

King's Town Bank Operating Results –H1/2015

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.

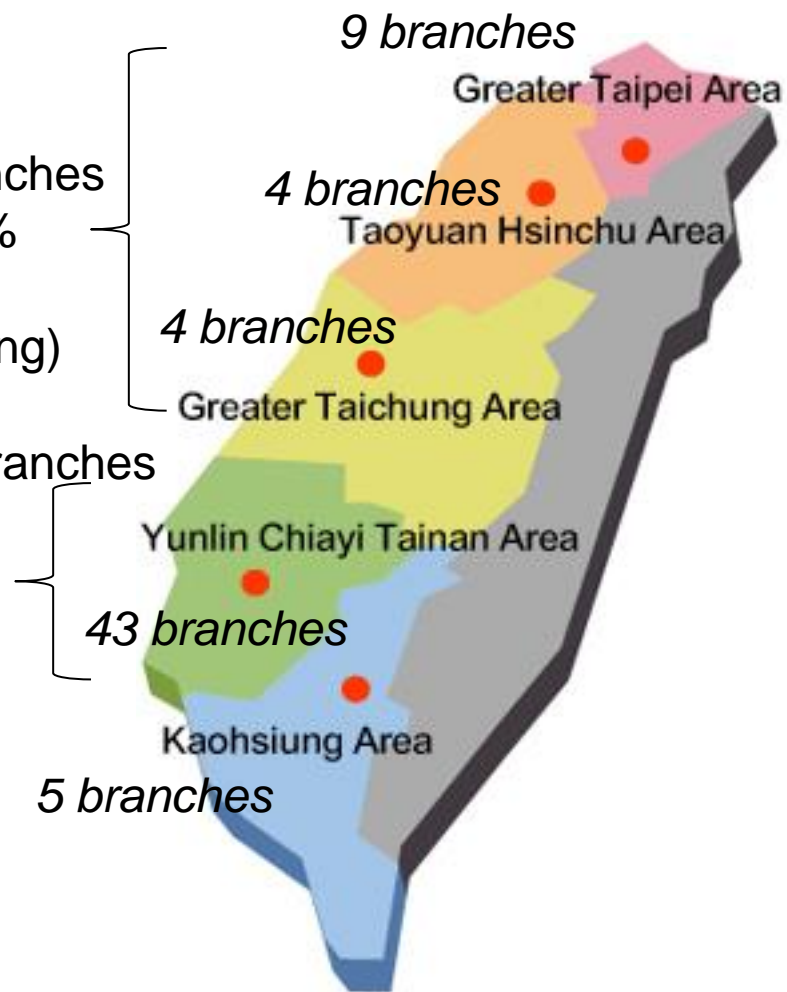
The operating results still need to be audited by accountants.

Introduction

- Establish in 1948, formerly known as the Tainan Business Bank.
- Headquarter in Tainan City, 1.9 mns population, one of the 5 largest cities
- Total 65 branches, around 74% in Southern Taiwan.
- Paid-in capital NTD 12 bns.
- Fitch A+(twn), F1(twn)
- QFII holdings: 26.20% (2015/06/30)

22 Metro branches
-Deposits 14%
-Loans 71%
(incl. Kaohsiung)

43 Non-metro branches
-Deposits 84%
-Loans 22%



Achievement

- The Banker : Top 1000 World Banks 2014

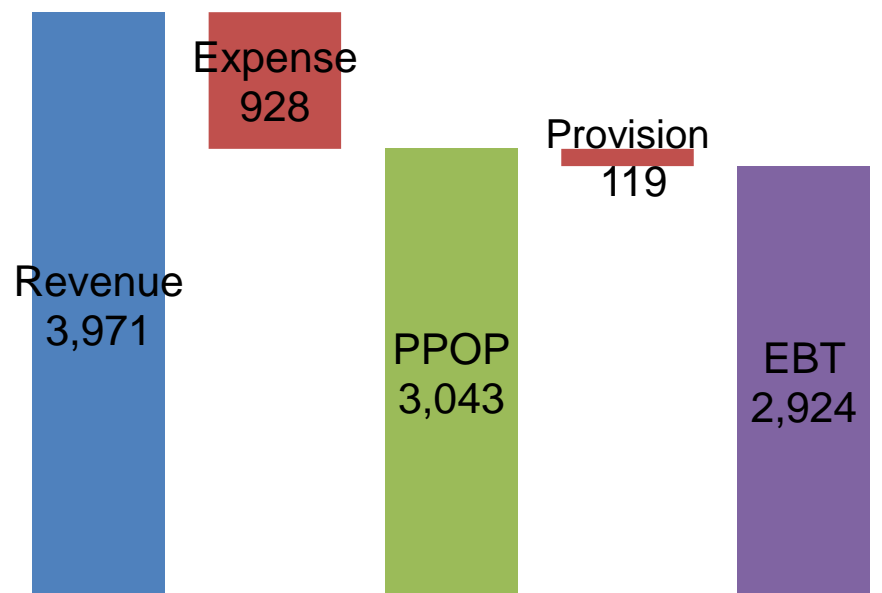
	Strength		Size	
Overall Rank	Tier 1 Capital (\$m)	%ch.	Asset (\$m)	Rank
739	752	15.55	7,128	823

Soundness		Performance			
Capital Assets Ratio	Rank	Profits on Capital	Rank	Return on Assets	Rank
10.55%	194	21.1%	230	2.23%	112

