

Uni-President Enterprises Corp.
Handbook for the 2010 Annual Meeting of Shareholders

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Uni-President Enterprises Corp.
Handbook for the 2010 Annual Meeting of Shareholders

I. Meeting Agenda

Time: 9:00 a.m. on Wednesday, June 23, 2010

Place: 1F of Training Center, No. 301, Chung Cheng Road, Yen Ching Li, Yung Kang City, Tainan County

1. Call the meeting to order (report shareholdings of the attendances)
2. Chairperson remarks
3. Company Reports:
 - Motion 1: 2009 Business report
 - Motion 2: Supervisor's review report on the 2009 financial statements
 - Motion 3: Total endorsements and guarantees by the company to the investees
 - Motion 4: Improvement Plan of lending to others by the subsidiary Uni-Splendor Corp.
 - Motion 5: Issue of the Company's Corporate Bonds.
 - Motion 6: Limit of endorsement and guarantee by the Company and subsidiaries is set at 100% of the company's net worth. Report the necessity and rationality of such limits.
4. Proposals:
 - Motion 1: Adoption of the 2009 business reports and financial statements which have been approved by the Board and examined by the supervisors.
 - Motion 2: Adoption of the proposal for distribution of 2009 profits.
 - Motion 3: Adoption of the increased indirect investments in the PRC.
5. Discussion and Election Matters:
 - Motion 1: For future business development, the company proposes to withdraw NT\$3,897,400,260 from distributable earnings in previous years to issue 389,740,026 new shares.
 - Motion 2: Amendment to the Operational Procedures for Acquisition and Disposal of Assets.
 - Motion 3: Amendment to the Operational Procedures for Endorsements and Guarantees“.
 - Motion 4: Amendment to the Operational Procedures for Loaning of Company Funds.
 - Motion 5: To increase operating funds, repay bank loan or meet future needs, the company proposes to issue DR through issuance of common stock out of capital increase in cash or by capital increase in cash domestically.
 - Motion 6: Amendment to the Company's Corporate Charter (Articles of Incorporation).
 - Motion 7: Re-election of the Company's directors and supervisors.
 - Motion 8: Removing of the Non-competition Restriction on Company's directors according to Article 209, Company Law.
6. Questions and Motions
7. Adjournment

II. Company Reports

Motion 1: 2009 Business Report (Please refer to Attachment 1 on pages 14-15.)

Motion 2: Supervisor's Review Report on the 2009 Financial Statements.

Explanation: The Company's 2009 financial statements have been duly audited and certified by the CPA and further audited by supervisors. The CPA and supervisors also presented their auditor report respectively. The business report and financial statements are attached on pages 14-26 (Attachment 1-4).

Motion 3: Total endorsements and guarantees made by the Company to the investees.

Explanation: Total endorsements and guarantees by the Company to the investees pursuant to the Company's "Operational Procedures for Endorsements and Guarantees" have totaled NT\$26,894,830,000 at the end of December 2009, which are detailed as following:

Amount: Ten Thousand NTD

Endorsed/Guaranteed	Consolidated Shareholding Ratio	Guaranteed Amount	Endorsed/Guaranteed	Consolidated Shareholding Ratio	Guaranteed Amount
Cayman President Holdings Ltd	100%	1,154,537	Meishan President Feed & Oil Co., Ltd.	100%	17,283
Sanshui Jianlibiao Commerce Co., Ltd.	100%	378,800	Uni-President (Philippine) Co.	100%	15,127
Kai Yu investment Co., Ltd.	100%	173,200	Uni-President International (HK) Co., Ltd.	100%	6,410
Tone Sang Construction Corp.	100%	119,000	Uni-President Department Store Corp.	100%	184
Tone Ho Development Corp.	100%	110,000	President International Development Corp.	69.83%	300,000
Zhongshan President Enterprises Co. Ltd.	100%	89,306	President Energy Development (Cayman Islands) Ltd.	65.79%	38,460
Uni-President (Thailand) Co.	100%	74,070	President Packaging Industrial Corp (PPI).	50.59%	4,500
President Entertainment Corp.	100%	53,000	Uni-President (Indonesia) Co.	49.63%	4,772
Kai Nan (BVI) Investment Co., Ltd.	100%	50,639	Q-Ware Communications Co., Ltd.	25.08%	2,762
Kai-Yu (BVI) Investment Co. Ltd.	100%	25,640	Ztong Yee (Tianjin) Industrial Co.	20%	46,793
Kai Nan Investment Co., Ltd.	100%	25,000	Total		26,894,830,000

Motion 4: Improvement of lending to others by the subsidiary Uni-Splendor Corp.

Explanation:

- 1.This proposal is made in accordance with the letter from the Financial Supervisory Commission Jin-Guan-Zhen-Shen-Zhi No. 0980030301 dated 19 June 2009.
- 2.Uni-Splendor Corp. is an indirect subsidiary of the Company. The amount of lending to others by such subsidiary to other entities is 1.64 billion dollars as of April 2009 (mainly provided to another subsidiary Uni-Home Tech Corp. in the amount of 1.57 billion dollars). Such amount exceeds the maximum limit of 40% of net value under its “Operating Procedure for Loaning of Company Funds” by approximately 930 million dollars.
- 3.The Financial Supervisory Commission has sent a letter to our Company, requesting an improvement plan and strict execution by Uni-Splendor Corp. and report of the execution status to the shareholders’ meeting.
- 4.The improvement plan and status of execution by Uni-Splendor Corp. are as follows:
 - (1)Uni-Home Tech Corp. has repaid the 48.03 Million US Dollars loaned by Uni-Splendor Corp. in full on 9 December 2009.
 - (2)After the above-mentioned repayment of loan by Uni-Home Tech Corp. to Uni-Splendor Corp., the lending fund by Uni-Splendor Corp. was improved and is in full compliance with the rules.

Motion 5: Issue of Company’s corporate bond

Explanation:

- 1.The Company issued first domestic unsecured ordinary corporate bonds in the amount of 3 billion NT Dollars in 2009. Approval was granted by resolution of the 16th meeting of the 14th term of board of directors on 15 October 2009. The chairman was authorized to issue up to 5 billion NT Dollars of unsecured ordinary corporate bonds in the domestic market based on current market situations for the purpose of raising long-term capital and reinforcing the financial structure.
- 2.This issuance of domestic unsecured ordinary corporate bonds of 3 billion NT Dollars was approved by letter from the Financial Supervisory Commission of the Executive Yuan Jin-Guan-Zhen-Fa-Zhi No. 0980064854 dated 7 December 2009. The placement was completed on 22 December 2009.

Motion 6: Reports the necessity and rationality in relation to the rules by the Company and its subsidiaries limiting the total amount of endorsements and guarantees within 100% of the Company’s net value

Explanation:

In accordance with the amended provision under the “Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies” promulgated by the Securities and Futures Commission on 19 March 2010, if the total amount of endorsements and guarantees provided by a public company and its subsidiaries exceed 50% of the net value of the public company, a report shall be made to the shareholders meeting regarding the necessity and rationality. Such reports are submitted as follows:

1.Necessity:

The Company currently focuses on its core business and endeavors to make contributions to the development of better growth in the future through core businesses of direct and indirect domestic and overseas subsidiaries in the initial development stages or as part of active development of the local markets.

Thus, the Company or its subsidiaries with a credit base have provided endorsements and guarantees for these subsidiaries so that these subsidiaries may successfully obtain

preferential financing terms from financial institutions, lower their financing costs and reinforce their competitiveness, which are necessary measures for the Company to develop its global strength.

2.Rationality:

- (1)As of December 2009, the total amount of endorsements and guarantees provided by the Company and its subsidiaries is 42.8 billion dollars, among which, 24% is represented by endorsements and guarantees provided to domestic subsidiaries and 76% is represented by endorsements and guarantees provided for relevant overseas subsidiaries in Mainland China and South East Asia.
- (2)Mainland China and South East Asia are areas with rapid economic development at this moment and are also key development areas for the future dynamic growth of the Company. Thus, the Company is active in entering the Mainland and South East Asian regions. Using the renowned credit reputation of the Uni-President Group, the Company or its subsidiaries provide assistance through endorsements and guarantees so that the subsidiaries may successfully utilize local financial resources, deepen and expand the Company's footprint in its core food business and create higher investment return for all shareholders of the Company.

III. Proposals

Motion 1: Adoption of the 2009 Company's business report and financial statements which have been approved by the Board and examined by the supervisors. (Proposed by the Board)

Explanation: The 2009 business report and financial statements are attached on pages 14-26, (Attachment 1-4).

Resolution:

Motion 2: Adoption of the proposal for distribution of 2009 profits. (Proposed by the Board)

Explanation:

1. Please refer to Attachment 4 on page 26 for the distribution of 2009 profits.
2. The Company's 2009 un-appropriated retained earnings are NT\$7,152,990,000. The proposed dividend Cash dividends is NT\$0.8 per share, and stock dividends is NT\$1.0 per share. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend and ex-right dates and adjust the dividends to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.
3. Please refer to Attachment 5 on page 27 for the impact of stock dividend issuance on the Company's operating performance, earnings per share and shareholders' rate of return.

Resolution:

Motion 3: Proposal for Company’s increased indirect investment in PRC.

(Proposed by the Board)

Explanation:

1.The Company’s investments in Mainland China through a third region are detailed as following:

Investor	Investees	Amount(USD)	Purpose of Fund	Remarks
Uni-President (China) Investment Co., Ltd.	Zixi President Enterprises Dirnk&Food Co. Ltd.	1,000,000	New Investment	Registered capital: USD 1,000,000 Shareholding ratio:100%
Uni-President Hong Kong Holdings Limited	Uni-President (China) Investment Co., Ltd.	20,000,000	Capital Increase	Registered capital: USD 456,620,000 originally; USD 476,620,000 upon capital increase.
	Shanghai Uni-Star Food Co., Ltd.	510,000	New Investment	Registered capital: USD 1,000,000 Shareholding ratio:51%
Cayman President Holdings Ltd.	Sanshui Jianlibiao Commerce Co.,Ltd.	11,969,000	Acquisition of Equity	Registered capital: RMB 130,000,000 originally Original Shareholding ratio: Cayman President Holdings Ltd. 69.77%, Zhongshan President Enterprises Co. Ltd. 30.23%. After acquisition of equity, shareholding ratio of Cayman President Holdings Ltd. becomes 100%.
	Tongjia (Dongguan) Trading Co., Ltd.	191,000	New Investment	Registered capital: USD 500,000 Shareholding ratio: Cayman President Holdings Ltd. 38.2% Kai Nan Investment Co.,Ltd. 11.8%
	Guangzhou President Supermarkets Co., Ltd.	982,000	Acquisition of Equity	Registered capital: USD 12,000,000. Original Shareholding ratio: Kai Nan Investment Co.,Ltd. 10% Cayman President Holdings Ltd. 10% After acquisition of equity, shareholding ratio of Cayman President Holdings Ltd. becomes 20%

The above capital increase of USD 20,000,000 in Uni-President China Holdings Ltd. will be reinvested into the following Mainland China companies:

Investees	Amount(USD)	Purpose of Fund	Remarks
Kunming President Enterprises Corp.	10,000,000	Capital Increase	Registered capital was USD 59,000,000 originally, and becomes USD 69,000,000 after capital increase.
Kunming President Enterprises Corp.	10,000,000	Capital Increase	Registered capital was USD20,000,000 originally and becomes USD 30,000,000 after capital increase.

2. “Uni-President (China) Investment Co., Ltd.” is a Mainland China company reinvested by “Uni-President Hong Kong Holdings Ltd.” (73.49% shares held by the Company indirectly) reinvested by Uni-President Asia Holdings, Ltd. (73.49% shares held by this Company indirectly) reinvested by Uni-President China Holdings, Ltd. (73.49% shares held by this Company indirectly) reinvested by “Cayman President Holdings Limited” (wholly owned by this Company).
3. Shanghai Uni-Star Food Co., Ltd. is a subsidiary company reinvested by Hong Kong Uni-Star Food Co., Ltd. (51% shares held) reinvested by “Uni-President Hong Kong Holdings Ltd.
4. Tongjia (Dongguan) Trading Co., Ltd. is a subsidiary company reinvested by “Cargill President Holdings Pte Ltd.” (38% shares held) reinvested by “Cayman President Holdings Limited.

Resolution:

IV. Discussion and Election Matters:

Motion 1: For the future business development, the company proposes to withdraw NT\$3,897,400,260 from distributable earnings in previous years to issue 389,740,026 new shares. Please proceed to discuss. (Proposed by the Board)

Explanation:

1. The management plans to withdraw NT\$3,897,400,260 from distributable earnings in previous years to issue 389,740,026 new shares and distribute the dividend of 100 shares per 1000 shares.
2. Upon approval of the competent authority, the Company will authorize the Board of Directors to set the record date of allocation of new shares. The allocation will be subject to the shareholding ratios held by the shareholders referred to in the roster of shareholders on the record date of allocation, and shall be informed to all shareholders.
3. Shareholders may register the combination of allocated fractional shares, if any, to whole shares within five days as of the record date of dividend allocation. The shares remaining fractional after the combination shall be paid in cash at the book value and rounded off until NT dollar. The remaining fractional shares referred to in the preceding paragraph will be subscribed for by this Company's Employee Welfare Committee at the book value.
4. The shareholder rights and obligations of the new shares are the same as those of existing shares.
5. The Company's paid-in capital is NT\$42,871,402,900 upon issuance of the new shares.

Resolution:

Motion 2: Amendment to the Operational Procedure for Acquisition and Disposal of Assets. Please proceed to discuss. (Proposed by the Board)

Explanation:

1. Comparison Table of Articles Before and After the amendment:

Articles before Amendment	Articles after Amendment	Explanation
<p>Article 14: Transaction Principles and Guidelines: 4. All and Individual Contract(s) Loss Limit Amount (1) Hedging Transactions: <u>Hedging transactions are carried out based on the Company's actual requirements. The risks are under control of prior evaluation and thus there is no issue of loss amount limit.</u></p>	<p>Article 14: Transaction Principles and Guidelines: 4. All and Individual Contract(s) Loss Limit Amount (1) Hedging Transactions: <u>After a position is established, in case of any of the following, recommendations of corresponding measures shall be proposed immediately to President or the supervisor authorized by the President for decision.</u> i. <u>Evaluated loss amount for any single contract exceeds twenty percent of the transaction contract amount for consecutive two months.</u> ii. <u>Evaluated loss amount for all contracts exceed ten percent of the total</u></p>	<p>In conformity with requirements of practical operation of derivatives products.</p>

	<u>transaction contract amount for consecutive two months.</u>	
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2. Please refer to Appendix 1 on pages 40-67 of this handbook for articles prior to amendment.

Resolution:

Motion 3: Amendment to the Operational Procedures for Endorsements and Guarantees. Please proceed to discuss. (Proposed by the Board)

Explanation:

- 1.This proposal is made in accordance with the letter from the Financial Supervisory Commission Jin-Guan-Zhen-Shen-Zhi No. 09900113755 dated 19 March 2010.
- 2.Please refer to Attachment 6 on pages 28-32 for comparison table of articles before and after amendment.
- 3.Please refer to Appendix 2 on pages 68-71 for articles prior to amendment.

Resolutions:

Motion 4: Amendment to the Operational Procedures for Loaning of Company Funds. Please proceed to discuss. (Proposed by the Board)

Explanation:

- 1.This proposal is made in accordance with the letter from the Financial Supervisory Commission Jin-Guan-Zhen-Shen-Zhi No. 09900113755 dated 19 March 2010.
- 2.Please refer to Attachment 7 on pages 33-36 for comparison table of articles before and after amendment.
- 3.Please refer to Appendix 3 on pages 72-74 for articles prior to amendment.

Resolution:

Motion 5: In order to increase operating funds, repay bank loan or meet future need, the Company proposes to raise fund by participating in issuing DR through issuance of common stock for capital out of capital increase in cash or by capital increase in cash domestically. Please proceed to discuss. (Proposed by the Board)

Explanation:

- 1.Board of Directors shall be authorized to proceed with the participation of issuing DR through capital increase in cash through issuance of common stock in the following manners:
 - (1)The shares issued by capital increase to participate in issuing DR shall be no more than 250,000,000 shares, and the shareholders' meeting authorizes the Board of Directors to adjust the issued amount subject to the market condition within said limit and issue the shares in full.
 - (2)According to the Self-regulatory Rules Governing the Provision of Advisory Services by Underwriter Members to Issuing Companies Offering and Issuing Securities, as promulgated by the Taiwan Securities Association, the issue price for the DR shall be no less than 90% of either of the simple arithmetic mean of the closing price of this Company's common stock prevailing in the domestic exchange in one business day, three business days and five business days prior to the pricing date less the average stock price upon ex-right and ex-dividend of the dividend allocation. Notwithstanding, in the case of any change in the relevant local laws and

regulations, it may adjust the pricing terms to meet the laws and regulations. In consideration of the frequent short-term drastic fluctuation in the local stock price, the Chairman of the Board is also authorized to contact underwriters to set the actual issue price within said limit subject to the international customs, international capital market, local market price and book-building summarization to enhance overseas investors' satisfaction. Therefore, such pricing terms shall be considered reasonable. Furthermore, the issue price is based on the fair market value of the common stock on the domestic centralized exchange pursuant to the market customs and laws and regulations. The shareholders may subscribe for the common stock in local stock market at the price near to the issue price of DR, and it is not necessary for them to bear the exchange risk and liquidity risk. Besides, if the common stock as issued is imputed subject to the maximum limit of 250,000,000 shares, the common stock as issued accounts for 6.41% of this Company's outstanding common shares. The effect from the capital increase, if any, may increase this Company's competitiveness and benefit shareholders. Therefore, no significant impact may be resulted to shareholder equity.

- (3) 10%-15% of the total issued shares of the common stock issued upon capital increase will be retained for employee option pursuant to Article 267 of the Company Law. The remaining shares will be contributed and offered publicly upon the shareholders' waiver to the preemptive pursuant to Article 28-1 of the Securities and Exchange Act, which serve to be the securities of the DR as issued. The Chairman of the Board is authorized to contact specific persons to subscribe for the shares which employees do not subscribe for or include such shares into the securities of the DR subject to the need in the market.
 - (4) The funds raised from participation in issuing the DR upon capital increase in cash through issuance of common stock is scheduled to be utilized to enrich the working fund, repay bank loans, purchase machine and equipment, or reinvest, and is to be executed in full within two years upon the fund-raising. This project is expected to improve this Company's financial structure and increase this Company's operating performance, and benefit shareholders' equity.
 - (5) The important contents of the project for participation in issuing DR upon capital increase through the issuance of common stock including the issue price, number of issued shares, issue terms and conditions, source of capital, items, raised fund, scheduled progress and projected effects and other relevant operations, which the Board of Directors is authorized to adjust, enact and handle subject to the market condition. The Board of Directors is also authorized to make any alterations, if necessary, upon the competent authority's approval and subject to the operating evaluation or objective environments.
 - (6) The Board of Directors is authorized to issue the new shares upon the competent authority's approval on the capital increase in cash.
 - (7) In order to participate in issuing the DR upon capital increase through issuance of common stock, this Company authorizes the Chairman of the Board or his designee to execute all instruments related to the participation in issuing the DR on behalf of this Company, and handle all matters related to the participating on behalf of this Company.
 - (8) The Board of Directors is authorized to handle any matters not provided herein on behalf of this Company with full power.
2. Principles for the Board of Directors to proceed on domestic capital increase:
- (1) The shares issued for capital increase shall be no more than 250,000,000 shares.
 - (2) The book value is NT\$ 10 per share upon the capital increase. The Chairman of the board is authorized to agree with underwriters on the actual issue price according to

the Self-regulatory Rules Governing the Provision of Advisory Services by Underwriter Members to Issuing Companies Offering and Issuing Securities, as promulgated by the Taiwan Securities Association and the market condition when the stock is issued.

The stock shall be issued upon approval of the competent authority.

- (3) If the stock upon capital increase is issued under the book-building method, 10%-15% of the total issued shares will be retained for employees' option pursuant to Article 267 of the Company Law. The remaining shares will be contributed under the book-building methods and offered publicly upon the shareholders' waiver to the preemptive pursuant to Article 28-1 of the Securities and Exchange Act. The Chairman of the Board is authorized to contact specific persons to subscribe for the shares which employees waive to subscribe for or do not subscribe for.
- (4) The right and obligation in the new shares issued upon capital increase are as same as those in the original shares.
- (5) The fund raised from the capital increase in cash is scheduled to be utilized to enrich the working fund, repay loan to bank and so on, and to be executed in full within two years upon the fund-raising. This project is expected to improve this Company's financial structure and increase this Company's operating performance, and benefit shareholders' equity.
- (6) The important contents of the project for participation in issuing DR upon capital increase through issuance of common stock including the issue price, number of issued shares, issue terms and conditions, source of capital, items, raised fund, scheduled progress and projected effects and other relevant operations, which the Board of Directors is authorized to adjust, enact and handle subject to the market condition. The Board of Directors is also authorized to make any alterations, if necessary, upon the competent authority's approval and subject to the operating evaluation or objective environments.
- (7) The Board of Directors is authorized to set the record date of subscription (or pricing) upon the competent authority's approval on the capital increase in cash.
- (8) The Board of Directors is authorized to amend the issue terms and conditions referred to in the preceding subparagraph (3) due to change in laws and regulations or objective environments, if any.
- (9) The Board of Directors is authorized to handle any matters not provided herein on behalf of this Company with full power.

Resolution:

Motion 6: Discussion of Amendment to Articles 2 and 38 of the Articles of Incorporation. (Proposed by the Board)

Explanation:

1. Please refer to Attachment 8 on pages 37-39 for comparison table of articles before and after amendment.
2. Please refer to Appendix 4 on pages 75-82 for articles prior to the amendment.

