

## Report of Independent Accountants

To: Board of Directors and Stockholders of Taiwan Stock Exchange Corporation

We have audited the accompanying non-consolidated balance sheets of Taiwan Stock Exchange Corporation as of 31st December 2007 and 2006, and the related nonconsolidated statements of income, of changes in stockholders' equity and of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these nonconsolidated financial statements based on our audits. We did not audit the 2007 and 2006 financial statements of Taiwan Depository and Clearing Corporation, Taiwan-Ca. Inc. and Taiwan Ratings Corporation, investee accounted for under the equity method. These long-term equity investments amounted to NT\$5,220,272 thousand and NT\$4,616,075 thousand as of 31st December 2007 and 2006, respectively, and their related investment income amounted to NT\$757,906 thousand and NT\$482,654 thousand for the years then ended. These financial statements were audited by other auditors, whose reports thereon were furnished to us and our opinion, insofar as it relates to the amounts included in the financial statements relative to these long-term investments, is based solely on the reports of other auditors.

We conducted our audits in accordance with the "Rules Governing Examination of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the nonconsolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Taiwan Stock Exchange Corporation as of 31st December 2007 and 2006, and the results of its operations and its cash flows for the years then ended, in conformity with the "Business Entity Accounting Act", "Regulation on Business Entity Accounting Handling", "Criteria Governing Preparation of Financial Reports by Company-Type Stock Exchanges" and generally accepted accounting principles in the Republic of China.

As disclosed in Note 3(2), effective 1st January, 2006, the Company adopted the R.O.C SFAS NO.34, "Recognition and Measurement of Financial Instruments" and NO.36, "Disclosure and Presentation of Financial Instruments".

PricewaterhouseCoopers

February 27, 2008  
Taipei, Taiwan

