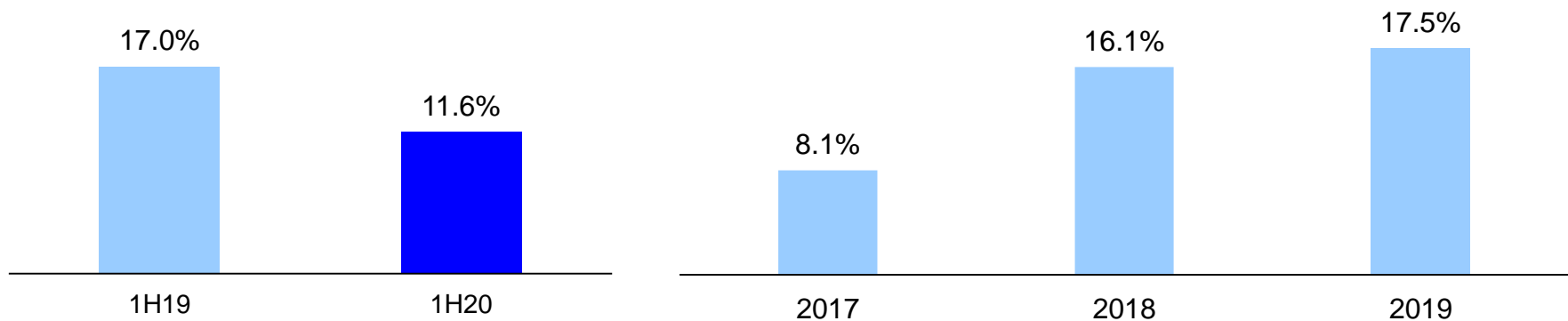
- Revenue from overseas branches was down 19% yoy, mainly reflecting the HK branch's performance, which was affected by the market. Growth in Singapore and Vietnam branches remained steady

Net revenue from overseas branches

NT\$bn



Pre-tax profit from overseas branches





Performance review by subsidiary

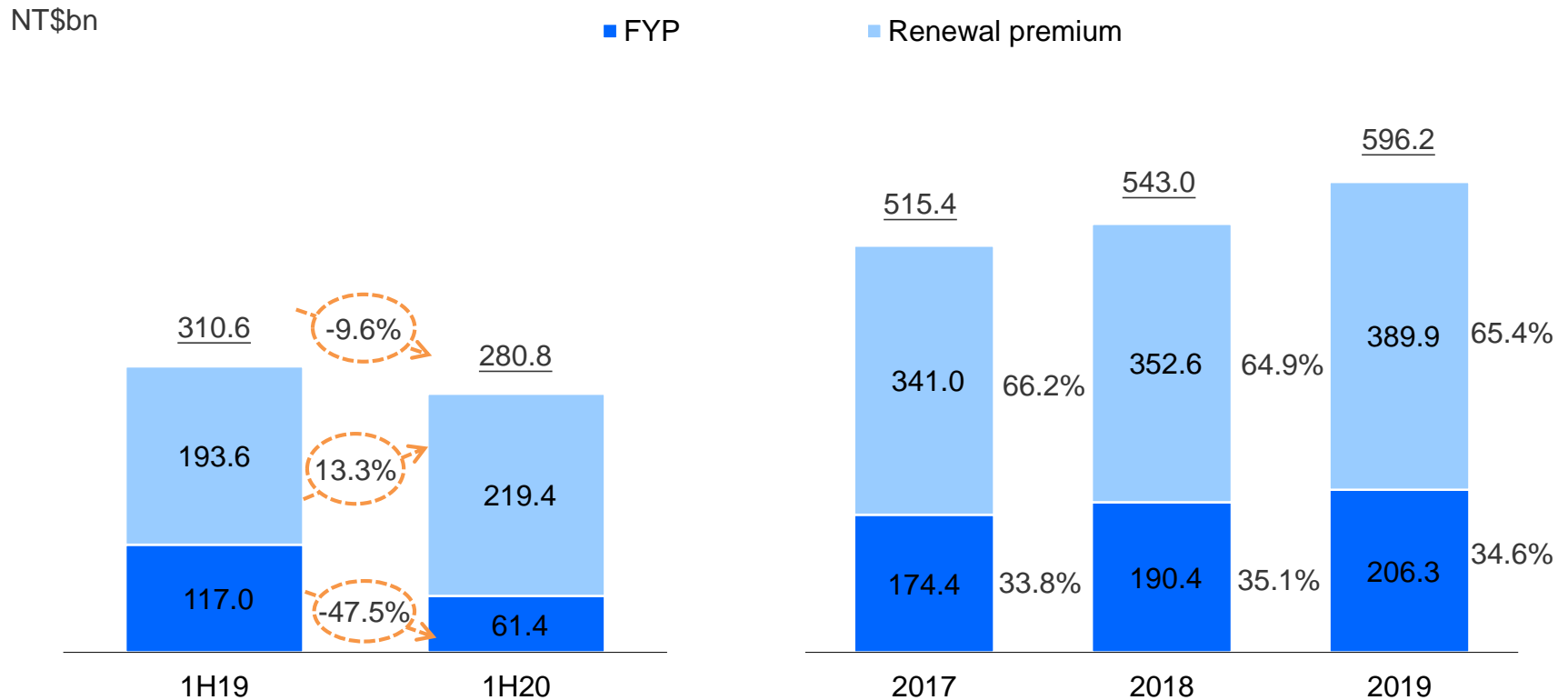
Fubon Life



Fubon Life: Total premiums

- 9.6% yoy decline in total premiums due to FYP decline of 47.5%
- Rank second in FYP, renewal premium and FYPE in Taiwan life insurance market

Total premium composition

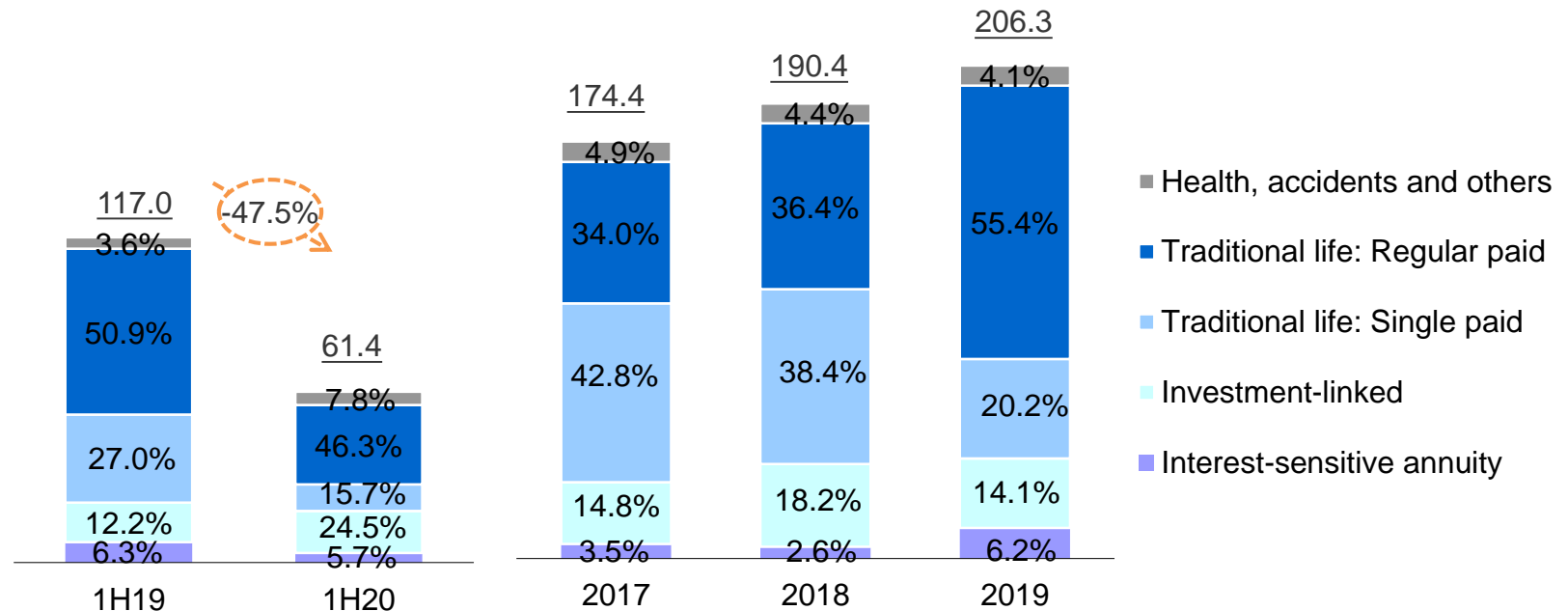


Fubon Life: First year premiums (FYP)

- FYP decline of 47.5% YoY due to COVID-19 impact and product focus change to regular-paid policy
- Investment-linked policy and health and accidents policy reached 24.5% and 7.8% of FYP contribution, respectively

FYP composition

NT\$bn



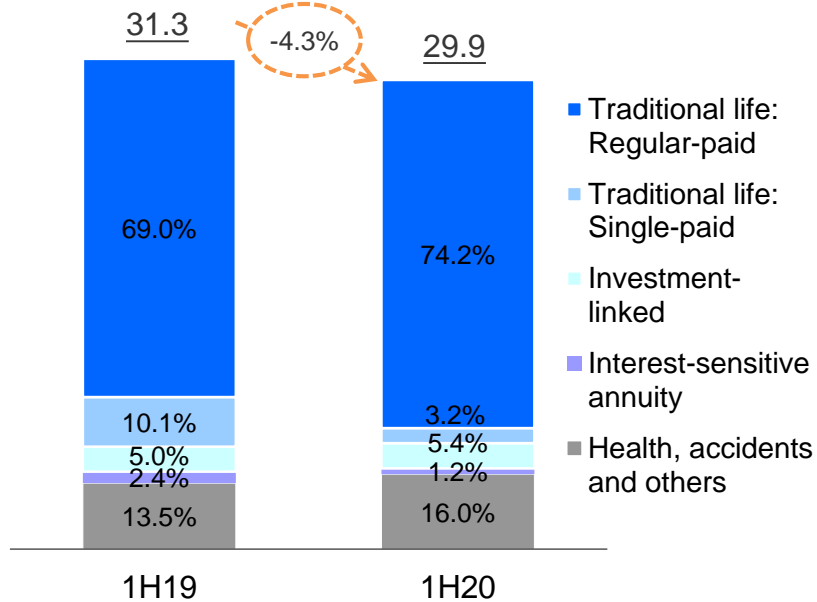
NTD	71.0%	66.6%	56.5%	60.3%	73.2%
Non-NTD	29.0%	33.4%	43.5%	39.7%	26.8%

