

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

Financial Statements for the
Years Ended December 31, 2011 and 2010 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, 2011 and 2010 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, 2011 and 2010. 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 1.30% (NT\$2,363,491 thousand) and 1.31% (NT\$2,116,579 thousand) of the Company's total assets as of December 31, 2011 and 2010, respectively. As shown in the accompanying statements of income, the Company's equity in net gain of NT\$244,939 thousand and gain of NT\$255,710 thousand of the foregoing investees were 2.06% and 1.97%, respectively, of the Company's income before income tax in 2011 and 2010, 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, 2011 and 2010 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, 2011, the Company changed its method of calculating depreciation expenses from the fixed-percentage-of-declining-balance method to straight-line method and service lives from 7 to 15 years to 15 years. This accounting change resulted in increases of NT\$215,835 thousand in net income and NT\$0.044 in after income tax basic earnings per share in 2011.

Note 23 (h) to the financial statements describes a case related to the Department of Commerce's nullification of Pacific Liu Tung Investment Corporation's (PLT, an equity-method investee of the Company) registration of a capital increase and relevant registrations. 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 PLT's investors, will depend on the final judgment of the court.

According to Note 24 (a) of the financial statement, on February 13, 2012, Taipei District Court of Taiwan assigned Chen-Rong Chuan, Wang-Gong and Jian-Min Qiu as the temporary receivers of PLT. Far Eastern Department Stores (FEDS), an equity-method investee of the Company, along with a number of other interested parties, have appealed against the ruling made by Taipei District Court of Taiwan. On February 29, 2012, the Department of Commerce had accomplished the registration of the aforesaid temporary receivers of PLT.

We have also audited the consolidated financial statements of Far Eastern New Century Corporation and subsidiaries for the years ended December 31, 2011 and 2010 (not presented herewith) and have expressed a modified unqualified opinion thereon in our report dated March 29, 2012 on the basis of our audits and the reports of the other auditors.

March 29, 2012

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, 2011 AND 2010

(In Thousands of New Taiwan Dollars, Except Par Value)

ASSETS	2011		2010		LIABILITIES AND STOCKHOLDERS' EQUITY	2011		2010	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash (Note 4)	\$ 2,444,308	2	\$ 8,192,747	5	Short-term bank loans (Notes 13 and 22)	\$ 5,472,199	3	\$ 4,451,842	3
Financial assets at fair value through profit or loss - current (Notes 2 and 5)	48,308	-	17,416	-	Financial liabilities at fair value through profit or loss - current (Notes 2, 5 and 14)	4,708	-	4,461	-
Notes receivable (Note 2)	302,778	-	702,541	1	Notes payable	2,338	-	3,005	-
Accounts receivable - less allowance for bad debts of \$55,619 thousand in 2011 and \$100,099 thousand in 2010 (Note 2)	9,776,610	6	6,972,796	4	Accounts payable	3,967,737	2	3,777,023	2
Notes and accounts receivable from affiliates (Note 21)	470,140	-	321,825	-	Accounts payable to affiliates (Note 21)	1,108,388	1	1,290,014	1
Other receivables	216,389	-	200,796	-	Accrued expenses (Note 21)	3,344,427	2	3,162,837	2
Other receivables from affiliates (Note 21)	135,676	-	291,486	-	Receipts in advance	364,251	-	299,679	-
Inventories, net (Notes 2 and 6)	7,597,423	4	5,640,168	4	Current portion of long-term liabilities (Notes 2, 14 and 22)	1,878,631	1	3,260,000	2
Prepaid expenses (Note 21)	373,997	-	271,983	-	Other current liabilities (Note 21)	702,340	-	630,045	-
Deferred income taxes assets - current (Notes 2 and 17)	-	-	45,829	-	Total current liabilities	16,845,019	9	16,878,906	10
Restricted assets - noncurrent (Note 22)	34,381	-	-	-					
Other current assets	404,662	-	284,023	-	LONG-TERM LIABILITIES, NET OF CURRENT PORTION				
Total current assets	21,804,672	12	22,941,610	14	Bonds payable (Notes 2, 14 and 22)	21,344,014	12	17,201,351	11
					Long-term debts (Notes 14 and 22)	28,450,000	15	26,709,283	16
FUNDS AND INVESTMENTS (Notes 2, 7, 8, 9 and 22)					Total long-term liabilities, net of current portion	49,794,014	27	43,910,634	27
Available-for-sale financial assets - noncurrent	737,481	-	919,563	1					
Financial assets carried at cost - noncurrent	53,667	-	53,667	-	RESERVE FOR LAND VALUE INCREMENT TAX (Note 10)	1,519,896	1	1,018,899	1
Investment accounted for by the equity method	138,817,863	77	121,888,313	75					
Total funds and investments	139,609,011	77	122,861,543	76	OTHER LIABILITIES				
					Accrued pension liabilities (Notes 2 and 20)	994,021	1	1,038,860	1
PROPERTIES (Notes 2, 10, 18, 21 and 22)					Deferred income tax liability - noncurrent (Notes 2 and 17)	457,960	-	-	-
Cost					Deferred income (Notes 2, 9 and 21)	55,886	-	55,503	-
Land	1,428,688	1	1,428,688	1	Guarantee deposits received	615	-	615	-
Buildings and equipment	6,174,103	3	5,904,996	4	Total other liabilities	1,508,482	1	1,094,978	1
Machinery and equipment	42,621,822	23	40,867,130	25					
Furniture and miscellaneous equipment	2,756,634	2	2,625,260	1	Total liabilities	69,667,411	38	62,903,417	39
Total cost	52,981,247	29	50,826,074	31					
Revaluation increment	5,074,773	3	3,016,483	2	STOCKHOLDERS' EQUITY				
Total cost and revaluation increment	58,056,020	32	53,842,557	33	Capital stock - NT\$10.00 par value				
Less: Accumulated depreciation	43,243,644	24	42,039,316	26	Authorized - 6,000,000 thousand shares; issued and outstanding - 4,897,217 thousand shares in 2011 and 4,754,580 thousand shares in 2010	48,972,173	27	47,545,799	30
Accumulated impairment losses	159,253	-	159,730	-	Capital surplus				
	14,653,123	8	11,643,511	7	Premium on capital stock	932,814	1	932,814	-
Constructions in progress	3,866,778	2	2,560,702	2	Equity in capital surplus reported by investees	9,421,242	5	9,287,645	6
Prepayments for equipment	505,097	1	218,769	-	Others	7,672	-	7,672	-
Net properties	19,024,998	11	14,422,982	9	Total capital surplus	10,361,728	6	10,228,131	6
					Retained earnings				
INTANGIBLE ASSETS					Legal reserve	10,710,699	6	9,413,371	6
Other intangible assets (Notes 2 and 18)	21,965	-	23,439	-	Special reserve	3,152,529	2	3,034,766	2
					Unappropriated earnings	13,709,450	7	14,842,096	9
OTHER ASSETS					Total retained earnings	27,572,678	15	27,290,233	17
Nonoperating properties, net (Notes 2, 10, 11 and 22)	230,300	-	513,381	1	Other stockholders' equity				
Deferred income taxes assets - noncurrent (Notes 2 and 17)	-	-	220,619	-	Unrealized gain on financial instruments	2,716,548	1	5,370,206	3
Farmland (Note 12)	276,661	-	276,661	-	Cumulative translation adjustments	2,915,415	2	(492,626)	-
Miscellaneous (Notes 2, 18 and 21)	250,467	-	191,793	-	Unrealized revaluation increment	19,167,218	11	8,705,127	5
Total other assets	757,428	-	1,202,454	1	Unrecognized loss on pension cost	(130,034)	-	(98,259)	-
					Treasury stock - 713 thousand shares	(25,063)	-	-	-
TOTAL	\$ 181,218,074	100	\$ 161,452,028	100	Total other stockholders' equity	24,644,084	14	13,484,448	8
					Net stockholders' equity	111,550,663	62	98,548,611	61
					TOTAL	\$ 181,218,074	100	\$ 161,452,028	100

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

(With Deloitte & Touche audit report dated March 29, 2012)

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

STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2011		2010	
	Amount	%	Amount	%
REVENUES				
Sales (Notes 2 and 21)	\$ 62,251,658	101	\$ 54,402,076	101
Less: Sales returns and allowances	<u>710,427</u>	<u>1</u>	<u>666,542</u>	<u>1</u>
Net sales	61,541,231	100	53,735,534	100
Processing service income	<u>15,714</u>	<u>-</u>	<u>23,345</u>	<u>-</u>
Total revenues	<u>61,556,945</u>	<u>100</u>	<u>53,758,879</u>	<u>100</u>
COST OF REVENUES				
Cost of sales (Notes 3, 6, 18 and 21)	56,368,998	91	47,739,251	89
Cost of processing services	<u>13,881</u>	<u>-</u>	<u>20,433</u>	<u>-</u>
Total costs of revenues	<u>56,382,879</u>	<u>91</u>	<u>47,759,684</u>	<u>89</u>
GROSS PROFIT	<u>5,174,066</u>	<u>9</u>	<u>5,999,195</u>	<u>11</u>
OPERATING EXPENSES (Notes 3, 18 and 21)				
Selling expenses	2,749,466	5	3,300,566	6
General and administrative expenses	1,323,447	2	1,335,263	3
Research and development expenses	<u>653,897</u>	<u>1</u>	<u>588,513</u>	<u>1</u>
Total operating expenses	<u>4,726,810</u>	<u>8</u>	<u>5,224,342</u>	<u>10</u>
OPERATING INCOME	<u>447,256</u>	<u>1</u>	<u>774,853</u>	<u>1</u>
NONOPERATING INCOME AND GAINS				
Interest income	12,345	-	6,665	-
Investment income recognized under equity method (Notes 2 and 9)	12,239,808	20	13,347,228	25
Dividend income	19,142	-	7,394	-
Gain on disposal of properties, net	3,963	-	16,007	-
Gain on sale of investments, net (Note 9)	-	-	2,926	-
Rental revenue (Note 21)	11,380	-	10,373	-
Valuation gain on financial assets, net (Notes 2 and 5)	32,516	-	113,291	-
Valuation gain on financial liabilities, net (Notes 2 and 5)	35,081	-	19,190	-
Miscellaneous gain (Note 21)	<u>195,347</u>	<u>-</u>	<u>252,213</u>	<u>1</u>
Total nonoperating income and gains	<u>12,549,582</u>	<u>20</u>	<u>13,775,287</u>	<u>26</u>

(Continued)

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

STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2011		2010	
	Amount	%	Amount	%
NONOPERATING EXPENSES AND LOSSES				
Interest expense (Notes 10 and 21)	\$ 645,270	1	\$ 589,506	1
Loss on disposal of investment	383	-	-	-
Exchange loss, net (Note 2)	34,523	-	415,683	1
Impairment loss on assets (Note 2)	269,133	1	263,190	-
Miscellaneous expenses (Notes 11 and 21)	<u>185,927</u>	<u>-</u>	<u>272,561</u>	<u>1</u>
Total nonoperating expenses and losses	<u>1,135,236</u>	<u>2</u>	<u>1,540,940</u>	<u>3</u>
INCOME BEFORE INCOME TAX	11,861,602	19	13,009,200	24
INCOME TAX EXPENSE (Notes 2 and 17)	<u>774,106</u>	<u>1</u>	<u>159,030</u>	<u>-</u>
NET INCOME	<u>\$ 11,087,496</u>	<u>18</u>	<u>\$ 12,850,170</u>	<u>24</u>
	2011		2010	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
EARNINGS PER SHARE (Notes 3 and 19)				
Basic	<u>\$ 2.42</u>	<u>\$ 2.26</u>	<u>\$ 2.66</u>	<u>\$ 2.62</u>
Diluted	<u>\$ 2.41</u>	<u>\$ 2.26</u>	<u>\$ 2.65</u>	<u>\$ 2.61</u>

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

(With Deloitte & Touche audit report dated March 29, 2012)

(Concluded)

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

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2011 AND 2010
(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 17)				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	Treasury Stock (Notes 2 and 16)	Net Stockholders' Equity
	Shares in Thousands	Amount											
BALANCE, JANUARY 1, 2010	4,661,353	\$ 46,613,529	\$ 10,181,403	\$ 8,602,110	\$ 3,034,766	\$ 9,672,105	\$ 21,308,981	\$ 3,276,309	\$ 2,490,010	\$ 8,721,219	\$ (80,263)	\$ -	\$ 92,511,188
Appropriation of the 2009 earnings													
Legal reserve	-	-	-	811,261	-	(811,261)	-	-	-	-	-	-	-
Stock dividends - NT\$0.2 per share	93,227	932,270	-	-	-	(932,270)	(932,270)	-	-	-	-	-	-
Cash dividends - NT\$1.3 per share	-	-	-	-	-	(6,059,759)	(6,059,759)	-	-	-	-	-	(6,059,759)
	4,754,580	47,545,799	10,181,403	9,413,371	3,034,766	1,868,815	14,316,952	3,276,309	2,490,010	8,721,219	(80,263)	-	86,451,429
Net income in 2010	-	-	-	-	-	12,850,170	12,850,170	-	-	-	-	-	12,850,170
Adjustments due to changes in investees' equity in long-term investments	-	-	46,728	-	-	123,111	123,111	1,895,558	(1,214,252)	(16,092)	(17,996)	-	817,057
Translation adjustments on foreign-currency equity-method investments	-	-	-	-	-	-	-	-	(1,768,381)	-	-	-	(1,768,381)
Change in unrealized gain (loss) on available-for-sale financial assets	-	-	-	-	-	-	-	198,365	-	-	-	-	198,365
Adjustments on stockholders' equity due to the sale of long-term equity investments	-	-	-	-	-	-	-	(26)	(3)	-	-	-	(29)
BALANCE, DECEMBER 31, 2010	4,754,580	47,545,799	10,228,131	9,413,371	3,034,766	14,842,096	27,290,233	5,370,206	(492,626)	8,705,127	(98,259)	-	98,548,611
Appropriation of the 2010 earnings													
Legal reserve	-	-	-	1,297,328	-	(1,297,328)	-	-	-	-	-	-	-
Stock dividends - NT\$0.3 per share	142,637	1,426,374	-	-	-	(1,426,374)	(1,426,374)	-	-	-	-	-	-
Cash dividends - NT\$2.0 per share	-	-	-	-	-	(9,509,160)	(9,509,160)	-	-	-	-	-	(9,509,160)
	4,897,217	48,972,173	10,228,131	10,710,699	3,034,766	2,609,234	16,354,699	5,370,206	(492,626)	8,705,127	(98,259)	-	89,039,451
Net income in 2011	-	-	-	-	-	11,087,496	11,087,496	-	-	-	-	-	11,087,496
Adjustments due to changes in investees' equity in long-term investments	-	-	133,607	-	117,763	12,720	130,483	(2,471,548)	2,697,436	8,905,010	(31,775)	-	9,363,213
Translation adjustments on foreign-currency equity-method investments	-	-	-	-	-	-	-	-	710,603	-	-	-	710,603
Change in unrealized gain (loss) on available-for-sale financial assets	-	-	-	-	-	-	-	(182,082)	-	-	-	-	(182,082)
Adjustment on stockholder's due to exchangeable bond	-	-	(10)	-	-	-	-	(28)	2	-	-	-	(36)
Company's share held by subsidiaries - treasury stock (713 thousand shares)	-	-	-	-	-	-	-	-	-	-	-	(25,063)	(25,063)
Revaluation incremental value of land	-	-	-	-	-	-	-	-	-	1,557,081	-	-	1,557,081
BALANCE, DECEMBER 31, 2011	4,897,217	\$ 48,972,173	\$ 10,361,728	\$ 10,710,699	\$ 3,152,529	\$ 13,709,450	\$ 27,572,678	\$ 2,716,548	\$ 2,915,415	\$ 19,167,218	\$ (130,034)	\$ (25,063)	\$ 111,550,663

