

# We Know Asia

Providing the Best Financial Solutions  
In the Asia-Pacific Region



元大金控

Yuan Da  
Financial Holdings



2Q2020

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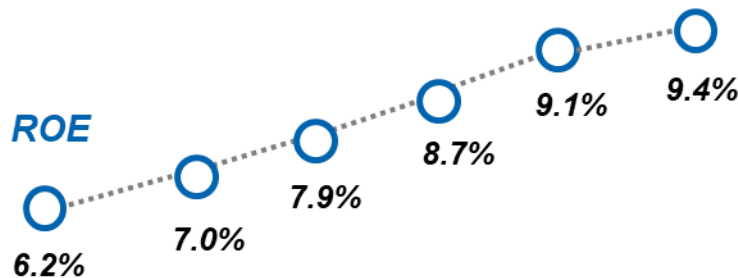
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# ***Yuanta Profile***

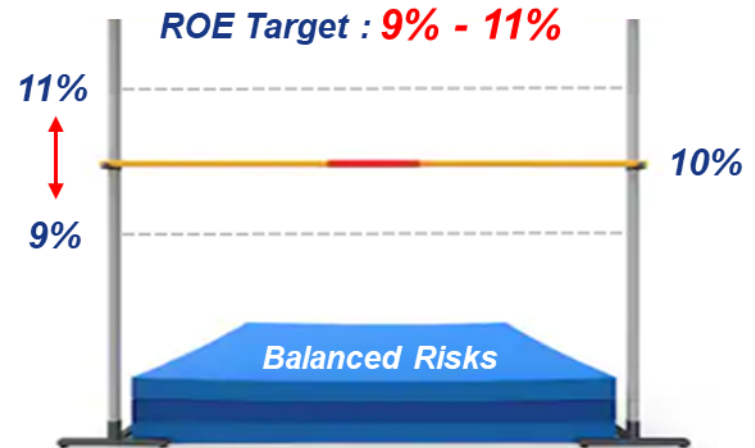
# ROE Target & Dividend Policy (2021-2025)

*Not going for rights issues while pursuing sustainable ROE & paying cash dividend*



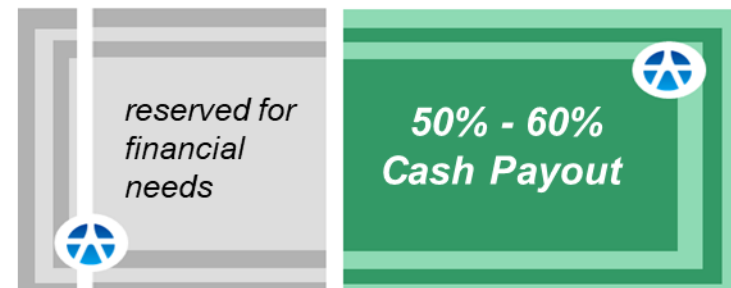
2015    2016    2017    2018    2019    1H20

2021    2022    2023    2024    2025



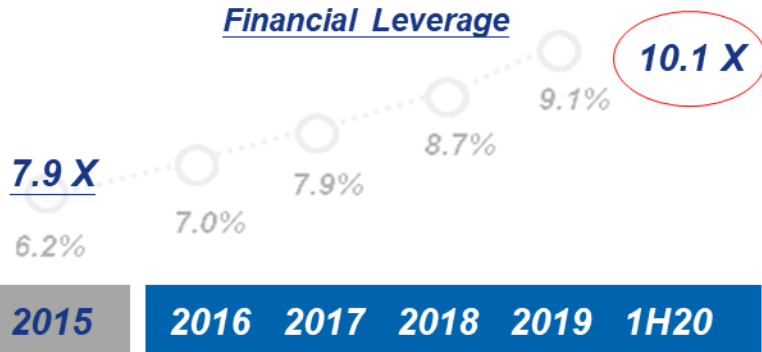
10% legal reserve

## Dividend Policy

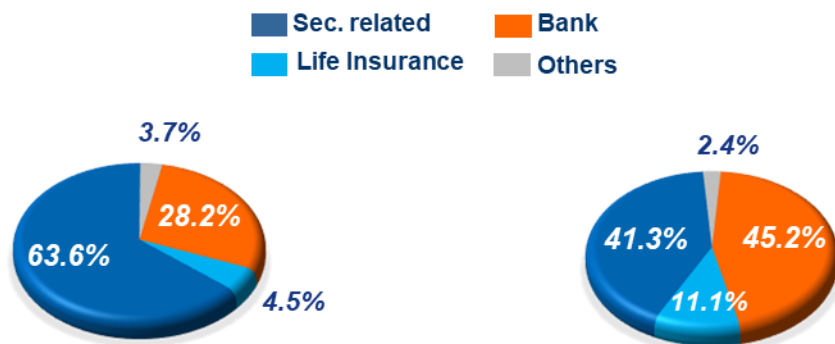


# Elevated Leverage Boosts ROE Growth

## Financial Leverage



## Equity Weighting



Note:

- 1) Sec. related subsidiaries include Yuanta Securities, Yuanta Securities Finance, Yuanta Futures and Yuanta Funds
- 2) The equity weighting reflects the distribution among all subsidiaries only.

# 12 X

**Priority : Organic Growth**

**2021 2022 2023 2024 2025**

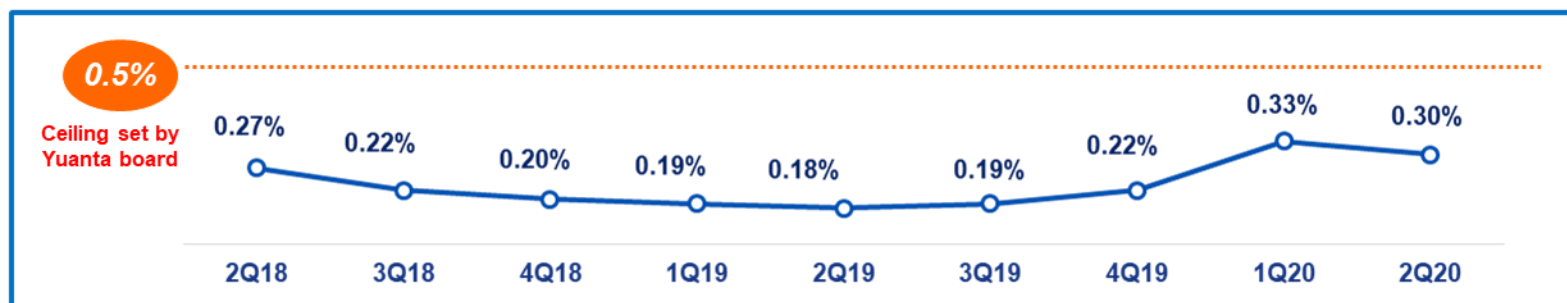
## Sufficient Capital in Support of Future Growth

	CAR	Minimum Requirement	Leverage
Yuanta FHC (consolidated)	123.6%	100%	10.1
Yuanta Sec. (standalone)	290.6%	150%	3.9
Yuanta Bank	15.20%	10.5%	11.5
Yuanta Life	470.0%	200%	10.7

Note: data as of June 30, 2020

# Downside Risk Kept on a Tight Leash

Yuanta's Historical VaR to Net Worth Ratio



2020 VaR by Risk Type for Trading Activities

Unit: NT\$ mn

Value at Risk for 1 day at 99% confidence	As of June 30	Average	High	Low
Interest Rate	124.3	142.7	207.8	81.3
Equities	432.0	317.4	507.0	206.3
Foreign Exchange	482.1	503.1	720.2	352.4
Commodities	15.2	16.8	133.2	2.7
Diversification Effect	- 349.5	- 288.7		
<b>Total</b>	<b>704.1</b>	<b>691.3</b>		
<b>VaR / Net Worth</b>	<b>0.30%</b>	<b>0.29%</b>		

# Results Overview

## FHC Financial Performance

Unit: NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Total Assets	2,389,885	2,560,010	7%	2,389,885	2,504,202	2,560,010	2%	7%
Common Shares (mn) 1)	11,671	12,137	4%	11,671	11,671	12,137	4%	4%
Shareholders' Equity (standalone)	224,666	237,171	6%	224,666	228,987	237,171	4%	6%
BVPS	19.25	19.54	2%	19.25	19.62	19.54	0%	2%
Net Income (standalone)	10,994	11,063	1%	5,562	4,096	6,967	70%	25%
EPS (NT\$)	0.94	0.91	-3%	0.48	0.34	0.57	68%	19%
ROE (%) YTD annualized	9.9%	9.4%	-5%	9.9%	7.1%	9.4%		