Resolution:

Motion 7: Discussion of reelection of directors and supervisors due to the soon expiry of the term of 14th directors and supervisors. (Proposed by the Board)

Explanation:

- 1.The term of directors and supervisors of the 14th Board will be expired on June 27 2010. According to the Articles of Incorporation, the Company shall elect 10 directors and 3 supervisors for the 15^h term. The term of the newly elected directors and supervisors will start from 23 June 2010 and expire on 22 June 2013 for a period of three years. The same person may be re-elected again upon expiry of his/her term.
- 2.The Rules for Director and Supervisor Elections is attached on pages 83-84 (Attachment 5) ; Shareholding of Directors and Supervisors is attached on page 85 (Attachment 6).
- 3.Please proceed to election.

Results of Election:

Motion 8: Discussion of removing the non-competition restrictions on directors in accordance with Article 209 of the Company's Laws. (Proposed by the Board)

Explanation:

- 1.In order to meet Article 209 of the Company's Laws, any director who engages in any act within the company's scope of business for the director him/herself or for any other person shall explain about such acts to a shareholders meeting and obtain approval from the shareholders meeting therefore.
- 2.In case of any competitive acts under Article 209 of the Company's Laws, by any director elected during this meeting of shareholders, provided that the Company's interest is not damaged, the proposal is made to the shareholders meeting for consent to waive restrictions of competition from the date of commencement of such director.
- 3.This proposal was approved by resolution during the 18th meeting of the 14th term of board of directors on 1 March 2010.

Resolution:

V.Questions and Motions

VI.Adjournment

2009 Business Report

In 2009, the Company achieved record profits for recurring businesses-based continuous growth during the past few years. This shows that the Company has developed a profitable model, operational team and risk control mechanism during the past 42 years and is able to create steady business growth and successfully achieve the operational targets fixed by the Company despite market fluctuations. In 2009, the Company's turnover was 44.8 billion NT Dollars, representing a downfall of 9.4% from the previous year. Net profit after tax was 7.9 billion NT Dollars (the Company recognized an asset impairment losses of 120 million dollars as asset reduction in 2009 in accordance with Financial Accounting Standard No. 34 and 35, among which 100 million was a financial asset impairment of under cost evaluation and 20 million was impairment of idle assets), representing a growth of 118.3% from the previous years. The consolidated turnover was 290.2 billion NT Dollars.

For many years, the Company continuously operated under the global strategy of "One Core +4 Pillars". The core strategy of "brand management" and the four pillars of "manufacturing and research development", "trading circulation", "channeling network" and "strategic alliance and acquisition" are utilized for active pursuit of growth opportunities, with the objective of becoming the largest food manufacturing and distribution group in Asia. In addition to implementing the above-mentioned long-term strategies, the Company's operational emphasis in 2009 is to continuously focus on and pursue meaningful growth in turnover and profit. The details are provided as follows:

1. Sound Development of Big Brands

In 2009, the Company had a total of 46 big brands with annual turnover exceeding 100 million dollars and 86 stock keeping units (SKU) with turnover exceeding 1 million dollars. Each big brand or 100-million-dollar level of SKU had the operational scale equivalent to that of a small/mid sized enterprise. In each product category, these brands and SKUs with unique proposition and product advantage provides diversified good-quality choices for the consumers, constituting a healthy business combination for the company.

Therefore, the Company has always done what is required in brand investment. The Company has made significant investment in product research and development, is in the continuous pursuit of improvement, always has creative ideas but executes strict disciplined brand marketing plans. Through various channels, the Company tries to understand consumer requirements, interact and communicate with the consumers and put the most outstanding human resources in brand management. These investments allow the Company to improve product pricing power and added value. They also provide more resources to the Company to be repaid to their brands and consumers, creating a positive cycle of brand investment. These efforts and paybacks explain the Company's performance and operating capability in brand development.

2. Increase of Market Control

The food industry still represents 14% of the GDP (gross domestic production) of Taiwan and is the largest single industry. This means that the Company is in a relatively stable and large market, with significant room for business expansion.

Thus the Company started to require individual brands to actively increase market share in each applicable type of product. Market share increase means the Company has better control over market requirements compared to its competitors and therefore has better pricing power and profitability. This is the meaningful growth pursued by the Company.

3. Working on Marketing for College Students

In 2009, the Company started to list college student marketing as a clear marketing axe,

endeavoring in the expansion of influence on the college student consumer market. There are two main purposes. One is to establish recognition and preference for the Uni-President brand from student stage. The second is to establish the enterprise image among collage students that “Uni-President is a company specialized in consumer brand marketing” in order to increase the willingness to join the Company. According to the 2010 research by Cheers magazine “Top 100 Dream Enterprises for the New Generation”, Uni-President enterprise has become, for the first time, the number one choice by college and graduate students. This shows that the Company has started to see results in its efforts of college student marketing.

2010 Operations Outlook

Under the unanimous belief and determination of its team, the Company will continue to stand by the basic principles of stable performance and focused management. We believe that we will succeed in achieving the 2010 operational targets and continue to create better investment returns for all shareholders! We ask all shareholders to continue providing the Company with guidance and assistance. Thank you!

Chairman: Chin-Yen Kao

President: Chih-Hsien Lo

Chief Accountant: Chien-Li Yin

Supervisors' Report

To: The General Meeting of Shareholders as of year 2010

The undersigned has duly audited the Operating Report, Financial Statements and Schedule of Earnings Distribution prepared by the Board of Directors for the year of 2009, and found the same to be true and correct.

Therefore, in accordance with Article 219 of the Company Law of the Republic of China, the undersigned takes pleasure in submitting this report for your perusal and acceptance.

Uni-President Enterprises Corporation

Supervisors: Kao-Keng Chen

Peng-Chi Kuo
(Representative of Chau-Chih Inv. Co., Ltd.)

Joe J.T. Teng

April 26, 2010

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Uni-President Enterprises Corp.

We have audited the accompanying non-consolidated balance sheets of Uni-President Enterprises Corp. as of December 31, 2009 and 2008, and the related non-consolidated statements of income, of changes in stockholders' equity and of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the 2009 and 2008 financial statements of certain long-term investments accounted for under the equity method. These long-term equity investments (including long-term equity investment held for disposal amounting to \$410,319,000) amounted to \$13,865,303,000 and \$13,361,756,000 as of December 31, 2009 and 2008, respectively, and the related net investment income amounted to \$1,082,864,000 and \$921,794,000 for the years then ended, respectively. The financial statements of these investee companies were audited by other auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 11 relative to these long-term investments, is based solely on the reports of the other auditors.

We conducted our audits in accordance with the "Rules Governing the Examination of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards and rules require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the non-consolidated financial statements referred to above present fairly, in all material respects, the financial position of Uni-President Enterprises Corp. as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with the “Rules Governing the Preparation of Financial Statements by Securities Issuers”, “Business Entity Accounting Law”, “Regulation on Business Entity Accounting Handling” and generally accepted accounting principles in the Republic of China.

As described in Note 3(1), effective January 1, 2008, the Company adopted the EITF 96-052, “Accounting for Employees’ Bonuses and Directors’ and Supervisors’ Remuneration”, prescribed by the R.O.C. Accounting Research and Development Foundation. As a result of the adoption of EITF 96-052, net income decreased by \$299,104,000 and earnings per share decreased by \$0.08 for the year ended December 31, 2008.

We have audited the consolidated financial statements of Uni-President Enterprises Corp. and its subsidiaries as of and for the years ended December 31, 2009 and 2008. In our report dated April 24, 2010, we expressed a modified unqualified opinion on those statements.

PricewaterhouseCoopers
Tainan, Taiwan
Republic of China
April 24, 2010

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED BALANCE SHEETS
DECEMBER 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2009	2008
Cash and cash equivalents (Note 4(1))	\$ 142,693	\$ 124,565
Financial assets at fair value through profit or loss - current (Note 4(2))	1,050,000	-
Notes receivable, net (Notes 4(3) and 5)	779,203	735,505
Accounts receivable, net (Note 4(4))	1,104,075	1,165,507
Accounts receivable, net - related parties (Note 5)	3,096,463	2,858,090
Other receivables	351,860	205,343
Other receivables - related parties (Note 5)	183,045	199,136
Inventories (Notes 3(2) and 4(5))	2,677,657	3,370,764
Prepayments	134,080	118,239
Long-term equity investment held for disposal (Notes 4(6)(10))	410,319	-
Deferred income tax assets - current (Note 4(25))	205,593	239,308
Total current assets	10,134,988	9,016,457
Funds and Investments		
Available-for-sale financial assets - non-current (Notes 4(7) and 10(1))	1,526,343	475,418
Financial assets carried at cost - non-current (Notes 4(8)(15))	1,384,383	1,478,071
Investments in bonds without active markets - non-current (Notes 4(9) and 5)	-	100,000
Long-term equity investments accounted for under the equity method (Notes 4(10)(15) and 5)	71,951,999	67,014,323
Total funds and investments	74,862,725	69,067,812
Property, Plant and Equipment, Net (Notes 4(11) and 6)		
Cost		
Land	1,065,719	1,056,213
Buildings	3,826,139	3,826,027
Machinery and equipment	9,295,754	9,191,262
Warehouse equipment	18,224	44,256
Piping infrastructure and electricity generation equipment	632,880	626,214
Transportation equipment	89,559	91,129
Office equipment	666,833	705,667
Leased assets	240,000	240,000
Leasehold improvements	136,555	140,491
Other equipment	4,076,968	4,060,335
Revaluation increments	2,854,739	2,859,391
Cost and revaluation increments	22,903,370	22,840,985
Less: Accumulated depreciation	(14,230,855)	(13,553,804)
Construction in progress and prepayments for equipment	123,778	100,334
Total property, plant and equipment, net	8,796,293	9,387,515
Intangible Asset		
Deferred pension costs (Note 4(20))	79,611	120,065
Other Assets		
Assets leased to others (Notes 4(11)(12) and 6)	4,495,045	4,578,279
Idle assets (Notes 4(11)(13)(15) and 6)	231,091	243,114
Refundable deposits	94,260	82,512
Deferred expenses (Note 4(14))	44,530	51,928
Deferred income tax assets - non-current (Note 4(25))	251,166	140,981
Other assets - other (Notes 4(11) and 6)	62,240	62,950
Total other assets	5,178,332	5,159,764
TOTAL ASSETS	\$ 99,051,949	\$ 92,751,613

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED BALANCE SHEETS
DECEMBER 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2009	2008
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term loans (Note 4(16))	\$ 844,257	\$ 232,995
Notes and bills payable (Note 4(17))	-	249,913
Financial liabilities at fair value through profit or loss - current (Note 4(2))	9,087	-
Derivative financial liabilities for hedging - current (Note 10(4))	-	12,439
Notes payable	7,207	6,867
Accounts payable	1,505,310	1,512,690
Accounts payable - related parties (Note 5)	209,316	172,250
Income tax payable (Note 4(25))	48,070	126,857
Accrued expenses (Note 5)	3,415,831	2,279,289
Other payables	189,037	216,201
Receipts in advance	14,588	14,379
Long-term liabilities - current portion (Note 4(18))	4,578,432	3,500,000
Capital lease payables - current (Note 4(11))	25,056	22,681
Total current liabilities	<u>10,846,191</u>	<u>8,346,561</u>
Long-term Liabilities		
Bonds payable (Note 4(18))	3,000,000	4,460,213
Long-term loans (Note 4(19))	18,099,209	20,290,347
Capital lease payables - non-current (Note 4(11))	45,147	70,202
Total long-term liabilities	<u>21,144,356</u>	<u>24,820,762</u>
Reserve		
Land value incremental reserve (Note 4(11))	815,803	815,803
Other Liabilities		
Accrued pension liabilities (Note 4(20))	1,752,069	1,520,432
Guarantee deposits received	86,485	95,199
Other liabilities - other (Notes 4(10)(15))	-	160,727
Total other liabilities	<u>1,838,554</u>	<u>1,776,358</u>
TOTAL LIABILITIES	<u>34,644,904</u>	<u>35,759,484</u>
Stockholders' Equity		
Capital		
Common stock (Notes 1 and 4(21))	38,974,002	37,331,420
Capital Reserves (Notes 4(18)(22))		
Additional paid-in capital - treasury stock transactions	34,027	34,027
Capital reserve from donated assets	500	458
Capital reserve from long-term investments	5,662,002	5,569,517
Capital reserve from stock warrants	489,454	489,454
Retained Earnings (Notes 4(21)(23))		
Legal reserve	7,272,218	6,912,135
Undistributed earnings	7,939,072	3,723,492
Other Adjustments To Stockholders' Equity		
Asset revaluations (Note 4(11))	2,199,292	1,814,671
Unrealized gain or loss on financial instruments (Notes 4(7)(10), 10(1)(4))	2,235,217	107,727
Cumulative translation adjustments	1,130,482	2,206,858
Unrecognized pension cost (Note 4(20))	(1,529,221)	(1,197,630)
TOTAL STOCKHOLDERS' EQUITY	<u>64,407,045</u>	<u>56,992,129</u>
Contingent Liabilities and Commitments (Notes 5 and 7)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 99,051,949</u>	<u>\$ 92,751,613</u>

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated April 24, 2010.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE DATA)

	2009		2008	
Operating Revenues (Note 5)				
Sales	\$ 45,577,574	\$	49,310,815	
Sales returns	(90,441)	(	128,177)
Sales discounts	(1,380,134)	(	1,094,605)
Net Sales	44,106,999		48,088,033	
Other operating revenues	677,073		1,356,743	
Net Operating Revenues	44,784,072		49,444,776	
Operating Costs (Notes 3(2), 4(5)(24) and 5)				
Cost of goods sold	(33,319,044)	(	38,575,654)
Other operating costs	(638,528)	(	1,348,834)
Net Operating Costs	(33,957,572)	(	39,924,488)
Gross profit	10,826,500		9,520,288	
Operating Expenses (Notes 4(24) and 5)				
Sales and marketing expenses	(6,776,115)	(	6,352,539)
General and administrative expenses	(1,929,255)	(	1,168,908)
Research and development expenses	(284,178)	(	297,479)
Total Operating Expenses	(8,989,548)	(	7,818,926)
Operating income	1,836,952		1,701,362	
Non-operating Income and Gains				
Interest income (Note 5)	8,590		1,216	
Investment income accounted for under the equity method (Note 4(10))	5,775,677		1,411,298	
Dividend income	26,721		71,913	
Gain on disposal of property, plant and equipment	1,355		3,944	
Gain on disposal of investments (Notes 4(2) and 5)	9,228		451,389	
Foreign exchange gain, net (Note 4(2))	65,120		53,784	
Rental income (Notes 4(12) and 5)	358,337		360,023	
Other non-operating income (Note 5)	1,106,224		1,107,506	
Total Non-operating Income and Gains	7,351,252		3,461,073	
Non-operating Expenses and Losses				
Interest expense (Notes 4(11) and 10(3))	(413,631)	(	687,112)
Loss on valuation of financial liabilities (Note 4(2))	(9,087)	(-	
Loss on disposal of property, plant and equipment	(6,920)	(	7,916)
Financing charges	(36,466)	(	39,604)
Impairment loss (Notes 4(8)(15))	(113,726)	(	5,603)
Other non-operating losses	(769,974)	(	809,679)
Total Non-operating Expenses and Losses	(1,349,804)	(	1,549,914)
Income before income tax	7,838,400		3,612,521	
Income tax benefit (expense) (Note 4(25))	22,427	(	11,689)
Net income	\$ 7,860,827	\$	3,600,832	
	Before Tax	After Tax	Before Tax	After Tax
Basic Earnings Per Common Share (in dollars) (Note 4(26))				
Net income	\$ 2.01	\$ 2.02	\$ 0.93	\$ 0.92
Diluted Earnings Per Common Share (in dollars) (Note 4(26))				
Net income	\$ 1.98	\$ 1.98	\$ 0.93	\$ 0.92

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated April 24, 2010.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Common Stock	Capital Reserves	Retained Earnings		Asset Revaluations	Unrealized Gain or Loss on Financial Instruments	Cumulative Translation Adjustments	Unrecognized Pension cost	Total
			Legal Reserve	Undistributed Earnings					
Year 2008									
Balance at January 1, 2008	\$ 35,553,733	\$ 5,366,758	\$ 5,810,436	\$ 11,163,062	\$ 1,790,150	\$ 4,078,991	\$ 556,223	(\$ 1,087,655)	\$ 63,231,698
Distribution of 2007 net income:									
Legal reserve	-	-	1,101,699	(1,101,699)	-	-	-	-	-
Directors' and supervisors' remuneration	-	-	-	(198,306)	-	-	-	(198,306)	(198,306)
Employees' bonuses	-	-	-	(851,964)	-	-	-	(851,964)	(851,964)
Cash dividends	-	-	-	(7,110,746)	-	-	-	(7,110,746)	(7,110,746)
Stock dividends	1,777,687	-	-	(1,777,687)	-	-	-	-	-
Net income for 2008	-	-	-	3,600,832	-	-	-	-	3,600,832
Reversal of capital reserve - stock warrants due to redemption of convertible bonds	-	(34,027)	-	-	-	-	-	(34,027)	(34,027)
Recognized capital reserve -treasury stock transactions due to redemption of convertible bonds	-	34,027	-	-	-	-	-	-	34,027
Adjustment of capital reserve due to change in ownership of subsidiaries	-	60,807	-	-	-	-	-	-	60,807
Adjustment of capital reserve due to change in ownership of subsidiaries by subsidiaries	-	608,034	-	-	-	-	-	-	608,034
Recognized cash dividends due to parent company change in ownership of subsidiaries	-	2,606	-	-	-	-	-	-	2,606
Adjustment of capital reserve due to convertible bonds payable transaction of subsidiaries	-	55,251	-	-	-	-	-	-	55,251
Adjustment of asset revaluations by subsidiaries	-	-	-	-	24,521	-	-	-	24,521
Adjustment of unrealized loss on financial instruments by subsidiaries	-	-	-	-	-	(2,885,716)	-	(2,885,716)	(2,885,716)
Adjustment due to revaluation of derivative financial liabilities for hedging	-	-	-	-	-	53,612	-	-	53,612
Adjustment due to revaluation of available-for-sale financial assets	-	-	-	-	-	(1,139,160)	-	(1,139,160)	(1,139,160)
Cumulative translation adjustment	-	-	-	-	-	-	1,650,635	-	1,650,635
Adjustment of unrecognized pension cost	-	-	-	-	-	-	-	(146,323)	(146,323)
Adjustment of unrecognized pension cost by subsidiaries	-	-	-	-	-	-	-	36,348	36,348
Balance at December 31, 2008	<u>\$ 37,331,420</u>	<u>\$ 6,093,456</u>	<u>\$ 6,912,135</u>	<u>\$ 3,723,492</u>	<u>\$ 1,814,671</u>	<u>\$ 107,727</u>	<u>\$ 2,206,858</u>	<u>(\$ 1,197,630)</u>	<u>\$ 56,992,129</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Common Stock	Capital Reserves	Retained Earnings		Asset Revaluations	Unrealized Gain or Loss on Financial Instruments	Cumulative Translation Adjustments	Unrecognized Pension cost	Total
			Legal Reserve	Undistributed Earnings					
<u>Year 2009</u>									
Balance at January 1, 2009	\$ 37,331,420	\$ 6,093,456	\$ 6,912,135	\$ 3,723,492	\$ 1,814,671	\$ 107,727	\$ 2,206,858	(\$ 1,197,630)	\$ 56,992,129
Distribution of 2008 net income (Note):									
Legal reserve	-	-	360,083	(360,083)	-	-	-	-	-
Cash dividends	-	-	-	(1,642,582)	-	-	-	(1,642,582)	-
Stock dividends	1,642,582	-	-	(1,642,582)	-	-	-	-	-
Net income for 2009	-	-	-	7,860,827	-	-	-	-	7,860,827
Non-payment of fractional cash dividend from previous year transferred to capital reserve	-	42	-	-	-	-	-	-	42
Adjustment of capital reserve due to change in ownership of subsidiaries	-	37,961	-	-	-	-	-	-	37,961
Adjustment of capital reserve due to change in ownership of subsidiaries by subsidiaries	-	37,703	-	-	-	-	-	-	37,703
Recognized cash dividends due to parent company change in ownership of subsidiaries	-	(1,138)	-	-	-	-	-	(1,138)	-
Adjustment of capital reserve due to retirement of treasury stock by subsidiaries	-	16,868	-	-	-	-	-	-	16,868
Adjustment of capital reserve due to employee stock options transaction of subsidiaries	-	4,399	-	-	-	-	-	-	4,399
Adjustment of capital reserve due to subsidiaries' adjustment of capital reserve	-	(3,308)	-	-	-	-	-	(3,308)	-
Adjustment of asset revaluations by subsidiaries	-	-	-	-	384,621	-	-	-	384,621
Adjustment of unrealized gain on financial instruments by subsidiaries	-	-	-	-	-	1,064,126	-	-	1,064,126
Adjustment due to revaluation of derivative financial liabilities for hedging	-	-	-	-	-	12,439	-	-	12,439
Adjustment due to revaluations of available-for-sale financial assets	-	-	-	-	-	1,050,925	-	-	1,050,925
Cumulative translation adjustment	-	-	-	-	-	-	(1,076,376)	(1,076,376)	-
Adjustment of unrecognized pension cost	-	-	-	-	-	-	-	(263,909)	(263,909)
Adjustment of unrecognized pension cost by subsidiaries	-	-	-	-	-	-	-	(67,682)	(67,682)
Balance at December 31, 2009	<u>\$ 38,974,002</u>	<u>\$ 6,185,983</u>	<u>\$ 7,272,218</u>	<u>\$ 7,939,072</u>	<u>\$ 2,199,292</u>	<u>\$ 2,235,217</u>	<u>\$ 1,130,482</u>	<u>(\$ 1,529,221)</u>	<u>\$ 64,407,045</u>