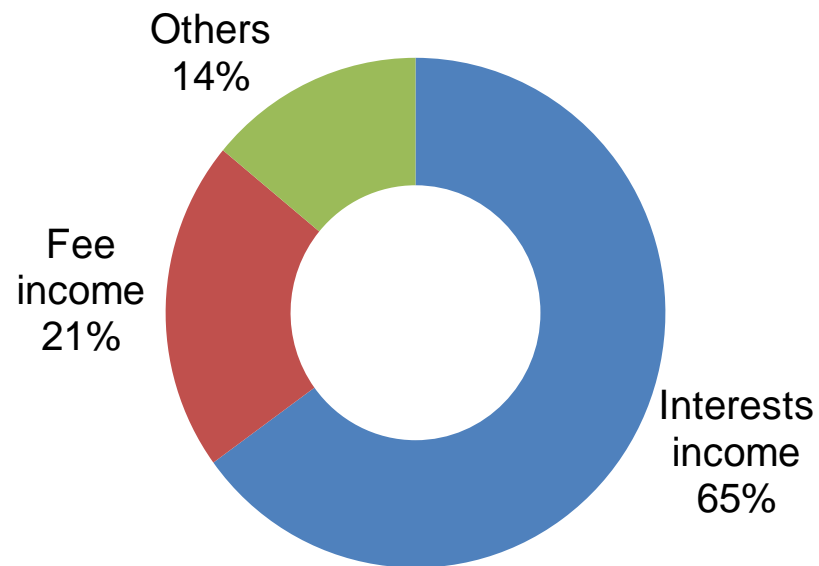
Revenue Breakdown

NT \$ Million

Earning



Revenue Breakdown

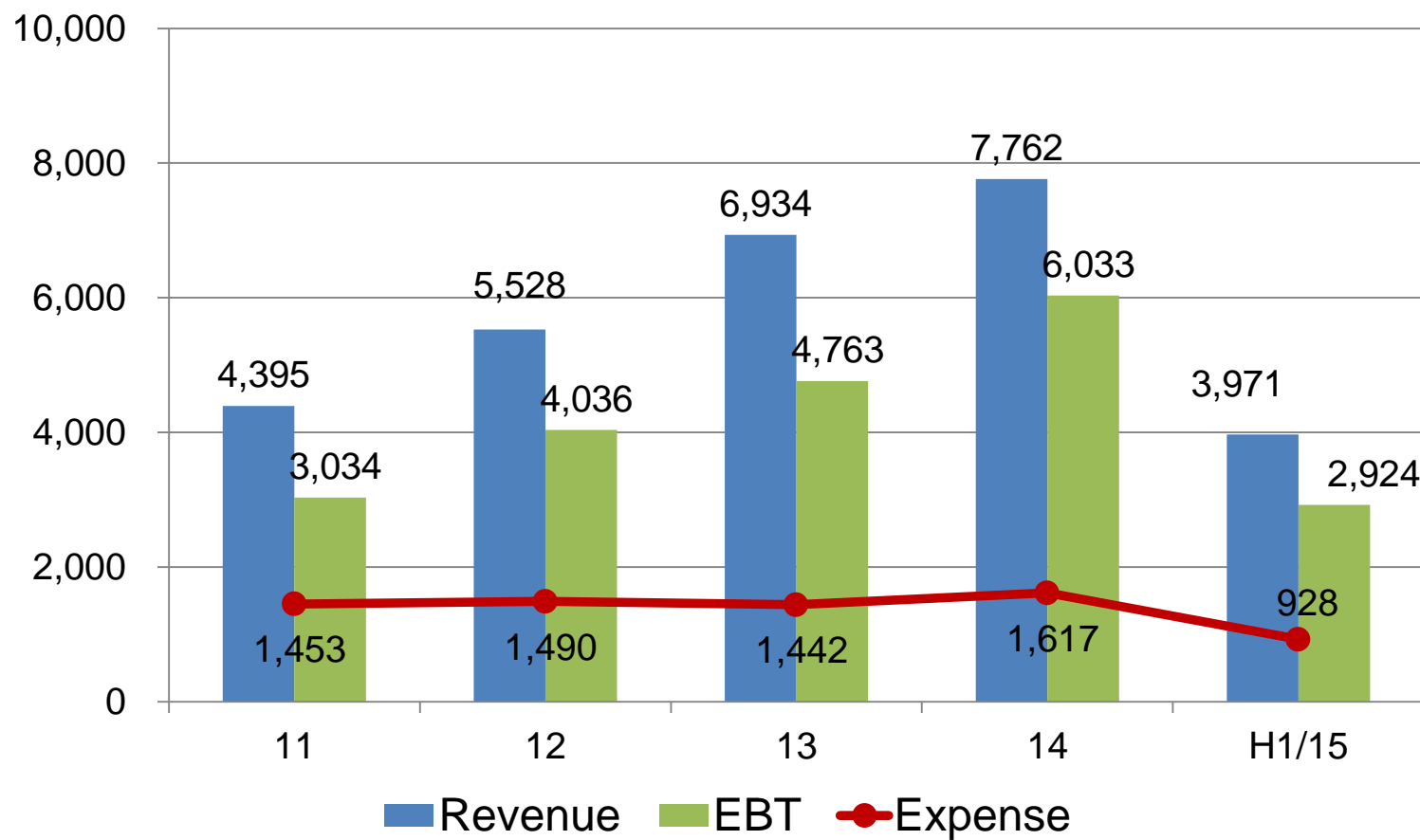


as of H1/2015

Revenue Breakdown

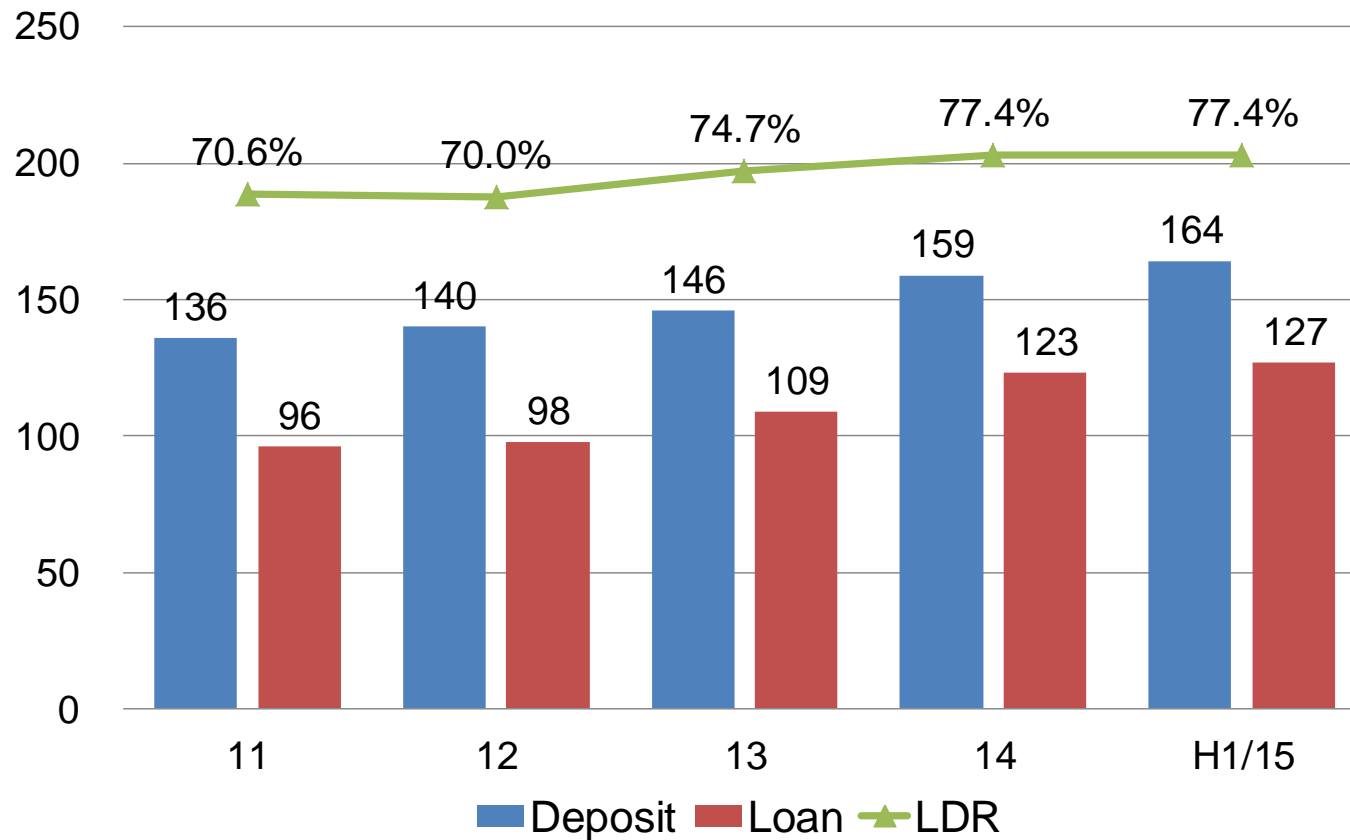
