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**FUBON FINANCIAL HOLDING
CO., LTD.**



**Fubon Bank
富邦銀行
FUBON BANK (HONG KONG)
LIMITED
(Stock Code: 636)**

JOINT ANNOUNCEMENT

**PROPOSAL TO PRIVATISE
THE ORDINARY SHARE CAPITAL OF
FUBON BANK (HONG KONG) LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 166 OF THE COMPANIES ORDINANCE**

**VOLUNTARY CONDITIONAL CASH OFFER BY
UBS AG, HONG KONG BRANCH
ON BEHALF OF
FUBON FINANCIAL HOLDING CO., LTD. TO ACQUIRE
ALL THE ISSUED PREFERENCE SHARES OF
FUBON BANK (HONG KONG) LIMITED
(OTHER THAN THOSE ALREADY OWNED BY
FUBON FINANCIAL HOLDING CO., LTD
OR PARTIES ACTING IN CONCERT WITH IT)**

SANCTION OF THE SCHEME OF ARRANGEMENT BY THE HIGH COURT

AND

**PROPOSED WITHDRAWAL OF LISTING OF
FUBON BANK (HONG KONG) LIMITED**

Financial adviser to Fubon Financial Holding Co., Ltd.



UBS AG, Hong Kong Branch

Independent financial adviser to the independent board committee of
Fubon Bank (Hong Kong) Limited



CLSA Equity Capital Markets Limited

The Scheme of Arrangement was sanctioned without modification and the reduction of share capital of the Company involved in the Scheme of Arrangement was confirmed by the High Court on Tuesday, 7 June 2011.

A sealed copy of the order of the High Court made on Tuesday, 7 June 2011 sanctioning the Scheme of Arrangement and confirming, under Section 60 of the Companies Ordinance, the reduction of capital provided for by the Scheme of Arrangement, together with a minute approved by the High Court relating to the reduction of capital of the Company containing particulars required by Section 61 of the Companies Ordinance is expected to be delivered to the Registrar of Companies of Hong Kong for registration on or before Wednesday, 8 June 2011.

Subject to the registration of the order of the High Court and the minute by the Registrar of Companies of Hong Kong, and the fulfillment or waiver, as applicable, of the remaining conditions as set out under paragraphs (g) (in relation to there being no order or decision having been made by any relevant court or government body that would make the Scheme Proposal or the Preference Share Offer void, unenforceable or illegal), (h) (in relation to all Authorisations remaining in full force and effect and all necessary statutory or regulatory obligations having been complied with), (i) (in relation to there being no event having occurred which would make the Scheme Proposal, the Preference Share Offer or the cancellation of the Scheme Shares void, unenforceable or illegal) and (j) (in relation to there having been no material adverse change in the business, financial or trading position of the Fubon Bank Group since the date of the Announcement), the full details of which can be found on pages 70 to 72 of the Scheme Document, the Scheme of Arrangement is expected to become effective on Wednesday, 8 June 2011. A further announcement will be made when the Scheme of Arrangement has become effective.

The Hong Kong Stock Exchange has approved the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange with effect from 9:00 a.m. on Wednesday, 8 June 2011, subject to the Scheme of Arrangement becoming effective.

Shareholders, Preference Shareholders and potential investors should be aware that the implementation of the Scheme Proposal and the Preference Share Offer continues to be subject to the conditions set out in the Scheme Document being fulfilled or waived, as applicable, and thus the Scheme Proposal may or may not become effective and the Preference Share Offer may or may not proceed.

1. INTRODUCTION

References are made to (i) the scheme document jointly issued by Fubon Financial Holding Co., Ltd. (the “**Offeror**” or “**Fubon Financial**”) and Fubon Bank (Hong Kong) Limited (the “**Company**”) on 4 April 2011 in relation to the Scheme Proposal and the Preference Share Offer (the “**Scheme Document**”); and (ii) the announcement jointly issued by the Offeror and the Company dated 29 April 2011. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Scheme Document.

2. SANCTION OF THE SCHEME OF ARRANGEMENT BY THE HIGH COURT

The Scheme of Arrangement was sanctioned without modification and the reduction of share capital of the Company involved in the Scheme of Arrangement was confirmed by the High Court on Tuesday, 7 June 2011.

