

UNI-PRESIDENT ENTERPRISES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

AND REPORT OF INDEPENDENT ACCOUNTANTS

SEPTEMBER 30, 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 September 30, 2010 and 2009, and the related consolidated statements of income and of cash flows for the nine-month periods then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express 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 \$37,821,211,000 and \$37,099,672,000, representing 12.80% and 13.36% of the related consolidated totals, and total liabilities of \$17,992,603,000 and \$18,576,078,000, representing 9.98% and 10.70% of the related consolidated totals, as of September 30, 2010 and 2009, respectively, and total operating revenues of \$19,684,725,000 and \$16,289,618,000, representing 7.54% and 7.26% of the related consolidated totals for the nine-month periods then ended, respectively. We also did not review the financial statements of certain investee companies accounted for under the equity method. These long-term investments amounted to \$489,308,000 and \$495,778,000 as of September 30, 2010 and 2009, respectively, and their related net investment income amounted to \$24,890,000 and \$9,850,000 for the nine-month periods then ended, respectively. The financial statements of these subsidiaries and investee companies were reviewed by other auditors whose reports thereon have been furnished to us, and our conclusion expressed herein, insofar as it relates to the amounts included in the financial statements 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 nine-month periods ended September 30, 2010 and 2009. Total assets of these subsidiaries amounted to \$194,876,779,000 and \$181,575,400,000, representing 65.96% and 65.38% of the related consolidated totals, and total liabilities amounted to \$103,818,753,000 and \$98,558,986,000, representing 57.59% and 56.75% of the related consolidated totals, as of September 30, 2010 and 2009, respectively, and total net income amounted to \$7,773,601,000 and \$5,476,170,000, representing 50.05% and 48.92% of the related consolidated totals for the nine-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 \$19,414,851,000 and \$20,564,821,000 as of September 30, 2010 and 2009, respectively, and the related investment income and loss amounted to \$844,981,000 and \$514,282,000 for the nine-month periods then ended, respectively. These amounts were based solely on their unreviewed financial statements. We were unable to satisfy ourselves as to the carrying value of the investments or the equities in their earnings by other auditing procedures.

Based on our reviews and the reports of other auditors, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain subsidiaries and investee companies been 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 of 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 \$95,498,000, and earnings per share increased by \$0.02 for the nine-month period ended September 30, 2009.

PricewaterhouseCoopers, Taiwan

Republic of China

November 10, 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
SEPTEMBER 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED)

	2010	2009
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4(1))	\$ 33,354,790	\$ 35,553,712
Financial assets at fair value through profit or loss - current (Note 4(2))	12,903,412	13,868,144
Available-for-sale financial assets - current (Note 4(3))	-	10,635
Notes receivable, net (Note 4(4))	2,964,567	2,580,890
Accounts receivable, net (Note 4(5))	15,285,062	10,379,551
Accounts receivable, net - related parties (Note 5)	1,893,137	1,490,765
Other receivables (Notes 4(6) and 5)	6,127,612	7,990,520
Other financial assets - current (Note 6)	6,372,716	54,097
Inventories (Notes 3, 4(7)(10) and 6)	28,057,189	20,774,741
Prepayments (Note 7)	10,307,651	10,538,107
Non-current assets classified as held for sale	-	9,606
Deferred income tax assets - current	747,683	478,028
Other current assets - other	1,087,016	854,233
Total current assets	119,100,835	104,583,029
Funds and Investments		
Available-for-sale financial assets - non-current (Note 4(3))	11,819,163	7,541,828
Financial assets carried at cost - non-current (Notes 4(8)(15) and 6)	5,363,622	13,212,439
Long-term equity investments accounted for under the equity method (Notes 4(9) and 6)	26,195,157	27,012,929
Investments in real estate	3,935	3,935
Other financial assets - non-current (Note 6)	29,004	1,800
Total funds and investments	43,410,881	47,772,931
Property, Plant and Equipment, Net (Notes 4(10)(15), 5 and 6)		
Cost		
Land	9,148,725	9,239,767
Buildings	42,904,880	34,109,844
Machinery and equipment	72,661,659	69,904,004
Piping infrastructure and electricity generation equipment	4,950,216	3,966,226
Transportation equipment	3,680,644	3,554,634
Office equipment	7,041,689	6,137,796
Leased assets	623,199	976,176
Leasehold improvements	9,754,737	8,822,531
Other equipment	35,315,061	30,158,865
Revaluation increments	4,688,072	4,013,403
Cost and revaluation increments	190,768,882	170,883,246
Less: Accumulated depreciation	(89,282,354)	(80,253,063)
Accumulated impairment loss - property, plant and equipment	(84,334)	(78,875)
Construction in progress and prepayments for equipment	5,770,353	9,718,656
Total property, plant and equipment, net	107,172,547	100,269,964
Intangible Assets		
Deferred pension costs	189,397	224,472
Other intangible assets - other (Notes 4(11)(15) and 6)	5,488,165	5,429,600
Total intangible assets	5,677,562	5,654,072
Other Assets		
Assets leased to others (Notes 4(10)(12)(15) and 6)	8,447,385	8,810,770
Idle assets (Notes 4(10)(13)(15) and 6)	1,238,800	1,393,323
Refundable deposits (Notes 6 and 7)	2,377,404	2,489,884
Deferred expenses (Note 4(14))	859,102	1,101,375
Long-term notes, accounts and overdue receivables (Note 5)	746,868	606,552
Deferred income tax assets - non-current	655,843	919,246
Other assets - other (Notes 4(10) and 6)	5,750,712	4,120,514
Total other assets	20,076,114	19,441,664
TOTAL ASSETS	\$ 295,437,939	\$ 277,721,660

(Continued)

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

	2010	2009
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term loans (Notes 4(16) and 6)	\$ 21,574,917	\$ 21,634,270
Notes and bills payable (Notes 4(17) and 6)	7,457,709	9,100,891
Financial liabilities at fair value through profit or loss - current (Note 4(2))	30,805	33,830
Notes payable	1,351,946	1,650,193
Accounts payable (Note 5)	27,844,870	20,113,524
Income tax payable	2,179,008	1,268,299
Accrued expenses (Note 5)	18,200,803	16,292,098
Other payables (Note 5)	10,609,715	7,248,666
Receipts in advance	3,931,378	3,182,748
Long-term liabilities - current portion (Notes 4(18)(19)(20) and 6)	9,328,158	8,784,905
Capital lease payables - current (Note 4(10))	-	24,440
Other current liabilities - other	164,765	850,762
Total current liabilities	102,674,074	90,184,626
Long-term Liabilities		
Bonds payable (Note 4(18))	5,200,000	4,548,877
Long-term loans (Notes 4(19) and 6)	60,637,337	67,019,211
Long-term notes payable	112,365	32,451
Capital lease payables - non-current (Note 4(10))	-	51,647
Long-term notes, accounts and overdue payable - related parties (Note 5)	479,014	363,332
Total long-term liabilities	66,428,716	72,015,518
Reserves		
Land value incremental reserve (Note 4(10))	1,908,314	1,773,357
Other Liabilities		
Accrued pension liabilities	2,824,640	2,513,778
Guarantee deposits received	4,050,451	3,992,932
Other liabilities - other (Note 4(20))	2,380,112	3,201,799
Total other liabilities	9,255,203	9,708,509
Total liabilities	180,266,307	173,682,010
Stockholders' Equity		
Capital		
Common stock (Notes 1 and 4(21))	42,871,403	38,974,002
Capital Reserves (Notes 4(18)(22))		
Additional paid-in capital - treasury stock transactions	34,027	34,027
Capital reserve from donated assets	548	500
Capital reserve from long-term investments	5,589,199	5,579,025
Capital reserve from stock warrants	489,454	489,454
Retained Earnings (Notes 4(21)(23))		
Legal reserve	8,058,301	7,272,218
Undistributed earnings	10,050,591	7,298,470
Other Adjustments to Stockholders' Equity		
Asset revaluations (Note 4(10))	2,163,171	1,814,671
Unrealized gain or loss on financial instruments (Notes 4(3)(9), 10(1)(4))	2,477,689	1,832,600
Cumulative translation adjustments	1,370,668	1,752,124
Unrecognized pension cost	(1,529,104)	(1,197,630)
Total parent company's equity	71,575,947	63,849,461
Minority interest	43,595,685	40,190,189
Total stockholders' equity	115,171,632	104,039,650
Contingent Liability And Commitments (Notes 5 and 7)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 295,437,939	\$ 277,721,660

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated November 10, 2010.

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE DATA)
(UNAUDITED)

	2010		2009			
Operating Revenues (Note 5)						
Sales	\$	261,141,370	\$	224,790,962		
Sales returns	(	1,323,144)	(	1,046,321)
Sales discounts	(	6,134,778)	(	4,872,607)
Net Sales		253,683,448		218,872,034		
Other operating revenues		7,417,143		5,579,900		
Net Operating Revenues		<u>261,100,591</u>		<u>224,451,934</u>		
Operating Costs (Notes 3, 4(7) and 5)						
Cost of goods sold	(	178,545,651)	(	152,779,475)
Other service costs	(	2,897,194)	(	2,403,296)
Net Operating Costs	(	<u>181,442,845</u>	(	<u>155,182,771</u>
Gross profit		<u>79,657,746</u>		<u>69,269,163</u>		
Operating Expenses (Note 5)						
Sales and marketing expenses	(	51,591,699)	(	45,552,132)
General and administrative expenses	(	12,658,261)	(	10,921,202)
Research and development expenses	(	646,986)	(	406,734)
Total Operating Expenses	(	<u>64,896,946</u>	(	<u>56,880,068</u>
Operating income		<u>14,760,800</u>		<u>12,389,095</u>		
Non-operating Income and Gains						
Interest income (Note 5)		345,705		295,141		
Gain on valuation of financial assets (Note 4(2))		-		104,477		
Investment income accounted for under the equity method (Note 4(9))		1,319,241		22,795		
Dividend income		359,829		206,725		
Gain on disposal of property, plant and equipment (Note 4(10))		219,416		57,431		
Gain on disposal of investments (Notes 4(2)(8))		2,284,587		2,630,782		
Foreign exchange gain, net (Note 4(2))		186,057		254,895		
Rental income (Note 4(12))		292,840		383,995		
Other non-operating income (Note 5)		1,527,192		2,881,623		
Non-operating Income and Gains		<u>6,534,867</u>		<u>6,837,864</u>		
Non-operating Expenses and Losses						
Interest expense (Notes 4(10) and 10(3))	(	1,206,227)	(	1,647,733)
Loss on valuation of financial assets (Note 4(2))	(	43,875)	(-	
Loss on disposal of property, plant and equipment	(	110,684)	(	140,774)
Impairment loss (Notes 4(8)(10)(11)(12)(13)(15))	(	87,099)	(	1,920,588)
Other non-operating losses (Note 5)	(	1,262,236)	(	1,888,332)
Non-operating Expenses and Losses	(	<u>2,710,121</u>	(	<u>5,597,427</u>
Income from continuing operations before income tax		18,585,546		13,629,532		
Income tax expense	(	3,053,187)	(	2,436,032)
Consolidated net income	\$	<u>15,532,359</u>	\$	<u>11,193,500</u>		
Attributable to:						
Equity holder of the Company	\$	9,912,922	\$	7,220,225		
Minority interest		5,619,437		3,973,275		
	\$	<u>15,532,359</u>	\$	<u>11,193,500</u>		
		<u>Before Tax</u>	<u>After Tax</u>	<u>Before Tax</u>	<u>After Tax</u>	
Basic Earnings Per Common Share (in dollars) (Note 4(24))						
Net income	\$	4.34	\$	2.31	\$ 3.18	\$ 1.68
Diluted Earnings Per Common Share (in dollars) (Note 4(24))						
Net income	\$	4.22	\$	2.26	\$ 3.11	\$ 1.65

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated November 10, 2010.