Fubon Life: FYPE & VNB

- With a focus on regular-paid policy, FYPE declined 4.3%, outperforming the industry growth rate (-8.8% YoY). FYPE/FYP improved from 26.7% to 48.7%
- VNB -12.5% yoy reflected FYP changes. VNB/FYP margin improved to 22.9% in 1H20

FYPE

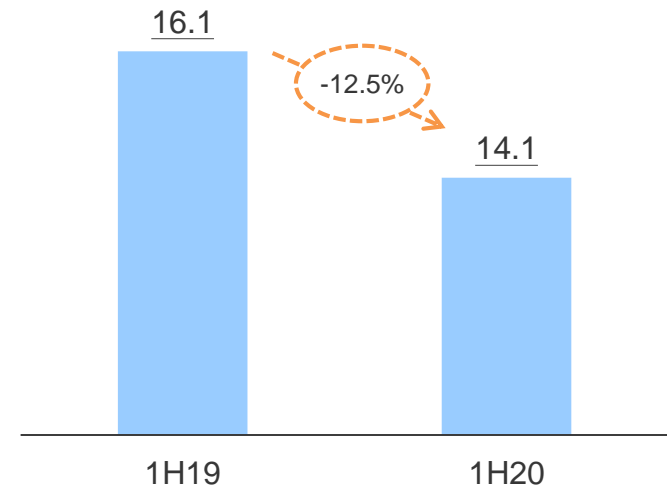
NT\$bn



FYPE/FYP	26.7%	48.7%
----------	-------	-------

VNB

NT\$bn



VNB/FYP	13.7%	22.9%
VNB/FYPE	51.4%	47.0%

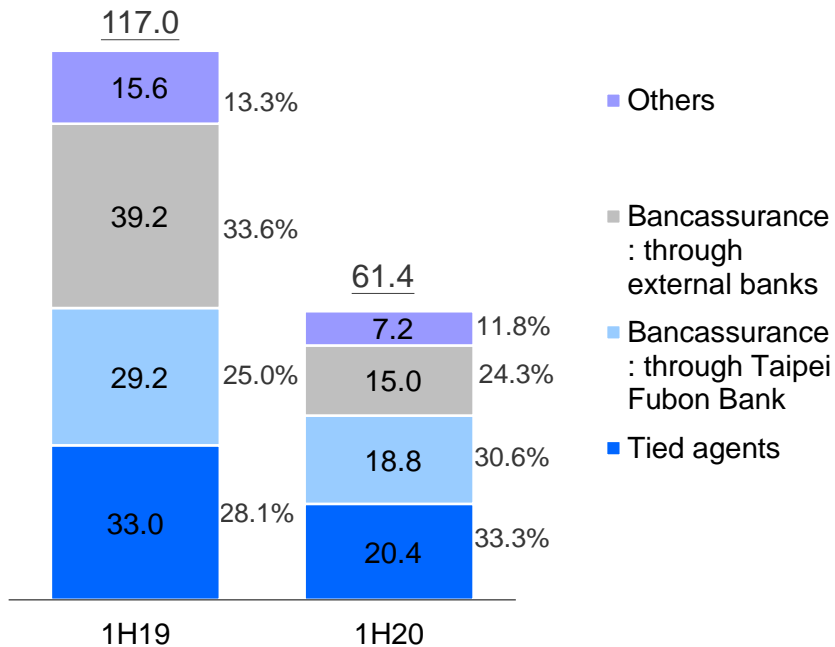
Note: VNB is based on 2019 EV actuarial assumptions

Fubon Life: Channels

- FYP declined across all channels due to COVID-19. Bancassurance suffered the most due to decrease in customers visits
- FYPE contribution from agents and other channels increased, driven by rising sales of investment-linked and protection-type policies

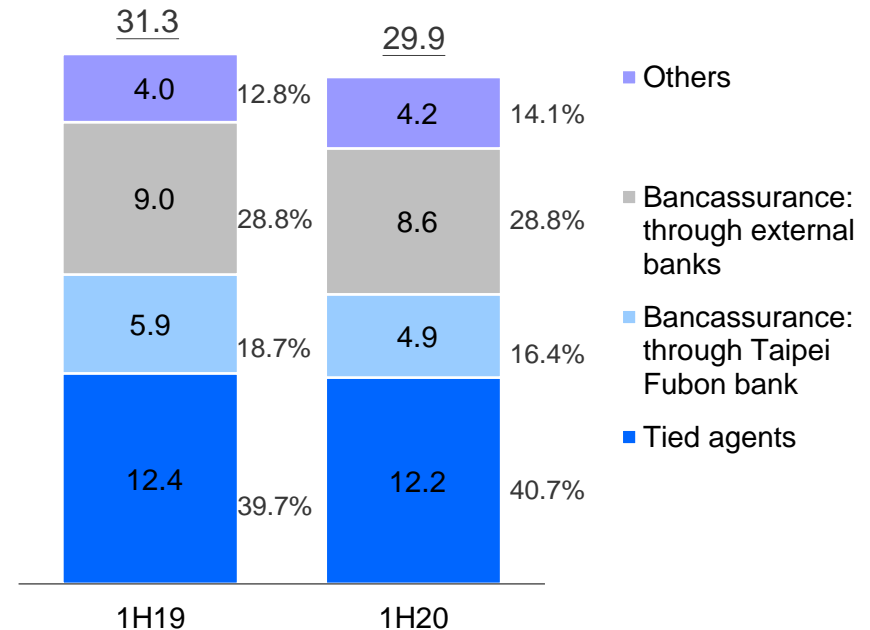
FYP by channel

NT\$bn



FYPE by channel

NT\$bn



Fubon Life: Investment portfolio

- Steady investment asset growth at 8.0% YoY
- Portfolio additions mainly focused on domestic equity

NT\$bn	2019/06/30		2020/03/31		2020/06/30	
Deposit and cash equivalent	174.9	4.5%	182.4	4.5%	164.4	3.9%
Domestic fixed income ⁽¹⁾	557.5	14.5%	528.3	13.1%	507.0	12.2%
Overseas fixed income ⁽²⁾	2,089.0	54.2%	2,308.4	57.4%	2,348.5	56.4%
Domestic equity	370.2	9.6%	322.1	8.0%	433.0	10.4%
Overseas equity	197.8	5.1%	204.5	5.1%	204.8	4.9%
Mortgage loans	151.5	3.9%	162.3	4.0%	165.7	4.0%
Policy loans	69.0	1.8%	72.2	1.8%	72.0	1.7%
Real estate	247.3	6.4%	244.5	6.1%	271.3	6.5%
Total Investments	3,857.2	100.0%	4,024.7	100.0%	4,166.7	100.0%
Domestic	1,448.9	37.6%	1,400.1	34.8%	1,484.8	35.6%
Overseas	2,408.3	62.4%	2,624.6	65.2%	2,681.9	64.4%

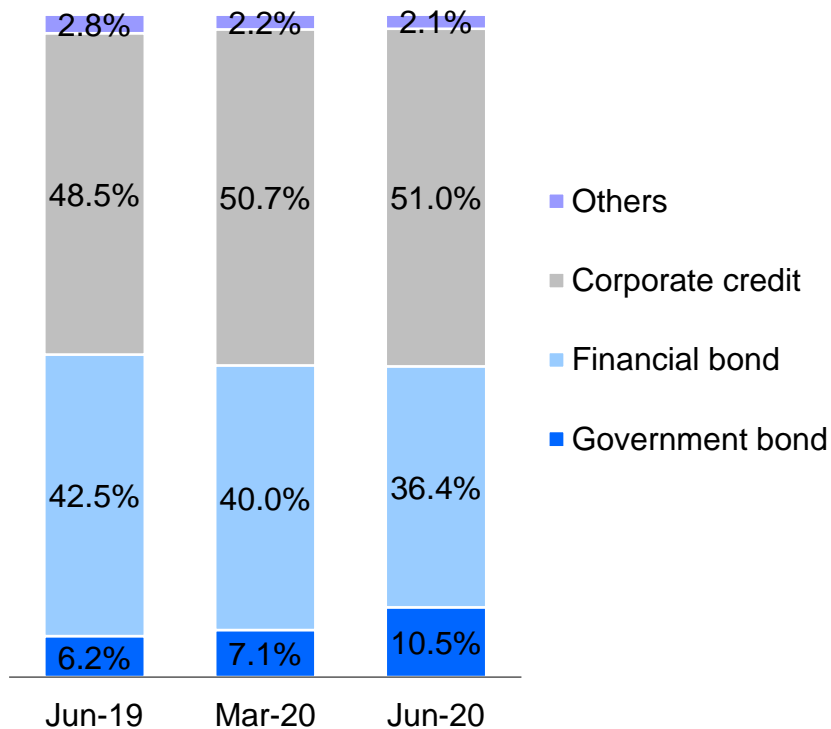
Note: (1) Inclusive of NTD-denominated ETFs

(2) Inclusive of OTC-listed international bonds. International bonds investment reached 12.8% of total investment assets as of 2020/06/30

