玉山金控 E.SUN FHC

E.SUN FHC
Financial Review of 1Q10

2010.05. 04

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Agenda

- 3M 10 Financial Performance
- Business Operating Overview
- Appendix- P&L and Balance Sheet

Brief Update of E.SUN FHC

Key Factors		03/2010	2009
Total Assets	FHC	974,872	942,318
	Bank	966,729	934,797
	Securities	6,365	5,903
	Insurance Brokers	593	453
	Venture Capital	1,690	1,666
Distribution Channels	Bank-Domestics	122	122
	Bank-Oversea	HK, LA Branch, Donggaun and Vietnam Repo office	
	Securities-Branch*	16	16
	Securities-CS Counters	54	51
Shareholder Structure	QFII*	34.95%	32.82%
Financials	Book Value	14.55	14.30
	Double Leverage Ratio	109.83%	109.78%
	Capital Adequacy Ratio	114.21%	116.28%

Note1: QFII of 2009 is as of 28/4/2010 data

Note2: Until 3/5/2010, E.SUN Securities has 17 branches and 55 CS countries.

1Q 2010 Financial Review

• Sustained Momentum of Profit Growth

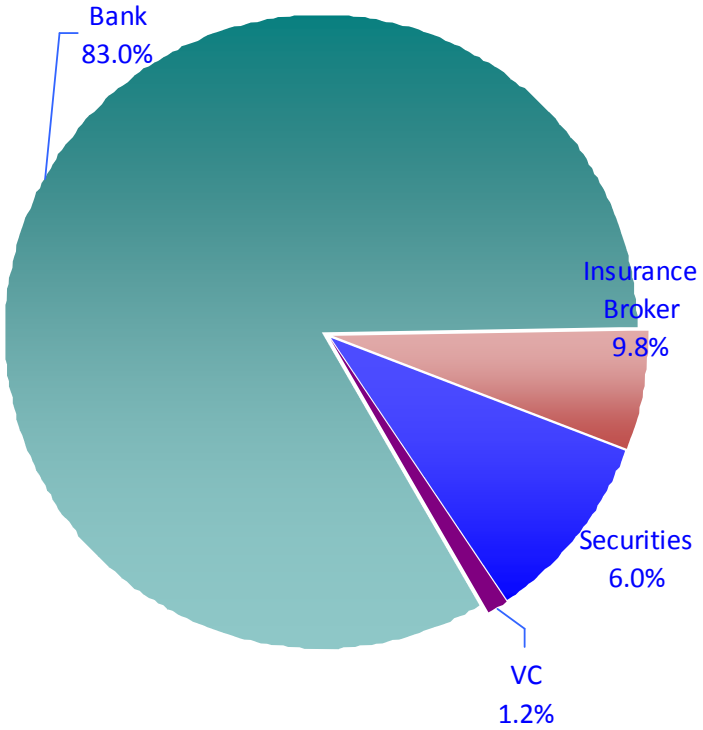
- **E.SUN FHC reported 1Q 2010 after-tax EPS of NT$0.29, with annualized after-tax ROE of 8.26% and ROA of 0.47%.**
- **With Net interest income and Net fee income increased by 24% and 83% respectively on yoy basis, Net profit was 76% higher than 1Q09 level.**
- **Higher demand deposit proportion and growth in high yield portfolio are key drivers to interest spread recovery, an increase from 1.14% of 2Q09 to 1.58%.**
- **Strong performance in Credit card and Wealth Management fee income leads to a yoy growth of 71.8%.**

• Superior Asset Quality

- **All product lines, including mortgage and corporate banking, have shown improvement in their asset quality. The overall NPL ratio has lowered down to 0.57% of Mar. 2010 from 0.67% of 2009.**
- **Further strengthening the coverage ratio to a higher level** of 113.66% from 92.77%.

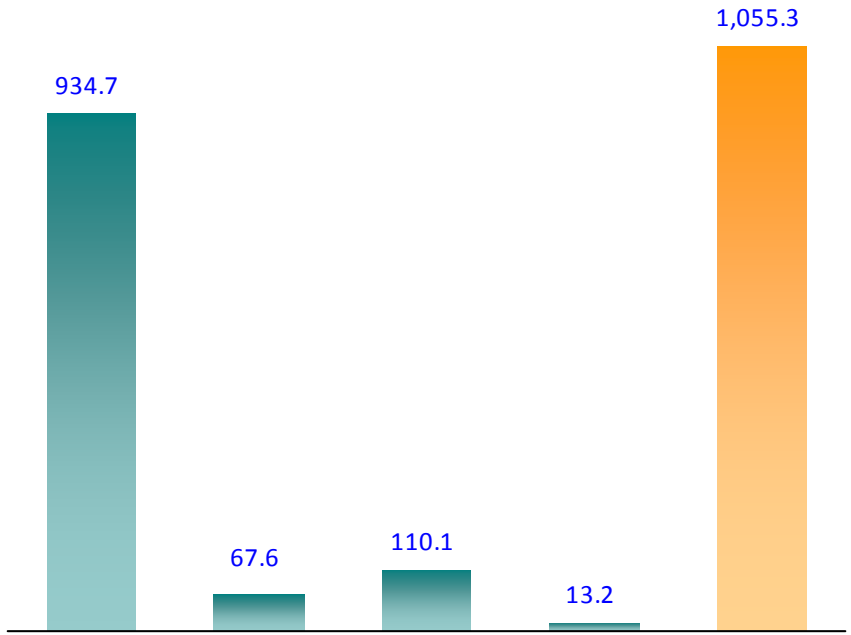
Net Income of FHC & its Subsidiaries

Contribution by Subsidiaries



Net Income of FHC and its Subs

Unit: NT$ million



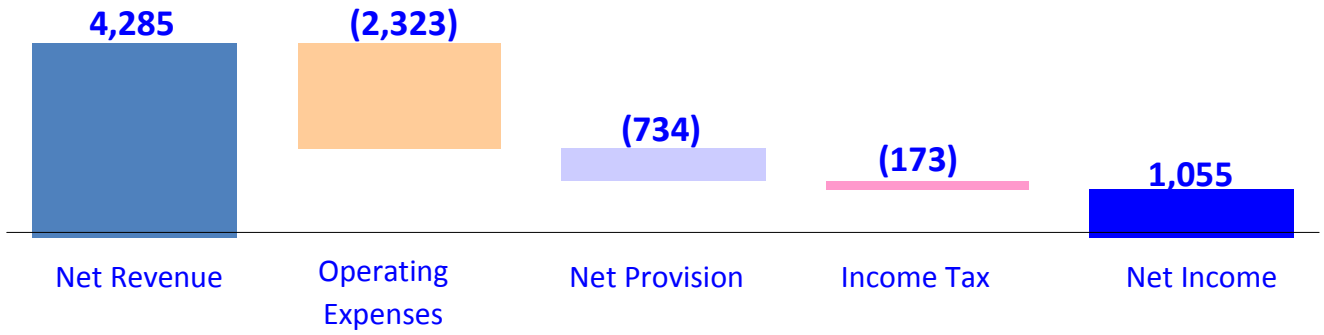
	Bank	Securities	Insurance Broker	VC	FHC
EPS(NT$)	0.28	0.22	9.74	0.09	0.29

