



E.SUN FHC Financial Review of 4Q 2016

Feb. 2017



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E.SUN FHC Summary

Unit : NT\$ million

		2016.12	2015.12
Total Assets	FHC	1,888,918	1,775,284
	Bank	1,876,185	1,760,401
	Securities	11,513	11,254
	Insurance Brokers	- 2/	1,281
	Venture Capital	3,657	3,839
Key Financials	Book value per share (NT\$)	14.67	15.21
	Double Leverage Ratio	104.79%	104.29%
	FHC CAR	135.96%	141.73%
Shareholder Structure	QFII	55.36%	59.75%
Distribution Channels	Bank – domestic	137	136
	Oversea channels	Branch: HK, LA, Singapore, Vietnam, Australia, Myanmar Subsidiary: China and Cambodia (UCB) Representative office in Hanoi Totally 24 overseas operating sites	
	Securities - branches	20	21

Note: 1 Preliminary figures of Dec. 2016
2. Insurance Brokers was merged into Bank in March, 2016



2016 Business and Financial Review

Financial Performance

- Net profit for 2016 reached NT\$13.2billion, which was 3.0% higher than 2015.
- EPS NT\$1.51, ROE 10.41%, ROA 0.71%.

Business Operation

- Net interest income and Net fee income increased by 5.4% and 12.0% respectively.
- Credit card and Wealth management remained growth momentum, achieved 20.8% and 12.4% growth rate separately.
- Loan demand remained strong with total balance grew 9.2% in 2016, .
- Asset quality maintain benign with NPL ratio at 0.19% and coverage ratio at 629.9%.

Milestones

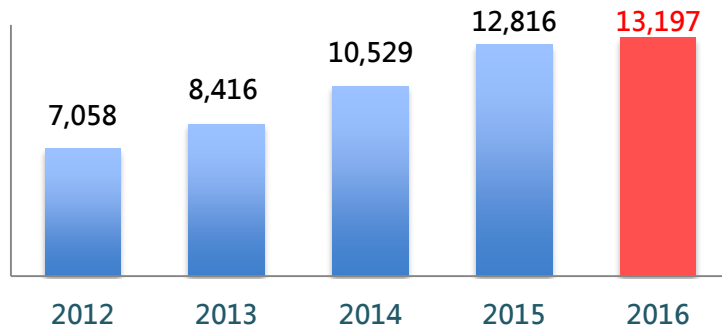
- Received Best Bank in Taiwan award by The Banker, Asiamoney and The Asset, recognizing E.SUN's overall performance.
- Provide customers with comprehensive cross border financial services through 24 operating sites across 7 countries.
- Keep leading position in financial innovation, and developing on payment and A.I. fields.



Financial Performance

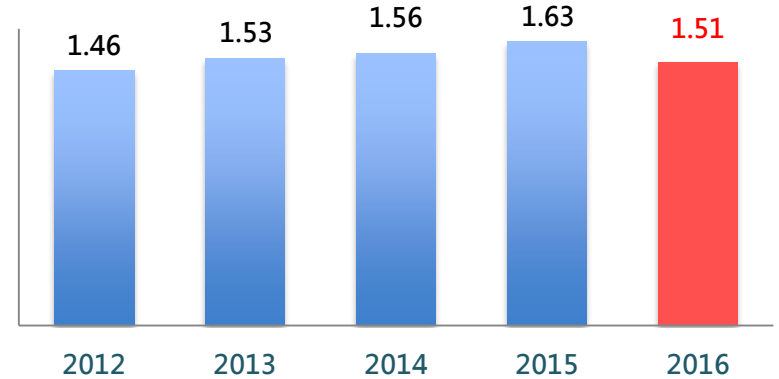
Net Profit

Unit: NT\$ million

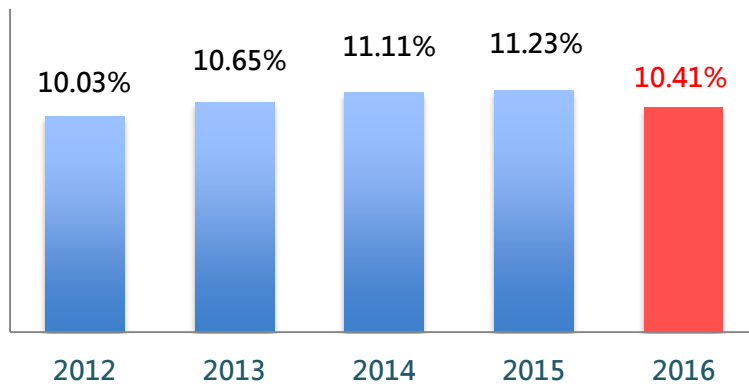


EPS

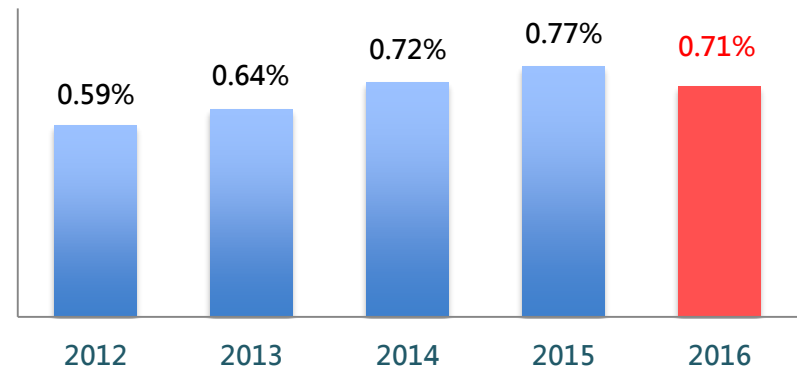
Unit: NT\$ dollars



ROE



ROA

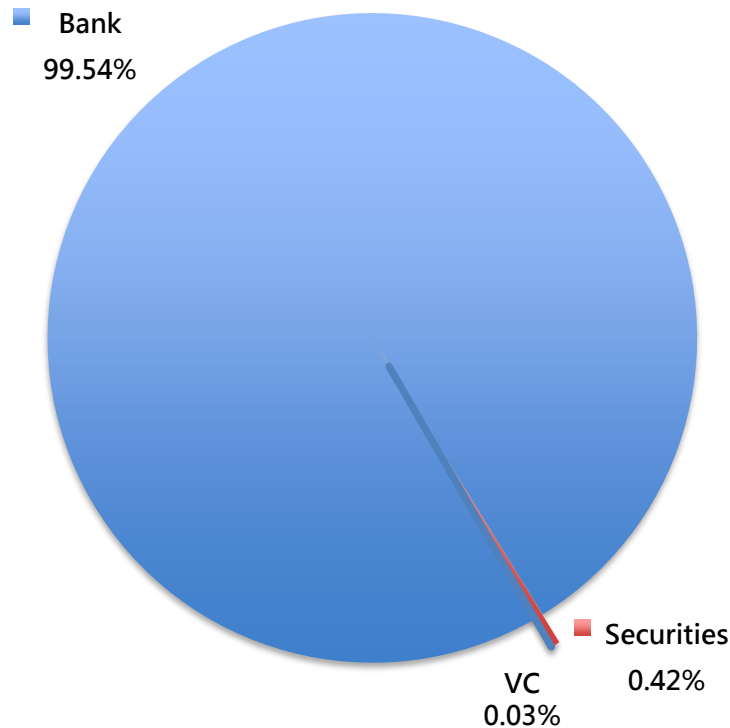


Note: 1. Net Profit was deducted by non-controllable portion
2. Preliminary figures of Dec. 2016

