

UNI-PRESIDENT ENTERPRISES CORP.
CONSOLIDATED FINANCIAL STATEMENTS AND
REVIEW REPORT OF INDEPENDENT
ACCOUNTANTS
MARCH 31, 2011 AND 2010

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

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

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

We have reviewed the accompanying consolidated balance sheets of Uni-President Enterprises Corp. and subsidiaries as of March 31, 2011 and 2010, and the related consolidated statements of income and of cash flows for the three-month periods then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express a conclusion on these consolidated 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 \$37,212,072,000 and \$36,715,158,000, representing 12.57% and 12.99% of the related consolidated totals, and total liabilities of \$17,137,765,000 and \$17,109,961,000, representing 9.45% and 9.89% of the related consolidated totals, as of March 31, 2011 and 2010, respectively, and total operating revenues of \$6,043,500,000 and \$6,672,558,000, representing 6.58% and 8.28% of the related consolidated totals for the three-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 \$502,531,000 and \$529,959,000 as of March 31, 2011 and 2010, respectively, and their related net investment income amounted to \$11,720,000 and \$5,170,000 for the three-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 three-month periods ended March 31, 2011 and 2010. Total assets of these subsidiaries amounted to \$197,507,688,000 and \$187,398,454,000, representing 66.71% and 66.30% of the related consolidated totals, and total liabilities amounted to \$110,403,660,000 and \$98,894,581,000, representing 60.89% and 57.17% of the related consolidated totals, as of March 31, 2011 and 2010, respectively, and total net income amounted to \$1,398,487,000 and \$2,685,672,000, representing 38.27% and 53.75% of the related consolidated totals for the

three-month periods then ended, respectively. In addition, as described in Note 4(11) to the consolidated financial statements, the financial statements of certain long-term investments accounted for under the equity method were not reviewed by independent accountants. Long-term investments in these companies amounted to \$18,519,474,000 and \$18,371,017,000 as of March 31, 2011 and 2010, respectively, and the related investment income amounted to \$102,019,000 and \$149,447,000 for the three-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.

PricewaterhouseCoopers, Taiwan

Republic of China

May 12, 2011

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

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

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

	2011	2010
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4(1))	\$ 34,915,748	\$ 31,789,794
Financial assets at fair value through profit or loss - current (Note 4(2))	10,156,934	11,647,901
Available-for-sale financial assets - current (Note 4(3))	-	16,804
Notes receivable, net (Notes 3 and 4(4))	4,057,505	2,815,831
Accounts receivable, net (Notes 3 and 4(5))	13,372,522	10,968,983
Accounts receivable, net - related parties (Notes 3 and 5)	1,860,172	1,616,261
Other receivables (Notes 3, 4(6) and 5)	5,320,810	7,085,119
Other financial assets - current (Note 6)	5,453,437	5,933,299
Inventories (Notes 4(7) and 6)	30,694,294	25,806,679
Prepayments	11,412,611	10,444,033
Deferred income tax assets - current	650,201	677,827
Other current assets	842,617	1,032,741
Total current assets	118,736,851	109,835,272
Funds and Investments		
Available-for-sale financial assets - non-current (Note 4(3))	10,353,727	11,368,622
Financial assets carried at cost - non-current (Notes 4(9)(17) and 6)	4,857,053	7,890,441
Investments in bonds without active market - non-current (Note 4(10))	293,000	-
Long-term equity investments accounted for under the equity method (Notes 4(11) and 6)	25,677,588	25,238,847
Investments in real estate	3,935	3,935
Other financial assets - non-current (Note 6)	40,034	30,736
Total funds and investments	41,225,337	44,532,581
Property, Plant and Equipment, Net (Notes 4(12)(17), 5 and 6)		
Costs		
Land	9,157,682	9,140,209
Buildings	43,200,377	36,007,744
Machinery and equipment	75,478,677	68,918,712
Piping infrastructure and electricity generation equipment	4,919,037	5,333,608
Transportation equipment	3,918,336	3,681,042
Office equipment	6,723,138	5,436,417
Leased assets	166,752	392,326
Leasehold improvements	10,328,318	9,321,413
Other equipment	36,502,730	34,113,609
Revaluation increments	4,687,134	4,688,168
Cost and revaluation increments	195,082,181	177,033,248
Less: Accumulated depreciation	(91,241,913)	(84,884,272)
Accumulated impairment loss	(88,752)	(89,099)
Construction in progress and prepayments for equipment	4,530,155	10,186,458
Total property, plant and equipment, net	108,281,671	102,246,335
Intangible Assets		
Deferred pension costs	193,479	178,144
Other intangible assets (Notes 4(13)(17) and 6)	5,709,288	5,405,636
Total intangible assets	5,902,767	5,583,780
Other Assets		
Assets leased to others (Notes 4(12)(14)(17) and 6)	8,743,361	9,435,076
Idle assets (Notes 4(12)(15)(17) and 6)	1,401,374	1,327,888
Refundable deposits (Notes 6 and 7)	4,251,393	2,332,222
Deferred expenses (Note 4(16))	955,201	982,081
Long-term notes, accounts and overdue receivables (Note 5)	584,296	604,242
Deferred income tax assets - non-current	706,821	656,674
Other assets - other (Notes 4(12) and 6)	5,281,991	5,132,254
Total other assets	21,924,437	20,470,437
TOTAL ASSETS	\$ 296,071,063	\$ 282,668,405

(Continued)

UNI-PRESIDENT ENTERPRISES CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

MARCH 31

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)
(UNAUDITED)

	2011	2010
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term loans (Notes 4(18) and 6)	\$ 30,862,248	\$ 20,737,760
Notes and bills payable (Notes 4(19) and 6)	7,891,832	7,969,128
Notes payable	1,421,036	1,694,453
Accounts payable (Note 5)	29,755,779	25,008,006
Income tax payable	2,877,158	1,465,372
Accrued expenses (Notes 5 and 7)	15,745,118	13,057,292
Other payables (Note 5)	11,227,175	9,283,956
Receipts in advance	6,168,869	4,490,948
Long-term liabilities - current portion (Notes 4(20)(21)(22) and 6)	5,061,723	12,287,393
Capital lease payables - current (Note 4(12))	-	25,688
Other current liabilities	634,983	303,373
Total current liabilities	111,645,921	96,323,369
Long-term Liabilities		
Bonds payable (Note 4(20))	7,000,000	3,000,000
Long-term loans (Notes 4(21) and 6)	50,663,679	61,703,839
Long-term notes payable	220,412	731,421
Capital lease payables - non-current (Note 4(12))	-	38,482
Long-term notes, accounts and overdue payable - related parties (Note 5)	442,282	436,470
Total long-term liabilities	58,326,373	65,910,212
Reserve		
Land value incremental reserve (Note 4(12))	1,908,314	1,908,314
Other Liabilities		
Accrued pension liabilities	3,424,598	2,887,286
Guarantee deposits received	4,131,859	4,112,631
Other liabilities - other (Note 4(22))	1,867,673	1,836,747
Total other liabilities	9,424,130	8,836,664
Total Liabilities	181,304,738	172,978,559
Stockholders' Equity		
Capital		
Common stock (Notes 1 and 4(23))	42,871,402	38,974,002
Capital Reserves (Notes 4(20)(24))		
Capital reserves - additional paid in capital - common stock	489,454	-
Additional paid-in capital - treasury stock transactions	34,027	34,027
Capital reserve from donated assets	548	500
Capital reserve from long-term investments	5,727,749	5,596,112
Capital reserve from stock warrants	-	489,454
Retained Earnings (Notes 4(23)(25))		
Legal reserve	8,058,301	7,272,218
Undistributed earnings	13,340,836	11,029,939
Other Adjustments to Stockholders' Equity		
Cumulative translation adjustments	(649,327)	992,487
Unrecognized pension cost	(2,121,934)	(1,529,104)
Unrealized gain or loss on financial instruments (Notes 4(3)(11) and 10(1))	1,014,997	1,954,590
Asset revaluations (Note 4(12))	2,162,552	2,163,171
Total parent company's equity	70,928,605	66,977,396
Minority interest	43,837,720	42,712,450
Total stockholders' equity	114,766,325	109,689,846
Contingent Liabilities and Commitments (Notes 5 and 7)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 296,071,063	\$ 282,668,405

The accompanying notes are an integral part of these financial statements.
See review report of independent accountants dated May 12, 2011.

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

	2011	2010		
Operating Revenue (Note 5)				
Sales	\$ 91,873,514	\$ 79,988,136		
Sales returns	(438,002)	(311,706)		
Sales discounts	(2,197,154)	(1,493,937)		
Net Sales	89,238,358	78,182,493		
Other operating revenues	2,592,647	2,362,871		
Net Operating Revenues	91,831,005	80,545,364		
Operating Costs (Notes 4(7) and 5)				
Cost of goods sold	(63,526,954)	(54,038,038)		
Other service costs	(877,432)	(768,571)		
Net Operating Costs	(64,404,386)	(54,806,609)		
Gross profit	27,426,619	25,738,755		
Operating Expenses (Note 5)				
Sales and marketing expenses	(18,756,302)	(16,548,513)		
General and administrative expenses	(4,400,176)	(3,945,446)		
Research and development expenses	(198,107)	(200,893)		
Total Operating Expenses	(23,354,585)	(20,694,852)		
Operating income	4,072,034	5,043,903		
Non-operating Income and Gains				
Interest income (Note 5)	124,292	97,547		
Investment income accounted for under the equity method (Note 4(11))	211,229	253,027		
Dividend income	4,604	3,496		
Gain on disposal of property, plant and equipment	31,859	89,220		
Gain on disposal of investments (Notes 4(2)(9))	561,284	1,210,591		
Foreign exchange gain, net (Note 4(2))	-	37,411		
Rental income (Note 4(14))	99,995	108,049		
Reversal of impairment loss (Notes 4(9)(12)(13)(14)(15)(17))	-	220,765		
Gain on valuation of financial assets (Note 4(2))	56,930	7,069		
Other non-operating income (Note 5)	169,120	157,208		
Total Non-operating Income and Gains	1,259,313	2,184,383		
Non-operating Expenses and Losses				
Interest expense (Note 4(12))	(403,173)	(371,781)		
Loss on disposal of property, plant and equipment	(67,595)	(44,624)		
Foreign exchange loss (Note 4(2))	(36,060)	-		
Impairment loss (Notes 4(9)(12)(13)(14)(15)(17))	(11,343)	-		
Other non-operating losses (Note 5)	(264,319)	(623,837)		
Total Non-operating Expenses and Losses	(782,490)	(1,040,242)		
Income before income tax	4,548,857	6,188,044		
Income tax expense	(894,895)	(1,191,003)		
Consolidated net income	\$ 3,653,962	\$ 4,997,041		
Attributable to:				
Equity holders of the Company	\$ 2,274,128	\$ 3,090,867		
Minority interest	1,379,834	1,906,174		
	\$ 3,653,962	\$ 4,997,041		
	Before Tax	After Tax	Before Tax	After Tax
Basic Earnings Per Common Share (in dollars) (Note 4(26))				
Net income	\$ 1.06	\$ 0.53	\$ 1.44	\$ 0.72
Diluted Earnings Per Common Share (in dollars) (Note 4(26))				
Net income	\$ 1.05	\$ 0.53	\$ 1.40	\$ 0.70

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 12, 2011.

