



# Financial Review of 2019 Q4

2020.4.8



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# Summary

- **Operations Review of 2019 Q4**
- **Financial Performance of 2019 Q4**
- **Prospects**





# Operations Review of 2019 Q4



# Operations Review of 2019 Q4



- Record High Pre-tax Income, Upgrade Short-Term IDR.



- "New Innovation Award"- from the Ministry of Economic Affairs.



- "Best Service Innovation Award for Electronic Business" -from FISC.



- "Gold Award - Credit Card Information" -from JCIC.



- "Taiwan Corporate Sustainability Awards Financial and Insurance Group - Silver Award"- from TCSA.



# Financial Performance of 2019 Q4

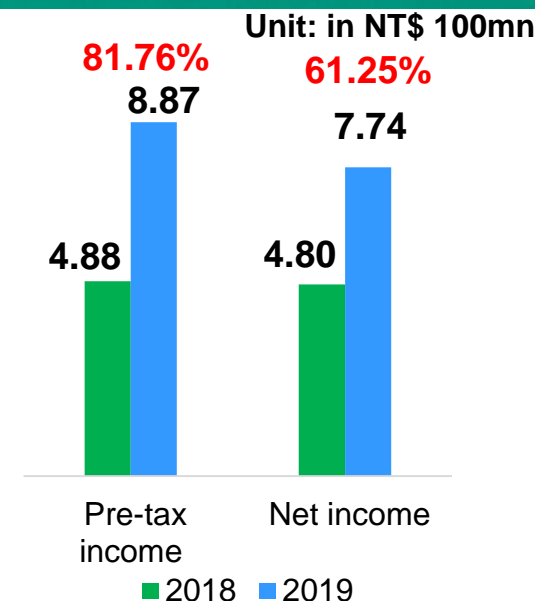
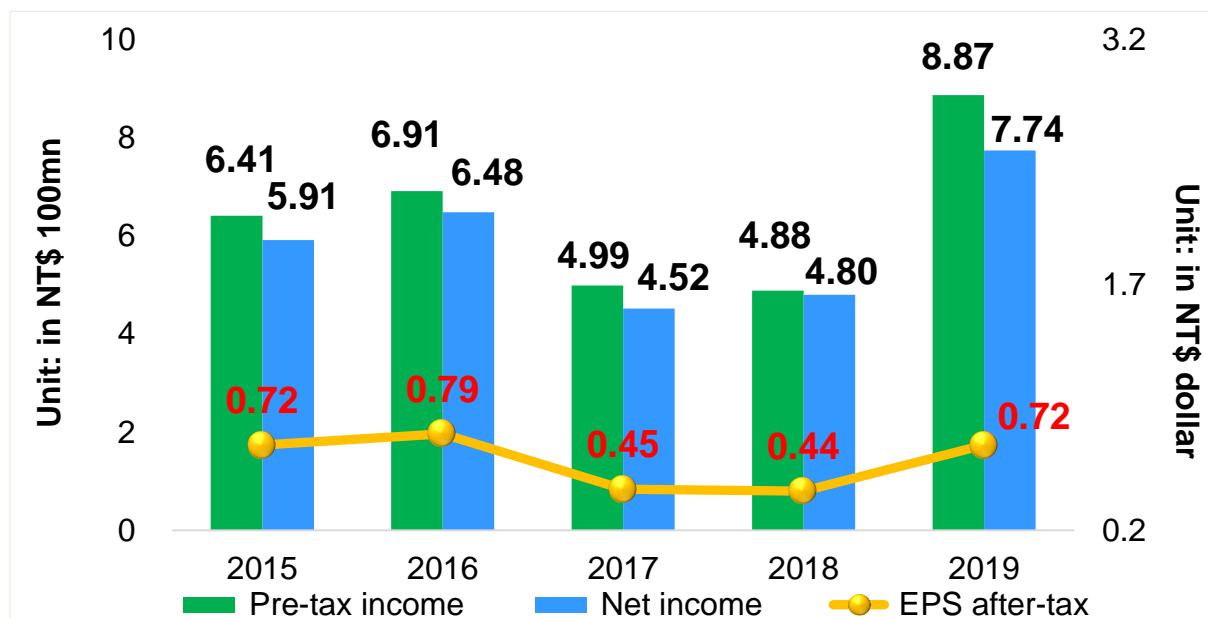


# Operating Result

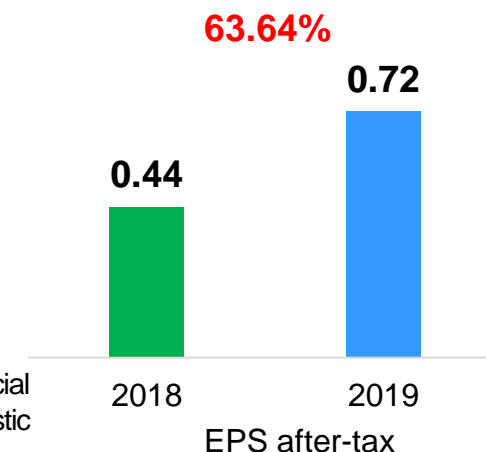
FY ITEMS	2019	2018	2017	2016	2015
Pre-tax income (NT\$ 100mn)	8.87	4.88	4.99	6.91	6.42
Net income (NT\$ 100mn)	7.74	4.80	4.52	6.48	5.91
EPS after-tax (NT\$ dollar)	0.72	0.44	0.45	0.79	0.72
ROA(%) (After-tax)	0.29	0.18	0.17	0.25	0.22
ROE(%) (After-tax)	5.18	3.35	3.39	5.32	5.09
FY ITEMS	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31
Assets (NT\$ 100mn)	2,707	2,680	2,634	2,563	2,631



# Profit Trend



ITEMS \ FY	2019	2018	2017	2016	2015
Pre-tax income (in NT 100mn)	8.87	4.88	4.99	6.91	6.41
Net income (in NT 100mn)	7.74	4.80	4.52	6.48	5.91
EPS after-tax (in NT\$ dollar)	0.72	0.44	0.45	0.79	0.72

