

UNI-PRESIDENT ENTERPRISES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

AND REPORT OF INDEPENDENT ACCOUNTANTS

MARCH 31, 2010 AND 2009

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.

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

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 March 31, 2010 and 2009, and the related consolidated statements of income and of cash flows for the three-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 \$36,715,158,000 and \$39,791,014,000, representing 12.99% and 14.52% of the related consolidated totals, and total liabilities of \$17,109,961,000 and \$20,780,794,000, representing 9.89% and 11.87% of the related consolidated totals, as of March 31, 2010 and 2009, respectively, and total operating revenues of \$6,672,558,000 and \$5,175,018,000, representing 8.28% and 7.34% of the related consolidated totals for the three-month periods then ended. We also did not review the financial statements of certain investee companies accounted for under the equity method. These long-term investments amounted to \$529,959,000 and \$489,035,000 as of March 31, 2010 and 2009, respectively, and their related net investment income and loss amounted to \$5,170,000 and \$5,070,000 for the three-month periods then ended. 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 unreviewed financial statements as of and for the three-month periods ended March 31, 2010 and 2009. Total assets of these subsidiaries amounted to \$187,398,454,000 and \$177,429,015,000, representing 66.30% and 64.75% of the related consolidated totals, and total liabilities amounted to \$98,894,581,000 and \$98,888,039,000, representing 57.17% and 56.50% of the related consolidated totals, as of March 31, 2010 and 2009, respectively, and total net income amounted to \$2,685,672,000 and \$1,480,323,000, representing 53.75% and 49.87% of the related consolidated totals for the three-month periods then ended. 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 reviewed by independent accountants. Long-term investments in these companies amounted to \$18,371,017,000 and \$20,253,727,000 as of March 31, 2010 and 2009, respectively, and the related investment income amounted to \$149,447,000 and \$436,513,000 for the three-month periods then ended. These amounts were based solely on their unreviewed financial statements. We were unable to satisfy ourselves as to the carrying values 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 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", generally accepted accounting principles in the Republic of China and the Gin-Gwen-Jen (6) Letter No.0960064020 issued by the Financial Supervisory Commission under the Executive Yuan dated November 15, 2007.

As described in Note 3, effective January 1, 2009, the Company and its subsidiaries adopted the amendments to R.O.C. Statement of Financial Accounting Standards No. 10, "Accounting for Inventories". As a result of the adoption of such amendments, net income increased by \$63,826,000 and earnings per share increased by \$0.02 for the three-month period ended March 31, 2010.

PricewaterhouseCoopers, Taiwan

May 13, 2010

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 audit 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 report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

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

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED)

	2010	2009
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4(1))	\$ 37,021,550	\$ 37,471,108
Financial assets at fair value through profit or loss - current (Note 4(2))	11,647,901	10,213,119
Available-for-sale financial assets - current (Note 4(3))	16,804	11,635
Derivative financial assets for hedging - current (Note 10(4))	-	2,176
Notes receivable, net (Note 4(4))	2,815,831	2,577,452
Accounts receivable, net (Note 4(5))	10,968,983	9,832,212
Accounts receivable, net - related parties (Note 5)	1,616,261	1,314,487
Other receivables (Notes 4(6) and 5)	7,085,119	5,498,686
Other financial assets - current (Note 6)	701,543	145,678
Inventories (Notes 3, 4(7)(11) and 6)	25,806,679	22,112,282
Prepayments (Note 7)	10,444,033	10,170,467
Deferred income tax assets - current	677,827	960,435
Other current assets - other	1,032,741	835,752
Total current assets	<u>109,835,272</u>	<u>101,145,489</u>
Funds and Investments		
Available-for-sale financial assets - non-current (Notes 4(3)(8))	11,368,622	6,342,816
Financial assets carried at cost - non-current (Notes 4(8)(16) and 6)	7,890,441	14,822,154
Investments in bonds without active markets - non-current (Note 4(9))	-	15,000
Long-term equity investments accounted for under the equity method (Notes 4(10) and 6)	25,238,847	26,394,385
Investments in real estate	3,935	3,935
Other financial assets - non-current (Note 6)	30,736	13,757
Total funds and investments	<u>44,532,581</u>	<u>47,592,047</u>
Property, Plant and Equipment, Net (Notes 4(11)(16), 5 and 6)		
Cost		
Land	9,140,209	9,230,259
Buildings	36,007,744	33,976,717
Machinery and equipment	68,918,712	67,740,029
Piping infrastructure and electricity generation equipment	5,333,608	5,300,169
Transportation equipment	3,681,042	3,462,828
Office equipment	5,436,417	5,955,397
Leased assets	957,292	1,156,576
Leasehold improvements	9,321,413	8,861,806
Other equipment	34,113,609	29,881,829
Revaluation increments	4,688,168	4,017,226
Cost and revaluation increments	177,598,214	169,582,836
Less: Accumulated depreciation	(84,924,530)	(77,075,183)
Accumulated impairment loss - property, plant and equipment	(89,099)	(99,376)
Construction in progress and prepayments for equipment	10,186,458	8,850,661
Total property, plant and equipment, net	<u>102,771,043</u>	<u>101,258,938</u>
Intangible Assets		
Deferred pension costs	178,144	221,984
Other intangible assets - other (Notes 4(12)(16) and 6)	5,405,636	4,895,416
Total intangible assets	<u>5,583,780</u>	<u>5,117,400</u>
Other Assets		
Assets leased to others (Notes 4(11)(13)(16) and 6)	8,910,368	9,192,085
Idle assets (Notes 4(11)(14)(16) and 6)	1,327,888	1,425,001
Refundable deposits (Notes 6 and 7)	2,332,222	2,377,622
Deferred expenses (Note 4(15))	982,081	1,074,604
Long-term notes, accounts and overdue receivables (Note 5)	604,242	607,551
Deferred income tax assets - non-current	656,674	426,310
Other assets - other (Notes 4(11) and 6)	5,132,254	3,825,343
Total other assets	<u>19,945,729</u>	<u>18,928,516</u>
TOTAL ASSETS	<u>\$ 282,668,405</u>	<u>\$ 274,042,390</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED)

	2010	2009
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term loans (Notes 4(17) and 6)	\$ 20,737,760	\$ 22,413,333
Notes and bills payable (Notes 4(18) and 6)	7,969,128	9,010,714
Financial liabilities at fair value through profit or loss - current (Note 4(2))	-	5,824
Notes payable	1,694,453	1,617,691
Accounts payable (Note 5)	25,008,006	18,778,565
Income tax payable	1,465,372	1,653,241
Accrued expenses (Note 5)	13,057,292	11,157,001
Other payables (Note 5)	9,283,956	8,254,729
Receipts in advance	4,490,948	3,607,722
Long-term liabilities - current portion (Notes 4(19)(20)(21) and 6)	12,287,393	12,836,961
Capital lease payables - current (Note 4(11))	25,688	23,253
Other current liabilities - other	303,373	505,284
Total current liabilities	96,323,369	89,864,318
Long-term Liabilities		
Bonds payable (Note 4(19))	3,000,000	4,489,768
Long-term loans (Notes 4(20) and 6)	61,703,839	69,269,922
Long-term notes payable	731,421	666,966
Capital lease payables - non-current (Note 4(11))	38,482	64,170
Long-term notes, accounts and overdue payable - related parties (Note 5)	436,470	285,720
Total long-term liabilities	65,910,212	74,776,546
Reserves		
Land value incremental reserve (Note 4(11))	1,908,314	1,773,357
Other Liabilities		
Accrued pension liabilities	2,887,286	2,501,586
Guarantee deposits received	4,112,631	3,999,380
Other liabilities - other (Note 4(21))	1,836,747	2,112,544
Total other liabilities	8,836,664	8,613,510
Total liabilities	172,978,559	175,027,731
Stockholders' Equity		
Capital		
Common stock (Notes 1 and 4(22))	38,974,002	37,331,420
Capital Reserves (Notes 4(19)(23))		
Additional paid-in capital - treasury stock transactions	34,027	34,027
Capital reserve from donated assets	500	458
Capital reserve from long-term investments	5,596,112	5,569,517
Capital reserve from stock warrants	489,454	489,454
Retained Earnings (Notes 4(22)(24))		
Legal reserve	7,272,218	6,912,135
Undistributed earnings	11,029,939	5,793,111
Other Adjustments to Stockholders' Equity		
Asset revaluations (Note 4(11))	2,163,171	1,814,671
Unrealized gain or loss on financial instruments (Notes 4(3)(10), 10(1)(4))	1,954,590	357,550
Cumulative translation adjustments	992,487	2,913,752
Unrecognized pension cost	(1,529,104)	(1,197,630)
Total parent company's equity	66,977,396	60,018,465
Minority interest	42,712,450	38,996,194
Total stockholders' equity	109,689,846	99,014,659
Commitments And Contingent Liabilities (Notes 5 and 7)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 282,668,405	\$ 274,042,390

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 13, 2010.

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE DATA)
(UNAUDITED)

	2010		2009	
Operating Revenues (Note 5)				
Sales	\$ 79,988,136	\$	70,308,055	
Sales returns	(311,706)	(	356,260)
Sales discounts	(1,493,937)	(	1,190,576)
Net Sales	78,182,493		68,761,219	
Other operating revenues	2,362,871		1,764,922	
Net Operating Revenues	80,545,364		70,526,141	
Operating Costs (Notes 3, 4(7) and 5)				
Cost of goods sold	(54,038,038)	(	48,465,907)
Other operating costs	(768,571)	(	667,511)
Net Operating Costs	(54,806,609)	(	49,133,418)
Gross profit	25,738,755		21,392,723	
Operating Expenses (Note 5)				
Sales and marketing expenses	(16,548,513)	(	14,143,502)
General and administrative expenses	(3,945,446)	(	3,428,228)
Research and development expenses	(200,893)	(	127,315)
Total Operating Expenses	(20,694,852)	(	17,699,045)
Operating income	5,043,903		3,693,678	
Non-operating Income and Gains				
Interest income (Note 5)	97,547		103,669	
Gain on valuation of financial assets (Note 4(2))	7,069		44,410	
Investment income accounted for under the equity method (Note 4(10))	253,027		526,843	
Dividend income	3,496		16,265	
Gain on disposal of property, plant and equipment	89,220		4,705	
Gain on disposal of investments (Notes 4(2)(8))	1,210,591		286,060	
Foreign exchange gain, net (Note 4(2))	37,411		86,634	
Rental income (Note 4(13))	108,049		104,411	
Reversal of impairment loss (Notes 4(8)(11)(12)(13)(14)(16))	220,765		-	
Other non-operating income (Note 5)	157,208		305,399	
Non-operating Income and Gains	2,184,383		1,478,396	
Non-operating Expenses and Losses				
Interest expense (Notes 4(11) and 10(3))	(371,781)	(	723,255)
Loss on valuation of financial liabilities (Note 4(2))	-	(	5,824)
Loss on disposal of property, plant and equipment	(44,624)	(	34,770)
Impairment loss (Notes 4(8)(11)(12)(13)(14)(16))	-	(	7,739)
Other non-operating losses (Note 5)	(623,837)	(	497,945)
Non-operating Expenses and Losses	(1,040,242)	(	1,269,533)
Income from continuing operations before income tax	6,188,044		3,902,541	
Income tax expense	(1,191,003)	(	934,241)
Consolidated net income	\$ 4,997,041	\$	2,968,300	
Attributable to:				
Equity holder of the Company	\$ 3,090,867	\$	2,069,619	
Minority interest	1,906,174		898,681	
	\$ 4,997,041	\$	2,968,300	
	Before Tax	After Tax	Before Tax	After Tax
Basic Earnings Per Common Share (in dollars) (Note 4(25))				
Net income	\$ 1.59	\$ 0.79	\$ 1.00	\$ 0.53
Diluted Earnings Per Common Share (in dollars) (Note 4(25))				
Net income	\$ 1.55	\$ 0.77	\$ 0.98	\$ 0.52

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 13, 2010.

