

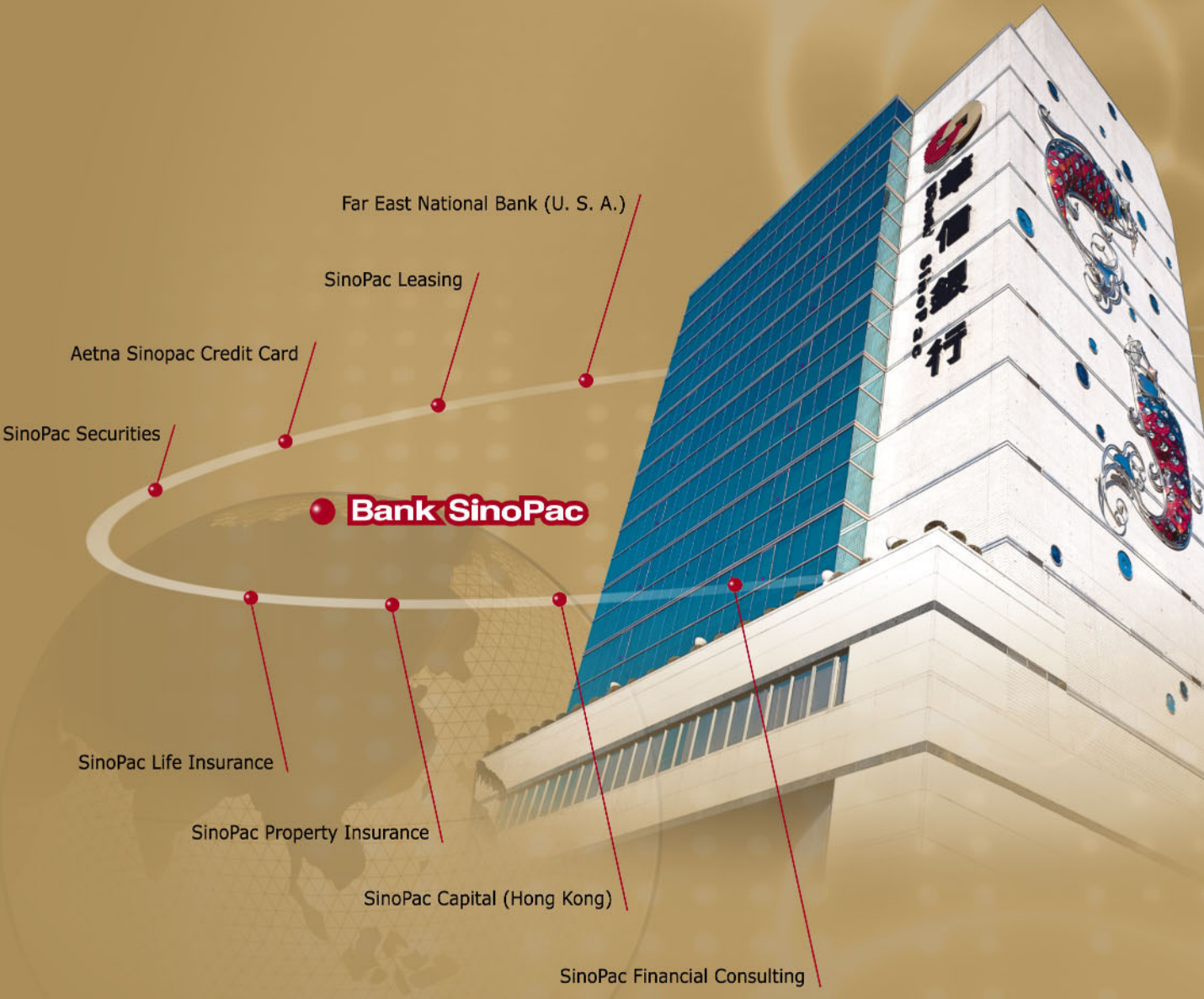
2011
Annual 年 Report
報



Accolades from the International Community:

- Dec 2001, rated by The Asset: Best Commercial bank in Taiwan
- Oct 2001, rated by Commonwealth Magazine: Model bank in Taiwan
- May 2001, rated by Global Finance: Best bank in Taiwan
- Sep 2000, rated by The Banker: Bank of the year 2000
- Dec 1999, rated by Asiamoney: Best new bank in Taiwan and best overall managed bank in Taiwan
- Jul 1999, rated by Euromoney: Best bank in Taiwan
- Jun 1999, rated by Business Week (USA): Bank SinoPac's President Paul C. Lo listed as one of "50 Stars of Asia," Taiwan's sole banking professional
- Apr 1998, rated by Asiamoney: Best commercial bank in Taiwan
- Sep 1997, rated by Euromoney: First runner-up among 450 banks in newly emerging countries.

The Integrated Service Network of Bank SinoPac and its Affiliates



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www.banksinopac.com.tw
www.mma.com.tw
www.MMAb2b.com



Financial Highlights

| (NT\$ in millions, except per share data) | 2001 | 2000 | 1999 | 1998 | 1997 |
|---|---------|---------|---------|---------|---------|
| For the Year | | | | | |
| Pretax income | 2,016 | 2,257 | 2,020 | 1,311 | 1,544 |
| Net income | 1,551 | 1,702 | 1,791 | 1,005 | 1,237 |
| At the Year End | | | | | |
| Deposits and remittances | 217,610 | 199,135 | 164,109 | 160,701 | 138,175 |
| Loans (1) | 167,150 | 155,295 | 134,776 | 119,611 | 113,127 |
| Securities purchased | 17,550 | 21,066 | 22,285 | 27,441 | 17,863 |
| Total assets | 278,429 | 235,057 | 204,129 | 191,603 | 171,740 |
| Shareholders' equity | 23,321 | 22,151 | 20,802 | 19,479 | 15,685 |
| Per Share | | | | | |
| Earnings per share | 0.81 | 0.97 | 1.13 | 0.73 | 1.08 |
| Shareholders' equity per share | 12.25 | 12.72 | 13.13 | 12.82 | 12.82 |
| Dividends declared per share (2) | | | | | |
| - Cash dividend | 0.4782 | - | - | 0.393 | - |
| - Stock dividend | - | 1.00 | 1.00 | 0.407 | 0.77 |
| Capital Adequacy | | | | | |
| Risk-based capital ratio (BIS Ratio) (3) | 10.47% | 11.25% | 12.59% | 13.21% | 15.21% |

NOTE:

- (1) Represents total loans, discounts and bills purchased.
- (2) Earnings are distributed in the following year.
- (3) Based on new criteria as of December 31, 1998.





A MESSAGE FROM THE CHAIRMAN AND THE PRESIDENT

Bank SinoPac celebrates its tenth anniversary in 2002. During the latter half of the past decade, the Bank successfully weathered the Asian Crisis and the lingering global economic slowdown while never losing sight of its founding policy of dynamic growth with sustained profitability. In relentless pursuit of its growth strategy, the Bank undertook several major initiatives in 2001 to combat a dramatically changing business environment. Strategic initiatives included a corporate reorganization of businesses to enhance seamless product delivery and a management mandate to deploy resources for cultivation of the vast opportunities in the Greater China market with a new sense of urgency. Armed with these initiatives, Bank SinoPac marches resolutely towards its unwavering goal of becoming "the best and most competitive financial holding company in the Asia-Pacific region". Our successful implementation of these strategies won Bank SinoPac numerous coveted honors as the Bank was cited in several award categories as the best among financial enterprises in Taiwan by local organizations as well as prestigious media from abroad.

Impacted by the world recession, Taiwan's economic development during 2001 faced its most dire challenges yet. The island saw not only a drastic contraction in gross national product but also a sharp rise in unemployment. Both traditional manufacturing and high-tech industries encountered an increasingly difficult business environment. Business executives and entrepreneurs across all industries expressed a pessimistic view on the island's future economic prospects. The commodity price index declined to near deflation levels and momentum for sustained economic growth ground to a standstill. In retrospect, the year 2001 presented some of the worst economic hardships in five decades. These harsh economic conditions led to a severe decline in stock prices, shrinking wealth in the private sector, slowdown in domestic consumption and investments, and a stagnant real estate market. The economic downturn also forced financial institutions to become extremely conservative in their lending practices while overdue loans continued to climb.

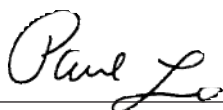
Amid continued economic recession, the government prompted legislative amendments that allowed structural changes to take place in the financial marketplace in order to induce an economic turnaround. The government's "no haste, be patient" policy which limited investment and trade activities between Taiwan and Mainland China was replaced by a policy of "effective cautious progress" as both parties successively became members of the World Trade Organization (WTO). More importantly, the government actively pushed for financial reforms and encouraged integration of financial institutions. Led by the momentum initiated by the Ministry of Finance, new laws governing mergers and acquisitions among financial institutions and the establishment of financial holding companies cleared the legislative floor. No less than 36 financial institutions, some with severe financial problems, engaged in financial mergers. The Ministry of Finance also encouraged the larger and healthier financial institutions to form financial holding companies. The speed and depth of financial liberalization and reform had not been seen in Taiwan previously.

Even in an environment of economic uncertainty and rapid change, Bank SinoPac continued its dynamic growth strategy. As of the end of 2001, the Bank's total assets increased to US\$10 billion on a consolidated basis and to US\$16 billion when contingent assets are included. This expansion was accompanied by an increase in the number of full-service branches to 44 in Taiwan alone. In total, the group operates 85 business offices in Taiwan, Hong Kong, and the United States, including Far East National Bank's 14 branches in California and representative office in Mainland China. The Bank SinoPac group with its operating subsidiaries, SinoPac Leasing, Aetna Sinopac Credit Card, SinoPac Securities, SinoPac Capital in Hong Kong, SinoPac Financial Consulting, SinoPac Life and Property Insurance, several securities and brokerage companies, together provide a multi-product delivery network that can truly be called an "Asia-Pacific financial conglomerate."

At no other time in our brief history have we been given such an opportunity for strategic growth. In 2001, Bank SinoPac seized the opportunity presented by the financial liberalization to establish SinoPac Holdings with the highly-reputable brokerage firm National Securities Company. SinoPac Holdings thus distinguishes itself as Taiwan's first financial holding company formed between two distinctly unrelated businesses, each piloted by professional managers.

Bank SinoPac and National Securities announced their plan to jointly establish a financial holding company in September 2001. The proposal quickly won approval from the Ministry

Paul C. Lo
Chairman



of Finance in late November and the newly formed company is scheduled to be launched in the first half of 2002. Diligent efforts have been made to ensure that integration of the various businesses that will form the holding company is well planned so as to capture the maximum synergies that are available when two successful business lines are combined. The new holding company will carefully and efficiently implement the new alliance to optimize benefits from cross-product delivery to all clients in the shortest possible period of time.

The new SinoPac Holdings will boast initial paid-in capital of over US\$1 billion and encompass more than 100 offices in the Asia-Pacific region, including 88 full-service branches in Taiwan. The efficient execution of strategies from this alliance will build synergies that will more than double the combined efficiencies of the two businesses that will come from its one million plus customers. The newly formed partnership will quickly provide benefits from economies of scale in all business lines, including direct consumer banking and brokerage services, asset management, corporate financing, investment banking, and electronic banking services. We will quickly implement and deliver the full suite of advanced financial products of Bank SinoPac and National Securities to all our valued customers.

Bank SinoPac is already a leader in money market account management with its leading-edge e-banking based MMA program. With the integration of accounts from National Securities, the new SinoPac Holdings will possess the combined clientele and product effectiveness with economies of scale that will ensure the delivery of more efficient customer service at a lower cost.

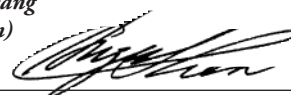
In spite of the harsh economic environment of 2001, the various business operations of Bank SinoPac still achieved excellent operating results. Income before tax reached NT\$2 billion. The Bank's outstanding loans amounted to NT\$168.4 billion while deposits reached NT\$217.4 billion, up 7.57% and 9.19% respectively from the previous year. The past-due delinquency ratio stood at 1.8%. Although the delinquency ratio edged up slightly, it remains the lowest among all financial institutions in Taiwan. The number of MMA accounts more than doubled to 110,000 and the B2B e-Factoring transaction value reached NT\$57.7 billion. Aetna Sinopac Credit Card Co., a subsidiary of Bank SinoPac, took the lead in issuing the "Combo Card" which integrated the ATM and credit card, thus giving customers the convenience of using one card domestically and on overseas trips. With continued heavy resource and investment allocation towards technology innovation, the bank now promotes a multi-product electronic banking platform that aggregates numerous banking services including asset management, corporate financing, and investment banking.

In recognition of the continuing dedication and achievements of the Bank SinoPac staff, the Bank won numerous honors and acclaims from both local and global media and publications during 2001. Global Finance, a publication respected worldwide, named Bank SinoPac the "Best Bank in Taiwan." The Commonwealth, a monthly business publication in Taiwan, awarded Bank SinoPac the "Highest Standard" in the Taiwan banking sector. The Bank was named second best in "forward looking capability" and "customer awareness." In addition, The Asset magazine honored Bank SinoPac as the "Best Commercial Bank in Taiwan" for its prudent lending principles and high transparency in its corporate management. The Asiamoney magazine ranked Bank SinoPac fifth overall among the "Best Managed Company" and the "Best Corporate Governance Company" in Taiwan, behind only Taiwan Semiconductor Manufacturing Co., Asustek Computer, Hon Hai Precision Industry, and United Microelectronics Corp. Bank SinoPac is the only financial institution selected among Taiwan's enterprises.

The year 2002 brings new challenges posed by economic uncertainties following a most turbulent year. Bank SinoPac will meet its new challenges by adhering to its guiding principles of innovation, technology capability, maximization of human capital, and regionalization in our Asia-Pacific marketplace.

We will continue and further improve on our quick response to increasing customer and market demands brought forth by rapid transformations in the financial marketplace. Bank SinoPac and SinoPac Holdings are expected to continually move forward in the direction of becoming the most competitive financial institution in the Asia-Pacific region, offering customers state-of-the-art financial services, providing employees the best environment for individual achievement, and creating the maximum return for our shareholders.

