



**Small and Medium Enterprise Credit Guarantee Fund of Taiwan
(Taiwan SMEG)**

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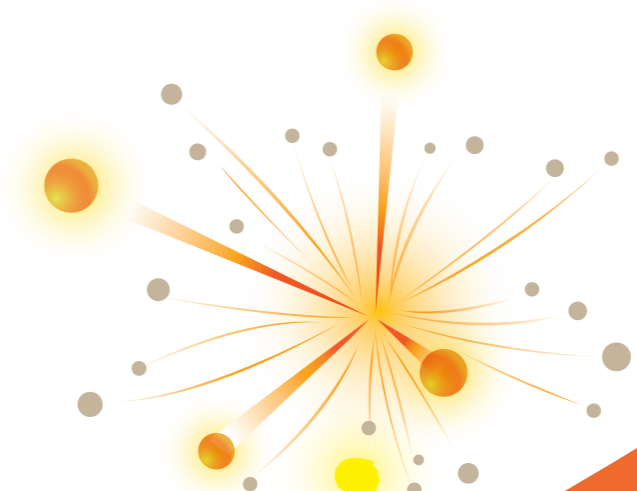
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TAIWAN SMEG

Small & Medium Enterprise Credit Guarantee Fund of Taiwan

ANNUAL REPORT 2010



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(Taiwan SMEG)

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Message from Chairman and President



Po-por Wang
Chairman

Yih-yaw Jan
President

The global economy has moved onto the path of recovery after experiencing the financial crisis. Taiwan economy, strongly supported by government's prompt responses, has gained momentum as well. The robust economic growth of 10.82% and declining unemployment in 2010, for instance, indicated Taiwan's upward economy.

During 2010, Taiwan SMEG implemented various credit guarantee programs to follow government policies of revitalizing economy and stabilizing employment, aiming to help SMEs obtain needed financing. Accordingly, it approved credit guarantee to 312,593 cases helping 135,821 clients obtain financing. The total loan amount supported increased by 37% to NT\$863.8 billion and the amount guaranteed increased by 46% to NT\$692.6 billion.

Although Taiwan showed the economic recovery trend in 2010, its unemployment still remained high. Therefore, "Special Guarantee Programs to Promote Employment" was launched, which successfully encouraged the banks' willingness of providing loans to SMEs. As a result, both the loan amount backed up by credit guarantees, and the amount guaranteed reached the record high. In addition, the program functioned well, with over 9,892 enterprises responding to sign an employment-promoting statement. The employees increased by those enterprises reached 52,563 persons in 2010.

Taiwan SMEG has kept cooperating with the related government agencies and local governments to financially support certain clients. In 2010, a series of guarantee programs were initiated, aiming to help the disadvantaged groups, core industrial sectors, and enterprises affected by economic recession.

It has been 36 years since Taiwan SMEG's establishment. Nowadays, one in five SMEs is either Taiwan SMEG's current or previous guaranteed client. 47% of the total listed and the OTC (over-the-counter) companies have benefited from credit guarantee system in their early stage. Furthermore, a high percentage of the winners of National Awards and Rising Star Awards have utilized guarantee services. These significant results manifest the effect of credit guarantee mechanism in terms of fostering the development of SMEs.

The global economy may remain volatile in the future. Meanwhile, the signing of Economic Cooperation Framework Agreement (ECFA) between Taiwan and Mainland China will offer opportunities to Taiwan SMEs, accompanied by more challenges as well. In this context, as an intermediary between banks and enterprises, Taiwan SMEG will efficiently implement the government policies to meet SMEs' financing needs, by upgrading the quality of services and simplifying procedures.

Po-por Wang

Po-por Wang
Chairman

Yih-yaw Jan

Yih-yaw Jan
President

Outline

Objectives

The objective of the Taiwan SMEG is to provide credit guarantees to those small and medium enterprises in normal operation but short of collateral for external financing. With guarantees provision, the Taiwan SMEG helps these enterprises to smoothly secure financing from financial institutions. Essentially the operation of the Taiwan SMEG is in line with the government's financial and economic policies to assist small and medium enterprises.

Establishment

The small and medium enterprises play an extremely important role in the economic structure of our country. In early 1970's, a great number of small and medium enterprises suffered from the recession and inflation brought up by the oil crisis. At that time, the financial institutions turned to be conservative and requested very stringent collateral requirements on small and medium enterprises' loan applications. Small and medium enterprises thus encountered great difficulties in obtaining financing. To cope with these situations, the Taiwan SMEG was established in 1974 to strengthen the financing assistance to small and medium enterprises.

