



First Financial Holding Co., Ltd.

# FFHC 1H 2010 Performance Review

- audited

Aug. 26, 2010

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# 1H 2010 Performance Summary

- One-off DTA totaled \$ 457 mn write-down in June.
- 1H 2010 Bank loan balance up 6% YoY, mainly driven by corp. loan demand (large corp. & SME).
- Overseas asset q'ty stabilized; strong domestic recovery further lowered credit cost.
- Expect mild NIM expansion in 2H after Central Bank recent 12.5bp rate hike.
- Above avg. dividend payout ratio reflects sustained policy and commitment to shareholders.

# Contents

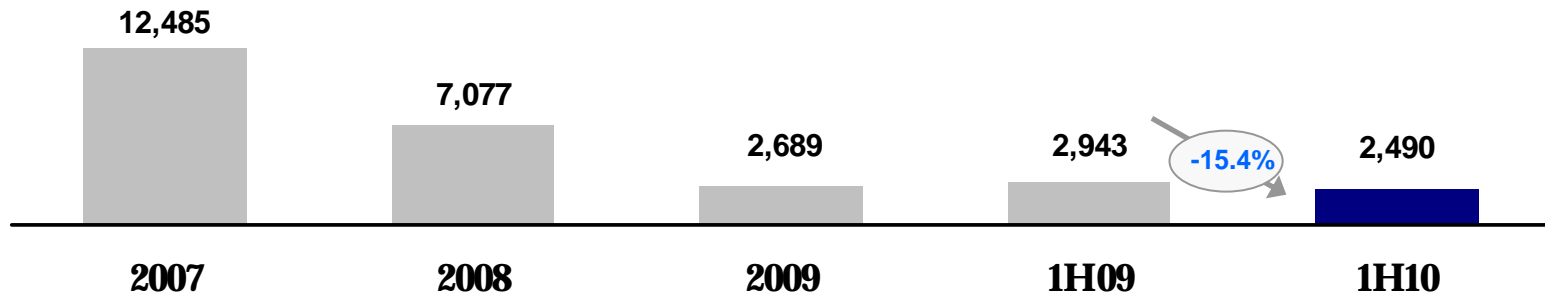
- Financial Highlight
- Operating Results
- First's Road to China
- Appendix



# 1H 2010 Financial Highlight -Audited

# 1H 2010 Financial Highlight

**Net Income Trend** (in NT\$ mn)



**Book Value Per Share**  
(in NT\$)

**15.84**  
1H09: 16.31

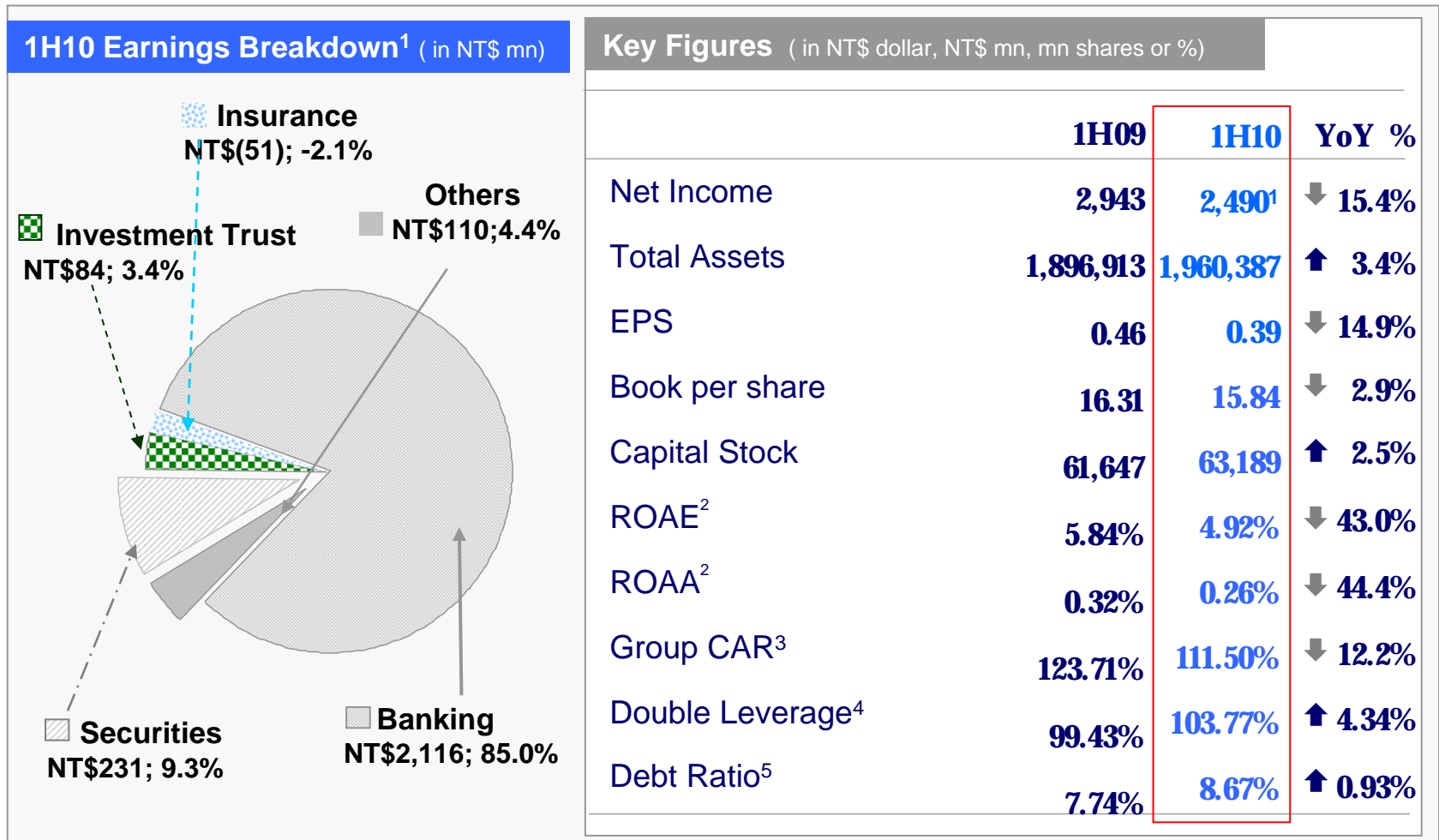
**EPS**  
(in NT\$)

**0.39**  
1H09: 0.46

**ROAE**

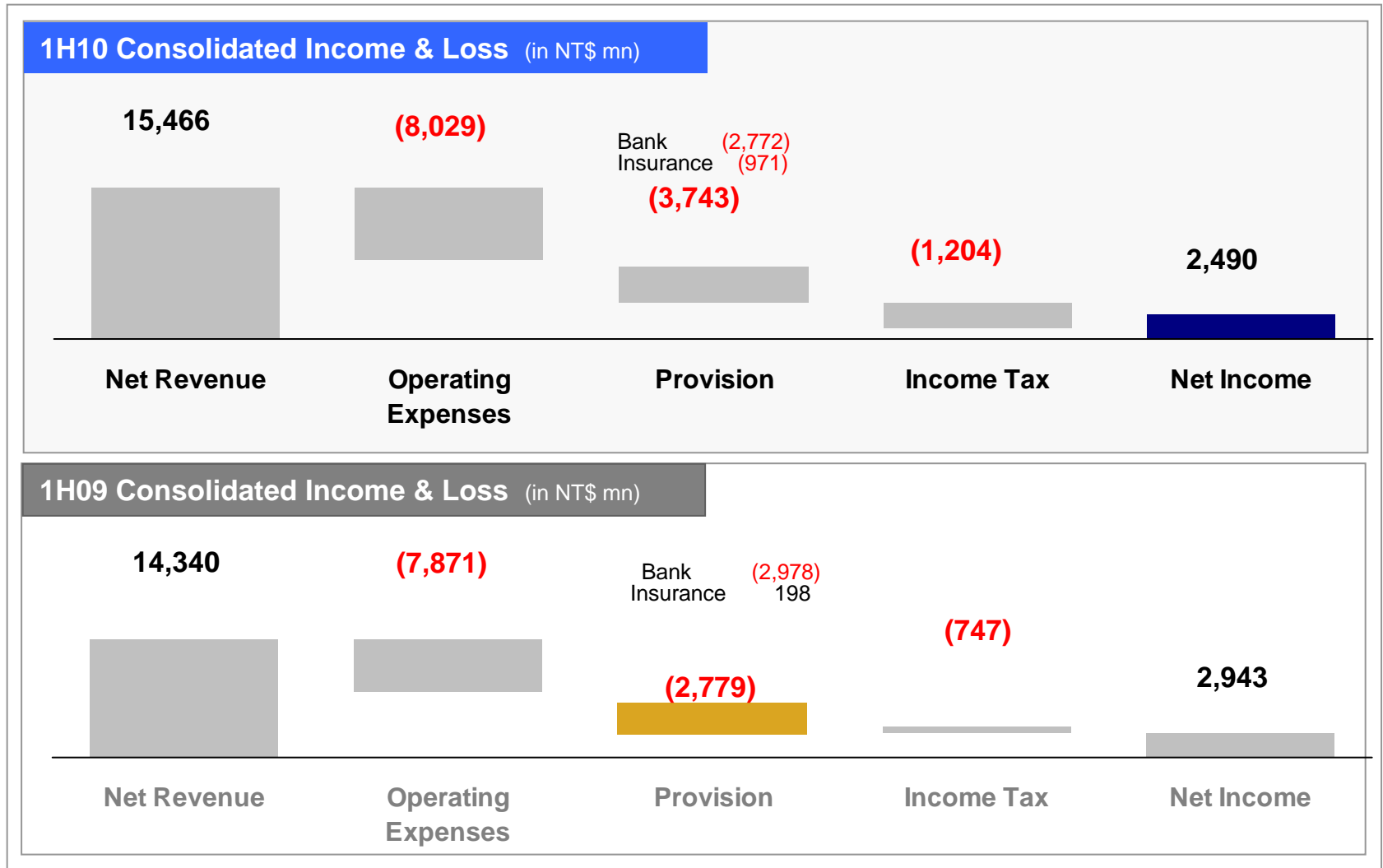
**4.92%**  
1H09: 5.84%

# 1H 2010 Key Figures



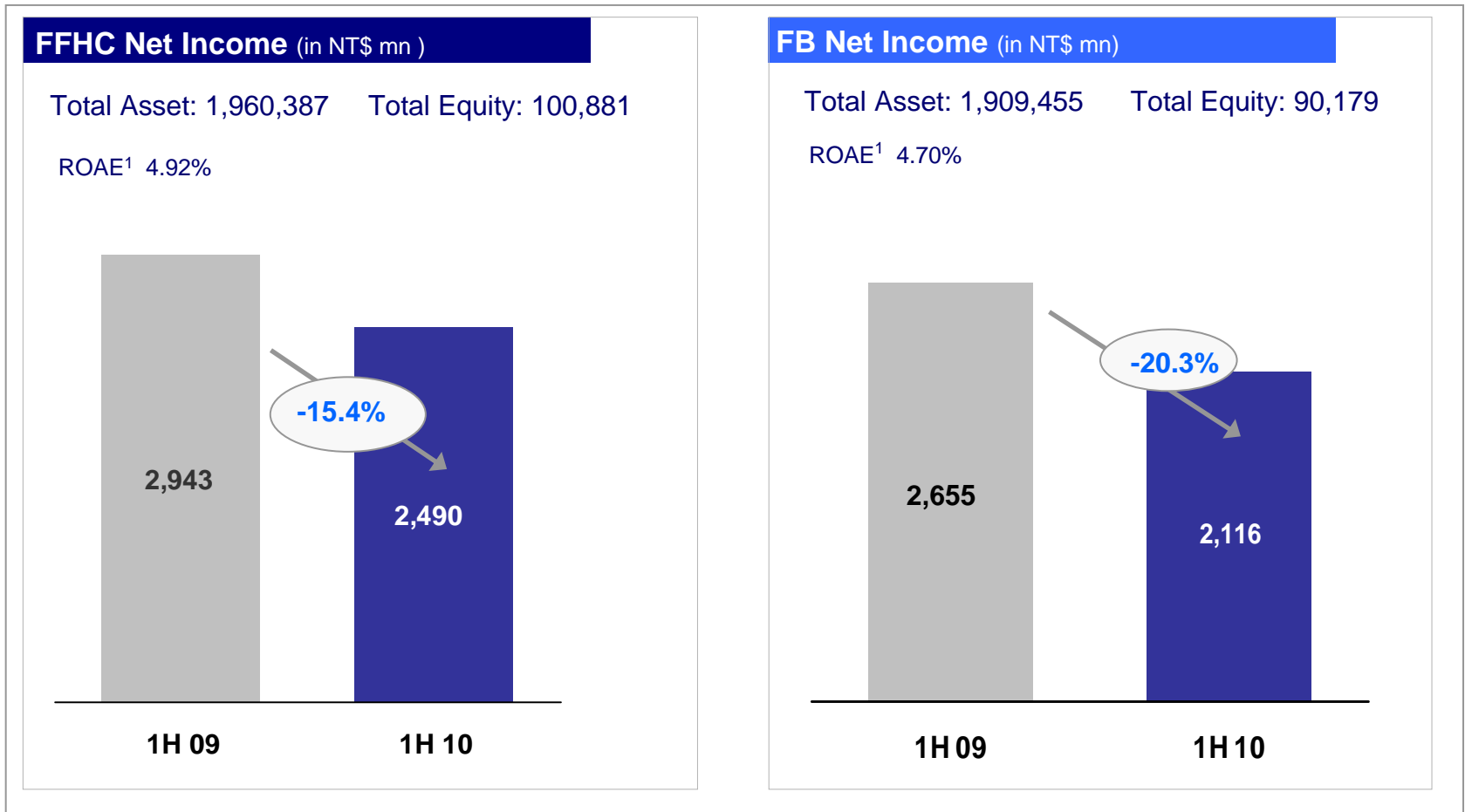
1. Based on the classification of specific company's business units, financial information by business segments should be listed individually.  
 2. Annualized figures.  
 3. CAR is updated semi-annually.  
 4. Double Leverage = Long-term Equity Investment / Shareholder Equity  
 5. Non-Consolidated basis

