



# **King's Town Bank Operating Results of 3Q17**

**Stock Code : 2809.TW**



## Disclaimer

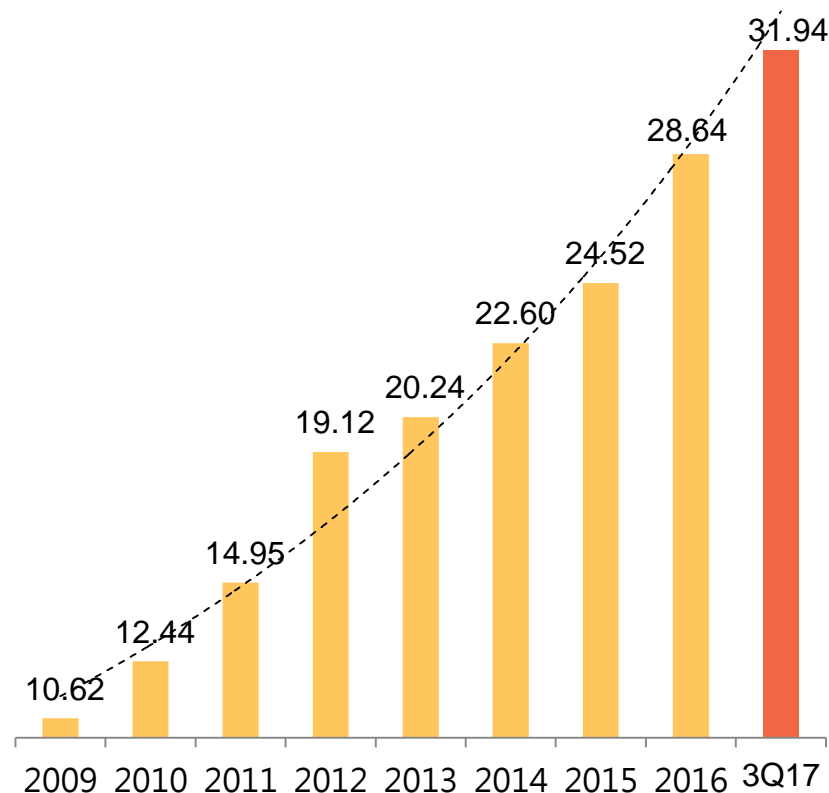
- This presentation may include forward looking statements. All statements, other than statements of historical facts, that address activities, events or developments that King's Town Bank expects or anticipates will or may occur in the future are forward-looking statements. King's Town Bank's actual results or developments may differ from those indicated by these forward-looking statements as a result of various factors and uncertainties which are beyond our control. In addition, King's Town Bank makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.
- The operating results still need to be audited by accountants.



# 1H/17 Financial Review

	2017.09	2016.09
Total Assets (NT\$ mm)	267,326	238,960
Book Value/share (NT\$)	31.94	28.52
ROE (pretax)	19.00%	18.28%
ROA (pretax)	2.57%	2.35%
BIS Ratio	15.39%	15.93%
NPL Ratio	0.06%	0.02%
Coverage Ratio	2,934.35%	6,889.29%
Loan-loss Provision Coverage Ratio	1.64%	1.61%
QFII Holdings	22.78%	21.83%
Fitch Rating	A+(tw) 、 F1(twn)	

Book Value per share





# 3Q/17 Business Summary Updates

## Financial Performance

- Reported after-tax net income for 3Q/17 of NT\$ 4,285 million or NT\$ 3.74 per share after tax (EPS), increased by 19.8% and 19.9% year-to-year respectively.
- Reported ROE of 19.00% and ROA of 2.57% for 3Q/17.

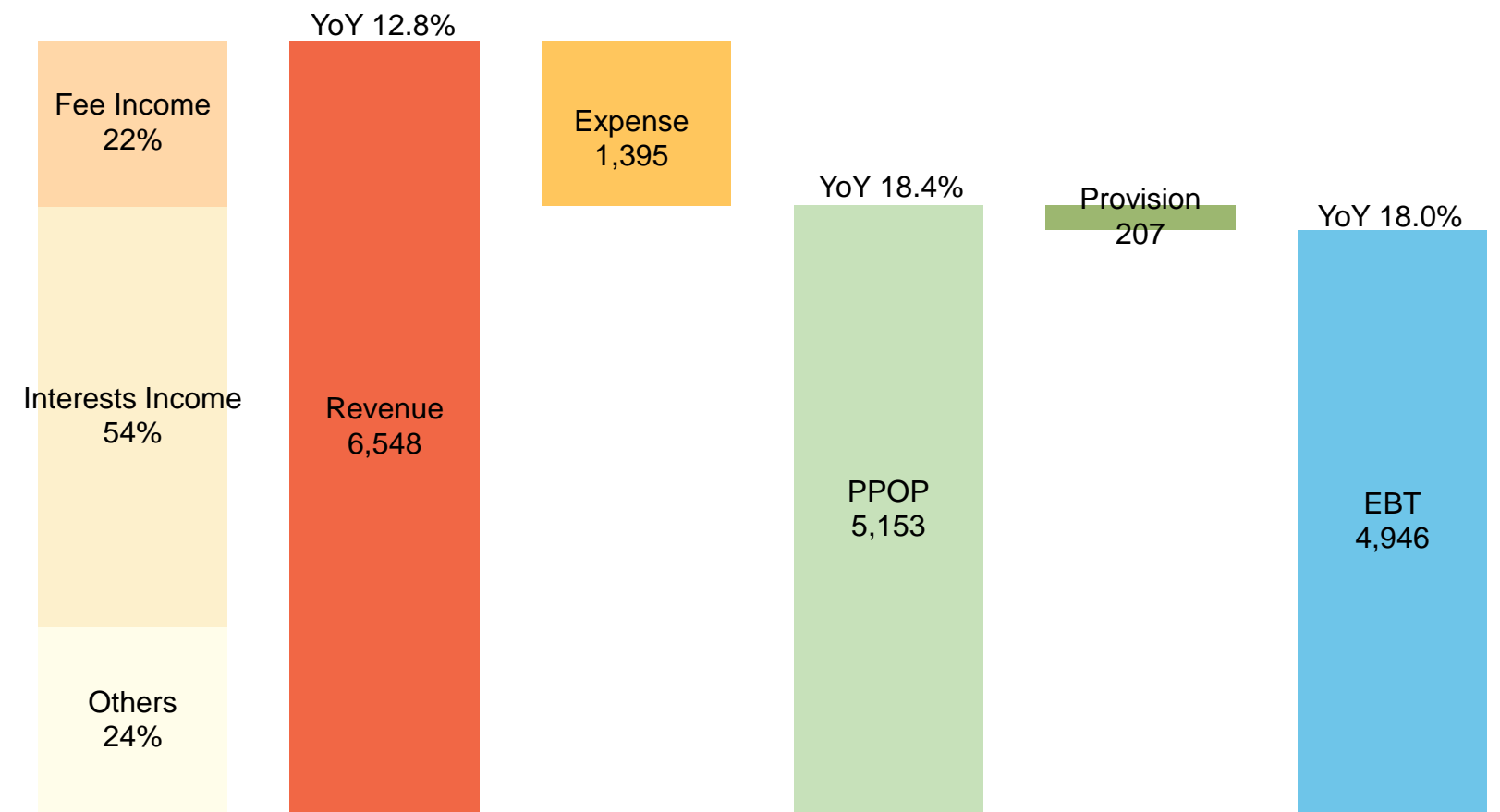
## Financial Strength

- Fee income continues to exhibit stable growth momentum, increased by 2.69% compared to same period last year.
- Asset quality remains sound with NPL ratio at 0.06%, coverage ratio at 2934.35% and loan-loss provision coverage ratio at 1.64% .
- Total deposit for 3Q/17 increased NT\$ 6.6 billion to NT\$ 180.5 billion versus NT\$ 173.9 billion in 2016. Loan-to-deposit ratio for 3Q/17 increased 6.5 percentage point to 78.9% versus 72.4% in 2016.
- Each employee at King's Town Bank generated an average of NT\$6.95 million in profit .



