



Taiwan Fire & Marine Insurance Co., Ltd 4Q19 Investor Conference

2019.11.28



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Business Overview

★ 2019 Operation Result, up to 3rd quarter

- Net income for Q1–Q3 of 2019 reached 578M, increased by 8% YoY ; EPS 1.6 ; ROA 3.16% ; ROE 6.67% .
- Retained earned premiums grew steadily by 4.3% YoY. Effective risk and expense control led to lower combined ratio of 90.7%.
- Net investment profits increased by 5.8% YoY. Interest Income and gains from equity trading both increased.

★ Market Conditions

- Local firms returning to invest in Taiwan brings about business opportunities for the SMEs.
- Government promoting offshore wind power development projects has increased premium level for the Non-Life Insurance Industry as a whole.
- Authorities highly emphasizes Digital Finance Application development, Ecommerce transactions growing exponentially.
- Coverage increased for Residential Fire Insurance policies, fear of increase of Loss experience.

★ Outlook and Strategy

- Maintain profit-oriented business strategy, strengthen risk management, increase operation efficiency.
- Increase market position, increase retained premium, focus on niche business lines.
- Dynamic asset allocation, increase the proportion of stable investment income.
- Maintain strong capital structure and credit rating, dedicate to corporate governance and social responsibility fulfillment.



Balance Sheet

Unit: NT thousand	2019/9/30	%	2018/12/31	%	2018/9/30	%
Cash and Cash Equivalents	3,284,162	17.7%	3,237,541	18.0%	3,753,055	20.7%
Receivables	595,138	3.2%	675,614	3.8%	711,693	3.9%
Investments	11,669,819	63.1%	11,064,690	61.5%	10,517,880	58.0%
Reinsurance Contract Asset	1,816,573	9.8%	1,888,798	10.5%	2,045,995	11.3%
Property and Equipment, Net	367,421	2.0%	376,485	2.1%	377,354	2.1%
Other Assets	699,011	3.8%	702,401	3.9%	693,185	3.8%
Total Assets	18,503,593	100.0%	17,978,481	100.0%	18,132,519	100.0%
Payables	924,809	5.0%	923,186	5.1%	895,852	4.9%
Insurance Liabilities	8,075,387	43.6%	8,097,638	45.0%	8,203,420	45.2%
Deferred Income Tax Liabilities	274,092	1.5%	274,092	1.5%	274,092	1.5%
Other Liabilities	90,489	0.5%	109,134	0.6%	108,409	0.6%
Total Liabilities	9,558,341	51.7%	9,559,424	53.2%	9,617,129	53.0%
Common Stock	3,622,004	19.6%	3,622,004	20.1%	3,622,004	20.0%
Capital Surplus	98,962	0.5%	98,962	0.6%	98,962	0.5%
Retained Earnings	5,292,470	28.6%	5,043,571	28.1%	5,021,604	27.7%
Total Equity	8,945,252	48.3%	8,419,057	46.8%	8,515,390	47.0%

*only important entity listed above.

Net worth per share	24.70	23.24	23.51
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Income Statement

NT thousand	2019/1/1 ~ 2019/9/30	YoY	2018/1/1 ~ 2018/9/30
Direct Insurance Premium Revenues	4,599,004	1.6%	4,526,045
Retained Earned Premium	3,332,321	4.3%	3,195,240
Net Gains on Investments	368,146	5.8%	348,005
Operating Income	685,852	10.2%	622,499
Net Income	578,501	8.0%	535,480
Comprehensive Income	279,728		(61,925)
Basic Earnings Per Share	1.60	8.1%	1.48

