

**CATHAY FINANCIAL HOLDING CO., LTD.**

**BALANCE SHEET**

**(Expressed in thousands of dollars)**

**December 31, 2001**

	<u>2001</u>	<u>2001</u>
	NT\$	US\$
<b>Assets</b>		
Current Assets		
Funds, Long-Term Investments and Receivable		
Long-term investments in stocks (Notes 2, 4)	\$74,846,501	\$2,138,533
Sub-total	<u>74,846,501</u>	<u>\$2,138,533</u>
Other Assets		
Deferred charges	81,378	\$2,325
Sub-total	<u>81,378</u>	<u>\$2,325</u>
Total Assets	<u><u>74,927,879</u></u>	<u><u>\$2,140,858</u></u>
<b>Liabilities &amp; Stockholders' Equity</b>		
Current Liabilities		
Accrued expenses	81,378	\$2,325
Sub-total	<u>81,378</u>	<u>\$2,325</u>
Total Liabilities	<u>81,378</u>	<u>\$2,325</u>
Stockholders' Equity		
Capital stocks:		
Common stock (Note 5)	58,386,158	\$1,668,224
Capital surplus		
Net assets from merger	23,650,414	\$675,746
Retained Earnings (Note 6)		
Unappropriated retained earnings	137,135	\$3,918
Equity adjustment (Note 2)		
Cumulative translation adjustments	6,657	\$190
Treasury stock (Note 2)	(7,333,863)	(\$209,545)
Total Stockholders' Equity	<u>74,846,501</u>	<u>\$2,138,533</u>
Total Liabilities and Stockholders' Equity	<u><u>\$74,927,879</u></u>	<u><u>\$2,140,858</u></u>

**The accompanying notes are an integral part of these financial statements.  
(Cathay Financial Holding Co., Ltd. was incorporated on December 31, 2001)**

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**STATEMENT OF INCOME**  
(Expressed in thousands of dollars, except earning per share)  
**Year Ended December 31, 2001**

	<u>2001</u>	<u>2001</u>
	NT\$	US\$
Operating Revenues		
Investment income under the equity method-net		
(Notes 2, 4)	<u>\$137,135</u>	<u>\$3,918</u>
Sub-total	<u>137,135</u>	<u>\$3,918</u>
Operating Gross Profit	<u>137,135</u>	<u>\$3,918</u>
Operating Income		
Income from continuing	<u>137,135</u>	<u>3,918</u>
Operations before income taxes	137,135	\$3,918
Income Taxes (Notes 2, 7)	0	0
Net Income	<u><u>\$137,135</u></u>	<u><u>\$3,918</u></u>
Earnings Per Share (expressed in dollars) (Note 8)	<u><u>\$0.02</u></u>	<u><u>\$0.00</u></u>

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**(Cathay Financial Holding Co., Ltd. was incorporated on December 31, 2001)**



**CATHAY FINANCIAL HOLDING CO., LTD.**

**STATEMENT OF CASH FLOWS**

**Year Ended December 31, 2001**

**(Expressed in thousands of dollars)**

	<u>2001</u>	<u>2001</u>
	NT\$	US\$
Cash Flows from Operating Activities		
Net Income for the Year	\$137,135	\$3,918
Adjustments:		
Investment income under the equity method-net	(137,135)	(3,918)
Increase (decrease) in accrued expenses	<u>81,378</u>	<u>2,325</u>
Net Cash Provided by (Used in) Operating Activities	<u>81,378</u>	<u>2,325</u>
Cash Flows from Investing Activities		
Decrease (increase) in deferred charges	<u>(81,378)</u>	<u>(2,325)</u>
Net Cash Provided by (Used in) Investing Activities	<u>(81,378)</u>	<u>(2,325)</u>
Increase(decrease) in Cash and Cash Equivalents	0	0
Cash and Cash Equivalents at the Beginning of Year	<u>0</u>	<u>0</u>
Cash and Cash Equivalents at the End of Year	<u><u>\$0</u></u>	<u><u>0</u></u>
Supplemental Disclosure of Cash Flows Information:		
By stock conversion method was incorporated	<u><u>\$74,702,709</u></u>	<u><u>\$2,134,424</u></u>

