



**JIH SUN HOLDINGS CO. LTD. And SUBSIDIARIES**  
**Consolidated Income Statement**  
 For the six-month periods ended June 30, 2004 and 2003

Unit: NT\$'000 except EPS

Code	Items	2004		2003	
		Amount	%	Amount	%
<b>Operating Revenues:</b>					
4205	Securities registration and service fee	\$ 15,012	-	\$ 13,319	-
4501	Interest revenue	5,451,284	55	4,596,853	72
4516	Commissions revenue for futures	2,937,477	29	1,454,747	23
4523	Gain on issuance of stock warrants	921,775	9	93,016	2
4531	Gain on trading of securities	436,506	4	75,822	1
4532	Investment income recognized under equity method	135,740	2	-	-
4534	Foreign exchange gain	4,476	-	6,495	-
4609	Other operating income	66,276	1	127,083	2
		<u>9,968,546</u>	<u>100</u>	<u>6,367,335</u>	<u>100</u>
<b>Operating Costs:</b>					
5501	Interest expense	1,585,239	16	1,897,680	30
5516	Service and handling charges	773,476	8	339,754	5
5518	Valuation loss on operating securities	38,026	-	68,421	1
5531	Loss on trading of securities	708,695	7	160,848	3
5532	Investment loss recognized under equity method	-	-	25,616	-
5535	Various reserves and provisions	1,346,958	14	823,671	13
5537	Cash delivery fees	11,138	-	9,407	-
5601	Expense for warrants issued	3,467	-	1,274	-
5607	Clearing fee	47,293	-	19,992	-
5609	Other operating costs	554,230	6	40,365	1
		<u>5,068,522</u>	<u>51</u>	<u>3,387,028</u>	<u>53</u>
	<b>Gross profits</b>	4,900,024	49	2,980,307	47
5800	<b>Operating Expenses</b>	( 3,730,417)	( 37)	( 2,672,314)	( 42)
	<b>Net operating profits</b>	<u>1,169,607</u>	<u>12</u>	<u>307,993</u>	<u>5</u>
4999	<b>Non-operating revenues and gain</b>	277,182	3	530,303	8
5999	<b>Non-operating expenses and loss</b>	( 142,241)	( 2)	( 297,183)	( 5)
6300	<b>Income Before Income Tax</b>	1,304,548	13	541,113	8
6400	<b>Income Tax Expense</b>	( 413,635)	( 4)	( 292,615)	( 4)
	<b>Combined net income</b>	<u>890,913</u>	<u>9</u>	<u>248,498</u>	<u>4</u>
6800	Minority interest income	( 889)	-	2,087	-
6900	<b>Consolidated net income</b>	<u>\$ 890,024</u>	<u>9</u>	<u>\$ 250,585</u>	<u>4</u>
7000	<b>Basic EPS</b>				
	before income tax	<u>\$ 0.61</u>		<u>\$ 0.27</u>	
	after income tax	<u>\$ 0.42</u>		<u>\$ 0.13</u>	
Performance data :					
Assumption: The stocks that buy back by subsidiary were not recognized as treasury stocks in the Company					
9600	Net Income	<u>\$ 939,862</u>		<u>\$ 238,570</u>	
9700	EPS(after income tax)	<u>\$ 0.44</u>		<u>\$ 0.11</u>	
		(2,147,513,477 Shares)		(2,154,760,000 Shares)	

Owner

Manager

Accounting



**JH SUN HOLDINGS CO. LTD**  
 Consolidated Balance Sheets  
 June 30, 2004 and 2003  
 (Expressed in Thousands of New Taiwan Dollars)

