



# E.SUN FHC Financial Review of 1Q 2019

May 8<sup>th</sup>, 2019



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# Agenda

- 2019 1Q Financial Performance
- 2019 1Q Business Operation Overview
- Appendix



# E.SUN FHC Summary

		Unit : NT\$ million	
		2019.03 <sup>/1</sup>	2018.12 <sup>/1</sup>
Total Assets	FHC	2,370,760	2,287,787
	Bank	2,354,174	2,272,337
	Securities	13,574	12,673
	Venture Capital	3,500	3,319
Key Financials	Book value per share (NT\$)	15.40	14.78
	Double Leverage Ratio	103.80%	104.11%
	FHC CAR	137.28% <sup>/2</sup>	137.28%
Channels	Bank – domestic	139	139
	Oversea channels	Branch: HK, LA, Singapore, Vietnam, Myanmar, Japan, Sydney, Brisbane Subsidiary: China and Cambodia (UCB) Representative office in Hanoi 28 overseas sites	
	Securities - branches	17	17

Note: 1. Reviewed figures of Mar. 2019  
 2. Audit figures of Dec. 2018  
 3. Share owned by QFII: 45.96%, as of Mar. 2019.



# 1Q19 Business and Financial Review

## Financial Performance

- Net profits for 1Q19 was NT \$5.2 billion, a 9.1% growth. Net revenues NT \$13.5 billion, a 7.9% growth.
- **EPS NT\$0.48, ROE 12.75%, ROA 0.89%.**
- Net profits of E.SUN Bank was NT \$5.0 billion, a 10.6% growth.

## Business Operations

- Delivered cross-border/cross-platform **FX flow services** for corporates and individuals, driving growth of total deposit (+10.5%) and FX deposit (+15.4%). (yoy)
- Balanced loan growth across corporate and retail. Total loan grew by 9.6%, and FX loan 26.7% (yoy)
- Provided convenient payment experience through payment scenario and mobile. Active credit card number exceeded 3.5 million, and consumption amount grew by 15.1% (yoy) .
- Asset quality benign, NPL ratio at 0.18%, and coverage ratio 660.0%.

## Highlights

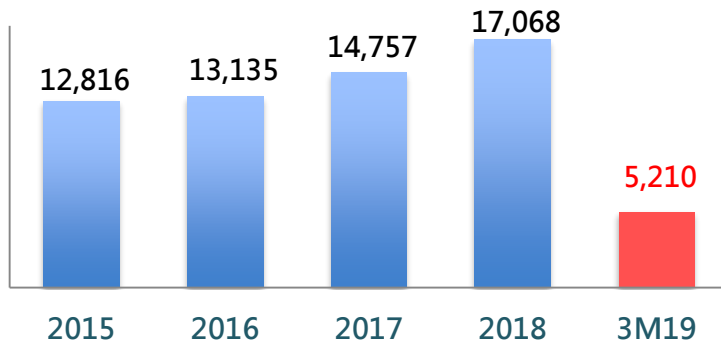
- **Balanced dividend policy:** The Board of Directors approved to pay NT \$1.421/per share, which includes \$0.71 in cash and \$0.711 in stock (subject to decision from the AGM on June 14th).
- **Ranked #1 brand value** in Taiwan, #164 worldwide by The Banker Top 500 Banking Brand, 2019. Brand value increased 57% in 2018 and was rated AA, highest rating among Taiwanese banks.
- **Excellence in ESG:** Member of DJSI for the 5th straight year since 2014, DJSI World for the 3rd time.
- **Corporate Governance:** Top 5% in Corporate Governance evaluation by Taiwan Stock Exchange for the 5<sup>th</sup> consecutive year, the best among Taiwanese banks. (2015~2019).



