

Far Eastern New Century Corporation
(Formerly Far Eastern Textile Ltd.)

Financial Statements for the
Years Ended December 31, 2009 and 2008 and
Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Stockholders
Far Eastern New Century Corporation

We have audited the accompanying balance sheets of Far Eastern New Century Corporation (the "Company") (formerly Far Eastern Textile Ltd.) as of December 31, 2009 and 2008 and the related statements of income, changes in stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. However, we did not audit the financial statements of certain investees as of and for the years ended December 31, 2009 and 2008. The direct and indirect stock investments in these companies were all accounted for by the equity method. The carrying values of these investments, included in the accompanying balance sheets, were 1.41% (NT\$2,063,325 thousand) and 1.38% (NT\$1,941,501 thousand) of the Company's total assets as of December 31, 2009 and 2008, respectively. As shown in the accompanying statements of income, the Company's equity in net gain of NT\$160,792 thousand and gain of NT\$181,150 thousand of the foregoing investees were 1.98% and 3.93%, respectively, of the Company's income before income tax in 2009 and 2008, respectively. The financial statements of these investees were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts pertaining to the above investments, is based solely on the reports of the other auditors.

We conducted our audits in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the Company's financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Far Eastern New Century Corporation as of December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended, in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, requirements of the Business Accounting Law and Guidelines Governing Business Accounting relevant to financial accounting standards, and accounting principles generally accepted in the Republic of China.

As disclosed in Note 3 to the financial statements, starting on January 1, 2009, the Company adopted the newly revised ROC Statement of Financial Accounting Standard No. 10 - "Inventories". This accounting change resulted in decreases of NT\$110,756 thousand in net income and a decrease of NT\$0.02 in after income tax basic earnings per share in 2009. In March 2007, the Accounting Research and Development Foundation of the Republic of China issued Interpretation No. 2007-052, which requires companies to recognize bonuses paid to employees and remuneration paid to directors and supervisors as compensation expenses beginning January 1, 2008. These bonuses and remuneration were previously recorded as appropriations from earnings. This accounting change resulted in decreases of NT\$343,975 thousand in net income and in after income tax basic earnings per share of NT\$0.08 in 2008.

Note 23 describes a case related to the Department of Commerce's nullification of Pacific Liu Tung Investment Corporation's registration of capital increase and other relevant registrations and the impact of this case on Far Eastern New Century Corporation's controlling interest and several recapitalizations done by the Company and its subsidiaries, which are the investors of Pacific Liu Tung Investment Corporation ("PLT"), will depend on the final judgment of the court.

We have also audited the consolidated financial statements of Far Eastern New Century Corporation and subsidiaries for the years ended December 31, 2009 and 2008 (not presented herewith) and have expressed a modified unqualified opinion thereon in our report dated March 5, 2010 on the basis of our audits and the reports of the other auditors.

March 5, 2010

Notice to Readers

The accompanying financial statements are intended only to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, 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. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

BALANCE SHEETS
DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars, Except Par Value)

ASSETS	2009		2008		LIABILITIES AND STOCKHOLDERS' EQUITY	2009		2008	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash (Note 4)	\$ 5,928,545	4	\$ 5,275,744	4	Short-term bank loans (Notes 13 and 21)	\$ 3,422,461	2	\$ 6,608,803	5
Financial assets at fair value through profit or loss - current (Notes 2 and 5)	53,228	-	79,441	-	Financial liabilities at fair value through profit or loss - current (Notes 2, 5 and 14)	20,750	-	102,862	-
Notes receivable (Notes 2 and 20)	505,389	1	426,799	-	Derivative financial liabilities for hedging - current (Notes 2 and 14)	-	-	7,656	-
Accounts receivable - less allowance for bad debts of \$100,099 thousand, net (Notes 2 and 20)	6,214,196	4	6,712,735	5	Notes payable	1,871	-	1,767	-
Other receivables (Note 20)	488,030	-	472,777	1	Accounts payable (Note 20)	3,253,585	2	1,973,753	1
Inventories, net (Notes 2, 3 and 6)	4,436,524	3	5,626,040	4	Accrued expenses (Note 20)	2,578,141	2	2,176,594	2
Prepaid expenses (Note 20)	631,524	1	246,525	-	Receipts in advance	270,576	-	235,226	-
Deferred income taxes assets - current (Notes 2 and 16)	98,038	-	168,560	-	Current portion of long-term liabilities (Notes 2, 14 and 21)	5,592,343	4	1,877,320	1
Other current assets	223,278	-	177,729	-	Other current liabilities	599,298	1	802,020	1
Total current assets	18,578,752	13	19,186,350	14	Total current liabilities	15,739,025	11	13,786,001	10
MUTUAL FUNDS AND INVESTMENTS (Notes 2, 7, 8, 9 and 21)					LONG-TERM LIABILITIES, NET OF CURRENT PORTION				
Financial assets available for sale - noncurrent	722,890	-	-	-	Bonds payable (Notes 2, 14 and 21)	7,800,000	5	9,884,012	7
Financial assets carried at cost - noncurrent	53,667	-	53,667	-	Long-term debts (Notes 14 and 21)	28,370,340	19	29,818,170	21
Equity-method investments	112,289,875	77	105,870,248	75	Total long-term liabilities	36,170,340	24	39,702,182	28
Total mutual funds and investments	113,066,432	77	105,923,915	75	RESERVE FOR LAND VALUE INCREMENT TAX (Note 10)	1,018,899	1	1,018,899	1
PROPERTIES (Notes 2,10, 17, 20 and 21)					OTHER LIABILITIES				
Cost					Accrued pension cost (Notes 2 and 19)	1,050,392	1	1,933,915	1
Land	1,076,981	1	1,076,981	1	Deferred income (Notes 2, 9 and 20)	52,773	-	52,773	-
Buildings and equipment	5,869,427	4	6,015,401	4	Guarantee deposits received	615	-	615	-
Machinery and equipment	40,207,902	27	39,946,885	28	Total other liabilities	1,103,780	1	1,987,303	1
Furniture and miscellaneous equipment	2,568,146	2	2,479,573	2	Total liabilities	54,032,044	37	56,494,385	40
Total cost	49,722,456	34	49,518,840	35	STOCKHOLDERS' EQUITY				
Appreciation	3,016,844	2	3,022,867	2	Capital stock - NT\$10.00 par value				
Total cost and appreciation	52,739,300	36	52,541,707	37	Authorized - 4,950,000 thousand shares				
Less: Accumulated depreciation	40,550,392	28	39,813,686	28	Issued and outstanding - 4,661,353 thousand shares in 2009 and 4,569,954 thousand shares in 2008	46,613,529	32	45,699,538	32
	12,188,908	8	12,728,021	9	Capital surplus				
Constructions in progress	1,006,817	1	1,383,424	1	Additional paid-in capital from share issuance in excess of par	932,814	1	932,814	1
Prepayments for equipment	165,639	-	173,994	-	From long-term investments	9,240,917	6	9,120,172	6
Net properties	13,361,364	9	14,285,439	10	Others	7,672	-	7,672	-
INTANGIBLE ASSETS					Total capital surplus	10,181,403	7	10,060,658	7
Deferred pension cost (Notes 2 and 19)	-	-	66,286	-	Retained earnings				
Others (Notes 2 and 17)	8,976	-	28,422	-	Legal reserve	8,602,110	6	8,196,285	6
Total intangible assets	8,976	-	94,708	-	Special reserve	3,034,766	2	3,034,766	2
OTHER ASSETS					Unappropriated earnings	9,672,105	6	6,535,276	5
Nonoperating properties, net (Notes 2, 10, 11 and 21)	697,857	1	676,640	1	Total retained earnings	21,308,981	14	17,766,327	13
Deferred income taxes assets - noncurrent (Notes 2 and 16)	356,873	-	394,311	-	Other stockholders' equity				
Farmland (Note 12)	276,661	-	276,661	-	Unrealized gain on financial instruments	3,276,309	2	(866,020)	(1)
Miscellaneous (Notes 2, 17 and 20)	196,317	-	200,288	-	Cumulative translation adjustments	2,490,010	2	3,696,557	3
Total other assets	1,527,708	1	1,547,900	1	Unrealized revaluation increment	8,721,219	6	8,843,128	6
					Net loss not recognized as pension cost	(80,263)	-	(656,261)	-
					Total other stockholders' equity	14,407,275	10	11,017,404	8
					Net stockholders' equity	92,511,188	63	84,543,927	60
TOTAL	\$ 146,543,232	100	\$ 141,038,312	100	TOTAL	\$ 146,543,232	100	\$ 141,038,312	100

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche audit report dated March 5, 2010)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2009		2008	
	Amount	%	Amount	%
REVENUES				
Sales (Notes 2 and 20)	\$ 42,509,515	101	\$ 51,298,290	101
Less: Sales returns and allowances	<u>581,061</u>	<u>1</u>	<u>641,427</u>	<u>1</u>
Net sales	41,928,454	100	50,656,863	100
Processing service income	<u>11,624</u>	<u>-</u>	<u>18,032</u>	<u>-</u>
Total revenues	<u>41,940,078</u>	<u>100</u>	<u>50,674,895</u>	<u>100</u>
COSTS OF REVENUES				
Cost of sales (Notes 3, 6, 17 and 20)	38,479,133	92	45,622,552	90
Cost of processing services	<u>11,277</u>	<u>-</u>	<u>21,409</u>	<u>-</u>
Total costs of revenues	<u>38,490,410</u>	<u>92</u>	<u>45,643,961</u>	<u>90</u>
GROSS PROFIT	<u>3,449,668</u>	<u>8</u>	<u>5,030,934</u>	<u>10</u>
OPERATING EXPENSES (Notes 3, 17 and 20)				
Marketing	2,538,187	6	3,284,796	7
General and administrative	1,176,875	3	989,483	2
Research and development	<u>567,390</u>	<u>1</u>	<u>568,913</u>	<u>1</u>
Total operating expenses	<u>4,282,452</u>	<u>10</u>	<u>4,843,192</u>	<u>10</u>
OPERATING (LOSS) GAIN	<u>(832,784)</u>	<u>(2)</u>	<u>187,742</u>	<u>-</u>
NONOPERATING INCOME AND GAINS				
Interest (Note 20)	16,019	-	177,137	-
Equity in net income of investees, net (Notes 2 and 9)	9,211,453	22	5,542,190	11
Cash dividends	-	-	5,432	-
Gain on disposal of properties	1,924	-	19,912	-
Gain on sale of investments, net (Note 9)	854,467	2	9,726	-
Foreign exchange gain, net (Note 2)	-	-	42,796	-
Rental (Note 20)	11,452	-	11,227	-
Valuation gain on financial assets, net (Notes 2 and 5)	53,353	-	-	-
Valuation gain on financial liabilities, net (Notes 2 and 5)	93,123	-	465,708	1
Others (Note 20)	<u>154,284</u>	<u>1</u>	<u>233,967</u>	<u>1</u>
Total nonoperating income and gains	<u>10,396,075</u>	<u>25</u>	<u>6,508,095</u>	<u>13</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2009		2008	
	Amount	%	Amount	%
NONOPERATING EXPENSES AND LOSSES				
Interest (Note 10)	\$ 599,907	2	\$ 1,217,020	2
Exchange loss, net (Note 2)	216,950	1	-	-
Impairment losses on nonoperating properties (Note 2)	131,833	-	29,713	-
Valuation loss on financial assets, net (Notes 2 and 5)	-	-	32,898	-
Others (Note 11 and 20)	<u>478,894</u>	<u>1</u>	<u>801,702</u>	<u>2</u>
Total nonoperating expenses and losses	<u>1,427,584</u>	<u>4</u>	<u>2,081,333</u>	<u>4</u>
INCOME BEFORE INCOME TAX	8,135,707	19	4,614,504	9
INCOME TAX EXPENSE (BENEFIT) (Notes 2 and 16)	<u>47,011</u>	<u>-</u>	<u>(7,440)</u>	<u>-</u>
NET INCOME	<u>\$ 8,088,696</u>	<u>19</u>	<u>\$ 4,621,944</u>	<u>9</u>
	2009		2008	
	Income Before Income Tax	Net Income	Income Before Income Tax	Net Income
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Notes 3 and 18)				
Basic	<u>\$ 1.75</u>	<u>\$ 1.74</u>	<u>\$ 0.99</u>	<u>\$ 0.99</u>
Diluted	<u>\$ 1.74</u>	<u>\$ 1.73</u>	<u>\$ 0.99</u>	<u>\$ 0.99</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche audit report dated March 5, 2010)

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FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Capital Stock Issued and Outstanding (Note 15)		Capital Surplus (Notes 2 and 15)	Retained Earnings (Notes 2, 15 and 16)				Other Equity				
				Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Unrealized Valuation Gain (Loss) on Financial Instruments (Note 2)	Cumulative Translation Adjustments (Note 2)	Unrealized Revaluation Increment on Properties (Notes 2 and 10)	Net Loss not Recognized as Pension Cost (Note 2)	Total Stockholders' Equity
	Shares in Thousands	Amount										
BALANCE, JANUARY 1, 2008	4,480,347	\$ 44,803,469	\$ 9,327,997	\$ 7,061,162	\$ 3,034,766	\$ 13,247,308	\$ 23,343,236	\$ 4,268,337	\$ 1,706,254	\$ 8,566,640	\$ (69,966)	\$ 91,945,967
Appropriation of the 2007 earnings												
Legal reserve	-	-	-	1,135,123	-	(1,135,123)	-	-	-	-	-	-
Stock dividends - NT\$0.2 per share	89,607	896,069	-	-	-	(896,069)	(896,069)	-	-	-	-	-
Cash dividends - NT\$1.8 per share	-	-	-	-	-	(8,064,624)	(8,064,624)	-	-	-	-	(8,064,624)
Remuneration to directors and supervisors and bonus to employees	-	-	-	-	-	(674,461)	(674,461)	-	-	-	-	(674,461)
Balance after appropriations	4,569,954	45,699,538	9,327,997	8,196,285	3,034,766	2,477,031	13,708,082	4,268,337	1,706,254	8,566,640	(69,966)	83,206,882
Net income in 2008	-	-	-	-	-	4,621,944	4,621,944	-	-	-	-	4,621,944
Adjustments due to changes in investees' equity in long-term investments	-	-	696,871	-	-	(323,039)	(323,039)	(5,191,265)	1,761,305	276,491	(1,086)	(2,780,723)
Adjustment on investees' equity not recognized in percentage of ownership in investees	-	-	(9,971)	-	-	(240,880)	(240,880)	-	-	-	-	(250,851)
Translation adjustments on long-term equity investments	-	-	-	-	-	-	-	-	229,496	-	-	229,496
Change in net loss not recognized as pension cost	-	-	-	-	-	-	-	-	-	-	(585,239)	(585,239)
Unrealized loss on cash flow hedge	-	-	-	-	-	-	-	56,160	-	-	-	56,160
Adjustments on stockholders' equity due to the sale of long-term equity investments	-	-	45,761	-	-	220	220	748	(498)	(3)	30	46,258
BALANCE, DECEMBER 31, 2008	4,569,954	45,699,538	10,060,658	8,196,285	3,034,766	6,535,276	17,766,327	(866,020)	3,696,557	8,843,128	(656,261)	84,543,927
Appropriation of the 2008 earnings (Note)												
Legal reserve	-	-	-	405,825	-	(405,825)	-	-	-	-	-	-
Stock dividends - NT\$0.2 per share	91,399	913,991	-	-	-	(913,991)	(913,991)	-	-	-	-	-
Cash dividends - NT\$0.8 per share	-	-	-	-	-	(3,655,963)	(3,655,963)	-	-	-	-	(3,655,963)
Balance after appropriations	4,661,353	46,613,529	10,060,658	8,602,110	3,034,766	1,559,497	13,196,373	(866,020)	3,696,557	8,843,128	(656,261)	80,887,964
Net income in 2009	-	-	-	-	-	8,088,696	8,088,696	-	-	-	-	8,088,696
Adjustments due to changes in investees' equity in long-term investments	-	-	194,351	-	-	18,862	18,862	4,000,948	(789,566)	(121,909)	(13,090)	3,289,596
Change in unrealized gain (loss) on available-for-sale financial assets	-	-	-	-	-	-	-	146,473	-	-	-	146,473
Translation adjustments on long-term equity investments	-	-	-	-	-	-	-	-	(332,652)	-	-	(332,652)
Reversal of net loss not recognized as pension cost	-	-	-	-	-	-	-	-	-	-	585,239	585,239
Unrealized loss on cash flow hedge	-	-	-	-	-	-	-	7,656	-	-	-	7,656
Adjustments on stockholders' equity due to the sale of long-term equity investments	-	-	(73,606)	-	-	5,050	5,050	(12,748)	(84,329)	-	3,849	(161,784)
BALANCE, DECEMBER 31, 2009	<u>4,661,353</u>	<u>\$ 46,613,529</u>	<u>\$ 10,181,403</u>	<u>\$ 8,602,110</u>	<u>\$ 3,034,766</u>	<u>\$ 9,672,105</u>	<u>\$ 21,308,981</u>	<u>\$ 3,276,309</u>	<u>\$ 2,490,010</u>	<u>\$ 8,721,219</u>	<u>\$ (80,263)</u>	<u>\$ 92,511,188</u>

Note: Remuneration to directors and supervisors NT\$147,418 thousand and bonus to employees NT\$196,557 thousand had been deducted from the income statement of 2008.

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche audit report dated March 5, 2010)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 8,088,696	\$ 4,621,944
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,882,377	1,983,949
Amortization	84,360	66,943
(Reversal of allowance) allowance for losses on inventories	(482,902)	273,094
Amortization on discount of exchangeable bonds	58,332	58,332
Investment net loss income recognized under the equity method	(9,211,453)	(5,542,190)
Cash dividends received on equity-method investments	5,092,054	10,019,746
Accrued pension costs	(231,998)	14,301
Net gain on disposal of properties	(1,924)	(19,912)
Impairment losses on idle properties	131,833	29,713
Gain on sale of investments, net	(854,467)	(9,726)
Deferred income tax	107,960	-
Net changes in operating assets and liabilities		
Financial assets held for trading	26,213	64,014
Financial liabilities held for trading	(82,112)	(288,919)
Notes receivable	(78,590)	429,206
Accounts receivable	498,539	59,565
Other receivables	(119,878)	25,877
Inventories	1,672,418	559,899
Prepaid expenses	(384,999)	294,152
Other current assets	(45,549)	75,467
Notes payable	104	(7,061)
Accounts payable	1,279,832	(1,491,882)
Accrued expenses	401,547	478,931
Receipts in advance	35,350	(62,715)
Other current liabilities	(81,656)	19,496
Net cash provided by operating activities	<u>7,784,087</u>	<u>11,652,224</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds of the disposal of long-term equity investments	1,581,150	287,739
Increase in long-term equity investments	(703,545)	(6,989,371)
Acquisition of properties	(1,169,063)	(1,600,471)
Proceeds of the disposal of properties	60,421	63,771
Increase in other intangible assets	(9,940)	(1,768)
Increase in other assets	(51,788)	(22,615)
Net cash used in investing activities	<u>(292,765)</u>	<u>(8,262,715)</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars)

	2009	2008
CASH FLOWS FROM FINANCING ACTIVITIES		
(Decrease) increase in short-term bank loans	\$ (3,186,342)	\$ 3,753,326
Payments of cash dividends, remuneration to directors and supervisors and bonus to employees	(3,777,029)	(8,596,379)
Decrease in long-term liabilities	(1,375,150)	(1,161,310)
Issuance of bonds	<u>1,500,000</u>	<u>800,000</u>
Net cash used in financing activities	<u>(6,838,521)</u>	<u>(5,204,363)</u>
NET INCREASE (DECREASE) IN CASH	652,801	(1,814,854)
CASH, BEGINNING OF YEAR	<u>5,275,744</u>	<u>7,090,598</u>
CASH, END OF YEAR	<u>\$ 5,928,545</u>	<u>\$ 5,275,744</u>
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 605,693	\$ 1,157,996
Deduct: Capitalized interest	<u>21,725</u>	<u>54,439</u>
Interest paid (excluding capitalized interest)	<u>\$ 583,968</u>	<u>\$ 1,103,557</u>
Income tax paid	<u>\$ 1,549</u>	<u>\$ 61,981</u>
CASH PAID FOR ACQUISITION OF PROPERTIES		
Increase in properties	\$ 1,522,045	\$ 1,993,770
Add: Payables for acquisition of properties, beginning of year	32,322	38,994
Advances to suppliers of machine and equipment, end of year	165,639	173,994
Constructions in progress, end of year	1,006,817	1,383,424
Deduct: Advances to suppliers of machine and equipment, beginning of year	(173,994)	(87,320)
Constructions in progress, beginning of year	(1,383,424)	(1,870,069)
Payables for acquisition of properties, end of year	<u>(342)</u>	<u>(32,322)</u>
Cash paid for acquisition of properties	<u>\$ 1,169,063</u>	<u>\$ 1,600,471</u>
NONCASH FINANCING ACTIVITIES		
Current portion of long-term liabilities	<u>\$ 5,592,343</u>	<u>\$ 1,877,320</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche audit report dated March 5, 2010)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Far Eastern New Century Corporation (FENC or the “Company”), established in 1954, manufactures and sells polyester materials, semifinished products and finished goods such as cotton, synthetic or blended fabrics, towels and bedsheets, and woven and knitted garments; PET (polyethylene terephthalate) bottles and PET sheets; and natural, synthetic or blended yarns and polyester textured yarns. It also does yarn, silk and cloth printing and dyeing as well as manufactures wide-view film, antiglare film, antireflection film and other optical films.

The Company’s stock is listed on the Taiwan Stock Exchange. On October 19, 1999, the Company issued global depositary receipts (GDRs), which became listed on the Luxembourg Stock Exchange.

On October 13, 2009, the stockholders resolved to change their company’s name of Far Eastern Textile Ltd. to Far Eastern New Century Corporation; thus, the original stock symbol of FETL was changed to FENC.

FENC had 4,445 and 4,912 employees as of December 31, 2009 and 2008, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, Business Accounting Law, Guidelines Governing Business Accounting and accounting principles generally accepted in the Republic of China. In preparing financial statements in conformity with these guidelines and principles, the Company is required to make certain estimates and assumptions that could affect the allowance for doubtful accounts, provision for loss on decline in value of inventories, depreciation and amortization, impairment losses on tangible and intangible assets, income tax, pension cost and bonuses to employees, directors and supervisors. Actual results could differ from these estimates.

For the convenience of readers, the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language financial statements shall prevail.

The Company’s significant accounting policies are summarized as follows:

Current and Noncurrent Assets and Liabilities

Current assets are cash or cash equivalents, assets held mainly for trading and other assets to be converted into cash or consumed within 12 months from the balance sheet date. All other assets, such as properties and intangible assets, are classified as noncurrent. Current liabilities are obligations to be settled within 12 months after the balance sheet date. All other liabilities are classified as noncurrent.

Financial Instruments at Fair Value through Profit or Loss

Financial instruments classified as financial assets or financial liabilities at fair value through profit or loss (FVTPL) include financial assets or financial liabilities held for trading and those designated as at FVTPL on initial recognition. The Company recognizes a financial asset or a financial liability on its balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. A financial asset is derecognized when the Company has lost control of its contractual rights over the financial asset. A financial liability is derecognized when the obligation specified in the relevant contract is discharged, cancelled or expired.

Financial instruments at FVTPL are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss. At each balance sheet date subsequent to initial recognition, financial assets or financial liabilities at FVTPL are remeasured at fair value, with changes in fair value recognized directly in profit or loss in the year in which they arise. Cash dividends received subsequently (including those received in the year of investment) are recognized as income for the year. On derecognition of a financial asset or a financial liability, the difference between its carrying amount and the sum of the consideration received and receivable or consideration paid and payable is recognized in profit or loss. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

If derivative financial instruments do not meet the criteria for hedge accounting, they were classified as financial assets or liabilities held for trading purposes. They were classified as financial assets when the fair value was positive; otherwise they were classified as financial liabilities.

The fair values of cotton futures contracts, currency option contracts and forward exchange contracts are determined at their market quotation on the balance sheet date. The fair values of financial instruments with no quoted market prices are determined at estimated prices.

Revenue Recognition, Accounts Receivable and Allowance for Doubtful Accounts

Sales are recognized when titles to products and risks of ownership are transferred to customers, primarily upon shipment. Sales returns and allowances are subtracted from gross sales, and the related costs are then deducted from cost of goods sold as these costs are incurred.

Revenues are measured at fair values based on the prices negotiated between the Company and the customers. Since the future values of revenues resulting from receivables within one year approximate the fair value of these receivables, the pro forma interest rate method is not used to recalculate the fair values.

Allowance for doubtful accounts is determined on the basis of a review of the collectibility of individual receivables.

Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process. Before January 1, 2009, inventories were stated at the lower of cost or market value (replacement cost or net realizable value). Any write-down was made on an total-inventory basis. Market value meant replacement cost for raw materials and supplies and net realizable value for finished goods and work in process. As stated in Note 3, effective January 1, 2009, inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at standard cost and adjusted to approximate weighted-average cost on the balance sheet date.

Available-for-sale Financial Assets

On initial recognition, available-for-sale financial assets are recorded at fair value plus transaction costs directly attributable to the acquisition of the assets. Gain or loss due to changes in fair value is recognized as adjustments to stockholders' equity, and the related cumulative gain or loss should be recognized in the current year when the financial asset is derecognized. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

The time points of the recognition and derecognition of available-for-sale financial assets are the same as those of financial assets at fair value through profit or loss.

The fair value of available-for-sale financial assets is their closing prices on the balance sheet date.

Cash dividend from available-for-sale financial assets is recognized as an income on the ex-dividend date but has to be deducted from investment cost in accordance with the declaration of net income before investment. Stock dividend is not recognized as an income but additional volume of the shares should be recorded and be used to recalculate the cost per share.

An impairment loss should be recognized if there is objective evidence that a financial asset is impaired. This impairment loss can be reversed to the extent of the original carrying value and recognized as an adjustment to stockholders' equity.

Financial Assets Carried at Cost

Investments in equity instruments without quoted market prices in an active market, including investments in unlisted stocks and emerging stocks, are measured at cost upon initial recognition. Cash dividends are recognized as dividend income on the date of the stockholder's meeting, but are accounted for as reductions of the original cost of investments if these dividends are declared on the investees' earnings of investees attributable to periods before investment acquisition. Stock dividends are not recognized as current income but are accounted for only as an increase in the number of shares held. The cost per share is recalculated on the basis of the increased number of shares. An impairment loss should be recognized as a charge to current income if there is objective evidence that a financial asset is impaired. This loss cannot be reversed.

Equity-method Investments

Long-term investments in which the Company owns at least 20% of investees' common stock or exercises significant influence over their operating and financial policy decisions are accounted for by the equity method.

On the acquisition date or the adoption of the equity method for the first time, the difference between investment cost and underlying equity in net assets is amortized using the straight-line method over 5 years.

As required, however, by the revised ROC Statement of Financial Accounting Standards No. 5 - "Long-term Investments under the Equity Method," starting on January 1, 2006, the cost of acquisition is subjected to an initial analysis. The investment cost in excess of the fair value of identifiable net assets is recognized as goodwill. Goodwill is no longer amortized and is instead tested annually for impairment. An impairment test is also required when there is evidence indicating that goodwill might be impaired because of an event or a change in the economic environment. If the fair value of identifiable net assets acquired exceeds the cost of investments, the excess should be assigned to noncurrent assets in proportion to their respective fair values (except for financial assets under the equity method, assets for disposal, deferred income tax assets and prepaid pension costs or other retirement benefit costs). If these assets are all reduced to zero, the remaining excess should be recognized as extraordinary gain. Starting on January 1, 2006, the unamortized balance of the investment cost in excess of the equity in investee's net assets is no longer amortized and is instead subject to the same accounting treatment as that for goodwill; the negative goodwill previously acquired should be amortized over the remaining estimated economic lives.

Profits from downstream transactions with an equity-method investee are eliminated in proportion to the Company's percentage of ownership in the investee; however, if the Company has control over the investee, all the profits are eliminated. Profits from upstream transactions with an equity-method investee are eliminated in proportion to the Company's percentage of ownership in the investee.

An increase in the Company's proportionate share in the net assets of its investee resulting from its subscription for additional shares of stock issued by the investee at a rate different from its existing equity ownership in the investee is credited to capital surplus. If the subscription results in a decrease in the Company's equity in an investee's net assets, capital surplus is debited. If capital surplus is not enough for debiting purposes, the difference is debited to unappropriated earnings.

The Company's equity in equity-method investees' net income or net loss is recognized using the treasury stock method if there are reciprocal holdings between investors and investees.

Properties and Rental Assets

Properties and rental assets are stated at cost or cost plus appreciation, less accumulated depreciation. Major additions, renewals and betterments are capitalized, while maintenance and repairs are expensed currently.

Interest on borrowings used to finance the acquisition of properties and the construction of production facilities up to the time those properties are ready for their intended use is capitalized and included in the cost of the related assets.

Depreciation expenses for properties and rental assets are calculated by the Company and its subsidiaries using the fixed-percentage-of- declining-balance method and straight-line method, respectively.

Depreciation expenses are computed over service lives originally estimated as follows: buildings and equipment, 3 to 55 years; machinery and equipment, 5 to 15 years and furniture and miscellaneous equipment, 3 to 15 years. Depreciation on appreciation is computed over the remaining service lives of the assets on the revaluation date. When properties and rental assets reach their residual value and are still being used, they are further depreciated over their newly estimated service lives.