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

(With Deloitte & Touche audit report dated March 29, 2012)

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

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 11,087,496	\$ 12,850,170
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,271,767	1,691,479
Amortization	61,386	49,054
(Reversal of provision) provision for losses on inventories	239,781	(91,512)
Amortization on discount of exchangeable bonds	36,586	52,459
Gain on exchange of exchangeable bond	(219)	-
Loss on redemption of exchangeable bonds	-	29,501
Investment net income recognized under the equity method	(12,239,808)	(13,347,228)
Cash dividends received from equity-method investments	8,607,428	6,312,125
Reversal of allowance for bad debts	(44,480)	-
Accrued pension liabilities	(44,839)	(11,532)
Gain on disposal of properties, net	(3,963)	(16,007)
Impairment loss on assets	269,133	263,190
Loss (gain) on sale of investments, net	383	(2,926)
Deferred income tax	724,408	188,463
Net changes in operating assets and liabilities		
Financial assets held for trading	(30,892)	35,812
Financial liabilities held for trading	263	12,959
Notes receivable	399,763	(221,857)
Accounts receivable	(2,759,334)	(961,001)
Notes receivable and accounts receivable from affiliates	(148,315)	(94,719)
Other receivables	50,829	59,756
Other receivables from affiliates	155,810	(64,008)
Inventories	(2,197,036)	(1,112,132)
Prepaid expenses	(102,014)	359,541
Other current assets	(120,639)	(60,745)
Notes payable	(667)	1,134
Accounts payable	190,714	1,226,617
Accounts payable to affiliates	(181,626)	586,835
Accrued expenses	181,590	584,696
Receipts in advance	64,572	29,103
Other current liabilities	<u>67,404</u>	<u>31,010</u>
Net cash provided by operating activities	<u>5,535,481</u>	<u>8,380,237</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds of sale of investments accounted for by equity method	-	28,387
Acquisition of investments accounted for by equity method	(3,314,964)	(3,535,727)
Acquisition of properties	(3,797,894)	(2,827,279)
Proceeds of the disposal of properties	5,301	24,290
Increase in other intangible assets	(5,082)	(24,003)
Increase in restricted assets	(34,381)	-

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

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars)

	2011	2010
Decrease in refundable deposits	\$ 4,789	\$ -
Increase in other assets	<u>(118,603)</u>	<u>(48,104)</u>
Net cash used in investing activities	<u>(7,260,834)</u>	<u>(6,382,436)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term bank loans	1,020,357	1,029,381
Payments of cash dividends	(9,509,160)	(6,059,723)
Increase (decrease) in long-term liabilities	1,740,717	(2,111,057)
Cash received from issuing of bonds	<u>2,725,000</u>	<u>7,407,800</u>
Net cash (used in) provided by financing activities	<u>(4,023,086)</u>	<u>266,401</u>
NET INCREASE IN CASH	(5,748,439)	2,264,202
CASH, BEGINNING OF YEAR	<u>8,192,747</u>	<u>5,928,545</u>
CASH, END OF YEAR	<u>\$ 2,444,308</u>	<u>\$ 8,192,747</u>
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 653,500	\$ 484,261
Deduct: Capitalized interest	<u>43,921</u>	<u>22,750</u>
Interest paid (excluding capitalized interest)	<u>\$ 609,579</u>	<u>\$ 461,511</u>
Income tax paid	<u>\$ 34,494</u>	<u>\$ 632</u>
CASH PAID FOR ACQUISITION OF PROPERTIES		
Increase in properties	\$ 2,210,381	\$ 1,219,965
Add:		
Payables for acquisition of properties, beginning of year	84	383
Advances to suppliers of machine and equipment, end of year	505,097	218,769
Constructions in progress, end of year	3,866,778	2,560,702
Deduct:		
Advances to suppliers of machine and equipment, beginning of year	(218,769)	(165,639)
Constructions in progress, beginning of year	(2,560,702)	(1,006,817)
Payables for acquisition of properties, end of year	<u>(4,975)</u>	<u>(84)</u>
Cash paid for acquisition of properties	<u>\$ 3,797,894</u>	<u>\$ 2,827,279</u>
NONCASH FINANCING ACTIVITIES		
Current portion of long-term liabilities	<u>\$ 1,878,631</u>	<u>\$ 3,260,000</u>
Total incremental value of land revaluation	\$ 2,058,078	\$ -
Deduct: Reserve for land value increment tax	<u>(500,997)</u>	<u>-</u>
Unrealized revaluation increment	<u>\$ 1,557,081</u>	<u>\$ -</u>

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

(With Deloitte & Touche audit report dated March 29, 2012)

(Concluded)

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

NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. ORGANIZATION AND OPERATIONS

Far Eastern New Century Corporation (FENC or the “Company,” formerly Far Eastern Textile Ltd.), 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 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 4,847 and 4,630 employees as of December 31, 2011 and 2010, respectively.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared in conformity with 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 (ROC). Significant accounting policies are summarized as follows:

Foreign Currencies

Nonderivative foreign-currency transactions are recorded in New Taiwan dollars at the rates of exchange in effect when the transactions occur. Exchange differences arising from the settlement of foreign-currency assets and liabilities are recognized in profit or loss.

At the balance sheet date, foreign-currency monetary assets and liabilities are revalued using prevailing exchange rates and the exchange differences are recognized in profit or loss.

At the balance sheet date, foreign-currency nonmonetary assets (such as equity instruments) and liabilities that are measured at fair value are revalued using prevailing exchange rates, with the exchange differences treated as follows:

- a. Recognized in stockholders’ equity if the changes in fair value are recognized in stockholders’ equity;
- b. Recognized in profit and loss if the changes in fair value are recognized in profit or loss.

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 stockholders' equity.

Accounting Estimates

Under the above guidelines, law and principles, certain estimates and assumptions have been used for the allowance for doubtful accounts; allowance for loss on inventories; depreciation of properties; idle properties and properties leased to others; impairment loss; income tax; pension cost; bonuses to employees, directors and supervisors; etc. Actual results may differ from these estimates.

For readers' convenience, the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the ROC. If inconsistencies arise between the English version and the Chinese version or if differences arise in the interpretations between the two versions, the Chinese version of the financial statements shall prevail.

Current and Noncurrent Assets and Liabilities

Current assets include cash, and those assets held primarily for trading purposes or to be realized, sold or consumed within one year from the balance sheet date. All other assets such as properties and intangible assets are classified as noncurrent. Current liabilities are obligations incurred for trading purposes or to be settled within one year from 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 plus transaction costs directly attributable to the acquisition. 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.

A derivative that does not meet the criteria for hedge accounting is classified as a financial asset or a financial liability held for trading. If the fair value of the derivative is positive, the derivative is recognized as a financial asset; otherwise, the derivative is recognized as a financial liability.

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 without quoted prices in an active market - at values determined using valuation techniques.

Available-for-sale Financial Assets

Available-for-sale financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are remeasured at fair value, with changes in fair value recognized in equity until the financial assets are disposed of, at which time, the cumulative gain or loss previously recognized in equity is included in profit or loss for the year. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

The recognition, derecognition and the fair value bases of available-for-sale financial assets are the same with those of financial assets at FVTPL.

Cash dividends are recognized upon the stockholders' resolutions or on the ex-dividend date, except for dividends distributed from the pre-acquisition profit, which are treated as a reduction of investment cost. Stock dividends are not recognized as investment income but are recorded as an increase in the number of shares. The total number of shares subsequent to the increase is used for recalculation of cost per share.

An impairment loss is recognized when there is objective evidence that the available-for-sale financial assets are impaired. Any subsequent decrease in impairment loss on an equity instrument classified as available-for-sale is recognized directly in equity.

Financial Assets Carried at Cost

Investments in equity instruments with no quoted prices in an active market and with fair values that cannot be reliably measured, such as non-publicly traded stocks and stocks traded in the Emerging Stock Market, are measured at their original cost. The accounting treatment for dividends on financial assets carried at cost is the same with that for dividends on available-for-sale financial assets. An impairment loss is recognized when there is objective evidence that the asset is impaired. A reversal of this impairment loss is disallowed.

Impairment of Accounts Receivable

An allowance for doubtful accounts is provided on the basis of a review of the collectability of accounts receivable. The Company makes this review by an aging analysis of the outstanding receivables and assessing the value of the collaterals provided by customers.

As discussed in Note 3 to the financial statements, on January 1, 2011, the Company adopted the third-time revised Statement of Financial Accounting Standards (SFAS) No. 34, "Financial Instruments: Recognition and Measurement." One of the main revisions is that the impairment of receivables originated by the Company should be covered by SFAS No. 34. Accounts receivable are assessed for impairment at the end of each reporting period and considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the accounts receivable, the estimated future cash flows of the asset have been affected. Objective evidence of impairment could include:

- Significant financial difficulty of the debtor;
- Accounts receivable becoming overdue; or
- It becomes probable that the debtor will enter into bankruptcy or undergo financial reorganization.

Accounts receivable that are assessed not to be impaired individually are further assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of accounts receivable could include the Company's past experience of collecting payments and an increase in the number of delayed payments as well as observable changes in national or local economic conditions that correlate with defaults on receivables.

The amount of the impairment loss recognized is the difference between the asset carrying amount and the present value of estimated future cash flows, after taking into account the related collaterals and guarantees, discounted at the receivable's original effective interest rate.

The carrying amount of the accounts receivable is reduced through the use of an allowance account. When accounts receivable are considered uncollectible, they are written off against the allowance account. Recoveries of amounts previously written off are credited to the allowance account. Changes in the carrying amount of the allowance account are recognized as bad debt in profit or loss.

Impairment of Assets

If the recoverable amount of an asset (mainly properties, intangible assets, idle properties, leased assets and investments accounted for by the equity method) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is charged to earnings unless the asset is carried at a revalued amount, in which case the impairment loss is first treated as a deduction to the unrealized revaluation increment, and any remaining loss is charged to earnings.

If an impairment loss reverses, the carrying amount of the asset is increased accordingly, but the increased carrying amount may not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized in earnings, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is first recognized as gains to the extent that an impairment loss on the same revalued asset was previously charged to earnings. Any excess amount is treated as an increase in the unrealized revaluation increment.

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

Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process and are stated at the lower of cost or net realizable value. Inventory write-downs are made item 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 weighted-average cost on the balance sheet date.

Investments Accounted for by the Equity Method

Investments in which the Company holds 20 percent or more of the investees' voting shares or exercises significant influence over the investees' operating and financial policy decisions are accounted for by the equity method.

The acquisition cost is allocated to the assets acquired and liabilities assumed on the basis of their fair values at the date of acquisition, and the acquisition cost in excess of the fair value of the identifiable net assets acquired is recognized as goodwill. Goodwill is not being amortized. The fair value of the net identifiable assets acquired in excess of the acquisition cost is used to reduce the fair value of each of the noncurrent assets acquired (except for financial assets other than investments accounted for by the equity method, noncurrent assets held for sale, deferred income tax assets, prepaid pension or other postretirement benefit) in proportion to the respective fair values of the noncurrent assets, with any excess recognized as an extraordinary gain.

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.

When the Company subscribes for its investee's newly issued shares at a percentage different from its percentage of ownership in the investee, the Company records the change in its equity in the investee's net assets as an adjustment to investments, with a corresponding amount credited or charged to capital surplus. When the adjustment should be debited to capital surplus, but the capital surplus arising from long-term investments is insufficient, the shortage is debited to retained 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, Rental Assets and Idle Assets

Properties and rental and idle assets are stated at cost plus revaluation increment less accumulated depreciation and accumulated impairment losses. Major additions and improvements to properties are capitalized, while costs of repairs and maintenance 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 and idle assets were calculated by the Company using the fixed-percentage-of-declining-balance method till 2010 and then by the straight-line method starting in 2011 (Note 3). 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, rental assets and idle assets reach their residual value and are still being used, they are further depreciated over their newly estimated service lives.

When properties and rental and idle assets 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.

Properties not currently used or planned to be used in operations are transferred to idle assets at the lower of net book value or net realizable value. However, starting on January 1, 2006, based on related regulations, depreciation is calculated over the estimated useful lives of the properties.

Intangible Assets

Patents and computer software costs are stated at cost and amortized over three to seven years on a straight-line basis.

Deferred Charges (Recognized as Other Asset - Miscellaneous)

Deferred charges are amortized using the straight-line method over three to seven years.

Pension Costs

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

Curtailment or settlement gains or losses the defined benefit plan are recognized as part of the net periodic pension costs for the year.

Income Tax

The Company applies the intra-year and inter-year allocation methods to its income tax, deferred income tax assets and liabilities are recognized for the tax effects of temporary differences and unused tax credits. Valuation allowances are provided to the extent, if any, that it is more likely than not that deferred income tax assets will not be realized. A deferred tax asset or liability is classified as current or noncurrent in accordance with the classification of its related asset or liability. However, if a deferred income tax asset or liability does not relate to an asset or liability in the financial statements, then it is classified as current or noncurrent on the basis of the expected length of time before it is realized or settled.

If the Company can control the timing of the reversal of a temporary difference arising from the difference between the book value and the tax basis of a long-term equity investment in a foreign subsidiary or joint venture and if the temporary difference is not expected to reverse in the foreseeable future and will, in effect, exist indefinitely, then a deferred tax liability or asset is not recognized.

Tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures are recognized using the flow-through method.

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

According to the Income Tax Law, an additional tax at 10% of unappropriated earnings is provided for as income tax in the year the stockholders approve the retention of earnings.

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

Treasury Stock

The Company accounts for its stock held by subsidiaries as treasury stock. The recorded cost of the stock is based on its carrying amount as of December 31, 2011.

