

# E.SUN FHC Financial Review of 3Q 2019



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# Agenda

- 2019 3Q Financial Performance
- 2019 3Q Business Operation Overview
- Appendix



# E.SUN FHC Summary

		Unit : NT\$ million	
		2019.09 <sup>/1</sup>	2018.12
Total Assets	FHC	2,442,297	2,287,787
	Bank	2,425,416	2,272,337
	Securities	14,156	12,673
	Venture Capital	3,509	3,319
Key Financials	Book value per share (NT\$)	14.54	14.78
	Double Leverage Ratio	103.96%	104.11%
	FHC CAR	125.20% <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 Sep. 2019

2. Audit figures of Jun. 2019

3. Share owned by QFII: 44.35%, as of Sep. 2019.



# 2019 9M Business and Financial Review

## Financial Performance

- Net profits for 9M19 was NT\$15.81 billion, a 18.4% growth. Net revenues NT\$40.79 billion, a 9.2% growth.
- EPS NT\$1.36, ROE 12.81%, ROA 0.89%.
- Net profits of E.SUN Bank was NT \$15.55 billion, a 16.6% growth.

## Business Operation

- Net fee income grew by 13.0% (yoy), marking the highest fee income in first 3 quarters and any single quarter. Both wealth management and credit card maintained high growth in 3Q.
- Net increase of card-in-force, active cards, and credit card consumption are all ranked 1<sup>st</sup>. Net fee income of credit cards grew by 30.3% (yoy).
- Loan balance grew by 8.8% (yoy), mainly driven by FX loan and mortgage.
- FX deposit balance grew by 23.1%, yoy. Market position of FX deposit advanced to top 3.
- Asset quality benign, NPL ratio at 0.19%, and coverage ratio 612.4%.

## Honors and Recognitions

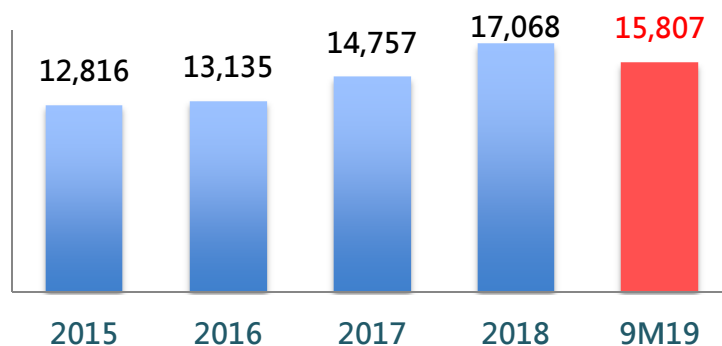
- **DJSI World ranked 3<sup>rd</sup> worldwide, 1<sup>st</sup> in AsiaPac:** Listed in DJSI for the 6<sup>th</sup> consecutive year since 2014, and in DJSI World for the 4<sup>th</sup> time.
- **Excellence in ESG:** 12<sup>th</sup> time ranked 1<sup>st</sup> in Commonwealth CSR Award; AA rating by MSCI ESG.
- **Awards:** “Most Honored Company” in Taiwan in Institutional Investor poll for the 3<sup>rd</sup> straight year; awarded “Best Wealth Management” and “Best SME” by The Asset and The Asian Banker.



