

**UNI-PRESIDENT ENTERPRISES CORP.**

**CONSOLIDATED FINANCIAL STATEMENTS AND**

**REPORT OF INDEPENDENT ACCOUNTANTS**

**JUNE 30, 2008 AND 2007**

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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.

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

We have reviewed the accompanying consolidated balance sheets of Uni-President Enterprises Corp. and subsidiaries as of June 30, 2008 and 2007, and the related 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 issue a conclusion on these financial statements based on our reviews. As described in Note 1(4), we did not review the financial statements of certain subsidiaries which statements reflect total assets of \$39,734,834,000 and \$38,243,938,000, representing 14.56% and 14.77% of the related consolidated totals, and total liabilities of \$21,214,391,000 and \$20,710,033,000, representing 11.65% and 11.88% of the related consolidated totals, as of June 30, 2008 and 2007, respectively, and total operating revenues of \$13,564,444,000 and \$12,813,563,000, representing 9.05% and 8.44% of the related consolidated totals for the six-month periods then ended, respectively. We also did not audit the financial statements of certain investee companies accounted for under the equity method. These long-term investments amounted to \$523,112,000 and \$863,053,000 as of June 30, 2008 and 2007, respectively, and their related net investment income amounted to \$5,852,000 and \$19,768,000 for the six-month periods then ended, respectively. The financial statements of these subsidiaries and investee companies were reviewed by other auditors whose reports thereon have been furnished to us, and our conclusion expressed herein, insofar as it relates to the amounts included for these subsidiaries and investee companies, is based solely on the reports of the other auditors.

Except as discussed in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 "Review of Financial Statements" in the Republic of China. A review of interim financial information consists principally of obtaining an understanding of the system for the preparation of interim financial information, applying analytical procedures to financial data, and making inquiries of Company personnel responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

As described in Note 1(4), the financial statements of certain subsidiaries were consolidated based on their unaudited or unreviewed financial statements as of and for the six-month periods ended June 30, 2008 and 2007. Total assets of these subsidiaries amounted to \$63,762,561,000 and \$84,682,583,000, representing 23.37% and 32.69% of the related consolidated totals, and total liabilities amounted to \$40,529,411,000 and \$66,624,445,000, representing 22.25% and 38.21% of the related consolidated

totals, respectively, as of June 30, 2008 and 2007, and total net income amounted to \$1,181,370,000 and \$1,612,913,000, representing 26.25% and 21.32% of the related consolidated totals for the six-month periods then ended, respectively. In addition, as described in Note 4(10) to the consolidated financial statements, the financial statements of certain long-term investments accounted for under the equity method were not audited by independent accountants. Long-term investments in these companies amounted to \$17,039,367,000 and \$15,427,956,000 as of June 30, 2008 and 2007, respectively, and the related investment income amounted to \$310,845,000 and \$102,212,000 for the six-month periods then ended, respectively. These amounts were based solely on their 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.

Based on our reviews and the reports of other auditors, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain subsidiaries and investee companies been audited or reviewed by independent accountants as described in the preceding paragraph, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above in order for them to be in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers", "Business Entity Accounting Law", "Regulation on Business Entity Accounting Handling" and generally accepted accounting principles in the Republic of China.

As described in Note 3, effective January 1, 2008, the Company adopted the EITF 96-052 "Accounting for Employees' Bonuses and Directors' and Supervisors' Remuneration", prescribed by the R.O.C. Accounting Research and Development Foundation. As a result of the adoption of such EITF, net income decreased by \$408,248,000 and earnings per share decreased by \$0.11 for the six-month period ended June 30, 2008.

PricewaterhouseCoopers

Tainan, Taiwan

Republic of China

September 2, 2008

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The accompanying 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 review of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and review report of independent accountants are not intended for use by those who are not informed about the accounting principles or review 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. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
JUNE 30  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)  
(UNAUDITED)

	2008	2007
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4(1))	\$ 30,031,431	\$ 19,142,924
Financial assets at fair value through profit or loss - current (Notes 4(2) and 6)	13,095,024	10,921,561
Available-for-sale financial assets - current (Note 4(3))	31,153	131,308
Notes receivable, net (Note 4(4))	3,393,353	2,528,765
Accounts receivable, net (Note 4(5))	11,209,856	11,334,559
Accounts receivable, net - related parties (Note 5)	1,320,385	939,885
Other receivables, net (Notes 4(6) and 5)	7,468,678	6,902,818
Other financial assets - current (Note 6)	24,343	18,026
Inventories, net (Notes 4(7)(11) and 6)	25,343,214	21,989,460
Prepayments (Note 7)	9,488,007	7,964,222
Deferred income tax assets - current (Note 4(27))	715,634	441,863
Other current assets	961,903	1,500,269
<b>Total current assets</b>	<u>103,082,981</u>	<u>83,815,660</u>
<b>Funds and Investments</b>		
Available-for-sale financial assets - non-current (Notes 4(3) and 6)	7,840,546	11,162,302
Financial assets carried at cost - non-current (Notes 4(8)(16) and 6)	17,441,815	18,862,778
Investments in bonds without active markets - non-current (Note 4(9))	45,000	62,928
Long-term equity investments accounted for under the equity method (Notes 4(10) and 6)	24,237,108	23,014,296
Investments in real estate	3,935	-
<b>Total funds and investments</b>	<u>49,568,404</u>	<u>53,102,304</u>
Other financial assets - non-current (Note 6)	<u>33,751</u>	<u>-</u>
<b>Property, Plant and Equipment, Net (Notes 4(11)(16), 5 and 6)</b>		
<b>Cost</b>		
Land	9,726,408	10,727,678
Buildings	32,943,976	32,378,797
Machinery and equipment	70,277,319	64,470,420
Piping infrastructure and electricity generation equipment	5,283,902	4,720,071
Transportation equipment	3,373,842	3,244,376
Office equipment	5,134,108	4,754,046
Leased assets	1,561,238	684,623
Leasehold improvements	7,753,491	6,693,932
Other equipment	23,017,716	27,904,974
Revaluation increments	3,967,830	4,046,606
Cost and revaluation increments	163,039,830	159,625,523
Less: Accumulated depreciation	( 69,751,581)	( 63,058,008)
Accumulated impairment	( 157,057)	( 165,916)
Construction in progress and prepayments for equipment	6,012,648	4,359,364
<b>Total property, plant and equipment, net</b>	<u>99,143,840</u>	<u>100,760,963</u>
<b>Intangible Assets</b>		
Deferred pension costs (Note 4(21))	270,553	364,107
Other intangible assets (Notes 3, 4(12)(16) and 6)	4,094,306	4,590,998
<b>Total intangible assets</b>	<u>4,364,859</u>	<u>4,955,105</u>
<b>Other Assets</b>		
Assets leased to others (Notes 4(11)(13)(16) and 6)	8,760,828	8,690,022
Idle assets (Notes 4(11)(14)(16) and 6)	1,156,888	1,729,014
Refundable deposits (Notes 6 and 7)	2,190,476	2,399,734
Deferred expenses (Note 4(15))	1,169,126	1,447,133
Long-term notes, accounts and overdue receivables	985	74,846
Long-term notes, accounts and overdue receivables - related parties (Note 5)	30,837	-
Deferred income tax assets - non-current (Note 4(27))	250,549	75,088
Other assets - other (Notes 4(11) and 6)	3,133,106	1,959,482
<b>Total other assets</b>	<u>16,692,795</u>	<u>16,375,319</u>
<b>TOTAL ASSETS</b>	<u>\$ 272,886,630</u>	<u>\$ 259,009,351</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS (CONTINUED)  
JUNE 30  
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)  
(UNAUDITED)

	2008	2007
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Short-term loans (Notes 4(17) and 6)	\$ 23,753,318	\$ 31,440,210
Notes and bills payable (Notes 4(18) and 6)	9,222,151	9,906,699
Derivative financial liabilities for hedging - current (Note 10(4))	2,579	31,302
Notes payable	2,880,519	2,981,241
Accounts payable (Note 5)	19,561,816	18,229,087
Income tax payable (Note 4(27))	1,340,123	1,009,123
Accrued expenses (Note 5)	11,806,758	12,746,257
Other payables (Note 5)	18,650,088	10,888,535
Receipts in advance	2,612,097	2,860,773
Long-term liabilities - current portion (Notes 4(19)(20)(22) and 6)	12,030,491	7,831,316
Capital lease payables - current (Note 4(11))	21,579	19,534
Other current liabilities	667,821	648,435
<b>Total current liabilities</b>	<u>102,549,340</u>	<u>98,592,512</u>
<b>Long-term Liabilities</b>		
Derivative financial liabilities for hedging - non-current (Note 10(4))	15,592	88,543
Bonds payable (Note 4(19))	8,207,509	5,680,000
Long-term loans (Notes 4(20) and 6)	60,180,627	59,916,116
Long-term notes payable	429,618	627,878
Capital lease payables - non-current (Note 4(11))	81,825	103,405
Long-term notes, accounts and overdue payable - related parties (Note 5)	209,234	-
<b>Total long-term liabilities</b>	<u>69,124,405</u>	<u>66,415,942</u>
<b>Reserves</b>		
Land value incremental reserve (Note 4(11))	1,773,357	1,773,357
<b>Other Liabilities</b>		
Accrued pension liabilities (Note 4(21))	2,486,515	2,472,934
Guarantee deposits received	4,030,152	3,970,781
Other liabilities - other (Note 4(22))	2,186,476	1,139,967
<b>Total other liabilities</b>	<u>8,703,143</u>	<u>7,583,682</u>
<b>TOTAL LIABILITIES</b>	<u>182,150,245</u>	<u>174,365,493</u>
<b>Stockholders' Equity</b>		
Capital (Notes 1 and 4(23))		
Common stock	35,553,733	33,541,258
Stock dividends distributed	1,777,687	2,012,475
Capital Reserves (Notes 4(19)(24))		
Capital reserve from donated assets	458	288
Capital reserve from long-term investments	5,343,317	359,734
Capital reserve from stock warrants	523,481	-
Retained Earnings (Notes 4(23)(25))		
Legal reserve	6,912,135	5,810,436
Undistributed earnings	3,105,394	5,122,511
Other Adjustments to Stockholders' Equity		
Asset revaluations (Note 4(11))	1,790,150	1,790,351
Unrealized gain or loss on financial instruments (Notes 4(3)(10), 10(1)(4))	2,626,913	5,877,984
Cumulative translation adjustments	( 51,858)	599,126
Unrecognized pension cost (Note 4(21))	( 1,087,655)	( 955,791)
<b>Total parent company's equity</b>	<u>56,493,755</u>	<u>54,158,372</u>
Minority interest	34,242,630	30,485,486
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<u>90,736,385</u>	<u>84,643,858</u>
Contingent Liabilities and Commitments (Notes 5 and 7)		
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 272,886,630</u>	<u>\$ 259,009,351</u>

The accompanying notes are an integral part of these consolidated financial statements.  
See review report of independent accountants dated September 2, 2008.

**UNI-PRESIDENT ENTERPRISES CORP.**  
**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)

	2008		2007	
Operating Revenues (Note 5)				
Sales	\$	150,315,869	\$	143,150,374
Sales returns	(	770,840)	(	670,963)
Sales discounts	(	3,594,907)	(	2,709,179)
Net Sales		145,950,122		139,770,232
Other operating revenues		3,902,044		5,253,197
Net Operating Revenues		149,852,166		145,023,429
Operating Costs (Notes 4(26) and 5)				
Cost of goods sold	(	106,465,511)	(	102,212,502)
Other operating costs	(	1,891,477)	(	3,267,034)
Net Operating Costs	(	108,356,988)	(	105,479,536)
Gross profit		41,495,178		39,543,893
Operating Expenses (Notes 4(26) and 5)				
Sales and marketing expenses	(	27,967,268)	(	26,942,532)
General and administrative expenses	(	6,179,622)	(	6,699,678)
Research and development expenses	(	260,521)	(	241,399)
Total Operating Expenses	(	34,407,411)	(	33,883,609)
Operating income		7,087,767		5,660,284
Non-operating Income and Gains				
Interest income (Note 5)		323,655		204,410
Gain on valuation of financial assets (Note 4(2))		-		220,513
Investment income accounted for under the equity method (Note 4(10))		450,282		559,186
Dividend income		224,191		125,940
Gain on disposal of property, plant and equipment		221,992		43,193
Gain on disposal of investments (Note 4(2))		293,559		3,622,756
Foreign exchange gain, net		-		271,486
Rental income (Note 4(13))		167,796		183,941
Reversal of allowance for inventory obsolescence and market price declines		28,075		-
Other non-operating income (Note 5)		1,060,333		481,791
Total Non-operating Income and Gains		2,769,883		5,713,216
Non-operating Expenses and Losses				
Interest expense (Notes 4(11) and 10(3))	(	1,990,336)	(	2,224,241)
Loss on valuation of financial assets (Note 4(2))	(	127,538)	(	-
Loss on disposal of property, plant and equipment	(	70,847)	(	45,158)
Foreign exchange loss	(	99,473)	(	-
Provision for inventory obsolescence and market price declines		-	(	13,014)
Impairment loss (Notes 4(8)(11)(13)(14)(16))	(	164,512)	(	24,087)
Other non-operating losses (Note 5)	(	1,278,515)	(	483,509)
Total Non-operating Expenses and Losses	(	3,731,221)	(	2,790,009)
Income before income tax		6,126,429		8,583,491
Income tax expense (Note 4(27))	(	1,626,095)	(	1,017,092)
Consolidated net income	\$	4,500,334	\$	7,566,399
Attributable to:				
Equity holders of the Company	\$	2,982,734	\$	4,976,436
Minority interest		1,517,600		2,589,963
	\$	4,500,334	\$	7,566,399
	Before Tax	After Tax	Before Tax	After Tax
Basic Earnings Per Common Share (in dollars) (Note 4(28))				
Net income	\$	1.64	\$	2.30
Diluted Earnings Per Share (in dollars) (Note 4(28))				
Net income	\$	1.62	\$	2.30

The accompanying notes are an integral part of these consolidated financial statements.  
See review report of independent accountants dated September 2, 2008.

UNI-PRESIDENT ENTERPRISES CORP.  
 CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
 FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007  
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Capital		Retained Earnings				Asset Revaluations	Unrealized Gain or Loss on Financial Instruments	Cumulative Translation Adjustments	Unrecognized Pension Cost	Minority Interest	Total
	Common Stock	Stock Dividends Distributable	Capital Reserve	Legal Reserve	Special Reserve	Undistributed Earnings						
<u>Year 2007</u>												
Balance at January 1, 2007	\$ 33,541,258	\$ -	\$ 359,707	\$ 5,449,728	\$ 1,229,967	\$ 3,687,421	\$ 1,790,351	\$ 1,428,784	\$ 97,228	( \$ 955,791)	\$ 27,174,395	\$ 73,803,048
Reversal of special reserve	-	-	-	-	( 1,229,967)	1,229,967	-	-	-	-	-	-
Distribution of 2006 net income:												
Legal reserve	-	-	-	360,708	-	( 360,708)	-	-	-	-	-	-
Directors' and supervisors' remuneration	-	-	-	-	-	( 89,527)	-	-	-	-	-	( 89,527)
Employees' bonuses	-	-	-	-	-	( 296,128)	-	-	-	-	-	( 296,128)
Cash dividends	-	-	-	-	-	( 2,012,475)	-	-	-	-	-	( 2,012,475)
Stock dividends	-	2,012,475	-	-	-	( 2,012,475)	-	-	-	-	-	-
Consolidated net income for the six months ended June 30, 2007	-	-	-	-	-	4,976,436	-	-	-	-	2,589,963	7,566,399
Adjustment of capital reserve due to change in ownership of subsidiaries	-	-	315	-	-	-	-	-	-	-	-	315
Adjustment of unrealized gain on financial instruments of long-term equity investments	-	-	-	-	-	-	-	4,439,461	-	-	-	4,439,461
Adjustment due to revaluation of derivative financial liabilities for hedging	-	-	-	-	-	-	-	21,627	-	-	-	21,627
Adjustment due to revaluation of available-for-sale financial assets	-	-	-	-	-	-	-	( 11,888)	-	-	-	( 11,888)
Cumulative translation adjustment	-	-	-	-	-	-	-	-	501,898	-	-	501,898
Changes in minority interest	-	-	-	-	-	-	-	-	-	-	721,128	721,128
Balance at June 30, 2007	<u>\$ 33,541,258</u>	<u>\$ 2,012,475</u>	<u>\$ 360,022</u>	<u>\$ 5,810,436</u>	<u>\$ -</u>	<u>\$ 5,122,511</u>	<u>\$ 1,790,351</u>	<u>\$ 5,877,984</u>	<u>\$ 599,126</u>	<u>( \$ 955,791)</u>	<u>\$ 30,485,486</u>	<u>\$ 84,643,858</u>

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UNI-PRESIDENT ENTERPRISES CORP.  
 CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
 FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007  
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Capital		Retained Earnings				Asset Revaluations	Unrealized Gain or Loss on Financial Instruments	Cumulative Translation Adjustments	Unrecognized Pension Cost	Minority Interest	Total
	Common Stock	Stock Dividends Distributable	Capital Reserve	Legal Reserve	Special Reserve	Undistributed Earnings						
<b>Year 2008</b>												
Balance at January 1, 2008	\$ 35,553,733	\$ -	\$ 5,366,758	\$ 5,810,436	\$ -	\$ 11,163,062	\$ 1,790,150	\$ 4,078,991	\$ 556,223	( \$ 1,087,655)	\$ 35,842,736	\$ 99,074,434
Distribution of 2007 net income:												
Legal reserve	-	-	-	1,101,699	-	( 1,101,699)	-	-	-	-	-	-
Directors' and supervisors' remuneration	-	-	-	-	-	( 198,306)	-	-	-	-	-	( 198,306)
Employees' bonuses	-	-	-	-	-	( 851,964)	-	-	-	-	-	( 851,964)
Cash dividends	-	-	-	-	-	( 7,110,746)	-	-	-	-	-	( 7,110,746)
Stock dividends	-	1,777,687	-	-	-	( 1,777,687)	-	-	-	-	-	-
Consolidated net income for the six months ended June 30, 2008	-	-	-	-	-	2,982,734	-	-	-	-	1,517,600	4,500,334
Adjustment of capital reserve due to change in ownership of subsidiaries	-	-	456,274	-	-	-	-	-	-	-	-	456,274
Adjustment of capital reserve due to convertible bonds payable transaction of subsidiaries	-	-	44,224	-	-	-	-	-	-	-	-	44,224
Adjustment of unrealized gain on financial instruments of long-term equity investments	-	-	-	-	-	-	( 1,760,817)	-	-	-	-	( 1,760,817)
Adjustment due to revaluation of derivative financial liabilities for hedging	-	-	-	-	-	-	-	47,880	-	-	-	47,880
Adjustment due to revaluation of available-for-sale financial assets	-	-	-	-	-	-	-	260,859	-	-	-	260,859
Cumulative translation adjustment	-	-	-	-	-	-	-	-	( 608,081)	-	-	( 608,081)
Changes in minority interest	-	-	-	-	-	-	-	-	-	-	( 3,117,706)	( 3,117,706)
Balance at June 30, 2008	<u>\$ 35,553,733</u>	<u>\$ 1,777,687</u>	<u>\$ 5,867,256</u>	<u>\$ 6,912,135</u>	<u>\$ -</u>	<u>\$ 3,105,394</u>	<u>\$ 1,790,150</u>	<u>\$ 2,626,913</u>	<u>( \$ 51,858)</u>	<u>( \$ 1,087,655)</u>	<u>\$ 34,242,630</u>	<u>\$ 90,736,385</u>

The accompanying notes are an integral part of these consolidated financial statements.  
 See review report of independent accountants dated September 2, 2008.



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

	2008		2007
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Consolidated net income	\$ 4,500,334	\$	7,566,399
Adjustments to reconcile net income to net cash provided by operating activities			
Loss (gain) on valuation of financial assets	127,538	(	295,837)
Provision for doubtful accounts	59,740		33,637
Reversal of allowance for doubtful accounts	(137,232)	(	97,198)
Provision for inventory obsolescence and market price declines	-		13,014
Reversal of allowance for inventory obsolescence and market price declines	(28,075)	(	-
Investment income accounted for under the equity method	(450,282)	(	559,186)
Cash dividends from equity subsidiaries	97,093		91,222
Gain on disposal of investments	(442,185)	(	223,956)
Depreciation	5,128,914		4,702,035
Gain on disposal of property, plant and equipment, assets leased to others, idle assets and other assets	(221,992)	(	43,193)
Loss on disposal of property, plant and equipment, assets leased to others, idle assets and other assets	70,847		45,158
Impairment loss	164,512		24,087
Amortization	518,361		412,746
Changes in assets and liabilities			
Notes receivable	118,256	(	545,897)
Accounts receivable	(1,923,567)	(	899,960)
Accounts receivable - related parties	(228,183)		74,968
Other receivables	(2,669,287)	(	3,943,868)
Inventories	104,945		184,059
Prepayments	(2,159,469)	(	322,762)
Deferred income tax assets - current	(50,586)		195,341
Other current assets	(393,684)	(	1,183,832)
Deferred pension cost	4,359		10,673
Long-term notes, accounts and overdue receivables	28,373	(	11,693)
Deferred income tax assets - non-current	(238,787)	(	75,088)
Notes payable	866,723	(	196,853)
Accounts payable	2,594,149		2,433,549
Income tax payable	(13,011)	(	360,289)
Accrued expenses	2,441,783		3,413,431
Other payables	1,019,421		1,810,902
Receipts in advance	(416,178)	(	125,680)
Other current liabilities	112,482		11,525
Accrued pension liabilities	(35,965)	(	224,991)
Deferred income tax liabilities - non-current	-	(	102,654)
Net cash provided by operating activities	<u>8,549,347</u>		<u>12,061,169</u>

(Continued)

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

	2008	2007
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Increase in financial assets at fair value through profit or loss - current	(\$ 2,404,710)	(\$ 2,657,374)
Decrease (increase) in available-for-sale financial assets - current	2,331	(131,118)
Decrease in employees' car loans	5,518	943
(Increase) decrease in other receivables - related parties	(8,175)	340,695
Decrease in other financial assets - current	34,888	51,703
Increase in available-for-sale financial assets - non-current	(1,286,969)	(3,308,512)
(Increase) decrease in financial assets carried at cost - non-current	(310,184)	78,603
Increase in investments in bonds without active markets - non-current	-	(17,928)
Acquisition of long-term investments - non subsidiaries	(670,863)	(781,716)
Proceeds from sale of long-term investments - non subsidiaries	1,675,180	5,261,444
Proceeds from liquidation of subsidiaries	79,516	7,869
Decrease in other financial assets - non-current	22,419	116,121
Cash acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	(4,580,497)	(6,638,843)
Proceeds from disposal of property, plant and equipment, assets leased to others, idle assets and other assets	1,119,854	985,680
Increase in other intangible assets	(242,950)	(912,504)
Decrease (increase) in refundable deposits	132,999	(137,128)
Increase in deferred expenses	(252,976)	(207,653)
Net cash used in investing activities	(6,684,619)	(7,949,718)
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Decrease in short-term loans	(362,775)	(3,683,481)
Decrease in notes and bills payable	(788,488)	(2,235,579)
Decrease in bonds payable	(2,536,878)	(1,050,000)
Increase in long-term loans	5,131,978	8,363,526
Decrease in long-term notes, accounts and overdue payables	(56,516)	(52,262)
Increase in long-term notes, accounts and overdue payables - related parties	95,346	-
Increase in guarantee deposits received	265,717	238,628
Increase (decrease) in other liabilities - other	68,091	(312,953)
Payment of directors' and supervisors' remuneration	(198,306)	(89,527)
Payment of employees' bonuses	(851,964)	(296,128)
(Decrease) increase in minority interest	(3,117,706)	721,128
Net cash (used in) provided by financing activities	(2,351,501)	1,603,352
Effect of foreign exchange rate changes on cash	354,690	(37,129)
Net (decrease) increase in cash and cash equivalents	(132,083)	5,677,674
Cash and cash equivalents at beginning of period	30,163,514	13,465,250
Cash and cash equivalents at end of period	\$ 30,031,431	\$ 19,142,924
<b><u>Supplemental disclosures of cash flow information</u></b>		
1. Interest paid (excluding capitalized interest)	\$ 1,570,512	\$ 1,998,812
2. Income tax paid	\$ 1,928,479	\$ 1,359,782
<b><u>Investing and financing activities with partial cash payment</u></b>		
1. Proceeds from disposal of long-term investment - non subsidiaries	\$ 1,459,467	\$ 1,148,231
Add: Other receivables, beginning of period	2,053,508	4,113,213
Less: Other receivables, end of period	(1,837,795)	-
Proceeds from disposal of long-term investments - non subsidiaries	\$ 1,675,180	\$ 5,261,444
2. Acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 4,133,609	\$ 7,116,475
Add: Other payables, beginning of period	1,097,292	719,105
Capital lease payables, beginning of period	113,415	132,000
Less: Other payables, end of period	(660,415)	(1,205,798)
Capital lease payables, end of period	(103,404)	(122,939)
Cash acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 4,580,497	\$ 6,638,843
<b><u>Other activities with no cash flow effect</u></b>		
Unpaid cash dividends	\$ 7,110,746	\$ 2,012,475

The accompanying notes are an integral part of these consolidated financial statements.  
See review report of independent accountants dated September 2, 2008.

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2008 AND 2007

(EXPRESSED IN THOUSANDS OF NEW TAIWAN 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, 2008, the Company’s authorized capital was \$48,000,000, and the paid-in capital was \$35,553,733, consisting of 3,555,373,000 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, food, animal feeds and flour.
- (2) As of June 30, 2008, the Company and its subsidiaries had approximately 73,800 employees.
- (3) The common shares of the Company have been listed on the Taiwan Stock Exchange since December 1987.

(4) Names of consolidated subsidiaries, their major business activities, the percentage owned by the Company and their changes in 2008 were as follows:

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Uni-President Enterprises Corp.	Cayman President Holdings Ltd.	Professional investments	100.00%	100.00%	—
	Kai Nan Investment Co., Ltd.	"	"	"	(Note 1)
	President International Trade and Investment Corp.	"	"	"	"
	Kai Yu Investment Co., Ltd.	"	"	"	"
	President Global Corp.	Instant noodle and juice can importation	"	"	"
	Tone Sang Construction Corp.	Construction of buildings	"	"	"
	Uni-President Glass Industrial Co., Ltd.	Manufacturing and sales of glass products	"	"	"
	Uni-President Vendor Corp.	Sales of food and soft drinks	"	"	"
	U-Chains Enterprises	Distribution center	"	"	"

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Uni-President Enterprises Corp.	Presco Net Marketing Inc.	Information services	100.00%	100.00%	(Note 1)
	Uni-President Dream Parks Corp.	Wholesale and retailing of food, advertising, etc.	"	"	"
	President Baseball Team Corp.	Management of professional baseball	"	"	"
	President Entertainment Corp.	Entertainment business	"	"	" (Note 3)
	Uni-President Organics Corp.	Sales of rice, vegetable, tea and drinks, etc.	"	"	(Note 1) (Note 3)
	President Fair Development Corp.	Operation of shopping mall, department store, international trade etc.	"	"	(Note 3)
	Nanlien International Corp.	Importation and exportation business	99.99%	99.99%	(Note 1)
	Tung Ho Development Co., Ltd.	Entertainment business	99.28%	99.28%	" (Note 3)
	President Musashino Corp.	Sales of fresh food	90.00%	90.00%	(Note 1) (Note 3)
	President Natural Industrial Corp.	Sales of healthy food	74.85%	74.85%	(Note 1)

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Uni-President Enterprises Corp.	Uni-President Development Corp.	General investments	70.00%	70.00%	(Note 1) (Note 3)
	President International Development Corp.	Industry investment	69.83%	69.83%	(Note 3)
	Qware Systems & Services Corp.	Data processing and software design services, etc.	51.34%	50.47%	(Note 1) (Note 3)
	President Tokyo Corp.	Car rental	51.00%	51.00%	(Note 1)
	President Nisshin Corp.	Processing, manufacturing and sales of vegetable oil	"	"	"
	Ton-Yi Pharmaceutical Corp.	Distribution of pharmaceuticals	"	"	"
	President Packaging Corp.	Package and container sales	50.59%	50.59%	"
	President Asia Enterprises Inc.	Operation of supermarket, landed estates and hotels, etc.	50.01%	50.01%	(Note 1) (Note 3)
	President Kikkoman Inc.	Manufacturing and sales of soya sauce	50.00%	50.00%	(Note 1)
	Uni-President Biotechnologies Co., Ltd.	Research and development of traditional chinese medicine, wholesale	"	"	"

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Uni-President Enterprises Corp.	Ton-Yi Industrial Corp.	Manufacturing of tinplates	47.24%	47.24%	(Note 2) (Note 3)
	President Chain Store Corp.	Operation of supermarkets	45.40%	45.40%	—
	Parabola Creative Inc.	Advertising	—	60.00%	(Note 4)
Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd. and its subsidiaries	Professional investments	100.00%	100.00%	(Note 1)
	Linkhope Intl. LLC.	General investments	"	"	"
	Uni-President Foods Corp.	Manufacturing and sales of instant noodles	"	"	"
	Uni-President International (HK) Co., Ltd.	Trading	"	"	"
	Uni-President Enterprises China Holdings Ltd. and its subsidiaries	Professional investments etc.	73.49%	—	(Note 5)
	President Energy Development (Cayman Islands) Ltd.	Investment in energy resources	65.79%	65.08%	(Note 1) (Note 3)

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Cayman President Holdings Ltd.	Zhangjiagang President Nisshin Food Co., Ltd.	Manufacturing and sales of fats, flour and feeds	60.00%	60.00%	(Note 1)
	Uni-President Asia Holdings Ltd. and its subsidiaries	Professional investments	—	100.00%	" (Note 5)
Kai Nan Investment Co., Ltd.	Kai Nan (BVI) Investment Co., Ltd. and its subsidiaries	Professional investments, etc.	100.00%	"	(Note 1)
President International Trade and Investment Corp.	Shanghai President International Food Co., Ltd.	Sales of biscuits and food	"	"	" (Note 3)
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd. and its subsidiaries	Investments in manufacturing business, etc.	"	"	(Note 1)
	Tung Ang Enterprises Corp.	Sales of soft drinks, etc.	"	"	"
	Tung Guan Enterprises Co., Ltd.	Sales of livestock products	"	"	"
	Tung Jun International Corp.	Wholesale of poultry and livestock, etc.	"	"	"
	U-Fu Asset Management Corporation	Financing	"	"	"
	Century Quick Services Restaurant Corp.	Operation of fastfood chain restaurant	80.00%	80.00%	" (Note 3)



Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
President Global Corp.	Ameripec Inc.	Manufacturing of food	100.00%	100.00%	(Note 1)
Uni-President Dream Parks Corp.	Uni-Oao Travel Services Corp.	Tours business	"	"	" (Note 3)
President Fair Development Corp.	Kaiana Plywood & Wood Mfg. Co., Ltd.	Manufacturing and sales of wood	"	"	(Note 1)
Nanlien International Corp.	Cayman Nanlien Holding Ltd. and its subsidiaries	Professional investment, etc.	"	"	"
	Nella Limited and its subsidiaries	Trade agency and general investments	"	"	"
	Wei Lien Enterprises Corp. and its subsidiaries	"	"	"	"
	Uni-President Auto Accessories Corp.	Wholesale of motor vehicle parts and supplies	"	"	"
	Union Chinese Corp. and its subsidiaries	Sales of foods	63.78%	63.78%	"
	Tun Hsiang Enterprises Corp., etc.	"	36.00% ~ 100.00%	36.00% ~ 100.00%	"

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Tung Ho Development Co., Ltd.	President Being Corp.	Operation of gymnasium, spa, etc.	100.00%	100.00%	(Note 1)
	Uni-Resort Corp.	Operation of restaurants, hotels and gymnasium	"	"	"
	Gu-Hsiang Corp.	Operation of restaurants and hotels	—	"	" (Note 6)
President Natural Industrial Corp.	High Wave Biotech Corp.	Sales of healthy food	100.00%	"	(Note 1)
President International Development Corp.	President (BVI) International Investment Holdings Ltd. and its subsidiaries	Investment in manufacturing business, etc.	"	"	—
	Ton Shou Investment Inc.	Professional investments	"	"	(Note 1)
	Ton Cheng Investment Inc.	"	"	"	"
	Ton Yu Investment Inc. and its subsidiaries	Professional investments, etc.	"	"	"
	President Life Sciences Co., Ltd. and its subsidiaries	Manufacturing of chemical materials and instruments, etc.	"	"	"
	Presitex Co., Ltd. and its subsidiaries	Manufacturing and sales of clothing, etc.	"	"	—
	Tung Li Development Corp.	Land development	50.00%	50.00%	(Note 1)

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
Qware Systems & Services Corp.	Professional E-Commerce (BVI) Services Ltd. and its subsidiaries	Information services	100.00%	100.00%	(Note 1)
	Atech System Integrated Co., Ltd.	Information services	—	"	" (Note 7)
President Tokyo Corp.	President Tokyo Renting Corp.	Car rental	100.00%	"	(Note 1)
President Packaging Corp.	President Packaging (BVI) Corp. and its subsidiaries	Professional investment, etc.	"	"	"
President Asian Enterprises Inc.	555053 British Columbia Ltd.	Operation of trust	"	"	"
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd. and its subsidiaries	Professional investment, etc.	"	"	(Note 2)
	Tovecan Corp.	Manufacturing of cans, etc.	51.00%	51.00%	"
President Chain Store Corp.	PCSC (China) Supermarket Limited and its subsidiaries	Professional investment, etc.	100.00%	100.00%	(Note 1)
	President Chain Store (BVI) Holdings Co., Ltd. and its subsidiaries	"	"	"	(Note 1) (Note 9)
	President Drugstore Business Corp.	Sales of cosmetics and medicines	"	"	(Note 1)

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
President Chain Store Corp.	President Direct Marketing	Sales of various merchandise by mail order	100.00%	100.00%	(Note 1)
	Ren-Hui Investment Corp.	Professional investment	"	"	"
	Capital Inventory Services Corp.	Enterprise management consultancy	"	"	"
	Wisdom Distribution Services Corp. and its subsidiaries	Delivery of magazines, etc.	"	"	"
	Uni-President Cold Chain Corp. and its subsidiaries	Distribution center	"	"	" (Note 3)
	Uni-President Oven Bakery Corp. and its subsidiaries	Bread retailing, etc.	"	"	(Note 1) (Note 3)
	Uni-President Department Stores Corp.	Retail business	"	"	(Note 1) (Note 3)
	President FN Business Corp.	"	"	"	(Note 1)
	Cold Stone Creamery Taiwan Ltd.	Operation of restaurant	"	"	"
	President Lanyang Art Center Co., Ltd.	Arts and culture	"	90.00%	"
	President Transnet Corp.	Distribution business	90.00%	"	" (Note 3)
	President Information Corp.	Information services	86.00%	86.00%	(Note 1) (Note 3)

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
President Chain Store Corp.	Mech-President Co. Ltd. and its subsidiaries	Operation of gas stations and manufacturing of elevator, etc.	83.74%	83.06%	(Note 3)
	President Pharmaceutical Corp.	Wholesale of medicines and medical appliances	73.74%	73.74%	(Note 1)
	AHB Pet Plus Co., Ltd.	Cosmetology for pets	70.00%	—	" (Note 8)
	President Collect Service Co., Ltd.	Collection agent for government institutions	"	70.00%	(Note 1)
	Retail Support International Corp. and its subsidiaries	Distribution centers, etc.	65.00%	65.00%	(Note 3)
	Bank Pro E-Services Technology Company	Information services	58.33%	58.33%	(Note 1) (Note 3)
	Duskin Serve Taiwan Co., Ltd. and its subsidiaries	Sales of cleaning instruments	51.00%	51.00%	(Note 1)
	Afternoon Tea Taiwan Corp.	Operation of restaurant	"	—	" (Note 8)
	Muji (Taiwan) Co., Ltd.	Retail business	"	51.00%	(Note 1) (Note 3)
	Books. Com. Tw	Network bookstore	50.03%	50.03%	(Note 1)

Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			June 30, 2008	June 30, 2007	
President Chain Store Corp.	Mister Donut Co., Ltd.	Bread retailing	50.00%	50.00%	(Note 1)
	President Starbucks Coffee Corp.	Operation of a chain of coffee shops	"	"	(Note 1) (Note 3)
	Uni-President Yellowhat Corp.	Wholesale and retail of automotive accessories	"	"	(Note 1) (Note 3) (Note 9)

(Note 1) As of June 30, 2008 and 2007, total assets amounted to \$63,762,561 and \$84,682,583, representing 23.37% and 32.69% of the related consolidated totals, respectively, and total liabilities amounted to \$40,529,411 and \$66,624,445, representing 22.25% and 38.21% of the related consolidated totals, respectively, and total net income amounted to \$1,181,370 and \$1,612,913, representing 26.25% and 21.32% of the related consolidated totals for the six-month periods then ended, respectively. These amounts financial statements that were not audited or reviewed by independent accountants.