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

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated net income	\$ 3,653,962	\$ 4,997,041
Adjustments to reconcile net income to net cash provided by operating activities		
Gain on valuation of financial assets and liabilities	(90,385)	(20,829)
Provision for doubtful accounts	44,911	-
Gain on reversal of bad debts	-	(9,753)
Reversal of allowance for doubtful accounts	(29,349)	(79,878)
Reversal of allowance for inventory market price declines	(96,674)	(220,038)
Investment income accounted for under the equity method	(211,229)	(253,027)
Cash dividends from equity subsidiaries	16,361	-
Gain on sale of investments	(538,502)	(1,170,001)
Depreciation	2,867,105	2,753,759
Loss (gain) on disposal of property, plant and equipment, assets leased to others, idle assets and other assets	35,736	(44,596)
Impairment loss	11,343	-
Reversal of impairment loss	-	(220,765)
Amortization	185,092	239,934
Changes in assets and liabilities		
Financial assets at fair value through profit or loss - current	3,603,520	2,259,250
Notes receivable	(626,450)	(153,394)
Accounts receivable	(1,266,059)	(1,020,594)
Accounts receivable - related parties	(580,248)	(545,598)
Other receivables	(276,346)	(882,592)
Inventories	375,931	(3,520,091)
Prepayments	(2,586,494)	(1,522,503)
Deferred income tax assets - current	235,290	242,362
Other current assets	(93,509)	(319,083)
Deferred pension cost	11,218	42,289
Long-term notes, accounts and overdue receivables	(8,284)	574
Deferred income tax assets - non-current	(108,622)	(349,212)
Notes payable	222,513	(117,822)
Accounts payable	4,451,572	4,604,225
Income tax payable	687,688	793,259
Accrued expenses	(2,249,315)	(1,467,607)
Other payables	1,972,251	1,476,181
Receipts in advance	821,106	(260,945)
Other current liabilities	475,891	188,292
Accrued pension liabilities	(16,334)	62,136
Net cash provided by operating activities	10,893,690	5,480,974
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in employees' car loans	(1,570)	1,407
(Increase) decrease in other receivables - related parties	(1,655)	2,920
Increase in other financial assets - current	(5,365,569)	(5,585,679)
Decrease in available-for-sale financial assets - non-current	153,399	669,205
(Increase) decrease in financial assets carried at cost - non-current	(81,574)	113,713
Increase in investments in bonds without active markets - non-current	293,000	-
Increase in long-term investment - non subsidiaries	(534,118)	(93,175)
Proceeds from disposal of long-term investments - non subsidiaries	859,131	486,409
Decrease (increase) in other financial assets - non-current	327	(12,128)
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	(4,771,531)	(2,460,854)
Proceeds from disposal of property, plant and equipment, assets leased to others, idle assets and other assets	492,815	383,587
Increase in other intangible assets	(117,029)	(90,580)
Increase in refundable deposits	(577,320)	(42,314)
Increase in other deferred expense	(149,023)	(74,051)
Increase in other assets - other	-	(1,731,000)
Net cash used in investing activities	(10,386,717)	(8,432,540)

(Continued)

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

	2011	2010
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase in short-term loans	\$ 8,078,762	\$ 2,530,147
Increase in notes and bills payable	1,496,036	565,333
Increase in bonds payable	-	29,554
Decrease in long-term loans	(5,924,024)	(3,165,713)
Increase in long-term notes, accounts and overdue payables	157,554	205,368
(Decrease) increase in long-term notes, accounts and overdue payables - related parties	(11,683)	20,823
Increase in guarantee deposits received	416,278	451,868
Increase (decrease) in other liabilities - other	37,243	(433,675)
(Decrease) increase in minority interest	(300,504)	767,894
Net cash provided by financing activities	3,949,662	971,599
Effect of foreign exchange rate changes on cash	317,318	(263,222)
Net effect of change in the consolidated entities	-	(1,642,370)
Increase (decrease) in cash and cash equivalents	4,773,953	(3,885,559)
Cash and cash equivalents at beginning of period	30,141,795	35,675,353
Cash and cash equivalents at end of period	\$ 34,915,748	\$ 31,789,794
<u>Supplemental disclosures of cash flow information</u>		
1. Interest paid (excluding capitalized interest)	\$ 321,037	\$ 416,637
2. Income tax paid	\$ 152,115	\$ 257,314
<u>Investing and financing activities with partial cash payment</u>		
Acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 4,026,987	\$ 1,318,978
Add: Other payables, beginning of period	3,613,982	1,823,602
Capital lease payables, beginning of year	-	70,203
Less: Other payables, end of year	(2,869,438)	(687,759)
Capital lease payables, end of period	-	(64,170)
Cash paid for acquisition of property, plant and equipment, assets leased to others, idle assets and other assets	\$ 4,771,531	\$ 2,460,854
<u>Other activities with no cash flow effect</u>		
1. Reversal of unrealized revaluation increments for land expropriation	\$ -	\$ 1,184
2. Reclassification of financial assets carried at cost as available-for-sale financial assets due to stock conversion	\$ -	\$ 3,685,194

The accompanying notes are an integral part of these consolidated financial statements.
See review report of independent accountants dated May 12, 2011.

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

MARCH 31, 2011 AND 2010

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

(UNAUDITED)

1. HISTORY AND ORGANIZATION

(1) Uni-President Enterprises Corp. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) in August 1967 with an initial capital of \$32,000. As of March 31, 2011, the Company's authorized capital was \$48,000,000, and the paid-in capital was \$42,871,402, consisting of 4,287,140,000 shares of common stock with a par value of \$10 (in NT dollars) per share. The Company is primarily engaged in the manufacture, processing and sales of various soft drinks, food, animal feeds and flour.

(2) As of March 31, 2011, the Company and its subsidiaries had approximately 84,300 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 2011 were as follows:

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			March 31, 2011	March 31, 2010	
Uni-President Enterprises Corp.	Cayman President Holdings Ltd.	Professional investment	100.00%	100.00%	(Note 1)
	Kai Yu Investment Co., Ltd.	"	"	"	"
	President International Trade and Investment Corp.	"	"	"	"
	Kai Nan Investment Co., Ltd.	"	"	"	"
	President Global Corp.	Instant noodle and juice can importation	"	"	"
	Tone Sang Construction Corp.	Construction of buildings	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
Uni-President Enterprises Corp.	Uni-President Glass Industrial Co., Ltd.	Manufacturing and sales of glass products	100.00%	100.00%	(Note 1)
	Uni-President Vendor Corp.	Sales of soft drinks and food	"	"	"
	Presco Netmarketing Inc.	Information services	"	"	"
	Tung Yuan Corp.	Distribution center	"	"	"
	Uni-President Dream Parks Corp.	Wholesale and retailing of food, advertising, etc.	"	"	"
	President Baseball Team Corp.	Management of professional baseball	"	"	"
	President Entertainment Corp.	Entertainment business	"	"	(Note 1) (Note 3)
	President Organics Corp.	Sales of rice, vegetable, tea and drinks, etc.	"	"	"
	President Fair Development Corp.	Operation of shopping mall, department store, international trade, etc.	"	"	"
	Tung Ho Development Corp.	Entertainment business	"	"	"
	Nanlien International Corp.	Import and export trading	99.99%	99.99%	(Note 1)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
Uni-President Enterprises Corp.	President International Development Corp.	Industry investment	75.36%	75.36%	(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, etc.	64.83%	64.83%	(Note 3)
	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%	"
	Scino Pharm Taiwan Ltd.	Research, manufacturing and sales of pharmaceuticals	50.25%	51.39%	(Note 1) (Note 3)
	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	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
Uni-President Enterprises Corp.	Ton Yi Industrial Corp.	Manufacturing of tinplates	47.24%	47.24%	(Note 2)
	President Chain Store Corp.	Operation of supermarkets	45.80%	45.80%	(Note 3)
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 Foodstuff (BVI) Holdings Ltd. and its subsidiaries	"	"	—	(Note 1) (Note 4) (Note 5)
	Uni-President Foods Corp.	Manufacturing and sales of instant noodles	"	100.00%	(Note 1)
	Songjiang President Enterprises Co., Ltd.	Manufacturing and sales of fats, feed, flour	"	"	(Note 1) (Note 3)
	Sanshui Jianlibao Commerce Co., Ltd.	Sale of soft drinks	"	"	(Note 1)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
Cayman President Holdings Ltd.	Uni-President Enterprises China Holdings Ltd. and its subsidiaries	Professional investment, etc.	73.49%	73.49%	(Note 1)
	President Energy Development (Cayman Islands) Ltd.	Investment in energy resources	65.79%	65.79%	(Note 1) (Note 3)
	Zhangjiagang President Nisshin Food Co., Ltd.	Manufacturing and sales of fats, feeds and flour	60.00%	60.00%	(Note 1)
	President Kikkoman Zhenji Foods Co., Ltd.	Manufacturing and sales of food	45.00%	45.00%	"
	Uni-President International (HK) Co., Ltd.	Trading	—	100.00%	(Note 1) (Note 6)
Kai Yu Investment Co., Ltd.	Kai Yu (BVI) Investment Co., Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00%	"	(Note 1)
	Tung Ang Enterprises Corp.	Sales of soft drinks, etc.	"	"	"
	Tung Guan Enterprises Co., Ltd.	Sales of livestock products	"	"	"
	Tung Jun International Corp.	Wholesale of poultry and livestock	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		Note
			March 31, 2011	March 31, 2010	
Kai Nan Investment Co., Ltd.	Uni-President Foodstuff (BVI) Holdings., Ltd. and its subsidiaries	Professional investment, etc.	—	100.00%	(Note 1) (Note 4) (Note 5)
President Global Corp.	Ameripecc Inc.	Manufacturing of food	100.00%	"	(Note 1)
Uni-President Dream Parks Corp.	Uni-Oao Travel Services Corp.	Tours business	"	"	(Note 1) (Note 3)
President Fair Development Corp.	President Century Corp.	Department store etc.	"	"	(Note 1) (Note 7)
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%	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
Nanlien International Corp.	Nella Limited and its subsidiaries	Trade agency and general investments, etc.	—	100.00%	(Note 1) (Note 6)
President International Development Corp.	President (BVI) International Investment Holdings Ltd. and its subsidiaries	Investment in manufacturing business, etc.	100.00%	"	(Note 1)
	Ton Yu Investment Inc.	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%	(Note 1) (Note 6)
President Natural Industrial Corp.	High Wave Biotech Corp.	Sales of healthy food	100.00%	100.00%	(Note 1)
Tait Marketing & Distribution Co., Ltd.	Tait Distribution Service Co., Ltd.	Manufacture of various soft drinks	"	"	"
	Sonic International Cayman and its subsidiaries	General investment, etc.	"	"	"
	Tait (H.K) Limited	International trade	"	"	(Note 1) (Note 3)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
President Tokyo Corp.	President Tokyo Renting Corp.	Car rental	100.00%	100.00%	(Note 1)
Scino Pharm Taiwan Ltd.	SPT International, Ltd. and its subsidiaries	General investment, etc.	"	"	"
	Han Feng (BVI), Ltd. and its subsidiaries	"	"	"	"
	Scino Pharm Singapore Pte Ltd.	"	"	"	"
	President ScinoPharm (Cayman), Ltd.	"	60.00%	60.00%	"
Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd. and its subsidiaries	Professional investment, etc.	100.00%	100.00%	(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 8)
	PCSC (China) Supermarket Limited and its subsidiaries	"	"	"	(Note 1)

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
President Chain Store Corp.	President Drugstore Business Corp.	Sales of cosmetics and medicine	100.00%	100.00%	(Note 1)
	Ren-Hui Investment Corp.	Professional investment	"	"	"
	Capital Inventory Services Corp.	Enterprise management consultancy	"	"	"
	Wisdom Distribution Services Corp. and its subsidiaries	Delivery of magazines, etc.	"	"	"
	Uni-President Cold Chain Corp. and its subsidiaries	Distribution center, etc.	"	"	(Note 1) (Note 3)
	Uni-President Oven Bakery Corp.	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.	"	"	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
President Chain Store Corp.	Century Quick Services Restaurant Corp.	Operation of fastfood chain restaurant	100.00%	100.00%	(Note 1)
	President Chain Store Tokyo Marketing Corp.	Enterprise management consultancy	"	"	"
	Mech-President Co. Ltd. and its subsidiaries	Operation of gas stations and manufacturing of elevator, etc.	99.76%	99.76%	(Note 1) (Note 3)
	President Transnet Corp.	Distribution business	90.00%	90.00%	"
	President Musashino Corp.	Sales of fresh food	"	"	(Note 1)
	Qware Systems & Services Corp.	Data processing and software design services, etc.	86.76%	86.76%	"
	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 9)
	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%	"

Name of investors	Name of subsidiaries	Business activities	Percentage owned by the Company		
			March 31, 2011	March 31, 2010	Note
President Chain Store Corp.	President	Collection agent for government institutions	70.00%	70.00%	(Note 1)
	Collect Service Co., Ltd.	Distribution centers, etc.	65.00%	65.00%	(Note 1) (Note 3)
	Retail Support International Corp. and its subsidiaries	Information services	58.33%	58.33%	"
	Bank Pro E-Services Technology Company	Sales of cleaning instruments, etc.	51.00%	51.00%	(Note 1)
	Duskin Serve Taiwan Co., Ltd. and its subsidiaries	Retail business	"	"	(Note 1) (Note 3)
	Muji Taiwan Co., Ltd.	Operation of restaurant	"	"	(Note 1)
	Afternoon Tea Taiwan Corp.	Network Bookstore	50.03%	50.03%	"
	Books.Com. Co., Ltd.	Bread retailing	50.00%	50.00%	(Note 1) (Note 8)
	Mister Donut Co., Ltd.	Operation of a chain of coffee shops	"	"	(Note 1) (Note 3) (Note 8)
	President Starbucks Coffee Corp.	Wholesale and retail of automotive accessories	"	"	"
	Uni-President Yellow Hat Corp.				

(Note 1) The financial statements of certain subsidiaries reflect total assets amounting to \$197,507,688 and \$187,398,454, representing 66.71% and 66.30% of the related consolidated totals, and total liabilities amounting to \$110,403,660 and \$98,894,581, representing 60.89% and 57.17% of the related consolidated totals, as of March 31, 2011 and 2010, respectively, and total net income amounting to \$1,398,487 and \$2,685,672, representing 38.27% and 53.75% of the consolidated net income for the three-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 \$37,212,072 and \$36,715,158, representing 12.57% and 12.99% of the related consolidated totals, and total liabilities amounting to \$17,137,765 and \$17,109,961, representing 9.45% and 9.89% of the related consolidated totals, as of March 31, 2011 and 2010, respectively, and total operating revenues amounting to \$6,043,500 and \$6,672,558,

representing 6.58% and 8.28% of the related consolidated totals for the three-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) Adjustment in investment framework of Cayman President Holdings.

