

# About Far Eastern New Century



Far Eastern New Century strictly adheres to its corporate spirit of "Sincerity, Diligence, Thrift, Prudence, and Innovation." We focus on our core businesses, and continue to create new value for customers and shareholders. From petrochemical raw material in the upstream, polyester material in the mid-stream, to spinning, weaving, dyeing, and apparel manufacturing, from production to sales, we have established a comprehensive operation and marketing system.





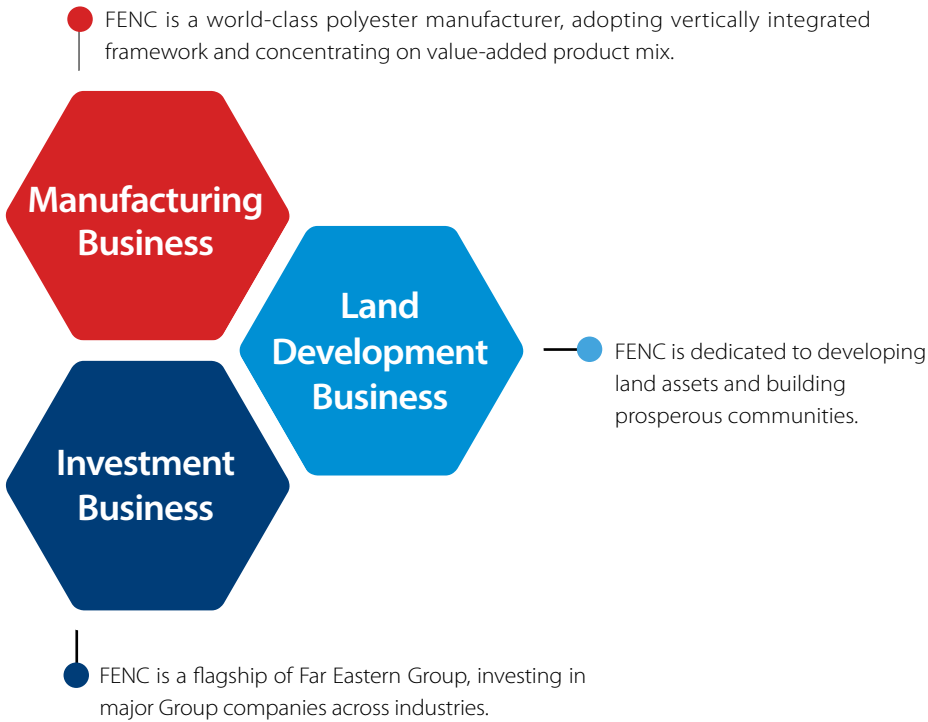


Far Eastern New Century Corporation (Formerly known as Far Eastern Textile Limited, abbreviated as Far Eastern New Century below) established in 1954, we are the biggest manufacturer of diverse polyester, textile, and related products in Taiwan.

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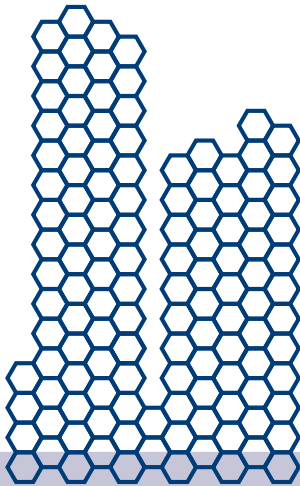
On the basis of our 60 years of accumulated experience in the textile industry through diverse operational strategies, we have successfully transformed to become a corporation which includes different business units, such as, petrochemical, polyester, textile, land development and investment. Through active operational strategies, diverse and highly efficient asset activation, we continue to pursue growth in operating profit.

In response to the constantly changing investment environment Far Eastern New Century has accelerated its transformation. In order to reach the goals of dividing labor professionally and creating synergy, the Board of Directors resolved to re-organize the Company in July 2011. Four Business Industries – Petrochemical, Polyester, Textile, and Administrative, were established. Led by professional managers, we constructed complete organizational structure, which is leading Far Eastern New Century to another 60 years with steady steps and excellent growth.



