CTBC Holding

Analyst Meeting
Financial Review of 3Q16

November 14th, 2016
Investor Relations

中國信託
CTBC

DISCLAIMER

THE FINANCIAL INFORMATION IN THESE MATERIALS AS OF AND FOR THE NINE MONTHS ENDED SEPTEMBER 30th, 2016 ARE PRELIMINARY. CTBC HOLDING EXPECTS TO FILE ITS UNAUDITED FINANCIAL STATEMENTS, WHICH ARE SUBJECT TO REVIEW BY ITS AUDITORS, WITH THE ROC SECURITIES AND FUTURES BUREAU ON OR ABOUT NOVEMBER 29th, 2016.

These materials are not an offer for sale of securities in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended.

CTBC Holding’s financial highlight in 3Q16

Healthy revenue growth with ROE at 10.98%

- CTBC Holding profit after tax grew 16.7% QoQ
- Stable revenue growth YoY (excl. life) attributed to core business growth in lending and widened NIM & spread
- Life insurance profit accelerated QoQ and YoY
- ROE was 10.98% & ROA was 0.66% as of Sep 2016

Contained operating expense and efficiency ratio

- Operating expense growth (excl. life) was moderate qoq and yoy excl. ESOP; cost-to-income ratio was 58.5% in 9M16 excl. ESOP

Benign asset quality and high coverage ratio

- NPL was 0.72% as of Sep 30, 2016
- Coverage ratio was 188.4% as of Sep 30, 2016

Strong capitalization and low double leverage ratio

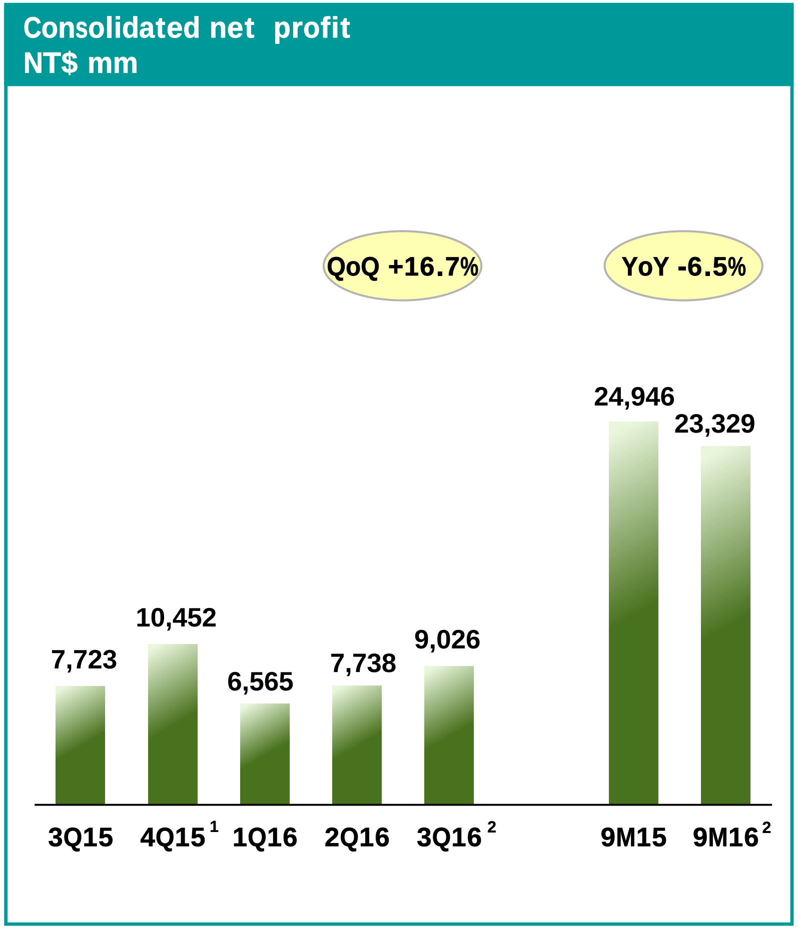
- CTBC Holding’s CAR was 130.5% and double leverage ratio was 117.2% as of Sep 30, 2016
- CTBC Bank’s CAR was 13.4% and tier 1 ratio was 11.5% as of Sep 30, 2016
- Taiwan Life’s RBC ratio was 292% as of Sep 30, 2016

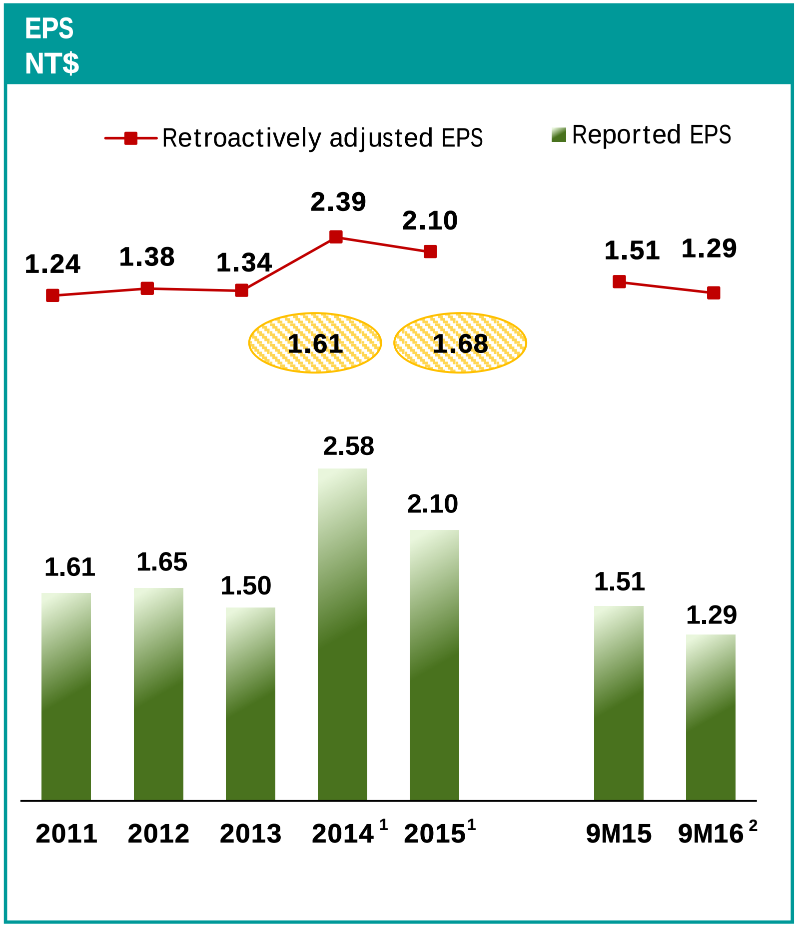
CTBC Holding’s numbers are presented on a consolidated basis.

1. 3Q16 numbers are preliminary

CTBC Holding's profitability

Excl. one-off





CTBC Holding's numbers are presented on a consolidate basis.

1. 2014 include the one-off bargain purchase gain of NT$14.8 bn and 4Q15/ 2015 include the one-off HQ disposal gain of NT$7.2 bn
2. 3Q16/9M16 number is preliminary

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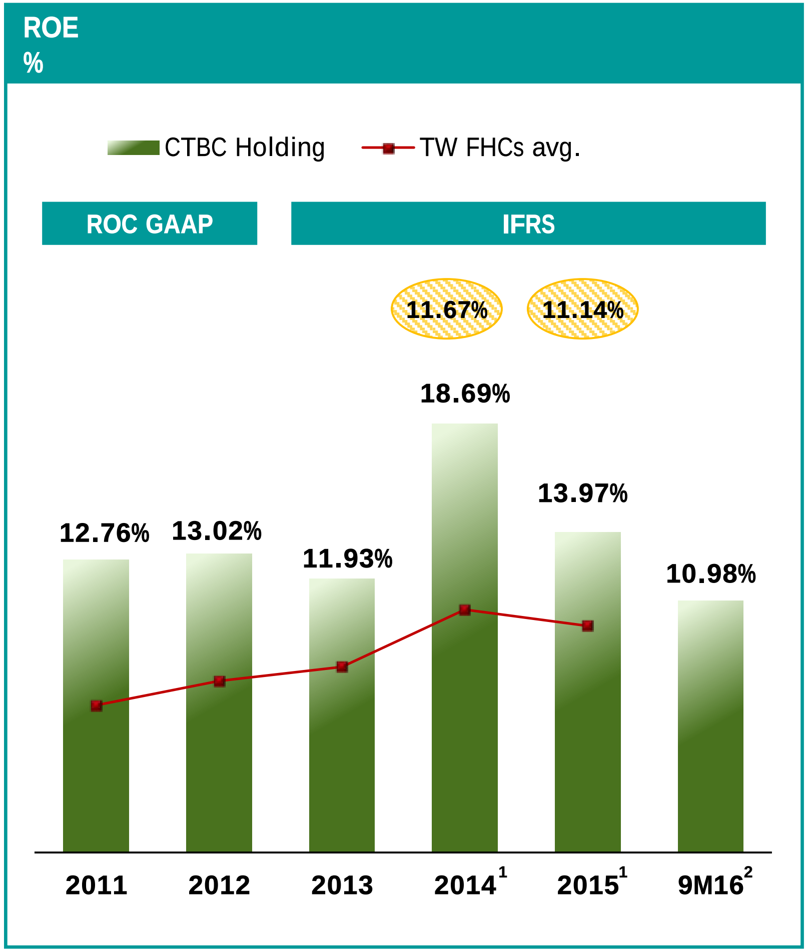
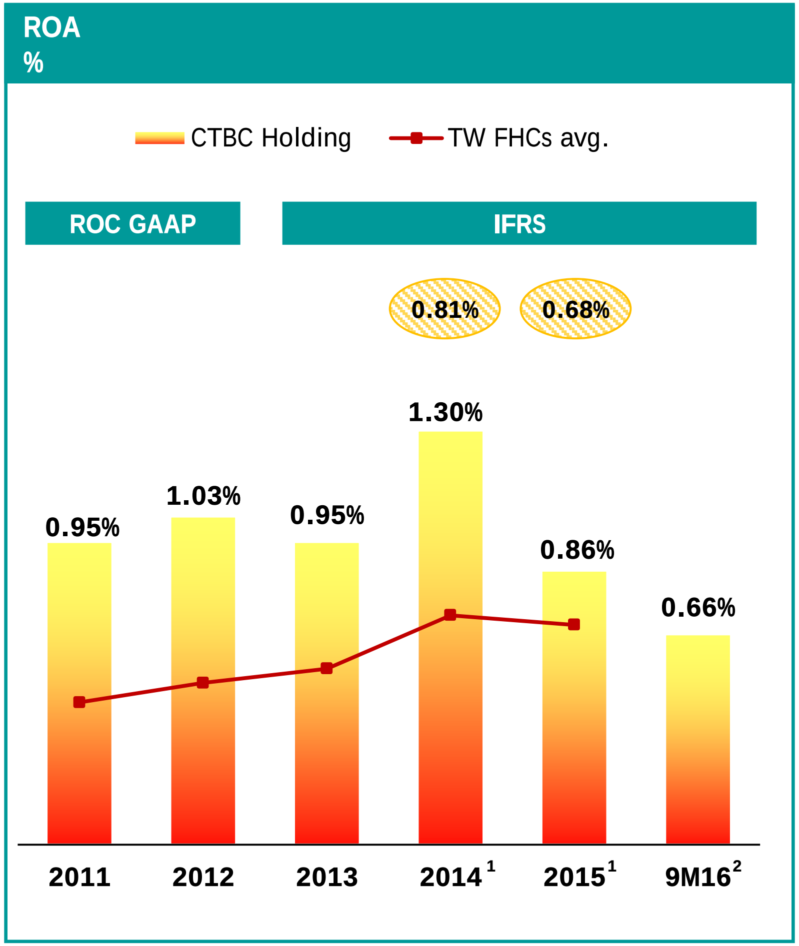
CTBC Holding's ROE & ROA

Excl. one-off



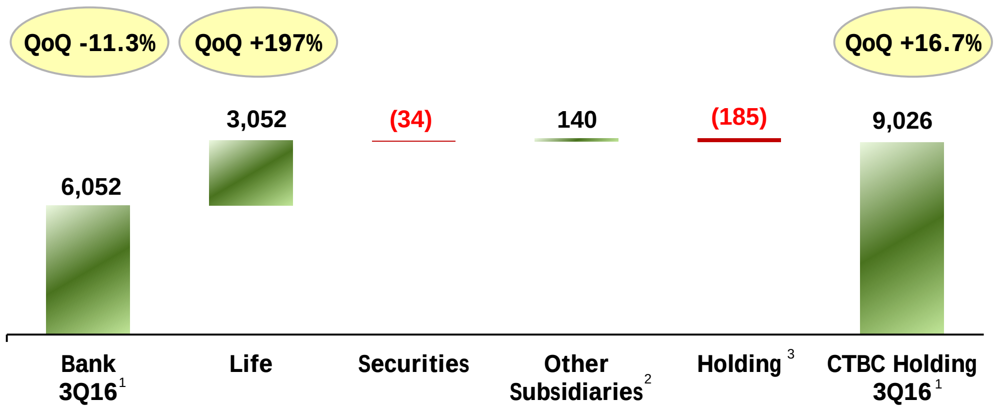


CTBC Holding's numbers are presented on a consolidate basis.

