Confidential

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Shin Kong Financial Holding

Credit Suisse Asian Investment

March 27~28, 2007

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Disclaimer

This presentation and the presentation materials distributed herewith include forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that Shin Kong Financial Holding Company ("Shin Kong FHC") expect or anticipate will or may occur in the future (including but not limited to projections, targets, estimates and business plans) are forward-looking statements. Shin Kong FHC's actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, market shares, competition, changes in legal, financial and regulatory frameworks, international economic and financial market conditions, political risks, cost estimates and other risks and factors beyond our control. In addition, Shin Kong FHC makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.

Figures for year 2006 in this presentation and the presentation materials distributed herewith are preliminary and unaudited numbers.

Agenda

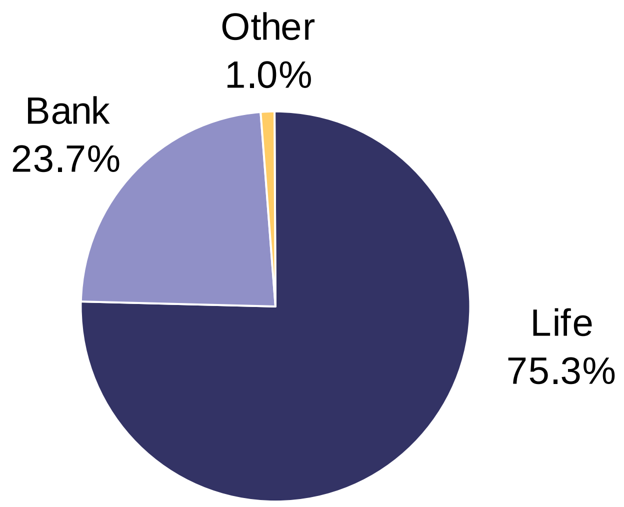
Who We Are

- Major financial holding company in Taiwan
  - Five subsidiaries including life insurance, bank, securities, asset management, and insurance brokerage
  - 2nd largest life insurer with 13% market share
  - 10th largest private bank with 108 branches
- One of the few FHCs in Taiwan with significant presence in both insurance and banking

Financial Overview

NT$ Bn	2004	2005	2006
Total Assets	931.3	1,331.2	1,494.1
Shareholders' Equity	46.5	68.3	88.9
Market Value	91.0	104.1	164.6
Net Income	6.4	7.2	5.3
ROA	0.86%	0.92%	0.67%
ROE	17.39%	12.5%	6.9%
Foreign Ownership	8.5%	22.9%	31.8%

2006 Asset Mix



Corporate Structure

Unique Integrated Financial Services Platform

Shin Kong Financial Holding

	Shin Kong Life	Shin Kong Bank [(1)]	Shin Kong Securities	Shin Kong Investment Trust	Shin Kong Insurance Brokers
Date of Incorporation	7/1963	1/1997	12/2001	9/1992	1/2003
Assets (NT$Bn)	1,116.3	351.7	13.8	0.59	0.11
% of Group Assets	75.3%	23.7%	0.9%	< 0.1%	< 0.1%
Earnings (NT$Mn)	11,290	(7,271)	600	(79)	45
Branches/Offices	360	108	7	3	1
Market Share	12.6%	1.4%	0.3%	2.4%	-

Note:

(1) Completed integration of Macoto Bank on December 31, 2005

(2) Shin Kong Investment Trust (SKIT) incorporated into the FHC on July 18, 2006, and merged with New Light Asset Management(SKFH's existing asset management platform) on October 9, 2006

Seasoned Management Team

Cheng, Frank
President

- President, Shin Kong Financial Holding
- Vice Chairman, Shin Kong Bank

Experiences:
- President, Shin Kong Life
- SEVP, Shin Kong Life
- Chairman, Life Insurance Association of R.O.C.

Lee, Tseng Chang
President
Shin Kong Bank

- President, Shin Kong Bank

Experiences:
- President, United Credit Commercial Bank
- President, Pin-tong First Credit Cooperative

Hsu, Victor
First VP &
CRO

- First Vice President, Chief Risk Officer & Spokesperson, Shin Kong Financial Holding
- CFO & Appointed Actuary, Shin Kong Life

Membership & others:
- Director, Life Insurance Association of R.O.C.
- Member, Financial Holding Business Committee

Huang, Richard
President
Shin Kong
Investment Trust

- President, Shin Kong Investment Trust

Experiences:
- Vice President, Shin Kong Investment Trust

Pan, Po Tseng
President
Shin Kong Life

- President, Shin Kong Life

Experiences:
- SEVP, Shin Kong Life

Membership & others:
- Director, Life Insurance Association of R.O.C.
- Director, Insurance Society of R.O.C.
- Director, Institute for Life Insurance Safety Fund

Lin, Shih Chi
President
Shin Kong
Securities

- President, Shin Kong Securities

Experiences:
- EVP, New Light Asset Management
- Chairman, Waterland Securities Investment Consulting Co. Ltd.

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Strong Track Record of Attracting and Integrating Outside Talent

Lui, Ian
CIO
Shin Kong Life

- Chief Investment Officer, Shin Kong Life

Experience:
- CIO and Managing Director, Allianz Asset Management Asia Pacific
- Managing Director, Indocam Singapore

Lai, Edgar
Deputy CIO

- Deputy Chief Information Officer, Shin Kong Financial Holding
- Deputy Chief Information Officer, Shin Kong Life

Experiences:
- Delivery Manager, Professional Service at Sun Micro System
- Consulting Manager, Oracle Consulting Services

Ni, Christopher
Deputy CIO
Shin Kong Life

- Deputy Chief Investment Officer, Shin Kong Life

Experience
- Chief Investment Officer, ING/Aetna

Membership & others:
- Investment Committee Member, Life Insurance Association

Yung, Winston
CFO
Shin Kong FHC

- CFO, Shin Kong Financial Holding

Experience:
- Deputy CFO, Shin Kong Financial Holding
- Associate Principal, McKinsey & Co.
- Manager, Finance and Administration, Royal Insurance (Taiwan)

Chen, Dennis
CIO

- Chief Information Officer, Shin Kong Financial Holding
- Chief Information Officer, Shin Kong Life

Experiences:
- Director, Core Banking Business, Unisys Limited
- Director, e-Business, Electronic Data Systems

Lin, Sunny
Vice President
Shin Kong Bank

- VP, Wealth Management, Shin Kong Bank

Experiences:
- SVP, Wealth Management, Fuhwa Bank
- AVP, Int'l Private Client Group, Merrill Lynch. (Taiwan)
- AVP, Personal Banking Center, Citibank, N.A. (Taiwan)

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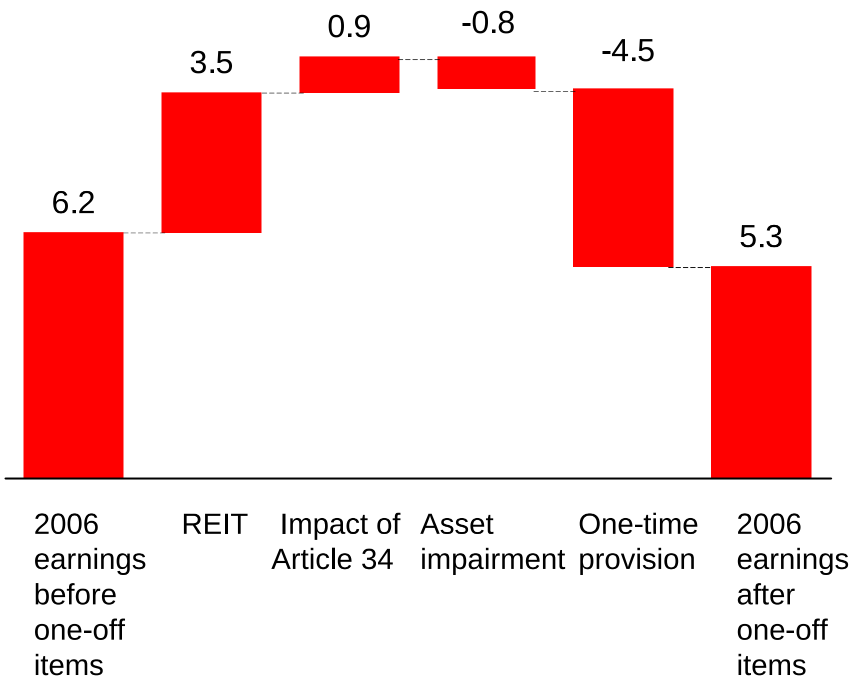
SKFH – 2006 Overview

