

2018 First Quarter Briefing

May 2018



國泰金控

Cathay
Financial Holdings

Agenda

- **1Q18 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**
 - Cathay United Bank
 - Cathay Life
 - Cathay Century
- **Appendix**

1Q18 Business overview

Cathay United Bank

- Loan and deposit delivered mild growth with benign credit quality.
- Continued to expand overseas business. FX loan grew 21% YoY.
- Wealth management and credit card fee grew by 12% and 21% YoY respectively. Active card number ranked No.1 in the industry.

Cathay Life

- Focused on value-driven strategy with investment-linked and traditional life regular paid policies. FYP and FYPE remained No. 1 in the industry.
- After-hedging investment yield reached 4.5%. Overall investment performance maintained stable.

Cathay Century

- Premium income grew 6% YoY. Remained in second place with 11.8% market share.
- Deepened overseas operation and elevate service quality. Developed online products in China and enlarged localized management team in Vietnam.

Cathay SITE

- Ranked No.1 in terms of AUM, which amounted to NT\$608 BN.
- Received "Best Institutional House" and "Best New ETF" awards from Asia Asset Management and "Risk Management Award" from Benchmark magazine. Selected by Thomson Reuters Lipper and Morningstar as "Taiwan Fund Award" winner.

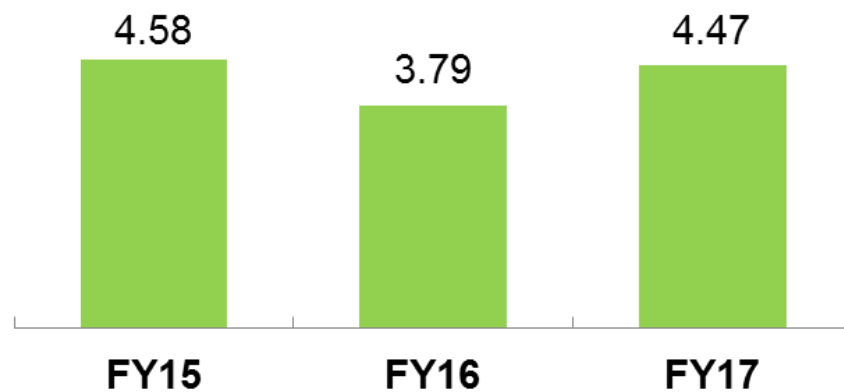
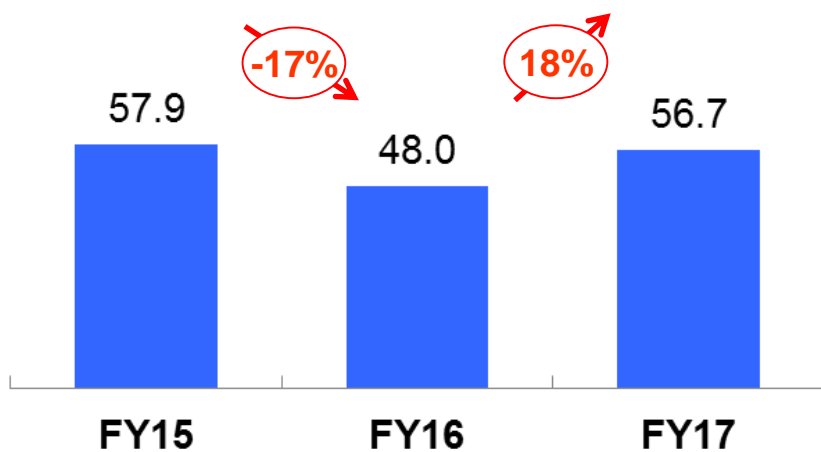
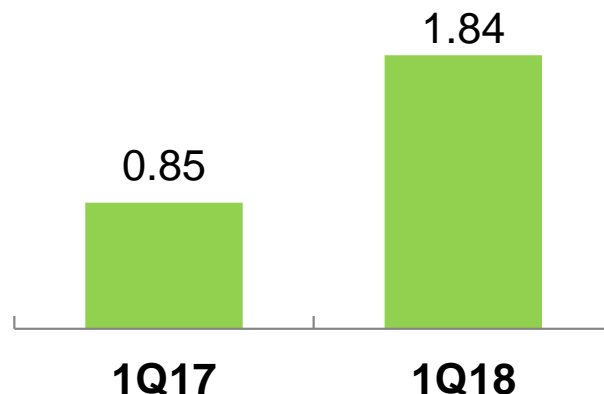
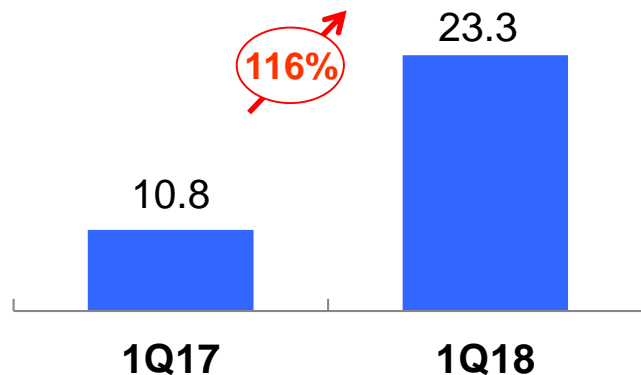
Cathay Securities

- Brokerage business grew steadily. Sub-brokerage market share ranked No.1.
- Optimized customer experience with new digital business model.

Cathay FHC – Net income & EPS

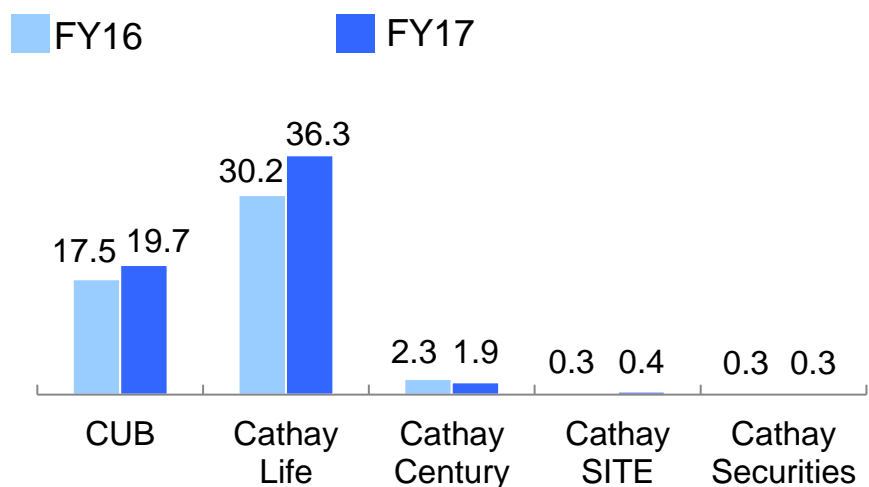
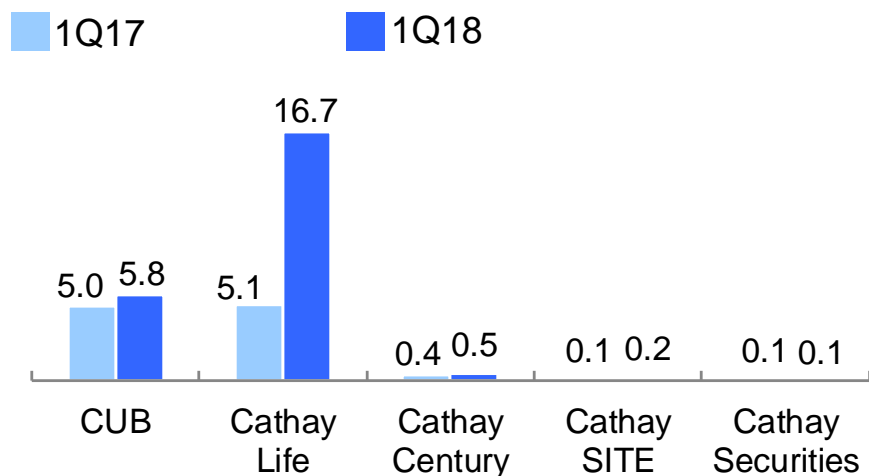
Net income (NT\$BN)

EPS (NT\$)

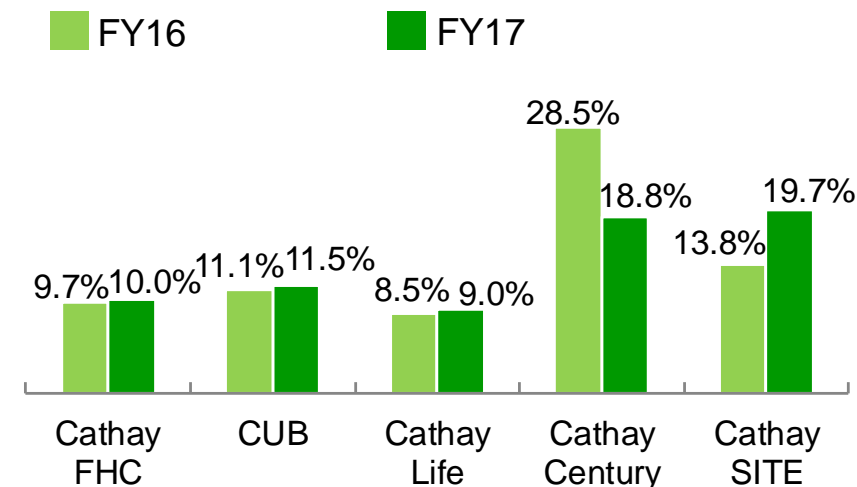
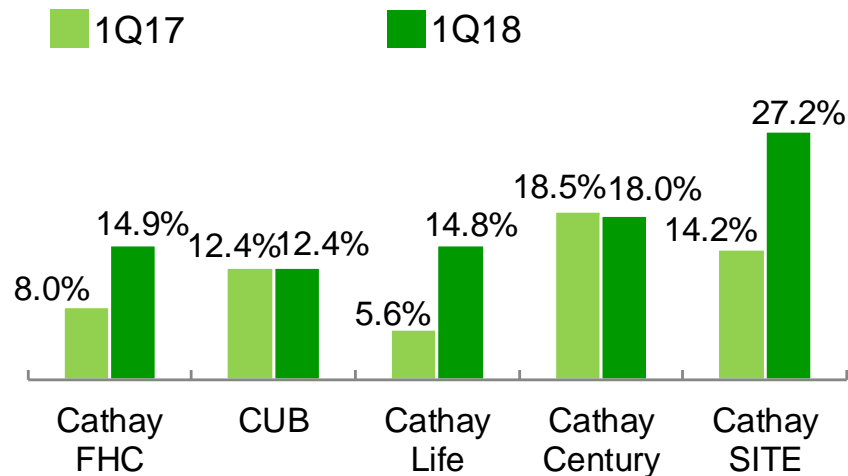


Cathay FHC – Net income & EPS

Net income of primary subsidiaries

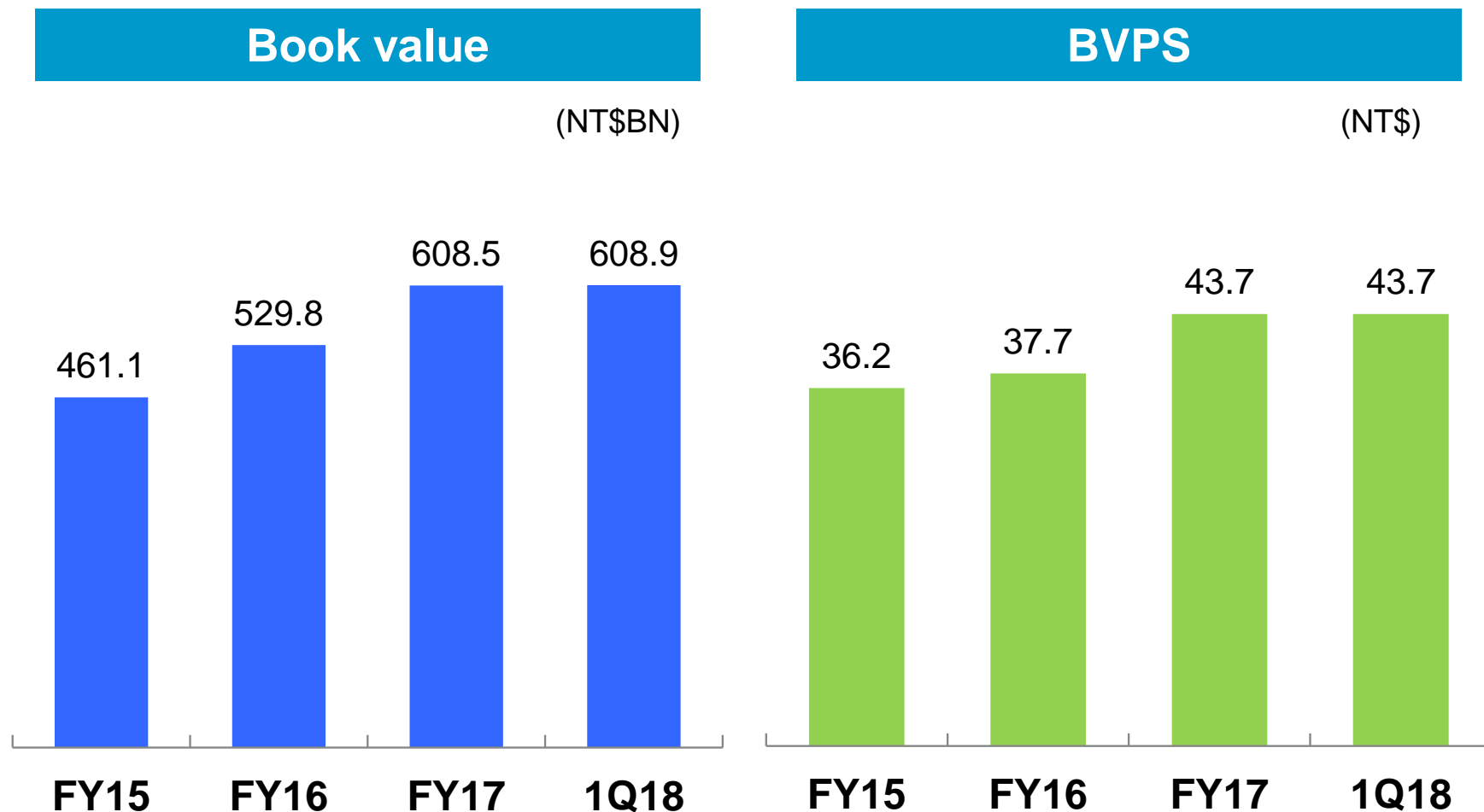


ROE



Note: Starting 1Q18, ROE calculation was based on IFRS 9.