1. 2014 includes the one-off bargain purchase gain of NT$14.8 bn and 2015 includes the one-off HQ disposal gain of NT$7.2 bn
2. 9M16 number is preliminary

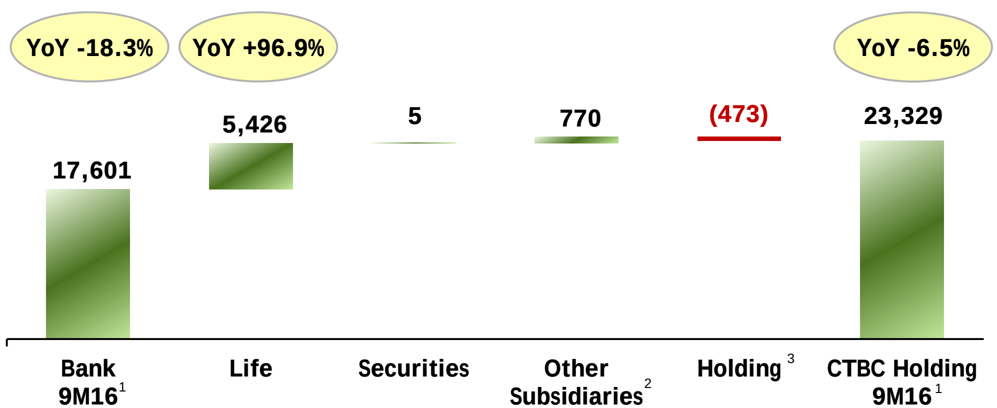
CTBC Holding's net profit breakdown by entity

CTBC Holding's net profit breakdown
NT$ mm



3Q16[1] Breakdown	%
Bank	67%
Life	34%
Others[2]	0%

3Q16[1] Breakdown	%
Taiwan	41%
Overseas[4]	59%



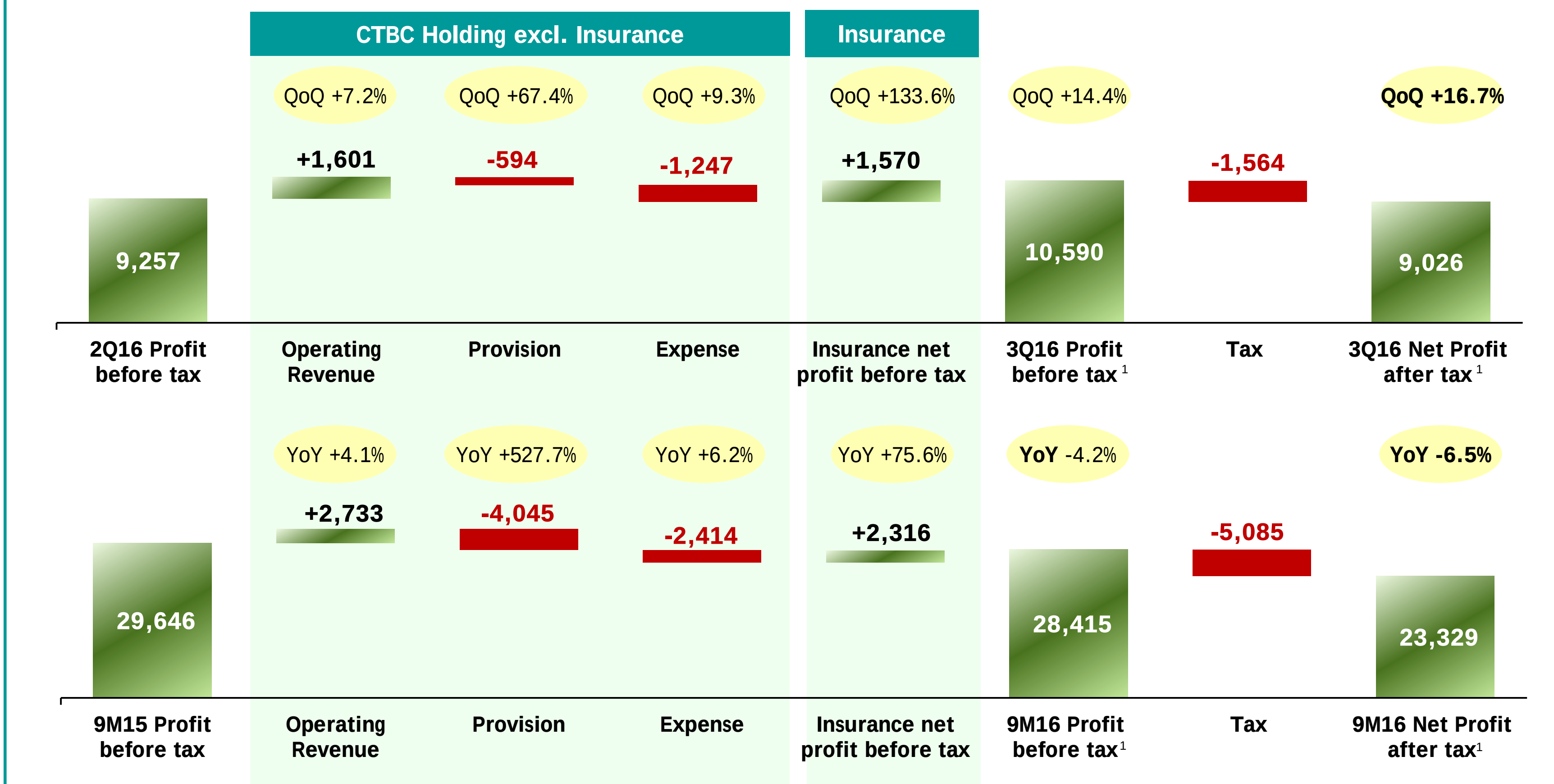
9M16[1] Breakdown	%
Bank	75%
Life	23%
Others[2]	1%

9M16[1] Breakdown	%
Taiwan	48%
Overseas[4]	52%

CTBC Holding's numbers are presented on a consolidated basis.
1. 3Q16/9M16 numbers are preliminary
2. Other subsidiaries include CTBC Venture Capital, Asset Management, Taiwan Lottery, Securities and Investments
3. Holding (on a non-consolidated basis) is an adjustment item for compiling consolidated statement.
4. Overseas include OBU, overseas branches and subsidiaries

CTBC Holding's net profit movements

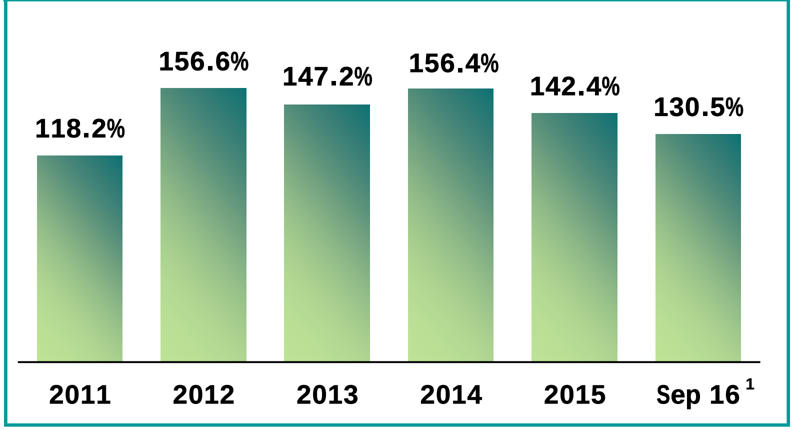
CTBC Holding's net profit movements
NT$ mm , %



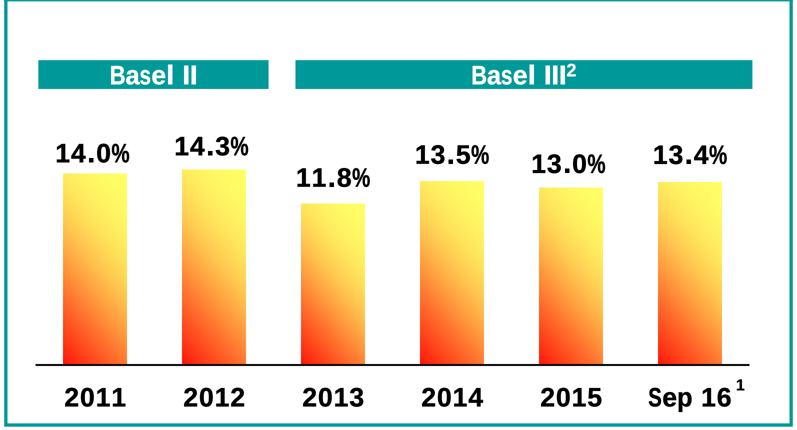
CTBC Holding's numbers are presented on a consolidated basis.
1 3Q16/9M16 number is preliminary

CTBC Holding’s strong capitalization

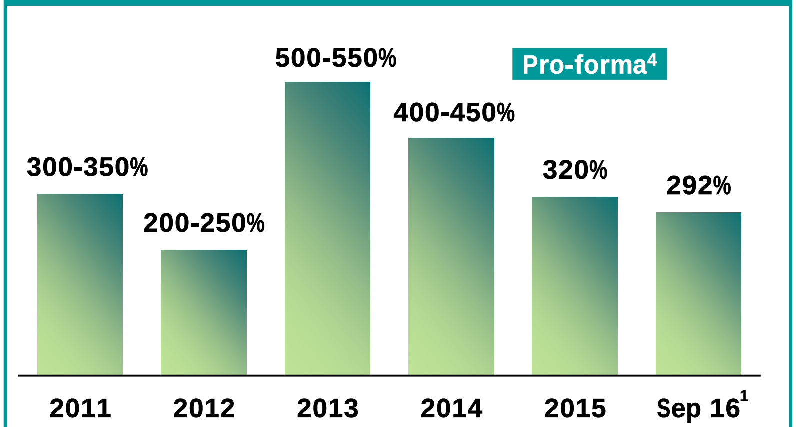
CTBC Holding’s CAR
%



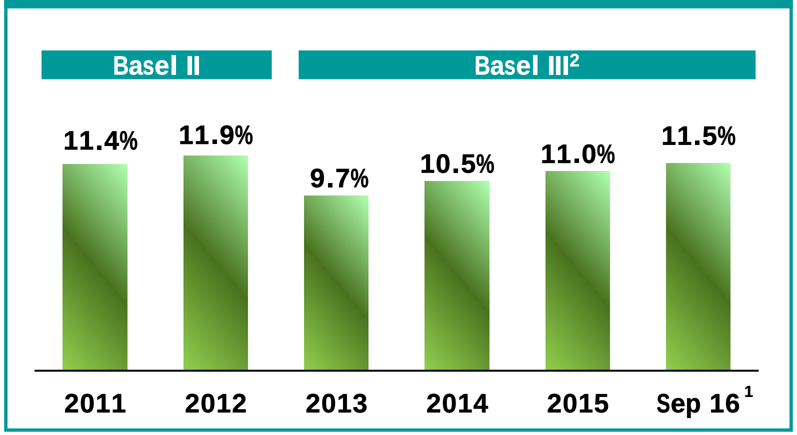
CTBC Bank’s CAR ratio
%



Taiwan Life RBC[3]
%



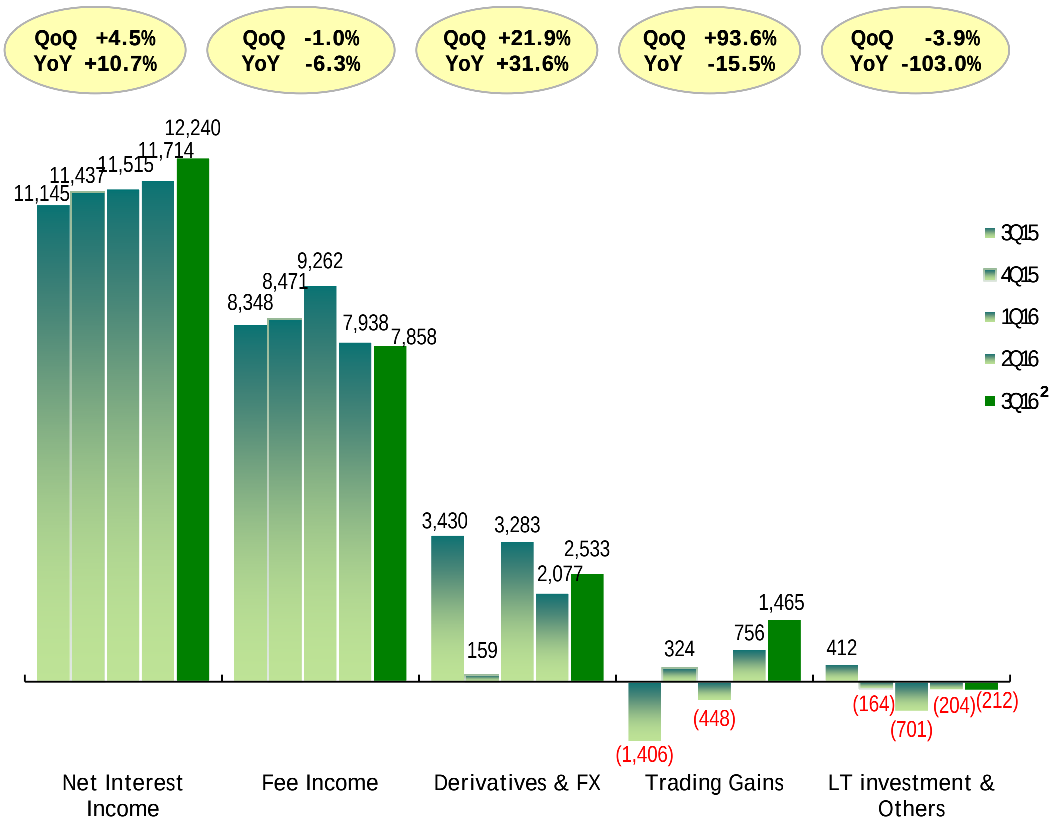
CTBC Bank’s Tier I ratio
%

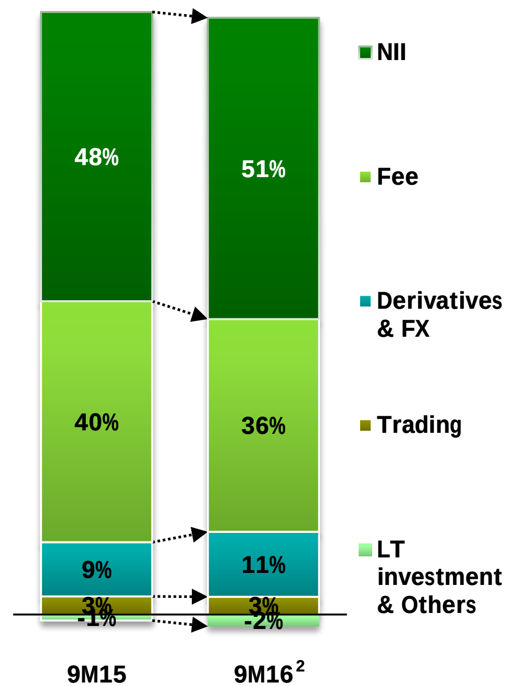


CTBC Holding’s numbers are presented on a consolidated basis.
1. Sep16 number is preliminary
2. CTBC Bank adopted Basel III since 2013
3. 2011-2014 RBC ratio is based on entity previously known as CTBC Life. Taiwan Life and CTBC Life was merged in 2015 with Taiwan Life as surviving entity
4. Pro-forma is CTBC Life & Taiwan Life combined

CTBC Holding's revenue breakdown (excl. Life)

CTBC Holding's revenue breakdown (excl. one-off [1])
NT$ mm, %



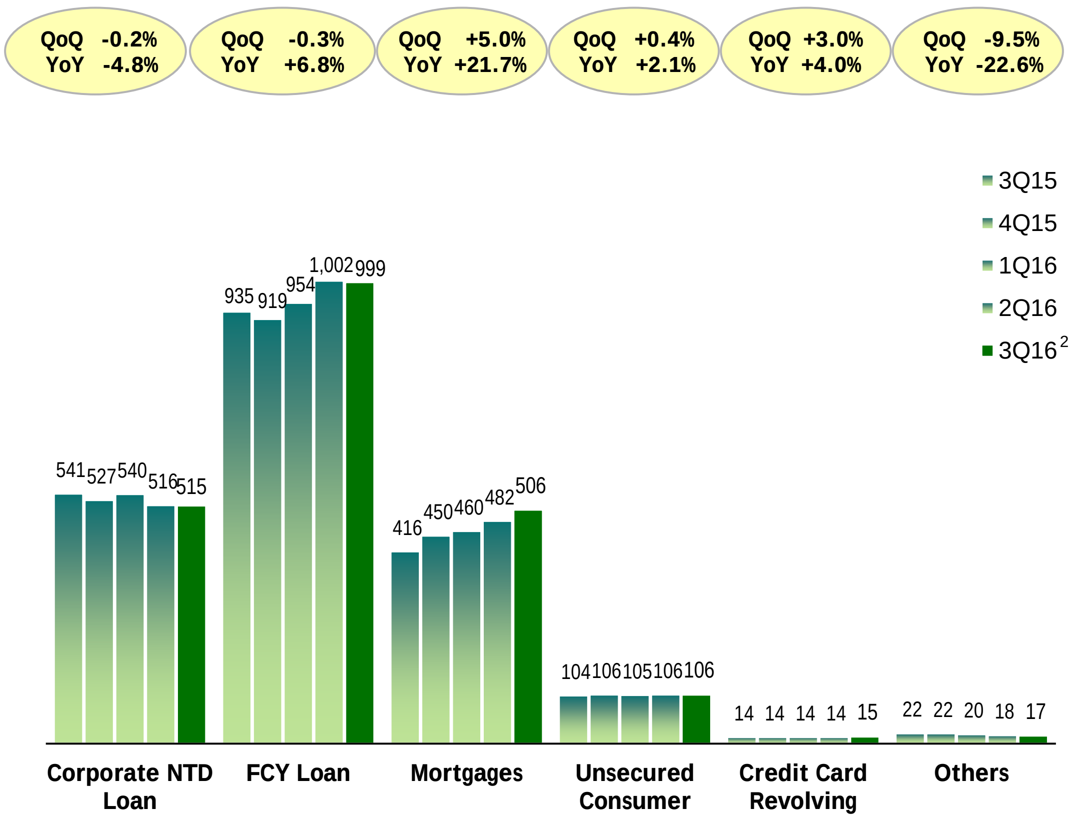


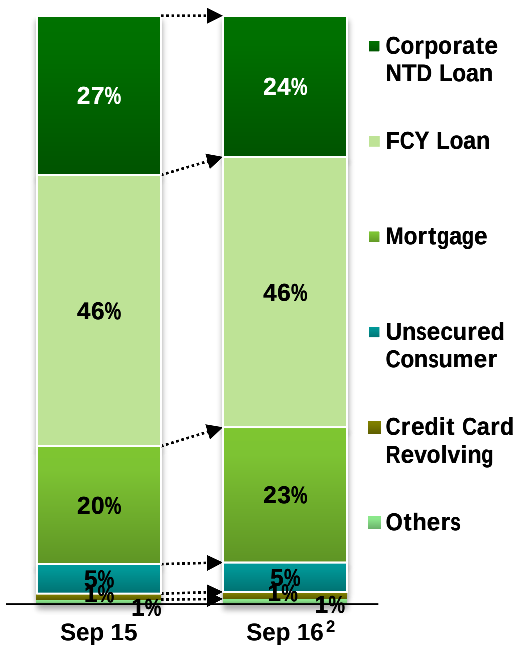
Revenue (NT$ mm)		%
9M15: 66,342	9M16[2]: 69,075	+4.1%
2Q16: 22,282	3Q16[2]: 23,882	+7.2%

CTBC Holding's numbers are presented on a consolidated basis.
1. One-off is in 4Q 2015 for HQ disposal gain of NT$7,157 mm
2. 3Q16 & 9M16 number is preliminary.