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(Cathay Financial Holding Co., Ltd. was incorporated on December 31, 2001)**

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
(Expressed in thousands of dollars)  
**Year Ended December 31, 2001**

Summary	Capital Stock		Capital Surplus		Retained Earnings		Cumulative Translation Adjustments		Treasury Stock		Total	
	Common Stock				Unappropriated Retained Earnings							
	NT\$	US\$	NT\$	US\$	NT\$	US\$	NT\$	US\$	NT\$	US\$	NT\$	US\$
By stock conversion method was incorporated on December 31, 2001	\$58,386,158	\$1,668,224	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$58,386,158	\$1,668,224
Net assets from merger			23,650,414	675,745							23,650,414	675,745
Cumulative translation adjustments							6,657	190			6,657	190
Treasury stock									(7,333,863)	(209,545)	(7,333,863)	(209,545)
Net Income after tax for the year ended Dec . 31 , 2001					137,135	3,918					137,135	3,918
Balance on Dec. 31, 2001	<u>\$58,386,158</u>	<u>\$1,668,224</u>	<u>\$23,650,414</u>	<u>\$675,745</u>	<u>\$137,135</u>	<u>\$3,918</u>	<u>\$6,657</u>	<u>\$190</u>	<u>(\$7,333,863)</u>	<u>(\$209,545)</u>	<u>\$74,846,501</u>	<u>\$2,138,532</u>

**The accompanying notes are an integral part of these financial statements.**  
**(Cathay Financial Holding Co., Ltd. was incorporated on December 31, 2001)**

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

**1. ORGANIZATION OF BUSINESS SCOPE**

CATHAY FINANCIAL HOLDING CO., LTD. (the "Company") was incorporated on December 31, 2001 in Taiwan, pursuant to the provision of the Company Law of the Republic of China ("R.O.C") from CATHAY LIFE INSURANCE CO., LTD. by Stock Conversion method. The Company mainly engages in the financial holding business activities.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(1) Long - Term Investments*

A. Long-term Investments in Stocks

Long-term investments in listed companies for which the Company's ownership interest is less than 20% of the voting stocks, and lacks significant operational influence, are stated at the lower of cost or market value. Unrealized loss thereon is reflected as a reduction of shareholders' equity. Long-term investments in unlisted companies, for which the Company's ownership interest accounted for less than 20% of the common stocks, are stated at cost. However, when there is evidence showing that a decline in market value of such investment is not temporary and is already less than cost, the market value becomes the new cost basis and the difference is accounted for as if it were a realized loss, and included in the determination of net income. Stock dividends are not recognized as income but treated as an increase in the number of shares held. Upon sales of long-term equity investments (accounted for under cost method), the difference between the weighted-average cost and sales price is used to compute the resulting gain or loss.

Investments in equity securities are accounted for under the equity method where the Company's ownership interest is 20% or more of the voting shares and has significant operational influence.

If changes occurs in the capital structure of the invested companies causing an increase or decrease of stocks, and the Company can no longer maintain its original shares of interest, adjustments will be dealt with in the capital surplus and long-term equity investments accounts. If there is any deficiency in the capital surplus account, the difference will be debited to the retained earnings account.

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

An invested company (“investee”) is considered to be the Company’s subsidiary if the Company owns more than 50% of the investee’s voting stock. Consolidated financial statements should include all subsidiaries; except for subsidiaries that have different business nature from that of the Company or when compared to the Company’s, each account items in the total assets and operating income of these subsidiaries are less than 10% of it. If total assets or operating income of those unconsolidated subsidiaries are more than 30% of the corresponding amount of the Company’s, these subsidiaries should be included in the Company’s consolidated financial statements until the percentage mentioned above subsides to 20% or less.