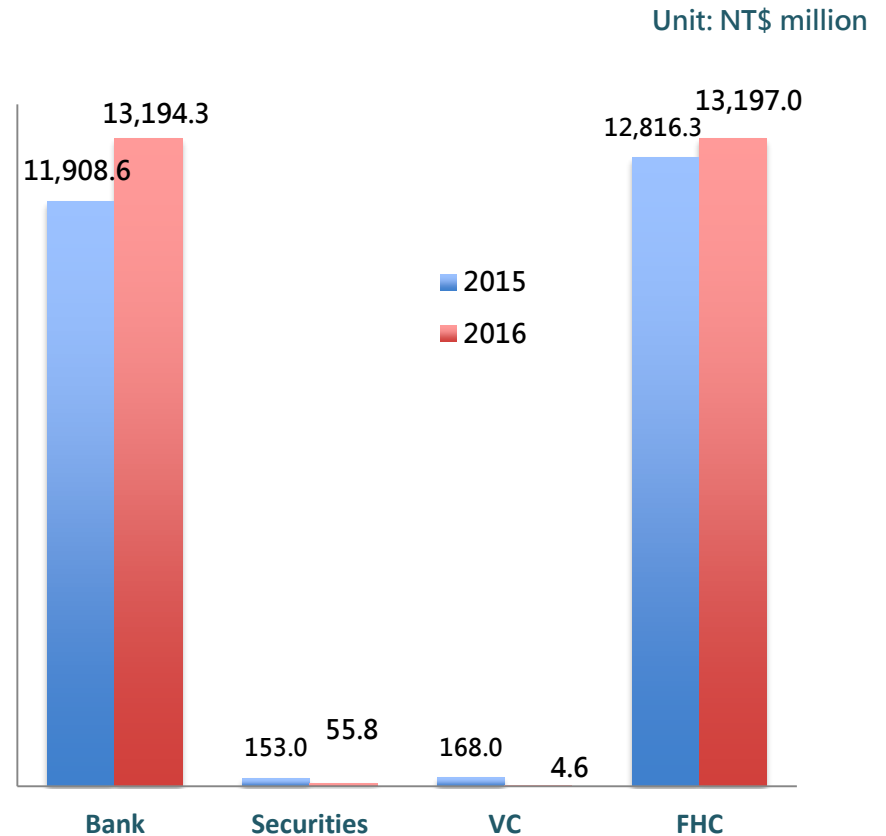


Net Income of FHC & its Subsidiaries

Contribution by Subsidiaries



Net Income of FHC and its Subsidiaries

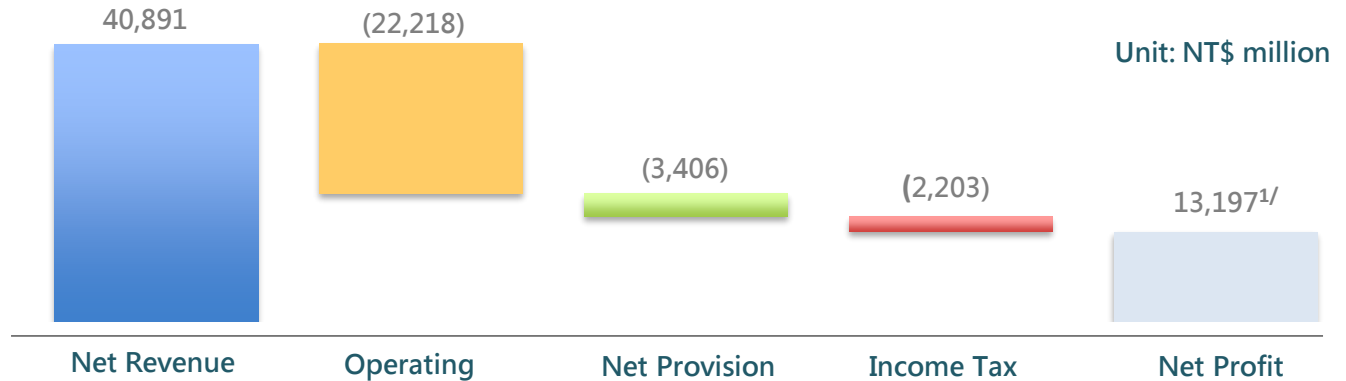


Note. 1. Preliminary figures of Dec. 2016
2. Insurance Brokers has been merged to Bank in Mar. 2016

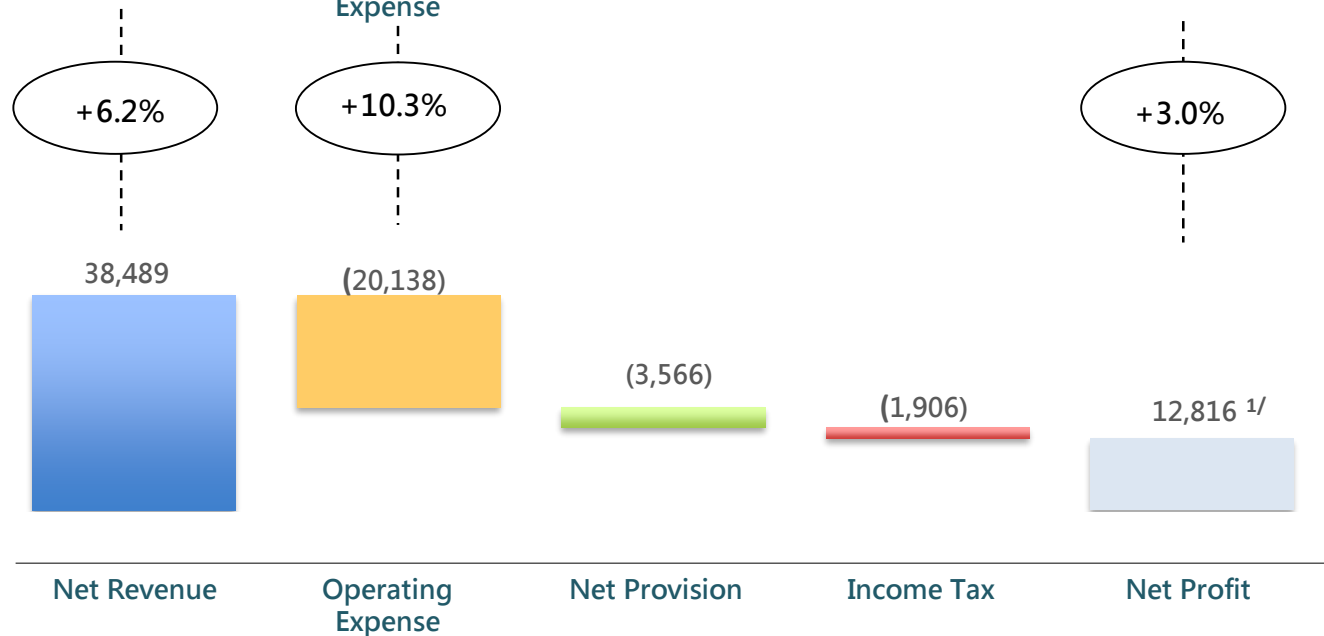


Net Profit Breakdown

2016 P&L



2015 P&L

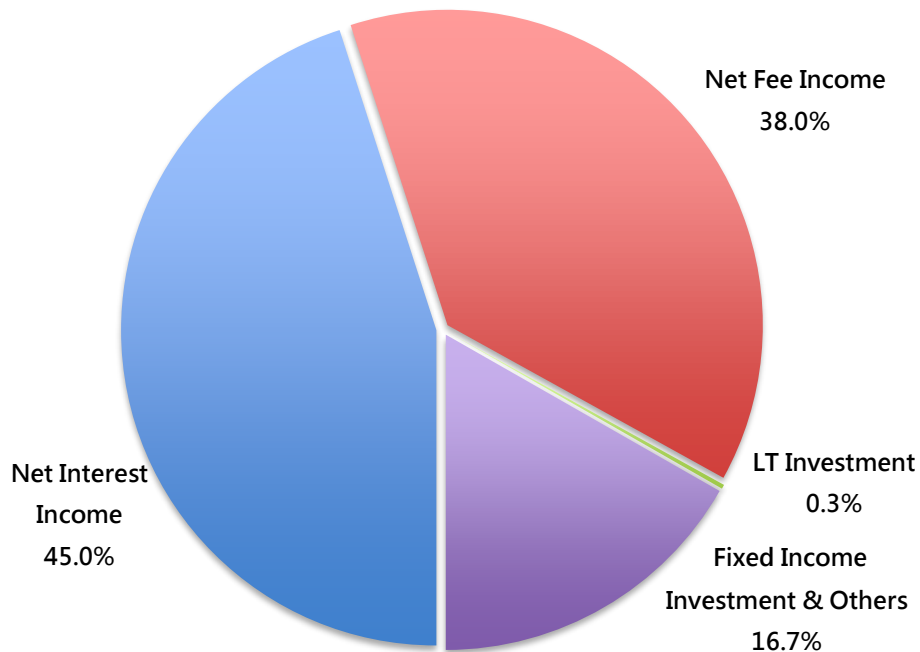


Note: 1. Net Profit is deduct non-controllable portion
 2. Preliminary figures of Dec. 2016

