

Bank SinoPac

2002

ANNUAL REPORT




SinoPac

Awards from the International Media:

- Dec 2002, rated by The Asset: Top Ten Best in Corporate Governance Asia Awards
- Sep 2002, rated by Global Finance: The World's Best Corporate / Institutional Integrated Site, Best Corporate / Institutional Integrated Site in Asia Pacific, Best Consumer Integrated Site in Asia Pacific, Best Corporate / Institutional Internet Bank in Taiwan, Best Consumer Internet Bank in Taiwan.
- Jul 2002, rated by Euromoney: Best Commercial Bank in Taiwan and Best Corporate Governance in Taiwan
- May 2002, rated by Asiamoney: Best Commercial Bank in Taiwan
- 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

THE INTEGRATED SERVICE NETWORK OF Bank SinoPac AND ITS AFFILIATES

www.banksinopac.com.tw



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FINANCIAL HIGHLIGHTS

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(NT\$ in millions, except per share data)	2002	2001	2000	1999	1998
For the Year					
Pretax income	2,760	2,016	2,257	2,020	1,311
Net income	2,255	1,551	1,702	1,791	1,005
At the Year End					
Deposits and remittances	235,997	217,610	199,135	164,109	160,701
Loans (1)	187,069	167,150	155,295	134,776	119,611
Securities purchased	24,552	17,550	21,066	22,285	27,441
Total assets	330,702	278,429	235,057	204,129	191,603
Shareholders' equity	24,996	23,321	22,151	20,802	19,479
Per Share					
Earnings per share(after tax)	1.18	0.81	0.97	1.13	0.73
Shareholders' equity per share	12.86	12.25	12.72	13.13	12.82
Dividends declared per share (2)					
– Cash dividend	0.7810	0.4782	-	-	0.393
– Stock dividend	-	-	1.00	1.00	0.407
Capital Adequacy					
Risk-based capital ratio (BIS Ratio) (3)	10.76%	10.47%	11.25 %	12.59%	13.21%

NOTE:

(1) Represents total loans, discounts and bills purchased.

(2) Earnings are distributed in the following year.

(3) Based on new criteria as of January 1, 2002.

A MESSAGE FROM THE CHAIRMAN AND THE PRESIDENT

The year 2002 was a most challenging year for the Taiwan economy, financial institutions and Bank SinoPac. Taiwan's economy continued to be sluggish, and financial institutions remained burdened by high levels of non-performing loans. The government established financial reform goals in an effort to move public and private enterprises toward improved financial health. During 2002, Bank SinoPac continued to excel in maintaining the best asset quality among Taiwanese banks, sustained profit growth, product innovation and diversity of financial services. Having achieved sustained financial growth against a backdrop of economic uncertainty, Bank SinoPac was selected by several international media as the "Best Commercial Bank in Taiwan."

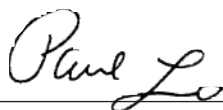
During 2002, numerous financial conglomerates formed as business groups consolidated their banking, securities and insurance operations under one holding company. Bank SinoPac completed its joint merger with National Securities Corporation to form SinoPac Holdings. The government's announced "2-5-8 financial reform" took shape as financial institutions were mandated to reduce non-performing loans to meet the Basel II financial accords.

Bank SinoPac continues to report non-performing loan ratios well within international guidelines, and will be continually vigilant, determined, persistent, and always in full cooperation with the government's financial reform goals while keeping the interest of all domestic sectors at heart. Bank SinoPac, since inception in 1992, has always maintained that strong asset quality is the foundation of its sustained profitability and capital preservation, allowing for strong organic business growth throughout Taiwan and the Asia-Pacific region. Bank SinoPac firmly believes that four pillars are absolute necessities for sustained financial growth in a rapidly changing knowledge economy: regionalization, innovation, IT capability and human capital.

In the pursuit of regionalization, Bank SinoPac formally launched its Hong Kong Branch in October 2002. As a full-service commercial operation, the Hong Kong Branch augments the investments and equities business of SinoPac Capital, Hong Kong.

Another major cornerstone of the SinoPac regionalization strategy is Far East National Bank, a 14-branch wholly-owned California subsidiary of Bank SinoPac in the United States. In addition to its strategic positioning in providing Pacific Rim services, Far East National Bank has entered into a strategic

Paul C. Lo
Chairman



alliance agreement with the First Sino Bank of Shanghai. This management alliance allows the promotion of direct financial services between the various business locations and allows participants to strengthen their competitiveness within the Asia-Pacific region. Foremost in this market is Bank SinoPac's introduction of its CrossPacific Account (CPA) in 2002. This CPA account allows customers to enjoy boundary-free financial services through an integrated e-banking platform that links all accounts throughout the Asia-Pacific. Customers of Bank SinoPac can link business and banking data from their operating locations in Taiwan, Hong Kong and the United States with rapid online efficiency.

On the domestic front, Bank SinoPac vigorously concentrated on the synergies available from its merger with National Securities Corporation during 2002. The formation of the New Banking Division and the New Securities



Division resulted in numerous banking customers crossing over into securities, and securities clients initiating banking relationships. As the merger involved minimal overlapping of financial services, the synergies expected from the merger of banking and securities continue to exceed initial expectations.

Global Finance, a renowned financial journal, conducted a survey on e-banking services provided by major financial institutions all over the world in 2002. Bank SinoPac was awarded the “World’s Best Corporate/Institutional Integrated Site”, “Asia-Pacific’s Best Consumer Banking Integrated Site”, “Asia-Pacific’s Best Corporate/Institutional Banking Integrated Site”, “Taiwan’s Best Corporate Internet Bank”, and “Taiwan’s Best Consumer Internet Bank”. Bank SinoPac was recognized as one of the best internet banks in the world along with other global financial names such as Wells Fargo, Citicorp and Bank of America. This achievement is the result of years of investment in terms of resources and staff by Bank SinoPac in its determination to stay at the forefront of electronic platform integration and technology innovation.

As a complement to its technology investments, Bank SinoPac has always valued its human capital resources and has spared no expense in promoting a most-highly educated and efficient staff. In 2002, while unemployment was exceptionally high in Taiwan, Bank SinoPac hired 400 top-quality university graduates, with 150 holding master's degrees. The financial services industry is a highly competitive field in which differentiation and quality are spearheaded by the excellence of its human capital. Bank SinoPac’s highly professional staff consists of 2,084 employees, 1396 with undergraduate degrees and 351 holding post-graduate degrees. Bank SinoPac employees have a wealth of talent and experience, many conversant in two languages, and possess a global outlook that enables them to look beyond the domestic market and gain insight into the Asia-Pacific marketplace.

2002 was another good year for Bank SinoPac. Net earnings before tax increased by 37% to 2.76 billion NT Dollars during a period when many financial institutions reported reduced earnings and low loan growth. The non-performing loan (NPL) rate reached an even lower level of 1.73% in 2002, an exemplary figure among Taiwan’s financial institutions. The volume of factoring, a business-to-business platform service, increased dramatically in 2002 to 84 billion NT Dollars. At the same time, the business of “asset management” also recorded strong growth as the Trust Division managed 148 billion NT Dollars of entrusted client funds. The strong performance registered by the consumer, corporate, and trust businesses of Bank SinoPac was made possible by its continued investments in new products and technology enhancements.

Chen Pou-tsang
(Angus Chen)
President

2003 brings new challenges for the economy and the financial services industry. Bank SinoPac will continue to stress a forward-looking innovative strategy, persistence, and fast, yet deliberate, progress towards its goal of becoming one of the best financial services providers in the Asia-Pacific region. Bank SinoPac will continue to provide the best quality of service to its customers, the best working environment with unlimited opportunities for its employees; and, through its staff and technology innovation, create the best value for its shareholders.

CORPORATE PROFILE

Bank SinoPac is one of the new banks licensed by the government after the deregulation of banking in 1989. The Preparatory Office started in April 1990 with major participating partners Central Investment Corporation, Ruentex Textile, Southeast Soda, Fu Yi Enterprise, coordinated by Paul C. Lo . Since the initial stage of its preparation, Bank SinoPac has upheld the corporate philosophy of “Customer First, Stability, Creating Profit, and Feedback to Society”. Bank SinoPac has always held the vision of becoming the best “ Full-Service Commercial Bank in the Asia Pacific region”.

It has been 11 years since the establishment of Bank SinoPac on January 28, 1992. The bank consists of 7 divisions, 9 departments and 2 offices in its head office and International Banking Division. Operations are conducted through 42 branches in Taiwan, the Hong Kong Branch, Los Angeles Branch, Vietnam Representative Office, and Far East National Bank (a subsidiary in the United States with 14 branches and a Representative Office in Beijing). Bank SinoPac has some 2,000 employees, authorized capital of 19,444 million NT Dollars, and total assets of 330,702 million NT Dollars (excluding contingent assets). Bank SinoPac is now a full-service financial services provider with locations throughout the Asia-Pacific region.

In supporting the financial reforms of the government and the promulgation of financial guidelines governing financial holding companies, Bank SinoPac announced the joint establishment of SinoPac Holdings with National



◆ Taipei Branch - an important operational site, develops business in both consumer and corporate banking services.



Securities and SinoPac Securities. This is a successful example of “cross-industry integration” between a commercial bank and two securities firms in Taiwan. After the establishment of SinoPac Holdings, the combined resources of the three institutions, their professional service and retail-banking network all provide customers maximum benefits from “One-stop Shopping” service.

