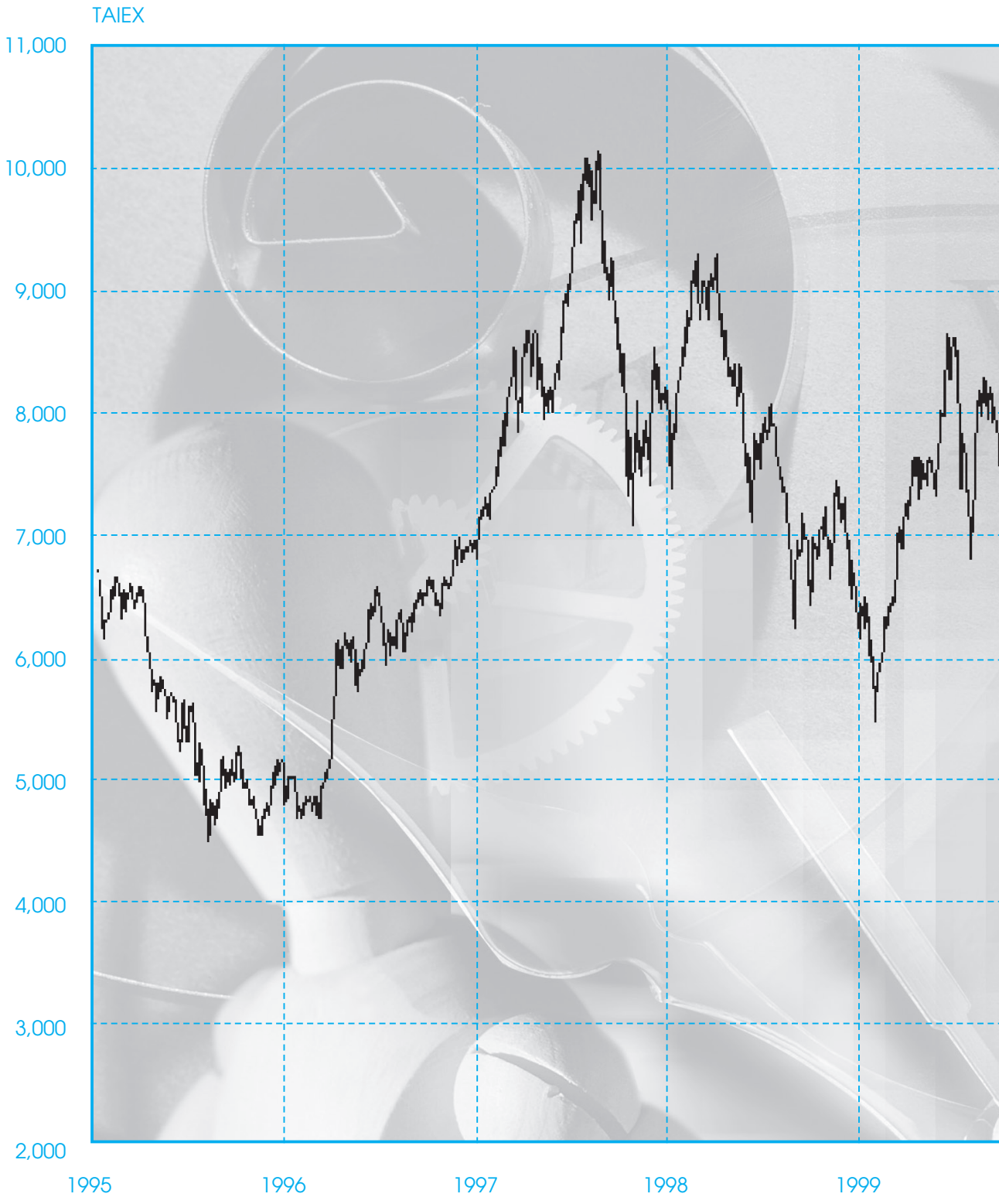
TAIWAN
STOCK
EXCHANGE

FACT BOOK 2005

TSEC Capitalization Weighted Stock Index (TAIEX)



1995-2004

(1966 Average = 100)

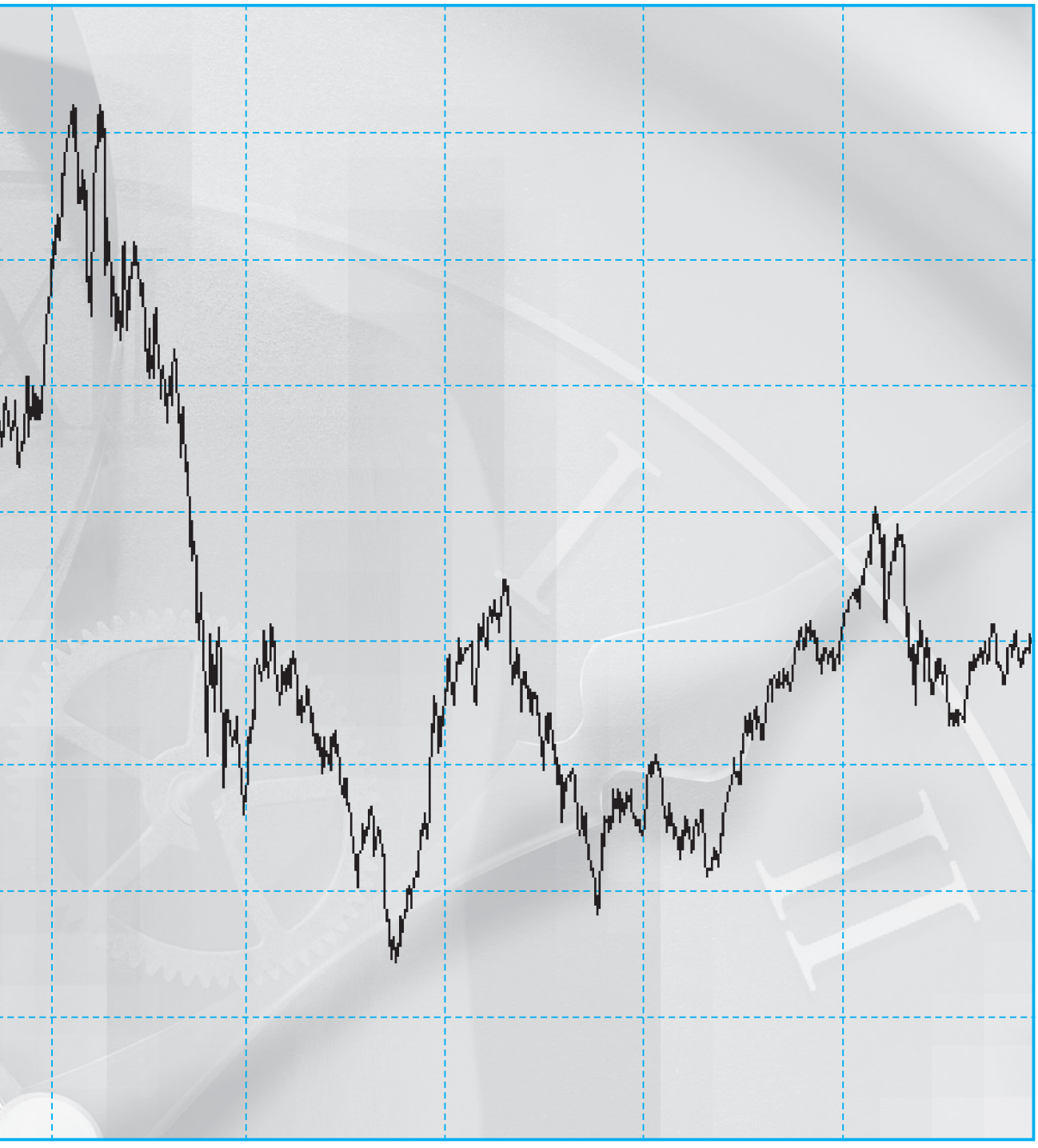


TABLE OF CONTENTS

TSEC Capitalization Weighted Stock Index (TAIEX) 1995-2004

05 **YEAR 2004 IN REVIEW**

2004 TSEC Market Highlights

11 **LISTED COMPANIES**

Listing Procedures*—*Listing Criteria for Domestic Issuers*—*Listing Criteria for Foreign Issuers*—*Information Disclosure*—*Corporate Governance*—*Listing Fees—New Listings—Total Market Capitalization—Listed Stocks by Industrial Group–Listed Stocks by Classification and Ownership Type—Funds Raising—Changes in Sources of Capital—Financial Status—Annual / Average Sales by Industrial Group—Changes in Value of Government Bonds—Changes in Value of Convertible Bonds

29 **TRADING**

Trading Process*—*Margin Trading*—*ETF*—*Market Information—Stock Trading Volume and Value (Total, Daily Average, Turnover)—Ten Most Active Stocks—PE Ratio by Industrial Group—Monthly Trading Volume and Value

38 **CLEARING AND SETTLEMENT**

Clearing and Settlement Process*—*Securities Borrowing and Lending System—Transaction Statistics of Securities Borrowing and Lending System

42 **SECURITIES FIRMS**

Registration*—*Business Guarantee Fund and Loss Reserves*—*Financial Integrity*—*Securities Financing*—*Foreign Securities Firms—Trading Value by Type of Securities, and by Type of Securities Firms—Trading Value by Brokers and Dealers (Historical %)—Number of Customer Accounts with Brokers