NT \$ Million

Earning



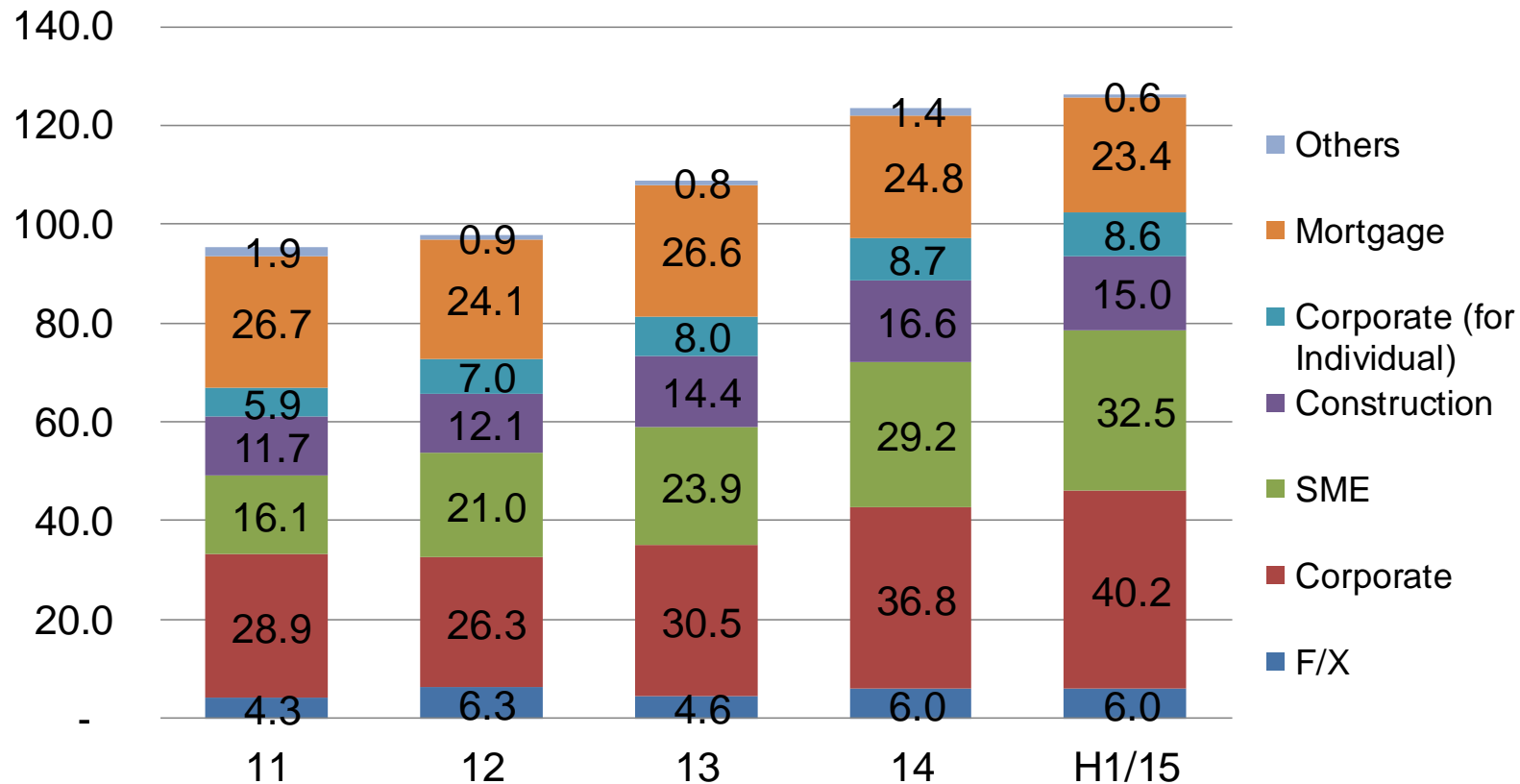
Loan to Deposit Ratio

NT \$ Billion



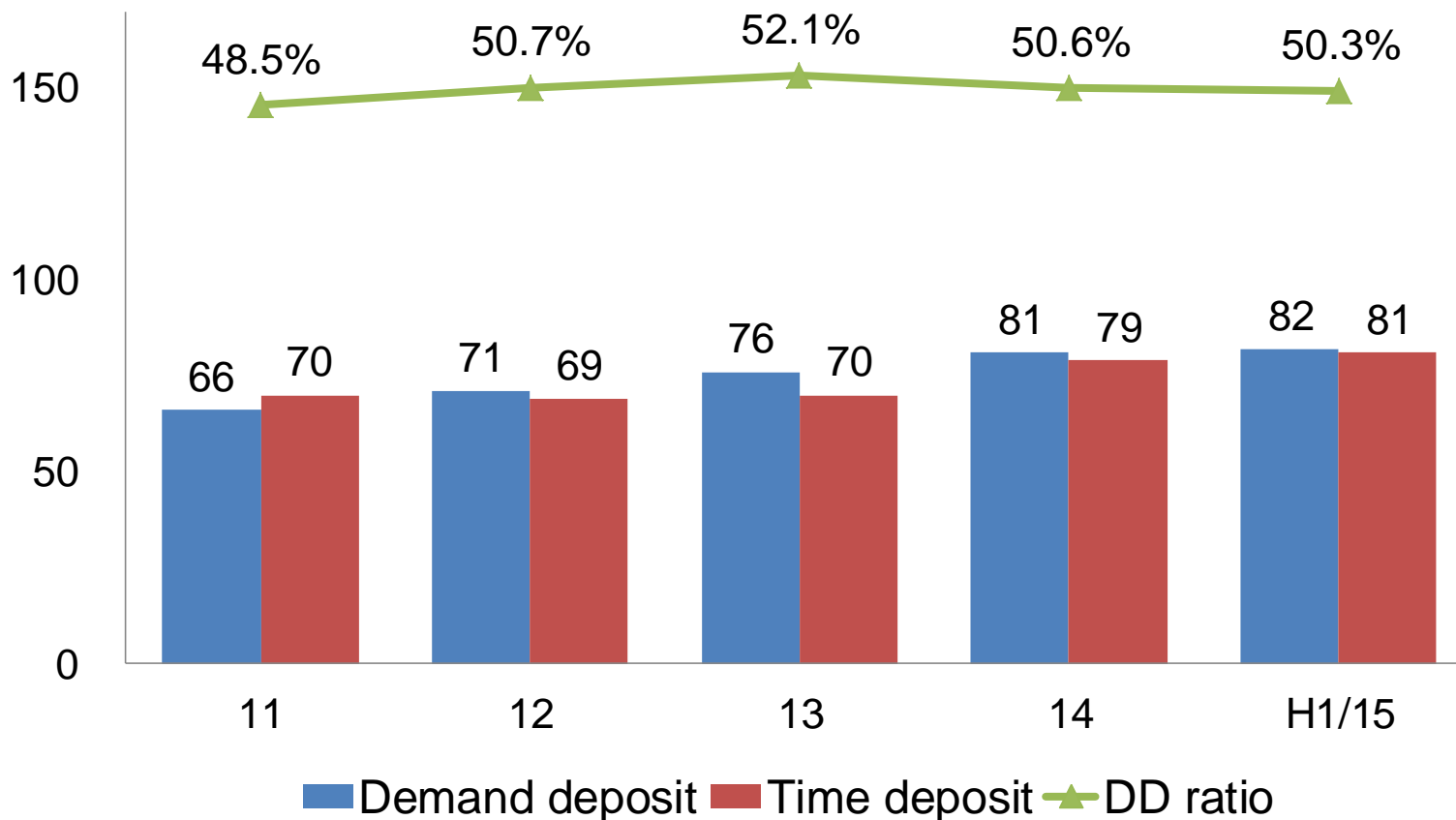
Loan Breakdown

NT \$ Billion



Deposit Breakdown

NT \$ Billion