(Note) The directors' and supervisors' remuneration and employees' bonuses were \$64,815 and \$267,077, respectively, which had been deducted from net income.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2009	2008
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	\$ 7,860,827	\$ 3,600,832
Adjustments to reconcile net income to net cash provided by operating activities		
Loss on valuation of financial liabilities	9,087	-
Provision for doubtful accounts	33,239	-
Reclassification of allowance for doubtful accounts as other income	-	(3,310)
Reversal of allowance for doubtful accounts	(25,588)	(4,373)
Provision for inventory obsolescence and market price declines	227	95,040
Reversal of allowance for inventory market price declines	(95,290)	-
Investment income accounted for under the equity method	(5,775,677)	(1,411,298)
Cash dividends from equity subsidiaries	1,613,114	2,674,808
Gain on disposal of investments	(9,222)	(451,389)
Depreciation	1,074,342	1,111,697
Loss on disposal of property, plant and equipment, assets leased to others, idle assets and other assets	5,565	3,972
Amortization	23,503	23,475
Impairment loss	113,726	5,603
Changes in assets and liabilities		
Financial assets at fair value through profit or loss - current	(1,050,000)	-
Notes receivable	(29,899)	280,024
Accounts receivable	39,982	(5,777)
Accounts receivable - related parties	(238,373)	57,769
Other receivables	(142,002)	(23,631)
Other receivables - related parties	16,091	28,379
Inventories	788,170	613,102
Prepayments	(15,841)	114,885
Deferred income tax assets - current	33,715	60,663
Deferred pension costs	40,454	40,453
Deferred income tax assets - non-current	(110,185)	(140,981)
Notes payable	340	-
Accounts payable	(7,380)	(146,924)
Accounts payable - related parties	37,066	(29,267)
Income tax payable	(78,787)	6,726
Accrued expenses	1,136,542	17,992
Other payables	(23,988)	(66,212)
Receipts in advance	209	(88,697)
Accrued pension liabilities	(32,272)	(32,847)
Deferred income tax liabilities - non-current	-	(61,363)
Net cash provided by operating activities	5,191,695	6,269,351
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
(Increase) decrease in employees' car loans	(4,515)	8,370
Increase in financial assets carried at cost - non-current	-	(560)
Decrease (increase) in investments in bonds without active markets - non-current	100,000	(100,000)
Increase in long-term investments - subsidiaries	(1,219,280)	(1,909,000)
Increase in long-term investments - non-subsidiaries	(40,850)	(108,932)
Proceeds from disposal of long-term investments - subsidiaries	193,310	69,391
Proceeds from disposal of long-term investments - non-subsidiaries	154	597,954
Proceeds from capital reduction of subsidiaries	126,991	-
Proceeds from liquidation of subsidiaries	-	4,183
Cash paid for acquisition of property, plant and equipment	(440,539)	(471,717)
Proceeds from disposal of property, plant and equipment, assets leased to others, idle assets and other assets	1,881	14,307
(Increase) decrease in refundable deposits	(11,748)	1,515
Increase in deferred expenses	(16,105)	(20,883)
Net cash used in investing activities	(1,310,701)	(1,915,372)

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2009	2008
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase (decrease) in short-term loans	\$ 611,262	(\$ 118,413)
Decrease in notes and bills payable	(249,913)	(49,991)
Decrease in bonds payable	(381,781)	(3,864,174)
(Decrease) increase in long-term loans	(2,191,138)	7,853,912
(Decrease) increase in guarantee deposits received	(8,714)	2,166
Payment of directors' and supervisors' remuneration	-	(198,306)
Payment of employees' bonuses	-	(851,964)
Payment of cash dividends	(1,642,582)	(7,110,746)
Net cash used in financing activities	(3,862,866)	(4,337,516)
Net increase in cash and cash equivalents	18,128	16,463
Cash and cash equivalents at beginning of year	124,565	108,102
Cash and cash equivalents at end of year	<u>\$ 142,693</u>	<u>\$ 124,565</u>
<u>Supplemental disclosures of cash flow information</u>		
1. Interest paid (excluding capitalized interest)	\$ 317,459	\$ 559,251
2. Income taxes paid	<u>\$ 132,830</u>	<u>\$ 146,644</u>
3. Fair value of subsidiaries on the date of sale of Uni-President Oven Bakery Corp.:		
Uni-President Oven Bakery Corp.		
Cash	\$ -	\$ 9,866
Total proceeds from sale of Uni-President Oven Bakery Corp. (Based on 40% ownership)	\$ -	\$ 69,391
Less: Cash balance of Uni-President Oven Bakery Corp. (Based on 40% ownership)	-	(3,946)
Proceeds from sale of Uni-President Oven Bakery Corp. (Based on 40% ownership)	<u>\$ -</u>	<u>\$ 65,445</u>
<u>Investing and financing activities with partial cash payment</u>		
1. Proceeds from disposal of long-term investments - non-subsiarities	\$ 154	\$ 589,357
Add: Other receivables, beginning of year	-	8,597
Proceeds from disposal of long-term investments - non-subsiarities	<u>\$ 154</u>	<u>\$ 597,954</u>
2. Acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 414,725	\$ 457,786
Add: Other payables, beginning of year	55,861	49,260
Capital lease payables, beginning of year	92,883	113,415
Less: Other payables, end of year	(52,727)	(55,861)
Capital lease payables, end of year	(70,203)	(92,883)
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	<u>\$ 440,539</u>	<u>\$ 471,717</u>
<u>Other activities with no cash flow effect</u>		
1. Non-payment of fractional cash dividend from previous year transferred to capital reserve	\$ 42	\$ -
2. Long-term equity investments accounted for under the equity method transferred to long-term equity investments held for disposal	<u>\$ 410,319</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated April 24, 2010.

Uni-President Enterprises Corp.
PROFIT ALLOCATION PROPOSAL
 For the years ended December 31, 2009

	Unit : NT\$
Net Income for 2009	\$ 7,860,828,456
Less : 10% Legal Reserve	(786,082,846)
2009 Earnings Available for Distribution	7,074,745,610
Plus : Unappropriated Retained Earnings of Previous years	78,243,886
Earnings Available for Distribution as of December 31, 2009	7,152,989,496
Distribution Items:	
Cash Dividends to Common Share Holders (NT\$ 0.8 per share)	3,117,920,215
Stock Dividends to Common Share Holders (100 shares for each 1,000 shares owned)	3,897,400,260
Unappropriated Distribution	\$ 137,669,021
PS : Employees' Bonuses	\$ 650,964,871
Directors' & Supervisors' Remuneration	\$ 141,494,913

Note:

1. Net income for 2009 shall be preferred in the profit distribution, and then unappropriated retained earnings of previous years would offset, if deficient.
2. Each common shareholder will be entitled to receive the cash dividends in dollar amount. The fractional parts would be classified as "other non-operating income".

The Impact of the Stock Dividend Insurance on Business Performance, EPS and Shareholders Return Rate and Information with regard to the proposal of distribution of employee bonus and remuneration to directors and supervisors approved by the Board of Directors of the Company

The Impact of the Stock Dividend Insurance on Business Performance, EPS and Shareholders Return Rate:

In accordance with the regulation of Letter No. Tai-Tsai-Cheng (1) Zi 00371 dated Feb. 1, 2000 from Securities and Future Bureau, the Company is not obligated to disclose this information since it did not prepare and announce its 2010 financial forecasts.

Information with regard to the proposal of distribution of employee bonus and remuneration to directors and supervisors approved by the Board of Directors of the Company :

In accordance with the regulation of Letter No. Jin-Kuan-Cheng (6) Zi 0960013218 dated Mar. 30, 2007 from Financial Supervisory Commission, proposed earnings distribution approved by the Board of Directors is as follows:

- I. Proposed distribution of employee bonus in cash totals to NTD 650,964,871 and proposed remuneration to directors and supervisors totals to NTD 141,494,913. The distribution of employee bonus of the Company will be paid in cash.
- II. Estimates of employee bonus and remuneration to directors and supervisors for 2009 are NTD 650,964,871 and NTD 142,900,000, respectively. The estimated amount of remuneration to directors and supervisors is calculated based on unaudited profit and loss, which results in a difference between the estimated amount and the proposed amount. After the Board of Directors resolves the difference between the actual distribution amount and the estimated amount, the difference is charged against income in 2009.

Uni-President Enterprise Corp.
Operational Procedures for Endorsements and Guarantees
Comparison Table Before and After Amendment

Article	Article before Amendment	Article after Amendment	Explanation
Article 3	<p>The recipients of Endorsements and Guarantees shall be limited to the following companies:</p> <ol style="list-style-type: none"> 1. Any companies with which the Company has business relations. 2. Any subsidiary of which more than 50% ordinary shares are directly held by the Company. 3. Any subsidiary of which more than 50% of ordinary shares are held by the parent company and subsidiary(ies) on combined basis. 4. Any parent company that owns more than 50% of ordinary shares of the Company directly or indirectly through subsidiary(ies). 5. Endorsements and guarantees provided to a joint invested company by shareholders in proportion to their shareholdings under joint investment relationship. 	<p>The recipients of Endorsements and Guarantees shall be limited to the following companies:</p> <ol style="list-style-type: none"> 1. Any companies with which the Company has business relations. 2. Any subsidiary of which more than 50% ordinary shares are directly held by the Company. 3. Any subsidiary of which more than 50% of ordinary shares are held by the parent company and subsidiary(ies) on combined basis. 4. Any parent company that owns more than 50% of ordinary shares of the Company directly or indirectly through subsidiary(ies). 5. Endorsements and guarantees provided to a joint invested company by shareholders in proportion to their shareholdings under joint investment relationship. <p><u>Any subsidiary of which ninety percent or more voting shares are held directly or indirectly by the Company may provide endorsement or guarantee for any other subsidiary meeting the same requirement. Such endorsement or guarantee shall be subject to prior approval by the board of directors through resolution and the amount of endorsement or guarantee shall not exceed ten percent of the net value of the Company.</u></p> <p><u>However, the above restriction shall not apply for any endorsement or guarantee provided by any subsidiary of which the Company holds directly or indirectly 100% of</u></p>	<p>In consideration of practical operational requirements, terms for endorsements and guarantees among subsidiaries of which ninety percent or more voting shares are held by the Company are relaxed. However, a resolution by the board of directors of the Company is required. In order to avoid an increase of financial leverage, the amount of endorsements and guarantees among companies of which ninety percent or more voting shares are held directly or indirectly by the Company shall not exceed ten percent of the net value of the Company.</p>

		<u>voting shares for any other subsidiary meeting the same requirement.</u>	
Article 5	<p>Limit Amount of Endorsements and Guarantees: The Company's total amount of liabilities under endorsements and guarantees shall be limited to 100% of the net value of the Company. The amount of an endorsement and guarantee provided to any single enterprise shall be limited to 50% of the net value of the Company and the relevant situations shall be reported to the shareholders meeting for reference.</p>	<p>Limit Amount of Endorsements and Guarantees: The Company's total amount of liabilities under endorsements and guarantees shall be limited to 100% of the net value of the Company. The amount of an endorsement and guarantee provided to any single enterprise shall be limited to 50% of the net value of the Company and the relevant situations shall be reported to the shareholders meeting for reference.</p> <p><u>The total amount of endorsements and guarantees provided by the Company and its subsidiaries shall not exceed 100% of the net value of the Company. The amount of endorsements provided to any single enterprise shall not exceed 50% of the net value of the Company.</u></p>	<p>New articles are added providing for limits for total amount of endorsements and guarantees by the Company and its subsidiaries and amount of endorsements and guarantees provided for any single enterprise.</p>
Article 6	<p>Operational Procedures for Endorsements and Guarantees: 1. Based on the business requirements of the enterprise receiving the endorsement or guarantee, risk shall be assessed and amount of limit shall be determined. An endorsement and guarantee may only be provided after resolution by the board of directors. However, if any endorsement or guarantee is required on urgent basis, the board may authorize the chairman to proceed within a certain amount of limit and report may be submitted to the board of directors subsequently for ratification. Provisions of endorsements and guarantees and relevant matters shall be reported to the shareholders</p>	<p>Operational Procedures for Endorsements and Guarantees: 1. Based on the business requirements of the enterprise receiving the endorsement or guarantee, risk shall be assessed and amount of limit shall be determined. An endorsement and guarantee may only be provided after resolution by the board of directors. However, if any endorsement or guarantee is required on urgent basis, the board may authorize the chairman to proceed within a certain amount limit and report may be submitted to the board of directors subsequently for ratification. Provisions of endorsements and guarantees and relevant matters shall be reported to the shareholders</p>	<p>New articles are added providing that if a public company or its subsidiary provides an endorsement or guarantee for any subsidiary whose net value is lower than one-half of its paid-in capital, subsequent relevant monitoring measures shall be established in order to monitor risks that may occur from the endorsement or guarantee.</p>

	<p>meeting for reference.</p> <p>2. If the Company has independent directors, opinions of each independent director shall be taken into full consideration during discussions at the board meeting and their explicit opinion of asset or dissent and reasons for dissent shall be recorded in the meeting minutes of the board meetings.</p> <p>3. For any amount of endorsement and guarantee within the limit for any recipient enterprise, the loan amount, duration and nature of endorsement or guarantee shall be accounted for by the Company and submitted to the supervisors of the accounting division for implementation after approval by the financial department of the Company.</p> <p>4. When the recipient enterprise repays the loan, information of the repayment shall be copied to the Company so that the Company may be released of its guarantee liability.</p> <p>5. Regarding the above-mentioned matters of endorsements and guarantees, books of records shall be established in which the names of recipient enterprises, matters of guarantees, results of risk assessments, amounts of endorsements and guarantees, collaterals received and conditions and dates for release of endorsement and guarantee liabilities shall be specified in detail for future reference.</p> <p>6. If the recipient of an endorsement or guarantee previously meets the</p>	<p>meeting for reference.</p> <p>2. If the Company has independent directors, opinions of each independent director shall be taken into full consideration during discussions at the board meeting and their explicit opinion of asset or dissent shall be recorded in the meeting minutes of the board meetings.</p> <p>3. For any amount of endorsement and guarantee within the amount limit for any recipient enterprise, the loan amount, duration and nature of endorsement or guarantee shall be accounted for by the Company and submitted to the supervisors of the accounting division for implementation after approval by the financial department of the Company.</p> <p>4. When the recipient enterprise repays the loan, information of the repayment shall be copied to the Company so that the Company may be released of its guarantee liability.</p> <p>5. Regarding the above-mentioned matters of endorsements and guarantees, books of records shall be established in which the names of recipient enterprises, matters of guarantees, results of risk assessments, amounts of endorsements and guarantees, collaterals received and conditions and dates for release of endorsement and guarantee liabilities shall be specified in detail for future reference.</p> <p>6. If the recipient of an endorsement or guarantee previously meets the</p>	
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	<p>qualifications under Article 3, but subsequently loses such qualification, or if the amount of endorsement or guarantee exceeds the limit amount due to the change of basis of calculation, the endorsement limit or excess amount for such recipient shall be eliminated upon expiry of the contract or within a planned certain period of time. Report shall be made to the board of directors.</p> <p>7. The internal auditor of the Company shall audit the procedures and performance of the endorsements and guarantees on a quarterly basis and written records shall be prepared. If any significant breach of this rule is discovered, each supervisor shall be notified in writing.</p>	<p>qualifications under Article 3, but subsequently loses such qualification, or if the amount of endorsement or guarantee exceeds the limit due to the change to the basis of calculation, the endorsement limit or excess amount for such recipient shall be eliminated upon expiry of the contract or within a planned certain period of time. Report shall be made to the board of directors.</p> <p>7. The internal auditor of the Company shall audit the procedures and performance of endorsements and guarantees on a quarterly basis and written records shall be prepared. If any significant breach of this rule is discovered, each supervisor shall be notified in writing.</p> <p>8. <u>If the Company or its subsidiaries provides any endorsement or guarantee for any subsidiary whose net value is lower than one-half of its paid-in capital, the Company or subsidiary shall review the recipient's statements on quarterly basis and shall procure that the recipient submits financial improvement plans.</u></p>	
Article 11	<p>Public Announcement Procedure: The Company shall make relevant public announcements with regard to matters related to endorsements and guarantees in accordance with the criteria for public announcements under the "Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies" promulgated by the Securities and Futures Commission.</p>	<p>Public Announcement Procedure: The Company shall make relevant public announcements with regard to matters related to endorsements and guarantees in accordance with the criteria for public announcements under the "Regulation Governing the Lending of Capital, Endorsements and Guarantees by Public Companies" promulgated by the <u>Financial Supervisory Commission.</u></p>	Amendment of the name of governing authority

Article 12	<p>Penalty: Any manager or responsible person who violate the “Regulation Governing Lending of Capital, Endorsements and Guarantees by Public Companies” promulgated by the Securities and Futures Commission or the “Operating Procedures for Endorsements and Guarantees” the first time shall be subject to verbal warning. Any second violation shall be subject to written warning. Repeated or significant violations shall lead to dismissal.</p>	<p>Penalty: Any manager or responsible person who violate “Regulation Governing Lending of Capital, Endorsements and Guarantees by Public Companies” promulgated by the <u>Financial Supervisory Commission</u> or the “Operating Procedures for Endorsements and Guarantees” of the Company the first time shall be subject to verbal warning. Any second violation shall be subject to written warning. Repeated or significant violations shall lead to dismissal.</p>	Amendment of the name of governing authority
Article 13	<p>Any matter not included in these Rules shall be handled in accordance with the “Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies” by the Securities and Futures Commission.</p>	<p>Any matter not included in these Rules shall be handled in accordance with the “Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies” by the <u>Financial Supervisory Commission</u>.</p>	Amendment of the name of governing authority

Uni-President Enterprise Corp.
Operational Procedures for Loaning of Company Funds
Comparison Table of Articles before and after Amendment

Article	Article before Amendment	Article after Amendment	Explanation
Article 2	<p>Criteria for determining the fund lending:</p> <p>(1) Fund lending to other companies with which the company has business relations is subject to business dealing has taken place. The amount of loan shall be equivalent to the amount of product purchase or product sale during the latest year or during the current year up to the time of lending, whichever is higher.</p> <p>(2) Fund lending to meet short term financing shall be limited to the following situations:</p> <p>i. Any subsidiary of the Company under equity pick-up is in need for loan repayment, equipment purchase or operational demand.</p> <p>ii. Any company of which the Company indirectly holds more than fifty percent shares is in need for loan repayment, equipment purchase or operational demand..</p> <p>iii. Any company of which the Company directly or indirectly holds more than fifty percent shares has requirements due to investment in other companies and such investment target is beneficial to the future business development of the Company.</p>	<p>Criteria for determining the fund lending:</p> <p>(1) Fund lending to other companies with which the company has business relations is subject to the business dealing has taken place. The amount of loan shall be equivalent to the amount of product purchase or product sale during the latest year or during the current year up to the time of lending, whichever is higher.</p> <p>(2) Fund lending to meet short term financing shall be limited to the following situations:</p> <p>i. Any subsidiary of the Company under equity pick-up is in need for loan repayment, equipment purchase or operational demand.</p> <p>ii. Any company of which the Company indirectly holds more than fifty percent shares is in need for loan repayment, equipment purchase or operational demand.</p> <p>iii. Any company of which the Company directly or indirectly holds more than fifty percent shares has requirements due to investment in other companies and such investment target is beneficial to the future business development of the Company.</p> <p><u>The Company may lend capital to any subsidiary of which 100% voting shares are directly or indirectly held by the Company.</u></p>	<p>In consideration of practical operational requirements, Rules of loaning Company Funds to any subsidiary whose voting shares are 100% held directly or indirectly by the Company are relaxed. But the resolution shall be approved by the board of director of the Company and of the subsidiary.</p>

		<u>provided that prior approval by resolution of the Company's board of directors is required.</u>	
Article 5	<p>Procedures for Fund Lending:</p> <ol style="list-style-type: none"> 1. When lending funds or providing financing to others, the Company's division in charge shall review and determine the loan limit and submit to the president for approval and then for resolution by the board of directors through resolution before implementation. 2. If the Company has independent directors, opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be included into the minutes of board meetings. 3. The finance department shall prepare a book of records for lending of capital. After the lending of capital is approved by the board of directors through resolution, the recipient of loan, loan amount, date of approval by the board of directors, date of release of funds and matters subject to careful evaluation in accordance with the review procedures shall be recorded for future reference. 4. The occurrence or cancellation of any matter under the lending of capital shall be recorded in detail on monthly basis in order to facilitate control, follow-up and preparation of public announcements. 5. In case of any change of circumstances, leading to exceeding of lending amount limit, correction plan shall be prepared and such plan shall be 	<p>Procedures for Fund Lending:</p> <ol style="list-style-type: none"> 1. When lending funds or providing financing to others, the Company's division in charge shall review and determine the loan limit and submit to the president for approval and then for resolution by the board of directors through resolution before implementation. <u>When capital is lent between the Company and its subsidiary or among subsidiaries of the Company, the chairman may be authorized to proceed with several releases of funds or revolving drawdown with regard to the same borrower within a certain amount authorized by resolution of the board of directors and within the period of one year. For lending of capital among overseas companies other than those of which 100% voting shares are held directly or indirectly by the Company, the authorized amount shall not exceed ten percent of the net value of the Company according to its latest financial statements.</u> 2. If the Company has independent directors, opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be included into the minutes of board meetings. 3. The finance department shall prepare a book of records for lending of capital. After the lending 	<p>In consideration of practical requirements for flexible fund allocation among the parent company and subsidiaries, it is provided that when the Company lends capital, the chairman may be authorized to proceed with several releases of funds or revolving drawdown with regard to the same borrower within a certain amount fixed by resolution of the board of directors and within the period of one year. Considering the reinforcement of internal control over lending of capital by the Company, other than overseas companies whose voting shares are 100% directly or indirectly held the Company for which no restriction is imposed on the authorized amount for the lending of capital, it is provided that the authorized amount for lending of capital to any single enterprise shall not exceed ten percent of the Company's net value based on the latest financial</p>

	<p>submitted to each supervisor.</p> <p>6. Internal audit staff of the Company shall perform audit on the procedures and performance of lending of capital on quarterly basis and written records shall be prepared. If any significant breach of this rule is discovered, each supervisor shall be notified in writing.</p>	<p>of capital is approved by the board of directors through resolution, the recipient of loan, loan amount, date of approval by the board of directors, date of release of funds and matters subject to careful evaluation in accordance with the review procedures shall be recorded for future reference.</p> <p>4. The occurrence or cancellation of any matter under lending of capital shall be recorded in detail on monthly basis in order to facilitate control, follow-up and preparation of public announcements.</p> <p>5. In case of any change of circumstances, leading to exceeding of lending amount limit, correction plan shall be prepared and such plan shall be submitted to each supervisor.</p> <p>6. The internal auditing staff of the Company shall perform an audit on the procedures and performance of lending of capital on quarterly basis and written records shall be prepared. If any significant breach of rule is discovered, each supervisor shall be notified in writing.</p>	<p>statements.</p>
Article 7	<p>Procedure for Public Announcement</p> <p>The Company shall make public announcements about matters related to the lending of capital in accordance with the criteria for public announcements under the “Regulations Governing the the Lending of Capital, Endorsements and Guarantees” promulgated by the Securities and Exchange Commission.</p>	<p>Procedure for Public Announcement</p> <p>The Company shall make public announcements about matters related to the lending of capital in accordance with the criteria for public announcements under the “Regulations Governing the Lending of Capital, Endorsements and Guarantees” promulgated by the <u>Financial Supervisory Commission</u>.</p>	<p>Amendment of name of governing authority.</p>
Article 9	<p>Penalty:</p> <p>Any initial violation of the “Regulations Governing the Loaning of Company Fund,</p>	<p>Penalty:</p> <p>Any initial violation of the “Regulations Governing the Loaning of Company Fund,</p>	<p>Amendment of name of governing authority.</p>

	Endorsements and Guarantees” promulgated by the Securities and Exchange Commission by any manager or responsible person shall be subject to verbal warning. Any second violation shall be subject to written warning. Repeated or significant violation shall be subject to dismissal.	Endorsements and Guarantees” promulgated by the <u>Financial Supervisory Commission</u> by any manager or responsible person shall be subject to verbal warning. Any second violation shall be subject to written warning. Repeated or significant violation shall be subject to dismissal.	
Article 11	Any matter not provided for under this Procedure shall be handled in accordance with the “Regulations Governing the Loaning of Company Funds, Endorsements and Guarantees” promulgated by the Securities and Exchange Commission.	Any matter not provided for under this Procedure shall be handled in accordance with the “Regulations Governing the Loaning of Company Funds, Endorsements and Guarantees” promulgated by the <u>Financial Supervisory Commission</u> .	Amendment of name of governing authority.