CTBC Bank's lending portfolio breakdown

Loan breakdown[1] (incl. Credit card revolving balance)
NT$ bn, %





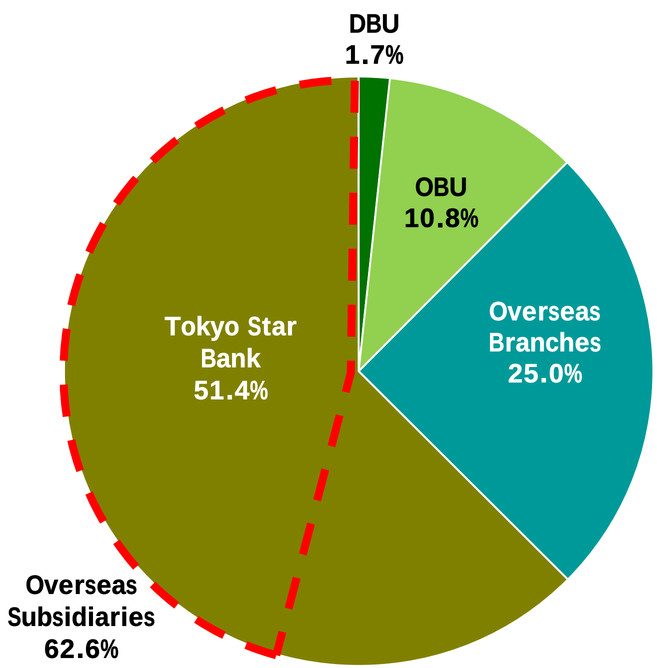
Total Lending[3] portfolio (NT$ bn)		%
Sep 15: 2,046	Sep16[2]: 2,162	+5.7%
Jun 16: 2,153	Sep 16[2]: 2,162	+0.4%

These numbers are presented on CTBC Bank consolidated basis.

1. Loan breakdown is presented on performing loan basis, excluding non-accrual loans.
2. 3Q16 and Sep16 numbers are preliminary.
3. Total lending portfolio includes performing loans, non-accrual loans and credit card revolving balance.

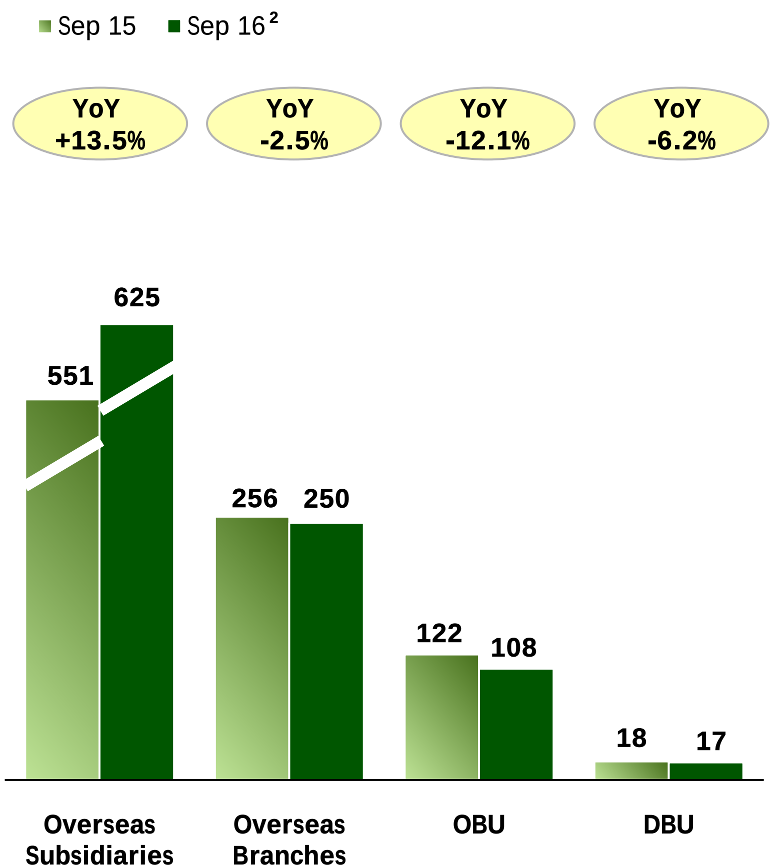
CTBC Bank's FCY loan breakdown

FCY loan breakdown [1]
%



Total: NT$999bn

FCY loan growth
NT$ bn, %

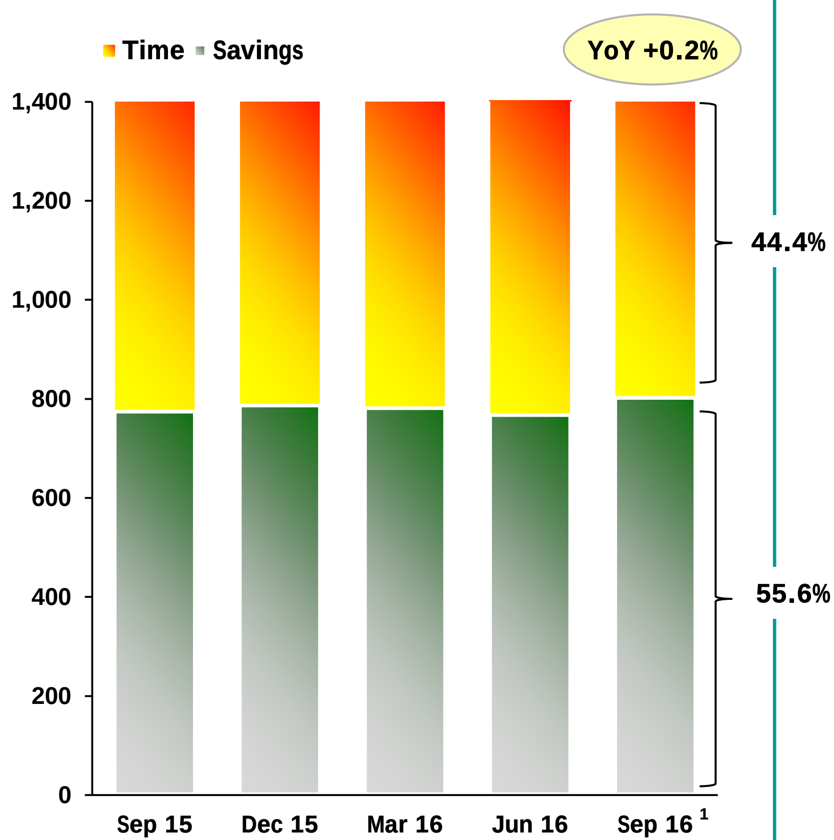


These numbers are presented on CTBC Bank's consolidated basis.

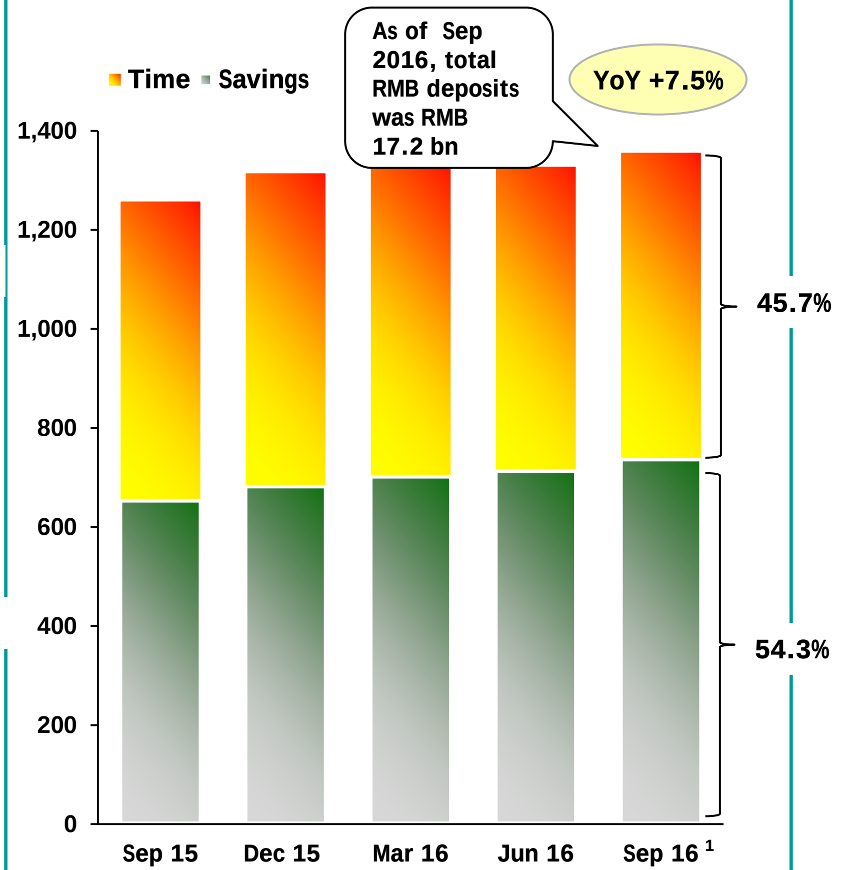
1. Loan breakdown is presented on performing loan basis, including non-accrual loans.
2. Sep 2016 number is preliminary

CTBC Bank’s deposit mix

NTD Deposit
NT$ bn, %



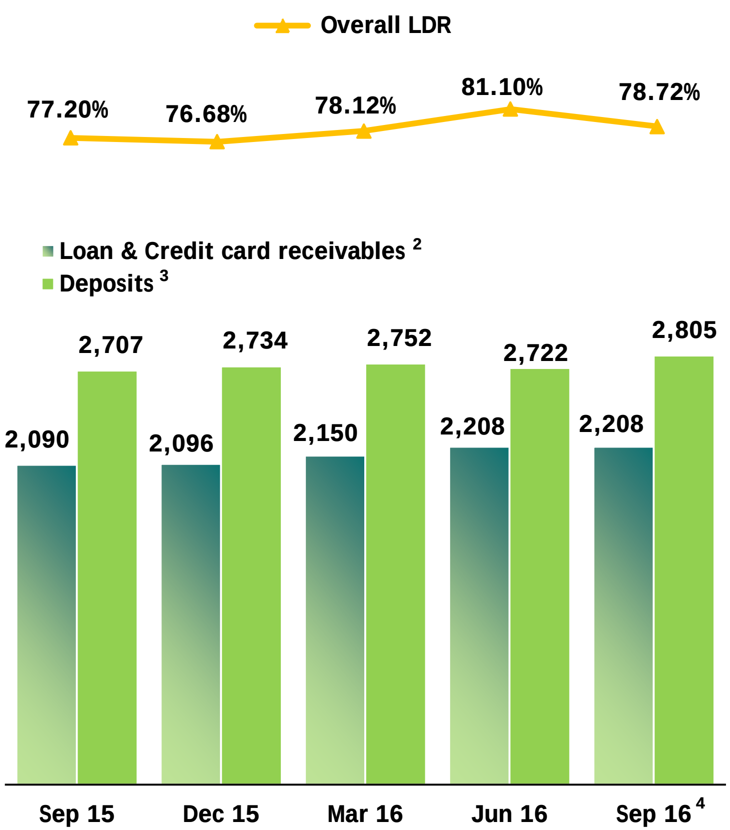
FCY Deposit
NT$ bn, %



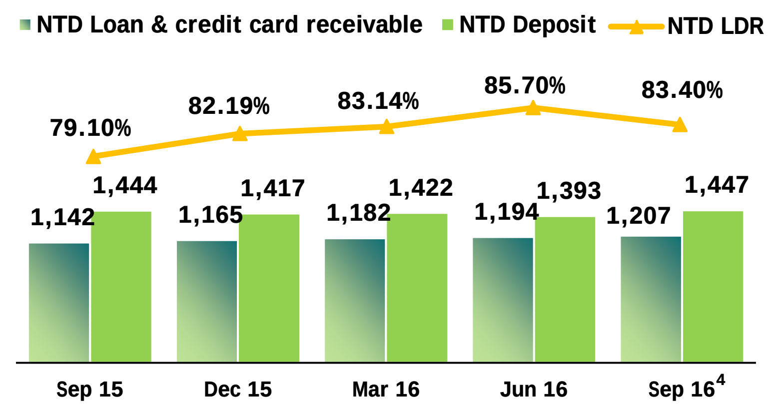
These numbers are presented on CTBC Bank’s consolidated basis.
1. Sep16 number is preliminary