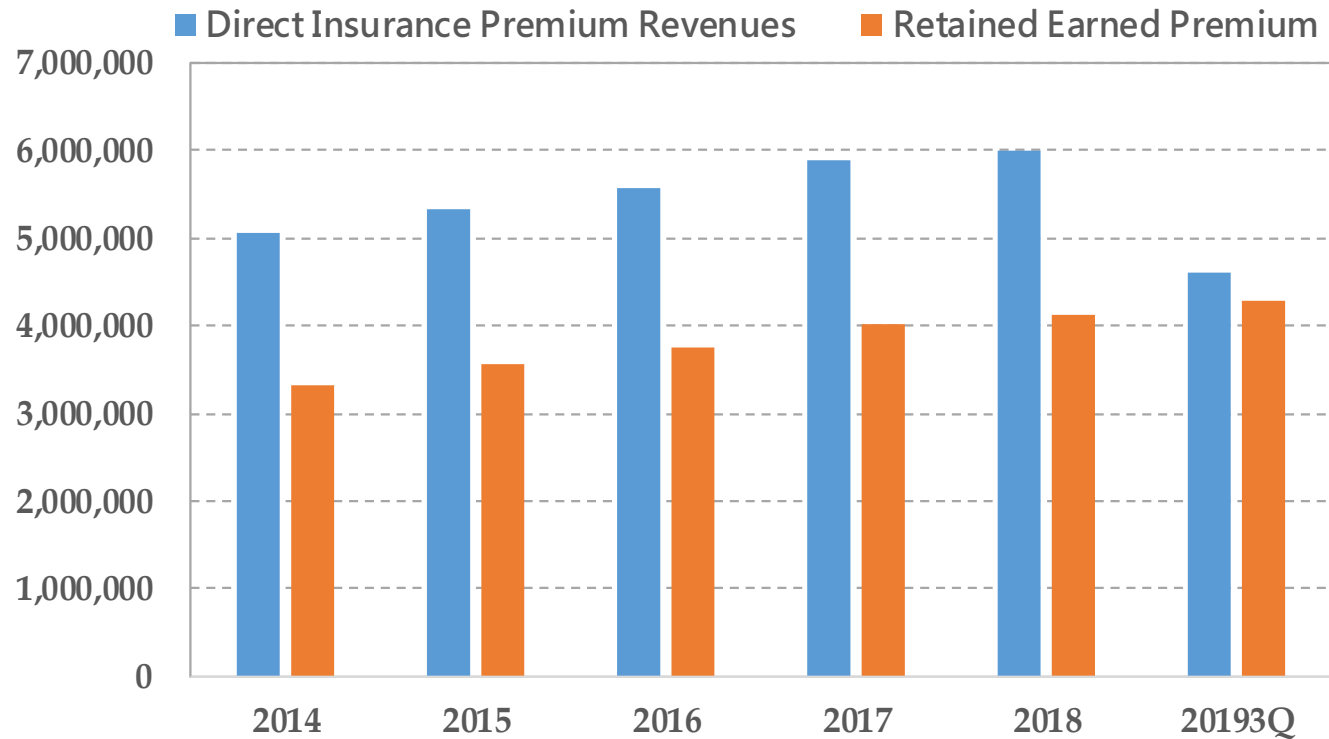
*only important entity listed above.

Net Gains on Investments			
Interest Income	88,849	14.5%	77,582
Gain (loss) on FVTPL financial assets	56,218	(30.8%)	81,204
OCI-realized gains or loss on FVTOCI fi	119,562	8.9%	109,742
Share of Loss on Associates	22,789	335.9%	5,228
Exchange Loss	(395)		462
Gain on Investment Properties	81,610	10.8%	73,667
Impairment Loss on Investment Assets	(487)		120