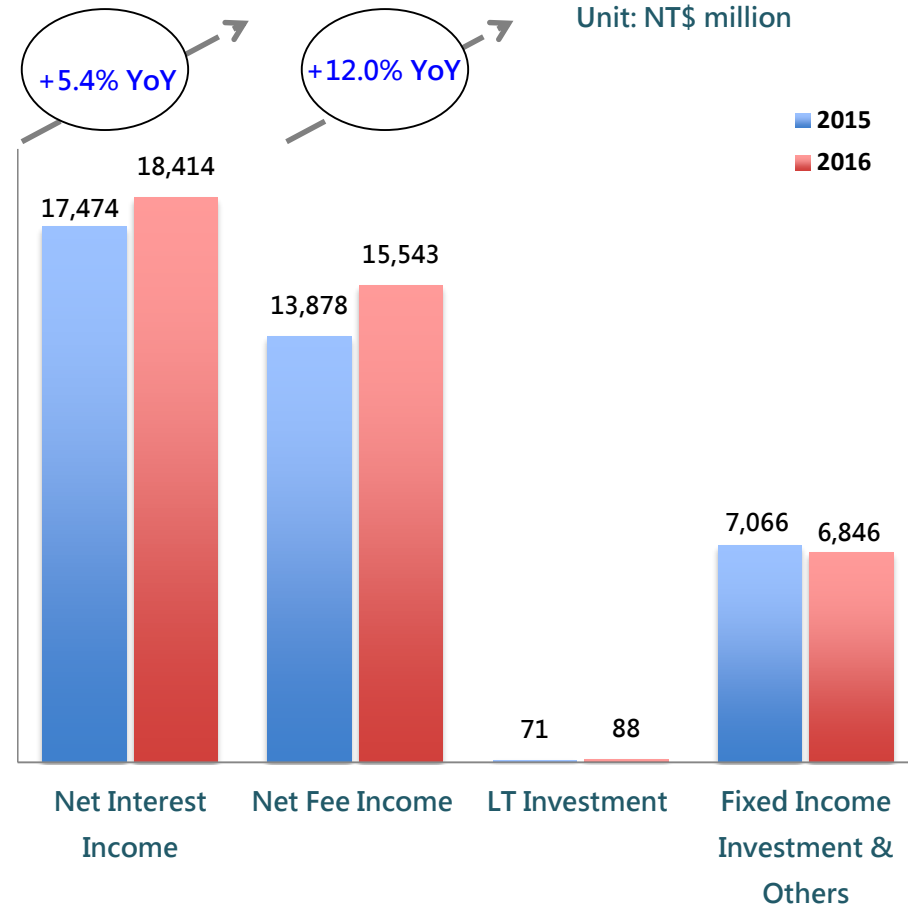


FHC Revenue Breakdown

Total Net Revenue
NT\$ 40,891million



YoY Revenue Comparison

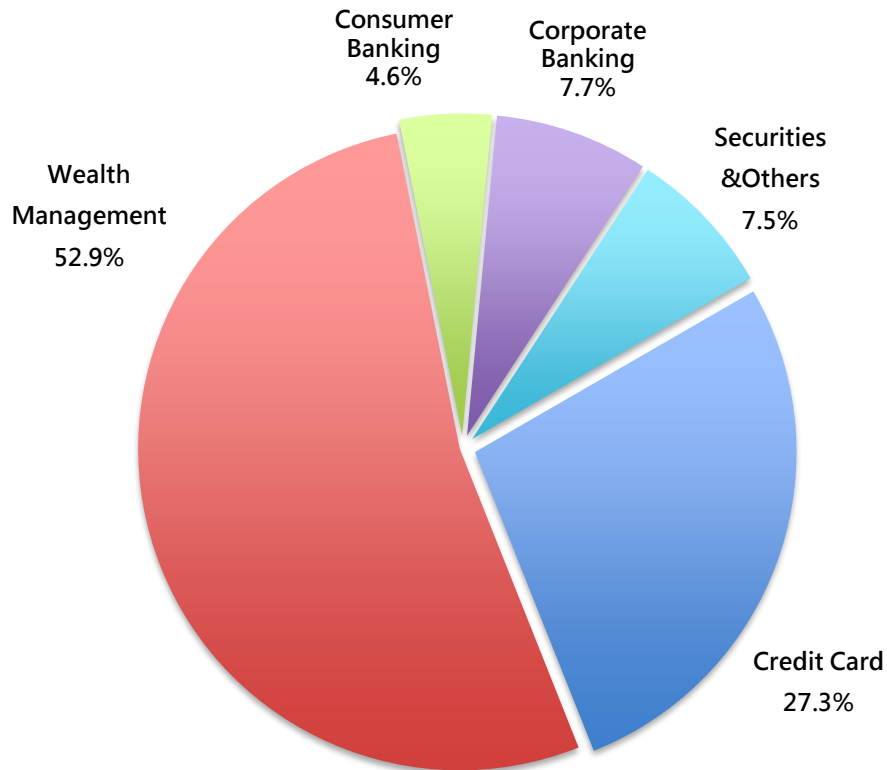


Note: Preliminary figures of Dec. 2016

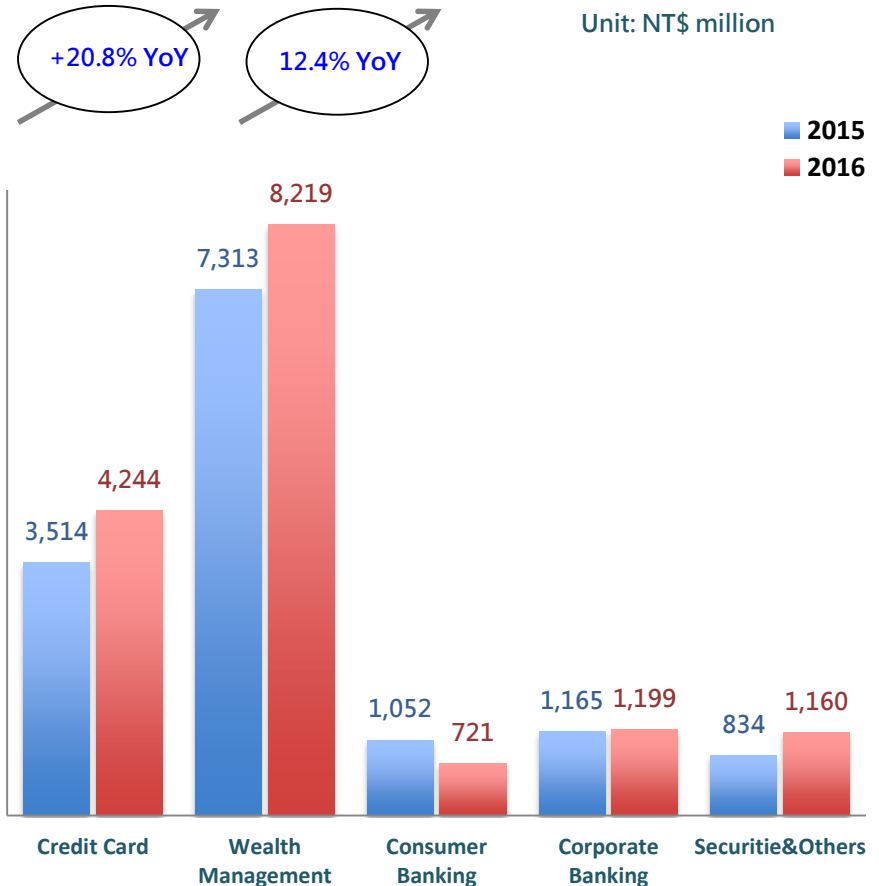


Net Fee Income Breakdown

Total Net Fee Income
NT 15,543million



YoY Comparison



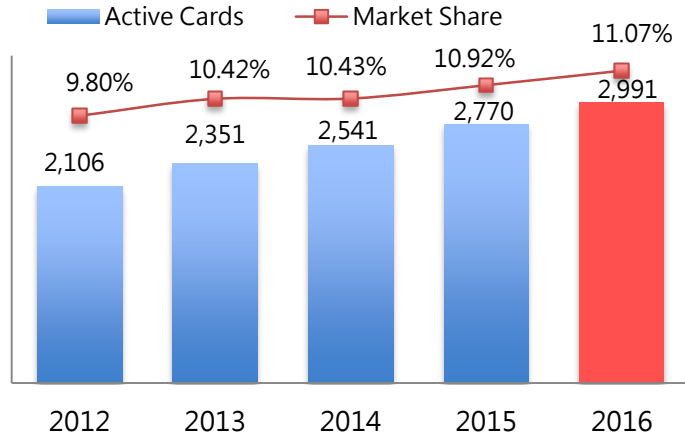
Note: 1. Preliminary figures of Dec. 2016
 2. WM Including Bancassurance fee from Insurance Brokers