Founded in:	1954
Location of headquarters:	36F, Taipei Metro Tower, No. 207, Sec.2, Tun Hwa S. Rd., Da'an Dist., Taipei City 106, Taiwan
Capital:	NT\$50.44 billion
Main products:	Product of petrochemical, polyester and textile.
Number of employees:	4,906 people

Quick Review of Far Eastern New Century



## Founding Spirit

The Far Eastern Group's Founder –Mr. Yu-Ziang Hsu– has always taken "trustworthiness" as the guiding principle of his business management. Beyond Group Founder's commitment to constancy, honesty, and openness, he has enshrined "誠模勤慎創新" as Far Eastern's founding motto.

- Sincerity:** Customers, the general public, and colleagues must all be treated with sincerity; cooperation and teamwork must be based on mutual trust.
- Diligence:** Everyone must always work diligently to renew themselves and the company. With diligence we may make up for our inadequacies and overcome hardships.
- Thrift:** Live a simple life and cherish your blessings; thus one may live a happy life with few earthly desires.
- Prudence:** Always make a careful assessment before undertaking any task; those who plan ahead are those who will succeed.
- Innovation:** The Far Eastern Group's firmly held goal is to constantly create new value for customers and shareholders. The Group's highest ideal is to make every enterprise under its flag a leading company in its industry.




## Mission Statement

Having innovative thinking, superior technology, and excellent managerial skills, we aim to lead the polyester industry and maximize the value of our holdings in real estates and equity investments that shall bring happiness and prosperity to the community where we serve.



## Products and Services

The main products of Far Eastern New Century include petrochemical, polyester, and textile products. We mainly export our products.

Category of Products	Explanation
Petrochemical Industry	 <p>Oriental Petrochemical (Taiwan) Corporation and Oriental Petrochemical (Shanghai) Corporation are two subsidiaries command supply of PTA, a crucial raw material for polyester products. In order to meet the increasing demands in China market, FENC also formed a joint-venture with Sinopec Group to build the third production base in Yangzhou, Jiangsu Province. After the completion of new lines in both Taiwan and China, FENC will become one of the top producers in the world.</p>
Polyester Industry	 <p>FENC, as a world-class polyester supplier, is retaining its leadership position in areas including Solid State PET Resins, Amorphous PET Sheets, Staple Fibers used for non-apparel purposes, and Filaments used for industrial fabrics.</p> <p>The polyester products can be divided into two main categories: Polyethylene Terephthalate (PET) Resin and Polyester Fiber, which are applied to various applications, including food-grade and non-food packaging, industrial use, home décor, apparel and so on.</p>
Textile Industry	 <p>The Textile Industry cooperates with top-notch international brands to capture market trend. FENC's apparel textiles integrate technical and manufacturing know-how from upstream polyester fiber, nylon fiber, and cotton yarn to deliver performance fabrics and apparels. The Company's industrial textiles focus on tire cords and conveyor belts; PET tire cord has been certified by global tire makers, while polyester base and dipping fabrics for conveyor belts continue to lead industry.</p>





# Locations

**Petrochemical Industry**

**Polyester Industry**

**Textile Industry**

**Land Development Business**

Oriental Industries (Suzhou) Ltd.

Far Eastern Industries (Suzhou) Ltd.

Far Eastern Industries (Wuxi) Ltd.

Far Eastern Dyeing & Finishing (Suzhou) Ltd.

Far Eastern Apparel (Suzhou) Co. Ltd.

Suqian Far Eastern Apparel Ltd.

Sino-Belgium Beer (Suzhou) Ltd.

Wuhan Far Eastern New Material Ltd.

Oriental Petrochemical (Shanghai) Corp.

Far Eastern Industries (Shanghai) Ltd.

Martens Beers (Shanghai) Ltd.

Far Eastern Apparel (Vietnam) Ltd.

