

Chinatrust FHC

Analyst Meeting
Financial Review of 4Q07

January 31, 2008
Investor Relations



中國信託
Chinatrust

DISCLAIMER

THE FINANCIAL INFORMATION IN THESE MATERIALS AS OF AND FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2007 ARE PRELIMINARY. CHINATRUST FHC EXPECTS TO FILE ITS UNAUDITED INTERIM FINANCIAL STATEMENTS, WHICH ARE SUBJECT TO REVIEW BY ITS AUDITORS, WITH THE ROC SECURITIES AND FUTURES BUREAU ON OR ABOUT APRIL 30, 2007.

These materials are not an offer for sale of securities in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended.

Outline

- **2007 & 4Q07 Performance Highlight**
- **Consumer Credit Portfolio Update**
- **4Q07 Financial Performance Update**
- **2008 Strategic Direction & Earning Driver**

Performance Highlight

2007 Performance

ROA (before tax) 1.03%
(after tax) 0.79%

ROE (before tax) 16.31%
(after tax) 12.14%

EPS (before tax) \$2.01
(after tax) \$1.49

2007 Performance Highlight

- Total Lending portfolio grew 2.5% YoY, in particular the major growth driver corporate loans grew 11.2% YoY.
- NIM has stabilized at 2.18% level full year.
- Fee income has again grew 33% YoY to evident successful paradigm shifting of business model
- The largest fee contributor wealth management fee income has continued its prominent performance & grew 50.7% YoY
- Offshore business grew steadily by 13.8% YoY on pretax income, among all offshore units Greater China business via HK & VN branches superiorly grew 54.9% collectively on pretax income

Lower than expected 4Q07 Performance dragged down full year result

- Top lines are impacted by trading loss due to under-performed global market, a prolonged impact of the US sub-prime crisis
- 4Q earnings is also impacted by several extraordinary items in 4Q07

4Q earnings is impacted by unrealized loss on SIVs and extraordinary items

Unrealized losses on SIV investments at the end of Dec. 2007¹

(US\$ mm / %)	Beta	Five	Sedna	Total
Booked as	Other Fin. Assets - Non-Active Market	Other Fin. Assets - Non-Active Market	Available-for-sale	
Investment Amount	10	25	10	45
Net Asset Value	48.7%	46.3%	46.2%	-
Unrealized Losses	5.13	13.43	5.49	24.04 (~NT\$ 780 mm)

Extraordinary Items in Dec. 2007

Items	Amount (NT\$ mm)
Provision for potential credit card merchant-acquiring losses on Alexander Health Club Group	546
Specific provision on corporate loan	413
Asset Impairment loss on Fixed Asset	139
Impairment loss on Investments under cost method	87

1. Of total unrealized losses on SIV investments, US\$ 24.04 million, US\$ 9.74 million is recognized in September 2007 and US\$ 14.3 million is recognized in November and December 2007.

CFHC financial snapshot

CFHC's Dupont Analysis

	2005	2006	2007 ¹	1Q07	2Q07	3Q07	4Q07 ¹
NII / Asset	2.62%	2.23%	1.93%	1.95%	1.83%	1.88%	1.89%
Fee / Asset	1.24%	1.10%	1.47%	1.31%	1.64%	1.43%	1.38%
Trading & others / Asset	0.36%	0.44%	0.07%	-0.17%	0.37%	0.36%	-0.30%
Revenue / Asset	4.22%	3.77%	3.47%	3.09%	3.84%	3.67%	2.97%
Provisions / Asset	-0.89%	-2.81%	-0.58%	-0.50%	-0.39%	-0.44%	-0.97%
Operating Expense / Asset	-2.10%	-1.82%	-1.85%	-1.72%	-1.82%	-1.81%	-1.90%
ROA (pre-tax, annualized)	1.31%	-0.86%	1.03%	0.87%	1.63%	1.42%	0.11%
Pre-tax Income (NT\$mm)	20,541	-14,758	17,565	3,731	7,131	6,222	482
Ave. Asset (NT\$ bn)	1,572	1,711	1,697	1,720	1,747	1,758	1,722

1. 4Q07 and 2007 numbers are preliminary numbers.

Outline

➤ **2007 & 4Q07 Performance Highlight**

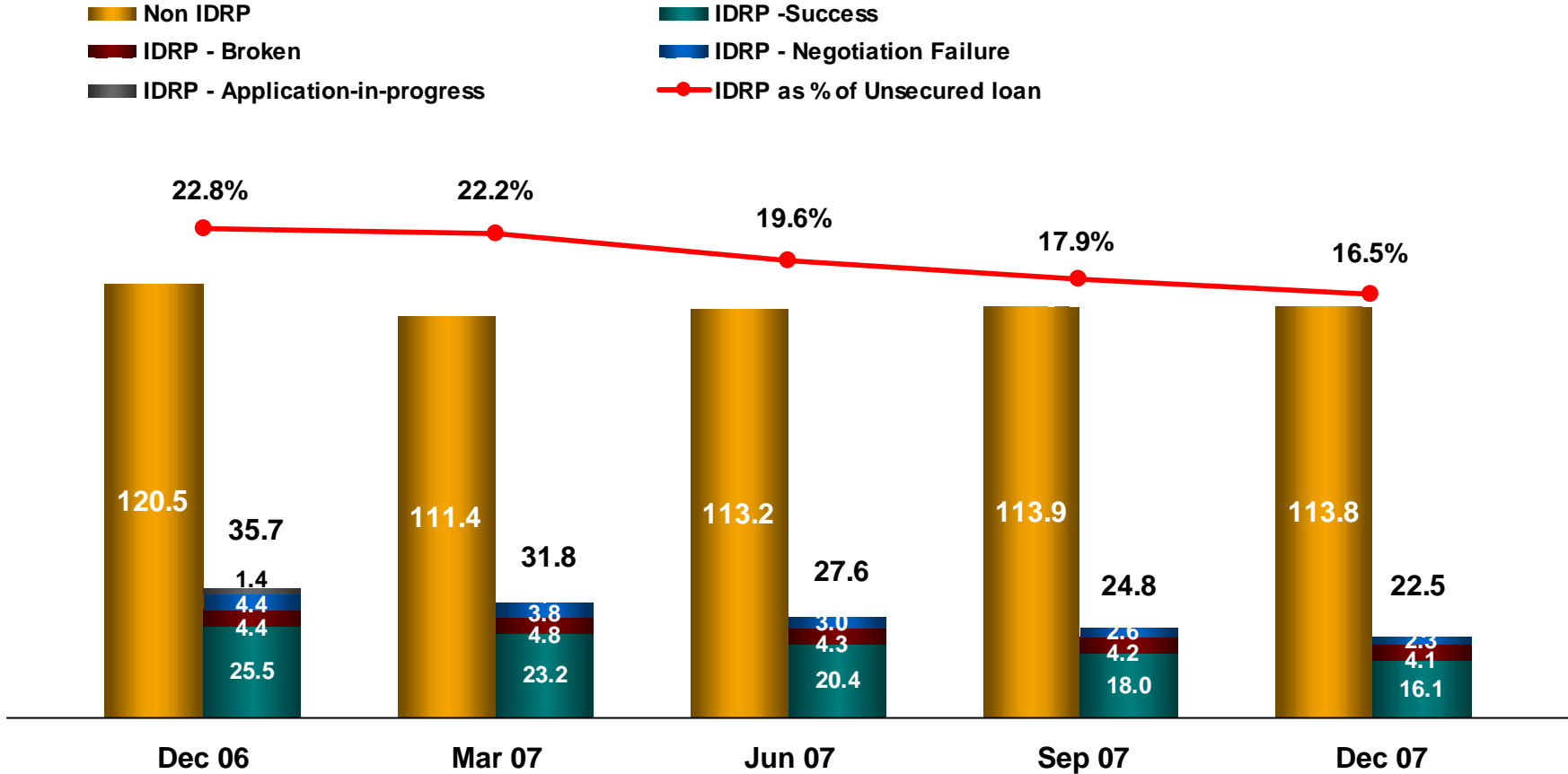
➤ **Consumer Credit Portfolio Update**

➤ **4Q07 Financial Performance Update**

➤ **2008 Strategic Direction & 2008 Earning Driver**

IDRP¹ portfolio status update

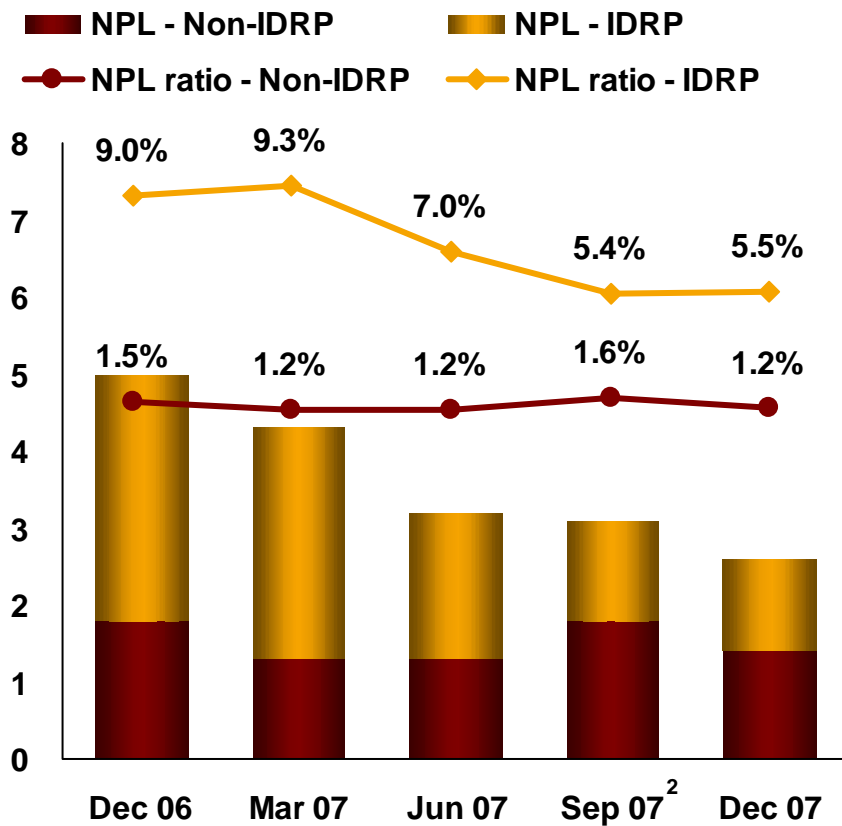
Unsecured loan² breakdown³ NT\$bn, %



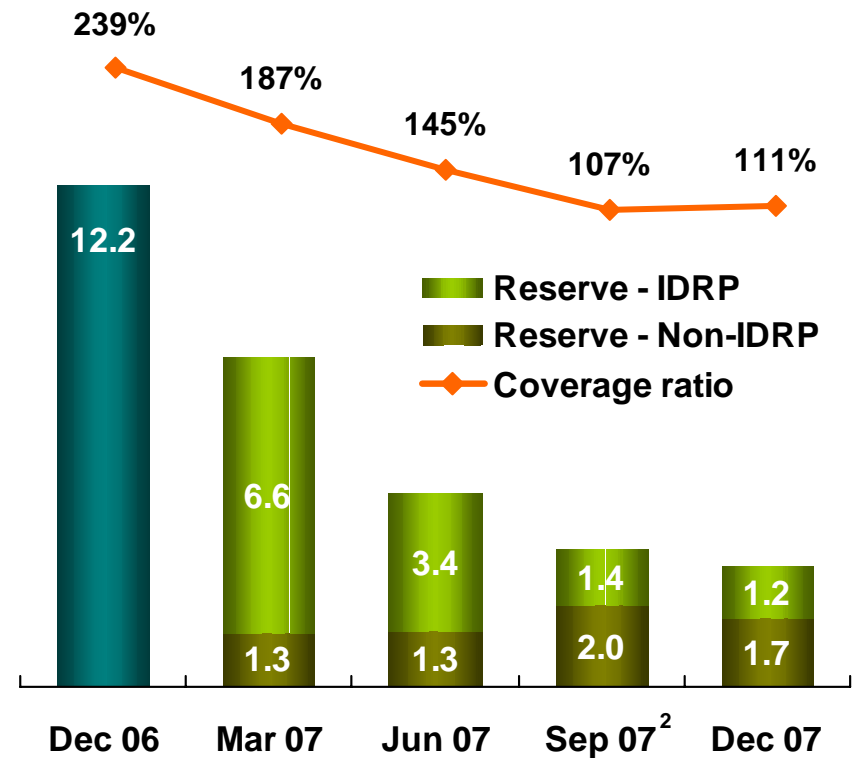
1. IDRP refers 'Inter-bank Debt Relief Program'.
 2. These are unsecured loans including credit card account receivables, cash card loans, mail loans, and personal loans.
 3. These numbers include unsecured loans acquired from EBH after Sep. 07.

