

Uni-President Enterprises Corp.
Handbook for the 2013 General Shareholders Meeting
Table of Contents

I.	Meeting Agenda -----	1
II.	Company Reports -----	2
III.	Proposals -----	4
IV.	Discussion -----	5
V.	Election Matters -----	9
VI.	Other Matters -----	14
VII.	Questions and Motions -----	14
VIII.	Adjournment -----	14

Attachments :

Attachment 1 :	2012 Business Report -----	15
Attachment 2 :	Supervisors' Review Report -----	17
Attachment 3 :	Auditor's Report -----	18
Attachment 4 :	Financial Statements -----	20
Attachment 5 :	Distribution of 2012 Profits -----	27
Attachment 6 :	The Impact of Stock Dividend Issuance on Business Performance, EPS and Shareholder Return Rate-----	28
Attachment 7 :	Details Regarding Raising Funds by Issuing Common Stocks in Connection with Capital Increase to Sponsor Issuance of Overseas Depository Receipts, or by Issuing New Shares Domestically-----	29
Attachment 8 :	Comparison Table of Articles of Company's Rules of Procedure for Board of Directors' Meeting-----	32
Attachment 9 :	Comparison Table of Articles of Company's Corporate Charter Before and After Amendment-----	42
Attachment 10 :	Comparison Table of Articles of Company's Rules for Director and Supervisor Elections Before and After Amendment-----	50
Attachment 11 :	Comparison Table of Articles of Company's Rules of Procedure for Shareholdings' Meeting Before and After Amendment-----	52
Attachment 12 :	Comparison Table of Articles of Operational Procedures for Acquisition and Disposal of Assets-----	55
Attachment 13 :	Comparison Table of Articles of Company's Operational Procedures for Loaning of Company Funds-----	62
Attachment 14 :	Comparison Table of Articles of Company's Operational Procedures for Endorsements and Guarantees-----	65

Appendices :

Appendix 1 :	Company's Rules of Procedure for Board of Directors' Meeting-----	67
Appendix 2 :	Company's Corporate Charter-----	71
Appendix 3 :	Company's Rules for Director and Supervisor Election-----	79
Appendix 4 :	Company's Rules of Procedure for Shareholders' Meeting-----	81
Appendix 5 :	Company's Operational Procedures for Acquisition and Disposal of Assets-----	84
Appendix 6 :	Company's Operational Procedures for Loaning of Company Funds--	101
Appendix 7 :	Company's Operational Procedures for Endorsements and Guarantees	104
Appendix 8 :	As of the date on which the transfer of shareholdings is suspended for the present shareholders' meeting, the numbers of shares held by directors and supervisors-----	108

Uni-President Enterprises Corp.
Handbook for the 2013 General Shareholders Meeting

Time: 9:00 a.m. on Tuesday, June 25, 2013

Place: 1F of Training Center, No.301, Chung Cheng Road, Yongkang District., Tainan City 71001, Taiwan (R.O.C.)

I. Meeting Agenda

1. Call the meeting to order (report shareholdings of the attendances)
2. Chairperson remarks
3. Company Reports:
 - Motion 1 : 2012 Business report.
 - Motion 2 : Supervisor's review report on the 2012 financial statements.
 - Motion 3 : Adjustments to the Company's un-appropriated retained earnings and provision of special reserves in conformity with first time adoption of International Financial Reporting Standards (IFRSs).
 - Motion 4 : Total endorsements/guarantees provided by the Company to investees.
 - Motion 5 : Status report of corporate bond issuance by the Company.
 - Motion 6 : Report on the proposal to amend to the Company's Rules of Procedure for Board of Directors' Meeting.
4. Proposals:
 - Motion 1 : Adoption of the 2012 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 2012 profits.
5. Discussion:
 - Motion 1 : For future business development, the company proposes to withdraw NT\$2,917,484,710 from distributable earnings in previous years to issue 291,748,471 new shares.
 - Motion 2 : To increase working capital, repay bank loan or fulfill future fund demands, the Company proposes to raise capital in cash through issuance of common stock and participation in DR, or by capital increase in cash domestically based on market condition and the Company's operating performance.
 - Motion 3 : Amendment to the Company's Corporate Charter.
 - Motion 4 : Amendment to the Rules for Director and Supervisor Elections.
 - Motion 5 : Amendment to the Rules of Procedure for Shareholders' Meeting.
 - Motion 6 : Amendment to the Company's Operational Procedures for Acquisition and Disposal of Assets.
 - Motion 7 : Amendment to the Operational Procedures for Loaning of Company Funds.
 - Motion 8 : Amendment to the Operational Procedures for Endorsements and Guarantees
6. Reelection of the Company's directors and election of the Company's independent directors.
7. Deletion of the non-competition promise ban imposed upon the Company's directors according to Article 209, Company Law.
8. Questions and Motions
9. Adjournment

II. Company Reports

Motion 1: 2012 Business Report.

Explanation : Please refer to pages 15, 16 (Attachment 1) of the Meeting Handbook for the Company's 2012 business report.

Motion 2: Supervisor's Review Report on the 2012 Financial Statements.

Explanation : The Company's 2012 financial statements and the business report (Attachment 1) have been duly audited and certified by the CPA and further audited by supervisors. The CPA and supervisors also presented their auditor report respectively (Attachment 2, Attachment 3). Financial statements (Attachment 4) and the distribution of 2012 profits (Attachment 5), and abovementioned are attached on page 15 ~ 27 of the Meeting Handbook.

Motion 3: The Company shall adopt the International Financial Reporting Standards (IFRS) for the first time. Report on the adjustment to distributable profit and the amount of special profit reserve.

Explanation :

1. In accordance with letter Jing-Guang-Fa-Zhi No. 1010012865 dated April 6, 2012.
2. The company shall adopt the IFRS from 2013. Such conversion results in an increase in non-distributed profit of NT\$51,597,370 on January 1, 2013. Following the increase of unrealized reassessment value and accumulated conversion adjustment (benefits) under the shareholders' equity in accordance with law, there is a special profit reserve of NT\$4,013,337,011. Following the provisions for special profit reserves, the distributable profit as of January 1, 2013 is reduced by NT\$3,961,739,641.

Motion 4 : 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\$5,627,016,000 at the end of December 2012, which are detailed as following:

Amount: Thousand NTD					
Endorsed/Guaranteed	Consolidated Shareholding Ratio	Guaranteed Amount	Endorsed/Guaranteed	Consolidated Shareholding Ratio	Guaranteed Amount
Kai Yu investment Co., Ltd.	100%	2,369,300	Kai Nan (BVI) Investment Co., Ltd.	100%	50,000
Tone Sang Construction Corp.	100%	1,540,000	Uni-President Department Store Corp.	100%	931
President Entertainment Corp.	100%	640,000	President Energy Development (Cayman Islands) Ltd.	65.8%	232,320
Uni-President (Thailand) Co.	100%	619,775	Q-Ware Communications Co., Ltd.	18%	29,490
Kai-Yu (BVI) Investment Co. Ltd.	100%	145,200			
Subtotal		5,314,275	Subtotal		312,741
Total			5,627,016		

Motion 5 : Status report of corporate bond issuance by the Company.

Explanation:

- 1.The Company issued the first domestic unsecured ordinary corporate bonds in the amount of 5 billion NT Dollars in 2012. Approval was granted by resolution of the 9th meeting of the 15th term of board of directors on 22 December 2011. 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.The Company issued the second and the third domestic unsecured ordinary corporate bonds in the amount of 3.6 billion NT Dollars and 2 billion NT Dollars respectively in 2012. Approval was granted by resolution of the 13th meeting of the 15th term of board of directors on 22 June 2012. The chairman was authorized to issue up to 10 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.
- 3.The first issuance of domestic unsecured ordinary corporate bonds of 5 billion NT Dollars was approved by letter from the Financial Supervisory Commission Jin-Guan-Zhen-Fa-Zhi No. 1010024627 dated 31 May 2012. The placement was completed on 18 June 2012.
- 4.The second issuance of domestic unsecured ordinary corporate bonds of 3.6 billion NT Dollars was approved by letter from the Financial Supervisory Commission Jin-Guan-Zhen-Fa-Zhi No. 1010046683 dated 17 October 2012. The placement was completed on 29 October 2012.
- 5.The third issuance of domestic unsecured ordinary corporate bonds of 2 billion NT Dollars was approved by letter from the Financial Supervisory Commission Jin-Guan-Zhen-Fa-Zhi No. 1010059780 dated 4 January 2013. The placement was completed on 26 February 2013.

Motion 6 : Report on the proposal to amend to the Company's Rules of Procedure for Board of Directors' Meeting.

Explanation :

- 1.In accordance with the amendment to the Regulations Governing Procedures for Board of Directors Meetings of Public Companies published in the Financial Supervisory Commission letter Jing-Guang-Zhen-Fa-Zhi No. 1010034136 dated August 22, 2012 (as forwarded by the Taiwan Stock Exchange Corporation letter dated August 23, 2012), the focus of the amendment is to reinforce the resolution procedure for important donation matters of companies, to avoid influencing discussion and voting in board meetings by persons participating in such meetings, and to reinforce recusal by directors for conflicts of interest. Thus it is proposed to amend Articles 3, 7, 11, 12, 16, 17 and 20.
- 2.In accordance with the amendment to the Articles of Association of the Company, all independent directors will constitute an audit committee in replacement of the supervisors. Thus it is proposed that Articles 3, 10, 12, 17 and 20 of the Regulations for Board Meetings be amended, and that Article 19 be deleted, in order to seek consistency between the proceedings of board meetings and the Articles of Association of the Company.
- 3.Please refer to Attachment 8 on page 32 ~ 41 of the Meeting Handbook for comparison table of articles before and after amendment.
- 4.Please refer to Appendix 1 on page 67 ~ 70 of the Meeting Handbook for the original clauses.

III. Proposals

Motion 1: Adoption of the 2012 Company's business report and financial statements, which have been approved by the Board and examined by the supervisors. (Proposed by the Board)

Explanation: Please refer to pages 15 ~26 of the Meeting Handbook for the 2012 business report (Attachment 1), supervisor's review report (Attachment 2), auditor's report (Attachment 3) and financial statements (Attachment 4).

Resolution:

Motion 2: Adoption of the proposal for distribution of 2012 profits. (Proposed by the Board)

Explanation:

1. Please refer to Attachment 5 on page 27 of the Meeting Handbook for the distribution of 2012 profits.
2. The Company's 2012 un-appropriated retained earnings are NT\$13,343,615,808. The proposed dividend Cash dividends is NT\$ 1.4 per share, and stock dividends is NT\$0.6 per share. Upon the approval of the General Shareholders Meeting, 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 6 on page 28 of the Meeting Handbook for the impact of stock dividend issuance on the Company's operating performance, earnings per share and shareholders' rate of return.

Resolution:

IV: Discussion

Motion 1: For the future business development, the company proposes to withdraw NTD 2,917,484,710 from distributable earnings in previous years to issue 291,748,471 new shares. Please proceed to discuss. (Proposed by the Board)

Explanation:

1. The management plans to withdraw NTD 2,917,484,710 from distributable earnings in previous years to issue 291,748,471 new shares and distribute the dividend of 60 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 Chairman of the Board is authorized to contact specific persons for the remaining fractional shares referred to in the preceding paragraph 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 NTD 51,542,229,870 upon issuance of the new shares.

Resolution:

Motion 2: To increase the operation funds, repay mortgages facilitated by banks, or respond to capital needs for future development, the Company intends to raise funds by issuing common stocks in connection with capital increase to sponsor issuance of overseas depository receipts, or by issuing new shares domestically. Please discuss the feasibility of the said matter. (Proposed by the Board)

Explanation: Please refer to Attachment 7 on page 29 ~ 31 of the Meeting Handbook.

Resolution:

Motion 3: Discussion of Amendment to the Company's Corporate Charter.
(Proposed by the Board)

Explanation:

1. In accordance with government legislation, the Company is obliged to put in place independent directors during reelection of directors in June 2013 and may opt for the establishment of an audit committee in accordance with the law in lieu of supervisors. If there are existing supervisors, the supervisors shall be dismissed on the date of establishment of the audit committee. Provisions of the Articles of Association in relation to supervisors shall also cease to be effective.
2. After the independent directors are elected, all independent directors will constitute the audit committee to replace the supervisors. To comply with the procedure for election and nomination, Articles 13, 17, 19, 20, 22-1, 34, 35 and 38 should also be amended, and Article 18-1 should be added. Chapter 5 and Articles 26, 26-1, 27, 28,

- 29 and 30 in relation to supervisors should be deleted. The subsequent numbering of Chapters 6, 7 and 8 and the relevant articles should be changed accordingly.
3. Please refer to Attachment 9 on page 42 ~ 49 of the Meeting Handbook for comparison table of articles before and after amendment.
 4. Please refer to Appendix 2 on page 71 ~ 78 of the Meeting Handbook for the original clauses.

Resolution:

Motion 4: Discussion of Amendment to the Company's Rules for Director and Supervisor Elections. (Proposed by the Board)

Explanation:

1. In accordance with the abovementioned amendment to the Articles of Association of the Company for all independent directors to constitute an audit committee in lieu of the supervisors, the provisions in the Articles of Association about supervisors will cease to be effective from the date of establishment of the audit committee. Articles 1, 2, 4, 5 and 9 of the Regulations for Election of Directors and Supervisors of the Company should also be amended.
2. The title of the 'Rules for Director and Supervisor Elections' of the Company is changed to the 'Rules for Director Elections'.
3. Please refer to Attachment 10 on page 50 ~ 51 of the Meeting Handbook for comparison table of articles before and after amendment.
4. Please refer to Appendix 3 on page 79 ~ 80 of the Meeting Handbook for the original clauses.

Resolution:

Motion 5: Discussion of Amendment to the Rules of Procedure for Shareholders' Meeting. (Proposed by the Board)

Explanation:

1. In accordance with the example of the Regulations for Shareholders' Meetings published by the Taiwan Stock Exchange by announcement Tai-Zheng-Shang-Yi-Zhi No. 1020003468 dated February 27, 2013, it is proposed that Articles 3, 5, 6, 8 and 16 of the Shareholders' Meetings of the Company be amended.
2. Key points of the amendment:
 - (1) In attending shareholders' meetings, the shareholders should present their attendance cards, signature cards and identification documents for verification.
 - (2) The meeting notice will specify that shareholders should report to the meeting during the first 30 minutes of the meeting and the reporting location should be clearly indicated. Audio and video recording should be conducted in a continuous manner throughout the reporting process, proceedings of the meeting, and the full process of voting and vote counting.
 - (3) If a shareholders' meeting is chaired by a director, it must be a director who has served for at least six months and who is familiar with the financial and business situations of the Company.
 - (4) After counting the votes in any voting or election in a shareholders' meeting, the results of the voting or election should be announced immediately, including the number of votes calculated, the list of elected persons, and the number of votes received by the elected persons, all of which should be recorded.

3. Please refer to Attachment 11 on page 52~ 54 of the Meeting Handbook for comparison table of articles before and after amendment.
4. Please refer to Appendix 4 on page 81~ 83 of the Meeting Handbook for the original clauses.

Resolution:

Motion 6: Discussion of Amendment to the Operational Procedures for Acquisition and Disposal of Assets. (Proposed by the Board)

Explanation:

1. It is proposed to amend the Procedure for Acquisition or Disposal of Assets of the Company in accordance with the independent directors and audit committee to be put in place and as required for practical operations.
2. Please refer to Attachment 12 on page 55 ~ 61 of the Meeting Handbook for comparison table of articles before and after amendment.
3. Please refer to Appendix 5 on page 84 ~ 100 of the Meeting Handbook for the original clauses.

Resolution:

Motion 7 : Discussion of Amendment to the Operational Procedures for Loaning of Company Funds.

Explanation :

1. Key points of the amendment:
 - (1) In accordance with letter from Financial Supervisory Commission Jing-Guan-Zheng-Shen-Zhi No. 10100298745 dated July 6, 2012.
 - (2) In accordance with the audit committee to be put in place by the Company, as well as in accordance with the law and the duties of the audit committee, references to “each supervisor” in the Procedure will be revised to become the “audit committee”. The following is added to the Procedure: “Important capital lending shall be subject to the consent of the majority of all members of the audit committee and shall be submitted to the shareholders’ meeting for approval following approval by the board of directors.”
2. Please refer to Attachment 13 on page 62~ 64 of the Meeting Handbook for comparison table of articles before and after amendment.
3. Please refer to Appendix 6 on page 101 ~ 103 of the Meeting Handbook for the original clauses.

Resolution :

Motion 8 : Discussion of Amendment to the Operational Procedures for Endorsements and Guarantees.

Explanation :

1. In accordance with the audit committee to be put in place by the Company, as well as in accordance with the law and the duties of the audit committee, references to “each supervisor” in the Procedure will be revised to become the “audit committee”. The following is added to the Procedure: “Important endorsements and guarantees shall be subject to the consent of the majority of all members of the audit committee and shall be submitted to the shareholders’ meeting for approval following approval by the board of directors.”
2. Please refer to Attachment 14 on page 65, 66 of the Meeting Handbook for comparison table of articles before and after amendment.
3. Please refer to Appendix 7 on page 104 ~ 107 of the Meeting Handbook for the original clauses.

Resolution :

V.Election Matters

Motion : Reelection of the Company's directors and election of the Company's independent directors.