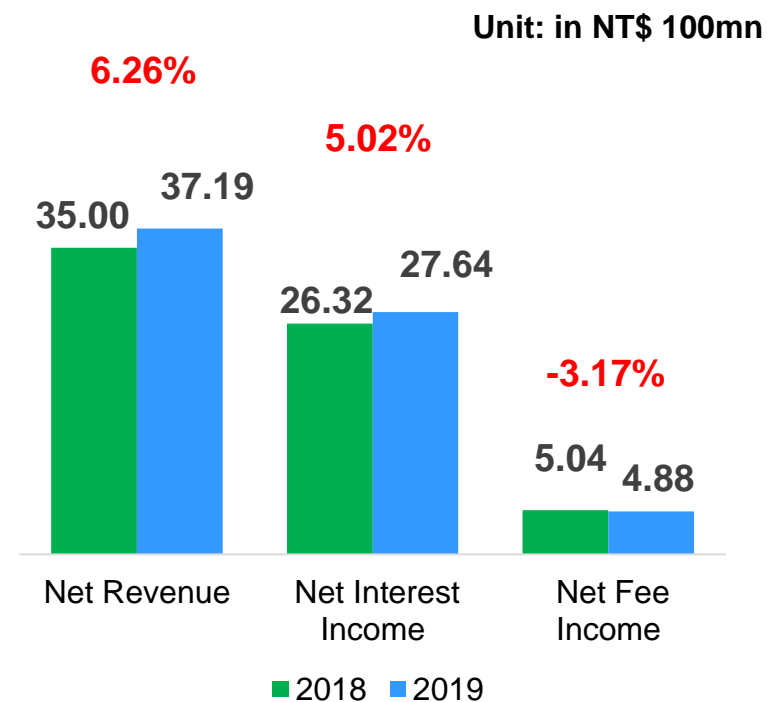
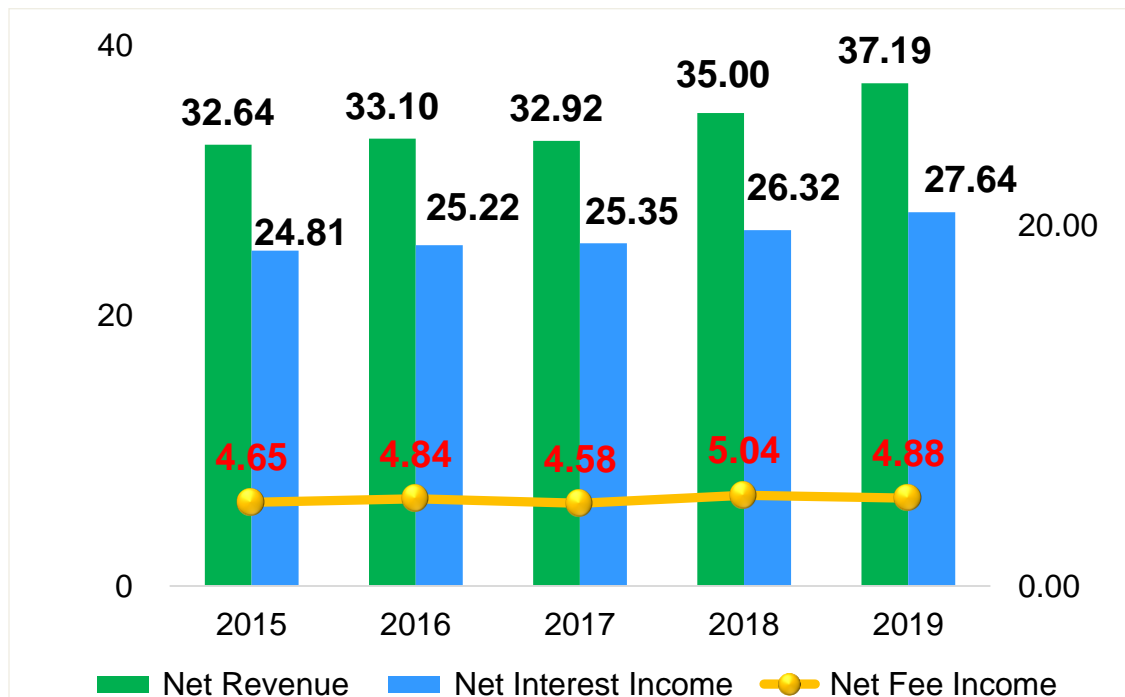


Note: Due to the influence of NPLs from Ching Fu Shipbuilding Co. and needs to further the robustness of our financial structure, the allowance for uncollectible accounts was increased in 2017 and 2018, hence leading to the drastic sliding of after-tax net income and EPS during the time.





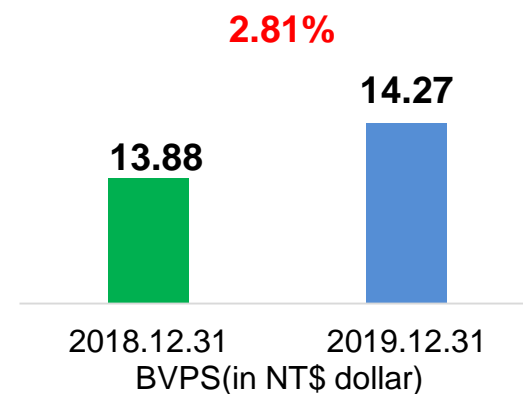
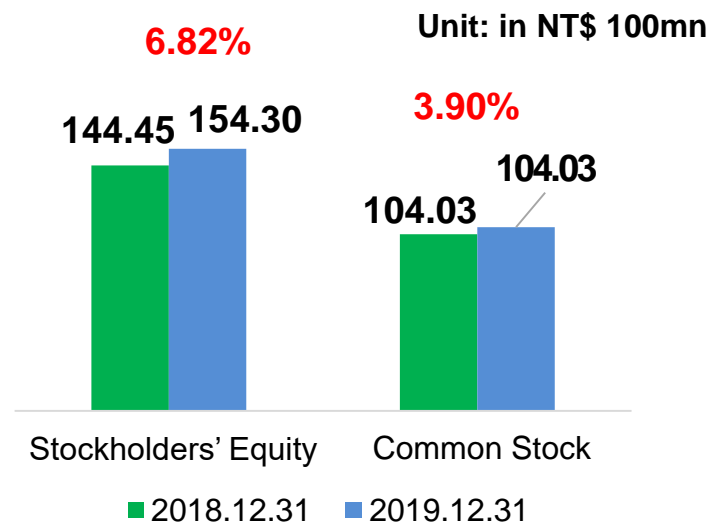
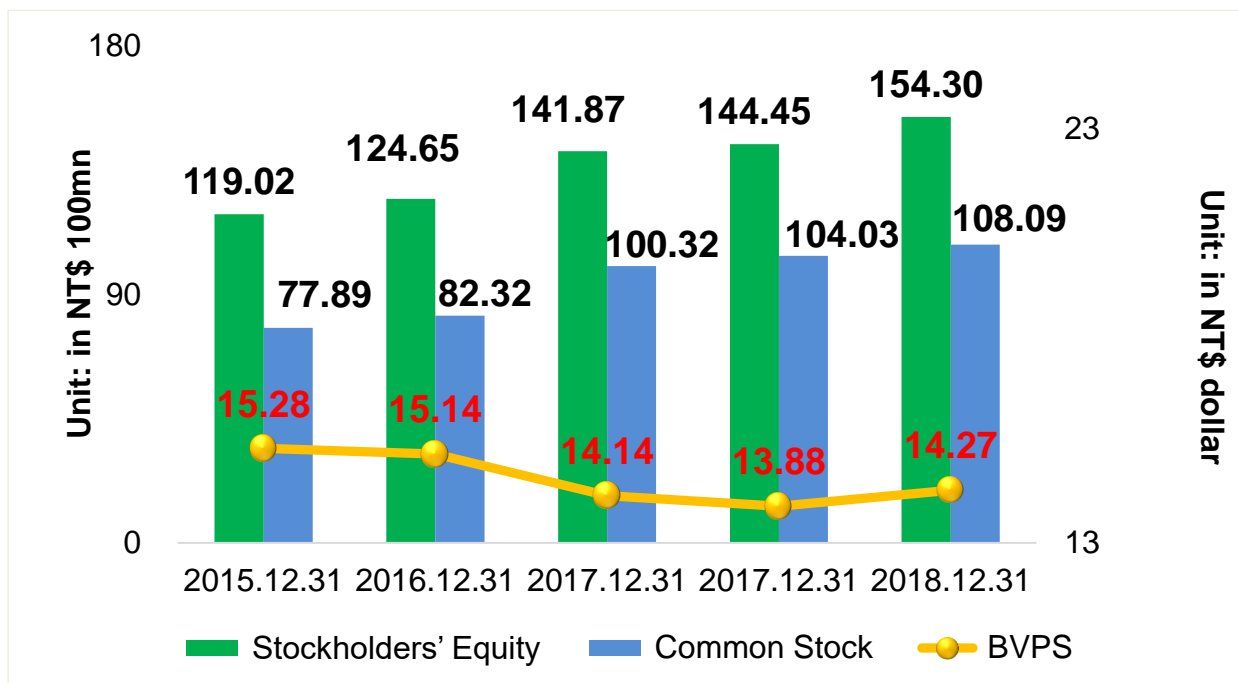
# Net Revenue Breakdown



ITEMS \ FY	2019	2018	2017	2016	2015
Net Revenue	37.19	35.00	32.92	33.10	32.64
Net Interest Income	27.64	26.32	25.35	25.22	24.81
Net Fee Income	4.88	5.04	4.58	4.84	4.65