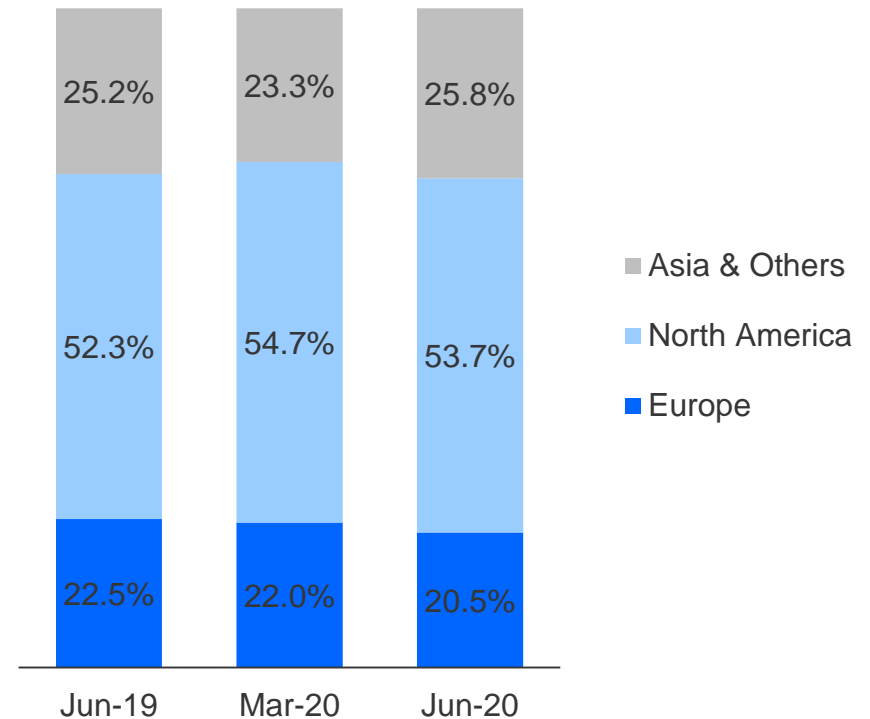
Fubon Life: Overseas fixed income portfolio

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

Overseas fixed income by asset type



Overseas fixed income by region



Fubon Life: Composition of investment income

- Investment return increased YoY due to growth in dividend income of mutual funds and equities while capital gains and hedging cost improved

NT\$bn	1H19	1H20	YoY growth	2017	2018	2019
Recurring investment income	61.9	64.3	4.0%	114.4	126.5	137.2
Interest income	50.6	50.1	-0.9%	85.5	98.5	99.6
Cash dividend income from equity investment	3.7	4.6	24.7%	18.8	18.9	20.5
Rental and others ⁽¹⁾	7.6	9.6	25.9%	10.1	9.1	17.1
Realized gains from fixed income investment	12.5	23.9	91.8%	14.1	8.9	26.2
Realized gains from equity investment	10.9	13.5	23.9%	26.1	26.4	18.4
FX and others	-18.3	-16.6	-9.5%	-29.9	-34.8	-36.4
Investment income	67.0	85.1	27.1%	124.7	127.0	145.4
Total investment assets	3,857.2	4,166.7	8.0%	3,386.3	3,622.3	4,042.4
Investment return (before hedge)	4.47%	4.86%		4.76%	4.63%	4.72%
Investment return (after hedge)	3.65%	4.20%		3.93%	3.62%	3.83%

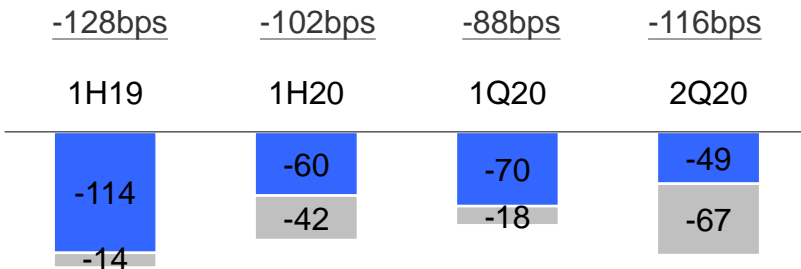
Note: (1)) Including interest income from fund investments

Fubon Life: Composition of hedging portfolio

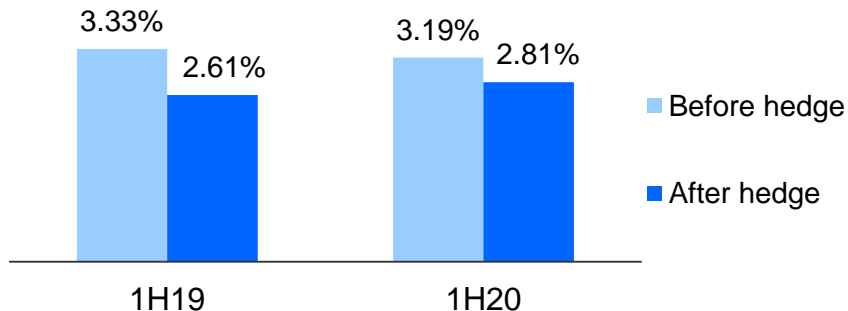
- Recurring hedging costs declined along with a narrowing interest spread between Taiwan and the US
- Continued to dynamically adjust hedging composition in response to market conditions
- Increase in recurring returns on after-hedged basis

Hedging cost & FX gain/loss

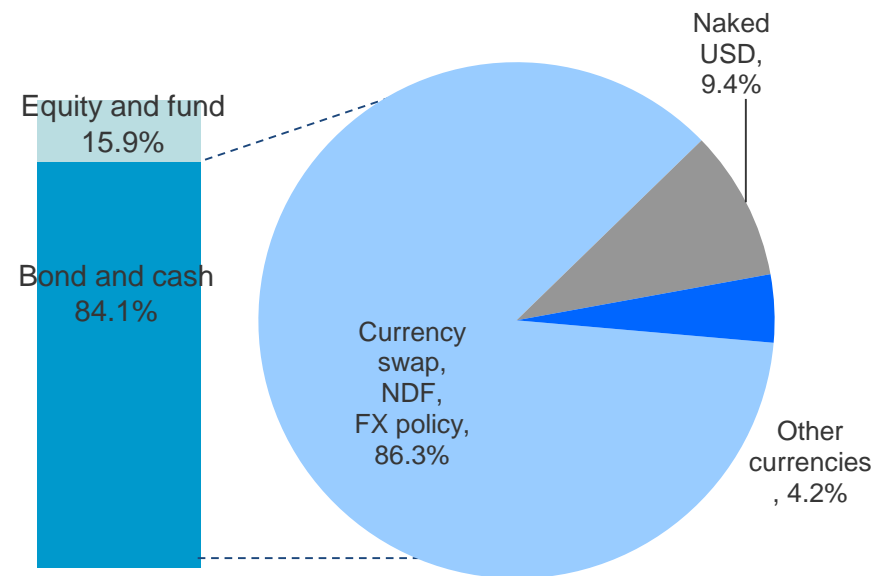
■ CS+NDF cost ■ FX gain/loss & net provision of FX reserve



Recurring return



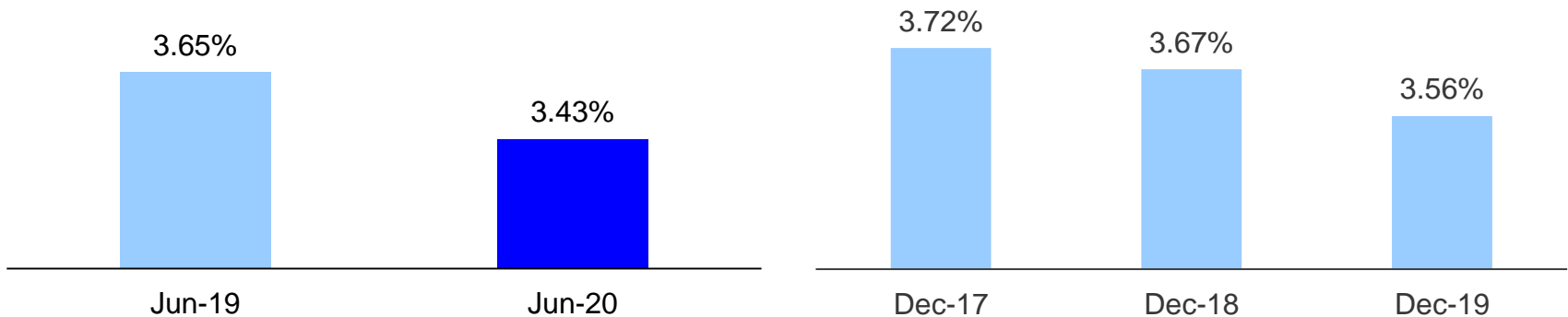
FX position



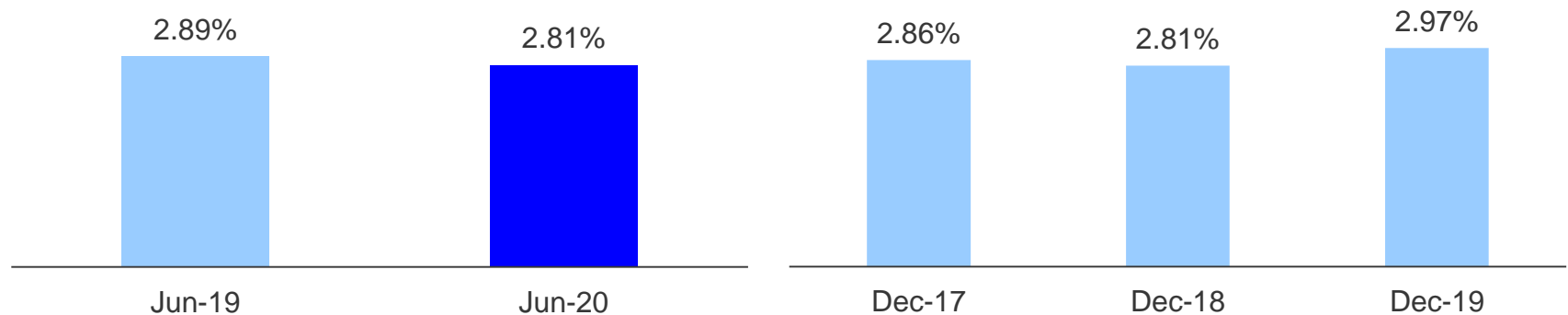
Fubon Life: Cost of liability & breakeven point