Credit Card Business Breakdown

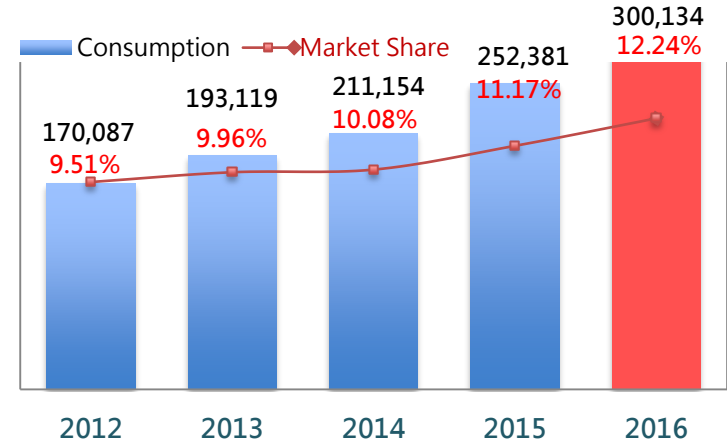
Active Cards

Unit: Thousand Cards · %



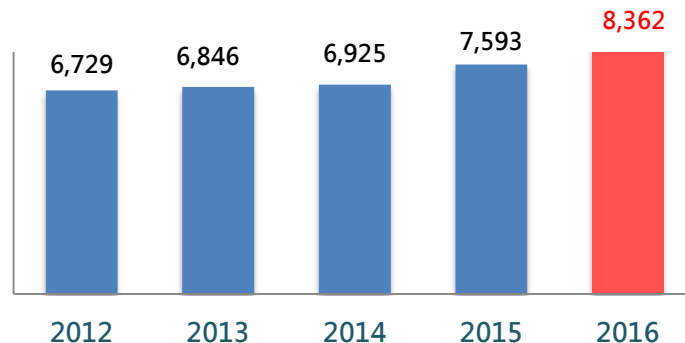
Card Consumption

Unit: NT\$ million



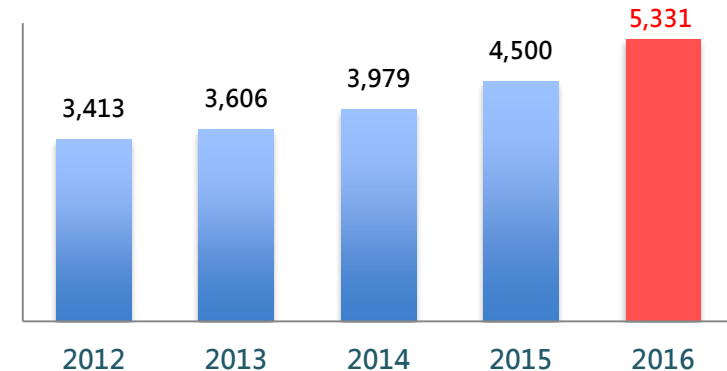
Per Card Spending (Monthly)

Unit: NT\$ dollar



Gross Fee Income

Unit: NT\$ million



Note: Market share of Nov. 2016



Deposit and Loan Structure

Unit: NT\$ Bn

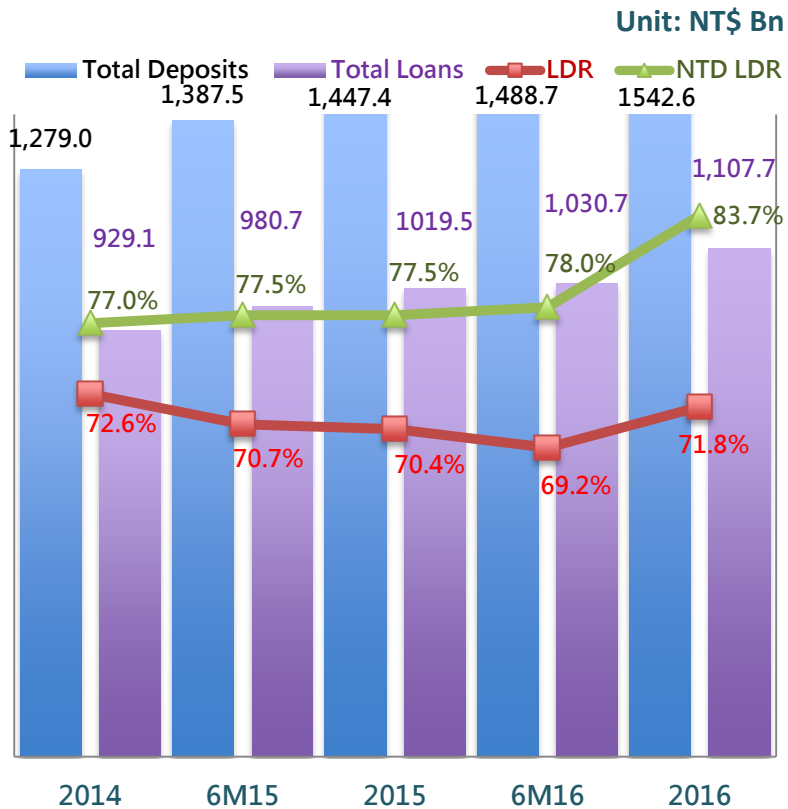
Category	2016.12	QoQ Growth %	2016.9	YTD Growth %	2015
Total Deposits	1,542.6	4.3%	1479.7	6.6%	1,447.4
Demand Deposits	725.2	4.4%	694.8	7.8%	672.9
Time Deposits	423.3	3.2%	410.2	(2.0%)	431.8
FCY Deposits	394.0	5.2%	374.7	15.0%	342.6
Total Loans ^{1/}	1,107.7	3.4%	1,071.1	9.2%	1,014.8
Corporate Loans	552.3	3.4%	533.9	9.5%	504.4
SME Loans	294.0	4.9%	280.3	11.8%	263.0
Consumer Loans	555.5	3.4%	537.3	8.8%	510.4
Mortgage Loan	229.6	2.4%	224.3	2.8%	223.3
Unsecured Personal Loan	91.0	3.9%	87.6	14.2%	79.7
Credit Cards in force ('000s)	2,991	1.8%	2,937	8.0%	2,770
Accumulated Credit Card Spending	300.1	1.1%	224.2	18.9%	252.4
Credit Card Revolving Balance	11.5	2.7%	11.2	10.6%	10.4

Note: Excluded loan balance of subsidiaries NT \$22.3 billion and credit card revolving balance

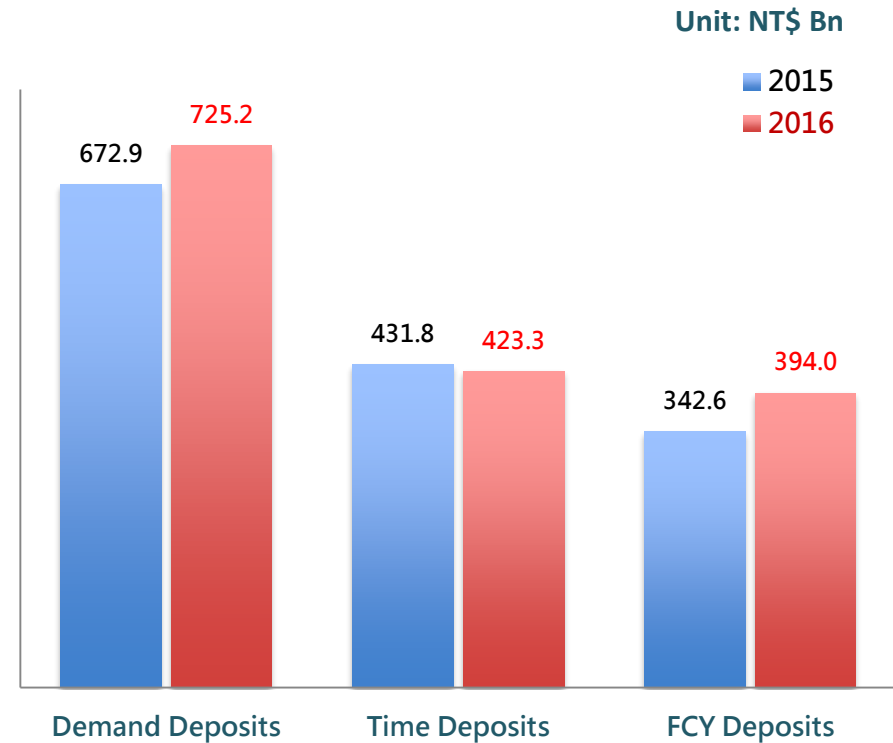


Deposit Structure

Loan to Deposit Ratio



Deposit Structure

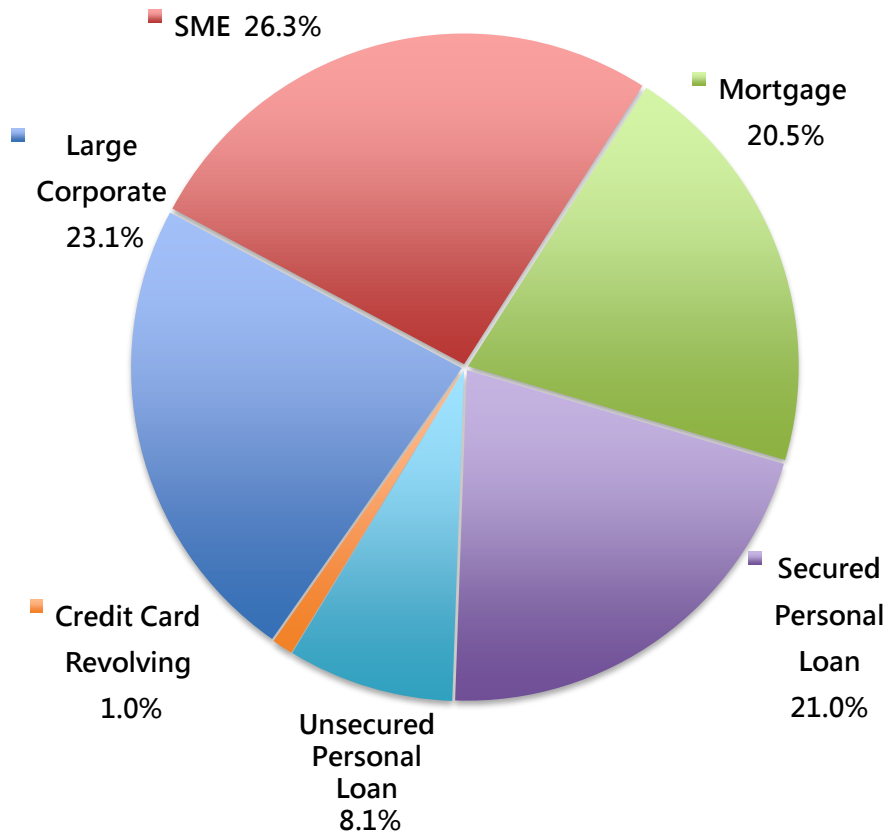


Note: 1. Excluded Credit card revolving balance
 2. Financials of E.SUN Bank
 3. Excluded deposit and loan of subsidiaries