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIODS ENDED MARCH 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED)

	2010		2009
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated net income	\$ 4,997,041	\$	2,968,300
Adjustments to reconcile net income to net cash provided by operating activities			
Gain on valuation of financial assets and liabilities	(20,829)	(	43,017)
Provision for doubtful accounts	-		6,672
Gain on reversal of bad debts	(9,753)	(-
Reversal of allowance for doubtful accounts	(79,878)	(	93,545)
Provision for inventory obsolescence and market price declines	43,715		6,899
Reversal of provision for inventory obsolescence and market price declines	(263,753)	(	587,781)
Reclassification of provision for inventory obsolescence as other income	-	(	12,584)
Investment income accounted for under the equity method	(253,027)	(	526,843)
Gain on disposal of investments	(1,170,001)	(	275,129)
Depreciation	2,753,759		2,664,956
(Gain) loss on disposal of property, plant and equipment, assets leased to others, idle assets and other assets	(44,596)		30,065
Impairment loss	-		7,739
Reversal of impairment loss	(220,765)	(-
Amortization	239,934		224,456
Changes in assets and liabilities			
Financial assets at fair value through profit or loss - current	2,259,250		1,925,719
Notes receivable	(153,394)	(	102,155)
Accounts receivable	(1,020,594)	(	630,259)
Accounts receivable - related parties	(545,598)	(	270,863)
Other receivables	(882,592)	(	794,646)
Inventories	(3,520,091)	(	3,246,323)
Prepayments	(1,522,503)	(	1,344,436)
Deferred income tax assets - current	242,362		101,922
Other current assets - other	(319,083)	(	170,029)
Deferred pension cost	42,289		6,508
Long-term notes, accounts and overdue receivables	574	(	566)
Deferred income tax assets - non-current	(349,212)	(	131,129)
Notes payable	(117,822)	(	1,028,443)
Accounts payable	4,604,225	(	1,075,952)
Income tax payable	793,259		595,493
Accrued expenses	(1,467,607)	(	35,395)
Other payables	1,476,181		690,643
Receipts in advance	(260,945)	(	403,460)
Other current liabilities - other	188,292		348,071
Accrued pension liabilities	62,136		9,362
Net cash provided by operating activities	<u>5,480,974</u>		<u>6,113,816</u>

(Continued)

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIODS ENDED MARCH 31
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED)

	2010	2009
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in employees' car loans	\$ 1,407	\$ 1,782
Decrease in other receivables - related parties	2,920	3,414
Increase in other financial assets - current	(353,923)	(22,418)
Decrease (increase) in available-for-sale financial assets - non-current	669,205	(450,901)
Decrease (increase) in financial assets carried at cost - non-current	113,713	(661,734)
Increase in long-term investments - non-subsiidiaries	(93,175)	(669,994)
Proceeds due to the subsidiaries' capital reduction and liquidated long-term investments	-	22,790
Proceeds from disposal of long-term investments - non-subsiidiaries	486,409	1,494,804
(Increase) decrease in other financial assets - non-current	(12,128)	10,823
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	(2,460,854)	(2,662,184)
Proceeds from disposal of property, plant and equipment, assets leased to others, idle assets and other assets	383,587	797,409
Increase in other intangible assets	(90,580)	(94,425)
Increase in refundable deposits	(42,314)	(122,300)
Increase in deferred expenses	(74,051)	(114,014)
Increase in other assets - other	(1,731,000)	-
Net cash used in investing activities	(3,200,784)	(2,466,948)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	2,530,147	2,042,103
Increase (decrease) in notes and bills payable	565,333	(181,948)
Increase in bonds payable	29,554	29,555
Decrease in long-term loans	(3,165,713)	(1,015,963)
Increase in long-term notes, accounts and overdue payables	205,368	265,755
Increase in long-term notes, accounts and overdue payables - related parties	20,823	50,767
Increase (decrease) in guarantee deposits received	451,868	(35,840)
(Decrease) increase in other liabilities - other	(433,675)	365,987
Increase in minority interest	767,894	1,249,758
Net cash provided by financing activities	971,599	2,770,174
Effect of foreign exchange rate changes	(263,222)	(632,275)
Adjustment due to transfer of equity interest in subsidiaries	(1,642,370)	-
Increase in cash and cash equivalents	1,346,197	5,784,767
Cash and cash equivalents at beginning of period	35,675,353	31,686,341
Cash and cash equivalents at end of period	\$ 37,021,550	\$ 37,471,108
Supplemental disclosures of cash flow information		
1. Interest paid (excluding capitalized interest)	\$ 416,637	\$ 668,141
2. Income tax paid	\$ 257,314	\$ 367,955
Investing and financing activities with partial cash payment		
1. Proceeds from disposal of long-term investments - non-subsiidiaries	\$ 486,409	\$ 489,825
Add: Other receivables, beginning of period	-	2,015,155
Less: Other receivables, end of period	-	(1,010,176)
Proceeds from disposal of long-term investments - non-subsiidiaries	\$ 486,409	\$ 1,494,804
2. Acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 1,318,978	\$ 2,928,479
Add :Other payables, beginning of period	1,823,602	578,750
Capital lease payables, beginning of period	70,203	92,883
Less :Other payables, end of period	(687,759)	(850,505)
Capital lease payables, end of period	(64,170)	(87,423)
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 2,460,854	\$ 2,662,184
Other activities with no cash flow effect		
1. Reversal of unrealized revaluation increments for land expropriation	\$ 1,184	-
2. Reclassification of financial assets carried at cost as available-for-sale financial assets due to stock conversion	\$ 3,685,194	-

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 13, 2010.

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2010 AND 2009

(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 March 31, 2010, the Company’s authorized capital was \$48,000,000, and the paid-in capital was \$38,974,002, consisting of 3,897,400,000 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 March 31, 2010, the Company and its subsidiaries had approximately 77,400 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 2010 were as follows:

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			March 31, 2010	March 31, 2009	
Uni-President Enterprises Corp.	Cayman President Holdings Ltd.	Professional investment	100.00%	100.00%	(Note 1)
	Kai Nan Investment Co., Ltd.	"	"	"	"
	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 soft drinks and food	"	"	"
	Tung Yuan Corp.	Distribution center	"	"	"
	Presco Netmarketing Inc.	Information services	"	"	"
	Uni-President Dream Parks Corp.	Wholesale and retailing of food, advertising, etc.	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			March 31, 2010	March 31, 2009	
Uni-President Enterprises Corp.	President Baseball Team Corp.	Management of professional baseball	100.00%	100.00%	(Note 1)
	President Entertainment Corp.	Entertainment business	"	"	(Note 1) (Note 3)
	President Organics Corp.	Sales of rice, vegetable, tea and drinks, etc.	"	"	"
	President Fair Development Corp.	Operation of shopping mall, department store, international trade, etc.	"	"	"
	Tung Ho Development Corp.	Entertainment business	"	99.28%	"
	Nanlien International Corp.	Import and export trading	99.99%	99.99%	(Note 1)
	President Natural Industrial Corp.	Sales of healthy food	74.85%	74.85%	"
	Uni-President Development Corp.	General investments	70.00%	70.00%	(Note 1) (Note 3)
	President International Development Corp.	Industry investment	75.36%	69.83%	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
Uni-President Enterprises Corp.	Tait Marketing & Distribution Co., Ltd.	Channel retailing and distribution centers, etc.	64.83%	42.12%	(Note 3)
	Scino Pharm Taiwan Ltd.	Research , Manufacturing and sales of pharmaceuticals	51.39%	—	(Note 1) (Note 3) (Note 4)
	President Tokyo Corp.	Car rental	51.00%	51.00%	(Note 1)
	President Nissin 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 Kikkoman Inc.	Manufacturing and sales of soya sauce	50.00%	50.00%	"
	Uni-President Biotechnology Co., Ltd.	Research and development of traditional chinese medicine, wholesale	"	"	"
	Ton Yi Industrial Corp.	Manufacturing of timplates	47.24%	47.24%	(Note 2) (Note 3)
	President Chain Store Corp.	Operation of supermarkets	45.80%	45.81%	(Note 3)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
Uni-President Enterprises Corp.	President Musashino Corp.	Sales of fresh food	—	90.00%	(Note 1) (Note 3) (Note 5)
	Qware Systems & Services Corp.	Data processing and software design services, etc.	—	51.34%	"
	President Asia Enterprises Inc.	Operating of supermarket, real estate and hotels, etc.	—	50.01%	(Note 1) (Note 3) (Note 6)
	Linkhope Intl. LLC.	General investments	100.00%	100.00%	(Note 1)
Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd. and its subsidiaries	Professional investment, etc.	"	"	"
	Uni-President Foods Corp.	Manufacturing and sales of instant noodles	"	"	"
	Uni-President International (HK) Co., Ltd.	Trading	"	"	"
	Songjiang President Enterprises Co., Ltd.	Manufacturing and sales of fats, feed, flour	"	"	(Note 1) (Note 3) (Note 5)
	Sanshui Jianhbao Commerce Co., Ltd.	Sale of soft drinks	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
Cayman President Holdings Ltd.	Uni-President Enterprises China Holdings Ltd. and its subsidiaries	Professional investment, etc.	73.49%	73.49%	(Note 1)
	President Energy Development (Cayman Islands) Ltd.	Investment in energy resources	65.79%	65.79%	(Note 1) (Note 3)
	Zhangjiagang President Nisshin Food Co., Ltd.	Manufacturing and sales of fats, feeds and flour	60.00%	60.00%	(Note 1)
	President Kikkoman Zhenji Foods Co., Ltd.	Manufacturing and sales of food	45.00%	—	(Note 1) (Note 7)
Kai Nan Investment Co., Ltd.	Kai Nan (BVI) Investment Co., Ltd. and its subsidiaries	Professional investment, etc.	100.00%	100.00%	(Note 1)
	President International Trade and Investment Corp.	Sales of biscuits and food	—	"	(Note 1) (Note 3) (Note 8)
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00%	"	(Note 1)
	Tung Ang Enterprises Corp.	Sales of soft drinks, etc.	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
Kai Yu Investment Co., Ltd.	Tung Guan Enterprises Co., Ltd.	Sales of livestock products	100.00%	100.00%	(Note 1)
	Tung Jun International Corp.	Wholesale of poultry and livestock	"	"	"
President Global Corp.	Ameripecc Inc.	Manufacturing of food	"	"	"
Uni-President Dream Parks Corp.	Uni-Oao Travel Services Corp.	Tours business	"	"	(Note 1) (Note 3)
President Fair Development Corp.	Kainan Plywood & Wood Mfg. Co., Ltd.	Manufacturing and sales of wood	"	"	(Note 1)
Nanlien International Corp.	Cayman Nanlien Holdings Ltd. and its subsidiaries	Professional investment, etc.	"	"	"
	Nella Limited and its subsidiaries	Trade agency and general investments, etc.	"	"	"
	Wei Lien Enterprises Corp. and its subsidiaries	Trade agency and general investments, etc.	"	"	"
	Uni-President Auto Accessories Corp.	Wholesale of motor vehicle parts and supplies	"	"	"
	Tun Hsiang Enterprises Corp., etc.	Sales of food, etc.	36.00%~ 100.00%	36.00%~ 100.00%	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
Nanlien International Corp.	Union Chinese Corp. and its subsidiaries	Sales of food, etc.	—	63.78%	(Note 1) (Note 6)
Tung Ho Development Corp.	Uni-Resort Corp.	Operation of restaurants, hotels and gymnasium, etc.	100.00%	100.00%	(Note 1)
President Natural Industrial Corp.	High Wave Biotech Corp.	Sales of healthy food	"	"	"
President International Development Corp.	President (BVI) International Investment Holdings Ltd. and its subsidiaries	Investment in manufacturing business, etc.	"	"	"
	Ton Yu Investment Inc. and its subsidiaries	Professional investment, etc.	"	"	"
	President Life Sciences Co., Ltd. and its subsidiaries	Manufacturing of chemical materials and instruments, etc.	"	"	"
	Tung Li Development Co., Ltd.	Land development	50.00%	50.00%	"
	Ton Shou Investment Inc.	Professional investment	—	100.00%	(Note 1) (Note 5)
	Ton Cheng Investment Inc.	Professional investment	—	"	(Note 1) (Note 5)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
President International Development Corp.	Presitex Co., Ltd.	Manufacturing and sales of clothing, etc.	—	100.00%	(Note 1) (Note 8)
	Ice Art Corp.	Operation of amusement park	—	65.22%	"
Tait Marketing & Distribution Co., Ltd.	Tait Distribution Service Co., Ltd.	Distribution business	100.00%	100.00%	(Note 1)
	Sonic International Cayman and its subsidiaries	General investment, etc.	"	"	"
	Tait (H.K) Limited	International trade	"	—	(Note 1) (Note 5)
	Innovate Wine Society Group Ltd.	Agent of wine sales	—	100.00%	(Note 1) (Note 8)
	Aurora Development Overseas Ltd.	General investment	—	"	"
	Scino Pharm Taiwan Ltd.	SPT International, Ltd. and its subsidiaries	General investment, etc.	100.00%	—	(Note 1) (Note 4)
	Han Feng (BVI), Ltd. and its subsidiaries	"	"	—	"
	Scino Pharm Singapore Pte Ltd.	General investment, etc.	"	—	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			March 31, 2010	March 31, 2009	
Scino Pharm Taiwan Ltd.	President ScinoPharm (Cayman), Ltd.	General investment, etc.	100.00%	—	(Note 1) (Note 4)
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.	—	"	(Note 1) (Note 8)
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd. and its subsidiaries	Professional investment, etc.	100.00%	"	(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 medicine	"	"	(Note 1)
	Ren-Hui Investment Corp.	Professional investment	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
President Chain Store Corp.	Capital	Enterprise management	100.00%	100.00%	(Note 1)
	Inventory Services Corp.	consultancy			
	Wisdom	Delivery of	"	"	"
	Distribution Services Corp. and its subsidiaries	magazines, etc.			
	Uni-President Cold Chain Corp. and its subsidiaries	Distribution center, etc.	"	"	(Note 1) (Note 3)
	Uni-President Oven Bakery Corp. and its subsidiaries	Bread retailing, etc.	"	"	(Note 1)
	Uni-President Department Store 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	"	"	"
	President Being Corp.	Operation of gymnasium, spa, etc.	"	"	"
	Century Quick Services Restaurant Corp.	Operation of fastfood chain restaurant	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
President Chain Store Corp.	President Chain Store Tokyo Marketing Corp.	Enterprise management consultancy	100.00%	—	(Note 1) (Note 7)
	Mech-President Co. Ltd. and its subsidiaries	Operation of gas stations and manufacturing of elevator, etc.	99.76%	83.74%	(Note 1) (Note 3)
	President Transnet Corp.	Distribution business	90.00%	90.00%	"
	President Musashino Corp.	Sales of fresh food	"	—	(Note 1) (Note 3) (Note 5)
	President Information Corp.	Information services	86.00%	86.00%	(Note 1) (Note 3)
	Qware Systems & Services Corp.	Data processing and software design services, etc.	86.76%	—	(Note 1) (Note 5)
	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%	70.00%	"
	President Collect Service Co., Ltd.	Collection agent for government institutions	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2010	March 31, 2009	Note
President Chain Store Corp.	Retail Support International Corp. and its subsidiaries	Distribution centers, etc.	65.00%	65.00%	(Note 1) (Note 3)
	Bank Pro E-Services Technology Company	Information services	58.33%	58.33%	"
	Duskin Serve Taiwan Co., Ltd. and its subsidiaries	Sales of cleaning instruments, etc.	51.00%	51.00%	(Note 1)
	Muji Taiwan Co., Ltd.	Retail business	"	"	(Note 1) (Note 3)
	Afternoon Tea Taiwan Corp.	Operation of restaurant	"	"	(Note 1)
	Books.Com. Co., Ltd.	Network Bookstore	50.03%	50.03%	"
	Mister Donut Co., Ltd.	Bread retailing	50.00%	50.00%	(Note 1) (Note 9)
	President Starbucks Coffee Corp.	Operation of a chain of coffee shops	"	"	(Note 1) (Note 3) (Note 9)
	Uni-President Yellow Hat Corp.	Wholesale and retail of automotive accessories	"	"	"
	President Asian Enterprises Inc.	555053 British Columbia Ltd.	Operating of trust	—	"