# 1H 2010 Net Income Overview



# Profitability-After Tax

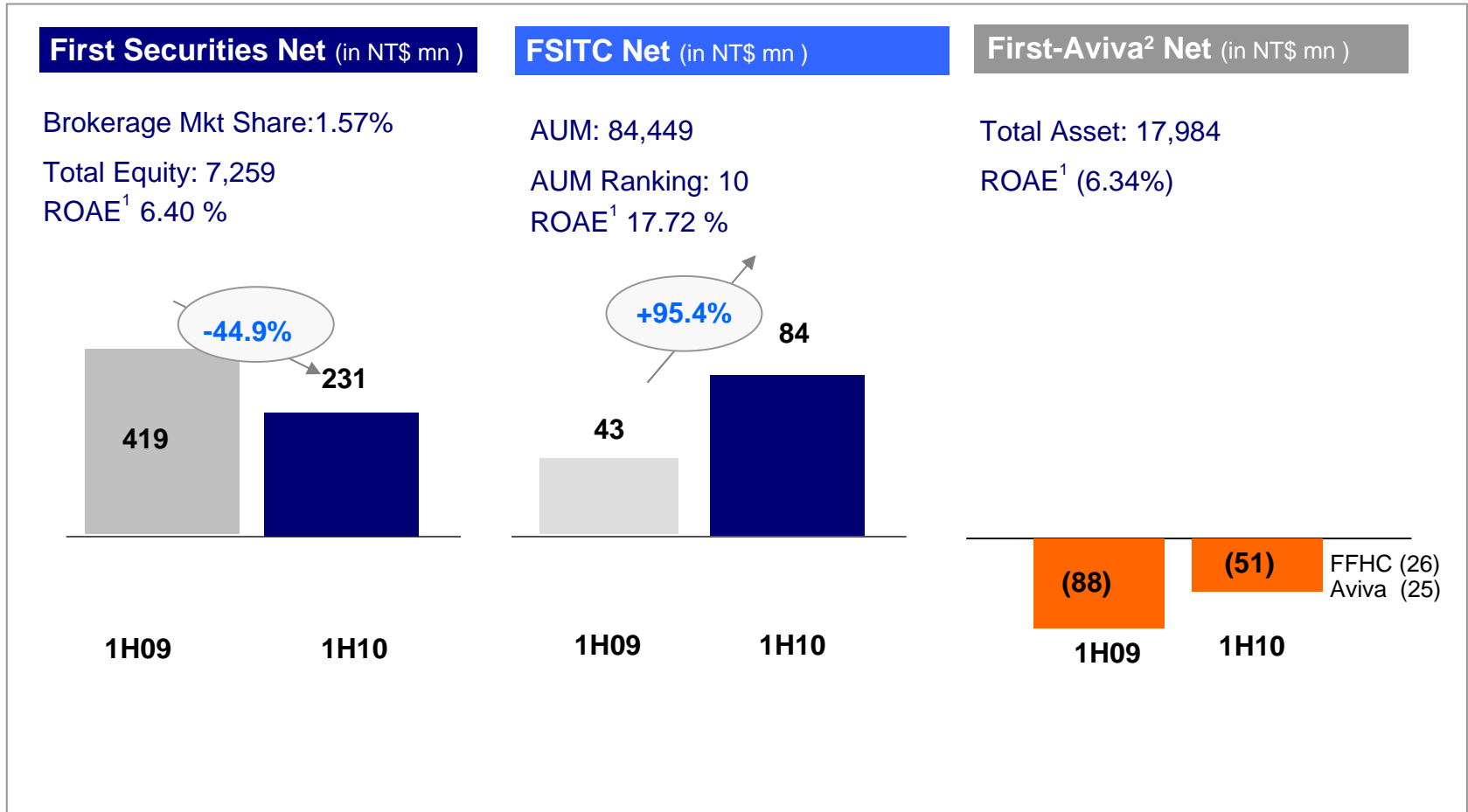
## 1H 2010 FFHC & Major Subsidiaries



1. Annualized ROAE  
2. Minority interests included

# Profitability-After Tax

## 1H 2010 FFHC & Major Subsidiaries



1. Annualized ROAE

2. Joint venture of First-Aviva, FFHC claims 51% while Aviva claims 49% of its operating results

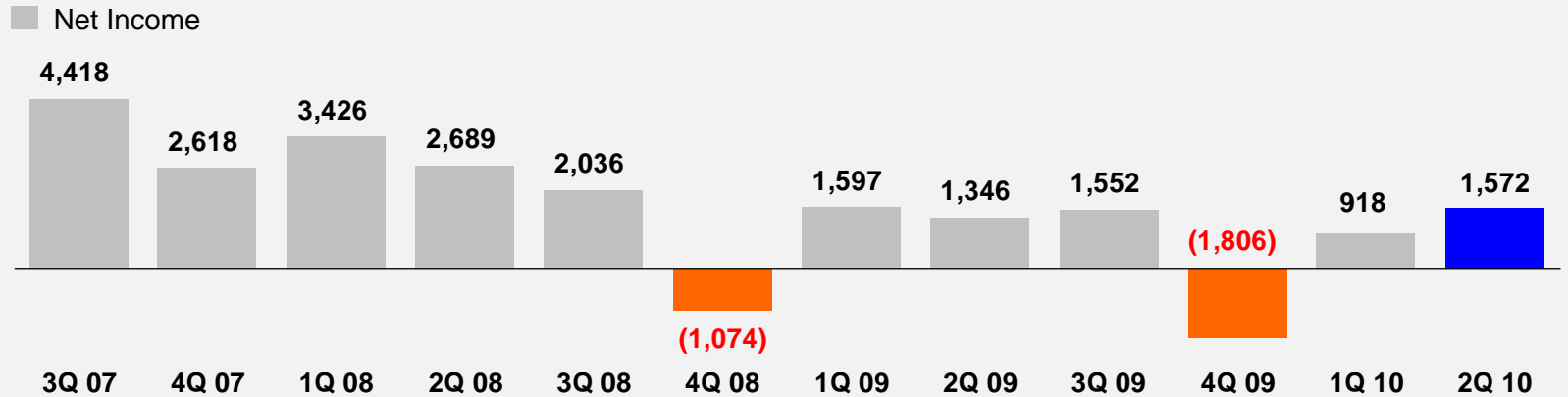


# 1H 2010 Operating Results

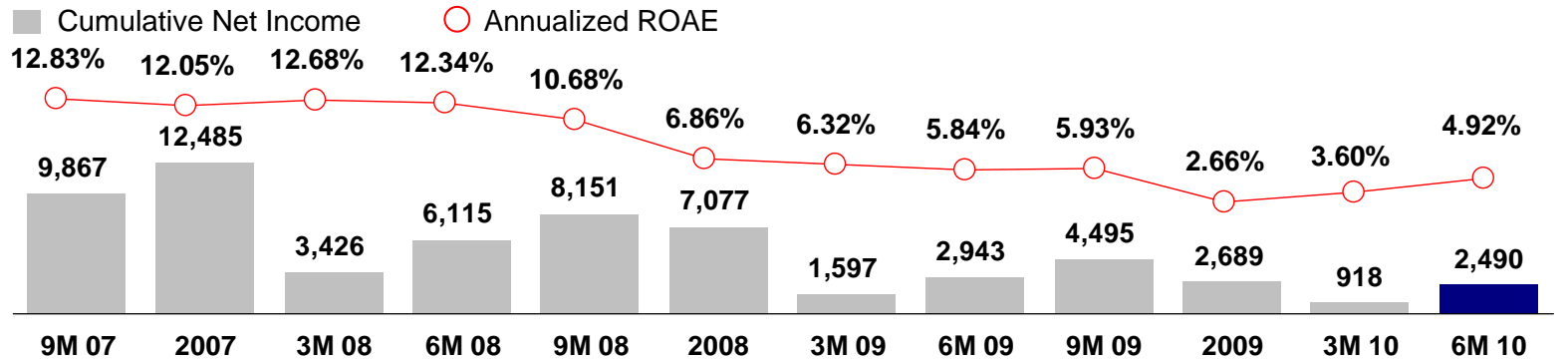
-Audited

# FFHC Profitability-After Tax

## Quarterly Net Income (in NT\$ mn)

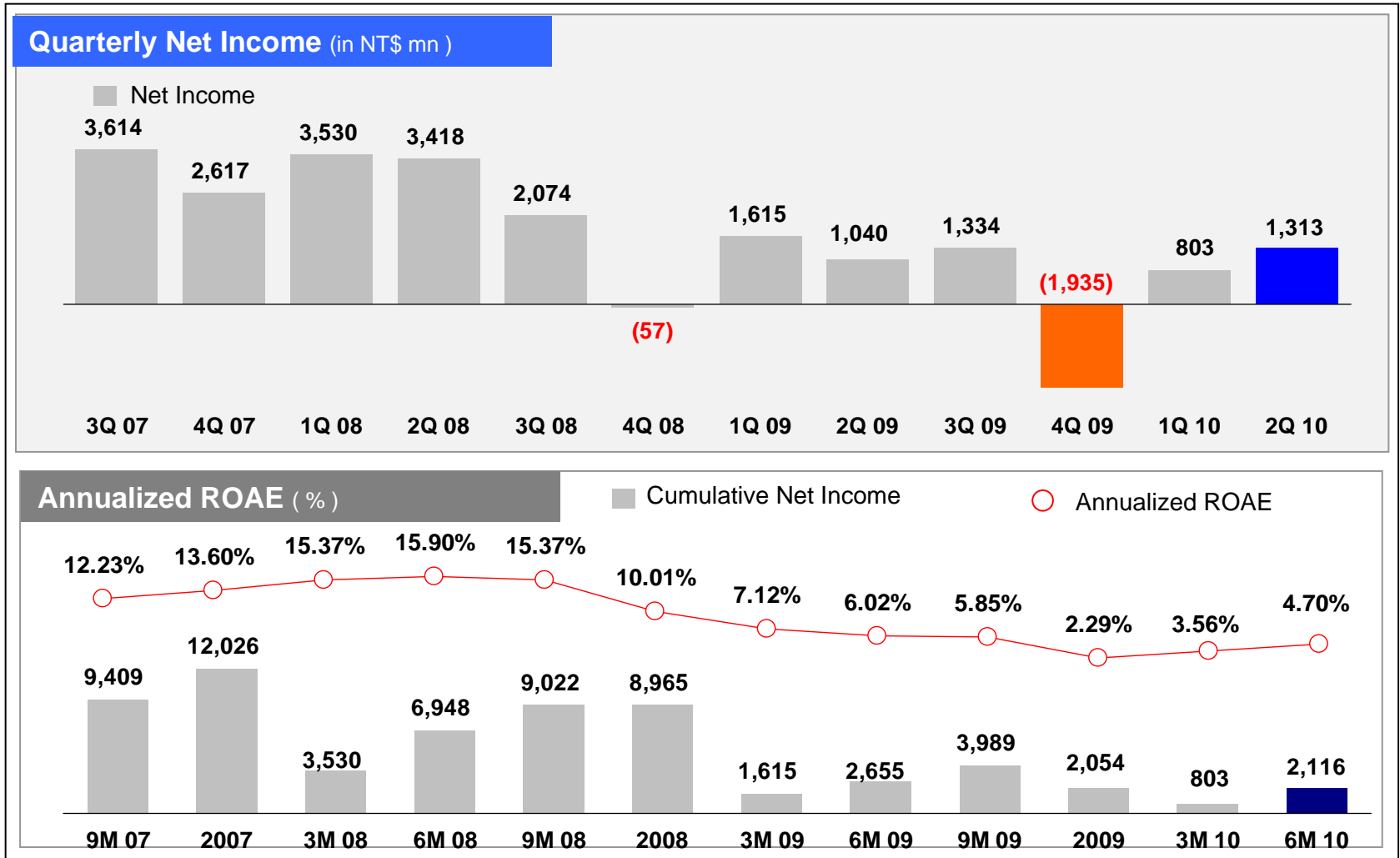


## Annualized ROAE (%)



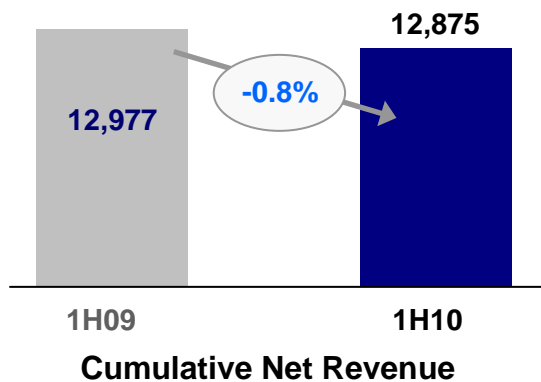
Minority interests included

# FB Profitability-After Tax



# FB 1H 2010 Revenue

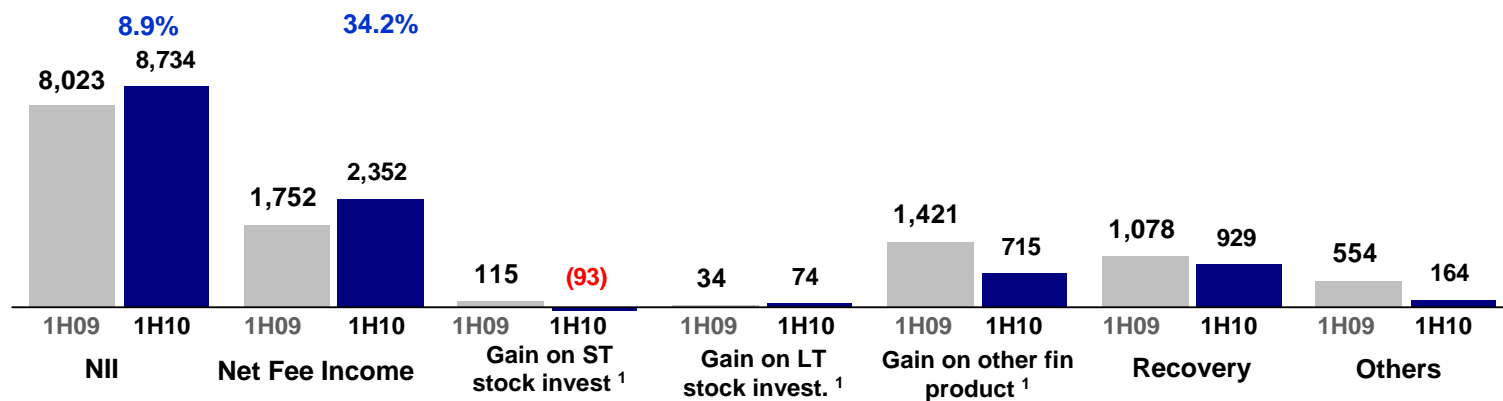
## 1H10 Cumulative Net Revenue (in NT\$ mn or %)



## % of Cumulative Net Revenue

Item	1H09	1H10	Change