# Financial Performance

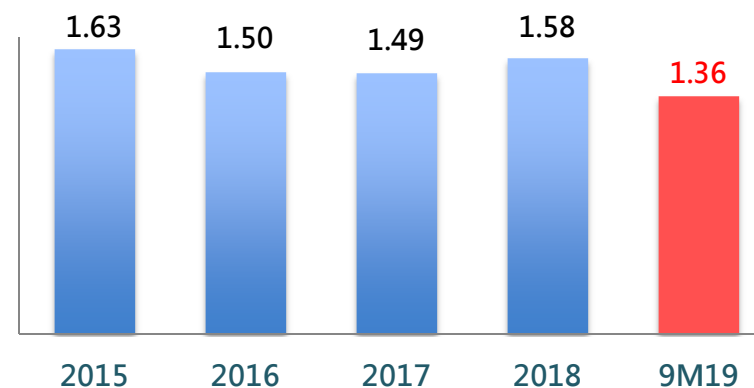
## Net Profit

Unit: NT\$ million

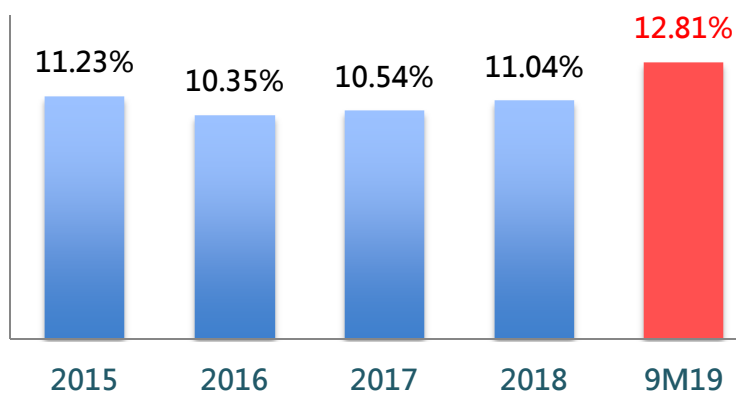


## EPS

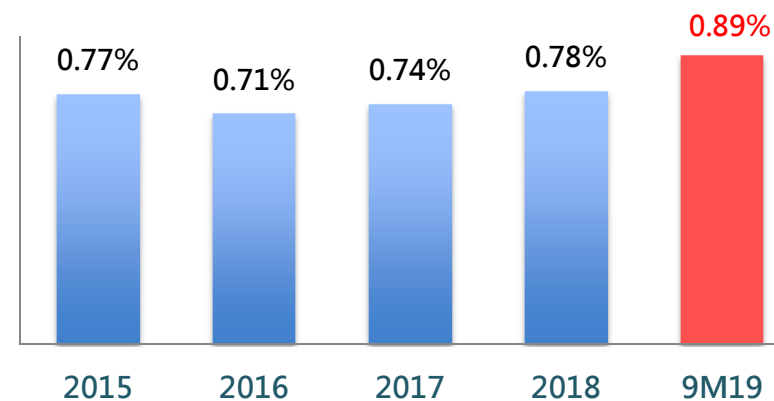
Unit: NT\$ dollars



## ROE



## ROA

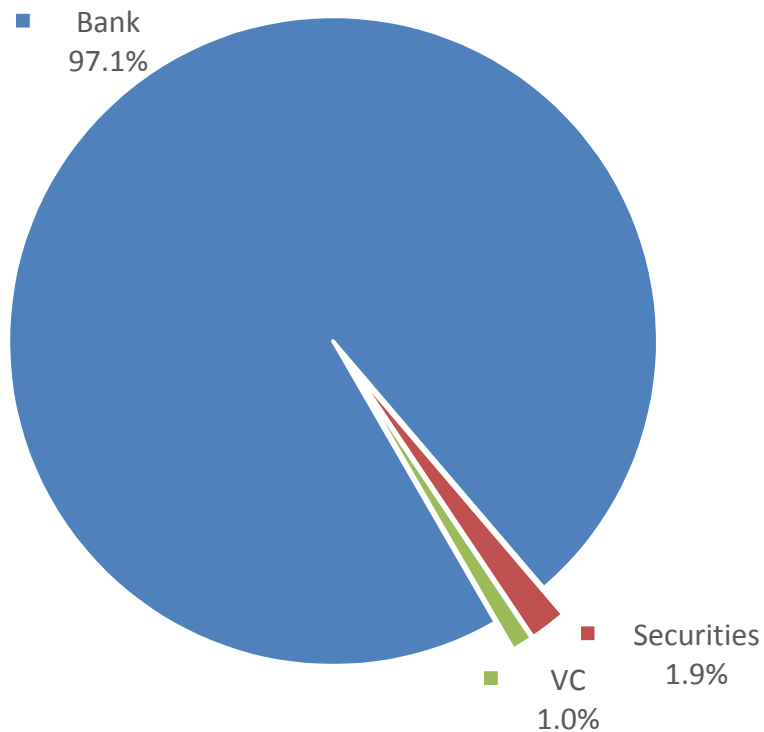


Note: Reviewed figures of Sep. 2019



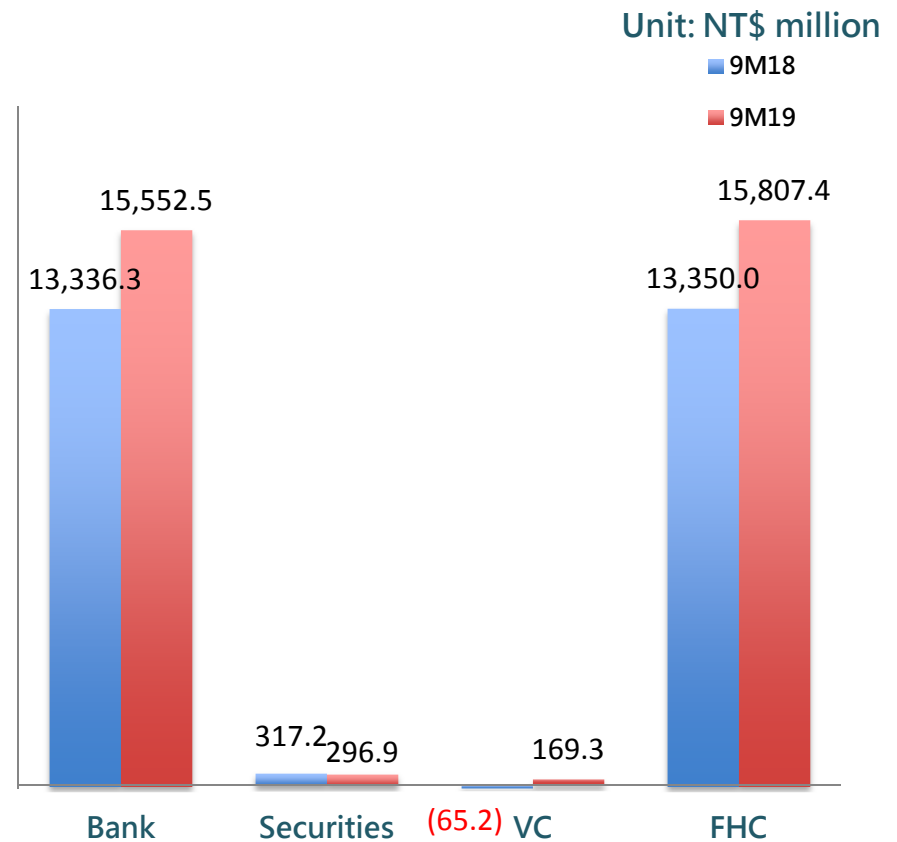
# Net Income of FHC & its Subsidiaries

## Contribution by Subsidiaries



Note: Reviewed figures of Sep. 2019

## Net Income of FHC and its Subsidiaries



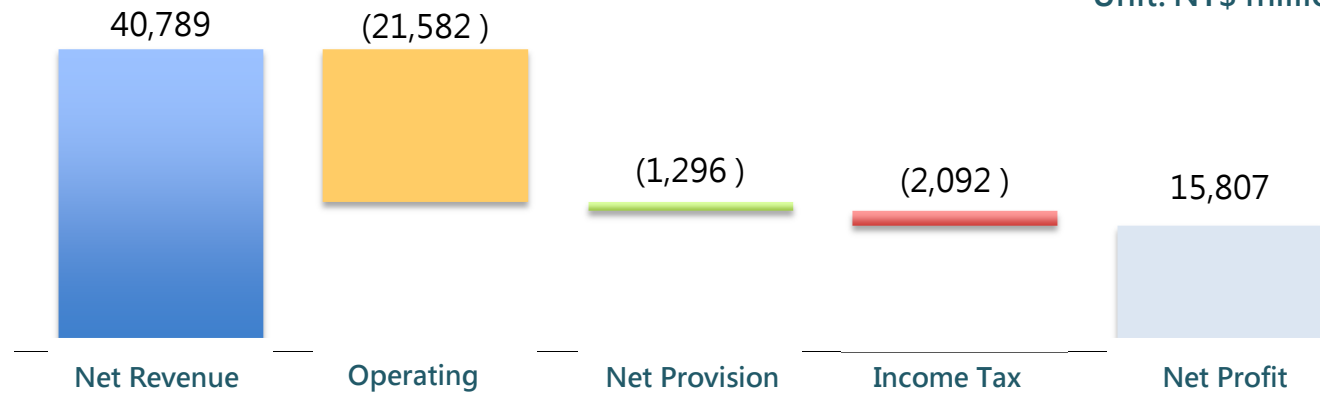




