

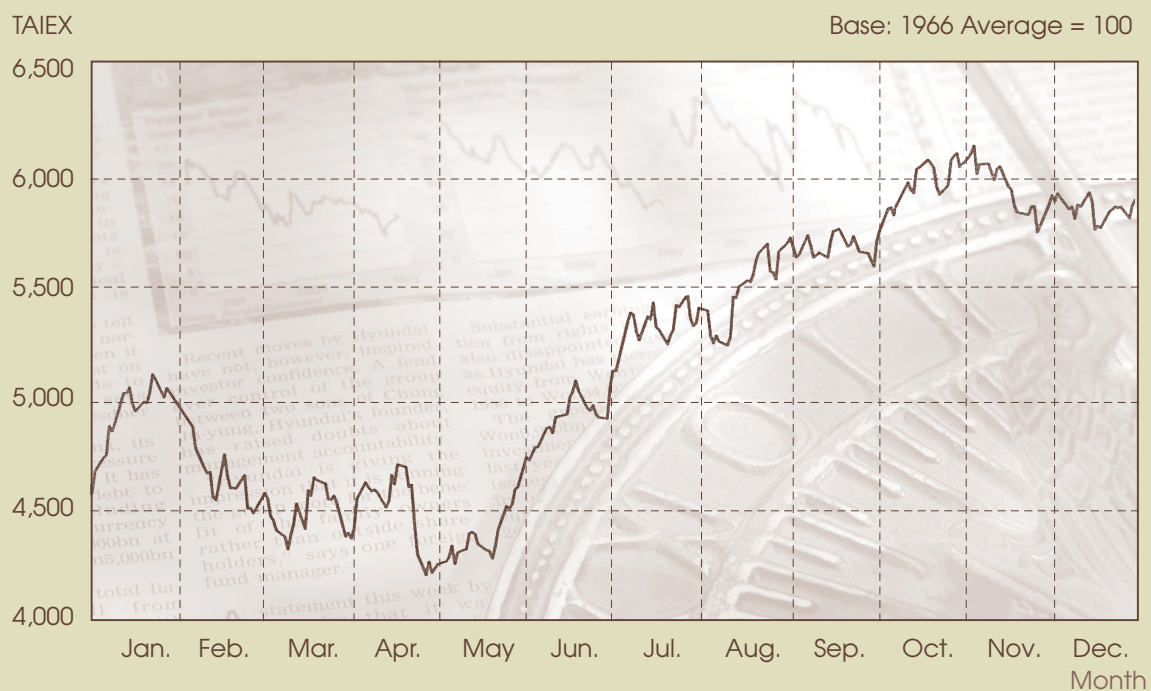
# THE YEAR 2003 IN REVIEW

## STOCK MARKET

The Taiwan Stock Exchange Corporation (TSEC) Capitalization Weighted Stock Index (TAIEX) closed at 5,890.69 on December 31, 2003, up 32.30% in comparison with the closing of 4,452.45 in 2002.

At the beginning of 2003, the market drifted amidst the uncertainty of war between the U.S. and Iraq. In the middle of April, while the conflict in Middle East ended swiftly, the outbreak of SARS (severe acute respiratory syndrome) in Taiwan set back the market once again. The stock market reached its low for 2003 on April 28 at 4,139.50. Fortunately, the market regained strength afterwards as the threat of SARS subsided and the global economic recovery became increasingly obvious. The upward trend accelerated with the encouragement of US market

### TSEC Capitalization Weighted Stock Index (TAIEX) Daily Closing 2003



recovery and a double-digit growth rate in Taiwan's international trading. The strong growth rate in local investment and consumption also surprised many, in the meanwhile. The growth prospect and potential of the economy of Mainland China also added conviction to the market bulls. With these positive factors in place TAIEX finished the year with a 1,438.24 points gain. Accredited to the growth were market sectors such as construction, steel, and machinery sectors.

In order to deal with the challenges of globalization and fierce competition from international capital markets, the regulatory framework in Taiwan underwent dramatic change in 2003. The QFII (qualified foreign institutional investor) system was gradually relaxed in 2003, until it was finally abolished in October. Under the new rules, foreigners and overseas Chinese no longer need to seek approval but solely register with TSEC to be able to invest in the Taiwan capital market. The new rules are in line with the trend of globalization and deregulation in connection with the local capital market. To extend global visage, TSEC and FTSE International Limited (FTSE) launched a new tradable index, the TSEC Taiwan 50 Index in 2002. On June 30, 2003, the first ETF based on Taiwan 50 index was listed on TSEC. The listing and trading of this ETF product have been proved to be very successful.

The number of listed companies increased in 2003 to 669, up from 638 a year ago. Total market capitalization of listed shares was NT\$12.87 trillion, up 41.58% from NT\$9.09 trillion of the previous year. There were 7.39 million investors, an increase of 0.14 million from the preceding year. However, the total trading value of securities in 2003 was NT\$20.51 trillion, marking a decrease of 6.69% from NT\$21.98 trillion in 2002. Average daily securities trading value also went down to NT\$ 82.38 billion, a reduction of NT\$ 6.26 billion from the year before. The number of brokers including branches was 1,121, eight more than that at the end of the preceding year.

## ECONOMY

Taiwan economy registered a growth rate of 3.53% in the first quarter of 2003. However, the SARS outbreak dampened the prospect in the second quarter of 2003. The growth rate in export and import shrank to 3.6% and 5.0% in the second quarter, down from 11.4% and 19.9% in the first quarter, respectively. The Economic growth rate in the second quarter was a negative 0.08%. Thanks to global recovery of the information and communication industries, the economic growth rate in the third and fourth quarters resumed a positive note. The global and local economy boosted the confidence of both domestic consumers and investors.

In 2003, the unemployment rate has slightly improved to 4.99%, compared with a record high of 5.17% in 2002. The annual consumer price growth rate dropped to 0.28% and that of annual wholesale price increased to 2.48%. The export and import were US\$144.24 billion and US\$127.26 billion, rising 10.37% and 13.07%, respectively, than those a year before. The trade surplus reached US\$16.98 billion, down 5.93%, compared with the previous year. China (including Hong Kong) has become the largest export market for Taiwan, accounting for 34.52% of total exports, and played a key role in affecting the domestic economy. As the corporate demand for capital fell short of domestic savings, the rediscount rate has been adjusted from 1.625% to a historical low of 1.375% in 2003. As a whole, Taiwan's economic growth rate in 2003 reached 3.24%.

# 2003 TSEC MARKET HIGHLIGHTS

## LISTING

Number of Listed Companies*	669
Number of Newly Listed Companies	45
Number of Listed Issues*	
Common Stock	669
Preferred Stock	7
Bond	96
ETFs	1
Closed-end Funds	3
Warrant	272
Taiwan Depository Receipt	5
Fund Raised (NT\$billion)	
Initial Stock Offering	20.64
Rights Offering	45.20
Debt Offering	0.00
Market Capitalization (NT\$billion)*	12,869.10
Market Capitalization/GNP (%)*	130.45

## TRADING

Number of Trading Days	249
Annual Trading Value (NT\$billion)	
Stock	20,333.24
Bond	9.93
ETFs	34.12
Closed-end Funds	2.19
Warrant	118.34
Taiwan Depository Receipt	14.39
Daily Trading Value - Stock (NT\$billion)	81.66
Annual Trading Volume	
Stock (billion shares)	917.58
ETFs(billion units)	0.78
Closed-end Funds(billion units)	0.52
Warrant (billion units)	48.84
Taiwan Depository Receipt (billion units)	1.67
Daily Trading Volume - Stock (billion shares)	3.69
Market Turnover Rate - Stock (volume) (%)	205.50
Market Price Earning Ratio*	24.76
Dividend Yield (%)*	3.10
Price / Book-value Ratio*	1.82

## SECURITIES MARGIN TRANSACTION

Margin Ratio (%)	31.30
Margin Purchase (NT\$billion)	11,712.8
Short Sale (NT\$billion)	1,110.4

## SECURITIES FIRMS AND INVESTORS

Number of Securities Brokers*	121
Number of Securities Dealers*	47
Number of Securities Underwriters*	58
Number of Investors with Trading Accounts*	7,388,467

## TAIEX

2003 Open	4,524.87
2003 High (Nov. 5)	6,142.32
2003 Low (Apr. 28)	4,139.50
2003 Average	5,161.90
2003 Close	5,890.69
Rate of TAIEX Yearly Increase (%)	30.18
Historic High (Feb. 10, 1990)	12,495.34

\* These figures are for the end of 2003.

# LISTING

Public-issuing companies which desire to be listed on TSEC must meet certain criteria in regard to their financial and operational conditions. Applicant companies are screened according to the relevant listing criteria of the Securities and Exchange Law.

## LISTING PROCEDURE

The applicant company should submit a preliminary application to TSEC through its underwriter. It must go through an “adjustment period” for twelve months before formal application is submitted. TSEC will review monthly to determine if the listing requirements have been met in this period. When a formal application is submitted, public opinions will be solicited and a “Listing Screening Committee” of TSEC will meet to decide the case. Approved case needs to be sanctioned by the Board of Directors of TSEC and by the Securities and Futures Commission (SFC) for final approval.

## LISTING CRITERIA

The applicant company should, as a prerequisite, meet the following criteria:

1. Duration of Corporate Existence:

There shall have been over five years since its incorporation.

2. Amount of Capital:

The amount of its paid-in capital shall be NT\$600 million or more at the time when it applies for listing.

3. Profitability:

There shall not have accumulative loss in the most recent fiscal year. The operating profit and before-tax net profit shall meet one of the following criteria.

- (i) The operating profit and before-tax net profit for the most recent two years represents 6%, or greater of the amount, of paid-in capital in its final accounts; or the average operating profit and before-tax net profit for the most recent two years represent 6%, or greater of the amount, of paid- in capital in its final accounts, and the profitability for the most recent year is greater than that for the immediately preceding year.

(ii) The operating profit and before-tax net profit for the most recent five years represents 3%, or greater of the amount, of paid-in capital in its final accounts.

#### 4. Dispersion of Shareholdings:

The number of name-bearing shareholders shall be one thousand or more. Among them, the number of shareholders holding one thousand to fifty thousand shares shall not be less than five hundred, and the total number of shares they hold shall not be less than 20% of the total issued shares (or at least 10 million).

## LISTING CRITERIA: TECHNOLOGY-BASED COMPANIES

The applicant company who has received an unequivocal opinion from the central authority in charge certifying it as a technology-based company can apply under the following criteria:

1. Its paid-in capital is at least NT\$300 million.
2. It has successfully developed a product with market potential as evidence by an unequivocal opinion issued by the central authority in charge of the enterprise concerned.
3. It has obtained a recommendation letter from a securities underwriter.
4. The projected net worth in the financial forecast of the fiscal year in which it applies for listing, the net worth in its most recent financial report and the financial report of the most recent fiscal year do not fall short of two-thirds of its paid-in capital.
5. The number of name-bearing shareholders shall be one thousand or more. Among them, the number of shareholders holding one thousand to fifty thousand shares shall not be less than five hundred.

