

Security Code : 2897

O-Bank 2017 First Quarter Business Review

2017/05/12

Disclaimer

■ This document is provided by O-Bank Co., Ltd. (the "Company"). The Company makes no express or implied representations or warranties as to the accuracy, completeness, or correctness of such information or opinions. This document is provided as of the date herein and will not be updated to reflect any changes hereafter.

■ This document may contain forward-looking statements. Statements that are not historical facts, including statements relating to the implementation of strategic initiatives, operating plan and future business development are forward-looking statements. Those statements involve uncertainties, risks, assumptions and other factors that could cause actual developments and results to differ materially from our statement in this document.

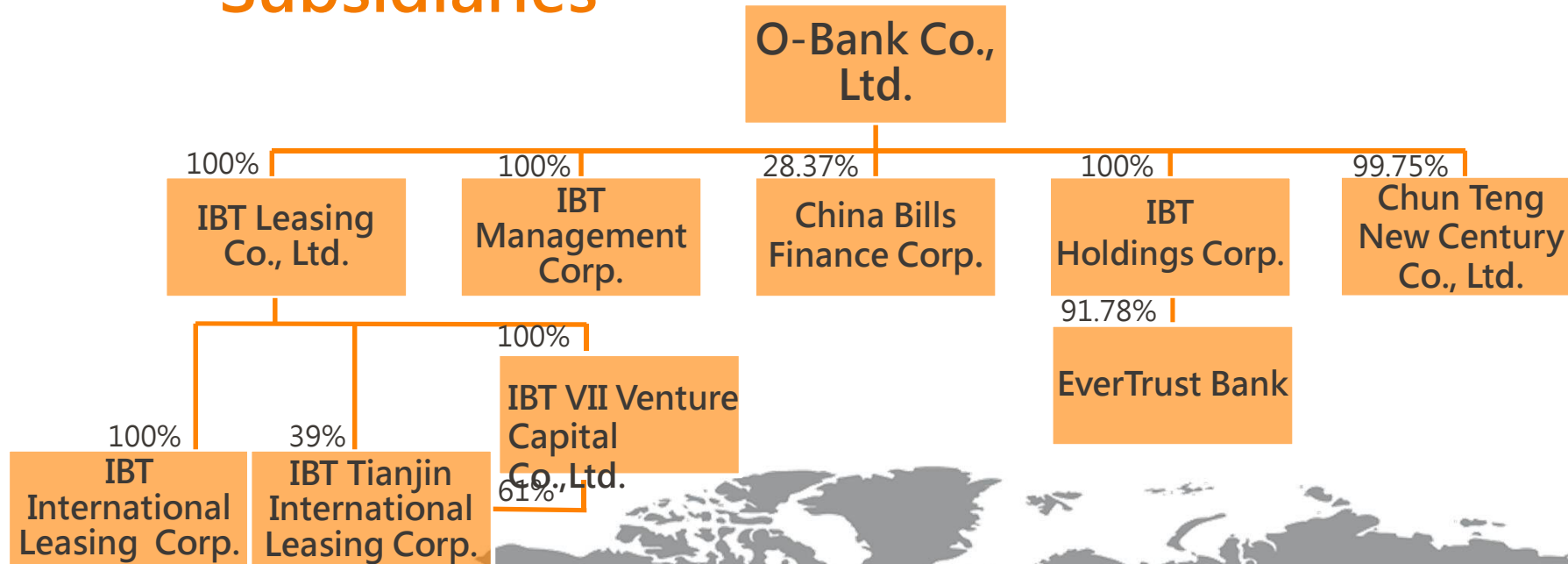
■ This document is not and cannot be construed as an offer to purchase or sell securities or other financial products or solicitation of an offer. The Company, its affiliates and their representatives do not accept any responsibility or liability for any damage caused by their negligence or any other reasons, nor do they accept responsibility or liability for any loss or damages arising from the use of this document or the information contained herein or anything related to this document.

■ This document may not be directly or indirectly reproduced, redistributed or forwarded to any other person and may not be published in whole or in part for any purpose.

Outline

- Organization Chart for O-Bank and its Subsidiaries
- Highlights from Business Operations of 2017 1st Quarter
- Consolidated Financial Results
- Individual Financial Results
 - O-Bank
 - China Bills Finance Corp.
 - IBT Holdings Corp. and its Subsidiaries
 - IBT Leasing Co. Ltd. and its Subsidiaries
- Introduction of O-Bank' s Retail Banking Business

Organization Chart for O-Bank and its Subsidiaries



■ Highlights from Business Operations of 2017 1st Quarter(1/2)

- Formally restructured to a commercial bank and changed name to “O-Bank” on Jan.1st, 2017
 - Officially enter into the retail banking market.
 - Being Taiwan’s first native digital bank, centered around virtual channels.
- Retail banking new products launch held on March 28th, 2017
 - Provide customers with easy online account opening and debit card services through advanced and safe digital technologies.
 - Provide 24/7 videoconferencing client services.
 - Provide full online services for credit loans.

■ Highlights from Business Operations of 2017 1st Quarter(2/2)

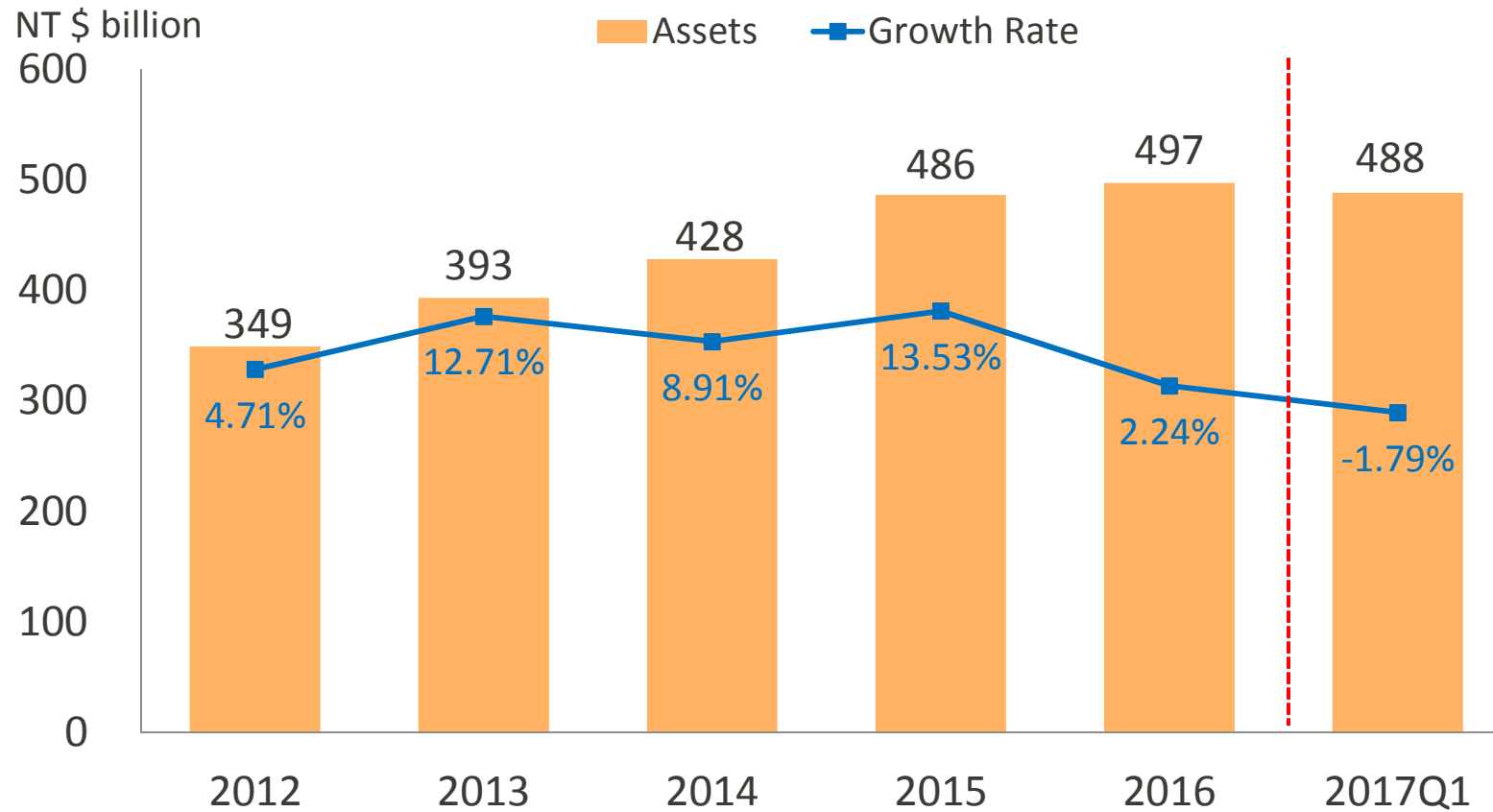
- Other important operating matters
 - Pre-listing performance Presentations for Initial Securities Listing held on April 6th , 2017
 - O-Bank conducted its Initial public offering (IPO) of common shares by auction (2017.4.14~4.18) and public offering (2017.4.24~4.26). 16,000,000 shares were issued by auction and the total shares of the eligible bids were 7.75 times more. 4,000,000 shares were issued by public offering and the total applicants for subscription were 173,166, resulting in the lot winning rate of 0.46%.
 - Shares of O-Bank officially listed on Taiwan Stock Exchange (TWSE) on May 5th , 2017

Outline

- Organization Chart for O-Bank and its Subsidiaries
- Highlights from Business Operations of 2017 1st Quarter
- **Consolidated Financial Results**
- Individual Financial Results
 - O-Bank
 - China Bills Finance Corp.
 - IBT Holdings Corp. and its Subsidiaries
 - IBT Leasing Co. Ltd. and its Subsidiaries
- Introduction of O-Bank's Retail Banking Business