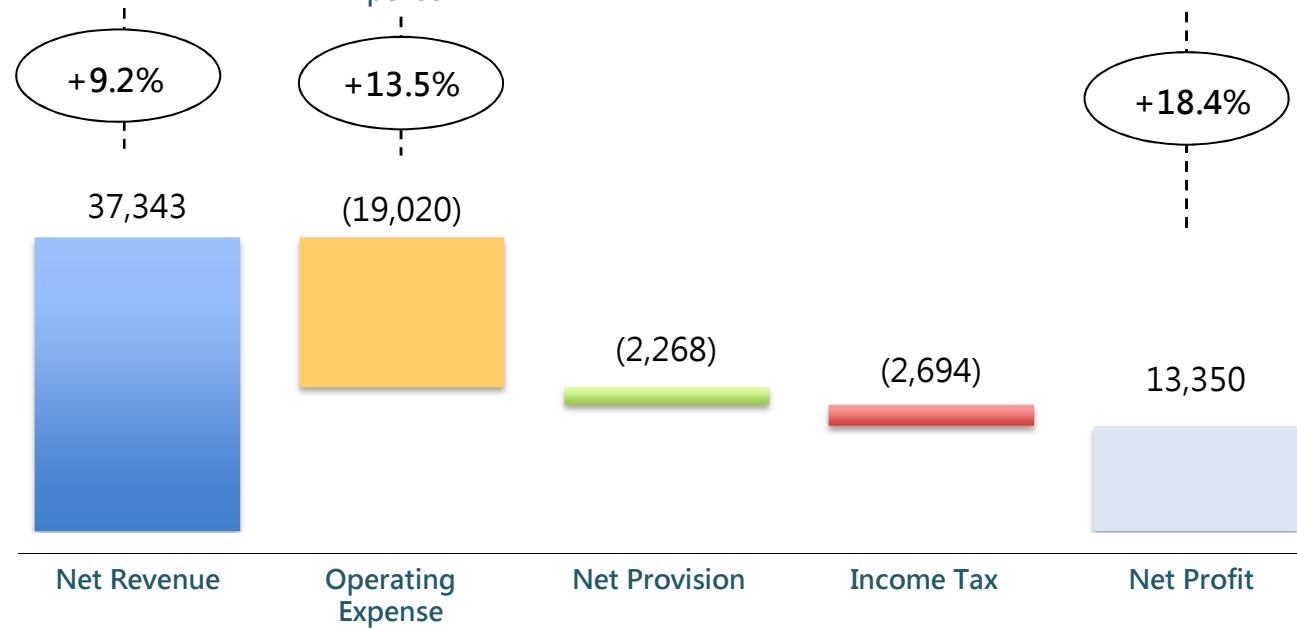
# Net Profit Breakdown

## 9M19 P&L

Unit: NT\$ million



## 9M18 P&L



Note: Reviewed figures of Sep. 2019



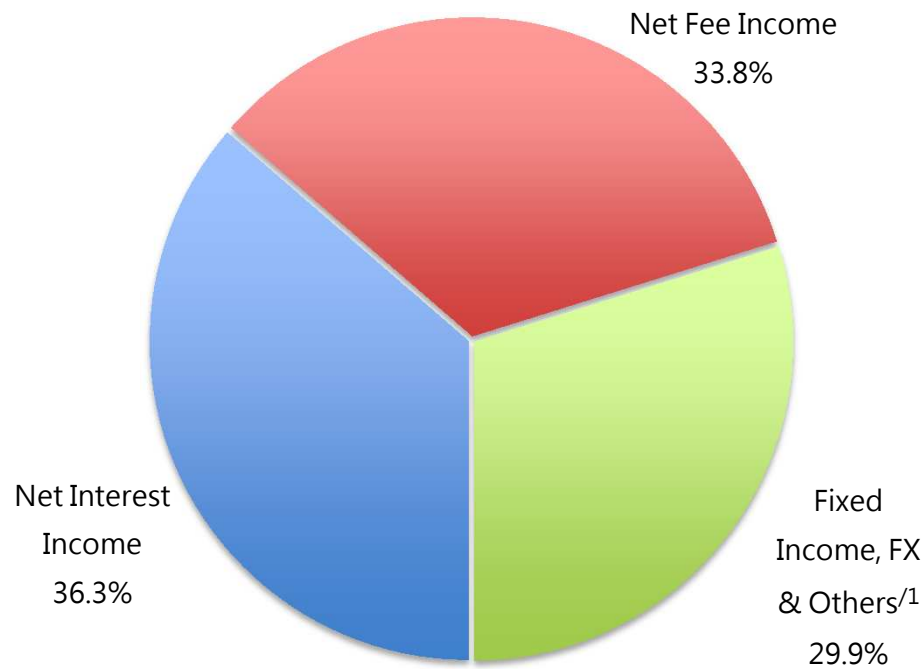


# FHC Revenue Breakdown

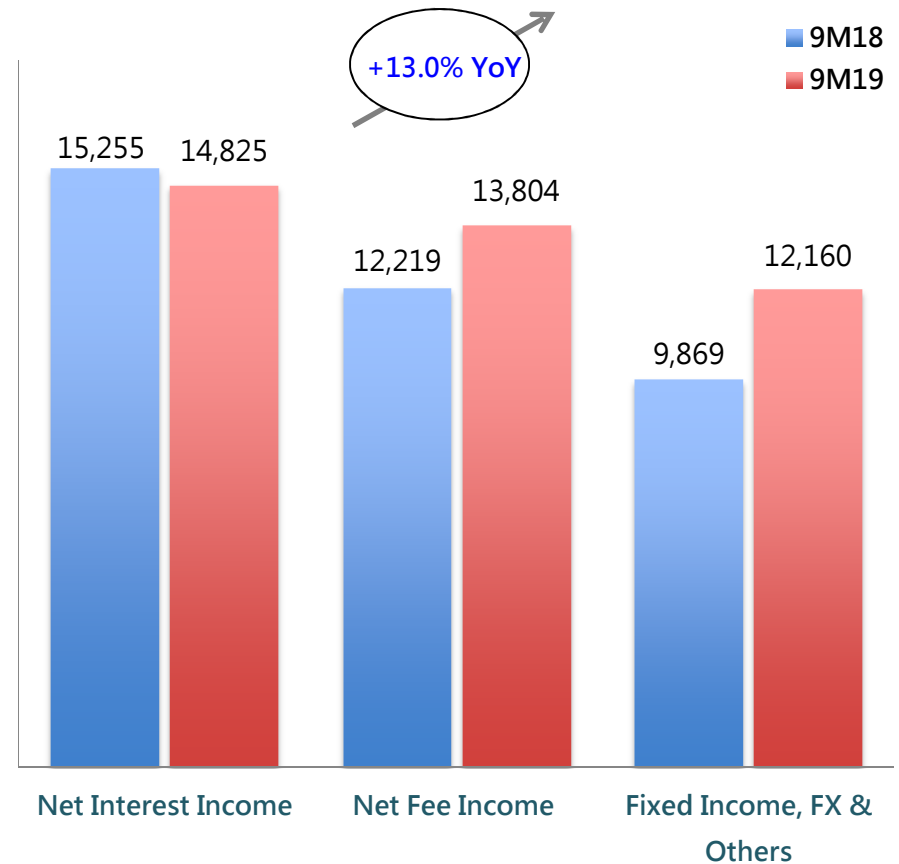
Total Net Revenue  
NT\$ 40,789 million

## YoY Comparison

Unit: NT\$ million



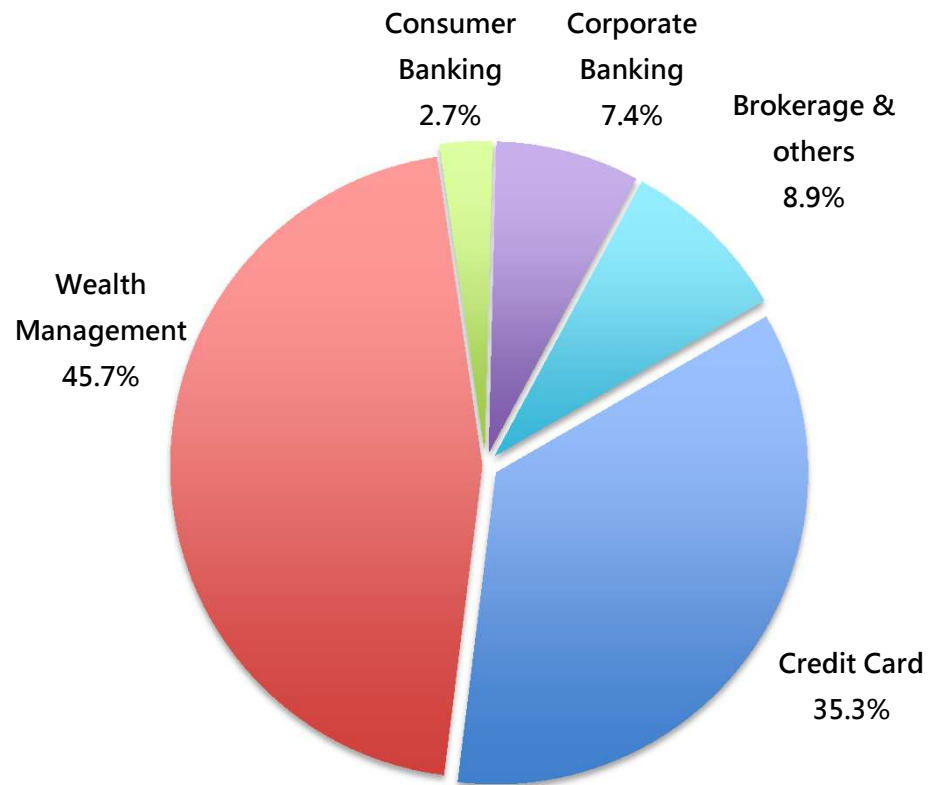
Note: 1. 54.0% of "Fixed income, FX & Others" is interest income from stable growing fixed income investment  
2. Reviewed figures of Sep. 2019





