



# Taiwan Fire & Marine Insurance Co., Ltd 2Q19 Investor Conference

2019.05.31



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# Business Overview

## ★ 2018 Operation Result

- Net profit for 2018 reached 560M, decreased 34.2% YoY.  
EPS 1.55元 ; ROA 3.12% ; ROE 6.62% °
- Retained earned premiums grew steadily 3.8% YoY.  
Higher retained ratio led to slightly increasing combined ratio of 91.7%.
- Net investment profits decreased by 44.6% YoY.  
Equity market dropped in 2019, gains from equity declined.

## ★ 2019 Operation Result, up to 1<sup>st</sup> quarter

- Retained earned premiums grew by 4.3% YoY.  
Net Income from insurance operation increased 8.7% YoY.
- Due to the recovery of financial markets, Net investment profit increased 22.9% YOY.
- Earnings per share was \$ 0.57 in Q1 of 2019, increased 8.6% YoY.

## ★ Financial soundness. Corporate Governance transparent.

- Strong capital structure, great solvency, RBC ranked No.1 in the industry.
- Maintain on the top of TWSE listed companies in the TWSE's Corporate Governance Evaluation for four consecutive years.



# Balance Sheet

Unit: NT thousand	2019/3/31	%	2018/12/31	%	2017/12/31	%
Cash and Cash Equivalents	3,432,088	18.5%	3,237,541	18.0%	3,338,629	18.6%
Receivables	715,594	3.9%	675,614	3.8%	710,462	4.0%
Investments	11,239,127	60.6%	11,064,690	61.5%	10,690,130	59.5%
Reinsurance Contract Asset	1,951,682	10.5%	1,888,798	10.5%	2,127,414	11.8%
Property and Equipment, Net	377,214	2.0%	376,485	2.1%	379,724	2.1%
Other Assets	710,775	3.8%	702,401	3.9%	697,980	3.9%
<b>Total Assets</b>	<b>18,535,427</b>	<b>100.0%</b>	<b>17,978,481</b>	<b>100.0%</b>	<b>17,971,620</b>	<b>100.0%</b>
Payables	874,730	4.7%	923,186	5.1%	867,408	4.8%
Insurance Liabilities	8,256,679	44.5%	8,097,638	45.0%	8,082,318	45.0%
Deferred Income Tax Liabilities	274,092	1.5%	274,092	1.5%	274,092	1.5%
Other Liabilities	70,007	0.4%	109,134	0.6%	108,176	0.6%
<b>Total Liabilities</b>	<b>9,755,729</b>	<b>52.6%</b>	<b>9,559,424</b>	<b>53.2%</b>	<b>9,455,698</b>	<b>52.6%</b>
Common Stock	3,622,004	19.5%	3,622,004	20.1%	3,622,004	20.2%
Capital Surplus	98,962	0.5%	98,962	0.6%	98,962	0.6%
Retained Earnings	5,243,694	28.3%	5,043,571	28.1%	4,807,126	26.7%
<b>Total Equity</b>	<b>8,779,698</b>	<b>47.4%</b>	<b>8,419,057</b>	<b>46.8%</b>	<b>8,515,922</b>	<b>47.4%</b>

Net worth per share	24.24	23.24	23.51
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# Income Statement - 2018

Unit: NT thousand	2018/1/1 ~ 2018/12/31	YoY	2017/1/1 ~ 2017/12/31
Direct Insurance Premium Revenues	6,003,141	1.8%	5,894,232
Retained Earned Premium	4,287,054	3.8%	4,130,752
Net Gains on Investments	360,274	(44.6%)	649,829
Operating Income	666,407	(30.6%)	959,950
Net Income	560,299	(34.2%)	851,701
Comprehensive Income	(183,077)	(232.4%)	138,314
Basic Earnings Per Share	1.55	(34.0%)	2.35

\*only important entity listed above.