NII	61.8%	67.8%	+6.0%
Net Fee	13.5%	18.3%	+4.8%
Recovery	8.3%	7.2%	-1.1%
Gain on other fin. pr. <sup>1</sup>	11.0%	5.6%	-5.4%
Gain on LT stock invest. <sup>1</sup>	0.2%	0.6%	+0.4%
Gain on ST stock invest. <sup>1</sup>	0.9%	-0.7%	-1.6%
Others	4.3%	1.2%	-3.1%
<b>Cumulative Net Revenue</b>	<b>100.0%</b>	<b>100.0%</b>	

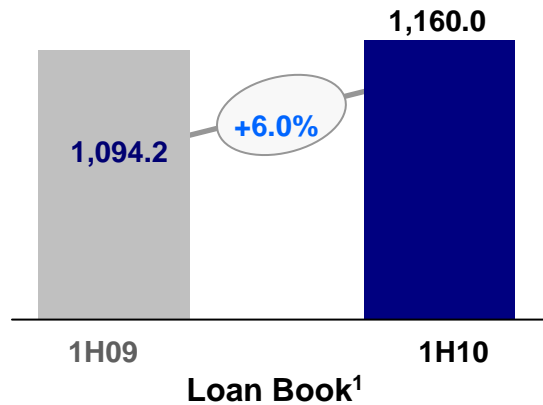
## FB 1H 2010 Cumulative Net Revenue Breakdown (in NT\$ mn)



1. Subject to final audit.

# FB 1H 2010 Loan Book Mix

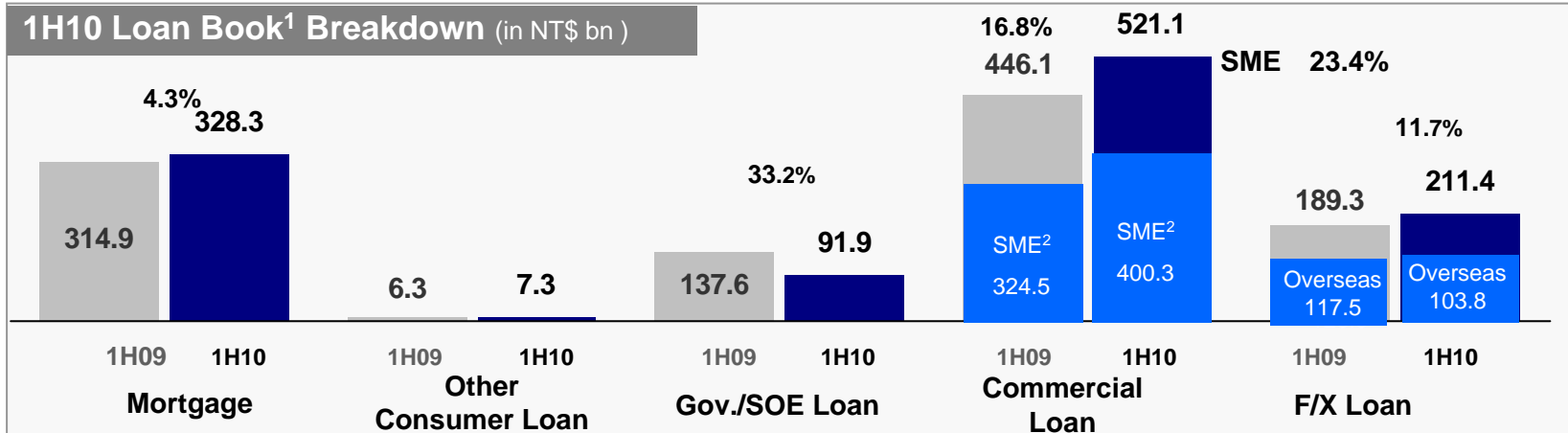
## 1H10 Loan Book<sup>1</sup> (in NT\$ bn or %)



## % of Loan Book<sup>1</sup>

Item	1H 09	1H 10	Change
<b>Consumer</b>	29.4%	28.9%	- 0.5%
Mortgage	28.8%	28.3%	- 0.5%
Other Consumer Loan	0.6%	0.6%	0.0%
<b>Corporate Banking</b>	70.6%	71.1%	+ 0.5%
Commercial Loan	40.7%	44.9%	+ 4.2%
F/X Loan	17.3%	18.3%	+ 1.0%
Gov./SOE Loan	12.6%	7.9%	- 4.7%
<b>Loan Book<sup>1</sup></b>	100.0%	100.0%	