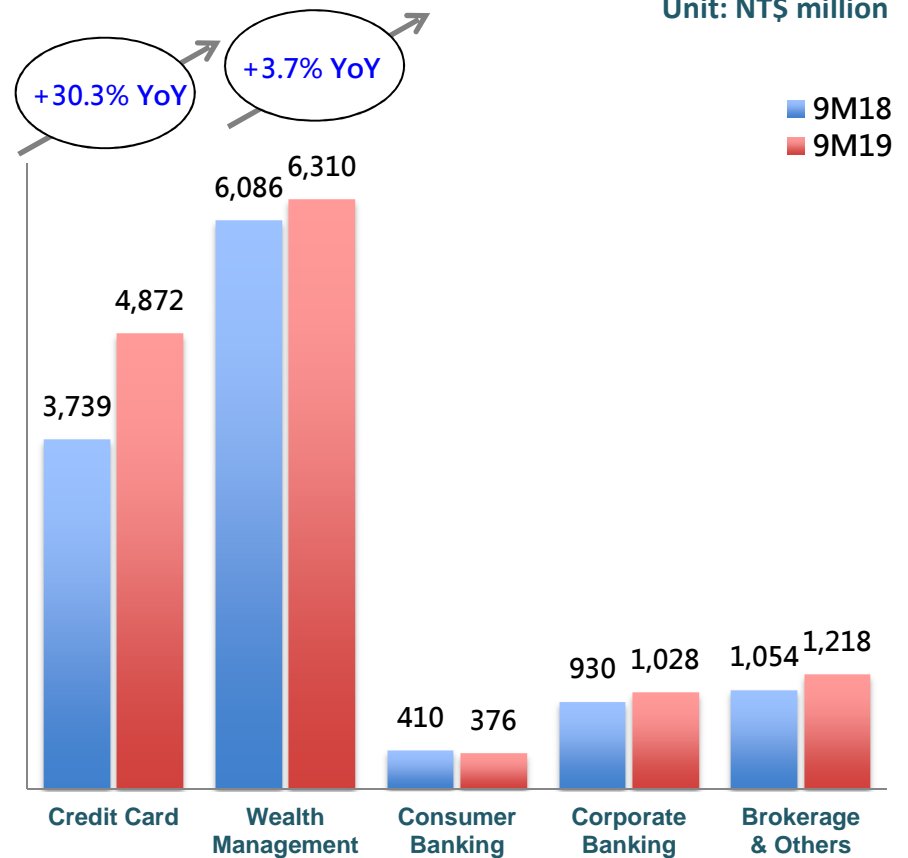
# Net Fee Income Breakdown

Total Net Fee Income  
NT 13,804 million



YoY Comparison

Unit: NT\$ million



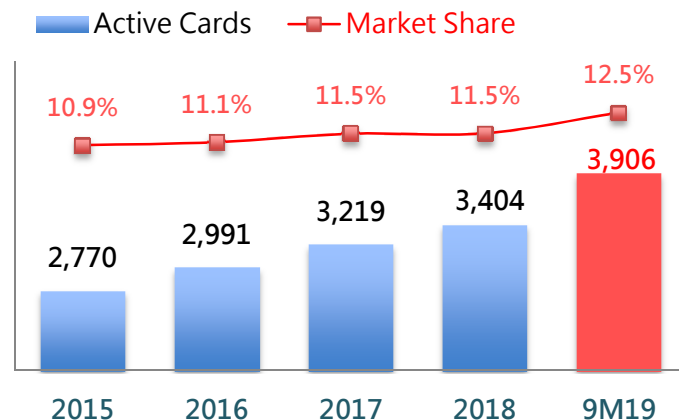
Note: Reviewed figures of Sep. 2019



# Credit Card Business Breakdown

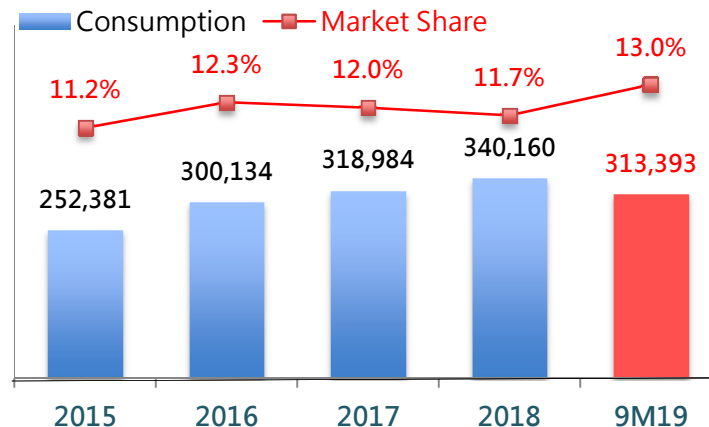
## Active Cards

Unit: Thousand Cards, %



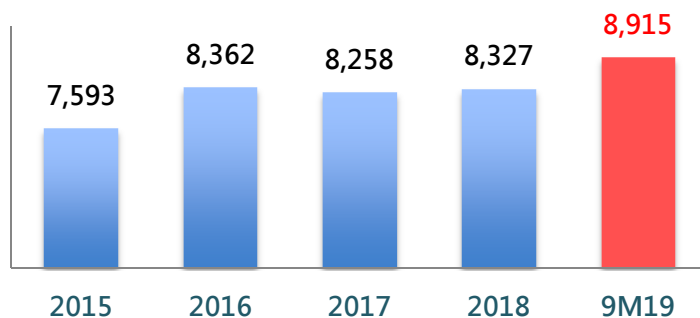
## Card Consumption

Unit: NT\$ million



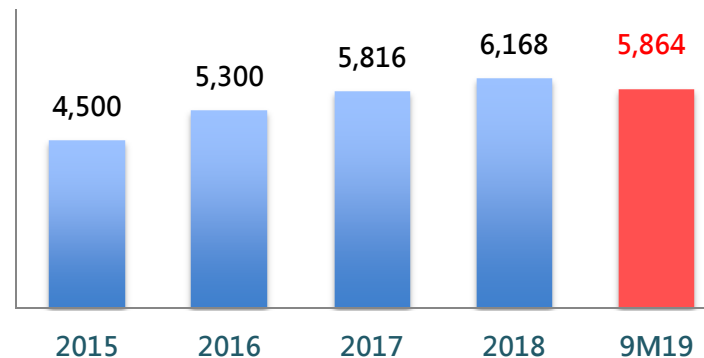
## Per Card Spending (Monthly)

Unit: NT\$ dollar



## Gross Fee Income

Unit: NT\$ million





# Deposit and Loan Structure

Unit: NT\$ Bn

Category	2019.9	QoQ Growth %	2019.6	Ytd Growth %	2018
Total Deposits	1,988.9	2.9%	1,932.1	6.9%	1,859.8
Demand Deposits	808.5	2.0%	792.9	6.2%	761.4
Time Deposits	494.8	-3.2%	511.4	2.5%	482.9
FCY Deposits	685.6	9.2%	627.7	11.4%	615.5
Total Loans <sup>1/</sup>	1,396.5	1.9%	1,370.7	5.8%	1,320.1
Corporate Loans	697.5	1.7%	685.7	5.1%	663.6
SME Loans	356.2	1.8%	349.8	3.0%	345.7
FCY Loans	254.8	2.6%	248.3	11.4%	228.8
Consumer Loans	699.0	2.0%	685.0	6.5%	656.5
Mortgage Loan	311.9	4.2%	299.4	14.8%	271.6
Unsecured Personal Loan	107.5	1.3%	106.1	2.3%	105.1
Credit Card Revolving Balance	13.0	3.2%	12.6	1.6%	12.8

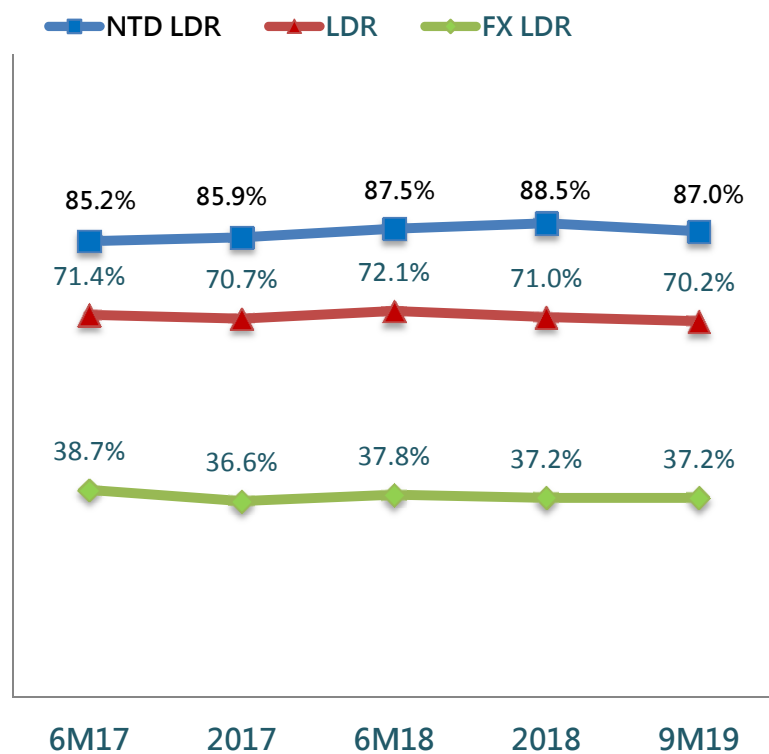
Note: Not including loan balance of subsidiaries NT\$ 32 billion