Revenue Recognition

Revenue from sales of goods is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, primarily upon shipment, because the earnings process has been completed and the economic benefits associated with the transaction have been realized or are realizable. The Company does not recognize sales revenue on materials delivered to subcontractors because this delivery does not involve a transfer of risks and rewards of materials ownership.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts agreed upon the Company and the customers for goods sold in the normal course of business, net of sales discounts and volume rebates. For trade receivables due within one year from the balance sheet date, as the nominal value of the consideration to be received approximates its fair value and transactions are frequent, fair value of the consideration is not determined by discounting all future receipts using an imputed rate of interest.

Exchangeable Bonds

If bondholders have the right to exchange bonds with the Company's shares within an agreed-upon target at a fixed price or amount, the exchangeable bonds are measured at the issue price after deducting the fair value of embedded derivatives. The liability component of nonderivative instruments is measured at amortized cost using the effective interest method (using the straight-line method if the difference between using the effective interest method and the straight-line method is not material), and the related interest or redemption loss or gain is charged to profit or loss. If bondholders exercise their exchange rights before the maturity date, the bonds should be adjusted with their liability components. The Company uses the aggregate carrying amount of the liability and equity components of the bonds at the time of conversion as a basis to record the number of shares exchanged. If the bonds are redeemed on the maturity date, the Company should recognize the fair value of embedded derivatives as gain of the current year.

3. EFFECTS OF CHANGES IN ACCOUNTING PRINCIPLES

Financial Instruments

On January 1, 2011, the Company adopted the newly revised Statement of Financial Accounting Standards (SFAS) No. 34 - "Financial Instruments: Recognition and Measurement." The main revisions include (1) finance lease receivables are now covered by SFAS No. 34; (2) the scope of the applicability of SFAS No. 34 to insurance contracts is amended; (3) loans and receivables originated by the Company are now covered by SFAS No. 34; (4) additional guidelines on impairment testing of financial assets carried at amortized cost when a debtor has financial difficulties and the terms of obligations have been modified; and (5) accounting treatment by a debtor for modifications in the terms of obligations. This accounting change had no significant effect on net income and earnings per share for the year ended December 31, 2011.

Operating Segments

On January 1, 2011, the Company adopted the newly issued SFAS No. 41 - "Operating Segments." The requirements of the statement are based on the information about the components of the Company that management uses to make decisions about operating matters. SFAS No. 41 requires identification of operating segments on the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker in order to allocate resources to the segments and assess their performance. This statement supersedes SFAS No. 20 - "Segment Reporting." For this accounting change, the Company restated the segment information as of and for the year ended December 31, 2010 to conform to the disclosures as of and for the year ended December 31, 2011.

Change of Depreciation Method and Service Lives

Under an approval based on Rule No. 1000001624 issued by the Financial Supervisory Commission (FSC) under the Executive Yuan, the Company changed its method of calculating depreciation expenses from the fixed-percentage-of-declining method to straight-line method and also changed the service lives of major equipment from 7 to 15 years to 15 years, effective January 1, 2011. This accounting change resulted in increases of NT\$215,835 thousand in net income and NT\$0.044 in after tax basic earnings per share for the year ended December 31, 2011.

4. CASH

	<u>December 31</u>	
	2011	2010
Cash on hand	\$ 5,410	\$ 6,927
Checking accounts	624,313	1,022,601
Savings accounts	1,007,219	1,981,201
Time deposits: 0.6%-1.314% interest in 2011 and 0.35%-0.69% interest in 2010	<u>807,366</u>	<u>5,182,018</u>
	<u>\$ 2,444,308</u>	<u>\$ 8,192,747</u>

As of December 31, 2011 and 2010, the demand deposits in banks in the U.S.A. (New York) were NT\$259 thousand (US\$9 thousand) and NT\$101 thousand (US\$3 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>	
	2011	2010
<u>Financial assets held for trading</u>		
Cotton futures contracts	\$ 53,644	\$ 15,251
Adjustment of valuation	<u>(7,435)</u>	<u>-</u>
	46,209	15,251
Forward exchange contracts	<u>2,099</u>	<u>2,165</u>
	<u>\$ 48,308</u>	<u>\$ 17,416</u>
<u>Financial liabilities held for trading</u>		
Exchange rights on exchangeable bonds	<u>\$ 4,708</u>	<u>\$ 4,461</u>

The Company entered into cotton futures contracts and forward exchange contracts to hedge against adverse fluctuations of cotton prices and exchange rates on account receivables in 2011 and 2010. The strategy is to hedge against the Company's market risk exposure. Since these transactions do not meet the criteria for hedge accounting, they were classified as held for trading.

The Company's outstanding cotton futures contracts as of December 31, 2011 were as follows:

	Delivery Date	Amount	Contract Amount (In Thousands)
<u>December 31, 2011</u>			
Cotton futures contracts	March 2012	60	USD3,000/NTD90,272

The Company entered into put option contracts and non-hedging purpose forward exchange contracts mainly to profit on royalties and on exchange rate fluctuations in 2011 and 2010.

The Company had no outstanding option contracts as of December 31, 2011 and 2010, respectively.

The outstanding forward exchange contracts as of December 31, 2011 and 2010 were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2011</u>			
Sell	EUR/USD	2012.01.30-2012.02.24	EUR9,000/USD11,702
Sell	USD/EUR	2012.01.11-2012.01.30	USD9,280/NTD280,967
<u>December 31, 2010</u>			
Sell	EUR/USD	2011.01.28-2011.02.25	EUR8,000/USD10,437
Sell	USD/NTD	2011.01.11-2011.03.29	USD21,400/NTD640,505

For 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.

The Company's net gains on financial assets were NT\$32,516 thousand in 2011 and NT\$113,291 thousand in 2010. The net gains on financial liabilities were NT\$35,081 thousand in 2011 and NT\$19,190 thousand in 2010.

6. INVENTORIES, NET

	<u>December 31</u>	
	2011	2010
Finished goods	\$ 1,648,951	\$ 1,190,891
Work in process	1,866,723	1,579,395
Materials in transit	1,062,303	460,863
Raw materials	2,687,168	2,057,150
Supplies in transit	-	7,872
Supplies	<u>332,278</u>	<u>343,997</u>
	<u>\$ 7,597,423</u>	<u>\$ 5,640,168</u>

As of December 31, 2011 and 2010, the allowances for inventory devaluation were NT\$468,441 thousand and NT\$228,660 thousand, respectively.

The costs of inventories recognized as cost of goods sold were NT\$56,368,998 thousand in 2011 and NT\$47,739,251 thousand in 2010. The costs of inventories recognized as cost of goods sold in 2011 due to write-downs of inventories were NT\$239,781 thousand. The costs of good sold due to the reversal of write-downs of inventories in 2010 were NT\$91,512 thousand. Previous write-downs had been reversed as a result of increased selling prices in certain markets.

7. AVAILABLE- FOR-SALE FINANCIAL ASSET

	December 31	
	2011	2010
Domestic quoted stock		
Far Eastern International Bank	\$ <u>737,481</u>	\$ <u>919,563</u>

8. FINANCIAL ASSET CARRIED AT COST - NONCURRENT

	December 31			
	2011		2010	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Domestic unquoted stock				
Hantech Venture Capital Corp.	\$ <u>53,667</u>	3.73	\$ <u>53,667</u>	3.73

The above equity investment, which had no quoted price in an active market and had a fair value that could not be reliably measured, was carried at cost.

9. EQUITY-METHOD INVESTMENTS

	December 31			
	2011		2010	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Listed companies				
Asia Cement Corp.	\$ 13,350,359	22.33	\$ 12,740,990	22.33
Far Eastern Department Stores Co., Ltd.	4,335,657	16.80	4,168,670	16.80
Oriental Union Chemical Corp.	1,392,750	9.17	1,229,666	9.17
Everest Textile Co., Ltd.	<u>1,187</u>	0.03	<u>1,112</u>	0.03
	<u>19,079,953</u>		<u>18,140,438</u>	
Unlisted companies				
Yuan Ding Investment Co., Ltd.	37,010,889	99.70	36,135,804	99.70
Far Eastern Resources Development Co.	25,394,827	100.00	16,626,087	100.00
Far Eastern Polychem Industries Ltd.	7,152,582	69.11	5,866,919	67.15
Yuan Tong Investment Co., Ltd.	6,964,232	100.00	6,992,662	100.00
Far Eastern Polytex (Holding) Ltd.	6,828,759	100.00	3,609,797	100.00
Far Eastern Investment (Holding) Ltd.	6,215,601	100.00	5,188,276	100.00
Oriental Petrochemical (Taiwan) Co., Ltd.	6,079,717	75.56	5,263,384	75.56
PET Far Eastern (Holding) Ltd.	5,126,250	85.27	4,514,131	85.27
Kai Yuan International Investment Co., Ltd	4,500,772	100.00	4,524,100	100.00
Yuan Ding Co., Ltd.	3,161,497	37.13	3,387,234	37.13
Far Eastern Construction Co., Ltd.	2,794,220	65.11	3,126,343	65.11
Ding Yuan International Investment Co.	2,516,093	100.00	2,601,135	100.00
Oriental Securities Co., Ltd.	1,958,653	19.65	2,050,470	19.65
Pacific Liu Tong Investment Corporation	1,591,918	16.83	1,383,864	16.83
An Ho Garment Co., Ltd.	1,564,092	100.00	1,595,014	100.00

(Continued)

	December 31			
	2011		2010	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
FEDP (Holding) Ltd.	\$ 724,900	50.43	\$ 721,679	50.43
Fu Kwork Garment Manufacturing Co., Ltd.	133,620	99.99	129,833	99.99
Ding Ding Hotel Co., Ltd.	18,312	19.00	31,143	19.00
Far Eastern Textile Ltd.	<u>976</u>	100.00	<u>-</u>	-
	<u>119,737,910</u>		<u>103,747,875</u>	
	<u>\$ 138,817,863</u>		<u>\$ 121,888,313</u>	

(Concluded)

The combined equity of the Company and subsidiaries in some investee companies - Oriental Union Chemical Corp. (OUCC), Everest Textile Co., Ltd. ("Everest Textile"), Oriental Securities Co., Ltd., and Pacific Liu Tong Investment Co. (PLT), exceeded 20% of their respective outstanding common shares. Thus, related investments were accounted for by the equity method.

In addition, investments in Far Eastern Department Stores Co., Ltd. (FEDS) and Ding Ding Hotel Co., Ltd. (PETH) in 2011 and 2010 were accounted for by the equity method since the Company exercised a significant influence over them even though the Company and its subsidiaries owned less than 20% of each investee's voting stock.

In February 2010, the Company bought 42.347 thousand common shares of PET Far Eastern (Holding) Ltd. (PETH) from Oriental Union Chemical Corp. and subsidiary, Ding Yuan International Investment, for NT\$659,422.5 thousand; thus, the Company's equity interest in PETH increased from 49.42% to 85.27%.

On August 16, 2010, Yuan Cing Infocomm Tech Co., Ltd. (YCIC) engaged in a tender offer to buy from the Company the common shares of New Century InfoComm Tech Co., Ltd. (NCIC) at NT\$10.93 per share. Thus, the Company sold 2,605 thousand common shares of NCIC to YCIC for NT\$28,387 thousand. Because the share sale was a downstream transaction, the NT\$2,624 thousand gain on disposal was deferred. After the completion of the tender offer, NCIC became a 100% subsidiary of Far EastTone, which is also a subsidiary of the Company.

In September 2010 and October 2010, the Company bought 184,574 thousand common shares, with par value of US\$0.27 and newly issued by Far Eastern Polychem Industries Ltd. (FEPI), for NT\$1,540,567 thousand; thus, the Company's equity interest in FEPI increased from 59.81% to 67.15%. In October 2011, the Company bought FEPI's 63,950 common shares for NT\$614,300 thousand; thus, the Company's equity interest in FEPI increased from 67.15% to 69.11%.

In October 2010 and December 2010, the Company bought 48,960 common shares and 195,520 common shares of FEDP (Holding) Ltd. (FEDP) from Far Eastern Polytex (Holding) Ltd. ("Polytex") and Yuan Tong Investment Co., Ltd. ("Yuan Tong"), respectively, for NT\$142,011 thousand and NT\$534,304 thousand, respectively.

In December 2011, the Company bought 44 thousand common shares newly issued by Far Eastern Polytex (Holding) Ltd., for NT\$2,699,644 thousand.

On December 28, 2011, the Company established Far East Textile Ltd., for NT\$1,000 thousand, with 100% equity interest.

The market values of equity-method investments in listed companies were NT\$34,518,125 thousand and NT\$35,097,509 thousand as of December 31, 2011 and 2010, respectively.

The difference between the cost of an investment and the amount of the underlying equity in net assets of equity-method investees is recognized as goodwill. As of January 1, 2011 and 2010, the balances of goodwill for both dates were NT\$99,821 thousand, and this amount remained the same in 2011 and 2010.

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, 2011 and 2010. The consolidated investees were Yuan Ding Investment Co., Ltd. (YDI), Far Eastern Resources Development Co. (FERD), Yuan Tong, Far Eastern Investment (Holding) Ltd. (FEIH), FEPI, Kai Yuan International Investment Co., Ltd. ("Kai Yuan"), Oriental Petrochemical (Taiwan) Co., Ltd. (OPTC), Polytex, FEDP, Far Eastern Construction Co., Ltd., Ding Yuan, PETH, An Ho Garment Co., Ltd. and Fu Kwok Garment Manufacturing Co., Ltd. The Company appointed the general manager of Yuan Ding Co., Ltd. and approved the date of December 28, 2011 as the start of his term. Thus, Yuan Ding and its subsidiary, Ding Ding Hotel Co., Ltd. were included in the consolidation financial statements from that validation date. The financial statements of Far Eastern Textile, a 100% own subsidiary of the Company, were also included in the Company's consolidated financial statements.

10. PROPERTIES

a.

	<u>December 31</u>	
	<u>2011</u>	<u>2010</u>
Cost	\$ 52,981,247	\$ 50,826,074
Appreciation		
Land	4,705,160	2,647,082
Buildings and equipment	198,964	198,964
Machinery and equipment	165,664	165,452
Furniture and miscellaneous equipment	<u>4,985</u>	<u>4,985</u>
	<u>5,074,773</u>	<u>3,016,483</u>
Total cost and appreciation	<u>58,056,020</u>	<u>53,842,557</u>
Accumulated depreciation		
Cost		
Buildings and equipment	3,762,403	\$ 3,627,710
Machinery and equipment	36,759,351	35,785,292
Furniture and miscellaneous equipment	<u>2,400,970</u>	<u>2,311,568</u>
	<u>42,922,724</u>	<u>41,724,570</u>
Appreciation		
Buildings and equipment	150,272	144,468
Machinery and equipment	165,663	165,293
Furniture and miscellaneous equipment	<u>4,985</u>	<u>4,985</u>
	<u>320,920</u>	<u>314,746</u>
Total accumulated depreciation	<u>43,243,644</u>	<u>42,039,316</u>
Accumulated impairment losses		
Cost		
Machinery and equipment	158,639	159,244
Furniture and miscellaneous equipment	<u>614</u>	<u>486</u>
Total accumulated impairment losses	<u>159,253</u>	<u>159,730</u>
	14,653,123	11,643,511
Construction in progress	3,866,778	2,560,702
Prepayments for equipment	<u>505,097</u>	<u>218,769</u>
Net properties	<u>\$ 19,024,998</u>	<u>\$ 14,422,982</u>

Under government regulations, the Company revalued its properties and properties leased to others (Note 11) (excluding land) in 1983 and lands in 1994. In 2011, the Company revalued its lands amounting NT\$2,058,078 thousand was accounted as an increase in the carrying value of lands. A reserve for land value increment tax of NT\$500,997 thousand was also recognized, and the net appreciation of NT\$1,557,081 thousand was credited to unrealized revaluation increment on properties.