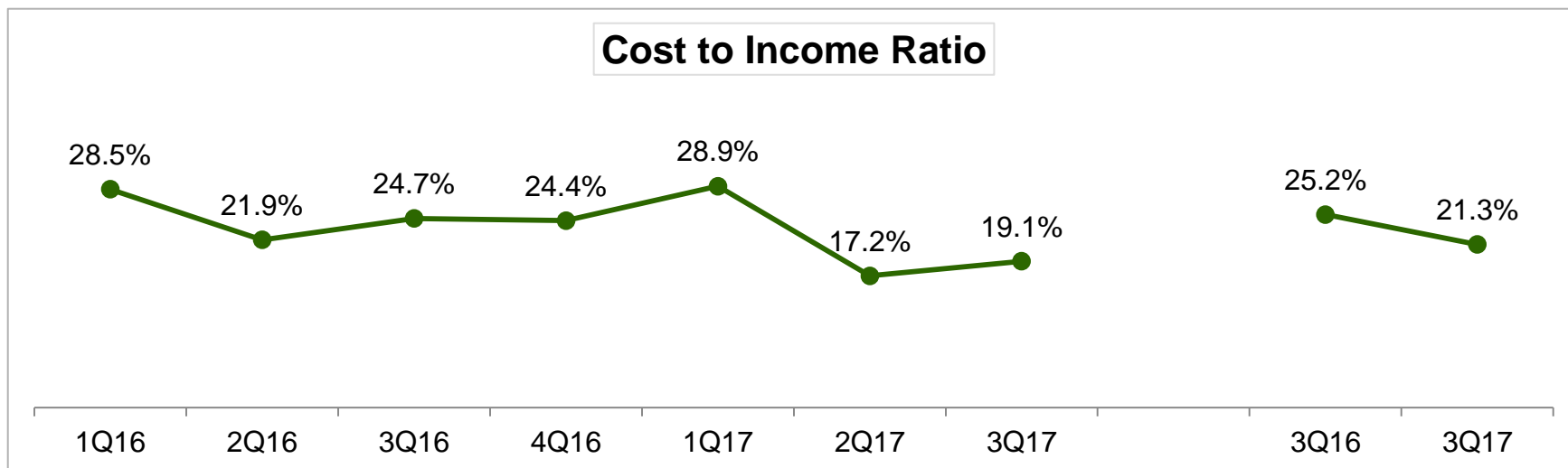
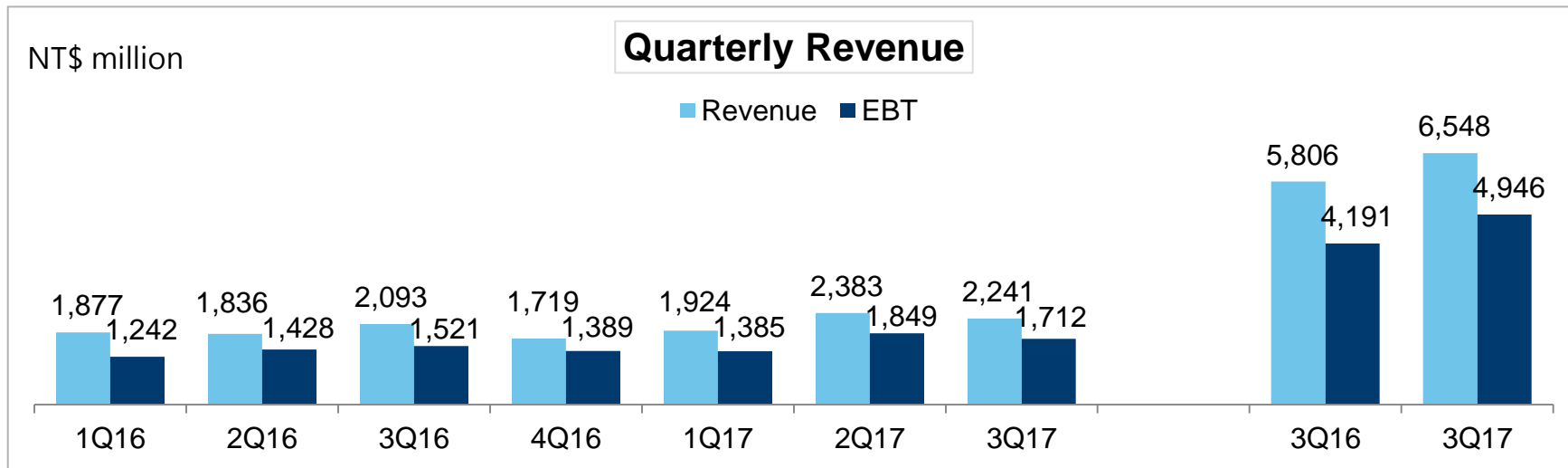
# 3Q/17 Revenue Breakdown