## 1H10 Loan Book<sup>1</sup> Breakdown (in NT\$ bn)

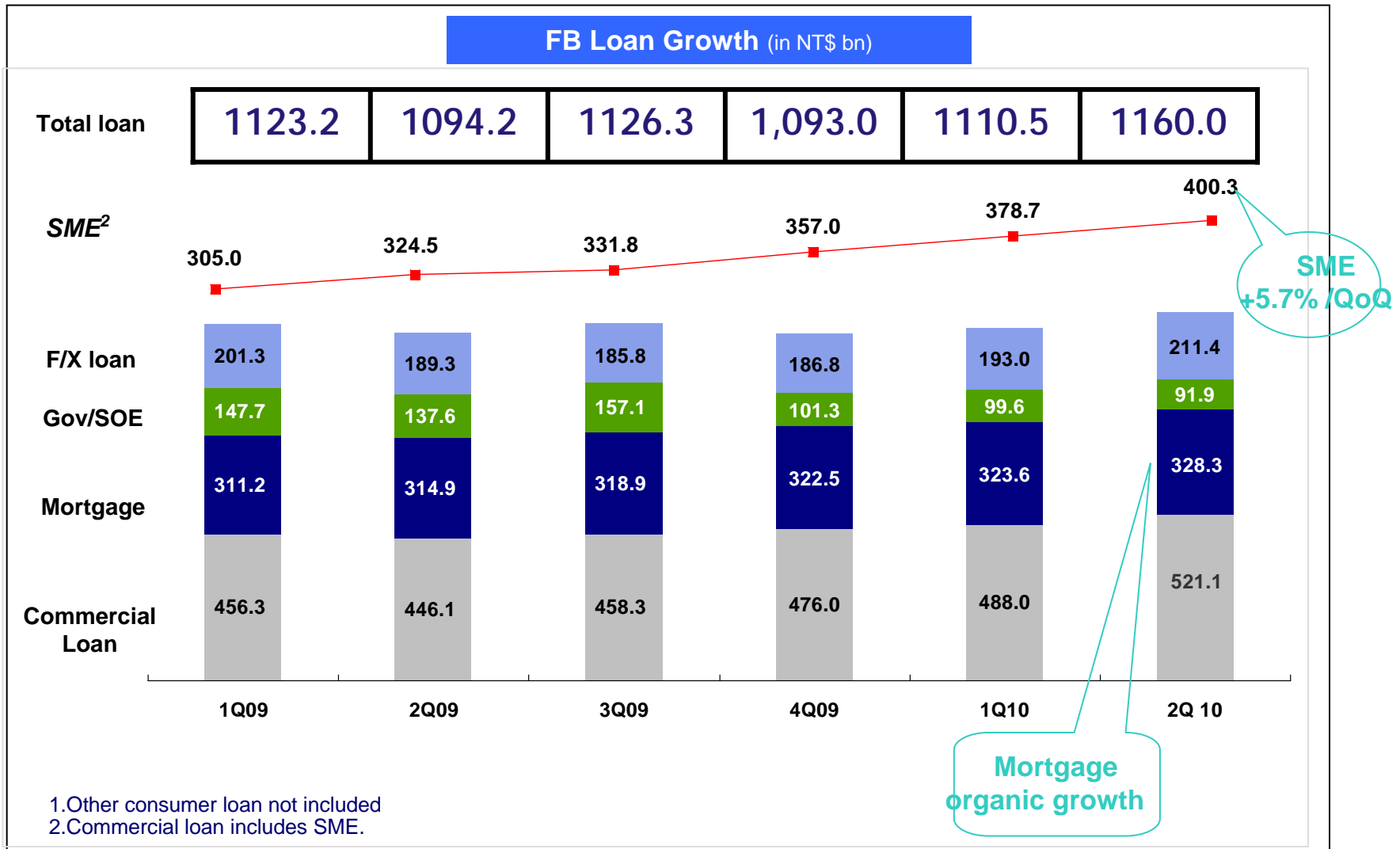


1. Loan Book does not include NALs

2. SME as defined by the "Act for Development of Small & Medium Enterprises; both NTD & Foreign currency loan included

# FB Loan Breakdown

## -QoQ Comparison

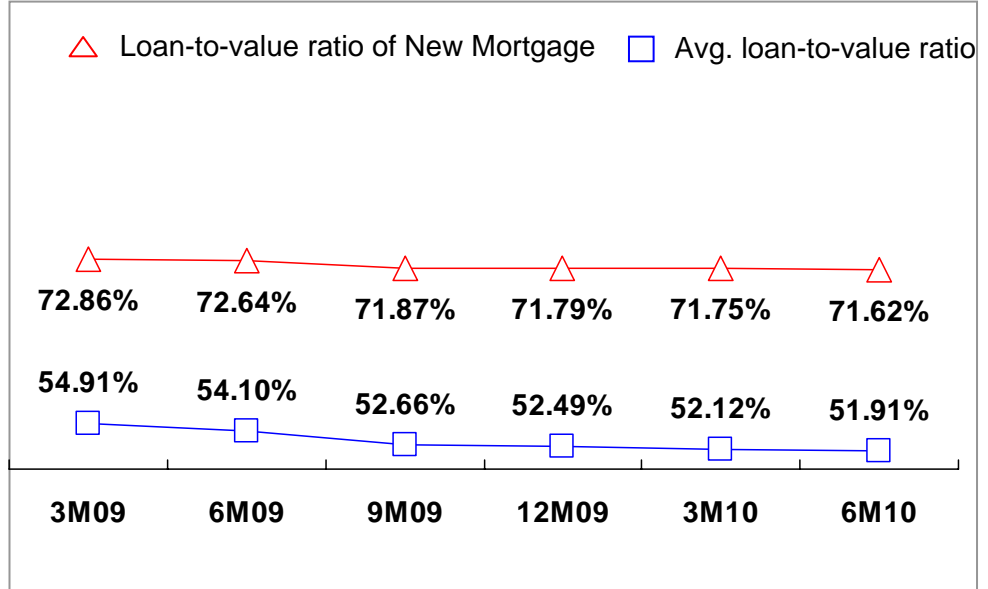


# FB 1H 2010 Mortgage Book

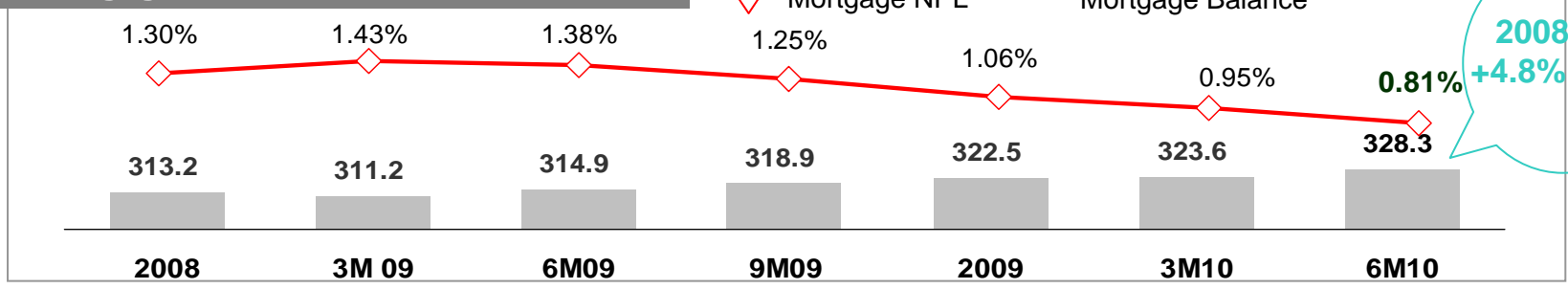
## 1H10 Mortgage by Location (in %)

Location	1H10
<b>North</b>	<b>71%</b>
TPE Metro	55%
Taoyuan/Hsinchu/Mioli	16%
<b>Central</b>	<b>9%</b>
Taichung	
<b>South</b>	<b>17%</b>
Tainan/Kaohsiung	
<b>East</b>	<b>3%</b>
<b>Total</b>	<b>100.0%</b>

## Mortgage Loan-to-Value Ratio (in %)



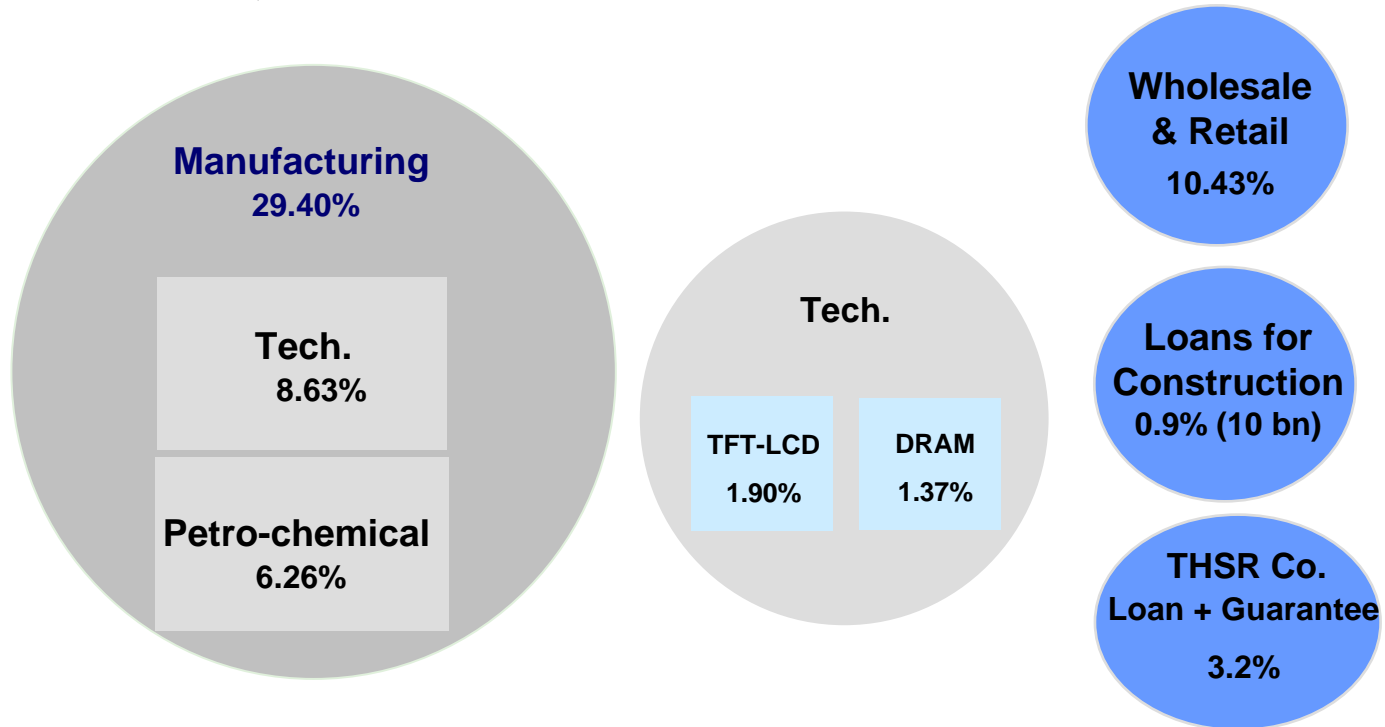
## Mortgage Balance and NPL (in NT\$ bn and %)



# Major Exposures to Specific Industries

End of 1H10\* - % of Loan to industries

Total Loan Bal.<sup>1</sup>: NT\$1,160.0 bn

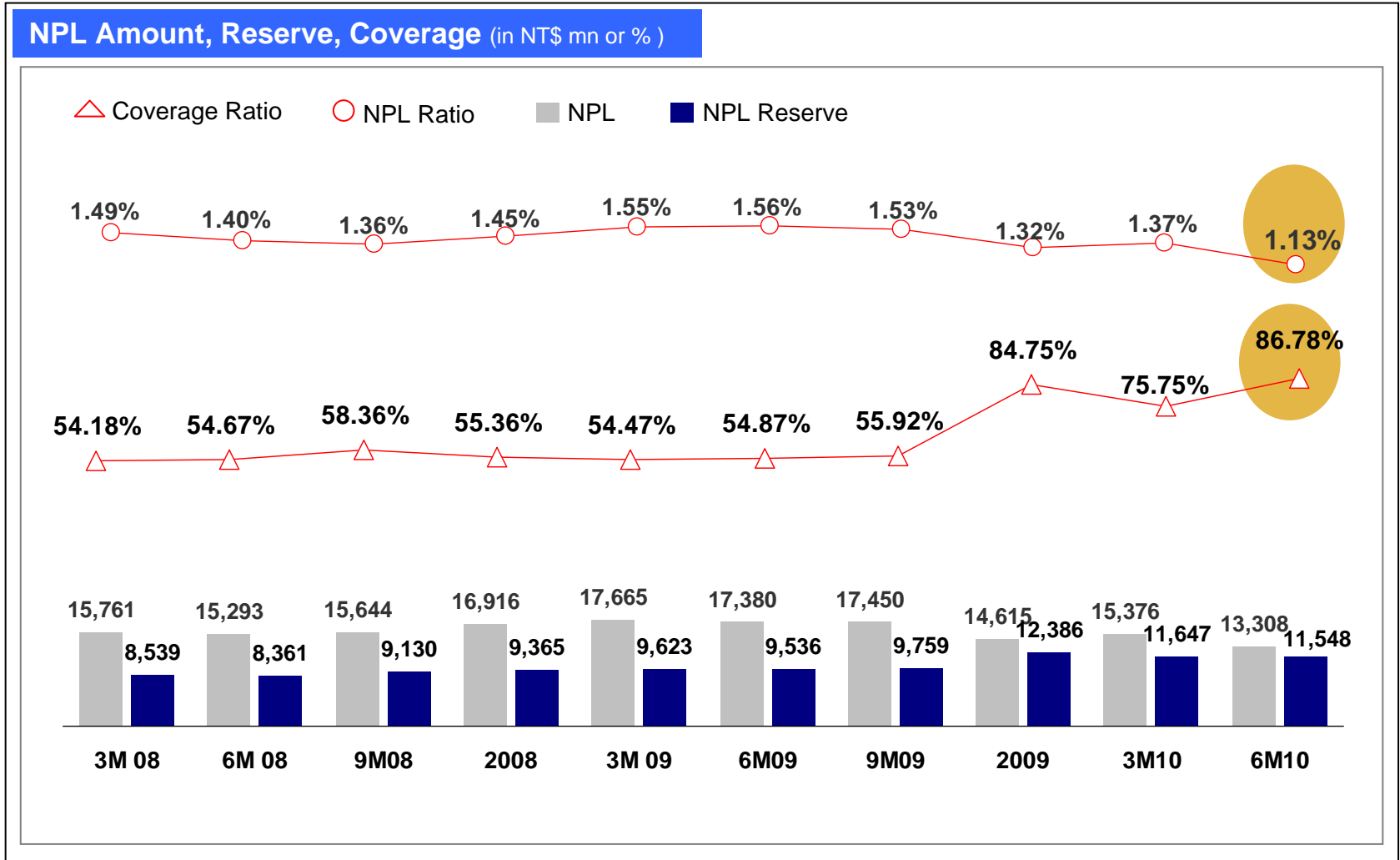


1. Total loan does not include NALs

2. THSR balance includes new syndication effective May 2010

3. Loans for Construction --- monthly balance will be submitted to Central Bank and a narrow sense defined by central bank only.