# Stockholders' Equity



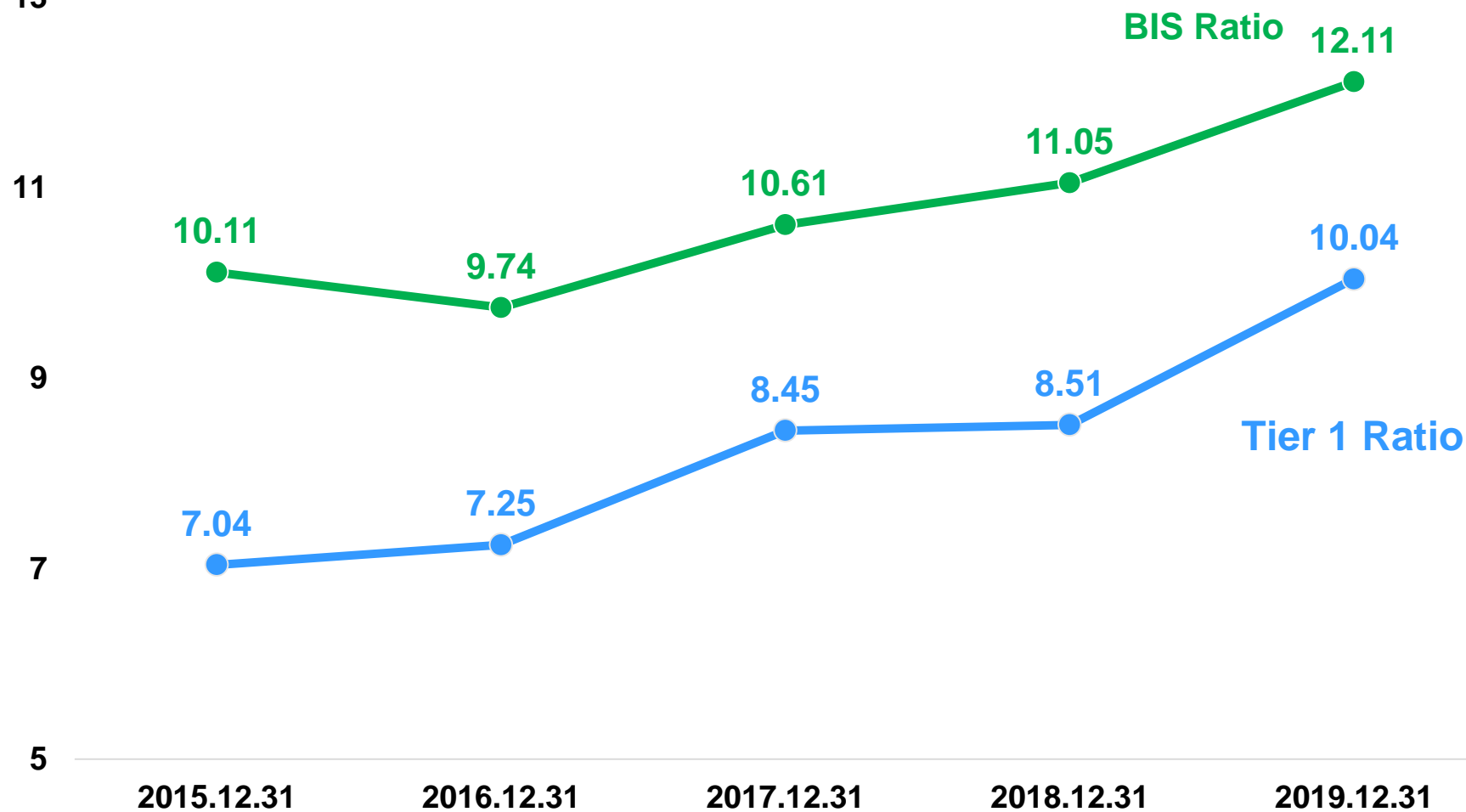
ITEMS \ FY	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31
Stockholders' Equity	154.30	144.45	141.87	124.65	119.02
Common Stock	108.09	104.03	100.32	82.32	77.89
BVPS (in NT\$ dollar)	14.27	13.88	14.14	15.14	15.28

Note: Capital increased by 1.8 billion in cash and shares increased by 180 million in March 2017, resulting in the reduction of book value per share on December 31, 2017 and 2018.



# Capital Adequacy Ratio

Unit:% 13

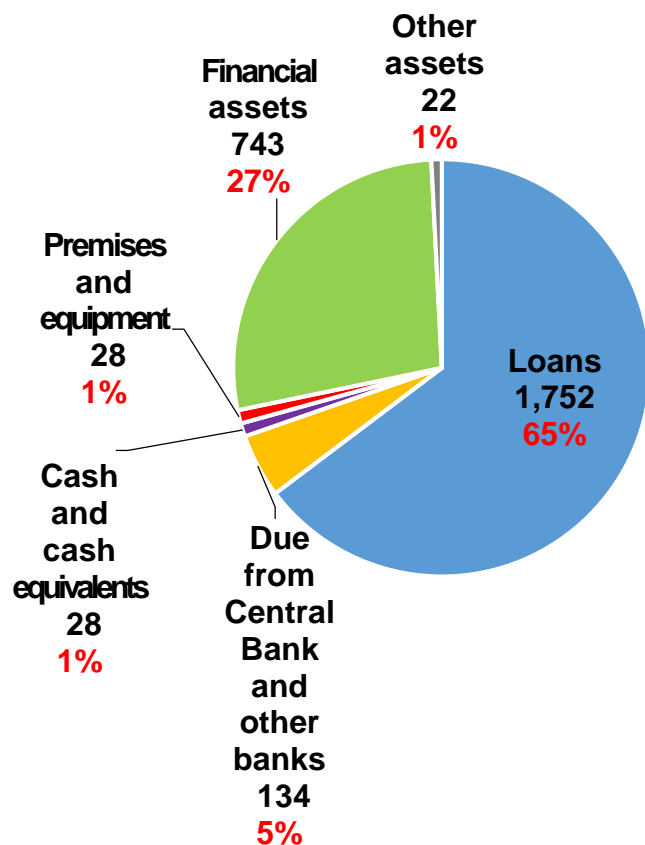




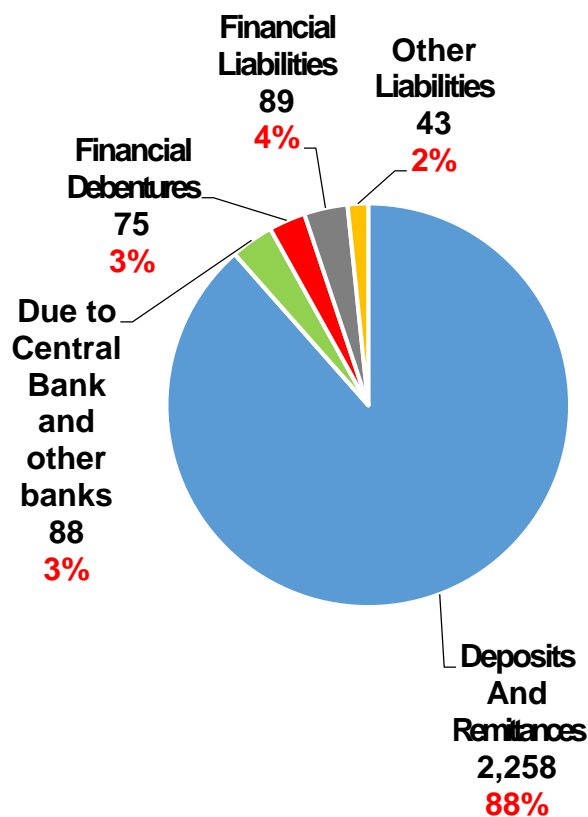
# Assets 、 Liabilities and Stockholders' Equity