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

	2010		2009
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated net income	\$ 15,532,359	\$	11,193,500
Adjustments to reconcile net income to net cash provided by operating activities			
Loss (gain) on valuation of financial assets and liabilities	48,172	(	156,181)
Provision for doubtful accounts	52,776		96,500
Reversal of allowance for doubtful accounts	(69,123)	(	186,680)
Provision for inventory obsolescence	118,197		18,161
Reversal of allowance for inventory market price decline	(261,959)	(	1,411,370)
Reclassification of provision for inventory obsolescence as other income	-	(	48,934)
Investment income accounted for under the equity method	(1,319,241)	(	22,795)
Cash dividends from equity subsidiaries	532,078		288,097
Gain on sale of investments	(2,150,615)	(	2,372,796)
Depreciation	7,900,692		7,694,135
Loss (gain) on disposal of property, plant and equipment, assets leased to others, idle assets and other assets	(108,732)		83,343
Impairment loss	87,099		1,920,588
Amortization	621,075		803,450
Changes in assets and liabilities			
Financial assets at fair value through profit or loss - current	965,543	(	1,588,136)
Notes receivable	(302,555)	(	104,926)
Accounts receivable	(5,278,202)	(	1,164,430)
Accounts receivable - related parties	(822,474)	(	447,141)
Other receivables	(138,891)	(	4,271,395)
Inventories	(5,849,263)		5,488,355
Prepayments	(1,386,121)	(	1,712,076)
Deferred income tax assets - current	172,506		584,329
Other current assets	(373,358)	(	188,510)
Deferred pension cost	31,036		4,020
Long-term notes, accounts and overdue receivables	(141,655)	(	628)
Deferred income tax assets - non-current	(348,381)	(	624,065)
Notes payable	(460,329)	(	995,941)
Accounts payable	7,441,089		259,007
Income tax payable	1,506,895		210,551
Accrued expenses	3,675,904		5,099,702
Other payables	1,395,949	(	652,976)
Receipts in advance	(820,515)	(	21,514)
Other current liabilities	49,684		693,549
Long-term notes, accounts and overdue payable - related parties	63,367		128,379
Accrued pension liabilities	(510)		21,554
Net cash provided by operating activities	<u>20,362,497</u>		<u>18,616,726</u>

(Continued)

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

	2010	2009
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in available-for-sale financial assets - current	\$ 23,014	\$ 1,000
Decrease (increase) in employees' car loans	3,501	(2,571)
Decrease (increase) in other receivables - related parties	82,905	(26,961)
(Increase) decrease in other financial assets - current	(6,025,096)	69,163
Increase in available-for-sale financial assets - non-current	(972,464)	(1,198,612)
Increase in financial assets carried at cost - non-current	(219,528)	(617,040)
Decrease in investments in bonds without active markets - non-current	-	15,000
Increase in long-term investments - non subsidiaries	(1,019,566)	(4,128,857)
Proceeds from disposal of long-term investments - non subsidiaries	6,814,296	5,435,703
Proceeds from capital reduction of subsidiaries	39,286	23,990
(Increase) decrease in other financial assets - non-current	(10,396)	22,780
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	(11,313,757)	(6,837,103)
Proceeds from disposal of property, plant and equipment, assets leased to others, idle assets and other assets	1,395,034	470,863
Increase in other intangible assets	(351,963)	(1,028,720)
Increase in refundable deposits	(87,496)	(234,562)
Increase in other deferred expense	(171,716)	(321,606)
Increase in other assets - other	(1,709,988)	-
Net cash used in investing activities	(13,523,934)	(8,357,533)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	3,367,304	1,263,040
Increase (decrease) in notes and bills payable	53,914	(91,771)
Increase (decrease) in bonds payable	2,288,663	(3,411,336)
Decrease in long-term loans	(7,253,125)	(3,824,235)
Decrease in long-term notes, accounts and overdue payable	(413,688)	(368,760)
Increase (decrease) in guarantee deposits received	389,688	(42,288)
Increase in other liabilities - other	112,256	1,460,747
Payment of cash dividends	(3,117,920)	(1,642,582)
Decrease in minority interest	(2,062,134)	(630,841)
Net cash used in financing activities	(6,635,042)	(7,288,026)
Effect of foreign exchange rate changes on cash	(340,978)	896,204
Net effect of change in the consolidated entities	(2,183,106)	-
(Decrease) increase in cash and cash equivalents	(2,320,563)	3,867,371
Cash and cash equivalents at beginning of period	35,675,353	31,686,341
Cash and cash equivalents at end of period	\$ 33,354,790	\$ 35,553,712
Supplemental disclosures of cash flow information		
1. Interest paid (excluding capitalized interest)	\$ 1,393,640	\$ 2,188,248
2. Income tax paid	\$ 2,187,558	\$ 2,265,217
Investing and financing activities with partial cash payment		
1. Proceeds from disposal of long-term investments-non subsidiaries	\$ 6,814,296	\$ 3,420,548
Add: Other receivables, beginning of period	-	2,015,155
Proceeds from disposal of long-term investments - non subsidiaries	\$ 6,814,296	\$ 5,435,703
2. Acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 11,513,750	\$ 7,429,660
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	(2,093,798)	(1,188,103)
Capital lease payables, end of period	-	(76,087)
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 11,313,757	\$ 6,837,103
Other activities with no cash flow effect		
1. Non-payment of fractional cash dividend from previous year transferred to capital reserve	\$ 48	\$ 42
2. Reversal of unrealized revaluation increments for land expropriation	\$ 1,184	-
3. 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 November 10, 2010.

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 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 September 30, 2010, the Company’s authorized capital was \$48,000,000, and the paid-in capital was \$42,871,403, consisting of 4,287,140,000 shares of common stock with a par value of \$10 (in NT dollars) per share. The Company is primarily engaged in the manufacture, processing and sales of various soft drinks, food, animal feeds and flour.
- (2) As of September 30, 2010, the Company and its subsidiaries had approximately 79,700 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
			September 30, 2010	September 30, 2009	
Uni-President Enterprises Corp.	Cayman President Holdings Ltd.	Professional investment	100.00%	100.00%	(Note 1)
	Kai Yu Investment Co., Ltd.	"	"	"	"
	Kai Nan Investment Co., Ltd.	"	"	"	"
	President International Trade and Investment Corp.	"	"	"	"
	President Global Corp.	Instant noodle and juice can importation	"	"	"
	Uni-President Glass Industrial Co., Ltd.	Manufacturing and sales of glass products	"	"	"
	Tone Sang Construction Corp.	Construction of buildings	"	"	"
	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		
			September 30, 2010	September 30, 2009	Note
Uni-President Enterprises Corp.	President	Management of	100.00%	100.00%	(Note 1)
	Baseball Team Corp.	professional baseball			
	President Entertainment Corp.	Entertainment business	"	"	" (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	"	"	"
	Nanlien International Corp.	Import and export trading	99.99%	99.99%	(Note 1)
	President International Development Corp.	Industry investment	75.36%	69.83%	(Note 1) (Note 3)
	President Natural Industrial Corp.	Sales of healthy food	74.85%	74.85%	(Note 1)
	Uni-President Development Corp.	General investments	70.00%	70.00%	(Note 1) (Note 3)
Tait Marketing & Distribution Co., Ltd.	Channel retailing and distribution centers	64.83%	64.80%	(Note 3)	

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			September 30, 2010	September 30, 2009	Note
Uni-President Enterprises Corp.	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%	"
	ScinoPharm Taiwan Ltd.	Research, manufacturing and sales of pharmaceuticals	50.56%	—	(Note 1) (Note 3) (Note 4)
	President Kikkoman Inc.	Manufacturing and sales of soya sauce	50.00%	50.00%	(Note 1)
	Uni-President Biotechnology Co., Ltd.	Research and development of traditional chinese medicine, wholesale	"	"	"
	Ton Yi Industrial Corp.	Manufacturing of tinplates	47.24%	47.24%	(Note 2) (Note 3)
	President Chain Store Corp.	Operation of supermarkets	45.80%	45.81%	(Note 3)
	President Musashino Corp.	Sales of fresh food	—	90.00%	(Note 1) (Note 3) (Note 5)
	President Asian Enterprises Inc.	Operation of supermarket, landed estates and hotels, etc.	—	50.01%	(Note 1) (Note 3) (Note 6)

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			September 30, 2010	September 30, 2009	Note
Cayman President Holdings Ltd.	Linkhope Intl. LLC.	General investments	100.00%	100.00%	(Note 1)
	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 Jianlibao Commerce Co., Ltd.	Sale of soft drinks	"	"	"
	Kai Nan (BVI) Investment Co., Ltd. and its subsidiaries	Professional investment, etc.	"	—	(Note 1) (Note 5)
	Uni-President Enterprises China Holdings Ltd. and its subsidiaries	Professional investment, etc.	73.49%	73.49%	(Note 1)

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			September 30, 2010	September 30, 2009	Note
Cayman President Holdings Ltd.	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%	45.00%	"
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00%	100.00%	"
	Tung Ang Enterprises Corp.	Sales of soft drinks, etc.	"	"	"
	Tung Guan Enterprises Co., Ltd.	Sales of livestock products	"	"	"
	Tung Jun International Corp.	Wholesale of poultry and livestock, etc.	"	"	"
Kai Nan Investment Co., Ltd.	Kai Nan (BVI) Investment Co., Ltd. and its subsidiaries	Professional investment, etc.	—	100.00%	(Note 1) (Note 5)
President International Trade and Investment Corp.	Shanghai President International Food Co., Ltd.	Sales of biscuits and food	—	"	(Note 1) (Note 3) (Note 7)
	Ameripecc Inc.	Manufacturing of food	100.00%	"	(Note 1)

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			September 30, 2010	September 30, 2009	Note
Uni-President Dream Parks Corp.	Uni-Oao Travel Services Corp.	Tours business	100.00%	100.00%	(Note 1) (Note 3)
President Fair Development Corp.	President Century Corp.	Department store, etc.	"	"	(Note 1) (Note 8)
Tung Ho Development Corp.	Uni-Resort Corp.	Operation of restaurants, hotels and gymnasium, etc.	"	"	(Note 1)
Nanlien International Corp.	Cayman Nanlien Holdings Ltd. and its subsidiaries	Professional investment, 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.	30.00%~ 100.00%	36.00%~ 100.00%	"
	Nella Limited and its subsidiaries	Trade agency and general investments, etc.	—	100.00%	(Note 1) (Note 7)

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			September 30, 2010	September 30, 2009	Note
President International Development Corp.	President (BVI) International Investment Holdings Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00%	100.00%	(Note 1)
	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%	"
	Presitex Co., Ltd.	Manufacturing and sales of clothing, etc.	—	100.00%	(Note 1) (Note 7)
President Natural Industrial Corp.	High Wave Biotech Corp.	Sales of healthy food	100.00%	"	(Note 1)

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			September 30, 2010	September 30, 2009	Note
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 7)
President Tokyo Corp.	President Tokyo Renting Corp.	Car rental	100.00%	"	(Note 1)
President Packaging Corp.	President Packaging (BVI) Corp. and its subsidiaries	Professional investment, etc.	—	"	(Note 1) (Note 7)
ScinoPharm Taiwan Ltd.	SPT International, Ltd. and its subsidiaries	General investment, etc.	100.00%	—	(Note 1) (Note 4)
	Han Feng (BVI), Ltd. and its subsidiaries	"	"	—	"
	ScinoPharm Singapore Pte Ltd.	General investment	"	—	"
	President ScionPharm (Cayman), Ltd.	"	60.00%	—	"

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			September 30, 2010	September 30, 2009	
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd. and its subsidiaries	Professional investment, etc.	100.00%	100.00%	(Note 1) (Note 2)
	Tovecan Corp.	Manufacturing of cans, etc.	51.00%	51.00%	"
President Chain Store Corp.	President Chain Store (BVI) Holdings Co., Ltd. and its subsidiaries	Professional investment, etc.	100.00%	100.00%	(Note 1) (Note 9)
	PCSC (BVI) (China) Ltd. and its subsidiaries	"	"	"	(Note 1)
	President Drugstore Business Corp.	Sales of cosmetics and medicine	"	"	"
	Ren-Hui Investment Corp.	Professional investment	"	"	"
	Capital Inventory Services Corp.	Enterprise management consultancy	"	"	"
	Wisdom Distribution Services Corp. and its subsidiaries	Delivery of magazines, etc.	"	"	"

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			September 30, 2010	September 30, 2009	
President Chain Store Corp.	Uni-President Cold Chain Corp. and its subsidiaries	Distribution center, etc.	100.00%	100.00%	(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	"	"	"
	President Chain Store Tokyo Marketing Corp.	Enterprise management consultancy	"	"	"

Name of Investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			September 30, 2010	September 30, 2009	
President Chain Store Corp.	Mech-President Co. Ltd. and its subsidiaries	Operation of gas stations and manufacturing of elevator, etc.	99.76%	98.68%	(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)
	Qware Systems & Services Corp.	Data processing and software design services, etc.	86.76%	85.55%	(Note 1) (Note 5)
	President Information Corp.	Information services	86.00%	86.00%	(Note 1) (Note 3)
	Sato Restaurant System Co., Ltd.	Operation of restaurant	81.00%	—	(Note 1) (Note 4)
	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		Note
			September 30, 2010	September 30, 2009	
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%	(Note 1) (Note 3)
	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.	Operation of trust	—	100.00%

(Note 1) The financial statements of certain investee companies reflect total assets amounting to \$194,876,779 and \$181,575,400, representing 65.96% and 65.38% of the related consolidated totals, and total liabilities amounting to \$103,818,753 and \$98,558,986, representing 57.59% and 56.75% of the related consolidated totals, as of September 30, 2010 and 2009, respectively, and total net income amounting to \$7,773,601 and \$5,476,170, representing 50.05% and 48.92% of the consolidated net income for the nine-month periods then ended, respectively. Those statements were not reviewed by independent accountants.

