

King's Town Bank Operating Results –Q1/2016

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.

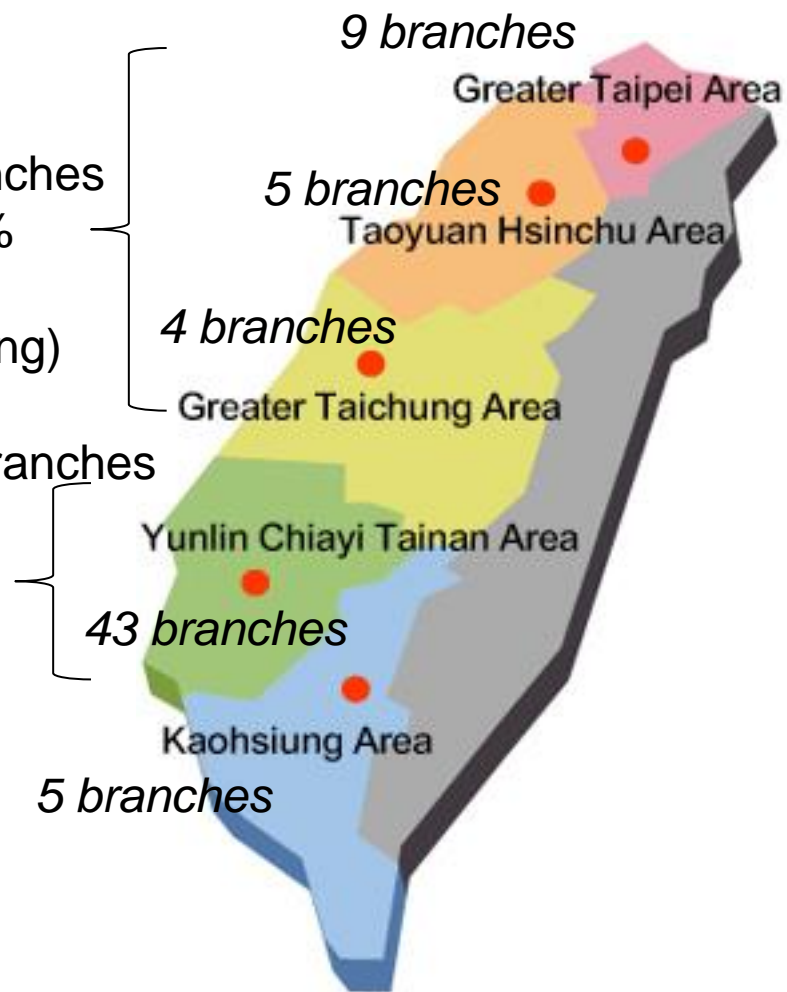
The operating results still need to be audited by accountants.

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 66 branches, around 73% in Southern Taiwan.
- Paid-in capital NTD 11.5 bns.
- Fitch A+(twn), F1(twn)
- QFII holdings: 21.58% (2016/03/31)

23 Metro branches
-Deposits 11%
-Loans 82%
(incl. Kaohsiung)

43 Non-metro branches
-Deposits 89%
-Loans 18%



Achievement

- The Banker : Top 1000 World Banks 2015

	Strength		Size	
Overall Rank	Tier 1 Capital (\$m)	%ch.	Asset (\$m)	Rank
740	793	5.56	7,443	819

Soundness		Performance			
Capital Assets Ratio	Rank	Profits on Capital	Rank	Return on Assets	Rank
10.66%	187	20.33%	191	2.56%	82