Net Gains on Investments			
Interest Income	106,939	26.3%	84,701
Gain (loss) on FVTPL financial assets	45,721	(84.4%)	293,383
Realized Gains on Available-For-Sale Financial Assets			133,320
Realized gains on financial assets measured at cost			16,404
OCI-realized gains or loss on FVTOCI financial assets	109,742		
Share of Loss on Associates	(8,155)		(1,001)
Exchange Loss	4,661		(14,903)
Gain on Investment Properties	101,306	(26.5%)	137,925
Impairment Loss on Investment Assets	60		



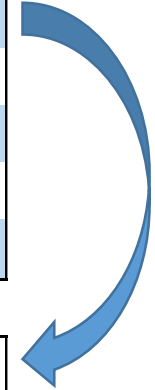


# Income Statement - 1Q2019

Unit: NT thousand	2019/1/1 ~ 2019/3/31	YoY	2018/1/1 ~ 2018/3/31
Direct Insurance Premium Revenues	1,634,949	(1.4%)	1,658,997
Retained Earned Premium	1,087,524	4.3%	1,043,175
Net Gains on Investments	116,629	22.9%	94,874
Operating Income	251,712	14.8%	219,295
Net Income	206,176	8.4%	190,284
Comprehensive Income	160,518	215.7%	50,839
Basic Earnings Per Share	0.57	7.5%	0.53

\*only important entity listed above.

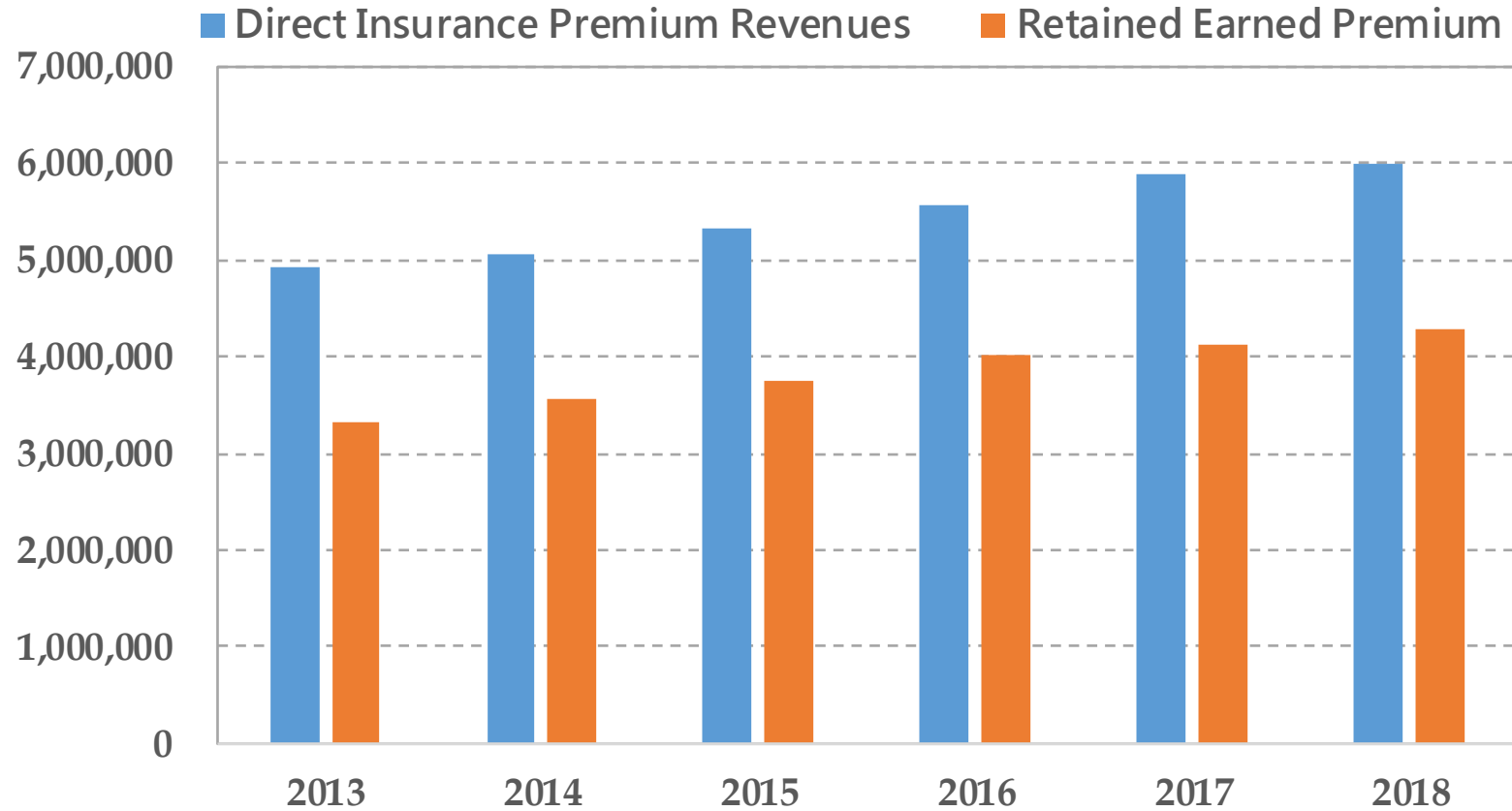
Net Gains on Investments			
Interest Income	28,995	17.3%	24,720
Gain (loss) on FVTPL financial assets	30,601	(42.6%)	53,325
OCI-realized gains or loss on FVTOCI financial assets			
Share of Loss on Associates	21,145		(444)
Exchange Loss	7,839		(5,720)
Gain on Investment Properties	28,237	23.5%	22,857
Impairment Loss on Investment Assets	(188)		136