## LISTING CRITERIA FOR FOREIGN ISSUERS

### A. Foreign Stocks

A foreign company applying for listing of its stocks on TSEC should meet the following criteria:

1. The number of shares to be listed should be 20 million or more (or a market value not less than NT\$300 million).

2. The name-bearing share certificates issued by the foreign company should have been listed for over one year on one of the stock exchanges or securities markets approved by the SFC.

3. Shareholders' Equity:

The shareholders' equity in the financial report of the most recent fiscal year shall not be less than the equivalent of NT\$1 billion.

4. Profitability:

The before-tax net profit for each of the most recent two years is in positive figure, and it does not have accumulative loss and meets one of the following criteria:

(i) The before-tax net profit for the most recent year represents not less than 6% of the shareholders' equity as indicated in its final accounts;

(ii) The ratio of before-tax net profit to shareholders' equity for each of the most two recent years represents 3% or greater, or the average of it represents 3% or greater, and the profitability for the most recent year is greater than that for the immediately preceding year.

(iii) The before-tax net profit for each of the most recent two years shall be NT\$400 million or more.

5. Dispersion of Shareholdings:

The number of name-bearing shareholders within the territory of the ROC shall not be less than one thousand; among them, the number of shares held by the shareholders holding one thousand to fifty thousand shares shall not be less than 20% in issue or 10 million. At the time of listing, the number of name-bearing shareholders shall be more than two thousand and shareholdings other than insiders of the company shall represent at least 25% of the total shares issued.

6. The stocks to be listed shall be the same class of stocks listed on other stock exchanges or securities markets. The rights and obligations of these stockholders shall be identical with those of the same class of stocks listed on other stock exchanges or securities markets. Local holders



of the stocks shall not be restricted to selling the stocks on foreign stock exchanges or securities markets.

## **B. Taiwan Depository Receipts (TDRs)**

1. The number of units of TDR to be listed shall be 20 million or more (or market value not less than NT\$300 million).
2. The name-bearing share certificates issued by the foreign company should have been listed for over one year on one of the stock exchanges or securities markets approved by the SFC.
3. Shareholders' Equity:

The shareholders' equity in the financial report of the most recent fiscal year shall not be less than the equivalent of NT\$1 billion.

4. Profitability:

The before-tax net profit for each of the most recent two years is in positive figure, and it does not have accumulative loss and meets one of the following criteria:

- (i) The before-tax net profit of the most recent year represents not less than 6% of the shareholders' equity as indicated in its final accounts;
- (ii) The ratio of before-tax net profit to shareholders' equity for each of the most recent two years represents 3% or greater, or the average of it represents 3% or greater, and the profitability for the most recent year is greater than that for the immediately preceding year.
- (iii) The before-tax net profit for each of the most recent two years shall be NT\$400 million or more.

5. Dispersion of Shareholdings:

The number of name-bearing shareholders within the territory of the ROC shall not be less than one thousand; among them, the number of units held by the shareholders holding one thousand to fifty thousand units shall not be less than 20% in issue or 10 million. At the time of listing, the number of name-bearing shareholders shall be more than two thousand and

shareholdings other than insiders of the company shall represent at least 25% of the total shares issued.

6. There shall be no restriction on transfer of stocks represented by TDR.
7. The rights and obligations of the stockholders represented by TDR shall be identical with those of other stocks of the same class issued at the same time.

### **C. Foreign Stocks And TDRs (Technology-Based)**

When a professional institution engaged by this Corporation has submitted a clear opinion that a foreign issuer has successfully developed marketable goods or technology, and meets each of the following criteria:

1. The number of shares to be listed shall be 20 million or more (or market value not less than NT\$300 million).
2. It has obtained a recommendation letter from a securities underwriter.
3. The name-bearing share certificates issued by the foreign issuer in accordance with the laws of its home country have been listed for over one year on one of the stock exchanges or securities markets approved by the SFC.

4. Shareholders' Equity:

The shareholders' equity in the financial report of the most recent fiscal year shall be the equivalent of NT\$500 million or more.

5. Profitability

The before-tax net profit of the most recent year is in positive figure, and it does not have accumulative loss.

6. Dispersion of Shareholdings:

The number of name-bearing shareholders within the territory of the ROC shall not be less than one thousand; among them, the number of shares held by the shareholders holding one

thousand to fifty thousand shares shall not be less than 20% in issue or 10 million. At the time of listing, the number of name-bearing shareholders shall be more than two thousand and shareholdings other than insiders of the company shall represent at least 25% of the total shares issued.

7. The stocks to be listed shall be the same class of stocks listed on other stock exchanges or securities markets. The rights and obligations of these stockholders shall be identical with those of the same class of stocks listed on other stock exchanges or securities markets. Local stockholders shall not be restricted to selling the stocks on foreign stock exchanges or securities markets.

## LISTING CRITERIA: WARRANTS

In June 1997, the “Rules Governing Examination of Warrants” was announced by TSEC. According to this regulation, the warrants to be listed on TSEC are non-collateralized covered warrants. The qualifications of issuers shall be reviewed by TSEC and subsequently by the SFC. Aside from certain requirements for selecting underlying securities, warrants shall meet the following criteria:

1. The number of units to be issued shall be 20 million or more. However, if the expected market value is NT\$200 million or more, the number of units to be issued can be reduced to no less than 10 million.
2. Dispersion of Holdings:
  - (i) The number of holders shall not be less than one hundred; the number of holders with one thousand to fifty thousand units shall not be less than 80 and their holdings represent more than 20% of the units issued.
  - (ii) An individual holder shall not hold more than 10% of the units issued; the issuer shall not

retain more than 30% of the units issued.

(iii) The total holdings of the issuer, its related parties and employees shall not represent more than 35% of the units issued.

(iv) The holdings of warrants by directors, managers, major shareholders with holdings of 10% or more of the underlying securities issuing company shall not represent exercise right more than their holdings of the underlying securities.

3. The expiration date must be less than two years and more than six months from the date of listing.

4. The total number of shares of the underlying securities that may be subscribed through the call (put) warrants and the shares of the same underlying security represented by other existing call (put) warrants already listed on TSEC may not exceed 20% of the total number of outstanding shares of the issuing company after deduction of each of the following types of shareholdings:

(i) The total percentage of shares held by directors and supervisors under statutory shareholding ratio requirements.

(ii) Already pledged securities.

(iii) The number of centrally deposited shares mandatory for newly listed companies.

(iv) Treasury shares under “Regulations Governing the Shares Bought by the Listed Companies on TSEC or Gre Tai Securities Market (GTSM ; formerly known as R.O.C. Over-the-Counter Securities Exchange )”, and not yet cancelled.

## INFORMATION DISCLOSURE

Complete and timely disclosure of financial reports are required of all listed companies. The annual and semi-annual financial reports shall be audited and certified by CPAs accredited by the SFC. Quarterly financial reports reviewed by an accredited CPA shall be made available to the public. If the listed companies do not submit financial reports to TSEC before the deadline,

the trading of shares will be suspended. Any event, which may significantly affect the shareholders' interests or securities prices, shall be reported to TSEC and made public immediately. To facilitate timely information disclosure, the SFC, TSEC and GTSM have integrated financial data, operational data, and developed "Market Observation Post System (MOPS)" an information retrieving system for investors (website : <http://mops.tse.com.tw>). TSEC/GTSM listed companies that issue securities overseas are required to disclose their material information in English web version of MOPS.

## CORPORATE GOVERNANCE

Corporate governance remains a significant issue in Taiwan. TSEC and GTSM issued the related rules (such as Rules of Procedures of Shareholders' Meetings, Norm Governing Financial and Business Operational Procedures among Affiliated Companies, Rules of procedures of Board Meetings, Guidelines for Advanced Education of Directors and Supervisors of TSEC/GTSM Listed Companies etc.) in April and August 2003 as references for companies. The revised draft of the Best-Practice, after approved by the SFC, became effective on December 31, 2003. TSEC/GTSM listed companies are advised to promulgate their own corporate governance principles in accordance with the Best-Practice. Moreover, the Executive Yuan approved the Policy Agenda and Action Plan to Strengthen Corporate Governance in November 2003, which demonstrates the government's determination to implement the reform of corporate governance. With the government's recognition of the importance of corporate governance, it will be more efficient and effective to establish comprehensive corporate governance system in Taiwan.

## LISTING FEES

The listing fees are paid upon initial listing of stocks and further listing of new shares. In addition, an annual fee for the listing of stocks shall be paid in January of each succeeding year.

**Table 1. Rates of Stock Listing Fee**

Face Value of Listed Shares	Rate (%)
NT\$500 million and below	0.03
Portion in excess of NT\$500 million - NT\$1 billion	0.02
Portion in excess of NT\$1 billion - NT\$2 billion	0.01
Portion in excess of NT\$2 billion - NT\$3 billion	0.005
Portion in excess of NT\$3 billion	0.0025

**Table 2. New Listings in 2003**

Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
2892	First Financial Holding Co. Ltd.	3,821,600	38,216,000	1/2
1736	Johnson Health Tech. Co., Ltd.	70,000	700,000	1/9
1477	Makalot Industrial Co., Ltd.	80,438	804,375	1/21
3056	KING BILLION ELECTRONICS CO., LTD.	30,789	307,888	3/3
1541	Chang Type Industrial Co., Ltd.	60,504	605,037	3/19
3061	FORMOSA EPITAXY INCORPORATION	51,970	519,700	4/11
3060	MIN AIK TECHNOLOGY CO., LTD.	77,950	779,500	4/21
6128	GENERAL PLASTIC INDUSTRIAL CO., LTD.	60,929	609,290	6/16

Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
4906	Gemtek Technology Co., Ltd.	73,375	733,750	6/30
3062	CyberTAN Technology, Inc.	146,359	1,463,588	7/28
6112	SYSAGE THCHNOLOGY CO., LTD.	64,161	641,608	8/4
6165	JYE TAI PRECISION INDUSTRIAL. CO., LTD.	76,313	763,134	8/4
4532	RECHI PRECISION CO., LTD.	192,666	1,926,657	8/4
6142	CAMEO COMMUNICATIONS, INC.	90,201	902,008	8/4
6119	TECO ENTERPRISE CO., LTD.	63,000	630,000	8/4
3231	Wistron Corporation	811,797	8,117,970	8/19
6257	SIGURD MICROELECTRONICS CORP.	91,093	910,926	8/25
5469	HannStar Board Corp.	100,102	1,001,021	8/25
5484	EverFocus Electronics Corp.	64,402	644,020	8/25
5471	SONIX TECHNOLOGY CO.,LTD.	94,810	948,095	8/25
6117	IN WIN DEVELOPMENT INC.	62,300	623,000	8/25
5608	SHIH WEI NAVIGATION CO., LTD.	152,577	1,525,770	8/25
5434	TOPCO SCIENTIFIC CO.,LTD.	67,945	679,446	8/25
6012	TAIWAN INTERNATIONAL SECURITIES CORPORATION	780,000	7,800,000	8/25
6132	XEPEX ELECTRONICS CO., LTD.	61,600	616,000	8/25
8926	Taiwan Cogeneration Corporation	315,009	3,150,086	8/25

Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
6133	Golden Bridge Electech Inc.	60,000	600,000	8/25
6139	L & K ENGINEERING CO., LTD.	71,600	716,000	8/25
6145	POWER QUOTIENT INTERN ATONAL CO.,LTD.	76,300	763,000	8/25
6168	HARVATEK CORPORATION	74,262	742,617	8/25
6136	FULLERTON TECHNOLOGY CO., LTD.	68,028	680,285	8/26
6289	Arima Optoelectronics Corporation	132,500	1,325,000	8/28
3063	International Semiconductor Technology Ltd.	207,240	2,072,400	9/8
6282	ACBEL POLYTECH INC.	332,730	3,327,300	9/8
4526	TONG-TAI MACHINE TOOL CO., LTD.	66,226	662,256	9/15
6285	Wistron NeWeb Corporation	80,998	809,980	9/22
6269	FLEXIUM INTERCONNECT, INC.	70,000	700,000	9/23
5515	CHIEN KUO CONSTRUCTION CO., LTD	112,000	1,120,000	10/6
6286	Richtek Technology Corporation	30,000	300,000	10/21
6141	Plotech Co.,Ltd	64,166	641,658	10/22
6277	ATEN INTERNATIONAL CO., LTD.	73,113	731,135	10/30
1737	TAIWAN SALT COMPANY	250,000	2,500,000	11/18
8078	Compal Communications Inc.	261,000	2,610,000	12/9



Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
8016	Sitronix Technology Corp.	33,432	334,325	12/25
6505	Formosa Petrochemical Corp	7,840,000	78,400,000	12/26

**Table 3. Total Market Value of Listed Companies Year-end 1994-2003**

Year	No. of Listed Companies	No. of Issues	No. of Listed Shares (Million)	Total Market Value of Listed Shares (NT\$ Million)
1994	313	354	107,171	6,504,368
1995	347	383	132,462	5,108,437
1996	382	425	162,680	7,528,851
1997	404	470	206,632	9,696,113
1998	437	498	269,666	8,392,607
1999	462	510	305,654	11,803,524
2000	531	560	363,018	8,191,474
2001	584	614	406,400	10,247,599
2002	638	668	441,040	9,094,936
2003	669	690	470,551	12,869,101

**Table 4. Listed Stocks by Industrial Group 2002-2003**

Industry	2003				
	No. of Companies	No. of Issues	Shares (Thousand)	Face Amounts (NT\$ Million)	%
Total	669	690	470,551,436	4,705,514	100.00
Cement	8	9	7,727,090	77,271	1.64
Foods	24	24	9,804,415	98,044	2.08
Plastics	22	23	30,585,068	305,851	6.50
Textiles	53	53	20,815,807	208,158	4.42
Electric & Machinery	35	35	7,259,376	72,594	1.54
Electric Appliance & Cable	16	17	11,942,698	119,427	2.54
Chemicals	32	32	8,371,639	83,716	1.78
Glass & Ceramics	7	7	2,427,991	24,280	0.52
Paper & Pulp	7	7	4,078,807	40,788	0.87
Steel & Iron	24	25	17,730,227	177,302	3.77
Rubber	9	9	3,654,403	36,544	0.78
Automobile	4	5	4,526,650	45,267	0.96
Electronics	279	289	183,370,156	1,833,702	38.97
Construction	33	33	14,231,151	142,312	3.02
Transportation	17	19	15,313,965	153,140	3.25
Tourism	6	6	1,283,799	12,838	0.27
Finance	43	47	108,662,019	1,086,620	23.09
Wholesale & Retail	12	12	5,565,357	55,654	1.18
Conglomerate	1	1	1,434,889	14,349	0.30
Others	37	37	11,765,928	117,659	2.50

Industry	2002				
	No. of Companies	No. of Issues	Shares (Thousand)	Face Amounts (NT\$ Million)	%
Total	638	669	441,039,852	4,410,399	100.00
Cement	8	9	7,966,232	79,662	1.81
Foods	26	26	10,229,178	102,292	2.32
Plastics	20	22	17,494,669	174,947	3.97
Textiles	57	58	27,469,001	274,690	6.23
Electric & Machinery	34	35	7,180,778	71,808	1.63
Electric Appliance & Cable	16	16	11,985,336	119,853	2.72
Chemicals	30	31	7,898,966	78,990	1.79
Glass & Ceramics	7	7	2,460,332	24,603	0.56
Paper & Pulp	7	7	4,354,511	43,545	0.99
Steel & Iron	25	26	17,762,450	177,625	4.03
Rubber	9	9	3,520,025	35,200	0.80
Automobile	4	5	4,484,796	44,848	1.02
Electronics	243	260	162,228,778	1,622,288	36.78
Construction	37	37	18,555,071	185,551	4.21
Transportation	16	17	14,434,754	144,348	3.27
Tourism	6	6	1,272,433	12,724	0.29
Finance	44	48	104,781,074	1,047,811	23.76
Wholesale & Retail	11	12	4,907,549	49,075	1.11
Conglomerate	1	1	1,434,889	14,349	0.33
Others	37	37	10,619,030	106,190	2.41

**Table 5. Listed Stocks by Classification and Ownership Type 2002-2003**

	Total	Class of stocks			Type of Ownership	
		Common	Preferred	Others*	Government Enterprises	Private Enterprises
<b>2003</b>						
Number of Companies	669	-	-	-	1	668
Number of Issues	690	669	7	14	1	689
Shares (Million)	470,551	468,927	1,520	104	9,648	460,904
Amount (NT\$Million)	4,705,514	4,689,272	15,197	1,045	96,477	4,609,037
% of Total Amount	100.00	99.65	0.32	0.02	2.05	97.95
<b>2002</b>						
Number of Companies	638	-	-	-	1	637
Number of Issues	668	638	7	23	1	667
Shares (Million)	441,040	439,620	1,332	88	9,648	431,392
Amount (NT\$Million)	4,410,399	4,396,198	13,318	883	96,477	4,313,921
% of Total Amount	100.00	99.68	0.30	0.02	2.19	97.81
<b>Change from 2002</b>						
Number of Companies	31	-	-	-	0	31
Number of Issues	22	31	0	-9	0	22
Shares (Million)	29,512	29,307	188	16	0	29,512
Amount (NT\$Million)	295,116	293,074	1,880	162	0	295,116

\* Certificate of entitlement to new shares form convertible bonds.

**Table 6. Fund-Raising Activities of TSEC Listed Companies**

Unit : NT\$ 1,000

Year & Month	Total	Sources of Cash Raised		
		Rights Offering	Initial Stock Offering	Debt Offering
1999	176,938,712	141,671,139	26,567,573	8,700,000
2000	153,242,637	106,095,374	45,647,263	1,500,000
2001	53,120,434	39,040,696	13,079,738	1,000,000
2002	60,872,623	36,847,574	22,625,049	1,400,000
2003	65,831,709	45,195,112	20,636,597	0
Jan.	841,770	0	841,770	0
Feb.	0	0	0	0
Mar.	415,216	0	415,216	0
Apr.	6,494,162	5,631,526	862,636	0
May	0	0	0	0
Jun.	10,310,000	10,310,000	0	0
Jul.	1,317,480	564,750	752,730	0
Aug.	1,659,896	293,986	1,365,910	0
Sep.	2,563,250	96,600	2,466,650	0
Oct.	20,393,291	19,000,000	1,393,291	0
Nov.	6,262,250	3,852,250	2,410,000	0
Dec.	15,574,394	5,446,000	10,128,394	0

**Table 7. Changes in Sources of Capital of Listed Companies  
2002-2003**

Unit : NT\$ Million

Year	2003		2002		Changes from 2002	
Item	Amount	%	Amount	%	Amount	%
	Approved		Approved		Approved	
Sources of Capital						
Total	232,475	100.00	259,173	100.00	-26,698	-10.30
Cash Offering (in Face Value)	70,842	30.47	31,157	12.02	39,685	127.37
Capitalization of Retained Earnings	119,194	51.27	141,124	54.45	-21,930	-15.54
Capitalization of Capital Reserves & Others	42,438	18.26	86,892	33.53	-44,454	-51.16

**Table 8. Financial Status of Listed Companies 2001-2002**

Unit : NT\$ Million

Item	2002	2001	2002/2001 growth (%)
Total Assets	17,018,072	21,190,938	-19.69
Total Net Worth	6,432,535	6,127,293	4.98
Total Capital	4,358,467	4,026,918	8.23
Revenues	5,928,422	5,429,642	9.19
Net Profit before Taxes	226,622	108,162	109.52

**Table 9. Financial Data of Listed Companies by Industrial Group 2002-2003**

Unit : NT\$ Million

Industry	Number of Companies	Annual Sales Revenue		Average Sales Revenue*		2002/2003 growth (%)
		2003	2002	2003	2002	
Total	669	8,687,814	7,434,011	12,986	11,652	11.45
Cement	8	46,096	48,198	5,762	6,025	-4.36
Foods	24	138,483	131,078	5,770	5,041	14.45
Plastics	22	649,791	509,246	29,536	25,462	16.00
Textiles	53	230,691	220,494	4,353	3,868	12.52
Electric & Machinery	35	127,863	106,176	3,653	3,123	16.98
Electric Appliance & Cable	16	99,900	89,782	6,244	5,611	11.27
Chemicals	32	115,341	103,334	3,604	3,444	4.64
Glass & Ceramics	7	19,139	18,096	2,734	2,585	5.76
Paper & Pulp	7	59,283	54,210	8,469	7,744	9.36
Steel & Iron	24	321,363	259,673	13,390	10,387	28.91
Rubber	9	39,484	34,155	4,387	3,795	15.60
Automobile	4	171,043	165,585	42,761	41,396	3.30
Electronics	279	4,116,664	3,305,868	14,755	13,604	8.46
Construction	33	108,583	113,845	3,290	3,077	6.94
Transportation	17	312,225	283,065	18,366	17,692	3.81
Tourism	6	6,496	7,291	1,083	1,215	-10.90
Finance	43	1,816,531	1,694,465	42,245	38,511	9.70
Wholesale & Retail	12	145,474	139,285	12,123	12,662	-4.26
Conglomerate	1	10,651	9,421	10,651	9,421	13.06
Others	37	152,714	140,743	4,127	3,804	8.51

\* Average Sales Revenue is the Annual Sales Revenue divided by the number of listed companies under the line of business.

**Table 10. Changes in Volume and Value of Government Bonds 2002-2003**

	No. of Issues	Principal Value (NT\$ Million)
<b>End of 2002</b>	74	2,212,720
<b>During the Year 2003</b>		
Newly Listed	10	465,000
Delist	4	77,000
<b>End of 2003</b>	80	2,587,070
Redemption Payment	0	13,650

**Table 11. Changes in Volume and Value of Convertible Bonds 2002-2003**

	No. of Issues	Principal Value (NT\$ Million)
<b>End of 2002</b>	30	12,072
<b>During the Year 2003</b>		
Newly Listed	0	0
Delist	14	3,426
converted	-	4,207
<b>End of 2003</b>	16	4,438



# TRADING

## TRADING PROCESS

An investor wishing to trade securities needs to open an account with a broker, and engages the broker as his/her agent. After the account is in place, the investor may place an order in person, by phone, fax or the Internet. Only limit order is allowed and outstanding orders are automatically canceled at the conclusion of the trading session.