Bank SinoPac is a commercial bank developing business in areas covering both consumer and corporate banking services. In addition to its traditional domestic savings and loans business, Bank SinoPac enhances its personal banking services by integrating the diverse businesses of its



numerous affiliates and subsidiaries. The Money Management Account (MMA[®]) launched in 2000 successfully combines multiple services such as bank savings, loans, stock trading and mutual fund investments into one account. This program allows clients to better manage their assets with higher efficiency and lower costs. The MMA is continually being upgraded and expanded to cover automated services by incorporating B2B functions on the internet.

At the same time, corporate banking has spent substantial resources developing the market for small and medium enterprises (SME), and has enhanced its corporate cross-border financial services. Corporate clients have made use of Pay-Web and e-Factoring functions on the B-to-B platform in e-banking solutions provided by Bank SinoPac. An example is the strategic alliance between Bank SinoPac and Coface Group of France, the world’s largest export insurance company. The two unveiled the first real-time online credit rating inquiry through the MMAB2b.com website and “@Credit & Financing” to add convenience and speed in seeking export insurance and financing services for customers.

Bank SinoPac, since inception, has highly valued its credit management and internal audit functions. Bank SinoPac has paid close attention to risk management, and has spent ceaseless effort in enhancing the internal credit rating mechanism. In keeping with increasing online operations procedures, Bank SinoPac exerts real-time online control on quantified market and operations risks.

Regarding outward investments, Bank SinoPac has actively sought to structure itself as a financial services group across the Asia Pacific ever since its establishment. Bank SinoPac integrates the business services of its investments in securities, investment trust, lease, and credit cards industries to provide a complete financial services platform. Currently, the bank’s wholly-owned subsidiaries are SinoPac Leasing Co., Far East National Bank (USA), SinoPac Capital (Hong Kong) Ltd., SinoPac Property Insurance, SinoPac Life Insurance, and SinoPac Financial Consulting Co., Ltd.



General Corporate Data

December 31, 2002

Date of Incorporation :	January 28, 1992
Date of listing on Taiwan Stock Exchange :	June 29, 1998
Re-listing Date of SinoPac Holdings:	May 9, 2002
Paid-in capital :	NT\$ 19,443,976,170
Total shareholders' equity :	NT\$ 24,995,673,944
Number of shares issued :	1,944,397,617
Number of employees :	2,084
Auditor :	T.N. Soong & Co.
Moody's Rating Long-term bank deposits rating :	Baa 2
Moody's Rating Short-term bank deposits rating :	P-3
S&P Rating Long-term credit rating:	BBB-
S&P Rating Short-term credit rating:	A-3
Fitch Rating Long-term senior:	BBB
Fitch Rating Short-term senior:	F2
Taiwan Ratings Long-term credit rating:	twA
Taiwan Ratings Short-term credit rating:	twA-2

Major Subsidiaries

Far East National Bank (Los Angeles, USA)
Robert Oehler, President
SinoPac Leasing Corporation
Liu I-cheng (I. C. Liu), President
SinoPac Capital Limited (Hong Kong)
Chiu Tac Chiang, President
SinoPac Financial Consulting Co., Ltd.
Jason Chen, President
SinoPac Life Insurance Agent Co., Ltd.
Mary Ann Chen, President
SinoPac Property Insurance Agent Co., Ltd.
Liu I-cheng (I. C. Liu), President



Executive Officers

December 31, 2002

Chen Pou-tsang (Angus Chen)
President

Chia Chen-I (C. I. Chia)
Senior Executive Vice President and Chief Operating Officer

Yang Shun Fa (S.F. Yang)
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

Huang Chi-Lin
Executive Vice President and Regional General Manager Central and Northern Region Branches

Han Dao-wei (David Han)
Executive Vice President and General Manager Retail Banking Division

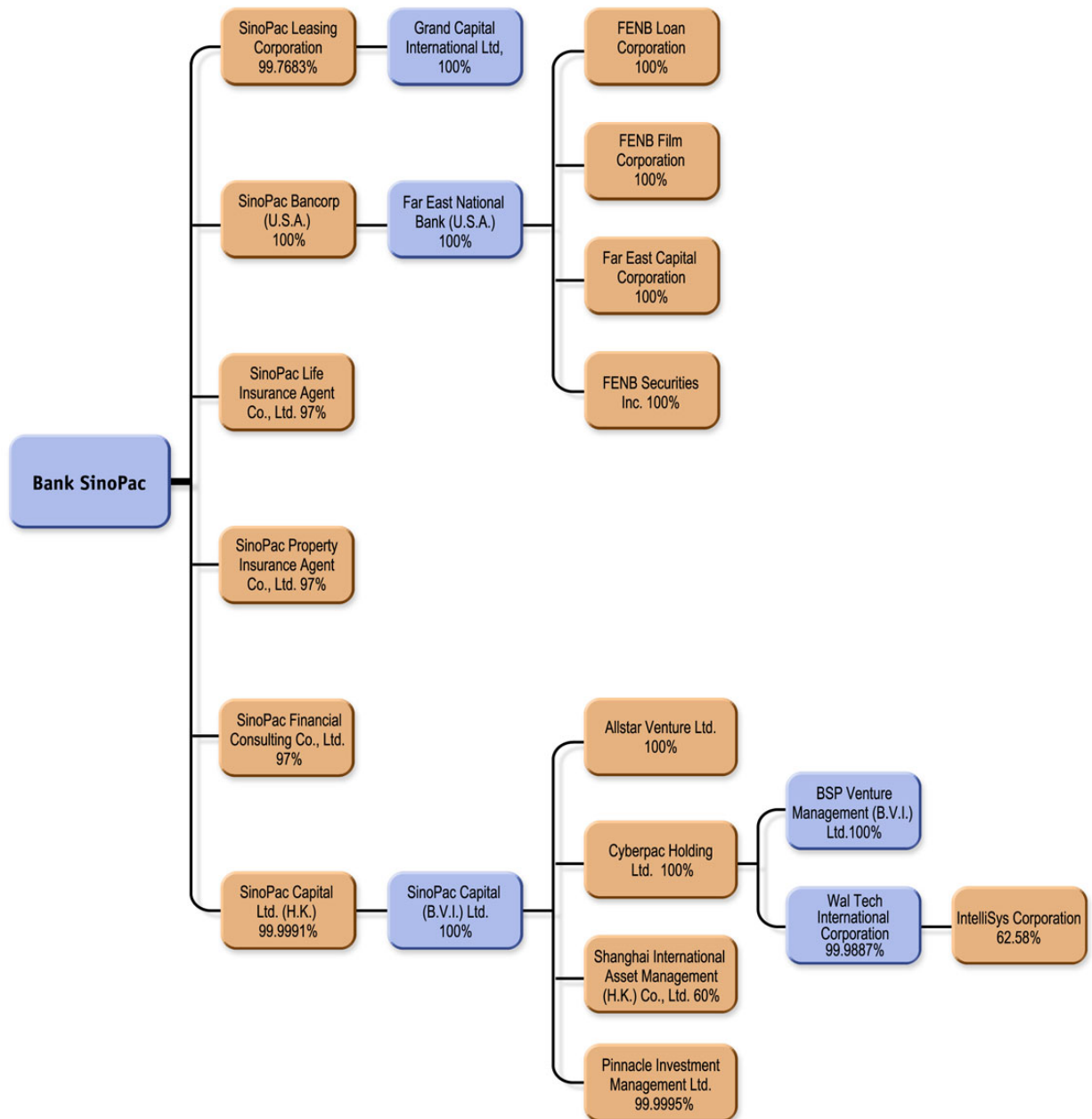
Lu Wen-yir
Executive Vice President and General Manager Corporate Banking Division

Han Ai-mei (Amy Han)
Executive Vice President and General Manager Human Resources and General Administration Division

Ted C.Y. Liao
Executive Vice President



Bank SinoPac Group



The International Economy

The global recession that ended in the latter half of 2001 was followed by mild growth in early 2002. Demand for replacement inventory had brought about limited economic growth. However, accounting scandals in the United States severely hampered the confidence of global investors in the stock market, which resulted in worldwide caution on the overvaluation of stock prices and the subsequent downward adjustment of stock prices. This downward trend further affected the confidence of global enterprises and consumers and delayed prospects for economic recovery. As relations between the United States and Iraq intensified in the latter half of 2002, the shadow of war prevented demand growth in the market. According to an estimation from the World Bank, global economic growth in 2002 was 1.7% (1.1% in 2001) and the growth in trade volume was just 2.9%. With the uncertainties of a war with Iraq, the World Bank had forecasted global economic growth at 2.5% in 2003 and world trade volume growth by 7.0%.

The United States economy in 2002 showed signs of strength and weakness. The demand for replacement inventory helped to boost industrial production. The accounting scandals, loss of investor confidence, and stock price declines surfaced anxieties which brought another wave of anxiety over the economy. Bond yield dropped substantially. The US Dollar was adjusted downward due to a huge deficit in the current account. The slow recovery in corporate profitability resulted in a soft labor market and the unemployment rate rose to 6.0%. Fortunately, the real estate market maintained strong growth under the low interest rate scenario. This helped to neutralize the negative effects in the stock market. By way of refinancing, the public was able to raise additional cash flow for consumption on durable goods like automobiles. The growth in spending of the private sector allowed for 4.0% growth in GDP in the 3rd quarter. To motivate investors and in preparing for the possible outbreak of war, the U.S. Federal Reserve announced the reduction of interest rates by half a percentage point to 1.25% on November 6. Uncertainties will push the economy to risks of poor performance in the 1st quarter of 2003. The U.S. government will push for a policy of financial expansion. According to estimates of the World Bank, the GDP growth of the United States in 2002 was 2.3%. In 2003, the growth rate is expected to reach 2.6%.