2015年台灣最佳財富管理銀行

**WORLD
FINANCE**

**BEST WEALTH MANAGEMENT
PROVIDER, TAIWAN**

2015

KING'S TOWN BANK

King's Town Bank



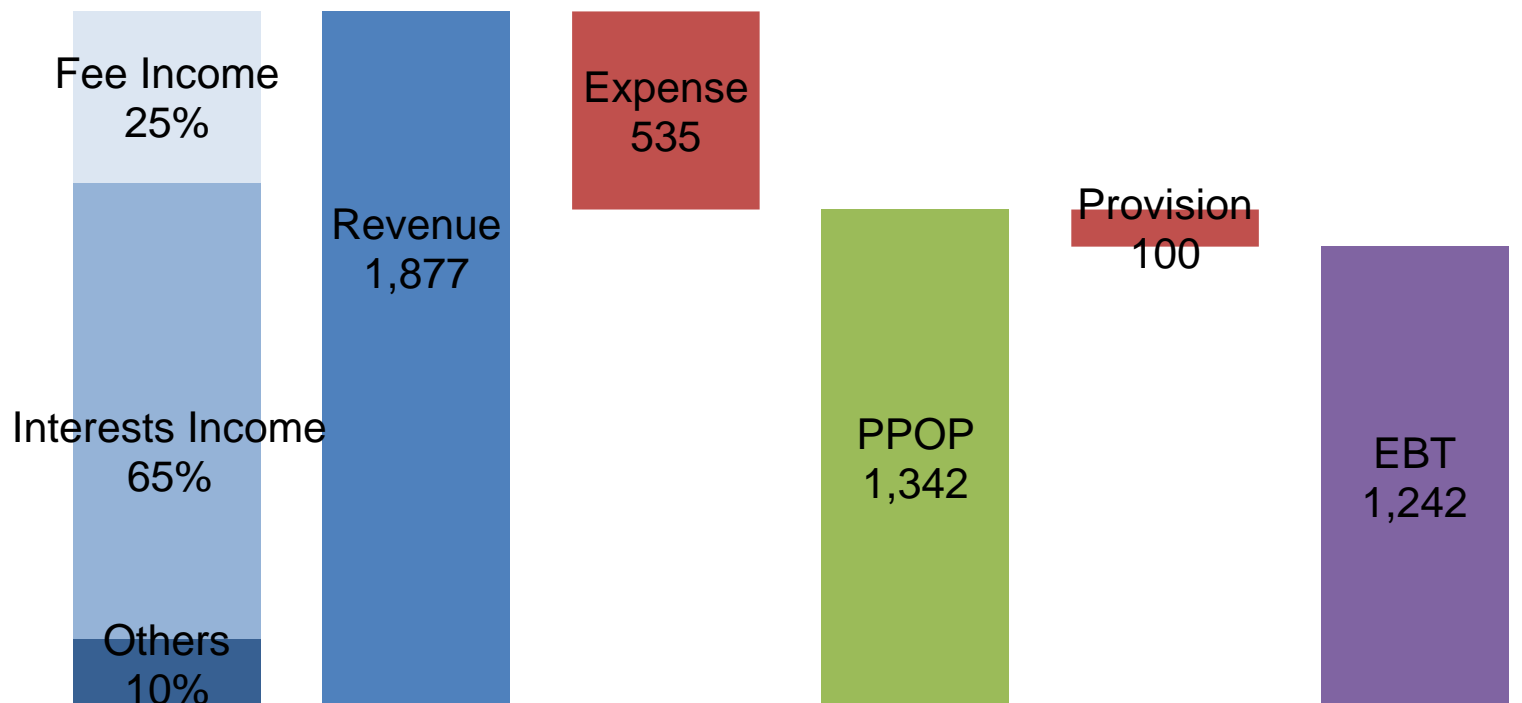
京城銀行

Revenue Breakdown

NT \$ Million

Earning

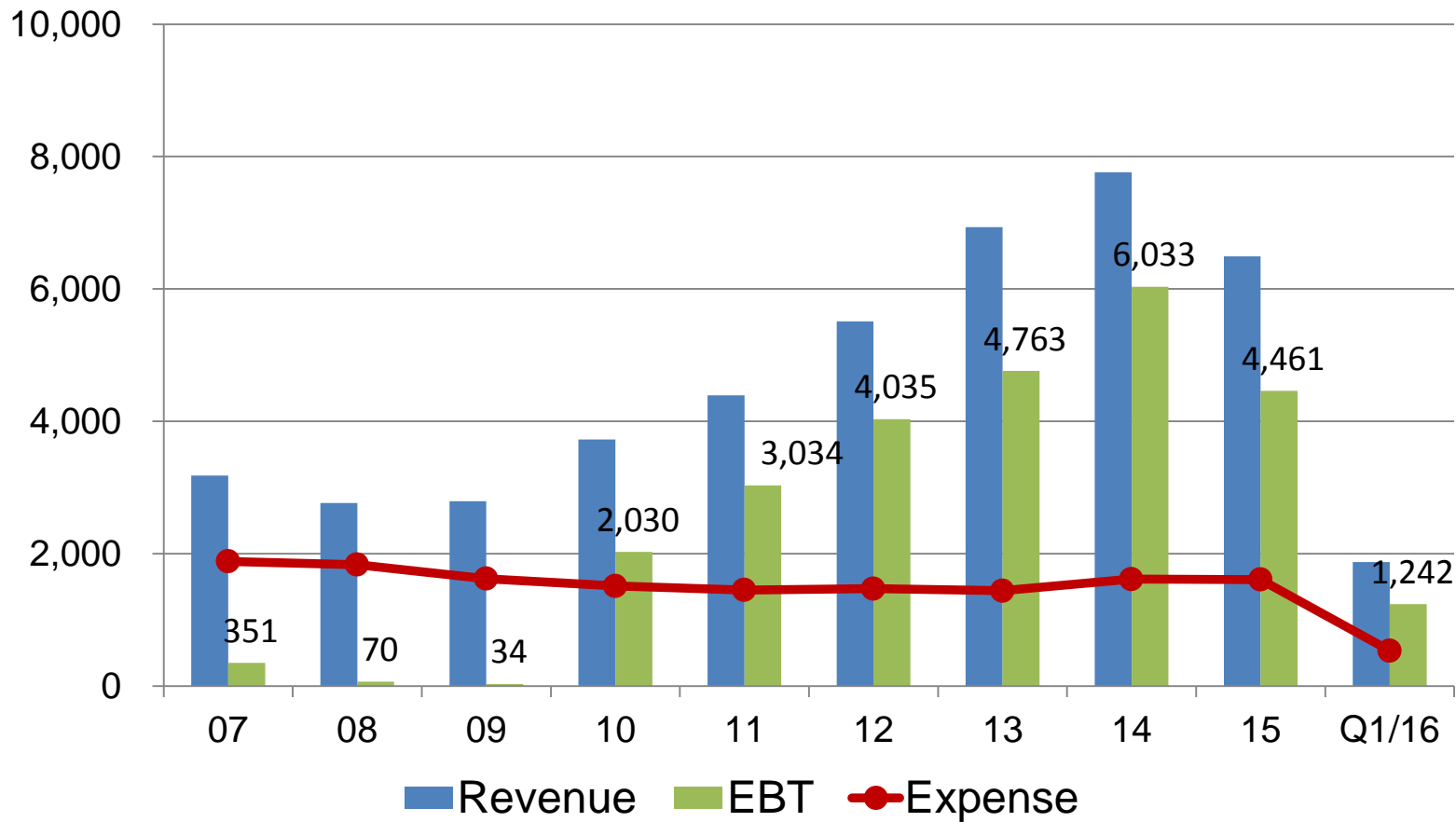
as of Q1/2016



Revenue (Yearly Comparison)

NT \$ Million

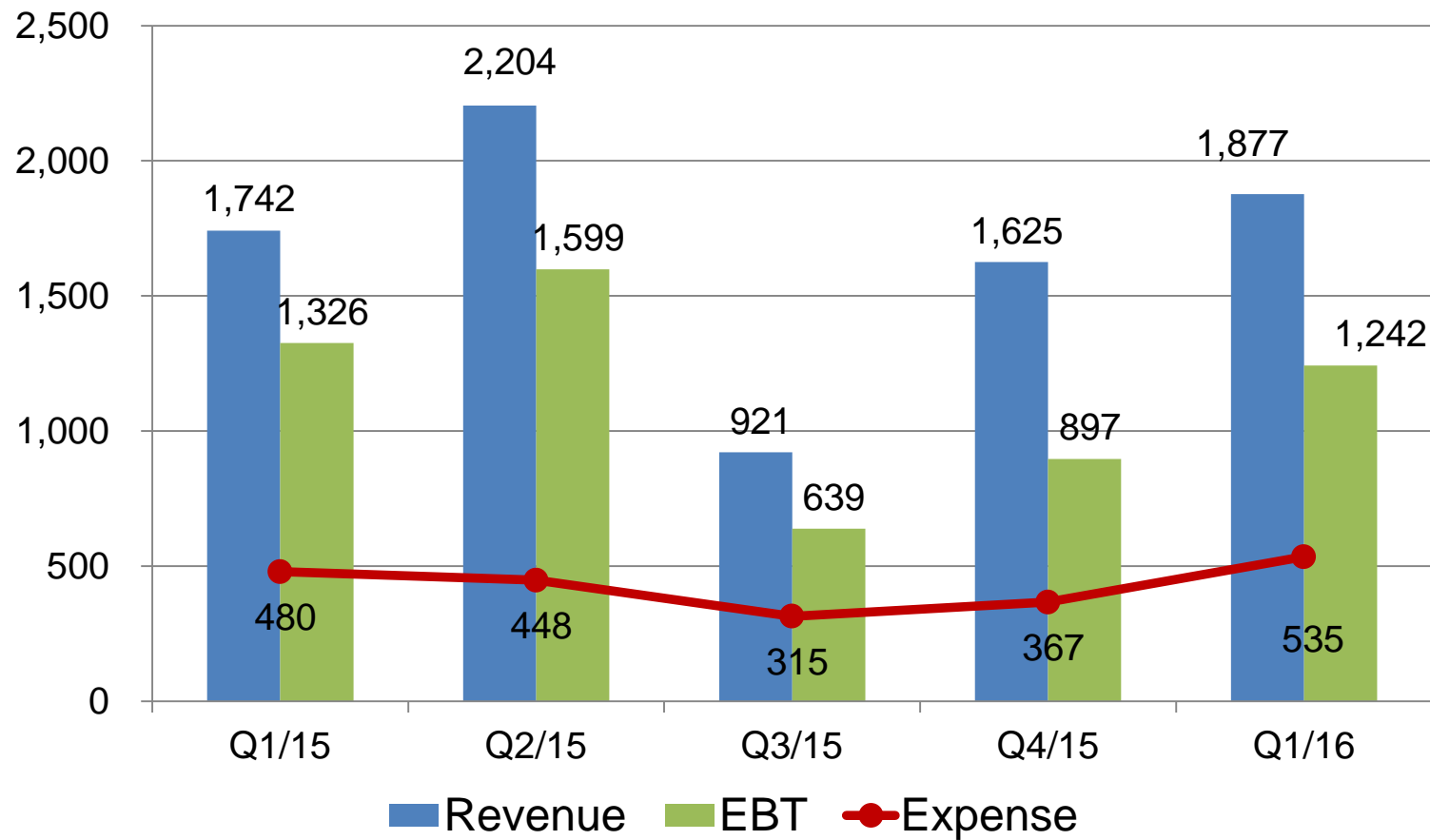
Earning



Revenue (Quarterly Comparison)