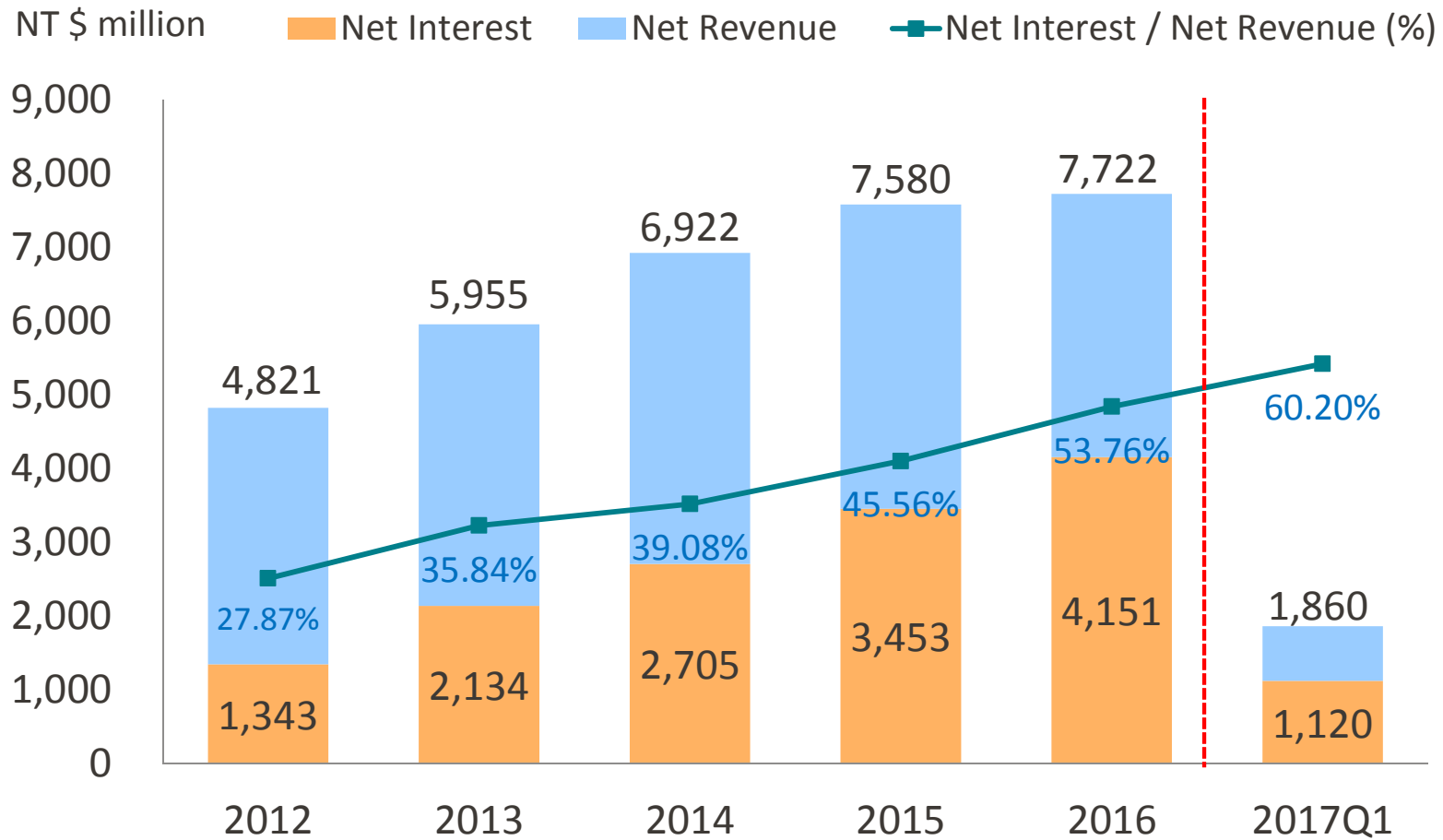
Consolidated Financial Results

Assets



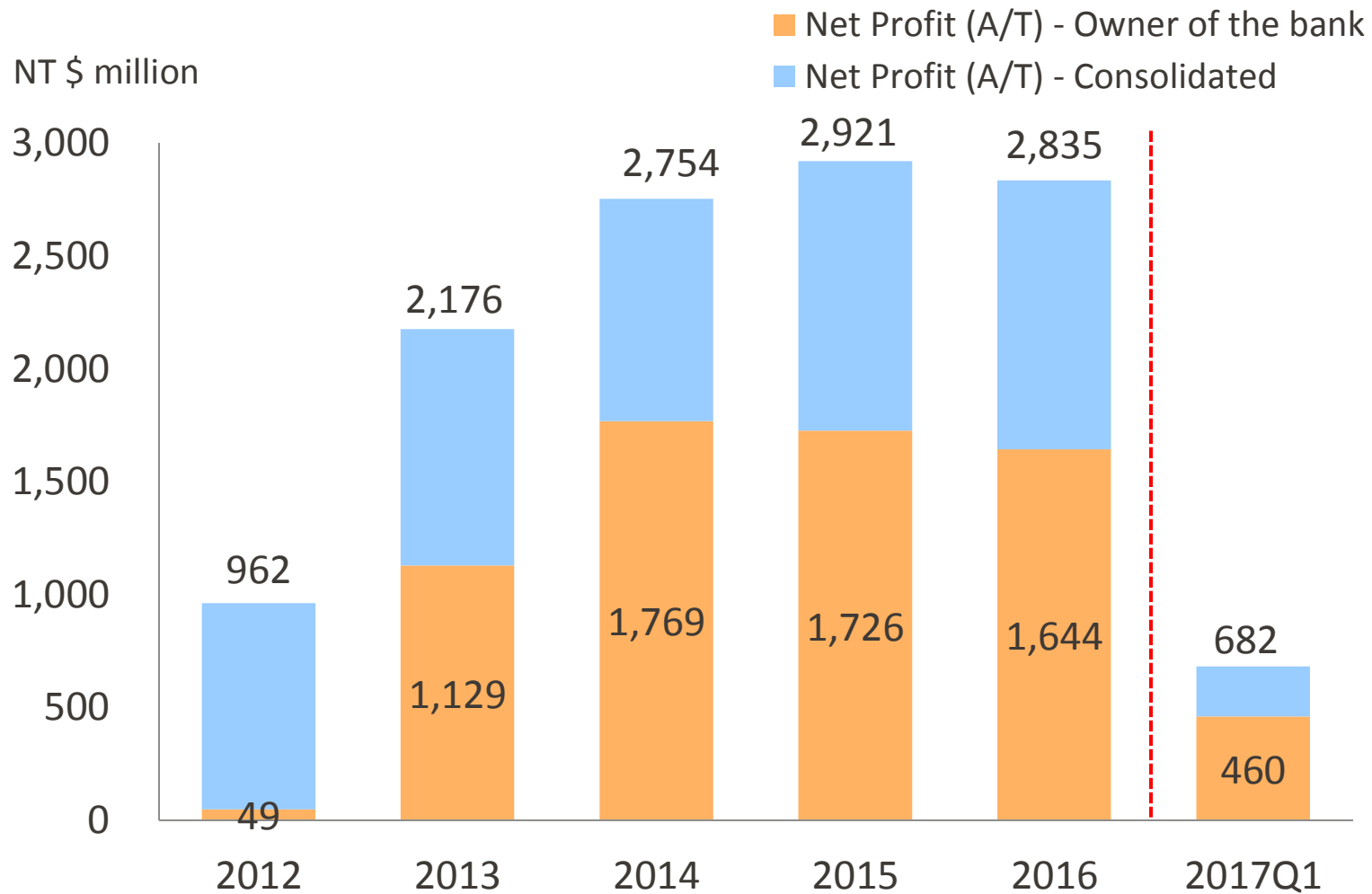
Consolidated Financial Results

Net Revenue



Consolidated Financial Results

Net Profit (A/T)

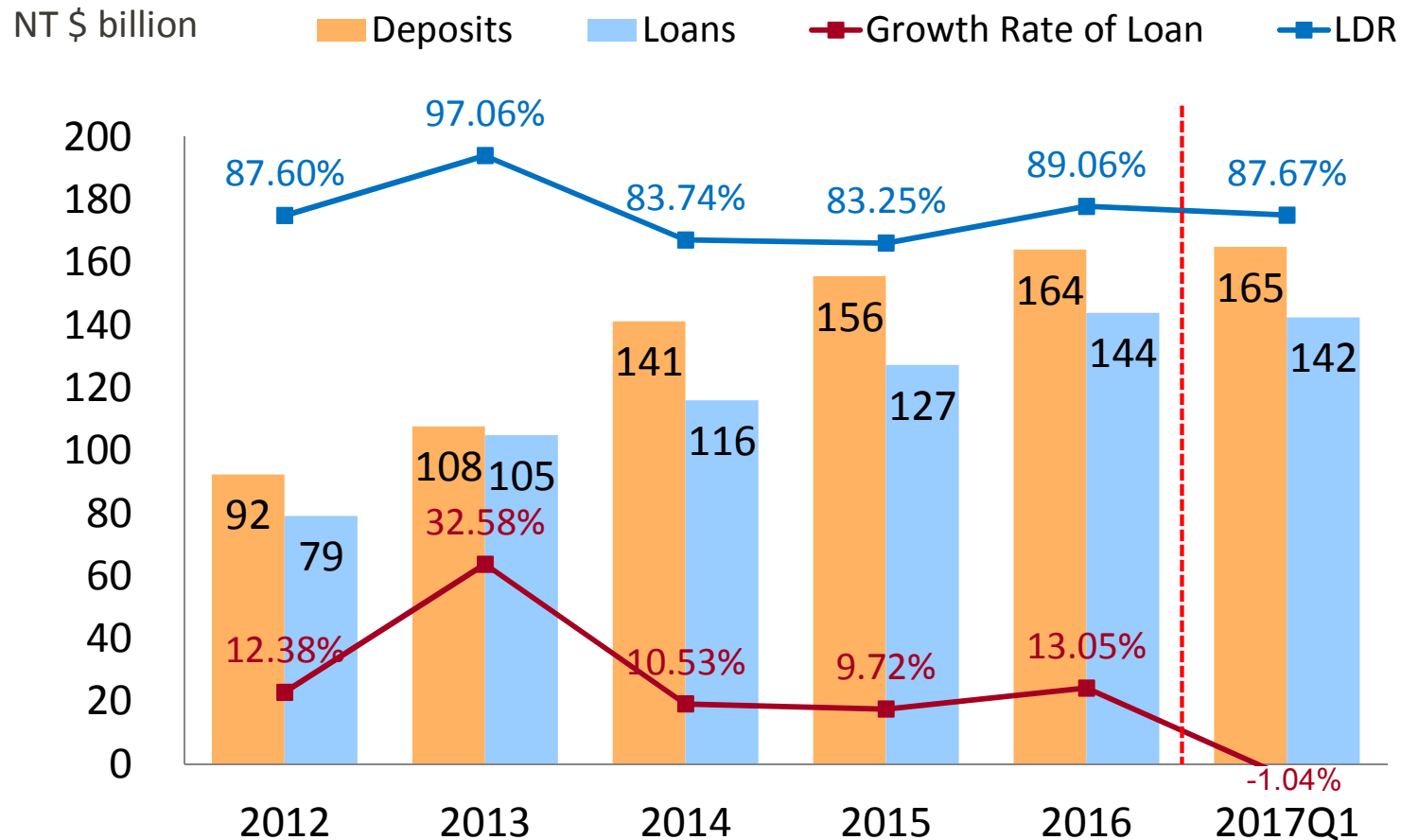


Outline

- Organization Chart for O-Bank and its Subsidiaries
- Highlights from Business Operations of 2017 1st Quarter
- Consolidated Financial Results
- **Individual Financial Results**
 - **O-Bank**
 - China Bills Finance Corp.
 - IBT Holdings Corp. and its Subsidiaries
 - IBT Leasing Co. Ltd. and its Subsidiaries
- Introduction of O-Bank's Retail Banking Business

Individual Financial Results : O-Bank

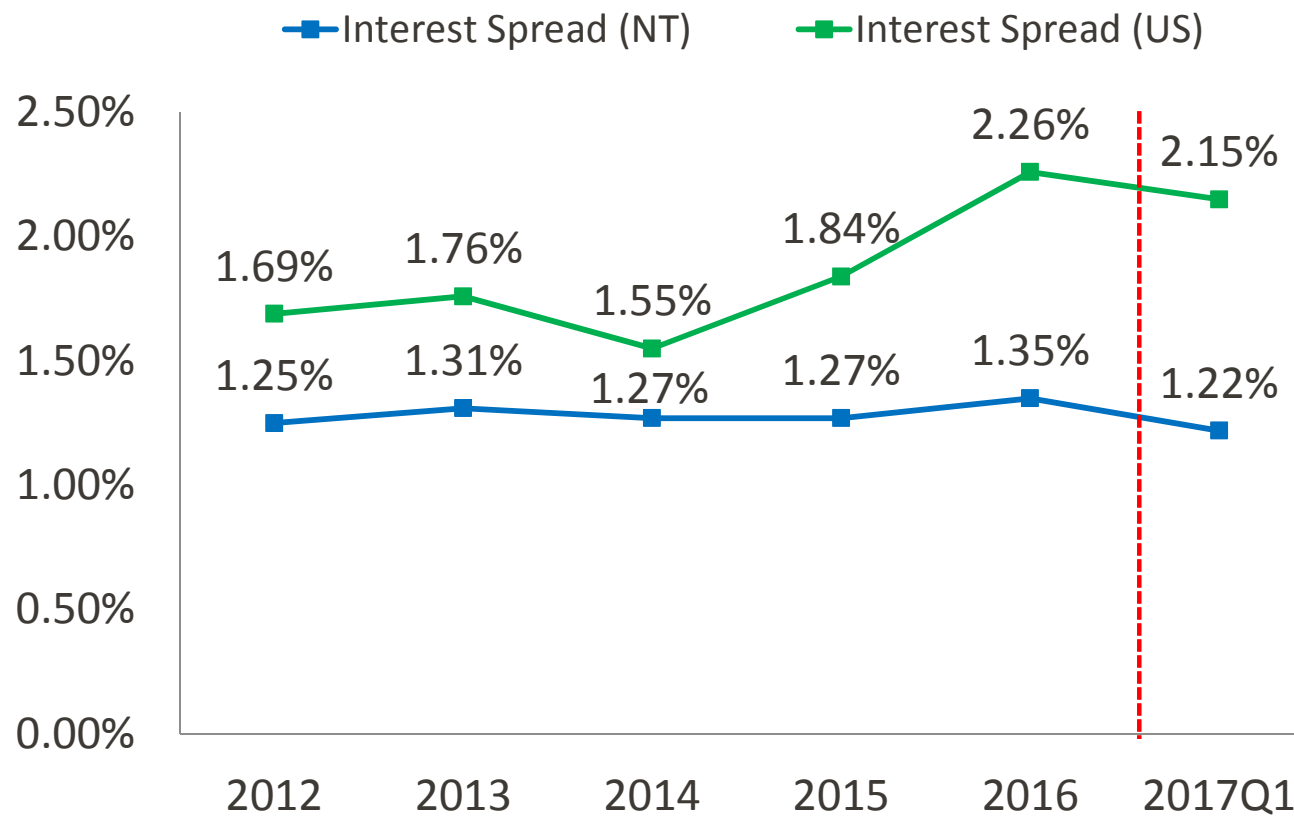
Loan & Deposit



Note : Reasons for credit lending decline in 2017 1st Quarter : A substantial appreciation in NTD caused a decrease of NTD 3 billion in foreign credit loans denominated in NT dollars. If calculated with the same exchange rate, credit lending grew 1.11% in 2017 1st Quarter.