Cathay FHC – Book value & BVPS



Note: (1) Book value includes preferred shares and minority interests, BVPS represented BVPS attributable to common shareholders.
(2) Starting Jan.1, 2018, the reporting was based on IFRS 9.

Agenda

- **1Q18 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**
 - Cathay United Bank
 - Cathay Life
 - Cathay Century
- **Appendix**

Cathay FHC in South East Asia

	China	Vietnam	Cambodia	Hong Kong	Singapore	Malaysia	Laos	Philippines	Thailand	Myanmar	Indonesia
Bank	6	37	16	1	1	1	1	1	1	1	1
Life	44 ⁽¹⁾	44									
P&C	26	2									
Asset Mgt	1			1							
Securities	1			1							

- Note: (1) Cathay Lujiazui Life obtained approval to set up a branch office in Henan, China.
 (2) Footprints in Thailand, Myanmar and Indonesia are representative offices.
 (3) Investments in RCBC and Bank Mayapada are funded by Cathay Life.
 (4) Cathay FHC owns 49% stake of Cathay Century (China), and 33% stake of CDBS Cathay Asset Management.



■ Banking

- Vietnam: Indovina Bank posts solid results
- Cambodia: Subsidiary's businesses grows steadily
- Philippines: Invests 23% stake in RCBC⁽³⁾
- Indonesia: Invests 40% stake in Bank Mayapada⁽³⁾

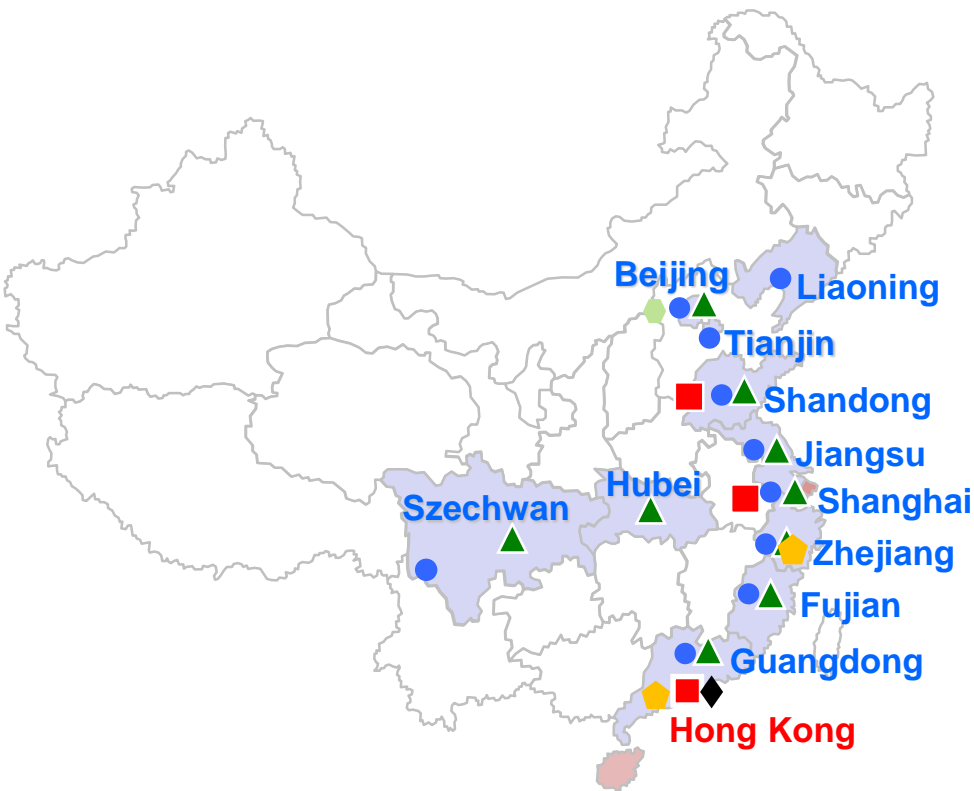
■ Cathay Life (Vietnam)

- Total premium grew 56% YoY to VND129BN in 1Q18
- Expands and diversifies distribution channels

■ Cathay Century

- Continues to expand local distribution channels to enhance growth momentum

Cathay FHC in China



- Cathay Lujiazui Life
- Cathay United Bank
- ▲ Cathay Century (China)
- ◆ Cathay Securities
- ◆ Conning Asia Pacific Limited
- CDBS Cathay Asset Management Company

■ Cathay United Bank

- Expects to convert Shanghai branch into subsidiary in 2018

■ Cathay Lujiazui Life

- Total premium grew 52% YoY to RMB 709MN in 1Q18

■ Cathay Century (China)

- Forms a strategic alliance with Ant Financial group to capture new business opportunities

■ Cathay Securities (HK)

- Each business line grows steadily

■ JV with China Development Bank Securities (CDBS Cathay Asset Management)

- Continues to launch new products. Mainly focus on fixed income funds

■ Conning Asia Pacific Limited

- Continues to expand asset management business

Agenda

- **1Q18 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**

Cathay United Bank

Cathay Life

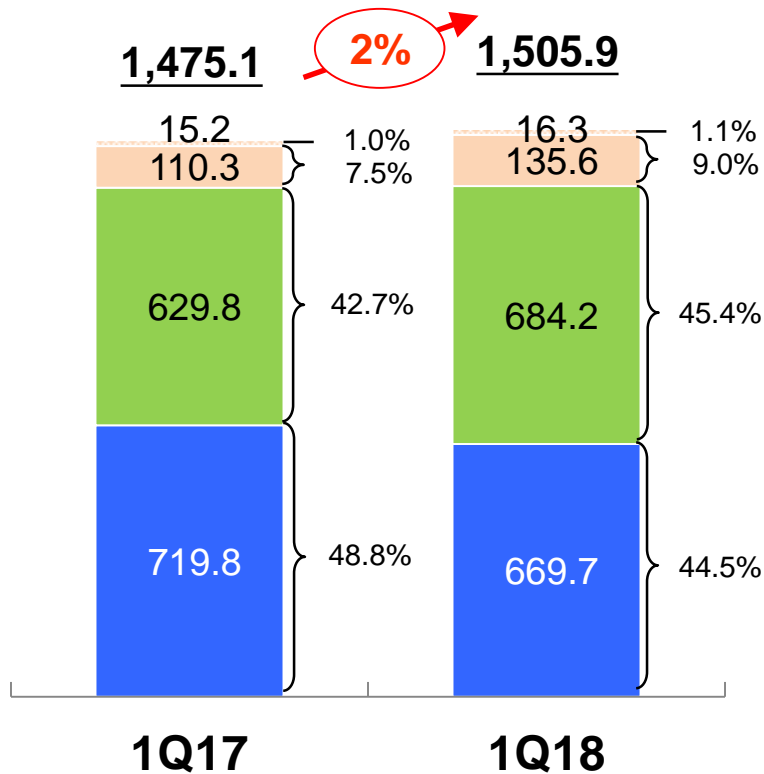
Cathay Century

- **Appendix**

Cathay United Bank – Loan & deposit breakdown

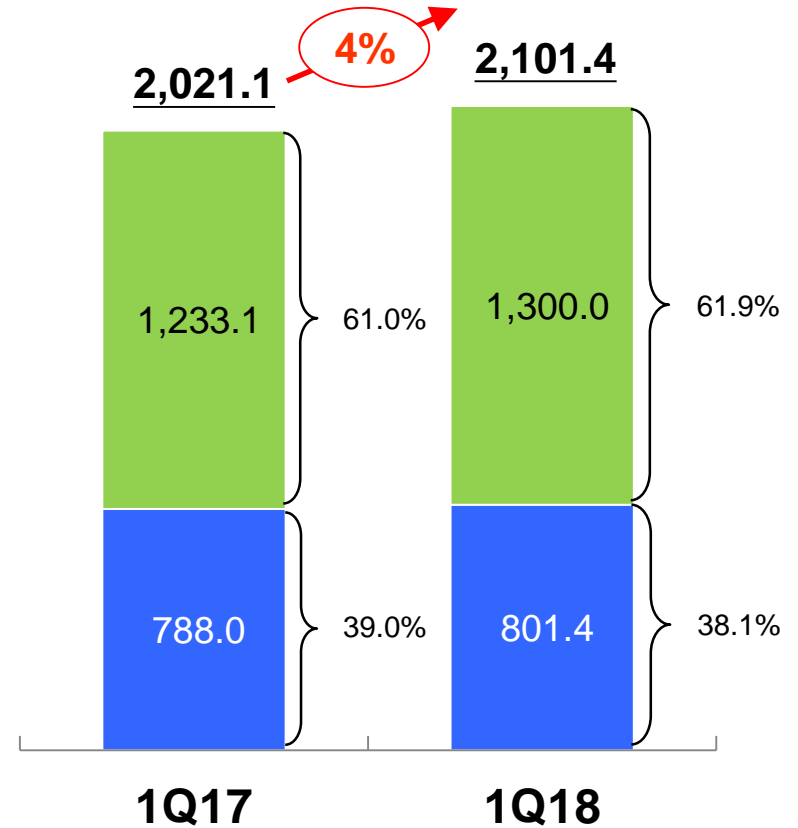
Loan breakdown

- Credit Card related (NT\$BN)
- Consumer
- Mortgage
- Corporate



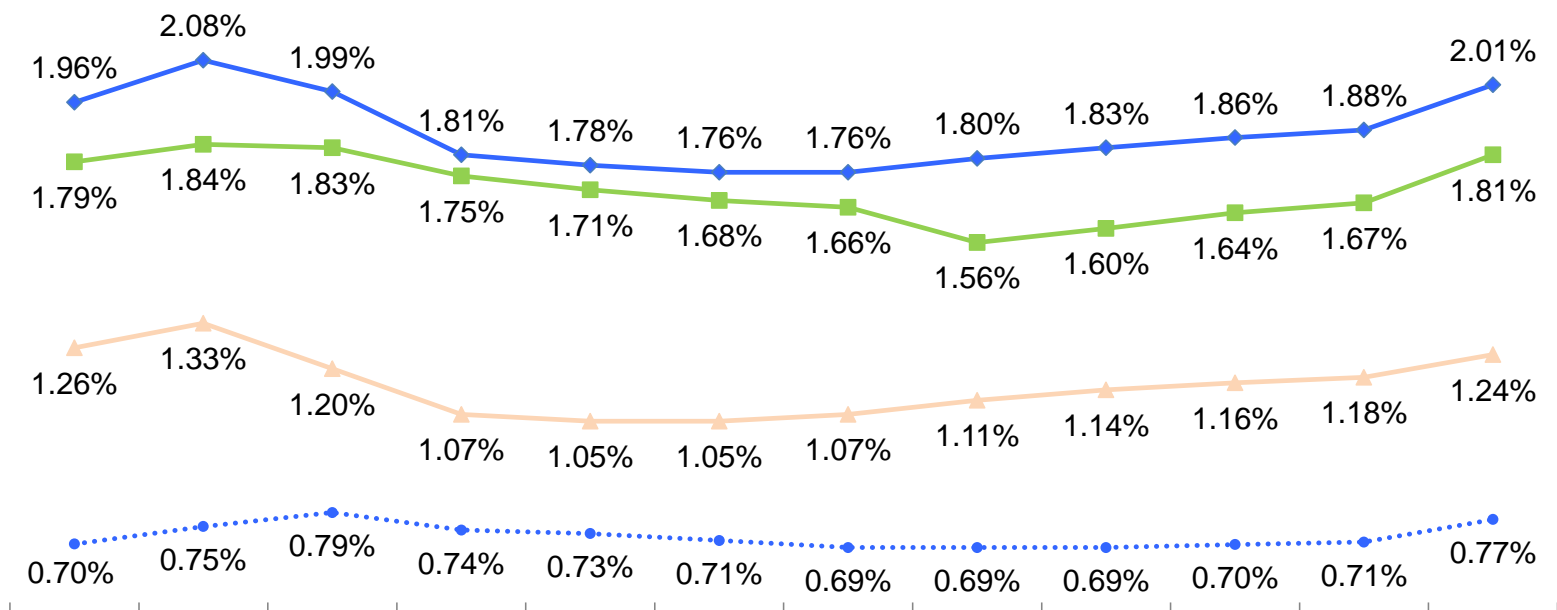
Deposit breakdown

- Demand Deposit (NT\$BN)
- Time Deposit



Cathay United Bank – Interest yields

◆ Avg. rate of interest-earning assets ■ Interest spread ▲ Net interest margin ●●● Funding cost



FY13 FY14 FY15 1Q16 1H16 9M16 FY16 1Q17 1H17 9M17 FY17 1Q18

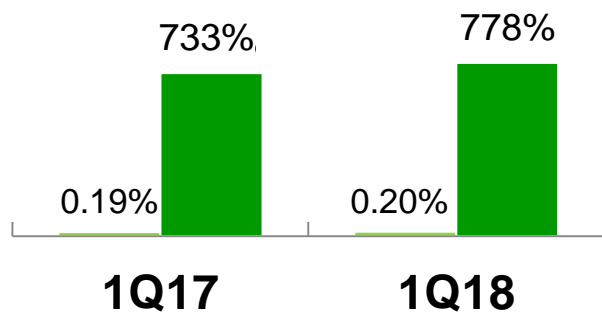
	<u>4Q15</u>	<u>1Q16</u>	<u>2Q16</u>	<u>3Q16</u>	<u>4Q16</u>	<u>1Q17</u>	<u>2Q17</u>	<u>3Q17</u>	<u>4Q17</u>	<u>1Q18</u>
Quarterly Spread	1.81%	1.75%	1.68%	1.62%	1.59%	1.56%	1.64%	1.74%	1.76%	1.81%
Quarterly NIM	1.12%	1.07%	1.02%	1.06%	1.10%	1.11%	1.18%	1.20%	1.22%	1.24%

Note: Credit card related loans are included in the calculation of interest spread.