Sources of Paid-in Capital

Paid-in capital of the Taiwan SMEG comes from donations made by the central government, local governments, contracted financial institutions and other agencies. Up to the end of 2010, donations received have totaled NT\$95.75 billion (including separate funds for special guarantee programs), 79.07% of which are from the central and local governments, 18.73% the contracted financial institutions, and 2.20% other agencies. As of the end of 2010, its net worth totaled NT\$36.71 billion (including separate funds for special guarantee programs).



Premier Den-yih Wu (center) presents National SME Concern Award to Chairman Po-por Wang (right).

Brief History

1974	The Taiwan SMEG was established as a non-profit organization.
1975	The Authorized Approach was introduced, whereby banks are authorized to extend the guaranteed loans before referring the case to the Taiwan SMEG for post-ratification if such lending is within certain guidelines set by the Taiwan SMEG.
2002	The introduction of the "Internet Credit Guarantee Operational System."
2003	1. Change in the supervising agency of the Taiwan SMEG from the Ministry of Finance to the Ministry of Economic Affairs. 2. The introduction of the Package Credit Guarantee.
2004	The introduction of the Direct Guarantee.
2005	Establishment of the Torchbearer Institute.
2006	The introduction of the project of the Firefly Counterpart Guarantee Fund.
2007	Renamed as the Small and Medium Enterprise Credit Guarantee Fund of Taiwan (Taiwan SMEG).
2008	Launch of "Special Guarantee Programs to Tackle Global Economic Crisis."
2009	Extension of the deadline of "Special Guarantee Programs to Tackle Global Economic Crisis" till the end of June 2010.
2010	1. The introduction of Credit Guarantees for "Micro Business Loans," "Loans for Key Services Industry," "Strategic Industry Loans Sponsored by Taipei City Government," "Loans for Newly Established and Innovative Business," "Loans to Assist SMEs Affected by Trade Liberalization," "Start-up Loans for the Jobless Based on Employment Insurance," "Sports Services Industry Loans Sponsored by Sports Affairs Council." 2. Launch of "Special Guarantee Programs to Promote Employment" (originated from "Special Guarantee Programs to Tackle Global Economic Crisis").

Eligible Clients

I. For Credit Guarantee Programs Supported by SME Fund

1. Enterprises

Type of Business	Max. Capital	Max. Annual Sales	No. of Employees	Length of Time in Business
Manufacturing Enterprises (including Construction Industry)	NT\$80 million	--	--	6 months or longer
	--	--	less than 200	
Non-manufacturing Enterprises	--	NT\$100 million	--	1 year or longer
	--	--	less than 100	

Notes:

1. If the capital, annual sales, or employees of a manufacturing/non-manufacturing enterprise exceed the maximum limit, it is still eligible for credit guarantee from the Taiwan SMEG for 2 years after the expansion and for 3 years after a merger.
2. If the capital, annual sales, or employees of a manufacturing/non-manufacturing enterprise that used to be the Taiwan SMEG's client exceed the maximum limit, it is still eligible for Credit Guarantee for Policy-oriented Loans used in purchasing automation equipment, antipollution equipment, and related factory buildings and land.

2. Business Start-up Individuals

Credit Guarantee for Youth Business Start-up Loans

This program is designed to provide assistance to those start-up young entrepreneurs, aged 20-45, whose businesses have been operated less than 5 years, and their loan applications have been pre-approved by the authorized financial institutions.

II. For Credit Guarantee Programs Supported by Separate Funds

Item of Credit Guarantee	Purpose & Eligible Client
1. Own Brand International Promotion Loans	To help enterprises promote products carrying their own brand names in the international market. Eligible clients for this program are those SMEs approved for "Own Brand International Promotion Loans" by the Ministry of Economic Affairs. Notably, this program is available to SMEs as well as large firms.
2. International Patent Rights Lawsuit Loans	To help domestic private enterprises obtain financing to cope with international patent rights lawsuit.
3. Firefly Counterpart Fund	To help the production/supply chains (SMEs) of the donating companies of the Firefly Counterpart Fund obtain financing especially for R&D from financial institutions.
4. Micro/Women Start-up Loans	To provide women aged 20-65 and nationals aged 45-65, whose micro-businesses hiring less than 5 employees have been operated less than 2 years, with needed financing.