# Financial Performance

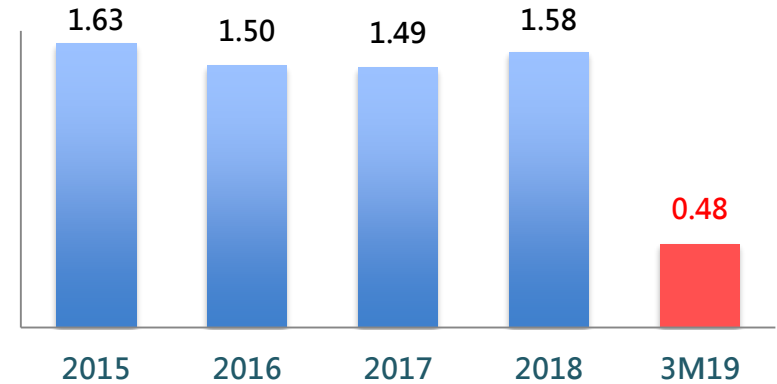
## Net Profit

Unit: NT\$ million

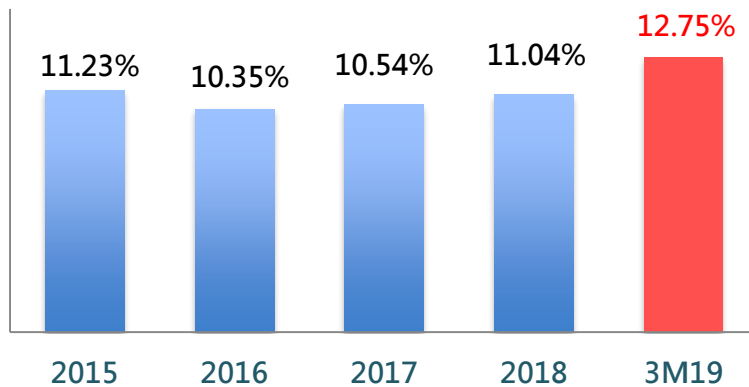


## EPS

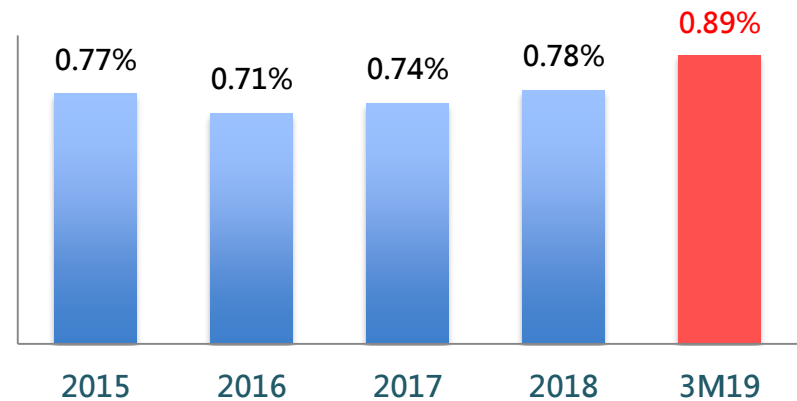
Unit: NT\$ dollars



## ROE



## ROA

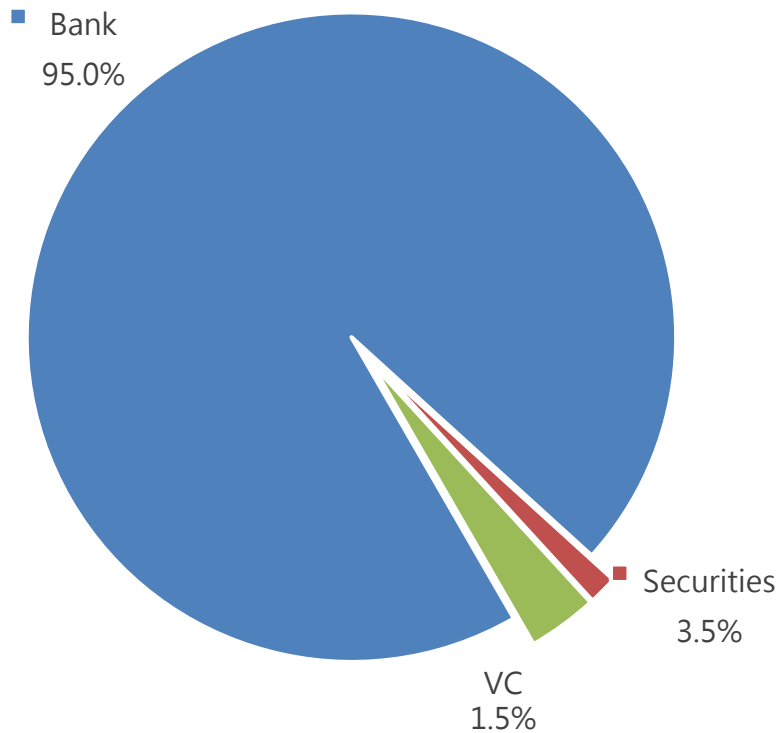


Note: Reviewed figures of Mar. 2019

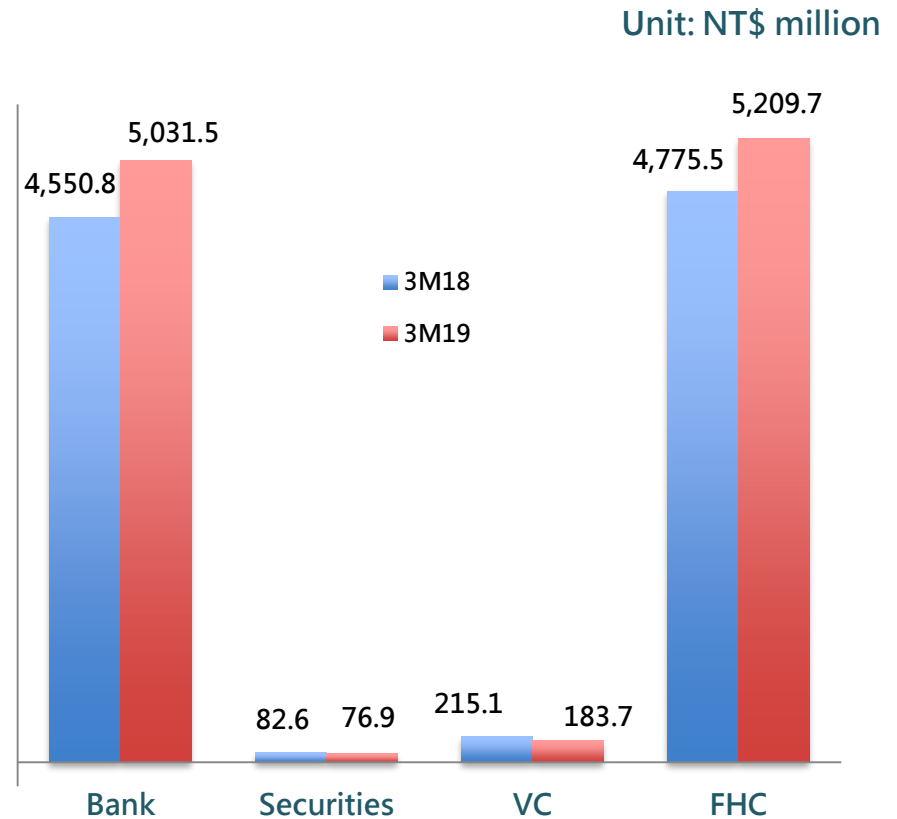


# Net Income of FHC & its Subsidiaries

## Contribution by Subsidiaries



## Net Income of FHC and its Subsidiaries



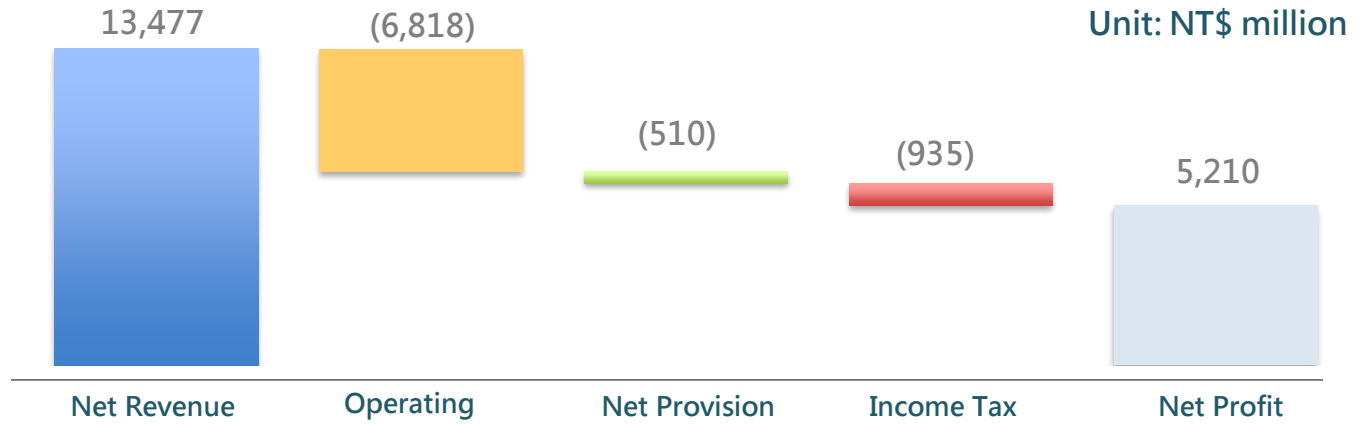
Note: Reviewed figures of Mar. 2019