Unit: in NT\$ 100mn

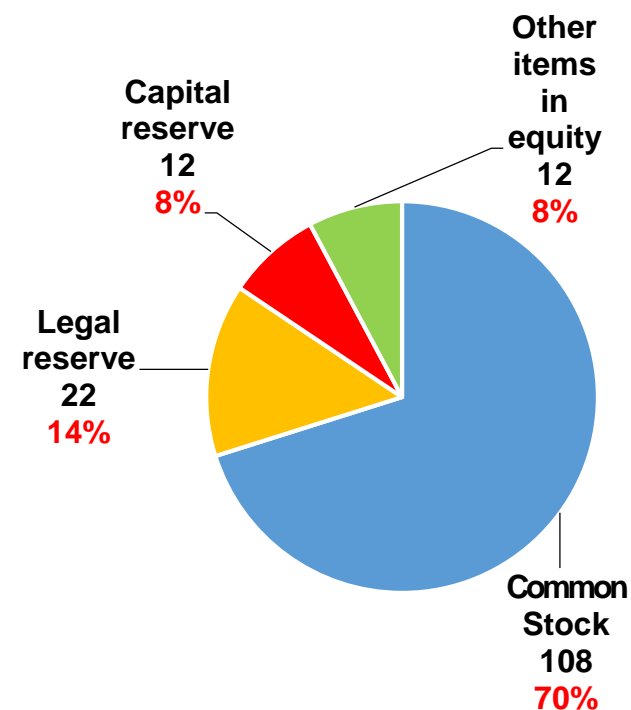
## Assets



## Liabilities



## Stockholders' Equity

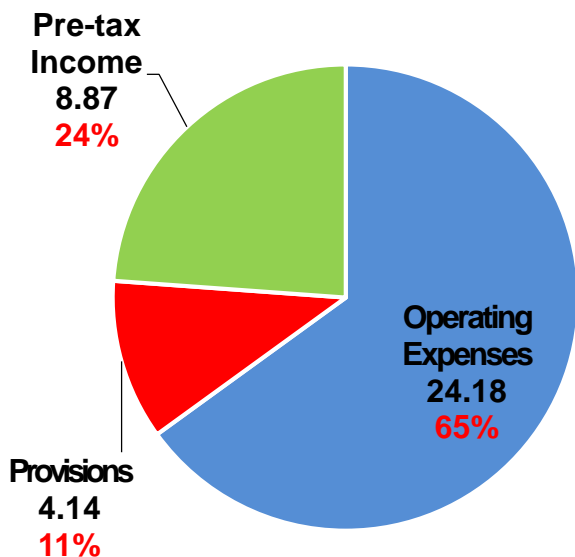




# Net Revenue Breakdown

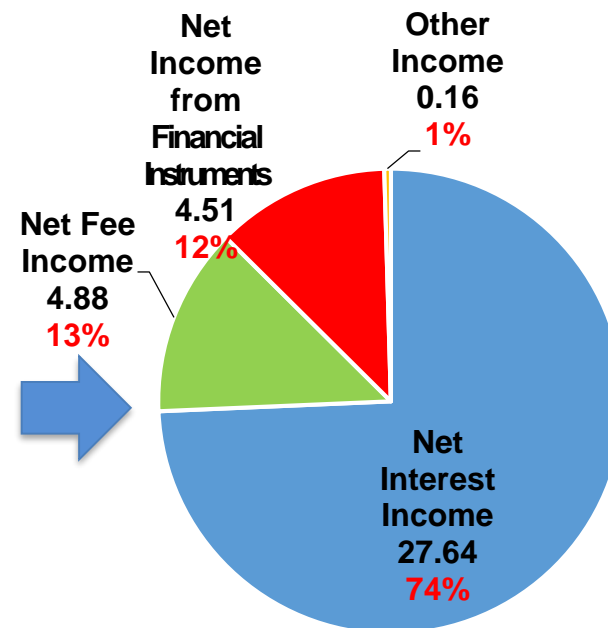
Unit: in NT\$ 100mn

## Net Income



**Net Revenue**  
**37.19**  
**100%**

## Net Revenue

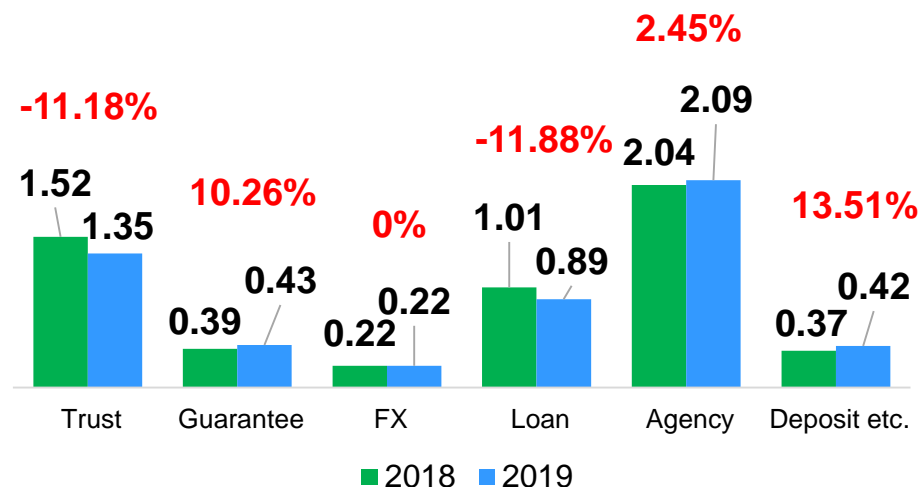
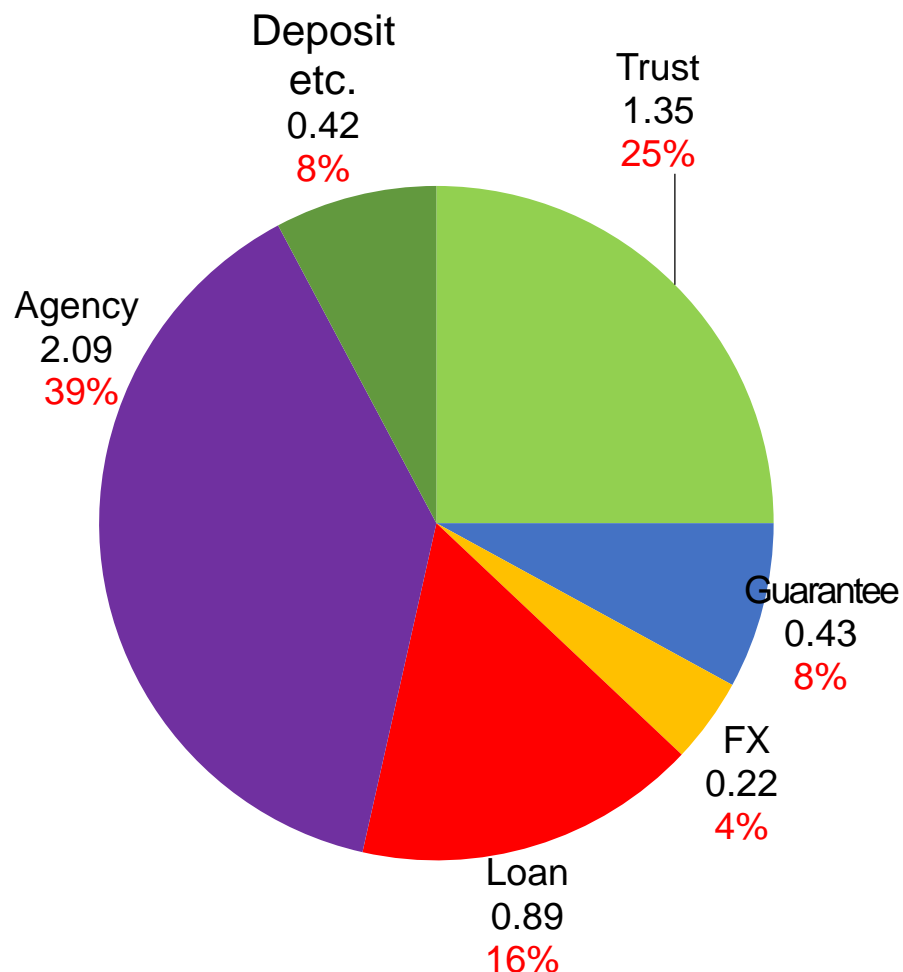