When properties are retired or disposed of, their costs or costs plus appreciation and related accumulated depreciation are removed from the accounts, and the resulting gains or losses are credited or charged to nonoperating income.

Intangible Assets

Patent rights, trademark and computer software are measured at acquisition cost and amortized using the straight-line method over 5 to 10 years.

Idle Assets

Properties not currently used in operations are transferred to other assets at the lower of net book value or net realizable value, with the difference charged to nonoperating expenses. However, starting on January 1, 2006, based on related regulations, depreciation is calculated using the straight-line method over the estimated useful lives of the properties.

Deferred Charges

Deferred charges mainly are amortized using the straight-line method over 5 to 7 years.

Impairment Loss

An impairment loss should be recognized if the carrying value of assets (including properties, idle assets, rental assets, deferred charges and equity-method investments) exceeds their recoverable amount, and this impairment loss should be charged to current income. An impairment loss recognized in prior years can be reversed if there is a subsequent recovery in the estimates used to determine recoverable amount since the last impairment loss was recognized. However, an impairment loss is reversed only to the extent that the reversal does not exceed the carrying amount of an asset (net of depreciation) had no impairment loss been recognized in prior years. If an asset has been revalued in accordance with the laws, its impairment loss should first be used to reduce the unrealized appreciation of revaluation under stockholders' equity. The excess loss, if any, may then be recognized as loss in the income statement. However, to the extent that an impairment loss on the same revalued asset was previously recognized as a loss in the income statement because of insufficient revaluation surplus, a reversal of that impairment loss is recognized as a gain in the income statement. The excess part, if any, may then be reversed to the unrealized appreciation of revaluation under stockholders' equity. However, an impairment loss recognized on goodwill cannot be reversed.

For long-term equity investments on which the Company has significant influence but no control, the carrying amount (including goodwill) of each investment is compared with its recoverable amount for impairment testing purposes.

Deferred Income

These are unrealized gains from downstream transactions with equity-method investees and are credited to income when realized.

Exchangeable Bonds

Exchangeable bonds (i.e., bonds that can be exchanged for Asia Cement Corporation's (ACC) shares; see Note 15) are measured at total issuance price less the fair value of embedded derivatives. The liability component of bonds is measured at amortized cost using the effective interest method (if there is no substantial difference in the results of using the straight-line method or the effective interest method, the straight-line method may be used). Before the maturity of the bonds, the fair value of the embedded derivatives is recognized as current gain or loss.

Interest and gain (loss) on bond redemption are recognized as current gain or loss. When bonds are exchanged for ACC's shares, the disposal gain or loss is measured at the book value of the liability components (including embedded derivatives).

Pension Costs

Under the defined benefit plan, pension costs are recognized on the basis of actuarial calculations. Under the defined contribution pension plan, required monthly contributions by the Company to the employees' individual pension accounts are recognized as pension costs over the employees' service years.

When curtailment and/or settlement occur to the Company providing defined benefit plan, the Company should recognize curtailment and/or settlement gains or losses as part of the net pension cost for the period.

Income Tax

The inter-period and intra-period allocation methods are used for income taxes. Deferred income tax assets are recognized for the tax effects of deductible temporary differences, unused operating loss carryforwards and unused investment tax credits, and deferred tax liabilities are recognized for the tax effects of taxable temporary differences. A valuation allowance is recognized for deferred income tax assets that are not certain to be realized. Deferred income tax assets and liabilities are classified as current or noncurrent on the basis of the classification of the related assets and liabilities for financial reporting. A deferred asset or liability that cannot be related to an asset or a liability in the financial statements is classified as current or noncurrent according to the expected realization date of the temporary difference.

Tax credits for certain purchases of equipment, research and development expenses, personnel training expenses and investments in shares of stock are accounted for as a reduction of the current period's income tax expense.

Adjustments of prior years' tax liabilities are added to or deducted from the current period's income tax provision.

Income taxes (10%) on undistributed earnings generated since January 1, 1998 are recorded as expense in the year when the stockholders resolve to retain the earnings.

The Company and Far Eastern Resources Development Co., Ltd. adopted the linked-tax system for tax filings. Differences between current and deferred income tax expenses on entity basis and those on nonentity basis are adjusted in the Company's income tax expenses. Related reimbursement and appropriation are recognized as receivables and payables.

Foreign-currency Transactions and Translation of Foreign-currency Financial Statements

Foreign-currency transactions (except derivative transactions) are recorded in New Taiwan dollars at the rates of exchange in effect when the transactions occur. Gains or losses resulting from the application of prevailing foreign exchange rates when cash in foreign currency is converted into New Taiwan dollars or when nonmonetary foreign-currency-denominated assets and liabilities are settled, are credited or charged to income in the period of settlement.

On the balance sheet date, the balances of nonmonetary foreign currency-denominated assets and liabilities evaluated at fair value, such as equity instruments, are restated at the prevailing exchange rates, and the resulting differences are recorded as adjustment to stockholders' equity or as profit or loss in the current period. Financial assets and liabilities carried at cost are stated at historical exchange rates; while equity-method investments are recorded as cumulative translation adjustments under stockholders' equity.

If the functional currency of an equity-method investee is a foreign currency, translation adjustments will result from the translation of the investee's financial statements into the reporting currency of the Company. Such adjustments are accumulated and reported as a separate component of shareholders' equity.

Hedging Derivative Financial Instruments

Hedging derivative financial instruments are measured at fair value. The changes in fair values of these instruments are debited or charged to either stockholders' equity or current income depending on the type of the hedged items.

Hedge Accounting

Hedge accounting involves the recognition of the offsetting effects on profit or loss of changes in fair values of the hedging instrument and the hedged item.

Some derivative instruments held by the Company are for cash flow hedge purposes. Thus, the gains or losses from the changes in fair values of the hedging instruments are recognized under stockholders' equity and are recognized as current income if the hedged forecast transaction affects net gains or losses. If hedging would give rise to a nonfinancial asset or liability, the gain or loss will be recognized as an adjustment to the original cost or carrying amount of the hedged asset or liability. If recognized adjustments to stockholders' equity result in irreversible losses, these losses should be immediately charged to current income.

Reclassifications

Certain accounts in the financial statements as of and for the year ended December 31, 2008 have been reclassified to be consistent with the presentation of the financial statements as of and for the year ended December 31, 2009.

3. CHANGES IN ACCOUNTING PRINCIPLES

Accounting for Inventories

On January 1, 2009, the Company adopted the newly revised Statement of Financial Accounting Standards No. 10 - "Inventories". The main revisions are (1) inventories are stated at the lower of cost or net realizable value, and inventories are written down to net realizable value item-by-item except when the grouping of similar or related items is appropriate; (2) unallocated overheads are recognized as expenses in the period in which they are incurred; and (3) abnormal costs, write-downs of inventories and any reversal of write-downs are recorded as cost of goods sold for the period. This accounting change resulted in decreases of NT\$110,756 thousand in net income and a decrease of NT\$0.02 in after income tax basic earnings per share for the year ended December 31, 2009. For comparison purposes, the Company also reclassified nonoperating losses of NT\$273,094 thousand to cost of goods sold for the year ended December 31, 2008.

Accounting for Bonuses to Employees, Directors and Supervisors

In March 2007, the Accounting Research and Development Foundation issued Interpretation 2007-052, requires companies to recognize bonuses paid to employees, directors and supervisors as compensation expenses beginning January 1, 2008. These bonuses were previously recorded as appropriations from earnings. This accounting change resulted in decreases of NT\$343,975 thousand in net income and of NT\$0.08 in after income tax basic earnings per share in 2008.

4. CASH

	<u>December 31</u>	
	<u>2009</u>	<u>2008</u>
Cash on hand	\$ 6,105	\$ 4,252
Checking accounts	18,683	25,488
Savings accounts	4,334,231	377,947
Time deposits - 0.2%-0.4% interest in 2009 and 0.25%-2.25% interest in 2008	<u>1,569,526</u>	<u>4,868,057</u>
	<u>\$ 5,928,545</u>	<u>\$ 5,275,744</u>

As of December 31, 2009 and 2008, the foreign demand deposits in U.S.A. (New York) were NT\$623 thousand (US\$19 thousand) and NT\$321 thousand (US\$10 thousand), respectively.

5. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT

Financial assets held for trading and financial assets at fair value through profit or loss were as follows:

	<u>December 31</u>	
	<u>2009</u>	<u>2008</u>
<u>Financial assets held for trading</u>		
Cotton futures contracts	\$ 32,768	\$ 27,887
Adjustment for valuation	-	2,054
	<u>32,768</u>	<u>29,941</u>
Exchangeable bonds collection rights	9,000	49,500
Forward exchange contracts	<u>11,460</u>	<u>-</u>
	<u>\$ 53,228</u>	<u>\$ 79,441</u>
<u>Financial liabilities held for trading</u>		
Exchangeable bonds exchange rights	\$ -	\$ 30,500
Exchangeable bonds redemption rights	20,750	42,000
Forward exchange contracts	<u>-</u>	<u>30,362</u>
	<u>\$ 20,750</u>	<u>\$ 102,862</u>

The Company used cotton futures contracts and forward exchange contracts to hedge against adverse fluctuations of cotton prices and exchange rates on account receivables and in the years ended December 31, 2009 and 2008. The strategy is to hedge against the Company's market risk exposure. Since these contacts did not meet the criteria for hedge accounting, they were classified as held for trading.

The Company had no outstanding cotton futures contracts as of December 31, 2009. The outstanding cotton futures contracts held by the Company as of December 31, 2009 and 2008 are summarized as follows:

Outstanding Derivative Contract	<u>December 31, 2008</u>		
	Maturity	Units	Contract Amount (Thousands)
Cotton futures contracts	March 2009	60	US\$1,408/NT\$46,176

The main purpose that the Company participated in sell option contracts and nonhedging purpose forward exchange contracts is to profit on royalties and the difference between exchange rate fluctuations in 2009 and 2008.

The Company had no outstanding option contracts as of December 31, 2009 and 2008. The outstanding forward exchange contracts as of December 31, 2009 and 2008 were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2009</u>			
Sell	EUR/US\$	2010/3/29-2010/4/29	EUR2,000/US\$2,857
Sell	US\$/NT\$	2010/1/15-2010/3/25	US\$78,000/NT\$2,512,528
<u>December 31, 2008</u>			
Sell	EUR/US\$	2009/1/23-2009/3/30	EUR7,000/US\$8,918

On the exchangeable bonds issued in 2007, the Company separately recognized the embedded derivatives and the host debt instruments. In addition, the derivatives were measured at fair value and recognized as financial assets and liabilities at fair value through profit or loss.

Net gains (losses) on derivative financial assets were NT\$53,353 thousand and NT\$(32,898) thousand in the years ended December 31, 2009 and 2008, respectively; net gains on derivative financial liabilities were NT\$93,123 thousand and NT\$465,708 thousand in the years ended December 31, 2009 and 2008, respectively.

6. INVENTORIES, NET

	December 31	
	2009	2008
Finished goods	\$ 1,137,856	\$ 1,989,080
Work in process	978,366	1,427,364
Materials in transit	272,755	167,203
Raw materials	1,867,062	1,907,566
Supplies in transit	5,573	-
Supplies	<u>174,912</u>	<u>134,827</u>
	<u>\$ 4,436,524</u>	<u>\$ 5,626,040</u>

As of December 31, 2009 and 2008, the allowance for inventory devaluation was NT\$320,172 thousand and NT\$803,074 thousand, respectively.

The costs of inventories recognized as cost of goods sold were NT\$38,479,133 thousand in 2009 and NT\$45,622,552 thousand in 2008 and included write-down reversals, which amounted to NT\$482,902 thousand and NT\$273,094 thousand, respectively.

7. AVAILABLE- FOR-SALE FINANCIAL ASSETS

	December 31	
	2009	2008
Domestic quoted stocks		
Far Eastern International Commercial Bank (Note 9)	<u>\$ 722,890</u>	<u>\$ -</u>

8. FINANCIAL ASSETS CARRIED AT COST - NONCURRENT

	December 31			
	2009		2008	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Unlisted common stocks				
Hantech Venture Capital Corp.	\$ <u>53,667</u>	3.73	\$ <u>53,667</u>	3.73

The Company's holdings of marketable equity securities with no quoted market prices and with fair values that could not be reliably measured were evaluated at holding cost.

9. EQUITY-METHOD INVESTMENTS

	December 31			
	2009		2008	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
With quoted market prices:				
Asia Cement Corp. (ACC)	\$ 12,500,165	22.33	\$ 11,522,853	24.05
Far Eastern Department Stores Co., Ltd. (FEDS)	3,877,699	16.80	3,271,840	16.80
Oriental Union Chemical Corp. (OUCC)	1,155,372	9.17	1,027,391	9.17
Everest Textile Co., Ltd. (Everest Textile)	1,540	0.03	1,480	0.03
Far Eastern International Commercial Bank (FEICB)	<u>-</u>	-	<u>563,221</u>	3.12
	<u>17,534,776</u>		<u>16,386,785</u>	
With no quoted market prices:				
Yuan Ding Investment Co., Ltd. (YDI)	36,155,036	99.70	35,123,505	99.70
Far Eastern Resources Development Co., Ltd.	15,693,512	100.00	15,443,154	100.00
Yuan Tong Investment Co., Ltd.	7,296,064	100.00	7,136,989	100.00
Far Eastern Investment (Holding) Ltd. (FEIH)	5,238,743	100.00	5,239,384	100.00
Kai-Yuan International Investment Co., Ltd.	4,366,102	100.00	3,580,727	100.00
Far Eastern Polychem Industries Ltd. (F.E.P.I.)	4,185,668	59.81	4,142,822	57.65

(Continued)

	2009		2008	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Oriental Petrochemical (Taiwan) Co., Ltd. (INVISTA Far Eastern Petrochemicals Co., Ltd.)	\$ 3,875,245	75.56	\$ 3,405,070	75.56
Far Eastern Polytex (Holding) Ltd.	3,323,320	100.00	2,900,781	100.00
Yuan Ding Co., Ltd.	3,180,506	37.13	2,805,779	37.13
Ding-Yuan International Investment Co.	2,412,433	100.00	1,914,236	100.00
Far Eastern Construction Co., Ltd.	2,078,321	65.11	2,095,688	65.11
Oriental Securities Co., Ltd.	2,066,710	19.65	1,671,585	19.65
PET Far Eastern (Holding) Ltd.	1,996,083	49.42	1,437,469	49.42
An Ho Garment Co., Ltd.	1,537,449	100.00	1,266,932	100.00
Pacific Liu Tung Investment Corporation	1,165,944	16.83	1,113,868	16.83
Fu Kwork Garment Manufacturing Co., Ltd.	128,923	99.99	126,512	99.99
Ding Ding Hotel Corp.	28,962	19.00	53,029	19.00
New Century InfoComm Tech Co., Ltd. (NCIC)	<u>26,078</u>	0.10	<u>25,933</u>	0.10
	<u>94,755,099</u>		<u>89,483,463</u>	
	<u>\$ 112,289,875</u>		<u>\$ 105,870,248</u>	

(Concluded)

The combined equity of the Company and subsidiaries in their investee companies such as OUCC, Everest Textile, Pacific Liu Tung Investment Corporation, Oriental Securities Co., Ltd. and NCIC in 2009 and 2008 exceeded 20% of the outstanding common stock of each. Thus, related investments were accounted for by the equity method.

In addition, investments in the investee companies such as FEDS and Ding Ding Hotel Corp. in 2009 and Far Eastern International Commercial Bank, FEDS and Ding Ding Hotel Corp. in 2008 were accounted for by the equity method since the Company exercised significant influence over them although it owned less than 20% of these investees' voting stock.

The carrying value of the equity-method stocks was based on audited financial statements.

On June 10, 2009, FEICB decreased its capital stock to recover the loss of NT\$4,075,208 thousand, and resulted in the proportional decrease in the Company's ownership of FEICB by 12,695 thousand shares. The record date of this capital reduction was June 31, 2009.

Also on June 10, 2009, FEICB elected its board of directors and supervisors. In this election, the Company and its subsidiary lost their three seats on the board. When the new board took effect on June 27, 2009, the Company ceased to have significant influence over FEICB. Thus, the book value of the shares bought by the Company was reclassified as an available-for-sale financial asset - noncurrent.

In April 2009, the Company sold 50,000 thousand shares of ACC for NT\$1,581,150 thousand; thus, the Company's equity interest in ACC decreased from 24.05% to 22.33%.

In June 5, 2009, the board of New Century InfoComm Tech Co., Ltd. (NCIC) decided to decrease its capital to recover the loss of NT\$14,005,510 thousand; thus, the Company's equity in NCIC proportionally decreased by 1,403 thousand shares in August 1, 2009.

In May 2008 and July 2008, the Company bought 51,124 thousand and 198,816 thousand common shares, respectively, newly issued by F.E.P.I. for NT\$444,888 thousand and NT\$1,703,800 thousand, respectively, at US\$0.28 per share. Thus, the Company's percentage of ownership increased from 37.79% to 57.65%.

In September 2009, the Company bought 42,155 thousand common shares, with par value of US\$0.27 and newly issued by F.E.P.I., for NT\$373,364 thousand; thus, the Company's equity in F.E.P.I. proportionally increased from 57.65% to 59.81%.

In March 2008, the Company sold to Yue Ding Industry Co., Ltd. 14,235 thousand shares, part of its holding in Oriental Petrochemical (Taiwan) Co., Ltd. (OPTC, the former Invista Far Eastern Petrochemicals Co., Ltd.) for NT\$135,532 thousand. On October 21, 2008, OPTC's stockholders resolved to reduce its capital to reverse its loss of NT\$4,208,367 thousand and raise cash capital by NT\$3,800,000 thousand. Although the Company's holdings in OPTC declined by 75,750 thousand shares, the Company's purchase of 318,000 shares of OPTC's newly issued common stock for NT\$3,180,000 thousand resulted in an increase in the Company's equity in OPTC from 18% to 75.56%. Thus, the investment in OPTC was accounted for by the equity method.

To simplify its investment structure, the Company sold its holding in Yuan Faun Ltd. of 200 thousand shares to Yuan Ding Investment Co., Ltd. (YDI) for NT\$3,660 thousand in January 2008.

In December 2008, the Company sold 5,502 thousand shares of its holding in YDI to An-Ho Garment Co., Ltd. for NT\$148,547 thousand; thus, the Company's equity in YDI decreased from 100% to 99.70%.

In April 2008, the Company bought 2.5 thousand common shares of Far Eastern Polytex (Holding) Ltd. for NT\$151,675 thousand at US\$2,000 per share. In July 2009, the Company bought 5 thousand common shares of Far Eastern Polytex (Holding) Ltd. for NT\$330,150 thousand at US\$2,000 per share.

In July 2008, the Company bought 117 thousand shares of PET Far Eastern (Holding) Ltd. at US\$423.98 per share amounting to NT\$1,509,008 thousand and the percentage of ownership was 49.42%.

The market value of equity-method investment in listed companies were NT\$32,430,736 thousand and NT\$24,948,702 thousand as of December 31, 2009 and 2008, respectively.

The difference between the cost of an investment and the amount of the underlying equity in net assets of an investee arisen from equity-method investees, belonged to good will, should no longer be amortized, since the Company adopted the newly revised related financial accounting standards. As of January 1, 2009 and 2008, the balances of the difference were all NT\$99,821 thousand, and it didn't change in the years ended December 31, 2009 and 2008.

On August 22, 2007, Far Eastern Electronic Toll Collection Co. (the subsidiary of FENC) and the Taiwan Area National Freeway Bureau signed the Electronic Toll Collection BOT Project contract with a term of 18 years and 4 months.

To enhance the return of stockholders' equities, Far EastTone's board of directors proposed on April 30, 2007 to reduce capital by returning NT\$7,745,326 thousand in cash to stockholders and decreasing common stock by 774,532 thousand shares. The capital reduction was approved by the stockholders' meeting on June 12, 2007. The capital reduction ratio was 19.204715% and the cash return per share was around NT\$1.9204715. Paid-in capital after the capital reduction was NT\$32,585,008 thousand. Far EastTone's board of directors resolved January 15, 2008 as the record date of the capital reduction. On January 22, 2008, this capital reduction was registered with the Department of Commence under the Ministry of Economic Affairs (MOEA). The authority also approved March 17, 2008 as the share exchange date of the capital reduction. The foregoing payable amounts due to the capital reduction were fully paid off.

On June 16, 2009, the stockholders resolved that the Company will issue up to 444,341 thousand common shares by private placement, with a total issuance amount of up to \$17,773,641 thousand, to catch up on industry development trends and to meet the Company's future operating needs. The subscriber for these privately placed shares is China Mobile Limited's 100% indirect subsidiary incorporated in the ROC. On June 26, 2009, the Company's board of directors resolved to set the private placement price at NT\$40.00 per share. However, based on certain agreements, if the volume weighted-average price of the Company's common shares within 14 consecutive trading days before and on the date when China Mobile Limited or the Company sends the notice to the other party of the settlement date of the private placement falls below NT\$35.00 or exceeds NT\$50.00, the Company's board of directors has the authorization of the stockholders' meeting to discuss in good faith to set a new private placement price per share of the Company if the upward or downward adjustment (if any) is not NT\$5.00 higher than the Company's share par value. The private placement will proceed after obtaining the authorities' approval under relevant regulations.

To simplify the Company's investment structure, integrate investment resources and management, and control the subsidiaries in China, the board of directors of the Company passed a resolution on December 21, 2007 to acquire the shares of the existing offshore investment companies through subsidiaries and OUCC. The related proposal is as follows:

- a. Acquire 63 thousand shares of Far Eastern Apparel (Holding) Ltd. from Yuan Ding Investment Co., Ltd. for US\$34,513 thousand, with each share priced at US\$546.09;
- b. Acquire 487 thousand shares of F.E.D.P (Holding) Ltd. totaling US\$49,961 thousand from Yuan Tong Investment Co., Ltd., Far Eastern Polychem Industries Co., Ltd., and Far Eastern Polytex (Holding) Ltd., with each share priced at US\$102.65;
- c. Acquire 119 thousand shares of PET Far Eastern (Holding) Ltd. totaling US\$50,945 thousand from Ding Yuan International Investment Corp., Far Eastern Polychem Industries Co., Ltd., and affiliate OUCC, with each share priced at US\$426.60.

The above acquisitions and disposals are expected to be approved by the Investment Commission under the MOEA. After this approval, the share transfer procedures will be finalized. In addition, the actual transaction amount will be adjusted at the net value of the shares on the share transfer date.

The above equity-method investments in which the Company directly or indirectly had more than 50% equity or could exercise control over the investees were included in the Company's consolidated financial statements as of and for the years ended December 31, 2009 and 2008. The consolidated investees includes Yuan Ding Investment Co., Ltd., Far Eastern Resources Development Co., Ltd., Yuan Tong Investment Co., Ltd., Far Eastern Investment (Holding) Ltd. (F.E.I.H), F.E.P.I, Kai Yuan International Investment Co., Ltd., Oriental Petrochemical (Taiwan) Co., Ltd., Far Eastern Polytex (Holding) Ltd., Far Eastern Construction Co., Ltd., Ding Yuan International Investment Corp., PET Far Eastern (Holding) Ltd. (Pet F.E. (H)), An Ho Garment Co., Ltd. and Fu Kwok Garment Manufacturing Co., Ltd.

10. PROPERTIES

a.

	December 31	
	2009	2008
Cost	\$ 49,722,456	\$ 49,518,840
Appreciation		
Land	2,647,082	2,647,082
Buildings and equipment	198,966	200,448
Machinery and equipment	165,811	170,352
Furniture and miscellaneous equipment	<u>4,985</u>	<u>4,985</u>
	<u>3,016,844</u>	<u>3,022,867</u>
Total cost and appreciation	<u>52,739,300</u>	<u>52,541,707</u>
Accumulated depreciation		
Cost		
Buildings and equipment	3,441,302	3,368,976
Machinery and equipment	34,619,743	34,070,149
Furniture and miscellaneous equipment	<u>2,178,355</u>	<u>2,061,555</u>
	<u>40,239,400</u>	<u>39,500,680</u>
Appreciation		
Buildings and equipment	140,359	137,846
Machinery and equipment	165,648	170,175
Furniture and miscellaneous equipment	<u>4,985</u>	<u>4,985</u>
	<u>310,992</u>	<u>313,006</u>
Total accumulated depreciation	<u>40,550,392</u>	<u>39,813,686</u>
	12,188,908	12,728,021
Construction in progress	1,006,817	1,383,424
Prepayments for equipment	<u>165,639</u>	<u>173,994</u>
Net properties	<u>\$ 13,361,364</u>	<u>\$ 14,285,439</u>

Under government regulations, the Company revalued certain properties (excluding land) in 1983 and certain land (Note 11) in 1994. The resulting appreciation was accounted for as an increase in the carrying value of the properties and properties leased to others. A reserve for land value increment tax was also recognized, and the net appreciation was credited to unrealized appreciation under equity.

Depreciation expenses for properties were NT\$1,751,063 thousand and NT\$1,871,930 thousand in the years ended December 31, 2009 and 2008, respectively.

b. Capitalized interest on properties was as follows:

	2009	2008
Total interest expense	\$ 621,632	\$ 1,271,459
Interest capitalized (included in construction in progress)	21,725	54,439
Interest rate	1.08-1.93%	2.39-3%

11. NONOPERATING PROPERTIES, NET

	December 31, 2009					
	Cost	Appreciation (Note 10)	Accumulated Depreciation		Accumulated Impairment Loss	Carrying Amount
			Cost	Appreciation (Note 10)		
<u>Properties leased to others</u>						
Land	\$ 5,335	\$ 26,736	\$ -	\$ -	\$ -	\$ 32,071
Building and equipment	96,191	3,283	42,395	2,279	-	54,800
Machinery and equipment	41,756	229	41,635	229	-	121
Furniture and miscellaneous equipment	<u>8,770</u>	<u>959</u>	<u>8,473</u>	<u>959</u>	<u>-</u>	<u>297</u>
	<u>152,052</u>	<u>31,207</u>	<u>92,503</u>	<u>3,467</u>	<u>-</u>	<u>87,289</u>
<u>Idle properties</u>						
Land	938	38,378	-	-	-	39,316
Building and equipment	1,181,269	83,735	849,071	64,179	22,709	329,045
Machinery and equipment	6,945,047	5,167	6,453,241	5,167	249,599	242,207
Furniture and miscellaneous equipment	<u>74,864</u>	<u>1,485</u>	<u>74,311</u>	<u>1,485</u>	<u>553</u>	<u>-</u>
	<u>8,202,118</u>	<u>128,765</u>	<u>7,376,623</u>	<u>70,831</u>	<u>272,861</u>	<u>610,568</u>
	<u>\$ 8,354,170</u>	<u>\$ 159,972</u>	<u>\$ 7,469,126</u>	<u>\$ 74,298</u>	<u>\$ 272,861</u>	<u>\$ 697,857</u>
December 31, 2008						
	Cost	Appreciation (Note 10)	Accumulated Depreciation		Accumulated Impairment Loss	Carrying Amount
			Cost	Appreciation (Note 10)		
<u>Properties leased to others</u>						
Land	\$ 5,335	\$ 26,736	\$ -	\$ -	\$ -	\$ 32,071
Building and equipment	96,191	3,283	39,040	2,233	-	58,201
Machinery and equipment	41,756	229	41,603	229	-	153
Furniture and miscellaneous equipment	<u>8,760</u>	<u>959</u>	<u>8,364</u>	<u>959</u>	<u>-</u>	<u>396</u>
	<u>152,042</u>	<u>31,207</u>	<u>89,007</u>	<u>3,421</u>	<u>-</u>	<u>90,821</u>
<u>Idle properties</u>						
Land	938	38,378	-	-	-	39,316
Building and equipment	1,000,263	83,618	722,791	62,464	22,709	275,917
Machinery and equipment	6,140,905	6,639	5,750,543	6,639	119,776	270,586
Furniture and miscellaneous equipment	<u>54,675</u>	<u>1,485</u>	<u>54,511</u>	<u>1,485</u>	<u>164</u>	<u>-</u>
	<u>7,196,781</u>	<u>130,120</u>	<u>6,527,845</u>	<u>70,588</u>	<u>142,649</u>	<u>585,819</u>
	<u>\$ 7,348,823</u>	<u>\$ 161,327</u>	<u>\$ 6,616,852</u>	<u>\$ 74,009</u>	<u>\$ 142,649</u>	<u>\$ 676,640</u>

Depreciation on properties leased to others amounted to NT\$3,542 thousand in 2009 and NT\$2,843 thousand in 2008. Depreciation on idle properties amounted to NT\$123,353 thousand in 2009 and NT\$94,809 thousand in 2008.

12. FARMLAND

	December 31	
	2009	2008
Cost	\$ 232,121	\$ 232,121
Appreciation	<u>44,540</u>	<u>44,540</u>
Total cost and appreciation	<u>\$ 276,661</u>	<u>\$ 276,661</u>

The titles to the land are temporarily registered in the name of trustees who have either signed an agreement showing the farmlands belong to the Company or have pledged the land to the Company.