- Improvement in COL, driven by new business premiums
- Breakeven point improved thanks to decline in COL

Cost of liability



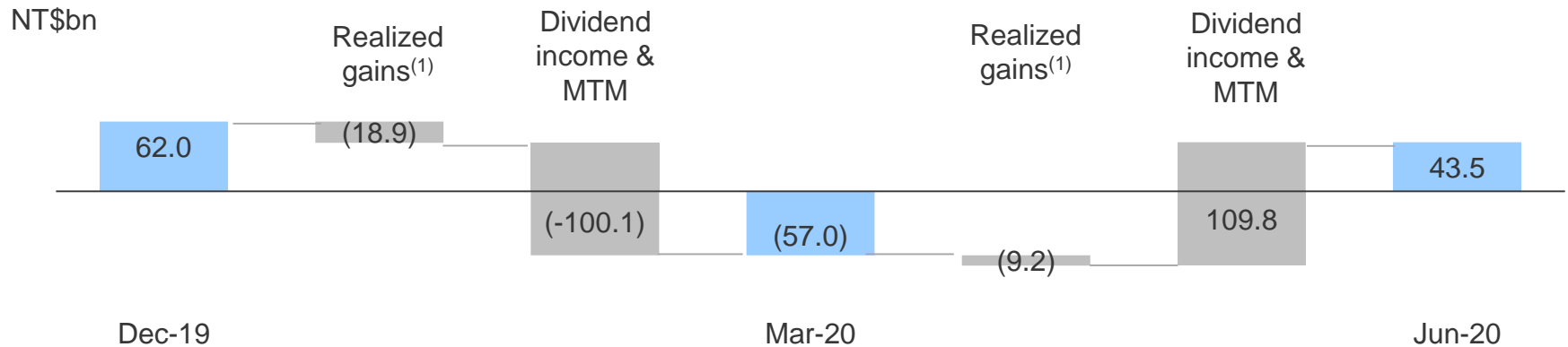
Breakeven point



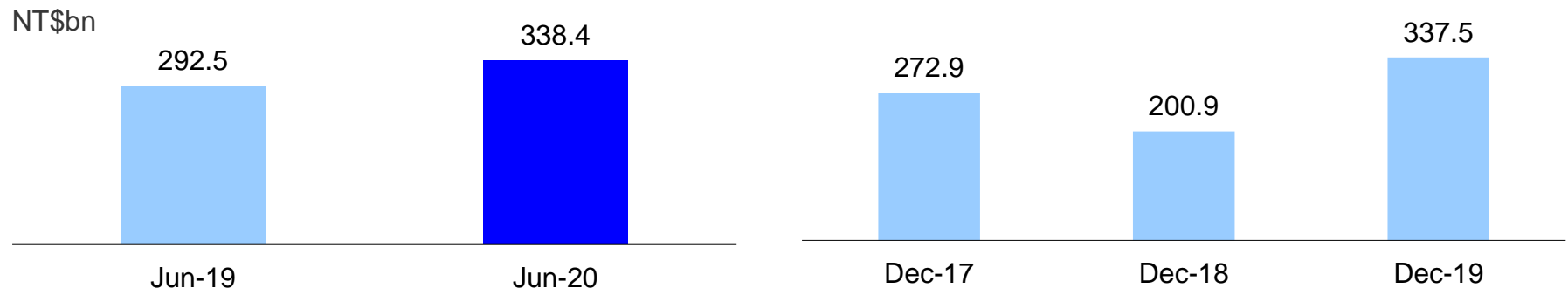
Fubon Life: Investment performance

- Unrealized balance recovered due to mark-to-market value movement of financial assets, which led to increase in shareholders' equity

Unrealized balance in FVOCI & FVTPL overlay and movement



Shareholders' equity



Note: (1) Realized equity gain/ loss under FVOCI is included; (2) Ending balance of AC as of Jun 20 was NT\$151.2bn.



Performance review by subsidiary
Fubon Insurance

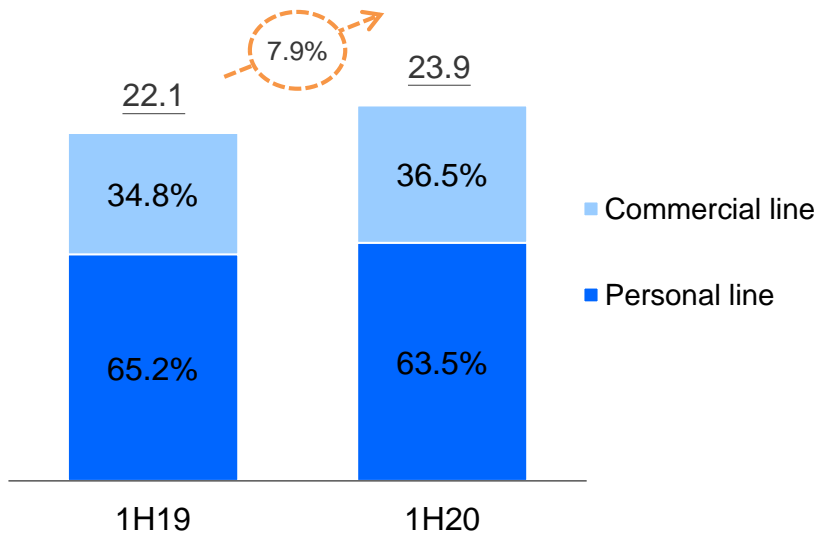


Fubon Insurance: Operational snapshot

- 7.9% premium growth YoY, outperforming the industry average
- Market leader with 25.0% share, up 0.5% YoY
- Net combined ratio remained at a stable level of 90.4%

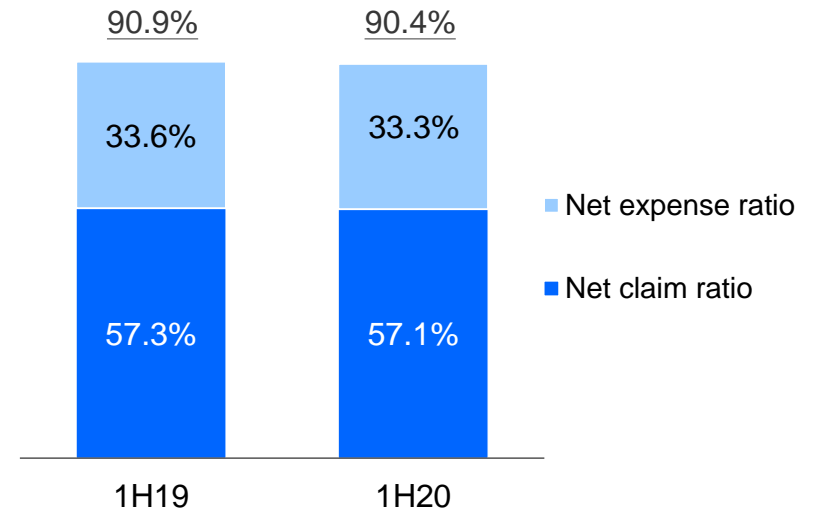
Direct written premiums by product

NT\$bn



Note: Standalone basis

Net combined ratio



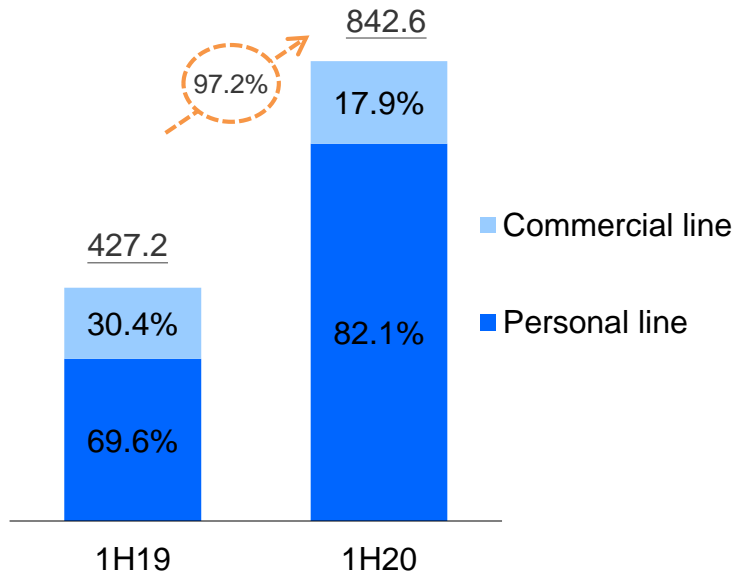
Note: Inclusive of compulsory auto business

Fubon P&C (China): Operational snapshot

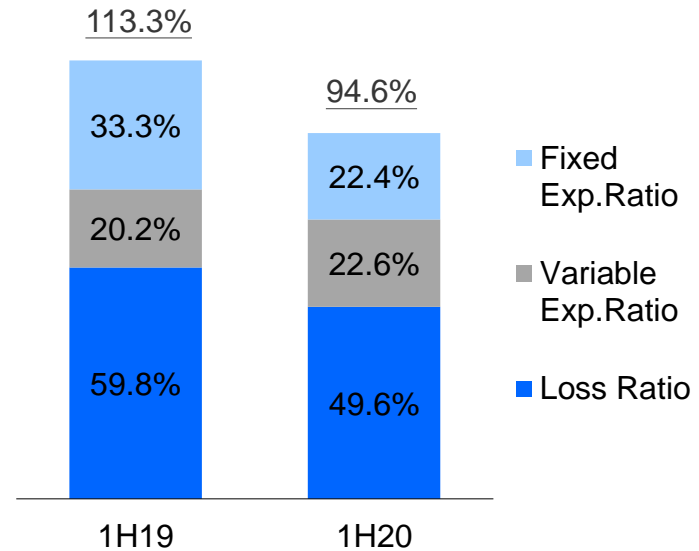
- Focus on product mix improvement, growth in A&H insurance led to premium growth
- Well controlled expense ratio. Loss ratio decreased led to improvement in net combined ratio