(Note 2) As of June 30, 2008 and 2007, total assets amounted to \$39,734,834 and \$38,243,938, representing 14.56% and 14.77% of the related consolidated totals, respectively, and total liabilities amounted to \$21,214,391 and \$20,710,033, representing 11.65% and 11.88% of the related consolidated totals, respectively, and total operating revenues amounted to \$13,564,444 and \$12,813,563, representing 9.05% and 8.84% of the related consolidated totals for the six-month periods then ended, respectively. These amounts were based on the financial statements that were reviewed by other accountants.

(Note 3) Jointly owned by the Company and the subsidiaries.

(Note 4) Parabola Creative Inc. had been liquidated in August 2007.

(Note 5) Under the Company's restructuring, the ownership of Uni-President Asia Holdings Ltd. and its subsidiaries were transferred to President Enterprises (China) Investment Corp. in July 2007.

(Note 6) Gu-Hsiang Co., Ltd. had been liquidated in January 2008.

(Note 7) Acquired in prior period and lost the majority interest in 2008.

(Note 8) New corporation or acquired the majority interest in 2008.

(Note 9) In accordance with R.O.C. SFAS No. 31, "Accounting for Joint Ventures", President Chain Store Corp. adopted the proportionate consolidation method to account for its share of the respective accounts of certain investees' assets, liabilities, revenues, and expenses in the consolidated financial statements of President Chain Store Corp. The financial statements of certain investees were consolidated based on their unreviewed financial statements.

- (5) Subsidiaries not included in the consolidated financial statements: None.
- (6) Adjustments for subsidiaries with different balance sheet dates: None.
- (7) Special operating risk of foreign subsidiaries: No significant special operating risks which would have impact on the Company.
- (8) Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.
- (9) Contents of subsidiaries' securities issued by the parent company: None.
- (10) Information on convertible bonds and common stock issued by subsidiaries: Please refer to Note 4 (19) Bonds payable.

## 2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated financial statements of the Company and its subsidiaries (collectively referred herein as the “Group”) 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 Group’s significant accounting policies are as follows:

### (1)Principles of consolidation

- (a) All majority-owned subsidiaries or controlled entities, which meet the criteria of the amended Statement of Financial Accounting Standards No. 7, Consolidated Financial Statement, even though the Company owns less than 50% of the voting rights of the investee companies directly or indirectly, are included in the consolidated financial statements. The income (loss) of the subsidiaries is included in the consolidated statement of income effective on the date the Company gains control over the subsidiaries. The income (loss) of the subsidiaries is excluded from the consolidated statement of income effective the date on which the Company loses control over the subsidiaries. The Group prepares consolidated financial statements quarterly effective January 1, 2008.
- (b) The consolidated financial statements include the accounts of the Company and its majority owned subsidiaries after eliminating all significant intercompany accounts and transactions.

### (2)Translation of financial statements of foreign subsidiaries

Assets and liabilities of foreign subsidiaries are translated into New Taiwan dollars using the exchange rates at the balance sheet date. Equity accounts are translated at historical rates except for beginning retained earnings, which is carried forward from prior year’s balance. Dividends are translated at the rates prevailing at the date of declaration. Profit and loss accounts are translated at weighted-average rates of the year. The resulting translation differences are included in “cumulative translation adjustments” under stockholders’ equity.

### (3)Foreign currency transactions

- (a) The Group maintains its accounts in New Taiwan dollars, except for the accounts of Cayman President Holdings Ltd., President International Trade and Investment Corp., and President Global Corp., etc. which are maintained in US dollars, President Asian Enterprises Inc. which is maintained in CAD dollars, and others which are maintained in their respective local currency. Foreign currency transactions are measured and recorded in their functional currencies using the exchange rate in effect on that date. Any change in the exchange rate between the date of transaction and the settlement date which results in an exchange gain or loss is charged to income for the period. The unrealized exchange gain or loss on monetary assets and liabilities denominated in foreign currencies at the balance sheet date is included in income for the period.
- (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.

### (4)Classification of current and non-current items

Assets and liabilities relating to construction contracts are classified according to the construction periods which may exceed one year.

Except for the above, the Group classifies its assets and liabilities based on the following criteria:

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
  - a) Assets arising from operating activities that are expected to be realized or consumed, or are intended to be sold within the normal operating cycle;
  - b) Assets held mainly for trading purposes;
  - c) Assets that are expected to be realized within 12 months from the balance sheet date;
  - d) 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:

- a) Liabilities arising from operating activities that are expected to be paid off within the normal operating cycle;
- b) Liabilities arising mainly from trading activities;
- c) Liabilities to be paid off within 12 months from the balance sheet date; and
- d) Liabilities for which the repayment date cannot be extended unconditionally to more than 12 months after the balance sheet.

(5)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 change in value resulting from fluctuations in interest rate.
- (b) The Group's statement of cash flows is prepared on the basis of cash and cash equivalents.

(6)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 and 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 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 Group's investment strategy. Information about these financial assets and

financial liabilities are provided internally on a fair value basis to the Group entity's management personnel. The Group's investment strategy is to invest free cash resources in equity securities or convertible bonds as part of the Group's long-term capital growth strategy. The Group has designated almost all of its compound debt instruments as financial liabilities at fair value through profit or loss.

(7)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. 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.

(8)Financial assets carried at cost

- (a) Investment in unquoted equity instruments is recognized or derecognized using trade date accounting, and is recognized 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 cannot be reversed.

(9)Investments in bonds without active markets

- (a) Investment in bonds without active markets is recognized or derecognized using trade date accounting, and is recognized initially at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.
- (b) This financial asset is carried at amortized cost.

- (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 recognized in profit or loss.

(10)Derivative financial instruments for hedging

Derivatives are initially recognized at fair value on the date a contract is entered into and are subsequently remeasured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and the nature of the hedged item.

Cash flow hedges: The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

- (a) If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognized directly in equity are transferred to profit or loss in the same period or periods when the hedged item affects profit or loss.
- (b) If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the associated gains or losses that were recognized directly in equity are transferred to profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss.

(11)Allowance for doubtful accounts

Allowance for doubtful accounts is determined based on past experience of occurrence of bad debts and evaluation of the collectibility of receivables and the aging of accounts, notes and other receivables.

(12)Inventories

- (a) Inventories are stated at the lower of cost or market value. Cost is determined using the weighted average method except for livestock which is based on the cost less allowance for decline in value. The allowance for decline in value of livestock is amortized over the actual

breeding and production periods. Market value for raw materials, raw materials in transit and supplies is based on the replacement cost, and market value for merchandise, work in process, livestock in process, finished goods, livestock and by-products is determined on the basis of lower of replacement cost or net realizable value. Appropriate consideration is given to deterioration, obsolescence and other factors in evaluating allowance for inventory obsolescence.

- (b) Except for President Chain Store Corp. and subsidiaries, Philippine Seven Corporation, President Drugstore Business Corp., Uni-President Oven Bakery Corp., MUJI Co., Ltd. and Uni-President Yellowhat Corp., which adopt the retail method and Tone Sang Construction Corp. which adopts construction accounting, the subsidiaries adopt the same accounting principles for inventories as the Company.

(13)Construction accounting

- (a) The construction projects are accounted for under the completed contract method. Costs incurred are recorded as “Buildings in process of construction” and receipts from customers are recorded as “Receipts in advance” during the period of construction. Upon completion, receipts in advance are transferred to construction revenues and all costs are divided into construction costs and building and land held for sale in the proportion of sold and unsold. Marketing expenditures are deferred under “Deferred expenses” and transferred to expense in the year the related revenue is recognized.
- (b) Land for construction is defined as constructing or planning to construct and the cost is determined based on the purchase price plus the fee for obtaining the land.
- (c) Interest incurred in connection with the purchase of land and construction is capitalized as part of the cost of the building in process of construction, and amortized over the period which the asset provides benefits in accordance with the revenue and expense matching principle.
- (d) Appropriate consideration is given to deterioration, obsolescence and other factors in evaluating allowance for obsolescence of building and land held for sale. Market value for land held for construction, construction in progress-land, construction in progress-buildings, buildings and land held for sale is determined on the basis of lower of cost or net realizable value.

(14)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 Group owns at least 50% of the investee company's voting rights, or in which the Group has the ability to exercise significant influence, are included in the consolidated financial statements.
- (c) "Cumulative Translation Adjustment" resulting from translation of all assets and liabilities of the Group's share in the foreign subsidiaries investee companies, which are accounted for under the equity method, are recognized proportionately based on the percentage of ownership of the Group and are reflected in the stockholders' equity account.

(15)Real estate investments

The cost of real estate is accounted for based on the acquisition price. 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 recorded as depreciable assets. Maintenance and repairs are expensed as incurred. No depreciation is recognized and the cost is removed when an asset is sold or retired.

(16)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 recorded as depreciable assets. Maintenance and repairs are expensed as incurred.
- (b) Depreciation is computed using the straight-line method based on the cost and revaluation increment over the estimated economic useful lives of depreciable assets. Fully depreciated assets still in use are depreciated based on the residual value over the estimated remaining useful lives. The useful lives of depreciable assets are: machinery and equipment 2-30 years; other fixed assets 2-55 years. Containers are expensed when damaged.
- (c) When an asset is sold or retired, the cost and accumulated depreciation are removed from

their 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 losses.

(17)Intangible assets

- (a) Trademarks are stated at cost and amortized on the straight-line basis over the estimated useful life of 10-20 years.
- (b) Copyrights are stated at cost and amortized based on the estimated frequency of broadcasts.
- (c) Licenses are stated at cost and amortized using the straight-line basis over the contract period.
- (d) Land use rights are stated at present value and amortized using the straight-line basis over the lease period of 50 years. During the construction, the amortization of concession is included in the cost of the buildings. The land use rights payable is evaluated at present value.

The discount is recognized as a reduction of the land use rights payable and amortized as interest expense within the period of payment by interest method.

- (e) Land occupancy rights are stated at cost and amortized using the straight-line basis over the lease period of 14-70 years.
- (f) Other intangible assets are stated at cost and amortized based on estimated or reasonable useful life.

(18)Deferred expenses

- (a) The Company leases its dairy and juice packing machines. The minimum advance rental payments are depreciated over a period of 8-12 years, the estimated economic lives of the packing machines. The contingent rent paid quarterly based on units-of-production is recorded as current expense.
- (b) The issuance costs of exchangeable bonds are classified as deferred expenses and amortized over the life of the bonds.
- (c) Payments for the land for construction relating to the Tinplate Plant and Tin Mill Black Plate Plants are depreciated over 20 years.
- (d) Golf club memberships and horse riding club memberships are amortized over 20 years or the rate of membership years.

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

(19)Impairment of non-financial assets

- (a) The Group 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.

(20)Convertible bonds

- (a) For the 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.

(21)Retirement plan and net periodic pension cost

- (a) 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 past service cost. Under the defined contribution pension plan, net periodic pension costs are recognized as incurred.
- (b) The Group adopts the defined benefit and defined contribution plans, except for the following subsidiaries:  
Cayman President Holdings Ltd., Kai Nan Investment Corp., President International Trade Investment Corp. and Kai Yu Investment Co., Ltd. have no retirement plans as they have no full-time employees. President Global Corp. and President Asian Enterprises Inc. adopt a defined contribution pension plan and make contributions to the plan in accordance with the laws in the respective countries they operate.

(22)Treasury stock

- (a) The cost of treasury stock acquired by the Group is accounted for under the weighted-average method. The treatments are as follows:
  - (i)Acquisition: Shares purchased are based on cost; shares donated are based on the fair value.
  - (ii)Disposal: If the disposal value is higher than cost, any excess is recorded as Capital Reserve-Treasury Stock; if the disposal value is lower than the cost, the difference is first charged against the Capital Reserve-Treasury Stock account and any deficiency is charged against Retained Earnings.
  - (iii)Retirement: The cost is charged against the Treasury Stock account, and the related Additional Paid-in Capital and Common Stock accounts. If the cost of the treasury stock is higher than the sum of the par value and the Additional Paid-in Capital, the difference is charged against the Capital Reserve-Treasury Stock account and any deficiency is charged against Retained Earnings; if the cost of the treasury stock is lower than the sum of par value and the Additional Paid-in Capital, the difference is added to the Capital Reserve-Treasury Stock account.
- (b) Effective January 1, 2002, the Company adopted R.O.C SFAS No. 30 “Accounting for Treasury Stocks”, under which the parent company’s stocks held by the subsidiaries are deemed as treasury stock when recognizing investment income (loss) and when preparing the financial statements.



(23)Income tax

- (a) The Group 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 is 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.
- (b) The Company and its R.O.C. subsidiaries 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, 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 the income tax expense in the year the stockholders approve the resolution to retain the earnings
- (d) Effective January 1, 2006, the Company and its R.O.C. subsidiaries 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 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 with regards to investment tax credits granted under the provisions of other laws.

(24)Assets or services exchange

In accordance with the R.O.C. SFAS No. 1 "Conceptual Framework for Financial Accounting and Preparation of Financial Statements", when different types of assets are exchanged, the asset received is stated at fair value and any difference between cost and fair value is recognized as exchange gain or loss. According to related regulations, the fair value of exchanged non-monetary assets shall be referred to the same or similar assets which are traded in cash, market price, independent appraisal price, the estimated market value and reasonable evidences

of exchanged assets or obtained services. If the price for acquiring fixed assets, other assets or services is paid by selling member cards to counterparty, the amounts received should be recorded as entrance fee income (or advanced receipts) and customers' deposits, respectively. The assets or services received are recorded as assets or expenses at fair value depending on their nature.

(25)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 and its listed public subsidiaries calculate the number of shares of employees' stock bonus based on the closing price of the common stock at the previous day of the stockholders' meeting held in the year following the financial reporting year, after taking into account the effects of ex-rights and ex-dividends. Other unlisted public subsidiaries calculate the number of shares of employees' stock bonus based on the net asset value per share on the latest audited financial statements.

(26)Use of estimates

The preparation of consolidated 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.

(27)Revenues, costs and expenses

- (a) Revenues are recognized when the earning process is substantially completed and payment is realized or realizable; costs and expenses are recorded as incurred.

- (b) In accordance with the Regulation issued by the R.O.C. Accounting Research and Development Foundation, Tung Ho Development Co., Ltd. (Tung Ho) computes interest income on members' deposits using the regular interest rate which is debited as interest expense and credited as service income. Further, Tung Ho computes interest expense on security deposits paid to various golf clubs using the regular interest rate which is debited as service cost and credited as interest income.
- (c) Lodging gift coupons for associate members are expensed at their par value as expenses on the accrual basis in accordance with the regulation issued by the R.O.C. Accounting Research and Development Foundation. When the coupons are redeemed, service revenue is recognized. The unused expired coupons are treated as reduction of expenses or increase in revenues.

(28)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.

### 3.CHANGES IN ACCOUNTING PRINCIPLES

(1)Intangible assets

Effective January 1, 2007, the Group adopted the R.O.C. SFAS No. 37, "Accounting for Intangible Assets". This change in accounting principle had no significant effect on the consolidated financial statements as of and for the six-month period ended June 30, 2007.

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

Effective January 1, 2008, the Group adopted the EITF 96-052 "Accounting for Employees' Bonuses and Directors' and Supervisors' Remuneration", prescribed by the R.O.C. Accounting Research and Development Foundation. As a result of the adoption of EITF 96-052, net income decreased by \$408,248 and earnings per share decreased by \$0.11 (in NT dollars) for the six-month period ended June 30, 2008.

#### 4. DETAILS OF SIGNIFICANT ACCOUNTS

##### (1) Cash and cash equivalents

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Cash:		
Cash on hand	\$ 1,130,127	\$ 2,288,369
Checking accounts	368,483	1,465,976
Demand deposits	15,073,128	8,996,347
Time deposits	<u>10,459,201</u>	<u>2,477,681</u>
	27,030,939	15,228,373
Cash equivalents:		
Commercial papers	<u>3,000,492</u>	<u>3,914,551</u>
	<u>\$ 30,031,431</u>	<u>\$ 19,142,924</u>

##### (2) Financial assets at fair value through profit or loss

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Current items:		
Financial assets held for trading		
Mutual funds	\$ 12,177,228	\$ 7,844,161
Listed (TSE and OTC) stocks	1,060,262	2,358,037
Corporation bonds	104,418	24,001
Derivatives	3,160	-
Credit Link Notes	<u>-</u>	<u>538,227</u>
	13,345,068	10,764,426
Adjustment of financial assets held for trading	( <u>250,044</u> )	<u>157,135</u>
	<u>\$ 13,095,024</u>	<u>\$ 10,921,561</u>

(a) The Group recognized net loss and net income of \$276,164 and \$3,619,313 for the six-month periods ended June 30, 2008 and 2007, respectively.

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

	<u>June 30, 2008</u>		<u>June 30, 2007</u>	
	<u>Contract Amount</u>	<u>Contract Period</u>	<u>Contract Amount</u>	<u>Contract Period</u>
Forward exchange contracts	USD 15,000	2008.5~2008.7	-	-

The forward exchange contracts are sell USD buy NTD to hedge the change of exchange due to import and export but not adopting hedge accounting.

(3) Available-for-sale financial assets

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Current items:		
Mutual funds	\$ 30,059	\$ 131,096
Listed (TSE and OTC) stocks	<u>          —</u>	<u>          22</u>
	30,059	131,118
Adjustment of available-for-sale financial assets	<u>1,094</u>	<u>190</u>
	<u>\$ 31,153</u>	<u>\$ 131,308</u>
Non-current items:		
Listed (TSE and OTC) stocks	\$ 4,380,491	\$ 2,366,665
Corporation bonds	<u>55,845</u>	<u>          —</u>
	4,436,336	2,366,665
Adjustment of available-for-sale financial assets	<u>3,404,210</u>	<u>8,795,637</u>
	<u>\$ 7,840,546</u>	<u>\$ 11,162,302</u>

(4) Notes receivable, net

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Notes receivable	\$ 3,490,040	\$ 2,631,283
Less : Allowance for doubtful accounts	<u>( 96,687)</u>	<u>( 102,518)</u>
	<u>\$ 3,393,353</u>	<u>\$ 2,528,765</u>

(5) Accounts receivable, net

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Accounts receivable	\$ 11,683,631	\$ 11,833,441
Less : Allowance for doubtful accounts	<u>( 473,775)</u>	<u>( 498,882)</u>
	<u>\$ 11,209,856</u>	<u>\$ 11,334,559</u>

(6) Other receivables, net

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Other receivables	\$ 7,506,518	\$ 6,922,278
Less : Allowance for doubtful accounts	<u>( 37,840)</u>	<u>( 19,460)</u>
	<u>\$ 7,468,678</u>	<u>\$ 6,902,818</u>

(7)Inventories

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Merchandise	\$ 8,866,920	\$ 8,362,852
Raw materials	7,691,321	5,988,869
Raw materials in transit	2,069,124	1,088,566
Supplies	1,151,921	850,352
Work in process	1,640,747	1,497,683
Livestock in process	28,902	27,389
Finished goods	3,278,641	3,508,807
Livestock	15,299	18,195
Less : Allowance for decline in value of livestock	( 9,635)	( 12,446)
By-products	1,013	372
Land held for construction	363,288	362,243
Construction in progress - land	299,385	198,951
Construction in progress - buildings	43,823	211,781
Buildings and land held for sale	<u>228,421</u>	<u>293,926</u>
	25,669,170	22,397,540
Less : Allowance for price decline and obsolescence in inventories	( <u>325,956</u> )	( <u>408,080</u> )
	<u>\$ 25,343,214</u>	<u>\$ 21,989,460</u>

For details on the interest capitalization of inventories, please refer to Note 4(11).

(8)Financial assets carried at cost

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Non-current items:		
Unlisted stocks	\$ 10,876,401	\$ 9,532,970
Emerging stocks	8,404,274	8,830,381
Non-public trading bonds	<u>929,651</u>	<u>659,682</u>
	20,210,326	19,023,033
Less: Accumulated impairment	( <u>2,768,511</u> )	( <u>160,255</u> )
	<u>\$ 17,441,815</u>	<u>\$ 18,862,778</u>

A. The investments were measured at cost since their fair value cannot be measured reliably.

B. For details of accumulated impairment, please refer to Note 4(16).

(9)Investments in bonds without active markets

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Non-current item:		
Finance bonds	<u>\$ 45,000</u>	<u>\$ 62,928</u>

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

(a) Details of long-term equity investments accounted for under the equity method are set forth below:

Name of subsidiaries	June 30, 2008		June 30, 2007	
	Amount	Percentage owned	Amount	Percentage owned
Jimmailang Beverage (Beijing) Co., Ltd.	\$ 1,062,933	50.00	\$ 1,146,058	50.00
Cargill President Holdings Pte Limited	994,124	50.00	630,170	50.00
Presicarre Corp.	7,841,411	40.00	7,572,237	40.00
TTET Union Corp.	1,090,199	37.64	988,009	37.64
Eagle Cold Storage Enterprises Co., Ltd.	523,112	34.23	565,152	34.23
Kuang Chuan Dairy Co., Ltd.	1,174,027	31.25	1,151,065	31.25
Kang Na Hsiung Enterprise Co., Ltd.	647,108	29.93	777,983	29.95
President Securities Corp.	5,814,351	29.25	5,735,278	29.25
Scino Pharm Taiwan, Ltd.	794,454	20.77	545,397	20.65
Others (individually less than 2%)	4,295,389	20.00~	3,902,947	20.00~
		50.00		50.00
	<u>\$24,237,108</u>		<u>\$23,014,296</u>	

(b) Long-term investment income accounted for under the equity method was \$450,282 and \$559,186 for the six-month periods ended June 30, 2008 and 2007. Except for 3 and 4 investee companies, respectively, including TTET Union Corp., the Group's long-term investments in certain investee companies accounted for under the equity method were based on their financial statements which were not audited by independent accountants. As of June 30, 2008 and 2007, long-term investments in these investee companies was \$17,039,367 and \$15,427,956, respectively, and the related investment income was \$310,845 and \$102,212 for the six-month periods then ended, respectively.

(c) The investee companies adopted R.O.C. SFAS No. 34 "Financial Instruments: Recognition and Measurement", and SFAS No. 36 "Financial Instruments: Disclosure or Presentation". Accordingly, the Company had recognized an unrealized loss or gain on financial instruments of long-term equity investments amounting to \$1,760,817 and \$4,439,461 (classified as unrealized gain or loss on financial instruments) as of June 30, 2008 and 2007, respectively.

(11) Property, plant and equipment

(a) As of June 30, 2008 and 2007, the revaluation increment and accumulated depreciation of property, plant and equipment are listed as follows:

Assets	June 30, 2008		June 30, 2007	
	Revaluation increments	Accumulated depreciation	Revaluation increments	Accumulated depreciation
Land	\$ 3,758,776	\$ –	\$ 3,835,662	\$ –
Buildings	138,674	8,746,055	137,937	8,133,322
Machinery and equipment	38,197	35,362,098	39,882	29,496,689
Piping infrastructure and electricity generation equipment	6,675	2,879,939	6,775	1,009,724
Transportation equipment	858	2,246,716	858	2,016,541
Office equipment	289	3,214,650	289	2,883,974
Leased assets	–	473,446	–	200,331
Leasehold improvements	–	5,038,303	–	4,131,918
Other equipment	24,361	11,790,374	25,203	15,185,509
	<u>\$ 3,967,830</u>	<u>\$ 69,751,581</u>	<u>\$ 4,046,606</u>	<u>\$ 63,058,008</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 increments credited to asset revaluations was \$2,521,590. The balance of asset revaluations (shown as capital reserve from asset revaluations before the amended “Business Entity Accounting Law”) was \$1,511,316 as of June 30, 2008 and 2007. 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 \$278,834 and \$279,035 as of June 30, 2008 and 2007, respectively.
- (c) The balance of provision for land value incremental tax on June 30, 2008 and 2007 was \$1,773,357.
- (d) Interest expense before capitalization for the six-month periods ended June 30, 2008 and 2007 was \$2,051,319 and \$2,319,916, respectively. Interest capitalized totaled \$60,983 and \$95,675 with interest rates of 2.30%~5.30% and 1.90%~6.02% for the six-month periods ended June



30, 2008 and 2007, respectively.

- (e) As of June 30, 2008 and 2007, the Group owned certain agricultural land amounting to \$1,005,935 and \$1,016,572, respectively, for expansion of plant facilities. This land has yet to be rezoned for industrial purposes. Accordingly, the land title has not been officially transferred to the Group. However, the Group has secured the land deeds and other ownership documents.
- (f) Tung Ho Development Corp. had purchased 56 lots in Da-Pu, which is located in Jiayi, Taiwan from Mr. Tsai Xu Tang in October 2000. The Board of Directors had approved the sale of the land. Tung Ho Development Corp. had sold memberships totaling \$103,680, which are deferred, pending the final disposal of the land. As of June 30, 2008, the book value was \$176,320 (the total cost of \$280,000 less deferred revenue of \$103,680).

(g) Leased assets

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

- (1) Upon the expiration of the lease contract, the title of the leased properties accounted for under capital leases are transferred to the Company at no additional cost.

The rental payments and the leased properties are listed below:

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 payments

(2) As of June 30, 2008, total amount of future rental payments and their present value are listed as follows:

	<u>Rent Payable</u>	
	<u>Present value of future rental payments</u>	<u>Total future rental payments</u>
7.1.2008-6.30.2009	\$ 21,579	\$ 30,949
7.1.2009-6.30.2010	23,839	30,949
7.1.2010-6.30.2011	26,335	30,949
7.1.2011-7.31.2012	<u>31,651</u>	<u>33,527</u>
	103,404	<u>\$ 126,374</u>
Less: Liabilities under capital lease within one year	( <u>21,579</u> )	
Capital lease payables - non-current	<u>\$ 81,825</u>	

(h) The accumulated impairment of property, plant and equipment as of June 30, 2008 and 2007 was \$157,057 and \$165,916, respectively. Please refer to Note 4(16).