5. Start-up Loans for the Rehabilitated	To help discharged prisoners, aged 20-65, who have received business permits start their new businesses.
6. Natural Disasters Reconstruction Loans	To assist victims (individuals) suffering from natural disasters in reconstructing their homes.
7. Micro Loans Sponsored by Kaohsiung City Government	To promote commerce and development of small-scale enterprises in Kaohsiung City. It helps Kaohsiung citizens aged 20-65 who have stall permits, or actually run businesses in the city with business licenses obtain financing.
8. Micro Start-up Loans Sponsored by New Taipei City Government	To help low- or mid-income disadvantaged citizens in New Taipei City aged 20-65 obtain start-up financing to get rid of poverty.
9. SME Loans Sponsored by Taipei City Government	To revitalize the economy of Taipei City and enhance the development of SMEs. It helps SMEs in Taipei City obtain financing with preferential conditions.
10. Loans for Travel Agencies	To help travel agencies obtain working capital from financial institutions.
11. Typhoon Moracot Reconstruction Loans	To help victims of the Typhoon Moracot obtain loans to rebuild, repurchase or repair their houses.
12. Strategic Industry Loans Sponsored by Taipei City Government	To revitalize the economy of Taipei City and enhance the development of SMEs engaged in IT, Biotechnology, Green Energy, Health Care and other strategic industries. It helps SMEs in Taipei City obtain financing with preferential conditions.
13. Start-up Loans for the Jobless Based on Employment Insurance	To help the jobless based on Employment Insurance obtain start-up financing.
14. Sports Services Industry Loans Sponsored by Sports Affairs Council	To help sports related SMEs obtain working capital and capital expenditure.
15. Student Loans	To help students in senior high schools or higher educational institutes obtain financing for education.
16. Studying-abroad Student Loans	To help low- and medium-income graduate students obtain financing for studying abroad to earn master's or doctoral degrees.
17. Youth Experiencing-abroad Loans	To help young students aged 20-30 who have been engaged in social services for more than 30 hours obtain financing for experiencing overseas living through individual travel, studying, or doing part-time jobs abroad. The applications of young students from low- and medium-income families take priority for handling.

Credit Guarantees

I. For Credit Guarantee Programs Supported by SME Fund

Item of Credit Guarantee	Eligible Client	Max. Guarantee Coverage Percentage for the Authorized Approach (note 1)	Guarantee Fee Per Annum (as % of Amount Guaranteed) (note 2)
1. General Purpose Loans	SMEs (Manufacturing and non-manufacturing enterprises)	80%	0.75~1.5%
2. Guarantees on Issuing Commercial Papers			
3. Export Loans			
4. Loans for Raw Materials			
5. Guarantees on Contract Performance			
6. Small-amount Handy Loans			
7. Policy-oriented Loans			
8. Loans under Package Credit Guarantee			
9. Research and Development Promotion Loans	SMEs approved by Review Committee	90%	0.75~1.5%
10. Loans for Knowledge-based Enterprises	SMEs which meet certain requirements	80%	0.75~1.5%
11. Natural Disaster Reconstruction Loans for SMEs	SMEs	90%	0
12. Loans for Assisting SMEs with Investment in Friendly Countries		50%	1.75%
		60%	1.5%
		70%	1.25%
	80%	1%	
13. Youth Business Start-up Loans	Prospective young entrepreneurs aged 20-45	80%	0.75%
14. Preferential Loans for Film Industry and TV Program Supply Industry	Film industry and TV program supply industry approved by Review Committee	90%	0.5~3.5%
15. Micro Business Loans	Micro businesses	60%	0.5%
16. Loans for Key Services Industry	SMEs reviewed & recommended by promoting units	90%	
17. Loans for Newly Established and Innovative Business	Business operated less than 3 years and approved by related agencies		
18. Loans to Assist SMEs Affected by Trade Liberalization	SMEs affected by trade liberalization and approved by Review Committee	100%	