49 **BROKERAGE COMMISSION AND SECURITIES TAXATION**

Commission Rate*—*Securities Taxation

51 **STOCK PRICE INDICES**

TSEC Indices (Compiled by TSEC)*—*TSEC Taiwan Index Series (Compiled by FTSE and TSEC)—Changes in Index Values by Industrial Sub-Index—TAIEX Daily Closing—The Weightings of TW50 Constituents

61 **SHARE OWNERSHIP**

A General View—Domestic Individual Share-Ownership by Size of Holding—Domestic and Foreign Share-Ownership by Type of Investors

64 **HISTORICAL DATA**

Summary Data of Stock Market

Securities Market Status

Authorized Capital Increase by Listed Companies

Statistics of Outstanding Listed Bonds

Total Trading Volume and Value

Margin Transactions

Securities Trading Value Percentage by Type of Investors

Block Transactions

TAIEX (Monthly Average)

74 **PUBLICATIONS**

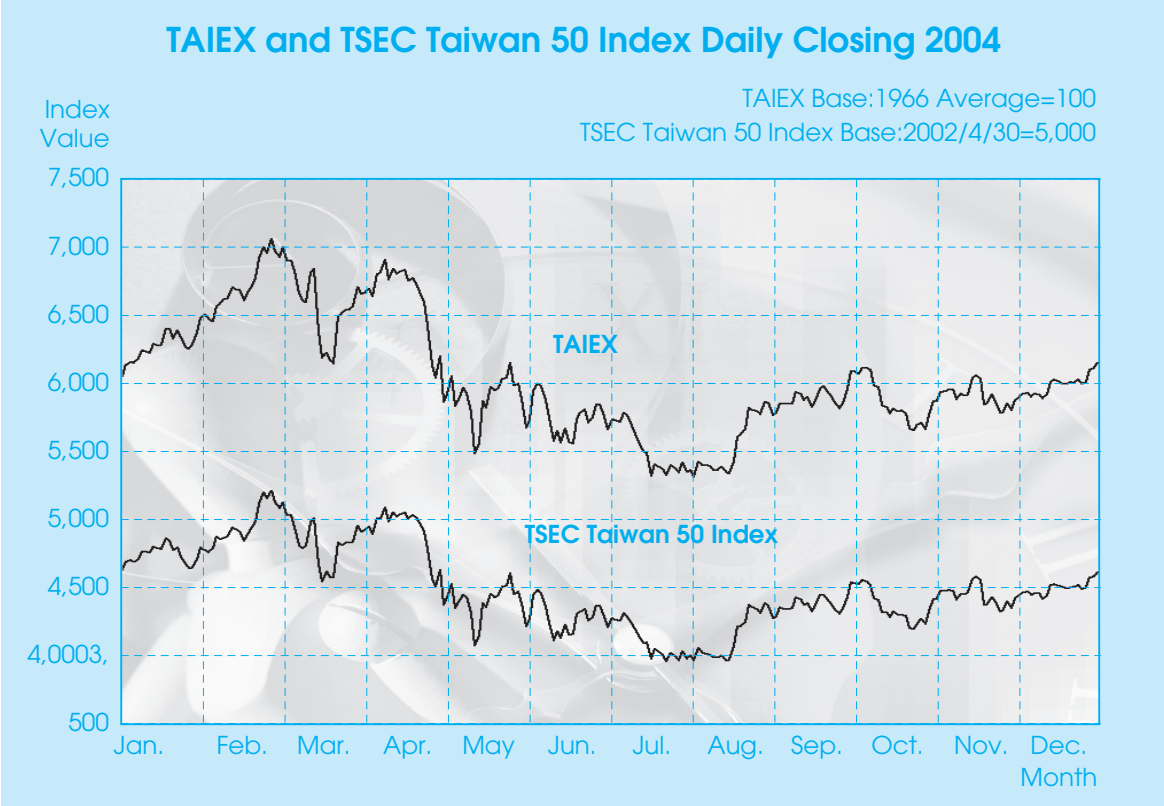
TAIWAN
STOCK
EXCHANGE

YEAR 2004 IN REVIEW

YEAR 2004 IN REVIEW

The Taiwan Stock Exchange Corporation (TSEC) Capitalization Weighted Stock Index (TAIEX) closed at 6,139.69 points on December 31, 2004, up 4.23% in comparison with the close at 5,890.69 points in 2003.

With the global economic recovery, Taiwan's export orders and values have repeatedly set record highs since the beginning of 2004. The stock market reflected the positive economic fundamentals and climbed to the year's high of 7,034.10 points on March 4. Subsequently, however, political unrest stemming from the March 20 presidential election weakened investors' confidence and dragged the TAIEX down. The stabilized market performance after the post-election political chaos was once again jeopardized by a series of adverse factors such as corporate financial failures, China's economic policy of macro-control and soaring international crude oil prices. The TAIEX slipped to the year's



low of 5,316.87 points on August 4. The announcement of the MSCI's two-stage lifting of the "Limited Investability Factor" previously imposed on the Taiwan market drew huge amounts of foreign investment, which helped boost the TAIEX to 6,000 points. The export-oriented electronics sector, the once star industry, slipped 6.81 percent due to exchange losses and the explosions of a series of financial problems. Traditional sectors utilized their leading positions, and construction became the best-performing sector with a gain of 39.65 percent in 2004.

The regulatory framework in Taiwan underwent a dramatic change in 2004. In order to integrate multiple financial supervisory systems into a single integrated system so as to strengthen the operations of financial institutions and maintain financial stability, "Financial Supervisory Commission, Executive Yuan" ("FSC") was set up on July 1, 2004. TSEC has been coordinating with the new authority in an endeavor to propel market reforms. To improve the quality of listed companies, TSEC continued to supervise and inspect listed companies' financial and operational status on a routine basis, and carried out investigations into unusual circumstances. To facilitate foreign investments, TSEC simplified the registration process of investments from overseas Chinese and foreigners. In cooperation with FTSE, TSEC launched two new tradable indices, the TSEC Taiwan Mid-Cap 100 Index and TSEC Taiwan Technology Index, both of which are specifically designed for the development of index-related products. In addition, in 2004, the US SEC approved TSEC as a "designated offshore securities market", which assisted listed companies in raising funds from overseas.

The number of listed companies increased in 2004 to 697, up from 669 a year ago. Total market capitalization of listed shares was NT$13.99 trillion, up 8.70% from the NT$12.87 trillion of the previous year. There were 7.61 million investors, an increase of 0.22 million from the preceding year. The total trading value of securities in 2004 was NT$24.18 trillion, up by 17.89% from NT$20.51 trillion in 2003. The daily average securities trading value also went up to NT$ 96.71 billion, a rise of NT$ 14.33 billion from the year before. The number of brokers, including branches, was 1,153, thirty-two more than that at the end of the preceding year.

2004 TSEC MARKET HIGHLIGHTS

LISTING	
Number of Listed Companies*	697
Number of Newly Listed Companies	38
Number of Listed Issues*	
Common Stock	697
Preferred Stock	7
Bond	95
ETF	1
Closed-end Fund	3
Warrant	191
Taiwan Depository Receipt	5
Fund Raised (NT$bil)	
Initial Stock Offering	9.47
Rights Offering	53.63
Debt Offering	0.00
Market Capitalization (NT$bil)*	13,989.10
Market Capitalization/GNP (%)	137.07

TRADING	
Number of Trading Days	250
Annual Trading Value (NT$ billion)	
Stock	23,875.37
Bond	3.98
ETF	79.31
Closed-end Fund	1.54
Warrant	207.75
Taiwan Depository Receipt	9.86
Daily Trading Value - Stock (NT$bil)	95.50
Annual Trading Volume	
Stock (bil shrs)	987.57
ETF (bil units)	1.69
Closed-end Fund (bil units)	0.28
Warrant (bil units)	108.55
Taiwan Depository Receipt (bil units)	1.13
Daily Trading Volume - Stock (bil shares)	3.95
Market Turnover Rate - Stock (volume) (%)	206.09
Market Price Earning Ratio*	12.58
Dividend Yield (%)*	4.38
Price / Book-value Ratio*	1.73

SECURITIES MARGIN TRANSACTION	
Margin Ratio (%)	28.95
Margin Purchase (NT$bil)	12,889.1
Short Sale (NT$bil)	1,107.5

SECURITIES FIRMS AND INVESTORS	
Number of Securities Brokers*	114
Number of Securities Dealers*	47
Number of Securities Underwriters*	57
Number of Investors with Trading Accounts*	7,610,643

TAIEX	
2004 Open	6,041.56
2004 High (Mar. 4)	7,034.10
2004 Low (Aug. 4)	5,316.87
2004 Average	6,033.78
2004 Close	6,139.69
Rate of TAIEX Yearly Increase (%)	1.62
Historic High (Feb. 10, 1990)	12,495.34

* These figures are for the end of 2004.

TAIWAN
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LISTED COMPANIES

LISTING PROCEDURES

LISTING CRITERIA FOR DOMESTIC ISSUERS

LISTING CRITERIA FOR FOREIGN ISSUERS

INFORMATION DISCLOSURE

CORPORATE GOVERNANCE

LISTING FEES

LISTED COMPANIES

Public issuing companies who seek listing on TSEC must meet certain criteria with regard to their financial and operational conditions. Applicant companies are screened according to the relevant listing criteria of the Securities and Exchange Law.

▶ LISTING PROCEDURES

The applicant company shall have registered its issued shares in an emerging market at least six months before submitting an application to TSEC through its underwriter. After close examination by the Listing Department of TSEC, the application is submitted to the "Securities Listing Review Committee" for consideration. Thereafter, the application needs to be confirmed by a resolution from the Board of Directors for endorsement, before being submitted to Financial Supervisory Commission (FSC) for final approval.