# Fee Income Breakdown

## 2019 Fee income

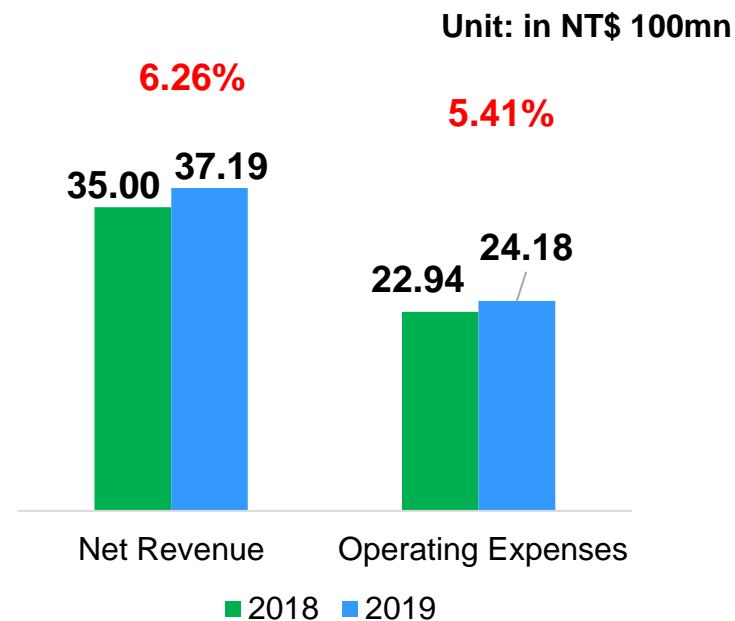
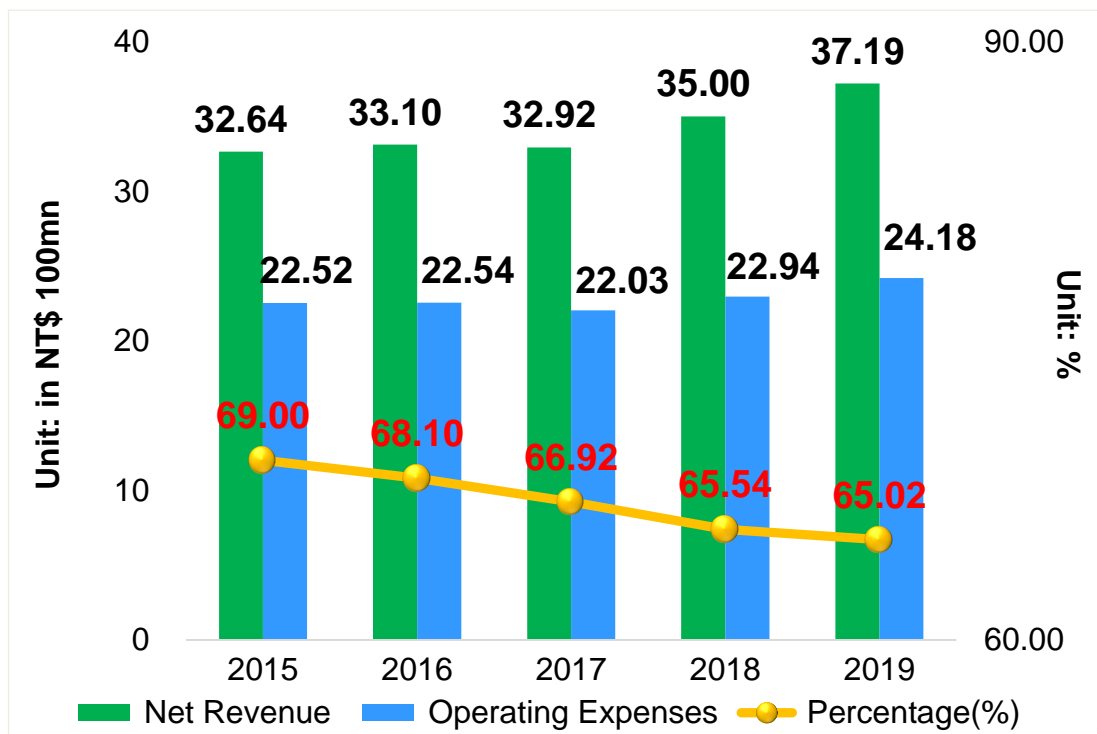
Unit: in NT\$ 100mn



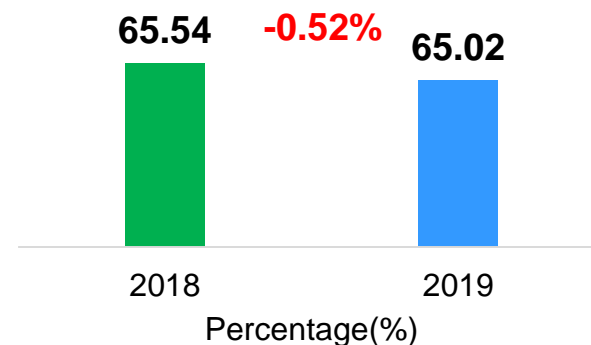
ITEMS	FY		
		2019	2018
Trust		1.35	1.52
Guarantee		0.43	0.39
FX		0.22	0.22
Loan		0.89	1.01
Agency		2.09	2.04
Deposit etc.		0.42	0.37
Total		5.40	5.55



# Operating Expenses

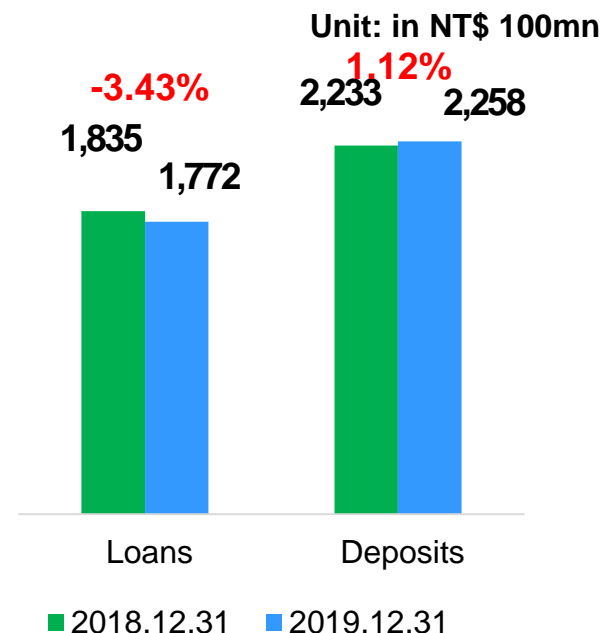
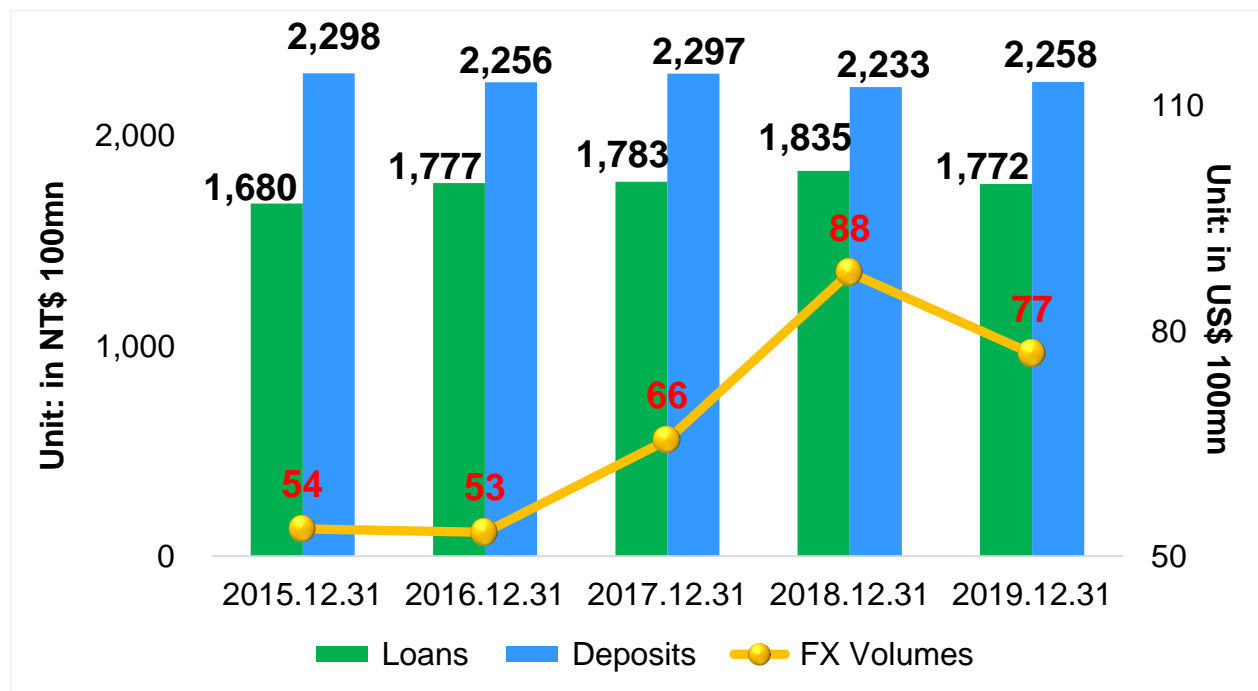