II. For Credit Guarantee Programs Supported by Separate Funds

Item of Credit Guarantee	Eligible Client	Max. Guarantee Coverage Percentage for the Authorized Approach (note 1)	Guarantee Fee Per Annum (as % of Amount Guaranteed) (note 2)
1. Own Brand International Promotion Loans	Enterprises approved by MOEA (note 3)	80%	0.75%
2. International Patent Rights Lawsuit Loans	Domestic private enterprises approved by deliberating committee	70% 80% 90%	0.75% 1% 1.25%
3. Firefly Counterpart Fund	SMEs recommended by the donating enterprises	95%	0.395~0.75%
4. Micro/Women Start-up Loans	Women aged 20-65 & nationals aged 45-65 whose businesses have been operated less than 2 years	95%	0.5%
5. Start-up Loans for the Rehabilitated	Protected discharged prisoners, aged 20-65, who have received business permits to start their new businesses		
6. Natural Disasters Reconstruction Loans	Victims (individuals) of natural disasters	80%	0.3%
7. Micro Loans Sponsored by Kaohsiung City Government	SMEs in Kaohsiung City	90%	0.5%
8. Micro Start-up Loans Sponsored by New Taipei City Government	Low- or mid-income disadvantaged citizens in New Taipei City aged 20-65 whose small-scale businesses have been operated less than 2 years	95%	
9. SME Loans Sponsored by Taipei City Government	SMEs in Taipei City		
10. Loans for Travel Agencies	Travel Agencies	90%	
11. The Typhoon Moracot Reconstruction Loans	Victims of the Typhoon Moracot	100%	0 (note 4)
12. Strategic Industry Loans Sponsored by Taipei City Government	SMEs of the strategic industry in Taipei City	95%	0.5%
13. Start-up Loans for the Jobless Based on Employment Insurance	The jobless based on Employment Insurance approved by CLA (note 5)	95%	0.5%
14. Sports Services Industry Loans Sponsored by Sports Affairs Council	Sports related SMEs	90%	0.5%
15. Student Loans	Students in senior high schools or higher educational institutes	80%	0 (note 6)
16. Studying-abroad Student Loans	Graduate students who are permitted to study abroad		
17. Youth Experiencing-abroad Loans	Youth aged 20-30, having been engaged in social services over 30 hours	80%	0 (note 7)

Notes:

- The Taiwan SMEG's credit guarantee is provided on a risk-sharing basis. The credit risk beyond the Taiwan SMEG's guarantee coverage percentage shall be assumed by financial institutions. Apart from some items of credit guarantee, the maximum amount of guaranteed loans for a single enterprise is normally NT\$100 million (NT\$120 million for the period of Nov. 7, 2008 to Jun. 30, 2011) under the Authorized Approach, the Normal Approach and the Direct Guarantee.
- Except for the basic guarantee fee rate (0.75%), a differential rate is charged based on the applicant's credit status, operation, financial & guarantee conditions, and intangible asset.
- MOEA: Ministry of Economic Affairs.
- The guarantee fee is paid by the Ministry of Interior.
- CLA: Council of Labor Affairs.
- The guarantee fee is paid by the Ministry of Education.
- The guarantee fee is paid by the National Youth Commission (NYC) under the Executive Yuan (the Cabinet).

Methods of Granting Credit Guarantees

1. The Authorized Approach

If the application involves an amount below the limit set for the guarantee item and meets the requirements for the Authorized Approach set by the Taiwan SMEG, the financial institution may extend loan before referring the case to the Taiwan SMEG for post-ratification (see Chart 1).