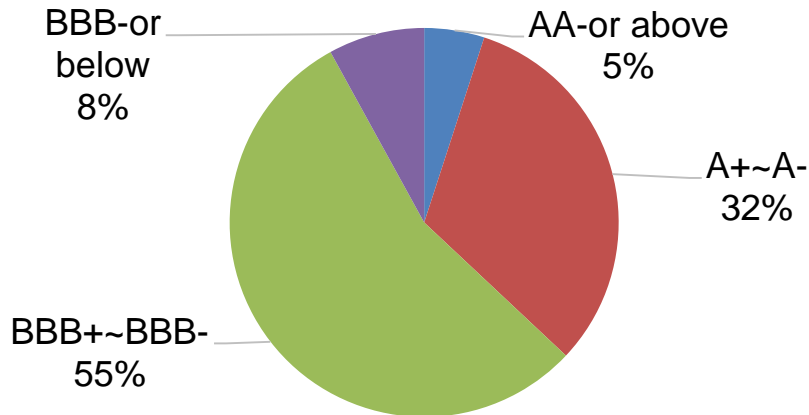
Financial Asset

	Position	Average Duration	Average Yield
Domestic Fixed Income Investment (TWD Million)	29,160	2.94	1.20%
Overseas Fixed Income Investment (USD Million)	995	4.27	5.90%

