

TAIWAN GREATER CHINA FUND  
Form N-Q  
May 17, 2006

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-Q**  
**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number: 811-05617

**Taiwan Greater China Fund**

(Exact name of registrant as specified in charter)

Bank Tower, Room 1001  
205 Dun Hua North Road  
Taipei 105, Taiwan  
Republic of China  
(Address of principal executive offices) (Zip code)

Brown Brothers Harriman and Co.  
50 Milk Street  
Boston, MA 02109-3661  
(Name and address of agent for service)

Registrant's telephone number, including area code: **1-800-343-9567**

Date of fiscal year end: **December 31, 2006**

Date of reporting period: **March 31, 2006**

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

## TAIWAN GREATER CHINA FUND

*Schedule of Investments (Unaudited) / March 31, 2006*

| COMMON STOCK — 100.09%                          |      |                                      | % of<br>Net<br>Assets | U.S. Dollar<br>Value |
|---|------|--------------------------------------|-----------------------|----------------------|
| <b>Automobile — 1.27%</b>                       |      |                                      |                       |                      |
| 360,030   | shs. | China Motor Corp.                    | 0.34                  | \$ 366,025           |
| 91,000  |      | Hotai Motor Co., Ltd.                | 0.18                  | 187,834              |
| 152,528   |      | Tong Yang Industry Co., Ltd.         | 0.18                  | 192,425              |
| 285,960   |      | TYC Brother Industrial Co., Ltd.     | 0.17                  | 186,767              |
| 122,000   |      | Yulon Nissan Motor Co., Ltd.         | 0.40                  | 428,472              |
|   |      |                                      |                       | 1,361,523            |
| <b>Cement — 2.17%</b>                           |      |                                      |                       |                      |
| 1,363,297                                       |      | Asia Cement Corporation              | 0.89                  | 957,599              |
| 1,783,454                                       |      | Taiwan Cement Corp.                  | 1.28                  | 1,373,599            |
|   |      |                                      |                       | 2,331,198            |
| <b>Chemicals — 0.88%</b>                        |      |                                      |                       |                      |
| 784,000   |      | Eternal Chemical Co., Ltd.           | 0.88                  | 941,974              |
| <b>Communications Equipment — 1.36%</b>         |      |                                      |                       |                      |
| 704,522   |      | D-Link Corp.                         | 0.69                  | 743,384              |
| 431,673   |      | Zyxel Communications Corp.           | 0.67                  | 722,126              |
|   |      |                                      |                       | 1,465,510            |
| <b>Computer Peripherals/ODM — 10.14%</b>        |      |                                      |                       |                      |
| 2,665,337                                       |      | BenQ Corp.                           | 2.06                  | 2,212,937            |
| 86,400  |      | High Tech Computer Corp.             | 2.21                  | 2,363,659            |
| 3,051,006                                       |      | Lite-on Technology Corp.             | 3.95                  | 4,229,741            |
| 1,060,000                                       |      | Mitac International Corp.            | 1.27                  | 1,358,493            |
| 519,976   |      | Premier Image Technology Corp.       | 0.65                  | 699,239              |
|   |      |                                      |                       | 10,864,069           |
| <b>Computer Systems &amp; Hardware — 19.66%</b> |      |                                      |                       |                      |
| 699,162   |      | Acer Inc.                            | 1.20                  | 1,285,909            |
| 103,578   |      | Advantech Co., Ltd.                  | 0.27                  | 286,870              |
| 1,960,600                                       |      | Asustek Computer Inc.                | 4.96                  | 5,315,325            |
| 945,364   |      | Compal Electronics Inc.              | 0.90                  | 965,475              |
| 1,953,602                                       |      | Hon Hai Precision Industry Co., Ltd. | 11.29                 | 12,097,352           |
| 675,380   |      | Quanta Computer Inc.                 | 1.04                  | 1,109,005            |
|   |      |                                      |                       | 21,059,936           |
| <b>Electrical &amp; Machinery — 1.06%</b>       |      |                                      |                       |                      |