(Note 5) Formerly Kai Nan (BVI) Investment Co., Ltd.

(Note 6) Lost the majority interest in 2010.

(Note 7) Formerly Kai Nan Plywood & Wood Mfg. Co., Ltd. and changed its business activities.

(Note 8) 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.

(Note 9) Acquired the majority interest in 2011.

(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 first-quarter consolidated financial statements of the Company and its subsidiaries (collectively referred herein as the Group) are prepared in accordance with the Gin-Gwen-Jen (6) Letter No. 0960064020 of the Financial Supervisory Commission, Executive Yuan, Yuan R.O.C., dated November 15, 2007, "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 changes in accounting principles in Note 3, the Group's significant accounting policies remain the same as disclosed in the notes to consolidated financial statements as of and for the year ended December 31, 2010.

(1) Notes receivable and accounts receivable, other receivables

(a) Notes receivable and accounts receivable are claims generated from the sale of goods or services. Other receivables represent other receivables other than notes receivable and accounts receivable. Notes receivable, accounts receivable and other receivables are recognized initially at fair value and are subsequently remeasured at amortized cost using the effective interest method.

(b) The Group recognizes impairment loss on the financial instruments when there is an objective evidence of impairment. The amount of impairment is the book value less the present value of estimated future cash flows, discounted by original effective interest rate. If, subsequently, an event, directly related to impairment, indicates a decrease in impairment, the impairment loss recognized in prior years shall be recovered. The book value of the financial instruments after recovering the impairment shall not exceed the amortized cost.

(2) Operating segments

(a) The identification and disclosure of operating segments of the Group are based on how the Group's chief operating decision maker regularly reviews information in order to allocate resources and assess performance.

(b) The Group disclosed operating segments information on the consolidated financial statements in

accordance with SFAS No. 41.

3. CHANGES IN ACCOUNTING PRINCIPLES

(1) Notes receivable, accounts receivable and other receivables

Effective January 1, 2011, the Group prospectively adopted the newly revised Statement of Financial Accounting Standards (SFAS) No. 34, "Financial Instruments: Recognition and Measurement." The Group recognizes impairment loss on notes receivable, accounts receivable and other receivables when there is an objective evidence of impairment. This accounting change did not have a significant effect on the Company's consolidated financial statements as of and for the three - month period ended March 31, 2011.

(2) Operating segments

Effective January 1, 2011, the Group adopted the newly issued SFAS No. 41, "Operating Segments." This statement requires identification and disclosure of operating segments based on how the Company's chief operating decision maker regularly reviews information in order to allocate resources and assess performance. This statement supersedes SFAS No. 20, "Segment Reporting." The Group conformed to the disclosure requirements as of and for the three - month period ended March 31, 2011. The information for the three - month period ended March 31, 2010 has been restated to reflect the new segment reporting requirement. This accounting change did not have a significant effect on the consolidated net income and earnings per common share for the three - month period ended March 31, 2011.

4. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Cash:		
Cash on hand	\$ 871,384	\$ 774,451
Checking deposits	1,712,006	1,683,240
Demand deposits	16,359,624	13,023,687
Time deposits	<u>7,427,331</u>	<u>9,823,866</u>
	<u>26,370,345</u>	<u>25,305,244</u>
Cash equivalents:		
Repurchase of bonds	7,557,694	5,697,184
Commercial papers	<u>987,709</u>	<u>787,366</u>
	<u>8,545,403</u>	<u>6,484,550</u>
	<u>\$ 34,915,748</u>	<u>\$ 31,789,794</u>

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

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Current items:		
Financial assets held for trading		
Mutual funds	\$ 9,392,081	\$ 10,161,785
Listed (TSE and OTC) stocks	457,028	321,837
Corporation bonds	336,498	1,177,832
Derivatives	<u>37,481</u>	<u>6,798</u>
	10,223,088	11,668,252
Adjustment of financial assets held for trading	(<u>66,154</u>)	(<u>20,351</u>)
	<u>\$ 10,156,934</u>	<u>\$ 11,647,901</u>

(a)The Group recognized net income of \$79,712 and \$61,419 for the three-month periods ended

March 31, 2011 and 2010, respectively.

(b) The trading items and contract information of derivatives were as follows: (Units in thousands of currencies indicated)

	March 31, 2011		March 31, 2010	
	Contract Amount	Contract Period	Contract Amount	Contract Period
Forward foreign exchange futures	USD 62,780	12. 2010~6. 2011	USD 120,800	10. 2009~9. 2010
	—	—	EUR 160	3. 2010~5. 2010
Sales of forward foreign exchange	USD 277,708	2. 2011~5. 2011	USD 5,000	1. 2010~5. 2010
	JPY 815,000	12. 2010~10. 2011	JPY 370,000	9. 2009~6. 2010
	EUR 539	2. 2011~5. 2011	—	—

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

(3) Available-for-sale financial assets

	March 31, 2011	March 31, 2010
Current items:		
Mutual funds	\$ —	\$ 23,014
Adjustment of available-for-sale financial assets	—	(6,210)
	<u>\$ —</u>	<u>\$ 16,804</u>
Non-current items:		
Listed (TSE and OTC) stocks	\$ 10,246,269	\$ 10,047,562
Corporation bonds	10,000	12,500
Mutual funds	—	1,669
	<u>10,256,269</u>	<u>10,061,731</u>
Adjustment of available-for-sale financial assets	<u>97,458</u>	<u>1,306,891</u>
	<u>\$ 10,353,727</u>	<u>\$ 11,368,622</u>

(4) Notes receivable, net

	March 31, 2011	March 31, 2010
Notes receivable	\$ 4,131,991	\$ 2,895,672
Less: Allowance for doubtful accounts	(74,486)	(79,841)
	<u>\$ 4,057,505</u>	<u>\$ 2,815,831</u>

(5) Accounts receivable, net

	March 31, 2011	March 31, 2010
Accounts receivable	\$ 13,921,906	\$ 11,548,251
Less: Allowance for doubtful accounts	(549,384)	(579,268)
	<u>\$ 13,372,522</u>	<u>\$ 10,968,983</u>

(6) Other receivables

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Other receivables	\$ 5,642,618	\$ 7,461,100
Less: Allowance for doubtful accounts	(321,808)	(375,981)
	<u>\$ 5,320,810</u>	<u>\$ 7,085,119</u>

(7) Inventories

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Merchandise	\$ 10,419,952	\$ 9,502,135
Raw materials	8,195,162	6,690,850
Raw materials in transit	1,256,618	1,277,660
Supplies	2,001,809	1,746,975
Work in process	2,399,908	2,091,451
Finished goods	6,278,257	4,218,441
By-products	652	907
Land held for construction	128,351	128,351
Construction in progress-land	96,651	299,385
Construction in progress-buildings	1,278	443,786
Buildings and land held for sale	<u>542,180</u>	<u>12,541</u>
	31,320,818	26,412,482
Less: Allowance for price decline of inventories	(626,524)	(605,803)
	<u>\$ 30,694,294</u>	<u>\$ 25,806,679</u>

Expenses and losses on inventories recognized:

	<u>For the three-month periods ended March 31,</u>	
	<u>2011</u>	<u>2010</u>
Cost of inventories sold	\$ 63,699,221	\$ 54,213,477
Reversal of allowance for inventory obsolescence and market price decline (Note)	(96,674)	(220,038)
Loss on physical inventory	10,023	63,609
Loss on production stoppage	10,602	65,661
Loss on discarding inventory	30,867	31,380
Revenue from sale of scraps	(127,085)	(116,051)
Cost of goods sold	<u>\$ 63,526,954</u>	<u>\$ 54,038,038</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(12).

(8) Long-term equity investments held for disposal

The subsidiary accounted for under the equity method, Ztong Yee Industrial Co., Ltd., met the criteria for classification as long-term equity investment held for disposal. The lower of carrying value and fair value of the investment amounting to \$410,319 was recognized as "long-term equity investment held for disposal".

(9) Financial assets carried at cost

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Non-current items:		
Unlisted stocks	\$ 5,365,652	\$ 8,961,169
Non-public trading bonds	1,027,868	1,106,588
Emerging stocks	<u>47,734</u>	<u>62,055</u>
	6,441,254	10,129,812
Less: Accumulated impairment	(<u>1,584,201</u>)	(<u>2,239,371</u>)
	<u>\$ 4,857,053</u>	<u>\$ 7,890,441</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(17).

(10) Investments in bonds without active markets

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Non-current item:		
Finance bonds	<u>\$ 293,000</u>	<u>\$ -</u>

(11) 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	March 31, 2011		March 31, 2010	
	Amount	Percentage owned	Amount	Percentage owned
Jimmailang Beverage (Beijing) Ltd.	\$ 2,068,817	50.00	\$ 1,850,240	50.00
Cargill President Holding Pte. Ltd.	1,317,980	"	1,345,471	"
Presicarre Corp.	7,053,591	40.00	7,356,926	40.00
TTET Union Corp.	1,188,740	37.64	1,116,609	37.64
Kuang Chuan Dairy Co., Ltd.	1,514,835	31.25	1,362,779	31.25
President Securities Corp.	6,294,956	30.02	6,008,352	29.99
Eagle Cold Storage Enterprises Co., Ltd.	502,531	29.93	529,959	33.81
Kang Na Hsiung Enterprise Co., Ltd.	617,985	20.71	641,050	20.71
Yantai North Andrejuice Co., Ltd. (Note)	999,432	15.00	1,031,394	15.00
Others (individually less than 2%)	4,118,721	20.00	3,996,067	20.00
		~50.00		~50.00
	<u>\$25,677,588</u>		<u>\$25,238,847</u>	

(Note) The Group accounted for the investment in 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%.

(b) Long-term investment income accounted for under the equity method was \$211,229 and \$253,027 for the three-month periods ended March 31, 2011 and 2010, respectively. Except for TTET Union Corp. and 2 other companies, the Group's long-term investments in certain investee companies accounted for under the equity method were based on their financial statements which were not reviewed by independent accountants. As of March 31, 2011 and 2010, long-term investments in these investee companies were \$18,519,474 and \$18,371,071, respectively and the related investment income was \$102,019 and \$149,447 for the three-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 on financial instruments of long-term equity investments amounting to \$919,339 and \$195,552 (classified as unrealized gain or loss on financial instruments) for the three-month periods ended March 31, 2011 and 2010, respectively.

(12) Property, plant and equipment

(a) As of March 31, 2011 and 2010, the revaluation increments and accumulated depreciation of property, plant and equipment are listed as follows:

<u>Assets</u>	<u>March 31, 2011</u>		<u>March 31, 2010</u>	
	<u>Revaluation increments</u>	<u>Accumulated depreciation</u>	<u>Revaluation increments</u>	<u>Accumulated depreciation</u>
Land	\$ 4,430,667	\$ –	\$ 4,430,667	\$ –
Buildings	192,423	11,989,184	193,295	10,751,657
Machinery and equipment	36,680	40,608,833	37,460	38,505,596
Piping infrastructure and electricity generation equipment	5,981	2,244,801	6,635	2,101,206
Transportation equipment	–	2,616,862	–	2,545,621
Office equipment	287	4,129,794	287	3,681,953
Leased assets	–	107,660	–	267,601
Leasehold improvements	–	6,077,977	–	5,507,369
Other equipment	<u>21,096</u>	<u>23,466,802</u>	<u>19,824</u>	<u>21,523,269</u>
	<u>\$ 4,687,134</u>	<u>\$91,241,913</u>	<u>\$ 4,688,168</u>	<u>\$84,884,272</u>

- (b) In the years 1975, 1979, 1981, 1983, 1990, 1995 and 2005, the Group revalued certain property, plant and equipment (including assets leased to others and idle assets) in accordance with the regulations for the Revaluation of Assets in the Republic of China. The amount of appraisal increments credited to asset revaluations was \$2,521,590. The balance of asset revaluation (shown as capital reserve from asset revaluations before the amended “Business Entity Accounting Law”) amounted to \$1,510,132 as of March 31, 2011 and 2010. In addition, as a result of the adoption of R.O.C. SFAS No. 5, “Long-term Investments under Equity Method”, the Company recognized the unrealized asset revaluation amounting to \$652,420 and \$653,039 as of March 31, 2011 and 2010, respectively.
- (c) The balance of provision for land value incremental tax amounted to \$1,908,314 as of March 31, 2011 and 2010.
- (d) Interest expense before capitalization for the three-month periods ended March 31, 2011 and 2010 was \$408,482 and \$401,933, respectively. Interest capitalized in inventories and property, plant and equipment totaled \$5,309 and \$30,152 with interest rates of 0.80%~5.20% and 0.70%~5.20% for the three-month periods ended March 31, 2011 and 2010, respectively.
- (e) As of March 31, 2011 and 2010, 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 March 31, 2011 and 2010, 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 were 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.

(h)The accumulated impairment of property, plant and equipment as of March 31, 2011 and 2010 was \$88,752 and \$89,099, respectively. Please refer to Note 4(17).

