玉山金控 E.SUN FHC

E.SUN FHC
Financial Review of 4Q12

Mar. 2013

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Agenda

- 2012 Financial Performance
- 2012 Business Operation Overview
- Appendix

E.SUN FHC Summary

Unit : NT$ million

		2012	2011
Total Assets	FHC	1,244,097	1,155,491
	Bank	1,235,889	1,147,345
	Securities	6,007	6,002
	Insurance Brokers	833	789
	Venture Capital	1,586	1,692
Key Financials	Book value per share (NT$)	15.00	14.34
	Double Leverage Ratio	107.93%	108.02%
	FHC CAR	144.51%	133.49%
Shareholder Structure	QFII	40.50%	35.99%
Distribution Channels	Bank – domestic	132	127
	Oversea channels	Branch in HK, LA, Singapore, Donguan (China) Representation office in Vietnam	
	Securities - branches	21	20
	Securities- CS counters	86	75

Note1: as of 31th of Dec. 2012

4Q12 Financial Review

• Steady Performance while Profit Reached Historical High

- E.SUN FHC reported a net profit of NT$7.06 billion for 2012, equivalent to EPS of NT$1.46, showing a significant growth rate of 102.6%. As a result, its ROE and ROA for 2012 reached 10.03% and 0.59% respectively, a strong momentum in profit growth.
- The main resources to the strong profit performance is the fee income growth, up to an annual growth rate of 19.1%. The fee incomes from Wealth Management and Credit Card business enjoyed a growth rate of 38.3% and 21.8% respectively.

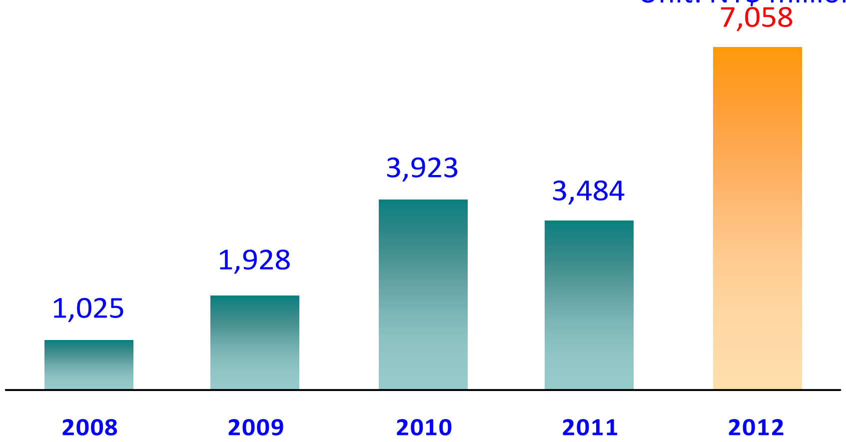
• Healthy Growth in both Quantity and Quality

- The total growth in loan outstanding increased by 12.3%, nearly triple the market average of 4.2%. In addition, SME outstanding also had a impressive growth rate of 18.6%.
- Business lines all have maintained the outstanding quality in their assets. By Dec. 2012, the overall NPL ratio was only 0.17%, while it enjoyed a high coverage rate of 658.1%, complying all the government regulations.
- Due to the GDR issuance in 2011Q4, E.SUN Bank, the main subsidiary of FHC, has increased the level of Tier-1 capital ratio to 9.05% and currently maintains a BIS ratio of 13.21%.