- Consolidated net profit for 2006 was NT$5.33bn, ROE 6.78%, and EPS NT$1.19
- Most earnings contributed by life subsidiary
  - Shin Kong Life (SKL): achieved record profit with attributable earnings of NT$11.13bn and ROE of 21.4%
  - Shin Kong Bank (SKB): reported a loss of NT$7.27bn including one-time provision in December
  - Shin Kong Securities (SKSC): reported net profit of NT$600mm and ROE of 11.2%, above the market average
  - Shin Kong Investment Trust (SKIT): Due to bond fund reclassification, recorded a loss of NT$79mm
  - Shin Kong Insurance Brokers (SKIB): reported net profit of NT$45mm, ROE of 84.95%
- Completed integration of Shin Kong Investment Trust. AUM increased to NT$52.51bn with market share of 2.4%, up from 0.3%
- Strategic alliance with Dai-ichi Life (Japan) to leverage its know-how and cooperate in insurance business (e.g., reinsurance and group insurance) and overseas Chinese markets
- Strong capital structure: FHC CAR is at 148.7%, D/E ratio at 22.7% and subsidiaries, Life RBC ratio is >350% and Bank BIS at 12.7%

Net Income – 2006

Group net income

NT$Bn



Net income contribution

NT$Bn

Subsidiaries	2006	%
Shin Kong Life	11.13	209%
Shin Kong Bank	-7.27	-136%
Shin Kong Securities	0.60	11%
Shin Kong Investment Trust	-0.08	-2%
Shin Kong Insurance Brokers	0.05	1%
FHC and tax	0.90	17%
Net income	**5.33**	**100%**

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SKFH – 2007 Outlook

Market outlook

- Interest rates will steadily move up, but compared to other countries, long-term and real rates are still low
- Credit crisis stabilizing and lending market will resume growth
- 2nd stage of Financial Reform slowed down; privatization of state-owned banks remains uncertain. However, M&A transactions initiated by foreign banks and private equity funds should improve quality of competition and pricing discipline in the market

SKFH Strategy

- Continue to pursue growth and enhance profitability in subsidiaries
  - Gain market share and economies of scale through organic growth and acquisitions
- Drive synergies among subsidiaries
  - Establish cross-sales counters, e.g., securities counters at bank branches
- Improve service level
  - Provide customers with comprehensive products and one-stop financial service; enhance professionalism of employees through educational trainings
- Tighten risk management
  - Build system to quantity risk exposure and concentration at the FHC level
- Pursue overseas expansion (to China and Vietnam) in a prudent manner
  - SKL proactively seeks joint venture partner in China and expects to see major breakthrough in next 12~18 months

Agenda

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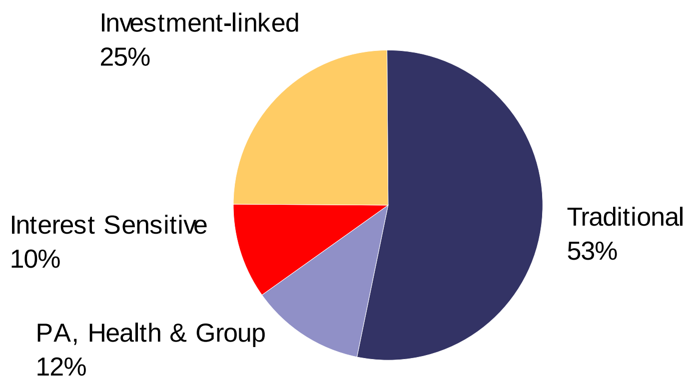
Shin Kong Life

- 2nd largest life insurer in Taiwan with 13% market share and 3 million customers
- Strong distribution network with 12,000 agents, 360 sales offices and bancassurance relationships with over 20 banks
- Offer a wide range of life insurance products, including traditional life, accident and health, interest-sensitive and investment-linked products

Financial Overview

NT$ Bn	2004	2005	2006
Total Premium	154.6	159.0	181.5
Net Income	6.5	7.4	11.3
Total Assets	834.3	967.6	1,116.3
Shareholders' Equity	47.8	54.4	68.0
ROE (1)	21.8%	18.7%	21.4%
ROA	0.85%	0.82%	1.08%

2006 Total Premium Written



Total Premium Written: NT$181.5 Bn

Note:
(1) Excludes preferred shares

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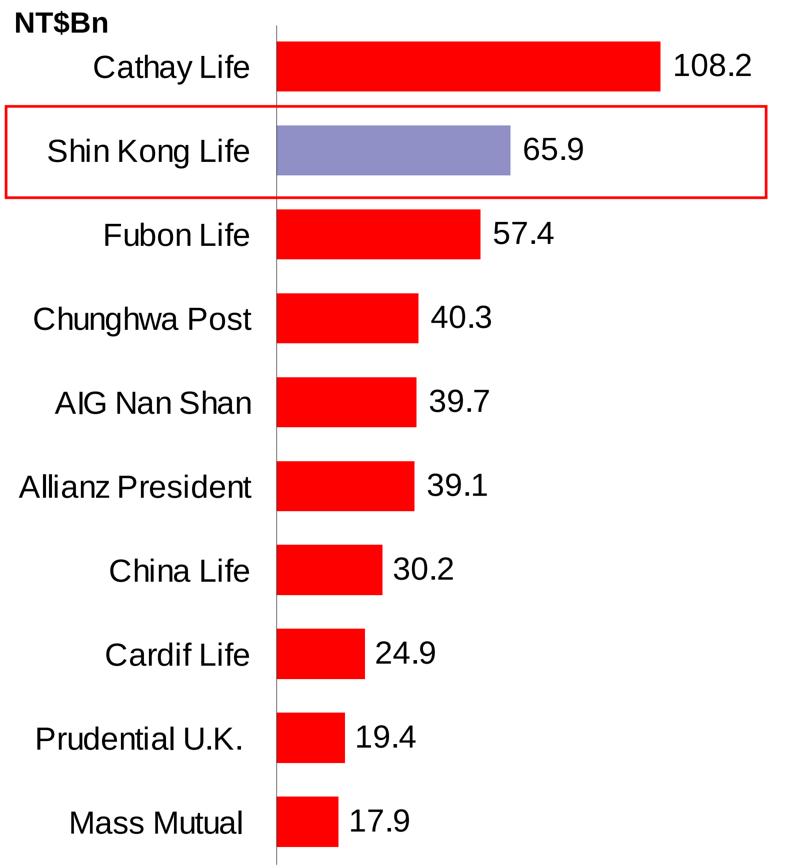
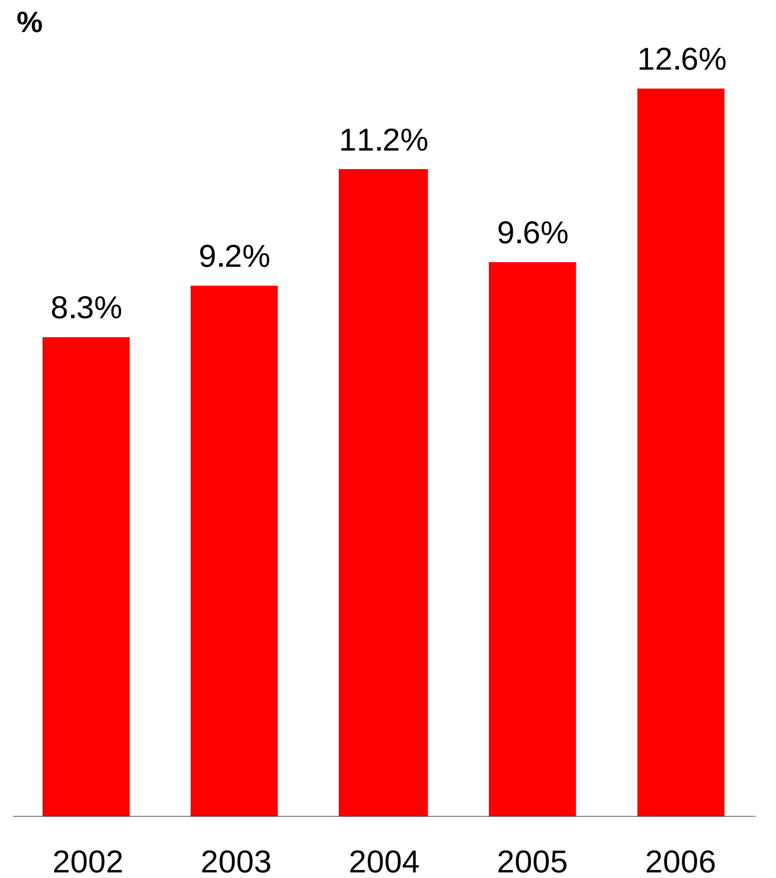
Shin Kong Market Share