Explanation :

- 1.The term for the directors and supervisors of the Company of the 15th term shall expire on June 22, 2013. In accordance with Articles 195 and 217 of Company Law, if there is no reelection upon expiry of the term, the duties may be extended until the start of the term of the reelected directors and supervisors.
- 2.In accordance with the amendment to the Articles of Association in the general shareholders' meeting of last year, the Company may opt for the establishment of an audit committee in accordance with the law in lieu of supervisors. Thus no supervisors will be nominated or elected in the general shareholders' meeting of the Company this year.
- 3.The directors of the Company of the 16th term will be elected in the upcoming general shareholders' meeting. In accordance with Article 18 of the Articles of Association of the Company, 13 directors (ten general directors and three independent directors) will be elected to constitute the board of directors. The candidate nomination system will be adopted and election shall be made in the general shareholders' meeting from a list of candidates. The term will be three years, from June 25, 2013 to June 24, 2016.
- 4.The list of candidates for directors of the Company was reviewed and approved by the board of directors on May 13, 2013 and may be presented to the general shareholders' meeting of 2013 for election. The list of candidates for directors, and the academic and professional backgrounds and shareholding thereof, are as follows:

Uni-President Enterprises Corp.
The 2013 General Shareholders Meeting (June 25, 2013)
List of Candidates for Independent Directors

NO.	Name	Education& Experience	Shares Held
1	Yun Lin	<p>1.Education Ph.D., University of Illinois, Urbana-Champaign, USA</p> <p>2.Current Position Professor, Dept. of Business Administration, Shih- Hsin University. Adjunct Professor, Dept. of Finance, National Taiwan University. Director, Hua Nan Financial Holdings Co., Ltd Supervisor, The Eslite Spectrum Corporation Commissioner, the Security Listing Review Committee of Taiwan Stock Exchange Corporation</p> <p>3.Experience Chairman of Finance Dept., National Taiwan University. Managing Director, Hua Nan Commercial Bank, Ltd. Director, Taiwan Power Company Managing Supervisor, Public Television Service Foundation Director, Securities and Futures Investors Protection Center</p> <p>4.Specialty Financial Management Treasury Risk Management</p>	0
2	Hsing-Yi Chow	<p>1.Education Ph.D., Indiana University- Bloomington, USA MBA, Indiana University- Bloomington, USA</p> <p>Bachelor, Dept of Business Administration, National Chengchi University</p> <p>2.Current Position Professor, Dept. of Finance, National Chengchi University</p> <p>3.Experience Dean, College of Commerce, National Chengchi University Associate Dean, College of Commerce, National Chengchi University Chairman, Department of Finance, National Chengchi University independent director, Polaris Securities Group Vice-President, Asian Finance Association Commissioner, Financial Restructuring Fund of ROC Commissioner, Research, Development and Evaluation Commission of Executive Yuan of ROC Supervisor, Securities and Futures Investors Protection Center Director and Supervisor, GreTai Securities Market of ROC Director, Securities and Futures Institute of ROC Associate Professor, Department of Finance, Santa Clara University, USA</p>	0

Uni-President Enterprises Corp.
The 2013 General Shareholders Meeting (June 25, 2013)
List of Candidates for Independent Directors

NO.	Name	Education& Experience	Shares Held
3	Chao-Tang Yue	<p>1.Education EMBA, China Europe International Business School Master, Dept of Accounting, National Cheng-Chi University</p> <p>2.Current Position President, Tien-Yeh Accounting Firm independent director, WPG Holdings Limited independent director (the audit committee chairman), Industrial Bank of Taiwan independent Non-Executive director(the audit committee chairman) , Stella International Holdings Limited\ Adjunct Professor, National Chung Cheng University Visiting Professor, National Chung Hsing University</p> <p>3.Experience President, Ernst & Young Accounting Firm Director, Taiwan Corporate Governance Association</p> <p>4.Specialty Accounting and auditing Practice (including Case Analysis) 、 Corporate Governance 、 Business Operations Consulting 、 Taxation Management (including taxation solution, laws and regulations)</p>	0

Uni-President Enterprises Corp.
The 2013 General Shareholders Meeting (June 25, 2013)
List of Candidates for Directors

NO.	Act. No.	Name	Education& Experience	Shares Held
1	69100090	Chin-Yen Kao (Representative of Kao Chyuan Inv. Co., Ltd.)	Director of : Ton Yi Industrial Corp. , President Chain Store Corp. , Scino Pharm Taiwan Ltd. , President International Development Corp.	212,030,064
2	69100090	Hsiu-Ling Kao (Representative of Kao Chyuan Inv. Co., Ltd.)	Supervisor of : Grand Bills Finance Corp.	
3	69100090	Chih-Hsien Lo (Representative of Kao Chyuan Inv. Co., Ltd.)		
4	23100014	Po-Ming Hou	Tourism management, Chinese Culture University, Taiwan Executive Vice President of Tainan Spinning Co., Ltd. ; Director of Uni-President Enterprises Corp.	126,440,610
5	23100013	Po-Yu Hou	Department of Radio, Television and Film, Shih Hsin University, Taiwan Managing Director of Tainan Spinning Co., Ltd. ; Director of Uni-President Enterprises Corp.	110,322,816
6	69102650	Chung-Ho Wu (Representative of Young Yun Inv. Co., Ltd.)	Director of : Uni-President Enterprises Corp. , Tainan Spinning Co., Ltd. , Nantex Industry Co., Ltd. Managing Director of : Prince Housing Development Corp. Supervisor of : Grand Bills Finance Corp.	6,310,956
7	69100060	Ping-Chih Wu (Representative of Taipo Investment Corp.)	Managing Director of : Tainan Spinning Co., Ltd. Director of : Uni-President Enterprises Corp. , Prince Housing Development Corp. , President Pharmaceutical Corp. , Ton Yi Pharmaceutical Corp.	26,171,329
8	15900071	Chang-Sheng Lin	Electrical Engineering, Nat'l Cheng Kung Univ. Managing Director of Uni-President Enterprises Corp.	42,832,498
9	52700020	Hsiu-Jen Liu	Honorary Ph. D. of Lincoln Univ., U.S.A. Chairman of So An Co., Ltd. and San Shi Inv. Corp. ; Director of Uni-President Enterprises Corp.	75,494,126

NO.	Act. No.	Name	Education& Experience	Shares Held
10	69100010	Kao-Huei Cheng (Representative of Joyful Inv. Co., Ltd.)	Chairman of : Tainan Spinning Co., Ltd. Managing Director of : Prince Housing Development Corp. , Uni-President Enterprises Corp. Director of : Ta Chen Construction & Engineering Corp. , Nantex Industry Co., Ltd. Supervisor of : Grand Bills Finance Corp.	18,599,416

Voting Results :

VI. Other Matters

Motion : Deletion of the non-competition promise ban imposed upon the Company's directors according to Article 209, Company Law.

Explanations :

1. In accordance with Article 209 of Company Law, any director acting for himself/herself, or for any other person within the scope of the Company business, should provide the shareholders' meeting with explanations about any important matters of such acts and should acquire the approval of the shareholders' meeting.
2. It is proposed to seek approval in the general shareholders' meeting allowing directors elected in the general shareholders' meeting to engage in acts of competition under Article 209 of Company Law from the date of the term of the directors, and thus be released from the competition restriction (provided that there is no damage to the interests of the Company).

Resolution :

VII. Questions and Motions

VIII. Adjournment

Businesses experienced more turbulent international and domestic economic conditions in 2012 than those experienced during the global financial crisis four years ago. This was even more so for businesses in Taiwan that struggled to survive under the tough economic conditions. In spite of the adversities, we have demonstrated our exceptional potential. Our entire team of dedicated employees worked together to create a record-breaking milestone in the midst of the downturn. We have again proven our perseverance and confidence in overcoming adversities!

Our experienced management team and well-established profitability model and risk control mechanisms are capable of responding to systematic risks arising from changes in market conditions. Although we fell short of achieving the set business targets, the benefits of discontinuing our raw material trading business, that has historically been a low yielding part of the Company's business, were realized in higher profitability for 2012, which again exceeded NT\$10 billion and showed an increase against that achieved in the previous year. It is evident that there is yet more room for growth even in a mature food industry if a business is daring to innovate and is willing to face challenges. The Company achieved a net sales figure of NT\$46.9 billion for year 2012, a decline of 9.6% against the previous year; while net income after tax stood at NT\$12.4 billion, representing an increase of 31.3% against 2011; and consolidated net sales amounted to NT\$ 427.5 billion.

2012 was a record-breaking year during which our results of operation rose to new heights. On September 28, 2012, the Company's market value exceeded NT\$ 250 billion for the first time in 45 years, an outstanding result that marked a new milestone in our corporate history and qualified the Company to become one of the top 15 enterprises in Taiwan. On the other hand, we are one of the only two enterprises that have been ranked among the top 10 most reputable and benchmark enterprises by Common Wealth Magazine for 18 consecutive years. Our exceptional performance serves as a reminder that we must maintain a high level of awareness to the high expectations and criticism we receive from society. As such, we should exercise vigilance and at the same time encourage ourselves to scale new heights in return for the support of our shareholders, employees and the general public!

Business Restructure, Stable Growth and Outperforming Ourselves

During 2012, we made the decision to discontinue the raw material trading business we have been operating for many years in Taiwan, but yet was of little added value to the Company. In doing so, we have achieved better profitability and was better resourced to create businesses with higher added values. The results showed that we are capable of achieving what we are determined to achieve and we dare to be different!

Our future is driven by our goals of constantly setting new milestones and achieving better results. Business restructure and stable growth are a clear reflection of our self-disciplined management approach and sound work habits of our employees. More so, these are the focus of our business operations for 2013. We will continue to devote our resources to the enhancement of big brand names and development of multi-billion dollar products. We hope that our focused management approach and stay-simple operations will create a safe environment for our food production business, for our employees, and for information processing. We are poised to grow and constantly improve.

Accelerating Cross-Strait Investments and Expansion of Plants, Strengthening Business Presence in South East Asia and Creating a New Century

In 2013, the construction of several new plants in China was completed and put into operation. The operation of the new plants will further enhance our manufacturing base in China. Our goal is to have one operating plant in every province of China (except Tibet and Qinghai) to better serve the local market. We have also invested in the construction of the 6th composite food production plant in Hukou, Hsinchu County, Taiwan. We expect to complete the construction of the basic infrastructure of the plant during this financial year. Meanwhile, we also marketed our products in South-East Asian countries including Malaysia, Singapore, Myanmar and India. Our primary objective for business deployment in South East Asia is to “strengthen and grow”, with the optimal goal of making the most of the future growth opportunities in the Asian market.

Business Prospects for 2013

The Company will remain focused on our business management, adopt a simple operational approach that is poised to achieve the sales targets set for the domestic market for 2013. We shall work earnestly to maximize returns for our shareholders! We look forward to your continued support and comments. Thank you !

Chairman: Chin-Yen Kao

President: Chih-Hsien Lo

Chief Accountant: Chien-Li Yin

Supervisors' Review Report

Attachment 2

To: The General Meeting of Shareholders as of year 2013

The undersigned has duly audited the Business Report, Financial Statements and Schedule of Earnings Distribution prepared by the Board of Directors for the year of 2012, 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

March 28, 2013

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, 2012 and 2011, and the related non-consolidated statements of income, of changes in stockholder's 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 financial statements of certain investee companies accounted for under the equity method. These long-term equity investments amounted to \$14,702,117 thousand and \$14,945,000 thousand (net of long-term investment with negative balance of \$40,859 thousand shown as other liabilities-other) as of December 31, 2012 and 2011, respectively, and their related net investment income amounted to \$532,004 thousand and \$908,577 thousand 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 "Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those rules and standards 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 the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the accompanying 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, 2012 and 2011, 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" and generally accepted accounting principles in the Republic of China.

We have audited the consolidated financial statements of Uni-President Enterprises Corp. and its subsidiaries (not presented herein) as of and for the years ended December 31, 2012 and 2011. In our report dated March 28, 2013, we expressed a modified unqualified opinion on those statements.

PricewaterhouseCoopers, Taiwan

March 28, 2013

The accompanying non-consolidated 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 non-consolidated 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)

ASSETS	Notes	2012	2011
Current Assets			
Cash and cash equivalents	4(1)	\$ 276,555	\$ 171,694
Financial assets at fair value through profit or loss - current	4(2)	500,000	-
Notes receivable, net	3 and 4(3)	804,242	787,113
Accounts receivable, net	3 and 4(4)	1,296,085	1,229,028
Accounts receivable, net - related parties	3 and 5	3,835,964	3,678,975
Other receivables	3	251,262	324,024
Other receivables - related parties	3 and 5	167,930	152,051
Inventories, net	4(5)	2,940,877	3,134,052
Prepayments		130,170	144,752
Deferred income tax assets - current	4(23)	213,569	216,257
Total current assets		<u>10,416,654</u>	<u>9,837,946</u>
Funds and Investments			
Available-for-sale financial assets - non-current	4(6) and 10	2,583,481	1,838,050
Financial assets carried at cost - non-current	4(7)(8)(13) and 5	1,142,670	1,279,040
Long-term equity investments accounted for under the equity method	4(7)(8)(13) and 5	88,773,467	80,815,625
Total funds and investments		<u>92,499,618</u>	<u>83,932,715</u>
Property, Plant and Equipment			
Cost			
Land		4,026,172	4,026,172
Buildings		4,094,774	4,054,442
Machinery and equipment		10,203,335	9,927,597
Utilities equipment		683,985	668,965
Transportation equipment		120,568	100,449
Office equipment		599,855	600,207
Leasehold improvements		126,665	131,026
Other equipment		4,595,811	4,447,433
Revaluation increments		3,224,098	3,226,629
Cost and revaluation increments		27,675,263	27,182,920
Less: Accumulated depreciation		(16,055,473)	(15,496,397)
Less: Accumulated impairment		(8,515)	(10,063)
Construction in progress and prepayments for equipment		514,879	291,255
Total property, plant and equipment, net		<u>12,126,154</u>	<u>11,967,715</u>
Intangible Asset			
Deferred pension costs	4(18)	6,526	22,189
Other Assets			
Assets leased to others	4(9)(10) and 6	4,490,230	4,528,180
Idle assets	4(9)(11)(13) and 6	110,741	104,925
Refundable deposits		124,087	135,129
Deferred expenses	4(12)	30,799	25,645
Deferred income tax assets - non-current	4(23)	157,840	138,419
Other assets - other	4(9) and 6	215,356	216,342
Total other assets		<u>5,129,053</u>	<u>5,148,640</u>
TOTAL ASSETS		<u>\$ 120,178,005</u>	<u>\$ 110,909,205</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED BALANCE SHEETS
DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

LIABILITIES AND STOCKHOLDERS' EQUITY	Notes	2012	2011
Current Liabilities			
Short-term loans	4(14)	\$ 29,849	\$ 1,034,285
Notes and bills payable	4(15)	-	299,990
Financial liabilities at fair value through profit or loss - current	4(2)	-	24
Notes payable		7,791	7,207
Accounts payable		1,788,393	1,730,713
Accounts payable - related parties	5	178,081	224,569
Income tax payable	4(23)	193,916	94,469
Accrued expenses	5	4,886,207	3,993,013
Other payables		132,181	217,010
Receipts in advance		128,433	13,994
Long-term liabilities - current portion	4(16)(17)	2,450,000	1,500,000
Total current liabilities		<u>9,794,851</u>	<u>9,115,274</u>
Long-term Liabilities			
Bonds payable	4(16)	15,650,000	8,500,000
Long-term loans	4(17)	8,489,572	16,438,715
Total long-term liabilities		<u>24,139,572</u>	<u>24,938,715</u>
Reserve			
Reserve for land revaluation incremental tax	4(9)	1,076,566	1,076,566
Other Liabilities			
Accrued pension liabilities	4(18)	2,478,825	2,309,069
Guarantee deposits received		87,089	81,577
Other liabilities - other	4(8)	-	40,859
Total other liabilities		<u>2,565,914</u>	<u>2,431,505</u>
Total liabilities		<u>37,576,903</u>	<u>37,562,060</u>
Stockholders' Equity			
Capital			
Common stock	1 and 4(19)	48,624,744	45,443,686
Capital Reserves			
	4(20)		
Additional paid-in capital in excess of par - common stock		489,454	489,454
Additional paid-in capital - treasury stock transactions		34,027	34,027
Capital reserve from donated assets		621	591
Capital reserve from long-term investments		5,719,780	5,976,770
Retained Earnings			
	4(19)(21)		
Legal reserve		10,095,973	9,151,205
Special reserve		105,429	105,429
Undistributed earnings		14,584,350	10,847,205
Other Adjustments to Stockholders' Equity			
Cumulative translation adjustments		201,900	1,614,590
Unrecognized pension cost	4(18)	(2,853,465)	(2,242,758)
Unrealized gain or loss on financial instruments	4(6)(8) and 10	3,095,564	(531,491)
Asset revaluations	4(9)	2,502,725	2,458,437
Total stockholders' equity		<u>82,601,102</u>	<u>73,347,145</u>
Contingent Liabilities and Commitments			
	5 and 7		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>\$ 120,178,005</u>	<u>\$ 110,909,205</u>

The accompanying notes are an integral part of these non-consolidated financial statements.
See report of independent accountants dated March 28, 2013.