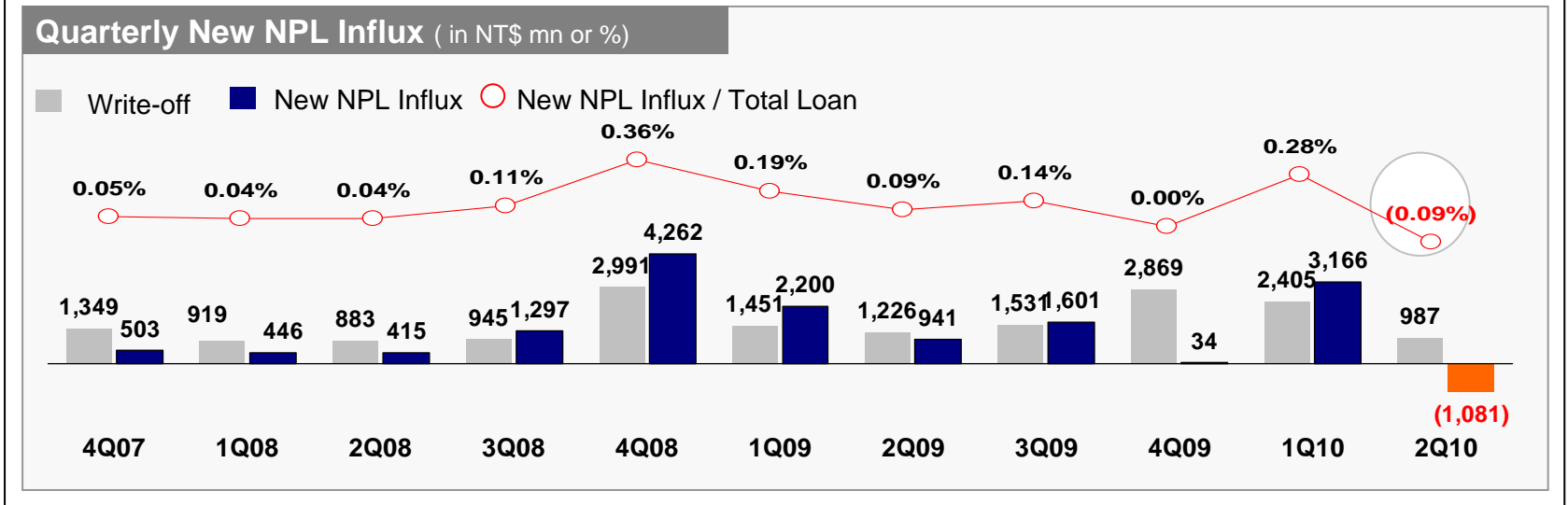
# FB 1H 2010 Asset Quality



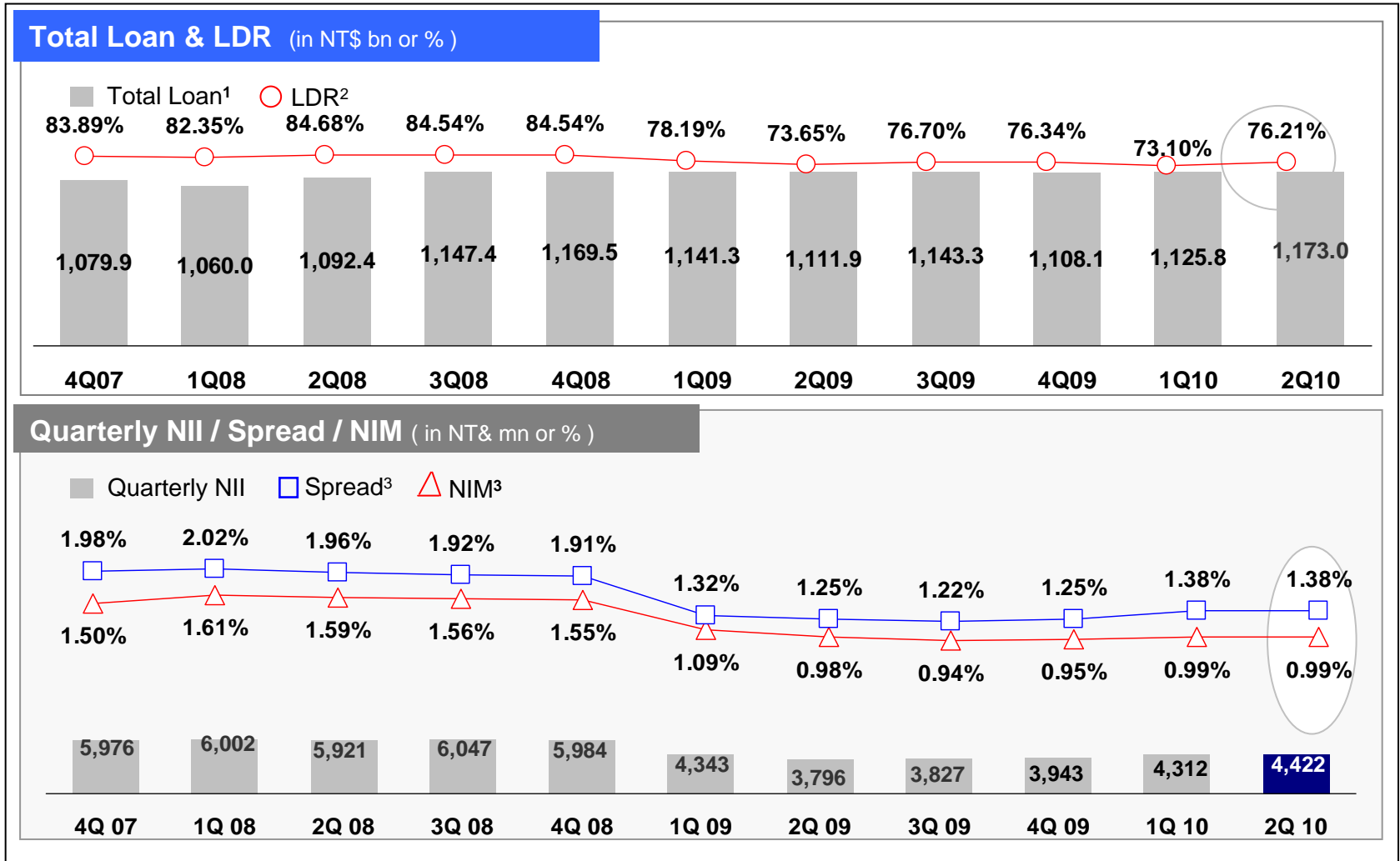
# New NPL Influx Breakdown

1H09 & 1H10 FB NPL (in NT\$ mn)			2Q10 FB NPL (in NT\$ mn or %)		
Item	1H09	2H10	Items	Domestic	Overseas
New NPL Influx	3,141	2,085	Quarter-begin. NPL Bal.	11,835	3,541
Total Loan	1,094,291	1,173,013	+ )2Q10 - new NPL Influx	(1,310)	229
Ratio	0.29%	0.18%	- )2Q10 - write-off	-551	-436
			Quarter-end NPL Bal.	9,974	3,334

Write-back incorporated

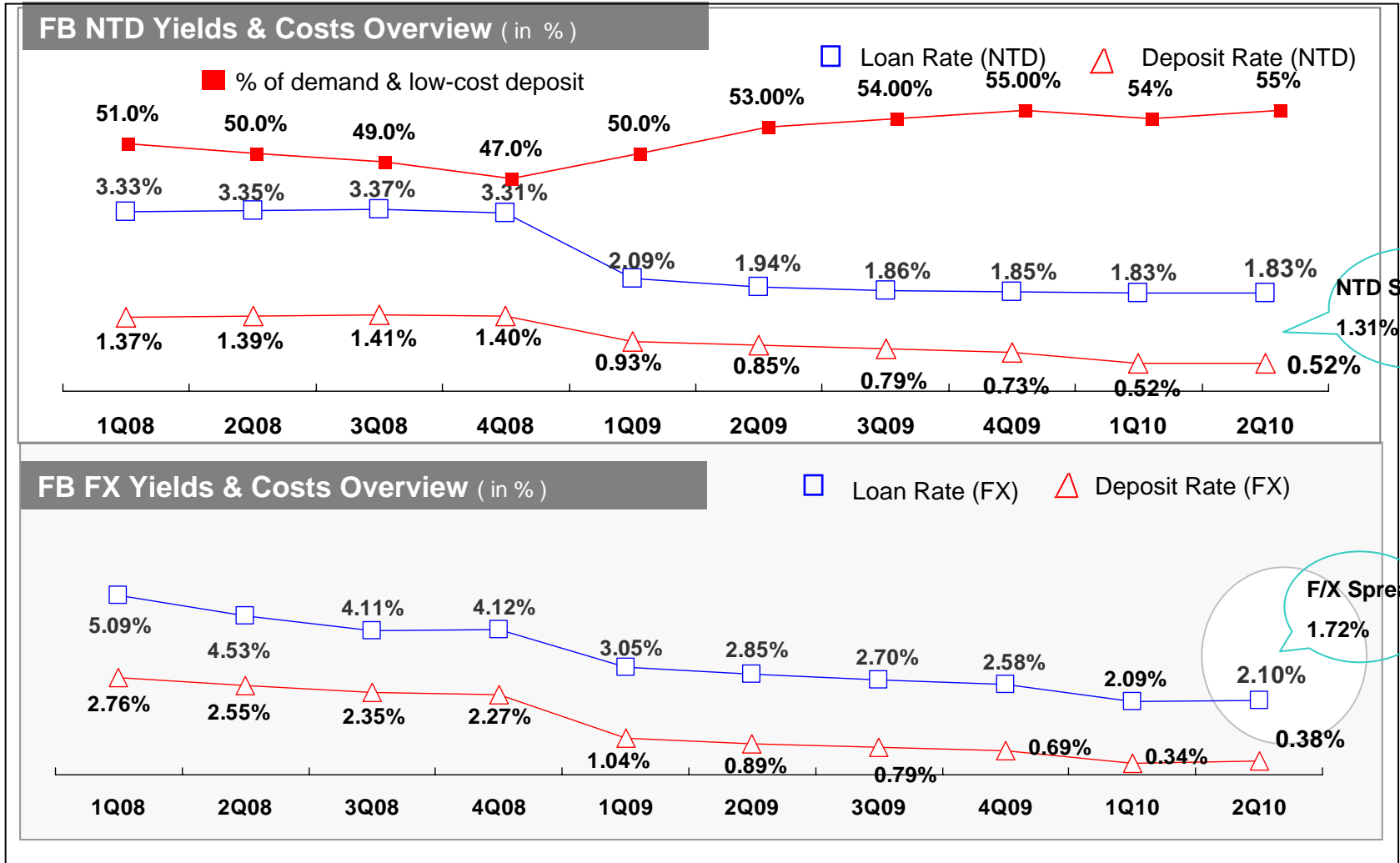


# FB 1H 2010 Total Loan & NIM



1. Total Loan = loan + import/export negotiation + NALs  
 2. LDR = Total loan / Total deposit (total deposit includes post office deposit)  
 3. Annual cumulative Average Spread and NIM

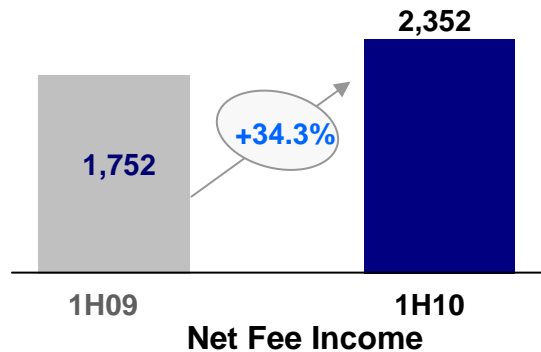
# FB 1H 2010 Loan Yields



\*All rates are YTD moving average rates.