Premium Revenues



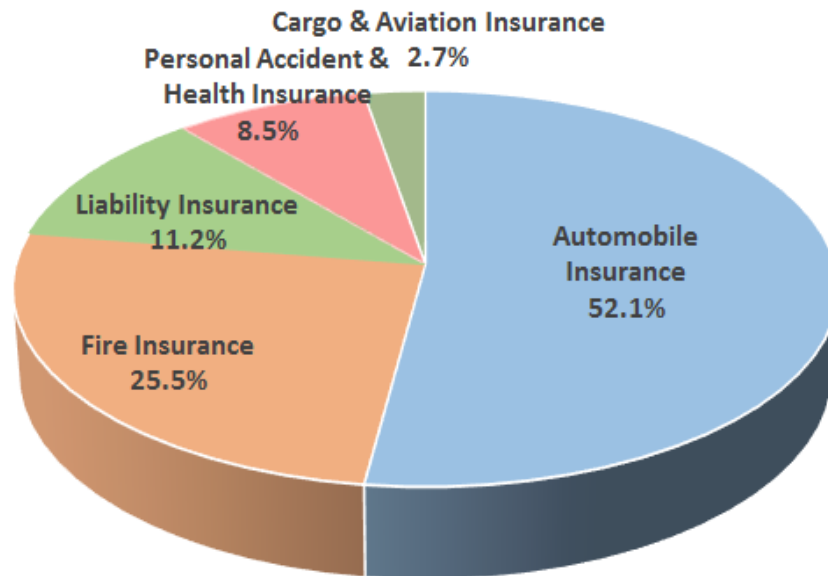
Direct Insurance Premium Revenues	5,074,207	5,322,126	5,563,869	5,894,232	6,003,141	4,599,004
Retained Earned Premium	3,555,078	3,761,526	4,016,403	4,130,752	4,287,054	3,332,321