# Premium Revenues



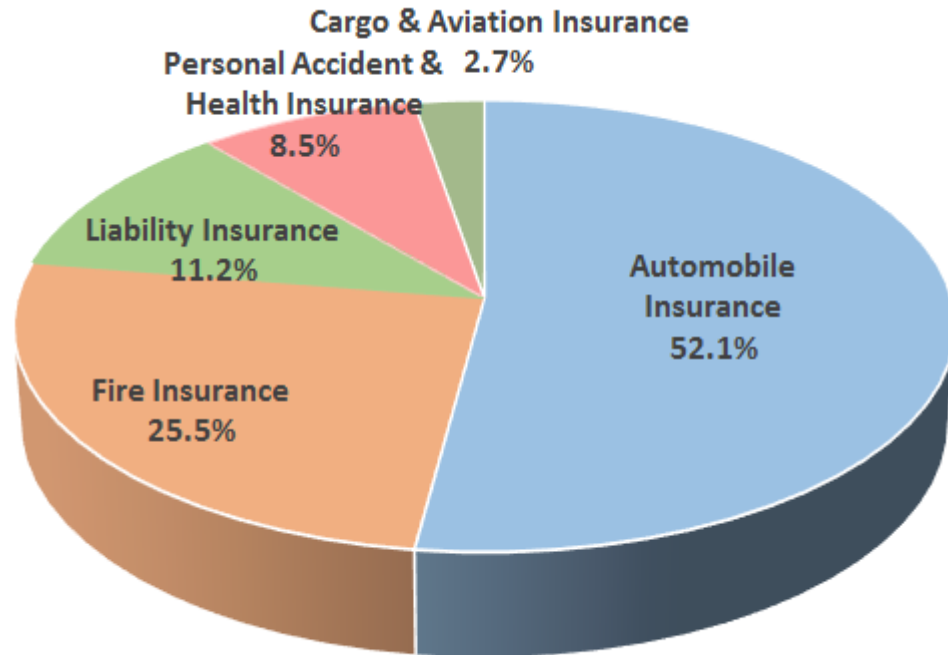
Direct Insurance Premium Revenues	4,936,550	5,074,207	5,322,126	5,563,869	5,894,232	6,003,141
Retained Earned Premium	3,317,902	3,555,078	3,761,526	4,016,403	4,130,752	4,287,054