# FB 1H 2010 Fee Income Breakdown

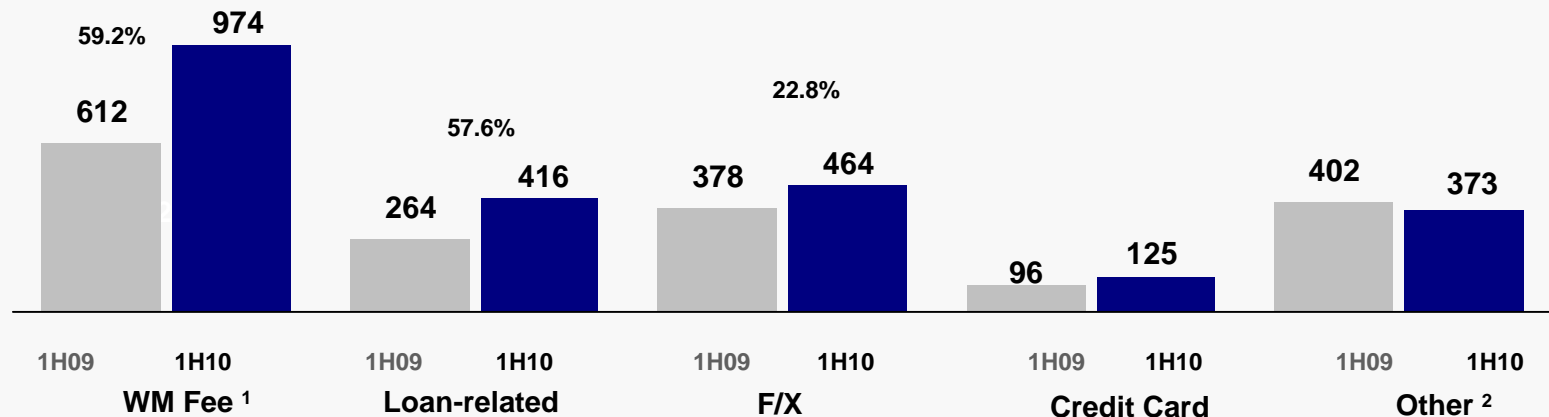
**1H10 Cumulative Net Fee Income** (in NT\$ mn or %)



**% of Cumulative Net Fee**

Item	1H09	1H10	Change
WM <sup>1</sup>	34.9%	41.4%	+6.5%
F/X	21.6%	19.7%	- 1.9%
Other	22.9%	15.9%	-7.0%
Loan-related	15.1%	17.7%	+2.6%
Credit card	5.5%	5.3%	- 0.2%
<b>Cumulative Net Fee</b>	<b>100.0%</b>	<b>100.0%</b>	

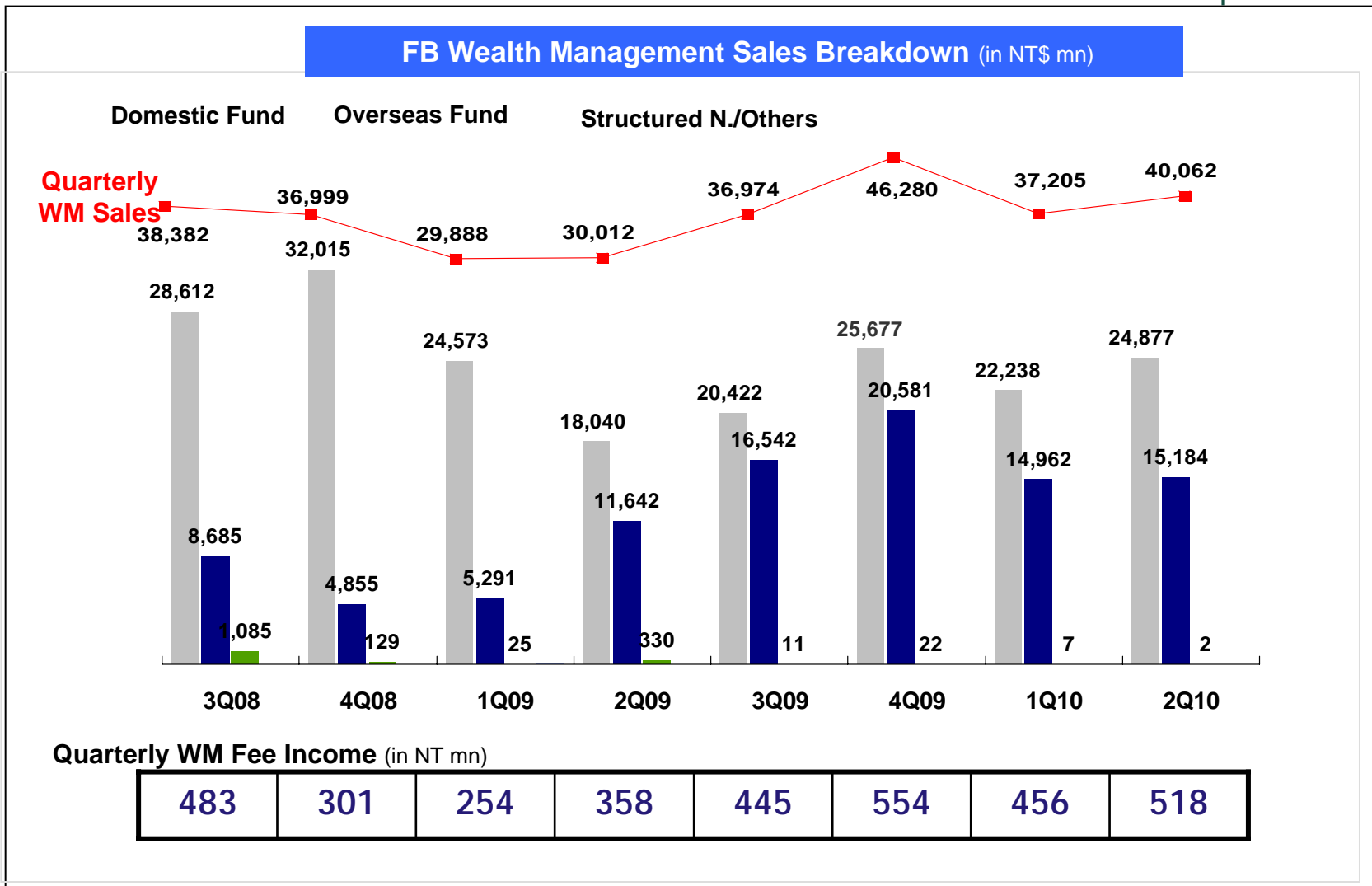
**1H10 Cumulative Net Fee Breakdown** (in NT\$ mn)



1. WM Fee = Custodian Fee + Trust-related Fee + Bancassurance Fee  
 2. Other represents network service fee, including overseas branches

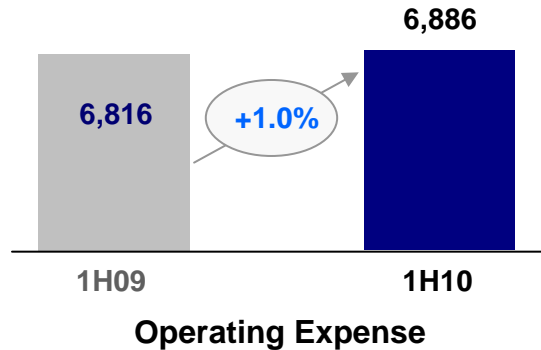
# FB WM Sales Breakdown

## -QoQ Comparison



# FB 1H 2010 Cost-to-Income Ratio

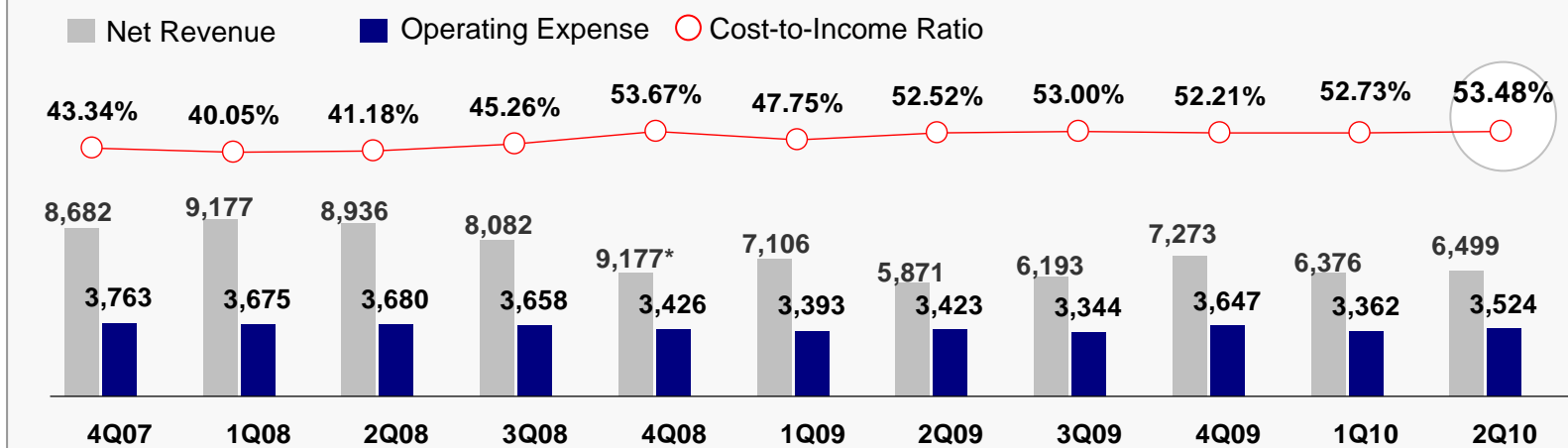
## 1H10 Cumulative Operating Expense (in NT\$ mn.)



## % of Cumulative Cost-to-Income Ratio

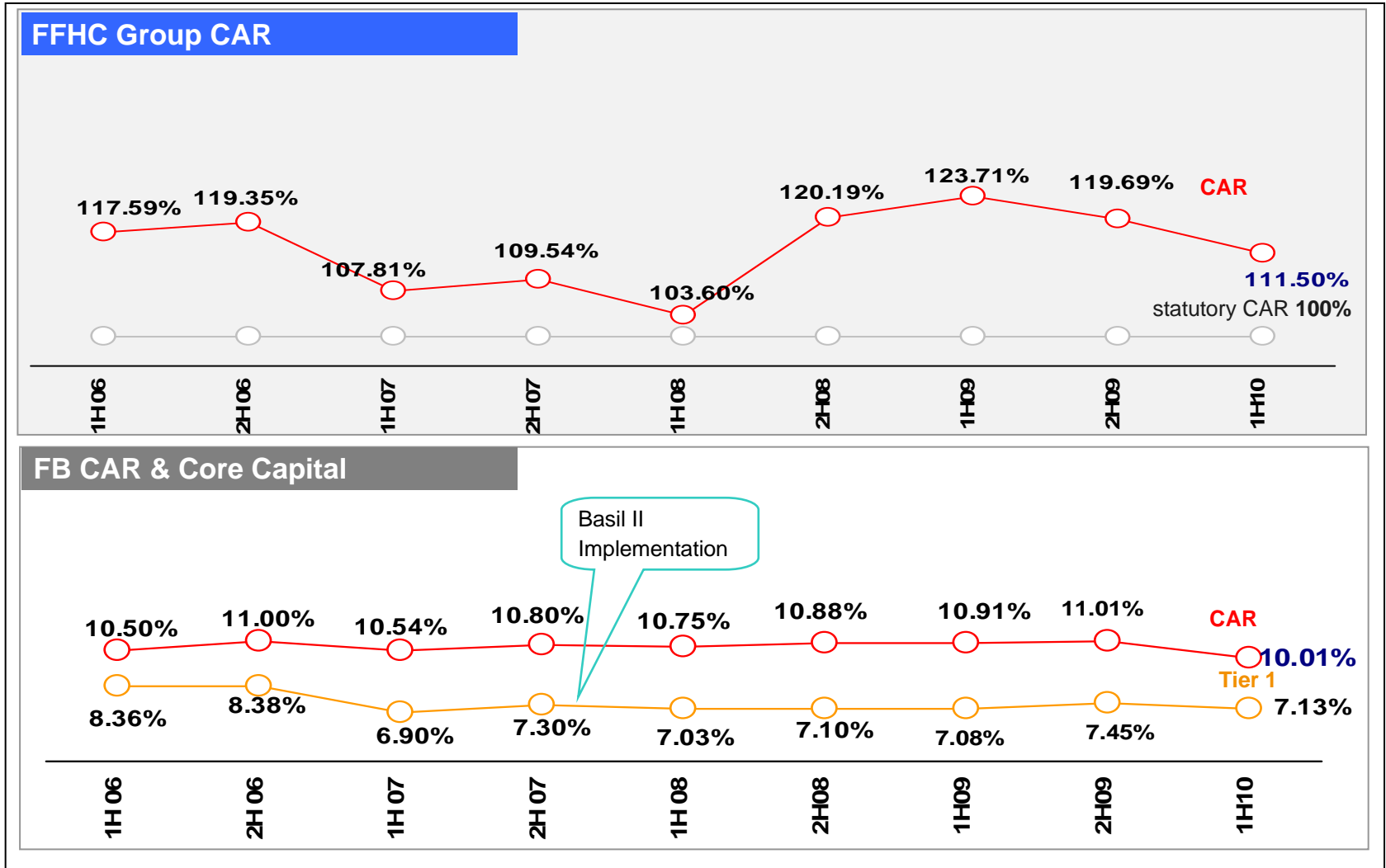
Item	1H09	1H10	Change
Net Revenue	100.0%	100.0%	
Operating Expense	- 52.5%	- 53.5%	+1.0%
Provision	-23.0%	- 21.2%	-1.8%
Income Tax	- 4.1%	-8.9%	+4.8%
Net Income	20.4%	16.4%	-4.0%

## Quarterly Operating Expense & Cost-to-Income Ratio (in NT\$ mn or %)



\*Effective from Jan.1 '08, employee bonus is recorded as expense in Taiwan. An employee bonus of NT\$370 mn is included in 1H09.