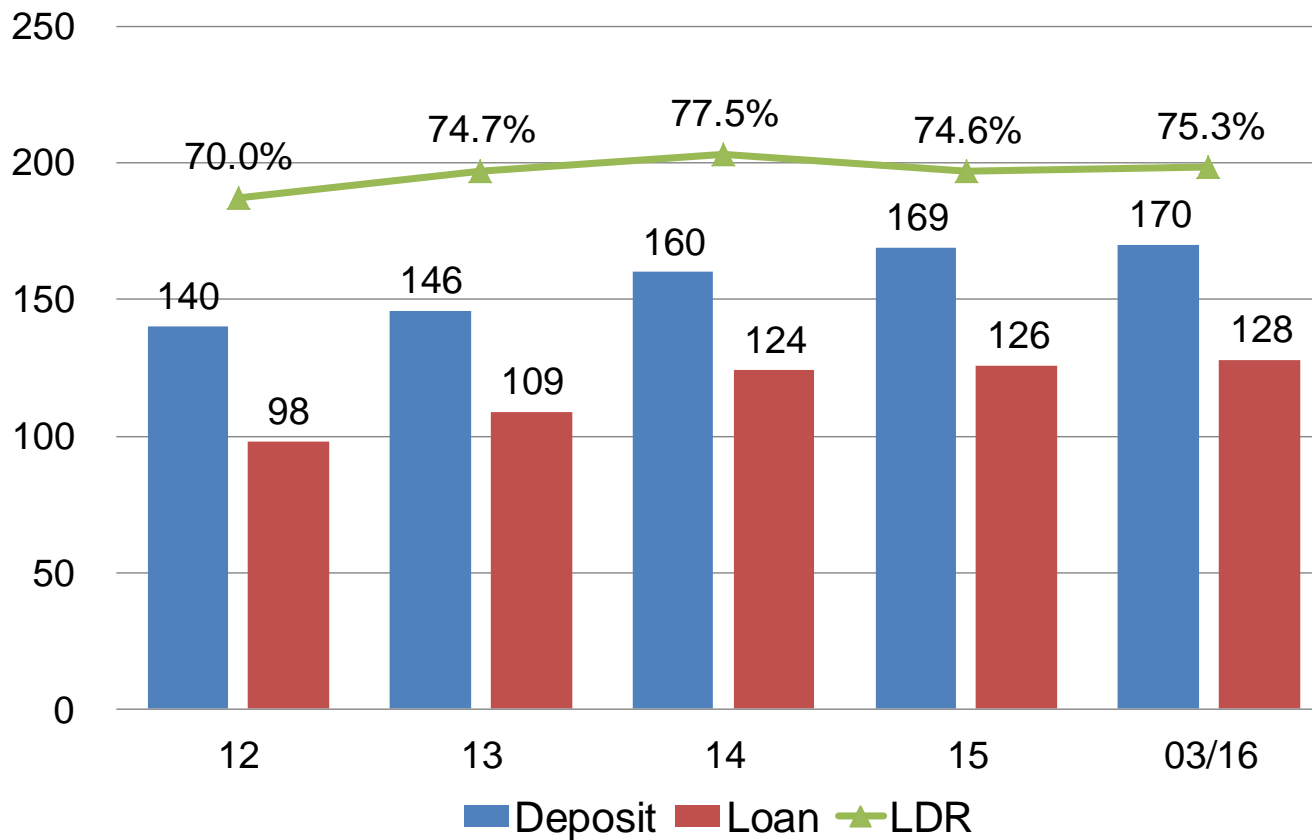
NT \$ Million

Earning



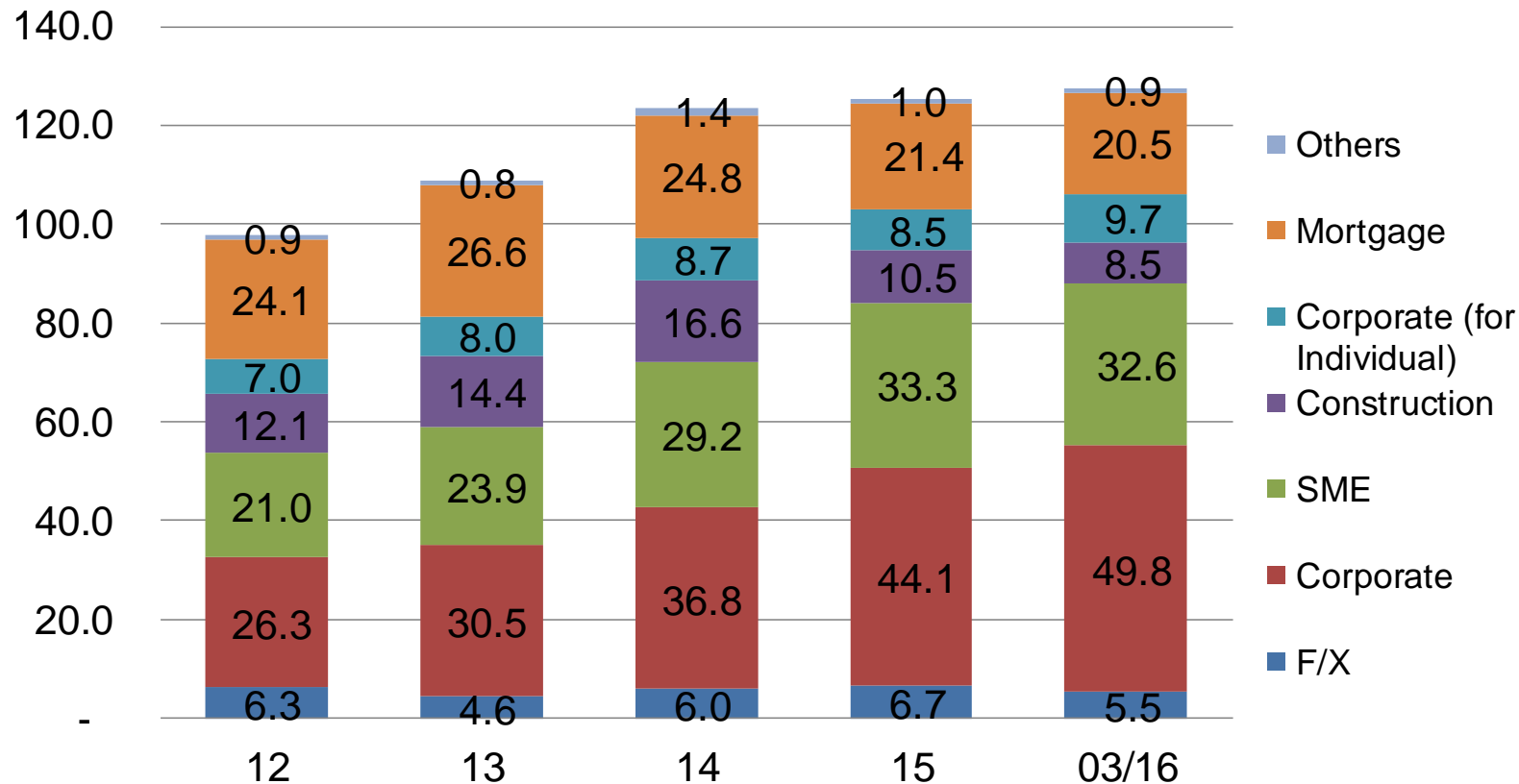
Loan to Deposit Ratio

NT \$ Billion



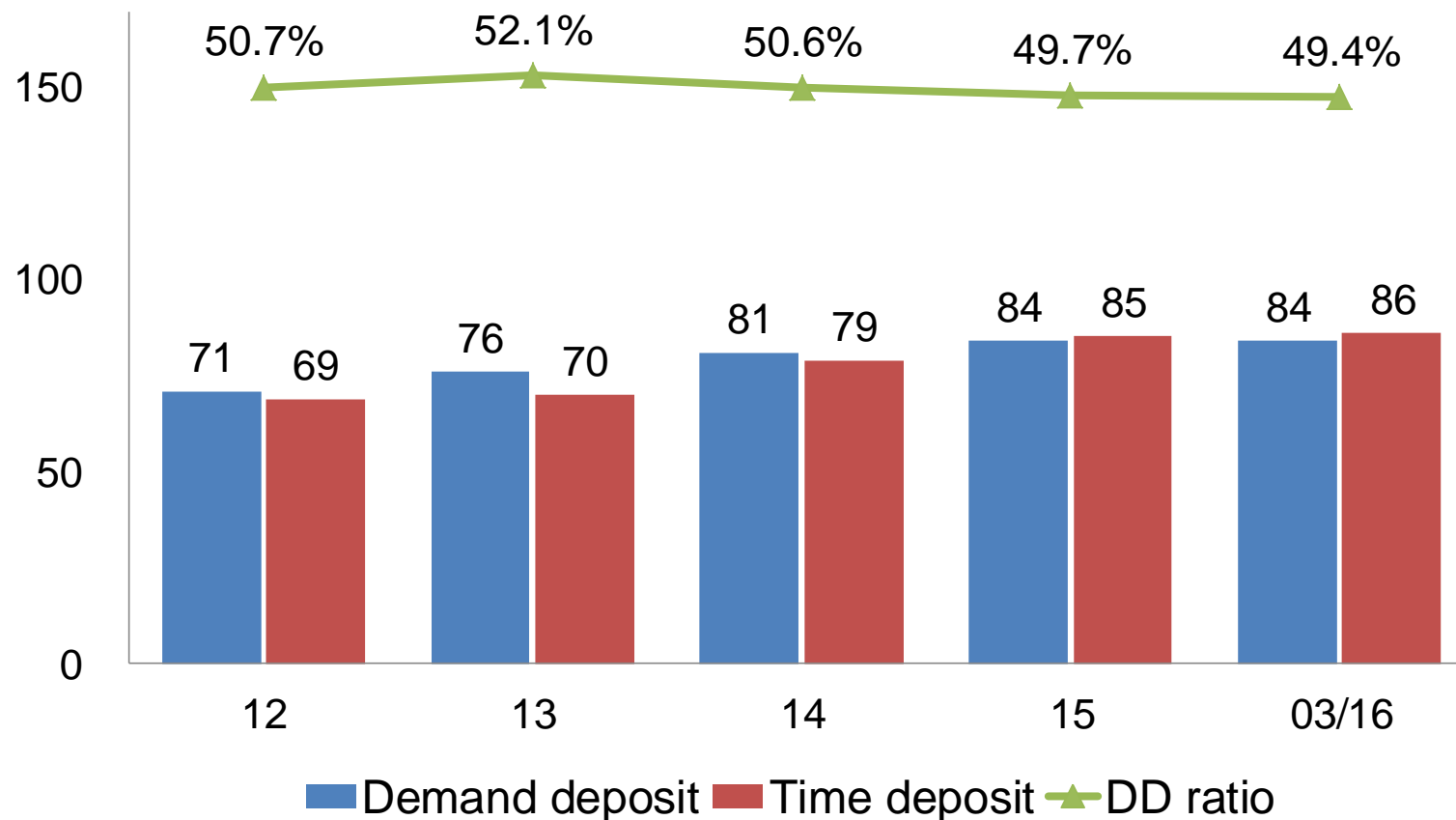
Loan Breakdown

NT \$ Billion



Deposit Breakdown