# Deposit Structure

## Loan to Deposit Ratio

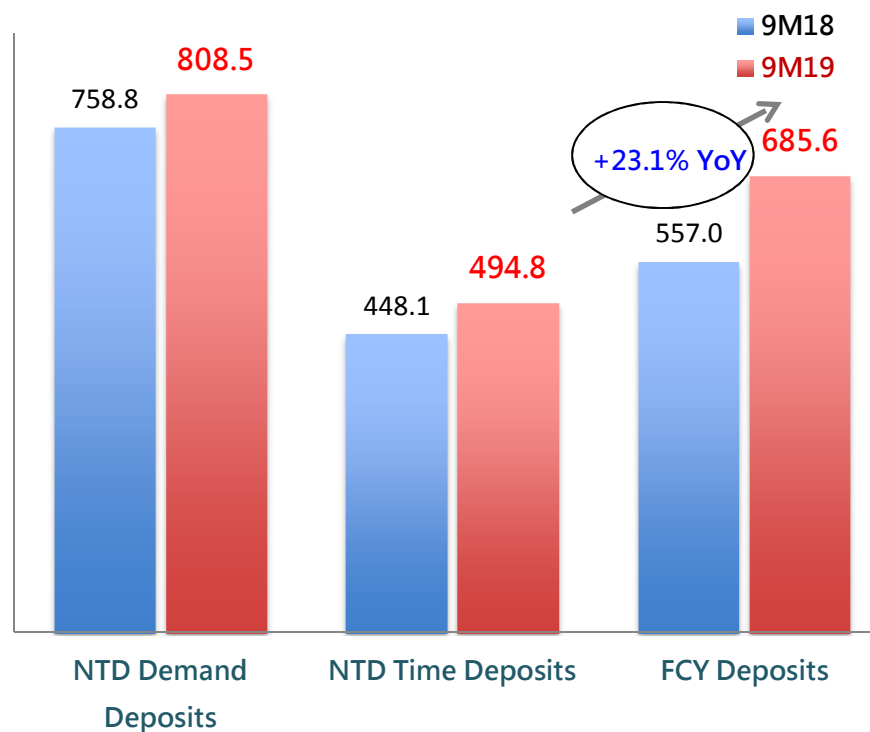
Unit: NT\$ Bn



Note: Data of E.SUN Bank

## Deposit Structure

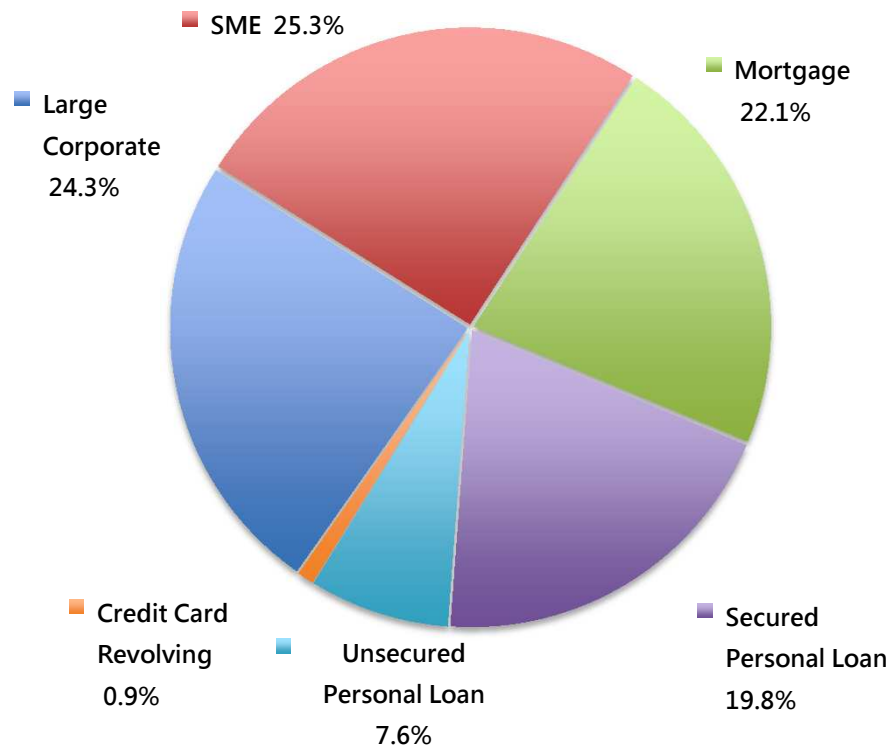
Unit: NT \$Bn





# Loan Portfolio Breakdown

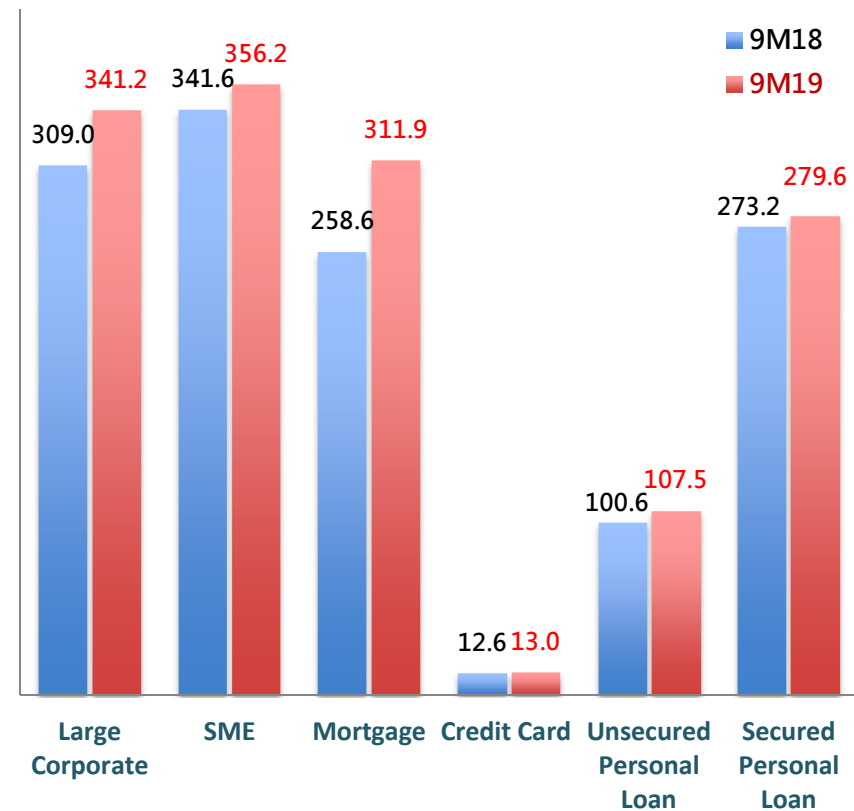
Total Loan  
NT\$ 1,409.4 billion



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

## YoY Comparison

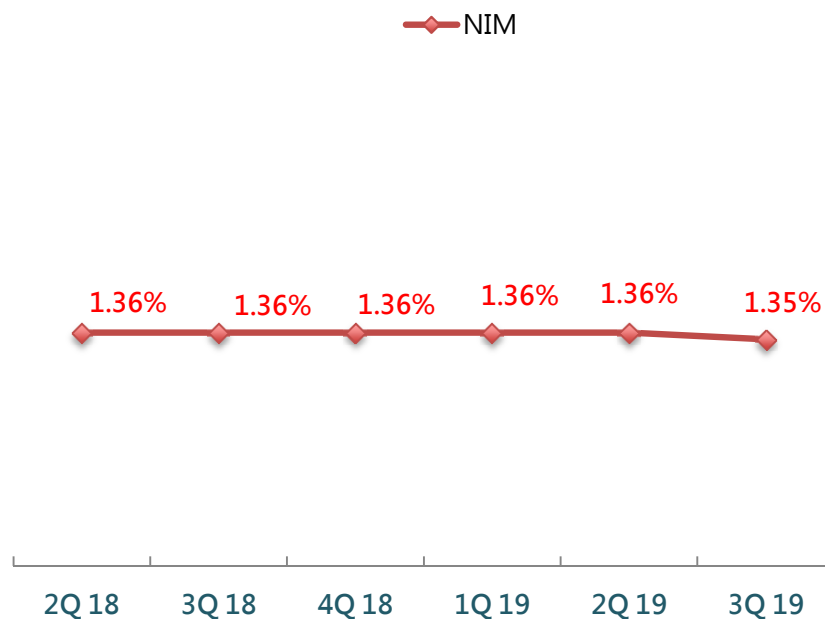
Unit: NT\$ Bn





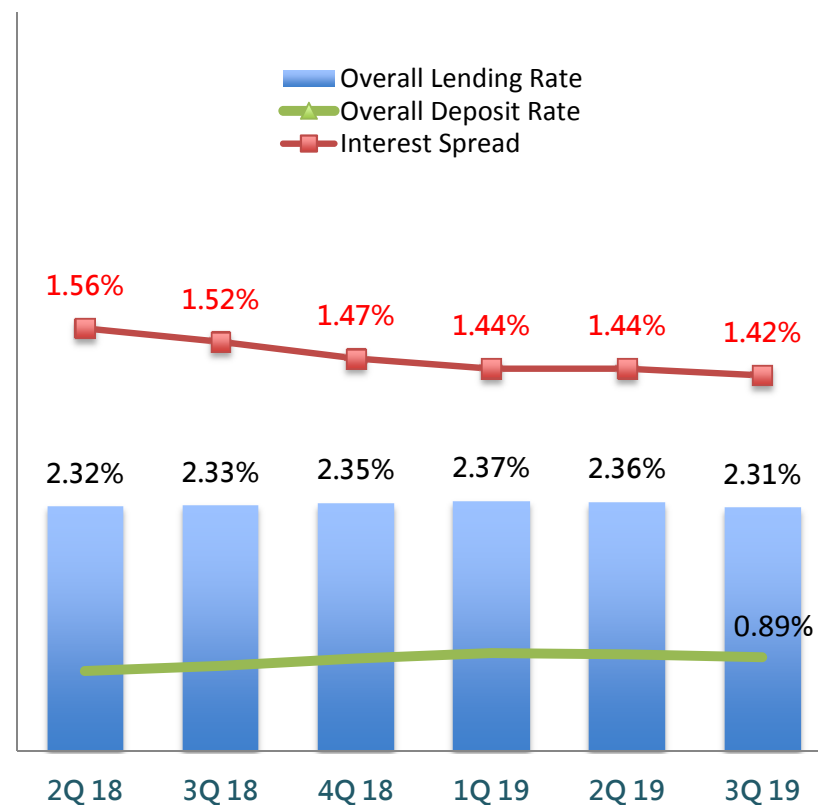
# NIM and Spread

## Quarterly Net Interest Margin



Note: Data of E.SUN Bank