ITEMS \ FY					
	2019	2018	2017	2016	2015
Net Revenue	37.19	35.00	32.92	33.10	32.64
Operating Expenses	24.18	22.94	22.03	22.54	22.52
Percentage(%)	65.02	65.54	66.92	68.10	69.00

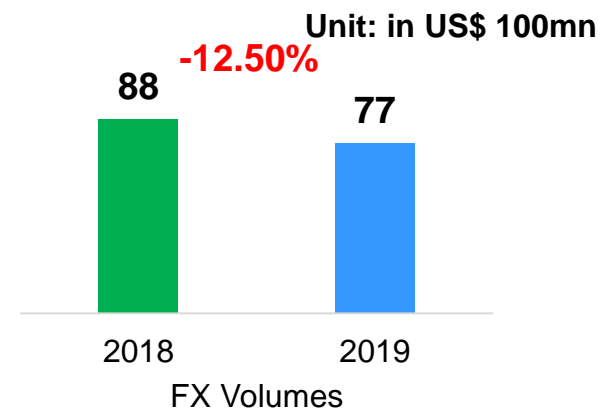




# Loan 、 Deposit and FX Volumes



ITEMS \ FY	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31
Loans	1,772	1,835	1,783	1,777	1,680
Deposits	2,258	2,233	2,297	2,256	2,298
FX Volumes	77	88	66	53	54

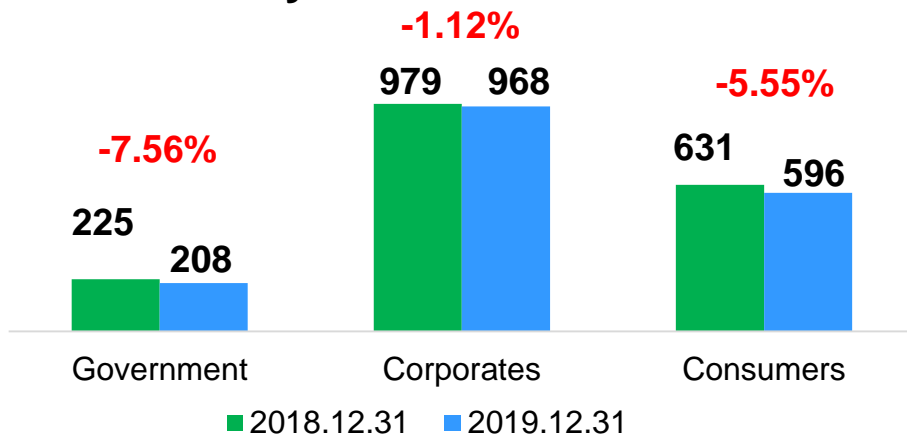






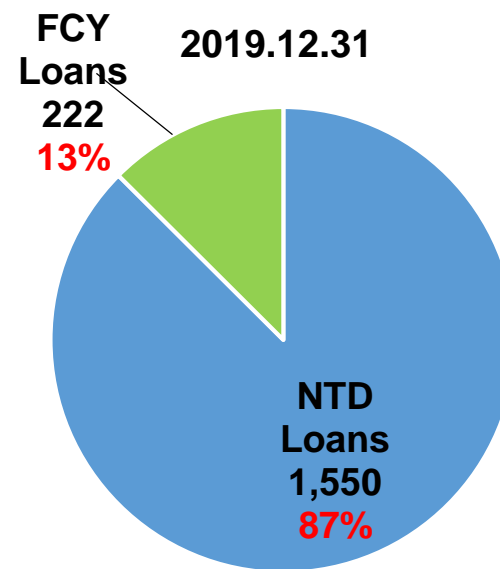
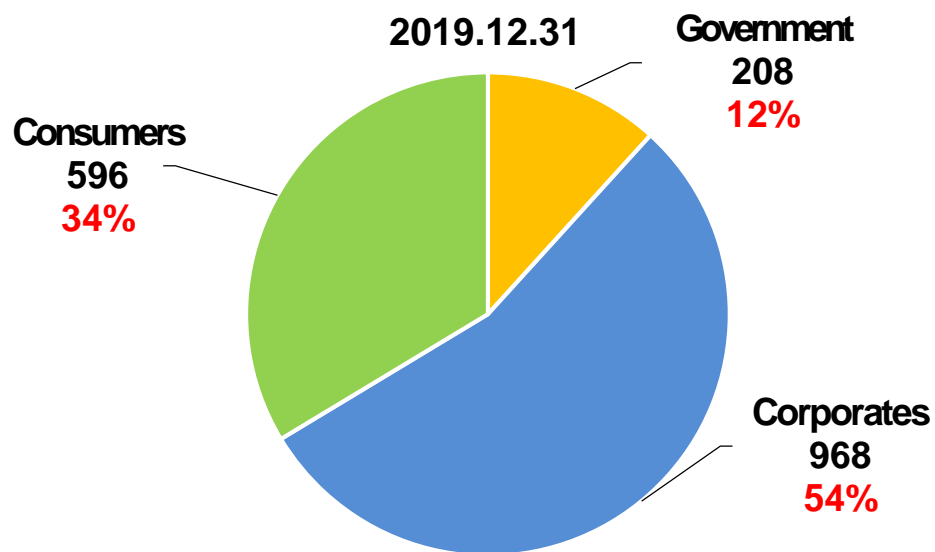
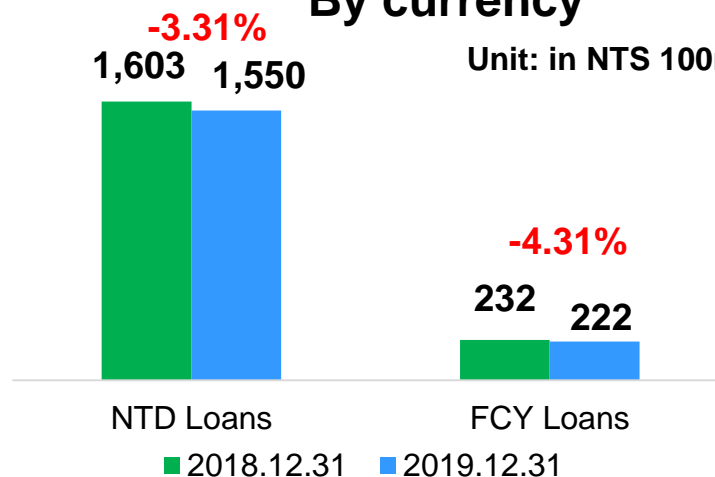
# Loan Breakdown