Depreciation expenses were NT\$1,242,356 thousand in 2011 and NT\$1,596,130 thousand in 2010.

b. Capitalized interest on properties was as follows:

	2011	2010
Total interest expense	\$ 689,191	\$ 612,256
Interest capitalized (included in construction in progress)	43,921	22,750
Interest rate	1.29-1.36%	1.20-1.48%

11. NONOPERATING PROPERTIES, NET

December 31, 2011						
	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	88,344	-	40,452	-	-	47,892
Machinery and equipment	55,253	-	39,118	-	-	16,135
Furniture and miscellaneous equipment	3,984	-	3,984	-	-	-
	<u>152,916</u>	<u>26,736</u>	<u>83,554</u>	<u>-</u>	<u>-</u>	<u>96,098</u>
<u>Idle properties</u>						
Land	938	38,378	-	-	-	39,316
Building and equipment	1,133,508	81,602	857,908	66,110	216,904	74,188
Machinery and equipment	6,305,772	2,473	5,921,483	2,474	363,593	20,695
Furniture and miscellaneous equipment	43,363	1,431	43,177	1,431	183	3
	<u>7,483,581</u>	<u>123,884</u>	<u>6,822,568</u>	<u>70,015</u>	<u>580,680</u>	<u>134,202</u>
	<u>\$ 7,636,497</u>	<u>\$ 150,620</u>	<u>\$ 6,906,122</u>	<u>\$ 70,015</u>	<u>\$ 580,680</u>	<u>\$ 230,300</u>

December 31, 2010						
	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	88,249	-	38,382	-	-	49,867
Machinery and equipment	38,551	-	38,454	-	-	97
Furniture and miscellaneous equipment	3,984	-	3,910	-	-	74
	<u>136,119</u>	<u>26,736</u>	<u>80,746</u>	<u>-</u>	<u>-</u>	<u>82,109</u>

(Continued)

	December 31, 2010					
	Cost	Appreciation (Note 10)	Accumulated Depreciation		Accumulated Impairment Loss	Carrying Amount
			Cost	Appreciation (Note 10)		
<u>Idle properties</u>						
Land	\$ 938	\$ 38,378	\$ -	\$ -	\$ -	\$ 39,316
Building and equipment	1,169,482	81,602	852,856	63,673	22,709	311,846
Machinery and equipment	6,450,401	3,496	6,031,572	3,496	338,719	80,110
Furniture and miscellaneous equipment	44,517	1,431	44,199	1,431	318	-
	<u>7,665,338</u>	<u>124,907</u>	<u>6,928,627</u>	<u>68,600</u>	<u>361,746</u>	<u>431,272</u>
	<u>\$ 7,801,457</u>	<u>\$ 151,643</u>	<u>\$ 7,009,373</u>	<u>\$ 68,600</u>	<u>\$ 361,746</u>	<u>\$ 513,381</u>

(Concluded)

Depreciation on properties leased to others (recognized as miscellaneous expenses) amounted to NT\$2,808 thousand in 2011 and NT\$3,221 thousand in 2010. Depreciation on idle properties (recognized as miscellaneous expenses) amounted to NT\$36,005 thousand in 2011 and NT\$83,048 thousand in 2010.

12. FARMLAND

	December 31	
	2011	2010
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

	December 31	
	2011	2010
Unsecured loans: Interest - 0.7172%-1.8288% and the balance included US\$180,452 thousand in 2011; interest - 0.7073%-1.5856% and the balance included US\$148,848 thousand in 2010.	\$ 5,472,199	\$ 4,351,604
Secured loans: Interest - 1.06%-1.16% and the balance included US\$3,429 thousand in 2010.	<u>-</u>	<u>100,238</u>
	<u>\$ 5,472,199</u>	<u>\$ 4,451,842</u>

14. LONG-TERM LIABILITIES

	Current	Long-term	Total
<u>December 31, 2011</u>			
Long-term debts			
Bank loans	\$ -	\$ 28,450,000	\$ 28,450,000
Bonds			
Nonconvertible bonds	660,000	21,380,000	22,040,000
Nonconvertible bond discount	-	(35,986)	(35,986)
	<u>660,000</u>	<u>21,344,014</u>	<u>22,004,014</u>
Exchangeable bonds	1,239,000	-	1,239,000
Exchangeable bond discount	(20,369)	-	(20,369)
	<u>1,218,631</u>	<u>-</u>	<u>1,218,631</u>
	<u>1,878,631</u>	<u>21,344,014</u>	<u>23,222,645</u>
	<u>\$ 1,878,631</u>	<u>\$ 49,794,014</u>	<u>\$ 51,672,645</u>
<u>December 31, 2010</u>			
Long-term debts			
Bank loans	\$ -	\$ 26,210,536	\$ 26,210,536
Commercial paper	-	498,747	498,747
	<u>-</u>	<u>26,709,283</u>	<u>26,709,283</u>
Bonds			
Nonconvertible bonds	3,260,000	16,040,000	19,300,000
Nonconvertible bond discount	-	(28,699)	(28,699)
	<u>3,260,000</u>	<u>16,011,301</u>	<u>19,271,301</u>
Exchangeable bonds	-	1,239,300	1,239,300
Exchangeable bond discount	-	(49,250)	(49,250)
	<u>-</u>	<u>1,190,050</u>	<u>1,190,050</u>
	<u>3,260,000</u>	<u>17,201,351</u>	<u>20,461,351</u>
	<u>\$ 3,260,000</u>	<u>\$ 43,910,634</u>	<u>\$ 47,170,634</u>

Bank Loans

The foregoing loans are repayable interest monthly and in lump sum on maturity in New Taiwan dollars. Under a revolving credit agreement, in 2011, the Company was allowed to make loans within the credit line limit between January 2013 and May 2014. In 2010, the Company was allowed to make loans within the credit line limit between February 2012 and December 2012. Bank interest rates were 0.895% to 1.87% in 2011 and 0.65% to 1.65% in 2010.

On September 12, 2008, the Company signed with banks led by Hua Nan Commercial Bank a medium-term syndicated loan agreement amounting to NT\$5,700,000 thousand. Under this agreement, the Company committed to keep its current ratio, debt ratio, tangible asset-equity ratio and interest cover within certain ranges.

The Company's stand-alone financial statements of 2011 and 2010 showed that the Company was in compliance with the above ratio requirements.

Commercial Paper

Commercial paper with less than one-year maturities had an annual discount rate of 1.988% as of December 31, 2010. Under an agreement, the Company had been allowed to issue revolving commercial paper within the credit line limit till August 2012.

Bonds

The Company issued three-year unsecured bonds (the 1st tranche) on October 31, 2007. The bonds have an aggregate face value of NT\$800,000 thousand, with each unit having a face value of NT\$1,000 thousand. The bonds are repayable in lump sum on maturity. Interest was calculated and paid annually. NCIC and Digital United Inc. (merged with NCIC on March 16, 2009, with NCIC as the survivor entity) bought the bonds amounting to NT\$600,000 thousand and NT\$200,000 thousand, respectively. In October 2010, the Company redeemed its bonds.

On November 22, 2007, the Company issued three-year unsecured bonds (the 2nd tranche). The bonds have an aggregate face value of NT\$2,000,000 thousand, with each unit having a face value of NT\$1,000 thousand. The bonds are repayable in lump sum on maturity. Interest was calculated and paid annually. In November 2010, the Company redeemed its bonds.

On May 28, 2008, the Company issued three-year unsecured bonds (the 1st tranche). The bonds have an aggregate face value of NT\$2,600,000 thousand, with each unit having a face value of NT\$1,000 thousand. The bonds are repayable in lump sum on maturity. Interest was calculated by the simple interest method starting from the issuance date and was paid annually. In May 2011, the Company redeemed its bonds.

On June 20, 2008, the Company issued five-year unsecured bonds (the 2nd tranche). The bonds have an aggregate face value of NT\$1,000,000 thousand, with each unit having a face value of NT\$1,000 thousand. These bonds are repayable at the end of the third, fourth, and fifth year from the issuance date at 30%, 30% and 40%, respectively, of the total issued amounts, with 2.83% interest payable annually. In June 2011, the Company redeemed NT\$300,000 thousand bonds.

On July 18, 2008, the Company issued five-year unsecured bonds (the 3rd tranche). The bonds have an aggregate face value of NT\$1,200,000 thousand, with each unit having a face value of NT\$1,000 thousand. These bonds are repayable at the end of the third, fourth, and fifth year from the issuance date at 30%, 30% and 40%, respectively, of the total issued amounts, with 2.95% interest payable annually. In July 2011, the Company redeemed NT\$360,000 thousand bonds.

On October 29, 2009, the Company issued unsecured bonds (the 1st tranche) amounting to NT\$3,000,000 thousand, with a unit face value of NT\$1,000 thousand. The five-year bonds will be repaid at 50% of the aggregate value at the end of the 4th and 5th year of bond issuance, and the simple interest of 1.85% is payable annually.

On May 27, 2010, the Company issued five-year unsecured bonds (the 1st tranche) amounting to NT\$5,500,000 thousand at a unit face value of NT\$1,000 thousand. The five-year bonds will be repaid at 50% of the total amount at the end of the 4th year and at another 50% of the total amount at the end of the 5th year, with a 1.68% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On September 16, 2010, the Company issued five-year unsecured bonds (the 2nd tranche) amounting to NT\$6,000,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds will be repaid at 50% of the total amount at the end of the 4th year and at another 50% of the total amount at the end of the 5th year, with a 1.59% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On May 27, 2011, the Company issued five-year unsecured bonds (the 1st tranche) amounting to NT\$3,800,000 thousand at a unit face value of NT\$1,000 thousand. The five-year bonds will be repaid at 50% of the total amount at the end of the 4th year and at another 50% of the total amount at the end of the 5th year, with a 1.50% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On September 29, 2011, the Company issued five-year unsecured bonds (the 2nd tranche) amounting to NT\$2,200,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds will be repaid at 50% of the total amount at the end of the 4th year and at another 50% of the total amount at the end of the 5th year, with a 1.55% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable 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. These bonds are repayable in lump sum on maturity, with a 2.512% interest. Under SFAS No. 36 - "Financial Instruments: Disclosure and Presentation," the Company recognized the call and put options of these exchangeable bonds as assets and liabilities, respectively (Note 5).

Other bond issuance terms are as follows:

a. Exchangeable period:

The bondholders would exchange their bonds for Asia Cement Corporation's (ACC) common shares at any time between October 15, 2007, the 31st day after the issuance date, and September 4, 2012, the 10th day before the maturity date, except for the period starting from (a) the third day before the ex-dividend date of stock dividend issuance, (b) the third day before the ex-dividend date of cash dividend issuance, (c) the third day before the ex-dividend date of new share issuance, or (d) the third day before the ex-dividend date of capital decrease to the effective date of dividend (or new share) distribution. In addition, bondholders are not allowed to convert the bonds into ACC's common shares in the period specified by the law.

b. Exchange price

- 1) The exchange price was NT\$57.88 per share on the issuance date.
- 2) After the issuance of the exchangeable bonds, except for the convertible or exchangeable securities issued by ACC, the exchange price of the issued bonds will be adjusted in any one of these situations: (a) the quantity of ACC's common shares increases in the market (including capital increase for cash, capital increase through capitalization of earnings, capital increase through capitalization of capital reserve, capital increase through capitalization of employee bonus, capital increase through enterprise merger and acquisition, stock split and capital increase through issuing global depository receipts); (b) ACC issues new convertible or exchangeable securities at a price lower than the market conversion price; (c) the quantity of ACC's common shares decreases because of capital reduction (excluding the cancellation of ACC's treasury shares); or (d) the ratio of cash dividends to the market value of the common stock is higher than 1.5%. The exchange price was NT\$40.87 as of December 31, 2011.

c. Call option:

If the closing price of ACC's shares on each of 30 consecutive trading days on the Taiwan Stock Exchange reaches more than 50% of the exchange price between October 15, 2007, one month after the issuance date of the exchangeable bonds, and August 5, 2012, the 40th day before the maturity date of the exchangeable bonds, the Company will send a bond redemption notice to the bondholders and redeem the outstanding bonds at face value within 30 business days. In addition, if the total amount of

the outstanding bonds is less than NT\$250,000 thousand (10% of the total amount of the bonds), the Company has the right to send a bond redemption notice to the bondholders and redeem the outstanding bonds at face value in cash at any time.

d. Put option:

Bondholders had the option to request the Company to redeem their bond holdings at 100% of face value on September 14, 2010, three years after the issuance date. On September 14, 2010, the bondholders exercised their put options amounting to NT\$1,260,700 thousand. The Company redeemed the bonds within five trading days after the bondholders' notifying the Company of their request for bond redemption. As of December 31, 2010, the put options of the bonds had expired.

e. On July, 2011, the bondholders exchanged \$300 thousand bonds for 6,858 ACC common shares at the exchange price NT\$43.74. As of December 31, 2011, the outstanding exchangeable bonds not yet converted into ACC's common shares amounted to NT\$1,239,000 thousand.

15. STOCKHOLDERS' EQUITY

Under the Company Law, capital surplus may be used to offset a deficit. However, capital surplus from shares issued in excess of par (additional paid-in capital from issuance of common shares, premiums on capital stocks resulting from newly issued stocks after enterprise merger and acquisition and treasury stock transaction) and donations may be capitalized within a certain percentage of the Company's paid-in capital. Under the revised Company Law issued on January 4, 2012, the aforementioned capital surplus also can be distributed in cash. However, capital surplus from equity-method investments may not be used for any purpose

Based on the Company's Articles of Incorporation, net income should be used to pay its business income tax and offset deficits. From any remaining net income will be appropriated 10% as legal reserve and a special reserve as required by government regulations. After adding last years unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the following appropriations:

	%
a. Dividends	60.0
b. Bonus for stockholders	33.0
c. Bonus for employees	4.0
d. Remuneration for directors and supervisors	3.0

All appropriations are approved by the stockholders in the year, and disclosed in the financial statements of the year, following the year of earnings generation. The Company's dividends should be appropriated at a percentage based on the Company's Articles of Incorporation in order to keep the stability of dividend distribution while taking into account the future economic condition, cash demands and taxation. The cash dividends should be at least 10% of total dividends declared, unless cash is required for investments, productivity expansion, any significant future capital expenditures or plans to improve financial structure.

