

Chinatrust FHC

Analyst Meeting
Financial Review of 3Q05

November 2, 2005
Investor Relations



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DISCLAIMER

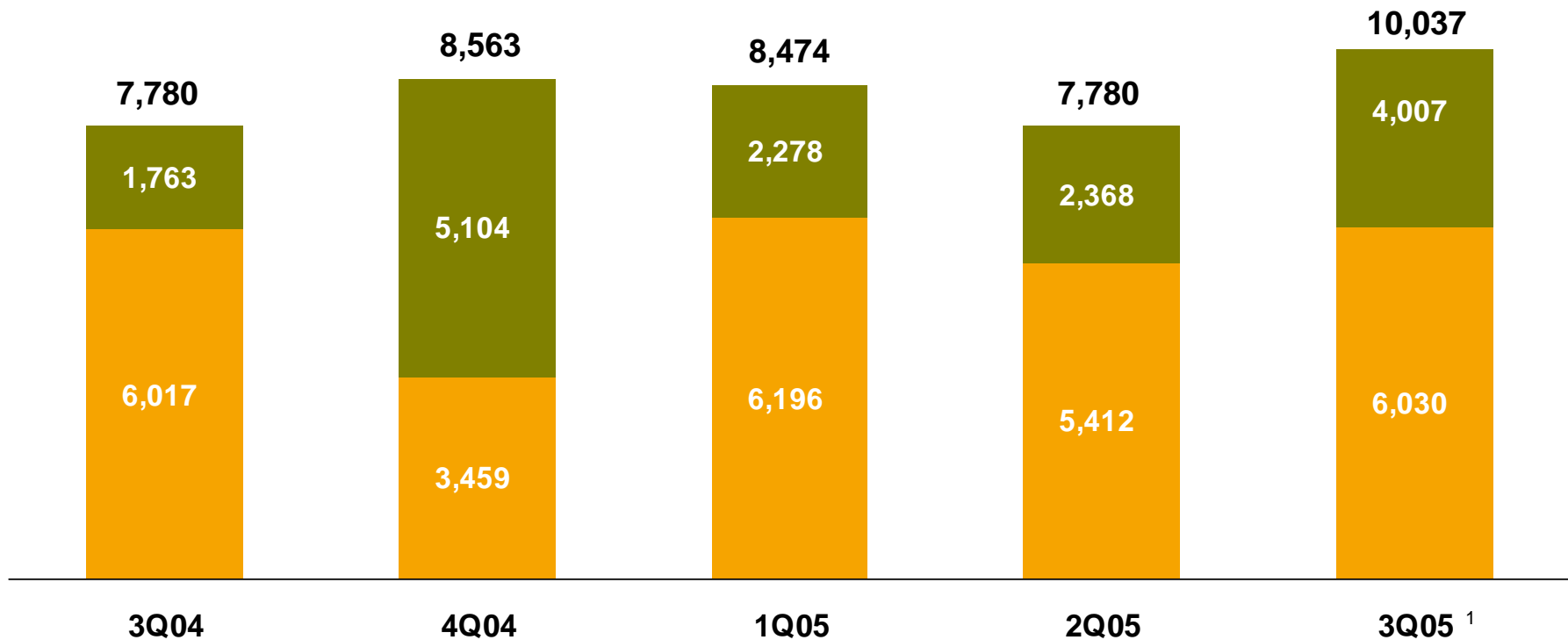
THE FINANCIAL INFORMATION IN THESE MATERIALS AS OF AND FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2005 ARE PRELIMINARY. CHINATRUST FHC EXPECTS TO FILE ITS UNAUDITED INTERIM FINANCIAL STATEMENTS, WHICH ARE SUBJECT TO REVIEW BY ITS AUDITORS, WITH THE ROC SECURITIES AND FUTURES BUREAU ON OR ABOUT NOVEMBER 15, 2005.

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.

3Q05's earnings rebounded from 2Q05 despite an increase in provision charge

Pre-provision profit
NT\$ mm

■ Provisions
■ Pre-tax profit



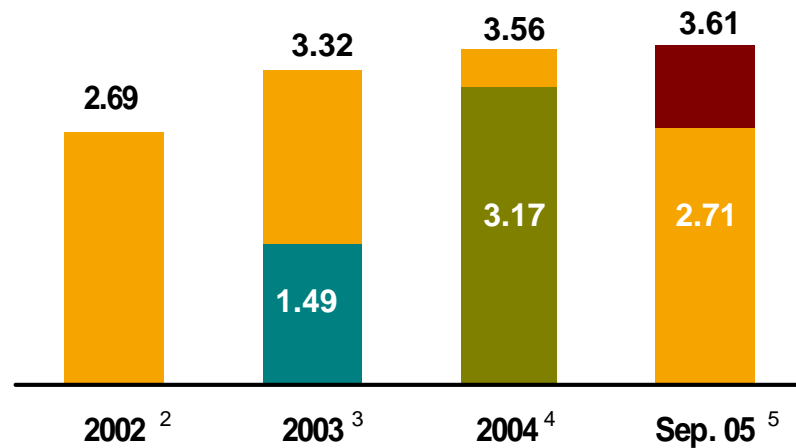
1. 3Q05 numbers are preliminary and have yet to be reviewed by our auditors.

Key profitability ratios show sustainable earning results

Retroactively adjusted EPS¹ (pre-tax)

NT\$

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



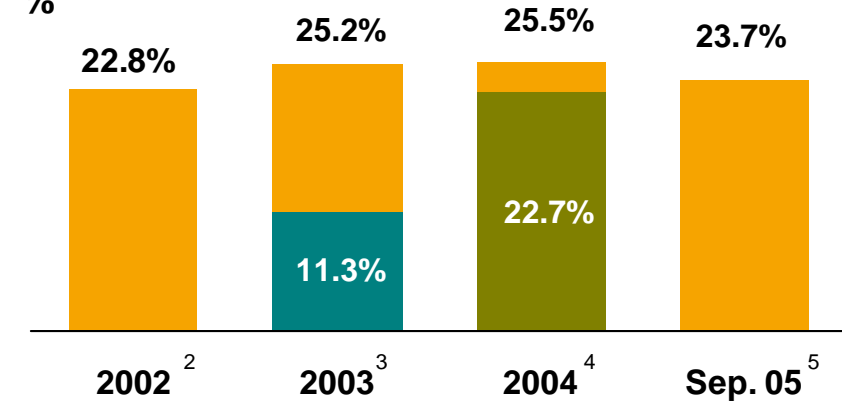
Reported EPS (pre-tax)

NT\$

| 2002 | 2003 | 2004 | Sep.05 ⁵ |
|------|------|------|---------------------|
| 3.42 | 3.80 | 3.84 | 2.71 |
| | 1.70 | 3.42 | |

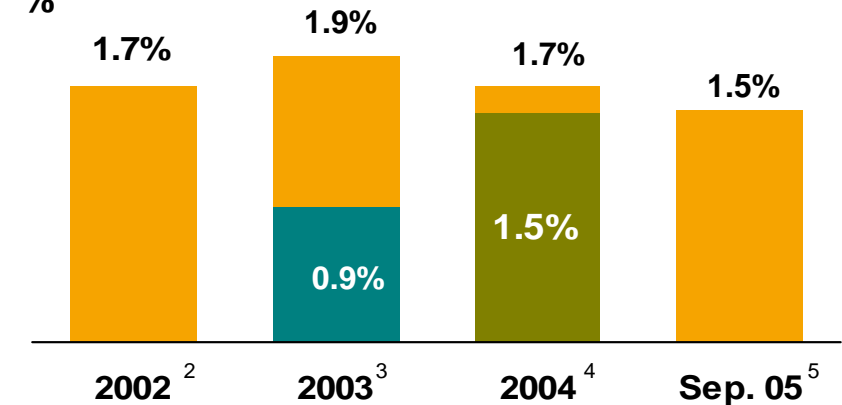
ROAE (pre-tax)

%



ROAA (pre-tax)

%



1. 2002, 2003 and 2004 EPS are retroactively adjusted for stock dividends in Aug. 2003-2005, Aug. 2004-2005 and Aug. 2005, respectively.

2. 2002 numbers are pro forma numbers calculated as if CFHC was formed at the beginning of the year.