2. The Normal Approach

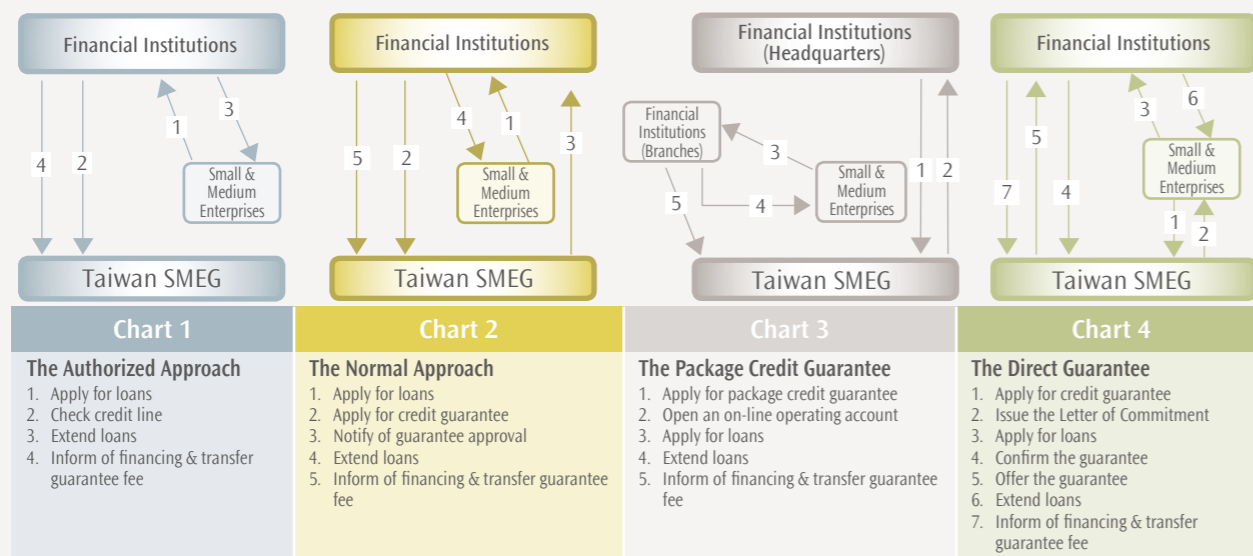
If the application does not meet the requirements in terms of amount and conditions set for the Authorized Approach, the financial institution is required to refer the case to the Taiwan SMEG for examination. It should not extend loan until the Taiwan SMEG grants its guarantee on the case (see Chart 2).

3. The Package Credit Guarantee

It is designed to help SMEs obtain financing and simplify banks' processing procedures. Any contracted financial institution (FI) may apply for extending loans under package credit guarantee to the Taiwan SMEG. Based on certain payment rates, there is no amount or term limit of the credit line for the applications. This project aims at reinforcing the self-reliant management and risk control of the FIs (see Chart 3).

4. The Direct Guarantee

To help SMEs engaged in knowledge-based industries, the Taiwan SMEG sometimes grants guarantees to applicants directly. SMEs may apply for such direct guarantee services in certain cases, and the Taiwan SMEG will issue a letter of commitment to the company directly. The SMEs can then apply to banks for loans with their credit guaranteed (see Chart 4).



Business Review

Accomplishment

From its inauguration in 1974 to the end of 2010, the Taiwan SMEG has offered credit guarantees on 4.2 million cases, which is NT\$5,443.13 billion in amount. With the credit guarantees, the Taiwan SMEG's clients have obtained a total of NT\$7,870.24 billion in various forms of credit from financial institutions. The outstanding credit covered by guarantees posted NT\$489.58 billion as of the end of 2010. The outstanding credit supported by credit guarantees for SMEs accounted for 16.25% of the outstanding credit for SMEs offered by all the financial institutions as of the end of 2010.



Guarantee Performance by Items of Guarantees

In terms of outstanding credit covered by guarantees, Credit Guarantees for General Purpose Loans occupied 39.42%, ranking the first among all items of credit guarantees in 2010. The Credit Guarantees for Expanding Comprehensive Credit Line and the Package Credit Guarantees, ranking the second and the third, accounted for 21% and 13.43% of all credit guarantees.

Guarantee Performance by Industry

As of the end of 2010, outstanding credit covered by guarantees for the trade industry occupied 39.66%, ranking the first among all types of business. The manufacturing industry (excluding the construction industry) accounted for 36.51%, ranking the second. The wholesale building materials industry accounted for 8.03%, ranking the first among the trade industry. The fabricated metal products manufacturing industry represented 7.43%, ranking the first among the manufacturing industry.

Table 1 Credit Guarantee Service Statistics

Amount unit: NT\$ million

Year	No. of Cases	Amount Guaranteed	Total Amount Supported	Outstanding Credit Covered by Guarantees	Outstanding Credit Supported	Net Worth
2005	271,401	333,020	538,947	372,808	569,030	18,119
2006	261,824	319,604	530,459	401,168	608,312	19,552
2007	238,801	290,611	495,257	358,998	554,129	22,374
2008	237,446	330,757	523,151	328,988	501,395	27,959
2009	254,807	475,248	631,207	393,928	532,439	30,596
2010	312,593	692,598	863,787	489,577	625,493	36,709

