

Company: CPDC

Subject: Announcement of signature of a 20.7 billion NT\$ 5-year Joint Loan Contract with Bank Consortium.

Date of events: 2007/01/09

Contents:

1. Date of occurrence of the event: 2007/01/09
2. Counterparty to the contract: Mega International Commercial Bank, Bank of Taiwan, China Development Industrial Bank, China Trust Commercial Bank, Far Eastern International Bank, Taiwan Cooperative Bank and others with a total of 26 banks and financial institutions.
3. Relationship to the Company: N/A
4. Starting and ending dates or rescission date: 5 years from first withdrawal date which shall be within 30 days after effective date (2006/12/29) of contract, however, 2 years extension will be applicable.
5. Major content (not applicable where rescinded):
  - (1) Total Loan : 20.7 Billion NT\$ or equivalent foreign dollars.
  - (2) Loan Period : 5-Year from the first withdrawal date, 2 years extension will be applicable, and such first withdrawal date shall be within 30 days after effective date of contract.
  - (3) CPDC provides land, plant, machinery and stocks as secured.
  - (4) To enable CPDC to repay the existing debts, to use as mid-term working capital and as guarantee for issuance of domestic corporate bonds.
6. Restrictive covenants (not applicable where rescinded):

In addition to the general restriction terms on assets mortgaged, increase of loans and guarantees, other important commitments are digested as follows:

  - (1) Current ratio on consolidated reports : to maintain at 100% or higher.
  - (2) Debt ratio on consolidated reports : to maintain at 150% or lower.
  - (3) Times Interest Earned/interest expenses on consolidated reports : to maintain at 2 or higher.
  - (4) No cash dividend will be issued when debt ratio on consolidated reports higher than 100% or accumulated loss on financial statement.
7. Effect on company finances and business (not applicable where rescinded): To improve the financial structure, to increase the

working capital and to reduce the financial costs.

8. Concrete purpose/objective (not applicable where rescinded): This credit loan will enable CPDC to repay the existing debts, to provide the working capital required for mid-term business operations, and to be used as guarantee for issuance of domestic corporate bonds.

9. Any other matters that need to be specified: N/A