Chen Pou-tsang
(Angus Chen)
President



CORPORATE PROFILE

Bank SinoPac is one of the first newly incorporated banks in Taiwan following the lifting of a government ban on establishing new banks. The Bank commenced operations on January 28, 1992 after obtaining approval from the Ministry of Finance (MOF) in August 1991.

Since establishment, Bank SinoPac has been active in developing a business network across the Pacific. With commercial banking services as its core business, Bank SinoPac has diversified its businesses into various financial sectors such as securities, mutual fund management, leasing, credit card business, and others. Its major affiliates include Aetna Sinopac Credit Card Co., SinoPac Leasing, SinoPac Capital Ltd. (HK), Far East National Bank (USA), SinoPac Property Insurance Agent, Sinopac Life Insurance Co., SinoPac Securities Co. and SinoPac Financial Consulting Co.

Soon after the government promulgated the Financial Holding Company Law as an essential policy for Taiwan's financial market reform, Bank SinoPac and its subsidiary SinoPac Securities and partner National Securities made a joint announcement on September 28, 2001 that they will team up to form a financial holding company, SinoPac Holdings. The joint venture marked the first case in Taiwan where distinct financial institutions from different sectors joined together to form a financial holding company. By integrating the resources of the three institutions, SinoPac Holdings provides a "one-stop shopping" financial services solution for customers.



Bank SinoPac, SinoPac Securities and National Securities make a joint announcement on the formation of [SinoPac Holdings].

One decade since its founding, Bank SinoPac currently operates through 19 divisions and 40 branches around the island, an offshore banking unit (OBU), an overseas branch in Los Angeles, one liaison office in Vietnam, one liaison office in Hong Kong and one subsidiary in California. The California subsidiary runs 14 branches in the U.S. and one liaison office in Beijing. Bank SinoPac currently employs over 1,700 people, its capitalization reaches NT\$19.44 billion, and total assets exceed NT\$278 billion.

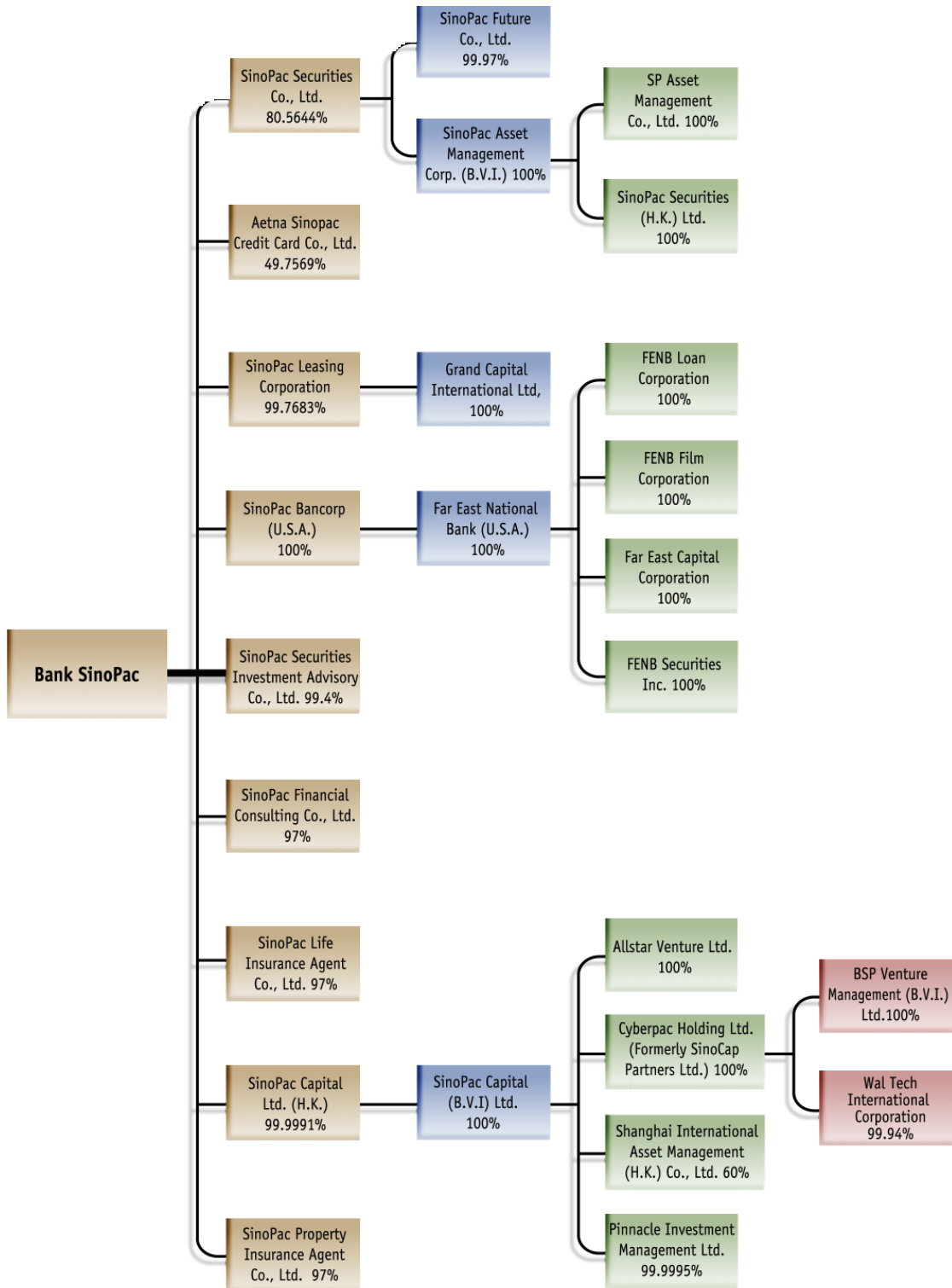
General Corporate Data

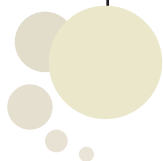
December 31, 2001

| | |
|--|---------------------|
| Date of establishment : | January 28, 1992 |
| Date of listing on Taiwan Stock Exchange : | June 29, 1998 |
| Date of new rights issue for cash injections : | |
| 99 million shares-- | October 9, 1997 |
| 200 million shares-- | September 19, 1998 |
| Paid-in capital : | NT\$ 19,443,976,170 |
| Total shareholders' equity : | NT\$ 23,321,278,451 |
| Number of shares issued : | 1,944,397,617 |
| Number of shareholders : (Oct 31, 2001) | 93,680 |
| Number of employees : | 1,782 |
| Auditor : | T.N. Soong & Co. |
| Moody's Long-term bank deposit rating : | Baa 2 |

Major Subsidiaries

| |
|---|
| Robert Oehler |
| President, Far East National Bank (Los Angeles, USA) |
| Liu I-cheng (I. C. Liu) |
| President, SinoPac Leasing Corporation |
| President, SinoPac Property Insurance Agent Co., Ltd. |
| Peng Kong-hsiung (Kevin H. Peng) |
| President, SinoPac Securities Investment Advisory Co., Ltd. |
| Fung Kin-ming (David Fung) |
| President, SinoPac Capital Limited (Hong Kong) |
| Lei Yuan-lai |
| President, SinoPac Financial Consulting Co., Ltd. |
| Jeannine Farhi |
| President, Aetna Sinopac Credit Card Co., Ltd. |
| Chang Li-cheng (Richard Chang) |
| President, SinoPac Securities Co., Ltd. |
| Mary Ann Chen |
| President, SinoPac Life Insurance Agent Co., Ltd. |





Executive Officers

December 31, 2001

Chen Pou-tsang (Angus Chen)

President

Chia Chen-I (C. I. Chia)

Senior Executive Vice President and Chief Operating Officer

Chen Pi-yuin (Nancy Chen Lee)

Senior Executive Vice President and Chief Auditor

Chen Chien-jung (C. J. Chen)

Senior Executive Vice President and General Manager Investment Banking Division

Fang Nai-chen (Joan N. Fang)

Senior Executive Vice President

Hsu Swei-yuan

Executive Vice President and Chief Secretary

Steven Sng L. H.

Executive Vice President

Yang Shun Fa (S. F. Yang)

Executive Vice President and Regional General Manager Northern Region Branches

Huang Chi-Lin

Executive Vice President and Regional General Manager Central and Southern Region Branches

Han Dao-wei (David Han)

Executive Vice President and General Manager Retail Banking Division

Lu Wen-yir

Executive Vice President and General Manager Corporate Banking Division

Han Ai-mei (Amy Han)

Executive Vice President and General Manager Human Resources and General Administration Division

ECONOMIC AND MONETARY REVIEW

The International Economy

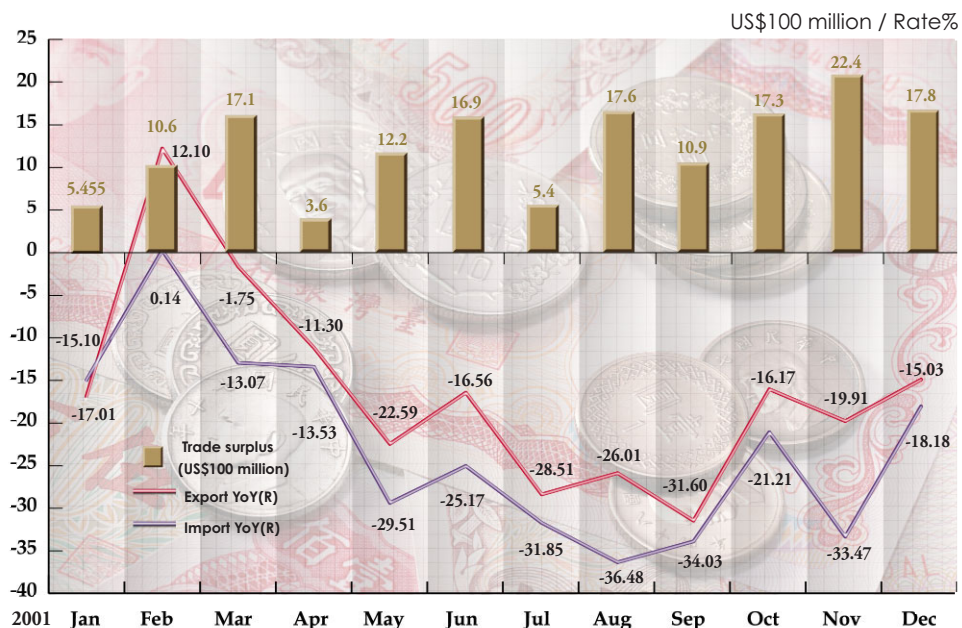
The global economy experienced a sharp setback during 2001 due mainly to the weakening U.S. economy, which slowed even more after the September 11 terrorist attack on New York. Major OECD countries such as the U.S., Japan and Germany suffered economic declines in 2001. The 2001 worldwide economic slowdown was the most severe since 1974. The weakening economies of OECD countries dragged down the economic performances of other countries as well. According to the Wharton School's prediction based on quantitative analysis, the annual global economic growth for 2001 was only 1.3%, and the annual growth in international trade around the world shrank to only 1.1 percent. The figures for 2002 are expected to improve due to a mild economic recovery, with the annual economic growth projected to be 1.7% and the growth in international trade to rebound to 2.3 percent.

In the U.S., the dramatic decline in corporate investments and high inventory levels were two significant factors that led to the slowing economy. The weakening economy turned for the worse after the September 11 attack, which delayed the U.S. economy's rebound. U.S. industrial output declined for 10 consecutive months, and the usage rate of production equipment dropped to 74.7%, lowest since 1983. Overproduction during the past few years led to large-scale layoffs, sending the unemployment rate from 4.2% in the beginning of 2001 to 5.7% by the end of November 2001. The deteriorating labor market eroded consumers' confidence, seriously undermined private sector consumption, and weakened the overall economic performance.



To stimulate economic growth, the U.S. Federal Reserve took unprecedented measures by lowering interest rates 11 times. In all, the Fed Funds Rate was slashed by 475 basis points to stand at 1.75%. The real estate market performed comparatively better than most industries during the period, recording only a mild decline due mainly to the decrease in

Changes in Taiwan's Exports and Imports



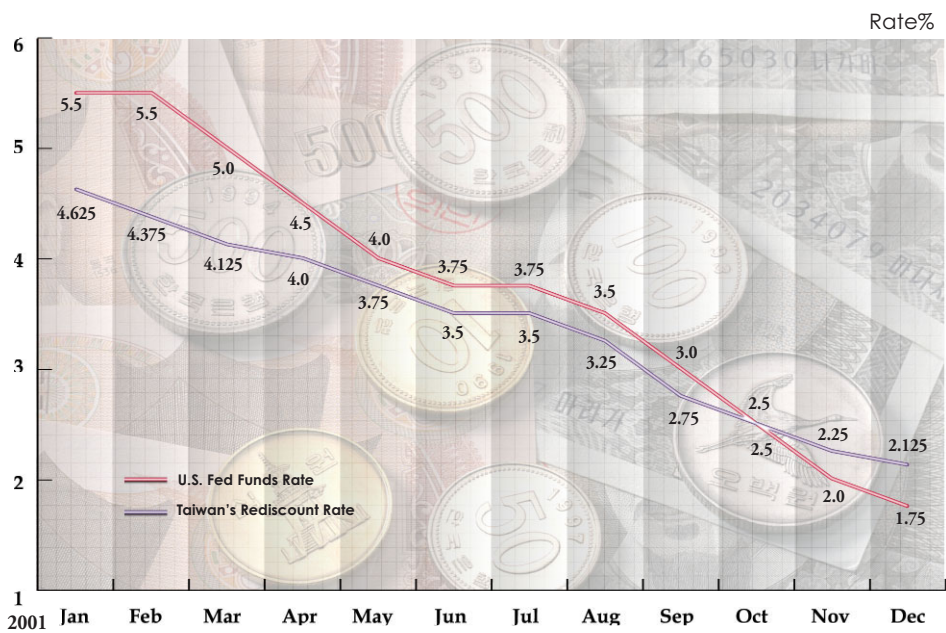
mortgage rates resulting from the Fed's interest rate cuts. The relatively strong performance of the real estate market is regarded as a positive factor in curbing the deterioration of the U.S. economy. Given the steady digest of inventories and the slower depletion of corporate capital, the U.S. economy is commonly expected to make a mild rebound during the second quarter of 2002. The recovery, however, will be weak in the beginning given the reluctance of companies to embrace rapid business expansions. The WEFA predicted the economic growth of the U.S. to be only 1% in 2001, and 1.3% in 2002.