## Net Income by Subsidiary (standalone)

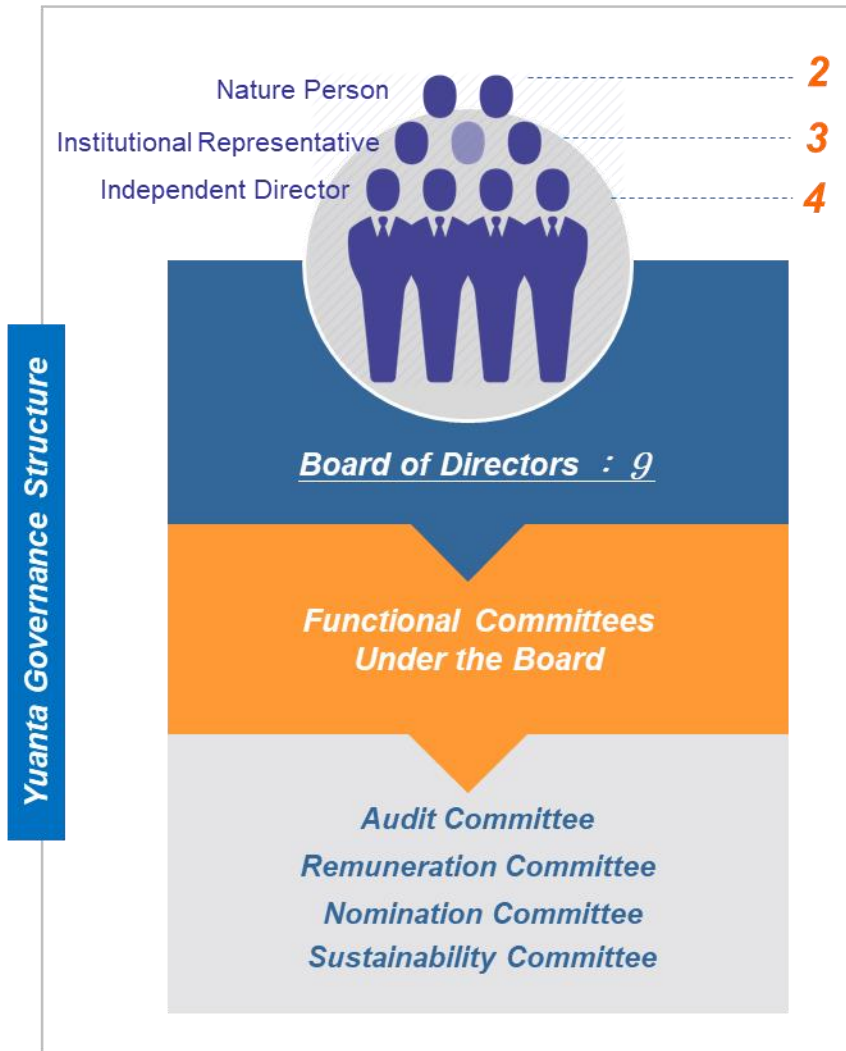
Unit: NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Yuanta Securities	4,164	5,263	26%	2,055	1,754	3,509	100%	71%
Yuanta Bank	5,391	4,513	-16%	2,799	2,000	2,513	26%	-10%
Yuanta Futures (67.97%)	591	590	0%	337	287	303	6%	-10%
Yuanta Funds (74.71%)	549	758	38%	266	343	415	21%	56%
Yuanta AMC	63	60	-5%	34	23	37	61%	9%
Yuanta Venture Capital	93	48	-48%	52	(212)	260	-223%	400%
Yuanta Life	1,099	1,165	6%	472	346	819	137%	74%

Note:

1) Yuanta FHC 2020 AGM approved a cash dividend of NTD 0.65 per share and a stock dividend of NTD 0.40 per share on June 09, 2020 resulting in an increase of the Company's capital stock from NTD 116.71bn to NTD 121.37bn.

2) 2Q20 numbers are un-audited.

# Sustainability Matters



## 2019 Recognition



MEMBER OF  
**Dow Jones Sustainability Indices**

In collaboration with   
a RobecoSAM brand

**DJSI**

- *World Index*
- *Emerging Markets Index*

**FTSE Russell**

- *FTSE4Good Emerging Markets Index*

**Taiwan Index Plus Corp.**

- *FTSE4Good TIP Taiwan ESG Index*

**MSCI ESG Ratings**

- *A Rating*

**TWSE**

- *CG Evaluation Award – Top 5% of TWSE listed companies*



# ***Business Review***

## ***Securities Related Business***



# Stunning Performance Driven by Natural Hedge Model

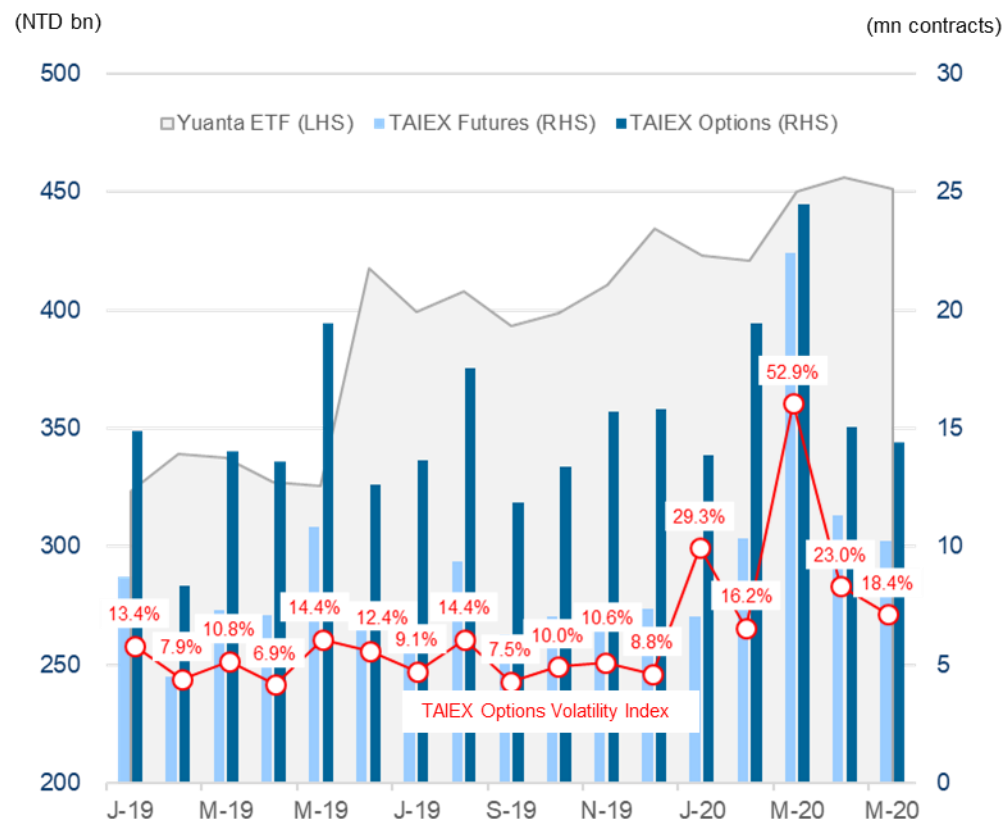


NTD mn	2018	2019	1H20	
	ROE	ROE	Net Income	ROE
Yuanta Sec.	9.5%	9.2%	5,263	10.5%
Yuanta Futures	12.8%	13.3%	590	12.9%
Yuanta Funds	24.2%	26.3%	758	32.5%
Sec. Related Subsidiaries	10.4%	10.2%	6,611	11.6%

Note: 1H20 numbers are un-audited

Source: Yuanta Sec., Yuanta Funds, Yuanta Futures, and Taiwan Futures Exchange

## Intense Volatility Drove Up ETF AUM & Futures Volume





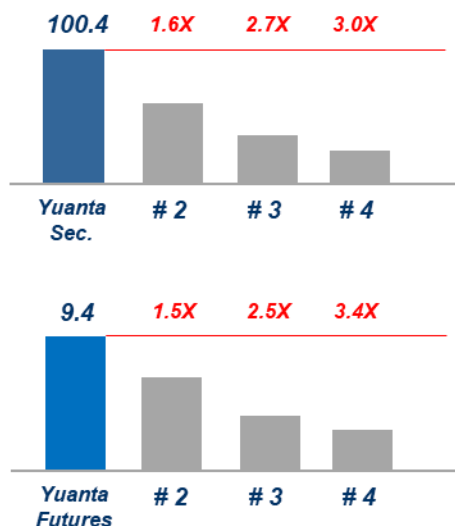
# Yuanta Unsurpassably Leads Taiwan's Sec. Market

## ➤ Unrivalled in Sec. Industry With a Wide Range of Product Lines

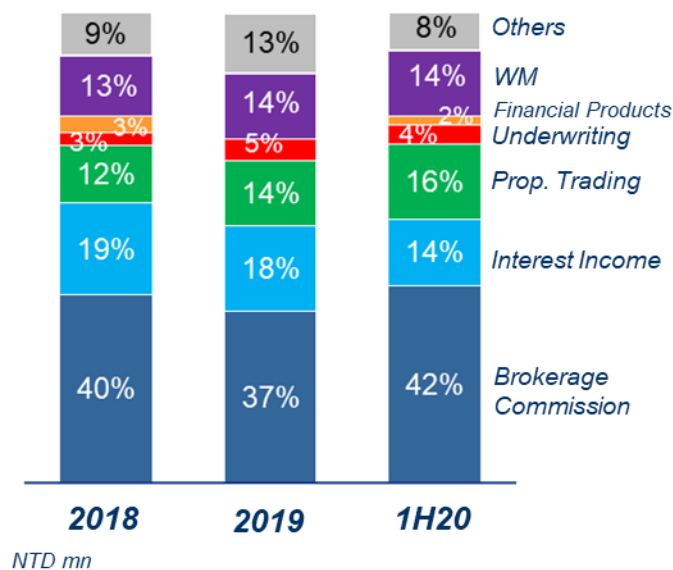
Yuanta Sec.	Market share
Brokerage	12.9%
Margin Financing	19.5%
Online Trading	16.8%
SBL	33.4%
Non Purpose Lending	58.7%
Market Maker in COMM Futures	28.4%
Market Maker in ETF	8.0%
<b>Yuanta Futures</b>	
Futures	26.6%
Options	16.6%
<b>Yuanta Funds</b>	
Public Funds	15.3%
ETF Funds	27.9%

## ➤ Strong Balance Sheet

(NTD bn)



## Revenue Breakdown for Sec. Related Subsidiaries



Total Net Revenue

26,821 26,925 16,141

Note: Sec. Related Subsidiaries include Yuanta Sec. Yuanta Futures, Yuanta Funds and Yuanta Sec. Finance.