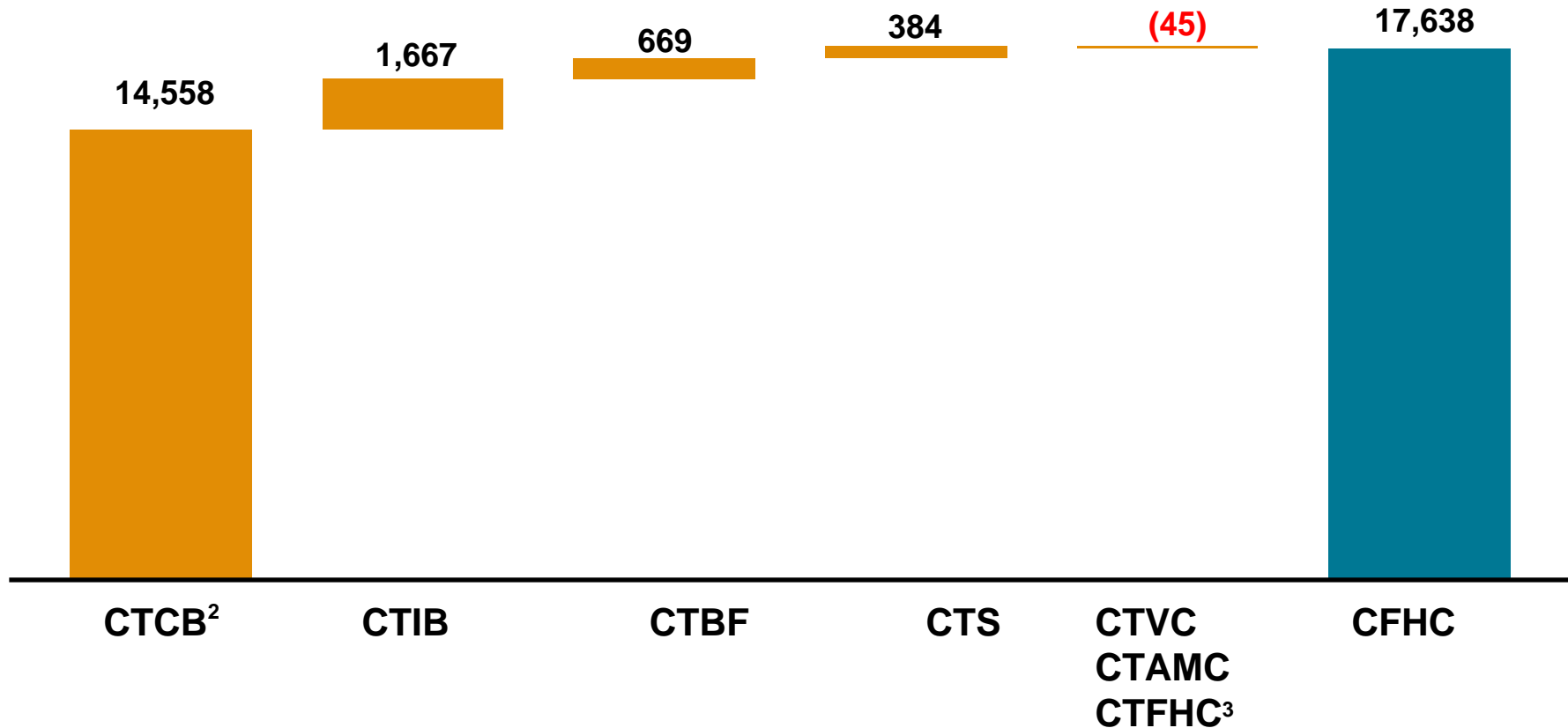
3. 2003 numbers are calculated both as including (blue bar) and excluding (orange bar) the one-time adjustment as a result of our merger with GCB.

4. 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.

5. \$3.61 is the annualized EPS for 2005 deriving from the accumulated EPS as of Sep. 30, 2005. Numbers for the nine months ended Sep. 30, 2005 are preliminary and have yet to be reviewed by our auditors.

CTCB remained the key profit contributor to Chinatrust FHC

Chinatrust FHC pre-tax income for the first nine months in 2005¹
NT\$ mm



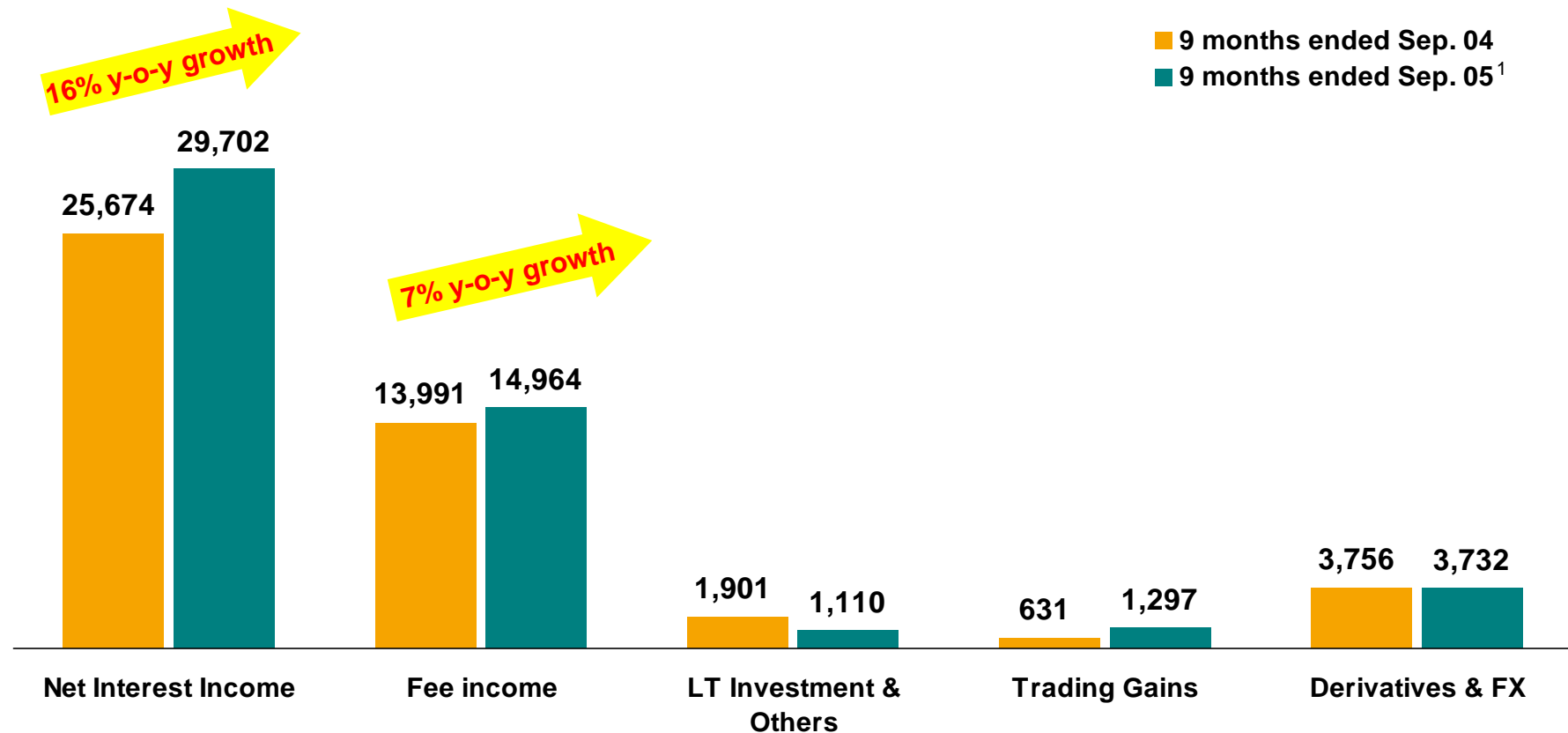
1. CFHC's numbers are presented on a consolidated basis. These numbers are preliminary and have yet to be reviewed by our auditors.

2. CTCB's numbers are presented on a non-consolidated basis.

3. Sum of pre-tax profit of CTVC, CTAMC, CTFHC (on a non-consolidated basis) and adjustment items in relation to compiling the consolidated statement.

