

Major Administrative Achievements in 2004

Apart from the following summarized administrative achievements, the Annual Report 2004 also covers two major themes, "Rise of the South - Significant Growth of the Industry and Workforce" and "City of Technology and Living - Combination of Technology and Living" to clearly illustrate the rapid industry growth and quality living environment enjoyed by the STSP.

Excellent Operation Performance

The outstanding development and operation performances of the STSP over the last eight years have laid a solid foundation to achieve the objective of "Richly Cultivating Southern Taiwan while Reaching Out to the World." By the end of 2004, 157 enterprises were approved to invest, with the investment amount reaching US\$42 billion. The turnover of the STSP has been growing by leaps and bounds since 2000. The turnover reached US\$8,288 million (31.3NT\$=1US\$; applied to the whole report) in 2004, which was an increase of 67% from the previous year and met the annual goal of US\$7,987 million. The STSP created an average of 5,000 lobs every year since its opening. In 2004, another 11,419 more jobs were created compared to 2003, totaling 32,793 new jobs to reach the annual objective of 30,000 jobs. In terms of the land lease, there was a stable increase of the lease of Phase I and II Sites of the Tainan Science Park, with 95% and 100% of the land being leased respectively. The land lease in the Kaohsiung Science Park even showed a significant improvement from 29% in 2003 to 62% (both including pre-lease contracts).

| > Historical Statistics of Each Year | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|-------|---------|---------|---------|---------|
| Accumulated number of approved enterprises | 44 | 64 | 93 | 127 | 157 |
| Turnover (US\$ million) | 790.1 | 1,603.2 | 3,294.2 | 4,962.0 | 8,288.5 |
| Employees (people) | 6,906 | 9,467 | 15,071 | 21,374 | 32,793 |

Optoelectronics, IC and Biotechnology Industry Clusters have Taken Shape while the Telecommunications Industry is Developing Rapidly

With the upstream and downstream optoelectronics enterprises admitted into the Park, the STSP now has the most complete optoelectronics industry cluster. Following the mass production and establishment of the 12-inch foundries of Taiwan Semiconductor Manufacturing Company (TSMC) and United Microelectronics Corp. (UMC), the STSP now has the latest technology of copper interconnect process in the 12-inch foundry. Currently the Biotech Corridor and Biotech Core Area are under planning while the standard factory of the biotechnology industry has been completed. The Biotechnology Experimental Center in Southern Taiwan of Academia Sinica and the STSP Center of the National Laboratory Animal Center have also opened in the STSP. The STSP biotech industry cluster has started to take shape with the entry of these institutes as well as the planning of the Medical Device Special Zone of the Kaohsiung Science Park and the Kachsiung Biotechnology Park.

Following the entry of the Telecommunications Technology Center in May 2004 into the Kaphsiung Science Park, the STSP Administration (the Administration) is trying to attract the relevant enterprises to join the Kaohsiung Science Park and develop the Telecommunications Zone to make the telecommunications industry the third trillion-dollar

Excellent Performance Rated the Best for Two Consecutive Years

Following the superior performance rating among all divisions of the National Science Council in 2003, the Administration received a superior rating in 2004 with annual achievements such as "Three Great Leaps (significant growth in turnover, a double increase in the workforce, and the rapid growth of land lease)," "Two Innovative Measures (establishment of a Specialized Team for Foreign Enterprises, assistance given to the Association of Industries in Science Park in establishing the STSP Procurement Committee)," 'A Model Civil Servant, "and" Higher Satisfaction than other Parks from the Enterprises' Satisfaction Investigation.



> Accounting Office Specialist of the Administration, Huel-ting Yin, was Selected as the Model Civil Servant of 2004 by the Executive Yuan and was a Distinguished Guest of the President (September 17)