

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 Sheets
June 30, 2010 AND 2009
(In Thousands of New Taiwan Dollars, Except Par Value)

Assets			Liabilities and stockholders' equity						
Code	Accounting Item	2010	2009	%	Code	Accounting Item	2010	2009	%
		Amount	Amount				Amount	Amount	
11000	Cash and cash equivalents	59,768,898	\$10,188,782	(4)	21001	Call loans and due to banks	\$51,331,555	\$35,424,146	45
11500	Due from the central bank and other banks	73,764,918	86,076,258	(14)	22000	Financial liabilities at fair value through profit or loss	10,669,364	10,861,192	(2)
12000	Financial assets at fair value through profit or loss	18,943,852	19,326,627	(2)	22500	Securities sold under agreements to repurchase	7,118,233	1,251,677	469
13000	Accounts, interest and other receivables, net	47,685,696	41,362,998	15	23000	Accounts, interest and other payables	19,254,313	25,633,966	(25)
13500	Discounts and loans, net	692,225,184	597,826,725	16	23500	Deposits and remittances	868,620,467	793,413,146	9
14000	Available-for-sale financial assets, net	37,301,038	41,808,920	(11)	24000	Bank debentures	25,679,753	32,723,589	(22)
14500	Held-to-maturity investments, net	141,501,775	137,735,960	3	24100	Bonds payable	-	4,638,168	(100)
15000	Equity investments-equity method	7,342,520	10,891,204	(33)	25597	Other financial liabilities	2,942,250	1,538,134	91
15500	Other financial assets, net	7,522,414	2,403,943	213	29697	Other liabilities	3,042,267	3,579,700	(15)
18500	Net properties	8,854,496	8,992,691	(2)	20000	Total liabilities	988,658,202	909,063,718	9
19000	Intangible assets	985,492	1,022,114	(4)					
19500	Other assets	5,353,148	6,762,609	(21)					
					31000	Capital stock	48,218,469	44,818,469	8
					31500	Capital surplus	8,873,818	8,193,818	8
					32000	Retained earnings	5,134,561	2,132,619	141
					32001	Legal reserve	3,361,034	2,746,023	22
					32003	Special reserve	282,977	-	-
					32011	Unappropriated earnings (accumulated deficit)	1,490,550	(896,381)	266
					32500	Other adjustment	364,381	190,207	92
					32521	Cumulative translation adjustments	(57,394)	29,697	(293)
					32523	Unrealized earnings (losses) on financial instruments	157,780	(227,323)	169
					32544	Net loss not recognized as pension cost	(766,159)	(642,321)	19
					32501	Unrealized revaluation increment on land	1,030,154	1,030,154	-
					30000	Total stockholders' equity	62,591,229	55,335,113	13
10000	Total assets	\$1,051,249,431	\$964,398,831	9		Total liabilities and stockholders' equity	\$1,051,249,431	\$964,398,831	9

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

(In Thousands of New Taiwan Dollars)

	June 30, 2010	June 30, 2009
Demand deposit	371,699,452	328,873,504
Demand deposit ratio	42.81%	41.48%
Time deposit	496,558,121	464,058,233
Time deposit ratio	57.19%	58.52%
Foreign currency deposit	142,492,722	145,720,900
Foreign currency deposit ratio	16.41%	18.38%

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)

	June 30, 2010	June 30, 2009
Small and medium-size enterprise loan	90,199,347	72,445,475
Small and medium-size enterprise loan ratio	12.95%	12.01%
Consumer loan	342,789,164	339,804,875
Consumer loan ratio	49.20%	56.34%

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.
(Not including credit card circulation credit)

4.