IDRP portfolio asset quality trend

NPL & NPL ratio trend for unsecured loans¹
NT\$bn, %



Loss reserve and NPL coverage ratio for unsecured loans¹
NT\$bn, %

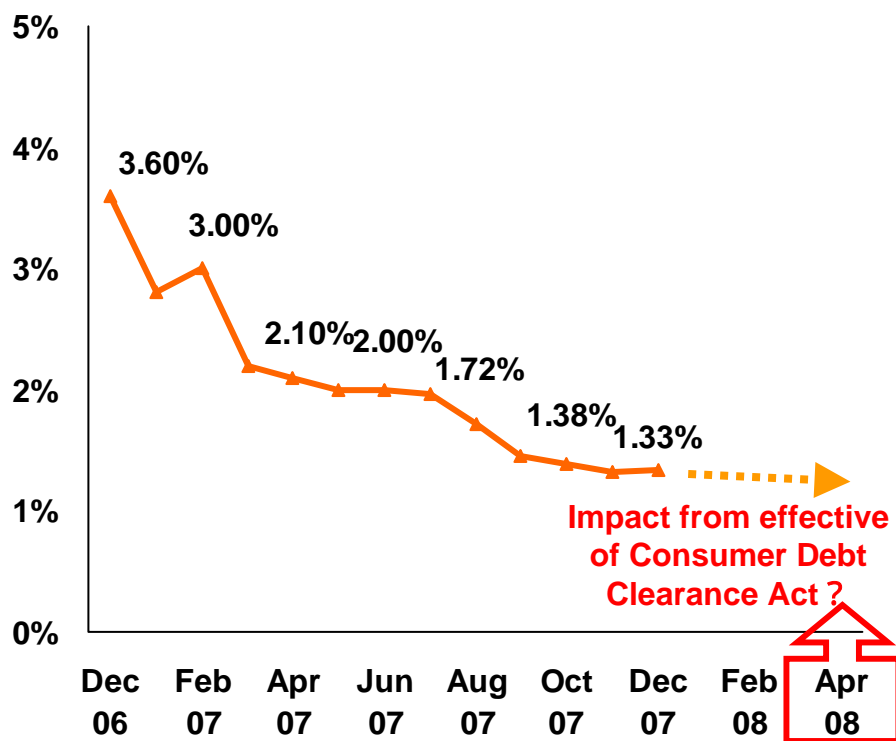


1. Unsecured loans including credit card account receivables, cash card loans, mail loans, and personal loans.

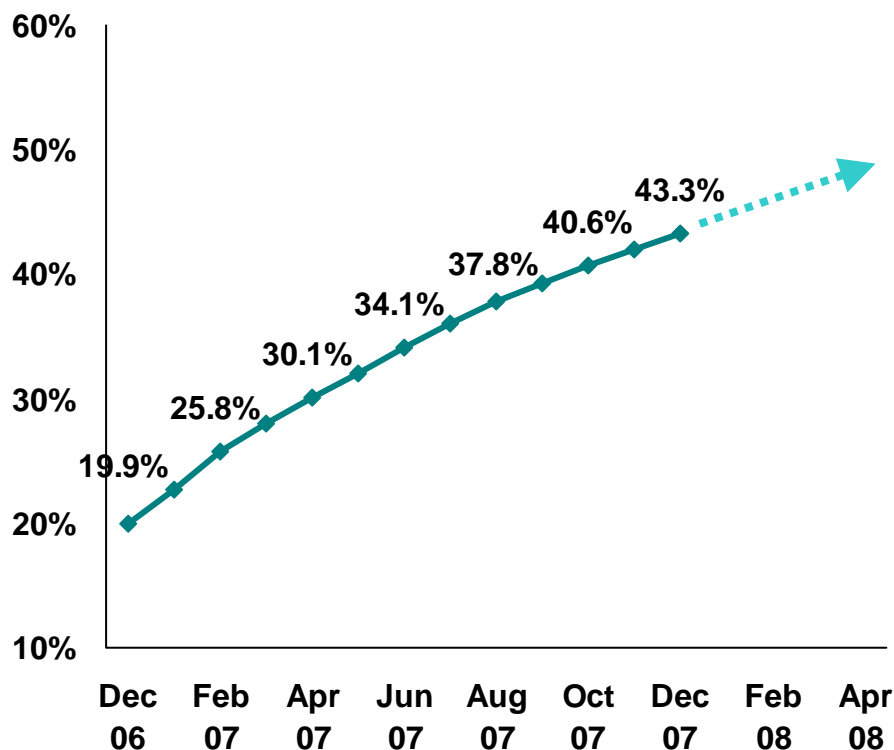
2. These numbers in Sep. 07 include unsecured loans acquired from EBH.

Broken rates further improved in 4Q07

Monthly Incremental Broken Rate^{1,3} of IDR by Amount, %



Cumulative Broken Rate^{2,3} of IDR by Amount %



1. Monthly incremental broken rate is derived by deducting previous cumulative broken rate from current cumulative broken rate.
2. Cumulative broken rate is derived by dividing original debt amount of Broken account over total original debt amount of both IDR Success and Broken accounts.
3. The definition of broken accounts has changed since August 2007. Under the new definition of broken account, a payment more than 50% of the monthly installment may not be treated as broken should the residual as well as the next installment is paid in full in the following month, subject to special consideration of the largest creditor. Besides, Maximum of 2 months grace period could be granted on a reasonable ground should there is necessary disbursement to be made by the debtor or his/her immediate family member, such as tax payment or tuition fee.

Outline

➤ **2007 & 4Q07 Performance Highlight**

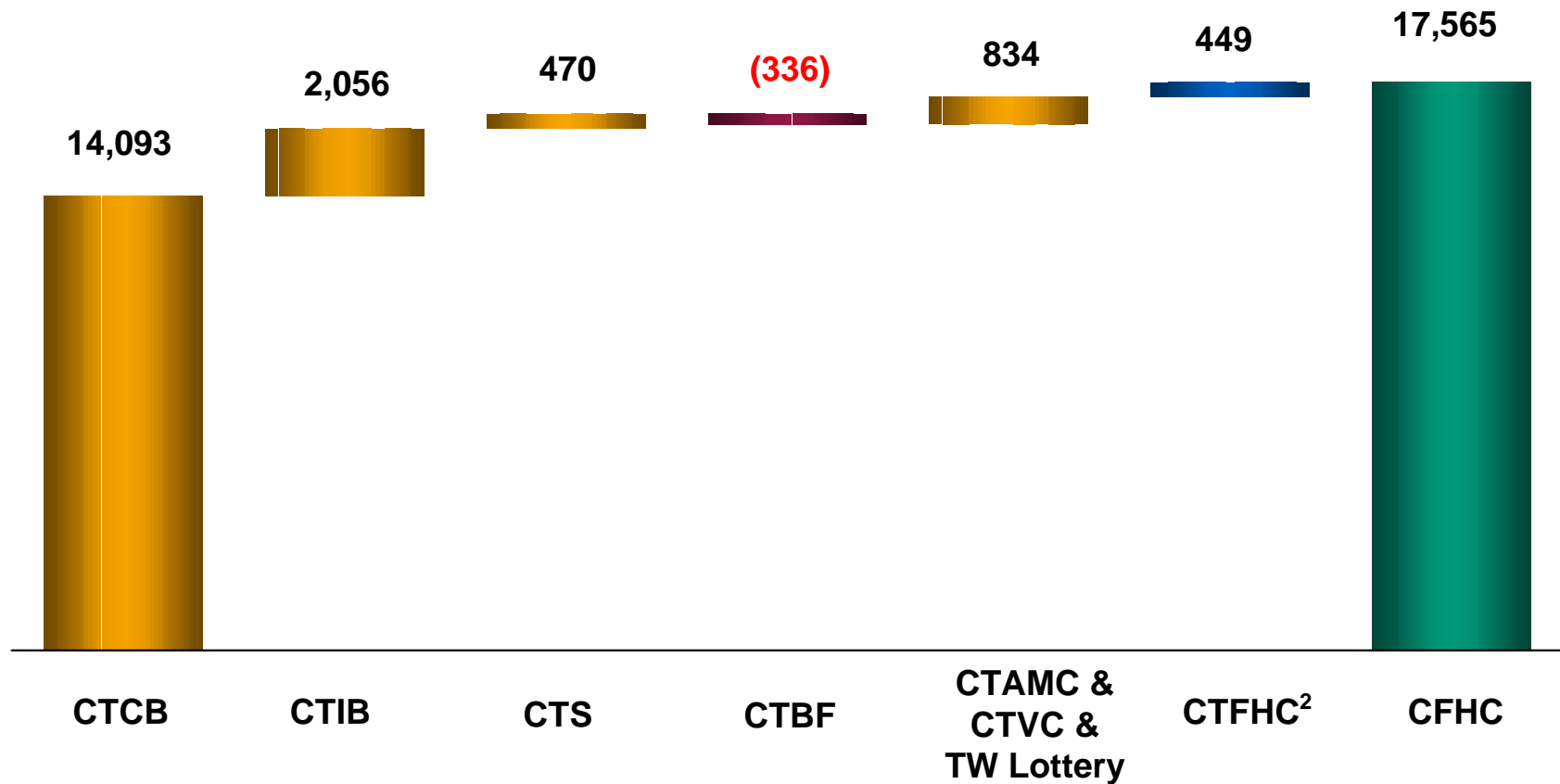
➤ **Consumer Credit Portfolio Update**

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➤ **2008 Strategic Direction & 2008 Earning Driver**

CFHC's pre-tax profit breakdown

Chinatrust FHC pre-tax profit in 2007¹
NT\$ mm



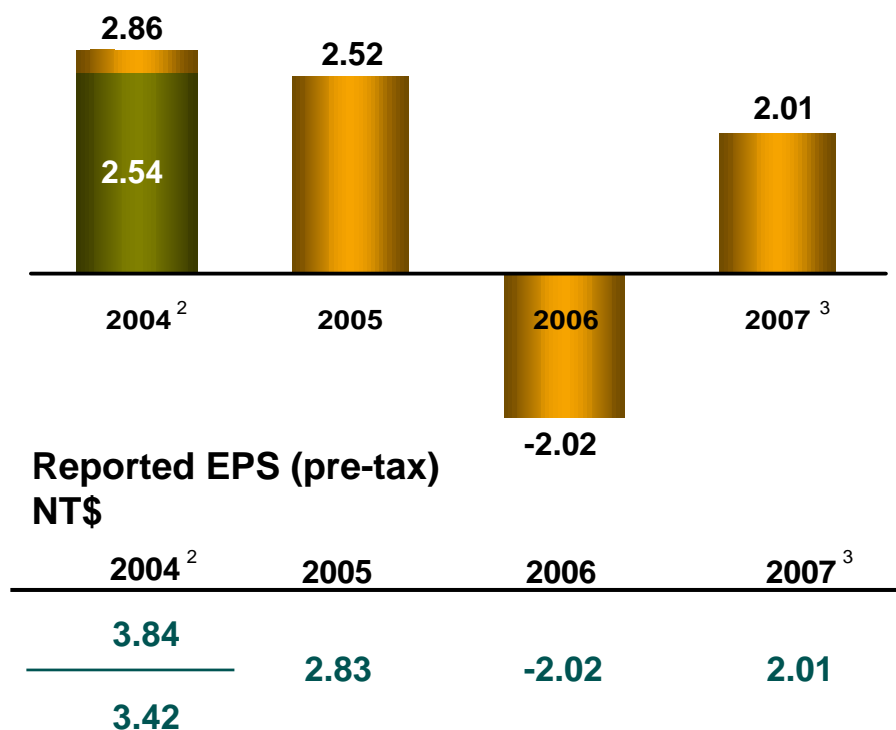
1. CFHC's numbers are presented on a consolidated basis. These numbers are preliminary and have yet to be reviewed by our auditors.