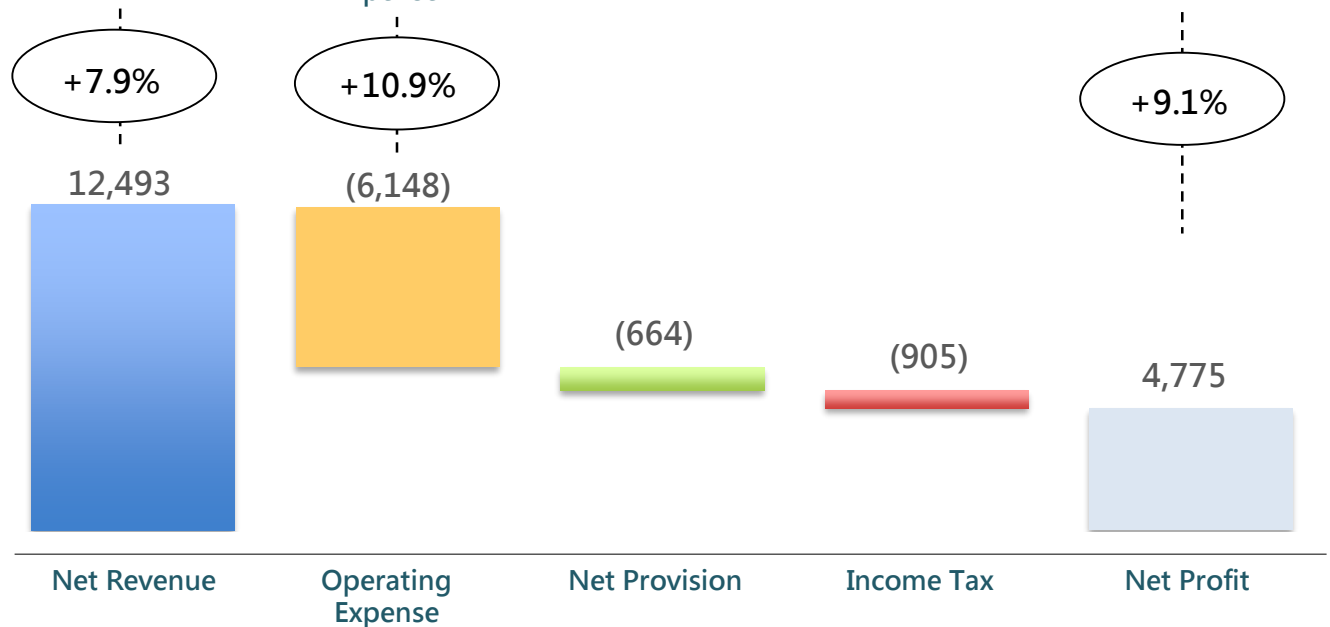


# Net Profit Breakdown

## 3M19 P&L



## 3M18 P&L



Note: Reviewed figures of Mar. 2019



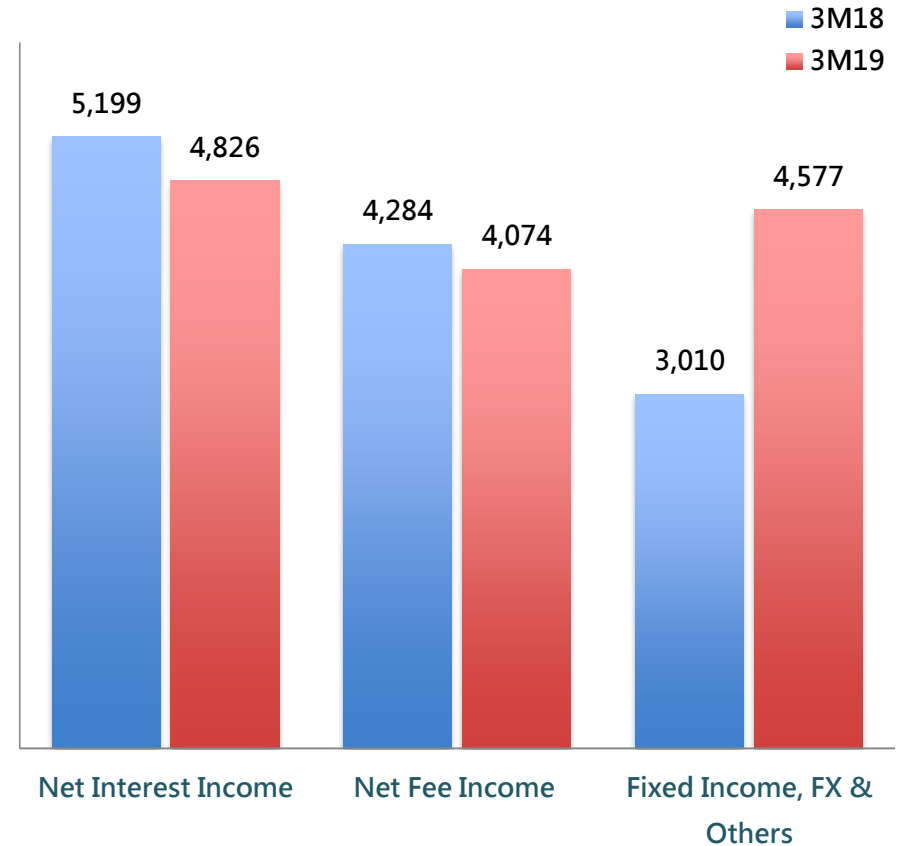
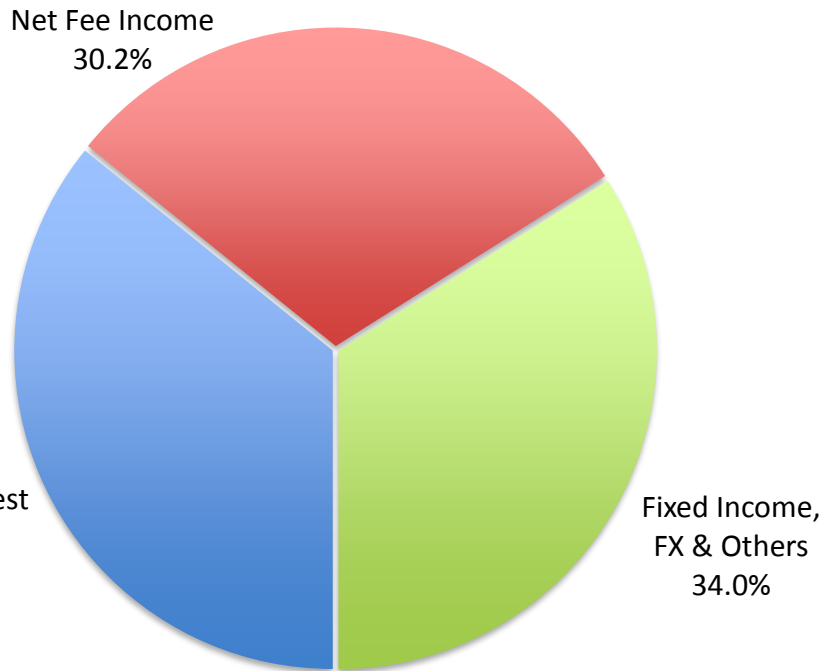


# FHC Revenue Breakdown

Total Net Revenue  
NT\$ 13,477 million

## YoY Revenue Comparison

Unit: NT\$ million

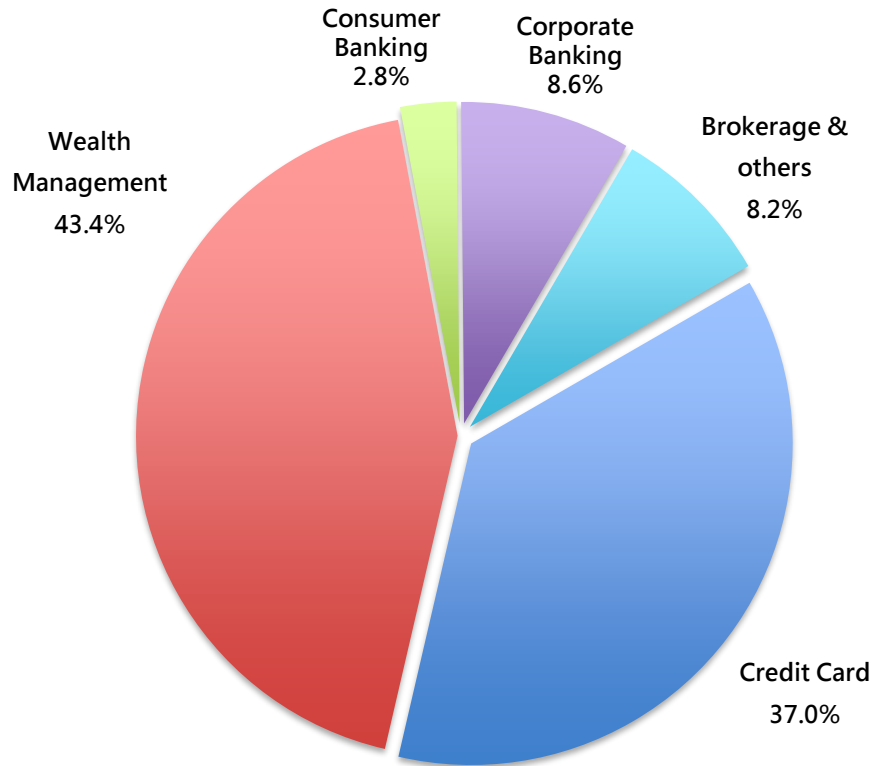


Note: 1. 47.6% of "Fixed income, FX & Others" is interest income from stable growing fixed income investment  
 2. Reviewed figures of Mar. 2019