## By customer



## By currency

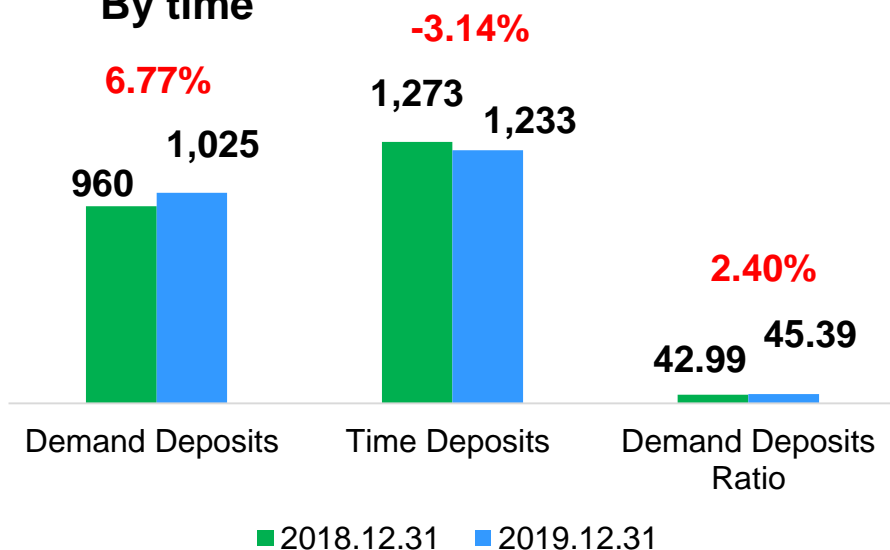
Unit: in NTS 100mn



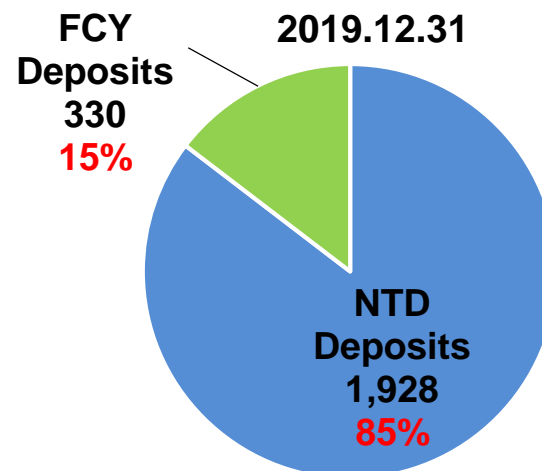
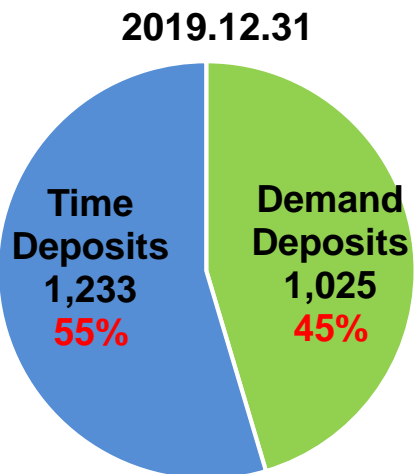
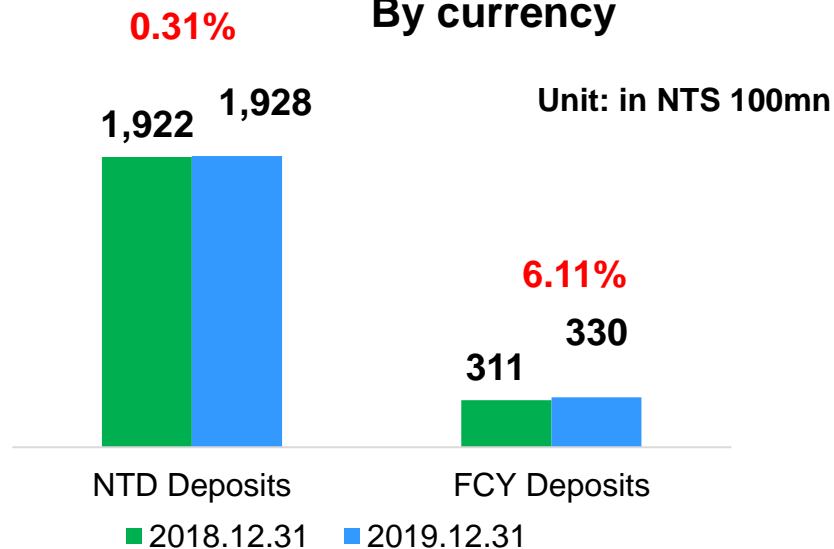