Cathay United Bank – Credit quality

NPL & Coverage ratio

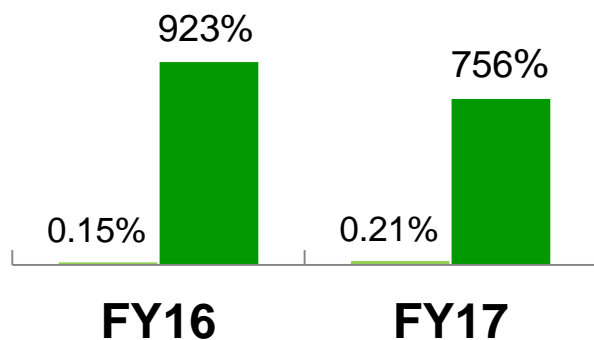
- NPL ratio
- Coverage ratio



Mortgage NPL

0.10%

0.14%



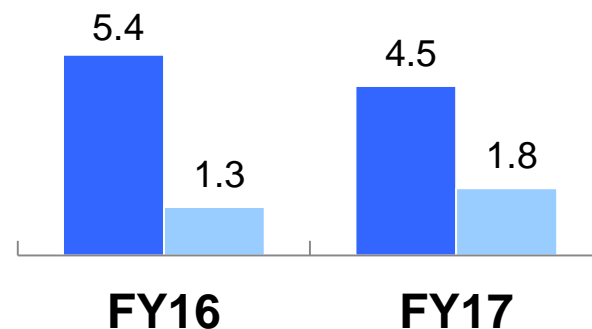
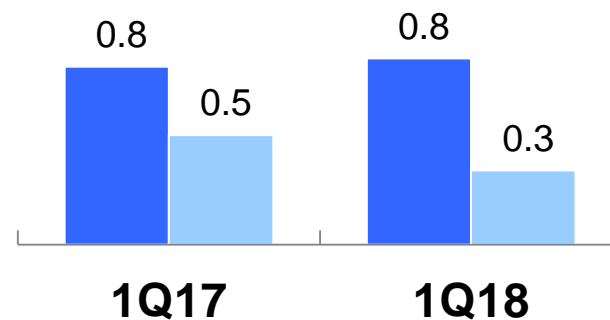
Mortgage NPL

0.08%

0.15%

Gross provision

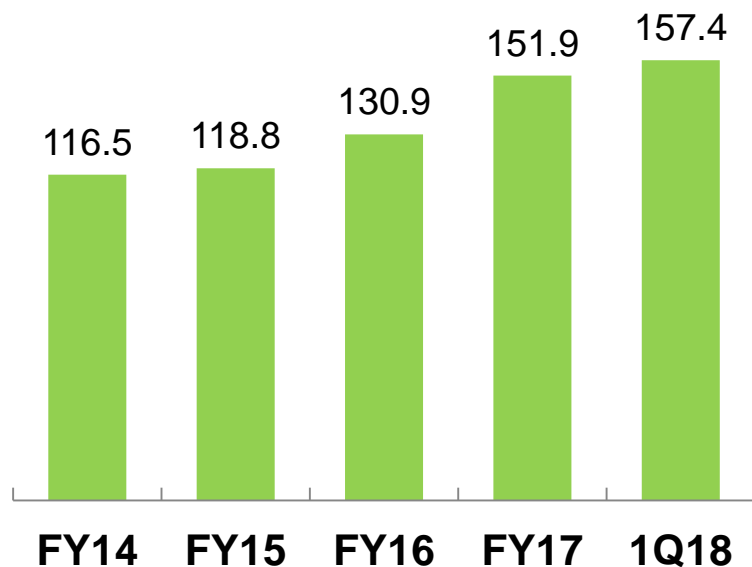
- Gross provision (NT\$BN)
- Recovery



Cathay United Bank – SME & FX loans

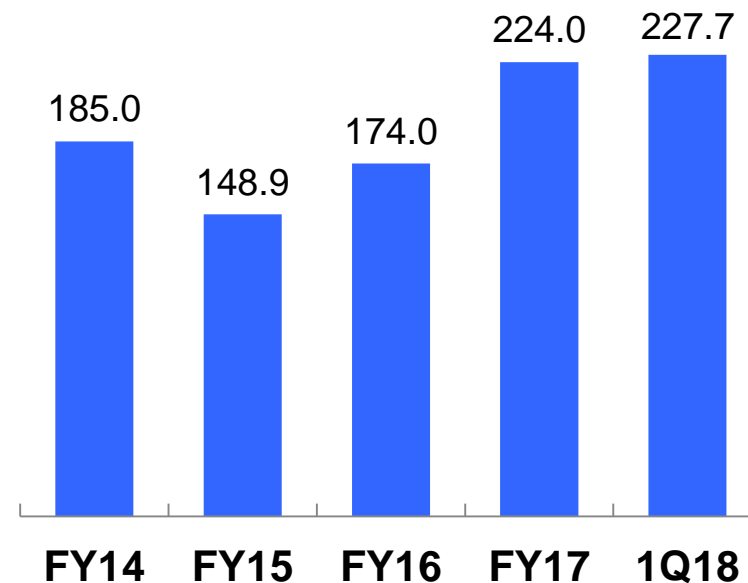
SME loans

(NT\$BN)



Foreign currency loans

(NT\$BN)



As % of total loans

10.5% 10.6% 9.2% 10.7% 10.6%

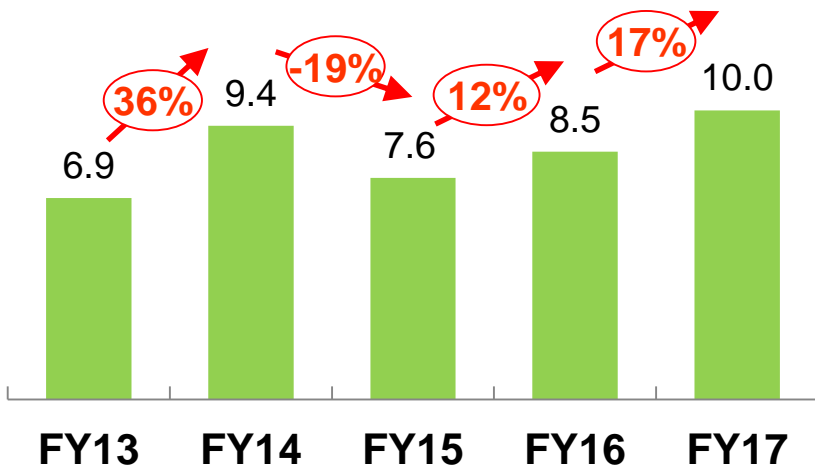
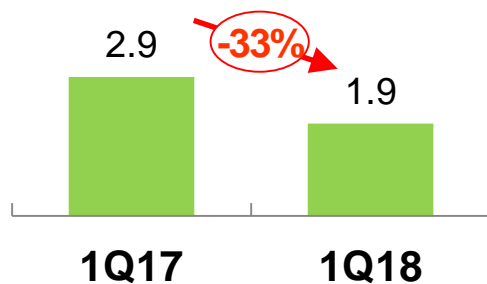
16.6% 13.3% 12.2% 15.8% 15.3%

Note: Total loans exclude credit card revolving balance.

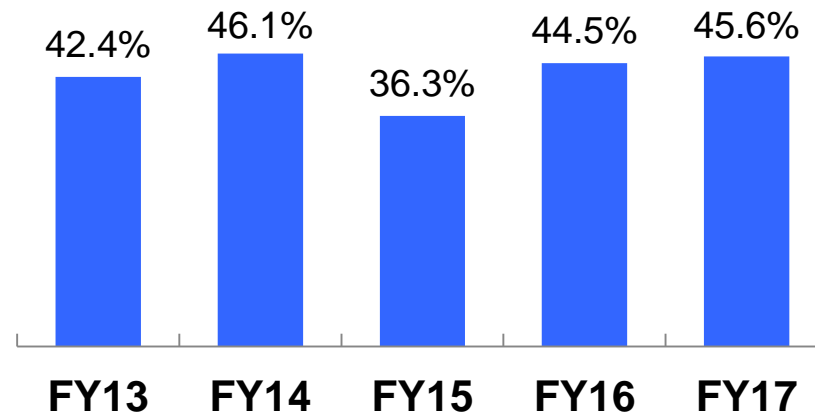
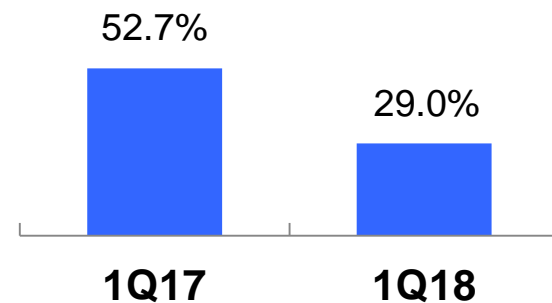
Cathay United Bank – Offshore earnings

Offshore earnings

(NT\$BN)

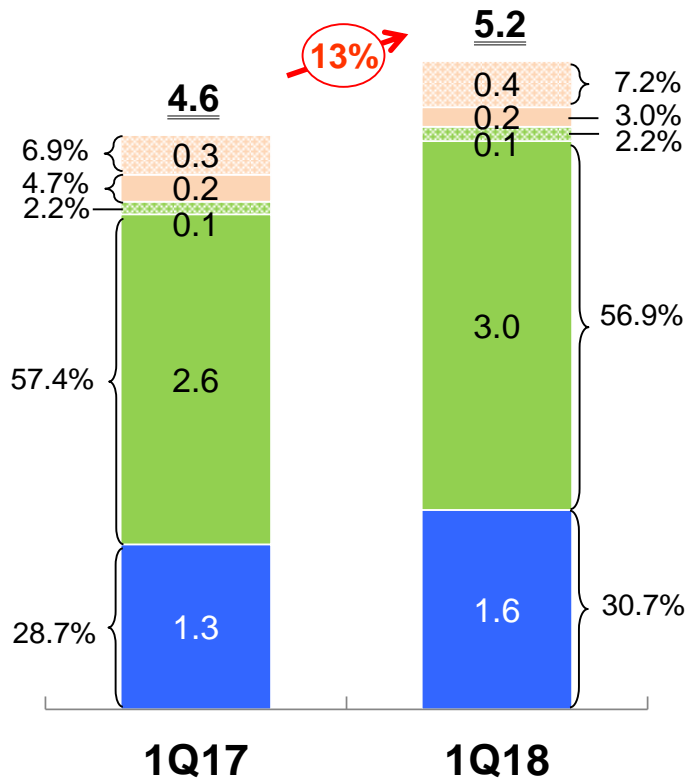
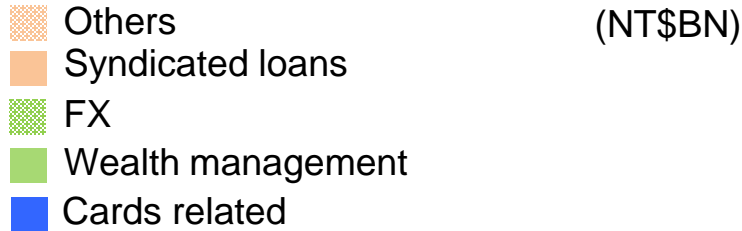


As % of CUB pre-tax profits

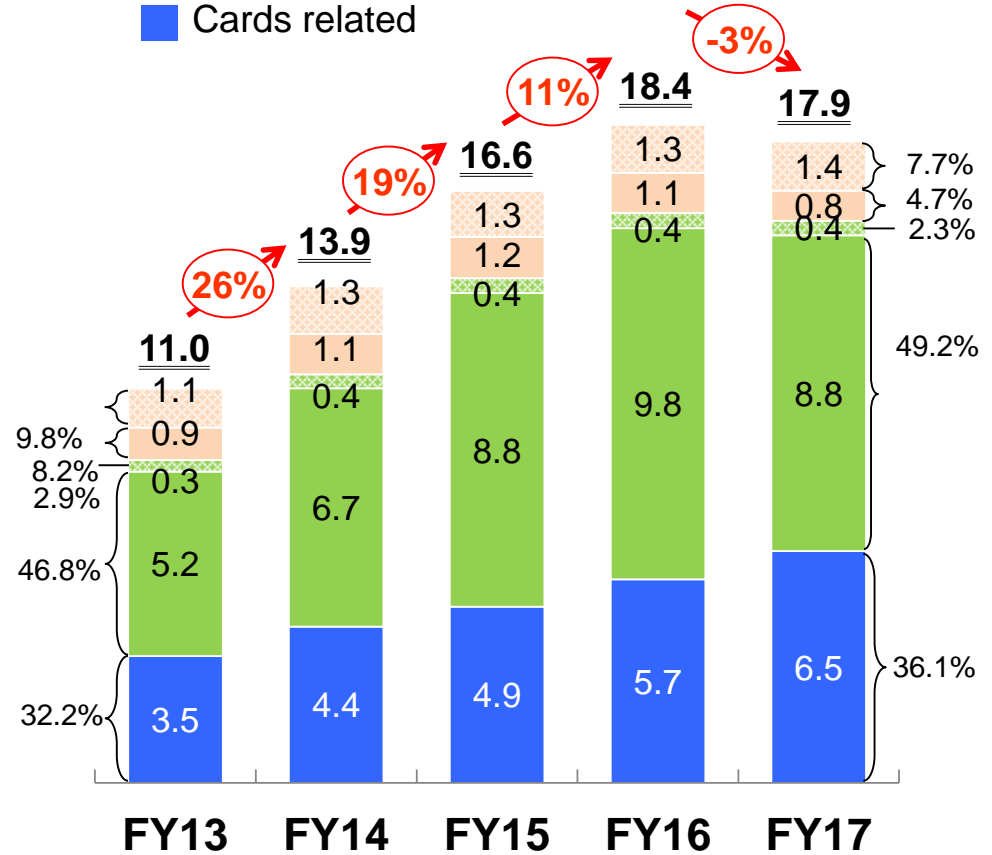
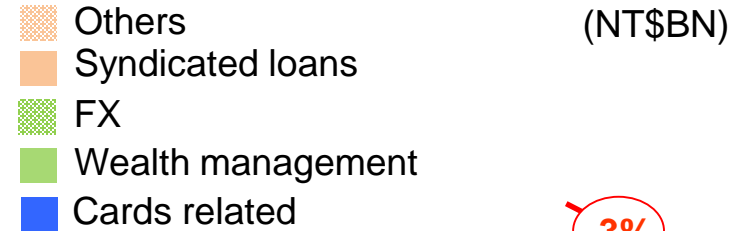