NT\$ million



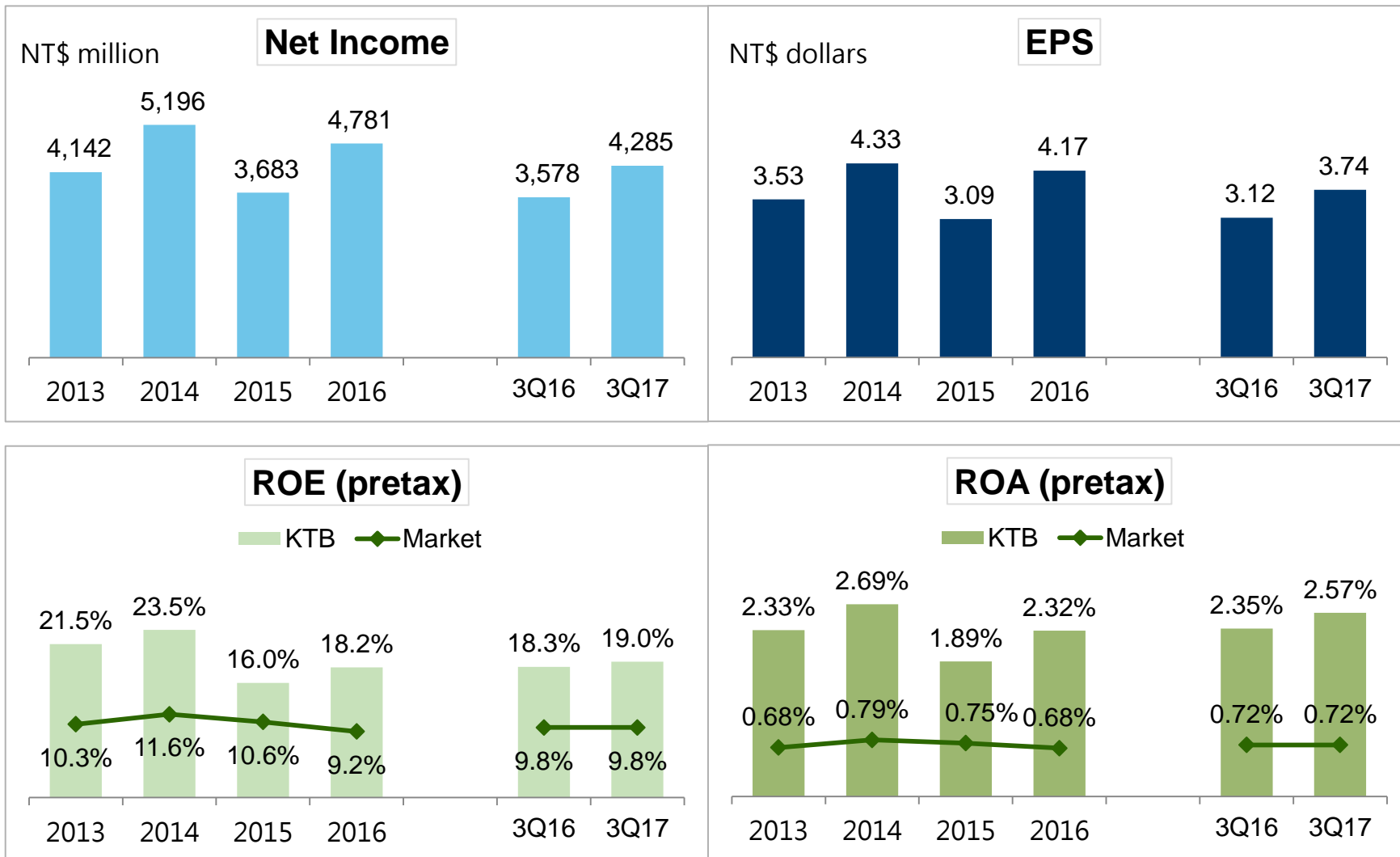


# Quarterly Revenue and Expense



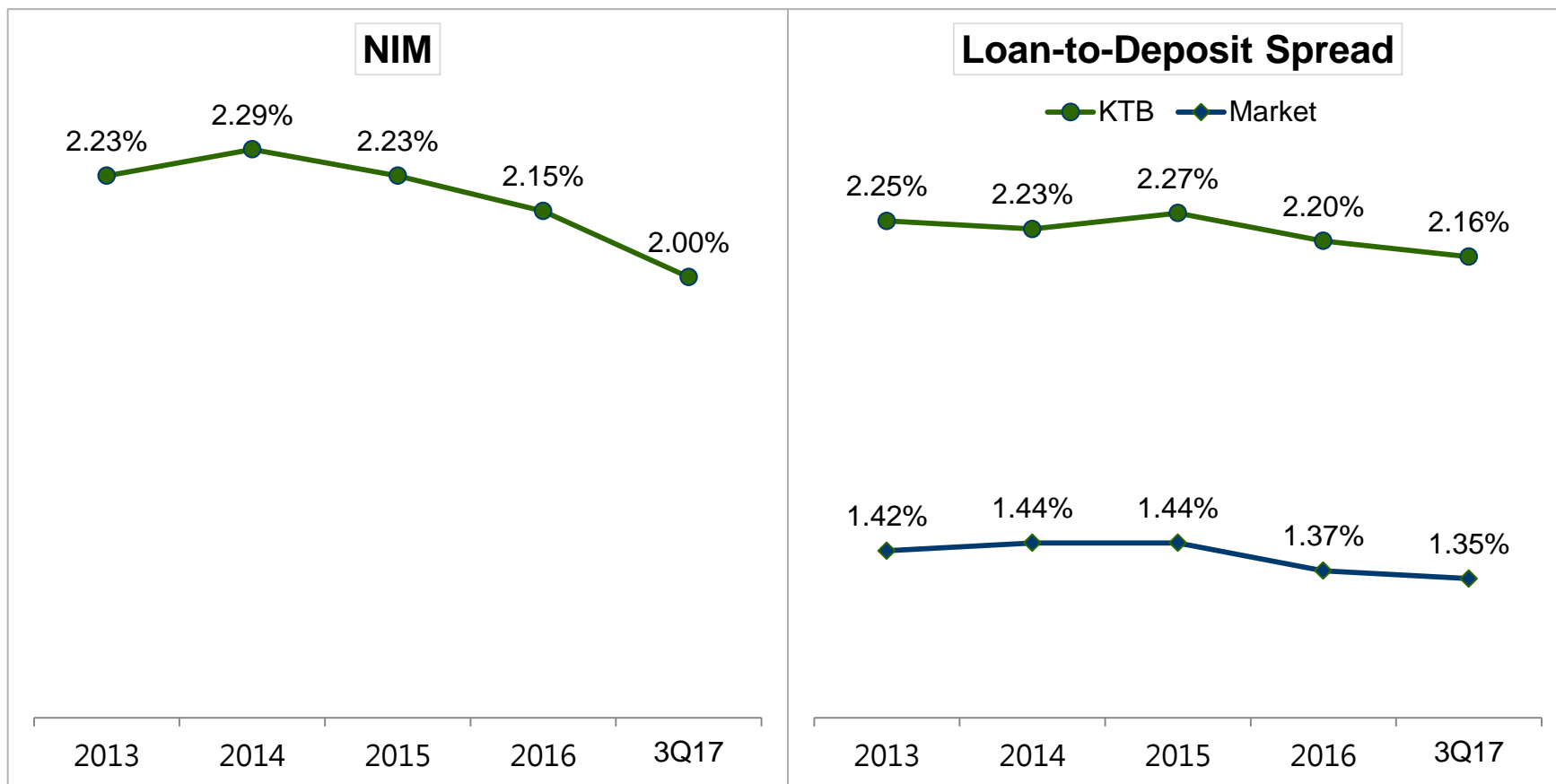


# Profitability





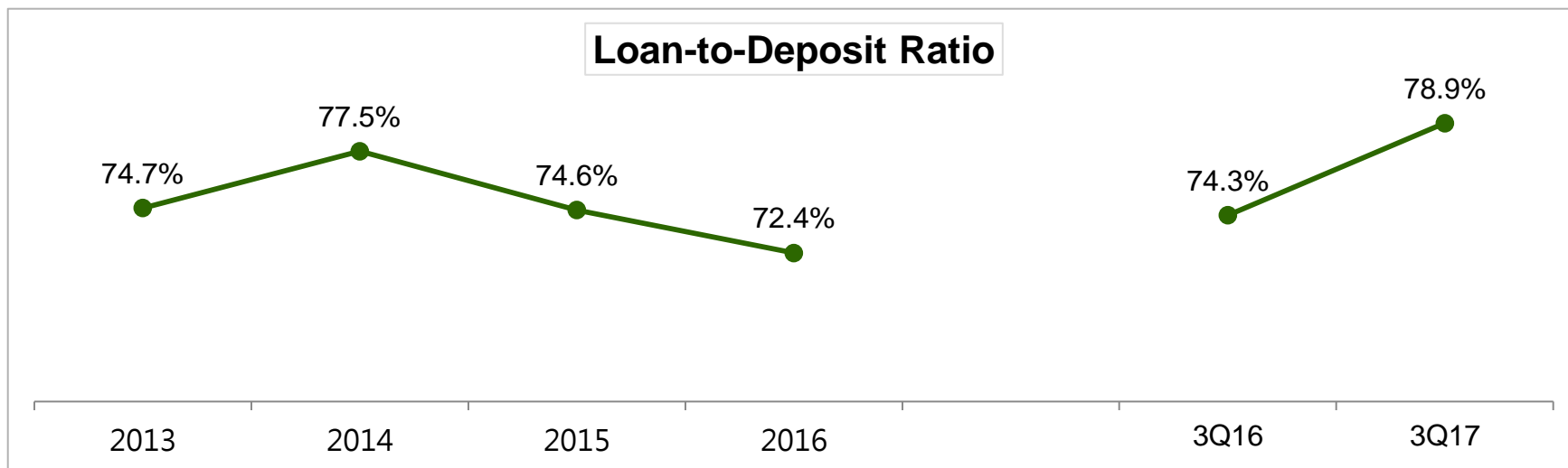
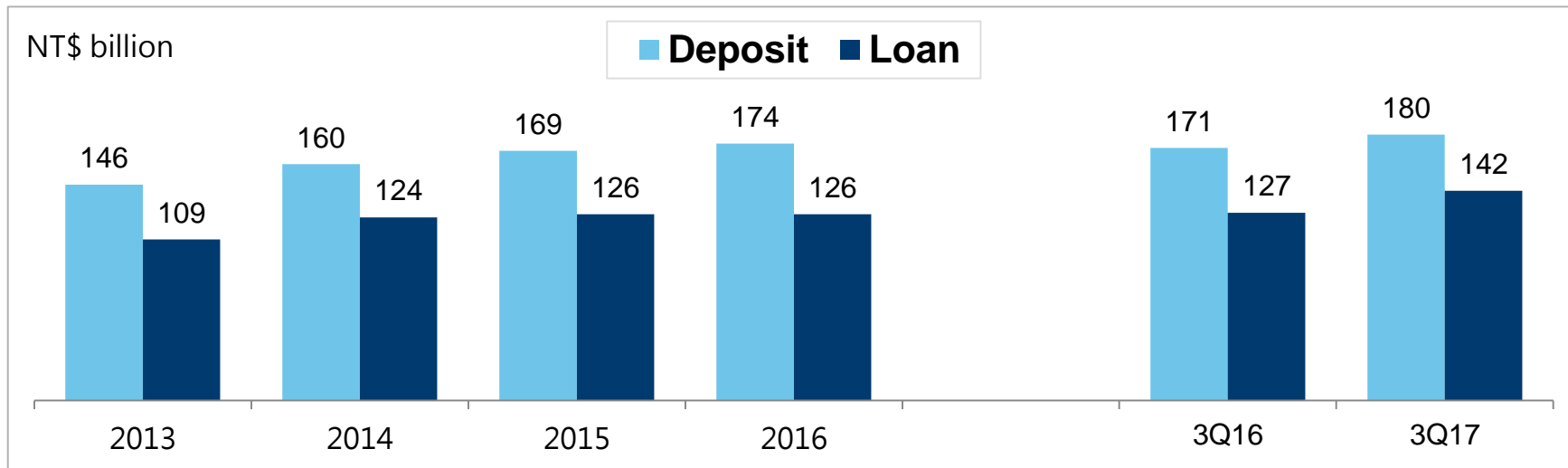
# NIM and Spreads