Trading on TSEC starts at 9:00 a.m. and closes at 1:30 p.m. Buy/sell orders are in standard unit or multiples thereof. One standard trading unit (1,000 shares) is applicable to all listed stocks. Orders below 1,000 shares are considered odd-lot and that over 500,000 shares are block trading.

TSEC's computer assisted trading system was upgraded to the Fully Automated Securities Trading (FAST) system on May 3, 1993. The Market adopts a call market mechanism. When an order is placed by a customer or a dealer, the account number along with the bid or offer price, volume, and other required information, are entered via a terminal into the main computer of TSEC. The transaction is processed and executed by the trading system in a price and time priority principle. The daily price fluctuation limits of stocks, beneficiary certificates and convertible bonds are set at 7% of the closing prices of the preceding business day. As for warrants, the daily price fluctuation limit is set at 7% of the price of the target stock. For bonds, the limit is set at 5%. The intra-day volatility interruption system will be in force when the potential execution price of a stock falls out of a specified range (+/-3.5%) of the last traded price. Matching for that stock will be postponed for two to three minutes. Market will be informed of this situation and investors can modify their orders or enter new orders accordingly. Prices and volumes of unexecuted orders at the 5 best bid/offer are disclosed since 2003. To keep the

closing price from the risk of undue market influence, TSEC accumulates orders for 5 minutes (from 1:25 p.m. to 1:30 p.m.) before the closing call auction. Day trade is allowed only for investors with margin accounts.

After-hour fixed-price trading orders are submitted to TSEC between 2:00 p.m. and 2:30 p.m., Monday through Friday. The bid and offer prices of such orders are restricted to the closing prices of the regular trading session.

Buying and selling of odd-lot orders are submitted to TSEC between 3:00 p.m. and 4:00 p.m., Monday through Friday. The bid and offer prices are restricted to the prices deducted 0.5% of the closing prices of the regular trading session.

Block trading orders are submitted to TSEC between 2:30 p.m. and 3:30 p.m., Monday through Friday. The bid and offer prices of such orders are restricted to the closing prices of the regular trading session.

## **MARGIN TRADING**

Individual investors that meet certain qualifications of age, trading experience and financial soundness can apply for margin accounts at eligible brokers or securities finance companies. The securities eligible for margin trading are common stocks and beneficiary certificates listed for more than six months, overly volatile stocks or shares with concentrated ownership are excluded from margin eligibility.

Margin account customers buy or sell securities based on the margin requirements regulated by the Central Bank of China and SFC. The securities bought on margin and the sale value received for short sale are held as collaterals. The collaterals are marked to market every day to see if they meet the margin. Accounts failing to meet the maintenance ratio will receive notices of margin calls.

## ETF

Investors are able to trade the ETF by their securities trading accounts with a licensed brokerage house. Trading and settlement of the ETF are handled in the same manner as those of securities. The daily price up/down limit is also 7%. Once the ETF is listed, it is available to be traded in margin. Short selling under margin trading is exempted from the local up-tick rule, which requires short sales to take place at a price not lower than that of the previous day's closing.

Participating dealers can carry out in-kind creation (redemption), and selling the ETF (portfolio of stocks) on the same day for themselves or on behalf of their customers. They shall report their in-kind creation and redemption operations to TSEC.

## MARKET INFORMATION

Investors can acquire TSEC data from information vendors for value-added information. In addition, investors can also observe the data directly from Market Information System (MIS) through website provided by TSEC. As of the end of 2003, there were 39 real-time information vendors for the securities market.

Starting 2003, TSEC upgraded the transmission medium from the leased line of 9,600 bps to the IP network architecture of 512K in order to transmit larger amount of data.

In November 2003, TSEC began to develop more useful, timely, and convenient tools for disseminating end of day product and material information of listed companies for general investors in the coming year.

**Table 12. Stock Trading Volume and Value 1998-2003**

Year & Month	No. of Trading Days	Volume (Unit: Million Shares)			Value (Unit: NT\$ Million)		
		Total	Daily Average	Turnover Rate(%)*	Total	Daily Average	Turnover Rate(%)**
1998	271	612,009	2,258	261.70	29,618,970	109,295	314.10
1999	266	678,063	2,549	237.57	29,291,529	110,119	291.10
2000	271	630,868	2,328	195.28	30,526,566	112,644	259.13
2001	244	606,420	2,485	159.58	18,354,936	75,225	206.57
2002	248	856,190	3,452	205.21	21,873,951	88,201	217.39
2003	249	917,579	3,685	205.50	20,333,237	81,660	190.67
Jan.	19	109,537	5,765	24.95	2,102,160	110,640	20.51
Feb.	16	51,530	3,221	11.75	963,644	60,228	10.63
Mar.	21	47,472	2,261	10.82	954,541	45,454	10.79
Apr.	22	58,370	2,653	13.35	1,180,126	53,642	13.90
May	21	49,526	2,358	11.31	985,831	46,944	10.58
Jun.	20	93,002	4,650	21.30	2,018,128	100,906	20.31
Jul.	23	126,176	5,486	28.65	2,940,538	127,849	27.60
Aug.	21	83,769	3,989	18.68	2,084,876	99,280	18.44
Sep.	21	67,059	3,193	14.80	1,725,712	82,177	15.06
Oct.	22	99,050	4,502	21.52	2,273,857	103,357	17.96
Nov.	20	71,315	3,566	15.45	1,676,394	83,820	13.80
Dec.	23	60,774	2,642	12.92	1,427,430	62,062	11.09

\* Based on total number of listed shares

\*\* Based on total market value of listed shares.

**Table 13. Ten Most Active Stocks 2003 (in Volume and in Value)**

**a. in Volume**

Rank	Name of Stock	Volume (Thousand Shares)	% of Market Total
1	UMC	24,882,780	2.71
2	AUO	23,558,270	2.57
3	CPT	17,965,227	1.96
4	China Steel	17,698,839	1.93
5	MEGA FHC	13,743,130	1.50
6	CMC	11,436,427	1.25
7	TSMC	11,186,550	1.22
8	MXIC	10,951,974	1.19
9	WEC	10,476,165	1.14
10	CMO	10,149,195	1.11

**b. in Value**

Rank	Name of Stock	Value (NT\$ Thousand)	% of Market Total
1	AUO	788,710,635	3.88
2	UMC	631,895,522	3.11
3	TSMC	620,375,006	3.06
4	China Steel	432,816,622	2.13
5	CMO	392,011,230	1.93
6	MediaTek	383,800,078	1.89
7	CPT	277,044,514	1.36
8	CMC	276,727,146	1.36
9	YP	268,593,910	1.32
10	Benq	268,377,799	1.32

**Table 14. Stocks with Largest Price Changes Year-end 2003**

Rank	Up	
	Name of Stock	Rise from End of 2002(%)
1	KTC	650.00
2	Highwealth	362.75
3	Hung Poo	332.62
4	Hold-Key	240.57
5	Kee Tai	216.61
6	CSSSC	206.90
7	Catcher	205.37
8	U-Ming	202.68
9	Awea	197.01
10	Huang Hsiang	192.83

Rank	Down	
	Name of Stock	Fall from End of 2002(%)
1	INFO INC.	-74.77
2	CARRY	-64.09
3	MII	-49.24
4	King's	-47.41
5	K Laser	-45.30
6	EDIMAX	-45.21
7	Summit	-43.03
8	TurboComm	-41.34
9	Abo-Com	-36.02
10	POFC	-35.17

**Table 15. Price Earnings Ratio (PE Ratio) Year-end 2003**

Industry	PE Ratio
All Listed Stocks	24.76
Cement	24.96
Foods	29.41
Plastics	20.35
Textiles	191.54
Electric & Machinery	17.38
Electric Appliance & Cable	58.97
Chemicals	18.74
Glass & Ceramics	31.62
Paper & Pulp	14.71
Steel & Iron	8.63
Rubber	14.51
Automobile	10.59
Electronics	27.15
Construction	-23.38
Transportation	27.43
Tourism	38.62
Finance	29.31
Wholesale & Retail	30.92
Others	14.79
Cement & Ceramics	26.45
Plastics & Chemicals	19.53
Electrical	26.99

# CLEARING AND SETTLEMENT

TSEC adopts multilateral netting and T+2 rolling settlement convention. Clearing report is sent through computer-link devices to the back offices of the brokers/dealers on the trade (T) day. TSEC also contracted to perform cash settlement for stocks traded in GTSM starting August 4, 2003. The cash settlement of TSEC and GTSM is netted again since the participants are the same in both markets.

The settlement mechanism underwent a historical change in 1990 when Taiwan Securities Central Depository Co., Ltd. (TSCD) was established and the new book-entry settlement mechanism became feasible. Since February 4, 1995, it has become mandatory that investors have book-entry securities depository account as well as a bank account before the trade starts.

## SECURITIES LENDING

In 1996, TSEC initiated a Securities Borrowing and Lending (SBL) System to facilitate securities settlement. To further improve the efficiency of Taiwan's financial market, TSEC introduced a parallel system on June 30, 2003 to facilitate strategy trading. The acceptable trading strategies include hedging, arbitraging and exercising. Eligible participants who hold ETFs, Taiwan 50 index portfolios, ADRs, GDRs, CBs, ECBs, options or futures are allowed to borrow securities from the



new SBL system. Under this new SBL system, a security lending/borrowing transaction may be consummated by either one of the following trading mechanism:

- (1) fixed-price basis,
- (2) competitive auction basis or
- (3) negotiated basis.

TSEC validates transactions executed through the new SBL system.

TSEC also assumes the role of guarantor for transactions executed on the bases of fixed-price or competitive auction.

Qualified institutional market participants including securities dealers, ETF issuers, foreign institutional investors, and futures proprietary traders are eligible to register with the SBL as borrowers. Those who are currently eligible to become lenders are foreign institutional investors, securities investment trust enterprises, futures proprietary traders, insurance companies and banks.

# SECURITIES FIRMS

## REGISTRATION OF SECURITIES FIRMS

Pursuant to the Securities and Exchange Law, Securities companies can be categorized as:

1. Securities underwriters who facilitate distribution of issuers' securities.
2. Securities dealers who buy and sell securities for their own accounts.
3. Securities brokers who trade as agents for their customer accounts.

Securities brokers and dealers must receive consent to computer linkages from TSCD and TSEC before they can apply for registration with the SFC.

No securities firm shall commence operations until after receipt of approval and license from the SFC.

Minimum capital requirements for securities firms are as follows:

1. Securities underwriter: NT\$400 million
2. Securities dealer: NT\$400 million
3. Securities broker: NT\$200 million

Securities firms conducting all three categories of business must meet the minimum capital requirement of NT\$1 billion. Another NT\$30 million will be required for any additional branch office.