In Europe, economic recovery in 2002 was slow. Germany, the key economy in the Euro zone, has performed poorly. The deteriorating employment situation in Germany restrained growth in private sector consumption. At the same time, labor groups rallied for better salary increases. Both businesses and consumers in the Euro zone lost their confidence in economic recovery due to the decline of stock markets worldwide. The stagnant economic recovery in the United States was a prime cause for poor global trade, and hampered exports from Euro countries. While the momentum for economic growth has been weakened, fiscal policies in Euro countries were also limited in effectiveness as the ratio between fiscal deficit and GDP was limited to 3%. It was only the monetary policy that provided basic stimulation for economic performance. The ECD announced a decrease in interest rates by half a percentage point to 2.75%, the lowest in three years. The EU estimated that the Euro zone would achieve GDP growth of -0.2% to 0.2% in the 1st quarter of 2003, indicating further economic recession is possible. As such, it would be necessary for the ECD to further cut interest rates. Nevertheless, the World Bank estimated that the GDP growth in the Euro zone in 2002 was 0.8%, and would be up to 1.8% in 2003.

The Japanese economy in 2002 showed some improvement. With the resumption of exports, industrial production increased. Yet, domestic demand was still soft and the unemployment rate was still as high as 5.5%. The annual CPI growth rate turned negative and deflation still threatened the Japanese economy. Further, non-performing



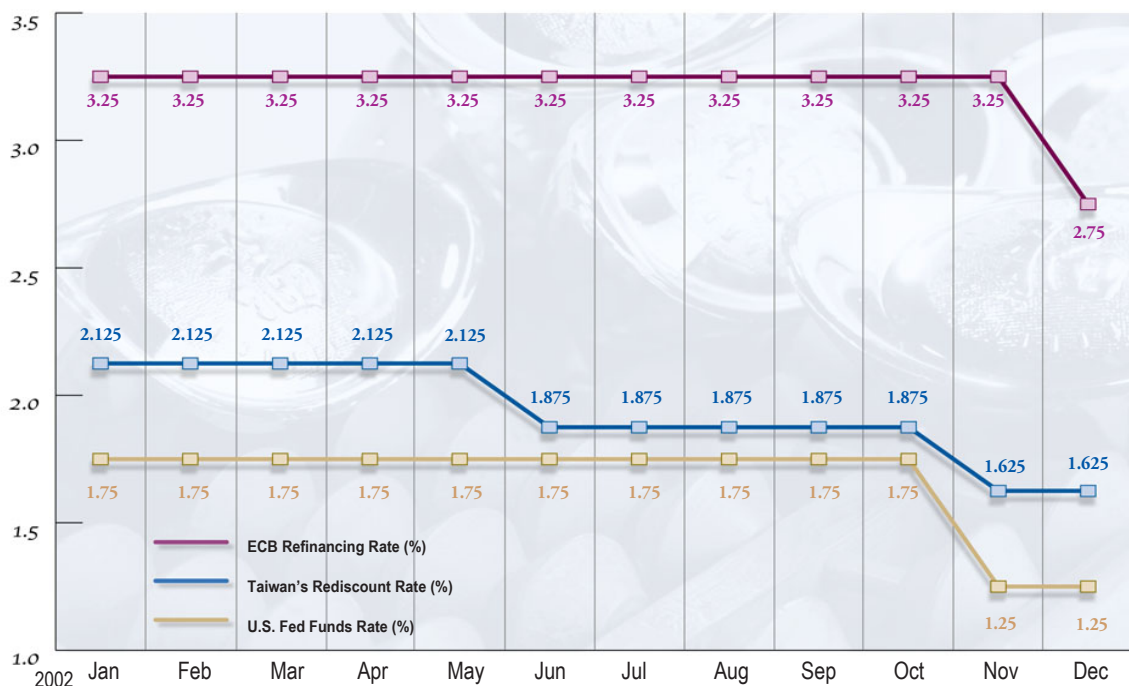
loans in the financial sector continued to increase. The account settlement of major Japanese banks indicated that non-performing loans in 7 major banks were 26,780 billion Japanese Yen, an increase of 48.5% from the same period of the previous year. As such, the Bank of Japan on September 18 announced plans to purchase stocks of all enterprises held by more than 10 major Japanese banks in order to assist those banks in improving their asset quality, an unprecedented policy move. The Japanese government also proposed a policy against deflation and a financial revitalization schedule, which made the end of 2004 the deadline for resolving all non-performing loans. The shadow of war between the United States and Iraq blurred the prospects of economic recovery in the United States and prospects of Japanese export growth. The World Bank estimated that the GDP growth in Japan was 0% in 2002, and economic growth would reach 0.8% in 2003.

The Domestic Economy

The economic performance of Taiwan was somewhat improved in 2002. Supported by the growth in demand in the United States, Taiwan's export growth increased. However, growth was affected by the subsequent slowdown in demand from Europe and the United States, and resulted in a worse than expected recovery in the high tech sector. As a result, the local electronics industry did not receive as many orders as expected. It was the strong demand from Mainland China that effectively boosted export growth in Taiwan, and helped to maintain double-digit growth. From January to November of 2002, exports from Taiwan to Hong Kong and the mainland represented 31.4% of the total, and surpassed the proportion of exports from Taiwan to the United States. This indicated that Mainland China has emerged as the largest export market for Taiwan.

Despite the sustained growth in exports, domestic demand remained weak due to industries relocating offshore. The Unemployment rate reached 5.0% or even higher, and limited consumption in the private sector to a mere 2%

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



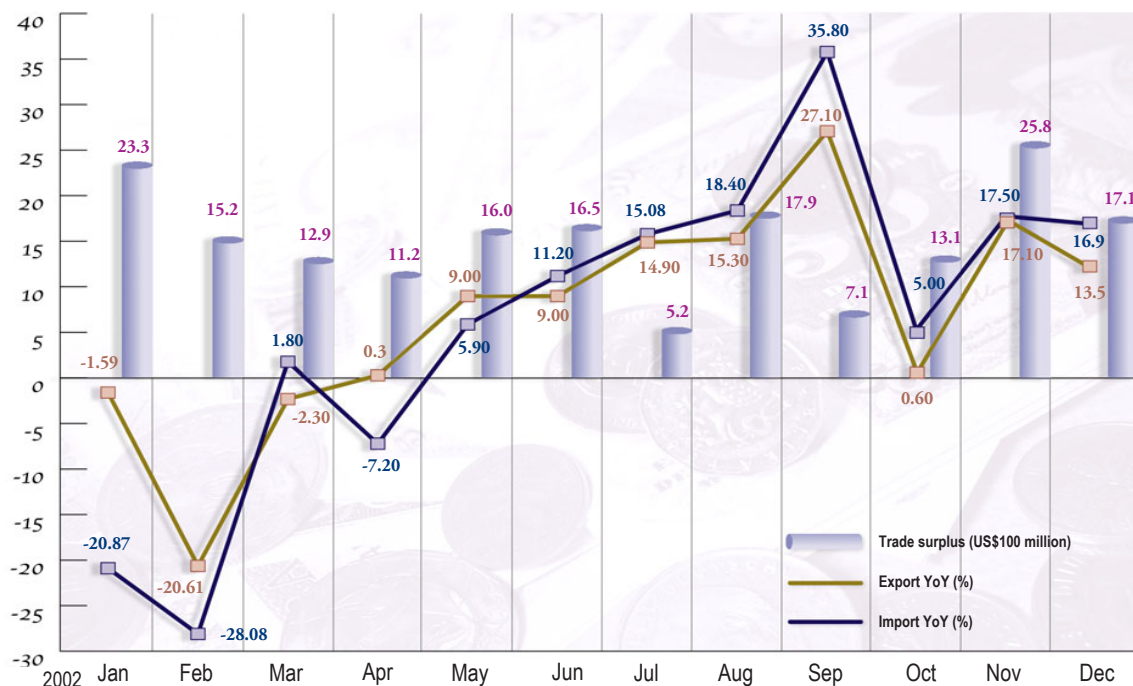


to 3%. Enterprises tended to be conservative in making investment decisions. Capital investment in the private sector during the first half of 2002 was smaller than that of the same period a year ago. Although investment growth in the 3rd quarter turned positive, it was just the result of a lower base. The weak demand in the private sector also affected public spending since the government could not raise debt as planned. This severely hampered the effort of the government in fiscal expansion and its contribution to the economy.

Financially, the weak domestic economy resulted in weak demand for capital in the industrial sector. The annual growth rate in loans remained negative since August 2001, and set a record low for the M2 money supply rate. The downward adjustment of the US Dollar in the 2nd quarter brought about the appreciation of the NT Dollar to as high as 32.876 for one US Dollar. To maintain export competitiveness, the Central Bank of China announced a reduction in the rediscount rate by a quarter of a percentage point to 1.875% on June 28 to halt the rising NT Dollar. To stimulate economic growth and tackle possible deflationary pressures, the Central Bank of China further reduced the interest rate by a quarter of a percentage point to 1.625%. Affected by the depreciation of the Japanese Yen, the NT Dollars also depreciated slightly to a level of 34.5 NT Dollar for one US Dollar.

In summary, the economic performance of Taiwan in 2002 was marginally better than that of 2001. Economic growth picked up momentum to 4.77% in the 3rd quarter of the year. Given the economic slowdown in Q4 of the year worldwide and the higher value for the base period, the Directorate of Budget, Accounting and Statistics just projected growth at the rate of 3.17%. The annual growth rate was projected at 3.27%, which was much better than the -2.18% of 2001. Recovery in 2003 would be stronger, given the enhanced recovery of the information technology (IT) sector. The government measures in lowering unemployment would bolster sustained economic growth at an annual rate of 3.38%.