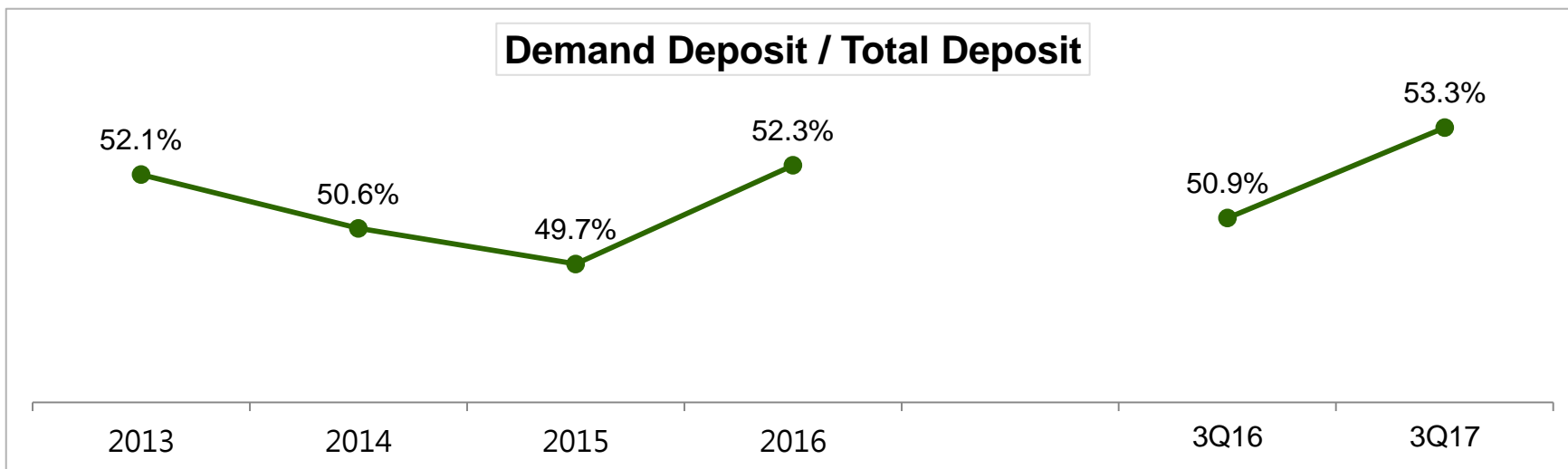
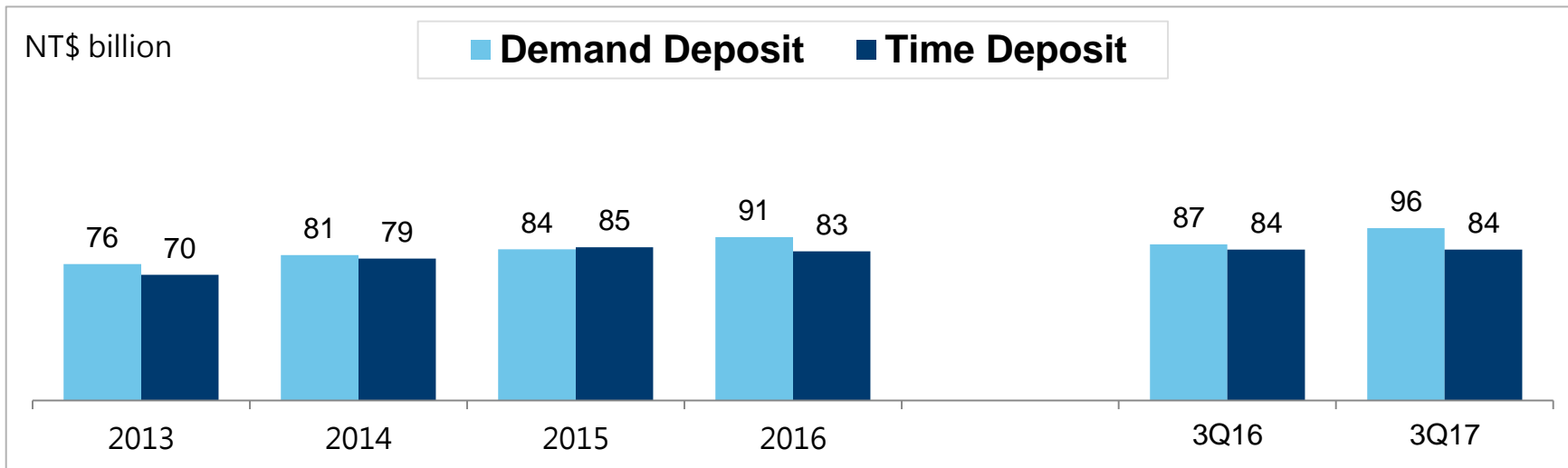