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

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	2012		2011	
Operating Revenues	5				
Sales		\$ 46,934,584		\$ 52,549,973	
Sales returns		(67,353)		(133,999)	
Sales discounts		(1,437,252)		(1,536,845)	
Net Sales		<u>45,429,979</u>		<u>50,879,129</u>	
Other operating revenues		1,421,601		950,400	
Net Operating Revenues		<u>46,851,580</u>		<u>51,829,529</u>	
Operating Costs	4(5)(22) and 5				
Cost of goods sold		(32,346,799)		(38,902,986)	
Other operating costs		(1,377,734)		(919,711)	
Net Operating Costs		<u>(33,724,533)</u>		<u>(39,822,697)</u>	
Gross profit		<u>13,127,047</u>		<u>12,006,832</u>	
Operating Expenses	4(22) and 5				
Sales and marketing expenses		(8,008,362)		(7,521,945)	
General and administrative expenses		(2,837,135)		(2,341,383)	
Research and development expenses		(287,346)		(277,906)	
Total Operating Expenses		<u>(11,132,843)</u>		<u>(10,141,234)</u>	
Operating income		<u>1,994,204</u>		<u>1,865,598</u>	
Non-operating Income and Gains					
Interest income		968		404	
Investment income accounted for under the equity method	4(8)	10,337,875		7,598,332	
Dividend income		109,095		162,054	
Gain on disposal of property, plant and equipment		2,374		6,031	
Gain on disposal of investments	4(2) and 5	3,314		229,980	
Foreign exchange gain, net	4(2)	19,246		-	
Rental income	4(10) and 5	340,149		312,836	
Gain on valuation of financial liabilities	4(2)	24		59,663	
Other non-operating income	5	1,339,831		1,143,304	
Total Non-operating Income and Gains		<u>12,152,876</u>		<u>9,512,604</u>	
Non-operating Expenses and Losses					
Interest expense	4(9)	(338,896)		(297,093)	
Other investment loss	4(7)	(506)		-	
Loss on disposal of property, plant and equipment		(14,668)		(19,877)	
Foreign exchange loss		-		(4,896)	
Financing charges		(32,075)		(16,436)	
Impairment loss	4(7)(8)(9)(11)				
	(13)	(80,423)		(25,567)	
Other non-operating losses	4(5) and 10	(1,099,316)		(1,202,043)	
Total Non-operating Expenses and Losses		<u>(1,565,884)</u>		<u>(1,565,912)</u>	
Income before income tax		12,581,196		9,812,290	
Income tax expense	4(23)	(173,856)		(364,609)	
Net income		<u>\$ 12,407,340</u>		<u>\$ 9,447,681</u>	
		<u>Before Tax</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>After Tax</u>
Basic Earnings Per Common Share (in dollars)					
Net income	4(24)	<u>\$ 2.59</u>	<u>\$ 2.55</u>	<u>\$ 2.02</u>	<u>\$ 1.94</u>
Diluted Earnings Per Common Share (in dollars)					
Net income	4(24)	<u>\$ 2.58</u>	<u>\$ 2.54</u>	<u>\$ 2.01</u>	<u>\$ 1.93</u>

The accompanying notes are an integral part of these non-consolidated financial statements.

See report of independent accountants dated March 28, 2013.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	<u>Retained Earnings</u>				Undistributed Earnings	Cumulative Translation Adjustments	Unrecognized Pension Cost	Unrealized Gain or Loss on Financial Instruments	Asset Revaluations	Total
	Common Stock	Capital Reserves	Legal Reserve	Special Reserve						
<u>2011</u>										
Balance at January 1, 2011	\$ 42,871,402	\$ 6,251,778	\$ 8,058,301	\$ -	\$ 11,066,708	(\$ 959,486)	(\$ 2,121,934)	\$ 2,636,955	\$ 2,162,552	\$ 69,966,276
Distribution of 2010 net income (Note):										
Legal reserve	-	-	1,092,904	-	(1,092,904)	-	-	-	-	-
Cash dividends	-	-	-	-	(6,001,996)	-	-	-	-	(6,001,996)
Stock dividends	2,572,284	-	-	-	(2,572,284)	-	-	-	-	-
Net income for 2011	-	-	-	-	9,447,681	-	-	-	-	9,447,681
Non-payment of fractional cash dividend from previous year transferred to capital reserve	-	43	-	-	-	-	-	-	-	43
Adjustment due to special reserve by subsidiaries	-	-	-	105,429	-	-	-	-	-	105,429
Adjustment of capital reserve due to subsidiaries' retirement of treasury stock transactions	-	5,326	-	-	-	-	-	-	-	5,326
Adjustment of capital reserve due to change in ownership of subsidiaries	-	306,440	-	-	-	-	-	-	-	306,440
Adjustment of capital reserve due to change in ownership of subsidiaries by subsidiaries	-	(50,956)	-	-	-	-	-	-	-	(50,956)
Adjustment of capital reserve due to subsidiaries' adjustment of capital reserve	-	(11,789)	-	-	-	-	-	-	-	(11,789)
Cumulative translation adjustments	-	-	-	-	-	2,574,076	-	-	-	2,574,076
Adjustment of unrecognized pension cost	-	-	-	-	-	-	(113,124)	-	-	(113,124)
Adjustment of unrecognized pension cost by subsidiaries	-	-	-	-	-	-	(7,700)	-	-	(7,700)
Adjustment due to revaluations of available-for-sale financial assets	-	-	-	-	-	-	-	(712,195)	-	(712,195)
Adjustment due to revaluations of available-for sale financial assets by subsidiaries	-	-	-	-	-	-	-	(2,456,251)	-	(2,456,251)
Adjustment of asset revaluations	-	-	-	-	-	-	-	-	226,441	226,441
Adjustment of asset revaluations by subsidiaries	-	-	-	-	-	-	-	-	69,444	69,444
Balance at December 31, 2011	<u>\$ 45,443,686</u>	<u>\$ 6,500,842</u>	<u>\$ 9,151,205</u>	<u>\$ 105,429</u>	<u>\$ 10,847,205</u>	<u>\$ 1,614,590</u>	<u>(\$ 2,242,758)</u>	<u>(\$ 531,491)</u>	<u>\$ 2,458,437</u>	<u>\$ 73,347,145</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	<u>Retained Earnings</u>					Cumulative Translation Adjustments	Unrecognized Pension Cost	Unrealized Gain or Loss on Financial Instruments	Asset Revaluations	Total
	Common Stock	Capital Reserves	Legal Reserve	Special Reserve	Undistributed Earnings					
<u>2012</u>										
Balance at January 1, 2012	\$ 45,443,686	\$ 6,500,842	\$ 9,151,205	\$ 105,429	\$ 10,847,205	\$ 1,614,590	(\$ 2,242,758)	(\$ 531,491)	\$ 2,458,437	\$ 73,347,145
Distribution of 2011 net income (Note):										
Legal reserve	-	-	944,768	-	(944,768)	-	-	-	-	-
Cash dividends	-	-	-	-	(4,544,369)	-	-	-	-	(4,544,369)
Stock dividends	3,181,058	-	-	-	(3,181,058)	-	-	-	-	-
Net income for 2012	-	-	-	-	12,407,340	-	-	-	-	12,407,340
Non-payment of fractional cash dividend from previous year transferred to capital reserve	-	30	-	-	-	-	-	-	-	30
Adjustment of capital reserve due to change in ownership of subsidiaries	-	21,171	-	-	-	-	-	-	-	21,171
Adjustment of capital reserve due to reorganization	-	10,292	-	-	-	-	-	-	-	10,292
Adjustment of capital reserve due to subsidiaries' adjustment of capital reserve	-	(288,453)	-	-	-	-	-	-	-	(288,453)
Cumulative translation adjustments	-	-	-	-	-	(1,412,690)	-	-	-	(1,412,690)
Adjustment of unrecognized pension cost	-	-	-	-	-	-	(185,900)	-	-	(185,900)
Adjustment of unrecognized pension cost by subsidiaries	-	-	-	-	-	-	(424,807)	-	-	(424,807)
Adjustment due to revaluations of available-for-sale financial assets	-	-	-	-	-	-	-	745,431	-	745,431
Adjustment due to revaluations of available-for sale financial assets by subsidiaries	-	-	-	-	-	-	-	2,881,624	-	2,881,624
Adjustment of asset revaluations by subsidiaries	-	-	-	-	-	-	-	-	44,288	44,288
Balance at December 31, 2012	<u>\$ 48,624,744</u>	<u>\$ 6,243,882</u>	<u>\$ 10,095,973</u>	<u>\$ 105,429</u>	<u>\$ 14,584,350</u>	<u>\$ 201,900</u>	<u>(\$ 2,853,465)</u>	<u>\$ 3,095,564</u>	<u>\$ 2,502,725</u>	<u>\$ 82,601,102</u>

(Note) The directors' and supervisors' remuneration were \$196,723 and \$170,058, and employees' bonuses were \$955,370 and \$817,572 in 2010 and 2011, respectively, which had been deducted from net income for the year.

The accompanying notes are an integral part of these non-consolidated financial statements.
See report of independent accountants dated March 28, 2013.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	2012		2011
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Net income	\$ 12,407,340	\$	9,447,681
Adjustments to reconcile net income to net cash provided by operating activities			
Gain on valuation of financial liabilities	(24 )	(	59,663)
Provision for doubtful accounts	-		33,317
Doubtful accounts as other income	(18,690)		-
Reversal of allowance for doubtful accounts	(25,754 )	(	15,560)
Provision for inventory obsolescence	1,337		20
Loss on liquidation of long-term investments	506		-
Investment income accounted for under the equity method	(10,337,875 )	(	7,598,332)
Cash dividends from long-term investments accounted for under the equity method	4,791,906		4,263,790
Loss (gain) on disposal of investments	17	(	230,340)
Depreciation	867,899		903,755
Net loss on disposal of property, plant and equipment	12,294		13,846
Impairment loss	80,423		25,567
Amortization	11,636		11,220
Changes in assets and liabilities			
Financial assets at fair value through profit or loss - current	(500,000)		-
Notes receivable	(929)		108,577
Accounts receivable	(38,813)		126,850
Accounts receivable - related parties	(156,989 )	(	320,002)
Other receivables	69,780		12,980
Other receivables - related parties	(15,879 )	(	26,291)
Inventories	191,838		335,411
Prepayments	14,582		86,541
Deferred income tax assets - current	2,688	(	16,598)
Deferred pension costs	15,663		16,968
Deferred income tax assets - non-current	(19,421)		254,685
Notes payable	584	(	547)
Accounts payable	57,680	(	79,206)
Accounts payable - related parties	(46,488 )	(	29,683)
Income tax payable	99,447	(	129,978)
Accrued expenses	893,194	(	191,642)
Other payables	(43,149)		20,831
Receipts in advance	114,439		344
Accrued pension liabilities	(16,144 )	(	9,224)
Net cash provided by operating activities	<u>8,413,098</u>		<u>7,007,899</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease (increase) in employees' car loans	3,345	(	2,431)
Proceeds from disposal of financial assets carried at cost - non-current	-		93,640
Increase in long-term investments - subsidiaries	(1,467,868 )	(	139,640)
Increase in long-term investments - non-subsidiaries	(237,238 )	(	1,006,683)
Proceeds from disposal of long-term investments - subsidiaries	20,235		427,354
Proceeds from disposal of long-term investments - non-subsidiaries	-		5,375
Proceeds from capital reduction of subsidiaries	100,000		33,333
Proceeds from liquidation of long-term investments	11,260		-
Cash paid for acquisition of property, plant and equipment	(1,044,292 )	(	4,003,470)
Proceeds from disposal of property, plant and equipment	4,495		14,557
Decrease in refundable deposits	11,042		11,207
Increase in deferred expenses	(16,790 )	(	4,250)
Net cash used in investing activities	<u>2,615,811</u>	(	<u>4,571,008</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	2012	2011
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Decrease in short-term loans	(\$ 1,004,436)	(\$ 1,488,068)
(Decrease) increase in notes and bills payable	(299,990)	12
Increase in bonds payable	7,100,000	3,000,000
(Decrease) increase in long-term loans	(6,949,143)	2,039,247
Increase in guarantee deposits received	5,512	2,748
Payment of cash dividends	(4,544,369)	(6,001,996)
Net cash used in financing activities	(5,692,426)	(2,448,057)
Increase (decrease) in cash and cash equivalents	104,861	(11,166)
Cash and cash equivalents at beginning of year	171,694	182,860
Cash and cash equivalents at end of year	\$ 276,555	\$ 171,694
<u>Supplemental disclosures of cash flow information</u>		
1. Interest paid (excluding capitalized interest)	\$ 296,594	\$ 274,562
2. Income taxes paid	\$ 91,142	\$ 256,500
<u>Investing and financing activities with partial cash payments</u>		
1. Proceeds from disposal of long-term investments - subsidiaries	\$ 20,235	\$ 296,559
Add: Other receivables, beginning of year	18,567	149,362
Less: Other receivables, end of year	(18,567)	(18,567)
Proceeds from disposal of long-term investments - subsidiaries	\$ 20,235	\$ 427,354
2. Liquidation of long-term investments	\$ 11,623	\$ -
Less: Other receivables, end of year	(363)	-
Proceeds from liquidation of long-term investments	\$ 11,260	\$ -
3. Acquisition of property, plant and equipment	\$ 1,002,642	\$ 4,065,252
Add: Other payables, beginning of year	110,129	48,347
Less: Other payables, end of year	(68,479)	(110,129)
Cash paid for acquisition of property, plant and equipment	\$ 1,044,292	\$ 4,003,470
<u>Other activities with no cash flow effect</u>		
1. Non-payment of fractional cash dividend from previous year transferred to capital reserve	\$ 30	\$ 43
2. Financial assets carried at cost transferred to long-term equity investments accounted for under the equity method	\$ 29,703	\$ -
3. Land-asset revaluation value	\$ -	\$ 487,568

The accompanying notes are an integral part of these non-consolidated financial statements.
See report of independent accountants dated March 28, 2013.

Uni-President Enterprises Corp.

Attachment 5

PROFIT ALLOCATION PROPOSAL

For the years ended December 31, 2012

	Unit : NT\$
Net Income for 2012	\$ 12,407,339,659
Less : 10% Legal Reserve	<u>(1,240,733,966)</u>
2012 Earnings Available for Distribution	11,166,605,693
Plus : Unappropriated Retained Earnings of Previous years	<u>2,177,010,115</u>
Earnings Available for Distribution as of December 31, 2012	13,343,615,808
Distribution Items:	
Cash Dividends to Common Share Holders (NT\$ 1.4 per share)	6,807,464,322
Stock Dividends to Common Share Holders (60 shares for each 1,000 shares owned)	<u>2,917,484,710</u>
Unappropriated Distribution	<u><u>\$ 3,618,666,776</u></u>

Note :

1. Employees' Bonuses \$ 1,017,561,122, Directors' & Supervisors' Remuneration \$ 223,332,114.
2. Net income for 2012 shall be preferred in the profit distribution, and then unappropriated retained earnings of previous years would offset, if deficient.
3. 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".

Chairman: Chin-Yen Kao

President: Chih-Hsien Lo

Chief Accountant: Chien-Li Yin

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

Attachment 6

The Impact of the Stock Dividend Issuance 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 2013 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 1,017,561,122 and proposed remuneration to directors and supervisors totals to NTD 223,332,114. 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 2012 are NTD 1,017,104,823 and NTD 215,840,000 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 2013.

Details Regarding Raising Funds by Issuing Common Stocks in Attachment 7
Connection with Capital Increase to Sponsor Issuance of
Overseas Depository Receipts, or by Issuing New Shares Domestically

1. The principles governing issuance of common stocks in connection with capital increase to sponsor issuance of overseas depository receipts are as follows:

(1) The number of shares issued for the current capital increase to sponsor issuance of overseas depository receipts shall not exceed 150,000,000 shares. The shareholders then authorize the Board of Directors to, within the aforesaid limitation of authorized issuance, adjust the issuance amount according to the market conditions and all shares shall be issued in one tranche.

(2) Pursuant to the "Self-Discipline Guidance For Underwriters regarding Assisting the Issuers in the Offering and Issuance of Securities" of the Taiwan Securities Association, the issue price of common stocks in connection with capital increase to sponsor issuance of overseas depository receipts shall not be lower than the closing price of the Company's common share in the domestic centralized securities exchange market, or 90% of the average stock price calculated by the average of common share closing prices in the previous one, three or five days (choose one) prior to the fixing date deducted by ex-rights and ex-dividends of bonus shares; provided that the measure to fix the price shall be adjusted when relevant domestic laws and regulations have been amended. Due to the fact that the domestic stock prices often fluctuate drastically within a short period of time, thus, the President of the Company is authorized to determine the actual fixing price within the aforesaid scope in accordance with common international practices, after referring to international capital market, domestic market prices and consolidated distributive sales and consulting with underwriters, to increase the acceptance of overseas investors. Thus, this method of fixing the issue price shall be deemed reasonable.

The issue price is based on the common practice and laws and regulations of the issuing market. In accordance with the fair trading market price of a common share in the domestic centralized securities exchange market, the original shareholders may acquire the common stock in the domestic securities exchange market on a price similar to the fixing price of overseas depository receipts without the risks of foreign exchange and marketability. Furthermore, the value of shares to be issued is no more than 150,000,000 shares, which constitutes approximately 3.08% of all outstanding common shares of the Company. However, the capital increase may improve the competitiveness of the Company, and thus, benefit the shareholders whose rights and interests will not be materially influenced.

(3) In accordance with Article 267 of the Company Act, 10%~15% of the total number of shares to be issued for capital increase shall be reserved for subscription by employees of the Company. All other shares, pursuant to Article 28-1 of the Securities and Exchange Act, will be offered to the public after the original shareholders give up the first refusal right, as the original securities to sponsor overseas depository receipts. For reserved shares not subscribed by the employees, the President of the Company is authorized to offer them to specific person(s) for subscription, or to combine them into the original securities to sponsor issuance of overseas depository receipts according to the market needs.

