

DISCLOSURE REQUIRED BY BUREAU OF MONETARY AFFAIRS

Disclosures regulated in directives No. 89760330, No. 89764532 and No. 0936000140 issued by the Ministry of Finance were as follows:

1.

Balance Sheet
September 30, 2008 and 2007
(In Thousands of New Taiwan Dollars)

Assets				Liabilities and stockholders' equity			
Code	Accounting Item	September 30, 2008	September 30, 2007	Code	Accounting Item	September 30, 2008	September 30, 2007
11000	Cash and cash equivalents	\$ 18,083,623	\$ 25,651,345	(30)	21000	Call loans and due to banks	\$ 51,131,661
11500	Due from Central Bank and other banks	75,878,409	184,003,491	(59)	22000	Financial liabilities at fair value through profit or loss	10,707,426
12000	Financial assets at fair value through profit or loss	36,921,665	35,438,697	4	22500	Securities sold under agreements to repurchase	3,332,114
12500	Securities purchased under agreements to resell	4,132,132	8,514,597	(51)	23000	Accounts, interest and other payables	26,547,451
13000	Accounts, interest and other receivables, net	39,302,534	32,104,737	22	23500	Deposits and remittances	786,253,613
13500	Discounts and loans, net	633,011,428	599,253,812	6	24000	Bank debentures	36,240,341
14000	Available-for-sale financial assets	46,893,487	54,324,448	(14)	24100	Bonds payable	5,654,880
14500	Held-to-maturity investments	99,143,231	2,742,915	3,515	25000	Other financial liabilities	806,516
15000	Equity investments-equity method	9,652,244	9,477,033	2	29697	Other liabilities	3,246,284
15500	Other financial assets, net	2,933,061	7,866,349	(63)	20000	Total liabilities	923,920,286
18500	Net properties	9,103,637	8,887,386	2			910,663,191
19000	Intangible assets	149,971	178,199	(16)			
19500	Other assets	6,793,965	5,700,989	19			
					31000	Capital stock	45,851,972
					31500	Capital surplus	8,194,928
					32000	Retained earnings	4,731,021
					32521	Cumulative translation adjustment	(36,178)
					32523	Unrealized gains (losses) on financial instruments	(1,044,547)
					32544	Net loss not recognized as pension cost	(648,249)
					32501	Unrealized revaluation increment on land	1,030,154
					30000	Total shareholders' equity	58,079,101
10000	Total assets	\$ 981,999,387	\$ 974,143,998	1		Total liabilities and shareholders' equity	\$ 981,999,387

2. Ratio of demand deposit, time deposit and foreign currency deposit to total deposit

(In Thousands of New Taiwan Dollars)

	September 30, 2008	September 30, 2007
Demand deposit	\$ 276,419,909	\$ 287,578,606
Demand deposit ratio	35.23%	37.47%
Time deposit	508,136,690	479,977,755
Time deposit ratio	64.77%	62.53%
Foreign currency deposit	148,923,446	154,691,338
Foreign currency deposit ratio	18.98%	20.15%

Note 1: Demand deposit ratio = Demand deposit/Total deposit.

Time deposit ratio = Time deposit/Total deposit

Foreign currency deposit ratio = Foreign currency deposit/Total deposit

Note 2: Demand deposit and time deposit shall include foreign currency deposit and government deposit.

Note 3: Postal office deposit shall be excluded.

3. Ratio of small and medium-size enterprise loan and consumer loan to total loan

(In Thousands of New Taiwan Dollars)

	September 30, 2008	September 30, 2007
Small and medium-size enterprise loan	\$ 77,108,200	\$ 76,907,995
Small and medium-size enterprise loan ratio	12.07%	12.70%
Consumer loan	352,540,969	347,411,937
Consumer loan ratio	55.17%	57.38%

Note 1: Small and medium-size enterprise loan ratio = Small and medium-size enterprise loan/Total loan.

Consumer loan ratio = Consumer loan/Total loan.

Note 2: Small and medium-size enterprises are defined in the standards for identifying small or medium-size enterprise promulgated by Ministry of Economics Affairs.

Note 3: Consumer loan shall include housing loan, house repairing loan and car loan, union welfare loan and other personal consumer loan.

4.

