

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED FINANCIAL STATEMENTS
AND REPORT OF INDEPENDENT ACCOUNTANTS
JUNE 30, 2011 AND 2010

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

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 June 30, 2011 and 2010, and the related non-consolidated statements of income, of changes in stockholders' equity and of cash flows for the six-month periods 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 long-term investments accounted for under the equity method. These long-term equity investments amounted to \$9,399,182,000 and \$9,372,845,000 as of June 30, 2011 and 2010, respectively, and their related net investment income amounted to \$288,429,000 and \$653,051,000 for the six-month periods 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.

Except as discussed in the following paragraph, 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 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 other auditors provide a reasonable basis for our opinion.

As described in Note 4(9) to the financial statements, we were unable to obtain the audited financial statements of certain investee companies accounted for under the equity method. These long-term investments amounted to \$39,913,041,000 and \$39,827,783,000 (net of long-term investments with negative balance amounting to \$28,178,000 and \$5,038,000, respectively, shown as other liabilities-other) as of June 30, 2011 and 2010, respectively, and the related investment income amounted to \$1,470,542,000 and \$2,615,798,000 for the six-month periods then ended, respectively. These amounts were based on the investees' unaudited financial statements. We were unable to satisfy ourselves as to the carrying value of the investments or the equities in their earnings by other auditing procedures.

In our opinion, based on our audits and the reports of other auditors, except for the effect of such

adjustments, if any, as might have been determined to be necessary had we been able to obtain the audited financial statements of certain investees as described in the preceding paragraph, 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 June 30, 2011 and 2010, and the results of its operations and its cash flows for the six-month periods then ended in conformity with the “Rules Governing the Preparation of Financial Statements by Securities Issuers”, “Business Entity Accounting Law”, “Regulation on Business Entity Accounting Handling” and generally accepted accounting principles in the Republic of China.

The consolidated financial statements of Uni-President Enterprises Corp. as of and for the six-month period ended June 30, 2011 are still being prepared by the Company and accordingly, we have not reviewed those statements. We have reviewed the consolidated financial statements of Uni-President Enterprises Corp. as of and for the six-month period ended June 30, 2010, and expressed a qualified conclusion on those statements.

PricewaterhouseCoopers, Taiwan

August 29, 2011

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

JUNE 30

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2011	2010
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4(1))	\$ 226,929	\$ 1,344,017
Financial assets at fair value through profit or loss - current (Note 4(2))	2,800,000	3,076,752
Notes receivable, net (Notes 3 and 4(3))	854,061	798,655
Accounts receivable, net (Notes 3 and 4(4))	1,524,736	1,277,810
Accounts receivable, net - related parties (Notes 3 and 5)	4,053,321	3,687,750
Other receivables (Note 3)	284,625	446,878
Other receivables - related parties (Notes 3 and 5)	122,235	185,968
Inventories, net (Note 4(5))	3,933,757	2,995,775
Prepayments	162,567	277,403
Deferred income tax assets - current (Note 4(23))	207,311	198,708
Total current assets	14,169,542	14,289,716
Funds and Investments		
Available-for-sale financial assets - non-current (Notes 4(7) and 10)	3,049,885	1,391,225
Financial assets carried at cost - non-current (Notes 4(8)(14) and 5)	1,310,935	1,384,383
Long-term equity investments accounted for under the equity method (Notes 4(9)(14) and 5)	79,675,804	78,309,962
Total funds and investments	84,036,624	81,085,570
Property, Plant and Equipment, Net (Notes 4(10) and 6)		
Cost		
Land	1,065,629	1,065,629
Buildings	3,856,113	3,826,802
Machinery and equipment	9,755,332	9,436,109
Warehouse equipment	-	5,331
Piping infrastructure and electricity generation equipment	650,160	638,243
Transportation equipment	85,600	93,111
Office equipment	603,327	611,457
Leasehold improvements	142,712	139,905
Other equipment	4,329,290	4,100,101
Revaluation increments	2,852,436	2,852,907
Cost and revaluation increments	23,340,599	22,769,595
Less: Accumulated depreciation	(15,294,315)	(14,407,077)
Construction in progress and prepayments for equipment	466,439	192,194
Total property, plant and equipment, net	8,512,723	8,554,712
Intangible Assets		
Deferred pension costs (Note 4(18))	39,157	79,611
Other Assets		
Assets leased to others (Notes 4(10)(11) and 6)	4,434,805	4,473,823
Idle assets (Notes 4(10)(12)(14) and 6)	113,435	185,705
Refundable deposits	137,943	127,480
Deferred expenses (Note 4(13))	28,410	37,548
Deferred income tax assets - non-current (Note 4(23))	223,643	327,573
Other assets - other (Notes 4(10) and 6)	62,240	62,370
Total other assets	5,000,476	5,214,499
TOTAL ASSETS	\$ 111,758,522	\$ 109,224,108

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED BALANCE SHEETS

JUNE 30

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2011	2010
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term loans (Note 4(15))	\$ 732,598	\$ 651,043
Financial liabilities at fair value through profit or loss - current (Note 4(2))	1,113	-
Notes payable	3,582	3,582
Accounts payable	1,874,172	1,829,656
Accounts payable - related parties (Note 5)	249,411	241,935
Income tax payable (Note 4(23))	108,074	199,325
Accrued expenses (Note 5)	3,412,010	3,218,936
Other payables	6,093,400	3,266,269
Receipts in advance	68,595	59,369
Long-term liabilities - current portion (Note 4(16))	-	4,637,541
Total current liabilities	12,542,955	14,107,656
Long-term Liabilities		
Bonds payable (Note 4(16))	10,000,000	5,200,000
Long-term loans (Note 4(17))	18,090,000	20,827,760
Total long-term liabilities	28,090,000	26,027,760
Reserves		
Land value incremental reserve (Note 4(10))	815,439	815,439
Other Liabilities		
Accrued pension liabilities (Note 4(18))	2,225,815	1,760,283
Guarantee deposits received	77,647	86,374
Other liabilities - other (Note 4(9))	28,178	5,038
Total other liabilities	2,331,640	1,851,695
Total liabilities	43,780,034	42,802,550
Stockholders' Equity		
Capital (Notes 1 and 4(19))		
Common stock	42,871,402	38,974,002
Stock dividends to be distributed	2,572,284	3,897,400
Capital Reserve (Notes 4(16)(20))		
Additional paid-in capital in excess of par - common stock	489,454	-
Additional paid-in capital - treasury stock transactions	34,027	34,027
Capital reserve from donated assets	548	500
Capital reserve from long-term investments	5,737,704	5,610,255
Capital reserve from stock warrants	-	489,454
Retained Earnings (Notes 4(19)(21))		
Legal reserve	9,151,205	8,058,301
Special reserve	95,736	-
Undistributed earnings	6,082,304	6,353,534
Other Adjustments to Stockholders' Equity		
Cumulative translation adjustments	(991,696)	1,453,724
Unrecognized pension cost (Note 4(18))	(2,115,042)	(1,526,294)
Unrealized gain or loss on financial instruments (Notes 4(7)(9) and 10)	1,888,320	913,793
Asset revaluations (Note 4(10))	2,162,242	2,162,862
Total stockholders' equity	67,978,488	66,421,558
Contingent Liabilities and Commitments (Notes 5 and 7)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 111,758,522	\$ 109,224,108

The accompanying notes are an integral part of these non-consolidated financial statements.
See report of independent accountants dated August 29, 2011.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE DATA)

	<u>2011</u>		<u>2010</u>	
Operating Revenue (Note 5)				
Sales	\$ 25,671,604	\$	23,093,158	
Sales returns	(75,659 )	(	29,784)
Sales discounts	(726,679 )	(	647,458)
Net Sales	<u>24,869,266</u>		<u>22,415,916</u>	
Other operating revenues	415,479		473,459	
Net Operating Revenues	<u>25,284,745</u>		<u>22,889,375</u>	
Operating Costs (Notes 4(5)(22) and 5)				
Cost of goods sold	(19,027,331 )	(	17,052,333)
Other operating costs	(399,506 )	(	441,158)
Net Operating Costs	<u>(19,426,837)</u>	<u>(</u>	<u>17,493,491)</u>	
Gross profit	<u>5,857,908</u>		<u>5,395,884</u>	
Operating Expenses (Notes 4(22) and 5)				
Sales and marketing expenses	(3,528,971 )	(	3,095,755)
General and administrative expenses	(1,157,203 )	(	1,335,571)
Research and development expenses	(140,122 )	(	139,329)
Total Operating Expenses	<u>(4,826,296)</u>	<u>(</u>	<u>4,570,655)</u>	
Operating income	<u>1,031,612</u>		<u>825,229</u>	
Non-operating Income and Gains				
Interest income	147		389	
Investment income accounted for under the equity method (Note 4(9))	3,888,461		5,076,248	
Dividend income	52,468		35,094	
Gain on disposal of property, plant and equipment (Note 4(10))	2,671		30,239	
Gain on disposal of investments (Notes 4(2) and 5)	83,652		219,438	
Rental income (Notes 4(11) and 5)	156,628		176,147	
Reversal of impairment loss (Notes 4(12)(14))	3,647		8,324	
Gain on valuation of financial assets (Note 4(2))	58,573		25,839	
Other non-operating income (Note 5)	457,278		543,623	
Total non-operating Income and Gains	<u>4,703,525</u>		<u>6,115,341</u>	
Non-operating Expenses				
Interest expense (Note 4(10))	(135,542 )	(	165,851)
Loss on disposal of property, plant and equipment	(4,583 )	(	6,323)
Foreign exchange loss (Note 4(2))	(13,750 )	(	32,578)
Financing charges	(12,486 )	(	4,752)
Other non-operating losses (Notes 4(5) and 10)	(625,078 )	(	388,417)
Total non-operating Expenses and Losses	<u>(791,439)</u>	<u>(</u>	<u>597,921)</u>	
Income before income tax	4,943,698		6,342,649	
Income tax expense (Note 4(23))	(260,918 )	(	126,784)
Net income	<u>\$ 4,682,780</u>	<u>\$</u>	<u>6,215,865</u>	
	<u>Before Tax</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>After Tax</u>
Basic Earnings Per Common Share (in dollars) (Note 4(24))				
Net income	<u>\$ 1.09</u>	<u>\$ 1.03</u>	<u>\$ 1.40</u>	<u>\$ 1.37</u>
Diluted Earnings Per Common Share (in dollars) (Note 4(24))				
Net income	<u>\$ 1.08</u>	<u>\$ 1.03</u>	<u>\$ 1.37</u>	<u>\$ 1.34</u>

The accompanying notes are an integral part of these non-consolidated financial statements.
See report of independent accountants dated August 29, 2011.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Capital			Retained Earnings			Cumulative Translation Adjustments	Unrecognized Pension Cost	Unrealized Gain or Loss on Financial Instruments	Asset Revaluations	Total
	Common Stock	Stock Dividends to be Distributed	Capital Reserves	Legal Reserve	Special Reserve	Undistributed Earnings					
<u>2010</u>											
Balance at January 1, 2010	\$ 38,974,002	\$ -	\$ 6,185,983	\$ 7,272,218	\$ -	\$ 7,939,072	\$ 1,130,482	(\$ 1,529,221)	\$ 2,235,217	\$ 2,199,292	\$ 64,407,045
Reversal of unrealized revaluation increments for land expropriation	-	-	-	-	-	-	-	-	-	(1,184)	(1,184)
Distribution of 2009 net income (Note)											
Legal reserve	-	-	-	786,083	-	(786,083)	-	-	-	-	-
Cash dividends	-	-	-	-	-	(3,117,920)	-	-	-	-	(3,117,920)
Stock dividends	-	3,897,400	-	-	-	(3,897,400)	-	-	-	-	-
Net income for the six months ended June 30, 2010	-	-	-	-	-	6,215,865	-	-	-	-	6,215,865
Reversal of certain stockholder's equity accounts due to disposal of ownership of subsidiaries	-	-	(51,747)	-	-	-	-	118	-	(34,937)	(86,566)
Cumulative translation adjustment	-	-	-	-	-	-	323,242	-	-	-	323,242
Adjustment of unrecognized pension cost by subsidiaries	-	-	-	-	-	-	-	2,809	-	-	2,809
Adjustment of unrealized loss on financial instruments by subsidiaries	-	-	-	-	-	-	-	-	(1,186,306)	-	(1,186,306)
Adjustment due to revaluation of available-for-sale financial assets	-	-	-	-	-	-	-	-	(135,118)	-	(135,118)
Adjustment of asset revaluations due to change in ownership by subsidiaries	-	-	-	-	-	-	-	-	-	(309)	(309)
Balance at June 30, 2010	<u>\$ 38,974,002</u>	<u>\$ 3,897,400</u>	<u>\$ 6,134,236</u>	<u>\$ 8,058,301</u>	<u>\$ -</u>	<u>\$ 6,353,534</u>	<u>\$ 1,453,724</u>	<u>(\$ 1,526,294)</u>	<u>\$ 913,793</u>	<u>\$ 2,162,862</u>	<u>\$ 66,421,558</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Capital			Retained Earnings				Cumulative Translation Adjustments	Unrecognized Pension Cost	Unrealized Gain or Loss on Financial Instruments	Asset Revaluations	Total
	Common Stock	Stock Dividends to be Distributed	Capital Reserves	Legal Reserve	Special Reserve	Undistributed Earnings						
<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 the six months ended June 30, 2011	-	-	-	-	-	4,682,780	-	-	-	-	4,682,780	
Adjustment due to special reserve by subsidiaries	-	-	-	-	95,736	-	-	-	-	-	95,736	
Adjustment of capital reserve due to subsidiaries' retirement of treasury stock	-	-	1,177	-	-	-	-	-	-	-	1,177	
Adjustment of capital reserve due to subsidiaries' adjustment of capital reserve	-	-	8,778	-	-	-	-	-	-	-	8,778	
Cumulative translation adjustment	-	-	-	-	-	-	(32,210)	-	-	-	(32,210)	
Adjustment of unrecognized pension cost by subsidiaries	-	-	-	-	-	-	-	6,892	-	-	6,892	
Adjustment of unrealized loss on financial instruments by subsidiaries	-	-	-	-	-	-	-	-	(1,248,275)	-	(1,248,275)	
Adjustment due to revaluation of available-for-sale financial assets	-	-	-	-	-	-	-	-	499,640	-	499,640	
Adjustment of asset revaluations due to change in ownership by subsidiaries	-	-	-	-	-	-	-	-	-	(310)	(310)	
Balance at June 30, 2011	<u>\$ 42,871,402</u>	<u>\$ 2,572,284</u>	<u>\$ 6,261,733</u>	<u>\$ 9,151,205</u>	<u>\$ 95,736</u>	<u>\$ 6,082,304</u>	<u>(\$ 991,696)</u>	<u>(\$ 2,115,042)</u>	<u>\$ 1,888,320</u>	<u>\$ 2,162,242</u>	<u>\$ 67,978,488</u>	

(Note) The directors' and supervisors' remuneration were \$141,495 and \$196,723, and employees' bonuses were \$650,965 and \$955,370 in 2009 and 2010, 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 August 29, 2011.

UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2011	2010
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income	\$ 4,682,780	\$ 6,215,865
Adjustments to reconcile net income to net cash used in operating activities		
Gain on valuation of financial assets and liabilities	(58,574)	(25,839)
Provision for doubtful accounts	11,850	6,200
Reversal of allowance for doubtful accounts	(15,560)	(555)
Provision for inventory obsolescence	39,850	129
Investment income accounted for under the equity method	(3,888,461)	(5,076,248)
Cash dividends from equity subsidiaries	59,090	210,772
Gain on disposal of investments	(83,652)	(219,235)
Depreciation	457,095	510,841
Loss (gain) on disposal of property, plant and equipment	1,912	(23,916)
Reversal of impairment loss	(3,647)	(8,324)
Amortization	5,940	7,307
Changes in assets and liabilities		
Financial assets at fair value through profit or loss - current	(2,800,000)	(2,010,000)
Notes receivable	43,529	(19,452)
Accounts receivable	(149,291)	(179,380)
Accounts receivable - related parties	(694,348)	(591,287)
Other receivables	131,590	142,625
Other receivables - related parties	56,107	(2,923)
Inventories	(504,124)	(318,247)
Prepayments	68,726	(143,323)
Deferred income tax assets - current	(7,652)	6,885
Deferred income tax assets - non-current	170,541	(76,407)
Notes payable	(4,172)	(3,625)
Accounts payable	64,253	324,346
Accounts payable - related parties	(4,841)	32,619
Income tax payable	(116,373)	151,255
Accrued expenses	(754,688)	(196,895)
Other payables	(38,005)	(15,027)
Receipts in advance	54,945	44,781
Accrued pension liabilities	2,689	8,214
Net cash used in operating activities	(3,272,491)	(1,248,844)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
(Increase) decrease in employees' car loans	(766)	3,615
Increase in long-term investments - subsidiaries	(77,280)	(4,043,658)
Increase in long-term investments - non-subsidiaries	(1,006,683)	-
Proceeds from disposal of financial assets carried at cost - non-subsidiaries	92,090	-
Proceeds from disposal of long-term investments - subsidiaries	55,743	330,078
Proceeds from sale of long-term investments - non-subsidiaries	5,375	499,310
Proceeds from capital reduction of subsidiaries	33,333	1,167,987
Cash paid for acquisition of property, plant and equipment	(395,719)	(338,893)
Proceeds from disposal of property, plant and equipment	4,192	70,939
Decrease (increase) in refundable deposits	8,393	(33,220)
Increase in deferred expenses	(1,735)	(325)
Net cash used in investing activities	(1,283,057)	(2,344,167)

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UNI-PRESIDENT ENTERPRISES CORP.
NON-CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	2011	2010
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Decrease in short-term loans	(\$ 1,789,755)	(\$ 193,214)
Decrease in notes and bills payable	(299,978)	-
Increase in bonds payable	3,000,000	2,259,109
Increase in long-term loans	3,690,532	2,728,551
Decrease in guarantee deposits received	(1,182)	(111)
Net cash provided by financing activities	4,599,617	4,794,335
Increase in cash and cash equivalents	44,069	1,201,324
Cash and cash equivalents at beginning of period	182,860	142,693
Cash and cash equivalents at end of period	\$ 226,929	\$ 1,344,017
<u>Supplemental disclosures of cash flow information</u>		
1. Interest paid (excluding capitalized interest)	\$ 118,712	\$ 87,334
2. Income taxes paid	\$ 214,402	\$ 45,051
3. Fair value of subsidiaries on the date of acquisition of ScinoPharm Biotech, Ltd.		
Cash	\$ -	\$ 766,226
Total proceeds from acquisition of ScinoPharm Biotech, Ltd. (Based on 43.41% ownership)	\$ -	\$ 3,093,508
Less: Cash balance of ScinoPharm Biotech, Ltd. (Based on 43.41% ownership)	-	(234,618)
Proceeds from acquisition of ScinoPharm Biotech, Ltd. (Based on 43.41% ownership)	\$ -	\$ 2,858,890
4. Fair value of subsidiaries on the date of disposal of President Asian Enterprises Inc.		
Cash	\$ -	\$ 1,005,119
Total proceeds from disposal of President Asian Enterprises Inc. (Based on 49.99% ownership)	\$ -	\$ 571,336
Less: Cash balance of President Asian Enterprises Inc. (Based on 49.99% ownership)	-	(502,459)
Proceeds from disposal of President Asian Enterprises Inc. (Based on 49.99% ownership)	\$ -	\$ 68,877
<u>Investing and financing activities with partial cash payment</u>		
1. Proceeds from disposal of long-term investments-subsiaries	\$ 5,824	\$ 571,336
Add: Other receivables, beginning of period	149,362	-
Less: Other receivables, end of period	(99,443)	(241,258)
Proceeds from disposal of long-term investments-subsiaries	\$ 55,743	\$ 330,078
2. Acquisition of property, plant and equipment	\$ 390,688	\$ 243,029
Add: Other payables, beginning of period	48,347	52,727
Capital lease payables, beginning of period	-	70,203
Less: Other payables, end of period	(43,316)	(27,066)
Cash paid for acquisition of property, plant and equipment	\$ 395,719	\$ 338,893
<u>Other activities with no cash flow effect</u>		
1. Unpaid cash dividends	\$ 6,001,996	\$ 3,117,920
2. Reversal of unrealized revaluation increments for land expropriation	\$ -	\$ 1,184

The accompanying notes are an integral part of these non-consolidated financial statements.
See report of independent accountants dated August 29, 2011.

