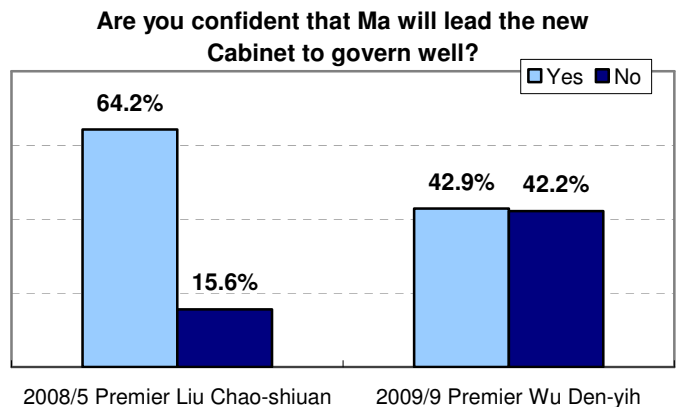


Survey on new Cabinet, verdict on former President Chen Shui-bian's cases, and President Ma Ying-jeou's approval rating

A. On President Ma Ying-jeou leading the new Cabinet to govern: 42.9 percent say they are confident in Ma and the new Cabinet officials will do well, while 42.2 percent say they aren't. The public response to the new Cabinet is mixed.

Typhoon Morakot caused great damage to Taiwan in early August. Close to 80 percent of Taiwanese thought the government failed to handle the crisis well, while almost 60 percent said there should be a Cabinet reshuffle. To placate the public and smooth over political repercussions, the Cabinet resigned in early September. President Ma then appointed KMT Vice Chairperson Wu Den-yih as the new premier. This GVSRC survey shows 42.9 percent of Taiwanese say they are confident that Ma will lead the new Cabinet to govern well, while 42.2 percent of Taiwanese don't think so. It is clear that Taiwanese are split over whether the new Cabinet will make a difference.

The number people who feel confident in the Cabinet drops 21.3 percentage points this month from May 2008 when Ma took office and appointed Liu Chao-shiuan to be the premier, while the number of Taiwanese who lack confidence in the Cabinet rises 26.6 percentage points. The gap, however, is not a reflection of Taiwanese people's different

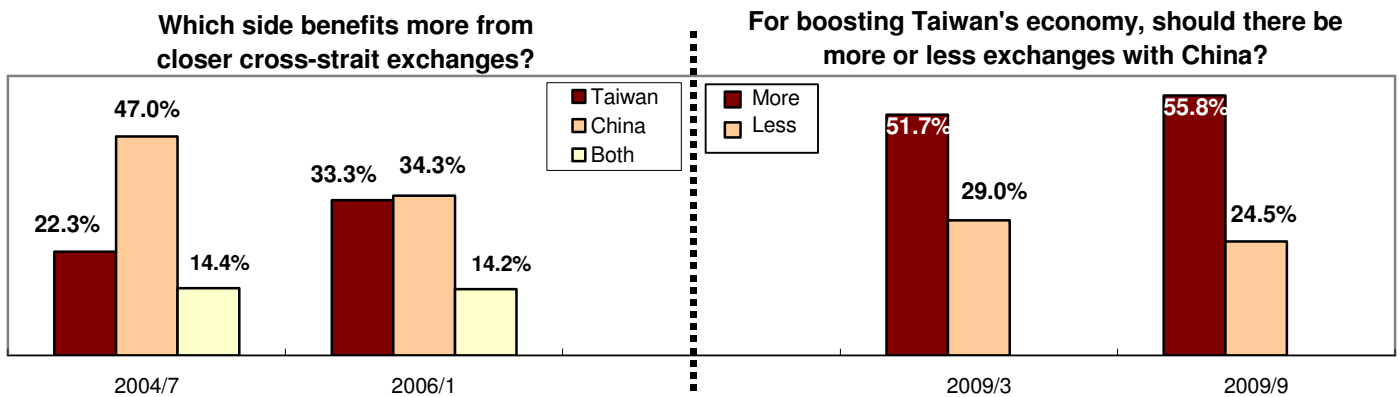


assessments for the two Cabinets. It is rather a reflection of how most Taiwanese have turned cool from their initial enthusiasm about Ma and his Cabinet after they have seen for themselves how Ma's leadership is like during the past 18 months since he took office. This also represents Taiwanese are just building up a defense mechanism to prevent being pummeled again both rationally and emotionally.

