



遠東國際商業銀行
Far Eastern Int'l Bank

1Q2017 法人說明會



Jun. 9, 2017

FE group business



- Span over 10 major industries
- Own over 240 companies
- Established in 1937
- 9 public listed companies in Taiwan and HK



Petrochemical & energy

- 7 companies in operation across Taiwan and China
- Oriental Petrochemical (Taiwan) over 1 million tons annual PTA capacity



Polyester & synthetic fiber

- 21 companies in operation across Taiwan, China and Vietnam
- Group's polyester capacity over 2 million tons, one of the world's 5 largest manufacturers



Cement & building material

- 27 subsidiaries integrating Taiwan and China markets
- Main operation unit Asia Cement to achieved 40 m tons of annual capacity



Retail & department store

- Total sales surpassed NT\$ 120 billion
- Together owns 50 stores across both sides of Strait



Financial services

- 10 companies in operation across 7 financial service fields, in Taiwan and China
- FEIB is the flagship operating entity



Sea/Land transportation

- 12 subsidiaries in operation
- Flagship U-Ming Marine Transport has 47 vessels and a shipping capacity of 5.99 million DWT



Communications and Internet

- The only one pure mobile operator in Taiwan
- Invested in FETC, more than 5 million vehicles have installed OBUs and over 1 billion tolls collected.



Construction

- 7 subsidiaries in operation
- Projects in development such as "Far Eastern Telecom Park" and Yilan Resort



Hotel services

- Shangri-La's Far Eastern Plaza Hotel Taipei
- Far Eastern Plaza Hotel Tainan
- Awarded "The 500 Best Hotels in the World"