Note: Audited Figures of Mar..2010

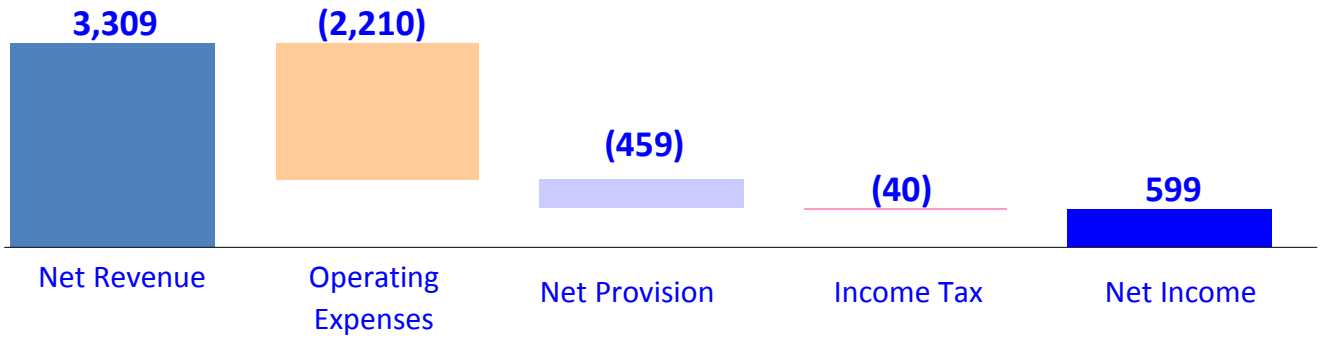
Net Profit Breakdown

1Q10 Consolidated Income & Loss

Unit: NT$ million



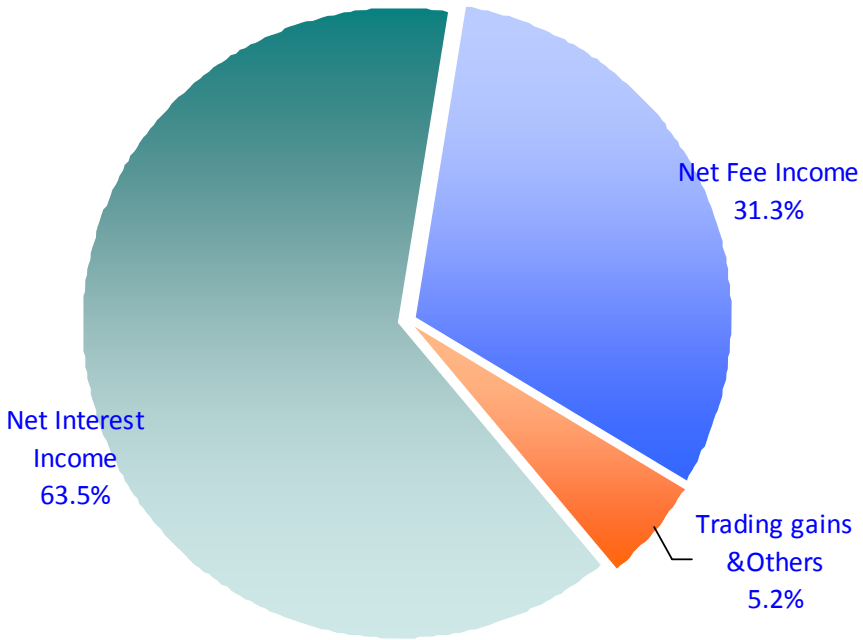
1Q09 Consolidate Income & Loss



Note: Audited Figures of Mar.2010

FHC Revenue Breakdown

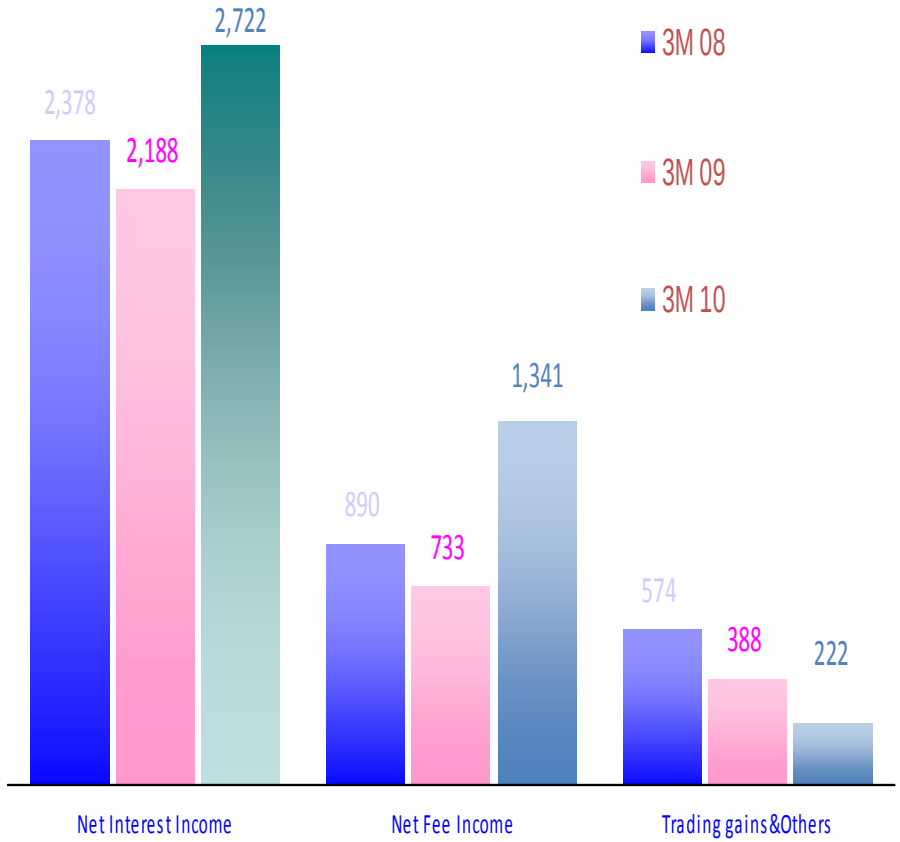
Total Net Operating Revenue
NT$ 4,285 mm