FYP of top 10 players – 2006



Shin Kong FYP Market Share Over Time



Source Life Insurance Association of R.O.C.

Awards and Recognition

Taiwan Superbrand (2006)
by Superbrands International

Institutional Investor of the Year (2006)
by Finance Asia

National Quality Award (2004) by MOEA

ISO National Quality Verification (2000, 1998)

Information Disclosure A+ (2005)
by Securities & Futures Institute

Insurance Faith, Hope and Love Award
by Risk Management & Insurance Media Group

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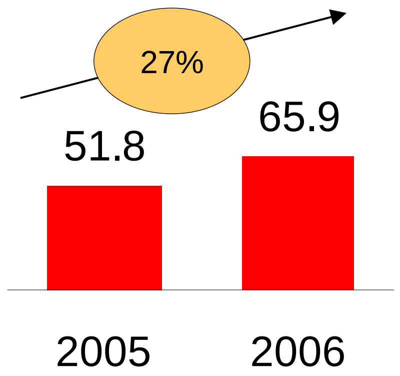
SKL – 2006 Overview

- Achieved record profit of NT$11.3bn in 2006, up 53% from 2005; Q4 profit was NT$626mm
- Strong premium growth mainly driven by investment-linked policies and cross-sales from SKB. FYP reached NT$65.9bn (up 27% yoy) which translates to a market share of 13%, or No. 2 position in the market
- FYP mix: 61% investment-linked policies, 27% interest-sensitive policies and 12% traditional and related policies
- Achieved 5.3% overall investment return and continued good track record of beating 5% target. Utilized proxy hedging to manage hedging cost down to ~200bps (compared to 380bps for traditional currency forward hedging)
- Diversified channel mix of 70/30 between agency and bancassurance. Secured SKB platform accounted for 2/3 of bancassurance premiums
- 13 and 25-month persistency continued to improve, 13-month persistency already close to 90%
- Strong financial structure, RBC ratio >350%

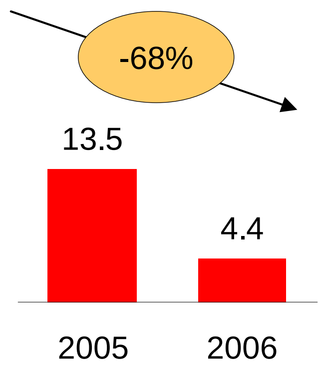
First Year Premium – 2006

NT$Bn

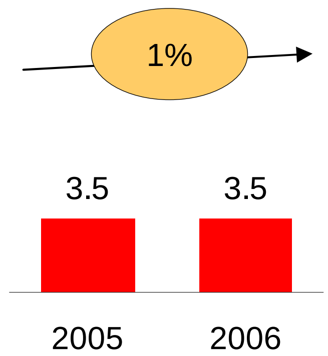
Market share 12.6%



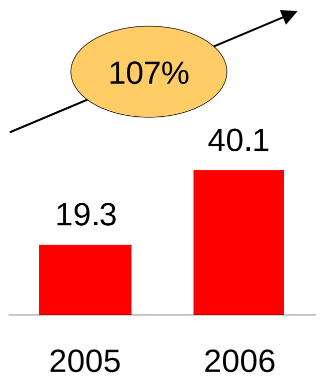
Traditional



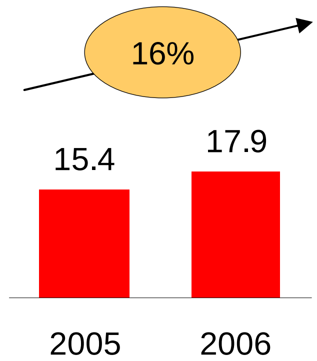
PA, Health and Group



Investment-linked



Interest-sensitive



Comments

- FYP growth above market average of -3%
- Investment-linked policies: 3/4 of premiums from VUL and 1/4 from structured note type products
- Shortfall in traditional policies came mainly from lower-margin endowment policies

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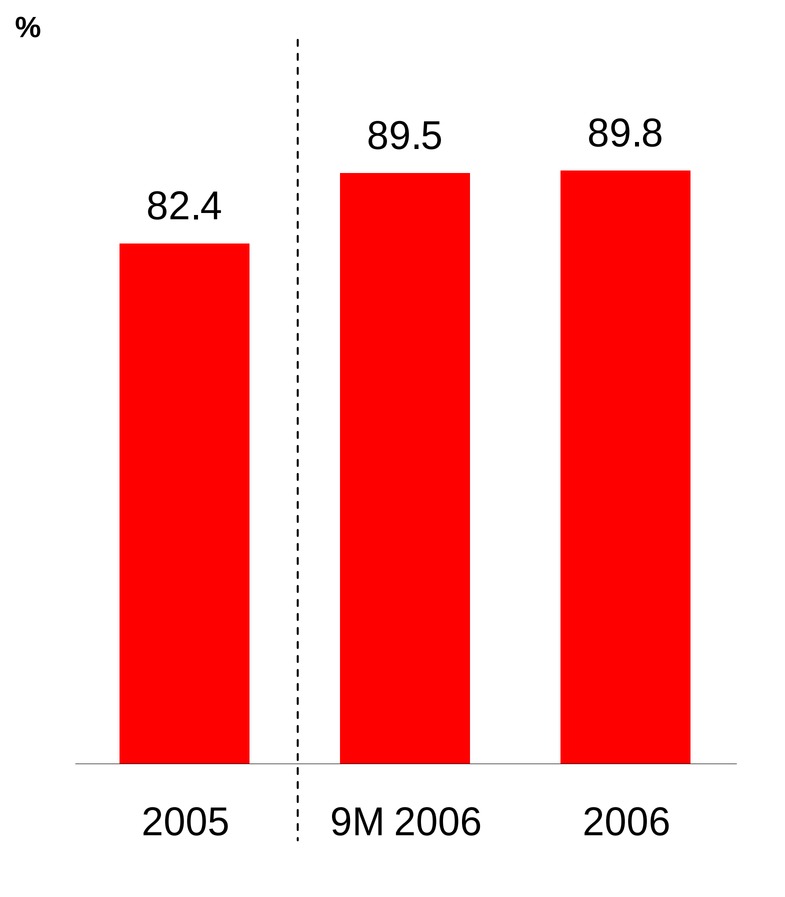
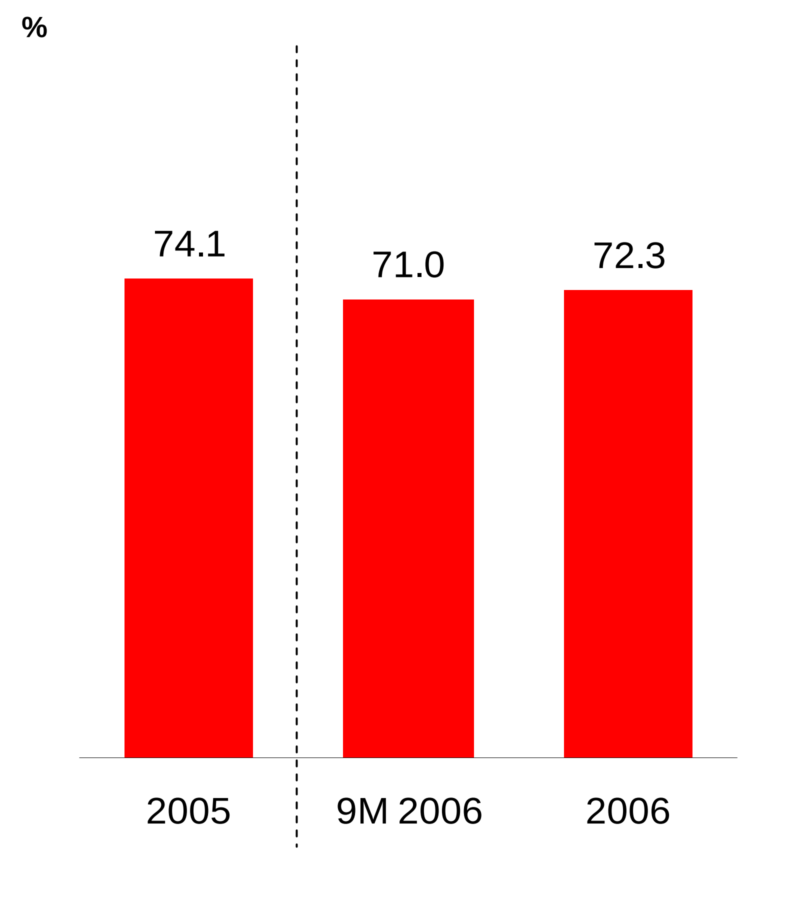
Persistency Ratio

