



Taiwan Fire & Marine Insurance Co., Ltd 2Q20 Investor Conference

2020.06.02



Disclaimer

- This presentation is provided by Taiwan Fire & Marine Insurance Co., Ltd. (TFMI). TFMI makes no guarantees or warranties as to the accuracy, completeness or correctness of all the material contained in this presentation. After this presentation is released to the public, TFMI undertakes no obligations to update any relevant data to reflect any changes hereafter.
- This presentation may contain forward-looking statements. Statements that are not historical facts, including statements relating to the implementation of strategic initiatives, future business development and economic performance are forward-looking statements, and are subject to uncertainties, risks, assumptions and other factors that could cause such statements to differ materially from actual future events or results.



Business Overview

★ 2019 Operation Result

- Net profit for 2019 reached 703M, increased 25.2% YoY.
EPS \$ 1.94 ; ROA 3.81% ; ROE 8.03% °
- Retained earned premiums grew steadily 4.4% YoY.
Lower retained loss ratio led to decreasing combined ratio of 90.5%, the lowest level in the past 5 years.
- Net investment profits increased by 18.5% YoY.
Gains are increased from equity, fixed income and real estate.

★ 2020 Operation Result, up to 1st quarter

- Retained earned premiums grew by 5.9% YoY.
Due to the increased loss ratio, net Income from insurance operation decreased 13.4% YoY.
- The COVID-19 pandemic damaged global financial markets, net investment profit decreased 58.7% YOY.
- Earnings per share was \$ 0.36 in Q1 of 2020, decreased 36.8% 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	2020/3/31	%	2019/12/31	%	2018/12/31	%
Cash and Cash Equivalents	3,217,590	17.1%	3,415,293	18.1%	3,237,541	18.0%
Receivables	717,118	3.8%	612,947	3.2%	675,614	3.8%
Investments	11,640,285	61.8%	11,741,232	62.2%	11,064,690	61.5%
Reinsurance Contract Asset	2,022,573	10.7%	1,919,723	10.2%	1,888,798	10.5%
Property and Equipment, Net	389,372	2.1%	360,389	1.9%	376,485	2.1%
Other Assets	775,989	4.1%	769,169	4.1%	702,401	3.9%
Total Assets	18,827,292	100.0%	18,886,915	100.0%	17,978,481	100.0%
Payables	1,305,048	6.9%	984,681	5.2%	923,186	5.1%
Insurance Liabilities	8,397,545	44.6%	8,253,100	43.7%	8,097,638	45.0%
Deferred Income Tax Liabilities	272,473	1.4%	274,092	1.5%	274,092	1.5%
Other Liabilities	73,454	0.4%	71,432	0.4%	109,134	0.6%
Other Liabilities	10,293,289	54.7%	9,799,041	51.9%	9,559,424	53.2%
Common Stock	3,622,004	19.2%	3,622,004	19.2%	3,622,004	20.1%
Capital Surplus	98,962	0.5%	98,962	0.5%	98,962	0.6%
Retained Earnings	5,181,968	27.5%	5,413,849	28.7%	5,043,571	28.1%
Total Equity	8,534,003	45.3%	9,087,874	48.1%	8,419,057	46.8%

*only important entity listed above.

Net worth per share	23.56	25.09	23.24
---------------------	-------	-------	-------



Income Statement - 2019

Unit: NT thousand	2019/1/1 ~ 2019/12/31	YoY	2018/1/1 ~ 2018/12/31
Direct Insurance Premium Revenues	6,226,661	3.7%	6,003,141
Retained Earned Premium	4,477,228	4.4%	4,287,054
Net Gains on Investments	427,989	18.8%	360,274
Profit Before Income Tax	833,652	23.8%	673,405
Net Income	703,129	25.5%	560,299
Comprehensive Income	297,722		(183,077)
Basic Earnings Per Share	1.94	25.2%	1.55

*only important entity listed above.