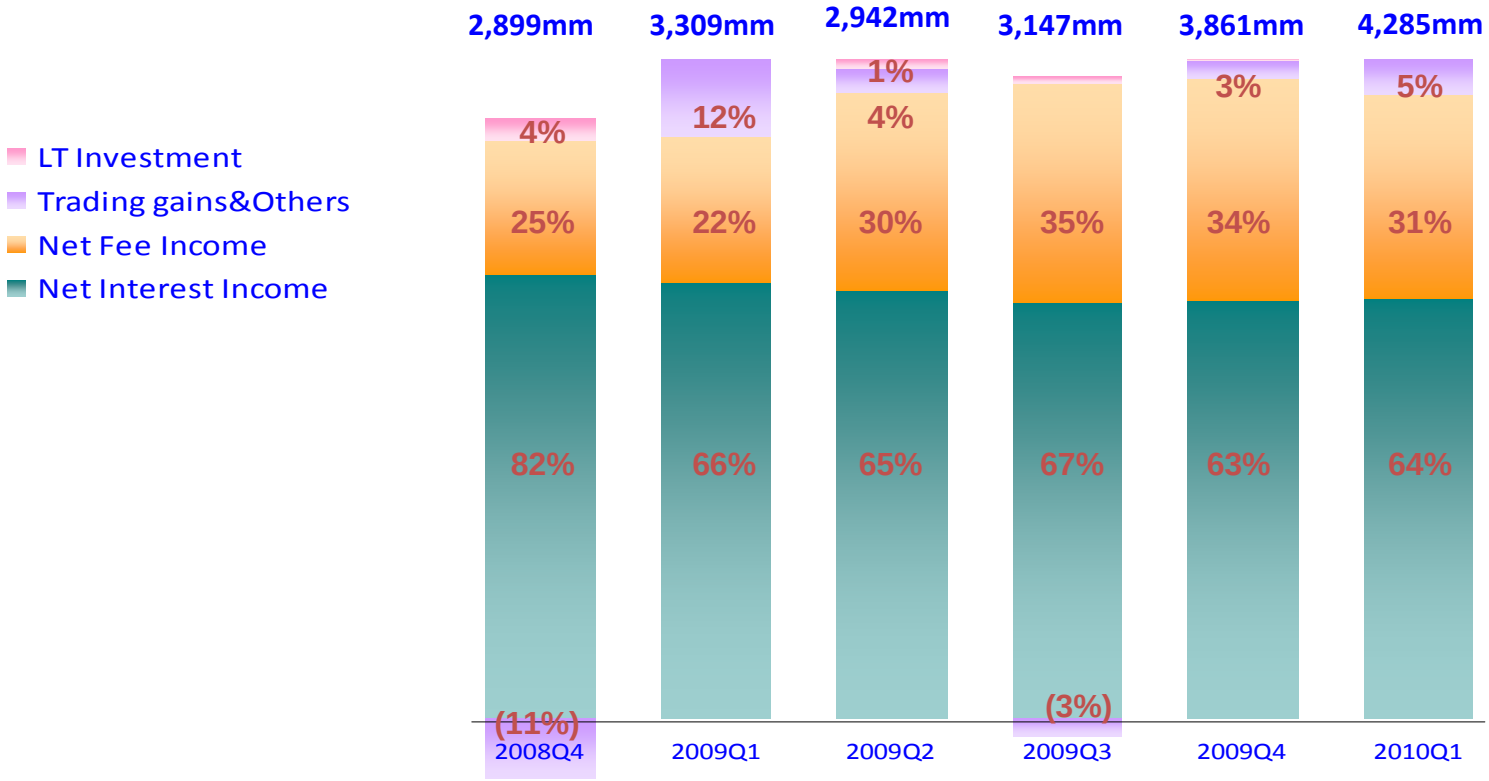
Note: Audited Figures of Mar..2010

YoY Revenue Comparison

Unit: NT$ million



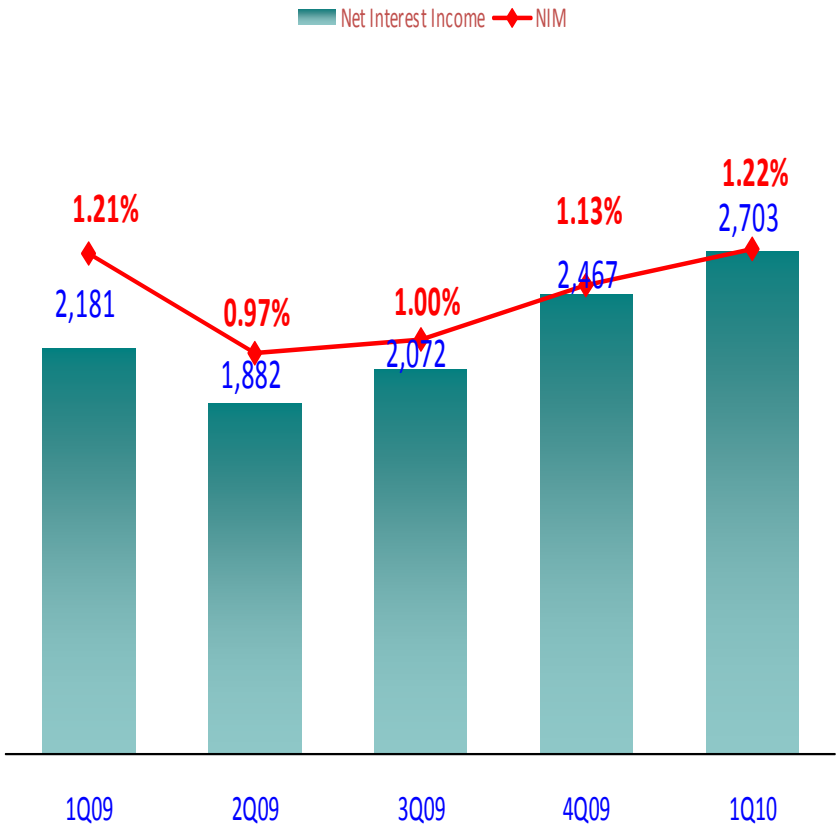
Quarterly Net Revenue Analysis



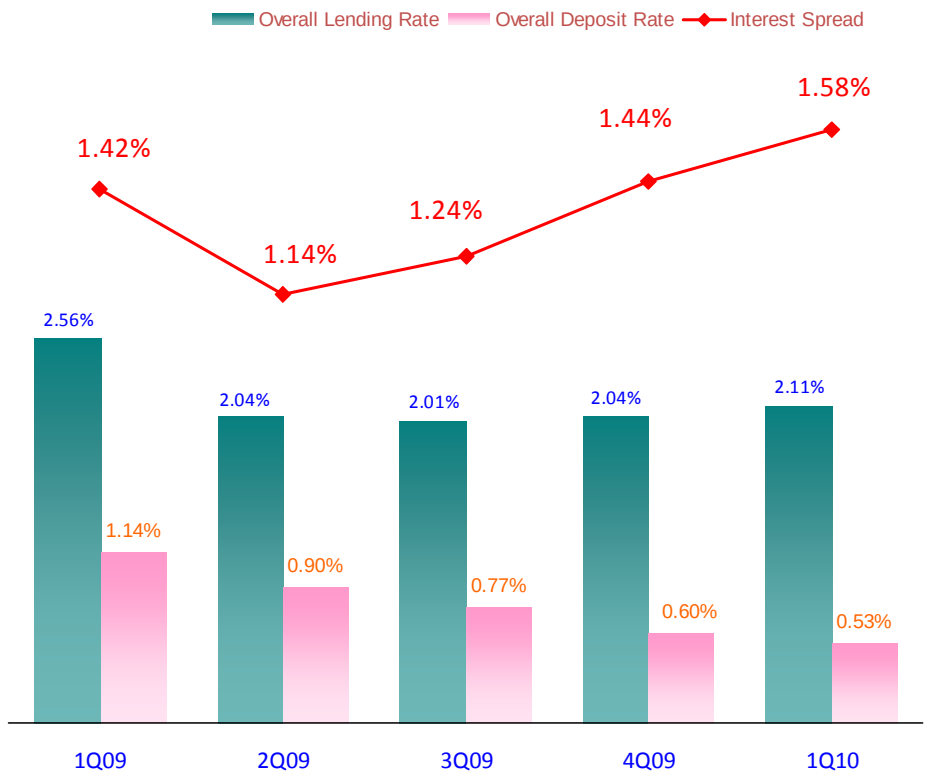
Note: Audited Figures of Mar..2010

Expanding NIM and Spread

Quarterly Net Interest Income



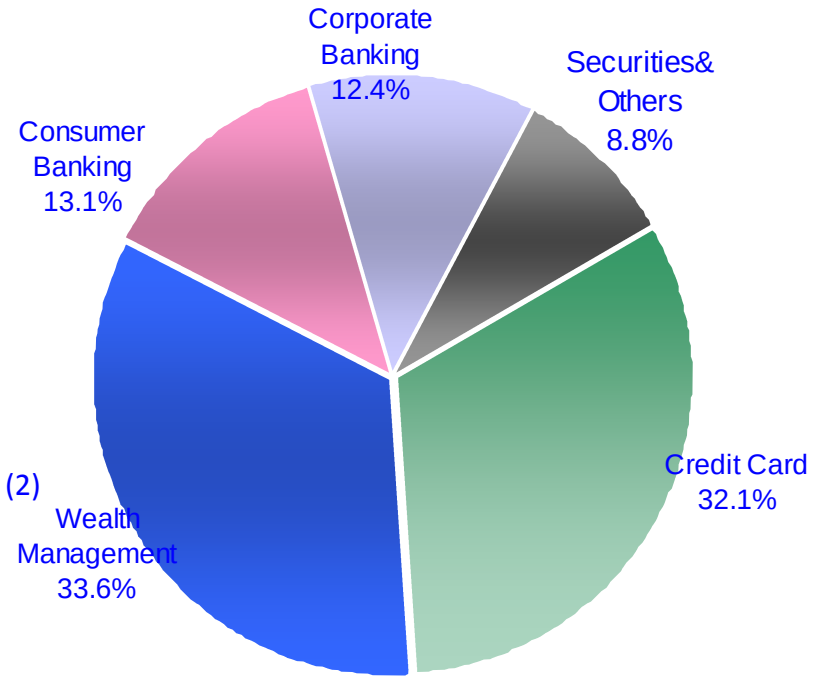
Quarterly Interest Spread



Note: Financials of E.SUN Bank

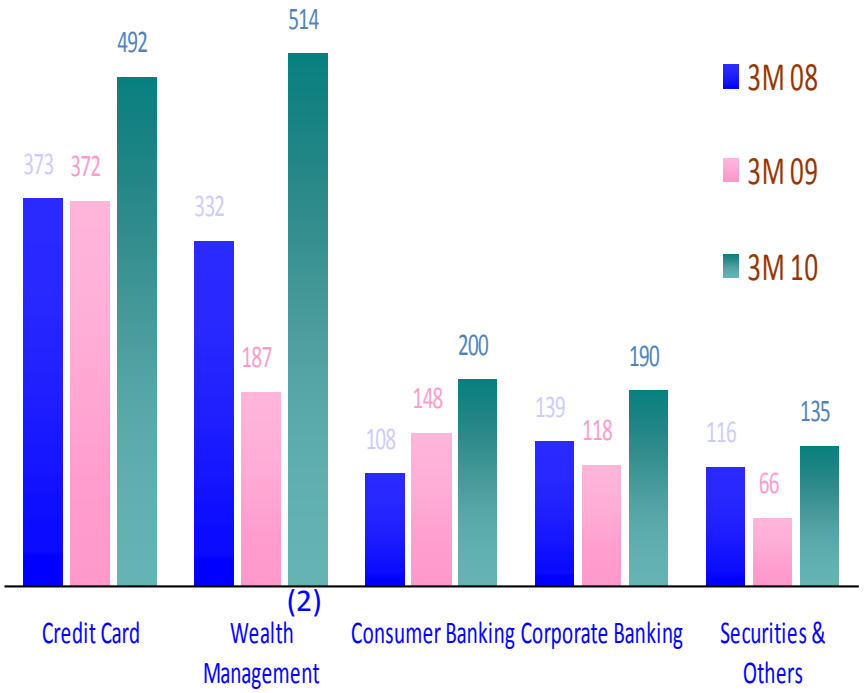
Strong Recovery in Fee Income

Total Gross Fee Income
NT$ 1,531 mm



YoY Gross Fee Comparison

Unit: NT$ million



Note: 1.Audited Figures of Mar. 2010

2. Including Bancassurance fee from E.SUN Insurance Broker

Balanced Deposit and Loan Structure