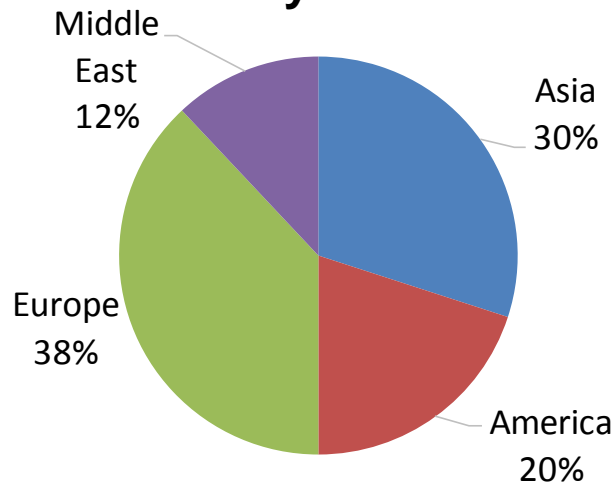
as of H1/2015

Financial Asset - Overseas

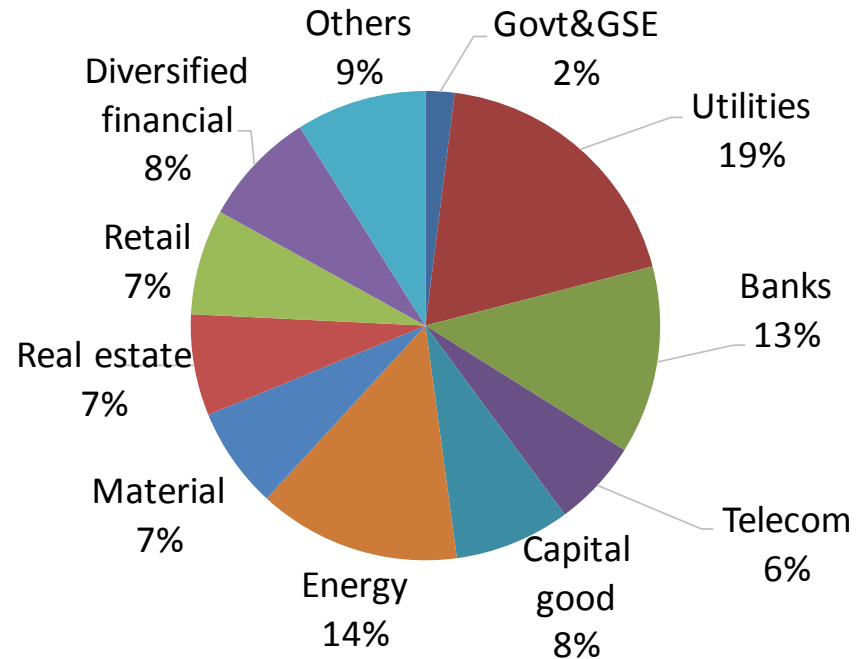
By rating



By area

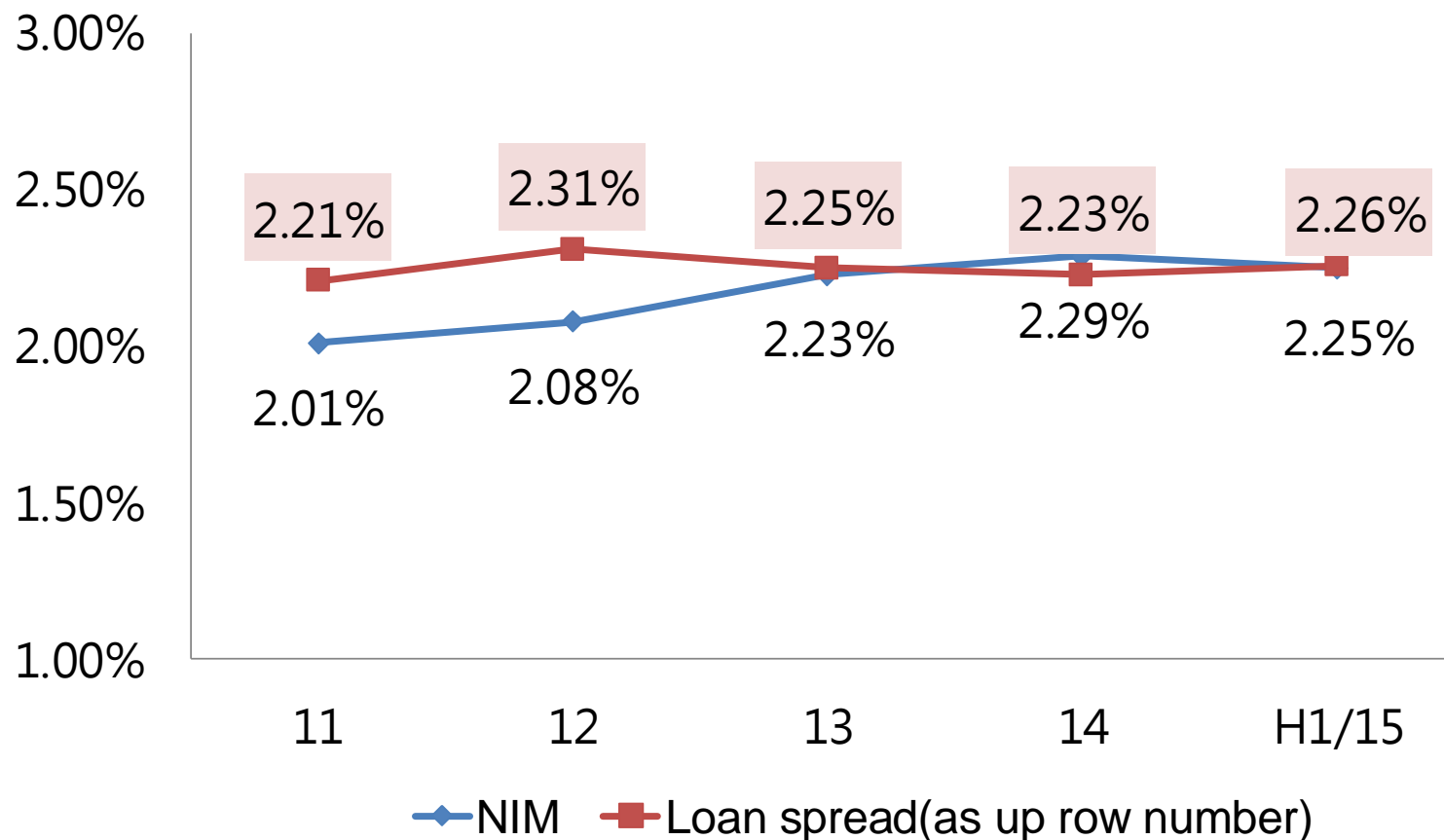


By sector



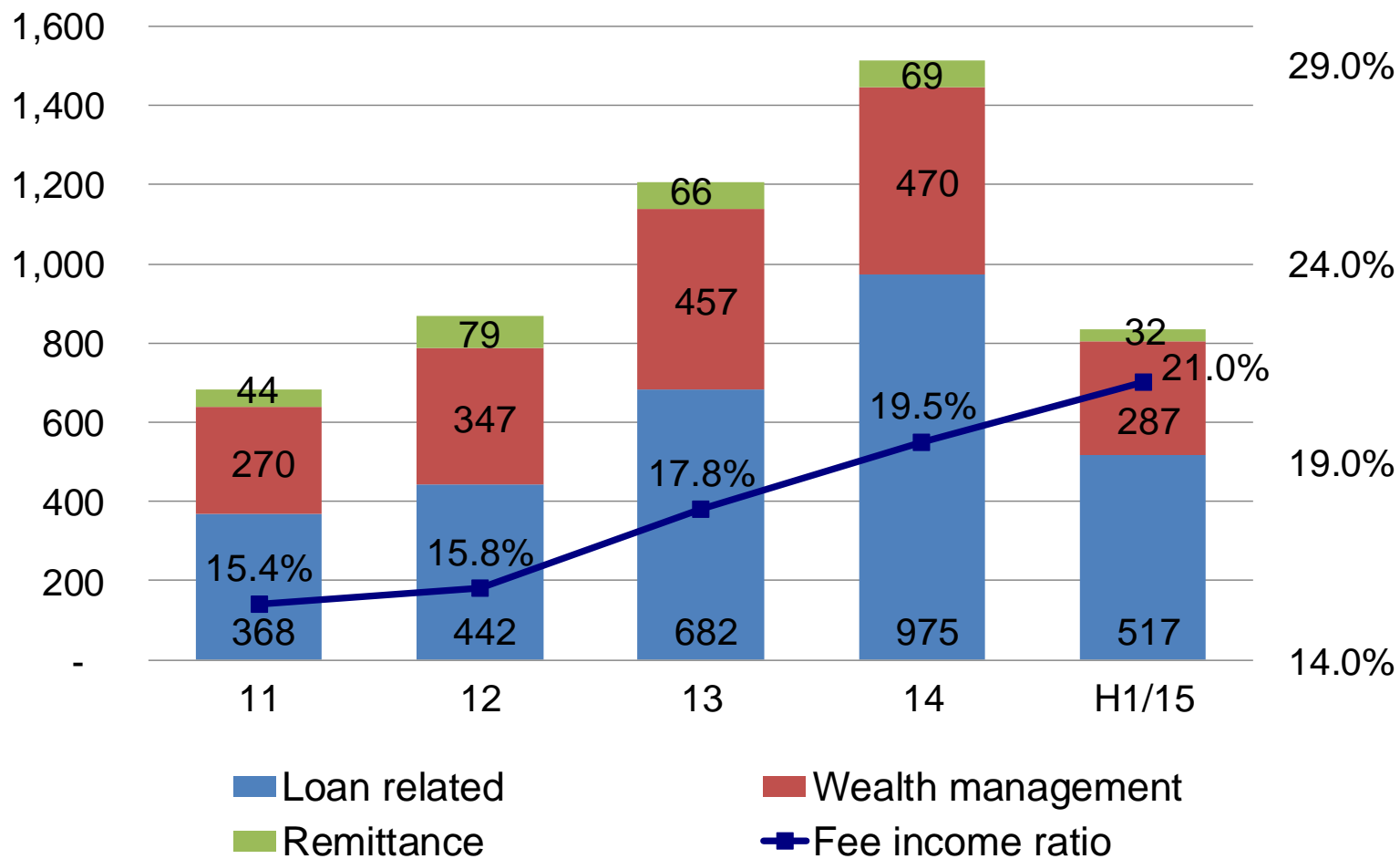
- Mainly well-known companies' senior debts
- Around 92% balance on investment grade
- Good liquidity and re-financeable
- Diversified in nations and industries