# **Diversify from Domestic Brokerage Business**



# Becoming a Regional Broker



**Building up  
regional platform**

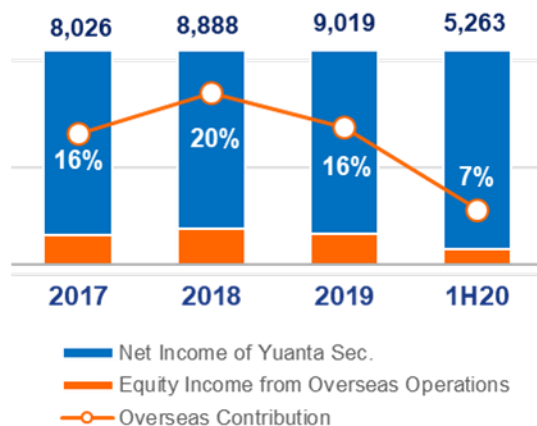


**Scaling up  
market position**



**Enhancing Overseas  
Contribution**

Unit: NT\$ mn



## Yuanta Korea

Market share : 1.8%  
Ranking: # 10

## Yuanta Indonesia

Market share : 0.5%

## Yuanta HK

Market share : 0.1%



## Yuanta Thailand

Market share : 4.0%  
Ranking: # 8

## Yuanta Vietnam

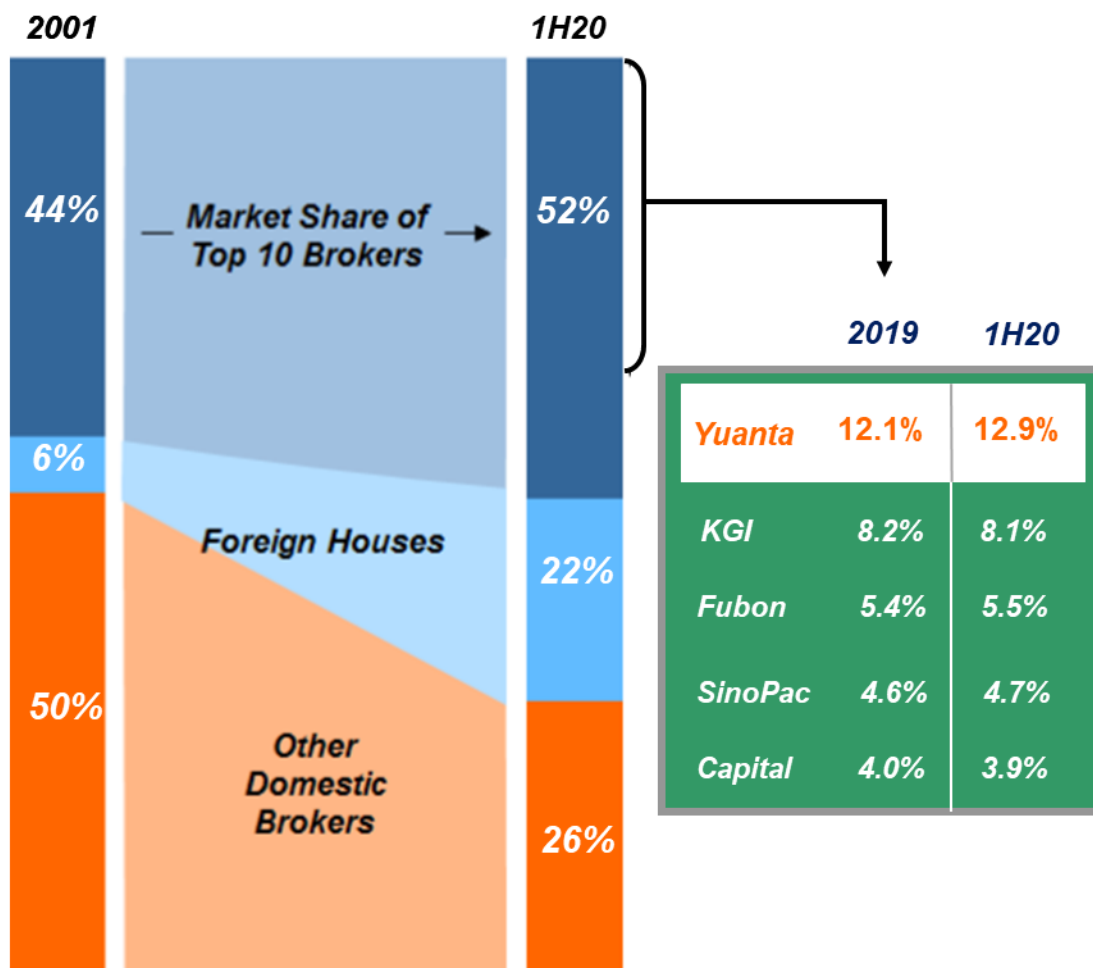
Market share : 1.3%

## Yuanta Cambodia

Note: Data as of June 30, 2020 and 1H20 numbers are un-audited.

# Growing Market Share Driven by Innovative Fund

## Change in Brokerage Market Share



## Win-Win Strategy

Yuanta Funds issued an innovative equity fund with monthly dividend payout in March 2020 and successfully collected NTD 52.6 bn in AUM as of June 30, 2020.

### Yuanta Monthly Market Share in 2020

Jan	Feb	Mar	Apr	May	Jun
12.61%	12.57%	12.40%	13.19%	13.21%	13.25%

### Yuanta Securities

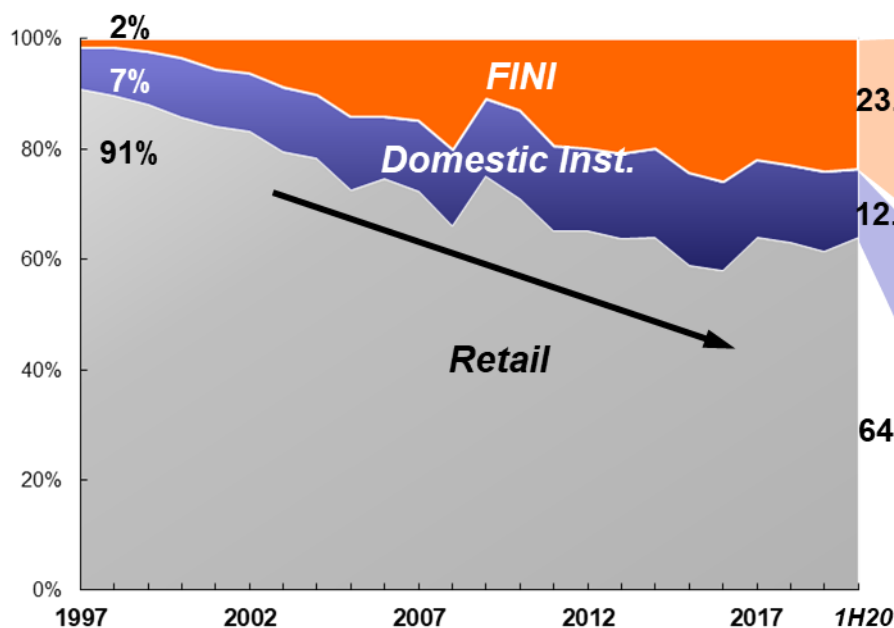
	2019	1H20
New Accounts Opened (monthly avg.)	6,000	18,238

Active Accounts	790,000	890,000
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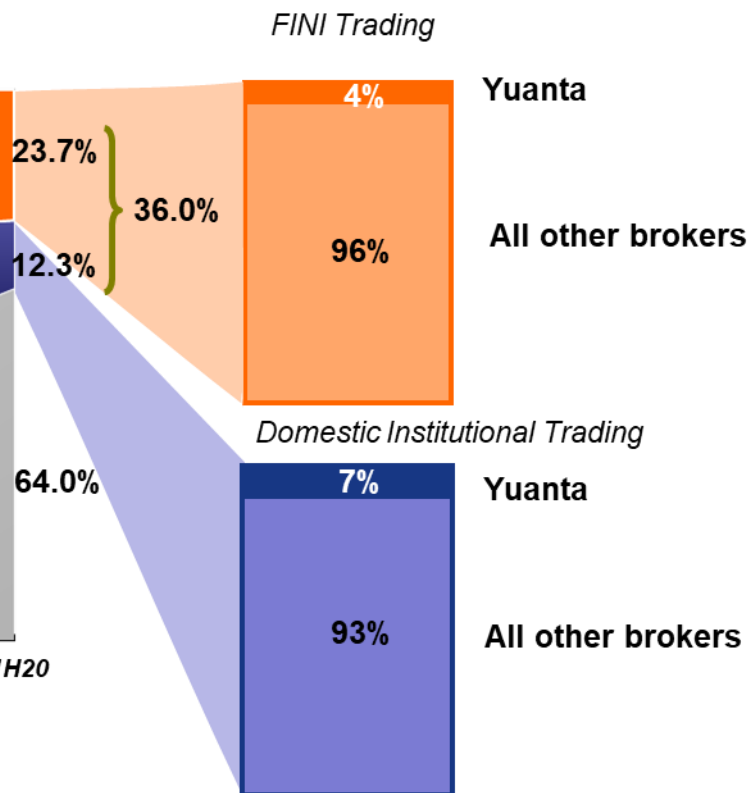
Big Punters (monthly transactions over NTD 50 mn)	2,221	3,221
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# Retail Participation Continues Downward Trend

Market Participation



Yuanta's Inst. Mkt. Share (1H20)