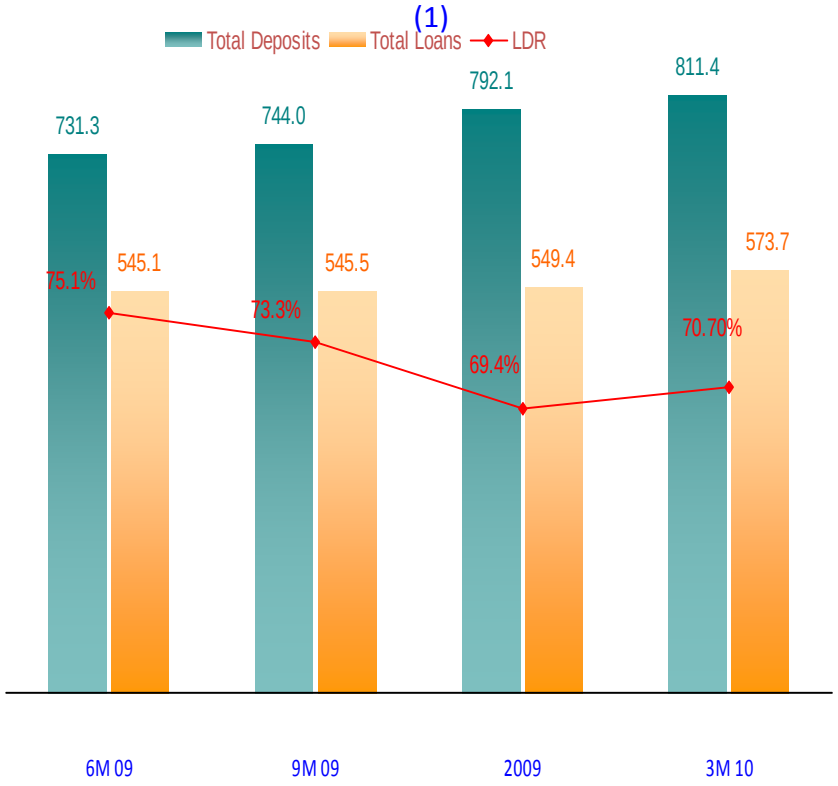
Unit: NT$ Bn

Products	3M 10	YTD%	2009	2009 Growth %	2008
Total Deposits	811.4	2.4%	792.1	14.8%	690.0
Demand Deposits	317.4	3.2%	307.7	44.8%	212.4
Total Loans (1)	573.7	4.4%	549.4	3.3%	531.8
Corporate Loans	241.4	6.4%	226.8	(7.5%)	245.2
SME Loans	120.0	6.6%	112.6	(4.2%)	117.5
Consumer Loans	332.2	3.0%	322.6	12.6%	286.6
Mortgage Loan	255.1	0.1%	254.9	4.3%	244.3
Credit Cards in Circulation('000s)	2,504	1.9%	2,457	(0.6%)	2,472
Accumulated Credit Card Spending	27.2	N.A.	94.4	20.3%	78.5
Credit Card Revolving Balance	18.1	0.6%	18.0	(10.0%)	20.0

Note: 1.Exclude credit card revolving balance
2.Financials of E.SUN Bank

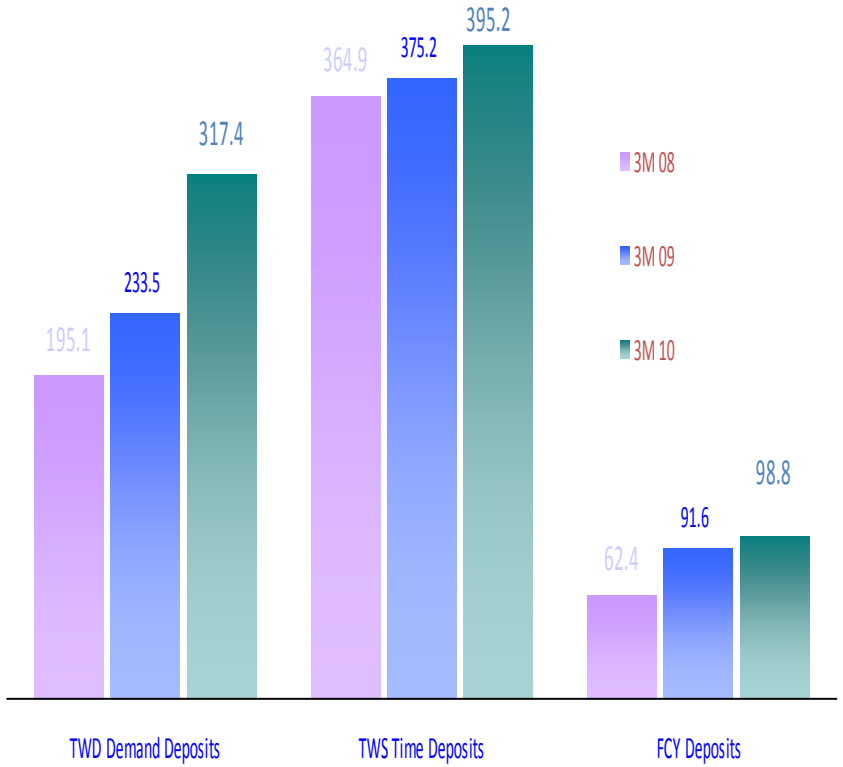
Strong and Stable Deposit Status

Loan to Deposit Ratio(1)