Premium income

RMBmn



Net combined ratio





Performance review by subsidiary

Fubon Securities



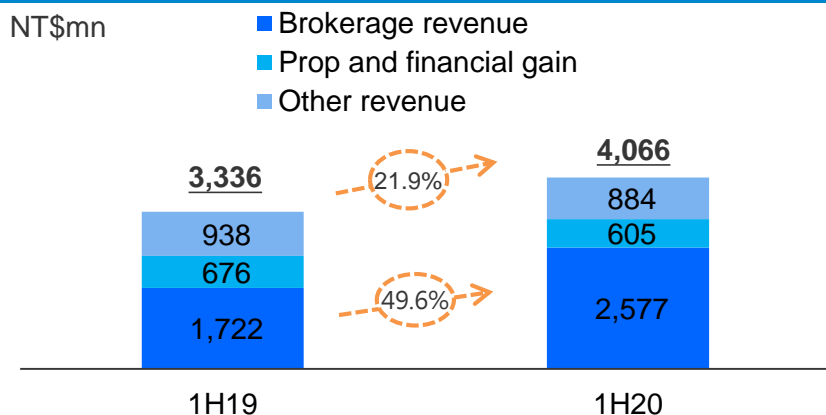
Fubon Securities: Operational snapshot

- Top three position in brokerage, underwriting and emerging stock trading
- Develop wealth management business and products offering. Sub-brokerage volume grew to represent 10.33% of market share
- Brokerage revenue rose 49.6% YoY due to increase in market turnover. Operating revenue and net profit grew 21.9% and 28.5%, respectively

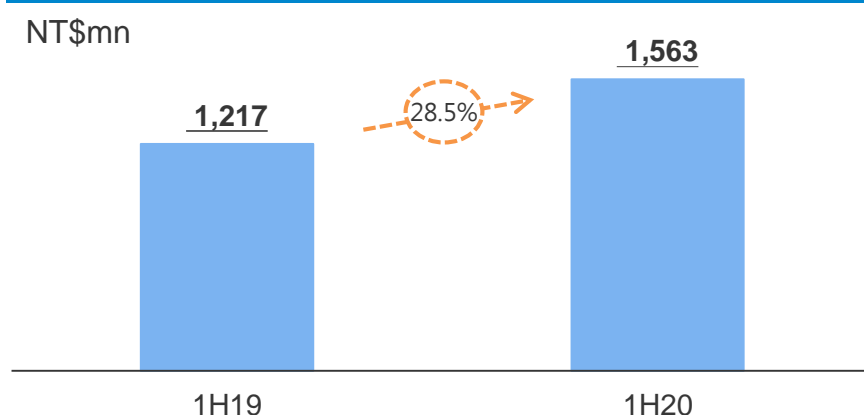
Market share & ranking

	1H20	Ranking	1H19	Ranking
Brokerage	5.53%	3	5.43%	3
IPO+SPO Amount	12.14%	3	3.74%	8
Emerging market	20.92%	2	20.19%	2
Sub-Brokerage	10.33%	4	8.87%	5

Operating revenue



Net profit



Note : FHC acquired all shares of Fubon Asset Management held by Fubon Securities on 2019/12/30. In order to use a same comparison base, operating revenue and net profit of Fubon Securities in 2019 exclude numbers of Fubon Asset Management on this page.



Performance review by subsidiary
Overseas banking subsidiaries

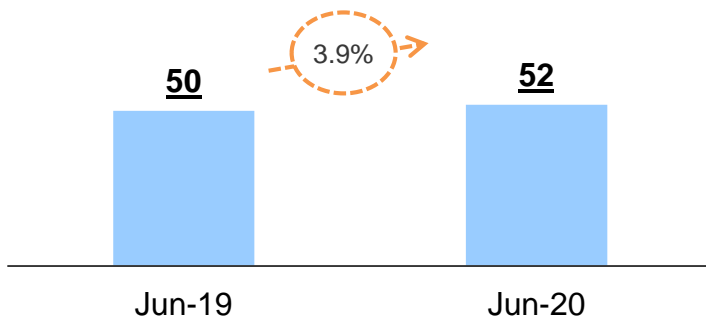


Fubon Bank (Hong Kong): Key balance sheet items

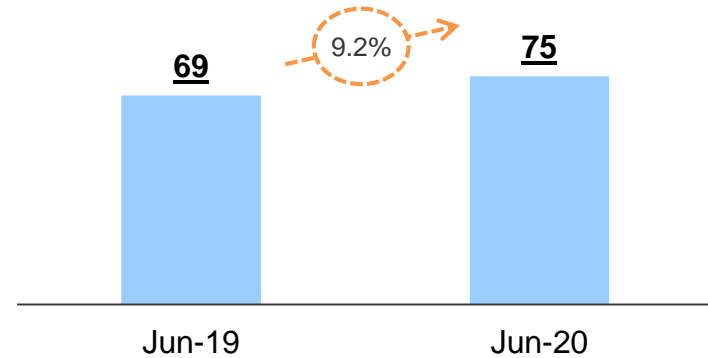
- Loan growth up 3.9% yoy, mainly driven by corporate loan growth
- Deposits growth up 9.2% yoy, in response to market liquidity

HK\$bn

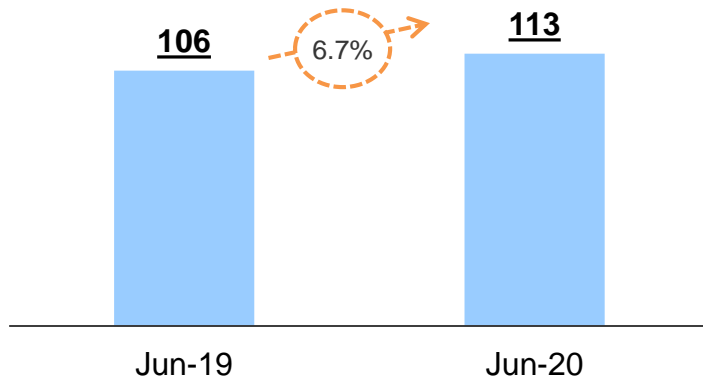
Loans



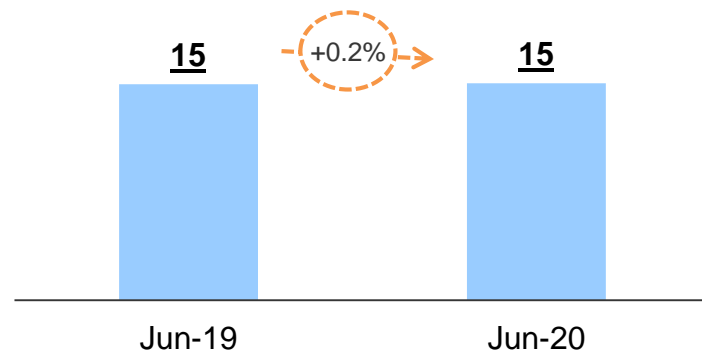
Deposits



Assets

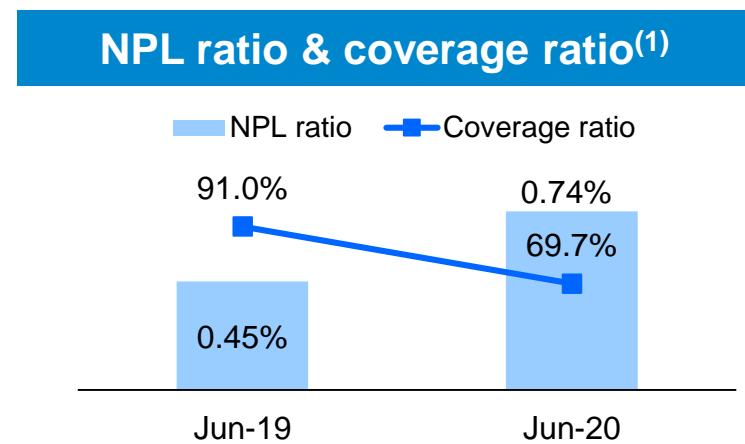
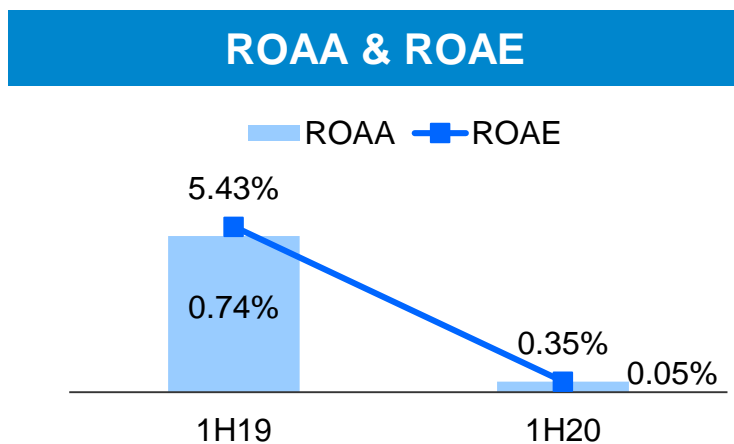
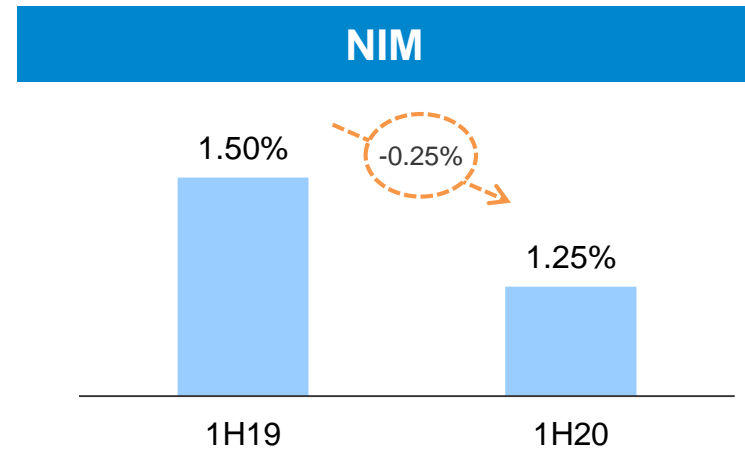
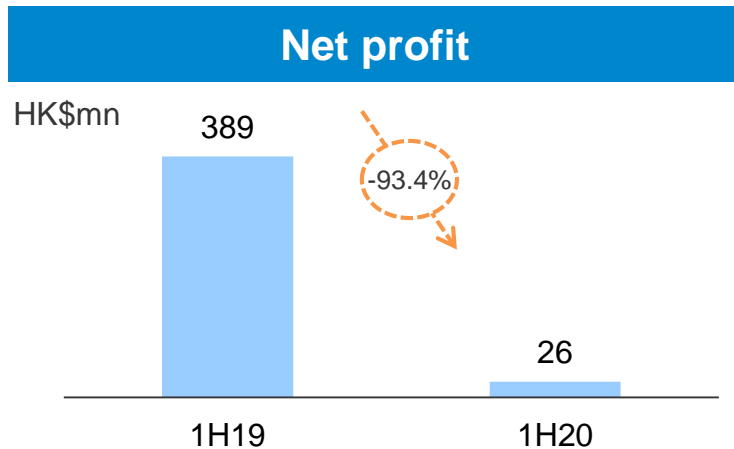