2. CTFHC (on a non-consolidated basis) and adjustment items in relation to compiling the consolidated statement.

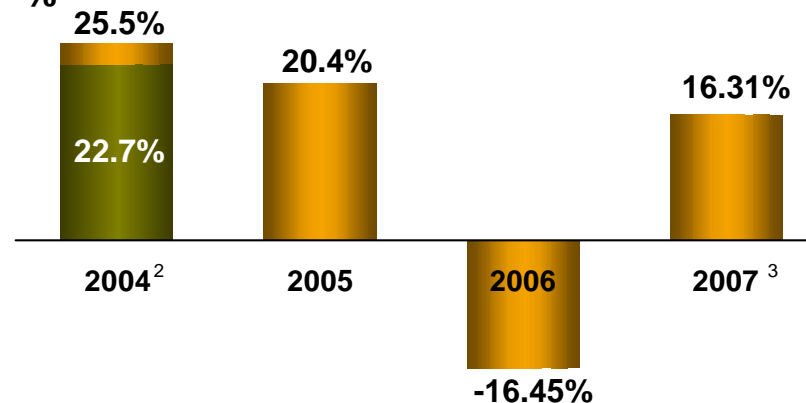
CFHC's key profitability ratios

Retroactively adjusted EPS¹ (pre-tax) NT\$

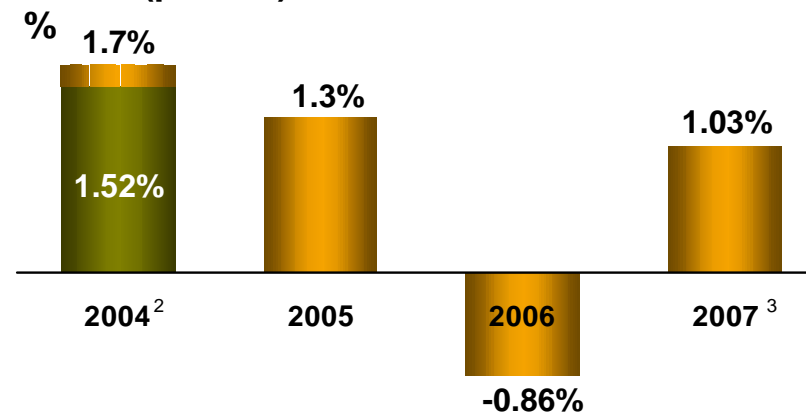
■ EPS after an one-time provisioning in Dec. 04



ROAE (pre-tax) %



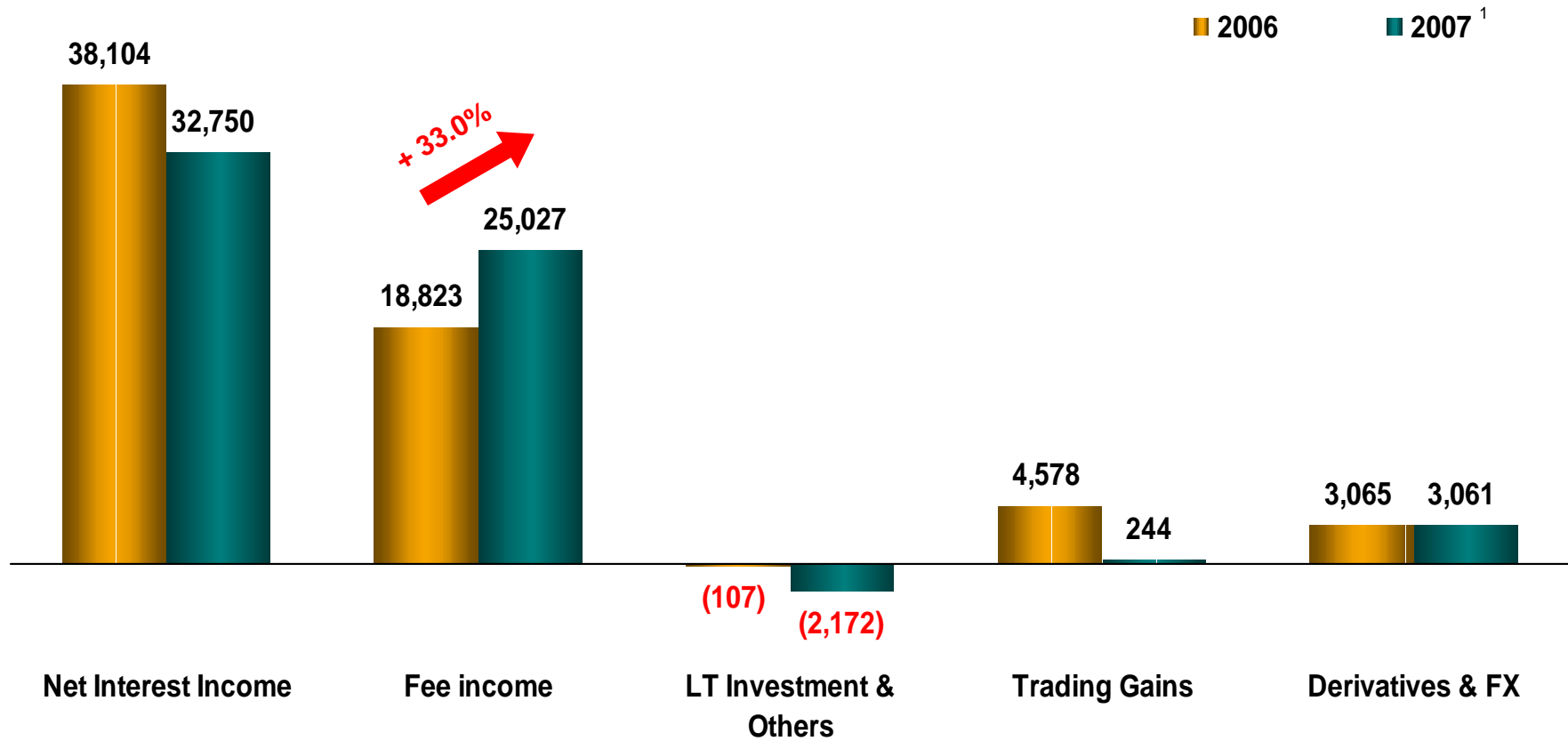
ROAA (pre-tax) %



1. 2004 & 2005 EPS in the chart are retroactively adjusted for stock dividend payout in 2004-2005 and 2005 respectively.
2. 2004 numbers are calculated both as including (green bar) and excluding (orange bar) the one-time additional provisioning as a result of our merger with FCC.
3. 2007 numbers are preliminary and have yet to be reviewed by our auditors.

CFHC's revenue breakdown

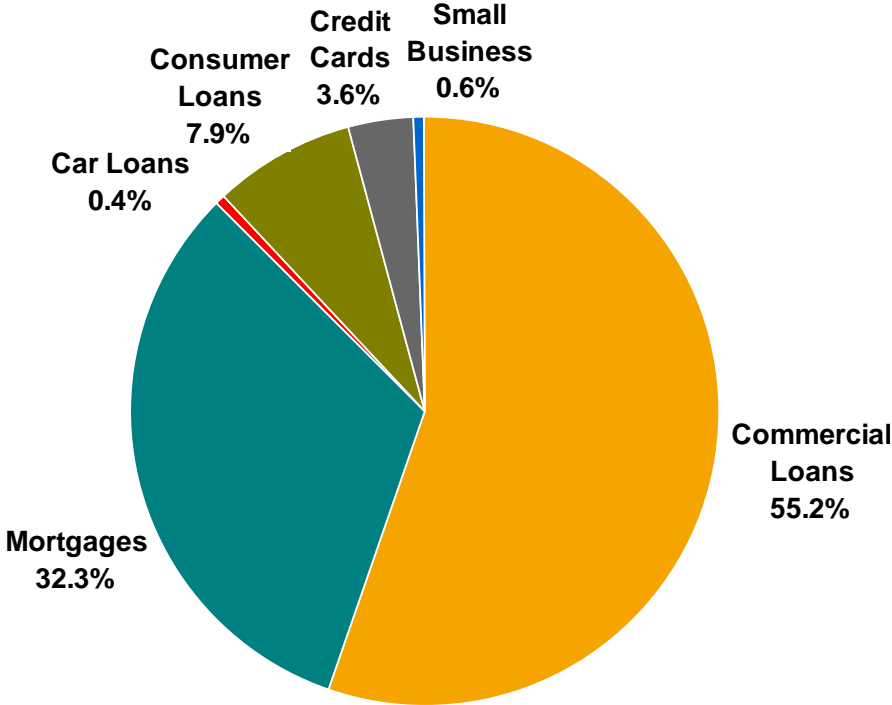
Revenue breakdown
NT\$ mm



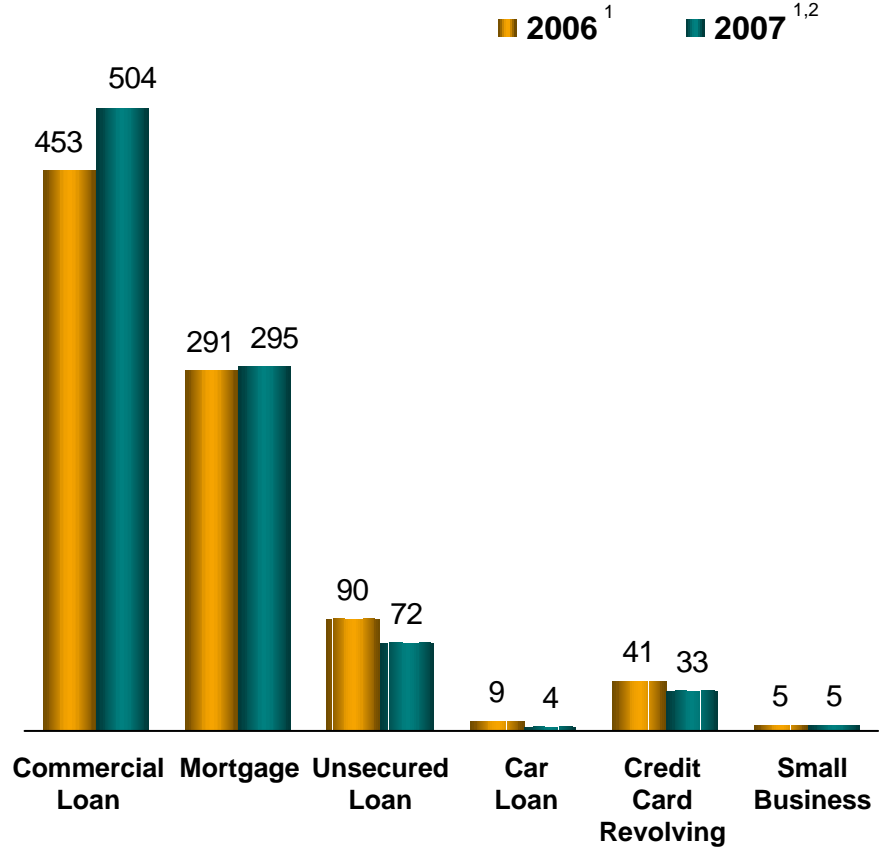
1. 2007 numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's loan breakdown