(Note 2) We did not review the financial statements of certain subsidiaries which reflect total assets amounting to \$37,821,211 and \$37,099,672, representing 12.80% and 13.36% of the related consolidated totals, respectively, and total liabilities amounting to \$17,992,603 and \$18,576,078, representing 9.98% and 10.70% of the related consolidated totals as of September 30, 2010 and 2009, respectively, and total operating revenues amounting to \$19,684,725 and \$16,289,618, representing 7.54% and 7.26% of the related consolidated totals for the nine-month periods then ended, respectively. 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 the majority interest in 2009 or 2010.

(Note 7) Liquidated in 2009 or 2010.

(Note 8) Formerly Kainan Plywood & Wood Mfg. Co., Ltd.

(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 the Company's stockholders' equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying third-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 Third-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 change in accounting principle 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 six-month period ended June 30, 2010.

3.CHANGE IN ACCOUNTING PRINCIPLE

Inventories

Effective January 1, 2009, the Group adopted the amendments of R.O.C. SFAS No. 10, “Accounting for Inventories”. As a result of this change in accounting principle, consolidated net income increased by \$95,498 and earnings per share increased by \$0.02 (in NT dollars) for the nine-month period ended September 30, 2009.

4.DETAILS OF SIGNIFICANT ACCOUNTS

(1)Cash and cash equivalents

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Cash:		
Cash on hand	\$ 755,525	\$ 1,936,880
Checking deposits	1,769,423	1,555,966
Demand deposits	13,384,390	13,567,989
Time deposits	<u>9,483,882</u>	<u>15,902,887</u>
	<u>25,393,220</u>	<u>32,963,722</u>
Cash equivalents:		
Repurchase of bonds	6,297,190	-
Commercial papers	<u>1,664,380</u>	<u>2,589,990</u>
	<u>7,961,570</u>	<u>2,589,990</u>
	<u>\$ 33,354,790</u>	<u>\$ 35,553,712</u>

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

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Current items:		
Financial assets held for trading		
Mutual funds	\$ 12,488,659	\$ 13,043,655
Corporate bonds	299,596	63,856
Listed (TSE and OTC) stocks	166,906	167,237
Credit Link Notes	-	645,453
	<u>12,955,161</u>	<u>13,920,201</u>
Adjustment of financial assets held for trading	(51,749)	(52,057)
	<u>\$ 12,903,412</u>	<u>\$ 13,868,144</u>

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Current items:		
Financial assets held for trading		
Derivatives	<u>\$ 30,805</u>	<u>\$ 33,830</u>

- (a) The Group recognized net gain of \$90,097 and \$362,463 for the nine-month periods ended September 30, 2010 and 2009, respectively.
- (b) The trading items and contract information of derivatives were as follows: (Units in thousands of currencies indicated)

	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Contract Amount</u>	<u>Contract Period</u>	<u>Contract Amount</u>	<u>Contract Period</u>
Sales of forward foreign exchange	JPY 879,000	5. 2010~12. 2010	JPY 1,170,000	8. 2009~3. 2010
Forward foreign exchange futures	USD 48,260	7. 2010~12. 2010	USD 24,100	8. 2009~12. 2009
"	EUR 420	9. 2010~10. 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

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Current items:		
Mutual funds	\$ -	\$ 23,014
Adjustment of available-for-sale financial assets	-	(12,379)
	<u>\$ -</u>	<u>\$ 10,635</u>
Non-current items:		
Listed (TSE and OTC) stocks	\$ 9,553,568	\$ 6,363,510
Corporate bonds	10,000	-
Mutual funds	3,507	1,611
	<u>9,567,075</u>	<u>6,365,121</u>
Adjustment of available-for-sale financial assets	2,252,088	1,176,707
	<u>\$ 11,819,163</u>	<u>\$ 7,541,828</u>

(4) Notes receivable, net

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Notes receivable	\$ 3,044,833	\$ 2,659,357
Less: Allowance for doubtful accounts	(80,266)	(78,467)
	<u>\$ 2,964,567</u>	<u>\$ 2,580,890</u>

(5) Accounts receivable, net

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Accounts receivable	\$ 15,805,859	\$ 10,880,493
Less: Allowance for doubtful accounts	(520,797)	(500,942)
	<u>\$ 15,285,062</u>	<u>\$ 10,379,551</u>

(6) Other receivables

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Other receivables	\$ 6,634,923	\$ 8,528,856
Less: Allowance for doubtful accounts	(507,311)	(538,336)
	<u>\$ 6,127,612</u>	<u>\$ 7,990,520</u>

(7) Inventories

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Merchandise	\$ 9,544,554	\$ 8,610,117
Raw materials	8,009,807	5,507,128
Raw materials in transit	1,393,127	1,051,340
Supplies	2,057,096	1,684,313
Work in process	2,136,904	1,176,656
Finished goods	4,727,297	2,792,471
By-products	999	1,698
Land held for construction	128,351	128,351
Construction in progress-land	-	299,385
Construction in progress-buildings	41,231	24,410
Buildings and land held for sale	<u>702,288</u>	<u>21,489</u>
	28,741,654	21,297,358
Less: Allowance for price decline in inventories	(<u>684,465</u>)	(<u>522,617</u>)
	<u>\$ 28,057,189</u>	<u>\$ 20,774,741</u>

Expenses and losses on inventories recognized:

	<u>For the nine-month periods ended September 30,</u>	
	<u>2010</u>	<u>2009</u>
Cost of inventories sold	\$ 178,582,299	\$ 154,304,388
Provision for inventory decline	118,197	18,161
Reversal of allowance for inventory obsolescence and market price decline (Note)	(261,959)	(1,411,370)
Reclassification of provision for inventory market price decline as other income	-	(48,934)
Loss on physical inventory	194,879	1,370
Loss on production stoppage	117,003	44,265
Loss on discarding inventory	103,171	72,604
Revenue from sale of scraps	(<u>307,939</u>)	(<u>201,009</u>)
Cost of goods sold	<u>\$ 178,545,651</u>	<u>\$ 152,779,475</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(10).

(8)Financial assets carried at cost

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Non-current items:		
Unlisted stocks	\$ 6,010,360	\$ 8,999,025
Non-public trading bonds	1,088,876	1,118,724
Emerging stocks	<u>55,667</u>	<u>8,173,071</u>
	7,154,903	18,290,820
Less: Accumulated impairment	(<u>1,791,281</u>)	(<u>5,078,381</u>)
	<u>\$ 5,363,622</u>	<u>\$ 13,212,439</u>

- A. Toppoly Optoelectronics Co., Ltd., a subsidiary of the Company, has obtained stockholders' approval during the interim stockholders' meeting held on January 6, 2010 to merge with Innolux Display Corp. and Chi Mei Optoelectronics Corp. Each 3.83 shares of Toppoly Optoelectronics Co., Ltd. was exchanged for 1 share of Innolux Display Corp., and the effective date of merger is March 18, 2010. The new company after the merger was renamed 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.
- B. The investments were measured at cost since their fair value cannot be measured reliably.
- C. For details of accumulated impairment, please refer to Note 4(15).

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

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

Name of subsidiaries	September 30, 2010		September 30, 2009	
	Amount	Percentage owned	Amount	Percentage owned
Jimmailang Beverage (Beijing) Co., Ltd.	\$ 2,114,787	50.00	\$ 1,904,240	50.00
Cargill President Holding Pte. Ltd.	1,462,216	"	1,338,417	"
Presicarre Corp.	7,444,616	40.00	7,830,467	40.00
TTET Union Corp.	1,073,086	37.64	1,026,221	37.64
Kuang Chuan Dairy Co., Ltd.	1,399,704	31.25	1,305,689	31.25
President Securities Corp.	5,994,670	30.02	5,663,508	29.92
Kang Na Hsiung Enterprise Co., Ltd.	625,109	20.71	614,047	20.71
Yantai North Andrejuice Co., Ltd. (Note 1)	1,000,813	15.00	994,290	15.00
Scino Pharm Taiwan, Ltd. (Note 2)	-	-	1,001,513	20.77
Others (individually less than 2%)	<u>5,080,156</u>	20.00	<u>5,334,537</u>	20.00
		~50.00		~50.00
	<u>\$26,195,157</u>		<u>\$27,012,929</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) It became a consolidated entity starting 2010.

(b) Long-term investment income accounted for under the equity method was \$1,319,241 and \$22,795 for the nine-month periods ended September 30, 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 September 30, 2010 and 2009, long-term investments in these investee companies was \$19,414,851 and \$20,564,821, respectively and the related investment income and loss was \$844,981 and \$514,282 for the nine-month periods then ended, respectively.

(c) As a result of the adoption of R.O.C. SFAS No. 5, "Long-term Investments under Equity Method", the Company recognized unrealized loss and income on financial instruments of long-term equity investments amounting to \$573,246 and \$706,548 (classified as unrealized gain or loss on financial instruments) for the nine-month periods ended September 30, 2010 and 2009, respectively.

(10) Property, plant and equipment

(a) As of September 30, 2010 and 2009, the revaluation increment and accumulated depreciation of property, plant and equipment are listed as follows:

<u>Assets</u>	<u>September 30, 2010</u>		<u>September 30, 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	12,988,766	193,295	10,930,843
Machinery and equipment	37,378	38,300,079	37,713	34,508,291
Piping infrastructure and electricity generation equipment	6,676	1,906,860	6,635	1,302,152
Transportation equipment	-	2,448,303	-	4,335,386
Office equipment	287	4,484,897	288	4,060,884
Leased assets	-	125,341	-	295,482
Leasehold improvements	-	6,029,935	-	6,171,203
Other equipment	<u>19,769</u>	<u>22,998,173</u>	<u>19,865</u>	<u>18,648,822</u>
	<u>\$ 4,688,072</u>	<u>\$89,282,354</u>	<u>\$ 4,013,403</u>	<u>\$80,253,063</u>

(b) In the years 1975, 1979, 1981, 1983, 1990, 1995 and 2005, the Company revalued certain property, plant and equipment (including assets leased to others and idle assets) in accordance with the regulations for the Revaluation of Assets in the Republic of China. The amount of appraisal increments credited to asset revaluations was \$2,521,590. The balance of asset revaluation (shown as capital reserve from asset revaluations before the amended “Business Entity Accounting Law”) amounted to \$1,510,132 and \$1,511,316 as of September 30, 2010 and 2009, respectively. In addition, as a result of the adoption of R.O.C. SFAS No. 5, “Long-term Investments under Equity Method”, the Company recognized the unrealized asset revaluation amounting to \$653,039 and \$303,355 as of September 30, 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 September 30, 2010 and 2009 respectively.

(d) Interest expense before capitalization for the nine-month periods ended September 30, 2010 and 2009 was \$1,297,359 and \$1,747,521, respectively. Interest capitalized in inventories

and property, plant and equipment totaled \$91,132 and \$99,788 with interest rates of 0.70% ~5.31% and 0.92%~5.20% for the nine-month periods ended September 30, 2010 and 2009, respectively.

(e) As of September 30, 2010 and 2009, the Group owned certain agricultural land amounting to \$1,008,169 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 Company 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 September 30, 2010 and 2009, the book value was \$176,320 (the total cost of \$280,000 less deferred revenue of \$103,680).

(g) Leased assets

The terms of the major leased 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 are listed below:

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

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

(h) The accumulated impairment of property, plant and equipment as of September 30, 2010 and 2009 was \$84,334 and \$78,875, respectively. Please refer to Note 4(15).