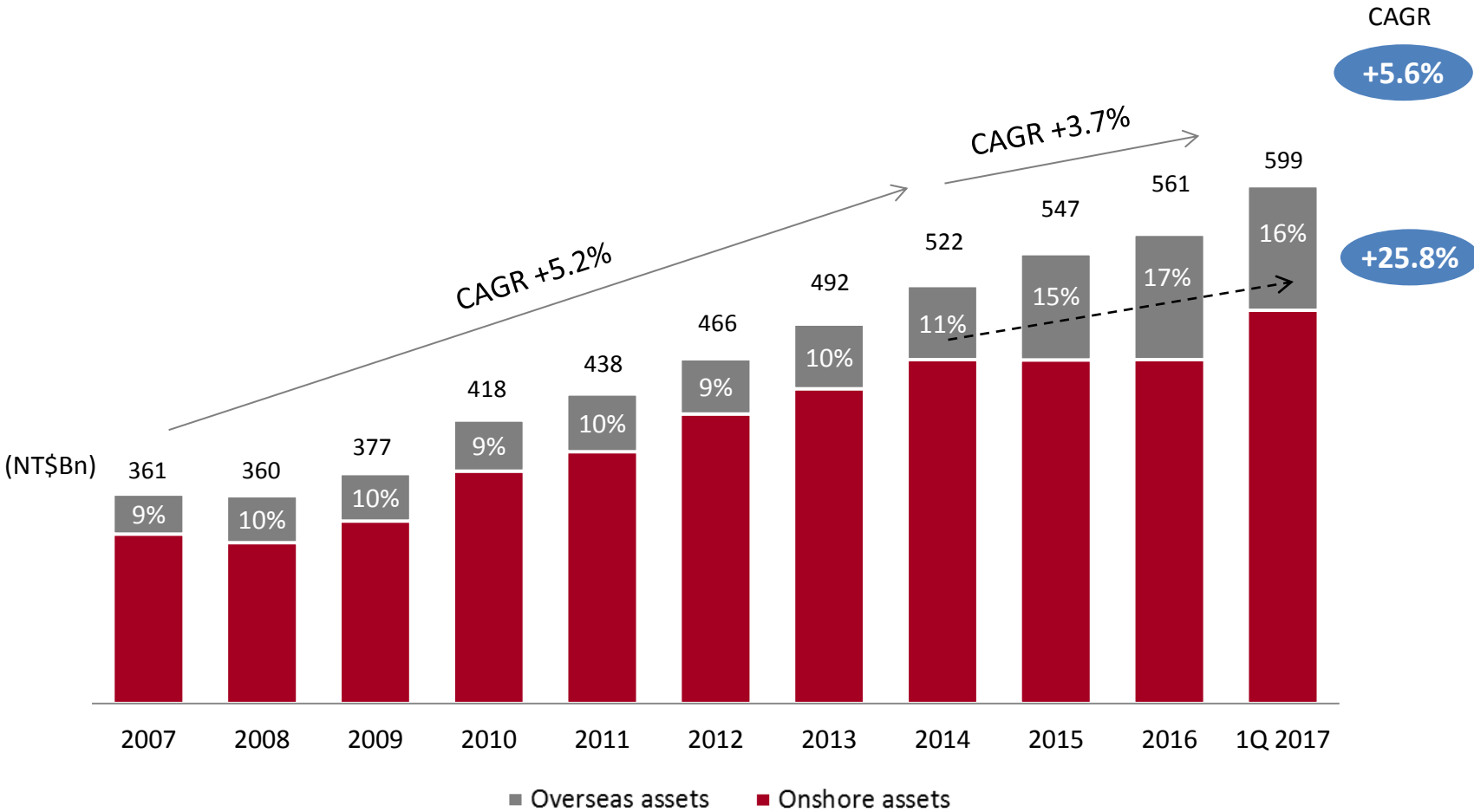
Philanthropic organizations

- Established Yuan Ze University
- Founded Far Eastern memorial Hospital

- Financial highlights

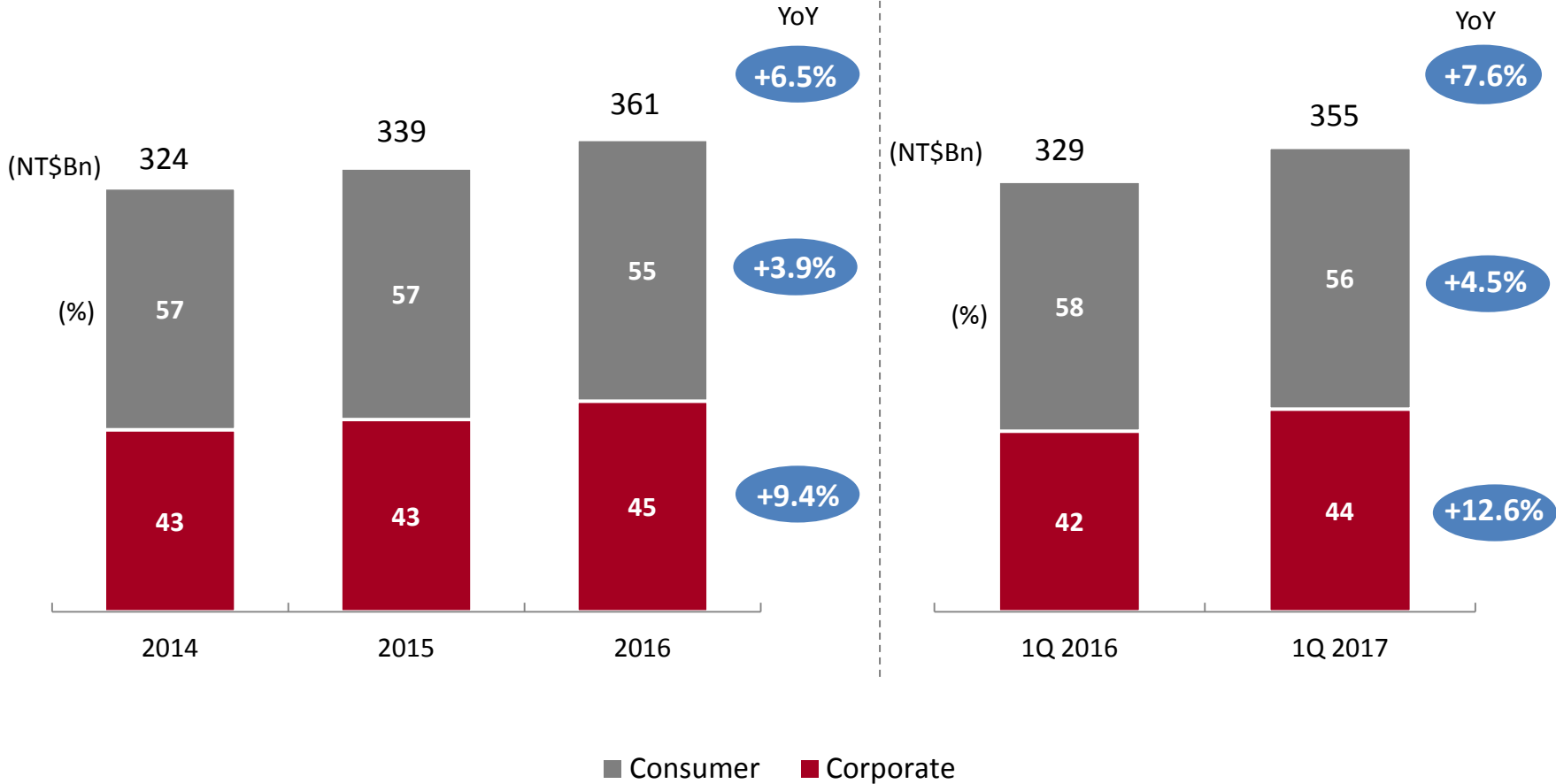
- Key strategies

Assets



Source: Consolidated financial reports

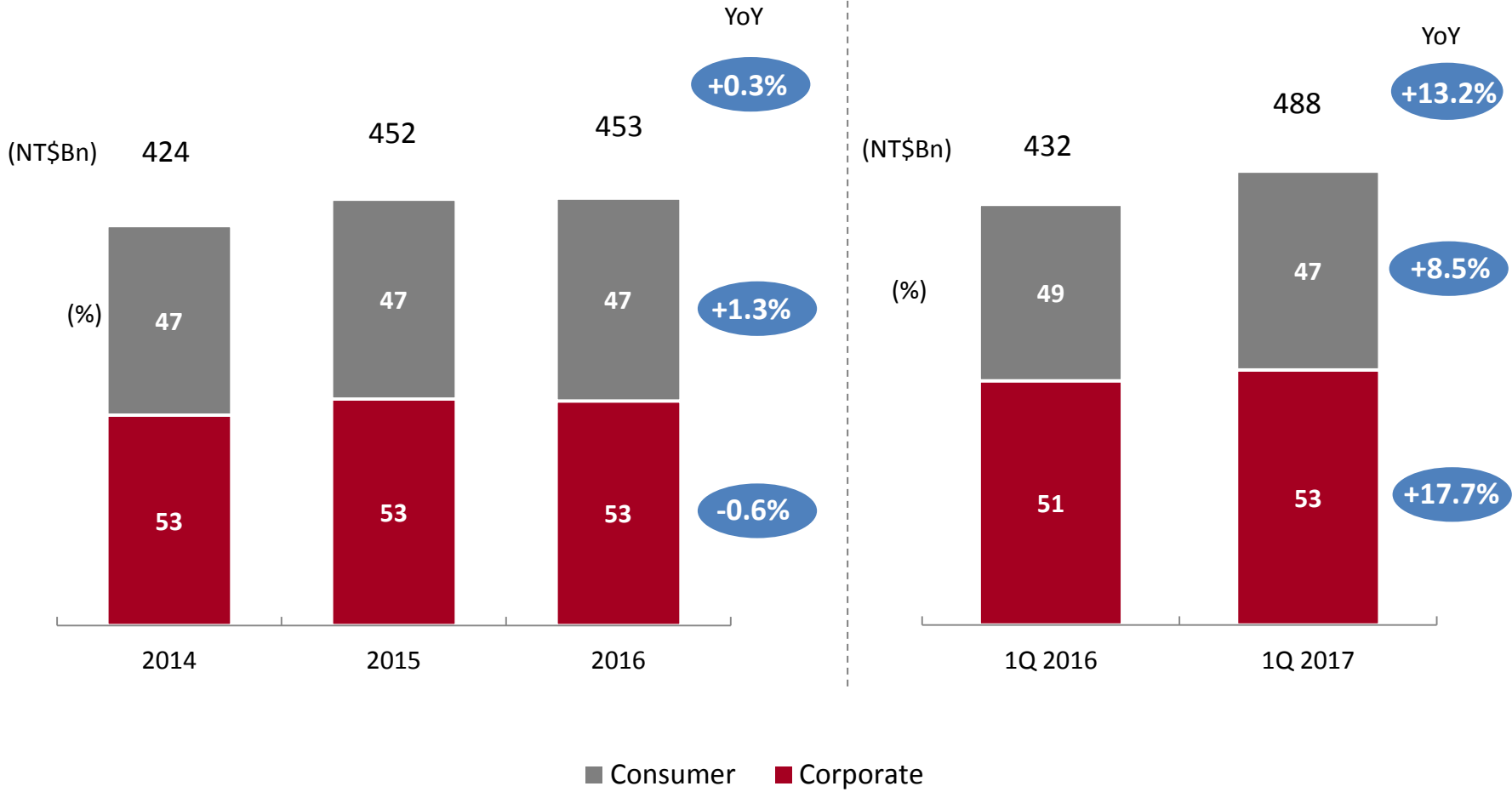