Net worth



Fubon Bank (Hong Kong): Financial highlights

- Net profit decreased mainly from NII contraction due to rate cuts, higher provision on back of the macro outlook and a single default case

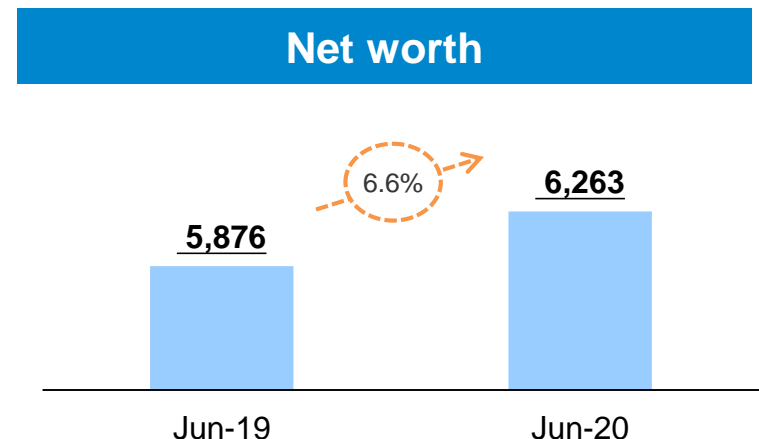
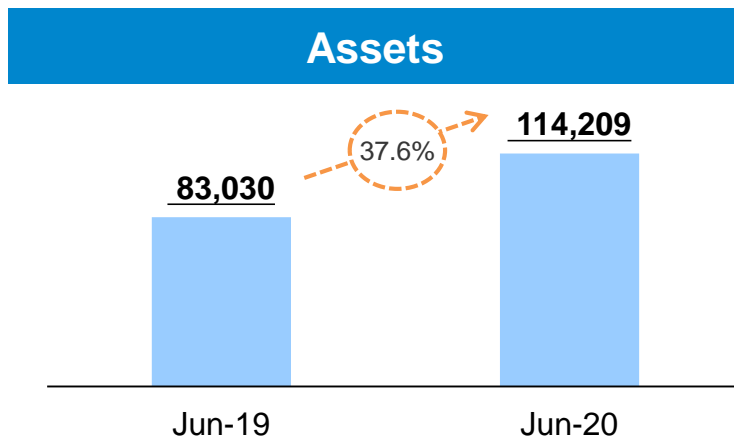
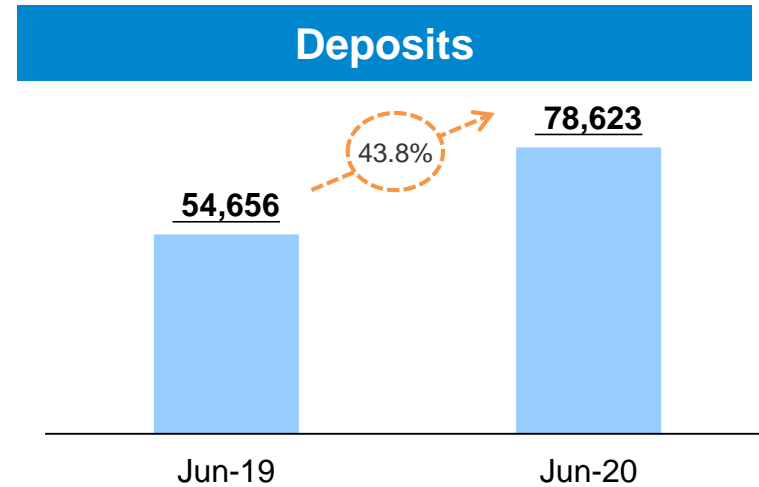
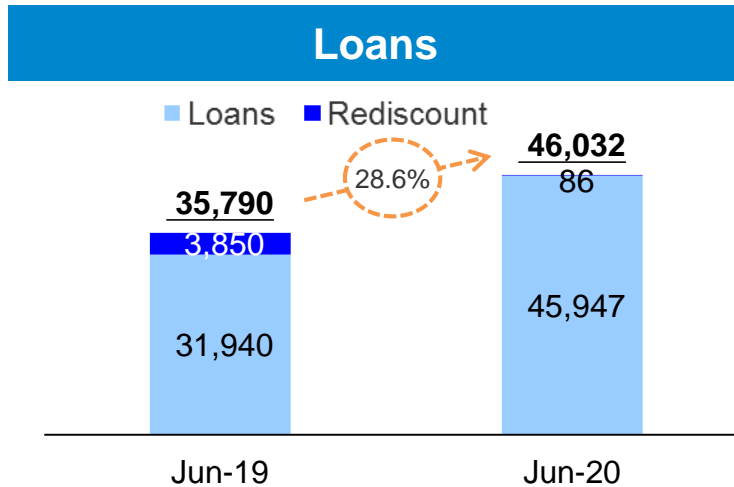


Note: (1) Definition of the coverage ratio follows the general practice in HK, which is (Allowance for loan losses + Secured balance) / NPL. The ratio would be 146.9% in 1H20 and 315.0% in 1H19 if regulatory and type 1-3 loans reserves are included in the numerator, following Taiwan's practice.

Fubon Bank (China): Key balance sheet items

- Deposit and loan reached record highs in 2Q20, up 43.8% and 28.6%, respectively, leading to asset scale expansion by 37.6% yoy

RMBmn

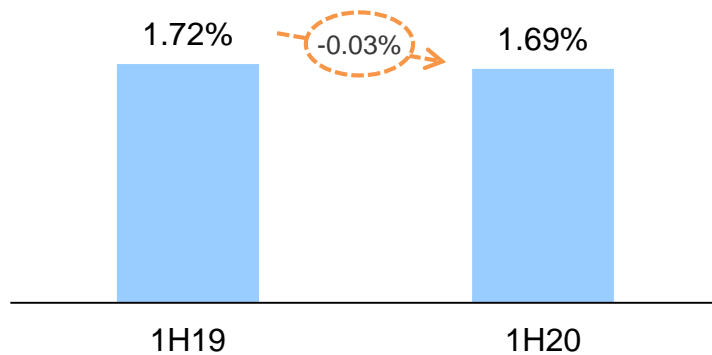


Fubon Bank (China): Financial highlight

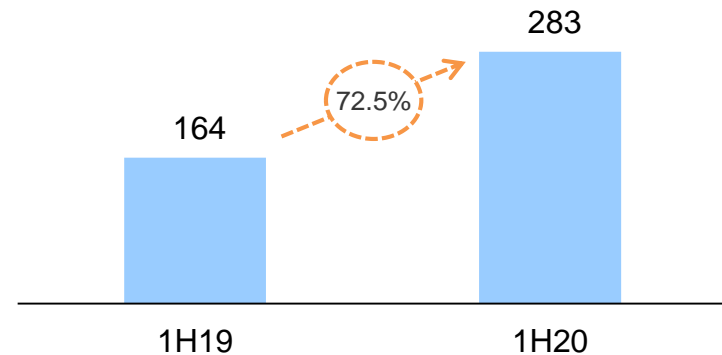
- Net profit increased 72.5% yoy, mainly driven by growth in NII and investment income
- NPL and coverage ratio improved while loan balance continued to expand