NT \$ Billion



Financial Asset

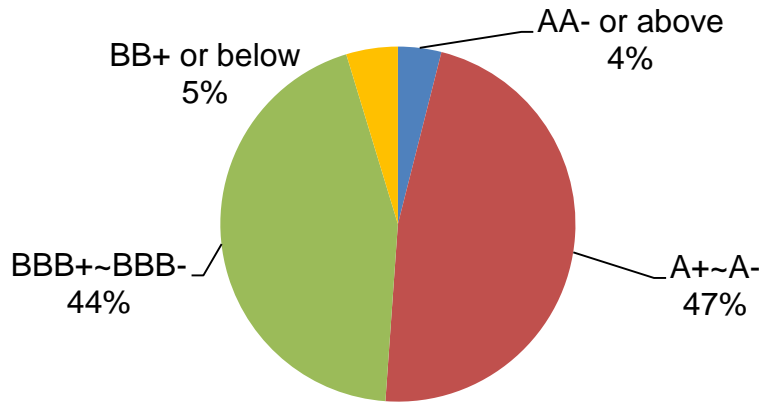
	Position	Average Duration	Average Yield
Domestic Fixed Income Investment (TWD Million)	27,597	2.69	1.09%
Overseas Fixed Income Investment* (USD Million)	1,061	4.48	5.77%