## FUNDS AND RESERVES

After registration procedures, securities firms are required to deposit Business Guarantee Fund in SFC-designated banks by category. The required amount for each securities firm is as follows:

1. Securities underwriter: NT\$40 million
2. Securities dealer: NT\$10 million
3. Securities broker: NT\$50 million

For setting up a branch office, an additional amount of NT\$10 million is required.

Each securities firm is also required to deposit Settlement and Clearing Fund at TSEC. To maintain

the financial integrity of the intermediaries, securities brokers are further required to set up Default Loss Reserve and dealers should set up Trading Loss Reserve as stipulated by the SFC.

## FINANCIAL INTEGRITY OF SECURITIES FIRMS

The total amount of liabilities of a securities firm shall not exceed four times of the net value of its capital and the total amount of its current liabilities shall not exceed the total amount of its current assets. For a securities firm with only a brokerage or dealer license, its total amount of liabilities shall not exceed its net value of capital. Securities firms are also prohibited from providing financial guaranties or purchasing real estate for non-business use.

## SECURITIES FINANCING

Finance companies and qualified securities firms may offer securities financing services. Securities firms must meet certain requirements with respect to their capital, financial and operational conditions to become eligible for securities financing business.

For the purpose of managing the risks by the brokerage firms, the total margin position of each brokerage firm is limited. The credit balances in margin accounts and the value of short-selling positions for its whole customers are limited to 250% of its net worth.

## FOREIGN SECURITIES FIRMS

Foreign securities firms can apply for branch establishments in Taiwan if it meets the following qualifications:

1. The applicant possesses sufficient experience in international securities business.
2. The applicant has not been sanctioned administratively by its home country's securities regulatory authorities within the recent two years.

They must also deposit funds and reserves as required by local securities firms.

**Table 16. Status of Trading Amount of Securities Firms 2003**

Classification of Securities and Securities Firms	Trading Value (NT\$ Million)	%	Notes
<b>Classification by Securities</b>			
Total	40,897,323	100.000	<p>1. The trading value covers both buy and sale value.</p> <p>2. The trading value is exclusive of central government bond block trading value.</p> <p>3. The trading value is exclusive of auction and tender offer.</p> <p>4. Securities firms with the largest trading value:                      1st: YuanTa Core Pacific Securities                      2nd: Fubon Securities                      3rd: Sinopac Securities                      4th: Jih Sun Securities                      5th: Polaris Securities</p>
Stocks	40,607,638	99.292	
Government Bonds exclusive of central	0	0.000	
Corporate Bonds (Convertible Bonds are not included)	0	0.000	
Convertible Bonds	19,851	0.049	
Beneficiary Certificates	4,375	0.011	
Warrants	236,681	0.579	
Taiwan Depository Receipts	28,778	0.070	
<b>Classification by Securities Firms</b>			
Securities Brokerage Firms	38,505,955	93.996	
Main Offices	10,725,767	26.182	
Branch Offices	27,780,188	67.814	
Banking Brokers	1,354,064	3.305	
Main Offices	696,682	1.701	
Branch Offices	657,382	1.605	
Dealers	1,105,543	2.699	
Central Government Bond Issues Auction Group	0	0.000	

**Table 17. Trading Value by Brokers & Dealers 1999-2003  
(Percentage of Turnover)**

	2003	2002	2001	2000	1999
<b>Brokers:</b>					
Securities Brokerage Firms	94.00	94.90	95.00	94.32	94.57
Banking Brokers	3.31	3.21	3.31	3.8	3.49
<b>Dealers</b>	2.70	1.89	1.69	1.88	1.94
<b>Total</b>	100.00	100.00	100.00	100.00	100.00

**Table 18. Number of Customer Accounts with Brokers 1999-2003**

Year & Month	No. of Brokers (Main Offices)	No. of New Accounts	Accumulated Investor Accounts
1999	193	1,714,349	10,916,426
2000	169	5,111,016	12,359,893
2001	157	1,317,812	12,910,531
2002	137	2,602,285	12,869,344
2003	121	1,691,153	13,053,178
Jan.	135	47,157	12,911,339
Feb.	135	69,214	12,971,942
Mar.	133	79,715	12,996,206
Apr.	132	60,050	13,016,806
May	132	52,218	13,024,413
Jun.	129	213,930	13,052,815
Jul.	129	85,833	13,010,319
Aug.	129	111,297	13,014,182
Sep.	127	85,258	13,023,630
Oct.	125	241,859	12,981,441
Nov.	123	527,437	13,013,782
Dec.	121	117,185	13,053,178

# BROKERAGE COMMISSION AND SECURITIES TAXATION

## COMMISSION RATE

Each securities firm can set its commission rate up to the ceiling of 0.1425% of trading value, designated by the SFC.

## SECURITIES TAXATION

### 1. Securities Transaction Tax

This tax is levied on the sale side of each transaction. The rate is 0.3% for stock trading and 0.1% for beneficiary certificates, ETF, warrants and TDRs. Corporate bonds and government bonds are exempted from this tax.

### 2. Taxation on Dividends

Dividends payable to residents are subject to income tax. A 30% withholding tax is levied on non-resident individual beneficiaries and 25% on non-resident corporate beneficiaries. Tax incentive plans are available under the Statute for Investment by Foreign Nationals.

Stock dividends representing distribution of capital surplus or an asset revaluation surplus are not subject to income tax. Stock dividends representing distribution of earnings are subject to income tax payable upon receipt of dividends.

### 3. Taxation on Interest Income

Interest income is subject to either a 10% withholding tax for a resident beneficiary or 20% for a non-resident beneficiary. Interest income from short-term bills and bonds are subject to a 20% withholding tax for both resident and non-resident beneficiaries. Interest income may be exempted from income tax to the extent of NT\$270,000, save for interest income from postal savings account and short-term commercial paper.

### 4. Capital Gains Tax

Capital gains are exempted from tax, this law became effective since January 1, 1990.

## STOCK PRICE INDICES

The Exchange maintains a total of 28 stock price indices. The indices include market value indices as well as price average indices. TSEC Capitalization Weighted Stock Index (TAIEX) is the most widely quoted of all TSEC indices. TAIEX covers most of the listed common stocks. Up to December 2003, 636 issues were selected as component stocks from the 669 companies listed on the Exchange.

TSEC Taiwan 50 Index, the first tradable index for the Taiwan market was created under the collaboration of TSEC and FTSE on October 29, 2002. TSEC Taiwan 50 Index covers the top 50 companies by market capitalization, adjusted by FTSE's free float methodology. The TSEC Taiwan 50 Index Committee, an independent committee, manages the index.

Other market value indices are calculated and adjusted similarly to that of TAIEX only with different groupings of stocks included for calculation. The table below summarizes the characteristics of these indices.

TSEC indices are computed and broadcasted every minute during the trading hours. The information can be easily accessed on the systems of local and international information vendors. Monthly summary of all the TSEC indices data is also available in TSEC website.



Index	Type of Index	Base (Date of Compilation)	Date Published	Stocks Included (End of 2003)
TAIEX	Market value	1966 average =100	1967	636 listed common stocks
TSEC Taiwan 50 Index	Free Float Adjusted Market value	2002.4.30 =5,000	2002.10.29	50 listed common stocks
Non-Finance Sub-Index	Market value	1966 average =100	1987.11	TAIEX Constituents, excluding stocks of finance industry
Non-Electronics Sub-Index	Market value	1999.12.28 =8,448.84	2000.11.16	TAIEX Constituents, excluding stocks of electronics industry
Industrial Sub-Indices	Market value	1986.12.29 =100	1986.12.29	group stocks of 8 industries*
Industrial Sub-Indices	Market value	1994.12.31 =100	1995.8.1	group stocks of 14 industries**
Composite Stock Price Average	Price average	1987.1.6	1989.1	30 listed common stocks
Industrial Stock Price Average	Price average	1987.1.6	1989.1	20 listed common stocks

\* 8 Industrial Sub-Indices: Cement/Glass/Ceramics, Textiles, Foods, Plastics/Chemicals/Rubber, Electric Machinery/Electric Appliance/Cable/Electronics, Paper/Pulp, Construction, Finance.

\*\* 14 Industrial Sub-Indices: Cement, Plastics, Electric Machinery, Electric Appliance/Cable, Automobile, Chemicals, Glass/Ceramics, Iron/Steel, Rubbers, Electronics, Transportation, Tourism, Retail and Others.

**Table 19. Changes in Stock Index by Industrial Group 2002-2003**

Industry	Stock Index		Point Change from End of 2002	Percent Change from End of 2002(%)
	End of 2003	End of 2002		
Cement	53.88	36.92	16.96	45.94
Foods*	246.5	214.34	32.16	15.00
Plastics	131.47	86.96	44.51	51.18
Textiles*	221.39	182.89	38.50	21.05
Electric & Machinery	75.47	63.5	11.97	18.85
Ele. Appliance & Cable	43.27	34.76	8.51	24.48
Chemicals	60.92	49.7	11.22	22.58
Glass & Ceramics	37.13	30.88	6.25	20.24
Paper & Pulp*	148.53	106.44	42.09	39.54
Steel & Iron	81.28	56.36	24.92	44.22
Rubber	86.76	72.37	14.39	19.88
Automobile	140.03	137.99	2.04	1.48
Electronic	246.71	184.3	62.41	33.86
Construction*	128.77	69.04	59.73	86.52
Transportation	80.85	55.74	25.11	45.05
Tourism	42.42	34.67	7.75	22.35
Finance*	873.49	690.72	182.77	26.46
Wholesale & Retail	65.43	60.39	5.04	8.35
Others	94.93	79.57	15.36	19.30
Cement & Ceramics*	238.56	172.83	65.73	38.03
Plastics & Chemicals*	424.05	295.02	129.03	43.74
Electrical*	1,382.80	1,037.19	345.61	33.32

Base Day = End of 1986 (Noted by \*) or 1994 (others)