# Loan and Deposit





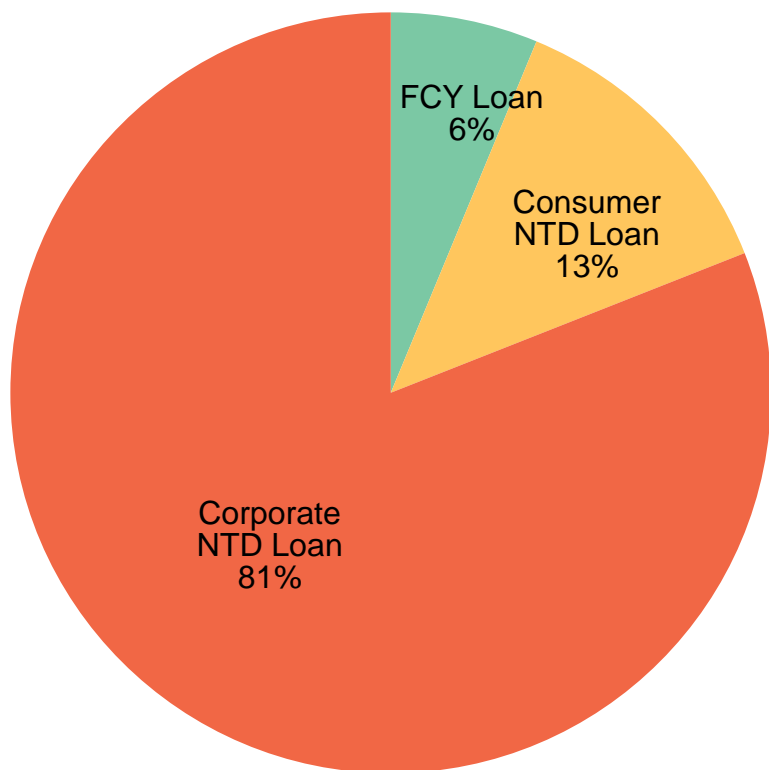
# Deposit Breakdown



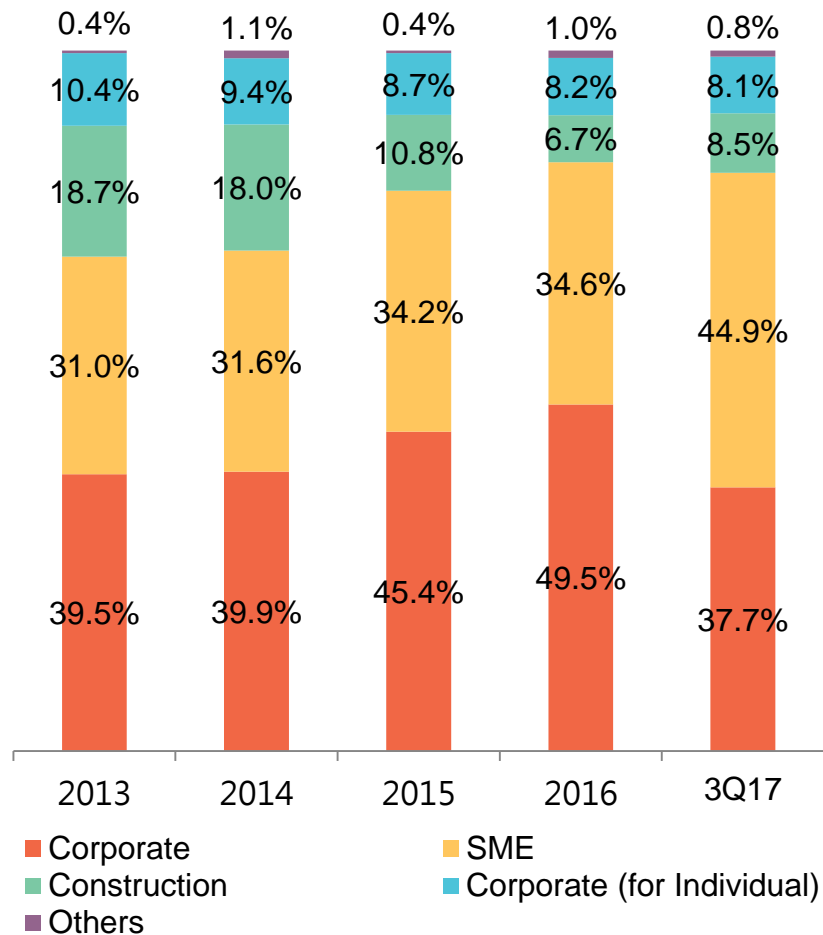


# Loan Breakdown

**Loan Composition (3Q17)**

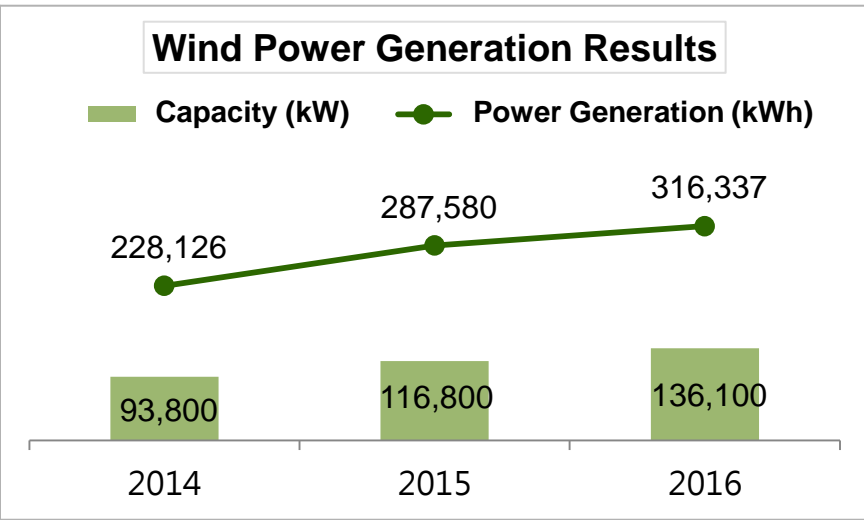
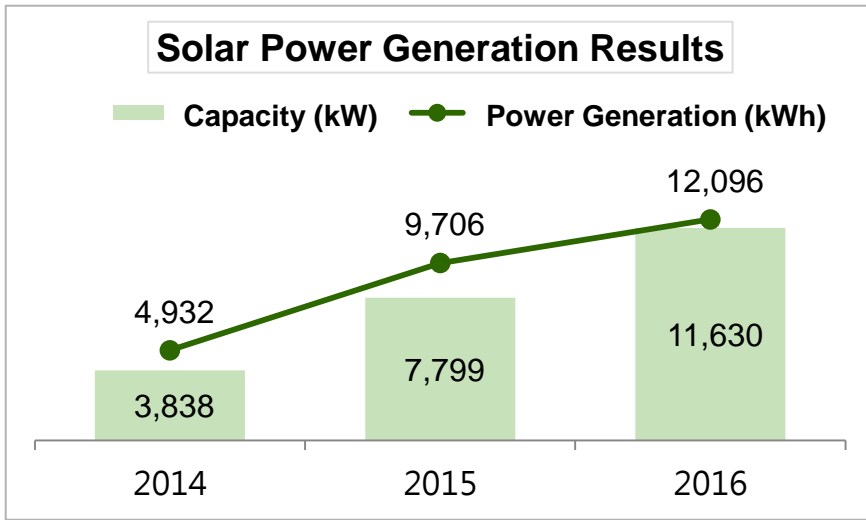
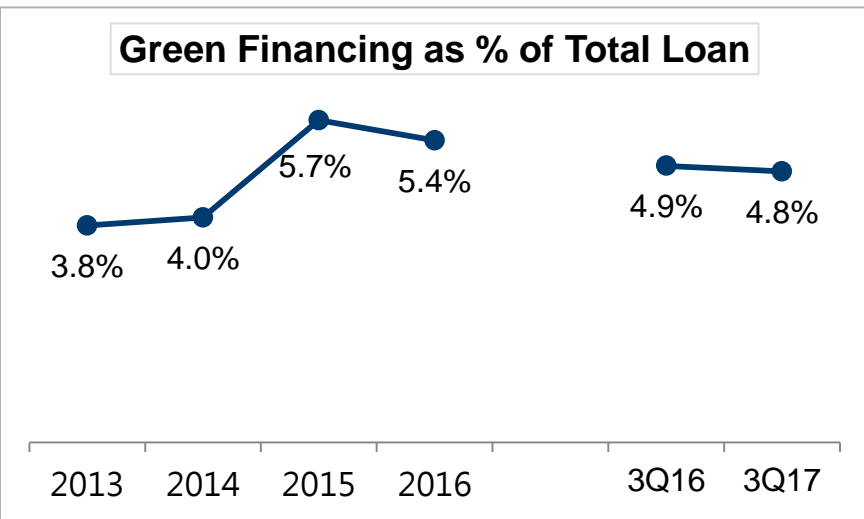
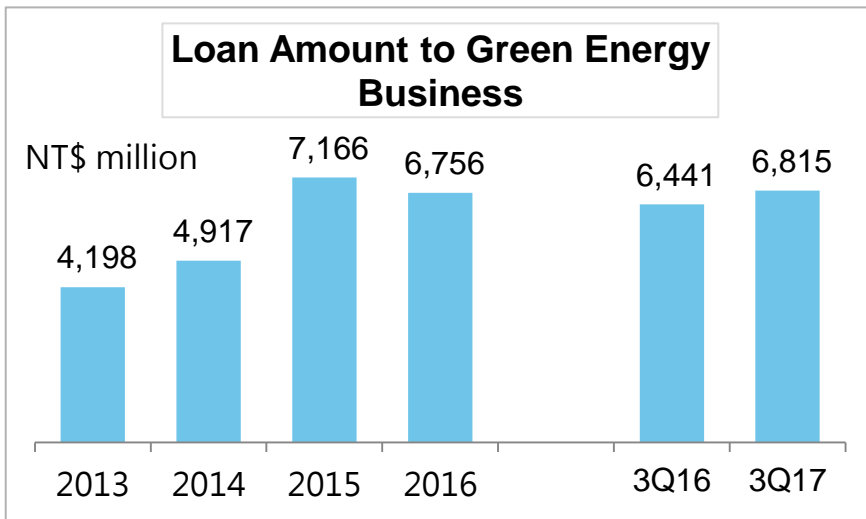