B. 65.9 percent of Taiwanese are concerned with whether Taiwan and China will sign an Economic Cooperation Framework Agreement (ECFA); 55.8 percent of Taiwanese say closer cross-strait economic ties will benefit Taiwan's economy more.

This GVSRC survey shows 65.9 percent of Taiwanese are concerned with whether Taiwan will sign the ECFA with China, while 19.0 percent say they don't care. 15.2 percent do not say how they feel. The results are consistent with those from an earlier GVSRC survey from past March.

This survey also shows 55.8 percent of Taiwanese think to improve Taiwan's economy, there should be closer cross-strait economic exchanges, while 24.5 percent say for that to happen, Taiwan should reduce economic exchanges with mainland China (57.8 percent of Democratic Progressive Party supporters say so). 19.7 percent of Taiwanese do not indicate how they feel about the subject. Most Taiwanese have gradually turned from thinking that cross-strait exchanges benefit China more than Taiwan to considering Taiwan to gain more than China from such exchanges over the past five years. This shows that Taiwanese have come to realize that Taiwan, faced with a rising China, will be marginalized unless it takes part in the regional cooperation scheme and globalization. They are also treating cross-strait economic exchanges with a more practical approach amid significant improvement in cross-strait relations. Further, DPP said it does not oppose to China investment in Taiwan when this survey took place. This move might have indirectly helped reduce the number of DPP supporters rejecting economic exchanges with the mainland, and consequently there is 8.8 percentage points drop in the number of people who want to see reduced economic exchanges with the mainland.

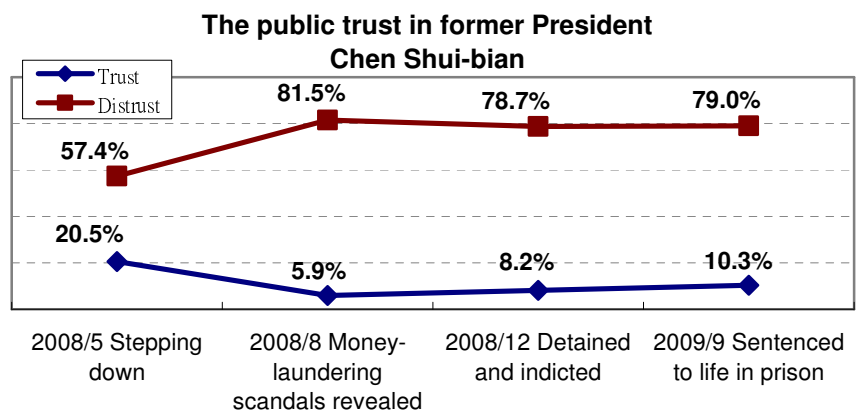


Note 1: The question from July 2004 and January 2006 surveys was "Which side do you think benefit more if Taiwan and China forge closer exchanges." The surveys were conducted by the ERA poll center.

Note 2: The survey question from past March and this survey is "Whether Taiwan should forge closer economic ties or reduce trade exchanges with China to boost its economy?"

C. 79.0 percent of Taiwanese say they do not trust former President Chen Shui-bian. 60.6 percent say it is a sign of improvement in Taiwan's democracy when a former president is sentenced or jailed for committing a crime during his time in office. 23.0 percent say Chen and his family's involvement in corruption and money-laundering scandals has done greatest damage to Taiwan's international image. 20.5 percent says it has hurt Taiwan's social education the most.

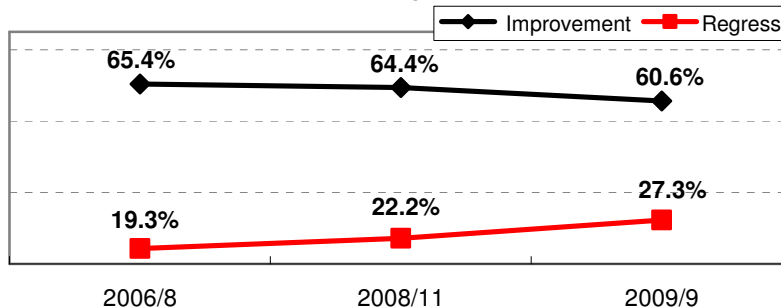
Former President Chen Shui-bian has been sentenced to life in prison on corruption and money-laundering charges. This GVSRC survey shows 79.0 percent of Taiwanese think they do not trust Chen, with 60.4 percent saying they distrust him very much and 18.6 percent saying they distrust him somewhat. 10.3 percent say they trust him. Comparing this survey with past polls, we can see Chen has lost all his political



credibility after his and his family's involvement in money-laundering scandals was revealed. DPP supporters have also shown their distrust in Chen at four different stages: respectively 21.9 percent, 74.0 percent, 64.9 percent and 62.2 percent of DPP supporters have said they distrust Chen at different times. It is clear that even DPP supporters have great doubts about Chen's integrity.