13. SHORT-TERM BANK LOANS

	<u>December 31</u>	
	2009	2008
Unsecured loans: Interest - 0.6794%-1.61% and the balance included US\$102,156 thousand in 2009; interest - 1.00%-5.23% and the balance included US\$103,843 thousand and EUR1,355 thousand in 2008.	\$ 3,290,431	\$ 6,051,847
Secured loans: Interest - 1.12%-1.23% and the balance included US\$4,099 thousand in 2009; interest - 1.78%-3.8013% and the balance included US\$6,005 thousand in 2008.	<u>132,030</u>	<u>556,956</u>
	<u>\$ 3,422,461</u>	<u>\$ 6,608,803</u>

14. LONG-TERM LIABILITIES

	Current	Long-term	Total
<u>December 31, 2009</u>			
Long-term debts:			
Bank loans	\$ 450,000	\$ 27,870,912	\$ 28,320,912
Commercial paper	<u>-</u>	<u>499,428</u>	<u>499,428</u>
	<u>450,000</u>	<u>28,370,340</u>	<u>28,820,340</u>
Bonds:			
Nonconvertible	<u>2,800,000</u>	<u>7,800,000</u>	<u>10,600,000</u>
Exchangeable bond	2,500,000	-	2,500,000
Discounted exchangeable bond	<u>(157,657)</u>	<u>-</u>	<u>(157,657)</u>
	<u>2,342,343</u>	<u>-</u>	<u>2,342,343</u>
	<u>5,142,343</u>	<u>7,800,000</u>	<u>12,942,343</u>
	<u>\$ 5,592,343</u>	<u>\$ 36,170,340</u>	<u>\$ 41,762,683</u>
<u>December 31, 2008</u>			
Long-term debts:			
Bank loans	\$ 377,320	\$ 27,720,000	\$ 28,097,320
Commercial paper	<u>-</u>	<u>2,098,170</u>	<u>2,098,170</u>
	<u>377,320</u>	<u>29,818,170</u>	<u>30,195,490</u>
Bonds:			
Nonconvertible	<u>1,500,000</u>	<u>7,600,000</u>	<u>9,100,000</u>
Exchangeable bond	-	2,500,000	2,500,000
Discounted exchangeable bond	<u>-</u>	<u>(215,988)</u>	<u>(215,988)</u>
	<u>-</u>	<u>2,284,012</u>	<u>2,284,012</u>
	<u>1,500,000</u>	<u>9,884,012</u>	<u>11,384,012</u>
	<u>\$ 1,877,320</u>	<u>\$ 39,702,182</u>	<u>\$ 41,579,502</u>

Bank Loans

Bank interest rates were 0.50%-1.53% in 2009 and 1.60% to 5.3819% in 2008. Both the principal and interest are repayable monthly. Principals are due and paid in September 2013.

On September 12, 2008, the Company reached a medium-term syndicated loan agreement with creditor banks led by Hua Nan Commercial Bank. The total loan agreement was NT\$5,700,000 thousand. Under this agreement, the Company should keep its current ratio, liability ratio, tangible asset-equity ratio and EBIT ratio within certain ranges. As of December 31, 2009 and 2008, the Company was in compliance with these ratio requirements.

Commercial Paper

Commercial paper with one-year maturities had floating interest rates ranging from 1.998%, as of December 31, 2009 and 1.473%-1.838%, as of December 31, 2008. Under a revolving credit agreement, a consortium of banks guaranteed the commercial paper to be reissued by the Company.

Bonds

FENC issued five-year nonconvertible bonds as follows:

- a. 69th tranche on January 28, 2003. These bonds have an aggregate face value of NT\$1,000,000 thousand, with each unit having a face value of NT\$1,000 thousand. They are repayable in lump sum on maturity, with composite interest calculated semiannually and paid annually. The Company has already redeemed the full amount in January 2008.
- b. 70th tranche on August 4 to 6, 2003. These bonds have an aggregate face value of NT\$2,000,000 thousand, with each unit having a face value of NT\$10,000 thousand. They are repayable in lump sum on maturity, with composite interest calculated and paid semiannually. The Company has already redeemed the full amount in August 2008.
- c. 71st tranche on October 22, 2003. These bonds have an aggregate face value of NT\$1,000,000 thousand, with each unit having a face value of NT\$10,000 thousand. They are repayable in lump sum on maturity, with composite interest calculated semiannually and paid annually. The Company has already redeemed the full amount in October 2008.
- d. 72nd tranche on August 13, 2004. The total face value of the bond is NT\$1,500,000 thousand, with each unit having a face value of NT\$10,000 thousand. These bonds are repayable in lump sum on maturity, with composite interest calculated quarterly and paid annually. The Company has already redeemed the full amount in August 2009.

In order to hedge the risks resulted from the interests of the 69th, 70th, 71st, 72nd secured convertible bonds, the Company engaged in interest rate swap contracts for the accrued bond interests and all secured convertible bonds had been redeemed.

The Company launched its first issuance of unsecured bonds of 2007 with an aggregate value of NT\$800,000 thousand and at par value of NT\$1,000 thousand for each on October 31, 2007. These three-year unsecured bonds will be paid off in lump sum on maturity and the simple interests will be calculated with 2.62% and paid annually.

The Company launched its second issuance of unsecured bonds of 2007 with an aggregate value of NT\$2,000,000 thousand and at par value of NT\$1,000 thousand for each on November 22, 2007. These three-year unsecured bonds will be paid off in lump sum on maturity and the simple interests will be calculated with 2.80% and paid annually.

The Company launched its first issuance of unsecured bonds of 2008 with an aggregate value of NT\$26,000,000 thousand and at par value of NT\$1,000 thousand for each on May 28, 2008. These three-year unsecured bonds will be paid off in lump sum on maturity and the simple interests will be calculated with 2.67% and paid annually.

The Company launched its second issuance of unsecured bonds of 2008 with an aggregate value of NT\$1,000,000 thousand and at par value of NT\$1,000 thousand for each on June 20, 2008. These five-year unsecured bonds will be respectively paid 30%, 30% and 40% of the aggregate value at the end of 3rd, 4th and 5th year and the simple interests will be calculated with 2.83% and paid annually.

The Company launched its third issuance of unsecured bonds of 2008 with an aggregate value of NT\$1,200,000 thousand and at par value of NT\$1,000 thousand for each on July 18, 2008. These five-year unsecured bonds will be respectively paid 30%, 30% and 40% of the aggregate value at the end of 3rd, 4th and 5th year and the simple interests will be calculated with 2.95% and paid annually.

On October 29, 2009, the Company made a first issuance of unsecured bonds of 2009 with par value of NT\$1,000 thousand and an aggregate value of NT\$3,000,000 thousand. These five-year unsecured bonds will be paid at 50% and 50% of their aggregate value at the end of the fourth and fifth years, respectively, of bond issuance, and simple interests will be calculated at 1.85% and paid annually.

Exchangeable Bonds

On September 14, 2007 the Company issued five-year unsecured exchangeable bonds amounting to NT\$2,500,000 thousand, with 0% coupon rate and maturity on September 14, 2012. The bond is repayable in lump sum on maturity at a 2.512% interest rate. Under the Statement of Financial Accounting Standards No. 36 - ("Financial Instruments: Disclosure and Presentation," the Company recognized the exchangeable call and put options and the liability on these bonds as separate assets (Note 5) and liabilities.

Other bond issuance terms are as follows:

a. Exchangeable period:

The bondholders can exchange their bonds for Asia Cement Corporation's (ACC) shares under the bond terms at any time between October 15, 2007, the day after the issuance date, and September 4, 2012, the 10th day before the maturity date, except during the period starting from (a) the third day before the ex-right date of stock dividend issuance, (b) the third day before the ex-right date of cash dividend issuance, (c) the third day before the ex-right date of new share issuance, or (d) the third day before the ex-right date of capital decrease, until the effective date of dividend or new share distribution or of capital decrease. In addition, bondholders cannot exchange bonds for ACC's shares in the period for which this exchange is prohibited by law.

b. Exchange price

- 1) The exchange price was NT\$57.88 per share on the issuance date.
- 2) The exchange price of the issued bonds will be adjusted in any one of these situations: (a) if the convertible securities issued by ACC are exchanged into common stock; (b) if the common shares issued by ACC increase because of new share issuance for cash, appropriation of stock dividends from retained earnings, transfer of stock dividends to common stock from additional paid-in capital, stock bonus of employees, new share issuance due to mergers, stock splits, issuance of overseas depositary receipts; etc.; (c) if securities with conversion rights or stock rights have a lower conversion or exercise price than the market price of ACC's stocks; (d) if the number of ACC's common shares decreases for reasons other than the write-off of treasury shares; or (e) if the ratio of cash dividends to the market value of the common stock is higher than 1.5%. The original exchange price of NT\$47.70 was unchanged as of December 31, 2009.

c. Call option:

If the closing price of ACC's shares on the Taiwan Stock Exchange for each of the 30 consecutive trading days is at least 150% of the exchange price between October 15, 2007, the 30th day after the ACC's share issuance date, and August 5, 2012, the 40th day before the maturity date of the exchangeable bond, the Company may redeem all the outstanding bonds at their principal amount within 30 trading days after this increase in closing price by sending to the bondholders a registered redemption notice, which is valid for one month from the date of the notice. However, if the bond principal amount is less than NT\$250,000 thousand, 10% of the principal amount) the Company may redeem the outstanding bonds at any time after this decrease by also using the registered redemption notice.

d. Put option:

Bondholders can require the Company to redeem their holdings at 100% of the principal amount at the end of 3rd year after the issuance date, which is September 14, 2010. The Company should redeem the bonds within five trading days after the bondholders' notifying the Company of their request for bond redemption. Bondholders could redeem their holdings within a year, so exchangeable bond has to be recognized as current maturities of long-term debt.

e. As of December 31, 2009, the amount of the outstanding exchangeable bonds, i.e., not yet exchanged into ACC's common shares, was still NT\$2,500,000 thousand.

15. STOCKHOLDERS' EQUITY

Under government regulations, capital surplus from equity-method investments cannot be used for any purpose. However, other capital surplus (e.g., paid-in capital in excess of par value and that arising from business combination and treasury stock transactions) may be used to offset a deficit or transferred to capital as a stock dividend within prescribed limits.

The Company's Articles of Incorporation provide that a portion of annual net income, less 10% legal reserve and any deficit, together with prior years' unappropriated earnings, may be retained on the basis of operating requirements, and the remainder should be distributed as follows:

	%
a. Dividends	60.0
b. Bonus for stockholders	33.0
c. Bonus for employees	4.0
d. Remuneration for directors and supervisors	<u>3.0</u>
	<u>100.0</u>

All appropriations are approved by the stockholders in the following year and given effect to in the financial statements of that year. The Company's dividend policy takes into account future capital expenditure outlays and cash requirements resulting from any changes in tax regulations. For financing these capital expenditures, a portion of the earnings may be retained. The remaining earnings may then be distributed as stock and cash dividends, and the cash dividends should be equal to or greater than 10% of the sum of both dividends and remuneration of stockholders.

For the years ended December 31, 2009 and 2008, the bonus to employees was NT\$300,732 thousand and NT\$196,557 thousand, respectively, and the remuneration to directors and supervisors was NT\$225,549 thousand and NT\$147,418 thousand, respectively. The bonus to employees and remuneration to directors and supervisors represented 4% and 3%, respectively, of expected distributed earnings (net of the bonus and remuneration). Material differences between such estimated amounts and the amounts proposed by the Board of Directors in the following year are adjusted for in the current year. If the actual amounts subsequently resolved by the stockholders differ from the proposed amounts, the differences are recorded in the year of stockholders' resolution as a change in accounting estimate. If a share bonus is resolved to be distributed to employees, the number of shares is determined by dividing the amount of the share bonus by the closing price (after considering the effect of cash and stock dividends) of the shares of the day immediately preceding the stockholders' meeting.

Under the Company Law, legal reserve should be appropriated until the reserve equals the Company's paid-in capital. This reserve may be used to offset a deficit. Also, when the reserve has reached 50% of the Company's paid-in capital, up to 50% thereof may be transferred to capital.

The appropriation and distribution of the 2008 and 2007 earnings were approved by the stockholders on June 26, 2009 and June 18, 2008, respectively.

	2008		2007	
	Appropriation and Distribution	Dividend Per Share (Dollars)	Appropriation and Distribution	Dividend Per Share (Dollars)
Legal reserve	\$ 405,825		\$ 1,135,123	
Cash dividend	3,655,963	\$ 0.8	8,064,624	\$ 1.8
Stock dividend	913,991	0.2	896,069	0.2
Remuneration of directors and supervisors	-		289,055	
Bonus of employees	-		385,406	
	<u>\$ 4,975,779</u>		<u>\$ 10,770,277</u>	

In the case described above, capital increase from stock dividend of NT\$913,991 thousand had been approved by Financial Supervisory Commission Executive Yuan on July 21, 2009. The effective date of this distribution is August 31, 2009 and was approved by the Company's board of directors and registered on October 19, 2009.

The bonus to employees of NT\$196,557 thousand and the remuneration to directors and supervisors of NT\$147,418 thousand for 2008 were approved in the stockholders' meeting on June 26, 2009. The approved amounts of the bonus to employees and the remuneration to directors and supervisors were the same. Total bonus to employees are paid by cash.

Information on the bonus of employees approved by stockholder's meeting can be accessed online through the Market Observation Post System on the Web site of the Taiwan Stock Exchange Corporation (<http://emops.tse.com.tw>).

16. INCOME TAX

Under pronouncement No. 9145839 issued by the Ministry of Finance, R.O.C. on Article 49 of the Financial Holding Company Act and Article 40 of the Business Mergers and Acquisitions Law (the "Law"), if a company carries out a merger/consolidation, division or acquisition in accordance with Articles 27 through 29 of this Law and the subsidiary's shares held by the Company are 90 percent or more of the total number of the subsidiary's issued shares, the company may opt, from after a year of acquiring the subsidiary's shares, to serve as taxpayer for both itself and the subsidiary (i.e., use the linked-tax system) and file a combined final business income tax return.

In 2005, the Company adopted the linked-tax system for tax filing with a subsidiary, Far Eastern Resources Development Co., Ltd. (FERD).

a. Income tax components:

	2009	2008
Income tax expense on income before income tax at statutory rate (25%)	\$ 2,033,927	\$ 1,153,616
Add (deduct) tax effects of:		
Tax-exempt income	(220,254)	(6,884)
Permanent differences	(2,116,933)	(1,535,342)
Temporary differences	241,517	388,610
10% tax on undistributed earnings generated since 1998	56,370	74,949
Additional tax effects on linked-tax system for filing with subsidiaries	62,037	62,777
Investment tax credit	<u>(56,664)</u>	<u>(131,209)</u>
Current income tax payable	<u>\$ -</u>	<u>\$ 6,517</u>
Income tax benefit components:		
Current income tax payable	\$ -	\$ 6,517
Effect of adoption of the linked-tax system for filing with subsidiaries	(62,037)	(62,777)
Income tax adjustment from previous year	1,088	48,820
Deferred income tax		
Income tax expense (benefit)	<u>107,960</u>	<u>-</u>
	<u>\$ 47,011</u>	<u>\$ (7,440)</u>

In May 2009, the Legislative Yuan passed the amendment of Article 5 of the Income Tax Law, which reduces a profit-seeking enterprise's income tax rate from 25% to 20%, effective 2010. The Company recalculated its deferred tax assets and liabilities in accordance with this amendment and recorded the resulting difference as a deferred income tax benefit or expense.

b. Deferred income taxes:

	December 31	
	2009	2008
Current		
Deferred tax assets		
Investment tax credit	\$ 139,600	\$ 3,555
Allowance for losses on inventories	64,034	200,769
Unrealized exchange loss	5,192	-
Unrealized loss on purchase contract	<u>-</u>	<u>7,853</u>
	208,826	212,177
Less: Valuation allowance	<u>110,788</u>	<u>-</u>
	98,038	212,177
Deferred tax liabilities		
Unrealized exchange gain	<u>-</u>	<u>(43,617)</u>
Deferred income tax assets - current, net	<u>\$ 98,038</u>	<u>\$ 168,560</u>

(Continued)

	December 31	
	2009	2008
Noncurrent		
Deferred tax assets		
Investment tax credits	\$ 174,678	\$ 203,027
Accrued pension cost	265,099	389,883
Equity in net loss of investees	89,151	264,123
Allowance for losses on properties	182,066	194,623
Realized losses on long-term investments	<u>39,797</u>	<u>49,746</u>
	750,791	1,101,402
Less: Valuation allowance	<u>393,918</u>	<u>707,091</u>
Deferred income tax assets - noncurrent, net	<u>\$ 356,873</u>	<u>\$ 394,311</u>

(Concluded)

c. Unused investment tax credits and loss carryforwards as of December 31, 2009:

Regulatory Basis of Investment Tax Credits	Investment Tax Credit Item	Deductible Amount	Remaining Deductible Amount	Expiry Year
Statute for Upgrading Industries	Automatic equipment	\$ 101,656	\$ 101,656	2010-2012
	Research development	202,964	202,964	2010-2012
	Personnel training	9,610	9,610	2010-2012
	Automatic technology	<u>48</u>	<u>48</u>	2010
		<u>\$ 314,278</u>	<u>\$ 314,278</u>	

The tax authorities had examined and cleared the income tax returns as of 2004.

d. Information on the Integrated Income Tax System:

	Year Ended Balance of Imputation Credit Account
December 31, 2009	<u>\$ 475,496</u>
December 31, 2008	<u>\$ 525,510</u>

The expected ratio of imputation tax credits to undistributed earnings as of December 31, 2009 and the actual ratio of imputation credits as of December 31, 2008 were 5.04% and 32.69%, respectively.

The tax credits will be accumulated until the date of dividend distribution. Upon dividend distribution, the ratio of the imputed tax credits to unappropriated earnings based on the prevailing imputation credit account (ICA) balance will be used by the Company for allocating tax credits to the respective companies' stockholders. The expected creditable ratio for the 2009 earnings may be adjusted, depending on the ICA balance on the date of dividend distribution.

e. Information on unappropriated earnings:

	<u>December 31</u>	
	<u>2009</u>	<u>2008</u>
Unappropriated earnings before and of 1997	\$ 236,793	\$ 236,793
Unappropriated earnings after 1998	<u>9,435,312</u>	<u>6,298,483</u>
	<u>\$ 9,672,105</u>	<u>\$ 6,535,276</u>

17. PERSONNEL, DEPRECIATION AND AMORTIZATION EXPENSES

	<u>2009</u>			<u>2008</u>		
	<u>Operating Cost</u>	<u>Operating Expense</u>	<u>Total</u>	<u>Operating Cost</u>	<u>Operating Expense</u>	<u>Total</u>
Personnel expense						
Salary	\$ 2,261,037	\$ 1,019,542	\$ 3,280,579	\$ 2,529,130	\$ 969,637	\$ 3,498,767
Labor and health insurance	170,658	52,940	223,598	184,782	50,920	235,702
Pension cost	252,916	71,044	323,960	140,336	53,019	193,355
Other	<u>89,984</u>	<u>272,188</u>	<u>362,172</u>	<u>106,865</u>	<u>234,097</u>	<u>340,962</u>
	<u>\$ 2,774,595</u>	<u>\$ 1,415,714</u>	<u>\$ 4,190,309</u>	<u>\$ 2,961,113</u>	<u>\$ 1,307,673</u>	<u>\$ 4,268,786</u>
Depreciation	<u>\$ 1,607,881</u>	<u>\$ 143,182</u>	<u>\$ 1,751,063</u>	<u>\$ 1,740,951</u>	<u>\$ 130,979</u>	<u>\$ 1,871,930</u>
Amortization	<u>\$ -</u>	<u>\$ 84,360</u>	<u>\$ 84,360</u>	<u>\$ 286</u>	<u>\$ 66,657</u>	<u>\$ 66,943</u>

18. EARNINGS PER SHARE

The numerators and denominators used in calculating earnings per share (EPS) were as follows:

	<u>New Taiwan Dollars</u>				
	<u>Amounts (Numerator)</u>		<u>Shares in Thousands (Denominator)</u>	<u>Earnings Per Share</u>	
	<u>Before Income Tax</u>	<u>After Income Tax</u>		<u>Before Income Tax</u>	<u>After Income Tax</u>
<u>2009</u>					
Basic EPS					
Income for the year	\$ 8,135,707	\$ 8,088,696	4,661,353	<u>\$ 1.75</u>	<u>\$ 1.74</u>
Add: Effect of dilutive potential common stock - bonus to employees	<u>-</u>	<u>-</u>	<u>7,518</u>		
Diluted EPS					
Income for the year attributable to common stockholders plus effect of potential dilutive common stock	<u>\$ 8,135,707</u>	<u>\$ 8,088,696</u>	<u>4,668,871</u>	<u>\$ 1.74</u>	<u>\$ 1.73</u>

(Continued)

	New Taiwan Dollars				
	<u>Amounts (Numerator)</u>			<u>Earnings Per Share</u>	
	Before Income Tax	After Income Tax	Shares in Thousands (Denominator)	Before Income Tax	After Income Tax
<u>2008</u>					
Basic EPS					
Income for the year	\$ 4,614,504	\$ 4,621,944	4,661,353	<u>\$ 0.99</u>	<u>\$ 0.99</u>
Add: Effect of dilutive potential common stock - bonus to employees	-	-	<u>9,546</u>		
Diluted EPS					
Income for the year attributable to common stockholders plus effect of potential dilutive common stock	<u>\$ 4,614,504</u>	<u>\$ 4,621,944</u>	<u>4,670,899</u>	<u>\$ 0.99</u>	<u>\$ 0.99</u>

(Concluded)

The Accounting Research and Development Foundation issued Interpretation 2007-052, which requires companies to recognize bonuses paid to employees, directors and supervisors as compensation expenses beginning January 1, 2008. These bonuses were previously recorded as appropriations from earnings. If the Company decides to settle the bonus to employees by cash or shares, the Company should presume that the entire amount of the bonus will be settled in shares, and if the shares have a potential dilutive effect, should include these shares in the weighted average number of shares outstanding used in the calculation of diluted EPS. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares should be included in the calculation of diluted EPS until the stockholders resolve the number of shares to be distributed to employees at their meeting in the following year.

The weighted average number of shares outstanding for EPS calculation has been retroactively adjusted for the issuance stock dividends. This adjustment caused the basic and diluted after income tax EPS for the year ended December 31, 2008 to decrease from NT\$1.01 to NT\$0.99.

19. PENSION PLAN

- a. Based on the Labor Pension Act, the rate of monthly contributions to the employees' individual pension fund accounts is at 6% of monthly wages and salaries. The pension costs under the defined contribution plan amounted to NT\$50,887 thousand and NT\$48,759 thousand in the years ended December 31, 2009 and 2008, respectively.
- b. The Company has a defined benefit pension plan for all regular employees, as required under the Labor Standards Law. Under this pension plan, employees can accumulate two base points for every service year within the first 15 service years and one base point for every service year thereafter. Employees can accumulate up to 45 base points. These companies accrue pension costs on the basis of actuarial calculations and make monthly contributions, at 4% of salaries and wages, to their respective pension funds, which are administered by their respective pension plan committees and deposited in each committee's name in the Bank of Taiwan. In addition, the Company paid pension expense of NT\$2,038 thousand in 2009.

Other information on the defined benefit pension plan was as follows:

a. Net pension cost consists of:

	2009	2008
Service cost	\$ 112,392	\$ 108,335
Interest cost	112,712	133,247
Expected return on pension assets	(128,438)	(204,237)
Amortization	<u>175,230</u>	<u>108,151</u>
Net pension cost	<u>\$ 271,896</u>	<u>\$ 145,496</u>

The net pension costs which the related parties in 2009 and 2008 were NT\$861 thousand and NT\$900 thousand, respectively.

b. Reconciliation of the fund status of the plan and accrued pension cost was as follows:

	December 31	
	2009	2008
Benefit obligation:		
Vested benefit obligation	\$ 2,232,105	\$ 2,219,204
Non-vested benefit obligation	<u>1,485,556</u>	<u>1,921,612</u>
Accumulated benefit obligation	3,717,661	4,140,816
Additional benefits based on future salaries	<u>852,431</u>	<u>984,231</u>
Projected benefit obligation	4,570,092	5,125,047
Fair value of plan assets	<u>(3,465,176)</u>	<u>(2,206,901)</u>
Funded status	1,104,916	2,918,146
Unrecognized net transition obligation	(244,356)	(366,537)
Unamortized balance in previous service costs	277,802	300,251
Unrecognized pension gains	(87,970)	(1,569,470)
Additional liability	<u>-</u>	<u>651,525</u>
Accrued pension cost	<u>\$ 1,050,392</u>	<u>\$ 1,933,915</u>
c. Vested benefit amounts	<u>\$ 2,921,130</u>	<u>\$ 2,946,852</u>

d. Actuarial assumptions were as follows:

Discount rate used in determining present value	2.25%	2.25%
Future salary increasing rate	2.00%	2.00%
Expected rate of return on plan assets	6.00%	6.00%

e. Changes in pension fund

Contributions	<u>\$ 503,894</u>	<u>\$ 131,195</u>
Payments	<u>\$ 507,167</u>	<u>\$ 167,033</u>

20. RELATED-PARTY TRANSACTIONS

Except for those mentioned above, the Company's related-party transactions and the related year-end balances are summarized in the accompanying Schedule A, B and C.

21. ASSETS PLEDGED OR MORTGAGED

The following assets had been pledged or mortgaged as collateral for the Company's short-term loans and long-term liabilities:

	<u>December 31</u>	
	<u>2009</u>	<u>2008</u>
Mutual funds and investments	\$ 1,007,247	\$ 845,003
Properties, net	5,462,101	5,041,881
Nonoperating properties, net	<u>56,204</u>	<u>59,180</u>
	<u>\$ 6,525,552</u>	<u>\$ 5,946,064</u>

22. COMMITMENTS AS OF DECEMBER 31, 2009

- a. Unused letters of credit aggregated about NT\$2,330,896 thousand.
- b. Unpaid building construction and equipment installation contracts aggregated approximately NT\$296,695 thousand.
- c. Unsettled cotton futures contract amounted to about NT\$705,310 thousand.
- d. Endorsements of promissory notes issued by affiliates or guarantees for liabilities of other affiliates: Schedule E (attached)
- e. The tax authorities of Taipei County imposed a land tax from 1999 to 2003 on the land in Banciao and penalized the Company with a triple fine, totaling NT\$252,442 thousand, because the authorities believed that this land, which FENC registered as a property for manufacturing purposes, was being used for general purposes instead and that FENC did not register the change in purpose of the land. The Company disagreed with the tax authorities' decision and applied for reexamination on December 27, 2004. However, after the reexamination, the tax authorities did not reverse their decision. Thus, the Company filed a lawsuit against the authorities on June 1, 2005. Though the result of this case is uncertain, the Company already accrued expense for this case in 2005. On January 18, 2006, the Company filed an appeal with the Taipei High Administrative Court and still lost the lawsuit. The Company appealed to the Supreme Administrative Court on January 3, 2007. The Supreme Administrative Court rejected this appeal on May 31, 2007. The Company applied for reexamination on July 13, 2007. On May 27, 2009, the supreme administrative court rejected the appeal, so the Company will be looking for another possibilities to win the suit. Nevertheless, the Company paid all its tax times on August 30, 2007.
- f. On December 29, 2005, the board of directors of Tai Ya International Telecommunications Co., Ltd. (TYIT) resolved to merge Mobitai communications Ltd. ("Mobitai") and TYIT as the survivor company, in accordance with Article 19 of the Business Mergers and Acquisitions Act and set January 1, 2006 as the record date of the merger. Under the resolution of TYIT's board, the Company received NT\$167,863 thousand from Mobitai in exchange for Mobitai's 11,469 thousand common shares (NT\$14.68 per share) held by the Company. The Company wrote off the investment in Mobitai and recognized a disposal gain of NT\$31,814 thousand. However, the Company regarded Mobitai's purchase price as too low and raised an objection to Mobitai. Afterwards, the Company filed a lawsuit against TYIT. As of March 4, 2009, the date of the accompanying accountants' report, the lawsuit was pending at the Taipei district court.

- g. Ming-Chiung Chang filed an incidental civil suit, which is in connection with a criminal case of forgery, against Ming-Chung Kuo and Hua-De Lin, Hung-Long Li and Yung-Gi Lai (the fiduciaries of Pacific Liu Tung Investment Co.). Chang claimed that he incurred financial losses because Kuo intentionally colluded with Hua-De Lin, Hung-Long Li and Yung-Gi Lai, with these three allegedly using their fiduciary roles to harm Chang's interests. Chang thus asked the Taiwan High Court to affirm that the "falsified" ownership of Pacific Liu Tung Investment controlled by the Company, Far Eastern Department Stores Ltd. and their subsidiaries never existed. In October 2009, Chang lost the suit and then appealed to the supreme court. As of March 5, 2010, the date of the accompanying auditors' report, this appeal is pending before the Supreme Court.

23. SUBSEQUENT EVENTS

The registered capital of Pacific Liu Tung Investment Corporation (PLT, an investee of the Company) was previously NT\$4,010,000 thousand, representing 401,000 thousand shares at a par value of NT\$10.00. On February 3, 2010, following a letter from the Taiwan High Prosecutors Office, the Ministry of Economic Affairs (MOEA) decided to nullify the registrations of several tranches of capital increases given to PLT, the registrations of amendments of Articles of Incorporation, the registrations of elected and appointed representatives of Board of Directors and Supervisors on November 13, 2002, May 1, 2003, August 8, 2005, August 3, 2006, June 6, 2007 and July 16, 2008. As a result, the capital amount of PLT reverted to the original NT\$10,000 thousand, representing 1 million common shares.

After consulting its legal counsel on the MOEA's decision, the Company was advised that the MOEA's nullification of the registration of capital increase and other relevant registrations did not change the Company's controlling interests in PLT. Any doubt about the Company's interests in PLT should be brought to the court and decided under a civil litigation process. Based on these legal opinions, the MOEA's decision has not invalidated the capital increases made by the Company and the Company's subsidiaries. Thus, the Company retains its economic control over PLT.

The combined percentage ownership of PLT held by the Company and its subsidiaries reached 39.68%. Based on the local GAAP, these holdings were recognized by the equity method.