(13) Other intangible assets

As of March 31, 2011 and 2010, other intangible assets are as follows:

Item	For the three-month period ended March 31, 2011										
	Beginning balance				Ending balance						
	Initial cost	Accumulated amortization	Effect of exchange rate changes	Book value	Additions	Amortization	Effect of exchange rate changes	Initial cost	Accumulated amortization	Effect of exchange rate changes	Net book value
Trademarks	\$ 534,749	(\$ 49,340)	(\$ 20,422)	\$ 464,987	\$ -	(\$ 2,881)	\$ 4,429	\$ 534,749	(\$ 52,221)	(\$ 15,993)	\$ 466,535
Copyrights	14,057	(512)	-	13,545	-	-	-	14,057	(512)	-	13,545
Land use rights	2,500,000	(263,283)	-	2,236,717	-	(11,665)	-	2,500,000	(274,948)	-	2,225,052
Land occupancy rights	2,434,472	(299,124)	(74,429)	2,060,919	91,875	(17,666)	24,525	2,526,347	(316,790)	(49,904)	2,159,653
Others	3,172,466	(1,908,449)	(19,223)	1,244,794	25,154	(75,415)	21,008	3,197,620	(1,983,864)	1,785	1,215,541
	<u>\$ 8,655,744</u>	<u>(\$ 2,520,708)</u>	<u>(\$ 114,074)</u>	<u>6,020,962</u>	<u>\$ 117,029</u>	<u>(\$ 107,627)</u>	<u>\$ 49,962</u>	<u>\$ 8,772,773</u>	<u>(\$ 2,628,335)</u>	<u>(\$ 64,112)</u>	<u>6,080,326</u>
Less: Discount on land use rights				(347,091)							(347,091)
Accumulated impairment				(24,233)							(23,947)
				<u>\$ 5,649,638</u>							<u>\$ 5,709,288</u>

Item	For the three-month period ended March 31, 2010										
	Beginning balance				Ending balance						
	Initial cost	Accumulated amortization	Effect of exchange rate changes	Book value	Additions	Amortization	Effect of exchange rate changes	Initial cost	Accumulated amortization	Effect of exchange rate changes	Net book value
Trademarks	\$ 533,821	(\$ 36,445)	\$ -	\$ 497,376	\$ -	(\$ 3,136)	(\$ 1,989)	\$ 533,821	(\$ 39,581)	(\$ 1,989)	\$ 492,251
Copyrights	14,057	(512)	-	13,545	-	-	-	14,057	(512)	-	13,545
Land use rights	2,500,000	(220,052)	-	2,279,948	-	(10,795)	-	2,500,000	(230,847)	-	2,269,153
Land occupancy rights	1,918,136	(244,814)	18,752	1,692,074	5,564	(24,820)	646	1,923,700	(269,634)	19,398	1,673,464
Others	2,946,512	(1,594,545)	-	1,351,967	85,016	(120,346)	-	3,031,528	(1,714,891)	-	1,316,637
	<u>\$ 7,912,526</u>	<u>(\$ 2,096,368)</u>	<u>\$ 18,752</u>	<u>5,834,910</u>	<u>\$ 90,580</u>	<u>(\$ 159,097)</u>	<u>(\$ 1,343)</u>	<u>\$ 8,003,106</u>	<u>(\$ 2,255,465)</u>	<u>\$ 17,409</u>	<u>5,765,050</u>
Less: Discount on land use rights				(345,869)							(345,869)
Accumulated impairment				(13,545)							(13,545)
				<u>\$ 5,475,496</u>							<u>\$ 5,405,636</u>

For details of accumulated impairment, please refer to Note 4(17).

(14) Assets leased to others

	March 31, 2011						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 4,582,538	\$ 1,580,504	\$ 6,163,042	\$ -	\$ -	\$ -	\$ 6,163,042
Buildings	3,463,980	14,075	3,478,055	(827,776)	(13,793)	(841,569)	2,636,486
Machinery and equipment	26,948	-	26,948	(20,935)	-	(20,935)	6,013
Piping infrastructure and electricity generation equipment	8,046	-	8,046	(7,824)	-	(7,824)	222
Office equipment	2,117	-	2,117	(2,024)	-	(2,024)	93
Other equipment	<u>234,572</u>	<u>4,290</u>	<u>238,862</u>	<u>(187,314)</u>	<u>(4,290)</u>	<u>(191,604)</u>	<u>47,258</u>
	<u>\$ 8,318,201</u>	<u>\$ 1,598,869</u>	<u>\$ 9,917,070</u>	<u>(\$ 1,045,873)</u>	<u>(\$ 18,083)</u>	<u>(\$ 1,063,956)</u>	8,853,114
Less: Accumulated impairment							(109,753)
							<u>\$ 8,743,361</u>
	March 31, 2010						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 5,051,014	\$ 1,580,504	\$ 6,631,518	\$ -	\$ -	\$ -	\$ 6,631,518
Buildings	3,935,362	14,075	3,949,437	(921,058)	(13,673)	(934,731)	3,014,706
Machinery and equipment	75,677	-	75,677	(38,335)	-	(38,335)	37,342
Piping infrastructure and electricity generation equipment	9,754	-	9,754	(8,474)	-	(8,474)	1,280
Office equipment	2,117	-	2,117	(2,004)	-	(2,004)	113
Other equipment	<u>182,539</u>	<u>4,290</u>	<u>186,829</u>	<u>(158,541)</u>	<u>(4,290)</u>	<u>(162,831)</u>	<u>23,998</u>
	<u>\$ 9,256,463</u>	<u>\$ 1,598,869</u>	<u>\$ 10,855,332</u>	<u>(\$ 1,128,412)</u>	<u>(\$ 17,963)</u>	<u>(\$ 1,146,375)</u>	9,708,957
Less: Accumulated impairment							(273,881)
							<u>\$ 9,435,076</u>

A. Rental revenues for the three-month periods ended March 31, 2011 and 2010 were \$83,463 and \$69,324, 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(12).

C. For details of accumulated impairment, please refer to Note 4(17).

(15) Idle assets

	March 31, 2011						Net book value
	Cost			Accumulated depreciation			
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 1,517,184	\$ 566	\$ 1,517,750	\$ -	\$ -	\$ -	\$ 1,517,750
Buildings	315,837	4,860	320,697	(124,203)	(4,851)	(129,054)	191,643
Machinery and equipment	217,526	-	217,526	(121,423)	-	(121,423)	96,103
Office equipment	3,609	-	3,609	(3,363)	-	(3,363)	246
Other equipment	85,994	-	85,994	(68,019)	-	(68,019)	17,975
	<u>\$ 2,140,150</u>	<u>\$ 5,426</u>	<u>\$ 2,145,576</u>	<u>(\$ 317,008)</u>	<u>(\$ 4,851)</u>	<u>(\$ 321,859)</u>	1,823,717
Less: Accumulated impairment							(422,343)
							<u>\$ 1,401,374</u>
	March 31, 2010						
	Cost			Accumulated depreciation			Net book value
	Historical	Revaluation increment	Total	Historical	Revaluation increment	Total	
Land	\$ 1,300,855	\$ 566	\$ 1,301,421	\$ -	\$ -	\$ -	\$ 1,301,421
Buildings	219,942	4,860	224,802	(119,217)	(4,848)	(124,065)	100,737
Machinery and equipment	557,044	-	557,044	(380,744)	-	(380,744)	176,300
Piping infrastructure and electricity generation equipment	8,453	41	8,494	(6,873)	(41)	(6,914)	1,580
Office equipment	1,758	-	1,758	(1,602)	-	(1,602)	156
Other equipment	145,069	1,373	146,442	(126,898)	(1,373)	(128,271)	18,171
	<u>\$ 2,233,121</u>	<u>\$ 6,840</u>	<u>\$ 2,239,961</u>	<u>(\$ 635,334)</u>	<u>(\$ 6,262)</u>	<u>(\$ 641,596)</u>	1,598,365
Less: Accumulated impairment							(270,477)
							<u>\$ 1,327,888</u>

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(12).

B. For details of accumulated impairment, please refer to Note 4(17).

(16) Deferred expenses

	<u>For the three-month periods ended March 31,</u>	
	<u>2011</u>	<u>2010</u>
Beginning balance	\$ 886,413	\$ 988,549
Additions	149,023	74,051
Amortization	(77,465)	(80,837)
Effect of foreign exchange rate changes	(2,770)	318
Ending balance	<u>\$ 955,201</u>	<u>\$ 982,081</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.

(17) Impairment of assets

After recognizing of impairment loss and reversal of impairment loss previously recognized, the total accumulated impairment as of March 31, 2011 and 2010 was \$2,228,996 and \$2,886,373, respectively.

Details were set forth below:

<u>Item</u>	<u>March 31, 2011</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)	\$ 1,584,201	\$ -
Property, plant and equipment (Note)	88,752	-
Other intangible assets (Note)	23,947	-
Assets leased to others (Note)	109,753	-
Idle assets (Note)	422,343	-
	<u>\$ 2,228,996</u>	<u>\$ -</u>

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

The accumulated impairment summarized by department were as follows:

<u>Department</u>	<u>March 31, 2011</u>	
	<u>Amount included in statement of income</u>	<u>Amount included in stockholders' equity</u>
Entertainment business	\$ 269,173	\$ -
Tinplate business	31,539	-
Foods	386,661	-
Feeds	648	-
Retail chain stores	385,117	-
General department	1,155,858	-
	<u>\$ 2,228,996</u>	<u>\$ -</u>

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

(Note) Part of financial assets carried at cost - non-current, other intangible assets and property, plant and equipment have been recognized or disposed, and part of assets leased to others and idle assets have been recognized, disposed or transferred to property, plant and equipment during the three-month periods ended March 31, 2011 and 2010. As such, impairment loss of \$11,343 and \$220,765 was recognized for the three-month periods ended March 31, 2011 and 2010, respectively.

(18) Short-term loans

	<u>March 31, 2011</u>	<u>March 31, 2010</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 29,160,174	\$ 17,112,821	-
Secured bank loans	<u>1,702,074</u>	<u>3,624,939</u>	(Note)
	<u>\$ 30,862,248</u>	<u>\$ 20,737,760</u>	
Range of interest rates	<u>0.64%~16.50%</u>	<u>0.55%~4.86%</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 and machinery equipment.

(19) Notes and bills payable

	<u>March 31, 2011</u>	<u>March 31, 2010</u>	<u>Collateral or security</u>
Commercial papers payable	\$ 7,892,126	\$ 7,971,068	(Note)
Less: Prepaid interest	(294)	(1,940)	
	<u>\$ 7,891,832</u>	<u>\$ 7,969,128</u>	
Range of interest rates	<u>0.25%~1.94%</u>	<u>0.57%~2.24%</u>	

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

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

(20) Bonds payable

	<u>March 31, 2011</u>	<u>March 31, 2010</u>	<u>Collateral or security</u>
Unsecured ordinary bonds payable	\$ 7,000,000	\$ 3,000,000	—
Unsecured convertible bonds payable	—	<u>4,675,000</u>	—
	7,000,000	7,675,000	
Less: Discount on bonds payable	—	(67,014)	
Current portion of bonds payable	—	(4,607,986)	
	<u>\$ 7,000,000</u>	<u>\$ 3,000,000</u>	

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

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

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

(c) Coupon rate: 0%

(d) Repayment term:

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

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

(f) Conversion period:

Except for the closed period, the bonds may be converted into the Company's common stocks on or after November 26, 2007 and on or prior to October 15, 2010. As of October 25, 2010, no bonds have been converted into common stocks.

(g) Conversion price and adjustment:

The conversion price is \$56 (in NT dollars) per share. Except for the common stocks converted from securities with conversion rights or options issued by the Company, the Company shall adjust the conversion price under the terms of the bonds in the cases of new shares issued, stock dividends, free distribution, cash dividends or equity dilution to the original shareholders. As of October 25, 2010, the conversion price was \$43.2 (in NT dollars).

(h) Under the terms of the convertible bonds, all bonds (redeemed, matured and converted) are retired and not to be re-issued. As of October 25, 2010 and March 31, 2010, convertible

bonds in the amount of \$325,000 were repurchased by the Company from the Taiwan Over-The-Counter Securities Exchange.

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

B. For issued unsecured convertible bonds, the Company separates the conversion rights from the liabilities, which amounted to \$523,481 as "capital reserve-stock warrants" in accordance with the R.O.C SFAS No. 36, "Disclosure and Presentation of Financial Instruments". As of March 31, 2011 and 2010, the capital reserve-stock warrants for the bonds redeemed, matured and converted were \$— and \$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.

E.The Company issued unsecured secondary bonds payable in October 2010. The significant terms of the bonds are as follows:

(a)Total issue amount: \$1,800,000

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

(c)Coupon rate: 1.23%

(d)Term of interest repayment:

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

(e)Repayment term:

The bonds are repayable starting October 2014 to October 2015 in two installments at the rate of 50% and 50%, respectively.

(f)Period: 5 years, from October 27, 2010 to October 27, 2015

(g)Guarantee Bank:

The bonds are guaranteed by Taipei Fubon Commercial Bank.