Pet Far Eastern (M) SDN. BHD.

Oriental Petrochemical (Taiwan) Co., Ltd.

Far Eastern New Century - Kuanyin Chemical Fiber Plant

Far Eastern Fibertech Co., Ltd.

Oriental Resources Development Co., Ltd.

Far Eastern New Century - Neili Texturizing Plant

Far Eastern New Century - Kuanyin Dyeing and Finishing Plant

Far Eastern Group R&D Center

Far Eastern New Century - Hsinpu Chemical Fiber Plant

Far Eastern New Century - Hukou Mill

Far Eastern New Century - Headquarters

Far Eastern Apparel Co., Ltd.

Far Eastern Resources Development Co., Ltd.

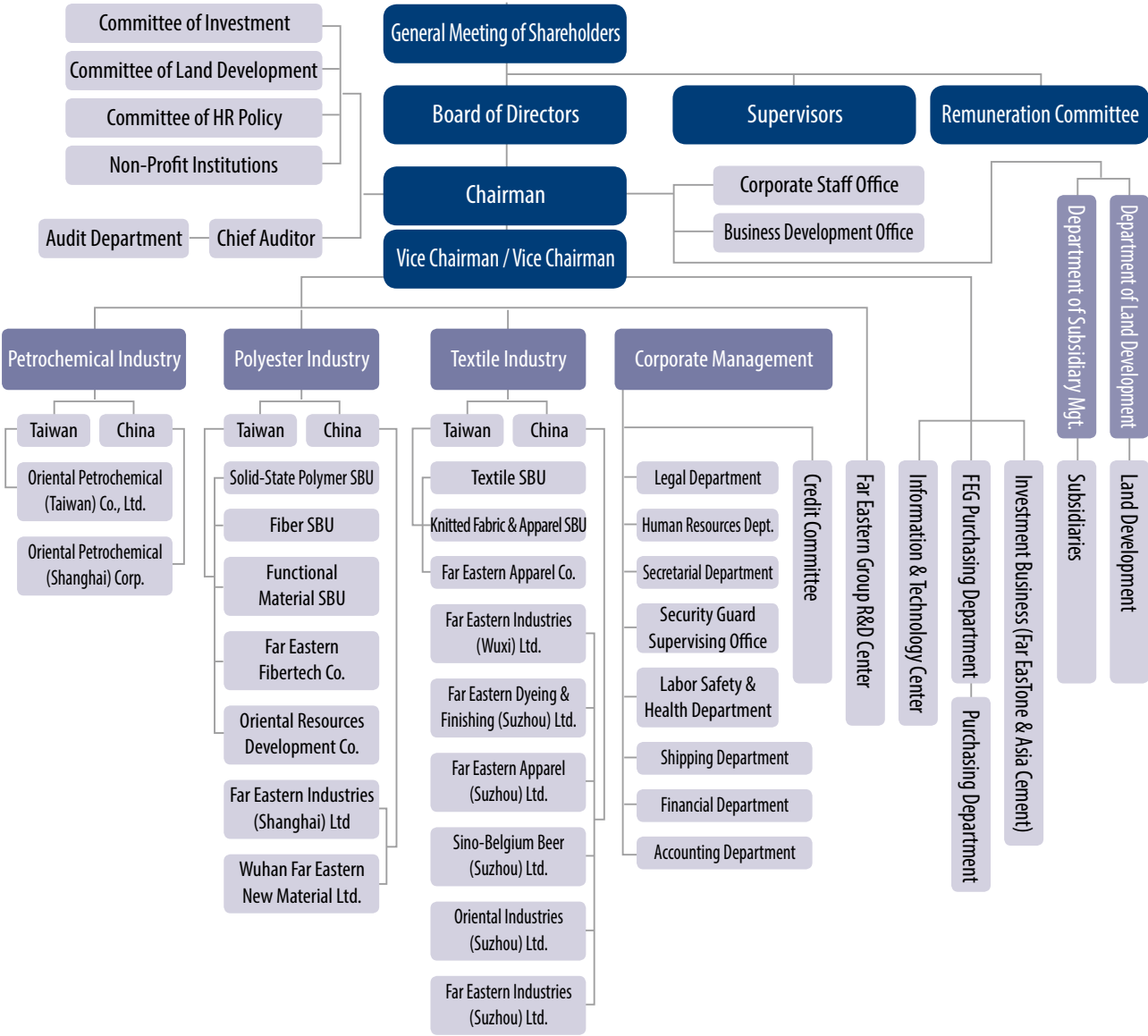
Far Eastern Construction Co., Ltd.