On January 27, 2010, PLT filed an appeal with the Taiwan High Prosecutors Office and pleaded for the withdrawal of the notice letter and cessation of the enforcement. On February 10, 2010, PLT filed an appeal to the MOEA to withdraw the decision and pleaded for ceasing of the enforcement of such decision; on February 24, 2010, Far Eastern Department Stores Ltd. (FEDS), the parent company of PLT, also filed an appeal to MOEA to withdraw the decision and pleaded for ceasing of the enforcement of such decision. On February 10, 2010, FEDS filed a suit with the Taipei District Court to ensure the validity of FEDS's ownership of PLT.

The Company received the authority from Investment Commission, MOEA on December 25, 2009. In February 2010, the Company respectively acquired 42 thousand shares of PET Far Eastern (Holding) Ltd. from Ding Yuan International Investment Corp. (a subsidiary of the Company) and Oriental Union Chemical Corporation (the Company's related party) for each amount of NT\$659,422 thousand. The equity interest thus increased from 49.42% to 85.28%.

24. FINANCIAL INSTRUMENTS

a. The fair values of financial instruments were as follows:

	December 31			
	2009		2008	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Nonderivative financial instruments</u>				
Financial assets				
Cash	\$ 5,928,545	\$ 5,928,545	\$ 5,275,744	\$ 5,275,744
Notes receivable	505,389	505,389	426,799	426,799
Accounts receivable, net	6,214,196	6,214,196	6,712,735	6,712,735
Other receivables	428,701	428,701	414,997	414,997
Financial instruments in available-for-sale - noncurrent	722,890	722,890	-	-
Financial assets carried at cost - noncurrent	53,667	-	53,667	-
Refundable deposits (under "other assets - others")	50,637	50,637	60,357	60,357
Financial liabilities				
Short-term bank loans	3,422,461	3,422,461	6,608,803	6,608,803
Notes payable	1,871	1,871	1,767	1,767
Accounts payable	3,253,585	3,253,585	1,973,753	1,973,753
Accrued expense	2,578,141	2,578,141	2,176,594	2,176,594
Long-term loans (including current portion)	28,320,912	28,320,912	28,097,320	28,097,320
Long-term commercial paper	499,428	499,428	2,098,170	2,098,170
Bonds payable (including current portion)	12,942,343	13,126,717	11,384,012	11,455,991
Guarantee deposits received	615	615	615	615
<u>Derivative financial instruments</u>				
Cotton futures contracts	32,768	32,768	29,941	29,941
Exchangeable bonds collection right	9,000	9,000	49,500	49,500
Forward exchange contracts	11,460	11,460	(30,362)	(30,362)
Interest rate swap contracts	-	-	(7,656)	(7,656)
Exchangeable bonds exchange right	-	-	(30,500)	(30,500)
Exchangeable bonds redemption right	(20,750)	(20,750)	(42,000)	(42,000)

b. The methods and assumptions used for estimating the fair values of financial instruments were as follows:

- 1) Short-term instruments: The carrying values of short-term instruments reported in the balance sheet approximate the fair values of these instruments because of their short maturities.
- 2) If quoted market prices are available, these are used as fair values of derivative financial instruments. For those derivatives with no quoted market prices, their fair values are determined using valuation techniques incorporating estimates and assumptions consistent with those generally used by other market participants to price financial instruments.
- 3) The fair values of financial instruments in available-for-sale - noncurrent. The fair values of financial assets carried at cost - noncurrent cannot be reasonably measured since the quoted market prices are not available.

- 4) Fair values of long-term bank loans (including current portion) and long-term commercial paper are estimated using discounted cash flow analysis based on the Company's current incremental borrowing rates for borrowings with similar maturity dates. Fair values of bonds payable (including current portion) (traded over the counter) are based on market price.
- 5) The values of refundable deposits and guarantee deposits are based on their carrying values.
- c. The fair values of financial assets and financial liabilities, which were determined at their quoted prices in an active market or at estimated prices, were as follows:

	Quoted Price		Estimated Price	
	December 31		December 31	
	2009	2008	2009	2008
<u>Derivative financial instruments</u>				
Assets				
Deposit for cotton future contract				
- FENC	\$ 32,768	\$ 29,941	\$ -	\$ -
- FEIH	-	3,431	-	-
Exchangeable bonds collection right				
- FENC	-	-	9,000	49,500
Interest rate swap contracts				
- YDI	-	-	-	8,070
Forward exchange contract				
- FENC	11,460	-	-	-
Cross - currency swap contract				
- KG Telecom	-	-	2,750	-
Liabilities				
Forward exchange contract				
- FENC	-	(30,362)	-	-
- FEIH	-	(2,491)	-	-
Interest rate swap				
- FENC	-	-	-	(7,656)
Exchangeable bonds exchange right				
- FENC	-	-	-	(30,500)
Exchangeable bonds redemption right				
- FENC	-	-	(20,750)	(42,000)

- d. As of December 31, 2009 and 2008, financial assets with fair value risk from interest rate fluctuations amounted to NT\$1,620,163 thousand and NT\$4,928,414 thousand, respectively, while financial liabilities with fair value risk from interest rate fluctuations amounted to NT\$42,912,358 thousand and NT\$45,320,872 thousand, respectively. As of December 31, 2009 and 2008, financial assets with cash flow risk from interest rate fluctuations amounted to NT\$4,334,231 thousand and NT\$377,948 thousand, respectively, while financial liabilities with cash flow risk from interest rate fluctuations amounted to NT\$2,273,401 thousand and NT\$2,875,704 thousand, respectively.
- e. For the years ended December 31, 2009 and 2008, financial assets and liabilities not measured by fair value and at fair value with fair value changes in profit or loss, their interest revenues were NT\$16,019 thousand and NT\$177,137 thousand, respectively; interest expenses were NT\$599,907 thousand and NT\$1,217,020 thousand, respectively.

f. Financial risks

1) Market risk

Forward contracts and currency option contracts

The Company uses forward contracts and currency option contracts to hedge the effect of adverse exchange rate fluctuations on net assets or net liabilities.

The Company had no outstanding currency option contracts as of December 31, 2009 and 2008. As about the outstanding forward contracts of December 31, 2009 and 2008.

The forward exchange contracts of 2009 and 2008 not on maturity are referred to Note E. The subsidiary FEIH uses forward contracts to hedge the effect of adverse exchange rate fluctuations on liability evaluated by foreign currencies in 2009 and 2008.

In 2009, Wuhan Far Eastern New Material Ltd. and in 2008, Oriental Textile Industry Suzhou Ltd. (OTIZ), Far Eastern Industries (Shanghai) Ltd. (FEIS), Far Eastern Industries (Wuxi) Ltd. (FEIW), and Sino Belgium (Suzhou) Ltd. authorized FEIH to use certain derivative financial instruments to hedge against adverse fluctuations on exchange rates for foreign investments.

The subsidiary FEIH had no outstanding forward contracts as of December 31, 2009. The outstanding forward contract held by FEIH as of December 31, 2008 is summarized as follows:

Type of Derivative Instrument	Currency	Maturity	Contract Amount (Thousands)
<u>December 31, 2008</u>			
Sell	USD/CAD	2009.1.23-2009.2.25	USD2,000/CAD2,339

On its derivative financial transactions, a subsidiary, FEIH, had a net gain of NT\$14,892 thousand in 2009 and a net loss of NT\$54,054 thousand in 2008.

Two subsidiaries, Far Eastern Construction Corp. and Far Eastern General Contractor Inc., had forward exchange transactions in 2008 to hedge against foreign exchange risks on foreign currency-denominated assets. All of their forward exchange contracts had been settled as of the end of 2008.

Far Eastern Construction Corp, a subsidiary, had a net loss of NT\$13,334 thousand on its derivative financial instruments in 2008.

The subsidiary, Far Eastern General Contractor Inc. engaged in forward exchange transactions to hedge the foreign exchange risks resulted from the assets evaluated by foreign currencies in 2008. All forward exchange contracts had been fulfilled at the end of 2008.

A subsidiary, Far Eastern General Contractor Inc., had a net loss of NT\$7,789 thousand on its derivative financial instruments in 2008.

A subsidiary, Oriental Petrochemicals (Taiwan) Co., Ltd. used forward exchange transactions in 2009 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities. All forward exchange contracts had been settled as of the end of 2009.

A subsidiary, Oriental Petrochemicals (Taiwan) Co., Ltd. had a net loss of NT\$17,368 thousand on its derivative financial instruments.

A subsidiary, Far Eastern Fibertech Co., Ltd., had forward exchange transactions in 2009 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities. All forward exchange contracts had been settled as of the end of 2009.

A subsidiary, Far Eastern Fibertech Co., Ltd. had a net loss of NT\$1,691 thousand in 2009 on its derivative financial instruments.

A subsidiary, Yuan Tung Investment Corp., had forward exchange transactions in 2009 and 2008 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities. All forward exchange contracts had been settled as of the end of 2009 and of 2008.

A subsidiary, Yuan Tung Investment Corp., had net gains of NT\$371 thousand in 2009 and NT\$12,988 thousand in 2008 on its derivative financial instruments.

A subsidiary, Far Eastern Polytex (Holding) Limited, had forward exchange transactions in 2009 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities. All forward exchange contracts had been settled as of the end of 2009.

A subsidiary, Far Eastern Polytex (Holding) Limited, had a net gain of NT\$284 thousand on its derivative financial instruments in 2009.

Interest rate swap contracts

The Company used interest rate swap contracts to hedge fluctuations of interest rates of corporate bonds (69th, 70th, 71st and 72nd tranches). The Company has already redeemed the full amount of corporate bonds 69th, 70th, 71st and 72nd tranches before December 31, 2009.

YDI entered into interest rate swap contracts to hedge interest rate fluctuations of corporate bonds - ninth issue. YDI used interest rate swap contracts to hedge the risks on its obligations with floating interest rates and the contracts are settled at net amounts. Thus, the market risk is not material. YDI has already redeemed the full amount of corporate bonds - ninth before December 31, 2009.

Far EasTone entered into interest rate swap contracts to hedge the effect of interest rate fluctuations on its obligations with floating interest rates. The contracts are settled at net amounts. Therefore, the market risk is not material.

Cross-currency swap contracts

The subsidiary, KG Telecommunications Co., Ltd. used cross-currency swap contracts to hedge against the effect of exchange rate fluctuations in 2009. The gains or losses on the changes in fair values on these contracts will offset the results of the exchange rate fluctuations of the hedged items. Thus, market risk is expected to be immaterial.

Others

Fair values of mutual funds and domestic quoted stocks held by YDI, Yuan Tong Investment Co., Ltd., Far Eastern Construction Co., Ltd., Far Eastern General Contractor Inc., Far EasTone Telecom Co., Ltd., KG Telecom Co., Ltd. and ARCOA are determined at their quoted prices in an active market; thus, market price fluctuations would result in changes in the fair values of these investments. However, since these subsidiaries periodically evaluate the performance of these investments, market risk is expected to be immaterial.

2) Credit risk

The Company and its subsidiaries are exposed to credit risk, i.e., counter-parties' default on contracts. And these financial instruments are evaluated on the basis of fair value under the contract as of December 31, 2009.

The Company conducts transactions only with selected financial institutions and corporations with good credit ratings. Thus, management does not anticipate any material losses resulting from default on contracts.

3) Liquidity risk

The exchange rates of forward exchange contracts and currency option contracts, interest of interest rate swap contracts and prices of cotton futures contracts are fixed and certain. In addition, the Company has sufficient operating capital to meet cash flow requirements. Thus, the Company does not have liquidity risk. However, financial assets measured at cost and equity-method investments have no active market; thus, material liquidity risk on these assets and investments is anticipated.

The subsidiary, Yuan Tong Investment Co., Ltd. invested the convertible bond issued by Bockhold N.V. in February 26, 2009. The amount on this liability contract was recognized as Investment on inactive market - Bond and the value of the conversion right was recognized as financial assets carried at cost because of the inactive market. Thus, material liquidity risk on this investment is expected.

The subsidiaries, YDI, Yuan Tong Investment Co., Ltd., Far Eastern Apparel Co., Ltd., Far Eastern General Contractor Inc., Far EasTone Telecom Co., Ltd., KG Telecom and ARCOA invested in the active markets such as listed company, bonds, and open-ended mutual funds in 2009 and in 2008 and we expect that those financial assets can be sold immediately at the price close to the fair values. However, the private fund KG Telecom Co., Ltd. invested in was a inactive market, these investments were expected to have material liquidity risks. ARCOA's investments on the markets such as bonds and equity instruments were considered to be inactive, so the investments were also expected to have material liquidity risks.

Two subsidiaries, YDI and Kai-Yuan Investment Co., Ltd. participated in the private placement of shares provided by Far Eastern International Commercial Bank. According to Article 43-8 of the Security and Exchange Law, the holding period and trading volume of this investment is restricted; thus, the Company believed this investment had material liquidity risks.

A subsidiary, KG Telecom, used cross-currency swap contracts, which resulted in simultaneous cash inflows and outflows that balanced each other in 2009; thus, cash demand was not significant.

4) Cash-flow risk from interest rate fluctuations

Far EasTone Telecom Co., Ltd. and its subsidiaries have partial short-term liabilities with floating interest rates. As a result, the effective interest rates on these loan will change as the market interest rates change.

g. Cash flow hedge

The Company's 69th, 70th, 71st and 72nd tranches of secured non-convertible bonds and YDI's 9th tranche of secured non-convertible bond and the liability of Far EasTone Telecom Co., Ltd. may cause material cash flow risks due to the fluctuations of its floating interest rate, therefore these companies engaged in interest rate swap to hedge the risks.

The Company's 69th, 70th, 71st and 72nd tranches of secured non-convertible bonds and YDI's 9th tranche of secured non-convertible bond has already redeemed the full amount of bonds before December 31, 2009.

KG Telecommunications Co., Ltd. used cross-currency swaps to hedge against cash flow fluctuation on its assets.

Hedged Items	Instruments	Designated Hedging Instruments		Expected Period of Cash Flows	Expected Period for Realization of Gains or Losses
		Fair Value			
		2009	2008		
Bonds with floating interest rate	Interest rate swap				
	- FENC	\$ -	\$ (7,656)	2003-2009	2003-2009
	- YDI	-	8,070	2005-2009	2005-2009
Foreign-currency denominated assets	Cross-currency swap - KG Telecom	2,750	-	2010	2010

25. ADDITIONAL DISCLOSURES

a. Important transactions and b. Reinvestment information.

- 1) Financing provided: Schedule D (attached)
- 2) Endorsement/guarantee provided: Schedule E (attached)
- 3) Marketable securities held: Schedule F (attached)
- 4) Marketable securities acquired of or disposed of at costs or prices of at least NT\$100 million or 20% of the paid-in capital: Schedule G (attached)
- 5) Acquisition of individual real states at costs of at least NT\$100 million or 20% of the paid-in capital: Schedule H (attached)
- 6) Disposal of individual real states at prices of at least NT\$100 million or 20% of the paid-in capital: Schedule I (attached)
- 7) Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: Schedule J (attached)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Schedule K (attached)
- 9) Names, locations, and related information of investees over which the Company exercises significant influence: Schedule L (attached)
- 10) Derivative transactions of investees over which the Company has a controlling interest: See Note 24.

c. Investments in Mainland China

- 1) Name of the investees in Mainland China, main businesses and products, paid-in capital, method of investment, information on inflow or outflow of capital, percentage of ownership, investment income or loss, ending balance of investment, dividends remitted by the investee, and the limit of investment in Mainland China: Schedules M and M-1 (attached)

- 2) Significant direct or indirect transactions with the investees, prices and terms of payment, unrealized gain or loss: Note 20, Schedules J and K (attached)
- 3) Endorsements, guarantees or collateral directly or indirectly provided to the investees: Schedule E
- 4) Financings directly or indirectly provided to the investees: Schedule D
- 5) Other transactions that significantly impacted current year's profit or loss or financial position: None

26. SEGMENT INFORMATION

a. Industry segment information

Summarized segment information is shown in Schedule N.

b. Geographic information

The Company had no revenue-generating unit outside Taiwan as of December 31, 2009.

c. Export sales

Territory	2009	2008
Asia	\$ 13,066,083	\$ 15,672,363
America	11,109,316	13,922,748
Europe	4,329,947	5,473,177
Other	<u>2,332,115</u>	<u>1,692,252</u>
	<u>\$ 30,837,461</u>	<u>\$ 36,760,540</u>

d. Major customers

No single customer accounted for at least 10% of the Company's revenues in 2009 and 2008.

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

RELATED-PARTIES
DECEMBER 31, 2009

No.	Related Party	Relationship with Far Eastern New Century Corporation (the "Company")
1	Yuan Ding Investment Co., Ltd.	a
2	Far Eastern Resources Development Co., Ltd.	a
3	An Ho Garment Co., Ltd.	a
4	Far Eastern Apparel Co., Ltd.	a
5	Yuan Cheng Human Resources Consultant Corp.	a
6	Far Eastern Construction Co., Ltd.	a
7	Far Eastern General Contractor Inc.	a
8	Far Eastern Electronic Toll Collection Co., Ltd.	a
9	Fu Kwok Garment Manufacturing Co., Ltd.	a
10	Oriental Resources Development Ltd.	a
11	Pet Far Eastern (M) Sdn. Bhd.	a
12	F.E.D.P. (Holding) Ltd. (F.E.D.P. (H))	a
13	Far Eastern New Century (China) Investment Ltd.	a
14	FETG Investment Antilles N.V. (F.E.T.G)	a
15	Ming Ding Co.	a
16	Oriental Industries (Suzhou) Ltd.	a
17	Far Eastern Industries (Jiujiang) Ltd. (had been liquidated in December 2009)	a
18	Sino Belgium (Suzhou) Limited	a
19	Oriental Petrochemical (Shanghai) Corp.	a
20	Far Eastern Industries (Shanghai) Ltd.	a
21	Far Eastern Polychem Industries Co., Ltd. (F.E.P.I.)	a
22	Far Eastern Industries (Suzhou) Ltd.	a
23	Shanghai Yuan Hua Logistic Corporation	a
24	Shanghai Far Eastern IT Corp.	a
25	Suzhou An He Apparel Ltd.	a
26	Wuhan Far Eastern New Material Ltd.	a
27	Waldorf Services B.V.	a
28	Yuan Cing Co., Ltd.	a
29	E. World (Holdings) Ltd.	a
30	Far Eastern Info Service (Holding) Ltd.	a
31	Oriental Textile (Holding) Ltd. (O.T (H))	a
32	Far Eastern Apparel (Suzhou) Ltd.	a
33	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	a
34	Far Eastern Industries (Wuxi) Ltd.	a
35	Far EasTone Telecommunications Co., Ltd.	a
36	Arcoa Communication Co., Ltd. (ARCOA)	a
37	Far Eastern Tech-Info (Shanghai) Ltd.	a
38	KGEx.com Co., Ltd.	a
39	ADCast Interactive Marketing Co., Ltd	a

(Continued)

No.	Related Party	Relationship with Far Eastern New Century Corporation (the "Company")
40	Far EasTron Holding Ltd.	a
41	Q-Ware Communication Corp.	a
42	KG Telecommunications Co., Ltd.	a
43	Yuan Cing Infocomm Tech Co., Ltd.	a
44	Yuan Tong Investment Co., Ltd.	a
45	Kai Yuan International Investment Co., Ltd.	a
46	Ding Yuan International Investment Corp.	a
47	Far Eastern Polytex (Holding) Limited	a
48	Far Eastern Investment (Holding) Ltd. (F.E.I.H.)	a
49	Far Eastern Fibertech Co., Ltd.	a
50	Oriental Petrochemical (Taiwan) Co., Ltd.	a
51	Far Eastern Apparel (Vietnam) Ltd.	a
52	Yuan Faun Ltd.	a
53	Far Eastern Apparel (Holding) Ltd. (F.E.A.H)	a
54	Sino Belgium (Holding) Limited	a
55	PET Far Eastern (Holding) Ltd. (Pet F.E (H))	a
56	Martens Beers Trading (Shanghai) Co.	a
57	Oriental Securities Co., Ltd.	b
58	Yuang Ding Company Ltd.	b
59	Everest Textile Co., Ltd.	b
60	Pacific Liu Tung Investment Co.	b
61	New Century InfoComm Tech Co., Ltd.	b and c
62	Asia Cement Corporation	b and c
63	Far Eastern Department Stores, Ltd.	b and c
64	Ding Ding Hotel Co., Ltd.	b and c
65	Oriental Union Chemical Corporation	b and c
66	Chiahui Power Corporation	c
67	Ding Ding Integrated Marketing Service Co., Ltd.	c
68	Tranquil Enterprise Co., Ltd.	c
69	Yuan Ze University	c
70	Oriental Institute of Technology	c
71	Far Eastern Memorial Hospital	c
72	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	c
73	U-Ming Marine Transport Corporation	c
74	Asia Concrete Corporation	d
75	Fu Ming Transportation Co., Ltd.	d
76	Pacific SOGO Department Stores Co., Ltd.	e
77	Liquid Air Far East Co., Ltd.	f
78	Malaysia Garment Manufactures PTE Ltd.	f
79	Freudenberg Far Eastern Spunweb Co., Ltd.	f
80	Yue Ding Industry Co., Ltd.	f
81	Far Eastern International Leasing Co.	f
82	Da Ju Fiber Co., Ltd.	f
83	The Affiliated Golf Club of Employees Welfare Committee of Far Eastern New Century Corporation	g
84	Employees Welfare Committee of Far Eastern New Century Corporation	g
85	Everest Textile (Shanghai) Ltd.	h

(Continued)

No.	Related Party	Relationship with Far Eastern New Century Corporation (the "Company")
86	Everest Investment (Holding) Ltd.	h
87	FuDa Transport Co., Ltd.	i
88	Far Eastern International Commercial Bank	j
89	Far Eastern Grant Co., Ltd.	k
90	Ya Tung Department Store	k
91	FECS City Super	k
92	Yu Chang Vocational School	l
93	Wellcome Investment Co.	l
94	TECO Electric & Machinery Co., Ltd.	m
95	Ding Ding Management Consulting Ltd.	n
96	Deutsche Far Eastern Asset Management Co., Ltd.	n

Note:

- a. Subsidiary.
- b. Investee accounted for by equity method; with shares held less than 50%.
- c. Same chairman or general manager.
- d. Equity-method investee of Asia Cement Corporation.
- e. The subsidiaries of Pacific Liu Tung Investment Co., Ltd.
- f. Equity-method investee of subsidiary.
- g. The chairman of the organization is FENC's senior manager.
- h. Subsidiary of Everest Textile Co., Ltd.
- i. Subsidiary of U-Ming Marine Transport Corporation.
- j. The vice-chairman is the chairman of FENC.
- k. The subsidiary of Far Eastern Department Stores Ltd.
- l. The chairman is the chairman's relative of the company.
- m. The institutional director of Far Eastern Electronic Toll Collection Co., Ltd.
- n. The chairman is the vice president of FENC.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

RELATED-PARTY TRANSACTIONS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars)

	Notes	2009		2008	
		Amount	%	Amount	%
Sales					
Freudenberg Fat Eastern Spunweb Co., Ltd.		\$ 288,165	1	\$ 360,989	1
Everest Textile Co., Ltd.		192,959	-	326,786	-
Others	b.	<u>288,013</u>	<u>1</u>	<u>391,372</u>	<u>1</u>
		<u>\$ 769,137</u>	<u>2</u>	<u>\$ 1,079,147</u>	<u>2</u>
Cost of goods sold and expenses					
Purchases					
Oriental Petrochemical (Taiwan) Co., Ltd.		\$ 8,250,881	29	\$ 8,289,025	25
Oriental Union Chemical Corp.		931,735	3	2,199,195	6
Others	b.	<u>385,333</u>	<u>2</u>	<u>252,372</u>	<u>1</u>
		<u>\$ 9,567,949</u>	<u>34</u>	<u>\$ 10,740,592</u>	<u>32</u>
Manufacturing overhead - processing					
Far Eastern Apparel (Suzhou) Ltd.		\$ 910,245	53	\$ 596,316	32
Far Eastern Apparel (Vietnam) Ltd.		161,386	9	111,422	6
Others	b.	<u>-</u>	<u>-</u>	<u>7,680</u>	<u>-</u>
		<u>\$ 1,071,631</u>	<u>62</u>	<u>\$ 715,418</u>	<u>38</u>
Computer processing expenses					
Ding Ding Management Consulting Ltd.		\$ 43,593	44	\$ 43,580	39
Others	b.	<u>85</u>	<u>-</u>	<u>50</u>	<u>-</u>
		<u>\$ 43,678</u>	<u>44</u>	<u>\$ 43,630</u>	<u>39</u>
Rent expense					
Yuan Ding Co., Ltd.	f.	\$ 156,589	72	\$ 156,294	72
Far Eastern Resources Development Co., Ltd.	f.	31,231	15	31,407	14
Others	b.	<u>16,212</u>	<u>7</u>	<u>15,602</u>	<u>7</u>
		<u>\$ 204,032</u>	<u>94</u>	<u>\$ 203,303</u>	<u>93</u>

(Continued)

	Notes	2009		2008	
		Amount	%	Amount	%
Nonoperating revenue					
Rent revenue					
Yuan Ze University	e.	\$ 4,132	36	\$ 4,653	41
Far EasTone Telecommunications Co., Ltd.	e.	3,275	29	3,250	29
Fu-Ming Transportation Co., Ltd.	e.	2,125	19	2,124	19
Oriental Resources Development Ltd.	e.	1,564	14	1,200	11
Others	b.	<u>246</u>	<u>1</u>	<u>-</u>	<u>-</u>
		<u>\$ 11,342</u>	<u>99</u>	<u>\$ 11,227</u>	<u>100</u>
Other revenue - endorsement guarantee revenue					
Yuan Ding Investment Co., Ltd.		\$ 12,793	8	\$ 13,001	6
Pacific Liu Tung Investment Co., Ltd.		<u>918</u>	<u>1</u>	<u>1,123</u>	<u>-</u>
		<u>\$ 13,711</u>	<u>9</u>	<u>\$ 14,124</u>	<u>6</u>
Other revenue - commission revenue					
Fu Kwork Garment Manufacturing		<u>\$ 29,739</u>	<u>19</u>	<u>\$ 30,554</u>	<u>13</u>
Nonoperating expense					
Other expense					
Others	b. 、 d.	<u>\$ 18,983</u>	<u>4</u>	<u>\$ 22,942</u>	<u>3</u>
Endorsement/guarantee expense					
Far Eastern Resources Development Co., Ltd.		23,037	5	40,936	5
Yuan Ding Investment Co., Ltd.		<u>-</u>	<u>-</u>	<u>4,667</u>	<u>1</u>
		<u>23,037</u>	<u>5</u>	<u>45,603</u>	<u>6</u>
		<u>\$ 42,020</u>	<u>15</u>	<u>\$ 68,545</u>	<u>9</u>

Note:

- For the relationships between FENC and subsidiaries, please refer to schedule A.
- The transaction amount between related-parties was not over 5% of the total amount of the account.
- The terms of FENC's sales to and purchases from the related parties were the same as those for third parties.
- FENC donated NT\$2,773 thousand and NT\$1,736 thousand to Yuan Ze University in 2009 and 2008, respectively; FENC also donated NT\$729 thousand to Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation in 2009.
- FENC leased the lands, factories and equipment in Sinpu, Neili and Hukou to Yuan Ze University, Far EasTone Communication Co., Ltd., Fu-Ming Transportation Co., Ltd. and Oriental Resources Development Co., Ltd. and the rental revenues were collected monthly or quarterly. All details of the lease contracts were agreed by the renter and the tenants.

f. FENC rented the office buildings and factories from Yuan Ding Co. and Far Eastern Resources Development Co., Ltd. and the rent expenses were paid monthly or quarterly. All details of the lease contracts were agreed by the renters and the tenant.

g. The compensation information of director, supervisors and executives:

	2009	2008
Salary and bonus (employees' bonus were included)	\$ 96,841	\$ 98,711
Remunerations of directors and supervisors	225,549	147,418
Operation fees - directors and supervisors	<u>2,736</u>	<u>2,880</u>
	<u>\$ 325,126</u>	<u>\$ 249,009</u>

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

RELATED-PARTY TRANSACTIONS
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars)

	Notes	December 31			
		2009		2008	
		Amount	%	Amount	%
Notes receivable					
Everest Textile Co., Ltd.		\$ 21,792	4	\$ 11,703	3
Others	b.	<u>2,913</u>	<u>1</u>	<u>3,843</u>	<u>1</u>
		<u>\$ 24,705</u>	<u>5</u>	<u>\$ 15,546</u>	<u>4</u>
Accounts receivable					
Freudenberg Far Eastern Spunweb Co., Ltd.		\$ 80,580	1	\$ 53,890	1
Far Eastern Industries (Shanghai) Ltd.		28,932	1	-	-
Pet Far Eastern (M) Sdn. Bhd.		27,792	-	33,007	1
Far Eastern Apparel (SuZhou) Ltd.		26,778	-	68,722	1
Others	b.	<u>38,319</u>	<u>1</u>	<u>17,475</u>	<u>-</u>
		<u>\$ 202,401</u>	<u>3</u>	<u>\$ 173,094</u>	<u>3</u>
Other receivables					
Far Eastern Resources Development Co., Ltd.		\$ 64,209	13	\$ 68,029	14
Pet Far Eastern (M) Sdn. Bhd.		32,208	7	-	-
Fu Kwork Garment Manufacturing Co., Ltd.		24,118	5	17,875	4
Others	b.	<u>106,943</u>	<u>22</u>	<u>58,792</u>	<u>13</u>
		<u>\$ 227,478</u>	<u>47</u>	<u>\$ 144,696</u>	<u>31</u>
Prepayments (included in prepaid expense)					
Far Eastern Apparel (SuZhou) Ltd.		<u>\$ 379,504</u>	<u>80</u>	<u>\$ 107,377</u>	<u>44</u>
Refundable deposits (included in other assets - miscellaneous)					
Yuan Ding Co., Ltd.		\$ 33,251	66	\$ 33,251	55
Da Ju Fiber Co., Ltd.		8,000	15	8,000	13
Far Eastern Apparel Co., Ltd.		-	-	4,269	7
The Affiliated Golf Club of Employees Welfare Committee of Far Eastern Textile Co., Ltd.		-	-	3,000	5
Others	b.	<u>368</u>	<u>1</u>	<u>368</u>	<u>1</u>
		<u>\$ 41,619</u>	<u>82</u>	<u>\$ 48,888</u>	<u>81</u>

(Continued)

	Notes	December 31			
		2009		2008	
		Amount	%	Amount	%
Accounts payable					
		\$ 572,155	18	\$ 19,575	1
		94,962	3	56,774	3
		-	-	28,880	2
		<u>36,062</u>	<u>1</u>	<u>5,638</u>	<u>-</u>
	b.	<u>\$ 703,179</u>	<u>22</u>	<u>\$ 110,867</u>	<u>6</u>
Accrued expense					
		\$ 73,092	3	\$ 8,359	-
		38,722	2	29,540	1
		249	-	20,136	1
	b.	<u>28,386</u>	<u>1</u>	<u>22,896</u>	<u>2</u>
		<u>\$ 140,449</u>	<u>6</u>	<u>\$ 80,931</u>	<u>4</u>
Deferred income					
Sale of securities					
	c.	\$ 35,445	67	\$ 35,445	67
	d.	2,579	5	2,579	5
Sale of land					
	e.	<u>14,749</u>	<u>28</u>	<u>14,749</u>	<u>28</u>
		<u>\$ 52,773</u>	<u>100</u>	<u>\$ 52,773</u>	<u>100</u>

Financing to affiliates (included in other receivables):

	Year Ended December 31, 2008			
	Highest Outstanding Balance	Balance on December 31, 2008	Interest Rate (%)	Interest Revenue
Far Eastern Polychem Industries Co., Ltd. (F.E.P.I.)	\$ 1,429,780	\$ -	2.94%-3.07%	\$ 39,920
Oriental Textile (Holding) Ltd. (O.T.(H))	486,630	-	2.94%-3.07%	<u>11,996</u>
		<u>\$ -</u>		<u>\$ 51,916</u>

Note:

- For the relationships between FENC and subsidiaries, please refer to schedule A.
- The transaction amount between related-parties was not over 5% of the total amount of the account.
- In 1994, the Company sold the following shares to Yuan Ding Investment Co., Ltd. and recognized deferred incomes on these sales: Yu Yuan Investment Co., Ltd. shares for NT\$30,256 thousand; Nan Shan Life Insurance Co., Ltd. shares for NT\$216 thousand; and Hantech Venture Capital Co., Ltd., shares for NT\$4,973 thousand.