Financial Performance

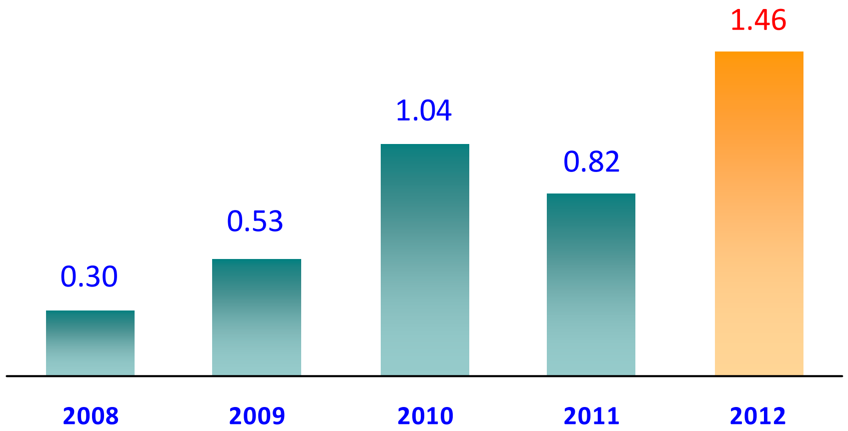
Net Profit

Unit: NT$ million

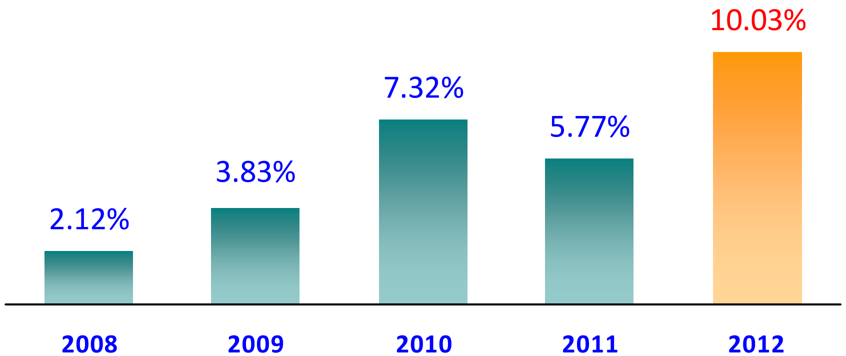


EPS

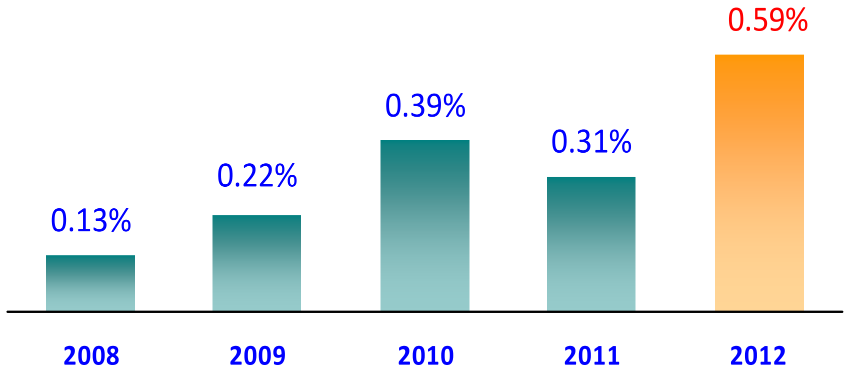
Unit: NT$ dollars



ROE



ROA

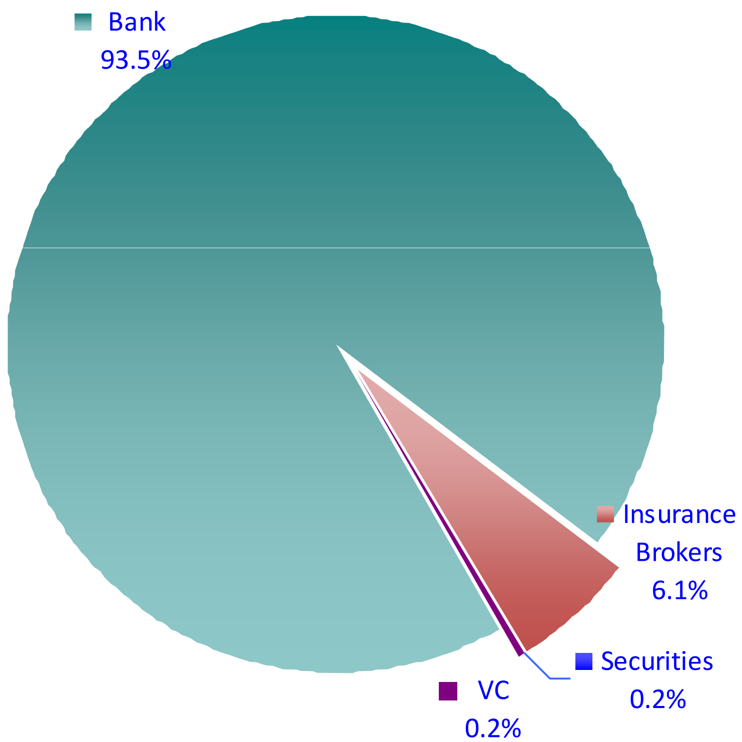


Note1: ROE and ROA are annualized

Note2: Preliminary figures of Dec. 2012

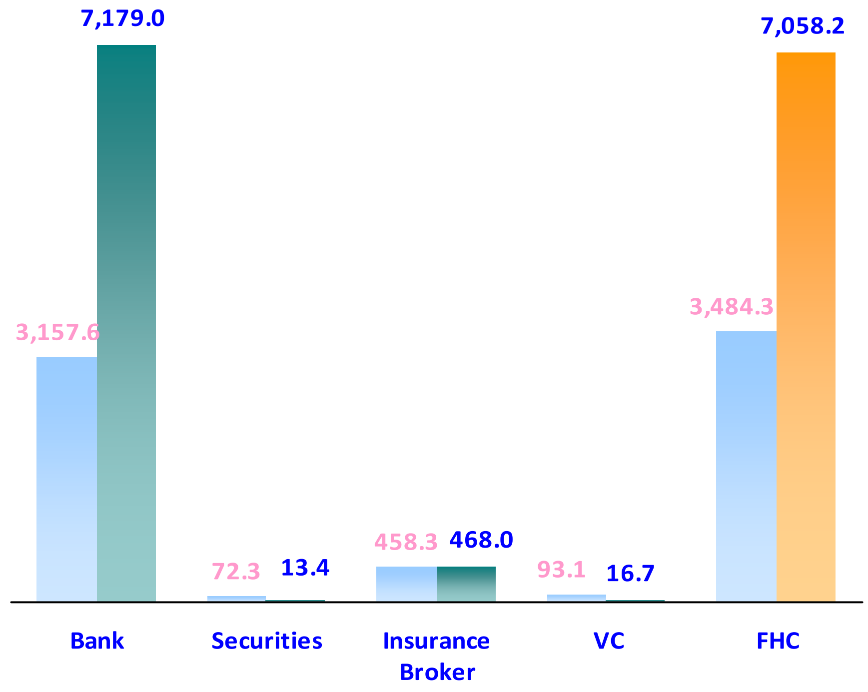
Net Income of FHC & its Subsidiaries

Contribution by Subsidiaries



Net Income of FHC and its Subsidiaries

Unit: NT$ million



	Bank	Securities	Insurance Broker	VC	FHC
EPS(NT$)	1.64	0.04	41.85	0.09	1.46

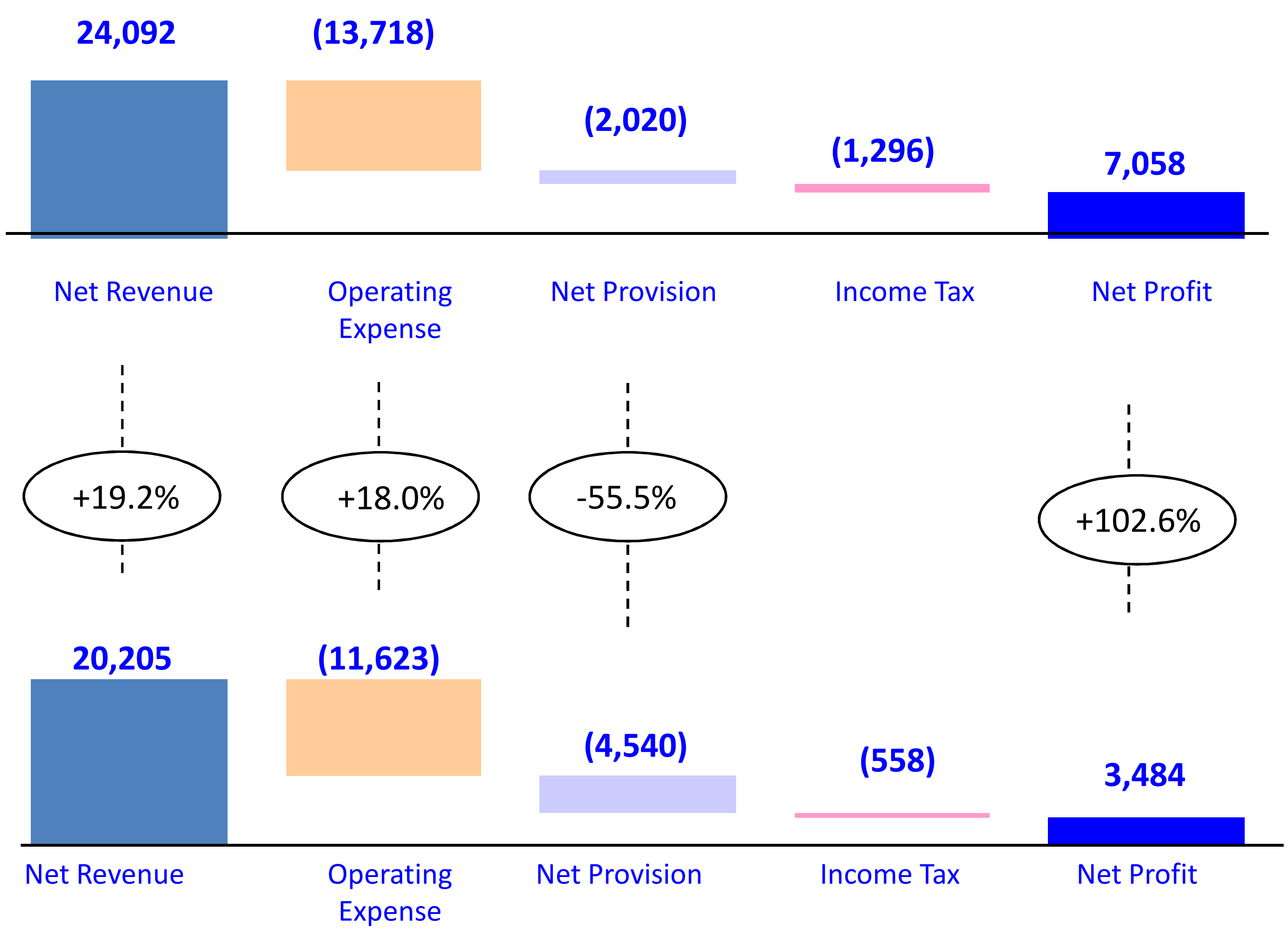
Note: Preliminary figures of Dec. 2012