CTBC Bank's LDR

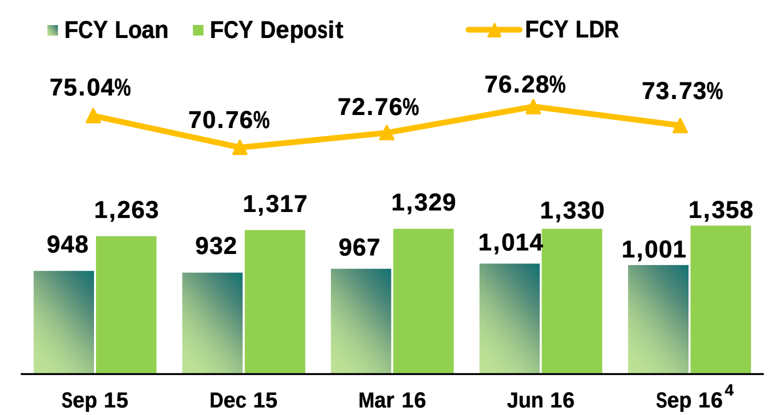
Overall LDR[1]
NT$ bn, %



NTD LDR[1]
NT$ bn, %

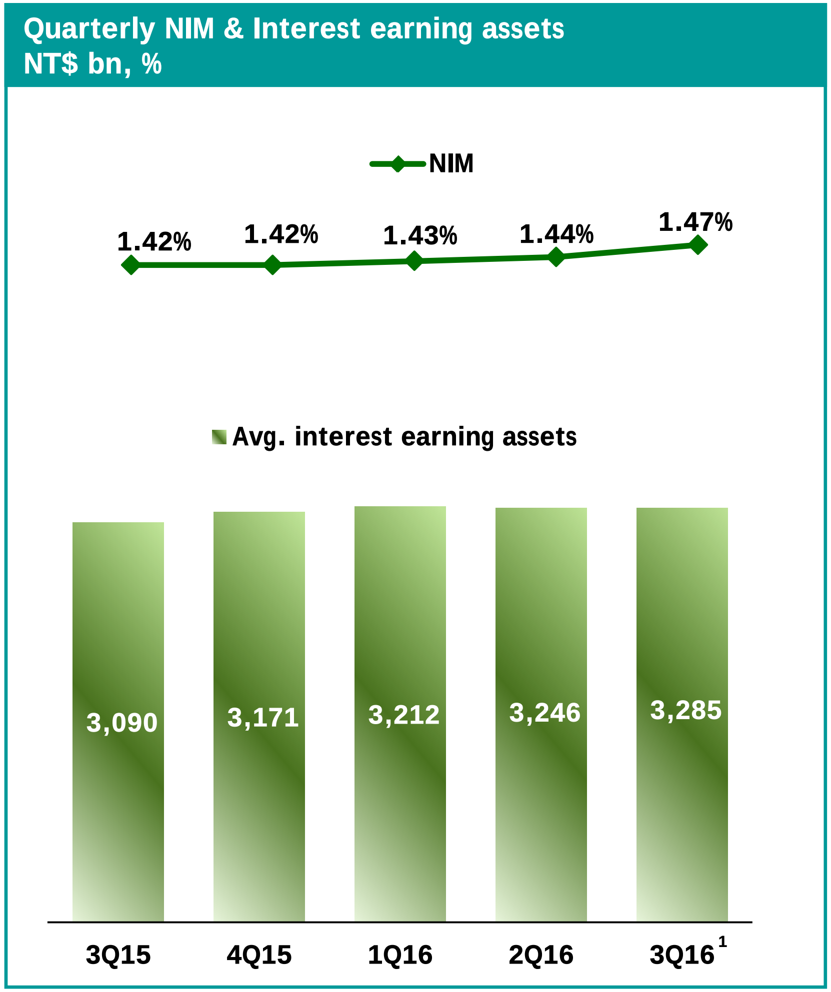


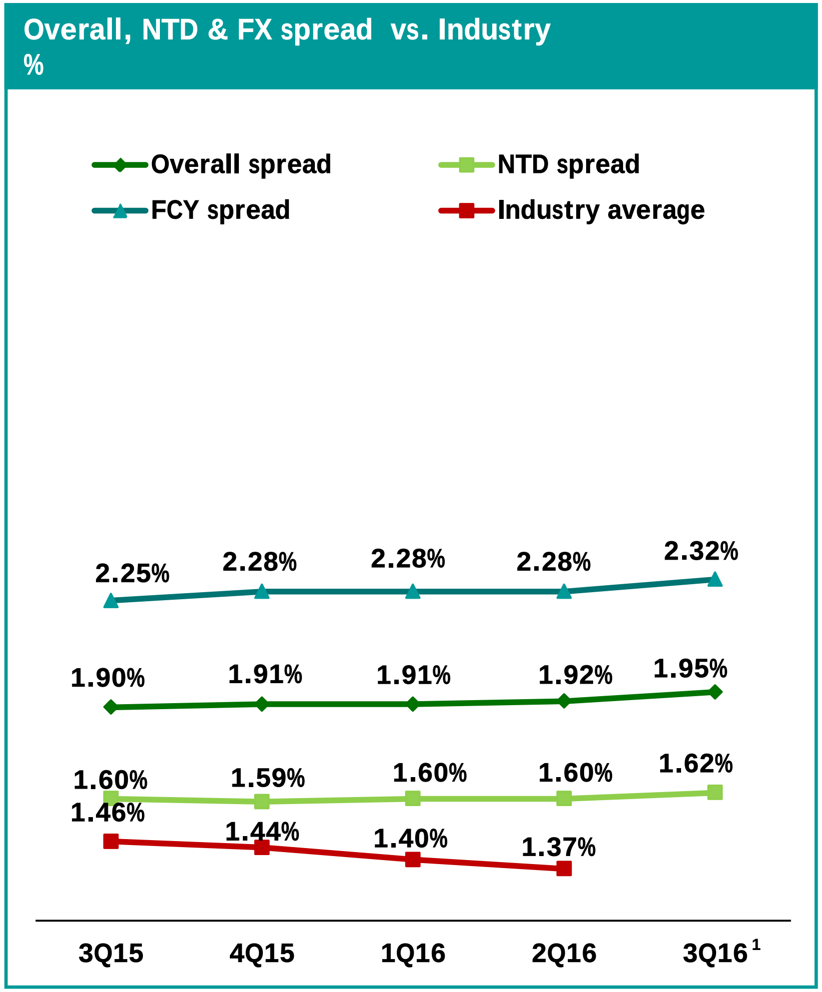
FCY LDR
NT$ bn, %



These numbers are presented on CTBC Bank consolidated basis.
1. Credit card account receivables are included in the calculation of CTBC Bank's LDR
2. Loans include both performing and non-accrual loans
3. Deposit is adjusted to exclude structured deposits and remittances
4. Sep 16 number is preliminary

CTBC Bank's NIM and spreads



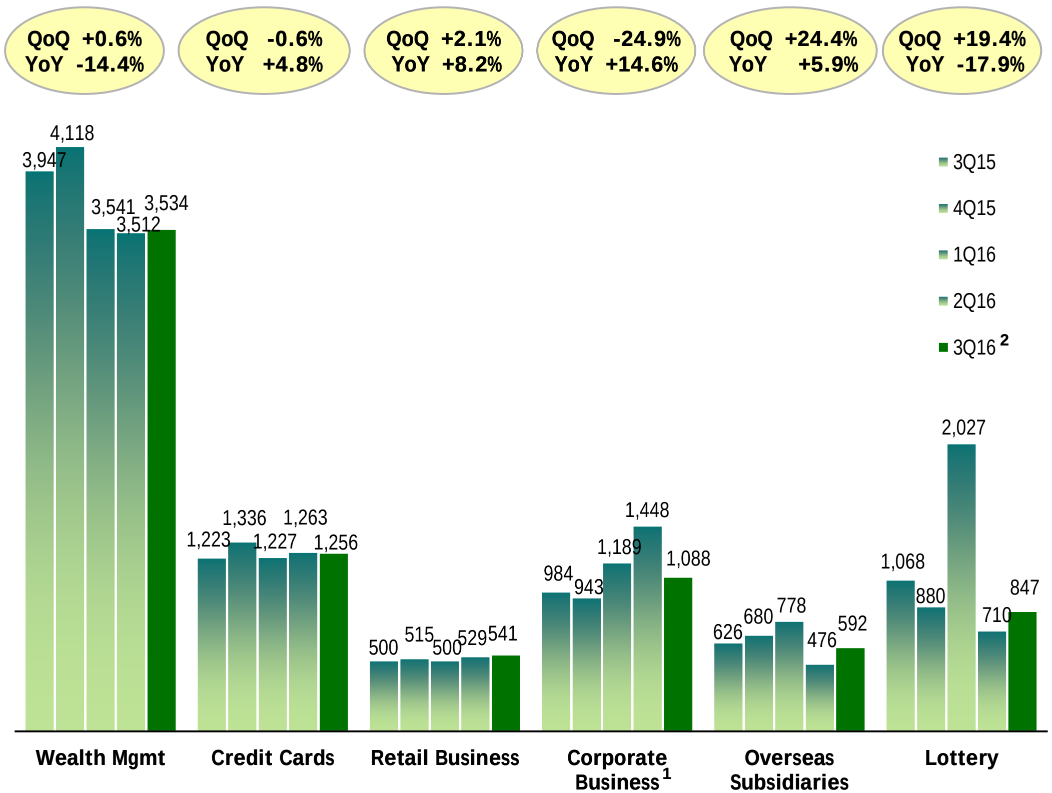


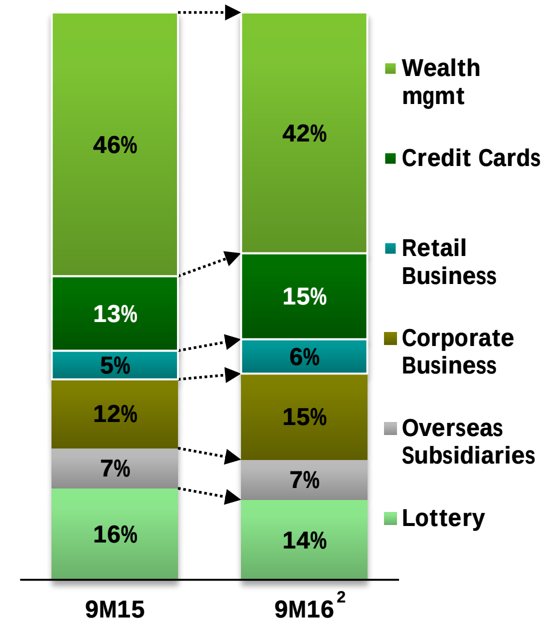
These numbers are presented on CTBC Bank consolidated basis.

1. 3Q16 number is preliminary

CTBC Holding’s fee breakdown (excl. life)

CTBC Holding’s fee income breakdown
NT$ mm, %



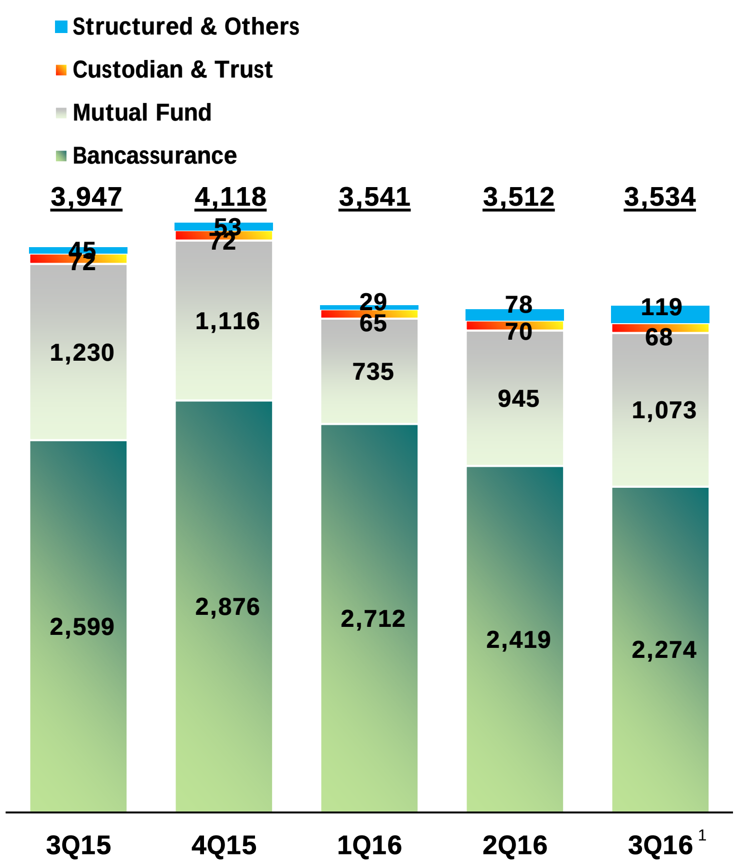


Total Fees (NT$ mm)		%
9M15: 26,748	9M16[2]: 25,058	-6.3%
2Q16: 7,938	3Q16[2]: 7,858	-1.0%

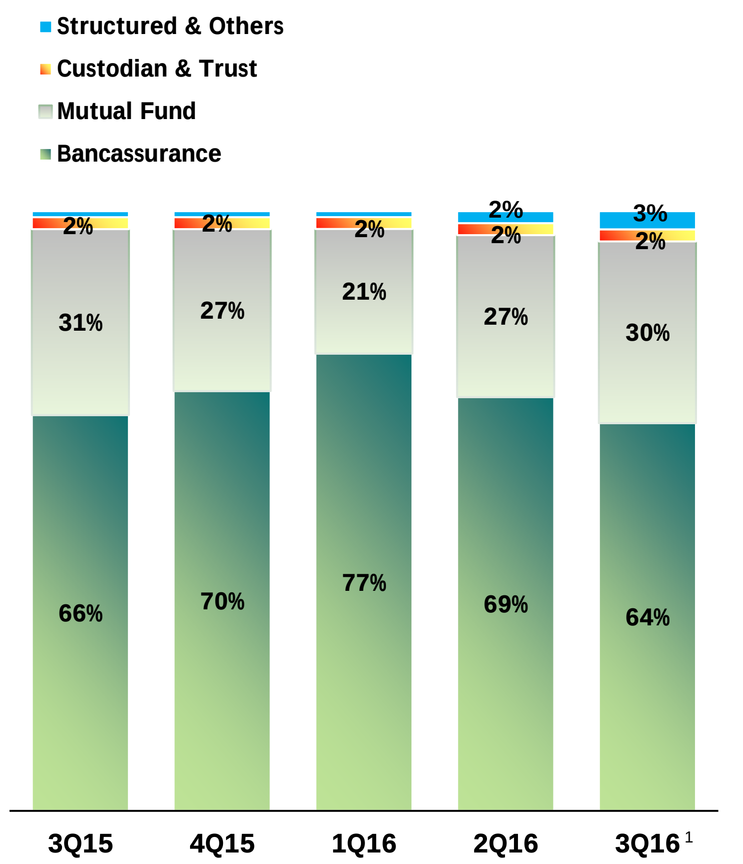
CTBC Holding’s numbers are presented on a consolidated basis.
1. Corporate business excludes overseas subsidiaries
2. 3Q16 & 9M16 numbers are preliminary.