▶ LISTING CRITERIA FOR DOMESTIC ISSUERS

A. Domestic Stocks

Applicant companies need to meet the following criteria:

1. Duration of Corporate Existence:

   The company needs to be at least three years old starting from the date of its incorporation.

2. Amount of Capital:

   The company needs to have at least NT$600 million in paid-in capital at the time when it applies for listing.

3. Profitability:

   There shall be no cumulative loss for 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 shall represent 6% or more of paid-in capital in its final accounts. Alternatively, the average operating profit and before-tax net profit for the most recent two years shall

represent 6% or more of paid- in capital in its final accounts, and the profitability of the most recent year is more than that of the preceding year.

(ii) The average operating profit and average before-tax net profit for the most recent five years shall represent 3% or more of paid-in capital in its final accounts.

4. Distribution of Shareholdings:

The number of name-bearing shareholders shall be at least one thousand. Of these, 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).

B. Domestic Stocks (Technology-Based Companies)

An applicant company which has been certified as a technology-based company by the governing authority may 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 approved by the governing authority in charge of the enterprise concerned.
3. It has obtained a recommendation letter from a securities underwriter.
4. 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 these, 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 needs to meet the following criteria:

1. The number of shares to be listed shall be 20 million or more (or have a market value of

not less than NT$300 million).

2. The name-bearing share certificates issued by the foreign company need to have been listed for over six months on one of the stock exchanges or securities markets approved by the FSC.
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 company needs to have made a before-tax net profit for each of the two most recent years before application, with no cumulative loss, and one of the following criteria needs to have been met:

   (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 represents 3% or greater, and the profitability for the most recent year is greater than that of 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. Distribution of Shareholdings:

   For those shares listed on TSEC, 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 on TSEC, the total number of name-bearing shareholders shall be more than two thousand, and shares held by non-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 from selling the stocks on foreign stock exchanges or securities markets.

B. Taiwan Depository Receipts (TDRs)

1. The number of units of TDRs to be listed shall be 20 million or more (or have a market value not less than NT$300 million).
2. The name-bearing share certificates issued by a foreign company need to have been listed for over six months on a stock exchange or securities market approved by the FSC.
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 company needs to have made a before-tax net profit for each of the two most recent years before application, with no cumulative loss, and one of the following criteria needs to have been met:

   (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 represents 3% or greater, and the profitability for the most recent year is greater than that of the immediately preceding year.

   (iii) The before-tax net profit for each of the most recent two years should be NT$400 million or more.
5. Distribution of Shareholdings:

   For those shares on TSEC, the number of TDRs holders within the territory of the ROC shall not be less than one thousand. Of these, the number of units held by the holders holding one thousand to fifty thousand units shall not be less than 20% in issue or 10 million. At the time of listing on TSEC, the total number of name-bearing shareholders

represented by TDRs shall be more than two thousand, and shares held by non-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 TDRs.
7. The rights and obligations of the stockholders represented by TDRs shall be identical with those of other stocks of the same class issued at the same time.

C. Foreign Stocks And TDRs (Technology-Based Companies)

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

1. The number of shares to be listed is 20 million or more (or they have a market value of not less than NT$300 million).
2. The institution 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 six months on a stock exchange or securities market approved by the FSC.
4. Shareholders' Equity:

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

   The company needs to have made a before-tax net profit for the most recent year before application, with no cumulative loss.
6. Distribution of Shareholdings:

   The number of name-bearing shareholders within the territory of the ROC shall not be less than one thousand. Of these, 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 by non-insiders 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 from selling the stocks on foreign stock exchanges or securities markets.

▶ INFORMATION DISCLOSURE

Complete and timely disclosure of financial reports is required of all listed companies. The annual and half-yearly financial reports need to be audited and certified by CPAs accredited by the FSC. 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 FSC, TSEC and GTSM have integrated financial data and 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 on the English language website of MOPS.

▶ CORPORATE GOVERNANCE

Corporate governance remains a significant issue in Taiwan. After the revision of the Corporate Governance Best-Practice Principles on December 31, 2003, TSEC revised related rules (such as Rules Governing Procedures of Shareholders' Meetings, Rules Governing Operation of Financial Business among Affiliates, Rules Governing Conduct of Board Meetings, Guidelines for Advanced Education of Directors and Supervisors of TSEC/GTSM Listed Companies etc.) in February and May 2004. TSEC also issued rules

governing the exercise of the power and duty of the audit committee and nomination committee, and guidelines for listed companies to enact a Code of Ethics. The rules and guidelines serve as reference points for TSEC/GTSM listed companies. TSEC/GTSM listed companies are advised to promulgate their own corporate governance principles in accordance with Best-Practice. The FSC, TSEC and GTSM are dedicated to a comprehensive corporate governance infrastructure and the promotion of corporate governance. Several campaigns were launched to highlight the issue of corporate governance in 2004. Through the process of strengthening corporate governance in Taiwan, we hope to enhance the quality of listed companies and recover investors' confidence. Competent authorities', listed companies', and investors' recognition of the importance of corporate governance will all facilitate the reform of corporate governance in Taiwan.

▶ LISTING FEES

Listing fees are paid upon initial listing of stocks and subsequent listing of new shares. In addition, an annual fee for the listing of stocks is paid in January of each 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
The ceiling amount of total listing fee per year is NT$450,000.	

* If the listing free calculated is under NT$100,000, the floor amount of NT$100,000 shall be charged per year.

Table 2. New Listings in 2004

Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
4119	SCI Pharmtech, INC.	30,129	301,290	1/7
3311	Silitech Technology Corporation	78,060	780,600	3/8
6605	DEPO AUTO PARTS INDUSTRIAL CO., LTD.	114,557	1,145,570	3/17
5534	CHONG HONG CONSTRUCTION CO., LTD.	92,238	922,383	5/24
6189	Promate Electronic Co.,Ltd.	60,063	600,627	5/24
6196	MARKETECH INTERNATIONAL CORP.	85,251	852,508	5/24
6172	Billionton Systems Inc.	62,234	622,340	5/24
8101	Arima Communication Corp.	280,000	2,800,000	7/1
6115	I-SHENG ELECTRIC WIRE & CABLE CO., LTD.	65,883	658,832	7/19
5305	LITE-ON SEMICONDUCTOR CORP.	314,328	3,143,283	7/19
6004	YUANTA CORE PACIFIC SECURITIES CO.,LTD	2,546,865	25,468,648	7/19
3142	Optodisc Technology Corporation	168,000	1,680,000	7/30

Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
6206	FLYTECH TECHNOLOGY CO.,LTD.	36,504	365,038	8/3
6235	Waffer Technology Corp.	140,294	1,402,939	8/23
3701	FIC Global, Inc.	548,827	5,488,274	8/30
6116	HannStar Display Corporation	5,036,891	50,368,907	9/6
4414	Roo Hsing Garment Corporation	92,871	928,707	9/6
6216	Draytek Corporation	36,373	363,729	9/27
5203	Cyberlink Co., Ltd.	71,694	716,942	9/27
6192	LUMAX INTERNATIONAL CORP. LTD.	76,532	765,317	9/27
6202	HOLTEK SEMICONDUCTOR INC.	194,100	1,941,000	9/27
6131	YOKO TECHNOLOGY CORP.	60,194	601,944	9/27
6201	YA HORNG ELECTRONIC CO.,LTD	89,200	892,000	9/27
6225	AIPTEK International Inc.	147,944	1,479,435	9/27
3189	KINSUS INTERCONNECT TECHNOLOGY CORP.	222,000	2,220,000	11/1
8008	LITE-ON IT CORPORATION	661,627	6,616,267	11/5
6239	Powertech Technology Inc.	338,000	3,380,000	11/8
6166	ADLINK TECHNOLOGY INC.	63,336	633,357	11/8
6209	KINKO OPTICAL CO.,LTD.	77,681	776,810	11/8
4106	APEX MEDICAL CORP.	60,400	604,000	11/8
6197	JESS-LINK PRODUCTS CO., LTD.	70,866	708,663	11/8
5854	TAIWAN COOPERATIVE BANK	2,208,548	22,085,482	11/17
3214	South Epitaxy Corporation	126,000	1,260,000	11/24
5525	SWEETEN CONSTRUCTION CO.,LTD.	98,038	980,381	11/26

Code	Name of Company	No. of Listed Shares (Thousand)	Total Par Value of Listed Shares (Thousand)	Date of Listing
5607	FAR GLORY AIR CARGO TERMINAL CO., LTD	95,220	952,200	12/2
3380	Alpha Networks Inc.	250,000	2,500,000	12/20
2227	Yulon Nissan Motor Co.,Ltd.	300,000	3,000,000	12/21
6280	SYSTEM GENERAL CORP.	37,332	373,319	12/28

Table 3. Total Market Capitalization of Listed Companies Year-end 1995-2004

Year	No. of Listed Companies	No. of Issues	No. of Listed Shares(Million)	Total Market Capitalization (NT$Million)
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
2004	697	709	503,132	13,989,100

Table 4. Listed Stocks by Industrial Group 2003-2004

Industry	2004				
	No. of Companies	No. of Issues	Shares (Thousand)	Face Values (NT$ Million)	%
Total	697	709	503,131,668	5,031,317	100.00
Cement	8	9	8,039,802	80,398	1.60
Foods	22	22	9,131,384	91,314	1.81
Plastics	22	23	32,400,855	324,009	6.44
Textiles	50	50	20,035,598	200,356	3.98
Electric & Machinery	35	35	7,528,549	75,285	1.50
Electric Appliance & Cable	14	14	7,097,302	70,973	1.41
Chemicals	34	34	8,712,194	87,122	1.73
Glass & Ceramics	7	7	2,522,833	25,228	0.50
Paper & Pulp	7	7	4,316,505	43,165	0.86
Steel & Iron	24	25	18,425,312	184,253	3.66
Rubber	9	9	3,852,353	38,524	0.77
Automobile	5	6	4,389,870	43,899	0.87
Electronics	305	309	206,634,744	2,066,347	41.07
Construction	35	35	14,218,077	142,181	2.83
Transportation	18	18	17,175,530	171,755	3.41
Tourism	6	6	1,299,202	12,992	0.26
Finance	45	49	118,410,647	1,184,106	23.53
Wholesale & Retail	11	11	5,536,520	55,365	1.10
Conglomerate	1	1	909,720	9,097	0.18
Others	39	39	12,494,670	124,947	2.48

Table 4. Listed Stocks by Industrial Group 2003-2004 (Cont.)