(Note 1) The financial statements of certain investee companies reflect total assets amounting to \$187,398,454 and \$177,429,015, representing 66.30% and 64.75% of the related consolidated totals, and total liabilities amounting to \$98,894,581 and \$98,888,039, representing 57.17% and 56.50% of the related consolidated totals, as of March 31, 2010 and 2009, respectively, with total net income amounting to \$2,685,672 and \$1,480,323, representing 53.75% and 49.87% of the consolidated net income for the three-month periods then ended. Those statements were not reviewed by

independent accountants.

(Note 2) As of March 31, 2010 and 2009, total assets amounted to \$36,715,158 and \$39,791,014, representing 12.99% and 14.52% of the related consolidated totals, respectively, and total liabilities amounted to \$17,109,961, and \$20,780,794, representing 9.89% and 11.87% of the related consolidated totals, respectively, and total operating revenues amounted to \$6,672,558 and \$5,175,018, representing 8.28% and 7.34% of the related consolidated totals for the three-month periods then ended. These amounts were based on the financial statements that were reviewed by other independent accountants.

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

(Note 4) Acquired the majority interest in 2010.

(Note 5) Adjustment in investment framework of President Chain Store Corp., Cayman President Holdings, Ton Yu Investment Inc. and Tait Marketing & Distribution Co., Ltd. in 2009.

(Note 6) Lost majority interest in 2010.

(Note 7) Acquired the majority interest in the second quarter of 2009.

(Note 8) Liquidated in 2009 or 2010.

(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: None.
- (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:
Subsidiaries have not issued convertible bonds payable and issued stocks by increasing capital that significantly affects for the Company's stockholders' equity.

2.SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying first-quarter consolidated financial statements of the Company and its subsidiaries (collectively referred herein as the Group) are prepared in accordance with the Gin-Gwen-Jen (6) Letter No. 0960064020 of the Financial Supervisory Commission, Executive Yuan, R.O.C., dated November 15, 2007, as “Simplified Disclosure for the Notes to First-Quarter Consolidated Financial Statements”, “Rules Governing the Preparation of Financial Statements by Securities Issuers” and accounting principles generally accepted in the Republic of China.

Except for the changes in accounting principles in Note 3, the Group’s significant accounting policies remain the same as disclosed in the notes to consolidated financial statements as of and for the year ended December 31, 2009.

3.CHANGES IN ACCOUNTING PRINCIPLES

(1)Inventories

Effective January 1, 2009, the Group adopted the amendments of R.O.C. SFAS No. 10, “Accounting for Inventories”. As a result of the change in accounting principle, consolidated net income increased by \$63,826 and earnings per share increased by \$0.02 (in NT dollars) for the three-month period ended March 31, 2009.

4. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Cash:		
Cash on hand	\$ 774,451	\$ 1,179,449
Checking deposits	1,683,240	1,911,950
Demand deposits	13,023,687	15,729,212
Time deposits	<u>15,055,622</u>	<u>12,993,165</u>
	30,537,000	31,813,776
Cash equivalents:		
Commercial papers	<u>6,484,550</u>	<u>5,657,332</u>
	<u>\$ 37,021,550</u>	<u>\$ 37,471,108</u>

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

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Current items:		
Financial assets held for trading		
Mutual funds	\$ 10,161,785	\$ 10,176,692
Coporation bonds	1,177,832	-
Listed (TSE and OTC) stocks	321,837	229,654
Derivatives	<u>6,798</u>	<u>12,350</u>
	11,668,252	10,418,696
Adjustment of financial assets held for trading	<u>(20,351)</u>	<u>(205,577)</u>
	<u>\$ 11,647,901</u>	<u>\$ 10,213,119</u>
	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Current items:		
Financial liabilities held for trading		
Derivatives	<u>\$ -</u>	<u>\$ 5,824</u>

(a) The Group recognized net income of \$61,419 and \$49,517 for the three-month periods ended March 31, 2010 and 2009, respectively.

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

	March 31, 2010			March 31, 2009		
	Contract Amount	Contract Period		Contract Amount	Contract Period	
Advance booking	USD 120,800	10. 2009~9. 2010		USD 16,000	2. 2009~6. 2009	
forward foreign exchange	EUR 160	3. 2010~5. 2010		—	—	
Forward exchange contracts	USD 5,000	1. 2010~5. 2010		JPY 600,000	9. 2008~8. 2009	
	JPY 370,000	9. 2009~6. 2010		—	—	

The forward exchange contracts are sell NTD buy USD and sell JPY buy USD to hedge the change of exchange rate due to imports and exports, but not adopting the hedge accounting.

(3) Available-for-sale financial assets

	March 31, 2010	March 31, 2009
Current items:		
Mutual funds	\$ 23,014	\$ 24,014
Adjustment of available-for-sale financial assets	(6,210)	(12,379)
	<u>\$ 16,804</u>	<u>\$ 11,635</u>
Non-current items:		
Listed (TSE and OTC) stocks	\$ 10,047,562	\$ 5,589,142
Corporation bonds	12,500	28,268
Mutual funds	1,669	—
	10,061,731	5,617,410
Adjustment of available-for-sale financial assets	1,306,891	725,406
	<u>\$ 11,368,622</u>	<u>\$ 6,342,816</u>

(4) Notes receivable, net

	March 31, 2010	March 31, 2009
Notes receivable	\$ 2,895,672	\$ 2,656,586
Less: Allowance for doubtful accounts	(79,841)	(79,134)
	<u>\$ 2,815,831</u>	<u>\$ 2,577,452</u>

(5) Accounts receivable, net

	March 31, 2010	March 31, 2009
Accounts receivable	\$ 11,548,251	\$ 10,346,322
Less: Allowance for doubtful accounts	(579,268)	(514,110)
	<u>\$ 10,968,983</u>	<u>\$ 9,832,212</u>

(6) Other receivables

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Other receivables	\$ 7,461,100	\$ 6,026,494
Less: Allowance for doubtful accounts	(375,981)	(527,808)
	<u>\$ 7,085,119</u>	<u>\$ 5,498,686</u>

(7) Inventories

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Merchandise	\$ 9,502,135	\$ 9,082,876
Raw materials	6,690,850	6,564,145
Raw materials in transit	1,277,660	1,169,262
Supplies	1,746,975	1,199,064
Work in process	2,091,451	1,134,341
Livestock in process	-	14,984
Finished goods	4,218,441	3,801,533
By-products	907	1,770
Land held for construction	128,351	128,351
Construction in progress-land	299,385	299,385
Construction in progress-buildings	443,786	19,045
Buildings and land held for sale	<u>12,541</u>	<u>124,634</u>
	26,412,482	23,539,390
Less: Allowance for price decline and obsolescence in inventories	(605,803)	(1,427,108)
	<u>\$ 25,806,679</u>	<u>\$ 22,112,282</u>

Expenses and losses on inventories recognized:

	For the three-month periods ended March 31,	
	2010	2009
Inventories sold	\$ 54,213,477	\$ 49,058,359
Provision for inventory obsolescence obsolescence and market price decline (Note)	43,715 (263,753)	6,899 (587,781)
Reclassification of provision for inventory market price decline as other income	-	(12,584)
Loss on physical inventory	63,609	1,510
Loss on production stoppage	65,661	22,176
Loss on discarding inventory	31,380	21,813
Revenue from sale of scraps	(116,051)	(44,485)
Cost of goods sold	<u>\$ 54,038,038</u>	<u>\$ 48,465,907</u>

(Note) As the selling price increased, the allowance for inventory obsolescence and decline was reversed.

For details of interest capitalized to inventories, please refer to Note 4(11).

(8) Financial assets carried at cost

	March 31, 2010	March 31, 2009
Non-current items:		
Unlisted stocks	\$ 8,961,169	\$ 9,348,020
Non-public trading bonds	1,106,588	803,907
Emerging stocks	<u>62,055</u>	<u>8,183,587</u>
	10,129,812	18,335,514
Less: Accumulated impairment	(2,239,371)	(3,513,360)
	<u>\$ 7,890,441</u>	<u>\$ 14,822,154</u>

Toppoly Optoelectronics Co, Ltd., a subsidiary of the Company has obtained stockholder approval during the interim stockholders' meeting held on January 6, 2010 to merge with Innolux Display Corp., and Chi Mei Optoelectronics. Each 3.83 shares of Toppoly Optoelectronics Co, Ltd. common shares was be exchanged into 1 of Innolux common share, and the effective date of merger is March 18, 2010. The new Company following the merger was re-named as Chimei Innolux Corporation. The Group obtained Chimei Innolux Corporation common stock (92,103,000 shares) which was classified as available-for-sale financial assets, and recognized a gain on disposal of investments amounting to \$1,021,263 on the effective date of merger.