Changes in Taiwan's Exports and Imports



OPERATING REPORT

Corporate Banking

In retrospect, economic performance in major economies of the world was poor in 2002. Rapid changes in the industrial environment compelled enterprises to strengthen themselves in terms of IT capacity in order to hold costs down. In addition, businesses had to think globally to enhance the competitiveness of their products. Therefore, enterprises selected their servicing banks using a much higher standard of acceptance. First of all, the service efficiency of the bank was still the primary criteria. Real time financial transactions via electronic means was a key requirement. Secondly, the scope of banking services required a large variety and diversity of financial products. In addition, banking services had to be able to meet the client's need for global logistic deployment and provide cross-border solutions. The banking industry is about to confront the challenge given under the internationalization framework of the World Trade Organization (WTO) and the emergence of mega financial holding companies. The new service team of banking professionals must be able to look beyond the scope of traditional banking in a rapidly changing and competitive environment. They must be able to provide integrated financial services across industries, national boundaries and provide efficient platforms for sustained and healthy business growth.

The goal for Corporate Banking in Bank SinoPac is clear. It is dedicated to the goal of becoming the best financial services provider for ethnic Chinese SMEs in the Pacific Rim. The management of corporate banking stressed three main structures, namely, operations, products and risk control. Bank SinoPac will continue to establish overseas locations with persistence. After the purchase of the Far East National Bank in the United States, the establishment of the Los Angeles Branch and Representative Office in Vietnam, Bank SinoPac has successfully



◆ Nei Hu Branch - established in 2002.



established a full-license branch in Hong Kong this year. This success enables Bank SinoPac to complete its platform for Cross Pacific institutional banking services. The Corporate Banking Division has formed a “Pan Asia Group” that provides one-stop service for investors from Taiwan in coordinating their operations across the Pacific region. For example, the team can provide investors in Taiwan solutions for rapid financial transactions between their logistic center in Taiwan, manufacturing base in Vietnam, trade location in Hong Kong, and marketing team in the United States.



In continually upgrading its products, Bank SinoPac has spent tremendous resources in the research and development of information technology with B-to-B e-banking service in particular. Bank SinoPac has created a core competence through the establishment of IT facilities in banking services. Strategically, Bank SinoPac seeks to integrate the electronic processing systems of major enterprises by providing customized financial services. For SMEs, Bank SinoPac provides them real-time financial transaction services via its MAb2b.com site, which covers account deposit, remittance, short-term investment, collection service, e-factoring, accounts payable management and other kinds of institutional money management. Bank SinoPac aims at providing the SMEs with efficient and safe banking services at the lowest possible cost.

As an enhancement to e-financing services, Bank SinoPac launched a simplified online export negotiation service in March 2002. Exporters could input L/C information directly on the MAb2b website and immediately confirm the credit limit for negotiation of the L/C. As of the end of 2002, there were 572 transactions in export negotiations processed online with total value of more than 507 million US Dollars. In addition, for simplifying the procedure on L/C opening for imports, online issuance of L/C was initiated in November 2002. This allows for an easy and convenient L/C application process. This service is also coupled with an online insurance service offered by Bank SinoPac so that importers could enjoy the combined services of insurance and financing.

The popular MAb2b online service has attracted more than 6,000 corporate users. In September 2002, this site was cited by Global Finance, an international financial publication, as the “World’s Best Corporate/Institutional Integrated Site”. This world-class honor recognizes the product efficiency enjoyed by institutional customers of Bank SinoPac, and the customer satisfaction which is the driving force behind Bank SinoPac’s product innovations.

Bank SinoPac has always kept strict control over all areas of risks, and address all risk areas directly and promptly. After a thorough understanding of enterprises’ operations, and verification of the loan purpose, sources of income for debt repayment, Bank SinoPac fully supports the corporate financing needs of domestic enterprises.

The year 2003 will be promising and challenging. In response to the low interest rate, fluctuating but controlled exchange rate market environment, Bank SinoPac will continue to provide different kinds of treasury products combining investments and savings features. The bank will also assist enterprises to determine the best asset portfolio mix and take active part in wealth management. For individuals, Bank SinoPac will accelerate integration of resources across its overseas locations in the Asia Pacific to structure a regional financial services platform. This platform will offer enterprises online capital management capabilities across the Pacific. As increasing competition among financial institutions is inevitable, Bank SinoPac will integrate its financial holdings resources in a wide range of financial products, expand the client base, enhance operational performance through IT innovation in order to create maximum value and benefit for its customers.



Retail Banking

The global economic recovery was mild in 2002, and unemployment remained high in many developed countries. With sliding interest rates and high problem loans in many countries, bank earnings were marginal. Financial markets were constantly undergoing rapid changes. Therefore, banks needed to persistently improve their product lines, provide integrated financial services, and exert effective management in credit risk in order to excel.

Bank SinoPac is known for its emphasis on information integration, production innovation and credit risk control in the area of consumer banking. Concentrating on its core competence, Bank SinoPac has spent maximum effort in the research and development of information technology. By using its asset management platform, the MMA[®] money management account, Bank SinoPac provides a full range of e-channel services to customers. In September 2002, Bank SinoPac was cited by Global Finance as “Asia Pacific’s Best Consumer Banking Integrated Site” and



“Taiwan’s Best Consumer E-Bank”. At the same time, the bank was recognized as one of the “2002 World’s Best Internet Banks ” alongside other major financial institutions Citigroup, Wells Fargo, Bank of America and HSBC. In product innovation, Bank SinoPac continues to enhance the MMA[®] platform and its various functions in order to ensure the leading position of this product in the market. On November 22, 2002, Bank SinoPac was given the “Best Merchandise Design Award” by the Taiwan Finance Institute.

In responding to customer needs, Bank SinoPac also launched an integrated financial product in December 2002, the MMA Family Trust Account. This account combines the features of an investment account, insurance and trust service, and is able to satisfy the needs of customers in asset planning trust as well as investments. With this product, customers have more options in personal asset management.



Since the establishment of SinoPac Holdings in May 2002, Bank SinoPac rapidly engaged in the integration of all marketing channels within its banking, securities and insurance subsidiaries. Bank SinoPac has placed retail banking capabilities in its securities arm, SinoPac Securities, and now has 82 locations providing payment, collection, and money management services. Through this form of joint effort and cross-selling efficiency, Bank SinoPac can provide customers one-stop service in banking, securities, funds, insurance and credit cards.

As of the end of December 2002, consumer loans amounted to 133,099 million NT Dollars (NTD). There were 162,282 MMA accounts with deposits of 36,986 million NTD and loans of 67,470 million NTD. The gross profit was 2,474 million NTD. In addition, there were 15,922 Prestige Banking accounts with deposits at 61,614 million NTD and 7,585 Prestige Banking accounts with loans at 34,275 million NTD. The gross profit was 1,406 million NTD. Fund sales and revolving mortgage loans yielded fee income of 179.2 million NTD in 2002. The non-



performing ratio on total consumer credit continues to be low by industry standards at 1.85% with 625.2 million NTD of write-offs, about 0.47% of total consumer loans.

International Banking

In 2002, Bank SinoPac continued to actively finance Taiwanese firms in international trade, and worked closely with its subsidiary Far East National Bank in the United States in developing trade finance and foreign exchange business. The Ministry of Finance amended its “Regulation Governing Financial Transactions between Taiwan and Mainland China” on November 16, 2001, under which direct remittance is allowed between offshore units of Taiwan financial institutions and Mainland China. The same rule also allows for financial transactions between enterprises, groups and individuals and Mainland China, and include bank deposits, foreign exchange, imports and export negotiations, collection and payment services. Bank SinoPac (including Hong Kong Branch and Los



Angeles Branch) has been approved by the Ministry of Finance in conducting such banking services and establish channels with financial institutions in Mainland China for serving investors from Taiwan. Bank SinoPac has also submitted an application for approval of direct remittance to Mainland China under the second stage of deregulation.

In 2002, Bank SinoPac's foreign exchange business grew 21.5% to reach 20,370 million US Dollars. Outward remittances amounted to 9,089 million US Dollars, and inward remittances accounted for 9,888 million US Dollars. This was followed by L/C business and collections in the amount of 1.3 billion US Dollars.

Trust Business

The trust business calls for professional services derived from the trust of customers. Since its establishment, Bank SinoPac has strictly followed its business philosophy, used its efficient banking staff and advanced information technology to provide customers the most reliable and professional banking services. After years of development, the Trust Division of Bank SinoPac has accumulated substantial experience in managing trust accounts and asset management and earned the trust and support of many customers. For future product development and in compliance with local regulations, Bank SinoPac actively engages in the design of new trust products for the needs of its customers.

In 2002, Bank SinoPac was entrusted with designated trust accounts for investing in domestic mutual funds and overseas securities. The value of such investments doubled to 65,241 million NTD. Bank SinoPac also acts as the custodian bank for domestic mutual funds issued by securities investment trust companies. Balance of assets in custody reached 148,212 million NTD as of the end of 2002. Bank SinoPac also issued 35,180 million NTD of corporate bonds for its clients. In addition, Bank SinoPac also undertakes the management of trust assets, including custody of domestic securities invested by QFIIs, employee welfare and savings funds, employee



◆ Northern Call Center - a main channel provides services and promotes financial products over the phone.



pension funds and portfolio management service for customers. In total, the asset balance of the Trust Division reached 259,377 million NTD as of the end of 2002, an increase of 47.9% from that of the previous year.

Investment Banking

The Investment Division of Bank SinoPac is responsible for investment in equity related securities, including stocks listed on the Taiwan Stock Exchange and over-the-counter stocks, and mutual funds. The division is also responsible for direct investments of the bank, including investments in related financial firms and the integration of related resources for the entire business group.