The bonus to employees was NT\$421,266 thousand in 2011 and NT\$470,346 thousand in 2010, and the remuneration to directors and supervisors was NT\$315,950 thousand in 2011 and NT\$352,759 thousand in 2010. Based on the Company's Articles of Incorporation, the bonus to employees and the remuneration to directors and supervisors are estimated at 4% and 3%, respectively, of distributable earnings. If the actual amounts subsequently resolved by the stockholders differ from the estimates, the differences are recorded as a change in accounting estimate. If bonus shares are resolved to be distributed to employees, the number of shares is determined by dividing the amount of bonus by the closing price (after considering the effect of cash and stock dividends) of the shares at the date preceding the stockholders' meeting.

Legal reserve should be appropriated until it has reached the Company's paid-in capital. This reserve may be used to offset a deficit. Under the revised Company Law issued on January 4, 2012, when the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations from the 2010 and 2009 earnings were approved at the stockholders' meetings on June 24, 2011 and June 22, 2010, respectively. The appropriations and dividends per share were as follows:

	2010		2009	
	Appropriation and Distribution	Dividend Per Share (Dollars)	Appropriation and Distribution	Dividend Per Share (Dollars)
Legal reserve	\$ 1,297,328		\$ 811,261	
Cash dividends	9,509,160	\$ 2.0	6,059,759	\$ 1.3
Stock dividends	<u>1,426,374</u>	0.3	<u>932,270</u>	0.2
	<u>\$ 12,232,862</u>		<u>\$ 7,803,290</u>	

Of the appropriation and distribution of the 2010 earnings as stock dividends, a capital increase of NT\$1,426,374 thousand from retained earnings was approved by the Financial Supervisory Commission under the Executive Yuan. After approval, the Company's board of directors set August 31, 2011 as the effective date of this distribution and completed the distribution registration on September 15, 2011.

The bonus to employees and the remuneration to directors and supervisors for 2010 and 2009 approved in the stockholders' meetings on June 24, 2011 and June 22, 2010, respectively, were as follows:

	Years Ended December 31			
	2010		2009	
	Bonus to Employee Bonus	Remuneration to Directors and Supervisors	Bonus to Employee Bonus	Remuneration to Directors and Supervisors
Amounts approved in stockholders' meetings	<u>\$ 470,346</u>	<u>\$ 352,759</u>	<u>\$ 300,732</u>	<u>\$ 225,549</u>
Amounts recognized in financial statements	<u>\$ 470,346</u>	<u>\$ 352,759</u>	<u>\$ 300,732</u>	<u>\$ 225,549</u>

The approved amounts of the bonus to employees and the remuneration to directors and supervisors were the same as the accrual amounts reflected in the financial statements for the years ended December 31, 2011 and 2010. The Company settled the bonus to employees by cash.

The appropriations and distribution of the 2011 earnings had been proposed by the board of directors on March 21, 2012. The appropriations and dividends per share were as follows:

	Appropriation and Distribution	Dividends Per Share (NT\$)
Legal reserve	\$ 1,110,021	\$ -
Cash dividends	8,325,270	1.7
Stock dividends	1,469,165	0.3

The amount of the appropriation and distribution, the bonus to employees and the remuneration to director and supervisors will be approved in stockholders' meeting on June 28, 2012.

Information on the bonus to employees, directors, and supervisors are available on the Market Observation Post System website of the Taiwan Stock Exchange Corporation (<http://mops.tse.com.tw>).

16. TREASURY STOCK

(Shares in Thousands)				
Purpose of Treasury Stock	Number of Shares, Beginning of Year	Addition During the Year	Reduction During the Year	Number of Shares, End of Year
Company's shares held by its subsidiaries	—	—	—	713

The Company consolidated its subsidiary, Yuan Din Co., Ltd. (Note 9), on December 28, 2011. As of December 31, 2011, the Company's shares hold by Yuan Din Co., Ltd. had a carrying value of NT\$25,063 thousand. On December 31, 2011, the Company had 713 thousand treasury shares valued at NT\$25,063 thousand.

17. 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, spin-off 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.

The Company and a subsidiary, Far Eastern Resources Development Co. (FERD), has used the linked tax system and filed business income tax returns since 2005 and filed income tax returns on unappropriated earnings since 2004.

- a. A reconciliation of income tax expense based on income before income tax at statutory rate (17%) and income tax expense was as follows:

	2011	2010
Income tax expense at statutory rate	\$ 2,016,472	\$ 2,211,564
Tax effect of adjusting items:		
Permanent differences	(1,701,677)	(1,787,201)
Temporary differences	(272,140)	(405,384)
Additional 10% income tax on unappropriated earnings	73,339	30,841
Additional tax effects of the linked-tax system for filing returns with subsidiaries	24,391	29,433
Investment tax credits used	<u>(101,269)</u>	<u>(79,253)</u>
Current income tax expense	<u>\$ 39,116</u>	<u>\$ -</u>

(Continued)

	2011	2010
Income tax expense components:		
Current income tax expense	\$ 39,116	\$ -
Effect of the linked tax system for tax filing	(24,391)	(29,433)
Adjustments for prior years' tax	34,973	-
Deferred income tax expense		
Income tax expense	<u>724,408</u>	<u>188,463</u>
	<u>\$ 774,106</u>	<u>\$ 159,030</u>
		(Concluded)

Under Article 10 of the Statute for Industrial Innovation passed by the Legislative Yuan in April 2010, a profit-seeking enterprise may deduct up to 15% of its research and development expenditures from its income tax payable for the fiscal year in which these expenditures are incurred, but this deduction should not exceed 30% of the income tax payable for that fiscal year. This incentive is effective from January 1, 2010 till December 31, 2019.

In May 2010, the Legislative Yuan passed the amendment of Article 5 of the Income Tax Law, which reduced a profit-seeking enterprise's income tax rate from 20% to 17%, effective January 1, 2010.

- b. Deferred income tax assets and liabilities were as follows:

	<u>December 31</u>	
	2011	2010
Current		
Deferred income tax assets		
Investment tax credits	\$ 70,817	\$ 67,209
Loss on purchase contracts	7,615	-
Unrealized loss on cotton futures contracts	1,264	-
Allowance for loss on inventory	-	38,872
Unrealized exchange losses	<u>-</u>	<u>6,957</u>
	79,696	113,038
Less: Valuation allowance	79,093	67,209
Deferred income tax liabilities		
Unrealized exchange gain	<u>(603)</u>	<u>-</u>
Deferred income tax assets - current, net	<u>\$ -</u>	<u>\$ 45,829</u>
Noncurrent		
Deferred income tax assets		
Investment tax credits	\$ 54,550	\$ 159,427
Accrued pension cost	215,751	223,374
Allowance for losses on properties	239,326	199,485
Realized losses on long-term investments	<u>33,828</u>	<u>33,828</u>
	543,455	616,114
Less: Valuation allowance	<u>378,499</u>	<u>36,133</u>
	<u>164,956</u>	<u>579,981</u>
Deferred income tax liabilities		
Investment income recognized on equity-method investments	<u>(622,916)</u>	<u>(359,362)</u>
Deferred income tax assets (liabilities) - noncurrent, net	<u>\$ (457,960)</u>	<u>\$ 220,619</u>

c. Unused investment tax credits as of December 31, 2011:

Laws and Statute	Tax Credit Source	Total Deductible Amount	Remaining Deductible Amount	Expiry Period
Statute for Upgrading Industries	Automated equipment	\$ 738	\$ 738	2013
	Research development	141,607	119,386	2012-2013
	Personnel training	<u>5,243</u>	<u>5,243</u>	2012-2013
		<u>\$ 147,588</u>	<u>\$ 125,367</u>	

The tax returns through 2006 have been assessed and cleared by the tax authorities.

d. Information about integrated income tax was as follows:

	Year Ended Balance of Imputation Credit Account
December 31, 2011	<u>\$ 256,961</u>
December 31, 2010	<u>\$ 362,953</u>

The expected ratio of imputation tax credits to undistributed earnings as of December 31, 2011 and the actual ratio of imputation credits as of December 31, 2010 were 2% and 10%, respectively.

Based on the Income Tax Law, the imputation tax credits distributed to each stockholder are based on the imputation credit account (ICA) balance as of the date of dividend distribution. Thus, the estimated creditable ratios for the 2011 earnings appropriation may be adjusted when the imputation credits are distributed. The ratio for the imputation credits allocated to stockholders of the Company is based on the balance of the ICA as of the date of dividend distribution.

e. Information on unappropriated earnings:

	December 31	
	2011	2010
Unappropriated earnings generated before January 1, 1997	\$ 236,793	\$ 236,793
Unappropriated earnings generated on and after January 1, 1998	<u>13,472,657</u>	<u>14,605,303</u>
	<u>\$ 13,709,450</u>	<u>\$ 14,842,096</u>

18. PERSONNEL, DEPRECIATION AND AMORTIZATION EXPENSES

	2011			2010		
	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee expenses						
Salaries	\$ 2,800,062	\$ 1,225,751	\$ 4,025,813	\$ 2,680,180	\$ 1,161,651	\$ 3,841,831
Insurance	209,460	64,274	273,734	185,029	57,331	242,360
Pension	89,458	41,326	130,784	105,879	51,025	156,904
Miscellaneous	<u>96,594</u>	<u>51,710</u>	<u>148,304</u>	<u>90,644</u>	<u>49,903</u>	<u>140,547</u>
	<u>\$ 3,195,574</u>	<u>\$ 1,383,061</u>	<u>\$ 4,578,635</u>	<u>\$ 3,061,732</u>	<u>\$ 1,319,910</u>	<u>\$ 4,381,642</u>
Depreciation	<u>\$ 1,124,083</u>	<u>\$ 118,273</u>	<u>\$ 1,242,356</u>	<u>\$ 1,467,428</u>	<u>\$ 128,702</u>	<u>\$ 1,596,130</u>
Amortization	<u>\$ 53,015</u>	<u>\$ 8,371</u>	<u>\$ 61,386</u>	<u>\$ 43,687</u>	<u>\$ 5,367</u>	<u>\$ 49,054</u>

19. EARNINGS PER SHARE

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

	New Taiwan Dollars				
	Amounts (Numerator)		Shares in Thousands (Denominator)	Earnings Per Share	
	Before Income Tax	After Income Tax		Before Income Tax	After Income Tax
<u>2011</u>					
Basic EPS					
Income for the year	\$ 11,861,602	\$ 11,087,496	4,897,217	<u>\$ 2.42</u>	<u>\$ 2.26</u>
Add: Effect of dilutive potential common stock - bonus to employees			<u>17,865</u>		
Diluted EPS					
Income for the year attributable to common stockholders plus effect of potential dilutive common stock	<u>\$ 11,861,602</u>	<u>\$ 11,087,496</u>	<u>4,915,082</u>	<u>\$ 2.41</u>	<u>\$ 2.26</u>
<u>2010</u>					
Basic EPS					
Income for the year	\$ 13,009,200	\$ 12,850,170	4,897,217	<u>\$ 2.66</u>	<u>\$ 2.62</u>
Add: Effect of dilutive potential common stock - bonus to employees	-	-	<u>19,125</u>		
Diluted EPS					
Income for the year attributable to common stockholders plus effect of potential dilutive common stock	<u>\$ 13,009,200</u>	<u>\$ 12,850,170</u>	<u>4,916,342</u>	<u>\$ 2.65</u>	<u>\$ 2.61</u>

The Accounting Research and Development Foundation issued Interpretation 2007-052, which requires companies to recognize bonuses to employees, directors and supervisors as expenses instead of earnings appropriations from January 1, 2008. If the Company decides to settle the employee bonus in cash or stock, it should presume that the entire amount of the bonus would be settled in the form of stock, and if the resulting potential shares would have a dilutive effect, these shares should be included in the

weighted-average number of shares outstanding to be used in the calculation of the 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 the diluted EPS until the stockholders resolve the number of shares to be distributed to employees at their meeting in the following year.

On December 28, 2011, the Company started to include Yuan Ding Co., Ltd. in its consolidated financial statements. The Company's shares held by Yuan Ding accounts as treasury stock had no potential dilutive effect on basic and dilutive EPS. If the Company's shares held by Yuan Ding accounts been treated as investment rather than treasury stock, the pro forma basic and dilutive EPS would have been equal to the basic and dilutive EPS.

The weighted average number of shares outstanding for EPS calculation has been retroactively adjusted for the issuance of stock dividends. This adjustment caused the basic before and after income tax EPS for the year ended December 31, 2010 decrease from NT\$2.70 to NT\$2.69 and from NT\$2.62 to NT\$2.61, respectively.

20. PENSION PLAN

The pension plan under the Labor Pension Act (LPA) is a defined contribution plan. Based on the LPA, the rate of the Company's monthly contributions to employees' individual pension accounts is at 6% of monthly salaries and wages. Related pension costs were NT\$88,135 thousand for 2011 and NT\$70,292 thousand for 2010.

The Company has a defined benefit pension plan for all regular employees 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. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributes amounts equal to 4% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. The pension fund is deposited in the Bank of Taiwan in the committee's name. Pension expenses of NT\$42,735 thousand in 2011 and NT\$87,127 thousand in 2010 were recognized by the Company, including pension costs charged to the related parties were NT\$86 thousand in 2011 and NT\$515 thousand in 2010.