**Corporate Loan by Type**



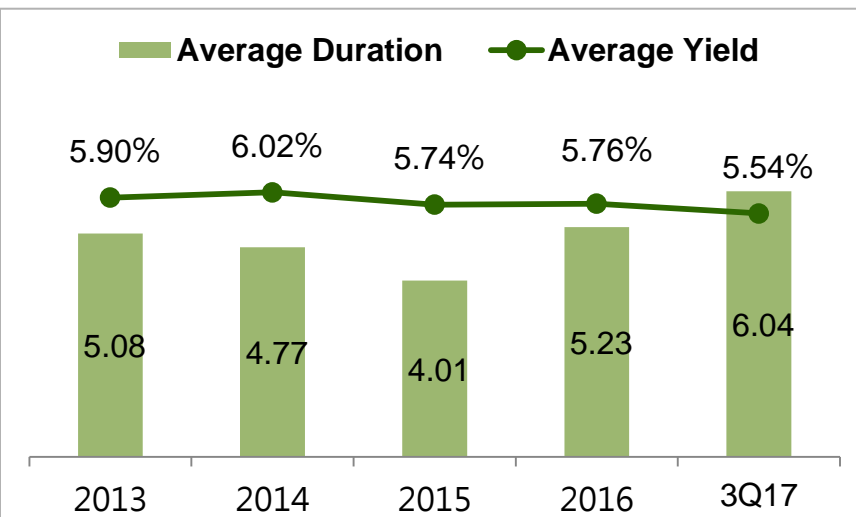
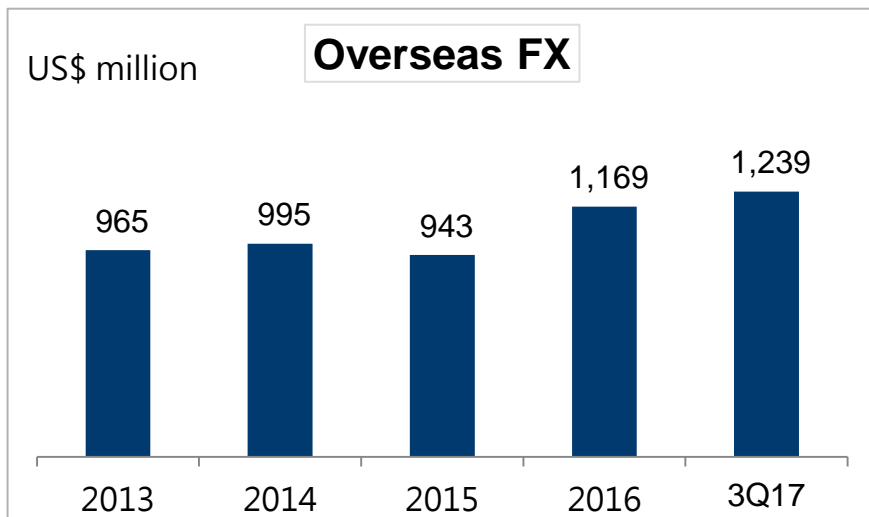
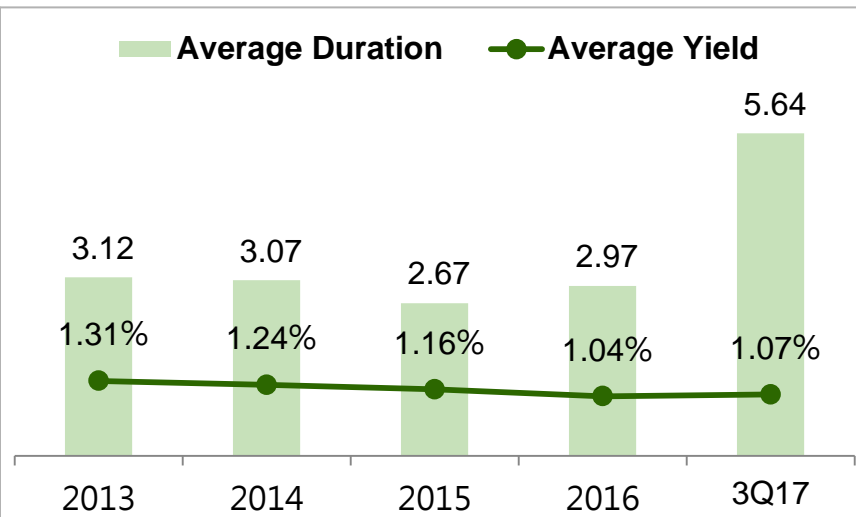
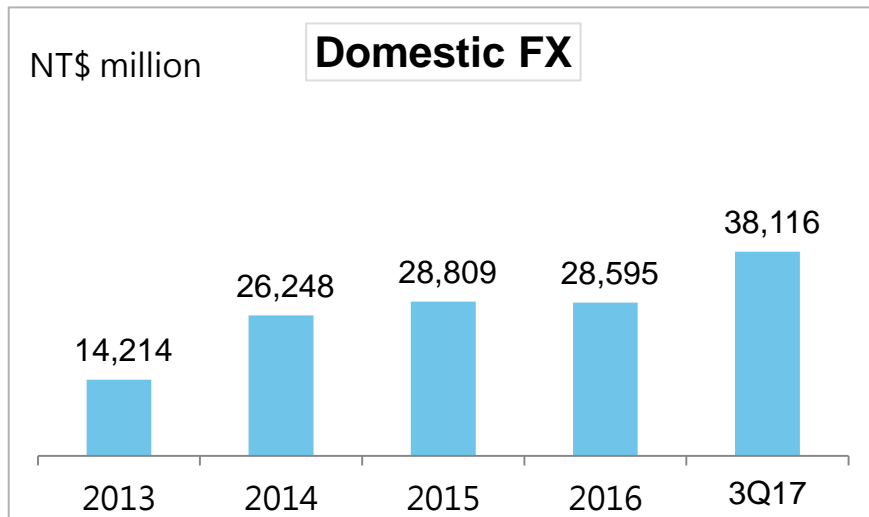


# Green Financing



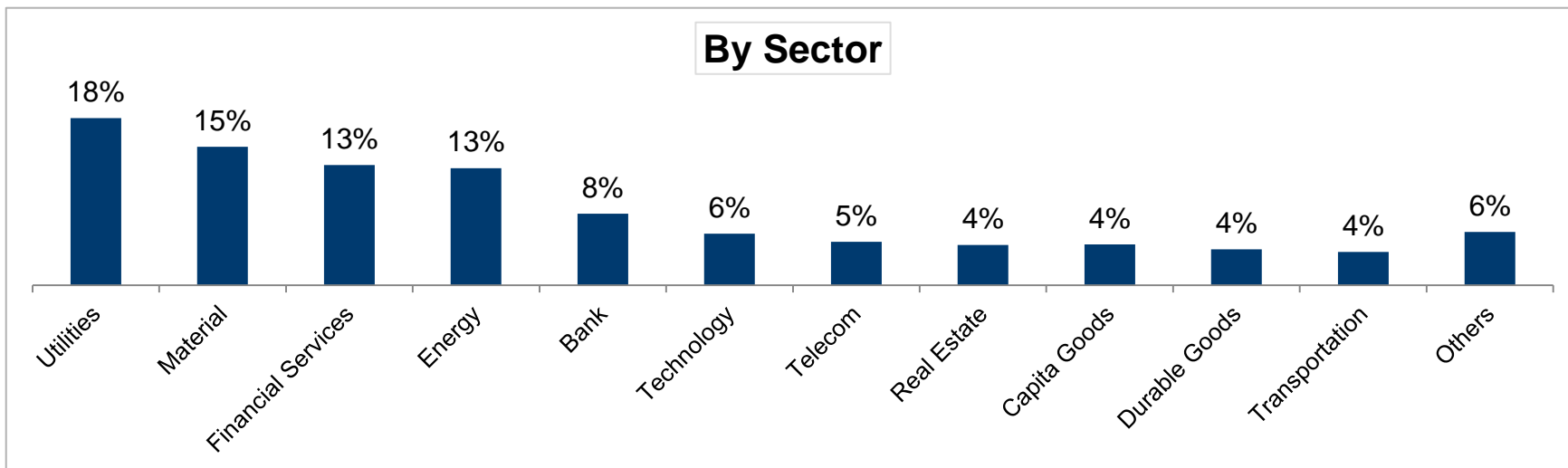
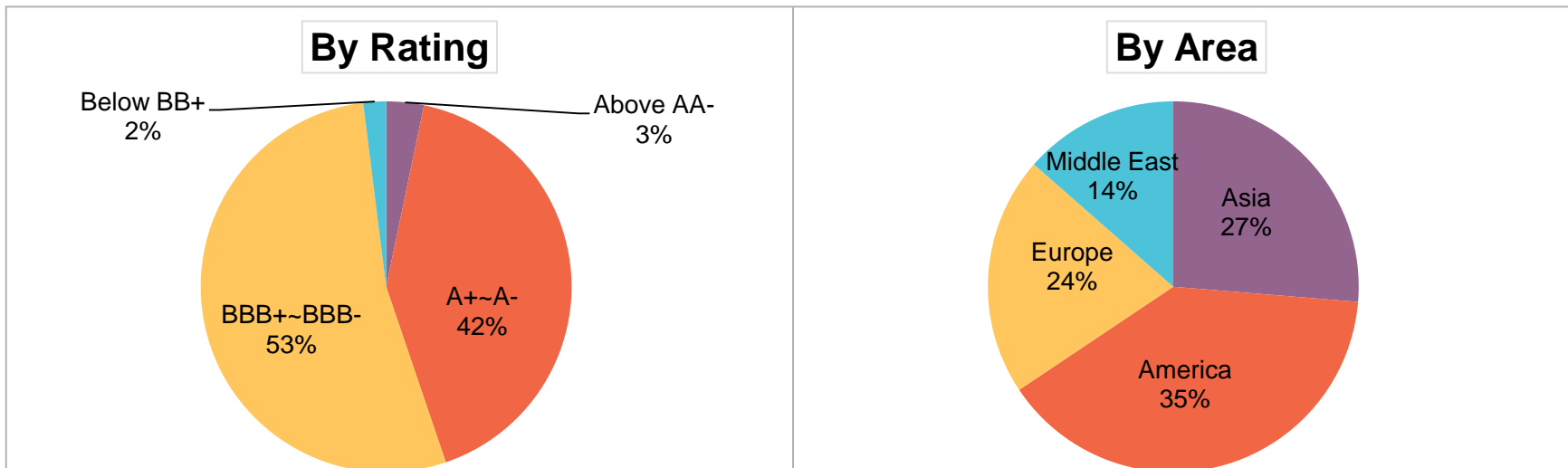