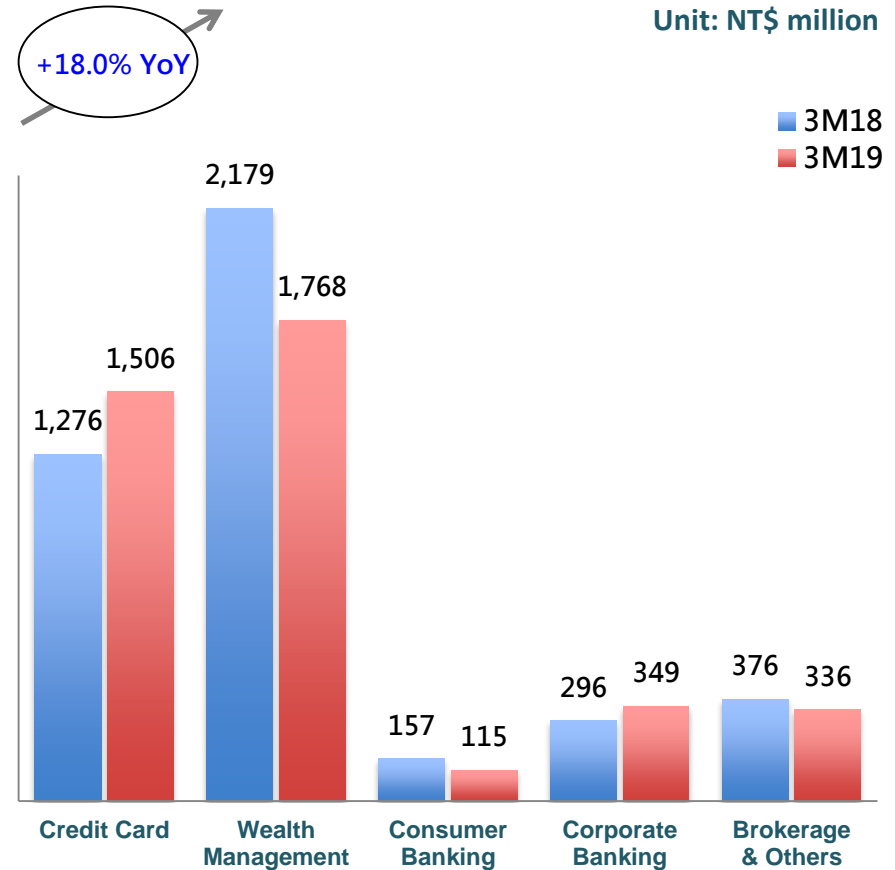
# Net Fee Income Breakdown

Total Net Fee Income  
NT 4,074 million



YoY Comparison

Unit: NT\$ million



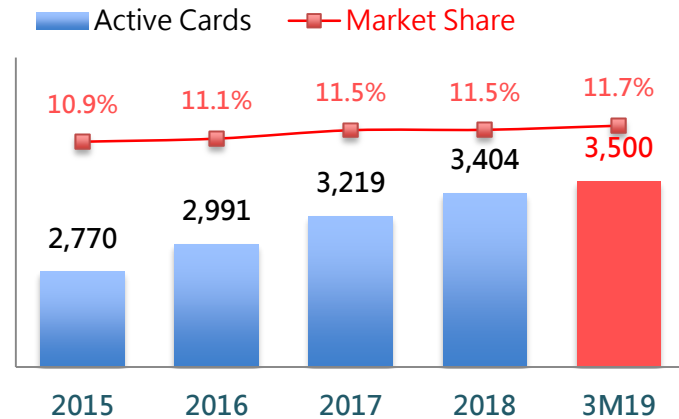
Note: Reviewed figures of Mar. 2019



# Credit Card Business Breakdown

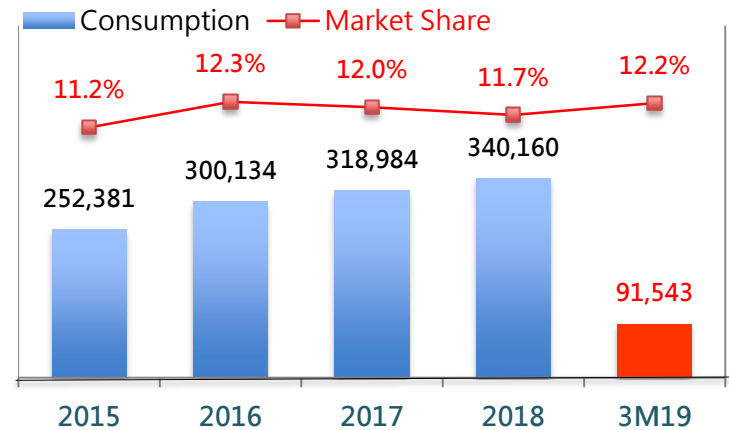
## Active Cards

Unit: Thousand Cards, %



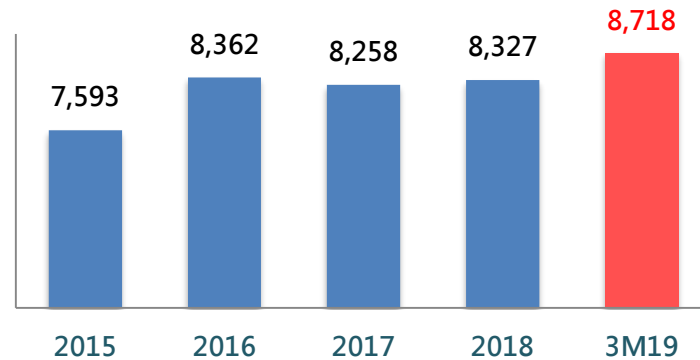
## Card Consumption

Unit: NT\$ million



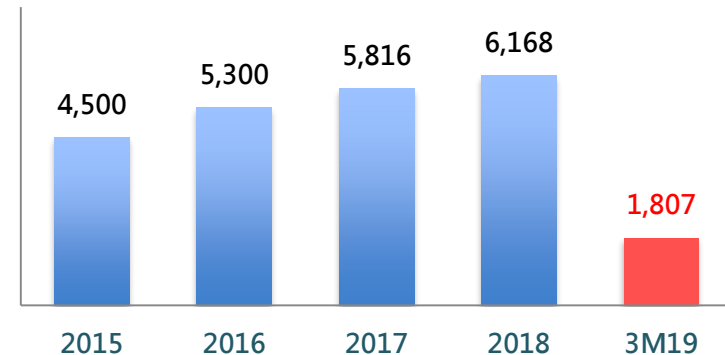
## Per Card Spending (Monthly)

Unit: NT\$ dollar



## Gross Fee Income

Unit: NT\$ million





# Deposit and Loan Structure

Unit: NT\$ Bn

Category	2019.3	QoQ Growth %	2018	YoY Growth %	2018.3
Total Deposits	1,906.1	2.5%	1,859.8	10.5%	1,725.4
Demand Deposits	793.5	4.2%	761.4	4.6%	758.7
Time Deposits	501.6	3.9%	482.9	14.7%	437.4
FCY Deposits	611.0	-0.7%	615.5	15.4%	529.4
Total Loans <sup>1/</sup>	1,339.6	1.5%	1,320.1	9.6%	1,222.3
Corporate Loans	674.8	1.7%	663.6	8.5%	621.7
SME Loans	344.1	-0.5%	345.7	2.3%	336.3
FCY Loans	244.2	6.7%	228.8	26.7%	192.7
Consumer Loans	664.7	1.2%	656.5	10.7%	600.6
Mortgage Loan	283.0	4.2%	271.6	17.3%	241.3
Unsecured Personal Loan	104.0	-1.1%	105.1	8.2%	96.1
Credit Card Revolving Balance	12.5	-2.3%	12.8	3.3%	12.1

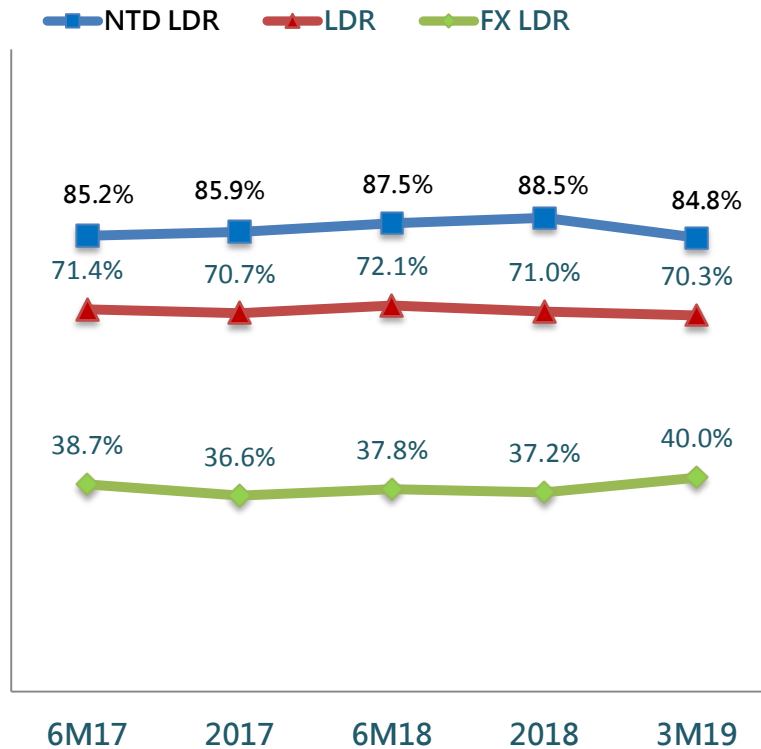
Note: Not including loan balance of subsidiaries NT\$ 26 billion