Uni-President Enterprise Corp.
Corporate Charter (Articles of Incorporation)
Comparison Table Before and After Amendment

Article	Article before Amendment	Article after Amendment	Explanation
Article 2	<p>The Company is engaged in the following business:</p> <ol style="list-style-type: none"> 1. Manufacture, process and sell flour, barley (buckwheat, oats, raw barley) , ground rice, machine processed blended feed (including auxiliary feed), container bottles, soybean milk, soybean powder (flakes), soybean drink, fresh milk, milk flan, almond, beverages (including bottled water and mineral water) , <i>miso</i>, ice foods, meat product, chicken essence, dairy products, noodle products, frozen dough, bean stuffing, a variety of low calorie foods, sugar substitute foods (added with artificial sweetener) and by-products (eggs) thereof. 2. Manufacture, process, import and export a variety of cooking oil, vegetable oil, powder cake, oatmeal, wheat powder, wheat grains, fat/grease, chemicals and the raw materials or by-products thereof, tomato juice, mashed tomato, peeled whole tomatoes, carbonated drinks, soybean sauce, pickled cucumbers, cooking vinegar, condiments, pickled foods, monosodium glutamate (MSG) and by-products thereof, fermented enzyme, starch, etc. 3. Process and sell milk powder and rice. Warehousing business. 4. Process and sell a variety of vegetables and fruits (excluding frozen and dehydrated vegetables and fruits). 5. Engage and invest in business related to flour, barley, feeds and other products conducive to production and marketing of flour, barley, feeds or the business of special development under government encouragement. 6. Manufacture and sell cornmeal. 7. Manufacture, process and sell liquid crystal semiconductors, electronic information processing equipment and facilities, microwave ovens, antennas, video 	<p>The Company is engaged in the following business:</p> <ol style="list-style-type: none"> 1.C106010 milling industry. 2.C201010 feed manufacturing industry. 3.C199010 noodle and rice noodle manufacturing industry. 4.C105010 edible oil manufacturing industry. 5.C110010 beverage manufacturing industry. 6.C102010 milk product manufacturing industry. 7.C199040 bean processing food manufacturing industry. 8.C601030 paper container manufacturing industry. 9.C805990 other plastic item manufacturing industry. 10.C103050 canned, frozen, dehydrated and marinated food manufacturing industry. 11.C109010 condiment manufacturing industry. 12.C199020 edible ice manufacturing industry. 13.C104020 baked and steamed food manufacturing industry. 14.C199990 other uncategorized food manufacturing industry. 15.CB01010 machinery equipment manufacturing industry. 16.F113010 machinery wholesale industry. 17.F213080 machinery and instrument retail industry. 18.A401010 farming industry. 19.A102060 commodity industry. 20.A102020 agricultural product processing industry. 21.G801010 warehousing industry. 22.F401010 international trade industry. 23.F106060 pet product wholesale industry. 24.F206050 pet product retail industry. 25.F101050 aquatic product wholesale industry. 26.F201030 aquatic product retail industry. 27.F107050 fertilizer wholesale 	<p>Replacement of text descriptions of operated businesses by codes.</p>

	<p>players/recorders.</p> <p>8. Manufacture, process and sell electronic instruments, electronic anti-fire and burglarproof devices.</p> <p>9. Manufacture, process and sell equipment and facilities that absorb, convert, store and utilize solar energy.</p> <p>10. Manufacture, process and sell electronic level gas and chemicals.</p> <p>11. Manufacture, process and sell software & hardware systems, components and raw materials linked up with products under 7.8.9.10.</p> <p>12. Process beans and sell by-products thereof.</p> <p>13. Sell canned coffee, carbonated drinks, juice, canned drinks, snacks, etc.</p> <p>14. Import and export, sell, repair and maintain a variety of automatic vendors and parts & components thereof.</p> <p>15. Package and refrigerate products related to the above.</p> <p>16. Act as an agent for domestic and foreign firms to quote, bid for and distribute their products;</p> <p>17. Manufacture, process, buy and sell frozen and prepared foods (including frozen fish, shrimps, meat, and eggs).</p> <p>18. Lease freezing storage.</p> <p>19. Import and wholesale grape wine, beer, liquor and other alcoholic drinks.</p> <p>20. Import and wholesale cigarettes and tobacco products.</p> <p>21. Manufacture, process, sell, import and export sterilized bagged foods, macaroni, Western noodle, and canned prepared foods.</p> <p>22. Grow, buy and sell water-planted vegetables.</p> <p>23. Grow, buy and sell variety of crops.</p> <p>24. Process, import and export cereals, beans (maize, wheat, barley, oats (buckwheat, naked barley), rice, potatoes, soybean, etc.) and by-products thereof, snack foods.</p> <p>25. Manufacture, design, buy and sell food and feed machinery & equipment.</p> <p>26. Process and sell fructose products.</p> <p>27. Operate restaurants.</p> <p>28. Package, process, buy and sell tea (including tea bags), tea powder,</p>	<p>industry.</p> <p>28.F207050 fertilizer retail industry.</p> <p>29.F102030 tobacco and alcohol wholesale industry.</p> <p>30.F102040 beverage wholesale industry.</p> <p>31.F102170 miscellaneous food wholesale industry.</p> <p>32.F203010 miscellaneous food and beverage retail industry.</p> <p>33.F501030 beverage shop industry.</p> <p>34.IZ99990 other industrial and commercial service industry.</p> <p>35.ZZ99999 All businesses that are not prohibited or restricted by laws and regulations other than those requiring special permits.</p>	
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	<p>and tea liquid.</p> <p>29.Engage in import and export trade for products related to above.</p> <p>30.Sell pet articles and tools.</p> <p>31.Operate hog, cattle, chicken farms.</p> <p>32.Classify and process commodities.</p> <p>33.Engage in bakery.</p> <p>34.Retail foods, beverages.</p> <p>35.Manage drink stores.</p> <p>36.Wholesale auxiliary foods.</p> <p>37.Wholesale other chemicals (biological chips, biological pharmaceuticals).</p> <p>38.Retail other chemicals (biological chips, biological pharmaceuticals).</p> <p>39.Manufacture detergents.</p> <p>40.Engage in international trade.</p> <p>41.All businesses that are not prohibited or restricted by laws and regulations other than those requiring special permits.</p>		
Article XXXVIII	<p>These Articles were duly enacted on June 27, 1967 and duly amended on:</p> <p>(01)October 19, 1967;...</p> <p>(73)June 27, 2008.</p>	<p>These Articles were duly enacted on June 27, 1967 and duly amended on:</p> <p>(01)October 19, 1967;...</p> <p>(73)June 27, 2008.;</p> <p><u>(74)June 23, 2010</u></p>	<p>Amended as required, and add the date of amendments</p>

Uni-President Enterprises Corp.
Operational Procedures for Acquisition and Disposal of Assets

Amended on 28 June 2007

Chapter 1 General

- Article 1. The acquisition or disposal of assets by the Company shall be done in accordance with this Procedure in addition to the “Regulations Governing the Acquisition or Disposal of Assets by Public Companies” promulgated by the Financial Supervisory Commission of the Executive Yuan (hereinafter the “FSC”) and any other laws and regulations.
- Article 2. Assets referred to in this Procedure include the following:
1. Investment including stocks, government bonds, corporate bonds, financial bonds, fund securities, deposit certificates, warrants for purchase (sale) of shares, beneficiary securities and asset based securities.
 2. Real estate and other fixed assets.
 3. Membership.
 4. Intangible assets such as patent right, copyright, trademark right, license.
 5. Creditor right of financial institution (including accounts receivable, foreign exchange discounting and debt release and collection).
 6. Derivatives.
 7. Assets acquired or disposed of pursuant to legal merger, split, acquisition or transfer of shares.
 8. Other important assets.
- Article 3. Terms under this Procedure are defined as follows:
1. Derivatives: a forward contract, option contract, futures contract, leverage deposit contract, swap contract, the value of which derives from products such as asset, interest rate, foreign exchange rate, index or other interest and any contract combining several of the above products. Forward contract does not include insurance contract, contract performance agreement, after-sale service contract, long-term leasing contract and long-term product purchase (sale) contract.
 2. Asset acquired or disposed of pursuant to legal merger, split, acquisition or transfer of shares: asset acquired or disposed of in accordance with the Enterprise Merger and Acquisition Act, Financial Holding Company Law, Financial Institutions Merger Law and other laws or pursuant to the acquisition of shares of other companies in accordance with Section 6, Article 156 of the Company Law (hereinafter “Transfer of Shares”).
 3. Related party: as defined by the Financial Accounting Standard No. 6 published by the Accounting Research and Development Foundation (hereinafter the “Accounting Foundation”).
 4. Subsidiary: as defined by the Financial Accounting Standards No. 5 and 7 published

by the Accounting Foundation.

5. Professional appraiser: means a real estate appraiser or other person authorized to perform appraisal activities for real estate and other fixed assets in accordance with law.
6. Date of occurrence: means the signature date of transaction contract, payment date, entrusted closing date, transfer registration date, date of board resolution or other date on which the transaction counterparty or the transaction amount is determined, whichever is earlier. However, for any investment that requires approval by the government authority, such date shall be the above-mentioned date or the date on which the approval from the governing authority is received, whichever is earlier.
7. Investment in the Mainland Area: means any investment in Mainland China in accordance with the Rules Governing the Approval for Investment or Technical Cooperation in Mainland Area by the Investment Commission of the Ministry of Economic Affairs.

Article 4. Evaluation Procedure:

1. When the Company acquires or disposes of any long-term or short-term securities investment or transact derivatives, the finance department shall conduct an analysis of relevant return and possible risks. For any acquisition or disposal of real estate or other assets, each division shall draft a capital expenditure plan that includes a feasible evaluation on the purpose and expected return. If real estate is to be acquired from a related party, evaluation of the reasonableness of transactional conditions shall be performed in accordance with Chapter II of this Procedure.
2. When the Company acquires or disposes any security, the latest financial statements certified or audited by accountants of the target company as well as other relevant information shall first be obtained to serve as reference for evaluation of the transaction price. If the transaction amount reaches twenty percent of the Company's paid-in capital or three hundred million NT Dollars, an accountant shall be engaged to provide an opinion about the reasonableness of the transaction price, unless such security is quoted on a liquid public trading market or if the FSC provides otherwise.
3. When the Company acquires or disposes real estate or other fixed asset, other than a transaction with government institutions, entrusted construction on self-owned land, entrusted construction on leased land or acquisition or disposal of machinery and equipment for operational use, if the transaction amount reaches twenty percent of the Company's paid-in capital or three hundred million NT Dollars, an appraisal report issued by a professional appraiser shall first be obtained (specifying matters listed under Attachment 1) and the following rules shall be complied with. However, if the Company acquires or disposes of asset through a court auction procedure, justification document issued by the court may be used in lieu of the appraisal report or accountant's opinion.
 - (1) If a restricted price, specific price or special price must be used as reference for the transaction price for any special reason, the transaction shall first be approved by resolution of the board of directors. Any change of transaction condition in the future shall also be subject to the above-mentioned procedure.
 - (2) If the transaction amount reaches ten hundred million NT Dollars, two or more professional appraisers shall be requested to provide price appraisals.

- (3) If the results of price appraisal provided by the professional appraiser shows any of the following, an accountant shall be engaged in accordance with Audit Standard No. 20 published by the Accounting Foundation to provide substantiated opinion about the reason for the inconsistency and the appropriateness of the transaction price:
 - i. The difference between the result of the price appraisal and the transaction amount is twenty percent or more of the transaction price.
 - ii. The difference among the results of the price appraisal among two or more professional appraisers exceeds ten percent of the transaction amount.
 - (4) If the price appraisal is performed before the contract is entered into, the date of issuance of the report may not be three months apart from the date of entering into the contract. However, if the current value pursuant to the same period of public announcement is applicable and no more than six months have passed, the opinion may still be provided by the original professional appraiser.
4. When the Company performs a merger, split, acquisition or transfer of shares, prior to convening a board meeting to pass a resolution, accountant, attorney or securities underwriter shall be engaged to provide opinions about the reasonableness of the share swap proportion, acquisition price or cash or other property distributed to the shareholders and such opinions shall be submitted to the board of directors for discussion and approval.
5. If the transaction amount for the acquisition or disposal of membership or intangible asset by the company reaches twenty percent of the Company's paid-in capital or three hundred million NT Dollars, an accountant shall be requested to provide opinion about the reasonableness of the transaction price. The accountant shall proceed in accordance with the provisions under Audit Standard No. 20 published by the Accounting Foundation.
6. If the Company acquires or disposes of any asset through court auction procedure, a justification document issued by the bank may be used in lieu of appraisal report or accountant's opinion.
7. The price determination manner and basis of reference for the Company's acquisition or disposal of assets shall, in addition to the professional price appraisal and opinions of relevant experts such as the accountant pursuant to the above provisions, be in compliance with the following:
 - (1) For the acquisition or disposal of securities that are already traded on any centralized trading market or over-the-counter trading center, the price shall be determined based on the price of the stock or bond at the time of trading.
 - (2) For the acquisition or disposal of securities that are not traded on any centralized trading market or over-the-counter trading center, the price shall be determined in consideration of the net value per share, technical and profit-making capabilities, future development potential, market interest rate, face value interest rate of the bond and debtor's creditworthiness, etc. and also in reference to the latest closing price at that time.
 - (3) For the acquisition or disposal of membership, the price shall be determined in consideration of the return that may be generated and in reference to the latest closing price at the time. For the acquisition or disposal of intangible assets

such as patent right, copyright, trademark right and license right, the price shall be determined in reference to international or market practice, remaining life and the impact on the Company's technology and business.

- (4) For the acquisition or disposal of real estate or other fixed assets, the price shall be determined in reference to the current value under public announcement, appraised current value, actual closing price or book value of real estate in the vicinity and suppliers' price proposals. If the real estate is purchased from a related party, calculation shall first be made in accordance with Chapter II hereof in order to evaluate whether the transaction price is reasonable.
- (5) Company business requirements shall be taken into consideration for the engagement of transactions of derivative products. Then reference shall be made to the trading situation of the relevant product and the trading situation of Taiwanese stocks and the stock markets in South Eastern Asian countries and European and American markets, as well as evaluation reports by reputable financial institutions that has dealings with the Company about the future trend of the stock market, foreign exchange rate and interest rate. The above-mentioned information shall be consolidated before a decision can be made about the appropriate undertaking timing, undertaken products and undertaken amounts.
- (6) In performing a merger, split, acquisition or transfer of shares, the nature of business, net value per share, asset value, technical and profit-making capabilities, production capacity and future growth potential shall be taken into consideration.

Article 5. Operating Procedures:

1. The Company's acquisition and disposal of assets listed under Article 2 hereof shall be done in accordance with the following.
 - (1) Securities:
 - i. For any purchase and sale of securities that are not traded on the centralized trading market or over-the-counter trading center with the sale and purchase amount of 10 million NT Dollars or lower, the president shall be authorized to make decisions. For any amount exceeding 10 million NT Dollars (inclusive), the president shall submit the proposal to the board of directors for discussion or ratification. The relevant procedure shall be carried out by the finance department.
 - ii. For any purchase and sale of securities that are traded on the centralized trading market or over-the-counter trading center, the board of directors may authorize the finance department to make engage in transactions through centralized trading market or over-the-counter trading center based on the current market price.
 - (2) Real estate and other fixed assets: If the object is land, the administration service department shall perform an investigation and evaluation based on market situation, and approval shall be granted by the president. For other types of asset, the applicable division shall draft a capital expenditure plan. If the amount exceeds 200,000 NT Dollars, the return evaluation report shall be attached and submitted to the technical team for review and approval. Any drawdown shall be done through drawdown application, subject to approval by

various levels of supervisors based on the decision making authorization before carry out the procurement procedure. For any disposal, the utilization division shall complete a change notice application or project application form and proceed after approval is obtained based on decision making authorization.

- (3) Derivative products: Transactions of derivative products shall be done in accordance with relevant provisions under Chapter III hereof.
 - (4) Acquisition of real estate from a related party: Relevant information shall be prepared in accordance with Chapter II hereof and submitted to the board of directors for approval and supervisors for ratification before proceeding.
 - (5) Merger, split, acquisition or transfer of shares: Relevant procedures shall be carried out and relevant information shall be prepared in accordance with Chapter IV hereof. Any merger, split or acquisition shall be subject to prior approval by resolution of shareholders meeting. However, if other laws provide that no shareholder resolution is necessary, it may be waived. Any transfer of shares shall be subject to prior approval by the board of directors.
 - (6) Others: To be carried out in accordance with internal control system and decision making authorization. In case of any event under Article 185 of the Company Law, prior approval by resolution of shareholders meeting shall be obtained.
2. For any long-term or short-term investment in security or transaction of derivative products, the execution division shall be the finance department and the persons authorized by the president. For real estate and other assets, the execution division shall be the utilization department and relevant responsible department. Merger, split, acquisition or transfer of shares shall be carried out by the execution division approved by the president. After the acquisition or disposal of asset is evaluated and approved in accordance with the rules, the execution division shall proceed with the transaction procedure such as signature of contract, payment or receipt, delivery and acceptance. Procedures related to internal control system shall also be carried out based on the nature of the asset. In the event of the acquisition of real estate from a related party, transaction of derivative products and merger, split, acquisition or transfer of shares, procedures under Chapters II to IV shall also be carried out.

Article 6. Public Announcement Procedures:

1. In the event of any of the following during the Company's acquisition or disposal of asset, relevant information shall be filed for public announcement on the website designated by the FSC within two days from the occurrence of the fact based on the respective nature and in accordance with the format and contents provided under the attachment (Attachments 2 to 8).
 - (1) Acquisition of real estate from a related party.
 - (2) Investment in the Mainland area.
 - (3) Merger, split, acquisition or transfer of shares.
 - (4) Transaction of derivatives resulting in any loss that exceeds the overall limit or limit for individual contract provided under this Procedure.
 - (5) Other than transactions for assets provided under the previous four subsections, any individual transaction amount, or the accumulated transaction amount for

targets of the same nature acquired or disposed of (amounts of acquisitions and disposals accumulated separately) with the same counterparty within one year, or the accumulated amount of the same securities acquired or disposed of within one year (amounts of acquisitions and disposals accumulated separately) exceeds twenty percent of the Company's paid-in capital or three hundred million NT Dollars. "Within one year" means the period of one year preceding the date of occurrence of the fact of transaction. The portion which has been subject to public announcement in accordance with the "Rules Governing the Acquisition or Disposal of Asset by Public Companies" may be excluded from the calculation. This provision shall not be applicable to the following circumstances:

- i. Sale and purchase of government bonds.
 - ii. Sale and purchase of bonds with buy-back and resale conditions attached.
 - iii. The type of asset acquired or disposed of is machinery or equipment for operational use, the counterparty is not a related party and the transaction amount is lower than five hundred million NT Dollars.
 - iv. Acquisition of real estate through entrusted construction on self-owned land, joint construction and division of housing with others, joint construction and division of shares with others or joint construction and joint sale with others and the Company expects to inject less than five hundred million NT Dollars as transaction amount.
2. With regard to transactions of derivative products carried out by the Company and its subsidiaries which are not publicly listed companies in the R.O.C., the Company shall file information designated by the FSC as of the end of the previous month on the website under the format shown in the attachment (Attachment 7-1) on a monthly basis by the tenth day of each month.
 3. If any item subject to the requirement of public announcement is erroneous or missing and needs to be corrected, all items shall be re-filed for public announcement.
 4. After a transaction is filed for public announcement in accordance with the rules, in case of any of the following, relevant information shall be filed for public announcement on the website designated by the FSC within two days from the occurrence of the fact:
 - (1) The relevant contract originally signed for the transaction is amended, terminated or cancelled.
 - (2) The merger, split, acquisition or transfer of share is not completed within the deadline provided under the contract.