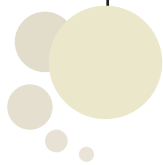
In Europe, the economy was influenced by the weak U.S. economy in 2001. Exports from Germany, France and Britain suffered sharp declines and the industrial outputs of these countries slipped along with that of the U.S. Because Germany is Europe's economic powerhouse, its weakening economy enfeebled the economic performance of the other countries in the euro-zone. Compared to the U.S. Fed's bold measures in cutting interest rates to stimulate economic growth, the European Central Bank (ECB) was much more conservative in its monetary policy due to concern over inflationary pressures. The ECB cut interest rates only four times during 2001, with the accumulated effect of lowering interest rates by only 150 basis points from 4.75% in the year's beginning to 3.25% at year-end. The drop in international oil prices during the fourth quarter of 2001 helped relieve inflationary pressures in Europe. CPI growth in 2002 is thus projected to stay within the ECB target of less than 2%. The ECB is expected to cut interest rates by 1 to 2 percentage points to boost economic growth. The WEFA expected an economic growth rate of 1.4% for euro-land in 2001, and 1.8% in 2002.



In Japan, the economy has been crippled since the Asian financial crisis in 1997. Japan's exports were seriously hindered as the U.S. economy stagnated in 2001. The shrinking exports resulted in a sharp decline in Japan's industrial output. Japan's central bank tried various expansionary measures in a bid to boost Japan's economy. The deflation problem in Japan worsened in 2001.

Movement of the U.S. Fed Funds Rate and Taiwan's Rediscount Rate





Japan's new Prime Minister Junichiro Koizumi was elected for his policy aimed at structural reform of Japan's financial market. One of his major measures to tackle the nation's loan crisis was limiting the issuance of government bonds. Depreciation of the Japanese yen may be a factor in boosting Japan's exports and relieve deflationary pressures. The yen fell from 124.15 yen against one US dollar in the beginning of December to 131.66 yen at the end of 2001. The WEFA predicted an economic contraction decline of 1.2% for Japan in 2001, and an economic growth of -0.9% in 2002.

The Domestic Economy

Taiwan's economic growth is closely linked with the island's export performance, with 48% of its GDP contributed from exports. The financial turmoil in 1998 exposed the structural problems of Taiwan's economy, resulting in a heavier reliance on exports for the island's economic growth. Electronics, information technology (IT) hardware and telecom products are the staple export items, accounting for 31.8% of Taiwan's exports. The U.S. is the largest market for Taiwan's exports, absorbing up to 22.6% of Taiwan's total annual exports. Taiwan suffered a serious setback in exports during 2001 due to the weak U.S. economy and decreasing demand on the international market.



 Internet Banking

The year-on-year growth of Taiwan's exports fell from a historic high of 35.7% as of September 2000 to negative 31.5% by September 2001. The shrinkage in exports dealt a significant blow to economic performance on the island. Furthermore, the political confrontation between ruling and opposition parties undermined the government's ability to pass and implement effective policies to boost economic performance. The worsening business environment hindered the willingness of the private sector to make investments. Official statistics showed that investments made by the private sector declined sharply by 36.78% during the third quarter of 2001. Meanwhile, the unemployment rate climbed to a new high of 5.28% while the stock market sagged, leading to a sharp decline in consumer spending. Island-wide business revenues during the first three quarters of 2001 shrank 7.2% from the same period of the previous year. The economic growth rate accordingly slipped from 4.08% in the fourth quarter of 2000 to negative 4.21% in the third quarter of 2001, hitting the lowest level since the first quarter of 1975. The Directorate General of Budget, Accounting and Statistics (DGBAS) issued an economic growth forecast in November 2001, forecasting

the GDP to decline 2.68% during the fourth quarter of 2001. DGBAS predicted that the annual economic growth for 2001 could drop to negative 2.12%.

The Central Bank of China (CBC) cut interest rates 12 times since December 2000 in a bid to stimulate economic growth. The rediscount rate dropped from 4.75% to only 2.125% at the end of 2001, down 262.5 basis points. Meanwhile, the accommodation rate for secured loans was cut from 5% to 2.5%, and the short-term accommodation rate fell down 9.625% to 4.375%. The CBC also cut the deposit reserve ratios on October 3, 2001, pushing the average deposit reserve ratio down to 5% from the previous 6.22%. Despite the CBC's efforts in cutting interest rates, the total amount of loans extended and investments made by banks during 2001 still recorded a year-to-year decline; in November this amount declined 1.41% from one year ago. New loans extended by banks saw steady decline since February 2001. In November, new bank loans recorded a year-on-year decline of 3.92%. The figures reflected a gloomy investment atmosphere around the island. The capital demand for investments was weak. Meanwhile, banks generally were more conservative in extending loans due to concerns of climbing bad loan ratios. New loans issued during 2001 were mostly extended to government agencies or large enterprises. Smaller cash-strapped companies found it difficult to secure loans from banks even though the CBC had cut interest rates several times to encourage investment.



Internet Banking


Nevertheless, Taiwan has seen a mild improvement in its exports as the U.S. economy gradually recovered from the impact of the September 11 attack. The decline in exports slowed in October. The stock market stopped its decline and edged upward during the fourth quarter. The M1b supply sustained a positive growth for three consecutive months. The improved financial perspective generated a better business environment to boost economic growth. The economic index climbed 10 points in November, though still within the blue area. November marked the 12th consecutive month that the economic index has stayed in the blue area—an indicator of gloomy economic prospects. However, the economic index has climbed for two consecutive months in October and November, and exceeded August levels. Given the continued improvement, the economy is expected to make a rebound during the first half of 2002. DGBAS's economic growth forecasts are 0.79% for the first quarter, 0.82% for the second quarter, 3.16% for the third quarter and 4% for the fourth quarter.

OPERATING REPORT

Corporate Banking

The Corporate Banking Division of Bank SinoPac has always upheld the principles of offering dynamic and versatile services to the business community, researching and developing new products and services, and effectively monitoring credit risks. The two key goals for the Corporate Banking Division are providing highly effective cash management and financing services for companies. The department actively seeks to understand customers' needs to help them maintain smooth cash flow and reduce costs for higher capital yield. In meeting enterprises' financing needs, the bank provides clients full capital support if their uses are clearly specified and revenue sources for repayment are ensured.



 Bank SinoPac teamed up with Coface Group and co-launched the e-Credit and Financing program.


In an effort to provide clients with instant online banking services, Bank SinoPac committed extensive research and resources to the development of a B2B financial solution. The Bank pioneered a corporate financing web site -- <http://www.mmab2b.com> -- in February 2001, heralding a new medium for interchanges between small- and medium-sized enterprises and banks. The corporate financial services offered include deposits, remittance, short-term investments, and accounts receivable and accounts payable management. The defining goal was to let corporate clients enjoy quick, safe and low-cost banking services through the MMAB2b.com platform.

For accounts payable management, MMAB2b.com introduced a more sophisticated corporate electronic capital management system in the form of "Pay-Web". Upon a new accounts payable entry in a company's internal accounting system, the data is transmitted to MMAB2b.com, which then automatically executes remittance operations on the designated payment date according to instructions given by the client. When invoices are required, "Pay-Web" will also produce and send out the necessary documents, which significantly reduce the costs associated with accounts payable operations. To further improve logistical effectiveness between an enterprise and its suppliers, Bank SinoPac launched the "On-line Vendors Program" so suppliers may check detailed transaction records directly on MMAB2b.com. Suppliers may also apply for bank loans to help raise operating capital.

For accounts receivable management, MMAb2b.com features “e-Collection” that provides clients with a convenient collection solution. This service has been well received by client companies because it meets the market demand. To help customers expand business operations and lower transaction risks, Bank SinoPac also offers “e-Factoring” on MMAb2b.com, which allows corporate clients to apply for buyers’ credit line, forward invoice information, and check relevant accounting data. Since its introduction to the market a year ago, the service recorded a total transaction value of over NT\$30 billion and helped lay a solid foundation for expanding Bank SinoPac’s client base.

In order to help exporters instantly acquire foreign firms’ credit situation and ensure successful payment collection, Bank SinoPac established a strategic alliance with the insurance giant Coface Group of France and co-launched the



 The [Combo Card], combining the functions of ATM card, credit card and MMA investment services in one.

「@Credit & Financing」 in August 2001. This service allows exporters to immediately tap into the credit records of more than 40 million firms in over 66 nations directly at MMAb2b.com. The relevant credit ratings and risk assessment can be used to acquire export guarantee and financing. The new service has won enthusiastic response from exporting firms. The number of MMAb2b.com members increased to more than 1,500 in just the first three months. This innovative online financial service has helped Bank SinoPac expand its extensive service reach and strive to continue pushing forward with innovation that create greater value for companies.

The year of 2002 will provide both abundant challenges and opportunities. On the negative side, financial institutions in Taiwan will face threats from foreign companies following the island’s internationalization campaign with WTO membership. Whether local financial institutions can continue to expand will hinge on their ability to keep abreast of corporate needs and provide the relevant financial services. On the positive side, domestic financial institutions may make use of the regulations in the Financial Holding Company Law to merge with companies in other business lines to widen clientele bases and lift operating performance. In line with the setup of SinoPac Holdings Co., our Corporate Banking Division will focus on cross-line integration in generating business synergies and providing even more comprehensive one-stop financial services for corporate clients to create a jointly optimizing situation for both the bank and client.



Retail Banking

Taiwan's economy was negatively affected by the turbulent world economic upheavals and uncertain prospects during the year of 2001. Yet, amid the unclear business conditions and deteriorating economic environment, Bank SinoPac successfully introduced the second-generation MMA^{Ab2b.com}, which has been warmly embraced by the market. In late March 2001, the bank also joined hands with "Broad Vision" and "OctaSoft" of the U.S. to launch the MMA.com.tw web site, providing integrated one-to-one trading services.

Separately, the bank rolled out in November the first "Combo Card" that consolidates the functions of the ATM and credit card with financial investment services. The card gives customers the convenience of a bank card to withdraw cash at ATMs worldwide, the flexibility of a credit card to make purchases around the world, and the full functions of



North Kaohsiung Branch

financial investment services of Bank SinoPac's MMA. The new product upgrades the MMA system to an effective tool for all-around and automatic asset management and improves the original personal banking and financial investment services for efficient capital management. This project once again consolidated our bank's position as the leading brand for "single management account."

Upholding the principle of providing customers with added benefits in the form of financial investments, the bank took the direction of developing a complete investment and financial service system and launched in October the "SinoPac e-Plaza," which has become a new financial investment landmark combining technology and the human advantage. The bank has injected substantial capital to build the SinoPac e-Plaza, a brand new financial investment model in Taiwan designed by integrating virtual technology with tangible products. The contents of all services and resources in the Bank SinoPac group were pooled to provide comprehensive financial services to banks, securities brokerage houses, mutual funds, insurance firms, and intercontinental services. The e-Plaza also hosts many types of seminars and symposiums.

In October, Bank SinoPac introduced high-tech computer-telephone integration (CTI) services and brought automatic voice service to customer relation management (CRM). The bank took another step forward by setting up the first customer service center with consolidated e-commerce web sites, making full use of the "Data Warehousing"

function to strengthen customer relationships and provide full financial services. To create maximum value-added benefits for clients, Bank SinoPac linked up with marketing databases to increase business service channels. As of the end of 2001, total outstanding personal loans reached NT\$121.061 billion. Of the total 113,401 MMA accounts, deposits accepted and loans extended in 2001 amounted to NT\$27.843 billion and NT\$48.594 billion, respectively. MMA generated an annual net profit of NT\$1.57 billion. Deposits accepted in the 10,727 Prestige Banking accounts amounted to NT\$50.701 billion while a total of NT\$22.422 billion in loans were extended to 5,402 clients. Prestige Banking generated an annual net profit of NT\$929 million. Annual revenue from service fees for mutual fund sales and home mortgages totaled NT\$181 million. The ratio of non-performing loans in personal banking was controlled at 1.2%. The bank wrote off NT\$657 million in non-performing loans during 2001, equivalent to roughly 0.54% of total outstanding personal loans. Bank SinoPac was well above the 2001 industry standard in personal financing performance and profitability.

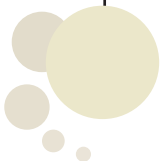


Internet Banking

International Banking

Bank SinoPac in 2001 continued to expand its financing services to manufacturers and trading firms in Taiwan. In partnership with Far East National Bank in the United States, the Bank actively cultivated financing services for trade between the U.S. and Taiwan as well as intercontinental foreign exchange services. According to the measures governing financial transactions between Taiwan and Mainland China issued by the Ministry of Finance on Nov. 16, 2001, offshore banking units of Taiwan banks are allowed to enter into direct financial dealings with financial institutions, as well as enterprises, organizations and individuals, in the mainland. The wide variety of services cover deposits, foreign exchange, negotiations for credit involving import and export, and collection and payment services.

Bank SinoPac is licensed to carry out foreign exchange dealings with overseas branches of mainland Chinese financial institutions. The Bank is in the process of applying for permission to enter into foreign exchange services directly with directly financial organizations located in the mainland. The move will enable Bank SinoPac to provide more convenient capital flow services to our customers. In addition to our own foreign exchange operations, the Bank is simultaneously working with other partners to assist banks that have not yet been approved to offer these foreign exchange services. Bank SinoPac is also helping banks establish their own foreign exchange departments. Such assistance will enable Bank SinoPac to expand other services through cooperative relationships with other banks in the financial community.