Loan breakdown (incl. credit card revolving balance) as of Dec. 2007^{1,2}
%



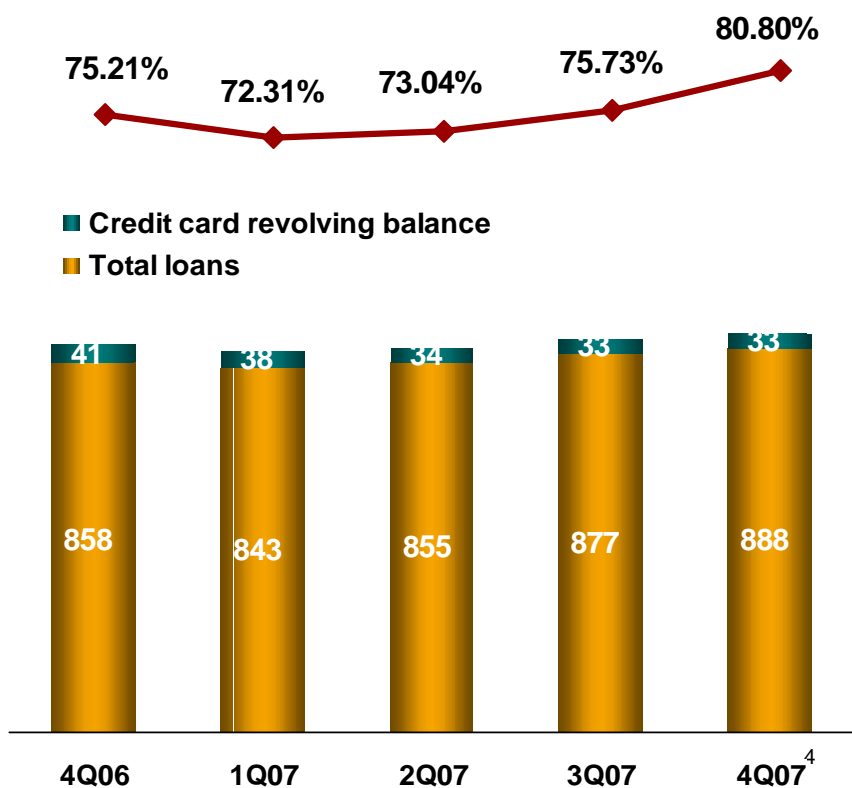
Loan outstanding comparison
%, NT\$ bn



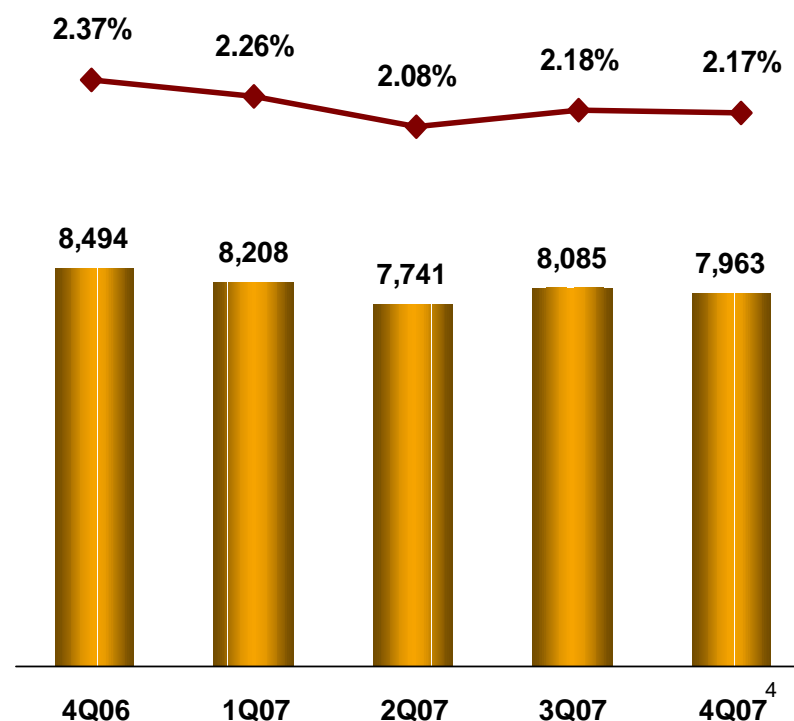
Note: These are CTCB's numbers and are presented on a consolidated basis.
 1. These numbers exclude non-accrual loans. Commercial loans include foreign currency loans of overseas branches and subsidiaries.
 2. 2007 numbers are preliminary and have yet to be reviewed by our auditors.

LDR went up with stabilized NIM in 4Q07

YTD LDR¹ & total lending outstanding²
%, NT\$ bn



Quarterly NIM³ & Quarterly NII
%, NT\$ mm



Note: These numbers are presented for CTCB on a consolidated basis.

1. When calculating CTCB's LDR, credit card account receivables are included.

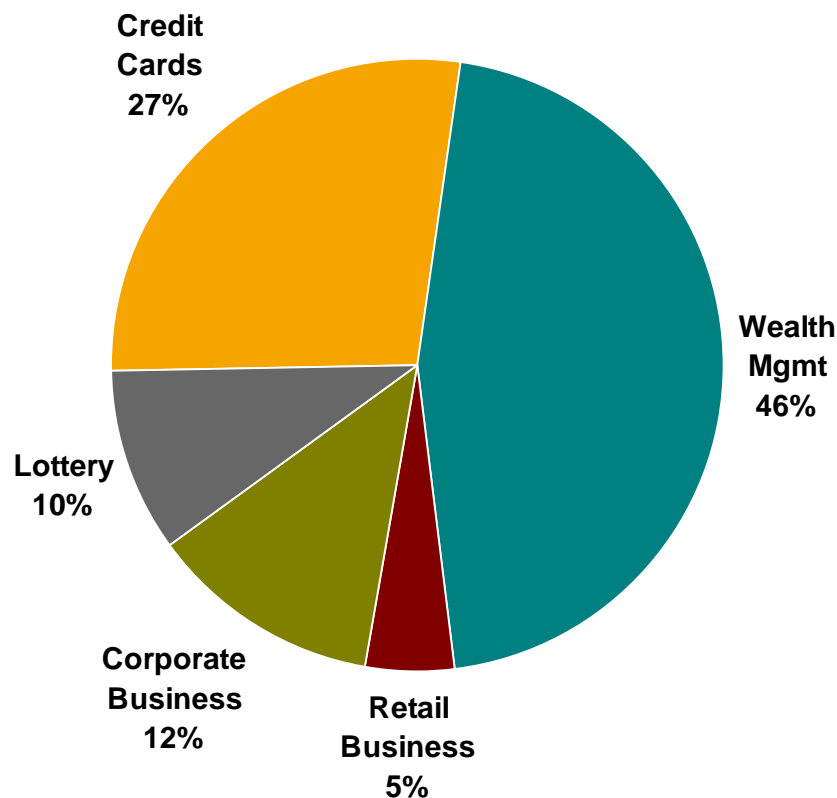
2. Total loans include both performing and non-accrual loans and credit card revolving balance.

3. The quarterly NIMs are internal data only.

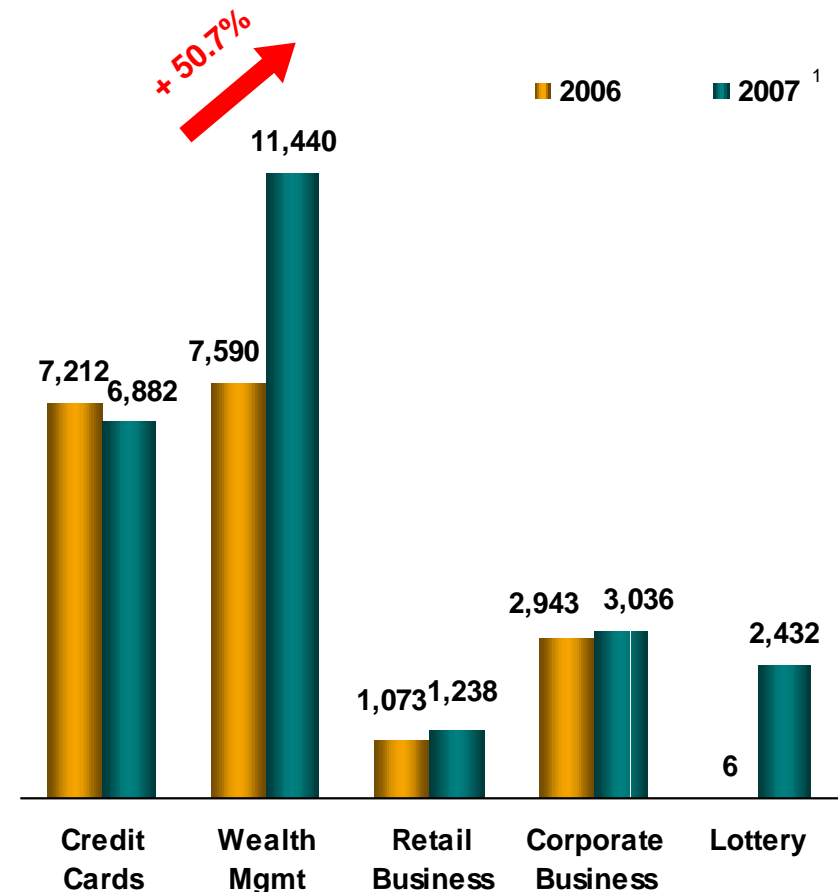
4. 4Q07 numbers are preliminary and have yet to be reviewed by our auditors.