Article 7. Scope and Amount of Investment:

1. The total amount of real estate acquired by the Company for non-operational use shall not exceed fifty percent of the shareholder's equity. The total amount of securities acquired shall not exceed one hundred and fifty percent of shareholder's equity. Acquisition of any individual security shall not exceed thirty percent of shareholder's equity. This provision shall not be applicable if there is approval by resolution of the shareholders meeting.

2. Amount limit for investments made by each subsidiary shall be subject to the following:
 - (1) The total amount of real estate purchased for non-operational use by any subsidiary that is not a professional investor shall not exceed fifty percent of its capital amount or shareholder's equity (whichever is higher), the total amount of securities purchased not to exceed one hundred and fifty percent of its capital amount or shareholder's equity (whichever is higher) and the amount of investment in any individual security not to exceed fifty percent of its capital amount or shareholder's equity (whichever is higher).
 - (2) The total of real estate purchased for non-operational use by any subsidiary that is a professional investor shall not exceed fifty percent of its total asset, the total amount of securities not to exceed one hundred percent of its total asset and investment in any individual security not to exceed one hundred percent of its total asset.
 - (3) If the investment made by any subsidiary exceeds the limit, the provision shall not be applicable if there is approval by the board of directors of such company and ratification by the board of directors of the Company.

Article 8. Monitoring of Acquisition or Disposal of Assets by Subsidiaries:

1. Subsidiaries of the Company shall establish the "Operational Procedure for Acquisition or Disposal of Asset" in accordance with the "Regulation Governing the Acquisition or Disposal of Asset by Public Companies" promulgated by the FSC and this Procedure. Following the approval by the board of directors, such procedures shall be submitted to each supervisor and shareholders' meeting for approval. The same shall be applicable to any amendment thereof.
2. Subsidiaries of the Company shall report transactions of derivative products as of the end of the previous month to the Company prior to the 8th day of each month. The acquisition or disposal of asset as of the end of the previous month shall also be reported to the Company by the 12th day of each month.
3. If any subsidiary of the Company is not a publicly listed company and if the asset acquired or disposed of reaches the threshold for public announcement filing, the Company shall be notified on the date of occurrence of the fact and the Company shall make filing for public announcement on the designated website in accordance with the rules.

Article 9. Penalty:

If the relevant handling person for the Company's acquisition or disposal of asset violates the "Regulations Governing the Acquisition or Disposal of Asset by Public Companies" promulgated by the Securities and Futures Commission or this Procedure, the initial violation shall be subject to verbal warning. Any second violation shall be subject to a written warning. Repeated or significant violations shall be subject to dismissal.

Chapter II Acquisition of Real Estate from Related Parties

Article 10. Determination Basis:

Acquisition of real estate by the Company from a related party includes acquisition by purchase and by exchange. The determination of related party shall be based the Financial Accounting Standard No. 6 published by the Accounting Foundation. In determining a related party, in addition to the legal form, the substantial relationship shall also be taken into consideration.

Article 11. Resolution Procedure:

When the Company acquires real estate from a related party, the execution division shall submit the following information to the board of directors for approval and to the supervisors for ratification before proceeding with the acquisition:

1. Purpose, necessity and expected return of acquisition of real estate.
2. Reason for selecting a related party as the counterparty.
3. Information related to the reasonableness of the expected transaction conditions to be evaluated in accordance with Article 12 and the provisos of Article 13.
4. The date, price and counterparty of the transaction by which the related party original acquired the asset and the relationship between the Company and the related party.
5. Cash income and expense forecast table for each month during one year starting from the month during which the contract is expected to be signed, and evaluation of the necessity of the transaction and reasonableness of the use of capital.
6. Restrictive conditions for the transaction and other important agreements.

Article 12. Assessment on Rationality of Transaction Conditions:

When the Company acquires real estate from a related party, the reasonableness of the transaction cost shall be evaluated in the following manners and an accountant shall be engaged to verify the result and provide substantial opinion, unless the related party acquired the real estate pursuant to succession or gift, or five years have lapsed since the time when the related party signed a contract for the acquisition of such real estate and the date of signature for this transaction, or the related party acquired the real estate pursuant to signature of a contract for joint construction with others.

1. Transaction price of the related party plus necessary capital interest and cost to be borne by the buyer in accordance with law. Necessary capital interest cost shall be calculated based on the weighted average interest rate for the funds borrowed by the Company during the year when the asset is purchased, provided it shall not be higher than the highest lending rate for non financial industries published by the Ministry of Finance.
2. If the related party created a mortgage on the asset for the purpose of borrowing funds from a financial institution, the total value of the lending based on such asset evaluated by the financial institution, provided that the accumulated value of actual lending by the financial institution based on such asset shall be at least seventy percent of the total lending evaluation and the lending shall have been one year or longer. However, this provision shall not be applicable if the financial institution is a related party to either party to the transaction.
3. If several persons jointly purchase the same piece of land or housing, the transaction cost for such land and housing may be evaluated in any of the manners provided

under subsections 1 or 2 above respectively.

Article 13. Matters to be Carried Out if the Calculated Transaction Cost is Lower than Transaction Price:

If the transaction cost calculated from the results of evaluation in accordance with the previous article is lower than the transaction price, unless any of the following circumstances and objective evidence may be provided and opinions about substantial reasonableness may be obtained from real estate professional appraiser and accountant, the third section shall be applicable.

1. The related party who acquired raw land or leased land for re-construction shall provide proofs of evidence that satisfies one of the following conditions:
 - (1) Pursuant to evaluation of the raw land in accordance with the previous article and based on the related party's construction cost for the housing plus reasonable operational profit, the combined amount exceeds the actual transaction price. "Reasonable operational profit" shall be based on the average operational gross interest rate of the related party's construction department for the past three years or the latest gross interest rate for the construction industry published by the Ministry of Finance, whichever is lower.
 - (2) Any closed case by any person other than the related party in other floors of the same building as the asset or in the vicinity with similar surface during the past year and the transaction conditions are evaluated to be reasonably commensurate with the floor or area under the real estate transaction practice.
 - (3) Any leasing case by any person other than the related party in other floors of the same building as the asset during the past year and the leasing conditions are evaluated to be reasonably commensurate with the floor or area under real estate transaction practice.
2. The Company provides evidence that the transaction conditions for the purchase of real estate from a related party are commensurate to a closed case with similar surface in the vicinity during the past year by any person other than a related party.

The closed case in the vicinity referred to in the previous paragraph shall be one within the same or neighboring block, within the diameter of five hundred meters from the transaction target or has similar current value under public announcement in principle. Similar surface means the surface of the closed case by another person that is not a related party is at least fifty percent of the surface of the transaction target in principle. Within one year means the one year preceding the date of occurrence of the fact of real estate acquisition in this incidence.

When the Company acquires real estate from a related party, if the transaction cost calculated from the evaluation in accordance with the previous article is lower than the transaction price, and if there is no circumstance provided under section 1 of this agreement, the following shall be carried out:

1. The difference between the real estate transaction price and the evaluation cost shall be provided as special profit reserve in accordance with Section 1, Article 41 of the Securities Transaction Act and may not be distributed or used for capital increase and share distribution. The special profit reserve so provided may only be used when the decrease in value has been provided for the asset purchased at high price, or when the asset is disposed, or has been duly compensated or reinstated to its original

condition, or when there is other evidence confirming that the price is not unreasonable and consent from the FSC has been obtained.

2. The supervisors shall proceed in accordance with Article 218 of the Company Law.
3. The processing under subsections 1 and 2 shall be reported to the shareholders meeting and the details of the transaction shall be disclosed in the annual report and prospectus.

Chapter III Monitoring of Transactions in Derivatives

Article 14. Transaction Principles and Guidelines:

1. **Types of Transactions:** The types of transactions in which the Company may engage include forward contracts, options, interest rate and foreign exchange rate swaps, futures and compound contracts combining any of the above products. Any required transaction in any other product may only be carried out following approval by resolution of the board of directors. If the Company establishes an audit committee in the future, significant transactions of derivative products shall be approved by one-half or more of all members of the audit committee and the proposal shall be submitted to the board of directors for resolution.
2. **Operating or Hedging Strategies:** Transactions in derivative products carried out by the Company are divided into transactions for hedging purpose and transactions that are not for hedging purpose (i.e., for transaction purpose). The strategy shall focus on hedging operational risks. The main selections of transaction products shall be for avoiding the risk of foreign exchange income, expense, asset or indebtedness incurred from the operation of the Company's business. In case of any change of objective environment, "non-hedging transactions" in derivative products may be engaged at appropriate timing in the market in order to increase additional non-operational income or reduce non-operational loss. Further, to the extent possible, the selected transaction counterparties shall be financial institutions that have business dealings with the Company in order to avoid credit risk. The type of transaction shall be clearly defined as hedging transaction or financial operation in pursuit of investment return prior to the transaction as the basis for accounting record.
3. **Transaction Limit Amount:**
 - (1) **Hedging Transactions:** The maximum hedging limit shall be the net positions of foreign exchange or debt (including net positions expected to incur in the future) of the consolidated assets and debts.
 - (2) **Non-Hedging Transactions:** To be determined based on the market trend and company business requirement at the time of transaction. Prior to execution, the transaction staff shall provide analysis and evaluation report. The contents of the report should specify the market trend and risk analysis and provide suggested operational method and conditions. Approval from the president shall be obtained before the transaction.
4. **All and Individual Contract(s) Loss Limit**
 - (1) Hedging Transactions: After a position is established, in case of any of the following, recommendations of corresponding measures shall be proposed

immediately to president or the supervisor authorized by the president for decision:

- i. Evaluated loss amount for any single contract exceeds twenty percent of the transaction contract amount for two consecutive months.
 - ii. Evaluated loss amount for all contracts exceed ten percent of the total transaction contract amount for two consecutive months.
- (2) Non-Hedging Transactions: After a position is established, a stop-loss point shall be fixed in order to avoid excessive loss. In fixing the stop-loss point, the total loss amount under all contracts shall not exceed the maximum of 40% of the total amount of all contracts. The loss for an individual contract shall not exceed 50% of the amount of the individual contract, nor shall it exceed 50 million NT Dollars. Once the loss exceeds the stop-loss point, corresponding suggestions shall be proposed immediately to the president or the executive authorized by the president for decision.

5. Authorization Limit Amount

- i. Hedging Transactions: To response to the change of company's turnover and risk position and after approval by the senior executive authorized by the president, the transaction staff shall perform transactions that the accumulated closed positions shall not exceed the currently required hedging positions.
- ii. Non-Hedging Positions: To minimize risk, any accumulated closed positions below 50 million US Dollars (including the equivalent in other currencies) shall be subject to approval by the president or the senior executive authorized by the president, and positions exceeding 50 million US Dollar shall be subject to approval by the president before the relevant transaction may be performed.
- iii. Commodity Futures: In accordance with the change of company requirement and risk position, the executive of the Taipei Management Division is authorized for such operation within the accumulated operational limit of 40 units of corn, 20 units of soy beans and 10 units of wheat. Any transaction exceeding the above limit shall require prior approval by the president.

6. Division of Responsibilities

- (1) Treasury Division: serve as the execution staff for transaction of Company's derivatives and responsible for the drafting of transaction strategies and execution of transaction orders within the scope of authorization, disclosure of future transaction risks and provision of updated in-time information to relevant divisions for reference. Account process and preparation of statements for the transactions as well as the maintenance of transaction records shall be handled by other non-transactional execution staff.
- (2) Taipei Management Division: Responsible for executing transactions in futures of large volume materials and providing regular evaluation reports.
- (3) Finance Division: Responsible for capital allocation and settlement related matters for derivative products.
- (4) Audit Division
 - (i) Regular supervision and evaluation as to whether the fixed operational

strategy is being followed and whether the risk undertaken is within the limit of tolerance by the Company.

(ii) Regularly evaluate whether the risk management procedure currently used is appropriate and in compliance with the “Operating Procedure for Transaction in Derivative Products” established by the Company.

(iii) If any anomaly is discovered during an audit, a report shall be submitted to the president immediately and necessary measures shall be taken.

7. Principles for Performance Evaluation

(1) Hedging Transactions: Performance shall be evaluated based on the foreign exchange (interest) rate cost on the Company’s books and the profit and loss incurred from derivative financial transactions. There shall be at least two performance evaluations per month and the reports shall be submitted to the management for reference.

(2) Non-Hedging Transactions

Performance shall be evaluated based on the profit and loss actual incurred. There shall be at least one performance evaluation report per week shall be conducted based on the actual profit incurred, and submitted to the management for reference.

Article 15. Risk Management Measures:

In engaging in transactions of derivative products, the Company’s risk management scope and the risk management measures to be taken are as follows:

1. Credit Risk Consideration: In principle, the selected transaction counterparties shall be banks and relevant financial institutions that have dealings with the Company, with a good reputation and the ability to provide professional information.
2. Market Price Risk Consideration: The future market price fluctuation of derivative products may incur uncertain losses. Therefore after positions are established, the profit and loss shall continue to be monitored. When the loss exceeds the preset stop-loss point, report shall be made immediately to the president or the executive authorized by the president for decision.
3. Liquidity Risk Consideration: In order to ensure the liquidity of transaction products, the transaction institution must have sufficient equipment, information and transaction capability to perform transactions in any market.
4. Processing Risk Consideration: The authorization amount and processing flow shall be strictly complied with in order to avoid any processing risk.
5. Legal Risk Consideration: Any contract document to be signed with any financial institution shall be carefully reviewed by the processing division or with the assistance by the legal department or professional legal consultants in order to avoid legal risk.
6. Product Risk Consideration: The internal transaction person shall possess complete and correct professional knowledge about the transacted derivative product in order to avoid loss from misuse of derivative products.
7. Cash Settlement Risk Consideration: The authorized transaction person shall

strictly comply with the rules of authorization amount and shall also pay attention to the cash flow of the Company in order to ensure sufficient cash for settlement.

8. Transaction personnel may not also serve as confirmation and settlement personnel.
9. Verification personnel shall regularly verify accounts with banks or through confirmation letters and shall verify whether the total amount of transaction has exceeded the limit provided under this Procedure at all times.
10. Risk monitoring and control personnel shall be affiliated with a different department from that of the personnel under the previous two subsections and shall report to the board of directors or a senior executive who is not responsible for transaction or position decisions.
11. All positions shall be evaluated at least once every week. In case of hedging transactions pursuant to business requirement, evaluation shall be performed at least twice every month. The evaluation report shall be submitted to the president or the senior executive designated by the president (note: the designated senior executive shall not be affiliated with the execution division).

Article 16. Internal Audit System:

The internal audit staff of the Company shall regularly understand the appropriateness of internal control for transactions of derivative products, perform monthly audit on the operating procedure of the transaction department with regard to transactions of derivative products and prepare audit reports. If any significant breach of this rule is discovered, an immediate report shall be submitted to the chairman and the senior executive designated by the board of directors and each supervisor shall be informed in writing.

Article 17. Regular Evaluation Method and Handling of Abnormalities:

1. Transactions in derivatives shall be regularly evaluated on monthly or weekly basis and profit and loss as well as open positions of non-hedging transactions during the current month or current week shall be listed and submitted to the president or senior executive authorized by the president as reference for management performance evaluation and risk consideration.
2. The president of the Company or the senior executive designated by the board of directors shall pay attention to the monitoring and control of risk for transactions of derivatives at all times. The board of directors shall regularly evaluate whether the performance of transactions of derivative products complies with the fixed operational strategies and whether the risk undertaken is within the Company's scope of tolerance.
3. The president or senior executive authorized by the board of directors shall manage transactions of derivatives based on the following principles:
 - (1) Regularly evaluate whether the risk management measures currently used are appropriate and ensure that the relevant provisions under the "Regulations Governing the Acquisition and Disposal of Asset" established by the Securities and Futures Commission and this Procedure are complied with.
 - (2) Monitor transaction and profit and loss situations. Take necessary corresponding measures if any anomaly is discovered and report immediately to the board of directors.

4. The Company shall keep a record book for transactions of derivative products, detailing the types and amounts of transactions of derivative products, the dates of approval by the board of directors, monthly or weekly regularly evaluation reports and matters subject to regular evaluations by the board of directors and senior executive authorized by the board of directors.

Chapter IX Merger, Split, Acquisition or Transfer of Shares

- Article 18. When the Company engages in a merger, split, acquisition or transfer of shares, prior to convening a board meeting for resolution, accountant, attorney or securities underwriter shall be engaged to provide opinions about the reasonableness of the share exchange ratio, acquisition price or distribution of cash or other asset to the shareholders. The proposal shall then be submitted to the board of directors for discussion and approval.
- Article 19. When the Company engages in a merger, split, acquisition or transfer of shares, provisions of important agreements and related matters shall be included into public documents to the attention of shareholders prior to the shareholders meeting. Such documents shall be submitted to the shareholders together with the expert opinions referred to in the previous article and the notice for the meeting as reference for whether such proposed merger, split or acquisition should be approved. However, this provision shall not be applicable if other laws allow the merger, split or acquisition without resolution by the shareholders meeting. If the shareholders meeting of any party participating in the merger, split or acquisition cannot be convened, resolution cannot be reached or if the proposal is denied by the shareholders meeting, the Company shall immediately make a public announcement to explain the reasons therefore, subsequent handling process and the expected date for convening the shareholders meeting.
- Article 20. Unless otherwise provided by law or if there is any special reason requiring prior approval by the FSC, when the Company participates in any merger, split or acquisition, it shall convene the board meeting and the shareholders meeting on the same day as the other participating companies to resolve on matters of merger, split or acquisition. When the Company participates in any transfer of shares, it shall convene the board meeting on the same day as the other participating companies.

Any company that participates in any merger, split, acquisition or transfer of shares and who is a listed company or whose shares are traded in any securities dealer's business premises shall complete written records for the following information shall be prepared and maintained for five years for future verification.

1. Basic staff information: including persons who participated in the project of merger, split, acquisition or transfer of shares or who executed the project prior to the announcement of the news, including their titles, names, ID numbers (passport numbers in case of foreign nationals).
2. Dates of important matters: including the dates on which the letter of intent or memorandum of understanding is signed, financial or legal advisors is engaged, contract is signed and the board meetings, etc.
3. Important documents and minutes of meetings: including documents such as the merger, split, acquisition or share transfer plan, letter of intent or memorandum of understanding, important contracts and minutes of board meetings, etc.

Any company that participates in any merger, split, acquisition or transfer of shares and

who is a listed company or whose shares are traded in any securities dealer's business premises shall file the information referred to under subsections 1 and 2 of the previous section in the specified format on the internet information system within two days from the date on which the board resolution is passed.

For any company that participates in any merger, split, acquisition or transfer of shares and who is not a listed company or whose shares are not traded in any securities dealer's business premises, the company that is a listed company or whose shares are traded in any securities dealer's business premises shall sign an agreement with the former company and proceed in accordance with provisions under the second and third sections.

Article 21. Share Exchange Ratio and Acquisition Price:

The share exchange ratio or acquisition price for any merger, split, acquisition or transfer of shares shall not be changed unless there are any of the following events:

1. Capital increase in cash, issuance of convertible corporate bonds, issuance of shares without consideration, issuance of corporate bonds with warrants attached, special shares with warrants attached, warrants for share subscription and other securities with the nature of shareholding entitlement.
2. Disposal of significant assets of the Company that impact the financial business of the Company.
3. Occurrence of any significant disaster or significant change of technology that impacts the shareholders interest or price of the securities.
4. Adjustment made pursuant to repurchase of treasury shares by any company participating in the merger, split, acquisition or transfer of shares in accordance with law.
5. Change of entity, or increase or decrease of the number of entities participating in the merger, split, acquisition or transfer of shares.
6. Change of any other condition that may be changed under the contract and for which public disclosure has been made.

Article 22. Matters to be Provided under the Contract:

When the Company participates in any merger, split, acquisition or transfer of shares, the contract shall specify the rights and obligations of the participating companies, the share exchange ratio and acquisition price that may be changed as referred to in the previous article and the following matters:

1. Handling for breach of contract.
2. Principles for handing securities with shareholding entitlement that have been issued previously by the distinguished or split company or treasury stocks that have been repurchased previously.
3. The quantity and principles for handling treasury stocks that may be repurchased in accordance with law by the participating company after the record date for calculation of share exchange ratio.
4. Manner for handling the increase or decrease of the number of participating entities.
5. Expected project execution schedule and expected completion date.

6. In the event that the project is not completed by the deadline, relevant operating procedures such as the expected date for convening the shareholders meeting should be convened.

Article 23. Other matters to attend to when the Company participates in any merger, split, acquisition or transfer of shares:

1. Require persons that participate or know about the merger, split, acquisition or share transfer project to issue a written confidentiality undertaking and shall not disclose the contents of the project, nor sell or purchase any share or other securities with shareholding entitlement of any company that is related to the transaction either in his/her own name or in the name of any other person, prior to public announcement of the news.
2. After the news about the merger, split, acquisition or share transfer is published, if a further merger, split, acquisition or share transfer is contemplated with another company, unless the number of participating entities is decreased and the shareholders meeting has already reached a resolution authorizing the board of directors to make changes, in which circumstance no additional resolution from the shareholders meeting shall be necessary, all procedures or legal acts that have been completed under the original proposal shall be redone.
3. If any company that participates in the merger, split, acquisition or share transfer is not a publicly listed company, the Company shall sign an agreement with such company and proceed in accordance with the provisions under Article 20 and the previous two sections of this article.

Chapter V Other Important Matters

Article 24. When the Company acquires or disposes assets, the relevant contracts, meetings minutes, record books, price appraisal reports and opinions of accountants, attorneys or securities underwriters shall be maintained at the Company's office for at least five years, unless otherwise provided by law.