(21) Long-term loans

	<u>March 31, 2011</u>	<u>March 31, 2010</u>	<u>Collateral or security</u>
Unsecured bank loans	\$ 37,062,068	\$ 48,577,717	—
Secured bank loans	16,918,115	18,360,927	(Note)
Revolving credit facility	<u>1,500,000</u>	<u>2,200,000</u>	—
	55,480,183	69,138,644	
Less: Prepaid interest	(296)	(1,129)	
Current portion of long-term loans	(<u>4,816,208</u>)	(<u>7,433,676</u>)	
	<u>\$ 50,663,679</u>	<u>\$ 61,703,839</u>	
Range of maturity date	<u>2012.5~2025.9</u>	<u>2010.11~2025.9</u>	
Range of interest rates	<u>0.85%~17.00%</u>	<u>0.58%~4.50%</u>	

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

(22) Other liabilities - other

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Land use rights payable	\$ 1,000,000	\$ 1,250,000
Less: Discount on land use rights payable	(<u>43,981</u>)	(<u>64,847</u>)
	956,019	1,185,153
Less: Current portion of land use rights payable	(<u>245,515</u>)	(<u>245,731</u>)
	<u>\$ 710,504</u>	<u>\$ 939,422</u>

As of March 31, 2011, land use rights payable and discount were listed as follows:

Year	Land use rights payable	Discount on land use rights payable
April 1 ~ December 31, 2011	\$ -	\$ 14,887
2012	250,000	14,751
2013	250,000	9,663
2014	250,000	4,680
2015 (Note)	250,000	-
	<u>\$ 1,000,000</u>	<u>\$ 43,981</u>

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

(23) 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 \$3,897,400. Pursuant to the approval by the Financial Supervisory Commission, Securities and Futures Bureau, the capital increase was effective on August 18, 2010. After the capital increase, the authorized capital was \$48,000,000, and the paid-in capital was \$42,871,402, consisting of 4,287,140,000 shares with a par value of \$10 (in NT dollars) per share.

(24) Capital reserve

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

(b) For details of capital reserve-stock warrants, please refer to Note 4(20).

(25) Retained earnings

(a) According to the R.O.C. Company Law, the annual net income should be used initially to cover any accumulated deficit; thereafter 10% of the annual net income shall be set aside as legal reserve until the legal reserve has reached 100% of contributed capital. The legal reserve shall be exclusively used to cover accumulated deficit or, if the balance of reserve exceeds 50% of contributed capital, to increase capital not exceeding 50% of reserve balance and shall not be used for any other purpose.

(b) According to the Company's Articles of Incorporation, 10% of the annual net earnings, after paying all taxes and dues and offsetting any loss of prior years, shall be set aside as legal reserve. The remaining net income and the unappropriated retained earnings from prior years can be distributed in accordance with a resolution passed during the meeting of the Board of Directors and approved at the stockholders' meeting. Of the amount to be distributed by the Company, stockholders' dividends shall comprise 50% to 100% of the unappropriated retained earnings, the percentage of cash dividends shall not be less than 30% of dividends distributed. Directors' and supervisors' remuneration shall comprise 2% and at least 0.2% for employees' bonuses.

(c) The appropriation of 2010 earnings had been proposed by the Board of Directors on April 25, 2011 and the appropriation of 2009 earnings had been resolved by the stockholders on June 23, 2010. Details were summarized below:

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

As of May 12, 2011, the appropriation of 2010 earnings had not been approved by the stockholders.

(d) The estimated amounts of employees' bonus and directors' and supervisors' remuneration for the three-month periods ended March 31, 2011 and 2010 are \$275,628 and \$350,399, respectively. Such estimates are based on a certain percentage of 2011 and 2010 net income after taking into account the legal reserve and other factors, as prescribed under the Company's Articles of Incorporation. Information on the appropriation of the Company's employees' bonus and directors' and supervisors' remuneration as resolved by the Board of Directors and approved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(e) As of March 31, 2011 and 2010, the balance of unappropriated earnings were as follows:

	March 31, 2011	March 31, 2010
(i) Unappropriated earnings before 1998	\$ 36,165	\$ 36,165
(ii) Unappropriated earnings in and after 1998	<u>11,030,543</u>	<u>7,902,907</u>
	<u>\$ 11,066,708</u>	<u>\$ 7,939,072</u>

Consolidated net income in the amount of \$2,274,128 and \$3,090,867 for the three-month periods ended March 31, 2011 and 2010, respectively, cannot be distributed since these amounts have not been approved by the stockholders.

(f) As of March 31, 2011 and 2010, the imputation tax credit account balance amounted to \$151,918 and \$15,176, respectively. The Company appropriated earnings in 2009 as dividends in accordance with the resolution adopted at the stockholders' meeting on June 23, 2010, and the date of dividends distribution was August 18, 2010. The 2009 creditable ratio was 9.12%, while the 2010 estimated creditable ratio was 1.38%. The amount of deductible tax distributable by the Company to its shareholders shall be limited to an amount not exceeding the amount of the imputation tax credit account balance on the date of distribution of the dividends. Accordingly, the actual creditable ratio for the distribution of 2010 undistributed earnings will be based on the imputation tax credit account balance up to the date of distribution of the dividends.

(26) Earnings per common share ("eps")

For the three-month period ended March 31, 2011					
	Amount		Weighted-average number of shares outstanding during the period (shares in thousands)	EPS (in NT dollars)	
	Before tax	After tax		Before tax	After tax
	Basic earnings per share				
Net income	\$4,548,857	\$ 2,274,128	4,287,140	<u>\$ 1.06</u>	<u>\$ 0.53</u>
Dilutive effect of common stock equivalents:					
Employees' bonuses	—	—	33,163		
Diluted earnings per share					
Net income	<u>\$4,548,857</u>	<u>\$ 2,274,128</u>	<u>4,320,303</u>	<u>\$ 1.05</u>	<u>\$ 0.53</u>
For the three-month period ended March 31, 2010					
	Amount		Weighted-average number of shares outstanding during the period (shares in thousands)	EPS (in NT dollars)	
	Before tax	After tax		Before tax	After tax
Basic earnings per share					
Net income	\$6,188,044	\$ 3,090,867	4,287,140	<u>\$ 1.44</u>	<u>\$ 0.72</u>
Dilutive effect of common stock equivalents:					
Convertible bonds	29,555	23,644	105,812		
Employees' bonuses	—	—	33,596		
Diluted earnings per share					
Net income	<u>\$6,217,599</u>	<u>\$ 3,114,511</u>	<u>4,426,548</u>	<u>\$ 1.40</u>	<u>\$ 0.70</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.	"
Kuang Chuan Dairy Co., Ltd.	"
Weilih Food Industrial Co., Ltd.	"
Cargill President Holdings Pte Limited	The company is a director
Uni-President Land Corporation	An affiliated company of Cayman President Holdings Ltd. (accounted for under the equity method)
Jimmailang Beverage (Beijing) Co., Ltd.	"
Saigon Beverage Joint Stock Company (Note 1)	"
President Fuche (Qingdo) Co., Ltd.	An affiliated company of Uni-President Foodstuff (BVI) Holdings Ltd. (accounted for under the equity method)
San Tong Wan Fu (Qingdo) Food Industry Co., Ltd.	"
Far-Tung Enterprises Corp.	A subsidiary of Nanlien International Corp. (accounted for under the equity method)
Union Chinese Corp.	"
Kuan Chang Enterprises Corp.	"
Yamato Collect Service Corporation	An affiliated company of President Collect Service Co., Ltd. (accounted for under the equity method)
Starbucks Coffee International, Inc.	Stockholder of President Coffee Corp. and President Coffee (Cayman) Limited (accounted for under the equity method)

Name of related parties	Relationship with the Company
Ryohin Keikaku Co., Ltd.	Stockholder of Muji Taiwan Co., Ltd. (accounted for under the equity method)
Duskin Co., Ltd.	Stockholder of Mister Donut Taiwan Co., Ltd. (accounted for under the equity method)
Yellow Hat Ltd.	The representative is the chairman of Uni-President Yellow Hat Corp.
AHB International Inc.	Stockholder of AHB Pet Plus Co., Ltd. (accounted for under the equity method)
Hi-life International Co., Ltd.	A subsidiary of Kuang Chuan Dairy Co., Ltd. (accounted for under the equity method)
Ta Chen Construction & Engineering Corp.	A subsidiary of Prince Housing Development Corp. (accounted for under the equity method) (Note 2)
Huei Tung Enterprises Corp.	Has the same chairman with Nanlien International Corp.
Sato Restaurant Systems Co., Ltd.	A director of President Sato Co., Ltd.
Kinh Do Joint Stock Company	Stockholder of Binh Duong Tribeco Joint Stock Company (accounted for under the equity method)
Young Yun Investment Co., Ltd.	A director of the Company.
Toyota Tsusho Corp.	A director of Ton-Yi Industrial Corp.

(Note 1) The percentage owned by the Group increased in the second quarter of 2010, and thus became a consolidated entity.

(Note 2) The Company was a director, but resigned the job in the second quarter of 2010.

(b) Transactions and balances with related parties

1. Sales

	For the three-month period ended March 31, 2011		For the three-month period ended March 31, 2010	
	Amount	Percentage of net sales	Amount	Percentage of net sales
Presicarre Corp.	\$ 545,144	1	\$ 537,884	1
Huei Tung Enterprises Corp.	399,576	1	327,383	-
TTET Union Corp.	316,473	-	358,514	1
Others (Individually less than 10%)	<u>2,065,926</u>	<u>2</u>	<u>1,727,635</u>	<u>2</u>
	<u>\$ 3,327,119</u>	<u>4</u>	<u>\$ 2,951,416</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 three-month period ended March 31, 2011		For the three-month period ended March 31, 2010	
	Amount	Percentage of net purchases	Amount	Percentage of net purchases
Toyota Tsusho Corp.	\$ 803,423	1	\$ 1,240,588	2
TTET Union Corp.	312,853	-	232,440	1
Others (Individually less than 10%)	<u>1,184,634</u>	<u>2</u>	<u>751,711</u>	<u>1</u>
	<u>\$ 2,300,910</u>	<u>3</u>	<u>\$ 2,224,739</u>	<u>4</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 three-month periods ended March 31,	
	2011	2010
Young Yun Investment Co., Ltd.	<u>\$ -</u>	<u>\$ 138,900</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

	Items	For the three-month periods ended March 31,	
		2011	2010
Ta Chen Construction & Engineering Corp.	Construction in progress	<u>\$ -</u>	<u>\$ 275,280</u>

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

5. Processing expenses

	For the three-month periods ended March 31,	
	2011	2010
TTET Union Corp.	<u>\$ 65,703</u>	<u>\$ 63,417</u>

6. Other expenses

	For the three-month periods ended March 31,	
	2011	2010
Starbucks Coffee International, Inc.	\$ 62,353	\$ 57,442
Presicarre Corp.	51,783	61,170
Kuan Chang Enterprises Corp.	15,270	39,546
Others (Individually less than 10%)	282,964	222,054
	<u>\$ 412,370</u>	<u>\$ 380,212</u>

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

8. Other income

	For the three-month periods ended March 31,	
	2011	2010
Management and technical consultancy fees:		
Far-Tung Enterprises Corp.	\$ 1,645	\$ 1,544
Cargill President Holdings Pte Limited	1,267	1,437
Others (Individually less than 10%)	13,937	10,542
	<u>16,849</u>	<u>13,523</u>
Other income:		
Union Chinese Corp.	18,990	12,075
Jimmailang Beverage (Beijing) Co., Ltd.	10,686	786
Far-Tung Enterprises Corp.	10,166	7,238
TTET Union Corp.	7,830	14,125
Others (Individually less than 10%)	36,035	23,564
	<u>83,707</u>	<u>57,788</u>
	<u>\$ 100,556</u>	<u>\$ 71,311</u>

9. Accounts receivable

	March 31, 2011		March 31, 2010	
	Amount	Percentage	Amount	Percentage
Presicarre Corp.	\$ 570,911	4	\$ 522,191	4
Huei Tung Enterprises Corp.	229,799	2	214,408	2
Hi-life International Co., Ltd.	211,818	1	200,221	1
Others (Individually less than 10%)	847,644	5	679,441	5
	<u>\$ 1,860,172</u>	<u>12</u>	<u>\$ 1,616,261</u>	<u>12</u>

10. Accounts payable

	<u>March 31, 2011</u>		<u>March 31, 2010</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Toyota Tsusho Corp.	\$ 127,141	1	\$ 754	-
Starbucks Coffee International, Inc.	118,432	-	93,195	1
Jimmailang Beverage (Beijing) Co., Ltd.	110,979	-	32,253	-
Kuang Chuan Dairy Co., Ltd.	85,681	-	67,186	-
TTET Union Corp.	82,634	-	35,875	-
Weilih Food Industrial Co., Ltd.	51,766	-	36,588	-
Others (Individually less than 10%)	<u>335,237</u>	<u>2</u>	<u>90,865</u>	<u>-</u>
	<u>\$ 911,870</u>	<u>3</u>	<u>\$ 356,716</u>	<u>1</u>