Outstanding Clients

Table 2 Guarantee Performance by Item in 2010

Amount unit: NT\$1,000

Item of Credit Guarantee	No. of Cases	Amount Guaranteed	Outstanding Credit Covered by Guarantee	Percentage
General Purpose Loans	119,320	274,038,911	192,967,867	39.42%
Expanding Comprehensive Credit Line	77,452	126,237,839	102,805,814	21.00%
Loans under Package Credit Guarantee	18,605	102,228,270	65,731,715	13.43%
Loans for Raw materials	70,915	135,542,732	56,170,056	11.47%
Policy-oriented Loans	963	4,662,571	13,854,686	2.83%
Guarantees on Contract Performance	7,349	12,510,597	12,933,345	2.64%
Loans for SMEs' Participating in Public Construction	1,207	9,007,382	7,047,653	1.44%
Non-SME Loans for Revitalizing Economy	2,106	9,259,378	6,536,064	1.34%
Small-amount Handy Loans	1,931	1,429,803	5,419,490	1.11%
Youth Business Start-up Loans	2,508	1,728,074	4,893,154	1.00%
Loans for the Enterprises Suffering from the Typhoon Moracot	471	3,070,894	3,226,196	0.66%
Research & Development Promotion Loans	80	376,413	1,799,817	0.37%
Loans for SME's Obtaining Domestic Investment Capital	103	1,492,999	1,645,598	0.34%
Export Loans	2,109	3,589,560	1,255,770	0.26%
Firefly Counterpart Guarantee	3,060	2,507,104	1,055,488	0.22%
Micro-business Start-up Loans	984	503,144	1,002,709	0.20%
SME Loans Sponsored by Taipei City Government	210	111,778	989,144	0.20%
Expanding Loans for Raw Materials	2,748	2,937,727	606,211	0.12%
Loans for the Tourism Industry Suffering from the Typhoon Moracot	81	313,333	309,965	0.06%
Preferential Loans for Film Industry and TV	13	173,000	271,346	0.06%
Natural Disaster Reconstruction Loans for SMEs	25	79,632	254,051	0.05%
Bank's Guarantees on SMEs' Commercial Paper Issuing	98	446,170	227,168	0.05%
Own Brand International Promotion Loans	5	32,615	195,651	0.04%
Loans for Knowledge-based Enterprises	27	110,328	142,328	0.03%
Typhoon Moracot Reconstruction Loans	38	48,220	111,319	0.02%
Micro Loans Sponsored by Kaohsiung City Government	59	18,486	101,588	0.02%
Loans for Travel Agencies	19	49,950	49,950	0.01%
Strategic Industry Loans Sponsored by Taipei City Government	37	40,050	40,050	0.01%
Micro Start-up Loans Sponsored by New Taipei City Government	46	23,228	38,317	0.01%
Natural Disasters Reconstruction Loans	6	1,840	4,689	0.00%
Micro Business Loans	16	4,170	4,170	0.00%
Start-up Loans for the Jobless Based on Employment Insurance	1	665	665	0.00%
Loans for Newly Established and Innovative Business	1	21,000	-	-
Toal	312,593	692,597,861	489,576,607	100.00%

Note:

The Taiwan SMEG approved 817,406 cases and credit guarantees of NT\$24.16 billion for the student Loans; 716 cases and credit guarantees of NT\$399 million for the Studying-abroad Student Loans; 339 cases and credit guarantees of NT\$31 million for the Youth Experiencing-abroad Loans.

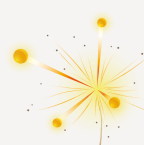
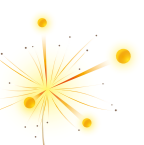
The Taiwan SMEG has constantly taken all necessary steps to prop up almost all kinds of industries over the past 36 years. Since the establishment of the Taiwan SMEG in 1974, a total of more than 302,197 SMEs have benefited from the services of the Taiwan SMEG. Out of the figure, 2,404 enterprises successfully grew and became large firms as of the end of 2010. Of them, 289 firms were listed on the stock market, accounting for 37% of the total listed ones; 349 enterprises were on the over-the-counter (OTC) market, accounting for 61.77% of the total OTC ones.

Several awards are bestowed to honor successful SMEs domestically. The National Award of SMEs is to honor those SMEs which have accomplished outstanding growth and success. Besides, the National Quality Award, the Small and Medium Enterprise Innovation Research Award, and the Rising Star Award are all designed for successful SMEs. Clients of Taiwan SMEG take significant lion's share in the winners of all of the awards. Statistics show that 65% of the winners of these awards used to be or still are the recipients of the Taiwan SMEG's credit guarantees. During the year of 2010, 9 out of 12 winners of the National Award of SMEs and 4 out of 9 winners of the Rising Star Award were either the Taiwan SMEG's current or previous guaranteed clients. The achievements of the Taiwan SMEG's clients are really praiseworthy.