Unit : NT\$ thousands

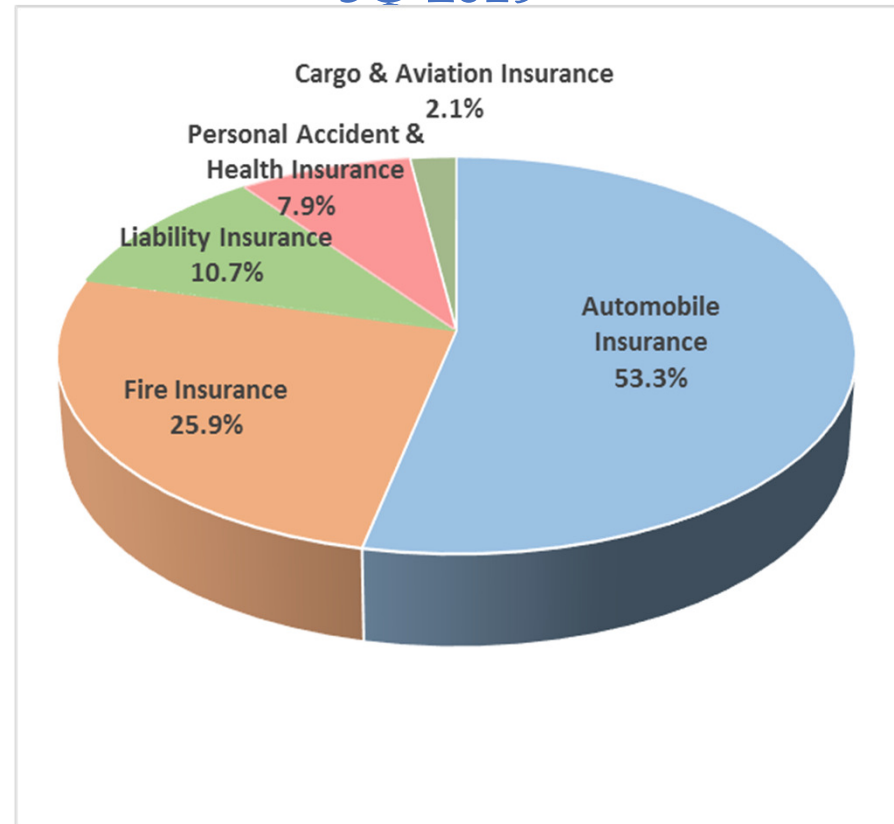


Business Distribution

2018

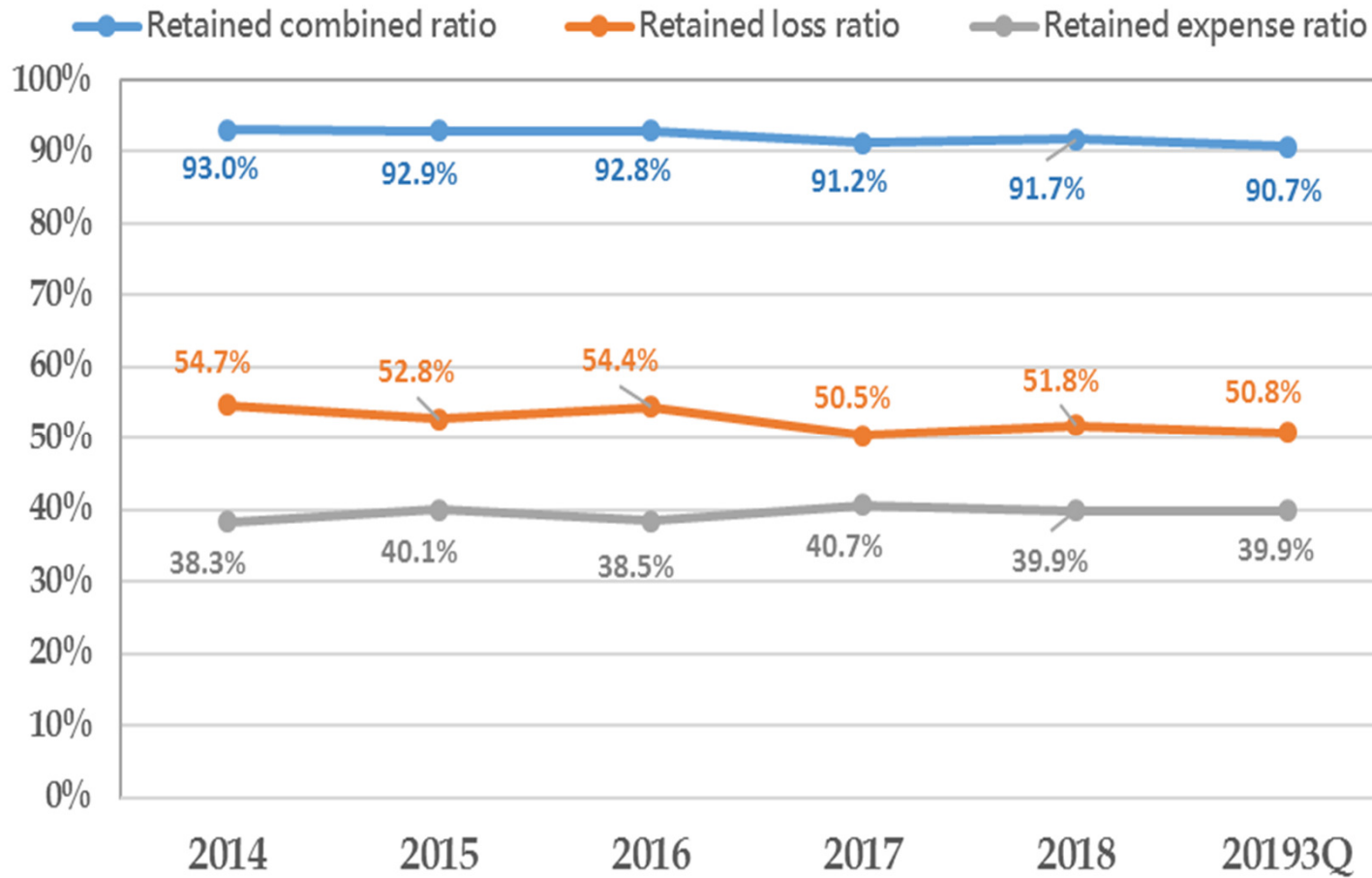