RMBmn

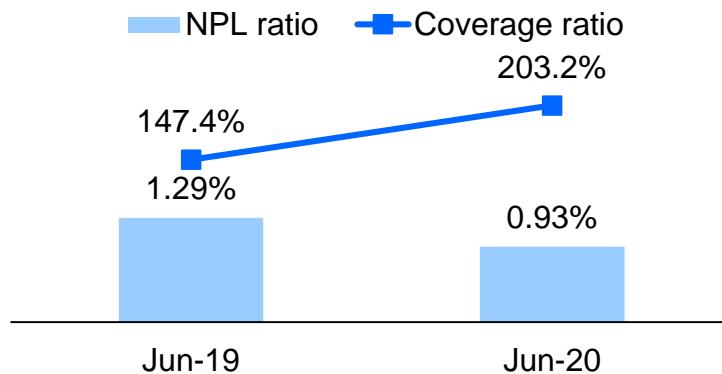
NIM



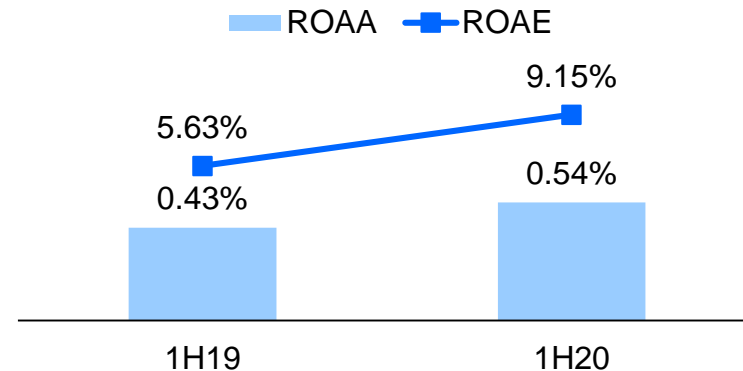
Net Profit



NPL ratio & Coverage ratio



ROAA & ROAE





Contact IR



Fubon Financial



Fubon Financial - Financial summary

<i>NT\$ millions, except for percentages</i>	1H20	1H19	YoY	2Q20	1Q20	2019	2018	YoY
<u>Income Statement Data</u>								
Net interest income	68,379	68,871	-0.7%	34,423	33,956	136,681	129,948	5.2%
Insurance income	133,652	98,647	35.5%	62,640	71,012	248,067	235,827	5.2%
Net gains (losses) on FX and financial assets	45,170	30,851	46.4%	15,465	29,705	68,687	44,373	54.8%
Others	(2,441)	(4,061)	-39.9%	(1,035)	(1,406)	(5,443)	785	-793.6%
Net revenue	244,760	194,307	26.0%	111,492	133,267	447,992	410,933	9.0%
Bad debt expense and reserve for guarantee	(2,571)	(1,262)	103.7%	(1,128)	(1,442)	(3,223)	(1,463)	120.3%
Net change in insurance reserve	(166,133)	(130,030)	27.8%	(75,324)	(90,810)	(316,278)	(293,423)	7.8%
Operating expense	(30,716)	(30,408)	1.0%	(15,521)	(15,195)	(63,022)	(58,432)	7.9%
Income before tax	45,339	32,608	39.0%	19,519	25,820	65,468	57,615	13.6%
Net income	37,464	27,772	34.9%	14,291	23,173	59,573	47,721	24.8%
Net income to parent company	37,284	27,669	34.7%	14,321	22,963	58,497	47,729	22.6%
<u>Balance Sheet Data</u>								
Total assets	8,856,109	8,119,735	9.1%	8,856,109	8,571,206	8,547,702	7,715,060	10.8%
Equity attributable to parent company	595,926	554,073	7.6%	595,926	503,365	607,774	459,243	32.3%
Outstanding common shares (million shares)	10,234	10,234	0.0%	10,234	10,234	10,234	10,234	0.0%
<u>Key Metrics</u>								
ROA	0.86%	0.70%		0.66%	1.08%	0.73%	0.65%	
ROE	12.39%	10.90%		10.42%	16.53%	10.94%	9.98%	
Equity / assets	6.87%	6.96%		6.87%	6.00%	7.25%	6.08%	
Double leverage	114.46%	111.94%		114.46%	114.23%	111.82%	112.09%	
Capital adequacy ratio	109.77%	115.71%		109.77%		116.79%	119.21%	
Cash dividend per share						2.00	2.00	

Fubon Life - Financial summary

<i>NT\$ millions, except for percentages</i>	1H20	1H19	YoY	2Q20	1Q20	2019	2018	YoY
<u>Income statement data</u>								
First year premium	61,449	116,981	-47.5%	24,403	37,046	206,267	190,379	8.3%
Retained earned premium	288,788	315,423	-8.4%	145,710	143,078	603,645	504,822	19.6%
Total investment income	89,737	72,034	24.6%	37,802	51,935	155,531	130,738	19.0%
Recurring investment income	68,501	66,135	3.6%	35,644	32,857	146,417	129,313	13.2%
Other investment income	21,236	5,899	260.0%	2,158	19,078	9,114	1,425	539.6%
Realized gains (losses) from fixed income	24,037	12,617	90.5%	7,288	16,749	26,290	8,833	197.6%
Realized gains (losses) from equity	13,935	11,184	24.6%	4,496	9,439	18,928	26,487	-28.5%
FX and others	(13,426)	(16,272)	-17.5%	(7,545)	(5,881)	(34,529)	(34,739)	-0.6%
Investment property fair value movement	(3,310)	(1,630)	103.1%	(2,081)	(1,229)	(1,575)	844	-286.6%
Other income	1,730	1,803	-4.1%	797	933	3,642	2,814	29.4%
Total operating revenue	380,255	389,260	-2.3%	184,309	195,946	762,818	638,374	19.5%
Retained claim payment	162,397	223,669	-27.4%	86,705	75,692	368,837	282,452	30.6%
Net commission expense	11,951	15,088	-20.8%	4,804	7,147	29,578	23,764	24.5%
Net change in insurance liability	168,449	126,907	32.7%	78,939	89,510	312,337	287,912	8.5%
General and administrative expense	9,561	9,778	-2.2%	4,731	4,830	20,361	17,174	18.6%
Other operating costs	1,931	1,802	7.2%	967	964	3,763	3,308	13.8%
Total operating costs and expenses	354,289	377,244	-6.1%	176,146	178,143	734,876	614,610	19.6%
Net non-operating income / (expenses)	444	228	94.4%	287	157	460	333	38.2%
Income before tax	26,410	12,244	115.7%	8,450	17,960	28,402	24,097	17.9%
Net income	23,582	11,024	113.9%	7,285	16,297	27,611	24,979	10.5%
Net income to parent company	23,375	10,896	114.5%	7,273	16,102	26,507	24,930	6.3%
<u>Balance sheet data</u>								
Total assets	4,968,656	4,615,915	7.6%	4,968,656	4,785,534	4,857,322	4,385,528	10.8%
Total assets (general account)	4,586,610	4,237,221	8.2%	4,586,610	4,423,728	4,444,576	4,016,093	10.7%
Insurance liabilities	4,056,430	3,754,975	8.0%	4,056,430	3,993,310	3,912,818	3,620,795	8.1%
Total liabilities	4,618,224	4,312,339	7.1%	4,618,224	4,541,737	4,508,174	4,175,279	8.0%
Total liabilities (general account)	4,243,337	3,937,216	7.8%	4,243,337	4,184,441	4,099,813	3,805,434	7.7%
Equity attributable to parent company	338,444	292,479	15.7%	338,444	232,824	337,516	200,859	68.0%
<u>Key Metrics</u>								
ROA	0.96%	0.49%		0.60%	1.35%	0.60%	0.62%	
ROE	13.83%	8.80%		10.18%	22.59%	9.81%	10.32%	
Equity / Assets (general account)	7.64%	7.16%		7.64%	5.51%	7.86%	5.24%	
Expense ratio	3.31%	3.10%		3.25%	3.38%	3.37%	3.40%	
Persistency ratio - 13th month	97.08%	96.47%		97.08%	96.92%	96.67%	96.95%	
Persistency ratio - 25th month	93.94%	95.36%		93.94%	93.66%	94.62%	96.44%	

Taipei Fubon Bank - Financial summary

<i>NT\$ millions, except for percentages</i>	1H20	1H19	YoY	2Q20	1Q20	2019	2018	YoY
Income statement data								
Interest income	30,412	30,192	0.7%	14,662	15,750	61,555	55,931	10.1%
Interest expense	(14,539)	(16,389)	-11.3%	(6,648)	(7,891)	(32,791)	(29,606)	10.8%
Net interest income	15,873	13,803	15.0%	8,014	7,859	28,765	26,325	9.3%
Net fee income	6,636	6,767	-1.9%	2,758	3,878	12,683	11,135	13.9%
Other income	3,469	5,898	-41.2%	3,012	458	9,987	8,386	19.1%
Total net revenue	25,978	26,468	-1.9%	13,783	12,195	51,435	45,846	12.2%
Operating expenses	(12,028)	(12,043)	-0.1%	(5,947)	(6,080)	(24,847)	(22,912)	8.4%
Pre-provision profits	13,950	14,425	-3.3%	7,836	6,114	26,588	22,935	15.9%
Provision for credit losses	(2,016)	(995)	102.6%	(856)	(1,161)	(2,216)	(797)	178.1%
Income before tax	11,934	13,429	-11.1%	6,980	4,954	24,372	22,138	10.1%
Net income	10,392	11,318	-8.2%	6,089	4,303	20,637	18,826	9.6%
Net income to parent company	9,852	11,065	-11.0%	5,724	4,128	20,123	18,619	8.1%
Balance sheet data								
Loans and discounts, net	1,599,550	1,487,086	7.6%	1,599,550	1,553,897	1,491,818	1,397,995	6.7%
Deposits and remittances	2,369,845	2,145,530	10.5%	2,369,845	2,380,451	2,304,217	2,032,282	13.4%
Allowance for loan losses*	17,947	16,947	5.9%	17,947	18,106	17,289	16,632	3.9%
Total assets	3,202,435	2,849,773	12.4%	3,202,435	3,168,759	3,029,831	2,711,118	11.8%
Equity attributable to parent company	202,156	191,859	5.4%	202,156	202,546	199,631	185,886	7.4%
Key metrics								
ROA	0.67%	0.81%		0.76%	0.56%	0.72%	0.70%	
ROE	9.81%	11.72%		11.31%	8.21%	10.44%	10.22%	
Equity / assets	6.88%	7.39%		6.88%	6.97%	7.20%	7.54%	
Cost / income ratio	-46.30%	-45.50%		-43.15%	-49.86%	-48.31%	-49.97%	
NPL ratio*	0.19%	0.19%		0.19%	0.24%	0.19%	0.17%	
Reserve / NPL*	692.65%	687.88%		692.65%	552.79%	713.11%	784.68%	
Tier 1 ratio*	12.03%	12.19%				12.46%	12.39%	
BIS ratio*	13.73%	13.69%				14.12%	13.98%	