Statement of Income
For The Year Ended September 30, 2008 and 2007
(In Thousands of New Taiwan Dollars)

Code	Item	Current Period	Previous Period	%
41000	Interest revenue	\$ 36,331,398	\$ 30,097,582	21
51000	Interest expense	27,073,683	20,064,226	35
	Net interest	9,257,715	10,033,356	(8)
49100	Commissions and fee revenues, net	2,296,218	3,208,088	(28)
49200	Losses from financial assets and liabilities at fair value through profit or loss	(3,642,846)	(1,405,336)	159
49300	Realized gains from available-for-sale financial assets	766	10,317	(93)
49500	Income from equity investments-equity method, net	393,684	891,742	(56)
49600	Foreign exchange gain, net	1,063,080	1,421,062	(25)
49700	Impairment losses on assets	(2,092,852)	(1,215,052)	72
48005	Gains from unquoted equity instruments	36,811	35,096	5
48095	Recovery of bad debts	413,376	209,150	98
48051	Rental revenue	108,597	106,714	2
49800	Other net revenues	37,988	386,150	(90)
	Total net revenues	7,873,537	13,681,287	(42)
51500	Provision for loan losses	2,951,000	4,598,000	(36)
	Operating expenses			
58500	Personnel expenses	4,946,460	4,848,849	2
59000	Depreciation and amortization	417,673	472,390	(12)
59500	Others	2,426,417	2,413,796	1
	Total operating expenses	7,790,550	7,735,035	1
61001	(Loss) Income before Income Tax	(2,868,013)	1,348,252	(313)
61003	Income tax (benefit) expense	880,570	186,008	373
61000	(Loss) income before cumulative effect of accounting changes	(1,987,443)	1,534,260	(230)
63500	Cumulative effect of accounting changes	-	-	
69000	Net (Loss) income	(1,987,443)	1,534,260	(230)
69500	Earnings per share (in New Taiwan dollars)	\$(0.43)	\$0.33	

5. Significant financial and operating profile

a. Statement of capital adequacy

(In Thousands of New Taiwan Dollars)

Item	June 30, 2008	June 30, 2007
Capital adequacy ratios (Note)	10.25%	10.43%
1) Tier I capital	59,376,097	63,583,050
2) Tier II capital	13,070,338	8,014,807
3) Tier III capital	0	0
4) Capital deduction	12,611,870	10,487,687
Net (1+2+3-4)	59,834,565	61,110,170
Total risk—based assets	583,527,842	585,970,766
Ratios of debt to net worth	1,590.29%	1,406.56%

Note 1: Capital adequacy ratio = Eligible capital/Risk-based assets. Pursuant to the Banking Law and related regulations, the capital adequacy ratio should be computed at the end of June and December.

b. Assets quality

(In Thousands of New Taiwan Dollars, %)

Item	September 30, 2008	%	September 30, 2007	%
Over loans-Class A	\$ 8,702,487	1.36	\$ 12,326,347	2.04
Over loans-Class B	587,325	0.09	1,117,667	0.18
Total Overdue loans	9,289,812	1.45	13,444,014	2.22
Allowance for credit losses	5,953,433	-	6,161,474	-
Write-off amounts of credits (Note4)	2,897,515	-	3,975,936	-
Over loans with debt negotiation exempted from reporting as a non-performing loan	179,779	-	288,686	-
Over receivables with debt negotiation exempted from reporting as a non-performing loan	-	-	-	-

Note 1: Overdue loans represent the amounts of reported overdue loans pursuant to "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans" issued by the MOF.

Note 2: Over loans-Class A and Class B represent the amounts of reported overdue loans as required by the Banking Bureau letters dated April 19, 2005 (Ref. No. 0941000251)

Note 3: Overdue loans Ratio = Overdue loans / Outstanding loans balance.

Note 4: Write-off amounts of credits = Accumulated write-off amounts of credits for the six months ended September 30, 2008 and 2007.

c. Management information

1) Concentration of credit extensions

(In Thousands of New Taiwan Dollars, %)

	September 30, 2008		September 30, 2007	
Credit extensions to interested parties	\$ 6,055,053		\$ 5,316,817	
Ratios of credit extensions to interested parties	0.91 %		0.83 %	
Ratios of credit extensions secured by pledged stocks	0.72 %		0.74 %	
Industry concentration	Industry	Percentage	Industry	Percentage
	Consumer	65.73 %	Consumer	67.01 %
	Manufacturing	15.20 %	Manufacturing	12.84 %
	Wholesaling and retailing	5.16 %	Wholesaling and retailing	5.94 %

Note 1: Consist of loans and bills purchased (including import and export bill negotiations), acceptances and guarantees.

Note 2: Ratios of credit extensions to interested parties = credit extensions to interested parties/ total credit extensions.