Steady growth from core business and recovery in market related revenue was observed

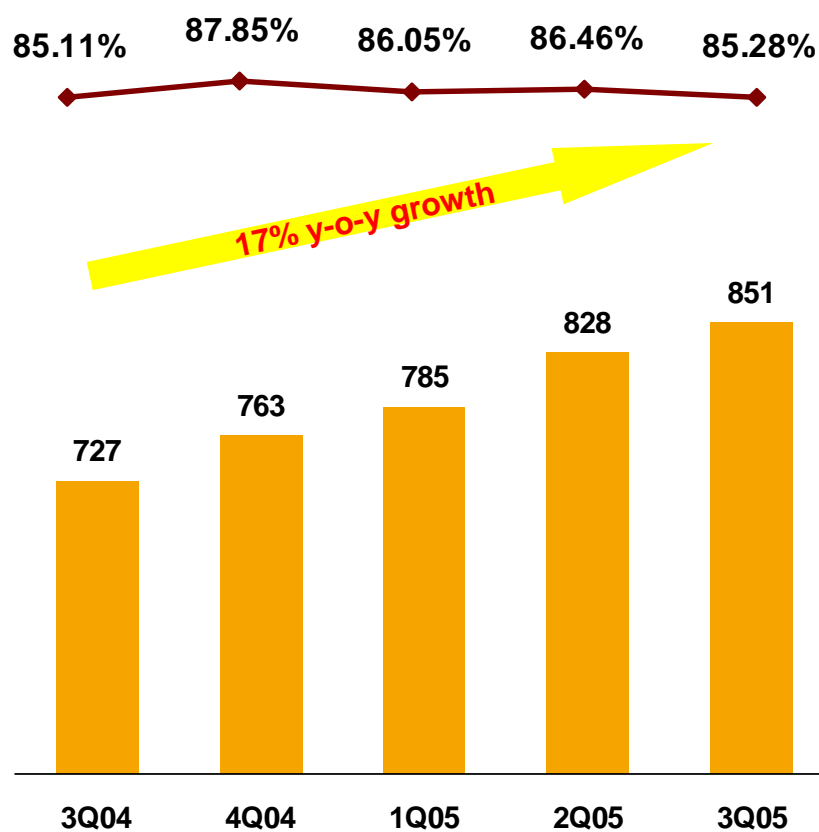
Revenue Breakdown
NT\$ mm



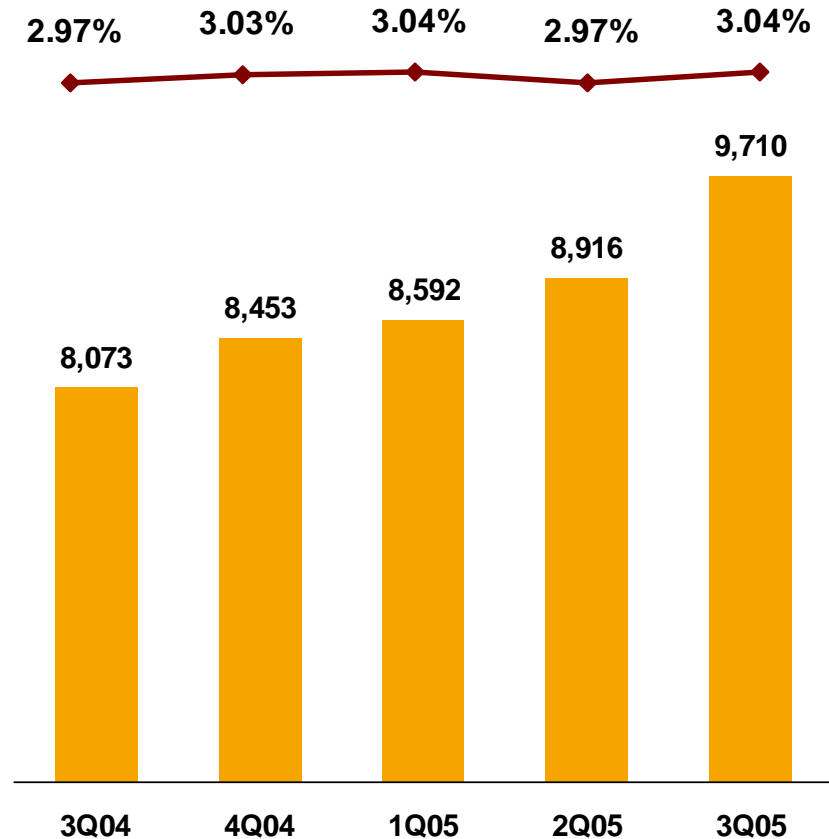
1. Numbers for the nine months ended Sep. 30, 2005 are preliminary and have yet to be reviewed by our auditors.

CTCB's strong loan growth and improved NIM were observed in 3Q05

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



Quarterly NIM & quarterly NII
%, NT\$ mm



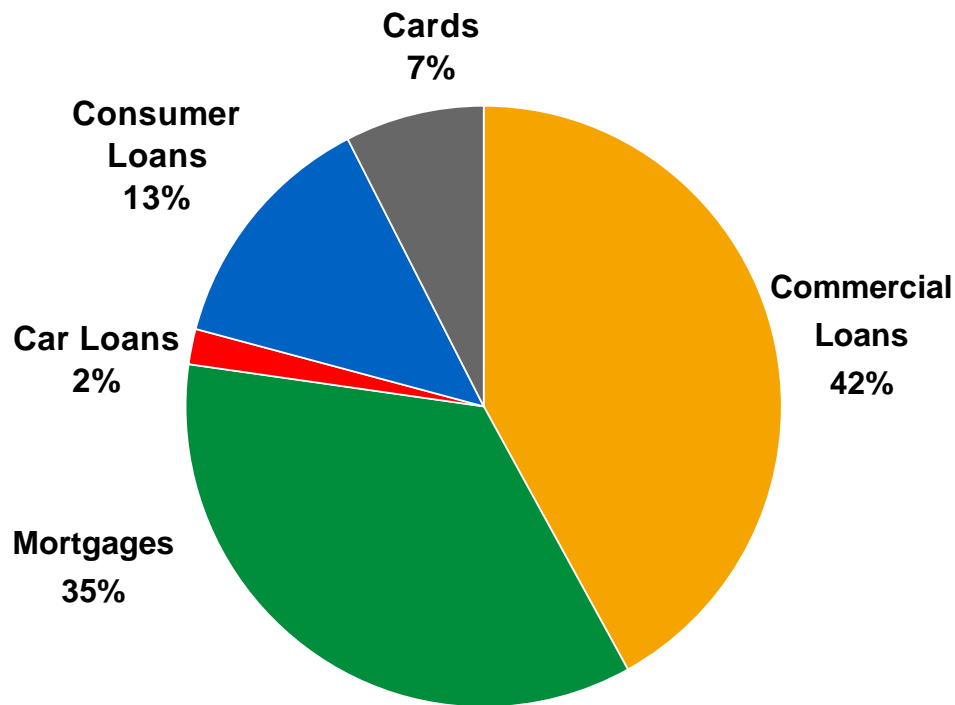
Note: These numbers are presented on a non-consolidated basis.

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

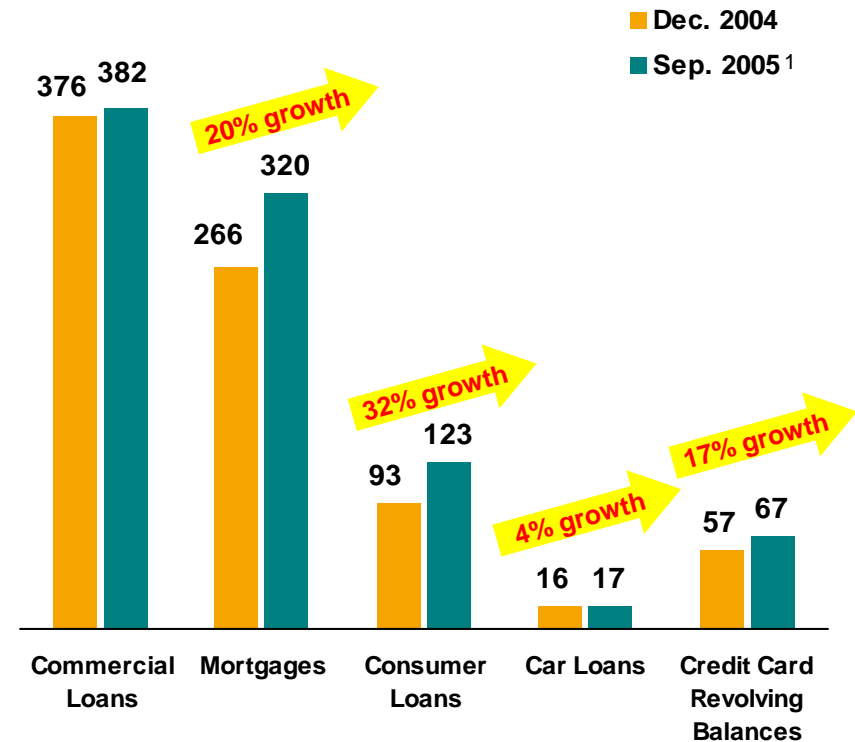
2. Total loans include both performing and non-accrual loans.