(Continued)

- d. The deferred income was made by selling the stocks of Oriental Petrochemical (Taiwan) Co., Ltd. to Yue Ding Industry Co., Ltd. in March 2008.
- e. The deferred income was from the sale of land in the Hsin-Ya Section of Banchiao to Far Eastern Construction Co., Ltd. in 1988.
- f. The machinery and equipment were sold to Pet Far Eastern (M) Sdn. Bhd., Far Eastern Fibertech Co., Ltd. and Oriental Resources Development Ltd. at NT\$52,517 thousand, NT\$171 thousand and NT\$18 thousand in 2009. The machinery and equipment were sold to Oriental Resources Development Ltd. and Pet Far Eastern (M) Sdn. Bhd. at NT\$22,218 thousand and NT\$ 468 thousand in 2008.
- g. FENC bought the machinery and equipment from Ding Ding Management Consultants Co., Ltd. at NT\$1,750 thousand in 2009 and NT\$1,289 thousand in 2008.
- h. The terms of sales to and purchases from the related parties were the same as those for third parties.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

FINANCING PROVIDED
YEAR ENDED DECEMBER 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Financier	Counter-party	Financial Statement Account	Highest Balance for the Period	Ending Balance	Interest Rate (%)	Nature of Financing (Note A)	Transaction Amount	Reason for the Financing	Allowance for Doubtful Accounts	Collateral		Amount of Individual Company's Financial Limits	Amount of Financing Company's Financial Limits
										Item	Value		
Yuan Ding Investment Co., Ltd.	An Ho Garment Co., Ltd.	Receivables from related parties	\$ 16,000	\$ -	2.13%-2.69%	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,831,628 (Note B)	\$ 18,316,280 (Note E)
	Da Ju Fiber Co., Ltd.	"	277,000	-	2.13%-2.69%	2	-	For revolving fund	-	Promissory note	-	1,831,628 (Note B)	18,316,280 (Note E)
	Oriental Textile (Holding) Ltd.	"	868,571	-	2.69%	2	-	For revolving fund	-	Promissory note	-	1,831,628 (Note B)	18,316,280 (Note E)
	Yue Ding Industry Co., Ltd.	"	160,000	-	1.53%-2.69%	2	-	For revolving fund	-	Promissory note	-	1,831,628 (Note B)	18,316,280 (Note E)
	Yuan Tong Investment Co., Ltd.	"	226,000	-	1.53%-1.67%	2	-	For revolving fund	-	Promissory note	-	1,831,628 (Note B)	18,316,280 (Note E)
Far Eastern Investment (Holding) Ltd.	Waldorf Services B.V.	Receivables from affiliates	US\$ 800	US\$ 800	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Far Eastern Polytex (Holding) Ltd.	"	US\$ 12,000	US\$ 12,000	2.11%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Flying Dutchman Ltd.	Other receivables	US\$ 1,936	US\$ 1,936	0%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	F.E.T.G. Investment Antilles N.V.	Receivables from affiliates	US\$ 11,397	US\$ 6,292	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Oriental Textile (Holding) Ltd.	"	US\$ 30,400	US\$ 23,400	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Pet Far Eastern (Holding) Ltd.	"	US\$ 20,000	US\$ 2,666	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Malaysia Garment	"	US\$ 3,786	US\$ 3,786	0%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	PET Far Eastern (M) Sdn. Bhd.	"	US\$ 5,739	MYR 19,206	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Far Eastern Polychem Industries Co., Ltd.	"	US\$ 50,000	US\$ 50,000	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
	Far Eastern Apparel (Vietnam) Ltd.	"	US\$ 2,500	US\$ 2,500	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	23,127,797 (Note G)
Ding Yuan International Investment Co., Ltd.	An Ho Garment Co., Ltd.	Receivables from related parties	100,000	-	1.03%-2.12%	2	-	For revolving fund	-	Promissory note	-	121,198 (Note B)	1,211,984 (Note E)
	Yuan Tong Investment Co., Ltd.	"	90,000	90,000	1.56%	2	-	For revolving fund	-	Promissory note	-	121,198 (Note B)	1,211,984 (Note E)
Far Eastern Polychem Industries Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	Receivables from affiliates	US\$ 69,000	US\$ 69,000	0%	1	HK\$ 1,747,476	-	-	Promissory note	-	46,255,594 (Note H)	46,255,594 (Note H)
	Far Eastern Industries (Suzhou) Ltd.	"	US\$ 10,000	US\$ 10,000	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Waving and Dyeing (Suzhou) Ltd.	Receivables from affiliates	US\$ 11,500	US\$ 8,000	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
	Far Eastern Apparel (Suzhou) Ltd.	"	US\$ 8,000	-	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
	Far Eastern Investment (Holding) Ltd.	"	US\$ 19,600	US\$ 12,600	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)

(Continued)

Financier	Counter-party	Financial Statement Account	Highest Balance for the Period	Ending Balance	Interest Rate (%)	Nature of Financing (Note A)	Transaction Amount	Reason for the Financing	Allowance for Doubtful Accounts	Collateral		Amount of Individual Company's Financial Limits	Amount of Financing Company's Financial Limits
										Item	Value		
F.E.T.G Investment Antilles N.V.	Waldorf Services B.V.	Receivables from affiliates	US\$ 11,519	US\$ 6,406	2.11%-2.78917%	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 4,625,559 (Note C)	\$ 13,876,678 (Note D)
Waldorf Services B.V.	Malaysia Garment	Receivables from affiliates	US\$ 4,600	US\$ 4,600	0%	2	-	Set up PFEM funding	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
	Chuang Yuan Co. Ltd.	Other receivables	US\$ 6,380	US\$ 6,380	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	Receivables from affiliates	US\$ 36,800	US\$ 25,000	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
	Oriental Industries (Suzhou) Ltd.	"	US\$ 20,000	US\$ 4,000	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
	Far Eastern Polychem Industries Co., Ltd.	"	US\$ 16,000	US\$ 7,000	2.11%-2.78917%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Ltd.	Receivables from affiliates	US\$ 28,700	-	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
F.E.D.P. (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	Receivables from affiliates	US\$ 18,800	US\$ 14,800	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
Far Eastern Resources Development Co., Ltd.	An Ho Garment Co., Ltd.	Receivables from related parties	440,000	400,000	1.05%-2.48%	2	-	For revolving fund	-	Promissory note	-	873,173 (Note B)	8,731,733 (Note E)
	Kai Yuan International Investment Co., Ltd.	"	400,000	400,000	1.05%-2.48%	2	-	For revolving fund	-	Promissory note	-	873,173 (Note B)	8,731,733 (Note E)
	Yuan Tong Investment Co., Ltd.	"	400,000	400,000	1.05%-1.6%	2	-	For revolving fund	-	Promissory note	-	873,173 (Note B)	8,731,733 (Note E)
	Da Ju Fiber Co., Ltd.	"	277,000	148,000	1.05%-1.6%	2	-	For revolving fund	-	Promissory note	-	873,173 (Note B)	8,731,733 (Note E)
	Yuan Ding Investment Co., Ltd.	"	361,000	361,000	1.05%-1.25%	2	-	For revolving fund	-	Promissory note	-	873,173 (Note B)	8,731,733 (Note E)
	Yue Ding Industry Co., Ltd.	"	10,000	10,000	1.05%	2	-	For revolving fund	-	Promissory note	-	873,173 (Note B)	8,731,733 (Note E)
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	Receivables from affiliates	US\$ 29,000	US\$ 26,500	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
	Martens Beers Trading (Shanghai) Co.	"	US\$ 1,800	US\$ 1,800	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	"	US\$ 12,000	US\$ 12,000	0%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
Far Eastern Apparel (Suzhou) Ltd.	Sino Belgium (Suzhou) Limited	Receivables from affiliates	US\$ 7,000	-	2.88%	2	-	For revolving fund	-	Promissory note	-	4,625,559 (Note C)	13,876,678 (Note D)
Oriental Petrochemical (Shanghai) Ltd.	Far Easter Industries (Shanghai) Ltd.	Receivables from affiliates	RMB 100,000	-	4.86%	1	RMB 1,540,069	-	-	Promissory note	-	RMB 818,037 (Note F)	RMB 818,037 (Note F)

- Notes:
- Reasons for financing are as follows:
 - Business relationship.
 - For short-term financing.
 - The upper limit is equivalent to 5% of the net value of the financier as of December 31, 2009.
 - The upper limit is equivalent to 5% of the net value of FENC as of December 31, 2009.
 - The upper limit is equivalent to 15% of the net value of FENC as of December 31, 2009.
 - The upper limit is equivalent to 50% of the net value of the financier as of December 31, 2009. If necessary for short-term financing, the upper limit is equivalent to 15%.
 - The maximum total financing providing amount should be the lower of 50% of the Company's net worth of most current audited financial statements or trading amount of both parties.
 - The upper limit is equivalent to 25% of the net value of FENC as of December 31, 2008.
 - The maximum total financing providing amount should be the lower of 50% of FENC's net worth of most current audited financial statement or trading amount of both parties.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

ENDORSEMENT/GUARANTEE PROVIDED
YEAR ENDED DECEMBER 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Endorsement/ Guarantee Provider	Counter-party		Limits on Each Counter-party's Endorsement/ Guarantee Amounts	Maximum Balance for the Period	Ending Balance	Value of Collateral Property, Plant, or Equipment	Ratio of Accumulated Amount of Collateral to Net Equity of the Latest Financial Statements (%) (Note O)	Maximum Collateral/Guarantee Amounts Allowable
	Name	Nature of Relationship						
Far Eastern New Century Corporation	Yuan Ding Investment Co., Ltd.	(Note A)	\$ 46,255,594 (Note G)	\$ 9,646,300	\$ 9,646,300	\$ -	10	\$ 92,511,188 (Note H)
	Pacific SOGO Department Store Co., Ltd.	(Note C)	46,255,594 (Note G)	280,719	-	-	-	92,511,188 (Note H)
Yuan Ding Investment Co., Ltd.	Pacific SOGO Department Store Co., Ltd.	(Note C)	18,316,280 (Note G)	1,650,000	-	-	-	36,632,559 (Note H)
	Da Ju Fiber Co., Ltd.	(Note B)	18,316,280 (Note G)	144,000	144,000	-	-	36,632,559 (Note H)
	Oriental Resources Development Ltd.	(Note A)	18,316,280 (Note G)	139,000	89,000	-	-	36,632,559 (Note H)
	Far Eastern Apparel Co., Ltd.	(Note A)	18,316,280 (Note G)	135,000	135,000	-	-	36,632,559 (Note H)
	Oriental Textile (Holding) Ltd. (O.T (H))	(Note A)	18,316,280 (Note G)	1,236,900	1,223,980	-	1	36,632,559 (Note H)
	Far Eastern Apparel (Holding) Ltd.	(Note A)	18,316,280 (Note G)	1,063,755	901,880	-	1	36,632,559 (Note H)
	Oriental Industries (Suzhou) Ltd.	(Note A)	18,316,280 (Note G)	1,256,190	1,256,190	-	1	36,632,559 (Note H)
Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note P)	46,255,594 (Note O)	US\$ 6,000	US\$ 6,000	-	-	92,511,188 (Note M)
Ding Yuan International Investment Co., Ltd.	Pacific SOGO Department Store Co., Ltd.	(Note C)	46,255,594 (Note K)	37,629	-	-	-	92,511,188 (Note I)
Kai Yuan International Investment Co., Ltd.	Pacific SOGO Department Store Co., Ltd.	(Note C)	46,255,594 (Note K)	37,629	-	-	-	92,511,188 (Note I)
Far Eastern Polychem Industries Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note P)	46,255,594 (Note O)	RMB 510,000 US\$ 67,500	RMB 420,000 US\$ 27,500	-	2	92,511,188 (Note M)
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	46,255,594 (Note O)	US\$ 1,625	-	-	-	92,511,188 (Note M)
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	9,832,410 (Note L)	2,450,600	2,101,000	-	2	9,832,410 (Note L)
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	(Note A)	46,255,594 (Note O)	RMB 41,500	-	-	-	92,511,188 (Note M)
Far Eastern General Contractor Ltd.	Far Eastern Construction Co., Ltd.	(Note D)	4,560,939 (Note L)	100,000	-	-	-	4,560,939 (Note L)
An Ho Garment Co., Ltd.	Pacific SOGO Department Store Co., Ltd.	(Note C)	46,255,594 (Note K)	20,313	-	-	-	92,511,188 (Note I)
Yuan Tong Investment Co., Ltd.	Pacific SOGO Department Store Co., Ltd.	(Note C)	46,255,594 (Note K)	37,629	-	-	-	92,511,188 (Note I)
	Sino Belgium (Holding) Limited	(Note A)	46,255,594 (Note K)	1,748,250	1,610,500	-	2	92,511,188 (Note I)
Far EasTone Telecommunications Co., Ltd.	KG Telecommunications Co., Ltd.	(Note A)	35,771,294 (Note G)	450,000	450,000	-	-	71,542,587 (Note H)
	KGEx.com	(Note A)	35,771,294 (Note G)	45,000	45,000	-	-	71,542,587 (Note H)
	Q-Ware Communication Corp.	(Note A)	35,771,294 (Note G)	149,840	149,840	-	-	71,542,587 (Note H)
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note E)	46,255,594 (Note O)	RMB 140,400	RMB 110,000	-	1	92,511,188 (Note M)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note E)	RMB 1,413,975 (Note H)	RMB 280,000	RMB 160,000	-	1	RMB 2,827,949 (Note Q)
	Wuhan Far Eastern New Material Ltd.	(Note P)	RMB 1,413,975 (Note H)	RMB 110,000	RMB 110,000	-	1	RMB 2,827,949 (Note Q)
	Everest Textile (Shanghai) Ltd.	(Note P)	RMB 1,413,975 (Note H)	RMB 100,000	RMB 80,000	-	-	RMB 2,827,949 (Note Q)
Oriental Textile (Holding) Ltd. (O.T (H))	Far Eastern Industries (Wuxi) Ltd.	(Note A)	46,255,594 (Note O)	US\$ 30,000 RMB 425,500	US\$ 3,750 RMB 195,000	-	1	92,511,188 (Note M)
	Oriental Industries (Suzhou) Ltd.	(Note A)	46,255,594 (Note O)	US\$ 93,000	US\$ 69,000	-	3	92,511,188 (Note M)
		(Note A)		RMB 50,000	RMB 50,000	-		

(Continued)

Endorsement/ Guarantee Provider	Counter-party		Limits on Each Counter-party's Endorsement/ Guarantee Amounts	Maximum Balance for the Period	Ending Balance	Value of Collateral Property, Plant, or Equipment	Ratio of Accumulated Amount of Collateral to Net Equity of the Latest Financial Statements (%) (Note O)	Maximum Collateral/Guarantee Amounts Allowable
	Name	Nature of Relationship						
PET Far Eastern (Holding) Ltd. (Pet F.E. (H))	Oriental Petrochemical (Shanghai) Co., Ltd.	(Note F)	\$ 46,255,594 (Note O)	US\$ 40,226 RMB 122,500	US\$ 28,166	\$ -	1	\$ 92,511,188 (Note M)
Far Eastern Polytex (Holding) Limited	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	46,255,594 (Note O)	RMB 30,400	RMB 30,000	-	-	92,511,188 (Note M)
KG Telecommunications Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note D)	15,286,749 (Note G)	1,240,000	1,240,000	-	1	30,573,498 (Note H)
Far Eastern Resources Development Co., Ltd.	Far Eastern New Century Corp.	(Note D)	46,255,594 (Note K)	12,311,748	10,001,748	9,887,598	11	92,511,188 (Note I)
Far Eastern New Century (China) Investment Ltd.	Oriental Petrochemical (Shanghai) Co., Ltd.	(Note F)	46,255,594 (Note O)	US\$ 1,217	US\$ 1,217	-	-	92,511,188 (Note M)
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	46,255,594 (Note O)	RMB 50,000	RMB 50,000	-	-	92,511,188 (Note M)
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note P)	US\$ 20,777 (Note J)	RMB 100,000	RMB 100,000	-	1	US\$ 20,777 (Note J)
Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note P)	46,255,594 (Note O)	RMB 30,000	RMB 30,000	-	-	92,511,188 (Note M)

Notes: A. Subsidiary with common stock shares held directly or indirectly equivalent to or above 50%.

B. Equity-method investees.

C. Investee of an equity-method investee.

D. Parent company.

E. Investee of an equity-accounted investee of parent company.

F. The investment relationship is based on guarantee of each stockholder's retention ratio.

G. Collateral/guarantee is equivalent to 50% of the net value of the guarantor as of December 31, 2009.

H. Limit is computed using the net value of the guarantor as of December 31, 2009.

I. Limit is computed using the net value of parent company as of December 31, 2009.

J. Collateral/guarantee is equivalent to 20% of the audited net value of the parent company as of December 31, 2009.

K. Collateral/guarantee is equivalent to 50% of the net value of FENC as of December 31, 2009.

L. Collateral/guarantee is equivalent to 300% of the net value of the guarantor as of December 31, 2009.

M. Collateral/guarantee is equivalent to the net value of Far Eastern New Century Corp. Ltd. as of December 31, 2009

N. The ratio calculation is in accordance with the Regulations Governing Loaning of Funds and Marking of Endorsements/Guarantees by Public Companies.

O. Collateral/guarantee is equivalent to 50% of the net value of Far Eastern as of December 31, 2009.

P. Business relationship.

Q. Collateral/guarantee is equivalent to 200% of the net value of the guarantor as of December 31, 2009.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

MARKETABLE SECURITIES AND INVESTMENTS IN SHARES OF STOCK HELD
DECEMBER 31, 2009

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note	
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value		
Far Eastern New Century Corporation	Asia Cement Corporation	(Note A)	Equity method investments	666,632	\$ 12,500,165	22.33	\$ 23,065,492	22,288 thousand shares pledged or mortgaged as collaterals for loans	
	Far Eastern Department Stores, Ltd.	(Note A)	Equity method investments	203,659	3,877,699	16.80	7,474,248	-	
	Oriental Union Chemical Corporation	(Note A)	Equity method investments	73,833	1,155,372	9.17	1,890,116	-	
	Everest Textile Co., Ltd.	(Note A)	Equity method investments	129	1,540	0.03	880	-	
	Yuan Ding Investment Co., Ltd.	(Note A)	Equity method investments	1,828,323	36,155,036	99.7	36,424,157	-	
	Far Eastern Resources Development Co., Ltd.	(Note A)	Equity method investments	283,797	15,693,512	100.00	17,463,466	-	
	Yuan Tong Investment Co., Ltd.	(Note A)	Equity method investments	705,147	7,296,064	100.00	7,296,064	-	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Equity method investments	1,700	5,238,743	100.00	5,238,743	-	
	Far Eastern Polychem Industries Co., Ltd.	(Note A)	Equity method investments	493,631	4,185,668	59.81	4,185,668	-	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Equity method investments	291,196	4,366,102	100.00	4,366,102	-	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note A)	Equity method investments	337,678	3,875,245	75.56	3,922,249	-	
	Far Eastern Polytex (Holding) Limited	(Note A)	Equity method investments	46	3,323,320	100.00	3,323,320	-	
	Yuan Ding Co., Ltd.	(Note A)	Equity method investments	186,926	3,180,506	37.13	3,242,218	-	
	Far Eastern Construction Co., Ltd.	(Note A)	Equity method investments	154,372	2,078,321	65.11	2,133,961	-	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Equity method investments	205,000	2,412,433	100.00	2,423,968	-	
	Oriental Securities Co., Ltd.	(Note A)	Equity method investments	140,278	2,066,710	19.65	2,060,391	40,000 thousand shares pledged or mortgaged as collaterals for loans	
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity method investments	117	1,996,083	49.42	1,996,083	-	
	An Ho Garment Co., Ltd.	(Note A)	Equity method investments	66,346	1,537,449	100.00	1,606,426	-	
	Pacific Liu Tung Investment Co., Ltd.	(Note A)	Equity method investments	67,500	1,165,944	16.83	1,073,855	-	
	Fu Kwok Garment Manufacturing Co., Ltd.	(Note A)	Equity method investments	3,999	128,923	99.99	132,253	-	
	Ding Ding Hotel Co., Ltd.	(Note A)	Equity method investments	5,386	28,962	19.00	28,962	-	
	New Century InfoComm Tech Co., Ltd.	(Note A)	Equity method investments	2,605	26,078	0.10	25,831	-	
	Hantech Venture Capital Corp.	-	Financial assets carried at cost	4,939	53,667	3.73	62,740	-	
	Far Eastern International Commercial Bank	(Note C)	Available-for-sale financial assets - noncurrent	60,241	722,890	2.57	722,890	-	
	Yuan Ding Investment Co., Ltd.	Oriental Union Chemical Corporation	(Note A)	Equity method investments	73,614	1,234,120	9.14	1,884,525	-
		Everest Textile Co., Ltd.	(Note A)	Equity method investments	118,869	1,156,375	25.23	809,500	-
		Asia Cement Corporation	(Note A)	Equity method investments	4,135	66,207	0.14	143,056	-
Far Eastern Department Stores, Ltd.		(Note A)	Equity method investments	4,806	132,492	0.40	176,366	-	
Far EasTone Telecommunications Co., Ltd.		(Note A)	Equity method investments	1,066,658	23,371,725	32.73	40,692,988	43,145 thousand shares pledged or mortgaged as collaterals for short-term loans	
Oriental Textile (Holding) Ltd.		(Note A)	Equity method investments	90	5,277,067	100.00	5,277,067	-	
Far Eastern Polychem Industries Co., Ltd.		(Note A)	Equity method investments	331,717	2,812,608	40.19	2,812,608	-	
Oriental Securities Co., Ltd.		(Note A)	Equity method investments	185,040	2,831,933	25.93	2,718,878	112,850 thousand shares pledged or mortgaged as collaterals for short-term loans	
Far Eastern Apparel (Holding) Ltd.		(Note A)	Equity method investments	95	1,934,377	100.00	1,934,377	-	
Liquid Air Far East Glycol Co., Ltd.		(Note A)	Equity method investments	69,115	1,136,367	35.00	1,134,000	-	
New Century InfoComm Tech Co., Ltd.	(Note A)	Equity method investments	100,694	1,007,911	3.87	1,006,944	-		
Yuan Ding Co., Ltd.	(Note A)	Equity method investments	64,759	1,099,336	12.86	1,122,944	43,500 thousand shares pledged or mortgaged as collaterals for short-term loans		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Pacific Liu Tung Investment Co., Ltd. (Note G)	(Note A)	Equity method investments	59,827	\$ 946,933	14.92	\$ 951,985	-
	Far Eastern International Leasing Corp.	(Note A)	Equity method investments	75,269	1,001,832	16.87	1,013,369	-
	Far Eastern Fibertech Co., Ltd.	(Note A)	Equity method investments	66,673	726,257	100.00	716,293	-
	Pacific Petrochemical (Holding) Co., Ltd.	(Note A)	Equity method investments	20	709,848	24.63	709,848	-
	Yuan Ding Leasing Co.	(Note A)	Equity method investments	36,706	359,363	46.20	361,001	-
	Far Eastern Apparel Co., Ltd.	(Note A)	Equity method investments	19,664	356,448	100.00	356,346	-
	Da Ju Fiber Co., Ltd.	(Note A)	Equity method investments	17,182	513,180	41.86	523,395	-
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Equity method investments	13,053	274,931	29.80	274,647	-
	Oriental Resources Development Ltd.	(Note A)	Equity method investments	21,322	130,963	70.32	134,885	-
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note A)	Equity method investments	23,222	258,218	5.20	269,927	-
	Yuan Faun Ltd.	(Note A)	Equity method investments	5,000	104,778	100.00	102,755	-
	Yue Ming Co., Ltd.	(Note A)	Equity method investments	1,280	70,195	45.50	72,226	-
	Far Eastern General Constructor Inc.	(Note A)	Equity method investments	1,205	16,466	1.00	15,203	-
	Far Eastern International Commercial Bank	(Note C)	Financial assets carried at cost	66,716	755,313	3.45	800,592	-
	Yue Yuan Investment Co., Ltd.	(Note D)	Financial assets carried at cost	93,959	677,240	19.05	1,853,803	-
	Chung Nan Textile Co., Ltd.	-	Financial assets carried at cost	2,985	81,405	5.27	115,215	-
	Hantech Venture Capital Corp.	-	Financial assets carried at cost	4,688	56,019	3.54	59,337	-
	Taiwan Stock Exchange Corp.	-	Financial assets carried at cost	887	22,493	0.16	46,714	-
	Universal Venture Capital Investment Corp.	-	Financial assets carried at cost	1,400	14,000	1.16	21,910	-
	Overseas Investment and Development Co., Ltd.	-	Financial assets carried at cost	1,000	10,000	1.11	8,940	-
	China Investment and Development Co., Ltd.	-	Financial assets carried at cost	1,287	8,250	0.80	14,427	-
	Nan Shan Insurance Co., Ltd.	-	Financial assets carried at cost	5	221	-	816	-
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost	1	10	-	12	-
	Hantech Venture Capital Corp.	-	Financial assets carried at cost	914	6,597	9.81	2,997	-
	DFE DWS Global Multi-asset Income Plus FOF	-	Available-for-sale financial assets - current	5,000	52,050	0.83	52,050	-
	U-Ming Marine Transport Corporation	(Note B)	Available-for-sale financial assets - current	50	3,250	0.01	3,250	-
	Far Eastern International Commercial Bank	(Note C)	Available-for-sale financial assets - noncurrent	15,239	182,872	0.79	182,872	-
	<u>Under asset management contracts (Note E)</u>							
	DaChan Greatwall Co., Ltd.	-	Financial assets at fair value through profit or loss - current	325	11,440	-	11,440	-
	Liteon Technology Corporation	-	Financial assets at fair value through profit or loss - current	50	2,402	-	2,402	-
	Delta Electronics, Inc.	-	Financial assets at fair value through profit or loss - current	140	14,000	-	14,000	-
	Compal Electronics, Inc.	-	Financial assets at fair value through profit or loss - current	100	4,435	-	4,435	-
	Acer Inc.	-	Financial assets at fair value through profit or loss - current	50	4,810	-	4,810	-
	Chroma ATE Inc.	-	Financial assets at fair value through profit or loss - current	210	15,267	-	15,267	-
	Ability Enterprise Co., Ltd.	-	Financial assets at fair value through profit or loss - current	50	3,140	-	3,140	-
	Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	400	15,720	-	15,720	-
	Cathay Financial Holdings	-	Financial assets at fair value through profit or loss - current	250	14,925	-	14,925	-
	Dynapack Corporation	-	Financial assets at fair value through profit or loss - current	50	5,650	-	5,650	-
	Gemted Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100	5,780	-	5,780	-
	Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	50	4,405	-	4,405	-
	Taiwan Cooperative Bank	-	Financial assets at fair value through profit or loss - current	950	19,095	-	19,095	-