3Q 2019





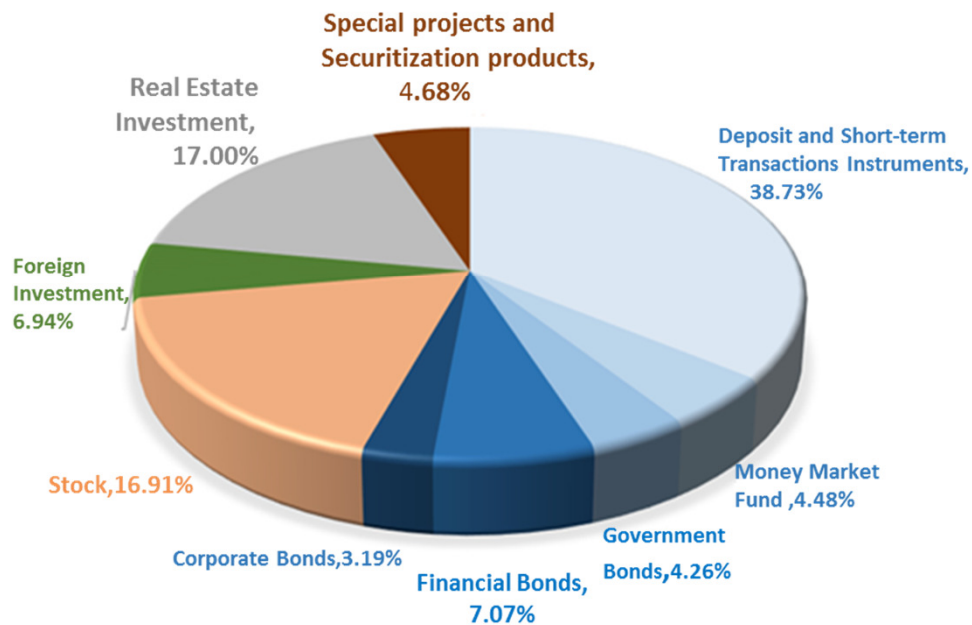
Retained Combined