Other information on the defined benefit plan is as follows:

a. Components of net periodic pension cost

	2011	2010
Service cost	\$ 84,321	\$ 94,822
Interest cost	107,902	100,326
Projected return on plan assets	(249,214)	(207,753)
Amortization	<u>99,726</u>	<u>99,732</u>
Net periodic pension cost	<u>\$ 42,735</u>	<u>\$ 87,127</u>

23. SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Significant commitments and contingencies of the Company as of December 31, 2011 were as follows:

- a. Issued but unused letters of credit totaling approximately NT\$1,265,137 thousand;
- b. Unpaid building construction and equipment installation contracts amounting to approximately NT\$547,703 thousand;
- c. Undelivered cotton futures contracts amounting to NT\$408,146 thousand
- d. Endorsements and guarantees provided to the related parties, as shown in 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 on October 13, 2004, totaling NT\$252,442 thousand, because the authorities believed that this land, which the Company registered as a property for manufacturing purposes, was being used for general purposes instead and that the Company did not register the change in land use. 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. The Company filed a lawsuit against the authorities on June 1, 2005 but lost the lawsuit. Thus, the Company already accrued the losses for this case in 2005. On January 18, 2006, the Company filed an appeal with the Taipei High Administrative Court but still lost the lawsuit. The Company appealed to the Supreme Administrative Court (SAC) on January 3, 2007. The SAC rejected this appeal on May 31, 2007. On August 30, 2007, the Company paid the required land tax. Despite this payment, the Company again applied with the SAC for reexamination on July 13, 2007. On May 27, 2009, the SAC rejected the appeal for a reexamination. Nevertheless, the Company is continuing to look for other ways to assert its rights.
- f. On December 29, 2005, the board of directors of Tai Ya International Telecommunications Co., Ltd. (TYIT) resolved to merge TYIT with Mobitai Communications Ltd. ("Mobitai"), in accordance with Article 19 of the Business Mergers and Acquisitions Act and set January 1, 2006 as the record date of the merger. TYIT was the successor company after 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. For its disposal of its investment in Mobitai, the Company recognized a gain of NT\$31,814 thousand. However, the Company regarded Mobitai's purchase price was too low and raised an objection to Mobitai. Afterwards, the Company filed a lawsuit against TYIT. As of March 29, 2012, the date of the accompanying auditors' report, the lawsuit was pending before Taipei district court.
- g. Ming-Chiung Chang filed an incidental civil suit, in connection with the criminal case of forgery, against Ming-chung Kuo (an FENC employee) and Hua-de Lin, Hung-Long Li and Yung-gi Lai (the fiduciaries of Pacific Liu Tung Investment Co. or PLT, an equity-method investee of the Company). Chang claimed that Kuo and Hua-de Lin, Hung-Long Li and Yung-gi Lai colluded and used their positions to carry out transactions that resulted in his losses and asked the Taiwan High Court to declare that the ownership of PLT held by FEDS, FEDS's subsidiaries, the Company and its subsidiaries was just a fabrication, i.e., it never existed. In October 2009, Chang lost the suit and then appealed to a higher court. On March 29, 2010, the Supreme Court did not adjudicate this case and remanded the case to the Taiwan High Court for reexamination.

- h. The registered capital of PLT, an investee of the Company, was originally 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 PLT registrations of the amendments of its Articles of Incorporation, the PLT registrations of its elected and appointed members of its Board of Directors and Supervisors and registrations of several tranches of capital increases given to PLT 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.

On January 27, 2010, PLT filed an administrative appeal against the Taiwan High Prosecutors Office (THPO) and pleaded for the revocation of the letter sent to the Department of Commerce (DOC) on the registration nullifications and requested the stay of execution of registration cancellation. On March 9, 2010, referencing Article 77-8 of the Administrative Appeal Act, the Petitions and Appeals Committee (PAC) of the Executive Yuan declared that the letter was not subject to administrative disposition and thus beyond the scope of administrative appeal. On May 18, 2010, PLT filed a suit against THPO with the Taipei High Administrative Court. Later, however, the former PLT chairman, Heng-lung Lee withdrew this lawsuit.

On February 10, 2010, PLT filed an administrative appeal against the MOEA for the revocation of the decision on administrative disposition and requested the stay of execution of registration cancellation. On May 20, 2010, referencing Article 79-1 of the Administrative Appeal Act, PAC dismissed the administrative appeal. On July 26, 2010, referencing Article 4-1 of the Administrative Procedure Law, PLT filed a suit against the MOEA with the Taipei High Administrative Court. Later, however, the former PLT chairman, Heng-lung Lee withdrew this lawsuit.

On February 24, 2010, Far Eastern Department Stores (FEDS, an equity-method investee of the Company) filed an administrative appeal with the MOEA for the withdrawal of the administrative disposition and requested the stay of execution of registration cancellation. On April 14, 2010, referencing Article 77-3 of the Administrative Appeal Act, PAC decided that the appeal had no merit because FEDS was not a party to whom an administrative disposition was issued nor was it an interested party at stake. Thus, on June 15, 2010, referencing Article of 4-1 of the Administrative Procedure Law, FEDS filed a suit against the MOEA with the Taipei High Administrative Court.

Referencing Article 4-3 of the Administrative Procedure Law, FEDS, as an interested party in the PLT case, filed a suit against THPO with the Taipei High Administrative Court on July 27, 2010. On November 30, 2010, the Taipei High Administrative Court dismissed the lawsuit, commenting that this lawsuit was the same case as the suit FEDS filed against the MOEA on June 15, 2010 and was not within the purview of Article 4-3 of the Administrative Procedure Law.

On February 10, 2010, FEDS filed a suit against PLT to confirm the existence of FEDS's rights as PLT stockholder. However, FEDS notified the Taipei District Court on June 25, 2010 that FEDS and PLT had agreed by consent to suspend the case proceedings for a certain period. Before the end of this suspension period, FEDS applied for a resumption of the legal proceeding. This suit is tried by the Taipei High Administrative Court.

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 percentage ownership of PLT held by the Group reached 39.68%. Based on the local GAAP, these holdings were accounted for by the equity method.

24. SUBSEQUENT EVENT

- a. On July 4, 2011, the Taipei City Government issued a letter requiring PLT, an investee of the Company, to elect a new board of directors before September 30, 2011. As a result, the Company held an interim stockholders meeting on August 1, 2011 and appointed Shu-ton Hsu, Mao-te Huang, and Shih-ching Lo as members of the Board of Directors and Sze-ching Du as a supervisor. However, when the Company registered the change of representatives of Board of Directors and Supervisors, both the Taipei City Government and Ministry of Economic Affairs (MOEA) did not claimed that neither of them should approve the Company's registration change. After negotiations, the Executive Yuan instructed the MOEA to handle this registration change.

The former chairman of PLT, Heng-lung Lee, claimed that he changed the appointed representatives to the Board of Directors and Supervisors of Pacific Sogo department store (PSDS) from Ching-wen Huang, Tetsu Inoue, Shu-ton Hsu, Shaw Y. Wang, and Mao-te Huang, to Chung-Ze Wong, Jaw-Chyuan Chu, Shen-Yi Lee, Rui-Cun Liu and Yu-ying Jin. Then, the aforementioned representatives of the Board of Directors and Supervisors of PSDS appointed the new representatives of the Board and Supervisors of PLT. Heng-lung Lee filed a changed registration of representatives of Board of Directors and Supervisors with the Taipei City Government and the MOEA's Department of Commerce (DOC) on August 8, 2011.

During the processing of the registration of PLT's change, the Taipei City Government stated that because the others claimed that registered capital of PLT was NT\$4,010,000 thousand, the approval of PLT's registration change was the MOEA's responsibility.

On August 1, 2011, PLT held an interim stockholders' meeting and reelected the board members and the chairman of the board. However, after this election, PLT did not recognize Heng-lung, Lee as PLT's chairman as well as disagreed with Lee's replacing the representatives to the board of directors and supervisors. This unsolved dispute is still waiting being solved under civil litigation process.

PLT had not conformed to Taipei City Government's No. 10085214000 to reelect the representatives of board of directors and supervisors and completed the registration. All the representatives of board of directors and supervisors lose their authorization to carry out their board functions; this situation could have hampered the management of PLT. Heng-lung Lee claimed with Taipei District Court (TDC) to appointed interim administrators. Thus, referencing No. 333, the TDC appointed Rong-Chuan Chen, Kung Wang, Min-Qiu Jian as the interim administrators of PLT on February 13, 2012. However, Far Eastern Department Co., Ltd (FEDS, an equity-method investee of the Company) and other interested parties of PLT, did not agree with the TDC's action and filed a suit against TDC during the statutory period. DOC approved the registration of PLT's interim administrators on February 29, 2012.

- b. The Company issued five-year unsecured bonds (the 3rd tranche of 2011) on February 15, 2012. The bonds have an aggregate face value of NT\$6,000,000 thousand, with each unit having a face value of NT\$1,000 thousand. These five-year bonds will be repaid at 50% of the aggregate value at the end of the 4th and 5th years, with a simple interest of 1.36% payable annually.
- c. On March 21, 2012, the Company decided to issue unsecured bonds with an aggregate face value less than NT\$12,000,000 thousand, with which each unit has a face value of NT\$1,000 thousand and the terms of bonds will be less than 5 years.

25. FINANCIAL INSTRUMENTS

a. Fair values of financial instruments

	December 31			
	2011		2010	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Nonderivative financial instruments</u>				
Financial assets				
Cash	\$ 2,444,308	\$ 2,444,308	\$ 8,192,747	\$ 8,192,747
Notes receivable	302,778	302,778	702,541	702,541
Accounts receivable, net	9,776,610	9,776,610	6,972,796	6,972,796
Notes and accounts receivable from affiliates	470,140	470,140	321,825	321,825
Other receivables	215,389	215,389	200,796	200,796
Other receivables from affiliates	135,676	135,676	291,486	291,486
Restricted assets -current	34,381	34,381	-	-
Available-for-sale financial assets - noncurrent	737,481	737,481	919,563	919,563
Financial assets carried at cost - noncurrent	53,667	-	53,667	-
Refundable deposits (under "other assets - others")	53,517	53,517	58,306	58,306
Financial liabilities				
Short-term bank loans	5,472,199	5,472,199	4,451,842	4,451,842
Notes payable	2,338	2,338	3,005	3,005
Accounts payable	3,967,737	3,967,737	3,777,023	3,777,023
Accounts payable to affiliates	1,108,388	1,108,388	1,290,014	1,290,014
Accrued expense	3,344,427	3,344,427	3,162,837	3,162,837
Long-term loans (including current portion)	28,450,000	28,450,000	26,210,536	26,210,536
Long-term commercial paper	-	-	498,747	498,747
Bonds payable (including current portion)	23,222,645	23,444,065	20,461,351	20,663,862
Guarantee deposits received	615	615	615	615
<u>Derivative financial assets (liabilities)</u>				
Cotton futures contracts	46,209	46,209	15,251	15,251
Forward exchange contracts	2,099	2,099	2,165	2,165
Exchangeable bonds - exchange rights	(4,708)	(4,708)	(4,461)	(4,461)

b. The methods and assumptions used in estimating fair values are as follows:

- 1) The carrying amounts of the short-term financial instruments approximate their fair values because of their short maturities.
- 2) Fair values of derivatives are based on their quoted prices in an active market or. 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) Available-for-sale financial assets are based on their quoted prices in an active market. Financial assets carried at cost are investments in unquoted shares, which have no quoted prices in an active market and entail an unreasonably high cost to obtain verifiable fair values. Therefore, no fair value is presented.

- 4) Fair values of long-term loans (including current portion) are estimated using the present value of future cash flows discounted by the interest rates the Company may obtain for similar loans (e.g., similar maturities). The fair values of publicly traded bonds are measured at trading prices.
- 5) Refundable deposits and guarantee deposits received are measured at their carrying values because their fair value approximates the carrying value.
- c. Financial assets and liabilities with fair values of the Company and subsidiaries based on quoted market prices or estimated prices using valuation techniques were as follows:

	<u>Quoted Price</u>		<u>Estimated Price</u>	
	<u>December 31</u>		<u>December 31</u>	
	2011	2010	2011	2010
<u>Derivative financial instruments</u>				
Financial assets at fair value through profit and loss	\$ 905,963	\$ 2,692,504	\$ 48,908	\$ 17,416
Financial liability at fair value through profit and loss	-	-	(4,708)	(4,461)
Available-for-sale financial assets - current	3,496,456	3,373,540	-	-
Available-for-sale financial assets - noncurrent	2,791,718	3,314,361	1,240,329	1,079,788
Hedging derivative financial assets (liabilities) - current	-	-	(1,167)	78,670

- d. As of December 31, 2011 and 2010, financial assets exposed to fair value interest rate risk amounted to NT\$807,366 thousand and NT\$5,182,018 thousand, respectively; financial liabilities exposed to fair value interest rate risk amounted to NT\$53,311,115 thousand and NT\$48,545,680 thousand, respectively; financial assets exposed to cash flow interest rate risk amounted to NT\$1,007,219 thousand and NT\$1,981,200 thousand, respectively; and financial liabilities exposed to cash flow interest rate risk amounted to NT\$1,833,729 thousand and NT\$3,067,796 thousand, respectively.
- e. As of December 31, 2011 and 2010, on financial assets or liabilities other than those at FVTPL, total interest income were NT\$12,345 thousand and NT\$6,665 thousand, respectively, and interest expenses were NT\$645,270 thousand and NT\$589,506 thousand, respectively.
- f. Financial risks

1) Market risk

Forward exchange contracts and currency option contracts

The Company entered into forward exchange contracts and currency option contracts to hedge against the effect of adverse exchange rate fluctuations on foreign currency-denominated assets or liabilities.

The Company had no outstanding currency option contracts as of December 31, 2011 and 2010. For the outstanding forward contracts as of December 31, 2011 and 2010, please refer to Note 5.

A subsidiary, Far Eastern Investment (Holding) Ltd. (FEIH), entered into forward contracts to hedge against the adverse effects of exchange rate fluctuations on liabilities denominated in foreign currencies in 2011 and 2010.

And, in 2010, Wuhan Far Eastern New Material Ltd. authorized FEIH to use certain derivative financial instruments to hedge against adverse fluctuations on exchange rates for foreign investments.

Outstanding forward exchange contracts of FEIH as of December 31, 2011 were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2011</u>			
Sell	USD/CAD	2012.01.20	USD1,000/CAD1,018

FEIH had no outstanding forward contracts as of December 31, 2010.

On its derivative financial transactions, FEIH had net gains of NT\$12,069 thousand in 2011 and NT\$30,396 thousand in 2010.

A subsidiary, Oriental Petrochemical (Taiwan) Co., Ltd. (OPTC), used forward exchange transactions in 2011 and 2010 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 2011 and 2010.

On its derivative financial transactions, OPTC had net gains of NT\$1714 thousand in 2011 and NT\$7,835 thousand in 2010.

A subsidiary, Far Eastern Fibertech Co., Ltd. (FEFC), had forward exchange transactions in 2011 and 2010 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities.

Outstanding forward exchange contracts of FEFC as of December 31, 2011 were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2011</u>			
Sell	USD/NTD	2012.01.03	USD1,500/NTD45,428

FEFC had no outstanding contracts as of December 31, 2010.

On its derivative financial transactions, FEFC had net losses of NT\$476 thousand in 2011 and NT\$283 thousand in 2010.

A subsidiary, Far Eastern Industries Polychem Industries Ltd. (FEPI), had forward exchange transactions in 2011 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities.

Outstanding forward exchange contracts of FEPI as of December 31, 2011 were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2011</u>			
Sell	USD/RMB	2012.02.21-2012.04.05	USD10,000/RMB63,888

In 2011 and 2010, a subsidiary, New Century InfoComm Tech Co., Ltd. (NCIC), used forward exchange transactions to hedge against the effect of exchange rate fluctuations. The gains or losses on the changes in the fair values of these contracts will offset the results of the exchange rate fluctuations of the hedged items. Thus, market risk is expected to be immaterial.

Cotton futures contracts

The Company entered into cotton futures contracts to hedge against adverse fluctuations of cotton prices (Note 5).

