

SHARE-OWNERSHIP AND SECURITIES INVESTOR PROTECTION FUND

SHAREHOLDERS

Listed companies are required to submit shareholders' registration data after the annual shareholders' meeting. At the end of 2001, the number of domestic shareholders reached 23,892,731, increased by 1,934,640 from the previous year. The breakdown of share ownership shows that the individual investors who accounted for 50.98% in domestic investment still dominate the domestic investment market. Corporations were second with 22.04%. Foreign ownership accounted for 10.65%.

SECURITIES INVESTOR PROTECTION FUND

The Taiwan securities industry has set up a Securities Investor Protection Fund (SIPF), with a total amount of NT\$1.03 billion, to protect investors in case of broker's default.

The SIPF was established by the major securities institutions of the market and administered by an appropriations committee. The committee was organized by the institutions, each of which contributes to the fund. In case of a broker's default, the board will meet to discuss the issues of legal matters, including investors' claiming procedures.

Only investors who have completed their settlement obligations properly but are unable to receive their entitled rights due to the broker's default can file their claims with the board. The limitation on each account for investors is NT\$1 million, and that for brokers is NT\$100 million.

Table 22. Domestic Individual Share-ownership by Size of Holding 1997-2001

Shares Registered	2001		2000	
	No. of Persons	%	No. of Persons	%
Below 1000	8,472,669	35.86	7,382,079	33.62
1,001-5,000	10,301,220	43.60	10,118,814	46.08
5,001-10,000	2,329,445	9.86	2,161,913	9.85
10,001-15,000	957,137	4.05	824,913	3.76
15,000-20,000	442,785	1.87	434,788	1.98
Above 20,001	1,121,798	4.75	1,035,584	4.72
Total	23,625,054	100.00	21,958,091	100.00

1999		1998		1997	
No. of Persons	%	No. of Persons	%	No. of Persons	%
6,208,153	34.76	4,998,590	31.41	4,303,555	35.05
7,760,201	43.44	7,675,276	48.23	5,691,511	46.35
1,952,636	10.93	1,729,123	10.87	1,177,095	9.59
748,766	4.19	501,041	3.15	366,743	2.99
343,267	1.92	328,119	2.06	235,692	1.92
849,581	4.76	681,874	4.28	503,863	4.10
17,862,604	100.00	15,914,023	100.00	12,278,459	100.00

Table 23. Share-ownership by Type of Investors 1997-2001

(In Percentage)

	2001	2000	1999	1998	1997
Domestic Investors:					
Government	7.62	6.12	3.68	4.33	6.57
Financial Institutions	4.42	3.75	2.93	4.19	4.16
Trust Fund	0.75	0.77	1.28	1.02	1.44
Corporations	22.59	21.68	22.98	20.40	19.21
Other Juridical Persons	3.37	3.53	3.85	4.34	3.62
Individuals	51.96	55.37	58.08	58.36	56.27
Foreigners:					
Trust Fund	3.05	3.14	2.18	1.74	2.55
Financial Institutions	0.25	0.55	0.46	0.47	0.24
Juridical Persons	4.85	4.33	3.61	3.87	4.45
Individuals	0.67	0.76	0.94	1.29	1.49
Share Buy-backs	0.47	0.00	0.00	0.00	0.00
Total	100.00	100.00	100.00	100.01	100.00