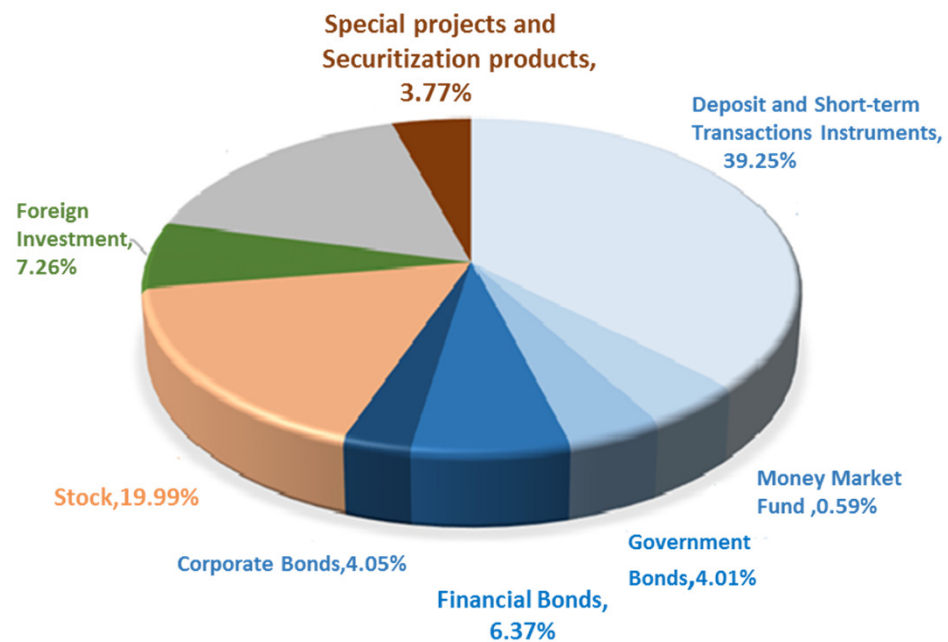


TFMI PORTFOLIO

2018/12/31

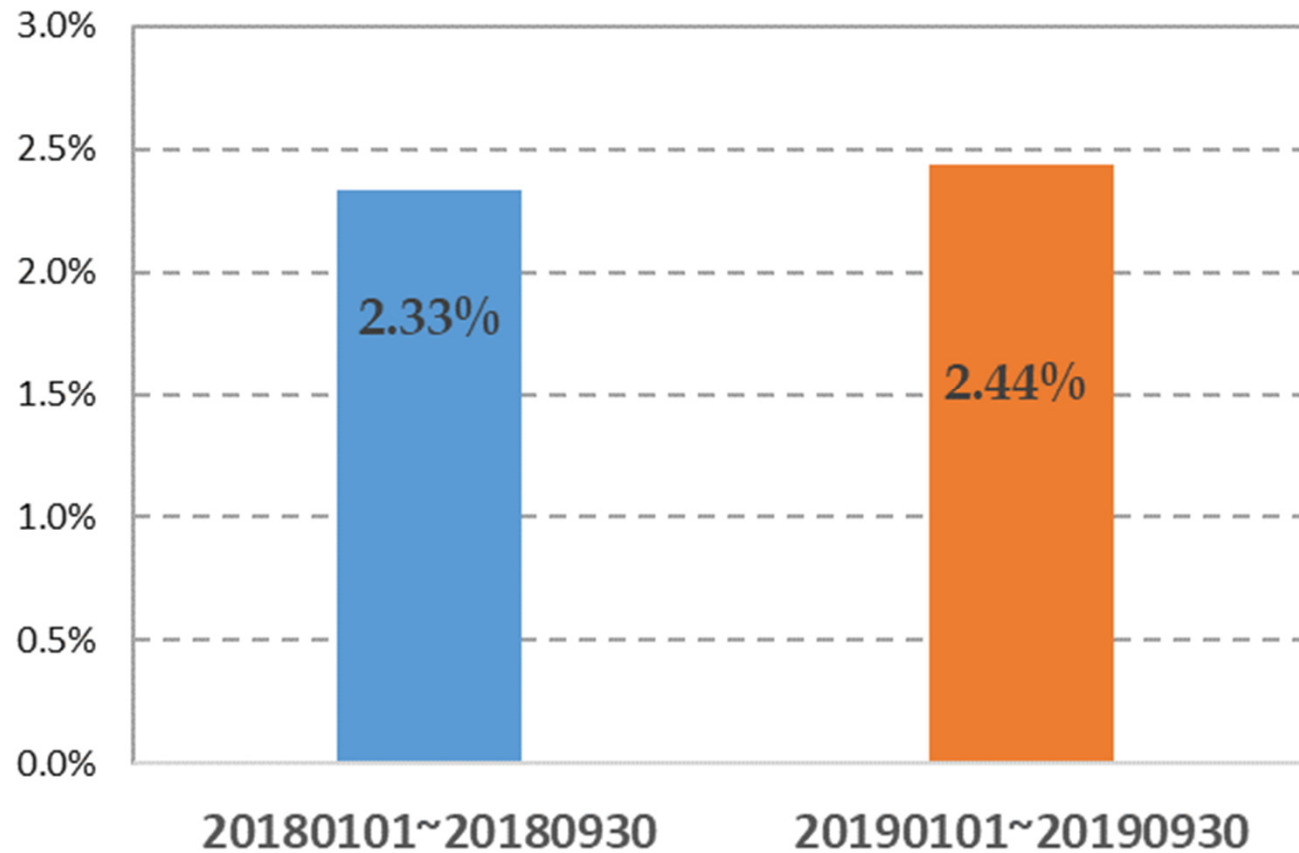


2019/9/30