# Deposit Structure

## Loan to Deposit Ratio

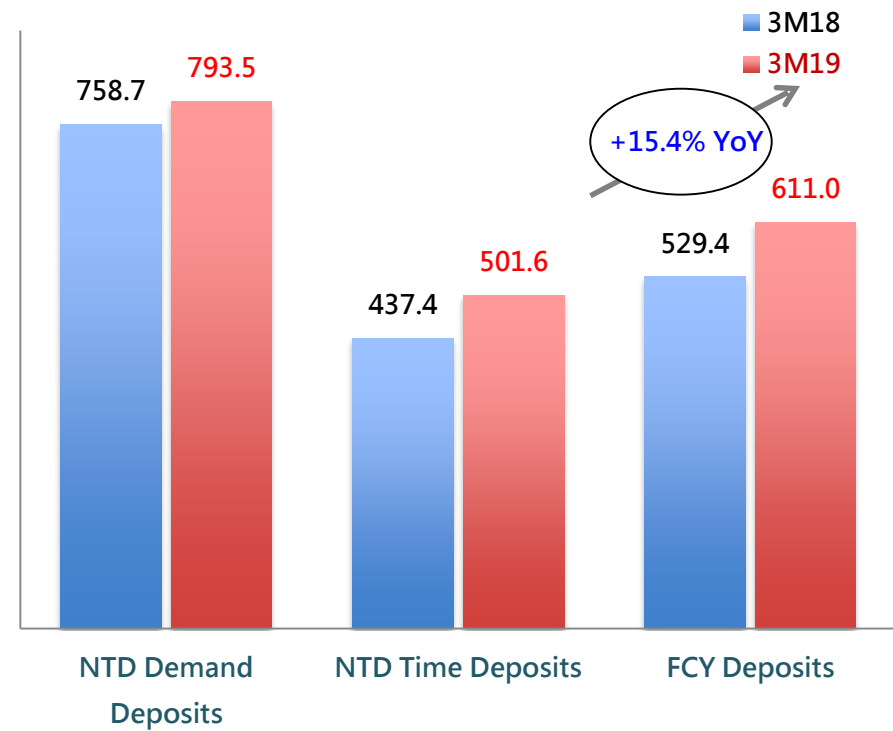
Unit: NT\$ Bn



Note: Data of E.SUN Bank

## Deposit Structure

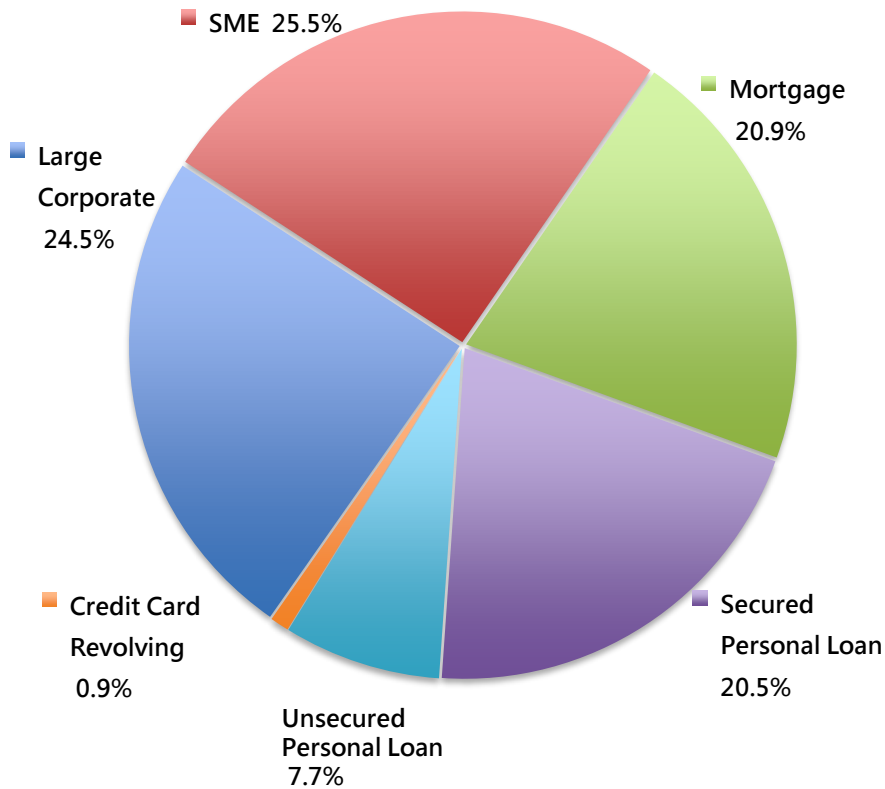
Unit: NT\$ Bn





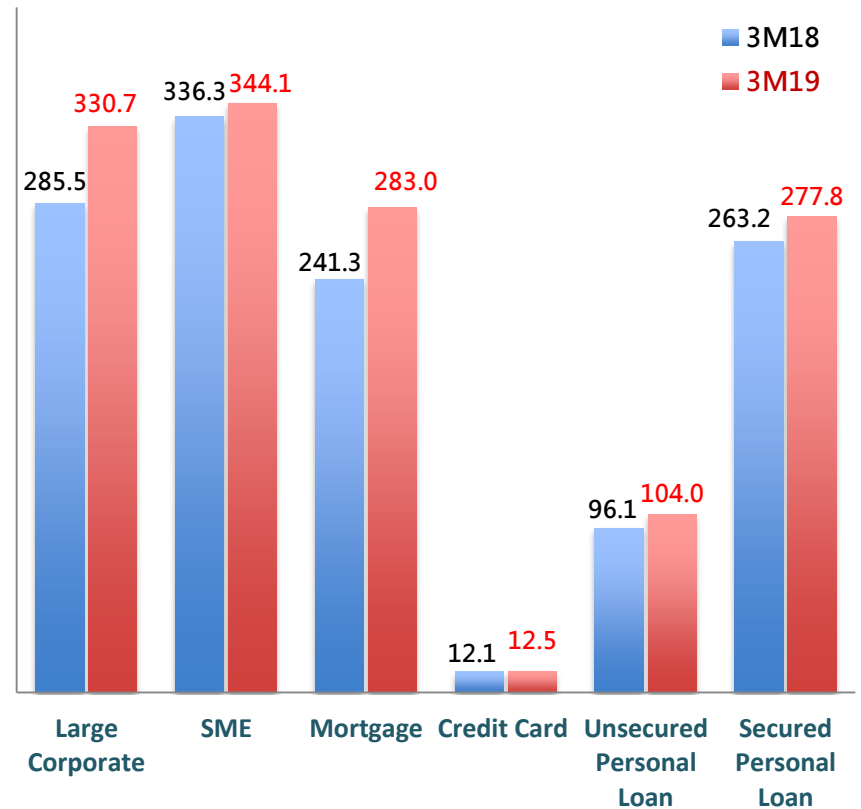
# Loan Portfolio Breakdown

Total Loan  
NT\$ 1,352.1 billion



## YoY Comparison

Unit: NT\$ Bn

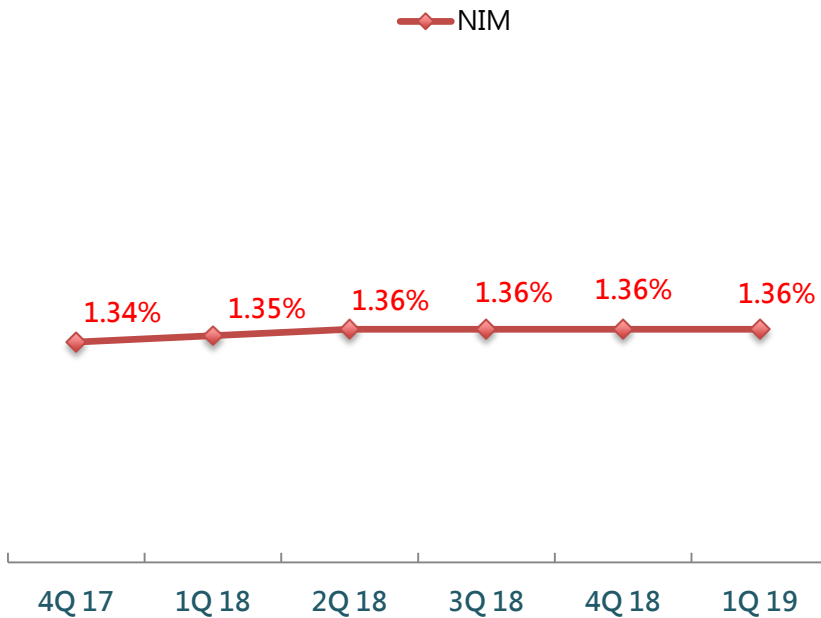


Note: 1. Secured Personal Loan is fully collateralized by fixed asset  
 2. Excluded loan of subsidiaries