Period-end



* Corporate banking includes SMEs
**Source: Consolidated financial reports

Deposits

Period-end

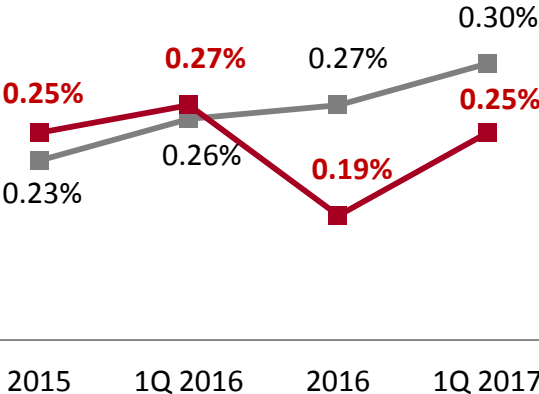


■ Consumer ■ Corporate

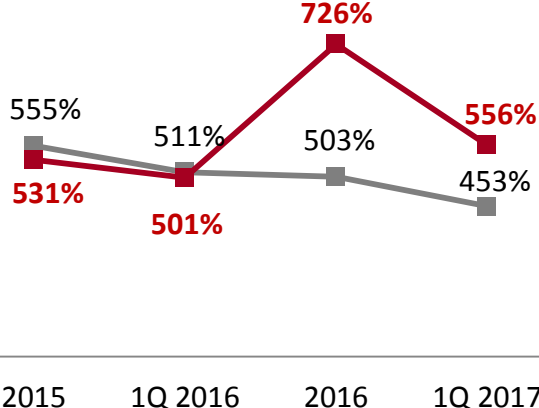
* Corporate deposit excludes remittance
**Source: Consolidated financial reports