Net Profit Breakdown

2012 P&L

2011 P&L

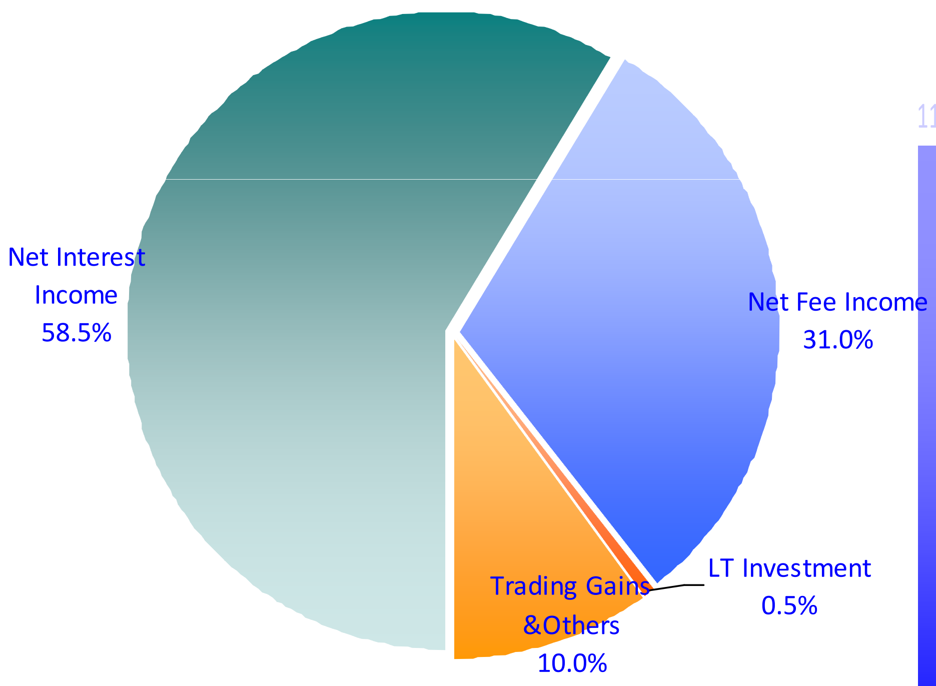
Unit: NT$ million



Note: Preliminary figures of Dec. 2012

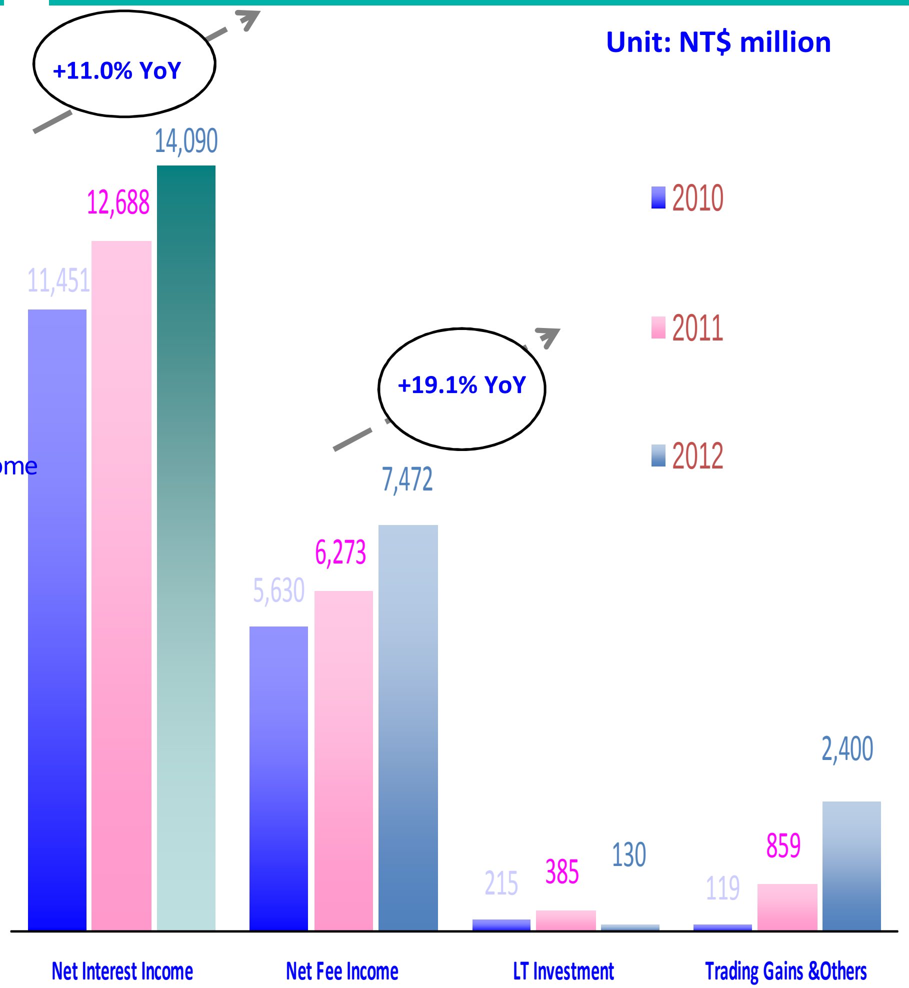
FHC Revenue Breakdown

Total Net Revenue
NT$ 24,092 million



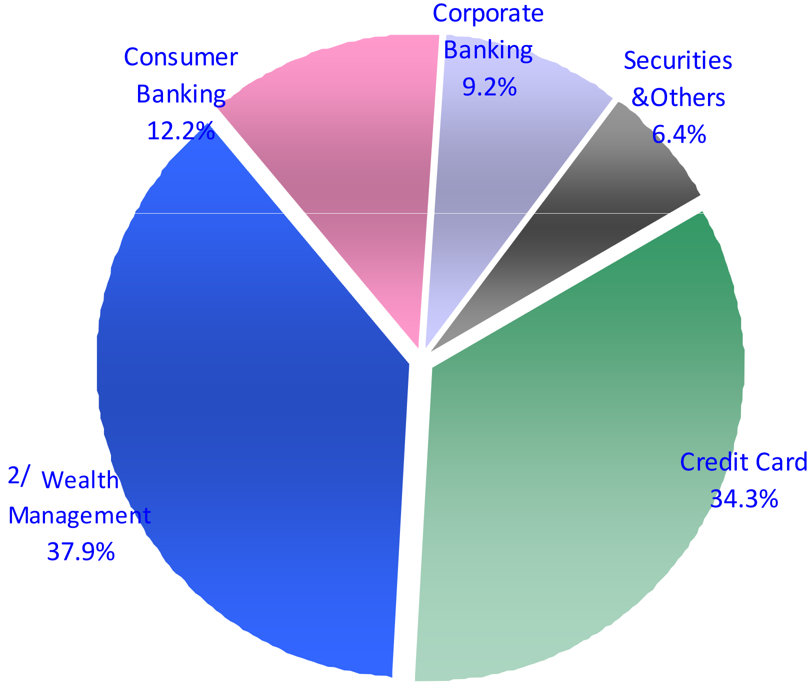
Note: Preliminary figures of Dec. 2012

YoY Revenue Comparison

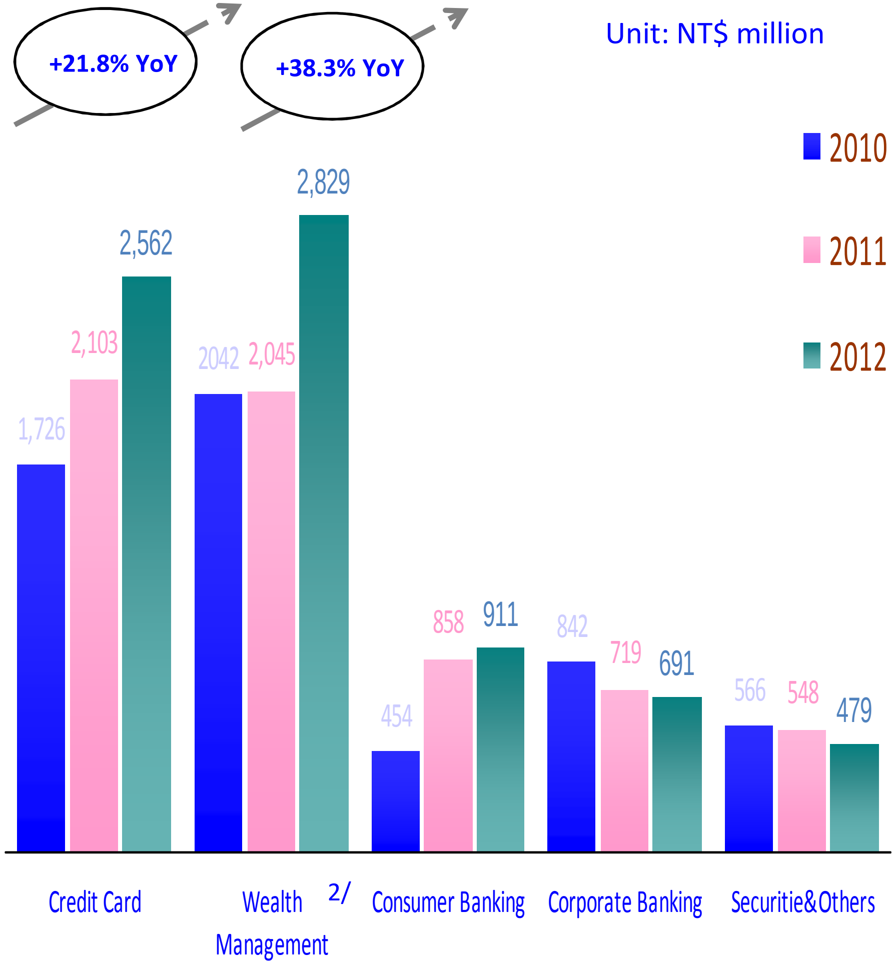


Net Fee Income breakdown

Total Net Fee Income
NT$ 7,472 million



YoY Comparison

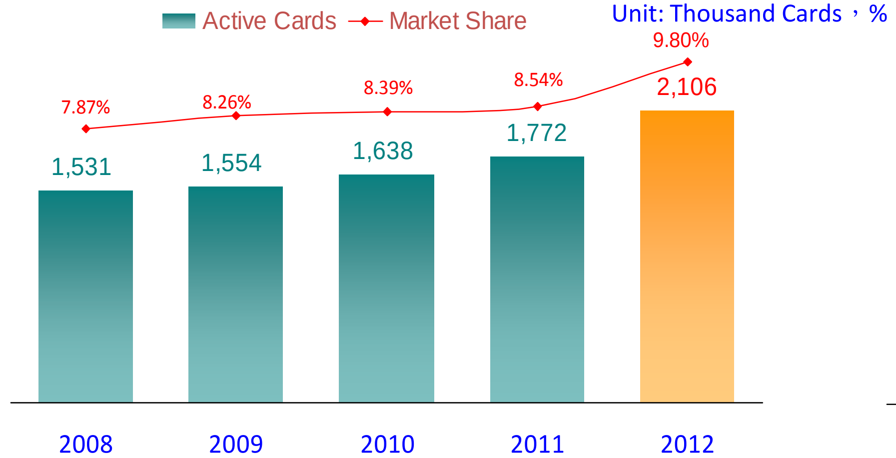


Note: 1. Preliminary Figures of Dec. 2012

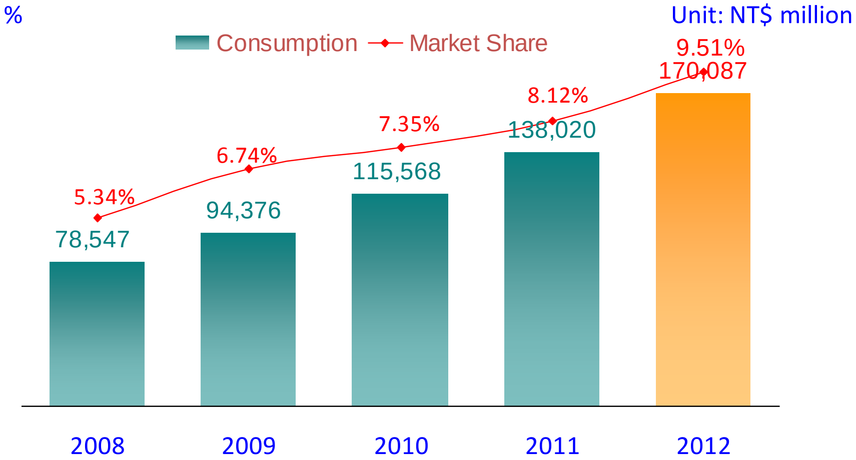
2. Including Bancassurance fee from E.SUN Insurance Broker