CTBC Holding’s Wealth Management fee

Wealth mgmt. fee breakdown
NT$ mm



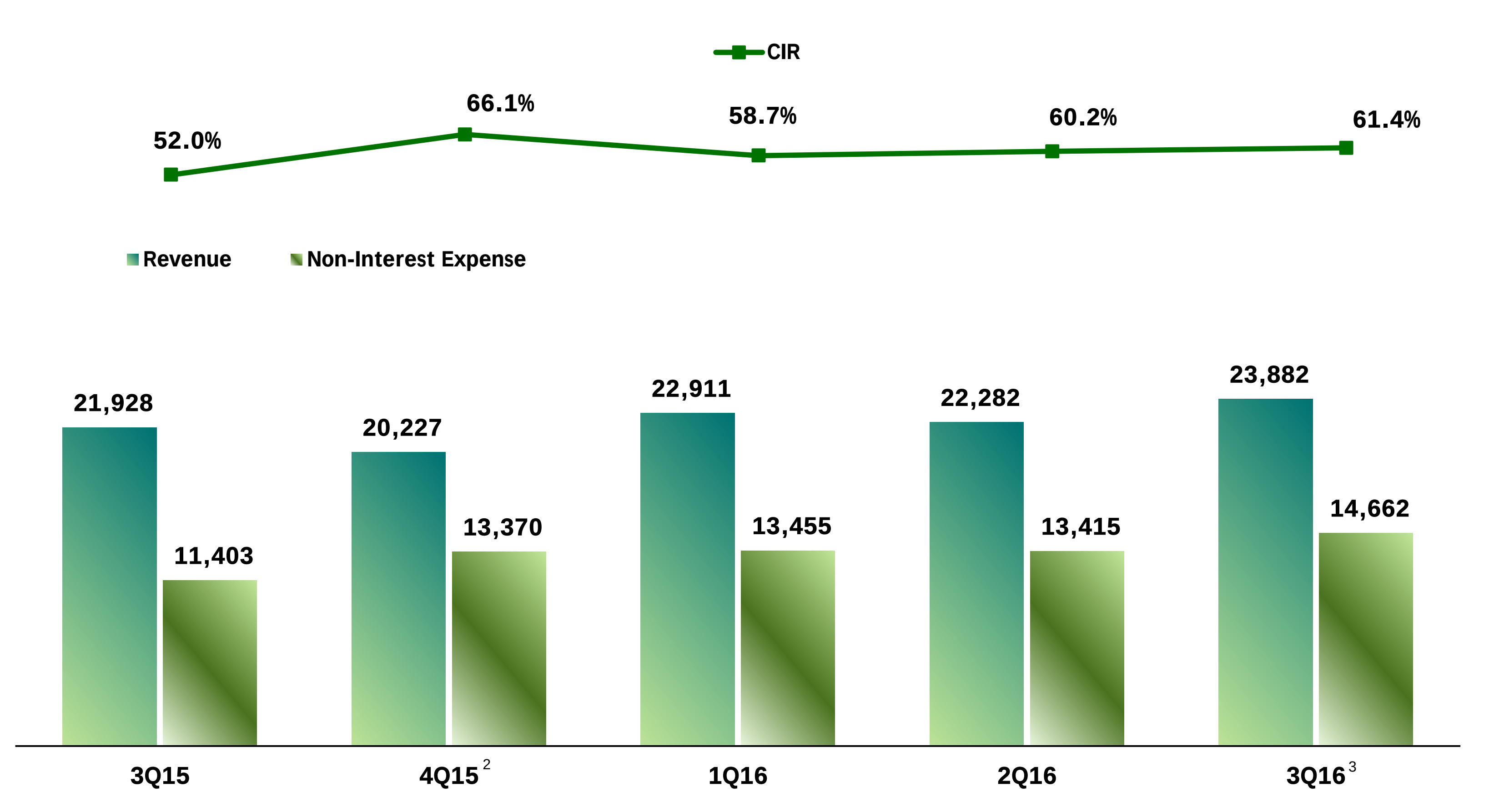
Wealth mgmt. fee breakdown
%



CTBC Holding’s numbers are presented on a consolidated basis.
1. 3Q16 number is preliminary

CTBC Holding's cost to income ratio (excl. life & one-off)

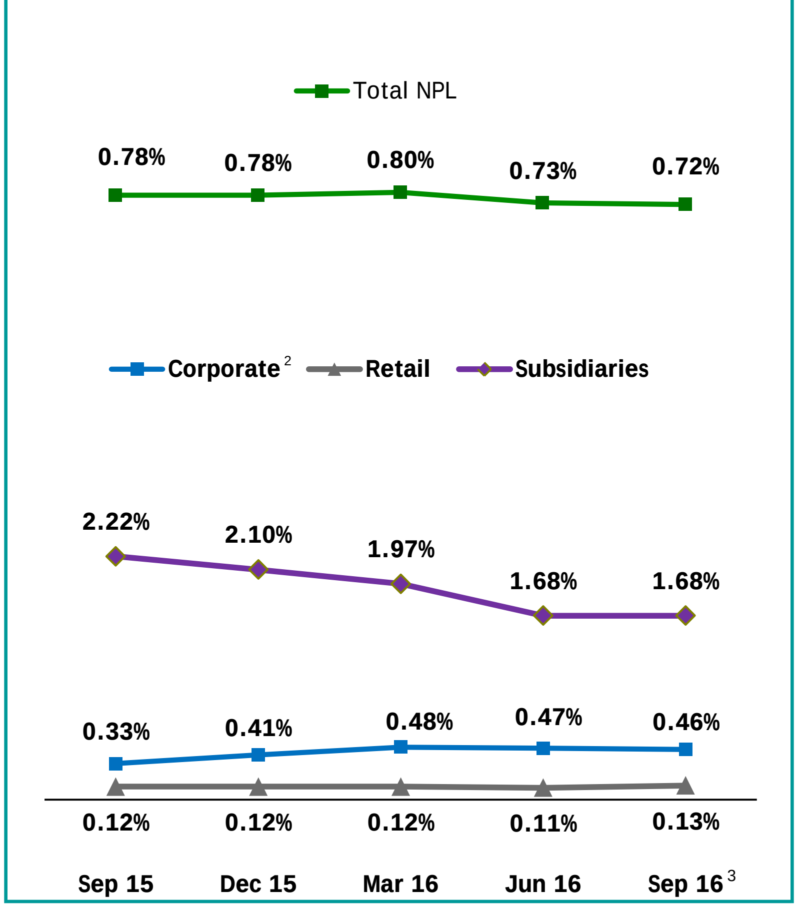
CTBC Holding's Cost-to-Income ratio[1] and Revenue & Non-Interest Expense
NT$ mm, %



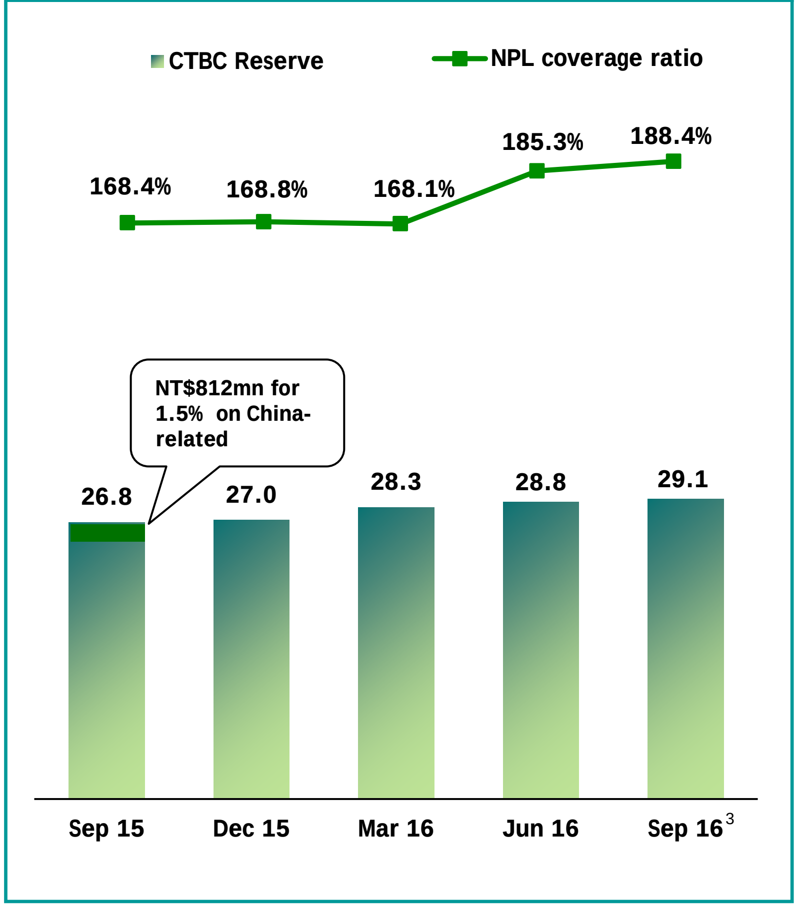
CTBC Holding's numbers are presented on a consolidated basis.
1. Cost-to-Income ratio is derived by dividing Total Non-interest Expense by Pre-provision Operating Revenue
2. 4Q15 revenue & CIR excludes HQ disposal gain
3. 3Q16 number is preliminary.

CTBC Bank's asset quality remained benign

NPL Ratio [1]
%



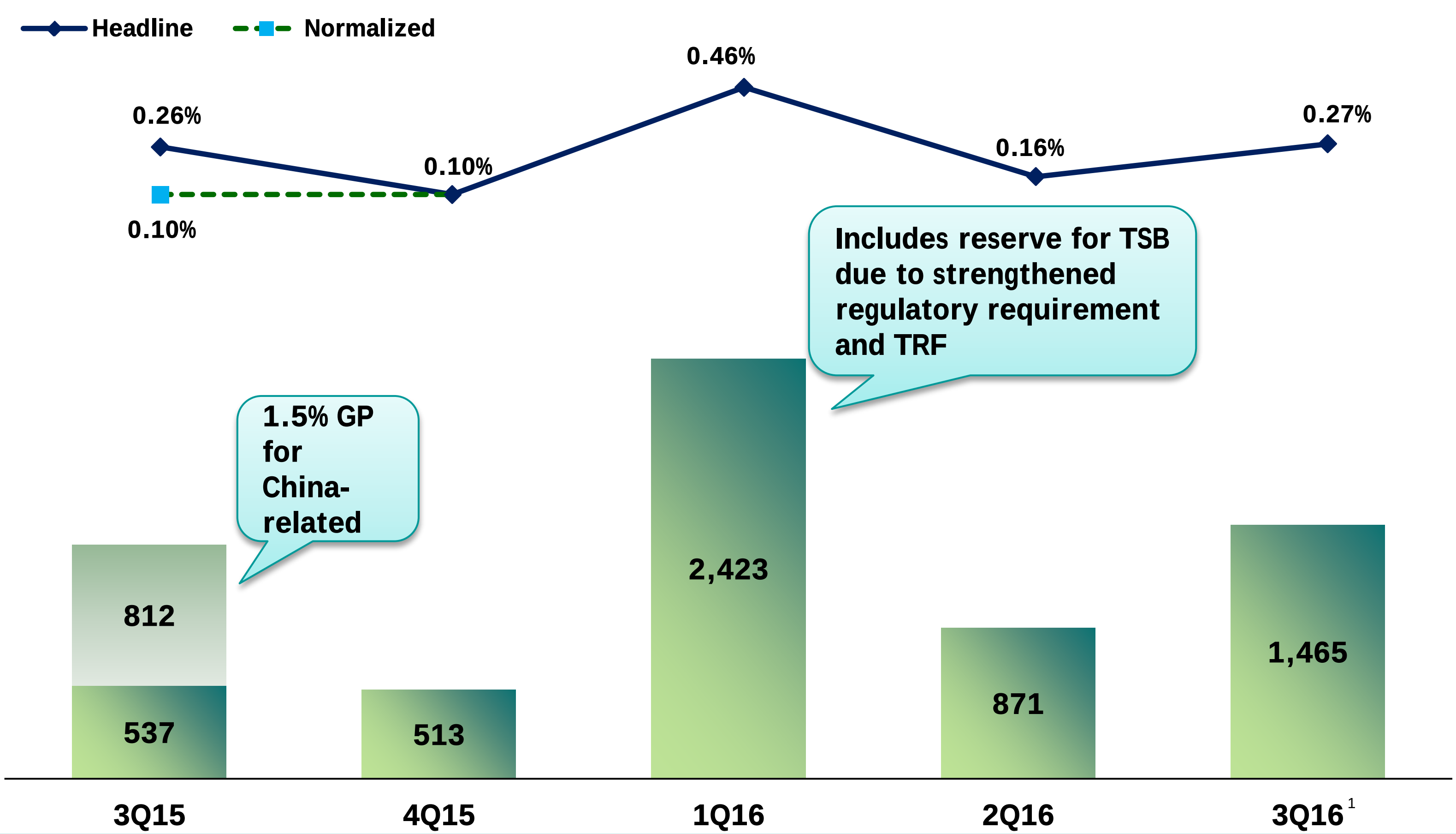
NPL Coverage Ratio
NT$ bn, %



These numbers are presented on CTBC Bank consolidated basis.
1. NPL refers to loans over 90 days overdue
2. Excludes overseas subsidiaries
3. Sep 16 number is preliminary

CTBC Bank’s credit cost trend

Provisioning Ratios & Provision Costs
NT$ mm, %

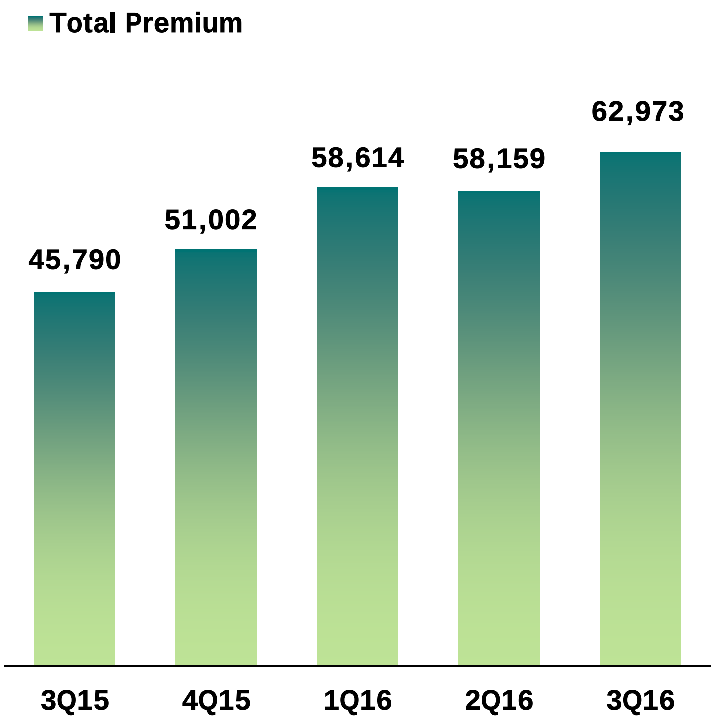


These numbers are presented on CTBC Bank consolidated basis.
1. 3Q16 number is preliminary