(12)Other intangible assets

As of June 30, 2008 and 2007, other intangible assets are as follows:

Item	Beginning balance				For the six-month period ended June 30, 2008							
									Ending balance			
	Initial cost	Accumulated amortization	Effect of exchange rate changes	Book value	Additions	Amortization	Effect of exchange rate changes	Initial cost	Accumulated amortization	Effect of exchange rate changes	Net book value	
Trademarks	\$ 87,669	(\$ 15,269)	\$ -	\$ 72,400	\$ -	(\$ 1,518)	\$ -	\$ 87,669	(\$ 16,787)	\$ -	\$ 70,882	
Copyrights	14,057	( 512)	-	13,545	-	-	-	14,057	( 512)	-	13,545	
Land use rights	2,212,549	( 99,412)	-	2,113,137	-	( 21,063)	-	2,212,549	( 120,475)	-	2,092,074	
Land occupancy rights	1,283,063	( 61,439)	48,718	1,270,342	215,566	( 24,243)	( 139,564)	1,498,629	( 85,682)	( 90,846)	1,322,101	
Others	1,842,453	( 855,743)	-	986,710	27,384	( 262,860)	-	1,869,837	( 1,118,603)	-	751,234	
	<u>\$ 5,439,791</u>	<u>(\$ 1,032,375)</u>	<u>\$ 48,718</u>	<u>4,456,134</u>	<u>\$ 242,950</u>	<u>(\$ 309,684)</u>	<u>(\$ 139,564)</u>	<u>\$ 5,682,741</u>	<u>(\$ 1,342,059)</u>	<u>(\$ 90,846)</u>	<u>4,249,836</u>	
Less: Discunt on land use rights				( 141,985)							( 141,985)	
Accumulated impairment				( 13,545)							( 13,545)	
				<u>\$ 4,300,604</u>							<u>\$ 4,094,306</u>	

Item	Beginning balance				For the six-month period ended June 30, 2007							
									Ending balance			
	Initial cost	Accumulated amortization	Effect of exchange rate changes	Book value	Additions	Amortization	Effect of exchange rate changes	Initial cost	Accumulated amortization	Effect of exchange rate changes	Net book value	
Trademarks	\$ 24,339	(\$ 8,505)	\$ -	\$ 15,834	\$ 510	(\$ 5,631)	\$ -	\$ 24,849	(\$ 14,136)	\$ -	\$ 10,713	
Copyrights	14,057	( 512)	-	13,545	-	-	-	14,057	( 512)	-	13,545	
Licenses	465,070	( 39,707)	-	425,363	-	( 31,902)	-	465,070	( 71,609)	-	393,461	
Land use rights	2,212,549	( 63,557)	-	2,148,992	-	( 22,483)	-	2,212,549	( 86,040)	-	2,126,509	
Land occupancy rights	1,065,364	( 22,105)	( 5,049)	1,038,210	2,157	( 14,663)	6,433	1,067,521	( 36,768)	1,384	1,032,137	
Others	897,351	( 515,629)	-	381,722	909,837	( 114,859)	-	1,807,188	( 630,488)	-	1,176,700	
	<u>\$ 4,678,730</u>	<u>(\$ 650,015)</u>	<u>(\$ 5,049)</u>	<u>4,023,666</u>	<u>\$ 912,504</u>	<u>(\$ 189,538)</u>	<u>\$ 6,433</u>	<u>\$ 5,591,234</u>	<u>(\$ 839,553)</u>	<u>\$ 1,384</u>	<u>4,753,065</u>	
Less: Accumulated impairment				( 162,067)							( 162,067)	
				<u>\$ 3,861,599</u>							<u>\$ 4,590,998</u>	

For details of accumulated impairment, please refer to Note 4 (16)

(13) Assets leased to others

June 30, 2008

Assets	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$ 4,404,343	\$ 1,580,504	\$ 5,984,847	\$ -	\$ -	\$ -	\$ 5,984,847
Buildings	3,151,676	14,075	3,165,751	( 434,593)	( 13,443)	( 448,036)	2,717,715
Machinery and equipment	420	-	420	( 388)	-	( 388)	32
Piping infrastructure and electricity generation equipment	9,669	-	9,669	( 8,064)	-	( 8,064)	1,605
Office equipment	2,717	-	2,717	( 2,464)	-	( 2,464)	253
Other equipment	267,201	4,290	271,491	( 199,347)	( 4,290)	( 203,637)	67,854
	<u>\$ 7,836,026</u>	<u>\$ 1,598,869</u>	<u>\$ 9,434,895</u>	<u>(\$ 644,856)</u>	<u>(\$ 17,733)</u>	<u>(\$ 662,589)</u>	8,772,306
Less: Accumalated impairment							( 11,478)
							<u>\$ 8,760,828</u>

Assets	June 30, 2007						Net book value
	Cost			Accumulated depreciation			
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$ 4,201,041	\$ 1,500,447	\$ 5,701,488	\$ –	\$ –	\$ –	\$ 5,701,488
Buildings	3,214,101	14,075	3,228,176	( 363,951)	( 13,313)	( 377,264)	2,850,912
Machinery and equipment	140,987	–	140,987	( 70,658)	–	( 70,658)	70,329
Piping infrastructure and electricity generation equipment	39,577	–	39,577	( 34,328)	–	( 34,328)	5,249
Office equipment	3,209	–	3,209	( 2,627)	–	( 2,627)	582
Other equipment	265,740	4,290	270,030	( 192,800)	( 4,290)	( 197,090)	72,940
	<u>\$ 7,864,655</u>	<u>\$ 1,518,812</u>	<u>\$ 9,383,467</u>	<u>(\$ 664,364)</u>	<u>(\$ 17,603)</u>	<u>(\$ 681,967)</u>	8,701,500
							( 11,478)
							<u>\$ 8,690,022</u>

(a) Rental revenues for the six-month periods ended June 30, 2008 and 2007 were \$97,293 and \$87,209, respectively.

(b) The Group 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(11).

(c) For details of accumulated impairment, please refer to Note 4(16).

(14) Idle assets

Assets	June 30, 2008						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 1,015,107	\$ 566	\$ 1,015,673	\$ -	\$ -	\$ -	\$ 1,015,673
Buildings	107,323	4,373	111,696	( 68,732)	( 4,357)	( 73,089)	38,607
Machinery and equipment	577,464	-	577,464	( 365,680)	-	( 365,680)	211,784
Piping infrastructure and electricity generation equipment	5,344	-	5,344	( 3,695)	-	( 3,695)	1,649
Office equipment	2,514	-	2,514	( 2,166)	-	( 2,166)	348
Other equipment	55,270	978	56,248	( 43,618)	( 978)	( 44,596)	11,652
	<u>\$ 1,763,022</u>	<u>\$ 5,917</u>	<u>\$ 1,768,939</u>	<u>(\$ 483,891)</u>	<u>(\$ 5,335)</u>	<u>(\$ 489,226)</u>	1,279,713
Less: Accumulated impairment							( 122,825)
							<u>\$ 1,156,888</u>
Assets	June 30, 2007						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 1,403,854	\$ 566	\$ 1,404,420	\$ -	\$ -	\$ -	\$ 1,404,420
Buildings	391,054	4,373	395,427	( 114,434)	( 4,355)	( 118,789)	276,638
Machinery and equipment	205,163	-	205,163	( 140,931)	-	( 140,931)	64,232
Office equipment	3,462	-	3,462	( 3,093)	-	( 3,093)	369
Other equipment	42,264	978	43,242	( 21,161)	( 978)	( 22,139)	21,103
	<u>\$ 2,045,797</u>	<u>\$ 5,917</u>	<u>\$ 2,051,714</u>	<u>(\$ 279,619)</u>	<u>(\$ 5,333)</u>	<u>(\$ 284,952)</u>	1,766,762
Less: Accumulated impairment							( 37,748)
							<u>\$ 1,729,014</u>

(a) The Group revalued certain idle assets in accordance with the Regulations for the Revaluation of Assets in Republic of China. Please refer to Note 4(11).

(b) For details of accumulated impairment, please refer to Note 4(16).

(15) Deferred expenses

	For the six-month periods ended June 30	
	2008	2007
Beginning balance	\$ 1,129,647	\$ 1,461,677
Additions	252,976	207,653
Amortization	( 208,677)	( 223,208)
Effect of foreign exchange rate changes	( 4,820)	1,011
Ending balance	<u>\$ 1,169,126</u>	<u>\$ 1,447,133</u>

The deferred expenses include lease of packing machines. The minimum advance rental payments are amortized over a period of 8~12 years, the estimated economic lives of the packing machines. Other quarterly rental payments and cost based on the unit-of-production are charged as current expense.

(16) Impairment of assets

After reversal of impairment loss previously recognized, the total accumulated impairment as of June 30, 2008 and 2007 was \$3,073,416 and \$537,464, respectively.

Details are set forth below:

Item	June 30, 2008	June 30, 2007
Recorded as impairment loss:		
Financial assets carried at cost - non-current (Note)	\$ 2,768,511	\$ 160,255
Property, plant and equipment (Note)	157,057	165,916
Other intangible assets - copyrights	13,545	13,545
Other intangible assets - others	—	148,522
Assets leased to others (Note)	11,478	11,478
Idle assets (Note)	122,825	37,748
	<u>\$ 3,073,416</u>	<u>\$ 537,464</u>

The accumulated impairment summarized by department are as follows:

Department	June 30, 2008	June 30, 2007
Entertainment business	\$ 128,521	\$ 145,768
Tinplate business	43,017	43,017
Foods	190,475	55,421
Feeds	13,765	810
Retail chain stores	570,534	148,522
General department	2,127,104	143,926
	<u>\$ 3,073,416</u>	<u>\$ 537,464</u>

(Note) Part of financial assets carried at cost - non-current have been recognized or disposed, property, plant and equipment and assets leased to others have been recognized or disposed and idle assets have been recognized or disposed or transferred to property, plant and equipment during the six-month periods ended June 30, 2008 and 2007. As such, impairment loss of \$164,512 and \$24,087 was recognized for the six-month periods ended June 30, 2008 and 2007, respectively.

(17)Short-term loans

	<u>June 30, 2008</u>	<u>June 30, 2007</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 20,766,892	\$ 25,345,809	—
Secured bank loans	<u>2,986,426</u>	<u>6,094,401</u>	(Note)
	<u>\$ 23,753,318</u>	<u>\$ 31,440,210</u>	
Range of interest rates	<u>1.09%~7.98%</u>	<u>1.00%~6.44%</u>	

(Note) Collaterals include financial assets at fair value through profit or loss - current, certificate of deposit - restricted, inventories, available-for-sale financial assets - non-current, financial assets carried at cost - non-current, long-term equity investments accounted for under the equity method, land, buildings, machinery and transportation equipment and other assets-other.

(18)Notes and bills payable

	<u>June 30, 2008</u>	<u>June 30, 2007</u>	<u>Collateral or security</u>
Commercial papers payable	\$ 9,233,900	\$ 9,908,757	(Note)
Less: Prepaid interest	( <u>11,749</u> )	( <u>2,058</u> )	
	<u>\$ 9,222,151</u>	<u>\$ 9,906,699</u>	
Range of interest rate	<u>0.25%~3.98%</u>	<u>1.90%~4.75%</u>	

The above commercial papers were issued and secured by banks and other financing institutions for short-term financing.

(Note) Collaterals include financial assets at fair value through profit or loss - current, certificate of deposit-restricted, inventories, long-term equity investments accounted for under the equity method, land, buildings, and other assets-other.



(19) Bonds payable

	<u>June 30, 2008</u>	<u>June 30, 2007</u>	<u>Collateral or security</u>
Secured domestic bonds payable	\$ 5,680,000	\$ 8,340,000	—
Unsecured convertible bonds payable	<u>5,000,000</u>	<u>—</u>	—
	10,680,000	8,340,000	
Less: Discount on bonds payable	( 292,491)	—	
Current portion of bonds payable	( <u>2,180,000</u> )	( <u>2,660,000</u> )	
	<u>\$ 8,207,509</u>	<u>\$ 5,680,000</u>	

A. The Company issued secured domestic bonds in January 2003. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued secured domestic bonds totaling \$1,800,000, including \$500,000 of A bonds, \$300,000 of B bonds, \$200,000 of C bonds, \$400,000 of D bonds and E bonds.

(b) Issue price: At par value of \$1,000 per bond

(c) Coupon rate:

The secured domestic bonds consist of five types of bonds, A, B, C, D and E. The coupon rate of A, B and D bonds is 3.95% less the floating interest rate. The coupon rate of C and E bonds is 3.951% less the floating interest rate.

(d) Term of interest repayment:

The bond interest is payable in installment every six months starting July 2003 based on the coupon rate.

(e) Repayment term:

The A bonds are repayable starting January 2006 to January 2008 in three annual installments at the rate of 30%, 30% and 40%, respectively. The B, C, D, and E bonds are repayable in January 2008 upon the maturity of the bonds.

(f) Period: 5 years, from January 28, 2003 to January 28, 2008

(g) Guarantee Bank:

A bonds is guaranteed by Mega International Bank Co., Ltd., B and C bonds are guaranteed by Chang Hwa Commercial Bank, and D and E bonds are guaranteed by

Bank of Taiwan.

B. The Company issued secured domestic bonds in September 2003. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued secured domestic bonds totaling \$1,300,000, including \$300,000 of A, B and C bonds and \$200,000 of D and E bonds.

(b) Issue price: At par value of \$10,000 per bond

(c) Coupon rate:

The secured domestic bonds consist of five types of bonds, A, B, C, D and E. The coupon rate is determined as follows:

(i) If the floating rate is equal to or less than 0.75% per annum, the coupon rate is equal to the floating rate.

(ii) If the floating rate is greater than 0.75% per annum, but is equal to or less than 2.50% per annum, the coupon rate is 2.69% per annum.

(iii) If the floating rate is greater than 2.50% per annum, the coupon rate is 4.00% minus the floating rate.

(d) Term of interest repayment:

The bond interest is calculated on simple rate every six months and payable in annual installments starting September 2004 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in September 2008 upon the maturity of the bonds.

(f) Period:

5 years. The maturity dates of the bonds are from September 22~26, 2003 to September 22~26, 2008.

(g) Guarantee Bank:

The bonds are guaranteed by Chang Hwa Commercial Bank, Bank of Taiwan and Taiwan Land Bank.

C. The Company issued secured domestic bonds in September 2003. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued secured domestic bonds totaling \$300,000.

(b) Issue price: At par value of \$10,000 per bond

(c) Coupon rate:

The coupon rate in the first year is 3.00% per annum. The coupon rate from the second year to the fifth year is determined as follows:

(i) If the floating rate is less than 1.25% per annum, the coupon rate is the floating rate plus 0.70% per annum.

(ii) If the floating rate is greater than or equal to 1.25% per annum, the coupon rate is 4.20% minus the floating rate.

(d) Term of interest repayment:

The bond interest is calculated on simple rate every three months and payable in annual installments starting September 2004 based on the coupon rate.

(e) Repayment term:

The bonds are repayable in September 2008 upon the maturity of the bonds.

(f) Period: 5 years, from September 29, 2003 to September 29, 2008

(g) Guarantee Bank:

The bonds are guaranteed by Hwa Nan Commercial Bank.

D. The Company issued secured domestic bonds in December 2003. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued secured domestic bonds totaling \$700,000, including \$300,000 of A and \$200,000 of B and C bonds.

(b) Issue price: At par value of \$10,000 per bond

(c) Coupon rate:

The secured domestic bonds consist of three types of bonds, A, B and C.

The coupon rate is determined as follows:

Bonds	Coupon rate
A	If 6M LIBOR < 1.20%, the coupon rate is 6M LIBOR. If 1.20% ≤ 6M LIBOR < =2.00%, the coupon rate is 3.50%. If 6M LIBOR > 2.00%, the coupon rate is 5.00% minus 6M LIBOR. The floor of coupon rate is zero.
B	If 6M LIBOR < 1.20%, the coupon rate is 6M LIBOR plus 0.0001%. If 1.20% ≤ 6M LIBOR < =2.00%, the coupon rate is 3.50%. If 6M LIBOR > 2.00%, the coupon rate is 5.00% minus 6M LIBOR. The floor of coupon rate is zero.
C	If 6M LIBOR < 1.05%, the coupon rate is 6M LIBOR. If 1.05% ≤ 6M LIBOR < =2.00%, the coupon rate is 3.25%. If 6M LIBOR > 2.00%, the coupon rate is 4.00% minus 6M LIBOR. The floor of coupon rate is zero.

(d) Term of interest repayment:

The bond interest is calculated and payable every six months installments starting June 2004 based on the coupon rate.

(e) Repayment term:

The A and B bonds are repayable in December 2008 upon the maturity of the bonds. The C bonds are repayable starting from December 2006 to December 2008 in three annual installments at the rate of 30%, 30% and 40%, respectively.

(f) Period: 5 years, from December 24, 2003 to December 24, 2008

(g) Guarantee Bank:

A and B bonds are guaranteed by Taipei Fubon Bank, and C bond is guaranteed by Mega International Commercial Bank.

E. The Company issued secured domestic bonds in September 2004. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued secured domestic bonds totaling \$3,500,000, including \$500,000 of A, B, C, D, E, F and G bonds.

(b) Issue price: At par value of \$10,000 per bond

(c) Coupon rate:

The secured domestic bonds consist of seven types of bonds, A, B, C, D, E, F and G.

The coupon rate is determined as follows:

Bonds	Coupon rate
A, B and C	The coupon rate is 2.14% per annum.
D and E	The coupon rate is $3 \times (5 \text{ Year TWD IRS} - 2 \text{ Year TWD IRS}) + 0.92\%$ per annum. The floor of coupon rate is zero.
F and G	If $(5 \text{ Year TWD IRS} - 2 \text{ Year TWD IRS}) \leq 1.15\%$ , then the coupon rate is $3 \times (5 \text{ Year TWD IRS} - 2 \text{ Year TWD IRS}) + 1.1\%$ and the floor of coupon rate is not less than zero. If $(5 \text{ Year TWD IRS} - 2 \text{ Year TWD IRS}) > 1.15\%$ , then the coupon rate is 2.1%.

(d) Term of interest repayment:

The interest of A, B and C bonds is calculated and repayable in installment every six months starting March 2005 based on the coupon rate. The interest of D, E, F and G bonds is calculated every three months and repayable in the same way as A, B and C bonds.

(e) Repayment term:

The bonds are repayable in September 2009 upon the maturity of the bonds.

(f) Period: 5 years, from September 1~3, 2004 to September 1~3, 2009

(g) Guarantee Bank:

The bonds are guaranteed by Chinatrust Financial Holding Co., Ltd. and 12 other financial institutions.

F. The Company issued unsecured convertible bonds at premium price on 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 June

30, 2008, no bonds have been converted to 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 case of new shares issued, stock dividends, free distribution, cash dividends or equity dilution to the original shareholders. As of June 30, 2008, the conversion price was \$56 (in NT dollars). Under the terms of the bonds, the Company shall change the conversion price into \$50.7 (in NT dollars) from the distribution date of stock dividends.

(h) Under the terms of the bonds, the rights and obligations of the new common stocks converted from the bonds equal to those issued originally.

G. 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 Financial Instruments".

H. Domestic bonds issued by President Chain Store Corp. was guaranteed by Taipei Fubon Bank and Bank of Taiwan. The period of the bonds is from June 10, 2003 to June 13, 2008.

(a) A Bond: \$800,000, the coupon rate of A bonds is 1.40% per annum. The bond interest is payable in installment every year. The bonds are repayable starting from July 2006 to July 2008 in three annual installments at the rate of 25%, 25% and 50%, respectively.

(b) B Bond: \$700,000, the coupon rate of B bonds is 4% per annum less USD 6-Month LIBOR or 4% per annum less 180-day commercial paper interest rate. The bonds interest is payable in installment every six months. The bonds are repayable at the maturity date.

(20) Long-term loans

	<u>June 30, 2008</u>	<u>June 30, 2007</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 41,456,893	\$ 45,181,706	—
Secured bank loans	23,285,045	14,428,797	(Note)
Revolving credit facility	<u>5,300,000</u>	<u>5,000,000</u>	—
	70,041,938	64,610,503	
Less: Prepaid interest	( 10,820)	( 16,858)	
Current portion of long-term loans	<u>( 9,850,491)</u>	<u>( 4,677,529)</u>	
	<u>\$ 60,180,627</u>	<u>\$ 59,916,116</u>	
Range of maturity dates	<u>2009.6~2025.9</u>	<u>2008.6~2026.12</u>	
Range of interest rates	<u>0.25%~7.17%</u>	<u>1.90%~5.97%</u>	

(Note) Certificate of deposit-restricted, available-for-sale financial assets - non-current, financial assets carried at cost - non-current, long-term equity investments accounted for under the equity method, land, buildings, machinery and equipment, transportation equipment, other equipment, other intangible assets-land use right and other assets-other.

(21) Retirement plan

(a) In accordance with the retirement plan of the Company and its R.O.C. subsidiaries (except for Cayman President Holdings Ltd., Kai Nan Investment Co. Ltd., President International Trade and Investment Corp. and Kai Yu Investment Co., Ltd.), the Company and its R.O.C. subsidiaries set up a defined benefit pension plan in accordance with the Labor Standards Law, which applies to all regular 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 and its R.O.C. subsidiaries contribute monthly an amount equal to 2% ~14.27% (the Company has changed the rate from 12.32% to 14.27% since January 2008) 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, 2008 and 2007, the net pension costs recognized under the defined benefit plan were \$524,267

and \$405,031, respectively. The balance of the independent retirement trust fund was \$4,433,156 and \$4,416,974 as of June 30, 2008 and 2007, respectively.

- (b) As a result of the enforcement of the Act, the Company and its R.O.C. subsidiaries 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 the employees who choose to be covered under the pension scheme of the Act, the Company and its R.O.C. subsidiaries contribute monthly an amount 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 by 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, 2008 and 2007 were \$176,021 and \$252,517, respectively.
  
- (c) The subsidiaries in Mainland China have a non-contributory and funded defined contribution plan. In accordance with related Laws of the People's Republic of China, the subsidiaries in Mainland China contributes monthly certain rates of the employees' monthly salaries and wages to a retirement fund. All benefits and welfare and welfare payments for current and retired employees from the retirement fund are administered by a government agency.



(22)Other liabilities - other

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Land use rights payable	\$ 1,750,000	\$ 1,750,000
Less: Discount on land use rights payable	( 182,813)	( 116,246)
	1,567,187	1,633,754
Less: Current portion of land use rights payable	-	( 493,787)
	<u>\$ 1,567,187</u>	<u>\$ 1,139,967</u>

As of June 30, 2008, land use rights payable and discount are listed as follows:

<u>Year</u>	<u>Land use rights payable</u>	<u>Discount on land use rights payable</u>
7.1.2008~12.31.2008	\$ -	\$ 27,458
2009	500,000	51,039
2010	250,000	36,544
2011	250,000	28,456
2012~2014 (Note) (\$250,000 for each year )	750,000	39,316
	<u>\$ 1,750,000</u>	<u>\$ 182,813</u>

(Note)The Taipei City Government agrees with the payment extended to 2014.

(23)Common stock and stock dividends distributable

- (a) The stockholders at their annual stockholders' meeting on June 28, 2007 adopted a resolution to increase the authorized capital by \$13,756,132 and increase capital through unappropriated retained earnings of \$2,012,475. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 23, 2007. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$35,553,733, consisting of 3,555,373,000 shares with a par value of \$10 (in NT dollars) per share.
- (b) The stockholders at their annual stockholders' meeting on June 27, 2008 adopted a resolution to increase capital through unappropriated retained earnings of \$1,777,687. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 22, 2008. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$37,331,420, consisting of 3,733,142,000 shares with a par value of \$10 (in NT dollars) per share.

(24)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 to Note 4(19) Bonds payable.

(25)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 or, if the balance of reserve exceeds 50% of contributed capital, 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 2007 and 2006 earnings had been resolved at the stockholders' meetings on June 27, 2008 and June 28, 2007, respectively. Details are summarized below:

	2007		2006	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 1,101,699	\$ -	\$ 360,708	\$ -
Stock dividends	1,777,687	0.50	2,012,475	0.60
Cash dividends	7,110,746	2.00	2,012,475	0.60
Directors' and supervisors' remuneration	198,306	-	89,527	-
Employees' cash bonus	851,964	-	296,128	-
Total	<u>\$11,040,402</u>	<u>\$ 2.50</u>	<u>\$ 4,771,313</u>	<u>\$ 1.20</u>

There was no difference in the amount of the 2007 earnings appropriation approved by the stockholders with that proposed by the Board of Directors on April 16, 2008.

- (d) The estimated amounts of employees' bonus and directors' and supervisors' remuneration for the six-month period ended June 30, 2008 are \$278,977 and \$53,140, respectively. The basis of estimates is based on a certain percentage of 2008 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.
- (e) As of June 30, 2008 and 2007, the balance of unappropriated earnings is as follows:

	June 30, 2008	June 30, 2007
(A) Unappropriated earnings before 1998	\$ 36,165	\$ 36,165
(B) Unappropriated earnings in and after 1998	<u>86,495</u>	<u>109,910</u>
	<u>\$ 122,660</u>	<u>\$ 146,075</u>

Consolidated net income in the amount of \$2,982,734 and \$4,976,436 for the six-month periods ended June 30, 2008 and 2007, respectively, cannot be distributed since these amounts have not been approved by the shareholders.

- (f) As of June 30, 2008 and 2007, the imputation tax credit account balance amounted to \$249,526 and \$200,588, respectively. The Company distributed unappropriated earnings in 2006 as dividends in accordance with the resolution adopted at the stockholders' meeting on June 28, 2007, and the date of dividends distribution was on August 23, 2007. The 2006 creditable ratio was 27.22%. The Company distributed unappropriated earnings in 2007 as

dividends in accordance with the resolution adopted at stockholders' meeting on June 27, 2008. As of June 30, 2008, the 2007 estimated creditable ratio was 2.24%. The amount of deductible tax distributable by the Company to its shareholders shall be limited to an amount not exceeding the amount of the imputation tax credit account balance on the date of distribution of the dividends. Accordingly, the actual creditable ratio for the distribution of 2007 undistributed earnings will be based on the imputation tax credit account balance up to the date of distribution of the dividends.

(26) Personnel expenses, depreciation and amortization

For the six-month periods ended June 30, 2008 and 2007, personnel expenses, depreciation and amortization were as follows:

	<u>For the six-month period ended June 30, 2008</u>		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Personnel expenses			
Salaries and wages	\$ 3,417,201	\$ 7,703,962	\$ 11,121,163
Insurance	229,275	517,605	746,880
Pension	304,147	533,765	837,912
Others	176,904	580,760	757,664
	<u>\$ 4,127,527</u>	<u>\$ 9,336,092</u>	<u>\$ 13,463,619</u>
Depreciation	<u>\$ 2,723,992</u>	<u>\$ 2,253,332</u>	<u>\$ 4,977,324</u>
Amortization	<u>\$ 157,301</u>	<u>\$ 355,281</u>	<u>\$ 512,582</u>
	<u>For the six-month period ended June 30, 2007</u>		
	<u>Operating costs</u>	<u>Operating expenses</u>	<u>Total</u>
Personnel expenses			
Salaries and wages	\$ 3,215,806	\$ 6,891,365	\$ 10,107,171
Insurance	218,214	433,092	651,306
Pension	265,983	504,868	770,851
Others	169,824	360,654	530,478
	<u>\$ 3,869,827</u>	<u>\$ 8,189,979</u>	<u>\$ 12,059,806</u>
Depreciation	<u>\$ 2,580,088</u>	<u>\$ 2,059,489</u>	<u>\$ 4,639,577</u>
Amortization	<u>\$ 188,227</u>	<u>\$ 219,806</u>	<u>\$ 408,033</u>

(27) Deferred income tax and income tax expense

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

	<u>For the six-month periods ended June 30</u>	
	<u>2008</u>	<u>2007</u>
Corporate income tax expense	\$ 1,459,575	\$ 933,990
Tax effect of alternative minimum tax	162,587	79,831
Additional 10% income tax on unappropriated earnings	<u>3,933</u>	<u>3,271</u>
Corporate income tax expense	1,626,095	1,017,092
Net change in deferred income tax assets and liabilities	289,373 (	17,599)
Income tax on separately taxed income	( 10,956)	( 1,791)
(Under) over provision of prior years' income tax	( 424,402)	87,257
Prepaid and income taxes withheld	( <u>139,987</u> )	( <u>75,836</u> )
Income tax payable	<u>\$ 1,340,123</u>	<u>\$ 1,009,123</u>

(b) The details of deferred income tax assets or liabilities resulting from temporary differences, loss carryforwards and investment tax credits are as follows:

	<u>June 30, 2008</u>		<u>June 30, 2007</u>	
	<u>Amount</u>	<u>Tax effect</u>	<u>Amount</u>	<u>Tax effect</u>
Current items:				
Temporary differences				
Bad debts	\$ 272,591	\$ 68,148	\$ 213,684	\$ 53,421
Unrealized inventory value decline and obsolescence loss	226,229	56,557	68,904	17,226
Others	1,053,931	263,483	310,184	77,546
Loss carryforwards	351,450	87,862	175,760	43,940
Investment tax credits		<u>286,698</u>		<u>296,882</u>
		762,748		489,015
Less: Valuation allowance		( <u>47,114</u> )		( <u>47,152</u> )
		<u>\$ 715,634</u>		<u>\$ 441,863</u>

	June 30, 2008		June 30, 2007	
	Amount	Tax effect	Amount	Tax effect
Non-current items:				
Temporary differences				
Investment loss	\$ 488,247	\$ 122,062	\$1,120,056	\$ 280,014
Depreciation	( 2,070,679)	( 517,670)	( 2,273,412)	( 568,353)
Impairment of assets	34,808	8,702	134,872	33,718
Pension cost	637,911	159,478	361,864	90,466
Others	698,203	174,551	1,336,728	334,182
Loss carryforwards	1,968,696	492,174	2,354,696	588,674
Investment tax credits		<u>393,981</u>		<u>360,488</u>
		833,278		1,119,189
Less: Valuation allowance		( 582,729)		(1,044,101)
		<u>\$ 250,549</u>		<u>\$ 75,088</u>

(c) As of June 30, 2008, unused loss carryforwards amounted to \$580,036, which will expire between 2008 and 2013.

(d) As of June 30, 2008, investment tax credits consisted of the following:

Regulation	Tax credit items	Total credits	Unused amounts	Year of expiry
Statute for Upgrading Industries	Acquisition of machinery and equipment	\$ 244,113	\$ 167,704	2012
"	Research and development expenditures	298,538	241,620	2012
"	Personnel trainings	32,097	27,923	2012
"	Shareholders' investment credit	120,165	120,165	2009
"	Investments in important technology-based enterprises, etc.	<u>226,844</u>	<u>123,267</u>	2011
		<u>\$ 921,757</u>	<u>\$ 680,679</u>	

(e) As of September 2, 2008, the Company's income tax returns through 2006 have been assessed by the Tax Authority except 2005 and there were no disputes existing between the Company and the Tax Authority.

(28) Earnings per share ("eps")

For the six-month period ended June 30, 2008					
	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	\$6,126,429	\$2,982,734	3,733,142	<u>\$1.64</u>	<u>\$0.80</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	63,122	47,342	89,286		
Employees' bonuses	—	—	9,075		
Diluted earnings per share					
Net income	<u>\$6,189,551</u>	<u>\$3,030,076</u>	<u>3,831,503</u>	<u>\$1.62</u>	<u>\$0.79</u>

Effective January 1, 2008, 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 calculation of 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. However, the accounting treatment for the appropriation of employees' bonus for 2007 earnings resolved at the stockholders' meeting held in 2008 is still in accordance with the regulations on capitalization of employees' bonus under paragraphs 19 and 39 of R.O.C. SFAS No. 24, "Earnings per Share".

For the six-month period ended June 30, 2007

	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	<u>\$8,583,491</u>	<u>\$4,976,436</u>	<u>3,733,142</u>	<u>\$2.30</u>	<u>\$1.33</u>

The above weighted-average outstanding common shares have been adjusted retroactively in proportion to retained earnings as of December 31, 2007.



## 5. RELATED PARTY TRANSACTIONS

### (a) Related parties and their relationship with the Company

Name of related parties	Relationship with the Company
Presicarre Corp.	Subsidiary accounted for under the equity method
TTET Union Corp.	"
Ztong Yee Industrial Co., Ltd.	"
Kuang Chuan Dairy Co., Ltd.	"
Prospect Top Development Ltd.	The company is a director (Note 1)
Uni-President Land Corporation	An affiliated company of Cayman President Holdings Ltd. (accounted for under the equity method)
Jimmailang Beverage (Beijing) Co., Ltd.	"
Chang-Tung Corporation Limited	A subsidiary of Kai Nan Investment Co., Ltd. (accounted for under the equity method)
President Fuche (Qingdo) Co., Ltd.	An affiliated company of Kai Nan Investment Co., Ltd. (accounted for under the equity method)
Far-Tung Enterprises Corp.	A subsidiary of Nanlien International Corp. (accounted for under the equity method)
Kuan Chang Enterprises Corp.	"
Sin-Tung Co., Ltd.	"
Tung Chang Enterprises Corp.	"
Huei Tung Enterprise Corp.	Its Chairman is a corporate director of the subsidiary of Nanlien International Corp.
Life Information Service (Shanghai) Ltd.	An affiliated company of Q-Ware Systems & Services Corp. (accounted for under the equity method) (Note 2)
Bonjour-Fabao (Qing-dao) Supermarket Limited (Note 3)	A subsidiary of President China Store (BVI) Holdings Ltd. (accounted for under the equity method)
Yamato Collect Service Corporation	An affiliated company of President Collect Service Co., Ltd. (accounted for under the equity method)
Starbucks Coffee International, Inc.	Stockholder of President Coffee Corp. and President Coffee (Cayman) Limited (accounted for under the equity method)
Representatives of Ryohin Keikaku Co., Ltd.	Stockholder of Muji (Taiwan) Co., Ltd. (accounted for under the equity method)
Representative of Duskin Co., Ltd.	Stockholder of Mister Donut Taiwan Co., Ltd. (accounted for under the equity method)

Name of related parties	Relationship with the Company
AHB International Inc.	Stockholder of AHB Pet Plus Co., Ltd. (accounted for under the equity method)
Master Channels Corporation	A subsidiary of TTET Union Corp. (accounted for under the equity method)
Hi-life International Co., Ltd.	A subsidiary of Kuang Chuan Dairy Co., Ltd. (accounted for under the equity method)
Ta Chen Construction & Engineering Corp.	A subsidiary of Prince Housing Development Corp. (accounted for under the equity methld) (Note 4)
Toyota Tsusho Corp.	A director of Ton-Yi Industrial Corp.

(Note 1) Sold in June 2007.

(Note 2) Merged with Shanghai Hexun Trading Co., Ltd. in May 2008.