Asset quality

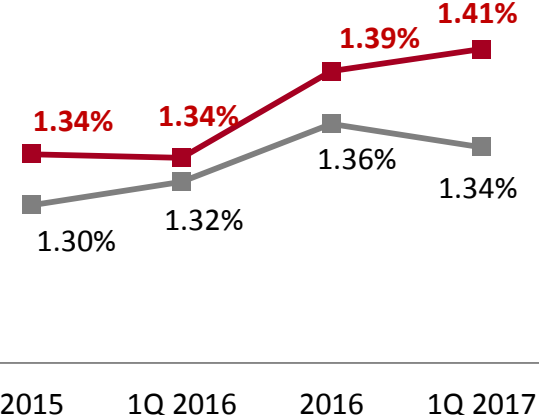
NPL Ratio



NPL Coverage Ratio



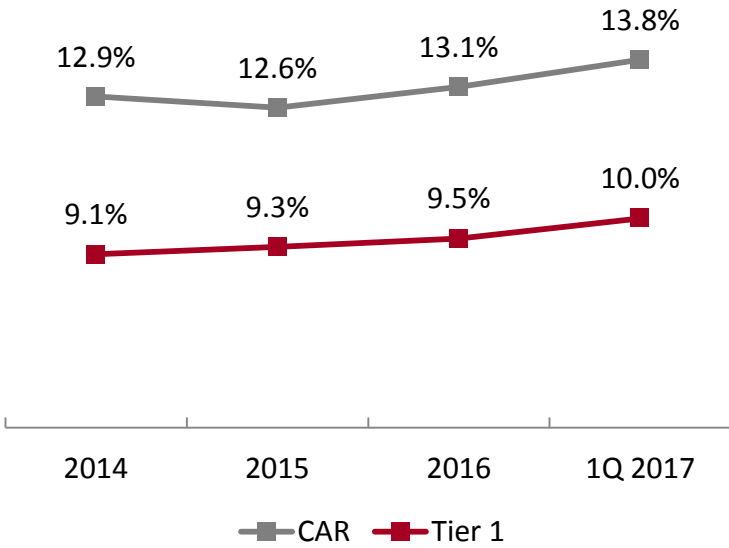
Loan Coverage Ratio



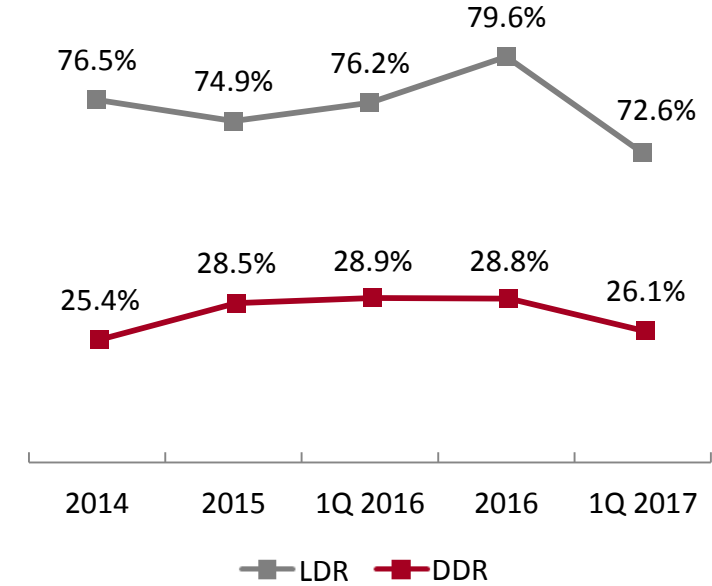
■ Industry ■ FEIB

Source: Consolidated financial reports
Industry: 36 Commercial Banks

CAR & Tier1*



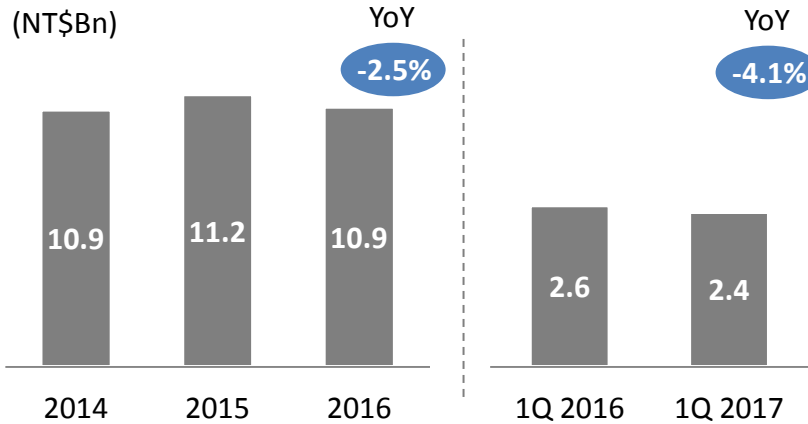
LDR & DDR



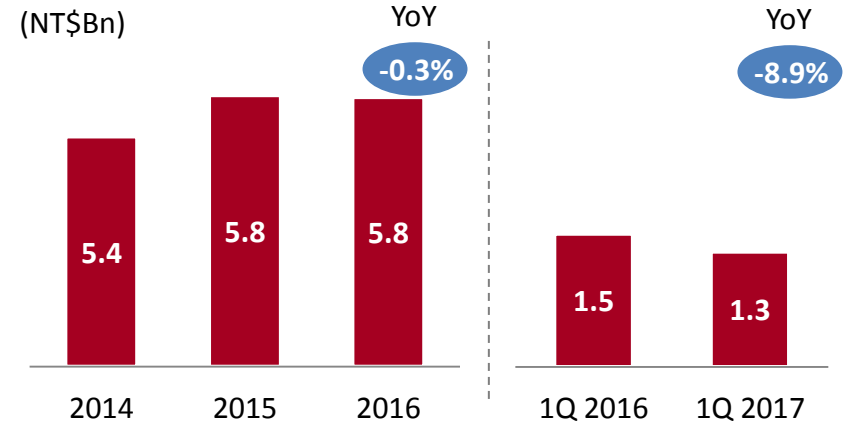
*CAR & Tier 1: unconsolidated #
Source: Consolidated financial reports