Cathay United Bank – Fee income

Fee income breakdown (quarterly)



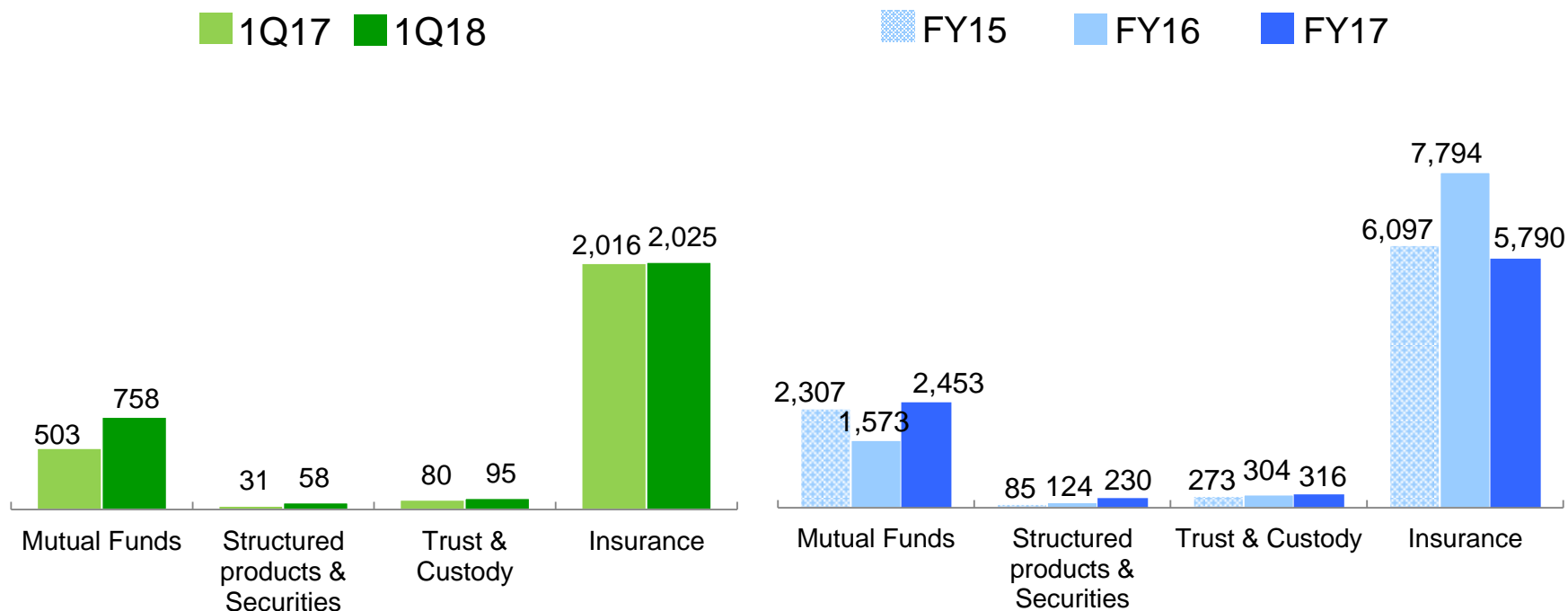
Fee income breakdown (annual)



Cathay United Bank – Wealth management fee

Wealth management fee breakdown

(NT\$MN)	1Q17	1Q18	FY15	FY16	FY17
Wealth Management Fee Income	2,641	2,952	8,779	9,828	8,837
YoY growth (%)	-10.4%	11.8%	31.6%	11.9%	-10.1%



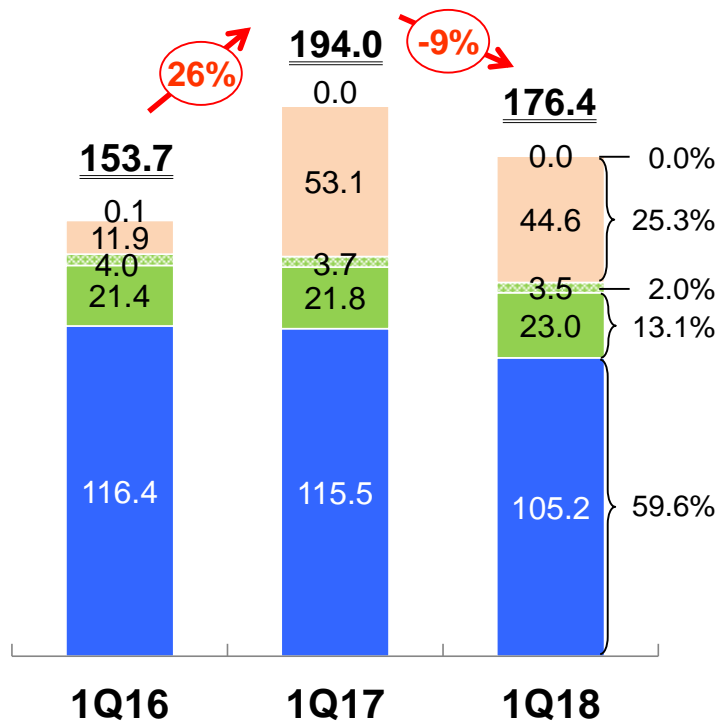
Agenda

- **1Q18 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**
 - Cathay United Bank
 - Cathay Life**
 - Cathay Century
- **Appendix**

Cathay Life – Total premium

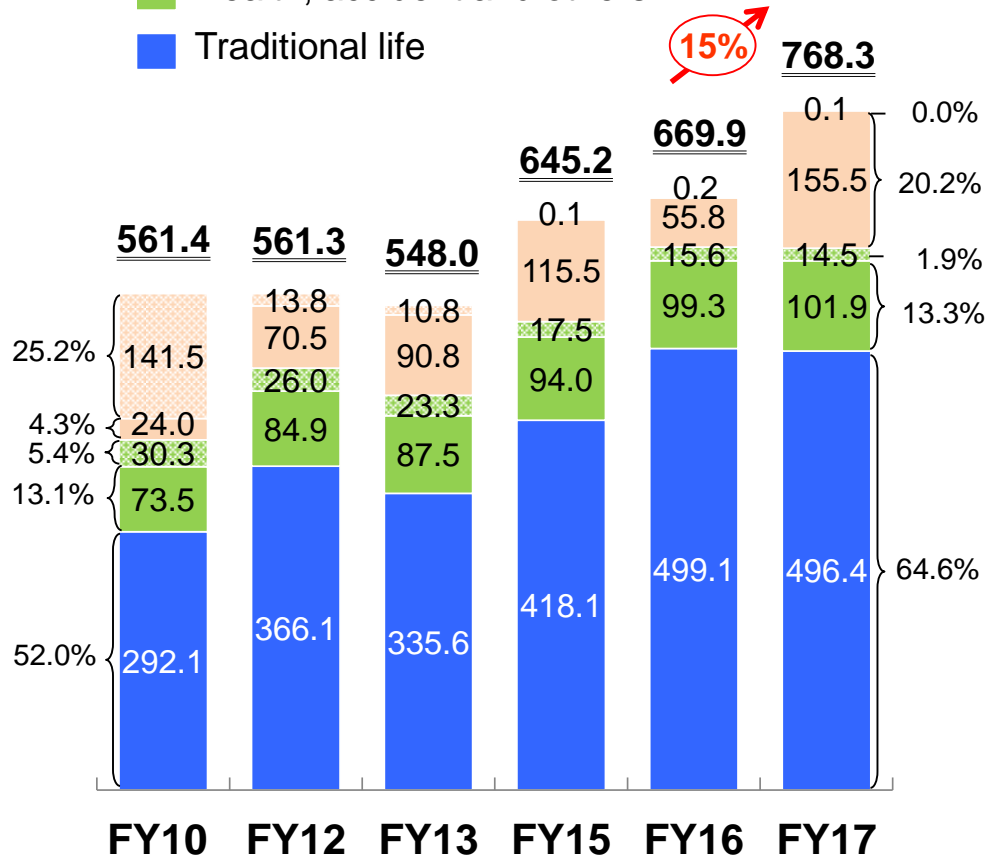
Total premium (quarterly)

- Interest sensitive annuity (NT\$BN)
- Investment-linked (non-VUL)
- Investment-linked (VUL)
- Health, accident and others
- Traditional life



Total premium (annual)

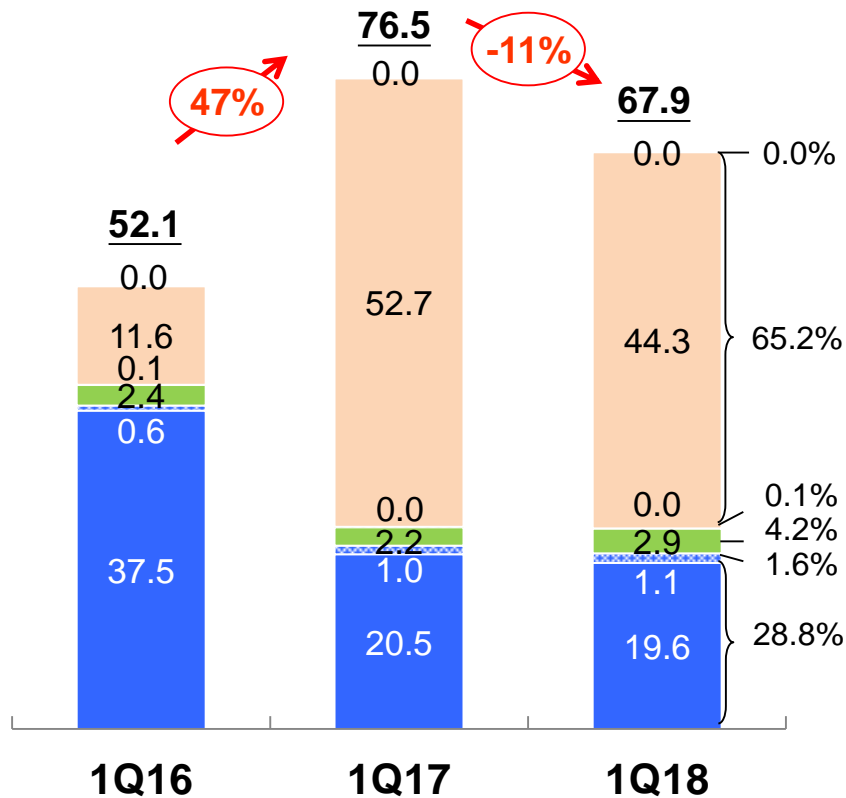
- Interest sensitive annuity (NT\$BN)
- Investment-linked (non-VUL)
- Investment-linked (VUL)
- Health, accident and others
- Traditional life



Cathay Life – FYP & FYPE

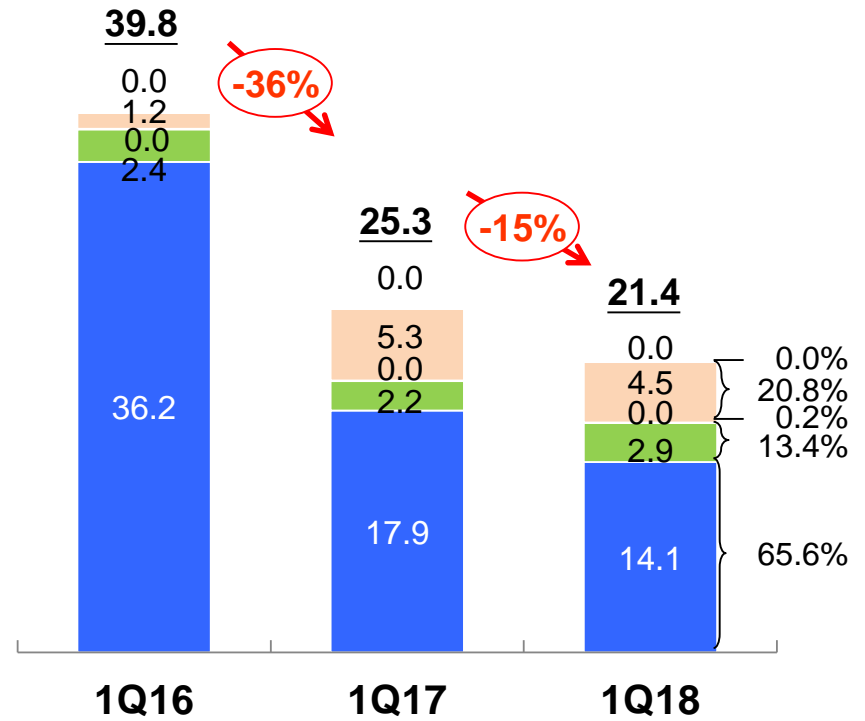
First Year Premium

- Interest sensitive annuity (NT\$BN)
- Investment-linked (non-VUL)
- Investment-linked (VUL)
- Health, accident and others
- Traditional life – single paid
- Traditional life – regular paid