During 2002, Bank SinoPac maintained a conservative position in its investment portfolio. The bank placed 641 million NTD in long-term stocks and 152 million NTD in mutual funds. In direct investments, Bank SinoPac placed 25 million NTD in Modex Taiwan, and increased its investment in SinoPac Bancorp by 350 million NTD in 2002. The original investment of the bank in SinoPac Securities of 2,897 million NTD was fully converted into shares of SinoPac Holdings, as Bank SinoPac, SinoPac Securities and National Securities jointly established SinoPac Holdings in 2002. To integrate all direct investments of SinoPac Holdings, Bank SinoPac assigned its entire holdings in Aetna SinoPac Credit Card Co. to SinoPac Holdings.

Treasury Operations

The Treasury Department in 2002 strengthened its staff and formed an even stronger team of experienced professionals. As a result, the Department was able to provide a better array of products across a wider range of currencies in support of the bank's business units. This improved product range allowed Bank SinoPac and its customers to enjoy higher returns on their investments. This was particularly the case when clients sought to hedge market risks and yet asked for higher returns on their investments in a low interest rate environment.



◆ Treasury Division - develops new treasury and derivative products in responding to customer needs.



Already ranked among the market leaders in treasury operations, the Department developed new treasury and derivatives products during the year that gave customers more options in hedging their foreign exchange and interest rate risks.

The Treasury Department continues to rely on leading technology in enhancing its information systems. Where global economic data changes so quickly, control over market risks becomes increasingly important. Bank SinoPac regards risk aversion and stable profits as the basis for its financial growth. The Treasury Department continues to stress risk management and strengthen its Kondor+ risk evaluation system.

Human Resources

In response to the increasing diversity in money market instruments, industry changes and the integration of banking and securities in SinoPac Holdings, the Human Resources Department makes staff recruiting and development a vital part of its objectives. The bank conducts extensive recruitment programs on university campuses in order to attract high quality graduates. In addition, the bank also extends its search to senior managers of the highest quality who are able to deal with complex global businesses at home and abroad. In 2002, Bank SinoPac hired 400 new recruits and 250 with industry experience. All participate in a training program that emphasizes the corporate culture of the bank and builds on their professional knowledge in finance.



◆ SinoPac Holdings Annual Sporting Event.



In addition to year-round recruiting, Bank SinoPac also conducts continuous training and job rotation in order to develop good staff quality and depth. As of the end of 2002, Bank SinoPac has 2,084 employees of whom 84% hold university or post-graduate degrees. This energetic staff has high-quality people with average age of 30. The ratio of managers to entry-level staff is maintained at 3:7. All staff have ample opportunities for development, thus a positive working environment is maintained.

“Good human capital” remains the prime factor for the rapid and stable growth of Bank SinoPac. Bank SinoPac has also designed a complete “financial wealth management program” to train and develop a number of skilled financial consultants who can quickly provide customized solutions for customers in personal wealth management. The bank also monitors programs for employees to obtain professional licenses in financial and securities services. Bank SinoPac provides ample training for managers and conducts company-wide licensing examinations in different areas of specialization. This helps to maintain service quality and control operation risks. The bank’s Sung Shan building houses a modern training center in a comfortable environment.

Developing human resources to reach maximum potential is a long-term investment of Bank SinoPac .

■ Staff Education Level

At Dec. 31	2002		2001	
	No.	%	No.	%
Postgraduate	351	16.8	282	15.8
University	1,396	67.0	1,129	63.4
Junior College	300	14.4	331	18.6
High School	35	1.7	38	2.1
Other	2	0.1	2	0.1
Total	2,084	100	1,782	100
Training	Persons	Hours	Persons	Hours
In-house	12,711	125,441	13,233	113,231
Outside	429	9,878	584	13,027

■ Position and Seniority

At Dec. 31	2002		2001	
	No.	%	No.	%
Officer	658	31.6	592	33.2
Clerk	1,426	68.4	1,190	66.8
Avg. Age	30.54		30.87	
Avg. Seniority	3.38		3.48	



Risk Management

A. Credit Risk:

The risk management policy of Bank SinoPac requires that detailed market analyses and risk evaluations are requirements for launching new business programs. After targeting a specific market, product managers must implement a controlled strategy, make sure credit data is properly analyzed. Credit risk management is carried out throughout the transaction process with periodic review of inherent credit risks. The findings from the review process will serve as reference for future product development and target markets.

Bank SinoPac adopts the policy of risk diversification by setting credit limits to each particular account, particular group, particular industry, particular product and other firms in the industry. In addition, the bank also tries to follow the capital adequacy requirements of Basel Committee in its credit risk management.

B. Market Risk:

Last year, Bank SinoPac significantly increased the volume of foreign exchange and derivatives transactions. Quotations for such transactions had to be competitive whether they were done between customers or financial institutions. All credit risks and market risks derived from these transactions were subject to evaluation using the Kondor⁺ and risk management systems of Reuter. This system provides the following risk control in interest rate and exchange rate related financial products:

(I) Control Over Trade Limit: Routine review on the credit limit of respective financial products, limit for trading counterparties, types of trades conducted by traders and respective credit limits. Status of each credit limit can be identified at the end of each business day, and appropriate measures are taken to address risk issues.

(II) Control over Price Risk: The system makes available information on the position of respective products, their positions at the end of each day, market valuations, sensitivity analyses on trade (Duration, BPV, Delta, and Vega), profit and loss position of each trader and various other monitoring and control reports.

As per the requirement of the Basel Capital Accord on market risk, Bank SinoPac has already adopted the KVaR Risk Evaluation System of Reuter for computing the value at risk of various positions in trade. Currently, this system is in the process of fine-tuning to the qualitative and quantitative standards set forth by the Ministry of Finance for building up our own model of evaluation. The new model will be more accurate in reflecting risk, and allow the bank to take appropriate risk management action.

As of the end of 2002, Bank SinoPac was in possession of fixed return bonds amounting to 7,343 million NTD with VaR at approximately 62 million NTD. The sensitivity analysis on the fluctuation of one basis point in price was -4.3 million NTD. The value for forward contracts, forward rate agreements, interest rate swaps and foreign exchange options for trading purposes was at 315,490 million NTD. The VaR for foreign exchange was approximately 14 million NTD, and the VaR for transactions of financial derivatives for trading purposes was approximately 30 million NTD.



■ Capital Adequacy

(In NT\$ millions)	2002/12/31		2001/12/31	
	Bank SinoPac	Consolidated (1)	Bank SinoPac	Consolidated(2)
Capital				
Tier I	21,377	22,886	22,251	20,741
Tier II	2,322	2,794	489	763
Tier III	-	-	-	-
Ratio				
Tier I	11.59%	9.59%	14.06%	10.10%
Tier II	1.26%	1.17%	0.31%	0.37%
Tier III	-	-	-	-
Total	12.85%	10.76%	14.37%	10.47%

(1) The consolidated data include the accounts of Bank SinoPac, Far East National Bank, SinoPac Leasing, SinPac Capital, SinoPac Financial Consulting, SinoPac Life Insurance and SinoPac Property Insurance.

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

Summary of Credits

■ Breakdown by Business Segment

(In NT\$ millions)	2002/12/31		2001/12/31	
	Amount	%	Amount	%
Corporate	82,469	37.6	66,403	34.9
Loans	51,601	23.5	44,521	23.4
Bills & Bonds	9,509	4.3	3,427	1.8
Guarantees & Acceptances	11,080	5.1	11,329	6.0
Factoring	6,970	3.2	4,774	2.5
Derivatives	3,309	1.5	2,352	1.2
Individual	136,847	62.4	123,681	65.1
Loans	136,847	62.4	123,681	65.1
Total Credit Exposure	219,316	100.0	190,084	100.0
Growth Rate	15.4%		6.6%	

Loans 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.

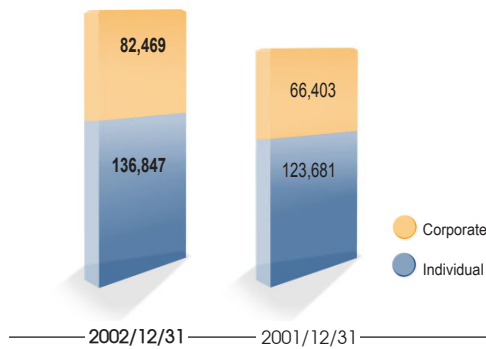
■ Corporate Credit Exposure-Distribution by Industry

(In NT\$ millions)	2002/12/31		2001/12/31	
	Amount	%	Amount	%
Manufacturing	22,706	10.4	18,693	9.8
State-owned Company	7,935	3.6	10,269	5.4
Construction	3,952	1.8	6,170	3.3
Installment & Leasing	1,953	0.9	949	0.5
Import / Export Trading	3,721	1.7	1,726	0.9
Investment Company	1,258	0.6	1,322	0.7
Financial Inst. & Security House	3,701	1.7	1,396	0.7
Transportation	960	0.4	747	0.4
Factoring	6,970	3.2	4,774	2.5
Offshore Credits	25,598	11.7	15,554	8.2
Others	3,715	1.7	4,804	2.5
Total	82,469	37.6	66,403	34.9

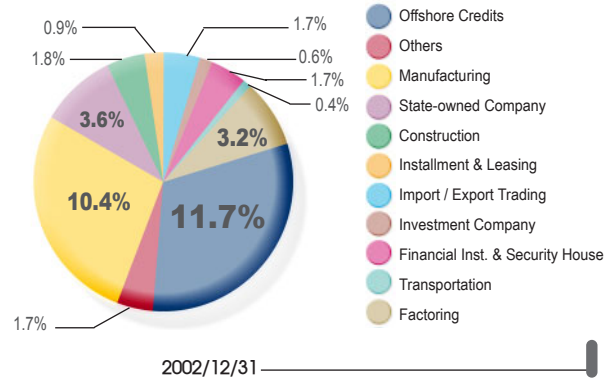
Total credit exposures include all credit facilities: loans, bills & bonds, guarantees & acceptances, factoring and derivatives.