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|                                |                                |      |            |
|--------------------------------|--------------------------------|------|------------|
| 3,109,837                      | Walsin Lihwa Corp.             | 1.06 | 1,135,309  |
| Electronic Components — 10.40% |                                |      |            |
| 133,725                        | Catcher Technology Co., Ltd.   | 1.12 | 1,202,967  |
| 396,368                        | Delta Electronics Inc.         | 0.86 | 921,942    |
| 531,600                        | Foxconn Technology Co., Ltd.   | 3.16 | 3,381,919  |
| 96,470                         | Largan Precision Co., Ltd.     | 1.46 | 1,566,250  |
| 91,909                         | Merry Electronics Co., Ltd.    | 0.28 | 294,476    |
| 221,000                        | Radiant Opto-Electronics Corp. | 0.51 | 543,317    |
| 234,616                        | Tripod Technology Corp.        | 0.71 | 762,550    |
| 1,118,000                      | Wintek Corp.                   | 1.43 | 1,532,710  |
| 2,419,000                      | * Yageo Corp.                  | 0.87 | 927,819    |
|                                |                                |      | 11,133,950 |

TAIWAN GREATER CHINA FUND (continued)  
*Schedule of Investments (Unaudited) / March 31, 2006*

|                              |   | % of<br>Net<br>Assets | U.S. Dollar<br>Value |
|------------------------------|---|-----------------------|----------------------|
| Flat-Panel Displays — 10.46% |   |                       |                      |
| 4,517,260                    | shs. AU Optronics Corp.                     | 6.34                  | \$ 6,791,303         |
| 2,283,322                    | Chi Mei Optoelectronics Corp.               | 3.01                  | 3,218,225            |
| 3,557,951                    | Chunghwa Picture Tubes, Ltd.                | 0.84                  | 905,395              |
| 817,795                      | Quanta Display Inc.                         | 0.27                  | 285,956              |
|                              |   |                       | 11,200,879           |
| Food — 1.23%                 |   |                       |                      |
| 2,158,000                    | Uni-President Enterprise Corp.              | 1.23                  | 1,316,360            |
| Glass, Paper & Pulp — 0.43%  |   |                       |                      |
| 380,476                      | Taiwan Glass Ind. Corp.                     | 0.28                  | 296,556              |
| 471,225                      | Yuen Foong Yu Paper Manufacturing Co., Ltd. | 0.15                  | 166,949              |
|                              |   |                       | 463,505              |
| Plastics — 9.41%             |   |                       |                      |
| 3,048,252                    | Formosa Chemicals & Fiber Corp.             | 4.59                  | 4,911,461            |
| 1,728,198                    | Formosa Plastics Corp.                      | 2.52                  | 2,694,029            |
| 1,659,475                    | Nan Ya Plastics Corp.                       | 2.30                  | 2,466,756            |
|                              |   |                       | 10,072,246           |
| Retailing — 0.41%            |   |                       |                      |
| 205,512                      | President Chain Store Corp.                 | 0.41                  | 434,330              |
| Rubber — 1.03%               |   |                       |                      |
| 1,505,608                    | Cheng Shin Rubber Ind. Co., Ltd.            | 1.03                  | 1,099,306            |
| Semiconductors — 17.03%      |   |                       |                      |
| 1,302,304                    | Advanced Semiconductor Engineering, Inc.    | 1.15                  | 1,231,711            |
| 227,000                      | MediaTek Inc.                               | 2.45                  | 2,625,996            |
| 133,007                      | Novatek Microelectronics Corp.              | 0.88                  | 944,504              |
| 762,000                      | Powerchip Semiconductor Corp.               | 0.42                  | 446,033              |
| 644,959                      | Siliconware Precision Industries Co., Ltd.  | 0.78                  | 839,493              |
| 4,258,832                    | Taiwan Semiconductor Manufacturing Co., td. | 7.87                  | 8,423,328            |