Loan Spread & NIM



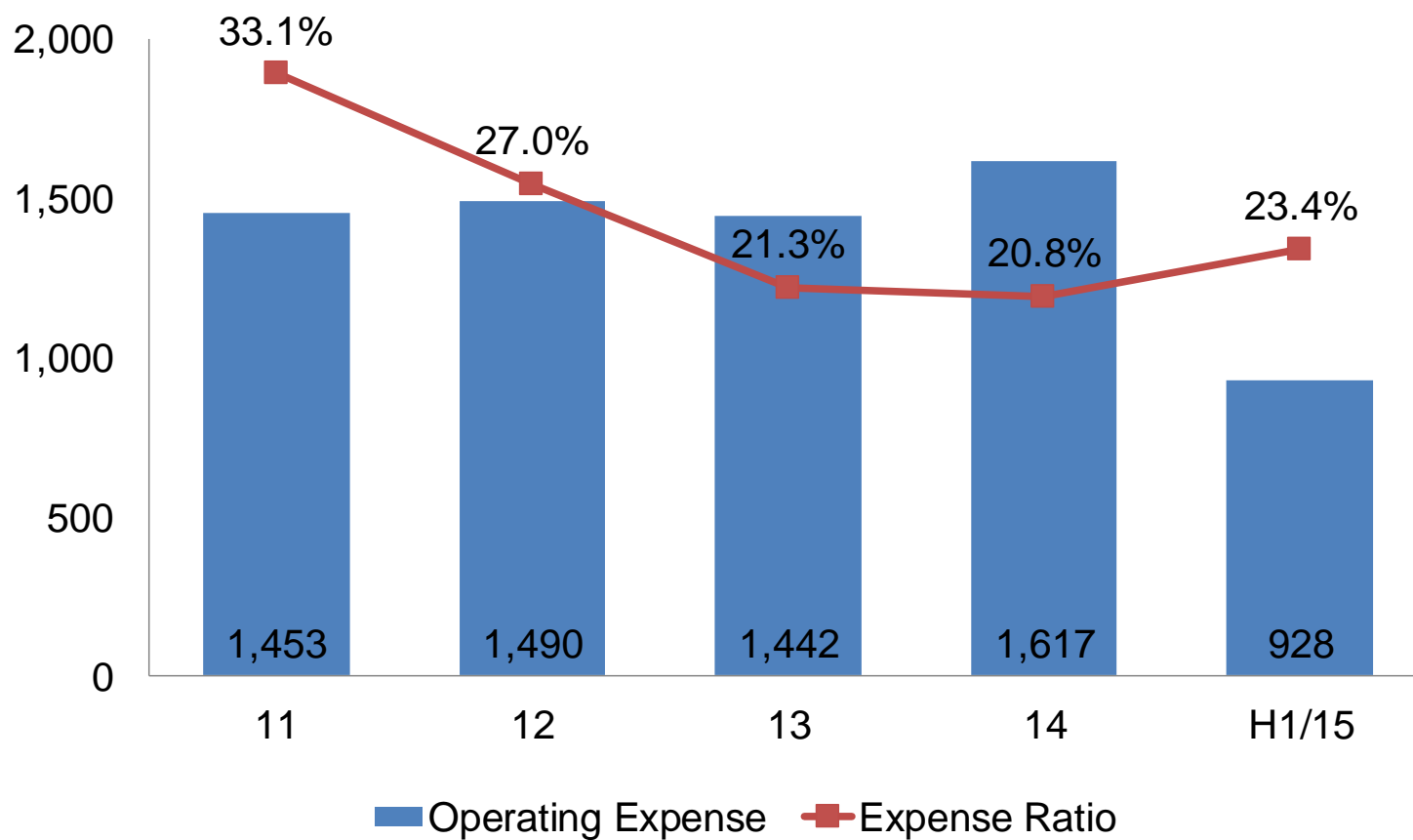
Fee Income

NT \$ Million

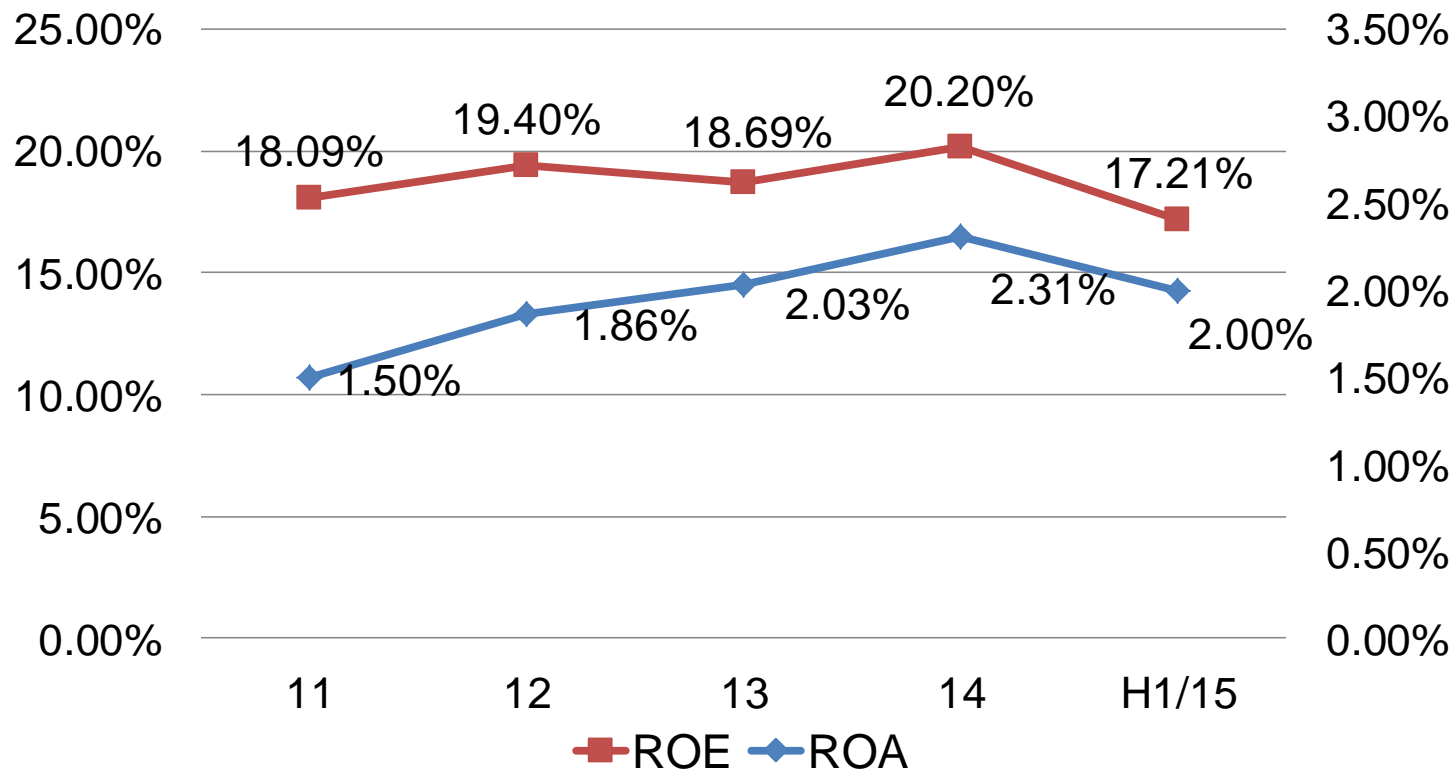