Unit : NT\$ thousands

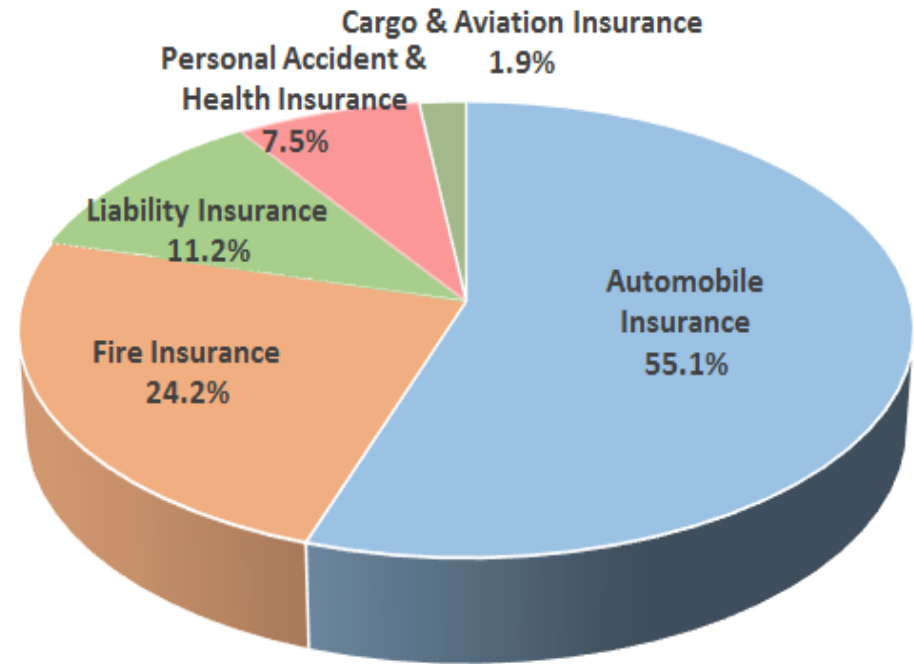


# Business Distribution

2018



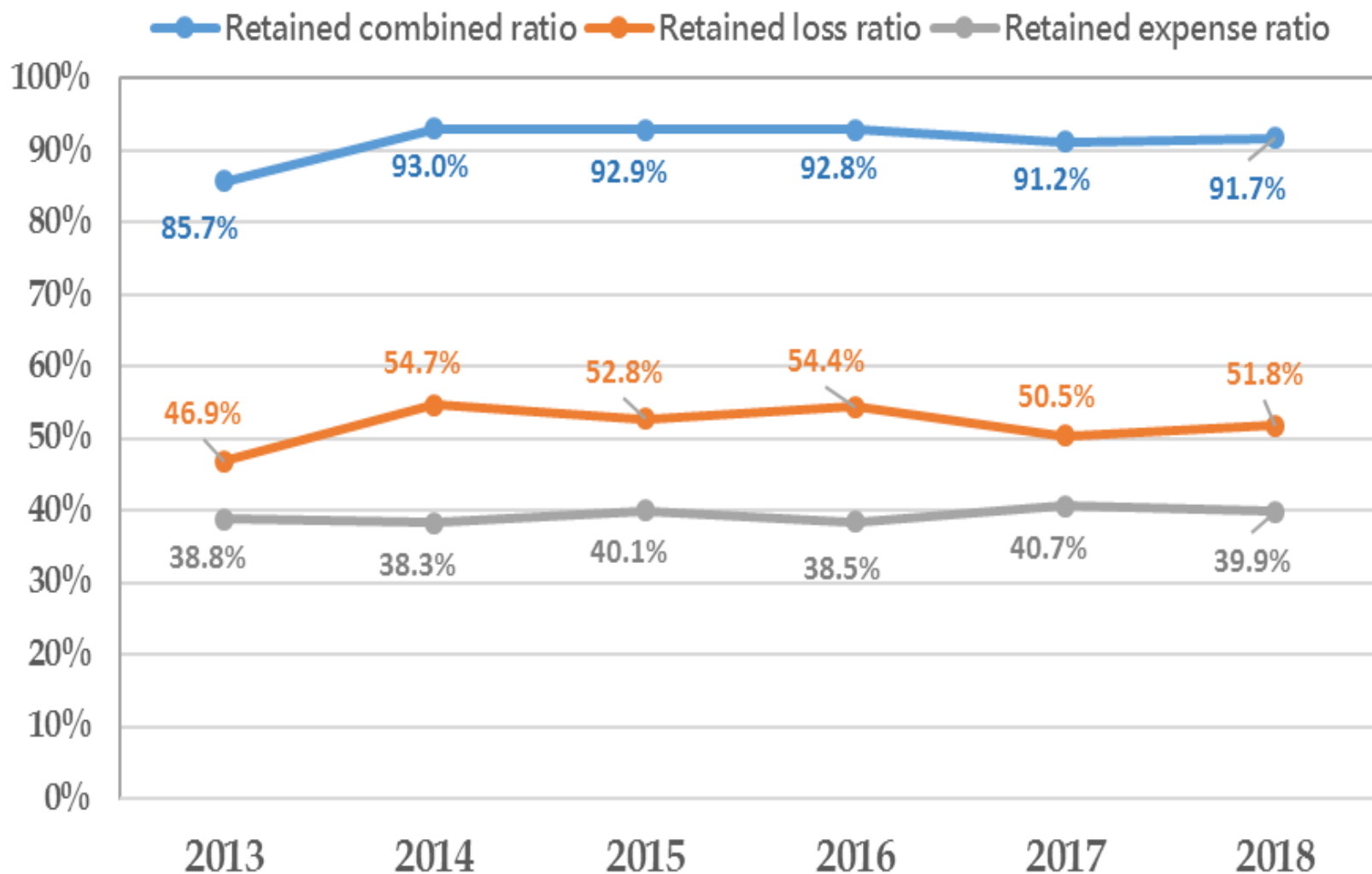