Consumer loans and credit card loans represent only 20% of CTCB's total lending portfolio

Loan breakdown (incl. credit card revolving balances) as of Sep. 2005¹
%



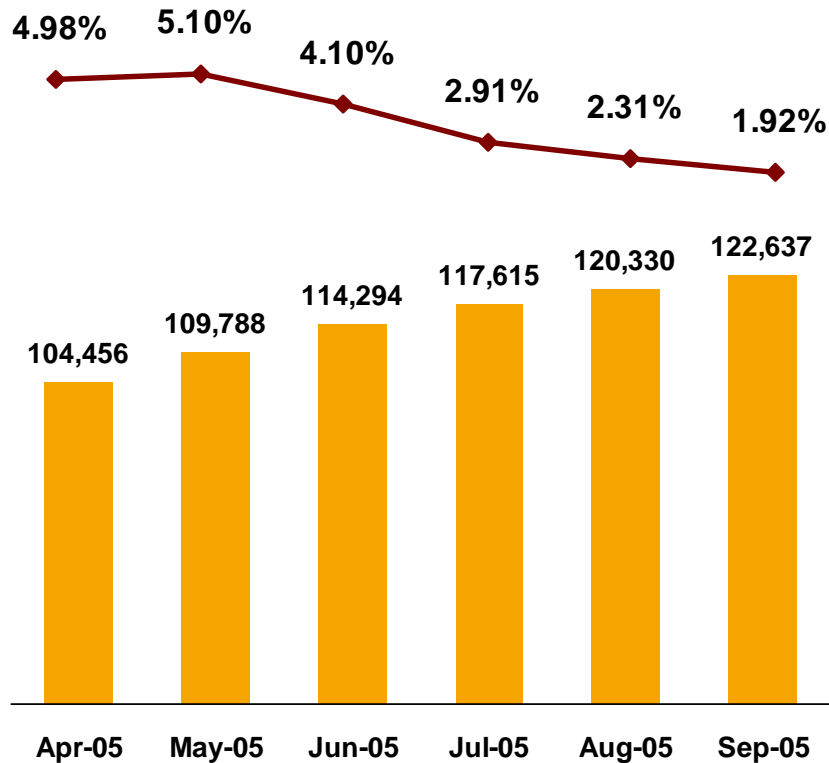
YTD loan growth
%, NT\$ bn



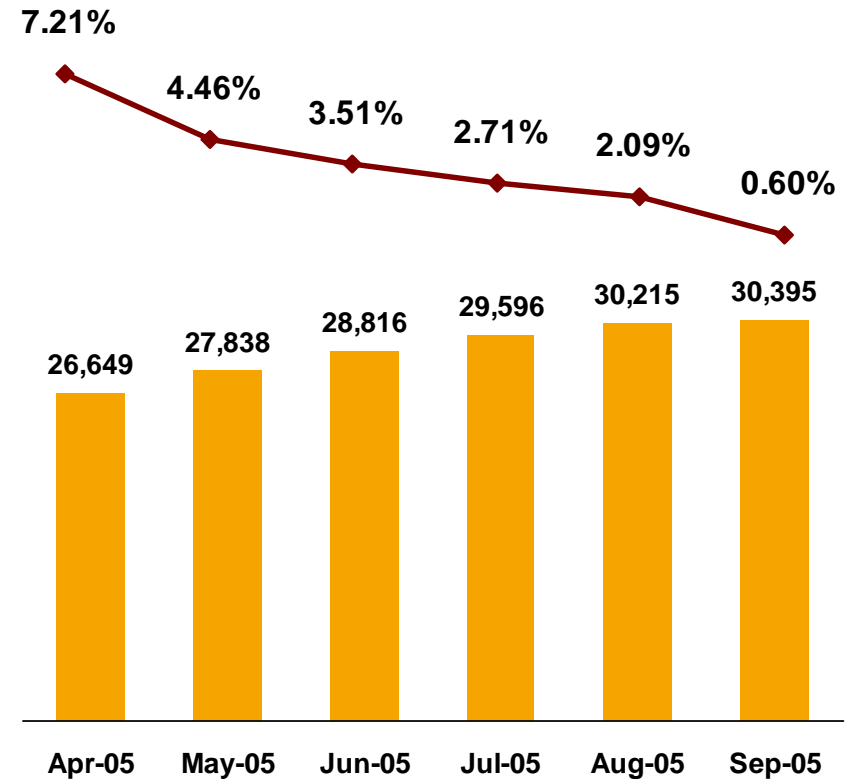
Note: These numbers exclude non-accrual loans and are presented on a non-consolidated basis.

Slower growth in CTCB's consumer loans observed in 3Q05

Monthly growth trend in consumer loans & consumer loans outstanding
%, NT\$ mm



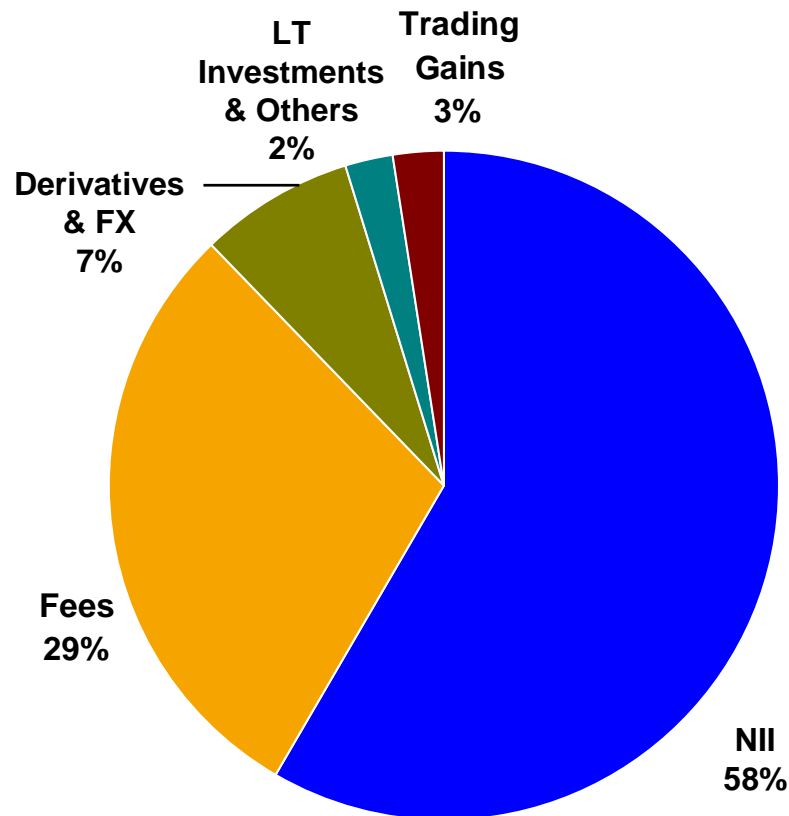
Monthly growth trend in cash card loans & cash card loans outstanding
%, NT\$ mm



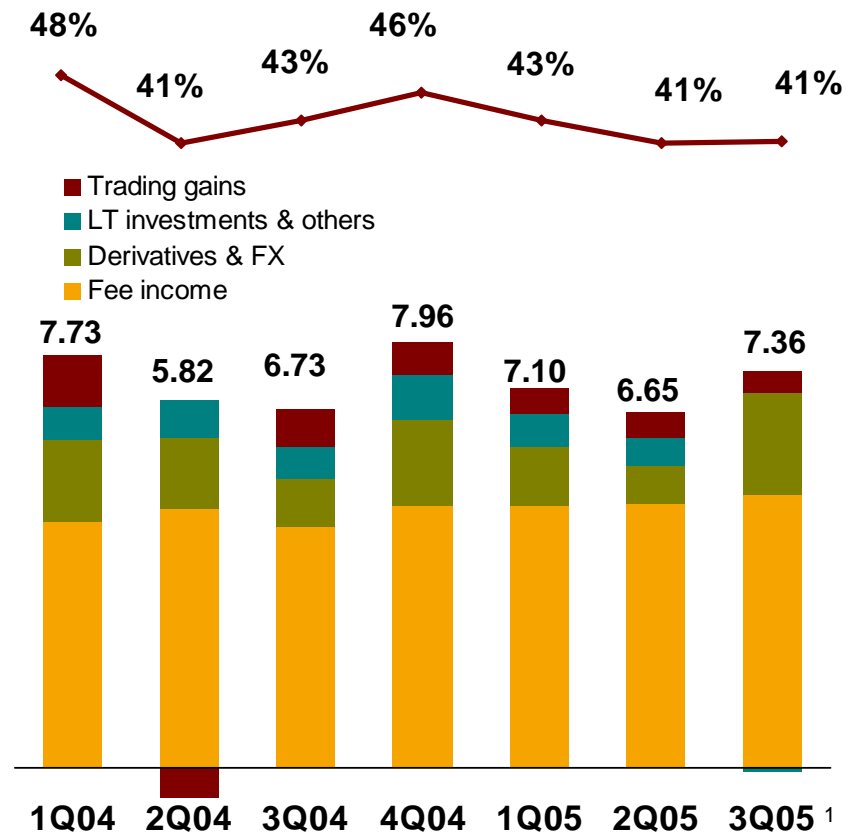
Note: These numbers exclude non-accrual loans and are presented on a non-consolidated basis.