*before impairment

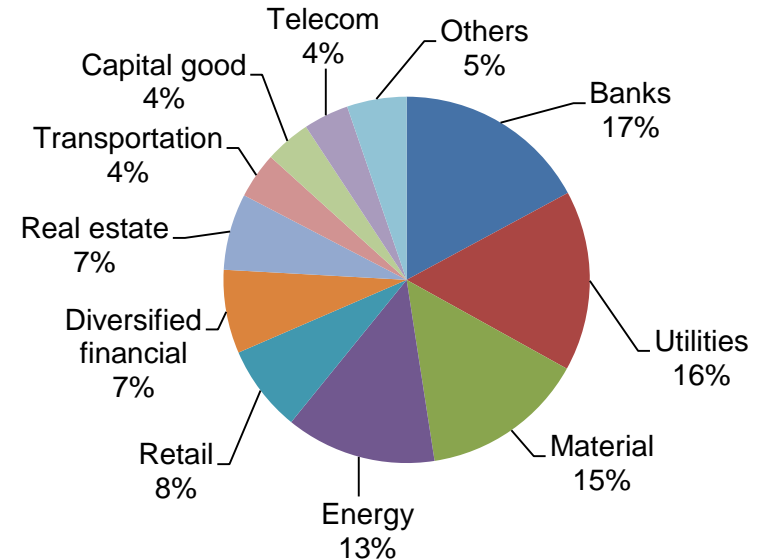
as of Q1/2016

Financial Asset – Overseas

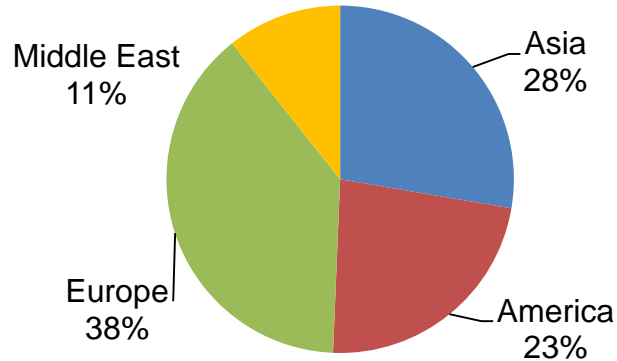
by Rating



by Sector

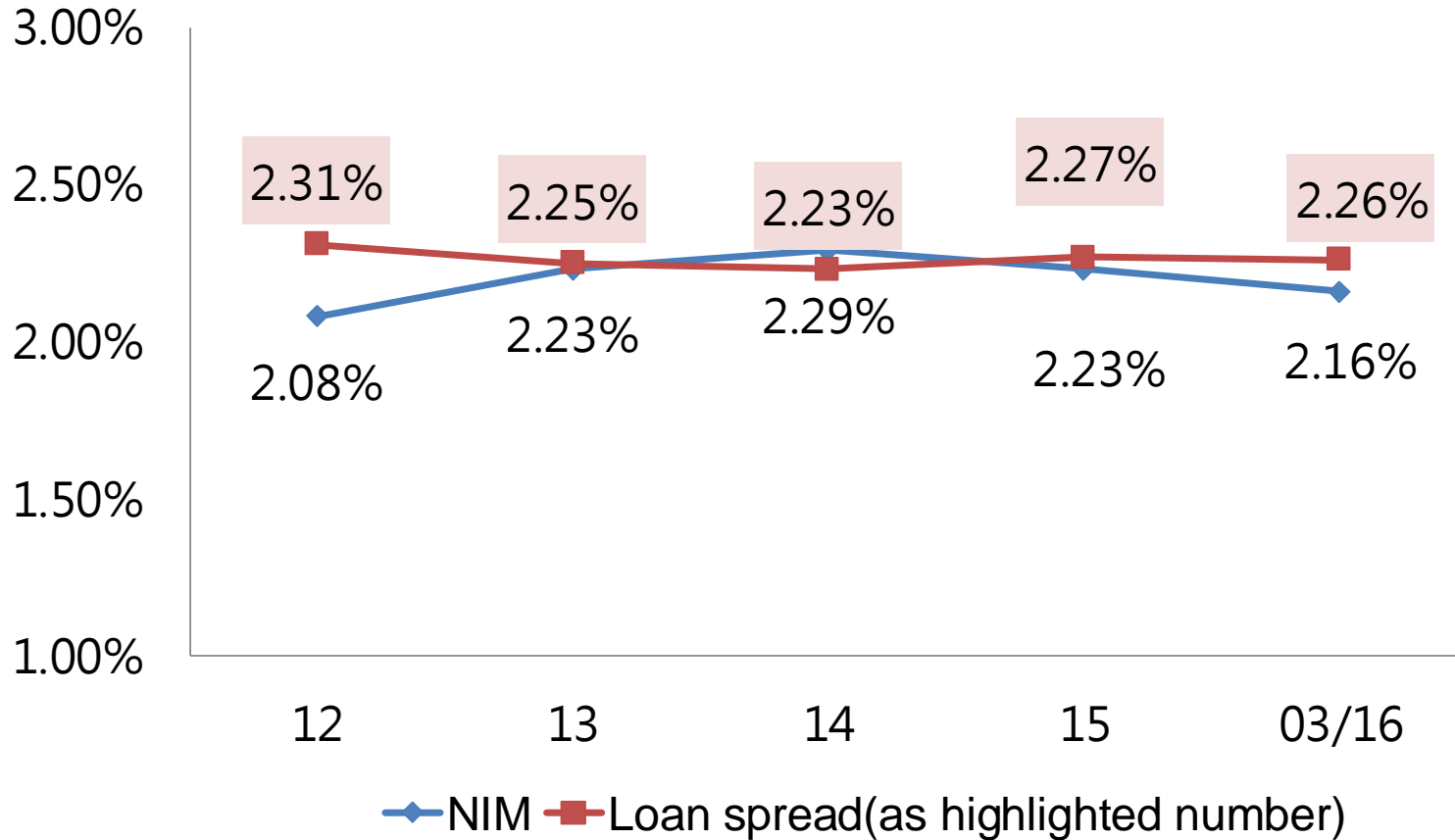


by Area



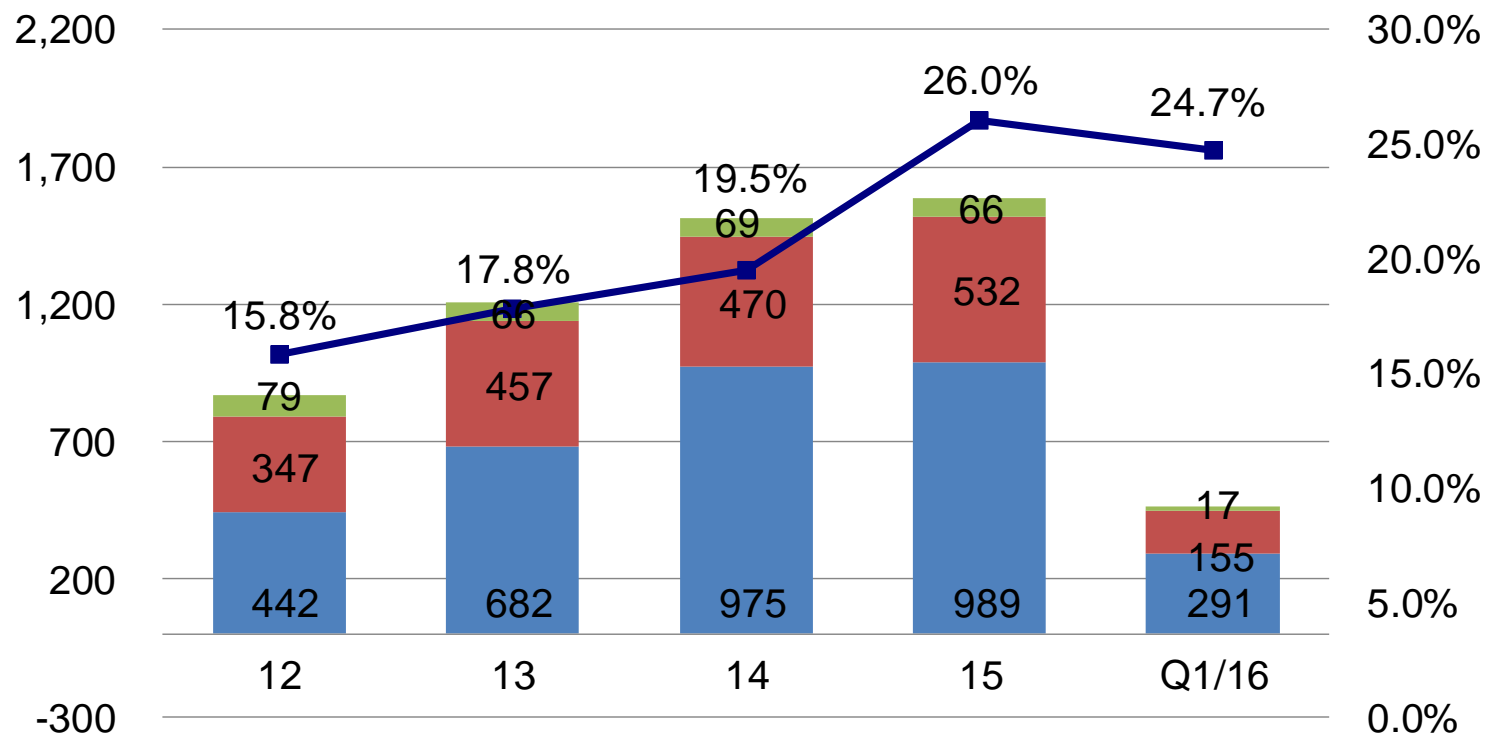
- Mainly well-known companies' senior debts
- Around 95% balance on investment grade
- Good liquidity and re-financeable
- Diversified in nations and industries