Annualized First Year Premium

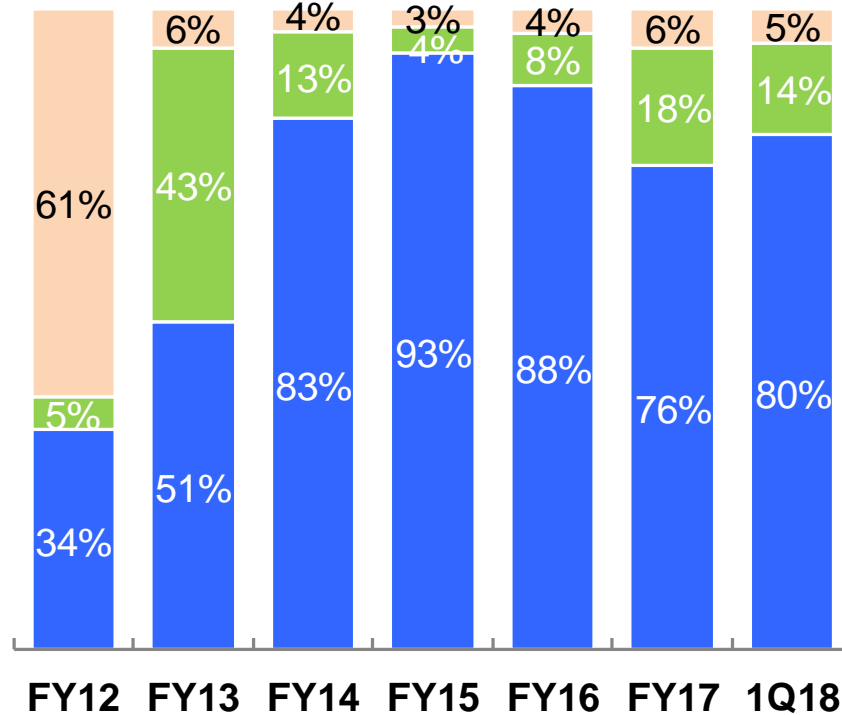
- Interest sensitive annuity (NT\$BN)
- Investment-linked (non-VUL)
- Investment-linked (VUL)
- Health, accident and others
- Traditional life



Cathay Life – Regular paid policies remain as focus

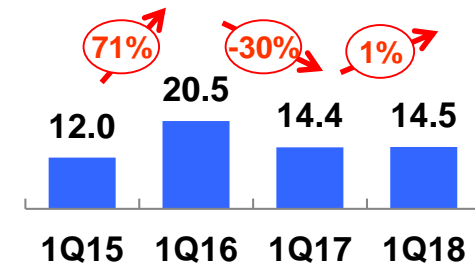
Breakdown of Traditional FYP

- Traditional life – single paid
- Traditional life - 2 year regular paid
- Traditional life - 3 year and above regular paid

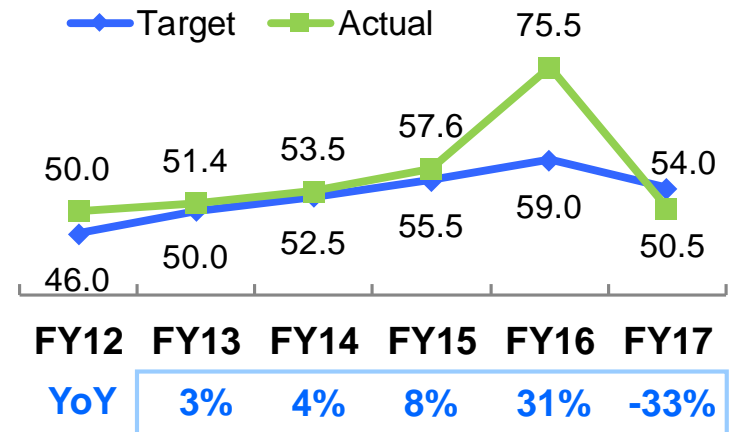


Value for New Business

Profit Margin	1Q15	1Q16	1Q17	1Q18
VNB/FYP	23%	39%	19%	21%
VNB/FYPE	74%	51%	57%	68%



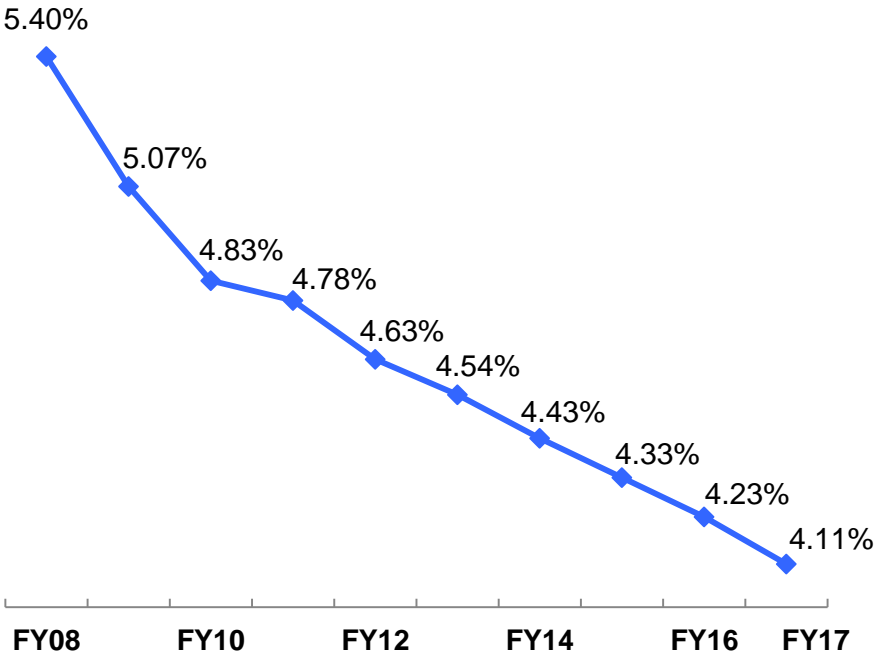
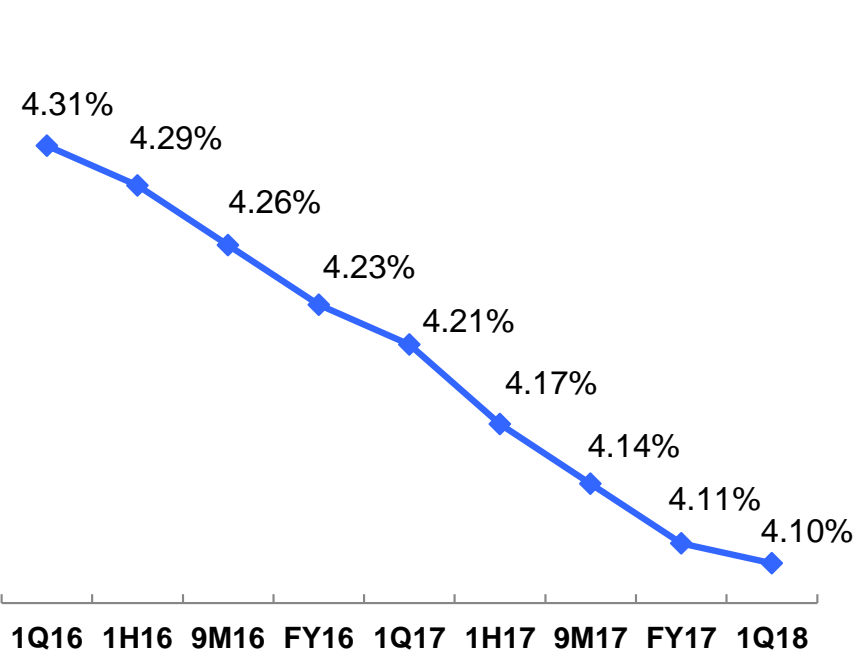
Profit Margin	FY12	FY13	FY14	FY15	FY16	FY17
VNB/FYP	19%	26%	23%	27%	38%	22%
VNB/FYPE	54%	70%	75%	57%	56%	64%



Cathay Life – Cost of liability

Cost of liability (quarterly)

Cost of Liability (annual)



Note: The figures of cost of liability are reserve-based.

Cathay Life – Investment portfolio

(NT\$BN)	FY15	FY16	FY17			1Q18		
Total investments⁽¹⁾	4,636.6	5,001.1	5,502.6			5,555.5		
	Weight	Weight	Weight	Amount	Return	Weight	Amount	Return
Cash & Cash equivalents	1.3%	1.3%	1.6%	87	0.5%	2.4%	131	0.5%
Equity- Domestic	7.4%	7.9%	8.4%	465	9.1%	8.2%	454	9.8%
Equity- International ⁽²⁾	6.2%	6.4%	6.3%	347	8.3%	6.4%	357	18.0%
Bond- Domestic	8.0%	6.5%	5.5%	305	2.1%	5.5%	305	2.8%
Bond- International ⁽¹⁾⁽²⁾	50.6%	53.8%	55.7%	3,063	5.0%	55.4%	3,076	4.9%
Mortgage & Secured loans	10.2%	8.9%	8.1%	444	1.8%	7.9%	436	1.9%
Policy loans	3.6%	3.3%	3.0%	166	5.8%	3.0%	166	5.6%
Real estate	10.5%	9.8%	9.2%	496	2.3%	9.0%	498	2.6%
Others	2.1%	2.2%	2.4%	130		2.4%	133	

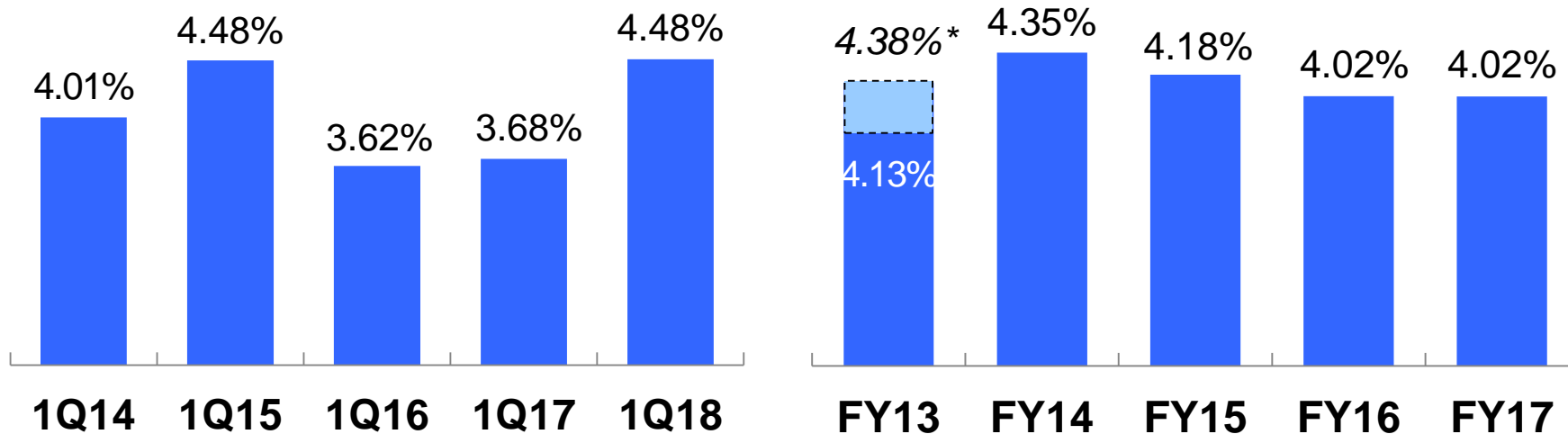
Note: (1) Total assets excluded separate account assets; international bond includes foreign currency deposit and related adjustments

(2) Yields of international equity and international bond are pre-hedge investment yields.

Cathay Life – Investment performance highlight

After-hedging investment yield
(quarterly)

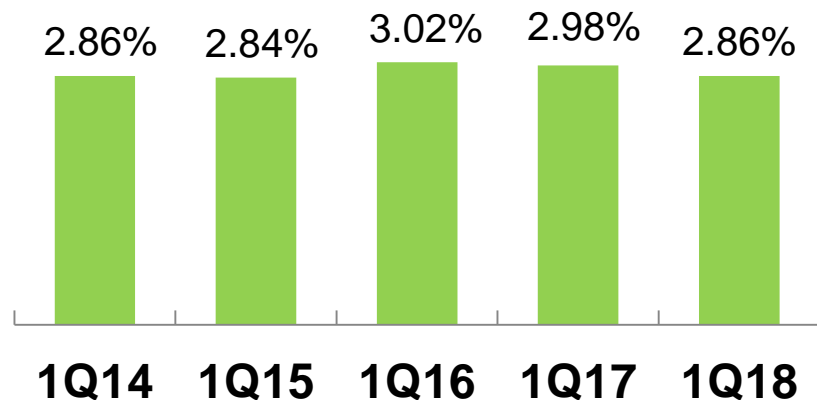
After-hedging investment yield
(annual)



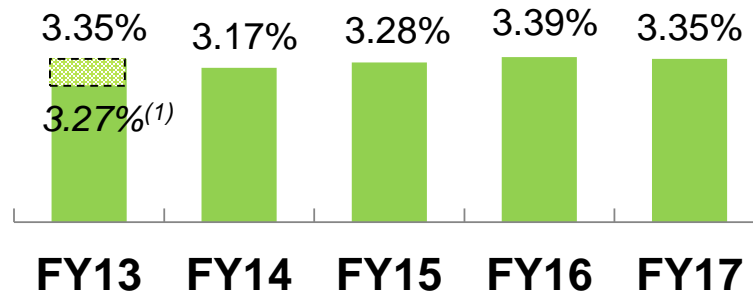
Note: FY13 (4.38%) was pro forma adjusted number of fair value method on investment property.