Industry	2003				
	No. of Companies	No. of Issues	Shares (Thousand)	Face Values (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

Table 5. Listed Stocks by Classification and Ownership Type 2003-2004

	Total	Class of stocks			Type of Ownership	
		Common	Preferred	Others*	Government Enterprises	Private Enterprises
2004						
Number of Companies	697	-	-	-	2	695
Number of Issues	709	697	7	5	2	707
Shares (Million)	503,132	501,611	1,507	14	11,856	491,275
Amount (NT$Million)	5,031,317	5,016,106	15,068	143	118,563	4,912,754
% of Total Amount	100.00	99.70	0.30	0.00	2.36	97.64
2003						
Number of Companies	669	-	-	-	1	668
Number of Issues	690	669	7	14	1	689
Shares (Million)	470,551	468,927	1,520	104	9,648	460,904
Amount (NT$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
Change from 2003						
Number of Companies	28	-	-	-	1	27
Number of Issues	19	28	0	-9	1	18
Shares (Million)	32,580	32,683	-13	-90	2,209	30,372
Amount (NT$Million)	325,802	326,833	-130	-901	22,085	303,717

* 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
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
2004	63,098,059	53,628,941	9,469,118	0
Jan.	73,047	0	73,047	0
Feb.	3,000,000	3,000,000	0	0
Mar.	1,682,384	170,000	1,512,384	0
Apr.	37,345,877	37,345,877	0	0
May	380,000	380,000	0	0
Jun.	570,064	570,064	0	0
Jul.	1,760,500	0	1,760,500	0
Aug.	3,730,000	3,730,000	0	0
Sept.	1,236,000	1,236,000	0	0
Oct.	3,000,000	3,000,000	0	0
Nov.	4,597,350	885,000	3,712,350	0
Dec.	5,722,837	3,312,000	2,410,837	0

Table 7. Changes in Sources of Capital of Listed Companies

Unit : NT$ Million

Year	2004		2003		Changes from 2003	
Item	Amount Approved	%	Amount Approved	%	Amount Approved	%
Sources of Capital						
Total	275,275	100.00	232,475	100.00	42,801	18.41
Cash Offering (in Face Value)	44,683	16.23	70,842	30.47	-26,160	-36.93
Capitalization of Retained Earnings	179,396	65.17	119,194	51.27	60,202	50.51
Capitalization of Capital Reserves & Others	51,197	18.60	42,438	18.26	8,759	20.64

Table 8. Financial Status of Listed Companies 2002-2003

Unit : NT$ Million

Item	2003	2002	2003/2002 growth (%)
Total Assets	17,316,824	17,018,072	1.76
Total Net Worth	7,284,376	6,432,535	13.24
Total Capital	4,690,327	4,358,467	7.61
Revenues	7,269,445	5,928,422	22.62
Net Profit before Taxes	720,516	226,622	217.94

Table 9. Annual/Average Sales of Listed Companies by Industrial Group 2003-2004

Unit : NT$ Million

Industry	Number of Companies 2004	Annual Sales		Average Sales*		2004/2003 growth(%)
		2004	2003	2004	2003	
Total	697	10,798,420	8,687,814	15,493	12,465	24.29
Cement	8	52,485	46,096	6,561	5,762	13.86
Foods	22	143,616	138,483	6,528	6,295	3.71
Plastics	22	902,396	649,791	41,018	29,536	38.87
Textiles	50	253,670	230,691	5,073	4,614	9.96
Electric & Machinery	35	152,253	127,863	4,350	3,653	19.08
Electric Appliance & Cable	14	99,267	99,900	7,091	7,136	-0.63
Chemicals	34	149,445	115,341	4,395	3,392	29.57
Glass & Ceramics	7	23,262	19,139	3,323	2,734	21.55
Paper & Pulp	7	64,536	59,283	9,219	8,469	8.86
Steel & Iron	24	442,683	321,363	18,445	13,390	37.75
Rubber	9	46,981	39,484	5,220	4,387	18.99
Automobile	5	243,085	171,043	48,617	34,209	42.12
Electronics	305	5,262,653	4,116,664	17,255	13,497	27.84
Construction	35	115,411	108,583	3,297	3,102	6.29
Transportation	18	388,913	312,225	21,606	17,346	24.56
Tourism	6	7,374	6,496	1,229	1,083	13.52
Finance	45	2,108,363	1,816,531	46,853	40,367	16.07
Wholesale & Retail	11	147,252	145,474	13,387	13,225	1.22
Conglomerate	1	13,071	10,651	13,071	10,651	22.72
Others	39	181,703	152,714	4,659	3,916	18.98

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

Table 10. Changes in Value of Government Bonds 2003-2004

	No. of Issues	Principal Value (NT$ Million)
End of 2003	80	2,587,070
During the Year 2004		
Newly Listed	13	507,000
Delist	7	241,000
End of 2004	86	2,850,670
Redemption Payment	0	2,400

Table 11. Changes in Value of Convertible Bonds 2003-2004

	No. of Issues	Principal Value (NT$ Million)
End of 2003	16	4,438
During the Year 2004		
Newly Listed	1	192
Delist	8	610
converted	-	3,323
End of 2004	9	696

TRADING

TRADING PROCESS

MARGIN TRADING

ETF

MARKET INFORMATION

TRADING

▶ TRADING PROCESS

An investor wishing to trade securities needs to open an account with a broker and engage 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 orders are 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 units 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.

TSEC's computer assisted trading system was upgraded to the Fully Automated Securities Trading (FAST) system on May 3, 1993. The Market operates a call market mechanism. When a customer or a dealer places an order, the account number along with the bid or offer price, volume, and other required information are entered into the main computer of TSEC. The transaction is processed and executed by the trading system on 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. For warrants, the daily price fluctuation limit is set at 7% of the price of the underlying stock. For bonds, the limit is set at 5%. The intra-day volatility interruption system comes into effect 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 is postponed for two to three minutes. The market is 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 bids/offers have been disclosed since 2003. To keep the closing price free 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 held at 0.5% below the closing prices of the regular trading session.

Block trading can be executed within regular trading sessions or after the market closes. Orders are matched continuously between the upper and lower 2% of the average of the most recent best bid and offer prices generated in the regular trading session before the block trading session begins, which is 09:30 to 09:40 and 11:30 to 11:40. Alternatively, orders are matched between the upper and lower 2% of the closing price of the intra-day session from 13:35 to 13:50. For single-stock block trading, the minimum order size is 500,000 shares, or NT$ 15 million, and that for basket trading is 5 stocks and NT$ 15 million.

▶ 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. Securities eligible for margin trading are common stocks and beneficiary certificates listed for more than six months. However, overly volatile stocks or shares with concentrated ownership are excluded from margin eligibility.

Margin investors buy or sell securities based on the margin requirements regulated by the Central Bank of China (Taiwan) and FSC. Customers shall be collected at least 40% of the margin for margin purchase value, and shall be collected 90% of the margin for short selling value. Securities procured through margin purchase and proceeds from short selling are held as collaterals. The collaterals are marked to market at the daily closing price to see if they meet the margin.

▶ ETF

Investors are able to trade ETF through their securities trading accounts with a licensed brokerage house. Trading and settlement of ETF is 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 on 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 ETF (stock portfolios) on the same day for themselves or on behalf of their customers. They need to 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 refer to the data provided directly by the Market Information System (MIS) through the website provided by TSEC. As of the end of 2004, there were 38 real-time information vendors for the securities market.

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

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

On February 19, 2004, TSEC officially launched a new website http://dataeshop.tse.com.tw. In addition to presenting a wide variety of data and listed companies' information, the website also provides other information such as historical trading data and various index constituents.