Fast-Growing Credit Card Business

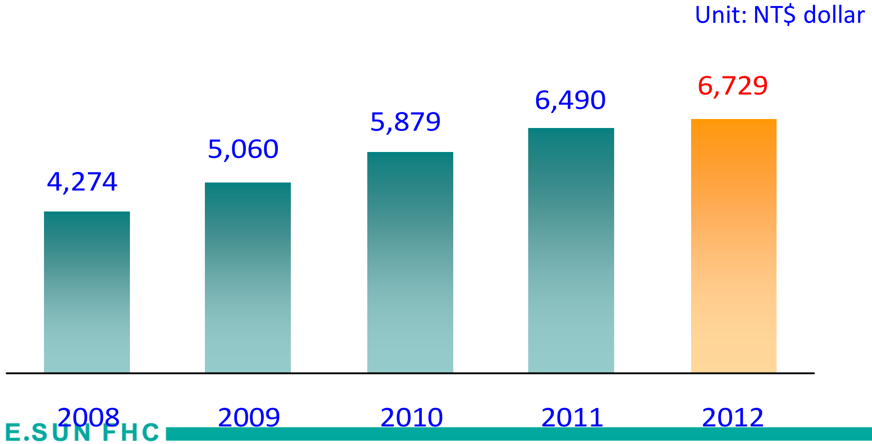
Active Cards



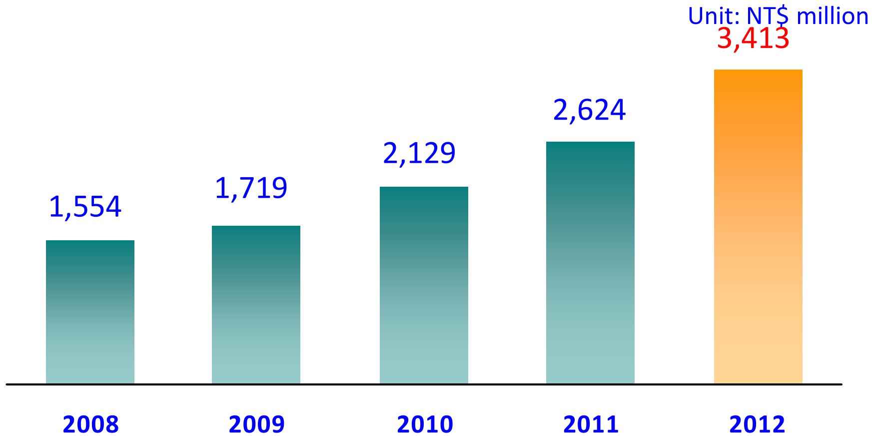
Card Consumption



Per Card Spending (Monthly)



Gross Fee Income



Deposit and Loan Structure

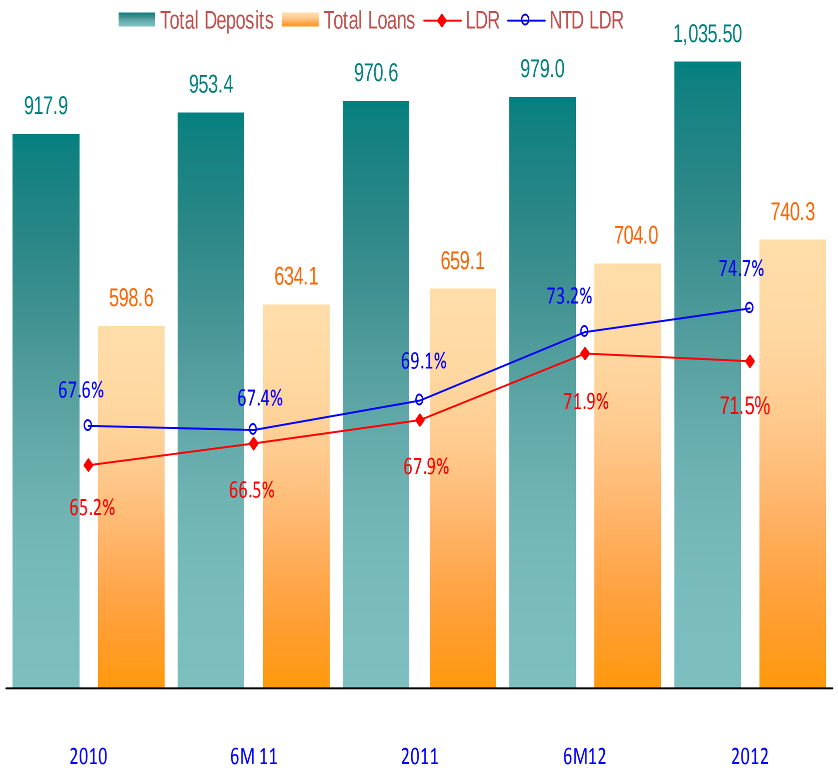
Unit: NT$ Bn

Products	2012	QoQ Growth %	9M 12	YTD Growth %	2011
Total Deposits	1,035.5	4.8%	987.7	6.7%	970.6
Demand Deposits	461.9	8.5%	425.9	15.9%	398.5
Total Loans [1/]	740.3	3.4%	715.8	12.3%	659.1
Corporate Loans	365.4	3.0%	354.6	15.0%	317.8
SME Loans	187.8	4.6%	179.5	18.6%	158.4
Consumer Loans	374.9	3.8%	361.2	9.8%	341.3
Mortgage Loan	210.8	0.6%	209.6	(3.0%)	217.4
Unsecured Personal Loan	37.2	7.8%	34.5	30.5%	28.5
Credit Cards in Circulation('000s)	3,163	1.7%	3,111	11.5%	2,838
Accumulated Credit Card Spending	170.2	0.0%[2/]	126.7	23.3% [3/]	138.0
Credit Card Revolving Balance	12.4	(1.6%)	12.6	(6.1%)	13.2

Note: 1.Exclude credit card revolving balance
2. QoQ growth is 4Q12 vs 3Q12
3. YoY growth is 2012 vs 2011