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|                        |           |                                      |      |            |
|------------------------|-----------|--------------------------------------|------|------------|
|                        | 5,906,011 | United Microelectronics Corp.        | 3.48 | 3,729,978  |
|                        |           |                                      |      | 18,241,043 |
| Steel — 5.31%          |           |                                      |      |            |
|                        | 6,068,323 | China Steel Corp.                    | 5.31 | 5,683,298  |
| Textiles — 0.52%       |           |                                      |      |            |
|                        | 787,996   | Far Eastern Textile Ltd.             | 0.52 | 552,285    |
| Transportation — 2.29% |           |                                      |      |            |
|                        | 733,947   | China Airlines Ltd.                  | 0.30 | 322,209    |
|                        | 673,471   | Eva Airways Corp.                    | 0.24 | 255,201    |
|                        | 1,158,380 | Evergreen Marine Corp. (Taiwan) Ltd. | 0.68 | 724,445    |
|                        | 428,248   | Wan Hai Lines Ltd.                   | 0.25 | 265,185    |
|                        | 1,447,227 | Yang Ming Marine Transport Corp.     | 0.82 | 882,795    |
|                        |           |                                      |      | 2,449,835  |

TAIWAN GREATER CHINA FUND (continued)  
*Schedule of Investments (Unaudited) / March 31, 2006*

|  |           |                                      | % of<br>Net<br>Assets | U.S. Dollar<br>Value |
|--|-----------|--------------------------------------|-----------------------|----------------------|
| Other — 5.03%  |           |                                      |                       |                      |
|  | 869,000   | shs. Giant Manufacturing Co., Ltd.   | 1.49                  | \$ 1,590,246         |
|  | 176,000   | Johnson Health Tech Co., Ltd.        | 0.82                  | 881,098              |
|  | 336,000   | Merida Industry Co., Ltd.            | 0.21                  | 219,449              |
|  | 421,864   | Nien Made Enterprise Co., Ltd.       | 0.49                  | 527,013              |
|  | 2,321,193 | Pou Chen Corp.                       | 1.55                  | 1,662,618            |
|  | 464,800   | Taiwan Fu Hsing Industrial Co., Ltd. | 0.47                  | 501,894              |
|  |           |                                      |                       | 5,382,318            |
| TOTAL COMMON STOCK (COST \$94,665,821)                               |           |                                      |                       | 107,188,874          |
| SHORT-TERM SECURITIES — 0.34%  |           |                                      |                       |                      |
| Time Deposit — 0.34%   |           |                                      |                       |                      |
| Wells Fargo (Grand Cayman), 4.25%, Due 04/03/06                      |           |                                      | 0.34                  | 365,194              |
| TOTAL INVESTMENTS IN SECURITIES AT FAIR VALUE<br>(COST \$95,031,015) |           |                                      | 100.43                | 107,554,068          |
| LIABILITIES (NET OF OTHER ASSETS)                                    |           |                                      | (0.43)                | (459,293)            |
| NET ASSETS   |           |                                      | 100.00                | \$ 107,094,775       |

At March 31, 2006, the cost of investments, excluding short-term investments, for U.S. federal income tax purposes was approximately equal to the cost of such investments for financial reporting purposes. At March 31, 2006, the unrealized appreciation of \$12,523,053 for financial reporting purposes consisted of \$20,344,454 of gross unrealized appreciation and \$7,821,401 of gross unrealized depreciation.

\* Non-income producing: This stock did not pay a cash dividend during the past year.

## ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "Act")) are effective as of a date within 90 days of the filing date of this report based on their evaluation of such disclosure controls and procedures as required by Rule 30a-3(b) under the Act and Rule 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

## ITEM 3. EXHIBITS.

Certifications required by Rule 30a-2(a) under the Investment Company Act of 1940, as amended:

See Exhibit 99.Cert attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Taiwan Greater China Fund

By: /s/ Steven R. Champion  
Name: Steven R. Champion  
Title: Chief Executive Officer and President

Date: May 12, 2006

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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Steven R. Champion  
Name: Steven R. Champion  
Title: Chief Executive Officer and President

By: /s/ Cheryl Chang  
Name: Cheryl Chang  
Title: Chief Financial Officer

Date: May 12, 2006