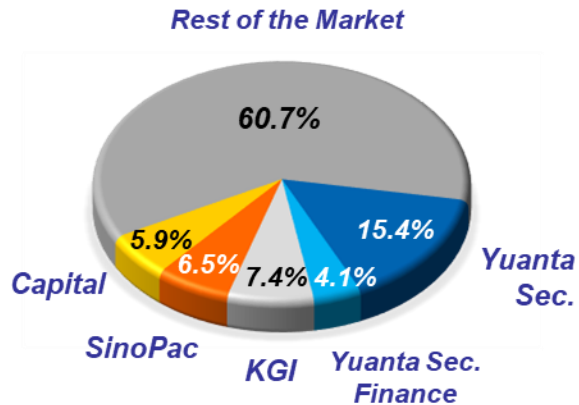


Note: Calculated using TAIEX plus OTC trading volume

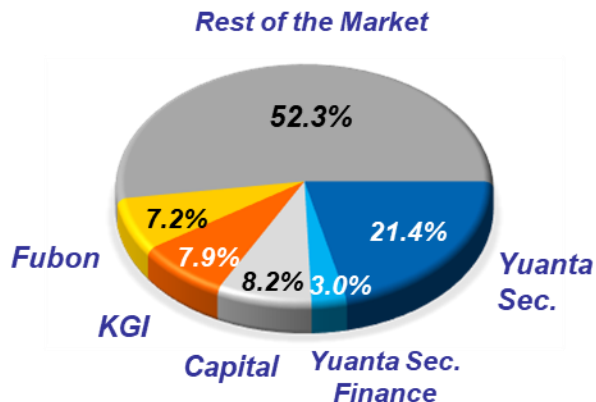
Source: Securities and Futures Bureau; Yuanta Securities

# Dominant Leader in Margin Financing

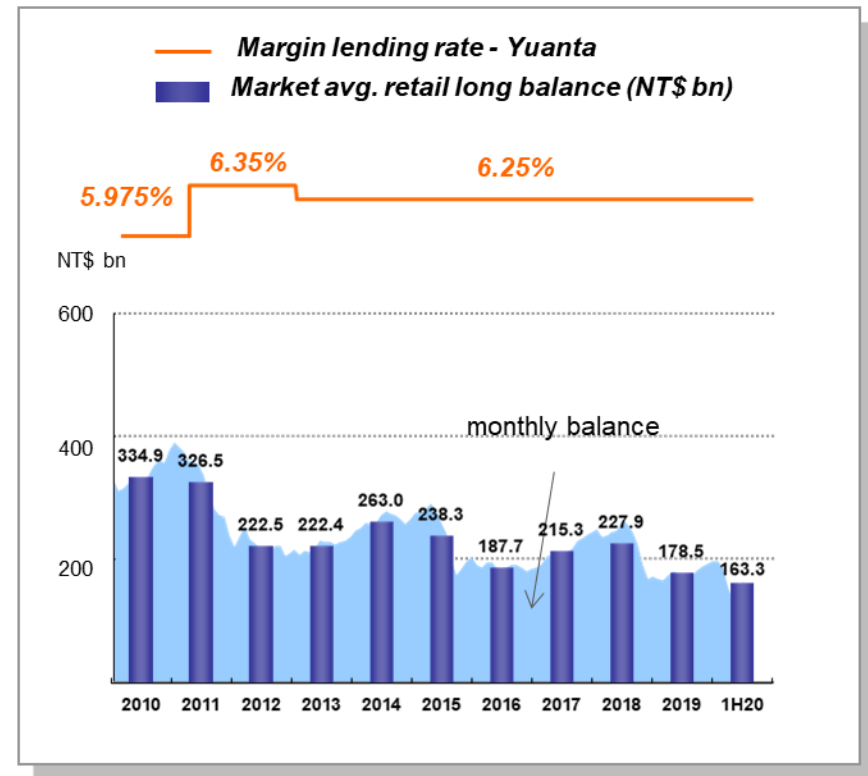
Long Margin Market Share (1H20)



Short Margin Market Share (1H20)



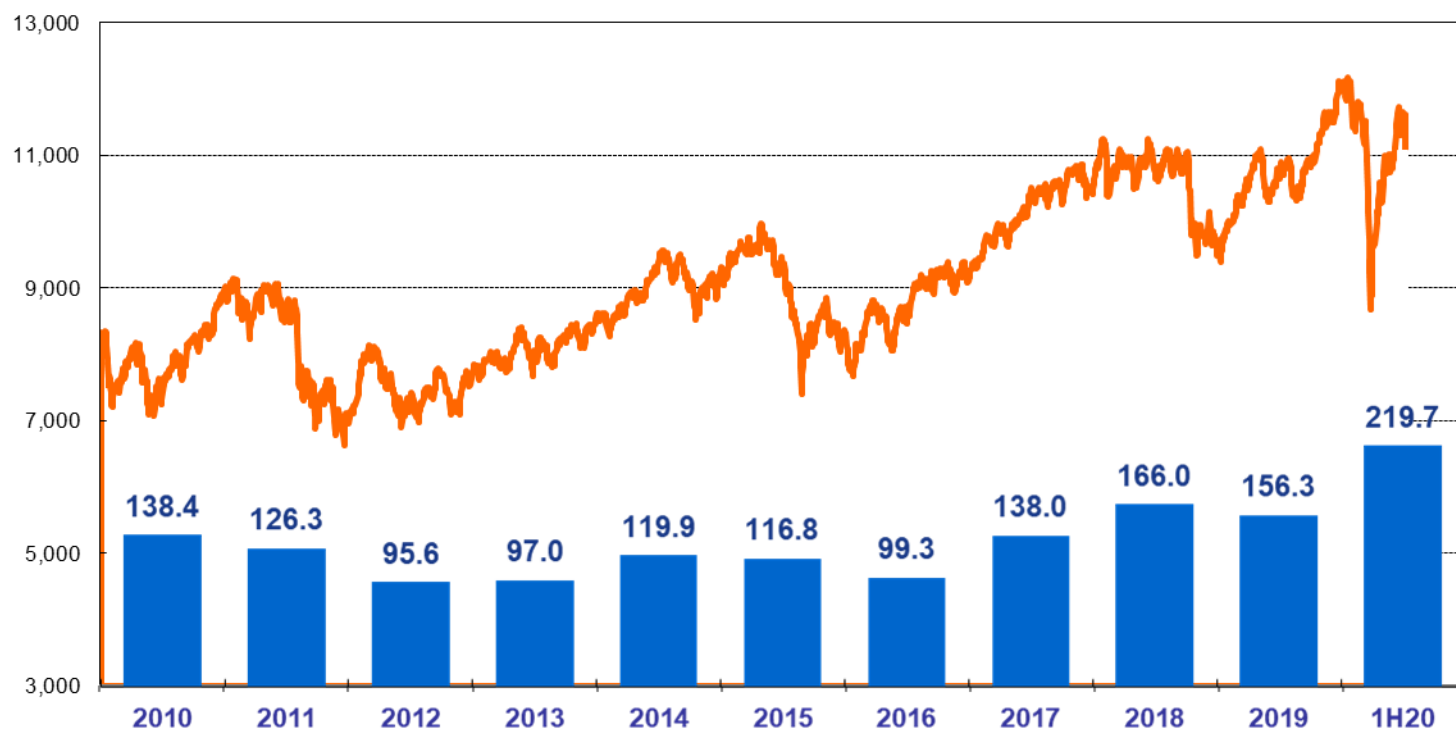
Long Margin Trends





# Historical Index and Trading Value

Securities Average Daily Turnover Value (NT\$ bn)



Source: Taiwan Stock Exchange; Taipei Exchange



# Securities Diversified Revenue Sources

Notes:

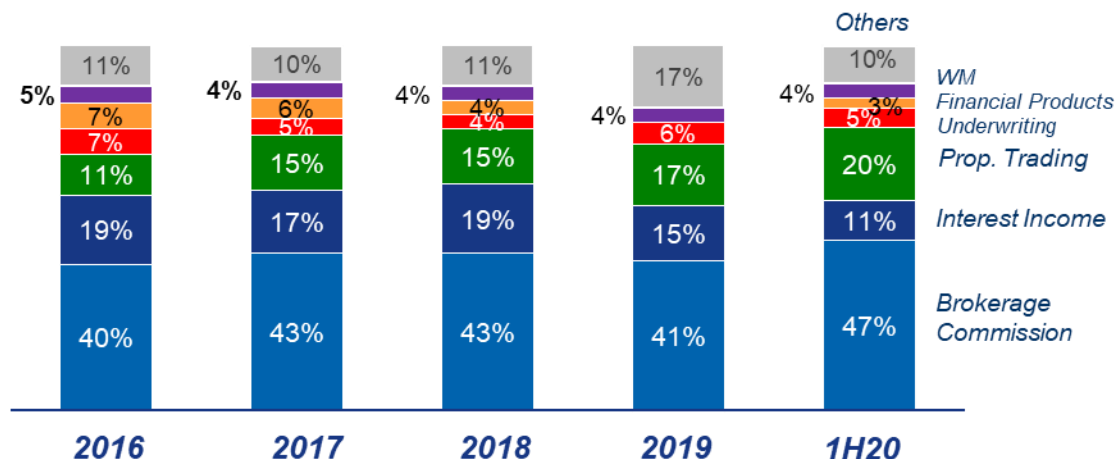
1) Excluding NT\$ 1.9bn (before tax) in disposal gains on Yuanta FHC headquarters from 2016 revenue, given that it was related party transactions and Yuanta FHC did not recognize the gains.

2) NT\$ 880mn in capital gains (before tax) from TC Bank's merger with Yuanta FHC in March 2016 are excluded from 2016 revenue.