UNI-PRESIDENT ENTERPRISES CORP.
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2011 AND 2010
(EXPRESSED IN THOUSANDS OF NEW TAIWAI DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANIZATION

(1) Uni-President Enterprises Corp. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) in August 1967 with an initial capital of \$32,000. As of June 30, 2011, the Company's authorized capital was \$48,000,000, and the paid-in-capital was \$42,871,402, consisting of 4,287,140,000 shares of common stock with a par value of \$10 (in NT dollars) per share. The Company is primarily engaged in the manufacture, processing and sales of various soft drinks, foods, animal feeds and flour.

(2) As of June 30, 2011, the Company had 4,779 employees.

(3) The common shares of the Company have been listed on the Taiwan Stock Exchange since December 1987.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements are prepared in accordance with the "Rules Governing the Preparation of Financial Statements by Securities Issuers", "Business Entity Accounting Law", "Regulation on Business Entity Accounting Handling" and generally accepted accounting principles in the Republic of China. The Company's significant accounting policies are summarized as follows:

(1) Foreign currency transactions and translation

(a) The Company maintains its accounts in New Taiwan dollars. Transactions arising in foreign currencies, except for derivative financial instruments, are translated into New Taiwan dollars at the exchange rates prevailing at the dates of the transactions. The difference is recognized as foreign exchange gain or loss upon actual receipts and disbursements.

(b) Monetary assets and liabilities denominated in foreign currencies are translated at the spot exchange rates prevailing at the balance sheet date. Exchange gains or losses are recognized in profit or loss. However, translation exchange gains or losses on intercompany accounts that are in nature, deemed long term is accounted for as a reduction in stockholders' equity.

(c) When a gain or loss on a non-monetary item is recognized directly in equity, any exchange component of that gain or loss shall be recognized directly in equity. Conversely, when a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss shall be recognized in profit or loss. However, non-monetary items that are measured on a historical cost basis are translated using the exchange rate at the date of the transaction.

(2) Classification of current and non-current items

(a) Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(i) Assets arising from operating activities that are expected to be realized or consumed, or are intended to be sold within the normal operating cycle;

(ii) Assets held mainly for trading purposes;

(iii) Assets that are expected to be realized within 12 months from the balance sheet date;

(iv) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than 12 months after the balance sheet date.

(b) Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(i) Liabilities arising from operating activities that are expected to be paid off within the normal operating cycle;

(ii) Liabilities arising mainly from trading activities;

(iii) Liabilities to be paid off within 12 months from the balance sheet date;

(iv) Liabilities for which the repayment date cannot be extended unconditionally to more than 12 months after the balance sheet date.

(3) Cash equivalents

(a) Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value resulting from fluctuations in interest rate.

(b) The Company's statement of cash flows is prepared on the basis of cash and cash equivalents.

(4) Financial assets and financial liabilities at fair value through profit or loss

(a) Financial assets and financial liabilities at fair value through profit or loss are recognized and derecognized using settlement date accounting and are recognized initially at fair value.

(b) These financial instruments are subsequently remeasured and stated at fair value, and the gain or loss is recognized in profit or loss. The fair value of listed stocks, OTC stocks and closed-end mutual funds is based on latest quoted fair prices of the accounting period. The fair value of open-end and balanced mutual funds is based on the net asset value at the balance sheet date.

(c) When a derivative is an ineffective hedging instrument, it is initially recognized at fair value on the date a derivative contract is entered into and is subsequently remeasured at its fair value. If a derivative is a non-option derivative, the fair value initially recognized is zero.

(d) Financial assets and financial liabilities at fair value through profit or loss are classified into asset or liability held for trading and those designated at fair value through profit or loss at inception. Financial assets and financial liabilities are classified as held for trading if acquired principally for the purpose of selling in the short term. Financial assets and financial liabilities designated as at fair value through profit or loss at inception are those that are managed and whose performance is evaluated on a fair value basis, in accordance with a documented Company investment strategy. Information about these financial assets and financial liabilities are provided internally on a fair value basis to the Company's management. The Company's investment strategy is to invest free cash resources in equity securities or convertible bonds as part of the Company's long-term capital growth strategy. The Company has designated almost all of its compound debt instruments as financial liabilities at fair value through profit or loss.

(5) Available-for-sale financial assets

(a) Available-for-sale financial assets in equity and debt are recognized and derecognized using trade date accounting and settlement date accounting, respectively, and are recognized initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

(b) The financial assets are remeasured and stated at fair value, and the gain or loss is recognized in equity, until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in equity shall be recognized in profit or loss. The fair value of listed stocks, OTC stocks and closed-end mutual funds is based on latest quoted fair prices of the accounting period. The fair value of open-end and balanced mutual funds is based on the net asset value at the balance sheet date.

(c) If there is any objective evidence that the financial asset is impaired, the cumulative loss that had been recognized directly in equity shall be removed from equity and recognized in profit or loss. Impairment losses recognized previously in profit or loss for an investment in an equity instrument shall not be reversed through profit or loss, and if, subsequently, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss shall be reversed, and the amount of the reversal is recognized in profit or loss.

(6) Financial assets carried at cost

(a) Investment in unquoted equity instruments is recognized or derecognized using trade date accounting and is stated initially at its fair value plus transaction costs that are directly

attributable to the acquisition of the financial asset.

(b) If there is any objective evidence that the financial asset is impaired, the impairment loss is recognized in profit or loss. Such impairment loss shall not be reversed when the fair value of the asset subsequently increases.

(7) Notes receivable and accounts receivable, other receivables

(a) Notes receivable and accounts receivable are claims generated from the sale of goods or services. Other receivables are those receivables arising from transactions other than the sale of goods or services. Notes receivable, accounts receivable and other receivables are initially recognized at fair value, and are subsequently measured at amortized cost less impairment using the effective interest method.

(b) The Company recognizes impairment loss on the financial instruments when there is an objective evidence of impairment. The amount of impairment is the book value less the present value of estimated future cash flows, discounted by original effective interest rate. If, subsequently, an event, directly related to impairment, indicates a decrease in impairment, the impairment loss recognized in prior years shall be recovered. The book value of the financial instruments after recovering the impairment shall not exceed the amortized cost that would have been had no impairment been previously recognize.

(8) Inventories

Inventories are stated at cost. Cost is determined using the weighted-average method. Fixed manufacturing overhead is allocated on the basis of the normal capacity of the production equipment. If production fluctuates over interim periods, the cost variances resulting from such fluctuation are deferred in the interim financial statements. At the end of year, inventories are evaluated at the lower of cost or net realizable value, and the individual item approach is used in the comparison of cost and net realizable value. The calculation of net realizable value is based on the estimated selling price in the normal course of business, net of estimated costs of completion and the estimated costs necessary to make the sale. When the cost of inventories exceeds the net realizable value, the amount of any write-down of inventories is recognized as cost of sales during the period; and the amount of any reversal of inventory write-down is recognized as a reduction in cost of sales during the period.

(9) Long-term equity investments held for sale

Long-term equity investments that meet the conditions for sale are measured at the lower of carrying value or fair value.

(10) Long-term equity investments accounted for under the equity method

(a) Long-term equity investments in which the Company holds more than 20% of the investee company's voting shares or has the ability to exercise significant influence on the investee's operational decisions are accounted for under the equity method. The excess of the initial investment cost over the acquired net asset value of the investee attributable to goodwill is no longer amortized, effective January 1, 2006. Retrospective adjustment of the amount of goodwill amortized in previous year(s) is not required. The excess of acquired net asset value of investee over the initial investment cost is allocated proportionately and applied as a reduction to the book values of identifiable non-current assets, and any remaining amount of such excess after this allocation is credited to extraordinary gains. However, negative goodwill prior to December 31, 2005 is continuously amortized.

(b) Long-term investments in which the Company owns at least 50% of the investee company's voting rights, or in which the Company has the ability to exercise significant influence, are included in the consolidated financial statements.

(c) Effective January 1, 2005, investment loss on the non-controlled entities over which the Company has the ability to exercise significant influence is recognized to the extent that the amount of long-term investments in such investees is written down to zero. However, if the

Company continues to provide endorsements, guarantees or financial support for such investees, the investment loss is recognized continuously in proportion to the Company's equity interest in such investees. In the case of controlled entities, the Company recognizes all the losses incurred by such entities that will not be covered by other stockholders. When the operations of such investees become profitable, the profits shall be allocated to the Company to the extent that the amount of losses previously recognized by the Company is fully recovered.

(d)"Cumulative Translation Adjustment" resulting from translation of all assets and liabilities of the Company's share in the subsidiary investee foreign companies, which are accounted for using the equity method, is recognized proportionately based on the percentage of ownership of the Company and is reflected in the stockholders' equity account.

(11) Property, plant and equipment, assets leased to others, idle assets and other assets

(a)Property, plant and equipment, assets leased to others, idle assets and other assets are stated at either cost or cost plus appraisal increments. Interest incurred in connection with the purchase or construction required to bring the assets to the condition and location for their intended use is capitalized. Major renewals, betterments and additions are capitalized and depreciated accordingly. Maintenance and repairs are expensed as incurred.

(b)Depreciation is determined using the straight-line method over the estimated economic useful lives. Fully depreciated assets still in use are depreciated based on the residual value over the estimated remaining useful lives. The useful lives of major depreciable assets are 2-55 years, except for machinery and equipment which is 2-19 years. Containers are expensed when damaged.

(c)When an asset is sold or retired, the cost and accumulated depreciation are removed from the respective accounts and any resulting gain or loss on disposal is recorded as non-operating income or expense.

(d)Idle assets are stated at the lower of book value or net realizable value and are classified as other assets. The difference between the book value and net realizable value is recorded as a loss in the current period. Depreciation recognized for the period is recorded as non-operating expense and loss.

(12) Deferred expenses

(a)The Company leases its dairy and juice packing machines. The minimum advance rental payments are amortized over a period of 7-8 years, the estimated economic lives of the packing machines. The incremental rent paid quarterly or based on units-of-production is recorded as current expense.

(b)The issuance costs of bonds are classified as deferred charges and amortized over the life of the bonds.

(c)Other deferred expenses are amortized over a period of 2-10 years.

(13) Impairment of non-financial assets

(a)The Company recognizes impairment loss when there is indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of the asset in an arm's length transaction after deducting any direct incremental disposal costs. The value in use is the present value of estimated future cash flows to be derived from continuing use of the asset and from its disposal at the end of its useful life.

(b)When the impairment no longer exists, the impairment loss recognized in prior years shall be recovered. However, impairment loss of goodwill is not recoverable.

(14) Convertible bonds

(a)For bonds payable issued after January 1, 2006, the issuer shall classify the instrument, on initial recognition as a financial liability, a financial asset or an equity instrument (capital reserve from stock warrants). These bonds are accounted for as follows:

- (i) The difference between the issue price and face value of convertible corporate bonds is accounted for as premium or discount which is required to be amortized over the period from the date of issuance to maturity date using the interest method and is recorded as “interest expense”.
- (ii) A conversion option embedded in the bonds issued by the Company, which is convertible to an equity instrument, is recognized and included in “capital reserve from stock warrants”, net of income tax effects. When a bondholder exercises his/her conversion rights, the liability component of the bonds (including corporate bonds and embedded derivatives) shall be revalued, and the resulting difference shall be recognized as “gain or loss” in the current period. The book value of the common stock issued due to the conversion shall be based on the adjusted book value of the abovementioned liability component plus the book value of the stock warrants.
- (iii) Costs incurred on issuance of convertible bonds are proportionately charged to the liabilities and equities of the underlying instruments based on initial recognition costs.
- (b) If the difference between payment amount before the maturity date and the book value at liquidation date is significant, it should be recognized as extraordinary gain or loss in the current period.

(15) Retirement plan and net periodic pension cost

Under the defined benefit pension plan, net periodic pension costs are recognized in accordance with the actuarial calculations. Net periodic pension costs include service cost, interest cost, expected return on plan assets, unrecognized net transition asset (obligation), and amortization of gains or losses on plan assets and prior service cost. Under the defined contribution pension plan, net periodic pension costs are recognized as incurred.

(16) Income tax

- (a) The Company adopted R.O.C. SFAS No. 22, "Accounting for Income Tax", whereby income tax is provided based on accounting income after adjusting for permanent differences, and inter-period and intra-period allocation of income tax was adopted. The tax effects of taxable temporary differences are recorded as deferred tax liabilities, while the tax effects of deductible temporary differences, net operating loss carryforwards and income tax credits are recorded as deferred tax assets. A valuation allowance on deferred tax assets is provided to the extent that it is more likely than not that the tax benefits will not be realized. Deferred tax assets or liabilities are classified into current or non-current items in accordance with the nature of the balance sheet accounts or the period realization is expected. Adjustments of prior years' income tax liabilities are included in the current year's income tax expense. When a change in the tax laws is enacted, the deferred tax liability or asset is recomputed accordingly in the period of change. The difference between the new amount and the original amount, that is, the effect of changes in the deferred tax liability or asset, is recognized as an adjustment to current income tax expense (benefit).
- (b) The Company adopted R.O.C. SFAS No. 12, “Accounting for Investment Tax Credits”, whereby investment tax credits from the acquisition of machinery and equipment, research expenditures, personnel training expenditures and investments in stocks are recognized in the period the related expenditures are incurred.
- (c) The additional 10% corporate income tax on earnings derived on or after January 1, 1998, which is not distributed in the following year, is included in income tax expense in the year the stockholders approve the resolution to retain the earnings.
- (d) Effective January 1, 2006, the Company adopted the “Income Basic Tax Act”. If the amount of regular income tax is more than or equal to the amount of basic tax, the income tax payable shall be calculated in accordance with the Income Tax Act and other relevant laws. Whereas the amount of regular income tax is less than the amount of basic tax, the income tax payable shall

also include the difference between the amount of regular income tax and basic tax, in addition to the amount as calculated in accordance with the “Income Tax Act” and other relevant laws. The balance calculated in accordance with the provisions shall not allow for deductions claimed in regard to investment tax credits granted under the provisions of other laws.

(17) Employees' bonuses and directors' and supervisors' remuneration

Effective January 1, 2008, pursuant to EITF 96-052 of the Accounting Research and Development Foundation, R.O.C., dated March 16, 2007, “Accounting for Employees’ Bonuses and Directors’ and Supervisors’ Remuneration”, the costs of employees’ bonuses and directors’ and supervisors’ remuneration are accounted for as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and the amounts can be estimated reasonably. However, if the accrued amounts for employees’ bonuses and directors’ and supervisors’ remuneration are significantly different from the actual distributed amounts resolved by the stockholders at their annual stockholders’ meeting subsequently, the differences shall be recognized as gain or loss in the following year. In addition, according to EITF 97-127 of the Accounting Research and Development Foundation, R.O.C., dated March 31, 2008, “Criteria for Listed Companies in Calculating the Number of Shares of Employees’ Stock Bonus”, the Company calculates the number of shares of employees’ stock bonus based on the closing price of the Company's common stock at the previous day of the stockholders’ meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(18) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(19) Revenues, costs and expenses

Revenues are recognized when the earning process is substantially completed and are realized or realizable. Costs and expenses are recorded as incurred.

(20) Settlement date accounting

If an entity recognizes financial assets using settlement date accounting, any change in the fair value of the asset to be received during the period between the trade date and the settlement date is not recognized for assets carried at cost or amortized cost. For financial assets or financial liabilities classified as at fair value through profit or loss, the change in fair value is recognized in profit or loss. For available-for-sale financial assets, the change in fair value is recognized directly in equity.

(21) Operating segments

(a) The identification and disclosure of operating segments of the Company is on the basis of how the Company’s chief operating decision maker regularly reviews information in order to allocate resources and assess performance.

(b) The Company discloses operating segments information in the consolidated financial statements in accordance with the SFAS No. 41.

3. CHANGES IN ACCOUNTING PRINCIPLES

(1) Notes receivable, accounts receivable and other receivables

Effective January 1, 2011, the Company prospectively adopted the newly revised Statement of Financial Accounting Standards (SFAS) No. 34, “Financial Instruments: Recognition and Measurement.” The Company recognizes impairment loss on notes receivable, accounts receivable and other receivables when there is an objective evidence of impairment. This accounting change did not have a significant effect on the Company’s financial statements as of and for the six-month

period ended June 30, 2011.

(2) Operating segments

Effective January 1, 2011, the Company adopted the newly issued SFAS No. 41, "Operating Segments" which supersedes SFAS No. 20, "Segment Reporting." This statement requires identification and disclosure of operating segments based on how the Company's chief operating decision maker regularly reviews information in order to allocate resources and assess performance. The Company conformed to the disclosure requirements as of and for the six-month period ended June 30, 2011. The information for the six-month period ended June 30, 2010 has been restated to reflect the new segment reporting requirement. This accounting change did not have a significant effect on the net income and earnings per common share for the six-month periods ended June 30, 2011 and 2010.

4. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Cash:		
Cash on hand	\$ 1,344	\$ 1,495
Checking accounts	38,621	25,727
Demand deposits	<u>135,678</u>	<u>80,734</u>
	175,643	107,956
Cash equivalents:		
Commercial paper	<u>51,286</u>	<u>1,236,061</u>
	<u>\$ 226,929</u>	<u>\$ 1,344,017</u>

(2) Financial assets and financial liabilities at fair value through profit or loss

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Current items:		
Financial assets held for trading		
Mutual funds	\$ 2,800,000	\$ 3,060,000
Derivatives	<u>—</u>	<u>16,752</u>
	<u>\$ 2,800,000</u>	<u>\$ 3,076,752</u>
Current items:		
Financial liabilities held for trading		
Derivatives	<u>\$ 1,113</u>	<u>\$ —</u>

(a) The Company recognized net gain of \$75,615 and \$51,122 for the six-month periods ended June 30, 2011 and 2010, respectively.

(b) The trading items and contract information of derivatives are as follows:

	<u>June 30, 2011</u>		<u>June 30, 2010</u>	
	<u>Contract Amount</u>	<u>Contract Period</u>	<u>Contract Amount</u>	<u>Contract Period</u>
Forward foreign exchange	USD 41,000,000	2011.4~2011.9	USD 31,000,000	2010.1~2010.9

The forward foreign exchange contracts are to hedge the change of exchange rate due to import, but not adopting hedge accounting.