The value of international financing operations undertaken by Bank SinoPac amounted to US\$16.766 billion in 2001. Of the total, outward remittances constituted US\$7.694 billion while inbound remittances reached US\$7.684 billion. Export credit negotiations and collection stood at US\$880 million while the value of letters of credit for imports and collection reached US\$413 million.

Trust Business

Trust accounts are client assets managed by financial professionals at the Bank. Since establishment, Bank SinoPac has developed a disciplined staff in its Trust Department with stringent controls in a bid to provide the best services to clients. After nine years of development, the Trust Department has accumulated a wealth of experience and gains increasing support and trust from clients. The Trust Department is active in adjusting its policies and developing new services to cope with the changing market under the newly-promulgated Trust Law.



SinoPac e-Plaza

The Trust Department aims to become the asset management center for the Bank. Its major businesses include credit issuance, foreign exchange transactions, financial operations, investment consulting, and securities investments. The department helps clients pursue higher returns and create higher value-added for their assets.

Trust funds for investments in mutual funds reached NT\$33.29 billion at the end of 2001, up 94.4% from one year earlier. The outstanding amount of mutual funds stood at NT\$23.745 billion and investments on stocks, corporate bonds and other securities totaled NT\$24.042 billion. In custodian banking, the total under custody amounted to NT\$112.685 billion at the end of 2001, up 127% from the previous year. Entrusted corporate bonds grew to NT\$41 billion in issued value. In addition, the department operates several other trust businesses such as custody of stocks held by foreign investors, deposit of company's welfare fund for employees, management of company's pension funds, and discretionary account operations. Total entrusted assets reached NT\$175.326 billion at the end of 2001, up 157.5% from the previous year.

Investment Banking

The Investment Banking (IB) Department manages the Bank's investments in equity-related securities such as stocks, convertible bonds, mutual funds and other instruments in both the financial and non-financial sectors. Its goal is to integrate and administer the resources of the group's member companies and to seek profitable investment opportunities for the Bank and its affiliates. The department provides corporate financial management consulting services, helping companies work out fund-raising projects under their own requirements. Each project is tailor-made to the particular demands of each company. The department also manages syndication loans for companies in need of large amounts of capital. Founded on solid past experience, the Bank is continuously upgrading its services in this field with a mission to provide clients the best fund-raising solutions.

The Bank was cautious on stock investments amid the volatile market in 2001. At the end of 2001, the outstanding

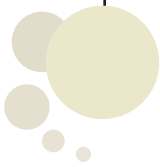


Trust Division

balance of long-term stock investments stood at only NT\$641 million, mutual funds at NT\$687 million, domestic convertible bonds at NT\$78 million, and overseas convertible bonds at NT\$1.363 billion. The Bank increased its investments in several affiliates during 2001, including NT\$442 million for SinoPac Securities Co., NT\$310 million for Aetna SinoPac Credit Card Company, and NT\$534 million for SinoPac Capital Ltd. (HK). In addition, the Bank participated in several joint ventures with business partners in 2001, investing NT\$50 million each in Taiwan Assets Management Corporation, Taiwan Financial Assets Service Corporation and Prudence Venture Investment Corporation. In corporate financing, the bank arranged a syndicated loan of NT\$4.95 billion for Ruentex Textile in 2001.

Treasury Operations

The Bank reinforced its Treasury Division with a new Executive Vice President and a new General Manager in 2001. Both executives have solid reputations and extensive experience in this field. The Department also provides staff



opportunities for its to participate in various training programs to improve their overall financial and treasury knowledge.

In 2001, the Department continued to cooperate with other departments of the Bank in developing various asset management projects, new risk-hedging products, and liability control services. Already ranked among the leaders in foreign exchange business, the Department is active in developing its bond-related business. The Department aims to become a market maker for Taiwan's bond market. The Department contributed to the Bank's 2001 annual revenues with earnings generated from its bond-related business.

In line with the Bank's policy for developing online banking services, the Department was active in applying advanced electronic technologies to upgrade its information management system in 2001, enhancing services, securing risk control and improving operation efficiency.

Human Resources

Developing its employees has always been a main focus of Bank SinoPac. This is especially important after the passing of the Holding Companies Law as the bank is undergoing rapid expansion in establishing SinoPac Holdings.



Entry-level employees training

Every year, Bank SinoPac conducts university on-campus recruiting for potential talents. It also actively seeks people with professional background and experiences in dealing with global businesses.

In 2001, the bank hired 150 entry-level employees and 130 staff with prior experiences. Extensive training was provided so new employees could start performing their duties in a short period of

time. At the same time, the bank continued to cultivate employees exhibiting outstanding potential through training and opportunities for inter-departmental work experiences.

As of the end of 2001, the bank staff totaled 1,782 employees, of which 80 percent have a college degree or above. They are young, vibrant, and have an average age of just 30.

The ratio of supervisors to junior workers is 3 to 7. Such ratio gives room for staff members to move up the corporate structure and provides an incentive for hard work and commitment.

The human element has always been an important asset to the bank. To meet their needs for professional growth and to help them tap their full potential, the bank is committed to activities promoting career development. Courses

tailoring to employees' career goals are provided for entry-level workers and executives alike. Employees are encouraged to choose the courses that best suit their needs and aspirations. The bank has its own multimedia-training center and also provides outside training on computer and foreign language skills.

In addition to work-related courses, the bank also sponsors music performances and speeches to facilitate personal growth and well-being outside of work. The bank is also working on providing an e-learning environment, including online computer and foreign language courses, so employees are not restricted by time and geographical factors in their pursuit of personal growth.

Bank SinoPac believes staff development creates a three-win situation for the bank, its employees and shareholders -- the ultimate goal of human resources management.

Staff Education Level

| At Dec. 31 | 2001 | | 2000 | |
|----------------|--------------|------------|--------------|------------|
| | No. | % | No. | % |
| Postgraduate | 282 | 16 | 266 | 15 |
| University | 1,129 | 63 | 1,087 | 63 |
| Junior College | 331 | 19 | 342 | 20 |
| High School | 38 | 2 | 39 | 2 |
| Other | 2 | - | 2 | - |
| Total | 1,782 | 100 | 1,736 | 100 |
| Training | Persons | Hours | Persons | Hours |
| In-house | 13,233 | 113,231 | 7,094 | 79,595 |
| Outside | 584 | 13,027 | 297 | 2,787 |

Position and Seniority

| | 2001 | | 2000 | |
|----------------|-------|----|-------|----|
| | No. | % | No. | % |
| Officer | 592 | 33 | 517 | 30 |
| Clerk | 1,190 | 67 | 1,219 | 70 |
| Avg. Age | 30.87 | | 30.21 | |
| Avg. Seniority | 3.48 | | 2.80 | |

Risk Management

Risks associated with credit issuance:

The bank's policy on risk management is that each business unit within the bank is responsible for conducting market research and risk evaluation and then selecting a target market. After selecting a target market, the business unit should seek opportunities only within its specifications within the market. It is responsible for conducting credit analysis and fulfilling its duties in the control and management of risks associated with credit issuance. It should also provide reports with regard to target market information for other business units.

The bank manages risks associated with credit issuance by diversifying those risks. The amount of credit issuance differs according to individual clients, groups, individual sectors, individual products and other banking institutions. The bank also adheres to rules with regard to risk management as specified in the New Basel Capital Accord announced on January 16, 2001.

Risks associated with market fluctuation:

As Bank SinoPac offers a full suite of diverse financial products, maintaining a complete market management risk system is an important goal in meeting challenges of an ever-changing international financial market. Bank SinoPac's market risk management is a dynamic and well-defined management system. It operates through individual transactional control and management components, thus minimizing risks associated with each transaction. Each year, the bank reviews the value that each side of a transaction is authorized to handle, and makes appropriate adjustments. For transactional risk management, the bank has a facility for executing dynamic financial operation risk management. It uses the Kondor Plus transaction system and KvaR risk evaluation system to control risks associated with changing exchange rate and interest rate. Areas of management control include: 1) monitoring areas where transactions are conducted; 2) market price evaluation of each transaction area; 3) performance of each transaction official; 4) control and management of stopping point; 5) sensitivity of transactions; 6) VaR; and 7) changes in the value of transaction each side is authorized to handle.

Ten Major Shareholders

| (October 31, 2001) | No. of Shares | Percentage |
|--------------------------------------|---------------|------------|
| Gin An Investment Co., Ltd. | 80,813,230 | 4.15% |
| Ruentex Industrial, Ltd. | 62,119,989 | 3.19% |
| Postal Remittances and Savings Banks | 50,674,862 | 2.60% |
| QFII A | 33,592,049 | 1.72% |
| Cathy Life Insurance Co. | 31,046,400 | 1.59% |
| SESODA Corporation | 29,566,412 | 1.52% |
| QFII B | 27,999,000 | 1.43% |
| Ruentex Construction Co., Ltd | 27,261,505 | 1.40% |
| QFII C | 26,500,758 | 1.36% |
| QFII D | 25,732,910 | 1.32% |

As of October 31, 2001, total holdings of qualified foreign institutional investors (QFII) in Bank SinoPac was 40.36%.

Capital Adequacy

| (In NT\$ millions) | 2001/12/31 | | 2000/12/31 | |
|----------------------------|---------------|------------------|---------------|-----------------|
| | Bank SinoPac | Consolidated (1) | Bank SinoPac | Consolidated(2) |
| Capital (In NT\$ millions) | | | | |
| Tier I | 22,251 | 20,741 | 21,131 | 19,329 |
| Tier II | 489 | 763 | 695 | 967 |
| Tier III | - | - | - | - |
| Ratio | | | | |
| Tier I | 14.06% | 10.10% | 13.88% | 10.72% |
| Tier II | 0.31% | 0.37% | 0.46% | 0.54% |
| Tier III | - | - | - | - |
| Total | 14.37% | 10.47% | 14.34% | 11.25% |

(1) The consolidated data include the accounts of Bank SinoPac, Far East National Bank, SinoPac Securities, SinoPac Leasing and SinoPac Capital.

(2) The consolidated data include the accounts of Bank SinoPac, Far East National Bank, SinoPac Securities, and SinoPac Leasing.

Summary of Credits

Breakdown by Business Segment

(In NT\$ millions)

| | 2001/12/31 | | 2000/12/31 | |
|------------------------------|------------|-------|------------|-------|
| | Amount | % | Amount | % |
| Corporate | 66,403 | 34.9 | 63,150 | 35.4 |
| Loans | 44,521 | 23.4 | 41,333 | 23.2 |
| Bills & Bonds | 3,427 | 1.8 | 3,406 | 1.9 |
| Guarantees & Acceptances | 11,329 | 6.0 | 13,303 | 7.5 |
| Factoring | 4,774 | 2.5 | 3,631 | 2.0 |
| Derivatives | 2,352 | 1.2 | 1,477 | 0.8 |
| Individual | 123,681 | 65.1 | 115,234 | 64.6 |
| Loans | 123,681 | 65.1 | 115,234 | 64.6 |
| Total Credit Exposure | 190,084 | 100.0 | 178,384 | 100.0 |
| Growth Rate | 6.6% | | 8.6% | |

Loans figures include, discounts, and bills purchased.

Bills are short-term papers which we buy in OBU operations. Bonds mean corporate bonds where we undertake credit risk through outright-buy or asset swap.

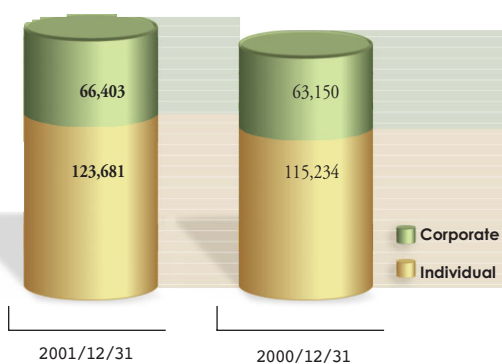
Corporate Credit Exposure - Distribution by Industry

(In NT\$ millions)

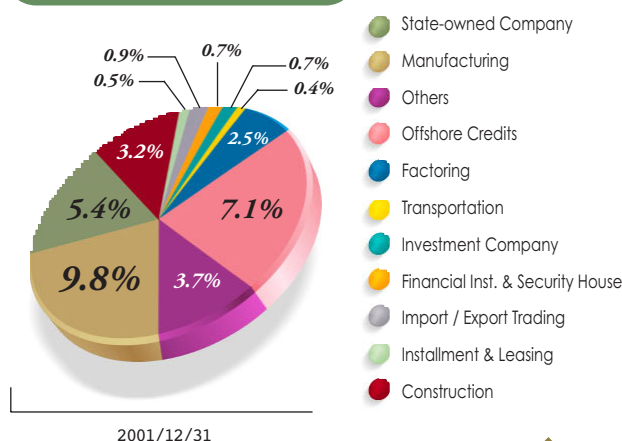
| | 2001/12/31 | | 2000/12/31 | |
|----------------------------------|------------|------|------------|------|
| | Amount | % | Amount | % |
| Manufacturing | 18,692 | 9.8 | 18,844 | 10.6 |
| State-owned Company | 10,269 | 5.4 | 6,782 | 3.8 |
| Construction | 6,170 | 3.2 | 6,995 | 3.9 |
| Installment & Leasing | 949 | 0.5 | 2,556 | 1.4 |
| Import / Export Trading | 1,726 | 0.9 | 2,558 | 1.4 |
| Investment Company | 1,322 | 0.7 | 1,688 | 1.0 |
| Financial Inst. & Security House | 1,396 | 0.7 | 2,030 | 1.1 |
| Transportation | 747 | 0.4 | 1,350 | 0.8 |
| Factoring | 4,774 | 2.5 | 3,631 | 2.0 |
| Offshore Credits | 13,432 | 7.1 | 12,304 | 6.9 |
| Others | 6,926 | 3.7 | 4,412 | 2.5 |
| Total | 66,403 | 34.9 | 63,150 | 35.4 |

Total credit exposures include all credit facilities: loans, bills & bonds, guarantees & acceptances, factoring and derivatives.