Individual Financial Results : O-Bank

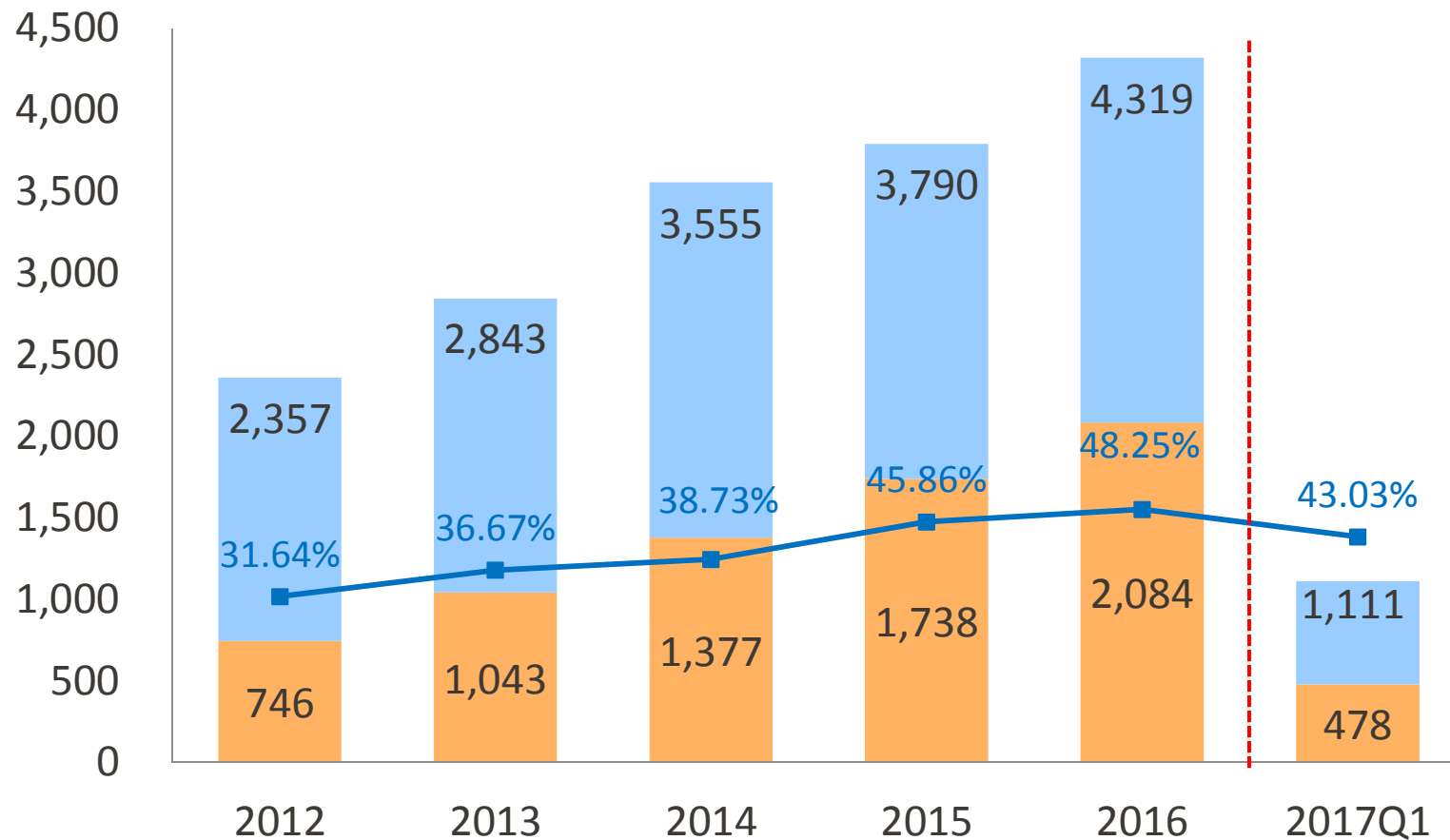
Interest Spread



Individual Financial Results : O-Bank

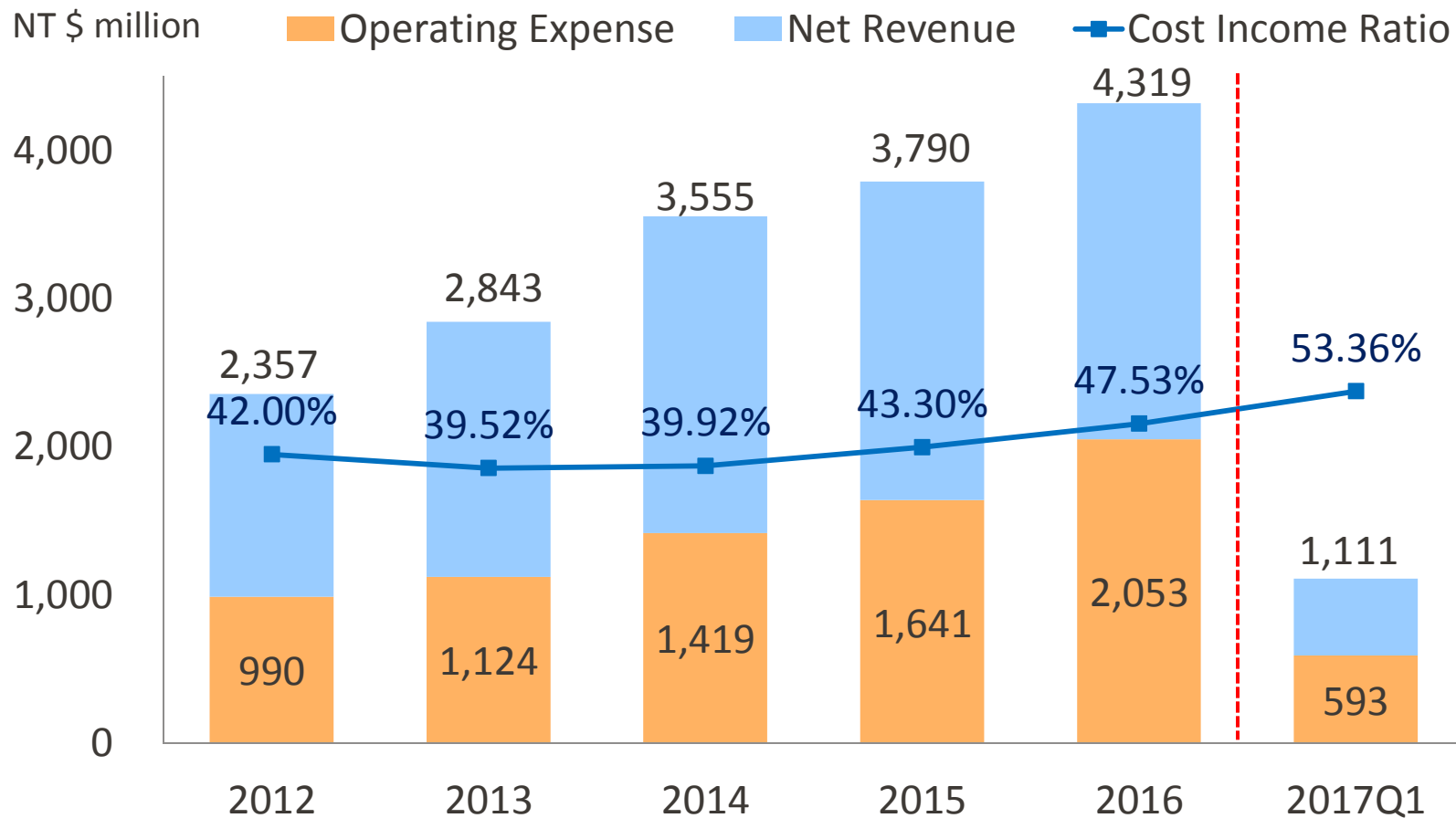
Net Revenue

NT \$ million Net Interest Net Revenue Net Interest / Net Revenue (%)



Individual Financial Results : O-Bank

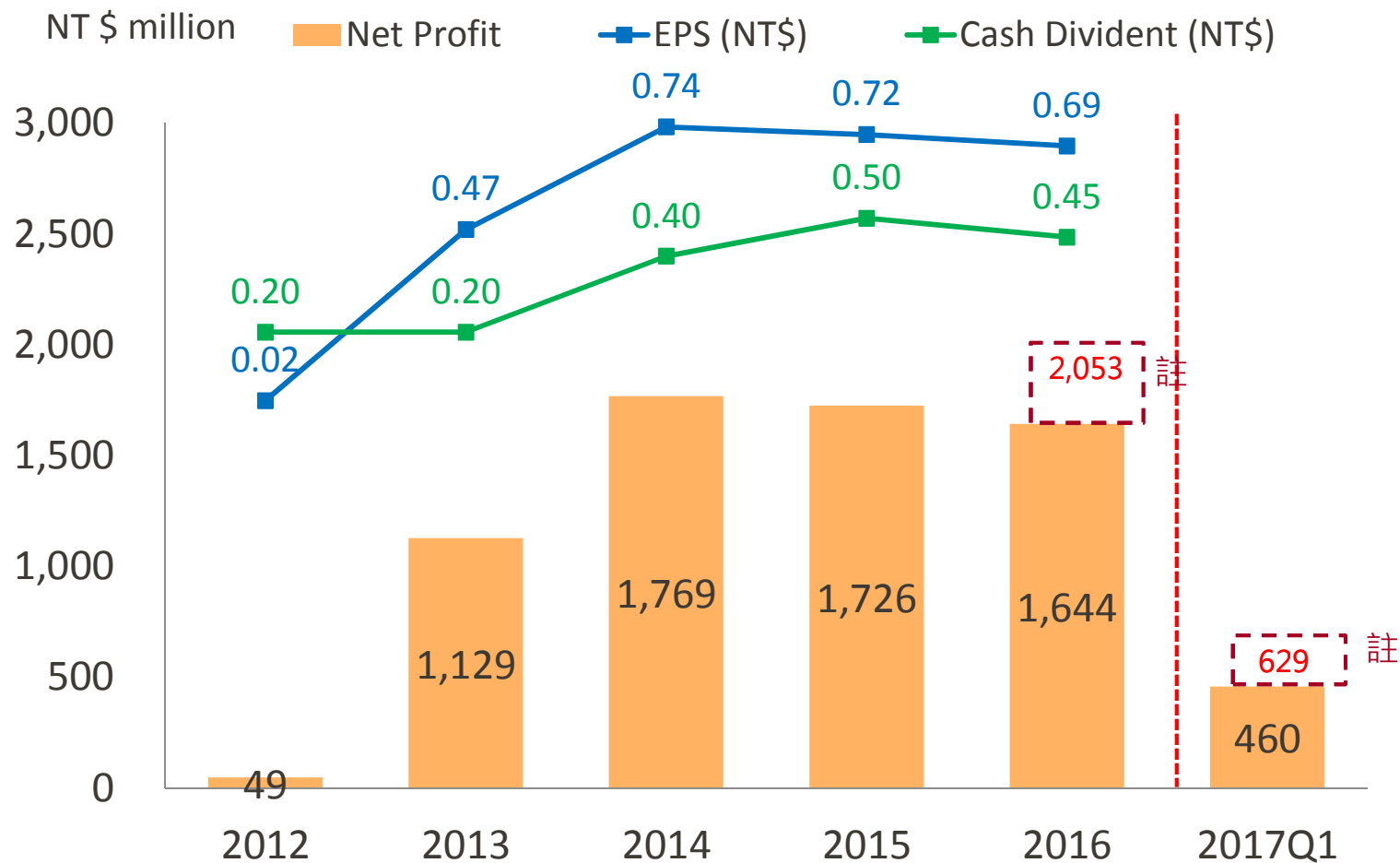
Cost Income Ratio



Note: As the Bank will officially promote new products in retail banking business starting from 2nd Quarter 2017, there was no income but cost for retail banking in 1st Quarter, causing a higher C/I

Individual Financial Results : O-Bank

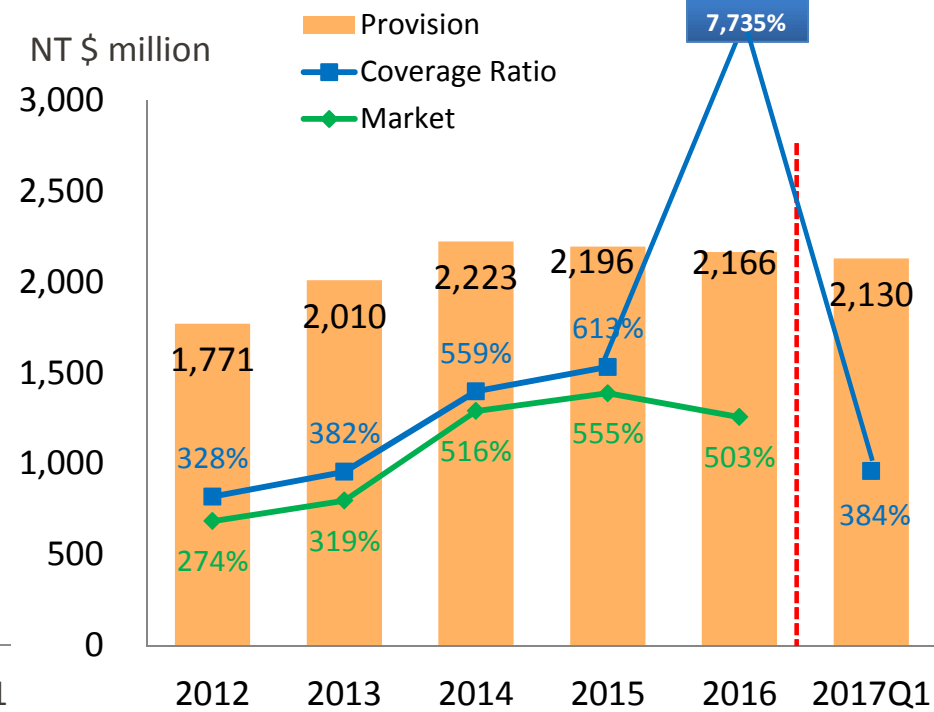
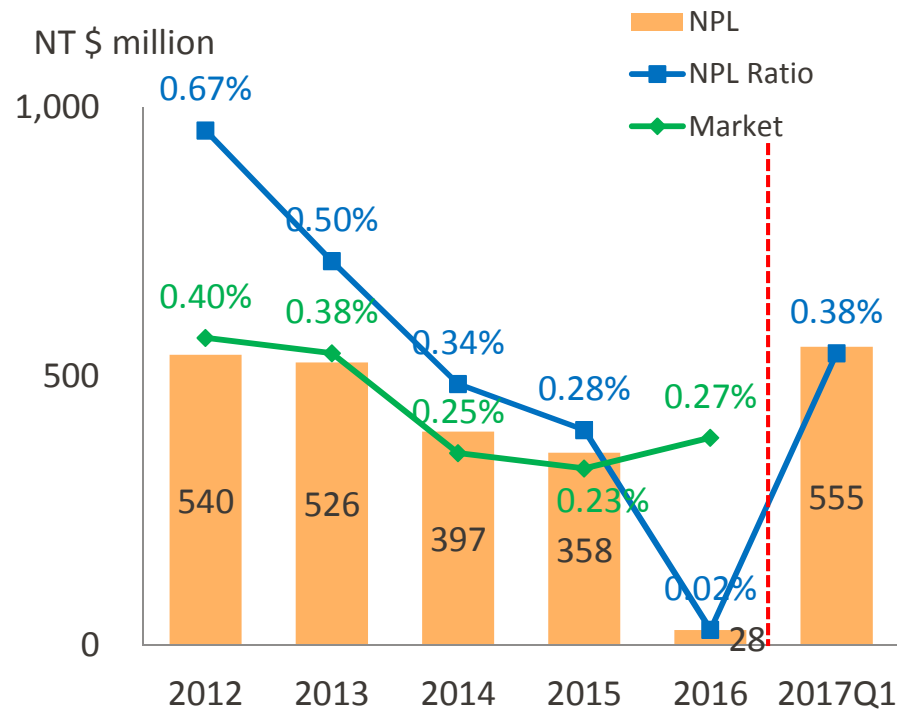
Net Profit



Note: Resources were invested in structuring retail banking business starting 2016, if costs associated with investments in retail banking systems were excluded, the Bank's after-tax profits for 2016 and 1st Quarter 2017 were NT\$ 2,053 million and NT\$ 629 million, respectively.