Statements of Income
Six Months Ended June 30, 2010 AND 2009
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Item	2010	2009	%
41000	Interest revenue	\$8,659,306	\$10,022,981	(14)
51000	Interest expense	2,798,458	5,152,270	(46)
	Net interest	5,860,848	4,870,711	20
	Net revenues other than interest			
49100	Commissions and fee revenues, net	1,783,447	1,227,292	45
49200	Gains from (losses on) financial assets and liabilities at fair value through profit or loss	119,070	(251,909)	147
49300	Realized (losses on) gains from available-for-sale financial assets	(28,672)	28,799	(200)
49500	Losses on equity investments-equity method, net	(542,490)	(412,761)	31
49600	Foreign exchange gain, net	153,841	711,471	(78)
49700	(Impairment losses) reversal gains on assets	(20,972)	5,531	(479)
48005	Gains from unquoted equity instruments	10,983	10,425	5
48095	Recovery of bad debts	500,340	291,732	72
48051	Rental revenues	70,450	69,012	2
48099	Contingency losses	-	(758,868)	100
49800	Other net (losses) revenues	(70,649)	13,994	(605)
	Total net revenues	7,836,196	5,805,429	35
51500	Provision for bad debts	1,072,315	1,683,883	(36)
	Operating expenses	4,529,743	4,477,643	1
58500	Personnel expenses	2,813,514	2,648,839	6
59000	Depreciation and amortization	248,595	282,786	(12)
59500	Others	1,467,634	1,546,018	(5)
61001	Income (loss) before Income Tax	2,234,138	(356,097)	727
61003	Income tax expense	(743,588)	(505,163)	47
69000	Net income (loss)	\$1,490,550	\$ (861,260)	273
69500	Earnings per share			
	Basic earnings per share	\$0.31	\$(0.19)	

Note: Based on Statement of Financial Accounting Standards (SFAS) Interpretation No. (91) 243 and 244 and No. (95) 081 issued by the Accounting Research and Development Foundation of the Republic of China, the merger of Bank SinoPac and SinoPac Card Services Co., Ltd. was treated as a reorganization and was recorded at the book value of both entities' assets and liabilities. In addition, based on Interpretation No. (95) 141, the financial statements of Bank SinoPac as of and for the six months ended June 30, 2009 were retroactively restated, assuming the book values of the assets and liabilities of SinoPac Card Services Co., Ltd. were included. Thus, for the six months ended June 30, 2009, the net income of Bank SinoPac included the net income of SinoPac Card Services Co., Ltd. of \$35,121.

5. Statement of capital adequacy

Capital Adequacy**(In Thousands of New Taiwan Dollars, %)**

Analysis Items		Year	June 30, 2010		
			Standalone	Consolidation	
Eligible capital	Tier 1 capital		\$ 55,744,769	\$ 59,294,225	
	Tier 2 capital		13,099,995	17,985,798	
	Tier 3 capital		-	-	
	Eligible capital		68,844,764	77,280,023	
Risk-weighted assets	Credit risk	Standardized approach	598,671,136	643,226,705	
		Internal rating - based approach	N/A	N/A	
		Securitization	325,234	979,825	
	Operational risk	Basic indicator approach	24,656,312	30,157,400	
		Standardized approach/ Alternative standardized approach	N/A	N/A	
		Advanced measurement approach	N/A	N/A	
	Market risk	Standardized approach	22,986,586	23,361,011	
		Internal models approach	N/A	N/A	
	Total risk-weighted assets			646,639,268	697,724,941
	Capital adequacy rate			10.65%	11.08%
Tier 1 risk - based capital ratio			8.62%	8.50%	
Tier 2 risk - based capital ratio			2.03%	2.58%	
Tier 3 risk - based capital ratio			-	-	
Ratios of common stockholders' equity to total assets			4.59%	4.39%	
Leverage ratio			5.56%	5.59%	

Analysis Items		Year	June 30, 2009		
			Standalone	Consolidation	
Eligible capital	Tier 1 capital		\$ 48,016,693	\$ 52,651,387	
	Tier 2 capital		18,376,342	24,743,350	
	Tier 3 capital		-	-	
	Eligible capital		66,393,035	77,394,737	
Risk-weighted assets	Credit risk	Standardized approach	517,963,661	575,815,677	
		Internal rating - based approach	N/A	N/A	
		Securitization	529,307	1,512,902	
	Operational risk	Basic indicator approach	28,963,913	33,814,338	
		Standardized approach/ Alternative standardized approach	N/A	N/A	
		Advanced measurement approach	N/A	N/A	
	Market risk	Standardized approach	21,963,851	23,528,439	
		Internal models approach	N/A	N/A	
	Total risk-weighted assets			569,420,732	634,671,356
	Capital adequacy rate			11.66%	12.19%
Tier 1 risk - based capital ratio			8.43%	8.29%	
Tier 2 risk - based capital ratio			3.23%	3.90%	
Tier 3 risk - based capital ratio			-	-	
Ratios of common stockholders' equity to total assets			4.64%	4.35%	
Leverage ratio			4.91%	5.05%	

Note 1: These tables were filled according to “Regulations Governing the Capital Adequacy Ratio of Banks” and related calculation tables.