Note 3: Ratios of credit extensions secured by pledged stocks = credit extensions secured by pledged stocks/ total credit extensions.

Note 4: The amounts of credit extensions to interested parties are required to be computed pursuant to the Banking Law.

Note 5: Consist of the following industries required by the Central Bank : agriculture,forestry fishing and grazing ; mining and soli excavation ; manufacturing ; utility and gas ; construction ; wholesale,retail,food and beverage ; shipping,storage and communications ; finance,insurance and real estate ; general services and other.

2) Information of investees of Bank SinoPac

September 30, 2008

(In Thousands of New Taiwan Dollars and Foreign Currencies , %)

Name of Investee	Original Investment Amount	Percentage of Ownership
SinoPac Bancorp	USD 112,306	100.00
SinoPac Leasing Corporation	999,940	99.7683
SinoPac Capital Limited	HKD 229,998	99.9991
SinoPac Property Insurance Agent Co., Ltd	2,000	100.00
SinoPac Life Insurance Agent Co., Ltd	2,000	100.00
Taiwan Financial Asset Service Corp.	100,000	5.88
Mondex Taiwan Inc.	4,935	6.69
Lien An Co.	1,250	5.00
Cathy Venture Capital Corporation	24,000	5.00
Boston Life Science Venture Corporation	100,000	5.00

Note: Only include percentage of ownership above 5%.

3) Policy of provisions on credit and investment losses

a) Allowance for credit losses and provision for losses on guarantees

In determining the allowance for credit losses and provision for losses on guarantees, the Bank assesses the collectibility on the balances of discounts and loans, accounts receivables, interest receivables, other receivables, nonperforming loans, and other financial assets, as well as guarantees and acceptances as of the balance sheet dates.

Pursuant to “Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Non-performing/Non-accrual Loans” (the “Regulations”) issued by the Banking Bureau, the Bank evaluates credit losses on the basis of the estimated collectibility. In accordance with the Regulations stated above, the loan assets divided into different classes subject to assets that requires special mentioned, assets that are substandard, assets that are doubtful, and assets for which there is loss. The minimum allowance for credit losses and provision for losses on guarantees for the aforementioned classes should be 2%, 10%, 50% and 100% of outstanding credits, respectively.

Write-offs of loans falling under the Banking Bureau guidelines, upon approval by the board of directors, are offset against the recorded allowance for credit losses. Recovery of loans written off on the current year is recorded as reverse of allowance whereas recovery of loans written off on the previous years is recorded as other revenue.

b) Provision for investment losses

1. Available-for-sale Financial Assets

If an available-for-sale financial asset is determined to be impaired, the accumulative unrealized loss previously recognized in equity attributable to the Bank shareholders is recognized as impairment loss and reported in income statement. For equity investments, loss reversal is adjusted to the equity attributable to the Bank shareholders. For debt investments, loss reversal is credited to current income.

2. Held-to-Maturity Investments

If a held-to-maturity financial asset is determined to be impaired, the impairment loss is recognized and reported in income statement. Loss reversal is credited to current income and should not be more than the carrying amount had the impairment not been recognized.

3. Equity Investments-Equity Method

Equity investments are accounted for by the equity method if the Bank has significant influence over the investees. Under this method, investments are stated at cost plus (or minus) a proportionate share in net earnings (losses) or changes in net worth of the investees. Goodwill is not amortized but test annually for impairment since January 1, 2006. Until December 31, 2005, any difference between the acquisition cost and the equity in the investee is amortized over 15 years.

4. Other Financial Assets

Investments in equity instruments that do not have a quoted market price in an active market, and whose fair value cannot be reliably measure, are measured at cost. If there is objective evidence that a financial asset is impaired, an impairment loss is recognized and reversal of impairment loss is prohibited.