(11)Other intangible assets

As of September 30, 2010 and 2009, other intangible assets are as follows:

Item	Beginning balance				For the nine-month period ended September 30, 2010							
	Initial cost	Accumulated amortization	Effect of exchange rate changes	Book value	Additions	Amortization	Effect of exchange rate changes	Ending balance			Net book value	
								Initial cost	Accumulated amortization	Effect of exchange rate changes		
Trademarks	\$ 533,821	(\$ 36,445)	\$ -	\$ 497,376	\$ -	(\$ 10,913)	(\$ 186)	\$ 533,821	(\$ 47,358)	(\$ 186)	\$ 486,277	
Copyrights	14,057	(512)	-	13,545	-	-	-	14,057	(512)	-	13,545	
Land use rights	2,212,549	(182,514)	-	2,030,035	-	(32,165)	-	2,212,549	(214,679)	-	1,997,870	
Land occupancy rights	1,918,136	(244,814)	18,752	1,692,074	133,264	(44,454)	(1,396)	2,051,400	(289,268)	17,356	1,779,488	
Others	3,233,963	(1,863,453)	-	1,370,510	200,156	(232,577)	-	3,434,119	(2,096,030)	-	1,338,089	
	<u>\$ 7,912,526</u>	<u>(\$ 2,327,738)</u>	<u>\$ 18,752</u>	<u>5,603,540</u>	<u>\$ 333,420</u>	<u>(\$ 320,109)</u>	<u>(\$ 1,582)</u>	<u>\$ 8,245,946</u>	<u>(\$ 2,647,847)</u>	<u>\$ 17,170</u>	<u>5,615,269</u>	
Less: Discount on land use rights				(114,499)							(95,956)	
Accumulated impairment				(13,545)							(31,148)	
				<u>\$ 5,475,496</u>							<u>\$ 5,488,165</u>	

Item	Beginning balance				For the nine-month period ended September 30, 2009							
	Initial cost	Accumulated amortization	Effect of exchange rate changes	Book value	Additions	Amortization	Effect of exchange rate changes	Ending balance			Net book value	
								Initial cost	Accumulated amortization	Effect of exchange rate changes		
Trademarks	\$ 240,909	(\$ 18,165)	\$ -	\$ 222,744	\$ 292,912	(\$ 5,762)	\$ -	\$ 533,821	(\$ 23,927)	\$ -	\$ 509,894	
Copyrights	14,057	(512)	-	13,545	-	-	-	14,057	(512)	-	13,545	
Land use rights	2,212,549	(141,307)	-	2,071,242	-	(32,207)	-	2,212,549	(173,514)	-	2,039,035	
Land occupancy rights	1,517,114	(124,287)	12,672	1,405,499	319,227	(100,527)	45,567	1,836,341	(224,814)	58,239	1,669,766	
Others	2,538,254	(1,225,441)	-	1,312,813	399,292	(403,990)	-	2,937,546	(1,629,431)	-	1,308,115	
	<u>\$ 6,522,883</u>	<u>(\$ 1,509,712)</u>	<u>\$ 12,672</u>	<u>5,025,843</u>	<u>\$ 1,011,431</u>	<u>(\$ 542,486)</u>	<u>\$ 45,567</u>	<u>\$ 7,534,314</u>	<u>(\$ 2,052,198)</u>	<u>\$ 58,239</u>	<u>5,540,355</u>	
Less: Discount on land use rights				(114,499)							(97,210)	
Accumulated impairment				(13,545)							(13,545)	
				<u>\$ 4,897,799</u>							<u>\$ 5,429,600</u>	

For details of accumulated impairment, please refer to Note 4(15).

(12) Assets leased to others

Assets	September 30, 2010						
	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$4,585,747	\$1,580,504	\$6,166,251	\$ -	\$ -	\$ -	\$ 6,166,251
Buildings	3,558,698	14,075	3,572,773	(1,051,563)	(13,738)	(1,065,301)	2,507,472
Machinery and equipment	25,537	-	25,537	(20,789)	-	(20,789)	4,748
Piping infrastructure and electricity generation equipment	9,759	-	9,759	(8,587)	-	(8,587)	1,172
Office equipment	2,117	-	2,117	(2,014)	-	(2,014)	103
Other equipment	208,916	4,290	213,206	(167,396)	(4,290)	(171,686)	41,520
	<u>\$8,390,774</u>	<u>\$1,598,869</u>	<u>\$9,989,643</u>	<u>(\$1,250,349)</u>	<u>(\$ 18,028)</u>	<u>(\$1,268,377)</u>	8,721,266
Less: Accumulated impairment							(273,881)
							<u>\$ 8,447,385</u>

Assets	September 30, 2009						
	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$4,784,640	\$1,580,503	\$6,365,143	\$ -	\$ -	\$ -	\$ 6,365,143
Buildings	3,316,408	14,075	3,330,483	(644,793)	(13,607)	(658,400)	2,672,083
Machinery and equipment	11,373	-	11,373	(10,576)	-	(10,576)	797
Piping infrastructure and electricity generation equipment	9,774	-	9,774	(8,371)	-	(8,371)	1,403
Office equipment	2,230	-	2,230	(2,012)	-	(2,012)	218
Other equipment	253,887	4,290	258,177	(197,402)	(4,290)	(201,692)	56,485
	<u>\$8,378,312</u>	<u>\$1,598,868</u>	<u>\$9,977,180</u>	<u>(\$ 863,154)</u>	<u>(\$ 17,897)</u>	<u>(\$ 881,051)</u>	9,096,129
Less: Accumulated impairment							(285,359)
							<u>\$ 8,810,770</u>

- (a) Rental revenues for the nine-month periods ended September 30, 2010 and 2009 was \$243,326 and \$295,984, 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(10).
- (c) For details of accumulated impairment, please refer to Note 4(15).

(13) Idle assets

Assets	September 30, 2010						Net book value
	Cost			Accumulated depreciation			
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$1,300,855	\$ 566	\$1,301,421	\$ -	\$ -	\$ -	\$1,301,421
Buildings	158,387	4,860	163,247	(90,624)	(4,850)	(95,474)	67,773
Machinery and equipment	335,359	-	335,359	(217,926)	-	(217,926)	117,433
Piping infrastructure and electricity generation equipment	3,200	-	3,200	(2,188)	-	(2,188)	1,012
Office equipment	285	-	285	(140)	-	(140)	145
Other equipment	108,226	1,373	109,599	(96,982)	(1,373)	(98,355)	11,244
	<u>\$1,906,312</u>	<u>\$ 6,799</u>	<u>\$1,913,111</u>	<u>(\$ 407,860)</u>	<u>(\$ 6,223)</u>	<u>(\$ 414,083)</u>	1,499,028
Less: Accumulated impairment							(260,228)
							<u>\$1,238,800</u>

September 30, 2009

Assets	Cost			Accumulated depreciation			Net book value
	Historical cost	Revaluation	Total	Historical cost	Revaluation	Total	
Land	\$1,361,249	\$ 566	\$1,361,815	\$ -	\$ -	\$ -	\$1,361,815
Buildings	192,421	4,860	197,281	(117,585)	(4,847)	(122,432)	74,849
Machinery and equipment	497,463	-	497,463	(342,963)	-	(342,963)	154,500
Piping infrastructure and electricity generation equipment	8,453	41	8,494	(6,722)	(41)	(6,763)	1,731
Office equipment	885	-	885	(775)	-	(775)	110
Other equipment	146,115	1,373	147,488	(122,901)	(1,372)	(124,273)	23,215
	<u>\$2,206,586</u>	<u>\$ 6,840</u>	<u>\$2,213,426</u>	<u>(\$ 590,946)</u>	<u>(\$ 6,260)</u>	<u>(\$ 597,206)</u>	1,616,220
Less: Accumulated impairment							(222,897)
							<u>\$1,393,323</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(10).

B. For details of accumulated impairment, please refer to Note 4(15).

(14) Deferred expenses

	<u>For the nine-month periods ended September 30,</u>	
	<u>2010</u>	<u>2009</u>
Beginning balance	\$ 988,549	\$ 1,064,569
Additions	171,716	321,606
Amortization	(300,966)	(260,964)
Effect of foreign exchange rate changes	(197)	(23,836)
Ending balance	<u>\$ 859,102</u>	<u>\$ 1,101,375</u>

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

(15) Impairment of assets

After reversal of impairment loss previously recognized, the total accumulated impairment as of September 30, 2010 and 2009 was \$2,440,872 and \$5,679,057, respectively.

Details are set forth below:

<u>Item</u>	<u>September 30, 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)	\$ 1,791,281	\$ -
Property, plant and equipment (Note)	84,334	-
Other intangible assets (Note)	31,148	-
Assets leased to others (Note)	273,881	-
Idle assets (Note)	260,228	-
	<u>\$ 2,440,872</u>	<u>\$ -</u>

Item	September 30, 2009	
	Amount included in statement of income	Amount included in stockholders' equity
Recorded as impairment loss:		
Financial assets carried at cost - non-current (Note)	\$ 5,078,381	\$ -
Property, plant and equipment (Note)	78,875	-
Other intangible assets (Note)	13,545	-
Assets leased to others (Note)	285,359	-
Idle assets (Note)	222,897	-
	<u>\$ 5,679,057</u>	<u>\$ -</u>

The accumulated impairment summarized by department were as follows:

Department	September 30, 2010	
	Amount included in statement of income	Amount included in stockholders' equity
Entertainment business	\$ 310,634	\$ -
Tinplate business	31,539	-
Foods	378,652	-
Feeds	810	-
Retail chain stores	763,692	-
General department	955,545	-
	<u>\$ 2,440,872</u>	<u>\$ -</u>

Department	September 30, 2009	
	Amount included in statement of income	Amount included in stockholders' equity
Entertainment business	\$ 310,634	\$ -
Tinplate business	43,017	-
Foods	113,726	-
Feeds	810	-
Retail chain stores	1,517,300	-
General department	3,693,570	-
	<u>\$ 5,679,057</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 nine-month periods ended September 30, 2010 and 2009. As such, impairment loss of \$87,099 and \$1,920,588 was recognized for the nine-month periods ended September 30,

2010 and 2009, respectively.

(16) Short-term loans

	<u>September 30, 2010</u>	<u>September 30, 2009</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 19,722,140	\$ 18,830,587	—
Secured bank loans	<u>1,852,777</u>	<u>2,803,683</u>	(Note)
	<u>\$ 21,574,917</u>	<u>\$ 21,634,270</u>	
Range of interest rates	<u>0.50%~14.50%</u>	<u>0.57%~8.32%</u>	

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

(17) Notes and bills payable

	<u>September 30, 2010</u>	<u>September 30, 2009</u>	<u>Collateral or security</u>
Commercial papers payable	\$ 7,459,632	\$ 9,104,100	(Note)
Less: Prepaid interest	(1,923)	(3,209)	
	<u>\$ 7,457,709</u>	<u>\$ 9,100,891</u>	
Range of interest rates	<u>0.46%~2.76%</u>	<u>0.54%~3.34%</u>	

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

(Note) Collaterals include certificates of deposit-restricted, inventory, long-term equity investments accounted for under the equity method, land, buildings and other assets-other.

(18) Bonds payable

	<u>September 30, 2010</u>	<u>September 30, 2009</u>	<u>Collateral or security</u>
Unsecured ordinary bonds payable	\$ 5,200,000	\$ —	—
Unsecured convertible bonds payable	<u>4,675,000</u>	<u>4,675,000</u>	—
	9,875,000	4,675,000	
Less: Discount on bonds payable	(7,905)	(126,123)	
Current portion of bonds payable	(<u>4,667,095</u>)	<u>—</u>	
	<u>\$ 5,200,000</u>	<u>\$ 4,548,877</u>	

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

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

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

(c) Coupon rate: 0%

(d) Repayment term:

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

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

(f) Conversion period:

Except for the closed period, the bonds may be converted into the Company's common stocks on or after November 26, 2007 and on or prior to October 15, 2010. As of September 30, 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 September 30, 2010, the conversion price was \$43.2 (in NT dollars).

(h) Under the terms of the convertible bonds, all bonds (redeemed, matured and converted) are retired and not to be re-issued. As of September 30, 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.

B. For issued unsecured convertible bonds, the Company separates the conversion rights from the liabilities, which amounted to \$523,481 as "capital reserve-stock warrants" in accordance with the R.O.C SFAS No. 36, "Disclosure and Presentation of Financial Instruments". As of September 30, 2010 and 2009, the capital reserve-stock warrants for the bonds redeemed, matured and converted was \$489,454.

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

(a) Total issue amount:

The Company issued unsecured 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.

D. The Company issued unsecured ordinary bonds payable in June 2010. The significant terms of the bonds are as follows:

(a) Total issue amount:

The Company issued unsecured domestic bonds totaling \$2,200,000, including \$700,000 of A and \$1,500,000 of B.