(9) Investments in bonds without active markets

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Non-current item:		
Finance bonds	<u>\$ -</u>	<u>\$ 15,000</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:

<u>Name of subsidiaries</u>	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>Percentage owned</u>	<u>Amount</u>	<u>Percentage owned</u>
Jimmailang Beverage (Beijing) Co., Ltd.	\$ 1,850,240	50.00	\$ 1,673,520	50.00
Cargill President Holding Pte. Ltd.	1,345,471	50.00	1,296,796	50.00
Presicarre Corp.	7,356,926	40.00	7,968,868	40.00
TTET Union Corp.	1,116,609	37.64	1,035,465	37.64
Eagle Cold Storage Enterprises Co., Ltd.	529,959	33.81	489,035	34.23
Kuang Chuan Dairy Co., Ltd.	1,362,779	31.25	1,251,811	31.25
President Securities Corp.	6,008,352	29.99	5,304,458	29.25
Kang Na Hsiung Enterprise Co., Ltd.	641,050	20.71	695,250	24.80
Yantai North Andrejuice Co., Ltd. (Note 1)	1,031,394	15.00	-	-
President Kikkoman Zhenji Foods Co., Ltd. (Note 2)	-	-	669,982	45.00
Scino Pharm Taiwan, Ltd. (Note 2)	-	-	831,551	20.77
Others (individually less than 2%)	3,996,067	20.00	5,177,649	20.00
		~50.00		~50.00
	<u>\$25,238,847</u>		<u>\$26,394,385</u>	

(Note 1) The Group accounted for the investment of Yantai North Andrejuice Co., Ltd. under the equity method because the Group had the ability to exercise significant influence, even though the Group's ownership in this investee company was less than 20%.

(Note 2) These companies are subsidiaries during this period.

(b) Long-term investment income accounted for under the equity method was \$253,027 and \$526,843 for the three-month periods ended March 31, 2010 and 2009, respectively. Except for TTET Union Corp. and 2 other companies, 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 reviewed by independent accountants. As of March 31, 2010 and 2009, long-term investments in these investee companies was \$18,371,071 and \$20,253,727, respectively and the related investment income was \$149,447 and \$436,513 for the three-month periods then ended.

- (c) The investee companies adopted R.O.C. SFAS No. 34, “Recognition and Measurement of Financial Instruments:” and SFAS No. 36, “Disclosure and Presentation of Financial Instruments”. Accordingly, the Company had recognized an unrealized loss on financial instruments of long-term equity investments amounting to \$195,552 and \$0 (classified as unrealized gain or loss on financial instruments) as of March 31, 2010 and 2009, respectively.

(11) Property, plant and equipment

- (a) As of March 31, 2010 and 2009, the details of revaluation increments and accumulated depreciation of property, plant and equipment are listed as follows:

<u>Assets</u>	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Revaluation increments</u>	<u>Accumulated depreciation</u>	<u>Revaluation increments</u>	<u>Accumulated depreciation</u>
Land	\$ 4,430,667	\$ -	\$ 3,755,607	\$ -
Buildings	193,295	10,751,657	193,562	9,901,652
Machinery and equipment	37,460	38,505,596	37,773	34,352,515
Piping infrastructure and electricity generation equipment	6,635	2,101,206	6,675	2,732,079
Transportation equipment	-	2,545,621	858	4,809,208
Office equipment	287	3,681,953	288	3,882,564
Leased assets	-	307,859	-	309,310
Leasehold improvements	-	5,507,369	-	5,071,549
Other equipment	19,824	21,523,269	22,463	16,016,306
	<u>\$ 4,688,168</u>	<u>\$84,924,530</u>	<u>\$ 4,017,226</u>	<u>\$77,075,183</u>

- (b) In the years 1975, 1979, 1981, 1983, 1990, 1995 and 2005, the Group 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 revaluation (shown as capital reserve from asset revaluations before the amended

“Business Entity Accounting Law”) amounted to \$1,510,131 and \$1,511,316 as of March 31, 2010 and 2009. In addition, as a result of the adoption of R.O.C. SFAS No. 5, “Long-term Investments under Equity Method”, the Group recognized the unrealized asset revaluation amounting to \$653,039 and \$303,355 as of March 31, 2010 and 2009, respectively.

- (c) The balance of provision for land value incremental tax amounted to \$1,908,314 and \$1,773,357 as of March 31, 2010 and 2009, respectively.
- (d) Interest expense before capitalization of inventories and property, plant and equipment for the three-month periods ended March 31, 2010 and 2009 was \$401,933 and \$749,234, respectively. Interest capitalized totaled \$30,152 and \$25,979 with interest rates of 0.70% ~5.20% and 1.32% ~3.00% for the three-month periods ended March 31, 2010 and 2009.
- (e) As of March 31, 2010 and 2009, the Group owned certain agricultural land amounting to \$1,008,169 and \$1,008,879, 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 March 31, 2010 and 2009, the book value was \$176,320 (the contract price of \$280,000 less deferred revenue of \$103,680).

(g) Leased assets

The terms of the major leased properties are summarized below:

- (i) 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 were listed below:

Category of property	Present value based 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

(ii) As of March 31, 2010, total amount of future rental payments and their present value were listed as follows:

	<u>Rent Payable</u>	
	Present value of future rental payments	Total future rental payments
4.1.2010-3.31.2011	\$ 25,688	\$ 30,949
4.1.2011-3.31.2012	28,378	30,949
4.1.2012-7.31.2012	<u>10,104</u>	<u>10,316</u>
	64,170	<u>\$ 72,214</u>
Less: Liabilities under capital lease within one year	(<u>25,688</u>)	
Capital lease payable - non-current	<u>\$ 38,482</u>	

(h) The accumulated impairment of property, plant and equipment on March 31, 2010 and 2009 was \$89,099 and \$99,376, respectively. Please refer to Note 4(16).

(12) Other intangible assets

As of March 31, 2010 and 2009, other intangible assets were as follows:

Item	Beginning balance				For the three-month period ended March 31, 2010				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	\$ 533,821	(\$ 36,445)	\$ -	\$ 497,376	\$ -	(\$ 3,136)	(\$ 1,989)	\$ 533,821	(\$ 39,581)	(\$ 1,989)	\$ 492,251
Copyrights	14,057	(512)	-	13,545	-	-	-	14,057	(512)	-	13,545	
Land use rights	2,212,549	(182,514)	-	2,030,035	-	(10,795)	-	2,212,549	(193,309)	-	2,019,240	
Land occupancy rights	1,918,136	(244,814)	18,752	1,692,074	5,564	(24,820)	646	1,923,700	(269,634)	19,398	1,673,464	
Others	3,233,963	(1,863,453)	-	1,370,510	66,473	(120,346)	-	3,300,436	(1,983,799)	-	1,316,637	
	<u>\$ 7,912,526</u>	<u>(\$ 2,327,738)</u>	<u>\$ 18,752</u>	<u>5,603,540</u>	<u>\$ 72,037</u>	<u>(\$ 159,097)</u>	<u>(\$ 1,343)</u>	<u>\$ 7,984,563</u>	<u>(\$ 2,486,835)</u>	<u>\$ 17,409</u>	<u>5,515,137</u>	
Less: Discount on land use rights				(114,499)							(95,956)	
Accumulated impairment				(13,545)							(13,545)	
				<u>\$ 5,475,496</u>							<u>\$ 5,405,636</u>	

Item	Beginning balance				For the three-month period ended March 31, 2009				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	\$ 240,909	(\$ 18,165)	\$ -	\$ 222,744	\$ -	(\$ 425)	\$ -	\$ 240,909	(\$ 18,590)	\$ -	\$ 222,319
Copyrights	14,057	(512)	-	13,545	-	-	-	14,057	(512)	-	13,545	
Land use rights	2,212,549	(141,307)	-	2,071,242	-	(10,683)	-	2,212,549	(151,990)	-	2,060,559	
Land occupancy rights	1,517,114	(124,287)	12,672	1,405,499	-	(14,544)	39,274	1,517,114	(138,831)	51,946	1,430,229	
Others	2,538,254	(1,225,441)	-	1,312,813	94,425	(110,430)	-	2,632,679	(1,335,871)	-	1,296,808	
	<u>\$ 6,522,883</u>	<u>(\$ 1,509,712)</u>	<u>\$ 12,672</u>	<u>5,025,843</u>	<u>\$ 94,425</u>	<u>(\$ 136,082)</u>	<u>\$ 39,274</u>	<u>\$ 6,617,308</u>	<u>(\$ 1,645,794)</u>	<u>\$ 51,946</u>	<u>5,023,460</u>	
Less: Discount on land use rights				(114,499)							(114,499)	
Accumulated impairment				(13,545)							(13,545)	
				<u>\$ 4,897,799</u>							<u>\$ 4,895,416</u>	

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

(13) Assets leased to others

	March 31, 2010						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 4,781,435	\$ 1,580,504	\$ 6,361,939	\$ -	\$ -	\$ -	\$ 6,361,939
Buildings	3,663,502	14,075	3,677,577	(895,815)	(13,673)	(909,488)	2,768,089
Machinery and equipment	75,677	-	75,677	(38,335)	-	(38,335)	37,342
Piping infrastructure and electricity generation equipment	9,754	-	9,754	(8,474)	-	(8,474)	1,280
Office equipment	2,117	-	2,117	(2,004)	-	(2,004)	113
Other equipment	159,013	4,290	163,303	(143,527)	(4,290)	(147,817)	15,486
	<u>\$ 8,691,498</u>	<u>\$ 1,598,869</u>	<u>\$ 10,290,367</u>	<u>(\$ 1,088,155)</u>	<u>(\$ 17,963)</u>	<u>(\$ 1,106,118)</u>	9,184,249
Less: Accumulated impairment							(273,881)
							<u>\$ 8,910,368</u>

	March 31, 2009						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 4,923,681	\$ 1,580,504	\$ 6,504,185	\$ -	\$ -	\$ -	\$ 6,504,185
Buildings	3,519,390	14,075	3,533,465	(684,221)	(13,542)	(697,763)	2,835,702
Machinery and equipment	27,177	-	27,177	(16,860)	-	(16,860)	10,317
Piping infrastructure and electricity generation equipment	9,843	-	9,843	(8,282)	-	(8,282)	1,561
Office equipment	10,334	-	10,334	(9,909)	-	(9,909)	425
Other equipment	273,551	4,290	277,841	(220,664)	(4,290)	(224,954)	52,887
	<u>\$ 8,763,976</u>	<u>\$ 1,598,869</u>	<u>\$ 10,362,845</u>	<u>(\$ 939,936)</u>	<u>(\$ 17,832)</u>	<u>(\$ 957,768)</u>	9,405,077
Less: Accumulated impairment							(212,992)
							<u>\$ 9,192,085</u>

A. Rental revenues for the three-month periods ended March 31, 2010 and 2009 were \$69,324 and \$72,000, 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

	March 31, 2010							Net book value
	Cost			Accumulated depreciation				
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total		
Land	\$ 1,300,855	\$ 566	\$ 1,301,421	\$ -	\$ -	\$ -	\$ 1,301,421	
Buildings	219,942	4,860	224,802	(119,217)	(4,848)	(124,065)	100,737	
Machinery and equipment	557,044	-	557,044	(380,744)	-	(380,744)	176,300	
Piping infrastructure and electricity generation equipment	8,453	41	8,494	(6,873)	(41)	(6,914)	1,580	
Office equipment	1,758	-	1,758	(1,602)	-	(1,602)	156	
Other equipment	145,069	1,373	146,442	(126,898)	(1,373)	(128,271)	18,171	
	<u>\$ 2,233,121</u>	<u>\$ 6,840</u>	<u>\$ 2,239,961</u>	<u>(\$ 635,334)</u>	<u>(\$ 6,262)</u>	<u>(\$ 641,596)</u>	1,598,365	
Less: Accumulated impairment							(270,477)	
							<u>\$ 1,327,888</u>	

	March 31, 2009							Net book value
	Cost			Accumulated depreciation				
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total		
Land	\$ 1,360,922	\$ 566	\$ 1,361,488	\$ -	\$ -	\$ -	\$ 1,361,488	
Buildings	150,389	4,860	155,249	(85,924)	(4,846)	(90,770)	64,479	
Machinery and equipment	526,078	-	526,078	(340,812)	-	(340,812)	185,266	
Piping infrastructure and electricity generation equipment	10,089	-	10,089	(8,354)	-	(8,354)	1,735	
Office equipment	2,799	-	2,799	(1,897)	-	(1,897)	902	
Other equipment	137,231	1,075	138,306	(115,854)	(1,075)	(116,929)	21,377	
	<u>\$ 2,187,508</u>	<u>\$ 6,501</u>	<u>\$ 2,194,009</u>	<u>(\$ 552,841)</u>	<u>(\$ 5,921)</u>	<u>(\$ 558,762)</u>	1,635,247	
Less: Accumulated impairment							(210,246)	
							<u>\$ 1,425,001</u>	

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

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

(15) Deferred expenses

	<u>For the three-month periods ended March 31,</u>	
	<u>2010</u>	<u>2009</u>
Beginning balance	\$ 988,549	\$ 1,064,569
Additions	74,051	114,014
Amortization	(80,837)	(88,374)
Effect of exchange rate changes	318	(15,605)
Ending balance	<u>\$ 982,081</u>	<u>\$ 1,074,604</u>

The deferred expenses include lease of packing machines. The minimum advance rental payments are amortized over 7~8 years, the estimated economic lives of the packing machines. Other quarterly rental payments and cost based on units-of-production are charged as current expense.