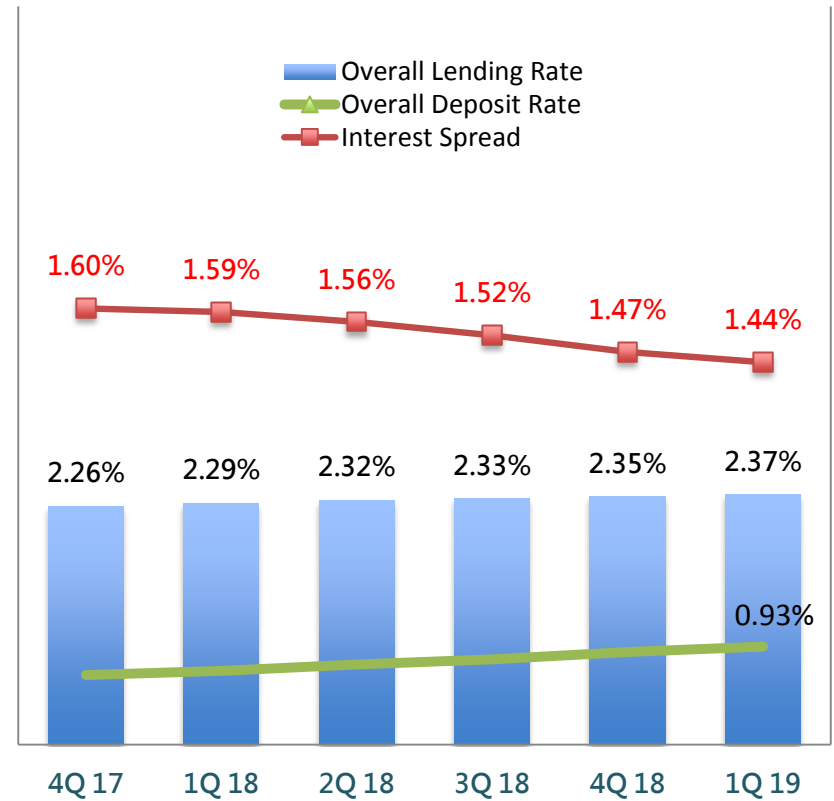


# NIM and Spread

## Quarterly Net Interest Margin



## Quarterly Interest Spread



Note: Data of E.SUN Bank

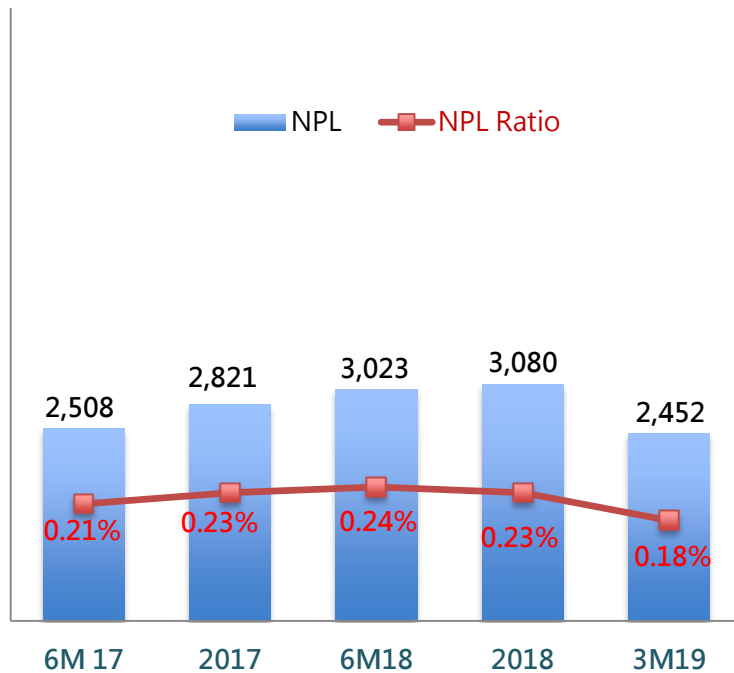




# Superior Asset Quality 1/3

## NPL Ratio(%)

Unit: NT\$ million

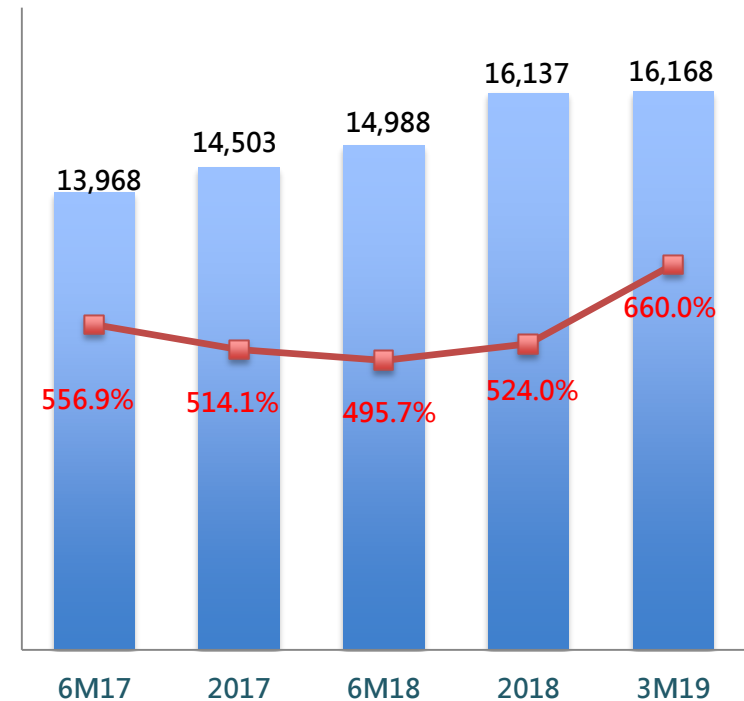


Note: Data of E.SUN Bank

## Coverage Ratio(%)

Unit: NT\$ million

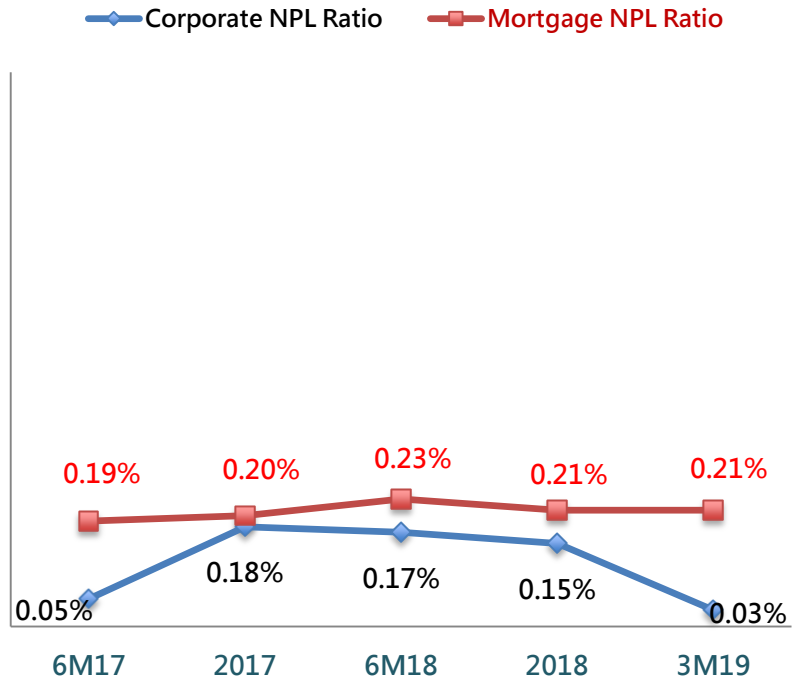
■ Loan Loss Reserve ■ Coverage Ratio





# Superior Asset Quality 2/3

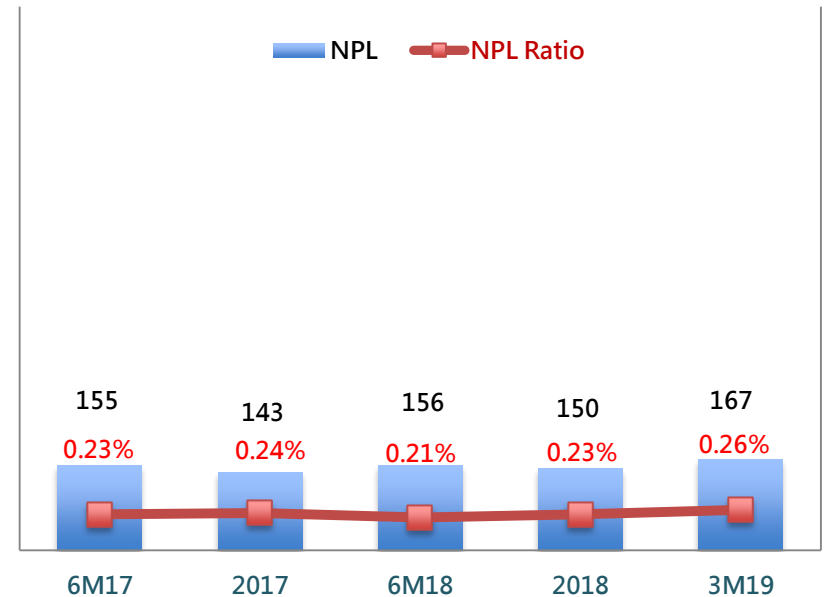
## NPL Ratio for Major Products



Note: Data of E.SUN Bank

## NPL Ratio for Credit Card

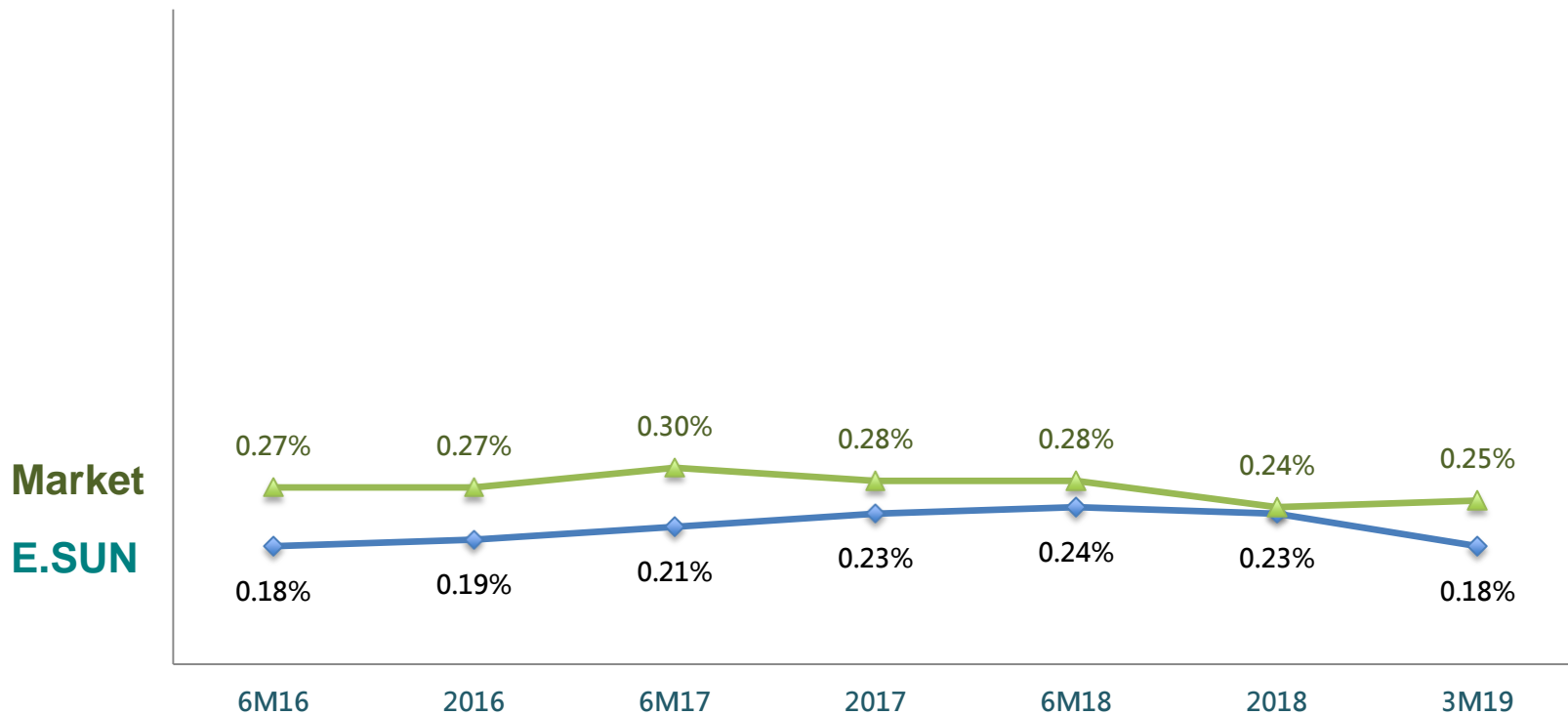
Unit: NT\$ million





# Superior Asset Quality <sup>3/3</sup>

## NPL Comparison with Market



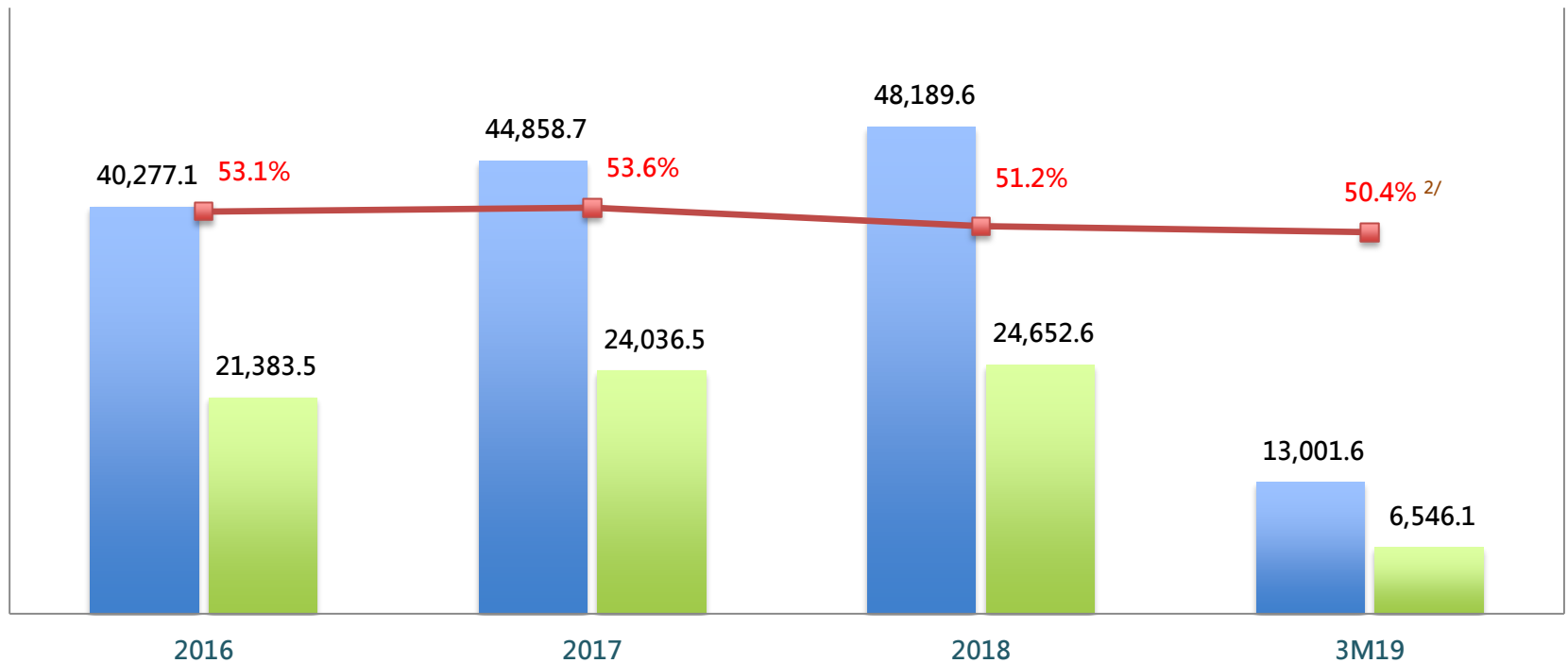
Source : FSC



# Cost-Income Ratio

Unit: NT\$ million

Net Revenue    Operating Expense(exclu. provision)    Cost Income Ratio

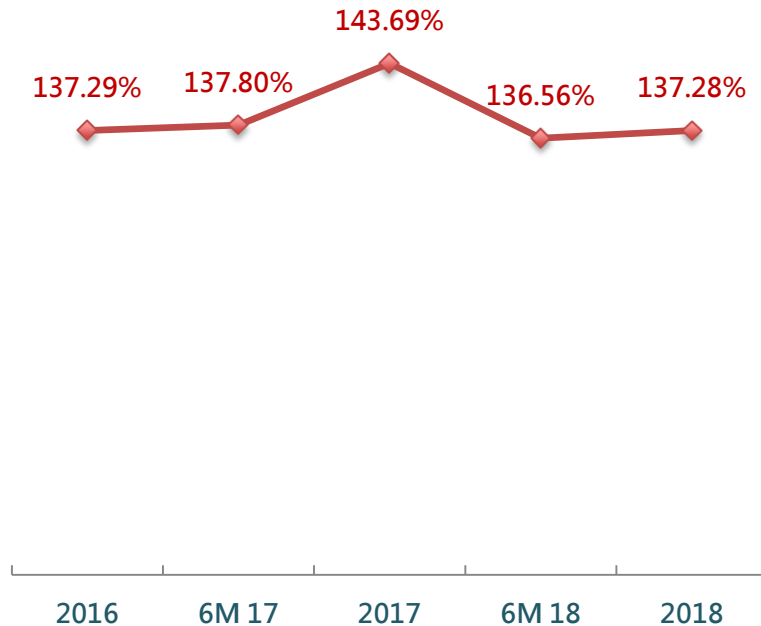


Note: 1. Data of E.SUN Bank  
2. Reviewed figures of Mar. 2019

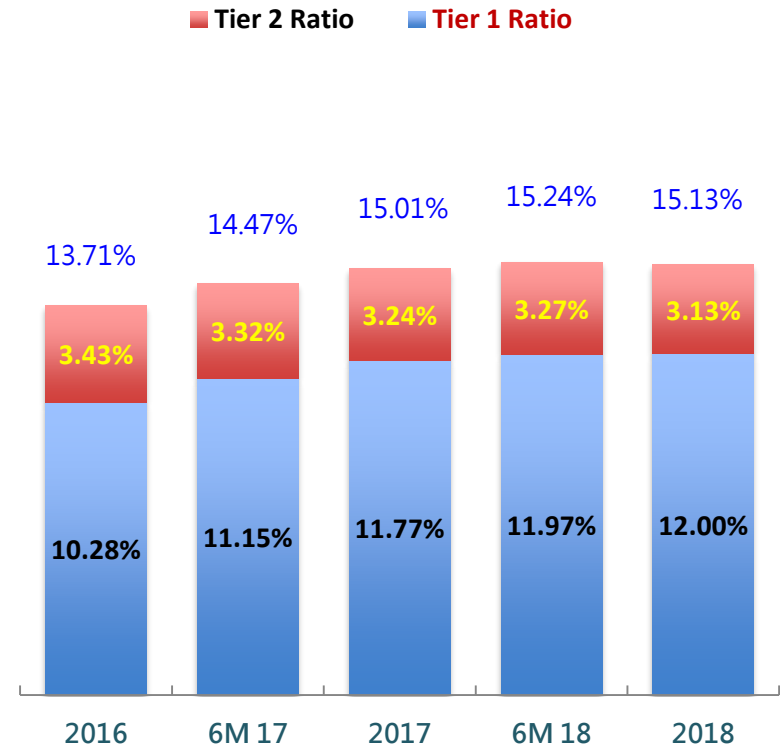


# Capital Adequacy Ratio

## FHC CAR Ratio



## Bank BIS Ratio



Note: 1. Audit figures of Dec. 2018  
2. BIS of E.SUN Bank standalone