**Table 20. TSEC Capitalization Weighted Stock Index (TAIEX)  
Daily Closing 2003**

DATE	MONTH					
	JAN.	FEB.	MAR.	APR.	MAY	JUN.
1	-	-	-	4,337.61	-	-
2	# 4,524.87	-	-	4,311.56	# 4,187.82	4,692.94
3	4,626.32	-	4,526.69	4,358.39	-	# 4,678.08
4	-	-	4,499.69	4,499.18	-	-
5	-	-	4,418.11	-	4,202.12	4,738.34
6	4,689.86	△ 4,833.58	4,397.44	-	4,220.45	4,740.45
7	4,701.08	4,735.37	4,350.59	4,575.83	4,275.91	-
8	4,836.93	-	-	4,552.45	4,191.25	-
9	4,813.73	-	-	4,537.39	4,244.18	4,826.94
10	4,850.80	4,643.87	4,319.99	4,541.36	-	4,832.20
11	-	4,618.98	# 4,260.45	4,530.40	-	4,804.65
12	-	4,624.87	4,328.15	-	4,261.02	4,878.43
13	4,991.26	4,507.96	4,378.99	-	4,334.59	4,881.90
14	4,992.42	4,493.99	4,476.17	4,459.81	4,341.10	-
15	5,017.70	-	-	4,487.59	4,331.24	-
16	4,943.29	-	-	4,609.32	4,283.77	4,892.36
17	4,907.78	4,705.08	4,357.99	4,566.66	-	4,973.19
18	-	4,605.31	4,539.72	△ 4,658.30	-	4,999.07
19	-	4,550.83	4,515.07	-	4,255.80	△ 5,048.91
20	4,951.03	4,550.70	△ 4,599.25	-	4,251.59	5,002.58
21	4,945.87	4,548.35	4,586.92	4,648.12	4,216.64	-
22	4,993.27	-	-	4,556.10	4,271.30	-
23	△ 5,078.80	-	-	4,564.93	4,349.52	4,921.72
24	5,057.32	4,609.20	4,570.68	4,374.94	-	4,909.31
25	-	4,454.35	4,498.83	4,233.54	-	4,933.79
26	-	4,456.69	4,496.05	-	4,465.57	4,894.01
27	4,972.59	# 4,432.46	4,514.24	-	4,451.11	4,877.90
28	5,015.16	-	4,477.01	# 4,139.50	4,474.41	-
29	-	-	-	4,200.32	4,543.04	-
30	-	-	-	4,148.07	△ 4,555.90	4,872.15
31	-	-	4,321.22	-	-	-
Monthly Average	4,890.00	4,585.72	4,449.20	4,449.61	4,319.44	4,869.95

Remark: 「△」 Highest Index of the Month

「#」 Lowest Index of the Month

DATE	MONTH					
	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1	# 5,017.78	5,390.51	5,691.79	# 5,581.66	-	5,870.17
2	5,095.24	-	5,715.95	5,699.86	-	5,911.45
3	5,095.31	-	5,673.18	5,747.79	6,087.45	5,884.97
4	5,151.85	5,377.19	5,625.63	-	6,108.99	5,920.46
5	-	5,259.45	5,639.03	-	△ 6,142.32	5,900.05
6	-	5,225.83	-	5,851.20	6,013.40	-
7	5,322.26	5,259.07	-	5,856.68	6,056.83	-
8	5,367.97	5,232.55	5,727.01	5,821.80	-	5,847.15
9	5,358.91	-	5,680.69	5,869.88	-	5,859.56
10	5,282.38	-	5,623.43	-	6,059.03	5,803.42
11	5,239.96	# 5,214.60	-	-	6,022.08	5,867.05
12	-	5,255.24	5,645.28	-	5,982.75	5,858.32
13	-	5,442.27	-	5,972.47	6,035.44	-
14	5,349.94	5,436.75	-	5,938.42	6,044.77	-
15	5,335.86	5,488.74	5,623.22	5,924.38	-	△ 5,924.24
16	5,413.87	-	5,699.26	6,035.74	-	5,887.23
17	5,299.51	-	5,747.14	6,042.71	5,952.32	# 5,752.01
18	5,287.38	5,516.80	5,750.81	-	5,939.47	5,768.76
19	-	5,512.16	△ 5,757.91	-	5,865.51	5,759.23
20	-	5,543.61	-	6,077.89	5,834.24	-
21	5,219.30	5,611.86	-	6,061.46	5,830.06	-
22	5,261.01	5,646.62	5,675.75	6,041.86	-	5,835.11
23	5,287.89	-	5,684.01	5,952.23	-	5,845.51
24	5,402.75	-	5,722.36	5,918.14	5,821.58	5,857.87
25	5,394.75	△ 5,686.85	5,688.23	-	5,861.18	5,853.70
26	-	5,558.25	5,650.11	-	5,860.61	5,857.21
27	-	5,553.43	-	5,958.55	# 5,740.57	-22222
28	△ 5,451.80	5,523.12	-	6,075.45	5,771.77	-
29	5,342.46	5,650.83	5,643.50	6,095.87	-	5,804.89
30	5,307.18	-	# 5,611.41	△ 6,108.13	-	5,866.75
31	5,318.34	-	-	6,045.12	-	5,890.69
Monthly Average	5,287.12	5,446.94	5,679.80	5,939.88	5,951.52	5,853.30

Remark: 「△」 Highest Index of the Month 「#」 Lowest Index of the Month

## SHARE OWNERSHIP

At the end of 2003, the number of domestic individual shareholders reached 26,471,947, 2,654,687 more than that of the previous year. The domestic individual investors accounted for 50.17% of the total share ownership. Domestic corporations and institutional investors represented 38.61% of the total market share ownership. Foreign ownership accounted for 11.22%.

**Table 21. Domestic Individual Share-ownership by Size of Holding 1999-2003**

Shares Registered	2003		2002	
	No. of Persons	%	No. of Persons	%
Below 10,000	10,307,335	38.94	8,972,288	37.67
10,001-50,000	10,586,663	39.99	9,955,987	41.80
50,001-100,000	2,661,748	10.05	2,347,009	9.85
100,001-150,000	1,015,762	3.84	916,704	3.85
150,001-200,000	553,955	2.09	466,664	1.96
Above 200,001	1,346,484	5.09	1,158,608	4.86
Total	26,471,947	100.00	23,817,260	100.00

2001		2000		1999	
No. of Persons	%	No. of Persons	%	No. of Persons	%
8,472,669	35.86	7,382,079	33.62	6,208,153	34.76
10,301,220	43.60	10,118,814	46.08	7,760,201	43.44
2,329,445	9.86	2,161,913	9.85	1,952,636	10.93
957,137	4.05	824,913	3.76	748,766	4.19
442,785	1.87	434,788	1.98	343,267	1.92
1,121,798	4.75	1,035,584	4.72	849,581	4.76
23,625,054	100.00	21,958,091	100.00	17,862,604	100.00

**Table 22. Share-ownership by Type of Investors 1999-2003**

(In Percentage)

	2003	2002	2001	2000	1999
<b>Domestic Investors:</b>					
Government	6.23	6.73	7.62	6.12	3.68
Financial Institutions	4.37	3.76	4.42	3.75	2.93
Trust Fund	1.19	0.98	0.75	0.77	1.28
Corporations	22.38	22.37	22.59	21.68	22.98
Other Juridical Persons	2.96	3.4	3.37	3.53	3.85
Individuals	50.17	50.7	51.96	55.37	58.08
<b>Foreigners:</b>					
Trust Fund	4.19	4.57	3.05	3.14	2.18
Financial Institutions	0.27	0.28	0.25	0.55	0.46
Juridical Persons	6.06	5.96	4.85	4.33	3.61
Individuals	0.7	0.52	0.67	0.76	0.95
<b>Share Buy-backs</b>	1.48	0.73	0.47	0	0
<b>Total</b>	100.00	100.00	100.00	100.00	100.00

# INTRODUCTION

TSEC was incorporated in October 1961. At the start of the business, the market had a scant 16 equity securities, 4 corporate bonds and 4 government bonds. TSEC grew and developed steadily during the ensuing years as the market expanded along a firm economic growth path.

A major liberalization of securities industry took place in May 1988. The number of securities firms established and investors' accounts opened also recorded an all-time high. The number of listed companies increased rapidly from 199 in 1990 to 669 in 2003. Meanwhile, securities industry consolidated to cope with the fierce market competition. The number of securities firms decreased from the all-time high of 381 in 1990 to 121 in 2003. In 1997, average daily trading value reached a record high of NT\$130 billion (US\$ 4.54 billion).

TSEC has successfully reshaped the market discipline and broaden the market depth and breadth over the years. The reform measures adopted in recent years include strengthening the surveillance mechanism, mandatory book-entry settlement, introducing securities derivatives, etc. The market, once dominated by individual investors, has also undergone structural changes. Dealers, foreign institutional investors and investment trust companies have gained influence in the market. Individual investors also show a shift toward younger age and higher education.

TSEC has been successful to the extent of facilitating capital formation in the process of economic development. TSEC will continue working towards maintaining an open, fair and efficient marketplace.

## TSEC ORGANIZATION

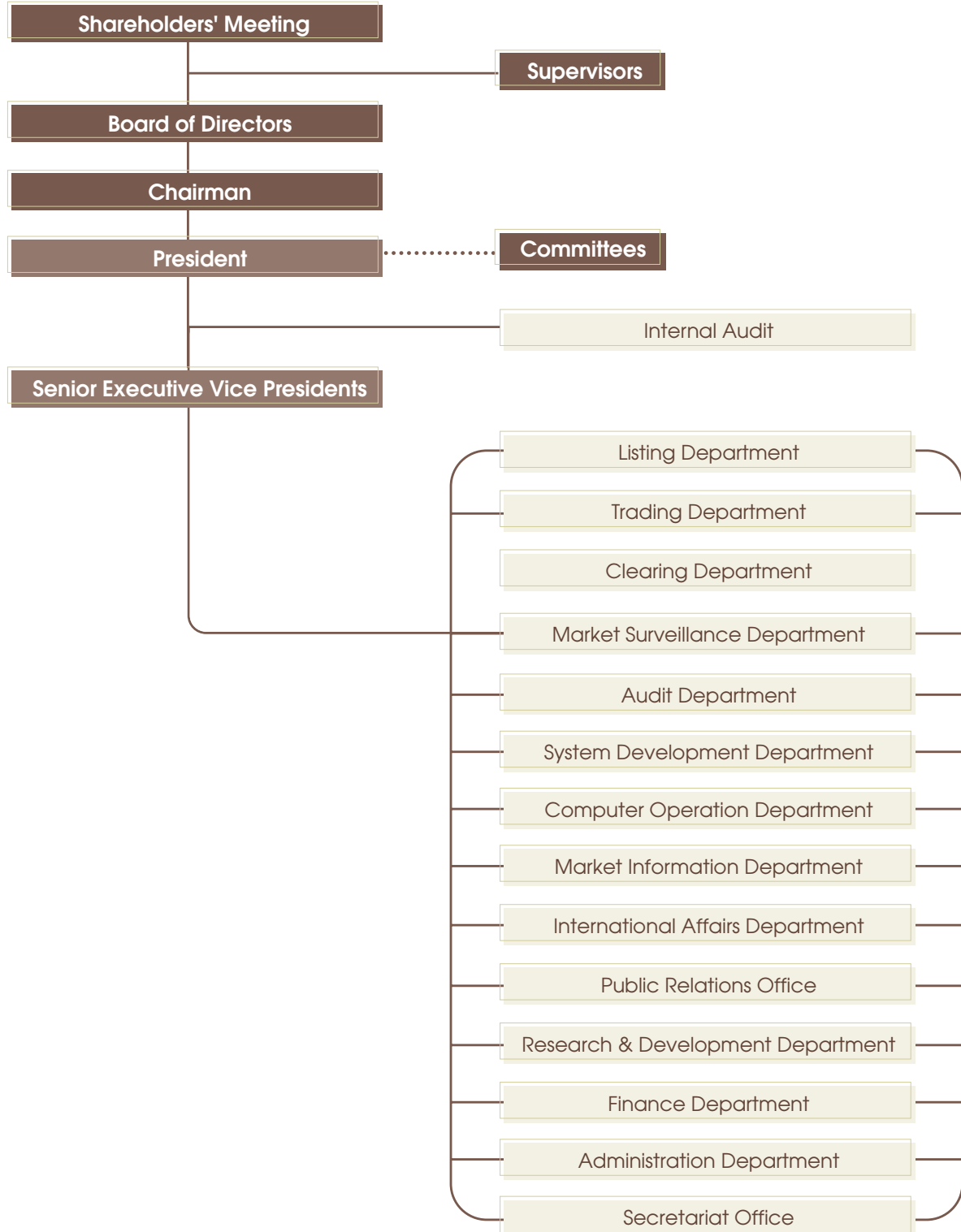
TSEC was organized to promote investment, to enhance economic development, and to assist industrial and commercial enterprises in raising capital.