3) Yuanta Sec. Finance has become a subsidiary of Yuanta Securities from Yuanta Financial Holdings since March 26, 2019. Yuanta Securities totally recognized NT\$ 436mn of earnings under equity method investment for Yuanta Sec. Finance in 2019.

4) 2Q20 numbers are un-audited

**Yuanta Securities' Revenue Breakdown**



NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Brokerage Commission	3,769	5,957	58%	2,047	2,689	3,268	22%	60%
Interest Income	1,546	1,429	-8%	753	793	636	-20%	-16%
Prop. Trading	2,094	2,579	23%	898	888	1,690	90%	88%
Underwriting	716	652	-9%	218	281	371	32%	70%
Financial Products	(116)	359	-409%	(38)	315	44	-86%	-216%
WM Fee Income	387	515	33%	195	356	159	-55%	-18%
Others	1,297	1,331	3%	762	176	1,155	555%	52%
<b>Total Net Revenue</b>	<b>9,692</b>	<b>12,821</b>	<b>32%</b>	<b>4,834</b>	<b>5,498</b>	<b>7,324</b>	<b>33%</b>	<b>52%</b>

# ***Business Review***

***Yuanta Bank***



# Transformation Leads to Better Profits (2015-2017)



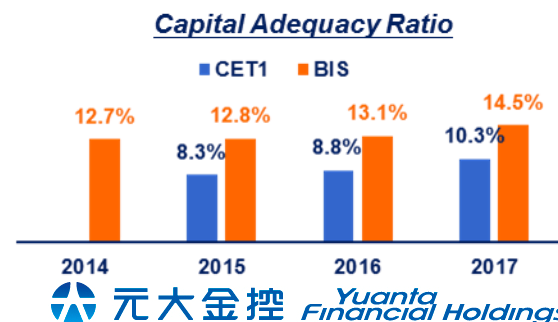
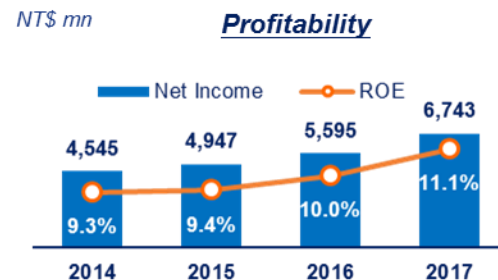
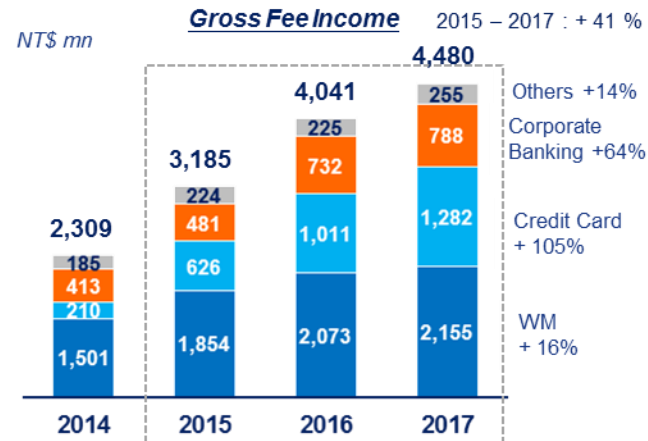
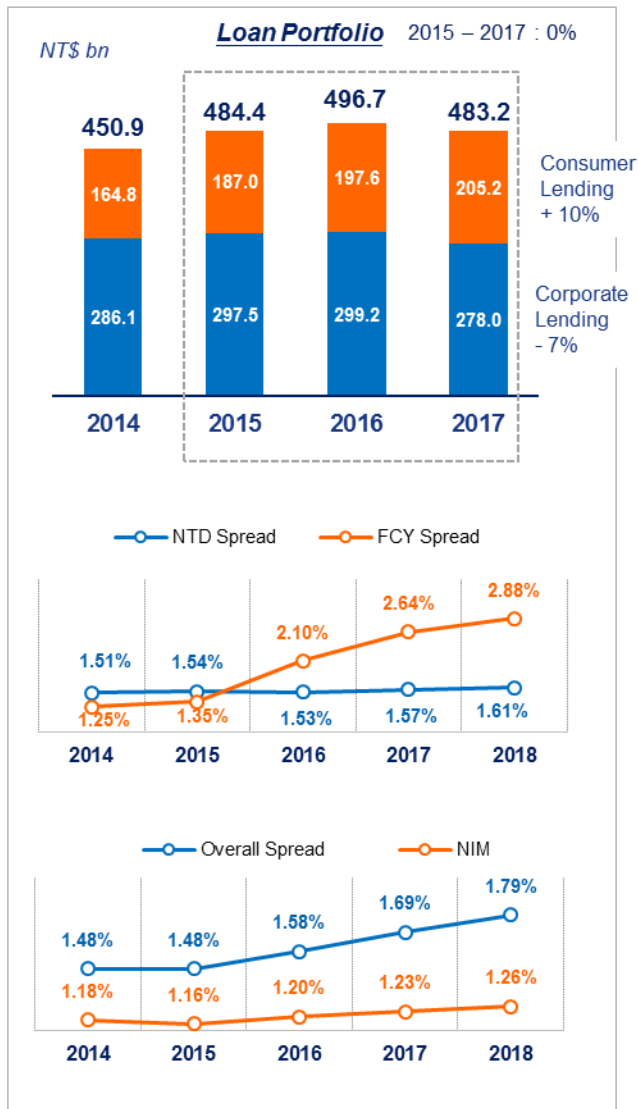
2017



2015

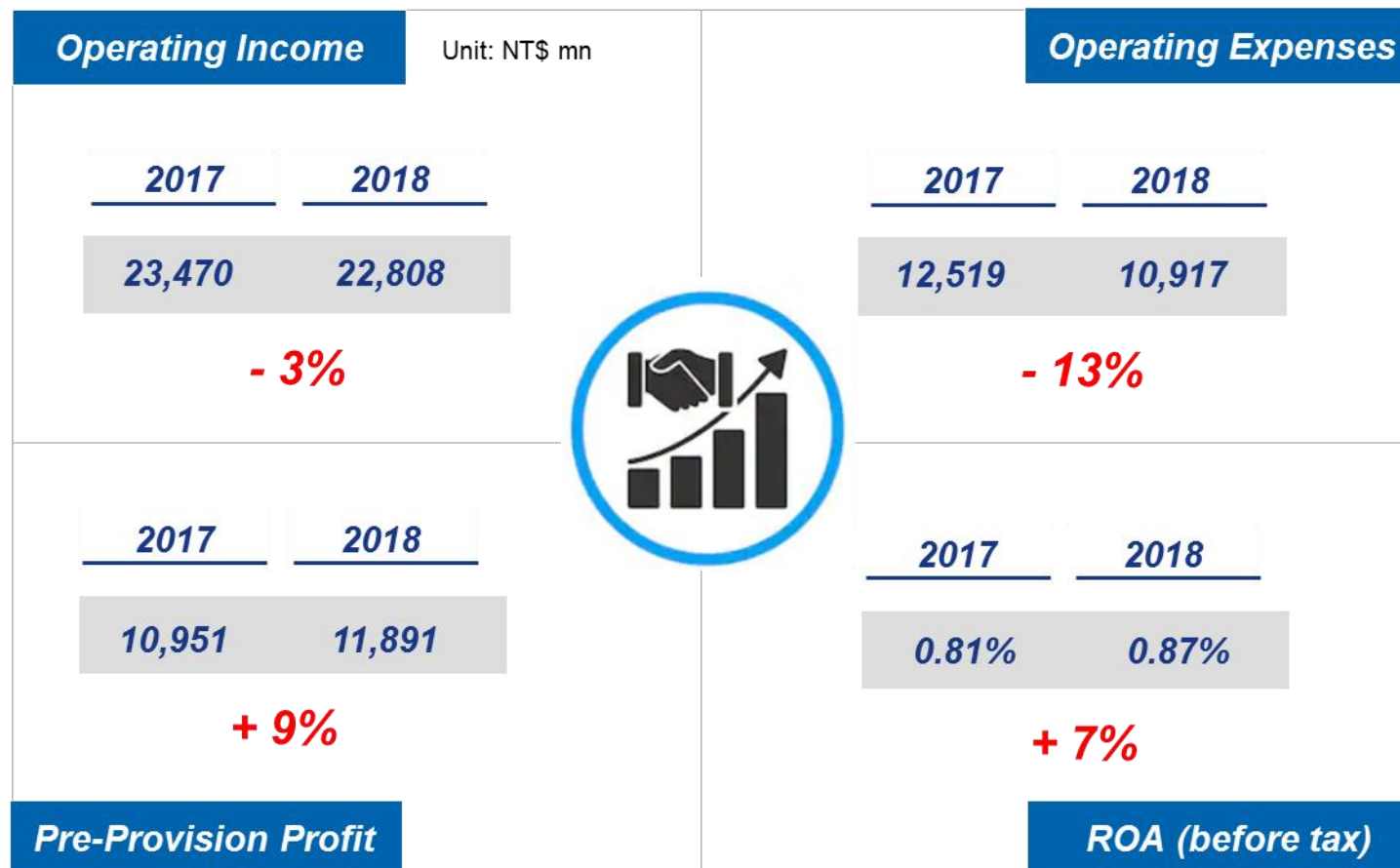


Restructuring





# A Successful Merger (1+1 > 2)



Note:

- 1) The following items were excluding from the operating income; a) FX gains or losses on TCB's USD assets b) NT\$ 2,365 mn of interest expenses recognized by TCB in 2017 c) NT\$ 1,437 mn of goodwill impairment recognized by Yuanta Bank in 2018.