## Quarterly Interest Spread



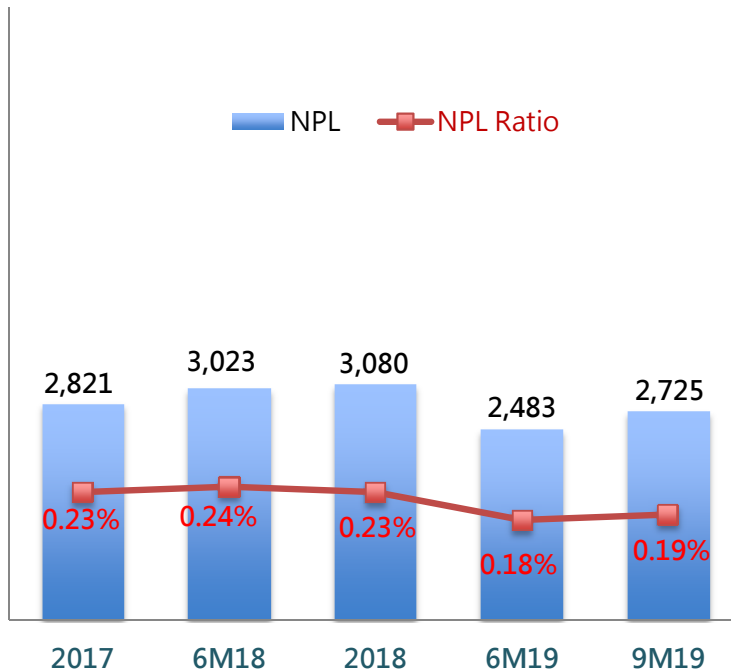




# Superior Asset Quality 1/3

## NPL Ratio(%)

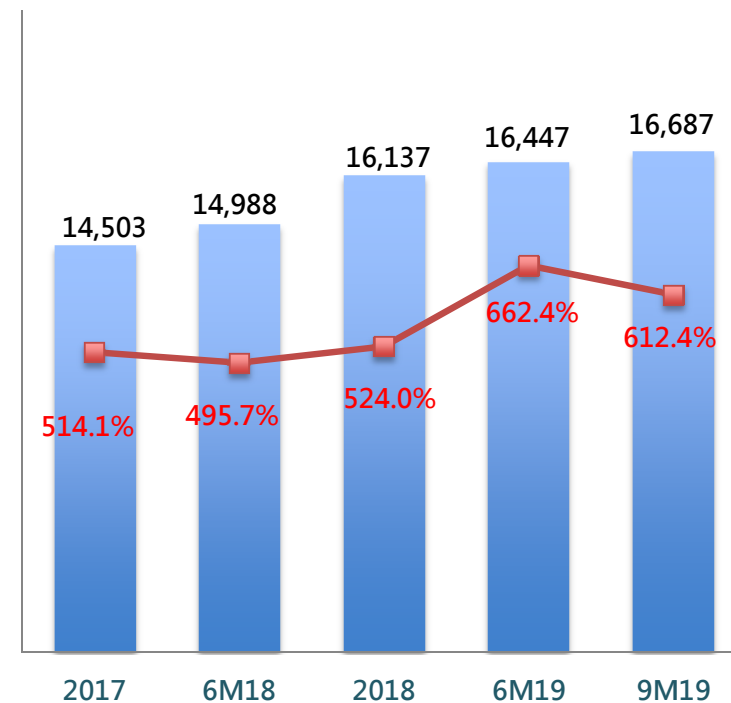
Unit: NT\$ million



## Coverage Ratio(%)

Unit: NT\$ million

■ Loan Loss Reserve ■ Coverage Ratio

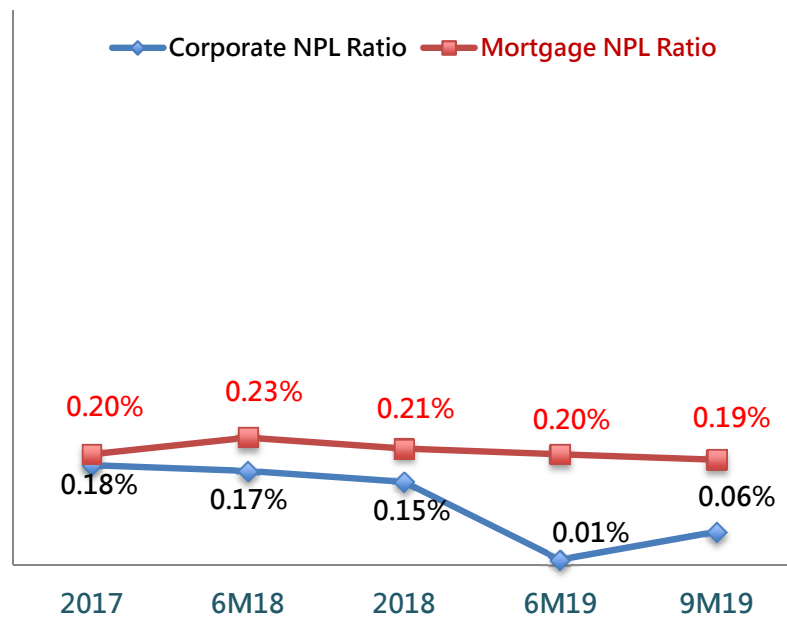


Note: Data of E.SUN Bank



# Superior Asset Quality 2/3

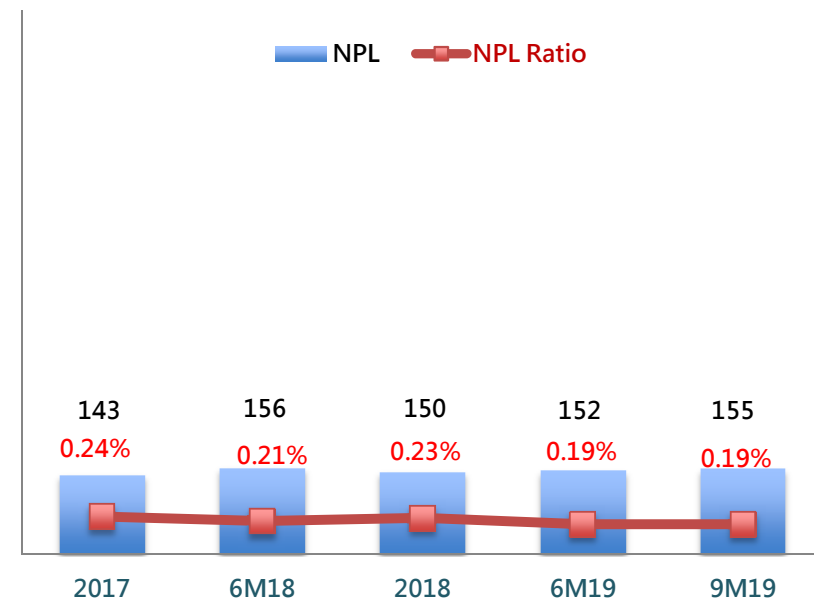
## NPL Ratio for Major Products



Note: Data of E.SUN Bank

## NPL Ratio for Credit Card

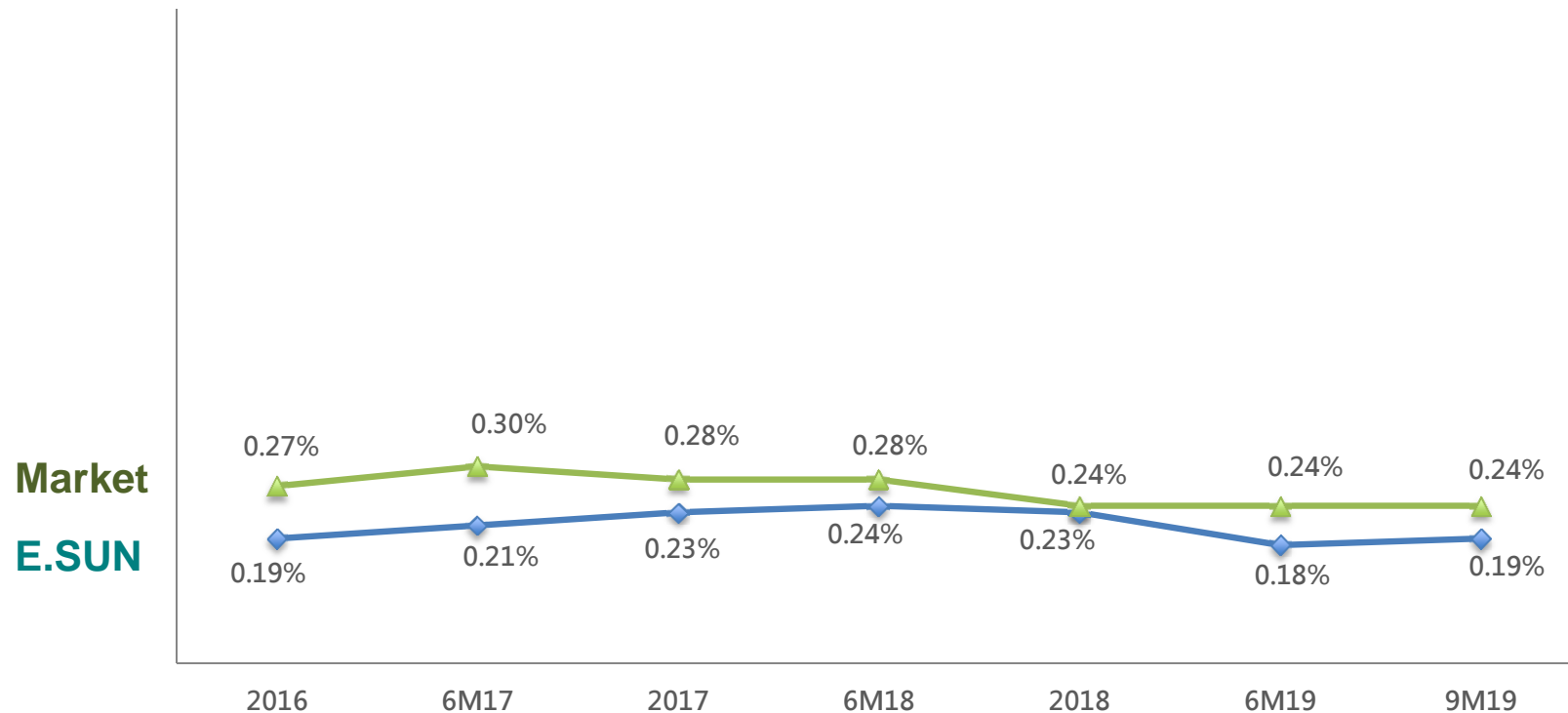
Unit: NT\$ million





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