A sealed copy of the order of the High Court made on Tuesday, 7 June 2011 sanctioning the Scheme of Arrangement and confirming, under Section 60 of the Companies Ordinance, the reduction of capital provided for by the Scheme of Arrangement, together with a minute approved by the High Court relating to the reduction of capital of the Company containing particulars required by Section 61 of the Companies Ordinance is expected to be delivered to the Registrar of Companies of Hong Kong for registration on or before Wednesday, 8 June 2011.

Subject to the registration of the order by the High Court and the minute by the Registrar of Companies of Hong Kong, and the fulfilment or waiver, as applicable, of the remaining conditions as set out under paragraphs (g) (in relation to there being no order or decision having been made by any relevant court or government body that would make the Scheme Proposal or the Preference Share Offer void, unenforceable or illegal), (h) (in relation to all Authorisations remaining in full force and effect and all necessary statutory or regulatory obligations having been complied with), (i) (in relation to there being no event having occurred which would make the Scheme Proposal, the Preference Share Offer or the cancellation of the Scheme Shares void, unenforceable or illegal) and (j) (in relation to there having been no material adverse change in the business, financial or trading position of the Fubon Bank Group since the date of the Announcement), the full details of which can be found on pages 70 to 72 of the Scheme Document, the Scheme of Arrangement is expected to become effective on Wednesday, 8 June 2011. A further announcement will be made when the Scheme of Arrangement has become effective.

3 PROPOSED WITHDRAWAL OF THE LISTING OF THE SHARES

The Hong Kong Stock Exchange has approved the withdrawal of the listing of the Shares on the Hong Kong Stock Exchange with effect from 9:00 a.m. on Wednesday, 8 June 2011, subject to the Scheme of Arrangement becoming effective. Trading in the Shares has been suspended from 9:00 a.m. on Monday, 30 May 2011 and will continue to remain suspended until the withdrawal of the listing of the Shares from the Hong Kong Stock Exchange.

4 CONDITION OF THE PREFERENCE SHARE OFFER

The Preference Share Offer is only subject to and conditional upon the Scheme of Arrangement becoming effective. The Preference Share Offer is not conditional upon Fubon Financial having received any pre-determined level of acceptances in respect of the Preference Share Offer. Accordingly, the Preference Share Offer is expected to become unconditional on Wednesday, 8 June 2011.

5 GENERAL

Fubon Financial will publish an announcement in Taiwan as soon as practicable after the date of this announcement in relation to the subject matter of this announcement. Such announcement can be viewed at the website of Fubon Financial www.fubon.com/eng/index_IR.htm and by selecting “Event and News”, “IR Calendar” and “2011”.

WARNING

Shareholders, Preference Shareholders and potential investors should be aware that the implementation of the Scheme Proposal and the Preference Share Offer continues to be subject to the conditions set out in the Scheme Document being fulfilled or waived, as applicable, and thus the Scheme Proposal may or may not become effective and the Preference Share Offer may or may not proceed.

By Order of the Board
FUBON FINANCIAL HOLDING CO., LTD.
Victor Kung
President

By Order of the Board
FUBON BANK (HONG KONG) LIMITED
Pei-Hwa Thomas Liang
Managing Director

Hong Kong, 7 June 2011

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, other than information relating to the Company, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Company) have been arrived at after due and careful consideration and there are no facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the Company, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror), have been arrived at after due and careful consideration and there are no facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the board of directors of the Offeror comprises Mr. Ming-Chung (Daniel) Tsai (Chairman), Mr. Ming-Hsing (Richard) Tsai (Vice Chairman), Mr. Dah-Jan Chiou, Mr. Yeh-Shin Chen, Mr. Tsan-Ming Shih, Mr. Victor Kung, Mr. Peng-Yuan Cheng and Mr. Jerry Harn as executive directors and Mr. Hong-Chang Chang, Mr. Nelson Chang, Mr. Timothy Ting-yu Ting and Mr. Kok-Choo Chen as independent directors.

As at the date of this announcement, the Board of Directors of the Company comprises of Pei-Hwa Thomas LIANG (Managing Director), James YIP, Dennis CHAN Wen Yueh as Executive Directors; Ming-Hsing (Richard) TSAI (Chairman), Ming-Chung (Daniel) TSAI (Vice Chairman), Victor KUNG, Michael CHANG Ming-Yuen as Non-Executive Directors; and Robert James KENRICK, Moses TSANG, Hung SHIH as Independent Non-Executive Directors.