Breakdown by Business Segment



Corporate Credit Exposure - Distribution by Industry



Corporate Credit Exposure - Manufacturing Industry Breakdown

| (In NT\$ millions) | 2001/12/31 | | 2000/12/31 | |
|---------------------|---------------|------------|---------------|-------------|
| | Amount | % | Amount | % |
| Iron & Steel | 2,676 | 1.4 | 3,026 | 1.7 |
| Textile | 2,766 | 1.5 | 1,195 | 0.7 |
| Electronics | 9,208 | 4.8 | 8,775 | 4.9 |
| Electric Appliances | 555 | 0.3 | 1,482 | 0.8 |
| Chemical | 2,671 | 1.4 | 3,396 | 1.9 |
| Food | 307 | 0.2 | 231 | 0.1 |
| Others | 510 | 0.3 | 738 | 0.4 |
| Total | 18,692 | 9.8 | 18,844 | 10.5 |

Individual Credit Exposure

| (In NT\$ millions) | 2001/12/31 | | 2000/12/31 | |
|--------------------------|----------------|-------------|----------------|-------------|
| | Amount | % | Amount | % |
| Mortgage Loans | 107,848 | 56.8 | 99,867 | 55.9 |
| Short Term Secured Loans | 12,105 | 6.4 | 10,467 | 5.9 |
| Auto Loans | 229 | 0.1 | 481 | 0.3 |
| Others | 3,499 | 1.8 | 4,419 | 2.5 |
| Total | 123,681 | 65.1 | 115,234 | 64.6 |

Mortgage loans represented the majority of our consumer Credits, accounting for 87.2% of our total outstanding consumer Credits as of December 31, 2001.

Breakdown by Tenor and Security

| (In NT\$ millions) | 2001/12/31 | | 2000/12/31 | |
|------------------------|----------------|--------------|----------------|--------------|
| | Amount | % | Amount | % |
| 1 year or less | 41,484 | 21.8 | 47,178 | 26.4 |
| Over 1 year to 7 years | 57,732 | 30.4 | 53,880 | 30.2 |
| Over 7 years | 90,868 | 47.8 | 77,327 | 43.3 |
| Total | 190,084 | 100.0 | 178,384 | 100.0 |
| Secured | 141,072 | 74.2 | 133,110 | 74.6 |
| Unsecured | 49,012 | 25.8 | 45,274 | 25.4 |
| Total | 190,084 | 100.0 | 178,384 | 100.0 |

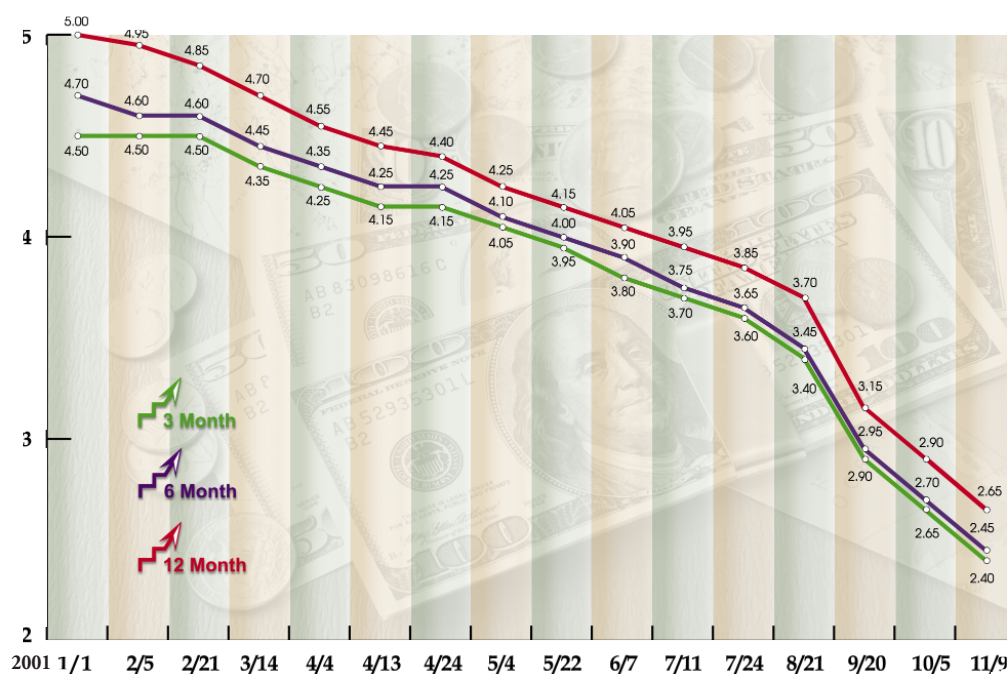
Summary of Overdue Credits

| (In NT\$ millions) | 2001/12/31 | 2000/12/31 |
|---------------------------------------|--------------|--------------|
| | Amount | Amount |
| Overdue Credits | 1,527 | 1,066 |
| Non-Performing Loans | 1,894 | 791 |
| Total Overdue Credits | 3,421 | 1,857 |
| Total Overdue / Total Credits | 1.80% | 1.04% |
| Total Overdue / Total Loans | 2.03% | 1.19% |
| Provision for Credit Losses | 1,000 | 501 |
| Charge-Off | 1,047 | 427 |
| Other Real Estate Owned | 256 | 215 |
| Bad Debt Reserve-Loans | 1,268 | 1,275 |
| - Guarantee | 103 | 103 |
| Contingent Liabilities | | |
| - Other Receivables | 65 | 87 |
| Total Bad Debt Reserve | 1,436 | 1,465 |
| Bad Debt Reserve/Non-Performing Loans | 76% | 185% |

Delinquent Loans are Credits with respect to which (i) payments of principal are more than three months past due, (ii) payments of interest are more than six months past due if payments of principal have not become past due or (iii) an installment is more than six months past due; and Non-performing Loans are Credits with respect to which (i) payments of principal or interest are more than six months past due or (ii) legal action for repayment has been instituted against the customer or the collateral securing such Credit.

Summary of Deposits

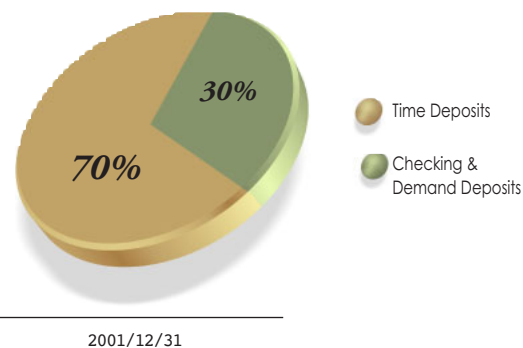
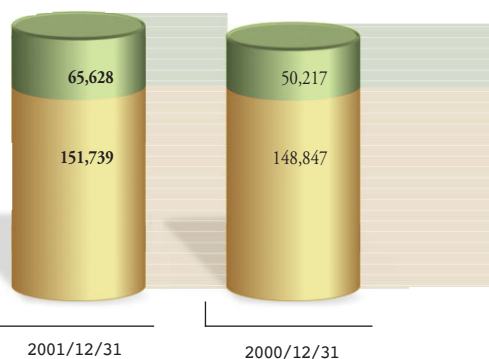
Bank SinoPac's Rate Adjustments of Deposits in 2001



Summary of Deposits

| (In NT\$ millions) | 2001/12/31 | | 2000/12/31 | |
|----------------------------------|----------------|------------|----------------|------------|
| | Amount | % | Amount | % |
| Checking Deposits | 1,329 | 1 | 1,812 | 1 |
| Demand Deposits | 8,586 | 4 | 7,572 | 4 |
| Foreign Currency Demand Deposits | 10,729 | 5 | 6,782 | 3 |
| Savings-Demand Deposits | 44,984 | 20 | 34,051 | 17 |
| Subtotal | 65,628 | 30 | 50,217 | 25 |
| Time Deposits | 74,002 | 34 | 64,170 | 32 |
| Foreign Currency Time Deposits | 20,732 | 10 | 28,754 | 15 |
| Savings-Time Deposits | 57,005 | 26 | 55,923 | 28 |
| Subtotal | 151,739 | 70 | 148,847 | 75 |
| Total Deposits | 217,367 | 100 | 199,064 | 100 |
| Loan to Deposit Ratio | 77% | | 79% | |

Summary of Deposits



Quasi Liquid Assets

| (In NT\$ millions) | 2001/12/31 | 2000/12/31 |
|----------------------|---------------|---------------|
| Cash & Near Cash | 16,997 | 6,190 |
| Inter-bank Assets | 48,271 | 26,216 |
| Security Investments | 17,550 | 21,066 |
| Total | 82,818 | 53,472 |
| Quasi Liquid Ratio | 29.7% | 22.7% |

Securities Investments

| (In NT\$ millions) | 2001/12/31 | 2000/12/31 |
|------------------------------|---------------|---------------|
| Commercial Papers | 13,116 | 13,079 |
| Bank Acceptances | 10 | 10 |
| Government & Corporate Bonds | 3,737 | 7,141 |
| Beneficiary Certificates | 687 | 777 |
| Listed Stocks | - | 69 |
| Price Decline Reserve | - | (10) |
| Total | 17,550 | 21,066 |

Foreign Exchange Business

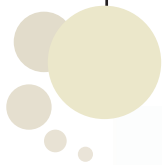
| (In US\$ millions) | 2001 | 2000 |
|---------------------------------|---------------|---------------|
| Export Negotiation & Collection | 880 | 688 |
| Letters of Credit & D/P, D/A | 413 | 656 |
| Inward Remittances | 7,684 | 7,121 |
| Outward Remittances | 7,694 | 7,680 |
| Bills Collection & Purchases | 22 | 53 |
| Cash & Travelers' Checks | 73 | 72 |
| Total | 16,766 | 16,270 |

Summary of Income and Expenses

| (In NT\$ millions) | 2001 | | 2000 | |
|--|--------------|------------|--------------|------------|
| | Amount | % | Amount | % |
| Interest Income | 14,150 | | 14,017 | |
| Interest on Money Market Instruments | 848 | | 1,101 | |
| Interest Expense | 9,389 | | 9,746 | |
| Net Interest Income | 5,609 | 96 | 5,372 | 94 |
| Provision for Credit Losses | 1,000 | 17 | 501 | 9 |
| Net Interest Income After Provision for Credit Loss | 4,609 | 79 | 4,871 | 85 |
| Fee Income (Net) | 584 | 10 | 640 | 11 |
| Capital Gain on Short Term Papers etc. (Net) | 469 | 8 | 155 | 3 |
| Capital Gain (Loss) on Stocks Trading (Net) | (25) | (0) | (749) | (13) |
| Gain on Long Term Investment (Net) | (42) | (1) | 474 | 8 |
| Foreign Exchange Gain (Net) | 89 | 2 | 262 | 5 |
| Other Operating Income (Net) | 138 | 2 | 51 | 1 |
| Operating Income | 5,822 | 100 | 5,704 | 100 |
| Operating and Administrative Expenses | 3,971 | 68 | 3,489 | 61 |
| Operating Profit | 1,851 | 32 | 2,215 | 39 |
| Non-operating Income (Net) | 165 | 3 | 42 | 1 |
| Net Profit Before Income Tax | 2,016 | 35 | 2,257 | 40 |
| Income Tax | 465 | 8 | 555 | 10 |
| Net Profit | 1,551 | 27 | 1,702 | 30 |

Gains on Long Term Investments

| (In NT\$ millions) | 2001/12/31 | | | 2000/12/31 | | |
|---|-----------------|-----------|--------------|----------------|-----------|--------------|
| | Amount | Holding % | Gain | Amount | Holding % | Gain |
| Equity Method | | | | | | |
| SinoPac Bancorp | 4,425.1 | 100.00 | 188.6 | 3,987.4 | 100.00 | 331.8 |
| SinoPac Leasing | 1,915.8 | 99.77 | 50.5 | 1,875.9 | 99.77 | 498.7 |
| ROCORP Holding | 3.5 | 33.33 | - | 3.5 | 33.33 | - |
| SinoPac Securities | 2,725.0 | 80.56 | 20.7 | 2,294.2 | 91.72 | -206.2 |
| Investment Advisory | 10.5 | 99.40 | 0.3 | 11.1 | 99.40 | 1 |
| SinoPac Capital Ltd. | 951.7 | 99.99 | -106.2 | 497.1 | 99.99 | 26.8 |
| SinoPac Financial Consulting | 2.7 | 97.00 | 0.7 | 2.0 | 97.00 | - |
| Aetna Sinopac Credit Card | 349.3 | 49.76 | -228.8 | 302.0 | 50.10 | -198.9 |
| SinoPac Life Insurance Agent | 2.7 | 97.00 | 0.6 | 2.1 | 97.00 | 0.1 |
| SinoPac Property Insurance Agent | 2.7 | 97.00 | 0.8 | 2.2 | 97.00 | 0.3 |
| Sub-total | 10,389.0 | | -72.8 | 8,977.5 | | 453.6 |
| Cost Method | 1,034.7 | | 30.4 | 886.8 | | 20.1 |
| Less : Allowance for market value decline | -227.5 | | | -155.8 | | |
| Total | 11,196.2 | | -42.4 | 9,708.6 | | 473.7 |



Significant Events in 2001

- Feb. 15** MMAb2b.com was formally launched, marking a new age of Bank SinoPac's online financing service for corporate clients.
- April 19** The board of directors held its annual meeting for 2001, electing the bank's fourth administration of directors and supervisors.
- May 1** Global Finance journal ranked Bank SinoPac as the best bank in Taiwan.
- May 19** Bank SinoPac and Philharmonic Radio Taipei co-sponsored the 2001 SinoPac classical music contest, awarding six winners with elite musician prizes.
- June 11** Bank SinoPac applied Internet technology to its multiple-currency ATM system, providing customers with 24-hour access to foreign currencies such as US greenback, Hong Kong dollar and Japanese yen.
- June 27** The Ministry of Finance (MOF) recognizes Bank SinoPac for its outstanding financial monitoring system.
- July 17** The North Kaohsiung Branch was inaugurated.
- Aug. 8** The Da-an Branch was inaugurated.
- Aug. 13** International credit rating institution Moody's upgraded Bank SinoPac's long-term rating to Baa2 and reaffirmed the short-term rating at Prime-3 and financial strength rating at D+.
- Sept. 21** Bank SinoPac launched the multiple-currency savings account, allowing customers to use the same passbook for savings of different foreign exchanges. Such accounts offer clients greater flexibility in arranging their assets denominated in cross-currencies.
- Sept. 28** Bank SinoPac, SinoPac Securities and National Securities make a joint announcement that they would jointly establish a financial holding company, SinoPac Holdings, marking the first case of a Taiwan financial holding company operated by institutions across different financial sectors.
- Oct. 1** Commonwealth Magazine Selects Bank SinoPac as a model Taiwan bank.