Deposit Structure

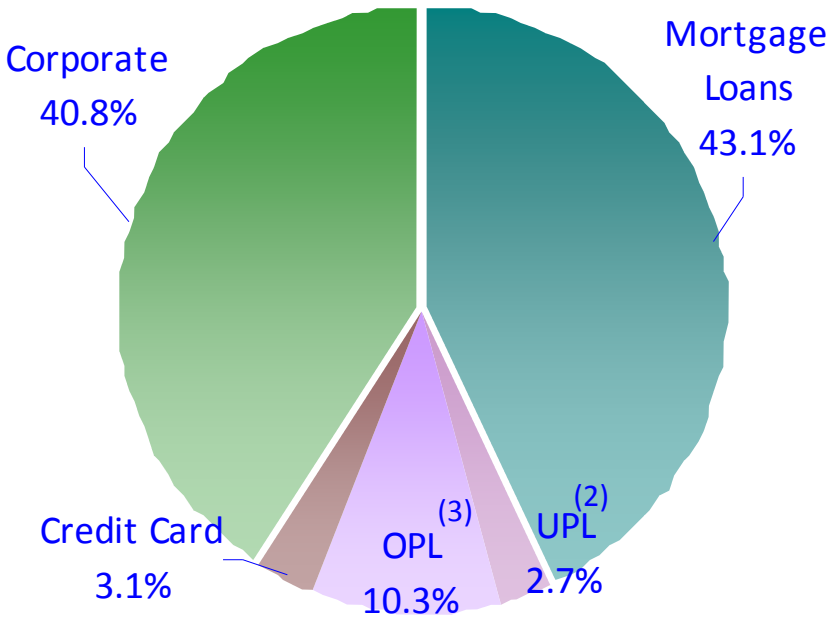
Unit: NT$ Bn



Note: 1.Excluding Credit card revolving balance
2. Financials of E.SUN Bank

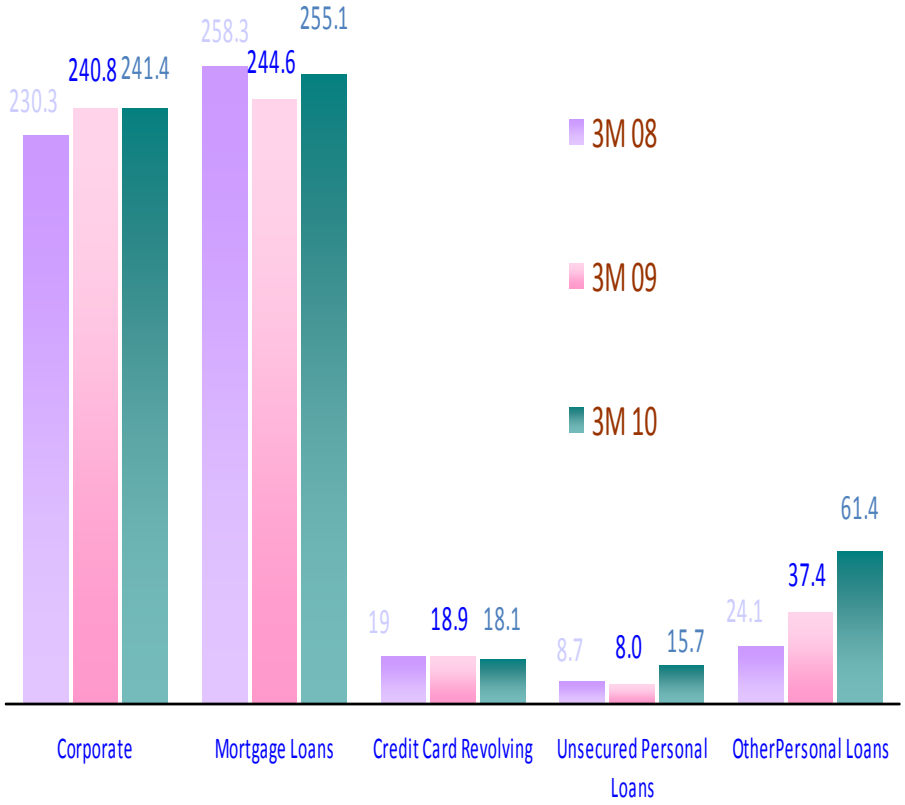
More Balanced in Loan Portfolio

Total Loan Portfolio (1)
NT$ 591.8 Bn



YoY Loan Portfolio Comparison

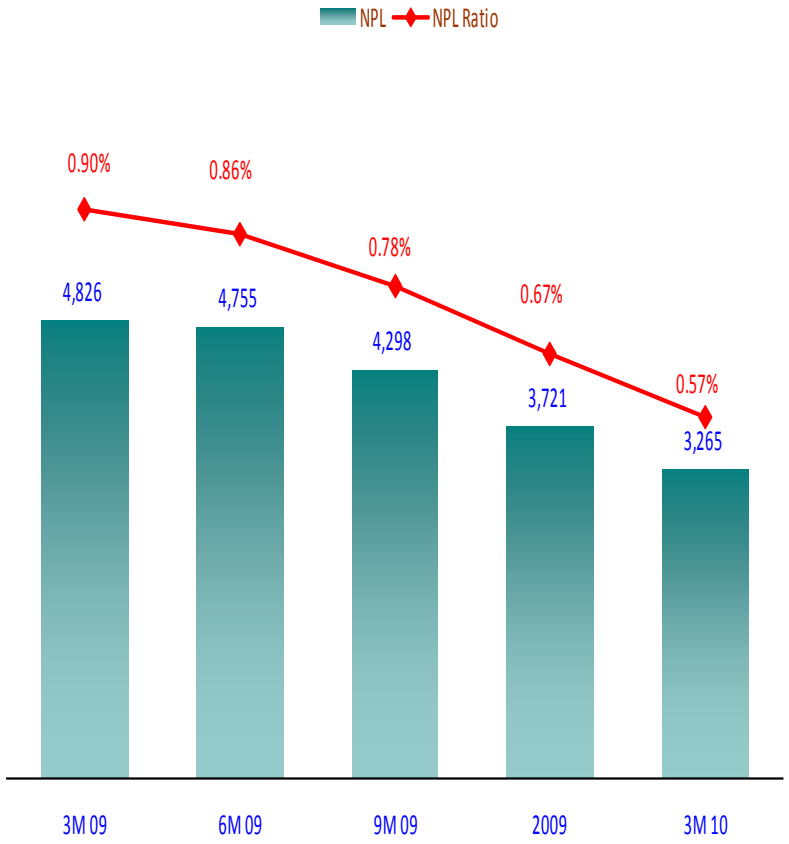
Unit: NT$ Bn



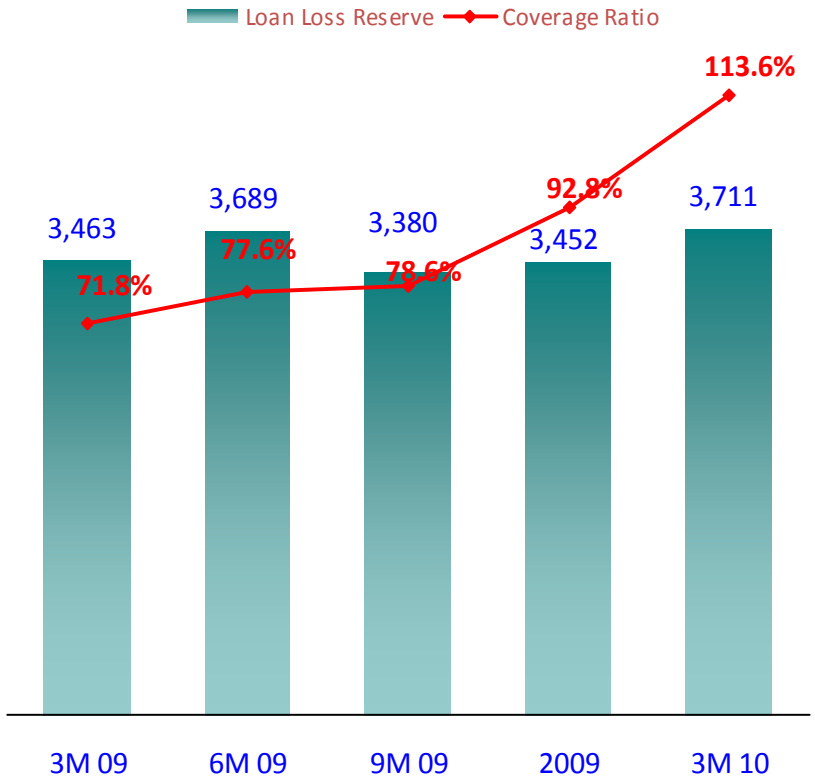
Note: 1.Include Credit Card Revolving balance
2.Unsecured Personal Loan, Include Cash card balance
3.Other Personal Loan, which is fully collateralized.
4. As of Mar. 2010

Superior Asset Quality 1/3

NPL Ratio(%)