1Q 2019







# Retained Combined

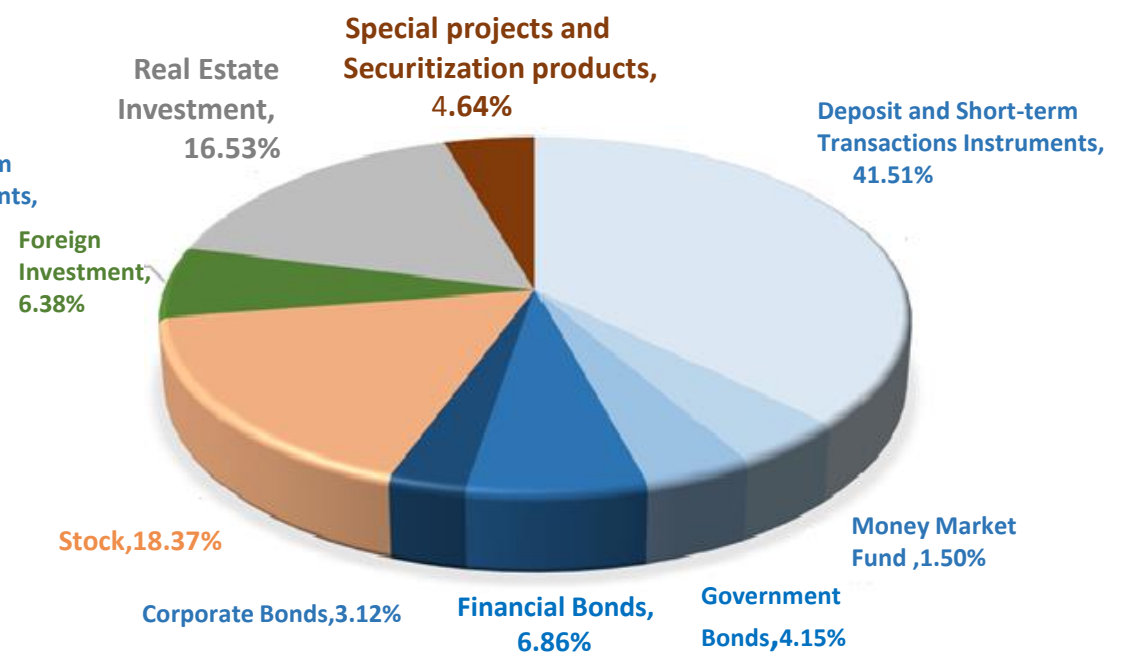
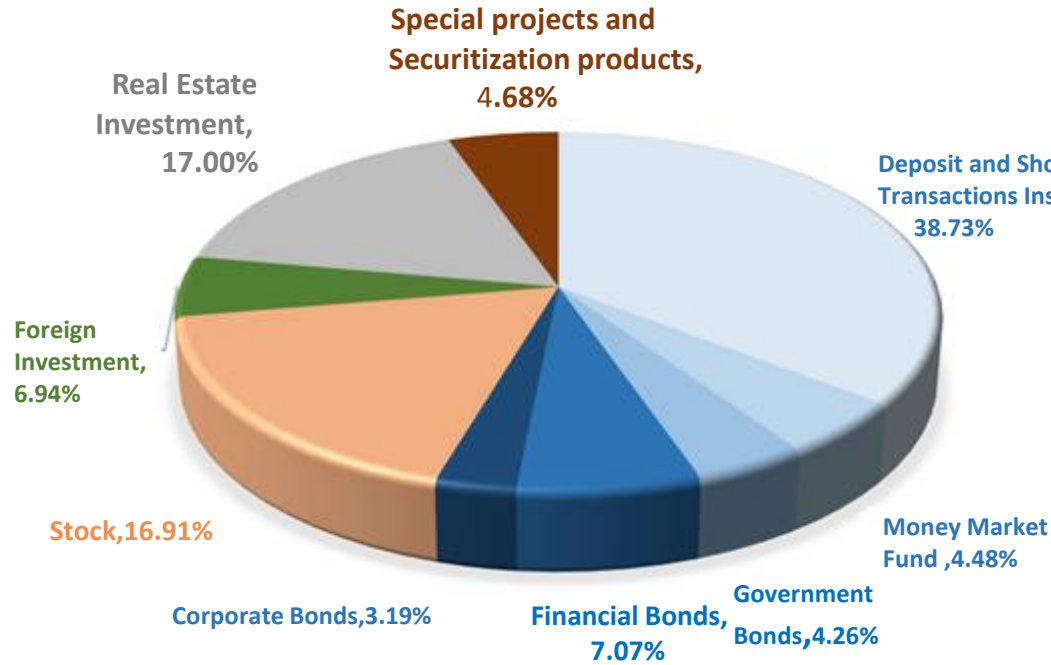