Individual Financial Results : O-Bank

Assets Quality



Note :

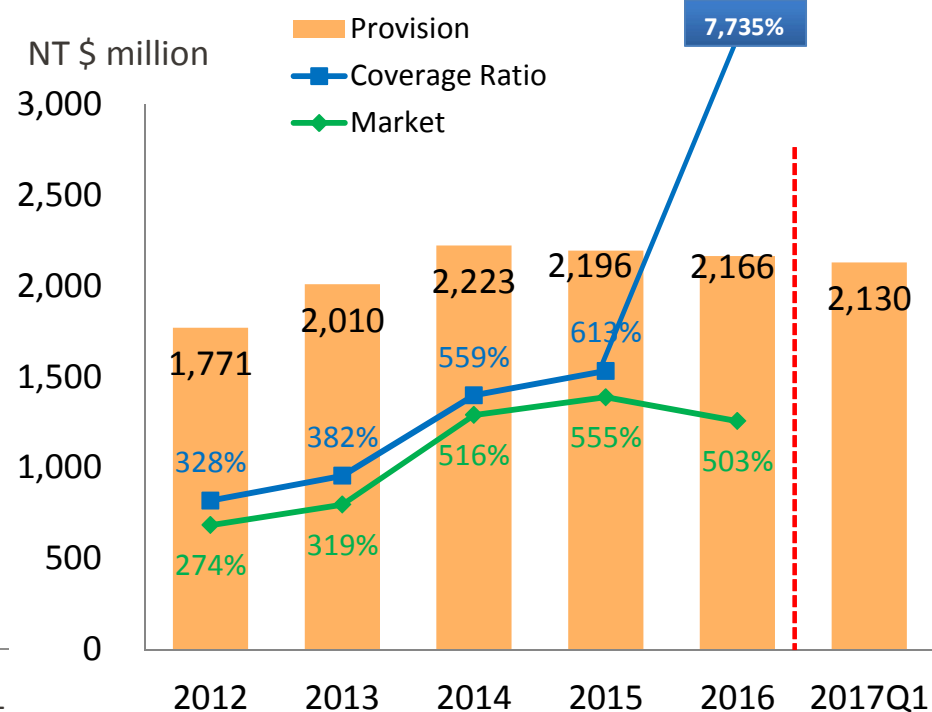
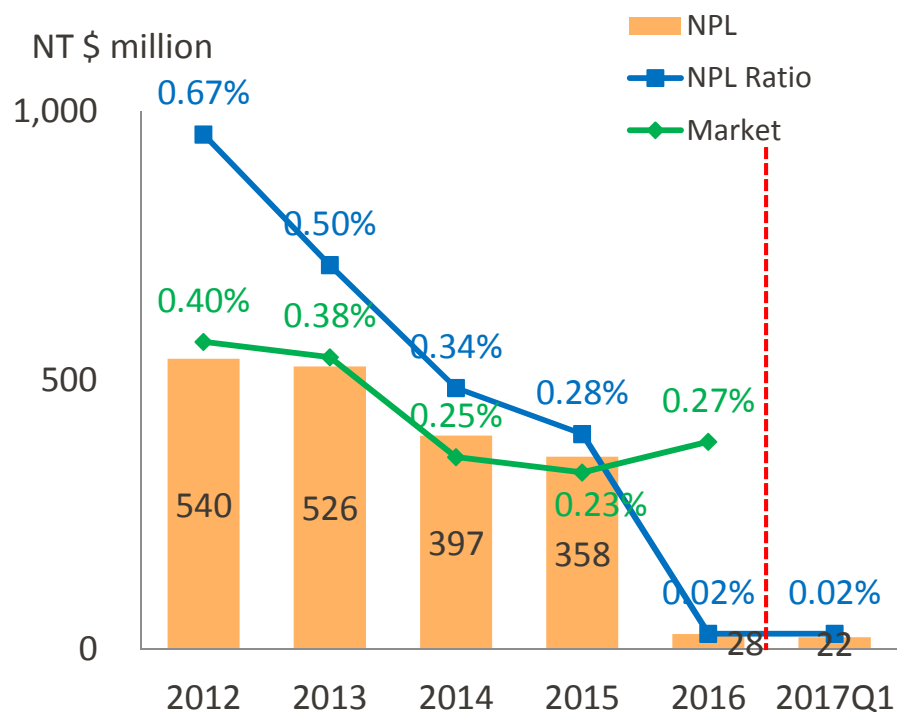
1. the information of banking sector average was obtained from the website of Banking Bureau, FSC
2. the rise of NPL Ratio in 1st Quarter 2017 was mainly due to the 「Transasia Airways Co.」 loan becoming NPL, which also caused the Loan Loss Provision Coverage Ratio 1st Quarter 2017 to drop

Supplemental Remarks for Transasia Airways Loan

- Syndication Loan mandated by Taiwan Cooperative Bank in 2011, secured by two A330 airplanes and the total loan outstanding owed to all the syndication lending banks is NTD3,896 million, including the outstanding loan NTD531 million owed to O-Bank
- The reference price for Transasia Airways to sell the two A330 airplanes is USD142 million (approximately NTD4,300 million), which is more than the total loan outstanding of the syndication
- Information and status of the potential buyers:
 - **Buyer A**, which is from sensitive country and with airline and petroleum companies in its group, has signed the framework agreement and committed to issue three irrevocable L/Cs to purchase all airplanes of Transasia Airways when consented by the relevant governments.
 - **Buyer B**, which is an airline company from Latin America, has consummated the inspection for the airplanes and documents. LOI and EA are under negotiation.
 - **Buyer C**, which is a newly joined Latin-American airline company, will arrange an inspection team to come to Taiwan to inspect the airplanes.

Individual Financial Results : O-Bank

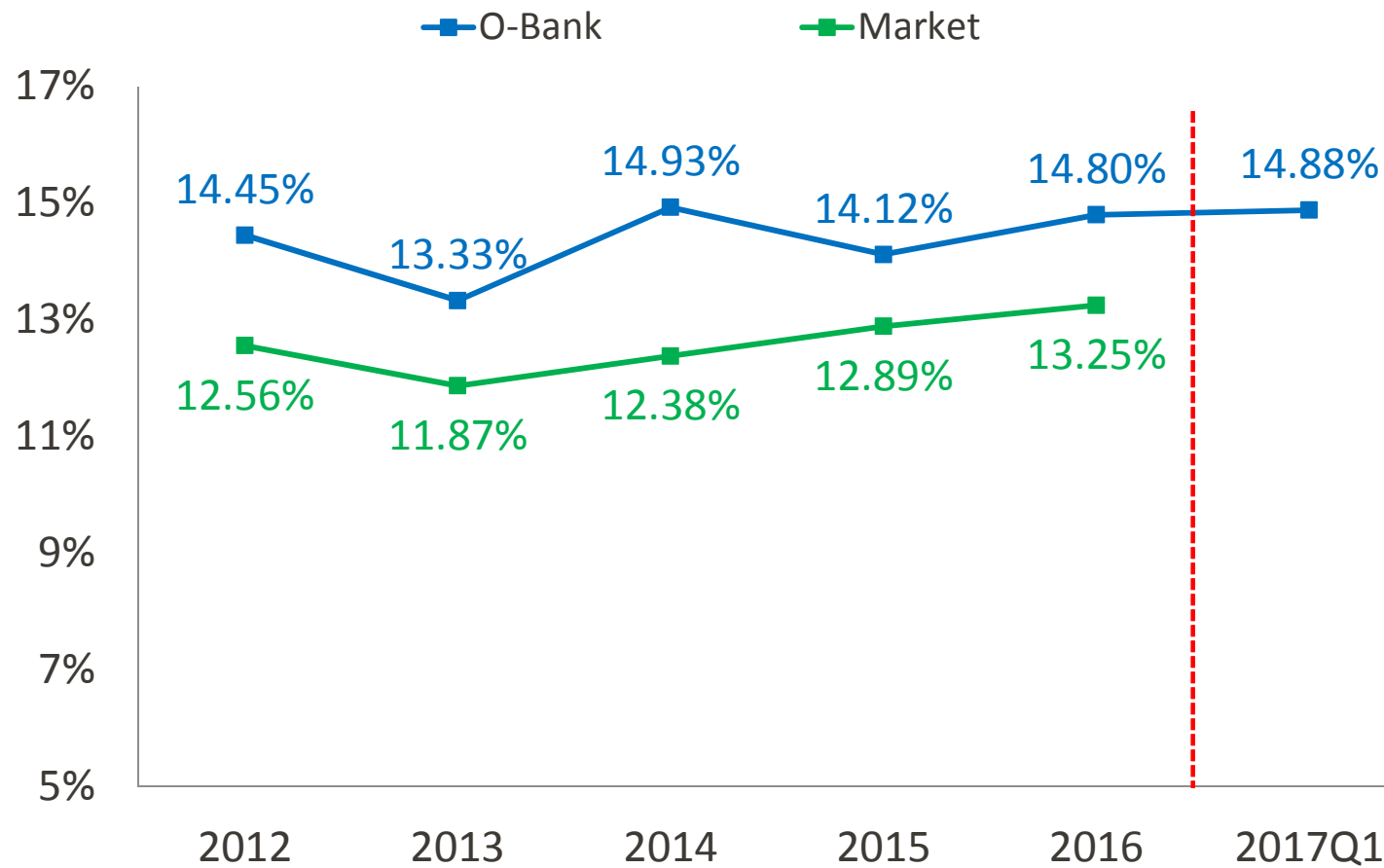
- Assets Quality ~ provided that the Transasia Airways loan being fully repaid



Note : the information of banking sector average was obtained from the website of Banking Bureau, FSC

Individual Financial Results : O-Bank

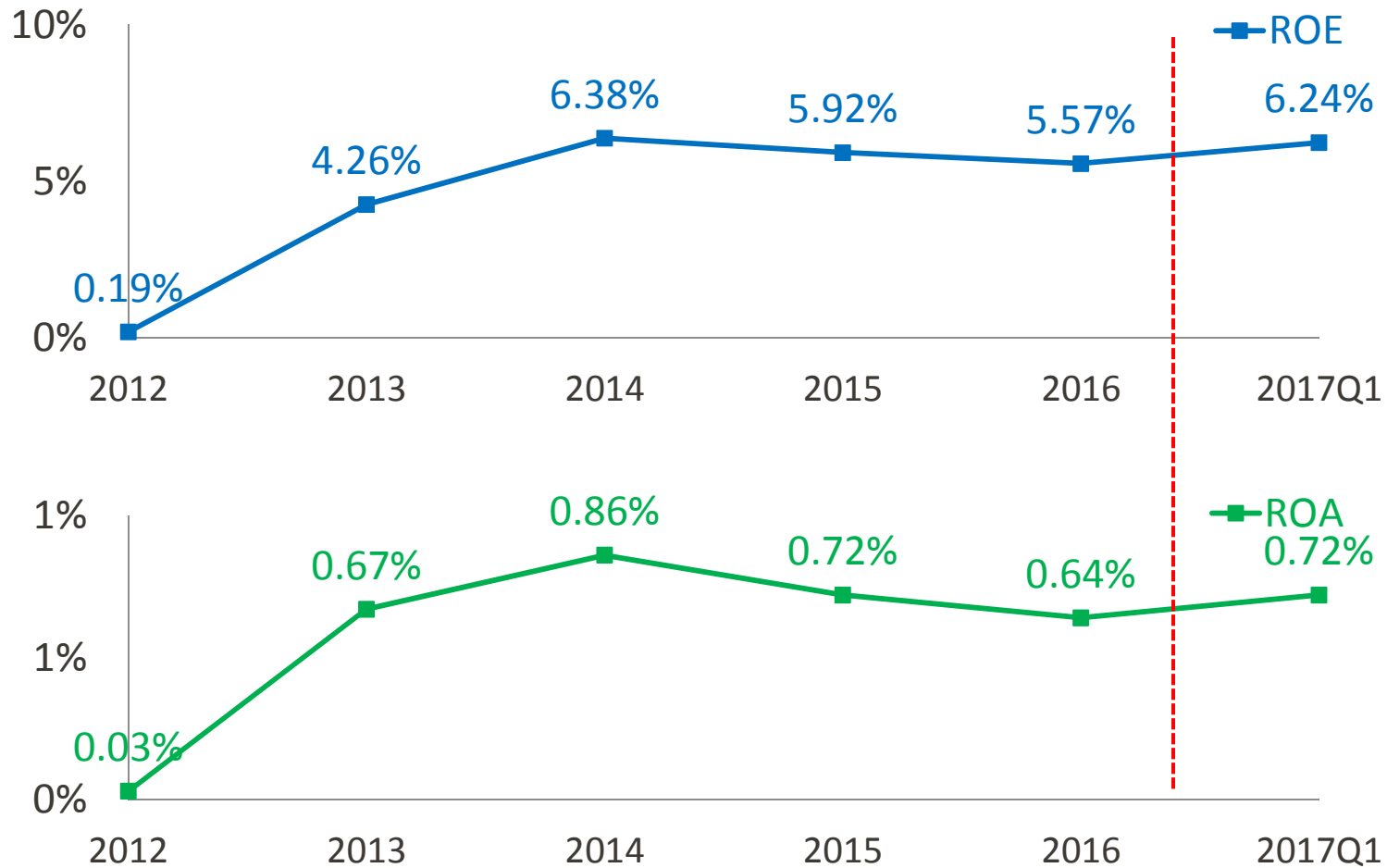
○ CAR Ratio



Note : the information of banking sector average was obtained from the website of Banking Bureau, FSC