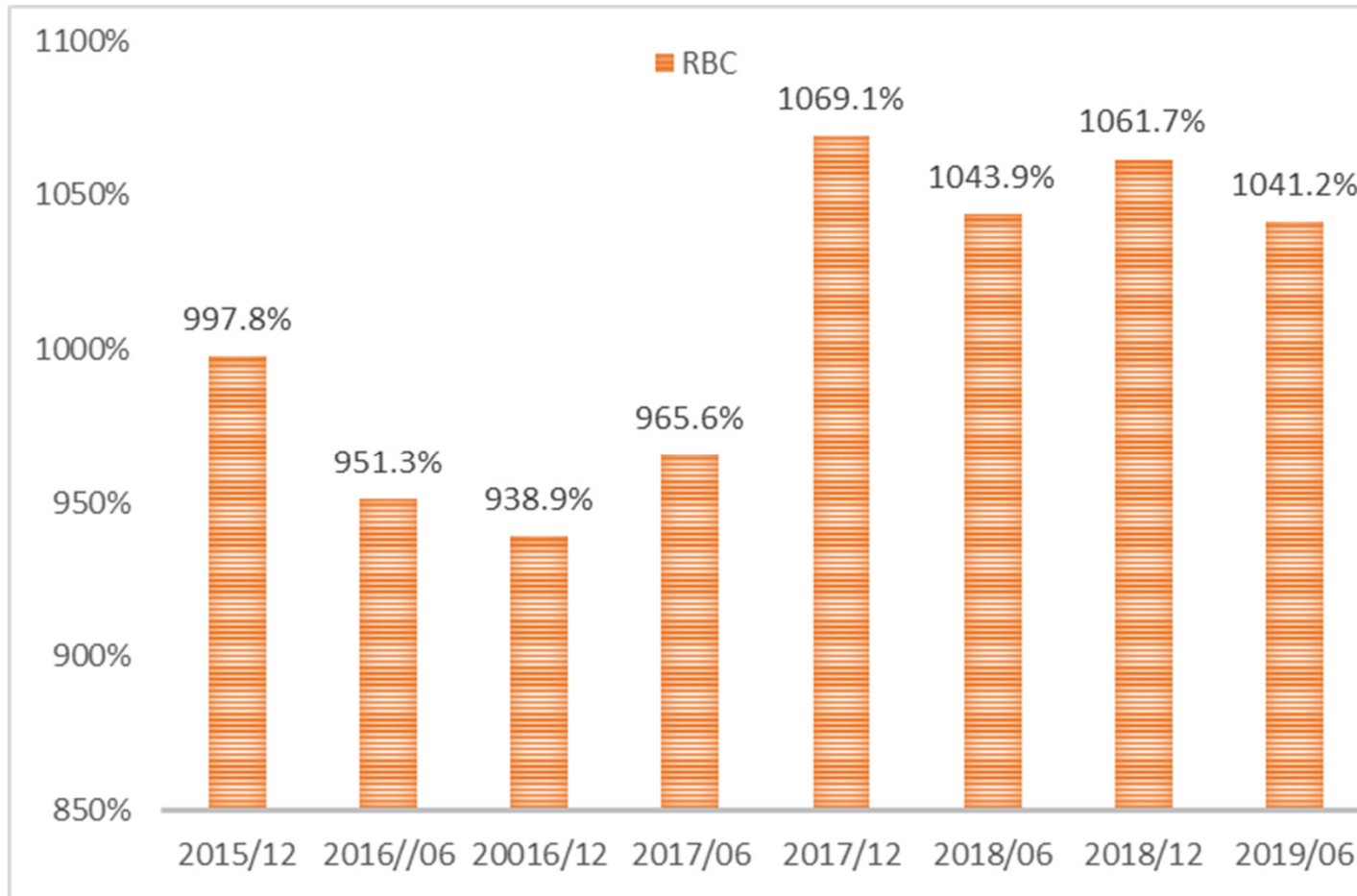


Return on investment





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