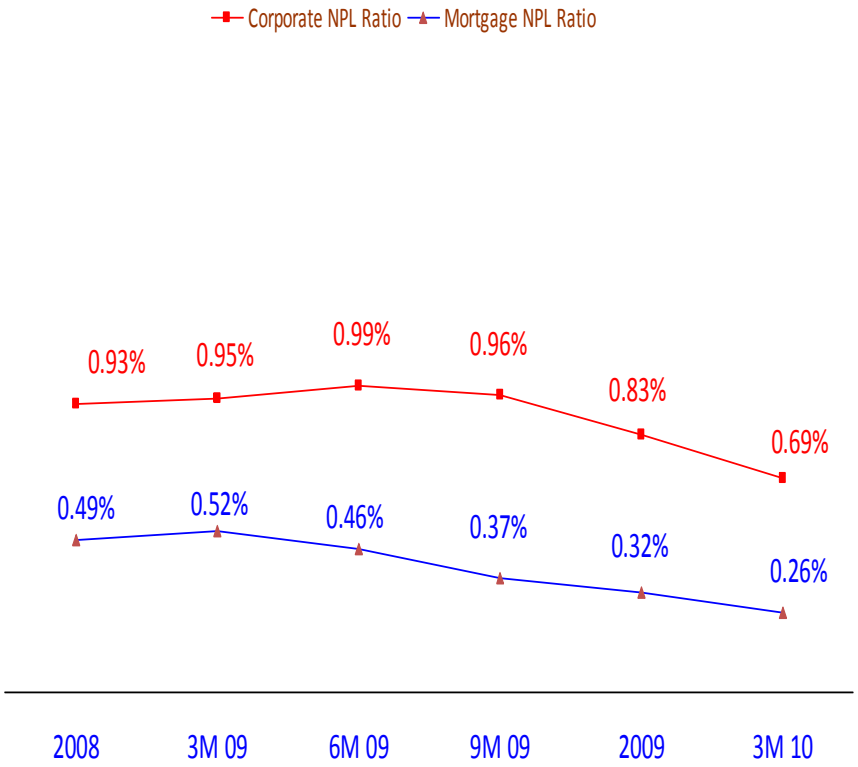
Coverage Ratio(%)



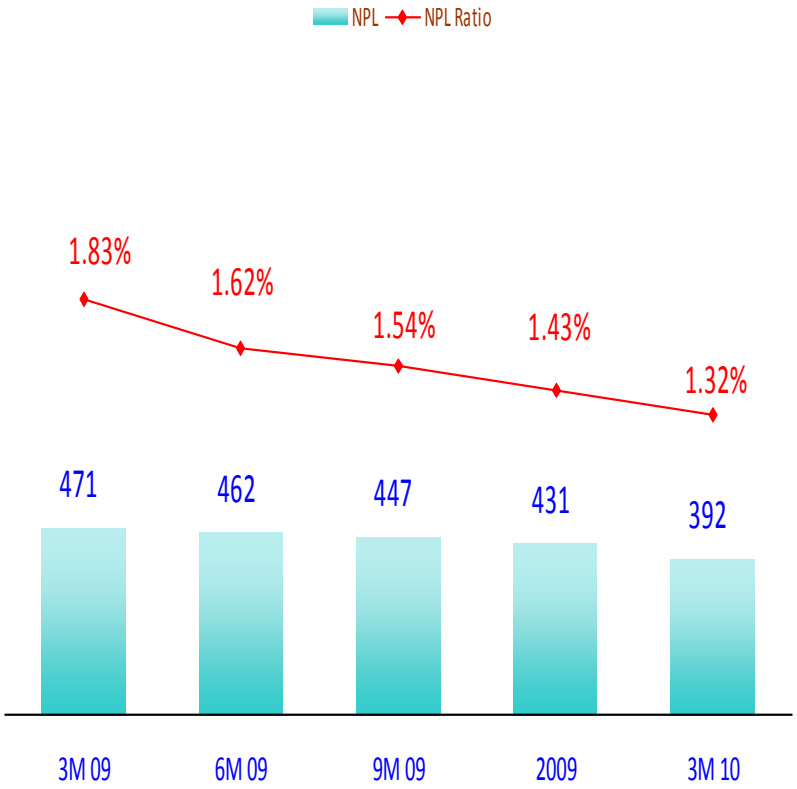
Note: .1. Financials of E.SUN Bank

Superior Asset Quality 2/3

NPL Ratio for Major Products



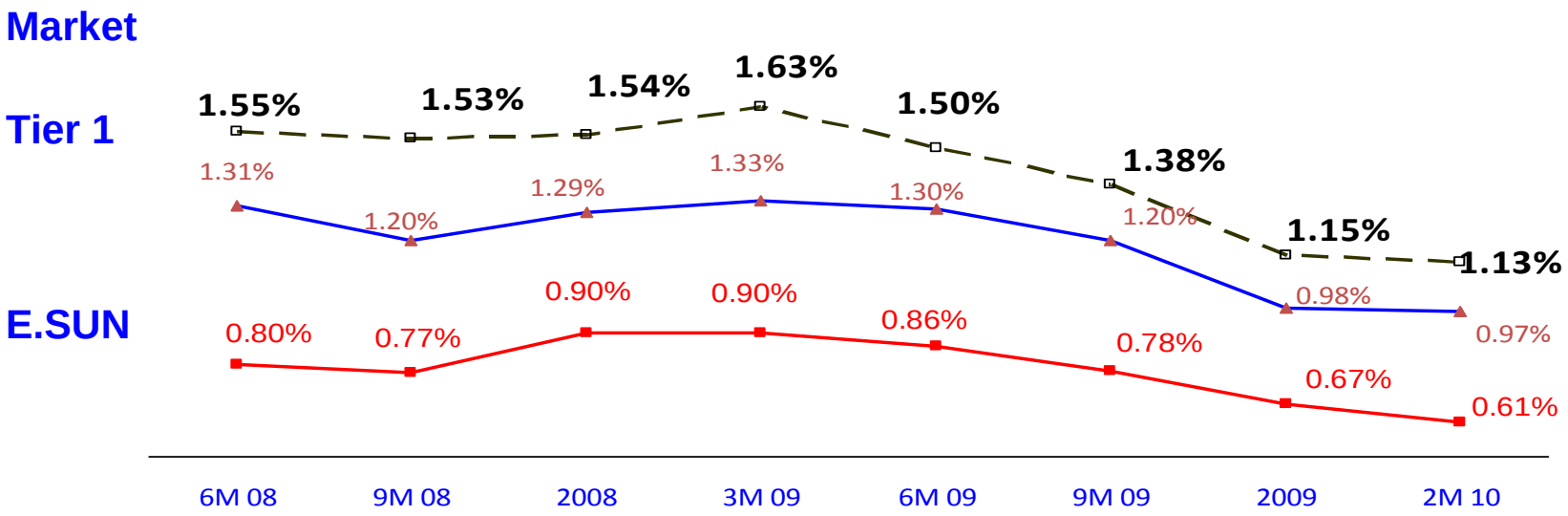
NPL Ratio for Credit Card



Note: .1. Financials of E.SUN Bank

Superior Asset Quality 3/3

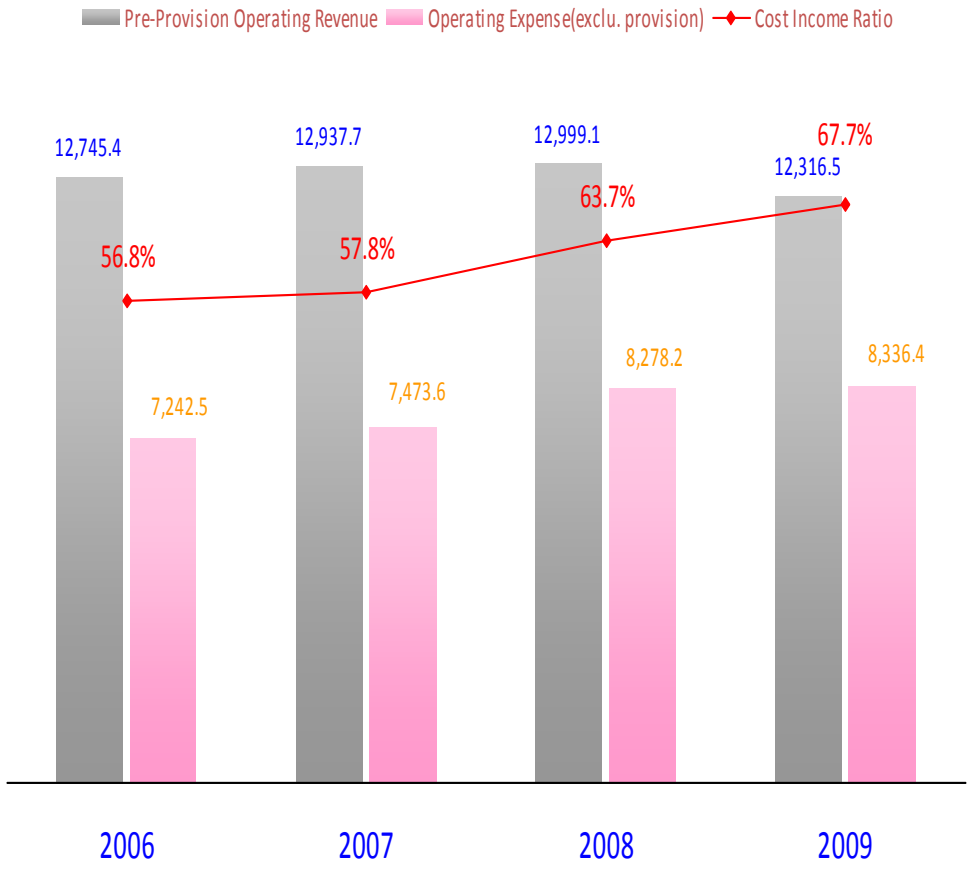
NPL Comparison with Tier 1 players and the Market