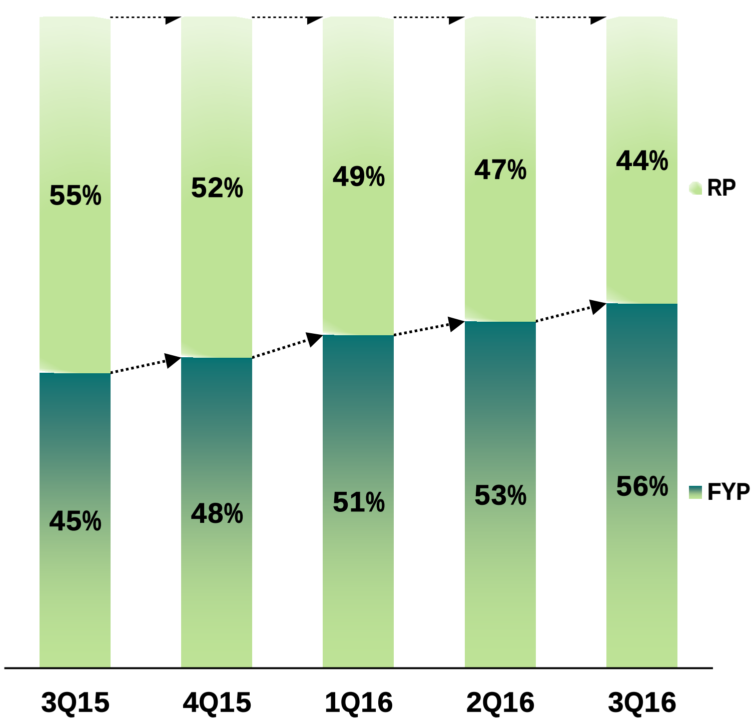
Life - Total Premium (TP) breakdown

Total Premium (TP)[1]
NT$ mm, %

%	Taiwan Life	Industry
QoQ	+8.3%	-0.2%
YoY	+27.9%	+8.0%



Total Premium (TP)[1] mix
%

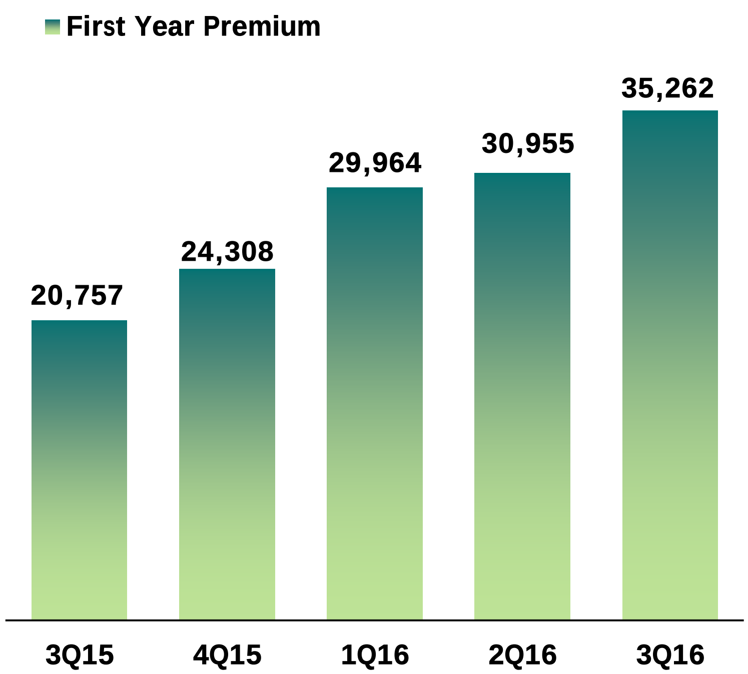


1. 2015 are pro-forma numbers which includes CTBC Life and Taiwan Life

Life - First Year Premium (FYP) overview

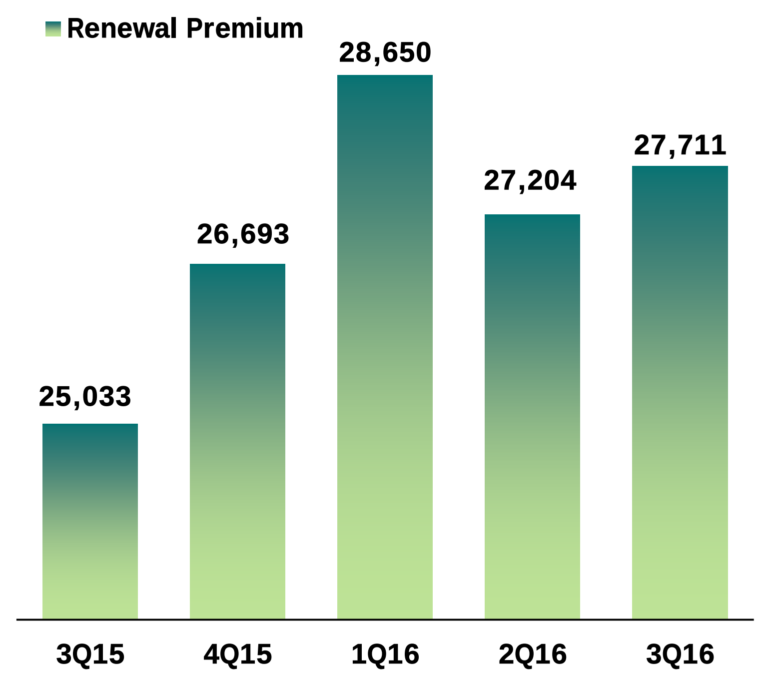
First Year Premium (FYP)[1]
NT$ mm, %

%	Taiwan Life	Industry
QoQ	+13.9%	-4.9%
YoY	+38.5%	+9.8%



Renewal Premium (RP)[1]
NT$ mm, %

%	Taiwan Life	Industry
QoQ	+1.9%	+3.3%
YoY	+17.6%	+6.8%

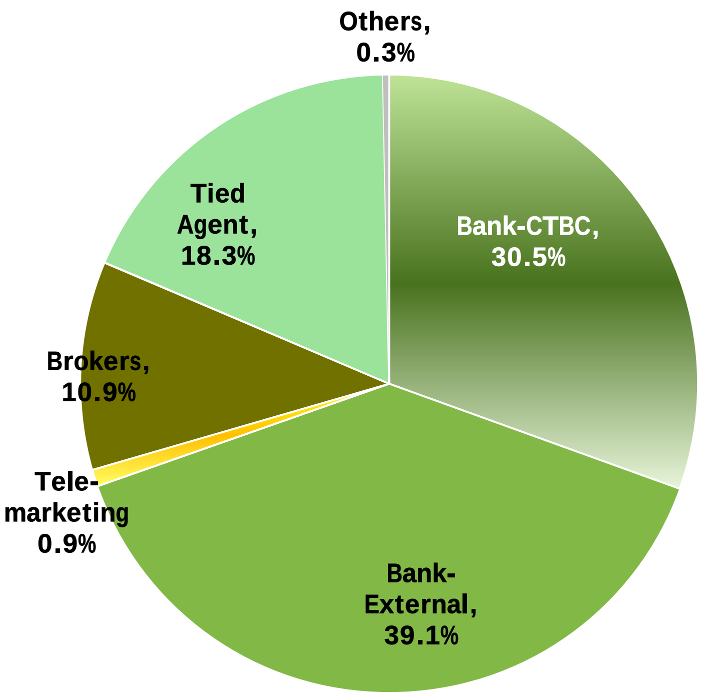


Data resource: Life insurance association and Taiwan Insurance Institution

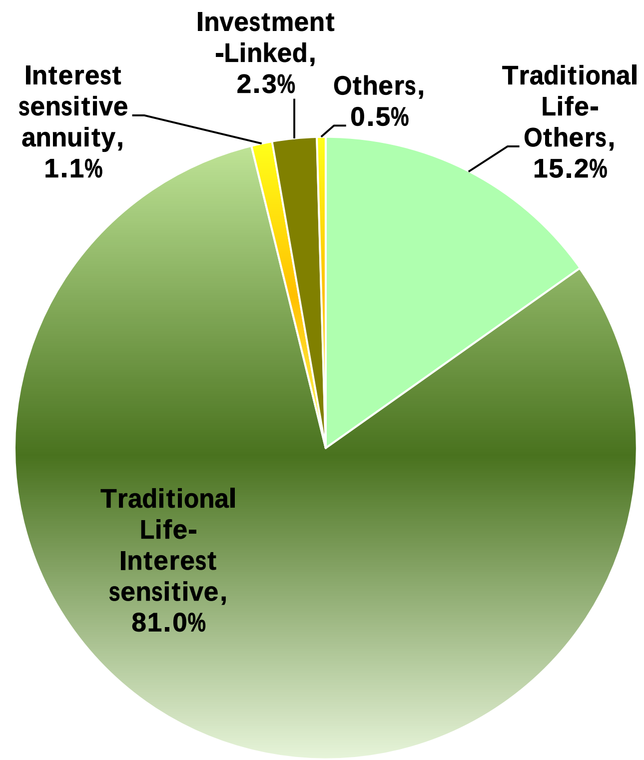
1. 2015 are pro-forma numbers which includes CTBC Life and Taiwan Life

Life - FYP breakdown by channels and products

9M16 FYP breakdown by channels
%



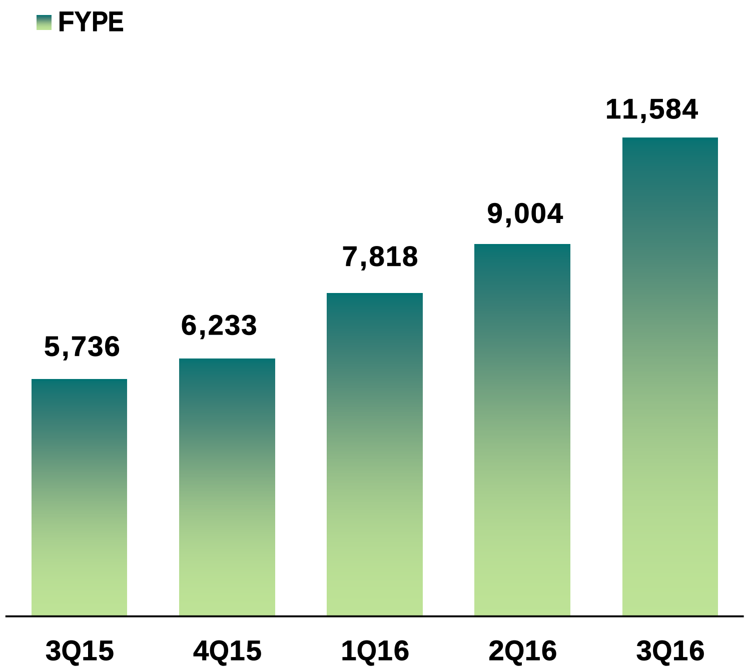
9M16 FYP breakdown by products
%



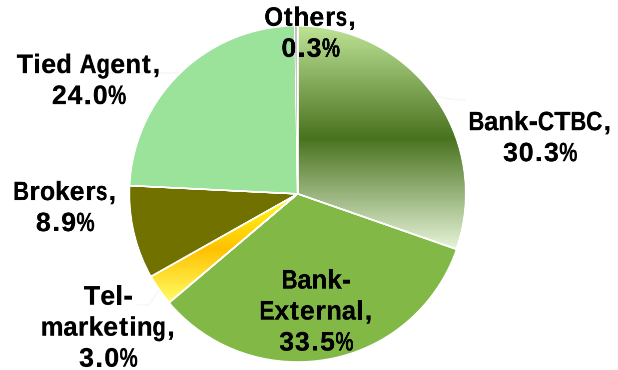
Life - First Year Premium Equivalent (FYPE) overview

First Year Premium Equivalent (FYPE) [1]
NT$ mm, %

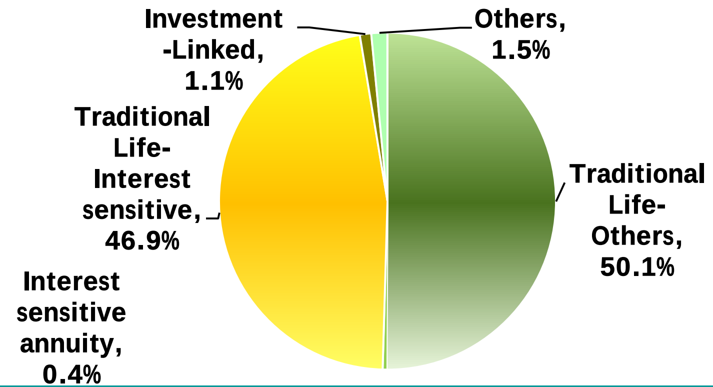
%	Taiwan Life	Industry
QoQ	+28.7%	-10.8%
YoY	+40.1%	+39.2%



9M16 FYPE breakdown by channels
%



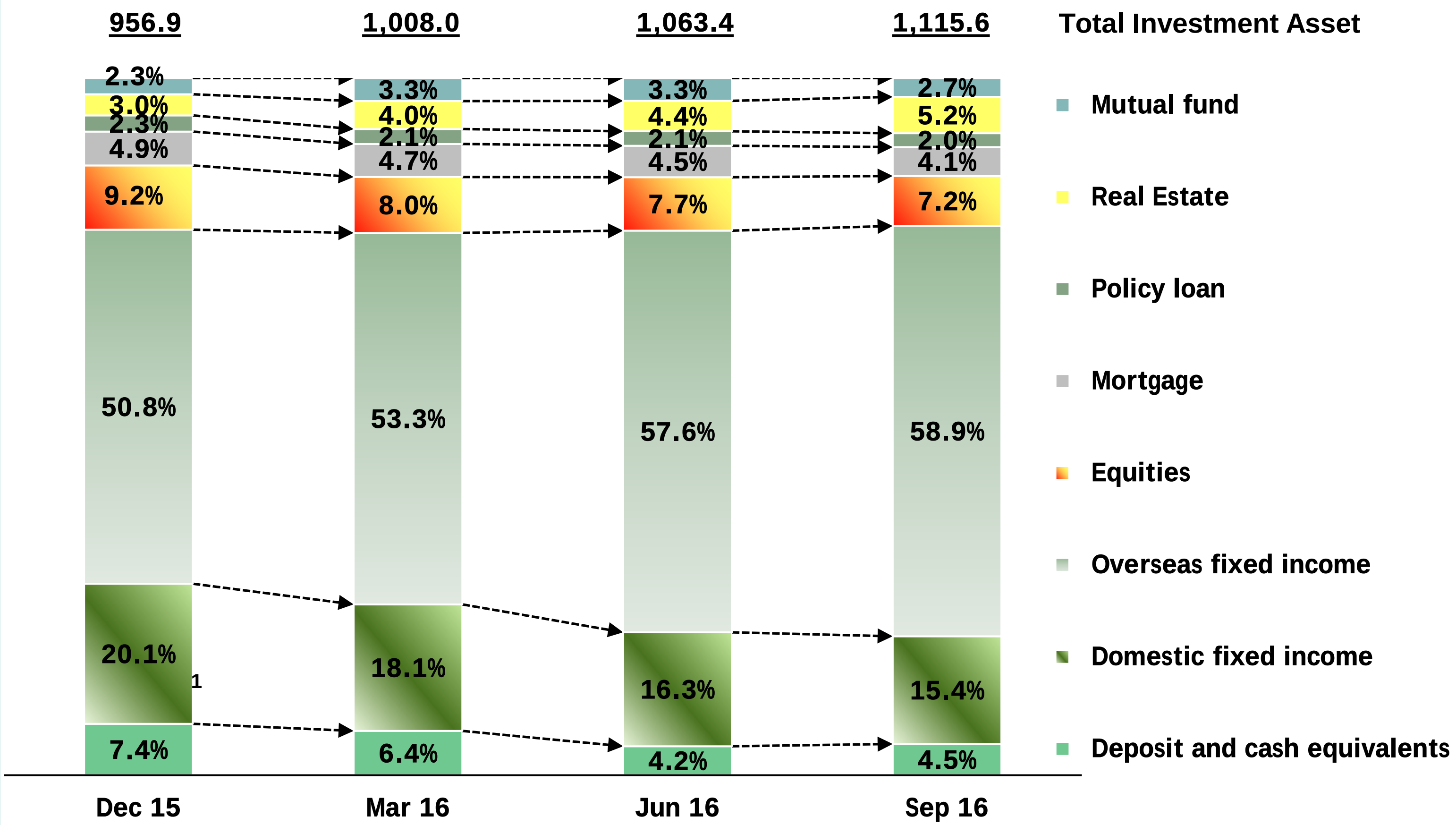
9M16 FYPE breakdown by products
%



1. 2015 are pro-forma numbers which includes CTBC Life and Taiwan Life

Life - Investment portfolio breakdown

9M16 total investment portfolio breakdown
NT$bn,%



1. 2015 is pro-forma number which includes CTBC Life and Taiwan Life

CTBC Holding

Financial Review of 3Q16

Appendix

Nov 14th, 2016

Investor Relations

中國信託

CTBC

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CTBC Holding's Summary Ratios

	Yearly Results			Quarterly results					YTD Results
	2013	2014	2015	3Q15	4Q15	1Q16	2Q16	3Q16[1]	9M16[1]
Per Share Data (Reported)									
EPS (after-tax) (NT$)	1.50	2.58	2.10	0.47	0.62	0.36	0.43	0.50	1.29
DPS (NT$)	0.75	1.62	1.61	-	-	-	-	-	-
BVPS (NT$)	13.10	15.03	15.39	14.47	15.39	15.87	15.61	16.02	16.02
Common shares outstanding (million share)	14,713	15,257	18,028	16,466	18,028	18,028	18,028	18,028	18,028
DuPont Analysis									
ROAA (after-tax) (%, annualized YTD earnings)	0.95%	1.30%	0.86%	0.79%	0.97%	0.57%	0.66%	0.75%	0.66%
ROAE (after-tax) (%, annualized YTD earnings)	11.93%	18.69%	13.97%	13.23%	16.21%	9.32%	10.91%	12.66%	10.98%
Leverage & Solvency Ratios									
Double Leverage Ratio (%)	96.5%	105.3%	112.8%	109.6%	112.8%	112.5%	117.6%	117.2%	117.2%
Avg. Equity / Avg. Assets (%)	8.01%	6.29%	5.98%	6.01%	5.98%	6.09%	6.03%	5.94%	5.94%
CAR - FHC (%)	147.2%	156.4%	142.4%	150.9%	142.4%	138.7%	127.3%	130.5%	130.5%
CAR - Bank (%)	11.82%	13.46%	12.98%	12.89%	12.98%	13.15%	13.03%	13.37%	13.37%
Tier 1 Ratio - Bank (%)	9.66%	10.60%	11.02%	10.93%	11.02%	11.05%	11.05%	11.46%	11.46%
CET1 Ratio - Bank (%)	9.01%	9.14%	9.61%	9.10%	9.61%	9.65%	9.70%	10.08%	10.08%

1. 3Q16 and 9M16 numbers are preliminary.