The cost of the disposal of an investment is determined by the weighted-average method

Transactions with affiliated companies: Unrealized intercompany gains or losses are eliminated under the equity method. Gains or losses from sales of depreciable assets between the subsidiary and the Parent Company are amortized to income over the assets, economic service lives. Gains or losses from other types of inter-company transactions are recognized when realized.

**B. Long-Term Investments in Bonds**

Long-term investments in bonds should be accounted for at cost, and any premium or discount should be amortized based on a reasonable and systematic basis.

*(2) Foreign-currency Transactions*

**A. Translations of Foreign Currency Transactions**

Foreign-currency transactions are recorded in New Taiwan Dollars at the rates of exchange in effect when the transactions occurred. Gains or losses resulting from adjustments or settlements of foreign currency assets and liabilities are credited or charged to income. Year-end foreign currency assets and liabilities are translated at year-end exchange rate, and resulting gains or losses are credited or charged to current income.

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

B. Translation of Foreign Subsidiaries' Statements

Financial statements of foreign subsidiaries accounted for by the equity method are translated into New Taiwan Dollars as follows: All assets and liabilities denominated in foreign currencies are translated into New Taiwan Dollars at the exchange rate ruling on the balance sheet date. Stockholders' equity items are translated on the historical rate basis except the beginning balance of retained earnings, which is posted directly from the balance of the last year. Statements of income items are translated by the weighted-average exchange rate for the year. Differences arising from a translation are reported as "Cumulative Translation Adjustments" in the section of stockholders' equity as a separate item.

When the financial statements of the foreign operation are translated into domestic currency, the foreign currency financial statements should be first converted into the functional currency if the foreign currency is not the functional currency. This process will have the same result as if the transaction is recorded in the functional currency from the beginning. The exchange gain or loss from the conversion will be recognized in the current period because it affects directly the cash flows of the foreign operation.

*(3) Income Taxes*

The Company adopted SFAS Statement No. 22, "Accounting for Income Taxes", which requires inter-period and intra-period taxes allocations in addition to computing current period income tax payable (refund). Furthermore, it requires recognition of deferred income tax liabilities on future taxable temporary differences, and deferred income tax assets on future deductible temporary differences, prior year's loss carry-forwards and investment tax credits. The realization of deferred income tax assets is further assessed and a valuation allowance, if needed, is provided accordingly. Adjustment of prior year's income tax expense is recorded as current period income tax expense in the year of adjustment.

Deferred income tax assets and liabilities are classified as current or noncurrent in accordance with the underlying assets or liabilities. Deferred income taxes not relating to assets or liabilities are classified as current or noncurrent based on the length of the expected realizable or reversible period.



**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

As per Article 49 of Financial Holding Company Law, in the case of the company holding the exceeding of 90% of issued shares of its native subsidiaries, the company can be selected as the taxpayer as the shareholding is over 12 months within a taxable year and files the income tax returns with 10% tax of undistributed retained earnings to Tax Authority Under the Income tax Law.

Prior year's income tax adjustment, if it is a change in an accounting estimate, then should be recorded as an adjustment year's income tax expense.

The additional 10% income tax on undistributed earnings is recognized as expense on the date of the shareholders' meeting.

*(4) Capital Expenditure Expenses*

Expenditure is capitalized and amortized over its useful life if it involves a significant amount and benefits future periods. Otherwise, it is expensed in the year of expenditure.

*(5) Treasury Stock*

The Company uses the cost method to account for treasury stock. Under the cost method, the treasury stock account is debited for the cost of the shares purchased. When the disposal price of treasury stock is greater than the cost, the difference is credited to capital surplus-treasury stock. If the disposal price is lower than cost, the difference is debited to capital surplus from similar treasury stock. If the capital surplus-treasury stock account is insufficient to cover the excess of the cost over the price, retained earnings should be debited for the remaining amount. The book value of each share of treasury stock is equal to its weighted-average value and is calculated according to its reason for purchase.