Cross-currency swap contracts

An FENC subsidiary, Far EasTone, entered into cross-currency swap contracts to hedge against the adverse effects of exchange rate fluctuations on foreign currency-denominated assets in 2011 and 2010. The gains or losses on the changes in fair values on these contracts are expected to 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 the Company and its subsidiaries are determined at their quoted prices in an active market; thus, market price fluctuations would cause changes in the fair values of these investments. However, market risk is expected to be immaterial because the performance of these investments is periodically evaluated by the Company and subsidiaries.

2) Credit risk

Credit risk represents the potential loss that would be incurred by the Company and its subsidiaries if the counter-parties breach contracts. Financial instruments with positive fair values at the balance sheet date are evaluated for credit risk. The counter-parties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Company and its subsidiaries' exposure to default by those parties to be material.

3) Liquidity risk

The Company and its subsidiaries have sufficient operating capital to meet cash flow requirements. Thus, the Company and its subsidiaries do not have liquidity risk. However, financial assets carried at cost and some investments in equity have no active market; thus, material liquidity risk on these assets is anticipated.

On February 26, 2009, an FENC subsidiary, Yuan Tong, bought convertible bonds issued by Bockhold N.V. The purchase amount was recognized as investment in an inactive market - bonds and the conversion right was recognized as financial asset carried at cost because it has no quoted price in an active market. Thus, liquidity risk on this investment is expected to be high.

The Company and some of its subsidiaries invested in domestic quoted stocks, bonds and mutual funds that have quoted prices in active markets and can be sold immediately at prices close to their fair values. However, Far EasTone invested in some private funds with no quoted prices in an active market; thus, this investment was expected to have material liquidity risks.

ARCOA invested in bonds and equity instruments with no quoted prices in active market; thus, these investments could expose ARCOA to material liquidity risks.

The subsidiaries of YDI and Kai Yuan acquired privately placed shares of FEIB. Under Article 43-8 of the Securities and Exchange Law, the privately placed securities are subjected to restrictions on holding period and trading volume. As a result, liquidity risk on these securities is anticipated.

The subsidiaries of Far EasTone used cross-currency swap contracts in 2011 and 2010, which resulted in simultaneous cash inflows and outflows upon maturity; thus, the cash demand is not expected to be significant.

An FENC subsidiary, NCIC, used forward exchange contracts in 2011 and 2010, which resulted in simultaneous cash inflows and outflows upon maturity; thus, the cash demand is not expected to be significant.

4) Cash-flow risk from interest rate fluctuations

The Company and its subsidiaries had bank deposits and short-term and long-term debts with floating interest rates. As a result, the effective interest rates on these loans will change as the market interest rates change, and the future cash flow will be fluctuated.

g. Cash flow hedge

A subsidiaries, Far EasTone (FET) had foreign-currency denominated assets which may cause material cash flow risks because these instruments have floating interest rates; thus, FET used cross-currency swaps to hedge against adverse cash flow fluctuations on its foreign currency-denominated assets.

A subsidiary, NCIC, used forward exchange contracts to hedge against adverse cash flow fluctuations on its foreign currency-denominated assets.

Hedged Items	Designated Hedging Instruments	Fair Value		Expected Period of Cash Flows	Expected Period for Realization of Gains or Losses
		December 31			
		2011	2010		
Foreign-currency denominated assets	Cross-currency swap FET	\$ (75)	\$ 13,820	2012	2012
	Forward exchange contract NCIC	(1,092)	64,850	2012	2012

26. OTHER

The Company's significant foreign currency-denominated assets and liabilities as of December 31, 2011 and 2010 were as follows:

(In Thousands, Except Exchange Rate)

	December 31					
	2011			2010		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>						
Monetary items						
USD	\$ 292,282	30.225	\$ 8,834,223	\$ 196,807	29.135	\$ 5,733,972
EUR	28,304	38.988	1,103,503	20,248	38.616	781,897
JPY	1,359,319	0.388	527,144	881,736	0.356	313,898

(Continued)

	December 31					
	2011			2010		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars	Foreign Currencies	Exchange Rate	New Taiwan Dollars
Equity-method investments						
USD	\$ 624,129	30.275	\$18,895,510	\$ 480,859	29.185	\$14,033,883
HKD	1,835,407	3.897	7,152,582	1,564,095	3.751	5,866,919
<u>Monetary liabilities</u>						
Monetary items						
USD	241,251	30.325	7,315,949	205,751	29.235	6,015,130
EUR	-	-	-	156	39.016	6,086
JPY	-	-	-	35,383	0.356	12,596
						(Concluded)

27. ADDITIONAL DISCLOSURES

a. Important transactions and b. information on the Company's investees.

- 1) Financing provided: Schedule D (attached).
- 2) Endorsement/guarantee provided: Schedule E (attached).
- 3) Marketable securities and investments in share of stock held: Schedule F (attached).
- 4) Securities acquired and disposed of at costs or prices of at least NT\$100 million or 20% of the capital stock: Schedule G (attached).
- 5) Real estates acquired amounting to at least NT\$100 million or 20% of the capital stock: Schedule H (attached).
- 6) Real estates sold amounting to at least NT\$100 million or 20% of the capital stock: Schedule I (attached).
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the capital stock: Schedule J (attached).
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the capital stock: Schedule K (attached).
- 9) Names, locations, and related information of investees on which the Company exercises significant influence: Schedule L (attached).
- 10) Derivative financial transactions: Note 25.

c. Investments in Mainland China

- 1) Investee company name, the description of the primary business activity and products, issued capital, nature of the relationship, capital inflow or outflow, ownership interest, gain or loss on investment, amounts received on investment, and the limitation on investment: Schedule M and M-1 (attached).
- 2) Significant direct or indirect transactions with the investee company, prices, payment terms, and unrealized gain or loss: Note 21 and Schedule 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

28. SEGMENT INFORMATION

The Company's reportable segment based on Statement of Financial Accounting Standards No. 41 - "Operating Segments" is disclosed in the consolidated financial statements as of and for the years ended December 31, 2011 and 2010.

29. PRE-DISCLOSURE FOR THE ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

Under Rule No. 0990004943 issued by the Financial Supervisory Commission (FSC) on February 2, 2010, the Company has pre-disclosed its plan for the adoption of International Financial Reporting Standards (IFRSs) in the notes to the consolidated financial statements as of and for the years ended December 31, 2011 and 2010.

SCHEDULE A**FAR EASTERN NEW CENTURY CORPORATION**
(Formerly Far Eastern Textile Ltd.)**RELATED PARTIES**
DECEMBER 31, 2011

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.	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.	a
13	Far Eastern New Century (China) Investment Ltd.	a
14	FETG Investment Antilles N.V. (FETG)	a
15	Ming Ding Co., Ltd.	a
16	Oriental Industries (Suzhou) Ltd.	a
17	Sino Belgium Beer (Suzhou) Ltd.	a
18	Oriental Petrochemical (Shanghai) Corp.	a
19	Far Eastern Industries (Shanghai) Ltd.	a
20	Far Eastern Polychem Industries Co., Ltd. (F.E.P.I.)	a
21	Far Eastern Industries (Suzhou) Ltd.	a
22	Shanghai Yuan Hua Logistic Corporation	a
23	Shanghai Far Eastern IT Corp.	a
24	Suzhou An He Apparel Ltd.	a
25	Wuhan Far Eastern New Material Ltd.	a
26	Waldorf Services B.V.	a
27	Yuan Cing Co., Ltd.	a
28	E. World (Holdings) Ltd.	a
29	Far Eastern Info Service (Holding) Ltd.	a
30	Far EasTone Telecommunications Co., Ltd.	a
31	Arcoa Communication Co., Ltd.	a
32	Far Eastern Tech-Info (Shanghai) Ltd.	a
33	KGEx.com Co., Ltd.	a
34	ADCast Interactive Marketing Co., Ltd.	a
35	Far EasTron (Holding) Ltd.	a
36	Q-Ware Communication Corp.	a
37	New Century InfoComm Tech Co., Ltd.	a
38	Digital United (Cayman) Ltd.	a
39	Information Security Service Digital United Inc.	a

(Continued)

No.	Related Party	Relationship with Far Eastern New Century Corporation (the "Company")
40	Simple InfoComm Co., Ltd.	a
41	New Diligent Co., Ltd.	a
42	Digital United Information Technology Co., Ltd. (Shanghai)	a
43	Sino Lead Enterprise Limited	a
44	Data Express Infotech Co., Ltd.	a
45	Linkwell Tech. Co., Ltd.	a
46	Homet Master Technology Co., Ltd.	a
47	Jing Yuan Technology Co., Ltd.	a
48	O-Music Co., Ltd.	a
49	Far East New Diligent Company Ltd.	a
50	Far Eastern New Century Information Technology (Beijing) Limited	a
51	Oriental Textile (Holding) Ltd.	a
52	Far Eastern Apparel (Suzhou) Ltd.	a
53	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	a
54	Far Eastern Industries (Wuxi) Ltd.	a
55	Yuan Tong Investment Co., Ltd.	a
56	Kai Yuan International Investment Co., Ltd.	a
57	Ding Yuan International Investment Corp.	a
58	Far Eastern Polytex (Holding) Limited	a
59	Far Eastern Investment (Holding) Ltd.	a
60	Far Eastern Fibertech Co., Ltd.	a
61	Oriental Petrochemical (Taiwan) Co., Ltd.	a
62	Far Eastern Apparel (Vietnam) Ltd.	a
63	Yuan Faun Ltd.	a
64	Far Eastern Apparel (Holding) Ltd.	a
65	Sino Belgium (Holding) Limited	a
66	PET Far Eastern (Holding) Ltd.	a
67	Martens Beers Trading (Shanghai) Co.	a
68	Sugian Far Easter Apparel Co., Ltd.	a
69	YDT Technology International Co., Ltd.	a
70	Far Eastern Realty Management Co., Ltd.	a
71	Worldwide Polychem (HK) Limited	a
72	FET Consulting Engineers Co., Ltd.	a
73	DDIM (Virgin Islands) Ltd.	a
74	YDC (Virgin Islands) Ltd.	a
75	Yuan Ding Intergrated Information Service Inc.	a
76	Speedy (Shanghai) Digital Tech. Co., Ltd.	a
77	Far Eastern Textile Ltd.	a
78	Far Eastern Yihua Petrochemical (Yangzou) Corporation	a
79	Yuan Ding Co., Ltd.	a
80	Far Eastern Electronic Commerce Co., Ltd.	a
81	Ding Ding Integrated Marketing Service Co., Ltd.	a
82	Ding Ding Hotel Co., Ltd.	a
83	Oriental Securities Corp.	b
84	Everest Textile Co., Ltd.	b
85	Pacific Liu Tung Investment Co.	b

(Continued)

No.	Related Party	Relationship with Far Eastern New Century Corporation (the “Company”)
86	Asia Cement Corporation	b and c
87	Far Eastern Department Stores, Ltd.	b and c
88	Oriental Union Chemical Corporation	b and c
89	Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation	c
90	Tranquil Enterprise Co., Ltd.	c
91	Yuan Ze University	c
92	Oriental Institute of Technology	c
93	Far Eastern Memorial Hospital	c
94	Far Eastern Memorial Foundation	c
95	U-Ming Marine Transport Corporation	c
96	Fu Ming Transportation Co., Ltd.	d
97	Ya Tung Ready Mixed Concrete Co., Ltd.	d
98	Chiahui Power Corporation	c
99	Pacific SOGO Department Stores Co., Ltd.	e
100	Air Liquide Far Eastern Co., Ltd.	f
101	Freudenberg Far Eastern Spunweb Co., Ltd.	f
102	Yue Ding Industry Co., Ltd.	f
103	Far Eastern International Leasing Co.	f
104	Da Ju Fiber Co., Ltd.	f
105	Employees Welfare Committee of Far Eastern New Century Corporation	g
106	Everest Textile (Shanghai) Ltd.	h
107	FuDa Transport Co., Ltd.	i
108	Far Eastern International Bank	j
109	Far Eastern Grant Co., Ltd.	k
110	Ya Tung Department Stores Co., Ltd.	k
111	Far Eastern Citysuper Ltd.	k
112	TECO Electric & Machinery Co., Ltd.	l
113	Ding Ding Management Consulting Ltd.	m
114	Yu Chang Vocational School	n
115	Yuan Cing Infocomm Tech Co., Ltd.	o

- a. Subsidiary.
- b. Investee accounted for by the equity method.
- c. Same chairman or general manager.
- d. Subsidiary of Asia Cement Corporation.
- e. Subsidiary of Pacific Liu Tung Investment Co., Ltd.
- f. Equity-method investee of a subsidiary.
- g. The chairman of the related party is FENC’s senior manager.
- h. Subsidiary of Everest Textile Co., Ltd.
- i. Subsidiary of Fu Ming Transport Corporation.

- j. The vice-chairman is the chairman of FENC.
- k. Subsidiary of Far Eastern Department Stores Ltd.
- l. Corporate director of Far Eastern Electronic Toll Collection Co., Ltd.
- m. The chairman is the general manager of FENC.
- n. The related party's chairman is a relative of FENC chairman to the second degree of consanguinity.
- o. A subsidiary of Far Eastone Telecommunications Co., Ltd. (dissolved on its merger with Far Eastone Telecommunication Co., Ltd. on March 1, 2011).