Note 2: The bank shall disclose the capital adequacy ratio for the current and previous period in annual financial reports. For semiannual financial report, the Bank shall disclose the capital adequacy ratio for the current period, previous period, and previous year end.

Note 3: The formula:

- 1) Eligible capital = Tier 1 capital + Tier 2 capital + Tier 3 capital.
- 2) Total risk - weighted assets = Risk-weighted assets for credit risk + (Capital requirements for operational risk + Capital requirement for market risk) x 12.5.
- 3) Ratio of capital adequacy = Eligible capital/Total risk - weighted assets.
- 4) Tier 1 risk - based capital ratio = Tier 1 capital/Total risk - weighted assets.
- 5) Tier 2 risk - based capital ratio = Tier 2 capital/Total risk - weighted assets.
- 6) Tier 3 risk - based capital ratio = Tier 3 capital/Total risk - weighted assets.
- 7) Ratios of common stockholders' equity to total assets = Common stock/Total assets.
- 8) Leverage ratio = Tier 1 capital/adjusted average assets (average assets - goodwill, unamortized losses on sale of non-performing loans and the amount deducted from Tier 1 capital according to “Regulations Governing the Capital Adequacy Ratio of Banks”)

6. Significant financial and operating profile

a. Assets quality

(In Thousands of New Taiwan Dollars, %)

Items		June 30, 2010				
		Non-Performing Loan (NPL) (Note 1)	Total Loans	NPL Ratio (Note 2)	Loan Loss Reserves (LLR)	Coverage Ratio (Note 3)
Corporate loan	Secured	\$ 1,494,772	\$ 133,179,533	1.12%	\$ 785,318	52.54%
	Unsecured	1,671,087	188,135,071	0.89%	1,678,039	100.42%
Consumer loan	Mortgage (Note 4)	1,071,721	361,963,401	0.30%	924,221	86.24%
	Cash card	240	62,729	0.38%	2,791	1,162.92%
	Micro credit (Note 5)	155,387	8,341,063	1.86%	1,104,749	710.97%
	Other (Note 6)	11,558	5,074,929	0.23%	48,541	419.98%
Total		4,404,765	696,756,726	0.63%	4,543,659	103.15%
		Overdue Receivables	Account Receivables	Delinquency Ratio	Allowance for Credit Losses	Coverage Ratio
Credit card		121,223	16,451,287	0.74%	383,134	316.06%
Account receivable - factoring with no recourse (Note 7)		120,511	14,686,454	0.82%	119,036	98.78%
Excluded NPL as a result of debt consultation and loan agreements (Note 8)		\$ 22,790				
Excluded overdue receivables as a result of debt consultation and loan agreements (Note 8)		946,487				
Excluded NPL as a result of consumer debt clearance (Note 9)		14,680				
Excluded overdue receivables as a result of consumer debt clearance (Note 9)		811,575				

		June 30, 2009					
Items		Non-Performing Loan (NPL) (Note 1)	Total Loans	NPL Ratio (Note 2)	Loan Loss Reserves (LLR)	Coverage Ratio (Note 3)	
Corporate loan	Secured	\$ 1,925,907	\$ 90,042,602	2.14%	\$ 681,713	35.40%	
	Unsecured	2,516,984	159,972,016	1.57%	1,971,519	78.33%	
Consumer loan	Mortgage (Note 4)	2,810,589	338,665,203	0.83%	1,158,093	41.20%	
	Cash card	6,825	89,744	7.6%	12,790	187.40%	
	Micro credit (Note 5)	597,890	9,945,860	6.01%	1,448,137	242.21%	
	Other (Note 6)	Secured	22,594	4,418,405	0.51%	50,967	225.58%
		Unsecured					
Total		7,880,789	603,133,830	1.31%	5,323,219	67.55%	
		Overdue Receivables	Account Receivables	Delinquency Ratio	Allowance for Credit Losses	Coverage Ratio	
Credit card		154,190	10,891,471	1.42%	432,748	280.66%	
Account receivable - factoring with no recourse (Note 7)		1,182,100	6,352,362	18.61%	653,437	55.28%	
Excluded NPL as a result of debt consultation and loan agreements (Note 8)		\$ 59,779					
Excluded overdue receivables as a result of debt consultation and loan agreements (Note 8)		1,251,713					
Excluded NPL as a result of consumer debt clearance (Note 9)		7,966					
Excluded overdue receivables as a result of consumer debt clearance (Note 9)		570,061					