Individual Financial Results : O-Bank

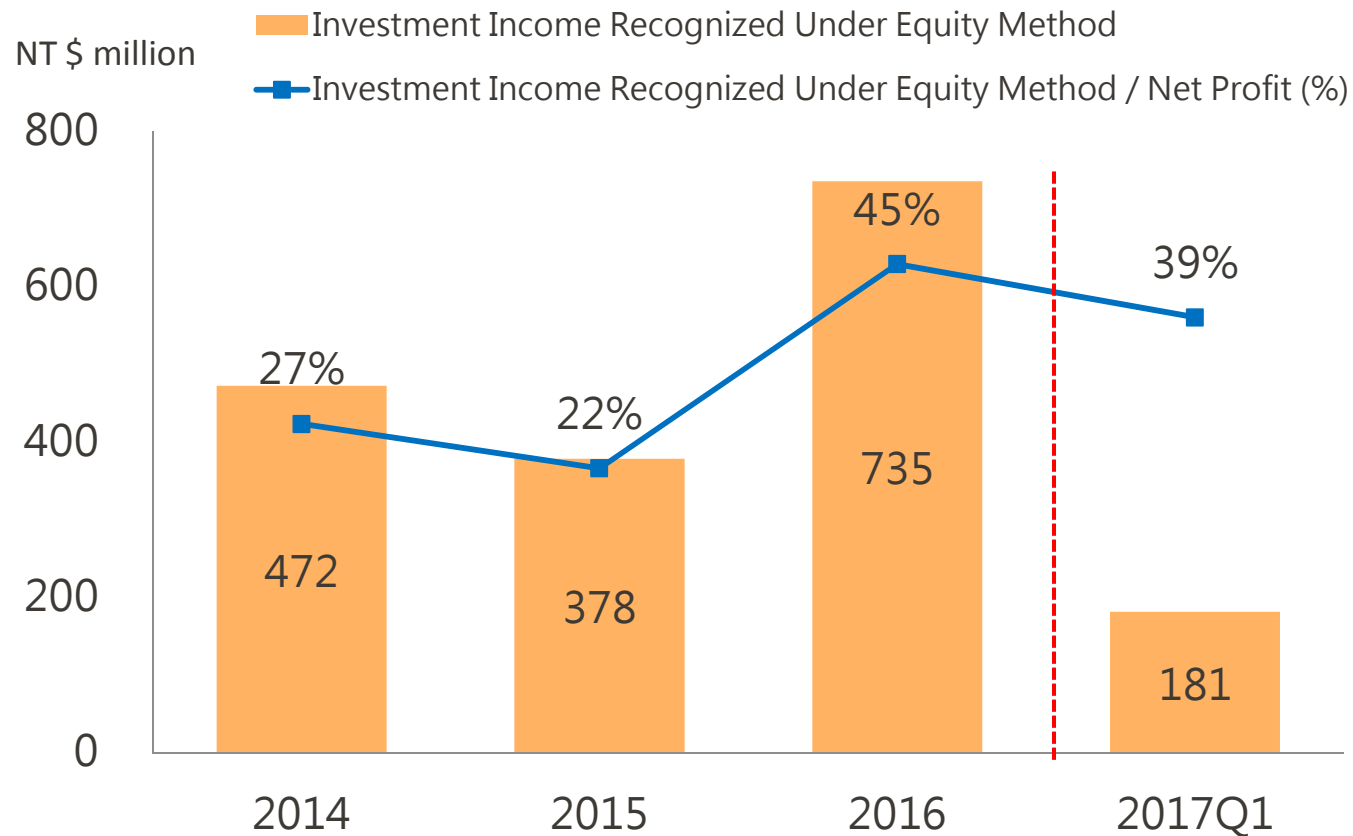
ROE ROA



Note : for the ease of comparison, ROE & ROA of 1st Quarter 2017 was the annualized figures based on the factual figures of of 1st Quarter 2017

Individual Financial Results : O-Bank

Investment Income Recognized Under Equity Method

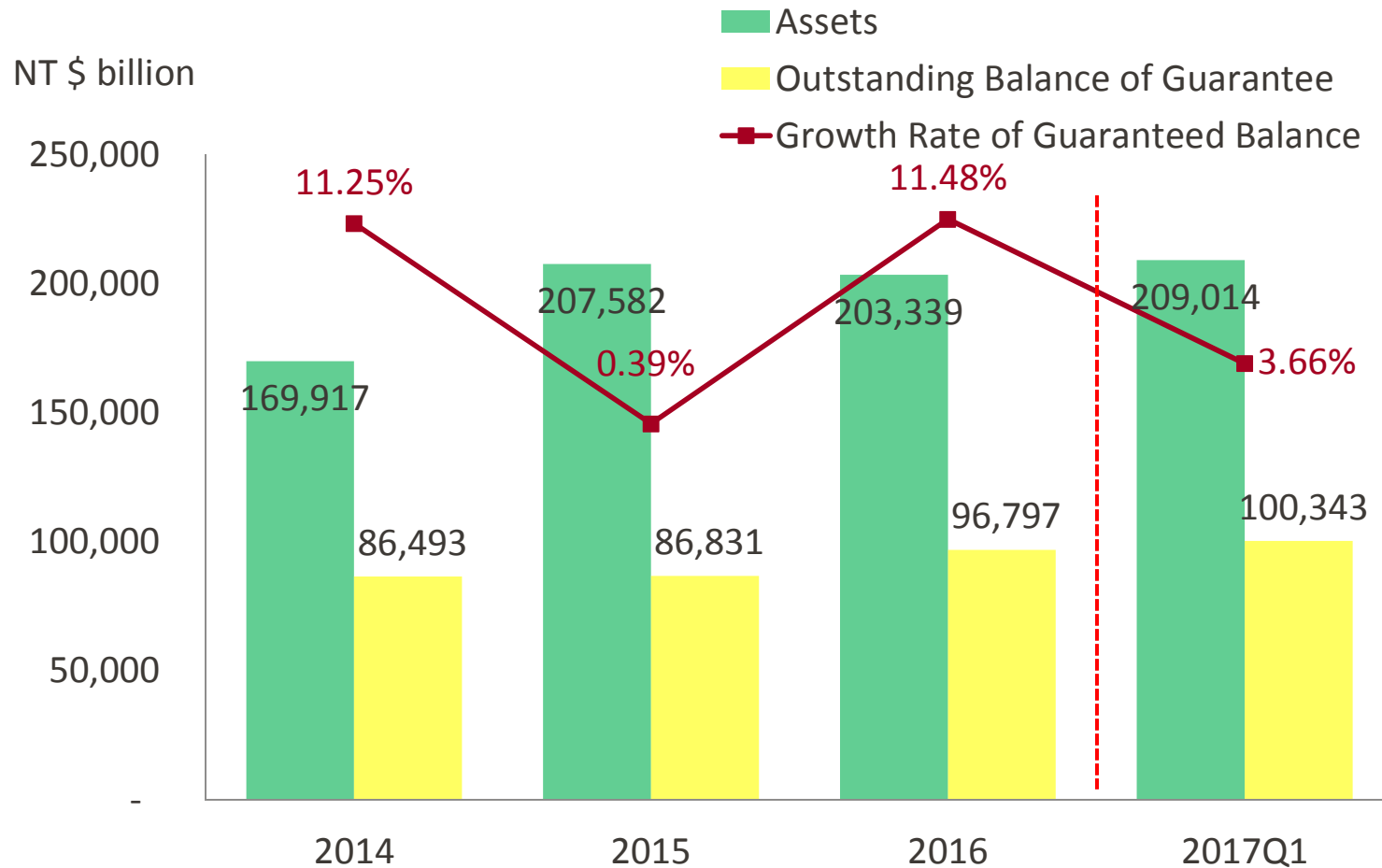


Outline

- Organization Chart for O-Bank and its Subsidiaries
- Highlights from Business Operations of 2017 1st Quarter
- Consolidated Financial Results
- **Individual Financial Results**
 - O-Bank
 - **China Bills Finance Corp.**
 - IBT Holdings Corp. and its Subsidiaries
 - IBT Leasing Co. Ltd. and its Subsidiaries
- Introduction of O-Bank's Retail Banking Business