Consistent non-interest income to revenue ratio at approximately 41% in 3Q05

Total revenue breakdown as of Sep. 05¹
%



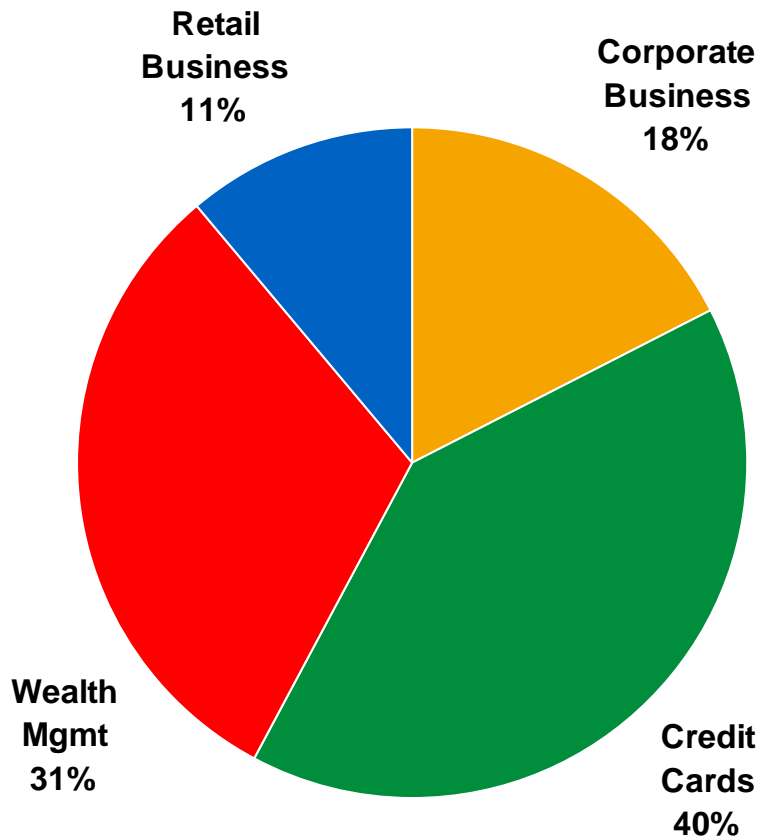
Quarterly non-interest income to total revenue ratios & quarterly total non-interest income
%, NT\$ bn



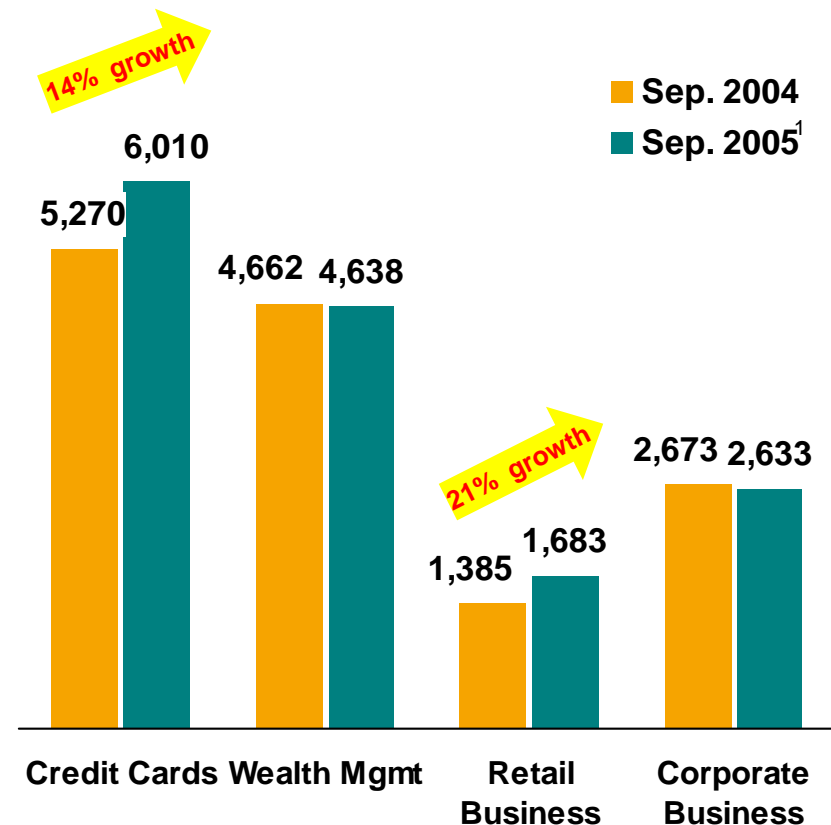
1. 3Q05 numbers are preliminary and have yet to be reviewed by our auditors.