(16) Impairment of assets

After reversal of impairment loss previously recognized, the total accumulated impairment as of March 31, 2010 and 2009 was \$2,886,373 and \$4,049,519, respectively.

Details were set forth below:

<u>Item</u>	<u>March 31, 2010</u>	
	<u>Amount included in statement of income</u>	<u>Amount included in stockholders' equity</u>
Recorded as impairment loss:		
Financial assets carried at cost - non-current (Note)	\$ 2,239,371	\$ -
Property, plant and equipment (Note)	89,099	-
Copyrights (classified as other intangible assets)	13,545	-
Assets leased to others (Note)	273,881	-
Idle assets (Note)	270,477	-
	<u>\$ 2,886,373</u>	<u>\$ -</u>

<u>Item</u>	<u>March 31, 2009</u>	
	<u>Amount included in statement of income</u>	<u>Amount included in stockholders' equity</u>
Recorded as impairment loss:		
Financial assets carried at cost - non-current (Note)	\$ 3,513,360	\$ -
Property, plant and equipment (Note)	99,376	-
Copyrights (classified as other intangible assets)	13,545	-
Assets leased to others (Note)	212,992	-
Idle assets (Note)	210,246	-
	<u>\$ 4,049,519</u>	<u>\$ -</u>

The accumulated impairment summarized by department were as follows:

<u>Department</u>	<u>March 31, 2010</u>	
	<u>Amount included in statement of income</u>	<u>Amount included in stockholders' equity</u>
Entertainment business	\$ 310,634	\$ -
Tinplate business	31,539	-
Foods	332,330	-
Feeds	819	-
Retail chain stores	504,296	-
General department	1,706,755	-
	<u>\$ 2,886,373</u>	<u>\$ -</u>

<u>Department</u>	<u>March 31, 2009</u>	
	<u>Amount included in statement of income</u>	<u>Amount included in stockholders' equity</u>
Entertainment business	\$ 115,267	\$ -
Tinplate business	43,017	-
Foods	227,627	-
Feeds	810	-
Retail chain stores	894,396	-
General department	2,768,402	-
	<u>\$ 4,049,519</u>	<u>\$ -</u>

(Note) Part of financial assets carried at cost - non-current have been recognized or disposed, and property, plant and equipment and part of assets leased to others and idle assets have been recognized, disposed or transferred to property, plant and equipment during the three-month periods ended March 31, 2010 and 2009. As such, reversal of impairment loss and impairment loss of \$ 220,765 and \$7,739 was recognized for the three-month periods ended March 31, 2010 and 2009.

(17) Short-term loans

	<u>March 31, 2010</u>	<u>March 31, 2009</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 17,112,821	\$ 19,764,946	—
Secured bank loans	<u>3,624,939</u>	<u>2,648,387</u>	(Note)
	<u>\$ 20,737,760</u>	<u>\$ 22,413,333</u>	
Range of interest rates	<u>0.55%~4.86%</u>	<u>0.79%~5.43%</u>	

(Note) Collaterals included certificate of deposit - restricted, inventories, assets carried at cost - non-current, long-term equity investments accounted for under the equity method, land, buildings and machinery equipment.

(18) Notes and bills payable

	<u>March 31, 2010</u>	<u>March 31, 2009</u>	<u>Collateral or security</u>
Commercial papers payable	\$ 7,971,068	\$ 9,015,000	(Note)
Less: Prepaid interest	(<u>1,940</u>)	(<u>4,286</u>)	
	<u>\$ 7,969,128</u>	<u>\$ 9,010,714</u>	
Range of interest rates	<u>0.57%~2.24%</u>	<u>0.75%~2.86%</u>	

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

(Note) Collaterals included certificate of deposit - restricted, inventories, financial assets carried at cost - non-current, long-term equity investments accounted under the equity method, land, buildings, and other assets - other.

(19) Bonds payable

	<u>March 31, 2010</u>	<u>March 31, 2009</u>	<u>Collateral or security</u>
Unsecured convertible bonds payable	\$ 4,675,000	\$ 4,675,000	—
Unsecured ordinary bonds payable	3,000,000	—	—
Secured domestic bonds payable	—	3,500,000	—
	<u>7,675,000</u>	<u>8,175,000</u>	
Less: Discount on bonds payable	(67,014)	(185,232)	
Current portion of bonds payable	(<u>4,607,986</u>)	(<u>3,500,000</u>)	
	<u>\$ 3,000,000</u>	<u>\$ 4,489,768</u>	

A. 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:

<u>Bonds</u>	<u>Coupon rate</u>
A, B and C	The coupon rate is 2.14% per annum.
D and E	The coupon rate is 3% (5 Year TWD IRS — 2 Year TWD IRS) + 0.92% per annum. The floor of coupon rate is zero.
F and G	If (5 Year TWD IRS — 2 Year TWD IRS) ≤ 1.15%, then the coupon rate is 3% (5 Year TWD IRS — 2 Year TWD IRS) + 1.1% and the floor of coupon rate is not less than zero. If (5 Year TWD IRS — 2 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 installments every six month 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.

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

(a) Total issue amount: \$5,000,000.

(b) Issue price: At 103% of par value of \$100 per bond.

(c) Coupon rate: 0%.

(d) Repayment term:

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

(e) Period: 3 years, from October 25, 2007 to October 25, 2010.

(f) Conversion period:

Except for the closed period, the bonds may be converted into the Company's common stocks on or after November 26, 2007 and on or prior to October 15, 2010. As of March 31, 2010, no bonds have been converted into common stocks.

(g) Conversion price and adjustment:

The conversion price is \$56 (in NT dollars) per share. Except for the common stocks converted from securities with conversion rights or options issued by the Company, the Company shall adjust the conversion price under the terms of the bonds in the cases of new shares issued, stock dividends, free distribution, cash dividends or equity dilution to the original shareholders. As of March 31, 2010, the conversion price was \$48.6 (in NT dollars).

(h) Under the terms of the convertible bonds, all bonds (redeemed, matured and converted) are retired and not to be re-issued. As of March 31, 2010 and 2009, both the convertible bonds in the amount of \$325,000 were repurchased by the Company from the Taiwan Over-The-Counter Securities Exchange.

(i) Under the terms of the bonds, the rights and obligations of the new common stocks

converted from the bonds equal to those issued originally.

C. For issued unsecured convertible bonds, the Company separates the conversion rights from the liabilities, which amounted to \$523,481 as "capital reserve-stock warrants" in accordance with the R.O.C SFAS No. 36, "Disclosure and Presentation of Financial Instruments". As of March 31, 2010 and 2009, the capital reserve-stock warrants for the bonds redeemed, matured and converted were \$489,454.

D. The Company issued unsecured ordinary bonds payable in December 2009. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued secured domestic bonds totaling \$3,000,000, including \$1,500,000 of A and B.

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

(c) Coupon rate:

(i) A Bond: the coupon rate is 1.23% per annum.

(ii) B Bond: the coupon rate is 1.59% per annum.

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting December 2009 based on the coupon rate.

(e) Repayment term:

(i) A Bond: the bonds are repayable in December 2012 upon the maturity of the bonds.

(ii) B Bond: the bonds are repayable starting December 2013 to December 2014 in two installments at the rate of 50% and 50%, respectively.

(f) Period:

(i) A Bond: 3 years, from December 22, 2009 to December 12, 2012.

(ii) B Bond: 5 years, from December 22, 2009 to December 12, 2014.

(g) Guarantee Bank:

The bonds are guaranteed by Hwa Nan Commercial Bank.

(20) Long-term loans

	<u>March 31, 2010</u>	<u>March 31, 2009</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 48,577,717	\$ 55,476,580	—
Secured bank loans	18,360,927	16,749,684	(Note)
Revolving credit facility	<u>2,200,000</u>	<u>5,900,000</u>	—
	69,138,644	78,126,264	
Less: Prepaid interest	(1,129)	(9,875)	
Current portion of long-term loans	<u>(7,433,676)</u>	<u>(8,846,467)</u>	
	<u>\$ 61,703,839</u>	<u>\$ 69,269,922</u>	
Range of maturity date	<u>2010.11~2025.9</u>	<u>2009.6~2025.9</u>	
Range of interest rates	<u>0.58%~4.50%</u>	<u>0.79%~5.82%</u>	

(Note) Collaterals included certificate of deposit - restricted, 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 and other intangible assets - land use right.

(21) Other liabilities - other

	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Land use rights payable	\$ 1,250,000	\$ 1,750,000
Less: Discount on land use rights payable	<u>(64,847)</u>	<u>(117,497)</u>
	1,185,153	1,632,503
Less: Current portion of land use rights payable	<u>(245,731)</u>	<u>(490,494)</u>
	<u>\$ 939,422</u>	<u>\$ 1,142,009</u>

As of March 31, 2010, land use rights payable and discount were listed as follows:

<u>Year</u>	<u>Discount on land use rights payable</u>	<u>Land use rights payable</u>
April 1~December 31, 2010	\$ —	\$ 18,000
2011	250,000	19,045
2012	250,000	14,092
2013	250,000	9,236
2014~2015 (Note) (\$250,000 for each year)	<u>500,000</u>	<u>4,474</u>
	<u>\$ 1,250,000</u>	<u>\$ 64,847</u>

(Note) The Taipei City Government agreed with the payment extended up to 2015.

(22)Common stock

The stockholders at their annual stockholders' meeting on June 29, 2009 adopted a resolution to increase capital through unappropriated retained earnings of \$1,642,582. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 24, 2009. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$38,974,002, consisting of 3,897,400,000 shares with a par value of \$10 (in NT dollars) per share.

(23)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).

(24)Retained earnings

(a) According to the R.O.C. Company Law, the annual net income should 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 earnings, after paying all taxes and dues and offsetting any loss of prior years, 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 at a meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount 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 2009 earnings had been proposed by the Board of Directors on April 26, 2010 and the appropriation of 2008 earnings had been resolved by the stockholders on June 29, 2009. Details were summarized below:

	2009		2008	
	Amount	Dividends per share (in NT dollars)	Amount	Dividends per share (in NT dollars)
Legal reserve	\$ 786,083	\$ -	\$ 360,083	\$ -
Stock dividends	3,897,400	1.00	1,642,582	0.44
Cash dividends	3,117,920	0.80	1,642,582	0.44
Directors' and supervisors' remuneration	141,495	-	64,815	-
Employees' cash bonus	650,965	-	267,077	-
Total	<u>\$ 8,593,863</u>	<u>\$ 1.80</u>	<u>\$ 3,977,139</u>	<u>\$ 0.88</u>

As of May 13, 2010, the appropriation of 2009 earnings had not been resolved by the stockholders. Information on the appropriation of the Company's earnings 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.

- (d) For the three-month period ended March 31, 2010, the estimated amounts of employees' bonus and directors' and supervisors' remuneration are \$350,399. These estimates are based on a certain percentage of 2009 and 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. The 2009 retained earnings was not distributed.
- (e) As of March 31, 2010 and 2009, the balance of unappropriated earnings were as follows:

	March 31, 2010	March 31, 2009
(i) Unappropriated earnings before 1998	\$ 36,165	\$ 36,165
(ii) Unappropriated earnings in and after 1998	7,902,907	3,687,327
	<u>\$ 7,939,072</u>	<u>\$ 3,723,492</u>

Consolidated net income in the amount of \$3,090,867 and \$2,069,619 for the three-month periods ended March 31, 2010 and 2009, respectively, cannot be distributed since these amounts have not been approved by the stockholders.