11. Accrued expenses

	<u>March 31, 2011</u>		<u>March 31, 2010</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Presicarre Corp.	\$ 119,875	1	\$ 133,396	1
Hi-life International Co., Ltd.	58,957	-	66,607	-
Others (Individually less than 10%)	<u>106,207</u>	<u>1</u>	<u>99,854</u>	<u>1</u>
	<u>\$ 285,039</u>	<u>2</u>	<u>\$ 299,857</u>	<u>2</u>

12. Other payables

	<u>March 31, 2011</u>		<u>March 31, 2010</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ta Chen Construction & Engineering Corp.	\$ 474,538	4	\$ 112,678	1
Kinh Do Joint Stock Company	68,797	1	-	-
Yellow Hat Ltd.	39,004	-	37,506	-
Others (Individually less than 10%)	<u>9,229</u>	<u>-</u>	<u>15,181</u>	<u>-</u>
	<u>\$ 591,568</u>	<u>5</u>	<u>\$ 165,365</u>	<u>1</u>

13. Long-term notes payable

	<u>March 31, 2011</u>		<u>March 31, 2010</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ta Chen Construction & Engineering Corp.	<u>\$ 442,282</u>	<u>67</u>	<u>\$ 436,470</u>	<u>37</u>

(c)Financing

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

For the three-month period ended March 31, 2011					
	<u>Maximum balance date</u>	<u>Maximum balance</u>	<u>Ending balance</u>	<u>Annual interest rate</u>	<u>Total interest income</u>
San Tong Wan Fu (Qingdo) Food Industry Co., Ltd.	2011. 03	\$ 44, 896	\$ 44, 896	4. 92%~5. 59%	\$ 54
Uni-President Land Corporation	2011. 03	31, 698	31, 698	7. 00%	548
President Fuche (Qingdo) Co., Ltd.	2011. 03	29, 182	<u>29, 182</u>	5. 41%	<u>391</u>
			<u>\$ 105, 776</u>		<u>\$ 993</u>

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

(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., Ltd. signed a logotype and perpetual technical cooperation contract with DUSKIN Co., Ltd. to operate and manage “DUSKIN Mister Donut Franchise Enterprise”. Under the terms of the contract, Mister Donut Taiwan Co., Ltd. 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 2010, President Sato Co., Ltd., a subsidiary of President Chain Store Corp. signed a logotype and perpetual technical cooperation contract with Sato Restaurant Systems Co., Ltd. to use the trademark of “Japanese Fusion Restaurant” and “Sushi-half” and other catering-related technology. The contract is valid for 30 years. Under the terms of the contract, President Sato Co., Ltd. shall pay royalty based on a fixed percentage of its net sales revenue since 2013.
- (v) 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.
- (vi) AHB Pet Plus Co., Ltd., a subsidiary of President Chain Store Corp., signed a logotype and perpetual technical contract with AHB International Inc. whereby AHB Pet Plus Co., Ltd. is authorized to operate cosmetology for pets. Under the terms of the contract, AHB Pet Plus Co., Ltd. shall pay royalty quarterly based on a fixed percentage of monthly net sales revenue.
- (vii) As of March 31, 2011 and 2010, the endorsements and guarantees provided by the Group amounted to \$1,363,978 and \$1,418,575, respectively.

6. PLEDGED ASSETS

As of March 31, 2011 and 2010, the details of pledged assets were as follows:

<u>Assets</u>	<u>March 31, 2011</u>	<u>March 31, 2010</u>	<u>Purpose of collateral</u>
Demand deposits, certificate of deposit and short-term bills (Classified as other financial assets current and non-current)	\$ 422,467	732,279	Performance guarantees, short-term loans, notes and bills payable and long-term loans
Inventories	174,658	195,477	Short-term loans and notes and bills payable
Financial assets carried at cost - non-current	250,000	509,557	Short-term loans, notes and bills payable and long-term loans
Long-term equity investments accounted for under the equity method	4,268,778	4,094,285	"
Land (Note)	9,043,835	8,666,311	"
Buildings-net (Note)	14,317,102	8,884,338	"
Machinery and equipment-net	2,444,522	840,510	Short-term loans and long-term loans
Transportation equipment-net	429,940	348,535	Long-term loans
Other equipment-net	243,605	297,708	Long-term loans
Other intangible assets - land occupancy rights	125,512	-	Long-term loans
Other intangible assets-land use rights	1,877,961	1,923,284	Long-term loans
Refundable deposits	131,818	124,866	Performance guarantees
Other assets-other	870,746	877,885	Notes and bills payable
	<u>\$ 34,600,944</u>	<u>\$ 27,495,035</u>	

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

7. COMMITMENTS AND CONTINGENT LIABILITIES

As of March 31, 2011 and 2010, the contingent liabilities and commitments of the Group, in addition to Note 5(d), were as follows:

- (a) As of March 31, 2011 and 2010, the remaining balance due for construction in progress and prepayments for equipment were \$2,327,329 and \$1,156,821, respectively.
- (b) As of March 31, 2011 and 2010, the unused letters of credit amounted to \$2,645,283 and \$2,074,467, respectively.
- (c) In July 2000, President Chain Store Corp. signed a perpetual technical cooperation contract (the Contract) with Southland Corporation. The terms of the Contract are as follows:
 - (1) The Company guarantees that President Chain Store Corp. will fulfill all payments or other obligations due under the Contract to Southland Corporation.

- (2) Without the written approval of Southland Corporation in advance, the Company may not sell, transfer, or pledge the ownership or the assets of President Chain Store Corp.
- (3) The Company should maintain no less than 40% ownership of President Chain Store Corp.
- (d) In 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.
- (e) In January 2010, the Company borrowed from Chang Hwa Bank and 9 other banks under a 5-year syndicated credit facilities agreement from January 2, 2010 to January 2, 2015. 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 November 2007, Uni-President Southeast Asia Holdings Ltd. borrowed from Chinatrust Bank and other banks under a 3-year syndicated credit facility agreement from December 19, 2007 to December 19, 2010. Under the terms of the loan agreement, the Company agrees that:
 - (1) The current ratio computed from the year-end audited non-consolidated financial statements shall not be below 75%.
 - (2) The debt-to-equity ratio computed from the year-end audited non-consolidated financial statements shall not be above 160%.
 - (3) The interest coverage ratio computed from the year-end audited non-consolidated financial statements shall not be below 150%.
 - (4) The year-end audited consolidated tangible stockholders' equity shall not be less than \$30,000,000.
- (g) 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.

- (h) 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.
- (i) Tung Ho Development Co., Ltd. (Tung Ho) entered into a contract with a bank for its members to facilitate consumer bank loans for payments of initiation fees and security deposits. Tung Ho agreed to buy back the membership certificates which was pledged as security if the borrowers default on the loan. As of March 31, 2011 and 2010, the loans for the initiation fees and security deposits amounted to \$10,554 and \$19,173, respectively.
- (j) As of March 31, 2011 and 2010, a subsidiary of Nanlien International Corp. signed credit limits of performance with the bank for purchase of goods, renting warehouses and guarantee of tariff account amounting to \$50,000 and \$47,688, respectively.
- (k) Uni-President Development Corp. signed a "Build-Operate-Transfer Contract for the Construction, Development and Operation of a Mass Rapid Transit (MRT) Station" with the Taipei City Government in August 2004. The main contents of the contract are as follows:
 - (1) The contract includes the construction, development and operation of an MRT Station including all auxiliary structures and facilities.
 - (2) The Taipei City Government shall provide the right of land located in Shin-Yi District Lot. No. 3 to carry out the contract.
 - (3) The development and operation period is 50 years starting from the time the right of land is registered (date registered - October 15, 2004). On December 31, 2007, the Taipei City Government agreed that the period shall be extended (for a total of 484 days) due to processing of building capacity compensation and changes in design.
 - (4) Uni-President Development Corp. shall pay two kinds of option money:
 - (i) Development option money
Total amount is \$2,500,000 and as of March 31, 2011, 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 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.

- (l) The Contract Uni-President Development Corp. signed with the Taipei City Government described above was identified by the Taipei Revenue Service Office in 2004. The land was free from land value tax starting from 2005 to 2009 based on "Taipei City to promote private sector participation in major public construction, land tax, house tax, and deed tax relief for self-government regulations". However, the Taipei Revenue Service Office wrote to the Taipei City Department of Public Transport. Taipei Revenue Service Office affirmed that the land described above should pay the land value tax based on general rate of land from 2005 to 2009. The Taipei City Department of Public Transport informed Uni-President Development Corp. to pay \$167,406 for the rent of the land from 2005 to 2009. Uni-President Development Corp. refused to accept the assessment, and authorized its legal counsel to handle the procedures for reexamination and appeals. Based on the opinion of the Company's legal counsel, the ultimate outcome of the case is still undeterminable.

Uni-President Development Corp. had recognized the related liability for conservative purpose.

- (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) 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 \$7,442 and \$9,813 as of March 31, 2011 and 2010, respectively.
- (o) To sustain interim working capital, Ton Yi Industrial Corp. has signed a syndicated loan agreement with Mega International Commercial Bank, Taiwan Bank, and Ta Chong Bank. Ton Yi Industrial Corp. and its subsidiaries have to maintain consolidated debt-to-equity ratio of less than 180%, interest coverage ratio shall be over 200%, and the consolidated tangible stockholders' equity of not less than \$15,000,000. Under the terms of the loan agreement, if any of the financial ratio or regulations above have been violated, Ton Yi Industrial Corp. and its subsidiaries shall improve it within four months after the announcement of financial reports. Should Ton Yi Industrial Corp. meet the required financial ratios and regulations by then, it will not be considered as a violation of the agreement. The credit rate should be overcharged by 0.1% of annual floating rate from the day after the announcement of the financial report which violates the financial ratio or regulations above to the day before Ton Yi Industrial Corp. and its subsidiaries meet the required financial ratios, otherwise, the banks have the right to demand Ton Yi Industrial Corp. to pay off the loan

balance immediately. The rights to use the loan balance will terminate automatically once Ton Yi Industrial Corp. fails to meet the regulations above, and cannot be used again unless agreed by majority of the banks above.

- (p) President Chain Store Corp., Philippine Seven Corporation and President Chain Store Corp. (Shanghai) signed a perpetual technical cooperation contract (the Contract) with 7-ELEVEN Inc. As required by the contract, President Chain Store Corp. shall pay royalties to 7-ELEVEN Inc. 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 December 31, 2011, PCSC and its subsidiaries have prepaid rent and guarantee deposits in the amount of \$463,007 and \$2,110,979, respectively. Summary of the estimated annual rental expense of PCSC and its subsidiaries is as follows:

<u>Year</u>	<u>Total rental expense</u>
2011.4.1~2011.12.31	\$ 3,543,580
2012	6,863,681
2013	6,750,800
2014	6,072,022
2015	5,454,037
2016 and thereafter (Present value of \$12,486,201)	12,786,508
	<u>\$ 41,470,628</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 2009, Uni-President Department Store Corp. (UDSC) signed a technical guidance confirmation with the Hankyu Department Store, Inc. UDSC shall pay "Technical guidance actual expenses" to Hankyu Department Store, Inc. before opening the stores. UDSC shall also pay a fixed amount of expense as "Technical guidance fixed expenses" to Hankyu Department Store, Inc. each year after opening the stores.
- (t) President Transnet Corp. (PTC) signed agreements for home delivery services with Yamato Transport Corp. on January 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 a year. 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) Fair values of the financial instruments

	March 31, 2011			March 31, 2010		
	<u>Book value</u>	<u>Fair value</u>		<u>Book value</u>	<u>Fair value</u>	
		<u>Quotations in an active market</u>	<u>Estimated using a valuation method</u>		<u>Quotations in an active market</u>	<u>Estimated using a valuation method</u>
<u>Non-derivative financial instruments</u>						
Assets						
Financial assets with book value equal to fair value	\$ 64,980,194	\$ -	\$ 64,980,194	\$ 60,209,287	\$ -	\$ 60,209,287
Financial assets at fair value through profit or loss	10,119,453	10,119,453	-	11,641,103	11,641,103	-
Available-for-sale financial assets	10,353,727	10,353,727	-	11,385,426	11,385,426	-
Financial assets carried at cost - non- current	4,857,053	-	-	7,890,441	-	-
Investment in bonds without active market - non-current	293,000	-	-	-	-	-
Other financial assets - non-current	40,034	-	40,034	30,736	-	30,736
Refundable deposits	4,251,393	-	4,251,393	2,332,222	-	2,332,222
Long-term notes, accounts and overdue receivables	584,296	-	584,296	604,242	-	604,242

	March 31, 2011			March 31, 2010		
	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 equal to fair value	\$102,599,894	\$ -	\$ 102,599,894	\$ 90,367,049	\$ -	\$ 90,367,049
Bonds payable	7,000,000	-	7,000,000	3,000,000	-	3,000,000
Long-term loans	50,663,679	-	50,663,679	61,703,839	-	61,703,839
Long-term notes payable	662,694	-	662,694	1,167,891	-	1,167,891
Capital lease payables - non-current	-	-	-	38,482	-	38,482
Guarantee deposits received	4,131,859	-	4,131,859	4,112,631	-	4,112,631
<u>Derivative financial instruments</u>						
Assets						
Forward foreign exchange contracts	37,481	-	37,481	6,798	-	6,798