13 month persistency



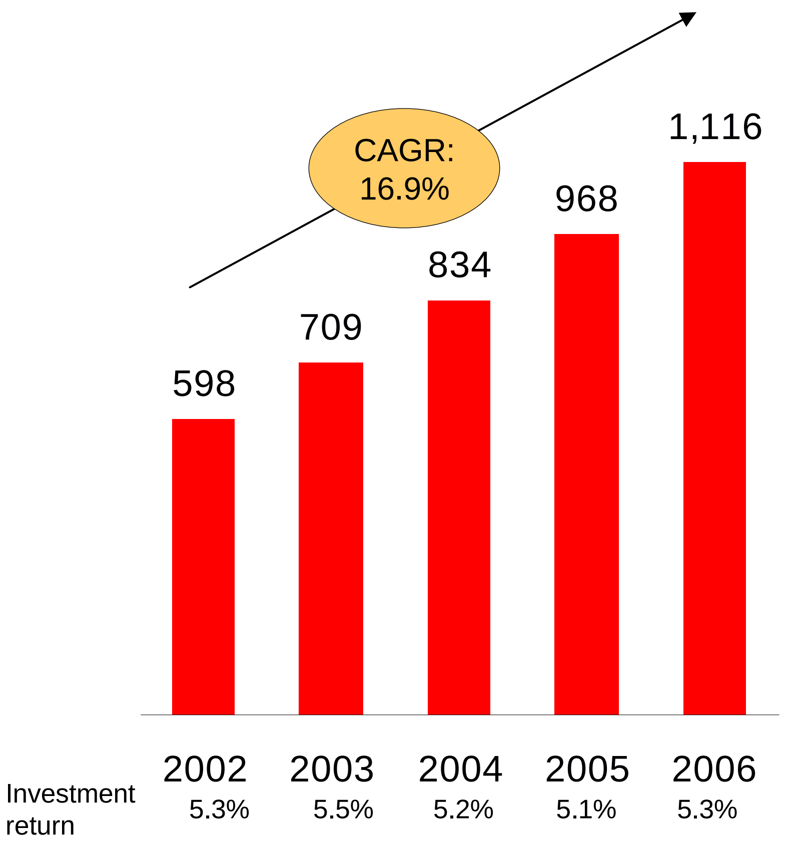
25 month persistency

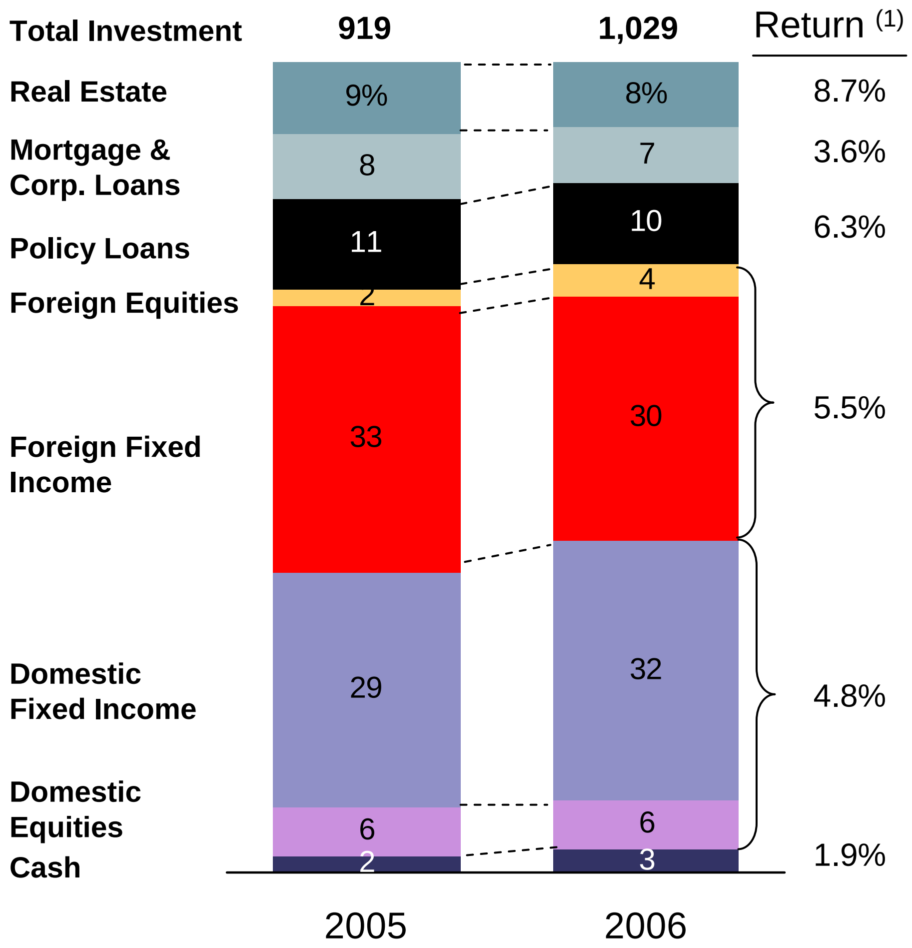


Investment Portfolio

NT$Bn

Total Asset





Notes:

(1) Includes capital gains and FX hedging cost

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Real Estate Securitization

- Create recurring management fees
- Obtain special tax treatment
- Unlock value in balance sheet
- Ensure earnings stability

	CMBS#1	CMBS#2	REIT#1	CMBS#3
Issue Date	01/10/05	06/22/05	12/26/05	02/08/07
Total Size	$2.8 bn	$3.1 bn	$11.3 bn	$1.4 bn
Retention	56%(1)	46%(1)	20%	40%(1)
Underlying Asset(s)	1 Office Building	1 Office Building	2 Office Buildings, 1 Department Store, 1 Service Apartment Complex	3 Office Buildings
Type	Debt Financing at 2.85%(2)	Debt Financing at 2.69%(2)	Equity Financing	Debt Financing at 2.25%(2)
Term	5yr	7yr	N/A	5yr
Capital Gain	$0.79 bn	$0.73 bn	$3.5 bn (3)	0.57bn (4)