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

(c) Coupon rate:

- (i) A Bond: the coupon rate is 1.22% per annum
- (ii) B Bond: the coupon rate is 1.57% per annum

(d) Term of interest repayment:

The bond interest is calculated on simple rate every year starting June 2010 based on the coupon rate.

(e) Repayment term:

- (i) A Bond: the bonds are repayable in June 2013 upon the maturity of the bonds.
- (ii) B Bond: the bonds are repayable starting June 2014 to June 2015 in two installments at the rate of 50% and 50%, respectively.

(f) Period:

- (i) A Bond: 3 years, from June 25, 2010 to June 25, 2013
- (ii) B Bond: 5 years, from June 25, 2010 to June 25, 2015

(g) Guarantee Bank:

The bonds are guaranteed by Taipei Fubon Commercial Bank.

(19) Long-term loans

	<u>September 30, 2010</u>	<u>September 30, 2009</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 42,389,700	\$ 50,222,676	—
Secured bank loans	20,561,366	21,987,029	(Note)
Revolving credit facility	<u>2,100,000</u>	<u>3,100,000</u>	—
	65,051,066	75,309,705	
Less: Prepaid interest	(963)	(1,588)	
Current portion of long-term loans	(<u>4,412,766</u>)	(<u>8,288,906</u>)	
	<u>\$ 60,637,337</u>	<u>\$ 67,019,211</u>	
Range of maturity date	<u>2011. 1~2025. 9</u>	<u>2009. 10~2025. 9</u>	
Range of interest rates	<u>0.63%~14.50%</u>	<u>0.06%~4.04%</u>	

(Note) Collaterals include certificates 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.

(20) Other liabilities - other

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
Land use rights payable	\$ 1,250,000	\$ 1,750,000
Less: Discount on land use rights payable	(52,698)	(82,091)
	1,197,302	1,667,909
Less: Current portion of land use rights payable	(248,297)	(495,999)
	<u>\$ 949,005</u>	<u>\$ 1,171,910</u>

As of September 30, 2010, land use rights payable and discount are listed as follows:

<u>Year</u>	<u>Land use rights payable</u>	<u>Discount on land use rights payable</u>
October 1 ~ December 31, 2010	\$ -	\$ 5,850
2011	250,000	19,045
2012	250,000	14,092
2013	250,000	9,236
2014 ~ 2015 (Note) (\$250,000 for each year)	500,000	4,475
	<u>\$ 1,250,000</u>	<u>\$ 52,698</u>

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

(21) Common stock

- (a) 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.
- (b) The stockholders at their annual stockholders' meeting on June 23, 2010 adopted a resolution to increase capital through unappropriated retained earnings of \$3,897,401. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 18, 2010. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$42,871,403, consisting of 4,287,140,000 shares with a par value of \$10 (in NT dollars) per share.

(22) Capital reserve

- (a) The R.O.C. Company Law requires that capital reserve shall be exclusively used to cover accumulated deficit or to increase capital and shall not be used for any other purpose.

However, capital reserve arising from paid-in capital in excess of par value on issuance of common stock and donations can be capitalized once a year, provided that the Company has no accumulated deficit and the amount to be capitalized does not exceed 10% of the paid-in capital.

(b) For details of Capital reserve-stock warrants, please refer for Note 4(18).

(23)Retained earnings

- (a) According to the R.O.C. Company Law, the annual net income shall be used initially to cover any accumulated deficit; thereafter 10% of the annual net income shall be set aside as legal reserve until the legal reserve has reached 100% of contributed capital. The legal reserve shall be exclusively used to cover accumulated deficit or, if the balance of reserve exceeds 50% of contributed capital, to increase capital not exceeding 50% of reserve balance and shall not be used for any other purpose.
- (b) According to the Company's Articles of Incorporation, 10% of the annual net income, after offsetting any loss of prior years and paying all taxes and dues, shall be set aside as legal reserve. The remaining net income and the unappropriated retained earnings from prior years can be distributed in accordance with a resolution passed during a meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount to be distributed by the Company, stockholders' bonuses shall comprise 50% to 100% of the unappropriated retained earnings, and 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 and 2008 earnings had been resolved at the stockholders' meeting on June 23, 2010 and June 29, 2009, respectively. Details are summarized below:

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

There was no difference in the amounts of the 2009 and 2008 earnings appropriation approved

by the stockholders with that proposed by the Board of Directors on April 26, 2010 and April 24, 2009, respectively.

- (d) The estimated amounts of employees' bonus and directors' and supervisors' remuneration for the nine-month periods ended September 30, 2010 and 2009 are \$1,119,570 and \$929,904, respectively. Such estimates are based on a certain percentage of 2010 and 2009 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 actual distribution of the 2009 and 2008 retained earnings is described in Note 4(23)(c). The differences between the actual distribution as approved at the stockholders' meeting, and the amounts recognized in the 2009 and 2008 financial statements were \$1,495 and \$1,945 for employees' bonus, respectively, and \$793,955 and \$329,947 for directors' and supervisors' remuneration, respectively, due to the difference in estimate calculation. Such differences were recognized in profit or loss for the nine-month periods ended September 30, 2010 and 2009, respectively.
- (e) As of September 30, 2010 and 2009, the balance of unappropriated earnings was as follows:

	<u>September 30, 2010</u>	<u>September 30, 2009</u>
(A) Unappropriated earnings before 1998	\$ 36,165	\$ 36,165
(B) Unappropriated earnings in and after 1998	<u>101,504</u>	<u>42,080</u>
	<u>\$ 137,669</u>	<u>\$ 78,245</u>

Consolidated net income in the amount of \$9,912,922 and \$7,220,225 for the nine-month periods ended September 30, 2010 and 2009, respectively, cannot be distributed since these amounts have not been approved by the shareholders.

- (f) As of September 30, 2010 and 2009, the imputation tax credit account balance amounted to \$13,743 and \$10,729, respectively. The Company distributed unappropriated earnings in 2009 and 2008 as dividends in accordance with the resolution adopted at the stockholders' meeting on June 23, 2010 and June 29, 2009, respectively, and the date of dividends distribution was on August 18, 2010 and August 24, 2009, respectively. The 2010 and 2009 creditable ratio were 9.12% and 25.24%, respectively.

(24) Earnings per share ("EPS")

	For the nine-month period ended September 30, 2010				
	Amount		Weighted average number of shares outstanding during the period (shares in thousands)	EPS (in NT dollars)	
	Before tax	After tax		Before tax	After tax
Basic earnings per share					
Net income	\$18,585,546	\$ 9,912,922	4,287,140	<u>\$ 4.34</u>	<u>\$ 2.31</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	88,664	73,591	108,218		
Employees' bonuses	<u>—</u>	<u>—</u>	<u>25,571</u>		
Diluted earnings per share					
Net income	<u>\$18,674,210</u>	<u>\$ 9,986,513</u>	<u>4,420,929</u>	<u>\$ 4.22</u>	<u>\$ 2.26</u>
For the nine-month period ended September 30, 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	\$13,629,532	\$ 7,220,225	4,287,140	<u>\$ 3.18</u>	<u>\$ 1.68</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	88,664	66,498	105,812		
Employees' bonuses	<u>—</u>	<u>—</u>	<u>24,963</u>		
Diluted earnings per share					
Net income	<u>\$13,718,196</u>	<u>\$ 7,286,723</u>	<u>4,417,915</u>	<u>\$ 3.11</u>	<u>\$ 1.65</u>

- (a) The above weighted-average outstanding common shares have been adjusted retroactively in proportion to retained earnings as of December 31, 2009.
- (b) As employees' bonus could be distributed in the form of stock, the diluted EPS computation shall include those estimated shares that would increase from employees' stock bonus issuance in the 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. (Note 1)	"
Kuang Chuan Dairy Co., Ltd.	"
Weilih Food Industrial Co., Ltd.	"
Jimmailang Beverage (Beijing) Co., Ltd.	An affiliated company of Cayman President Holdings Ltd. (accounted for under the equity method)
Uni-President Land Corporation (Land)	"
Saigon Beverage Joint Stock Company (Saigon Beverage) (Note 2)	"
President Fuche (Qingdo) Co., Ltd.	"
Far-Tung Enterprises Corp.	A subsidiary of Nanlien International Corp. (accounted for under the equity method)
Sin-Tung Co., Ltd. (Note 3)	"
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. (Starbucks)	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)
AHB International Inc.	Stockholder of AHB Pet Plus Co., Ltd. (accounted for under the equity method)
Shan Dong President Yinzuo Commercial Limited	Stockholder of Shan Dong President Yinzuo Commercial Limited (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 method) (Note 4)
Huei Tung Enterprises Corp.	Same chairman with Nanlien International Corp.
Young Yun Investment Co., Ltd.	The Company is a director
Toyota Tsusho Corp.	A director of Ton-Yi Industrial Corp.

(Note 1) Subsidiary was sold in the first quarter of 2010.

(Note 2) The percentage owned by the Group increased in the second quarter of 2010, and thus became a consolidated entity.

(Note 3) The percentage owned by the Group increased in the fourth quarter of 2009, and thus became a consolidated entity.

(Note 4) The Company is a director.

(b) Transactions and balances with related parties

1. Sales

	For the nine-month periods ended September 30,			
	2010		2009	
	Amount	Percentage of net sales	Amount	Percentage of net sales
Presicarre Corp.	\$1,739,469	1	\$1,379,750	1
Huei Tung Enterprises Corp.	1,131,340	1	1,090,486	-
TTET Union Corp.	930,938	-	1,016,907	-
Others (Individually less than 10%)	<u>5,614,383</u>	<u>2</u>	<u>5,958,945</u>	<u>3</u>
	<u>\$9,416,130</u>	<u>4</u>	<u>\$9,446,088</u>	<u>4</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 nine-month periods ended September 30,			
	2010		2009	
	Amount	Percentage of net purchases	Amount	Percentage of net purchases
Toyota Tsusho Corp.	\$4,243,930	2	\$2,793,751	3
TTET Union Corp.	747,360	1	864,061	1
Others (Individually less than 10%)	<u>2,282,464</u>	<u>1</u>	<u>1,439,658</u>	<u>1</u>
	<u>\$7,273,754</u>	<u>4</u>	<u>\$5,097,470</u>	<u>5</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 long-term investments

	For the nine-month periods ended September 30,	
	2010	2009
Young Yan Investment Co., Ltd.	<u>\$ 138,900</u>	<u>\$ -</u>

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

4. Acquisition of property, plant and equipment

		<u>For the nine-month periods ended September 30,</u>	
<u>Items</u>		<u>2010</u>	<u>2009</u>
Ta Chen Construction & Engineering	Construction in progress	\$ 587,888	\$ 1,569,096
Others (Individually less than 10%)	Transportation, office equipment and other equipment	-	2,274
		<u>\$ 587,888</u>	<u>\$ 1,571,370</u>

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

5. Processing expenses

		<u>For the nine-month periods ended September 30,</u>	
		<u>2010</u>	<u>2009</u>
TTET Union Corp.		\$ 224,925	\$ 177,933

6. Other expenses

		<u>For the nine-month periods ended September 30,</u>	
		<u>2010</u>	<u>2009</u>
Starbucks Coffee International, Inc.		\$ 159,851	\$ 133,937
Presicarre Corp.		99,439	84,840
Others (Individually less than 10%)		647,766	488,800
		<u>\$ 907,056</u>	<u>\$ 707,577</u>

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

8. Other income

	For the nine-month periods ended September 30,	
	2010	2009
Management and technical consultancy fees:		
Far Tung Enterprises Corp.	\$ 5,144	\$ 4,914
Ztong Yee Industrial Co., Ltd.	2,000	9,000
Others (Individually less than 10%)	<u>38,640</u>	<u>44,298</u>
	<u>45,784</u>	<u>58,212</u>
Other income:		
Union Chinese Corp.	42,944	38,906
Far Tung Enterprises Corp.	23,366	24,216
TTET Union Corp.	20,706	14,215
Sin Tung Co., Ltd.	-	18,402
Others (Individually less than 10%)	<u>74,170</u>	<u>78,073</u>
	<u>161,186</u>	<u>173,812</u>
	<u>\$ 206,970</u>	<u>\$ 232,024</u>

9. Accounts receivable

	September 30, 2010		September 30, 2009	
	Amount	Percentage	Amount	Percentage
Presicarre Corp.	\$ 742,925	4	\$ 703,921	6
Huei Tung Enterprises Corp.	306,797	2	282,479	2
Hi-life International Co., Ltd.	263,251	1	227,787	2
Far-Tung Enterprises Corp.	137,718	1	153,801	1
Others (Individually less than 10%)	<u>442,446</u>	<u>3</u>	<u>122,777</u>	<u>1</u>
	<u>\$1,893,137</u>	<u>11</u>	<u>\$1,490,765</u>	<u>12</u>