Article 25. When the Company obtains a price appraisal report or opinions from accountants, attorneys or securities underwriters, such professional appraiser and the appraisal staff, accountant, attorney or securities underwriter shall not be a related party to any party to the transaction.

Article 26. If any acquisition or disposal of assets by the Company is subject to approval by the board of directors in accordance with this Procedure or other laws and if any directors' voices any objection that is recorded or stated in writing, such director objection information shall be submitted to each supervisor. If the Company has independent directors, opinions of each independent director shall be fully taken into consideration. If any independent director has any objection or reservation, it shall be specified in the minutes of board meetings.

If the Company has an audit committee, a transaction of significant assets or derivative products shall be subject to approval by one-half of all members of the audit committee and the proposal shall be submitted to the approval by resolution of the board of directors. Sections 3 and 4 of Article 27 shall be applicable mutatis mutandis.

Article 27. This Procedure shall be implemented after the approval by the board of directors, and

submission to each supervisor then approval by the shareholders meeting. The same shall be applicable for any amendment thereto. If any voice any objection that is recorded or stated in writing, such director objection information shall be submitted to each supervisor. If the Company has independent directors, opinions of each independent director shall be fully taken into consideration. If any independent director has any objection or reservation, it shall be specified in the minutes of board meetings.

If the Company has an audit committee, any restatement or amendment to the Operating Procedure for Acquisition or Disposal of Asset shall be subject to approval by one-half of all members of the audit committee and the proposal shall be submitted to the approval by resolution of the board of directors.

If the above-mentioned matter is not approved by one-half or more of all members of the audit committee, it may be approved instead by two-thirds of all members of board of directors. The resolution by the audit committee shall be specified in the minutes of the board meeting.

All members of the audit committee and board of directors as referred to in the second section hereof shall be calculated based on the number of members who are currently in position.

Article 28. If the Company has an audit committee, provisions under Articles 11, 16, 26 and 27 with regard to supervisor shall be applicable to the audit committee.

If the Company has an audit committee, provisions under subsection 2, section 3, Article 13 shall be applicable to the independent directors of the audit committee.

Attachment 1

The price appraisal report shall specify the following matters:

1. Matters that should be specified under real estate appraisal technical rules.
2. Matters related to the professional appraiser and appraisal staff.
 - (1) Name, capital amount, organizational structure and constituent staff of the professional appraiser.
 - (2) Appraisal staffs' names, ages, academic and professional experiences (justifications attached), number of years and periods engaged in price appraisal work, number of price appraisal cases undertaken.
 - (3) Relationship between the professional appraiser, the appraisal staff and the entity requesting the appraisal.
 - (4) Provide statement of "matters included in the appraisal report are without false statement or omission".
 - (5) Provide date of the appraisal report.
3. Basic information of the appraisal target shall include at least the name and nature, location and surface.
4. Examples of comparative cases of real estate transactions in the area of the target.
5. If the appraisal adopts restricted price or specific price, information about whether the restrictive or specific conditions are currently satisfied, the reason and rationality for inconsistency with normal price, and such restrictive or specific price, may be used as reference for sale and purchase price.
6. In case of any contract for joint construction, reasonable sharing ratio between the parties shall be specified.
7. Calculation of land appreciation tax.
8. If appraisals from different professional appraisers on the same date differ from each other by twenty percent or more, ensure it has been handled in accordance with Article 41 of the Real Estate Appraiser Act.
9. Attachments shall include details of target value appraisal, ownership registration information, Cadastral map transcript, summary of urban planning, target location map, land use zoning certificate and photograph of current condition of the target.

Attachment 2

(Applicable for securities traded in domestic or overseas centralized trading market or over-the-counter trading center)

Public Announcement by X X Co., Ltd.		Date	Reference No.
This public announcement is made in accordance with the “Regulations Governing the Acquisition or Disposal of Asset” about the following information related to the acquisition/disposal of securities of the Company:			
1. Name of Security:			
2. Transaction Date: From	to		
3. Quantity:	; Unit Price:	Dollars; Total Amount:	Dollars
4. Disposed Gains (or Losses):			
5. Accumulated holding of securities under this transaction as of this date (including this transaction):	Quantity:		Amount:
	Dollars; Shareholding Ratio:	%; Encumbrance (such as pledge):	
6. Relationship with the company of the target:			
7. Amount of long-term and short-term securities investment (including this transaction) as percentage to the latest financial statements:	% of total asset;		as of this date according to
	% of shareholder’s equity.		
	Operating capital based on latest financial statement (not applicable to banking industry):		
8. Purpose for acquisition or disposal:			
9. Any director’s objection to this transaction:			

Note: 1. Section 4: Not applicable for holding of securities.

2. Section 7: (1) Long-term and short-term securities investment are the combined amount (including this transaction) calculated by the company itself as of this date; total asset and shareholder’s equity shall be the amount included in the company’s latest financial statement.

(2) If securities are acquired and if the operating capital is negative, a public announcement shall also be made about the source of funding for acquisition of such securities and the reasons for acquiring such securities without sufficient funding.

Attachment 3

(Applicable to acquisition of real estate pursuant to entrusted construction on self-owned land, joint construction and sharing of housing, joint construction and sharing of ownership, joint construction and sharing of sale)

Public Announcement by X X Co., Ltd.		Date	Reference No.
<p>This public announcement is made in accordance with the “Regulations Governing the Acquisition or Disposal of Asset” about the following information related to the acquisition of X X asset by X X contemplated by the Company:</p>			
1. Type of contract:			
2. Date of occurrence: From	to		
3. Contract counterparty:		Relationship with the Company:	
4. Total contract amount:		Dollars; Expected investment:	Dollars
Contract period: From	to		
Restrictive clauses:			
Other important agreements:			
5. Name of professional price appraisal firm or company:		Result of price appraisal:	
Dollars			
Name of real estate appraiser:		Certificate No. of real estate appraiser:	
Reason for significant inconsistency with the transaction price and accountant’s opinion:			
Whether the appraisal report is a restricted price or specific price:			
Whether the appraisal report has not been obtained:		Reason for not obtaining the appraisal report:	
6. Purpose of the acquisition:			
7. Whether any director has any objection to this transaction:			

Note: 1. Section 4: Under other important agreements, any clauses about buy-back (resale), termination of contract or other uncertain and special conditions attached shall be specified.

2. Section 5: Not applicable for entrusted construction on self-owned (leased) land. The appraisal result shall specify appraiser’s evaluation opinion about the reasonableness of the cooperation of the contract.

Attachment 4

(Applicable to acquisition or disposal of real estate and other fixed asset or acquisition of real estate from a related party)

Public Announcement by x x Co., Ltd.		Date	Reference No.
This public announcement is made in accordance with the "Regulations Governing the Acquisition or Disposal of Asset" about the following information related to the acquisition/disposal of x x asset of the Company:		Acquire	Dispose
1.	Name and nature of target: (for example, land located on xx subsection, xx section, north district of Taichung City)		
2.	Date of occurrence: (such as the contract signature date, x year x month x date)		
3.	Number of transaction units: (such as x x square meters, equivalent to x x pings); Unit price: Dollars; Total Amount: Dollars		
4.	Transaction counterparty: (such as x x Co., Ltd.): Relationship with the Company: (such as subsidiary of company of which x x % shares are held by the Company)		
5.	Reason for selecting a related party as the counterparty to the transaction: Ownership of previous transfer: ; Relationship with the Company: ; Relationship with the transaction counterparty: Date of previous transfer: Year Month Date; Amount: Dollars		
6.	Any owner of the target during the past five years who was a related party to the Company: Date of acquisition by the related party: Year Month Date; Price of acquisition: Dollars; Relationship with the Company at the time of acquisition: Date of disposal by the related party: Year Month Date; Price of disposal: Dollars; Relationship with the Company at the time of acquisition:		
7.	Expected gains (or losses) from disposal:		
8.	Delivery or payment conditions (including payment period and amount): Restrictive contractual clauses: Other important agreements:		
9.	Decision for Transaction method: (such as tender, price comparison or price negotiation) Reference for price determination: Decision making division:		
10.	Name of professional price appraisal firm or company: Price appraisal amount: Dollars Name of real estate appraiser: Certificate No. of real estate appraiser: Reason for significant inconsistency with the transaction price and accountant's opinion: Whether the appraisal report is a restricted price or specific price: Whether the appraisal report has not been obtained: Reason for not obtaining the appraisal report:		
11.	Broker: Brokerage fee:		
12.	Purpose or utilization for acquisition or disposal		
13.	Whether any director has any objection to this transaction:		
For acquisition of real estate from a related party, the following matters shall also be filed:			
1.	Date of approval by the board of directors: Date of ratification by the supervisors:		
2.	Appraisal price in accordance with Article 15 of the "Regulations Governing the Acquisition or Disposal of Asset by Public Companies":		
3.	If the appraisal price under the previous section is lower than the transaction price, appraisal price under application mutatis mutandis of Article 16 of the same Rules:		

Note: 1. Section 4: If the transaction counterparty is a natural person and is not a related party to the Company, the name may be kept undisclosed.

2. Section 7: Not applicable for acquisition of asset. If the expected gains (or loss) or disposal is delayed, a table shall be listed to explain about the provision for recognition.

3. Section 8: Under other important agreements, clauses of buy-back (resale), termination of contract or other uncertain and special agreements shall be specified.

4. Section 10: (1) If a restricted price or specific price is used as reference for the transaction price, separate public announcement shall be made about the normal price and the appraisal result of restricted price or specific price.

(2) If the asset is acquired or disposed pursuant to court auction procedure, justification document issued by the court may be provided instead.

Attachment 5

(Applicable for sale and purchase of securities that are not listed on centralized trading market or securities dealers' business premises, membership or intangible assets and disposal of creditor's right by financial institutions)

Public Announcement by x x Co., Ltd.		Date	Reference No.
This public announcement is made in accordance with the "Regulations Governing the Acquisition or Disposal of Asset" about the following information related to the acquisition/disposal of x x securities (membership, intangible asset or creditor's right) by the Company:			
		Acquire Dispose	
1.	Name and nature of target: (in the case of special shares, agreed upon issuance conditions for the special shares such as dividend rate shall be specified)		
2.	Date of occurrence: (such as the contract signature date, x year x month x date)		
3.	Number of transaction units: (such as x x square meters, equivalent to x x pings); Unit price:	Dollars; Total Amount:	Dollars
4.	Transaction counterparty: (such as x x Co., Ltd.); Relationship with the Company: (such as subsidiary of company of which x x % shares are held by the Company)		
5.	Reason for selecting a related party as the counterparty to the transaction: Ownership of previous transfer: ; Relationship with the Company: ; Relationship with the transaction counterparty: Date of previous transfer: Year Month Date; Amount: Dollars		
6.	Any owner of the target during the past five years who was a related party to the Company: Date of acquisition by the related party: Year Month Date; Price of acquisition: Dollars; Relationship with the Company at the time of acquisition: Date of disposal by the related party: Year Month Date; Price of disposal: Dollars; Relationship with the Company at the time of acquisition:		
7.	Matters related to this disposal of creditor's right: (1) Type of collateral ancillary to the disposed creditor's right: (2) If the disposed creditor's right is creditor's right in relation to a related party: Name of related party: ; Book value of creditor's right in relation to the related party under this disposal: Dollars		
8.	Gains (or losses) from disposal:		
9.	Delivery or payment conditions (including payment period and amount): Restrictive contractual clauses: Other important agreements:		
10.	Decision making for transaction method: ; Decision making division: Reference for price determination: Net value per share of acquired or disposed securities of target company:		
11.	Whether the accountant issued an opinion about the reasonableness of the transaction price:		
12.	Accumulated number of transacted securities held as of this date (including this transaction):	; Amount:	Dollars; Shareholding ratio: %
13.	Restrictions on right: (such as pledge) As of today, amount of long-term and short-term securities investment (including this transaction) as percentage to according to the latest financial statements: % of total asset; % of shareholder's equity. Operating capital based on latest financial statement (not applicable to banking industry):		
14.	Broker: ; Brokerage fee: Dollars		
15.	Purpose for acquisition or disposal:		
16.	Whether any director has any objection to this transaction:		

Note: 1. Section 4: If the transaction counterparty is a natural person and is not a related party to the Company, the name may be kept undisclosed.

2. Section 8: Not applicable for acquisition of securities. If the expected profit (or loss) or disposal is delayed, a table shall be listed to explain about the provision for recognition.

3. Section 9: Under other important agreed upon matters, it shall be specified whether there is any clause about the repurchase (resale) attached, termination of contract or other uncertain and special agreements.

4. Section 11: If asset is acquired or disposed pursuant to court auction procedure, justification document issued by the court may be provided instead.

5. Section 13: (1) Long-term and short-term securities investment is the combined amount (including this transaction) calculated by the company itself as of this date; total asset and shareholder's equity shall be the amount included in the company's latest financial statement.

(2) If the securities are acquired and if the operating capital is negative, public announcement shall also be made about the source of funding for acquisition of such securities and the reasons for acquiring such securities without sufficient funding.

Attachment 6

(Applicable for investment in the Mainland area)

Public Announcement by x x Co., Ltd.		Date	Reference No.
This public announcement is made in accordance with the "Rules Governing the Acquisition or Disposal of Asset" about the following information related to the investment in the Mainland area by the company:			
1.	Increased (decreased) portion of investment in this instance:		
	(1) Date of occurrence:		
	(2) Investment method:		
	(3) Number of transaction units:	; Unit Price:	; Total Amount:
	(4) Information of invested company in Mainland China:		
	i. Name of Company:		
	ii. Paid-in Capital:		
	iii. Amount of capital increase in this instance:		
	iv. Main business activities:		
	v. Matters related to the latest annual financial statements:		
	Type of accountant's opinion:	Net value per share:	Profit and Loss Amount:
	vi. As of today, actual invested amount in this invested target in Mainland China:		
	(5) Transaction counterparty:	; Relationship with the Company:	
	(6) Reason for selecting a related party as the counterparty to the transaction:		
	Ownership of previous transfer:	; Relationship with the Company:	; Relationship with the transaction counterparty:
	Date of previous transfer:	Year Month Date; Amount:	Dollars
	(7) Any owner of the target during the past five years who was a related party to the Company:		
	Date of acquisition by the related party:	Year Month Date; Price of acquisition:	Dollars; Relationship with the Company at the time of acquisition:
	Date of disposal by the related party:	Year Month Date; Price of disposal:	Dollars; Relationship with the Company at the time of acquisition:
	(8) Expected gains (or losses) from disposal:		
	(9) Delivery or payment conditions (including payment period and amount):		
	Restrictive contractual clauses:		
	Other important agreed upon matters:		
	(10) Decision making for transaction method:	Decision making division:	
	Reference for price determination:		
	(11) Whether the accountant issued an opinion about the reasonableness of the transaction price:		
	(12) Broker:		
	(13) Purpose or utilization for acquisition or disposal:		
	(14) Whether any director have any objection to this transaction:		
2.	As of today, total investment in the Mainland area:		
	(1) Total investment amount in the Mainland area approved by the Investment Committee (including this investment) as percentage according to the latest financial statements:	% of total asset;	% of shareholder's equity
	(2) Total amount of actual investment in Mainland area as percentage according to the latest financial statements:	% of total asset;	% of shareholder's equity
	Amount of profit and loss from investment in Mainland China accounted for during the past three years:	Dollars;	Dollars;
	Amount of profit repatriated during the past three years:	Dollars;	Dollars;

Note: Investment in Mainland area includes the following investment methods:

- (1) Direct investment in Mainland companies.
- (2) Investment in Mainland companies through the wiring of funds from a third area.
- (3) Investment in Mainland companies through prior investment and incorporation of another company in a third area.
- (4) Investment in mainland companies through existing subsidiaries in a third area.
- (5) Investment in the Mainland area in other manners.

Attachment 7-1

(Applicable for information subject to public announcement to be made within 2 days from date of occurrence of the facts regarding transactions in derivative products)

Public Announcement by	x x Co., Ltd.	Date	Reference No.
This public announcement is made in accordance with the “Rules Governing the Acquisition or Disposal of Asset” about the following information related to transactions in derivative products by the company:			
1. Type of contract (Note 1):			
2. Date of occurrence:			
3. Contract amount (Note 2):			
4. Amount of deposit (or royalty) paid:			
5. Reason for engaging in transaction of derivative products (Note 3):			
6. Amount of loss based on fair value appraisal (including realized and unrealized): Loss amount limit for all or individual contract provided under the processing procedure: Reason for loss incurred and impact on the Company:			
7. Contract period:			
8. Restrictive clauses:			
9. Other important agreements:			

Note 1: Under type of contract, it shall be specified whether it is a futures contract, forward contract, swap or options contract, etc.

Note 2: Under contract amount, the amount of principal nominated under the contract, the fixed amount, face value and other similar amount shall be disclosed.

Note 3: Under reason for transaction of derivative products, it shall be specified whether the transaction is for hedging or non-hedging purpose. If the transaction is for hedging purposes, the hedged item, the amount and profit and loss status shall be specified.

Note 4: Embedded derivative products that are accounted for independently from the main contract are part of the derivative products subject to this form.

Attachment 7-2

(Applicable for public announcement to be made by the 10th day of each month about information of transactions in derivative products)

Public announcement is hereby made in accordance with the "Regulations Governing the Acquisition or Disposal of Asset by Public Companies) about information related to derivative products engaged by the Company, its overseas subsidiary and domestic subsidiary that is not publicly listed from year **up to the end of** : (separate forms shall be used for separate public announcement for the Company, its overseas subsidiary and non-publicly listed domestic subsidiary respectively)

1. Applicable for Non-Banking Industries (Unit: Thousands of NT Dollars)

(1) For transaction purpose

	Futures	Options				Forward Contracts (Note 1)	Exchange	Others
		Sale		Purchase				
		Call Option	Put Option	Call Option	Put Option			
Deposit Paid								
Royalty Received (Paid)								
Open Contract	Total Contract Amount							
	Net Profit/Loss from Fair Value Evaluation							
Reversed Contract	Total Contract Amount							
	Amount of Profit/Loss Accounted For							
Remarks:								

(2) For Hedging Purposes

1. Hedging against asset debt held

	Futures	Options				Forward Contract (Note 2)	Exchange	Others
		Sale		Purchase				
		Call Option	Put Option	Call Option	Put Option			
Deposit Paid								
Royalty Received (Paid)								
Open Contract	Total Contract Amount							
	Net Profit/Loss from Fair Value Evaluation							
Reversed Contract	Total Contract Amount							
	Amount of Profit/Loss Accounted For							
Remarks: (For items under hedging purposes, the company may also disclose the portion that is accounted for under hedging)								

2. Hedging against off-balance-sheet confirmed commitment or expected transaction

		Futures	Options				Forward Contract (Note 2)	Exchange	Others
			Sale		Purchase				
			Call Option	Put Option	Call Option	Put Option			
Deposit Paid									
Royalty Received (Paid)									
Open Contract	Total Contract Amount								
	Net Profit/Loss from Fair Value Evaluation								
Reverse Contract	Total Contract Amount								
	Amount of Profit/Loss Accounted For								
Remarks: (For items under hedging purposes, the company may also disclose the portion that is accounted for under hedging)									

3. Hedging against net investment by overseas operational institution

		Futures	Options				Forward Contract (Note 2)	Exchange	Others
			Sale		Purchase				
			Call Option	Put Option	Call Option	Put Option			
Deposit Paid									
Royalty Received (Paid)									
Open Contract	Total Contract Amount								
	Net Profit/Loss from Fair Value Evaluation								
Reverse Contract	Total Contract Amount								
	Amount of Profit/Loss Accounted For								
Remarks: (For items under hedging purposes, the company may also disclose the portion that is accounted for under hedging)									

2. Applicable to the banking industry and drafts/notes industry (sale and purchase performed on behalf of clients may be excluded from calculation) Unit: Thousands of US Dollars

Type of Contract		Interest Rate	Foreign Exchange Rate	Warrants	Products	Credit	Others
Nominal Balance of Principal	OTC Market	Transaction Purpose					
		Non-Transaction Purpose					
	Stock Exchange	Transaction Purpose					
		Non-Transaction Purpose					
Fair Value	Transaction Purpose	Positive Total Amount					
		Negative Total Amount					
	Non-Transaction Purpose	Hedged Item					
		Hedging Tool					
Profit and Loss Account	Transaction Purpose						
	Non-Transaction Purpose	Hedged Item					
		Hedging Tool					

Remarks: (For items under hedging purposes, the company may also disclose the portion that is accounted for under hedging)

- Note 1: Forward contract does not include insurance contract, contract performance agreement, after-sale service contract, long-term leasing contract and long-term product purchase (sale) contract.
- Note 2: Total contract amount means the nominal amount of principal, fixed amount, face value or other similar amount of open contracts as of the end of the previous month. Relevant amount of profit and loss means the amount accumulated during the year up to the end of the previous month.
- Note 3: Deposit paid means the deposit paid for open contracts as of the end of the previous month, including the original deposit and additional deposit. Royalty received (paid) means royalty for open contracts as of the end of the previous month.
- Note 4: Hedging means financial hedging. Financial hedging means financial product transactions engaged by the enterprise for the purpose of avoiding market risk, credit risk, liquidity risk or cash flow interest from interest rate fluctuation due to asset, debt, off-balance-sheet confirmed commitments or expected transactions and net investment by overseas operational institutions.
- Note 5: Embedded derivative products that are accounted for independently from the main contract are part of the derivative products subject to this form.