When treasury stock is retired, capital surplus and common stock are debited according to the ratio of retiring treasury stock to total issued stock. When the book value of the retiring treasury stock is higher than the sum of its par value and capital surplus, the difference is debited to capital surplus-treasury stock. If the capital surplus-treasury stock account is insufficient to cover the difference, retained earnings should be debited for the remaining amount. When the book value of the retiring treasury stock is lower than the sum of its par value and capital surplus, the difference is credited to capital surplus-treasury stock.

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

As per Article 31 of Financial Holding Company Law, as the financial institution transformed into the Financial Holding Company, the company will adopt Article 24 to 28 in dealing with the adjustment of the organization and shareholding of its original investment. In the preceding paragraph as referred, the shareholder of the Financial Holding Company can transfer its shares to the employees of Financial Holding Company or those of its subsidiaries within three years; or regard its shares as the equity transferred in accordance with Paragraph 1, Item 2 of Article 28-2 of Securities and Exchange Law hereof; or sell its shares in Security Market or stock Exchange which excluded from the restriction of Article 38. The Shares that are not transferred or unsold will be treated as the unissued shares of the Financial Holding Company and report the changes to government.

Treasury stock of subsidiary was converted into common stock of the Company on Dec 31 2001, on the basis of conservative principle and the R.O.C. GAAP No.30, par value of these converted stocks is equal to that of the issued common stocks of the Company. These common stocks are under the guidance of the “Financial Holding Company Law” of the R.O.C. article 31 and the “Securities and Exchange Law” of the R.O.C. article 28-2 and article 38.

**3. PRO FORMA COMPARATIVE FINANCIAL STATEMENTS:**

The company was incorporated on December 31, 2001 because of Cathay Life Insurance Co., Ltd. by conversion stock method. According to R.O.C. SFC (Securities & Futures Committee) had approved this with Memo#(90)-Tai-Tsai-Cheng-6-175974, the company disclose Pro Forma comparative financial statements from Cathay Life Insurance Co., Ltd. stock conversion method as follows:

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

Cathay Financial Holding Co., Ltd.  
Pro Forma Balance Sheets  
December 31, 2000 and 2001

	<u>2000</u>	<u>2001</u>	<u>2001</u>
	NT\$	NT\$	US\$
<b>Assets</b>			
Funds, Long-Term Investments			
Long-term investments in stocks	<u>\$80,840,106</u>	<u>\$74,846,501</u>	<u>\$2,138,533</u>
Sub-total	<u>80,840,106</u>	<u>74,846,501</u>	<u>2,138,533</u>
Other Assets			
Deferred charges	<u>0</u>	<u>81,378</u>	<u>2,325</u>
Sub-total	<u>0</u>	<u>81,378</u>	<u>2,325</u>
Total Assets	<u>\$80,840,106</u>	<u>\$74,927,879</u>	<u>\$2,140,858</u>
<b>Liabilities &amp; Stockholders' Equity</b>			
Current Liabilities			
Accrued expenses	<u>\$0</u>	<u>\$81,378</u>	<u>\$2,325</u>
Sub-total	<u>0</u>	<u>81,378</u>	<u>2,325</u>
Total Liabilities	<u>0</u>	<u>81,378</u>	<u>2,325</u>
Stockholders' Equity			
Capital stocks			
Common stock	53,986,340	58,386,158	1,668,224
Capital surplus	17,439,712	3,458,118	98,806
Retained earnings			
Unappropriated retained earnings	9,729,964	20,329,431	580,858
Equity adjustment			
Cumulative translation adjustments	1,573	6,657	190
Treasury stock	<u>(317,483)</u>	<u>(7,333,863)</u>	<u>(209,545)</u>
Total Stockholders' Equity	<u>80,840,106</u>	<u>74,846,501</u>	<u>2,138,533</u>
Total Liabilities and Stockholders' Equity	<u>\$80,840,106</u>	<u>\$74,927,879</u>	<u>\$2,140,858</u>