(Note 3) Formerly Presiclerc (Qing Dao) Food Processing Limited.

(Note 4) The Company is a director.

(b) Transactions with related parties

(1) Sales

	For the six-month periods ended June 30			
	2008		2007	
	Amount	Percentage of net sales	Amount	Percentage of net sales
TTET Union Corp.	\$1,465,679	1	\$ 847,647	1
Presicarre Corp.	900,924	1	650,817	-
Far Tung Enterprises Corp.	506,928	-	475,632	-
Hi-Life International Co., Ltd.	473,485	-	469,736	-
Others (Individually less than 10%)	<u>2,268,721</u>	<u>2</u>	<u>2,181,783</u>	<u>2</u>
	<u>\$5,615,737</u>	<u>4</u>	<u>\$4,625,615</u>	<u>3</u>

(i) The collection period for related parties was approximately one month after sales. The collection period for third parties was two weeks after sales for foodstuff, 60~120 days after sales for animal feed products and 10~15 days after sales for soybean products. Except for the collection period mentioned above, other terms of sales were the same for related and third parties.

(ii) The sales terms of other subsidiaries to related parties were the same for third parties.

(2) Purchases

	For the six-month periods ended June 30			
	2008		2007	
	Amount	Percentage of net purchases	Amount	Percentage of net purchases
Toyota Tsusho Corp.	\$3,012,163	2	\$2,255,269	2
TTET Union Corp.	773,499	1	543,759	-
Others (Individually less than 10%)	688,664	-	291,904	-
	<u>\$4,474,326</u>	<u>3</u>	<u>\$3,090,932</u>	<u>2</u>

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

TTET Union Corp. closes its accounts 30 days from the end of each month.

(ii) The payment term for purchases from President Musahino Corp. was 30~70 days. The payment term for third parties was 45~70 days or pays postdated checks due in 45~60 days.

(iii) The purchase terms of other subsidiaries from related parties were the same for third parties.

(3) Purchases of property, plant and equipment

	Items	For the six-month periods ended June 30	
		2008	2007
Ta Chen Construction & Engineering Corp.	Construction in progress	\$ 1,520,200	\$ -
Others (Individually less than 10%)	Transportation, office equipment and other equipment	9,785	-
		<u>\$ 1,529,985</u>	<u>\$ -</u>

The Group purchased certain fixed assets from other related parties at negotiated prices.

(4) Processing expenses

	For the six-month periods ended June 30	
	2008	2007
TTET Union Corp.	<u>\$ 135,087</u>	<u>\$ 125,221</u>

(5) Other expenses

	For the six-month periods ended June 30	
	2008	2007
Kuan Chang Enterprises Corp.	\$ 32,973	\$ 32,014
Hi-Life International Co., Ltd.	20,839	14,791
Far-Tung Enterprise Corp.	20,455	23,519
Huei Tung Enterprise Corp.	10,889	28,302
Presicarre Corp.	9,787	28,009
Others (Individually less than 10%)	46,322	58,495
	<u>\$ 141,265</u>	<u>\$ 185,130</u>

(6) Interest income: Please refer to Note 5(3).

(7) Other income

	For the six-month periods ended June 30	
	2008	2007
Management and technical consultancy fees:		
Ztong Yee Industrial Co., Ltd.	\$ 6,000	\$ 6,000
Others (Individually less than 10%)	6,924	4,192
	<u>12,924</u>	<u>10,192</u>
Other income:		
Far Tung Enterprises Corp.	14,981	15,415
Sin Tung Co., Ltd.	11,584	12,600
Jimmilang Beverage (Beijing) Co., Ltd.	9,990	-
Chang Tung Co., Ltd.	9,057	137
Master Channels Corp.	5,555	9,283
Others (Individually less than 10%)	28,801	22,587
	<u>79,968</u>	<u>60,022</u>
	<u>\$ 92,892</u>	<u>\$ 70,214</u>

(8) Accounts receivable

	June 30, 2008		June 30, 2007	
	Amount	%	Amount	%
Presicarre Corp.	\$ 436,239	3	\$ 303,204	2
Hi-Life International Co., Ltd.	217,457	2	154,567	1
TTET Union Corp.	183,193	1	121,417	1
Far Tung Enterprises Corp.	135,965	1	137,839	1
Others (Individually less than 10%)	347,531	3	222,858	2
	<u>\$ 1,320,385</u>	<u>10</u>	<u>\$ 939,885</u>	<u>7</u>

(9) Accounts payable

	June 30, 2008		June 30, 2007	
	Amount	%	Amount	%
TTET Union Corp.	\$ 67,764	1	\$ 60,042	1
Kuang Chuan Dairy Co., Ltd.	25,775	-	22,927	-
Tung Chang Enterprises Corp.	20,154	-	-	-
Toyota Tsusho Corp.	-	-	48,576	-
Others (Individually less than 10%)	61,033	-	55,504	-
	<u>\$ 174,726</u>	<u>1</u>	<u>\$ 187,049</u>	<u>1</u>

(10) Accrued expenses

	June 30, 2008		June 30, 2007	
	Amount	%	Amount	%
Presicarre Corp.	\$ 49,860	1	\$ 29,238	-
TTET Union Corp.	22,519	-	20,676	-
Hi-Life International Co., Ltd.	17,291	-	18,399	-
Others (Individually less than 10%)	24,729	-	38,600	1
	<u>\$ 114,399</u>	<u>1</u>	<u>\$ 106,913</u>	<u>1</u>

(11) Other payables

	<u>June 30, 2008</u>		<u>June 30, 2007</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Ta Chen Construction & Engineering Corp.	\$ 239,264	1	\$ 53,650	1
Others (Individually less than 10%)	1,532	-	3,090	-
	<u>\$ 240,796</u>	<u>1</u>	<u>\$ 56,740</u>	<u>1</u>

(12) Long-term notes receivable

	<u>June 30, 2008</u>		<u>June 30, 2007</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Ta Chen Construction & Engineering Corp.	<u>\$ 209,234</u>	<u>33</u>	<u>\$ -</u>	<u>-</u>

(c) Financing

Loans receivable from related parties (classified as other receivables - related parties and long-term notes receivable - related parties):

	For the six-month period ended June 30, 2008				
	Maximum balance date	Maximum balance	Ending balance	Annual interest rate	Total interest income
Uni-President Land Corporation	2008.01	\$ 33,375	\$ 30,837	7.00%	\$ 1,168
Tung Chang Enterprises Corp.	2008.06	8,500	8,500	3.00%	—
President Fuche (Qingdo) Co., Ltd.	2008.03	4,430	2,213	6.66% ~8.88%	165
Life Information Service (Shanghai) Ltd.	2008.03	17,840	—	—	—
			<u>\$ 41,550</u>		<u>\$ 1,333</u>

	For the six-month period ended June 30, 2007				
	Maximum balance date	Maximum balance	Ending balance	Annual interest rate	Total interest income
Bonjour Fabao (Qing Dao) Supermarket Limited	2007.01	\$ 143,830	\$ 143,830	5.71% ~6.20%	\$ 3,143
Uni-President Land Corporation	2007.01	32,393	32,393	7.00%	1,134
Prospec Top Development Ltd.	2007.01	348,987	—	—	—
			<u>\$ 176,223</u>		<u>\$ 4,277</u>

(d) Contingent liabilities and commitments

- (i) In September 2003, Muji (Taiwan) Co., Ltd., a subsidiary of President Chain Store Corp., entered into a contract with Ryohin Keikaku Co., Ltd. whereby Muji (Taiwan) Co., Ltd. is authorized to operate “Muji Licensed Store” and make use of their information and sales technology. Under the terms of the contract, Muji (Taiwan) Co., Ltd. shall pay royalty based on a fixed percentage of net sales revenue.
- (ii) Mister Donut Taiwan Co., Ltd., a subsidiary of President Chain Store Corp., signed a logotype and perpetual technical cooperation contract with DUSKIN Co., Ltd. to operate and manage “DUSKIN Mister Donut Franchise Enterprise”. Under the terms of the contract, Mister Donut Taiwan Co., Ltd. shall pay royalty based on a fixed percentage of

total sales revenue.

- (iii) President Coffee Corp., a subsidiary of President Chain Store Corp., signed a contract with Starbucks Corp. to operate Starbucks coffee shops. Under the contract, President Coffee Corp. pays royalties based on total monthly sales.
- (iv) In 2002, President Collect Service Co., Ltd., a subsidiary of President Chain Store Corp., signed a logotype and perpetual technical cooperation contract with Yamato Collect Service Corporation to operate merchandise distribution and financing business. Under the terms of the contract, President Collect Service Co., Ltd. shall pay royalty based on a fixed percentage of monthly net sales revenue.
- (v) In November 2007, AHB Pet Plus Co., Ltd., a subsidiary of President Chain Store Corp., signed a logotype and perpetual technical contract with AHB International Inc. whereby AHB Pet Plus Co., Ltd. is authorized to operate cosmetology for pets. Under the terms of the contract, AHB Pet Plus Co., Ltd. shall pay royalty monthly based on a fixed percentage of monthly net sales revenue.



## 6. PLEDGED ASSETS

As of June 30, 2008 and 2007, the details of pledged assets were as follows:

Assets	June 30,		Purpose of collateral
	2008	2007	
Financial assets at fair value through profit or loss - current	\$ -	\$ 387,971	Short-term loans and notes and bills payable
Demand deposits, certificate of deposit and short-term bills (Classified as other financial asset - current and non-current)	58,094	18,026	Performance guarantees, short-term loans, notes and bills payable and long-term loans
Inventories	645,404	549,680	Short-term loans and notes and bills payable
Available-for-sale financial assets - non-current	111,272	276,346	Short-term loans and long-term loans
Financial assets carried at cost - non-current	3,033,585	3,051,293	Short-term loans and long-term loans
Long-term equity investments accounted for under the equity method	3,396,543	3,161,916	Short-term loans, notes and bills payable and long-term loans
Land (Note)	7,949,572	7,739,916	Short-term loans, notes and bills payable and long-term loans
Buildings-net (Note)	7,972,944	2,484,711	Short-term loans, notes and bills payable and long-term loans
Machinery and equipment-net (Note)	663,256	714,272	Short-term loans and long-term loans
Transportation equipment-net	309,441	457,487	Short-term loans and long-term loans
Other equipment-net	405,337	23,867	Long-term loans
Other intangible assets -land use rights	1,950,088	2,126,509	Long-term loans
Refundable deposits	160,605	205,108	Performance guarantees and deposits of rental office
Other assets-others	<u>807,542</u>	<u>1,027,665</u>	Short-term loans, notes and bills payable and long-term loans
	<u>\$ 27,463,683</u>	<u>\$ 22,224,767</u>	

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

## 7.COMMITMENTS AND CONTINGENT LIABILITIES

As of June 30, 2008 and 2007, the contingent liabilities and commitments of the Group, in addition to Note 5 (d) were as follows;

- (a) As of June 30, 2008 and 2007, the remaining balance of contracts signed but unpaid due for construction in progress and prepayments for equipment was \$2,344,302 and \$50,275, respectively.
- (b) As of June 30, 2008 and 2007, the unused letters of credit amounted to \$2,795,934 and \$3,103,514, respectively.
- (c) As of June 30, 2008, the details of endorsement and guarantees provided to related parties are shown in Note 11 (1-2).
- (d) 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:
  - (1) The Company guarantees that President Chain Store Corp. will fulfill all payments or other obligations due under the Contract to Southland Corporation.
  - (2) Without the written approval of Southland Corporation in advance, the Company may not sell, transfer, or pledge the ownership or the assets of President Chain Store Corp.
  - (3) The Company must maintain no less than 40% ownership of President Chain Store Corp.
- (e) In August 2004, the Company borrowed from Chinatrust Bank, BNP PARIBAS, Bank of Taiwan and Standard Chartered Bank under a 5-year syndicated credit facility agreement consisting of domestic bonds guarantee and for unsecured bank loans from August 2, 2004 to August 2, 2009. Under the terms of the loan agreement, the Company agrees that:
  - (1) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.
  - (2) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 150%.
  - (3) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
  - (4) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.
- (f) In September 2005, the Company borrowed from Chinatrust Bank and 7 other banks under a 5-year syndicated credit facility agreement consisting of domestic bonds guarantee, notes issuance facilities and unsecured bank loans from September 14, 2005 to September 14, 2010. Under the terms of the loan agreement, the Company agrees that:
  - (1) The current ratio computed from the year-end audited non-consolidated financial

statements shall not be below 75%.

- (2) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 150%.
  - (3) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
  - (4) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.
- (g) 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:
- (1) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.
  - (2) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 160%.
  - (3) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
  - (4) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.
- (h) In March 2007, Sanshui Jianlibao Commerce Co., Ltd. borrowed from Standard Chartered Bank and other banks under a 2-year syndicated credit facility agreement from March 26, 2007 to March 26, 2009. Under the terms of the loan agreement, the Company agrees that:
- (1) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.
  - (2) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 160%.
  - (3) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
  - (4) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.
- (i) President Entertainment Corp. (PEC) signed a non-public use hillside land development contract with the National Property Bureau in January and August of 1999. The National Property Bureau agreed to allow PEC to jointly develop two lots of land with a security deposit of \$33,932 and

\$1,139, respectively, and issued the certificates to PEC. PEC replaced the security deposits with time deposit in the same account. The certificates allow PEC to apply for the joint hillside development within a year which may be extended. In addition, within three months from the approval of the application, PEC shall acquire the land. If PEC fails to acquire the land, the National Property Bureau will charge 1% of guarantee fund as penalty each month. If the land is changed or used illegally, the National Property Bureau will charge 25% of public price of the land as compensation.

- (j) President Entertainment Corp. (PEC) signed a non-public use hillside land development contract with the National Property Bureau in July 2001. The National Property Bureau agreed to allow PEC to jointly develop two lots of land with a security deposit of \$63,055 and issued the certificates to PEC. PEC replaced the security deposits with time deposit in the same account. The certificates allow PEC to apply for the joint hillside development within a year which may be extended. In addition, within three months from the approval of the application, PEC shall acquire the land. If PEC fails to acquire the land, the National Property Bureau will charge 1% of guarantee fund as penalty each month. If the land is changed or used illegally, the National Property Bureau will charge 25% of public price of the land as compensation.
- (k) President Entertainment Corp. (PEC) signed a non-public use hillside land development contract with the National Property Bureau in July 2003. The National Property Bureau agreed to allow PEC to jointly develop two lots of land with a security deposit of \$39,434 and issued the certificates to PEC. PEC replaced the security deposits with time deposit in the same account. The certificates allow PEC to apply for the joint hillside development within two years which may be extended. In addition, within three months from the approval of the application, PEC shall acquire the land. If PEC fails to acquire the land, the National Property Bureau will charge 1% of guarantee fund as penalty each month. If the land is changed or used illegally, the National Property Bureau will charge 25% of public price of the land as compensation.
- (l) Tung Ho Development Co., Ltd. (Tung Ho) entered into a contract with a bank for its members to facilitate consumer bank loans for payments of initiation fees and security deposits. Tung Ho agreed to buy back the membership certificates which was pledged as security if the borrowers default on the loan. As of June 30, 2008 and 2007, the loans for the initiation fees and security deposits amounted to \$42,592 and \$74,847, respectively.

(m) President Musashino Corp. has signed the rental agreements with the Taipei Industrial District, and the estimated minimum annual rental expense is as follows:

<u>Year</u>	<u>Total rental expense</u>
2008.7.1 ~ 2008.12.31	\$ 3,120
2009	6,360
2010	6,480
2011	6,600
2012	6,780
2013~2021 (Present value \$53,505)	69,120
	<u>\$ 98,460</u>

(n) Uni-President Development Corp. signed a "Build-Operate-Transfer Contract for the Construction, Development and Operation of a Mass Rapid Transit (MRT) Station" with the Taipei City Government in August 2004. The main contents of the contract are as follows:

- (1) The contract includes the construction, development and operation of an MRT Station including all auxiliary structures and facilities.
- (2) The Taipei City Government shall provide the right of land located in Shin-Yi District Lot. No. 3 to carry out the contract.
- (3) The development and operation period is 50 years starting the time the right of land is registered (date registered - October 15, 2004). On December 31, 2007, the Taipei City Government agreed that the period shall be extended due to processing building capacity compensation and changes in design (for a total of 484 days).
- (4) Uni-President Development Corp. shall pay two kinds of option money:
  - (i) Development option money  
Total amount is \$2,500,000 and as of June 30, 2008, Uni-President Development Corp. has paid \$750,000. The remainder will be paid in accordance with the terms of the contract.
  - (ii) Operation option money  
Uni-President Development Corp. shall pay operation option money to the Taipei City Government using the progressive increase method one year after the start of commercial operations.
- (5) Uni-President Development Corp. shall pay a performance bond of \$100,000. The performance bond credit was contracted by Taiwan Bank.
- (6) Uni-President Development Corp. shall pay the rent to the Taipei City Government based on a fixed percentage of the proclamation land value one year after the start of commercial operations.
- (7) Uni-President Development Corp. shall obtain the building license within one year and

five months after the registration of the right of land, and the occupancy permit within 4 years and four months after the construction of the MRT Station. The construction project shall be completed and approved for operations within 5 years and four months.

(8) Uni-President Development Corp. shall allow transportation companies to enter and operate within 6 months from the date Uni-President Development Corp. got the building license for the MRT Station.

(9) Uni-President Development Corp. shall transfer freely the operating right for the MRT Station to the Taipei City Government when the contract expires.

Uni-President Development Corp. also agrees to enter into a new contract with the Taipei City Government to bring the MRT Station back into public ownership 5 years before the end of the contract. The new contract shall be finished within 6 months. In addition, Uni-President Development Corp. shall propose a detailed plan before entering into a new contract with regard to the right and responsibility of the transfer of the MRT Station.

(o) In July 2006, President Tokyo Corp. borrowed from Mega International Commercial Bank and other banks under a 3-year syndicated credit facilities agreement including commercial papers guarantee and unsecured bank loans from July 4, 2006 to June 30, 2009. Under the terms of the loan agreement, the Company agrees that:

(1) The capital ratio computed from the year-end audited non-consolidated financial statements shall be above 8%.

(2) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 250%.

(3). The year-end audited consolidated tangible stockholders' equity shall not be less than \$200,000.

(p) To construct the Tinplate Plant and Tin Mill Black Plate Plant, Ton Yi Industrial Corp. has signed a land lease contract with Taiwan Sugar Corp. The term of the contract covers the period from July 1, 1993 to March 9, 2048, and the annual rental payment is based on 10% of the annual assessed value of the land. Royalty payments for the land lease is paid 2 to 4 times of rental expense for the current year on a 20 year basis, and are amortized over a period of 20 years. The unamortized balance of royalty payments are \$13,962 and \$16,333 as of June 30, 2008 and 2007, respectively.

(q) President Chain Store Corp. and Philippine Seven Corporation signed a perpetual technical cooperation contract (the Contract) with Southland Corp. As required by the contract,

President Chain Store Corp. shall pay royalties to Southland Corp. based on total monthly sales of President Chain Store Corp.

- (r) The Company and President Chain Store Corp. signed the construction contract with Ta Chen Construction & Engineering Corp. in 2005 to build the united research building as a donation to National Cheng Kung University. The project approximately costs \$230,000 (including tax) and the Company and President Chain Store Corp. shares 50% each of the cost. As of June 30, 2008, the payment for construction costs amounted to \$217,206.
- (s) President Chain Store Corp. (PCSC) signed the rental agreements with non-related parties to rent store spaces with lease periods ranging from 3 to 12 years. As of June 30, 2008, PCSC has prepaid rent and guaranteed deposits in the amount of \$957,596 and \$1,549,668, respectively. Summary of the estimated annual rental expense of PCSC is as follows:

<u>Year</u>	<u>Total rental expense</u>
2008.7.1 ~ 2008.12.31	\$ 2,393,676
2009	6,216,953
2010	5,466,371
2011	4,629,021
2012	3,634,371
2013 and thereafter (Present value \$6,112,889)	<u>7,297,168</u>
	<u>\$ 29,637,560</u>

- (t) In April 2006, Uni-President Department Store Corp. (UDSC) signed a technical guidance confirmation with the Hankyu Department Store, Inc. UDSC shall pay "Technical guidance actual expenses" to Hankyu Department Store, Inc. before opening. UDSC shall also pay a fixed amount of expense as "Technical guidance fixed expenses" to Hankyu Department Store, Inc. each year after opening.
- (u) President Transnet Corp. (PTC) signed agreements for home delivery services with Yamato Transport Corp. on January 24, 2000. PTC shall pay royalty monthly based on a fixed percentage of sales revenue.
- (v) In June 2007, Mech-President Corp. (MPC) borrowed from Ta Chong Bank and 13 other Banks under a 5-year syndicated credit facility agreement consisting of purchase gasoline guarantee and unsecured bank loans from June 22, 2007 to June 22, 2012. Under the terms of the loan agreement, Mech-President Corp. agrees that:
- (1) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 80%.

- (2) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 330%.
- (3) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 200%.
- (4) The year-end audited non-consolidated stockholders' equity shall not be less than \$600,000.
- (5) The current ratio computed from the year-end audited consolidated financial statements shall not be below 80%.
- (6) The debt-to-equity ratio computed from the year-end audited consolidated financial statements shall not be above 330%.
- (7) The interest coverage ratio computed from the year-end audited consolidated financial statements shall not be below 200%.
- (8) The year-end audited consolidated tangible stockholders' equity shall not be less than \$600,000.
- (9) If any of the financial ratio or regulations above have been violated, MPC shall improve it within six months. Should MPC fail to meet the required financial ratios and regulations by then, it will be considered as a violation of the agreement.
- (10) Under the terms of the loan agreement and before MPC apply for initial public offering (in TSE or OTC), the Company and President Chain Store Corp. shall hold and control no less than 50% ownership of MPC. After MPC becomes a listed or counter company, the Company and President Chain Store Corp. shall hold and control no less than 25% ownership of MPC.

As of June 30, 2008, the debt-to-equity ratio, interest coverage ratio and the non-consolidated stockholders' equity of MPC did not meet the required levels in the agreement. According to the agreement, MPC should meet these requirements within 6 months from the date it failed to comply with such requirements. MPC will try to achieve the required terms by controlling supplies on hand, inventories and expenses.

#### 8. SIGNIFICANT CATASTROPHE

None.

#### 9. SUBSEQUENT EVENTS

None.



## 10. OTHERS

### (1) The fair values of the financial instruments

	June 30, 2008			June 30, 2007		
	Fair value			Fair value		
	Book value	Quotations in an active market	Estimated using a valuation method	Book value	Quotations in an active market	Estimated using a valuation method
<u>Non-derivative financial instruments</u>						
Assets						
Financial assets with book value equal to fair value	\$ 53,448,046	\$ -	\$ 53,448,046	\$ 40,866,977	\$ -	\$ 40,866,977
Financial assets at fair value through profit or loss	13,091,864	13,091,864	-	10,921,561	10,921,561	-
Available-for-sale financial assets	7,871,699	7,871,699	-	11,293,610	11,293,610	-
Financial assets carried at cost - non-current	17,441,815	-	-	18,862,778	-	-
Investments in bonds without active markets	45,000	-	-	62,928	-	-
Other financial assets - non-current	33,751	-	33,751	-	-	-
Refundable deposits	2,190,476	-	2,190,476	2,399,734	-	2,399,734
Long-term notes, accounts and overdue receivables	31,822	-	31,822	74,846	-	74,846

	June 30, 2008			June 30, 2007		
	Book value	Fair value		Book value	Fair value	
		Quotations in an active market	Estimated using a valuation method		Quotations in an active market	Estimated using a valuation method
<b>Liabilities</b>						
Financial liabilities with book value equal to fair value						
	\$ 99,934,664	\$ -	\$ 99,934,664	\$ 95,700,437	\$ -	\$ 95,700,437
Bonds payable	8,207,509	-	8,207,509	5,680,000	-	5,680,000
Long-term loans	60,180,627	-	60,180,627	59,916,116	-	59,916,116
Long-term notes payable	638,852	-	638,852	627,878	-	627,878
Capital lease payables - non-current	81,825	-	81,825	103,405	-	103,405
Guarantee deposits received	4,030,152	-	4,030,152	3,970,781	-	3,970,781
<u>Derivative financial instruments</u>						
Assets						
Forward foreign exchange contracts	3,160	-	3,160	-	-	-
Liabilities						
Interest rate swap contracts	18,171	-	18,171	119,845	-	119,845

(a) The methods and assumptions used to estimate the fair values of financial instruments are summarized as follows:

(1) 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, other financial assets-current, short-term loans, notes and bills payable, notes and accounts payable, income tax payable, accrued expenses, other payables, current portion of long-term liabilities, capital lease payables - current and other current liabilities.

(2) Available-for-sale financial assets are regarded as quoted in an active market. If the market for a financial asset is not active, an entity establishes fair value by using a valuation technique. The Group's available-for-sale financial instruments pertain to mutual funds, listed companies or corporation bonds; therefore, quoted prices are readily and regularly available from the closing price of stock exchange or the net asset value at the balance sheet date.

(3) The fair value of refundable deposits and long-term notes, accounts and overdue receivables are 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, 2008 and 2007.

(4) The fair value of bonds payable, long-term loans, long-term notes payable, capital lease payable - non-current and guarantee deposits received is based on the discounted value of expected future cash flow amounts, which are discounted based on the interest rates of similar long-term loans at June 30, 2008 and 2007.

(5) 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 Group recognized the amount of \$1,499,958 as reduction to stockholders' equity and \$4,427,573 as addition to stockholders' equity for the changes in fair value of available-for-sale financial assets as of June 30, 2008 and 2007, respectively.

## (2) Procedure of financial risk control and hedge

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

risk exposures.

### (3) Information of financial risk

#### A. Market risk

##### (1) Exchange rate risk

Some purchases are valued in US dollars, therefore the fair value changes with market exchange rate. The Group 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.

##### (2) Interest rate risk

The Group entered into interest-rate swap transactions by PVBP (Present Value of Basis Point) method to assess market risk and has set a stop-loss point for any changes of the contract value. This strategy will limit losses in certain amounts and have no significant market risk. Short-term and long-term loans are debts with floating interest rates, however, the risk is minimal due to the insignificant fluctuations. Commercial papers payable have no market risk due to fixed interest rates.

##### (3) Price risk

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

#### B. Credit risk

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

#### C. Liquidity risk

The interest receipts or payments for computing net settlements are notional amounts multiplied by the difference in interest rate on each settlement date. The amounts are

insignificant and there are no cash inflows or outflows for principal amounts on settlement date. The Group has sufficient operating capital to meet cash requirements upon settlement date. Therefore, the cash flow risk is low. The available-for-sale financial instruments-publicly traded stocks, corporation bonds or mutual funds have active markets where the Group can sell financial instruments 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

The interest receipts or payments for computing net settlements are notional amounts multiplied by the difference in interest rate on each settlement date. The amounts are insignificant and there are no cash inflows or outflows for principal amounts on settlement date. The Group has sufficient operating capital to meet cash requirements upon settlement date. Therefore, the cash flow risk is low. Short-term and long-term loans are debts with floating interest rates that change with market interest rate fluctuations. Commercial papers payable have no market risk due to its having fixed interest rates.

E. The information of the derivative financial instruments is disclosed as follows:

Item	June 30, 2008		June 30, 2007	
	Notional principal amount	Contract period	Notional principal amount	Contract period
Interest Rate Swap Contracts	\$4,180,000	2003.1~2009.9	\$ 6,440,000	2002.1~2009.9

The Group entered into derivative financial instruments to manage exposures related to foreign exchange rate and interest rate fluctuations. The loss on derivative financial instruments was \$13,332 and \$34,321 as addition to interest expense for the six-month periods ended June 30, 2008 and 2007, respectively.

(4) Bonds and cash flow hedges

The Group bears the risk of floating interest rates, therefore, the fluctuations in interest rates may affect the future cash flow risk in assets and liabilities. Since the Group is concerned with the cash flow risk, the Group entered into an interest rate swap contracts to hedge the risk.

		<u>Designated as hedging instruments</u>			
<u>Hedged item</u>	<u>Financial instruments was designated as hedging instrument</u>	<u>Contract amount</u>		<u>Period of anticipated cash flow</u>	<u>Period of gain (loss) recognized in income statement</u>
		<u>2008</u>	<u>2007</u>		
Bonds payable	Interest Rate Swap Contracts	<u>\$4,180,000</u>	<u>\$6,440,000</u>	July 2008 to September 2009	July 2008 to September 2009
<u>Item</u>		<u>June 30, 2008</u>		<u>June 30, 2007</u>	
Amount of equity adjustment		<u>\$ 47,880</u>		<u>\$ 21,627</u>	

(5) Financial statement presentation

Certain accounts in the June 30, 2007 financial statements were reclassified to conform with the June 30, 2008 financial statement presentation.