# TFMI PORTFOLIO

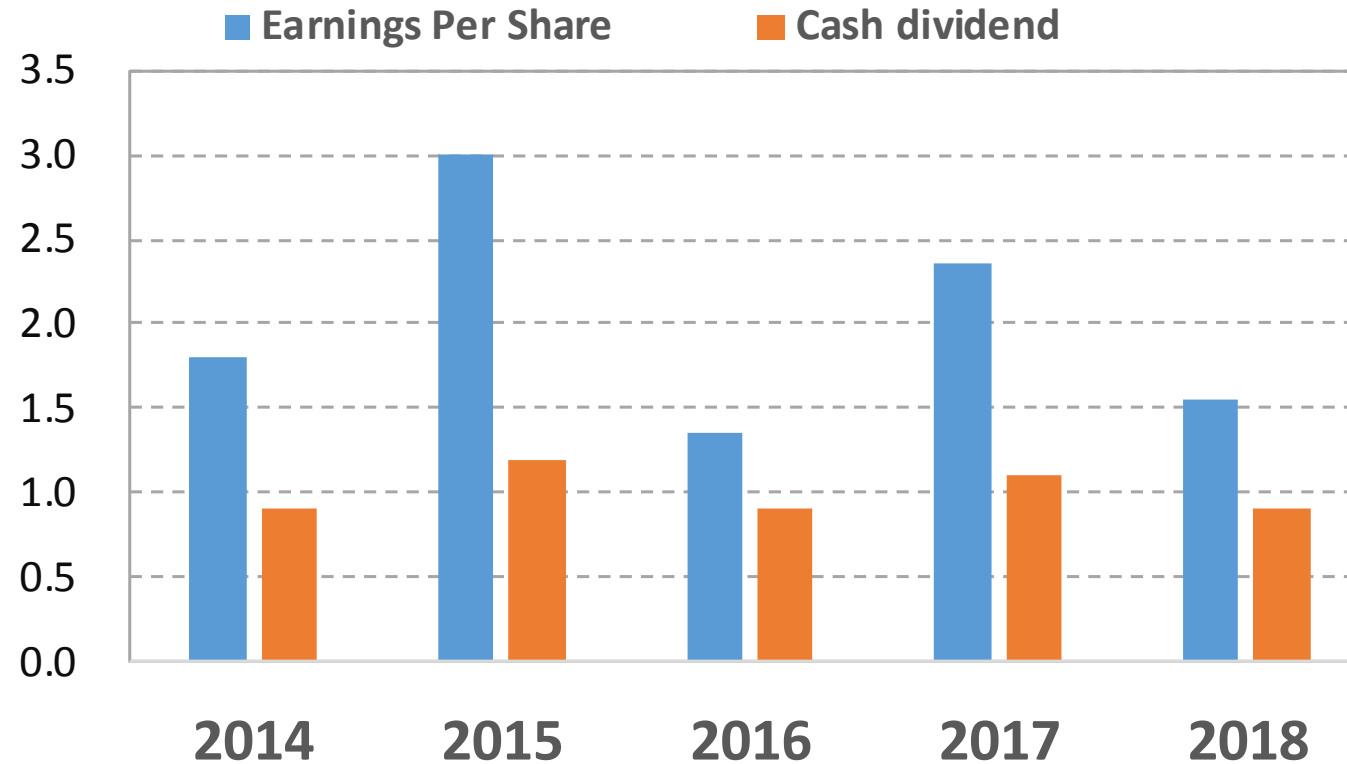
12/31/2018

3/31/2019





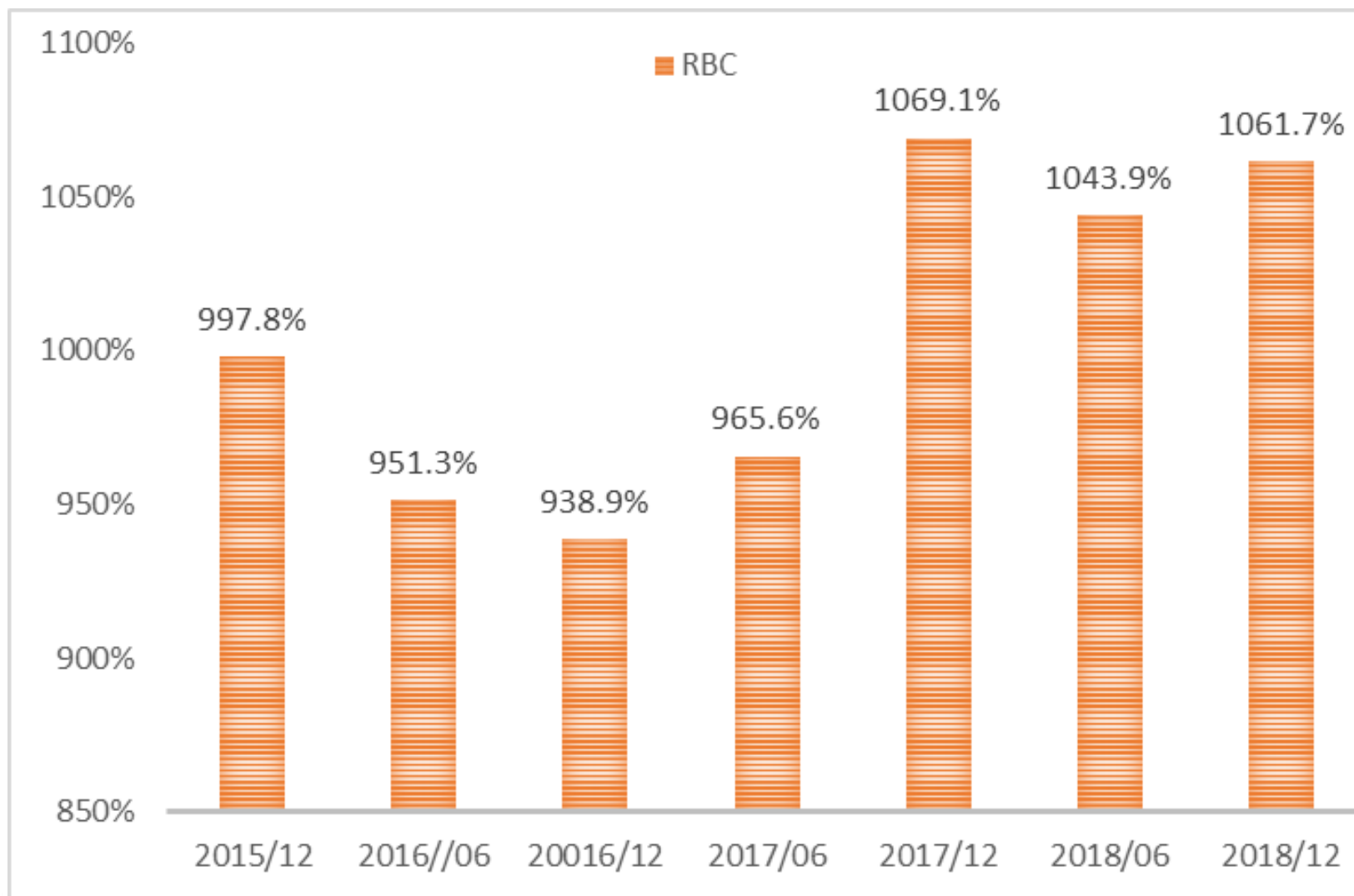
# EPS & Cash Dividends



Earnings Per Share	1.81	3.01	1.35	2.35	1.55
Cash dividend	0.90	1.20	0.90	1.10	0.90



# RBC





**“Fifth Corporate Governance Evaluation” in April 2019,  
TFMI ranks among the top 20% in all evaluated companies  
as it did in the five sessions evaluations.**







THANK  
YOU