Attachment 8

(Applicable for merger, split, acquisition or transfer of shares)

Public Announcement by X X Co., Ltd.	
	Date Reference No.
This public announcement is made in accordance with the “Regulations Governing the Acquisition or Disposal of Asset” about the following information related to the merger (or split, acquisition or transfer of shares) engaged by the company:	
1. Type of merger and acquisition: (such as merger, split, acquisition or transfer of shares)	
2. Date of occurrence of the fact:	
3. Names of companies participating in the merger or acquisition: (such as name of the other company of the merger, new spin-off company, target of company acquired or whose shares are received)	
4. Transaction counterparty: (the other company of the merger, the company split and assigned to another person, transaction target acquired or whose shares are received)	
5. Relationship between the transaction counterparty and the Company: (subsidiary of the Company of which XX% shares are held by the Company) Reason for selecting a related party as the counterparty to the transaction: Whether shareholders’ interest is impacted:	
6. Purpose of merger or acquisition:	
7. Expected effect to arise from the merger/acquisition:	
8. Impact of the merger/acquisition on the net value per share or profit per share:	
9. Share exchange ratio and calculation basis:	
10. Expected completion date:	
11. Matters related to the rights and obligations of existing company or the new company that succeed the extinguished (or split) company:	
12. Basic information of companies participating in the merger:	
13. Matters related to the split: (1) Evaluations of business and asset of the expected existing company to be transferred or of the newly incorporated company (2) Total number, types and quantities of shares to be obtained by the split company or its shareholders (3) When the capital of the split company is decreased, matters related to the capital decrease	
14. Conditions and restrictions for future transfer of merged/acquired shares:	
15. Other important agreed upon matters:	
16. Whether any director has any objection to this transaction:	

Note: 1. Section 11: Matters related to the rights and obligations of existing company or the new company that succeed the extinguished company includes principles about the handling of treasury stocks and issued securities with stock entitlement.

2. Section 12: Basic information of companies participating in the merger includes main items such as names and operated businesses of the companies

Uni-President Enterprises Corp.
Operational Procedures for Endorsements and Guarantees

Amended 27 June 2003

- Article 1: All matters related to endorsements and guarantees by the Company for another entity shall be in accordance with these Rules.
- Article 2: The scope of endorsements and guarantees by the Company includes financing, customs and other endorsements and guarantee. Other endorsements and guarantees refer to those that cannot be categorized as endorsements and guarantees for financing or customs.
- Article 3: The Company may provide endorsements and guarantees for the following entities:
1. Any company having direct business dealings with the Company.
 2. Any subsidiary of which more than 50% ordinary shares are directly held by the Company.
 3. Any subsidiary of which more than 50% of ordinary shares are held by the parent company and subsidiary(ies) on a combined basis.
 4. Any parent company that owns more than 50% ordinary shares of the Company directly or indirectly through subsidiary(ies).
 5. Endorsement and guarantee provided to an invested company as a joint investing shareholder under joint investment relationship in accordance with shareholding ratio.
- Article 4: Determination criteria for endorsements and guarantees provided due to business dealings:
- For any endorsement or guarantee provided by the Company due to business dealings, the amount of endorsement or guarantees shall be equivalent to product purchase or sale amount of the enterprise receiving the endorsement or guarantee during the previous year or during the current year up to the time of endorsement or guarantee, whichever is higher.
- Article 5: Amount Limit of Endorsements and Guarantees:
- The Company's total amount of liabilities under endorsements and guarantees shall be limited to 100% of the net value of the Company. The amount of endorsements and guarantees provided to any single enterprise shall be limited to 50% of the net value of the Company and the relevant situations shall be reported to the shareholders meeting for reference.
- Article 6: Procedure for Endorsements and Guarantees by the Company:
1. Based on the business requirements of the enterprise receiving the endorsement or guarantee, risk shall be assessed and the amount limit shall be fixed. Endorsements and guarantees may only be provided after resolution by the board of directors. However, if any endorsement or guarantee is required on an urgent basis, the board may authorize the chairman to proceed within a certain amount limit and report

may be submitted to the board of directors subsequently for ratification. Provisions of endorsements and guarantees and relevant matters shall be reported to the shareholders meeting for reference.

2. If the Company has independent directors, the opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be included into the minutes of board meetings.
3. For any amount of endorsement and guarantee within the amount limit for any recipient enterprise, the loan amount, duration and nature of endorsement or guarantee shall be accounted for by the Company and submitted to the supervisors of the accounting division for implementation after approval by the financial department of the Company.
4. When the recipient enterprise repays the loan, information of repayment shall be copied to the Company so that the Company may be released of its guarantee liability.
5. Regarding the above-mentioned matters of endorsements and guarantees, books of records shall be established in which the names of recipient enterprises, matters of guarantees, results of risk assessments, amounts of endorsements and guarantees, collaterals received and conditions and dates for release of endorsement and guarantee liabilities shall be specified in detail for future reference.
6. If the recipient of an endorsement or guarantee previously has met the qualifications under Article 3, but subsequently loses such qualification, or if the amount of endorsement or guarantee exceeds the amount limit due to change to the basis of calculation, the amount or exceeding portion of the amount for such recipient shall be eliminated upon expiry of the contract or the fixed deadline under the previous plan and report shall be made to the board of directors.
7. The internal auditing staff of the Company shall perform audit on the procedures and performance of endorsements and guarantees on quarterly basis and written records shall be prepared. If any significant breach of the rule is discovered, each supervisor shall be notified in writing.

Article 7: Detailed Review Procedure:

The Company shall review and assess the following matters in providing endorsements and guarantees:

- (1) Understand the purpose and use of the loan by the recipient of endorsement or guarantee and the Company's amount limit and balance for endorsements and guarantees and assess the necessity and reasonableness.
- (2) Analyze the operational, financial and credit conditions of the recipient and the source of loan repayment, evaluate possible risks and determine whether the appropriate collateral should be required.
- (3) Consider the impact of the Company's total amount of endorsements and

guarantees on the Company's operational risk, financial condition and shareholders' interest.

(4) If collateral needs to be provided, assess the value of the collateral.

Article 8: Use of Seal and Safekeeping Procedure:

1. The seal for checks and the Company's official seal shall be kept by separate and dedicated persons. The seal keepers may only affix the seals or issue any note following report to and consent by the board of directors (including any change) and in accordance with the operating procedures of the Company. The seal used for any endorsement or guarantee shall be the company seal registered with the Ministry of Economic Affairs.
2. For any guarantee provided to any overseas company, the guarantee letter issued by the Company shall be signed by the chairman or vice chairman with authorization by the board of directors.

Article 9: Control Procedure for Endorsements and Guarantees by Subsidiaries

1. The "Operating Rules for Endorsements and Guarantees" established by the subsidiary shall be approved by the board of directors and submitted to the shareholders meeting for approval. The same shall be applicable in the event of any amendment.
2. Any endorsement or guarantee provided by any subsidiary of the Company to any other entity shall be done in accordance with the applicable "Operating Rules for Endorsements and Guarantees" established by such subsidiary. The balance amount and recipients of endorsements and guarantees for the previous month shall be submitted to the Company in writing by the 5th day of each month.
3. If any subsidiary in which the Company holds more than a 50% stake contemplates to provide any endorsement or guarantee for operational needs in excess of 1 Billion NT Dollars, prior approval by the board of directors of the Company shall be obtained.

Article 10: Decision Making and Authorization

1. Any endorsement or guarantee by the Company shall be provided following signing and approval procedures in accordance with Section 1, Article 6 of these Rules and after consent is obtained from the board of directors through resolution.
2. In case of urgent requirement, the board may authorize the chairman to proceed within a certain amount limit and a report may be submitted to the board of directors subsequently for ratification.
3. The finance department is authorized to carry out guarantee related matters within the amount limit approved by the board of directors.

Article 11: Public Announcement Procedure

The Company shall make the relevant public announcements with regard to matters

related to endorsements and guarantees in accordance with the criteria for public announcements under the “Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies” promulgated by the Securities and Futures Commission.

Article 12: Penalty

Any first violation by any manager or responsible person of the “Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies” promulgated by the Securities and Futures Commission or the “Operating Rules of Endorsements and Guarantees” of the Company shall be subject to verbal warning. Any second violation shall be subject to written warning. Repeated or significant violations shall lead to dismissal.

Article 13: Any matter not included in these Rules shall be handled in accordance with the “Guidelines for Lending of Capital, Endorsements and Guarantees by Public Companies” by the Securities and Futures Commission.

Article 14: These Rules shall be implemented after recognition by the shareholders meeting. The same shall be applicable for any amendment.

These Rules were made on 28 November 1987 and have been amended on:

(01) 1 June 1990 (02) 21 June 1991 (03) 25 May 1994 (04) 1 June 1995

(05) 30 May 1996(06) 20 June 1997(07) 1 June 1998(08) 1 June 2001

(09) 28 June 2002(10) 27 June 2003

Uni-President Enterprises Corp.
Operational Procedures for Loaning of Company Funds

Amended on 27 June 2003

Article 1. Recipients of Capital Lending

1. Business dealing with the Company.
2. Short-term working capital requirement.

Article 2. Determination criteria for the lending of capital:

- (1) The lending of capital under business dealing relationship shall be provided after the business dealing has taken place in principle and the amount of loan shall be equivalent to the amount of product purchase or product sale during the latest year or during the current year up to the time of lending, whichever is higher.
- (2) The lending of capital to meet short term working capital requirement shall be limited to the following situations:
 - i. Any subsidiary of the Company under equity pick-up has requirements due to repayment of loan, purchase of equipment or operational working capital.
 - ii. Any company of which the Company indirectly holds more than fifty percent of shares has requirements due to repayment of loan, purchase of equipment or operational working capital.
 - iii. Any company of which the Company directly or indirectly holds more than fifty percent of shares has requirements due to investment in other companies and such investment target is beneficial to the future business development of the Company.

Article 3. Limit on total amount of lending and lending to one single borrower:

1. Total lending amount limit: 40% net value of the Company.
2. Limit of lending to one single borrower:
 - (1) Business dealings: No more than 1 billion NT Dollars per company, provided that the amount shall also be within the amount of business dealing.
 - (2) Short term financing requirement: No more than 5 hundred million NT Dollars per company.

Article 4. Duration and Interest of Lending

1. The duration of the lending of capital shall be limited to one year and repayment may be made in several installments. If the duration exceeds one year, prior approval shall be obtained from the board of directors before the lending is renewed.
2. Interest calculation method: Interest shall accrue on monthly basis at a rate not lower than the average interest rate for the Company's borrowings from financial institutions. Under special circumstances, an adjustment may be made based on actual situation following consent by the board of directors.

Article 5. Procedure for the Lending of Capital

1. In processing matters for the lending of capital, the Company shall fix the loan amount after review by the responsible department of the Company. Lending may be granted after approval by the president and submission to and approval by the board

of directors through resolution.

2. If the Company has independent directors, opinions of each independent director shall be taken into consideration during discussions at the board and their consents or clear opinion against the proposal and the reasons for such objection shall be included into the minutes of board meetings.
3. The finance department shall prepare a book of records for the lending of capital. After the lending of capital is approved by the board of directors through resolution, the recipient of loan, loan amount, date of approval by the board of directors, date of release of funds and matters subject to careful evaluation in accordance with the review procedures shall be recorded for future reference.
4. The occurrence or cancellation of any matter under the lending of capital shall be recorded in detail on monthly basis in order to facilitate control, follow-up and preparation of public announcements.
5. In case of any change of circumstances, leading to exceeding the lending amount limit, a correction plan shall be prepared and such plan shall be submitted to each supervisor.
6. Internal audit staff of the Company shall perform audit on the procedures and performance of the lending of capital on a quarterly basis, and written records shall be prepared. If any significant breach of the rule is discovered, each supervisor shall be notified in writing.

Article 6. Detailed Review Procedure

1. For the lending of capital by the Company, the company applying for the lending shall file a written application, attaching relevant financial information and statements about the purpose of the borrowing.
2. After the application is accepted by the Company, review and evaluation shall be carried out on the following matters:
 - (1) Understand the purpose and use of funds by the recipient and the Company's lending amount limit and balance. Necessity and reasonableness of the loan shall be evaluated.
 - (2) Analyze the operational, financial and credit situation of the recipient and source of repayment in order to evaluate possible risks. Determine whether appropriate collateral needs to be provided.
 - (3) Consider the impact of the total amount of lending by the Company on the Company's operational risk, financial situation and shareholders interest.
 - (4) If collateral needs to be provided, determine the value of the collateral.

Article 7. Procedure for Public Announcement

The Company shall make public announcements about matters related to the lending of capital in accordance with the criteria for public announcements under the "Regulations Governing the Lending of Capital, Endorsements and Guarantees" promulgated by the Securities and Exchange Commission.

Article 8. Monitoring measures following the lending of capital and handling procedure for overdue indebtedness:

1. Regularly analyze the repayment capability of the loan recipient;
2. Evaluate the status of capital lending and make sufficient provisions for bad debt.
3. Regularly follow up on the status and reasons for overdue indebtedness for handling by the legal department.

Article 9. Penalty:

Any initial violation of the “Regulations Governing the Lending of Capital, Endorsements and Guarantees” by any manager or responsible person shall be subject to verbal warning. Any second violation shall be subject to written warning. Repeated or significant violation shall be subject to dismissal.

Article 10. Monitoring procedure for lending of capital by subsidiaries:

1. Any subsidiary that contemplates to lend its capital to any person due to operational requirements shall establish the “Operating Procedure for the Lending of Capital” which shall be approved by the board of directors of the subsidiary and submitted to the shareholders meeting for consent. The same shall be applicable to any amendment.
2. Any lending of capital by any subsidiary shall be done in accordance with its “Operating Procedure for the Lending of Capital”. The recipients and balance amount of the lending of capital for the previous month shall be submitted to the Company in writing by the 5th day of each month.
3. If any subsidiary of which 50% or more shares are held by the Company contemplates to lend its capital to any person due to operational requirements in the amount of 5 hundred million NT Dollars or above, prior approval by the board of directors of the Company is required.

Article 11. Any matter not provided for under this Procedure shall be handled in accordance with the “Regulations Governing the Lending of Capital, Endorsements and Guarantees” promulgated by the Securities and Exchange Commission.

Article 12. This Procedure is implemented after consent by the shareholders meeting. The same shall be applicable for any amendment.

This Procedure was made on 29 April 1988 and was amended on:

- (01) 31 May 1989 (02) 1 June 1990 (03) 21 June 1991 (04) 28 June 2002
(05) 27 June 2003

Uni-President Enterprises Corp.
Company's Corporate Charter

Amended June 27 2008

Chapter One General Provisions

Article I : This Company is duly incorporated under the provisions governing company limited by shares as set forth in the Company Law in the full name of Uni-President Enterprises Corporation (hereinafter referred to as the Company).

Article II : The Company shall engage in the following business lines :

1. To manufacture, process and sell flour, barley (buckwheat, oats, naked barley) , ground rice, machine processed blended feed (including auxiliary feed), container bottles, soybean milk, soybean powder (flakes), soybean milk, fresh milk, cheese, apricot kernel, beverages (including packaged drinking water and mineral water) , *miso*, ice foods, chicken essence, a variety of dairy products, noodle products, frozen dough, bean stuffing, a variety of low calorie foods, sugar substitute foods (added with artificial sweetener) and by-products (eggs) thereof.
2. To manufacture, process, import and export a variety of cooking oil, vegetable oil, powder cake, oatmeal, wheat powder, wheat grains, fat/grease, chemicals and the raw materials or by-products thereof, tomato juice, mashed tomato, peeled whole tomatoes, carbonated drinks, soybean sauce, pickled cucumbers, cooking vinegar, condiments, pickled foods, monosodium glutamate (MSG) and by-products thereof, fermented enzyme, starch, etc.
3. To sell, process milk powder, rice, to engage in warehousing of goods.
4. To process and sell a variety of vegetables and fruits (excluding frozen and dehydrated vegetables and fruits).
5. To engage and invest in business related to flour, barley, feeds and other products conducive to production and marketing of flour, barley, feeds or the business of special development under government encouragement.
6. To manufacture and sell cornmeal.
7. To manufacture, process and sell liquid crystal semiconductors, electronic information processing equipment and facilities, microwave ovens, antennas, video players/recorders.
8. To manufacture, process and sell electronic instruments, electronic anti-fire and burglarproof devices.
9. To manufacture, process and sell equipment and facilities that absorb, convert, store and utilize solar energy.
10. To manufacture, process and sell electronic level gas and chemicals.
11. To manufacture, process and sell software & hardware systems, components and raw materials linked up with products under 7.8.9.10.
12. To process beans and sell by-products thereof.
13. To sell canned coffee, carbonated drinks, juice, canned drinks, snacks, etc.
14. To import and export, sell, repair and maintain a variety of automatic vendors and parts & components thereof.

15. To package and refrigerate products related to the above.
16. To act as an agent for domestic and foreign firms to quote, bid for and distribute their products;
17. To manufacture, process, buy and sell frozen and prepared foods (including frozen fish, shrimps, meat, eggs).
18. To lease freezing storage, reefers.
19. To import and wholesale grape wine, beer, liquor and other alcoholic drinks.
20. To import and wholesale cigarettes and tobacco products.
21. To manufacture, process, sell, import and export sterilized bagged foods, macaroni, Western noodle, canned prepared foods and such products.
22. To grow, buy and sell water-planted vegetables.
23. To grow, buy and sell a variety of crops.
24. To process, import and export cereals, beans (maize, wheat, barley, oats (buckwheat, naked barley), rice, potatoes, soybean, etc.) and by-products thereof, snack foods.
25. To manufacture, design, buy and sell food and feed machinery & equipment.
26. To process and sell fructose products.
27. To operate restaurants.
28. To package, process, buy and sell tea (including tea bags), tea powder, liquid tea.
29. To engage in import and export trade for products related to above.
30. To sell pet articles and tools.
31. To operate hog, cattle, chicken farms.
32. To classify and process commodities.
33. To engage in bakery.
34. To retail foods, beverages.
35. To operate drink stores.
36. To wholesale auxiliary foods.
37. To wholesale other chemicals (biological chips, biological pharmaceuticals).
38. To retail other chemicals (biological chips, biological pharmaceuticals).
39. To manufacture detergents.
40. To engage in international trade.
41. The Company may, other than those businesses subject to concession, engage in all businesses except those banned or restricted by laws.

Article III : The Company is headquartered in Tainan County Taiwan and may have branches or factories set elsewhere at home and abroad under the decisions duly resolved by the board of directors meeting. This same provision is equally applicable to dissolution or relocation of the Headquarters, branches or factories.

Chapter Two Shares

- Article IV : I. The Company has capital amounting to NT\$48,000,000,000, divided into 4,800,000,000 shares at Ten New Taiwan Dollars par value. For the non-issued shares, the board of directors is authorized with full power to issue in installments as the actual requirements may justify.
- II. The Company may investing outwardly into other firms and is free of the restriction set forth in Article 13 of the Company Law which reads: "The Company's total investment shall not exceed 40% of the Company's paid-in capital."
- Article V : The share certificates hereof, the registered ones, shall be duly signed by or affixed with seals of the chairman and managing directors, duly authenticated by the competent authorities of the government or the certification organization authorized thereby before issuance. The Company is exempted from printing the registered share certificates for the shares issued.
- Article VI: For transfer of shares, both the transferor and transferee shall fill out the application form, sign or affix seal thereon and apply to the Company for share transfer. Until the transfer procedures are completed in full and until the shares under transfer are entered into Register (Roster) of Shareholders, the transferred shares shall not act against the Company. The matters regarding the Company's equity affairs shall be duly handled in accordance with the "Regulations Governing Equity Affairs of Public Companies" promulgated by the Stock Securities & Exchange Commission, Ministry of Finance.
- Article VII: The shareholders hereof shall have their seal specimen cards, ID Cards or profit-seeking enterprise certificates submitted to and archived in the Company upon opening the accounts. The specimen seals shall be taken as the grounds for the shareholders to receive dividend, bonus and exercise shareholders' interests. A shareholder who has lost or changed his registered specimen seal shall fill out the application form and submit it along with the supporting documents verifying his/her capacity along with the Xerox copy (photocopy) thereof, the new registered seal impression card and share certificates to the Company in person for registration. The new registered seal impression card comes into effect on the day ensuing the date on which the application is approved. In case of application for change in the shareholder name because of succession, the inheritor shall submit supporting documents verifying the lawful succession.
- Article VIII: No transfer of shares shall be handled within sixty days prior to a shareholders' regular meeting, or within thirty days prior to a shareholders' extraordinary meeting, or within five days prior to allocation of dividend' bonus or any other benefits.
- Article IX : Procedures to apply for reissuance of lost share certificates:
- (I) A shareholder who has lost his/her share certificates shall report to the security authority and apply to the Company with an application form for registration of the lost share certificates.
- (II) Such shareholder shall apply to the court for public summons in accordance with the Code of Civil Procedure and shall submit to the Company the application form, duplicate copy, and the receipt issued by the court verifying the receipt of the application within five days, otherwise the application shall be annulled.
- (III) Upon expiry of the public summons, the shareholder may apply to the Company with the court judgement of ex-right for reissuance of share certificates.
- Article X : The Company may collect adequate handling charge cover printing cost and revenue stamp tax for transfer of the share certificates.

Chapter Three Shareholders' Meeting

- Article XI : The shareholders' meeting hereof is in two categories, i.e., the shareholders' regular meeting and shareholders' extraordinary meeting. The shareholders' regular meeting shall be convened by the board of directors once per annum within six months from the closing of each fiscal year, with notices for the shareholders' meeting to be served to all shareholders in writing thirty days in advance. The shareholders' extraordinary meeting may be called whenever it is deemed necessary with notices for the shareholders' meeting to be served to all shareholders in writing fifteen days in advance
- Article XII : A shareholder who is unavailable to attend a shareholders' meeting may duly issue a power of attorney to appoint a proxy to attend the meeting on his/her behalf. In accordance with Article 177 of the Company Law, the issue in the use of Power of Attorney shall be duly handled in accordance with the "Regulations Governing Use of Power of Attorney by Shareholders of Public Companies to Participate in the Shareholders' Meeting".
- Article XIII : The shareholders' meeting shall be duly chaired by the chairman. In his absence, the vice chairman shall preside over the meeting on his behalf. In case of absence or unavailability of the vice chairman, the chairman shall, in advance, appoint a managing director to act in place otherwise one managing director shall be elected from among themselves to act in his place. In the event that a shareholders' meeting is convened by a convener beyond the board of directors, the meeting shall be chaired by such convener. In case of two or more conveners, one shall be elected from among them to chair the meeting.
- Article XIV : Unless otherwise provided for in the Company Law, decisions in the shareholders' meeting shall be resolved by a majority vote in the meeting attended by shareholders representing a majority of the total issued shares.
- Article XV : Each share held by a shareholder hereof is entitled to one voting power, provided that the Company has no voting power for shares which it duly holds according to law.
- Article XVI : The minutes shall bear the month/date/year, place, highlights of the meeting, the chairman's name, method of resolution, number of shares represented, the chairman's signature/seal and shall be served to all shareholders twenty days after the meeting. To shareholders who hold less than one thousand shares each, the minutes may be served through a public announcement. The minutes shall be archived in the Company permanently as long as the Company exists. The powers of attorney of the proxies shall be archived in the Company for a minimum of one year.
- Article XVII : The directors' meeting is authorized to agree on the remuneration to directors and supervisors according to the standard generally prevailing in the same trade.