Code	Assets	2004		2003		Code	LIABILITIES AND STOCKHOLDERS' EQUITY	2004		2003	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current Assets</b>						<b>Current Liabilities</b>					
1100	Cash	\$ 3,283,970	1	2,192,249	1	2102	Short - term borrowings	\$ 6,430,000	2	\$ 725,000	-
1110	Due from banks	4,259,065	1	12,575,129	5	2103	Commercial paper payable	3,483,010	1	739,818	-
1120	Due from Central Bank	8,538,378	3	5,586,483	2	2105	Liabilities of bonds with repurchase agreements	9,183,700	3	13,699,625	6
1130	Short-term investments, net	23,674,720	8	12,441,831	5	2106	Current portion of long-term liabilities	-	-	500,000	-
1140	Receivables, net	14,969,839	5	8,179,838	3	2107	Liabilities of stock warrents issued	303,423	-	56,870	-
1169	Receivables from securities financing, net	15,925,417	5	9,763,101	4	2110	Due to Central Bank	11,553	-	17,569	-
1171	Securities refinance margin deposits	-	-	1,368	-	2120	Due to banks	14,550,834	5	9,909,303	4
1172	Receibles from securities refinance	195	-	6,978	-	2140	Payables	5,759,120	2	4,290,387	2
1191	Other financial assets-current	8,155,892	3	3,227,138	1	2168	Financing securities guaranty deposits	1,091,012	-	1,220,430	1
1192	Receivables-futures margin	420,031	-	356,260	-	2171	Financing securities guaranteed proceeds payable	1,380,498	1	1,499,977	1
1194	Stock borrowing margin	35,725	-	-	-	2190	Other current liabilities	714,363	-	838,897	-
1195	Stock borrowing collateral price	39,694	-	-	-	2192	Customers' equity in futures transactions	8,139,403	3	2,744,201	2
1199	Derivative financial product assets-OTC	360	-	-	-	2193	Derivative financial Liabilities	1,633	-	-	-
1200	Operating securities-dear	9,271,239	3	13,628,308	6		Total current liabilities	51,048,549	17	36,242,077	16
1202	Deferred loss on stock warrents	-	-	3,142	-	23xx	<b>Customer deposits</b>	205,168,661	69	169,954,735	70
1220	Investmentsin redeemable bonds	2,352,323	1	1,326,879	1	23-27	<b>Long-term Liabilities</b>				
1259	Time deposits pledged-current	1,697,500	1	677,400	-	2370	Financial debentures	5,000,000	2	5,000,000	2
1261	Other current assets	3,549,898	1	1,012,096	1	2504	Long-term borrowings	3,729,121	1	5,000	-
		96,174,246	32	70,978,200	29	2511	Appropriated loan fund	160,950	-	152,760	-
1300	<b>Discounted bills and loans,net</b>	173,142,526	58	147,400,438	61	2515	Reserve for land revaluation increment tax	43,641	-	43,641	-
								8,933,712	3	5,201,401	2
1441	<b>Long-term equity investments</b>	5,838,319	3	2,793,821	2	28xx	<b>Other Liabilities</b>				
1470	<b>Other financial assets-non-current</b>	348,000	-	1,000	-	2803	Guarantee reserve	4,279	-	14,288	-
						2805	Default indemnity reserve	224,578	-	209,699	-
15xx	<b>Properties-net</b>	6,894,254	2	6,577,810	3	2806	Securities trading loss reserve	4,192	-	14,558	-
17xx	<b>Intangible Assets</b>	65,827	-	84,635	-	2809	Allowance for doubtful accounts	44,576	-	44,826	-
18xx	<b>Other Assets</b>					2818	Accrued pension liabilities	46,363	-	32,433	-
1821	Guarantee deposits paid	786,713	-	292,707	-	2821	Guarantee deposits-in	451,640	-	316,494	-
1822	Overdue receivables	6,716,376	2	5,925,344	2	2838	Minority interest	15,335	-	652,455	-
1823	Allowance for debts-overdue receivables	( 1,241,270)	-	( 1,285,654)	( 1)	2839	Other	178	-	-	-
1824	Pledged properties received,net	1,482,423	1	1,784,584	1			791,141	-	1,284,753	-
1831	Operating deposit	940,000	-	825,000	-	2960	<b>Security brokerage credit accounts,net</b>	96,732	-	-	-
1832	Securities settlement fund	416,546	-	402,764	-		<b>Total liabilities</b>	266,038,795	89	212,682,966	88
1838	Cash and cash equivalents-collection of stock warrant's strike price	37	-	58	-	3xxx	Stockholders' Equity				
1839	Cash and cash equivalents-collection of securities underwritten	52	-	97	-	3101	Capital stock				
1841	Deferred debts	240,347	-	185,734	-		common stock	22,532,732	9	21,947,600	9
1856	Deferred income tax assets	27,235	-	101,861	-	32xx	capital surplus	10,147,004	3	10,081,992	4
1859	Deferred loss on disposal of non-performing loans	4,625,277	2	5,979,017	3	3320	Retained Earnings				
1863	Other Assets	4,600	-	-	-		Accumulated deficit	( 513,909)	-	( 695,237)	-
		13,998,336	5	14,211,512	5		Other adjustments to stockholders' equity:				
1960	<b>Securities brokerage debit accounts, net</b>	-	-	6,856	-	3410	Cumulative translation adjustments	( 45,753)	-	( 11,725)	-
						3430	Net loss not recognized as pension cost	( 34)	-	-	-
						3510	Treasury stock-common stock	( 1,697,327)	( 1)	( 1,951,324)	( 1)
							Total stockholders' equity	30,422,713	11	29,371,306	12
							Significant commitment and Contingencies				
	<b>TOTAL ASSETS</b>	<b>\$ 296,461,508</b>	<b>100</b>	<b>\$ 242,054,272</b>	<b>100</b>		<b>TOTAL LIABILITIES AND STOCKHOLDERS EQUITY</b>	<b>\$ 296,461,508</b>	<b>100</b>	<b>242,054,272</b>	<b>100</b>