Far Eastern General Contractor Inc.

Far Eastern New Century - Yilan Garment Factory



Organization Chart



Affairs in Charge for Each Major Department

Department	Affairs in Charge
Petrochemical Industry	Production and sale of PTA
Polyester Industry	Production and sales of polyester chips, polyester staple fibers, polyester filament, polyester films and functional materials.
Textile Industry	Printing, dyeing and finishing of yarns, silks, fabrics and cloths; production and sales of miscellaneous natural, man-made, synthetic fiber yarns and fabrics, blended yarns and fabrics, and woven finished clothing and knitted finished clothing.
Corporate Management	Legal, human resources, general administration, shipping, security, labor safety and health, finance and accounting related matters.
Far Eastern Group R&D Center	Research and development.

Investment Business



For detailed contents of investment business, please refer to the website of the Far Eastern Group.  
website: [www.feg.com.tw](http://www.feg.com.tw)

## 2012 Operational Achievements



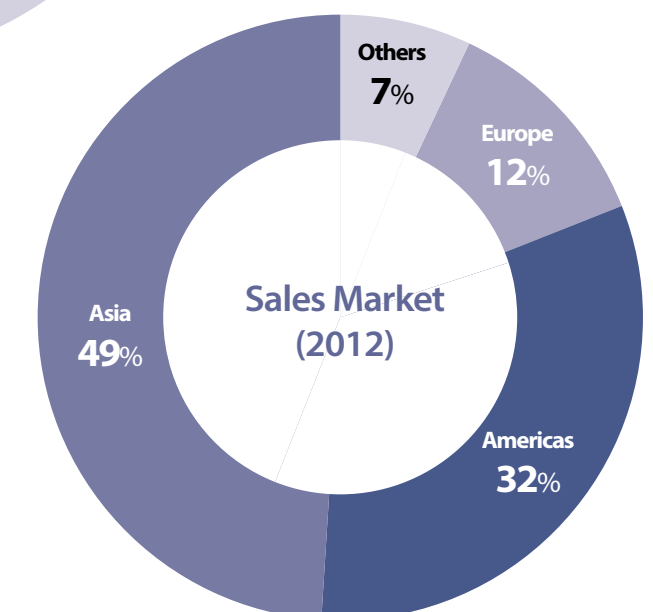
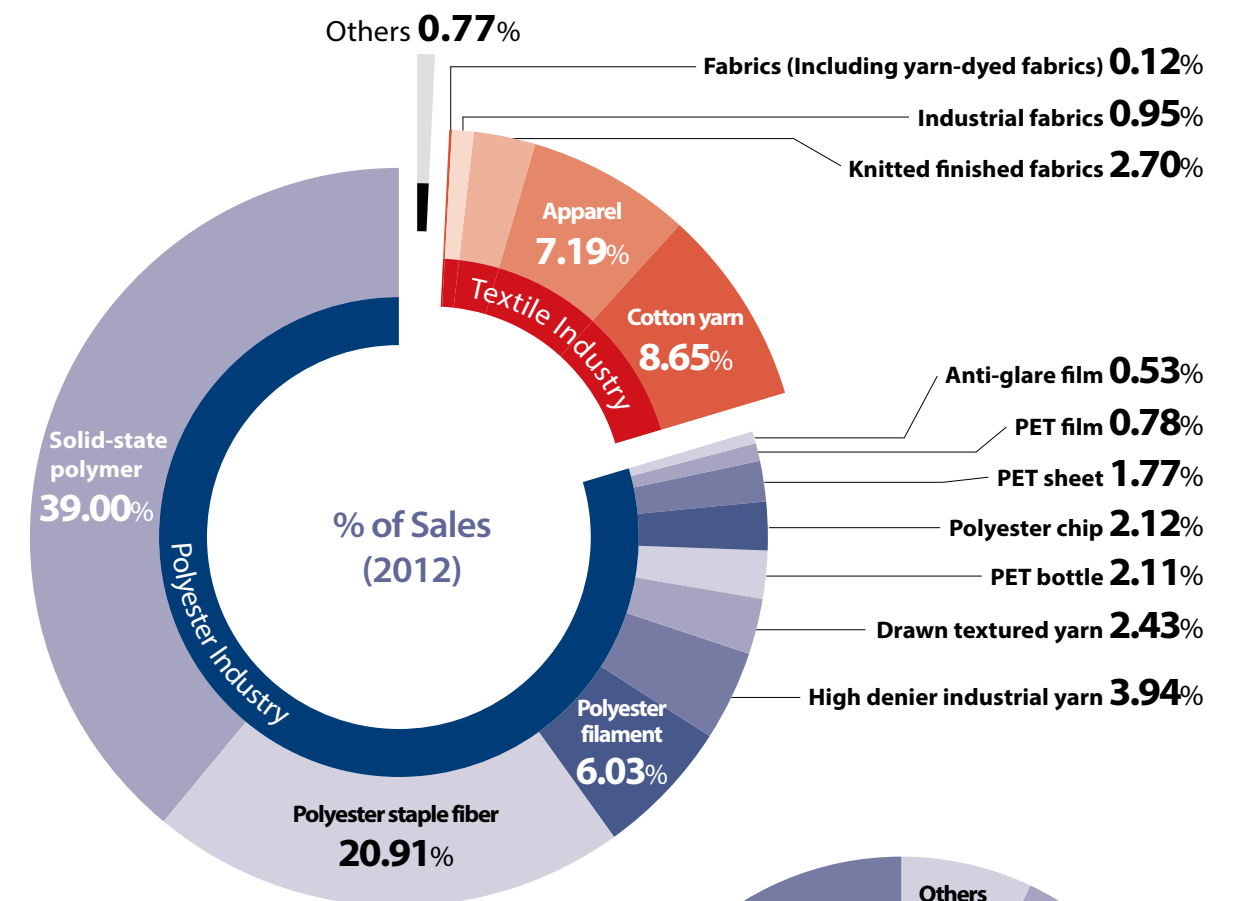
Using more than 60 years of industry groundwork, diversified development, and flexible arrangement of operational strategy, we at Far Eastern New Century have successfully transformed ourselves into an enterprise with a wide variety of interests, including petrochemicals, polyester, textile, land development, and investment business. In our first year after changing our name from Far Eastern Textile Limited to Far Eastern New Century Corporation, we have set in motion a five-year plan to double Manufacturing Business revenue, at the same time expanding our production capacity for petrochemicals, polyester, and textiles in China and Taiwan.

In 2012 the company's operational performance saw steady and continuous growth, with our consolidated revenue reaching NT\$240.4 billion, a 2% increase on the 2011 figure. Non-consolidated revenue was NT\$60.7 billion, with a net income of NT\$8.71 billion and EPS of NT\$1.73.

