

## Items for Improvement and Plan Table

As of Dec. 31, 2004

Items for Improvement	Improvement Measure	Target Date
<ol style="list-style-type: none"> <li>1. Keep minimizing the ratios of overdue loans, hoping the ratios can be fewer than 2.5%.</li> <li>2. Offset bad debt (over three months) of consumer –related financing and credit card.</li> </ol>	<ol style="list-style-type: none"> <li>1. Dunning Center should actively superintend all COTA units to dun the overdue in haste.</li> <li>2. Strengthen auditing loans beforehand and management afterward, training auditors and preventing occurrence of overdue loans. Adjust auditing policies, promote multiple products, disperse risk and increase auditing amount to lower the ratios of overdue loans under 2.5%.</li> </ol>	<ol style="list-style-type: none"> <li>1. Launch active improvement to reach the standards of other banks according to the plan of offsetting bad debt.</li> <li>2. Start up from new financial year.</li> </ol>
<ol style="list-style-type: none"> <li>1. Expand business scale amounting to over USD3.13 billion.</li> </ol>	<ol style="list-style-type: none"> <li>1. Considering interest rate risk, operate with low interest rate strategy.</li> <li>2. Strengthen the training of the finance management and accounts personnel and expand new business to reduce the risk of operation.</li> <li>3. Set up internal auditing procedures to match the new business. Carry out internal auditing.</li> <li>4. Expand and move the branches to outer county city to reduce district risk.</li> <li>5. Keep providing training courses for our personnel and strengthen their concept of internal control and law.</li> </ol>	<p>Implement in the new business year.</p>