(3) Notes receivable, net

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Notes receivable	\$ 916,438	\$ 869,992
Less: Allowance for doubtful accounts	(62,377)	(71,337)
	<u>\$ 854,061</u>	<u>\$ 798,655</u>

(4) Accounts receivable, net

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Accounts receivable	\$ 1,615,054	\$ 1,370,836
Less: Allowance for doubtful accounts	(90,318)	(93,026)
	<u>\$ 1,524,736</u>	<u>\$ 1,277,810</u>

(5) Inventories

	<u>June 30, 2011</u>		
	<u>Cost</u>	<u>Allowance</u>	<u>Book value</u>
Merchandise	\$ 259,959	\$ -	\$ 259,959
Raw materials	1,551,467	-	1,551,467
Raw materials in transit	769,400	-	769,400
Supplies	66,270	(1,573)	64,697
Work in process	474,968	-	474,968
Finished goods	851,174	(38,593)	812,581
By-products	685	-	685
	<u>\$ 3,973,923</u>	<u>(\$ 40,166)</u>	<u>\$ 3,933,757</u>

	<u>June 30, 2010</u>		
	<u>Cost</u>	<u>Allowance</u>	<u>Book value</u>
Merchandise	\$ 204,875	\$ -	\$ 204,875
Raw materials	1,061,392	-	1,061,392
Raw materials in transit	636,680	-	636,680
Supplies	62,291	(798)	61,493
Work in process	298,079	-	298,079
Finished goods	731,899	-	731,899
By-products	1,357	-	1,357
	<u>\$ 2,996,573</u>	<u>(\$ 798)</u>	<u>\$ 2,995,775</u>

Expenses and losses of inventories recognized:

	<u>For the six-month periods ended June 30</u>	
	<u>2011</u>	<u>2010</u>
Cost of inventories sold	\$ 19,016,585	\$ 17,034,210
Loss on inventory market price decline (Note)	205	129
Loss on physical inventory	116	198
Loss on production stoppage	14,951	24,411
Loss on discarding inventory (Note)	3,315	1,971
Revenue from sale of scraps	(7,841)	(8,586)
Cost of goods sold	<u>\$ 19,027,331</u>	<u>\$ 17,052,333</u>

(Note) Current provision for inventory obsolescence and loss on discarding inventory of \$ 39,850 and \$ 49,734, but which due to plasticizer food events and Provision for loss on inventory of \$ 39,645 and \$ 46,419, have been reclassified to Non-operating Expenses and Losses (shown as "Other non-operating losses") under the account.

(6) Long-term equity investments held for sale

The subsidiary accounted for under the equity method, Ztong Yee Industrial Co., Ltd., met the criteria for classification as long-term equity investment held for disposal. The lower of carrying value and fair value of the investment amounting to \$410,319 was recognized as "long-term equity investment for disposal" on December 31, 2009 and was sold at negotiated prices during the first quarter of 2010.

(7) Available-for-sale financial assets

	June 30, 2011		June 30, 2010	
	Amount	Percentage owned	Amount	Percentage owned
Non-current items:				
Listed (TSE and OTC) stocks:				
Prince Housing Development Corp.	\$ 747, 878	10. 45%	\$ 747, 878	10. 45%
Adjustment of financial assets held for trading	<u>2, 302, 007</u>		<u>643, 347</u>	
	<u>\$3, 049, 885</u>		<u>\$1, 391, 225</u>	

(8) Financial assets carried at cost

	June 30, 2011		June 30, 2010	
	Amount	Percentage owned	Amount	Percentage owned
Non-current items:				
Unlisted stocks:				
Grand Bills Finance Co., Ltd.	\$ 690, 997	14. 46%	\$ 690, 997	14. 46%
HI-Life International Co., Ltd.	97, 490	7. 41%	97, 490	7. 41%
PK Venture Capital Corp.	66, 667	6. 67%	100, 000	6. 67%
CDIB & PARTNERS Investment Holding Corp.	250, 000	2. 48%	250, 000	2. 48%
Kaohsiung Rapid Transit Corp.	203, 714	2. 00%	203, 714	2. 00%
Others (individually less than 5%)	<u>155, 655</u>	0. 13%	<u>165, 656</u>	0. 13%
		~14. 29%		~14. 29%
	1, 464, 523		1, 507, 857	
Less: Accumulated impairment	(<u>153, 588</u>)		(<u>123, 474</u>)	
	<u>\$1, 310, 935</u>		<u>\$1, 384, 383</u>	

(a) The investments were measured at cost since its fair value cannot be measured reliably.

(b) For details of the accumulated impairment, please refer to Note 4(14).

(9) Long-term equity investments accounted for under the equity method

(a) Details of long-term equity investments accounted for under the equity method with debit

balances are set forth below:

Name of subsidiaries	June 30, 2011		June 30, 2010	
	Amount	Percentage owned	Amount	Percentage owned
Cayman President Holdings, Ltd.	\$ 19,535,907	100.00	\$ 18,943,226	100.00
Kai Yu Investment Co., Ltd.	1,981,312	"	1,934,191	"
President International Trade & Investment Corp.	1,455,316	"	1,604,523	"
Kai Nan Investment Co., Ltd.	1,110,059	"	2,665,755	"
President International Development Corp.	8,886,945	68.03	9,892,931	68.03
Ton Yi Industrial Corp.	8,894,169	45.55	8,867,268	45.55
President Chain Store Corp.	9,645,767	45.40	8,824,252	45.40
Tong-Jeng Development Corp.	3,084,574	40.50	3,433,766	40.50
Scino Pharm Taiwan Ltd.	4,510,881	39.24	3,905,005	43.41
Kuang Chuan Dairy Co, Ltd.	1,689,071	31.25	1,387,350	31.25
President Securities Corp.	5,827,371	27.26	5,431,358	27.23
Presicarre Corp.	2,224,757	20.50	1,991,967	20.50
Others (individually less than 2%)	<u>10,905,285</u>	18.89~	<u>9,480,011</u>	1.46~
(Note)		100.00		100.00
	79,751,414		78,361,603	
Less: Accumulated impairment	(75,610)		(51,641)	
	<u>\$ 79,675,804</u>		<u>\$ 78,309,962</u>	

(Note) The equity method was used to account for the investments in Mech-President Corp., etc. due to the Company's ability to exercise significant influence, even though the Company's ownership in these investee companies was less than 20%.

- (b) Details of long-term equity investments accounted for under the equity method with credit balances are set forth below:

Name of subsidiaries	June 30, 2011		June 30, 2010	
	Amount	Percentage owned	Amount	Percentage owned
Q-Ware Systems & Services Corp. (Note)	<u>\$ 28,178</u>	13.81	<u>\$ 5,038</u>	13.81

(Note) The equity method was used to account for the investment in Q-Ware Systems & Services Corp. due to the Company's ability to exercise significant influence, even though the Company's ownership in this investee company was less than 20%.

- (c) Long-term investment income accounted for under the equity method was \$3,888,461 and \$5,076,248 for the six-month periods ended June 30, 2011 and 2010, respectively. As of and for the six-month periods ended June 30, 2011 and 2010, except for 8 investee companies, including President Chain Store Corp., the Company's long-term investments in certain investee companies accounted for under the equity method were based on the investees' financial statements which were not audited by independent auditors. As of June 30, 2011 and 2010, long-term investments in these investee companies amounted to \$39,913,041 and

\$39,827,783, respectively. Related investment income in these investee companies recognized for the six-month periods ended June 30, 2011 and 2010 was \$1,470,542 and \$2,615,798, respectively.

(d) As a result of the adoption of R.O.C. SFAS No. 5, “Long-term Investments under Equity Method”, the Company recognized unrealized income and loss on financial instruments of \$1,248,275 and \$1,186,306 for the six-month periods ended June 30, 2011 and 2010, respectively.

(e) For details of accumulated impairment, please refer to Note 4(14).

(10) Property, plant and equipment

(a) As of June 30, 2011 and 2010, the revaluation increments and accumulated depreciation of property, plant and equipment are listed as follows:

Assets	June 30, 2011		June 30, 2010	
	Revaluation increment	Accumulated depreciation	Revaluation increment	Accumulated depreciation
Land	\$ 2,662,972	\$ –	\$ 2,662,972	\$ –
Buildings	127,023	2,219,337	127,023	2,108,617
Machinery and equipment	35,923	8,244,756	36,969	7,766,079
Piping infrastructure and electricity generation equipment	5,981	504,516	6,635	472,239
Transportation equipment	–	53,542	–	67,866
Office equipment	287	525,309	287	526,784
Leasehold improvements	–	122,375	–	117,438
Other equipment	20,250	3,624,480	19,021	3,348,054
	<u>\$ 2,852,436</u>	<u>\$ 15,294,315</u>	<u>\$ 2,852,907</u>	<u>\$ 14,407,077</u>

- (b) In the years 1975, 1979, 1981, 1983, 1990, 1995 and 2005, the Company revalued certain property, plant and equipment (including assets leased to others and idle assets) in accordance with the regulations for the Revaluation of Assets in the Republic of China. The amount of appraisal increment credited to asset revaluation was \$2,521,590. The balance of asset revaluations (shown as capital reserve from asset revaluations before the amended "Business Entity Accounting Law") was \$1,510,132 as of June 30, 2011 and 2010. In addition, as a result of the adoption of R.O.C. SFAS No. 5, "Long-term Investments under Equity Method", the Company recognized the unrealized asset revaluation amounting to \$652,110 and \$652,730 as of June 30, 2011 and 2010, respectively.
- (c) The balance of the provision for asset appraisal increments tax was \$815,439 as of June 30, 2011 and 2010.
- (d) Interest expense before capitalization for the six-month periods ended June 30, 2011 and 2010 was \$137,013 and \$166,315, respectively. Interest capitalized totaled \$1,471 and \$464 with interest rates of 1.07% and 0.87% for the six-month periods ended June 30, 2011 and 2010, respectively.
- (e) As of June 30, 2011 and 2010, the Company both owned certain agricultural land amounting to \$56,940 (shown as "Other assets-other") for expansion of plant facilities. This agricultural land has yet to be rezoned for industrial use. Accordingly, the land title has not been officially transferred to the Company. However, the Company has secured the land deeds and other ownership documents to ensure ownership.

(f) Leased property

The terms of the major leased properties are summarized as follows:

- (i) Upon the maturity of the lease contracts, the titles of the leased properties accounted for under the capital leases are transferred to the Company at no additional cost.

The rental payments and the leased properties are listed as follows:

Category of property	Present value discounted on the implicit interest rate	Period
Buildings, piping infrastructure and electricity generation equipment and other equipment	<u>\$ 240,000</u>	August 1997-July 2012 180 equal monthly installments

- (ii) The leased property contract was terminated in advance in May 2010, resulting to a benefit of \$24,939 (shown as "Gain on disposal of property, plant and equipment").

(11) Assets leased to others

Assets	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
	June 30, 2011						
Land	\$ 2,578,161	\$ 370,789	\$2,948,950	\$ -	\$ -	\$ -	\$ 2,948,950
Buildings	1,869,658	14,075	1,883,733	(399,450)	(13,818)	(413,268)	1,470,465
Machinery and equipment	8,212	-	8,212	(7,853)	-	(7,853)	359
Piping infrastructure and electricity generation equipment	8,046	-	8,046	(7,841)	-	(7,841)	205
Office equipment	2,117	-	2,117	(2,029)	-	(2,029)	88
Other equipment	161,225	4,290	165,515	(146,487)	(4,290)	(150,777)	14,738
	<u>\$ 4,627,419</u>	<u>\$ 389,154</u>	<u>\$5,016,573</u>	<u>(\$ 563,660)</u>	<u>(\$ 18,108)</u>	<u>(\$ 581,768)</u>	<u>\$ 4,434,805</u>
June 30, 2010							
Assets	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	Net book value
Land	\$ 2,578,161	\$ 370,789	\$2,948,950	\$ -	\$ -	\$ -	\$ 2,948,950
Buildings	1,868,330	14,075	1,882,405	(359,848)	(13,706)	(373,554)	1,508,851
Machinery and equipment	11,373	-	11,373	(10,719)	-	(10,719)	654
Piping infrastructure and electricity generation equipment	8,046	-	8,046	(7,773)	-	(7,773)	273
Office equipment	2,117	-	2,117	(2,009)	-	(2,009)	108
Other equipment	159,059	4,290	163,349	(144,072)	(4,290)	(148,362)	14,987
	<u>\$ 4,627,086</u>	<u>\$ 389,154</u>	<u>\$5,016,240</u>	<u>(\$ 524,421)</u>	<u>(\$ 17,996)</u>	<u>(\$ 542,417)</u>	<u>\$ 4,473,823</u>

(a) Rental revenues for the six-month periods ended June 30, 2011 and 2010 were \$127,798 and \$146,285, respectively.

(b) The Company revalued certain assets leased to others in accordance with the Regulations for the Revaluation of Assets in the Republic of China.

Please refer to Note 4(10) Property, plant and equipment.

(12) Idle assets

Assets	June 30, 2011						
	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$ 116,359	\$ 566	\$ 116,925	\$ -	\$ -	\$ -	\$ 116,925
Buildings	110,419	4,860	115,279	(91,068)	(4,851)	(95,919)	19,360
	<u>\$ 226,778</u>	<u>\$ 5,426</u>	<u>\$ 232,204</u>	<u>(\$ 91,068)</u>	<u>(\$ 4,851)</u>	<u>(\$ 95,919)</u>	136,285
Less: Accumulated impairment							(22,850)
							<u>\$ 113,435</u>
Assets	June 30, 2010						
	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$ 116,359	\$ 566	\$ 116,925	\$ -	\$ -	\$ -	\$ 116,925
Buildings	110,419	4,860	115,279	(87,260)	(4,849)	(92,109)	23,170
Machinery and equipment	248,341	-	248,341	(192,242)	-	(192,242)	56,099
Piping infrastructure and electricity generation equipment	8,453	41	8,494	(6,949)	(41)	(6,990)	1,504
Office equipment	1,344	-	1,344	(1,257)	-	(1,257)	87
Other equipment	134,982	1,373	136,355	(119,040)	(1,373)	(120,413)	15,942
	<u>\$ 619,898</u>	<u>\$ 6,840</u>	<u>\$ 626,738</u>	<u>(\$ 406,748)</u>	<u>(\$ 6,263)</u>	<u>(\$ 413,011)</u>	213,727
Less: Accumulated impairment							(28,022)
							<u>\$ 185,705</u>

(a) The Company revalued certain idle assets in accordance with the Regulations for the Revaluation of Assets in the Republic of China. Please refer to Note 4(10) Property, plant and equipment.

(b) For details of accumulated impairment, please refer to Note 4(14).

(13) Deferred expenses

	For the six-month periods ended June 30,	
	2011	2010
Beginning balance	\$ 32,615	\$ 44,530
Additions	1,735	550
Deductions	-	(225)
Amortization	(5,940)	(7,307)
Ending balance	<u>\$ 28,410</u>	<u>\$ 37,548</u>

The deferred expenses include lease of packing machines. The minimum advance rental payments are amortized over a period of 7~8 years, the estimated economic lives of the packing machines, and the contingent rental paid quarterly or based on the unit-of-production is treated as current expense.

(14) Impairment of assets

After reversal of impairment loss previously recognized, the total accumulated impairment as of June 30, 2011 and 2010 was \$252,048 and \$203,137, respectively. Details are set forth below:

Item	June 30, 2011	
	Amount included in statement of income	Amount included in stockholders' equity
Recorded as impairment loss:		
Financial assets carried at cost - non-current	\$ 153,588	\$ -
Impairment loss on the difference between the acquisition cost and the Company's share in the subsidiary's net book value on the date of acquisition	75,610	-
Idle assets (Note)	22,850	-
	<u>\$ 252,048</u>	<u>\$ -</u>

Item	June 30, 2010	
	Amount included in statement of income	Amount included in stockholders' equity
Recorded as impairment loss:		
Financial assets carried at cost - non-current	\$ 123,474	\$ -
Impairment loss on the difference between the acquisition cost and the Company's share in the subsidiary's net book value on the date of acquisition	51,641	-
Idle assets (Note)	28,022	-
	<u>\$ 203,137</u>	<u>\$ -</u>

The accumulated impairment summarized by department are as follows:

June 30, 2011		
Department	Amount included in statement of income	Amount included in stockholders' equity
Company	\$ 251,400	\$ -
Foods	-	-
Feeds	648	-
	<u>\$ 252,048</u>	<u>\$ -</u>
June 30, 2010		
Department	Amount included in statement of income	Amount included in stockholders' equity
Company	\$ 192,046	\$ -
Foods	10,272	-
Feeds	819	-
	<u>\$ 203,137</u>	<u>\$ -</u>

(Note) The impairment loss on financial asset carried at cost-non-current had been recognized, and part of idle assets have been disposed or transferred to property, plant and equipment during the six-month periods ended June 30, 2011 and 2010. As such, the reversal of impairment loss of \$3,647 and \$8,324 was recognized for the six-month periods ended June 30, 2011 and 2010, respectively.

(15) Short-term loans

	June 30, 2011	June 30, 2010	Collateral or security
Unsecured bank loans	<u>\$ 732,598</u>	<u>\$ 651,043</u>	-
Range of interest rates	<u>0.63%~1.27%</u>	<u>0.56%~1.14%</u>	

(16) Bonds payable

	June 30, 2011	June 30, 2010	Collateral or security
Unsecured convertible bonds payable in 2007	\$ -	\$4,675,000	-
Unsecured ordinary bonds payable in 2009	3,000,000	3,000,000	-
Unsecured ordinary bonds payable in 2010	2,200,000	2,200,000	-
Unsecured ordinary bonds payable in 2010	1,800,000	-	-
Unsecured ordinary bonds payable in 2011	3,000,000	-	-
	10,000,000	9,875,000	
Less: Discount on bonds payable	-	(37,459)	
Current portion of bonds payable	-	(4,637,541)	
	<u>\$ 10,000,000</u>	<u>\$ 5,200,000</u>	

A. The Company issued unsecured convertible bonds at premium price in October 2007 and listed in the OTC on October 29, 2007. The significant terms of the bonds are as follows:

- (a) Total issue amount: \$5,000,000
- (b) Issue price: At 103% of par value of \$100 per bond
- (c) Coupon rate: 0%
- (d) Repayment term:

In addition to the bondholders converting the bonds to common stocks under the terms of the bonds, the bonds are repayable upon the maturity of the bonds.