- Note 1: For Loan business: 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.
For Credit card business: Overdue receivables are regulated by the Banking Bureau dated July 6, 2005 (Ref. No. 0944000378).
- Note 2: For Loan business: $NPL\ ratio = NPL / Total\ loans$.
For Credit card business: $Delinquency\ ratio = Overdue\ receivables / Account\ receivables$.
- Note 3: For loan business: $Coverage\ ratio = LLR / NPL$
For credit card business: $Coverage\ ratio = Allowance\ for\ credit\ losses / Overdue\ receivables$.
- Note 4: Household mortgage means the purpose of financing is to purchase, build, or fix up the dwelling and provides dwelling owned by the borrower, spouse, or children to fully secure the loan.
- Note 5: Micro credit is regulated by the Banking Bureau dated December 19, 2005 (Ref. No. 09440010950) and is excluded from credit card and cash card loans.
- Note 6: Others in consumer loans refer to secured or unsecured loans excluding mortgage, cash card, micro credit, and credit cards.
- Note 7: Account receivable - factoring with no recourse as required by the Banking Bureau letter dated July 19, 2005 (Ref. No. 094000494), provision for bad debt are recognized once no compensation are made from factoring or insurance company.
- Note 8: The disclosure of excluded NPLs and excluded overdue receivables resulting from debt consultation and loan agreements is based on the Banking Bureau letter dated April 25, 2006 (Ref. No. 09510001270).
- Note 9: The disclosure of excluded NPLs and excluded overdue receivables resulting from consumer debt clearance is based on the Banking Bureau letter dated September 15, 2008 (Ref. No. 09700318940).

b. Management information

1) Concentration of credit extensions

June 30, 2010

(In Thousands of New Taiwan Dollars, %)

Rank (Note 1)	Group Name (Note 2)	Total Credit Consists of Loans (Note 3)	Percentage of Net Worth (%) (Note 4)
1	A Group (Plastics)	12,542,376	20.11%
2	B Group (Computer and peripheral equipment)	9,270,452	14.87%
3	C Group (Other electronic)	8,994,028	14.42%
4	D Group (Optoelectronic)	6,705,364	10.75%
5	E Group (Trading and consumers' goods industry)	5,800,000	9.30%
6	F Group (Building material and construction)	5,540,396	8.88%
7	G Group (Cotton and Textile)	5,516,697	8.85%
8	H Company (Non-profit organization)	4,712,500	7.56%
9	I Group (Finance and lease)	3,409,785	5.47%
10	J Company (Metal product)	2,321,563	3.72%

June 30, 2009

(In Thousands of New Taiwan Dollars, %)

Rank (Note 1)	Group Name (Note 2)	Total Credit Consists of Loans (Note 3)	Percentage of Net Worth (%) (Note 4)
1	A Group (Plastics)	12,195,568	21.61%
2	B Group (Optoelectronic)	6,493,826	11.51%
3	C Group (Other electronic)	6,323,414	11.20%
4	D Group (Building material and construction)	5,260,000	9.32%
5	E Group (Non-profit organization)	4,755,500	8.43%
6	F Group (Building material and construction)	4,360,407	7.73%
7	G Group (Cotton and Textile)	4,043,099	7.16%
8	H Group (Computer, electronic and optic)	3,922,476	6.95%
9	I Company (Optoelectronic)	3,877,753	6.87%
10	J Group (Telecommunication)	3,289,163	5.83%

- Note 1: Ranking top ten groups (excluded the government or state - owned utilities) accounting to total credit consists of loans.
- Note 2: Groups were regulated in the Supplementary Provisions to the Taiwan Stock Exchange Corporation Rules for Review of Securities Listings Law Article 6.
- Note 3: Total credit consists of loans were totalized each credit (included import bill negotiated, export bill negotiated, discounts, overdrafts, short-term loans, short-term secured loans, marginal receivables, medium-term loans, medium-term secured loans, long-term loans, long-term secured loans, and nonperforming loans), exchange bills negotiated, accounts receivable - without recourse factoring, acceptances receivable, and grantees issued.
- Note 4: Net worth of previous year-end.

