

January 13, 2010

Announced by Yuanta Financial Holdings on behalf of Yuanta Securities, a response to media report of Jan 13 regarding losing suit over tax deductibility of the cost related to warrant

1. Name of the reporting media: Commercial Times
2. Date of the report: 2010/01/13
3. Content of the report: Relevant media reports that the Supreme Administrative Court has recently made decisions against 3 securities companies regarding tax deductibility of the cost related to warrant.
4. Summary of the information provided by investors: None
5. Company's explanation of the reportage or provided information:
Regarding Yuanta Core Pacific's case on 1999 corporate income tax, Yuanta Financial Holdings has published material information on January 5, 2010 when the Supreme Administrative notified Yuanta Securities of its preliminary decision. Since the company has already made provisions for the possible tax impact, the decision will neither affect profitability nor affect shareholder's equity. Further announcement will be issued pending formal receipt of the decision document.
6. Countermeasures: N/A
7. Any other matters that need to be specified: None