The major fee contributor wealth management business continued its prominent performance

CHFC's fee income breakdown in 2007 ¹
%



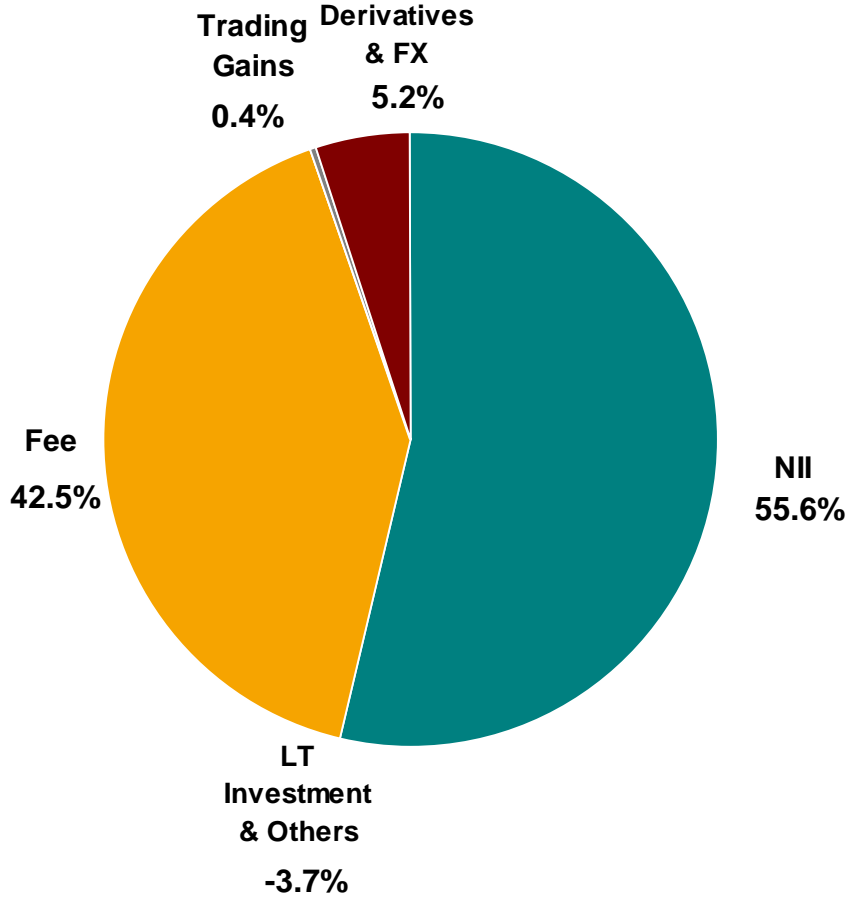
CHFC's fee income comparison
%, NT\$ mm



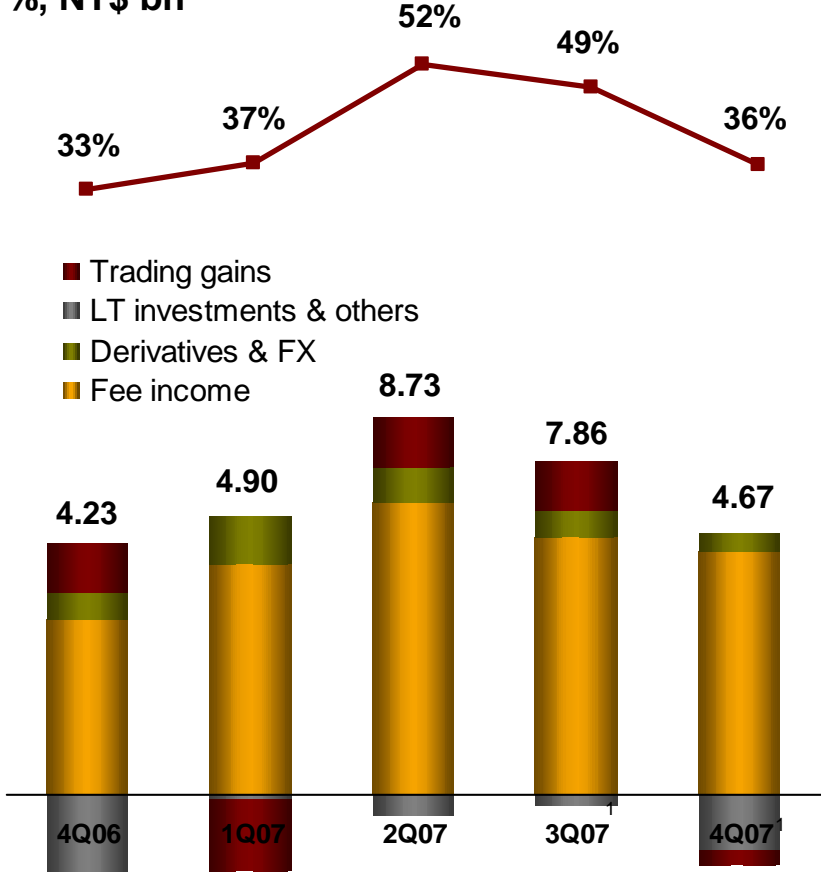
1. 2007 numbers are preliminary and have yet to be reviewed by our auditors.

In 2007, non-interest income amounted up to 44% of total revenue

CFHC's revenue breakdown in 2007 ¹
%



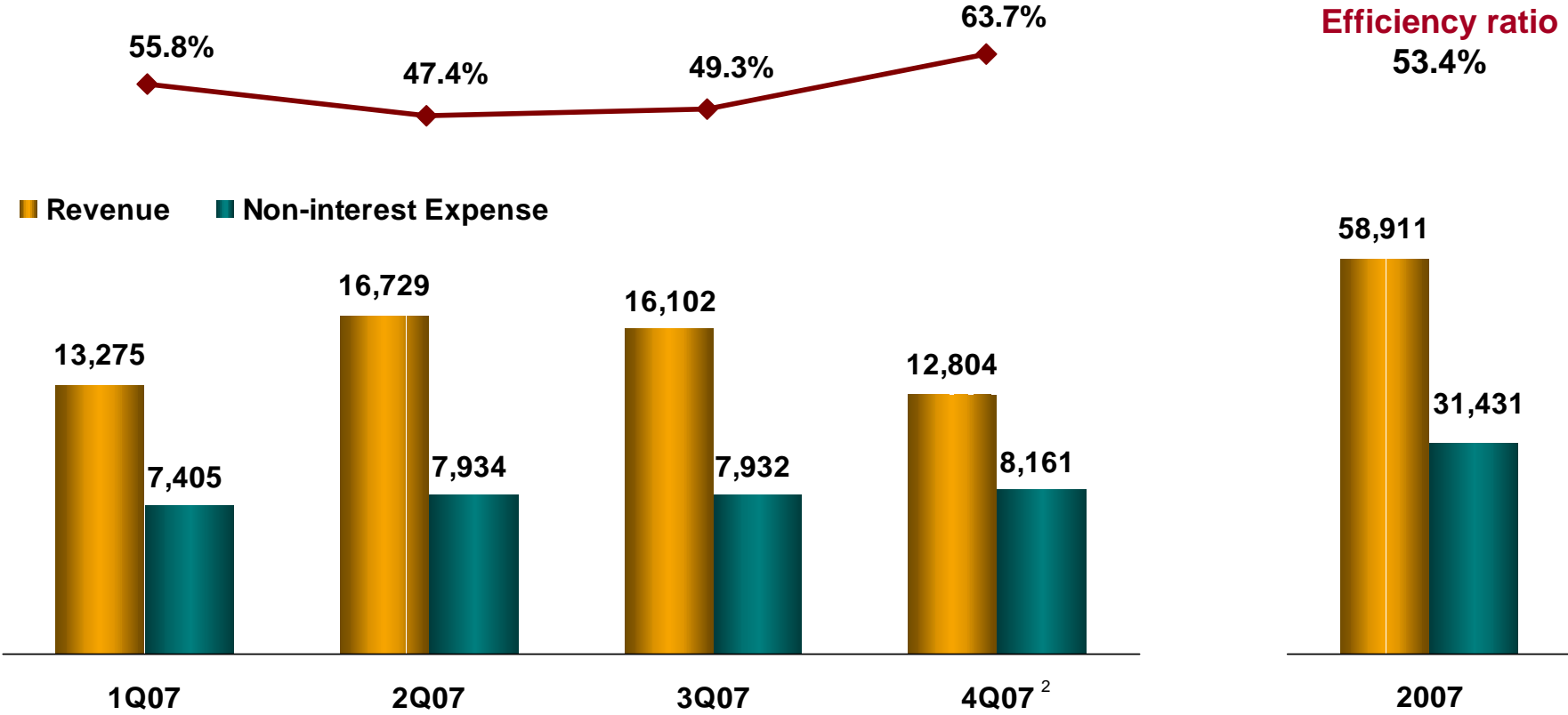
Quarterly non-interest income to total revenue ratios & quarterly total non-interest income
%, NT\$ bn



1. 4Q07 & 2007 numbers are preliminary and have yet to be reviewed by our auditors.

Efficiency ratio went up in 4Q07 due to lower revenue impacted by extraordinary items

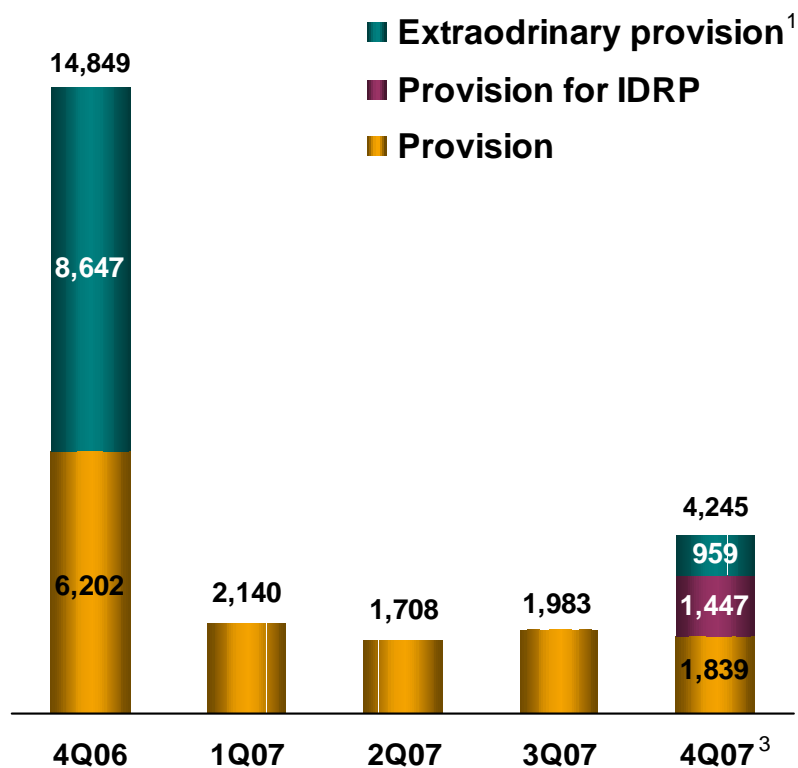
Efficiency ratios¹ & Quarterly revenue & non-interest expenses for CFHC
%, NT\$ mm



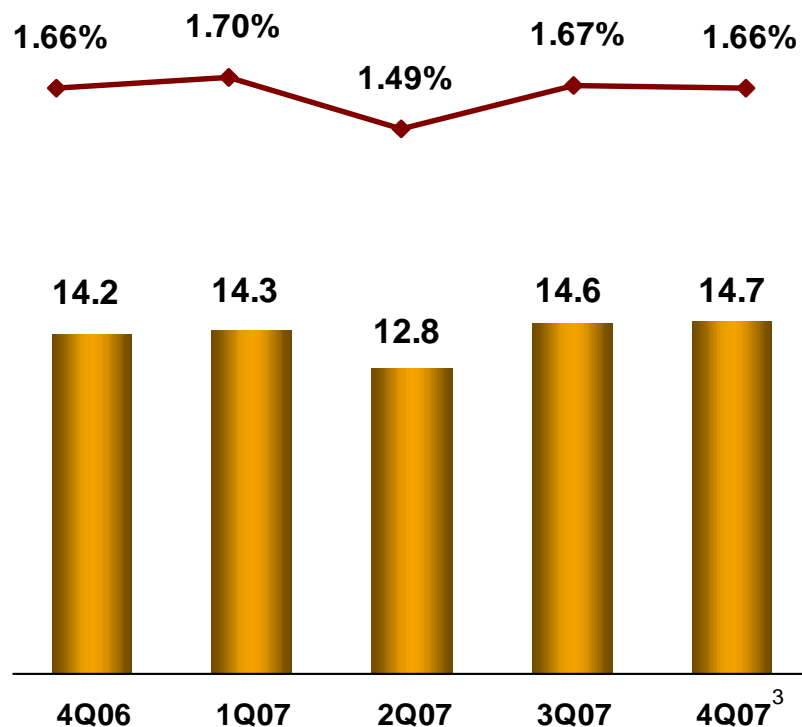
1. Efficiency ratios are derived by dividing Total Non-interest Expense (excluding goodwill amortization) by Pre-provision Operating Revenue.
2. 4Q07 numbers are preliminary and have yet to be reviewed by our auditors

CTCB's general provision is stable in 2007

CTCB's quarterly provisions
NT\$ mm



90-day NPL ratios & 90-day NPLs outstanding²
%, NT\$ bn



Note: These numbers are presented for CTCB on a consolidated basis.