(4) The funds raised through this issuance of common shares in connection with capital increase to sponsor issuance of overseas depository receipts are to be used to increase operation funds, repay bank loans, purchase machines and facilities, reinvest and so on. It is to be completed within two (2) years after the funds are raised. This plan is expected to improve the financial structure of the Company, increase the operation efficiency of the Company, and positively benefit the shareholders' rights.

(5) For the important information regarding this plan of issuance of common stocks in connection with capital increase to sponsor issuance of overseas depository receipts, including issue price, number of shares to be issued, terms of issuance, source of funds,

planned matters, amount of fund to be raised, intended progress and the expected results, and all other relevant issuance procedures, the Board of Directors is authorized to make any adjustment, promulgation and progress based on the market conditions. The Board of Directors is also authorized with full authority to handle the same, if the plan is modified in the future under the request of the competent authority and based on operation assessment or due to change of environment.

- (6) Upon the competent authority's approval of this capital increase, the Board of Directors will be authorized to proceed with issuance of new shares.
- (7) For this issuance of common shares in connection with capital increase to sponsor issuance of overseas depository receipts, the President or his designee is authorized to represent the Company to execute all documents regarding sponsoring issuance of overseas depository receipts, and to proceed with all matters related to sponsoring issuance of overseas depository receipts for the Company.
- (8) For all unattended matters, the Board of Directors is authorized with full authority to handle the same in accordance with relevant laws and regulations.

2. The principles governing authorizing the Board of Directors to proceed with issuance of new shares domestically are as follows:

- (1) The number of new shares to be issued shall be limited to 150,000,000 shares.
- (2) The par value of each new share to be issued shall be 10 NT dollars (NT\$10), while the actual issue price will be determined in accordance with relevant rules specified in the "Self-Discipline Guidance For Underwriters regarding Assisting the Issuers in the Offering and Issuance of Securities" of the Taiwan Securities Association and based on the market conditions upon the time of issuance after the President consults with underwriters. The new shares will be issued after the actual issue price is submitted to the competent authority for approval.
- (3) If a capital increase by cash is undertaken by the book building method, ten to fifteen percent of new shares issued through the capital increase shall be reserved for acquisition by employees in accordance with Article 267 of the Company Act; while the remaining shares are to be allocated for public offer by the book building method, with the original shareholders forfeiting their rights of priority subscription to the new shares in accordance with Article 28-1 of the Securities and Exchange Act. The Chairman is authorized to offer certain individuals the right to acquire any unsubscribed shares due to forfeiture of the right to subscribe or in case where issued shares were under subscribed.
- (4) If the capital increase by cash was effected through a public tender, besides retaining ten to fifteen percent of the new shares issued through the capital increase for acquisition by employees in accordance with Article 267 of the Company Act, Article 28-1 of the Securities and Exchange Act also stipulate that ten percent of the newly issued shares shall be offered at market value to the public. Existing shareholders of the Company have the priority to subscribe to the remaining seventy-five to eighty percent of the new shares based on the individual share ownership percentage on the acquisition base date. Shareholders shall, among themselves, attempt to combine odd-lot orders to form a round-lot order. The Chairman is authorized to offer certain individuals the right to acquire any unsubscribed shares due to forfeiture of the right to subscribe or in case where issued shares were under subscribed.
- (5) Funds raised through this capital increase by issuance of common shares are to be used for one of the following or several of the following purposes including funding the company's operating capital, repayment of loans and acquisition of machinery equipment. The plan for utilization of funds shall be fully executed within two years following the completion of the fundraising process. The execution of the fund utilization plan is expected to improve the company's financial structure, improve the company's operational efficiency and create positive benefits for shareholders.

- (6)The rights and obligations of the new shares to be issued shall be same as those of the outstanding shares.
- (7)For the important information regarding this issuance of new shares, including issue price, number of shares to be issued, terms of issuance, source of funds, planned matters, amount of fund to be raised, intended progress and the expected results, the Board of Directors is authorized to make any adjustment, promulgation and progress based on the market conditions.
- (8)The Board of Directors is also authorized with full authority to handle the same, if matters regarding this issuance of new shares are modified in the future under the request of the competent authority and based on operation assessment or due to change of environment.

Uni-President Enterprises Corp.
 Comparison Table of Company's Rules of Procedure
 for Board of Directors' Meeting Before and After Amendment

Attachment 8

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 3	<p>The Board of Directors shall hold a meeting at least once per quarter. In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each <u>director and supervisor</u> within 7 days prior to the meeting, provided that in the case of emergency, the meeting may be convened at any time.</p> <p style="text-align: center;">NEW</p> <p>Unless in the case of emergency or with justified reasons, the circumstances referred to in Paragraph 1 of Article 7 herein shall be enumerated in the grounds for calling the meeting and be prohibited from being proposed as a motion.</p>	<p>The Board of Directors shall hold a meeting at least once per quarter. In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each <u>director</u> within 7 days prior to the meeting, provided that in the case of emergency, the meeting may be convened at any time.</p> <p style="text-align: center;"><u>The notice set forth in the preceding paragraph may be effected by means of electronic transmission.</u></p> <p>Unless in the case of emergency or with justified reasons, the circumstances referred to in Paragraph 1 of Article 7 herein shall be enumerated in the grounds for calling the meeting and be prohibited from being proposed as a motion.</p>	<p>1. In line with the amendments to the Company's Articles of Incorporation, a company with an established audit committee is not required to appoint supervisors. As such, the existing provisions governing supervisors are deleted.</p> <p>2. In light of technological advancement, <u>notice of a board of directors' meeting</u> may be effected by the same mean used for notice of a shareholders' meeting. <u>As such, notice of the meeting may be effected by means of electronic transmission provided with the consent of the meeting attendee.</u> <u>Paragraph 3 was thus added to the existing provisions in line with paragraph 2, Article 204 of the Company Act</u></p> <p>3. Paragraph 3 of the current Article was reallocated for inclusion under paragraph 4.</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 7	<p>The following issues shall be discussed in the Directors' meeting:</p> <ol style="list-style-type: none"> 1. The Company's business plan. 2. Annual financial report and semi-annual financial report. 3. Internal control system defined or amended pursuant to Article 14-1 of the Securities and Exchange Act (<u>hereinafter referred to as the "Act"</u>). 4. The regulations governing acquisition or disposition of assets, derivatives transactions, granting of loan, making of endorsement or guarantee enacted or amended pursuant to Article 36-1 of the Act. 5. Offering, issue or private placement of equity securities. 6. Appointment and dismissal of financial, accounting or internal audit supervisors. <p style="text-align: center;">NEW</p>	<p>The following issues shall be discussed in the Directors' meeting:</p> <ol style="list-style-type: none"> 1. The Company's business plan. 2. Annual financial report and semi-annual financial report. <u>With the exception of half-yearly financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant (CPA).</u> 3. Internal control system defined or amended pursuant to Article 14-1 of the Securities and Exchange Act. 4. The regulations governing acquisition or disposition of assets, derivatives transactions, granting of loan, making of endorsement or guarantee enacted or amended pursuant to Article 36-1 of the Act. 5. Offering, issue or private placement of equity securities. 6. Appointment and dismissal of financial, accounting or internal audit supervisors. 7. <u>A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.</u> 	<ol style="list-style-type: none"> 1. Revised the existing provisions in accordance with subparagraph 2, paragraph 1, Article 36 of the Securities and Exchange Act. <u>Half-yearly financial reports reviewed by the company's independent accountants shall be presented to the Board of Directors refer to the requirement of presenting the reports to the Board of Directors but not tabling the reports in the meetings for discussion</u> ; however, in consideration that half-yearly financial reports of a financial institution shall still be attested by a certified public accountant, as such, such reports shall still be tabled in a board of directors' meeting for discussion. As such, the existing provisions <u>following subparagraph 2, paragraph 1, are revised to include the provision that financial reports not requiring the auditing and attesting of a certified public accountant are not required to be tabled for discussion at a board of directors' meeting.</u> 2. In consideration that a donation made by a public company to a related party or a material donation made to a non-related party may impair the rights of the company's shareholders, it is thus essential to enhance existing regulations. <u>Subparagraph 7, paragraph 1 of the existing articles now includes a provision that requires the company</u>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
	<p>7. Issues to be resolved by shareholders' meetings or submitted to the Board of Directors according to Article 14-3 of the Act, other laws or regulations, or material issues required by the competent authority.</p> <p style="text-align: center;">NEW</p> <p style="text-align: center;">NEW</p> <p style="text-align: center;">NEW</p>	<p>8. Issues to be resolved by shareholders' meetings or submitted to the Board of Directors according to Article 14-3 of the Securities and Exchange Act, other laws or regulations, or material issues required by the competent authority.</p> <p><u>The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.</u></p> <p><u>The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened.</u></p> <p><u>For foreign companies whose stock has no par value or a par value other than NTD10, the "5 percent of paid-in capital" in paragraph 2 above shall be calculated instead as 2.5 percent of shareholders' equity.</u></p>	<p>to submit the details of <u>any donation by the company to its related parties or a material donation to non-related parties for discussion in a board of directors' meeting.</u> On the other, in consideration that a <u>public-interest donation for relief of a major natural disaster must be made in a timely manner and that the requirement to report such donation to the board of directors for discussion may impair the benefits of such donation, the revised provision is put in place to allow for ratification of such donation in the next board of directors meeting.</u> Paragraph 7 of the current provisions is reallocated for <u>inclusion under paragraph 8.</u></p> <p>3. To ensure that the term "related party" is clearly defined for compliance purposes, <u>the first part of paragraph 2 now includes a definition of related parties.</u></p> <p>4. In consideration that a donation to non-related parties is less likely to result in a conflict-of-interest situation, donations to non-related parties are thus considered on the basis of materiality and the company's scale of operation and with reference to paragraph 1, Article 6 of the Securities and Exchange Act Enforcement Rules revising the corrected amount of the financial reports that may warrant a restatement of the financial reports, Article 17 of the Regulations</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
	<p>Independent directors, if any, shall personally attend, or appoint another independent director to attend on behalf of him, the meeting with respect to the issues to be submitted to the Board of Directors pursuant to Article 14-3 of the Act.</p> <p>Where any independent director expresses dissent or reserves an opinion, it shall be specified in the meeting minutes. Where any independent director fails to attend the meeting personally to express dissent or reserve opinion, he shall issue written opinion in advance and the opinion shall be specified in the meeting minutes, unless with justified reasons.</p>	<p>Independent directors, if any, shall personally attend, or appoint another independent director to attend on behalf of him, the meeting with respect to the issues to be submitted to the Board of Directors pursuant to Article 14-3 of the Act.</p> <p>Where any independent director expresses dissent or reserves an opinion, it shall be specified in the meeting minutes. Where any independent director fails to attend the meeting personally to express dissent or reserve opinion, he shall issue written opinion in advance and the opinion shall be specified in the meeting minutes, unless with justified reasons.</p>	<p>Governing the Preparation of Financial Reports by Securities Issuers governing the disclosure of information on significant transactions and paragraph 2, Article 30 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies. Therefore, <u>the new provision was added to the end of paragraph 2 to specify the standards for determining “material” donation and the method of calculating the donation amount.</u></p> <p>5. Refer to paragraph 3, Article 30 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies for the calculation of cumulative donations made within a one-year period to a single recipient. <u>Paragraph 3 specifies that the term “within a one-year period” refers to a period of one year calculated retroactively from the date on which the current board of directors meeting is convened and any amount that has already been approved by the board of directors may be excluded from the calculation.</u></p> <p>6. In consideration that foreign companies may issue stocks with no par value or a par value other than NTD</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
			<p>10 and that shareholders' rights are one of the benchmarks to measure a company's size, paragraph 4 was thus amended with reference to paragraph 2, Article 33 of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies to specify that, for stocks issued by a foreign company with no par value or a par value other than NTD10, the "5 percent of paid-in capital" shall be calculated instead as 2.5 percent of shareholders' equity.</p> <p>7. Paragraph 2 of the current provisions is reallocated for inclusion under paragraph 5.</p>
Article 10	<p>The Directors' meeting shall be called and chaired by the Chairman of the Board, provided that the first meeting of each term of the Board of Directors shall be called by the director winning the ballots representing the most votes in the shareholders' meeting, and the chairperson thereof shall be assumed by the person entitled to hold the meeting. Where there are more than two persons entitled to hold the meeting, the chairperson shall be elected among them.</p> <p>Where the Chairman of the Board takes leave or fails to exercise his authority with justifiable reason, the Vice Chairman shall be his proxy. Where the Vice Chairman also takes leave or fails to exercise his authority with justifiable reason, the Chairman shall appoint a managing director to be his proxy. When Chairman does not appoint any proxy, the proxy shall be elected among the managing directors.</p>	<p>The Directors' meeting shall be called and chaired by the Chairman of the Board, provided that the first meeting of each term of the Board of Directors shall be called by the director winning the ballots representing the most votes in the shareholders' meeting, and the chairperson thereof shall be assumed by the person entitled to hold the meeting. Where there are more than two persons entitled to hold the meeting, the chairperson shall be elected among them.</p> <p>Where the Chairman of the Board takes leave or fails to exercise his authority with justifiable reason, the Vice Chairman shall be his proxy. Where the Vice Chairman also takes leave or fails to exercise his authority with justifiable reason, the Chairman shall appoint a director to be his proxy. When Chairman does not appoint any proxy, the proxy shall be elected among the directors.</p>	<p>In line with the amendments to Article 13 of the Company's Articles of Incorporation, the provisions governing the managing directors are deleted.</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 11	<p>When calling the Board of Directors' meeting, the parliamentary unit may inform the <u>managerial personnel of the relevant departments who do not assume the position of directors</u> to attend the meeting. If necessary, it may also invite CPAs, attorneys-at-law or other experts to attend the meeting</p>	<p>When holding a meeting of the board of directors, a company may, as necessary for the agenda items of the meeting, notify the <u>personnel</u> of relevant departments or <u>subsidiaries</u> to attend the meeting as non-voting participants.</p> <p>When necessary, the company may also invite certificated public accounts, attorneys, or other professionals to attend as non-voting participants and to <u>make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.</u></p>	<p>1. In order to enhance the governance of a company's subsidiaries, paragraph 1 was revised to include a provision on a subsidiary company's attendance in board of directors' meetings as follows: <u>a company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as non-voting participants.</u> When necessary, the company may also invite "staff" instead of just "managerial staff" to attend such meetings.</p> <p>2. In order to enhance corporate governance practices and <u>prevent the participants described in paragraph 2 from influencing the deliberation or voting of a board of directors' meeting, the following provision was added to end of paragraph 2 to provide that the company may also invite certificated public accounts, attorneys, or other professionals to attend as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.</u> When necessary, such participants may re-enter the meeting to make explanatory statements to address the same agenda item if necessary.</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 12	<p>Where present directors are less than a majority of the whole directors at the meeting time, the chairperson may announce postponement of the meeting, provided that the meeting shall not be postponed for more than twice. Where present directors are still less than a majority of the whole directors after the meeting is postponed for twice, the chairperson shall call the meeting again pursuant to Paragraph 2 of Article 3 herein.</p> <p>The whole of directors referred to in the preceding paragraph and Paragraph 2(2) of Article 17 herein shall mean the ones assuming the office currently.</p>	<p>Where present directors are less than a majority of the whole directors at the meeting time, the chairperson may announce postponement of the meeting, provided that the meeting shall not be postponed for more than twice. Where present directors are still less than a majority of the whole directors after the meeting is postponed for twice, the chairperson shall call the meeting again pursuant to Paragraph 2 of Article 3 herein.</p> <p>The whole of directors referred to in the preceding paragraph and Paragraph 2(2) of Article 17 herein shall mean the ones assuming the office currently.</p>	<ol style="list-style-type: none"> 1. Deleted subparagraph 2, paragraph 2, Article 17 on August 29, 2012. 2. Define the term “all directors” as described in subparagraph 2, paragraph 2, Article 17 on March 28, 2013.
Article 16	<p>Where any director has any interest either personally or with the corporation he acts on behalf of with respect to any motion and thereby is likely that the Company’s interest will be infringed, he shall not take part in the debate and voting, but shall avoid the debate and voting and be prohibited from exercising the voting right on behalf of other directors.</p> <p>With respect to the directors who are prohibited from exercising voting right in resolution made by the Board of Directors pursuant to the requirements provided in the preceding paragraph, Paragraph 2 of Article 180 of the Company Law shall apply mutatis mutandis under Paragraph <u>2</u> of Article 206 of the same Law.</p>	<p>If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda item, and further, shall recues himself during discussion and voting on that item and may not act as another director's proxy to exercise voting rights on that matter.</p> <p>With respect to the directors who are prohibited from exercising voting right in resolution made by the Board of Directors pursuant to the requirements provided in the preceding paragraph, Paragraph 2 of Article 180 of the Company Law shall apply mutatis mutandis under Paragraph <u>3</u> of Article 206 of the same Law.</p>	<ol style="list-style-type: none"> 1. To ensure sound corporate governance practices and to facilitate the board of directors’ understanding of conflict-of-interest situations and to safeguard the interest of investors, paragraph 1 of the existing articles was revised in line with the revision to paragraph 2, Article 206 of the Company Act. The revised paragraph specifically sets out that any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director shall enter recues himself during discussion and voting on that item. 2. In line with the changes to the paragraph numbers of Article 206 of the Company Act, paragraph 2 was revised accordingly.