## 11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURE

### (1) Related information of significant transactions

(For the six-month period ended June 30, 2008)

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

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value		
1	Cayman President Holding Ltd.	Uni-President Southeast Asia Holdings Ltd.	Long-term receivables	US 9,270	US 6,510	-	2	\$ -	Additional operating capital	\$ -	-	\$ -	US 10,000	US 183,402(Note 2)
2	President International Trade & Investment Corp.	Cayman President Holding Ltd.	"	US 6,630	US 6,630	-	"	-	"	"	-	-	US 28,000	US 30,747(Note 2)
3	Uni-President Southeast Asia Holdings Ltd.	Kai Yu (BVI) Investment Co., Ltd.	Other receivables	US 188	-	-	"	-	"	"	-	-	US 10,000	US 1,230(Note 2)
4	President Global Corp.	President East Co. Tungpec Inc.	Notes receivable	US 600	US 600	6.5%~ 8.75%	1	US 165 (Sales)	"	"	Real estates	US2,500	US 3,000	US 4,000(Note 2)
			"	US 15	US 15	4.00%	"	US 236 (Sales)	"	"	-	-	"	"
5	President International Development Corp.	Presitex Co., Ltd.	Other receivables	471,800	471,800	2.50%	2	-	Payment of loans	"	-	-	500,000	6,132,115(Note 3)
6	President Tokyo Corp.	President Tokyo Renting Corp.	Receivable-related party	19,000	-	2.75%~ 2.77%	"	-	Additional operating capital	"	-	-	100,000	100,797(Note 2)
7	Mech- President Corp.	Shanghai President Machine Corp.	Other receivables	19,071	19,071	-	"	-	"	"	-	-	50,000	219,274(Note 4)

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value		
8	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	Other financial assets - current	\$ 642,400	-	-	1	\$ 4,365,058 (Sales)	Additional operating capital	\$ -	-	\$ -	\$8,164,063	\$ 8,902,921(Note 5)
9	Uni-President Enterprises China Holdings Ltd.	Kunshan President Enterprises Food Co., Ltd. Chengdu President Enterprises Food Co., Ltd. Wuhan President Enterprises Food Co., Ltd. Zhengzhou President Enterprises Food Co., Ltd. Guangzhou President Enterprises Co., Ltd.	Other receivables	RMB 137,182	RMB 137,182	3.8%	2	-	"	"	-	-	RMB565,196	RMB 2,260,785(Note 6)
			"	RMB 116,605	RMB 116,605	"	"	-	"	"	-	-	"	"
			"	RMB 102,887	RMB 102,887	"	"	-	"	"	-	-	"	"
			"	RMB 68,591	RMB 68,591	"	"	-	"	"	-	-	"	"
			"	RMB 68,591	RMB 68,591	"	"	-	"	"	-	-	"	"



Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value		
9	Uni-President Enterprises China Holdings Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	Other receivables	RMB 54,873	RMB 54,873	3.8%	2	\$ -	Additional operating capital	\$ -	-	\$ -	RMB565,196	RMB 2,260,785(Note 6)
		Hefei President Enterprises Co., Ltd.	"	RMB 54,873	RMB 54,873	"	2	-	"	"	-	-	"	"
		Fuzhou President Enterprises Co., Ltd.	"	RMB 41,155	RMB 41,155	"	"	-	"	"	-	-	"	"
		Shenyang President Enterprises Co., Ltd.	"	RMB 34,296	RMB 34,296	"	"	-	"	"	-	-	"	"
		Harbin President Enterprises Co., Ltd.	"	RMB 34,296	RMB 34,296	"	"	-	"	"	-	-	"	"
		Nanchang President Enterprises Co., Ltd.	"	RMB 34,296	RMB 34,296	"	"	-	"	"	-	-	"	"
		Xinjiang President Enterprises Food Co., Ltd.	"	RMB 20,577	RMB 20,577	"	"	-	"	"	-	-	"	"

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value		
10	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holding Ltd.	Other financial assets - current	US 20,000	US 11,080	-	2	\$ -	Additional operating capital	\$ -	-	\$ -	US 20,000	\$ 1,000,000(Note 2)
		Uni-President Southeast Asia Holdings Ltd.	Other receivables	US 5,812	-	-	"	-	"	"	-	-	"	"
11	Nella Ltd.	Tunnel International Marketing Corp.	"	HK 78	HK 78	-	"	-	"	"	-	-	200,000	300,000(Note 2)
12	Cayman Nanlien Holding Ltd.	Nella Ltd.	"	US 1,267	US 1,267	-	"	-	"	"	-	-	"	"
13	Tun Hsiang Enterprises Corp.	Lien Yu Enterprises Corp.	"	15,000	-	3%	"	-	"	"	-	-	21,523	43,046(Note 7)
		Tung Chang Enterprises Corp.	"	8,500	8,500	"	"	-	"	"	-	-	"	" (Note 7)
14	Cayman Ton Yi Industrial Holdings Ltd.	Chengdu Ton Yi Industrial Packaging Co., Ltd.	"	US 7,000	US 4,000	-	1、2	US 109 (Sales)	"	"	-	-	4,451,461	8,902,921(Note 5)
		Cayman Fujian Ton Yi Industrial Holdings Ltd.	"	US 42	US 42	-	2	-	"	"	-	-	"	"
		Cayman Jiangsu Ton Yi Holdings Ltd.	"	US 33	US 33	-	"	-	"	"	-	-	"	"

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value								
15	President Enterprises (China) Investment Co., Ltd.	Integrated Marketing & Distribution Co.,Ltd.	Other receivables	RMB	25,500	RMB	25,500	6.48%~ 6.57%	2	\$	-	Additional operating capital	\$	-	-	\$	-	RMB300,000	RMB	500,000(Note 2)
16	President Life Sciences Cayman Co., Ltd.	Z-Kat, Inc.	"	US	50	US	50	-	"	-	"	"	-	-	US	5,000	US	2,268(Note 2)		
17	Hong Kong Ton Yi Industrial Holdings Ltd.	Cayman Ton Yi Industrial Holdings Ltd.	"	US	189	US	189	-	"	-	"	"	-	-	4,451,461			8,902,921(Note 5)		
18	Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd	Receivable-related party	RMB	55,000	RMB	55,000	7.24%	"	-	"	"	-	-	RMB 90,000	RMB	100,000(Note 2)			
		Meishan President Feed & Oil Co., Ltd.	"	RMB	4,000	RMB	4,000	6.40%	"	-	"	"	-	-	"		"			
		Songjiang President Enterprises Co., Ltd.	"	RMB	7,000	RMB	7,000	7.80%	"	-	"	"	-	-	"		"			
19	Tianjiang President Enterprises Food Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd	"	RMB	30,000	RMB	30,000	6.55%	"	-	"	"	-	-	RMB 30,000	RMB	30,000(Note 2)			

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value		
20	Meishan President Feed & Oil Co., Ltd.	Zhongshan President Enterprises Co., Ltd.	Receivable-related party	RMB 24,000	RMB 24,000	6.40%	2	\$ -	Additional operating capital	\$ -	-	RMB 30,000	RMB 30,000(Note 2)	
		President Fuche (Qingdo) Co., Ltd.	"	RMB 500	RMB 500	8.88%	"	-	"	"	-	"	"	
21	Qingdao President Feed & Livestock Co., Ltd.	President Fuche (Qingdo) Co., Ltd.	"	RMB 500	-	6.66%	"	-	"	"	-	RMB 10,000	RMB 38,474(Note 2)	
22	Songjiang President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	"	RMB 10,000	RMB 10,000	7.16%~ 8.90%	"	-	"	"	-	RMB 20,000	RMB 20,000(Note 2)	
23	Uni-President Philippines Corp.	Uni-President Land Corp.	Long-term notes and accounts receivable	PHP 45,650	PHP 45,650	7.00%	"	-	Investment loan	"	-	50,000	PHP 50,000(Note 2)	
24	PCSC (Chengdu) Hypermarket Ltd.	Wuhan Uni- President Oven Fresh Bakery Co., Ltd.	Other receivables	RMB 5,000	RMB 5,000	7.13%~ 7.23%	"	-	Additional operating capital	"	-	"	219,274(Note 4)	
25	Kunshan President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	"	RMB 35,000	RMB 35,000	5.00%~ 5.10%	"	-	"	"	-	RMB200,000	RMB 201,219(Note 2)	
		Harbin President Enterprises Co., Ltd.	"	RMB 30,000	RMB 30,000	5.00%	"	-	"	"	-	"	"	

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value		
25	Kunshan President Enterprises Food Co., Ltd.	President (Shanghai) Trading Co., Ltd.	Other receivables	RMB 20,000	RMB 20,000	5.00%	2	\$ -	Additional operating capital	\$ -	-	\$ -	RMB200,000	RMB 201,219(Note 2)
		Hefei President Enterprises Co., Ltd.	"	RMB 40,000	-	"	"	-	"	"	-	-	"	"
26	Guangzhou President Enterprises Co., Ltd.	Guangzhou President Heathy Food Technology Co., Ltd	"	RMB 26,000	RMB 26,000	6.50%~ 6.82%	"	-	"	"	-	-	RMB100,000	RMB 169,526(Note 2)
27	Chengdu President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	"	RMB 20,000	-	6.48%	"	-	"	"	-	-	"	RMB 107,356(Note 2)
28	Fuzhou President Enterprises Co., Ltd.	President (Shanghai) Trading Co., Ltd.	"	RMB 10,000	RMB 10,000	4.00%~ 5.00%	"	-	"	"	-	-	RMB 40,000	RMB 43,586(Note 2)
29	Shenyang President Enterprises Co., Ltd.	Harbin President Enterprises Co., Ltd.	"	RMB 6,000	RMB 6,000	5.00%	"	-	"	"	-	-	"	RMB 42,805(Note 2)
30	Guangzhou Wang Sheng Industrial Co., Ltd.	Guangzhou President Heathy Food Technology Co., Ltd	"	RMB 5,000	RMB 5,000	4.86%~ 6.82%	"	-	"	"	-	-	RMB 8,000	RMB 3,994(Note 2)

Number	Name	Name of counterparty	Account	Maximum balance		Interest rate	Nature of financing 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 2008	Ending balance						Item	Value							
31	Uni-Splendor Corp.	Rich Universe International Limited	Long-term receivables	US	2,100	US	2,100	-	2	\$	-	Additional operating capital	\$	-	-	\$	300,000	US	26,052(Note 8)
32	Uni-Splendor Corp.	Rich Universe International Limited	"		161,900		151,260	3.00%	"		-	"		-	-		300,000		91,361(Note 8)

(Note 1) The code represents the nature of financing activities as follows :

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

(Note 2) In accordance with related regulations, the loan requires the Board of Directors' approval and reported at the stockholders' meeting.

(Note 3) The maximum amount available for loan of President International Development Corp. is 40% of its net worth; the maximum amount for trading partner is \$1,000,000; the maximum amount for short-term financing \$500,000.

(Note 4) The total amount for loan is 40% of its net worth; the maximum amount for short-term financing is \$50,000.

(Note 5) The maximum amount available for loan of Ton-Yi Industrial Corp. and its subsidiaries is 50% of Ton-Yi Industrial Corp.'s net worth; the maximum amount for trading partner is the latest year trading amount; the maximum amount for any single entity is 25% of Ton-Yi Industrial Corp.'s net worth.

(Note 6) The total amount for loan is 40% of its net worth , the maximum amount for short-term financing is 10% of its net worth.

(Note 7) The total amount for loan is 40% of its net worth , the maximum amount for trading partner is the latest year trading amount; the maximum amount for short-term financing is 20% of its net worth.

(Note 8) The total amount for loan is 40% of its net worth; the maximum amount for short-term financing is \$300,000.

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

Number	Name of endorsers	Endorsee		Endorsement limit for a single entity	Highest balance during the period	Outstanding balance as at June 30, 2008	Balance secured by collateral	Ratio of accumulated amount to net worth of the Company	Maximum amount of endorsement		
		Name of endorsees	Relationship (Note 1)								
0	Uni-President Enterprises Corp.	Cayman President Holding Ltd.	2	\$ 28,246,878	\$ 17,031,538	\$ 15,199,559	\$ -	26.90	\$ 56,493,755	(Note 2)	
		President International Development Corp.	"	"	3,650,000	3,550,000	-	6.28	"	"	
		Kai Yu Investment Co., Ltd.	"	"	"	1,840,000	1,770,000	-	3.13	"	"
		Tone Sang Construction Corp.	"	"	"	1,435,000	1,335,000	-	2.36	"	"
		Uni-President Southeast Asia Holdings Ltd.	3	"	"	980,246	887,388	-	1.57	"	"
		Uni-President (Thailand) Ltd.	"	"	"	720,900	702,300	-	1.24	"	"
		Kai Nan (BVI) Investment Co., Ltd.	"	"	"	703,517	678,305	-	1.20	"	"
		Zhongshan President Enterprises Co., Ltd.	"	"	"	541,806	541,806	-	0.96	"	"
		Tianjin Tong Yee Industrial Co., Ltd.	6	"	"	445,154	443,694	-	0.79	"	"
		Kai Yu (BVI) Investment Co., Ltd.	3	"	"	651,874	385,041	-	0.68	"	"
1	Cayman President Holding Ltd.	Songjiang President Enterprises Co., Ltd.	"	"	363,920	363,920	-	0.64	"	"	
		President Entertainment Corp. etc.	2、3、6	"	2,209,559	1,046,435	-	1.85	"	"	
		Uni-President Southeast Asia Holdings Ltd.	2	US	100,000	US 57,000	US 57,000	-	12.43	US 100,000	(Note 3)
2	Nanlien International Corp.	PT ABC President Enterprises Indonesia	6	"	US 4,456	-	-	-	"	"	
		Nella Limited	2	"	500,000	138,776	138,776	-	12.04	1,000,000	(Note 4)
2	Nanlien International Corp.	Wei Lian Enterprises Corp.	"	"	"	30,000	20,000	-	1.74	"	"
		Tung Chang Enterprises Corp.	1	"	"	11,100	11,100	-	0.96	"	"
		Hui-Sheng Enterprises Corp.	2	"	"	7,000	7,000	-	0.61	"	"
		Sheng-Miao Industrial Corp.	1	"	"	3,600	3,600	-	0.31	"	"
		Tung Lien Enterprises Corp.	"	"	"	2,000	2,000	-	0.17	"	"

Number	Name of endorsers	Endorsee		Endorsement limit for a single entity	Highest balance during the period	Outstanding balance as at June 30, 2008	Balance secured by collateral	Ratio of accumulated amount to net worth of the Company	Maximum amount of endorsement	
		Name of endorsees	Relationship (Note 1)							
3	President International Development Corp.	President (B.V.I.) International Investment Holdings Ltd. Presitex Co., Ltd.	2	\$ 766, 514	\$ 487, 500	\$ 487, 500	\$ -	3.18	\$ 3, 066, 058	(Note 5)
4	President Tokyo Corp.	President Tokyo Renting Corp.	3	1, 500, 000	600, 000	600, 000	-	238.10	1, 500, 000	(Note 6)
5	President Packaging Corp.	Chanchshu President Packaging Co., Ltd.	"	94, 930	121, 110	19, 840	-	10.45	189, 860	(Note 7)
6	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd. Fujian Ton Yi Tinplate Co., Ltd. Jiangsu Ton Yi Tinplate Co., Ltd Wuxi Ton Yi Industrial Packaging Co., Ltd. Chengdu Ton Yi Tinplate Co., Ltd.	"	12, 464, 090	US 110, 000	US 100, 000	-	17.07	12, 464, 090	(Note 8)
			"	"	US 75, 600	US 75, 600	-	12.90	"	"
			"	"	US 61, 400	US 61, 400	-	10.48	"	"
			"	"	US 10, 500	US 10, 500	-	1.79	"	"
			"	"	US 8, 500	US 8, 500	-	1.45	"	"
7	President Chain Store Corp.	Retail Support International Corp. Uni-President Department Stores Corp. Wuhan Uni-President Oven Fresh Bakery Co., Ltd. Mech-President Corp. Philippine Seven Corp. Wisdom Distribution Services Corp. President Yilan Art and Culture Corp. President Information Corp.	1	2, 973, 860	600, 000	600, 000	-	4.04	7, 434, 650	(Note 9)
			3	"	426, 612	425, 042	-	2.86	"	"
			"	"	US 3, 500	US 3, 500	-	0.71	"	"
			"	"	US 3, 000	US 3, 000	-	0.61	"	"
			"	"	US 7, 883	US 2, 000	-	0.41	"	"
			"	"	50, 000	50, 000	-	0.34	"	"
			"	"	15, 000	15, 000	-	0.10	"	"
			"	"	8, 000	-	-	-	"	"
8	President Fair Development Corp.	Rufus International Co., Ltd.	1	3, 798, 121	4, 000	4, 000	-	0.05	7, 596, 242	(Note 10)
9	President Information Corp.	President Drugstore Business Corp.	"	78, 346	2, 000	2, 000	2, 000	0.51	195, 866	(Note 11)
10	Mech-President Corp.	Shanghai President Machine Corp.	2	109, 637	98, 858	98, 858	-	18.03	274, 092	(Note 12)



Number	Name of endorsers	Endorsee		Endorsement limit for a single entity	Highest balance during the period	Outstanding balance as at June 30, 2008		Balance secured by collateral	Ratio of accumulated amount to net worth of the Company	Maximum amount of endorsement	
		Name of endorsees	Relationship (Note 1)								
11	Kainan Plywood & Wood Mfg. Co., Ltd.	President Fair Development Corp.	3	\$ 1,376,053	\$ 600,000	\$ 600,000	\$ -		87.20	\$ 1,720,067	(Note 13)
12	President Enterprises (China) Investment Co., Ltd.	Jinmailang Beverage (Beijing) Co., Ltd.	"	RMB 880,437	RMB 265,560	RMB 265,560	-		9.05	RMB 2,934,789	(Note 14)
		Shenyang President Enterprises Co., Ltd.	"	"	RMB 159,701	RMB 54,563	-		1.86	"	"
		Beijing President Food Co., Ltd.	"	"	RMB 50,000	RMB 50,000	-		1.70	"	"
		Harbin President Enterprises Co., Ltd.	"	"	RMB 69,425	RMB 36,563	-		1.25	"	"
		Beijing President Enterprises Drinks & Food Co., Ltd.	"	"	RMB 120,000	-	-		-	"	"
		Xinjiang President Enterprises Food Co., Ltd.	"	"	US 3,000	-	-		-	"	"
13	Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	"	12,464,090	US 34,616	US 34,616	-		5.91	12,464,090	(Note 15)
		Wuxi Ton Yi Industrial Packaging Co., Ltd.	"	"	US 7,500	US 7,500	-		1.28	"	"
14	Jiangsu Ton Yi Tinplate Co., Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	"	"	US 37,785	US 37,785	-		6.45	"	"
		Wuxi Ton Yi Industrial Packaging Co., Ltd.	"	"	US 2,000	US 2,000	-		0.34	"	"
15	Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	"	RMB 1,000,000	RMB 1,000,000	RMB 1,000,000	-		1,207.04	RMB 1,000,000	(Note 16)
16	Meishan President Feed & Oil Co., Ltd.	President Fuche (Qingdo) Co., Ltd.	"	RMB 4,789	RMB 3,250	RMB 3,250	-		33.93	RMB 9,577	(Note 17)

(Note 1) 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.

(Note 2) 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 \$18,203,962 as of June 30, 2008.

(Note 3) The total amount of transactions of endorsement and the limit of endorsement for Cayman President Holdings Ltd. is US\$100,000 and all of the related transactions are to be submitted to the Board of Directors' meeting for reference.

- (Note 4) 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.
- (Note 5) The total amount of transactions of endorsement equal to 20% of its net worth for President International Development Corp., the limit of endorsement for any single entity is 5% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note 6) 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.
- (Note 7) The total amount of transactions of endorsement equal to 100% of its net worth for President Packaging Corp., the limit of endorsement for any single entity is 50% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note 8) 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.
- (Note 9) 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.
- (Note 10) The total amount of transactions of endorsement equal to 100% of its net worth for President Fair Development Corp., the limit of endorsement for any single entity is 50% of its net worth, and all of the related transactions are to be submitted to the stockholders' meeting for reference.
- (Note 11) 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.
- (Note 12) The total amount of transactions of endorsement equal to 50% of its net worth for Mech-President 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 Board of Directors' meeting for reference.
- (Note 13) The total amount of transactions of endorsement equal to 250% of its net worth for Kainan Plywood & Wood Mfg. Co. Ltd., 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.
- (Note 14) The limit of transactions of endorsement equal to 100% of its net worth for President Enterprises (China) Investment Co. Ltd., and the limit of transactions of endorsement for any single entity is 30% of its net worth.
- (Note 15) Cayman Ton Yi Industrial Holdings Ltd. for its subsidiaries in Mainland China are guaranteed by Ton Yi Industrial Holdings Corp., and the limit of transactions of endorsement for any single entity is 70% of Ton Yi Industrial Corp.'s net worth.
- (Note 16) The total amount of transactions of endorsement and the limit of endorsement for any single entity for the subsidiary of Kai Nan (BVI) Investment Co. Ltd. is RMB\$1,000,000.
- (Note 17) For the subsidiary of Kai Nan (BVI) Investment Co. Ltd., the maximum amount of transactions of endorsement equal to 100% of its net worth, 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, 2008 are summarized as follows (Units in thousands of currencies indicated) :

Investor	Type of securities	Relationship with the issuer	Accounts (Note)	June 30, 2008				
				Number of shares (in thousands)	Book value	Percentage of ownership	Market value	Note
Uni-President Enterprise Corp.	Stock :							
	Prince Housing Development Corp.	Director	7	97,173	\$ 1,875,437	10.45%	\$ 1,875,437	—
	Grand Bills Finance Co.	—	9	78,219	691,085	14.46%	—	—
	PK Venture Capital Corp. etc.	—	"	83,708	786,986	0.13%~ 14.29%	—	—
	Cayman President Holdings Ltd.	An investee company accounted for under the equity method	11	156,136	13,894,181	100.00%	14,337,352	—
	Kai Nan Investment Co., Ltd.	"	"	379,301	3,043,721	"	3,044,043	—
	President International Trade & Investment Corp.	"	"	45,012	2,586,504	"	2,332,151	—
	Kai Yu Investment Co., Ltd.	"	"	432,205	1,212,450	"	1,221,643	—
	President Global Corp.	"	"	500	518,303	"	556,062	—
	Tone Sang Construction Corp.	"	"	27,000	322,216	"	322,216	—
	Nanlien International Corp.	"	"	99,999	971,200	99.99%	1,135,803	—
	President International Development Corp.	"	"	937,500	9,683,400	62.50%	9,581,557	—
	President Entertainment Corp.	"	"	98,885	1,114,954	61.80%	1,114,954	—
	President Musashino Corp.	"	"	26,145	309,795	50.00%	278,217	—
	Ton-Yi Industrial Corp.	"	"	685,102	8,661,022	45.55%	10,071,004	—
	President Chain Store Corp.	"	"	415,490	6,984,902	45.40%	41,964,471	—
	President Fair Development Corp.	"	"	364,500	3,076,478	40.50%	3,076,478	—
	Eagle Cold Storage Enterprises Co., Ltd.	"	"	40,887	523,112	34.23%	588,769	—
	Kuang Chuan Dairy Co., Ltd.	"	"	30,038	1,174,027	31.25%	1,214,459	—
	TTET Union Corp.	"	"	47,991	860,278	30.00%	1,982,048	—
	Uni-President Development Corp.	"	"	90,000	830,914	"	830,914	—
	President Securities Corp.	"	"	312,585	5,283,609	26.56%	6,220,439	—
	Presicarre Corp.	"	"	107,684	2,050,750	20.50%	1,961,711	—
	Zhong Yee Industrial Co., Ltd.	"	"	18,042	318,859	20.00%	318,379	—
	Tait Marketing & Distribution Co., Ltd.	"	"	32,248	314,296	19.50%	393,887	(Note)
	Scino Pharm Taiwan Ltd.	"	"	70,512	469,944	12.79%	245,730	—
	Uni-President Dream Parks Corp. etc.	"	"	360,607	2,792,516	13.81%~ 100.00%	2,773,575	—

		June 30, 2008								
Investor	Type of securities	Relationship with the issuer	Accounts (Note)	Number of shares		Percentage of ownership			Market value	Note
				(in thousands)	Book value					
Cayman President Holdings Ltd.	Beneficiary Certificates :									
	Asia Equity Fund	—	6	61	US	61,200	—	US	61,232	—
	The Pacific (ABC) Equity Fund	—	"	19	US	18,605	—	US	18,624	—
	Stock :									
	Chongqing Carrefour Hypermarket Chainstore Co., Ltd. etc.	—	9	—	US	3,741	0.02%~ 10.00%		—	—
	Linkhope Int'l. LLC	An investee company accounted for under the equity method	11	—	US	30,475	100.00%	US	9,381	—
	Uni-President China Holdings Ltd.	"	"	2,645,090	US	568,666	73.49%	US	1,224,673	—
	Zhangjiagang President Nisshin Food Co., Ltd.	"	"	—	US	12,639	60.00%	US	12,205	—
	Queen Holdings (BVI) Ltd.	"	"	5	US	11,590	45.40%	US	11,631	—
	Cargill President Holdings Pte Ltd.	"	"	15,820	US	24,278	38.20%	US	25,254	—
Uni-President Southeast Asia Holdings Ltd. etc.	An investee company accounted for under the equity method etc.	"	61,776	US	24,899	10.00%~ 100.00%	US	21,895	—	
Kai Nan Investment Co., Ltd.	Beneficiary Certificates :									
	James Bond Fund	—	6	202		3,673	—		3,192	—
	Stock :									
	Dalian Beiliang Logistics Services Corp.	—	9	—		4,158	17.20%		—	—
	Toppoly Optoelectronics Corp.	The subsidiary of Ton Shou Investment Inc. is its director	"	146,167		1,299,429	3.46%		—	(Note 1)
	New Century Info-Comm. Co., Ltd.	The subsidiary of President International Development Corp. is its director	"	106,779		971,688	2.67%		—	—
President Securities Corp.	Subsidiary accounted for under the equity method	11	31,634		530,742	2.68%		629,516	(Note 2)	
Kai Nan (BVI) Investment Co., Ltd. etc.	An investee company accounted for under the equity method	"	1,000		234,065	25.00%~ 100.00%		208,159	—	
President International Trade & Investment Corp. Kai Yu Investment Co., Ltd.	Beneficiary Certificates :									
	The Pacific (ABC) Equity Fund	—	6	71	US	68,885	—	US	68,885	—
	Stock :									
	Shanghai President International Food Co., Ltd.	An investee company accounted for under the equity method	11	—	US	1,357	60.75%	US	974	—
Kai Yu Investment Co., Ltd.	Stock :									
	President Securities Corp.	Subsidiary accounted for under the equity method	7	2		17	—		18	—
	Toppoly Optoelectronics Corp.	—	9	99,700		886,333	2.36%		—	(Note 3)

									June 30, 2008			
Investor	Type of securities	Relationship with the issuer	Accounts (Note)	Number	Percentage		Market value	Note				
				of shares	of	ownership						
				(in thousands)	Book value							
Kai Yu Investment Co., Ltd.	Qualtop Co., Ltd. etc.	—	9	775	\$ 7,753	5.00%~ 7.96%	\$ -	—				
	Kai Yu (BVI) Investment Co., Ltd.	An investee company accounted for under the equity method	11	25,000	460,027	100.00%	456,993	—				
	Ton-Yi Industrial Corp.	—	"	25,186	316,201	1.67%	370,233	(Note 3)				
	TTET Union Corp. etc.	An investee company accounted for under the equity method etc.	"	37,132	468,340	1.96%~ 100.00%	730,361	"				
Nanlien International Corp.	Stock : Toppoly Optoelectronics Corp. etc.	The subsidiary of Ton Shou Investment Inc. is its director etc.	9	36,579	305,742	0.34%~ 15.44%	-	—				
	Lien Bo Enterprises Corp. etc.	An investee company accounted for under the equity method etc.	11	106,758	1,310,006	20.00%~ 100.00%	1,310,006	—				
President International Development Corp.	Beneficiary Certificates : Allianz Global Investors Global Agriculture Trends fund etc.	—	6	3,930	49,707	-	49,707	—				
	Stock : Synnex Technology International Corp. etc.	—	"	4,427	326,068	-	326,068	—				
	Convertible Bonds : Synnex Technology International Corp. etc.	—	7	554,000	51,842	-	51,842	—				
	Stock : Chunghwa Telecom Corp. etc.	—	"	7,538	465,010	-	465,010	(Note 4)				
	New Century Info-Comm. Co., Ltd.	The subsidiary of President International Development Corp. is its director	9	213,221	1,940,311	5.33%	-	(Note 5)				
	Toppoly Optoelectronics Corp.	The subsidiary of Ton Shou Investment Inc. is its director	"	144,848	1,287,702	4.15%	-	(Note 6)				
	CDIB & PARTNERS Investment Holding Corp. etc.	—	"	120,549	1,195,887	0.91%~ 16.56%	-	(Note 7)				
	President (BVI) International Investment Holdings Ltd.	An investee company accounted for under the equity method	11	113,976	9,452,950	100.00%	9,452,950	—				
	Ton Yu Investment Inc.	"	"	152,000	1,146,000	"	1,146,000	—				
	President Life Sciences Co., Ltd.	"	"	78,100	535,210	"	535,210	(Note 8)				
President Fair Development Corp.	Subsidiary accounted for under the equity method	"	364,500	3,076,478	40.50%	3,076,478	(Note 9)					
President Entertainment Corp.	"	"	61,115	689,142	38.20%	689,142	(Note 10)					

June 30, 2008								
Investor	Type of securities	Relationship with the issuer	Accounts (Note)	Number	Percentage		Market value	Note
				of shares (in thousands)	Book value	of ownership		
President International Development Corp.	Kang Na Hsiung Enterprises Co., Ltd.	An investee company accounted for under the equity method	11	48,410	\$ 647,108	24.80%	\$ 647,108	(Note 11)
	Uni-President Development (BOT) Corp.	"	"	60,000	554,663	20.00%	554,663	—
	Ton Cheng Investment Inc. etc.	An investee company accounted for under the equity method etc.	"	99,749	846,934	4.06%~ 100.00%	846,934	(Note 12)
Ton-Yi Industrial Corp.	Stock :							
	JFE Holdings Inc.	—	7	250	385,334	0.04%	385,334	—
	President International Development Corp.	Subsidiary accounted for under the equity method	9	50,000	500,000	3.33%	-	—
	Sino Swearingen Aircraft Corporation etc.	—	"	1,109	1,177	0.02%~ 1.11%	-	—
	Financial Bonds :							
	Calyon Corporate and Investment bank Bonds etc.	—	10	-	45,000	-	-	—
	Stock :							
	Cayman Ton Yi Industrial Holdings Ltd.	An investee company accounted for under the equity method	11	9,310	3,055,514	100.00%	3,055,537	—
	Tovecan Corp.	"	"	-	65,999	51.00%	65,999	—
President Chain Store Corp.	Beneficiary Certificates :							
	James Bond Fund	—	6	112,813	1,782,892	-	1,782,892	—
	Prudential Financial Bond Fund	—	"	78,870	1,180,158	-	1,180,158	—
	Mega Diamond Bond Fund	—	"	60,258	710,184	-	710,184	—
	Fuhwatrust Bond Fund	—	"	50,586	691,041	-	691,041	—
	Polaris De-li Fund	—	"	39,546	610,211	-	610,211	—
	Cathay Bond Fund	—	"	42,462	501,011	-	501,011	—
	JF (Taiwan) First Bond Fund	—	"	34,750	500,000	-	500,000	—
	First Global Investment Trust Wan Tai Bond Fund etc.	—	"	34,772	490,029	-	490,029	—
	Stock :							
	President Securities Corp.	Subsidiary accounted for under the equity method	7	30,355	604,068	2.58%	604,068	—
	Duskin Co., Ltd	—	"	300	157,725	0.45%	157,725	—

									June 30, 2008			
Investor	Type of securities	Relationship with the issuer	Accounts (Note)	Number of shares		Percentage of ownership		Market value	Note			
				(in thousands)	Book value							
President Chain Store Corp.	Presicarre Corp.	Subsidiary accounted for under the equity method	9	102,429	\$ 6,818,529	19.50%	\$ -	—				
	President Fair Development Corp.	"	"	171,000	1,941,500	19.00%	-	—				
	Toppoly Optoelectronics Corp.	—	"	146,449	1,301,931	3.47%	-	—				
	New Century Info-Comm. Co., Ltd. etc.	—	"	-	1,217,032	0.02%~ 19.93%	-	—				
	President Chain Store (BVI) Holdings Ltd.	An investee company accounted for under the equity method	11	48,405	1,031,153	100.00%	1,072,891	—				
	PCSC BVI (China) Ltd.	"	"	36,449	752,283	"	773,380	—				
	Ren-Hui Investment Corp.	"	"	85,304	722,310	"	722,310	—				
	President Drugstore Business Corp.	"	"	36,576	502,161	"	502,165	—				
	President Pharmaceutical Corp.	"	"	14,600	369,688	73.74%	210,157	—				
	Uni-President Department Stores Corp.	"	"	84,000	403,482	70.00%	403,670	—				
	President Transnet Corp.	"	"	70,000	330,583	"	297,925	—				
	Mech-President Co.	"	"	48,699	339,143	63.47%	347,363	—				
	Uni-President Cold Chain Corp.	"	"	19,563	367,778	60.00%	358,152	—				
	Uni-President Development Corp.	"	"	60,000	553,943	20.00%	553,943	—				
	President Musashino Corp. etc.	"	"	94,854	2,291,631	20%~ 100.00%	2,150,603	—				
Uni-President Enterprises China Holdings Ltd.	Stock : Want Want China Holdings Limited	—	7	-	RMB 205,309	0.59%	-	—				
	Uni-President Asia Holdings Ltd.	An investee company accounted for under the equity method	11	-	RMB 3,551,170	100.00%	RMB 3,551,170	—				
Uni-President Asia Holding Ltd.	Stock : President Enterprises (China) Investment Co., Ltd.	An investee company accounted for under the equity method	11	-	RMB 2,934,789	100.00%	RMB 2,934,789	—				
	Tong Ren Corp. Limited	"	"	100	RMB 972	"	RMB 972	—				
Uni-President Southeast Asia Holdings Ltd.	Stock : Uni-President (Vietnam) Co., Ltd.	"	"	-	US 75,623	"	US 77,718	—				
	Uni-President (Thailand) Ltd. etc.	"	"	146,440	US 7,419	40.00%~ 100.00%	US 6,539	—				

June 30, 2008										
Investor	Type of securities	Relationship with the issuer	Accounts (Note)	Number of shares		Percentage of ownership		Market value	Note	
				(in thousands)	Book value					
President (B.V.I.) International Investment Holdings Ltd.	Euro Convertible Bonds :									
	Asia Optical Co. Inc.	—	3	—	US	3,442	—	\$ —	—	
	Fund :									
	A50 China Tracker etc.	—	6	390	HK	98,000	—	HK 98,000	—	
	Stock :									
	Medtronic, Inc.(MDT) etc.	—	"	663	US	11,544	—	US 11,544	—	
					5,667	HK	2,859,118	—	HK 2,859,118	—
	Accuary Inc.	—	7	9,669	US	70,486	—	US 70,486	—	
	Want Want China Holdings Limited	—	"	61,984	HK	185,682	—	HK 185,682	—	
	New Focus Auto etc.	—	"	17,220	HK	76,292	—	HK 76,292	—	
	PIIH Investment Ltd.	—	9	30	US	29,500	—	—	—	
	Promontoria Ltd.	—	"	—	US	15,001	—	—	—	
	Xiang Lu Industries Ltd. etc.	—	"	102,159	US	18,853	0.39%~	—	—	
						19.28%				
	Uni-Home Tech Corp.	An investee company accounted for under the equity method	11	32,472	US	40,550	50.00%	US 40,550	—	
	President Energy Development (Cayman Islands) Ltd.	"	"	16,117	US	11,393	40.29%	US 11,393	—	
	Outlook Investment Pte Ltd.	"	"	9,608	US	13,143	25.00%	US 13,143	—	
	China Technology Venture Company Limited	"	"	2	US	676	20.27%	US 676	—	
UNI-Home TECH CORP.	Stock :									
	Uni-Splendor Corp.	"	"	1,000	US	65,131	100.00%	US 65,131	—	
	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	"	"	—	US	52,371	"	US 52,371	—	
	Da Tong Ying Corp.	"	"	19,900	US	7,537	"	US 7,537	—	
Rich Universe International Limited	Stock :									
	Grand-Prosper (HK) Limited.	"	"	156,000	(US)	35,998)	"	(US 35,998)	—	
Grand-Prosper (HK) Limited	Stock :									
	Uni-Splendor Technology (Huizhou) Corp.	An investee company accounted for under the equity method	11	—	(HK)	215,153)	100.00%	(HK 215,153)	—	



										June 30, 2008			
Investor	Type of securities	Relationship with the issuer	Accounts (Note)	Number of shares		Percentage of ownership		Market value		Note			
				(in thousands)	Book value								
President Enterprises (China) Investment Co., Ltd.	Stock :												
	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 503,047	100.00%	RMB 503,047	—	—				
	Guangzhou President Enterprises Co., Ltd.	"	"	—	RMB 423,814	"	RMB 423,814	—	—				
	Wuhan President Enterprises Food Co., Ltd.	"	"	—	RMB 366,370	"	RMB 366,370	—	—				
	Chengdu President Enterprises Food Co., Ltd.	"	"	—	RMB 268,390	"	RMB 268,390	—	—				
	Beijing President Enterprises Drinks & Food Co., Ltd.	"	"	—	RMB 182,115	"	RMB 182,115	—	—				
	Zhengzhou President Enterprises Food Co., Ltd.	"	"	—	RMB 173,189	"	RMB 173,189	—	—				
	Hefei President Enterprises Co., Ltd.	"	"	—	RMB 120,472	"	RMB 120,472	—	—				
	Fuzhou President Enterprises Co., Ltd.	"	"	—	RMB 108,966	"	RMB 108,966	—	—				
	Shenyang President Enterprises Co., Ltd.	"	"	—	RMB 107,011	"	RMB 107,011	—	—				
	Xinjiang President Enterprises Food Co., Ltd.	"	"	—	RMB 86,510	"	RMB 86,510	—	—				
	Jinmailang Beverage (Beijing) Co., Ltd.	"	"	—	RMB 222,481	50.00%	RMB 222,481	—	—				
	Nanchang President Enterprises Co., Ltd. etc.	"	"	—	RMB 67,022	40.00%~100.00%	RMB 67,022	—	—				
Cayman Ton Yi Industrial Holdings Ltd.	Stock :												
	Cayman Fujian Ton Yi Industrial Holdings Ltd.	"	"	9	US 106,216	100.00%	US 104,104	—	—				
	Cayman Jiangsu Ton Yi Holdings Ltd.	"	"	5	US 61,286	"	US 57,910	—	—				
	Wuxi Ton Yi Industrial Packaging Corp.	"	"	—	US 14,196	"	—	—	—				
	Hong Kong Ton Yi Industrial Holdings Ltd. etc.	"	"	1	US 2,031	"	US 2,031	—	—				
Ton Yu Investment Inc.	Beneficiary Certificates :												
	James Bond Fund	—	6	363	5,729	—	5,729	—	—				
	Stock :												
	EPSTAR Corporation	—	7	130	7,142	—	7,142	—	—				
	Toppoly Optoelectronics Corp.	—	9	92,500	822,325	—	—	—	(Note 13)				
	Scino Pharm Taiwan Ltd. etc.	Subsidiary accounted for under the equity method etc.	"	13,434	107,111	1.96%~4.01%	—	—	—				
	Rich Universe International Limited	An investee company accounted for under the equity method	11	14,800	446,995	50.00%	446,995	—	—				
Cayman Fujian Ton Yi Industrial Holdings Ltd.	Stock :												
	Fujian Ton Yi Tinplate Co., Ltd.	An investee company accounted for under the equity method	"	—	US 104,149	86.80%	—	—	—				

Investor	Type of securities	Relationship with the issuer	Accounts (Note)	June 30, 2008					Note
				Number of shares (in thousands)	Book value	Percentage of ownership	Market value		
Cayman Jiangsu Ton Yi Holdings Ltd.	Stock : Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company accounted for under the equity method	"	-	US 57,943	82.86%	\$ -	—	
Tung Ho Development Co., Ltd. etc.	Beneficiary Certificates : Tong Shing Fund etc. Uni-President Taiwan Power Fund etc. ING Global Bond Portfolio etc.	- - -	1 2 6	2,908 102,511 8,125	45,572 58,132 738,495	- - -	- - 725,231	— — —	
	Stock : NITC Bond Fund etc. Kai Nan Investment Co., Ltd. etc.	- - An investee company accounted for under the equity method etc.	9 11	106,837 168,370	1,444,656 5,729,237	- -	- 4,440,463	— —	

(Note) The Tait Marketing & Distribution Co., Ltd. proposed election of Directors and Supervisors on June 13, 2008. Since the Company wins a large majority of Directors and has great influence, the stock was transferred from available-for-sale financial assets to long-term equity investments accounted for under the equity method.