Table 12. Stock Trading Volume and Value 1999-2004

Year & Month	No. of Trading Days	Volume (Unit:Million Shares)			Value (Unit:NT$ Million)		
		Total	Daily Average	Turnover Rate(%)*	Total	Daily Average	Turnover Rate(%)**
1999	266	678,064	2,549	237.57	29,291,529	110,119	288.62
2000	271	630,868	2,328	195.28	30,526,566	112,644	259.16
2001	244	606,420	2,485	159.58	18,354,936	75,225	206.95
2002	248	856,190	3,452	205.21	21,873,951	88,201	217.41
2003	249	917,579	3,685	205.50	20,333,237	81,660	190.82
2004	250	987,574	3,950	206.09	23,875,366	95,501	177.46
Jan.	15	77,980	5,199	16.58	1,826,601	121,773	13.13
Feb.	20	141,863	7,093	30.08	3,177,051	158,853	21.53
Mar.	23	149,366	6,494	31.66	3,717,785	161,643	26.03
Apr.	22	116,702	5,305	24.86	3,151,976	143,272	23.48
May	21	73,431	3,497	15.64	1,852,712	88,224	14.11
Jun.	21	58,703	2,795	12.47	1,457,107	69,386	11.53
Jul.	22	48,076	2,185	10.06	1,165,112	52,960	9.90
Aug.	20	51,873	2,594	10.73	1,241,157	62,058	9.98
Sept.	21	74,764	3,560	15.15	1,730,814	82,420	13.45
Oct.	20	71,472	3,574	14.33	1,637,218	81,861	12.88
Nov.	22	64,343	2,925	12.80	1,527,767	69,444	11.50
Dec.	23	59,002	2,565	11.73	1,390,067	60,438	9.94

* Based on total number of listed shares

** Based on total market value of listed shares.

Table 13. Ten Most Active Stocks 2004 (in Volume and in Value)

a. in Volume

Rank	Code and Name of Stock	Volume (Thousand Shares)	% of Total Market
1	2475 CPT	28,995,974	2.94
2	3012 QDI	23,484,557	2.38
3	2409 AUO	22,123,370	2.24
4	2303 UMC	21,925,406	2.22
5	2801 C.H.B	17,482,697	1.77
6	3009 CMO	15,691,275	1.59
7	2337 MXIC	15,624,701	1.58
8	2834 TBB	15,279,724	1.55
9	2408 NTC	14,695,005	1.49
10	2002 China Steel	14,532,498	1.47

b. in Value

Rank	Code and Name of Stock	Value (NT$ Thousand)	% of Total Market
1	2409 AUO	1,140,034,040	4.77
2	3009 CMO	811,590,559	3.40
3	2330 TSMC	660,686,174	2.77
4	2303 UMC	582,233,037	2.44
5	2475 CPT	552,687,689	2.31
6	3012 QDI	539,348,644	2.26
7	2002 China Steel	474,636,083	1.99
8	2882 Cathay Holdings	405,813,769	1.70
9	2408 NTC	385,034,142	1.61
10	2801 C.H.B	355,199,215	1.49

Table 14. Price Earnings Ratio (PE Ratio) Year-end 2004

Industry	PE Ratio
All Listed Stocks	12.58
Cement	10.40
Foods	23.28
Plastics	11.36
Textiles	15.96
Electric & Machinery	12.19
Electric Appliance & Cable	7.85
Chemicals	11.73
Glass & Ceramics	16.67
Paper & Pulp	14.15
Steel & Iron	8.03
Rubber	16.26
Automobile	8.76
Electronics	11.71
Construction	21.86
Transportation	8.82
Tourism	25.71
Finance	19.51
Wholesale & Retail	18.18
Others	13.88
Cement & Ceramics	11.60
Plastics & Chemicals	11.59
Electrical	11.64

Table 15. MONTHLY TRADING VOLUME AND VALUE 2004

Month	Trading Days	Trading Value	Daily Average Value	Stocks		TDRs	
				Volume	Value	Units	Value
Total	250	24,177,803,655	96,711,215	987,573,775	23,875,366,203	1,131,660	9,860,180
Jan.	15	1,846,216,140	123,081,076	77,979,771	1,826,600,561	133,209	1,046,926
Feb.	20	3,209,687,903	160,484,395	141,862,907	3,177,051,356	232,314	2,092,907
Mar.	23	3,774,346,855	164,102,037	149,366,492	3,717,784,807	226,054	2,500,969
Apr.	22	3,200,208,925	145,464,042	116,701,526	3,151,975,543	139,851	1,432,571
May	21	1,881,160,373	89,579,065	73,430,558	1,852,712,047	94,243	773,446
Jun.	21	1,475,491,506	70,261,500	58,702,947	1,457,106,778	53,948	441,609
Jul.	22	1,178,565,993	53,571,181	48,075,805	1,165,112,140	39,575	350,223
Aug.	20	1,251,305,247	62,565,262	51,872,970	1,241,156,716	30,916	186,974
Sep.	21	1,745,812,203	83,133,914	74,764,052	1,730,813,708	50,105	351,307
Oct.	20	1,652,552,106	82,627,605	71,472,281	1,637,218,489	37,338	214,363
Nov.	22	1,544,094,140	70,186,097	64,342,845	1,527,766,910	32,752	138,703
Dec.	23	1,418,362,265	61,667,925	59,001,620	1,390,067,147	61,355	330,183

Value : NT$1,000 、Volume:1,000Shrs 、1,000Units

Warrants		ETFs		Closed-end Funds		Bonds	No. of Transactions
Units	Value	Units	Value	Units	Value	Value	
108,548,603	207,750,294	1,690,384	79,306,569	280,759	1,540,859	3,979,550	183,844,085
5,926,290	12,149,176	120,517	5,820,854	20,071	108,977	489,647	13,410,136
11,670,856	24,757,170	102,297	5,002,084	31,900	182,287	602,099	23,705,681
17,254,818	40,160,246	266,515	13,382,601	45,553	267,737	250,495	26,226,754
13,730,184	38,485,173	152,580	7,614,346	33,267	201,590	499,703	22,851,403
10,883,723	21,038,646	138,642	6,184,359	25,660	131,412	320,463	14,870,696
9,289,862	13,026,653	108,010	4,724,384	6,979	36,854	155,227	12,069,580
8,077,152	8,561,743	102,013	4,343,993	6,963	32,573	165,320	10,114,643
5,469,374	5,145,164	95,522	4,149,262	6,728	33,761	633,370	10,256,098
5,787,112	8,391,566	122,527	5,612,384	16,611	84,447	558,791	14,064,180
5,206,667	9,085,182	125,548	5,803,165	16,651	89,069	141,838	13,203,809
4,065,909	6,720,214	198,613	9,260,529	12,900	68,642	139,143	11,968,837
11,186,656	20,229,361	157,600	7,408,608	57,476	303,510	23,455	11,102,268

TAIWAN
STOCK
EXCHANGE

CLEARING AND SETTLEMENT

CLEARING AND SETTLEMENT PROCESS

SECURITIES BORROWING AND LENDING SYSTEM

CLEARING AND SETTLEMENT

▶ CLEARING AND SETTLEMENT PROCESS

TSEC operates multilateral netting and T+2 rolling settlement conventions. Clearing reports are sent through computer-linked devices to the back offices of the brokers/dealers on the trade (T) day. TSEC is also contracted to perform cash settlement for stocks traded in GTSM, starting August 4, 2003. Cash settlement for 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 the Taiwan Securities Central Depository Co., Ltd. (TSCD) was established, and the new book-entry settlement mechanism became operational. Since February 4, 1995 it has become mandatory for investors to have a book-entry securities depository account as well as a bank account before trading starts.

▶ SECURITIES BORROWING AND LENDING SYSTEM

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. 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 completed by either one of the following trading mechanisms: (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 auctions.

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.

Table 16. Securities Borrowing and Lending monthly Statistics 2004

Month	Volume (Thousand Shares)	Value (NT$ Thousand)
Total	3,048,953	81,255,152
Jan.	67,600	2,080,725
Feb.	309,340	7,911,123
Mar.	326,390	8,962,990
Apr.	453,444	11,359,443
May	74,909	2,766,706
Jun.	171,114	4,486,303
Jul.	236,145	7,287,841
Aug.	269,025	6,641,228
Sep.	372,201	8,800,702
Oct.	257,370	7,520,482
Nov.	319,565	8,258,754
Dec.	191,850	5,178,855

Table 17. Securities Borrowing and Lending Statistics 2004

Transaction Type	Volume (Thousand Shares)	Value (NT$ Thousand)
Fixed-price	205,230	5,037,751
Competitive auction	2,598,173	69,210,336
Negotiated	245,550	7,007,065
Total	3,048,953	81,255,152

* Based on the closing price of each loan stock on trading day.

Fixed price transactions : A transaction for which the SBL fee is based on a fixed rate announced by TSEC.

Competitive auction transactions: A transaction for which SBL fee is determined through bids and offers quoted by participants. The SBL fee rate shall not exceed 20% per annum.

Negotiated transactions: A negotiated contract is decided by counterparties. The criteria such as SBL fee, lending period, collateral types, collateral ratio, etc. are negotiable. The rate shall not exceed 20% per annum.

SECURITIES FIRMS

REGISTRATION

BUSINESS GUARANTEE FUND AND LOSS RESERVES

FINANCIAL INTEGRITY

SECURITIES FINANCING

FOREIGN SECURITIES FIRMS

SECURITIES FIRMS

▶ REGISTRATION

Under the Securities and Exchange Law, securities companies are categorized as follows:

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 FSC.

No securities firm shall commence operations prior to receipt of approval and license from the FSC.

The minimum capital requirements for securities firms are as follows:

1. Securities underwriters: NT$400 million
2. Securities dealers: NT$400 million
3. Securities brokers: NT$200 million

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

▶ BUSINESS GUARANTEE FUND AND LOSS RESERVES

After registration procedures, securities firms are required to deposit a Business Guarantee Fund in FSC-designated banks. The required amount for different categories of securities firm is as follows:

1. Securities underwriters: NT$40 million
2. Securities dealers: NT$10 million
3. Securities brokers: NT$50 million

Another NT$10 million is required for any additional branch office.

Each securities firm is also required to deposit a Settlement and Clearing Fund at TSEC. To maintain the financial integrity of the intermediaries, securities brokers are further required to set up a Default Loss Reserve, while dealers are required to set up a Trading Loss Reserve as stipulated by the FSC.