Loan Spread & NIM



Fee Income

NT \$ Million

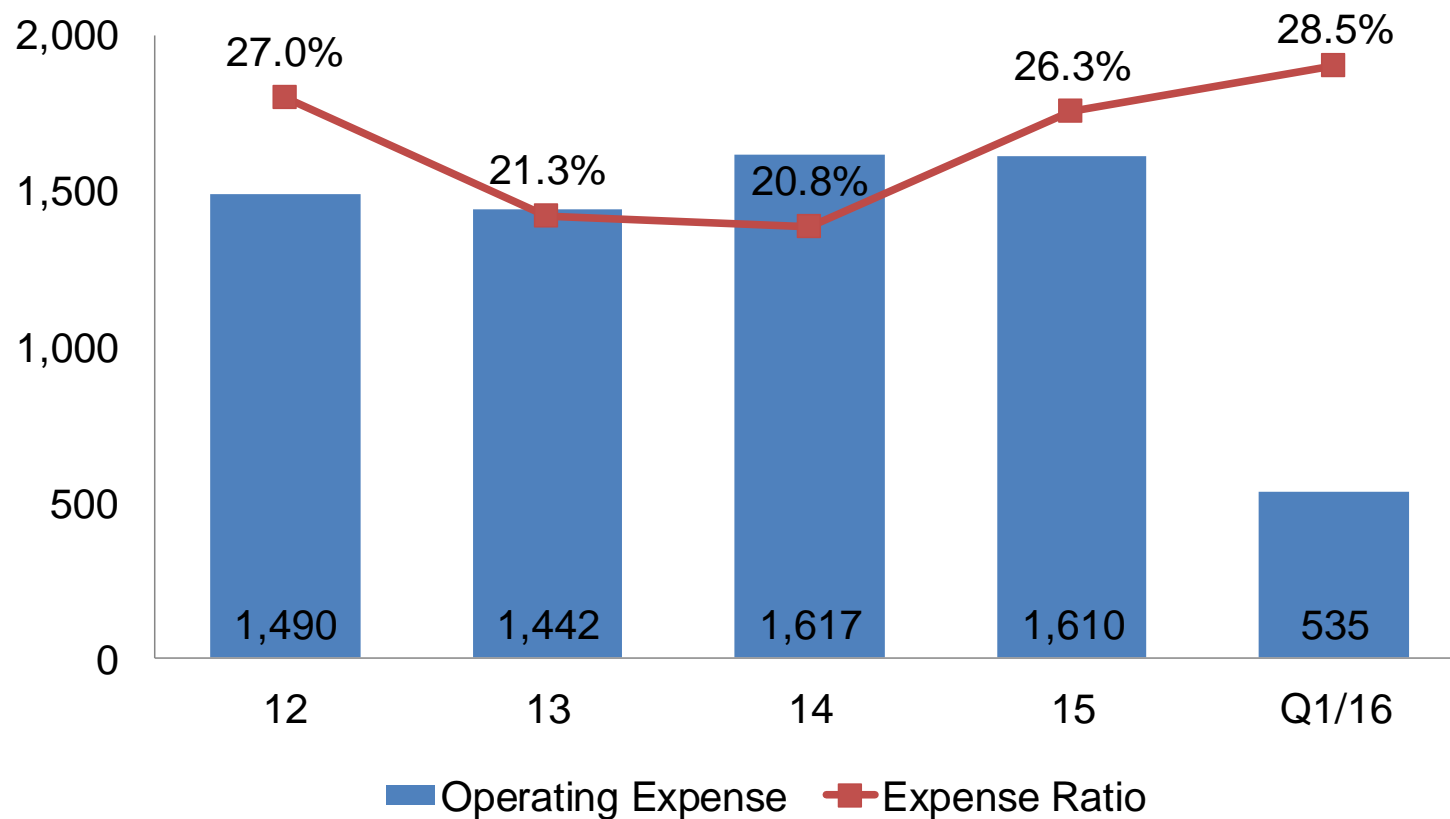


■ Loan related
■ Remittance

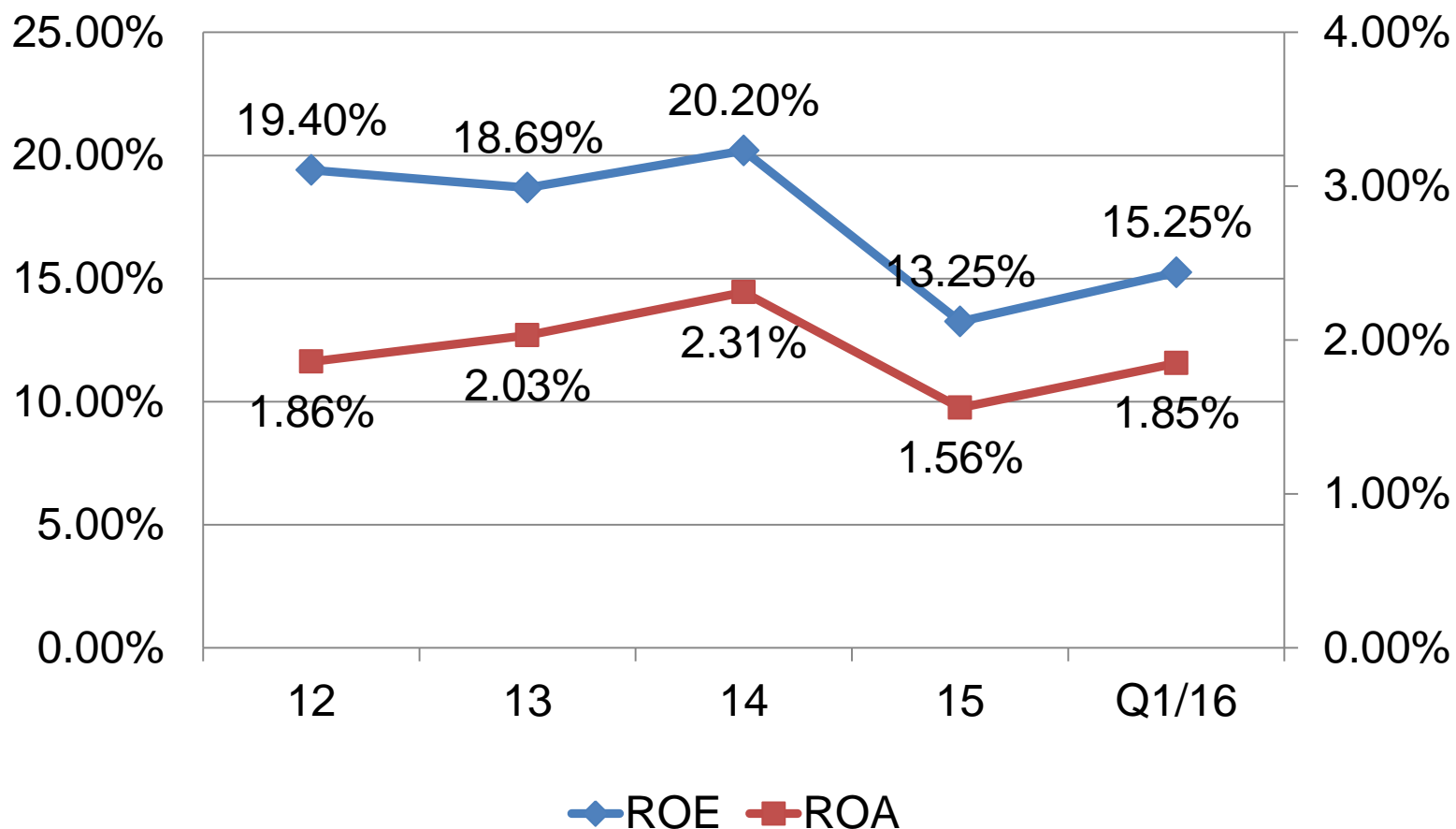
■ Wealth management
■ Fee income ratio

Expense Ratio

NT \$ Million

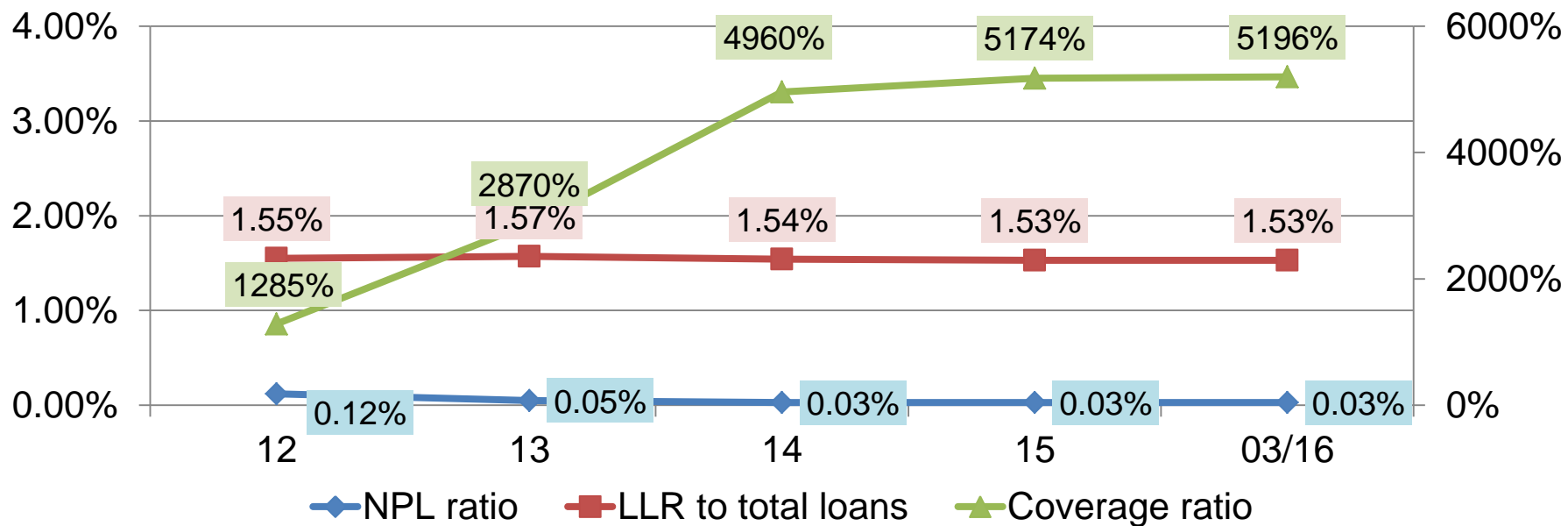
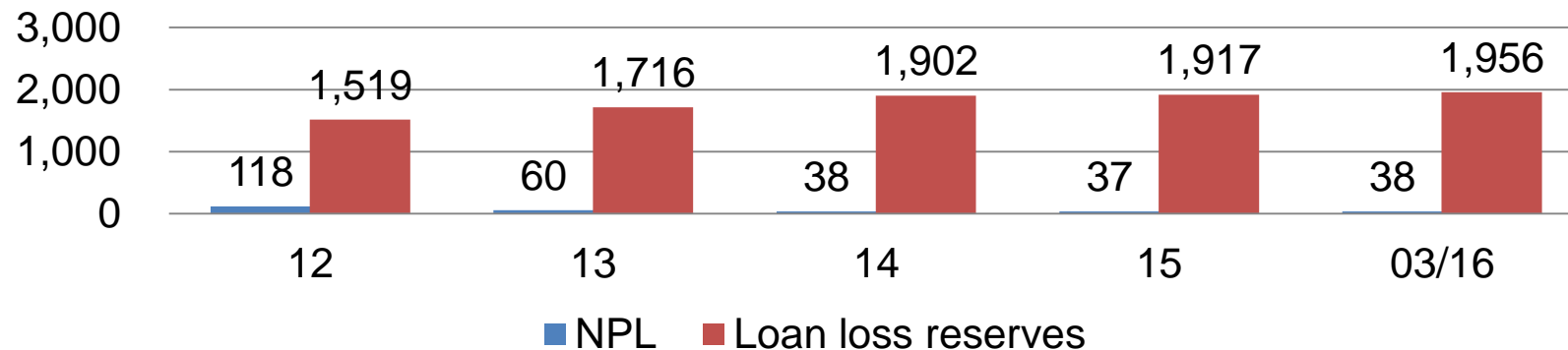