Notes:

(1) Retained equity tranches of CMBS deals, therefore effectively maintain economic ownership and capital appreciation potential of the properties

(2) Weighted average cost

(3) Credited in January 2006 when asset transfer was completed

(4) Amortized over four years

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Portfolio Management Strategy

- **Enforce strong Asset-Liability-Management Discipline**
  - Develop Strategic Asset Allocation based on liability profile and capital budget
- **Build core portfolio of recurring income**
  - Build stable base of fixed income securities, dividend-oriented stocks, rental properties, policy loans and mortgage loans
  - Achieve yield pick-up through overseas investments (e.g., Mortgage Backed Securities @6% and above)
- **Target recurring stream of capital gains from diversified sources**
  - Diversification by asset class (equity, credit, currency, commodity, real estate)
  - Diversification by strategy for uncorrelated sources of alpha (quantitative, value, etc.)
- **Maintain cost-effective currency hedging program**
  - Maintain traditional currency forward to 50% of foreign assets
  - Adopt "proxy hedging" to achieve good hedging effectiveness at low cost (leveraging correlation of TWD with other Asian currencies due to economic and policy factors)
  - Pursue natural diversification of different currencies to further mitigate FX risks

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SKL – 2007 Outlook

Market outlook

- Interest rates will steadily move up, but compared to other countries, long-term and real rates are still low
- Continued strong demand for higher-yielding mutual funds and investment products
- Starting 9/1, a "flatter" loading structure will be applied to VUL products. The new regulation should encourage regular premium and investment, and enhance product profitability
- Starting 4/1, asset from interest-sensitive policies will be managed under separate account; declared rate will be linked to performance. Insurers with higher investment returns will benefit

SKL Strategy

- Maintain FYP level; improve product profitability
  - Pursue more balanced product mix among three major product categories
  - Near-term goal is to increase traditional policies and maintain sales of investment-linked and interest-sensitive policies
- Target 5% investment return through diversified income sources and cost-effective currency hedging
- Maintain 2/3 and 1/3 premium mix between agency and bancassurance. Continue to strengthen SKB cross-sales and migrate toward higher margin products
- Target ~10% growth in value of new business (VNB) in the medium term

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Agenda

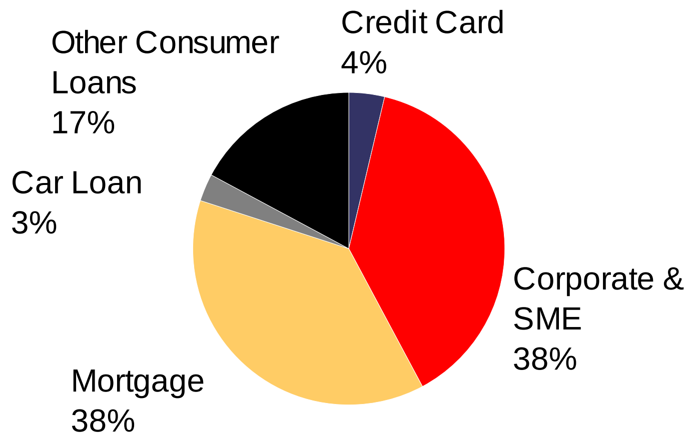
Shin Kong Bank

- 10^{th} largest private bank in Taiwan
- Over 2 million customers and 1.3 million credit cards outstanding
- 108 branches with over 50 located in the Greater Taipei area
- Offer a wide range of banking products including credit cards, mortgages, auto loans, deposits, other consumer finance and corporate products

Financial Overview

NT$Bn	2004	2005	2006
Total Loans	54.34	207.10	235.68
Total Deposits	74.68	289.44	291.12
Net income	0.02	(0.25)	(7.27)
Total Assets	86.27	338.53	351.65
Shareholders' Equity	10.51	19.81	19.91

2006 Loan Breakdown



Total Loan: NT$242Bn

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SKB – 2006 Overview

- Recorded loss of NT$4.6bn in Q4 and cumulative loss of NT$7.27bn in 2006, mainly due to high provisioning expense. Including extra provision at year-end, total provision expense for the year amounted to $10.7bn
- Achieved loan growth of 11% and L/D ratio of 84%, despite market difficulties
- Low-yield restructured loans and a shift toward lower-risk loan mix caused NIM to shrink from 3.02% to 2.41% and net interest income to reduce by 19%
- Market is recovering from credit crisis. Credit card charge-off peaked in Q1(10%) and gradually came down to 5.7% in Q4
- Good progress in Wealth Management. Monthly fee income increased from ~NT$3m in January to ~NT$41m in December; fees from WM accounted for 13% of total fee in 2006
- Synergies from bank integration started to materialize
  - Strong growth in bancassurance cross-sales: NT$12.8bn in 2006
  - Cost synergies: operating expense reduced by 8%
- Took one-time provision of NT$4.47bn to bring loan loss coverage up to 84% and credit card coverage to 492%
- Strengthened capital adequacy through NT$7.4bn capital injection from the FHC and issuance of NT$8.8bn of subordinated debt by the bank (of which NT$4.5bn to retire higher-cost old debt). At year-end, BIS and Tier-I ratios were ~12.7% and ~7.8% respectively

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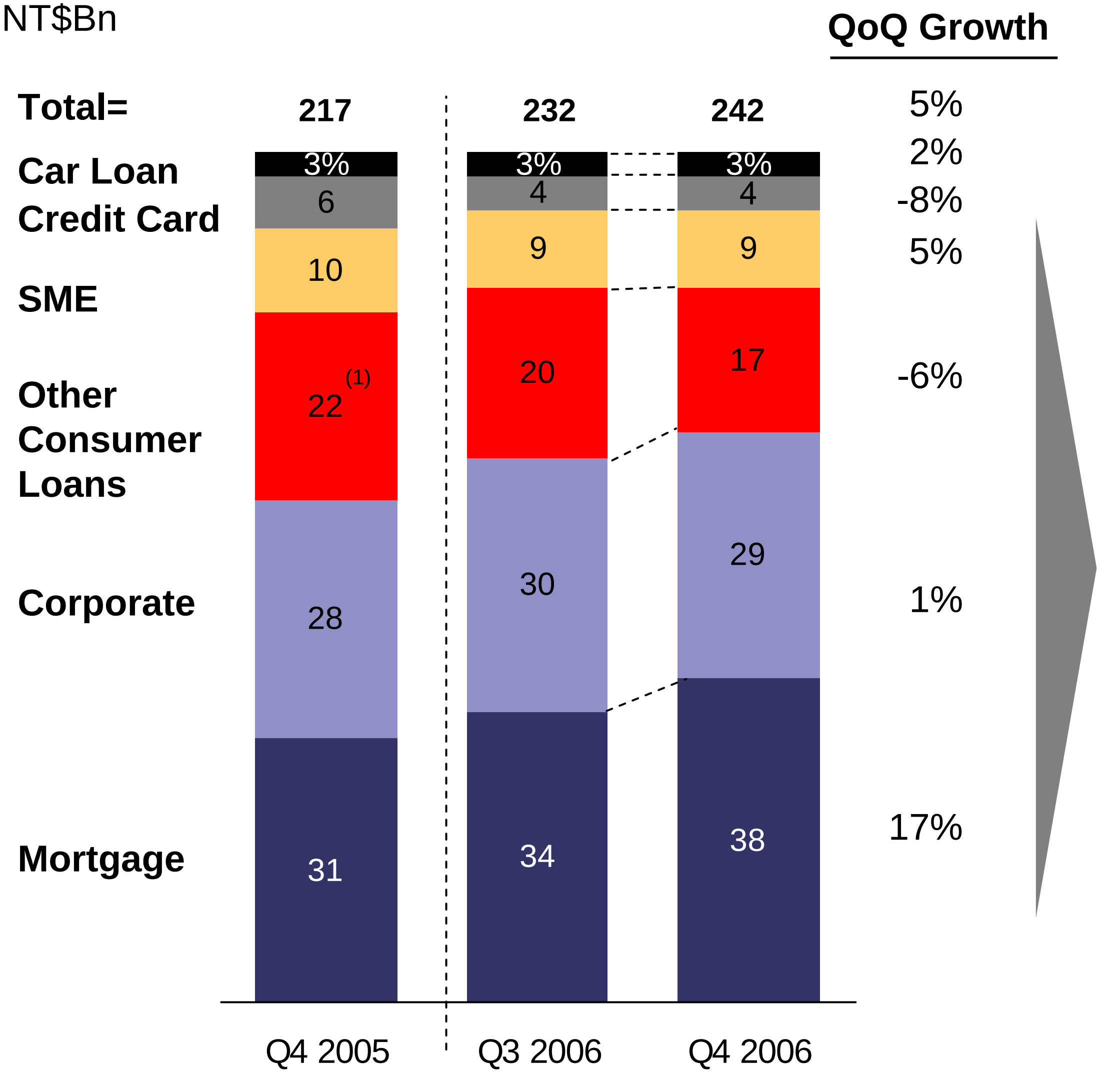
Loan Mix