(Note 1) 10,000,000 shares of outstanding common stock of Toppoly Optoelectronics Corp. with book value of \$88,900 was used as collateral for loan.

(Note 2) 30,564,000 shares of outstanding common stock of President Securities Corp. with book value of \$512,790 was used as collateral for loan.

(Note 3) 89,000,000 shares of outstanding common stock of Toppoly Optoelectronics Corp. with book value of \$791,210 ; 12,224,000 shares of outstanding common stock of TTET Union Corp. with book value of \$229,888 ; 24,008,000 shares of outstanding common stock of Ton-Yi Industrial Corp. with book value of \$301,412 were used as collateral for commercial paper issuance.

(Note 4) 645,000 shares of outstanding common stock of Formosa Advanced Technologies Co., Ltd. with book value of \$26,897 ; 1,350,000 shares of outstanding common stock of Synnex Technology International Corp. with book value of \$84,375 were used as collateral for loan.

(Note 5) 153,000,000 shares of outstanding common stock of New Century Info-Comm. Co., Ltd. with book value of \$1,392,300 was used as collateral for loan.

(Note 6) 126,500,000 shares of outstanding common stock of Toppoly Optoelectronics Corp. with book value of \$1,124,588 was used as collateral for loan.

(Note 7) 27,000,000 shares of the outstanding common stock of CDIB & PARTNERS Investment Holding Corp. with book value of \$250,000 was used as collateral for loan.

(Note 8) 70,000,000 shares of outstanding common stock of President Life Sciences Co., Ltd. with book value of \$479,702 was used as collateral for loan.

(Note 9) 222,000,000 shares of outstanding common stock of President Fair Development Corp. with book value of \$1,873,740 was used as collateral for loan.

(Note 10) 35,100,000 shares of outstanding common stock of President Entertainment Corp. with book value of \$395,793 was used as collateral for loan.

(Note 11) 46,313,000 shares of outstanding common stock of Kang Na Hsiung Enterprises Co., Ltd. with book value of \$619,077 was used as collateral for loan.

(Note 12) 3,000,000 shares of the outstanding common stock of Trident Medical Corp. with book value of \$28,225 was used as collateral for loan.

(Note 13) 30,000,000 shares of outstanding common stock of Toppoly Optoelectronics Corp. with book value of \$266,700 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

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

Investor	Type of securities	General ledger account (Note)	Name of the 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
Uni-President Enterprise Corp.	Stock : Mospec Semiconductor Corp.	7	-	-	14,789	\$ 179,517	-	\$ -	( 14,789)	\$ 589,356	(\$ 193,800)	\$ 395,556	-	\$ 14,283	-	\$ -
Uni-President Development Corp.	Uni-President Development Corp.	11	Capital increase	-	30,000	237,906	60,000	600,000	-	-	-	-	-	( 6,992)	90,000	830,914
Uni-President Stores Corp.	Uni-President Department Stores Corp.	"	"	-	24,000	104,176	12,000	120,000	-	-	-	-	-	( 51,174)	36,000	173,002
Uni-President Vender Corp.	Beneficiary Certificates : UPAMC JAMES Bond Fund	6	-	-	-	-	6,920	109,000	( 6,920)	109,700	( 109,000)	700	-	-	-	-
Kai Yu (BVI) Investment Co., Ltd.	Stock : Zhongshan President Enterprises Co., Ltd.	11	"	-	-	-	-	US 7,400	-	-	-	-	-	US 258	-	US 7,658
President International Development Corp.	Beneficiary Certificates : CP-Cocord Minutemen CP-Surrey CP-Centrestar Cap CP-Neptune Funding	6	-	-	-	-	-	291,800	-	275,408	( 291,800)	( 16,392)	-	-	-	-
		"	-	-	-	-	-	240,453	-	240,628	( 240,453)	175	-	-	-	-
		"	-	-	-	-	-	240,307	-	-	-	-	-	-	-	240,307
		"	-	-	-	-	-	240,161	-	240,595	( 240,161)	434	-	-	-	-
	Stock : Synnex Technology International Corp.	"	-	-	3,809	308,489	-	-	( 1,957)	143,844	( 150,323)	( 6,479)	-	( 42,447)	1,852	115,719

Investor	Type of securities	General ledger account (Note)	Name of the 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 International Development Corp.	Formosa Plastics Corporation	6	-	-	1,120	\$ 102,032	-	\$ -	( 1,120)	\$ 101,984	(\$ 102,032)	(\$ 48)	-	\$ -	-	\$ -
	EPiSTAR Corporation	7	-	-	2,987	415,129	500	42,224	( 1,216)	112,651	( 115,052)	( 2,401)	-	( 217,876)	2,271	124,425
	Formosa Petrochemical Corp.	"	-	-	2,930	284,210	-	-	( 2,930)	249,386	( 284,210)	( 34,824)	-	-	-	-
	Uni-President Development (BOT) Corp.	11	Capital increase	-	20,000	158,604	40,000	400,000	-	-	-	-	-	( 3,941)	60,000	554,663
	Kang Na Hsiung Enterprises Co., Ltd.	"	-	-	58,410	807,276	-	-	( 10,000)	196,055	( 138,581)	57,474	-	( 21,587)	48,410	647,108
Ton-Yi Industrial Corp.	Stock : JFE Holdings Inc.	7	-	-	-	-	250	378,917	-	-	-	-	-	6,417	250	385,334
President Chain Store Corp.	Beneficiary Certificates : Prudential Financial Bond Fund	6	-	-	33,680	500,000	296,254	4,420,000	( 251,064)	3,742,265	( 3,740,000)	2,265	-	158	78,870	1,180,158
	Mega Diamond Bond Fund	"	-	-	38,486	450,000	256,109	3,010,000	( 234,337)	2,751,714	( 2,750,000)	1,714	-	184	60,258	710,184
	James Bond Fund	"	-	-	31,903	500,000	128,720	2,030,000	( 47,810)	751,215	( 750,215)	1,000	-	3,107	112,813	1,782,892
	Polaris De-li Fund	"	-	-	39,217	600,000	111,140	1,710,000	( 110,811)	1,702,306	( 1,700,000)	2,306	-	211	39,546	610,211
	Fuhwatrust Bond Fund	"	-	-	3,691	50,000	50,586	690,000	( 3,691)	50,152	( 50,000)	152	-	1,041	50,586	691,041
	Cathay Bond Fund	"	-	-	7,688	90,000	42,462	501,011	( 7,688)	90,098	( 90,000)	98	-	-	42,462	501,011
	JF (Taiwan) First Bond Fund	"	-	-	-	-	34,750	500,000	-	-	-	-	-	-	34,750	500,000
	JiH Sun Bond Fund	"	-	-	-	-	20,795	290,000	-	-	-	-	-	-	20,795	290,000
	First Global Investment Trust Wan Tai Bond Fund	"	-	-	-	-	13,977	200,000	-	-	-	-	-	29	13,977	200,029

Investor	Type of securities	General ledger account (Note)	Name of the 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 Corp.	Capital Safe income Fund Stock :	6	-	-	33,051	\$ 500,000	-	\$ -	( 33,051)	\$ 501,272	(\$ 500,000)	\$ 1,272	-	\$ -	-	\$ -
	Uni-President Development Corp.	11	Capital increase	-	20,000	158,604	40,000	400,000	-	-	-	-	-	( 4,661)	60,000	553,943
	Uni-President Department Stores Corp.	"	"	-	56,000	243,076	28,000	280,000	-	-	-	-	-	( 119,594)	84,000	403,482
	President FN Business Corp.	"	"	-	10,000	64,556	10,000	100,000	-	-	-	-	-	( 26,409)	20,000	138,147
	Cold Stone Creamery Taiwan Ltd.	"	"	-	7,000	38,842	10,000	100,000	-	-	-	-	-	( 20,574)	17,000	118,268
Mech-President Co.	Mech-President (BVI) Corp.	"	"	-	-	36,786	-	129,781	-	-	-	-	-	( 16,589)	-	149,978
Mech-President (BVI) Corp.	Shanghai President Machine Corp.	"	"	-	-	US 1,148	-	US 4,000	-	-	-	-	-	(US 272)	-	US 4,876
President Pharmaceutical Corp.	Beneficiary Certificates : UPAMC JAMES Bond Fund	6	-	-	2,563	40,106	16,711	263,000	( 17,513)	275,800	( 275,305)	495	-	-	1,761	27,801
Wisdom Distribution Services Corp.	Beneficiary Certificates : Fuhwatrust Bond Fund	"	-	-	1,699	23,000	89,218	1,212,000	( 90,917)	1,236,277	( 1,235,000)	1,277	-	-	-	-
	ING Global Bond Portfolio	"	-	-	2,826	43,000	11,466	176,000	( 14,032)	215,739	( 215,000)	739	-	-	260	4,000
Retail Support International Corp.	Beneficiary Certificates : UPAMC JAMES Bond Fund	"	-	-	2,098	32,869	116,107	1,827,400	( 116,940)	1,841,032	( 1,840,269)	763	-	-	1,265	20,000
	NITC Bond Fund	"	-	-	70	11,699	4,535	760,750	( 4,605)	772,761	( 772,449)	312	-	-	-	-
	Capital Safe income Fund	"	-	-	-	-	15,762	240,000	( 15,762)	240,073	( 240,000)	73	-	-	-	-

Investor	Type of securities	General ledger account (Note)	Name of the 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
Vision	Beneficiary Certificates :															
Distribution Service Corp.	Fuhwatrust Bond Fund	6	-	-	1,070	\$ 28,000	11,609	\$ 158,000	( 12,212)	\$ 166,312	(\$ 166,000)	\$ 312	-	\$ -	467	\$ 20,000
Retail Support Taiwan Corp.	Beneficiary Certificates : UPAMC JAMES Bond Fund	"	-	-	1,214	19,018	8,121	127,820	( 7,180)	113,049	( 112,815)	234	-	-	2,155	34,023
President Logistics International Corp.	Beneficiary Certificates : UPAMC JAMES Bond Fund PCA WELL POOL FUND	"	-	-	554	8,676	17,677	246,920	( 17,319)	244,131	( 244,006)	125	-	-	912	11,590
President Kikkoman Inc.	Beneficiary Certificates : UPAMC JAMES Bond Fund	2	-	-	2,499	39,133	13,176	207,500	( 10,619)	167,046	( 166,823)	223	-	-	5,056	79,810
Uni-President Enterprises China Holdings Ltd.	Stock : Want Want China Holdings Limited	7	-	-	-	-	-	RMB210,820	-	-	-	-	-	(RMB 5,511)	-	RMB 205,309
Uni-President Asia Holdings Ltd.	Uni-President Asia Holdings Ltd.	11	Capital increase	-	-	RMB3,215,052	-	RMB 41,180	-	-	-	-	-	RMB294,938	-	RMB3,551,170
President Information Corp.	Beneficiary Certificates : James Bond Fund Fuhwatrust Bond Fund	6	-	-	2,861	44,714	9,813	154,546	( 10,692)	168,400	( 167,938)	462	-	-	1,982	31,322
Uni-President Southeast Asia Holdings Ltd.	Stock : Uni-President (Vietnam) Co., Ltd. PT ABC President Indonesia	11	Capital increase	-	-	US 55,826	-	US 15,000	-	-	-	-	-	US 4,797	-	US 75,623
		"	"	-	-	US 795	-	US 4,467	-	-	-	-	-	(US 619)	-	US 4,643

Investor	Type of securities	General ledger account (Note)	Name of the 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 (BVI) International Holdings Ltd.	Euro Convertible Bonds : E-Ton Solar Tech. Co. Ltd.	3	-	-	-	\$ -	-	US 4,925	-	US 5,000	(US 4,925)	US 75	-	\$ -	-	\$ -
Holdings Ltd.	Asia Optical Co. Inc.	"	-	-	-	-	-	US 3,442	-	-	-	-	-	-	-	US 3,442
	Stock :															
	Pou Sheng International (Holdings) Limited	7	-	-	-	-	9,058	US 3,425	-	-	-	-	-	(US 641)	9,058	US 2,784
	Want Want China Holdings Limited	"	-	-	-	-	61,894	HK 155,682	-	-	-	-	-	HK 30,000	61,984	HK 185,682
	FOXCONN International Holdings Ltd.	"	-	-	250	HK 4,375	1,318	HK 22,489	(1,568)	HK 12,531	(HK 26,864)	(HK 14,333)	-	-	-	-
	PIIH Investment	9	-	-	-	-	30	US 29,500	-	-	-	-	-	-	30	US 29,500

(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



5. Acquisition of real estate with an amount exceeding \$100,000 or 20 percent of the contributed capital ( Unit in thousands of currencies indicated ): None.

6. Disposal of real estate with an amount exceeding \$100,000 or 20 percent of the contributed capital (Unit in thousands of currencies indicated):

Company name	Property	Transaction date	Date of acquisition	Book value	Disposal amount	Status of collection of proceeds	Gain (loss) on disposal	Name of the counter party	Relationship	Reason for disposal	Price reference	Other terms
President Chain Store Corp.	An-her store	2008. 03	1988. 12	\$ 64, 013	\$ 129, 620	Received	\$ 65, 607	Wu Zhen- long	—	Activation of assets	Appraised price by An-sin Real Estate Appraisers Firm	None

7. Purchases or sales transactions with related parties amounting to \$100,000 or 20 percent of the contributed capital (Unit in thousands of currencies indicated):

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		Note
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	
Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	Subsidiary accounted for under the equity method	(Sales)	(\$ 3,317,625)	(13%)	(Note 1)	\$ -	(Note 1)	\$ 948,008	16	-
Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	"	( 2,915,920)	(12%)	"	-	"	566,786	9	-
	TTET Union Corp.	Subsidiary accounted for under the equity method	"	( 1,462,889)	(6%)	"	-	"	163,933	3	-
	Tun Hsiang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Purchases (Sales)	735,683 ( 870,100)	4% (4%)	"	-	"	( 67,683) ( 313,649)	( 3) 5	-
	Retail Support International Corp.	Subsidiary accounted for under the equity method	"	( 849,698)	(3%)	"	-	"	202,845	3	-
	President Chain Store Corp.	"	"	( 781,710)	(3%)	"	-	"	151,605	3	-
	Tung Shun Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	( 486,837)	(2%)	"	-	"	224,400	4	-
	Uni-President Vendor Corp.	Subsidiary accounted for under the equity method	"	( 285,081)	(1%)	"	-	"	58,935	1	-
	Kuan Chang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	( 268,548)	(1%)	"	-	"	88,210	1	-
	Tone Chu Enterprises Corp.	"	"	( 261,528)	(1%)	"	-	"	77,700	1	-
	Far-Tung Enterprises Corp.	"	"	( 261,032)	(1%)	"	-	"	65,639	1	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Uni-President Enterprises Corp.	Tung Chang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	\$ 197,714	(1%)	(Note 1)	\$ -	(Note 1)	\$ 20,310	-	-
	Tung Yi Enterprises Corp.	"	"	( 177,182)	(1%)	"	-	"	78,133	1	-
	Tung-Hsiang Enterprises Corp.	"	"	( 175,209)	(1%)	"	-	"	60,427	1	-
	Tung Che Enterprises Corp.	"	"	( 173,055)	(1%)	"	-	"	66,973	1	-
	Tung Yu Enterprises Corp.	"	"	( 156,969)	(1%)	"	-	"	14,581	-	-
	Hsin Tung Enterprises Corp.	"	"	( 148,244)	(1%)	"	-	"	15,499	-	-
	Wei-Tong Enterprises Coporation	"	"	( 124,423)	(1%)	"	-	"	19,120	-	-
	Lien Yu Enterprises Corp.	"	"	( 102,277)	-	"	-	"	9,121	-	-
	President Kikkoman Inc.	Subsidiary accounted for under the equity method	Purchases	508,646	3%	"	-	"	( 80,614)	( 4)	-
	President Nisshin Corp.	"	"	265,797	1%	"	-	"	( 39,428)	( 2)	-
	Uni-President (Vietnam) Co.,Ltd.	An investee company of Southeast Asia Holdings accounted for under the equity method	"	142,077	1%	"	-	"	-	-	-
	President Packaging Corp.	Subsidiary accounted for under the equity method	"	117,059	1%	"	-	"	( 29,423)	( 2)	-
Uni-President Vendor Corp.	Uni-President Enterprises Corp.	The Company	Purchases	285,081	78%	Closes its accounts 30~60 days after the end of each month	-	-	( 58,935)	( 61)	-
Nanlien International Corp.	Lien Bo Enterprises Corp.	An investee company accounted for under the equity method	(Sales)	( 552,731)	(44%)	Closes its accounts 15~60 days after the end of each month	-	-	74,725	39	-
	Lien Song Enterprises Corp.	"	"	( 125,460)	(10%)	12 days after shipping	-	-	14,650	8	-
President Nisshin Corp.	Uni-President Enterprises Corp.	The Company	"	( 265,797)	(43%)	15 days	-	-	39,428	22	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/ sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
President Packaging Corp.	Uni-President Enterprises Corp.	The Company	(Sales)	\$ 117,059)	(19%)	One month	\$ -	-	\$ 29,423	17	-
President Musashino Corp.	Uni-President Cold Chain Corp.	Subsidiary accounted for under the equity method	"	( 559,778)	(95%)	Closes its accounts 45 days after the end of each month	-	-	207,125	99	-
President Kikkoman Inc.	Uni-President Enterprises Corp.	The Company	"	( 508,646)	(98%)	One month	-	-	80,614	95	-
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	An investee company accounted for under the equity method	"	( 4,286,479)	(37%)	Closes its accounts 30 days after the end of each month	-	-	621,724	48	-
	TTET Union Corp.	Subsidiary accounted for under the equity method	"	( 128,187)	(1%)	"	-	-	19,257	1	-
	Toyota Tsusho Corp.	Director	Purchases	3,012,163	34%	The same as regular	-	-	-	-	-
President Information Corp.	President Chain Store Corp.	Subsidiary accounted for under the equity method	(Service revenue)	( 314,714)	(82%)	Closes its accounts 45 days after the end of each month	-	-	120,778	86	-
President Chain Store Corp.	Retail Support International Corp.	Subsidiary accounted for under the equity method	Purchases	19,302,842	56%	Closes its accounts 30 days after the end of each month	(Note 2)	-	( 4,808,652)	( 44)	-
	Uni-President Cold Chain Corp.	"	"	7,947,806	23%	Closes its accounts 20~70 days after the end of each month	(Note 2)	-	( 2,602,272)	( 24)	-
	Wisdom Distribution Services Corp.	An investee company accounted for under the equity method	"	4,031,178	12%	Closes its accounts 19~65 days after the end of each month	(Note 2)	-	( 1,322,407)	( 12)	-
	Uni-President Enterprises Corp.	The Company	"	781,710	2%	Closes its accounts 30 days after the end of each month	-	-	( 151,605)	( 1)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
President Chain Store Corp.	Qware Systems & Services Corp.	Subsidiary accounted for under the equity method	Purchases	\$ 134,859	—	Closes its accounts 30~40 days after the end of each month	\$ —	—	(\$ 56,742)	( 1)	—
	President Transnet Corp.	"	Operating cost	326,605	1%	Closes its accounts 15 days after the end of each month	—	—	( 59,994)	( 1)	—
Qware Systems & Services Corp.	President Chain Store Corp.	"	(Sales)	( 134,859)	(65%)	Closes its accounts 30~40 days after the end of each month	—	—	56,742	50	—
Uni-President Cold Chain Corp.	President Chain Store Corp.	"	"	( 7,947,806)	(99%)	Closes its accounts 20~70 days after the end of each month	(Note 3)	—	2,602,272	98	—
	Hi-Life International Co., Ltd.	An investee company of Kuang Chuan Dairy Co., Ltd. accounted for under the equity method	"	( 103,924)	(1%)	Closes its accounts 45 days after the end of each month	—	—	47,183	2	—
	Uni-President Enterprises Corp.	The Company	Purchases	3,317,625	45%	Closes its accounts 30 days after the end of each month	—	—	( 948,008)	( 38)	—
	President Musashino Corp.	Subsidiary accounted for under the equity method	"	559,778	8%	Closes its accounts 45 days after the end of each month	—	—	( 207,125)	( 9)	—
	Century Quick Services Restaurant Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	"	150,241	2%	Closes its accounts 30~55 days after the end of each month	—	—	( 46,336)	( 2)	—

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Retail Support International Corp.	President Chain Store Corp.	Subsidiary accounted for under the equity method	(Sales)	(\$ 19,302,842)	(91%)	Closes its accounts 30 days after the end of each month	(Note 3)	—	\$ 4,808,652	85	—
	President Drugstore Business Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	"	( 1,553,337)	(7%)	Closes its accounts 50 days after the end of each month	—	—	589,772	13	—
	President Coffee Corp.	"	"	( 184,280)	(1%)	Closes its accounts 28 days after the end of each month	—	—	33,486	1	—
	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	983,816	5%	Closes its accounts 30 days after the end of each month	—	—	( 211,546)	( 4)	—
	Uni-President Enterprises Corp.	The Company	"	849,698	4%	"	—	—	( 202,845)	( 3)	—
	Lien Bo Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	454,048	2%	Closes its accounts 15~70 days after the end of each month	—	—	( 208,137)	( 4)	—
	President Pharmaceutical Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	"	286,215	1%	Closes its accounts 30~60 days after the end of each month	—	—	( 99,602)	( 2)	—

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/ sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
President Coffee Corp.	Starbucks Corporation	The Parent company	Purchases	\$ 203,229	32%	Closes its accounts 30 days after the end of each month	\$ -	-	(\$ 32,924)	( 22)	-
	Retail Support International Corp.	Subsidiary accounted for under the equity method	"	184,280	26%	Closes its accounts 28 days after the end of each month	-	-	( 33,486)	( 19)	-
	Tung Chang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	120,028	19%	Closes its accounts 30 days after the end of each month	-	-	( 19,799)	( 13)	-
President Pharmaceutical Corp.	Retail Support International Corp.	Subsidiary accounted for under the equity method	(Sales)	( 286,215)	(65%)	Closes its accounts 30~60 days after the end of each month	-	-	99,602	52	-
President Transnet Corp.	President Chain Store Corp.	"	"	( 326,605)	(18%)	Closes its accounts 15 days after the end of each month	-	-	59,994	13	-
President Drugstore Business Corp.	Retail Support International Corp.	"	Purchases	1,553,337	98%	Closes its accounts 50 days after the end of each month	-	-	( 589,772)	( 97)	-
Wisdom Distribution Services Corp.	President Chain Store Corp.	Subsidiary accounted for under the equity method	(Sales)	( 4,031,178)	(99%)	Closes its accounts 19~65 days after the end of each month	-	-	1,322,407	97	-
	Vision Distribution Service Corp.	An investee company of Wisdom Distribution Services Corp. accounted for under the equity method	Purchases	254,723	6%	Closes its accounts 65 days after the end of each month	-	-	( 93,053)	( 10)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/ sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Tung Ang Enterprises Corp.	Retail Support International Corp.	Subsidiary accounted for under the equity method	(Sales)	\$ 983,816)	(29%)	Closes its accounts 30 days after the end of each month	\$ -	-	\$ 211,546	26	-
	Tun Hsiang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	( 583,154)	(17%)	77 days after shipping	-	-	270,877	32	-
	Tung Yu Enterprises Corp.	"	"	( 221,878)	(6%)	46 days after shipping	-	-	24,050	3	-
	Far Tung Enterprises Corp.	"	"	( 232,040)	(7%)	45 days after shipping	-	-	63,852	8	-
	Tone Chu Enterprises Corp.	"	"	( 130,728)	(4%)	Closes its accounts 30 days after the end of each month	-	-	58,171	7	-
	Hsin Tung Enterprises Corp.	"	"	( 110,882)	(3%)	15 days after shipping	-	-	14,229	2	-
	Wei-Tong Enterprises Coporation	"	"	( 105,396)	(3%)	45 days after shipping	-	-	15,856	2	-
	Uni-President Enterprises Corp.	The Company	Purchases	2,915,920	100%	(Note 4)	-	-	( 566,786)	( 97)	-
Vision Distribution Service Corp.	Wisdom Distribution Services Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	(Sales)	( 254,723)	(50%)	Closes its accounts 65 days after the end of each month	-	-	93,053	53	-
Muji (Taiwan) Co. Ltd.	Representatives of Ryohin Keikaku Co., Ltd.	An investee company accounted for under the equity method	Purchases	186,485	71%	Closes its accounts 30 days after the end of each month	-	-	( 16,920)	( 65)	-
Century Quick Services Restaurant Corp.	Uni-President Cold Chain Corp.	Subsidiary accounted for under the equity method	(Sales)	( 150,241)	(86%)	Closes its accounts 30-55 days after the end of each month	-	-	46,336	75	-



Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Lien Bo Enterprises Corp.	Retail Support International Corp.	Subsidiary accounted for under the equity method	(Sales)	(\$ 454,048)	(63%)	Closes its accounts 15~70 days after the end of each month	\$ -	-	\$ 208,137	46	-
	Nanlien International Corp.	"	Purchases	552,731	73%	Closes its accounts 15~60 days after the end of each month	-	-	( 74,725)	( 72)	-
	Union Chinese Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	185,391	24%	Closes its accounts 60 days after the end of each month	-	-	( 22,067)	( 22)	-
Tun Hsiang Enterprises	Presicarre Corp.	Subsidiary accounted for under the equity method	(Sales)	( 398,157)	(25%)	"	-	-	186,476	31	-
	Hi-Life International Co., Ltd.	An investee company of Kuang Chuan Diary Co., Ltd. accounted for under the equity method	"	( 138,045)	(9%)	"	-	-	48,651	8	-
	Uni-President Enterprises Corp.	The Company	Purchases	870,100	57%	Two month	-	-	( 313,649)	( 52)	-
	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	"	583,154	38%	77 days after sales	-	-	( 270,877)	( 45)	-
Tung Shun Enterprises Corp.	Hi-Life International Co., Ltd.	An investee company of Kuang Chuan Diary Co., Ltd. accounted for under the equity method	(Sales)	( 141,283)	(28%)	Closes its accounts 45 days after the end of each month	-	-	62,243	24	-
	Uni-President Enterprises Corp.	The Company	Purchases	486,837	96%	Two month	-	-	( 224,400)	( 96)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)			
			Purchases/ sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note	
Tone Chu Enterprises Corp.	Uni-President Enterprises Corp.	The Company	Purchases	\$ 261,528	65%	Two month	\$ -	-	(\$ 77,700)	( 56)	-	
	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	"	130,278	32%	Closes its accounts 30 days after the end of each month	-	-	( 58,171)	( 43)	-	
Tung Hsiang Enterprises Corp.	Uni-President Enterprises Corp.	The Company	"	175,209	87%	Two month	-	-	( 60,427)	( 83)	-	
Mister Dount Taiwan Co., Ltd.	Duskin Co., Ltd.	An investee company accounted for under the equity method	"	771,682	48%	Closes its accounts 30~45 days after the end of each month	-	-	( 4,808)	( 18)	-	
Tung Che Enterprises Corp.	Uni-President Enterprises Corp.	The Company	"	173,055	75%	Two month	-	-	( 66,973)	( 75)	-	
Rich Universe International Limited	Uni-Splendor Corp.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	(Sales)	(US 76,240)	(75%)	(Note 5)	-	-	US 25,024	100	-	
			Purchases	US 7,917	9%	"	-	-	(US 2,440)	( 29)	-	
		Grand-Prosper (HK) Ltd.	An investee company accounted for under the equity method	(Sales)	(US 25,487)	(25%)	"	-	-	-	-	-
				Purchases	US 64,456	71%	"	-	-	-	-	-
	Da Tong Ying Corp.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	"	US 4,508	5%	"	-	-	(US 731)	( 9)	-	