Net Gains on Investments			
Interest Income	119,763	12.0%	106,939
Gain (loss) on FVTPL financial assets	65,772	43.9%	45,721
OCI-realized gains or loss on FVTOCI fi	120,057	9.4%	109,742
Share of Loss on Associates	41,438		(8,155)
Exchange Loss	(25,856)	(654.7%)	4,661
Gain on Investment Properties	107,150	5.8%	101,306
Impairment Loss on Investment Assets	(335)	(658.3%)	60



Income Statement - 2020Q1

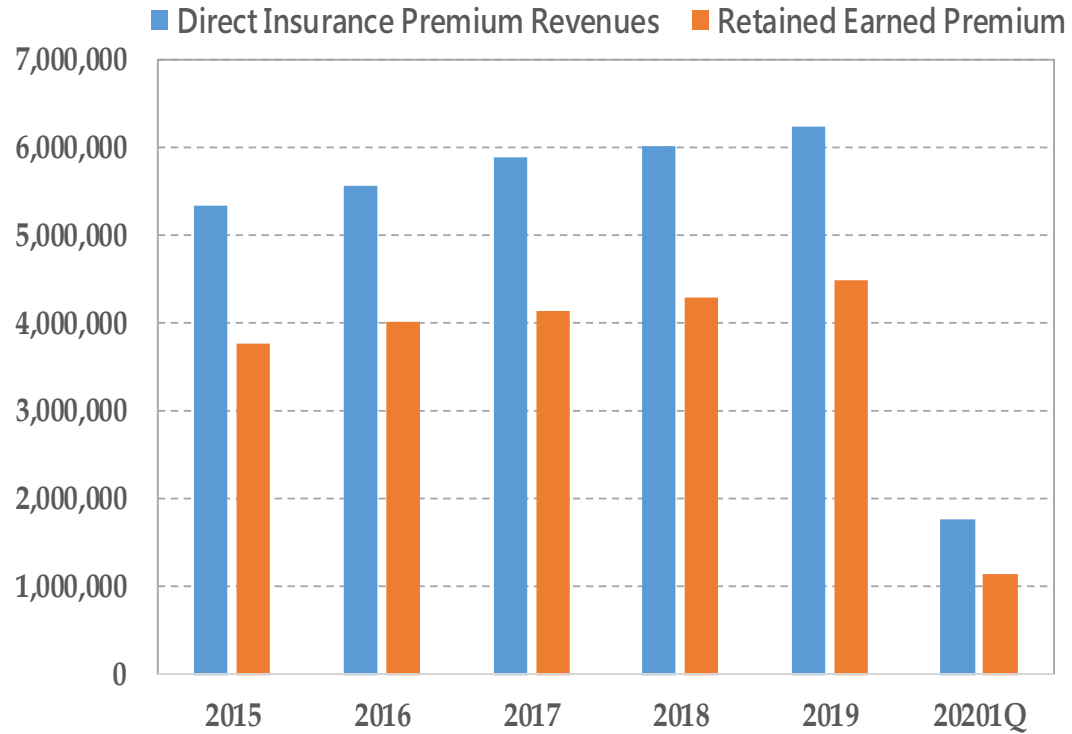
Unit: NT thousand	2020/1/1 ~ 2020/3/31	YoY	2019/1/1 ~ 2019/3/31
Direct Insurance Premium Revenues	1,769,236	8.2%	1,634,949
Retained Earned Premium	1,151,734	5.9%	1,087,524
Net Gains on Investments	48,211	(58.7%)	116,629
Profit Before Income Tax	163,723	(34.5%)	250,052
Net Income	130,320	(36.8%)	206,176
Comprehensive Income	(191,670)	(152.3%)	366,694
Basic Earnings Per Share	0.36	(36.8%)	0.57

*only important entity listed above.

Net Gains on Investments			
Interest Income	31,096	7.2%	28,995
Gain (loss) on FVTPL financial assets	(24,471)	(180.0%)	30,601
OCI-realized gains or loss on FVTOCI financial assets			
Share of Loss on Associates	(5,392)	(180.0%)	21,145
Exchange Loss	1,436	(81.7%)	7,839
Gain on Investment Properties	45,475	61.0%	28,237
Impairment Loss on Investment Assets	67		(188)