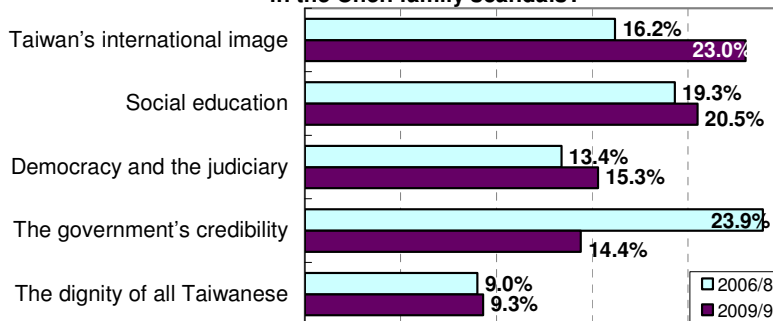
This GVSRC survey shows 60.6 percent of Taiwanese think it is a sign of improvement in Taiwan's democratic spirits and mechanism if a former president is indicted, sentenced or even jailed for crimes he commits in his terms after he steps down. 27.3 percent say it is rather a sign of regress. Comparing this survey to two polls from August 2006 and November 2008 asking people the same question, we can see most Taiwanese care deeply about democratic spirits regardless of their political leaning and the party is in power, and they have internalized this as a common fundamental value. Even those who say Taiwan's democracy has regressed have reflected Taiwanese people's internalization of democratic values and their demand for the quality of democracy. This again serves to manifestation of Taiwan's democratic spirits and mechanism, and the island can be the paragon for democracy among countries made up of ethnic Chinese.

If a president is sentenced for crimes he committed during his time in office after he steps down, is it a sign of improvement or regress in Taiwan's democratic spirits and mechanism?



This GVSRC survey also shows that 23.0 percent of Taiwanese think Chen and his family's involvement in corruption and money-laundering scandals has caused greatest damage to Taiwan's international image, 20.5 percent say it is Taiwan's social education that has suffered the most damage from the scandals. 15.3 percent say Taiwan's democracy and judiciary took the hardest hit, 14.4 percent say it is the government's credibility, and 9.3 percent say the dignity of all Taiwanese people suffered the greatest damage. As a comparison, Taiwanese said in August 2006 that the government's credibility suffered the greatest damage from the scandals. The damage caused by politicians would eventually become an inevitable burden for all people.

Which of the following has suffered the greatest damage in the Chen family scandals?

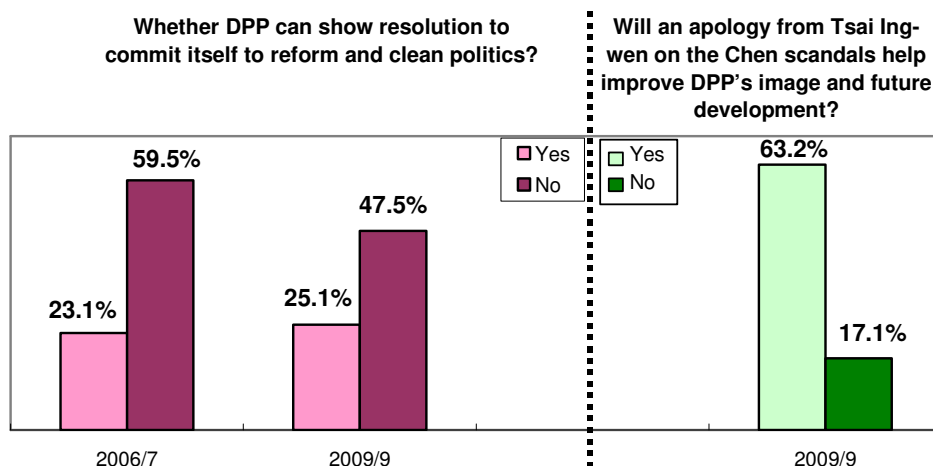


Note1: The question on 2006/8 survey was "Which of the following has suffered the greatest damage if high-level governmental officials and First Family involved in scandals?".
 Note2: The question in this survey was "which of the following has suffered the greatest damage in Chen family scandals?".