# A Successful Merger (1+1 > 2)

Unit: NT\$ mn	2017			2018	YoY
	YB	TCB	Pro-Forma	YB	
Net Interest Income	8,895	* 5,517	14,412	13,517	-6%
Fee Income	3,086	2,269	5,355	5,362	0%
Trading Gains & Others	2,762	* 941	3,703	3,929	6%
ECB FX Gains / (Losses)		(619)	(619)	227	-137%
Operating Income	14,743	8,108	22,851	23,035	1%
Operating Income (excluding ECB FX Gains / Losses)	14,743	8,727	23,470	22,808	-3%
Operating expenses	(7,066)	(5,453)	(12,519)	(10,917)	-13%
Pre-provision profit (excluding ECB FX Gains / Losses)	7,677	3,274	10,951	11,891	9%
Net provision	(225)	(9)	(234)	(665)	184%
Income before tax (excluding ECB FX Gains / Losses)	7,452	3,265	10,717	11,226	5%

\* 1) With regard to Dual Currency Investment business, TCB classified the interest expenses paid to counterparties as other expenses, different from YB's interest expenses. In 2017, about NT\$ 727mn of interest expenses related to DCI products under TCB were booked as other expenses.

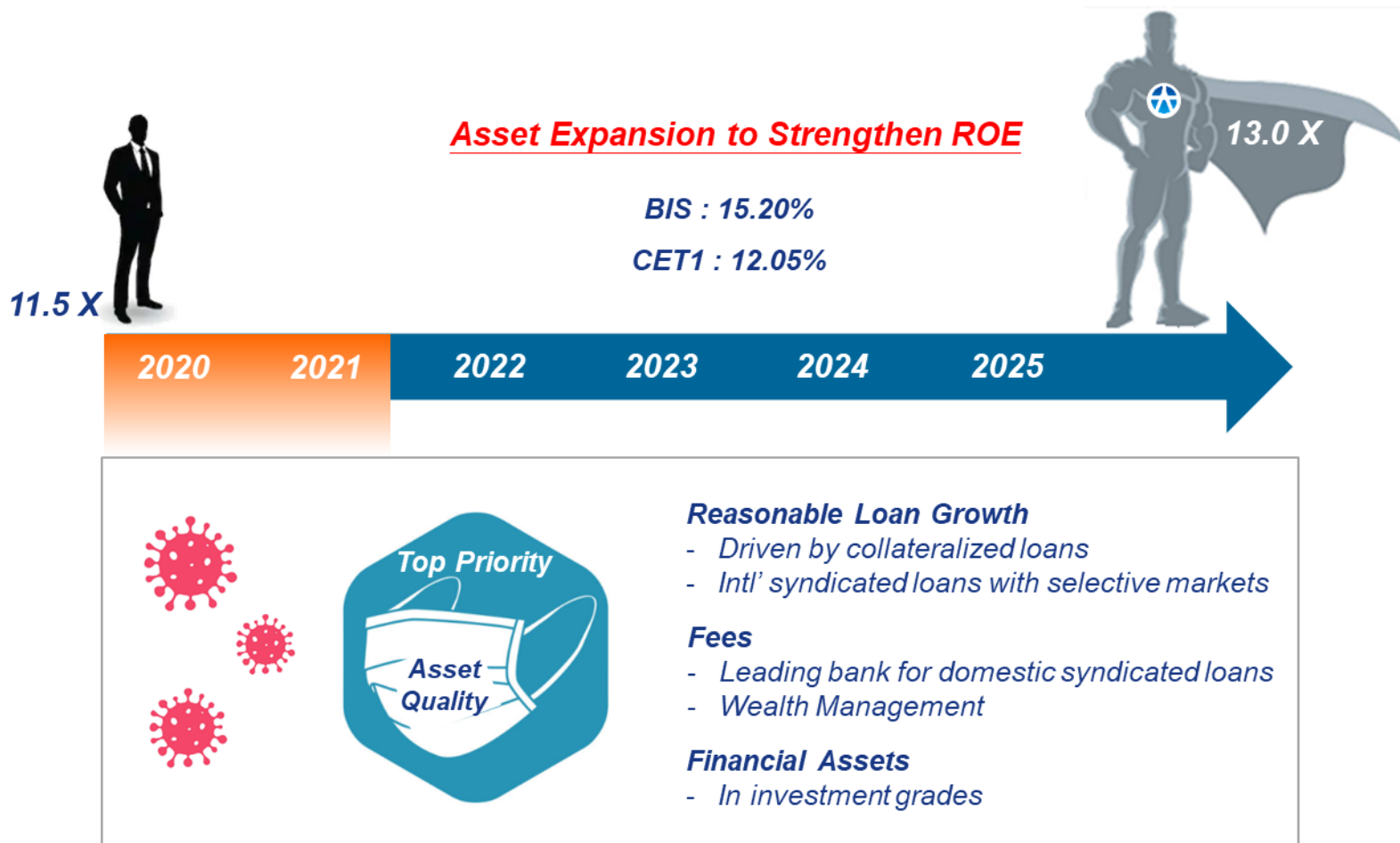
In an apple-to-apple comparison, net interest income for 2018 was down by 1%, and trading gains & others were down by 11% YoY.

2) Excluding NT\$ 2,365 mn of the one-off interest expenses with regard to the redemption of TC Bank's preferred shares in 2017.

3) Excluding NT\$ 1,437 mn of the goodwill impairment recognized by Yuanta Bank in 2018.

Note: Yuanta Bank has US\$ 256mn in assets which have not yet been converted to NTD after 70% of TCB's ECBs were converted into TC Bank common shares in June 2016.

# Leverage Up for Profit Enhancement



# Financial Overview

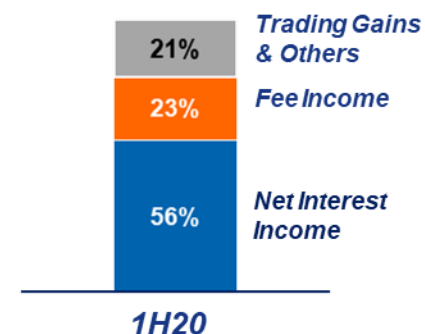
## Financial Snapshot – Yuanta Bank

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Net interest income	6,489	6,202	-4%	3,237	3,116	3,086	-1%	-5%
Fee income	2,888	2,498	-14%	1,476	1,285	1,213	-6%	-18%
Trading gains & others	2,059	2,298	12%	1,089	865	1,433	66%	32%
ECB FX gains or losses	87	(102)	-218%	63	34	(136)	-500%	-315%
Operating income	11,523	10,896	-5%	5,865	5,300	5,596	6%	-5%
Operating expenses	(5,302)	(4,900)	-8%	(2,696)	(2,449)	(2,451)	0%	-9%
Pre-provision profit	6,221	5,996	-4%	3,169	2,851	3,145	10%	-1%
Net provision	(62)	(834)	1245%	12	(540)	(294)	-46%	-2550%
Income before tax	6,159	5,162	-16%	3,181	2,311	2,851	23%	-10%
Net Income	5,391	4,513	-16%	2,799	2,000	2,513	26%	-10%
EPS	0.73	0.61	-16%	0.38	0.27	0.34	26%	-11%
ROA (YTD annualized)	0.84%	0.67%	-20%	0.84%	0.60%	0.67%		
ROE (YTD annualized)	9.2%	7.5%	-19%	9.2%	6.6%	7.5%		

Note:

- 1) Yuanta Bank posted NT\$ 87 mn of FX gains and NT\$ 102 mn of losses in 1H19 and 1H20 respectively on TCB's USD CB.
- 2) 2Q20 numbers are un-audited.

## Revenue Breakdown



\* NT\$ 102 mn of FX losses were excluded from 1H20 revenue breakdown

## Capital Adequacy

	2018	2019	1H20
CET1	11.91%	12.50%	12.05%
Tier I	12.52%	13.12%	12.71%
BIS	15.39%	15.57%	15.20%

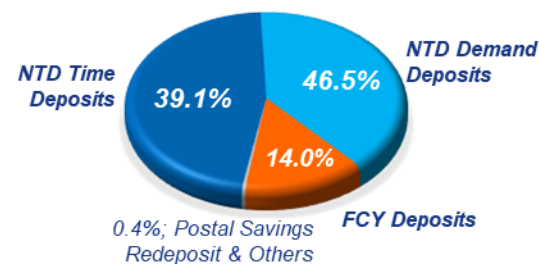




# Loan and Deposit Breakdown

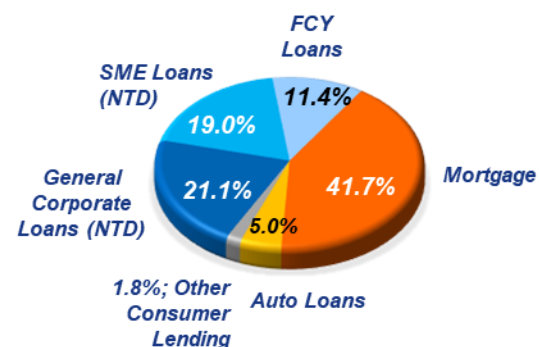
## Deposit Breakdown

NT\$ mn	2Q19	1Q20	2Q20	QoQ	YoY
NTD Demand Deposits	449,574	511,182	547,756	7%	22%
NTD Time Deposits	476,259	473,810	460,739	-3%	-3%
Postal Savings Redeposit & Others	5,116	5,107	5,107	0%	0%
Subtotal	930,949	990,099	1,013,602	2%	9%
Foreign Currency Deposits	161,216	159,541	164,304	3%	2%
Total	1,092,165	1,149,640	1,177,906	2%	8%