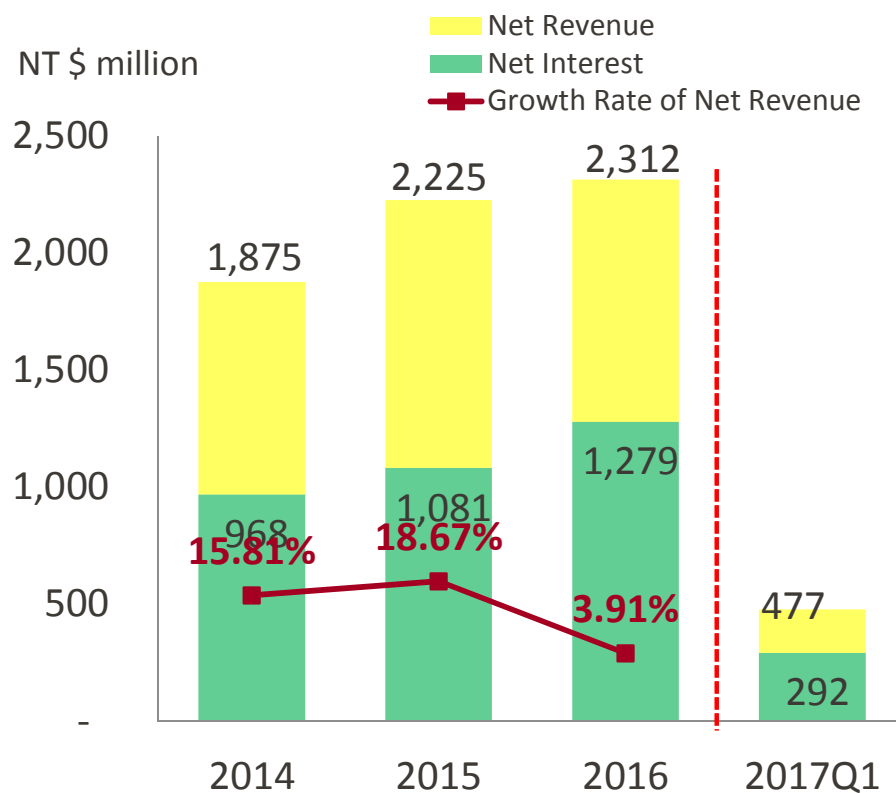
Individual Financial Results : CBF

Assets

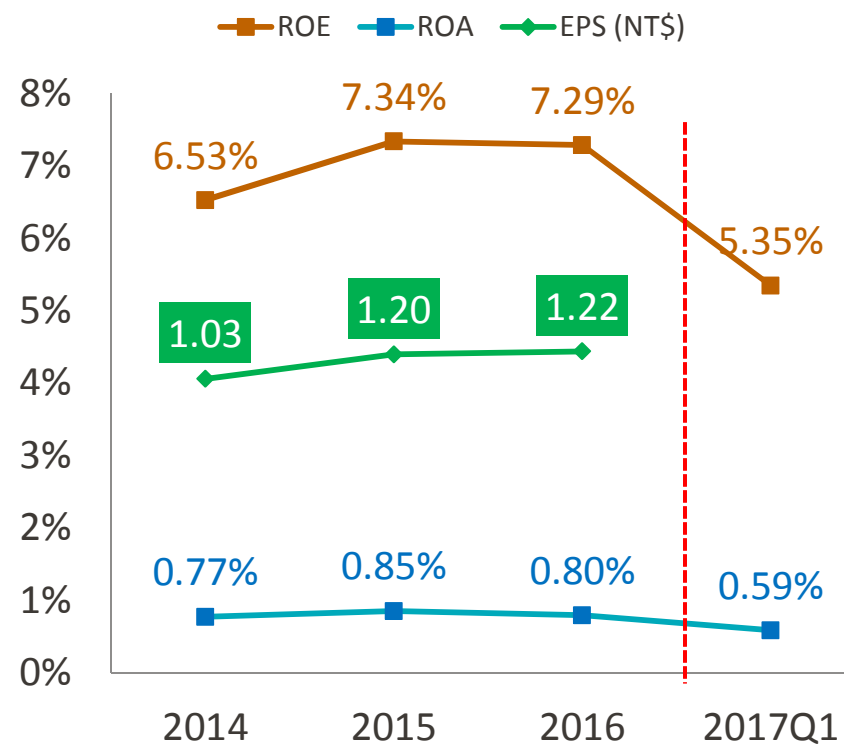


Individual Financial Results : CBF

Net Revenue



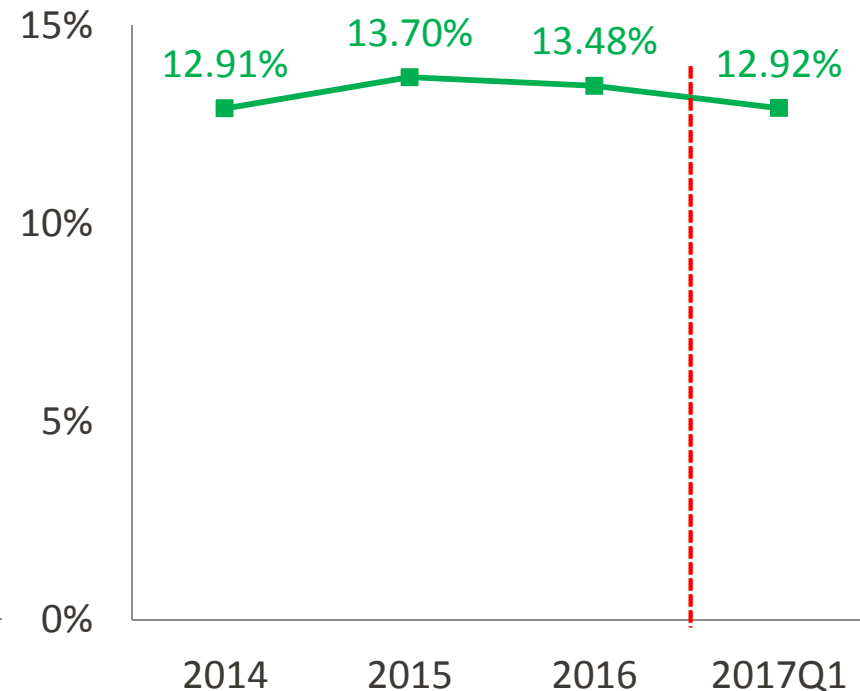
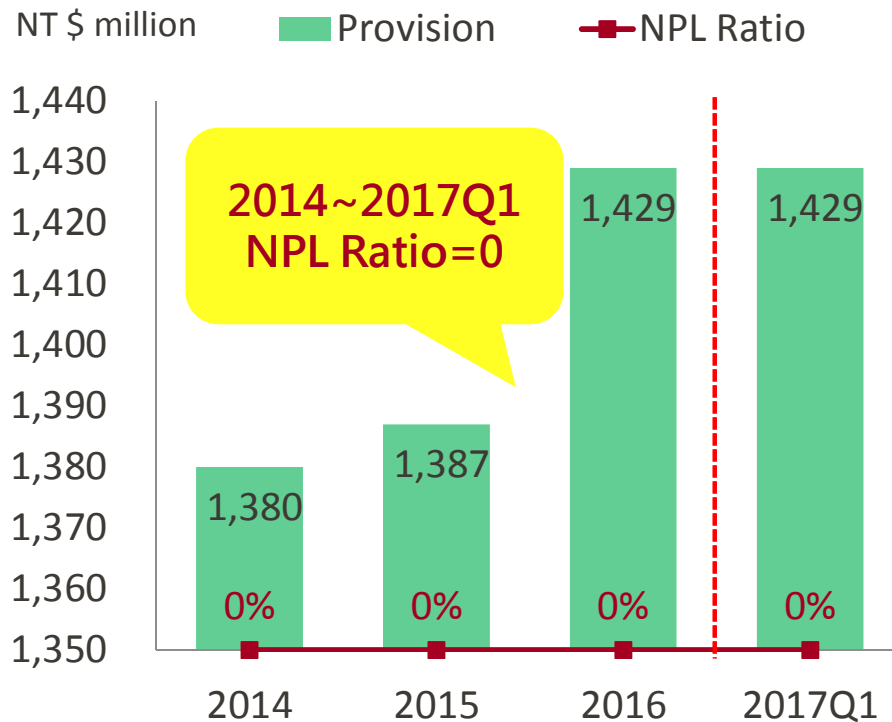
ROE ROA EPS



Individual Financial Results : CBF

NPL Ratio & Provision

CAR (%)

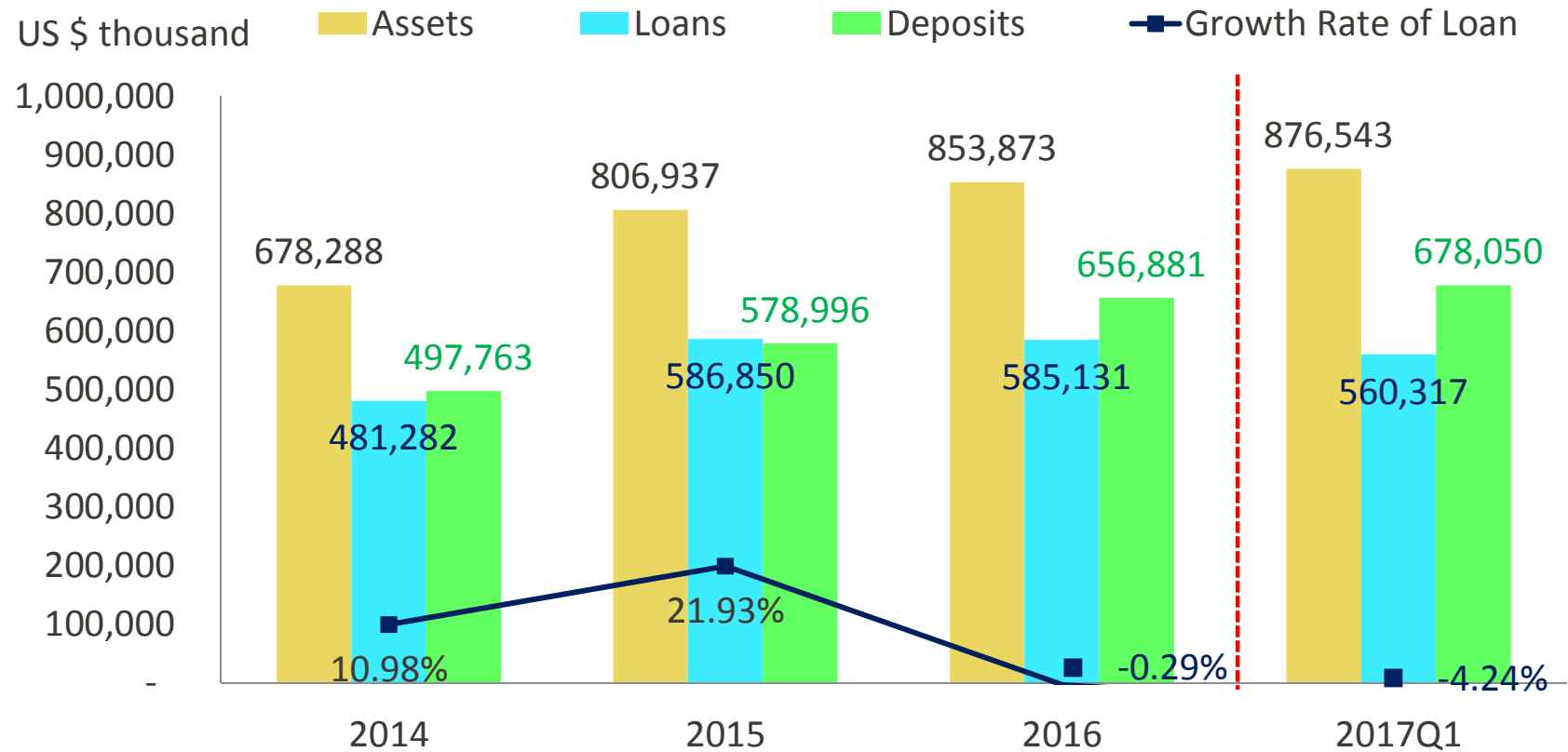


Outline

- Organization Chart for O-Bank and its Subsidiaries
- Highlights from Business Operations of 2017 1st Quarter
- Consolidated Financial Results
- **Individual Financial Results**
 - O-Bank
 - China Bills Finance Corp.
 - **IBT Holdings Corp. and its Subsidiaries**
 - IBT Leasing Co. Ltd. and its Subsidiaries
- Introduction of O-Bank's Retail Banking Business

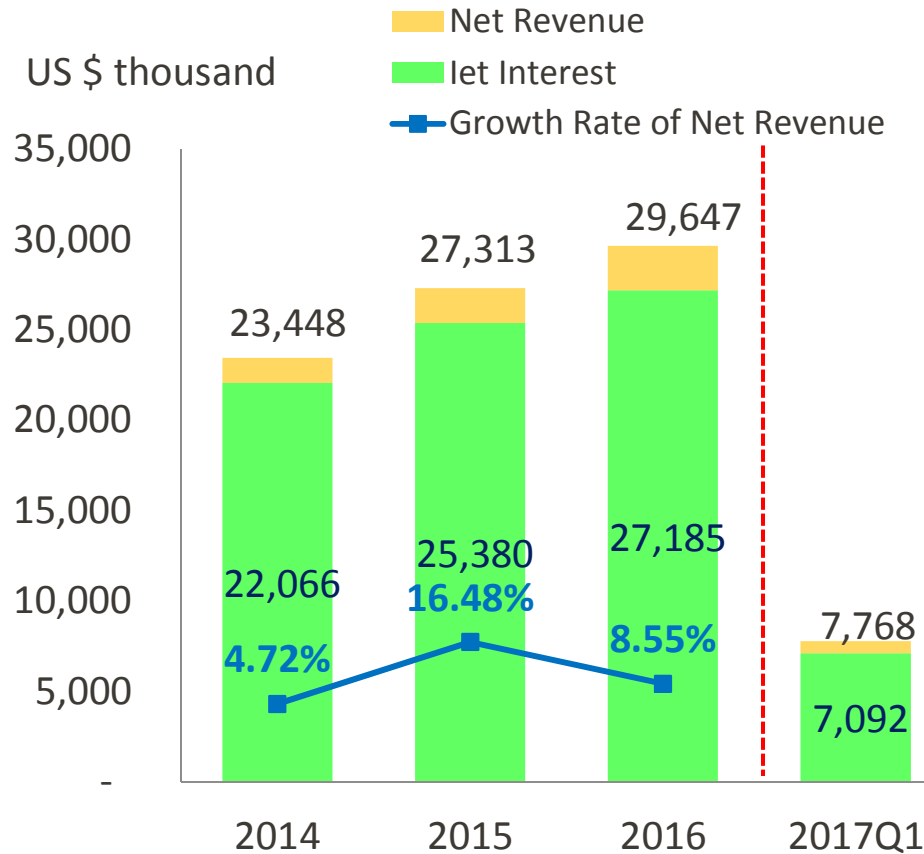
Individual Financial Results : IBTH & Subsidiaries