Fee income to total revenue stood stable at approximately 30% YTD

Fee income breakdown as of Sep. 05¹
%



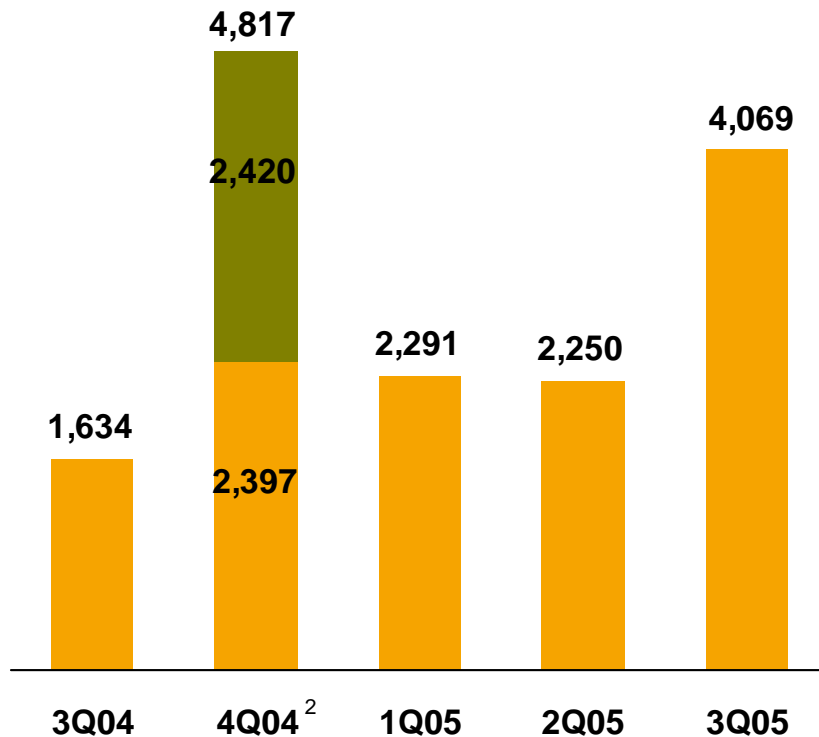
Y-o-y fee income growth
%, NT\$ mm



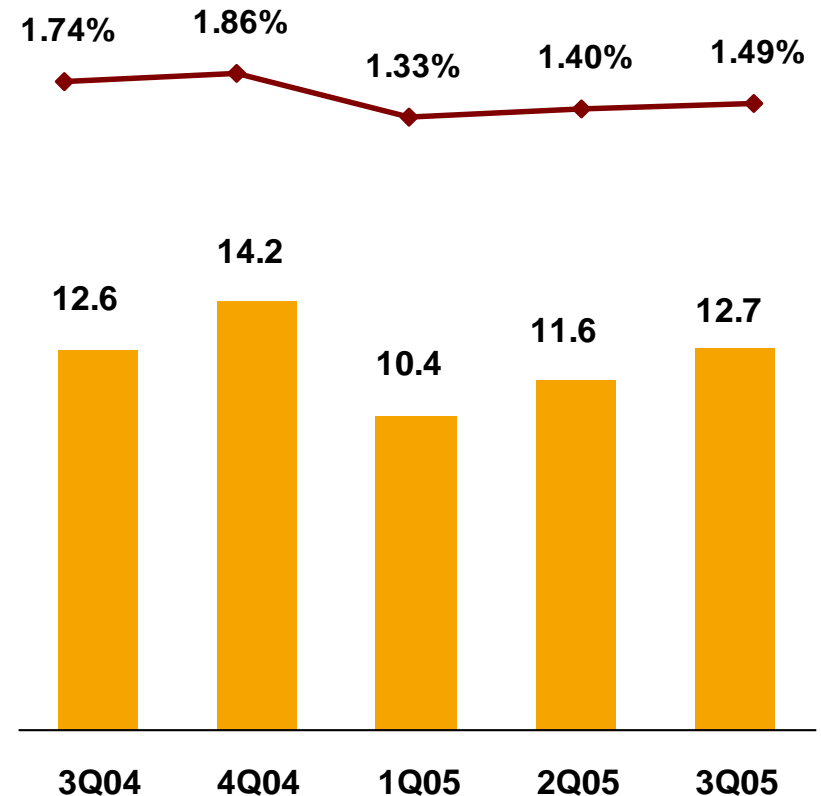
1. 2005 numbers are preliminary and have yet to be reviewed by our auditors.

CTCB's 90-day NPL ratio remained sound at 1.5%¹

Provisioning expenses
NT\$ mm



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



Note: These numbers are presented a non-consolidated basis.

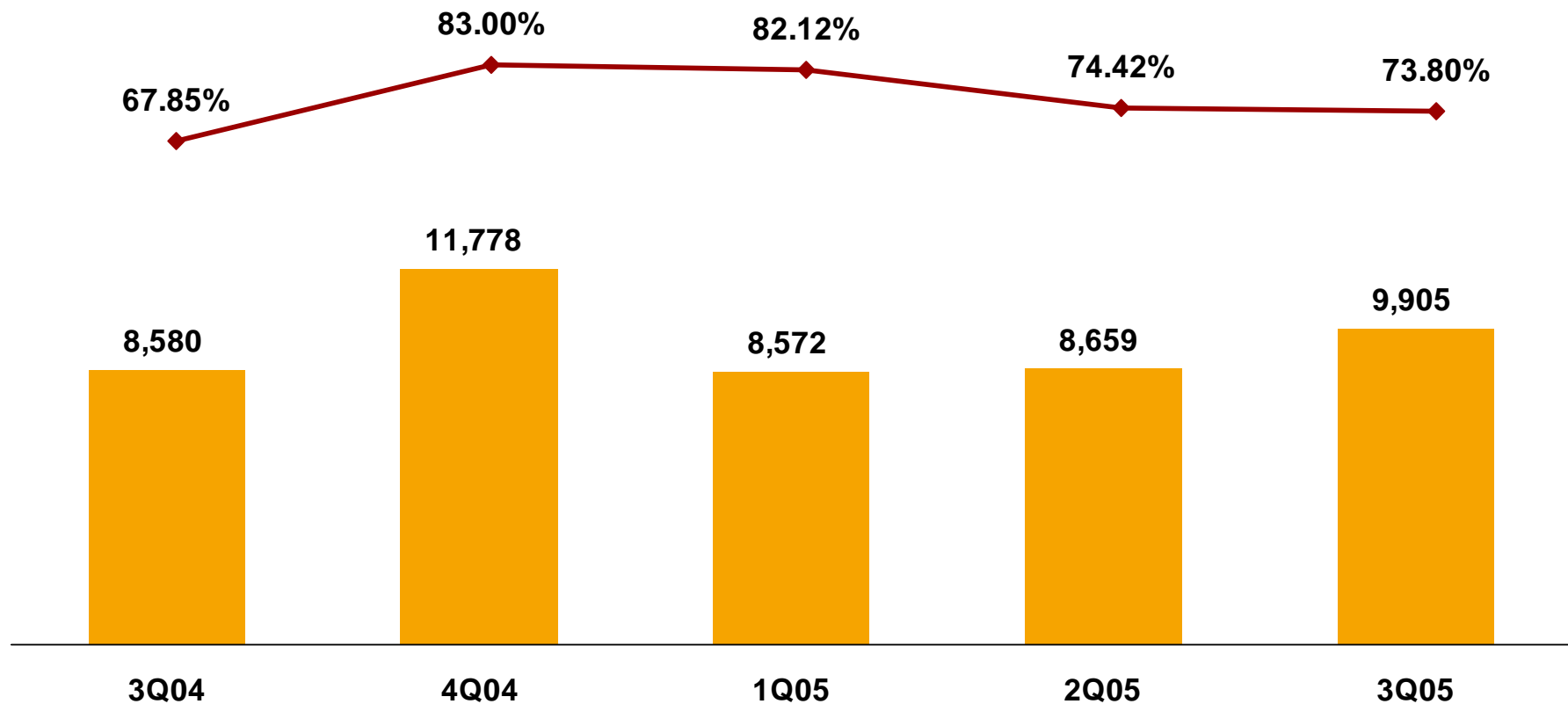
1. In accordance with new FSC guidelines effective from July 1, 2005, we have used a more inclusive definition when defining our NPLs for 3Q05.

We have not restated the amount of our NPLs prior to July 1, 2005 to reflect the new guidelines.

2. For 4Q04, total provisions are NT\$4,817mm, of which NT\$2,420mm is an one-time additional provision relating primarily to FCC's portfolio.

CTCB's NPL coverage ratio remained superior and well above the industry level¹

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

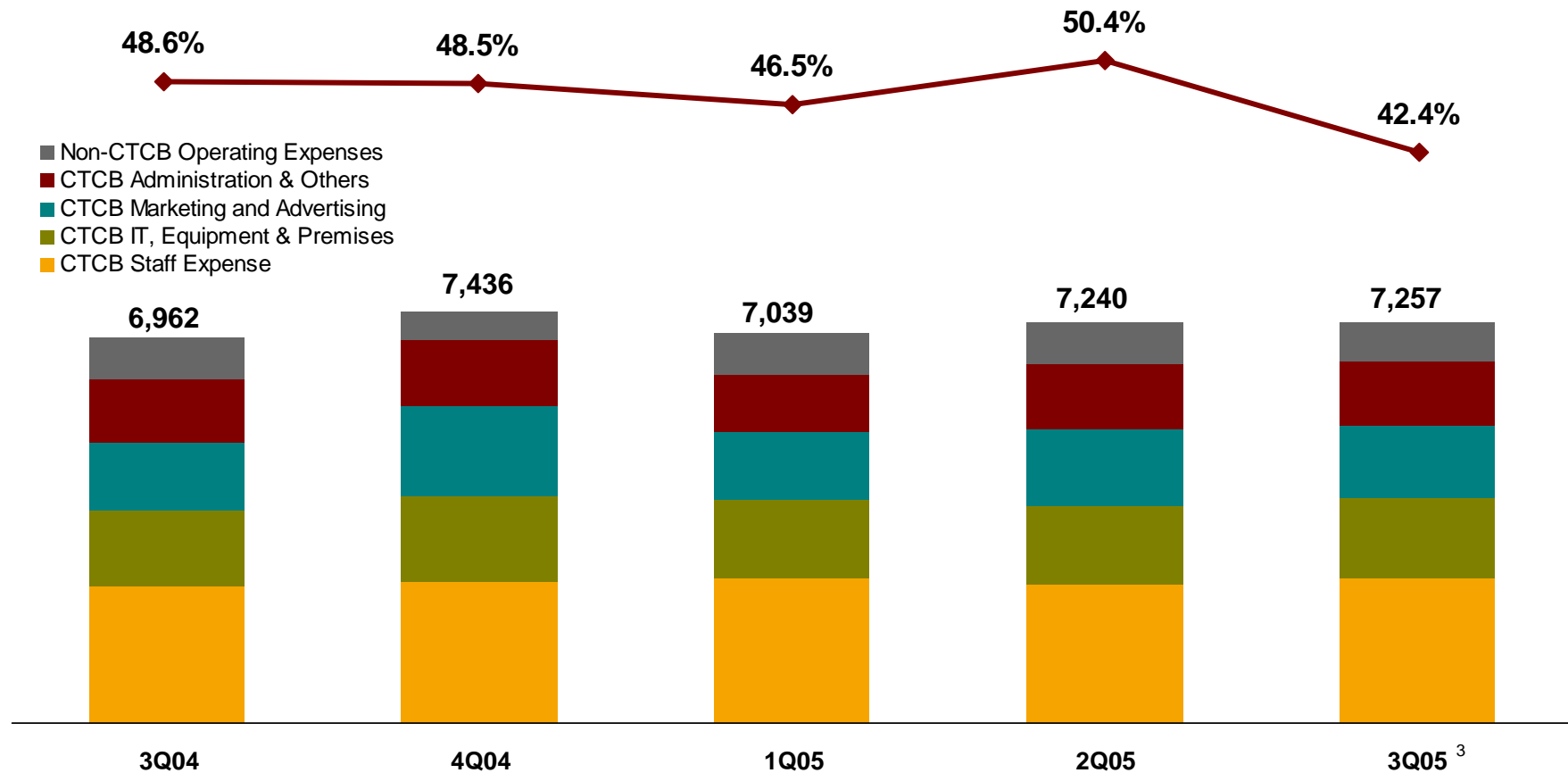


Note: These numbers are presented on a non-consolidated basis.