# Financial Asset - Fixed Income Investment



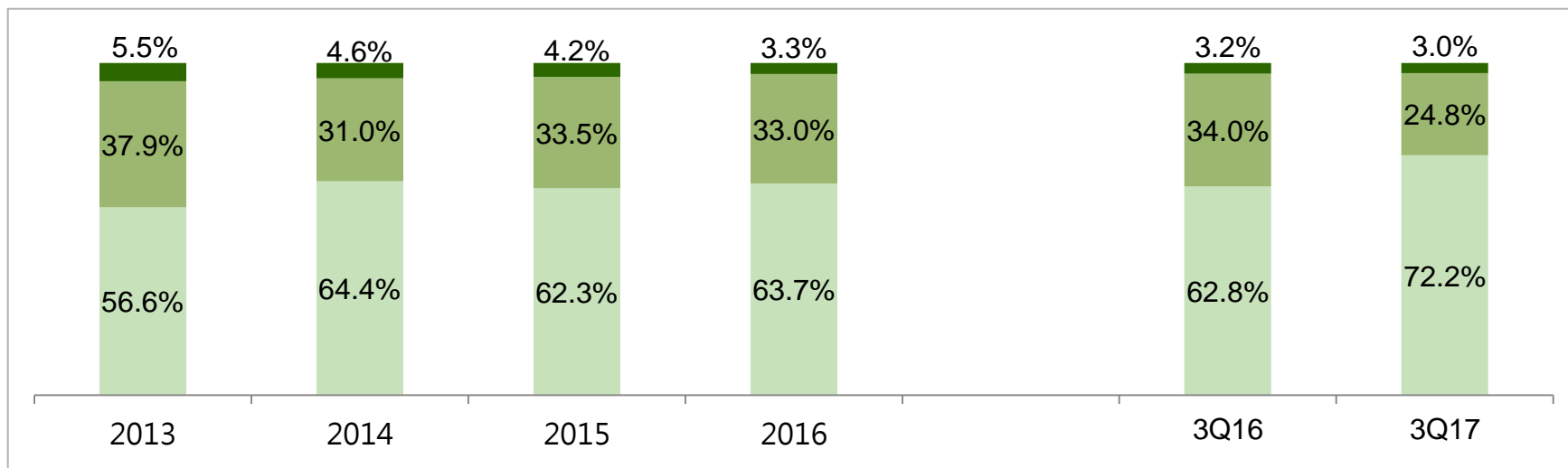
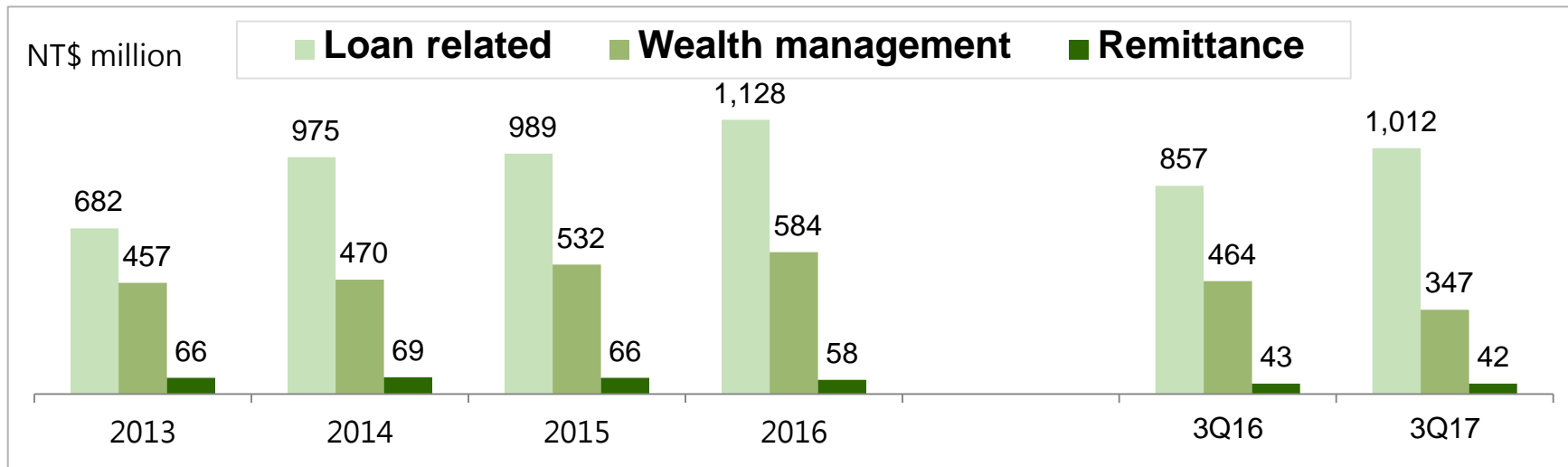