# Thank You

- ❖ If you wish to know more about E.SUN, please visit our website site ([www.esunfhc.com.tw](http://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 9347,9346, 9302 [ir@email.esunbank.com.tw](mailto:ir@email.esunbank.com.tw)





## Balance Sheet of 1Q2019 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)
<b>Assets :</b>					
Cash and due from banks	135,374	223	34	4,283	135,466
Securities, net	714,990	1,167	3,298	77	719,526
Loans, net	1,352,561	0	0	0	1,352,561
A/R, net	84,237	8,758	4	140	92,944
Land, premises and equipments, net	32,113	375	0	18	32,750
Others	34,899	3,051	164	174,554	37,513
<b>Total assets</b>	<b>2,354,174</b>	<b>13,574</b>	<b>3,500</b>	<b>179,072</b>	<b>2,370,760</b>
<b>Liabilities:</b>					
Deposits	1,935,197	0	0	0	1,930,403
Other liabilities	254,496	8,384	35	12,324	273,490
<b>Total liabilities</b>	<b>2,189,693</b>	<b>8,384</b>	<b>35</b>	<b>12,324</b>	<b>2,203,893</b>
<b>Total stockholders' equity</b>	<b>164,481</b>	<b>5,190</b>	<b>3,465</b>	<b>166,748</b>	<b>166,867</b>
<b>Total equity attributable to owners of the company</b>	<b>164,354</b>	<b>5,190</b>	<b>3,465</b>	<b>166,748</b>	<b>166,748</b>
Non-Controlling interests	127	0	0	0	119
<b>Total liabilities and stockholders' equity</b>	<b>2,354,174</b>	<b>13,574</b>	<b>3,500</b>	<b>179,072</b>	<b>2,370,760</b>