Note: 1. Source : FSC
2. Tier 1 group include Taishin, Chinatrust, Cathay, Fubon, Shanghai, First, Hua-nan, CHB, Mega and Sinopac

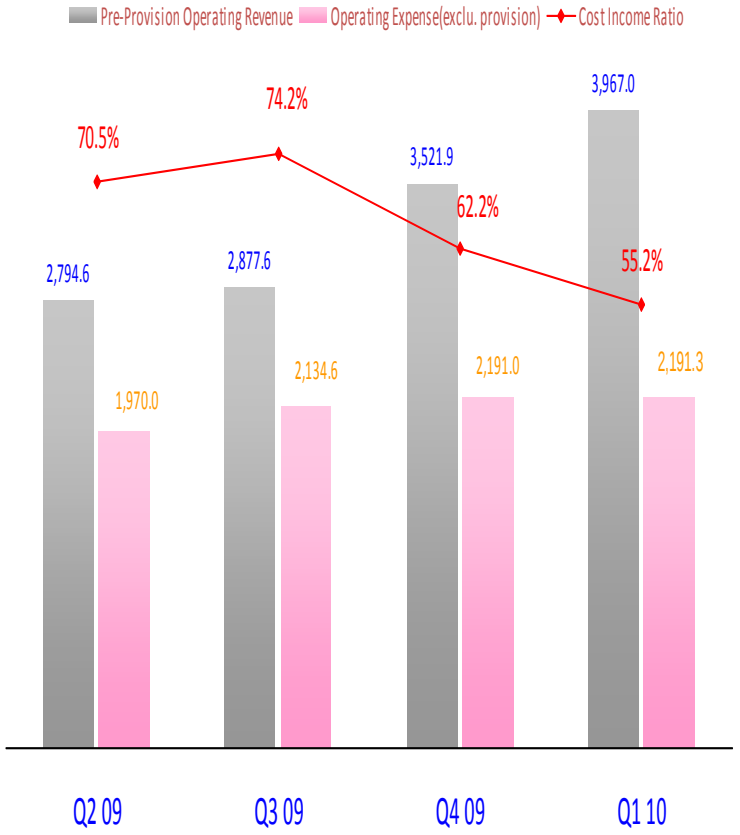
Improved Cost-Income Ratio

Accumulated C/I Ratio (%)



Quarterly C/I Ratio (%)

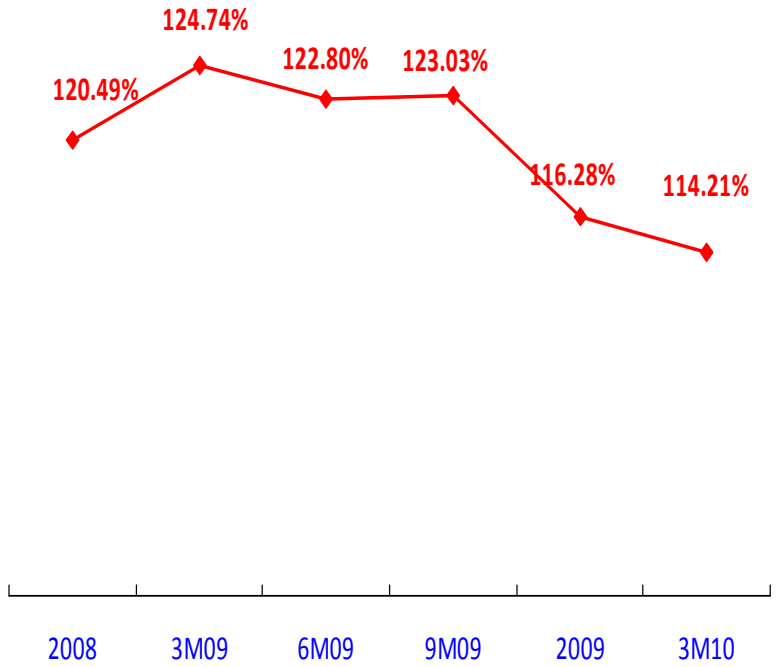
Unit: NT$ million



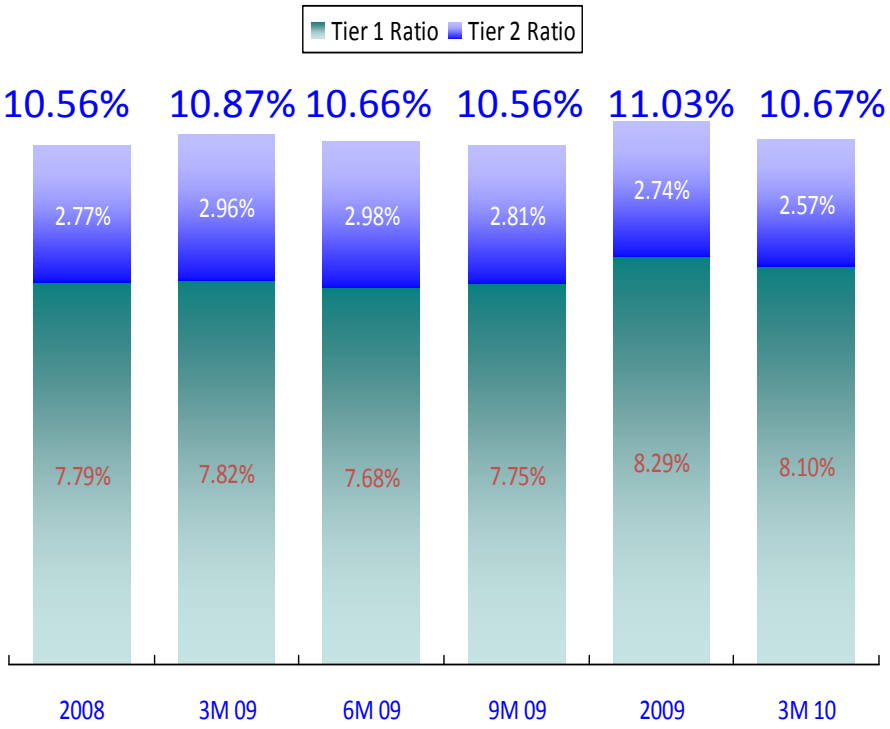
Note: 1.Preliminary Figures of Mar. 2010
2. Financials of E.SUN Bank

Capital Adequacy Ratio

FHC CAR Ratio



Bank BIS Ratio



Note: .1. Financials of E.SUN Bank

Q & A

- If you wish to know more about E.SUN, please visit our website site (www.esunfhc.com.tw) for more information.

- If you have further questions, please feel free to contact us through email or conference call

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E.SUN of Taiwan, as E.SUN of the World.