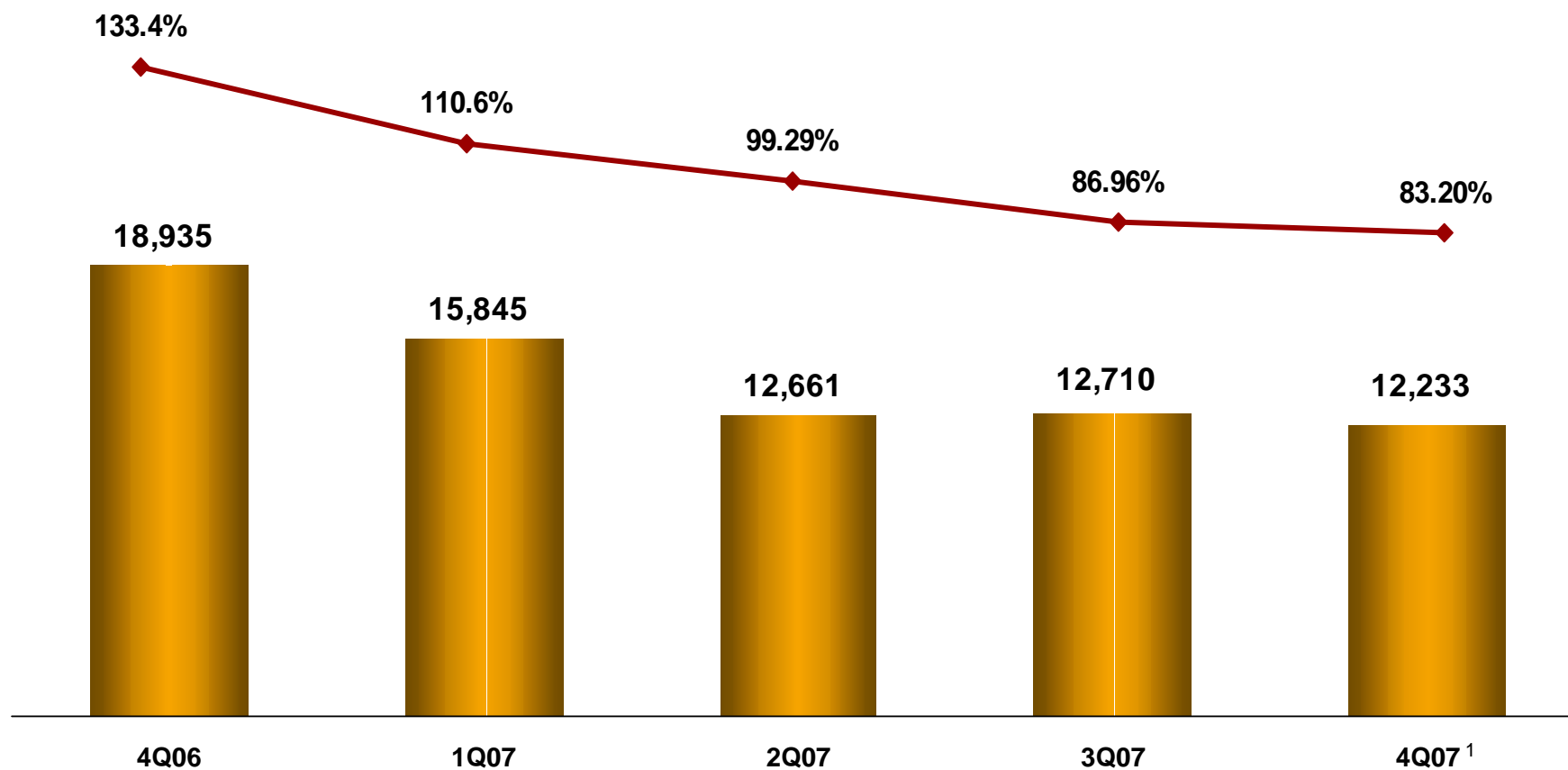
1. Extraordinary provision in 4Q06 included additional provision provided for IDRPs portfolio, mortgage and Rebar group. In 4Q07, the additional provision is set aside for Alexander Health Club and specific provision for corporate loan.

2. EBH refers to Enterprise Bank of Hualien that the bank took over from CDID on Sept. 9, 2007.

3. 4Q07 numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's NPL coverage ratio

90-day NPL coverage ratios & loan loss reserves outstanding
%, NT\$ mm



Note: These numbers are presented for CTCB on a consolidated basis.

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2008 strategic directions

**Paradigm shifting:
Progressing from
asset to fee based
business model**

**Offshore business:
Assuming steady
growth momentum
and keeping on
penetration**

**Non-bank extension:
Breakthrough of
bank-centric
positioning &
assuring recurring
earnings**

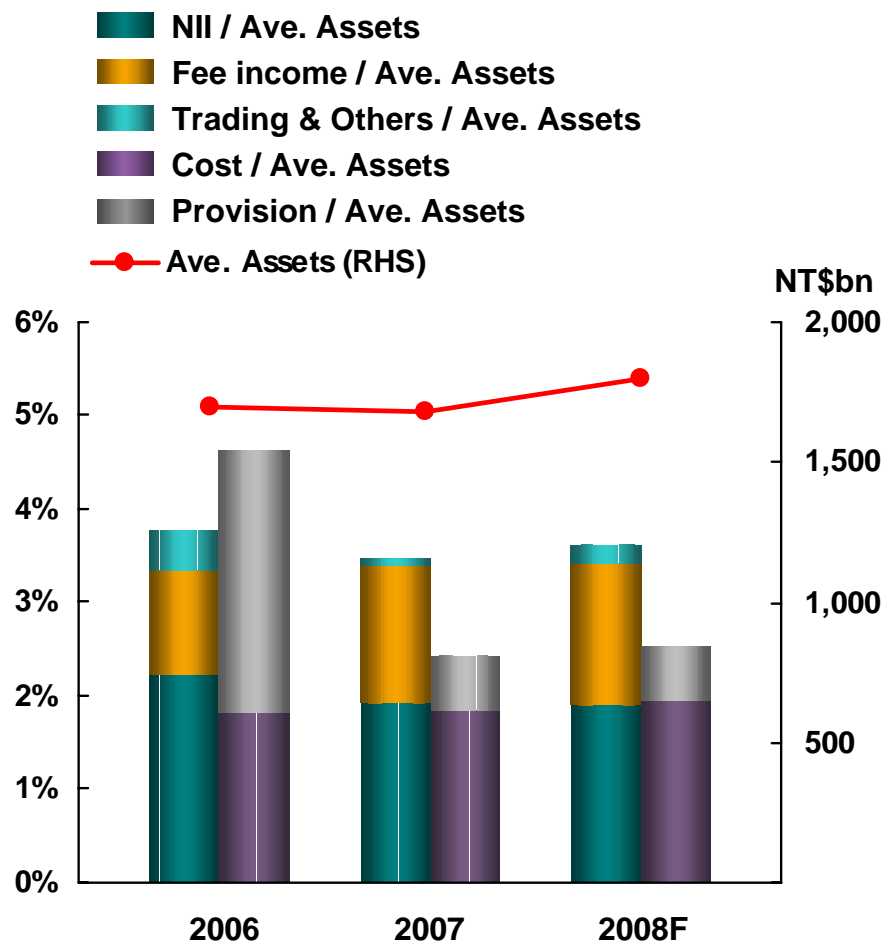
- 2007 v.s. 2006 performance:
 - Non-NII/Total Rev: 44.4% / 39.3%
 - Fee/Total Rev: 42.5% / 29%
 - W/M Fee / Total Fee: 45.7% / 40.3%
- Business model transition through cross-selling to assure earnings sustainability

- 2007 v.s. 2006 performance:
 - O/S revenue / Total revenue: 15.6% / 13.8%
- Further penetrating overseas Taiwanese Business.
- Exploring local niche in Non-Taiwanese markets.
- Potential markets in South East Asia and China.

- Leveraging leading W/M franchise & evaluating non-banking business opportunities in insurance, asset mgmt and SITE etc.
- Not merely collecting one-off transaction fee as a distributor but also a manufacturer to assure the generation of recurring earnings??

CFHC's growth outlook in 2008

Decomposition of pre-tax earnings



2008 P&L key profitability factors

Revenue

- **NII slightly up**
 - Expected loan growth from corporate sector
 - Slightly declined NIM due to structural change in assets & liabilities mix
- **Fee up**
 - Expected fee growth from corporate and credit card business
 - Flat wealth management fee from a high base in 2007
 - Lottery fee is also expected to grow from better sales
- **Trading and Others up but a possible swing factor**

Costs

- **Normalized Provision charges**
- **Expenses up in line with business expansion**

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CFHC's Financial Results

(NT\$mm)	4Q07 ¹	3Q07	2Q07	1Q07	2007 ¹	2006
Net interest income	8,132	8,245	7,998	8,375	32,750	38,104
Non-interest income	4,672	7,858	8,731	4,900	26,160	26,358
Operating income	12,804	16,102	16,729	13,275	58,911	64,462
Total non-interest expense	8,161	7,932	7,934	7,405	31,431	31,082
Pre-provision. Pre-goodwill profit	4,643	8,171	8,795	5,871	27,479	33,380
Provisions	4,160	1,949	1,665	2,140	9,914	48,138
Pre-tax profit	482	6,222	7,131	3,731	17,565	(14,758)
After-tax profit	488	4,650	5,618	2,583	13,339	(10,200)

1. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

CFHC's Key Ratios

(%)	4Q07 ¹	3Q07	2Q07	1Q07	2007 ¹	2006
Fee income/operating income(%)	46.5%	39.0%	42.7%	42.5%	42.5%	29.2%
Cost-to-income ratio ² (%)	63.7%	49.3%	47.4%	55.8%	53.4%	48.2%
ROAA(after-tax)(%) (annualized YTD earnings)	0.8%	1.0%	0.9%	0.6%	0.8%	-0.6%
ROAE(after-tax)(%) (annualized YTD earnings)	12.1%	15.9%	15.5%	10.0%	12.1%	-11.8%
EPS(after-tax)(NT\$) (accumulative)	1.49	1.48	0.95	0.29	1.49	-1.46
CAR ³ (%)	114.2%	114.7%	124.8%	123.1%	114.2%	121.1%

1. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

2. Cost-to-income ratio excludes goodwill amortization.

3. CAR is derived by including Chinatrust's outstanding convertible bonds.

CFHC share information

(Unit: million shares)	Dec. 07	Sep. 07	Jun. 07	Mar. 07	2006
Common shares					
Shares issued	8,410	8,410	8,410	8,046	7,986
Treasury shares	0	0	0	0	0
Shares outstanding	8,410	8,410	8,410	8,046	7,986
Preferred shares	750	750	750	750	750