Premium Revenues



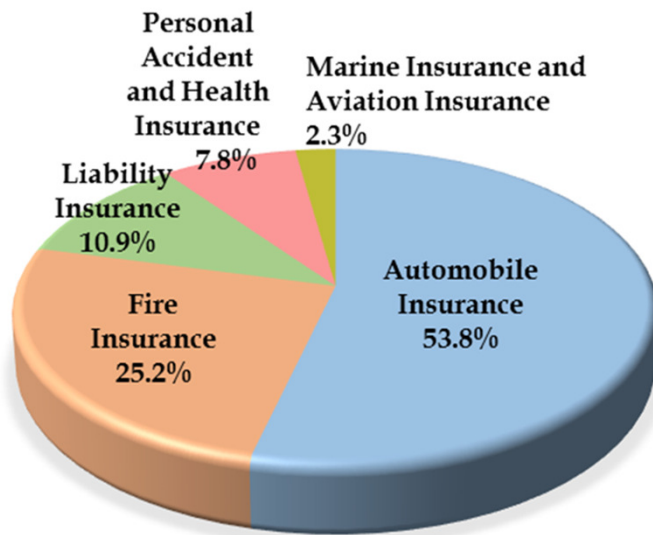
Direct Insurance Premium Revenues	5,322,126	5,563,869	5,894,232	6,003,141	6,226,661	1,769,236
Retained Earned Premium	3,761,526	4,016,403	4,130,752	4,287,054	4,477,228	1,151,734