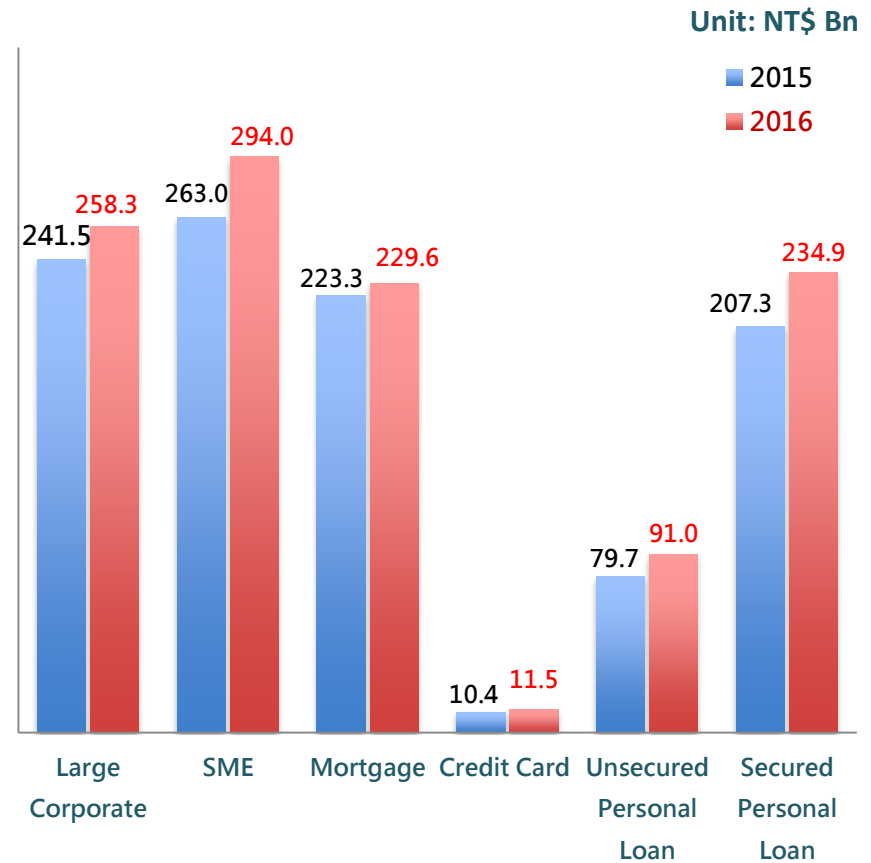


Loan Portfolio Breakdown

Total Loan
NT\$ 1,119.2 billion



YoY Comparison

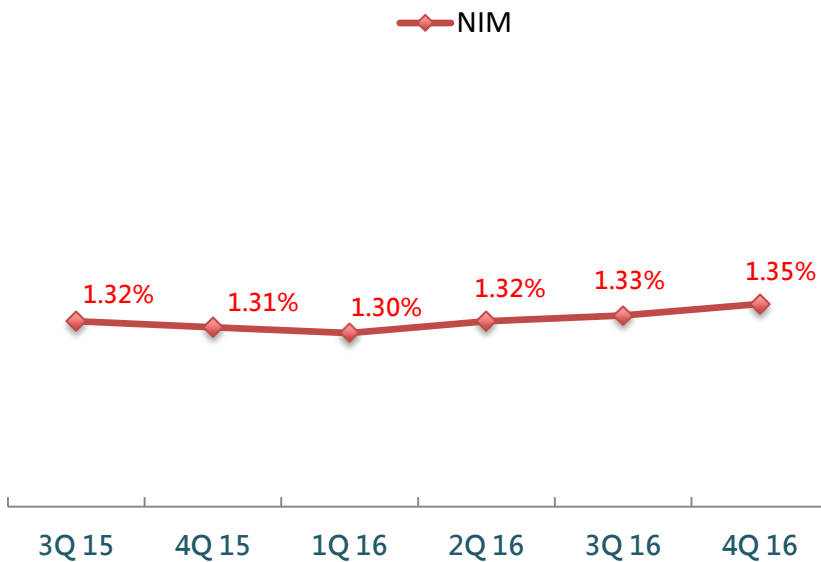


Note: 1. Secured Personal Loan is fully collateralized by fixed asset
 2. Excluded loan of subsidiaries

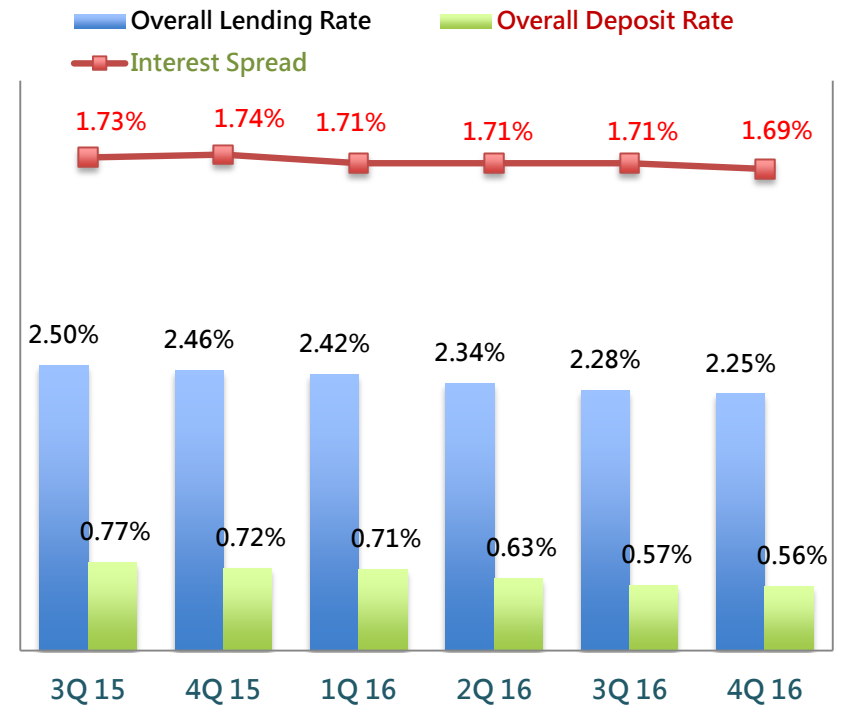


NIM and Spread

Quarterly Net Interest Margin



Quarterly Interest Spread



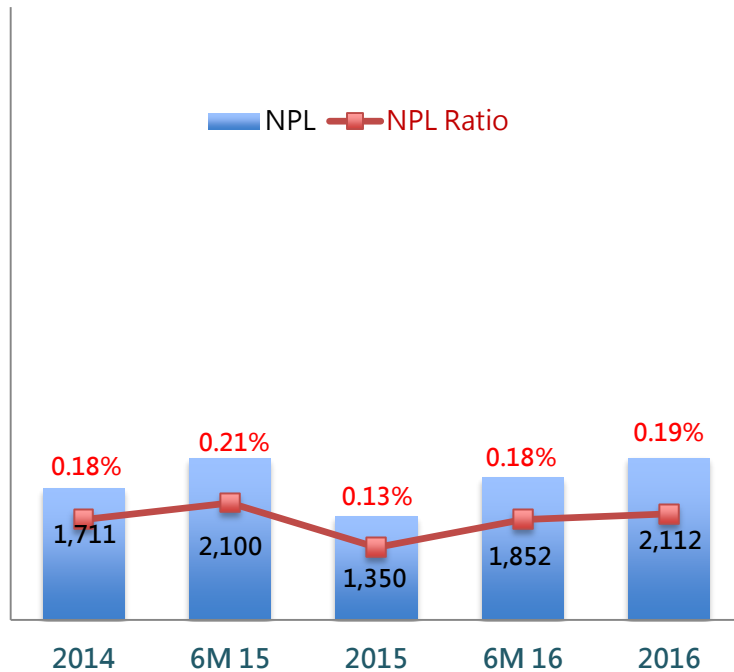
Note: 1. Financials of E.SUN Bank
 2. The net interest income restore the accounting treatment impact