Balance Sheet as of December 31, 2007¹ of CFHC and its major subsidiaries

NT\$ million	CTCB (consolidated)	Chinatrust Insurance Brokers	Chinatrust Securities	Chinatrust Bills Finance	Chinatrust Asset Management	Chinatrust Venture Capital	Taiwan Lottery	CFHC (non- consolidated)	Adjustment Items	CFHC (consolidated)
Assets:										
Cash and due from banks	161,960	268	1,403	4,791	3,555	423	148	1,539	(5,447)	168,641
Securities, net	348,222	3,837	6,409	39,996	3,505	873	-	33,479	(5,272)	431,048
Loans, net	875,970	-	-	-	-	-	-	-	0	875,970
A/R, net	137,379	79	2,326	435	168	2	131	126	(214)	140,431
LT investments, net	1,896	-	-	-	-	-	-	128,891	(128,825)	1,962
Land, premises and equipments, net	35,774	4	136	3	-	-	195	-	0	36,113
Others	29,455	39	1,384	61	1,344	760	670	514	(539)	33,687
Total assets	1,590,656	4,227	11,658	45,285	8,573	2,058	1,144	164,550	(140,297)	1,687,853
Liabilities:										
Deposits	1,187,249	-	-	-	-	-	-	-	(6,847)	1,180,402
Other liabilities	299,945	535	6,128	40,549	63	1	189	21,470	(4,586)	364,293
Total liabilities	1,487,194	535	6,128	40,549	63	1	189	21,470	(11,434)	1,544,695
Minority interests	59	-	-	-	-	-	-	-	19	78
Total stockholders' equity	103,403	3,692	5,530	4,736	8,510	2,057	955	143,080	(128,883)	143,080
Total liabilities and stockholders' equity	1,590,656	4,227	11,658	45,285	8,573	2,058	1,144	164,550	(140,297)	1,687,853

1. These numbers are preliminary and have yet to be reviewed by our auditors.

P&L of CFHC and its subsidiaries for the 12 months ended December 31, 2007¹

NT\$ million	CTCB (consolidated)	Chinatrust Insurance Brokers	Chinatrust Securities	Chinatrust Bills Finance	Chinatrust Asset Management	Chinatrust Venture Capital	Taiwan Lottery	CFHC (non- consolidated)	Adjustment Items	CFHC (consolidated)
Operating income										
Net interest income	31,997	22	184	282	162	14	1	89	-	32,750
Fee income	22,032	2,545	373	91	-	-	914	-	(928)	25,027
LT investment income	(94)	-	-	-	-	-	-	13,375	(13,372)	(91)
Net trading income/(loss)	50	377	(56)	(725)	57	49	-	492	-	244
Derivatives & FX	2,405	-	572	90	19	(8)	-	(18)	-	3,061
Others	(2,386)	4	92	(6)	358	-	8	(23)	(128)	(2,081)
Total operating income	54,004	2,948	1,165	(267)	596	56	923	13,915	(14,428)	58,911
Operating costs										
Operating costs	(28,433)	(892)	(593)	(124)	(7)	(4)	(820)	(97)	1,059	(29,910)
Business tax	(1,401)	-	(102)	(10)	(7)	-	-	-	-	(1,522)
Total operating costs	(29,835)	(892)	(695)	(134)	(14)	(4)	(820)	(97)	1,059	(31,431)
Pre-provision Profit	24,169	2,056	470	(401)	582	52	103	13,818	(13,370)	27,479
Credit Loss Provisions, net	(10,076)	-	-	65	97	-	-	-	-	(9,914)
Profit Before Income Tax	14,093	2,056	470	(336)	679	52	103	13,818	(13,370)	17,565
Net Profit After Income Tax	11,102	1,639	465	(487)	523	53	77	13,339	(13,371)	13,339

1. These numbers are preliminary and have yet to be reviewed by our auditors.

CFHC's Balance Sheet (consolidated)

NT\$ million	Dec. 07 ¹	Sep. 07	QoQ (%)	Jun. 07	Mar. 07	Dec. 06	YoY (%)
Assets:							
Cash and due from banks	168,641	221,503	-23.87%	226,564	212,819	194,604	-13.34%
Securities, net	431,048	461,197	-6.54%	485,811	492,522	456,841	-5.65%
Loans, net	875,970	864,271	1.35%	842,449	827,133	839,016	4.40%
A/R, net	140,431	130,492	7.62%	129,174	130,527	141,933	-1.06%
LT investments, net	1,962	2,902	-32.38%	3,034	3,252	3,232	-39.29%
Land, premises and equipments, net	36,113	34,140	5.78%	33,501	33,466	33,891	6.55%
Others	33,687	42,357	-20.47%	38,696	34,121	37,004	-8.96%
Total assets	1,687,853	1,756,862	-3.93%	1,759,229	1,733,839	1,706,521	-1.09%
Liabilities:							
Deposits	1,180,402	1,243,123	-5.05%	1,247,950	1,230,272	1,206,228	-2.14%
Other liabilities	364,293	371,049	-1.82%	373,392	378,507	376,906	-3.35%
Total liabilities	1,544,695	1,614,171	-4.30%	1,621,342	1,608,779	1,583,133	-2.43%
Minority interests	78	76	1.55%	75	73	69	11.58%
Total stockholders' equity	143,080	142,614	0.33%	137,813	124,987	123,318	16.03%
Total liabilities and stockholders' equity	1,687,853	1,756,862	-3.93%	1,759,229	1,733,839	1,706,521	-1.09%

1. Dec 07 numbers are preliminary and have yet to be reviewed by our auditors.

CFHC's P&L (consolidated)

NT\$ million	4Q07 ¹	3Q07	QoQ (%)	2Q07	1Q07	2007 ¹	2006	YoY (%)
Recurring operating income								
Net interest income	8,132	8,245	-1.37%	7,998	8,375	32,750	38,104	-14.05%
Fee income	5,954	6,288	-5.31%	7,149	5,636	25,027	18,823	32.96%
LT investment income	(95)	(81)	16.93%	25	60	(91)	74	-222.77%
Derivatives & FX	429	636	-32.57%	867	1,129	3,061	3,065	-0.13%
Others	(1,268)	(178)	610.59%	(501)	(133)	(2,081)	(181)	1048.60%
Total recurring operating income	13,152	14,909	-11.78%	15,539	15,067	58,666	59,884	-2.03%
Non-recurring operating income								
Trading income/(loss) - equity	20	328	-94%	1,970	(155)	2,164	1,214	78%
Trading income/(loss) - fixed income	(162)	(157)	3.73%	(128)	68	(380)	895	-142.40%
Reversal of allowance for market decline /(unrealized loss) & others	(206)	1,022	-120.13%	(652)	(1,704)	(1,539)	2,468	-162.37%
Total non-recurring operating income	(348)	1,194	-129.17%	1,190	(1,792)	244	4,578	-94.66%
Operating revenue	12,804	16,102	-20.49%	16,729	13,275	58,911	64,462	-8.61%
Non interest expenses								
Operating expenses	(7,776)	(7,538)	3.16%	(7,553)	(7,044)	(29,910)	(29,493)	1.41%
Business tax	(385)	(394)	-2.17%	(381)	(361)	(1,522)	(1,589)	-4.23%
Total non-interest expenses	(8,161)	(7,932)	2.89%	(7,934)	(7,405)	(31,431)	(31,082)	1.13%
Pre-goodwill, pre-provision profit	4,643	8,171	-43.18%	8,795	5,871	27,479	33,380	-17.68%
Goodwill expenses	-	-		-	-	-	-	
Pre-provision profit	4,643	8,171	-43.18%	8,795	5,871	27,479	33,380	-17.68%
Credit loss provisions, net	(4,160)	(1,949)	113.46%	(1,665)	(2,140)	(9,914)	(48,138)	-79.41%
Net profit before income tax	482	6,222	-92.25%	7,131	3,731	17,565	(14,758)	-219.02%
Net profit after income tax	488	4,650	-89.50%	5,618	2,583	13,339	(10,200)	-230.78%

1. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Financial Results¹

(NT\$mm)	4Q07 ¹	3Q07	2Q07	1Q07	2007 ¹	2006
Net interest income	7,963	8,085	7,741	8,208	31,997	37,750
Non-interest income	4,510	6,724	6,817	3,956	22,007	23,355
Operating income	12,473	14,810	14,558	12,163	54,004	61,105
Total non-interest expense	7,829	7,521	7,497	6,988	29,835	30,062
Pre-provision. Pre-goodwill profit	4,644	7,289	7,061	5,175	24,169	31,043
Provisions	4,245	1,983	1,708	2,140	10,076	48,138
Pre-tax profit	399	5,306	5,353	3,035	14,093	-17,095
After-tax profit	460	3,940	4,539	2,164	11,102	-11,685

1. All these numbers are for CTCB on a consolidated basis.

2. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Key Ratios¹

(%)	4Q07 ¹	3Q07	2Q07	1Q07	2007 ¹	2006
Net interest margin(%) (YTD)	2.18%	2.17%	2.17%	2.26%	2.18%	2.67%
Fee income/operating income(%)	42.7%	37.7%	42.7%	40.4%	40.8%	26.8%
Cost-to-income ratio ³ (%)	62.8%	50.8%	51.5%	57.5%	55.2%	49.2%
NPL ratio (%)	1.66%	1.67%	1.49%	1.70%	1.66%	1.66%
CAR(%) ⁴	11.12%	10.72%	10.13%	9.10%	11.12%	10.42%

1. All these numbers are for CTCB on a consolidated basis.

2. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

3. Cost-to-income ratio is derived by excluding goodwill amortization in the calculation.

4. From 2007, Basel II was applied to CAR.

CTCB's Balance Sheet (consolidated)

NT\$ million	Dec. 07 ¹	Sep. 07	QoQ (%)	Jun. 07	Mar. 07	2006	YoY%
Assets:							
Cash and due from banks	161,960	210,386	-23.02%	187,498	174,880	162,715	-0.46%
Securities, net	348,222	378,037	-7.89%	420,024	409,643	371,156	-6.18%
Loans, net	875,970	864,271	1.35%	842,449	827,133	839,016	4.40%
A/R, net	137,379	126,314	8.76%	125,084	127,877	139,846	-1.76%
LT investments, net	1,896	1,881	0.79%	2,032	2,289	2,283	-16.96%
Land, premises and equipments, net	35,774	33,994	5.24%	33,349	33,308	33,739	6.03%
Others	29,455	32,253	-8.67%	28,084	28,903	31,720	-7.14%
Total assets	1,590,656	1,647,137	-3.43%	1,638,520	1,604,034	1,580,476	0.64%
Liabilities:							
Deposits	1,187,249	1,251,588	-5.14%	1,266,778	1,259,986	1,237,407	-4.05%
Other liabilities	299,945	292,879	2.41%	285,593	271,593	272,898	9.91%
Total liabilities	1,487,194	1,544,467	-3.71%	1,552,371	1,531,578	1,510,305	-1.53%
Minority interests	59	57	2.47%	56	55	52	12.55%
Total stockholders' equity	103,403	102,612	0.77%	86,093	72,401	70,119	47.47%
Total liabilities and stockholders' equity	1,590,656	1,647,137	-3.43%	1,638,520	1,604,034	1,580,476	0.64%