2) Information of investees of Bank SinoPac
Six Months Ended June 30, 2010
(In Thousands of New Taiwan Dollars or Share, Unless Otherwise Stated)

Investee Company	Location	Main Businesses and Products	Balance as of June 30, 2010			Consolidated Investment				Note
			Percentage of Ownership	Carrying Amount	Investment Gains (Loss)	Shares	Imitated Shares	Total		
								Shares	Percentage of Ownership	
<u>Financial related enterprise</u>										
SinoPac Bancorp	California	Holding company	100.00%	\$5,725,718	\$ (847,604)	20	-	20	100.00%	Subsidiary
SinoPac Capital Limited (H.K.)	Hong Kong	Lending and financing	100.00%	1,261,885	11,939	229,998	-	229,998	100.00%	Subsidiary
SinoPac Life Insurance Agent Co., Ltd.	Taipei	Life insurance agent	100.00%	333,190	277,592	300	-	300	100.00%	Subsidiary
SinoPac Property Insurance Agent Co., Ltd.	Taipei	Property insurance agent	100.00%	21,727	15,583	300	-	300	100.00%	Subsidiary
SinoPac Bancorp	California	Holding company	100.00%	1,434,375	-	1,800	-	1,800	100.00%	Note 2
Global Securities Finance Corporation	Taipei	Securities financing	2.63%	173,496	-	19,712	-	19,712	2.63%	
Taipei Foreign Exchange Inc.	Taipei	Foreign exchange market maker	3.43%	6,800	2,173	680	-	680	3.43%	
Taiwan Futures Exchange	Taipei	Futures exchange and settlement	1.07%	21,490	-	4,720	-	4,720	1.88%	
Fuh Hwa Securities Investment Trust Co., Ltd.	Taipei	Securities investment trust and consultant	4.63%	15,000	8,700	1,500	-	1,500	4.63%	
Financial Information Service Co., Ltd.	Taipei	Planning and developing the information system of across banking institution and managing the information web system	2.28%	91,000	-	9,100	-	9,100	2.28%	
Taiwan Asset Management Corporation	Taipei	Evaluating, auctioning, and managing for financial institutions' loan	0.28%	50,000	-	5,000	-	5,000	0.28%	
Mondex Taiwan Inc.	Taipei	Information process services	6.69%	4,935	-	395	-	395	6.69%	
Taiwan Financial Asset Service Co.	Taipei	Auction	5.88%	100,000	-	10,000	-	10,000	5.88%	
Sunny Asset Management Corp.	Taipei	Purchasing for financial institutions' loan assets	1.42%	164	110	85	-	85	1.42%	
Taiwan Depository and Clearing Co.	Taipei	Securities custodian	0.08%	4,639	-	2,232	-	2,232	0.75%	
<u>Nonfinancial related enterprise</u>										
Taiwan Television Enterprise, Ltd.	Taipei	Wireless television company	4.84%	20,983	-	13,991	-	13,991	4.99%	

Note 1: Foreign-currency amounts were translated at the exchange rate as of the balance sheet date, except for foreign-currency-denominated income and expenses, which were translated to New Taiwan dollars at the average exchange rate for the six months ended June 30, 2010.

Note 2: Bank Sinopac acquired 1,800 thousand shares of preferred stocks of SinoPac Bancorp, recorded as unquoted equity instruments in January 2010.

3) Transaction Information On Financial Instruments

1-1.Domestic Transaction Information On Financial Instruments

June 30, 2010

(In Thousands of New Taiwan Dollars)

Name of Financial Instruments		Financial Statement Account	The Costs	Appraisal Adjustment	Accumulated Impairment	The Balance of Account	Measured Method	The Origin of Fair Value
stock	Listed stock	Financial assets at fair value through profit or loss	1,012,517	2,388	0	1,014,905	Fair Value	quoted market prices in an active market
		Available-for-sale financial assets	136,725	(1,160)	0	135,565	Fair Value	quoted market prices in an active market
	Unlisted equity investments	Unquoted equity instruments	1,922,882	0	0	1,922,882	Amortized Cost	
Bond	Government bonds	Financial assets at fair value through profit or loss	1,043,708	2,887	0	1,046,595	Fair Value	quoted market prices in an active market/OTC theoretical valuation
		Available-for-sale financial assets	12,364,564	84,822	0	12,449,386	Fair Value	quoted market prices in an active market/OTC theoretical valuation
	Bank debentures	Financial assets at fair value through profit or loss	368,400	29,286	0	397,686	Fair Value	quoted market prices in an active market/OTC Reference Interest Rate
		Available-for-sale financial assets	2,000,000	(5,992)	0	1,994,008	Fair Value	Discounted cash flow method
	Corporate bonds	Financial assets at fair value through profit or loss	909,600	88,331	0	997,931	Fair Value	quoted market prices in an active market/OTC Reference Interest Rate
		Available-for-sale financial assets	4,659,694	17,963	0	4,677,657	Fair Value	quoted market prices in an active market/OTC Reference Interest Rate
		Held-to-maturity investments	840,515	0	0	840,515	Amortized Cost	
others	Ecurity Instruments	Non-active market debt instruments	2,698	0	0	2,698	Amortized Cost	
	Negotiable certificates of deposit	Held-to-maturity investments	139,915,000	0	0	139,915,000	Amortized Cost	
	Commercial papers	Available-for-sale financial assets	10,637,768	(259)	0	10,637,509	Fair Value	quoted market prices in an active market
	Beneficiary certificates	Financial assets at fair value through profit or loss	645,555	(11,903)	0	633,652	Fair Value	quoted market prices in an active market