4) Matters requiring special notation

September 30 , 2008

Causes	Summary and Amount
Within the past one year, a responsible person or professional employee, in the course of business, violated the law, resulting in an indictment by a prosecutor.	None
Within the past one year, a fine was levied on Bank SinoPac for violations of the related regulations	1. The Financial Supervisory Commission (FSC) has imposed an administrative fine of NT\$1 million upon the Bank after the Bank's Yenping Branch violated Article 12-1, paragraph 1 of the Banking Act, which provides that when a bank extends a loan for the purchase of an owner-occupied home, if it obtains sufficient collateral to cover the mortgage it is not allowed to require that the borrower provide a joint and several guarantor for any reason whatsoever. The amount of the fine was set in accordance with Article 132 of the Banking Act.
Within the past one year, misconduct occurred that resulted in the Financial Supervisory Commission imposing strict corrective measures.	None
Within the past one year, the loss from one incident or the total losses from employee corruption, periodic events of a material nature, or failure to abide by the "Guidelines for the Maintenance of Soundness of Financial Institutions" exceeded NT\$50 million dollars.	None
Other	<p>1. Cause of the case: The Securities and Futures Investors Protection Center (SFIPC) added the Bank and SPL as additional defendants for joint and several compensation liabilities to the Procomp Informatics Ltd. case on the ground that Procomp Informatics Ltd. provided US\$10 million deposit with the Bank's Sunshan Branch and limited the usage as a condition for short-term loan to Addie International Limited granted by SPL.</p> <p>The value of the object of litigation: \$4,470,000 thousand.</p> <p>Period to bring up a litigation state - first session was August 1, 2005.</p> <p>Main parties: SFIPC, Procomp Informatics Ltd., Yeh Shu-Fei, the Bank and SPL.</p> <p>Status: The Court of First Instance rules in favor of the Bank but this judgment is not a final verdict.(March 11,2008)</p>

Note : The term "within the past one year" means the one-year prior to the balance sheet date.

d. Profitability

Item		For the Year Ended September 30, 2008	For the Year Ended September 30, 2007
Return on total assets	Before income tax	(0.29)%	0.14%
	After income tax	(0.20)%	0.16%
Return on net worth	Before income tax	(4.83)%	2.12%
	After income tax	(3.35)%	2.41%
Profit margin		(25.24)%	11.21%

Note 1: Return on total assets = Income before (after) income tax/Average total assets

Note 2: Return on net worth = Income before (after) income tax/Average net worth

Note 3: Profit margin = Income after income tax/Total operating revenues

Note 4: Income before (after) income tax represents income for the year ended September 30, 2008 and 2007.

e. Information of average amount and average interest rate of interest-earning assets and interest-bearing liabilities

(In Thousands of New Taiwan Dollars)

	For the Year Ended September 30, 2008		For the Year Ended September 30, 2007	
	Average Balance	Average Rate (%)	Average Balance	Average Rate (%)
<u>Interest-earning assets</u>				
Due from Central Bank and other banks	\$ 43,446,681	2.12	\$ 42,816,527	2.45
Call loans to banks (placement)	57,823,310	3.24	64,397,586	4.61
Financial assets at fair value through profit or loss	17,969,907	2.66	79,111,022	2.48
Available-for-sale financial assets	99,381,333	2.28	88,970,093	2.06
Discounts and loans	618,367,334	3.49	590,850,220	3.61
Accounts receivable - factoring	12,953,152	3.85	11,169,530	5.47
Held-to-maturity investments	50,388,317	2.28	2,591,669	6.19
Securities purchased under agreement to resell	5,177,373	1.82	6,905,035	1.66
Other financial assets	1,915,454	1.49	5,183,959	6.67
<u>Interest-bearing liabilities</u>				
Due to the Central Bank and other banks	20,623,643	2.64	11,036,896	2.34
Call loans (taken)	26,852,281	3.10	48,025,949	3.90
Demand deposits	103,956,394	0.60	106,462,567	1.44
Savings-demand deposits	161,506,993	0.60	168,200,454	0.58
Time deposits	279,819,073	2.60	239,684,484	2.99
Savings—time deposits	221,671,888	2.55	203,153,094	2.20
Negotiable certificates of deposit	18,000,701	2.15	33,128,663	1.81
Securities sold under agreement to repurchase	6,505,952	1.86	12,301,258	2.22
Bank debentures	33,258,615	2.15	30,812,267	1.10
Other liabilities - appropriated loan fund	477,015	1.02	499,343	0.94
Bonds payable	5,456,286	-	5,796,349	-

Note 1: Average amounts are calculated by the daily average balances of interest-earning assets and interest-bearing liabilities.

Note 2: Interest-earning assets and interest-bearing liabilities should be properly categorized according to accounts or the nature of each account.

f. Liquidity

Maturity Analysis of Assets and Liabilities (In TWD Dollars)

September 30, 2008

(In Thousands of New Taiwan Dollars)

	Total	The Amount of Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181-365 Days	Over 1 Year
Main capital inflow on maturity	\$922,480,337	\$223,084,691	\$119,054,262	\$61,977,621	\$71,713,738	\$446,650,025
Main capital outflow on maturity	931,817,320	176,172,883	152,234,297	136,889,791	162,352,697	304,167,652
Gap	(9,336,983)	46,911,808	(33,180,035)	(74,912,170)	(90,638,959)	142,482,373

Note: The above amounts included only New Taiwan dollar amounts held in the onshore branches of the Bank (i.e. excludes foreign currency).