# Financial Asset – Overseas FX Mix (3Q17)



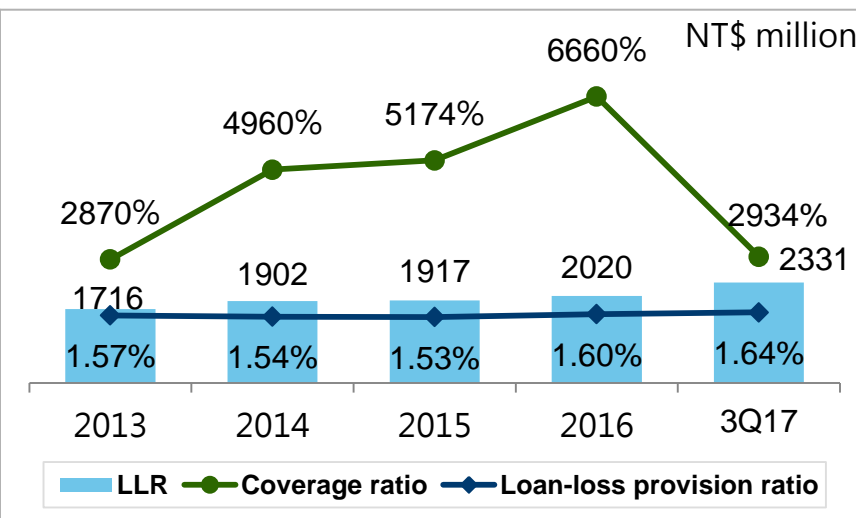
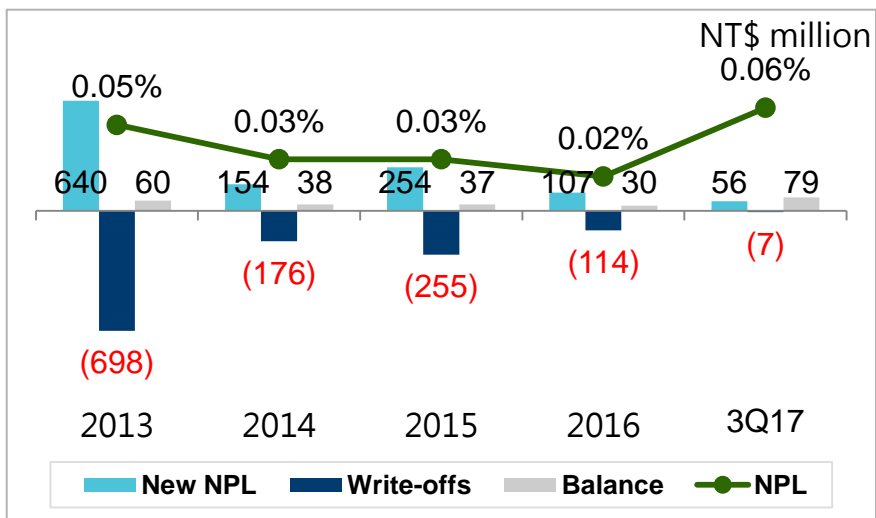
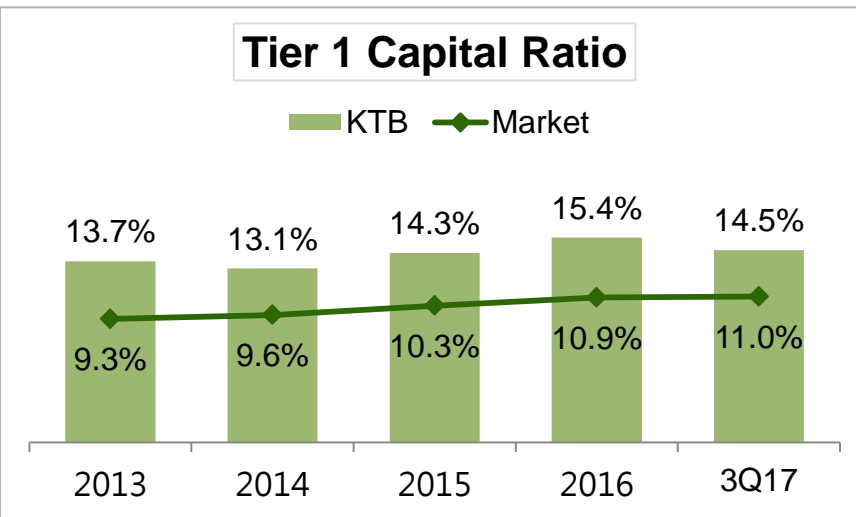
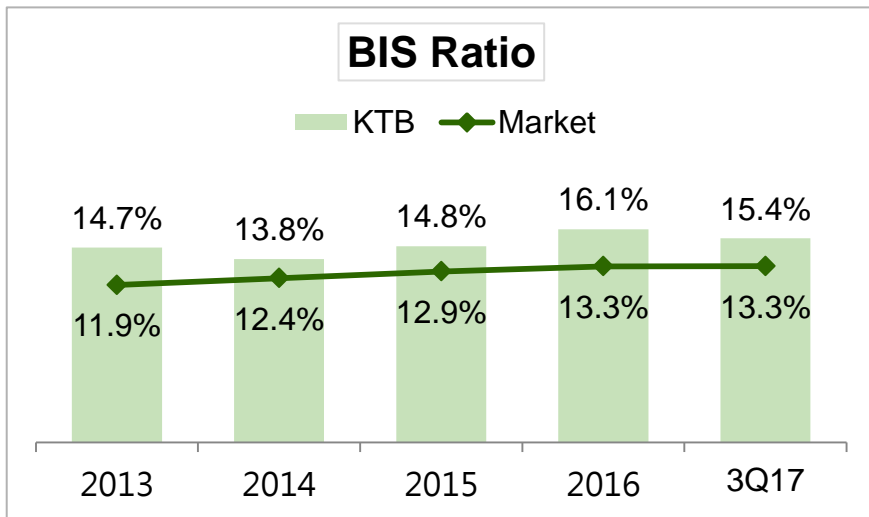


# Fee Income





# Capital Adequacy and Asset Quality







# Top 1,000 World Banks 2016 - The Banker

Strength				Size			
Rank		Tier 1 Capital (US\$ million)	%ch.	Asset (US\$ million)	%ch.	Rank	
World	Taiwan					World	Taiwan
754	25	815	2.66%	7,222	-2.97%	855	28

Soundness			Performance					
Capital Assets Ratio	Rank		Profits on Capital	Rank		Return on Assets	Rank	
	World	Taiwan		World	Taiwan		World	Taiwan
11.28%	159	2	16.65%	285	1	1.88%	138	1

# HONOR



2015、2016 《WORLD FINANCE》

★★★ Wealth Management Awards -Taiwan ★★★



2016、2017 《GLOBAL BANKING & FINANCE REVIEW》

★★★ Best Wealth Management Bank Taiwan ★★★

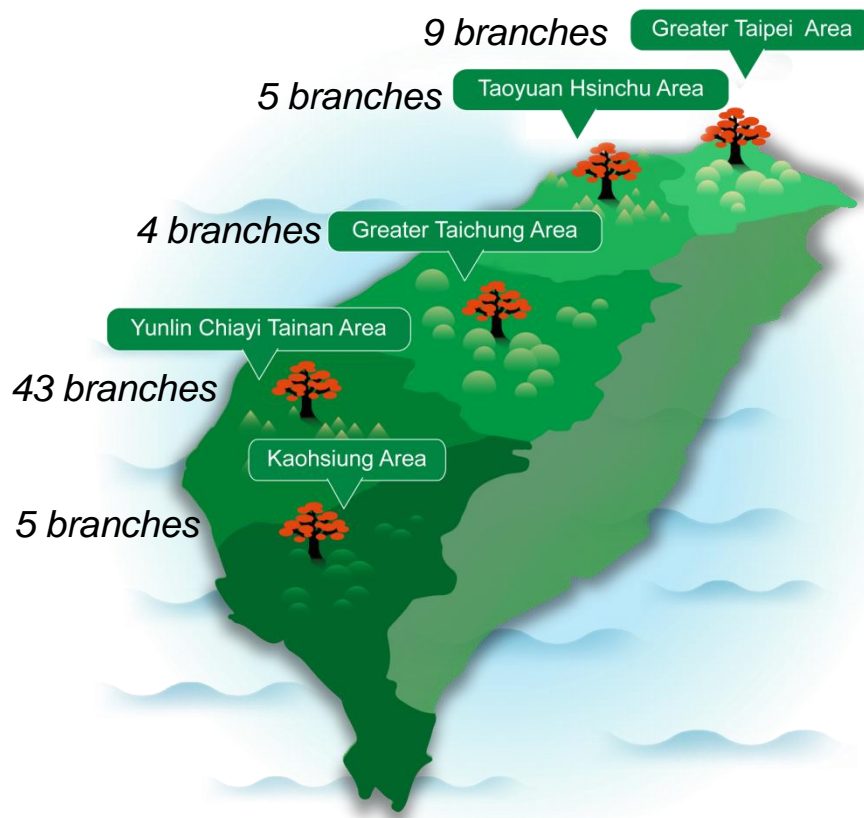


Thank you



# Introduction

- Established in 1948, formerly known as the Tainan Business Bank.
- Headquartered in Tainan City, a city with 1.9 million population.
- Total 66 branches with approx. 73% in Southern Taiwan.
- Paid-in capital of NT\$ 11.5 billion.
- 23 Metro branches, contributing
  - 14% of deposits
  - 86% of loans
- 43 Non-metro branches, contributing
  - 86% of deposits
  - 14% of loans





# Appendix - Income Statement

NT\$ million

Items	3Q/17	3Q/16	YoY
Net Interest Income	3,564	3,708	-4%
Net Fee Income	1,401	1,364	3%
Other Income	1,583	734	116%
Revenue	6,548	5,806	13%
Operating Expense	(1,395)	(1,454)	-4%
PPOP	5,153	4,352	18%
Provision for Loan Loss	(207)	(161)	29%
Earning Before Tax	4,946	4,191	18%
Net Income	4,285	3,578	20%
EPS(Cumulative)(NT\$)	3.74	3.12	20%



## Appendix - Balance Sheet

NT\$ billion

Items	2017.09	2016.09	YoY	Items	2017.09	2016.09	YoY
Cash, NCD, Interbank Deposits, and R/S	19.4	38.7	-50%	Interbank Deposits , Interbank Borrowings	26.6	14.1	89%
Securities	102.7	70.5	46%	Deposits	180.2	171.2	5%
Loans	139.8	125.2	12%	R/P	21.0	17.9	17%
Property and Equipment	2.4	2.5	-4%	Other Liabilities	3.0	3.0	0%
Other Assets	3.0	2.1	43%	Total Liabilities	230.8	206.2	12%
Total Assets	267.3	239.0	12%	Shareholder's Equity	36.6	32.7	12%