- (e)Period: 3 years, from October 25, 2007 to October 25, 2010
- (f)Conversion period:
 Except for the closed period, the bonds may be converted into the Company's common stocks on or after November 26, 2007 and on or prior to October 15, 2010. As of October 25, 2010, no bonds have been converted into common stocks.
- (g)Conversion price and adjustment:
 The conversion price is \$56 (in NT dollars) per share. Except for the common stocks converted from securities with conversion rights or options issued by the Company, the Company shall adjust the conversion price under the terms of the bonds in the cases of new shares issued, stock dividends, free distribution, cash dividends or equity dilution to the original shareholders. As of October 25, 2010, the conversion price was \$43.2 (in NT dollars).
- (h)Under the terms of the convertible bonds, all bonds (redeemed, matured and converted) are retired and not to be re-issued. As of October 25, 2010 and June 30, 2010, convertible bonds in the amount of \$325,000 were repurchased by the Company from the Taiwan Over-The-Counter Securities Exchange.
- (i)Under the terms of the bonds, the rights and obligations of the new common stocks converted from the bonds equal to those issued originally.
- B.For issued unsecured convertible bonds, the Company separates the conversion rights from the liabilities, which amounted to \$523,481 as "capital reserve-stock warrants" in accordance with the R.O.C SFAS No. 36, "Disclosure and Presentation of Financial Instruments". As of June 30, 2011 and 2010, the capital reserve-stock warrants for the bonds redeemed, matured and converted was \$ — and \$489,454, respectively.
- C.The Company issued unsecured ordinary bonds payable in December 2009. The significant terms of the bonds are as follows:
- (a)Total issue amount:
 The Company issued unsecured ordinary bonds totaling \$3,000,000, including \$1,500,000 of A and B.
- (b)Issue price: At par value of \$1,000 per bond
- (c)Coupon rate:
 (i) A Bond: the coupon rate is 1.23% per annum
 (ii)B Bond: the coupon rate is 1.59% per annum
- (d)Term of interest repayment:
 The bond interest is calculated on simple rate every year starting December 2009 based on the coupon rate.
- (e)Repayment term:
 (i) A Bond: the bonds are repayable in December 2012 upon the maturity of the bonds.
 (ii)B Bond: the bonds are repayable starting December 2013 to December 2014 in two installments at the rate of 50% and 50%, respectively.
- (f)Period:
 (i) A Bond: 3 years, from December 22, 2009 to December 12, 2012
 (ii)B Bond: 5 years, from December 22, 2009 to December 12, 2014
- (g)Guarantee Bank:
 The bonds are guaranteed by Hwa Nan Commercial Bank.
- D.The Company issued unsecured ordinary bonds payable in June 2010. The significant terms of the bonds are as follows:
- (a)Total issue amount:
 The Company issued unsecured ordinary bonds totaling \$2,200,000, including \$700,000 of A and \$1,500,000 of B.

- (b) Issue price: At par value of \$1,000 per bond
 - (c) Coupon rate:
 - (i) A Bond: the coupon rate is 1.22% per annum
 - (ii) B Bond: the coupon rate is 1.57% per annum
 - (d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting June 2010 based on the coupon rate.
 - (e) Repayment term:
 - (i) A Bond: the bonds are repayable in June 2013 upon the maturity of the bonds.
 - (ii) B Bond: the bonds are repayable starting June 2014 to June 2015 in two installments at the rate of 50% and 50%, respectively.
 - (f) Period:
 - (i) A Bond: 3 years, from June 25, 2010 to June 25, 2013
 - (ii) B Bond: 5 years, from June 25, 2010 to June 25, 2015
 - (g) Guarantee Bank:

The bonds are guaranteed by Taipei Fubon Commercial Bank.
- E. The Company issued unsecured ordinary bonds payable in October 2010. The significant terms of the bonds are as follows:
- (a) Total issue amount: \$1,800,000
 - (b) Issue price: At par value of \$1,000 per bond
 - (c) Coupon rate: 1.23%
 - (d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting October 2010 based on the coupon rate.
 - (e) Repayment term:

The bonds are repayable starting October 2014 to October 2015 in two installments at the rate of 50% and 50%, respectively.
 - (f) Period: 5 years, from October 27, 2010 to October 27, 2015
 - (g) Guarantee Bank:

The bonds are guaranteed by Taipei Fubon Commercial Bank.
- F. The Company issued unsecured ordinary bonds payable in June 2011. The significant terms of the bonds are as follows:
- (a) Total issue amount: \$3,000,000
 - (b) Issue price: At par value of \$1,000 per bond
 - (c) Coupon rate: 1.43%
 - (d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting June 2011 based on the coupon rate.
 - (e) Repayment term:

The bonds are repayable starting June 2015 to June 2016 in two installments at the rate of 50% and 50%, respectively.
 - (f) Period: 5 years, from June 17, 2011 to June 17, 2016
 - (g) Guarantee Bank:

The bonds are guaranteed by Taipei Fubon Commercial Bank.

(17) Long-term loans

	<u>June 30, 2011</u>	<u>June 30, 2010</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 16,590,000	\$ 17,530,000	—
Revolving credit facility	<u>1,500,000</u>	<u>3,300,000</u>	—
	18,090,000	20,830,000	
Less: Prepaid interest	—	(2,240)	
	<u>\$ 18,090,000</u>	<u>\$ 20,827,760</u>	
Range of maturity dates	<u>2012.7.15~2015.1.2</u>	<u>2011.7.22~2014.11.30</u>	
Range of interest rates	<u>0.78%~1.33%</u>	<u>0.58%~1.06%</u>	

(18) Retirement plan

(a) The Company has set up a defined benefit pension plan in accordance with the Labor Standards Law, which applies to formal employees before the enforcement of the Labor Pension Act (the "Act") on July 1, 2005 and the employees who choose to be covered under the pension scheme of the Labor Standards Law after the enforcement of the Act. Under the defined benefit plan, two units are granted for each year of service for the first 15 years and one unit is granted for each additional year thereafter, subject to a maximum of 45 units. Pensions paid upon retirement are based on the number of units granted and the average monthly salaries and wages of the last six months prior to retirement. The Company contributes monthly an amount equal to 14.88% (14.61% prior to January 2011) of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan under the name of the independent retirement fund committee. For the six-month periods ended June 30, 2011 and 2010, net pension costs recognized under the defined benefit plan were \$231,486 and \$225,163, respectively. The balance of the retirement fund deposited with Bank of Taiwan was \$4,121,191 and \$3,718,948 as of June 30, 2011 and 2010, respectively.

(b) As a result of the enforcement of the Act, the Company set up a defined contribution pension plan which took effect from July 1, 2005. The local employees are eligible for the defined contribution plan. For employees who choose to be covered under the pension scheme of the Act, the Company contributes monthly an amount of not less than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. Pensions are paid in monthly installments or in lump sum based on the accumulated balances of the employees' individual pension accounts. The net pension costs recognized under the defined contribution plan for the six-month periods ended June 30, 2011 and 2010 were \$54,828 and \$39,877, respectively.

(19) Common stock and stock dividends distributable

(a) The stockholders at their annual stockholders' meeting on June 23, 2010 adopted a resolution to increase capital through unappropriated retained earnings of \$3,897,400. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 18, 2010. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$42,871,402, consisting of 4,287,140,000 shares with a par value of \$10 (in NT dollars) per share.

(b) The stockholders at their annual stockholders' meeting on June 23, 2011 adopted a resolution to increase capital through unappropriated retained earnings of \$2,572,284. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 15, 2011. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$45,443,686, consisting of 4,544,369,000 shares with a par value of \$10 (in NT dollars) per share.

(20) Capital reserve

- (a) The R.O.C. Company Law requires that capital reserve shall be exclusively used to cover accumulated deficit or to increase capital and shall not be used for any other purpose. However, capital reserve arising from paid-in capital in excess of par value on issuance of common stock and donations can be capitalized once a year, provided that the Company has no accumulated deficit and the amount to be capitalized does not exceed 10% of the paid-in capital.
- (b) For details of Capital reserve-stock warrants, please refer for Note 4(16) Bonds payable.

(21) Retained earnings

- (a) According to the R.O.C. Company Law, the annual net income shall be used initially to cover any accumulated deficit; thereafter 10% of the annual net income shall be set aside as legal reserve until the legal reserve has reached 100% of contributed capital. The legal reserve shall be exclusively used to cover accumulated deficit, if the balance of reserve exceeds 50% of contributed capital, and to increase capital not exceeding 50% of reserve balance and shall not be used for any other purpose.
- (b) According to the Company's Articles of Incorporation, 10% of the annual net income, after offsetting any loss of prior years and paying all taxes and dues, shall be set aside as legal reserve. The remaining net income and the unappropriated retained earnings from prior years can be distributed in accordance with a resolution passed during a meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount to be distributed by the Company, stockholders' bonuses shall comprise 50% to 100% of the unappropriated retained earnings, the percentage of cash dividends shall not be less than 30% of dividends distributed. Directors' and supervisors' remuneration shall comprise 2% and at least 0.2% for employees' bonuses.
- (c) The appropriation of 2010 and 2009 earnings had been resolved at the stockholders' meeting on June 23, 2011 and June 23, 2010, respectively. Details are summarized below:

	2010		2009	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 1,092,904	\$ -	\$ 786,083	\$ -
Cash dividends	6,001,996	1.40	3,117,920	0.80
Stock dividends	2,572,284	0.60	3,897,400	1.00
Employees' cash bonus	955,370	-	650,965	-
Directors' and supervisors' remuneration	196,723	-	141,495	-
Total	<u>\$10,819,277</u>	<u>\$ 2.00</u>	<u>\$ 8,593,863</u>	<u>\$ 1.80</u>

- (d) The estimated amounts of employees' bonus and directors' and supervisors' remuneration for the six-month periods ended June 30, 2011 and 2010 are \$573,233 and \$667,162, respectively. The basis of estimates is based on a certain percentage of 2011 and 2010 net income after taking into account the legal reserve and other factors, as prescribed under the Company's Articles of Incorporation. Information on the appropriation of the Company's employees' bonus and directors' and supervisors' remuneration as resolved by the Board of Directors and approved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange. The differences between the actual distribution as approved at the stockholders' meeting and the amounts recognized in the 2010 and 2009 financial statements were \$1,575 and \$1,495 for employees' bonus, respectively, and \$1,150,518 and \$793,955 for directors' and supervisors' remuneration, respectively, due to the

difference in estimate calculation. Such differences were recognized in profit or loss for the six-month periods ended June 30, 2011 and 2010, respectively.

(e) As of June 30, 2011 and 2010, the balance of unappropriated earnings was as follows:

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
(A) Unappropriated earnings before 1998	\$ 36,165	\$ 36,165
(B) Unappropriated earnings in and after 1998	<u>1,363,359</u>	<u>101,504</u>
	<u>\$ 1,399,524</u>	<u>\$ 137,669</u>

Net income in the amount of \$4,682,780 and \$6,215,865 for the six-month periods ended June 30, 2011 and 2010, respectively, cannot be distributed since these amounts have not been approved by the shareholders.

(f) As of June 30, 2011 and 2010, the imputation tax credit account balance amounted to \$443,056 and \$132,661, respectively. The Company distributed unappropriated earnings in 2010 and 2009 as dividends in accordance with the resolution adopted at the stockholders' meeting on June 23, 2011 and June 23, 2010, respectively, and the date of dividends distribution was on August 15, 2011 and August 18, 2010, respectively. The 2011 and 2010 creditable ratio were 4.02% and 9.12%, respectively.

(g) In accordance with relevant laws and regulations, long-term equity investment accounted for under the equity method-President Securities Corp. will be put out of the trading losses and default losses recognized as a special reserve. In addition to filling the company's deficit after recognized as a special reserve, except for special reserve reached 50% of paid-in capital its half of the amount capitalized herein was not be used. As of June 30, 2011, the company adopted R.O.C SFAS No. 5, "Long-term Investments under Equity Method," the Company recognized special reserve of \$ 95,736.

(22) Personnel expenses, depreciation and amortization

For the six-month periods ended June 30, 2011 and 2010, the personnel expenses, depreciation and amortization were as follows:

	<u>For the six-month period ended June 30, 2011</u>		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Personnel expenses			
Salaries and wages	\$ 1,037,009	\$ 1,938,200	\$ 2,975,209
Insurance	84,434	66,822	151,256
Pension	147,409	125,691	273,100
Others	<u>52,030</u>	<u>35,582</u>	<u>87,612</u>
	<u>\$ 1,320,882</u>	<u>\$ 2,166,295</u>	<u>\$ 3,487,177</u>
Depreciation	<u>\$ 362,693</u>	<u>\$ 47,359</u>	<u>\$ 410,052</u>
Amortization	<u>\$ 1,470</u>	<u>\$ 1,130</u>	<u>\$ 2,600</u>

For the six-month period ended June 30, 2010

	Operating costs	Operating expenses	Total
Personnel expenses			
Salaries and wages	\$ 956,686	\$ 1,708,914	\$ 2,665,600
Insurance	76,757	61,149	137,906
Pension	129,120	116,912	246,032
Others	55,177	39,993	95,170
	<u>\$ 1,217,740</u>	<u>\$ 1,926,968</u>	<u>\$ 3,144,708</u>
Depreciation	<u>\$ 385,404</u>	<u>\$ 53,372</u>	<u>\$ 438,776</u>
Amortization	<u>\$ 1,757</u>	<u>\$ 2,035</u>	<u>\$ 3,792</u>

(23) Deferred income tax and income tax expense

(a) Adjustments for income tax expense and income tax payable were as follows:

	For the six-month periods ended June 30,	
	2011	2010
Income tax at the statutory tax rate	\$ 840,429	\$ 1,078,250
Tax effect of five-year tax-free project	(10,874)	(17,774)
Tax effect of permanent differences	(604,665)	(1,015,167)
Tax effect of investment tax credits	(188,186)	(97,536)
Over provision of prior year's income tax	(10,060)	(3,039)
Tax effect of alternative minimum tax	108,089	199,339
Tax effect of change in tax rate	-	(23,232)
10% tax on unappropriated earnings	<u>126,185</u>	<u>5,943</u>
Income tax expense	260,918	126,784
Net changes of deferred income tax assets (liabilities)	(162,889)	69,522
Over provision of prior year's income tax	10,060	3,039
Prepaid income tax	<u>(15)</u>	<u>(20)</u>
Income tax payable	<u>\$ 108,074</u>	<u>\$ 199,325</u>

- (b) The details of deferred income tax assets or liabilities resulting from temporary differences and investments tax credits were as follows:

	<u>June 30, 2011</u>		<u>June 30, 2010</u>	
	<u>Amount</u>	<u>Tax effect</u>	<u>Amount</u>	<u>Tax effect</u>
Current items:				
Temporary differences				
Bad debts expense	\$ 98,568	\$ 16,757	\$ 107,343	\$ 18,248
Unrealized inventory value decline	40,166	6,828	798	136
Employee benefits	23,805	4,047	18,660	3,172
Unrealized loss (gain)	1,113	189	(16,752)	(2,848)
Unrealized gain on foreign currency transactions	(3,000)	(510)	-	-
Investment tax credits		<u>180,000</u>		<u>180,000</u>
		<u>\$ 207,311</u>		<u>\$ 198,708</u>
Non-current items:				
Temporary differences				
Investment loss	\$ 351,845	\$ 59,814	\$ 351,845	\$ 59,814
Depreciation	(1,623,552)	(276,004)	(1,756,864)	(298,667)
Impairment loss	169,083	28,744	120,172	20,429
Pension cost	475,953	80,912	474,108	80,598
Employee benefits	44,534	7,571	45,188	7,682
Investment tax credits		<u>322,606</u>		<u>457,717</u>
		<u>\$ 223,643</u>		<u>\$ 327,573</u>

- (c) As of June 30, 2011, the Company's investment tax credits consisted of the following:

<u>Regulations</u>	<u>Tax credit items</u>	<u>Total credits</u>	<u>Unused amount</u>	<u>Year of expiry</u>
Statute for Upgrading Industries	Research and development expenditures	\$ 167,333	\$ 40,294	2013
"	Acquisition of automation equipment	52,700	19,977	2014
"	Personnel training	14,707	5,209	2013
"	Shareholders' investment credit	<u>456,052</u>	<u>437,126</u>	2014
		<u>\$ 690,792</u>	<u>\$ 502,606</u>	

- (d) As of August 29, 2011, the Company's income tax returns through 2009 have been assessed by the Tax Authority and there were no disputes existing between the Company and the Tax Authority.

(24) Earnings per common share ("EPS")

	For the six-month period ended June 30, 2011				
	Amount		Weighted average number of shares outstanding during the period (shares in thousands)	EPS (in NT dollars)	
	Before tax	After tax		Before tax	After tax
Basic earnings per share					
Net income	\$4, 943, 698	\$4, 682, 780	4, 544, 369	<u>\$ 1. 09</u>	<u>\$ 1. 03</u>
Dilutive effect of common stock equivalents:					
Employees' bonuses	—	—	14, 252		
Diluted earnings per share					
Net income	<u>\$4, 943, 698</u>	<u>\$4, 682, 780</u>	<u>4, 558, 621</u>	<u>\$ 1. 08</u>	<u>\$ 1. 03</u>

	For the six-month period ended June 30, 2010				
	Amount		Weighted average number of shares outstanding during the period (shares in thousands)	EPS (in NT dollars)	
	Before tax	After tax		Before tax	After tax
Basic earnings per share					
Net income	\$6, 342, 649	\$6, 215, 865	4, 544, 369	<u>\$ 1. 40</u>	<u>\$ 1. 37</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	59, 109	49, 060	101, 965		
Employees' bonuses	—	—	20, 750		
Diluted earnings per share					
Net income	<u>\$6, 401, 758</u>	<u>\$6, 264, 925</u>	<u>4, 667, 084</u>	<u>\$ 1. 37</u>	<u>\$ 1. 34</u>

(a)The above weighted-average outstanding common shares have been adjusted retroactively in proportion to retained earnings as of December 31, 2010.

(b)As employees' bonus could be distributed in the form of stock, the diluted EPS computation shall include those estimated shares that would increase from employees' stock bonus issuance in the weighted-average number of common shares outstanding during the reporting year, taking into account the dilutive effects of stock bonus on potential common shares; whereas, basic EPS shall be calculated based on the weighted-average number of common shares outstanding during the reporting year that include the shares of employees' stock bonus for the appropriation of prior year earnings, which have already been resolved at the stockholders' meeting held in the reporting year. Since capitalization of employees' bonus no longer belongs to distribution of stock dividends, the calculation of basic EPS and diluted EPS for all periods presented shall not be adjusted retroactively.

5. RELATED PARTY TRANSACTIONS

(a) Related parties and their relationship with the Company

Names of related parties	Relationship with the Company
Cayman President Holdings Ltd.	Subsidiary accounted for under the equity method
Kai Yu Investment Co., Ltd.	"
Uni-President Vendor Corp.	"
President Baseball Team Corp.	"
Uni-President Dream Parks Corp.	"
President Nisshin Corp.	"
President Packaging Corp.	"
President Kikkoman Inc.	"
Ton Yi Industrial Corp.	"
President Chain Store Corp.	"
TTET Union Corp.	"
Presicarre Corp.	"
Uni-President Cold Chain Corp.	"
Retail Support International Corp.	"
Tung Yuan Corp.	"
Uni-President Southeast Asia Holdings Ltd.	A subsidiary of Cayman President Holdings Ltd. (accounted for under the equity method)
Sanshui Jianlibao Commerce Co., Ltd.	"
Linkhope Int'l LLC. (LINKHOPE)(Note)	"
Tung Ang Enterprises Corp.	A subsidiary of Kai Yu Investment Co., Ltd. (accounted for under the equity method)
Tun Hsiang Enterprises Corp.	A subsidiary of Nanlien International Corp. (accounted for under the equity method)
Kuan Chang Enterprises Corp.	"
Tung-Yu Enterprises Corp.	"
Hsin Tung Enterprises Corp.	"
Uni-President (Vietnam) Co., Ltd.	A subsidiary of Southeast Asia Holdings Limited (accounted for under the equity method)
Kuan Chang Wholesale & Logistics Co., Ltd.	A subsidiary of Kuan Chang Enterprises Corp. (accounted for under the equity method)
Young Yun Investment Co., Ltd.	The company is the director
Naturally Yours Corp.	A director of President Natural International Corp.

(Note) In June 2011, the Company has been liquidated.