1. Dec. 07 numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's P&L (consolidated)

NT\$ million	4Q07 ¹	3Q07	QoQ(%)	2Q07	1Q07	2007 ¹	2006	YoY(%)
Recurring operating income								
Net interest income	7,963	8,085	-1.52%	7,741	8,208	31,997	37,750	-15.24%
Fee income	5,320	5,582	-4.70%	6,214	4,916	22,032	16,379	34.51%
LT investment income	(19)	(101)	-80.97%	(18)	44	(94)	194	-148.23%
Derivatives & FX	341	278	22.30%	879	907	2,405	2,943	-18.25%
Others	(1,191)	(380)	213.24%	(590)	(224)	(2,386)	(471)	406.56%
Total recurring operating income	12,412	13,465	-7.82%	14,226	13,851	53,954	56,795	-5.00%
Non-recurring operating income								
Trading income/(loss) - equity	8	239	-96%	973	(3)	1,218	1,007	21%
Trading income/(loss) - fixed income	(1)	52	-101.47%	44	24	120	822	-85.42%
Reversal of allowance for market decline /(unrealized loss) & others	53	1,053	-95.01%	(685)	(1,709)	(1,288)	2,481	-151.91%
Total non-recurring operating income	60	1,345	-95.52%	332	(1,687)	50	4,310	-98.85%
Operating revenue	12,473	14,810	-15.78%	14,558	12,163	54,004	61,105	-11.62%
Non interest expenses								
Operating expenses	(7,465)	(7,160)	4.27%	(7,139)	(6,669)	(28,433)	(28,663)	-0.80%
Business tax	(363)	(361)	0.46%	(358)	(319)	(1,401)	(1,399)	0.15%
Total non-interest expenses	(7,829)	(7,521)	4.09%	(7,497)	(6,988)	(29,835)	(30,062)	-0.76%
Pre-goodwill, pre-provision profit	4,644	7,289	-36.29%	7,061	5,175	24,169	31,043	-22.14%
Goodwill expenses	-	-		-	-	-	-	
Pre-provision profit	4,644	7,289	-36.29%	7,061	5,175	24,169	31,043	-22.14%
Credit loss provisions, net	(4,245)	(1,983)	114.12%	(1,708)	(2,140)	(10,076)	(48,138)	-79.07%
Net profit before income tax	399	5,306	-92%	5,353	3,035	14,093	(17,095)	-182%
Net profit after income tax	460	3,940	-88.34%	4,539	2,164	11,102	(11,685)	-195.01%

1. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Loan Breakdown - Consolidated

NT\$ million	Dec. 07 ¹	Sep. 07	QoQ (%)	Jun. 07	Mar. 07	2006	YoY (%)
Corporate loans							
Manufacturing	103,272	100,469	2.79%	84,175	77,330	81,935	26.04%
Commerce & services	57,598	56,899	1.23%	58,736	73,287	71,258	-19.17%
Government enterprises	29,514	22,735	29.82%	24,393	25,327	26,667	10.68%
Construction & real estate	31,752	34,088	-6.85%	34,969	30,616	29,103	9.10%
Finance & insurance	35,884	42,881	-16.32%	53,945	42,554	39,871	-10.00%
Others	47,034	49,489	-4.96%	33,805	21,283	22,635	107.79%
NTD loans	305,054	306,560	-0.49%	290,023	270,396	271,468	12.37%
Foreign currency loans	198,556	186,989	6.19%	184,652	184,545	181,373	9.47%
Sub-total	503,610	493,549	2.04%	474,675	454,941	452,841	11.21%
Retail loans							
Mortgages	295,164	289,276	2.04%	282,789	284,050	291,380	1.30%
Car loans	3,630	4,622	-21.46%	5,755	7,144	8,767	-58.60%
Unsecured loans	71,982	74,140	-2.91%	77,080	81,928	89,901	-19.93%
Small business loan	5,434	5,736	-5.28%	4,643	4,617	4,551	19.39%
Sub-total	376,210	373,774	0.65%	370,268	377,739	394,599	-4.66%
Others (i.e. exchange bills negotiated and discounted)	-	-	-	-	-	-	-
Non-accrual account	8,383	9,659	-13.20%	10,167	10,297	10,511	-20.24%
Total loans	888,203	876,982	1.28%	855,110	842,978	857,951	3.53%

1. Dec. 07 numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Deposit Breakdown - Consolidated

NT\$ million	Dec. 07 ¹	Sep. 07	QoQ (%)	Jun. 07	Mar. 07	2006	YoY (%)
Deposits							
Checking & demand deposits	90,634	91,407	-0.85%	81,235	81,696	80,542	12.53%
Saving deposits	281,839	311,715	-9.58%	293,204	283,422	269,259	4.67%
Sub-total	372,473	403,122	-7.60%	374,439	365,118	349,801	6.48%
Time & savings							
Time deposits (incl. CD)	232,414	230,409	0.87%	298,500	300,361	290,237	-19.92%
Time saving deposits	257,743	271,901	-5.21%	265,429	285,771	298,563	-13.67%
Sub-total	490,158	502,310	-2.42%	563,930	586,132	588,800	-16.75%
Remittances	977	619	57.84%	386	1,653	622	57.17%
Foreign currency deposits	323,641	345,537	-6.34%	328,023	307,083	298,185	8.54%
Total deposits	1,187,249	1,251,588	-5.14%	1,266,778	1,259,986	1,237,407	-4.05%

1. Dec. 07 numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Spread & NIM - Consolidated

(YTD) %	Dec. 07 ¹	Sep. 07	QoQ (bp)	Jun. 07	Mar. 07	2006	YoY (bp)
NTD							
Lending rate	3.81%	3.81%	0bp	3.79%	3.83%	4.11%	-29bp
Deposit rate	1.30%	1.29%	2bp	1.28%	1.28%	1.22%	8bp
NTD spread ¹	2.51%	2.52%	-1bp	2.50%	2.55%	2.88%	-38bp
NTD & foreign currency							
Lending rate	4.57%	4.58%	-1bp	4.57%	4.63%	4.76%	-18bp
Deposit rate	1.83%	1.81%	1bp	1.80%	1.79%	1.65%	18bp
Overall spread ¹	2.74%	2.77%	-2bp	2.77%	2.85%	3.11%	-36bp
NIM							
NIM	2.18%	2.17%	1bp	2.17%	2.26%	2.67%	-49bp

1. Dec. 07 numbers are preliminary and have yet to be reviewed by our auditors.

2. Both NTD spread and Overall spread quoted above exclude credit card receivables in the calculation.

CTCB's NII & Fee Breakdown - Consolidated

NII Breakdown

%	4Q07 ¹	3Q07	QoQ (%)	2Q07	1Q07	2007 ¹	2006	YoY (%)
Loan interest & other interest	12,461	12,516	-0.44%	12,037	12,284	49,297	51,112	-3.55%
Revolving interest	1,237	1,191	3.87%	1,219	1,361	5,008	8,301	-39.67%
Bond interest income	1,914	2,121	-9.72%	2,182	1,991	8,208	6,222	31.92%
Interest expense	(7,650)	(7,743)	-1.20%	(7,696)	(7,428)	(30,517)	(27,886)	9.43%
Net interest income	7,963	8,085	-1.52%	7,741	8,208	31,997	37,750	-15.24%

Fee Breakdown

(%)	4Q07 ¹	3Q07	QoQ(%)	2Q06	1Q06	2007 ¹	2006	YoY(%)
Retail business group								
Credit card business	1,838	1,808	1.70%	1,655	1,581	6,882	7,212	-4.57%
Wealth management business	1,827	2,170	-15.78%	3,172	1,726	8,895	5,482	62.25%
Banking business	372	326	14.08%	290	250	1,238	1,073	15.40%
Corporate business group	588	810	-27.47%	558	629	2,585	2,606	-0.83%
Lottery Center	695	469	48.18%	538	730	2,432	6	43011.73%
Total fee income	5,320	5,582	-4.70%	6,214	4,916	22,032	16,379	34.51%

1. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Asset Quality - Consolidated

(NT\$m)	4Q07 ¹	3Q07	QoQ (%)	2Q07	1Q07	2007 ¹	2006	YoY (%)
90-days NPLs - beginning	14,617	12,752	14.62%	14,325	14,200	14,200	13,901	2.15%
New NPL influx, net of recovery	4,057	7,067	-42.59%	3,397	5,202	19,723	24,731	-20.25%
Write-offs & other deductions	(3,970)	(5,202)	-23.69%	(4,970)	(5,077)	(19,219)	(24,433)	-21.34%
90-days NPLs - ending	14,703	14,617	0.59%	12,752	14,325	14,703	14,200	3.55%
Provisions for credit loss								
Provision for loan loss, net	2,734	1,371	99.47%	1,328	1,465	6,898	28,687	-75.95%
Provision for credit card loss, net	1,510	600	151.74%	443	675	3,228	19,451	-83.40%
Others, net	0	12	-98.91%	(63)	0	(51)	0	-
Total provisions	4,245	1,983	114.12%	1,708	2,140	10,076	48,138	-79.07%
Total reserves	12,233	12,710	-3.75%	12,661	15,845	12,233	18,935	-35.40%

	Dec. 07 ¹	Sep. 07	QoQ (bp;pp)	Jun. 07	Mar. 07	2006	YTD (bp;pp)
90-day NPL ratio							
Corporate NPL ratio	1.39%	1.32%	7bp	1.12%	1.26%	1.18%	21bp
Retail NPL ratio	2.01%	2.12%	-11bp	1.96%	2.22%	2.20%	-19bp
Total NPL ratio	1.66%	1.67%	-1bp	1.49%	1.70%	1.66%	0bp
Total provisions / Ave. Total Loans (annualized)	1.15%	0.90%	0pp	5.39%	1.01%	5.41%	-4pp
Total reserves / Total Loans	1.38%	1.45%	-7bp	1.48%	1.88%	2.21%	-83bp
Coverage ratio(on 90-day NPLs) (%)	83.20%	86.96%	-4pp	99.29%	110.61%	133.35%	-50pp

1. 4Q07 and 4Q07YTD numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's Credit Card & Cash Card Business

Credit Card Business

(NT\$m, %)	Dec. 07 ¹	Sep. 07	QoQ (%)	Jun. 07	Mar. 07	2006	YoY (%)
Card in circulation (accumulative) (mm)	5.63	5.64	-0.18%	5.67	5.79	6.01	-6.31%
Card consumption (Cash advance & spending) (quarterly)	74,592	70,172	6.30%	70,597	67,734	276,510	2.38%
Revolving balance	32,630	33,472	-2.52%	34,383	38,342	40,786	-20.00%
Credit card receivables (incl. non-accrual account)	70,367	70,393	-0.04%	69,918	67,316	72,959	-3.55%
Reserves for credit card loss	1,029	1,003	2.58%	1,481	2,510	4,113	-74.98%
Coverage ratio (over 90 days overdues)	100.00%	89.03%	11pp	116.17%	154.08%	200.48%	-100.48%
Delinquency ratio (30 - 90 days overdues)	1.87%	1.95%	-7bp	1.89%	3.02%	3.42%	-1.55%
NPL ratio (90-day overdues)	1.46%	1.60%	-14bp	1.82%	2.42%	2.81%	-1.35%
Write off ratio (180 days overdues) ²	8.11%	9.05%	-94bp	10.60%	12.65%	18.37%	-10pp

Cash Card Business

(NT\$m, %)	Dec. 07 ¹	Sep. 07	QoQ (%)	Jun. 07	Mar. 07	2006	YoY (%)
Card in circulation (accumulative) ('000)	190	201	-5.49%	220	243	267	-28.85%
Debt outstanding	14,190	15,431	-8.04%	16,862	18,647	20,821	-31.85%
Reserves for cash card loss	417	357	16.94%	660	1,467	2,441	-82.90%
Coverage ratio (over 90 days overdues)	100.01%	81.05%	19pp	137.96%	273.64%	394.18%	-294.17%
Delinquency ratio (30-90 days overdues)	3.54%	3.89%	-35bp	4.50%	5.09%	5.69%	-2pp
NPL ratio (90 days overdues)	2.94%	2.85%	9bp	2.84%	2.88%	2.97%	-3bp
Write off ratio (180 days overdues) ²	26.07%	27.59%	-2pp	28.91%	29.67%	37.79%	-12pp

1. Dec. 07 numbers are preliminary and have yet to be reviewed by our auditors.

2. The credit card and cash card write off ratios are the average of monthly annualized net write off ratios for the period.