Superior Asset Quality ^{1/3}

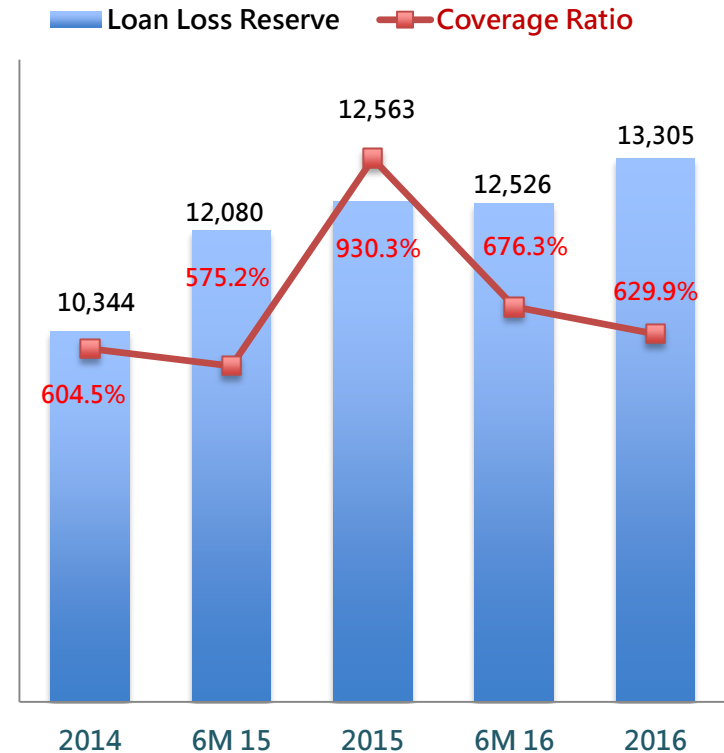
NPL Ratio(%)

Unit: NT\$ million



Coverage Ratio(%)