- (f) As of March 31, 2010 and 2009, the imputation tax credit account balance amounted to \$15,176 and \$13,799, respectively. The Company appropriated earnings in 2008 as dividends

in accordance with the resolution adopted at the stockholders' meeting on June 29, 2009, and the date of dividends distribution was August 24, 2009, and the 2008 creditable ratio was 25.24%. The 2009 estimated creditable ratio was 0.19%. 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 2009 undistributed earnings will be based on the imputation tax credit account balance up to the date of distribution of the dividends.

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

	For the three-month period ended March 31, 2010				
	Amount		Weighted-average number of shares outstanding during the period (shares in thousands)	EPS (in NT dollars)	
	<u>Before tax</u>	<u>After tax</u>		<u>Before tax</u>	<u>After tax</u>
Basic earnings per share					
Net income	\$6,188,044	\$ 3,090,867	3,897,400	<u>\$ 1.59</u>	<u>\$ 0.79</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	29,555	23,644	96,193		
Employees' bonuses	<u>—</u>	<u>—</u>	<u>30,542</u>		
Diluted earnings per share					
Net income	<u>\$6,217,599</u>	<u>\$ 3,114,511</u>	<u>4,024,135</u>	<u>\$ 1.55</u>	<u>\$ 0.77</u>

For the three-month period ended March 31, 2009

	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	\$ 3,902,541	\$ 2,069,619	3,897,400	<u>\$ 1.00</u>	<u>\$ 0.53</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	29,555	22,166	96,266		
Employees' bonuses	-	-	18,785		
Diluted earnings per share					
Net income	<u>\$ 3,932,096</u>	<u>\$ 2,091,785</u>	<u>4,012,451</u>	<u>\$ 0.98</u>	<u>\$ 0.52</u>

- (a) The above weighted-average outstanding common shares have been adjusted retroactively in proportion to retained earnings as of December 31, 2008.
- (b) 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.

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.	"
Weilih Food Industrial Co., Ltd	"
Cargill President Holdings Pte Limited (Cargill)	The company is a director
Uni-President Land Corporation (Land)	An affiliated company of Cayman President Holdings Ltd. (accounted for under the equity method)
Saigon Beverage Joint stock company (Saigon Beverage)	"
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.
Far-Tung Enterprises Corp.	A subsidiary of Nanlien International Corp. (accounted for under the equity method)
Kuan Chang Enterprises Corp.	"
Sin-Tung Co., Ltd. (Note 1)	"
Tung Chang Enterprises Corp.	"
Union Chinese Corp.	"
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)
Yellow Hat Ltd.	The representative is the chairman of Uni-President Yellow Hat Corp.
AHB International Inc.	Stockholder of AHBPet Plus Co., Ltd. (accounted for under the equity method)

Name of related parties	Relationship with the Company
Hi-life International Co., Ltd.	A subsidiary of Kuang Chuan Pasture 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 2)
Huei Tung Enterprises Corp.	Has the same chairman with Nanlien International Corp.
Toyota Tsusho Corp.	A director of Ton-Yi Industrial Corp.

(Note 1) Increased the percentage owned by the Group in the fourth quarter of 2009 and became a consolidated entity.

(Note 2) The Company is a director.

(b) Transactions and balances with related parties

1. Sales

	For the three-month period ended March 31, 2010		For the three-month period ended March 31, 2009	
	Amount	Percentage of net sales	Amount	Percentage of net sales
Presicarre Corp.	\$ 537,884	1	\$ 549,240	1
TTET Union Corp.	358,514	1	258,198	-
Huie Tung Enterprises Corp.	327,383	-	337,745	-
Far-Tung Enterprises Corp.	249,575	-	240,773	-
Others (Individually less than 10%)	<u>1,478,060</u>	<u>2</u>	<u>836,775</u>	<u>2</u>
	<u>\$ 2,951,416</u>	<u>4</u>	<u>\$ 2,222,731</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 three-month period ended March 31, 2010		For the three-month period ended March 31, 2009	
	Amount	Percentage of net purchases	Amount	Percentage of net purchases
Toyota Tsusho Corp.	\$ 1,240,588	2	\$ 520,615	1
TTET Union Corp.	232,440	1	244,738	-
Representative of Ryohin Keikaku Co., Ltd.	129,855	-	119,352	-
Others (Individually less than 10%)	621,856	1	249,762	1
	<u>\$ 2,224,739</u>	<u>4</u>	<u>\$ 1,134,467</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 TTET Union Corp. (closes its accounts 30 days from the end of each month.)
- (ii) The payment term for purchases from President Musahino Corp. for the related parties 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. Acquisition of property, plant and equipment

	Items	For the three-month periods ended March 31,	
		2010	2009
Ta Chen Construction & Engineering Corp.	Construction in progress	<u>\$ 275,280</u>	<u>\$ 579,204</u>

The Group purchased certain property, plant and equipment from other related parties at negotiated prices.

4. Processing expenses

	For the three-month periods ended March 31,	
	2010	2009
TTET Union Corp.	<u>\$ 63,417</u>	<u>\$ 48,411</u>

5. Other expenses

	For the three-month periods ended March 31,	
	2010	2009
Presicarre Corp.	\$ 61,170	\$ 7,394
Starbucks Coffee International, Inc.	57,442	44,750
Kuan Chang Enterprises Corp.	39,546	11,537
Hi-life International Co., Ltd.	26,566	19,118
Others (Individually less than 10%)	195,488	89,453
	<u>\$ 380,212</u>	<u>\$ 172,252</u>

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

7. Other income

	For the three-month periods ended March 31,	
	2010	2009
Management and technical consultancy fees:		
Far-Tung Enterprises Corp.	\$ 1,544	\$ 1,767
Cargill	1,437	1,869
Ztong Yee Industrial Co., Ltd.	-	3,000
Others (Individually less than 10%)	10,542	11,442
	<u>13,523</u>	<u>18,078</u>
Other income:		
TTET Union Corp.	14,125	3,390
Union Chinese Corp.	12,075	-
Far-Tung Enterprises Corp.	7,238	7,083
Chang Tung Co., Ltd	5,040	4,786
Hi-life International Co., Ltd.	4,108	4,032
Sin-Tung Co., Ltd.	-	5,947
Others (Individually less than 10%)	15,202	13,143
	<u>57,788</u>	<u>38,381</u>
	<u>\$ 71,311</u>	<u>\$ 56,459</u>

8. Accounts receivable

	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Presicarre Corp.	\$ 522,191	4	\$ 587,063	5
Huei Tung Enterprises Corp.	214,408	2	206,792	2
Hi-life International Co., Ltd.	200,221	1	171,148	1
Others (Individually less than 10%)	<u>679,441</u>	<u>5</u>	<u>349,484</u>	<u>3</u>
	<u>\$ 1,616,261</u>	<u>12</u>	<u>\$ 1,314,487</u>	<u>11</u>

9. Accounts payable

	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Starbucks Coffee International, Inc.	\$ 93,195	1	\$ 35,695	-
Kuang Chuan Dairy Co., Ltd.	67,186	-	45,282	-
Weilih Food Industrial Co., Ltd.	36,588	-	36,651	-
TTET Union Corp.	35,875	-	46,886	1
Tung Chang Enterprises Corp.	33,141	-	29,627	-
Others (Individually less than 10%)	<u>90,731</u>	<u>-</u>	<u>37,067</u>	<u>-</u>
	<u>\$ 356,716</u>	<u>1</u>	<u>\$ 231,208</u>	<u>1</u>

10. Accrued expenses

	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Presicarre Corp.	\$ 133,396	1	\$ 101,211	1
Hi-life International Co., Ltd.	66,607	-	51,301	1
Others (Individually less than 10%)	<u>99,854</u>	<u>1</u>	<u>47,914</u>	<u>-</u>
	<u>\$ 299,857</u>	<u>2</u>	<u>\$ 200,426</u>	<u>2</u>

11. Other payables

	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ta Chen Construction & Engineering Corp.	\$ 112,678	1	\$ 293,353	4
Yellow Hat Ltd.	37,506	-	-	-
Others (Individually less than 10%)	15,181	-	9,653	-
	<u>\$ 165,365</u>	<u>1</u>	<u>\$ 303,006</u>	<u>4</u>

12. Long-term notes payable

	<u>March 31, 2010</u>		<u>March 31, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ta Chen Construction & Engineering Corp.	<u>\$ 436,470</u>	<u>37</u>	<u>\$ 285,720</u>	<u>30</u>

(c) Financing

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

	For the three-month period ended March 31, 2010				
	Maximum balance date	Maximum balance	Ending balance	Annual interest rate	Total interest income
SaiGon Beverage	2010. 01	\$ 83, 750	\$ 80, 500	10. 50%	\$ 2, 113
Uni-President Land Corporation	2010. 01	32, 925	32, 925	7. 00%	576
President Fuche (Qingdo) Co., Ltd.	2010. 01	30, 466	<u>30, 282</u>	4. 65%	<u>352</u>
			<u>\$ 143, 707</u>		<u>\$ 3, 041</u>

	For the three-month period ended March 31, 2009				
	Maximum balance date	Maximum balance	Ending balance	Annual interest rate	Total interest income
Uni-President Land Corporation	2009. 01	\$ 34, 521	\$ 32, 829	7. 00%	\$ 575
President Fuche (Qingdo) Co., Ltd.	2009. 01	31, 122	<u>29, 400</u>	5. 86%~8. 42%	<u>153</u>
			<u>\$ 62, 229</u>		<u>\$ 728</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., Ltd. 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 Coffee International, Inc. 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) 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 quarterly based on a fixed percentage of monthly net sales revenue.
- (vi) In 2000, Uni-President Vendor 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.
- (vii) As of March 31, 2010 and 2009, the endorsements and guarantees provided by the Group amounted to \$1,418,575 and \$1,884,662, respectively.

6. PLEDGED ASSETS

As of March 31, 2010 and 2009, the details of pledged assets were as follows:

<u>Assets</u>	<u>March 31, 2010</u>	<u>March 31, 2009</u>	<u>Purpose of collateral</u>
Demand deposits, certificate of deposit and short-term bills (Classified as other financial assets current and non-current)	\$ 732,279	159,435	Short-term loans, notes and bills payable, long-term loans and performance guarantees
Inventories	195,477	195,477	Short-term loans and notes and bills payable
Financial assets carried at cost - non-current	509,557	2,960,680	Short-term loans, notes and bills payable and long term loans
Long-term equity investments accounted for under the equity method	4,094,285	3,735,862	"
Land (Note)	8,666,311	8,035,266	"
Buildings-net (Note)	8,884,338	9,245,180	"
Machinery and equipment-net (Note)	840,510	65,515	Short-term loans and long-term loans
Transportation equipment-net	348,535	304,752	Long-term loans
Other equipment-net	297,708	348,389	Long-term loans
Other intangible assets-land	1,923,284	1,946,060	Long-term loans
Refundable deposits	124,866	682,119	Performance guarantees and deposits of rental office
Other assets-other-net	877,885	870,746	Notes and bills payable
	<u>\$ 27,495,035</u>	<u>\$ 28,549,481</u>	

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

7. COMMITMENTS AND CONTINGENT LIABILITIES

As of March 31, 2010 and 2009, the contingent liabilities and commitments of the Group, in addition to Note 5(d), were as follows:

- (a) As of March 31, 2010 and 2009, the remaining balance due for construction in progress and prepayments for equipment were \$1,156,821 and \$842,426, respectively.
- (b) As of March 31, 2010 and 2009, the unused letters of credit amounted to \$2,074,467 and \$1,404,150, respectively.
- (c) 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 should maintain no less than 40% ownership of President Chain Store Corp.
- (d) In August 2004, the Company borrowed from Chinatrust Bank, BNP PARIBAS, Taiwan Bank, and Standard Chartered Bank under a 5-year syndicated credit facility agreement consisting of domestic bonds guarantee and 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.
- (e) In September 2005, the Company borrowed from Chinatrust Bank and 7 other banks under a 5-year syndicated credit facilities agreement consisting of domestic bonds guarantee, notes issuance facilities and unsecured bank loans from September 14, 2005 to September 14, 2010. (part of early repayment of bank loan in November and December 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 October 2008, the Company borrowed from Taiwan Bank and 7 other banks under a 5-year syndicated credit facilities agreement from October 17, 2008 to October 17, 2013. 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) 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 certain pieces 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 would charge 25% of public price of the land as compensation.
- (i) President Entertainment Corp. (PEC) signed a non-public use hillside land development contract with National Property Bureau in July 2003. The National Property Bureau agreed to allow PEC to jointly develop certain pieces 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 would charge 25% of public price of the land as compensation.