Oct.8 Former Chairman Lin Lih-shin retired, and became senior consultant to the bank. Former President Paul C. Lo was promoted to Chairman; former Vice President Chen Pou-tsang was promoted to President; former Vice President and Business Section Manager Chia Chen-I was promoted to Senior Executive Vice President and Chief Operating Officer. Former Vice President Chi Chien was transferred to Chairman of SinoPac Life Insurance Co.

Oct.16 SinoPac e-Plaza was inaugurated, applying modern Internet technology to daily life and facilitating channels for asset management. It created a new asset management model in Taiwan.

Oct. 31 Bank SinoPac teamed up with the world's largest export insurance provider Coface Group and co-launched the 「@Credit & Financing」 program on MMAAb2b.com, the first solution in Asia to offer online credit-rating information on exporters around the world and trade financing and insurance services.

Nov. 5 Bank SinoPac, Aetna Sinopac Credit Card Company and MasterCard International co-launched the “Combo Card”, combining the functions of an ATM card, a credit card and MMA investment services in one.

Nov. 5 Bank SinoPac's operation center for southern Taiwan was relocated to our Kaohsiung Building and expanded in operational scale.

Nov. 16 The North Sanchung Branch was inaugurated.

Nov. 19 Bank SinoPac held an extraordinary shareholders' meeting, which passed the proposal to form a financial holding company with SinoPac Securities and National Securities. The fund for establishing the financial holding company would be raised through share transfer of the three initial founding institutions. The meeting approved the company charter, shareholders' meeting rules and director and supervisor election procedure for the proposed financial holding company. The first board of directors and supervisors of the proposed financial holding company were also elected during the extraordinary shareholders' meeting.

Dec. 1 The Asset Journal in its December 2001 issue honored Bank SinoPac as the best commercial bank in Taiwan.



SUBSIDIARIES PROFILE

FAR EAST NATIONAL BANK

FAR EAST NATIONAL BANK ("FENB") was founded in 1974 as the first Federal-chartered Asian American bank in the United States. The Bank was acquired in August of 1997 by Bank SinoPac.

In the past few years, FENB has successfully transformed itself into a full-fledged commercial bank through a complete revamping of its organizational structure, to include increases in staff and capital investment. Both corporate and individual banking are provided through a total of 14 branches in Los Angeles, Orange County, San Francisco, Oakland, and the Silicon Valley, along with an overseas Beijing Representative Office. Far East National Bank now has more than 300 employees with total assets of more than US\$1.2 billion.

For American businesses interested in expanding their products and services into and from Taiwan, Hong Kong, China and other Asian markets, Far East National Bank is an important link within the Bank SinoPac group. FENB provides a unique network on both sides of the Pacific Rim. This strong relationship network facilitates our unparalleled ability to integrate our clients' international business interests.



FENB also offers corporate advisory and capital services through the Bank's wholly owned subsidiary, FAR EAST CAPITAL CORPORATION. Far East Capital Corporation engages in corporate advisory services to emerging and high growth companies and obtains corporate mandates to raise equity capital, senior debt, mezzanine debt, and equity capital in support of client business plans.

Today, FENB has more to offer its customers than ever before in its history. It introduced new and innovative programs and financial services, such as Internet Banking, treasury, entertainment, securities investment and high-tech financing.

To provide more diversified and expanded financial services to our customers, FENB Securities, Inc. was established on July 1, 2001. FENB Securities, Inc.'s mission is to become the client's most trusted investment professional by offering optimum products and services through a full-service bank. FENB Securities, Inc. is dedicated to providing professional and personalized investment services to assist clients in meeting their financial goals. Products include: US stocks, US

bonds, mutual funds, annuities, life insurance and Taiwan stocks.

Far East National Bank is continuing to expand and direct its operation scale towards intercontinental banking and to become an international regional bank with a focus on North America and the Pacific Rim. Please visit us at www.fareastnationalbank.com

Far East National Bank offers the following products and services:

■ COMMERCIAL FACILITIES

- * Working Capital
- * Trade Finance
- * Small Business Loan
- * Real Estate
- * Construction
- * Specialized Structured Financing

■ TREASURY SERVICES

- * Full support to business owners, or corporate treasurers involving foreign exchange
- * Foreign Currency Deposits
- * Interest Rate Risk Hedging
- * Investment

■ ELECTRONIC BANKING

- * Online business banking and 24-hour home banking for customers

■ PRESTIGE BANKING

- * Services and customized products designed to meet special needs of high net-worth clients
- * Personalized services that satisfy client's banking, investment and credit needs
- * Intercontinental Financial Services (ICFS) and Prestige Banking products and services for residents or non-residents of California or Taiwan.

■ CASH MANAGEMENT

- * ACH
- * Specialized Deposits, balance reporting and image-based transaction information services

■ CORPORATE ADVISORY

- * Free-based corporate advisory tailored for the special circumstances of emerging companies

■ DEPOSITS

- *Checking
- *Savings
- *Money Market
- *Time Certificate of Deposit

■ CONSUMER LENDING

- *Auto Loans
- *Credit Cards
- *Home Equity Lines of Credit
- *Mortgages and more

SinoPac Securities Corporation

SinoPac Securities Co. is an integrated securities firm, offering a wide range of services such as brokerage, underwriting, stock investments, bond purchase, margin trading and other securities-related businesses. It currently runs seven branches around the island, all of which are incorporated with Bank SinoPac to provide professional asset management and investment-related services. By integrating the expertise and resources of Bank SinoPac, SinoPac Securities aims at providing the leading marketing network and investment consulting services in the Greater China market.

The brokerage department trades a wide range of securities products, including stocks, OTC stocks, mutual funds, futures, options, and others. The margin trading services allows investors to trade stocks at high leverage. In addition to top investment management professionals, SinoPac Securities' other key advantage is a modern online electronic trading system, which is constantly upgraded with the latest technology to meet the changing demands and needs of customers. SinoPac Securities is now ranked among the five largest online brokerage houses in Taiwan, with a market share of around 10%.

The bond department experienced rapid expansion over the past few years in Taiwan's fast growing bond market. The department offers a variety of bond-related consulting services for bonds outright purchase/sales, bonds repurchase/reserve repurchase and trading of various types of fixed-income securities. With its strong bond department, SinoPac Securities has become a major market player in Taiwan's bond market, holding the largest market share of the primary government bond market since 2000 and 6.6% share of the total bond market in Taiwan. As a market maker in Taiwan's bond market, SinoPac Securities is active in developing bond-related products. The firm completed the first transaction of convertible bonds on the secondary market, an essential move to help boost the trading of convertible bonds on the secondary market. In 2001, SinoPac Securities cooperated with the ROC Over-the-counter Securities Exchange (ROSE) in developing a new bond quoting system, another move aimed at increasing transactions in Taiwan's bond market.



In underwriting, SinoPac Securities offers diversified services and products to meet the fund-raising demands of corporate clients. In addition to helping companies issue securities, the department offers comprehensive financial management services. Besides its competitive R&D strength in developing innovative securities-related products, SinoPac Securities has a strong marketing network to help clients raise funds through sales of shares.

Professional and instant market research information is essential for successful investments. SinoPac Securities publishes periodic research reports with in-depth market information and recommendations on companies with high growth potential by professional market analysts who aggregate and interpret all the resources and opinions from the company's various departments. The research reports are vital reference for identifying profitable investments. In addition, SinoPac Securities hosts special forums with industrial leaders and holds investment seminars for the public.

SinoPac Securities will become a core member of the proposed SinoPac Holdings to help integrate all resources of the SinoPac group and provide customers with a full range of financial management services.

Aetna Sinopac Credit Card Co.

Aetna Sinopac Credit Card Company, a joint venture between SinoPac Bank and ING Aetna, is a specialized credit card services company. Established in March 2000 after gaining the approval of the Ministry of Economic Affairs, Aetna Sinopac is a member of VISA International and MasterCard International. Since Aetna Sinopac commenced operations on May 1, 2000, Bank SinoPac has transferred all of its credit card business to the specialized credit card company. In December 2000, the Securities and Futures Commission approved the issuance of stocks by Aetna Sinopac.

Aetna Sinopac combines the merits of its two parent companies. Bank SinoPac runs 44 operating units around the island with a clientele of over 740,000 customers and ING Aetna has over 13,000 insurance consultants in Taiwan with over 2 million insurance customers. Combining the advantages of both the local company and the international financial group, Aetna Sinopac controls a unique marketing network as a solid base for business development. Meanwhile, the company hires professionals to control risk and manage its information system, keeping the company updated with potential risks and taking actions to control these risks in time. The strict risk management administration allows the company to expand its business under a secure system. Strict customer credit evaluation and an efficient payment collection system ensure a sustainable risk control capability.

Combining insurance and other functions, Aetna Sinopac credit cards offers a variety of services such as quick payment for insurance, health care, mail orders, and cash advance. Aetna Sinopac provides comprehensive financial services when combined with Bank SinoPac's MMA (Money Management Account), which offers credit card, deposits, securities trading, house mortgage, mutual fund investments and other services. The firm's marketing model, combining the sales network of an insurance company and a bank, creates a unique advantage. Such a marketing network has prevailed in foreign countries for several years, but is unprecedented in Taiwan.

Company operations and goals:

- Aetna Sinopac issued 700,000 credit cards in 2001, with payment collectable amounting to over NT\$6.1 billion. The annual consumption from Aetna Sinopac credit cards in 2001 exceeded NT\$24 billion.
- Aetna Sinopac increased its total capital by NT\$630 million in July 2001, expanding paid-in capital to NT\$1.63 billion to support the company's expansion efforts.
- Aetna Sinopac launched the first hybrid card in Taiwan combining the functions of both ATM and credit card with Bank SinoPac's MMA services.



- With the existing Card Link Credit Card system, Aetna Sinopac launched several new operational systems such as Computer Telephone Integrated (CTI) system, Optical Character Recognition (OCR) system, and Credit Checking System (CCS) to enhance the efficiency of the company's phone services. The improved system shortened and simplified the procedures for processing customer data and applications.
- Aetna Sinopac provides customized services for high-income e-generation clients. Aetna Sinopac credit cards are designed with diversified services to meet the modern consumption behaviors in the new economy. In addition to being a member of VISA International and MasterCard International, Aetna Sinopac is one of the three banks in Taiwan to issue American Express credit cards.
- To manage risk and minimize losses associated with non-performing loans, Aetna Sinopac incorporates strict evaluation criteria for credit card applications and an efficient payment collection system.

SinoPac Leasing Corporation

Incorporated in September 1997, SinoPac Leasing Co. plays an essential role in assisting the SinoPac group develop corporate financing services to small and medium-sized companies.

Besides machinery, production facility and real estate financing, the company offers several other services such as mortgage transfer and factoring service. Upgraded recently, the machinery leasing services now caters to the needs of a wider range of consumer groups. Under its market diversification policy, the company set up an overseas subsidiary to enhance its services to clients with international investments.

SinoPac Leasing has developed its businesses rapidly since its founding due mainly to its correct market positioning and development strategies. The company is constantly expanding its operational structure to cope with growing businesses. With these efforts, SinoPac Leasing has become one of the leading companies in Taiwan's leasing market, providing Bank SinoPac with an indispensable arm in the leasing sector under the SinoPac group's business diversification policy.

SinoPac Capital Ltd. (HK)

SinoPac Capital Ltd. (HK) was established in June 1999 as SinoPac group's operational center in Hong Kong. It acts as agent for SinoPac member companies to develop businesses in Hong Kong. It is also an important post for the SinoPac group in providing services to Taiwanese-invested companies in mainland China, offering remittance and other corporate financing services.

In addition to savings and securities trading, the company developed other financing businesses in Hong Kong, such as credit issuance and trade financing. The company's share capital is HK\$2.3 million. SinoPac Capital manages assets worth more than HK\$6.5 million.

The company is set to apply to the Hong Kong administration for the license to operate a financial consulting business. SinoPac Capital will also help Bank SinoPac establish a branch in Hong Kong to allow the SinoPac group to provide additional financial services in Hong Kong and further develop international businesses.



Celebration for moving to new office

SinoPac Financial Consulting Corporation

SinoPac Financial Consulting was incorporated in June 1999 with the goals to apply and integrate SinoPac group's human resource, know-how, experience and expertise. The resulting comprehensive service provided corporate clients greater flexibility in raising funds to support their business expansions.

For corporate financing services, SinoPac Financial Consulting is distinguished from its counterparts by the unique combination of equity and debt instruments in one solution. The deliberate design of the package reflects the efficient integration of SinoPac group's resources in serving its clients.

Major businesses of the company:

- Agency or consulting services for national/transnational mergers and acquisitions
- Agency or consulting services for divestiture of entire or partial business, division or major assets
- Agency or consulting services for private placement of shares issued by non-listed companies
- Agency or consulting services for overseas fund raising by non-listed companies
- Consulting services for public offerings by public companies
- Consulting services for debt instruments arrangement
- Agency, planning or consulting services for spin-off of business division
- Agency, planning or consulting services for establishing new companies
- Agency, planning or consulting services for real estate development
- Agency or consulting services for property acquisition
- Evaluation on investment projects

SinoPac Life Insurance Agent

Founded on October 1, 2000, SinoPac Life Insurance Agent provides Bank SinoPac clients with finance and personal risk management services.