Assets & Liabilities

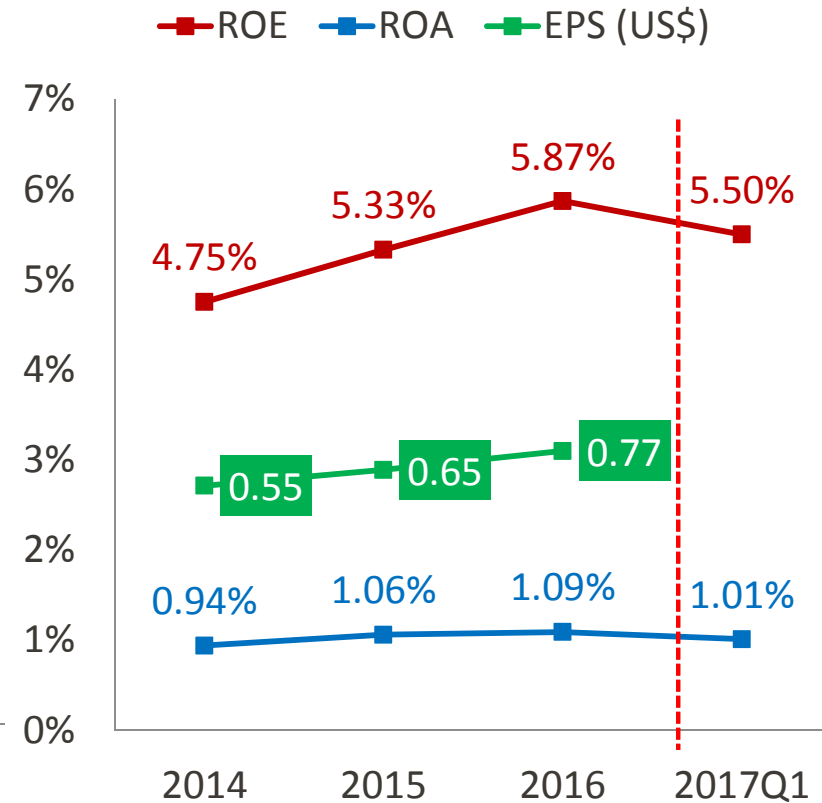


Individual Financial Results : IBTH & Subsidiaries

Net Revenue

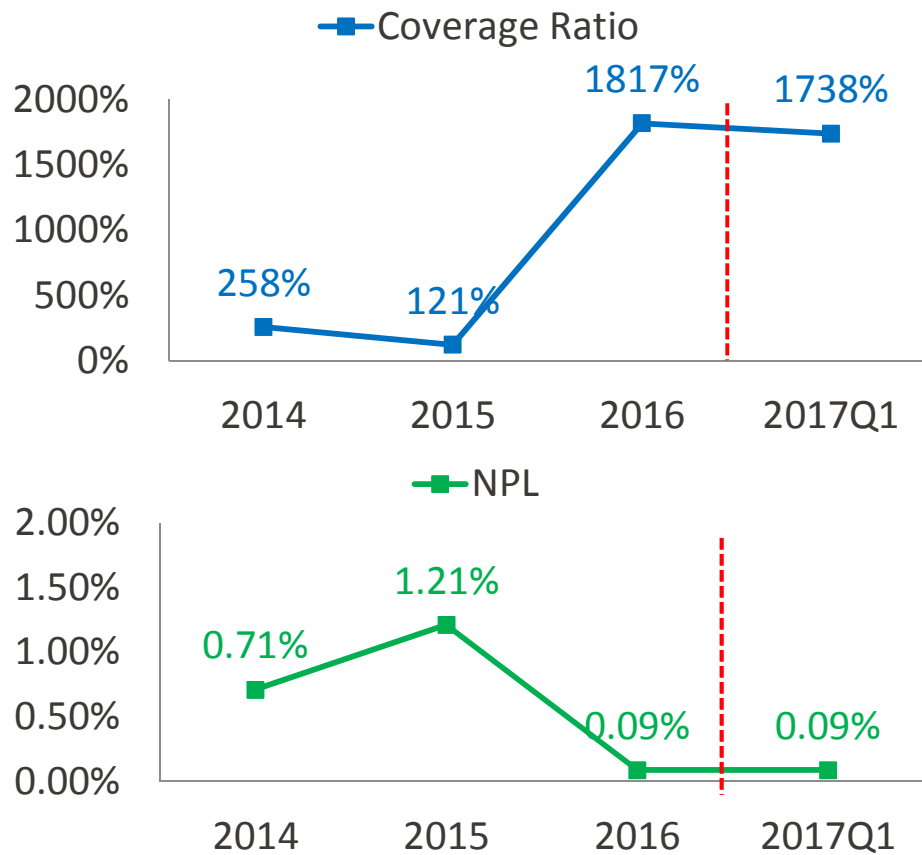


ROE ROA EPS

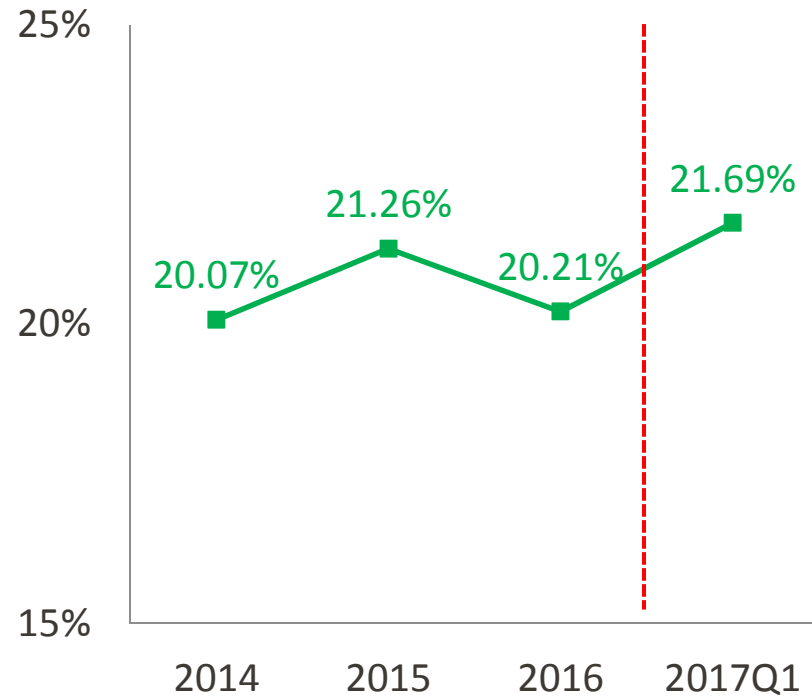


Individual Financial Results : IBTH & Subsidiaries

○ NPL Ratio & Coverage Ratio



○ CAR (%)

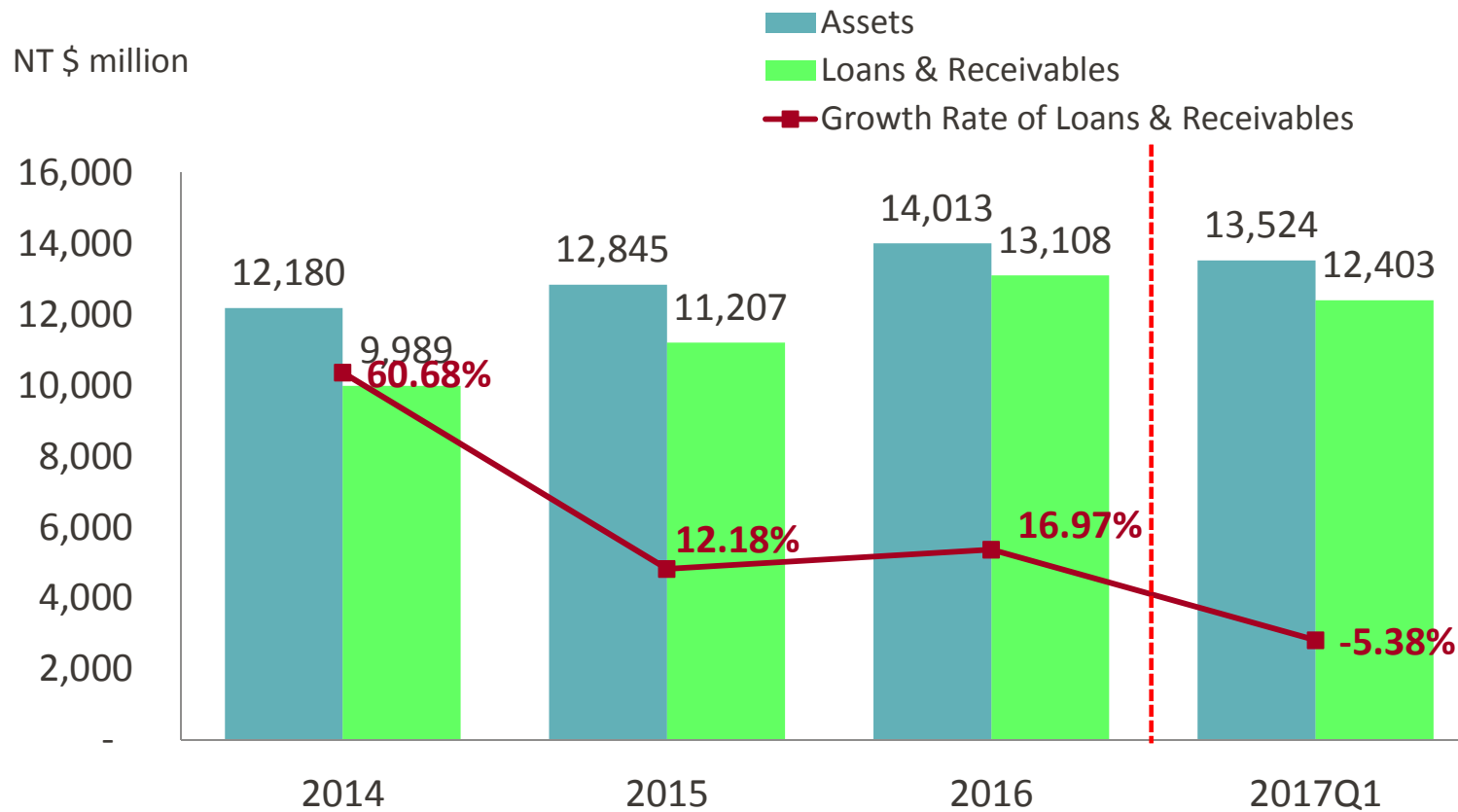


Outline

- Organization Chart for O-Bank and its Subsidiaries
- Highlights from Business Operations of 2017 1st Quarter
- Consolidated Financial Results
- **Individual Financial Results**
 - O-Bank
 - China Bills Finance Corp.
 - IBT Holdings Corp. and its Subsidiaries
 - **IBT Leasing Co. Ltd. and its Subsidiaries**
- Introduction of O-Bank's Retail Banking Business

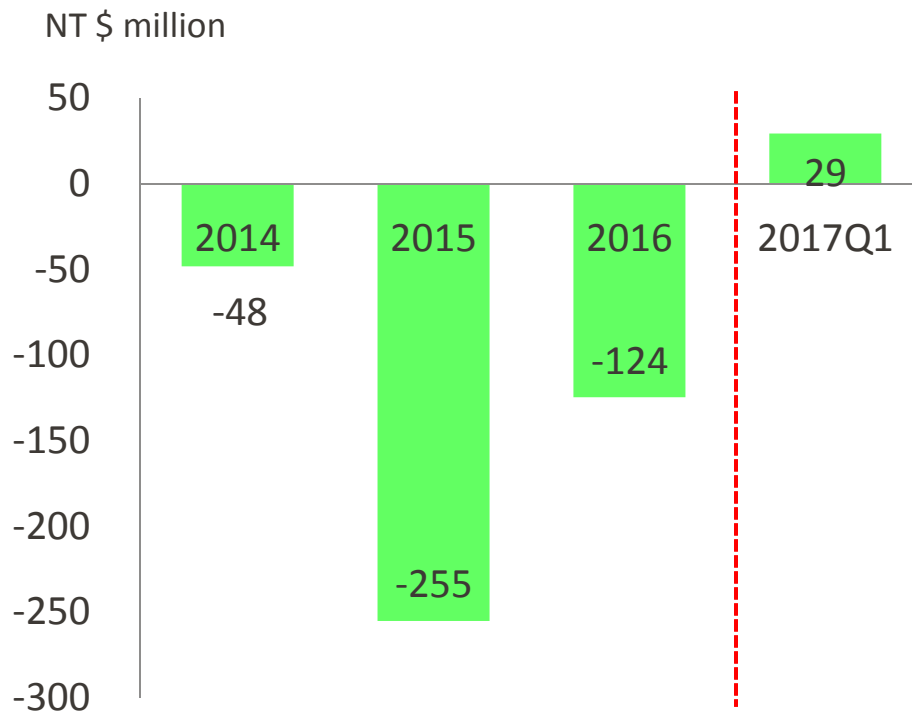
Individual Financial Results : IBTL & Subsidiaries

Assets



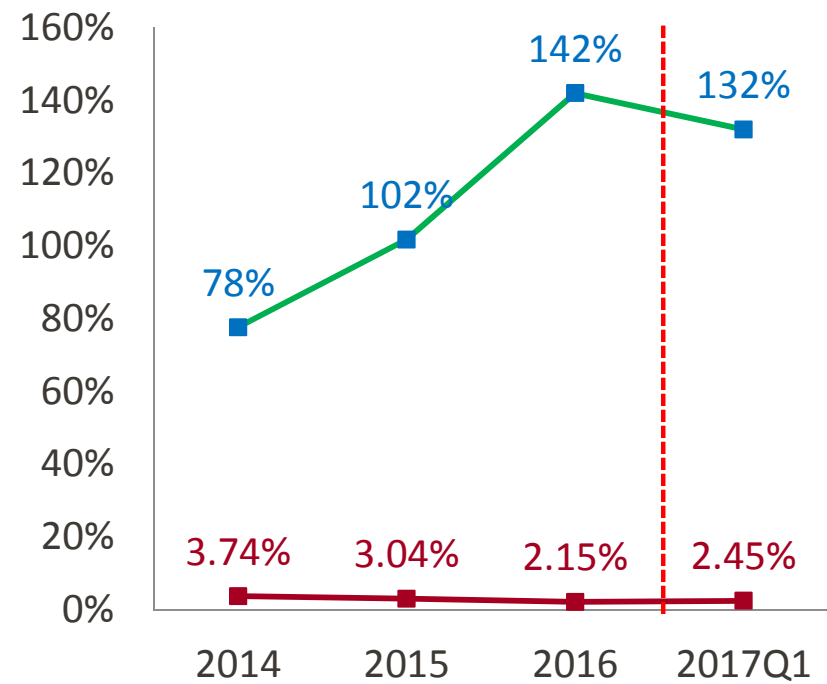
Individual Financial Results : IBTL & Subsidiaries

Net Profit (Loss)