Deposit Structure

Loan to Deposit Ratio 1/

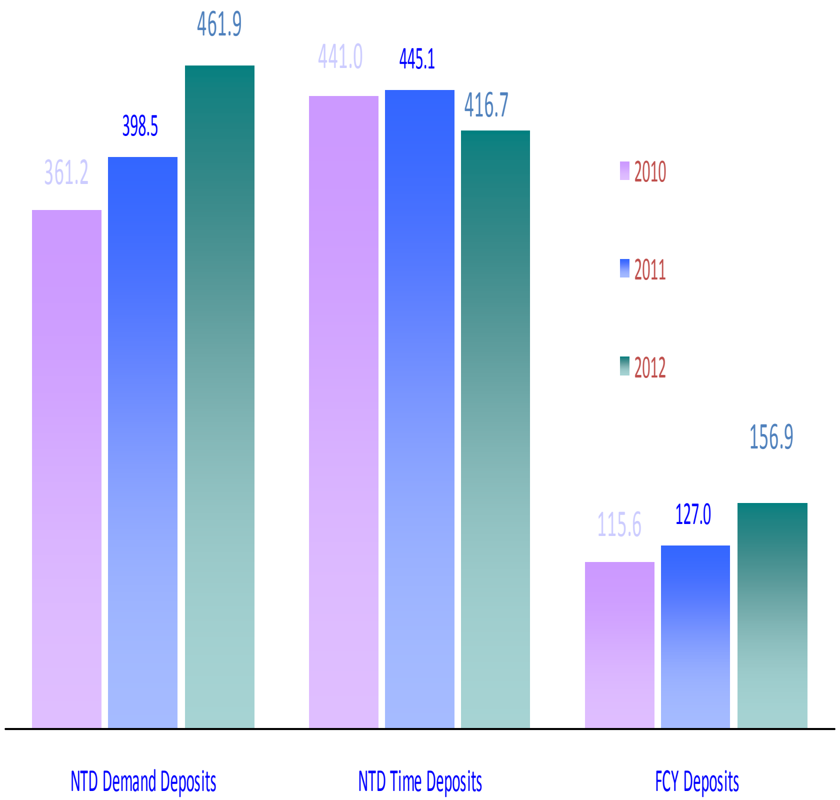


Note: 1.Excluding Credit card revolving balance

2. Financials of E.SUN Bank

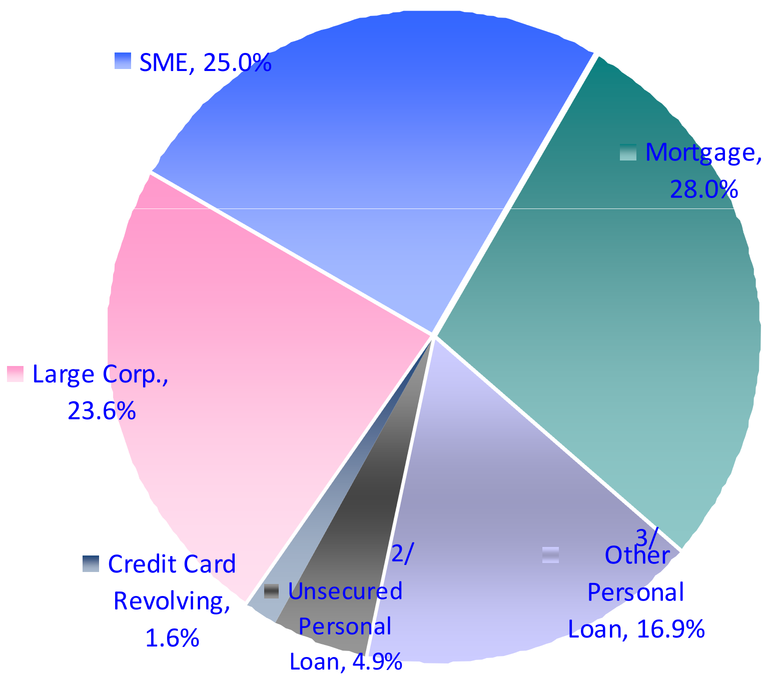
Deposit Structure

Unit: NT$ Bn



Loan Portfolio Breakdown

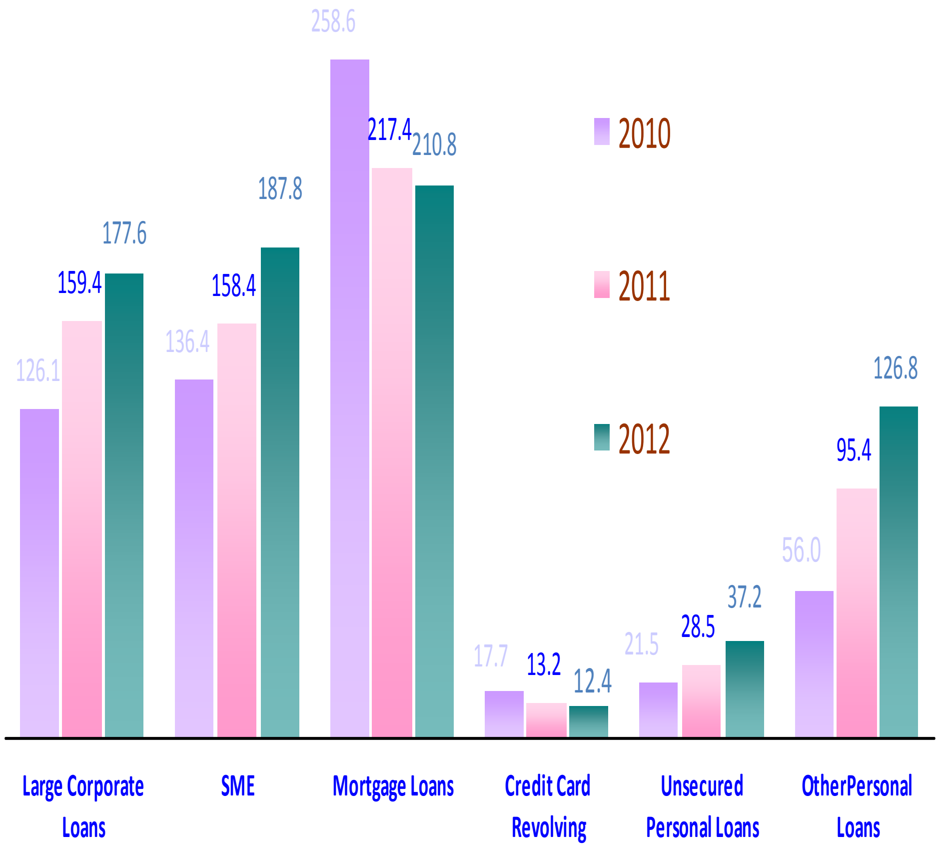
Total Loan1/
NT$ 752.6 Bn



Note: 1.Include Credit Card Revolving balance
2.Unsecured Personal Loan, Include Cash card balance
3.Other Personal Loan, which is fully collateralized.
4. As of Dec. 2012