For other related parties over which the Company exercises significant influence but with which the Company had no material transactions, please refer to Note 11 for related information.

(b) Transactions with related parties

1. Sales

	For the six-month periods ended June 30,			
	2011		2010	
	Amount	Percentage of net sales	Amount	Percentage of net sales
Uni-President Cold Chain Corp.	\$ 3,596,430	14	\$ 3,287,017	15
Tung Ang Enterprises Corp.	3,411,074	14	3,098,619	14
President Chain Store Corp.	1,417,742	6	1,228,992	5
Retail Support International Corp.	1,152,748	5	924,399	4
Tun Hsiang Enterprises Corp.	848,646	3	757,729	3
Others	5,353,944	21	5,278,317	24
	<u>\$15,780,584</u>	<u>63</u>	<u>\$14,575,073</u>	<u>65</u>

The collection period for third parties was two weeks after sales of foods, 60~120 days after sales of foodstuff and animal feed products and 10~15 days after sales of soybean products. The collection period for related parties was approximately one month after sales, except as follows: two months for sales to companies of outlet channel and one month for sales to companies that operate both in outlet channel and traditional channel; two weeks for sales to companies of traditional channel; Retail Support International Corp. closes its accounts 30 days after the end of each month; Uni-President Vendor Corp. closes its accounts 30~60 days after the end of each month; Tung Ang Enterprises Corp. closes its accounts 10 days and remit in 28 days after sales; Uni-President Cold Chain Corp. and President Chain Store Corp. closes its accounts 30 days after the end of each month. Except for the collection periods mentioned above, other terms of sales were the same for related and third parties.

2. Purchases

	For the six-month periods ended June 30,			
	2011		2010	
	Amount	Percentage of net purchases	Amount	Percentage of net purchases
TTET Union Corp.	\$ 608,913	3	\$ 476,354	3
President Kikkoman Inc.	495,715	3	458,709	3
President Nisshin Corp.	262,043	2	214,210	2
President Packaging Corp.	104,177	1	105,954	-
Others	189,177	1	214,046	2
	<u>\$ 1,660,025</u>	<u>10</u>	<u>\$ 1,469,273</u>	<u>10</u>

The terms of purchases and payments (due within one month) to related parties were the same with third party suppliers except for the following companies:

(i) The payment term for purchases from TTET Union Corp., Ton Yi Industrial Corp. and President Nisshin Corp. was 30 days after the end of each month.

(ii) Purchases from Uni-President (Vietnam) Co., Ltd. were paid immediately upon receipt.

3. Acquisition of long-term investments

	<u>For the six-month periods ended June 30,</u>	
	<u>2011</u>	<u>2010</u>
LINKHOPE	\$ 1,006,683	\$ -
Naturally Yours Corp.	77,280	-
Young Yun Investment Co., Ltd.	-	138,900
	<u>\$ 1,083,963</u>	<u>\$ 138,900</u>

(a) In June 2011, the Company acquired 6,368,000 and 2,760,000 shares of common stock of Weilih Food Industrial Co., Ltd. from Linkhope Intl. LLC. and President Natural Industrial Corp. from Naturally Yours Corp. at negotiated prices based on financial analysis by experts, respectively.

(b) In March 2010, the Company acquired 13,890,000 shares of common stock of President International Development Corp. from Young Yun Investment Co., Ltd. at negotiated prices based on financial analysis by experts.

4. Disposal of long-term investments

	<u>For the six-month period ended June 30, 2011</u>		
	<u>Selling price</u>	<u>Book value</u>	<u>Gain</u>
President Chain Store Corp.	<u>\$ 92,090</u>	<u>\$ 10,000</u>	<u>\$ 82,090</u>

	<u>For the six-month period ended June 30, 2010</u>		
	<u>Selling price</u>	<u>Book value</u>	<u>Gain</u>
President Chain Store Corp.	<u>\$ 29,317</u>	<u>\$ 30,843</u>	<u>(\$ 1,526)</u>

In March 2011 and March 2010, the Company sold 1,243,000 shares of common stock of Muji Taiwan Co., Ltd. and 2,290,000 shares of common stock of Q-ware Systems & Service Corp. to President Chain Store Corp. at negotiated prices based on financial analysis by experts.

5. Processing expenses

	<u>For the six-month periods ended June 30,</u>	
	<u>2011</u>	<u>2010</u>
TTET Union Corp.	<u>\$ 114,965</u>	<u>\$ 130,345</u>

6. Other expenses

	For the six-month periods ended June 30,	
	2011	2010
Advertising expenses:		
Uni-President Dream Parks Corp.	\$ 170,652	\$ 162,417
President Baseball Team Corp.	26,110	33,906
	<u>196,762</u>	<u>196,323</u>
Other expenses:		
Uni-President Cold Chain Corp.	276,248	205,159
Tun Hsiang Enterprises Corp.	94,922	48,133
Kuan Chang Wholesale & Logistics Co., Ltd.	58,115	51,832
Others	645,033	281,192
	<u>1,074,318</u>	<u>586,316</u>
	<u>\$ 1,271,080</u>	<u>\$ 782,639</u>

7. Rental income

	Collection frequency	For the six-month periods ended June 30,	
		2011	2010
Retail Support International Corp.	Monthly	\$ 20,025	\$ 20,025
Uni-President Cold Chain Corp.	"	17,894	18,322
President Kikkoman Corp.	"	12,880	12,478
Others	"	24,364	25,795
		<u>\$ 75,163</u>	<u>\$ 76,620</u>

Rentals are charged based on the existing lease agreements at negotiated prices.

8. Other income

	For the six-month periods ended June 30,	
	2011	2010
Management and technical consultancy fees:		
Uni-President Southeast Asia Holdings Ltd.	\$ 41,675	\$ 37,555
Others	179,450	177,238
	<u>221,125</u>	<u>214,793</u>
Other income:		
Tung-Yu Enterprises Corp.	14,429	14,936
Tun Hsiang Enterprises Corp.	14,415	14,609
Hsin Tung Enterprises Corp.	10,245	10,824
Cayman President Holdings Ltd.	2,179	12,527
Tung Yuan Corp.	9,369	11,561
Others	48,147	43,313
	<u>98,784</u>	<u>107,770</u>
	<u>\$ 319,909</u>	<u>\$ 322,563</u>

9. Accounts receivable

	June 30, 2011		June 30, 2010	
	Amount	Percentage	Amount	Percentage
Uni-President Cold Chain Corp.	\$ 1,086,168	19	\$ 987,058	20
Tung Ang Enterprises Corp.	780,710	14	664,471	13
Others	2,186,443	39	2,036,221	40
	<u>\$ 4,053,321</u>	<u>72</u>	<u>\$ 3,687,750</u>	<u>73</u>

10. Other receivables

	June 30, 2011		June 30, 2010	
	Amount	Percentage	Amount	Percentage
Uni-President Southeast Asia Holdings Ltd.	\$ 20,513	5	\$ 19,368	3
Tung Ang Enterprises Corp.	17,042	4	15,379	2
Tun Hsiang Enterprises Corp.	3,612	1	26,237	4
Others	81,068	20	124,984	20
	<u>\$ 122,235</u>	<u>30</u>	<u>\$ 185,968</u>	<u>29</u>

11. Accounts payable

	June 30, 2011		June 30, 2010	
	Amount	Percentage	Amount	Percentage
President Kikkoman Inc.	\$ 86,526	4	\$ 72,075	3
TTET Union Corp.	61,739	3	59,004	3
President Nisshin Corp.	58,510	3	49,867	3
President Packging Corp.	25,725	1	26,827	1
Others	16,911	1	34,162	2
	<u>\$ 249,411</u>	<u>12</u>	<u>\$ 241,935</u>	<u>12</u>

12. Accrued expenses

	June 30, 2011		June 30, 2010	
	Amount	Percentage	Amount	Percentage
Uni-President Cold Chain Corp.	\$ 151,472	4	\$ 135,467	4
President Chain Store Corp.	119,626	4	79,950	3
Presicarre Corp.	96,438	3	207,430	6
Others	275,676	8	244,839	8
	<u>\$ 643,212</u>	<u>19</u>	<u>\$ 667,686</u>	<u>21</u>

(c) Contingent liabilities and commitments

(1) The details of endorsements and guarantees provided to related parties were as follows:

	June 30, 2011	June 30, 2010
Sanshui Jianlibao Commerce Co., Ltd.	\$ 2,962,700	\$ 3,185,650
Kai Yu Investment Co., Ltd.	2,069,000	1,685,900
Cayman President Holdings Ltd.	–	10,031,482
Others	3,033,386	4,500,555
	<u>\$ 8,065,086</u>	<u>\$ 19,403,587</u>

As of June 30, 2011 and 2010, the actual amount of endorsements and guarantees provided to related parties were \$6,529,511 and \$15,681,020, respectively.

- (2) In July 2000, President Chain Store Corp. signed a perpetual technical cooperation contract (the Contract) with Southland Corporation. The terms of the contract are as follows:
- (i) The Company guarantees that President Chain Store Corp. will fulfill all payments or other obligations due under the contract to Southland Corporation.
 - (ii) Without the written approval of Southland Corporation in advance, the Company may not sell, transfer, donate, or pledge the ownership or the assets of President Chain Store Corp.
 - (iii) The Company must maintain no less than 40% ownership of President Chain Store Corp.
- (3) In November 2007, Uni-President Southeast Asia Holdings Ltd. borrowed from Chinatrust Bank and other banks under a 3-year syndicated credit facility agreement from December 19, 2007 to December 19, 2010. Under the terms of the loan agreement, the Company agrees that:
- (i) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.
 - (ii) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 160%.
 - (iii) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
 - (iv) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.
- (4) In March 2009, Sanshui Jianlibao Commerce Co., Ltd. borrowed from Standard Chartered Bank and other banks under a 2-year syndicated credit facility agreement from March 26, 2009 to March 26, 2011 (the loan was paid back in advance on March 26, 2010). Under the terms of the loan agreement, the Company agrees that:
- (i) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.
 - (ii) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 160%.
 - (iii) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
 - (iv) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.

6. PLEDGED ASSETS

As of June 30, 2011 and 2010, the details of pledged assets were as follows:

	<u>Purpose</u>	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Land (Note)	Revolving credit facility	\$ 116,928	\$ 116,928
Buildings-net (Note)	Revolving credit facility	1,887	3,046
		<u>\$ 118,815</u>	<u>\$ 119,974</u>

(Note) Includes property, plant, and equipment, assets leased to others, idle assets and other assets.

7. COMMITMENTS AND CONTINGENT LIABILITIES

As of June 30, 2011 and 2010, the contingent liabilities and commitments of the Company in addition to Note 5(3) were as follows:

(1) The remaining balance due for construction in progress and prepayments for equipment were as follows:

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Prepayments for equipment	<u>\$ 860,126</u>	<u>\$ 313,747</u>

(2) As of June 30, 2011 and 2010, the unused letters of credit amounted to \$1,205,977 and \$1,216,061, respectively.

(3) In October 2008, the Company borrowed from Taiwan Bank and 7 other banks under a 5-year syndicated credit facility agreement from October 17, 2008 to October 17, 2013. Under the terms of the loan agreement, the Company agrees that:

(a) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.

(b) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 150%.

(c) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.

(d) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.

(4) In January 2010, the Company borrowed from Chang Hwa Bank and 9 other banks under a 5-year syndicated credit facility agreement, consisting of domestic bonds guarantee, note issuance facilities and unsecured bank loans from January 2, 2010 to January 2, 2015. Under the terms of the loan agreement, the Company agrees that:

(a) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.

(b) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 150%.

(c) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.

(d) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.

8. SIGNIFICANT CATASTROPHE

None.

9. SUBSEQUENT EVENTS

None.

10. OTHERS

(1) Fair values of the financial instruments

	June 30, 2011			June 30, 2010		
	<u>Book value</u>	<u>Fair value</u>		<u>Book value</u>	<u>Fair value</u>	
		<u>Quotations in an active market</u>	<u>Estimated using a valuation method</u>		<u>Quotations in an active market</u>	<u>Estimated using a valuation method</u>
<u>Non-derivative financial instruments</u>						
Assets						
Financial assets with book value equal to fair value	\$ 7,065,907	\$ -	\$ 7,065,907	\$ 7,741,078	\$ -	\$ 7,741,078
Financial assets at fair value through profit or loss	2,800,000	2,800,059	-	3,060,000	3,060,028	-
Available-for-sale financial assets	3,049,885	3,049,885	-	1,391,225	1,391,225	-
Financial assets carried at cost	1,310,935	-	-	1,384,383	-	-
Refundable deposits	137,943	-	137,943	127,480	-	127,480
Liabilities						
Financial liabilities with book value equal to fair value	12,365,173	-	12,365,173	13,848,962	-	13,848,962
Bonds payable	10,000,000	-	10,000,000	5,200,000	-	5,200,000
Long-term loans	18,090,000	-	18,090,000	20,827,760	-	20,827,760
Guarantee deposits received	77,647	-	77,647	86,374	-	86,374
<u>Derivative financial instruments</u>						
Assets						
Forward Foreign Exchange Contracts	-	-	-	16,752	-	16,752
Liabilities						
Forward Foreign Exchange Contracts	1,113	-	1,113	-	-	-

- (a) The methods and assumptions used to estimate the fair values of financial instruments are summarized as follows:
- (i) The due dates of short-term financial instruments are near the balance sheet date. Accordingly, the fair value of short-term financial instruments are estimated based on the amount at the balance sheet date which include the accounts of cash and cash equivalents, notes and accounts receivable, other receivables, short-term loans, notes and bills payable, notes and accounts payable, accrued expenses, other payables, and current portion of long-term liabilities and capital lease payable - current.
 - (ii) The fair value of refundable deposits is based on the discounted value of expected future cash inflows, which are discounted based on the interest rate of one-year time deposit of the Postal Savings System at June 30, 2011 and 2010.
 - (iii) The fair value of bonds payable, long-term loan, capital lease payables-non-current and guarantee deposits received is based on the discounted value of expected future cash outflow, which are discounted based on the interest rates of similar long-term loans at June 30, 2011 and 2010.
 - (iv) The fair values of derivative financial instruments which include unrealized gains or losses on unsettled contracts were determined based on the amounts to be received or paid assuming that the contracts were settled as of the reporting date.
- (b) The Company recognized the amount of \$499,640 and \$135,118 as addition to stockholders' equity for the changes in fair value of available-for-sale financial assets for the six-month periods ended June 30, 2011 and 2010, respectively.

(2) Procedures of financial risk control and hedge

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures.

(3) Information of financial risk

(a) Market risk

(i) Exchange rate risk

Some purchases are valued in US dollars, therefore the fair value changes with market exchange rate. The Company holds equivalent assets and liabilities in foreign currencies, and the period of collection and payment is equivalent to offset the market risk, thus the risk is minimal. The Company carries on business transactions involving non-functional currency which would be affected by fluctuations in exchange rates. Certain foreign currency denominated assets and liabilities affected by significant fluctuations in exchange rates are shown below:

(Foreign currency: functional currency)	June 30, 2011		June 30, 2010	
	Foreign currency (thousand dollars)	Exchange rate (dollars)	Foreign currency (thousand dollars)	Exchange rate (dollars)
<u>Financial assets</u>				
<u>Currency item</u>				
USD : NTD	\$ 6,234	28.78	\$ 5,192	32.10
CAN : NTD	3,194	29.60	7,750	31.99
<u>Long-term equity investments accounted for under the equity method</u>				
USD : NTD	759,634	28.42	664,364	31.79
<u>Financial liabilities</u>				
<u>Currency item</u>				
USD : NTD	22,424	29.18	20,166	31.91
JPY : NTD	-	-	4,682	0.365

(ii) Interest rate risk

The Company's short-term and long-term loans are debts with floating interest rates. However, the risk is minimal due to insignificant fluctuations. Notes and bills payable has no market risk due to fixed interest rates.

(iii) Price risk

The Company entered into equity derivative financial instruments which are affected by changes in market price. The Company has set a stop-loss point for these transactions. Therefore, the Company does not expect to have significant market risk.

(b) Credit risk

The Company entered into derivative financial instruments with financial institutions having good credit ratings. The Company traded equity derivative financial instruments in centralized trading markets and the GreTai Securities Market. The counterparties to the foregoing financial instruments are reputable institutions. The Company also assesses the credit ratings of the counterparties when they trade. The possibility of default by those parties is low. The maximum loss to the Company is the carrying amount of derivative financial instruments. Loan guarantees provided by the Company follow the "Endorsements and Guarantees Procedure". Since the Company would assess the credit rating of the guaranteed companies, the Company did not require the guaranteed companies to provide collateral. The possible credit risk loss is equal to the guaranteed amount.

(c) Liquidity risk

The available-for-sale financial assets are publicly traded stocks which have active markets and the Company can sell these assets near their fair value. In the case of financial assets carried at cost without active market, the liquidity risk is material.

(d) Interest change cash flow risk

Short-term and long-term loans are debts with floating interest rates that changes with market interest rate fluctuations. Notes and bills payable have no market risk due to having a fixed interest rate.

(e) The information on the derivative financial instruments is disclosed for financial assets or liabilities at fair value through profit or loss. Please refer to Note 4(2).

(4) Other information affecting the financial statements

Due to the plasticizer food scandal in May, 2011, the Company has encountered numerous goods returned and scrapped. The Company had estimated and recognized a loss amounting to \$315,079 (shown as “Other non-operating losses”) relative to the recall, destruction, scrap and refund of the related products. The loss had no significant impact on the operations and the financial statements of the Company for the six-month period ended June 30, 2011.

