

December 11, 2009

Announced by Yuanta Financial Holdings on behalf of Yuanta Securities Finance Co. Ltd of impairment loss on Polaris Securities 2006-2 CBO

1. Date of occurrence of the event: 2009/12/11
2. Company name: Yuanta Securities Finance Co., Ltd.
3. Relationship to the Company (please enter "head office" or "affiliate company"): Affiliate company
4. Reciprocal shareholding ratios: 100%
5. Cause of occurrence: Yuanta Securities Finance Co., Ltd. investment in Polaris Securities 2006-2 CBO was NT\$567.7 million. Because of principal repayment, the current investment amount is NT\$488 million. Due to the future cash flow from part of the portfolio is expected to decrease, Yuanta Securities Finance Co., Ltd. has recognized an impairment loss of NT\$208 million on such CBO.
6. Countermeasures: NA
7. Any other matters that need to be specified: NA