The above-mentioned prominent guaranteed clients are commonly invited to share their managerial knowledge, experiences and secrets of success with all guaranteed clients in various activities held by the Torchbearer Institute (TI) nationwide. The TI has been an information exchange platform for successful entrepreneurs, scholars, government, financial sector and SMEs since its inception in 2005. The Taiwan SMEG will continue to play the role as the bridge between guaranteed clients and all related sectors.



Successful guaranteed client shares experience with others at forum hosted by Taiwan SMEG.



Financial Statements

Useful Information

Balance Sheet of Dec. 31, 2010		Unit: NT\$1,000
Assets		
Current Assets		56,978,290
Cash & Cash Equivalents		50,991,124
Financial Assets in Available-for-sale—Current		586,778
Accounts Receivable		1,766
Restricted Current Assets		5,141,826
Other Current Assets		256,796
Funds, Long-term Investments & Other Receivables		3,444,974
Capital Funds		333,958
Financial Assets in Available-for-sale—Noncurrent		3,111,016
Fixed Assets		308,709
Intangible Assets		20,307
Other Assets		2,857
Total Assets		60,755,137
Guarantee Assets		474,058,722
Liabilities & Net Worth		
Liabilities		24,046,321
Current Liabilities		644,750
Accrued Expenses		400,749
Unearned Receipts		242,765
Other Current Liabilities		1,236
Reserve for Losses on Guarantee		18,254,199
Other Liabilities		5,147,372
Net Worth		36,708,816
Capital Funds		333,958
Other Funds		95,415,269
Surplus (Loss)		(59,382,173)
Equity Adjustments		
Unrealized Gain on Financial Instruments		341,762
Total Liabilities & Net Worth		60,755,137
Guarantee Liabilities		474,058,722

Income Statement for the Year Ended Dec. 31, 2010		Unit: NT\$1,000
Revenues		
Guarantee Fee Revenue		2,332,494
Recovery of Bad Debts		1,857,902
Interest Revenue		523,091
Gain on Investment		48,500
Donated Revenue		1,108
Miscellaneous Revenue		25,332
Total Revenues		4,788,427
Expenses		
Provision for Losses on Guarantee		5,125,840
Business & Administrative Expenses		686,523
Interest Expense		41
Loss on Disposal of Fixed Assets		811
Miscellaneous Expenses		582
Total Expenses		5,813,797
Net Surplus (Net Loss)		(1,025,370)

Table 3 Major Economic Indicators

Indicator	Year	2005	2006	2007	2008	2009	2010
	*Economic growth rate (%)		4.70	5.44	5.98	0.73	-1.93
Per capita GNP (US\$)		16,449	16,911	17,596	17,833	16,895	19,188
GNP (NT\$ billion)		11,905	12,555	13,303	13,371	13,214	14,613
GDP (NT\$ billion)		11,612	12,243	12,976	13,071	12,819	14,206
Wholesale price index		94.67	100.00	106.47	111.95	102.17	107.75
Consumer price index		99.41	100.00	101.80	105.39	104.47	105.48
Unemployment rate (%)		4.13	3.91	3.91	4.14	5.85	5.21
Balance of trade (NT\$ billion)		227	749	1,318	1,687	1,850	2,147
Exports of goods and services (NT\$ billion)		7,473	8,326	9,121	9,200	8,399	10,548
Imports of goods and services (NT\$ billion)		7,246	7,577	7,803	7,513	6,549	8,399
Exchange rate (end of period) (NT\$/US\$)		32.9	32.6	32.4	32.9	32.0	30.4
Rediscount rate of Central Bank (end of period) (%)		2.25	2.75	3.37	2.00	1.25	1.63