■ Breakdown by Business Segment



■ Corporate Credit Exposure-Distribution by Industry



■ Corporate Credit Exposure - Manufacturing Industry Breakdown

(In NT\$ millions)	2002/12/31		2001/12/31	
	Amount	%	Amount	%
Iron & Steel	2,173	1.0	2,676	1.4
Textile	3,049	1.4	2,766	1.5
Electronics	11,194	5.1	9,208	4.8
Electric Appliances	2,204	1.0	555	0.3
Chemical	2,967	1.4	2,671	1.4
Food	455	0.2	307	0.2
Others	663	0.3	510	0.3
Total	22,706	10.4	18,693	9.8

■ Individual Credit Exposure

(In NT\$ millions)	2002/12/31		2001/12/31	
	Amount	%	Amount	%
Mortgage Loans	131,769	60.1	119,239	62.8
Auto Loans	376	0.2	229	0.1
Others	4,701	2.1	4,213	2.2
Total	136,847	62.4	123,681	65.1

■ Breakdown by Tenor and Security

(In NT\$ millions)	2002/12/31		2001/12/31	
	Amount	%	Amount	%
1 year or less	58,488	26.7	41,484	21.8
Over 1 year to 7 years	54,297	24.7	57,732	30.4
Over 7 years	106,531	48.6	90,868	47.8
Total	219,316	100.0	190,084	100.0
Secured	150,691	68.7	141,072	74.2
Unsecured	68,625	31.3	49,012	25.8
Total	219,316	100.0	190,084	100.0



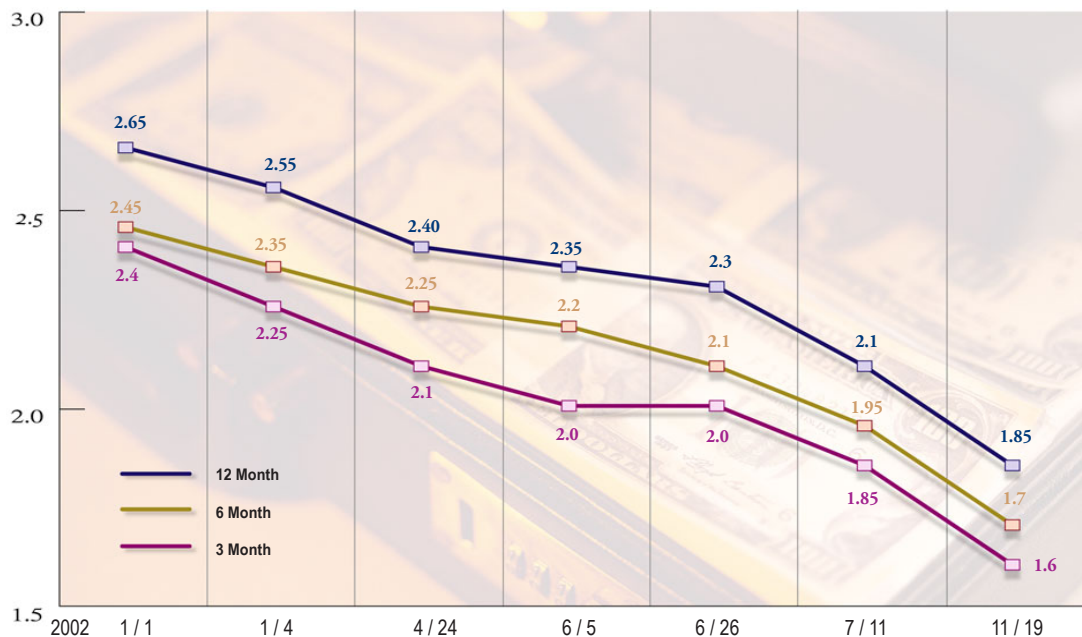
■ Summary of Overdue Credits

(In NT\$ millions)	2002/12/31	2001/12/31
	Amount	Amount
Overdue Credits	1,771	1,527
Non-Performing Loans	2,027	1,894
Total Overdue Credits	3,798	3,421
Loans under Surveillance	2,095	3,730
Loans under Surveillance / Total Loans	1.11%	2.12%
Total Overdue / Total Credits	1.73%	1.80%
Total Overdue / Total Loans	2.01%	2.03%
Provision for Credit Losses	1,200	1,000
Charge-Off	1,038	1,035
Other Real Estate Owned	380	256
Bad Debt Reserve-Loans	1,451	1,268
-Guarantee	33	103
Contingent Liabilities		
-Other Receivables	113	65
Total Bad Debt Reserve	1,597	1,436
Bad Debt Reserve/Non-Performing Loans	79%	76%

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 Deposit Rate Adjustments in 2002

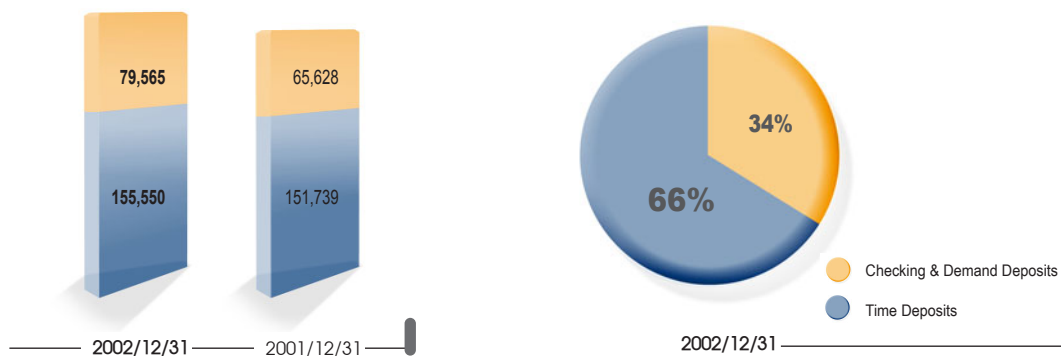




■ Summary of Deposits

(In NT\$ millions)	2002/12/31		2001/12/31	
	Amount	%	Amount	%
Checking Deposits	1,587	0.7	1,329	0.6
Demand Deposits	14,261	6.1	8,586	4.0
Foreign Currency Demand Deposits	14,901	6.3	10,729	4.9
Savings-Demand Deposits	48,816	20.8	44,984	20.7
Subtotal	79,565	33.9	65,628	30.2
Time Deposits	77,998	33.1	74,002	34.0
Foreign Currency Time Deposits	19,390	8.3	20,732	9.6
Savings-Time Deposits	58,162	24.7	57,005	26.2
Subtotal	155,550	66.1	151,739	69.8
Total Deposits	235,115	100	217,367	100
Loan to Deposit Ratio	80%		77%	

■ Summary of Deposits



■ Quasi Liquid Assets

(In NT\$ millions)	2002/12/31	2001/12/31
Cash & Near Cash	66,128	16,997
Inter-bank Assets	21,595	48,271
Security Investments	24,552	17,550
Total	112,275	82,818
Quasi Liquid Ratio	34.0%	29.7%

■ Securities Investments

(In NT\$ millions)	2002/12/31	2001/12/31
Commercial Papers	9,379	13,116
Bank Acceptances	-	10
Treasury Bills	3,940	-
Government & Corporate Bonds	8,184	3,737
Beneficiary Certificates	152	687
Listed Stocks(1)	2,897	-
Price Decline Reserve	-	-
Total	24,552	17,550

(1)As of 2002, 12, 31, the balance includes SinoPac Holdings' stock which worth 2,897 millions NTD.



■ Foreign Exchange Business

(In US\$ millions)	2002	2001
Export Negotiation & Collection	645	880
Letters of Credit & D/P, D/A	662	413
Inward Remittances	9,888	7,684
Outward Remittances	9,089	7,694
Bills Collection & Purchases	19	22
Cash & Travelers' Checks	67	73
Total	20,370	16,766

■ Summary of Income and Expenses

(In NT\$ millions)	2002		2001	
	Amount	%	Amount	%
Interest Income	11,820		14,150	
Interest on Money Market Instruments	1,271		848	
Interest Expense	6,747		9,389	
Net Interest Income	6,344	90.0	5,609	96.3
Provision for Credit Losses	1,200	17.0	1,000	17.2
Provision for Trading Losses	14	0.2	-	-
Net Interest Income After Provision for Credit Loss & Trading Loss	5,130	72.8	4,609	79.2
Fee Income (Net)	816	11.6	584	10.0
Capital Gain on Short Term Papers etc. (Net)	207	2.9	469	8.1
Capital Gain (Loss) on Stocks Trading (Net)	(6)	(0.1)	(25)	(0.4)
Gain on Long Term Investment (Net)	447	6.3	(42)	(0.7)
Foreign Exchange Gain (Net)	126	1.8	89	1.5
Other Operating Income (Net)	325	4.6	138	2.4
Operating Income	7,045	100	5,822	100
Operating and Administrative Expenses	4,394	62.4	3,971	68.2
Operating Profit	2,651	37.6	1,851	31.8
Non-operating Income (Net)	109	1.5	165	2.8
Net Profit Before Income Tax	2,760	39.2	2,016	34.6
Income Tax	505	7.2	465	8.0
Net Profit	2,255	32.0	1,551	26.6

