

Cathay FHC to Establish Presence in Indonesia

January 5, 2015

Cathay Life Insurance Co. Ltd. (“Cathay Life”), a wholly-owned subsidiary of Cathay Financial Holding Co. Ltd. (“Cathay FHC”), today announced the execution of definitive transaction documents to acquire a 40% stake in PT Bank Mayapada Internasional, Tbk. (“Bank Mayapada”). This transaction is expected to be executed in two stages. The first stage will be the acquisition of a 24.9% stake in Bank Mayapada and it is expected to be completed in 1Q 2015. The second stage will be the acquisition of an additional 15.1% and it is subject to approval of the Indonesia Financial Services Authority (“OJK”). The total consideration for the transaction will be IDR3.52 trillion (approximately NT\$8.7 billion), representing a P/B multiple of 3.15x, which is consistent with other M&A transactions in Indonesia.

Cathay FHC continues to remain positive on the overall economic growth momentum in the ASEAN market and continues to seek opportunities to expand its presence in Southeast Asia. Most recently, Cathay United Bank has established subsidiaries, branches and representative offices in emerging ASEAN markets such as Cambodia, Laos, and Myanmar. In addition, Cathay Life has also strengthened the group’s presence in relatively mature ASEAN markets such as the Philippines and Indonesia.

According to the OECD’s forecast, GDP growth in Indonesia is expected to reach an average of 6.0% from 2014 to 2018, outperforming the average of 5.4% among other ASEAN countries. Separately, the total assets of the Indonesian banking sector have experienced an average growth of 16% from

2011 to 2013, with an interest spread of over 5%. The NPL ratio is also showing a downward trend, declining from 2.2% in 2011 to 1.8% in 2013. Cathay FHC believes that the Indonesian banking market has attractive investment potential in terms of future growth, profitability, and asset quality.

Bank Mayapada was founded in 1989 by Dato' Sri. Prof. Dr. Tahir, the Chairman of Mayapada Group. Bank Mayapada is a mid-sized commercial bank in Indonesia, with total assets of US\$2.5 billion as of 3Q2014. Bank Mayapada's current business focus is on corporate lending. It has 175 branches and offices across Indonesia and approximately 80% are located in major cities in Java. From 2011 to 2013, Bank Mayapada had an average ROAE of approximately 14.7% and an NPL ratio of 0.83% as of 3Q2014. Mayapada Group is a well-known conglomerate in Indonesia owned by the Tahir family, and currently has businesses in a broad range of sectors, including retail, financial, healthcare, real estate and media.

Cathay Life's investment in Bank Mayapada is driven by its stable return as well as its upside potential that could result from the economic growth of Indonesia. In addition, Cathay FHC also expects that there will be opportunities for further cooperation between Bank Mayapada and Cathay FHC and its subsidiaries, including Cathay United Bank and Cathay Life. Potential areas of future cooperation include trade finance, foreign exchange, treasury, retail banking, cross-selling, insurance and asset management.

Cathay Life and Bank Mayapada will seek approval from the relevant regulatory authorities in Taiwan and Indonesia as soon as possible. Credit Suisse is the exclusive financial advisor to Cathay Life in the transaction.

PT Bank Mayapada Internasional Tbk.													
Establishment	1989												
Founder	Group Chairman: Dato' Sri Dr. Tahir												
Asset size (2014 Q3)	~US\$2.5bn												
Branches (2014 Q3)	175 offices ⁽¹⁾												
Market cap (2015.1.2)	~US\$554mn												
Existing shareholder structure (2014.11.30)	<table style="width: 100%; border-collapse: collapse;"> <tbody> <tr> <td style="width: 80%;">PT Mayapada Kasih</td> <td style="text-align: right;">3.2%</td> </tr> <tr> <td>PT Mayapada Karunia</td> <td style="text-align: right;">25.3%</td> </tr> <tr> <td>Summertime Ltd.</td> <td style="text-align: right;">22.4%</td> </tr> <tr> <td>Unity Rise Limited</td> <td style="text-align: right;">17.1%</td> </tr> <tr> <td>J-Trust Asia Pte Ltd</td> <td style="text-align: right;">10.0%</td> </tr> <tr> <td>Brilliant Bazaar Pte Ltd</td> <td style="text-align: right;">7.8%</td> </tr> </tbody> </table>	PT Mayapada Kasih	3.2%	PT Mayapada Karunia	25.3%	Summertime Ltd.	22.4%	Unity Rise Limited	17.1%	J-Trust Asia Pte Ltd	10.0%	Brilliant Bazaar Pte Ltd	7.8%
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Note(1): Including branches, sub-branches, cash offices and functional offices.