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
	The parliamentary unit may specify the same in the notice for meeting, or remind the same prior to discussion of motions in the directors' meeting, in a timely manner.	The parliamentary unit may specify the same in the notice for meeting, or remind the same prior to discussion of motions in the directors' meeting, in a timely manner.	
Article 17	<p>The motions shall be recorded in the meeting minutes. The meeting minutes shall specify the following:</p> <ol style="list-style-type: none"> 1. Term No. (Year No.) and time/location of the meeting 2. 3. 4. 5. 6 <p>7. Discussed issues: Methods to resolve the various motions and resolutions, abstract of directors', supervisors', experts' and other personnel's speech, <u>dissent or qualified opinion</u> which is recorded or stated in writing, <u>in addition to</u> the written opinion issued by independent directors in accordance with Paragraph <u>2</u> of Article 7.</p> <p>8. Preliminary motions: Proposers' names, methods to resolve motions and resolutions, abstract of directors', experts' and other personnel's speech, or <u>dissent or qualified opinion</u> which is recorded or stated in writing.</p>	<p>The motions shall be recorded in the meeting minutes. The meeting minutes shall specify the following:</p> <ol style="list-style-type: none"> 1. Term No. and time/location of the meeting 2. 3. 4. 5. 6 <p>7. Agenda items: The method of resolution and the result for each proposal; <u>a summary</u> of the comments made by directors, supervisors, experts, or other persons; <u>the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recues himself, and the status of the recusal;</u> opinions expressing objections or reservations at the meeting that were included in records or stated in writing; <u>and</u> any opinion issued in writing by an independent director under Article 7, paragraph <u>5</u>.</p> <p>8. Preliminary motions: Proposers' names, methods to resolve motions and resolutions, abstract of directors', experts' and other personnel's speech, or <u>the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recues himself, and the status of the recusal;</u> opinions expressing objections or reservations at the meeting that were included in records or stated in writing.</p>	<ol style="list-style-type: none"> 1. In order to enhance the disclosures on a director's participation in the discussion or resolution of an agenda item while he or she is an interested party, the existing subparagraphs 7 and 8 of paragraph 1 were amended to enforce disclosure of the name of any director that is an interested party, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to recues himself, and the status of the recusal with opinions expressing objections or reservations at the meeting included in records or stated in writing. On the other hand, the company shall remind directors to apply the above provisions in practice according to requirements. 2. In line with the reallocation of paragraph 2, Article 7 to paragraph 5, some wordings in subparagraph, paragraph 7 were revised accordingly.

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
	<p>9. Other notes to be specified. In any of the following circumstances, the resolutions made by the Directors' meeting shall be specified in the meeting minutes and published on the M.O.P.S. designated by Financial Supervisory Commission, Executive Yuan within two days upon the meeting: <u>1.</u>Independent directors' dissent or qualified opinion which is recorded or stated in writing; <u>2.</u> Issues not approved by the Audit Commission but approved by more than two-thirds of the whole directors.</p> <p>The attendance book of the Board of Director's meeting shall constitute a part of the meeting minutes, which shall be maintained permanently.</p> <p>The meeting minutes shall be signed or sealed by the chairperson or record taker and submitted to each director and supervisor within 20 days upon the meeting, which shall also be included in the Company's important files and maintained permanently in the duration of the Company's existence.</p> <p>The meeting minutes referred to in Paragraph 1 may be produced and distributed in electronic form.</p>	<p>9. Other notes to be specified. In any of the following circumstances, the resolutions made by the Directors' meeting shall be specified in the meeting minutes and published on the M.O.P.S. designated by Financial Supervisory Commission, Executive Yuan within two days upon the meeting: <u>1.</u> Independent directors' dissent or qualified opinion which is recorded or stated in writing; <u>2.</u> Issues not approved by the Audit Commission but approved by more than two-thirds of the whole directors.</p> <p>The attendance book of the Board of Director's meeting shall constitute a part of the meeting minutes, which shall be maintained permanently.</p> <p>The meeting minutes shall be signed or sealed by the chairperson or record taker and submitted to each director within 20 days upon the meeting, which shall also be included in the Company's important files and maintained permanently in the duration of the Company's existence.</p> <p>The meeting minutes referred to in Paragraph 1 may be produced and distributed in electronic form</p>	<p>Revision to the punctuation.</p> <p>In line with the amendments to the Company's Articles of Incorporation, a company with an established audit committee is not required to appoint supervisors. As such, the existing provisions governing supervisors are deleted.</p>
<p><u>Article 19</u></p>	<p><u>The managing directors of the Board of Directors, if any, may apply Article 2, Paragraph 2 of Article 3, Articles 4-6, Article 9, and Articles 11-18 herein mutatis mutandis, provided that the managing directors' meeting to be held within 7 days on a scheduled basis, if any, shall be notified to the various managing directors within two days prior to the meeting.</u></p>	<p><u>Deleted</u></p>	<p>In line with the amendments to the Company's Articles of Incorporation, a company with an established audit committee is not required to appoint supervisors. As such, the existing provisions governing supervisors are deleted.</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
<u>Article 20</u>	<p>The Rules were defined on April 1, 2004. Enactment of, and amendments to, these Rules shall be subject to the approval of the Board of Directors and reported to the shareholders' meeting.</p> <p>1st amendment made on Feb. 25, 2005;</p> <p>2nd amendment made on April 21, 2006;</p> <p>3rd amendment made on March 9, 2007;</p> <p>4th amendment made on Feb. 5, 2008;</p> <p>5th amendment made on Feb. 18, 2011.</p>	<p>The Rules were defined on April 1, 2004. Enactment of, and amendments to, these Rules shall be subject to the approval of the Board of Directors and reported to the shareholders' meeting.</p> <p>1st amendment made on Feb. 25, 2005;</p> <p>2nd amendment made on April 21, 2006;</p> <p>3rd amendment made on March 9, 2007;</p> <p>4th amendment made on Feb. 5, 2008;</p> <p>5th amendment made on Feb. 18, 2011;</p> <p><u>6th amendment made on Aug. 29, 2012;</u></p> <p><u>7th amendment made on Mar. 28, 2013.</u></p>	<p>1. The clause is revised in accordance with relevant laws and regulations, and the latest revision date is added into it.</p> <p>2. The former Article 20 became the new Article 19.</p>

Uni-President Enterprises Corp.
 Comparison Table of Articles of Company's Corporate Charter
 Before and After Amendment

Attachment 9

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 13	<p>The shareholders' meetings shall be chaired by the Chairman of Board. If the Chairman is absent, the chairperson may be assumed by Vice Chairman of Board. If no Vice Chairman of Board is appointed or if the Vice Chairman is absent or fails to perform the duty with justified reasons, the chairperson shall be assumed by a managing director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected out of the managing directors. If the shareholders' meeting is called by any convener other than the board of directors, the chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected out of the conveners.</p>	<p>The shareholders' meetings shall be chaired by the Chairman of Board. If the Chairman is absent, the chairperson may be assumed by Vice Chairman of Board. If no Vice Chairman of Board is appointed or if the Vice Chairman is absent or fails to perform the duty with justified reasons, the chairperson shall be assumed by a director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected out of the directors. If the shareholders' meeting is called by any convener other than the board of directors, the chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected out of the conveners.</p>	<p>In line with the amendments to the Company's Corporate Charter, the provisions governing managing directors are deleted.</p>
Article 17	<p>The directors' meeting is authorized to agree on the remuneration to directors and supervisors according to the standard generally prevailing in the same trade.</p>	<p>The directors' meeting is authorized to agree on the remuneration to directors according to the standard generally prevailing in the same trade.</p>	<p>In line with the amendments to the Company's Corporate Charter, a company with an established audit committee is not required to appoint supervisors. As such, the existing provisions governing supervisors are deleted in accordance with the operational timeframe.</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 18-1	<u>None</u>	<p><u>The Company establishes an audit committee in accordance with Articles 14-4 and 181-2 of the Securities and Exchange Act. The exercise of powers of supervisors under the Company Act and Securities and Exchange Act shall now be carried out by members of the audit committee.</u></p> <p><u>The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise.</u></p> <p><u>The Company's Board of Directors may establish other functional committees of which the committee charter may be stipulated by the Board of Directors.</u></p>	<p>1. As above.</p> <p>2. The existing Article 26-1 was reallocated to Article 18-1 and some of the wordings were revised.</p>
Article 19	<p>By attendance of two-thirds majority of directors and <u>a majority vote of the attending directors, three managing directors shall be duly elected from among themselves.</u> From among the <u>managing directors,</u> 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.</p>	<p>By attendance of two-thirds majority of directors and from among <u>the directors,</u> 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.</p>	<p>In line with the amendments to Article 13, of the Company's Corporate Charter, the provisions governing the managing directors are deleted.</p>
Article 20	<p>Where the Chairman fails to perform his functions, the Vice Chairman may act on his behalf. Where the Chairman and Vice Chairman both fail to perform their functions, <u>a managing director</u> shall be appointed by the Chairman to act on their behalf. If no such designee is appointed, the chairperson shall be elected among the <u>managing directors.</u> <u>The quota of managing directors shall be determined by 1st directors' meeting at each term.</u></p>	<p>Where the Chairman fails to perform his functions, the Vice Chairman may act on his behalf. Where the Chairman and Vice Chairman both fail to perform their functions, <u>a director</u> shall be appointed by the Chairman to act on their behalf. If no such designee is appointed, the chairperson shall be elected among <u>the directors.</u></p>	<p>As above</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article 22-1	The Company may purchase liability insurance for <u>directors and supervisors</u> 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.	The Company may purchase liability insurance for <u>directors</u> 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.	In line with the amendments to the Company's Corporate Charter, a company with an established audit committee is not required to appoint supervisors. As such, the existing provisions governing supervisors are deleted.
<u>Chapter 5</u>	<u>Supervisors</u>	<u>Deleted</u>	On the date on which the audit committee became established, the relevant provisions in the Articles of Incorporation applicable to supervisors shall become void. Hence, all provisions under Chapter 5- Supervisors were deleted.
<u>Article 26</u>	<u>The Company shall have three (3) supervisors who shall be for whom the election thereof adopts the candidates nomination system and on the shareholders' meeting votes shall be casted among candidates on the candidates list through cumulative ballot system ; provided that the total number of registered shares held by all of the supervisors shall not be less than a certain percentage of the total number of the Company's outstanding shares. The rules governing the aforesaid shareholding percentage and the verification and execution thereof shall be established in compliance with orders of the competent authority.</u>	<u>Deleted</u>	As above. The relevant provisions governing supervisors were deleted.

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
<u>Article 26-1</u>	<p><u>In the event where the Company opts to set up the audit committee to co-ordinate with the election of independent directors in accordance with relevant laws and regulations, it is not required to have any supervisor. If there are supervisors in office, the term of such supervisors will be terminated immediately on the day the audit committee is formed, and all provisions in the Articles of Incorporation regarding supervisors will subsequently become invalid. Matters regarding the audit committee, such as the number of members, term, rights and duties, meeting regulations, will later be set forth in the Organization Rules of the Audit Committee.</u></p> <p><u>The Board of Directors of the Company may establish other functional committees, and the organization rules thereof will be promulgated by the Board of Directors accordingly.</u></p>	<p style="text-align: center;"><u>Deleted</u> (The provisions of this Article have been amended and set out the new Article 18-1.).</p>	<p>As above. The relevant provisions governing supervisors were deleted.</p>
<u>Article 27</u>	<p><u>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.</u></p>	<p style="text-align: center;"><u>Deleted</u></p>	<p>As above. The relevant provisions governing supervisors were deleted.</p>

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
<u>Article 28</u>	<u>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.</u>	<u>Deleted</u>	As above. The relevant provisions governing supervisors were deleted.
<u>Article 29</u>	<u>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.</u>	<u>Deleted</u>	As above. The relevant provisions governing supervisors were deleted.
<u>Article 30</u>	<u>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.</u>	<u>Deleted</u>	As above. The relevant provisions governing supervisors were deleted.
<u>Chapter 6</u>	Managerial Officers and Consultants	Managerial Officers and Consultants	All provisions under Chapter 5- Supervisors were deleted. All subsequent provisions were moved forward accordingly. Chapter 6 thus became the new Chapter 5.

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
<u>Article 31</u>	<p>The Company may appoint one or more managerial personnel who shall manage all affairs of the Company in accordance with the Board resolutions.</p> <p>The managerial personnel and the employment, discharge and remuneration thereof shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the board of directors attended by at least a majority of the entire directors of the company.</p>	<p>The Company may appoint one or more managerial personnel who shall manage all affairs of the Company in accordance with the Board resolutions.</p> <p>The managerial personnel and the employment, discharge and remuneration thereof shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the board of directors attended by at least a majority of the entire directors of the company.</p>	As above. The former Article 31 became the new Article 26.
<u>Article 32</u>	The Company may retain a certain number of consultants as resolved in the board of directors.	The Company may retain a certain number of consultants as resolved in the board of directors.	As above. The former Article 32 became the new Article 27.
<u>Chapter 7</u>	Accounting	Accounting	All provisions under Chapter 5- Supervisors were deleted. All subsequent provisions were moved forward accordingly. Chapter 7 thus became the new Chapter 6.
<u>Article 33</u>	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.	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.	As above. The former Article 33 became the new Article 28.
<u>Article 34</u>	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 <u>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</u> 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.	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 and proposed to the shareholders' meeting <u>in accordance with the legal procedures</u> for adoption: (I) Business report; (II) Financial statements and (III) Proposals of profit allocation or loss coverage.	<ol style="list-style-type: none"> 1. Abolish the related audits on supervisors. 2. As above. The former Article 34 became the new Article 29.

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
<u>Article 35</u>	<p>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.</p> <p>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 <u>directors and supervisors</u> 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.</p>	<p>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.</p> <p>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 <u>directors</u> 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.</p>	<ol style="list-style-type: none"> 1. As above 2. The former Article 35 became the new Article 30. 3. The remuneration to supervisors is deleted.

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
<u>Chapter 8</u>	Bylaws	Bylaws	All provisions under Chapter 5- Supervisors were deleted. All subsequent provisions were moved forward accordingly. Chapter 8 thus became the new Chapter 7.
<u>Article 36</u>	The organizational rules and operational rules shall be separately resolved by the board of directors.	The organizational rules and operational rules shall be separately worked out by the board of directors.	As above. The wordings of this Article were revised for inclusion as Article 31 of the Articles of Incorporation.
<u>Article 37</u>	Any matters inadequately provided for herein shall be subject to Company Law and other laws and regulations concerned.	Any matters inadequately provided for herein shall be subject to Company Law and other laws and regulations concerned.	As above The former Article 37 became the new Article 32.
<u>Article 38</u>	The Articles of Incorporation are promulgated on June 27, 1967, and revised on: (1) October 19, 1967, (75) June 23, 2011, (76) June 22, 2012	The Articles of Incorporation are promulgated on June 27, 1967, and revised on: (1) October 19, 1967, (76) June 23, 2011, (77) June 25, 2013	1. The clause is revised in accordance with relevant laws and regulations, and the latest revision date is added into it. 2. The former Article 38 became the new Article 30.