NT$Bn



Comments

- Growth in Q4 continued to be strong
- Overall loan growth 11% in 2006
- Low risk mortgage is the main growth driver
- Share of non-mortgage personal lending (incl. credit cards) shrank from 31% (2005) to 24% of the total loan book
- L/D ratio improved to 81% (84% if credit card balance is included)

Note:

(1) Included cash card balance NT$1.4bn; cash card business has been stopped since November 2005

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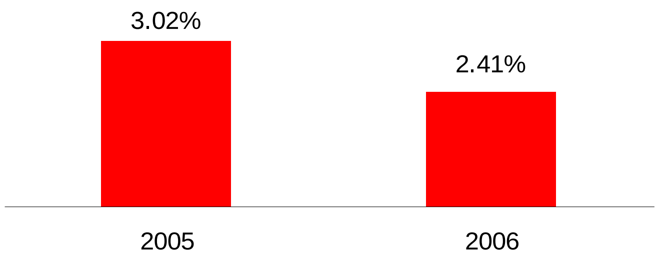
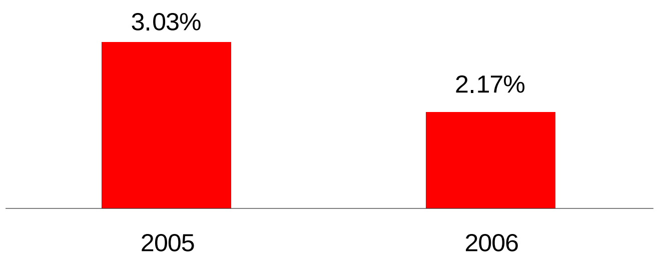
Interest Yield

Net Interest Margin



Net Interest Spread

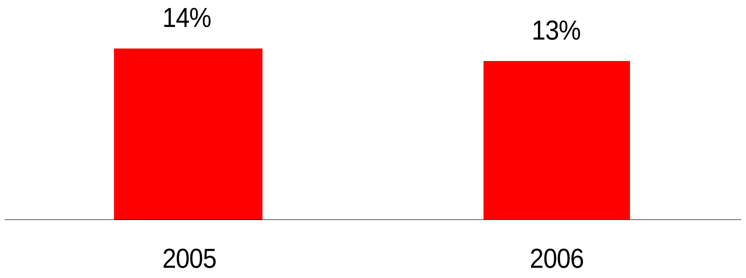


Comments

- Reasons for tightened interest spread
  - Deposit rates pushed up by Central Bank rate hikes
  - New loan rates remain low reflecting market situation and low risk premium
  - Overall credit card yield dragged down by restructured loans

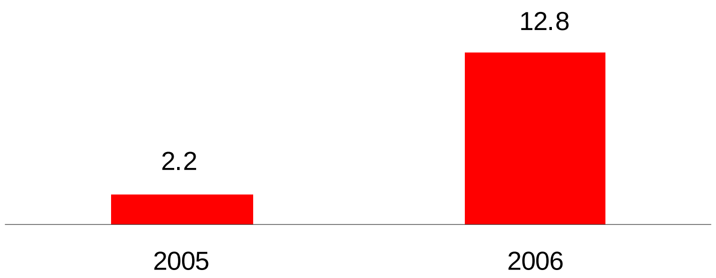
Fee Income

Fee Income / Total Income



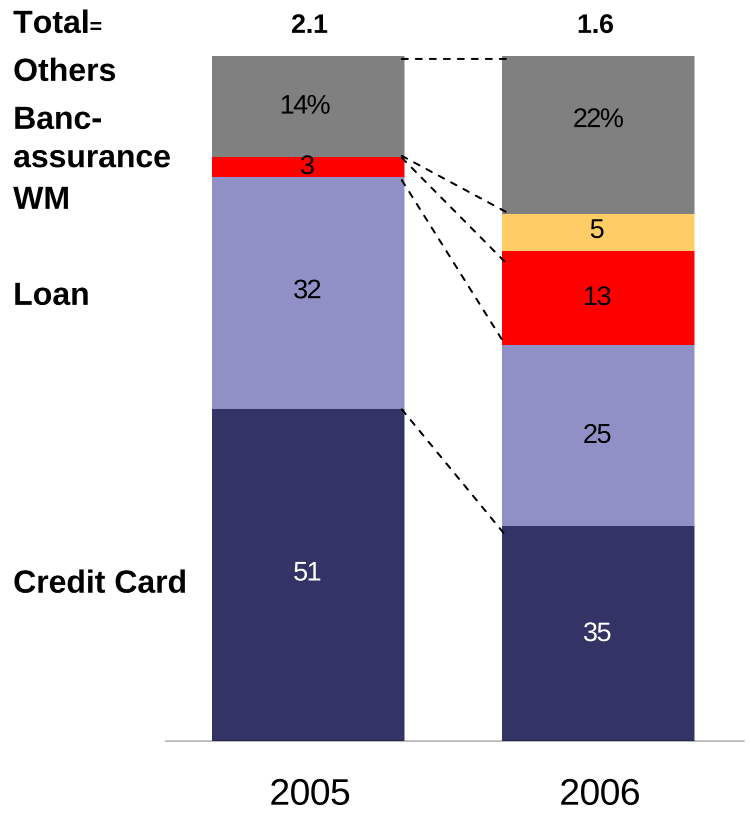
Bancassurance (SKL) - FYP

NT$Bn



Fee Income Breakdown

NT$Bn



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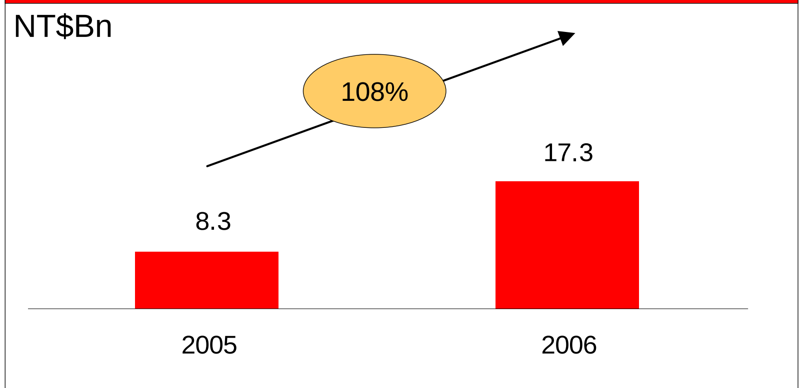
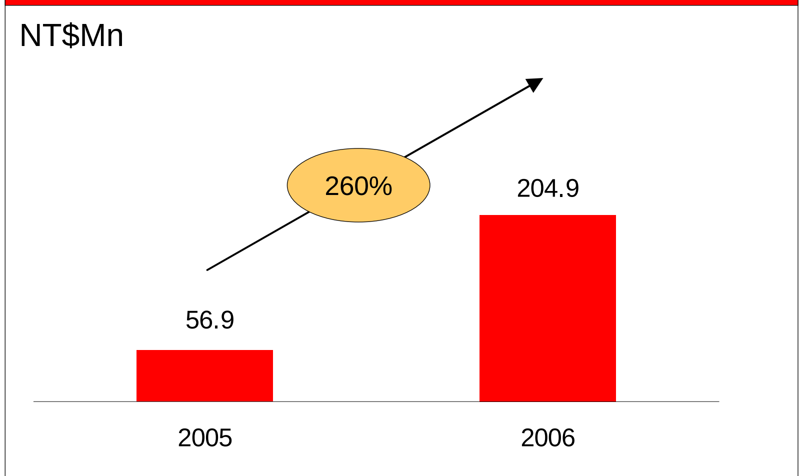
Wealth Management