CTBC Bank's Summary Ratios (Consolidated)

	Yearly Results			Quarterly Results					YoY Results
	2013	2014	2015	3Q15	4Q15[1]	1Q16	2Q16	3Q16[2]	9M16[2]
Bank Growth Ratios									
NII growth	2.95%	35.16%	12.58%	6.36%	2.22%	1.45%	1.66%	4.55%	11.31%
Fee growth	7.63%	12.31%	24.45%	1.25%	50.70%	-17.92%	-13.82%	-1.35%	4.20%
Net profit growth	1.23%	82.39%	-0.06%	22.37%	112.17%	-67.70%	44.54%	-11.33%	-10.29%
Bank Performance Ratios									
Loan growth	13.38%	43.26%	10.35%	5.66%	0.30%	2.73%	2.12%	0.41%	5.66%
Deposit growth	13.51%	39.94%	12.87%	7.12%	0.95%	0.66%	-1.03%	2.99%	3.58%
Loan-to-Deposit Ratio	77.93%	78.77%	76.68%	77.20%	76.68%	78.12%	81.10%	78.72%	78.72%
NIM	1.53%	1.50%	1.41%	1.42%	1.42%	1.43%	1.44%	1.47%	1.45%
NII / Operating income	46.6%	43.7%	46.6%	52.8%	37.8%	51.0%	53.2%	52.4%	52.2%
Fee / Operating income	40.4%	31.8%	37.5%	35.0%	37.0%	40.4%	35.6%	33.2%	36.4%
Cost-to-income ratio	59.1%	51.5%	55.7%	53.5%	44.1%	60.0%	58.6%	60.2%	59.6%
Asset Quality Ratios									
NPLs / Total Loans	0.38%	0.96%	0.78%	0.78%	0.78%	0.80%	0.73%	0.72%	0.72%
Reserve / Total Loans[3]	1.47%	1.58%	1.42%	1.42%	1.40%	1.44%	1.41%	1.43%	1.43%
Reserve / NPLs	344.52%	153.66%	168.80%	168.40%	168.80%	168.15%	185.30%	188.36%	188.36%
Provision/Avg. Loans & Revolv. Bal.	0.49%	0.18%	0.08%	0.26%	0.10%	0.46%	0.16%	0.27%	0.30%

1. CTBC Insurance Brokers merged into CTBC Bank in Nov. 2015
2. 3Q16 and 9M16 numbers are preliminary.
3. Effective 4Q11, calculation excluding government loan by regulatory definition.

Balance Sheet of CTBC Holding and its major subsidiaries as of September 30, 2016[1]

NT$ million	CTBC Bank (consolidated)	Taiwan Life	CTBC Securities	CTBC AMC	CTBC Capital	Taiwan Lottery	CTBC Holding (non-consolidated)	Others[2] & Adjustment Items	CTBC Holding (consolidated)
Assets:									
Cash and due from banks	357,140	42,079	1,268	3,538	109	469	225	(17,651)	387,176
Securities, net	855,347	925,397	14,106	1,044	3,292	-	3,198	41	1,802,425
Loans, net	2,118,286	68,358	-	-	-	-	-	-	2,186,643
A/R, net	110,290	17,381	3,091	7,012	22	486	413	(959)	137,736
LT investments, net	2,306	15,347	-	-	-	-	338,213	(338,162)	17,704
Land, premises and equipments, net	50,776	15,443	169	11	6	153	85	25	66,670
Others	109,093	132,297	3,863	2,363	1,854	98	422	587	250,577
Total assets	3,603,237	1,216,303	22,498	13,967	5,282	1,206	342,556	(356,118)	4,848,930
Liabilities:									
Deposits	2,805,653	-	-	-	-	-	-	(19,205)	2,786,448
Other liabilities	547,260	1,143,245	15,191	8,578	34	189	53,718	5,340	1,773,555
Total liabilities	3,352,913	1,143,245	15,191	8,578	34	189	53,718	(13,866)	4,560,003
Minority interests	84	-	-	-	-	-	-	6	90
Total stockholders' equity	250,240	73,057	7,307	5,389	5,248	1,016	288,838	(342,258)	288,838
Total liabilities and stockholders' equity	3,603,237	1,216,303	22,498	13,967	5,282	1,206	342,556	(356,118)	4,848,930

1. These numbers are preliminary.
2. Others include Securities Investment Trust Co.

P&L of CTBC Holding and its subsidiaries for the year ended September 30, 2016[1]

NT$ million	CTBC Bank (consolidated)[2]	Taiwan Life	CTBC Securities	CTBC AMC	CTBC Capital	Taiwan Lottery	CTBC Holding (non-consolidated)	Others[3] & Adjustment Items	CTBC Holding (consolidated)
Operating income									
Net interest income	35,351	26,237	73	390	-	1	(348)	1	61,706
Fee income	24,624	(10,931)	341	-	-	1,235	-	(1,143)	14,127
Insurance business income, net of reserves, claims, payments, etc.[4]	-	(14,112)	-	-	-	-	-	303	(13,809)
LT investment income	69	156	-	-	-	-	24,117	(24,113)	230
Net trading income/(loss)	921	7,056	406	18	372	-	56	-	8,829
Derivatives & FX	7,881	(5,219)	107	(92)	(1)	-	(2)	(1)	2,674
Others[5]	(1,122)	5,767	29	68	45	4	9	(224)	4,576
Total operating income	67,725	8,955	956	384	416	1,240	23,833	(25,177)	78,333
Operating costs	(38,011)	(3,368)	(609)	(273)	(64)	(777)	(714)	1,349	(42,467)
Business tax	(2,357)	(152)	(71)	(2)	-	-	-	(4)	(2,585)
Total operating costs	(40,368)	(3,520)	(680)	(275)	(64)	(777)	(714)	1,346	(45,052)
Credit Loss Provisions, net	(4,758)	(55)	-	(53)	-	-	-	-	(4,866)
Profit Before Income Tax	22,598	5,381	276	57	352	463	23,119	(23,831)	28,415
Net Profit After Income Tax[6]	17,601	5,426	5	48	366	381	23,329	(23,827)	23,329

1. These numbers are preliminary.
2. CTBC Insurance Brokers merged into CTBC Bank in Nov. 2015.
3. Others include Securities Investment Trust Co.
4. Includes premium income, insurance claims & payment, insurance reserve, reinsurance expense, underwriting expense and other expense
5. Includes CTBC Life's foreign exchange reserve
6. Net profit after Income Tax is excluding Minority Interest Income.

CTBC Holding's Balance Sheet (Consolidated)

	Yearly Results			Quarterly Results						
NT$ million	2013	2014	2015	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16[1]	QoQ(%)	YoY(%)
Assets:										
Cash and due from banks	240,287	407,940	516,280	433,716	516,280	532,055	423,749	387,176	-8.6%	-10.7%
Securities, net	572,930	1,003,415	1,480,631	1,125,251	1,480,631	1,511,260	1,638,720	1,802,425	10.0%	60.2%
Loans, net	1,284,855	1,838,176	2,080,162	2,028,596	2,080,162	2,135,191	2,179,824	2,186,643	0.3%	7.8%
A/R, net	174,019	191,218	170,296	163,252	170,296	151,407	175,377	137,736	-21.5%	-15.6%
LT investments, net	2,077	2,073	16,321	2,557	16,321	16,416	17,268	17,704	2.5%	592.3%
Land, premises and equipments, net	38,348	43,379	64,495	49,831	64,495	64,027	64,638	66,670	3.1%	33.8%
Others	112,205	168,479	268,042	221,889	268,042	249,412	255,763	250,577	-2.0%	12.9%
Total assets	2,424,720	3,654,680	4,596,227	4,025,091	4,596,227	4,659,768	4,755,339	4,848,930	2.0%	20.5%
Liabilities:										
Deposits	1,725,349	2,410,680	2,699,802	2,693,046	2,699,802	2,728,517	2,707,157	2,786,448	2.9%	3.5%
Other liabilities	506,525	1,014,561	1,618,830	1,093,629	1,618,830	1,645,116	1,766,658	1,773,555	0.4%	62.2%
Total liabilities	2,231,874	3,425,241	4,318,633	3,786,675	4,318,633	4,373,633	4,473,815	4,560,003	1.9%	20.4%
Minority interests	77	87	87	83	87	89	91	90	-1.3%	8.1%
Total stockholders' equity	192,770	229,353	277,507	238,333	277,507	286,046	281,433	288,838	2.6%	21.2%
Total liabilities and stockholders' equity	2,424,720	3,654,680	4,596,227	4,025,091	4,596,227	4,659,768	4,755,339	4,848,930	2.0%	20.5%

1. Sep 16 number is preliminary.

CTBC Holding's P&L (Consolidated)

	Quarterly Results						YTD Results		
NT$ million	3Q15	4Q15	1Q16	2Q16	3Q16[1]	QoQ %	9M15	9M16[1]	YoY %
Operating Income									
Net interest income	14,316	18,384	19,719	20,432	21,556	5.5%	40,768	61,706	51.4%
Fee income	6,273	6,017	5,997	4,387	3,743	-14.7%	19,534	14,127	-27.7%
Insurance business income, net of reserves, claims & payments, etc.[2]	(615)	(4,520)	(3,550)	(5,184)	(5,075)	2.1%	(470)	(13,809)	-2839.4%
Long term investment income	39	26	61	69	100	43.5%	48	230	377.4%
Trading income (loss) - equity, MTM	675	478	844	1,377	3,356	143.6%	3,158	5,578	76.6%
Trading income (loss) - FI , MTM	(1,877)	399	(259)	1,317	2,194	66.6%	2,419	3,252	34.4%
Derivatives & FX	3,857	(511)	2,285	912	(523)	-157.3%	6,251	2,674	-57.2%
Other income (loss)[3]	27	6,489	562	1,409	2,606	85.0%	(625)	4,576	832.4%
Operating Revenue	22,695	26,763	25,658	24,718	27,956	13.1%	71,083	78,333	10.2%
Non interest expenses									
Operating expenses	(10,898)	(13,771)	(13,712)	(13,721)	(15,034)	9.6%	(37,780)	(42,467)	12.4%
Business tax	(944)	(922)	(896)	(842)	(847)	0.6%	(2,819)	(2,585)	-8.3%
Total non-interest expenses	(11,842)	(14,692)	(14,608)	(14,564)	(15,881)	9.0%	(40,599)	(45,052)	11.0%
Credit loss provisions, net	(1,445)	(667)	(2,483)	(898)	(1,485)	65.5%	(838)	(4,866)	480.7%
Net profit before income tax	9,408	11,404	8,568	9,257	10,590	14.4%	29,646	28,415	-4.2%
Net profit after income tax[4]	7,723	10,452	6,565	7,738	9,026	16.7%	24,946	23,329	-6.5%

1. 3Q16 and 9M16 number are preliminary.
2. Includes premium income, insurance claims & payment, insurance reserve, reinsurance expense, underwriting expense and other expense
3. Includes CTBC Life's foreign exchange reserve
4. Net profit after Income Tax is excluding Minority Interest Income

CTBC Bank's Balance Sheet (Consolidated)

	Yearly Results			Quarterly Results						
NT$ million	2013	2014	2015	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16[1]	QoQ(%)	YoY(%)
Assets:										
Cash and due from banks	209,557	383,323	483,210	415,375	483,210	497,997	388,700	357,140	-8.1%	-14.0%
Securities, net	404,270	691,066	677,071	739,114	677,071	661,034	729,382	855,347	17.3%	15.7%
Loans, net	1,272,381	1,820,196	2,011,474	2,005,504	2,011,474	2,065,883	2,109,763	2,118,286	0.4%	5.6%
A/R, net	166,685	176,867	147,663	148,435	147,663	125,957	146,549	110,290	-24.7%	-25.7%
LT investments, net	2,022	2,011	2,220	1,821	2,220	2,291	2,268	2,306	1.7%	26.6%
Land, premises and equipments, net	34,229	42,819	49,744	49,159	49,744	50,024	50,312	50,776	0.9%	3.3%
Others	66,200	118,892	147,835	157,151	147,835	120,634	129,236	109,093	-15.6%	-30.6%
Total assets	2,155,344	3,235,173	3,519,218	3,516,560	3,519,218	3,523,821	3,556,211	3,603,237	1.3%	2.5%
Liabilities:										
Deposits	1,731,169	2,422,627	2,734,384	2,708,672	2,734,384	2,752,339	2,724,118	2,805,653	3.0%	3.6%
Other liabilities	277,253	615,852	551,342	588,169	551,342	532,269	584,785	547,260	-6.4%	-7.0%
Total liabilities	2,008,422	3,038,480	3,285,726	3,296,841	3,285,726	3,284,608	3,308,903	3,352,913	1.3%	1.7%
Minority interests	71	81	81	77	81	83	85	84	-1.4%	8.6%
Total stockholders' equity	146,851	196,613	233,411	219,643	233,411	239,130	247,223	250,240	1.2%	13.9%
Total liabilities and stockholders' equity	2,155,344	3,235,173	3,519,218	3,516,560	3,519,218	3,523,821	3,556,211	3,603,237	1.3%	2.5%

1. Sep 16 number is preliminary.

CTBC Bank's P&L (Consolidated)

NT$ million	Quarterly Results						YTD Results		
	3Q15	4Q15[1]	1Q16	2Q16	3Q16[2]	QoQ(%)	9M15	9M16[2]	YoY (%)
Operating Income									
Net interest income	11,070	11,316	11,479	11,670	12,201	4.6%	31,758	35,351	11.3%
Fee income	7,341	11,062	9,080	7,825	7,720	-1.3%	23,633	24,624	4.2%
Long term investment income	41	25	19	23	27	15.5%	64	69	8.6%
Trading income (loss) -equity,MTM	91	88	69	128	346	170.7%	429	543	26.6%
Trading income (loss) - FI , MTM	(1,352)	312	(717)	451	644	42.7%	1,157	378	-67.4%
Derivatives & FX	3,395	194	3,323	2,062	2,496	21.0%	5,980	7,881	31.8%
Other income (loss)	382	6,901	(755)	(209)	(158)	24.0%	(469)	(1,122)	-139.3%
Operating Revenue	20,967	29,898	22,498	21,951	23,275	6.0%	62,552	67,725	8.3%
Non interest expenses									
Operating expenses	(10,366)	(12,096)	(12,709)	(12,084)	(13,219)	9.4%	(35,925)	(38,011)	5.8%
Business tax	(843)	(1,079)	(791)	(782)	(784)	0.2%	(2,402)	(2,357)	-1.9%
Total non-interest expenses	(11,209)	(13,175)	(13,500)	(12,866)	(14,002)	8.8%	(38,327)	(40,368)	5.3%
Pre-provision profit	9,758	16,723	8,998	9,085	9,273	2.1%	24,224	27,356	12.9%
Credit loss provisions, net	(1,349)	(513)	(2,423)	(871)	(1,465)	68.2%	(646)	(4,758)	636.9%
Net profit before income tax	8,409	16,211	6,576	8,214	7,808	-4.9%	23,579	22,598	-4.2%
Net profit after income tax[3]	6,891	14,621	4,723	6,826	6,052	-11.3%	19,619	17,601	-10.3%

1. CTBC Insurance Brokers merged into CTBC Bank in Nov. 2015.
2. 3Q16 and 9M16 numbers are preliminary.
3. Net profit after Income Tax is excluding Minority Interest Income.