Note(2): (Except for the market cap) 1USD=IDR12,667; 1USD=NTD31.339, as of December 17, 2014

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國泰金控佈局印尼市場

2015/1/5

國泰金控旗下子公司國泰人壽今日公告與印尼 PT Bank Mayapada Internasional, Tbk (簡稱 Bank Mayapada)既有股東簽訂股權買賣合約，合計將取得 Bank Mayapada 共 40%股權(簡稱本交易)。本交易計畫分二階段交割，第一階段取得 24.9%股權，預計於 2015 年第一季完成，第二階段於印尼金融主管機關(“OJK”)許可後取得額外 15.1%股權。本交易總價金共約 3.52 兆印尼盧比(約合 87 億新台幣)，股價淨值比約 3.15 倍、符合當地市場行情。

國泰金控持續看好東協市場的經濟成長動能，國泰世華銀行近期除以分子行、辦事處等方式持續佈局柬埔寨、寮國、緬甸等新興的東南亞國家外，國泰人壽另一方面則於菲律賓、印尼等較成熟的東協國家強化集團佈局。

在 OECD 對於東協十國於 2014-2018 年平均 GDP 成長預測中顯示，印尼同期間的 GDP 成長達 6%、優於整體東協平均的 5.4%。此外，印尼的銀行業總資產於 2011~2013 年平均年增率達 16%，存放利差亦維持在 5%以上，逾放比率由 2011 年的 2.2%逐年改善至 2013 年的 1.8%，是一個相當具發展潛力之市場。

Bank Mayapada 由 Mayapada Group 創辦人及現任主席翁俊民先生(Dato' Sri. Prof. Dr. Tahir)於 1989 年設立，該行 2014 年第三季底總資產約 25 億美元，為印尼中型商業銀行，以企金業務為主，於全國有 175 個營業據點，且近八成據點集中在爪哇島的主要城市，2011~2013 年平均股東權益報酬率約為 14.7%，至 2014 年第三季逾放比率僅約 0.83%，經營績效良好。Mayapada Group 在印尼當地係知名商業集團，目前業務涵蓋零售通路、金融、醫療、地產、媒體等。

國泰人壽投資 Bank Mayapada 主要著眼於該銀行能為國泰人壽帶來穩定的投資報酬率，以及參與印尼市場未來成長動能。此外，Bank Mayapada 預計與包括國泰世華銀行、國泰人壽在內之國泰金控子公司開展各項金融業務合作，包括貿易融資、外匯、金融交易、消金、跨售、銀行保險、資產管理等。

國泰人壽及 Bank Mayapada 將儘速依相關規定，分別向台灣、印尼兩地主管機關申請核准。瑞士信貸擔任本交易中國泰人壽之獨家財務顧問。

PT Bank Mayapada Internasional Tbk.													
創立時間	1989 年												
創始股東	國信集團主席翁俊民先生 (Dato' Sri Dr. Tahir)												
資產規模(2014 Q3)	約 25 億美元												
據點規模(2014 Q3)	175 家 ^{註 1}												
公司市值(2015.1.2)	約 5.54 億美元												
現有股東結構 (2014.11.30)	<table> <tbody> <tr> <td>PT Mayapada Kasih</td> <td>3.2%</td> </tr> <tr> <td>PT Mayapada Karunia</td> <td>25.3%</td> </tr> <tr> <td>Summertime Ltd.</td> <td>22.4%</td> </tr> <tr> <td>Unity Rise Limited</td> <td>17.1%</td> </tr> <tr> <td>J-Trust Asia Pte Ltd</td> <td>10.0%</td> </tr> <tr> <td>Brilliant Bazaar Pte Ltd</td> <td>7.8%</td> </tr> </tbody> </table>	PT Mayapada Kasih	3.2%	PT Mayapada Karunia	25.3%	Summertime Ltd.	22.4%	Unity Rise Limited	17.1%	J-Trust Asia Pte Ltd	10.0%	Brilliant Bazaar Pte Ltd	7.8%
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註 1：含 branches, sub-branches, cash offices 及 functional offices

註 2：(除市值外)1 美元約 12,667 印尼盧比; 1 美元約 31.339 新台幣 (as of 2014/12/17)

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