AUM



Wealth Management Center

WM Fee Income



- WM business started to take off
  - WM accounted for 13% of total fee income, up from 3% in 2005
  - AUM and fee income quickly expanded, especially in Q4
  - ~130 AOs recruited and ~1,000 investment products introduced
  - Working with outside consultants to enhance customer service and better differentiate SKB from competitors

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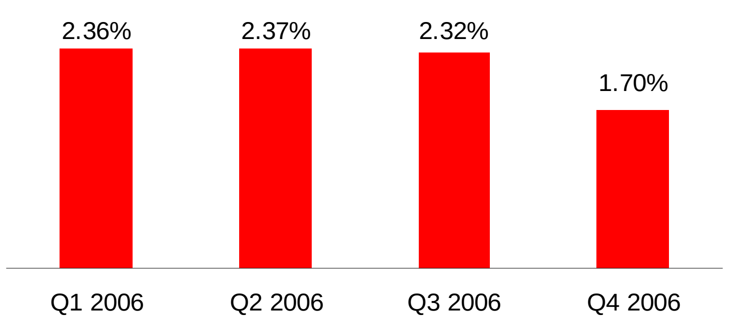
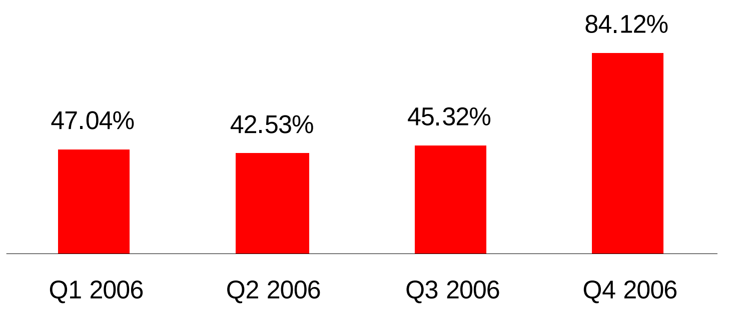
Asset Quality

NPL Ratio



Coverage Ratio



Comments

- Took NT$4.47bn of one-time provision at year-end to fully reflect impact of credit crisis and improve quality of overall loan portfolio
- NT$1bn of the NT$4.47bn is set aside for the restructured credit card book, assuming 30~40% ultimate loss rate

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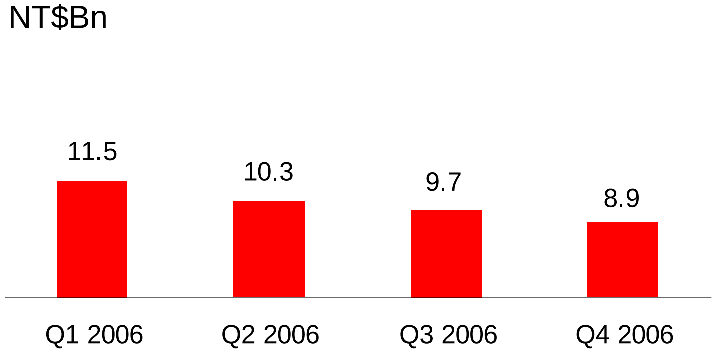
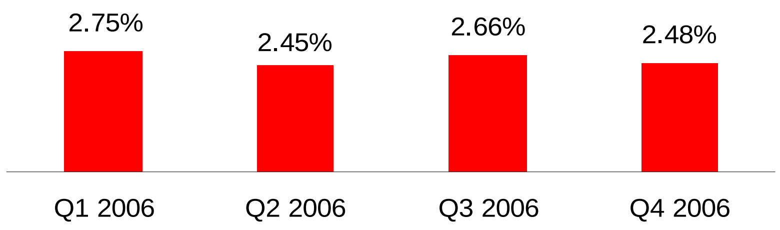
Credit Cards Metrics

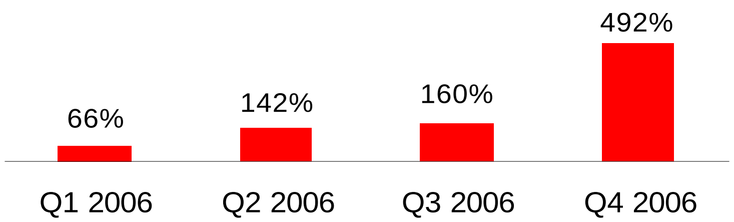
Revolving Balance



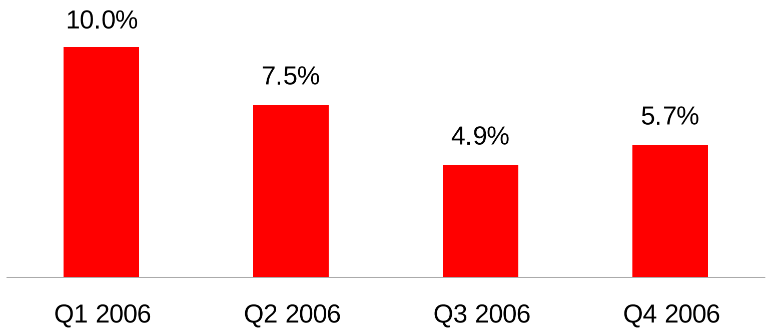
90-day NPL



Coverage Ratio (1)



Charge-off Ratio (2)



Note:

(1) Actual reserves / NPL

(2) Unannualized numbers

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SKB – 2007 Outlook

Market Outlook

- Market is recovering from credit crisis; loan growth will resume
- NIM remains under pressure. Reasons: market competition and reduction in balance of higher-yield consumer loans
- Centralized restructured loan program stopped at the start of 2007, impact is expected to be immaterial

SKB Strategy

- Target loan growth of 10~15% and loan mix of 50/50 between corporate and consumer lending in the medium term. Most growth this year will come from mortgage and large corporate segments
- Focus on fee income growth and increase fee income ratio to ~20%
  - Wealth management: continue to expand AOs from 130 to ~270 till year-end, target fee income of $500mm, equivalently to ~20% of total fee income
  - Bancassurance: increase fee revenue through cross-selling SKL policies
- Cautious expansion in credit card business
  - Increase usage/spending of current cardholders through differentiated marketing programs
  - Tap into good-quality customer segments through group resources (e.g., SKL policyholders) and co-brand card with Mitsukoshi department stores
- Provision expense will be significantly reduced, but uncertainties (e.g., repayment of restructured loans) remain, especially in 1H