1-2 Domestic Transaction Information On Derivative Financial Instruments

June 30, 2010

(In Thousands of New Taiwan Dollars)

Item	Notional amount	Financial statement account	The balance of account	Valuation losses or gain	The Origin of Fair Value
Interest rate related contract	290,233,233	Financial Instruments at fair value through profit or loss	(123,264)	(29,149)	quoted market prices in an active market / Measurement of valuation approach /Interbank valuation
Exchange rate related contract	192,589,091	Financial Instruments at fair value through profit or loss	381,313	(55,897)	Interbank valuation/Measurement of valuation approach
Securities related contract	16,683	Financial Instruments at fair value through profit or loss	-	320	quoted market prices in an active market /Interbank valuation
Commodity related contract	178,643	Financial Instruments at fair value through profit or loss	10,652	8,348	Interbank valuation
Credit related contract	2,500,000	Financial Instruments at fair value through profit or loss	-	(1,218)	Measurement of valuation approach /Interbank valuation
Others	-		-	-	NA

2-1. Overseas Transaction Information On Financial Instruments

June 30, 2010

(In Thousands of New Taiwan Dollars)

Name of Financial Instruments		Financial Statement Account	The Costs	Appraisal Adjustment	Accumulated Impairment	The Balance of Account	Measured Method	The Origin of Fair Value	Country
Bond	Government bonds	Held-to-maturity investments	207,167	0	0	207,167	Fair Value	quoted market prices in an active market	
		Held-to-maturity investments	130,568	0	0	130,568	Amortized Cost		
	Bank debentures	Financial assets at fair value through profit or loss	2,205,119	(2,241)	0	2,202,878	Fair Value	quoted market prices in an active market	
		Available-for-sale financial assets	3,650,361	(8,893)	0	3,641,468	Fair Value	quoted market prices in an active market	
		Available-for-sale financial assets	323,039	4,777	0	327,815	Fair Value	quoted market prices in an active market	
		Available-for-sale financial assets	322,780	293	0	323,073	Fair Value	quoted market prices in an active market	
		Held-to-maturity investments	110,604	0	0	110,604	Amortized Cost		
	Corporate bonds	Financial assets at fair value through profit or loss	484,170	(14,478)	0	469,692	Fair Value	Interbank valuation	
		Financial assets at fair value through profit or loss	322,780	897	0	323,677	Fair Value	Interbank valuation	K.Y
		Available-for-sale financial assets	1,740,380	(3,565)	0	1,736,816	Fair Value	quoted market prices in an active market	
	Convertible bonds	Financial assets at fair value through profit or loss	949,605	(103,146)	0	846,459	Fair Value	quoted market prices in an active market	
	Floating rate notes	Held-to-maturity investments	82,910	0	0	82,910	Amortized Cost		

Name of Financial Instruments		Financial Statement Account	The Costs	Appraisal Adjustment	Accumulated Impairment	The Balance of Account	Measured Method	The Origin of Fair Value	Country
Bond	Agency Bond	Available-for-sale financial assets	387,247	6,569	0	393,816	Fair Value	quoted market prices in an active market	
		Available-for-sale financial assets	322,617	6,022	0	328,639	Fair Value	quoted market prices in an active market	US
		Available-for-sale financial assets	645,149	10,138	0	655,287	Fair Value	quoted market prices in an active market	DE
others	Security Instruments	Financial assets at fair value through profit or loss	408,989	(407,964)	0	1,025	Fair Value	Interbank valuation	
		Held-to-maturity investments	53,621	0	0	53,621	Amortized Cost		
		Non-active market debt instruments	89,475	0	0	89,475	Amortized Cost		
	Negotiable certificates of deposit	Held-to-maturity investments	161,390	0	0	161,390	Amortized Cost		

