

Fubon Financial Holdings Reports March 2024 Earnings Results

Fubon Financial reported unaudited consolidated pre-tax profit of NT\$8.496bn and net profit of NT\$8.005bn in March. Cumulative consolidated pre-tax profit and net profit was NT\$34.970bn and NT\$30.385bn, respectively, translating into EPS of NT\$2.33. Monthly and cumulative net profit of Taipei Fubon Bank and Fubon Securities were the highest in record for the same period.

The performance of the main subsidiaries is as follows:

Fubon Life's March net profit was NT\$4,086mn and cumulative net profit was NT\$17,436mn, representing a 141% increase in profit in the first quarter over the same period last year. The main sources of investment income this month were interest income and capital gains on domestic and foreign equities and funds. Fubon Life continued to monitor market fluctuations and maintained a stable investment portfolio. As TAIEX hit a new high in March, Fubon Life seized the opportunities to realize capital gains. With the unrealized gains from various private equity funds of over NT\$40bn, Fubon Life remains positive with the market outlook. On back of the appreciation in domestic and foreign stocks and funds, Fubon Life carried net unrealized gains in its FVOCI and FVTPL overlay financial assets. In the bond market, US treasury yield in March was in range-bound as the market gradually adjusted its expectations for a US interest rate cut. Strategically, Fubon Life maintained sufficient liquidity to flexibly respond to market movements. In terms of exchange rate, the US dollar showed strength due to solid economic performance. The US dollar appreciated by about 1.31% against the New Taiwan dollar in March, contributing to exchange gains for the month. In real estate investment, there is mark-down of around NT\$6 billion, which adversely affected the monthly profit in March. The mark-down is based on principle of prudence as the lease of the property investment in Germany about to end. Fubon Life's standalone cumulative first year premium (FYP) reached NT\$28,277mn, estimated to rank the top in the industry. Cumulative total premium (TP) reached NT\$89,480mn, estimated to rank the top 2 in the industry. Monthly FYP was NT\$9,844mn, with the growth momentum stemming mainly from traditional products and investment-linked products, and monthly TP was NT\$28,014mn. Both monthly FYP and TP were estimated to rank the top 2 in the industry. As Fubon Life continued to focus the product strategy on regular-paid and protection policies in response to market trend and customer demand, cumulative FYPE in March reached NT\$13,496mn, up 35.5% YoY. In addition, the FYP of personal health and casualty policies grew 24.6% YoY, continuing to build a protection net for customers. Fubon Life's capital position remained decent, with equity to asset ratio above 10% and RBC ratio above 300% as of March.

Taipei Fubon Bank's March net profit was NT\$2,393mn, a record high for March. Cumulative net profit reached NT\$8,164mn, up 21% YoY. Cumulative net profit continued

to hit a record high, mainly due to the steady increase in business scale. Net interest income and net fee income climbed 14% and 51% YoY, respectively. Among them, sales of wealth management and credit card consumption continued to grow. The number of online customers increased, contributing to the rise of trading volume and revenue on the digital platform. Total revenue grew 16% YoY. Asset quality remained benign. NPL ratio and coverage ratio were at 0.11% and 1144%, respectively.

Fubon Insurance's March net profit was NT\$461mn and cumulative net profit reached NT\$1,348mn, primarily from the steady business momentum and decent investment performance. In terms of business performance, direct written premium in March was NT\$5,080mn, among which engineering insurance grew 37.1% and new type of insurance increased 10% YoY, outperforming the market. Cumulative written premium was NT\$16.784bn, up 6.2% YoY. The market share in total direct written premium was 24.8%, as Fubon Insurance continued to be the market leader.

Fubon Securities' March net profit was NT\$929mn, up 18% MoM. TAIEX reached 20,000 and hit a record high of 20,397 on March 26 intraday. The average market daily trading volume reached NT\$600bn in March. Cumulative net profit was NT\$2,344mn, up 51% YoY. The strong market momentum and uptrend in TAIEX led to meaningful growth in brokerage, wealth management, underwriting and proprietary trading businesses. Net profit in both March and the first quarter were the highest in record for the same period.

Table: Net profit of Fubon Financial and its subsidiaries

NT\$m	2024		2023	
	March	YTD	March	YTD
Fubon Financial	8,005	30,385	6,516	13,983
EPS (NT\$)	0.62	2.33	0.53	1.13
<i>Net profit by subsidiary:</i>				
Fubon Life	4,086	17,436	4,822	7,248
Taipei Fubon Bank	2,393	8,164	1,850	6,734
Fubon Insurance	461	1,348	-1,807	-4,254
Fubon Securities	929	2,344	681	1,552

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