

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

Unit:NT\$thousand

Item	Jan.1,2007- Sep.30,2007		Jan.1,2006- Sep.30,2006		Variance (%)
	subtotal	total	subtotal	total	
<b>Operating revenues</b>		297,603,847		304,464,188	-2.25
Postal revenue	17,933,616		18,461,309		-2.86
Interest income	85,225,917		73,715,195		15.62
Insurance premiums	99,164,444		96,674,131		2.58
Reversal of premium reserves	66,613,414		93,310,631		-28.61
Commission and service fees	1,917,654		2,189,460		-12.41
Gains on investments	22,664,254		11,672,693		94.16
Valuation gain of financial assets	1,321,173		3,684,934		-64.15
Investment gain recognized by using equity method					
Foreign exchange gains	2,265,637		4,262,651		-46.85
Other operating revenues	497,738		493,184		0.92
<b>Operating cost and expenses</b>		286,055,010		294,465,443	-2.86
Postal cost	14,619,770		14,722,020		-0.69
Interest expenses	53,119,425		44,287,915		19.94
Claims and benefits	66,913,854		93,792,656		-28.66
Provisions for premium reserve	105,039,277		101,924,702		3.06
Service charges	406,986		426,783		-4.64
Losses on investments					
Valuation loss of financial Assets					
Valuation loss of financial liabilities	8,033,647		12,129,187		-33.77
Foreign exchange losses					
Appropriation for reserve	156,693				
Business and administrative expenses	36,875,385		26,069,665		41.45
Other operating expenses and losses	889,973		1,112,515		-20.00
Operating income		11,548,837		9,998,745	15.50
Non-operating revenue		88,852		80,231	10.75
Non-operating expenses and losses		75,786		427,848	-82.29
Non-operating income(loss)		13,066		-347,617	103.76
Net income before tax		11,561,903		9,651,128	19.80
Income tax (expenses) revenue					
Net income(loss) after tax		11,561,903		9,651,128	19.80
Accumulated adjustments on changes of accounting principles				140,501	-100.00
Net income(loss)		11,561,903		9,791,629	18.08