Appendix 1/6

Balance Sheet of 1Q10 for E.SUN FHC and its subsidiaries

NT$ million	E.SUN Bank	E.SUN Sec. (Consolidated)	E.SUN IB	E.SUN VC	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Assets：						
Cash and due from banks	186,628	270	266	276	4,869	186,644
Securities, net	146,279	679	225	1,368	6	155,219
Loans, net	574,159	-	-	-	-	574,159
A/R, net	32,911	4,111	100	-	875	37,468
LT investments, net	-	-	-	-	57,968	-
Land, premises andequipments, net	13,803	255	-	-	-	14,058
Others	12,949	1,050	2	46	20	7,324
Total assets	966,729	6,365	593	1,690	63,738	974,872
Liabilities:						
Deposits	795,229	-	-	-	-	789,564
Other liabilities	119,230	2,822	118	9	10,946	132,517
Total liabilities	914,459	2,822	118	9	10,946	922,081
Total stockholders' equity	52,270	3,543	475	1,681	52,792	52,791
Total liabilities andstockholders' equity	966,729	6,365	593	1,690	63,738	974,872

Appendix 2/6

P&L of E.SUN FHC and its subsidiaries for 1Q10

NT$ million	E.SUN Bank	E.SUN Sec. (Consolidated)	E.SUN IB	E.SUN VC	E.SUN FHC (Standalone)	E.SUN FHC (consolidated)
Operating income						
Net interest income	2,702	58	1	-	(41)	2,722
Fee income	1,048	142	172	-	-	1,341
LT investment income	0	-	-	-	1,126	4
Net trading income/(loss) & Derivatives & FX	275	2	-	16	(7)	225
Others	(58)	24	-	1	7	(8)
Total Net Revenues	3,967	226	173	17	1,085	4,284
Allowance for bad-debt expenses	(733)	-	-	-	-	(733)
Operating expenses	(2,153)	(141)	(36)	(3)	(49)	(2,323)
Income before income tax	1,081	85	137	14	1,036	1,228
Income tax expenses	(147)	(17)	(27)	(1)	19	(173)
Net Income	934	68	110	13	1,055	1,055

Appendix 3/6

E.SUN FHC's Balance Sheet (Consolidated)

NT$ million	Yearly Results Quarterly 2007	2008	2009	Quarterly Results Mar 09	Jun 09	Sep 09	Dec 09	Mar. 10	QoQ(%)
Assets：									
Cash and due from banks	40,630	100,544	226,996	115,905	157,695	184,231	226,996	186,644	-17.8%
Securities, net	152,198	131,504	95,705	129,630	120,374	97,284	95,705	155,219	62.2%
Loans, net	514,649	532,945	550,484	532,197	546,264	546,890	550,484	574,159	4.3%
A/R, net	32,626	32,607	37,148	30,915	34,466	35,523	37,148	37,468	0.9%
LT investments, net	130	-	-	-	-	-	-	-	-
Land, premises andequipments, net	12,915	13,283	14,184	13,179	13,024	12,970	14,184	14,058	-0.9%
Others	19,034	18,584	17,801	17,474	18,618	19,893	17,801	7,324	-58.9%
Total assets	772,182	829,467	942,318	839,300	890,441	896,791	942,318	974,872	3.5%
Liabilities:									
Deposits	589,441	658,991	769,286	672,083	704,305	718,304	769,286	789,564	2.6%
Other liabilities	134,899	121,734	121,094	117,752	136,129	127,222	121,094	132,517	9.4%
Total liabilities	724,340	780,725	890,380	789,835	840,434	845,526	890,380	922,081	3.6%
Total stockholders' equity	47,842	48,742	51,938	49,465	50,007	51,265	51,938	52,791	1.6%
Total liabilities andstockholders' equity	772,182	829,467	942,318	839,300	890,441	896,791	942,318	974,872	3.5%

Appendix 4/6

E.SUN FHC's P&L account (Consolidated)

NT$ million	Yearly Results Quarterly			Quarterly Results					
	2007	2008	2009	1Q09	2Q09	3Q09	4Q09	1Q10	QoQ(%)
Operating income									
Net interest income	9,526	9,580	8,642	2,188	1,906	2,101	2,447	2,722	11.2%
Fee income	3,870	3,241	4,033	733	886	1,117	1,297	1,341	3.4%
LT investment income	47	286	81	-	43	25	13	4	-
Net trading income/(loss) & Derivatives & FX	883	1,051	887	370	124	276	117	225	92.3%
Others	(84)	6	(384)	18	(17)	(372)	(13)	(8)	-38.5%
Total Net Revenues	14,242	14,164	13,259	3,309	2,942	3,147	3,861	4,284	11.0%
Allowance for bad-debt expenses	(2,175)	(3,536)	(2,117)	(459)	(447)	(168)	(1,043)	(733)	-29.7%
Operating expenses	(8,123)	(9,007)	(9,060)	(2,210)	(2,142)	(2,330)	(2,378)	(2,323)	-2.3%
Income before income tax	3,944	1,621	2,082	640	353	649	440	1,228	179.1%
Income tax expenses	(650)	(596)	(154)	(40)	(81)	(76)	43	(173)	-502.3%
Accounting principles	-	-	-	-	-	-	-	-	-
Net Income	3,294	1,025	1,928	600	272	573	483	1,055	118.4%

Appendix 5/6

E.SUN Bank's Balance Sheet

NT$ million	Yearly Results Quarterly 2007	2008	2009	Quarterly Results Mar 09	Jun 09	Sep 09	Dec 09	Mar 10	QoQ(%)
Assets：									
Cash and due from banks	40,444	100,543	226,976	115,903	157,693	184,229	226,976	186,628	-17.8%
Securities, net	149,210	129,538	94,586	128,227	119,331	94,564	94,586	146,279	54.7%
Loans, net	514,649	532,945	550,484	532,197	546,264	546,890	550,484	574,159	4.3%
A/R, net	28,263	30,560	32,990	28,512	31,189	31,967	32,990	32,911	-0.2%
LT investments, net	130	-	-	-	-	-	-	-	-
Land, premises andequipments, net	11,417	12,975	13,859	12,880	12,732	12,674	13,859	13,803	-0.4%
Others	17,847	16,090	15,902	15,864	16,936	19,766	15,902	12,949	-18.6%
Total assets	761,960	822,651	934,797	833,583	884,145	890,090	934,797	966,729	3.4%
Liabilities:									
Deposits	598,774	666,460	775,064	680,722	712,679	726,562	775,064	795,229	2.6%
Other liabilities	116,523	109,971	108,226	105,936	124,066	115,090	108,226	119,230	10.2%
Total liabilities	715,297	776,431	883,290	786,658	836,745	841,652	883,290	914,459	3.5%
Total stockholders' equity	46,663	46,220	51,507	46,925	47,400	48,438	51,507	52,270	1.5%
Total liabilities andstockholders' equity	761,960	822,651	934,797	833,583	884,145	890,090	934,797	966,729	3.4%

Appendix 6/6

E.SUN Bank's P&L account

NT$ million	Yearly Results Quarterly			Quarterly Results					
	2007	2008	2009	1Q09	2Q09	3Q09	4Q09	1Q10	QoQ(%)
Operating income									
Net interest income	8,823	9,375	8,602	2,181	1,881	2,073	2,467	2,702	9.5%
Fee income	3,255	2,707	3,161	585	668	886	1,022	1,048	2.5%
LT investment income	(9)	262	48	-	23	25	0	0	#DIV/0!
Net trading income/(loss) & Derivatives & FX	897	789	811	332	231	232	16	275	1618.8%
Others	(28)	(134)	(306)	24	(8)	(338)	16	(58)	-462.5%
Total Net Revenues	12,938	12,999	12,316	3,122	2,795	2,878	3,521	3,967	12.7%
Allowance for bad-debt expenses	(2,175)	(3,536)	(2,112)	(458)	(448)	(164)	(1,042)	(733)	-29.7%
Operating expenses	(7,474)	(8,278)	(8,336)	(2,041)	(1,970)	(2,135)	(2,190)	(2,153)	-1.7%
Income before income tax	3,289	1,185	1,868	623	377	579	289	1,081	274.0%
Income tax expenses	(698)	(403)	(94)	(10)	(97)	(59)	72	(147)	-304.2%
Accounting principles	-	-	-	-	-	-	-	-	-
Net Income	2,591	782	1,774	613	280	520	361	934	158.7%