## Loan Breakdown

NT\$ mn	2Q19	1Q20	2Q20	QoQ	YoY
<b>Corporate Banking</b>	390,059	393,966	392,763	0%	1%
General Corporate Loans	147,373	156,761	160,397	2%	9%
SME Loans	135,711	141,567	144,643	2%	7%
Foreign Currency Loans	106,541	95,098	87,016	-8%	-18%
Non-Accrual Loans	434	540	707	31%	63%
<b>Consumer Banking</b>	346,374	361,044	369,419	2%	7%
Mortgage Loans	299,848	311,816	317,744	2%	6%
Auto Loans	34,620	37,557	38,041	1%	10%
Unsecured Personal Loans	9,858	10,036	10,509	5%	7%
Others	1,548	1,245	2,805	125%	81%
Non-Accrual Loans	500	390	320	-18%	-36%
Total	736,433	755,010	762,182	1%	3%



Note:

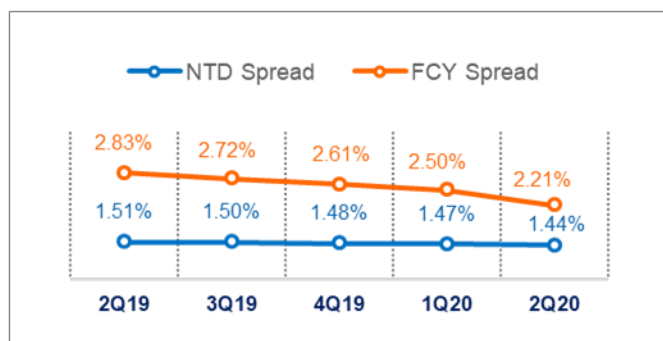
1) 2Q20 numbers are un-audited

# NIM and Spread

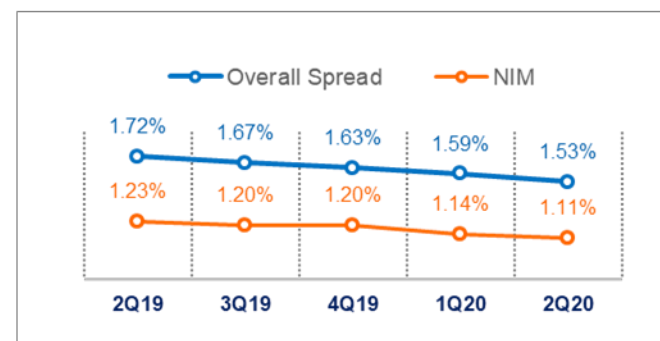
## Interest Income Breakdown

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Interest Income	11,109	9,740	-12%	5,525	5,101	4,639	-9%	-16%
Loan interest	8,882	7,875	-11%	4,430	4,122	3,753	-9%	-15%
Interest income from marketable securities	1,970	1,678	-15%	966	873	805	-8%	-17%
Other interest	257	187	-27%	129	106	81	-24%	-37%
Interest Expenses	(4,620)	(3,538)	-23%	(2,288)	(1,985)	(1,553)	-22%	-32%
Net Interest Income	6,489	6,202	-4%	3,237	3,116	3,086	-1%	-5%
Loan to Deposit Ratio	67.4%	64.7%	-4%	67.4%	65.7%	64.7%	-1%	-4%

## NTD Spread & FCY Spread



## NIM and Overall Spread



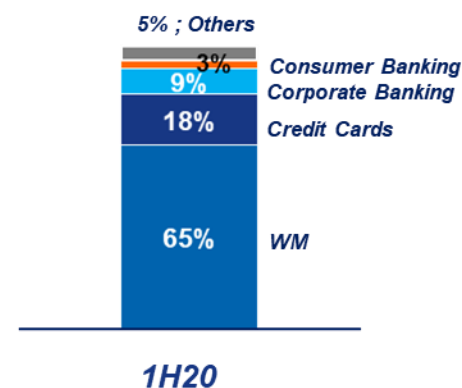
Note:

1) 2Q20 numbers are un-audited

# Fee Income Breakdown

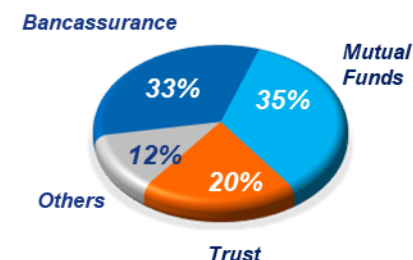
## Fee Income Breakdown

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Fee Income	3,740	3,143	-16%	1,882	1,633	1,510	-8%	-20%
Wealth Management	2,213	2,046	-8%	1,167	1,060	986	-7%	-16%
Credit Cards	778	562	-28%	376	306	256	-16%	-32%
Corporate Banking	474	284	-40%	213	142	142	0%	-33%
Consumer Banking	82	81	-1%	44	40	41	2%	-7%
Others	193	170	-12%	82	85	85	0%	4%
Fee Expenses	(852)	(645)	-24%	(406)	(348)	(297)	-15%	-27%
Net Fee Income	2,888	2,498	-14%	1,476	1,285	1,213	-6%	-18%



## WM Fee Breakdown

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Mutual Funds	455	716	57%	253	383	333	-13%	32%
Bancassurance	879	684	-22%	447	314	370	18%	-17%
Trust	419	396	-5%	218	211	185	-12%	-15%
Structured & Others	460	250	-46%	249	152	98	-36%	-61%
WM fee Income	2,213	2,046	-8%	1,167	1,060	986	-7%	-16%



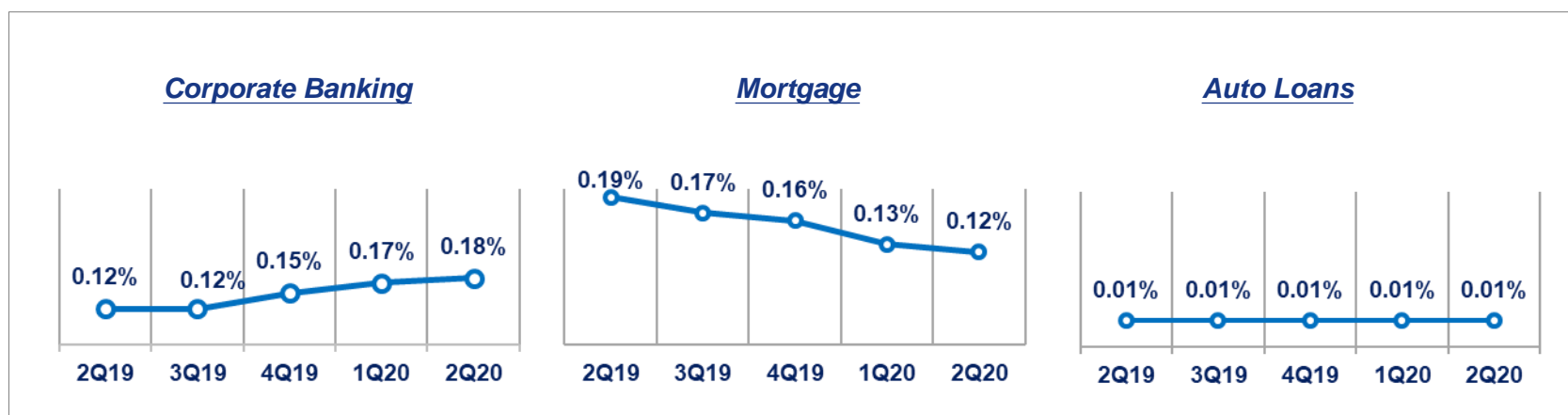
Note:

1) 2Q20 numbers are un-audited

# Asset Quality

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Total Provision	62	834	1245%	(12)	540	294	-46%	-2550%
Provision for Loan (net)	140	952	580%	(11)	581	371	-36%	-3473%
Provision for Credit Card (net)	(20)	(37)	85%	(20)	(26)	(11)	-58%	-45%
Others (net)	(58)	(81)	40%	19	(15)	(66)	340%	-447%
Total Reserves for Loan	11,439	11,393	0%	11,439	11,380	11,393	0%	0%
NPL Ratio	0.14%	0.14%	0%	0.14%	0.15%	0.14%	-7%	0%
NPL Coverage Ratio	1103.9%	1039.9%	-6%	1103.9%	1033.4%	1039.9%	1%	-6%
General Provision	1.55%	1.49%	-4%	1.55%	1.51%	1.49%	-1%	-4%

## NPL Ratio by Major Business



Note:

1) 1Q20 numbers are un-audited

# *Appendix*

# Balance Sheet of Yuanta FHC & Major Subsidiaries

*Data as of June 30, 2020*

NT\$ mn	Yuanta Sec. (Standalone)	Yuanta Bank (Standalone)	Yuanta Life	Yuanta FHC (Standalone)	Yuanta FHC (Consolidated)
Cash and due from banks	38,186	64,822	7,543	2,640	124,075
Financial assets at FVTPL	109,289	147,916	46,072	0	534,057
Financial assets at FVOCI	71,200	132,853	34,485	26	258,318
Financial assets at AC	0	211,598	195,165	0	411,646
Bills and bonds sold under RS	1,250	4,479	1,267	0	42,151
Loans (net)	0	750,783	6,923	0	785,247
A/R (net)	94,963	20,777	4,135	8,705	191,220
LT Investments under Equity Method	43,178	4,562	0	266,088	2,304
Other assets	30,887	41,655	22,158	618	210,992
<b>Total assets</b>	<b>388,953</b>	<b>1,379,445</b>	<b>317,748</b>	<b>278,077</b>	<b>2,560,010</b>
Financial liabilities at FVTPL	71,006	2,323	802	0	131,173
Bills and bonds sold under RP	96,628	0	0	0	214,410
A/P (net)	69,682	17,440	3,008	13,467	208,715
Deposits and remittances	0	1,172,941	0	0	1,147,440
Provisions	1,926	1,258	278,372	36	288,406
Other liabilities	49,317	65,172	6,125	27,403	315,448
<b>Total liabilities</b>	<b>288,559</b>	<b>1,259,134</b>	<b>288,307</b>	<b>40,906</b>	<b>2,305,592</b>
Common shares (mn)	5,782	7,394	2,374	12,137	12,137
<b>Total shareholders' equity</b>	<b>100,394</b>	<b>120,311</b>	<b>29,441</b>	<b>237,171</b>	<b>254,418</b>