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Far Eastern Investment (Holding) Ltd.	APCB Inc.	-	Financial assets at fair value through profit or loss - current	200	\$ 8,500	-	\$ 8,500	-
	Wistron Neweb Corporation	-	Financial assets at fair value through profit or loss - current	200	11,080	-	11,080	-
	DWS Taiwan Bond Fund	-	Financial assets at fair value through profit or loss - current	1,833	20,478	-	20,478	-
	F.E.T.G. Investment Autilles N.V.	(Note A)	Equity method investments	6	US\$ 9,678	100.00	US\$ 9,678	-
	Filsyn Corporation	(Note A)	Equity method investments	45,066	US\$ -	21.85	PHP (2,422)	-
	PET F.E. (M) Sdn. Bhd.	(Note A)	Equity method investments	Common stock 5,000 Preferred stock 3,000	US\$ 6,141	50.00	US\$ 6,141	-
	Com2B	(Note A)	Equity method investments	9,000	US\$ 877	20.00	US\$ 877	-
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 5,122	100.00	US\$ 5,122	-
	Kai Yuang Fund	-	Long-term Investment in stock classified as held for sale	-	US\$ 7,550	-	US\$ 7,550	-
	Opas Fund Segregated Portfolio Company	-	Financial assets carried at cost	34	US\$ 51	34.00	US\$ 51	-
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Equity method investments	2,806	107,182	0.09	97,088	-
	Far Eastern Department Stores, Ltd.	(Note A)	Equity method investments	2,988	56,000	0.25	109,660	-
	Everest Textile Co., Ltd.	(Note A)	Equity method investments	8,506	74,668	1.81	57,926	-
	Oriental Union Chemical Corporation	(Note A)	Equity method investments	9,815	206,368	1.22	251,264	-
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity method investments	920	40,361	0.03	35,060	-
	Pacific Liu Tung Investment Co., Ltd. (Note G)	(Note A)	Equity method investments	9,000	137,356	2.24	143,205	-
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity method investments	42	724,196	17.93	724,196	-
	Yue Ding Industry Co., Ltd.	(Note A)	Equity method investments	9,683	191,516	13.2	182,328	-
	Far Eastern International Commercial Bank	(Note J)	Available-for-sale financial assets - noncurrent	60,899	730,787	3.15	730,786	8,259 thousand shares pledged or mortgaged as collaterals for loans
	Ya Li Transportation Co., Ltd.	-	Financial assets carried at cost	1,000	16,240	10.00	58,099	-
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Equity method investments	11,377	241,143	0.38	393,641	-
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity method investments	100,057	2,612,199	3.07	3,817,176	75,784 thousand shares pledged or mortgaged as collaterals for loans
	Oriental Union Chemical Corporation	(Note A)	Equity method investments	25,463	468,179	3.16	651,850	-
	Far Eastern Department Stores, Ltd.	(Note A)	Equity method investments	5,496	125,275	0.45	201,719	-
	Kowloon Cement Co., Ltd.	(Note A)	Equity method investments	1,127	380,159	49.00	380,159	-
	Far Eastern International Leasing Corp.	(Note A)	Equity method investments	74,970	1,002,640	16.80	1,009,206	-
	Pacific Liu Tung Investment Co., Ltd. (Note G)	(Note A)	Equity method investments	9,000	137,356	2.24	143,205	-
	Far Eastern International Commercial Bank	(Note J)	Financial assets carried at cost	38,676	531,063	2.00	464,108	-
	DWS Taiwan Bond Fund	-	Available-for-sale financial assets - current	5,000	67,600	-	67,600	-
	Yi Jinn Industrial Co., Ltd.	-	Available-for-sale financial assets - noncurrent	16,430	137,188	7.30	137,188	-
Far Eastern Polychem Industries Co., Ltd.	Far Eastern International Commercial Bank	(Note J)	Available-for-sale financial assets - noncurrent	35,258	423,098	1.82	423,098	-
	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Equity method investments	(Note H)	HK\$ 1,384,528	87.03	RMB 1,230,582	-
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity method investments	35	HK\$ 144,965	14.72	US\$ 18,585	-
	FEDP (Holding) Limited	(Note A)	Equity method investments	240	HK\$ 179,719	49.57	US\$ 23,041	-
	Nippon Parison Co., Ltd.	-	Financial assets carried at cost	36	HK\$ 16,941	10.00	-	-
	Far Eastern General Constructor Inc.	(Note A)	Equity method investments	119,202	1,451,879	98.95	1,504,349	-
	Asia Cement Corporation	(Note A)	Equity method investments	15,745	396,699	0.53	544,772	-
	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	1,590	103,336	0.19	103,336	1,152 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 14,826	38.46	RMB 101,220	-
	Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 25,672	100.00	RMB 175,263	-

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Far Eastern Apparel Co., Ltd.	Ming Ding Co., Ltd.	(Note A)	Equity method investments	448	\$ 6,523	44.80	\$ 6,470	-
	Yue Ding Industry Co., Ltd.	(Note A)	Equity method investments	6	50	0.01	82	-
Far Eastern General Constructor Inc.	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	746	48,522	0.09	48,522	-
	Kaohsiung Rapid Transit Co., Ltd.	-	Financial assets carried at cost - noncurrent	20,000	108,313	2.00	108,313	-
	Ya Li Precast & Prestressed Concrete Industries Ltd.	(Note I)	Financial assets carried at cost - noncurrent	3,106	25,142	16.03	13,745	-
	Far Eastern Technical Consultants Co., Ltd.	(Note I)	Financial assets carried at cost - noncurrent	450	3,864	9.00	5,162	-
	89-2 Bond Fund	-	Limited asset	-	3,500	-	3,500	Pledged to NTU as a contracting guarantee
	Invesco ROC Bond Fund	-	Financial assets at fair value through profit or loss - current	13,046	200,001	-	200,001	-
	UPAMC James Bond Fund	-	Financial assets at fair value through profit or loss - current	3,128	50,002	-	50,002	-
	Taishin Lucky Fund	-	Financial assets at fair value through profit or loss - current	9,408	100,001	-	100,001	-
	TLG Solomon Bond Fund	-	Financial assets at fair value through profit or loss - current	6,630	80,004	-	80,004	-
	FSI TC Bond Fund	-	Financial assets at fair value through profit or loss - current	529	90,076	-	90,076	-
	Shin Kong Chi-Shin Fund	-	Financial assets at fair value through profit or loss - current	14,452	214,062	-	214,062	-
	Mega Diamond Bond Fund	-	Financial assets at fair value through profit or loss - current	4,191	50,000	-	50,000	-
	Hua Nan Phoenix Bond Fund	-	Financial assets at fair value through profit or loss - current	5,974	93,058	-	93,058	-
	Hua Nan Kirin Fund	-	Financial assets at fair value through profit or loss - current	9,591	110,015	-	110,015	-
	Capital Income Fund	-	Financial assets at fair value through profit or loss - current	8,629	133,009	-	133,009	-
	PAC Well Pool Fund	-	Financial assets at fair value through profit or loss - current	11,554	150,011	-	150,011	-
F.E.T.G Investment Antilles N.V.	Waldorf Services B. V.	(Note A)	Equity method investments	2	US\$ 9,846	100.00	US\$ 9,846	-
Waldorf Services B.V.	Cemtex Apparel Inc.	(Note A)	Equity method investments	90	US\$ (143)	50.00	PHP (6,461)	-
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Equity method investments	30	US\$ 1,408	37.90	SGD 1,972	-
	Far Eastern International Garments	(Note A)	Equity method investments	59	US\$ (847)	41.00	PHP (38,156)	-
	Albert & Orient Glycol Ltd.	-	Financial assets carried at cost	0.3	US\$ 4,304	25.00	US\$ -	-
	Filsyn Corporation	-	Financial assets carried at cost	20,513	US\$ -	9.95	PHP (1,103)	-
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity method investments	80,172	1,943,414	2.46	3,058,524	44,329 thousand shares pledged or mortgaged as collaterals for loans
	Asia Cement Corporation	(Note A)	Equity method investments	2,760	106,314	0.09	95,496	-
	Yue Ding Industry Co., Ltd.	(Note A)	Equity method investments	11,494	128,387	15.66	127,940	-
	Pacific Liu Tung Investment Co., Ltd. (Note G)	(Note A)	Equity method investments	4,841	78,841	1.21	77,029	-
	Oriental Securities Co., Ltd.	(Note A)	Equity method investments	5,000	79,363	0.70	73,457	-
	Yuan Ding Investment Co., Ltd.	(Note A)	Equity method investments	5,502	152,569	0.30	109,612	-
	Far Eastern International Commercial Bank	(Note J)	Available-for-sale financial assets - noncurrent	15,165	181,977	0.78	181,978	-
Yuan Faun Ltd.	Yi Tong Fiber Co., Ltd.	-	Financial assets carried at cost	3,504	28,519	3.56	34,868	-
	Far Eastern International Commercial Bank	(Note J)	Available-for-sale financial assets - noncurrent	3,213	38,562	0.17	38,556	-
	Yuan Cheng Human Resources Consultant Co., Ltd.	(Note A)	Equity method investments	278	6,271	55.56	6,271	-

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note	
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value		
Yuan Tong Investment Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note A)	Equity method investments	312,221	\$ 3,124,930	12.01	\$ 1,008,130	-	
	Pacific Liu Tung Investment Co., Ltd. (Note G)	(Note A)	Equity method investments	9,000	137,356	2.24	143,205	-	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity method investments	112,002	3,056,958	3.44	4,272,876	72,674 thousand shares pledged or mortgaged as collaterals for loans	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity method investments	35,048	46,691	9.15	5,152	-	
	Far Eastern Department Stores, Ltd.	(Note A)	Equity method investments	1,685	38,109	0.14	61,840	-	
	Oriental Union Chemical Corporation	(Note A)	Equity method investments	439	9,631	0.05	11,238	-	
	Asia Cement Corporation	(Note A)	Equity method investments	8,531	331,824	0.29	295,173	-	
	FEDP (Holding) Ltd.	(Note A)	Equity method investments	196	599,684	40.33	599,684	-	
	Sino Belgium (Holding) Ltd.	(Note A)	Equity method investments	17	668,259	87.50	668,259	-	
	Far Eastern International Commercial Bank	(Note J)	Available-for-sale financial assets - noncurrent	14,655	175,856	0.76	175,856	-	
	Bockhold N.V	-	Financial assets carried at cost	1	223,533	12.51	61,884	-	
	Bockhold N.V	-	Financial assets carried at cost	-	7,895	-	-	-	
	Bockhold N.V	-	Bond carried at amortized cost	-	293,454	-	-	-	
	<u>Under asset management contracts (Note E)</u>								
	Chung Hung Steel Corporation	-	Financial assets at fair value through profit or loss - current	1,282	21,666	-	21,666	-	
	Hsin Kuang Steel Co., Ltd.	-	Financial assets at fair value through profit or loss - current	882	30,297	-	30,297	-	
	Nantex Industry Co., Ltd.	-	Financial assets at fair value through profit or loss - current	252	6,149	-	6,149	-	
	AUO Co., Ltd.	-	Financial assets at fair value through profit or loss - current	234	9,079	-	9,079	-	
	Lelon Electronics Corp.	-	Financial assets at fair value through profit or loss - current	270	4,577	-	4,577	-	
	GoldSun Development & Construction Co., Ltd.	-	Financial assets at fair value through profit or loss - current	452	6,674	-	6,674	-	
	E.Sun Financial Holding Company Ltd.	-	Financial assets at fair value through profit or loss - current	1,926	25,712	-	25,712	-	
	China Trust Financial Holding Company Ltd.	-	Financial assets at fair value through profit or loss - current	1,305	26,035	-	26,035	-	
	First Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,872	37,159	-	37,159	-	
	Asia Vital Components Co., Ltd.	-	Financial assets at fair value through profit or loss - current	198	7,920	-	7,920	-	
	TXC Corporation	-	Financial assets at fair value through profit or loss - current	180	10,602	-	10,602	-	
	Dynapack Corporation	-	Financial assets at fair value through profit or loss - current	144	16,272	-	16,272	-	
	ShenMao Technology Inc.	-	Financial assets at fair value through profit or loss - current	153	10,787	-	10,787	-	
	Young Fast Optoelectronics Co., Ltd.	-	Financial assets at fair value through profit or loss - current	135	47,453	-	47,453	-	
	Dynamic Electronics Co., Ltd.	-	Financial assets at fair value through profit or loss - current	270	10,436	-	10,436	-	
	Hu Lane Associate Inc.	-	Financial assets at fair value through profit or loss - current	169	11,796	-	11,796	-	
	Taiwan Sakura Corporation	-	Financial assets at fair value through profit or loss - current	351	5,897	-	5,897	-	
Thye Ming Industrial Co., Ltd.	-	Financial assets at fair value through profit or loss - current	320	15,296	-	15,296	-		
Holiday Entertainment Co., Ltd.	-	Financial assets at fair value through profit or loss - current	90	2,939	-	2,939	-		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note	
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value		
Far EasTone Telecommunications Co., Ltd.	KG Telecommunication Co., Ltd.	(Note A)	Equity method investments	1,332,998	\$ 30,573,498	100.00	\$ 30,573,498	-	
	New Century InfoComm Tech Co., Ltd.	(Note A)	Equity method investments	691,096	6,000,018	26.59	6,000,018	-	
	Arcoa Communication Co., Ltd.	(Note A)	Equity method investments	82,009	1,116,869	61.07	1,116,869	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity method investments	157,714	232,803	41.18	232,803	-	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Equity method investments	1	161,358	100.00	161,358	-	
	E. World (Holdings) Ltd.	(Note A)	Equity method investments	6,015	71,337	85.92	71,337	-	
	Ding Ding Integrated Marketing Service Co., Ltd.	(Note A)	Equity method investments	4,725	39,519	15.00	39,519	-	
	Q-Ware Communications Co., Ltd.	(Note A)	Equity method investments	36,460	28,440	51.00	28,440	-	
	Far EasTron Holding Ltd.	(Note A)	Equity method investments	4,487	26,022	100.00	26,022	-	
	Yuan Cing Information Tech Co., Ltd.	(Note A)	Equity method investments	100	993	100.00	993	-	
	ADCast Interactive Marketing Co., Ltd.	(Note A)	Equity method investments	18	174	0.40	174	-	
		<u>Open-end mutual funds</u>							
		DFE DWS Global Multi-asset Income Plus FOF	-	Available-for-sale financial assets - current	5,000	52,050	-	52,050	-
Far Eastern Apparel (Suzhou) Ltd.	Wu Han Far Eastern New Material Ltd.	(Note A)	Equity method investments	(Note H)	RMB 350	0.17	RMB 291	-	
	Shanghai Yuanzi Information Co., Ltd.	(Note A)	Equity method investments	(Note H)	RMB 100	5.00	RMB 1,856	-	
	An Ho Garment (Suzhou) Ltd.	(Note A)	Equity method investments	(Note H)	RMB 2,173	100.00	RMB 1,991	-	
Far Eastern Industries (Shanghai) Ltd.	Wu Han Far Eastern New Material Ltd.	(Note A)	Equity method investments	(Note H)	RMB 3,700	3.63	RMB 6,204	-	
	Shanghai Yuanzi Information Co., Ltd.	(Note A)	Equity method investments	(Note H)	RMB 1,764	95.00	RMB 1,764	-	
	Shanghai YuanHua Logistic Ltd.	(Note A)	Equity method investments	(Note H)	RMB 5,872	100.00	RMB 5,872	-	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 71,285	100.00	RMB 486,662	-	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 87,237	100.00	RMB 595,568	-	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemicals (Shanghai) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 127,588	53.24	RMB 871,046	-	
FEDP (Holding) Limited	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 37,682	100.00	RMB 257,254	-	
Far Eastern Polytex (Holding) Ltd.	Wu Han Far Eastern New Material Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 24,079	96.20	RMB 164,405	-	
	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 23,721	61.54	RMB 161,963	-	
	FEDP (Holding) Ltd	(Note A)	Equity method investments	49	US\$ 4,774	10.10	US\$ 4,695	-	
	Far Eastern (China) Investment Ltd.	(Note A)	Equity method investments	(Note H)	US\$ 50,792	100.00	RMB 352,733	-	
KG Telecommunication Co., Ltd.	<u>Stocks</u>								
	KGEX.com Co., Ltd.	(Note A)	Equity method investments	89,088	794,752	79.25	794,752	-	
	iScreen Co., Ltd.	(Note A)	Equity method investments	4,000	30,030	40.00	30,030	-	
	ADCast Interactive Marketing Co., Ltd.	(Note A)	Equity method investments	369	3,501	8.16	3,501	-	
	Tong Yang Co., Ltd.	-	Available-for-sale financial assets - current	50	2,940	-	2,940	-	
	Sanyo Electrics (Taiwan) Co., Ltd.	-	Available-for-sale financial assets - current	200	6,820	-	6,820	-	
	Yeun Chyang Industrial Co., Ltd.	-	Available-for-sale financial assets - current	150	4,125	-	4,125	-	
	HiWin Technologies Corp.	-	Available-for-sale financial assets - current	140	5,859	-	5,859	-	
	Nantex Industry Co., Ltd.	-	Available-for-sale financial assets - current	250	6,100	-	6,100	-	
	Chunghwa Telecom Co., Ltd.	-	Available-for-sale financial assets - current	167	9,923	-	9,923	-	
Lien Chang Electronic Enterprise Co., Ltd.	-	Available-for-sale financial assets - current	500	12,525	-	12,525	-		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Highwealth Construction Corp.	-	Available-for-sale financial assets - current	209	\$ 9,884	-	\$ 9,884	-
	China Airlines Ltd.	-	Available-for-sale financial assets - current	750	8,513	-	8,513	-
	Taichung Commercial Bank Co., Ltd.	-	Available-for-sale financial assets - current	300	2,508	-	2,508	-
	E.Sun Financial Holding Company Ltd.	-	Available-for-sale financial assets - current	300	4,005	-	4,005	-
	Elite Semiconductor Memory Technology Inc.	-	Available-for-sale financial assets - current	170	9,622	-	9,622	-
	Asia Vital Components Co., Ltd.	-	Available-for-sale financial assets - current	100	4,000	-	4,000	-
	Chinesegamer International Co., Ltd.	-	Available-for-sale financial assets - current	9	3,816	-	3,816	-
	Ardentec Corp.	-	Available-for-sale financial assets - current	160	3,400	-	3,400	-
	ShenMao Technology Inc.	-	Available-for-sale financial assets - current	150	10,575	-	10,575	-
	Entire Technology Co., Ltd.	-	Available-for-sale financial assets - current	20	4,600	-	4,600	-
	Gemtek Technology Co., Ltd.	-	Available-for-sale financial assets - current	81	4,679	-	4,679	-
	Lite-On Semiconductor Corp.	-	Available-for-sale financial assets - current	500	12,075	-	12,075	-
	Soft-World International Corp.	-	Available-for-sale financial assets - current	50	10,226	-	10,226	-
	Laser Tek Taiwan Co., Ltd.	-	Available-for-sale financial assets - current	150	4,245	-	4,245	-
	Dynamic Electronics Co., Ltd.	-	Available-for-sale financial assets - current	150	5,797	-	5,797	-
	Hu Lane Associate Inc.	-	Available-for-sale financial assets - current	70	4,886	-	4,886	-
	AV Tech Corporation	-	Available-for-sale financial assets - current	35	3,762	-	3,762	-
	Creative Sensor Inc.	-	Available-for-sale financial assets - current	180	4,536	-	4,536	-
	Holiday Entertainment Co., Ltd.	-	Available-for-sale financial assets - current	350	11,427	-	11,427	-
	<u>Open-ended mutual funds</u>							
	PCA Well Pool Fund	-	Available-for-sale financial assets - current	19,276	250,271	-	250,271	-
	Prudential Financial Bond Fund	-	Available-for-sale financial assets - current	16,540	250,337	-	250,337	-
	Hua Nan Phoenix Bond Fund	-	Available-for-sale financial assets - current	16,073	250,352	-	250,352	-
	Deutsche Far Eastern DWS Taiwan Bond Security Investment Trust Fund	-	Available-for-sale financial assets - current	67,799	757,416	-	757,416	-
	DFE DWS Global Multi-asset Income Plus FOF	-	Available-for-sale financial assets - current	4,766	49,619	-	49,619	-
	Cathay Bond Fund	-	Available-for-sale financial assets - current	1,673	20,007	-	20,007	-
	PCA Global Green Solutions Fund	-	Available-for-sale financial assets - current	1,972	20,001	-	20,001	-
	Opas Fund Segregated Portfolio Tranche B	-	Available-for-sale financial assets - current	10	358,938	-	358,938	-

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2009				Note
				Shares or Units (All Common Shares unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Arcoa Communication Co., Ltd.	<u>Private funds</u> Fuh Hwa Value Added Strategy Fund	-	Financial assets carried at cost-noncurrent	14,866	\$ 150,000	-	\$ 150,000	-
	<u>Bonds</u> 98 ACC 1	-	Held-to-maturity financial assets - noncurrent	-	199,567	-	199,172	-
	<u>Stocks</u> THI Consultants, Inc.	-	Financial assets carried at cost-noncurrent	1,214	13,729	18.32	13,729	-
	Chunghwa Int'l Communication Network Co., Ltd.	-	Financial assets carried at cost-noncurrent	2,087	6,714	3.98	6,714	-
	VIBO Telecom Inc.	-	Financial assets carried at cost-noncurrent	840	8,400	0.04	8,400	-
	Web Point Co., Ltd.	-	Financial assets carried at cost-noncurrent	161	1,618	0.63	1,618	-
	<u>Open-ended mutual funds</u> PCA Well Pool Fund	-	Available-for-sale financial assets - current	4,636	60,187	-	60,187	-
	Prudential Financial Bond Fund	-	Available-for-sale financial assets - current	5,302	80,256	-	80,256	-
	Capital Income Fund	-	Available-for-sale financial assets - current	1,946	30,000	-	30,000	-
	Fuh-Hwa Bond Fund	-	Available-for-sale financial assets - current	2,172	30,000	-	30,000	-
	Fuh-Hwa Global Fixed Income Fund of Funds	-	Available-for-sale financial assets - current	1,664	20,418	-	20,418	-
	UPAMC James Bond Fund	-	Available-for-sale financial assets - current	5,020	80,249	-	80,249	-
	Bond Fund	-	Available-for-sale financial assets - current	4,765	60,063	-	60,063	-
	<u>Private bonds</u> YDI 98-1	-	Held-to-maturity financial assets - noncurrent	-	10,000	-	10,000	-
	Far Eastern Info Service (Holding) Ltd.	<u>Share certificates</u> Far Eastern Tech-info Ltd. (Shanghai)	(Note A)	Equity method investments	-	US\$ 4,427	100.00	US\$ 4,427
Far EasTron Holding Ltd.	<u>Stocks</u> ADCast Interactive Marketing Co., Ltd.	(Note A)	Equity method investments	2,734	US\$ 812	60.52	US\$ 812	-
E. World (Holdings) Ltd.	<u>Stocks</u> Yuan Cing Co., Ltd.	(Note A)	Equity method investments	19,350	US\$ 2,334	99.99	US\$ 2,334	-
Far Eastern New Century (China) Investment Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Equity method investments	(Note H)	RMB 219,138	12.97	RMB 183,392	-
	Oriental Petrochemical (Shanghai) Ltd.	(Note A)	Equity method investments	(Note H)	RMB 115,232	8.11	RMB 132,686	-
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	(Note A)	Equity method investments	(Note H)	US\$ 22,629	100.00	RMB 154,486	-
	Martens Beers Trading (Shanghai) Co.	(Note A)	Equity method investments	(Note H)	US\$ 606	100.00	RMB (4,435)	-

(Continued)

Notes: A. Equity-method investee.

B. Investor company and investee have the same chairman.

C. The deputy chairman of investee is the chairman of FENC.

D. Equity-method investee by investee(s) which the Company and its subsidiaries hold 100% of the shares.

E. Under assets management contract, sale in open market by trustee.

F. The chairman of the investee's board of directors is a member of the holding company's board of directors.

G. The holding company opened a trust account in Shanghai Bank on September 26, 2002 to buy equity in Pacific Liu Tung Investment Co., Ltd.

H. Private company.

I. The holding company is a member of the investee's board of directors.

J. Equity-method investee of FENC.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
YEAR ENDED DECEMBER 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Securities Type and Issuer	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Investment Income under the Equity Method	Ending Balance	
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands) (Note A)	Amount	Shares (Thousands)	Price	Book Value	Disposal Gain		Shares (Thousands)/ Thousand Units	Amount
Far Eastern New Century Corporation	Asia Cement Corporation	Equity-method investments	Open market	-	697,216	\$ 11,522,853	-	\$ -	50,000	\$ 1,581,150	\$ 891,500	\$ 689,650	\$ 1,868,812	666,632	\$ 12,500,165
		Equity-method investments	Stock dividend	-	-	-	19,416	-	-	-	-	-	-	-	-
	Far Eastern Polytex (Holding) Ltd. Far Eastern Polychem Industries Co., Ltd.	Equity-method investments	Issuance of stock by cash	-	41	2,900,781	5	330,150	-	-	-	-	92,389	46	3,323,320
		Equity-method investments	Issuance of stock by cash	-	451,476	4,142,822	42,155	373,364	-	-	-	-	(330,518)	493,631	4,185,668
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Equity-method investments	Open market	-	14,782	284,046	6,350	184,732	17,631	634,407	412,502	221,757	9,931	4,135	66,207
	Asia Cement Corporation	Equity-method investments	Stock dividend	-	-	-	634	-	-	-	-	-	-	-	-
	Oriental Union Chemical Corporation	Equity-method investments	Open market	-	73,373	1,104,978	5,949	90,806	5,708	138,372	92,251	48,623	130,587	73,614	1,234,120
	Da Ju Fiber Co., Ltd.	Equity-method investments	Issuance of stock by cash	-	11,880	263,490	5,302	127,258	-	-	-	-	122,432	17,182	513,180
	Shin Kong Financial Holding Co., Ltd.	Available-for-sale financial assets-current	Open market	-	10,000	76,928	-	-	10,000	109,181	76,929	32,252	-	-	-
Far Eastern Construction Co., Ltd.	Mega Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	25,211	300,000	25,211	300,164	300,000	164	-	-	-
	Sino Pac Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	7,509	100,000	7,509	100,002	100,000	2	-	-	-
	UPAMC James Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	6,272	100,000	6,272	100,027	100,000	27	-	-	-
	Fubon Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,142	167,000	11,142	167,074	167,000	74	-	-	-
	Hua Nan Phoenix Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,176	174,000	11,176	174,028	174,000	28	-	-	-
	Capital Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,030	236,000	11,030	236,009	236,000	9	-	-	-

(Continued)

Company Name	Securities Type and Issuer	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Investment Income under the Equity Method	Ending Balance	
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands) (Note A)	Amount	Shares (Thousands)	Price	Book Value	Disposal Gain		Shares (Thousands)/ Thousand Units	Amount
Far Eastern General Constructor Inc.	Invesco ROC Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	\$ -	13,046	\$ 200,000	-	\$ -	\$ -	\$ -	\$ -	13,046	\$ 200,001
	UPAMC James Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	3,128	50,000	-	-	-	-	-	3,128	50,002
	Taishin Lucky Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	9,408	100,000	-	-	-	-	-	9,408	100,001
	TLAM Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	6,630	80,000	-	-	-	-	-	6,630	80,004
	FTSI Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	992	169,000	463	79,000	78,989	11	-	529	90,076
	Shin Kong Chi-Shin Fun	Financial assets at fair value through profit or loss - current	-	-	-	-	15,127	224,000	675	10,000	9,998	2	-	14,452	214,062
	Mega Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	18,046	215,000	13,855	165,032	165,000	32	-	4,191	50,000
	Hua Nan Phoenix Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	14,660	228,000	8,686	135,040	134,980	60	-	5,974	93,058
	Hua Nan Kirin Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	20,319	233,000	10,728	123,022	123,000	22	-	9,591	110,015
	Capital Income Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	15,122	233,000	6,493	100,003	100,000	3	-	8,629	133,009
	PCAF Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	15,410	200,000	3,856	50,003	50,000	3	-	11,544	150,011
	DFE DWS Taiwan Bond Security Investment Trust Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	17,883	199,500	17,883	199,570	199,500	70	-	-	-
	Fubon Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	13,312	199,500	13,312	199,522	199,500	22	-	-	-
Shin Kong Chi-Li Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	6,986	120,000	6,986	120,001	120,000	1	-	-	-	

(Continued)

Company Name	Securities Type and Issuer	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Investment Income under the Equity Method	Ending Balance	
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands) (Note A)	Amount	Shares (Thousands)	Price	Book Value	Disposal Gain		Shares (Thousands)/ Thousand Units	Amount
Yuan Tong Investment Co., Ltd.	KGI Bond Fund	Financial assets at fair value through profit or loss - current	-	-	-	\$ -	9,031	\$ 100,000	9,031	\$ 100,004	\$ 100,000	\$ 4	\$ -	-	\$ -
	Bockhold N.V	Bonds carried at amortized cost	Bockhold N.V	-	-	-	-	293,454	-	-	-	-	-	-	293,454
	Bockhold N.V	Financial assets carried at cost	Bockhold N.V	-	-	-	-	1	223,533	-	-	-	-	1	223,533
	Far EasTone Telecommunications Co., Ltd.	Equity-method investments	Open market	-	91,088	2,286,401	20,914	789,519	-	-	-	-	(18,962)	112,002	3,056,958
	Far Eastern Department Stores, Ltd.	Equity-method investments	Open market	-	10,998	208,132	-	-	9,370	287,000	181,798	86,948	11,775	1,685	38,109
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Equity-method investments	Stock dividend	-	-	-	57	-	-	-	-	-	-	-	-
			Hantech Venture Capital Co., Ltd. and Han Yo Investment and Consultant Co., Ltd.	-	980,315	5,490,024	83,051	333,041	372,270 (Note B)	-	-	-	176,953	691,096	6,000,018
Ding Yuan International Investment Co., Ltd.	Oriental Union Chemical Corporation	Equity-method investments	Open market	-	8,587	190,365	6,330	104,173	5,102	121,852	105,360	19,151	17,190	9,815	206,368
Kai Yuan International Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Equity-method investments	Open market	-	84,858	2,048,611	15,199	576,390	-	-	-	-	(12,802)	100,057	2,612,199
			Open market	-	16,267	337,688	-	-	11,022	355,165	239,408	98,454	26,995	5,496	125,275
	Equity-method investments	Stock dividend	-	-	-	251	-	-	-	-	-	-	-	-	-
KG Telecommunication Co., Ltd.	Asia Cement Corporation	Available-for-sale financial assets - current	-	-	3,449	93,081	892	23,516	4,341	159,297	116,597	42,700	-	-	-
	Oriental Union Chemical Corporation	Available-for-sale financial assets - current	-	-	500	6,657	4,850	68,182	5,350	103,252	74,839	28,413	-	-	-
	Opas Fund Segregated Portfolio Tranche B	Available-for-sale financial assets - current	Opas Fund Segregated Portfolio Company	-	-	-	10	328,700	-	-	-	-	-	10	328,700
	PCA Well Pool Fund	Available-for-sale financial assets - current	-	-	-	-	19,276	250,000	-	-	-	-	-	19,276	250,000
	Prudential Financial Bond Fund	Available-for-sale financial assets - current	-	-	-	-	16,540	250,000	-	-	-	-	-	16,540	250,000
	Hua Nan Phoenix Bond Fund	Available-for-sale financial assets - current	-	-	-	-	16,073	250,000	-	-	-	-	-	16,073	250,000
	Deutsche Far Eastern Alliance Taiwan Bond Fund	Available-for-sale financial assets - current	-	-	10,000	100,000	-	-	10,000	113,825	100,000	13,825	-	-	-
	JP Mrich Europe bond Fund	Available-for-sale financial assets - current	-	-	20,000	199,956	-	-	20,000	198,295	199,956	(1,661)	-	-	-

(Continued)

Company Name	Securities Type and Issuer	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Investment Income under the Equity Method	Ending Balance	
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands) (Note A)	Amount	Shares (Thousands)	Price	Book Value	Disposal Gain		Shares (Thousands)/ Thousand Units	Amount
	Deutsche Far Eastern DWS Taiwan Bond	Available-for-sale financial assets - current	-	-	73,960	\$ 800,000	58,192	\$ 650,000	64,353	\$ 718,828	\$ 700,000	\$ 18,828	\$ -	67,799	\$ 750,000
	98 ACC 1	Held-to-maturity financial assets - noncurrent	Asia Cement Corporation	(Note C)	-	-	-	199,540	-	-	-	-	-	-	199,540

Notes: A. Shares bought-in include portion appropriated of earnings.