- (a) The methods and assumptions used to estimate the fair values of financial instruments are summarized as follows:
- (1) The due dates of short-term financial instruments are near the balance sheet date. Accordingly, the fair value of short-term financial instruments are estimated based on the amount at the balance sheet which include the accounts of cash and cash equivalents, notes and accounts receivable, other receivables, other financial assets-current, short-term loans, notes and accounts payable, accrued expenses, other payables, current portion of long-term liabilities, capital lease payable-current and other current liabilities.
 - (2) The fair values of other financial assets-non-current, refundable deposits and long-term notes, accounts and overdue receivables are based on the discounted value of expected future cash inflows, which are discounted based on the interest rate of one-year time deposit of the Postal Savings System at March 31, 2011 and 2010.
 - (3) The fair value of bonds payable, long-term loans, long-term notes payable, capital lease payable-non-current and guarantee deposits received is based on the discounted value of expected future cash flow amounts, which are discounted based on the interest rates of similar long-term loans at March 31, 2011 and 2010.
 - (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 \$1,621,958 and \$280,627 as deduction and addition to stockholders' equity for the changes in fair value of available-for-sale financial assets for the three-month periods ended March 31, 2011 and 2010, 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. The Group pre-set a "stop loss" amount to limit its market risk on forward contracts, which would be affected by foreign exchange risk. The significant financial assets and liabilities denominated in foreign currencies were as follows:

(foreign currency: functional currency)	<u>March 31, 2011</u>		<u>March 31, 2010</u>	
	Foreign currency amount (thousand dollars)	Exchange rate	Foreign currency amount (thousand dollars)	Exchange rate
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	22,836	29.40	22,527	31.80
CAD : NTD	4,798	30.28	7,750	31.27
JPY : NTD	3,816	0.36	18,710	0.34
EUR : NTD	1,739	41.71	4,051	42.75
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD	68,469	29.40	64,197	31.80
JPY : NTD	52,739	0.36	97,347	0.34
EUR : NTD	414	41.71	10	42.75

(b) Interest rate risk

Short-term and long-term loans are debts with floating interest rates; however, the risk is minimal due to insignificant fluctuations. Commercial papers payable have no market risk due to its having fixed interest rates.

(c) Price risk

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

B. Credit risk

The Group entered into derivative financial instruments with financial institutions with good credit ratings. The Group traded equity derivative financial instruments in centralized trading

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

C. Liquidity risk

The available-for-sale financial instruments-mutual funds, publicly traded stocks or corporation bonds have active markets where the Group can sell financial instruments near their fair value. In the case of financial assets carried at cost without active markets, the liquidity risk is material.

D. Interest change cash flow risk

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 on derivative financial instruments are described in Note 4 (2).

(4) Certain accounts in the March 31, 2010 consolidated financial statements were reclassified to conform with the March 31, 2011 consolidated financial statement presentation.

11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURES

(1) Related information of significant transactions

Not required for the first quarter consolidated financial statements.

(2) Disclosure information of investee company

Not required for the first quarter consolidated financial statements.

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

Not required for the first quarter consolidated financial statements.

(4) Intercompany Relationships and Significant Intercompany Transactions

For the three-month period ended March 31, 2011 (Units in thousands of currencies indicated):

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
0	Uni-President Enterprises Corp.	Tung Ang Enterprises Corp.	1	(Sales)	(\$ 1,651,419)	Closes its accounts 28 days after 10 days	(2%)
			1	Accounts receivable	671,863	-	-
		Uni-President Cold Chain Corp.	1	(Sales)	(1,603,386)	Closes its accounts 30 days after the end of each month	(2%)
			1	Accounts receivable	928,525	-	-
			2	Other expenses	152,247	-	-
			2	Accrued expenses	(112,251)	-	-
		President Chain Store Corp.	1	(Sales)	(691,619)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	254,873	-	-
		Retail Support International Corp.	1	(Sales)	(576,824)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	232,475	-	-
		Tung Hsiang Enterprises Corp.	1	(Sales)	(491,772)	2 months after sales	(1%)
			1	Accounts receivable	318,728	-	-
		Tung Shun Enterprises Corp.	1	(Sales)	(222,411)	2 months after sales	-
			1	Accounts receivable	191,252	-	-
		Uni-President Vendor Corp.	1	(Sales)	(150,807)	Closes its accounts 30~60 days after the end of each month	-
		Tone Chu Enterprises Corp.	1	(Sales)	(162,672)	2 months after sales	-
		President Kikkoman Inc.	2	Purchase	268,017	One month	-
		President Nisshin Corp.	2	Purchase	125,776	Closes its accounts 30 days after the end of each month	-

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
1	Cayman President Holdings Ltd.	Sanshui Jianlibao Commerce Co., Ltd.	3	Other receivables	US 30,000	-	—
2	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	(218,583)	Closes its accounts 15~60 days after the end of each month	—
3	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(317,359)	Closes its accounts 45 days after the end of each month	—
4	Ton-Yi Industrial Corp.	Cayman Ton Yi Industrial Holdings Ltd.	3	Accounts receivable	223,047	-	—
			3	(Sales)	(1,958,422)	30 days after shipping	(2%)
5	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	Accounts receivable	828,712	-	—
			3	(Sales)	(4,792,345)	Closes its accounts 20~70 days after the end of each month	(5%)
6	President Information Corp.	President Chain Store Corp.	3	Accounts receivable	2,802,106	-	1%
			3	Service revenue	(128,764)	Closes its accounts 30 days after the end of each month	—
7	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	(10,404,251)	Closes its accounts 10~54 days after the end of each month	(11%)
			3	Accounts receivable	5,322,999	-	2%
			3	(Sales)	(1,390,187)	Closes its accounts 45~60 days after the end of each month	(2%)
			3	Accounts receivable	891,895	-	—
8	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(121,359)	Closes its accounts 15~28 days after the end of each month	—
			3	(Sales)	(307,178)	Closes its accounts 30~70 days after the end of each month	—
			3	Accounts receivable	265,879	-	—
9	President Transnet Corp.	President Transnet Corp.	3	Other receivables	209,294	-	—
			3	(Sales)	(162,368)	Closes its accounts 30 days after the	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	end of each month Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
10	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	(\$ 2,635,514)	Closes its accounts 30~60 days after the end of each month	(3%)
			3	Accounts receivable	1,592,714	-	1%
11	Tung Ang Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(492,365)	Closes its accounts 30 days after the end of each month	(1%)
			3	Accounts receivable	219,961	-	—
		Tung Hsiang Enterprises Corp.	3	(Sales)	(357,301)	77 days after sales	—
			3	Accounts receivable	322,491	-	—
		Tung Yu Enterprises Corp.	3	(Sales)	(111,003)	46 days after sales	—
		Tone Chu Enterprises Corp.	3	(Sales)	(106,345)	Closes its accounts 30 days after the end of each month	—
12	Vision Distribution Service Corp.	Wisdom Distribution Services Corp.	3	(Sales)	(117,664)	Closes its accounts 65 days after the end of each month	—
			3	Accounts receivable	102,085	-	—
13	Books. Com	President Chain Store Corp.	3	Other receivables	195,771	-	—
14	Lien Bo Enterprises Corp.	Retail Support International Corp.	3	(Sales)	(185,468)	Closes its accounts 15~70 days after the end of each month	—
15	President Logistics International Corp.	Uni-President Cold Chain Corp.	3	(Distribution Revenue)	(191,059)	Closes its accounts 35 days after the end of each month	—
			3	Accounts receivable	134,182	-	—
		Retail Support International Corp.	3	(Distribution Revenue)	(147,314)	Closes its accounts 20 days after the end of each month	—
16	Chieh Shun Transport Corp.	President Transnet Corp.	3	(Distribution Revenue)	(111,230)	Closes its accounts 45 days after the end of each month	—
17	President Fair Development Corp.	President Century Corp.	3	Other receivables	103,000	-	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	end of each month		Transaction terms	The percentage of total combined revenue or total assets (Note 4)
					Amount			
18	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	-	—
19	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US	40,396)	30 days after shipping	(1%)
			3	Accounts receivable	US	18,111	-	—
			3	Other receivables	US	20,000	-	—
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US	19,609)	30 days after shipping	(1%)
			3	Other receivables	US	20,000	-	—
		Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	Other receivables	US	5,500	-	—
20	Uni-President Enterprises China Holdings Ltd.	Uni-President Asia Holdings Ltd.	3	Other receivables	RMB	195,895	-	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	Other receivables	RMB	85,233	-	—
		Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB	65,564	-	—
		Guangzhou President Enterprises Co., Ltd.	3	Other receivables	RMB	65,564	-	—
		Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB	65,564	-	—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB	65,564	-	—
		Hefei President Enterprises Co., Ltd.	3	Other receivables	RMB	32,782	-	—
		Harbin President Enterprises Co., Ltd.	3	Other receivables	RMB	32,782	-	—
		Shenyang President Enterprises Co., Ltd.	3	Other receivables	RMB	32,782	-	—
		Kunming President Enterprises Food Co., Ltd.	3	Other receivables	RMB	32,782	-	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Subject	Amount	end of each month Transaction terms		The percentage of total combined revenue or total assets (Note 4)
						Transaction terms		
21	Uni-President Hong Kong Holdings Ltd.	President Enterprises (China) Investment Co., Ltd.	3	Other receivables	RMB 455,616	-		1%
22	Uni-President Foodstuff (BVI) Holdings Ltd.	Meishan President Feed & Oil Co., Ltd.	3	Other receivables	US 3,500	-		—
23	Uni-President (Vietnam) Co., Ltd.	Binh Duong Tribeco Joint Stock Company	3	Other receivables	VND 100,000,000	-		—
24	President Enterprises (China) Investment Co.,Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 104,880	-		—
		Wuhan President Enterprises Food Co., Ltd.	3	Other receivables	RMB 50,000	-		—
		Chengdu President Enterprises Food Co., Ltd.	3	Other receivables	RMB 50,000	-		—
		Integrated Marketing & Distribution Co.,Ltd.	3	Other receivables	RMB 31,200	-		—
25	Uni-President (Thailand) Ltd.	Uni-President Marketing Ltd.	3	(Sales)	(THB 280,835)	Closes its accounts 60 days after the end of each month		—
			3	Accounts receivable	THB 243,590	-		—
26	Binh Duong Tribeco Joint Stock Company	North Tribeco Joint Stock Company	3	Other receivables	VND 50,000,000	-		—
27	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	Accounts receivable	US 3,543	-		—
28	Kunshan President Enterprises Food Co., Ltd.	Zhengzhou President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 23,861)	Closes its accounts 15 days after the end of each month		—
			3	Accounts receivable	RMB 27,173	-		—
			3	Other receivables	RMB 46,580	-		—
29	Hefei President Enterprises Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 67,516)	Closes its accounts 60 days after the end of each month		—
			3	Accounts receivable	RMB 60,252	-	end of each month	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
30	Shenyang President Enterprises Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 43,978)	Closes its accounts 15 days after the end of each month	—
			3	Accounts receivable	RMB 34,366	-	—
31	Zhengzhou President Enterprises Food Co., Ltd.	Beijing President Food Co., Ltd.	3	(Sales)	(RMB 26,215)	Closes its accounts 60 days after the end of each month	—
32	Shanghai E & P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 49,249)	Closes its accounts 60 days after the end of each month	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	(Sales)	(RMB 41,635)	Closes its accounts 15 days after the end of each month	—
			3	Accounts receivable	RMB 34,034	-	—
		Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 34,406)	Closes its accounts 60 days after the end of each month	—
		Hefei President Enterprises Co., Ltd.	3	(Sales)	(RMB 20,889)	Closes its accounts 15 days after the end of each month	—
33	Beijing President Enterprises Drinks and Food Co., Ltd.	Beijing President Food Co., Ltd.	3	Other receivables	RMB 40,000	-	—
34	Uni-Splendor Corp.	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 6,494)	According to the state of fund	—
			3	Accounts receivable	US 41,312	-	—
		Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(US 10,878)	According to the state of fund	—
			3	Accounts receivable	US 114,469	-	1%
35	Grand-Prosper (HK) Ltd.	Uni-Splendor Corp.	3	Accounts receivable	US 99,540	-	1%
36	Uni-Splendor Technology (Huizhou) Corp.	Uni-Splendor Corp.	3	(Sales)	(RMB 212,474)	According to the state of fund	(1%)
37	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 134,236)	According to the state of fund	(1%)
			3	Accounts receivable	RMB 28,634	-	—