In addition to life insurance services, SinoPac Life Insurance Agent provides customers with various custom-made insurance plans to meet their needs in "one-stop shopping" financial services. The company also provides opportunities for more interactions between the bank and its clients.

Services provided by SinoPac Life Insurance Agent include life insurance, savings insurance, accident insurance and health insurance. Future services will also include investment insurance and annuities-related insurance services.

The MMA personal finance platform has contributed to the company's growth. The company's exceptional management philosophy and business strategy also helped the continuing expansion of the organization, which currently has nine employees.

Over the past year, the company has taken a foothold in the personal insurance agent market and has become an indispensable part of Bank SinoPac's effort in expanding its presence across various sectors.

SinoPac Property Insurance Agent

Founded in October 2000, SinoPac Property Insurance Agent provides fire, car, motorcycle and other property insurance services for Bank SinoPac customers.

The company's missions are to achieve sustained growth and serve customers with sincerity and integrity.

SinoPac Property Insurance Agent utilizes the following strategy to provide customers with complete peripheral financial services: Partner with property insurance companies with good image and reputation and integrate banking and insurance businesses with Bank SinoPac's resources.

The company will continue to launch new insurance services to fulfill customers' comprehensive risk management, personal finance and home safety needs.

The organization will work closely with Bank SinoPac, especially its MMA unit, in providing bank customers with a wide range of property insurance services, meeting their need in "one-stop shopping" financial services.

Operation Information

(Expressed in millions of NTD, except EPS)

| Company | Paid-in Capital | Total Assets | Total Liabilities | Stockholders' Equity | Total Operating Revenue | Operating Income (Loss) | Net Income (After Tax) | Earnings per share (After Tax) |
|---|-----------------|--------------|-------------------|----------------------|-------------------------|-------------------------|------------------------|--------------------------------|
| Bank SinoPac | 19,444 | 278,429 | 255,108 | 23,321 | 16,361 | 1,851 | 1,551 | 0.81 |
| SinoPac Bancorp | 3,581 | 4,425 | 0 | 4,425 | 1 | 189 | 189 | 9,432.25 |
| SinoPac Leasing Corporation | 1,500 | 4,415 | 2,712 | 1,703 | 292 | 39 | 63 | 0.42 |
| SinoPac Securities Co., Ltd. | 3,179 | 15,647 | 12,265 | 3,382 | 1,409 | 45 | 10 | 0.03 |
| Aetna Sinopac Credit Card Co., Ltd. | 1,630 | 6,955 | 6,253 | 702 | 1,169 | (533) | (459) | (3.64) |
| SinoPac Capital Ltd. (HK) | 1,032 | 3,872 | 2,920 | 952 | 158 | (17) | (106) | (0.46) |
| SinoPac Securities Investment Advisory Co. Ltd. | 10 | 11 | 1 | 10 | 22 | (0.046) | 0.355 | 0.35 |
| SinoPac Financial Consulting Co., Ltd. (unaudited) | 2 | 3 | 0.112 | 3 | 1 | 1 | 1 | 3.73 |
| SinoPac Life Insurance Agent Co., Ltd. (unaudited) | 2 | 3 | 0.353 | 3 | 3 | 1 | 1 | 3.13 |
| SinoPac Property Insurance Agent Co., Ltd. (unaudited) | 2 | 4 | 0.734 | 3 | 4 | 1 | 1 | 3.91 |
| Far East National Bank | 3,595 | 41,136 | 36,771 | 4,365 | 2,939 | 420 | 204 | 1,202.91 |
| Far East Capital Corporation | 122 | 132 | 49 | 83 | 3 | (20) | (12) | (32.89) |
| FENB Securities Inc. | 4 | 11 | 5 | 6 | 0.256 | 5 | 3 | 1,008 |
| FENB Film Corporation | 0.035 | 227 | 227 | 0.035 | 0 | 0 | 0 | 0 |
| FENB Loan Corporation | 0.035 | 227 | 227 | 0.035 | 0 | 0 | 0 | 0 |
| Grand Capital International Limited | 1,046 | 3,129 | 1,898 | 1,231 | 166 | 78 | 57 | 1.92 |
| SinoPac Asset Management Corp. (B.V.I.) | 560 | 531 | 0.099 | 531 | 13 | (27) | (27) | (1.70) |
| SinoPac Future Co., Ltd. | 200 | 296 | 95 | 201 | 16 | 1 | 1 | 0.04 |
| SP Asset Management Co., Ltd. | 210 | 1,959 | 1,744 | 215 | 21 | (11) | (9) | (1.50) |
| SinoPac Securities (H.K.) Ltd. | 112 | 107 | 8 | 99 | 15 | (12) | (12) | (0.48) |
| SinoPac Capital (B.V.I.) Ltd. | 156 | 163 | 0 | 163 | 104 | 100 | (9) | (2.03) |
| Shanghai International Asset Management (Hong Kong) Co., Ltd. | 36 | 40 | 1 | 39 | 44 | 4 | (1) | (0.13) |
| Allstar Venture Ltd. | 0.07 | 499 | 600 | (101) | 17 | (20) | (97) | (48,528) |
| Cyberpac Holding Ltd. (Formerly SinoCap Partners Ltd.) | 0.07 | 157 | 196 | (39) | 33 | (34) | (34) | (17,078) |
| Pinnacle Investment Management Limited | 7 | 6 | 1 | 5 | 0.008 | 0.003 | (1) | (6.8) |
| BSP Venture Management (B.V.I.) Ltd. (unaudited) | 2 | 1 | 0 | 1 | 0 | (1) | (1) | (11.28) |
| Wal Tech International Corporation | 50 | 343 | 319 | 24 | 75 | 0.48 | (25) | (5.07) |

Exchange Rate: USD/NTD: 34.999 ; HKD/NTD:4.4883

Concise Company Profile

(Expressed in millions of NTD, USD or HKD)

| Company | Date of Incorporation | Address | Capital | Main Business |
|---|-----------------------|---|-----------|--|
| Bank SinoPac | 1991.08 | 4 Chung Hsiao West Road, Section 1, Taipei, Taiwan, R.O.C. | 19,444 | Commercial bank |
| SinoPac Bancorp | 1997.06 | 350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071 | USD 102 | Stock holding Company |
| SinoPac Leasing Corporation | 1997.09 | 7F, 132, 136, Nanking E. Road, Sec.3, Taipei, Taiwan, R.O.C. | 1,500 | Engaged in leasing of aircraft and machinery equipment |
| SinoPac Securities Co., Ltd. | 1996.12 | 9F, 132, 136, Nanking E. Road, Sec. 3, Taipei, Taiwan, R.O.C. | 3,179 | Brokerage, dealing, and underwriting of securities |
| Aetna Sinopac Credit Card Co., Ltd. | 2000.03 | 12F, 760, Patche Road, Sec. 4, Taipei Taiwan, R.O.C. | 1,630 | Credit card business |
| SinoPac Capital Ltd. (HK) | 1999.01 | Suite 1108, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road, Central, Hong Kong | HKD 230 | Lending and financing |
| SinoPac Securities Investment Advisory Co. Ltd. | 1998.12 | 4F, 132, Nanking E. Road, Sec. 3 Taipei, Taiwan, R.O.C. | 10 | Securities analysis and investment advisory |
| SinoPac Financial Consulting Co., Ltd. | 1999.06 | 6F, 9-1 Chien Kuo N. Road, Sec. 2, Taipei, Taiwan, R.O.C. | 2 | Investment advisory and business management advisory |
| SinoPac Life Insurance Agent Co., Ltd. | 2000.07 | 3F, 9-1, Chien Kuo N. Road, Sec. 2, Taipei, Taiwan, R.O.C. | 2 | Life insurance agent |
| SinoPac Property Insurance Agent Co., Ltd. | 2000.07 | 3F, 9-1, Chien Kuo N. Road, Sec. 2, Taipei, Taiwan, R.O.C. | 2 | Property insurance agent |
| Far East National Bank | 1974.12 | 350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071 | USD 103 | Commercial bank |
| Far East Capital Corporation | 1988.09 | 350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071 | USD 4 | Investment bank |
| FENB Securities Inc. | 2000.09 | 350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071 | USD 0.1 | Brokerage of securities |
| FENB Film Corporation | 2001.01 | 350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071 | USD 0.001 | Motion Picture Assets Management |
| FENB Loan Corporation | 2001.01 | 350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071 | USD 0.001 | Asset Management Corporation |
| Grand Capital International Limited | 1998.01 | P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands | USD 30 | Oversea trading, leasing, lending and financing |
| SinoPac Asset Management Corp. (B.V.I.) | 1999.07 | Akara building, 24 De Castro Street, Wickhams Cay I. Road Town, Tortola, British Virgin Islands | USD 16 | Securities brokerage and investment advisory |
| SinoPac Future Co., Ltd. | 2001.05 | 5F, 132, Nanking E. Road, Sec.3, Taipei, Taiwan, R.O.C. | 200 | Brokage of Futures |
| SP Asset Management Co., Ltd. | 2001.06 | Akara building, 24 De Castro Street, Wickhams Cay I. Road Town, Tortola, British Virgin Islands | USD 6 | Securities brokerage, investment advisory and consulting business |
| SinoPac Securities (H.K.) Ltd. | 2000.05 | Suite 1111, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road, Central, Hong Kong | HKD 25 | Securities brokerage, investment advisory, fund management and security business |
| SinoPac Capital (B.V.I.) Ltd. | 1999.10 | P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands | USD 4 | Financial advisory |
| Shanghai International Asset Management (Hong Kong) Co., Ltd. | 1993.02 | Unit 1608 Jardine House, Central, Hong Kong | HKD 8 | Asset management corporation |
| Allstar Venture Ltd. | 2000.12 | P.O. Box 901, East Asia Chambers, Road Town, Tartola, British Virgin Islands | USD 0.002 | Investment corporation |
| Cyberpac Holding Ltd. (Formerly SinoCap Partners Ltd.) | 2000.12 | P.O. Box 901, East Asia Chambers, Road Town, Tartola, British Virgin Islands | USD 0.002 | Investment and advisory business |
| Pinnacle Investment Management Limited | 2001.03 | Room 1107, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong | USD 0.2 | Asset management corporation |
| BSP Venture Management (B.V.I.) Ltd. | 2001.02 | P.O. Box 901, East Asia Chambers, Road Town, Tartola, British Virgin Islands | USD 0.05 | Investment management corporation |
| Wal Tech International Corporation | 1999.12 | 7F, 132, 136, Nanking E. Road, Sec.3, Taipei, Taiwan, R.O.C. | 50 | Leasing, international trading, and sale of machinery equipment |

Exchange Rate : USD/NTD : 34.999 ; HKD/NTD : 4.4883

Directors, Supervisors, and Presidents

| Company | Titles | Name | Nominating Legal Entity | Number of shares held by the legal entity | | Shares held by the directors, supervisors, or presidents | |
|---|--------------------------------|--------------------------------|--|---|------------|--|------------|
| | | | | No. of shares | Percentage | No. of shares | Percentage |
| Bank SinoPac | Chairman | Paul C. Lo | | | | 6,568,885 | 0.34% |
| | Managing Director | Yin Yen-liang | | | | 4,887,018 | 0.25% |
| | Managing Director | Chen Pou-tsang (Angus Chen) | | | | 2,789,608 | 0.14% |
| | Director | Lee Tien-chien | Gin An(Kin On)Investment, Ltd. | 80,813,230 | 4.16% | 26,610 | 0% |
| | Director | Lee Chen-chia | Maywufa Co., Ltd. | 3,490,747 | 0.18% | 464,591 | 0.02% |
| | Director | Lin Ying-feng | | | | 363 | 0% |
| | Director | Sheu Jong-ming | Fortune Investment Co., Ltd. | 553,802 | 0.03% | 14,529,257 | 0.75% |
| | Director | Chen Kai-yuan | Southeast Soda Manufacturing Co., Ltd. | 29,566,412 | 1.52% | 9,073,673 | 0.47% |
| | Director | Huang Chung-hsing | | | | 24,512 | 0% |
| | Director | Yeh Tien-chiang | Gin An(Kin On)Investment, Ltd. | 80,813,230 | 4.16% | 0 | - |
| | Director | Chia Chen-l (C.I. Chia) | | | | 2,290,200 | 0.12% |
| | Resident Supervisor | Chang Tse-yao | Ruentex Industries Ltd. | 62119,989 | 3.19% | 306,082 | 0.02% |
| | Supervisor | Chen-en Ko | | | | 858 | 0% |
| Supervisor | Hsieh Mei-yueh | Ruentex Industries Ltd. | 62,119,989 | 3.19% | 117,340 | 0.01% | |
| President | Chen Pou-tsang (Angus Chen) | | | | 2,789,608 | 0.14% | |
| SinoPac Bancorp | Chairman | Paul C. Lo | Bank SinoPac | 20,000 | 100% | 0 | - |
| | Director | Chen Pou-tsang (Angus Chen) | Bank SinoPac | 20,000 | 100% | 0 | - |
| | Director | Chia Chen-l (C.I. Chia) | Bank SinoPac | 20,000 | 100% | 0 | - |
| | President | Paul C. Lo | | | | 0 | - |
| SinoPac Leasing Corp. | Chairman | Paul C. Lo | Bank SinoPac | 149,652,419 | 99.768% | 1,496 | 0.001% |
| | Director | Liu I-cheng | Bank SinoPac | 149,652,419 | 99.768% | 227,234 | 0.151% |
| | Director | Cheng Chuan-jay | Bank SinoPac | 149,652,419 | 99.768% | 0 | - |
| | Director | Chen Chien-jung (C.J. Chen) | Bank SinoPac | 149,652,419 | 99.768% | 1,496 | 0.001% |
| | Director | Chen Pou-tsang (Angus Chen) | Bank SinoPac | 149,652,419 | 99.768% | 1,496 | 0.001% |
| | Supervisor | Chi Chien (James Chi) | Bank SinoPac | 149,652,419 | 99.768% | 1,496 | 0.001% |
| | President | Liu I-cheng | | | | 227,234 | 0.151% |
| SinoPac Securities Co., Ltd. | Chairman | Chen Ting-ko | Bank SinoPac | 256,127,108 | 80.56% | 1,689,091 | 0.53% |
| | Director | Chang Li-cheng (Richard) | Bank SinoPac | 256,127,108 | 80.56% | 2,162,290 | 0.68% |
| | Director | Chao Chin-chih | Bank SinoPac | 256,127,108 | 80.56% | 649,300 | 0.20% |
| | Director | Chiang Wei-yuan | Bank SinoPac | 256,127,108 | 80.56% | 304,870 | 0.10% |
| | Director | Carl K.H. Fan | Aetna Heart Investment Corp. | 6,601,575 | 2.08% | 0 | - |
| | Supervisor | Mike Y.L. Lei | Bank SinoPac | 256,127,108 | 80.56% | 0 | - |
| | Supervisor | Ariel Kao | Bank SinoPac | 256,127,108 | 80.56% | 0 | - |
| | President | Chang Li-cheng | | | | 2,162,290 | 0.68% |
| Aetna Sinopac Credit Card Co., Ltd. | Chairman | Yin Yen-liang | Bank SinoPac | 81,103,709 | 49.757% | 1,000 | 0.0006% |
| | Director | Paul C. Lo | Bank SinoPac | 81,103,709 | 49.797% | 1,000 | 0.0006% |
| | Director | Patrick S.C.Poon | Aetna Heart Investment Corp. | 64,665,033 | 39.672% | 1,000 | 0.0006% |
| | Director | Chia Chen-l (C.I. Chia) | Bank SinoPac | 81,103,709 | 49.757% | 1,000 | 0.0006% |
| | Director | Billy Lee | Aetna Heart Investment Corp. | 64,665,033 | 39.672% | 1,000 | 0.0006% |
| | Director | Jeannine Farhi | Aetna Heart Investment Corp. | 64,665,033 | 39.672% | 0 | - |
| | Supervisor | David Bede Waples | Aetna Heart Investment Corp. | 64,665,033 | 39.672% | 0 | - |
| | Supervisor | Hsu Swei-yuan | Bank SinoPac | 81,103,709 | 49.757% | 0 | - |
| | President | Jeannine Farhi | | | | 0 | - |
| | | | | | | 0 | - |
| SinoPac Capital Ltd. (HK) | Chairman | Paul C. Lo | Bank SinoPac | 229,998,000 | 99.9991% | 1,000 | 0.0004% |
| | Managing Director | Chang Beng-an | Bank SinoPac | 229,998,000 | 99.9991% | 1,000 | 0.0004% |
| | Director | Fung Kin-ming (David) | | | | 0 | - |
| SinoPac Securities Investment Advisory Co. Ltd. | Chairman | Kevin H. Peng | Bank SinoPac | 994,000 | 99.4% | 1,000 | 0.1% |
| | Director | Bright Lin | Bank SinoPac | 994,000 | 99.4% | 1,000 | 0.1% |
| | Director | Kathy Chen | Bank SinoPac | 994,000 | 99.4% | 1,000 | 0.1% |
| | Supervisor | Tseng Shu-Ying | Bank SinoPac | 994,000 | 99.4% | 1,000 | 0.1% |
| | President | Kevin H. Peng | | | | 1,000 | 0.1% |