Chapter Four Board of Directors

- Article XVIII : The Company has ten directors who shall duly organize the board of directors, to be elected from among the shareholders of disposing capacity in the accumulation calculation method as set forth in Article 198 of the Company Law. The total number of registered shares held by all directors shall not be less than the specified ratio. The ratio mentioned in the preceding paragraph and the rules to audit the ratio shall be duly determined in accordance with the order of the competent authority.

- Article XIX : By attendance of two-thirds majority of directors and a majority vote of the attending directors, three managing directors shall be duly elected from among themselves. From among the managing directors, one chairman shall be elected from among themselves and one vice chairman shall be elected from among themselves to assist the chairman. The chairman shall represent the Company externally and shall chair the shareholders' meeting and board of directors meeting, and shall take charge of the Company's business operation internally.
- Article XX : In the chairman's absence, the vice chairman shall act on his behalf. In case of absence or unavailability of the vice chairman, one managing director shall be elected from among themselves to act in his place. The number of managing directors shall be determined in the first board of directors meeting of every session.
- Article XXI : The directors have a three-year tenure of office and are eligible for reelection. If the tenure of office of directors expires before the time of final account closing of the year, the tenure of office may be extended until the newly elected directors take office while the directors of the current term shall be discharged. If the reelection is not held during the extended period, the competent authority may, ex officio, order that the Company complete the reelection within the specified time limit. If reelection is not held within the specified time limit, the directors shall be discharged automatically ex officio upon expiry of the specified time limit. Where the seats of directors are vacated by one-third, a special (extraordinary) meeting of shareholders shall be duly held by the board of directors within sixty days to elect ones supplementarily. The reelection may be dispensed with, nevertheless, if the directors still adequately make the legally required ratio. The directors elected supplementarily shall only serve the tenure remaining by the predecessors.
- Article XXII : Directors hold the following responsibilities and powers: (I) Review and accredit a variety of operating rules. (II) Resolve business policies. (III) Review budgets and final account closing. (IV) Propose the ratio for profit allocation or loss coverage. (V) Propose for increase/decrease of capital. (VI) Determination of major personnel lineups. (VII) Enforce the decisions resolved in the shareholders' meeting. (VIII) Exercise other responsibilities and powers as bestowed by law and the shareholders' meeting.
- Article XXII~I: The Company may purchase liability insurance for directors and supervisors and key staff members to insure their business performance during the tenure of office. The board of directors is authorized with full power to implement the matters concerned.
- Article XXIII : Board of Directors Meeting shall be convened at least once per quarter. The temporary meeting may be called in the case of any emergency or upon request of a majority of the directors. The directors' meeting and temporary meeting, if any, shall be called by the Chairman of the Board pursuant to laws, provided that the 1st directors meeting at each term shall be called by the director winning the most votes pursuant to laws.
- Article XXIV : All business operation of the Company shall be enforced by the chairman in accordance with the decisions resolved by the board of directors. Unless otherwise provided for in the Company Law, decisions in the board of directors meeting shall be resolved by a majority vote in the meeting attended by directors representing a majority of the total number of directors, provided that a director may act only as one proxy for another director. Directors shall attend a board of directors meeting in person. A director who is unavailable to attend in person may duly authorize another director to act as his/her proxy to attend a board meeting on his/her behalf with the power of attorney duly issued to bear subject of the meeting and scope of the authorized powers, provided that one aforementioned proxy shall represent only another director. The minutes of the board of directors meeting shall be duly signed and sealed by the chairman and archived in the Company. The aforementioned proxy shall represent only another director. The minutes of the board of directors meeting shall be duly signed and sealed by the chairman and archived in the Company.

Article XXV : Where the Company is required to render guarantee (**including endorsement**) to a third party, the Company shall duly follow the Company's Regulations Governing Making of Endorsements/Guarantees.

Chapter Five Supervisors

Article XXVI : The Company has three supervisors who shall be elected from among shareholders of disposing capacity. The total number of registered shares held by all supervisors shall, nevertheless, not be less than the specified ratio of the total shares issued by the Company. The ratio mentioned in the preceding paragraph and the rules to audit the ratio shall be duly determined in accordance with the order of the competent authority.

Article XXVII : The supervisors have the following responsibilities and powers: (1) Audit the Company's property. (2) Audit books and documents. (3) Inquire into the Company's business operation. (4) Oversee employees in their performance of duties or potential fraudulent practice. (5) Exercise other responsibilities and powers as bestowed by law and the shareholders' meeting.

Article XXVIII : The supervisors have a three-year tenure of office and are eligible for reelection. If the tenure of office of supervisors expires before the time of final account closing of the year, the tenure of office may be extended until the newly elected supervisors take office while the supervisors of the current term shall be discharged. If the reelection is not held during the extended period, the competent authority may, ex officio, order that the Company complete the reelection within the specified time limit. If reelection is not held within the specified time limit, the supervisors shall be discharged automatically ex officio upon expiry of the specified time limit. Where the seats of supervisors are vacated in full, a special (extraordinary) meeting of shareholders shall be duly held by the board of supervisors within sixty days to elect ones supplementarily. The reelection may be dispensed with, nevertheless, if the supervisors still adequately make the legally required ratio. The supervisors elected supplementarily shall only serve the tenure remaining by the predecessors.

Article XXIX : One standing supervisor shall be elected from among the supervisors themselves. The supervisors may, other than exercising the supervisory powers, attend the board of directors meeting to speak up opinions but shall have no voting power there.

Article XXX : The supervisors shall, upon exercising business operation, duly sign and affix seals upon the account books they review and shall submit report to the shareholders' meeting.

Chapter Six Managerial Officers and Consultants

Article XXXI : The Company has a certain number of managerial officers. The managerial officers shall take charge of the Company's business operation in accordance with the decisions resolved by the board of directors. The managerial officers shall be duly appointed, discharged by the board of directors through the decisions duly resolved.

Article XXXII : The Company may retain a certain number of consultants as resolved in the board of directors.

Chapter Seven Accounting

Article XXXIII : The Company's fiscal year is starting from January 1 until December 31 of every calendar year. The final account closing shall be conducted at end of every fiscal year.

Article XXXIV : The Company takes the calendar year as its fiscal year. Upon closing of each fiscal year, the board of directors shall work out the following documents to be countersigned by the supervisors or to be audited by the Certified Public Accountant retained by the supervisors before the audit report is duly worked out and submitted to the regular meeting of shareholders for approval thirty days prior to the regular meeting of shareholders: (I) Business report; (II) Financial statements and (III) Proposals of profit allocation or loss coverage.

Article XXXV : The Company is operating amidst capricious environments and amidst the business cycle of steady growth. When proposing the ratio of distribution of earnings, the board of directors shall take into account the capital expenditure anticipated by the Company and the Company's capital needs with consideration of the indispensability of taking the earnings to back up the capital needs to resolve the amount of earnings to be reserved or to be allocated and the amounts of bonus to be allocated to shareholders in cash.

From the profit earned by the Company as shown in the financial statements, the sum to pay all income tax and make up previous loss, if any, shall be first withheld, then 10% shall be reserved as legal reserve, then the special reserve to be duly allocated or restored. The balance shall be the sum allocable in the present term and will become the accumulated allocable earnings after being added with the undistributed retained earnings accumulated in the preceding year. The bonus to shareholders shall be 50%~100% of the accumulated allocable earnings. The cash dividend shall not be less than the minimum of 30% of the total amount of dividend allocable in the year. The actual ratio of distribution shall be proposed by the board of directors and resolved by the shareholders' meeting provided that the remuneration to directors and supervisors shall be fixed at 2% of the accumulated allocable earnings and the bonus to employees shall not be less than 0.2% of the accumulated allocable earnings.

Chapter Eight Bylaws

Article XXXVI : The organizational rules and operational rules shall be separately worked out by the board of directors.

Article XXXVII : Any matters inadequately provided for herein shall be subject to Company Law and other laws and regulations concerned.

Article XXXVIII : These Articles were duly enacted on June 27, 1967 and duly amended on:

- (01) October 19, 1967;(02) February 27, 1970; (03) May 28, 1970; (04) August 28, 1970;
- (05) October 10 1970;(06) April 1, 1971; (07) May 23, 1971; (08) April 30, 1972;
- (09) May 22, 1972; (10) June 16, 1972; (11) July 25, 1972; (12) March 25, 1973;
- (13) June 14, 1973; (14) August 25, 1973; (15) November 25, 1973; (16) December 26, 1973;
- (17) February 8, 1974;(18) March 11, 1974; (19) April 4, 1974; (20) June 10, 1974;
- (21) October 20, 1974;(22) October 8, 1975; (23) December 28, 1975;(24) May 16, 1976;
- (25) January 10, 1977;(26) April 28, 1977; (27) May 15, 1978; (28) November 1, 1978;
- (29) April 21, 1979; (30) December 20, 1979; (31) January 29, 1980; (32) February 25, 1980;
- (33) March 25, 1980; (34) May 17, 1980; (35) May 7, 1981; (36) August 21, 1982;
- (37) December 13, 1982;(38) March 8,1983; (39) October 1, 1983; (40) January 25, 1984;
- (41) June 9, 1984; (42) July 8, 1984; (43) October 5, 1984; (44) May 30, 1985;

(45) May 23, 1986; (46) August 15, 1986; (47) April 25, 1987; (48) May 20, 1987;
(49) November 3, 1987;(50) November 28, 1987;(51) April 29, 1988; (52) March 30, 1989;
(53) May 31, 1989; (54) June 1, 1990; (55) August 2, 1990; (56) June 21, 1991;
(57) November 19, 1991;(58) April 10, 1992; (59) May 27, 1993; (60) May 25, 1994;
(61) June 1, 1995; (62) May 30, 1996; (63) June 20, 1997; (64) June 1, 1998;
(65) June 1, 1999; (66) June 23, 2000; (67) June 1, 2001; (68) June 28, 2002;
(69) June 27, 2003; (70) June 25, 2004; (71) June 30, 2005; (72) June 28, 2007.
(73)June 27, 2008.

Uni-President Enterprises Corp.
Rules for Director and Supervisor Election

Amended June 28 2002

- Article I : The Company's directors and supervisors shall be duly elected in accordance with these rules.
- Article II : The Company's directors and supervisors shall be elected through open balloting. The names of the candidates on the ballots may be entered in their respective codes instead. Where the directors are elected, each share is entitled to the balloting power equivalent to the number of directors and supervisors to be elected. Such balloting power may be used in concentration to elect one candidate or be allocated to elect several candidates.
- Article III : Before the start of the election, the chairman shall appoint a certain number of monitors and calculators respectively to exercise the functions as appropriate.
- Article IV : The quotas of the Company's directors and supervisors shall be duly elected by the shareholders' meeting out of the candidates of disposing capacity. The candidates who win more ballots based on the quotas specified in the Company's Articles of Incorporation shall serve as the Company's directors and supervisors. In the event that two or more candidates win the same number of ballots and thus the elected ones exceed the specified quotas, the seats shall be determined by lot-drawing. If a candidate is absent, the chairman shall draw the lot on their behalf.
The candidates simultaneously elected as directors and supervisors` based on the preceding paragraph may choose the seat of either director or supervisor at their discretion. The vacancy shall be filled up by the candidate who wins next most ballots.
- Article V : The ballots shall be prepared by the board of directors and shall be stamped with the number of ballots thereon.
For the election of directors and supervisors, the board of directors shall set the ballot box(es) which shall be opened and examined in public by the monitors before balloting.
- Article VI : Where a candidate is a shareholder, the voters shall remark in the box of the candidate the account name and shareholder code of the candidate. Where a candidate is not a shareholder, the voters shall remark the candidate's name and ID card number. In the event that a candidate is a government or corporate shareholder, nevertheless, the box of the candidate may be entered either in the name of such government or corporate shareholder, or the name of the representative of the government or corporate shareholder. In case of several representatives, the names of the representatives shall be additionally remarked.
- Article VII : A ballot shall be judged null and void if meeting any of the following:
- (1) Not using the ballot specified under these Regulations.
 - (2) The number of provided candidates exceeds the specified quota.
 - (3) Additional wording is provided other than the names, shareholder account numbers or ID card numbers of the candidates.
 - (4) Bearing illegible (unrecognized) wording.
 - (5) Where a candidate is a shareholder, the capacity and shareholder account code are found inconsistent with the Register (Roster) of Shareholders. Where a

candidate is not a shareholder, the name, ID card number prove inconsistent with the facts.

- (6) Where the candidate is the same name as another shareholder but the ballot bears no shareholder account code or ID card number to verify.
- (7) Where the accumulated ballots exceed the total ballots which the voting shareholders should hold.
- (8) Where a blank ballot is cast into the ballot box.

Article VIII : The ballots shall be opened on-the-spot upon completion of balloting and the results shall be announced by the chairman on-the-spot.

Article IX : The Company will issue the Notices of Elected Directors and Supervisors to the candidates who are successfully elected the directors and supervisors.

Article X : Any matters insufficiently provided for herein shall be subject to the Company Law and other laws and regulations concerned.

Article XI : These rules and amendment hereof come into enforcement after being resolved in the shareholders' meeting.

Uni-President Enterprises Corp.

The Minimum Number of Shares All Directors and Supervisors Are Required to Hold and the Number of Shares Actually Held by Individual and All Directors and Supervisors

- I. As required under Article XXVI of the Securities and Exchange Law, the total number of shares held by all directors of Uni-President Enterprises Corporation shall not be less than the minimum of 3% of the total issued shares (116,922,007 shares); and the total number of shares held by all supervisors of Uni-President Enterprises Corporation shall not be less than the minimum of 3‰ (0.3%) of the total issued shares (11,692,200 shares).
- II. As of the date on which the transfer of shareholdings is suspended for the present shareholders' meeting, the numbers of shares actually held by individual and all directors and supervisors are enumerated below:

Title	Name	Shares Held
Chairman of the Board	Kao Chyuan Inv. Co.,Ltd Representative:Chin-Yen Kao	167,259,314
Managing Director	Kao-Huei Cheng	23,473,057
Managing Director	Chang-Sheng Lin	34,515,134
Director	Taipo Investment Corp. Representative:Ping-Chih Wu	22,948,822
Director	Po-Ming Hou	101,345,451
Director	Hsiu-Jen Liu	60,510,514
Director	Ying-Jen Wu	4,179,008
Director	Young Yun Inv. Co.,Ltd. Representative:Chung-Ho Wu	5,058,397
Director	Kao Chyuan Inv. Co.,Ltd Representative: Chih-Hsien Lo	167,259,314
Total		419,289,697

Title	Name	Shares Held
Supervisor	Kao-Keng Chen	30,142,139
Supervisor	Chau Chih Inv.Co.,Ltd. Representative:Peng-Chih Kuo	10,248,587
Supervisor	Joe J.T. Teng	4,173,249
Total		44,563,975

Uni-President Enterprises Corp.
The Rules of Procedure for Shareholder Meeting

Amended June 28 2002

- I. These rules of procedure govern the Company's shareholders meeting.
- II. The term "shareholders" as set forth herein denotes the shareholders themselves and the proxies authorized by shareholders.
- III. A shareholder when participating in a meeting shall submit the sign-in card instead of signing in as the grounds to calculate the number of shares represented by shareholders who participate in person or through a proxy.
- IV. In a shareholders' meeting, the participation and vote shall be counted on the grounds of the number of shares.
- V. A shareholders' meeting shall be held at the place where the Company is headquartered or a place convenient to shareholders for participation. A shareholders' meeting shall start not earlier than 9:00 a.m. or later than 3:00 p.m.
- VI. Unless otherwise provided for by law, a shareholders' meeting shall be duly convened and chaired by the chairman. In the chairman's absence or unavailability, the vice chairman shall act in his place. In the vice chairman's absence or unavailability, one managing director shall act in his place. In the event that a shareholders' meeting is convened by a person beyond the board of directors, the shareholders' meeting shall be chaired by that convener.
In case of two conveners, one of them shall be elected to chair the meeting.
- VII. The Company may appoint Attorney(s)-at-Law, Certified Public Accountant(s) or other personnel concerned to attend a shareholders' meeting. The staff serving with a shareholders' meeting shall wear identity certificates.
- VIII. The process throughout a shareholders' meeting shall be videotaped or recorded in sound. The videotapes or sound tapes shall be archived for a minimum of one year.
- IX. The chairman shall call to order the meeting when the specified time is up. The chairman may, nevertheless, announce a deferment of the meeting if the shareholders present in person and through a proxy do not make the quorum up to a half of the total issued shares. The total of the deferments shall not exceed the maximum of twice. The total time in the deferments shall not exceed one hour. In the event that the shareholders present in person and through a proxy do not make the specified quorum but represent more than one-third of the total issued shares, quasi-decisions may be resolved in accordance with Article 175, Paragraph 1 of the Company Law.
In the event that the shareholders present in person and through a proxy represent more than a half of the total issued shares before the shareholders' meeting adjourns, the chairman may bring the quasi-decisions so resolved to the meeting for resolution afresh in accordance with Article 174 of the Company Law.
- X. The agenda of a shareholders' meeting shall be established by the board of directors if the meeting is convened by the board of directors. The entire process of the meeting shall go on exactly in accordance with the agenda which shall not be changed unless resolved in the shareholders' meeting.
The provision set forth in the preceding paragraph shall apply in the event that a shareholders' meeting is convened by a person beyond the board of directors.
The chairman shall not announce adjournment of the meeting unless duly resolved in the meeting until the agenda (including occasional (extemporaneous) motions) set forth in the two preceding paragraphs is concluded.

In the event that the chairman breaches these Rules of the Shareholders' Meeting by announcing adjournment of the meeting contrary to what specified above, the present shareholders may elect a new chairman through a majority vote. The chairman so elected shall continually preside over the meeting.

- XI. Except the issues specified in the agenda, other issues proposed by shareholders during the meeting or an amendment or substitute proposed in the meeting shall be duly seconded by other shareholders before being discussed. The shares represented by the proposing shareholders and the seconding shareholders shall not be less than the minimum of 100,000 shares.
- XII. A shareholder shall, before obtaining the floor in the meeting, fill out the floor note and remark thereon the key subjects to be spoken, the account number of shareholder (or code of the participation certificate) and name of shareholder. The chairman shall determine the order of the floor.
A shareholder who submits the floor note but does not actually speak up in the meeting is deemed having not spoken up in the meeting. In case of a discrepancy between what was remarked on the floor note and what was actually said, the contents actually said shall prevail.
Where a present shareholder exercises the floor and speaks up in the meeting, other shareholders shall not speak to interfere unless agreed upon by the chairman and the speaking shareholder. The chairman shall ban such interference, if any.
- XIII. For a same issue, each shareholder shall not speak more than twice and shall not speak more than five minutes in each floor unless approved by the chairman.
The chairman may ban such shareholder from speaking if he/she breaches the provision set forth in the preceding paragraph or speaks beyond the specified range.
- XIV. Where a judicial (corporate) person is consigned to participate in a shareholders' meeting, such judicial (corporate) person may appoint only one representative to participate in the meeting.
Where a judicial (corporate) person shareholder appoints two or more representatives to participate in a shareholders' meeting, only one representative may speak up for the same issue.
- XV. After a present shareholder completes the floor, the chairman may reply in person or through an appointee.
- XVI. The chairman may announce discontinuation of the discussion process and proceed with the voting process when the discussion is considered up to the extent for resolution.
- XVII. Upon voting for an issue, the chairman shall appoint the monitor(s) and calculator(s). The monitors shall only be appointed from the shareholders. The results of the voting shall be reported on-the-spot and entered into the records.
- XVIII. The chairman may announce a break as appropriate during the proceedings of a shareholders' meeting.
- XIX. Unless otherwise prescribed in the Company Law and Articles of Incorporation, decisions in the shareholders' meeting shall be resolved by a majority vote of the attending shareholders.
Upon voting process, an issue shall be deemed having been officially resolved if no objection is heard in response to inquiry by the chairman. The decisions so resolved are equally valid as a decision officially resolved through voting process.
- XX. When an objection is heard during the process of voting, the chairman request that the shareholders in objection or in abstention raise their hands or stand up to calculate the voting powers so represented by such shareholders. If the voting powers so represented by

such shareholders are not up to the number required by law or the Articles of Incorporation, the subject issue shall be deemed having been resolved. No further voting process is required. In case any amendment or substitute is posed for the same issue, the chairman shall fix the process of resolution along with the original issues. If any issue among them is resolved, other issues are deemed vetoed and no further voting process is required.

- XXI. The chairman may command the disciplinary personnel (or security guards) to help safeguard the order of the meeting site. The disciplinary personnel (or security guards) shall, while helping safeguard the order at site, wear the arm-bands bearing the wording "Disciplinary Personnel".
- XXII. Any matters insufficiently provided for herein shall be subject to the Company Law, Articles of Incorporation and other laws and regulations concerned.
- XXIII. These rules of procedure and amendments hereof come into enforcement after being resolved in the shareholders' meeting.