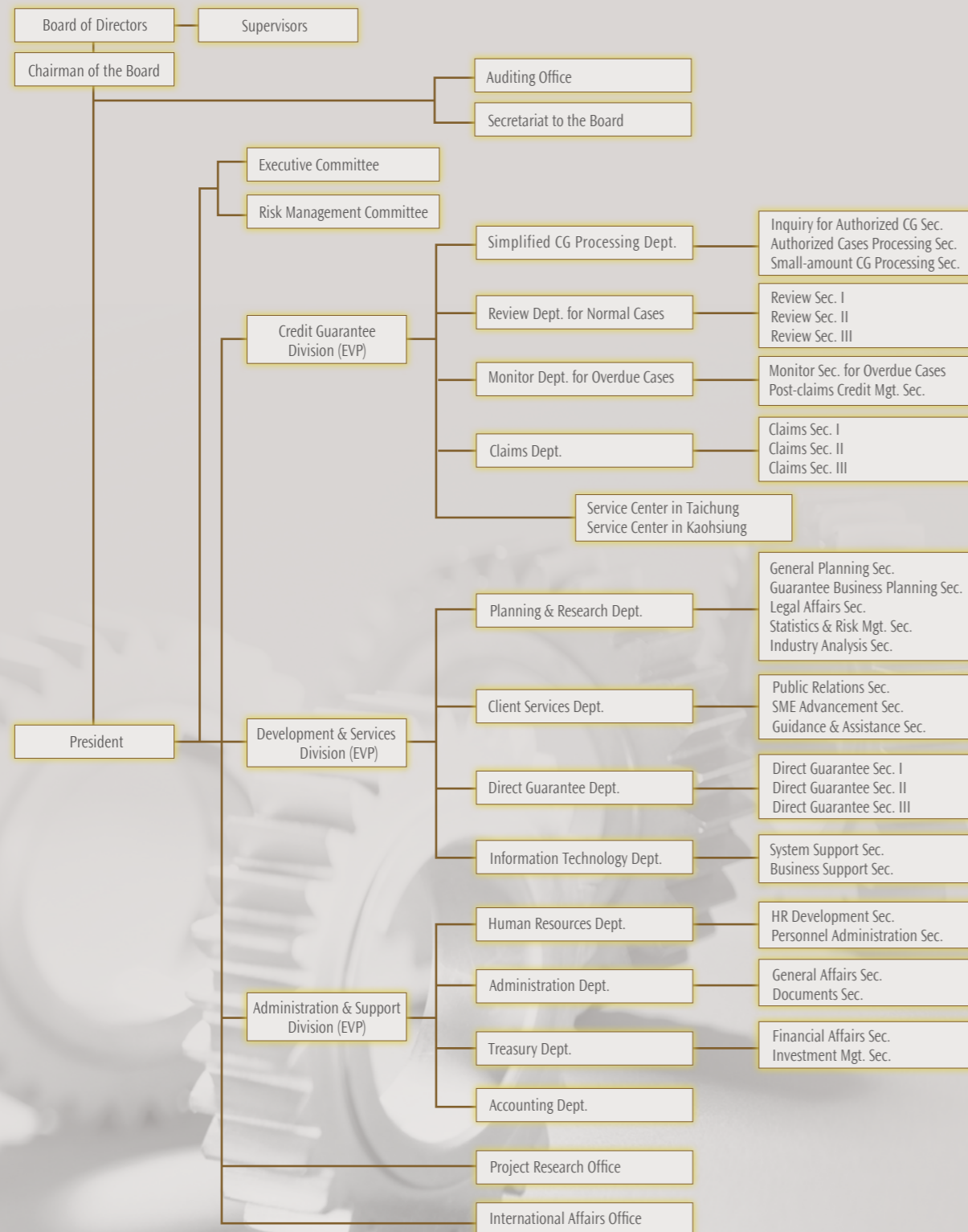
Sources: <http://www.dgbas.gov.tw/mp.asp?mp=1>, Directorate-general of Budget, Accounting and Statistics, Executive Yuan, R.O.C. (Taiwan), February 2011; <http://www.cbc.gov.tw/ct.asp?xItem=975&ctNode=523&mp=1>, Central Bank of the Republic of China (Taiwan).
* The economic growth rate was measured by the change rate of real GDP.

Table 4 Recent Status of SMEs

Indicator	Year	2006	2007	2008	2009
	SMEs/All enterprises (%)				
Number of enterprises		97.77	97.68	97.70	97.71
Number of employment sustained		76.66	77.12	76.58	78.47
Sales value		29.84	29.21	29.69	30.65
Direct export		17.89	17.06	17.36	16.88
Credit to SMEs/Credit to all enterprises (%)		17.16	18.21	18.19	18.45

Sources: "White Paper on Small and Medium Enterprises in Taiwan, 2010," Small & Medium Enterprise Administration, Ministry of Economic Affairs.

Organization Chart



Number of staff: 335 (as of March 31, 2011)