▶ FINANCIAL INTEGRITY

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

Securities 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 in order to become eligible for securities financing business.

For the purpose of managing the level of risk securities firms are exposed to, the total margin position of each securities firm is limited. The total amount of monetary financing and securities extended to customers shall not be more than 250% of the net worth of a securities firm.

FOREIGN SECURITIES FIRMS

Foreign securities firms can apply to establish branches in Taiwan provided they meet 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 most recent two years.

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

Table 18. Status of Trading Value of Securities Firms 2004

Classification	Trading Value (NT$ Million)	%	Notes
Classification by Securities			
Total	48,355,607	100.000	1. The trading value covers both buy and sale value.
Stocks	47,750,732	98.749	
Government Bonds	0	0.000	2. The trading value is exclusive of central government bond block trading value.
Corporate Bonds (Convertible Bonds are not included)	0	0.000	
Convertible Bonds	7,959	0.016	
Beneficiary Certificates	161,695	0.334	3. The trading value is exclusive of auction and tender offer.
Warrants	415,501	0.859	
Taiwan Depository Receipts	19,720	0.041	
Classification by Securities Firms			4. Securities firms with the largest trading value:
Securities Brokerage Firms	45,366,790	93.819	
Main Offices	11,895,854	24.601	1st: YuanTa Core Pacific Securities
Branch Offices	33,470,936	69.218	2nd: Fubon Securities
Banking Brokers	1,334,571	2.760	3rd: Taiwan Securities
Main Offices	643,444	1.331	4th: SinoPac Securities
Branch Offices	691,128	1.429	5th: KGI Securities
Dealers	1,654,246	3.421	
Central Government Bond Issues Auction Group	0	0.000	

Table 19. Trading Value by Brokers & Dealers 2000-2004 (Percentage of Turnover)

	2004	2003	2002	2001	2000
Brokers:					
Securities Brokerage Firms	93.819	94.00	94.90	95.00	94.32
Banking Brokers	2.76	3.31	3.21	3.31	3.8
Dealers	3.421	2.70	1.89	1.69	1.88
Total	100.00	100.00	100.00	100.00	100.00

Table 20. Number of Customer Accounts with Brokers 2000-2004

Year & Month	No. of Brokers (Main Offices)	No. of New Accounts	Accumulated Investor Accounts
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
2004	114	1,376,963	13,720,461
Jan.	121	58,565	13,134,585
Feb.	119	107,457	13,210,797
Mar.	118	240,098	13,318,236
Apr.	118	123,890	13,406,972
May	118	100,410	13,445,149
Jun.	118	79,530	13,484,008
Jul.	116	71,017	13,524,310
Aug.	116	70,716	13,554,024
Sept.	116	59,899	13,598,554
Oct.	114	240,426	13,624,844
Nov.	114	61,171	13,656,585
Dec.	114	163,784	13,720,461

TAIWAN
STOCK
EXCHANGE

BROKERAGE COMMISSION AND SECURITIES TAXATION

COMMISSION RATE

SECURITIES TAXATION

BROKERAGE COMMISSION AND SECURITIES TAXATION

▶ COMMISSION RATE

Each securities firm may set its commission rate up to a ceiling designated by the FSC of 0.1425% of trading value

▶ 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 of 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 of 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 is subject to a 20% withholding tax for both resident and non-resident beneficiaries. Up to NT$270,000 of interest income may be exempted from income tax, save for interest income from postal savings accounts and short-term commercial papers.

4. Capital Gains Tax

Effective from January 1, 1990, capital gains are exempted from tax.

TAIWAN
STOCK
EXCHANGE

STOCK PRICE INDICES

TSEC INDICES (COMPILED BY TSEC)

TSEC TAIWAN INDEX SERIES (COMPILED BY FTSE AND TSEC)

STOCK PRICE INDICES

▶ TSEC INDICES (COMPILED BY TSEC)

The Exchange maintains 26 market value indices and 2 price average indices. Of all the indices, TSEC Capitalization Weighted Stock Index (TAIEX) is the most widely quoted one and covers most of the listed common stocks. Up to December 2004, 656 stocks were selected as constituents of TAIEX out of the 697 companies listed on the Exchange. TSEC indices are calculated in real time and published every minute during trading hours.

In order to meet the different needs arising from the alternating business cycles of different industries such as finance, electonics and traditional sectors, TSEC launched a new "NonFinance NonElectronics Sub-Index" on March 1, 2005 as an addition to the original Non-Finance Sub-Index and Non-Electronics Sub-Index. The launch of the new sub-index will not only contribute to a complete TAIEX index series, but will also meet the needs of different users in developing index related products.

▶ TSEC TAIWAN INDEX SERIES (COMPILED BY FTSE AND TSEC)

TSEC has cooperated with FTSE in compiling TSEC Taiwan Index Series to represent the performance of the Taiwan stock market. This partnership brings together both local market knowledge and international indexing capabilities, creating a superior set of indices for both domestic and international investment professionals. TSEC Taiwan Index Series is specifically designed as the underlying index for developing index derivatives and OTC products such as ETFs, index futures, index options and index-linked products, as well as the benchmark index of mutual funds. The Series comprises three tradable indices, the TSEC Taiwan 50 Index, the TSEC Taiwan Mid-Cap 100 Index and the TSEC Taiwan Technology Index, calculated by free float adjusted market value. The TSEC Taiwan 50 Index consists of the 50 largest companies in terms of market capitalization. The TSEC Taiwan Mid-Cap 100 Index covers the next 100 companies ranked by market

capitalization. The TSEC Taiwan Technology Index contains all the constituents classified as economic group 90 under the FTSE Global Classification System from TSEC Taiwan 50 Index and TSEC Taiwan Mid-Cap 100 Index. The TSEC Taiwan Index Series is calculated in real time and published every 15 seconds during trading hours.

The table below summarizes the characteristics of these indices.

Index	Type of Index	Base (Date of Compilation)	Date Published	Constituents (End of 2004)
TAIEX	Market Value	1966 average =100	1967	656 listed common stocks
Non-Finance Sub-Index	Market Value	1966 average =100	1987.11	TAIEX Constituents, excluding finance industry stocks
Non-Electronics Sub-Index	Market Value	1999.12.28 =8,448.84	2000.11.16	TAIEX Constituents, excluding electronics industry stocks
NonFinance NonElectronics Sub-Index	Market Value	2003.12.31 =5890.69	2005.3.1	TAIEX Constituents, excluding finance and electronics industry stocks
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

Index	Type of Index	Base (Date of Compilation)	Date Published	Constituents (End of 2004)
TSEC Taiwan 50 Index	Free Float Adjusted Market Value	2002.4.30 =5,000	2002.10.29	50 listed common stocks
TSEC Taiwan Mid-Cap 100 Index	Free Float Adjusted Market Value	2003.6.30 =5,000	2004.11.29	100 listed common stocks
TSEC Taiwan Technology Index	Free Float Adjusted Market Value	2003.6.30 =5,000	2004.11.29	No constant number of constituents

* 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 21. Changes in Index Values by Industrial Sub-Index 2003-2004

Industry	Stock Index		Point Change from End of 2003	Percent Change from End of 2003(%)
	End of 2004	End of 2003		
Cement	64.05	53.88	10.17	18.88
Foods*	285.18	246.5	38.68	15.69
Plastics	142.75	131.47	11.28	8.58
Textiles*	268.53	221.39	47.14	21.29
Electric & Machinery	73.89	75.47	-1.58	-2.09
Ele. Appliance & Cable	50.28	43.27	7.01	16.20
Chemicals	65.2	60.92	4.28	7.03
Glass & Ceramics	44.71	37.13	7.58	20.41
Paper & Pulp*	174.25	148.53	25.72	17.32
Steel & Iron	107.85	81.28	26.57	32.69
Rubber	89.82	86.76	3.06	3.53
Automobile	131.51	140.03	-8.52	-6.08
Electronic	229.91	246.71	-16.80	-6.81
Construction*	179.83	128.77	51.06	39.65
Transportation	97.49	80.85	16.64	20.58
Tourism	54.33	42.42	11.91	28.08
Finance*	1048.56	873.49	175.07	20.04
Wholesale & Retail	72.36	65.43	6.93	10.59
Others	98.46	94.93	3.53	3.72
Cement & Ceramics*	284.66	238.56	46.10	19.32
Plastics & Chemicals*	461.18	424.05	37.13	8.76
Electrical*	1,294.27	1,382.80	-88.53	-6.40