Unit: NT\$ thousands

Item	2009	2010	2011	2012
Revenues	41,890,078	53,758,879	61,556,945	<b>60,682,495</b>
Cost of Goods Sold & Operating Expenses	42,722,862	52,984,026	61,109,689	<b>60,665,887</b>
-Salary and Wages	3,280,579	3,841,831	4,025,813	<b>4,035,364</b>
Operating Income (Loss)	(832,784)	774,853	447,256	<b>16,608</b>
Non-operating Income and Gains	10,396,075	13,775,287	12,549,582	<b>10,203,097</b>
Non-operating Expenses and Losses	1,427,584	1,540,940	1,135,236	<b>1,588,098</b>
Income Before Tax	8,135,707	13,009,200	11,861,602	<b>8,631,607</b>
Income Tax Benefit (Expense)	(47,011)	(159,030)	(774,106)	<b>81,570</b>
Net Income	8,088,696	12,850,170	11,087,496	<b>8,713,177</b>
EPS (NT\$/share)	1.60	2.55	2.20	<b>1.73</b>

Note: EPS is calculated according to retroactively adjusted surplus and the number of shares after capital increase by capital surplus as stock dividend.





Awards Received

Far Eastern New Century is well equipped with foresight, technological advantages, and strong innovation. Driven by stable finances and talented individuals, other than achieving outstanding operational accomplishments, we have also received favorable comments and awards both domestically and internationally. In 2011 we won the "Global Chinese Business 1000 Awards" award in Yazhou Zhoukan, and were named as one of the top 13 Chinese enterprises in the world. We were the only corporation in Taiwan to win an award. In addition to this, in the magazine CommonWealth's deliberations for its "Most Admired Company" award, Far Eastern New Century has been crowned industry champions for five years running (2008–2012), and is the enterprise which has garnered the most awards in the textiles industry.

Far Eastern New Century won the "Award for International Trade in 2012" from the Ministry of Economic Affairs, as well as the twin certifications of excellent and good "Hiring Disable Employees Lable" from the Department of Labor, Taipei City Government. In 2012 the company's chairman Douglas Tong Hsu won the "Chinese Business Leaders Annual Award", the only entrepreneur to be given this accolade. The recipients are voted for by ordinary people, academics, and media editors, and the evaluation standards comprise of the four areas of global vision, times insight, industry vision, and Chinese values.



Date	Awards	Award by
August 2011	Silver medal for Taiwan TrainQuali System in Enterprises	Bureau of Employment and Vocational Training Council of Labor Affairs, Executive Yuan
October 2011	Taiwan Green Classics Awards	Ministry of Economic Affairs
October 2011	2011 Most Admired Company	CommonWealth magazine
October 2011	Global Chinese Business 1000 Awards	Yazhou Zhoukan
November 2011	Corporate Start-up Award for Companies over 40	Ministry of Economic Affairs
November 2011	Most Innovative Companies in Taiwan	Industrial Development Bureau, Ministry of Economic Affairs
November 2011	Hsinpu Chemical Fiber Plant won "Greenhouse Gases Voluntary Deduction Award"	Taiwan Man-Made Fiber Industries Association
August 2012	Sixth place in "Award for International Trade in 2012"	Conducted in cooperation by the Bureau of Foreign Trade and the Small and Medium Enterprise Administration, Ministry of Economic Affairs
October 2012	2011 Most Admired Company	CommonWealth magazine
November 2012	"Hiring Disable Employees Lable" Twin certifications of excellent and good	Department of Labor, Taipei City Government
December 2011	Chairman Douglas Tong Hsu won the "Chinese Business Leaders Annual Award"	ifeng.com, 21st Century Business Herald, China National Radio- China Business Radio

Government Cooperation Plan



Items of Government Cooperation Plan 2011-2012

Unit: NT\$ thousands

Categories	Items of Plan	Total Subsidy Amount
Technology Development Program Subsidies	Process Development for Lignocellulosic Ethanol Technology	33,275
Technology Development Program Subsidies	TDMDA Industrial TDP Subsidy	
Exhibition subsidies	Subsidy for participation in exhibition in Geneva	
	Subsidy for participation in exhibition in Germany	
	International Exhibition of Rubber Technology	
	China International Trade Fair for Apparel Fabrics and Accessories	
Human resources development	Multi-beneficiary Vocational Training Program	33,275
Technology Development Program Subsidies	Global Integration Project (January 2012 – December 2013)	