Unit: NT\$ million

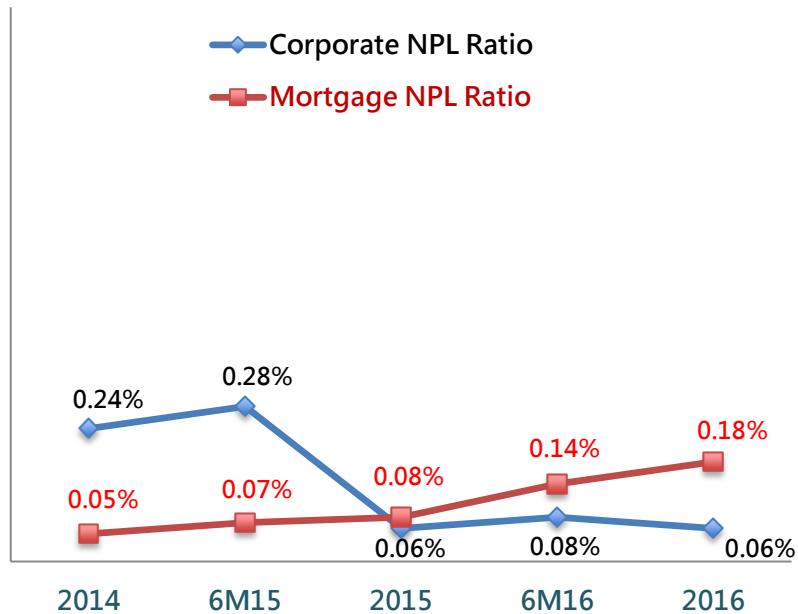


Note: Financials of E.SUN Bank

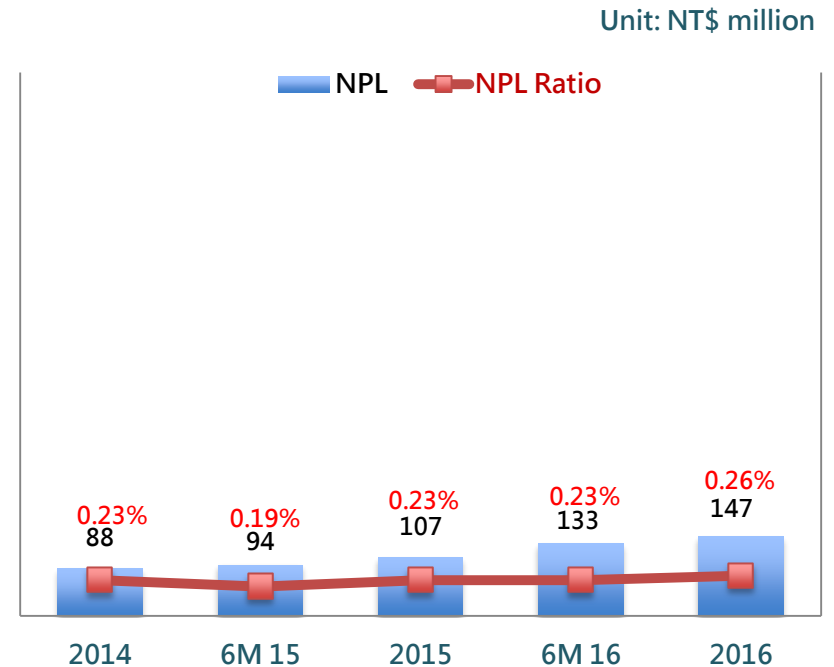


Superior Asset Quality ^{2/3}

NPL Ratio for Major Products



NPL Ratio for Credit Card

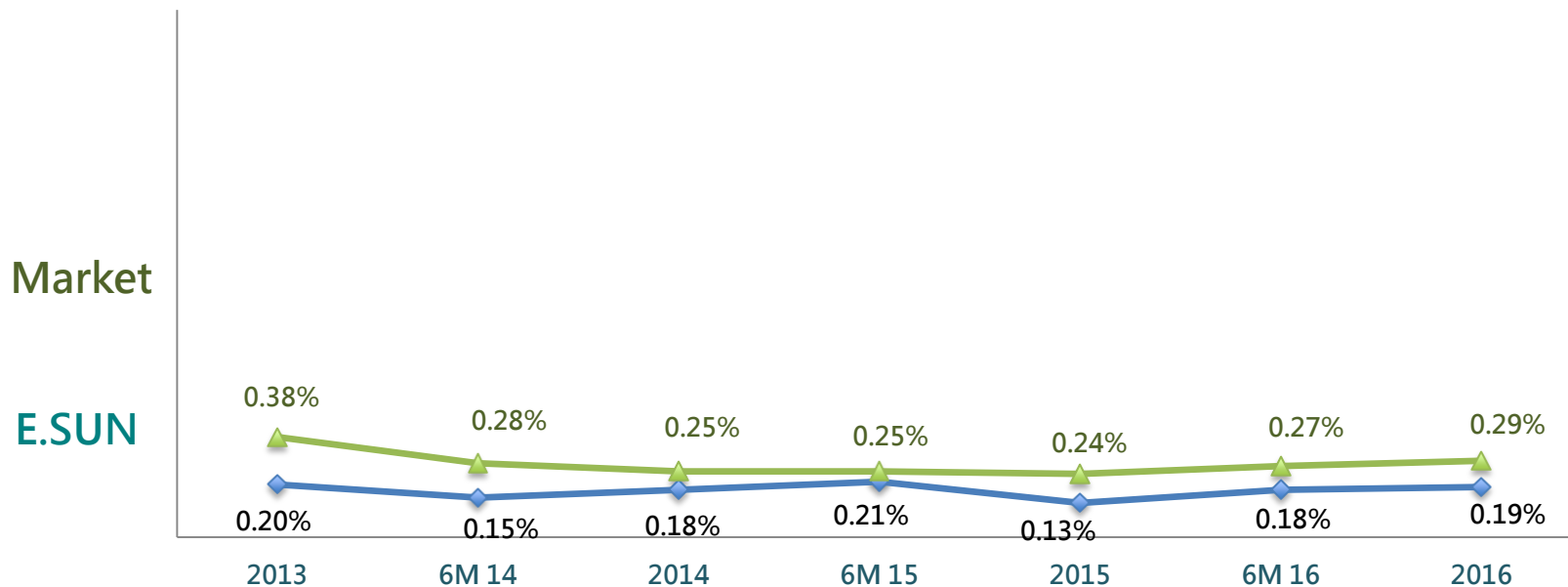


Note: Financials of E.SUN Bank



Superior Asset Quality ^{3/3}

NPL Comparison with Market

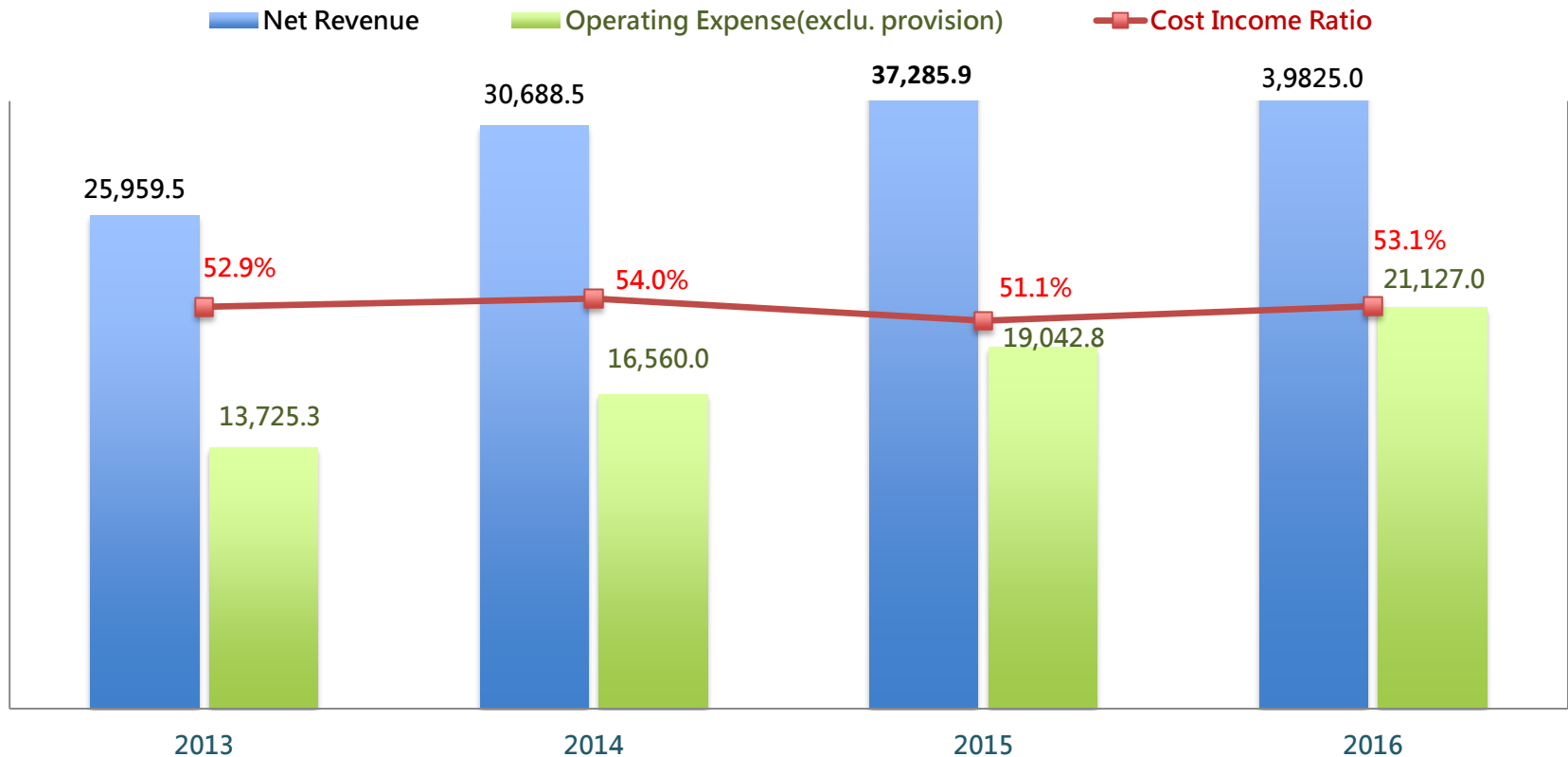


Source : FSC, Market figure of Nov. 2016



Cost-Income Ratio

Unit: NT\$ million

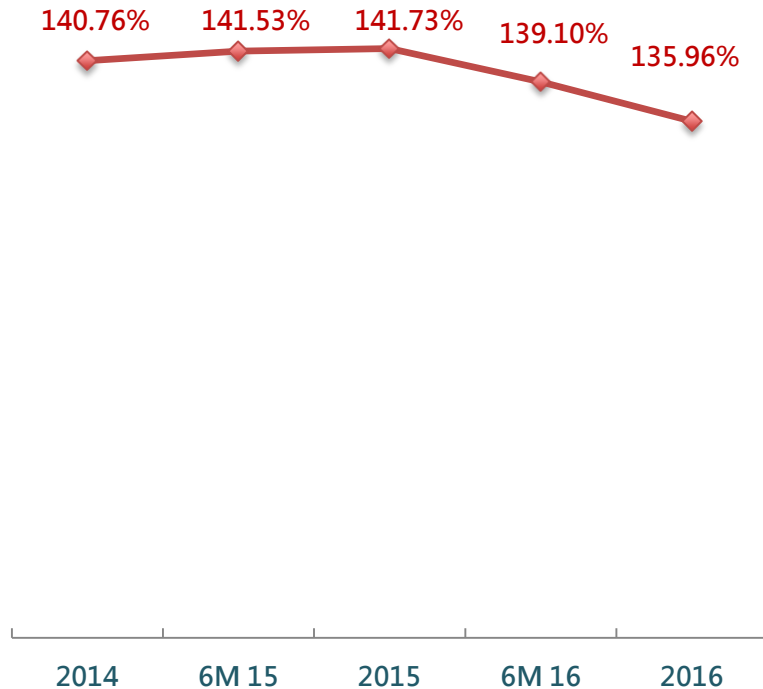


Note: 1. Preliminary figures of Dec. 2016
2 Financials of E.SUN Bank

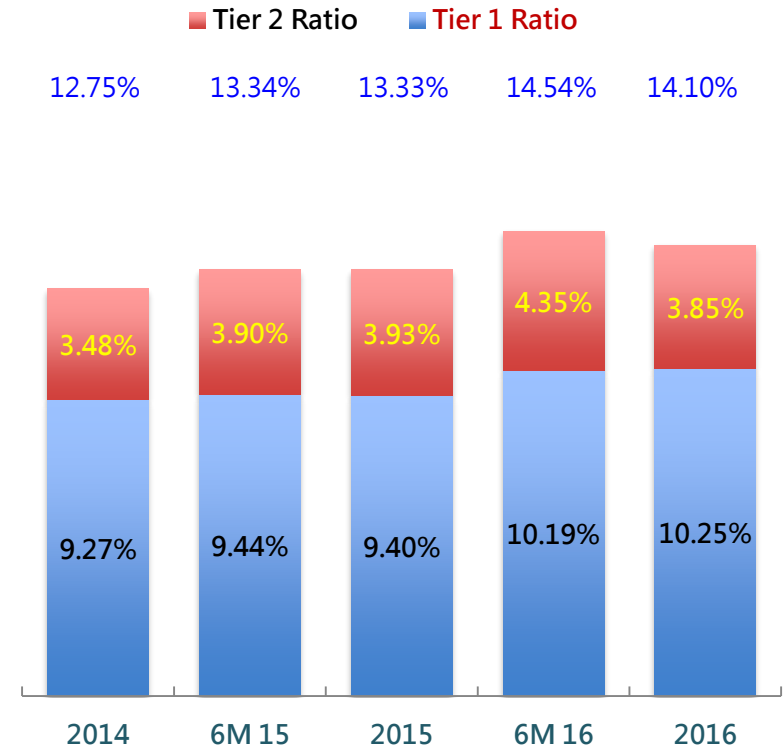


Capital Adequacy Ratio

FHC CAR Ratio



Bank BIS Ratio



Note: 1. Preliminary figures of Dec. 2016
2. As consolidated basis



Thank You

- ❖ If you wish to know more about E.SUN, please visit our website site (www.esunfhc.com.tw) for more information.
- ❖ If you have further questions, please feel free to contact us through email or conference call
- ❖ For more information, please contact Investor Relations Department +8862 2175 1313 Ext 1346, 9347,9302 ir@email.esunbank.com.tw





Balance Sheet of 4Q2016 for E.SUN FHC and its subsidiaries

NT\$ million	E.SUN Bank (consolidated)	E.SUN Sec. (Consolidated)	E.SUN VC	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Assets :					
Cash and due from banks	125,732	686	507	468	124,949
Securities, net	503,158	211	547	0	512,126
Loans, net	1,117,960	0	0	0	1,117,960
A/R, net	80,778	7,944	0	81	88,681
LT investments, net	544	173	2,077	134,733	2,743
Land, premises and equipments, net	25,787	347	0	33	26,168
Others	22,226	2,152	526	2,214	16,291
Total assets	1,876,185	11,513	3,657	137,529	1,888,918
Liabilities:					
Deposits	1,615,652	0	0	0	1,554,965
Other liabilities	133,328	6,803	67	8,956	204,595
Total liabilities	1,748,980	6,803	67	8,956	1,759,560
Total stockholders' equity	127,205	4,710	3,590	128,573	129,358
Total equity attributable to owners of the company	126,416	4,710	3,590	128,573	128,573
Non-Controlling interests	789	0	0	0	785
Total liabilities and stockholders' equity	1,876,185	11,513	3,657	137,529	1,888,918