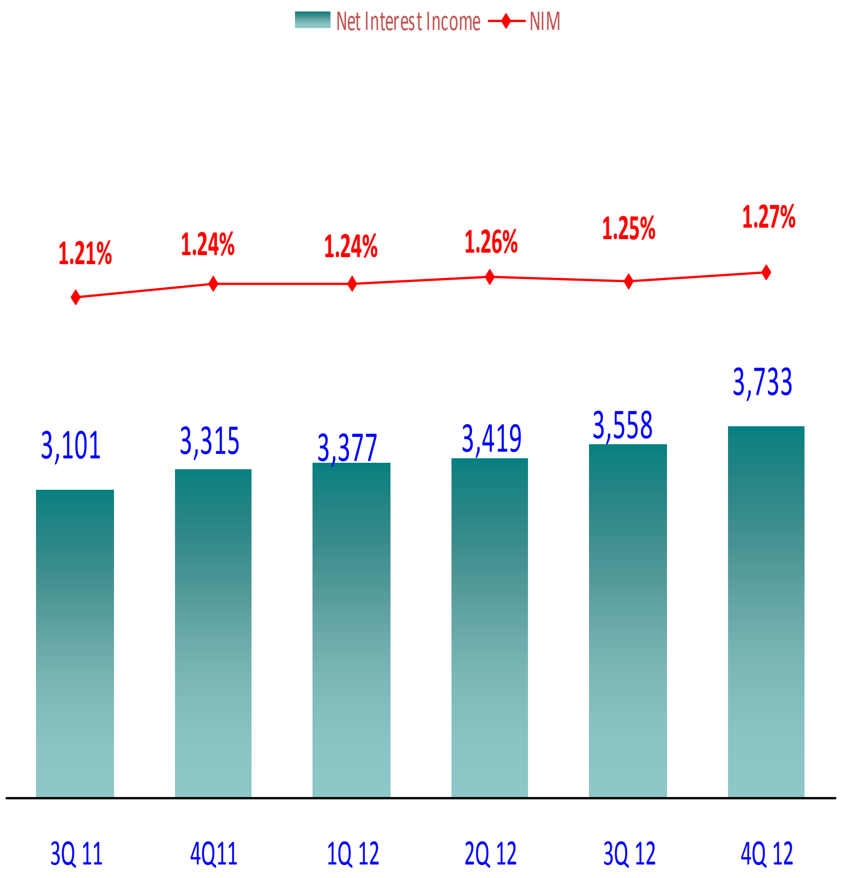
YoY Comparison

Unit: NT$ Bn

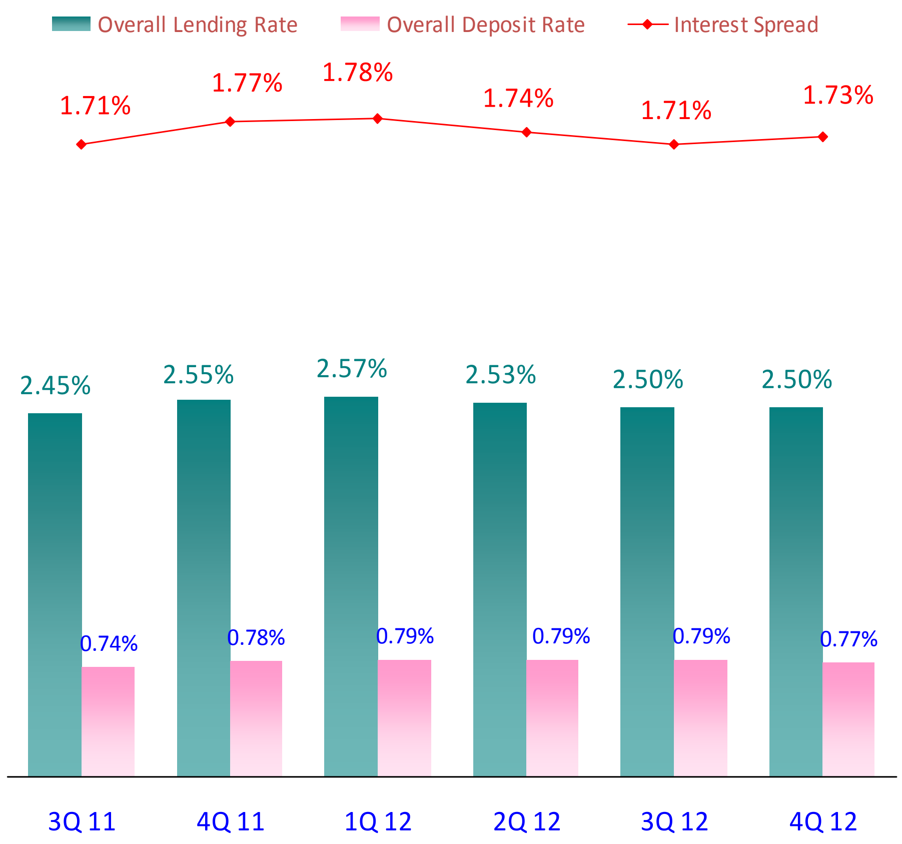


NIM and Spread

Quarterly Net Interest Margin



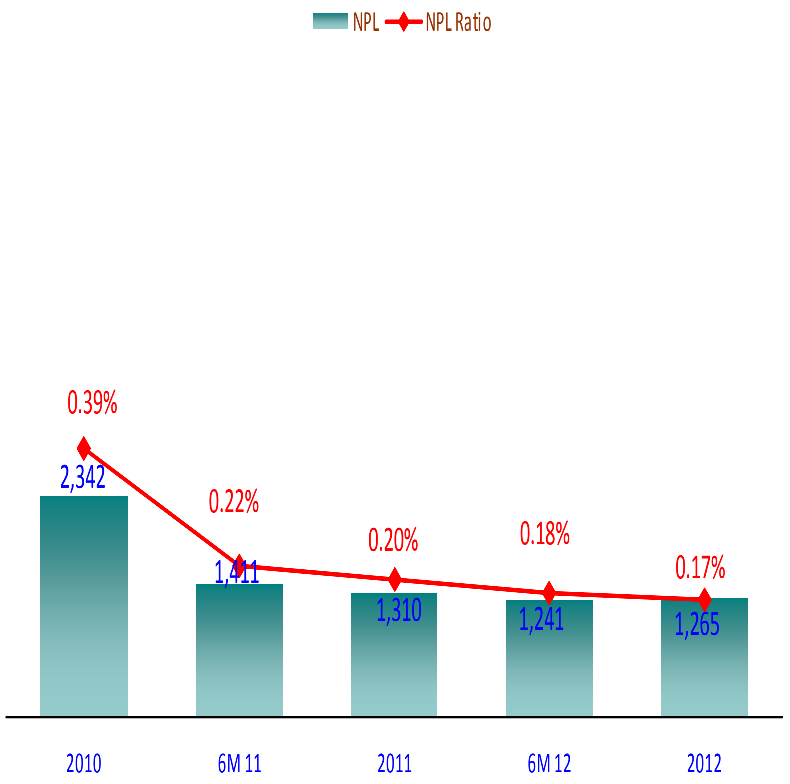
Quarterly Interest Spread



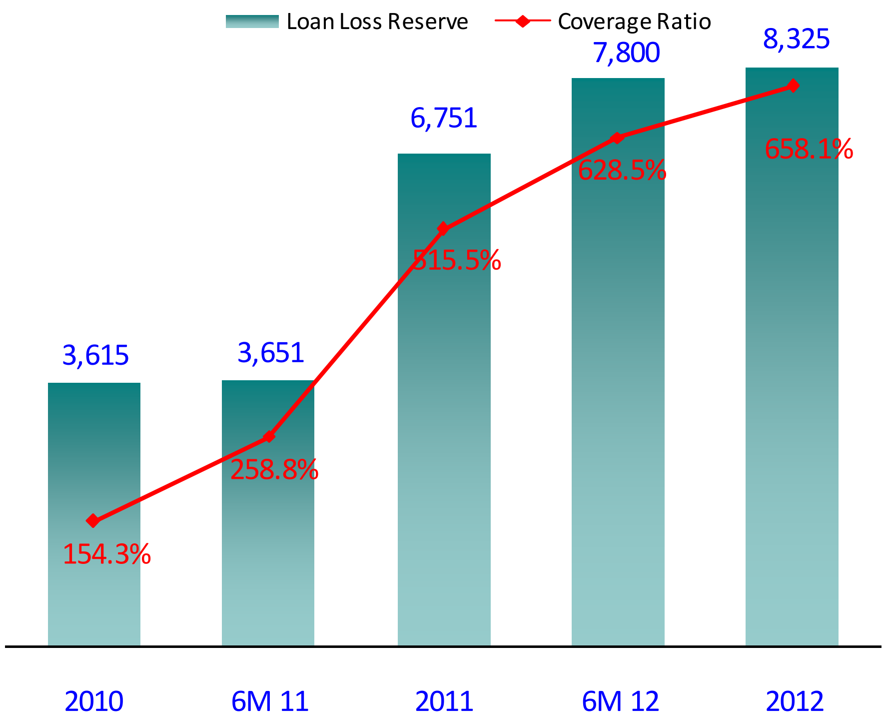
Note: Financials of E.SUN Bank

Superior Asset Quality 1/3

NPL Ratio(%)



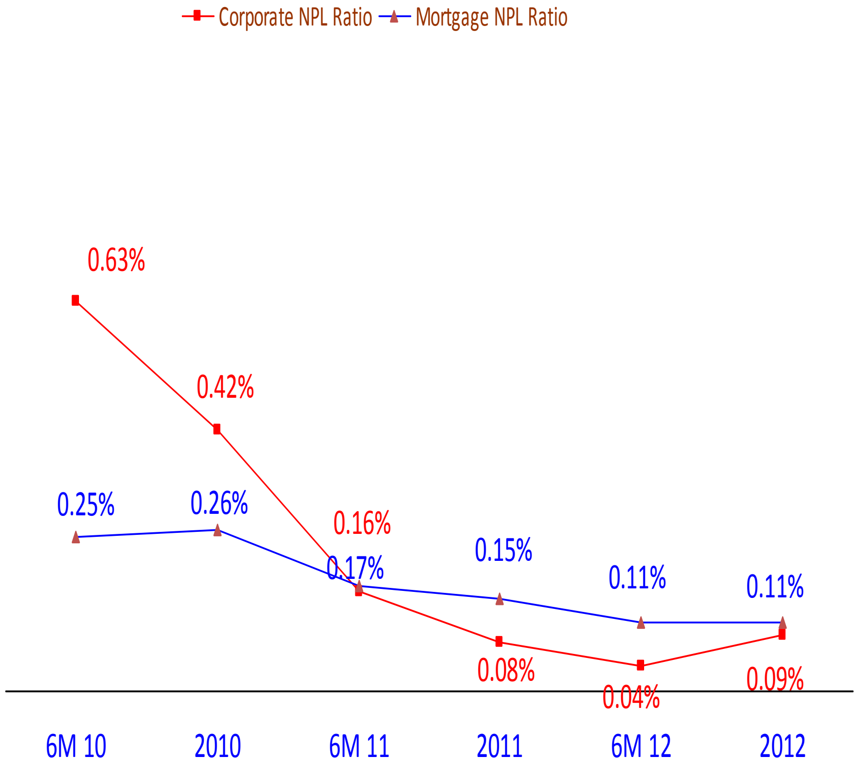
Coverage Ratio(%)