Comparison Table of Articles of Company's Rules for Director and Supervisor Elections
Before and After Amendment

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Title	Uni-President Enterprises Corp. Rules for <u>Director and Supervisor Elections</u>	Uni-President Enterprises Corp. Rules for <u>Director Elections</u>	In line with the amendments to the company's articles of incorporation that stipulate if a company has put in place an audit committee, it is not required to appoint supervisors, the existing provisions governing supervisors are removed.
Article I	<p>The candidates' nomination system is adopted for the election of <u>directors and supervisors</u> of the Company; under which the shareholders shall vote among the candidates for a director position.</p> <p>Except otherwise provided in the Company Act, the Articles of Incorporation and other relevant laws and regulations, the aforesaid election shall be proceeded with in accordance with the Rules.</p>	<p>The candidates' nomination system is adopted for the election of <u>directors</u> of the Company; under which the shareholders shall vote among the candidates for a director position.</p> <p>Except otherwise provided in the Company Act, the Articles of Incorporation and other relevant laws and regulations, the aforesaid election shall be proceeded with in accordance with the Rules.</p>	As above
Article II	<p>The cumulative ballot system is adopted for the election of <u>directors and supervisors</u> of the Company. The nomination of voters may be substituted by the number of the attendance card printed on the ballot. In the process of electing <u>directors and supervisors</u> at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates.</p>	<p>The cumulative ballot system is adopted for the election of <u>directors</u> of the Company. The nomination of voters may be substituted by the number of the attendance card printed on the ballot. In the process of electing <u>directors</u> at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates.</p>	As above

Article No.	Current Provision	Provision After Proposed Amendments	Explanation
Article IV	<p>The prescribed number of <u>directors and supervisors</u> of the Company shall be elected among the candidates list. Based on the number of directors and supervisors set forth in the Articles of Incorporation of the Company, a candidate to whom the ballots cast represent a prevailing number of votes shall be deemed <u>an independent director-elect, non-independent director-elect or supervisor-elect</u>, accordingly. In the event two or more persons have the same number of votes, and it will exceed the prescribed number, the persons with the same number of votes shall conduct a drawing to decide the persons to take the office. The chairman shall take drawings for candidates not present at the meeting.</p> <p><u>A candidate who is elected to act both as a director and a supervisor pursuant to the preceding paragraph shall decide which position to take. The vacancy will be filled by the candidate with the second Article V highest number of votes.</u></p>	<p>The prescribed number of <u>directors</u> and of the Company shall be elected among the candidates list. Based on the number of directors and supervisors set forth in the Articles of Incorporation of the Company, a candidate to whom the ballots cast represent a prevailing number of votes shall be deemed <u>a common director-elect, an independent director-elect,</u> accordingly. In the event two or more persons have the same number of votes, and it will exceed the prescribed number, the persons with the same number of votes shall conduct a drawing to decide the persons to take the office. The chairman shall take drawings for candidates not present at the meeting.</p>	<p>1.As Above 2.Abolishing the supervisors' system and hence deleting paragraph two of the provision.</p>
Article V	<p>The ballots will be prepared by the Company, and the number of votes representing will be printed thereon. However, no ballot will be printed for shareholders casting votes by means of electronic transmission.</p> <p>The ballot box for the election of <u>directors and supervisors</u> shall be set up by the Company and inspected by the scrutineer in the public prior to the commencement of the ballot casting.</p>	<p>The ballots will be prepared by the Company, and the number of votes representing will be printed thereon. However, no ballot will be printed for shareholders casting votes by means of electronic transmission.</p> <p>The ballot box for the election of <u>directors</u> shall be set up by the Company and inspected by the scrutineer in the public prior to the commencement of the ballot casting.</p>	<p>In line with the amendments the Company's Articles of Incorporation, the provisions governing the managing directors are deleted.</p>
Article IX	<p>The Company will issue the Notices of Elected <u>Directors and Supervisors</u> to the candidates <u>who are successfully elected the directors and supervisors.</u></p>	<p>The Company will issue the Notices of Elected <u>Directors</u> to the candidates <u>who are successfully elected the directors.</u></p>	<p>As Above</p>

Uni-President Enterprises Corp.
 Comparison Table of Articles of Company's Rules of Procedure
for Shareholdings' Meeting Before and After Amendment

Attachment 11

Article No	Current Provision	Provision After Proposed Amendments	Explanation
3	When attending a shareholders' meeting , the total number of shares present at the meeting will be calculated based on the attendance cards submitted as a substitute for sign-in, plus the number of shares exercising the voting power in writing or through means of electronic transmission.	<p><u>A shareholder shall attend a shareholders' meeting on the basis of the attendance card, sign-in card, or other supporting document; Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p>The total number of shares present at the meeting will be calculated based on the attendance cards submitted as a substitute for sign-in, plus the number of shares exercising the voting power in writing or through means of electronic transmission.</p>	Enhance the operations of shareholders meetings to safeguard the interests of shareholders.
5	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.	<p>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.</p> <p><u>The Company shall set out the time for accepting the meeting registration, the location where the registration will take place and other special notes in the meeting notice.</u></p> <p><u>Registration by shareholders shall start at least 30 minutes prior to the commencement of the meeting; the registration area shall be clearly marked with clear signs and be attended by sufficient and qualified staff.</u></p>	Enhance the operations of shareholders meetings to safeguard the interests of shareholders.

Article No	Current Provision	Provision After Proposed Amendments	Explanation
6	<p>Unless otherwise provided in laws, the shareholders' meeting shall be called by the Board of Directors and chaired by the Chairman of the Board. Where the Chairman of the Board fails to exercise his authority with justified reasons, the may be his proxy. Where no has been appointed or the fails to exercise his authority with justified reasons too, the Chairman shall designate <u>one managing director</u> to be his proxy. Where no such designee is designated, the chairperson shall be elected out of <u>the managing directors</u>. Where the shareholders' meeting is called by any person entitled to hold the meeting other than the Board of Directors, the chairperson of the meeting shall be assumed by the person. If there are more than two conveners, the chairperson shall be elected from the conveners.</p>	<p>Unless otherwise provided in laws, the shareholders' meeting shall be called by the Board of Directors and chaired by the Chairman of the Board. Where the Chairman of the Board fails to exercise his authority with justified reasons, the Vice Chairman of the Board may be his proxy. Where no Vice Chairman has been appointed or the Vice Chairman fails to exercise his authority with justified reasons too, the Chairman shall designate one <u>director</u> to be his proxy. Where no such designee is designated, the chairperson shall be elected out of <u>the directors</u>. Where the shareholders' meeting is called by any person entitled to hold the meeting other than the Board of Directors, the chairperson of the meeting shall be assumed by the person. If there are more than two conveners, the chairperson shall be elected from the conveners.</p> <p><u>If one of the directors is appointed to act as the meeting chair in accordance with the preceding paragraph, he or she shall have served as a director for more than 6 months and has a sound knowledge of the company's financial and business status. The same applies to the situation where the representative of an institutional director is elected to act as the meeting chair.</u></p>	<p>1. In line with the amendments to the Company's Articles of Incorporation, the provisions governing managing directors are deleted.</p> <p>2. Specify the qualification and criteria of the acting chairperson.</p>
8	<p><u>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.</u></p>	<p><u>The company shall, from the time of registration, record the registration process, proceedings of the meeting and the voting and vote counting process in their entirety in audio or video. The aforesaid recording shall be retained for at least 1 year, if, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</u></p>	<p>Specify the relevant provisions governing shareholder registration and the registration process in accordance with the competent authority's example rules of procedures for shareholders' meeting to ensure that shareholders' meetings are recorded in their entirety.</p>

Article No	Current Provision	Provision After Proposed Amendments	Explanation
16	<p>Upon voting for an issue, the chairman shall appoint the monitor(s) and calculator(s). The monitors shall only be appointed from the shareholders.</p> <p><u>The results of the voting shall be reported on-the-spot and entered into the records.</u></p>	<p>Upon voting for an issue, the chairman shall appoint the monitor(s) and calculator(s). The monitors shall only be appointed from the shareholders.</p> <p><u>Voting for a resolution or vote counting shall be conducted in public at the place of the shareholders meeting, and voting results shall be reported on-site immediately and recorded in writing including the number of votes, the list of elected candidates and the number of votes upon which each candidate was elected.</u></p>	<p>The proceedings and results of the voting or election processes of a shareholders' meetings shall be transparent and fair so that shareholders may fully understand the process.</p>

Comparison Table of Articles of Company's
Operational Procedures for Acquisition and Disposal of Assets

Current Provision	Provision After Proposed Amendments	Explanation
<p>Article 1.Processing Procedure: 1.The Company shall proceed with the acquisition or disposal of assets specified in Article 2 of these Handling Procedures in accordance with the following rules: (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.</p> <p>(2)..... (3)..... (4)..... (5)..... (6)....</p>	<p>Article 2.Processing Procedure: 1.The Company shall proceed with the acquisition or disposal of assets specified in Article 2 of these Handling Procedures in accordance with the following rules: (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. The President is authorized to make decisions on the acquisition or disposal of securities traded through a stock exchange or over-the-counter market with the Finance Department delegated to carry out the relevant procedures through a stock exchange or over-the-counter market based on the market value of the securities at that time and have the decisions submitted to and ratified at the next board of directors' meeting.</p> <p>(2)..... (3)..... (4)..... (5)..... (6)....</p>	<p>Amended in line with practice.</p>

Current Provision	Provision After Proposed Amendments	Explanation
<p>Article 8 Control procedures for the acquisition and disposal of assets by subsidiaries:</p> <p>1.Subsidiaries of the Company shall establish the “Processing Procedure for Acquisition or Disposal of Asset” in accordance with the “Rules Governing the Acquisition or Disposal of Asset by Public Companies” promulgated by the FSC and this Procedure. Following approval by the board of directors, such procedures shall be submitted to each supervisor and submitted to the shareholders meeting for approval. The same shall be applicable to any amendment thereof.</p> <p>2.Subsidiaries of the Company shall submit monthly report to the Company, prior to the 8th date of each month, on the status of all transactions involving derivative products up to the end of the previous month.</p> <p>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.</p>	<p>Article 8 Control procedures for the acquisition and disposal of assets by subsidiaries:</p> <p>1.Subsidiaries of the Company shall establish the “Processing Procedure for Acquisition or Disposal of Asset” in accordance with the “Rules Governing the Acquisition or Disposal of Asset by Public Companies” promulgated by the FSC and this Procedure. Following approval by the board of directors, such procedures shall be submitted to each supervisor and submitted to the shareholders meeting for approval. The same shall be applicable to any amendment thereof. <u>Handle if in accordance with Article 27 if the Company has instituted an Audit Committee.</u></p> <p>2. Subsidiaries of the Company shall submit monthly report to the Company, prior to the 8th date of each month, on the status of all transactions involving derivative products up to the end of the previous month.</p> <p>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. <u>The paid-in capital or total assets of the public company shall be the standard for determining whether or not a subsidiary referred to in the preceding paragraph is subject to Article 6 requiring a public announcement and regulatory filing in the event the type of transaction specified therein reaches 20 percent of paid-in capital or 10 percent of the total assets.</u></p>	<p>Amended in line with practice.</p> <p>Stipulate the standards governing public declaration by a subsidiary company in accordance with regulatory requirements.</p>

Current Provision	Provision After Proposed Amendments	Explanation
<p>Article 11 Resolution Procedure: When the Company intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or three hundred million NT dollars (NT\$300,000,000) or more, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</p> <p>1..... 2..... 3..... 4..... 5..... 6..... 7.....</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 6, Section 1, Subsection 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized <u>by the supervisors</u> in accordance with the Handling Procedures need not be counted toward the transaction amount.</p>	<p>Article 11 Resolution Procedure: When the Company intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or three hundred million NT dollars (NT\$300,000,000) or more The unit responsible for implementation shall first submit the following information to obtain the consent of more than half of all audit committee members and propose the information to the Board of Directors for a resolution (in accordance with paragraphs 2 and 3 of Article 27) . The company may not proceed to enter into a transaction contract or make a payment until the all matters have been approved by the board of directors.</p> <p>1..... 2..... 3..... 4..... 5..... 6..... 7.....</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 6, Section 1, Subsection 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the audit committee in accordance with the Handling Procedures need not be counted toward the transaction amount.</p>	<p>1.Amended in line with practice.</p>

Current Provision	Provision After Proposed Amendments	Explanation
<p><u>Where the position of independent director has been created, when a matter is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the Board meeting minutes.</u></p> <p><u>Where an audit committee has been established, the matters for which paragraph 1 requires recognition by the supervisors shall first be approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of Article 27, Section 3 and 4 herein</u></p>		<p>2. Delete the part of the provision that overlaps with Article 26.</p>
<p>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.</p> <p>1... 2...</p>	<p>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.</p> <p>1... 2...</p>	<p>Amended in line with practice.</p>
<p>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:</p> <p>1..... 2 <u>The supervisors</u> shall proceed in accordance with Article 218 of the Company Law. 3.....</p>	<p>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:</p> <p>1..... 2. <u>The independent directors of the audit committee</u> shall proceed in accordance with Article 218 of the Company Law. 3.....</p>	

Current Provision	Provision After Proposed Amendments	Explanation
<p>Article 14 Transaction Principles and Guidelines:</p> <p>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.</p> <p><u>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.</u></p>	<p>Article 14 Transaction Principles and Guidelines:</p> <p>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.</p>	<p>Delete the part of the provision that overlaps with Article 26</p>
<p>Article 16 Internal Audit System:</p> <p>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.</p> <p>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 <u>each supervisor</u> shall be informed in writing.</p>	<p>Article 16 Internal Audit System:</p> <p>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 <u>the audit committee</u> shall be informed in writing.</p>	<p>Amended in line with practice.</p>

Current Provision	Provision After Proposed Amendments	Explanation
<p>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 director voices any objection that is recorded or stated in writing, such director objection information shall be submitted to <u>each supervisor. If the Company has independent directors</u>, 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.</p> <p><u>If the Company has an audit committee</u>, 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 <u>3</u> and <u>4</u> of Article 27 shall be applicable mutatis mutandis.</p>	<p>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 director voices any objection that is recorded or stated in writing, such director objection information shall be submitted to <u>the audit committee</u> and the 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.</p> <p>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 <u>2</u> and <u>3</u> of Article 27 shall be applicable mutatis mutandis.</p>	<p>Amended in line with practice.</p>
<p>Article 27 This Procedure shall be implemented <u>after</u> approval by the board of directors, submission <u>to each supervisor and</u> submission to and 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 <u>each supervisor. If the Company has independent directors</u>, 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.</p>	<p>Article 27 The Procedures and any amendments thereafter shall become effective with the <u>consent of more than half of all members of the audit committee</u> and after being submitted to the Board of Directors for a <u>resolution and</u> approved by shareholders in a shareholders' meeting. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to the <u>Audit Committee. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors</u>, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p>	<p>Amended in line with practice.</p>

Current Provision	Provision After Proposed Amendments	Explanation
<p><u>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.</u></p> <p>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.</p> <p>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.</p>	<p>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.</p> <p>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.</p>	
<p><u>Article 28 If the Company has an audit committee, provisions under Articles 11, 16, 26 and 27 with regard to supervisor shall apply mutatis mutandis to the audit committee.</u></p> <p><u>If the Company has an audit committee, provisions under subsection 2, section 3, Article 13 shall be applicable mutatis mutandis to the independent directors of the audit committee.</u></p>	<p><u>Article 28 Deleted</u></p>	<p>Amended in line with practice.</p>

Comparison Table of Articles of Company's
Operational Procedures for Loaning of Company Funds

Article	Current Provision	Provision After Proposed Amendments	Explanation
2	<p>Determination criteria for the lending of capital:</p> <p>(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.</p> <p>(2)The lending of capital to meet short term working capital requirement shall be limited to the following situations:</p> <p>i. Any subsidiary of the Company under equity pick-up has requirements due to repayment of loan, purchase of equipment or operational working capital.</p> <p>ii. Any company of which the Company indirectly holds more than fifty percent shares has requirements due to repayment of loan, purchase of equipment or operational working capital.</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>Determination criteria for the lending of capital:</p> <p>(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.</p> <p>(2)The lending of capital to meet short term working capital requirement shall be limited to the following situations:</p> <p>i. Any subsidiary of the Company under equity pick-up has requirements due to repayment of loan, purchase of equipment or operational working capital.</p> <p>ii. Any company of which the Company indirectly holds more than fifty percent shares has requirements due to repayment of loan, purchase of equipment or operational working capital.</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>When a loan of funds for short-term financing is necessary between any two foreign companies in which the Company directly or indirectly holds 100 percent of the voting shares, the loan amount is not subject to the restriction of 40 percent of the net worth of the company making the loan or the restriction of 1 year on the duration of the loan. However, as part of the corporate governance requirements of the Financial Supervisory Commission, the Company shall still stipulate the limits on the loan amount as well as the duration of loans in its operational procedures to ensure clarity.</p>

Article	Current Provision	Provision After Proposed Amendments	Explanation
	<p>The Company may lend capital to any subsidiary of which 100% voting shares are directly or indirectly held by the Company, provided that prior approval by resolution of the Company's board of directors is required.</p>	<p>The Company may lend capital to any subsidiary of which 100% voting shares are directly or indirectly held by the Company, provided that prior approval by resolution of the Company's board of directors is required.</p> <p><u>The operational procedures shall stipulate the limits on the amount and duration of inter-company loans between foreign companies in which the company holds, directly or indirectly, 100% of the voting shares.</u></p>	
5	<p>Procedure for the Lending of Capital</p> <p>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.</p> <p>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 drawdowns 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.</p>	<p>Procedure for the Lending of Capital</p> <p>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.</p> <p><u>Material loan to others shall be consented by at least half of all members of the audit committee and be submitted to the Board of Directors for approval.</u></p> <p>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 drawdowns 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.</p>	<p>The amendment was made in accordance with the exercising of the powers of the Company's audit committee members.</p>

Article	Current Provision	Provision After Proposed Amendments	Explanation
	<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 <u>each supervisor</u>.</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, <u>each supervisor</u> shall be notified in writing.</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 <u>the audit committee</u>.</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, <u>the audit committee</u> shall be notified in writing.</p>	
10	<p>Monitoring procedure for lending of capital by subsidiaries:</p> <p>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.</p>	<p>Monitoring procedure for lending of capital by subsidiaries:</p> <p>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. <u>The formulation of “Procedures for Loans to Others” of a subsidiary company that has an established audit committee shall be consented by the members of the audit committee and be submitted for a resolution by the Board of Directors for adoption in a shareholders’ meeting.</u></p>	<p>Formulation of the “Procedures for Loans to Others” of a subsidiary company that has an established audit committee shall be consented by the members of its audit committee.</p>

Comparison Table of Articles of Company's
Operational Procedures for Endorsements and Guarantees

Article	Current Provision	Provision After Proposed Amendments	Explanation
6	<p>Procedure for Endorsements and Guarantees by the Company:</p> <p>1. Based on the business requirements of the enterprise receiving the endorsement or guarantee, risk shall be assessed and amount limit shall be fixed. 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 meeting for reference.</p> <p>2..... 3..... 4..... 5..... 6.....</p>	<p>Procedure for Endorsements and Guarantees by the Company:</p> <p>1. Based on the business requirements of the enterprise receiving the endorsement or guarantee, risk shall be assessed and amount limit shall be fixed. An endorsement and guarantee may only be provided after resolution by the board of directors.</p> <p><u>Material endorsements or guarantees shall be consented by at least half of all members of the audit committee and be approved by the Board of Directors.</u></p> <p>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 meeting for reference.</p> <p>2..... 3..... 4..... 5..... 6.....</p>	<p>The amendment was made in accordance with the exercising of the powers of the Company's audit committee members.</p>

Article	Current Provision	Provision After Proposed Amendments	Explanation
	7. The internal auditing staff of the Company shall perform audits on 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, <u>each supervisor</u> shall be notified in writing.	7. The internal auditing staff of the Company shall perform audits on 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, <u>the audit committee</u> shall be notified in writing.	
9	<p>Control Procedure for Endorsements and Guarantees by Subsidiaries</p> <p>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</p>	<p>Control Procedure for Endorsements and Guarantees by Subsidiaries</p> <p>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.</p> <p><u>The formulation of the “Regulations Governing Endorsements and Guarantees” of a subsidiary company that has an established audit committee shall be consented by the members of the audit committee and be submitted for a resolution by the Board of Directors for adoption in a shareholders’ meeting.</u></p>	The formulation of the “Regulations Governing Endorsements and Guarantees” of a subsidiary company that has an established audit committee shall be consented by the members of the audit committee.