Unit : NT\$ thousands

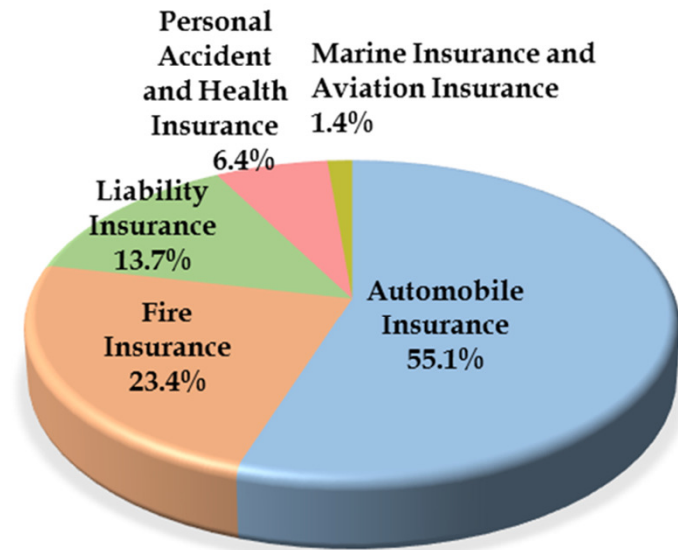


Business Distribution

2019

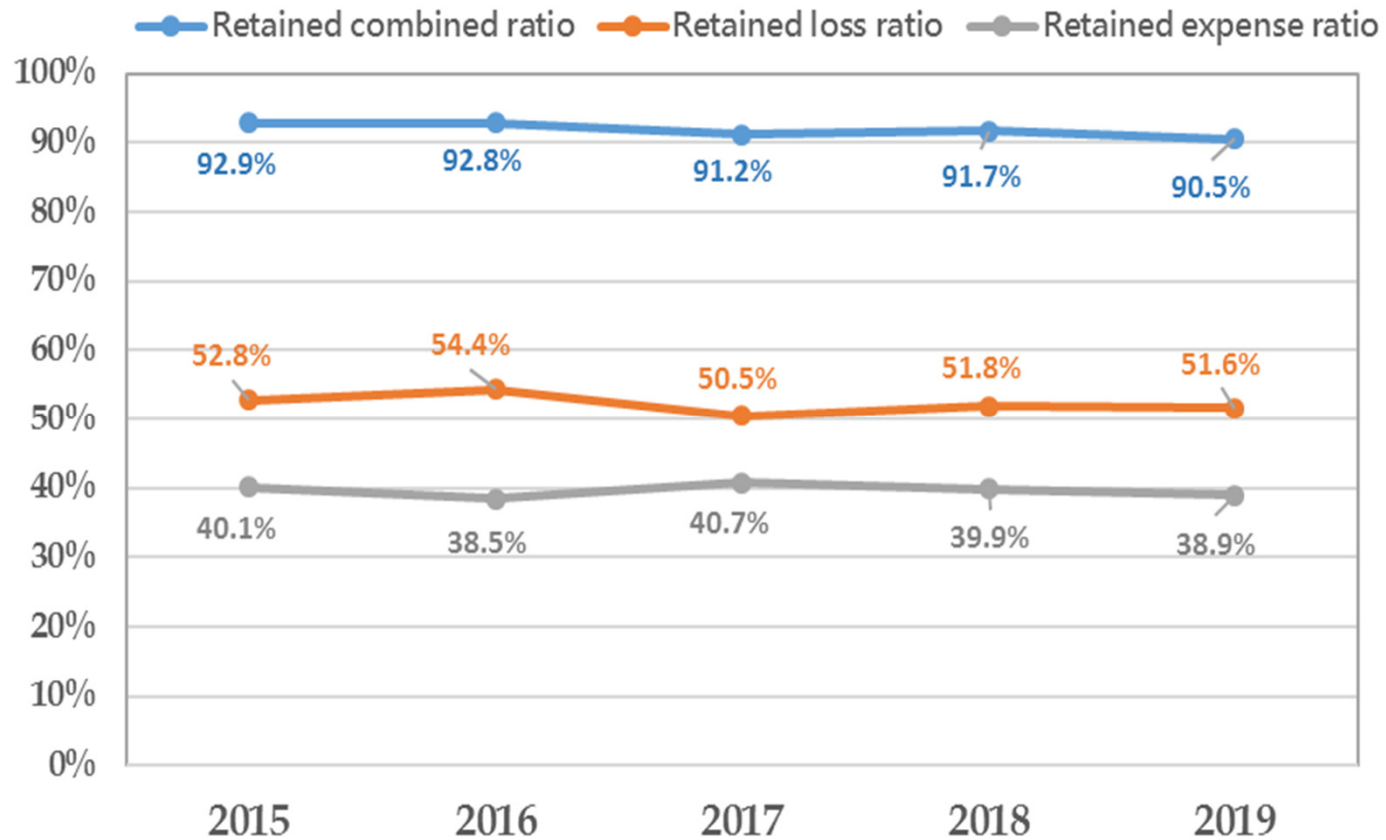


2020Q1





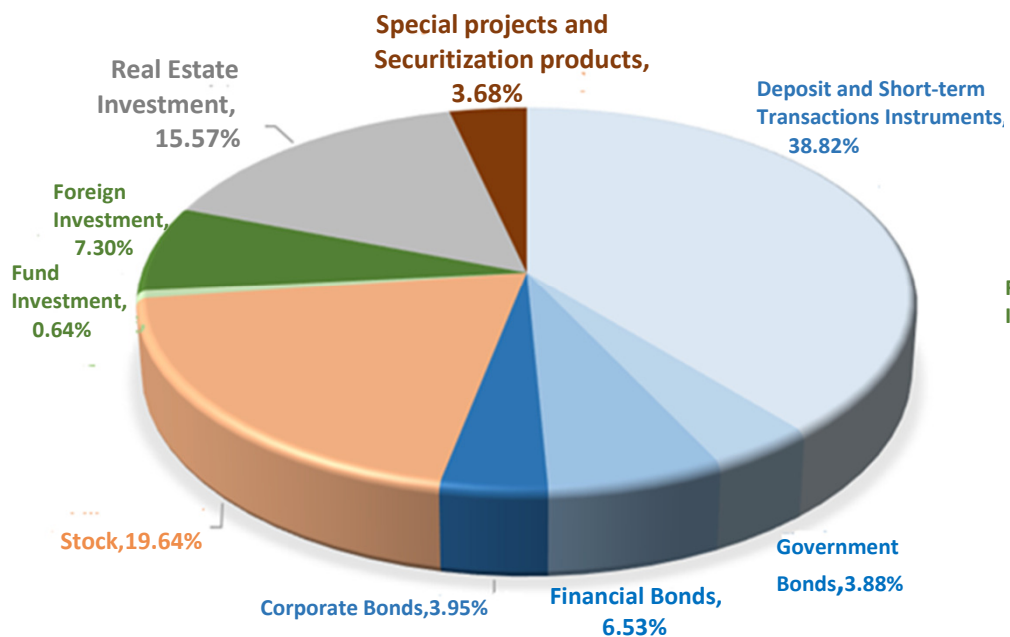