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

Table 22. TSEC Capitalization Weighted Stock Index (TAIEX) Daily Closing 2004

DATE	MONTH					
	JAN.	FEB.	MAR.	APR.	MAY	JUN.
1	-	-	6,888.43	6,523.49	-	5,986.20
2	# 6,041.5	6,319.96	6,975.26	6,545.54	-	5,875.67
3	-	6,252.23	6,932.17	-	6,029.77	5,671.45
4	-	# 6,241.39	△ 7,034.10	-	△ 6,188.15	5,724.89
5	6,125.42	6,268.14	6,943.68	6,682.73	5,854.23	-
6	6,144.01	6,353.35	-	6,635.54	5,909.79	-
7	6,141.25	-	-	6,646.74	6,040.26	5,935.82
8	6,169.17	-	6,901.48	6,672.86	-	△ 5,986.76
9	6,226.98	6,463.09	6,973.90	6,620.36	-	5,965.70
10	-	6,488.34	6,874.91	-	5,825.05	5,867.51
11	-	6,454.39	6,879.11	-	5,886.36	5,735.07
12	6,219.71	6,436.95	6,800.24	6,777.78	5,958.79	-
13	6,210.22	6,549.18	-	6,794.33	5,918.09	-
14	6,274.97	-	-	△ 6,880.18	5,777.32	5,574.08
15	6,264.37	-	6,635.98	6,736.79	-	5,646.49
16	6,269.71	6,565.37	6,589.72	6,818.20	-	5,560.16
17	-	6,600.47	6,577.98	-	# 5,482.96	5,664.35
18	-	6,605.85	6,787.03	-	5,557.68	5,569.29
19	-	6,681.52	6,815.09	6,779.18	5,860.58	-
20	-	6,665.54	-	6,799.97	5,815.33	-
21	-	-	-	6,810.25	5,964.94	# 5,556.54
22	-	-	6,359.92	6,732.09	-	-
23	-	6,665.89	6,172.89	6,748.10	-	5,729.30
24	-	6,589.23	6,213.56	-	5,942.08	5,779.09
25	-	6,644.28	6,156.73	-	5,958.38	5,802.55
26	-	6,693.25	# 6,132.62	6,710.70	6,027.27	-
27	6,384.63	△ 6,750.54	-	6,646.80	6,033.05	-
28	△ 6,386.25		-	6,574.75	6,137.26	5,709.84
29	6,312.65		6,474.11	6,402.21	-	5,741.52
30	6,375.38		6,494.71	# 6,117.81	-	5,839.44
31			6,522.19		5,977.84	
Monthly Average	6,236.42	6,514.45	6,658.08	6,666.20	5,911.68	5,758.18

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

DATE	MONTH					
	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1	△ 5,836.91	-	5,858.14	5,945.35	# 5,656.17	# 5,798.62
2	5,746.70	5,350.40	5,852.85	-	5,759.61	5,867.95
3	-	5,367.22	# 5,761.14	-	5,862.85	5,893.27
4	-	# 5,316.87	-	6,077.96	5,860.73	-
5	5,659.78	5,427.61	-	6,081.01	5,931.31	-
6	5,733.57	5,399.16	5,775.99	6,060.61	-	5,919.17
7	5,727.78	-	5,846.83	△ 6,103.00	-	5,925.28
8	5,713.39	-	5,846.02	6,102.16	5,937.46	5,892.51
9	5,777.72	5,399.45	5,842.93	-	5,945.20	5,913.97
10	-	5,393.73	5,846.19	-	5,948.49	5,911.63
11	-	5,367.34	-	6,089.28	5,874.52	-
12	5,758.74	5,368.02	-	5,979.56	5,917.16	-
13	5,685.57	5,389.93	5,928.22	5,963.07	-	5,878.89
14	5,623.65	-	5,919.77	5,831.07	-	5,909.65
15	5,542.80	-	5,871.07	5,820.82	5,906.69	6,002.58
16	5,502.14	5,352.01	5,891.05	-	5,910.85	6,019.23
17	-	5,342.49	5,818.39	-	6,028.68	6,009.32
18	-	5,427.75	-	5,772.12	△ 6,049.49	-
19	5,489.10	5,602.99	-	5,807.79	6,026.55	-
20	# 5,325.68	5,622.86	5,864.54	5,788.34	-	5,985.94
21	5,409.13	-	5,949.26	5,797.24	-	5,987.85
22	5,387.96	-	△ 5,970.18	5,774.67	5,838.42	6,001.52
23	5,373.85	5,660.97	5,937.25	-	5,851.10	5,997.67
24	-	-	5,892.21	-	5,911.31	6,019.42
25	-	-	-	-	5,855.24	-
26	5,331.71	△ 5,813.39	-	5,662.88	5,778.65	-
27	5,398.61	5,797.71	5,849.22	# 5,650.97	-	5,985.94
28	5,383.57	-	-	5,695.56	-	6,000.57
29	5,349.66	-	5,809.75	5,705.93	5,785.26	6,088.49
30	5,420.57	5,788.94	5,845.69		5,844.76	6,100.86
31		5,765.54				△ 6,139.69
Monthly Average	5,553.57	5,497.72	5,865.56	5,885.47	5,885.48	5,967.39

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

Table 23. The Weightings of TSEC Taiwan 50 Index Constituents Year-end 2004

Stock Code	Constituent Name	Market Capitalization (NT$ Million)	Weighting in Total Market Capitalizatio	Free Float Adjusted Market Capitalization (NT$ Million)	Weighting in Taiwan 50 Index
1216	Uni-president Enterprises	56,359	0.40%	56,359	0.88%
1301	Formosa Plastics Corp	277,690	1.99%	277,690	4.32%
1303	Nan Ya Plastic	339,354	2.43%	254,515	3.96%
1326	Formosa Chemicals & Fibre	295,010	2.11%	221,257	3.44%
1402	Far Eastern Textile	96,891	0.69%	72,669	1.13%
1605	Walsin Lihwa	53,253	0.38%	53,253	0.83%
2002	China Steel	353,824	2.53%	265,368	4.13%
2201	Yulon Motor Co.	51,357	0.37%	38,518	0.60%
2204	China Motor	53,602	0.38%	26,801	0.42%
2301	Lite-On Technology	85,162	0.61%	85,162	1.33%
2303	United Microelectronics	363,831	2.60%	272,873	4.25%
2308	Delta Electronic Industrial	88,791	0.63%	66,594	1.04%
2311	Advanced Semiconductor	98,400	0.70%	73,800	1.15%
2317	Hon Hai Precision Co.	474,960	3.40%	356,220	5.54%
2323	Cmc Magnetics Corporation	53,284	0.38%	53,284	0.83%
2324	Compal Electron	105,823	0.76%	105,823	1.65%
2325	Siliconware Precision Industries	55,153	0.39%	55,153	0.86%
2330	Taiwan Semiconductor	1,180,518	8.44%	885,389	13.78%

Stock Code	Constituent Name	Market Capitalization (NT$ Million)	Weighting in Total Market Capitalizatio	Free Float Adjusted Market Capitalization (NT$ Million)	Weighting in Taiwan 50 Index
2344	Winbond Electronics	55,103	0.39%	41,327	0.64%
2352	Benq	84,494	0.60%	63,370	0.99%
2353	Acer	109,902	0.79%	109,902	1.71%
2357	Asustek Computer Inc	215,721	1.54%	161,791	2.52%
2371	Tatung	52,836	0.38%	52,836	0.82%
2382	Quanta Computer	177,812	1.27%	88,906	1.38%
2408	Nanya Technology	92,325	0.66%	46,163	0.72%
2409	AU Optronics	227,574	1.63%	170,681	2.66%
2412	Chunghwa Telecom	602,983	4.31%	120,597	1.88%
2454	MediaTek	166,919	1.19%	125,189	1.95%
2475	Chunghwa Picture Tubes	98,671	0.71%	74,003	1.15%
2603	Evergreen Marine	74,093	0.53%	37,046	0.58%
2609	Yang Ming Marine Transport	68,750	0.49%	34,375	0.54%
2610	China Airlines	54,144	0.39%	16,243	0.25%
2801	Chang Hwa Bank	105,808	0.76%	79,356	1.24%
2880	Hua Nan Financial Holdings	151,208	1.08%	113,406	1.77%
2881	Fubon Financial Holdings	269,472	1.93%	202,104	3.15%
2882	Cathay Financial Holding	539,987	3.86%	269,993	4.20%

Stock Code	Constituent Name	Market Capitalization (NT$ Million)	Weighting in Total Market Capitalizatio	Free Float Adjusted Market Capitalization (NT$ Million)	Weighting in Taiwan 50 Index
2883	China Development Financial Holdings	173,008	1.24%	173,008	2.69%
2886	Mega Financial Holding	248,909	1.78%	186,682	2.91%
2887	Taishin Financial Holdings	127,457	0.91%	127,457	1.98%
2888	Shin Kong Financial Holdings	90,209	0.64%	45,105	0.70%
2890	Sinopac Holdings	73,311	0.52%	73,311	1.14%
2891	Chinatrust Financial Holding	220,721	1.58%	220,721	3.44%
2892	First Financial Holding	151,001	1.08%	113,251	1.76%
2912	President Chain Store	46,673	0.33%	18,669	0.29%
3009	Chi Mei Optoelectronics	163,413	1.17%	122,560	1.91%
3012	Quanta Display	72,619	0.52%	54,464	0.85%
3045	Taiwan Cellular	172,185	1.23%	80,152	1.25%
6004	Yuanta Core Pacific Securities	69,514	0.50%	69,514	1.08%
6505	Formosa Petrochemical	477,848	3.42%	52,563	0.82%
9904	Pou Chen	59,033	0.42%	59,033	0.92%
	Total	9,376,966	67.03%	6,424,506	100.00%
	Total Market Capitalization	13,989,100			

TAIWAN
STOCK
EXCHANGE

SHARE OWNERSHIP

A GENERAL VIEW

SHARE OWNERSHIP

▶ A GENERAL VIEW

At the end of 2004, the number of domestic individual shareholders reached 26,849,460, which is 377,513 more than that of the previous year. Domestic individual investors accounted for 48.01% of the total share ownership. Domestic corporations and institutional investors represented 36.21% of the total share ownership. Foreign ownership accounted for 15.78%.

