

**CHUNGHWA POST CO.,LTD.**  
**Income Statements**  
For the years ended June. 30, 2007 and 2006

Unit:NT\$thousand

Item	Jan.1,2007-June.30,2007		Jan.1,2006-June.30,2006		Variance (%)
	subtotal	total	subtotal	total	
<b>Operating revenues</b>		196,361,421		201,126,179	-2.37
Postal revenue	12,003,881		12,395,325		-3.16
Interest income	55,474,275		48,101,743		15.33
Insurance premiums	68,104,980		65,737,964		3.60
Reversal of premium reserves	43,191,554		63,702,214		-32.20
Commission and service fees	1,278,637		1,470,574		-13.05
Gains on investments	12,010,149		6,054,325		98.37
Valuation gain of financial assets	454,278		3,350,566		-86.44
Investment gain recognized by using equity method					
Foreign exchange gains	3,528,852				
Other operating revenues	314,815		313,468		0.43
<b>Operating cost and expenses</b>		189,953,308		194,644,735	-2.41
Postal cost	10,114,783		10,066,783		0.48
Interest expenses	34,307,023		28,556,909		20.14
Claims and benefits	43,437,396		64,045,682		-32.18
Provisions for premium reserve	72,092,733		69,384,520		3.90
Service charges	263,165		282,014		-6.68
Losses on investments					
Valuation loss of financial Assets					
Valuation loss of financial liabilities	6,463,268		5,206,610		24.14
Foreign exchange losses			1,733,986		-100.00
Appropriation for reserve	148,635				
Business and administrative expenses	22,451,009		14,534,956		54.46
Other operating expenses and losses	675,296		833,275		-18.96
Operating income		6,408,113		6,481,444	-1.13
Non-operating revenue		60,663		60,325	0.56
Non-operating expenses and losses		50,753		299,881	-83.08
Non-operating income(loss)		9,910		-239,556	104.14
Net income before tax		6,418,023		6,241,888	2.82
Income tax (expenses) revenue					
Net income(loss) after tax		6,418,023		6,241,888	2.82
Accumulated adjustments on changes of accounting principles				140,501	-100.00
Net income(loss)		6,418,023		6,382,389	0.56