TSEC is governed by its Board of Directors consisting of fifteen directors and three supervisors. The Securities and Exchange Law provides that at least one third of the directors are securities professionals appointed by the SFC. The remaining directorship is elected from among the shareholders at the shareholders' meeting. The directors elect among themselves the Chairman of the Board, and the supervisors elect among themselves the Resident Supervisor.

The term of office for directors and supervisors is three years, and they may be re-designated or re-elected.



## TSEC ORGANIZATION CHART



# BOARD MEMBERS

## Board Members

### Chairman

Sean C. Chen

### Representative of Juridical Person

International Commercial  
Bank of China

### Directors

Richard, Ming-Hsing Tsai Vice Chairman of Fubon Group

Fubon Securities Co.,Ltd.

Mark, Min-Tse Chen Chief Advisor to Chairman of  
Taiwan Sugar Corporation

Taiwan Sugar Corporation

Jia-Dong Shea Chairman of the Board of  
Central Trust of China

Central Trust of China

Chi-Lin Wea Chairman of Land Bank of Taiwan

Land Bank of Taiwan

Paul C. H. Chiu Chairman of the Board of  
EnTie Commercial Bank

China Development Industrial  
Bank

Leslie Koo President of Taiwan Cement Co.

TCC Chemical Corp.

Feng-Shih Cheng Legislator

Taifeng Investment Co.,Ltd.

Show-Chung Ho Chairman of Yuen Foong Yu  
Paper Manufacturing Co.,Ltd.

Yuen Foong Yu Investment  
Company Ltd.

Jeff Chiu Member of Examination Yuan

Shyan-Yuan Lee Professor of National Taiwan University

Jaw-Sheng Kong Chairman of Taiwan Sugar Corporation

Government Appointed Director

David M. Chen Professor of Fu Jen Catholic University

Representing the Public Interest

Walter Lin Chairman of Waterland Financial  
Holdings

Fortune Ju President of Taiwan Stock Exchange  
Corp.

## Supervisors

### Resident Supervisor

Chen-En Ko Professor of National Taiwan University

Government Appointed  
Supervisor Representing the  
Public Interest

### Supervisors

Teh-Nan Hsu President of Hua Nan Commercial  
Bank Ltd.

Hua Nan Commercial Bank Ltd.

Yung-Fei Chao CEO of Jih Sun Financial Holdings

You-Chi investment Co.,Ltd.

# SENIOR MANAGEMENT

## Name

Fortune Ju	President
Song-Chin Su	Senior Executive Vice President
Tsai-Hung Chan	Senior Executive Vice President
Leon Ku	Senior Executive Vice President
Rebecca Chen	Senior Vice President, Listing
Shie-Jay Yang	Senior Vice President, Trading
May Yu	Senior Vice President, Clearing
Basil Wang	Senior Vice President, Market Surveillance
Nai-Kuan Huang	Executive Vice President, Auditing
Tiann-Tong Chang	Senior Vice President, System Development
Charng-Ching Lin	Senior Vice President, Computer Operation
Alex Lu	Senior Vice President, Market Information
Chung-Fu Chang	Senior Vice President, Public Relations
Shuh-Tzy Hsu	Senior Vice President, Research & Development/International Affairs
Chin-Ting Chiu	Executive Vice President, Finance
Fu-Hsing Wu	Senior Vice President, Administration
Chih-Yen Ho	Senior Vice President, Secretariat
Amingo Lin	Senior Vice President, Internal Auditing
Cheng-Chi Lin	Senior Vice President

## PUBLICATIONS

To promote securities market and to educate investors, TSEC publishes the following booklets and periodicals: (Prices include shipping and handling.)

1. **Status of Securities Listed on Taiwan Stock Exchange** (monthly, in Chinese and English, US\$60 per year)

Monthly summary statistics for each company listed on TSEC, including trading price, volume and value, financial performance, etc.

2. **Taiwan Stock Exchange Monthly Review** (monthly, in Chinese and English, US\$100 per year for subscribers in Asia, US\$130 for those in other regions)

Comprehensive monthly statistics of the market and a few securities market-related articles that are published in Chinese.

3. **Taiwan Stock Exchange Statistical Data** (annual, in Chinese and English, US\$30 per copy)

Detailed statistics of the market up to the previous year.

4. **Fact Book** (annual, in English, US\$30 per copy)

Important events and statistics for TSEC and the market in the previous year.

5. **Taiwan Stock Exchange Annual Report** (annual, separate versions in Chinese and English, US\$20 per copy)

Important events, financial and business operations of TSEC in the previous year.

6. **Stock Chart of Taiwan Stock Exchange** Capitalization Weighted Stock Index and Trading Volume & Value (annual, in Chinese and English, US\$20 per copy)

Large scroll (60cm x 180cm) of market trend since 1975.

7. **An Introduction to Taiwan Stock Exchange** (annual, separate versions in Chinese and English, free)

Organization of the Exchange, procedures for listing, trading, clearing and settlement.

8. **Highlights of TSEC Listed Securities** (annual, in Chinese and English, free)

Brochure on important figures and facts of TSEC.

All the publications except item 6 are available for viewing/downloading from TSEC website. For hard copies, subscribers may denote required publications, starting issue and send a check payable to “Taiwan Stock Exchange Corporation” to the Research and Development Dept., or make a fund transfer to Account No. 01030912922 “Taiwan Stock Exchange Corporation” at the Cathay United Bank -GuanChien Division: 65 Guan-Chien Rd., Taipei, Taiwan 100, R.O.C., airmailing and faxing the deposit receipt to TSEC (fax number 886223485280).

## 1. Securities Market Status in 2003

Unit:NT\$ Million

### a. Stock Market

Million Shares

Item	Total
No. of Listed Companies	669
No. of Listed Stocks	690
No. of Listed Shares	470,551
Total Issued Capital Amount	4,705,514
Market Capitalization	12,869,101
Total Trading Volume	917,579
Total Trading Value	20,333,237
TAIEX (Yearly Average)	5,161.90

Unit:NT\$ Million

### b. Bond Market

Number of Issues

Item	Government Bonds	Corporate Bonds	Total
Number Issued (2003)	10	0	10
Number Outstanding (Accumulated)	80	16	96
Total Issued Amount (2003)	465,000	0	465,000
Total Outstanding (Accumulated)	2,587,070	4,438	2,591,508

\* Excluding Bonds Issued by Foreign Bank.

## 2. Block Transactions

Year	Trading Volume (1,000 Shares)	Trading Value ((NT\$ Million)
1999	627,455	10,328.34
2000	564,923	7,217.84
2001	344,397	6,422.74
2002	957,650	9,742.69
2003	204,024	6,491.04

### 3. Total Trading Volume and Value (By Year)

Unit:NT\$ Million

Million Shares

Year	Total Trading Value	Stocks		Beneficiary Certificates		Bonds Value	Total No. of Transactions		
		Volume	Value	Daily Avg-Volume	Daily Avg-Value				
1984	325,412	18,164	324,475	62	1,107	-	937	2,588,529	
1985	196,306	14,534	195,228	50	678	-	1,078	2,019,509	
1986	676,379	39,041	675,656	137	2,371	-	723	4,440,179	
1987	2,669,296	76,857	2,668,633	267	9,266	-	663	10,050,561	
1988	7,920,751	101,350	7,868,024	351	27,225	4,060	51,725	1,001	22,452,792
1989	25,673,676	220,558	25,407,963	768	88,529	18,016	264,802	912	80,457,008
1990	21,364,607	232,307	19,031,288	827	67,727	83,982	2,327,210	6,109	90,478,200
1991	10,328,388	175,941	9,682,738	615	33,856	41,847	639,283	6,367	63,267,431
1992	6,287,024	107,593	5,917,079	379	20,835	26,030	366,129	3,816	36,746,814
1993	9,301,435	204,678	9,056,717	706	31,230	22,921	241,772	2,945	52,838,285
1994	19,476,619	351,240	18,812,112	1,228	65,777	56,833	656,712	7,795	82,097,485
1995	10,305,197	267,298	10,151,536	935	35,495	15,292	151,794	1,867	60,276,658
1996	13,142,485	350,739	12,907,561	1,218	44,818	24,088	224,890	10,033	74,595,031
1997	37,763,427	654,201	37,241,150	2,287	130,214	37,899	500,521	19,796	155,784,696
1998	29,799,321	612,010	29,618,970	2,258	109,295	7,188	89,965	40,921	145,935,038
1999	29,521,113	678,064	29,291,529	2,549	110,119	4,176	39,858	54,237	160,960,226
2000	30,816,713	630,868	30,526,566	2,328	112,644	2,614	28,076	51,277	164,829,580
2001	18,421,319	606,420	18,354,936	2,485	75,225	764	5,200	24,037	142,654,195
2002	21,981,634	856,190	21,873,951	3,452	88,201	618	4,017	19,162	173,002,812
2003	20,512,200	917,579	20,333,237	3,685	81,660	1,301	36,307	9,926	168,153,781

\* Including ETFs and Closed-end Funds since 2003.