Revenue

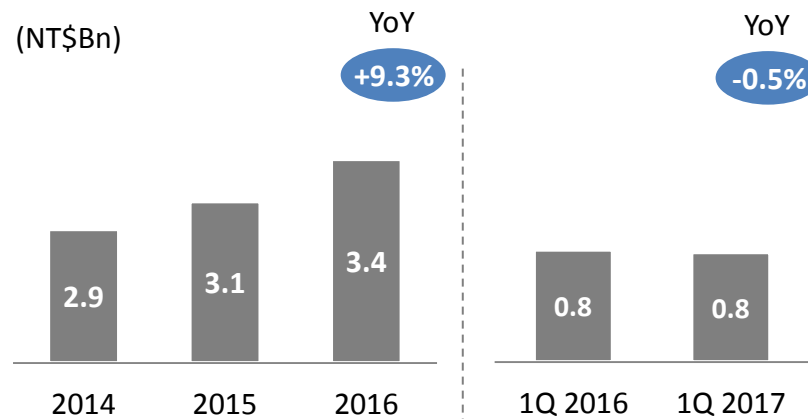
Revenue



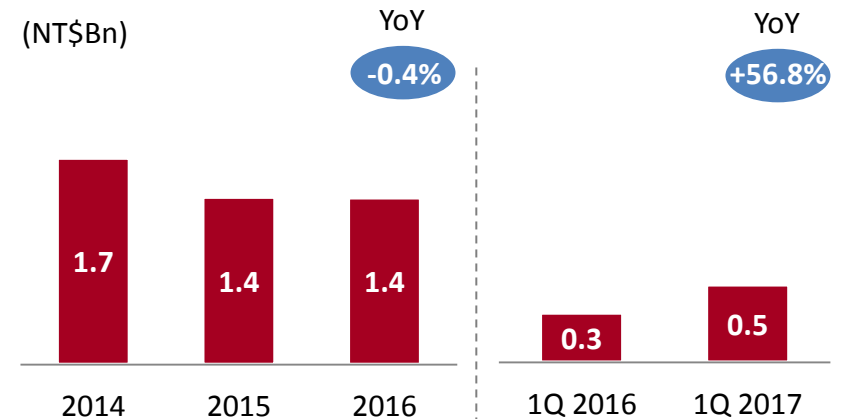
NII



Net fee income

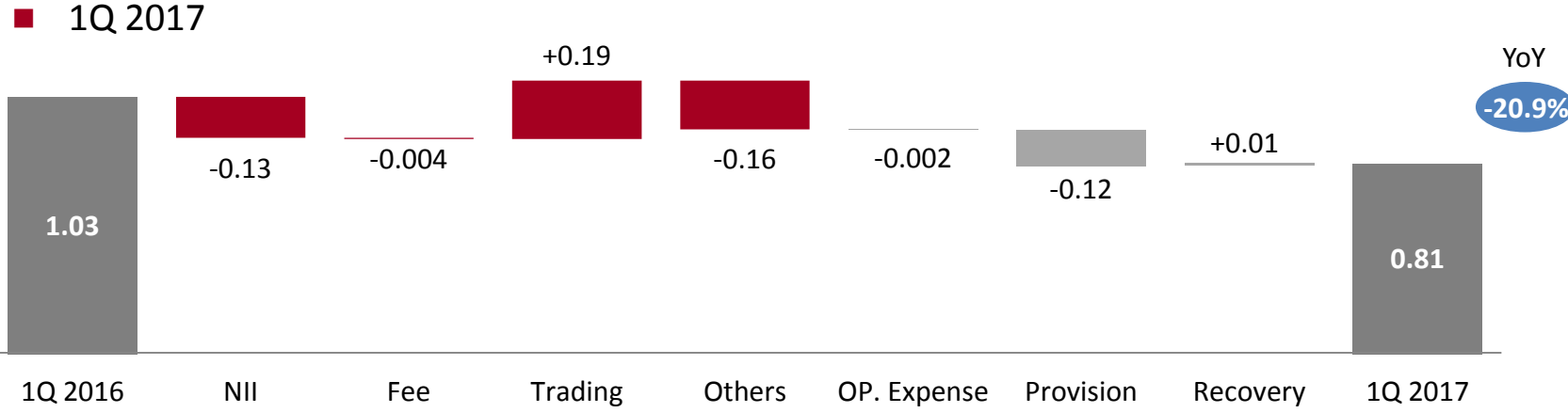
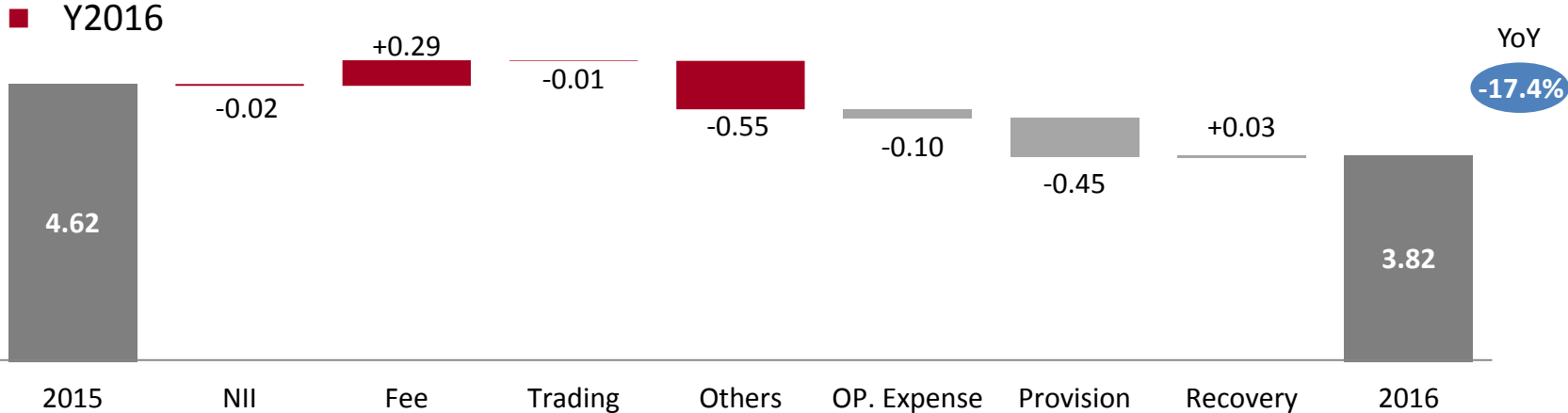


