**Public Tender Offer**

To provide market investors with an open and transparent channel for the public tender offer and to resolve the burden of the seller in retrieving existing shares to participate in public tender offers, TDCC revised our operating rules in February 2002, offering book-entry service for the public tender offer of securities.

Public Tender Offer Article 43-1 of relevant public tender offer system was added referring to the bills of the U.S.A. as the Securities and Exchange Act was amended in 1988. Later, in 1995, the competent authority established "Regulations Governing Public Tender Offers for Securities of Public Companies" and provided a clear legal basis for domestic public tender offers ever since. However, there were very few cases of obtaining shares in other companies through public tender offers prior to 2001. The main reasons include that those who acquire shares in other companies may have the access to better and more convenient channels out of a specific purpose, preferences or private agreements, failing to fully utilize the system.

To provide market investors with an open and transparent channel for the public tender offer and to resolve the burden of the seller in retrieving existing shares to participate in public tender offers, the Company revised its operating rules in February 2002, offering book-entry service for the public tender offer of securities. For the transfer operation, the seller may transfer securities for the tender offers to the public tender offer account of the appointed institution, and the appointed institution will transfer the securities from the public tender offer account to the public purchaser's custody transfer account to complete the acquisition operation.

**Public Tender Offer Process**

The seller shall hold the securities passbook and original seal, fill out an application form and conduct the public tender offer with securities businesses or depository and clearing banks.

**Electronic Application for Public Tender Offer**

MasterLink Securities, Shin Kong Securities, Cathay Securities, Hua Nan Securities, and SinoPac Securities have provided investors with electronic applications for the public tender offer.

For detailed operation procedures, please refer to "Taiwan Depository & Clearing Corporation Directions for Participants Executing Book-Entry Transfer Operations for Purchases of Securities" on the official website of the Taiwan Depository & Clearing Corporation, under the Regulations-Securities category.