11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURE

(1) Related information of significant transactions

(For the six-month period ended June 30, 2011)

1. Financing activities with any company or person (Units in thousands of currencies indicated):

Number	Name	Name of counterparty	Account	Maximun	Ending balance	Actual used	Interest rate	Nature	Total	Reason for financing	Allowance	Assets pledged		Loan limit per entity	Maximum amount available for loan	
				balance during 2011	(note12)	balance during 2011		activity (Note 1)			for doubtful accounts	Item	Value			
1	Cayman President Holdings Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	Other receivables	US 30,000	US 30,000	US 30,000	1.49%	2	\$ -	Additional operating capital	\$ -	-	\$ -	US 1,042,223	US 1,042,223	(Note 2)
2	President Global Corp.	President East Co.	Notes receivable	US 4,000	US 4,000	US 600	3.75%	1	US 208 (Sales)	Total transaction	"	Real estates	US 2,500	US 3,000	US 4,000	"
3	Tait Marketing & Distribution Co., Ltd.	Tait (H.K) Limited	Long-term accounts receivable-related parties	15,729	15,729	15,729	-	2	-	Additional operating capital	"	-	-	231,595	231,595	(Note 3)
4	President Tokyo Corp.	President Tokyo Renting Corp.	Receivable-related party	100,000	100,000	10,000	1.02% ~1.06%	"	-	"	"	-	-	100,000	173,893	"
5	President Fair Development Corp.	President Century Corp.	Other receivables	300,000	300,000	105,000	1.96% ~1.97%	"	-	"	"	-	-	500,000	3,046,493	"
6	Uni-President Foodstuff (BVI) Holdings Ltd.	Meishan President Feed & Oil Co., Ltd.	"	US 3,500	US 3,500	US 3,500	2.00%	"	-	"	"	-	-	US 39,191	US 39,191	(Note 4)
7	Uni-President Enterprises China Holdings Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	"	RMB 85,658	RMB 84,131	RMB 84,131	1.50%	"	-	"	"	-	-	RMB 669,481	RMB 2,677,924	(Note 5)
		Wuhan President Enterprises Food Co., Ltd.	"	RMB 66,227	RMB 64,716	RMB 64,716	"	"	-	"	"	-	-	"	"	"
		Guangzhou President Enterprises Co., Ltd.	"	RMB 66,227	RMB 64,716	RMB 64,716	"	"	-	"	"	-	-	RMB 669,481	RMB 2,677,924	"
		Kunshan President Enterprises Food Co., Ltd.	"	"	"	"	"	"	-	"	"	-	-	"	"	"

Number	Name	Name of counterparty	Account	Maximun		Actual used		Interest rate	Nature financia activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan
				during 2011	Ending balance (note12)	during 2011	during 2011						Item	Value		
7	Uni-President Enterprises China Holdings Ltd.	Chengdu President Enterprises Food Co., Ltd.	Other receivables	RMB 97,074	RMB 97,074	RMB 97,074	1.50%	2	\$ -	Additional operating capital	\$ -	-	\$ -	RMB 669,481	RMB 2,677,924 (Note 5)	
		Uni-President Asia Holdings Ltd.	"	RMB 46,359	RMB 45,301	RMB 45,301	"	"	-	"	"	-	-	"	"	
		Hefei President Enterprises Co., Ltd.	"	RMB 33,114	RMB 32,946	-	"	"	-	"	"	-	-	"	"	
		Harbin President Enterprises Co., Ltd.	"	"	RMB 32,358	RMB 32,358	"	"	-	"	"	-	-	"	"	
		Shenyang President Enterprises Co., Ltd.	"	"	"	"	"	"	-	"	"	-	-	"	"	
		Kunming President Enterprises Food Co., Ltd.	"	"	"	"	"	"	-	"	"	-	-	"	"	
		Nanchang President Enterprises Food Co., Ltd.	"	RMB 19,868	RMB 19,415	RMB 19,415	"	"	-	"	"	-	-	"	"	
		Uni-President Hong Kong Holdings Ltd.	"	RMB 14,570	RMB 14,496	RMB 9,060	1.00%	"	-	"	"	-	-	"	"	
		President Enterprises (China) Investment Co., Ltd.	"	RMB 6,623	RMB 6,472	RMB 6,472	1.00% ~1.50%	"	-	"	"	-	-	"	"	

Number	Name	Name of counterparty	Account	Maximun balance during 2011		Ending balance (note12)		Actual used balance during 2011		Interest rate	Nature financia activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan		
				US		US		US							Item	Value		US		
8	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd.	Other receivables	US	11,080	US	11,080	US	11,080	-	2	\$ -	Additional operating capital	\$ -	-	\$ -	US	67,183	US	67,183 (Note 6)
		Zhongshan President Enterprises Co., Ltd.	"	US	8,000	US	8,000	US	8,000	2.00%	"	-	"	"	-	-	"	"	"	
9	Cayman Ton Yi Industrial Holdings Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	"	US	20,000	US	20,000	US	20,000	1.15% ~1.37%	1、2	US 48,245 (Sales)	Total transaction	"	-	-	US	55,183	US	55,183 (Note 7)
		Chengdu Ton Yi Industrial Packaging Co., Ltd.	"	US	5,500	US	5,500	US	2,500	1.14% ~1.16%	"	US 30 (Sales)	"	"	-	-	-	-	"	
		Fujian Ton Yi Tinplate Co., Ltd.	"	US	20,000	US	20,000	-	-	1.16%	"	US 81,116 (Sales)	"	"	-	-	US	55,183	US	55,183 "
		Wuxi Ton Yi Industrial Packaging Co., Ltd.	"	US	3,000	US	3,000	-	-	1.41%	"	US 5 (Sales)	"	"	-	-	-	-	"	
10	President Enterprises (China) Investment Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	"	RMB	300,000	RMB	300,000	RMB	300,000	3.25%	2	-	Additional operating capital	"	-	-	RMB	300,000	RMB	500,000 (Note 2)
		Wuhan President Enterprises Food Co., Ltd.	"	RMB	130,000	RMB	130,000	-	-	3.00%	"	-	"	"	-	-	"	"	"	
		Chengdu President Enterprises Food Co., Ltd.	"	RMB	50,000	RMB	50,000	RMB	50,000	"	"	-	"	"	-	-	"	"	"	
		Changsha President Enterprises Co., Ltd.	"	RMB	45,000	RMB	45,000	RMB	45,000	"	"	-	"	"	-	-	"	"	"	
		Integrated Marketing & Distribution Co., Ltd.	"	RMB	31,200	RMB	31,200	RMB	31,200	"	"	-	"	"	-	-	"	"	"	
		Kunming President Enterprises Food Co., Ltd.	"	RMB	20,000	RMB	20,000	RMB	20,000	"	"	-	"	"	-	-	"	"	"	

Number	Name	Name of counterparty	Account	Maximun balance		Actual used balance		Interest rate	Nature financia activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts		Assets pledged		Loan limit per entity	Maximum amount available for loan
				during 2011	Ending balance (note12)	during 2011						Item	Value				
11	Zhongshan President Enterprises Co., Ltd.	San Tong Wan Fu (Qingdo) Food Industry Co., Ltd.	Other receivables	RMB 10,000	\$ -	\$ -	4.92% ~ 5.59%	2	\$ -	Additional operating capital	\$ -	-	\$ -	RMB 90,000	RMB 100,000	(Note 2)	
12	Tianjiang Enterprises Food Co., Ltd.	President Fuche (Qingdo) Co., Ltd.	"	RMB 6,500	-	-	5.41%	"	-	"	"	-	-	RMB 50,000	RMB 50,000	"	
13	Kunshan Kikkoman Biotechnology Co., Ltd.	President-Kikkoman Zhenji Foods Co., Ltd.	Receivable-related party	RMB 10,000	RMB 10,000	RMB 10,000	5.81%	"	-	"	-	-	-	RMB 20,000	RMB 20,771	(Note 8)	
14	Uni-President (Vietnam) Co., Ltd.	Binh Duong Tribeco Joint Stock Company	Owners' current account	VND 100,000,000	VND 100,000,000	VND 100,000,000	12.80% ~ 14.00%	"	-	"	"	-	-	VND 200,000,000	VND 759,354,565	(Note 9)	
		Saigon Beverage Joint Stock Company	Other receivables	VND 50,000,000	VND 25,000,000	-	12.00% ~ 12.80%	"	-	"	-	-	-	"	"	"	
15	Binh Duong Tribeco Joint Stock Company	North Tribeco Joint Stock Company	"	VND 50,000,000	VND 50,000,000	VND 50,000,000	12.80%	"	-	"	"	-	-	VND 100,000,000	VND 12,417,275	(Note 10)	
16	Uni-President (Philippines) Corp.	Uni-President Land Corp.	Long-term notes and accounts receivable	PHP 45,650	PHP 45,650	PHP 45,650	7.00%	"	-	Investment loan	"	-	-	PHP 50,000	PHP 50,000	(Note 2)	
17	Tait Asia Co., Ltd.	Tait (H.K) Limited	Long-term accounts receivable-related parties	HK 7,068	-	-	-	"	-	Additional operating capital	"	-	-	231,595	231,595	(Note 11)	
18	Beijing President Enterprises Drinks & Food Co., Ltd.	Beijing President Food Co., Ltd.	Other receivables	RMB 40,000	RMB 40,000	RMB 40,000	3.00%	"	-	"	"	-	-	RMB 62,434	RMB 62,434	(Note 2)	

Number	Name	Name of counterparty	Account	Maximum balance		Actual used balance		Interest rate	Nature activity (Note 1)	Total transaction amount	Reason for financing	Allowance for doubtful accounts	Assets pledged		Loan limit per entity	Maximum amount available for loan		(Note 2)
				during 2011	(note12)	during 2011							Item	Value				
19	Shanghai Songjiang President (Qingdo) Co., Ltd.	President Fuche (Qingdo) Co., Ltd.	Other receivables	RMB 6,500	RMB 6,500	RMB 3,500	6.70%	2	\$ -	Additional operating capital	\$ -	Commercial Paper	\$ 7,800	RMB 20,000	RMB 20,000			
	Enterprises Co., Ltd.	San Tong Wan Fu (Qingdo) Food Industry Co., Ltd.	"	RMB 10,000	RMB 10,000	RMB 6,000	6.75%	"	-	"	"	-	-	"	"	"		
20	Wuhan President Enterprises Food Co., Ltd.	Changsha President Enterprises Co., Ltd.	"	RMB 30,000	RMB 30,000	RMB 20,000	3.00%	"	-	"	"	-	-	RMB 244,489	RMB 244,489	"		

(Note1) The code represents the nature of financing activities as follows:

- 1.Trading partner.
- 2.Short-term financing.

(Note2) In accordance with related regulations, the loan requires the Board of Directors' approval and reported at the stockholders' meeting.

(Note3) Both the total amount for loan and the maximum amount for short-term financing are 40% of the Tait Marketing & Disbution Co., Ltd's net worth.

(Note4) The total amount for loan is \$1,000,000, the maximum amount for trading partner is US\$20,000 and shall not exceed the amount of transaction; the maximum amount for short-term financing is US\$20,000; If the company loaning to were owned 100% directly or indirectly by foreign subsidiaries, amount for trading partner are 150% of its net worth; the loan term is one year but can be extended.

(Note5) The total amount for loan is 40% of its net worth;the maximum amount for short-term financing is 10% of its net worth.

(Note6) The total amount for loan is \$1,000,000, the maximum amount for trading partner is US\$20,000; If the company loaning to were owned 100% directly or indirectly by foreign subsidiaries, both the total amount for and the maximum amount for trading partner are 150% of its net worth; the loan term is one year but can be extended.

(Note7) The total amount for loan is 40% of its net worth; the maximum amount for trading partner is the higher of the latest year trading amount and 20% of the net worth of Cayman T on Yi Industrial Holdings Ltd. and not exceed the total amount for loan besides the company loaning to were owned 100% directly or indirectly by foreign subsidiaries.

(Note8) The total amount for loan is 40% of its net worth; the maximum amount for trading partner is RMB20,000 and shall not exceed the amount of transaction; the maximum amount for short-term financing is RMB\$20,000.

(Note9) The total amount for loan is 40% of its net worth; the maximum amount for short-term financing is VND200,000,000.

(Note10) The total amount for loan is 40% of its net worth; the maximum amount for short-term financing is VND100,000,000.

(Note11) The total amount for loan is 40% of its net worth; the maximum amount for short-term financing is 50,000.

(Note12) The total amount is approve by the Board of Directors'.

2. The Company provided endorsements and guarantees to the following entities (Units in thousands of currencies indicated):

Number	Name of endorser	Endorsee		Endorsement limit for a single entity	Highest balance during the period	Outstanding balance as at June 30, 2011	Balance secured by collateral	Ration of accumulated amount to net worth of the company	Maximum amount of endorsement	
		Name of endorsee	Relationship (Note 1)							
0	Uni-President Enterprises Corp.	Sanshui Jianlibao Commerce Co., Ltd.	3	\$ 33,989,244	\$ 3,015,350	\$ 2,962,700	\$ -	4%	\$ 67,978,488	(Note 2)
		Kai Yu Investment Co., Ltd.	2	"	2,074,000	2,069,000	-	3%	"	"
		Tone Sang Construction Corp.	"	"	1,300,000	1,232,000	-	2%	"	"
		Uni-President (Thailand) Ltd.	3	"	747,525	527,505	-	1%	"	"
		President Entertainment Corp.	2	"	408,000	408,000	-	1%	"	"
		President Energy Development (Cayman Islands) Ltd.	3	"	357,480	345,300	-	1%	"	"
		Kai Yu (BVI) Investment Co., Ltd. etc.	2、3、6	"	4,379,997	520,581	-	1%	"	"
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	3	US 694,815	US 127,030	US 125,800	-	18%	US 694,815	(Note 3)
		Uni-President Foodstuff (BVI) Holdings Ltd.	"	"	US 12,900	US 11,780	-	2%	"	"
2	Nanlien International Corp.	Tung Chang Enterprises Corp.	"	500,000	11,100	11,100	-	1%	1,000,000	(Note 4)
		Hui-Sheng Enterprises Corp.	"	"	7,000	7,000	-	1%	"	"
		Sheng-Miao Industrial Corp.	1	"	3,600	3,600	-	-	"	"
		Tung Lien Enterprises Corp.	"	"	2,000	2,000	-	-	"	"
3	President Tokyo Corp.	President Tokyo Renting Corp.	3	1,500,000	990,000	990,000	-	228%	1,500,000	(Note 5)
4	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	"	12,825,061	US 105,650	US 91,653	-	14%	12,825,061	(Note 6)
		Fujian Ton Yi Tinplate Co., Ltd.	"	"	US 63,000	US 63,000	-	10%	"	"
		Jiangsu Ton Yi Tinplate Co., Ltd.	"	"	US 45,500	US 45,500	-	7%	"	"
		Wuxi Ton Yi Industrial Packaging Co., Ltd.	"	"	US 2,000	US 2,000	-	-	"	"

Number	Name of endorsers	Endorsee		Endorsement limit for a single entity	Highest balance during the period	Outstanding balance as at June 30,2011	Balance secured by collateral	Ration of accumulated amount to net worth of the company	Maximum amount of endorsement		
		Name of endorsees	Relationship (Note 1)								
5	President Chain Store Corp.	Wisdom Distribution Services Corp.	3	\$ 3,653,007	\$ 50,000	\$ 50,000	\$ -	-	\$ 9,132,519	(Note 7)	
		PresiClerc (Beijing) Supermarket Ltd.	"	"	RMB 11,082	RMB 11,082	-	-	"	"	
		Q-Ware System & Services Corp.	"	"	"	22,540	22,540	-	-	"	"
		Uni-President Department Stores Corp	"	"	"	2,588	2,022	-	-	"	"
		Retail Support International Corp.	"	"	"	600,000	-	-	-	"	"
		Century Quick Services Restaurant Corp.	"	"	60,000	-	-	-	"	"	
6	President International Development Corp.	Ton Yu Investment Inc.	"	651,725	431	431	-	-	2,606,901	(Note 8)	
		President (BVI) International Investment Holdings Ltd.	"	"	250	250	-	-	"	"	
7	Tait Marketing & Distribution Co., Ltd.	Tait Distribution Service	"	231,595	20,000	20,000	-	3%	231,595	(Note 9)	
8	President Information Corp.	President Drugstore Business Corp.	"	76,668	2,000	-	-	-	191,669	(Note 10)	
9	Wisdom Distribution Services Corp.	President Drugstore Business Corp.	"	43,133	7,000	7,000	7,000	3%	107,833	(Note 11)	
10	President Century Corp.	President Fair Development Corp.	"	2,250,406	600,000	600,000	600,000	53%	2,813,007	(Note 12)	
11	President Enterprises (China) Investment Co., Ltd.	Jinmailang Beverage (Beijing) Co., Ltd.	6	RMB 2,008,443	RMB 295,870	RMB 295,870	-	4%	RMB 6,694,810	(Note 13)	
		Nanning President Enterprises Co., Ltd.	3	"	RMB 100,000	RMB 100,000	-	1%	"	"	
		Shenyang President Enterprises Co., Ltd.	"	"	"	RMB 20,072	RMB 19,415	-	-	"	"
		Harbin President Enterprises Co., Ltd.	"	"	"	RMB 20,072	RMB 19,415	-	-	"	"
		President (Shanghai) Trading Co., Ltd.	"	"	"	RMB 11,000	RMB 11,000	-	-	"	"
12	Fujian Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	"	US 142,488	US 5,000	-	-	-	US 142,488	(Note 14)	
13	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	"	US 77,666	US 15,452	-	-	-	US 77,666	"	
14	Chengdu Ton Yi Industrial Packaging Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	"	US 7,669	US 4,018	US 4,018	-	52%	US 7,669	"	

Number	Name of endorsers	Endorsee		Endorsement limit for a single entity	Highest balance during the period	Outstanding balance as at June 30,2011	Balance secured by collateral	Ration of accumulated amount to net worth of the company	Maximum amount of endorsement
		Name of endorsees	Relationship (Note 1)						
15	Uni-President(Vietnam) Co., Ltd.	Binh Duong Tribeco Joint Stock Company	6	VND 949,193,206	VND 116,489,796	VND 113,260,000	\$ -	6%	VND 1,898,386,412 (Note 15)
		Saigon Beverage Joint Stock Company	"	"	VND 37,869,565	VND 36,416,160	-	2%	" "
16	Binh Duong Tribeco Joint Stock Company	Saigon Beverage Joint Stock Company	"	VND 15,521,594	VND 16,739,228	VND 16,739,228	-	54%	VND 31,043,187 (Note 16)

- (Note1) The following code represents the relationship with Company:
1. Trading partner.
 2. Majority owned subsidiary.
 3. The Company and subsidiary owns over 50% ownership of the investee company.
 4. A subsidiary jointly owned by the Company and the Company's directly-owned subsidiary.
 5. Guaranteed by the Company according to the construction contract.
 6. An investee company. The guarantees were provided based on the Company's proportionate share in the investee company.
- (Note2) The total amount of transactions of endorsement equal to 100% of the Company's net worth, the limit of endorsement for any single entity is 50% of the Company's net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference. The total amount was \$6,529,511 as of June 30, 2011.
- (Note3) The total amount of transactions of endorsement and the limit of endorsement for any single entity for Cayman President Holdings Ltd. is 100% of its net worth and all of the related transactions are to be submitted to the Board of Directors' meeting for reference.
- (Note4) The total amount of transactions of endorsement for Nanlien International Corp. is \$1,000,000, the limit of endorsement for any single entity is \$500,000, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note5) The total amount of transactions of endorsement for President Tokyo Corp. is \$1,500,000, the limit of endorsement for any single entity is \$1,500,000, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note6) The total amount of transactions of endorsement equal to 70% of its net worth for Ton Yi Industrial Corp., the limit of endorsement for any single entity is 70% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note7) The total amount of transactions of endorsement equal to 50% of its net worth for President Chain Store Corp., the limit of endorsement for any single entity is 20% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note8) The total amount of transactions of endorsement equal to 20% of its net worth for Uni-President International Co., Ltd., the limit of endorsement for any single entity is 5% of its net worth, and all of the transactions are to be submitted to the stockholders' meeting for reference.
- (Note9) The total amount of transactions of endorsement for Tait Marketing & Distribution Co., Ltd. is 40% of its net worth, the limit of endorsement for any single entity is 40% of its net worth, and all of the related transactions are to be submitted to the Board of Directors' meeting for reference. The total amount was \$800 as of June 30, 2011.
- (Note10) The total amount of transactions of endorsement equal to 50% of its net worth for President Information Corp., the limit of endorsement for any single entity is 20% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note11) The total amount of transactions of endorsement equal to 50% of its net worth for Wisdom Distribution Services Corp., the limit of endorsement for any single entity is 20% of its net worth, and all of the related transactions are to be submitted to the Directors' meeting for reference.
- (Note12) The total amount of transactions of endorsement equal to 250% of its net worth for President Century Corp., the limit of endorsement for any single entity is 200% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note13) The total amount of transactions of endorsement equal to 100% of its net worth for President Enterprises (China) Investment Co., Ltd. and the limit of endorsement for any single entity is 30% of its net worth.
- (Note14) The limit of transactions of endorsement between the subsidiaries of Cayman Ton Yi Industrial Holdings Ltd. in Mainland China is 100% of the subsidiaries' net worth.
- (Note15) The total amount of transactions of endorsement equal to 100% of its net worth for Uni-President (Vietnam) Co., Ltd. and the limit of endorsement for any single entity is 50% of its net worth.
- (Note16) The total amount of transactions of endorsement equal to 100% of its net worth for Binh Duong Tribeco Joint Stock Company and the limit of endorsement for any single entity is 50% of its net worth.