1. In accordance with new FSC guidelines effective from July 1, 2005, we have used a more inclusive definition when defining our NPLs for 3Q05. We have not restated the amount of our NPLs prior to July 1, 2005 to reflect the new guidelines.

Efficiency ratio declined to 46% for the first nine months in 2005

Quarterly efficiency ratios¹ & quarterly operating expenses²
%, NT\$ million



1. Efficiency ratios are derived by dividing Total Non-interest Expense (excluding goodwill amortization) by Pre-provision Operating Revenue.
 2. CTCB's operating expenses are presented on a non-consolidated basis.
 3. 3Q05 numbers are preliminary and have yet to be reviewed by our auditors

Thank You



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Appendix

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CFHC's Financial Results

| | 3Q05 ¹ | 2Q05 | 1Q05 | Sep. 05 (YTD) ¹ | Sep. 04 (YTD) |
|------------------------------------|-------------------|---------|---------|-------------------------------|------------------|
| (NT\$ mm) | | | | | |
| Net interest income | 10,631 | 9,697 | 9,375 | 29,702 | 25,674 |
| Non-interest income | 7,361 | 6,646 | 7,097 | 21,104 | 20,279 |
| Operating income | 17,992 | 16,343 | 16,471 | 50,806 | 45,953 |
| Total non-interest expense | (7,624) | (8,232) | (7,666) | (23,522) | (22,207) |
| Pre-provision, pre-goodwill profit | 10,368 | 8,111 | 8,805 | 27,284 | 23,746 |
| Provisions | (4,007) | (2,368) | (2,278) | (8,653) | (6,427) |
| Goodwill amortization | (331) | (331) | (331) | (993) | (719) |
| Pre-tax profit | 6,030 | 5,412 | 6,196 | 17,638 | 16,600 |
| After-tax profit | 4,232 | 5,117 | 4,713 | 14,061 | 12,807 |

1. 3Q05 and Sep. 2005 (YTD) numbers are preliminary and have yet to be reviewed by our auditors.

CFHC's Key Ratios

| | 3Q05 ¹ | 2Q05 | 1Q05 | Sep. 05 (YTD) ¹ | 2004 |
|---|--------------------|-------|-------|-------------------------------|-------|
| (%) | | | | | |
| Fee income / operating income (%) | 28.4 | 30.2 | 29.9 | 29.5 | 29.9 |
| Cost-to-income ratio ² (%) | 42.4 | 50.4 | 46.5 | 46.3 | 48.4 |
| ROAA (after-tax) (%) (annualized YTD earnings) | 1.2 | 1.3 | 1.3 | 1.2 | 1.2 |
| ROAE (after-tax) (%) (annualized YTD earnings) | 18.8 | 20.2 | 19.3 | 18.8 | 17.2 |
| EPS (after-tax) (NT\$) (accumulative) | 2.2 | 1.5 | 0.7 | 2.2 | 2.4 |
| CAR ³ (%) | 114.1 ⁴ | 112.8 | 113.0 | 114.1 ⁴ | 119.7 |

1. 3Q05 and Sep. 2005 (YTD) 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.

4. CAR for 3Q05 and Sep. 2005 (YTD) is as of Aug. 2005.

CFHC share information

| | Sep. 05 | Jun. 05 | Mar. 05 | 2004 |
|------------------------|---------|---------|---------|-------|
| (Unit: million shares) | | | | |
| Common shares | | | | |
| Shares issued | 6,384 | 5,913 | 5,900 | 5,780 |
| Treasury shares | (9) | (12) | (31) | (65) |
| Shares outstanding | 6,375 | 5,901 | 5,869 | 5,715 |
| Preferred shares | 250 | 250 | 250 | 250 |

Balance Sheet as of September 30, 2005¹ of CFHC and its subsidiaries

| NT\$ mm | CTCB (non-consolidated) | Chinatrust Insurance Brokers | Chinatrust Securities | Chinatrust Bills Finance | Chinatrust Asset Management | Chinatrust Venture Capital | CFHC (non- consolidated) | CFHC (consolidated) |
|---|----------------------------|------------------------------------|--------------------------|-----------------------------|-----------------------------------|----------------------------------|--------------------------------|------------------------|
| Assets: | | | | | | | | |
| Cash and due from banks | 131,980 | 647 | 485 | 11,697 | 587 | 162 | 280 | 148,553 |
| Securities, net | 249,335 | 1,860 | 8,738 | 40,464 | 10,175 | 898 | 20,530 | 358,742 |
| Loans, net | 842,040 | - | - | - | - | - | - | 898,133 |
| A/R, net | 157,143 | 217 | 304 | 485 | 482 | 1 | 71 | 160,020 |
| LT investments, net | 18,354 | 461 | 7 | 40 | 8,812 | 952 | 124,339 | 15,967 |
| Land, premises and equipments, net | 33,792 | 2 | 310 | 8 | - | - | - | 34,930 |
| Others | 28,051 | 20 | 1,624 | 164 | 408 | 36 | 452 | 33,513 |
| Total assets | 1,460,696 | 3,207 | 11,469 | 52,858 | 20,465 | 2,048 | 145,672 | 1,649,858 |
| Liabilities: | | | | | | | | |
| Deposits | 1,118,302 | - | - | - | - | - | - | 1,182,694 |
| Other liabilities | 255,304 | 278 | 5,976 | 46,755 | 165 | 6 | 32,082 | 353,517 |
| Total liabilities | 1,373,606 | 278 | 5,976 | 46,755 | 165 | 6 | 32,082 | 1,536,212 |
| Minority interests | - | - | - | - | - | - | - | - |
| Total stockholders' equity | 87,090 | 2,928 | 5,493 | 6,102 | 20,301 | 2,043 | 113,589 | 113,589 |
| Total liabilities and stockholders' equity | 1,460,696 | 3,207 | 11,469 | 52,858 | 20,465 | 2,048 | 145,672 | 1,649,858 |

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

P&L of CFHC and its subsidiaries for the 9 months ended September 30, 2005¹

| NT\$ million | CTCB (non-consolidated) | Chinatrust Insurance Brokers | Chinatrust Securities | Chinatrust Bills Finance | Chinatrust Asset Management | Chinatrust Venture Capital | CFHC (non- consolidated) | CFHC (consolidated) |
|------------------------------------|----------------------------|------------------------------------|--------------------------|-----------------------------|-----------------------------------|----------------------------------|--------------------------------|------------------------|
| Operating income | | | | | | | | |
| Net interest income | 27,219 | 10 | 80 | 378 | 53 | 3 | (535) | 29,702 |
| Fee income | 12,663 | 1,799 | 224 | 67 | - | - | - | 14,964 |
| LT investment income | 1,225 | (47) | 1 | - | - | (47) | 14,677 | 85 |
| Derivatives & FX | 3,267 | - | 500 | (132) | 12 | 3 | (37) | 3,732 |
| Net trading income/(loss) | 582 | (43) | 215 | 356 | 18 | 80 | (0) | 1,297 |
| Others | 616 | - | 62 | 0 | 526 | 1 | 1 | 1,025 |
| Total operating income | 45,571 | 1,719 | 1,082 | 670 | 609 | 40 | 14,107 | 50,806 |
| Operating costs | (19,357) | (53) | (440) | (93) | (8) | (4) | (99) | (21,536) |
| Misc. fees & others | (1,082) | - | (53) | (18) | (0) | - | - | (788) |
| Business tax | (971) | - | (175) | (5) | (10) | - | (0) | (1,197) |
| Total operating costs | (21,411) | (53) | (668) | (116) | (18) | (4) | (99) | (23,522) |
| Pre-goodwill, pre-provision profit | 24,160 | 1,667 | 414 | 554 | 591 | 36 | 14,007 | 27,284 |
| Goodwill expenses | (993) | - | - | - | - | - | - | (993) |
| Pre-provision profit | 23,167 | 1,667 | 414 | 554 | 591 | 36 | 14,007 | 26,291 |
| Credit loss provisions, net | (8,609) | - | (30) | 115 | - | - | - | (8,653) |
| Profit before income tax | 14,558 | 1,667 | 384 | 669 | 591 | 36 | 14,007 | 17,638 |
| Net profit after income tax | 12,225 | 1,241 | 134 | 602 | 433 | 46 | 14,061 | 14,061 |