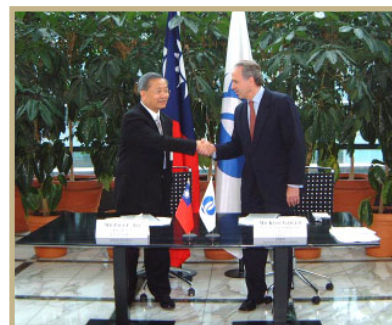


■ Gains on Long Term Investments

(In NT\$ millions)	2002/12/31			2001/12/31		
	Amount	Holding %	Gain	Amount	Holding %	Gain
Equity Method						
SinoPac Bancorp	5,033.0	100.0	290.2	4,425.1	100.0	188.6
SinoPac Leasing	2,040.7	99.77	143.3	1,915.8	99.77	50.5
Rocorp Holding	3.5	33.33	-	3.5	33.33	-
SinoPac Securities	-	-	172.4	2,725.0	80.56	20.7
Investment Advisory	-	-	-	10.5	99.40	0.3
SinoPac Capital Ltd.	898.6	99.99	-42.9	951.7	99.99	-106.2
SinoPac Financial Consulting	3.3	97.00	1.3	2.7	97.00	0.7
Aetna Sinopac Credit Card	-	-	-202.6	349.3	49.76	-228.8
SinoPac Life Insurance Agent	79.5	97.00	77.4	2.7	97.00	0.6
SinoPac Property Insurance Agent	3.8	97.00	1.8	2.7	97.00	0.8
Sub-total	8,062.4		440.9	10,389.0		-72.8
Cost Method	1,045.6		6.2	1,034.7		30.4
Less : Allowance for market value decline	-290.5			-227.5		
Total	8,817.5		447.1	11,196.2		-42.4

Significant Events in 2002

January	The 10th anniversary of the establishment of the bank and a concert celebration. “A Musical Celebration with Bank SinoPac” was held in the National Concert Hall.
May	“SinoPac Holdings”, a joint partnership of Bank SinoPac and National Securities was officially established and listed in the TAIWAN Exchange (stock code: 2890). SinoPac Holdings chose a “Single Brand”, and adopted the newly designed corporate the best logo of “SinoPac” as the symbol for providing the best financial services for communities around the Pacific.
May	Asiamoney cited Bank SinoPac as the “Best Commercial Bank” in Taiwan again.
May	Bank SinoPac entered into a “Trade Promotion Agreement” with EBRD under which financial services will facilitate trade conducted by Taiwanese firms in Central Europe, Eastern Europe and Central Asia.
July	Bank SinoPac has officially changed its Chinese name to “Jien Hwa Commercial Bank”.
July	The Off-Hours Service Branch of Tung Men Branch and Tu Cheng Branch were established.





July	Cited by Euromoney as the “Best Enterprise in Corporate Governance” and “Best Commercial Bank” in Taiwan.
August	The Off Hours banking office of Chung Hsiao Branch was established.
August	The Ku Ting Branch was opened.
August	Relocated the Sung Shan Branch with brand new space design. This branch provides full-range financial and money management services for customers.
August	“2002 SinoPac Young Artist Showcase Concert” was held in the Northern Operations Center.
September	Named winner of numerous awards by the “2002 World’s Best Internet Banks Awards” organized by Global Finance, which included the “World’s Best Corporate/Institutional Banking Integrated Site”, “Asia Pacific’s Best Consumer Banking Integrated Site”, “Asia Pacific’s Best Corporate/Institutional Banking Integrated Site”, “Taiwan’s Best Internet Bank” and “Taiwan’s Best Consumer Internet Bank”.
September	The Hong Kong Branch of Bank SinoPac was approved with a full banking license by the Monetary Control Authority of Hong Kong. It is the first private bank from Taiwan approved for a full branch license in Hong Kong.
October	The Hong Kong Branch of Bank SinoPac opened for business.
November	The “MMA®” won the “Best Merchandise Design Award” of the “1 st Outstanding Financial Professional Awards in Taiwan” held by the Taiwan Finance Institute.
December	The Nei Hu Branch was established.
December	The Shuang Ho Branch reopened.
December	Bank SinoPac was named the “Top Ten Best in Corporate Governance Asia Awards” by The Asset.



◆ The Hong Kong Branch was Opened.



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 new organizational structure that includes increases in staff and capital investment. Both corporate and individual banking services 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. FENB also has a special strategic relationship with First Sino Bank in Shanghai. Far East National Bank now has more than 300 employees with total assets of more than US\$1.4 billion.

Far East National Bank is an important service provider for U.S.-based businesses interested in expanding their products and services into and from Taiwan, Hong Kong, China and Vietnam. FENB provides a unique network on both sides of the Pacific Rim, facilitating our unparalleled ability to integrate our clients' international business interests.

To provide more diversified and expanded financial services to our customers, FENB SECURITIES, INC. was established on July 1, 2001. FENB Securities' mission is to become the client's most trusted investment professional by offering optimum products and services through a full-service bank. FENB Securities 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 insurances and Taiwan stocks.

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 senior debt, mezzanine debt, and in support of client business plans.

Far East National Bank continues to expand and direct its operation scale towards CrossPacific Financial Services and becoming a regional bank with a focus on North America and the Pacific Rim. Please visit us at www.fenb-us.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



INTERCONTINENTAL FINANCE SERVICES (ICFS)

- Professional staff to assist customers' personalized banking and investment needs in Taiwan, China and the U.S.
- CrossPacific Account (CPA)

TREASURY SERVICES

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

CASH MANAGEMENT

- Integrated Funds Management
- ACH
- Deposit Reporting
- Controlled Disbursement

CONSUMER LENDING

- Auto Loans
- Credit Cards
- Home Equity Lines of Credit & Loan
- Mortgages
- Money Management Account (MMA)

INTERNET BANKING

- Account Management
- Bill payment

CORPORATE ADVISORY

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

DEPOSITS

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

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. 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 establishment due mainly to its strong market positioning and development strategies. The company is constantly expanding its operational structure to meet 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 strategy.

SinoPac Life Insurance Agent

Established on October 1, 2000, SinoPac Life Insurance acts as the planner that provides the customers of SinoPac Holdings services in financial planning and personal risk management.

In addition to the brokerage of life insurance, SinoPac Life Insurance also customizes personal insurance policies for customers of SinoPac Holdings. Thus, customers are able to obtain one-stop services covering all their insurance and asset management needs.



Ever since its establishment, SinoPac Life Insurance has upheld the philosophy of “sustained development”. In practice, it whole-heartedly selects the life insurance products that best meet the demands of individual insurers, and provides customers of SinoPac Holdings the most advantageous packages for insurance and money management. It also seeks to provide customized and professional insurance services for each individual customer. At the same time, it continues to develop new insurance products that provide more complete and professional services in risk management and money management.

In 2002, the company reported revenue from sales of life insurance policies amounting to 187 million NTD of which the commission for “bulk products” accounted for 75% while that for “term products” accounted for the remaining 25%.

The operating guidelines for 2003 will be: 1. Strengthen delivery channels and increase staff knowledge on insurance products. The company will integrate marketing channels through SinoPac Securities and other retailing channels to deliver insurance brokerage services. 2. Develop other sources of revenue. Currently, the company works in conjunction with Bank SinoPac in conducting telephone marketing, and cross-sells the group accident insurance products to its bank deposit account customers. In addition, the insurance arm of the group will further integrate the deposit insurance product for the holders of credit cards issued by An Shin and promote the product through telephone marketing. 3. Bring in other “no frills” insurance products which are easily marketable.

SinoPac Capital Ltd.(HK)

SinoPac Capital Ltd. (HK) commenced operation in June 1999 as the first business expansion of Bank SinoPac in Asia. It is committed to serve the small and medium business enterprises in providing structured asset based financing, working capital loans, syndication loans and strategic financing to support corporate equity raising.

Although the SME market is complex, SinoPac Capital possesses the capacity to undertake risk positions and mitigate those risks to meet customers’ financing needs.

It holds a unique position in the SinoPac group by co-ordinating cross-border and cross-product selling efforts to offer a total lending solution to customers.

Its strategy is to develop itself into a relationship-based merchant-banking arm of the SinoPac group that can offer direct or structured financing to corporations.



SinoPac Property Insurance Agent

SinoPac Property Insurance has been established for two years. It also upholds the philosophy of “sustained development” and the attitude of “sincere customer service”. It has made continuous effort to develop property



insurance products that meet the needs of customers. Further, it seeks to provide the best risk management and professional services to the public, and is dedicated to act as the best “property insurance management planner” of its customers.

The company works closely with all member firms of SinoPac Holdings. In addition, the company will seek strategic alliances with property insurance companies to maintain a positive image and good operating performance, and will combine the resources of the SinoPac group to provide the most complete package for customers in investments and home protection.

The company mainly distributes fire insurance, motor vehicle insurance, accident insurance and transportation insurance products. In the future, the company will develop more advanced property insurance products for the increasing needs of its valued customers.

SinoPac Financial Consulting Corporation

SinoPac Financial Consulting was incorporated in June 1999 with goals to apply and integrate SinoPac group’s human resources, know-how, experience and expertise. This service provides corporate clients greater flexibility in raising funds to support their business expansions.

In corporate financing, SinoPac Financial Consulting distinguishes itself from its counterparts by providing the unique combination of equity and debt instruments in one capital raising solution.