Cathay Life – Investment performance highlight

Pre-hedging recurring yield

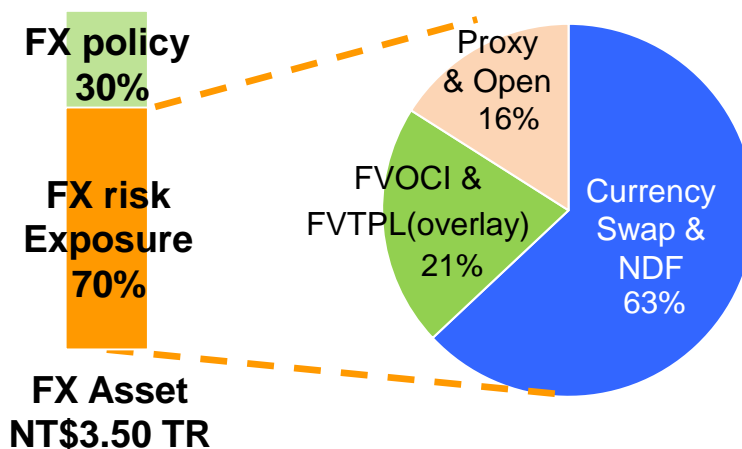


Pre-hedging recurring yield



Currency Hedging Structure

1Q18 Hedging cost 1.32%



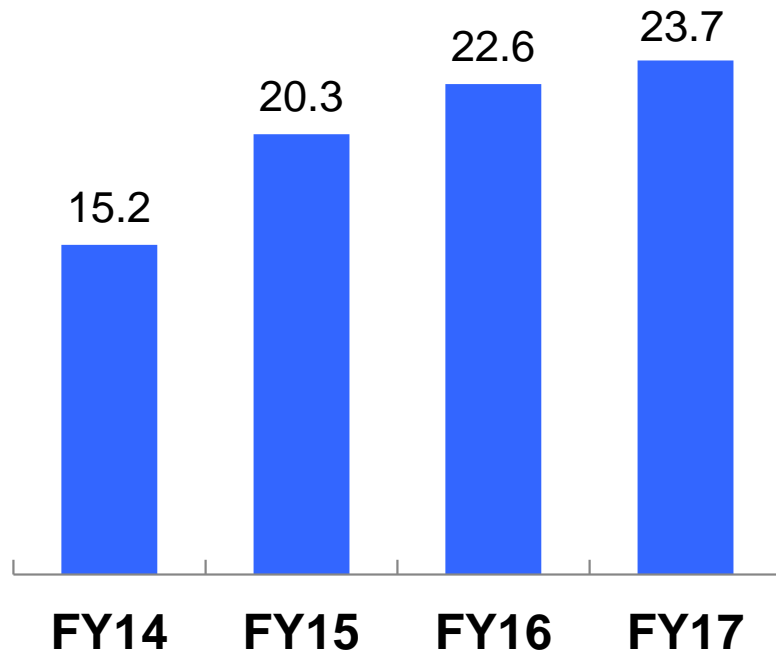
Note: (1) FY13 (3.27%) was pro forma adjusted number of fair value method on investment property.

(2) Pre-hedging recurring income doesn't include capital gains but rental, interest revenue and cash dividend. Most dividend will be recognized in 2Q & 3Q.

Cathay Life – Cash dividend income & Overseas fixed income by region

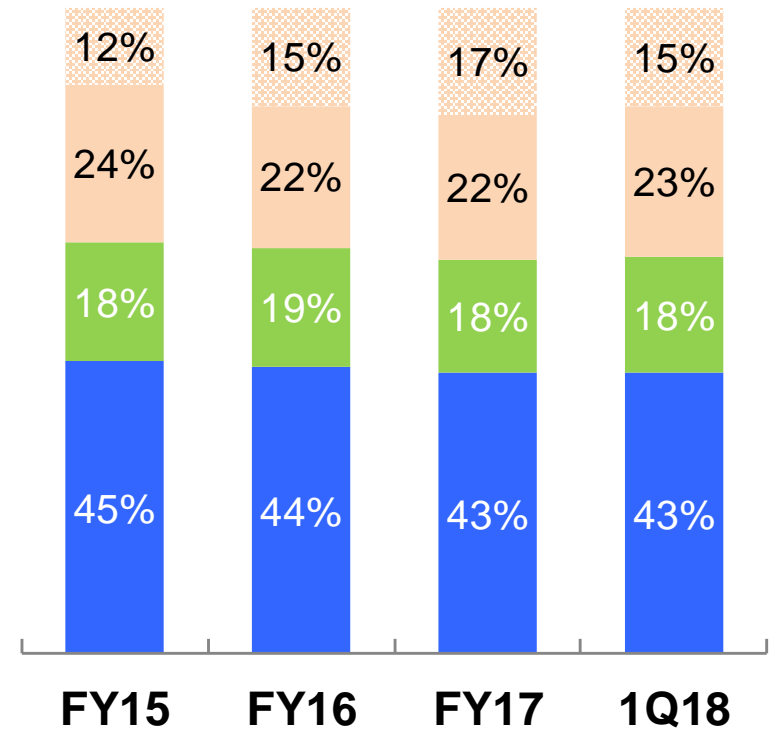
Cash dividend income

(NT\$BN)



Overseas fixed income by region*

- Others
- Asia Pacific
- Europe
- North America

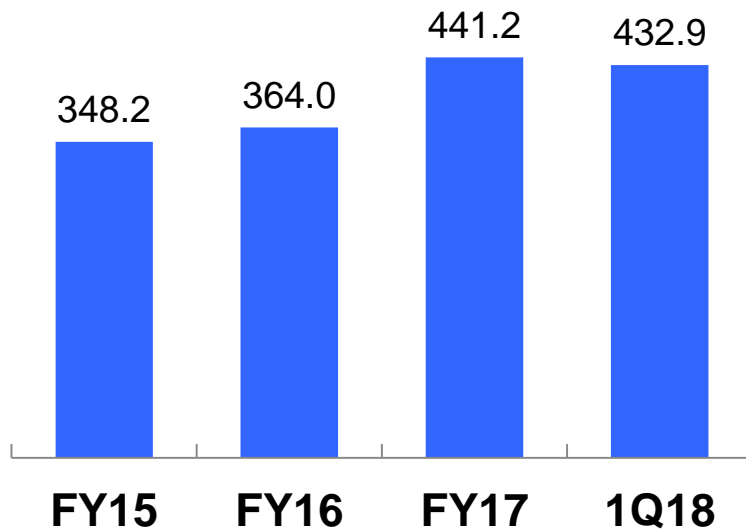


Note: Exclude overseas deposit and equity.

Cathay Life – Book value & Unrealized G/L of financial assets

Book value

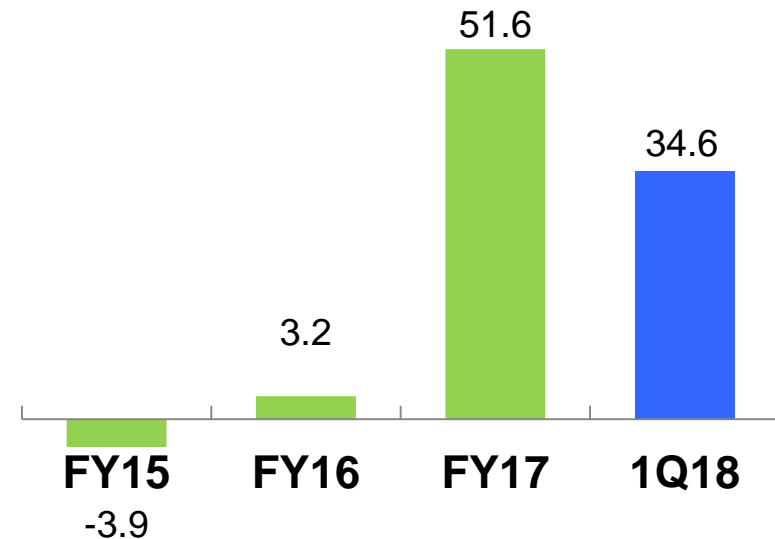
(NT\$BN)



Unrealized G/L of financial assets

(NT\$BN)

- AFS financial assets
- FVOCI & FVTPL(overlay approach)



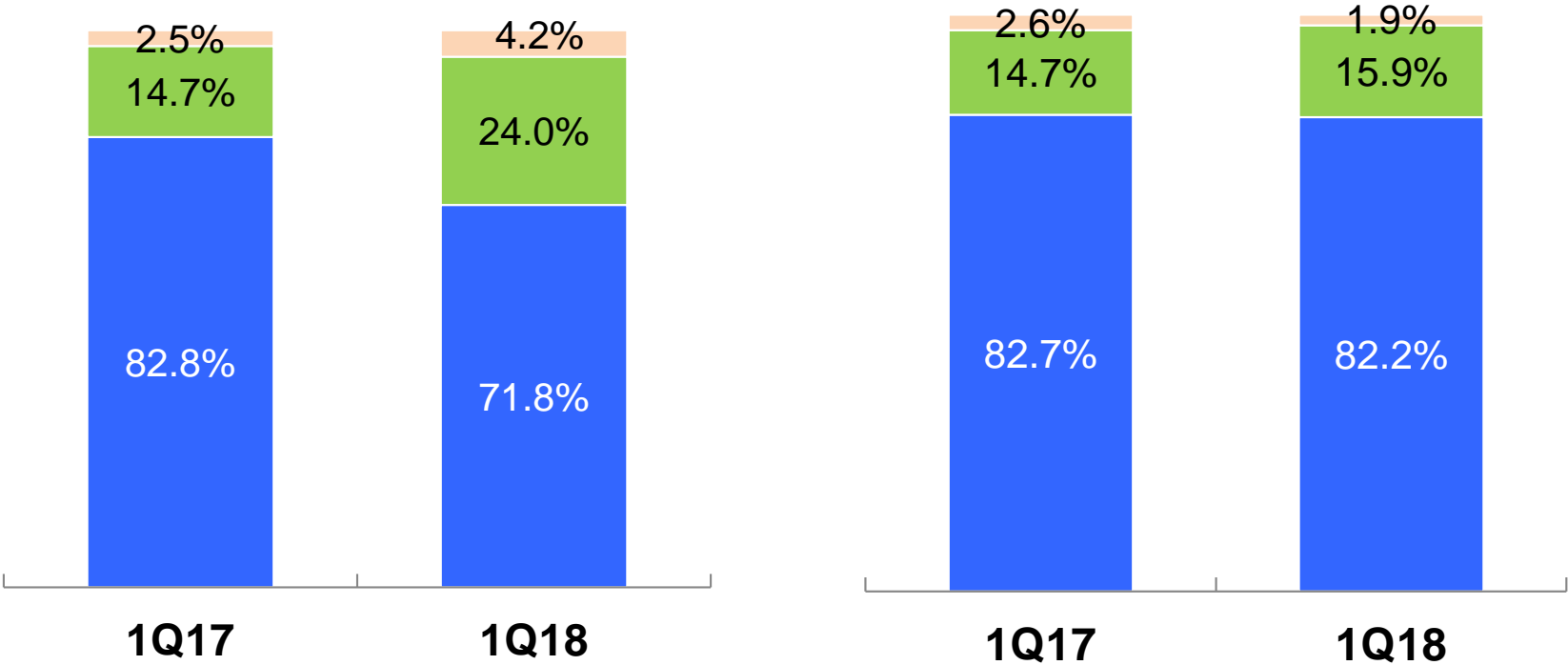
Note: IFRS 9 was effective for reporting period beginning on Jan.1, 2018.

Cathay Life – Distribution channel

First Year Premium

Annualized First Year Premium

- Others
- Bancassurance-CUB
- Tied agents

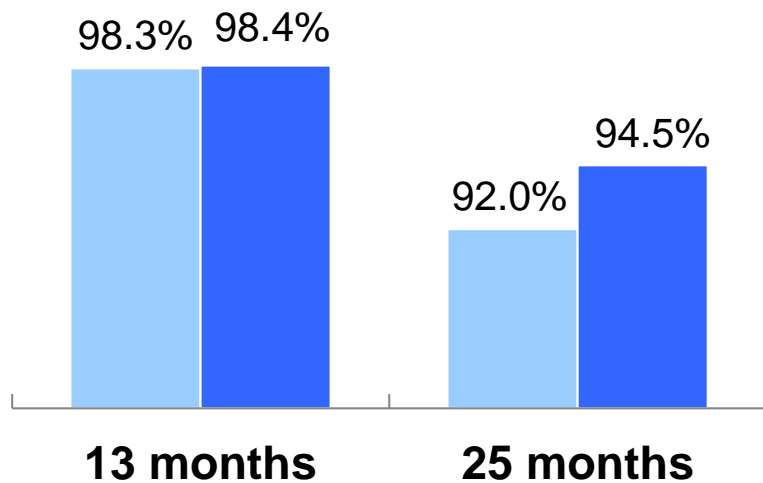


Cathay Life – Operational indicators

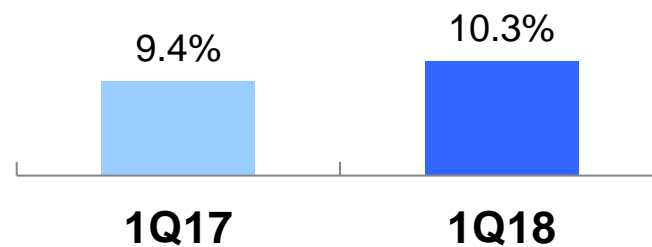
Persistency ratio

1Q17

1Q18



Expense ratio



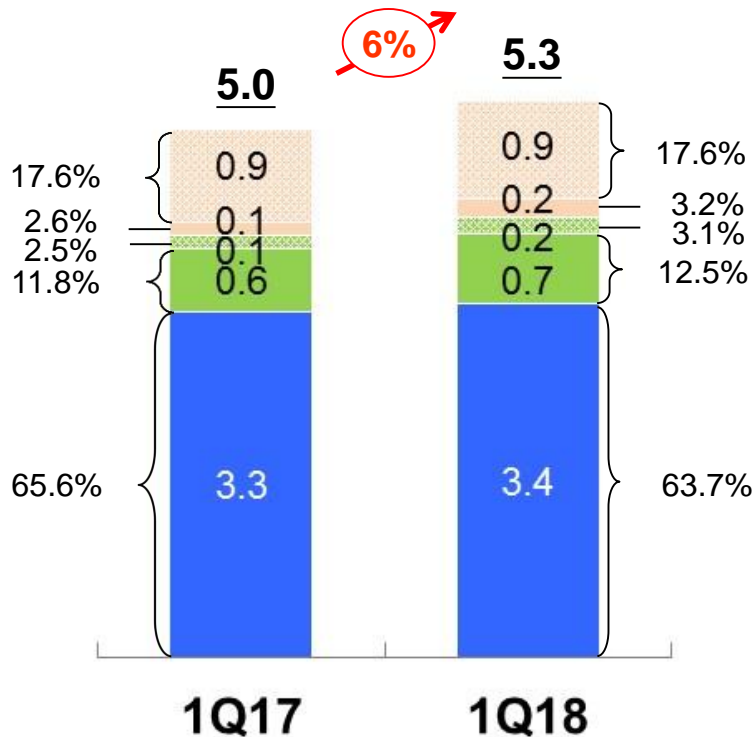
Agenda

- **1Q18 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**
 - Cathay United Bank
 - Cathay Life
 - Cathay Century
- **Appendix**