Uni-President Enterprises Corporation
Rules of Procedure for Board of Directors' Meeting.

Appendix 1

Article 1 (Basis)

In order to establish the fair governance system of the Company's Board of Directors, well found the supervision function and strengthen the management functions, these Rules are enhanced in accordance with Article 2 of the "Parliamentary Rules for Meetings of Boards of Directors of Public Companies".

Article 2

The parliamentary contents, operational procedure, notes to be specified in the minutes, publication and compliance provided in the regulations of the Company's Board of Directors governing directors shall be defined in accordance with these Rules.

Article 3

The Board of Directors shall hold a meeting at least once per quarter.

In calling a meeting of the Board of Directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director and supervisor within 7 days prior to the meeting, provided that in the case of emergency, the meeting may be convened at any time.

Unless in the case of emergency or with justified reasons, the circumstances referred to in Paragraph 1 of Article 7 herein shall be enumerated in the grounds for calling the meeting and be prohibited from being proposed as a motion.

Article 4

The Board of Directors' meeting shall be held at the Company's location and during the Company's business hours, or the location and time convenient for directors to attend the meeting and suitable for calling of the meeting.

Article 5

The parliamentary unit designated by the Company's Board of Directors shall be the secretariat of the Board of Directors. The parliamentary unit shall draft the Board of Directors' parliamentary procedures and provide sufficient information, and send them out altogether when calling a meeting or within 7 days prior to the meeting.

Where directors consider that the parliamentary information is not sufficient, they may ask the parliamentary unit to supplement the information. Where directors consider that the information about motions is not sufficient, the examination on the motions may be postponed subject to the Board of Directors' resolution.

Article 6

The parliamentary procedures of the Company's periodical directors' meetings shall include at least the following:

1. Report:

- (1) Important financial business report;
- (2) Internal audit business report;
- (3) Previous meeting minutes and execution thereof;
- (4) Other important reports

2. Discussion:

- (1) Issues discussed in the previous meeting as reserved
- (2) Issues scheduled to be discussed in this meeting

3. Temporary motions

Article 7

The following issues shall be discussed in the Directors' meeting:

1. The Company's business plan.
2. Annual financial report and semi-annual financial report.
3. Internal control system defined or amended pursuant to Article 14-1 of the Securities and Exchange Act (hereinafter referred to as the "Act").

4. The regulations governing acquisition or disposition of assets, derivatives transactions, granting of loan, making of endorsement or guarantee enacted or amended pursuant to Article 36-1 of the Act.
5. Offering, issue or private placement of equity securities.
6. Appointment and dismissal of financial, accounting or internal audit supervisors.
7. Issues to be resolved by shareholders' meetings or submitted to the Board of Directors according to Article 14-3 of the Act, other laws or regulations, or material issues required by the competent authority.

Independent directors, if any, shall personally attend, or appoint another independent director to attend on behalf of him, the meeting with respect to the issues to be submitted to the Board of Directors pursuant to Article 14-3 of the Act.

Where any independent director expresses dissent or reserves an opinion, it shall be specified in the meeting minutes. Where any independent director fails to attend the meeting personally to express dissent or reserve opinion, he shall issue written opinion in advance and the opinion shall be specified in the meeting minutes, unless with justified reasons.

Article 8

Except the issues to be submitted to the Board of Directors' meeting for debate as referred to in Paragraph 1 of the preceding Article, where the Board of Directors authorizes the authority of the Board of Directors pursuant to laws or the Company's articles of incorporation between sessions of the Board of Directors' meetings, it is necessary to specify expressly the hierarchy and contents of the authorization.

Article 9

An attendance book shall be provided for present directors' affixation of their signatures when the Board of Directors' meeting is held.

Directors shall attend the Board of Directors' meeting personally. Where any director cannot attend the meeting personally, he may appoint another director to attend the meeting on his behalf pursuant to the Company's articles of incorporation. Directors taking part in the meeting in the form of video conference shall be deemed attending the meeting personally.

Where any director appoints another director to attend the meeting on his behalf, he shall issue a letter of proxy and specify the scope of authorization with respect to the grounds for calling the meeting.

The proxy referred to in the preceding two paragraphs shall act on behalf of no more than one person.

Article 10

The Directors' meeting shall be called and chaired by the Chairman of the Board, provided that the first meeting of each term of the Board of Directors shall be called by the director winning the ballots representing the most votes in the shareholders' meeting, and the chairperson thereof shall be assumed by the person entitled to hold the meeting. Where there are more than two persons entitled to hold the meeting, the chairperson shall be elected among them.

Where the Chairman of the Board takes leave or fails to exercise his authority with justifiable reason, the Vice Chairman shall be his proxy. Where the Vice Chairman also takes leave or fails to exercise his authority with justifiable reason, the Chairman shall appoint a managing director to be his proxy. When Chairman does not appoint any proxy, the proxy shall be elected among the managing directors.

Article 11

When calling the Board of Directors' meeting, the parliamentary unit may inform the managerial personnel of the relevant departments who do not assume the position of directors to attend the meeting. If necessary, it may also invite CPAs, attorneys-at-law or other experts to attend the meeting.

Article 12

Where present directors are less than a majority of the whole directors at the meeting time, the chairperson may announce postponement of the meeting, provided that the meeting shall not be postponed for more than twice. Where present directors are still less than a majority of the whole directors after the meeting is postponed for twice, the chairperson shall call the meeting again

pursuant to Paragraph 2 of Article 3 herein.

The whole of directors referred to in the preceding paragraph and Paragraph 2(2) of Article 17 herein shall mean the ones assuming the office currently.

Article 13.

The Directors' meeting shall follow the parliamentary procedure scheduled in the notice of the meeting, provided that the procedure may be altered subject to a majority of present directors' approval.

The chairperson shall not adjourn the meeting, unless the parliamentary procedure scheduled in the preceding paragraph are approved by a majority of the present directors.

Where seated directors are less than a majority of the present directors in the process of the meeting, the chairperson may announce suspension of the meeting and apply Paragraph 1 of the preceding Article

Article 14

Where the chairperson considers that the debate of a motion may be put to vote, he may announce suspension of debate and put the motion to vote.

Where no present directors raise objection upon the chairperson's inquiry before a motion is put to vote in the meeting, the motion shall be deemed passing with the effect as same as that of passage by votes.

Where any present director expresses dissent upon the chairperson's inquiry, the motion shall be put to vote. The votes may be decided by the chairperson in any of the following manners, provided that where any present director expresses dissent, they shall be decided in the manner determined subject to a majority of the present directors' opinion:

1. By raising hands or a voting machine;
2. By roll-call voting
3. By voting

It is necessary to install scrutineers and ballot counters in the process of the votings referred to in the subparagraphs (2) and (3), who shall be appointed by the chairperson, provided that the scrutineers shall be directors.

The voting result shall be reported on the spot and recorded.

The whole present directors referred to in the preceding two paragraphs exclude the directors who are not entitled to exercising the voting right under Paragraph 1 of Article 16 herein.

Article 15

Unless otherwise provided in the Act, Company Law and the Company's Articles of Incorporation, the motions proposed in the Board of Directors' meeting shall be resolved subject to attendance of a majority of the whole directors and agreement of a majority of the present directors. The resolution shall be reported on the spot and recorded.

Article 16

Where any director has any interest either personally or with the corporation he acts on behalf of with respect to any motion and thereby is likely that the Company's interest will be infringed, he shall not take part in the debate and voting, but shall avoid the debate and voting and be prohibited from exercising the voting right on behalf of other directors.

With respect to the directors who are prohibited from exercising voting right in resolution made by the Board of Directors pursuant to the requirements provided in the preceding paragraph, Paragraph 2 of Article 180 of the Company Law shall apply mutatis mutandis under Paragraph 2 of Article 206 of the same Law.

The parliamentary unit may specify the same in the notice for meeting, or remind the same prior to discussion of motions in the directors' meeting, in a timely manner.

Article 17

The motions shall be recorded in the meeting minutes. The meeting minutes shall specify the following:

1. Term No. (Year No.) and time/location of the meeting
2. Chairperson's name
3. Directors' attendance, including the names and number of the present directors, directors taking leave and absent directors

4. Names and job titles of attendants
5. Record taker's name
6. Report: reporter's name and job title, and important opinion of directors, experts and other person
8. Discussed issues: Methods to resolve the various motions and resolutions, abstract of directors', supervisors', experts' and other personnel's speech, dissent or qualified opinion which is recorded or stated in writing, in addition to the written opinion issued by independent directors in accordance with Paragraph 2 of Article 7.
9. Preliminary motions: Proposers' names, methods to resolve motions and resolutions, abstract of directors', experts' and other personnel's speech, or dissent or qualified opinion which is recorded or stated in writing
9. Other notes to be specified.

In any of the following circumstances, the resolutions made by the Directors' meeting shall be specified in the meeting minutes and published on the M.O.P.S. designated by Financial Supervisory Commission, Executive Yuan within two days upon the meeting:

- (1) Independent directors' dissent or qualified opinion which is recorded or stated in writing;
- (2) Issues not approved by the Audit Commission but approved by more than two-thirds of the whole directors.

The attendance book of the Board of Director's meeting shall constitute a part of the meeting minutes, which shall be maintained permanently.

The meeting minutes shall be signed or sealed by the chairperson or record taker and submitted to each director and supervisor within 20 days upon the meeting, which shall also be included in the Company's important files and maintained permanently in the duration of the Company's existence.

The meeting minutes referred to in Paragraph 1 may be produced and distributed in electronic form.

Article 18

The Board of Directors' meeting shall be recorded by tape or video in full and the tape or video recording shall be maintained for at least five years and in electronic form.

Where any legal action arises from the resolutions made by the Board of Directors' meeting prior to expiration of the specific time limit referred to in the preceding paragraph, the relevant tape or video recording shall be maintained continuously until conclusion of the action.

Where the meeting is held in the form of video conference, the tape or video recordings for the meeting shall constitute a part of the meeting minutes and be maintained permanently during the Company survives.

Article 19

The managing directors of the Board of Directors, if any, may apply Article 2, Paragraph 2 of Article 3, Articles 4-6, Article 9, and Articles 11-18 herein *mutatis mutandis*, provided that the managing directors' meeting to be held within 7 days on a scheduled basis, if any, shall be notified to the various managing directors within two days prior to the meeting.

Article 20

The Rules were defined on April 1, 2004. Enactment of, and amendments to, these Rules shall be subject to the approval of the Board of Directors and reported to the shareholders' meeting.

1st amendment made on Feb. 25, 2005;

2nd amendment made on April 21, 2006;

3rd amendment made on March 9, 2007;

4th amendment made on Feb. 5, 2008;

5th amendment made on Feb. 18, 2011.

Uni-President Enterprises Corp.
Company's Articles of Incorporation

Appendix 2

Amended June 22 2012

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 businesses operated by the Company are as follows:

- 1.C106010 powder manufacturing industry.
- 2.C201010 animal feed manufacturing industry.
- 3.C199010 noodle and rice noodle type food manufacturing industry.
- 4.C105010 edible oil manufacturing industry.
- 5.C110010 beverage manufacturing industry.
- 6.C102010 milk product manufacturing industry.
- 7.C199040 bean type processed 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 and equipment manufacturing industry.
- 16.F113010 machinery wholesale industry.
- 17.F213080 machinery and instrument retail industry.
- 18.A401010 milk farm operation industry.
- 19.A102060 food commercialization 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 industry.
- 28.F207050 fertilizer retail industry.
- 29.F102030 tobacco and alcohol wholesale industry.
- 30.F102040 beverage wholesale industry.
- 31.F102170 miscellaneous food wholesale industry.
- 32.F203010 miscellaneous food and beverage retail industry.
- 33.F501030 beverage shop industry.
- 34.IZ99990 other industrial and commercial service industry
- 35.ZZ99999 other businesses not prohibited or restricted by law except any business requiring special approval

Article III : The Company is headquartered in Tainan City, and may establish branches or factories at other locations, if necessary, subject to resolution of the Board of Directors. The same shall apply where the branches or factories are removed or relocated.

Chapter Two Shares

- Article IV : I. The total capital stock of the Company shall be in the amount of NT\$60,000,000,000 divided into 6,000,000,000 shares, at a par value of NT\$10. The Board of Directors is authorized to issue the shares that have not yet been issued in lots.
- 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 judgment 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 : In the event where a shareholder is unable to attend a shareholders' meeting for any cause, the shareholder may appoint a proxy to attend the meeting on behalf of the shareholder by executing a power of attorney printed by the Company, or participate by ways of electronic transmission. Other than measures specified in Article 177 of the Company Act, a shareholder may also appoint a proxy in accordance with the provisions set forth in the "Rules Governing Appointment of Proxy by the Power of Attorney to Attend a Shareholders Meeting of Public Companies" published by the competent authority.

Article XIII : The shareholders' meetings shall be chaired by the Chairman of Board. If the Chairman is absent, the chairperson may be assumed by Vice Chairman of Board. If no Vice Chairman of Board is appointed or if the Vice Chairman is absent or fails to perform the duty with justified reasons, the chairperson shall be assumed by a managing director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected out of the managing directors. If the shareholders' meeting is called by any convener other than the board of directors, the chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected out of the conveners.

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 : A shareholder of the Company shall have one voting power for each share in his possession and he may exercise the voting power in writing or by ways of electronic transmission. However, shares of the Company held by the Company pursuant to relevant laws and regulations enjoy no voting power.

Article XVI : Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, specifying the date, month, year and location of the meeting, the name of the chairman, a summary of the essential points of the proceedings and the results of the meeting and the method of adopting resolutions, the number of shareholders present at the meeting and the number of shares represented by shareholders attending the meeting, bearing the signature or

seal of the chairman of the meeting. The distribution of the minutes may be effected by means of a public notice in accordance with the Company Act. The aforesaid minutes shall be kept persistently throughout the life of the Company. The powers of attorney of the proxies shall be kept for the minimum period of at least one (1) 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 shall establish the Board of Directors constituted by thirteen (13) directors (ten (10) common directors and three (3) independent directors), for whom the election thereof adopts the candidates nomination system and on the shareholders' meeting votes shall be casted among candidates on the candidates list through cumulative ballot system specified in Article 198 of the Company Act; provided that the total number of registered shares held by all of the directors shall not be less than a certain percentage of the total number of the Company's outstanding shares. The rules governing the aforesaid shareholding percentage and the verification and execution thereof shall be established in compliance with orders of the competent authority.

Said directors shall include no less than two independent directors and the independent directors shall be no less than one-fifths of director seats. The independent directors shall be elected from the list of candidates for independent directors in the shareholders' meeting.

The election of independent directors and non-independent directors shall be held at the same time, while quota of the elected shall be calculated separately.

The qualification, shareholding, restrictions on part-time jobs, identification of independence, nomination and election of independent directors and other matters to be complied with shall be handled in accordance with the Company law and the relevant requirements of the competent security 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 : Where the Chairman fails to perform his functions, the Vice Chairman may act on his behalf. Where the Chairman and Vice Chairman both fail to perform their functions, a managing director shall be appointed by the Chairman to act on their behalf. If no such designee is appointed, the chairperson shall be elected among the managing directors. The quota of managing directors shall be determined by 1st directors' meeting at each term.

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 of the Company will be carried out by the President after it is resolved by the Board of Directors. Except otherwise specified in the Company Act, the resolutions of the Board of Directors shall be passed by the majority of directors present at the board meeting. In the event where a director is unable to attend a meeting, he may appoint another director on his behalf by issuing a written proxy, stating therein the scope of authorization with reference to the subjects to be discussed at the meeting. However, each director may accept the appointment to act as the proxy of only one other director. The resolutions of a board meeting shall be recorded in the minutes with the signature or seal of the chairman of the meeting and kept 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 shall have three (3) supervisors who shall be for whom the election thereof adopts the candidates nomination system and on the shareholders' meeting votes shall be casted among candidates on the candidates list through cumulative ballot system ; provided that the total number of registered shares held by all of the supervisors shall not be less than a certain percentage of the total number of the Company's outstanding shares. The rules governing the aforesaid shareholding percentage and the verification and execution thereof shall be established in compliance with orders of the competent authority.

Article XXVI-I : In the event where the Company opts to set up the audit committee to co-ordinate with the election of independent directors in accordance with relevant laws and regulations, it is not required to have any supervisor. If there are supervisors in office, the term of such supervisors will be terminated immediately on the day the audit committee is formed, and all provisions in the Articles of Incorporation regarding supervisors will subsequently become invalid. Matters regarding the audit committee, such as the number of members, term, rights and duties, meeting regulations, will later be set forth in the Organization Rules of the Audit Committee.

The Board of Directors of the Company may establish other functional committees, and the organization rules thereof will be promulgated by the Board of Directors accordingly.