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

Cathay Financial Holding Co., Ltd.  
Pro Forma Statements of Income  
Years Ended December 31, 2000 and 2001

	<u>2000</u>	<u>2001</u>	<u>2001</u>
	NT\$	NT\$	US\$
Operating Revenues			
Investment income under the equity method-net	<u>\$9,738,996</u>	<u>\$10,599,467</u>	<u>\$302,851</u>
Sub-total	<u>9,738,996</u>	<u>10,599,467</u>	<u>302,851</u>
Operating Gross Profit	<u>9,738,996</u>	<u>10,599,467</u>	<u>302,851</u>
Operating Income (Loss)	<u>9,738,996</u>	<u>10,599,467</u>	<u>302,851</u>
Income from Continuing			
Operations before income taxes	9,738,996	10,599,467	302,851
Income Taxes	(0)	(0)	(0)
Net Income	<u>\$9,738,996</u>	<u>\$10,599,467</u>	<u>\$302,851</u>
Earnings Per Share (expressed in dollars)	<u>\$1.64</u>	<u>\$1.81</u>	<u>\$0.52</u>

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

**4. LONG-TERM INVESTMENTS IN STOCKS**

Investee	December 31	
	2001(NT\$)	2001(US\$)
	Book Value	Book Value
Under the equity method:		
Cathay Life Insurance Co.,		
Ltd.	\$74,846,501	\$2,138,533

(1) Changes in long-term investments under the equity method are summarized as follows:

	December 31	
	2001(NT\$)	2001(US\$)
Balance at the beginning of year	\$0	\$0
Add/(less):		
Increment of Investments by stock conversion method	74,709,366	2,134,615
Investment income under equity method recognized increment of investment	137,135	3,918
Balance of December 31	\$74,846,501	\$2,138,533

(2) In 2001 the over 50% holding investees of Cathay Financial Holding Co., LTD is Cathay Life Insurance Co., Ltd.

**5. COMMON STOCK**

As of December 31, 2001, the number of authorized and outstanding shares was 5,838,615,765, at a par value of NT\$10 dollars.

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

**6. RETAINED EARNINGS**

(1) Legal Reserve

Pursuant to the Company Law, 10% of the annual after-tax net income of the Company must be appropriated as legal reserve until such retention equals to the paid-in capital. The legal reserve can only be used to cover deficits and not be distributed as cash dividends. However, if the total accumulated legal reserve is greater than 50% of the issued share capital, up to 50% of such excess can be converted to share capital.

(2) Unappropriated Retained Earnings

As stipulated in the Company's Articles of Incorporation, the restrictions and sequences for distributing annual net income are as follows:

- (a) Paying income tax;
- (b) Covering previous deficits;
- (c) Appropriating 10% of the remaining net income as legal reserve;
- (d) Distributing dividends;
- (e) Bonus to employees at 0.01% to 0.05% of the remaining net income;
- (f) Appropriation of any of the remainder of the retained earnings as proposed by the board of directors and approved by the stockholders.

(3) Beginning 1998, since the implementation of income tax for corporations combining into individuals' income tax, the un-appropriated retained earnings for the Company in those years which do not distribute to its shareholders will be imposed 10% income tax and then can be retained without further tax imposition.