NPL Ratio & Coverage

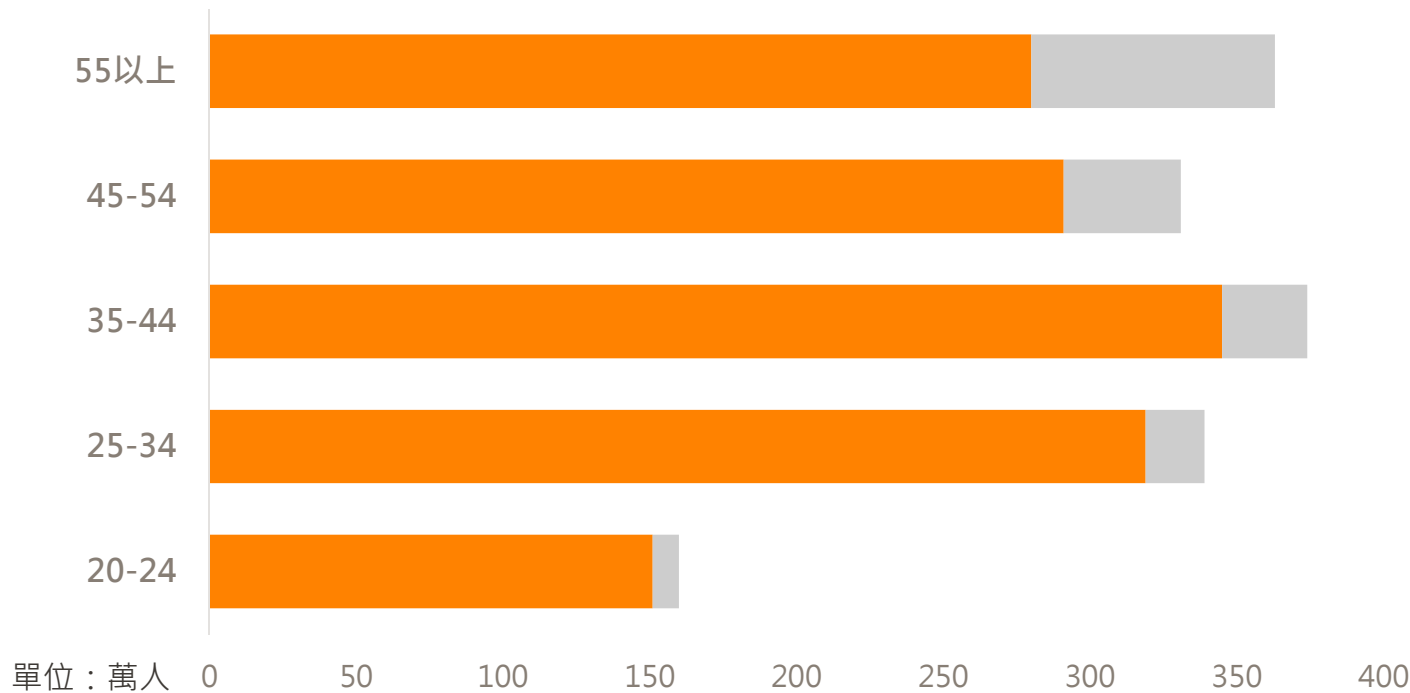
Ratio





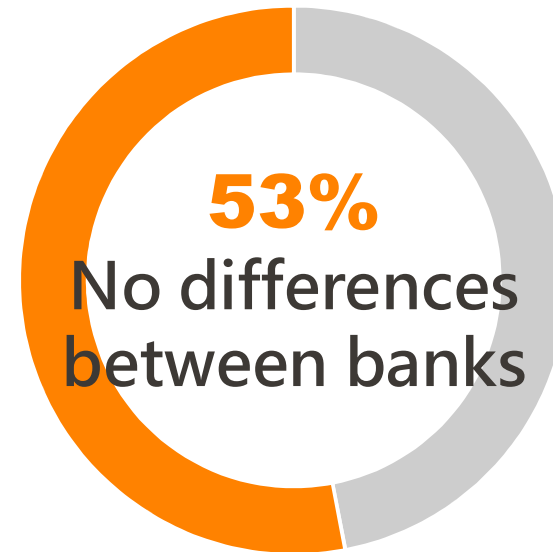
Introduction of Retail Banking

Internet users within every generation

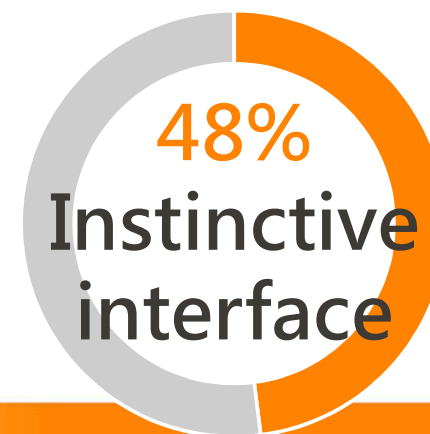


Over **15 million** people are using the Internet.
88% of them use mobile device.

How consumers think of bank



Customer expectation for digital bank

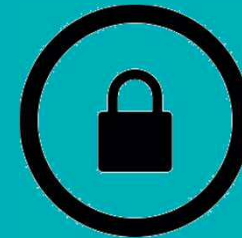








Convenient



Safe



Favorable



Interesting



Prepare your ID



Go to the bank



Fill in the form



Check your identity



Deliver the card



It takes **40 minutes**
to open an account in
traditional bank.

Open an account in
10 minutes
The most efficient way to
open a bank account.



The image shows a smartphone screen with the O-Bank account opening interface. The status bar at the top shows '中華電信' (China Telecom), '下午8:16' (8:16 PM), and '71%' battery. The title is 'O-Bank 帳戶申請' (O-Bank Account Application) with a customer service icon. The form contains the following fields: Name '王瑋翎', ID 'A247189278', Phone '0921363501', and a security code 'JJDR' with a refresh icon. Below the fields is a checkbox with the text '我已詳細閱讀並充分了解、同意「蒐集、處理暨利用個人資料告知書」。' (I have read and fully understood and agree to the 'Collection, Processing and Use of Personal Information Notice'). At the bottom are two buttons: '下一步' (Next Step) in orange and '取消' (Cancel) in white. A footer note states '未來交易驗證碼(OTP)將傳送至此手機號碼。' (Future transaction verification codes (OTP) will be sent to this mobile number).

A smiling woman and a man are shown from the chest up, holding a gold coin over a gold piggy bank. The woman is on the left, and the man is on the right. They are both wearing light-colored shirts. The background is a soft, out-of-focus indoor setting.

Double interest rate on demand deposits

Deposit rate of major bank

O-Bank	0.3%
C*** Bank	0.15%
E*** Bank	0.09%
C*** Bank	0.05%

Cash Rebate without Cap

1.5% for domestic spending

2.3% for overseas spending

Easy to get rebate
without enrollment

151% more rebate
than credit card



線上申貸 最快一天內回覆 超有效率！

信貸服務大革新！線上申辦

申貸手續費只要NT2元

(即日起至106/6/30)

搜尋 **O-Bank**



😊BANK 王道銀行

一切為你 才是王道

O! my money



Saving and Lending saving first

Save your money for your dream first and O-Bank will support the remaining part.



A hand in a white shirt sleeve points at a tablet displaying a line chart with red and blue lines. The background shows a desk with a calculator, a pen, and various documents with charts and tables.

Robo Advisory
No need to fight
humanity anymore
First Robot investing Solution in Taiwan

Early Bird Offer

Platform usage fee is Free
Innovatively investing solution
Big Data and Robo Advisory



Service Agent will Always On Call

7x24x365
Get our service
anytime, anywhere

Wealth Management
online

Air Loan Sales

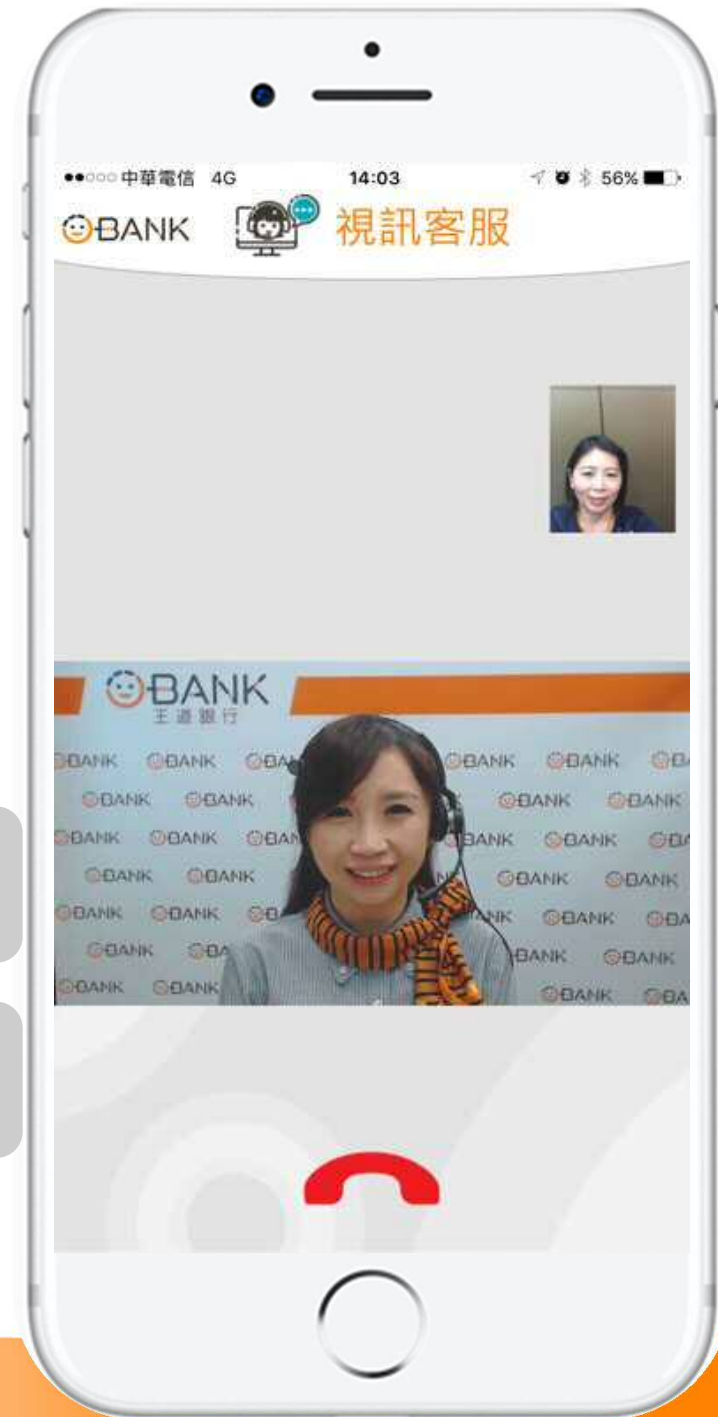
Service Agent

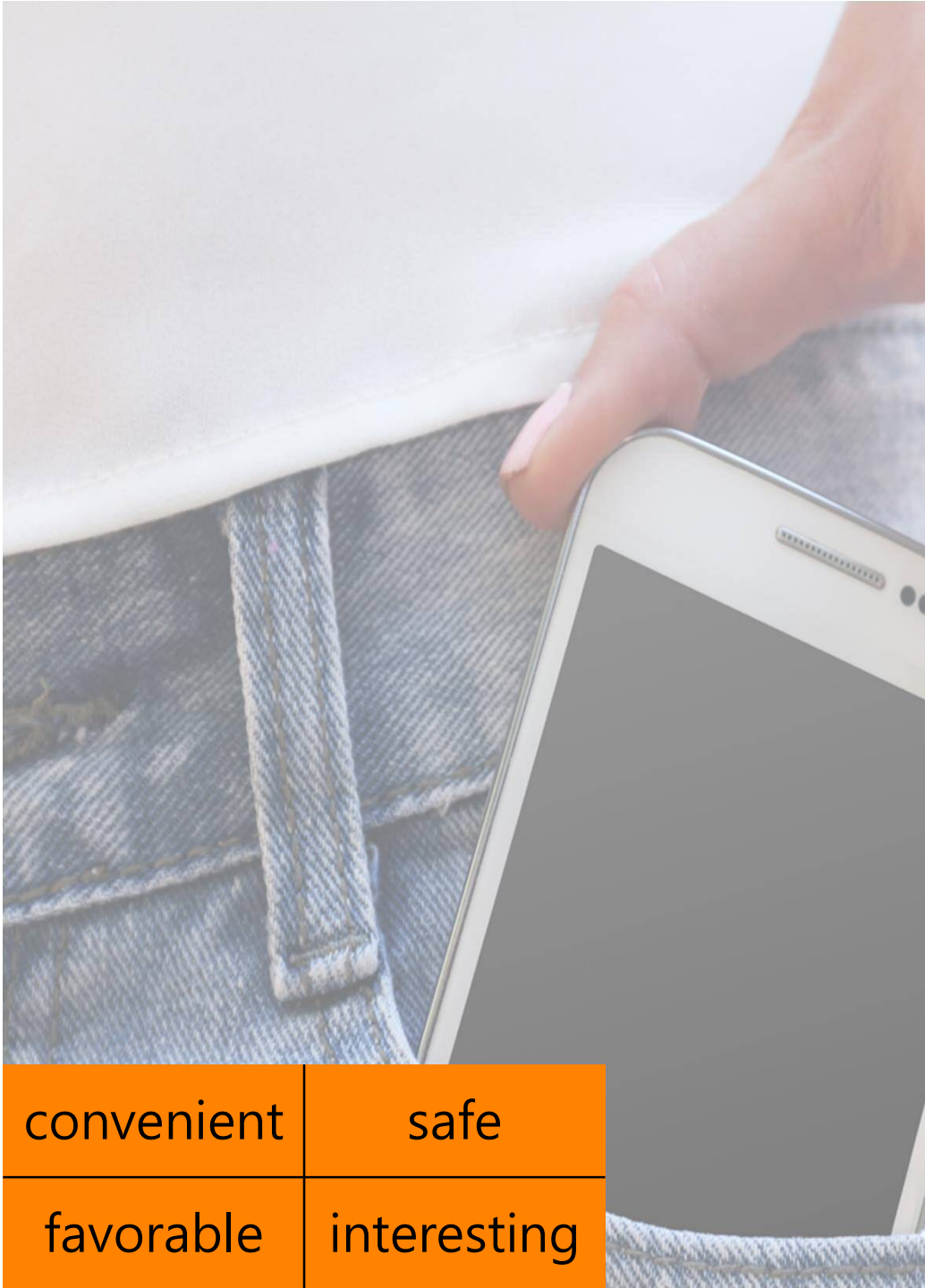
Video

Chat

Phone

Mail





convenient	safe
favorable	interesting

Welcome to the digital bank !

7 X 24 X 365
Wherever you are, our bank will always be in your mobile device.

We will keep improving user experience and carefully manage your asset.

**O-Bank,
All For You !**



ALL FOR YOU

www.o-bank.com

 O-BANK 王道銀行