10. Other receivables (Financing)

	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Shan Dong President Yinzuo Commercial Limited	\$ 215,692	4	\$ 183,559	2
Jimmailang Beverage (Beijing) Co., Ltd.	78,927	1	528	–
President Fuche (Qingdo) Co., Ltd.	36,783	–	39,419	1
Saigon Beverage	–	–	27,840	–
Others (Individually less than 10%)	<u>38,062</u>	<u>1</u>	<u>20,537</u>	<u>–</u>
	<u>\$ 369,464</u>	<u>6</u>	<u>\$ 271,883</u>	<u>3</u>

11. Accounts payable

	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Toyota Tsusho Corp.	\$ 145,911	1	\$ 90	–
Jimmailang Beverage (Beijing) Co., Ltd.	143,761	1	638	–
Starbucks	82,508	–	26,092	–
Kuang Chuan Dairy Co., Ltd.	77,246	–	60,483	–
TTET Union Corp.	45,662	–	56,602	–
Weilih Food Industrial Co., Ltd.	31,469	–	36,424	–
Others (Individually less than 10%)	<u>188,135</u>	<u>1</u>	<u>94,135</u>	<u>1</u>
	<u>\$ 714,692</u>	<u>3</u>	<u>\$ 274,464</u>	<u>1</u>

12. Accrued expenses

	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Presicarre Corp.	\$ 152,151	1	\$ 110,441	1
Hi-Life International Co., Ltd.	60,052	–	38,334	–
Representatives of Ryohin Keikaku Co., Ltd.	7,019	–	28,701	–
Others (Individually less than 10%)	<u>96,802</u>	<u>1</u>	<u>56,384</u>	<u>–</u>
	<u>\$ 316,024</u>	<u>2</u>	<u>\$ 233,860</u>	<u>1</u>

13. Other payables

	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ta Chen Construction & Engineering Corp.	\$ 707,967	7	\$ 287,200	4
Others (Individually less than 10%)	131,754	1	3,703	-
	<u>\$ 839,721</u>	<u>8</u>	<u>\$ 290,903</u>	<u>4</u>

14. Long-term notes payable

	<u>September 30, 2010</u>		<u>September 30, 2009</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ta Chen Construction & Engineering Corp.	<u>\$ 479,014</u>	<u>81</u>	<u>\$ 363,332</u>	<u>92</u>

(c) Financing

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

	<u>For the nine-month period ended September 30, 2010</u>				
	<u>Maximum balance date</u>	<u>Maximum balance</u>	<u>Ending balance</u>	<u>Annual interest rate</u>	<u>Total interest income</u>
Land	2010.09	\$ 33,322	\$ 33,322	7.00%	\$ 1,749
President Fuche (Qingdo) Co., Ltd.	2010.06	30,823	30,400	4.65% ~5.16%	1,078
Saigon Beverage	2010.01	83,750	-	10.50%	2,113
			<u>\$ 63,722</u>		<u>\$ 4,940</u>

	<u>For the nine-month period ended September 30, 2009</u>				
	<u>Maximum balance date</u>	<u>Maximum balance</u>	<u>Ending balance</u>	<u>Annual interest rate</u>	<u>Total interest income</u>
President Fuche (Qingdo) Co., Ltd.	2009.06	\$ 36,025	\$ 32,996	5.40% ~8.42%	\$ 891
Land	2009.01	34,521	31,768	7.00%	1,668
Saigon Beverage	2009.05	28,560	27,840	10.50%	1,462
			<u>\$ 92,604</u>		<u>\$ 4,021</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. and Mister Donut Shanghai Co., Ltd., subsidiaries of President Chain Store Corp., signed a logotype and perpetual technical cooperation contract with DUSKIN Co., Ltd. to operate and manage “DUSKIN Mister Donut Franchise Enterprise”. Under the terms of the contract, Mister Donut Taiwan Co., Ltd. and Mister Donut Shanghai 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 based on a fixed percentage of net sales revenue.
- (vi) As of September 30, 2010 and 2009, the endorsements and guarantees provided by the Group amounted to \$1,284,968 and \$1,827,972, respectively.

6. PLEDGED ASSETS

As of September 30, 2010 and 2009, the details of pledged assets were as follows:

Assets	September 30, 2010	September 30, 2009	Purpose of collateral
Demand deposits, certificate of deposit and short-term bills (Classified as other financial asset current and non-current)	\$ 72,298	\$ 55,897	Performance guarantees, short-term loans, notes and bills payable and long-term loans
Inventories	195,477	195,477	Short-term loans and notes and bills payable
Financial assets carried at cost - non-current	250,000	1,540,380	Short-term loans and long-term loans
Long-term equity investments accounted for under the equity method	3,751,699	3,589,317	Short-term loans, notes and bills payable and long-term loans
Land (Note)	9,135,883	6,798,650	Short-term loans, notes and bills payable and long-term loans
Buildings-net (Note)	8,030,115	8,103,207	Short-term loans, notes and bills payable and long-term loans
Machinery and equipment-net (Note)	58,767	65,160	Short-term loans and long-term loans
Transportation equipment-net	222,243	301,539	Short-term loans and long-term loans
Other equipment-net	446,175	840,271	Short-term loans and long-term loans
Other intangible assets-land occupancy right	1,901,914	1,941,825	Long-term loans
Refundable deposits	131,586	142,386	Performance guarantees and deposits of rental office
Other assets-other	870,746	870,746	Notes and bills payable
	\$ 25,066,903	\$ 24,444,855	

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

7. COMMITMENTS AND CONTINGENT LIABILITIES

As of September 30, 2010 and 2009, the contingent liabilities and commitments of the Group, in addition to Note 5 (d) were as follows:

- (a) As of September 30, 2010 and 2009, the remaining balance due for construction in progress and prepayments for equipment were \$2,599,126 and \$360,536, respectively.
- (b) As of September 30, 2010 and 2009, the unused letters of credit amounted to \$2,684,112 and \$1,868,732, respectively.
- (c) In July 2000, President Chain Store Corp. signed a perpetual technical cooperation contract (the Contract) with the 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 facilities 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 to 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 facilities 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 September 30, 2010 and 2009, the loans for the initiation fees and security deposits amounted to \$14,397 and \$31,195, respectively.
- (k) As of September 30, 2010 and 2009, a subsidiary of Nanlien International Corp. signed credit limits of performance with the bank for stocking with goods, rent of warehouses and guarantee for tariff account amounting to \$52,400 and \$42,400, 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 September 30, 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 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.
- (6) 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.
- (7) 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.
- (8) Uni-President Development Corp. shall transfer freely the operating right for the MRT Station to the Taipei City Government when the contract expires.

Uni-President Development Corp. also agrees to enter into a new contract with the Taipei City Government to bring the MRT Station back into public ownership 5 years before the end of the contract. The new contract shall be finished within 6 months. In addition, Uni-President Development Corp. shall propose a detailed plan before entering into a new contract with regard to the 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 facilities 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 consolidated tangible stockholders' equity shall not be less than

\$200,000.

- (n) As of September 30, 2010 and 2009, President Tokyo Corp. the long-term commercial paper issued from the Bank guarantee for the joint commission amounting to \$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 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 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 are \$8,627 and \$10,998 as of September 30, 2010 and 2009, respectively.
- (p) President Chain Store Corp., Philippine Seven Corporation and President Chain Store Corp (Shanghai) 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) and its subsidiaries signed rental agreements with non-related parties to rent store spaces with lease periods ranging from 3 to 12 years. As of September 30, 2010, PCSC and its subsidiaries have prepaid rent and guarantee deposits in the amount of \$406,450 and \$1,875,048, respectively. Summary of the estimated annual rental expense of PCSC and its subsidiaries is as follows:

<u>Year</u>	<u>Total rental expense</u>
2010.10.1~2010.12.31	\$ 1,825,154
2011	7,307,651
2012	7,119,859
2013	6,559,216
2014	5,718,202
2015 and thereafter (Present Value \$13,143,294)	<u>14,731,202</u>
	<u>\$ 43,261,284</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 (early repayment of bank loan in March 26, 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.
- (s) In April 2006 and April 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 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 26, 2010. PTC shall pay royalty monthly based on a fixed percentage of sales revenue and shall not be less than ¥1,000,000.
- (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 Mech-President Corp. applies 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 Mech-President Corp. After Mech-President Corp. becomes a listed or counter company, the Company and President Chain Store Corp. shall hold and control no less than 25% ownership of Mech-President Corp.
 - (6) If any of the financial ratio or regulations above have been violated, Mech-President Corp. shall improve it within six months. Should Mech-President Corp. 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

	September 30, 2010			September 30, 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						
value equal to fair value	\$ 65,997,884	\$ -	\$ 65,997,884	\$ 58,049,535	\$ -	\$ 58,049,535
Financial assets at fair value						
through profit or loss	12,903,412	12,903,412	-	13,868,144	13,868,144	-
Available-for-sale financial assets	11,819,163	11,819,163	-	7,552,463	7,552,463	-
Financial assets carried at cost	5,363,622	-	-	13,212,439	-	-
Other financial assets - non-current	29,004	-	29,004	1,800	-	1,800
Refundable deposits	2,377,404	-	2,377,404	2,489,884	-	2,489,884
Long-term notes, accounts and overdue receivables	746,868	-	746,868	606,552	-	606,552

	September 30, 2010			September 30, 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	\$ 98,711,891	\$ -	\$ 98,711,891	\$ 86,968,048	\$ -	\$ 86,968,048
Bonds payable	5,200,000	-	5,200,000	4,548,877	-	4,548,877
Long-term loans	60,637,337	-	60,637,337	67,019,211	-	67,019,211
Long-term notes payable	591,379	-	591,379	395,783	-	395,783
Capital lease payables - non-current	-	-	-	51,647	-	51,647
Guarantee deposits received	4,050,451	-	4,050,451	3,992,932	-	3,992,932
<u>Derivative financial instruments</u>						
Liabilities						
Forward foreign exchange contracts	30,805	-	30,805	33,830	-	33,830

- (a) The methods and assumptions used to estimate the fair values of financial instruments are summarized as follows:
- (1) The due dates of short-term financial instruments are near the balance sheet date. Accordingly, the fair value of short-term financial instruments are estimated based on the amount at the balance sheet date which include the accounts of cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets-current, short-term loans, notes and bills payable, notes and accounts payable, income tax payable, accrued expenses, other payables, current portion of long-term liabilities, capital lease payables - current and other current liabilities.
 - (2) The fair value 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 September 30, 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 September 30, 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 \$242,472 and \$1,712,434 as addition to stockholders' equity for the changes in fair value of available-for-sale financial assets for the nine-month periods ended September 30, 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 has set a stop-loss point for any changes of the contract value. This strategy will limit losses in certain amounts and have no significant market risk. Short-term and long-term loans are debts with floating interest rates; however, the risk is minimal due to the insignificant fluctuations. Commercial papers payable have no market risk due to fixed interest rates.

(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 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 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 market, the liquidity risk is material.

D. Interest change cash flow risk

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

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

(a) Derivative financial instruments

The Group entered into derivative financial instruments to manage exposures related to foreign exchange rate and interest rate fluctuations. The profit on derivative financial instruments was \$— and \$2,598 as deductions to interest expense for the nine-month periods ended September 30, 2010 and 2009, respectively.

(b) Trading derivatives

For financial assets or liabilities at fair value through profit or loss, please refer to Note 4(2).

(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 interest rate swap contracts to hedge the risk.

Hedged item	Designated as hedging instruments		
	Financial instruments was designated as hedging instrument	Contract amount as of September 30,	
		2010	2009
Bonds payable	Interest Rate Swap Contracts	\$ —	\$ —

Item	September 30, 2010	September 30, 2009
Amount of equity adjustment	\$ —	\$ 12,439

11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURES BUREAU

(1) Related information of significant transactions

This information is not required to be disclosed in quarterly consolidated financial statements.

(2) Disclosure information of investee company

This information is not required to be disclosed in quarterly consolidated financial statements.

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

This information is not required to be disclosed in quarterly consolidated financial statements.