Expense Ratio

NT \$ Million

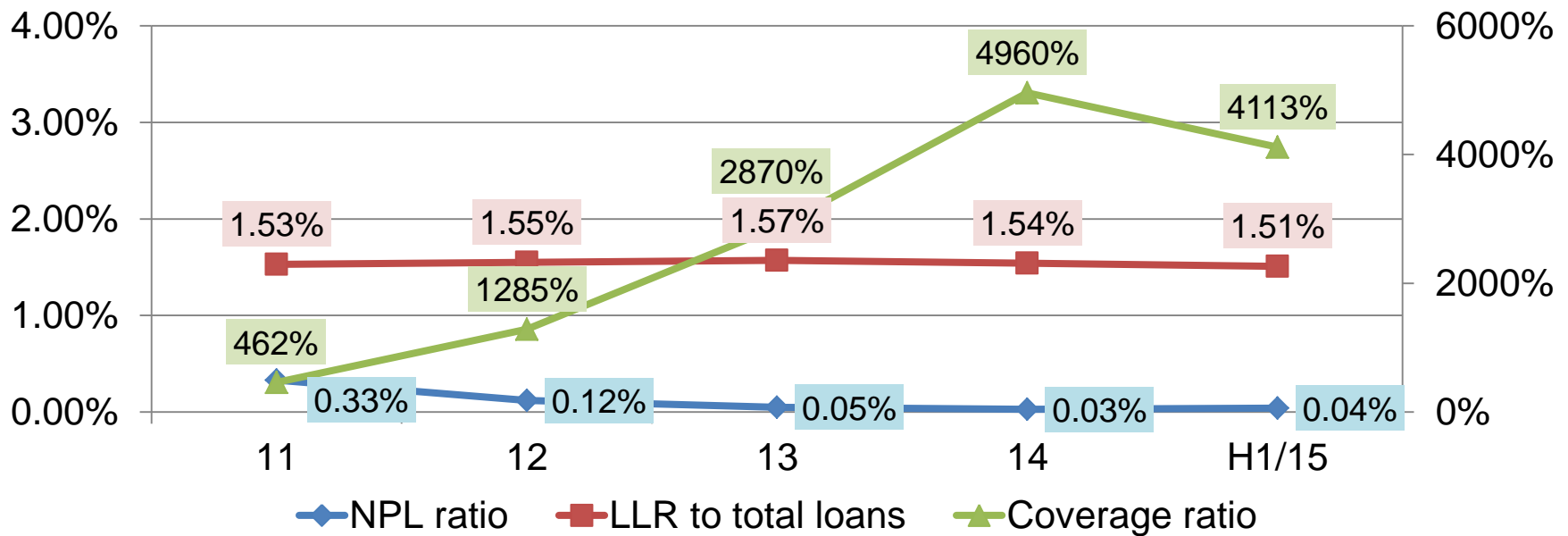
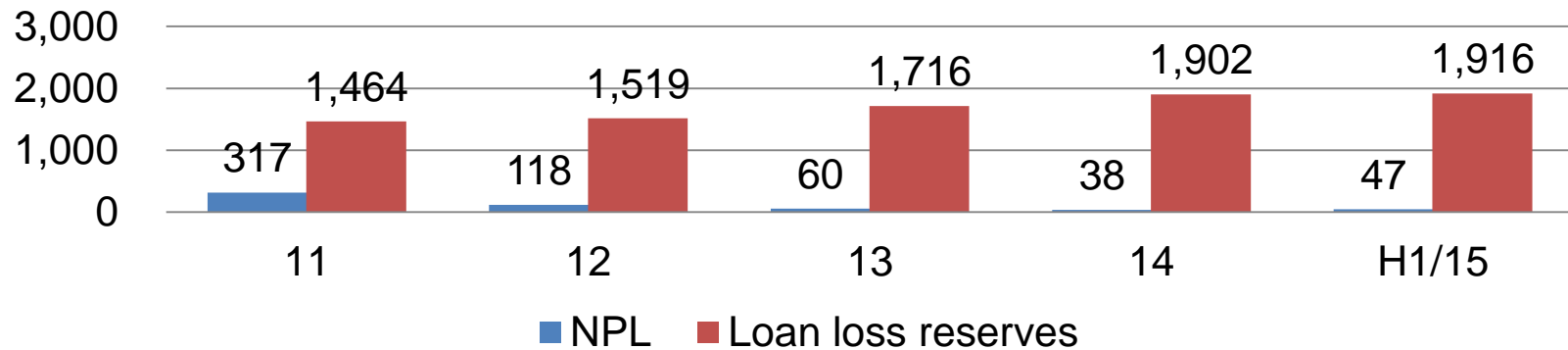