Note: Preliminary figures of Dec. 2016



P&L of E.SUN FHC and its subsidiaries for 4Q2016

NT\$ million	E.SUN Bank (Consolidated)	E.SUN Sec. (Consolidated)	E.SUN VC	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Operating income					
Net interest income	18,247	286	1	(121)	18,414
Net fee income	14,656	599	0	0	15,543
LT investment income	54	3	26	13,538	81
Net trading income/(loss) & Derivatives & FX	6,575	36	(2)	(37)	6,571
Others	293	96	1	71	282
Total Net Revenues	39,825	1,020	26	13,451	40,891
Allowance for bad-debt expenses	3,406	0	0	0	(3,406)
Operating expenses	21,127	(937)	(14)	(237)	(22,218)
Income before income tax	15,292	83	12	13,214	15,267
Income tax expenses	(2,098)	(27)	(7)	(17)	(2,203)
Net Income	13,194	56	5	13,197	13,064
Attributable to owners of the company	13,327	56	5	13,197	13,197
Attribute to former business under control	0	0	0	0	0
Non-controlling interests	(133)	0	0	0	(133)

Note: 1. Preliminary figures of Dec. 2016

2. Insurance Brokers was merged with Bank on March 25th, 2016



E.SUN FHC's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results				
	2013	2014	2015	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16
Assets :								
Cash and due from banks	79,252	89,638	104,113	104,113	96,705	88,346	86,116	124,949
Securities, net	352,114	420,897	469,508	469,508	517,090	548,099	515,775	512,126
Loans, net	828,238	934,614	1,021,995	1,021,995	1,017,679	1,038,719	1,080,228	1,117,960
A/R, net	62,895	73,088	78,562	78,562	76,731	84,218	79,367	88,681
LT investments, net	1,783	2,184	2,386	2,386	2,700	2,706	2,736	2,743
Land, premises and equipments, net	19,373	21,106	26,792	26,792	26,856	27,390	27,451	26,168
Others	37,382	24,893	71,928	71,928	64,604	54,940	52,175	16,291
Total assets	1,381,037	1,566,420	1,775,284	1,775,284	1,802,365	1,844,418	1,843,848	1,888,918
Liabilities:								
Deposits	1,150,369	1,280,692	1,456,394	1,456,394	1,476,395	1,497,509	1,493,485	1,554,965
Other liabilities	147,313	178,067	197,229	197,229	201,688	221,838	222,415	204,595
Total liabilities	1,297,682	1,458,759	1,653,623	1,653,623	1,678,083	1,719,347	1,715,900	1,759,560
Total stockholders' equity	83,355	107,661	121,661	121,661	124,282	125,071	127,948	129,358
Total equity attributable to owners of the company	82,651	106,876	120,927	120,927	123,480	124,272	127,162	128,573
Non-Controlling interests	704	785	734	734	802	799	786	785
Total liabilities and stockholders' equity	1,381,037	1,566,420	1,775,284	1,775,284	1,802,365	1,844,418	1,843,848	1,888,918

Note: Preliminary figures of Dec. 2016



E.SUN FHC's P&L account (Consolidated)

NT\$ million	Yearly Results			Quarterly Results				
	2013	2014	2015	4Q15	1Q16	2Q16	3Q16	4Q16
Operating income								
Net interest income	13,035	15,485	17,474	4,514	4,329	4,528	4,751	4,806
Net Fee income	9,124	11,470	13,878	3,326	3,459	3,825	4,373	3,886
LT investment income	308	121	71	1	26	6	56	(7)
Net trading income/(loss) & Derivatives & FX	4,359	5,602	7,378	1,834	1,777	1,625	1,659	1,510
Others	(79)	77	(312)	(513)	14	31	32	205
Total Net Revenues	26,747	32,755	38,489	9,162	9,605	10,015	10,871	10,400
Allowance for bad-debt expenses	(1,707)	(2,034)	(3,566)	(779)	(33)	(541)	(1,028)	(1,804)
Operating expenses	(14,826)	(17,950)	(20,138)	(5,587)	(5,167)	(5,397)	(5,636)	(6,018)
Income before income tax	10,214	12,771	14,785	2,796	4,405	4,077	4,207	2,578
Income tax expenses	(1,798)	(2,166)	(1,906)	(361)	(689)	(560)	(726)	(228)
Net Income	8,416	10,605	12,879	2,435	3,716	3,517	3,481	2,350
Income Attributable to owners of the company	8,416	10,529	12,816	2,422	3,698	3,546	3,474	2,479
Attribute to former business under control	-	-	-	-	-	-	-	-
Non-Controlling interests	-	76	63	13	18	(29)	7	(129)

Note: Preliminary figures of Dec. 2016



E.SUN Bank's Balance Sheet

NT\$ million	Yearly Results			Quarterly Results				
	2013	2014	2015	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16
Assets :								
Cash and due from banks	79,225	89,599	103,947	103,947	96,603	88,342	86,046	125,732
Securities, net	350,833	417,344	467,481	467,481	516,351	546,517	513,982	503,158
Loans, net	828,238	934,614	1,021,995	1,021,995	1,017,679	1,038,719	1,080,228	1,117,960
A/R, net	56,093	65,392	71,523	71,523	68,859	76,924	71,682	80,778
LT investments, net	521	546	542	542	541	538	538	544
Land, premises and equipments, net	18,487	20,247	26,156	26,156	26,935	26,719	26,819	25,787
Others	35,516	24,202	68,986	68,986	60,295	52,156	49,880	22,226
Total assets	1,368,913	1,551,944	1,760,630	1,760,630	1,787,263	1,829,915	1,829,175	1,876,185
Liabilities:								
Deposits	1,157,060	1,284,728	1,457,201	1,457,201	1,478,221	1,502,420	1,495,822	1,615,652
Other liabilities	128,399	161,708	185,171	185,171	187,812	205,416	207,925	133,328
Total liabilities	1,285,459	1,446,436	1,642,372	1,642,372	1,666,033	1,707,836	1,703,747	1,748,980
Total stockholders' equity	83,454	105,508	118,258	118,258	121,230	122,079	125,428	127,205
Total equity attributable to owners of the company	82,750	104,723	116,391	116,391	120,423	121,274	124,635	126,416
Non-Controlling interests	704	785	1,133	1,133	807	805	793	789
Attribute to former business under control	-	-	734	734				
Total liabilities and stockholders' equity	1,368,913	1,551,944	1,760,630	1,760,630	1,787,263	1,829,915	1,829,175	1,876,185

Note: 1. Preliminary figures of Dec. 2016

2. E.SUN IB merged into E.SUN Bank on Mar. 16 and therefore restate the financial statement of '15, in which Q1~Q3 were reviewed by CPA. .



E.SUN Bank's P&L account

NT\$ million	Yearly Results			Quarterly Results				
	2013	2014	2015	4Q15	1Q16	2Q16	3Q16	4Q16
Operating income								
Net interest income	12,887	15,286	17,253	4,469	4,289	4,486	4,709	4,763
Fee income	7,929	9,910	13,190	3,147	3,294	3,680	4,220	3,462
LT investment income	49	48	45	0	5	6	43	0
Net trading income/(loss) & Derivatives & FX	4,969	5,318	6,522	1,236	1,904	1,540	1,756	1,375
Others	125	127	276	11	23	39	37	194
Total Net Revenues	25,959	30,689	37,286	8,863	9,515	9,751	10,765	9,794
Allowance for bad-debt expenses	(1,707)	(2,034)	(3,566)	(779)	(32)	(540)	(1,029)	5,007
Operating expenses	(13,725)	(16,560)	(19,043)	(5,322)	(4,916)	(5,151)	(5,381)	36,575
Income before income tax	10,527	12,095	14,677	2,762	4,567	4,060	4,355	2,310
Income tax expenses	(1,680)	(1,814)	(1,947)	(382)	(667)	(557)	(729)	(145)
Net Income	8,847	10,281	12,730	2,380	3,900	3,503	3,626	2,165
Attributable to owners of the company	8,847	10,205	11,908	2,204	3,736	3,532	3,618	2,441
Attribute to former business under control	-	-	759	163	146	-	-	-
Non-controlling interests	-	76	63	13	18	(29)	8	(130)

Note: 1. Preliminary figures of Dec. 2016

2. E.SUN IB merged into E.SUN Bank on Mar. 16 and therefore restate the financial statement of '15, in which Q1~Q3 were reviewed by CPA. .