ROA & ROE



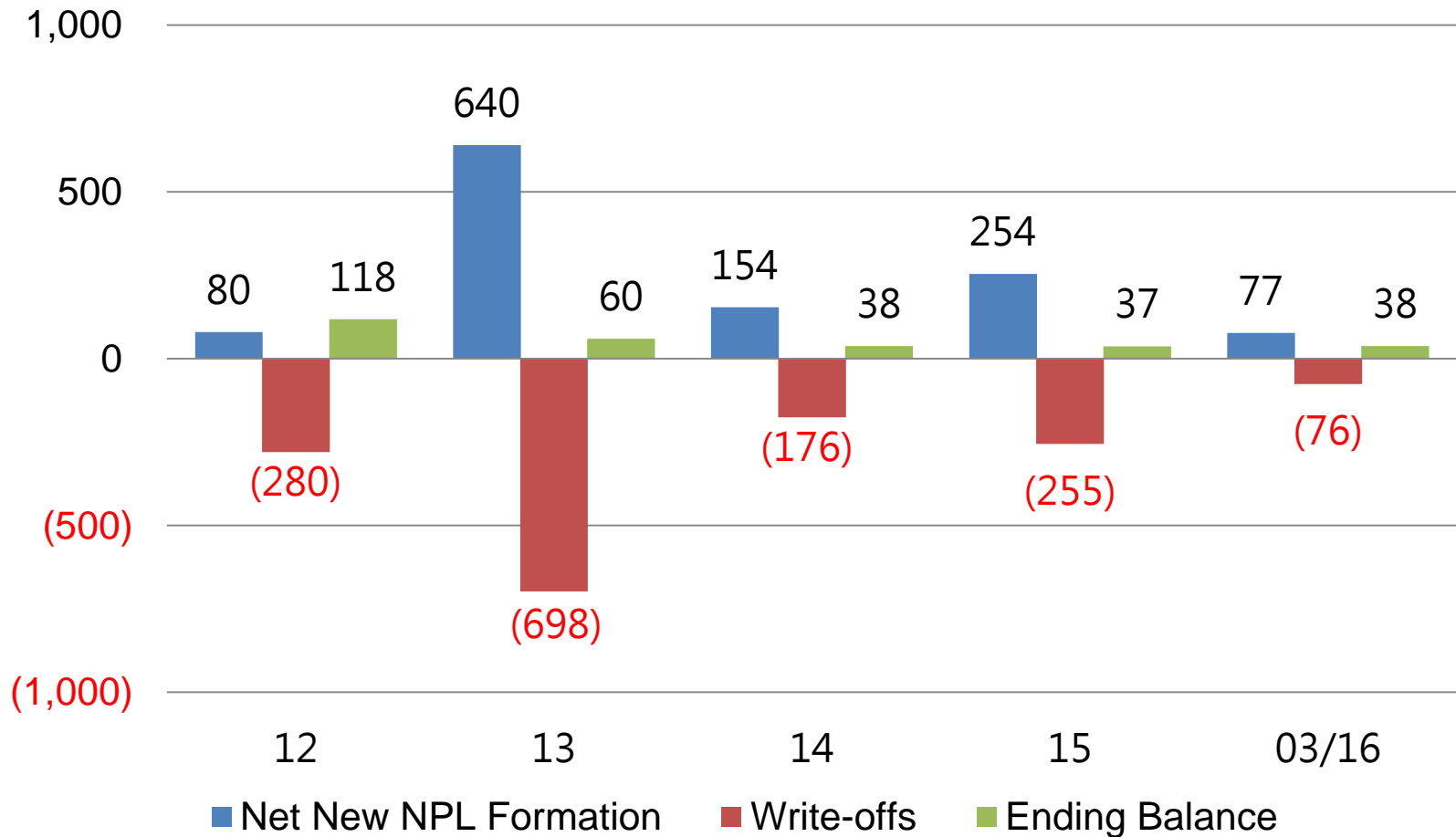
Asset Quality

NT \$ Million

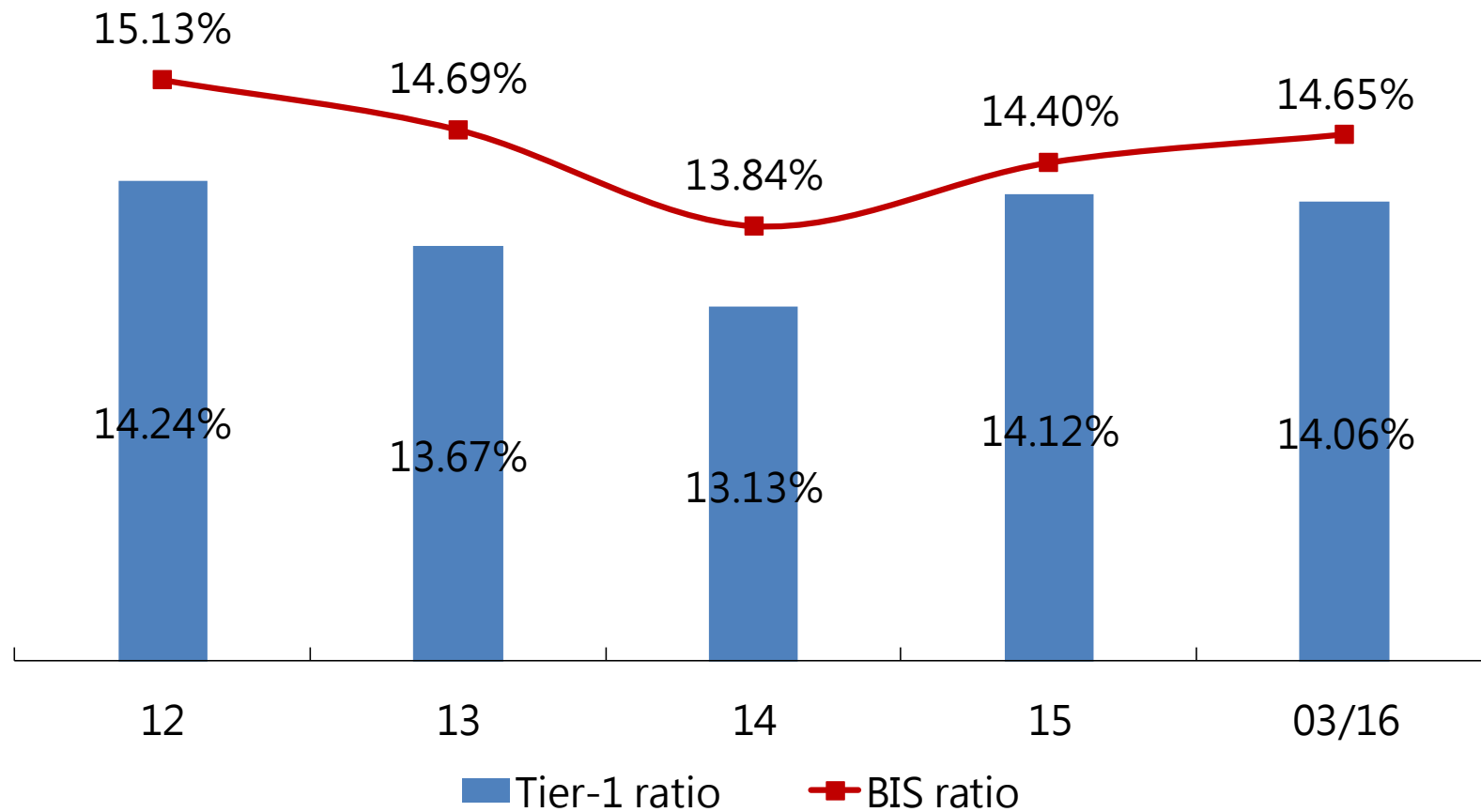


New NPL Formation and Write-off

NT \$ Million



Capital Adequacy



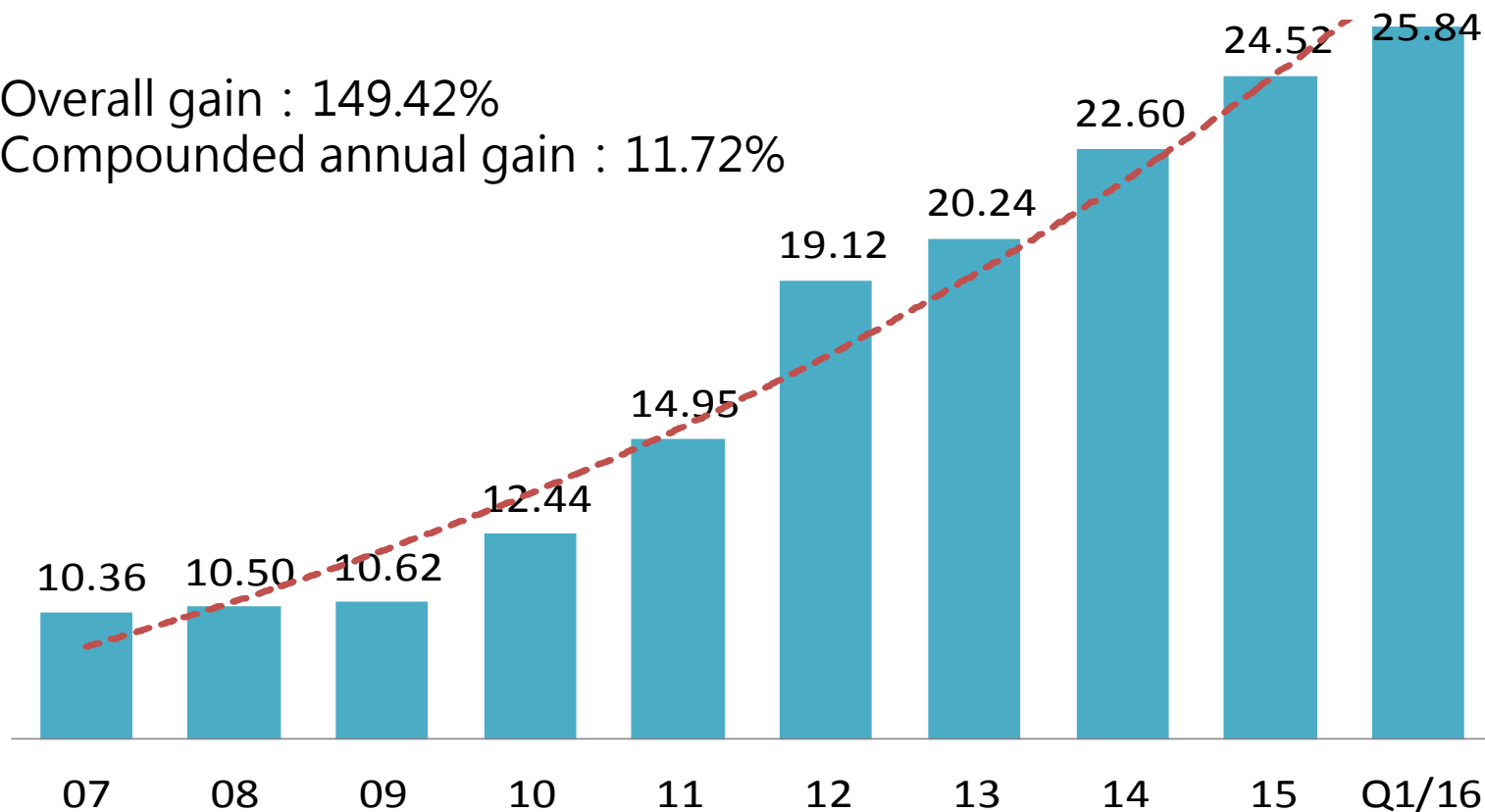
Book value per share

NT \$

Book value per share

Overall gain : 149.42%

Compounded annual gain : 11.72%



Appendix - Income Statement

NT \$ Million

	2015.Q1	2016.Q1	YoY
Net Interest Income	1,312	1,231	-6%
Net Fee Income	437	462	6%
Other Income	46	184	300%
Revenue	1,795	1,877	5%
Operating Expense	480	535	11%
PPOP	1,315	1,342	2%
Provision for Loan Loss	-11	100	1,009%
Earning Before Tax	1,326	1,242	-6%
Net Income	1,146	1,105	-4%
EPS(Cumulative)(NT\$)	0.95	0.96	1%

Appendix - Balance Sheet

NT \$ Billion

Items	2015.3	2016.3	YoY	Items	2015.3	2016.3	YoY
Cash , NCD , Interbank Deposits, and R/S	45.4	41.1	-9%	Interbank Deposits , Interbank borrowings	20	21.3	7%
Securities	65.7	69.8	6%	Deposits	161.9	169.4	5%
Loans	122.8	125.6	2%	R/P	24.1	18.0	-25%
Property and Equipment	2.5	2.5	0%	Other Liabilities	3.4	3.0	-12%
Other Assets	1.9	2.2	16%	Total Liabilities	209.4	211.7	1%
Total Assets	238.3	241.2	1%	Shareholder's Equity	28.9	29.5	2%