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/ sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Tung Yu Enterprises Corp.	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	Purchases	\$ 221,878	56%	46 days after shipping	\$ -	-	(\$ 24,050)	( 56)	-
	Uni-President Enterprises Corp.	The Company	"	156,969	40%	2 weeks after shipping	-	-	( 14,581)	( 34)	-
Tung Yi Enterprises Corp.	Uni-President Enterprises Corp.	"	"	177,182	98%	"	-	-	( 78,133)	( 98)	-
Union Chinese Corp.	Lien Bo Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	(Sales)	( 185,391)	(62%)	Closes its accounts 60 days after the end of each month	-	-	22,067	54	-
President Logistics International Corp.	Retail Support International Corp.	Subsidiary accounted for under the equity method	"	( 262,610)	(37%)	Closes its accounts 20 days after the end of each month	-	-	49,994	27	-
	Uni-President Cold Chain Corp.	"	"	( 254,667)	(36%)	Closes its accounts 35 days after the end of each month	-	-	97,239	52	-
Lien Song Enterprises Corp.	Nanlien International Corp.	"	Purchases	125,460	74%	12 days after purchases	-	-	( 14,650)	( 82)	-
Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	An investee company accounted for under the equity method	(Sales)	(US 75,044)	(57%)	Closes its accounts 30 days after the end of each month	-	-	US 1,530	15	-
	Jiangsu Ton Yi Tinplate Co., Ltd.	"	"	(US 55,870)	(43%)	"	-	-	US 8,653	83	-
	Ton-Yi Industrial Corp.	Subsidiary accounted for under the equity method	Purchases	US 141,049	100%	"	-	-	(US 20,526)	( 100)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	An investee company accounted for under the equity method	(Sales)	(THD 379,574)	(82%)	Closes its accounts 60 days after the end of each month	\$ -	-	THD 148,208	87	-
Uni-President Marketing Ltd.	Uni-President (Thailand) Ltd.	An investee company of Uni-President Marketing Ltd. accounted for under the equity method	Purchases	THD 379,574	94%	"	-	-	(THD 148,208)	(98)	-
Uni-President (Vietnam) Co., Ltd.	Uni-President Enterprises Corp.	The Company	(Sales)	(VND73,897,685)	(3.2%)	"	-	-	-	-	-
Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	An investee company of Cayman Ton Yi Industrial Holdings Ltd. accounted for under the equity method	"	(US 6,810)	(9%)	Closes its accounts 4 months after the end of each month	-	-	US 3,243	20	-
	Cayman Ton Yi Industrial Holdings Ltd.	An investor company of Jiangsu Ton Yi Tinplate Co., Ltd. accounted for under the equity method	Purchases	US 55,870	92%	Closes its accounts 30 days after the end of each month	-	-	(US 8,653)	(80)	-
Fujian Ton Yi Tinplate Co., Ltd.	Cayman Ton Yi Industrial Holdings Ltd.	An investee company of Fujian Ton Yi Tinplate Co., Ltd. accounted for under the equity method	"	US 75,044	96%	"	-	-	(US 1,530)	(45)	-
Wuxi Ton Yi Industrial Packaging Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	The subsidiary of Cayman Jiangsu Ton Yi Industrial Holdings Ltd. accounted for under the equity method	"	US 6,810	96%	Closes its accounts 4 months after the end of each month	-	-	(US 3,243)	(63)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Wuhan President Enterprises Food Co., Ltd.	Zhangjiagang President Nisshin Food Co., Ltd.	An investee company of Cayman President Holding Ltd. accounted for under the equity method	Purchases	RMB 28,721	8%	Closes its accounts 90 days after the end of each month	\$ -	-	(RMB 3,560)	(11)	-
Kunshan President Enterprises Food Co., Ltd.	Hefei President Enterprises Co., Ltd.	An investee company of President Enterprises (China) accounted for under the equity method	"	RMB 64,664	11%	Closes its accounts 60 days after the end of each month	-	-	(RMB 26,969)	(15)	-
	Shanghai E&P Trading Co., Ltd.	An investee company of Nanlien International Corp. accounted for under the equity method	"	RMB 48,082	9%	"	-	-	(RMB 6,788)	(4)	-
	Zhangjiagang President Nisshin Food Co., Ltd.	An investee company of Cayman President Holding accounted for under the equity method	"	RMB 26,159	5%	"	-	-	(RMB 4,238)	(3)	-
Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	An investee company of President Enterprises (China) accounted for under the equity method	(Sales)	(RMB 64,664)	(17%)	Closes its accounts 60 days after the end of each month	-	-	RMB 26,969	57	-
Shenyang President Enterprises Co., Ltd.	Beijing President Food Co., Ltd.	"	"	(RMB 28,521)	(12%)	Closes its accounts 15 days after the end of each month	-	-	RMB 8,598	24	-
Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	"	"	(RMB 46,997)	(9%)	Closes its accounts 60 days after the end of each month	-	-	RMB 11,742	71	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Beijing President Enterprises Drinks & Food Co., Ltd.	Shanghai E&P Trading Co., Ltd.	An investee company of Nanlien International Corp. accounted for under the equity method	Purchases	RMB 44,012	18%	Closes its accounts 15 days after the end of each month	\$ -	-	(RMB 10,474)	(21)	-
Zhangjiagang President Nisshin Food Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	An investee company of President Enterprises (China) accounted for under the equity method	(Sales)	(RMB 28,721)	(21%)	Closes its accounts 90 days after the end of each month	-	-	RMB 3,560	25	-
	Kunshan President Enterprises Food Co., Ltd.	"	"	(RMB 26,159)	(19%)	Closes its accounts 60 days after the end of each month	-	-	RMB 4,238	29	-
Beijing President Food Co., Ltd.	Zhengzhou President Enterprises Food Co., Ltd.	"	Purchases	RMB 46,997	43%	"	-	-	(RMB 11,742)	(72)	-
	Shenyang President Enterprises Co., Ltd.	"	"	RMB 28,521	26%	Closes its accounts 15 days after the end of each month	-	-	(RMB 8,598)	(62)	-
Shanghai E&P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	"	(Sales)	(RMB 48,082)	(23%)	Closes its accounts 60 days after the end of each month	-	-	RMB 6,788	39	-
	Beijing President Enterprises Drinks & Food Co., Ltd.	"	"	(RMB 44,012)	(21%)	Closes its accounts 15 days after the end of each month	-	-	RMB 10,474	62	-
Presitex Co., Ltd.	Presitex S.A.	An investee company of Tung Ding Food Corp. accounted for under the equity method	Purchases	93,716	59%	-	-	-	(3,940)	(85)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Uni-Splendor Corp.	Rich Universe International Limited	An investee company of Ton Yu Investment Inc. accounted for under the equity method	(Sales)	(US 7,917)	(50%)	(Note 5)	\$ -	-	US 2,440	7	-
			Purchases	US 76,240	49%	"	-	-	(US 25,024)	(63)	-
	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	(Sales)	(US 16,460)	(100%)	"	-	-	US 45,060	77	-
			Purchases	US 52,503	34%	"	-	-	-	-	-
	Da Tong Ying Corp.	"	"	US 3,497	2%	"	-	-	(US 3,649)	(9)	-
Grand-Prosper (HK) Ltd.	Rich Universe International Limited	An investee company of Ton Yu Investment Inc. accounted for under the equity method	(Sales)	(HKD 502,347)	(72%)	"	-	-	-	-	-
			Purchases	HKD 198,645	28%	"	-	-	-	-	-
	Uni-Splendor Technology (Huizhou) Corp.	An investee company accounted for under the equity method	(Sales)	(HKD 198,645)	(28%)	"	-	-	HKD1,046,181	100	-
			Purchases	HKD 502,347	72%	"	-	-	-	-	-
Uni-Splendor Technology (Huizhou) Corp.	Grand-Prosper (HK) Ltd.	An investee company of Rich Universe International Limited accounted for under the equity method	(Sales)	(RMB 455,631)	(100%)	"	-	-	-	-	-
			Purchases	RMB 172,379	100%	"	-	-	(RMB 948,574)	(92)	-
Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	(Sales)	(RMB 370,242)	(100%)	"	-	-	-	-	-
			Purchases	RMB 116,710	36%	"	-	-	(RMB 314,895)	(82)	-

Purchases/sales company	Name of the counter party	Relationship	Description of transaction				Description and reasons for difference in transaction terms compared to non-related party transactions		Notes or accounts receivable / (payable)		
			Purchases/ sales	Amount	Percentage of net purchases /sales	Credit terms	Unit Price	Credit Period	Amount	Percentage of Notes or accounts receivable / (payable)	Note
Da Tong Ying Corp.	Uni-Splendor Corp.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	(Sales)	(\$ 115,585)	(27%)	(Note 5)	\$ -	-	\$ 109,249	(44)	-
	Rich Universe International Limited	An investee company of Ton Yu Investment Inc. accounted for under the equity method	"	( 147,508)	(34%)	"	-	-	25,477	10	-

(Note 1) Please refer to Note 5 for the terms of purchases and sales transactions. The above terms are in accordance with the Company's regulations on credit management.

(Note 2) The purchase cost from Retail Support International Corp., Uni-President Cold Chain Corp. and Wisdom Distribution Service Corp. includes markup computed by negotiated rates according to the types of goods.

(Note 3) The sales of Retail Support International Corp. and Uni-President Cold Chain Corp. includes markup computed by negotiated rates according to the types of goods.

(Note 4) The Company closes its accounts every 10 days and remits in 28 days after purchases.

(Note 5) The terms of transaction with related party are due to finance by relationship with its parent.



8. Receivable from related parties exceeding \$100,000 or 20 percent of the capital stock (Units in thousands of currencies indicated):

The name of the Company	Name of the counter party	Relationship	Other receivables-related party		Turnover rate	Overdue receivables		Subsequent collections	Allowance for doubtful accounts
			General ledger account	Amount		Amount	Action adopted for overdue accounts		
Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	Subsidiary accounted for under the equity method	Accounts receivable	\$ 948,008	7.44	\$ -	-	\$ 649,104	\$ -
	Tung Ang Enterprises Corp.	An investee company of Kai Yu Investment Co., Ltd. accounted for under the equity method	"	566,786	11.09	-	-	566,786	-
	Tun Hsiang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	"	313,649	6.45	-	-	166,508	-
	Tung Shun Enterprises Corp.	"	"	224,400	4.62	-	-	103,589	-
	Retail Support International Corp.	Subsidiary accounted for under the equity method	"	202,845	8.44	-	-	173,117	-
	TTET Union Corp.	"	"	163,933	26.58	-	-	163,933	-
	President Chain Store Corp.	"	"	151,605	10.96	-	-	145,360	-
Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	An investee company accounted for under the equity method	Long-term receivables	US 6,510	-	-	-	-	-
President International Trade & Investment Corp.	Cayman President Holding Ltd.	Subsidiary accounted for under the equity method	"	US 6,630	-	-	-	-	-
President International Development Corp.	Presitex Co., Ltd.	An investee company accounted for under the equity method	Other receivables	471,800	-	-	-	-	-
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	"	Accounts receivable	621,724	12.53	-	-	369,715	-
Uni-President Cold Chain Corp.	President Chain Store Corp.	Subsidiary accounted for under the equity method	"	2,602,272	8.42	-	-	2,602,272	-
Retail Support	President Chain Store Corp.	"	"	4,808,652	9.85	-	-	269,863	-
International Corp.	President Drugstore Business Corp.	An investee company of President Chain Store Corp. accounted for under the equity method	"	589,772	4.98	-	-	110,629	-

The name of the Company	Name of the counter party	Relationship	Other receivables-related party			Overdue receivables		Subsequent collections	Allowance for doubtful accounts
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts		
President Musashino Corp.	Uni-President Cold Chain Corp.	Subsidiary accounted for under the equity method	Accounts receivable	\$ 207,125	5.65	\$ -	-	\$ 207,125	\$ -
President Information Corp.	President Chain Store Corp.	"	"	120,778	6.66	-	-	72,237	-
Wisdom Distribution Services Corp.	President Chain Store Corp.	"	"	1,322,407	5.66	-	-	1,322,407	-
Uni-President Enterprises China Holdings Ltd.	Kunshan President Enterprises Food Co., Ltd.	An investee company of President Enterprises (China) accounted for under the equity method	Other receivables	RMB137,182	-	-	-	-	-
	Chengdu President Enterprises Food Co., Ltd.	"	"	RMB116,605	-	-	-	-	-
	Wuhan President Enterprises Food Co., Ltd.	"	"	RMB102,887	-	-	-	-	-
	Zhengzhou President Enterprises Food Co., Ltd.	"	"	RMB 68,591	-	-	-	-	-
	Guangzhou President Enterprises Co., Ltd.	"	"	RMB 68,591	-	-	-	-	-
	Beijing President Enterprises Drinks & Food Co., Ltd.	"	"	RMB 54,873	-	-	-	-	-
	Hefei President Enterprises Co., Ltd.	"	"	RMB 54,873	-	-	-	-	-
	Fuzhou President Enterprises Co., Ltd.	"	"	RMB 41,155	-	-	-	-	-
	Shenyang President Enterprises Co., Ltd.	"	"	RMB 34,296	-	-	-	-	-
	Harbin President Enterprises Co., Ltd.	"	"	RMB 34,296	-	-	-	-	-
	Nanchang President Enterprises Co., Ltd.	"	"	RMB 34,296	-	-	-	-	-

The name of the Company	Name of the counter party	Relationship	Other receivables-related party		Turnover rate	Overdue receivables			
			General ledger account	Amount		Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holding Ltd.	Subsidiary accounted for under the equity method	Other receivables	US 11,080	-	\$ -	-	\$ -	\$ -
Tung Ang Enterprises Corp.	Tun Hsiang Enterprises Corp.	An investee company of Nanlien International Corp. accounted for under the equity method	Accounts receivable	270,877	4.63	-	-	-	-
	Retail Support International Corp.	Subsidiary accounted for under the equity method	"	211,546	10.66	-	-	197,803	-
Lien Bo Enterprises Corp.	Retail Support International Corp.	"	"	208,137	5.67	-	-	120,520	-
Tun Hsiang Enterprises Corp.	Presicarre Corp.	"	"	186,476	4.61	-	-	-	-
Rich Universe International Limited	Uni-Splendor Corp.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	Long-term receivables	US 25,024	-	-	-	-	-
Cayman Ton Yi Industrial Holdings Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	An investee company accounted for under the equity method	Accounts receivable	US 8,653	9.72	-	-	US 8,653	-
	Chengdu Ton Yi Industrial Packaging Co., Ltd.	"	Other receivables	US 4,000	-	-	-	-	-
Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	"	Accounts receivable	THD148,208	5.05	-	-	-	-
Uni-President Asia Holdings Ltd.	President Enterprise (China) Investment Co., Ltd.	"	Other receivables	RMB179,200	-	-	-	-	-
President Enterprises (China) Investment Co., Ltd.	Zhengzhou President Enterprises Food Co., Ltd.	"	"	RMB 74,450	-	-	-	-	-
	Chengdu President Enterprises Food Co., Ltd.	"	"	RMB 65,000	-	-	-	-	-
	Kunshan President Enterprises Food Co., Ltd.	"	"	RMB 33,420	-	-	-	-	-
	Integrated Marketing & Distribution Co.,Ltd.	"	"	RMB 25,500	-	-	-	-	-

The name of the Company	Name of the counter party	Relationship	Other receivables-related party		Turnover rate	Overdue receivables			
			General ledger account	Amount		Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
President Enterprises (China) Investment Co., Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd. Hefei President Enterprises Co., Ltd.	An investee company accounted for under the equity method "	Other receivables "	RMB 25,180 RMB 24,870	- -	\$ - -	- -	\$ - -	\$ - -
Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd	An investee company of Zhongshan President Enterprises Co., Ltd. accounted for under the equity method	Receivable-related party	RMB 55,000	-	-	-	-	-
Tianjiang President Enterprises Food Co., Ltd.	"	"	"	RMB 30,000	-	-	-	-	-
Meishan President Feed & Oil Co., Ltd.	Zhongshan President Enterprises Co., Ltd.	An investee company of Kai Nan (BVI) Investment Co.,Ltd. accounted for under the equity method	"	RMB 24,000	-	-	-	-	-
Kunshan President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd. Harbin President Enterprises Co., Ltd.	An investee company of President Enterprises (China) accounted for under the equity method "	" "	RMB 35,000 RMB 30,000	- -	- -	- -	- -	- -
Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	An investee company of President Enterprises (China) accounted for under the equity method	Accounts receivable	RMB 26,969	3.48	-	-	-	-
Guangzhou President Enterprises Co., Ltd.	Guangzhou President Healthly Food Technology Co., Ltd	"	Other receivables	RMB 26,000	-	-	-	-	-
Uni-Splendor Corp.	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	Accounts receivable	US 45,060	-	-	-	-	-
Grand-Prosper (HK) Ltd.	Uni-Splendor Technology (Huizhou) Corp.	An investee company accounted for under the equity method	"	HK1,046,181	-	-	-	-	-

The name of the Company	Name of the counter party	Relationship	Other receivables-related party			Overdue receivables			
			General ledger account	Amount	Turnover rate	Amount	Action adopted for overdue accounts	Subsequent collections	Allowance for doubtful accounts
Da Tong Ying Corp.	Rich Universe International Limited	An investee company of Ton Yu Investment Inc. accounted for under the equity method	Long-term receivables	\$ 151,260	-	\$ -	-	\$ -	\$ -
	Uni-Splendor Corp.	An investee company of Uni-Home Tech Corp. accounted for under the equity method	Accounts receivable	109,249	1.09	-	-	-	-

9. Derivative financial instrument transactions ( Units in thousands of currencies indicated):

(1) For the Company's derivative financial instrument transactions, please refer to Note 10(4).

(2) The derivative financial instrument transactions of the subsidiaries :

(A) The related information of derivative financial instruments for hedging by the Company's subsidiaries as of June 30, 2008 are as follows :

Name of subsidiary	Hedged item	Hedged instrument	Fair value June 30, 2008	Period of anticipated cash flow	Period of gain (loss) recognized hedged in income statement
President Chain Store Corp.	Bonds payable	Interest rate swap contract	\$ -	June 2003~June 2008	2006~2008
<u>Item</u>			<u>June 30, 2008</u>		
Adjustment of stockholders for the six-month period ended June 30, 2008			\$ 5,071		
Stockholds transfer to current income			\$ -		
Stockholds transfer to non-financial assets (liability)			\$ -		

The related information of derivative financial instruments held for trading of the Company's subsidiaries as of June 30, 2008 are as follows :

Name of subsidiary	Derivative financial instruments	June 30, 2008	
		Contract amount	Book value
President Nisshin Corp.	Forward exchange contracts - sell NTD buy USD	USD 2,900	\$ -
President Pharmaceutical Corp.	Forward exchange contracts - sell NTD buy EUR	EUR 317	-

(B) Additional disclosure information :

The Company's subsidiaries recognized a net loss of \$168 for the six-month period ended June 30, 2008.

(2) Related information on investee companies for the period ended June 30, 2008 (Units in thousands of currencies indicated)

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares ( in thousands)	Percentage of ownership	Book value			
Uni-President Enterprises Corp.	Cayman President Holding Ltd.	Grand Cayman Cayman Islands	Professional investment	\$ 5,072,955	\$ 5,072,955	156,136	100.00%	\$13,894,181	\$ 709,069	\$ 709,069	Subsidiary
	Kai Nan Investment Co., Ltd.	Tainan Hsien	"	3,793,014	3,793,014	379,301	"	3,043,721	18,923	18,923	"
	President International Trade & Investment Corp.	Trotola, British Virgin Islands	"	1,750,533	1,750,533	45,012	"	2,586,504	1,577	1,577	"
	Kai Yu Investment Co., Ltd.	Tainan Hsien	"	4,322,054	4,322,054	432,205	"	1,212,450	76,803	77,433	"
	President Global Corp.	Buena Park, CA, U.S.A.	Instant noodles and juice can importation	147,250	147,250	500	"	518,303	43,291	41,869	"
	Tone Sang Construction Corp.	Tainan Hsien	Building trade	1,030,000	1,030,000	27,000	"	322,216	102,530	102,530	"
	Nanlien International Corp.	Taipei City	Import and export business etc.	525,890	525,890	99,999	99.99%	971,200	20,228	20,634	"
	President International Development Corp.	Taipei City	Investment on manufacturing business	9,421,304	9,421,304	937,500	62.50%	9,683,400	( 997,700)	( 623,562)	"
	President Entertainment Corp.	Tainan Hsien	Entertainment business	1,250,717	1,250,717	98,885	61.80%	1,114,954	( 5,379)	( 3,324)	"
	President Musashino Corp.	Taipei Hsien	Fresh food	290,994	290,994	26,145	50.00%	309,795	6,093	3,026	"
	Ton-Yi Industrial Corp.	Tainan Hsien	Manufacturing of tinplate	9,061,326	9,061,326	685,102	45.55%	8,661,022	1,087,326	452,178	"
	President Chain Store Corp.	Taipei City	Operation of supermarkets	5,493,775	5,493,775	415,490	45.40%	6,984,902	1,931,485	703,883	"

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares ( in thousands)	Percentage of ownership	Book value			
Uni-President Enterprises Corp.	President Fair Development Corp.	Kaohsiung City	Shopping mall, Department store and trading	\$ 3,741,750	\$ 3,741,750	364,500	40.50%	\$ 3,076,478	(\$ 499,503)	(\$ 202,299)	"
	Eagle Cold Storage Enterprises Co., Ltd.	Taichung City	Sales of cold foods	534,324	534,324	40,887	34.23%	523,112	20,745	5,852	—
	Kuang Chuan Dairy Co., Ltd..	Taipei City	Manufacturing and sales of dairy products、soft drinks etc.	961,560	961,560	30,038	31.25%	1,174,027	( 174,655)	( 25,624)	—
	TTET Union Corp.	Tainan Hsien	Soybean crushing	362,859	362,859	47,991	30.00%	860,278	302,523	85,321	—
	Uni-President Development Corp.	Taipei City	General investments	900,000	300,000	90,000	"	830,914	( 23,308)	( 6,992)	—
	President Securities Corp.	"	Securities trading	2,141,370	2,141,370	312,585	26.56%	5,283,609	243,314	42,744	—
	Presicarre Corp.	"	General merchandise	198,677	198,677	107,684	20.50%	2,050,750	646,450	131,893	—
	Ztong Yee Industrial Co., Ltd.	Tainan Hsien	Manufacturing of battery	148,824	148,824	18,042	20.00%	318,859	24,485	4,897	—
	The Tait Marketing & Distribution Co., Ltd.(Note 2)	"	Channel Retailing and Distribution Centers	314,866	314,866	32,248	19.50%	314,296	40,580	( 570)	—
	Scino Pharm Taiwan Ltd.	"	Biochemistry	747,577	732,140	70,512	12.79%	469,944	534,586	68,053	—
	Uni-President Dream Parks Corp., etc.	Tainan City etc.	Sales of foods , advertising and travel consulting service etc.	5,628,160	5,615,160	360,607	13.81% ~100.00%	2,792,516	( 142,094)	( 52,973)	—



Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares (in thousands)	Percentage of ownership	Book value			Note
Cayman President Holdings Ltd.	Linkhope Int'l.LLC Uni-President Enterprises China Holdings Ltd.	Delaware, USA Grand Cayman, Cayman Islands	General investments Foods investment	US 27,043	US 27,043	-	100.00%	US 30,475	US 887	\$ -	-
				US 338,871	US 338,871	2,645,090	73.49%	US 568,666	US 30,065	-	Subsidiary
	Zhangjiagang President Nisshin Food Co., Ltd.	Zhangjiagang Free Trade Zone, Jiangsu	Manufacturing and sales of fats, feed, flour	US 10,200	US 10,200	-	60.00%	US 12,639	US 118	-	"
	Queen Holdings (BVI) Ltd.	Tortola, British Virgins Island	General investments	US 12,067	US 12,067	5	45.40%	US 11,590	US 811	-	-
	Cargill President Holdings Pte Ltd.	Ocean Towers, Singapore	"	US 15,280	US 15,280	15,820	38.20%	US 24,278	US 6,571	-	-
	Uni-President Southeast Asia Holdings Ltd. etc.	Grand Cayman, Cayman Islands etc.	General Investment etc.	US 66,804	US 67,567	61,776	10.00% ~100.00%	US 24,899	US 2,987	-	-
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd.	Tortola, British Virgin Islands	Investment on manufacturing business etc.	858,062	858,062	25,000	100.00%	460,027	( 14,147)	-	Subsidiary
	Ton-Yi Industrial Corp.	Tainan Hsien	Manufacturing of tinplate	122,262	122,262	25,186	1.67%	316,201	1,085,872	-	"
	TTET Union Corp. etc.	Tainan Hsien etc.	Soybean crushing etc.	1,060,718	1,060,718	37,132	1.96% ~100.00%	468,340	1,009,575	-	-
Nanlien International Corp.	Lien Bo Enterprises	Taipei City etc.	Sale of food etc.	1,313,068	1,324,111	106,758	20.00% ~100.00%	1,310,006	219,319	-	-
President International Development Corp.	President (BVI) International Investment Holdings Ltd.	Tortola,British Virgin Islands	Investment on manufacturing	3,705,268	3,705,268	113,976	100.00%	9,452,950	( 310,054)	-	Subsidiary
	Ton Yu Investment President Life	Taipei City "	Professional investment Manufacturing of chemical material and instrument	1,481,100	1,481,100	152,000	"	1,146,000	( 44,191)	-	"
				2,030,000	2,030,000	78,100	"	535,210	( 16,647)	-	"

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares (in thousands)	Percentage of ownership	Book value			
President International Development Corp.	President Fair Development Corp.	Kaohsiung City	Shopping mall, Department store and trading	\$ 4,041,750	\$ 4,041,750	364,500	40.50%	\$ 3,076,478	(\$ 499,503)	\$ -	Subsidiary
	President Entertainment Corp.	Tainan Hsien	Entertaining business	1,401,819	1,401,819	61,115	38.20%	689,142	( 5,379)	-	"
	Kang Na Hsiung Co., Ltd.	"	Sanitary napkin, wipe, diaper	440,959	579,540	48,410	24.80%	647,108	81,249	-	-
	Uni-President International Development Corp.	Taipei City	Development of public construction	600,000	200,000	60,000	20.00%	554,663	( 23,308)	-	-
	Tong Shou Investment Co., Ltd. etc.	Taipei City etc.	Professional investment etc.	1,903,741	1,903,741	99,749	4.06% ~100.00%	846,934	98,687	-	-
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	Grand Caymen , Cayman Islands	Professional investment	3,144,727	3,144,727	9,310	100.00%	3,055,514	706,656	-	Subsidiary
	Tovecan Corp.	Ho Chi Minh city, Vietnam	Manufacturing of can etc.	43,740	43,740	-	51.00%	65,999	11,493	-	"
President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	Tortola, British Virgin Islands	Professional investments	1,586,018	1,586,018	48,405	100.00%	1,031,153	48,220	-	"
	PCSC BVI (China) Ltd.	"	"	1,198,253	1,198,253	36,449	"	752,283	( 65,670)	-	"
	Ren-Hui Investment Corp.	Taipei City	"	853,037	853,037	85,304	"	722,310	561	-	"
	President Drugstore Business Corp.	"	Sales of cosmetics and medicines	396,000	396,000	36,576	"	502,161	31,204	-	"
	President Pharmaceutical Corp.	Tainan Hsien	Wholesale of medicines and medical appliances	330,216	330,216	14,600	73.74%	369,688	27,079	-	"

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares ( in thousands)	Percentage of ownership	Book value			
President Chain Store Corp.	Uni-President Department Stores Corp.	Taipei City	Operation of department stores	\$ 840,000	\$ 560,000	84,000	70.00%	\$ 403,482	-\$ 170,580	\$ -	"
	President Transnet Corp.	Taipei Hsien	Transprotation of goods	711,576	711,576	70,000	"	330,583	100,386	-	"
	Mech-President Corp.	"	Operation of gas station and elevators	451,767	451,767	48,699	63.47%	339,143	( 36,054)	-	"
	Uni-President Cold Chain Corp.	Tainan Hsien	Distribution center	237,437	237,437	19,563	60.00%	367,778	57,456	-	Subsidiary
	Uni-President Development Corp.	Taipei City	Operation of MRT station and auxiliary facilities	600,000	200,000	60,000	20.00%	553,943	( 23,308)	-	"
	President Musashino Corp. etc.	Taipei City etc.	General merchandise etc.	2,333,233	2,162,674	94,854	20.00% ~100.00%	2,291,631	210,297	-	-
Uni-President Enterprises China Holdings Ltd.	Uni-President Asia Holdings Ltd.	Grand Cayman, Cayman Island	Professional investments	RMB 2,095,490	RMB 2,054,310	-	100.00%	RMB3,551,170	RMB 319,670	-	Subsidiary
Uni-President Asia Holdings Ltd.	President Enterprises (China) Investment Co., Ltd.	Shanghai City	"	RMB 2,054,310	RMB 2,054,310	-	"	RMB2,934,789	RMB 350,046	-	"
	Tong Ren Corp. Limited	Tainan Hsien	Manpower services	RMB 240	RMB 240	100	"	RMB 972	(RMB 206)	-	"
Uni-President Southeast Asia Holdings Ltd.	Uni-President (Vietnam) Co.,Ltd.	Ho Chi Minh City, Vietnam	Manufacturing and sales of fats, feed, flour	US 49,898	US 34,898	-	"	US 75,623	US 7,553	-	"
	Uni-President (Thailand) Ltd. etc.	Bangkok,Thailand etc.	Manufacturing and sales of instant noodles, soft drinks etc.	US 67,372	US 62,905	146,440	40.00% ~100.00%	US 7,419	(US 4,890)	-	-

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares ( in thousands)	Percentage of ownership	Book value			
President (B.V.I.)	Uni-Home Tech Corp.	Tortola, British Virgin Islands	General investment	US 32,472	US 32,472	32,472	50.00%	US 40,550	(US 7,933)	\$ -	Subsidiary
International Investment Holdings Ltd.	President Energy Development (Cayman Island) Ltd.	Grand Cayman, Cayman Islands	Energy investments	US 15,022	US 16,231	16,117	40.29%	US 11,393	(US 326)	-	-
	OutLook Investment Pte Ltd.	Singapore	Professional investments	US 9,608	US 9,608	9,608	25.00%	US 13,143	US 3,777	-	-
	China Technology Venture Company Limited	Tortola, British Virgin Islands	"	US 1,080	US 1,170	2	20.27%	US 676	(US 137)	-	-
Uni-Home TECH Corp.	Uni-Splendor Corp.	Tortola, British Virgin Islands	Sale of electric appliances	US 1,000	US 1,000	1,000	100.00%	US 65,131	(US 4,019)	-	Subsidiary
	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Shenzhen City	Manufacturing and sales of electric appliances	US 60,431	US 60,431	-	"	US 52,371	(US 11,287)	-	"
	Da Tong Ying Corp.	Tainan City	"	US 6,155	US 6,155	19,900	"	US 7,537	(US 665)	-	"
Rich Universe International Limited	Grand-Prosper (HK) Limited.	Hong Kong	Sale of electric appliances	US 20,000	US 20,000	156,000	"	(US 35,998)	(US 9,315)	-	"
Grand-Prosper (HK) Limited.	Uni-Splendor Technology (Huizhou) Corp.	Huidong County, Guangdong Province	Manufacturing and sales of electric appliances	HK 226,230	HK 226,230	-	"	(HK215,153)	(HK 72,504)	-	"
President Enterprises (China) Investment Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	Kunshan City, Jiangsu Province	Manufacturing and sales of instant noodles, soft drinks, dairy products, food	RMB 364,222	RMB 364,222	-	"	RMB 503,047	RMB 67,833	-	"
	Guangzhou President Enterprises Co., Ltd.	Guangzhou City	"	RMB 397,300	RMB 397,300	-	"	RMB 423,814	RMB 24,944	-	"

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares ( in thousands)	Percentage of ownership	Book value			
President Enterprises (China) Investment Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	Wuhan City	Manufacturing and sales of instant noodles, soft drinks, dairy products, food	RMB 245,519	RMB 245,519	-	100.00%	RMB 366,370	RMB 74,171	\$ -	"
	Chengdu President Enterprises Food Co., Ltd.	Wenjiang Hsien, Sichuan Province	"	RMB 165,586	RMB 165,586	-	"	RMB 268,390	RMB 45,185	-	"
	Beijing President Enterprises Drinks & Food Co., Ltd.	Beijing City	"	RMB 142,540	RMB 142,540	-	"	RMB 182,115	RMB 24,702	-	"
	Zhengzhou President Enterprises Food Co., Ltd.	ZhengZhou City, Henan Province	"	RMB 99,350	RMB 99,350	-	"	RMB 173,189	RMB 62,107	-	"
	Hefei President Enterprises Co., Ltd.	Hefei City, Anhui Province	"	RMB 82,791	RMB 82,791	-	"	RMB 120,472	RMB 21,280	-	"
	Fuzhou President Enterprises Co., Ltd.	Fuchou City, Fukien Provinc	Manufacturing and sales of instant noodles, soft drinks	RMB 78,100	RMB 78,100	-	"	RMB 108,966	RMB 17,203	-	"
	Shenyang President Enterprises Co., Ltd.	Shenyang City	Manufacturing and sales of instant noodles, soft drinks, dairy products, food	RMB 164,746	RMB 164,746	-	"	RMB 107,011	RMB 3,964	-	"
	Xinjiang President Enterprises Food Co., Ltd.	Urerngi City, Xinjiang Province	Manufacturing and sales of tomato products, instant noodles,soft drinks	RMB 128,304	RMB 128,304	-	"	RMB 86,510	RMB 15,281	-	"
	Jinmailang Beverage (Beijing) Co., Ltd.	Beijing City	Manufacturing, processing and sales of food	RMB 300,000	RMB 300,000	-	50.00%	RMB 222,481	(RMB 14,160)	-	Subsidiary

Investors	Name of investees	Address	Main Business	Original investments		Holding status			Net income (loss) of the investee	Income (loss) recognized by the Company	Note
				Ending balance of the current period	Ending balance of prior period (Note 1)	Shares (in thousands)	Percentage of ownership	Book value			
President Enterprises (China) Investment Co., Ltd.	Nanchang President Enterprises Co., Ltd., etc.	Nanchang City, Jiangxi Province, etc.	Manufacturing and sales of instant noodles, soft drinks, dairy products, food, etc.	RMB 383,203	RMB 383,203	-	40.00% ~100.00%	RMB 67,022	(RMB 19,444)	\$ -	"
Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Industrial Holdings Ltd.	Grand Cayman, Cayman Islands	General investments	US 64,062	US 64,062	9	100.00%	US 106,216	US 13,619	-	Indirect owned subsidiary
	Cayman Jiangsu Ton Yi Holdings Ltd.	"	"	US 35,903	US 35,903	5	"	US 61,286	US 9,132	-	"
	Wuxi Ton Yi Industrial Packaging Co., Ltd.	Wuxi City, Jiangsu Province	Manufacturing of cans	US 7,720	US 7,720	-	"	US 14,196	US 1,093	-	"
	Hong Kong Ton Yi Industrial Holdings Ltd., etc.	Hong Kong etc.	General Investment etc.	US 7,510	US 7,510	1	"	US 2,031	US 892	-	"
Cayman Fujian Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	Longhai City, Fujian Province	Manufacturing of tinplates	US 55,755	US 55,755	-	86.80%	US 104,149	US 15,691	-	"
Cayman Jiangsu Ton Yi Holdings Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi City, Jiangsu Province	"	US 31,217	US 31,217	-	82.86%	US 57,943	US 11,023	-	"
Tung Ho Development Corp., etc.	Kai Yu (BVI) Investment Co., Ltd. etc.	Taipei City etc.	Operation of tours etc.	8,599,253	9,922,412	203,044	-	5,865,815	818,071	-	-

(Note 1) Ending balance of December 31, 2007

(Note 2) The Tait Marketing & Distribution Co., Ltd. proposed election of Directors and Supervisors on June 13, 2008. Since the Company wins a large majority of Directors and has great influence, the stock was transferred from available-for-sale financial assets to long-term equity investments accounted for under the equity method.