Cathay Century – Premium income

Premium income

(NT\$BN)



Premium income (annual)

(NT\$BN)

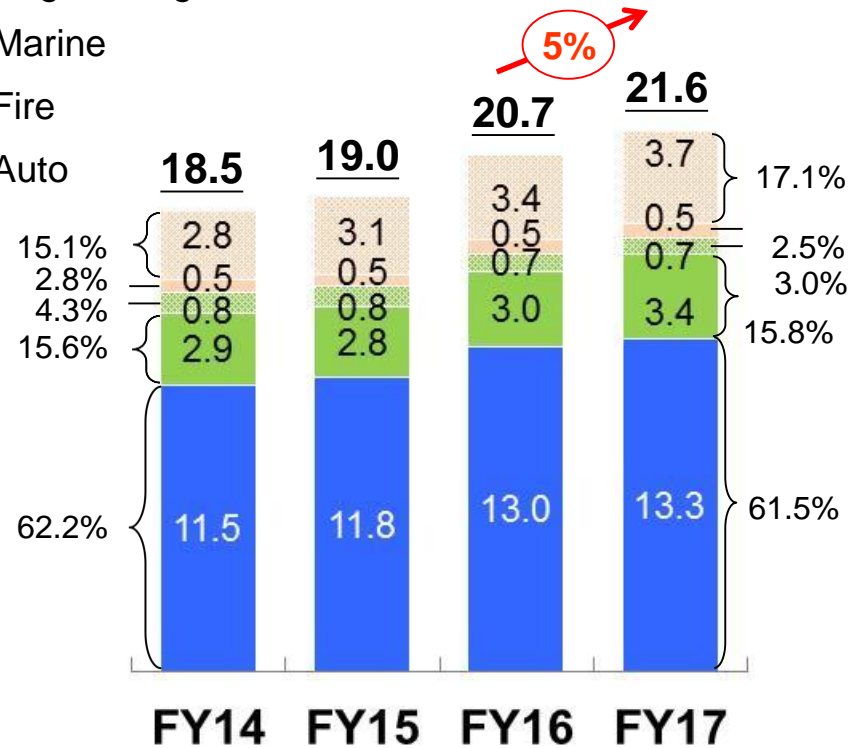
Others

Engineering

Marine

Fire

Auto



Market share 12.0%
Retention 77.2%

11.8%
79.4%

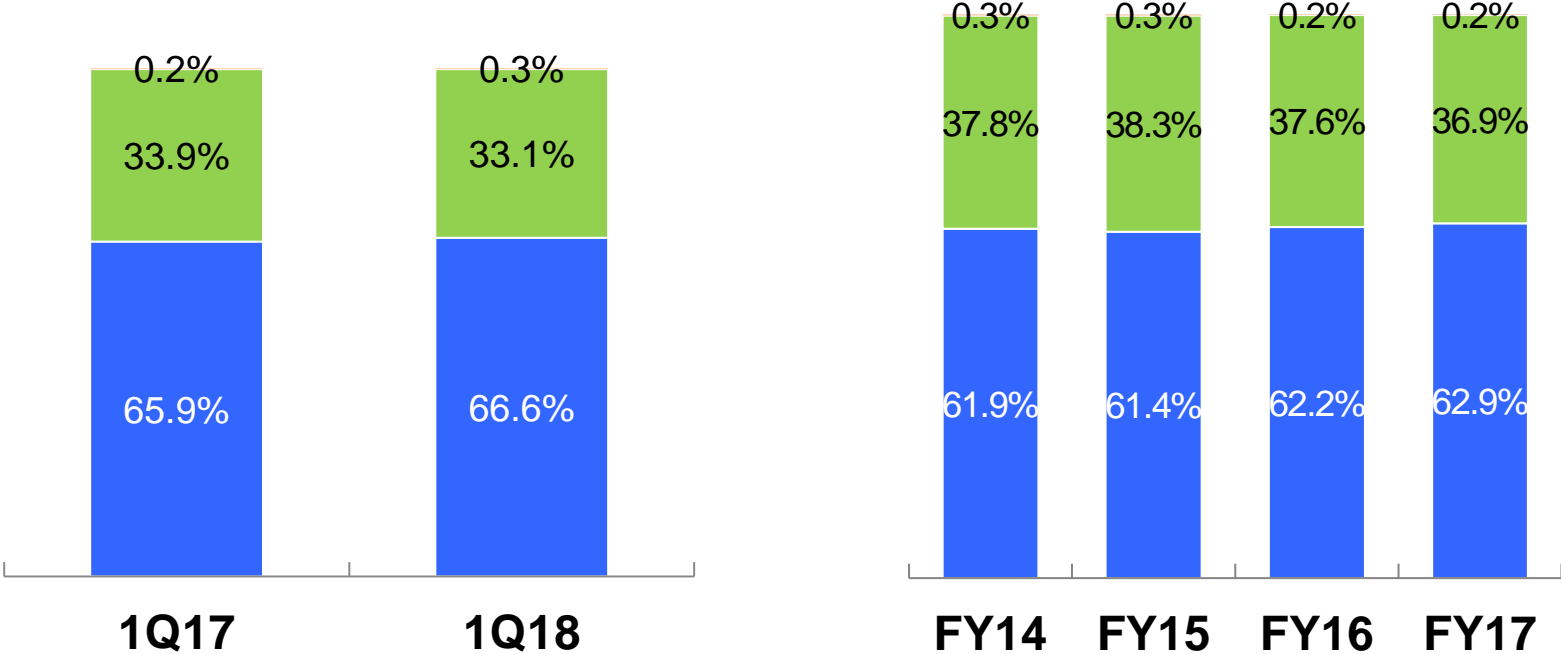
13.6% 13.3% 13.6% 13.1%
76.9% 74.9% 75.7% 76.2%

Cathay Century – Distribution

Distribution channel

Distribution channel (annual)

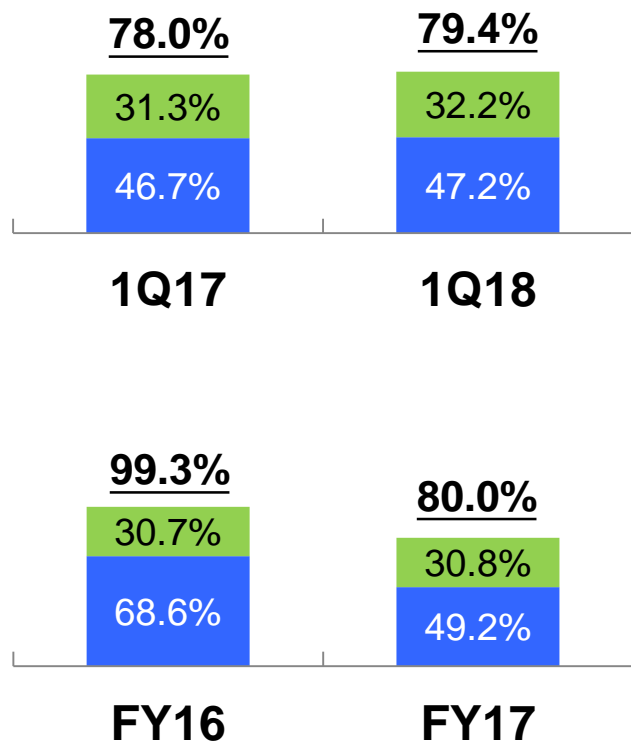
- Affiliate channels
- Cathay P&C agents
- Cathay group channel



Cathay Century – Combined ratio

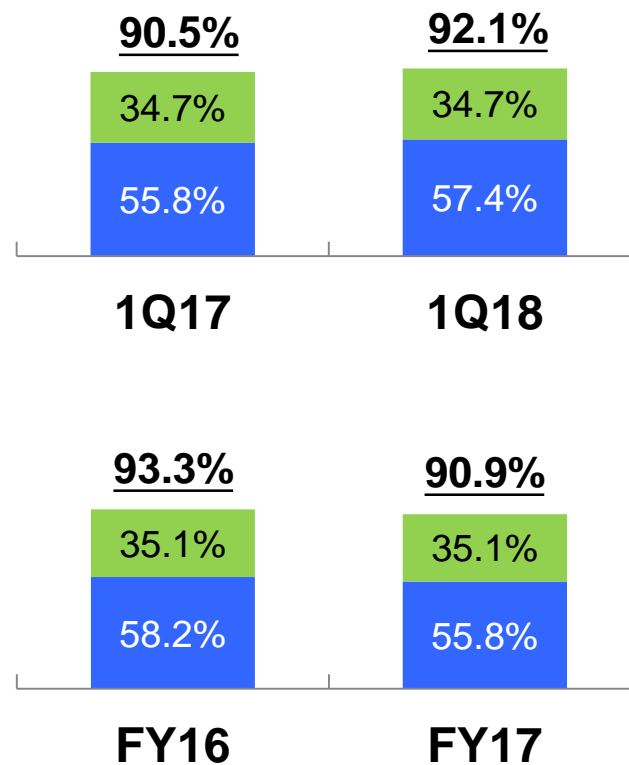
Gross combined ratio

- Gross expense ratio
- Gross loss ratio



Retained combined ratio

- Retained expense ratio
- Retained loss ratio

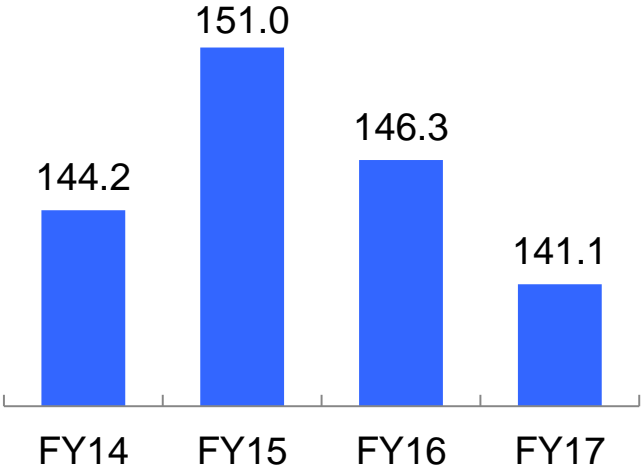


Agenda

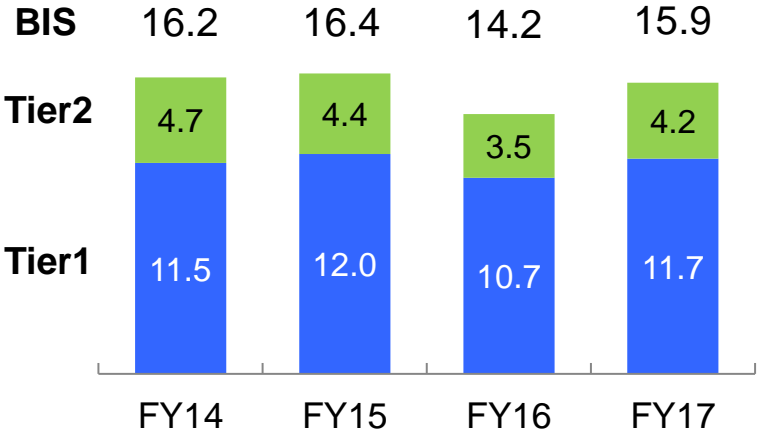
- **1Q18 Business Overview**
- **Overseas Expansion**
- **Business Performance Summary**
 - Cathay United Bank
 - Cathay Life
 - Cathay Century
- **Appendix**

Capital adequacy

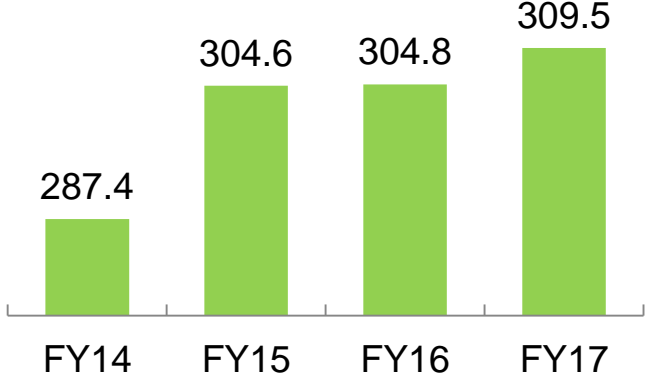
Cathay FHC CAR (%)



CUB Capital Adequacy (%)

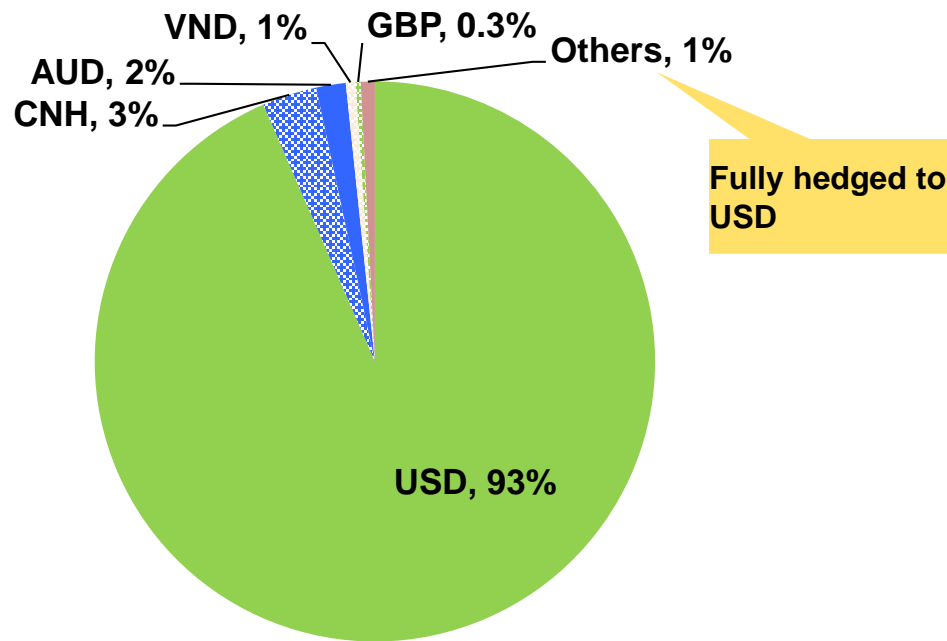


Cathay Life RBC(%)