(4) Intercompany relationships and significant intercompany transactions

For the nine-month period ended September 30, 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)
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	(Sales)	(\$ 5,290,405)	Closes its accounts 30 days after the end of each month		(2%)
			1	Accounts receivable	1,009,076	—		—
			2	Other expenses	315,997	—		—
			1	(Accrued expenses)	(118,673)	—		—
		Tung Ang Enterprises Corp.	1	(Sales)	(5,232,100)	Closes its accounts 10 days and remit in 28 days after sales		(2%)
		President Chain Store Corp.	1	Accounts receivable	942,517	—		—
			1	(Sales)	(1,940,954)	Closes its accounts 30 days after the end of each month		(1%)
			1	Accounts receivable	279,978	—		—
		Retail Support International Corp.	1	(Accrued expenses)	(107,293)	—		—
			1	(Sales)	(1,486,021)	Closes its accounts 30 days after the end of each month		(1%)
		Tung Hsiang Enterprises Corp.	1	Accounts receivable	218,135	—		—
			1	(Sales)	(1,262,543)	2 months after sales		—
		Tung Shun Enterprises Corp.	1	Accounts receivable	355,890	—		—
			1	(Sales)	(846,371)	2 months after sales		—
		Uni-President Vendor Corp.	1	Accounts receivable	271,964	—		—
			1	(Sales)	(488,266)	Closes its accounts 30~60 days after the end of each month		—
		Tone Chu Enterprises Corp.	1	(Sales)	(412,488)	2 months after sales		—
		Tung Yi Enterprises Corp.	1	(Sales)	(318,308)	1 month after sales		—
		Tung Che Enterprises Corp.	1	(Sales)	(273,403)	2 months after sales		—
			1	Accounts receivable	101,269	—		—
		Tung-Hsiang Enterprises Corp.	1	(Sales)	(260,617)	2 months after sales		—
		Hsin Tung Enterprises Corp.	1	(Sales)	(212,182)	"		—

							Transaction terms		
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)		
0	Uni-President Enterprises Corp.	Tung Yu Enterprises Corp.	1	(Sales)	(\$ 184,480)	2 weeks after sales	—		
		Xin Ya Enterprises Corp.	1	(Sales)	(149,404)	"	—		
		Tung-Shen Enterprises Corp.	1	(Sales)	(119,604)	"	—		
		President Kikkoman Inc.	2	Purchase	692,992	One month	—		
		President Nisshin Corp.	2	Purchase	336,933	Closes its accounts 30 days after the end of each month	—		
		President Packaging Corp.	2	Purchase	169,268	One month	—		
		Uni-President Vietnam Co., Ltd.	2	Purchase	107,880	Paid immediately upon receipt	—		
		Uni-President Dream Parks Corp.	2	Advertising expense	287,557	—	—		
1	Cayman President Holdings Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	3	Other receivables	US 15,000	—	—		
		Uni-President Southeast Asia Holdings Ltd.	3	Other receivables	US 13,693	—	—		
2	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	(778,222)	Closes its accounts 15~60 days after the end of each month	—		
		Lien Song Enterprises Corp.	3	(Sales)	(160,498)	Closes its accounts 12 days after the end of each month	—		
3	President Packaging Corp.	Retail Support International Corp.	3	(Sales)	(271,186)	Closes its accounts 30~50 days after the end of each month	—		
4	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(1,034,646)	Closes its accounts 45 days after the end of each month	—		
			3	Accounts receivable	255,594	—	—		
5	Tait Marketing and Distribution Co., Ltd.	Tait Trading (Shanghai) Company Ltd.	3	Long-term accounts receivable-related parties	125,612	—	—		
6	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	(Sales)	(6,730,442)	30~45 days after shipping	—	(3%)	
			3	Accounts receivable	958,634	—	—		
		Tovecan Corp.	3	(Sales)	(143,852)	30~45 days after shipping	—	—	
7	Uni-President Enterprises China Holdings Ltd.	Beijing President Enterprises Drinks and Food Co., Ltd.	3	Other receivables	RMB 87,114	—	—		

Transaction terms

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)
7	Uni-President Enterprises China Holdings Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 67,011	—	—
		Guangzhou President Enterprises Co., Ltd.	3	Other receivables	RMB 67,011	—	—
		Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 67,011	—	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB 67,011	—	—
		Uni-President Asia Holdings Ltd.	3	Other receivables	RMB 53,609	—	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB 33,506	—	—
		Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB 33,506	—	—
		Shenyang President Enterprises Co., Ltd.	3	Other receivables	RMB 33,506	—	—
8	Uni-President(Thailand) Ltd.	Uni-President Marketing Ltd.	3	(Sales)	(THB 764,249)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	THB 239,726	—	—
9	Uni-President Hong Kong Holdings Ltd.	President Enterprises(China) Investment Co., Ltd.	3	Other receivables	RMB 225,616	—	—
10	President Enterprises (China) Investment Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 104,880	—	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB 50,000	—	—
		Integrated Marketing and Distribution Co., Ltd.	3	Other receivables	RMB 29,700	—	—
11	Uni-President Asia Holdings Ltd.	Uni-President Hong Kong Holdings Ltd.	3	Other receivables	RMB 90,000	—	—
12	Zhangjiagang President Nisshin Food Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 22,366)	Closes its accounts 45 days after the end of each month	—
13	Wuhan President Enterprises Food Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 108,212)	Closes its accounts 60 days after the end of each month	—
			3	Accounts receivable	RMB 24,906	—	—
		Nanchang President Enterprises Co., Ltd.	3	(Sales)	(RMB 23,031)	Closes its accounts 60 days after the end of each month	—

								Transaction terms	
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)		
14	President (Shanghai) Trading Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 75,452)	Closes its accounts 30 days after the end of each month	—		
15	Nanchang President Enterprises Co., Ltd.	Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 62,267)	Closes its accounts 60 days after the end of each month	—		
			3	Accounts receivable	RMB 24,233	—	—		
16	Kunshan President Enterprises Food Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 34,055)	Closes its accounts 25 days after the end of each month	—		
		Hefei President Enterprises Co., Ltd.	3	(Sales)	(RMB 31,787)	Closes its accounts 30 days after the end of each month	—		
17	Chengdu President Enterprises Food Co., Ltd.	Kunming President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 49,634)	Closes its accounts 45 days after the end of each month	—		
		Xinjiang President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 33,157)	Closes its accounts 30 days after the end of each month	—		
18	Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 117,276)	Closes its accounts 60 days after the end of each month	—		
			3	Accounts receivable	RMB 43,717	—	—		
19	Shenyang President Enterprises Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 78,180)	Closes its accounts 15 days after the end of each month	—		
20	Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 80,932)	Closes its accounts 60 days after the end of each month	—		
			3	Accounts receivable	RMB 25,940	—	—		
21	Shanghai E and P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 88,673)	Closes its accounts 60 days after the end of each month	—		
		Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 59,206)	"	—		
		Beijing President Enterprises Drinks and Food Co., Ltd.	3	(Sales)	(RMB 86,423)	Closes its accounts 15 days after the end of each month	—		
		Chengdu President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 74,078)	"	—		
21	Shanghai E and P Trading Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 67,862)	Closes its accounts 30 days after the end of each month	—		
		Zhengzhou President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 53,857)	"	—		

Transaction terms

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)
21	Shanghai E and P Trading Co., Ltd.	Hefei President Enterprises Co., Ltd.	3	(Sales)	(RMB 42, 015)	Closes its accounts 15 days after the end of each month	—
		Fuzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 44, 199)	Closes its accounts 30 days after the end of each month	—
22	President Bama Bottled Water Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 24, 593)	"	—
23	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 8, 000	—	—
24	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(1, 559, 448)	Closes its accounts 30 days after the end of each month	(1%)
		Accounts receivable	3	Accounts receivable	211, 611	—	—
		Tung Hsiang Enterprises Corp.	3	(Sales)	(1, 171, 021)	77 days after sales	—
		Accounts receivable	3	Accounts receivable	482, 980	—	—
		Tung Yu Enterprises Corp.	3	(Sales)	(369, 841)	46 days after sales	—
		Tone Chu Enterprises Corp.	3	(Sales)	(273, 036)	Closes its accounts 30 days after the end of each month	—
		Accounts receivable	3	Accounts receivable	115, 306	—	—
25	Lien Bo Enterprises Corp.	Hsin Tung Enterprises Corp.	3	(Sales)	(178, 910)	15 days after sales	—
		Retail Support International Corp.	3	(Sales)	(542, 733)	Closes its accounts 15~70 days after the end of each month	—
26	Uni-Splendor Corp.	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 26, 749)	According to the state of fund	—
		Accounts receivable	3	Accounts receivable	US 3, 967	—	—
26	Uni-Splendor Corp.	Grand-Prosper (HK) Ltd.	3	(Sales)	(US 39, 764)	According to the state of fund	—
		Accounts receivable	3	Accounts receivable	US 21, 771	—	—
27	Da Tong Ying Corp.	Uni-Splendor Corp.	3	(Sales)	(345, 838)	According to the state of fund	—
		Accounts receivable	3	Accounts receivable	105, 488	—	—

Transaction terms

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)
28	Grand-Prosper(HK) Ltd.	Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(US 39,765)	According to the state of fund	—
			3	Accounts receivable	US 112,685	—	1%
29	Uni-Splendor Technology (Huizhou) Corp.	Grand-Prosper (HK) Ltd.	3	(Sales)	(US 90,090)	According to the state of fund	(1%)
			3	(Sales)	(RMB 610,202)	"	(1%)
30	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 600,694)	According to the state of fund	(1%)
			3	Accounts receivable	RMB 56,592	—	—
31	Uni-Home Tech Corp.	Uni-Splendor (BVI) Corp.	3	Other receivables	US 5,689	—	—
32	Tait Distribution Service Co., Ltd.	Tait Marketing and Distribution Co., Ltd.	3	(Sales)	(182,684)	1 months after sales	—
33	Tait (H.K) Limited	Tait Trading (Shanghai) Company Ltd.	3	Long-term accounts receivable-related parties	HK 93,936	—	—
34	Scino Pharm (Kunshan) Biochemical Technology Co., Ltd.	Scino Pharm Taiwan Ltd.	3	(Sales)	(RMB 59,828)	After acceptance	—
35	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 120,119)	30~45 days after shipping	(1%)
			3	Accounts receivable	US 12,825	—	—
			3	Other receivables	US 20,000	—	—
			3	(Sales)	(US 86,559)	30~45 days after shipping	(1%)
			3	Accounts receivable	US 10,659	—	—
35	Cayman Ton Yi Industrial Holdings Ltd.	Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	Other receivables	US 20,000	—	—
			3	Other receivables	US 5,500	—	—
36	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 10,293)	67 days after invoice date	—
			3	Accounts receivable	US 3,557	—	—

Transaction terms

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)
37	Fujian Ton Yi Tinplate Co., Ltd.	Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 10,481)	67 days after invoice date	—
		Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 5,221)	—	—
38	President Information Corp.	President Chain Store Corp.	3	(Service revenue)	(436,025)	Closes its accounts 30 days after the end of each month	—
			3	Accounts receivable	127,902	—	—
39	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	(Sales)	(15,437,603)	Closes its accounts 20~70 days after the end of each month	(6%)
			3	Accounts receivable	3,726,739	—	1%
40	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	(30,352,260)	Closes its accounts 10~54 days after the end of each month	(12%)
			3	Accounts receivable	5,361,919	—	2%
40	Retail Support International Corp.	President Drugstore Business Corp.	3	(Sales)	(3,374,761)	Closes its accounts 45~60 days after the end of each month	(1%)
			3	Accounts receivable	856,398	—	—
		President Coffee Corp.	3	(Sales)	(307,786)	Closes its accounts 15~28 days after the end of each month	—
41	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(442,593)	Closes its accounts 30~90 days after the end of each month	—
			3	Accounts receivable	218,772	—	—
42	President Collect Service Co. Ltd.	President Transnet Corp.	3	Other receivables	454,977	—	—
43	Books.Com	President Chain Store Corp.	3	Other receivables	165,154	—	—
44	President Transnet Corp.	President Chain Store Corp.	3	(Sales)	(420,412)	Closes its accounts 30 days after the end of each month	—
45	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	(8,031,279)	Closes its accounts 30~60 days after the end of each month	(3%)
			3	Accounts receivable	1,810,020	—	1%