## NPL Comparison with Market



Source : FSC



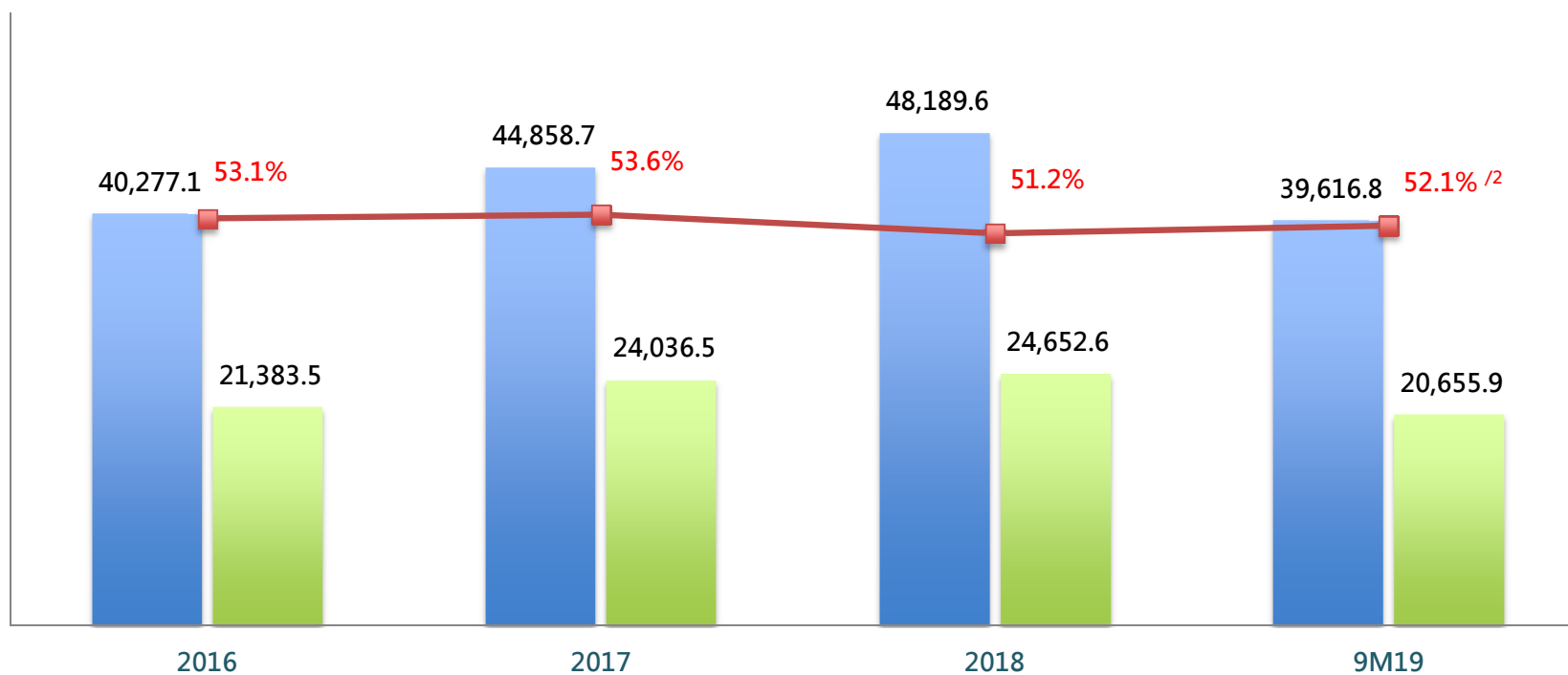
# Cost-Income Ratio

Unit: NT\$ million

Net Revenue

Operating Expense(exclu. provision)

Cost Income Ratio

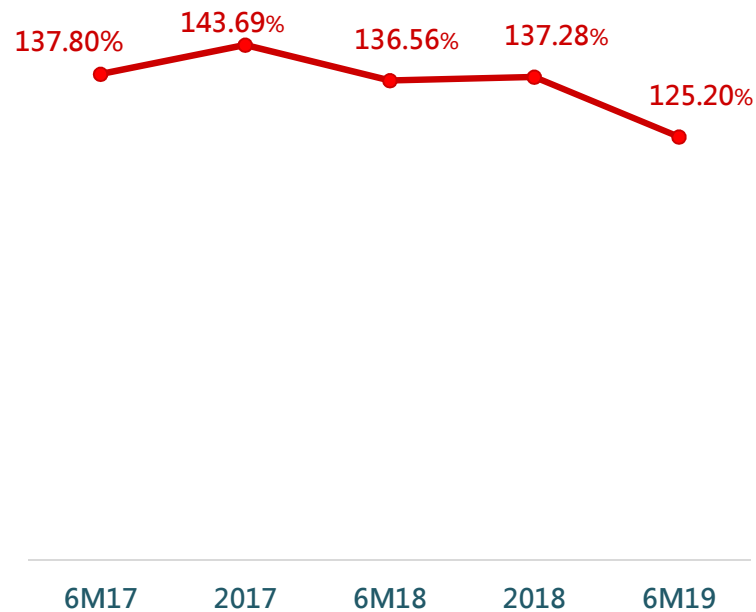


Note: 1. Data of E.SUN Bank  
2. Reviewed figures of Sep. 2019



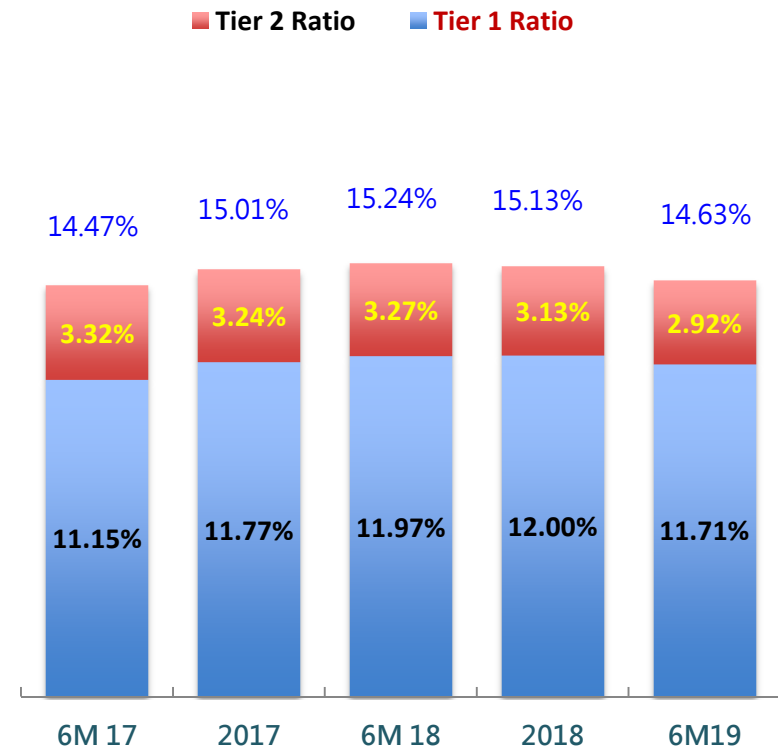
# Capital Adequacy Ratio

## FHC CAR Ratio



Note: 1. Audit figures of Jun. 2019  
2. BIS of E.SUN Bank standalone

## Bank BIS Ratio





# 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  
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## Appendix 1/6