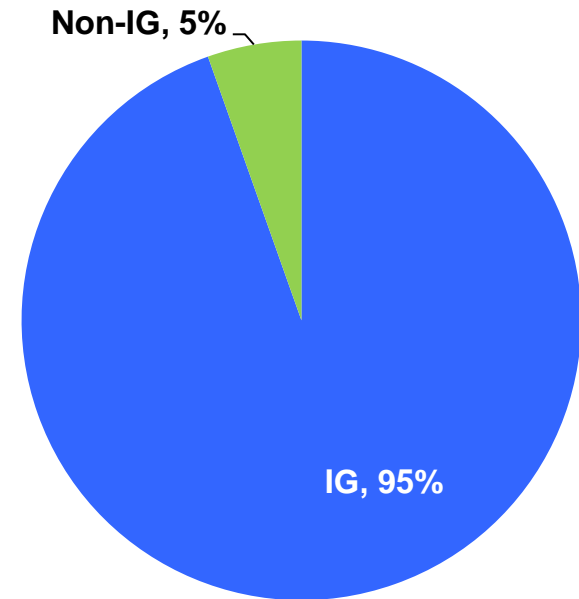


Cathay Life – Overseas bond breakdown by currency and rating

Overseas bond by currency (1Q18)



Overseas bond by rating (1Q18)





Thank You

Disclaimer

- ❑ This document is provided by Cathay Financial Holding Co., Ltd. (the "Company"). Except for the numbers and information included in the Company's financial statements, the information contained in this document has not been audited or reviewed by any accountant or independent expert. The Company makes no express or implied representations or warranties as to the fairness, 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. 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 contain forward-looking statements, including but not limited to all statements that address activities, events or developments that the Company expects or anticipates to take place in the future based on the projections of the Company toward the future, and various factors and uncertainty beyond the Company's control. Therefore, the actual results may differ materially from those contained in the forward-looking statements.
- ❑ 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.
- ❑ 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.

Cathay Financial Holdings
(NT\$MN)

Income Statement Data (Consolidated)	FY15	FY16	FY17	FY17/	1Q17	1Q18	1Q18/
				FY16			% Chg
Operating Income							
Net interest income	139,998	153,478	168,461	10%	40,525	41,104	1%
Net commission and fee	(4,480)	(8,050)	1,070	113%	(216)	978	553%
Net earned premium	535,858	622,916	624,617	0%	143,875	136,368	-5%
Change in liability reserve	(306,598)	(408,614)	(445,833)	-9%	(98,573)	(79,909)	19%
Net claims payment	(309,104)	(308,697)	(295,503)	4%	(73,311)	(89,750)	-22%
Investment income	63,734	37,782	62,065	64%	5,064	31,162	515%
Contribution from associates-equity method	1,108	1,202	1,298	8%	472	67	-86%
Other net non-interest income	14,151	40,606	22,446	-45%	10,517	1,215	-88%
Bad debt expense	(2,467)	(5,232)	(3,460)	34%	(319)	(417)	-30%
Operating expense	(65,067)	(75,207)	(75,526)	0%	(17,176)	(19,020)	-11%
Income before taxes							
Income taxes	(9,250)	(2,145)	(2,962)	-38%	(68)	1,458	2233%
Net income	57,882	48,039	56,673	18%	10,790	23,257	116%
EPS (NT\$)	4.58	3.79	4.47		0.85	1.84	
Dividend Payout							
Cash dividend per share	2.00	2.00					
Stock dividend per share	0.00	0.00					
Weighted average outstanding shares (Millions of common shares)	12,563	12,563	12,563		12,563	12,563	
Balance Sheet Data							
Total assets	7,568,975	8,135,137	8,841,510		8,279,518	8,961,966	
Total shareholders' equity	461,062	529,824	608,471		543,293	608,892	
Operating Metrics							
ROAE (Consolidated)	12.86%	9.70%	9.96%		8.04%	14.85%	
ROAA (Consolidated)	0.80%	0.61%	0.67%		0.53%	1.04%	
Double leverage ratio(inc. preferred stock)	111%	105%	108%		105%	108%	
Capital Adequacy Metrics							
Capital Adequacy Ratio	151%	146%	141%				

Notes:

(1) All data and information on this page is provided for informational purposes only, and may subject to adjustment.

For more details, please refer to our official financial reports.

(2) Total may not sum due to rounding.

(3) Starting from 2018/1/1, Cathay FHC adopted IFRS9. The comparative information for prior periods was not restated.

Cathay Life

(NT\$MN)

Income Statement Data (Consolidated)	FY15	FY16	FY17	FY17/	1Q17	1Q18	1Q18/
				FY16			% Chg
Net written premium	519,014	605,910	608,404	0%	140,111	132,246	-6%
Net earned premium	518,250	605,231	607,547	0%	140,493	132,524	-6%
Reinsurance commission earned	200	363	301	-17%	52	55	6%
Fee income	5,762	5,542	9,468	71%	2,589	2,660	3%
Recurring investment income	140,977	161,051	173,846	8%	37,549	40,343	7%
Gain on disposal of investment							
Realized gain (loss)-Equity	30,072	18,210	43,625	140%	14,743	25,090	70%
Realized gain (loss)-Debt	14,804	29,382	21,233	-28%	5,231	8,810	68%
Gain on investment property	11,074	5,000	(756)	-115%	(2)	(19)	-1125%
FX and others, net	(13,101)	(21,333)	(28,258)	-32%	(10,817)	(11,141)	-3%
Investment income, net	183,827	192,310	209,691	9%	46,704	63,083	35%
Other operating income	914	5,032	5,069	1%	1,168	1,290	10%
Separate account revenues	17,303	39,589	44,304	12%	4,820	2,678	-44%
Net claims payment	(298,102)	(297,201)	(284,023)	4%	(71,370)	(87,255)	-22%
Changes in liability reserves	(305,864)	(408,398)	(445,843)	-9%	(98,438)	(80,035)	19%
Acquisition and commission expense	(33,238)	(38,901)	(32,507)	16%	(8,232)	(8,620)	-5%
Other operating costs	(5,541)	(6,381)	(6,418)	-1%	(1,533)	(2,063)	-35%
Financial cost	(296)	(413)	(1,963)	-375%	(293)	(568)	-94%
Separate account expense	(17,303)	(39,589)	(44,304)	-12%	(4,820)	(2,678)	44%
Operating expense	(23,021)	(30,768)	(28,790)	6%	(7,112)	(7,366)	-4%
Net non-operating income	1,265	1,956	1,442	-26%	370	324	-12%
Income taxes	(5,710)	1,861	2,294	23%	733	2,697	268%
Net income	38,447	30,235	36,268	20%	5,131	16,727	226%
Balance Sheet Data							
Total assets	5,179,877	5,556,950	6,097,655		5,611,606	6,176,772	
General account	4,699,309	5,058,936	5,542,385		5,104,057	5,617,725	
Separate account	480,568	498,014	555,269		507,549	559,047	
Reserves for life insurance liabilities	4,228,117	4,567,324	4,944,292		4,602,079	4,999,017	
Total liabilities	4,831,642	5,192,967	5,656,473		5,239,024	5,743,851	
Total shareholders' equity	348,235	363,984	441,181		372,583	432,921	
Operating Metrics							
First Year Premium(FYP)	217,378	199,082	233,250		76,546	67,879	
First Year Premium Equivalent(FYPE)	102,002	135,035	78,602		25,348	21,443	
Expense ratio	10.3%	10.3%	8.6%		9.4%	10.3%	
13-M persistency ratio	97.6%	98.3%	98.2%		98.3%	98.4%	
25-M persistency ratio	91.8%	92.2%	94.3%		92.0%	94.5%	
ROAE	11.36%	8.49%	9.01%		5.57%	14.76%	
ROAA	0.78%	0.56%	0.62%		0.37%	1.09%	
Capital Adequacy Metrics							
RBC ratio (Standalone)	305%	305%	309%				

Notes:

- (1) All data and information on this page is provided for informational purposes only, and may subject to adjustment.
For more details, please refer to our official financial reports.
- (2) Total may not sum due to rounding.
- (3) Starting from 2018/1/1, Cathay Life adopted IFRS9. The comparative information for prior periods was not restated.

Cathay United Bank

(NT\$MN)				FY17/ FY16			1Q18/ 1Q17
<u>Income Statement Data (Consolidated)</u>	FY15	FY16	FY17	% Chg	1Q17	1Q18	% Chg
Operating Income							
Net interest income	26,729	25,910	29,701	15%	7,033	7,711	10%
Fee income	14,344	15,745	14,862	-6%	3,850	4,483	16%
Investment income	5,599	8,278	9,442	14%	1,468	2,075	41%
Other income	1,380	1,222	1,216	0%	282	179	-37%
Net operating income	48,052	51,154	55,222	8%	12,633	14,448	14%
Operating expenses	(24,851)	(26,959)	(29,301)	-9%	(6,550)	(7,075)	-8%
Pre-provision profit	23,201	24,195	25,920	7%	6,083	7,373	21%
Net provisions for possible losses	(1,922)	(4,455)	(3,494)	22%	(370)	(433)	-17%
Income before taxes	21,279	19,740	22,426	14%	5,712	6,940	21%
Income tax	(2,513)	(2,229)	(2,763)	-24%	(704)	(1,136)	-61%
Net income	18,767	17,511	19,664	12%	5,008	5,803	16%
Balance Sheet Data							
Total assets	2,383,377	2,566,669	2,735,704		2,642,894	2,777,640	
Loans, net	1,127,807	1,437,531	1,434,558		1,471,529	1,503,695	
Financial assets	791,192	849,989	859,590		798,861	922,363	
Total liability	2,226,608	2,406,701	2,553,396		2,478,535	2,587,301	
Deposits	1,881,657	2,032,600	2,098,368		2,037,125	2,117,166	
Financial Debenture Payable	51,900	51,900	63,350		51,900	59,500	
Total shareholders' equity	156,769	159,968	182,308		164,359	190,339	
Operating Metrics							
Cost income ratio	51.72%	52.70%	53.06%		51.85%	48.97%	
ROAE	12.33%	11.06%	11.49%		12.35%	12.35%	
ROAA	0.81%	0.71%	0.74%		0.77%	0.84%	
Assets Quality							
NPL	1,599	2,133	2,982		2,753	2,917	
NPL ratio	0.14%	0.15%	0.21%		0.19%	0.20%	
NPL provisions	17,323	19,686	22,553		20,172	22,701	
Coverage ratio	1083%	923%	756%		733%	778%	
Capital Adequacy Metrics							
BIS ratio (Standalone)	16.4%	14.2%	15.9%				
Tier I Ratio (Standalone)	12.0%	10.7%	11.7%				

Notes:

(1) All data and information on this page is provided for informational purposes only, and may subject to adjustment.

For more details, please refer to our official financial reports.

(2) Total may not sum due to rounding.

(3) Starting from 2018/1/1, Cathay United Bank adopted IFRS9. The comparative information for prior periods was not restated.

Cathay Century

(NT\$MM)				FY17/ FY16			1Q18/ 1Q17
	FY15	FY16	FY17	% Chg	1Q17	1Q18	% Chg
Income Statement Data (Consolidated)							
Premium income	22,449	22,774	21,878	-4%	5,080	5,364	6%
Net written premium	17,254	17,390	16,610	-4%	3,917	4,254	9%
Net earned premium	17,169	17,213	16,344	-5%	3,879	4,153	7%
Reinsurance commission earned	517	526	489	-7%	124	141	14%
Fee income	48	44	42	-6%	10	11	11%
Investment	972	2,082	892	-57%	180	247	37%
Interest income	564	568	547	-4%	131	134	2%
Other investment income, net	408	1,514	345	-77%	49	112	131%
Other operating income	15	0	0		0	0	0%
Net claims payment	(9,292)	(9,559)	(9,138)	4%	(2,015)	(2,411)	-20%
Changes in liability reserves	(734)	(209)	10	105%	(135)	125	193%
Commissions and other operating costs	(1,402)	(3,015)	(2,859)	5%	(679)	(763)	-13%
Operating expenses	(6,197)	(4,248)	(3,609)	15%	(861)	(907)	-5%
Operating income	1,095	2,834	2,170	-23%	503	596	18%
Net non-operating income	(4)	(1)	(16)	-1862%	(5)	(5)	13%
Income taxes	(287)	(492)	(297)	40%	(62)	(109)	-75%
Net income	804	2,342	1,858	-21%	436	483	11%
Balance Sheet Data							
Total assets	42,106	38,250	38,351		37,904	38,171	
Total stockholders' equity	7,219	9,216	10,517		9,627	10,917	
Operating Metrics							
Gross Combined ratio	85.3%	99.3%	80.0%		78.0%	79.4%	
Net Combined ratio	93.2%	93.3%	90.9%		90.5%	92.1%	
ROAE	11.44%	28.50%	18.83%		18.50%	18.01%	
ROAA	2.06%	5.83%	4.85%		4.58%	5.05%	
Capital Adequacy Metrics							
RBC ratio (Standalone)	359%	385%	392%				

Notes:

(1) All data and information on this page is provided for informational purposes only, and may subject to adjustment.

For more details, please refer to our official financial reports.

(2) Total may not sum due to rounding.

(3) Starting from 2018/1/1, Cathay Century adopted IFRS9. The comparative information for prior periods was not restated.