Net trading & investment income



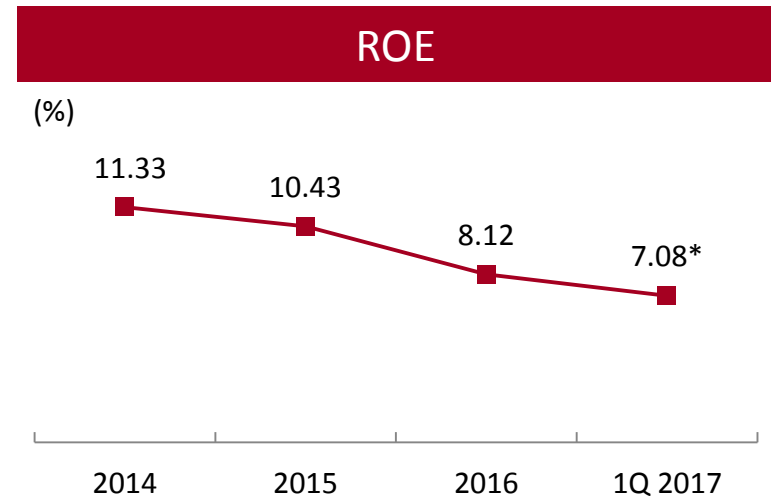
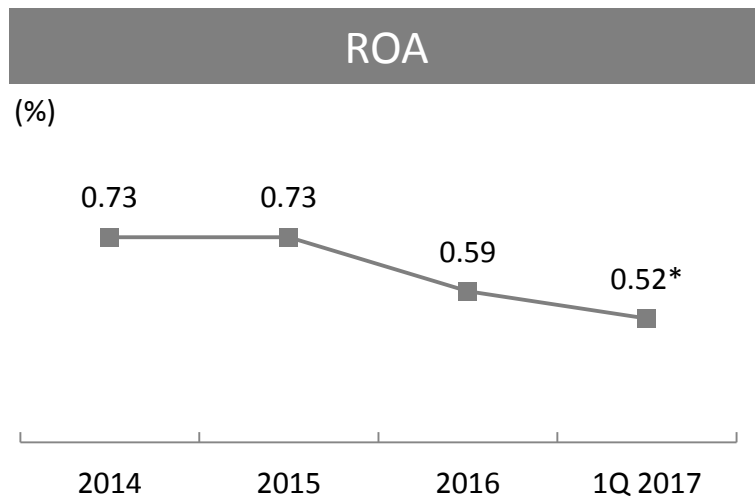
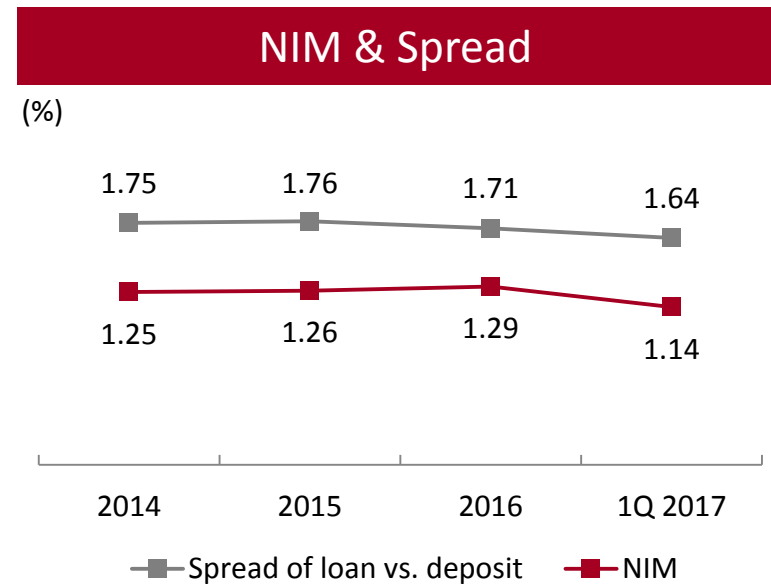
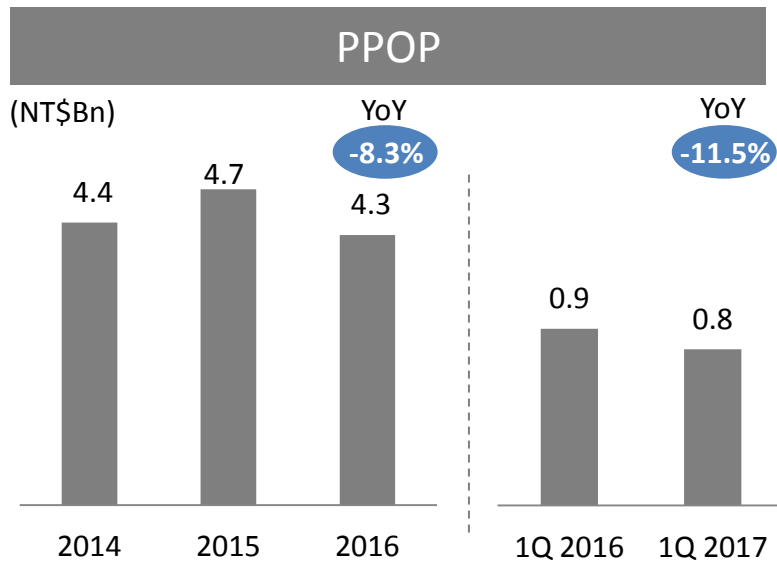
Income before tax