Agenda

I. About SKFH

II. Life Insurance Business

III. Banking Business

IV. Appendix
- SKL Premium
- SKL EV & AV Result

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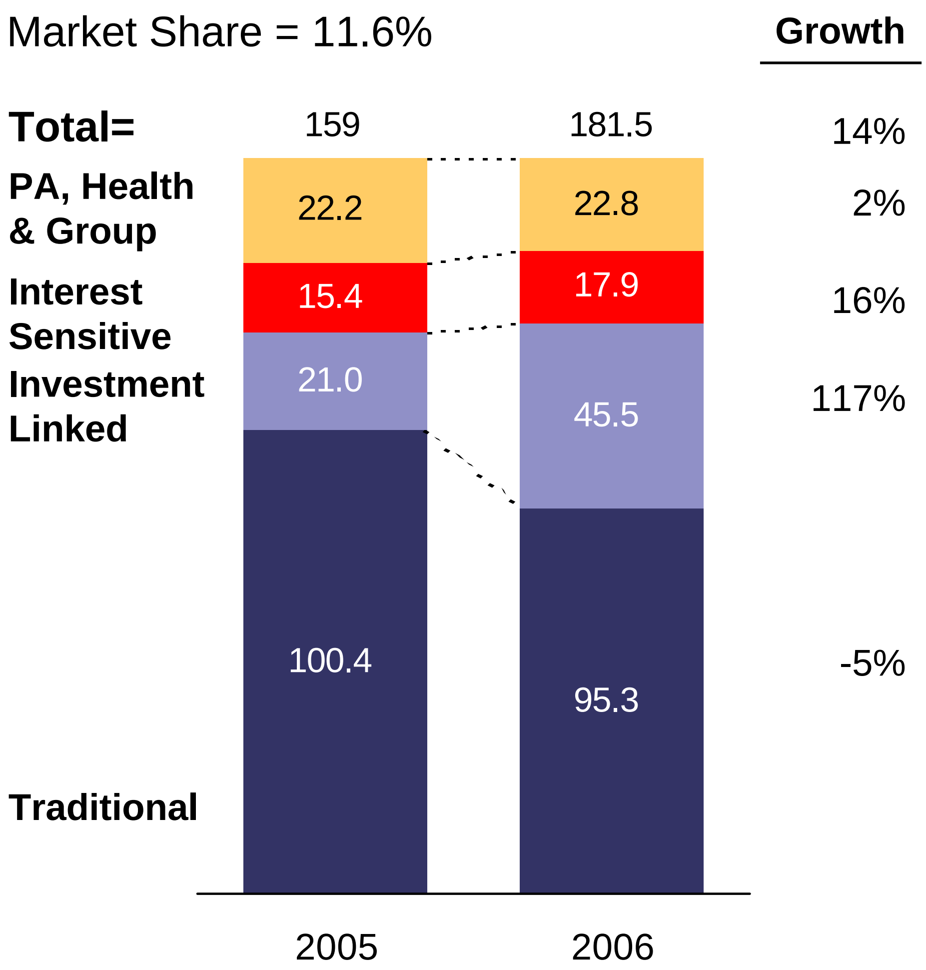
SKL - Total Premium

NT$Bn

Market Share = 11.6%

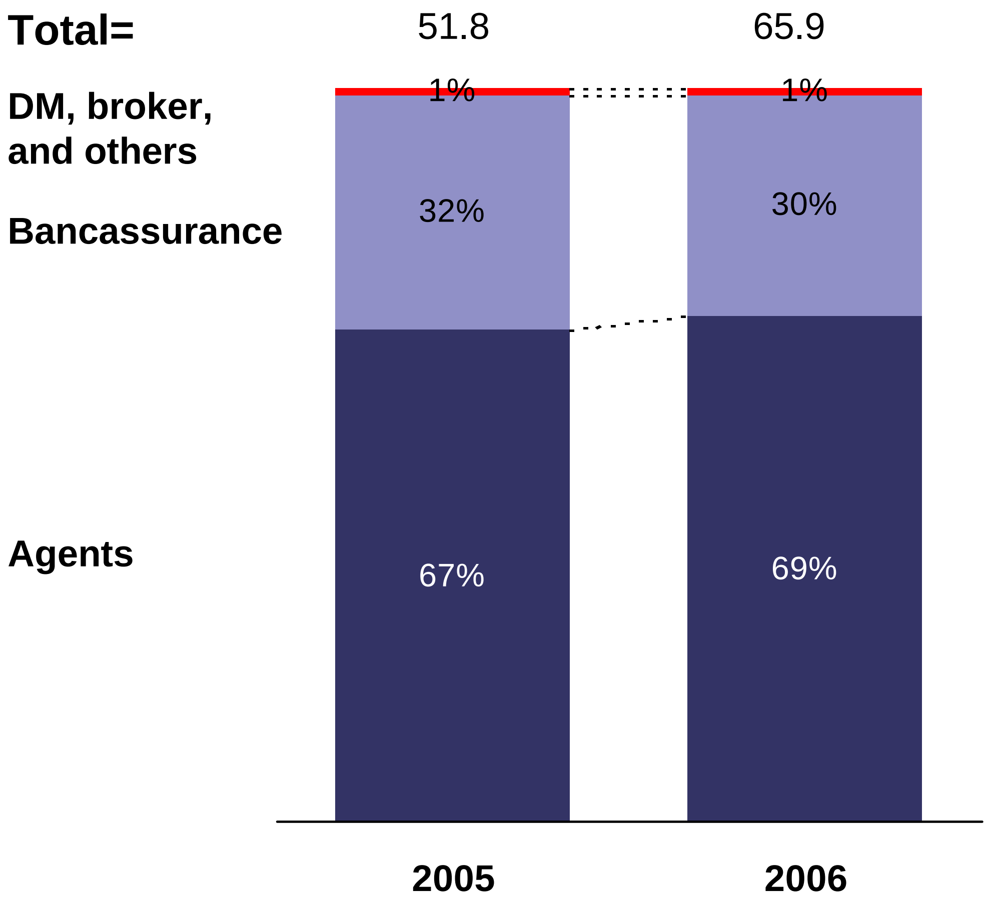


Comments

- Strong overall growth, partly driven by increase in FYP
- Traditional products (mostly recurring premium) still dominate total premium mix
- Share of non-guaranteed rate policies, e.g., investment-linked and interest sensitive products, becomes more significant

SKL - FYP by Channel

NT$Bn



Comments

- Channel mix remained stable in 2006
- Agency channel (preferred channel for sales of traditional and investment-linked products) still dominates
- SKB accounts for roughly two-thirds of bancassurance sales

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SKL - SP / RP Breakdown

NT$Bn

2006 FYP	Single Premium	Regular Premium	Flexible Payment	Total
Traditional	0.22	4.16		4.38
Investment-linked				
VUL			31.07	31.07
Structured note	9.00			9.00
Interest Sensitive				
Annuity	9.39		0.06	9.45
Life			8.44	8.44
PA, health and others		3.53		3.53
Total	**18.61**	**7.69**	**39.57**	**65.87**

SKL - Estimate of Embedded Value Results

Unit: NT$Bn Valuation Date: 31 December 2005 Solvency Basis: 200% RBC	All else equal except:		Base Case Scenario Inv Return 5.05% p.a. RDR 11.9% p.a.	All else equal except:	
	Inv Return 4.80%	Inv Return 5.30%		RDR 10.9%	RDR 12.9%
Net Worth	84.6	84.6	**84.6**	84.6	84.6
VIF	20.3	56.1	**38.3**	41.3	35.9
EV (before COC)	**104.9**	**140.7**	**122.9**	**125.9**	**120.5**
Cost of Capital (COC)	36.4	32.9	**34.6**	33.2	35.7
EV (after COC)	**68.5**	**107.8**	**88.3**	**92.7**	**84.8**

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SKL - Estimate of Appraisal Value Results

Unit: NT$Bn Valuation Date: 31 Dec, 05 Solvency Basis: 200% RBC			**Base Case Scenario**		
	All else equal except		**Inv Return 5.05% p.a. RDR 11.90% p.a.**	**All else equal except**	
	Inv Return 4.8%	Inv Return 5.3%		RDR 10.90%	RDR 12.90%
Net Worth	84.6	84.6	**84.6**	84.6	84.6
VIF	20.3	56.1	**38.3**	41.3	35.9
Cost of Capital(COC)	36.4	32.9	**34.6**	33.2	35.7
EV after COC	**68.5**	**107.8**	**88.3**	**92.7**	**84.8**
V1NB after COC	**7.2**	**8.7**	**7.9**	**8.8**	**7.2**
After COC					
AV (5 years NB)	**91.5**	**135.2**	**113.3**	**121.2**	**107.2**
AV (20 years NB)	**118.5**	**167.8**	**143.0**	**157.4**	**131.9**

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