ROA & ROE



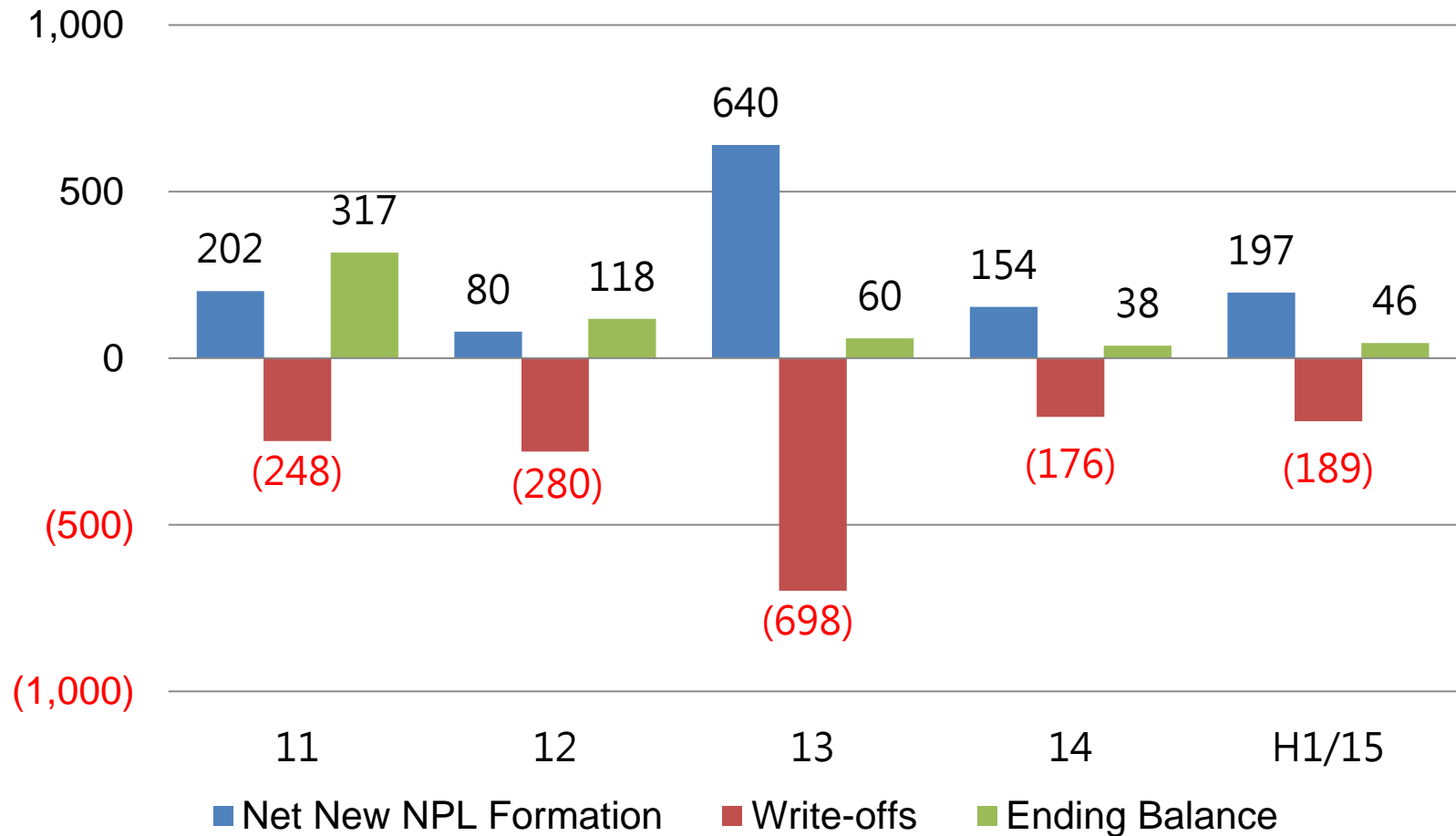
Asset Quality

NT \$ Million

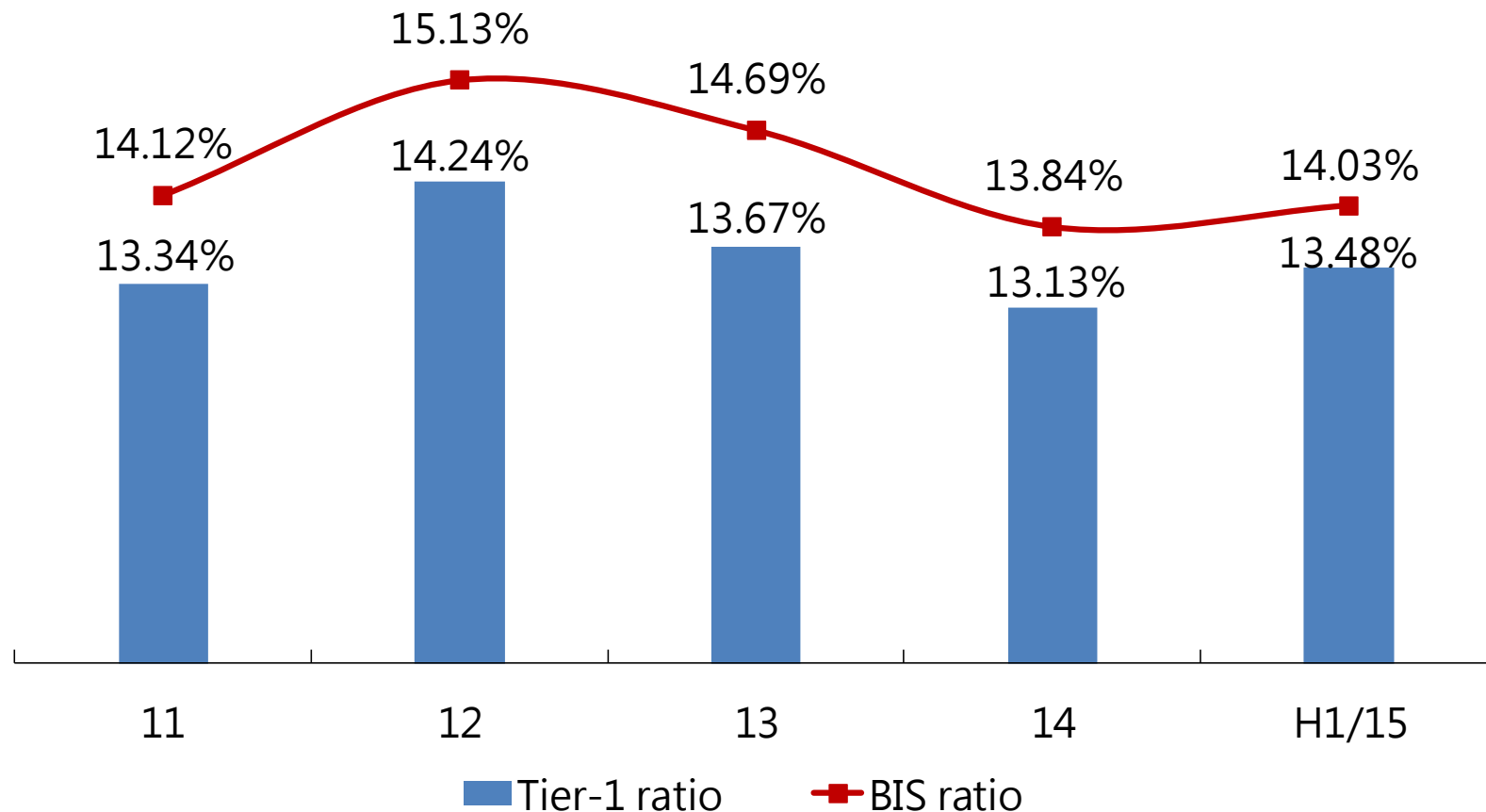


New NPL Formation and Write-off

NT \$ Million



Capital Adequacy



Appendix - Income Statement

NT \$ Million

	H1/14	H1/15	YoY
Net Interest Income	2,411	2,570	7%
Net Fee Income	947	836	-12%
Other Income	850	565	-34%
Revenue	4,208	3,971	-6%
Operating Expense	723	928	28%
PPOP	3,485	3,043	-13%
Provision for Loan Loss	73	119	63%
Earning Before Tax	3,412	2,924	-14%
Net Income	2886	2388	-17%
EPS(Cumulative)(NT\$)	2.40	1.99	-17%

Appendix - Balance Sheet

NT \$ Billion

Items	H1/14	H1/15	YoY	Items	H1/14	H1/15	YoY
Cash , NCD , Interbank Deposits, and R/S	53.4	45.0	-16%	Interbank Deposits , Interbank borrowings	16.2	24.1	49%
Securities	53.2	67.4	27%	Deposits	151.0	163.4	8%
Loans	113.9	124.8	10%	R/P	27.3	21.2	-22%
Property and Equipment	2.6	2.6	0%	Other Liabilities	3.7	4.9	32%
Other Assets	1.7	2.1	24%	Total Liabilities	198.2	213.6	8%
Total Assets	224.8	241.9	8%	Shareholder's Equity	26.6	28.3	6%