**7. INCOME TAXES**

(1) Income tax expenses for the year ended December 31, 2001 is estimated as follows:

	2001(NT\$)	2001(US\$)
Income Tax for Accounting Income	\$137,135	\$3,918
Add(Less): Investment Credit	(137,135)	(3,918)
Taxable Income	0	0
Times: Taxes Rate; Less: Progressive Difference	25%-10	—
Income Taxes	\$0	\$0

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

- (2) The Company's deferred income tax assets and liabilities for the years ended December 31, 2001 is as follows:

	December 31	
	2001(NT\$)	2001(US\$)
A. Total deferred income tax assets	\$0	\$0
Total deferred income tax liabilities	0	0
B. Deferred income tax assets- current	0	0
Deferred income tax liabilities-current	0	0
Net deferred tax assets - current	\$0	\$0
C. Net deferred tax assets- noncurrent	\$0	\$0
Deferred tax liabilities-noncurrent	0	0
Net deferred tax assets - noncurrent	\$0	\$0

- (3) Tax imputation related information:

	December 31	
	2001(NT\$)	2001(US\$)
Balance of imputation credit account	\$0	\$0
Imputation credit account ratio	—	

- (4) The undistributed retained earnings:

Year	December 31	
	2001(NT\$)	2001(US\$)
After 1998	\$137,135	\$3,918

**8. EARNINGS PER SHARE**

	December 31	
	2001(NT\$)	2001(US\$)
Net income (a)	\$137,135	\$3,918
Year-end outstanding number of shares	5,838,615,765	5,838,615,765
Weighted average outstanding number of shares(b)	5,681,688,765	5,681,688,765
Earnings per share(Dollars) (a) / (b)	\$0.02	\$0.00

**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

The changes of the above weighted-average outstanding number of shares are shown below:

(shares)	2001
Shares at the beginning of year	5,838,615,765
Less: Treasury stock	(156,927,000)
Total	5,681,688,765

**9. RELATED PARTY TRANSACTIONS**

*(1) Related parties*

Name and relation of related parties are as follows:

Name	Relationship
Cathay Life Insurance Co., Ltd.	Investee accounted for under the equity method

*(2) Major transactions involving related parties:*

A. Accrued Expense

	December 31	
	2001(NT\$)	2001(US\$)
Cathay Life Insurance Co., Ltd.	\$81,378	\$2,325

**10. ASSETS PLEDGED OR MORTGAGED:** None.

**11. SIGNIFICANT COMMITMENTS AND CONTINGENT LIABILITIES:** None.

**12. SIGNIFICANT DISASTER LOSSES:** None

**13. SIGNIFICANT SUBSEQUENT EVENTS**

The Company scheduled to convene the Directors' Meeting on January 30, 2002, and resolve to exchange the shares of Tong Tai Insurance Co., Ltd. and Cathay United Bank to Cathay Financial Holding CO., Ltd.. The ration of split-off agreed among the three parties is 4.5 to 1 and 6 to 1.



**CATHAY FINANCIAL HOLDING CO., LTD.**  
**NOTES TO FINANCIAL STATEMENTS-(Continued)**  
**(Expressed in thousands of dollars unless otherwise stated)**  
**December 31, 2001**

**14. OTHER SIGNIFICANT EVENTS**

**(1) DISCLOSURE OF PENSION INFORMATION**

The Company was incorporated on December 31, 2001 follows the statements of Financial Accounting Standards No. 18 in handle pension costs \$0 in December 31, 2001.

**(2) DERIVATIVE FINANCIAL INSTRUMENTS**

1. Derivative Financial Instruments Related Information: None.
2. Non-Derivative Financial Instruments Related Information: None.

**(3) MATERIAL CONTRACT: None.**

**(4) PRESENTATION OF FINANCIAL STATEMENTS: None.**

**(5) OTHER: None**

**15. INFORMATION FOR INVESTMENT IN MAINLAND CHINA: None**

**16. SEGMENT FINANCIAL INFORMATION**

- (1) Segment financial information by industry : The Company is financial holding industry and a single industry.
- (2) Geographic financial information : Not Foreign Operations.
- (3) Export sales information : None.
- (4) Disclosures of major customers : None.