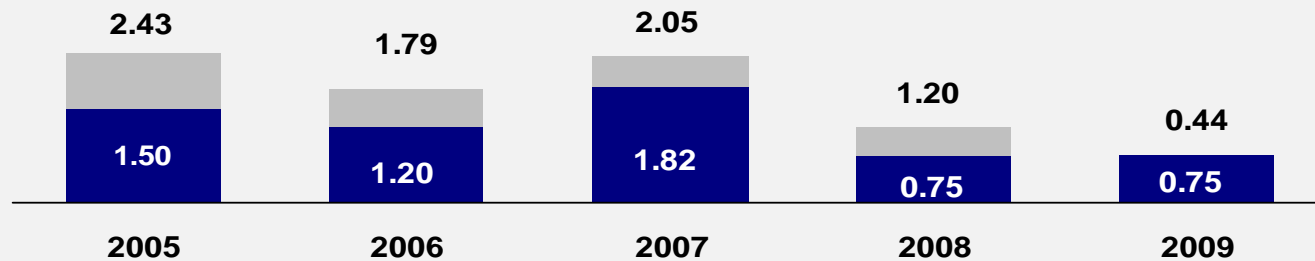
# CAR & Core Capital



# Shareholder Return

## FFHC Earnings Per Share ( in NT\$ dollar )

■ EPS  
■ Dividend



## FFHC Dividend History ( in NT\$ dollar )

	2005	2006	2007	2008	2009
<b>Cash dividend</b>	1.25	1.00	1.70	0.50	0.50
<b>Stock dividend</b>	0.25	0.20	0.12	0.25	0.25
<b>Total dividend</b>	1.50	1.20	1.82	0.75	0.75
<b>Payout ratio</b>	61.73%	67.04%	88.35%	62.50%	170.45%



# First's Road to China

# Post-ECFA China Plan

- **FB : Branch First** (application submitted) → **Subsidiary Follows**  
**Initial Investment : RMB\$ 300 mn.**  
**Business Coverage: Shanghai, Jiangsu and Zhejiang province.**  
**Target clients: TWN corp. (SME focus)**  
**B/E Target : 1 year**  
**Future road map: inland or coastal cities.**
- **FS : Rep. office first.**



Shanghai Branch Photos



# Appendix

# FFHC consolidated Income Statement



## FFHC Consolidated Income Statement Summary in NT\$ million, NT\$, or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
Interest income	43,428	49,354	50,080	28,876	6,845	7,025	15,378	13,870	-9.8%
Less: Interest expenses	(22,746)	(26,963)	(25,350)	(11,935)	(2,172)	(2,245)	(6,918)	(4,417)	-36.2%
Net interest income	20,683	22,392	24,730	16,941	4,673	4,780	8,460	9,453	11.7%
Net service fee & commission	6,032	8,765	6,217	5,529	1,462	1,575	2,404	3,037	26.3%
Net Insurance revenue	0	0	10,696	(208)	469	487	(286)	956	-434.3%
Gain on financial assets measured at fair value through P/L	1,801	2,828	(990)	4,039	162	(170)	2,905	(8)	100.3%
Gain on AFS financial assets	395	770	682	517	40	36	57	76	33.3%
Gain on HTM financial assets	8	11	7	(20)	31	1	4	32	700.0%
Income from equity invest.	434	319	5	106	31	46	12	77	541.7%
Net gain on F/X	881	298	972	(567)	201	237	(910)	438	-148.1%
Others	4,344	4,311	2,105	3,235	497	908	1,694	1,405	-17.1%
Net non-interest income	13,895	17,302	19,694	12,631	2,893	3,120	5,880	6,013	2.3%
Net revenues	34,577	39,693	44,424	29,573	7,566	7,900	14,340	15,466	7.9%
Provision for credit losses	(4,736)	(6,062)	(7,130)	(10,621)	(1,867)	(905)	(2,977)	(2,772)	-6.9%
Reserve for insurance	0	0	(11,027)	37	(474)	(497)	198	(971)	590.4%
Operating expenses	(15,949)	(16,960)	(17,111)	(15,984)	(3,908)	(4,121)	(7,871)	(8,029)	2.0%
Other expenses	0	0	0	0	0	0	0	0	--
Income from continued op. before tax	13,892	16,672	9,156	3,005	1,317	2,377	3,690	3,694	0.1%
Income tax expenses	(3,883)	(4,187)	(2,079)	(316)	(399)	(805)	(747)	(1,204)	61.2%
Income from continued op. after tax	10,009	12,485	7,077	2,689	918	1,572	2,943	2,490	-15.4%
Income from discontinued op., net of t	0	0	0	0	0	0	0	0	--
Cummulative effect of change in accounting principle	653	0	0	0	0	0	0	0	--
Consolidated net income	10,662	12,485	7,077	2,689	918	1,572	2,943	2,490	-15.4%
EPS <sup>1</sup> (NT\$)	1.75	2.04	1.17	0.44	0.15	0.25	0.47	0.40	-14.9%
Net income attributable to parent	0	12,550	7,391	2,779	923	1,592	2,986	2,515	--
Minority interests	0	(65)	(314)	(90)	(5)	(20)	(43)	(25)	--

1. EPS is adjusted retroactively for stock dividends

# FFHC Non-consolidated Income Statement

## FFHC Non-consolidated Income Statement Summary in NT\$ million, NT\$, or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
Operating revenues									
Income from long-term investment	10,904	12,873	8,513	3,202	997	1,493	3,152	2,490	-21.0%
Other income <sup>1</sup>	380	394	280	258	3	209	251	212	-15.5%
Total revenues	11,284	13,267	8,792	3,460	1,000	1,702	3,403	2,702	-20.6%
Loss from long-term investment	(6)	(68)	(1,057)	(94)	(5)	(21)	(62)	(26)	58.1%
Operating expenses	(135)	(134)	(214)	(188)	(37)	(59)	(118)	(96)	18.6%
Other expenses and losses	(141)	(140)	(141)	(141)	(35)	(35)	(70)	(70)	0.0%
Income from continued op. before tax	11,002	12,925	7,381	3,038	923	1,587	3,154	2,510	-20.4%
Income from continued po. after tax	10,662	12,550	7,391	2,779	923	1,592	2,986	2,515	-15.8%
Income from discontinued op., net of tax	0	0	0	0	0	0	0	0	--
Net income	10,662	12,550	7,391	2,779	923	1,592	2,986	2,515	-15.8%
EPS <sup>2</sup> (NT\$)	1.75	2.04	1.17	0.44	0.15	0.24	0.46	0.39	-15.2%

1. Including income other than long-term investment

2. EPS is adjusted retroactively for stock dividends

# FFHC Balance Sheet

## FFHC Balance Sheet Summary in NT\$ million or million shares

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
<b>Non-consolidated Balance Sheet Data</b>									
Long-term investment	98,224	99,502	97,985	99,598	100,044	103,874	99,777	103,874	4.1%
Total non-consolidated assets	106,598	110,476	105,127	107,434	108,100	109,599	109,203	109,599	0.4%
Total liabilities	5,413	5,410	5,679	6,371	6,644	9,499	8,432	9,499	12.7%
Total shareholders' equity	101,185	105,066	99,447	101,063	101,456	100,100	100,771	100,100	-0.7%
<b>Consolidated Balance Sheet Data</b>									
Total consolidated assets	1,600,903	1,682,097	1,800,114	1,960,570	1,960,000	1,960,387	1,896,913	1,960,387	3.3%
Total liabilities	1,499,718	1,575,993	1,700,017	1,858,700	1,857,751	1,859,506	1,795,618	1,859,506	3.6%
Total shareholders' equity	101,185	106,104	100,097	101,870	102,249	100,881	101,295	100,881	-0.4%
Parent's shareholders' equity	101,185	105,066	99,447	101,063	101,456	100,100	100,560	100,100	-0.5%
Minority interests	0	1,038	650	807	793	781	735	781	--
Current shares outstanding	59,722	60,916	61,647	63,189	63,189	63,189	61,647	63,189	2.5%

\*figures may not match due to rounding

# FFHC Key Ratios

## FFHC Key Ratios

	Full Year Results				2010 Quarterly		Half-Year Comparison		
	2006	2007	2008	2009	3M	6M	1H09	1H10	Change
After-tax ROAA (Annualized ratio)	0.68%	0.76%	0.41%	0.14%	0.20%	0.26%	0.32%	0.26%	-18.8%
After-tax ROAE (Annualized ratio)	11.08%	12.05%	6.86%	2.66%	3.60%	4.92%	5.84%	4.92%	-15.8%
Double leverage <sup>1</sup>	97.07%	98.43%	102.47%	102.43%	102.47%	103.77%	99.43%	103.77%	4.3%
Group CAR <sup>2</sup>	119.35%	109.54%	120.19%	119.69%	119.69%	111.50%	123.71%	111.50%	-12.2%

1. Double leverage ratio = Long-term investment / Equity

2. CAR is updated semi-annually.

# FB Income Statement

## FB Income Statement Summary in NT\$ million or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
Net revenue									
Net interest income	20,381	21,941	23,952	16,011	4,312	4,422	8,023	8,734	8.9%
Net fee income	4,495	6,884	5,041	4,071	1,118	1,234	1,752	2,352	34.2%
Net gain on ST invest.	316	413	(200)	564	(26)	(67)	115	(93)	180.9%
Net gain on LT invest.	830	1,446	899	371	22	52	34	74	117.6%
Net gain on other fin. products	2,089	1,757	(373)	2,463	512	203	1,421	715	-49.7%
Bad debts recovery	3,612	3,019	2,522	2,672	283	646	1,078	929	-13.8%
Other net income	291	472	738	291	155	9	554	164	-70.4%
Net revenue	32,015	35,934	32,579	26,443	6,376	6,499	12,977	12,875	-0.8%
Operating expenses	(13,586)	(14,200)	(14,438)	(13,807)	(3,362)	(3,524)	(6,816)	(6,886)	1.0%
Provision	(4,736)	(6,062)	(7,130)	(10,621)	(1,846)	(888)	(2,978)	(2,734)	-8.2%
Income before tax	13,694	15,672	11,011	2,015	1,167	2,088	3,184	3,255	2.2%
Income tax	(3,340)	(3,646)	(2,046)	38	(364)	(775)	(529)	(1,139)	115.3%
Income after tax	10,354	12,026	8,965	2,054	803	1,313	2,655	2,116	-20.3%
Cummulative effect of change in accounting principle	563	0	0	0	0	0	0	0	--
Net income	10,918	12,026	8,965	2,054	803	1,313	2,655	2,116	-20.3%