Transaction terms

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)
46	Capital Inventory Services Corp.	President Chain Store Corp.	3	(Service revenue)	(\$ 149, 934)	Closes its accounts 60 days after the end of each month	—
47	Uni-President Oven Bakery Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(104, 019)	Closes its accounts 50 days after the end of each month	—
48	Vision Distribution Service Corp.	Wisdom Distribution Services Corp.	3	(Sales)	(502, 265)	Closes its accounts 65 days after the end of each month	—
49	President Logistics International Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(531, 207)	Closes its accounts 35 days after the end of each month	—
			3	Accounts receivable	138, 785	—	—
		Retail Support International Corp.	3	(Sales)	(431, 661)	Closes its accounts 20 days after the end of each month	—
		Wisdom Distribution Services Corp.	3	(Sales)	(132, 004)	Closes its accounts 20 days after the end of each month	—
50	Retail Support Taiwan Corp.	Retail Support International Corp.	3	(Service revenue)	(182, 813)	Closes its accounts 15~20 days after the end of each month	—
51	Chieh Shun Transport Corp.	President Transnet Corp.	3	(Service revenue)	(295, 008)	Closes its accounts 45 days after the end of each month	—
52	Qware Systems and Services Corp.	President Chain Store Corp.	3	(Sales)	(254, 266)	Closes its accounts 45 days after the end of each month	—

For the nine-month period ended September 30, 2009 (Unit in thousands of currencies indicated):

							Transaction terms		
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)		
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	(Sales)	(\$ 5,077,104)	Closes its accounts 30 days after the end of each month	(2%)		
			2	Other expenses	261,272	—	—		
			1	Accounts receivable	901,028	—	—		
			1	(Accrued expenses)	(116,375)	—	—		
		Tung Ang Enterprises Corp.	1	(Sales)	(4,844,518)	Closes its accounts 28 days after 10 days	(2%)		
			1	Accounts receivable	834,867	—	—		
		President Chain Store Corp.	1	(Sales)	(1,556,403)	Closes its accounts 30 days after the end of each month	(1%)		
			1	Accounts receivable	213,726	—	—		
		Tung Hsiang Enterprises Corp.	1	(Sales)	(1,379,811)	2 months after sales	(1%)		
			1	Accounts receivable	396,701	—	—		
		Retail Support International Corp.	1	(Sales)	(1,270,158)	Closes its accounts 30 days after the end of each month	(1%)		
			1	Accounts receivable	160,014	—	—		
		Tung Shun Enterprises Corp.	1	(Sales)	(809,580)	2 months after sales	—		
			1	Accounts receivable	245,265	—	—		
		Tone Chu Enterprises Corp.	1	(Sales)	(445,348)	2 months after sales	—		
			1	Accounts receivable	108,667	—	—		
		Uni-President Vendor Corp.	1	(Sales)	(436,810)	Closes its accounts 30~60 days after the end of each month	—		
		Tung Yi Enterprises Corp.	1	(Sales)	(313,717)	2 weeks after sales	—		
		Tung Che Enterprises Corp.	1	(Sales)	(310,277)	2 months after sales	—		
		Tung-Hsiang Enterprises Corp.	1	(Sales)	(302,246)	"	—		
		Tung Yu Enterprises Corp.	1	(Sales)	(210,371)	2 weeks after sales	—		
		Xin Ya Enterprises Corp.	1	(Sales)	(146,576)	Closes its accounts 60 days after the end of each month	—		

							Transaction terms	
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)	
0	Uni-President Enterprises Corp.	Tung-Shen Enterprises Corp.	1	(Sales)	(\$ 118,641)	42 days after sales	—	
		Hui-Sheng Enterprises Corp.	1	(Sales)	(113,424)	Closes its accounts 60 days after the end of each month	—	
		President Kikkoman Inc.	2	Purchase	670,161	One month	—	
		President Nisshin Corp.	2	Purchase	329,044	15 days	—	
		President Packaging Corp.	2	Purchase	163,062	One month	—	
		Uni-President (Vietnam) Co., Ltd.	2	Purchase	122,886	Paid immediately upon receipt	—	
		Uni-President Dream Parks Corp.	2	Advertising expenses	404,537	—	—	
1	Cayman President Holdings Ltd.	Uni-President Southeast Asia Holdings Ltd.	3	Long-term receivables	US 28,510	—	—	
2	President International Trade and Investment Corp.	Cayman President Holdings Ltd.	3	Long-term receivables	US 19,930	—	—	
3	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	(811,854)	Closes its accounts 15~60 days after the end of each month	—	
		Lien Song Enterprises Corp.	3	(Sales)	(153,316)	12 days after sales	—	
4	Tait Marketing and Distribution Co., Ltd.	Tait Trading (Shanghai) Company Ltd.	3	Long-term accounts receivable-related parties	132,125	—	—	
5	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(893,554)	Closes its accounts 45 days after the end of each month	—	
			3	Accounts receivable	229,236	—	—	
6	President Packaging Corp.	Retail Support International Corp.	3	(Sales)	(170,624)	Closes its accounts 30 days after the end of each month	—	
7	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	(Sales)	(4,470,879)	45 days after shipping	(2%)	
			3	Accounts receivable	444,578	—	—	

Transaction terms							
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)
8	Uni-President Enterprises China Holdings Ltd.	Beijing President Enterprises Drinks and Food Co., Ltd.	3	Other receivables	RMB 88,777	—	—
		Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 68,290	—	—
		Guangzhou President Enterprises Co., Ltd.	3	Other receivables	RMB 68,290	—	—
		Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 68,290	—	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB 68,290	—	—
	Uni-President Enterprises China Holdings Ltd.	Nanchang President Enterprises Co., Ltd.	3	Other receivables	RMB 54,623	—	—
		Uni-President Asia Holdings Ltd.	3	Other receivables	RMB 54,623	—	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB 34,145	—	—
		Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB 34,145	—	—
9	Uni-President (Thailand) Ltd.	Shenyang President Enterprises Co., Ltd.	3	Other receivables	RMB 34,145	—	—
		Uni-President Marketing Ltd.	3	(Sales)	(THB 570,583)	Closes its accounts 60 days after the end of each month	—
10	Uni-President Asia Holdings Ltd.	President Enterprise (China) Investment Co., Ltd.	3	Accounts receivable	THB 147,174	—	—
11	President Enterprises (China) Investment Co., Ltd.	Integrated Marketing and Distribution Co., Ltd.	3	Other receivables	RMB 28,500	—	—
12	Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 67,063)	Closes its accounts 60 days after the end of each month	—
13	Shenyang President Enterprises Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 61,835)	Closes its accounts 15 days after the end of each month	—
14	Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 64,341)	Closes its accounts 60 days after the end of each month	—

								Transaction terms	
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)		
15	Kunshan President Enterprises Food Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 44,210)	Closes its accounts 30 days after the end of each month	—		
			3	Accounts receivable	RMB 33,054		—		
16	Zhongshan President Enterprises Co., Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	3	Receivable-related party	RMB 65,000	—	—		
17	Kai Yu (BVI) Investment Co., Ltd.	Cayman President Holdings Ltd.	3	Other receivables	US 11,080	—	—		
			3	Other receivables	US 5,000	—	—		
18	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(1,478,507)	Closes its accounts 30 days after the end of each month	(1%)		
			3	Accounts receivable	158,426		—		
	Tung Ang Enterprises Corp.	Tung-Hsiang Enterprises Corp.	3	(Sales)	(984,704)	77 days after sales	—		
			3	Accounts receivable	390,959	—			
			3	(Sales)	(370,841)	46 days after sales	—		
			3	(Sales)	(240,847)	Closes its accounts 30 days after the end of each month	—		
			3	Accounts receivable	103,335	—			
			3	(Sales)	(112,556)	Closes its accounts 30 days after the end of each month	—		
			3	(Sales)	(111,912)	Closes its accounts 30 days after the end of each month	—		
			3	(Sales)	(111,433)	12 days after sales	—		
19	Lien Bo Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(579,138)	Closes its accounts 15 ~70 days after the end of each month	—		
			3	Accounts receivable	101,007	—			
20	Shanghai E and P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 82,196)	Closes its accounts 60 days after the end of each month	—		
		Beijing President Enterprises Drinks and Food Co., Ltd.	3	(Sales)	(RMB 48,983)	Closes its accounts 15 days after the end of each month	—		

Transaction terms							
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)
20	Shanghai E and P Trading Co., Ltd.	Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 47,731)	Closes its accounts 30 days after the end of each month	—
		Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 44,664)	Closes its accounts 60 days after the end of each month	—
		Chengdu President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 37,364)	Closes its accounts 15 days after the end of each month	—
		Hefei President Enterprises Co., Ltd.	3	(Sales)	(RMB 33,109)	"	—
		Fuzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 21,675)	"	—
21	Rich Universe International Limited	Uni-Splendor Corp.	3	(Sales)	(US 74,222)	According to the state of fund	—
			3	Accounts receivable	US 4,960	—	—
22	Uni-Splendor Corp.	Grand-Prosper(HK) Ltd.	3	(Sales)	(US 18,316)	According to the state of fund	—
		Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 23,024)	"	—
			3	Accounts receivable	US 22,931	—	—
23	Grand-Prosper (HK) Ltd.	Rich Universe International Limited	3	(Sales)	(US 10,447)	According to the state of fund	—
		Uni-Home Tech Corp.	3	Other receivables	US 48,035	—	1%
		Rich Universe International Limited	3	(Sales)	(US 66,410)	According to the state of fund	(1%)
24	Uni-Splendor Technology (Huizhou) Corp.	Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(US 30,798)	"	—
		Grand-Prosper (HK) Ltd.	3	Accounts receivable	US 116,965	—	1%
			3	(Sales)	(RMB 590,917)	According to the state of fund	(1%)
25	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 563,734)	"	(1%)
26	Da Tong Ying Corp.	Rich Universe International Limited	3	(Sales)	(135,017)	According to the state of fund	—
		Uni-Splendor Corp.	3	(Sales)	(181,279)	"	—
			3	Accounts receivable	122,978	—	—

								Transaction terms	
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)		
27	Tait (H.K) Limited.	Tait Trading (Shanghai) Company Ltd.	3	Long-term accounts receivable-related parties	HKD 91,950	—	—		
28	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd. Jiangsu Ton Yi Tinplate Co., Ltd.	3 3	(Sales)	(US 79,082)	45 days after shipping	(1%)		
			3	(Sales)	(US 51,460)	"	(1%)		
			3	Accounts receivable	US 7,014	—	—		
29	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 6,465)	Closes its accounts 4 months after the end of each month	—		
			3	Accounts receivable	US 4,319	—	—		
30	Fujian Ton Yi Tinplate Co., Ltd.	Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 4,048)	67 days after invoice date	—		
31	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	(5,832,413)	Closes its accounts 30 ~69 days after the end of each month	(3%)		
			3	Accounts receivable	1,204,892	—	—		
32	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	(Sales)	(12,878,504)	Closes its accounts 20 ~70 days after the end of each month	(6%)		
			3	Accounts receivable	3,032,136	—	1%		
33	President Transnet Corp.	President Chain Store Corp.	3	(Sales)	(484,121)	Closes its accounts 30 days after the end of each month	—		
34	President Information Corp.	President Chain Store Corp.	3	(Labour revenues)	(467,007)	"	—		
			3	Accounts receivable	131,661	—	—		
35	Qware Systems and Services Corp.	President Chain Store Corp.	3	(Sales)	(229,759)	Closes its accounts 45 days after the end of each month	—		
36	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(576,183)	Closes its accounts 30 ~60 days after the end of each month	—		
			3	Accounts receivable	145,175	—	—		

							Transaction terms		
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)		
37	President Collect Service Co. Ltd.	President Transnet Corp.	3	Accounts receivable	\$ 504,763	—	—		
38	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	(28,019,943)	Closes its accounts 10 ~54 days after the end of each month	(12%)		
			3	Accounts receivable	5,247,497	—	2%		
		President Drugstore Business Corp.	3	(Sales)	(2,756,500)	Closes its accounts 50 days after the end of each month	(1%)		
			3	Accounts receivable	743,791	—	—		
		President Coffee Corp.	3	(Sales)	(304,368)	Closes its accounts 28 days after the end of each month	—		
39	Vision Distribution Service Corp.	Wisdom Distribution Services Corp.	3	(Sales)	(336,511)	Closes its accounts 65 days after the end of each month	—		
40	President Logistics International Corp.	Retail Support International Corp.	3	(Sales)	(409,066)	Closes its accounts 20 days after the end of each month	—		
		Uni-President Cold Chain Corp.	3	(Sales)	(407,122)	Closes its accounts 35 days after the end of each month	—		
			3	Accounts receivable	102,994	—	—		
		Wisdom Distribution Services Corp.	3	(Sales)	(124,680)	Closes its accounts 20 days after the end of each month	—		
41	Retail Support Taiwan Corp.	Retail Support International Corp.	3	(Sales)	(170,222)	Closes its accounts 15 ~20 days after the end of each month	—		
42	Chieh Shun Transport Corp.	President Transnet Corp.	3	(Sales)	(242,810)	Closes its accounts 45 days after the end of each month	—		

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.