(NT\$Bn)



Source: Consolidated financial reports

Profitability

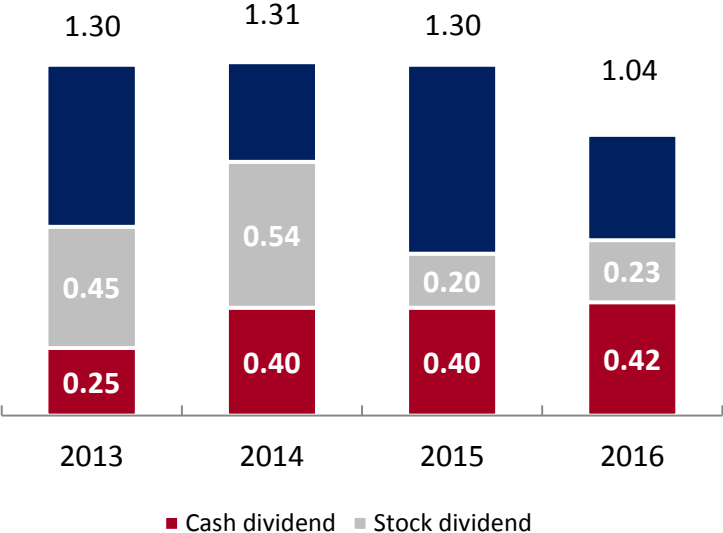


*annualized
Source: Consolidated financial reports

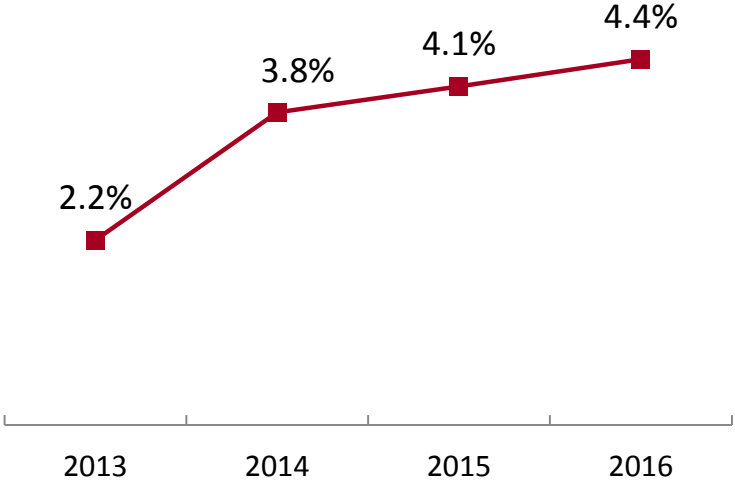
Dividend

EPS & dividend payout

(NT\$/share)



Cash dividend yield *



* Based on stock closing price on BDR date proposing dividend distribution
Source: Consolidated financial reports