1. Subject to final audit

# FB Balance Sheet

## FB Balance Sheet Summary in NT\$ million or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
<b>Assets</b>									
Cash/due from banks	178,988	165,118	181,527	226,050	182,719	155,947	201,088	155,947	-22.4%
Fin. Assets measured at fair value through P/L	42,795	37,202	53,304	29,756	29,925	26,349	42,767	26,349	-38.4%
AFS financial assets	82,636	61,258	51,985	64,996	63,246	57,977	55,535	57,977	4.4%
HTM financial assets	213,747	217,898	229,986	419,431	427,108	408,982	374,402	408,982	9.2%
LT investments under equity method	2,369	2,362	2,339	2,305	2,313	3,659	2,309	3,659	58.5%
Account receivables	21,295	21,876	40,514	42,189	50,429	56,305	42,344	56,305	33.0%
Loans, net	972,045	1,071,171	1,160,542	1,096,010	1,114,222	1,161,716	1,102,643	1,161,716	5.4%
Properties and equipments, net	23,387	23,601	23,208	22,794	22,684	22,611	22,977	22,611	-1.6%
Others	36,761	25,862	22,136	17,899	17,155	15,909	19,574	15,909	-18.7%
<b>Total assets</b>	<b>1,574,022</b>	<b>1,626,348</b>	<b>1,765,541</b>	<b>1,921,430</b>	<b>1,909,801</b>	<b>1,909,455</b>	<b>1,863,640</b>	<b>1,909,455</b>	<b>2.5%</b>
<b>Liabilities</b>									
Deposit and remit.	1,219,889	1,260,175	1,384,754	1,519,949	1,520,218	1,523,057	1,485,189	1,523,057	2.5%
Other liabilities	267,008	276,431	291,330	311,569	299,375	296,219	291,496	296,219	1.6%
<b>Total liabilities</b>	<b>1,486,897</b>	<b>1,536,607</b>	<b>1,676,084</b>	<b>1,831,518</b>	<b>1,819,593</b>	<b>1,819,276</b>	<b>1,776,685</b>	<b>1,819,276</b>	<b>2.4%</b>
Stockholders' equity	87,125	89,741	89,457	89,913	90,208	90,179	86,955	90,179	3.7%
<b>Total liabilities and stockholders' equity</b>	<b>1,574,022</b>	<b>1,626,348</b>	<b>1,765,541</b>	<b>1,921,430</b>	<b>1,909,801</b>	<b>1,909,455</b>	<b>1,863,640</b>	<b>1,909,455</b>	<b>2.5%</b>

# FB Key Ratios

## FB Key Ratios

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	3M	6M	1H09	1H10	Change
Loan to deposit spread	2.04%	1.98%	1.91%	1.25%	1.38%	1.38%	1.25%	1.38%	0.13%
Net Interest Margin	1.51%	1.50%	1.55%	0.95%	0.99%	0.99%	0.98%	0.99%	0.01%
Cost to income ratio	42.43%	39.52%	44.32%	52.21%	52.73%	53.48%	52.52%	53.48%	0.96%
Loan to deposit ratio <sup>1</sup>	78.25%	82.34%	84.54%	76.34%	73.10%	76.21%	73.65%	76.21%	2.56%
NPL ratio	1.57%	1.50%	1.45%	1.32%	1.37%	1.13%	1.56%	1.13%	-0.43%
Coverage ratio	52.15%	53.84%	55.36%	84.75%	75.75%	86.78%	54.87%	86.78%	31.91%
CAR	11.00%	10.80%	10.88%	11.01%	10.85%	10.01%	10.91%	10.01%	-0.90%
Tier-1	8.38%	7.30%	7.10%	7.45%	7.41%	7.13%	7.08%	7.13%	0.05%
ROAA <sup>2</sup>	0.71%	0.75%	0.52%	0.11%	0.16%	0.22%	0.30%	0.22%	-26.67%
ROAE <sup>2</sup>	13.32%	13.60%	10.01%	2.29%	3.56%	4.70%	6.02%	4.70%	-21.93%

1. Loan to deposit ratio = total loan / total deposit

2. Annualized figures.

# FB Loan Quality

## FB NPL Migration in NT\$ million or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
NPL- beginning	15,482	15,406	16,234	16,916	14,615	15,376	16,916	14,615	-13.6%
Net new NPL influx	3,557	5,738	6,420	4,776	3,166	(1,081)	3,141	2,085	-33.6%
Net write-offs	(3,633)	(4,910)	(5,738)	(7,077)	(2,405)	(987)	(2,677)	(3,392)	26.7%
NPL- ending balance	15,406	16,234	16,916	14,615	15,376	13,308	17,380	13,308	-23.4%
Allowance for loan loss- beginning	8,108	8,035	8,740	9,365	12,386	11,647	9,365	12,386	32.3%
Provisions for loan loss	3,534	5,602	6,517	10,151	1,826	873	2,840	2,699	-5.0%
Net write-offs	(3,633)	(4,910)	(5,738)	(7,077)	(2,405)	(987)	(2,677)	(3,392)	26.7%
Others	26	14	(155)	(53)	(160)	17	8	(143)	-1887.5%
Allowance for loan loss- ending	8,035	8,740	9,365	12,386	11,647	11,548	9,536	11,548	21.1%
NPL ratio	1.57%	1.50%	1.45%	1.32%	1.37%	1.13%	1.56%	1.13%	-0.4%
Coverage ratio	52.15%	53.84%	55.36%	84.75%	75.75%	86.78%	54.87%	86.78%	31.9%

1. Non-consolidated basis

## FB NPL Migration by Sectors

	2Q09	3Q09	4Q09	1Q10	2Q10
Individual <sup>1</sup>	1.50%	1.37%	1.17%	1.05%	0.89% ↓
Mortgage	1.38%	1.25%	1.06%	0.95%	0.81% ↓
Large Corp.	1.55%	1.43%	1.41%	1.38%	1.20% ↓
SME	2.22%	2.23%	1.73%	1.62%	1.16% ↓
<b>Domestic</b>	1.51%	1.42%	1.28%	1.20%	0.97% ↓
<b>Overseas</b>	1.87%	2.28%	1.59%	2.50%	2.25% ↓
<b>Total</b>	1.56%	1.53%	1.32%	1.37%	1.13% ↓

1. Individual mortgage and non-mortgage loan included

# First Sec. Operating Report

## First Sec Financial Results Summary

in NT\$ million or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
<b>First Sec Income Statement Summary</b>									
Total operating income									
Brokerage commission	943	1,294	731	986	219	204	444	423	-4.7%
Net interest income	365	561	451	305	99	113	137	212	54.7%
Underwriting commission	11	76	24	31	7	17	8	24	200.0%
Principle transaction gains, net	126	972	(632)	1,008	76	83	509	159	68.8%
Other operating income	50	8	248	31	30	95	33	125	278.8%
Total operating income	1,495	2,911	822	2,361	431	512	1,131	943	-16.6%
Total operating expenses	(1,475)	(1,668)	(1,290)	(1,443)	(322)	(391)	(716)	(713)	-0.4%
Non-operating income	207	(42)	(92)	87	27	(8)	38	19	-50.0%
Income before tax	277	1,200	(560)	1,005	136	113	453	249	-155.0%
Income tax	(125)	(100)	(77)	(93)	(10)	(8)	(34)	(18)	-47.1%
Cummulative effect of change in accounting principle	72	0	0	0	0	0	0	0	--
Net income	224	1,100	(637)	912	126	105	419	231	44.9%
<b>First Sec Balance Sheet Summary</b>									
Total assets	16,582	16,316	14,283	17,564	14,217	15,959	13,913	15,959	14.7%
Total liabilities	10,758	9,406	8,014	10,402	6,929	8,700	7,225	8,700	20.4%
Total shareholders' equity	5,824	6,910	6,269	7,162	7,288	7,259	6,689	7,259	8.5%
<b>First Sec Key Ratios</b>									
ROAE (Annualized)	3.90%	17.28%	-9.67%	13.58%	7.00%	6.40%	12.94%	6.40%	50.5%
ROAA (Annualized)	1.39%	7.28%	-3.93%	5.73%	3.00%	2.76%	5.94%	2.76%	53.5%
Brokerage market share	2.07%	1.54%	1.51%	1.77%	1.68%	1.57%	1.68%	1.57%	-0.1%
Margin loan market share	2.15%	2.09%	2.15%	2.09%	2.08%	2.04%	2.13%	2.04%	-0.1%

## FSITC Income Statement Summary in NT\$ million or %

	Full Year Results				2010 Quarterly		Year-over-Year Comparison		
	2006	2007	2008	2009	Q1	Q2	1H09	1H10	Change
Total operating income									
Management fee	553	600	444	433	121	133	188	254	35.1%
Sales service fee	9	13	4	2	1	0	1	1	--
Total operating income	562	613	448	435	122	133	189	255	34.9%
Operating expenses	(297)	(328)	(273)	(288)	(81)	(80)	(132)	(161)	22.0%
Non-operating income	29	22	(38)	6	3	5	2	8	-300.0%
Income before tax	294	307	137	153	44	58	59	102	72.9%
Income tax	(67)	(73)	32	(1)	(8)	(10)	(16)	(18)	-12.5%
Income after tax	226	234	169	152	36	48	43	84	95.3%
Cummulative effect of change in accounting principles	1	0	0	0	0	0	0	0	--
Net income	227	234	169	152	36	48	43	84	95.3%

## FSITC Balance Sheet Summary

Total assets	1,167	1,185	1052	1,109	1,148	1,016	965	1,016	5.3%
Total liabilities	186	183	78	127	134	97	98	97	-1.0%
Total shareholders' equity	981	1,003	973	982	1,014	919	867	919	6.0%

## FSITC Key Data & Ratios

AUM	121,130	100,667	91,238	106,850	102,853	84,449	107,115	84,449	-21.2%
AUM Ranking	4	12	7	8	9	10	6	10	--
ROAE(Annualized ratio)	26.20%	23.58%	16.95%	15.51%	14.16%	17.72%	9.40%	17.72%	88.5%
ROAA(Annualized ratio)	20.21%	19.89%	14.95%	14.02%	12.52%	15.86%	8.56%	15.86%	85.3%

1. Non-consolidated basis
2. Subject to final audit.

**First-Aviva Financial Results Summary  
in NT\$ million or %**

	Full Year Result		2010 Quarterly		Year-over-Year Comparison		
	2008	2009	Q1	Q2	1H09	1H10	Change
<b>Income Statement Summary</b>							
<b>Operating Revenue</b>	<b>11,650</b>	<b>4,928</b>	<b>1,790</b>	<b>1,111</b>	<b>770</b>	<b>2,901</b>	276.8%
Premium income	11,607	4,475	1,635	1,094	553	2,729	393.5%
Other insurance income	26	13	3	3	1	6	500.0%
Net Investment Income	17	440	151	15	216	166	23.1%
<b>Operating Cost</b>	<b>(11,930)</b>	<b>(4,800)</b>	<b>(1,738)</b>	<b>(1,071)</b>	<b>(716)</b>	<b>(2,809)</b>	292.3%
Reinsurance commission	0	(1)	(1)	0	0	(1)	--
Reserves	(11,551)	(2,357)	(1,544)	(719)	129	(2,263)	1854.3%
Claims	(251)	(2,372)	(164)	(324)	(828)	(488)	--
Commission	(128)	(70)	(29)	(28)	(16)	(57)	256.3%
Others	0	0	0	0	(1)	0	--
<b>Operating Expenses</b>	<b>(361)</b>	<b>(314)</b>	<b>(63)</b>	<b>(81)</b>	<b>(143)</b>	<b>(144)</b>	0.7%
Sales related expenses	(52)	(38)	(3)	(9)	(12)	(12)	0.0%
Management expenses	(309)	(276)	(59)	(73)	(131)	(132)	0.8%
<b>Profit/Loss of Operation</b>	<b>(641)</b>	<b>(186)</b>	<b>(11)</b>	<b>(41)</b>	<b>(89)</b>	<b>(52)</b>	-41.6%
<b>Non-Operating Profit</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	--
<b>Profit/Loss Before Tax</b>	<b>(641)</b>	<b>(184)</b>	<b>(10)</b>	<b>(41)</b>	<b>(88)</b>	<b>(51)</b>	-42.0%
Income tax	0	0	0	0	0	0	--
<b>Net Income after tax</b>	<b>(641)</b>	<b>(184)</b>	<b>(10)</b>	<b>(41)</b>	<b>(88)</b>	<b>(51)</b>	-42.0%
<b>Balance Sheet Summary</b>							
Total Assets	13,208	17,127	17,211	17,984	13,072	17,984	37.6%
Total Shareholders' Equity	1,326	1,647	1,619	1,594	1,500	1,594	6.3%
ROAE(Annualized ratio)	-37.20%	-12.36%	-2.44%	-6.34%	-12.44%	-6.34%	-49.0%
ROAA(Annualized ratio)	-8.25%	-1.21%	-0.24%	-0.58%	-1.34%	-0.58%	-56.7%

\* FFHC claims 51% of First-Aviva operating results.