- (j) 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 March 31, 2010 and 2009, the loans for the initiation fees and security deposits amounted to \$19,173 and \$32,650, respectively.
- (k) As of March 31, 2010 and 2009, a subsidiary of Nanlien International Corp. signed credit limits of performance with the bank for stocking with goods, renting warehouses and guarantee of tariff account are \$47,688 and \$106,380, respectively.
- (l) 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 from 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 (for a total of 484 days) due to processing of building capacity compensation and changes in design.
 - (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 March 31, 2010, Uni-President Development Corp. has paid \$1,250,000. 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 5 years, 7 months and 29 days after the construction of the MRT Station. The construction project shall be completed and approved for operations within 6 years, 7 months and 29 days. Uni-President Development Corp. has obtained the license on January 12, 2010.
- (8) Uni-President Development Corp. shall allow transportation companies to enter and operate within 6 months from the date Uni-President Development Corp. obtains the building license for the MRT Station.
- (9) Uni-President Development Corp. shall transfer freely the operating rights 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 rights and responsibilities of the transfer of the MRT Station.
- (m) In October 2008, President Tokyo Corp. borrowed from Mega International Commercial Bank and other banks under a 3-year syndicated credit facility agreement including commercial papers guarantee and unsecured bank loans from October 14, 2008 to September 30, 2011. 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 non-consolidated tangible stockholders' equity shall not be less than \$200,000.
- (n) As of March 31, 2010 and 2009, President Tokyo Corp. the long-term commercial paper issued from the Bank guarantee for the joint commission is \$750,000.
- (o) To construct the Tinplate Plant and Tin Mill Black Plate Plant, Ton Yi Industrial Corp. has signed 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 payments are 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 expenses for the current year on a 20 year basis, and are amortized over a period of 20 years. The

unamortized balance of royalty payments is \$9,813 and \$12,814 as of March 31, 2010 and 2009, respectively.

- (p) 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.
- (q) President Chain Store Corp. (PCSC) signed rental agreements with non-related parties to rent store spaces with lease periods ranging from 3 to 12 years. As of March 31, 2010, PCSC has prepaid rent and guarantee deposits in the amount of \$869,697 and \$1,828,120 respectively. Summary of the estimated annual rental expenses of PCSC is as follows:

<u>Year</u>	<u>Total rental expense</u>
2010.4.1 ~ 2010.12.31	\$ 5,721,938
2011	7,044,520
2012	6,660,384
2013	5,973,337
2014	5,277,147
2015 and thereafter (Present value of \$8,712,419)	9,620,906
	<u>\$ 40,298,232</u>

- (r) In March 2009, Sanshui Jianlibao Commerce Co., Ltd. borrowed from Standard Chartered Bank and other banks under a 2-year syndicated credit facilities agreement from March 26, 2009 to March 26, 2011. 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.
- (s) In April 2006 and 2009, 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 the stores. UDSC shall also pay a fixed amount of expense as "Technical guidance fixed expenses" to Hankyu Department Store, Inc. each year after opening the stores.
- (t) President Transnet Corp. (PTC) signed agreements for home delivery services with Yamato

Transport Corp. on January 24, 2000. PTC will pay royalty monthly based on a fixed percentage of sales revenue and shall not be less than JPY 1,000.

(u) 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 July 20, 2007 to July 20, 2012. Under the terms of the loan agreement, Mech-President Corp. agrees that:

- (1) The current ratio computed from the semi-annual unreviewed and the annual audited non-consolidated financial statements shall not be below 80%.
- (2) The debt-to-equity ratio computed from the semi-annual unreviewed and the annual audited non-consolidated financial statements shall not be above 330%.
- (3) The interest coverage ratio computed from the semi-annual unreviewed and the annual audited non-consolidated financial statements shall not be below 200%.
- (4) The semi-annual unreviewed and the annual audited non-consolidated stockholders' equity shall not be less than \$600,000.
- (5) 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.
- (6) If any of the financial ratio or regulations above have been violated, MPC shall improve it within six months a year. Should MPC fail to meet the required financial ratios and regulations by then, it will be considered as a violation of the agreement.

8. SIGNIFICANT CATASTROPHE

None.

9. SUBSEQUENT EVENTS

None.

10. OTHERS

(1) The fair values of the financial instruments

	March 31, 2010			March 31, 2009		
	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
<u>Non-derivative financial instruments</u>						
Assets						
Financial assets with book value equal to fair value	\$ 60,209,287	\$ -	\$ 60,209,287	\$ 56,839,623	\$ -	\$ 56,839,623
Financial assets at fair value through profit or loss	11,641,103	11,641,103	-	10,200,769	10,200,769	-
Available-for-sale financial assets - non-current	11,385,426	11,385,426	-	6,354,451	6,354,451	-
Financial assets carried at cost - non-current	7,890,441	-	-	14,822,154	-	-
Investment in bonds without active markets	-	-	-	15,000	-	-
Other financial assets - non-current	30,736	-	30,736	13,757	-	13,757
Refundable deposits	2,332,222	-	2,332,222	2,377,622	-	2,377,622
Long-term notes, accounts and overdue receivables	604,242	-	604,242	607,551	-	607,551

	March 31, 2010			March 31, 2009		
	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
Liabilities						
Financial liabilities with book value equal to fair value						
	\$ 91,832,421	\$ -	\$ 91,832,421	\$ 86,250,772	\$ -	\$ 86,250,772
Bonds payable	3,000,000	-	3,000,000	4,489,768	-	4,489,768
Long-term loans	61,703,839	-	61,703,839	69,269,922	-	69,269,922
Long-term notes payable	1,167,891	-	1,167,891	952,686	-	952,686
Capital lease payables - non-current	38,482	-	38,482	64,170	-	64,170
Guarantee deposits received	4,112,631	-	4,112,631	3,999,380	-	3,999,380
<u>Derivative financial instruments</u>						
Assets						
Forward foreign exchange contracts	6,798	-	6,798	12,350	-	12,350
Interest rate swap contracts	-	-	-	2,176	-	2,176
Liabilities						
Forward foreign exchange contracts	-	-	-	5,824	-	5,824

- (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 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 payable-current and other current liabilities.
 - (2) The fair values of other financial assets-non-current, 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 March 31, 2010 and 2009.
 - (3) 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 March 31, 2010 and 2009.
 - (4) 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 \$280,627 and \$235,208 as deduction and addition to stockholders' equity for the changes in fair value of available-for-sale financial assets for the three-month periods ended March 31, 2010 and 2009, 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 material financial risk

A. Market risk

(a) 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.

(b)Interest rate risk

The Group entered into interest-rate swap transactions by PVBP (Present Value of Basis Point) method to assess market risk and have 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 insignificant fluctuations. Commercial papers payable have no market risk due to its having fixed interest rates.

(c)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 market value is the carrying amount of derivative financial instruments. Loan guarantees provided by the Group follows “the Endorsements and Guarantees Procedure”. Since the Group has assessed the credit rating of the 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-mutual funds, publicly traded stocks or corporation bonds 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 markets, 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	March 31, 2010		March 31, 2009	
	Notional principal amount	Contract period	Notional principal amount	Contract period
Interest Rate Swap Contracts	\$ <u> –</u>	–	\$ <u>2,000,000</u>	2003.01~2009.09

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 \$0 and \$2,276 as additions to interest expense for the three-month periods ended March 31, 2010 and 2009, 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 contract to hedge the risk.

Hedged item	Financial instruments was designated as hedging instrument	Designated for hedging instruments	
		Contract amount March 31, 2010	Contract amount March 31, 2009
Bonds payable	Interest rate swap contracts	\$ <u> –</u>	\$ <u>2,000,000</u>

Item	For the three-month periods ended March 31,	
	2010	2009
Amount of equity adjustment	\$ <u> –</u>	\$ <u>14,615</u>

11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURE

(1) Related information of significant transactions

Not required for the first quarter consolidated financial statements.

(2) Disclosure information of investee company

Not required for the first quarter consolidated financial statements.

(3) Disclosure of information on indirect investments in Mainland China

Not required for the first quarter consolidated financial statements.

(4) Intercompany Relationships and Significant Intercompany Transactions

For the three-month period ended March 31, 2010 (Units in thousands of currencies indicated):

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 4)
						Transaction terms		
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	(Sales)	(\$ 1,484,087)	Closes its accounts 30 days after the end of each month	(2%)	
			1	Accounts receivable	858,659	—	—	
			2	(Accrued expenses)	(103,421)	—	—	
		Tung Ang Enterprises Corp.	1	(Sales)	(1,475,600)	Closes its accounts 28 days after 10 days	(2%)	
			1	Accounts receivable	541,195	—	—	
		President Chain Store Corp.	1	(Sales)	(600,428)	Closes its accounts 30 days after the end of each month	(1%)	
			1	Accounts receivable	267,625	—	—	
		Retail Support International Corp.	1	(Sales)	(443,595)	Closes its accounts 30 days after the end of each month	(1%)	
			1	Accounts receivable	204,901	—	—	
		Tung Hsiang Enterprises Corp.	1	(Sales)	(403,045)	2 months after sales	(1%)	
			1	Accounts receivable	266,957	—	—	
		Tung Shun Enterprises Corp.	1	(Sales)	(219,164)	2 months after sales	—	
			1	Accounts receivable	188,737	—	—	
		Uni-President Vendor Corp.	1	(Sales)	(135,039)	Closes its accounts 30~60 days after the end of each month	—	
		Tone Chu Enterprises Corp.	1	(Sales)	(130,147)	2 months after sales	—	
		President Kikkoman Inc.	2	Purchase	248,986	one month	—	
1	President International Trade & Investment Corp.	Cayman President Holdings Ltd.	3	Other receivables and Long-term receivables	US 24,430	—	—	
		Kai Nan (BVI) Investment Co.,Ltd.	3	Other receivables	US 9,000	—	—	
2	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	(244,976)	Closes its accounts 15~60 days after the end of each month	—	

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
3	Tait Marketing & Distribution Co., Ltd.	Tait Trading (Shanghai) Company Ltd.	3	Long-term accounts receivable-related parties	\$ 125,612	—	—
4	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	(Sales)	(1,988,228)	45 days after shipping	(3%)
5	Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	3	(Sales)	(THB 189,133)	Closes its accounts 60 days after the end of each month	—
6	Uni-President Enterprises China Holdings Ltd.	Beijing President Enterprises Drinks & Food Co., Ltd.	3	Accounts receivable	THB 148,525	—	—
		Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 88,742	—	—
		Guangzhou President Enterprises Co., Ltd.	3	Other receivables	RMB 68,263	—	—
		Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 68,263	—	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB 68,263	—	—
		Nanchang President Enterprises Co., Ltd.	3	Other receivables	RMB 54,610	—	—
		Uni-President Asia Holdings Ltd.	3	Other receivables	RMB 54,610	—	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB 34,132	—	—
		Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB 34,132	—	—
		Shenyang President Enterprises Co., Ltd.	3	Other receivables	RMB 34,132	—	—
7	Uni-President Asia Holdings Ltd.	President Enterprises (China) Investment Co.,Ltd.	3	Receivable-related party	RMB 110,950	—	—
8	Uni-President Hong Kong Holdings Ltd.	President Enterprises (China) Investment Co.,Ltd.	3	Other receivables	RMB 440,616	—	1%