3. The balance of securities held as of June 30,2011 are summarised as follows (Units in thousands of currencies indicated) :

Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	June 30,2011				
				Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note
Uni-President Enterprises Corp.	Commercial Paper :							
	China Bills Finance Co., Ltd.	—	13	—	\$ 51,286	—	\$ 51,286	—
	Beneficiary Certificates :							
	Fuh Hwa Money Market Fund	—	6	50,350	700,000	—	700,010	—
	Wan Tai Money Market Fund	—	"	48,100	700,000	—	700,024	—
	UPAMC James Bond Fund	—	"	43,566	700,000	—	700,013	—
	FSITC Money Market	—	"	4,083	700,000	—	700,012	—
	Stock :							
	Prince Housing Development Corp.	—	7	104,092	3,049,885	10.45%	3,049,885	—
	Grand Bills Finance Co.	Director	9	78,209	690,997	14.46%	—	—
	PK Venture Capital Corp. etc.	—	"	80,503	619,938	0.13%~	—	—
						14.29%		
	Cayman President Holdings Ltd.	Subsidiary accounted for under the equity method	11	156,136	19,535,907	100.00%	19,979,078	—
	Kai Yu Investment Co., Ltd.	"	"	379,705	1,981,312	"	1,981,821	—
	President International Trade And Investment Corp.	"	"	11	1,455,316	"	1,200,963	—
	Kai Nan Investment Co., Ltd.	"	"	253,000	1,110,059	"	1,110,059	—
	President Global Corp.	"	"	500	600,072	"	640,458	—
	Tone Sang Construction Corp.	"	"	27,000	324,836	"	324,836	—
	Nanlien International Corp.	"	"	99,999	1,171,884	99.99%	1,162,439	—
	Tung Ho Development Corp.	"	"	72,120	525,047	72.12%	525,047	—
	President International Development Corp	"	"	1,020,515	8,886,945	68.03%	8,757,747	—
	Tait Marketing & Distribution Co., Ltd.	"	"	59,692	493,665	63.17%	635,720	—
	President Entertainment Corp.	"	"	98,885	1,082,530	61.80%	1,082,530	—
	President Tokyo Corp.	"	"	10,200	305,509	51.00%	221,713	—
	President Packaging Corp.	"	"	15,318	309,112	50.59%	271,981	—
	Ton-Yi Industrial Corp.	"	"	685,102	8,894,169	45.55%	11,646,739	—
	President Chain Store Corp.	"	"	471,997	9,645,767	45.40%	78,351,407	—
	President Fair Development Corp.	"	"	445,500	3,084,574	40.50%	3,084,574	—
	Scino Pharm Taiwan Ltd.	"	"	239,371	4,510,881	39.24%	2,753,533	—

June 30, 2011									
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note	
Uni-President Enterprises Corp.	Weilih Food Industrial Co.,Ltd	Subsidiary accounted for under the equity method	11	6,660	\$ 1,018,546	33.30%	\$ 89,351	—	
	Kuang Chuan Dairy Co., Ltd.	"	"	31,253	1,689,071	31.25%	1,546,880	—	
	TTET Union Corp.	"	"	47,991	970,773	30.00%	2,610,736	—	
	Uni-President Development Corp.	"	"	108,000	865,746	"	865,746	—	
	Eagle Cold Storage Enterprises Co., Ltd.	"	"	35,749	505,013	29.93%	536,231	—	
	President Securities Corp.	"	"	335,816	5,827,371	27.26%	6,984,976	—	
	Presicarre Corp.	"	"	137,512	2,224,757	20.50%	2,139,601	—	
	Uni-President Dream Parks Corps. etc.	Subsidiary accounted for under the equity method etc.	"	221,160	2,628,764	13.81%~ 100.00%	2,401,716	—	
Cayman President Holdings Ltd.	Beneficiary Certificates :								
	Asia Equity Fund	—	6	50	US 49,800	—	US 49,800	—	
	Stock :								
	Chongqing Carrefour Commercial Co., Ltd. etc.	—	9	2,082	US 2,971	5.88%~	—	—	
	Bond :					10.00%			
	Gavin Investment Ltd.	—	10	—	US 9,966	—	US 9,966	—	
	Sanshui Jianlibao Commerce Co., Ltd	An investee company accounted for under the equity method	11	—	US 42,337	100.00%	US 42,353	—	
	Uni-President Southeast Asia Holdings Ltd.	"	"	75,000	US 27,723	"	US 27,723	—	
	Uni-President Foodstuff (BVI) Holdings Ltd.	"	"	—	US 26,127	"	US 26,127	—	
	Uni-President Enterprises China Holdings Ltd.	"	"	2,645,090	US 740,372	73.49%	US 759,135	—	
Zhangjiagang President Nisshin Food Co., Ltd.	"	"	—	US 16,608	60.00%	US 16,608	—		
Queen Holdings (BVI) Ltd.	"	"	5	US 13,547	45.40%	US 13,547	—		

June 30, 2011									
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note	
Cayman President Holdings Ltd.	President-Kikkoman Zhenji Foods Co., Ltd.	An investee company accounted for under the equity method	11	-	US 20,085	45.00%	US 20,085	—	
	Cargill President Holdings Pte Ltd.	"	"	15,280	US 25,331	38.20%	US 25,331	—	
	Tianjin Fuye Commercial Co., Ltd. etc.	"	"	8,671	US 24,791	20.00%~ 57.89%	US 24,403	—	
Kai Yu Investment Co., Ltd.	Chimei Innolux Co., Ltd. etc.	—	7	12,634	258,991	0.01%~ 0.16%	258,994	—	
	Qualtop Co., Ltd. etc.	—	9	785	7,908	0.01%~ 7.96%	-	—	
	Kai Yu (BVI) Investment Co., Ltd.	An investee company accounted for under the equity method	11	36,000	1,304,519	100.00%	1,301,925	—	
	Ton-Yi Industrial Corp.	Subsidiary accounted for under the equity method	"	25,186	325,596	1.67%	421,864	(Note 2)	
	President Chain Store Corp. etc.	"	"	35,476	908,818	0.40%~ 100.00%	1,652,031	"	
Kai Nan Investment Co., Ltd.	Stock :								
	Chimei Innolux Co., Ltd.	—	7	18,521	379,687	0.23%	379,687	—	
	President Securities Corp. Scino Pharm Taiwan Ltd. etc.	Subsidiary accounted for under the equity method	11	33,985	578,173	2.76%	690,576	(Note 1)	
President International Trade And Investment Corp.	Beneficiary Certificates :								
	The Pacific (ABC) Equity Fund	—	6	43	US 41,710	-	US 41,710	—	
Nanlien International Corp.	Stock :								
	Chimei Innolux Co., Ltd.	—	7	1,824	37,400	0.03%	37,400	—	
	President International Development Corp. etc.	Subsidiary accounted for under the equity method etc.	9	19,395	178,812	0.67%~ 15.44%	-	—	
	Lien Bo Enterprises Corp. etc.	An investee company accounted for under the equity method etc.	11	100,803	1,384,627	20.00%~ 100.00%	1,384,627	—	

June 30, 2011									
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note	
President International Development Corp.	Beneficiary Certificates : UPAMC Great China Small-Mid Cap FUND etc.	—	6	4,008	\$ 45,570	—	\$ 45,570	—	
	Stock :								
	Tong Yang Group etc.	—	"	5,642	264,547	—	264,547	—	
	Convertible Bonds :								
	Ruentex Industries Limited etc.	—	"	390	39,096	—	39,096	—	
	Stock :								
	Chunghwa Telecom Corp.	—	7	4,278	422,629	0.06%	422,629	—	
	Chimei Innolux Co., Ltd.	—	"	18,354	376,260	0.25%	376,260	—	
	Cayenne Entertainment Technology Co., Ltd. etc.	—	"	12,699	927,219	—	927,219	—	
	Beneficiary Certificates :								
	Even Star Fund	—	9	1	63,548	—	—	—	
	Stock :								
	Development International Corp. etc.	—	"	91,416	850,667	0.43%~ 15.00%	—	(註3)	
	President (BVI) International Investment Holdings Ltd.	An investee company accounted for under the equity method	11	213,976	7,192,086	100.00%	7,192,086	—	
	Ton Yu Investment Inc.	"	"	88,960	599,400	"	599,400	—	
	President Life Sciences Co., Ltd.	"	"	48,000	496,805	"	496,805	—	
	President Fair Development Corp.	Subsidiary accounted for under the equity method	"	445,500	3,084,574	40.50%	3,084,574	(註4)	
	President Entertainment Corp.	"	"	61,115	669,101	38.19%	669,101	(註5)	
President International Development Corp.	Kang Na Hsiung Enterprises Co., Ltd.	An investee company accounted for under the equity method	"	40,824	636,037	20.71%	636,037	(註6)	
	Uni-President Development Corp.	"	"	72,000	577,164	20.00%	577,164	—	
	Scino Pharm Taiwan Ltd. etc.	"	"	48,732	483,154	3.75%~ 35.90%	483,154	—	

					June 30, 2011			
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note
Ton-Yi Industrial Corp.	Stock :							
	JFE Holdings Inc.	—	7	250	\$ 196,872	0.04%	\$ 196,872	—
	President International Development Corp.	Subsidiary accounted for under the equity method	9	50,000	500,000	3.33%	—	—
	Grand Bills Finance Co. etc.	—	"	1,109	1,177	0.02%~	—	—
						1.11%		
	Cayman Ton Yi Industrial Holdings Ltd.	An investee company accounted for under the equity method	11	9,310	3,962,854	100.00%	3,962,860	—
	Tovecan Corp.	"	"	—	78,871	51.00%	78,871	—
President Chain Store Corp.	Beneficiary Certificates :							
	Taishin Lucky Money Market Fund	—	6	168,303	1,800,303	—	1,800,303	—
	Fuhwatrust Bond Fund	—	"	119,728	1,664,561	—	1,664,561	—
	JIH Sun Bond Fund	—	"	91,754	1,303,661	—	1,303,661	—
	PCA WELL POOL FUND	—	"	76,688	1,001,595	—	1,001,595	—
	Polaris De Bao Fund	—	"	86,726	1,001,457	—	1,001,457	—
	Wan Tai Money Market Fund	—	"	20,628	300,217	—	300,217	—
	Stock :							
	President Securities Corp.	Subsidiary accounted for under the equity method	7	32,611	678,312	2.65%	678,312	—
	Duskin Corp. Ltd.	—	"	300	167,431	0.45%	167,431	—
	Chimei Innolux Co., Ltd.	—	"	18,557	380,418	0.25%	380,418	—
	Presicarre Corp.	Subsidiary accounted for under the equity method	9	130,801	5,895,562	19.50%	—	—
	President Fair Development Corp.	"	"	209,000	1,618,643	19.00%	—	—
	President International Development Corp.	"	"	50,000	500,000	3.33%	—	—
	Tung Ho Development Corp. etc.	—	"	51,670	303,901	0.02%~	—	—
					19.93%			
	President Chain Store (BVI) Holdings Ltd.	An investee company accounted for under the equity method	11	106,575	2,873,423	100.00%	2,836,300	—
	President Drugstore Business Corp.	"	"	40,000	639,638	"	639,878	—
	President Musashino Corp.	"	"	47,061	544,726	90.00%	495,901	—
	Mech-President Corp.	"	"	53,505	678,371	80.87%	631,096	—

									June 30, 2011		
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note			
President Chain Store Corp.	President Pharmaceutical Corp.	An investee company accounted for under the equity method	11	17,521	\$ 480,065	73.74%	\$ 323,844	—			
	President Transnet Corp.	"	"	70,000	705,253	70.00%	687,208	—			
	Uni-President Department Stores Corp.	"	"	112,000	672,763	"	671,611	—			
	Uni-President Cold Chain Corp.	"	"	19,563	361,989	60.00%	355,328	—			
	Uni-President Development Corp.	"	"	72,000	586,246	20.00%	577,164	—			
	Capital Inventory Services Corp.	"	"	291,337	2,626,314	25.00%~ 100.00%	2,519,025	—			
President Fair Development Corp.	Stock : President Century Corp.	"	"	20,000	1,262,382	100.00%	1,125,203	—			
	T.S.Retail & Distribution Co., Ltd.	"	"	5,000	48,995	50.00%	48,995	—			
Uni-President Enterprises China Holdings Ltd.	WantWant China Holdings Limited	—	7	53,527	RMB 336,082	0.41%	RMB 336,082	—			
	China Haisheng Juice Holdings Co., Ltd.	—	"	37,800	RMB 29,863	2.99%	RMB 29,863	—			
	Uni-President Asia Holdings Ltd.	An investee company accounted for under the equity method	11	25,877,000	RMB 5,934,179	100.00%	RMB 5,934,179	—			
	Yantai North Andre Juice Co., Ltd.	"	"	2,370	RMB 1,436	0.05%	RMB 1,436	—			
President Energy Development (Cayman Islands) Ltd.	Tong Ting Gas Corp.	—	9	26,193	US 5,115	11.91%	—	—			
	Victoria Global Fund	—	"	28	US 32,800	—	—	—			
Uni-President Asia Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	An investee company accounted for under the equity method	11	334,110	RMB 6,070,773	100.00%	RMB 6,070,773	—			
	Champ Green Capital Limited. etc.	"	"	11,740	RMB 20,191	"	RMB 20,191	—			
President Chain Store (BVI) Holdings Ltd.	President Chain Store in Hong Kong Holdings Limited	"	"	79,423	US 58,749	100.00%	US 58,749	—			
	President Chain Store (Labuan) Holdings Ltd.	"	"	20,684	US 18,286	"	US 18,286	—			
	Presiclerc Limited etc.	"	"	18,714	US 1,278	48.93%~ 51.00%	US 1,278	—			
President Chain Store in Hong Kong Holdings Limited	President Coffee (Cayman) Holdings Ltd. etc.	"	"	—	US 59,165	30.00%~ 100.00%	US 59,165	—			
Uni-President Southeast Asia Holdings Ltd.	Uni-President (Vietnam) Co., Ltd.	"	"	—	US 82,360	100.00%	US 85,715	—			
	PT ABC President Indonesia	"	"	—	US 11,030	49.63%	US 10,549	—			
	Uni-President (Philippine) Co., Ltd. etc.	"	"	163,440	US 12,669	40.00%~ 100.00%	US 12,380	—			

June 30, 2011										
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares (in thousands)	Book value		Percentage of ownership	Market value		Note
Uni-President Foodstuff (BVI) Holdings Ltd.	Dalian Beiliang Logistics Services Corp.	—	9	—	US	113	10.10%	\$	—	—
	Qingdao President Feed & Livestock Co., Ltd.	An investee company accounted for under the equity method	11	—	US	12,930	100.00%	US	12,290	—
	Zhongshan President Enterprises Co., Ltd.	"	"	—	US	18,216	61.86%	US	18,233	—
	Cargill President Holdings Pte Ltd. etc.	"	"	4,720	US	17,180	11.80%~	US	17,725	—
President (B.V.I.) International Investment Holdings Ltd.	Foreign Bonds :						100.00%			
	Bank of Scotland	—	3	—	US	4,946	—		—	—
	Linked Notes :									
	CNY Linked Notes etc.	—	"	—	US	6,500	—		—	—
	Ownership Structure :									
	6MTHELN ON TSMUN etc.	—	6	30	US	2,764	—	US	2,764	—
	Stock :									
	Accuray Inc.	—	7	2,033	US	16,287	—	US	16,287	—
	China Construction Bank etc.	—	"	28,265	HK	129,129	—	HK	129,129	—
	Xiang Lu Industries Ltd. etc.	—	9	92,185	US	23,995	0.91%~		—	—
	Private equity find :						18.37%			
	PIIH Investment	—	11	62,000	US	61,987	100.00%	US	61,987	—
	Stock :									
	Uni-Home Tech Corp.	An investee company accounted for under the equity method	"	47,472	US	58,289	50.00%	US	58,289	—
	President Energy Development (Cayman Islands) Ltd.	"	"	13,700	US	13,078	40.29%	US	13,078	—
	Outlook Investment Pte Ltd.	"	"	9,608	US	16,408	25.00%	US	16,408	—
	AndroScience Corp.	"	"	11,080	US	1,867	41.32%	US	1,867	—
Uni-President Hong Kong Holdings Ltd.	President Enterprises(China) Investment Co., Ltd.	"	"	—	RMB	5,517,873	100.00%	RMB	5,517,873	—
President Enterprises (China) Investment Co., Ltd.	Kunshan Sanwa Food Industry Co., Ltd.	—	9	—	RMB	733	15.00%		—	—
	Kunshan President Enterprises Food Co., Ltd.	An investee company accounted for under the equity method	11	—	RMB	690,189	100.00%	RMB	690,189	—
	Wuhan President Enterprises Food Co., Ltd.	"	"	—	RMB	611,222	"	RMB	611,222	—
	Chengdu President Enterprises Food Co., Ltd.	"	"	—	RMB	540,676	"	RMB	540,676	—
	Guangzhou President Enterprises Co., Ltd.	"	"	—	RMB	523,182	"	RMB	523,182	—

June 30, 2011										
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares		Percentage of ownership		Market value		Note
				(in thousands)	Book value					
President Enterprises (China) Investment Co., Ltd.	Zhengzhou President Enterprises Food Co., Ltd.	An investee company accounted for under the method	11	-	RMB 440,292	100.00%	RMB 440,292		—	
	Hefei President Enterprises Co., Ltd.	"	"	-	RMB 226,975	"	RMB 226,975		—	
	Fuzhou President Enterprises Co., Ltd.	"	"	-	RMB 213,260	"	RMB 213,260		—	
	Xinjiang President Enterprises Food Co., Ltd.	"	"	-	RMB 211,188	"	RMB 211,188		—	
	Beijing President Enterprises Drinks & Food Co., Ltd.	"	"	-	RMB 156,084	"	RMB 156,084		—	
	Shenyang President Enterprises Co., Ltd.	"	"	-	RMB 151,422	"	RMB 151,422		—	
	Kunming President Enterprises Food Co., Ltd.	"	"	-	RMB 153,022	83.33%	RMB 153,022		—	
	Nanchang President Enterprises Co., Ltd.	"	"	-	RMB 133,034	72.18%	RMB 133,034		—	
	Jinmailang Beverage (Beijing) Co., Ltd.	"	"	-	RMB 398,680	34.07%	RMB 398,680		—	
	Harbin President Enterprises Co., Ltd. etc.	"	"	-	RMB 194,599	25.00%~	RMB 194,599		—	
Chengdu President Enterprises Food Co., Ltd.	Heilongjiang Wondersun Dairy Co.	—	9	17,649	RMB 40,979	100.00%	-		—	
	United Advisor Venture Management Ltd.	An investee company accounted for under the equity method	11	-	RMB 96,775	19.87%	RMB 96,775		—	
	Yantai North Andre Juice Co., Ltd.	"	"	424,184	RMB 150,729	9.95%	RMB 150,729		—	
	Yantai Tongli Beverage Industries Co., Ltd. etc.	"	"	-	RMB 152,508	16.67%~	RMB 152,508		—	
Kunshan President Enterprises Food Co., Ltd.	Heilongjiang Wondersun Dairy Co.	—	9	31,548	RMB 91,222	100.00%	-		—	
	Shanghai Ruxin Leather Products Co., Ltd.	An investee company accounted for under the equity method	11	-	RMB 173,228	4.24%	RMB 173,228		—	
	Taizhou President Enterprises Co., Ltd.	"	"	-	RMB 147,623	100.00%	RMB 147,623		—	
	Uni-President Shanghai Pearly Century Co. Ltd.	"	"	-	RMB 346,543	75.00%	RMB 346,543		—	
Wuhan President Enterprises Food Co., Ltd.	Heilongjiang Wondersun Dairy Co.	—	9	-	RMB 40,979	66.67%	-		—	
	Changsha President Enterprises Co., Ltd.	An investee company accounted for under the equity method	11	-	RMB 101,107	2.38%	RMB 75,734		—	
	Nanchang President Enterprises Co., Ltd. etc.	An investee company accounted for under the equity method etc.	"	-	RMB 84,212	75.00%~	RMB 84,212		—	