Note: 1H20 numbers are un-audited

# P&L of Yuanta FHC & Major Subsidiaries

*Data as of June 30, 2020*

NT\$ mn	Yuanta Sec. (Standalone)	Yuanta Bank (Standalone)	Yuanta Life	Yuanta FHC (Standalone)	Yuanta FHC (Consolidated)
Net interest income	1,004	6,202	4,221	(95)	12,479
Net fee income	6,130	2,498	(1,895)	0	11,878
Net insurance income	0	0	14,710	0	14,708
Other income	2,473	2,166	560	(35)	12,322
LT investment income	718	29	0	12,058	98
Total operating income	10,325	10,895	17,596	11,928	51,485
Provision for bad debt and reserve for guarantee policy	9	(834)	0	0	(1,152)
Net change in insurance reserve	0	0	(15,657)	0	(15,585)
Operating expenses	(4,340)	(4,900)	(702)	(541)	(20,611)
Income before tax	5,994	5,161	1,237	11,387	14,137
Net income	5,263	4,513	1,165	11,063	11,717
EPS	0.91	0.61	0.49	0.91	
ROE (YTD annualized)	10.5%	7.5%	10.9%	9.4%	9.3%

Note: 1H20 numbers are un-audited

# Yuanta FHC Financial Summary

*(Consolidated Base)*

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Net interest income	12,771	12,479	-2%	6,447	6,542	5,937	-9%	-8%
Net fee income	8,914	11,878	33%	4,563	5,407	6,471	20%	42%
Net insurance income	16,446	14,708	-11%	8,066	8,753	5,955	-32%	-26%
Other income	11,553	12,420	8%	5,612	4,073	8,347	105%	49%
Total operating income	49,684	51,485	4%	24,688	24,775	26,710	8%	8%
Provision for bad debt	(125)	(1,152)	822%	36	(671)	(481)	-28%	-1436%
Net change in insurance reserve	(16,836)	(15,585)	-7%	(8,453)	(8,647)	(6,938)	-20%	-18%
Operating expenses	(18,878)	(20,611)	9%	(9,359)	(10,240)	(10,371)	1%	11%
Income before tax	13,845	14,137	2%	6,912	5,217	8,920	71%	29%
Net income	11,888	11,717	-1%	5,983	4,387	7,330	67%	23%
Net Income attr. to parent company	10,994	11,063	1%	5,562	4,096	6,967	70%	25%
Total assets	2,389,885	2,560,010	7%	2,389,885	2,504,202	2,560,010	2%	7%
Common shares (mn)	11,686	12,137	4%	11,686	11,671	12,137	4%	4%
Total shareholders' equity	242,585	254,418	5%	242,585	246,498	254,418	3%	5%
Equity attr. to parent company	224,666	237,171	6%	224,666	228,987	237,171	4%	6%
BVPS	19.25	19.54	2%	19.25	19.62	19.54	0%	2%

Note: 2Q20 numbers are un-audited



# Yuanta Sec. Financial Summary

*(Consolidated Base)*

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Net fee income	7,365	10,736	46%	3,781	4,913	5,823	19%	54%
Net interest income	3,423	3,392	-1%	1,711	1,771	1,621	-8%	-5%
Net investment income	3,130	2,930	-6%	1,481	708	2,222	214%	50%
Other income	2,585	2,513	-3%	1,078	1,153	1,360	18%	26%
Total net revenue	16,503	19,571	19%	8,051	8,545	11,025	29%	37%
Operating expenses	(11,157)	(13,021)	17%	(5,487)	(6,432)	(6,589)	2%	20%
Income before tax	5,346	6,550	23%	2,564	2,114	4,436	110%	73%
Net income	4,694	5,511	17%	2,298	1,841	3,671	99%	60%
Net Income attr. to parent company	4,109	5,263	28%	2,055	1,754	3,509	100%	71%
EPS	0.71	0.91	28%	0.36	0.30	0.61	100%	71%
ROE (YTD annualized)	8.6%	10.5%	22%	8.6%	7.0%	10.5%		
Total assets	764,282	786,694	3%	764,282	769,004	786,694	2%	3%
Common shares (mn)	5,782	5,782	0%	5,782	5,782	5,782	0%	0%
Total shareholders' equity	110,627	113,724	3%	110,627	113,527	113,724	0%	3%
Equity attr. to parent company	96,134	100,394	4%	96,134	100,236	100,394	0%	4%

Note:

- 1) 2Q20 numbers are un-audited
- 2) EPS and ROE calculations are standalone

# Yuanta Bank Financial Summary

*(Consolidated Base)*

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
Net interest income	6,729	6,433	-4%	3,354	3,233	3,200	-1%	-5%
Net fee income	2,893	2,499	-14%	1,478	1,286	1,213	-6%	-18%
Other income	2,086	2,187	5%	1,112	887	1,300	47%	17%
Total operating income	11,708	11,119	-5%	5,944	5,406	5,713	6%	-4%
Operating expenses	(5,492)	(5,073)	-8%	(2,795)	(2,537)	(2,536)	0%	-9%
Pre-provision operating income	6,216	6,046	-3%	3,149	2,869	3,177	11%	1%
Net provision	(48)	(874)	1721%	42	(555)	(319)	-43%	-860%
Net Income before tax	6,168	5,172	-16%	3,191	2,314	2,858	24%	-10%
Net income	5,391	4,513	-16%	2,799	2,000	2,513	26%	-10%
Total assets	1,309,756	1,388,546	6%	1,309,756	1,361,116	1,388,546	2%	6%
Common shares (mn)	7,394	7,394	0%	7,394	7,394	7,394	0%	0%
Total shareholders' equity	118,298	120,311	2%	118,298	121,637	120,311	-1%	2%

Note:

- 1) Yuanta Bank posted NT\$ 87 mn of FX gains and NT\$ 102 mn of losses in 1H19 and 1H20 respectively on TCB's USD CB.
- 2) 2Q20 numbers are un-audited.

# Yuanta Life Financial Summary

NT\$ mn	1H19	1H20	YoY	2Q19	1Q20	2Q20	QoQ	YoY
First Year premium	4,497	5,216	16%	2,097	2,942	2,274	-23%	8%
Renewal and other premium	15,455	15,035	-3%	7,894	8,247	6,788	-18%	-14%
Retained earned premium	19,952	20,251	1%	9,991	11,189	9,062	-19%	-9%
Total investment income	3,956	4,767	20%	2,032	1,878	2,889	54%	42%
Other income	362	39	-89%	138	(218)	257	-218%	86%
Total operating revenue	24,270	25,057	3%	12,160	12,849	12,207	-5%	0%
Retained claim payment	(3,461)	(5,498)	59%	(1,903)	(2,411)	(3,087)	28%	62%
Net change in insurance liability	(16,906)	(15,657)	-7%	(8,491)	(8,681)	(6,977)	-20%	-18%
Other expenses	(2,126)	(1,960)	-8%	(999)	(956)	(1,004)	5%	0%
Total operating costs	(22,493)	(23,115)	3%	(11,393)	(12,047)	(11,068)	-8%	-3%
General and administrative expenses	(658)	(702)	7%	(348)	(365)	(337)	-8%	-3%
Other income and expenses	(0)	(2)	411%	0	(1)	(2)	245%	-787%
Income before tax	1,119	1,237	11%	420	436	800	83%	91%
Net income	1,099	1,165	6%	472	346	819	137%	74%
Total assets	260,409	317,748	22%	260,409	305,261	317,748	4%	22%
Total liabilities	246,518	288,307	17%	246,518	280,574	288,307	3%	17%
Total shareholders' equity	13,891	29,441	112%	13,891	24,687	29,441	19%	112%

Note: 2Q20 numbers are un-audited

# Yuanta Life Investment Portfolio

NT\$ mn	2Q19		1Q20		2Q20		QoQ	YoY
	Amount	%	Amount	%	Amount	%		
Overseas Fixed Income	152,251	62.2%	170,097	58.9%	178,121	58.7%	5%	17%
Overseas Equity	272	0.1%	862	0.3%	1,336	0.4%	55%	391%
Domestic Fixed Income	53,968	22.0%	54,456	18.9%	51,870	17.1%	-5%	-4%
Domestic Equity	21,202	8.7%	30,044	10.4%	39,148	12.9%	30%	85%
Loans	6,450	2.6%	6,968	2.4%	6,923	2.3%	-1%	7%
Real Estate	0	0.0%	6,669	2.3%	11,708	3.9%	76%	N/A
Others	221	0.1%	248	0.1%	243	0.1%	-2%	10%
Deposits and Cash Equivalent	10,412	4.3%	19,506	6.8%	13,878	4.6%	-29%	33%
<b>Total</b>	<b>244,776</b>	<b>100%</b>	<b>288,850</b>	<b>100%</b>	<b>303,227</b>	<b>100%</b>	<b>5%</b>	<b>24%</b>
RBC Ratio	324%		N/A		470%			

Note: 2Q20 numbers are un-audited