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
9	President Enterprises (China) Investment Co.,Ltd.	Integrated Marketing & Distribution Co.,Ltd.	3	Other receivables	RMB 28,500	—	—
10	Wuhan President Enterprises Food Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 23,227)	Closes its accounts 60 days after the end of each month	—
11	Chengdu President Enterprises Food Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 41,007)	Closes its accounts 45 days after the end of each month	—
			3	Accounts receivable	RMB 47,978	—	—
			3	Other receivables	RMB 54,000	—	—
12	Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 24,784)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	RMB 22,199	—	—
13	Shenyang President Enterprises Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 24,210)	Closes its accounts 15 days after the	—
14	Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 26,348)	Closes its accounts 60 days after the	—
			3	Accounts receivable	RMB 22,772	end of each month	—
15	Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	3	Receivable-related party	RMB 65,000	—	—
16	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd. Zhongshan President Enterprises Co., Ltd.	3	Other receivables	US 11,080	—	—
			3	Other receivables	US 8,000	—	—
17	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(479,979)	Closes its accounts 30 days after the end of each month	(1%)
			3	Accounts receivable	171,312	—	—
		Tung Hsiang Enterprises Corp.	3	(Sales)	(315,401)	77 days after sales	—
			3	Accounts receivable	300,299	—	—
18	Lien Bo Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(181,981)	Closes its accounts 15~70 days after the end of each month	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
19	Shanghai E & P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 31, 748)	Closes its accounts 60 days after the end of each month	—
		Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 29, 017)	Closes its accounts 60 days after the end of each month	—
		Chengdu President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 26, 179)	Closes its accounts 15 days after the end of each month	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	(Sales)	(RMB 24, 780)	Closes its accounts 15 days after the end of each month	—
		Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 22, 473)	Closes its accounts 30 days after the end of each month	—
20	Uni-Splendor Corp.	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 5, 563)	According to the state of fund	—
		Grand-Prosper (HK) Ltd.	3	(Sales)	(US 13, 261)	According to the state of fund	(1%)
21	Grand-Prosper (HK) Ltd.	Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(US 13, 261)	According to the state of fund	(1%)
		Uni-Splendor Corp.	3	Accounts receivable	US 115, 118	—	1%
		Uni-Splendor Corp.	3	(Sales)	(US 33, 734)	According to the state of fund	(1%)
22	Uni-Splendor Technology (Huizhou) Corp.	Grand-Prosper (HK) Ltd.	3	(Sales)	(RMB 229, 393)	According to the state of fund	(1%)
23	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 152, 815)	According to the state of fund	(1%)
24	Da Tong Ying Corp.	Uni-Splendor Corp.	3	Accounts receivable	164, 292	—	—
25	Tait (H.K) Limited	Tait Trading (Shanghai) Company Ltd.	3	Long-term receivable- related parties	HKD 91, 982	—	—
26	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 36, 687)	40 days after shipping	(1%)
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	Accounts receivable	US 5, 993	—	—
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 22, 973)	40 days after shipping	(1%)
			3	Accounts receivable	US 3, 584	—	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
27	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 4,732)	67 days after invoice date	—
			3	Accounts receivable	US 5,340	—	—
28	Fujian Ton Yi Tinplate Co., Ltd.	Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 4,619)	67 days after invoice date	—
			3	Accounts receivable	US 4,283	—	—
29	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	(2,687,622)	Closes its accounts 30~69 days after the end of each month	(3%)
			3	Accounts receivable	1,779,753	—	1%
30	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	(Sales)	(4,363,519)	Closes its accounts 20~70 days after the end of each month	(5%)
			3	Accounts receivable	3,061,400	—	1%
31	President Transnet Corp.	President Chain Store Corp.	3	(Sales)	(155,762)	Closes its accounts 30 days after the end of each month	—
32	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(298,230)	Closes its accounts 45 days after the end of each month	—
			3	Accounts receivable	207,925	—	—
33	President Information Corp.	President Chain Store Corp.	3	(Labour revenues)	(144,144)	Closes its accounts 30 days after the end of each month	—
			3	Accounts receivable	161,911	—	—
34	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(208,141)	Closes its accounts 30~60 days after the end of each month	—
			3	Accounts receivable	179,318	—	—
35	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	(9,777,227)	Closes its accounts 10~54 days after the end of each month	(12%)
			3	Accounts receivable	5,304,697	—	2%
		3	President Drugstore Business Corp.	3	(Sales)	(1,131,521)	Closes its accounts 45~60 days after the end of each month	( 1% )
		President Coffee Corp.	3	(Sales)	(108,182)	Closes its accounts 15~28 days after the end of each month	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
36	Vision Distribution Service Corp.	Wisdom Distribution Services Corp.	3	(Sales)	(\$ 114,995)	Closes its accounts 65 days after the end of each month	—
			3	Accounts receivable	101,414	—	—
37	President Logistics International Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(152,042)	Closes its accounts 40~65 days after the end of each month	—
			3	Accounts receivable	107,161	—	—
		Retail Support International Corp.	3	(Sales)	(136,382)	Closes its accounts 15~20 days after the end of each month	—
38	Chieh Shun Transport Corp.	President Transnet Corp.	3	(Sales)	(100,153)	Closes its accounts 45~60 days after the end of each month	—
39	ScinoPharm (Kunshan) Biochemical Technology Co., Ltd.	Scino Pharm Taiwan Ltd.	3	(Sales)	(RMB 31,704)	After acceptance	—

For the three-month period ended March 31, 2009 (Units in thousands of currencies indicated):

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	(Sales)	(\$ 1,470,789)	Closes its accounts 30 days after the end of each month	(2%)
			1	Accounts receivable	816,299	—	—
		Tung Ang Enterprises Corp.	1	(Sales)	(1,370,828)	Closes its accounts 28 days after 10 days	(2%)
			1	Accounts receivable	488,045	—	—
		President Chain Store Corp.	1	(Sales)	(472,802)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	176,499	—	—
		Tun Hsiang Enterprises Corp.	1	(Sales)	(471,570)	2 months after sales	(1%)
			1	Accounts receivable	249,392	—	—
		Retail Support International Corp.	1	(Sales)	(379,999)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	175,799	—	—
		Tung Shun Enterprises Corp.	1	(Sales)	(202,402)	2 months after sales	—
			1	Accounts receivable	175,566	—	—
		Tone Chu Enterprises Corp.	1	(Sales)	(156,990)	2 months after sales	—
		Uni-President Vendor Corp.	1	(Sales)	(117,815)	Closes its accounts 30~60 days after the end of each month	—
		President Kikkoman Inc.	2	Purchase	232,744	one month	—
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	3	Long-term receivables	US 28,510	—	—
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)	(245,498)	Closes its accounts 15~60 days after the end of each month	—
4	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(244,163)	Closes its accounts 45 days after the end of each month	—
			3	Accounts receivable	167,836	—	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
5	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	(Sales)	(\$ 1,445,534)	45 days after shipping	(2%)
			3	Accounts receivable	625,469	—	—
6	Tait Marketing & Distribution Co., Ltd.	Tait (H.K) Limited	3	Long-term receivable-related parties	150,747	—	—
		Tait Trading (Shanghai) Company Ltd.	3	Long-term receivable-related parties	131,894	—	—
7	Uni-President Enterprises China Holdings Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 102,539	—	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	Other receivables	RMB 88,867	—	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB 88,867	—	—
		Zhengzhou President Enterprises Food Co., Ltd.	3	Other receivables	RMB 72,666	—	—
		Guangzhou President Enterprises Co., Ltd.	3	Other receivables	RMB 68,359	—	—
		Nanchang President Enterprises Co., Ltd.	3	Other receivables	RMB 54,687	—	—
		Xinjiang President Enterprises Food Co.,Ltd.	3	Other receivables	RMB 39,560	—	—
		Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 37,735	—	—
		Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB 34,180	—	—
		Shenyang President Enterprises Co., Ltd.Ltd.	3	Other receivables	RMB 34,180	—	—
8	Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	3	(Sales)	(THD 187,132)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	THD 157,874	—	—
9	Uni-President Asia Holdings Ltd.	President Enterprises (China) Investment Co., Ltd.	3	Other receivables	RMB 190,035	—	—
		Uni-President Enterprises China Holdings Ltd.	3	Other receivables	RMB 116,210	—	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
10	President Enterprises (China) Investment Co.,Ltd.	Integrated Marketing & Distribution Co.,Ltd.	3	Other receivables	RMB 27,000	—	—
11	Kai Nan (BVI) International Co. Ltd.	Meishan President Feed & Oil Co., Ltd.	3	Other receivables	US 3,000	—	—
12	Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	3	Receivable-related party	RMB 65,000	—	—
13	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd.	3	Other receivables	US 11,080	—	—
		Zhongshan President Enterprises Co., Ltd.	3	Other receivables	US 5,000	—	—
		Songjiang President Enterprises Co., Ltd.	3	Other receivables	US 3,000	—	—
14	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(454,215)	Closes its accounts 30 days after the end of each month	(1%)
			3	Accounts receivable	161,146	—	—
		Tun Hsiang Enterprises Corp.	3	(Sales)	(276,894)	77 days after sales	—
		3	Accounts receivable	243,901	—	—	
15	Lien Bo Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(201,482)	Closes its accounts 15~70 days after the end of each month	—
16	Rich Universe International Limited	Uni-Splendor Corp.	3	(Sales)	(US 36,558)	According to the state of fund	(2%)
		Accounts receivable	3	US 12,468	—	—	
		Grand-Prosper(HK) Ltd.	3	(Sales)	(US 11,273)	According to the state of fund	(1%)
17	Uni-Splendor Corp.	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 4,377)	According to the state of fund	—
		Rich Universe International Limited	3	(Sales)	(US 5,949)	According to the state of fund	—
		Uni-Home Tech Corp.	3	Other receivables	US 47,321	—	1%
18	Grand-Prosper (HK) Ltd.	Rich Universe International Limited	3	(Sales)	(US 32,321)	According to the state of fund	(2%)
		Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(US 11,273)	According to the state of fund	(1%)
19	Da Tong Ying Corp.	Rich Universe International Limited	3	Accounts receivable	US 129,019	—	2%
		3	Long-term receivables	43,953	—	—	

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
20	Uni-Splendor Technology (Huizhou) Corp.	Grand-Prosper (HK) Ltd.	3	(Sales)	(RMB 219,785)	According to the state of fund	(2%)
21	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 129,442)	According to the state of fund	(1%)
22	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 24,267)	45 days after shipping	(1%)
			3	Accounts receivable	US 9,962	—	—
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 13,943)	45 days after shipping	(1%)
			3	Accounts receivable	US 3,684	—	—
23	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	(1,996,185)	Closes its accounts 30~69 days after the end of each month	(3%)
			3	Accounts receivable	985,791	—	—
24	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	(Sales)	(3,605,640)	Closes its accounts 20~70 days after the end of each month	(5%)
			3	Accounts receivable	2,313,378	—	1%
			3	(Sales)	(180,264)	Closes its accounts 30 days after the end of each month	—
25	President Transnet Corp.	President Chain Store Corp.	3	(Sales)	(139,269)	Closes its accounts 30 days after the end of each month	—
			3	(Service revenue)	(146,125)	—	—
26	President Information Corp.	President Chain Store Corp.	3	(Sales)	(187,348)	Closes its accounts 30~60 days after the end of each month	—
			3	Accounts receivable	138,483	—	—
27	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(379,393)	—	—
			3	Accounts receivable	379,393	—	—
28	President Collect Service Co., Ltd.	President Transnet Corp.	3	(Sales)	(9,214,097)	Closes its accounts 10~54 days after the end of each month	(13%)
			3	Accounts receivable	4,354,307	—	2%
29	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	(832,877)	Closes its accounts 50 days after the end of each month	(1%)
			3	(Sales)	(679,629)	—	—
		3	Accounts receivable	679,629	—	—	

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Transaction terms		The percentage of total combined revenue or total assets (Note 4)
					Amount	Transaction terms	
30	President Logistics International Corp.	Retail Support International Corp.	3	(Sales)	(\$ 126, 119)	Closes its accounts 20 days after the end of each month	—
		Uni-President Cold Chain Corp.	3	(Sales)	(124, 918)	Closes its accounts 35 days after the end of each month	—
31	Tait (H.K) Ltd.	Tait Trading (Shanghai) Company Ltd.	3	Long-term receivable-related parties	HKD 91, 842	—	—

Note 1: Transactions among the Company and subsidiaries amounted to NT\$100,000 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.

Note 4: The counting to the percentage of transaction amount on consolidated total operating revenues or total assets is as follows. Assets and liabilities are counting at the amount period of consolidated total assets at ending period; Income is counting at the amount of consolidated total revenue at ending period.

12.SEGMENT INFORMATION

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