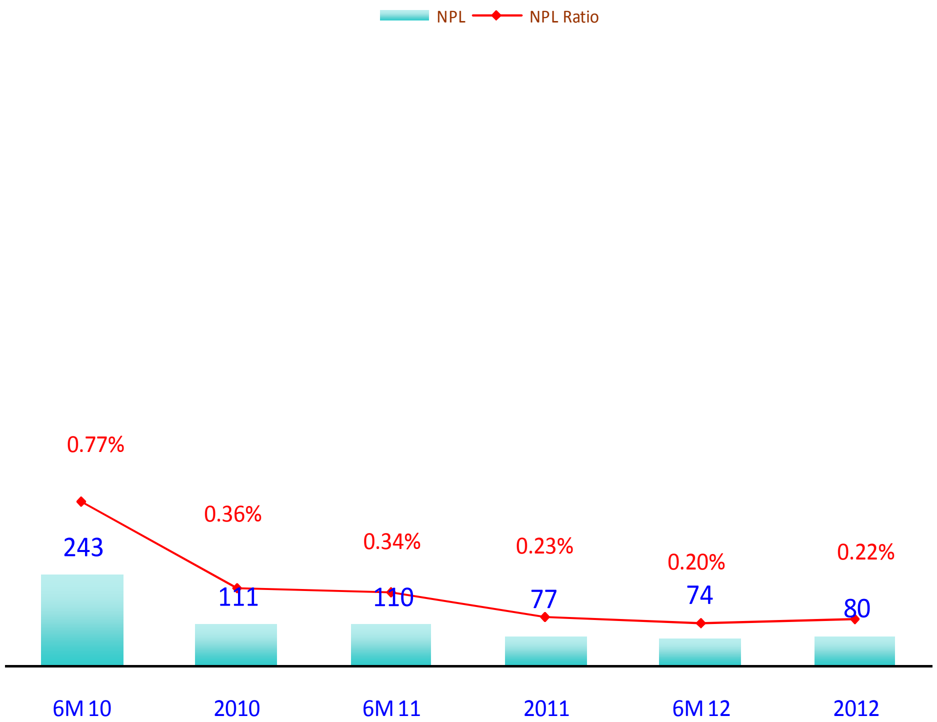
Note: .1. Financials of E.SUN Bank

Superior Asset Quality 2/3

NPL Ratio for Major Products



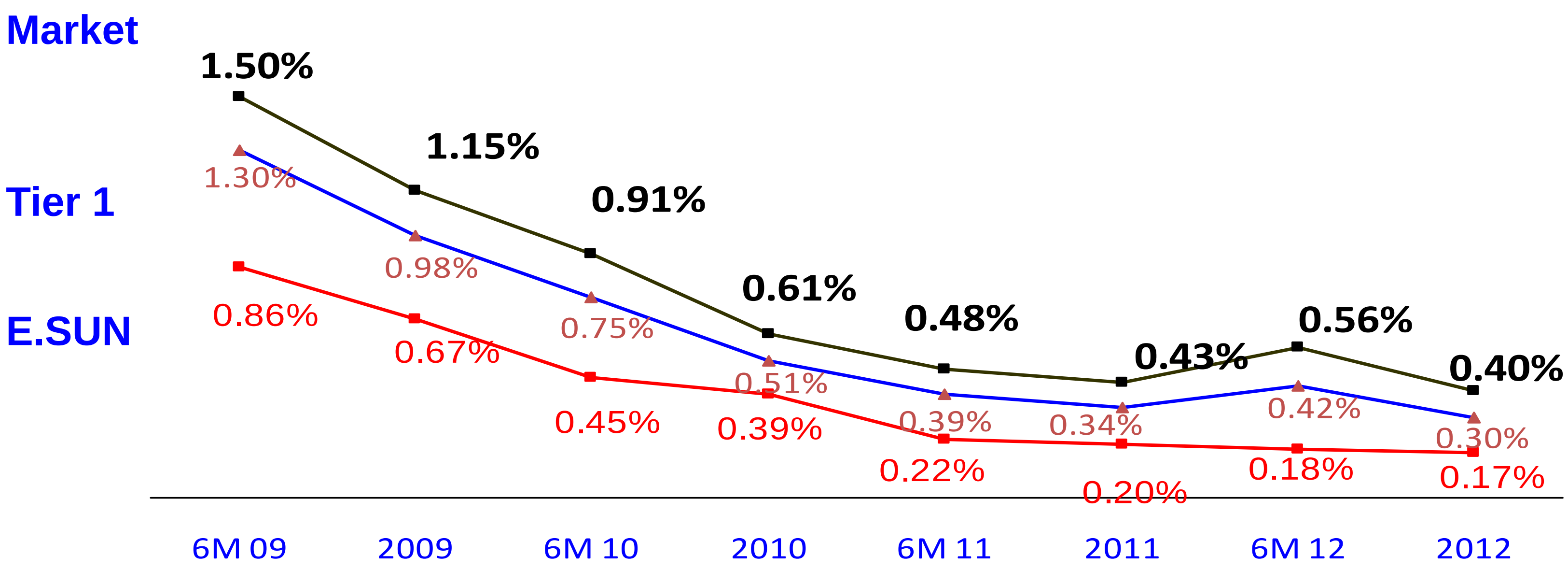
NPL Ratio for Credit Card



Note: .1. Financials of E.SUN Bank

Superior Asset Quality 3/3

NPL Comparison with Tier 1 players and the Market

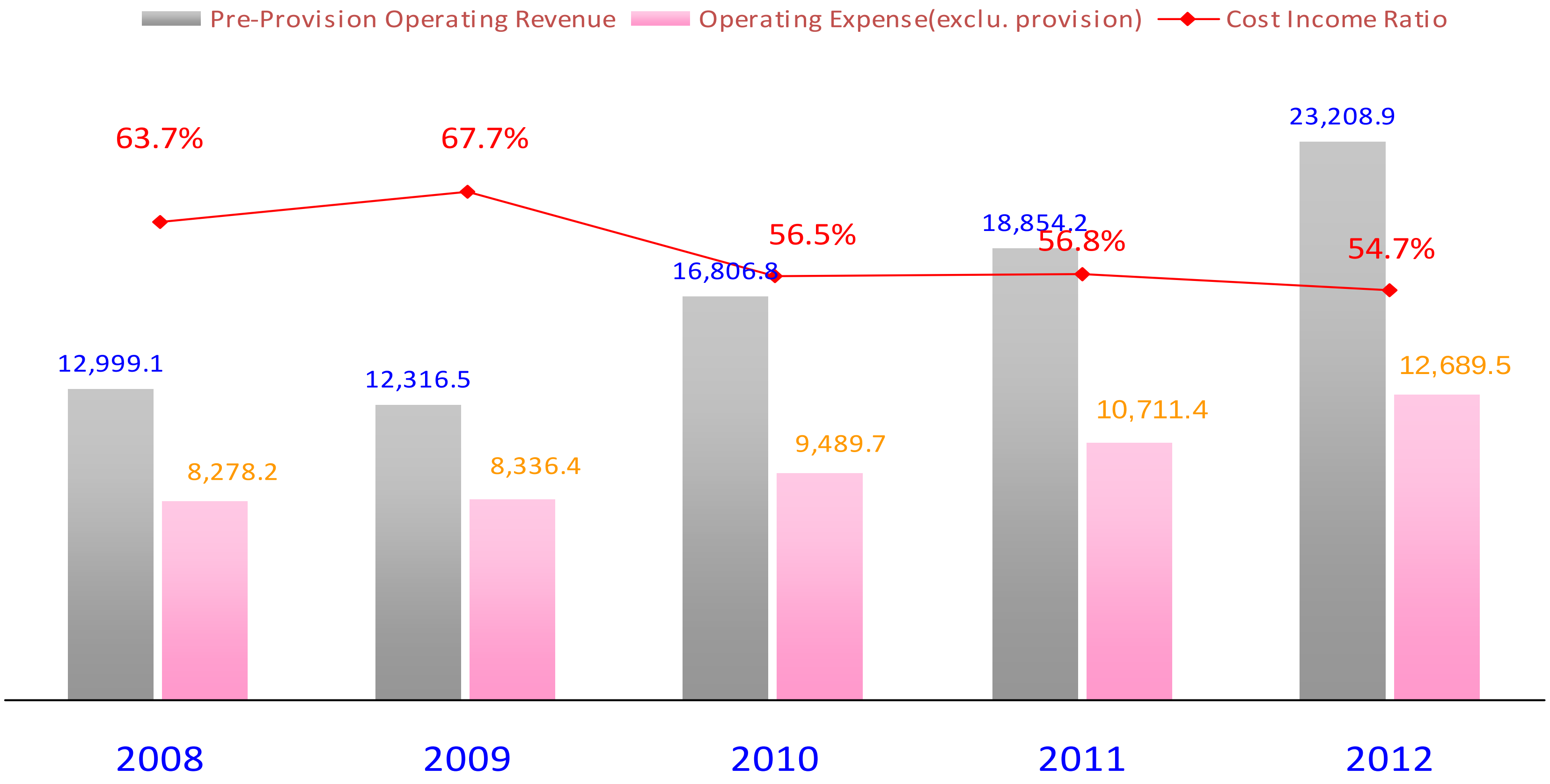


Note: 1. Source : FSC

2. Tier 1 group include Taishin, Chinatrust, Cathay, Fubon, Shanghai, First, Hua-nan, CHB, Mega and Sinopac

Cost-Income Ratio

Unit: NT$ million

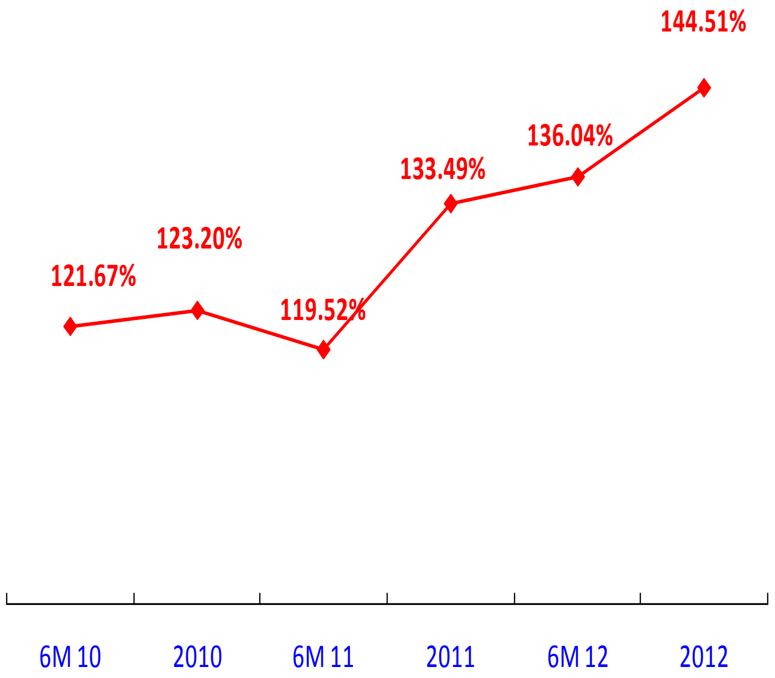


Note: 1. Preliminary figures of Dec. 2012

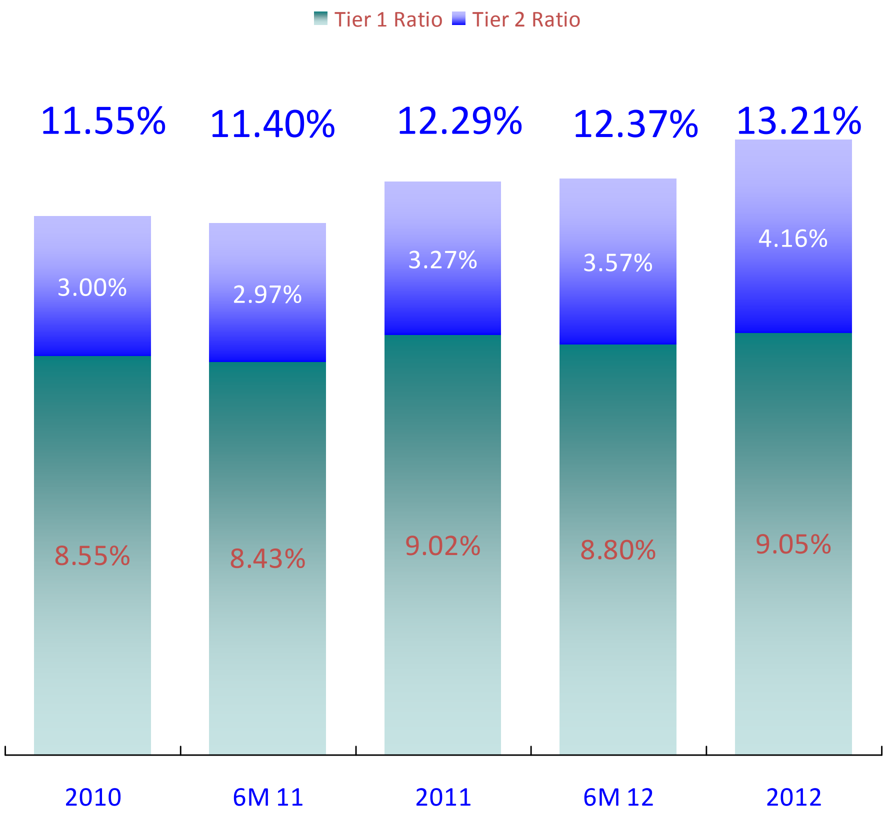
2. Financials of E.SUN Bank

Capital Adequacy Ratio

FHC CAR Ratio



Bank BIS Ratio



Q & A

❖ If you wish to know more about E.SUN, please visit our website site (www.esunfhc.com.tw/ir/ir.aspx) for more information.