Maturity Analysis of Assets and Liabilities (In U.S. Dollars)

September 30, 2008

(In Thousands of U.S. Dollars)

	Total	The Amount of Remaining Period to Maturity				
		1-30 Days	31-90 Days	91-180 Days	181-365 Days	Over 1 Year
Main capital inflow on maturity	\$ 8,699,470	\$ 3,424,269	\$ 2,303,773	\$ 1,253,489	\$ 1,095,311	\$ 622,628
Main capital outflow on maturity	8,738,796	3,792,469	1,884,803	885,072	1,300,732	875,720
Gap	(39,326)	(368,200)	418,970	368,417	(205,421)	(253,092)

Note 1: The above amounts are book value held by the onshore branches and offshore banking unit of the Bank in U.S. dollars, without off-balance amounts (for example, the issuance of negotiable certificate of deposits, bonds or stocks).

Note 2: If the overseas assets amounting to at least 10% of the total assets, there should be additional disclosures.

g. Interest-rate sensitivity information

Interest Rate Sensitivity (New Taiwan Dollars)

September 30, 2008

(In Thousands of New Taiwan Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest-rate sensitive assets	\$643,482,906	\$21,188,964	\$42,218,155	\$21,918,804	\$728,808,829
Interest-rate sensitive liabilities	358,542,077	275,977,316	59,085,318	10,228,817	703,833,528
Interest-rate sensitive gap	284,940,829	(254,788,352)	(16,867,163)	11,689,987	24,975,301
Net worth					61,434,525
Ratio of interest-rate sensitive assets to liabilities					103.55%
Ratio of interest-rate sensitive gap to net worth					40.65%

Note 1: The above amounts included only New Taiwan dollar amounts held by the onshore branches of the Bank (i.e., excluding foreign currency).

Note 2: Interest-rate sensitive assets and liabilities mean the revenues or costs of interest-earnings assets and interest-bearing liabilities are affected by interest-rate changes.

Note 3: Ratio of interest-rate sensitive assets to liabilities = Interest-rate sensitive assets/Interest-rate sensitive liabilities (in New Taiwan dollars).

Note 4: Interest-rate sensitive gap = Interest-rate sensitive assets – Interest-rate sensitive liabilities.

Interest Rate Sensitivity (USD)

September 30, 2008

(In Thousands of U.S. Dollars, %)

Items	1 to 90 Days (Included)	91 to 180 Days (Included)	181 Days to One Year (Included)	Over One Year	Total
Interest-rate sensitive assets	\$5,217,359	\$259,486	\$90,102	\$482,718	\$6,049,665
Interest-rate sensitive liabilities	3,300,575	1,718,877	122,084	167	5,141,703
Interest-rate sensitive gap	1,916,784	(1,459,391)	(31,982)	482,551	907,962
Net worth					35,980
Ratio of interest-rate sensitive assets to liabilities					117.66%
Ratio of interest-rate sensitive gap to net worth					2,523.52%

Note 1: The above amounts include only USD amounts held by the onshore branches, OBU and offshore branches of the Bank, excludes contingent assets and contingent liabilities.

Note 2: Interest-rate sensitive assets and liabilities mean the revenues or costs of interest-earnings assets and interest-bearing liabilities are affected by interest-rate changes.

Note 3: Ratio of interest-rate sensitive assets to liabilities = Interest-rate sensitive assets/Interest-rate sensitive liabilities (in U.S. dollars)

Note 4: Interest-rate sensitive gap = Interest-rate sensitive assets – Interest-rate sensitive liabilities.

h. Net positions of major foreign-currency

Net positions of major foreign-currency with market risk	September 30				
	2008		2007		
	Foreign-Currency Amounts(in Thousand)	New Taiwan Dollar Amounts(in Thousand)	Foreign-Currency Amounts(in Thousand)	New Taiwan Dollar Amounts(in Thousand)	
USD	25,671	824,806	JPY	4,512,038	1,280,787
CNY	120,834	567,177	USD	30,227	984,785
HKD	80,001	331,006	EUR	12,795	594,657
SGD	8,510	191,526	HKD	67,118	281,264
MOP	47,087	189,146	NZD	10,219	251,959

Note 1: “Major foreign currencies” mean the top five currencies with largest positions.

Note 2: “Net position of major foreign currencies” shall mean the absolute net value of each currency.