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

CTCB's Balance Sheet (non-consolidated)

| NT\$ million | Sep. 05 | Jun. 05 | q-o-q (%) | Mar. 05 | 2004 | YTD (%) |
|---|------------------|------------------|----------------|------------------|------------------|----------------|
| Assets: | | | | | | |
| Cash and due from banks | 131,980 | 112,463 | 17.46% | 98,638 | 105,837 | 24.81% |
| Securities, net ¹ | 249,335 | 225,767 | 10.44% | 242,589 | 190,203 | 31.09% |
| Loans, net | 842,040 | 820,162 | 2.67% | 777,101 | 752,061 | 11.96% |
| A/R, net | 157,143 | 155,101 | 1.32% | 139,916 | 140,374 | 11.95% |
| LT investments, net ² | 18,354 | 17,528 | 4.72% | 17,947 | 17,742 | 3.45% |
| Land, premises and equipments, net | 33,792 | 33,804 | (0.03)% | 33,930 | 33,978 | (0.55)% |
| Others | 28,051 | 21,901 | 27.53% | 24,023 | 22,488 | 24.21% |
| Total assets | 1,460,696 | 1,386,725 | 5.33% | 1,334,145 | 1,262,683 | 15.68% |
| Liabilities: | | | | | | |
| Deposits | 1,118,302 | 1,075,622 | 3.97% | 1,020,262 | 972,489 | 14.99% |
| Other liabilities | 255,304 | 218,413 | 16.89% | 217,885 | 198,791 | 28.43% |
| Total liabilities | 1,373,606 | 1,294,035 | 6.15% | 1,238,147 | 1,171,280 | 17.27% |
| Total stockholders' equity | 87,090 | 92,690 | (6.04)% | 95,998 | 91,403 | (4.72)% |
| Total liabilities and stockholders' equity | 1,460,696 | 1,386,725 | 5.33% | 1,334,145 | 1,262,683 | 15.68% |

1. These numbers include LT bond investments.

2. These numbers are LT equity investments and exclude LT bond investments.

CTCB's P&L (non-consolidated)

| NT\$ million | 3Q 05 | 2Q 05 | q-o-q (%) | 1Q 05 | Sep. 05 (YTD) | Sep. 04 (YTD) | y-o-y (%) |
|---|---------|---------|------------|---------|------------------|------------------|-----------|
| Recurring operating income | | | | | | | |
| Net interest income | 9,710 | 8,916 | 8.90% | 8,592 | 27,219 | 23,282 | 16.91% |
| Fee income | 4,349 | 4,058 | 7.16% | 4,256 | 12,663 | 12,077 | 4.86% |
| LT investment income | 496 | 250 | 98.63% | 510 | 1,225 | 1,361 | (10.04)% |
| Derivatives & FX | 1,903 | 564 | 237.36% | 800 | 3,267 | 3,853 | (15.20)% |
| Others | 232 | (170) | (236.39)% | 132 | 616 | 765 | (19.48)% |
| Total recurring operating income | 16,689 | 13,618 | 22.55% | 14,291 | 44,990 | 41,338 | 8.83% |
| Non-recurrent operating income | | | | | | | |
| Trading income/(loss) - equity | 564 | (21) | (2799.11)% | (82) | 461 | 45 | 930.27% |
| Trading income/(loss) - fixed income | 172 | 147 | 17.10% | 398 | 718 | 168 | 327.41% |
| Reversal of allowance for market /(unrealized loss) & others | (655) | 110 | (694.19)% | (52) | (597) | 72 | (925.09)% |
| Total non-recurrent operating income | 81 | 236 | (65.62)% | 264 | 582 | 285 | 104.05% |
| Operating revenue | 16,771 | 13,855 | 21.05% | 14,555 | 45,571 | 41,623 | 9.49% |
| Non interest expenses | | | | | | | |
| Operating expenses | (6,555) | (6,492) | 0.98% | (6,310) | (19,357) | (17,888) | 8.22% |
| Misc. fees & others | (244) | (222) | 9.93% | (225) | (1,082) | (618) | 75.08% |
| Business tax | (353) | (315) | 11.98% | (303) | (971) | (854) | 13.71% |
| Total non-interest expenses | (7,152) | (7,029) | 1.75% | (6,839) | (21,411) | (19,360) | 10.59% |
| Pre-goodwill, pre-provision profit | 9,618 | 6,826 | 40.92% | 7,716 | 24,160 | 22,263 | 8.52% |
| Goodwill expenses | (331) | (331) | 0.01% | (331) | (993) | (719) | 38.06% |
| Pre-provision profit | 9,287 | 6,495 | 43.00% | 7,385 | 23,167 | 21,544 | 7.53% |
| Credit loss provisions, net | (4,069) | (2,250) | 80.86% | (2,291) | (8,609) | (6,246) | 37.85% |
| Net profit before income tax | 5,219 | 4,245 | 22.94% | 5,094 | 14,558 | 15,299 | (4.84)% |
| Net profit after income tax | 3,800 | 4,290 | (11.42)% | 4,135 | 12,225 | 12,210 | 0.12% |

CTCB's Credit Card & Cash Card Business

Credit Card Business

| In millions / % | Sep. 05 | Jun. 05 | q-o-q (%) | Mar. 05 | 2004 | YTD (%) |
|---|---------|---------|-----------|---------|---------|----------|
| Cards in circulation (accumulative) (mm) | 7.08 | 7.03 | 0.83% | 6.95 | 6.89 | 2.89% |
| Card consumption (quarterly) | 75,292 | 77,495 | (2.84)% | 72,877 | 278,124 | |
| Revolving balance | 67,457 | 63,658 | 5.97% | 61,556 | 57,425 | 17.47% |
| Credit card receivables - issuing (incl. non-accrual account) | 101,899 | 101,320 | 0.57% | 92,473 | 90,719 | 12.32% |
| Reserves for credit card loss | 2,782 | 2,900 | (4.07)% | 2,383 | 1,960 | 41.94% |
| Coverage ratio (over 90 days overdue) | 94.98% | 110.73% | (16)p.p. | 113.99% | 109.45% | (14)p.p. |
| Delinquency ratio (30 - 150 days overdue) | 3.80% | 3.04% | 76bp | 2.73% | 2.38% | 142bp |
| Charge off ratio (over 150 days overdue) ² | 4.86% | 4.21% | 65bp | 3.67% | 3.09% | 177bp |

Key Statistics of Cash Card Performance

| In millions / % | Sep. 05 | Jun. 05 | q-o-q (%) | Mar. 05 | 2004 | YTD (%) |
|---|---------|---------|-----------|---------|--------|----------|
| Card in circulation (accumulative) ('000) | 518 | 591 | (12.36)% | 686 | 681 | (23.87)% |
| Debt outstanding | 30,395 | 28,816 | 5.48% | 24,858 | 17,960 | 69.23% |
| Charge off ratio ³ | 10.13% | 7.93% | 220bp | 7.59% | 8.06% | 207bp |
| Reserves for cash card loss | 24 | 179 | (86.59)% | 121 | 71 | (66.32)% |
| Coverage ratio (over 90 days overdue) | n/a | n/a | n/a | n/a | n/a | n/a |
| Delinquency ratio (30-90 days overdue) | 4.03% | 2.22% | 181bp | 1.67% | 1.79% | 224bp |
| NPL ratio (90 days overdue) ⁴ | 0.00% | 0.00% | n/a | 0.00% | 0.00% | n/a |

1. The credit card charge off ratio is the average of monthly annualized net charge off ratios for the period.

2. The cash card charge off ratio is the average of monthly annualized net charge off ratios for the period.

3. CTCB writes off cash card NPLs which are overdue more than 90 days.