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

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
0	Uni-President Enterprises Corp.	Uni-President Cold Chain Corp.	1	(Sales)	(\$ 1,484,087)	Closes its accounts 30 days after the end of each month	(2%)
			1	Accounts receivable	858,659	—	—
			2	(Accrued expenses)	(103,421)	—	—
		Tung Ang Enterprises Corp.	1	(Sales)	(1,475,600)	Closes its accounts 28 days after 10 days	(2%)
			1	Accounts receivable	541,195	—	—
		President Chain Store Corp.	1	(Sales)	(600,428)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	267,625	—	—
		Retail Support International Corp.	1	(Sales)	(443,595)	Closes its accounts 30 days after the end of each month	(1%)
			1	Accounts receivable	204,901	—	—
		Tung Hsiang Enterprises Corp.	1	(Sales)	(403,045)	2 months after sales	(1%)
			1	Accounts receivable	266,957	—	—
		Tung Shun Enterprises Corp.	1	(Sales)	(219,164)	2 months after sales	—
			1	Accounts receivable	188,737	—	—
		Uni-President Vendor Corp.	1	(Sales)	(135,039)	Closes its accounts 30~60 days after the end of each month	—
		Tone Chu Enterprises Corp.	1	(Sales)	(130,147)	2 months after sales	—
		President Kikkoman Inc.	2	Purchase	248,986	one month	—
1	President International Trade Investment Corp.	Cayman President Holdings Ltd.	3	Other receivables and Long-term receivables	US 24,430	—	—
		Kai Nan (BVI) Investment Co.,Ltd.	3	Other receivables	US 9,000	—	—
2	Nanlien International Corp.	Lien Bo Enterprises Corp.	3	(Sales)	(244,976)	Closes its accounts 15~60 days after the end of each month	—

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

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

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
19	Shanghai E & P Trading Co., Ltd.	Kunshan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 31,748)	Closes its accounts 60 days after the end of each month	—
		Wuhan President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 29,017)	Closes its accounts 60 days after the end of each month	—
		Chengdu President Enterprises Food Co., Ltd.	3	(Sales)	(RMB 26,179)	Closes its accounts 15 days after the end of each month	—
		Beijing President Enterprises Drinks & Food Co., Ltd.	3	(Sales)	(RMB 24,780)	Closes its accounts 15 days after the end of each month	—
		Guangzhou President Enterprises Co., Ltd.	3	(Sales)	(RMB 22,473)	Closes its accounts 30 days after the end of each month	—
20	Uni-Splendor Corp.	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	3	(Sales)	(US 5,563)	According to the state of fund	—
		Grand-Prosper (HK) Ltd.	3	(Sales)	(US 13,261)	Accounts receivable —	(1%)
21	Grand-Prosper (HK) Ltd.	Uni-Splendor Technology (Huizhou) Corp.	3	(Sales)	(US 13,261)	Accounts receivable —	(1%)
		Uni-Splendor Corp.	3	(Sales)	(US 33,734)	Accounts receivable —	1%
22	Uni-Splendor Technology (Huizhou) Corp.	Grand-Prosper (HK) Ltd.	3	(Sales)	(RMB 229,393)	According to the state of fund	(1%)
23	Ever-Splendor Electrics (Shenzhen) Co., Ltd.	Uni-Splendor Corp.	3	(Sales)	(RMB 152,815)	According to the state of fund	(1%)
24	Da Tong Ying Corp.	Uni-Splendor Corp.	3	Accounts receivable	164,292	—	—
25	Tait (H.K) Limited	Tait Trading (Shanghai) Company Ltd.	3	Long-term receivable- related parties	HKD 91,983	—	—
26	Cayman Ton Yi Industrial Holdings Ltd.	Fujian Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 36,687)	40 days after shipping	(1%)
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	Accounts receivable	US 5,993	—	—
		Jiangsu Ton Yi Tinplate Co., Ltd.	3	(Sales)	(US 22,973)	40 days after shipping	(1%)
			3	Accounts receivable	US 3,584	—	—

Number (Note2)	Name of counterparty	Name of transaction parties	Relationship (Note 3)	Transaction terms			The percentage of total combined revenue or total assets (Note 4)
				Subject	Amount	Transaction terms	
27	Jiangsu Ton Yi Tinplate Co., Ltd.	Wuxi Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 4,732)	67 days after invoice date	—
			3	Accounts receivable	US 5,340	—	—
28	Fujian Ton Yi Tinplate Co., Ltd	Chengdu Ton Yi Industrial Packaging Co., Ltd.	3	(Sales)	(US 4,619)	67 days after invoice date	—
			3	Accounts receivable	US 4,283	—	—
29	Wisdom Distribution Services Corp.	President Chain Store Corp.	3	(Sales)	(2,687,622)	Closes its accounts 30~69 days after the end of each month	(3%)
			3	Accounts receivable	1,779,753	—	1%
30	Uni-President Cold Chain Corp.	President Chain Store Corp.	3	(Sales)	(4,363,519)	Closes its accounts 20~70 days after the end of each month	(5%)
			3	Accounts receivable	3,061,400	—	1%
31	President Transnet Corp.	President Chain Store Corp.	3	(Sales)	(155,762)	Closes its accounts 30 days after the end of each month	—
32	President Musashino Corp.	Uni-President Cold Chain Corp.	3	(Sales)	(298,230)	Closes its accounts 45 days after the end of each month	—
			3	Accounts receivable	207,925	—	—
33	President Information Corp.	President Chain Store Corp.	3	(Labour revenues)	(144,144)	Closes its accounts 30 days after the end of each month	—
			3	Accounts receivable	161,911	—	—
34	President Pharmaceutical Corp.	Retail Support International Corp.	3	(Sales)	(208,141)	Closes its accounts 30~60 days after the end of each month	—
			3	Accounts receivable	179,318	—	—
35	Retail Support International Corp.	President Chain Store Corp.	3	(Sales)	(9,777,227)	Closes its accounts 10~54 days after the end of each month	(12%)
			3	Accounts receivable	5,304,697	—	2%
		President Drugstore Business Corp.	3	(Sales)	(1,131,521)	Closes its accounts 45~60 days after the end of each month	(1%)
			3	Accounts receivable	807,855	—	—
		President Coffee Corp.	3	(Sales)	(108,182)	Closes its accounts 15~28 days after the end of each month	—

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

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. OPERATING SEGMENT INFORMATION

(1) Basic Information

The management of the Company has identified the operating segments based on how the Company's chief operating decision maker regularly reviews information in order to make decisions. The chief operating decision maker of the Company manages the business in divisions. view of the

(2) Measurement of Segment Information

The chief operating decision maker evaluates the performance of operating segments based on pre-tax income excluding non-recurring income. For details of operating segments' accounting policies, please refer to Note 2.

(3) Information on profit or loss, assets and liabilities

Information on each reportable segment provided to chief operating decision maker is as follows:

As of and for the year ended March 31, 2011							
	<u>Feeds</u>	<u>Foods</u>	<u>International trade</u>	<u>Electric Appliance</u>	<u>General Investment</u>	<u>Chain store</u>	<u>Tinplates</u>
external customers	\$ 5,117,426	\$ 32,290,732	\$ 856,155	\$ 1,718,030	\$ 810,705	\$ 38,513,291	\$ 6,060,257
Revenue from internal customers	<u>495,044</u>	<u>78,689</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,557,196</u>	<u>-</u>
Segment revenue	<u>\$ 5,612,470</u>	<u>\$ 32,369,421</u>	<u>\$ 856,155</u>	<u>\$ 1,718,030</u>	<u>\$ 810,705</u>	<u>\$ 60,070,487</u>	<u>\$ 6,060,257</u>
Segment income	<u>\$ 157,387</u>	<u>\$ 1,197,952</u>	<u>(\$ 12,780)</u>	<u>(\$ 119,270)</u>	<u>\$ 361,485</u>	<u>\$ 1,503,192</u>	<u>\$ 342,562</u>
Segment assets	<u>\$ 6,867,384</u>	<u>\$ 65,387,426</u>	<u>\$ 1,866,898</u>	<u>\$ 9,115,073</u>	<u>\$ 4,716,160</u>	<u>\$ 64,033,542</u>	<u>\$ 36,479,438</u>

As of and for the year ended March 31, 2011						
	<u>Filling Stations</u>	<u>Leisure Business Development</u>	<u>Pharmaceutical Department</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Consolidated</u>
external customers	\$ 3,329,137	\$ 1,368,314	\$ 800,219	\$ 12,177,862	(\$ 10,810,149)	\$ 92,231,979
Revenue from internal customers	<u>-</u>	<u>-</u>	<u>-</u>	<u>502,876</u>	<u>(22,633,805)</u>	<u>-</u>
Segment revenue	<u>\$ 3,329,137</u>	<u>\$ 1,368,314</u>	<u>\$ 800,219</u>	<u>\$ 12,680,738</u>	<u>(\$ 33,443,954)</u>	<u>\$ 92,231,979</u>
Segment income	<u>\$ 23,270</u>	<u>(\$ 136,691)</u>	<u>\$ 194,285</u>	<u>\$ 993,017</u>		<u>\$ 4,504,409</u>
Segment assets	<u>\$ 2,394,629</u>	<u>\$ 32,294,910</u>	<u>\$ 7,191,303</u>	<u>\$ 24,498,963</u>		<u>\$ 254,845,726</u>

As of and for the year ended March 31, 2010

	<u>Feeds</u>	<u>Foods</u>	<u>International trade</u>	<u>Electric Appliance</u>	<u>General Investment</u>	<u>Chain store</u>	<u>Tinplates</u>
external customers	\$ 4,368,905	\$ 24,832,099	\$ 775,792	\$ 2,201,326	\$ 2,102,111	\$ 35,138,387	\$ 6,693,902
Revenue from internal customers	<u>534,808</u>	<u>45,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,974,651</u>	<u>-</u>
Segment revenue	<u>\$ 4,903,713</u>	<u>\$ 24,877,174</u>	<u>\$ 775,792</u>	<u>\$ 2,201,326</u>	<u>\$ 2,102,111</u>	<u>\$ 55,113,038</u>	<u>\$ 6,693,902</u>
Segment income	<u>\$ 82,301</u>	<u>\$ 1,484,434</u>	<u>\$ 1,631</u>	<u>\$ 98,447</u>	<u>\$ 478,095</u>	<u>\$ 1,437,350</u>	<u>\$ 1,040,334</u>
Segment assets	<u>\$ 6,943,613</u>	<u>\$ 58,788,586</u>	<u>\$ 2,300,013</u>	<u>\$ 9,516,230</u>	<u>\$ 3,101,786</u>	<u>\$ 60,379,394</u>	<u>\$ 35,879,630</u>

As of and for the year ended March 31, 2010

	<u>Filling Stations</u>	<u>Leisure Business Development</u>	<u>Pharmaceutical Department</u>	<u>Others</u>	<u>Adjustment and Elimination</u>	<u>Consolidated</u>
external customers	\$ 2,813,994	\$ 1,255,332	\$ 923,715	\$ 8,620,091	(\$ 8,825,813)	\$ 80,899,841
Revenue from internal customers	<u>-</u>	<u>-</u>	<u>-</u>	<u>445,598</u>	<u>(21,000,132)</u>	<u>-</u>
Segment revenue	<u>\$ 2,813,994</u>	<u>\$ 1,255,332</u>	<u>\$ 923,715</u>	<u>\$ 9,065,689</u>	<u>(\$ 29,825,945)</u>	<u>\$ 80,899,841</u>
Segment income	<u>\$ 2,035</u>	<u>(\$ 131,734)</u>	<u>\$ 364,327</u>	<u>\$ 719,126</u>		<u>\$ 5,576,346</u>
Segment assets	<u>\$ 2,342,238</u>	<u>\$ 31,569,115</u>	<u>\$ 5,913,669</u>	<u>\$ 21,401,550</u>		<u>\$ 238,135,824</u>

(4) Reconciliations Information of Segment Income and Assets

(a) The sales between segments were under the fair trading principle. The external revenues reported to the chief operating decision maker adopts the same measurement for revenues in income statement. The reconciliations of pre-tax income between reportable segments and continuing operation were as follows:

	<u>2011</u>	<u>2010</u>
Income of reportable segments	\$ 3,511,392	\$ 4,857,220
Income of other operating segments	993,017	719,126
Elimination of intersegment transactions	(131,401)	(177,966)
Investment income	211,229	253,027
Interest expense	(403,173)	(371,781)
Other non-operating income	747,110	1,576,879
Other non-operating expenses	(379,317)	(668,461)
Income before income tax	<u>\$ 4,548,857</u>	<u>\$ 6,188,044</u>

(b) The amount of total assets provided to the chief operating decision maker adopts the same measurement for assets in the Group's financial report. The reconciliations between reportable segments' assets and total assets were as follows:

	<u>March 31, 2011</u>	<u>March 31, 2010</u>
Assets of reportable segments	\$ 230,346,763	\$ 216,734,274
Assets of other operating segments	24,498,963	21,401,550
Long-term equity investments accounted for under the equity method	25,677,588	25,238,847
Unallocated items	<u>15,547,749</u>	<u>19,293,734</u>
Total assets	<u>\$ 296,071,063</u>	<u>\$ 282,668,405</u>

(5) Information on Products and Services

Financial information disclosure is not required in interim financial statements.

(6) Information on Geographic Area

Financial information disclosure is not required in interim financial statements.

(7) Information on Significant Customers

Financial information disclosure is not required in interim financial statements.