D. 47.5 percent of Taiwanese say the DPP, faced with the Chen scandals, has not shown the determination to reform itself and commit itself to clean, uncorrupt politics. 63.2 percent say if DPP Chairperson Tsai Ing-wen apologizes for Chen's scandals, it will help improve DPP's image and future development. 57.3 percent say President Ma should not pardon Chen.

This GVSRC survey shows after the court handed out the verdict on former President Chen and his family members for their involvement in corruption and money laundry, 47.5 percent of Taiwanese say DPP has not shown enough determination to reform itself and commit itself to clean, uncorrupt politics, while 25.1 percent say DPP do show its determination. 27.3 percent do not indicate clearly what they think. The number of people who think the DPP has not shown enough determination has dropped 12 percentage points compared to the survey results from July 2006, while those who think otherwise have gone up 2 percentage points. This shows that Taiwanese still have hope in the DPP to commit itself to clean politics with concrete steps.

This survey further asks interviewees whether an apology from DPP Chairperson Tsai Ing-wen on behalf of her party on the Chen scandals will help improve DPP's image and future development. 63.2 percent of Taiwanese say yes, with 66.4 percent of DPP supporters saying so. 17.1 percent say it will be negative for the party, while 19.7 percent do not say what they think.



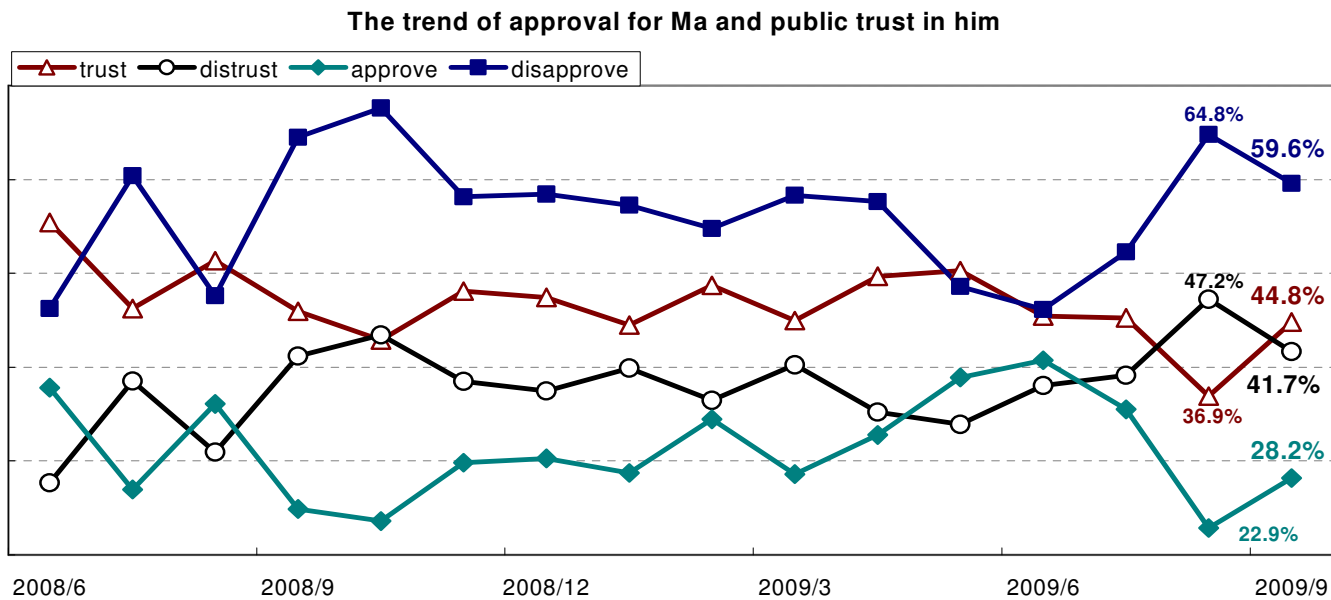
After the court handed out the verdict on the Chen family cases, it will serve the DPP well if Tsai would apologize to the public for the party's negligence in supervising Chen's moves during his eight years in power to show DPP's resolution to stick to clean politics and reform itself. This will help improve DPP's image and future development, and demonstrate the party's great capability to reflect on its mistakes. It will also show that the party can shoulder responsibilities either as a ruling or an opposition party.