### (3) Disclosure of information on indirect investments in Mainland China (Units in thousands of currencies indicated)

1. The basic information of investments in Mainland China as of June 30, 2008 are as follow:

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from Taiwan	Investment Amount		Ending investment balance from Taiwan	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investment balance as of June 30, 2008	Accumulated remittance
					Payment	Remittance					
President Enterprises (China) Investment Co., Ltd.	Professional investments	US\$ 248,160	(Note 1)	US\$ —	US\$ —	US\$ —	US\$ —	73.49%	RMB\$ 257,249 (Note 2)	RMB\$2,156,776	—
Kunshan President Enterprises Food Co., Ltd.	Manufacturing and sales of instant noodles, soft drinks, dairy products, food	US 44,000	(Note 1)	US 40,000	US —	US —	US 40,000	"	RMB 49,850 (Note 2) (Note 6)	RMB 369,689	—
Guangzhou President Enterprises Co., Ltd.	"	US 48,000	(Note 1)	US 48,000	US —	US —	US 48,000	"	RMB 18,331 (Note 2) (Note 6)	RMB 311,461	—
Wuhan President Enterprises Food Co., Ltd.	"	US 29,600	(Note 1)	US 26,440	US —	US —	US 26,440	"	RMB 54,508 (Note 2) (Note 6)	RMB 269,245	—
Chengdu President Enterprises Food Co., Ltd.	"	US 20,000	(Note 1)	US 20,000	US —	US —	US 20,000	"	RMB 33,206 (Note 2) (Note 6)	RMB 197,240	—
Beijing President Enterprises Drinks & Food Co., Ltd.	"	US 17,500	(Note 1)	US —	US —	US —	US —	"	RMB 18,153 (Note 2) (Note 6)	RMB 133,836	—
Zhengzhou President Enterprises Food Co., Ltd.	"	US 12,000	(Note 1)	US —	US —	US —	US —	"	RMB 45,642 (Note 2) (Note 6)	RMB 127,277	—
Hefei President Enterprises Co., Ltd.	"	US 10,000	(Note 1)	US 10,000	US —	US —	US 10,000	"	RMB 15,639 (Note 2) (Note 6)	RMB 88,535	—
Fuzhou President Enterprises Co., Ltd.	Manufacturing and sales of instant noodles, soft drinks, mineral water	US 10,000	(Note 1)	US —	US —	US —	US —	"	RMB 12,642 (Note 2) (Note 6)	RMB 80,079	—

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from Taiwan	Investment Amount		Ending investment balance from Taiwan	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investment balance as of June 30, 2008	Accumulated remittance
					Payment	Remittance					
Shenyang President Enterprises Co., Ltd.	Manufacturing and sales of instant noodles, soft drinks, dairy products, food	US\$ 19,900	(Note 1)	US\$ 15,000	US\$ —	US\$ —	US\$ 15,000	73.49%	RMB\$ 2,913 (Note 2) (Note 6)	RMB\$ 78,642	—
Nanchang President Enterprises Co., Ltd.	"	US 12,000	(Note 1)	US —	US —	US —	US —	"	RMB 7,774 (Note 2) (Note 6)	RMB 85,695	—
Kunming President Enterprises Food Co., Ltd.	"	US 10,000	(Note 1)	US —	US —	US —	US —	"	RMB 514 (Note 2) (Note 6)	RMB 56,252	—
Xinjiang President Enterprises Food Co., Ltd.	Manufacturing and sales of Tomato products, soft drinks,	US 15,500	(Note 1)	US\$ 13,077	US —	US —	US 13,077	"	RMB 11,230 (Note 2) (Note 6)	RMB 63,576	—
Guangzhou President Heathly Food Technology Co., Ltd	Manufacturing and sales of juice, soft drinks	US 3,500	(Note 1)	US —	US —	US —	US —	"	(RMB 290) (Note 2) (Note 6)	RMB 11,981	—
Beijing President Food Co., Ltd.	Manufacturing and sales of instant noodles	US 18,400	(Note 1)	US 3,828	US —	US —	US 3,828	"	(RMB 7,023) (Note 2) (Note 6)	RMB 5,249	—
Harbin President Enterprises Co., Ltd.	Manufacturing and sales of instant noodles, soft drinks, dairy products, food	US 15,000	(Note 1)	US 15,000	US —	US —	US 15,000	"	(RMB 4,625) (Note 2) (Note 6)	(RMB 8,344)	—



Name of investee in Mainland China	Main Business	Capital		Investment method	Beginning investment balance from Taiwan	Investment Amount				Ending investment balance from Taiwan	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investment balance as of June 30, 2008	Accumulated remittance
		US\$				Payment	Remittance	US\$	US\$					
President (Shanghai) Trading Co., Ltd.	Sales of flour, fats, feed	US\$	600	(Note 1)	US\$	—	US\$	—	US\$	—	73.49%	(RMB\$ 8,323) (Note 2) (Note 6)	(RMB\$ 32,345)	—
Jinmailang Beverage (Beijing) Co., Ltd.	Manufacturing, processing and sales of food	RMB	600,000	(Note 1)	US	—	US	—	US	—	36.75%	(RMB 5,204) (Note 2) (Note 6)	RMB 163,524	—
Beijing President Kirin Beverage Corporation	Manufacturing and sales of soft drinks	US	3,000	(Note 1)	US	—	US	—	US	—	"	(RMB 1,031) (Note 2) (Note 6)	RMB 3,246	—
Kunshan Sanwa Food Industry Co.,Ltd.	Flavoring	US	1,200	(Note 1)	US	180	US	—	US	180	11.02%	— (Note 6)	RMB 539	—
Shanghai President International Food Co., Ltd.	Sales of biscuits, food	US	21,400	(Note 1)	US	13,000	US	—	US	13,000	100.00%	US 87 (Note 2)	US 2,234	—
Guangzhou Wang Sheng Industrial Co., Ltd.	Manufacturing, processing and sales of food	RMB	22,000	(Note 1)	US	—	US	—	US	—	73.49%	RMB 34 (Note 2)	RMB 7,339	—
Integrated Marketing & Distribution Co., Ltd.	Sales and packaging of food, ironware, office supplies	RMB	2,000	(Note 1)	US	—	US	—	US	—	73.49%	(RMB 2,858) (Note 2)	(RMB 16,762)	—
Zhongshan President Enterprises Co., Ltd.	Manufacturing and sales of marine products, livestock, pet foods	US	19,400	(Note 1)	US	12,000	US	—	US	12,000	100.00%	US 294 (Note 2)	US 12,166	—
Meishan President Feed & Oil Co., Ltd.	Animal feeds, vegetable oil	US	10,000	(Note 1)	US	9,400	US	—	US	9,400	"	(US 288) (Note 2)	US 4,421	—
Tianjiang President Enterprises Food Co., Ltd.	Manufacturing and sales of flour, instant noodles, etc.	US	15,210	(Note 1)	US	13,207.4	US	—	US	13,207.4	"	US 78 (Note 2)	US 3,482	—

Name of investee in Mainland China	Main Business	Capital	Investment method	Beginning investment balance from Taiwan	Investment Amount				Ending investment balance from Taiwan	Percentage of ownership held by the Company (direct or indirect)	Investment gain (loss)	Investment		Accumulated remittance
					Payment	Remittance	Investment balance as of June 30, 2008	Investment balance as of June 30, 2008						
Sanshui Jianlibao Commerce Co., Ltd	Sale of soft drinks	RMB\$106,000	(Note 1)	US\$ —	US\$ —	US\$ —	US\$ —	US\$ —	99.91%	(RMB\$ 2,792) (Note 2)	RMB\$ 1,584		-	
Qingdao President Feed & Livestock Co., Ltd.	Manufacturing and sales of aquatic products, livestock,	US 15,000	(Note 1)	US 12,000	US —	US —	US —	US 12,000	80.00%	US 85 (Note 2)	US 11,484		-	
Zhangjiagang President Nisshin Food Co., Ltd.	Manufacturing and sales of fats, feed, flour	US 17,000	(Note 1)	US 10,200	US —	US —	US —	US 10,200	60.00%	US 71 (Note 2)	US 12,639		-	
Cargill-President (Donguan) Feed Protein Technology Co., Ltd.	Manufacturing and sales of animal feeds	US 40,000	(Note 1)	US 15,280	US —	US —	US —	US 15,280	50.00%	US 1,900 (註2)	US 33,078		-	
President Fuche (Qingdo) Co., Ltd.	Manufacturing and processing of eggs	US 1,500	(Note 1)	US —	US —	US —	US —	US —	"	(RMB 220) (Note 2)	(RMB 1,193)		-	
Tianjin Fuye Commercial Co., Ltd.	Manufacturing and sales of hypermarket	US 12,000	(Note 1)	US 5,400	US —	US —	US —	US 5,400	45.00%	US 404 (Note 2)	US 7,071		-	
San Tong Wan Fu (Qingdo) Food Industry Co., Ltd.	Manufacturing and sales of feed, breed stock and poultry	US 12,000	(Note 1)	US —	US —	US —	US —	US —	30.00%	RMB 633 (Note 2)	RMB 35,796		-	
Guangzhou Jiaguang supermarket Co., Ltd.	Warehouse & wholesale	US 12,000	(Note 1)	US 1,200	US —	US —	US —	US 1,200	20.00%	RMB 144 (Note 2)	RMB 9,288		-	
Chongqing Carrefour Commercial Co., Ltd.	"	US 29,280	(Note 1)	US 2,500	US —	US —	US —	US 2,500	10.00%	-	US 2,971		-	

2. The ceiling amount of investment in Mainland China

(Amount : in thousand US dollars & NT dollars)

Accumulated investment balance from Taiwan to Mainland China		Amount approved by MOEA		Ceiling amount of investment in Mainland China by MOEA	
\$	9,388,407 (Note 3)	\$	11,764,914 (Note 4)	\$	12,798,751 (Note 5)
(US\$	309,439.9)	(US\$	387,769.1)		

(Note 1) Indirect investment in PRC through existing companies located in the third area.

(Note 2) Recognized based on unaudited financial statements for the six-month period ended June 30, 2008 for each entity.

(Note 3) Calculated at exchange rate of \$30.34 (US dollars to NT dollars). If calculated at exchange rate when approved by MOEA, the amount is \$8,794,950.

(Note 4) Calculated at exchange rate of \$30.34 (US dollars to NT dollars). If calculated at exchange rate when approved by MOEA, the amount is \$11,175,143.

(Note 5) If the net capital over 10 billion: the first 5 billion counted by 40%, over 5 billion and less than 10 billion is counted by 30%, and the part of over 10 billion is counted by 20%; therefore, the overall ceiling is the combination of these three amounts.

(Note 6) An investee company of President Enterprises (China) Investment Corp. accounted for under the equity method.

3.The transactions across third region company with the investees in Mainland China:

- (a) Purchase:None.
- (b) Sales:None.
- (c) Accounts receivable:None.
- (d) Accounts payable:None.
- (e) Endorsement, guarantee and security:

<u>Name of endorsee</u>	<u>June 30, 2008</u>	<u>Purpose of guarantee</u>
Zhongshan President Enterprises Co., Ltd.	\$ 541,806	Loan
Tianjiang Tong Yee Industrial Co., Ltd.	443,694	"
Songjiang President Enterprises Co., Ltd.	363,920	"
Meishan president Feed & Oil Co., Ltd.	166,039	"
	<u>\$ 1,515,459</u>	

- (f) Other events having significant effects on the operating results and financial condition:  
None.

#### 4. Intercompany Relationships and Significant Intercompany Transactions

For the six-month period ended June 30, 2008

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Transaction terms		The percentage of total combined revenue or total assets (Note 5)
					Amount	Transaction terms	
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	(Sales)	(\$ 3,317,625)	Closes its accounts 30 days after the end of each month	(2%)
			1	Accounts receivable	948,008	—	—
			2	Other expenses	131,660	—	—
		Tung Ang Enterprises Corp.	1	(Sales)	( 2,915,920)	Closes its accounts 28 days after 10 days	(2%)
			1	Accounts receivable	566,786	—	—
		Tun Hsiang Enterprises Corp.	1	(Sales)	( 870,100)	2 months after sales	(1%)
			1	Accounts receivable	( 313,649)	—	—
		Retail Support International Corp.	1	(Sales)	( 849,698)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	202,845	—	—
		President Chain Store Corp.	1	(Sales)	( 781,710)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	151,605	—	—
		Tung Shun Enterprises Corp.	1	(Sales)	( 486,837)	2 months after sales	—
			1	Accounts receivable	224,400	—	—
		Uni-President Vendor Corp.	1	(Sales)	( 285,081)	Closes its accounts 30~60 days after the end of each month	—
		Tone Chu Enterprises Corp.	1	(Sales)	( 261,528)	2 months after sales	—
		Tung Yi Enterprises Corp.	1	(Sales)	( 177,182)	2 weeks after sales	—
		Tung-Hsiang Enterprises Corp.	1	(Sales)	( 175,209)	2 months after sales	—
		Tung Che Enterprises Corp.	1	(Sales)	( 173,055)	2 months after sales	—
		Tung Yu Enterprises Corp.	1	(Sales)	( 156,969)	2 weeks after sales	—
		President Kikkoman Inc.	2	purchases	508,646	one month	—
		President Nisshin Corp.	2	purchases	265,797	fifteen days	—
		Uni-President (Vietnam) Co.,Ltd.	2	purchases	142,077	Irregularly scheduled to pay	—
		President Packaging Corp.	2	purchases	117,059	one month	—

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Amount	Transaction terms		The percentage of total combined revenue or total assets (Note 5)
						Transaction terms		
0	Uni-President Enterprises Corp.	Uni-President Dream Parks Corp.	2	Advertising expenses	\$ 101,128		—	—
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	3	Long-term receivables	US 6,510		—	—
2	President International Trade & Investment Corp.	Cayman President Holdings Ltd.	3	Long-term receivables	US 6,630		—	—
3	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	( 552,731)	Closes its accounts 15~60 days after the end of each month		—
		Lien Song Enterprises Corp.	3	(Sales)	( 125,460)	12 days after sales		—
4	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	( 559,778)	Closes its accounts 45 days after the end of each month		—
			3	Accounts receivable	207,125		—	—
5	President International Development Corp.	Presitex Co., Ltd.	3	Other receivables	471,800		—	—
6	Qware Systems & Services Corp.	President Chain Store Corp.	3	(Sales)	( 134,859)	Closes its accounts 30~40 days after the end of each month		—
7	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	(Sales)	( 4,286,479)	Closes its accounts 30 days after the end of each month		(3%)
			3	Accounts receivable	621,724		—	—
8	Uni-President Enterprises China Holdings Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 137,182		—	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB 116,605		—	—
		Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 102,887		—	—
		Zhengzhou President Enterprises Food Co., Ltd.	3	Other receivables	RMB 68,591		—	—
		Guangzhou President Enterprises Co., Ltd.	3	Other receivables	RMB 68,591		—	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	Other receivables	RMB 54,873		—	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB 54,873		—	—
		Fuzhou President Enterprises Co., Ltd.	3	Other receivables	RMB 41,155		—	—
		Shenyang President Enterprises Co., Ltd.	3	Other receivables	RMB 34,296		—	—

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Transaction terms			The percentage of total combined revenue or total assets (Note 5)
					Amount	Transaction terms		
8	Uni-President Enterprises China Holdings Ltd.	Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB	34,296	—	—
		Nanchang President Enterprises Co., Ltd.	3	Other receivables	RMB	34,296	—	—
9	Zhangjiagang President Nisshin Food Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	28,721)	Closes its accounts 90 days after the end of each month	—
		Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	26,159)	Closes its accounts 60 days after the end of each month	—
10	Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	3	(Sales)	(THD	379,574)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	THD	148,208	—	—
11	Uni-President Asia Holdings Ltd.	President Enterprise (China) Investment Co., Ltd.	3	Other receivables	RMB	179,200	—	—
							—	—
12	President Enterprises (China) Investment Co., Ltd.	Zhengzhou President Enterprises Food Co., Ltd.	3	Other receivables	RMB	74,450	—	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB	65,000	—	—
		Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB	33,420	—	—
		Integrated Marketing & Distribution Co., Ltd.	3	Other receivables	RMB	25,500	—	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	Other receivables	RMB	25,180	—	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB	24,870	—	—
13	Kunshan President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	3	Other receivables	RMB	35,000	—	—
		Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB	30,000	—	—
14	Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	64,664)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	RMB	26,969	—	—
15	Shenyang President Enterprises Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB	28,521)	Closes its accounts 15 days after the end of each month	—
16	Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB	46,997)	Closes its accounts 60 days after the end of each month	—

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Amount	Transaction terms		The percentage of total combined revenue or total assets (Note 5)
						Transaction terms		
17	Guangzhou President Enterprises Co., Ltd.	Guangzhou President Healthy Food Technology Co., Ltd	3	Other receivables	RMB 26,000		—	—
18	Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd	3	Receivable-related party	RMB 55,000		—	—
19	Tianjiang President Enterprises Food Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd	3	Receivable-related party	RMB 30,000		—	—
20	Meishan President Feed & Oil Co., Ltd.	Zhongshan President Enterprises Co., Ltd.	3	Receivable-related party	RMB 24,000		—	—
21	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd.	3	Other receivables	US 11,080		—	—
22	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	( 983,816)	Closes its accounts 30 days after the end of each month		(1%)
			3	Accounts receivable	211,546	—	—	
		Tun Hsiang Enterprises Corp.	3	(Sales)	( 583,154)	77 days after sales		—
			3	Accounts receivable	270,877	—	—	
			3	(Sales)	( 221,878)	46 days after sales		—
3	(Sales)	( 130,728)	Closes its accounts 30 days after the end of each month		—			
23	Century Quick Services Restaurant Corp.	Uni-President Cold Chain Corp.	3	(Sales)	( 150,241)	Closes its accounts 30~55 days after the end of each month		—
24	Union Chinese Corp.	Lien Bo Enterprises Corp.	3	(Sales)	( 185,391)	Closes its accounts 60 days after the end of each month		—
25	Lien Bo Enterprises Corp.	Retail Support International Corp.	3	(Sales)	( 454,048)	Closes its accounts 15~70 days after the end of each month		—
			3	Accounts receivable	208,137	—	—	
26	Shanghai E&P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 48,082)	Closes its accounts 60 days after the end of each month		—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	(Sales)	(RMB 44,012)	Closes its accounts 15 days after the end of each month		—



Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Transaction terms			The percentage of total combined revenue or total assets (Note 5)
					Amount	Transaction terms		
27	Rich Universe International Limited	Uni-Splendor Corp.	3	(Sales)	(US 76,240)	According to the state of fund		(2%)
			3	Long-term receivables	US 25,024	—		—
		Grand-Prosper(HK) Ltd.	3	(Sales)	(US 25,487)	According to the state of fund		(1%)
28	Uni-Splendor Corp.	Rich Universe International Limited	3	(Sales)	(US 7,91)	According to the state of fund		—
		Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 16,460)	According to the state of fund		—
			3	Accounts receivable	US 45,060	—		1%
29	Grand-Prosper (HK) Ltd.	Rich Universe International Limited	3	(Sales)	(HKD 502,347)	According to the state of fund		(1%)
		Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(HKD 198,645)	According to the state of fund		(1%)
			3	Accounts receivable	HK 1,046,181	—		1%
30	Uni-Splendor Technology (Huizhou) Corp.	Grand-Prosper (HK) Ltd.	3	(Sales)	(RMB 455,631)	According to the state of fund		(1%)
31	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 370,242)	According to the state of fund		(1%)
32	Da Tong Ying Corp.	Uni-Splendor Corp.	3	(Sales)	( 115,585)	According to the state of fund		—
			3	Accounts receivable	109,249	—		—
		Rich Universe International Limited	3	(Sales)	( 147,508)	According to the state of fund		—
			3	Long-term receivables	151,260	—		—
33	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 75,044)	Closes its accounts 30 days after the end of each month		(2%)
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 55,870)	Closes its accounts 30 days after the end of each month		(1%)
			3	Accounts receivable	US 8,653	—		—
		Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	Other receivables	US 4,000	—		—
34	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 6,810)	Closes its accounts 4 months after the end of each month		—
35	President Information Corp.	President Chain Store Corp.	3	(Labour revenues)	( 314,714)	Closes its accounts 45 days after the end of each month		—
			3	Accounts receivable	120,778	—		—

Number (Note 2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Amount	Transaction terms		The percentage of total combined revenue or total assets (Note 5)
						Transaction terms		
36	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	(Sales)	(\$ 7,947,806)	Closes its accounts 20~70 days after the end of each month		(5%)
			3	Accounts receivable	2,602,272	—		1%
37	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	( 19,302,842)	Closes its accounts 30 days after the end of each month		(13%)
			3	Accounts receivable	4,808,652	—		2%
		President Drugstore Business Corp.	3	(Sales)	( 1,553,337)	Closes its accounts 50 days after the end of each month		(1%)
			3	Accounts receivable	589,772	—		—
38	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	( 286,215)	Closes its accounts 30~60 days after the end of each month		—
			3	(Sales)	( 326,605)	Closes its accounts 15 days after the end of each month		—
40	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	( 4,031,178)	Closes its accounts 19~65 days after the end of each month		(3%)
			3	Accounts receivable	1,322,407	—		—
41	Vision Distribution Service Corp.	Wisdom Distribution Services Corp.	3	(Sales)	( 254,723)	Closes its accounts 65 days after the end of each month		—
42	President Logistics International Corp.	Retail Support International Corp.	3	(Sales)	( 262,610)	Closes its accounts 20 days after the end of each month		—
		Uni-President Cold Chain Corp.	3	(Sales)	( 254,667)	Closes its accounts 35 days after the end of each month		—

For the six-month period ended June 30, 2007:

Number (Note 1)	Name of company	Name of counterparty	Kind of relationships (Note2)	Account	Amount	Transaction condition		Percentage of consolidated total operating revenues or total assets
						Transaction Terms		
0	Uni-President Enterprises Corp.	Uni-President ColdChain Corp.	1	(Sales)	(\$ 3,240,647)	Closes its accounts 30 days after the end of each month		(2%)
			1	Accounts receivable	930,081	—		—
			2	Other expenses	155,424	—		—
		Tung Ang Enterprises Corp.	1	(Sales)	( 2,914,488)	Closes its accounts 10 days and collect 28 days		(2%)
			1	Accounts receivable	610,198	—		—
		President Chain Store Corp.	1	(Sales)	( 821,750)	Closes its accounts 30 days after the end of each month		(1%)
			1	Accounts receivable	332,558	—		—
		Tun Hsiang Enterprises Corp.	1	(Sales)	( 799,304)	2 months after sales		(1%)
			1	Accounts receivable	286,330	—		—
		Retail Support International Corp.	1	(Sales)	( 608,805)	Closes its accounts 30 days after the end of each month		—
			1	Accounts receivable	129,170	—		—
		Tung Shun Enterprises Corp.	1	(Sales)	( 441,023)	2 months after sales		—
			1	Accounts receivable	205,950	—		—
		Uni-President Vendor Corp.	1	(Sales)	( 298,932)	Closes its accounts 20 days after the end of each month		—
		Tone Chu Enterprises Corp.	1	(Sales)	( 286,859)	2 months after sales		—
		Tung Sheng Enterprises Corp.	1	(Sales)	( 237,482)	2 months after sales		—
		Tung Che Enterprises Corp.	1	(Sales)	( 171,773)	2 months after sales		—
		Tung Yu Enterprises Corp.	1	(Sales)	( 165,836)	2 weeks after sales		—
		Tung Yi Enterprises Corp.	1	(Sales)	( 159,485)	2 weeks after sales		—
		President Kikkoman Inc.	2	Purchases	441,699	one month		—
		President Nisshin Corp.	2	Purchases	198,886	fifteen days		—
		President Packaging Inc. Corp.	2	Purchases	106,419	one month		—
		Uni-President Dream Parks Corp.	2	Advertising expense	189,537	—		—
1	President International Trade and Investment Corp.	Cayman President Holdings Ltd.	3	Other receivables	US 6,800	—		—
2	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Limited.	3	Other receivables	US 9,270	—		—

Number (Note 1)	Name of company	Name of counterparty	Kind of relationships (Note2)	Transaction condition			Percentage of consolidated total operating revenues or total assets
				Account	Amount	Transaction Terms	
3	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd.	3	Other receivables	US 20,000	—	—
4	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	( 607,873)	Closes its accounts 15~60 days after the end of each month	—
		Lien Song Enterprises Corp.	3	Accounts receivable	119,070	—	—
5	President Musashino Corp.	Uni-President ColdChain Corp.	3	(Sales)	( 101,511)	12 days after sales	—
			3	(Sales)	( 598,789)	Closes its accounts 25~30 days after the end of each month	—
				Accounts receivable	112,033	—	—
6	President International Development Corp.	Presitex Co., Ltd.	3	Other receivables	471,800	—	—
7	Qware Systems & Services Corp.	President Chain Store Corp.	3	(Sales)	( 109,088)	Closes its accounts 30~40 days after the end of each month	—
8	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	(Sales)	( 3,813,391)	Closes its accounts 45 days after the end of each month	(3%)
			3	Accounts receivable	555,408	—	—
9	President Chain Store Corp.	Retail Support International Corp.	3	Purchases	21,624,560	Closes its accounts 10~80 days after the end of each month	15%
			3	(Accounts payable)	( 4,447,558)	—	(2%)
		Uni-President ColdChain Corp.	3	Purchases	7,970,683	Closes its accounts 15~30 days after the end of each month	5%
			3	(Accounts payable)	( 2,137,974)	—	(1%)
		Wisdom Distribution Services Corp.	3	Purchases	4,074,012	Closes its accounts 25~35 days after the end of each month	3%
			3	(Accounts payable)	( 1,380,939)	—	(1%)
		President Transnet Corp.	3	Operating costs	336,236	Closes its accounts 15 days after the end of each month	—
10	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	( 951,891)	Closes its accounts 30 days after the end of each month	(1%)
			3	Accounts receivable	193,890	—	—
		Tun Hsiang Enterprises Corp.	3	(Sales)	( 556,949)	77 days after sales	—
			3	Accounts receivable	281,282	—	—
		Tung Yu Enterprises Corp.	3	(Sales)	( 244,223)	15 days after sales	—
		Tone Chu Enterprises Corp.	3	(Sales)	( 139,989)	Closes its accounts 30 days after the end of each month	—
		Uni-President ColdChain Corp.	3	(Sales)	( 107,021)	Closes its accounts 30 days after the end of each month	—
11	Century Quick Services Restaurant Corp.	Uni-President ColdChain Corp.	3	(Sales)	( \$ 107,549)	Closes its accounts 30 days after the end of each month	—
12	Union Chinese Corp.	Lien Bo Enterprises Corp.	3	(Sales)	( 196,013)	Closes its accounts 60 days after the end of each month	—
13	Lien Bo Enterprises Corp.	Retail Support International Corp.	3	(Sales)	( 521,816)	Closes its accounts 20~70 days after the end of each month	—
			3	Accounts receivable	119,658	—	—

Number (Note 1)	Name of company	Name of counterparty	Kind of relationships (Note2)	Transaction condition				Percentage of consolidated total operating revenues or total assets
				Account	Amount	Transaction Terms		
14	Cayman Ton Yi Industrial Holdings Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US	47,920)	—	(1%)
		Fujian Ton Yi Tinplate Co., Ltd.	3	Accounts receivable	US	9,892	—	—
			3	(Sales)	(US	66,043)	—	(1%)
			3	Accounts receivable	US	4,479	—	—
15	President Information Corp.	President Chain Store Corp.	3	(Sales)	(	267,556)	Closes its accounts 30 days after the end of each month	—
16	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(	198,401)	Closes its accounts 30~60 days after the end of each month	—
17	Retail Support International Corp.	President Drugstore Business Corp.	3	(Sales)	(	1,688,194)	Closes its accounts 50 days after the end of each month	(1%)
			3	Accounts receivable		759,382	—	—
		President Logistics International Corp.	3	(Sales)	(	261,963)	Closes its accounts 20 days after the end of each month	—
		President Coffee Corp.	3	(Sales)	(	175,284)	Closes its accounts 28 days after the end of each month	—
18	Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	3	(Sales)	(THD	400,891)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	THD	143,500	—	—
19	Suzhou President Packaging Co., Ltd.	Chanchshu President Packaging Co., Ltd.	3	Other receivables	RMB	28,958	—	—
20	Fujian Ton Yi Tinplate Co., Ltd.	Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US	3,630)	—	—
21	Nanchang President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	28,033)	No fixed payment term	—
22	Guangzhou President Enterprises Co., Ltd.	Fuzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB	31,242)	—	—
		Sanshui Jianlibao Commerce Co.,Ltd	3	Receivable-related party	RMB	50,000	—	—
23	Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	87,788)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	RMB	32,727	—	—
24	Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	38,656)	30~60 days	—
25	Shanghai E & P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB	47,512)	—	—
			3	Accounts receivable	RMB	29,184	—	—

Note 1: Transactions among the Company and subsidiaries amounted to NTS100,000 and one side of them are disclosed

Note 2: The transaction informations of the Company and the consolidated subsidiaries should be noted in column "Number". The number means:

1.Number 0 presents the Company.

2.The consolidated subsidiaries are in order from number 1.

Note 3: The kinds of relationships between the transaction parties are as follows:

1.The Company to the consolidated subsidiary.

2.The consolidated subsidiary to the Company.

3.The consolidated subsidiary to another consolidated subsidiary.

## 12. SEGMENT INFORMATION

Financial information disclosure by industry segment is not required in interim financial statements.