❖ If you have further questions, please feel free to contact us through email or conference call

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Agenda

- 4Q12 Financial Performance
- 4Q12 Business Operation Overview
- Appendix

Appendix 1/6

Balance Sheet of 2012 for E.SUN FHC and its subsidiaries

NT$ million	E.SUN Bank	E.SUN Sec. (Consolidated)	E.SUN IB	E.SUN VC	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Assets :						
Cash and due from banks	78,924	314	299	325	5,514	79,269
Securities, net	352,859	297	364	1,256	21	355,275
Loans, net	735,409	-	-	-	-	735,407
A/R, net	44,305	3,703	165	-	1,476	48,564
LT investments, net	-	-	-	-	81,136	-
Land, premises andequipments, net	16,373	293	2	-	2	16,670
Others	8,019	1,400	3	5	187	8,912
Total assets	1,235,889	6,007	833	1,586	88,336	1,244,097
Liabilities:						
Deposits	1,029,975	-	-	-	-	1,023,820
Other liabilities	130,635	2,455	108	6	13,162	145,103
Total liabilities	1,160,610	2,455	108	6	13,162	1,168,923
Total stockholders' equity	75,279	3,552	725	1,580	75,174	75,174
Total liabilities andstockholders' equity	1,235,889	6,007	833	1,586	88,336	1,244,097

Note: Preliminary figures of Dec. 2012

Appendix 2/6

P&L of E.SUN FHC and its subsidiaries for 2012

NT$ million	E.SUN Bank	E.SUN Sec. (Consolidated)	E.SUN IB	E.SUN VC	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Operating income						
Net interest income	14,096	215	5	2	(232)	14,090
Fee income	6,158	524	1,535	-	-	7,472
LT investment income	42	17	-	-	7,677	130
Net trading income/(loss) & Derivatives & FX	2,785	(48)	11	24	(405)	2,381
Others	128	69	-	-	67	19
Total Net Revenues	23,209	777	1,551	26	7,107	24,092
Allowance for bad-debt expenses	(2,020)	-	-	-	-	(2,020)
Operating expenses	(12,690)	(751)	(988)	(10)	(182)	(13,718)
Income before income tax	8,499	26	563	16	6,925	8,354
Income tax expenses	(1,320)	(13)	(95)	1	133	(1,296)
Net Income	7,179	13	468	17	7,058	7,058

Note: Preliminary figures of Dec. 2012

Appendix 3/6

E.SUN FHC's Balance Sheet (Consolidated)

NT$ million	Yearly Results 2010	2011	2012	Quarterly Results Dec 11	Mar 12	June 12	Sep 12	Dec 12	QoQ(%)
Assets：									
Cash and due from banks	57,914	65,132	79,269	65,132	73,066	69,116	68,987	79,269	14.9%
Securities, net	358,415	359,111	355,275	359,111	370,474	340,165	342,781	355,275	3.6%
Loans, net	599,161	656,009	735,407	656,009	662,685	699,712	711,711	735,407	3.3%
A/R, net	41,834	46,576	48,564	46,576	50,933	51,261	48,331	48,564	0.5%
LT investments, net	-	-	-	-	-	-	-	-	
Land, premises andequipments, net	14,457	15,892	16,670	15,892	15,827	16,077	16,245	16,670	2.6%
Others	12,747	12,771	8,912	12,771	7,630	8,692	8,689	8,912	2.6%
Total assets	1,084,528	1,155,491	1,244,097	1,155,491	1,180,615	1,185,023	1,196,744	1,244,097	4.0%
Liabilities:									
Deposits	897,264	954,994	1,023,820	954,994	974,917	959,719	969,230	1,023,820	5.6%
Other liabilities	132,022	134,913	145,103	134,913	137,927	156,563	156,852	145,103	-7.5%
Total liabilities	1,029,286	1,089,907	1,168,923	1,089,907	1,112,844	1,116,282	1,126,082	1,168,923	3.8%
Total stockholders' equity	55,242	65,584	75,174	65,584	67,771	68,741	70,662	75,174	6.4%
Total liabilities andstockholders' equity	1,084,528	1,155,491	1,244,097	1,155,491	1,180,615	1,185,023	1,196,744	1,244,097	4.0%

Note: Preliminary figures of Dec. 2012

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

	Yearly Results			Quarterly Results					
NT$ million	2010	2011	2012	4Q11	1Q12	2Q12	3Q12	4Q12	QoQ(%)
Operating income									
Net interest income	11,451	12,688	14090	3,312	3,384	3,434	3,544	3,728	5.2%
Fee income	5,630	6,273	7,472	1,502	1,810	1,777	1,918	1,967	2.6%
LT investment income	215	385	130	2	-4	63	-17	88	N.A.
Net trading income/(loss) & Derivatives & FX	73	764	2,381	123	1,721	363	223	74	N.A.
Others	46	95	19	(44)	12	(14)	5	16	N.A.
Total Net Revenues	17,415	20,205	24,092	4,895	6,923	5,623	5,673	5,873	3.5%
Allowance for bad-debt expenses	(2,732)	(4,540)	(2,020)	(2,718)	(1,225)	(82)	(133)	(580)	336.1%
Operating expenses	(10,211)	(11,623)	(13,718)	(3,140)	(3,209)	(3,399)	(3,447)	(3,663)	6.3%
Income before income tax	4,472	4,042	8,354	(963)	2,489	2,142	2,093	1,630	-22.1%
Income tax expenses	(549)	(558)	(1,296)	199	(420)	(339)	(266)	(271)	1.9%
Net Income	3,923	3,484	7,058	(764)	2,069	1,803	1,827	1,359	-25.6%

Note: Preliminary figures of Dec. 2012

Appendix 5/6

E.SUN Bank's Balance Sheet

NT$ million	Yearly Results			Quarterly Results					
	2010	2011	2012	Dec 11	Mar 12	June 12	Sep 12	Dec 12	QoQ(%)
Assets :									
Cash and due from banks	57,888	65,948	78,924	65,948	72,758	68,791	68,904	78,924	14.5%
Securities, net	357,103	358,297	352,859	358,297	366,790	337,430	340,450	352,859	3.6%
Loans, net	599,161	656,009	735,409	656,009	662,685	699,712	711,710	735,409	3.3%
A/R, net	35,892	42,260	44,305	42,260	46,592	47,085	43,895	44,305	0.9%
LT investments, net	-	-	-	-	-	-	-	-	-
Land, premises andequipments, net	14,194	15,600	16,373	15,600	15,536	15,771	15,943	16,373	2.7%
Others	10,403	9,231	8,019	9,231	8,117	7,746	7,929	8,019	1.1%
Total assets	1,074,641	1,147,345	1,235,889	1,147,345	1,172,478	1,176,535	1,188,831	1,235,889	4.0%
Liabilities:									
Deposits	904,761	962,842	1,029,975	962,842	982,887	971,175	981,322	1,029,975	5.0%
Other liabilities	114,938	119,593	130,635	119,593	122,475	136,809	136,865	130,635	-4.6%
Total liabilities	1,019,699	1,082,435	1,160,610	1,082,435	1,105,362	1,107,984	1,118,187	1,160,610	3.8%
Total stockholders' equity	54,942	64,910	75,279	64,910	67,116	68,551	70,644	75,279	6.6%
Total liabilities andstockholders' equity	1,074,641	1,147,345	1,235,889	1,147,345	1,172,478	1,176,535	1,188,831	1,235,889	4.0%

Note: Preliminary figures of Dec. 2012

Appendix 6/6

E.SUN Bank's P&L account

NT$ million	Yearly Results			Quarterly Results					
	2010	2011	2012	4Q11	1Q12	2Q12	3Q12	4Q12	QoQ(%)
Operating income									
Net interest income	11,377	12,600	14,096	3,296	3,377	3,428	3,558	3,733	4.9%
Fee income	4,507	5,000	6,158	1,150	1,460	1,461	1,599	1,638	2.4%
LT investment income	48	323	42	2	-	40	2	0	N.A.
Net trading income/(loss) & Derivatives & FX	749	745	2,785	57	1,816	381	400	188	N.A.
Others	126	186	128	3	26	22	(23)	103	-547.8%
Total Net Revenues	16,807	18,854	23,209	4,508	6,679	5,332	5,536	5,662	2.3%
Allowance for bad-debt expenses	(2,727)	(4,540)	(2,020)	(2,718)	(1,224)	(83)	(133)	(580)	336.1%
Operating expenses	(9,490)	(10,711)	(12,690)	(2,945)	(2,968)	(3,135)	(3,178)	(3,409)	7.3%
Income before income tax	4,590	3,603	8,499	(1,155)	2,487	2,114	2,225	1,673	-24.8%
Income tax expenses	(609)	(445)	(1,320)	236	(428)	(329)	(292)	(271)	-7.2%
Net Income	3,981	3,158	7,179	(919)	2,059	1,785	1,933	1,402	-27.5%

Note: Preliminary figures of Dec. 2012