Note: Data mark with * are stand-alone basis

Fubon Insurance - Financial summary

<i>NT\$ millions, except for percentages</i>	1H20	1H19	YoY	2Q20	1Q20	2019	2018	YoY
<u>Income statement data</u>								
Direct written premiums	25,392	23,907	6.2%	12,758	12,634	45,360	42,780	6.0%
Retention of earned premiums	18,285	17,576	4.0%	9,137	9,148	35,494	33,661	5.4%
Net income from investment	1,746	1,590	9.8%	672	1,074	3,191	3,002	6.3%
Other operating revenue	1,855	854	117.1%	639	1,216	2,249	1,431	57.2%
Retained insurance payments	10,094	9,866	2.3%	5,053	5,040	20,075	18,521	8.4%
Net change in liability reserve	(1)	(7)	-86.2%	34	(35)	(149)	8	-1946.8%
Commission and operating expenses	8,834	7,645	15.5%	4,205	4,629	15,822	14,830	6.7%
Non-Operating Income	(83)	(136)	-39.0%	(40)	(43)	(244)	(440)	-44.5%
Income before tax	2,877	2,381	20.9%	1,117	1,760	4,943	4,294	15.1%
Net income	2,526	2,040	23.8%	994	1,532	4,300	3,710	15.9%
Net income to parent company	2,606	2,119	23.0%	1,122	1,484	4,394	3,858	13.9%
<u>Balance sheet data</u>								
Total assets	113,922	105,528	8.0%	113,922	110,506	108,978	97,721	11.5%
Investment assets	72,701	71,811	1.2%	72,701	70,896	75,639	68,033	11.2%
Policy reserve	56,511	53,914	4.8%	56,511	55,297	53,825	51,769	4.0%
Equity attributable to parent company	35,076	33,537	4.6%	35,076	33,400	36,330	30,216	20.2%
<u>Key Metrics</u>								
ROA	4.53%	4.01%		3.54%	5.58%	4.16%	3.80%	
ROE	14.60%	13.29%		13.11%	17.03%	13.21%	12.56%	
Total investment return	4.71%	4.55%		3.74%	5.87%	4.44%	4.40%	
Solvency margin (NWP/equity)	113.52%	111.11%		112.76%	120.02%	99.53%	115.02%	
Retention ratio	68.71%	73.22%		70.65%	66.90%	73.63%	75.80%	

Fubon Securities - Financial summary

<i>NT\$ millions, except for percentages</i>	1H20	1H19*	YoY	2Q20	1Q20	2019*	2018	YoY
<u>Income statement data</u>								
Brokerage commissions	2,577	1,722	49.6%	1,398	1,180	3,711	4,208	-11.8%
Net interest income	381	402	-5.3%	204	177	769	1,028	-25.2%
Fee income	463	497	-6.9%	233	230	1,116	876	27.4%
Net principal transactions and financial products gains	604	677	-10.9%	759	(156)	1,426	662	N.M.
Other income	40	697	-94.3%	21	19	81	885	-90.9%
Total operating revenue	4,065	3,996	1.7%	2,615	1,450	7,103	7,659	-7.3%
Total operating expense	(2,884)	(2,987)	-3.4%	(1,528)	(1,357)	(5,539)	(6,035)	-8.2%
Net non-operating income / (expenses)	599	541	10.9%	405	194	1,539	876	75.6%
Income before tax	1,781	1,549	15.0%	1,494	287	3,102	2,500	24.1%
Net income	1,563	1,400	11.6%	1,394	170	2,901	2,080	39.5%
Net income to parent company	1,563	1,400	11.7%	1,394	170	2,902	2,090	38.8%
<u>Balance sheet data</u>								
Margin loans	10,179	10,125	0.5%	10,179	6,864	11,430	9,949	14.9%
Total assets	147,615	139,464	5.8%	147,615	129,554	139,285	123,228	13.0%
Equity attributable to parent company	37,193	36,243	2.6%	37,193	36,949	37,502	35,427	5.9%
<u>Key Metrics</u>								
ROA	2.18%	2.13%		2.01%	0.50%	2.21%	1.67%	
ROE	8.37%	7.81%		7.52%	1.82%	7.96%	5.94%	
Equity / assets	25.20%	25.99%		25.20%	26.64%	26.92%	28.75%	
Expenses / revenues	-70.96%	-74.74%		-58.42%	-66.83%	-77.99%	-78.80%	
Margin loans / total assets	6.90%	7.26%		6.90%	7.77%	8.21%	8.07%	
Margin loans / shareholders' equity	27.37%	27.94%		27.37%	29.16%	30.48%	28.08%	

*Fubon Asset Management was a subsidiary of Fubon Securities until Dec 30 2019. Fubon Asset Management's net profit is included in 2019 net profit.

Fubon Bank (Hong Kong) - Financial Summary

<i>HK\$ millions, except for percentages</i>	1H20	1H19	YoY	2019	2018	YoY
<u>Income Statement Data</u>						
Interest income	1,421	1,577	-9.9%	3,223	2,708	19.0%
Interest expense	(813)	(882)	-7.8%	(1,807)	(1,352)	33.7%
Net interest income	608	696	-12.6%	1,416	1,356	4.4%
Net fee income	125	162	-23.1%	296	289	2.3%
Other income	31	19	67.2%	50	42	20.0%
Total revenue	764	877	-12.8%	1,762	1,688	4.4%
Operating expenses	(487)	(405)	20.1%	(899)	(965)	-6.8%
Provision for loan losses/ write-back	(157)	1	-	(105)	(49)	114.9%
Net non-operating income	(82)	0	-	(41)	250	-
Income before tax	39	472	-91.8%	717	924	-22.4%
Net income	26	389	-93.4%	601	823	-26.9%
<u>Balance Sheet Data</u>						
Gross loans	52,229	50,246	3.9%	52,596	47,930	9.7%
Customers Deposits	75,362	69,020	9.2%	75,043	68,248	10.0%
Allowance for loan losses	435	221	96.9%	288	231	24.8%
Total assets	113,316	106,288	6.6%	111,407	102,787	8.4%
Shareholders' equity	14,663	14,636	0.2%	14,647	14,024	4.4%
<u>Key metrics</u>						
Return on average assets	0.05%	0.74%		0.56%	0.82%	
Return on average equity	0.35%	5.43%		4.19%	5.61%	
Equity / assets	12.94%	13.77%		13.15%	13.64%	
Net fee income / total revenue	16.35%	18.53%		16.80%	17.14%	
Cost / income ratio	-63.69%	-46.21%		-51.01%	-57.16%	
NPL ratio	0.74%	0.45%		0.33%	0.49%	
Coverage ratio	69.70%	91.00%		98.80%	95.30%	
Gross Loans/Customers Deposits ratio	69.30%	72.80%		70.09%	70.23%	
Tier 1 ratio	16.75%	16.73%		16.72%	16.75%	
BIS ratio	19.42%	20.04%		19.66%	20.60%	

Fubon Bank (China) - Financial Summary

<i>RMB millions, except for percentages</i>	1H20	1H19	YoY	2Q20	1Q20	2019	2018	YoY
<u>Income Statement Data</u>								
Interest income	2,151	1,624	32.5%	1,097	1,054	3,484	2,919	19.4%
Interest expense	(1,376)	(1,062)	29.5%	(702)	(674)	(2,259)	(1,907)	18.5%
Net interest income	775	562	38.0%	395	380	1,225	1,012	21.0%
Net fee income	(45)	9	-	(23)	(22)	3	44	-93.2%
Other income	191	111	71.8%	132	59	160	(32)	-
Operating expenses	(424)	(406)	4.4%	(213)	(211)	(850)	(768)	10.7%
Pre-provision profits	497	275	80.8%	291	206	537	256	109.8%
Provision for credit losses	(200)	(56)	257.1%	(86)	(114)	(102)	(27)	277.8%
Income before tax	297	219	35.7%	205	92	435	230	89.1%
Net income	283	164	72.5%	188	95	331	180	83.9%
<u>Balance Sheet Data</u>								
Loans	46,032	35,790	28.6%	46,032	44,522	40,447	30,649	32.0%
Deposits	78,623	54,656	43.9%	78,623	74,502	71,082	46,198	53.9%
Total asset	114,209	83,030	37.6%	114,209	104,681	94,766	70,793	33.9%
Total equity	6,263	5,876	6.6%	6,263	6,284	6,099	5,763	5.8%
<u>Key Metrics</u>								
ROA	0.54%	0.43%		0.69%	0.38%	0.40%	0.25%	
ROE	9.15%	5.63%		11.97%	6.14%	5.6%	3.23%	
Equity / assets	5.48%	7.08%		5.48%	6.00%	6.4%	8.14%	
Cost / income ratio	-44.28%	-59.67%		-40.68%	-48.64%	-54.30%	-74.98%	
NPL ratio	0.93%	1.29%		0.93%	1.02%	1.09%	1.38%	
Reserve / NPL	203.21%	147.43%		203.21%	177.64%	157.95%	150.69%	
Loan to deposit ratio (Renminbi)	76.08%	76.63%		76.08%	79.73%	75.03%	72.32%	
Tier 1 ratio	9.51%	10.35%		9.51%	9.71%	10.14%	11.70%	
BIS ratio	13.24%	14.28%		13.24%	13.37%	13.92%	14.18%	