■ Financial highlights

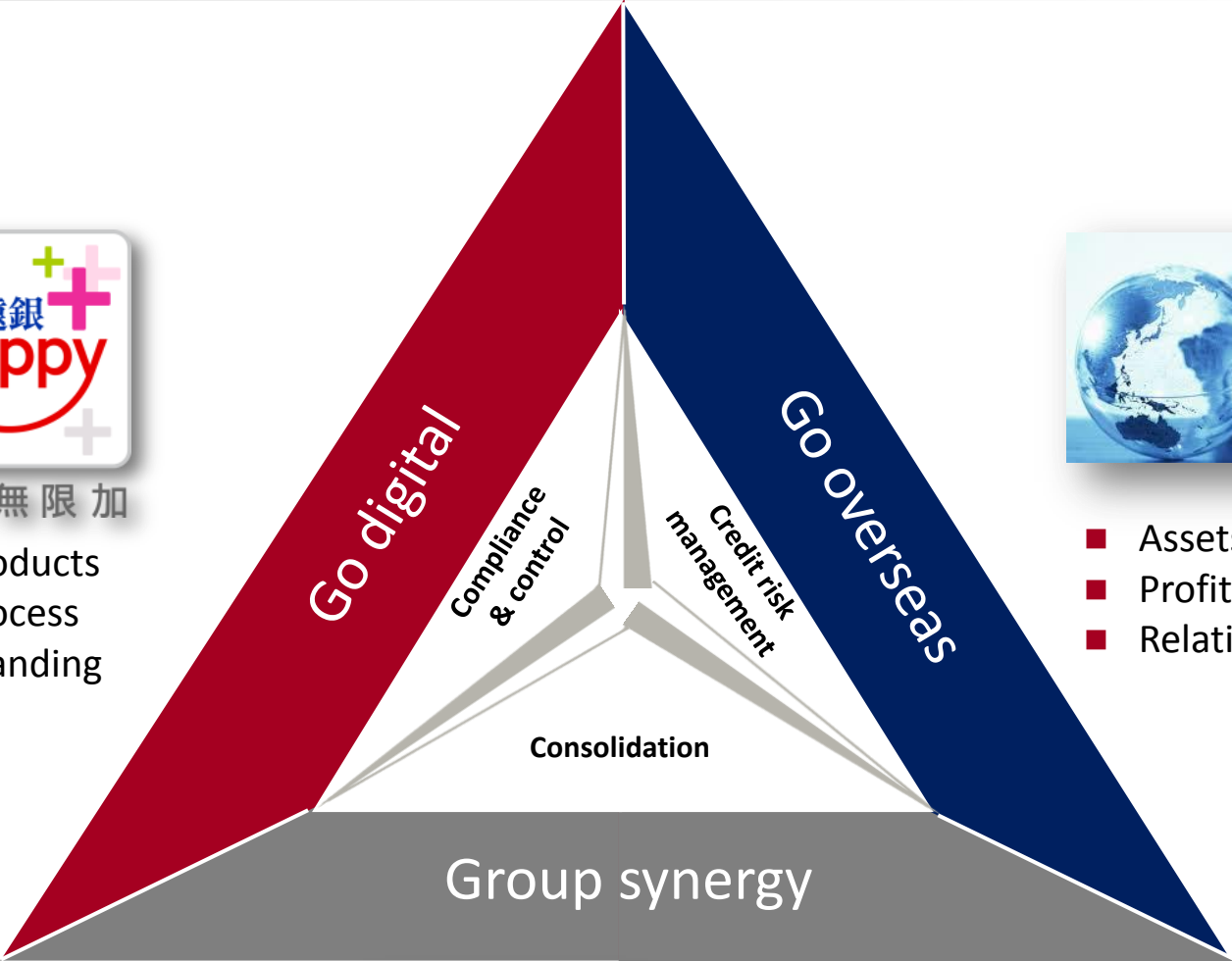
■ Key strategies

2017 key strategies



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- Products
- Process
- Branding



- Assets
- Profit
- Relationship



- Payment platform
- Customer sharing

Appendix

Summary financials and key ratios

(NT\$ m, except percentages and per share data)

(Consolidated)

	As of or for 12 months ended December 31,			As of or for 3 months ended March 31,		
	2015 (IFRS)	2016 (IFRS)	YoY	1Q2016 (IFRS)	1Q2017 (IFRS)	YoY
Key balance sheet items						
Gross loans	338,597	360,995	7%	329,074	354,480	8%
Total assets	546,555	561,415	3%	533,999	598,844	12%
Deposits and remittances	451,295	452,720	0.3%	431,213	489,186	13%
Total shareholders' equity	38,978	40,951	5%	39,865	41,750	5%
BVPS	12.85	13.16	2%	13.14	13.42	2%
Key income statement items						
Net interest income	5,804	5,784	-0.3%	1,476	1,344	-9%
Net fee income	3,104	3,392	9%	768	764	-0.5%
Earnings before Provision	4,652	4,268	-8%	933	826	-11%
Net income	3,914	3,244	-17%	862	732	-15%
EPS	1.30	1.04	-20%	0.28	0.24	-14%
Key ratios						
Cost to income ratio	58.2%	61.0%	2.4 PctP	63.4%	66.3%	2.9 PctP
ROE (not annualized)	10.43%	8.12%	-2.3 PctP	2.19%	1.77%	-42 bp
ROA (not annualized)	0.73%	0.59%	-14 bp	0.16%	0.13%	-3 bp
LDR	74.9%	79.6%	4.7 PctP	76.2%	72.6%	-3.6 PctP
NPL ratio	0.25%	0.19%	-6 bp	0.27%	0.25%	-2 bp
Coverage ratio	531%	726%	195 PctP	501%	556%	55 PctP
Tier 1 ratio (unconsolidated)	9.32%	9.52%	20 bp	9.82%	10.0%	18 bp
Total CAR (unconsolidated)	12.64%	13.14%	50 bp	13.24%	13.79%	55 bp