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 may appoint one or more managerial personnel who shall manage all affairs of the Company in accordance with the Board resolutions.

The managerial personnel and the employment, discharge and remuneration thereof shall be decided by a resolution to be adopted by a majority vote of the directors at a meeting of the board of directors attended by at least a majority of the entire directors of the company.

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; (74) June 23, 2010; (75) June 23, 2011; (76) June 22, 2012.

Rules for Director and Supervisor Elections

Amended June 22 2012

- Article I : The candidates nomination system is adopted for the election of directors and supervisors of the Company; under which the shareholders shall vote among the candidates for a director position.
- Except otherwise provided in the Company Act, the Articles of Incorporation and other relevant laws and regulations, the aforesaid election shall be proceeded with in accordance with the Rules.
- Article II : The cumulative ballot system is adopted for the election of directors and supervisors of the Company. The nomination of voters may be substituted by the number of the attendance card printed on the ballot. In the process of electing directors and supervisors at a shareholders' meeting, the number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more 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 prescribed number of directors and supervisors of the Company shall be elected among the candidates list. Based on the number of directors and supervisors set forth in the Articles of Incorporation of the Company, a candidate to whom the ballots cast represent a prevailing number of votes shall be deemed an independent director-elect, non-independent director-elect or supervisor-elect, accordingly. In the event two or more persons have the same number of votes, and it will exceed the prescribed number, the persons with the same number of votes shall conduct a drawing to decide the persons to take the office. The chairman shall take drawings for candidates not present at the meeting.
- A candidate who is elected to act both as a director and a supervisor pursuant to the preceding paragraph shall decide which position to take. The vacancy will be filled by the candidate with the second highest number of votes.
- Article V : The ballots will be prepared by the Company, and the number of votes representing will be printed thereon. However, no ballot will be printed for shareholders casting votes by means of electronic transmission.
- The ballot box for the election of directors and supervisors shall be set up by the Company and inspected by the scrutineer in the public prior to the commencement of the ballot casting.
- Article VI : Where a candidate is in the capacity of 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 : If any of the follows occurs, the ballot is deemed void:

- (1)A ballot not prepared by the Company is used.
- (2)The number of persons elected exceeds the limitation.
- (3)Other than the name and the shareholder account number or uniform ID number of the candidate, other contexts are included.
- (4)The handwriting is unclear and illegible.
- (5)If the candidate elected is a shareholder, the identify and shareholder account number thereof are not in conformity with those specified in the shareholders' roster; or if the candidate elected is not a shareholder, the name and uniform ID number are proven non-conformity.
- (6)The name of candidate elected is same with the name of other shareholders, and the shareholder account number or the uniform ID number is not provided for verification.
- (7)The total number of votes casted exceeds the total number of votes held by the shareholder.
- (8)A blank ballot is casted 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.

The Rules of Procedure for Shareholder Meeting

Amended June 22 2012

- 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. When attending a shareholders' meeting, the total number of shares present at the meeting will be calculated based on the attendance cards submitted as a substitute for sign-in, plus the number of shares exercising the voting power in writing or through means of electronic transmission.
- 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 in laws, the shareholders' meeting shall be called by the Board of Directors and chaired by the Chairman of the Board. Where the Chairman of the Board fails to exercise his authority with justified reasons, the Vice Chairman of the Board may be his proxy. Where no Vice Chairman has been appointed or the Vice Chairman fails to exercise his authority with justified reasons too, the Chairman shall designate one managing director to be his proxy. Where no such designee is designated, the chairperson shall be elected out of the managing directors. Where the shareholders' meeting is called by any person entitled to hold the meeting other than the Board of Directors, the chairperson of the meeting shall be assumed by the person.
If there are more than two conveners, the chairperson shall be elected from the conveners.
- VII. The Company may designate lawyers, CPAs or relevant personnel appointed by the Company to attend the shareholders' meeting.
- 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 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. 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.
- XII. 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.
- XIII. 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.
- XIV. After a present shareholder completes the floor, the chairman may reply in person or through an appointee.
- XV. 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.
- XVI. 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.
- XVII. The chairman may announce a break as appropriate during the proceedings of a shareholders' meeting.
- XVIII. 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.
- XIX. 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.

- XX. 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”.
- XXI. Any matters insufficiently provided for herein shall be subject to the Company Law, Articles of Incorporation and other laws and regulations concerned.
- XXII. These rules of procedure and amendments hereof come into enforcement after being resolved in the shareholders’ meeting.

Operational Procedures for Acquisition and Disposal of Assets

Amended on 22 June 2012

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 “Rules 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. Derivative products.
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. Derivative products: means 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 means 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 transaction contract signature date, 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. Assessment Procedure:

1. When the Company acquires or disposes of any long-term or short-term securities investment or engages in any transaction of derivative products, the finance department shall perform an analysis of relevant return and evaluate possible risks. For any acquisition or disposal of real estate or other assets, each division shall draft prior capital expenditure plan and perform feasibility evaluation about the purpose and expected return of the acquisition or disposal. 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. To acquire or dispose securities, the Company shall, prior to the commencement of such acquisition or disposal, obtain the financial statements of the issuing company for the most recent period audited and certified or reviewed by a certified public accountant (“CPA”) or other relevant information, for reference in appraising the transaction price. If the transaction amount reaches 20% of the Company’s paid-in capital or three hundred million NT dollars (NT\$300,000,000) or more, the Company shall, prior to the commencement of such acquisition or disposal, consult with a CPA for his opinion regarding the reasonability of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with provisions specified in the Statement of Auditing Standards NO. 20 published by the Accounting Research and Development Foundation (“ARDF”). However, the requirement does not apply to securities publicly offered in an active market or where otherwise provided by regulations of the Financial Supervisory Commission (“FSC”).
3. In acquiring or disposing of real property or other fixed assets where the transaction amount reaches 20 percent of the Company's paid-in capital or three hundred million NT dollars (NT\$300,000,000) or more, the Company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery and equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:
 - (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors, and the same procedure shall be followed for any future changes to the terms and conditions of the transaction.
 - (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
 - (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA

shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:

- i. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
- ii. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.

(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

4. Where the Company acquires or disposes of memberships or intangible assets and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.
5. The calculation of the transaction amounts referred to in the preceding three Articles shall be done in accordance with Article 6, Section 1, subsection 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.
6. For assets acquired or disposed by the Company through court auction procedures, the Company may provide evidencing documents as the substitute for the appraisal report or the CPA'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.
8. 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.

Article 5. Processing Procedure:

1. The Company shall proceed with the acquisition or disposal of assets specified in Article 2 of these Handling Procedures in accordance with the following rules:
 - (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 property or other fixed assets: Acquisition or disposal of real property or other fixed assets for which the transaction amount reaches three hundred million NT dollars (NT\$300,000,000) or above shall be submitted to the Board of Directors for discussion and recognition. Except parcels of land which shall be investigated in detail and assessed by the Administrative Service Department and submitted to the General Manager for approval, a capital expense plan shall be drafted by relevant department for the acquisition of all other real properties or fixed assets. For transactions worth more than two hundred thousand NT dollars (NT\$200,000), a benefit assessment report shall be provided for the Technical Team's review and approval. When a fund is to be used, the request for approval of fund usage shall also be submitted for the approval of all levels of supervisors according to the

approval authorization and the request will be proceeded with in accordance with the purchase procedures. For the disposal of the same, the utilizing department shall fill in the asset variation notice or submit as a project for approval, and the disposal thereof will be proceeded with upon approval of parties with approval authorization.

- (3) Derivative products: Transactions of derivative products shall be done in accordance with relevant provisions under Chapter III hereof.
 - (4) Acquisition or disposal of real property or other fixed assets from or to a related party: Such shall be proceeded with pursuant to Chapter 2 of these Handling Procedures.
 - (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. The execution department of the Company for long term or short term securities investments and transactions regarding derivative products is the Department of Finance and Accounting and staffs approved by the General Manager. The execution department for real property and other assets is the departments using such real property or assets and other relevant departments with authorization. The execution department for merger, demerger, acquisition, or transfer of shares shall be the departments approved by the General Manager. After the acquisition or disposal of an asset is evaluated and approved in accordance with relevant rules, the execution department shall proceed with the transaction procedures, including making contracts, collecting and paying, deliver and inspection and acceptance, and handle the same based on the nature of the asset in accordance with procedures regarding internal control related matters. Furthermore, transactions involving a related party, engaging in transactions of derivative products and merger, demerger, acquisition or transfer of shares shall also be proceeded with in accordance with Chapter 2 ~ Chapter 4 of these Handling Procedures.

Article 6. Procedures of Public Announcement and Report:

1. For the Company to acquire or dispose assets, if any of the following occurs, the Company shall proceed with the public announcement and report on the website designated by the FSC within two (2) days starting immediately from the day such even occurs according to the nature of the event, in the format and with contents prescribed.
 - (1) Acquire or dispose of real property from or to a related party, or acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, excluding trading of government bonds or bonds under repurchase or resale agreements.
 - (2) Engage in merger, demerger, acquisition or transfer of shares
 - (3) Engage in transactions of derivative products where the loss thereof reaches the ceiling amount for loss of all or individual contract as specified in these Handling Procedures.
 - (4) Where an asset transaction other than any of those referred to in the preceding three

subsections, or an investment in Mainland China area reaches 20 percent or more of paid-in capital or three hundred million NT dollars (NT\$300,000,000); provided, this shall not apply to the following circumstances:

- i. Trading of government bonds.
 - ii. Trading of bonds under repurchase or resale agreements
 - iii. Where the type of asset acquired or disposed is equipment/machinery for business use, the trading counterparty is not a related party, and the transaction amount is less than NT\$500 million.
 - iv. Where land is acquired under an arrangement on engaging others to build on the company's own land, build on the rented land joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Company expects to invest in the transaction is less than NT\$500 million
2. The amount of transactions specified in the preceding section shall be calculated as follows:
- (1) The amount of an individual transaction.
 - (2) The accumulative transaction amount of acquisition or disposal of the same type of underlying asset with the same counterparty within the preceding year.
 - (3) The accumulative transaction amount of real property acquired or disposed under the same development project within the preceding year (with acquisition and disposal calculating separately).
 - (4) The accumulative transaction amount of the same security acquired or disposed within the preceding year (with acquisition and disposal calculating separately)
- The aforesaid “the preceding” year period shall mean the one (1) year period immediately preceding the date of occurrence of the current transaction, and items duly announced in accordance with the Handling Procedures need not be counted toward the transaction amount.
3. 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.
4. 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.
5. 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) Change, termination, or rescission of a contract signed in regard to the original transaction.
 - (2) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
 - (3) Any change to the original publicly announced and reported information.

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. Control procedures for the acquisition and disposal of assets by subsidiaries:

1. Subsidiaries of the Company shall establish the "Processing Procedure for Acquisition or Disposal of Asset" in accordance with the "Rules Governing the Acquisition or Disposal of Asset by Public Companies" promulgated by the FSC and this Procedure. Following approval by the board of directors, such procedures shall be submitted to each supervisor and submitted to the shareholders meeting for approval. The same shall be applicable to any amendment thereof.
2. Subsidiaries of the Company shall submit monthly report to the Company, prior to the 8th date of each month, on the status of all transactions involving derivative products up to the end of the previous 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 personnel of the Company responsible for the acquisition or disposal of assets violates the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" published by the FSC or the Handling Procedures, an oral warning will be rendered for the first violation, followed by warning in writing for continual violation. Persons who violates the aforesaid repeatedly or materially will be moved from the original position.

Chapter II Transactions with Related Parties

Article 10. Defining Ground:

When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted in accordance with both the previous Chapter and this Chapter and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance

with Article 4, Section 1, Subsection 5 herein. When judging whether a trading counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 11. Resolution Procedure:

When the Company intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or three hundred million NT dollars (NT\$300,000,000) or more, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:

- 1.The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
- 2.The reason for choosing the related party as a trading counterparty.
- 3.With respect to the acquisition of real property from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 12 and Article 13 herein.
- 4.The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the company and the related party.
- 5.Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization..
- 6.An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with Article 10 herein.
- 7.Restrictive covenants and other important stipulations associated with the transaction

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 6, Section 1, Subsection 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors in accordance with the Handling Procedures need not be counted toward the transaction amount.

Where the position of independent director has been created, when a matter is submitted for discussion by the Board of Directors pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the Board meeting minutes.

Where an audit committee has been established, the matters for which paragraph 1 requires recognition by the supervisors shall first be approved by more than half of all audit committee members and then submitted to the Board of Directors for a resolution, and shall be subject to mutatis mutandis application of Article 27, Section 3 and 4 herein.

Article 12. Assessment on Reasonableness 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 acquired raw land or leased land for re-construction and evidence may be provided that one of the following conditions is satisfied:
 - (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 of Derivative Products

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. Operational 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 be to focus on the main purpose of hedging. The main selection 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.
3. Transaction Amount Limits:
 - (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)

after consolidation of assets and debt.

- (2) Non-Hedging Transactions: To be determined based on the market trend and company business requirement at the time of transaction. The transaction staff shall provide analysis and evaluation report before individual execution, specifying the market trend and risk analysis and providing suggested operational method and conditions. Approval from the president shall be obtained before the transaction.

4. Global and Individual Contract Loss Limit Amount

- (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 consecutive two months.
 - ii. Evaluated loss amount for all contracts exceed ten percent of the total transaction contract amount for consecutive two months.
- (2) Non-Hedging Transactions: After a position is established, a loss stop point shall be fixed in order to avoid excessive loss. In fixing the loss stop 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 loss stop point, corresponding suggestions shall be proposed immediately to the president or the executive authorized by the president for decision.

5. Authorization Amount

- i. Hedging Transactions: In accordance with the change of position in accordance with the company's turnover and risk and after approval by the senior executive authorized by the president, the transaction staff shall perform transactions under the condition that the accumulated closed positions shall not exceed the currently required hedging positions.
- ii. Non-Hedging Positions: In order to decrease the risk, any accumulated closed positions below 50 million US Dollars (including the equivalent in other currencies) shall 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. Futures of Large Volume Materials: 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) Financial Business Division: Will serve as the execution staff for the Company's transactions of derivative products and be 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 Department: 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 evaluation shall be 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 evaluations every month and the performance shall be submitted to management for reference.

(2) Non-Hedging Transactions

Performance evaluation shall be based on the profit and loss actually incurred. There shall be at least one evaluation every week and the performance shall be submitted to 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 followed. When the loss exceeds the preset loss stop 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 that there is 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 Abnormal Situations:

1. Transactions of derivative products 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 derivative products 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 derivative products 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 "Rules 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 establish 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, accountant, attorney or securities underwriter shall be engaged prior to convening a board meeting for resolution in order for opinions to be provided 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. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days ~ commencing immediately from the date of passage of a resolution by the board of directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

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 handling 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. Handling procedures in the event that the project is not completed by the deadline, such as

the expected date for convening the shareholders meeting.

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 of assets, relevant contracts, minutes of meetings, 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 director 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 approval by the board of directors, submission to each supervisor and submission to and 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 apply mutatis mutandis to the audit committee.

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

Operational Procedures for Loaning of Company Funds

Amended on 23 June 2010

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 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 shares has requirements due to investment in other companies and such investment target is beneficial to the future business development of the Company.

The Company may lend capital to any subsidiary of which 100% voting shares are directly or indirectly held by the Company, provided that prior approval by resolution of the Company's board of directors is required.

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.

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 drawdowns 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.

- 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 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 submitted to each supervisor.
- 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.

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 Financial Supervisory 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” promulgated by the Financial Supervisory 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.

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 Financial Supervisory 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

(06)23 June 2010

Operational Procedures for Endorsements and Guarantees

Amended 23 June 2010

- 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 subsidiaries on combined basis.
 - 4.Any parent company that owns more than 50% of ordinary shares of the Company directly or indirectly through subsidiaries.
 - 5.Endorsements and guarantees provided to an invested company as a joint investing shareholder under joint investment relationship in accordance with shareholding ratio.
- 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.
- 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 voting shares for any other subsidiary meeting the same requirement.
- 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 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.
- 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.
- 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 amount limit shall be fixed. 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 meeting for reference.

- 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 the 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 the 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 meets 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 audits on 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.
- 8.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.

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 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 Financial Supervisory 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 Financial Supervisory 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 Financial Supervisory 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 (11)23 June 2010

**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 (145,847,235 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 (14,587,423 shares).
- II. As of the date on which the transfer of shareholdings is suspended for the present shareholders' meeting (from 27 April 2013 to 25 June 2013), 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	212,030,064
Managing Director	Joyful Holding Company Representative: Kao-Huei Cheng	18,599,416
Managing Director	Chang-Sheng Lin	42,832,498
Director	Kao Chyuan Inv. Co., Ltd Representative: Chih-Hsien Lo	212,030,064
Director	Po-Ming Hou	126,440,610
Director	Po-Yu Hou	110,322,816
Director	Taiipo Investment Corp. Representative: Ping-Chih Wu	26,171,329
Director	Young Yun Inv. Co., Ltd. Representative: Chung-Ho Wu	6,310,956
Director	Hsiu-Jen Liu	75,494,442
Director	Ying-Jen Wu	4,913,442
Total		623,115,257

Title	Name	Shares Held
Supervisor	Kao-Keng Chen	40,105,934
Supervisor	Chau Chih Inv.Co., Ltd. Representative: Peng-Chih Kuo	12,786,340
Supervisor	Joe J.T. Teng	5,206,627
Total		58,098,901