Retained Combined



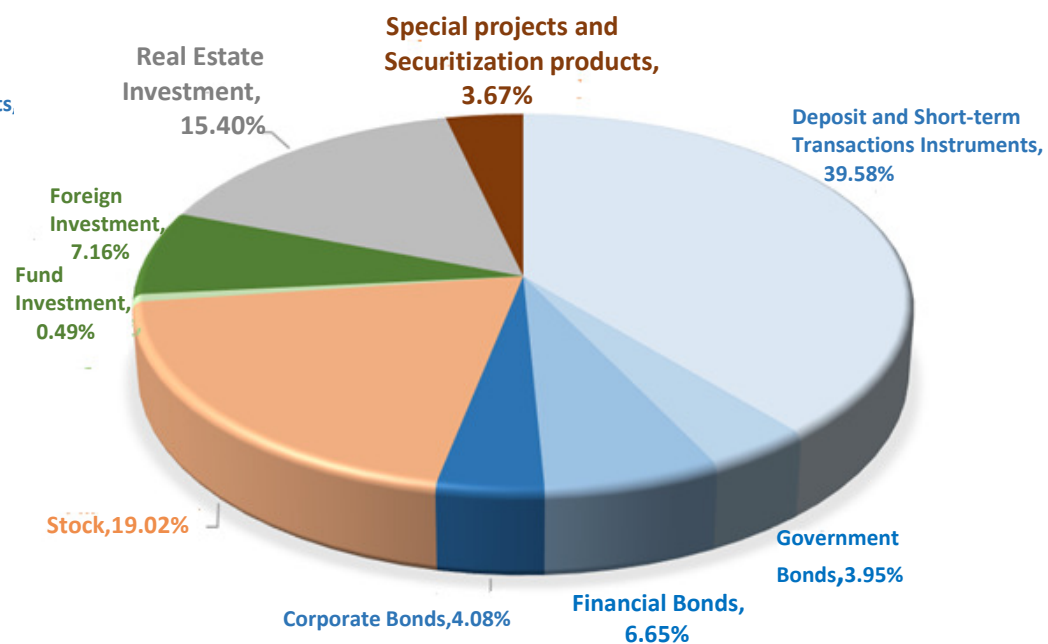


TFMI PORTFOLIO

2019/12/31

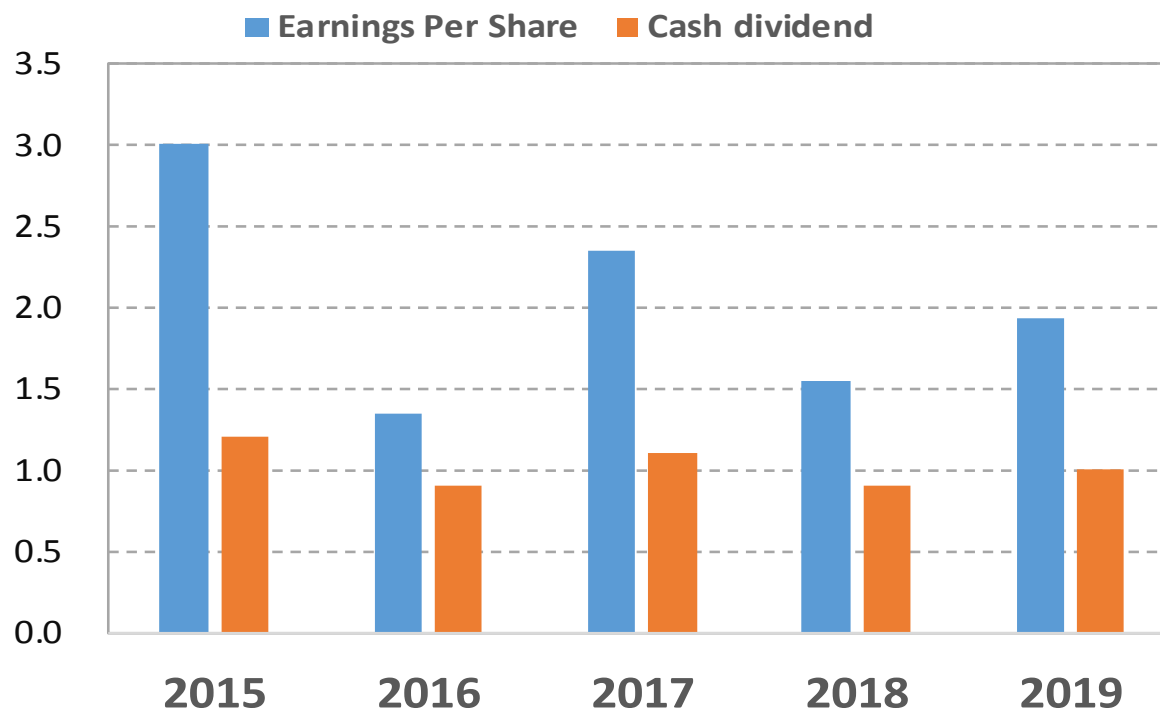


2020/3/31