Owner

Manager

Accounting



**JIH SUN FINANCIAL Holding CO. LTD**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY**

**For the six-month periods ended June 30, 2004 and 2003**

(Expressed in Thousands of New Taiwan Dollars)

	Capital Surplus			Retained earnings	Cumulative translation adjustment	Net loss for unrecognized as pension cost	Treasury stock	Total	
	Capital stock	Premium on stock issuance	Treasury stock transaction						Adjustment of long-term investment
<b>Balance at January 1, 2003</b>	\$ 21,947,600	\$ 10,061,508	\$ -	\$ 18,395	(\$ 945,017)	(\$ 7,797)	\$ -	(\$ 2,063,909)	\$ 29,010,780
Net Income for the six-month period ended June 30, 2003	-	-	-	-	250,585	-	-	-	250,585
Treasury stock held by subsidiaries transferred to employees	-	-	2,089	-	( 805)	-	-	112,585	113,869
Cumulative foreign currency translation adjustments	-	-	-	-	-	( 3,928)	-	-	( 3,928)
<b>Balance at June 30, 2003</b>	<u>\$ 21,947,600</u>	<u>\$ 10,061,508</u>	<u>\$ 2,089</u>	<u>\$ 18,395</u>	<u>(\$ 695,237)</u>	<u>(\$ 11,725)</u>	<u>\$ -</u>	<u>(\$ 1,951,324)</u>	<u>\$ 29,371,306</u>
<b>Balance at January 1, 2004</b>	\$ 22,532,732	10,108,568	20,592	18,395	( 1,401,274)	( 31,748)	( 34)	( 1,941,895)	29,305,336
Net Income for the six-month period ended June 30, 2003	-	-	-	-	890,024	-	-	-	890,024
Treasury stock held by subsidiaries transferred to employees	-	-	( 551)	-	( 2,659)	-	-	668,190	664,980
Cumulative foreign currency translation adjustments	-	-	-	-	-	( 14,005)	-	-	( 14,005)
Purchase of treasury stock	-	-	-	-	-	-	-	( 423,622)	( 423,622)
<b>Balance at June 30, 2004</b>	<u>\$ 22,532,732</u>	<u>\$ 10,108,568</u>	<u>\$ 20,041</u>	<u>\$ 18,395</u>	<u>(\$ 513,909)</u>	<u>(\$ 45,753)</u>	<u>(\$ 34)</u>	<u>(\$ 1,697,327)</u>	<u>\$ 30,422,713</u>