2-2 Overseas Transaction Information On Derivative Financial Instruments

June 30, 2010

(In Thousands of New Taiwan Dollars)

Item	Notional amount	Financial statement account	The balance of account	Valuation losses or gain	The Origin of Fair Value
Interest rate related contract	560,510,833	Financial Instruments at fair value through profit or loss	146,203	(61,986)	quoted market prices in an active market / Measurement of valuation approach / Interbank valuation
	6,163,912	Hedged derivative financial Instruments	(33,366)	89,701	
Exchange rate related contract	517,661,394	Financial Instruments at fair value through profit or loss	72,643	267,942	Interbank valuation/Measurement of valuation approach
	2,500,000	Hedged derivative financial Instruments	(18,875)	61,906	
Securities related contract	16,683	Financial Instruments at fair value through profit or loss	-	(320)	quoted market prices in an active market /Interbank valuation
Commodity related contract	285,731	Financial Instruments at fair value through profit or loss	(5,793)	(8,348)	Interbank valuation
Credit related contract	1,100,000	Financial Instruments at fair value through profit or loss	-	(39,826)	Measurement of valuation approach / Interbank valuation
Others	-		-	-	NA

2) Unamortized Losses On The Sale Of Non-Performing Loans

(In Thousands of New Taiwan Dollars)

Item	June 30, 2010	June 30, 2009
Unamortized Losses On The Sale Of Non-Performing Loans	None	None

4) Matters requiring special notation

June 30, 2010

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	<p>The Executive Yuan's Financial Supervisory Commission (FSC) fined Bank SinoPac NT \$2 million on May 6, 2010 in accordance with the Article 129 of the Banking Act, for a former employee embezzling customers' money, which is a defect in internal control and Bank SinoPac violated the Article 45-1 of the Banking Act. Besides, The employee was dismissed by Bank SinoPac under FSC's command, in accordance with Article 61-1 of the Banking Act. The missing item has been improved.</p> <hr/> <p>FSC fined Bank SinoPac NT \$4 million on May 18, 2010 in accordance with the Article 60 of the Financial Holding Company Act, for the financial consultancy contract between Bank SinoPac and the related party-SinoPac Securities Corp. The contract needed to be resolved under a special resolution by board meeting of a majority member in accordance with the Article 45 of the Act, but Bank SinoPac violated the Act above. Thus, Bank SinoPac has reviewed and improved the controlling mechanism and procedures of non-lending transactions with related parties and now in process.</p>
Within the past one year, misconduct occurred that resulted in the controlling organization imposing strict corrective measures.	None
Within the past one year, disciplinary action in the controlling organization Banking Law Article 61	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

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

c. Profitability

Item		(%)	
		Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Return on total assets	Before income tax	0.22	(0.04)
	After income tax	0.15	(0.09)
Return on net worth	Before income tax	3.58	(0.64)
	After income tax	2.39	(1.54)
Profit margin		19.02	(14.84)

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 net revenues

Note 4: Income before (after) income tax represents income for the six months ended June 30, 2010 and 2009.

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

(In Thousands of New Taiwan Dollars)

	Six Months Ended June 30, 2010		Six Months Ended June 30, 2009	
	Average Balance	Average Rate (%)	Average Balance	Average Rate (%)
<u>Interest-earning assets</u>				
Due from the Central Bank and other banks	\$22,398,572	0.42	\$21,157,644	0.48
Call loans to banks	42,347,876	0.50	67,003,036	0.86
Financial assets at fair value through profit or loss	6,319,450	1.76	14,052,608	2.58
Securities purchased under agreements to resell	149,924	0.10	667,350	0.70
Available-for-sale financial assets	29,815,832	1.57	43,136,735	1.38
Discounts and loans	679,973,206	1.90	612,573,485	2.12
Accounts receivable - factoring	8,564,406	1.17	5,130,537	3.00
Credit card receivable	11,232,900	14.37	7,223,392	13.81
Held-to-maturity investments	128,371,212	0.68	114,150,872	0.96
Other financial assets	252,184	0.55	367,805	2.27
<u>Interest-bearing liabilities</u>				
Due to the Central Bank and other banks	20,748,188	1.03	21,123,454	1.23
Call loans	23,260,275	0.34	13,959,578	0.97
Securities sold under agreements to repurchase	5,209,244	0.21	4,675,498	0.19
Demand	147,725,790	0.11	120,561,944	0.11
Savings-demand	212,578,958	0.35	173,592,776	0.45
Time	256,051,655	0.58	274,330,651	1.23
Savings—time	179,411,977	1.01	199,630,338	1.70
Negotiable certificates of deposit	26,752,659	0.37	7,669,310	0.97
Bank debentures	26,781,714	2.06	29,052,807	2.44
Other liabilities - appropriated loan fund	477,279	0.93	486,486	1.02
Bonds payable	-	-	4,831,647	-