### Balance Sheet of E.SUN FHC and its subsidiaries for 9M2019

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	118,692	330	67	1,495	118,743
Securities, net	713,178	1,347	3,238	77	717,834
Loans, net	1,414,961	0	0	0	1,414,961
A/R, net	109,964	9,203	5	100	119,149
Land, premises and equipments, net	32,737	343	0	14	33,353
Others	35,884	2,933	199	176,663	38,257
Total assets	2,425,416	14,156	3,509	178,349	2,442,297
Liabilities:					
Deposits	2,019,728	0	0	0	2,017,635
Other liabilities	238,610	8,965	42	9,345	255,538
Total liabilities	2,258,338	8,965	42	9,345	2,273,173
Total stockholders' equity	167,078	5,191	3,467	169,004	169,124
Total equity attributable to owners of the company	166,950	5,191	3,467	169,004	169,004
Non-Controlling interests	128	0	0	0	120
Total liabilities and stockholders' equity	2,425,416	14,156	3,509	178,349	2,442,297

Note: Reviewed figures of Sep. 2019





## Appendix 2/6

### P&L of E.SUN FHC and its subsidiaries for 9M2019

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	14,680	215	0	(73)	14,825
Net fee income	13,078	729	0	0	13,804
Net trading income/(loss) & Derivatives & FX	11,636	115	189	2	11,941
Others	223	62	0	16,121	219
Total Net Revenues	39,617	1,121	189	16,050	40,789
Allowance for bad-debt expenses	(1,301)	5	0	0	(1,296)
Operating expenses	(20,656)	(778)	(13)	(304)	(21,582)
Income before income tax	17,660	348	176	15,746	17,911
Income tax expenses	(2,095)	(51)	(7)	61	(2,092)
Net Income	15,565	297	169	15,807	15,819
Attributable to owners of the company	15,552	297	169	15,807	15,807
Non-controlling interests	13	0	0	0	12

Note: Reviewed figures of Sep. 2019



## Appendix 3/6

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

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	Sep 18	Dec 18	Mar 19	Jun 19	Sep 19
Assets :								
Cash and due from banks	99,545	131,175	132,444	119,861	132,444	135,466	130,863	118,743
Securities, net	502,761	577,285	660,622	600,413	660,622	719,526	690,573	717,834
Loans, net	1,118,149	1,211,071	1,333,277	1,296,534	1,333,277	1,352,561	1,384,938	1,414,961
A/R, net	83,936	94,083	93,451	95,447	93,451	92,944	111,795	119,149
Land, premises and equipments, net	26,440	28,209	32,605	29,265	32,605	32,750	32,809	33,353
Others	53,469	32,565	35,388	33,024	35,388	37,513	35,359	38,257
<b>Total assets</b>	<b>1,884,300</b>	<b>2,074,388</b>	<b>2,287,787</b>	<b>2,174,544</b>	<b>2,287,787</b>	<b>2,370,760</b>	<b>2,386,337</b>	<b>2,442,297</b>
Liabilities:								
Deposits	1,556,422	1,711,175	1,885,885	1,784,476	1,885,885	1,930,403	1,951,424	2,017,635
Other liabilities	198,697	214,265	241,772	233,272	241,772	273,490	270,472	255,538
<b>Total liabilities</b>	<b>1,755,119</b>	<b>1,925,440</b>	<b>2,127,657</b>	<b>2,017,748</b>	<b>2,127,657</b>	<b>2,203,893</b>	<b>2,221,896</b>	<b>2,273,173</b>
<b>Total stockholders' equity</b>	<b>129,181</b>	<b>148,948</b>	<b>160,130</b>	<b>156,796</b>	<b>160,130</b>	<b>166,867</b>	<b>164,441</b>	<b>169,124</b>
<b>Total equity attributable to owners of the company</b>	<b>128,524</b>	<b>148,842</b>	<b>160,014</b>	<b>156,683</b>	<b>160,014</b>	<b>166,748</b>	<b>164,327</b>	<b>169,004</b>
Non-Controlling interests	657	106	116	113	116	119	114	120
<b>Total liabilities and stockholders' equity</b>	<b>1,884,300</b>	<b>2,074,388</b>	<b>2,287,787</b>	<b>2,174,544</b>	<b>2,287,787</b>	<b>2,370,760</b>	<b>2,386,337</b>	<b>2,442,297</b>

Note: Reviewed figures of Sep. 2019



# Appendix 4/6

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

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	3Q18	4Q18	1Q19	2Q19	3Q19
Operating income								
Net interest income	18,585	20,250	20,311	5,100	5,056	4,826	4,928	5,071
Net Fee income	15,548	15,776	16,371	3,822	4,152	4,074	4,589	5,141
Net trading income/(loss) & Derivatives & FX	6,586	9,733	12,459	3,343	2,867	4,492	3,642	3,807
Others	345	348	288	126	12	85	79	55
Total Net Revenues	41,064	46,107	49,429	12,391	12,087	13,477	13,238	14,074
Allowance for bad-debt expenses	(3,463)	(4,055)	(3,253)	(848)	(985)	(511)	(489)	(296)
Operating expenses	(22,396)	(25,179)	(25,839)	(6,499)	(6,819)	(6,818)	(7,019)	(7,745)
Income before income tax	15,205	16,873	20,337	5,044	4,283	6,148	5,730	6,033
Income tax expenses	(2,222)	(2,219)	(3,254)	(935)	(561)	(935)	(664)	(493)
Net Income	12,983	14,654	17,083	4,109	3,722	5,213	5,066	5,540
Income Attributable to owners of the company	13,135	14,757	17,069	4,101	3,719	5,210	5,063	5,534
Non-Controlling interests	(152)	(103)	14	8	3	3	3	6

Note: Reviewed figures of Sep. 2019



# Appendix 5/6

## E.SUN Bank's Balance Sheet

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	Sep 18	Dec 18	Mar 19	Jun 19	Sep 19
Assets :								
Cash and due from banks	99,446	131,042	132,378	119,667	132,378	135,374	130,794	118,692
Securities, net	501,867	575,980	656,564	596,182	656,564	714,990	686,171	713,178
Loans, net	1,118,149	1,211,071	1,333,277	1,296,534	1,333,277	1,352,561	1,384,938	1,414,961
A/R, net	75,992	83,130	85,317	85,552	85,317	84,237	102,890	109,964
Land, premises and equipments, net	25,785	27,559	31,950	28,631	31,950	32,113	32,201	32,737
Others	48,892	27,555	32,851	30,657	32,851	34,899	32,938	35,884
Total assets	1,870,131	2,056,337	2,272,337	2,157,223	2,272,337	2,354,174	2,369,932	2,425,416
Liabilities:								
Deposits	1,558,856	1,712,072	1,886,850	1,785,505	1,886,850	1,935,197	1,963,810	2,019,728
Other liabilities	184,241	197,007	227,217	216,978	227,217	254,496	243,657	238,610
Total liabilities	1,743,097	1,909,079	2,114,067	2,002,483	2,114,067	2,189,693	2,207,467	2,258,338
Total stockholders' equity	127,034	147,258	158,270	154,740	158,270	164,481	162,465	167,078
Total equity attributable to owners of the company	126,371	147,145	158,147	154,620	158,147	164,354	162,343	166,950
Non-Controlling interests	663	113	123	120	123	127	122	128
Attribute to former business under control	0	0	0	0	0	0	0	0
Total liabilities and stockholders' equity	1,870,131	2,056,337	2,272,337	2,157,223	2,272,337	2,354,174	2,369,932	2,425,416

Note: Reviewed figures of Sep. 2019



# Appendix 6/6

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

NT\$ million	Yearly Results			Quarterly Results				
	2016	2017	2018	3Q18	4Q18	1Q19	2Q19	3Q19
Operating income								
Net interest income	18,419	20,015	20,031	5,023	5,002	4,785	4,884	5,011
Fee income	14,939	14,903	15,359	3,562	3,922	3,871	4,333	4,874
Net trading income/(loss) & Derivatives & FX	6,575	9,604	12,485	3,677	2,961	4,260	3,599	3,777
Others	344	337	314	138	17	86	81	56
Total Net Revenues	40,277	44,859	48,189	12,400	11,902	13,002	12,897	13,718
Allowance for bad-debt expenses	(3,462)	(3,869)	(3,209)	(840)	(982)	(511)	(490)	(300)
Operating expenses	(21,384)	(24,037)	(24,653)	(6,192)	(6,540)	(6,546)	(6,706)	(7,404)
Income before income tax	15,431	16,953	20,327	5,368	4,380	5,945	5,701	6,014
Income tax expenses	(2,171)	(2,167)	(3,204)	(893)	(605)	(910)	(542)	(643)
Net Income	13,260	14,786	17,123	4,475	3,775	5,035	5,159	5,371
Attributable to owners of the company	13,265	14,887	17,108	4,467	3,772	5,032	5,155	5,365
Attribute to former business under control	146	0	0	0	0	0	0	0
Non-controlling interests	(151)	(101)	15	8	3	3	4	6

Note: Reviewed figures of Sep. 2019