Note: Reviewed figures of Mar. 2019





## P&L of E.SUN FHC and its subsidiaries for 1Q2019

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	4,785	69	0	(29)	4,826
Net fee income	3,871	205	0	0	4,074
Net trading income/(loss) & Derivatives & FX	4,260	44	188	0	4,492
Others	86	20	0	5,326	85
Total Net Revenues	13,002	339	188	5,297	13,477
Allowance for bad-debt expenses	(511)	0	0	0	(511)
Operating expenses	(6,546)	(247)	(6)	(75)	(6,818)
Income before income tax	5,945	92	182	5,222	6,148
Income tax expenses	(910)	(15)	2	(12)	(935)
Net Income	5,035	77	184	5,210	5,213
Attributable to owners of the company	5,032	77	184	5,210	5,210
Non-controlling interests	3	0	0	0	3

Note: Reviewed figures of Mar. 2019



## E.SUN FHC's Balance Sheet (Consolidated)

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
<b>Assets :</b>								
Cash and due from banks	99,545	131,175	132,444	131,824	119,291	119,861	132,444	135,466
Securities, net	502,761	577,285	660,622	602,588	614,072	600,413	660,622	719,526
Loans, net	1,118,149	1,211,071	1,333,277	1,234,658	1,262,911	1,296,534	1,333,277	1,352,561
A/R, net	83,936	94,083	93,451	87,191	106,098	95,447	93,451	92,944
Land, premises and equipments, net	26,440	28,209	32,605	28,311	28,294	29,265	32,605	32,750
Others	53,469	32,565	35,388	37,288	35,448	33,024	35,388	37,513
<b>Total assets</b>	<b>1,884,300</b>	<b>2,074,388</b>	<b>2,287,787</b>	<b>2,121,860</b>	<b>2,166,114</b>	<b>2,174,544</b>	<b>2,287,787</b>	<b>2,370,760</b>
<b>Liabilities:</b>								
Deposits	1,556,422	1,711,175	1,885,885	1,742,858	1,743,615	1,784,476	1,885,885	1,930,403
Other liabilities	198,697	214,265	241,772	224,456	269,546	233,272	241,772	273,490
<b>Total liabilities</b>	<b>1,755,119</b>	<b>1,925,440</b>	<b>2,127,657</b>	<b>1,967,314</b>	<b>2,013,161</b>	<b>2,017,748</b>	<b>2,127,657</b>	<b>2,203,893</b>
<b>Total stockholders' equity</b>	<b>129,181</b>	<b>148,948</b>	<b>160,130</b>	<b>154,546</b>	<b>152,953</b>	<b>156,796</b>	<b>160,130</b>	<b>166,867</b>
<b>Total equity attributable to owners of the company</b>	<b>128,524</b>	<b>148,842</b>	<b>160,014</b>	<b>154,438</b>	<b>152,848</b>	<b>156,683</b>	<b>160,014</b>	<b>166,748</b>
Non-Controlling interests	657	106	116	108	105	113	116	119
<b>Total liabilities and stockholders' equity</b>	<b>1,884,300</b>	<b>2,074,388</b>	<b>2,287,787</b>	<b>2,121,860</b>	<b>2,166,114</b>	<b>2,174,544</b>	<b>2,287,787</b>	<b>2,370,760</b>

Note: Reviewed figures of Mar. 2019



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

NT\$ million	Yearly Results			Quarterly Results				
	2016	2016	2018	1Q18	2Q18	3Q18	4Q18	1Q19
Operating income								
Net interest income	18,585	20,250	20,311	5,199	4,956	5,100	5,056	4,826
Net Fee income	15,548	15,776	16,371	4,284	4,113	3,822	4,152	4,074
Net trading income/(loss) & Derivatives & FX	6,586	9,733	12,459	2,931	3,318	3,343	2,867	4,492
Others	345	348	288	79	71	126	12	85
<b>Total Net Revenues</b>	<b>41,064</b>	<b>46,107</b>	<b>49,429</b>	<b>12,493</b>	<b>12,458</b>	<b>12,391</b>	<b>12,087</b>	<b>13,477</b>
Allowance for bad-debt expenses	(3,463)	(4,055)	(3,253)	(664)	(756)	(848)	(985)	(511)
<b>Operating expenses</b>	<b>(22,396)</b>	<b>(25,179)</b>	<b>(25,839)</b>	<b>(6,148)</b>	<b>(6,373)</b>	<b>(6,499)</b>	<b>(6,819)</b>	<b>(6,818)</b>
Income before income tax	15,205	16,873	20,337	5,681	5,329	5,044	4,283	6,148
Income tax expenses	(2,222)	(2,219)	(3,254)	(905)	(853)	(935)	(561)	(935)
<b>Net Income</b>	<b>12,983</b>	<b>14,654</b>	<b>17,083</b>	<b>4,776</b>	<b>4,476</b>	<b>4,109</b>	<b>3,722</b>	<b>5,213</b>
Income Attributable to owners of the company	13,135	14,757	17,069	4,775	4,474	4,101	3,719	5,210
Non-Controlling interests	(152)	(103)	14	1	2	8	3	3

Note: Reviewed figures of Mar. 2019



## E.SUN Bank's Balance Sheet

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	Mar 18	Jun 18	Sep 18	Dec 18	Mar 19
<b>Assets :</b>								
Cash and due from banks	99,446	131,042	132,378	131,799	119,245	119,667	132,378	135,374
Securities, net	501,867	575,980	656,564	598,012	609,277	596,182	656,564	714,990
Loans, net	1,118,149	1,211,071	1,333,277	1,234,658	1,262,911	1,296,534	1,333,277	1,352,561
A/R, net	75,992	83,130	85,317	76,398	94,020	85,552	85,317	84,237
Land, premises and equipments, net	25,785	27,559	31,950	27,700	27,667	28,631	31,950	32,113
Others	48,892	27,555	32,851	34,713	32,932	30,657	32,851	34,899
<b>Total assets</b>	<b>1,870,131</b>	<b>2,056,337</b>	<b>2,272,337</b>	<b>2,103,280</b>	<b>2,146,052</b>	<b>2,157,223</b>	<b>2,272,337</b>	<b>2,354,174</b>
<b>Liabilities:</b>								
Deposits	1,558,856	1,712,072	1,886,850	1,743,753	1,750,860	1,785,505	1,886,850	1,935,197
Other liabilities	184,241	197,007	227,217	207,309	244,816	216,978	227,217	254,496
<b>Total liabilities</b>	<b>1,743,097</b>	<b>1,909,079</b>	<b>2,114,067</b>	<b>1,951,062</b>	<b>1,995,676</b>	<b>2,002,483</b>	<b>2,114,067</b>	<b>2,189,693</b>
<b>Total stockholders' equity</b>	<b>127,034</b>	<b>147,258</b>	<b>158,270</b>	<b>152,218</b>	<b>150,376</b>	<b>154,740</b>	<b>158,270</b>	<b>164,481</b>
<b>Total equity attributable to owners of the company</b>	<b>126,371</b>	<b>147,145</b>	<b>158,147</b>	<b>152,103</b>	<b>150,264</b>	<b>154,620</b>	<b>158,147</b>	<b>164,354</b>
Non-Controlling interests	663	113	123	115	112	120	123	127
Attribute to former business under control	0	0	0	0	0	0	0	-
<b>Total liabilities and stockholders' equity</b>	<b>1,870,131</b>	<b>2,056,337</b>	<b>2,272,337</b>	<b>2,103,280</b>	<b>2,146,052</b>	<b>2,157,223</b>	<b>2,272,337</b>	<b>2,354,174</b>

Note: Reviewed figures of Mar. 2019



## E.SUN Bank's P&L account

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	1Q18	2Q18	3Q18	4Q18	1Q19
Operating income								
Net interest income	18,419	20,015	20,031	5,127	4,879	5,023	5,002	4,785
Fee income	14,939	14,903	15,359	4,037	3,838	3,562	3,922	3,871
Net trading income/(loss) & Derivatives & FX	6,575	9,604	12,485	2,680	3,167	3,677	2,961	4,260
Others	344	337	314	84	75	138	17	86
<b>Total Net Revenues</b>	<b>40,277</b>	<b>44,859</b>	<b>48,189</b>	<b>11,928</b>	<b>11,959</b>	<b>12,400</b>	<b>11,902</b>	<b>13,002</b>
Allowance for bad-debt expenses	(3,462)	(3,869)	(3,209)	(631)	(756)	(840)	(982)	(511)
<b>Operating expenses</b>	<b>(21,384)</b>	<b>(24,037)</b>	<b>(24,653)</b>	<b>(5,857)</b>	<b>(6,064)</b>	<b>(6,192)</b>	<b>(6,540)</b>	<b>(6,546)</b>
Income before income tax	15,431	16,953	20,327	5,440	5,139	5,368	4,380	5,945
Income tax expenses	(2,171)	(2,167)	(3,204)	(888)	(818)	(893)	(605)	(910)
<b>Net Income</b>	<b>13,260</b>	<b>14,786</b>	<b>17,123</b>	<b>4,552</b>	<b>4,321</b>	<b>4,475</b>	<b>3,775</b>	<b>5,035</b>
Attributable to owners of the company	13,265	14,887	17,108	4,551	4,318	4,467	3,772	5,032
Attribute to former business under control	146	0	0	0	0	0	0	0
Non-controlling interests	(151)	(101)	15	1	3	8	3	3

Note: Reviewed figures of Mar. 2019