CTBC Bank's Loan Breakdown (Consolidated)

NT$ million	Yearly Results			Quarterly Results						
	2013	2014	2015	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16[1]	QoQ (%)	YoY (%)
Corporate NTD loans										
Manufacturing	127,894	141,609	137,547	147,838	137,547	133,868	136,436	137,402	0.7%	-7.1%
Commerce & services	35,014	52,541	48,107	49,279	48,107	55,188	53,492	53,703	0.4%	9.0%
Government & Non-prof. Org.	133,443	125,975	156,831	162,695	156,831	161,908	122,162	121,121	-0.9%	-25.6%
Construction & real estate	41,867	43,371	54,873	51,588	54,873	56,593	60,423	58,386	-3.4%	13.2%
Finance & insurance	31,076	33,912	36,607	36,667	36,607	38,116	43,500	41,628	-4.3%	13.5%
Others	78,077	80,701	92,938	92,451	92,938	94,484	99,633	102,385	2.8%	10.7%
Sub-total	447,371	478,110	526,904	540,518	526,904	540,157	515,645	514,625	-0.2%	-4.8%
Foreign currency loans	370,245	871,758	918,547	935,223	918,547	953,614	1,001,623	999,110	-0.3%	6.8%
Retail loans										
Mortgages	360,320	363,754	449,872	416,181	449,872	459,641	482,136	506,294	5.0%	21.7%
Unsecured loans	95,717	102,023	105,776	104,323	105,776	104,661	106,044	106,492	0.4%	2.1%
Other loans[2]	11,152	16,069	22,492	21,616	22,492	20,408	18,487	16,731	-9.5%	-22.6%
Sub-total	467,189	481,846	578,140	542,121	578,140	584,711	606,668	629,517	3.8%	16.1%
Non-accrual account	4,678	15,618	14,910	14,459	14,910	15,666	14,595	4,133	-71.7%	-71.4%
Total loans	1,289,482	1,847,332	2,038,501	2,032,321	2,038,501	2,094,147	2,138,532	2,147,384	0.4%	5.7%

1. Sep 16 number is preliminary.
2. Other loans include car loans under repurchase agreement, car loans and small business loans.

CTBC Bank's Deposit Breakdown (Consolidated)

	Yearly Results			Quarterly Results						
NT$ million	2013	2014	2015	Sep 15	Dec 15	Mar 16	Jun16	Sep16[1]	QoQ(%)	YoY (%)
Deposits										
Checking & demand deposits	154,617	156,255	197,951	186,033	197,951	172,230	169,987	172,566	1.5%	-7.2%
Saving deposits	483,059	529,451	590,649	586,829	590,649	611,010	599,384	631,177	5.3%	7.6%
Sub-total	637,676	685,706	788,601	772,862	788,601	783,239	769,371	803,743	4.5%	4.0%
Time & savings										
Time deposits (incl. CD)	235,292	206,263	217,214	270,296	217,214	215,363	197,624	216,183	9.4%	-20.0%
Time saving deposits	313,555	357,349	411,298	400,844	411,298	423,527	425,796	426,895	0.3%	6.5%
Sub-total	548,847	563,612	628,512	671,139	628,512	638,890	623,420	643,078	3.2%	-4.2%
Remittances	745	1,363	749	1,645	749	834	1,632	891	-45.4%	-45.8%
Foreign currency deposits	543,901	1,171,946	1,316,521	1,263,025	1,316,521	1,329,375	1,329,695	1,357,941	2.1%	7.5%
Total deposits	1,731,169	2,422,627	2,734,384	2,708,672	2,734,384	2,752,339	2,724,118	2,805,653	3.0%	3.6%

1. Sep 16 number is preliminary.

CTBC Bank's Spread (Consolidated)

%	Quarterly Results					YTD Results	
	3Q15	4Q15	1Q16	2Q16	3Q16[1]	9M15	9M16[1]
NTD							
Lending rate	2.25%	2.20%	2.16%	2.11%	2.07%	2.29%	2.12%
Deposit rate	0.65%	0.61%	0.56%	0.51%	0.46%	0.66%	0.51%
NTD spread[2]	1.60%	1.59%	1.60%	1.60%	1.62%	1.63%	1.61%
Foreign currency							
Lending rate	2.83%	2.83%	2.86%	2.77%	2.77%	2.81%	2.80%
Deposit rate	0.57%	0.56%	0.58%	0.49%	0.45%	0.65%	0.51%
Foreign currency spread[2]	2.25%	2.28%	2.28%	2.28%	2.32%	2.16%	2.30%
NTD & foreign currency							
Lending rate	2.51%	2.49%	2.48%	2.42%	2.40%	2.53%	2.43%
Deposit rate	0.61%	0.58%	0.57%	0.50%	0.45%	0.65%	0.51%
Overall spread[2]	1.90%	1.91%	1.91%	1.92%	1.95%	1.88%	1.93%
NIM	1.42%	1.42%	1.43%	1.44%	1.47%	1.40%	1.45%

1. 3Q16 and 9M16 numbers are preliminary.
2. Credit card receivables are excluded in the calculation of NTD, foreign currency, and overall loan spread, and is included in the calculation of NIM.

CTBC Bank's Asset Quality (Consolidated)

(NT$mm)	Yearly Results 2013	Yearly Results 2014	Yearly Results 2015	Quarterly Results 3Q15	Quarterly Results 4Q15	Quarterly Results 1Q16	Quarterly Results 2Q16	Quarterly Results 3Q16[1]	Quarterly Results QoQ(%)	YTD Results 9M15	YTD Results 9M16[1]	YTD Results YoY (%)
90-days NPLs - beginning	4,715	4,964	17,659	14,854	15,924	16,011	16,809	15,525	-7.6%	17,659	16,011	-9.3%
New NPL influx, net of recovery & others	3,255	16,567	630	733	560	679	(1,269)	1,064	183.9%	69	474	582.2%
Write-offs & other deductions	(3,006)	(3,871)	(2,278)	337	(473)	119	(15)	(1,141)	7347.2%	(1,805)	(1,037)	-42.5%
90-days NPLs - ending	4,964	17,659	16,011	15,924	16,011	16,809	15,525	15,448	-0.5%	15,924	15,448	-3.0%
Provisions for credit loss												
Provision for loan loss, net	5,867	3,268	1,037	1,056	527	1,160	689	1,321	91.6%	509	3,170	522.1%
Provision for credit card loss, net	(673)	(519)	(358)	(85)	(41)	(92)	(49)	(37)	24.7%	(316)	(177)	43.9%
Others, net	985	289	479	378	27	1,354	231	181	-21.5%	452	1,766	290.3%
Total provisions	6,179	3,038	1,158	1,349	513	2,423	871	1,465	68.2%	646	4,758	636.9%
Total reserves	17,101	27,136	27,027	26,817	27,027	28,264	28,768	29,098	1.1%	26,817	29,098	8.5%

	Yearly Results 2013	Yearly Results 2014	Yearly Results 2015	Quarterly Results 3Q15	Quarterly Results 4Q15	Quarterly Results 1Q16	Quarterly Results 2Q16	Quarterly Results 3Q16[1]	Quarterly Results QoQ (bp;pp)	YTD Results 9M15	YTD Results 9M16[1]	YTD Results YoY (bp;pp)
90-day NPL ratio												
Corporate NPL ratio[2]	0.46%	0.29%	0.41%	0.33%	0.41%	0.48%	0.47%	0.46%	-1bp	0.33%	0.46%	13bp
Retail NPL ratio	0.17%	0.13%	0.12%	0.12%	0.12%	0.12%	0.11%	0.13%	2bp	0.12%	0.13%	1bp
Overseas Subsidiaries NPL ratio	1.01%	2.84%	2.10%	2.22%	2.10%	1.97%	1.68%	1.68%	0bp	2.22%	1.68%	-53bp
Total NPL ratio	0.38%	0.96%	0.78%	0.78%	0.78%	0.80%	0.73%	0.72%	-1bp	0.78%	0.72%	-6bp

1. Sep 16 and 9M16 number is preliminary.
2. Corporate NPL ratio excludes overseas subsidiaries NPL

Life Insurance's P&L

	Quarterly Results						YTD Results		
NT$mm, %	**3Q15**	**4Q15**	**1Q16**	**2Q16**	**3Q16**	**QoQ%**	**9M15**	**9M16**	**YoY%**
Retained earned premium	29,603	34,311	56,751	56,046	61,013	8.9%	88,254	173,810	96.9%
Retained claims and policyholders' benefits	(4,513)	(5,786)	(10,646)	(10,857)	(9,612)	11.5%	(11,095)	(31,115)	-180.4%
Changes in liabilities reserves	(25,727)	(29,603)	(49,812)	(50,527)	(56,618)	-12.1%	(77,635)	(156,956)	-102.2%
Commission expense	(2,359)	(2,595)	(3,693)	(4,034)	(4,578)	-13.5%	(8,035)	(12,305)	-53.1%
Total investment	3,443	3,276	9,331	11,218	13,289	18.5%	12,426	33,838	172.3%
Interest income	*3,171*	*3,323*	*8,184*	*8,681*	*9,302*	7.2%	*8,720*	*26,168*	200.1%
Net trading income/(loss)	*(5,851)*	*356*	*9,471*	*3,363*	*15,406*	358.1%	*(418)*	*28,240*	6861.6%
FX(*)	*6,446*	*(522)*	*(8,541)*	*(1,052)*	*(12,281)*	-1067.8%	*4,543*	*(21,874)*	-581.5%
FX Reserve	*(327)*	*114*	*286*	*195*	*825*	323.6%	*(431)*	*1,306*	403.5%
Rental from Real Estate	*4*	*5*	*12*	*117*	*126*	7.9%	*11*	*255*	2183.4%
Others	-	-	*(81)*	*(86)*	*(90)*	-5.2%	-	*(256)*	na
Others	254	198	556	341	330	-3.2%	703	1,227	74.5%
Marketing, administrative and general expenses	(481)	(744)	(1,031)	(1,000)	(1,076)	-7.7%	(1,552)	(3,107)	-100.2%
Net profit before Tax	**218**	**(944)**	**1,457**	**1,188**	**2,748**	131.4%	**3,065**	**5,393**	76.0%
Net profit after Tax	**250**	**(796)**	**1,341**	**1,033**	**3,052**	195.6%	**2,756**	**5,426**	96.9%

Note:
1.The numbers in Year 2015 were CTBC life only due to the reverse acquisition accounting
2.The numbers in Year 2016 are on a standalone basis

Life Insurance's Premium Performance

NT$mm, %	Quarterly Results						YTD Results		
Total Premium Breakdown by Products	**3Q15**	**4Q15**	**1Q16**	**2Q16**	**3Q16**	**QoQ%**	**9M15**	**9M16**	**YoY%**
Traditional_Single paid	11,663	16,837	20,822	20,204	21,553	6.7%	34,498	62,578	81.4%
Traditional_Regular paid	26,390	28,055	33,240	33,274	35,986	8.1%	83,825	102,501	22.3%
Interest Sensitive Annuity	14	132	224	97	721	644.6%	41	1,042	2434.1%
Investment Linked	4,422	2,342	1,330	1,456	1,343	-7.7%	13,048	4,130	-68.4%
Health, PA and Others	3,302	3,636	2,997	3,128	3,370	7.7%	9,075	9,495	4.6%
Total Premium	**45,790**	**51,002**	**58,614**	**58,159**	**62,973**	**8.3%**	**140,487**	**179,745**	**27.9%**

First Year Premium Breakdown by Products	**3Q15**	**4Q15**	**1Q16**	**2Q16**	**3Q16**	**QoQ%**	**9M15**	**9M16**	**YoY%**
Traditional_Single paid	11,663	16,827	20,807	20,204	21,553	6.7%	34,497	62,563	81.4%
Traditional_Regular paid	4,997	5,206	7,792	9,387	11,881	26.6%	22,764	29,060	27.7%
Interest Sensitive Annuity	14	132	224	96	720	647.2%	41	1,041	2431.5%
Investment Linked	3,542	1,649	710	808	694	-14.1%	10,589	2,211	-79.1%
Health, PA and Others	541	495	431	461	414	-10.0%	1,538	1,306	-15.1%
Total First Year Premium	**20,757**	**24,308**	**29,964**	**30,955**	**35,262**	**13.9%**	**69,429**	**96,181**	**38.5%**

First Year Premium Breakdown by Channels	**3Q15**	**4Q15**	**1Q16**	**2Q16**	**3Q16**	**QoQ%**	**9M15**	**9M16**	**YoY%**
Bank_CTBC	8,506	9,498	9,943	10,559	8,848	-16.2%	27,257	29,349	7.7%
Bank_External	6,166	8,190	10,727	10,790	16,100	49.2%	23,650	37,616	59.1%
Tele-Marketing	430	382	326	292	242	-17.2%	1,412	861	-39.0%
Brokers	1,929	2,872	3,030	2,929	4,507	53.9%	5,509	10,467	90.0%
Tied Agent	3,668	3,356	5,846	6,274	5,455	-13.0%	11,400	17,576	54.2%
Others	57	10	92	111	110	-1.3%	201	312	55.6%
Total First Year Premium	**20,757**	**24,308**	**29,964**	**30,955**	**35,262**	**13.9%**	**69,429**	**96,181**	**38.5%**
First Year Premium Equivalent (FYPE)	**5,737**	**6,233**	**7,818**	**9,004**	**11,584**	**28.7%**	**20,269**	**28,407**	**40.1%**

Note: The numbers in Year 2015 were pro-forma basis, including CTBC Life and Taiwan Life