# Deposit Breakdown

By time

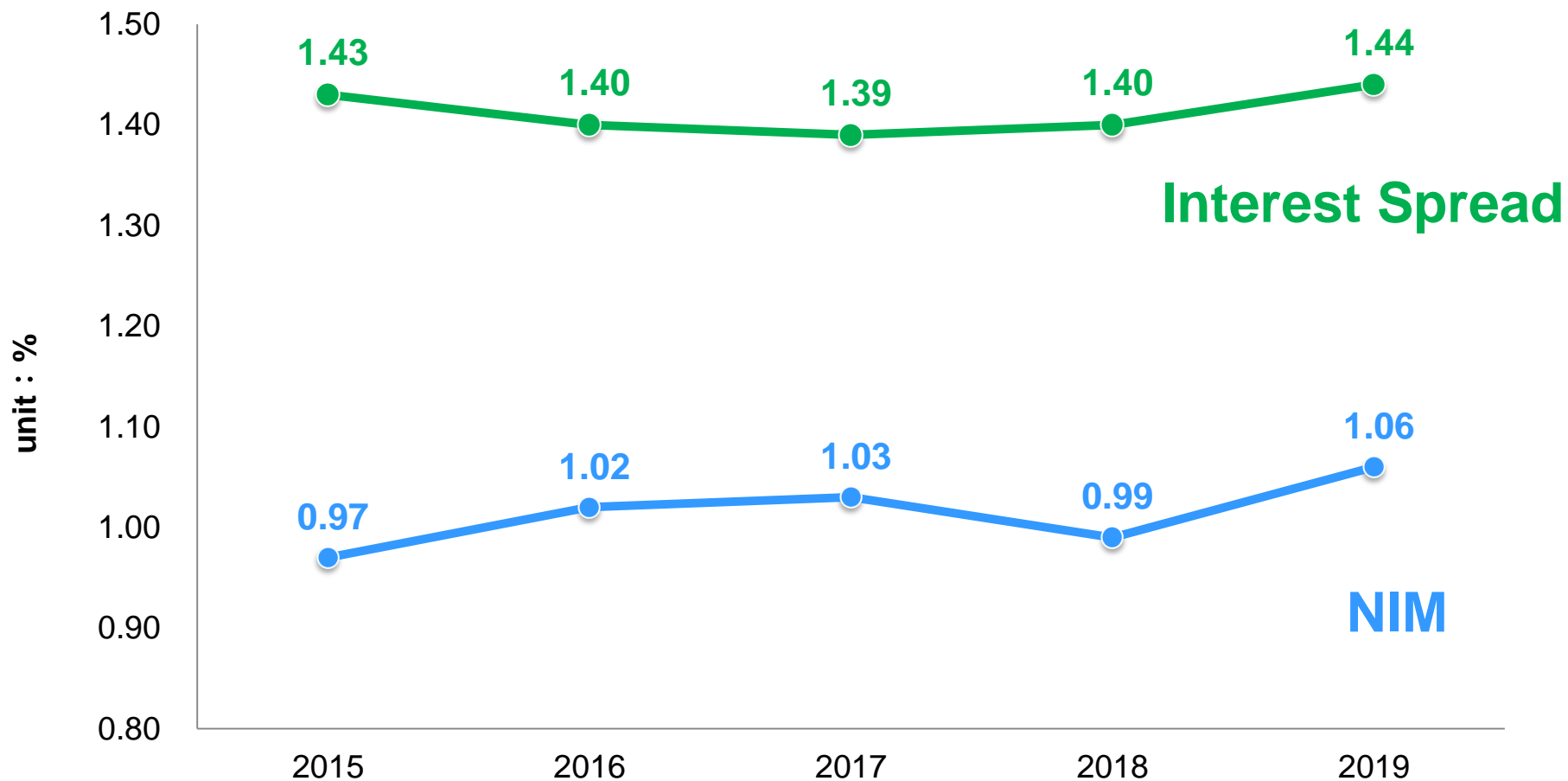


By currency



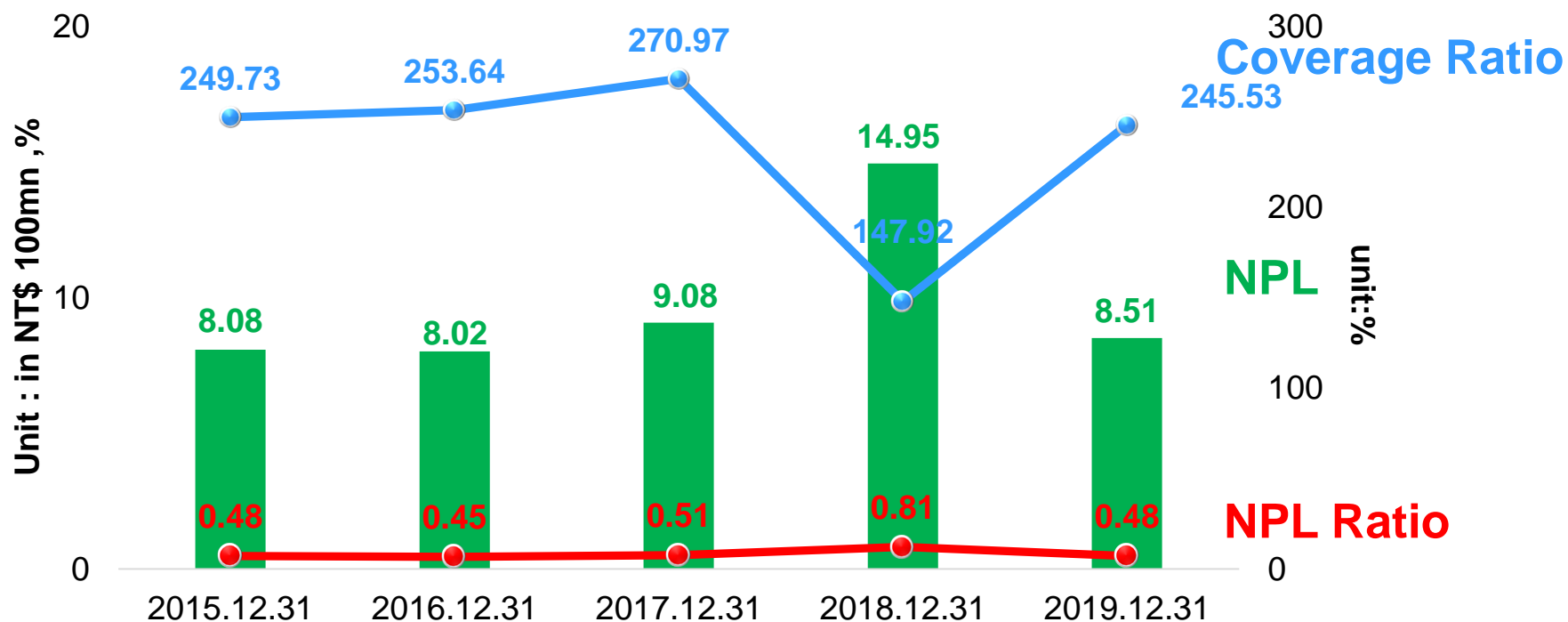


# Interest Spread and NIM





# Assets Quality



ITEMS \ FY					
	2019.12.31	2018.12.31	2017.12.31	2016.12.31	2015.12.31
NPL(in NT\$ 100mn)	8.51	14.95	9.08	8.02	8.08
NPL Ratio(%)	0.48	0.81	0.51	0.45	0.48
Coverage Ratio(%)	245.53	147.92	270.97	253.64	249.73

Note: The increment of NPL ratio and decrement of coverage ratio are again due to the impact of the NPLs from Ching Fu Shipbuilding Co., Ltd. in 2018.



# Credit Ratings

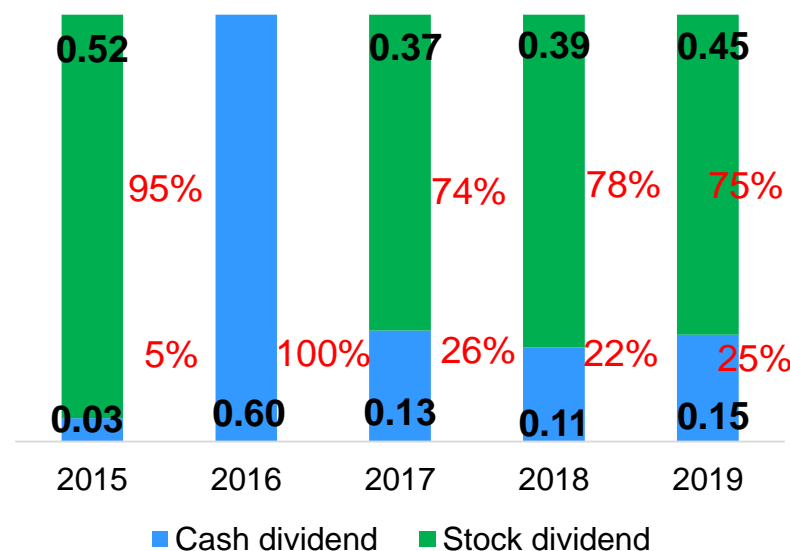
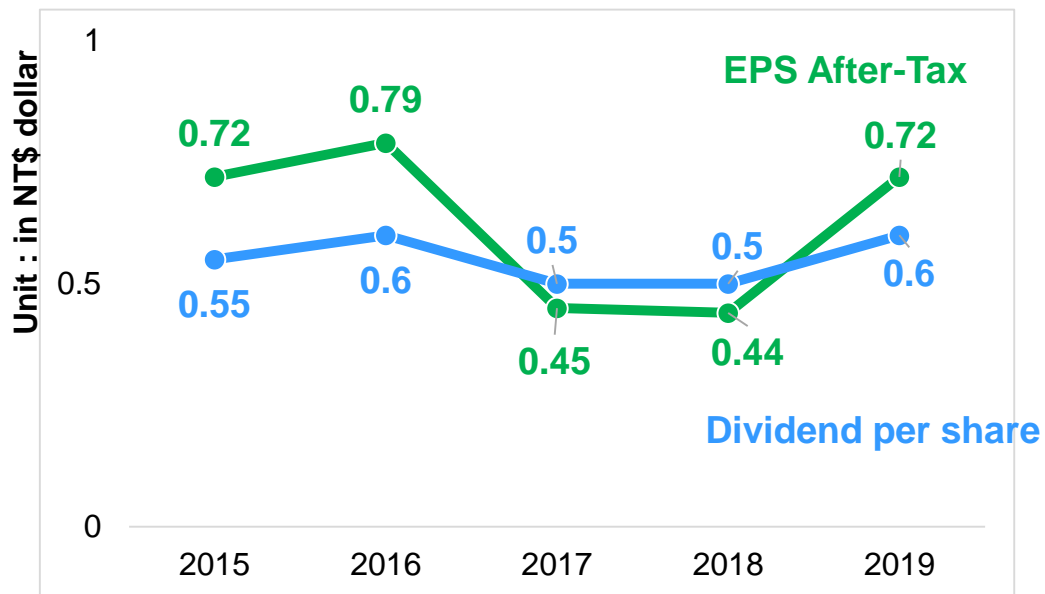
Fitch	National Long-Term	National Short-Term	Outlook
2018	AA-(twn)	F1+(twn)	Stable
2019.03	AA-(twn)	F1+(twn)	Stable
2019.10	AA-(twn)	F1+(twn)	Stable

Fitch	Long-Term IDR	Short-Term IDR	Outlook
2018	BBB+	F2	Stable
2019.03	BBB+	F2	Stable
2019.10	BBB+	F1	Stable





# After-tax EPS and Dividend Policy



ITEMS \ FY	2019	2018	2017	2016	2015
EPS After-Tax	0.72	0.44	0.45	0.79	0.72
Dividend per share	0.60	0.50	0.50	0.60	0.55
Cash dividend	0.15	0.11	0.13	0.60	0.03
Stock dividend	0.45	0.39	0.37	0.00	0.52



# Prospects



# Prospects



- Ensuring uninterrupted operations.



- Cooperate with government policies and deal with corporate bailouts.



- Strengthen risk-bearing capacity and make full provision for NPL.



- Support local industry and promote "Three Arrows in Finance".



- Take concerted efforts to prevent epidemics.





親切・真誠・好夥伴

# Thanks for Listening