Table 24. Domestic Individual Share-ownership by Size of Holding 2000-2004

Shares Registered	2004		2003	
	No. of Persons	%	No. of Persons	%
Below 1000	10,697,181	39.84	10,307,335	38.94
1,001-5,000	10,483,414	39.05	10,586,663	39.99
5,001-10,000	2,734,993	10.19	2,661,748	10.05
10,001-15,000	951,398	3.54	1,015,762	3.84
15,001-20,000	600,896	2.24	553,955	2.09
Above 20,001	1,381,578	5.15	1,346,484	5.09
Total	26,849,460	100.00	26,471,947	100.00

2002		2001		2000	
No. of Persons	%	No. of Persons	%	No. of Persons	%
8,972,288	37.67	8,472,669	35.86	7,382,079	33.62
9,955,987	41.80	10,301,220	43.60	10,118,814	46.08
2,347,009	9.85	2,329,445	9.86	2,161,913	9.85
916,704	3.85	957,137	4.05	824,913	3.76
466,664	1.96	442,785	1.87	434,788	1.98
1,158,608	4.86	1,121,798	4.75	1,035,584	4.72
23,817,260	100.00	23,625,054	100.00	21,958,091	100.00

Table 25. Share-ownership by Type of Investors 2000-2004

(In Percentage)

	2004	2003	2002	2001	2000
Domestic Investors:					
Government	5.02	6.23	6.73	7.62	6.12
Financial Institutions	4.41	4.37	3.76	4.42	3.75
Trust Fund	1.48	1.19	0.98	0.75	0.77
Corporations	21.35	22.38	22.37	22.59	21.68
Other Juridical Persons	2.83	2.96	3.4	3.37	3.53
Individuals	48.01	50.17	50.7	51.96	55.37
Foreigners:					
Trust Fund	6.96	4.19	4.57	3.05	3.14
Financial Institutions	0.38	0.27	0.28	0.25	0.55
Juridical Persons	8.07	6.06	5.96	4.85	4.33
Individuals	0.37	0.7	0.52	0.67	0.76
Share Buy-backs	1.12	1.48	0.73	0.47	0
Total	100.00	100.00	100.00	100.00	100.00

HISTORICAL DATA

Summary Data of Stock Market

Securities Market Status in 2004

Authorized Issues of Capital Increase by Listed Companies

Statistics of Outstanding Listed Bonds

Total Trading Volume and Value

Margin Transactions

Securities Trading Value Percentage by Type of Investors

Block Transactions

TAIEX (Monthly Average)

1. Summary Data of Stock Market (By Year)

Year	No. of Listed Companies	The Market Capitalization at Year-End (NT$Million)	Trading Volume (1,000 Shs.)	Trading Value (NT$1,000)	Total Amount of Capital Increase (NT$1,000)
1993	285	5,145,410	204,677,745	9,056,717,345	100,819,126
1994	313	6,504,368	351,240,488	18,812,111,559	146,085,325
1995	347	5,108,437	267,297,844	10,151,535,938	202,070,051
1996	382	7,528,851	350,738,899	12,907,561,263	244,323,863
1997	404	9,696,113	654,200,519	37,241,149,731	378,926,570
1998	437	8,392,607	612,009,930	29,618,969,900	456,554,914
1999	462	11,803,524	678,063,939	29,291,528,730	326,091,962
2000	531	8,191,474	630,868,034	30,526,566,297	388,770,195
2001	584	10,247,599	606,420,171	18,354,935,757	387,395,798
2002	638	9,094,936	856,189,751	21,873,950,631	259,173,037
2003	669	12,869,101	917,579,432	20,333,237,368	232,474,763
2004	697	13,989,100	987,573,775	23,875,366,203	333,307,829

2. Securities Market Status in 2004

a. Stock Market

Unit: NT$ Million
Million Shares

Item	Total
No. of Listed Companies	697
No. of Listed Stocks	709
No. of Listed Shares	503,132
Total Issued Capital Amount	5,031,317
Market Capitalization	13,989,100
Total Trading Volume	987,574
Total Trading Value	23,875,366
TAIEX (Yearly Average)	6,033.78

b. Bond Market

Unit: NT$ Million
Number of Issues

Item	Government Bonds	Corporate Bonds	Total
Number Issued (2004)	13	1	14
Number Outstanding (Accumulated)	86	9	95
Total Issued Amount (2004)	507,000	192	507,192
Total Outstanding (Accumulated)	2,850,670	696	2,851,366

* Excluding Bonds Issued by Asian Development Bank.

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

Unit : NT$ 1,000

Year	Total		Increase of Capital					
			Cash Offerings		Capitalization of Retained Earnings		Capitalization of Capital Reserves & Others	
	Amount	%	Amount	%	Amount	%	Amount	%
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
2004	275,275,383	100.00	44,682,584	16.23	179,395,774	65.17	51,197,025	18.60

4. 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	
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	0	0	0	63,100
1999	118	1,300,874	0	1,243,820	0	0	68	57,054	0	0	0	85,100
2000	113	1,513,989	57	1,478,320	0	0	56	35,669	0	0	0	91,100
2001	108	1,879,345	65	1,856,920	0	0	43	22,425	0	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	2,591,508	80	2,587,070	0	0	16	4,438	0	0	0	38,500
2004	95	2,851,366	86	2,850,670	0	0	9	696	0	0	0	11,500
Jan.	96	2,621,758	80	2,617,320	0	0	16	4,438	0	0	0	38,500
Feb.	97	2,641,496	81	2,637,070	0	0	16	4,426	0	0	0	38,500
Mar.	98	2,695,795	83	2,692,070	0	0	15	3,725	0	0	0	32,500
Apr.	97	2,735,452	84	2,732,070	0	0	13	3,382	0	0	0	26,500
May	96	2,710,447	84	2,707,070	0	0	12	3,377	0	0	0	26,500
Jun.	96	2,745,403	84	2,742,070	0	0	12	3,333	0	0	0	17,500
Jul.	98	2,769,289	86	2,766,070	0	0	12	3,219	0	0	0	17,500
Aug.	99	2,799,427	86	2,796,070	0	0	13	3,357	0	0	0	17,500
Sept.	98	2,832,331	87	2,830,070	0	0	11	2,261	0	0	0	17,500
Oct.	98	2,866,250	87	2,865,070	0	0	11	1,180	0	0	0	17,500
Nov.	95	2,843,472	85	2,842,670	0	0	10	802	0	0	0	11,500
Dec.	95	2,851,366	86	2,850,670	0	0	9	696	0	0	0	11,500

* 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.

5. 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	Volume	Value		
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	1,300	36,307	9,926	168,153,781
2004	24,177,804	987,574	23,875,366	3,950	95,501	1,971	80,847	3,980	183,844,085

6. Margin Transactions

Unit : NT$ Million
1,000 Shares

Year	Purchase on Margin					
	New		Redemption		Outstanding	
	Shares	Value	Shares	Value	Shares	Value
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
2004	281,004,990	4,126,377	280,266,245	4,137,277	20,917,000	262,570

Year	Short Sale					
	New		Redemption		Outstanding	
	Shares	Value	Shares	Value	Shares	Value
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
2004	44,330,632	977,693	43,749,891	964,443	1,393,843	34,553

7. Securities Trading Value Percentage By Type of Investors

Unit: %

Year	Domestic Individual	Domestic Juridical Person	Foreign Individual	Foreign Juridical Person
1995	91.93	6.69	0.01	1.37
1996	89.25	8.62	0.01	2.12
1997	90.73	7.55	0.01	1.71
1998	89.73	8.63	0.02	1.62
1999	88.23	9.36	0.01	2.40
2000	86.10	10.27	0.01	3.62
2001	84.41	9.69	0.01	5.89
2002	82.30	10.05	0.97	6.68
2003	77.84	11.51	1.24	9.41
2004	75.94	11.56	1.63	10.87

8. Block Transactions

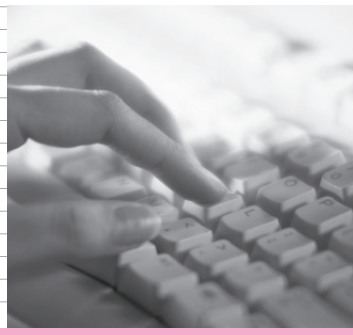
Year	Trading Volume (1,000 Shares)	Trading Value ((NT$ Million)
2000	564,923	7,217.84
2001	344,397	6,422.74
2002	957,650	9,742.69
2003	204,024	6,491.04
2004	139,242	2,946.33

9. TAIEX (Monthly Average)

Base Year : 1966 Average = 100

Year	Month							
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.
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
2004	6,236.42	6,514.45	6,658.08	6,666.20	5,911.68	5,758.18	5,553.57	5,497.72

Month				Yearly				
Sep.	Oct.	Nov.	Dec.	High	Low	Open	Close	Average
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
5,865.56	5,885.47	5,885.48	5,967.39	7,034.10	5,316.87	6,041.56	6,139.69	6,033.78



PUBLICATIONS

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The following booklets and periodicals are published by TSEC to promote the securities market and to educate investors:

1. ***Status of Securities Listed on Taiwan Stock Exchange*** (monthly, in Chinese and English)

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

2. ***Taiwan Stock Exchange Monthly Review*** (monthly, in Chinese and English)

   Comprehensive monthly market statistics, and a few securities market-related articles in Chinese.

3. ***Taiwan Stock Exchange Statistical Data*** (annually, in Chinese and English)

   Detailed market statistics

4. ***Fact Book*** (annually, in English)

   Important market mechanisms and statistics for TSEC and the market.

5. ***Taiwan Stock Exchange Annual Report*** (annually, separate versions in Chinese and English)

   Important events and 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*** (annually, in Chinese and English)

   Large scroll (60cm x 180cm) showing market trends from 1978 to 2004.

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

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

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

   Brochure on important facts and figures for TSEC.