## 4. Margin Transactions

Unit : NT\$ Million

1,000 Shares

Year	Purchase on Margin					
	New		Redemption		Outstanding	
	Shares	Value	Shares	Value	Shares	Value
1994	151,357,477	4,129,938	148,576,844	4,031,412	8,616,492	232,084
1995	118,828,947	2,530,583	119,824,841	2,623,959	7,620,598	138,710
1996	162,027,599	3,466,120	156,472,442	3,312,549	13,165,220	292,312
1997	276,968,744	6,394,608	273,140,810	6,313,829	16,993,154	373,091
1998	275,096,114	6,804,185	270,411,636	6,747,385	21,677,632	429,892
1999	292,443,036	6,971,862	292,479,074	6,946,135	21,641,594	455,608
2000	245,581,010	6,331,420	254,507,996	6,591,467	12,714,719	195,564
2001	212,018,681	3,898,290	211,052,638	3,890,421	13,680,762	203,429
2002	272,986,730	4,467,453	269,793,608	4,450,621	16,873,019	220,262
2003	269,218,575	3,766,294	265,912,660	3,713,088	20,178,934	273,469

Year	Short Sale					
	New		Redemption		Outstanding	
	Shares	Value	Shares	Value	Shares	Value
1994	14,079,324	721,959	14,018,402	720,940	310,057	13,429
1995	16,560,148	650,455	16,491,806	651,007	378,399	12,878
1996	15,700,567	587,282	15,725,889	585,142	353,077	15,017
1997	36,514,020	2,285,282	36,153,587	2,249,109	713,510	51,191
1998	44,867,310	2,412,240	44,831,756	2,430,084	749,064	33,346
1999	36,264,379	1,649,949	36,445,010	1,649,402	568,433	33,893
2000	30,734,883	1,700,482	30,810,799	1,714,121	492,517	20,254
2001	34,593,040	1,186,726	34,292,184	1,178,845	793,373	28,134
2002	45,282,930	1,226,319	44,592,553	1,220,918	1,484,525	33,534
2003	43,364,307	959,997	44,035,000	972,228	813,102	21,303



## 5. Authorized Issues of Capital Increase by Listed Companies (By Year)

Unit : NT\$ 1,000

Year	Increase of Capital							
	Total		Cash Offerings		Capitalization of Retained Earnings		Capitalization Capital of Reserves & Others	
	Amount	%	Amount	%	Amount	%	Amount	%
1984	14,811,135	100.00	4,874,120	32.91	5,073,990	34.26	4,863,025	32.83
1985	21,078,546	100.00	6,934,074	31.94	8,687,011	40.02	6,087,461	28.04
1986	18,388,122	100.00	7,238,549	39.37	6,411,295	34.86	4,738,278	25.77
1987	31,575,044	100.00	13,741,327	43.52	15,782,583	49.98	2,051,134	6.50
1988	41,612,392	100.00	9,780,197	23.50	25,585,396	61.49	6,246,799	15.01
1989	64,597,976	100.00	16,420,886	25.42	37,756,647	58.45	10,420,443	16.13
1990	75,476,597	100.00	12,665,418	16.78	48,353,934	64.06	14,457,246	19.16
1991	71,391,038	100.00	14,699,165	20.59	37,210,736	52.12	19,481,136	27.29
1992	83,000,474	100.00	14,534,935	17.51	46,704,125	56.27	21,761,414	26.22
1993	100,819,126	100.00	19,001,586	18.85	51,310,336	50.89	30,507,204	30.26
1994	146,085,325	100.00	34,324,677	23.50	74,453,957	50.97	37,306,690	25.53
1995	202,070,051	100.00	34,080,425	16.87	121,381,426	60.07	46,608,200	23.06
1996	244,323,863	100.00	58,309,878	23.87	133,940,251	54.82	52,073,733	21.31
1997	378,926,570	100.00	109,033,360	28.78	178,374,030	47.07	91,519,180	24.15
1998	456,554,914	100.00	102,236,408	22.39	244,095,245	53.47	110,223,261	24.14
1999	326,091,962	100.00	56,589,623	17.29	158,888,181	48.87	110,614,158	33.84
2000	388,770,195	100.00	43,948,611	11.30	225,862,498	58.10	118,959,086	30.60
2001	387,395,798	100.00	38,781,200	10.01	254,837,816	65.78	93,776,782	24.21
2002	259,173,037	100.00	31,156,811	12.02	141,124,338	54.45	86,891,888	33.53
2003	232,474,763	100.00	70,842,436	30.47	119,193,917	51.27	42,438,410	18.26

## 6. TAIEX (Monthly Average)

Base Year : 1966 Average = 100

Year	Month							
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.
1984	793.31	864.46	882.35	899.80	932.00	900.45	889.94	908.23
1985	823.26	786.04	793.33	756.83	734.23	709.82	669.79	656.62
1986	856.16	923.35	961.12	910.39	915.33	972.41	976.58	892.29
1987	1,113.63	1,216.03	1,312.28	1,599.61	1,814.28	1,735.67	1,858.05	2,451.50
1988	2,610.83	3,206.35	3,345.91	3,767.78	4,441.55	4,951.33	5,422.07	7,352.13
1989	5,716.92	6,679.85	7,318.04	7,785.28	8,795.43	9,497.42	8,619.42	9,731.62
1990	10,677.57	11,983.46	11,223.10	9,741.52	7,848.01	6,157.25	5,037.66	4,119.74
1991	3,938.06	4,643.07	4,781.39	5,605.66	5,993.00	5,869.78	5,259.56	4,779.64
1992	5,023.19	5,031.01	4,908.19	4,529.40	4,476.85	4,588.46	4,234.61	3,918.12
1993	3,274.30	3,845.05	4,597.58	4,655.46	4,450.42	4,196.41	3,990.84	4,032.65
1994	6,057.62	5,911.42	5,375.18	5,638.35	5,921.86	6,001.12	6,406.40	6,804.23
1995	6,586.36	6,546.57	6,485.45	6,188.97	5,709.61	5,510.12	5,343.43	4,794.88
1996	4,942.99	4,790.21	4,897.05	5,846.37	5,986.38	6,264.34	6,205.34	6,234.74
1997	7,135.16	7,642.26	8,166.46	8,505.78	8,146.61	8,604.60	9,553.26	9,890.34
1998	7,849.77	8,807.57	8,976.49	8,785.11	8,226.35	7,540.08	7,874.10	7,218.46
1999	6,255.89	5,920.05	6,677.49	7,389.86	7,504.58	8,055.32	7,915.84	7,655.87
2000	9,228.57	9,891.21	9,337.92	9,368.90	8,672.36	8,752.65	8,213.35	7,942.79
2001	5,440.06	5,875.69	5,702.82	5,491.28	5,157.19	5,049.05	4,452.49	4,495.41
2002	5,737.00	5,747.76	6,057.68	6,258.54	5,708.80	5,429.04	5,146.00	4,841.69
2003	4,890.00	4,585.72	4,449.20	4,449.61	4,319.44	4,869.95	5,287.12	5,446.94

Month				Yearly				
Sep.	Oct.	Nov.	Dec.	High	Low	Open	Close	Average
877.71	858.23	816.57	847.06	969.25	764.50	764.50	838.07	872.51
699.75	738.97	771.13	807.70	840.57	636.02	829.90	835.12	754.62
922.18	984.91	1,009.96	1,012.21	1,039.11	839.73	839.73	1,039.11	944.74
3,567.25	3,590.11	2,713.66	2,648.33	4,673.14	1,063.13	1,063.13	2,339.86	2,135.03
8,039.07	6,580.92	6,851.97	5,856.62	8,789.78	2,341.06	2,341.06	5,119.11	5,202.21
10,402.75	10,066.97	10,121.37	8,658.43	10,773.11	4,873.18	4,873.18	9,624.18	8,616.14
3,237.57	2,912.16	3,966.22	4,399.58	12,495.34	2,560.47	9,853.15	4,530.16	6,775.32
4,669.08	4,541.45	4,448.69	4,438.66	6,305.22	3,316.26	4,258.93	4,600.67	4,928.83
3,632.69	3,666.43	3,615.86	3,633.84	5,391.63	3,327.67	4,612.97	3,377.06	4,271.63
3,862.09	3,970.51	4,251.80	5,089.20	6,070.56	3,135.56	3,342.18	6,070.56	4,214.78
6,973.92	6,701.06	6,372.64	6,843.97	7,183.75	5,194.63	6,416.84	7,124.66	6,252.99
5,019.12	5,014.51	4,701.58	4,988.83	7,051.49	4,503.37	7,051.49	5,173.73	5,543.75
6,429.08	6,525.70	6,690.71	6,881.57	6,982.81	4,690.22	5,146.04	6,933.94	6,003.72
9,111.67	7,983.28	7,731.90	8,147.84	10,116.84	6,802.35	6,820.35	8,187.27	8,410.56
6,832.28	6,886.22	7,108.83	6,832.09	9,277.09	6,251.38	8,159.11	6,418.43	7,737.68
7,977.15	7,696.52	7,669.57	7,918.93	8,608.91	5,474.79	6,152.43	8,448.84	7,426.69
7,069.47	5,837.25	5,525.00	5,071.50	10,202.20	4,614.63	8,756.55	4,739.09	7,847.21
3,949.18	3,782.45	4,317.99	5,264.16	6,104.24	3,446.26	4,935.28	5,551.24	4,907.43
4,461.69	4,271.87	4,675.60	4,621.36	6,462.30	3,850.04	5,600.05	4,452.45	5,225.61
5,679.80	5,939.88	5,951.52	5,853.30	6,142.32	4,139.50	4,524.87	5,890.69	5,161.90

## 7. Statistics of Outstanding Listed Bonds

Unit : NT\$ Million

Year & Month	Total*		Government Bonds		Corporate Bonds				Bonds Issued by Foreign Banks**			
					Non- Convertible Bonds		Convertible Bonds		Dragon Bonds		NTD Bonds	
	No.	Out- standing	No.	Out- standing	No.	Out- standing	No.	Out- standing	No.	U.S. Dollars Million		Yen Billion
1994	57	794,962	33	786,791	6	750	18	7,421	3	600	30	0
1995	56	868,023	38	860,950	2	125	16	6,948	4	600	30	2,600
1996	59	1,010,636	42	995,050	0	0	17	15,586	5	600	30	9,600
1997	86	1,071,740	44	1,034,400	0	0	42	37,340	7	300	30	35,400
1998	108	1,115,349	45	1,042,000	0	0	63	73,349	11	0	0	63,100
1999	118	1,300,874	50	1,243,820	0	0	68	57,054	16	0	0	85,100
2000	113	1,513,989	57	1,478,320	0	0	56	35,669	17	0	0	91,100
2001	108	1,879,345	65	1,856,920	0	0	43	22,425	16	0	0	80,500
2002	104	2,224,792	74	2,212,720	0	0	30	12,072	0	0	0	59,100
2003	96	2,601,758	80	2,597,320	0	0	16	4,438	7	0	0	38,500
Jan.	106	2,304,767	76	2,292,720	0	0	30	12,047	12	0	0	59,100
Feb.	106	2,339,612	77	2,327,720	0	0	29	11,892	12	0	0	59,100
Mar.	106	2,409,545	78	2,397,720	0	0	28	11,825	12	0	0	59,100
Apr.	104	2,406,822	77	2,395,720	0	0	27	11,102	10	0	0	53,100
May	104	2,465,544	78	2,455,720	0	0	26	9,824	8	0	0	45,500
Jun.	102	2,453,155	77	2,445,720	0	0	25	7,435	8	0	0	45,500
Jul.	103	2,528,023	78	2,520,720	0	0	25	7,303	8	0	0	45,500
Aug.	101	2,527,954	78	2,520,720	0	0	23	7,234	8	0	0	45,500
Sep.	101	2,535,765	78	2,529,720	0	0	23	6,045	8	0	0	45,500
Oct.	101	2,565,765	79	2,559,720	0	0	22	6,045	8	0	0	45,500
Nov.	101	2,567,111	79	2,562,320	0	0	22	4,791	8	0	0	45,500
Dec.	96	2,601,758	80	2,597,320	0	0	16	4,438	7	0	0	38,500

\* Excluding Bonds Issued by Foreign Banks.

\*\* Including Asian Development Bank, Central American Bank for Economic Integration, European Bank for Reconstruction and Development, Nordic Investment Bank, Council of Europe Society development Fund.