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.

e. Liquidity

Maturity Analysis of Assets and Liabilities

June 30, 2010

(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	\$ 975,014,893	\$ 232,288,361	\$ 116,407,041	\$ 53,704,358	\$ 45,361,011	\$ 527,254,122
Main capital outflow on maturity	992,194,199	158,692,600	162,069,141	160,694,731	145,131,347	365,606,380
Gap	(17,179,306)	73,595,761	(45,662,100)	(106,990,373)	(99,770,336)	161,647,742

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

Maturity Analysis of Assets and Liabilities

June 30, 2010

(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	\$ 9,487,986	\$ 3,756,989	\$ 1,815,666	\$ 1,578,133	\$ 590,434	\$ 1,746,764
Main capital outflow on maturity	9,521,637	4,192,939	2,094,235	941,469	463,993	1,829,001
Gap	(33,651)	(435,950)	(278,569)	636,664	126,441	(82,237)

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 amount to at least 10% of the total assets, there should be additional disclosures.

f. Interest-rate sensitivity information

Interest Rate Sensitivity

June 30, 2010

(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	\$594,869,513	\$43,780,853	\$51,086,293	\$109,371,272	\$799,107,931
Interest-rate sensitive liabilities	338,357,193	370,268,601	45,555,003	16,117,505	770,298,302
Interest-rate sensitive gap	256,512,320	(326,487,748)	5,531,290	93,253,767	28,809,629
Net worth					63,345,813
Ratio of interest-rate sensitive assets to liabilities					103.74%
Ratio of interest-rate sensitive gap to net worth					45.48%

Note 1: The above amounts include only New Taiwan dollar amounts held by the onshore branches of the Bank (i.e. exclude foreign currency). In compliance with Central Bank's supervision policies, the above data is prepared for off-site monitoring by 15th of next month.

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

Note 3: Interest-rate sensitive gap = Interest-rate sensitive assets - Interest-rate sensitive liabilities.

Note 4: Ratio of interest-rate sensitive assets to liabilities = Interest-rate sensitive assets/Interest-rate sensitive liabilities (in New Taiwan dollars).

Interest Rate Sensitivity

June 31, 2010

(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	\$ 3,844,500	\$ 442,240	\$ 90,899	\$ 279,024	\$ 4,656,663
Interest-rate sensitive liabilities	2,269,433	2,170,236	213,768	13	4,653,450
Interest-rate sensitive gap	1,575,067	(1,727,996)	(122,869)	279,011	3,213
Net worth					49,933
Ratio of interest-rate sensitive assets to liabilities					100.07%
Ratio of interest-rate sensitive gap to net worth					6.43%

Note 1: The above amounts include only USD amounts held by the onshore branches, OBU and offshore branches of the Bank, and exclude contingent assets and contingent liabilities. In compliance with Central Bank's supervision policies, the above data is prepared for off-site monitoring by 15th of next month.

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

Note 3: Interest-rate sensitive gap = Interest-rate sensitive assets - Interest-rate sensitive liabilities.

Note 4: Ratio of interest-rate sensitive assets to liabilities = Interest-rate sensitive assets/Interest-rate sensitive liabilities (in U.S. dollars)

g. Net positions of major foreign-currency

	June 30					
	2010		2009			
	Foreign-Currency Amounts (in Thousand)	New Taiwan Dollar Amounts (in Thousand)	Foreign-Currency Amounts (in Thousand)	New Taiwan Dollar Amounts (in Thousand)		
Net positions of major foreign-currency with market risk	USD	50,678	1,635,784	USD	92,772	3,044,593
	CNY	242,689	1,153,891	JPY	1,635,069	561,499
	KRW	33,901,552	895,340	CNY	99,610	478,502
	HKD	94,606	392,267	INR	60,436,335	194,605
	GBP	5,324	258,620	MOP	47,016	192,935

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.