Major Businesses Of The Company:

- Agency or consulting services for domestic international mergers and acquisitions
- Agency or consulting services for divestiture of businesses, divisions 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 listed companies
- Consulting services for debt instruments arrangement
- Agency, planning or consulting services for spin-off of business divisions
- 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 of investment projects





■ SUBSIDIARIES PROFILE

■ 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	330,702	305,707	24,995	15,145	2,651	2,255	1.18
SinoPac Bancorp	3,903	51,721	46,565	5,156	2,930	574	383	19,147
SinoPac Leasing Corporation	1,500	4,858	3,030	1,828	321	129	146	0.97
SinoPac Capital Ltd. (HK)	1,025	5,168	4,255	913	196	(43)	(43)	(0.19)
SinoPac Financial Consulting Co., Ltd. (unaudited)	2	6	2	4	7	2	1	6.52
SinoPac Life Insurance Agent Co., Ltd.	2	119	37	82	182	106	80	399.15
SinoPac Property Insurance Agent Co., Ltd. (unaudited)	2	5	1	4	5	2	2	9.06
Far East National Bank	3,743	51,765	46,849	4,916	1,659	661	383	2,190.83
Far East Capital Corporation	122	133	50	83	2	4	2	6.26
FENB Securities Inc.	3	21	7	14	0	12	7	2,724.64
FENB Film Corporation	0.035	103	144	(41)	0	(24)	(14)	(140,749.65)
FENB Loan Corporation	0.035	103	117	(14)	0	(24)	(14)	(140,749.65)
Grand Capital International Limited	1,039	4,805	3,460	1,345	223	120	122	4.09
SinoPac Capital (B.V.I.) Ltd.	155	156	0	156	71	(13)	(13)	(3)
Shanghai International Asset Management (Hong Kong) Co., Ltd.	36	49	10	39	39	1	1	0.11
Allstar Venture Ltd.	-	528	663	(135)	0	(0.02)	(35)	(17,611,005)
Cyberpac Holding Ltd.	139	342	289	53	34	(32)	(46)	(11.51)
Pinnacle Investment Management Limited	7	5	0	5	0.0001	(1)	(1)	(5.44)
BSP Venture Management (B.V.I.) Ltd. (unaudited)	2	1	0	1	0	(0.02)	(0.01)	(0.19)
Wal Tech International Corporation	265	837	634	203	125	0.76	(36)	(1.37)
IntellSys Corporation	165	279	86	193	189	5	4	0.26

Exchange Rate : USD/NTD : 34.753 ; HKD/NTD : 4.4562



■ Concise Company Profile

● Expressed in millions of NTD, USD, or HKD

Company	Date of Incorporation	Address	Capital	Main Business
Bank SinoPac	1992.01	B1-3F, 45, Han Ko Street, Sec. 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 112	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 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 Financial Consulting Co., Ltd. (unaudited)	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. (unaudited)	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 108	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	2001.05	350 S. Grand Avenue, 41st Floor, Los Angeles, California 90071	USD 0.001	Motion Picture Assets Management
FENB Loan Corporation	2001.05	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 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	Suite 4412-13 Cosco Tower, Grand Millennium Plaza, 183 Queen's Road 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 0.000002	Investment corporation
Cyberpac Holding Ltd.	2000.12	P.O. Box 901, East Asia Chambers, Road Town, Tartola, British Virgin Islands	USD 4	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. (unaudited)	2001.02	P.O. Box 901, East Asia Chambers, Road Town, Tartola, British Virgin Islands	USD 0.05	Investment management corporation
Wal Tech Intermation Corporation	1999.12	8F, 132, 136, Nanking E. Road, Sec.3, Taipei, Taiwan, R.O.C.	265	Leasing, international trading, and sale of machinery equipment
IntelliSys Coporation	1993.06	6F-5, 205, Tun Hua S. Road, Sec. 1, Taipei, Taiwan, R.O.C.	165	System integration consulting

Exchange Rate : USD/NTD : 34.753 ; HKD/NTD : 4.4562



■ SUBSIDIARIES PROFILE

■ 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	SinoPac Holdings	1,944,397,617	100%	0	-
	Managing Director	Yin Yen-liang	SinoPac Holdings	1,944,397,617	100%	0	-
	Managing Director	Chen Pou-tsang (Angus Chen)	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Lee Tien-chien	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Lee Chen-chia	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Lin Ying-feng	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Sheu Jong-ming	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Chen Kai-yuan	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Huang Chung-hsing	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Yeh Tien-chieng	SinoPac Holdings	1,944,397,617	100%	0	-
	Director	Chia Chen-l (C.I. Chia)	SinoPac Holdings	1,944,397,617	100%	0	-
	Resident Supervisor	Chang Tse-yao	SinoPac Holdings	1,944,397,617	100%	0	-
	Supervisor	Huang Chuen-su	SinoPac Holdings	1,944,397,617	100%	0	-
	Supervisor	Hsieh Mei-yueh	SinoPac Holdings	1,944,397,617	100%	0	-
President	Chen Pou-tsang (Angus Chen)					0	-
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 Corporation	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%	1,496	0.001%
	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 Capital Ltd. (HK)	Chairman	Paul C. Lo	Bank SinoPac	229,998,000	99.9991%	1,000	0.0004%
	Managing Director & President	Chiu Tac Chiang	Bank SinoPac	229,998,000	99.9991%	1,000	0.0004%
SinoPac Financial Consulting Co., Ltd. (unaudited)	Chairman	Paul C. Lo	Bank SinoPac	194,000	97%	0	-
	Director	Chia Chen-l (C.I. Chia)	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	David Han	Bank SinoPac	194,000	97%	0	-
	Director	Jason Chen	Bank SinoPac	194,000	97%	0	-
	Supervisor	Chen Pi-yuin (Nancy Chen Lee)	Bank SinoPac	194,000	97%	1,000	0.5%
	President	Jason Chen				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. (unaudited)	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%



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
Far East National Bank	Chairman	Paul C. Lo	SinoPac Bancorp	175,000	100%	0	-
	Director	Sheu Jong-ming	SinoPac Bancorp	175,000	100%	0	-
	Director	Chen Pou-tsang (Angus Chen)	SinoPac Bancorp	175,000	100%	0	-
	Director	Eugene Hong	SinoPac Bancorp	175,000	100%	0	-
	Director	Willington Chen	SinoPac Bancorp	175,000	100%	0	-
	Director	Robert Oehler	SinoPac Bancorp	175,000	100%	0	-
	President	Robert Oehler				0	-
Far East Capital Corporation	Chairman	Robert Oehler	Far East National Bank	350,000	100%	0	-
	Director	Jeffrey Ball	Far East National Bank	350,000	100%	0	-
	Director	Edmond Hon	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	-
	Supervisor President	Edward Kuo Edmond Hon	Far East National Bank	350,000	100%	0	-
FENB Securities Inc.	Chairman	Wang Ching	Far East National Bank	2,500	100%	0	-
	Director	Chen Chien-jung (C. J. Chen)	Far East National Bank	2,500	100%	0	-
	Director	Richard Chang	Far East National Bank	2,500	100%	0	-
	Director	Eugene Hong	Far East National Bank	2,500	100%	0	-
	Director	Robert Oehler	Far East National Bank	2,500	100%	0	-
	President	Joseph Lee				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 Capital (B. V. I.) Ltd.	Director	Paul C. Lo	SinoPac Capital Ltd.(HK)	4,450,001	100%	0	-
	Director	Chiu Tac Chiang	SinoPac Capital Ltd.(HK)	4,450,001	100%	0	-
Shanghai International Asset Management (Hong Kong) Co., Ltd.	Chairman	Zhou You-dao	A.T.S. CO., Ltd.	3,200,000	40%	0	-
	Director	Hsu Chih-chang	SinoPac Capital (B.V.I.)Ltd.	4,800,000	60%	0	-
	Director	Cai Nong-ru	A.T.S. CO., Ltd.	3,200,000	40%	0	-
	Director	Chen Ting-ko	SinoPac Capital (B.V.I.)Ltd.	4,800,000	60%	0	-
	Director	Hu Jing-gang	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	Chiu Tac Chiang	SinoPac Capital (B.V.I.)Ltd.	4,800,000	60%	0	-
	Director	Wang Ching	SinoPac Capital (B.V.I.)Ltd.	4,800,000	60%	0	-
	Director	Wu Choi-sun	SinoPac Capital (B.V.I.)Ltd.	4,800,000	60%	0	-
	Director	Lin Bin	A.T.S.CO., Ltd.	3,200,000	40%	0	-
	President	Wu Choi-sun				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.	Director	Chen Chien-jung (C. J. Chen)	SinoPac Capital (B.V.I.)Ltd.	4,000,000	100%	0	-
	Director	Hsu Swei-yuan	SinoPac Capital (B.V.I.)Ltd.	4,000,000	100%	0	-
Pinnacle investment Management Limited	Director	Chang Beng-an				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	Wang Ching	SinoPac Capital (B.V.I.)Ltd.	199,999	99.99%	0	-



■ SUBSIDIARIES PROFILE

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
BSP Venture Management (B.V.I.) Ltd. (unaudited)	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.	26,497,000	99.988%	0	-
	Director	C.S. Pien	Cyberpac Holding Ltd.	26,497,000	99.988%	0	-
	Director	Sabine Chen	Cyberpac Holding Ltd.	26,497,000	99.988%	0	-
	Supervisor	Gloria Hou	Cyberpac Holding Ltd.	26,497,000	99.988%	0	-
	President	Yeh Juei-Sheng				0	-
IntelliSys Corporation	Chairman	Bill Yang	Wal Tech International Corporation	10,325,700	62.58%	0	-
	Director	Fang Nai-chen (Joan N.Fang)	Wal Tech International Corporation	10,325,700	62.58%	0	-
		Chen Chien-jung (C. J. Chen)	Wal Tech International Corporation	10,325,700	62.58%	0	-
	Director	Dennis Lee	Wal Tech International Corporation	10,325,700	62.58%	0	-
	Director	Charlie Koo				1,544,863	9.36%
	Supervisor	Kevin H. Peng	Wal Tech International Corporation	10,325,700	62.58%	0	-
	Supervisor	S. B. Hsieh	Wal Tech International Corporation	10,325,700	62.58%	0	-
	President	Rufus R. H. Hsu				104,340	0.63%