| Company | Titles | Name | Nominating Legal Entity | Number of shares held by the legal entity | | Shares held by the directors, supervisors, or presidents | |
|--|---------------|-------------------------------|------------------------------|---|------------|--|------------|
| | | | | No. of shares | Percentage | No. of shares | Percentage |
| SinoPac Financial Consulting Co., Ltd. | Chairman | Paul C. Lo | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Director | Mike Y.L. Lei | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Director | Chen Chien-jung (C.J. Chen) | Bank SinoPac | 194,000 | 97% | 1,000 | 0.5% |
| | Supervisor | Chen Pi-yuin (Nancy Chen Lee) | Bank SinoPac | 194,000 | 97% | 1,000 | 0.5% |
| | President | Mike Y.L. Lei | | | | 0 | - |
| SinoPac Life Insurance Agent Co., Ltd. | Chairman | Chi Chien (James Chi) | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Director | Chia Chen-l (C.I. Chia) | Bank SinoPac | 194,000 | 97% | 1,000 | 0.5% |
| | Director | Yang Shun-fa | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Director | David Han | Bank SinoPac | 194,000 | 97% | 1,000 | 0.5% |
| | Supervisor | Amy Han | Bank SinoPac | 194,000 | 97% | 0 | - |
| | President | Mary Ann Chen | | | | 0 | - |
| SinoPac Property Insurance Agent Co., Ltd. | Chairman | Liu I-cheng | Bank SinoPac | 194,000 | 97% | 1,000 | 0.5% |
| | Director | Chen Chien-jung (C.J. Chen) | Bank SinoPac | 194,000 | 97% | 1,000 | 0.5% |
| | Director | Huang Chin-lin | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Director | Yian Hsu | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Director | Shwu Yi Su | Bank SinoPac | 194,000 | 97% | 0 | - |
| | Supervisor | Hsu Swei-yuan | Bank SinoPac | 194,000 | 97% | 0 | - |
| | President | Liu I-cheng | | | | 1,000 | 0.5% |
| Far East National Bank | Chairman | Paul C. Lo | SinoPac Bancorp | 170,000 | 100% | 0 | - |
| | Director | Sheu Jong-ming | SinoPac Bancorp | 170,000 | 100% | 0 | - |
| | Director | Joseph Peng | SinoPac Bancorp | 170,000 | 100% | 0 | - |
| | Director | Chen Pou-tsang (Angus Chen) | SinoPac Bancorp | 170,000 | 100% | 0 | - |
| | Director | Willington Chen | SinoPac Bancorp | 170,000 | 100% | 0 | - |
| | Director | Robert Oehler | SinoPac Bancorp | 170,000 | 100% | 0 | - |
| | President | Robert Oehler | | | | 0 | - |
| Far East Capital Corporation | Chairman | Robert Oehler | Far East National Bank | 350,000 | 100% | 0 | - |
| | Director | Joseph Peng | Far East National Bank | 350,000 | 100% | 0 | - |
| | Director | William Serumgard | Far East National Bank | 350,000 | 100% | 0 | - |
| | Director | Edward Kuo | Far East National Bank | 350,000 | 100% | 0 | - |
| | Director | Glenn Yee | Far East National Bank | 350,000 | 100% | 0 | - |
| | Director | Chen Chien-jung (C.J. Chen) | Far East National Bank | 350,000 | 100% | 0 | - |
| | | | | | | 0 | - |
| FENB Securities Inc. | Director | Paul C. Lo | Far East National Bank | 2,500 | 100% | 0 | - |
| | Director | Chen Pou-tsang (Angus Chen) | Far East National Bank | 2,500 | 100% | 0 | - |
| | Director | Chang Li-cheng | Far East National Bank | 2,500 | 100% | 0 | - |
| | Director | Joseph Peng | Far East National Bank | 2,500 | 100% | 0 | - |
| | Director | Robert Oehler | Far East National Bank | 2,500 | 100% | 0 | - |
| | Director | William Serumgard | Far East National Bank | 2,500 | 100% | 0 | - |
| | President | William Serumgard | | | | 0 | - |
| | | | | | | 0 | - |
| FENB Film Corporation | Director | Robert Oehler | Far East National Bank | 100 | 100% | 0 | - |
| | Director | William Serumgard | Far East National Bank | 100 | 100% | 0 | - |
| | Director | Steve Butcher | Far East National Bank | 100 | 100% | 0 | - |
| | President | William Serumgard | | | | 0 | - |
| FENB Loan Corporation | Director | Robert Oehler | Far East National Bank | 100 | 100% | 0 | - |
| | Director | William Serumgard | Far East National Bank | 100 | 100% | 0 | - |
| | Director | Steve Butcher | Far East National Bank | 100 | 100% | 0 | - |
| | President | William Serumgard | | | | 0 | - |
| Grand Capital International Limited | Sole Director | Liu I-cheng | SinoPac Leasing Co., Ltd. | 29,900,000 | 100% | 0 | - |
| SinoPac Asset Management Corp. (B.V.I.) | Director | Chang Li-cheng | SinoPac Securities Co., Ltd. | 16,000,000 | 100% | 0 | - |
| | Director | Hsu, Chia Yuan-Yu | SinoPac Securities Co., Ltd. | 16,000,000 | 100% | 0 | - |

| Company | Titles | Name | Nominating Legal Entity | Number of shares held by the legal entity | | Shares held by the directors, supervisors, or presidents | |
|---|----------------------|-----------------------------|---|---|------------|--|------------|
| | | | | No. of shares | Percentage | No. of shares | Percentage |
| SinoPac Future Co., Ltd. | Chairman | Chen Ting-ko | SinoPac Securities Co., Ltd. | 19,994,000 | 99.97% | 1,000 | 0.005% |
| | Director | Chang Li-cheng | SinoPac Securities Co., Ltd. | 19,994,000 | 99.97% | 1,000 | 0.005% |
| | Director | Chiang Wei-yuan | SinoPac Securities Co., Ltd. | 19,994,000 | 99.97% | 1,000 | 0.005% |
| | Supervisor | Chao Chin-chin | SinoPac Securities Co., Ltd. | 19,994,000 | 99.97% | 1,000 | 0.005% |
| | President | Chiang Wei-yuan | | | | 1,000 | 0.005% |
| SP Asset Management Co., Ltd. | Director | Chang Li-cheng | SinoPac Asset Management Corp. (B.V.I.) | 6,000,000 | 100% | 0 | - |
| | Director | Wang Ching | SinoPac Asset Management Corp. (B.V.I.) | 6,000,000 | 100% | 0 | - |
| SinoPac Securities (H.K.) Ltd. | Director | Chang Li-cheng | SinoPac Asset Management Corp. (B.V.I.) | 24,999,999 | 100% | 1 | 0% |
| | Director | Man Suet-ying(Janet) | SinoPac Asset Management Corp. (B.V.I.) | 24,999,999 | 100% | 0 | - |
| | Director | Chen Hon-ming | SinoPac Asset Management Corp. (B.V.I.) | 24,999,999 | 100% | 0 | - |
| | Director & President | Wang Ching | SinoPac Asset Management Corp. (B.V.I.) | 24,999,999 | 100% | 0 | - |
| SinoPac Capital (B.V.I.) Ltd. | Director | Paul C. Lo | SinoPac Capital Ltd. (HK) | 4,450,001 | 100% | 0 | - |
| | Director | Chang Beng-an | SinoPac Capital Ltd. (HK) | 4,450,001 | 100% | 0 | - |
| Shanghai International Asset Management (Hong Kong) Co., Ltd. | Director | Cai Nong-ru | A.T.S.CO.,LTD | 3,200,000 | 40% | 0 | - |
| | Director | Chang Li-cheng | SinoPac Capital (B.V.I.) Ltd. | 4,800,000 | 60% | 0 | - |
| | Director | Chen Ting-ko | SinoPac Capital (B.V.I.) Ltd. | 4,800,000 | 60% | 0 | - |
| | Director | Fung Kin-ming | SinoPac Capital (B.V.I.) Ltd. | 4,800,000 | 60% | 0 | - |
| | Director | Hsu Chih-chang | | | | 0 | - |
| | Director | Hu Jing-gang | A.T.S.CO.,LTD | 3,200,000 | 40% | 0 | - |
| | Director | Lin Bin | A.T.S.CO.,LTD | 3,200,000 | 40% | 0 | - |
| | Director | Liu Hsing Yen | SinoPac Capital (B.V.I.) Ltd. | 4,800,000 | 60% | 0 | - |
| | Director | Fung Kin-ming | | | | 0 | - |
| | Director | Zhou You-dao | A.T.S.CO.,LTD | 3,200,000 | 40% | 0 | - |
| Allstar Venture Ltd. | Director | Chen Chien-jung(C.J. Chen) | SinoPac Capital (B.V.I.) Ltd. | 2 | 100% | 0 | - |
| | Director | Hsu Swei-yuan | SinoPac Capital (B.V.I.) Ltd. | 2 | 100% | 0 | - |
| Cyberpac Holding Ltd.(Formerly SinoCap Partners Ltd.) | Director | Chen Chien-jung(C.J. Chen) | SinoPac Capital (B.V.I.) Ltd. | 2 | 100% | 0 | - |
| | Director | Hsu Swei-yuan | SinoPac Capital (B.V.I.) Ltd. | 2 | 100% | 0 | - |
| Pinnacle Investment Management Limited | Director | Chang Beng-an | SinoPac Capital (B.V.I.) Ltd. | 199,999 | 99.99% | 1 | 0% |
| | Director | Chen Chien-jung (C.J. Chen) | SinoPac Capital (B.V.I.) Ltd. | 199,999 | 99.99% | 0 | - |
| | Director | Man Suet-ying | SinoPac Capital (B.V.I.) Ltd. | 199,999 | 99.99% | 0 | - |
| | Director | Bright Lin | SinoPac Capital (B.V.I.) Ltd. | 199,999 | 99.99% | 0 | - |
| BSP Venture Management (B.V.I.) Ltd. | Director | Chen Chien-jung (C.J. Chen) | Cyberpac Holding Ltd. | 50,000 | 100% | 0 | - |
| | Director | Mike Y.L. Lei | Cyberpac Holding Ltd. | 50,000 | 100% | 0 | - |
| Wal Tech International Corporation | Chairman | Yeh Juei-Sheng | Cyberpac Holding Ltd. | 4,997,000 | 99.94% | 0 | - |
| | Director | C.S. Pien | Cyberpac Holding Ltd. | 4,997,000 | 99.94% | 0 | - |
| | Director | Sabine Chen | Cyberpac Holding Ltd. | 4,997,000 | 99.94% | 0 | - |
| | Supervisor | Gloria Hou | Cyberpac Holding Ltd. | 4,997,000 | 99.94% | 0 | - |
| | President | Yeh Juei-Sheng | | | | 0 | - |