June 30, 2011										
Investor	Type and name of securities	Relationship with the issuer	General ledger account (Note)	Number of shares		Percentage of ownership		Market value		Note
				(in thousands)	Book value					
Zhengzhou President Enterprises Food Co., Ltd.	United Advisor Venture Management Ltd.	An investee company accounted for under the equity method	11	-	RMB 96,775	19.87%	RMB 96,775		—	
	Jinmailang Beverage (Beijing) Co., Ltd.	"	"	-	RMB 187,178	15.93%	RMB 187,178		—	
Guangzhou President Enterprises Co., Ltd.	Nanning President Enterprises Co., Ltd.	"	"	-	RMB 82,352	75.00%	RMB 82,352		—	
	Yantai North Andre Juice Co., Ltd.	"	"	213,277	RMB 75,743	5.00%	RMB 75,743		—	
	Zhanjiang President Enterprises Co., Ltd. etc.	"	"	-	RMB 98,963	20.00%~ 100.00%	RMB 98,963		—	
Cayman Ton Yi Industrial Holdings Ltd.	Cayman Fujian Ton Yi Industrial Holdings Ltd.	"	"	9	US 126,349	100.00%	US 123,679		—	
	Cayman Jiangsu Ton Yi Holdings Ltd.	"	"	5	US 71,999	"	US 64,355		—	
	Wuxi Ton Yi Industrial Packaging Co., Ltd	"	"	-	US 18,145	"	US 18,145		—	
	Chengdu Ton Yi Industries Packaging Co., etc.	"	"	-	US 12,145	"	US 12,145		—	
Cayman Fujian Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	"	"	-	US 124,078	86.80%	US 124,078		—	
Cayman Jiangsu Ton Yi Holdings Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	"	"	-	US 67,890	82.86%	US 67,890		—	
President Coffee (Cayman) Holdings Ltd. etc.	Repurchase of Bonds :									
	International Bills Finance Co., Ltd. etc.	—	13	-	158,518	-	158,518		—	
	Beneficiary Certificates :									
	UPAMC James Bond Fund etc.	—	6	81,784	3,210,409	-	3,168,358		—	
	Stock :									
	Chimei Innolux Co., Ltd. etc.	—	7	22,821	554,653	-	544,653		—	
Scino Pharm Taiwan Ltd. etc.		Subsidiary accounted for under the equity etc.	9	49,288	287,361	0.36%~ 50.00%	-		—	
	Shanghai President Starbucks Coffee Corp. etc.	An investee company accounted for under the equity method etc.	11	479,238	5,629,637	19.00%~ 100.00%	5,629,752		—	

(Note1) 30,564,000 shares of outstanding common stock of President Securities Corp. with book value of \$519,937 was used as collateral for loan.

(Note2) 24,008,000 shares of outstanding common stock of Ton-Yi Industrial Corp. with book value of \$310,368; 10,311,000 shares of outstanding common stock of TTET Union Corp. with book value of \$219,550, and 42,000,000 shares of outstanding common stock of President Chain Sotre Corp. with book value of \$297,092 were used as collateral for commercial paper issuance.

(Note3) 27,000,000 shares of outstanding common stock of Development International Corp. with book value of \$250,000 was used as collateral for loan.

(Note4) 188,000,000 shares of outstanding common stock of President Fair Development Co., with book value of \$1,301,683 was used as collateral for loan.

(Note5) 26,000,000 shares of outstanding common stock of President Entertainment Co., with book value of \$284,655 was used as collateral for loan.

(Note6) 24,313,000 shares of outstanding common stock of Kang Na Hsiung Enterprises Co., Ltd. with book value of \$378,795 was used as collateral for loan.

(Note) The code number explanation is as follows:

- 1.Financial assets held for trading
- 2.Available-for-sale financial assets - current
- 3.Held-to-maturity financial assets - current
- 4.Financial assets carried at cost - current
- 5.Investments in bonds without active markets - current
- 6.Financial assets at fair value through profit or loss-current
- 7.Available-for-sale financial assets - non-current
- 8.Held-to-maturity financial assets - non-current
- 9.Financial assets carried at cost - non-current
- 10.Investments in bonds without active markets - non-current
- 11.Long-term equity investments accounted for under the equity method
- 12.Long-term equity investments held for disposal
- 13.Cash equivalents

4.The cumulative buying or selling amount of specific security exceeding the lowers of \$100,000 or 20 percent of the contributed capital (Unit in thousands of currencies indicated):

Investor	Type of securities	General ledger of the accountcounter- (Note)	Name of the party	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance		
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain(loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
Uni-President Enterprises Corp.	Stock : Weilih Food Industrial Co.,Ltd	11	(Note 1)	(Note 1)	292	\$ 43,856	6,368	\$1,006,683	-	\$ -	\$ -	\$ -	-	(\$ 31,993)	6,660	\$1,018,546
President Kikkoman Inc.	Beneficiary Certificates : UPAMC JAMES Bond Fund	6	-	-	-	-	6,769	108,700	(3,730)	59,900	(59,884)	16	-	-	3,039	48,816
President Chain Store Corp.	Beneficiary Certificates : Yuanta Wan Tai Money Market Fund	"	-	-	-	-	133,450	1,940,000	(112,822)	1,640,226	(1,640,000)	226	-	217	20,628	300,217
	Taishin Lucky Money Market Fund	"	-	-	-	-	168,303	1,800,000	-	-	-	-	-	303	168,303	1,800,303
	PCA WELL POOL FUND	"	-	-	153,545	2,000,000	76,688	1,000,000	(153,545)	2,000,491	(2,000,000)	491	-	1,595	76,688	1,001,595
	Polaris De Bao Fund	"	-	-	86,839	1,000,087	86,726	1,000,000	(86,839)	1,001,303	(1,000,000)	1,303	-	1,370	86,726	1,001,457
	JIH Sun Bond Fund	"	-	-	169,392	2,400,000	-	-	(77,638)	1,100,318	(1,100,000)	318	-	3,661	91,754	1,303,661
	Capital income fund	"	-	-	64,675	1,000,091	-	-	(64,675)	1,000,336	(1,000,000)	336	-	(91)	-	-
	Prudential Financial Bond Fund	"	-	-	65,880	1,000,072	-	-	(65,880)	1,000,202	(1,000,000)	202	-	(72)	-	-
	Stock : Dayeh Takashimaya Co., Ltd.	9	(Note 2)	(Note 2)	20,000	189,885	-	-	(20,000)	270,000	(189,885)	80,115	-	-	-	-
Scino Pharm Taiwan Ltd.	Repurchase of Bonds : China Bills Finance Co., Ltd.	13	-	-	-	58,695	-	1,132,514	-	1,138,268	(1,138,209)	59	-	-	-	53,000
	International Bills Finance Co., Ltd.	"	-	-	-	73,038	-	835,567	-	855,649	(855,605)	44	-	-	-	53,000
	Stock : SPT International Ltd.	11	Capital increase	-	14,325	441,699	8,000	232,230	-	-	-	-	-	(10,494)	22,325	663,435

Investor	Type of securities	General ledger (Note)	Name of the account counter-party	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance		
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain(loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
SPT International Ltd.	ScinoPharm Pharmaceuticals, Ltd.	11	Capital increase	-	-	US 9,122	-	US 8,000	-	\$ -	\$ -	\$ -	-	(US 478)	-	US 16,644
Wisdom Distribution Services Corp.	Beneficiary Certificates : UPAMC James Bond Fund	6	-	-	10,176	163,136	37,394	600,000	(38,230)	613,547	(613,000)	547	-	(68)	9,340	150,068
	ING Taiwan Bond Fund	"	-	-	-	-	9,750	150,000	-	-	-	-	-	80	9,570	150,080
Uni-President Enterprises China Holdings Ltd.	Uni-President Asia Holdings Ltd.	11	Capital increase	-	23,577,000	RMB5,762,084	2,300,000	RMB 149,539	-	-	-	-	-	RMB 22,556	25,877,000	RMB5,934,179
Uni-President Asia Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	"	"	-	155,400	RMB5,901,065	178,710	RMB 149,491	-	-	-	-	-	RMB 20,217	334,110	RMB6,070,773
Uni-President Hong Kong Holdings Ltd.	President Enterprises (China) Investment Co. Ltd.	"	"	-	-	RMB5,198,459	-	RMB 149,704	-	-	-	-	-	RMB169,710	-	RMB5,517,873
President Enterprises (China) Investment Co.,Ltd.	Changsha President Enterprises Food Co., Ltd.	"	"	-	-	-	-	RMB 27,553	-	-	-	-	-	RMB 5,101	-	RMB 32,654
	Nanning President Enterprises Co., Ltd.	"	"	-	-	-	-	RMB 27,553	-	-	-	-	-	(RMB 428)	-	RMB 27,125
	Taizhou President Enterprises Co., Ltd.	"	"	-	-	-	-	RMB 48,622	-	-	-	-	-	RMB 120	-	RMB 48,742
President Coffee Corp.	Beneficiary Certificates : Polaris De Bao Market Fund	6	-	-	6,946	80,000	26,010	300,000	(24,297)	280,236	(280,000)	236	-	-	8,659	100,000

Investor	Type of securities	General ledger (Note)	Name of the account counter-party	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance			
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain(loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	
President Coffee Corp.	FSITC Taiwan Money Market Fund	6		-	-	-	\$ -	19,428	\$ 285,000	(16,705)	\$ 245,096	(\$ 245,000)	\$ 96	-	\$ -	2,723	\$ 40,000
	Fuhwatrust Money Market Fund	"		-	-	1,443	20,000	20,163	280,000	(14,413)	200,238	(200,000)	238	-	-	7,193	100,000
	Shinkong Chi-Shin Money Market Fund	"		-	-	-	-	15,451	230,000	(10,082)	150,112	(150,000)	112	-	-	5,369	80,000
	JIH Sun Money Market Fund	"		-	-	6,352	90,000	14,792	210,000	(14,106)	200,272	(200,000)	272	-	-	7,038	100,000
	PCA WELL POOL FUND	"		-	-	5,374	70,000	16,096	210,000	(18,407)	240,212	(240,000)	212	-	-	3,063	40,000
	Taishin Lucky Money	"		-	-	9,375	100,000	18,711	200,000	(18,737)	200,279	(200,000)	279	-	-	9,349	100,000
	Yuanta Wan Tai Money Market Fund	"		-	-	6,889	100,000	13,752	200,000	(13,770)	200,265	(200,000)	265	-	-	6,871	100,000
	ING Taiwan Money Capital income Fund	"		-	-	-	-	8,291	130,000	(5,103)	80,021	(80,000)	21	-	-	3,188	50,000
	Market Fund	"		-	-	4,203	65,000	7,744	120,000	(8,077)	125,071	(125,000)	71	-	-	3,870	60,000
	Mega Diamond Market Fund	"		-	-	-	-	8,333	100,000	(8,333)	100,032	(100,000)	32	-	-	-	-
President Pharmaceutica Corp.	Beneficiary Certificates : Fuhwatrust Bond Fund	"		-	-	1,442	20,000	20,751	288,000	(22,193)	308,096	(308,000)	96	-	-	-	-
President Drugstore Business Corp.	Mega Diamond Market Fund	"		-	-	-	-	13,752	165,000	(13,752)	165,034	(165,000)	34	-	-	-	-
	FSITC Money Market Fund	"		-	-	-	-	817	140,000	(566)	97,046	(97,000)	46	-	-	251	43,000
	Fuh Hwa Money Market Fund	"		-	-	-	-	37,314	518,000	(35,227)	489,180	(489,000)	180	-	-	2,087	29,000
President Information Corp.	Fuhwatrust Bond Fund	"		-	-	5,652	78,278	9,149	127,000	(9,941)	138,000	(137,814)	186	-	-	4,860	67,464
	Yuanta Wan Tai Money Market Fund	"		-	-	4,710	68,103	8,600	125,000	(6,607)	96,000	(95,730)	270	-	1	6,703	97,374

Investor	Type of securities	General ledger (Note)	Name of the account counter-party	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance		
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain(loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
President Logistics International Corp.	Beneficiary Certificates : PCA WELL POOL FUND UPAMC James Bond Fund	6	-	-	2,691	\$ 35,066	33,146	\$ 432,360	(30,595)	\$ 399,040	(\$ 398,956)	\$ 84	-	(\$ 7)	5,242	\$ 68,463
President International Development Corp.	Stock : Taiwan Glass Ind. Corp. Taiwan Semiconductor Co., Ltd.	7	-	-	-	-	3,203	124,174	(730)	34,313	(27,158)	7,155	-	27,871	2,473	124,887
President (BVI) International Investment Holdings Ltd.	Foreign Bonds : Bank of Scotland	3	-	-	-	-	-	US 4,946	-	-	-	-	-	-	-	US 4,946
Retail Support International Corp.	Stock : WantWant China Holdings Limited Accuray Inc.	7	-	-	10,000	HK 68,100	-	-	(10,000)	HK 70,072	(HK 29,409)	HK 40,663	-	(HK 38,691)	-	-
Vision Distribution Service Corp.	Beneficiary Certificates : FSITC Money Market Fund	6	-	-	3,419	US 23,077	-	-	(1,386)	US 11,293	(US 186)	US 11,107	-	(US 6,604)	2,033	US 16,287
Retail Support Taiwan Corp.	Beneficiary Certificates : FSITC Money Market Fund	6	-	-	119	20,366	1,745	298,950	(1,643)	281,474	(281,424)	50	2	221	37,894	
President Chain Store (BVI) Holdings Ltd.	Beneficiary Certificates : UPAMC James Bond Fund	"	-	-	4,999	80,000	9,345	150,000	(9,046)	145,231	(145,000)	231	131	5,298	85,131	
President Chain Store (BVI) Holdings Ltd.	Beneficiary Certificates : FSITC Money Market Fund	"	-	-	124	21,137	618	105,850	(515)	88,234	(88,195)	39	1	227	38,793	
President Chain Store (BVI) Holdings Ltd.	Stock : President Chain Store in Hong Kong Holdings Ltd.	11	Capital increase	-	36,945	US 17,921	42,478	US 12,955	-	-	-	-	-	US 27,873	79,423	US 58,749

Investor	Type of securities	General ledger (Note)	Name of the account counter-party	Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance		
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain(loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
President Chain Store in Hong Kong Holdings Ltd.	Stock : President Chain Store (Shanghai) Ltd.	11	Capital increase	-	-	US 7,146	-	US 12,210	-	\$ -	\$ -	\$ -	-	(US 4,020)	-	US 15,336
Kunshan President Enterprises Food Co., Ltd.	Taizhou President Enterprises Co., Ltd.	"	"	-	-	-	-	RMB147,263	-	-	-	-	-	RMB 360	-	RMB 147,623
	Shanghai Ruxin Leather Products Co., Ltd.	"	"	-	-	-	-	RMB173,620	-	-	-	-	-	(RMB 392)	-	RMB 173,228
	Uni-President Shanghai Pearly Century Co., Ltd.	"	"	-	-	-	-	RMB347,326	-	-	-	-	-	(RMB 783)	-	RMB 346,543
Wuhan President Enterprises Food Co., Ltd.	Wuhan Zijiang President Enterprises Co., Ltd.	"	"	-	-	-	-	RMB 33,000	-	-	-	-	-	-	-	RMB 33,000
Chengdu President Enterprises Food Co., Ltd.	United Advisor Venture Management Ltd.	"	"	-	-	RMB 31,075	-	RMB 67,375	-	-	-	-	-	(RMB 1,675)	-	RMB 96,775
	Chongqing President Enterprises Co., Ltd.	"	"	-	-	-	-	RMB 66,517	-	-	-	-	-	(RMB 1,891)	-	RMB 64,626
Zhengzhou President Enterprises Co., Ltd.	Jinmailang Beverage (Beijing) Co., Ltd.	"	"	-	-	RMB 77,837	-	RMB100,000	-	-	-	-	-	RMB 9,341	-	RMB 187,178
	United Advisor Venture Management Ltd.	"	"	-	-	RMB 31,075	-	RMB 67,375	-	-	-	-	-	(RMB 1,675)	-	RMB 96,775
Guangzhou President Enterprises Co., Ltd.	Nanning President Enterprises Co., Ltd.	"	"	-	-	RMB 22,804	-	RMB 60,832	-	-	-	-	-	(RMB 1,284)	-	RMB 82,352
	Zhanjiang President Enterprises Co., Ltd.	"	"	-	-	RMB 16,999	-	RMB 42,030	-	-	-	-	-	(RMB 1,004)	-	RMB 58,025
Xinjiang President Enterprises Food Co., Ltd.	Aksu President Enterprises Co., Ltd.	"	"	-	-	-	-	RMB 58,500	-	-	-	-	-	(RMB 271)	-	RMB 58,229

Investor	Type of securities	General ledger of the account counter- (Note)	Name of the party Relationship	Beginning balance		Addition		Disposal			Other increase (decrease)		Ending balance		
				Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Sale Price	Book value	Gain(loss) on disposal	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
Shenyang President Enterprises Co., Ltd.	Changchun President Enterprises Co., Ltd.	11	Capital increase	-	\$ -	-	RMB 58,905	-	\$ -	\$ -	\$ -	-	(RMB 1,118)	-	RMB 57,787
Cayman Ton Yi Industrial Holdings Ltd.	Zhangzhou Ton Yi Industrial Co., Ltd.	"	"	-	-	-	US 4,500	-	-	-	-	-	(US 24)	-	US 4,476

(Note) The code number explanation is as follows:

1. Financial assets held for trading
2. Available-for-sale financial assets - current
3. Held-to-maturity financial assets - current
4. Financial assets carried at cost - current
5. Investments in bonds without active markets - current
6. Financial assets at fair value through profit or loss - current
7. Available-for-sale financial assets - non-current
8. Held-to-maturity financial assets - non-current
9. Financial assets carried at cost - non-current
10. Investments in bonds without active markets - non-current
11. Long-term equity investments accounted for under the equity method
12. Long-term equity investments held for disposal
13. Cash equivalents

(Note1) The counter party is Linkhope Int'l. LLC, an investee company of Cayman President accounted for under the equity method.

(Note2) The counter party is Takashimaya Company, Limited, an investee company accounted for under the equity method.