B. New Century InfoComm Tech Co., Ltd. sold the holding shares of Far EasTone Telecommunications Co., Ltd. in order to offset the deficit in August 2009.

C. The chairman is the same.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

REAL ESTATE ACQUIRED AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
YEAR ENDED DECEMBER 31, 2009
(In Thousands of New Taiwan Dollars)

Company Name	Real Estate	Trading Date	Trading Amount	Payment	Related Party	Nature of Relationship	Information of Previous Transfer Between Related Parties				Price Basis of the Transfer	Purpose or Existing Condition	Other Contract Items
							Owner	Nature of Relationship	Date of Previous Estate Transfer	Trading Amount			
Far Eastern Construction Co., Ltd.	Lot Number 1019 of the Hsin-Ya Section in Banciao, Taipei County	2009.12.23 (Note A)	\$ 2,147,715	The full amount had been paid off by the end of 2009 (Note B)	Far Eastern Resources Development Co., Ltd.	The same parent company	Far Eastern New Century Corp.	The Parent Company	2003.09.02	None	Refer to Appraisal Report provided by Great Eastern Real Estate Appraisers Firm and TeamCan Real Estate Appraisers Firm	Construction development	None

Notes: A. The contract was signed on August 29, 2008 and the ownership had been transferred by December 23, 2009..

B. \$214,771 thousand had been paid in 2008 and the rest of the payment was paid off by 2009.

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

REAL ESTATE SOLD AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
YEAR ENDED DECEMBER 31, 2009
(In Thousands of New Taiwan Dollars)

Company Name	Real Estate	Trading Date	Acquiring Date	Trading Amount	Payment Amount	Payment	Gain (Loss)	Related Party	Nature of Relationship	Price Basis of the Transfer	Purpose	Other Contract Items
Far Eastern Resources Development Co., Ltd.	Lot Number 988, 1007 of the Ya-Tong Section in Banciao, Taipei County	2009.03.09	2003.09.02	\$ 167,336	\$ 448,329	The full amount had been paid off by the end of 2009	\$ 331,124 (Note A)	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	The same chairman	A new medical building of Far Eastern Memorial Hospital	Refer to Appraisal Report provided by Great Eastern Real Estate Appraisers Firm and TeamCan Real Estate Appraisers Firm	None
	Lot Number 1019 of the Hsin-Ya Section in Banciao, Taipei County	2009.12.23 (Note B)	2003.09.02	554,010	2,147,715	The full amount had been paid off by the end of 2009 (Note C)	1,745,800 (Note D)	Far Eastern Construction Co., Ltd.	The same parent company	Construction development	Refer to Appraisal Report provided by Great Eastern Real Estate Appraisers Firm and TeamCan Real Estate Appraisers Firm	None

- Note A. The net income of deducting the trading amount \$167,336 thousand and the land value increment tax \$54,205 thousand from the payment amount \$448,329 and reversing the allowance for land value increment tax \$44,581 thousand and the unrealized revaluation increments \$59,755 thousand.
- B. The contract was signed on August 29, 2008 and the ownership had been transferred by December 23, 2009.
- C. \$214,771 thousand had been paid in 2008 and the rest of the payment was paid off by 2009.
- D. The net income of deducting the trading amount \$554,010 thousand and the land value increment tax \$188,960 thousand from the payment amount \$2,147,715 thousand and reversing the allowance for land value increment tax \$146,332 thousand and the unrealized revaluation increments \$194,723 thousand; the income (loss) from side-stream trading had been deferred.

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK

YEAR ENDED DECEMBER 31, 2009

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	% to Total	
Far Eastern New Century Corporation	Everest Textile Co., Ltd.	(Note A)	Sale	\$ (192,959)	-	30 to 90 days	\$ -	-	\$ 21,792	4	\$ 16,061	-	
	Oriental Union Chemical Corporation	(Note A)	Purchase	931,735	3	Average 45 days	-	-	-	-	(94,962)	(3)	
	Oriental Resources Development Ltd.	(Note F)	Purchase	155,580	-	30 days	-	-	-	-	-	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note H)	Sale	(288,165)	(1)	45 days	-	-	-	-	80,580	1	
	Far Eastern Apparel (Suzhou) Ltd.	(Note H)	Sale	(131,020)	-	90 days	-	-	-	-	26,778	-	
Far Eastern Polychem Industries Co., Ltd.	Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	(Note F)	Purchase	8,250,881	29	45 days	-	-	-	-	(572,155)	(18)	
	Far Eastern Industries (Shanghai) Ltd.	(Note F)	Purchase	5,194,056	88	60 days	-	-	-	-	(1,552,726)	(96)	
	Far Eastern Industries (Shanghai) Ltd.	(Note F)	Sale	(665,525)	(11)	60 days	-	-	-	-	-	-	
Far Eastern Construction Co., Ltd.	Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	(Note G)	Purchase	666,948	11	60 days	-	-	-	-	-	-	
	Far Eastern General Constructor Inc.	(Note F)	Purchase	1,442,448	41	30 days	-	-	(194,926)	(99)	-	-	
	Ya Tung Ready Mixed Concrete Co., Ltd.	(Note N)	Purchase	593,662	11	45 days	-	-	(83,266)	(17)	(89,533)	(11)	
Far Eastern General Constructor Inc.	Far Eastern Construction Co., Ltd.	(Note F)	Construction income	(1,432,812)	(25)	60 days	-	-	2,308,339	12	194,926	37	
	Far Eastern Department Stores, Ltd.	(Note O)	Construction income	(220,935)	(4)	30 days	-	-	(Note K) 473,037	2	44,180	8	
	Far Eastern Resources Development Co., Ltd.	(Note G)	Construction income	(178,057)	(3)	60 days	-	-	(Note K) 126,333	1	-	-	
									(Note K)				
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern New Century Corporation	(Note B)	Purchase	131,020	38	90 days	-	-	-	-	(26,778)	(44)	
	Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	(Note G)	Purchase	317,283	10	60 days	-	-	-	-	(183,719)	(25)	
Far EastTone Telecommunications Co., Ltd.	KG Telecommunication Co., Ltd.	(Note F)	Operating revenue	(3,128,129)	(6)	For contract	-	-	-	-	438,482	7	
	Arcoa Communication Co., Ltd.		Operating cost	1,073,889	5	For contract	-	-	-	-	(142,806)	(6)	
			Operating commissions, revenue, and service revenue	(315,215)	(1)	For contract	-	-	-	-	203,027	3	
			Purchase and service cost	2,325,811	6	For contract	-	-	-	-	Accounts payable and accrued expense (225,755)	(4)	
	KGEx.com Co., Ltd.	(Note I)	Operating revenue	(198,362)	-	For contract	-	-	-	-	32,649	1	
	New Century InfoComm Tech Co., Ltd.	(Note A)	Operating revenue	(603,718)	(1)	For contract	-	-	-	-	Accounts receivable (Note C)		
			Operating cost	532,217	2	For contract	-	-	-	-	Accounts payable and accrued expense (Note C) (206,153)	(4)	
Ding Ding Integrated marketing Service Co., Ltd.	(Note A)	Marketing expense	140,535	2	For contract	-	-	-	-	Accrued expense (63,021)	(2)		

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note	
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	% to Total		
	Far Eastern Tech-info Ltd. (Shanghai)	(Note I)	Operating expense	\$ 144,930	50	For contract	\$ -	-	\$ -	-	Accrued expense \$ (24,755)	(1)		
Far Eastern Fibertech Co., Ltd.	Everest Textile Co., Ltd.	(Note L)	Sale	(103,480)	(7)	30 days	-	-	-	-	10,737	7		
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	(Note F)	Purchase	273,423	99	60 days	-	-	-	-	(20,025)	(89)		
Far Eastern Industries (Shanghai) Ltd.	Wu Han Far Eastern New Material Ltd.	(Note G)	Sale	(957,264)	(4)	60 days	-	-	-	-	366,844	10		
	Wu Han Far Eastern New Material Ltd.	(Note G)	Purchase	113,969	1	60 days	-	-	-	-	(51,007)	(1)		
	Oriental Industries (Suzhou) Ltd.	(Note G)	Purchase	1,729,210	9	60 days	-	-	-	-	(215,214)	(5)		
	Oriental Petrochemical (Shanghai) Ltd.	(Note G)	Purchase	8,084,484	41	60 days	-	-	(1,434,764)	(100)	(896,691)	(24)		
	Far Eastern Polychem Industries Co., Ltd.	(Note E)	Sale	(5,194,056)	(23)	60 days	-	-	-	-	1,552,726	48		
	Far Eastern Polychem Industries Co., Ltd.	(Note E)	Purchase	665,525	3	60 days	-	-	-	-	-	-	-	
	Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	(Note G)	Purchase	2,715,896	14	90 days	-	-	-	-	(879,654)	(23)		
	Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	(Note G)	Sale	(151,843)	(1)	60 days	-	-	-	-	42,716	1		
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Purchase	806,610	5		-	-	-	-	(56,984)	(1)		
	Everest Textile (Shanghai) Ltd.	(Note J)	Purchase	363,693	2	60 days	-	-	-	-	(173,838)	(5)		
KG Telecommunication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	Operating revenue	(1,073,889)	(14)	For contract	-	-	-	-	Account receivable 142,806	17		
			Operating cost	3,128,129	40	For contract	-	-	-	-	Account payable (438,482)	(60)		
Arcoa Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	Operating commissions, revenue, and service revenue	(2,325,811)	(44)	For contract	-	-	-	-	Account receivable 225,755	72		
			Purchase and service cost	315,215	7	For contract	-	-	-	-	Account payable (203,027)	(43)		
KGEx.com Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note L)	Operating revenue	(592,431)	(48)	For contract	-	-	-	-	Account receivable 113,439	53		
	Far EasTone Telecommunications Co., Ltd.	(Note E)	Operating cost	198,362	15	For contract	-	-	-	-	Account payable (32,649)	(16)		
Far Eastern Tech-info Ltd. (Shanghai)	Far EasTone Telecommunications Co., Ltd.	(Note E)	Service revenue	(144,930)	(93)	For contract	-	-	-	-	Account receivable 24,755	86		
Oriental Petrochemical (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	Far Eastern New Century Corporation	(Note B)	Sale	(8,250,881)	36	45 days	-	-	-	-	572,155	14		
	Far Eastern Polychem Industries Co., Ltd.	(Note G)	Sale	(666,948)	3	90 days	-	-	-	-	-	-		
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(2,715,896)	12	90 days	-	-	-	-	879,654	21		
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Sale	(113,743)	1	90 days	-	-	-	-	47,850	1		
Oriental Industries (Suzhou) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Purchase	3,073,071	82	90 days	-	-	(832,920)	100	(375,746)	(78)		
	Oriental Textile (Holding) Ltd.	(Note E)	Sale	(747,733)	(19)	60 days	-	-	-	-	65,321	3		
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(1,729,210)	(51)	90 days	-	-	-	-	215,214	39		
Oriental Textile (Holding) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note F)	Purchase	747,733	83	90 days	-	-	-	-	(65,321)	(40)		
	Far Eastern Industries (Wuxi) Ltd.	(Note F)	Purchase	146,440	17	60 days	-	-	-	-	(97,129)	(60)		
Far Eastern Apparel Co., Ltd.	Far Eastern Department Stores, Ltd.	(Note L)	Sale	(181,469)	(14)	45 to 90 days	-	-	-	-	-	-		
	Pacific SOGO Department Stores Co., Ltd.	(Note M)	Sale	(157,068)	(12)	45 to 90 days	-	-	-	-	80,364	28		

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	% to Total	
Oriental Resources Development Ltd.	Far Eastern New Century Corp.	(Note B)	Sale	\$ (155,580)	(47)	90 days	\$ -	-	\$ -	-	\$ -	-	
Wu Han Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Purchase	957,264	93	60 days	-	-	-	-	(366,844)	(85)	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(113,969)	(10)	90 days	-	-	-	-	51,007	48	
Oriental Petrochemical (Shanghai) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(8,084,484)	(43)	90 to 180 days	-	-	1,434,764	53	896,691	77	
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Sale	(2,612,270)	(14)	90 to 180 days	-	-	520,210	19	270,327	23	
Far Eastern Industries (Suzhou) Ltd.	Oriental Petrochemical (Shanghai) Ltd.	(Note G)	Purchase	2,612,270	70	90 days	-	-	(520,210)	100	(270,327)	(44)	
	Oriental Industries (Suzhou) Ltd.	(Note G)	Sale	(3,073,071)	(76)	90 days	-	-	832,920	100	375,746	76	
	Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	(Note G)	Purchase	113,743	3	90 days	-	-	-	-	(47,850)	(8)	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(806,610)	(20)	90 days	-	-	-	-	56,984	12	
Far Eastern Industries (Wuxi) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	Sale	(146,440)	(6)	60 days	-	-	-	-	97,129	34	
Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Purchase	151,843	19	60 days	-	-	-	-	(42,716)	(28)	
	Far Eastern Apparel (Suzhou) Ltd.	(Note G)	Sale	(317,283)	(25)	60 days	-	-	-	-	183,719	30	
	Far Eastern Apparel (Holding) Ltd.	(Note E)	Sale	(273,423)	(21)	60 days	-	-	-	-	20,025	5	

Notes:

- A. Equity-method investee.
- B. Ultimate parent company.
- C. All revenues and costs between Far EastOne and NCIC were settled at full amount except interconnection revenues and costs and were included in payables to related parties, respectively.
- D. Same parent company.
- E. Parent company.
- F. The subsidiary.
- G. Same ultimate parent company.
- H. The investee (equity method) held by FENC's subsidiary (equity method).
- I. The sub-affiliate.
- J. The subsidiary of Everest Textile Co., Ltd.
- K. The advance construction receipts with Far Eastern General Contractor Co., Ltd. received from Far Eastern Department Stores, Ltd. and Far Eastern Construction Co., Ltd.
- L. The investee of the parent company applying equity method.
- M. The subsidiary of Pacific Liu Tung Investment Co., Ltd.
- N. The subsidiary of Asia Cement Corporation.
- O. The chairman is the chairman of FENC.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

(Formerly Far Eastern Textile Ltd.)

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK

YEAR ENDED DECEMBER 31, 2009

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Ending Balance (Note F)	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
Far EasTone Telecommunications Co., Ltd.	KG Telecommunication Co., Ltd.	(Note E)	\$ 449,328	(Note B)	\$ -	-	\$ 449,328	\$ -
	Arcoa Communication Co., Ltd.	(Note E)	205,974	8.01	-	-	137,616	-
	New Century InfoComm Tech Co., Ltd.	(Note H)	161,962	(Note B)	-	-	64,982	-
KG Telecommunication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note F)	1,192,570	(Note C)	-	-	1,192,570	-
Arcoa Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note F)	225,755	12.64	-	-	186,186	-
KG Ex.com Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note J)	113,439	7.86	-	-	55,373	-
Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	Far Eastern New Century Corporation	(Note F)	572,155	14.28	-	-	572,155	-
	Far Eastern Industries (Shanghai) Ltd.	(Note D)	879,654	6.17	-	-	879,654	-
Far Eastern Industries (Shanghai) Ltd.	Wu Han Far Eastern New Material Ltd.	(Note D)	366,844	1.74	-	-	-	-
	Far Eastern Polychem Industries Co., Ltd.	(Note F)	1,552,726	3.03	-	-	-	-
	Everest Textile (Shanghai) Ltd.	(Note K)	115,232	3.41	-	-	-	-
Oriental Petrochemicals (Shanghai) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note D)	2,331,455	11.83	-	-	2,331,455	-
	Far Eastern Industries (Suzhou) Ltd.	(Note D)	790,537	11.68	-	-	790,537	-
Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note D)	1,208,666	8.50	-	-	1,208,666	-
Oriental Industries (Suzhou) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note D)	215,214	2.07	-	-	-	-
Far Eastern Investment (Holding) Ltd.	Far Eastern Polychem Industries Co., Ltd.	(Note D)	222,417	(Note G)	-	-	-	-
Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note D)	183,719	64.00	-	-	-	-
Far Eastern General Constructor Inc.	Far Eastern Construction Co., Ltd.	(Note F)	194,926	(Note L)	-	-	-	-

(Continued)

Note A: Receivables from financing provided weren't included in Schedule K, and please refer to Schedule D.

Note B: The turnover rate is unavailable as the receivables from related parties were mainly from the advances in operating expenses for KG Telecommunication Co., Ltd. and New Century InfoComm Tech Co., Ltd.

Note C: The turnover rate is unavailable as the receivable of telecommunication bills is mainly handled by Far Eastone Telecommunications Co., Ltd.

Note D: Same ultimate parent company.

Note E: The subsidiary.

Note F: The parent company.

Note G: The turnover rate is not calculated as the amount is an expense Far Eastern Investment (Holding) Ltd. paid for Far Eastern Polychem Industries Co., Ltd.

Note H: The investee evaluated by equity method.

Note I: KG Telecom will be merged by Far Eastone Telecom on January 1, 2010, so accounts receivable will be eliminated.

Note J: The investee evaluated by equity method.

Note K: The subsidiary of Everest Textile Co., Ltd.

Note L: The turnover rate is not calculated because the income of Far Eastern General Constructor Inc. is recognized by percentage of "Percentage-of-completion method" and "Completed-contract method".