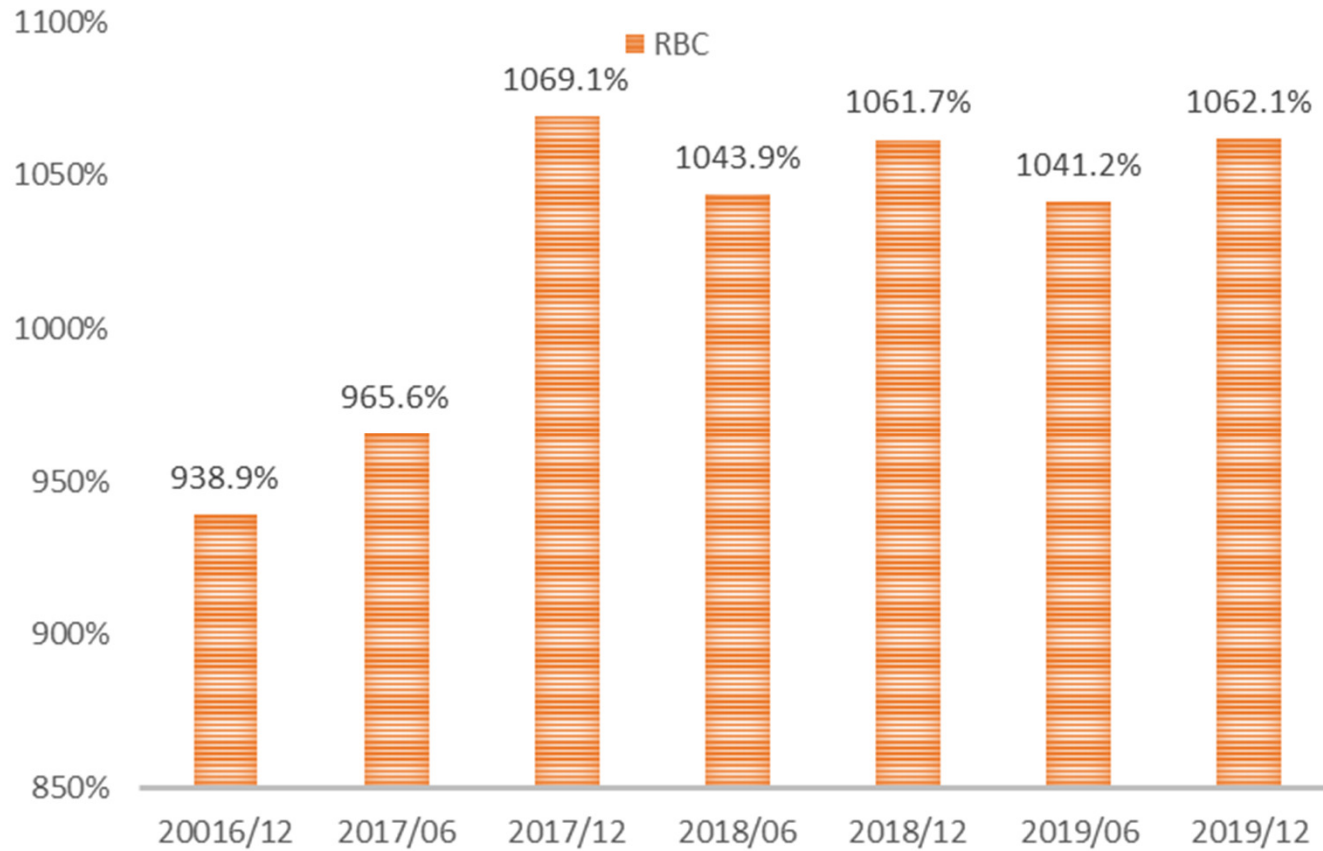
EPS & Cash Dividends



Earnings Per Share	3.01	1.35	2.35	1.55	1.94
Cash dividend	1.20	0.90	1.10	0.90	1.00



RBC





THANK
YOU

