

SEQ_NO	4	Date of announcement	2005/10/21	Time of announcement	17:38:52
Subject	Board of directors resolved proposal of private placement of Class B preferred shares.				
Date of events	2005/10/21	To which item it meets	article 2 paragraph 11		
Statement	<p>1.Date of the board of directors resolution:2005/10/21</p> <p>2.Source of the private placement funds:Issue preferred shares</p> <p>3.Number of shares privately placed:0.8 billion shares</p> <p>4.Par value per share:\$10</p> <p>5.Total monetary amount of the private placement:NT\$ 20 billion</p> <p>6.Private placement price:Tentative NT\$25 per share</p> <p>7.Number of shares subscribed by employees:N.A</p> <p>8.Number of shares subscribed by existing shareholders:N.A</p> <p>9.Rights and obligations of the new private placement shares: paid dividend less than 5% per annum, entitled to cumulate distribution of dividends in years if the Company has no earned surplus or insufficient earned surplus, not entitled to vote, could be elected as directors or supervisors, not converted into common shares.</p> <p>10.Use of the funds raised in the private placement: to enhance the Company's capital position and strengthen financial structure.</p> <p>11.The record date for share conversion, if conversion, exchange, or subscription rights are attached: N.A</p> <p>12.Possible dilution of equity, if conversion, exchange, or subscription rights are attached: N.A</p> <p>13.Any other matters that need to be specified: The proposal of private placement of Class B preferred shares should be approved by Extraordinary General shareholders meeting.</p>				