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
YEAR ENDED DECEMBER 31, 2009
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2009			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2009	December 31, 2008	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern New Century Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	\$ 2,652,282	\$ 2,857,181	666,632	22.33	\$ 12,500,165	\$ 7,885,009	\$ 1,440,960	Gain or loss recognized under the treasury stock method
	Far Eastern Department Stores, Ltd.	Taipei, Taiwan	Department store operations	1,254,158	1,254,158	203,659	16.80	3,877,699	1,932,776	324,706	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,176,211	1,176,211	73,833	9.17	1,155,372	1,434,703	129,725	Including write off by upstream transactions \$1,837
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	1,689	1,689	129	0.03	1,540	6,135	2	
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	100,294	100,539	1,828,323	99.70	36,155,036	3,882,827	3,851,592	Including write off by side-stream transactions \$19,587
	Far Eastern Resources Development Co., Ltd.	Taipei, Taiwan	Real estate Investment	14,931,733	14,931,733	283,797	100.00	15,693,512	2,263,926	518,125	Including write off by side-stream transactions \$1,745,801
	Yuan Tong Investment Co., Ltd.	Taipei, Taiwan	Investment	5,850,000	5,850,000	705,147	100.00	7,296,064	156,952	156,952	
	Far Eastern Investment (Holding) Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	5,833,333	5,833,333	1,700	100.00	5,238,743	6,753	6,753	
	Far Eastern Polychem Industries Co., Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	4,306,228	3,932,864	493,631	59.81	4,185,668	(351,796)	(210,249)	Including write off by side-stream transactions \$5,539
	Kai Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	999,993	999,993	291,196	100.00	4,366,102	517,921	517,921	
	Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	Taoyuan, Taiwan	Petrochemical materials production	4,875,315	4,875,315	337,678	75.56	3,875,245	707,058	470,174	Including write off by upstream transactions \$37,857 and including write off by side-stream transactions \$26,222
	Far Eastern Polytex (Holding) Limited	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	2,984,602	2,654,452	46	100.00	3,323,320	241,957	232,106	Including write off by side-stream transactions \$9,851
	Yuan Ding Co., Ltd.	Taipei, Taiwan	Real estate construction and selling	857,447	857,447	186,926	37.13	3,180,506	156,920	58,265	
	Far Eastern Construction Co., Ltd.	Taipei, Taiwan	Real estate construction and selling	143,450	143,450	154,372	65.11	2,078,321	275,768	179,553	
	Ding Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	2,000,062	2,000,062	205,000	100.00	2,412,433	324,746	313,151	Including write off by side-stream transactions \$11,595
	Oriental Securities Co., Ltd.	Taipei, Taiwan	Broker	159,823	159,823	140,278	19.65	2,066,710	1,056,378	207,578	
	PET Far Eastern (Holding) Ltd.	Clarendon House, 2 Church St. Hamilton HM 11, Bermuda	Investment	1,509,008	1,509,008	117	49.42	1,966,083	1,242,597	582,132	Including write off by side-stream transactions \$31,959
	An Ho Garment Co., Ltd.	Taipei, Taiwan	Garment production	1,023	1,023	66,346	100.00	1,537,449	253,887	253,887	
	Pacific Liu Tung Investment Co., Ltd.	Taipei, Taiwan	Investment	810,000	810,000	67,500	16.83	1,165,944	1,113,445	187,393	
	Fu Kwok Garment Manufacturing Co., Ltd.	Kaohsiung, Taiwan	Garment production	9,129	9,129	3,999	99.99	128,923	2,411	2,411	
Ding Ding Hotel Co., Ltd.	Taipei, Taiwan	Hotel	249,795	249,795	5,386	19.00	28,962	(118,737)	(22,560)		
New Century Information Communication Co., Ltd.	Taipei, Taiwan	Telecommunications	40,560	40,560	2,605	0.10	26,078	6,078	6		
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	81,967	310,065	4,135	0.14	66,207	7,885,009	37,982	Gain or loss recognized under the treasury stock method, including discount amortization of \$2,528
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	23,371,725	9,230,107	3,021,014	
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	470,103	470,103	118,869	25.23	1,156,375	6,135	1,538	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,132,851	1,129,885	73,614	9.14	1,234,120	1,434,703	138,056	Including discount amortization of \$468
	Far Eastern Department Stores, Ltd.	Taipei, Taiwan	Department store operations	123,123	36,892	4,806	0.40	132,492	1,932,776	4,832	
	Oriental Textile (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM11, Bermuda	Investment	5,861,253	5,861,253	90	100.00	5,277,067	(399,500)	(399,500)	
	Far Eastern Polychem Industries Co., Ltd.	Clarendon House, Hamilton HM11, Bermuda	Investment	1,620,452	1,620,452	331,717	40.19	2,812,608	(351,796)	(147,086)	
	Oriental Securities Co., Ltd.	Taipei, Taiwan	Broker	253,359	252,031	185,040	25.93	2,831,933	1,056,378	274,512	Including discount amortization of \$593
	Far Eastern Apparel (Holding) Ltd.	Clarendon House, Hamilton Hm 11, Bermuda	Sale of textile, garments, and clothing	1,858,657	1,858,657	95	100.00	1,934,377	85,231	85,231	
	Liquid Air Far East Co., Ltd.	Taipei, Taiwan	Industrial gas production and selling	329,814	329,778	69,115	35.00	1,136,367	440,547	154,191	
New Century InfoComm Tech Co., Ltd.	Taipei, Taiwan	Telecommunications	1,549,473	1,549,473	100,694	3.87	1,007,911	6,078	235		
Yuan Ding Co., Ltd.	Taipei, Taiwan	Real estate construction and selling	188,846	188,846	64,759	12.86	1,099,336	156,920	20,180		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2009			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2009	December 31, 2008	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern Investment (Holding) Ltd.	Pacific Liu Tung Investment Co., Ltd. (Note C)	Taipei, Taiwan	Investment	\$ 796,491	\$ 796,491	59,827	14.92	\$ 946,933	\$ 1,113,445	\$ 166,126	
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing of real estate and movable property, etc.	1,012,057	916,865	75,269	16.87	1,001,832	123,489	20,549	
	Far Eastern Fibertech Co., Ltd.	Taoyuan, Taiwan	Nylon production	585,000	585,000	66,673	100.00	726,257	6,243	6,243	
	Pacific Petrochemical (Holding) Co., Ltd.	P.O. BOX 3140 Tortola British Virgin Islands	Investment	681,000	681,000	20	24.63	709,848	903,820	222,611	
	Yuan Ding Leasing Co.	Taipei, Taiwan	Real estate construction and selling	319,380	319,380	36,706	46.20	359,363	15,195	7,020	
	Far Eastern Apparel Co., Ltd.	Taipei, Taiwan	Sale of textile, garments, and clothing	287,984	287,984	19,664	100.00	356,448	51,766	51,766	
	Da Ju Fiber Co., Ltd.	Taipei, Taiwan	Polyester production	263,790	136,532	17,182	41.86	513,180	409	171	
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taoyuan, Taiwan	Production of nonwoven industrial fabrics	144,797	144,797	13,053	29.80	274,931	171,462	51,096	
	Oriental Resources Development Ltd.	Taipei, Taiwan	Waste recycling and processing	279,901	279,901	21,322	70.32	130,963	(24,711)	(17,377)	
	Oriental Petrochemicals (Taiwan) Co., Ltd. (the former "INVISTA Far Eastern Petrochemicals Co., Ltd.")	Taoyuan, Taiwan	PTA production and sale	-	-	23,222	5.20	258,218	707,058	38,405	Including discount amortization of \$1,638
	Yuan Faun Ltd.	Taipei, Taiwan	PET bottle production and selling	51,671	51,671	5,000	100.00	104,778	329	329	
	Yue Ming Co., Ltd.	Taipei, Taiwan	Trading	36,482	36,482	1,280	45.50	70,195	1,472	670	
	Far Eastern General Constructor Inc.	Taipei, Taiwan	Real estate construction	14,682	14,682	1,205	1.00	16,466	145,264	1,479	Including discount amortization of \$26
Far Eastern Investment (Holding) Ltd.	F.E.T.G. Investment Antilles N.V.	Kaya W.F.G. Mensing 14, Curacao, Nederlandse Antillen	Investment	US\$ 6	US\$ 6	6	100.00	US\$ 9,678	US\$ 3,497	-	
	Filsyn Corporation	Unit 8, 5B Pearlbank Centre 146 Valero St. Makati City 1227, Philippines	Polychemical products	PESO225,324	PESO225,324	45,066	21.85	US\$ -	US\$ (10,701)	-	
	PET F.E. (M) Sdn Bhd.	Plo 69, Kawasan Perindustrian Senai 3, 81400 Senai, Johor Bahru, Johor Malaysia	Bottle production	MYR 8,000	MYR 8,000	(Note A)	50.00	US\$ 6,141	US\$ 2,917	-	
	Com 2B Far Eastern Apparel (Vietnam) Ltd.	Cayman Islands 11 VSIP Street 4, Vietnam Singapore Industrial Park, Thuan An District, Binh Duong Province, Vietnam	E-business Clothing production	US\$ 3,375 US\$ 6,000	US\$ 3,375 US\$ 6,000	9,000 (Note B)	20.00 100.00	US\$ 877 US\$ 5,122	US\$ (139) US\$ 621	- -	
Ding Yuan International Investment Co., Ltd.	Far Eastern Department Stores, Ltd.	Taipei, Taiwan	Department store operations	34,795	38,179	2,988	0.25	56,000	1,932,776	-	
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	146,283	146,283	8,506	1.81	74,668	6,135	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	200,463	200,473	9,815	1.22	206,368	1,434,703	-	
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	38,457	26,509	920	0.03	40,361	9,230,107	-	
	Pacific Liu Tung Investment Co., Ltd. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	137,356	1,113,445	-	
	PET Far Eastern (Holding) Ltd.	Clarendon House, 2 Church St. Hamilton HM 11, Bermuda	Investment	795,762	795,762	42	17.93	724,196	1,242,597	-	
	Yue Ding Industry Co., Ltd. Asia Cement Corporation	Taipei, Taiwan Taipei, Taiwan	Department store operations Cement production	95,624 100,711	4,424 79,989	9,683 2,806	13.20 0.09	191,516 107,182	11,161 7,885,009	- -	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	151,277	151,277	11,377	0.38	241,143	7,885,009	-	
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,135,682	1,559,293	100,057	3.07	2,612,199	9,230,107	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	569,344	569,344	25,463	3.16	468,179	1,434,703	-	
	Far Eastern Department Stores, Ltd.	Taipei, Taiwan	Department store operations	133,316	372,724	5,497	0.45	125,275	1,932,776	-	
	Kowloon Cement Co., Ltd.	Hong Kong	Cement production	226,896	226,896	1,127	49.00	380,159	14,474	-	
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing	1,026,489	931,673	74,970	16.80	1,002,640	123,489	-	
	Pacific Liu Tung Investment Co., Ltd. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	137,356	1,113,445	-	
Far Eastern Polychem Industries Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	China	Chemical fiber production	HK\$ 604,500	HK\$ 604,500	(Note B)	87.03	HK\$1,384,528	RMB 61,263	-	
	PET Far Eastern (Holding) Ltd.	Clarendon House, 2 Charch St. Hamilton HM 11, Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	14.72	HK\$ 144,965	US\$ 37,608	-	
	FEDP (Holding) Ltd.	Clarendon House, 2 Charch St. Hamilton HM 11, Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	HK\$ 179,719	US\$ (4,655)	-	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2009			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2009	December 31, 2008	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern Construction Co., Ltd.	Far Eastern General Constructor Inc. Asia Cement Corporation	Taipei, Taiwan	Construction	\$ 271,587	\$ 271,587	119,202	98.95	\$ 1,451,879	\$ 145,264	\$ -	
		Taipei, Taiwan	Cement production	216,959	216,959	15,745	0.53	396,699	7,885,009	-	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Ltd. Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	China	Garment production	US\$ 10,000	US\$ 10,000	(Note B)	38.46	US\$ 14,826	RMB 30,572	-	
		China	Dyeing and finishing	US\$ 20,000	US\$ 20,000	(Note B)	100.00	US\$ 25,672	RMB 14,644	-	
Far Eastern Apparel Co., Ltd.	Ming Ding Co. Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Underwear selling	2,174	2,174	448	44.80	6,523	118	-	
		Taipei, Taiwan	Department store operations	29	29	6	0.01	50	11,161	-	
F.E.T.G. Investment Antilles N.V.	Waldorf Services B.V.	Leidesplein 9, 1017 PS Amsterdam, The Netherland	Investment	US\$ 19	US\$ 19	2	100.00	US\$ 9,846	US\$ 3,506	-	
Waldorf Services B.V.	Cemtex Apparel Inc.	#100 Marc Alvarez Ave. Talon Las Pinas City Filipino	Clothing O.E.M.	PESO 9,000	PESO 9,000	90	50.00	US\$ (143)	US\$ (98)	-	
	Malaysia Garment Manufactures Pte. Ltd.	No. 5-9, Little Rd, Singapore (536985)	Garment production	SGD 3,000	SGD 3,000	30	37.90	US\$ 1,408	US\$ (2,052)	-	
	Far Eastern International Garments	Bldg. #5 Cor. Sirloinand Bagsakan Ave, FTI Taguig, MM Filipino	Garment production	US\$ 290	US\$ 290	59	41.00	US\$ (847)	PESO (1,550)	-	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	1,469,123	1,469,123	80,172	2.46	1,943,414	9,230,107	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	99,925	99,925	2,760	0.09	106,314	7,885,009	-	
	Oriental Securities Co., Ltd.	Taipei, Taiwan	Broker	86,200	86,200	5,000	0.70	79,363	1,056,378	-	
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	111,997	111,997	11,494	15.66	128,387	11,161	-	
	Pacific Liu Tung Investment Co., Ltd. (Note C)	Taipei, Taiwan	Investment	67,285	67,285	4,841	1.21	78,841	1,113,445	-	
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	148,994	148,994	5,502	0.30	152,569	3,882,827	-	
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Co., Ltd.	Taipei, Taiwan	Personnel recruitment	6,271	4,222	278	55.56	6,271	3,925	-	
Yuan Tong Investment Co., Ltd.	Pacific Liu Tung Investment Co., Ltd. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	137,356	1,113,445	-	
	New Century InfoComm Tech Co., Ltd.	Taipei, Taiwan	Telecommunications	4,794,137	4,794,137	312,221	12.01	3,124,930	6,078	-	
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,458,607	1,669,088	112,002	3.44	3,056,958	9,230,107	-	
	Far Eastern Toll Collection Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	350,476	350,476	35,048	9.15	46,691	(400,580)	-	
	Far Eastern Department Stores, Ltd.	Taipei, Taiwan	Department store operations	34,245	230,298	1,685	0.14	38,109	1,932,776	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Chemical materials production	9,543	9,543	439	0.05	9,631	1,434,703	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	310,806	297,092	8,531	0.29	331,824	7,885,009	-	
	FEDP (Holding) Ltd.	Clarendon House 2 Church Street, Hamilton HM11, Bermuda	Investment	810,739	810,739	196	40.33	599,684	(153,817)	-	
	Sino Belgium (Holding) Ltd.	Clarendon House 2 Church Street, Hamilton HM11, Bermuda	Investment	1,086,142	1,086,142	17	87.50	668,259	(410,844)	-	
	Far EasTone Telecommunications Co., Ltd.	KG Telecommunication Co., Ltd.	Taiwan	Type I telecommunications services	29,629,139	29,629,139	1,332,998	100.00	30,573,498	(1,094,787)	-
New Century InfoComm Tech Co., Ltd.		Taiwan	Type I and II telecommunications services	6,395,041	6,062,000	691,096	26.59	6,000,018	6,078	-	
Arcoa Communication Co., Ltd.		Taiwan	Type II telecommunications services, sales of communications products and office equipment	1,295,035	1,283,563	82,009	61.07	1,116,869	108,387	-	
Far Eastern Toll Collection Co., Ltd.		Taiwan	Electronic toll collection service	1,577,140	1,577,140	157,714	41.18	232,803	(400,580)	-	
Far Eastern Info Service (Holding) Ltd.		Bermuda	Investment	92,616	92,616	1	100.00	161,358	11,308	-	
E. World (Holdings) Ltd.		Cayman Islands	Investment	82,883	82,883	6,015	85.92	71,337	4,900	-	
Ding Ding Integrated Marketing Service Co., Ltd.		Taiwan	Marketing	90,000	45,000	4,725	15.00	39,519	(54,785)	-	
Q-Ware Communications Inc.		Taiwan	Type II Telecommunications services	495,855	495,855	36,460	51.00	28,440	(230,617)	-	
Far EasTron Holding Ltd.		Cayman Islands	Investment	150,000	150,000	4,487	100.00	26,022	447	-	
Yuan Cing Infocomm Tech Co., Ltd.		Taiwan	Sale of communication products	1,000	-	100	100.00	993	(7)	-	
ADCast Interactive Marketing Co., Ltd.	Taiwan	Internet service	1,000	1,000	18	0.40	174	1,065	-		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2009			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2009	December 31, 2008	Shares (Thousands)	Percentage of Ownership	Carrying Value			
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Ltd.	China	PTA production and sale	US\$ 105,055	US\$ 105,055	(Note B)	53.24	US\$ 127,588	RMB 499,961	\$ -	
Far Eastern Industries (Shanghai) Ltd.	Wu Han Far Eastern New Material Ltd. Shanghai Yuan Zi Information Co., Ltd.	China	Garment production and sales	RMB 6,650	RMB 6,650	(Note B)	3.63	RMB 3,700	RMB 3,634	-	
		China	Software development, equipment maintenance and consulting	RMB 1,900	RMB 1,900	(Note B)	95.00	RMB 1,764	RMB 4	-	
	China	Shanghai Far Eastern Petrochemical Logistic Ltd.	Transportation	RMB 5,000	RMB 5,000	(Note B)	100.00	RMB 5,872	RMB 529	-	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd. Oriental Industries (Suzhou) Ltd.	China	Fiber and textile production	US\$ 59,960	US\$ 59,960	(Note B)	100.00	US\$ 71,285	RMB 7,127	-	
		China	Textile production	US\$ 138,000	US\$ 138,000	(Note B)	100.00	US\$ 87,237	RMB (77,781)	-	
Far Eastern Apparel (Suzhou) Ltd.	Wu Han Far Eastern New Material Ltd. Shanghai Yuan Zi Information Co., Ltd.	China	Garment production and sales	RMB 350	RMB 350	(Note B)	0.17	RMB 350	RMB 3,634	-	
		China	Software development, equipment maintenance and consulting	RMB 100	RMB 100	(Note B)	5.00	RMB 100	RMB 4	-	
	China	An Ho Garment (Suzhou) Ltd.	Garment production	RMB 1,000	RMB 1,000	(Note B)	100.00	RMB 2,173	RMB 486	-	
FEDP (Holding) Limited	Far Eastern Industries (Suzhou) Ltd.	China	Garment production	US\$ 49,800	US\$ 49,800	(Note B)	100.00	US\$ 37,682	RMB (30,241)	-	
Far Eastern Polytex (Holding) Ltd.	Wu Han Far Eastern New Material Ltd. Far Eastern Apparel (Suzhou) Ltd. FEDP (Holding) Ltd.	China	Garment production and sales	US\$ 22,000	US\$ 12,000	(Note B)	96.20	US\$ 24,079	RMB 3,634	-	
		China	Garment production	US\$ 16,000	US\$ 16,000	(Note B)	61.54	US\$ 23,721	RMB 30,572	-	
	Bermuda	Clarendon House 2 Church Street, Hamilton HM11, Bermuda	Investment	US\$ 6,408	US\$ 6,408	49	10.10	US\$ 4,774	US\$ (4,655)	-	
	Far Eastern New Century (China) Investment Ltd.	China	Investment	US\$ 48,000	US\$ 48,000	(Note B)	100.00	US\$ 50,792	RMB (86)	-	
KG Telecommunications Co., Ltd.	KGEx.com Co., Ltd. iScreen ADCast Interactive Marketing Co., Ltd.	Taiwan	Type II telecommunications services	2,355,649	2,355,649	89,088	79.25	794,752	(121,296)	-	
		Taiwan	Information and software services	100,000	100,000	4,000	40.00	30,030	3,161	-	
		Taiwan	Internet service	3,652	3,652	369	8.16	3,501	1,065	-	
Far Eastern Info Service (Holding) Ltd.	Far Eastern Tech-info Ltd. (Shanghai)	China	Information services, software, and internet	US\$ 2,500	US\$ 2,500	-	100.00	US\$ 4,427	11,624	-	
Far EasTron Holding Ltd.	ADCast Interactive Marketing Co., Ltd.	Taiwan	Internet services	US\$ 4,532	US\$ 4,532	2,734	60.52	US\$ 812	1,065	-	
E. World (Holdings) Ltd.	Yuan Cing Co., Ltd.	Taiwan	Call center services	193,500	193,500	19,350	99.99	US\$ 2,334	5,378	-	
Far Eastern New Century (China) Investment Ltd.	Far Eastern Industries (Shanghai) Ltd. Oriental Petrochemical (Shanghai) Ltd.	China	Fiber and silk production	RMB 219,138	RMB 219,138	(Note B)	12.97	RMB 219,138	RMB (61,263)	-	
		China	PTA production and sale	RMB 115,232	RMB 115,232	(Note B)	8.11	RMB 115,232	RMB 499,961	-	
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Ltd. Martens Beer (Shanghai) Co., Ltd.	China	Brewer production	US\$ 30,000	US\$ 30,000	(Note B)	100.00	US\$ 22,629	RMB (49,150)	-	
		China	Brewer sale	US\$ 3,633	US\$ -	(Note B)	100.00	US\$ 606	RMB (20,137)	-	

Notes:

- A. This included 5,000 thousand common shares and 3,000 thousand preferred shares.
- B. This is a private company.
- C. The investor company opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire equity in Pacific Liu Tung Investment Co., Ltd.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

INVESTMENT IN MAINLAND CHINA
YEAR ENDED DECEMBER 31, 2009

(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Accumulated Outflow of Investment from Taiwan as of January 1, 2009	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2009	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of December 31, 2009 (Note B)	Accumulated Inward Remittance of Earnings as of December 31, 2009
				Outflow	Inflow					
Far Eastern Industries (Shanghai) Ltd. (FEIS)	Manufacture and distribution of PET staple, PET filament, Polyester top, PET performs, draw textured yarn, spinning yarn, knit fabric, woven fabric, knit garments and woven garments.	\$ 8,364,363 (RMB 1,801,888)	\$ 2,726,116 793,920 (Note D)	\$ 373,364 (Note L)	\$ -	\$ 3,099,480 793,920 (Note D)	100.00%	\$ (293,084)	\$ 6,563,670	\$ 853,493 (Note C)
Far Eastern Apparel (Suzhou) Ltd. (FEAS)	Manufacture and distribution of knit garments, woven garments, non-knit garments, non-woven garments and accessories.	949,647 (RMB 204,577)	509,725 501,176 (Note D)	-	-	509,725 501,176 (Note D)	100.00%	146,257	1,221,694	-
Far Eastern Industries (Wuxi) Ltd. (FEIW)	Manufacture and distribution of combed cotton yarn, 60/40 poly/cotton blended yarn, 65/35 poly/cotton blended yarn, spun yarn, woven fabric, greige woven fabric, print woven fabric, piece dyed woven fabric, bleached woven fabric.	2,234,986 (RMB 481,471)	2,018,430 (Note D)	-	-	2,018,430 (Note D)	100.00%	34,096	2,259,083	-
Oriental Petrochemical (Shanghai) Ltd. (OPC)	Manufacture and distribution of PTA and it's by-product.	6,971,678 (RMB 1,501,870)	1,657,304 1,375,680 (Note E)	-	-	1,657,304 1,375,680 (Note E)	51.80%	1,238,960	3,934,032	-
Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	Manufacture and distribution of weaving, dyeing & finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps.	768,451 (RMB 165,543)	1,342,854 (Note D)	-	-	1,342,854 (Note D)	100.00%	70,059	813,569	-
Far Eastern Industries (Suzhou) Ltd.	Manufacture and distribution of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	1,830,664 (RMB 394,370)	422,978 666,026 (Note K)	-	-	422,978 666,026 (Note K)	100.00%	(144,673)	1,194,174	-
Wu Han Far Eastern New Material Ltd.	Manufacture and distribution of PET chips, FET sheets, PET performs and garments and it's by-product.	794,003 (RMB 171,048)	393,960	330,150	-	724,110	100.00%	17,383	793,314	-

(Continued)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Accumulated Outflow of Investment from Taiwan as of January 1, 2009	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2009	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of December 31, 2009 (Note B)	Accumulated Inward Remittance of Earnings as of December 31, 2009
				Outflow	Inflow					
Oriental Industries (Suzhou) Ltd.	Manufacture and distribution of PET performs and high-value engineered textiles industrial woven fabrics and scraps	\$ 3,653,626 (RMB 787,080)	\$ 3,421,559 (Note D)	\$ -	\$ -	\$ 3,421,559 (Note D)	100.00%	\$ (372,103)	\$ 2,764,626	\$ -
Far Eastern Industries (Jiujiang) Ltd. (Note M)	Manufacture of cotton yarns, natural fibers and chemical fibers and it's by-product.	-	258,880 (Note D)	-	-	258,880 (Note D)	100.00%	(6)	-	-
Far Eastern New Century (China) Investment Ltd.	Investment	1,692,195 (RMB 364,540)	1,577,040	-	-	1,577,040	100.00%	(411)	1,637,386	-
Sino Belgium (Suzhou) Limited	Brewer	1,014,182 (RMB 218,480)	962,577 (Note J)	-	-	962,577 (Note J)	87.5%	(210,633)	627,485	-
Martens Beer (Shanghai) Co., Ltd.	Beer sales	161,050 (RMB 25,000)	-	123,565 (Note J)	-	123,565 (Note J)	87.5%	(82,776)	17,613	-
Far Eastern Tech-info Ltd. (Shanghai) (Note F)	Service of software, data processing, information provider and information integration system service.	79,975 (US\$ 2,500)	92,616 (Note G)	-	-	92,616 (Note G)	41.736%	4,851	59,107 (US\$ 1,848)	-

Accumulated Investment in Mainland China as of December 31, 2009	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
US\$253,349 (Note H)	US\$328,058 (Note I)	(Note N)

Notes:

- A. Recognition of gains/loss was based on the investee's audited financial statements.
- B. Recognition of the investment amount was based on the investee's audited financial statements.
- C. This was the amount of cash dividends received by the Company and Yuan Ding Investment over the years from FEPI.
- D. The amount was remitted by the Company's subsidiary, Yuan Ding Investments.
- E. The amount was remitted by the Company's subsidiaries, Yuan Ding Investments and Ding Yuan International Investment.
- F. Far EasTone's subsidiary.
- G. The amount was remitted by the Company's subsidiary, Far EasTone Telecommunications Co., Ltd.

(Continued)

- H. It was the actual amount remitted to Mainland China by FENC.
- I. Investment amounts authorized by the Investment Commission under the Ministry of Economic Affairs.
- J. The amount was remitted by the Company's subsidiary, Yuan Tong Investment Corporation.
- K. The amount was remitted by the by the Company's subsidiary, Yuan Ding Investment and Yuan Tong Investment.
- L. The Company has been approved by the Ministry of Economic Affairs to invest FEIS through FEPI will start the investment in February of 2010.
- M. The liquidation of Far Eastern Industries (Jiujiang) Ltd. had been done by December 2009 and all money had been returned to the stockholders.
- N. The Company was allowed to invest in Mainland China without the restriction of maximum amount according to MOEA Approval Letter No. 09701098660.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

INVESTMENT IN MAINLAND CHINA - INVESTMENT TYPE
YEAR ENDED DECEMBER 31, 2009
(In Thousands of U.S. Dollars)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern New Century Corporation	1996.07.09	No. 84015136	Far Eastern Polychem Industries Co., Ltd.	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Co., Ltd.			Far Eastern Polychem Industries Co., Ltd.	24,000	24,000			
	Far Eastern New Century Corporation	2004.12.29	No. 093032400	Far Eastern Polychem Industries Co., Ltd.	1,712		\$ 1,712		
	Far Eastern New Century Corporation	2004.12.30	No. 093032090	Far Eastern Polychem Industries Co., Ltd.	1,540			\$ 1,540	
	Far Eastern New Century Corporation	2004.11.03	No. 093032240	Far Eastern Polychem Industries Co., Ltd.	3,879		3,879		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032402	Far Eastern Polychem Industries Co., Ltd.	7,014		7,014		
	Yuan Ding Investment Co., Ltd.	2004.11.02	No. 093032239	Far Eastern Polychem Industries Co., Ltd.	15,898		15,898		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032089	Far Eastern Polychem Industries Co., Ltd.	6,313			6,313	
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Co., Ltd.	31,779	31,779			
	Far Eastern New Century Corporation	2008.06.27	No. 09700163440	Far Eastern Polychem Industries Co., Ltd.	56,000	56,000			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045490	Far Eastern Polychem Industries Co., Ltd.	4,800	4,800			
	Far Eastern New Century Corporation	2009.09.18	No. 09800283970	Far Eastern Polychem Industries Co., Ltd.	12,000	12,000			
	Far Eastern Apparel (Suzhou) Ltd. (FEAS)	Yuan Ding Investment Co., Ltd.	1996.10.16	No. 85016219	Far Eastern Apparel (Holding) Ltd.	10,000	10,000		
Yuan Ding Investment Co., Ltd.		2003.10.30	No. 092033299	Far Eastern Apparel (Holding) Ltd.	5,000	5,000			
Far Eastern New Century Corporation		2006.05.23	No. 09500112650	Far Eastern Polytex (Holding) Limited	11,000	11,000			
Far Eastern New Century Corporation		2008.03.31	No. 09700038490	Far Eastern Polytex (Holding) Limited	5,000	5,000			
Far Eastern Industries (Wuxi) Ltd. (FEIW)	Yuan Ding Investment Co., Ltd.	2002.06.21	No. 091011903	Oriental Textile (Holding) Ltd.	19,960	19,960			
	Yuan Ding Investment Co., Ltd.	2005.11.03	No. 094024169	Oriental Textile (Holding) Ltd.	40,000	40,000			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Oriental Petrochemical (Shanghai) Ltd. (OPC)	Yuan Ding Investment Co., Ltd.	2003.11.04	No. 092028575	Pacific Petrochemical (Holding) Co., Ltd.	\$ 20,000	\$ 20,000			
	Ding Yuan International Investment Co., Ltd.	2003.02.26	No. 091039560	PET Far Eastern (Holding) Ltd.	20,000	20,000			
	Far Eastern New Century Corporation	2009.11.17	No. 09800408170 (Note B)	Far Eastern Polychem Industries Co., Ltd.	1,228				\$ 1,228
	Far Eastern New Century Corporation	2009.11.17	No. 09800408170	PET Far Eastern (Holding) Ltd. Far Eastern Investment (Holding) Ltd.	\$ 10,755				\$ 10,755
	Yuan Ding Investment Co., Ltd.	2009.11.17	No. 09800408160 (Note C)	HSBC International Trustee Ltd. (B.V.) Pacific Petrochemical (Holding) Ltd. (B.V.) Far Eastern Polychem Industries Co., Ltd.	6,592				6,592
	Far Eastern New Century Corporation	2008.06.27	No. 09700163430	PET Far Eastern (Holding) Ltd. PET Far Eastern (Holding) Ltd.	49,500	49,500			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045500	Far Eastern Polychem Industries Co., Ltd. PET Far Eastern (Holding) Ltd.	4,800	4,800			
	Far Eastern New Century Corporation	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Ltd.	41,171	41,171			
	Far Eastern Spinning Wearing and Dyeing (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2003.10.31	No. 092033525	Far Eastern Apparel (Holding) Ltd.	20,000	20,000		
Yuan Ding Investment Co., Ltd.		2008.10.13	No. 09700348610	Far Eastern Apparel (Holding) Ltd.	30,000	30,000			
Far Eastern Industries (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2002.11.26	No. 091035216	Far Eastern Polychem Industries Co., Ltd. FEDP	9,352				9,352
	Far Eastern New Century Corporation	2004.10.11	No. 093025506	Far Eastern Polychem Industries Co., Ltd. FEDP	1,569			1,569	
	Far Eastern New Century Corporation	2004.10.14	No. 093030298	Far Eastern Polychem Industries Co., Ltd. FEDP	713				713
	Far Eastern New Century Corporation	2007.3.13	No. 09600059830	Far Eastern Polytex (Holding) Limited FEDP	5,288	5,288			
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Co., Ltd. FEDP	4,524	4,524			
	Yuan Tong Investment Co., Ltd.	2007.07.11	No. 09600243260	FEDP	20,000	20,000			
	Far Eastern New Century Corporation.	2008.04.18	No. 09700045510	Far Eastern Polychem Industries Co., Ltd. FEDP	4,800	4,800			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Oriental Industries (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2005.08.01	No. 094015006	Oriental Textile (Holding) Ltd.	\$ 19,800	\$ 19,800			
	Yuan Ding Investment Co., Ltd.	2006.02.09	No. 094037416	Oriental Textile (Holding) Ltd.	30,200	30,200			
	Yuan Ding Investment Co., Ltd.	2007.10.02	No. 09600280400	Oriental Textile (Holding) Ltd.	23,000	23,000			
	Yuan Ding Investment Co., Ltd.	2008.09.01	No. 09700172130	Oriental Textile (Holding) Ltd.	32,500	32,500			
Far Eastern Industries (Jiujiang) (Note D)	Yuan Ding Investment Co., Ltd.	2006.03.03	No. 09500033740	Oriental Textile (Holding) Ltd.	8,000	8,000			
Wu Han Far Eastern New Material Ltd.	Far Eastern New Century Corporation	2006.05.19	No. 09500090070	Far Eastern Polytex (Holding) Limited	12,000	12,000			
	Far Eastern New Century Corporation	2009.6.29	No. 09800135640	Far Eastern Polytex (Holding) Limited	10,000	10,000			
Far Eastern New Century (China) Investment Ltd. (Note A)	Far Eastern New Century Corporation	2006.08.01	No. 09500124430	Far Eastern Polytex (Holding) Limited	48,000	48,000			
Sino Belgium (Suzhou) Ltd.	Yuan Tong Investment Co., Ltd.	2007.08.02	No. 09600248620	SINO BELGIUM (Holding) Limited	18,000	18,000			
	Yuan Tong Investment Co., Ltd.	2008.02.21	No. 09600451060	SINO BELGIUM (Holding) Limited	12,000	12,000			
Martens Beer (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	2008.12.10	No. 09700456110	SINO BELGIUM (Holding) Limited	3,800	3,800			
Far Eastern Tech-info Ltd. (Shanghai)	Far Eastone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Limited	2,700	2,700			

Notes:

- A. Far Eastern New Century (China) Investment Ltd. invested US\$30,000,000 in Far Eastern Industries (Shanghai) Ltd. and US\$16,000,000 in Oriental Petrochemical (Shanghai) Ltd.
- B. The document of No. 092035971 has been eliminated and renewed to the document of No. 09800408170.
- C. The document of No. 092035970 has been eliminated and renewed to the document of No. 09800408160 and then claimed NT\$1,561 thousand.
- D. The liquidation of Far Eastern Industries (Jinjiang) Ltd. had been done by December of 2009 and all money had been returned to the stockholders.
- E. The document of No. 091039560 has been eliminated after submitting the investment execution information to MOEA.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION
(Formerly Far Eastern Textile Ltd.)

INDUSTRY SEGMENT INFORMATION
YEARS ENDED DECEMBER 31, 2009 AND 2008
(In Thousands of New Taiwan Dollars)

Industry information

	2009				2008			
	Polyester	Spinning, Weaving and Dyeing	Adjustments and Eliminations	Total (Note A)	Polyester	Spinning, Weaving and Dyeing	Adjustments and Eliminations	Total (Note A)
Sales to customers	\$ 33,022,098	\$ 8,917,980	\$ -	\$ 41,940,078	\$ 40,183,304	\$ 10,491,591	\$ -	\$ 50,674,895
Intracompany sales (Note B)	<u>617,617</u>	<u>-</u>	<u>(617,617)</u>	<u>-</u>	<u>886,247</u>	<u>-</u>	<u>(886,247)</u>	<u>-</u>
Total revenue	<u>\$ 33,639,715</u>	<u>\$ 8,917,980</u>	<u>\$ (617,617)</u>	<u>\$ 41,940,078</u>	<u>\$ 41,069,551</u>	<u>\$ 10,491,591</u>	<u>\$ (886,247)</u>	<u>\$ 50,674,895</u>
Segment operating income (Note C)	<u>\$ 829,659</u>	<u>\$ 80,475</u>	<u>\$ -</u>	\$ 910,134	<u>\$ 1,772,609</u>	<u>\$ 169,427</u>	<u>\$ -</u>	\$ 1,942,036
Investment income under the equity method				9,211,453				5,542,190
General income (loss), net				356,945				18,654
Interest expense				(599,907)				(1,217,020)
General expenses (Note D)				<u>(1,742,918)</u>				<u>(1,671,356)</u>
Income before income tax				<u>\$ 8,135,707</u>				<u>\$ 4,614,504</u>
Identifiable assets (Note E)	<u>\$ 18,705,149</u>	<u>\$ 5,925,558</u>	<u>\$ -</u>	\$ 24,630,707	<u>\$ 21,530,562</u>	<u>\$ 6,184,555</u>	<u>\$ -</u>	\$ 27,715,117
Long-term stock investments				112,289,875				105,870,248
General assets				<u>9,622,650</u>				<u>7,452,947</u>
Total assets				<u>\$ 146,543,232</u>				<u>\$ 141,038,312</u>
Depreciation expense	<u>\$ 1,481,110</u>	<u>\$ 195,268</u>			<u>\$ 1,606,761</u>	<u>\$ 207,458</u>		
Capital expenditures	<u>\$ 1,076,514</u>	<u>\$ 46,323</u>			<u>\$ 1,261,942</u>	<u>\$ 150,356</u>		

Note A. The Company operates principally in two segments: Polyester and apparel manufacturing polyester and spinning, weaving, and dyeing cloths.

B. Inter-division revenue from goods and services.

C. Represents revenue minus costs and operating expenses. Operating expenses included costs and expenses directly pertaining to an industry segment, excluding general and administrative expenses and interest expenses.

D. Represents general, administrative and sales expenses that could not be allocated to each division.

E. Represents tangible assets used by the industry segment, excluding:

- a. Assets maintained for general corporate purposes
- b. Advances or loans to another industry segment
- c. Long-term stock investments under the equity method.