This GVSRC survey shows 57.3 percent of Taiwanese think President Ma should not pardon Chen if he is still sentenced to life in prison at the very end of his trial and appeal, with 42.5 percent being very firm on the decision. 21.2 percent say Chen should be pardoned. 50.9 percent of DPP supporters say Chen should be pardoned, but 31.8 percent say he should not be.

E. President Ma Ying-jeou's approval rating is 28.2 percent and disapproval rating is 59.6 percent this month. 44.8 percent say they trust Ma, while 41.6 percent say they don't.

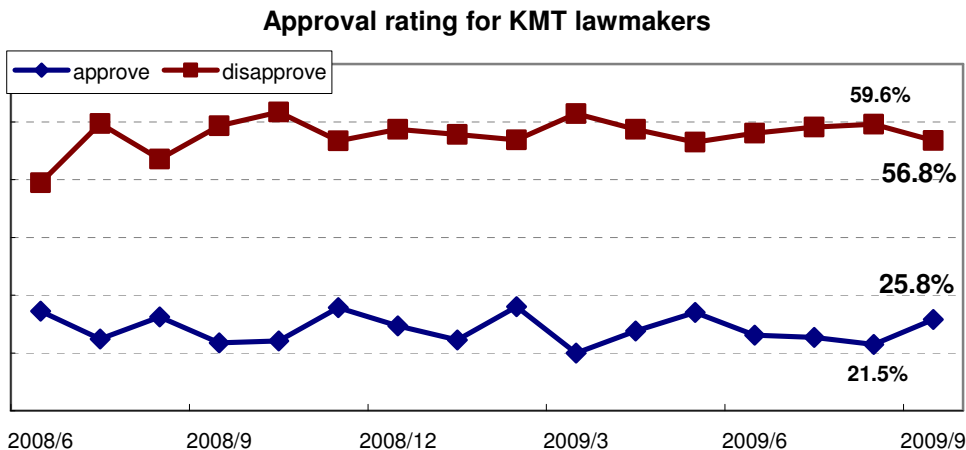
This GVSRC survey shows Ma's approval rating is 28.2 percent this month, and his disapproval rating 59.6 percent. Compared with the survey from last month, this survey sees Ma's approval rating go up 5.3 percentage points, and his disapproval rating falls 5.2 percentage points. At the same time, 44.8 percent of Taiwanese say they trust Ma, while 41.6 percent say they don't. The gap is within the margin of error. This shows that Taiwanese are split over Ma. Compared with last month, the level of public trust in Ma rises 7.9 percentage points, while the level of public distrust in Ma loses 5.6 percentage points.

The change in Ma's approval rating and the level of trust in him this month mainly came from the Cabinet's resignation in early September after Typhoon Morakot wrecked havoc in Taiwan. To placate an angry public and prevent political ramifications from deteriorating, Ma conducted a Cabinet reshuffle in response to public demand. Although this has tentatively smoothed over public anger over the government's slow response to the disaster at an early stage, Taiwanese are still waiting to see how Ma performs in the future, and Ma's approval rating and the level of public trust in him have not returned to where they were in July.



F. KMT lawmakers' approval rating is 25.8 percent and disapproval rating is 56.8 percent.

The ruling KMT controls more than 70 percent of all legislative seats and shares an absolute majority in the legislature. Although the legislature was in recess when this survey was conducted, still 56.8 percent of Taiwanese say they are



not satisfied with KMT lawmakers' overall performance, much higher than the 25.8 percent who say otherwise. Compared to the survey from last month, this survey sees the KMT lawmakers' approval rating rise by 4.3 percentage points, and disapproval rating fall by 2.8 percentage points. The change is well within the margin of error.

This survey was conducted by GVSRC from 6.20 p.m. to 10.00 p.m. from Sep. 14-16, 2009. It was conducted with random-digit-dial sampling and computer-assisted telephone interviewing methods. 1003 Taiwanese people who are 20 or older completed the interview. One can say with 95% confidence that the theoretical margin of sampling error is $\pm 3.1\%$. Gender, living areas, ages, educational level and other features of the interviewees have undergone weighting procedure and test of the sample's representativeness in the survey results.