(Concluded)

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

RELATED-PARTY TRANSACTIONS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars)

	Notes	2011		2010	
		Amount	%	Amount	%
Sales					
Freundenberg Far Eastern Spunweb Co., Ltd.		\$ 489,119	1	\$ 482,412	1
Others	b.	<u>1,252,613</u>	<u>2</u>	<u>790,498</u>	<u>1</u>
		<u>\$ 1,741,732</u>	<u>3</u>	<u>\$ 1,272,910</u>	<u>2</u>
Cost of goods sold and expenses					
Purchases					
Oriental Petrochemical (Taiwan) Co., Ltd.		\$ 10,105,219	21	\$ 9,537,895	25
Others	b.	<u>2,248,696</u>	<u>6</u>	<u>1,889,965</u>	<u>5</u>
		<u>\$ 12,353,915</u>	<u>27</u>	<u>\$ 11,427,860</u>	<u>30</u>
Manufacturing overhead - processing					
Far Eastern Apparel (Suzhou) Ltd.		\$ 1,184,595	47	\$ 683,787	28
Far Eastern Apparel (Vietnam) Ltd.		<u>416,378</u>	<u>16</u>	<u>286,223</u>	<u>12</u>
		<u>\$ 1,600,973</u>	<u>63</u>	<u>\$ 970,010</u>	<u>40</u>
Contract costs					
Ding Ding Management Consulting Ltd.		\$ 78,037	33	\$ 53,936	27
Others	b.	<u>33,961</u>	<u>14</u>	<u>33,999</u>	<u>11</u>
		<u>\$ 111,998</u>	<u>47</u>	<u>\$ 87,935</u>	<u>38</u>
Computer processing expenses					
Ding Ding Management Consulting Co.		\$ 58,287	62	\$ 51,569	54
Others	b.	<u>117</u>	<u>-</u>	<u>4,647</u>	<u>6</u>
		<u>\$ 58,404</u>	<u>62</u>	<u>\$ 56,216</u>	<u>60</u>
Rent expenses					
Yuan Ding Co., Ltd.	f.	\$ 156,911	70	\$ 155,955	72
Far Eastern Resources Development Co.	f.	30,027	13	31,344	14
Others	b.	<u>20,088</u>	<u>10</u>	<u>17,378</u>	<u>8</u>
		<u>\$ 207,026</u>	<u>93</u>	<u>\$ 204,677</u>	<u>94</u>

(Continued)

	Notes	2011		2010	
		Amount	%	Amount	%
Nonoperating revenues					
Rent revenues					
Yuan Ze University	e.	\$ 3,380	30	\$ 3,382	33
Far EastTone Telecommunications Co., Ltd.	e.	3,317	29	3,286	32
Fu Ming Transport Co., Ltd.	e.	2,126	19	2,119	20
Oriental Resources Development Ltd.	e.	2,103	18	1,200	12
Others	b.	<u>114</u>	<u>1</u>	<u>131</u>	<u>1</u>
		<u>\$ 11,040</u>	<u>97</u>	<u>\$ 10,118</u>	<u>98</u>
Other revenue - endorsement guarantee revenue					
Yuan Ding Investment Co., Ltd.		<u>\$ 10,815</u>	<u>6</u>	<u>\$ 9,446</u>	<u>4</u>
Other revenue - commission revenue					
Fu Kwork Garment Manufacturing Co., Ltd.		\$ 36,358	19	\$ 21,927	9
Oriental Petrochemical (Taiwan) Co., Ltd.		<u>-</u>	<u>-</u>	<u>105,848</u>	<u>42</u>
		<u>\$ 36,358</u>	<u>19</u>	<u>\$ 127,775</u>	<u>51</u>
Nonoperating expenses					
Other expenses					
Others	b., d.	\$ 7,012	4	\$ 7,808	3
Endorsement/guarantee expense					
Far Eastern Resources Development Co.	g	<u>21,885</u>	<u>12</u>	<u>17,166</u>	<u>6</u>
		<u>\$ 28,897</u>	<u>16</u>	<u>\$ 24,974</u>	<u>9</u>

Note:

- For the relationships between FENC, 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 based on agreements.
- FENC donated (a) to Far Eastern Y.Z. Hsu Science and Technology Memorial Foundation NT\$4,412 thousand in 2011 and NT\$2,659 thousand in 2010; and (b) NT\$2,000 thousand to Yuan Ze University in 2010 and NT\$1,777 thousand to the Far Eastern Memorial Foundation in 2010.
- FENC leased the lands, factories and equipment in Sinpu, Neili and Hukou to Yuan Ze University, Far EastTone Communication Co., Ltd., Fu-Ming Transportation Co., Ltd., Oriental Resources Development Co., Ltd. and Yuan Ding Co., Ltd. and the rental revenues were collected monthly or quarterly. All the terms of the one-year renewable lease contracts had been agreed upon by the lessor and the tenants.
- FENC rented the office buildings and factories from Yuan Ding Co. and Far Eastern Resources Development Co., Ltd. and the rental expenses were paid monthly or quarterly. All the terms of the one-year renewable lease contracts had been agreed upon by the lessor and the tenants.

(Continued)

g. The endorsement/guarantee expense was the collection fee which was the guarantee of Far Eastern Resource Development Co., on FENC's debts. The endorsement/guarantee payables (recognized as "other liabilities - current") were NT\$12,546 thousand and NT\$8,091 thousand as of December 31, 2011 and 2010, respectively.

h. Compensation of directors, supervisors and executives:

	2011	2010
Salary and bonus (including employees' bonus)	\$ 127,747	\$ 115,288
Remunerations of directors and supervisors	315,950	352,759
Operating fees - directors and supervisors	<u>2,052</u>	<u>2,664</u>
	<u>\$ 445,749</u>	<u>\$ 470,711</u>

(Concluded)

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

RELATED-PARTY TRANSACTIONS
YEARS ENDED DECEMBER 31, 2011 AND 2010
(In Thousands of New Taiwan Dollars)

	Notes	December 31			
		2011		2010	
		Amount	%	Amount	%
Notes receivable					
Freundenberg Far Eastern Spunweb Co., Ltd.		\$ 29,602	6	\$ 41,325	13
Everest Textile Co., Ltd.		27,783	6	50,435	16
Others	b.	<u>10,043</u>	<u>2</u>	<u>6,427</u>	<u>2</u>
		<u>\$ 67,428</u>	<u>14</u>	<u>\$ 98,187</u>	<u>31</u>
Accounts receivable					
Worldwide Polychem (HK) Limited		154,054	33	-	-
Freundenberg Far Eastern Spunweb Co., Ltd.		53,747	11	81,453	25
Pet Far Eastern (M) Sdn. Bhd.		53,243	11	41,965	13
Far Eastern Industrices (Wuxi) Ltd.		36,238	8	9,166	2
Far Eastern Apparel (Suzhou) Ltd.		32,737	7	22,113	7
Far Eastern Industries (Shanghai) Ltd.		26,625	6	28,323	9
Far Eastern Apparel (Vietnam)		22,888	5	-	-
Far Eastern Polychem Industries Ltd.		-	-	18,461	6
Others	b.	<u>23,180</u>	<u>5</u>	<u>22,157</u>	<u>7</u>
		<u>\$ 402,712</u>	<u>86</u>	<u>\$ 223,638</u>	<u>69</u>
Other receivables					
Far Eastern Resources Development Co.		\$ 24,694	18	\$ 32,440	11
Fu Kwork Garment Manufacturing Co., Ltd.		22,690	17	32,009	11
Far Eastern Fibertech Co., Ltd.		15,019	11	10,966	4
Far EasTone Telecommunications Co., Ltd.		14,163	10	34,508	12
Far Eastern Department Stores Co., Ltd.		13,036	10	19,670	7
Asia Cement Corporation		11,058	8	12,738	4
Pacific SOGO Department Stores Co., Ltd.		8,232	6	8,607	3
U-Ming Marine Transport Corporation		7,792	6	10,132	3
Oriental Petrochemical (Taiwan) Co., Ltd.		4,290	3	107,267	37
Others	b.	<u>14,702</u>	<u>11</u>	<u>23,149</u>	<u>8</u>
		<u>\$ 135,676</u>	<u>100</u>	<u>\$ 291,486</u>	<u>100</u>
Prepayments (recognized as prepaid expense)					
Far Eastern Apparel (Suzhou) Ltd.		\$ 147,243	39	\$ 68,654	25

(Continued)

	Notes	December 31			
		2011		2010	
		Amount	%	Amount	%
Refundable deposits (recognized as other assets - miscellaneous)					
Yuan Ding Co., Ltd.		\$ 33,251	62	\$ 33,550	58
Da Ju Fiber Co., Ltd.		8,000	15	8,000	14
Others	b.	<u>851</u>	<u>2</u>	<u>218</u>	<u>-</u>
		<u>\$ 42,102</u>	<u>79</u>	<u>\$ 41,768</u>	<u>72</u>
Accounts payable					
Oriental Petrochemical (Taiwan) Co., Ltd.		\$ 931,831	84	\$ 996,636	77
Oriental Union Chemical Corp.		88,497	8	112,425	9
Asia Cement Corporation		-	-	95,728	7
Others	b.	<u>88,060</u>	<u>8</u>	<u>85,225</u>	<u>7</u>
		<u>\$ 1,108,388</u>	<u>100</u>	<u>\$ 1,290,014</u>	<u>100</u>
Accrued expenses					
Far Eastern Apparel (Suzhou) Ltd.		\$ 257,041	8	\$ 101,672	3
Others	b.	<u>64,254</u>	<u>2</u>	<u>65,816</u>	<u>2</u>
		<u>\$ 321,295</u>	<u>10</u>	<u>\$ 167,488</u>	<u>5</u>
Deferred income					
Sale of securities					
Yuan Ding Investment Co., Ltd.	c.	\$ 35,445	63	\$ 35,445	64
Yuan Cing Infocomm Tech Co., Ltd.	d.	3,113	6	2,730	5
Yue Ding Industry Co., Ltd.	e.	2,579	5	2,579	5
Sale of land					
Far Eastern Construction Co., Ltd.	f.	<u>14,749</u>	<u>26</u>	<u>14,749</u>	<u>26</u>
		<u>\$ 55,886</u>	<u>100</u>	<u>\$ 55,503</u>	<u>100</u>

Notes:

- a. For the relationships between FENC, please refer to schedule A.
- b. The transaction amount between related-parties was not over 5% of the total amount of the account.
- c. In 1994, the Company sold the following shares to YDI and recognized deferred incomes on these sales: Yu Yuan Investment Co., Ltd.'s shares for NT\$30,256 thousand; Nan Shan Life Insurance Co., Ltd.'s shares for NT\$216 thousand; and Hantech Venture Capital Co., Ltd.'s shares for NT\$4,973 thousand.
- d. The deferred income was made by selling the stock of NCIC to YCIC in 2010. (dissolved on its merger Far Eastone Telecommunication Co., Ltd. on March 1, 2011)
- e. The deferred income was made by selling the stocks of OPTC to Yue Ding Industry Co., Ltd. in March 2008.
- f. The deferred income was from the sale of land in the Hsin-Ya Section of Banchiao to Far Eastern Construction Co., Ltd. in 1988.

(Continued)

- g. In 2011, machinery and equipment were sold to Everest Textile Co., Ltd. and Pet Far Eastern (M) Sdn. Bhd, for NT\$10 thousand and NT\$199 thousand, respectively, with gains of NT\$10 thousand and NT\$117 thousand, respectively. As of December 31, 2011, the receivables on these sales had been received. In 2010, land was sold to FERD for NT\$5,763 thousand, with a gain of NT\$1,212 thousand; in 2010, machinery and equipment were sold to Everest Textile and ORDL for NT\$48 thousand and NT\$76 thousand, respectively, with gains of NT\$48 thousand and NT\$3 thousand, respectively. As of December 31, 2010, the receivables of these sales have been settled.
- h. In 2011, FENC bought machinery and equipment from Oriental Petrochemical (Taiwan) Co., Ltd., Oriental Resources Development Ltd., Oriental Union chemical Co., Oriental Institute of Technology and Far Eastern Industries (Shanghai) Ltd. for NT\$103,712 thousand, NT\$255 thousand, NT\$2,214 thousand, NT\$349 thousand and NT\$156 thousand, respectively. As of December 31, 2011, the payables on these purchases had been paid.
- FENC bought machinery and equipment from Pet Far Eastern (M) Sdn. Bhd. for NT\$22,742 thousand in 2010. As of December 31, 2010, the payables on this purchase had been settled. FENC bought computer and equipment from Ding Ding Management Consultants Co., Ltd. for NT\$100 thousand in 2010. As of December 31, 2010, the payable on this purchase had been settled.
- j NCIC and Digital United Inc. (dissolved due to the merger with NCIC on March 16, 2009) bought the Company's unsecured bonds (the 1st tranche 2007) for NT\$600,000 thousand and NT\$200,000 thousand, respectively. Related bond interest expenses of NT\$17,457 thousand were recognized for 2010. The bonds had been fully redeemed as of December 31, 2010.
- k. The terms of sales to and purchases from the related parties were based on agreements.

(Concluded)

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

FINANCING PROVIDED
YEAR ENDED DECEMBER 31, 2011
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Financier	Counter-party	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Appropriation for Ending Period	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.	Yue Ding Industry Co., Ltd.	Receivables from related parties	\$ 180,000	\$ -	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,873,950 (Note B)	\$ 18,739,503 (Note E)
	Far Eastern Resources Development Co., Ltd.	"	650,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	1,873,950 (Note B)	18,739,503 (Note E)
	Da Ju Fiber Co., Ltd.	"	100,000	-	-	1.63%-1.67%	2	-	For revolving fund	-	Promissory note	-	1,873,950 (Note B)	18,739,503 (Note E)
	Ding Yuan International Investment Co., Ltd.	"	300,000	300,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,873,950 (Note B)	18,739,503 (Note E)
Far Eastern Investment (Holding) Ltd.	Flying Dutchman Ltd.	Other receivables	US\$ 5,000	US\$ -	US\$ -	0%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	FEDP (Holding) Ltd.	Receivables from affiliates	US\$ 20,000	US\$ 20,000	US\$ -	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Oriental Petrochemical (Shanghai) Corp.	"	US\$ 30,000	US\$ 30,000	US\$ -	1%-1.40356%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Waldorf Services B.V.	"	US\$ 10,000	US\$ 5,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	F.E.T.G. Investment Antilles N.V.	"	US\$ 15,000	US\$ 1,000	US\$ -	1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Oriental Textile (Holding) Ltd.	"	US\$ 80,000	US\$ 80,000	US\$ 20,432	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Far East petrochemical (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ 19,160	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Malaysia Garment	"	US\$ 10,000	US\$ 10,000	US\$ 3,786	0%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	PET Far Eastern (M) Sdn. Bhd.	"	US\$ 20,000	US\$ 10,000	MYR 14,276	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Far Eastern Polytex (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Far Eastern Apparel (Vietnam) Ltd.	"	US\$ 9,000	US\$ 9,000	US\$ 2,500	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Far Eastern Polychem Industries Ltd.	"	US\$ 80,000	US\$ 80,000	US\$ 47,279	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Sino Belgium (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	1.40356%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
	Far Eastern Apparel (Holding) Ltd.	"	US\$ 50,000	US\$ 50,000	US\$ 24,224	1.40356%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	27,887,666 (Note I)
Ding Yuan International Investment Co., Ltd.	Yue Ding Industry Co., Ltd.	Receivables from related parties	90,000	-	-	0.98%-1.17%	2	-	For revolving fund	-	Promissory note	-	125,807 (Note B)	1,258,070 (Note E)
	Da Ju Fiber Co., Ltd.	"	90,000	-	-	1.69%-1.71%	2	-	For revolving fund	-	Promissory note	-	125,807 (Note B)	1,258,070 (Note E)
	Kai Yuan International Investment Co., Ltd.	"	130,000	130,000	55,000	1.10%-1.69%	2	-	For revolving fund	-	Promissory note	-	125,807 (Note B)	1,258,070 (Note E)
	Yuan Ding Investment Co., Ltd.	"	90,000	90,000	70,000	0.98%-1.17%	2	-	For revolving fund	-	Promissory note	-	125,807 (Note B)	1,258,070 (Note E)
	An Ho Garment Co., Ltd.	"	130,000	130,000	-	1.69%	2	-	For revolving fund	-	Promissory note	-	125,807 (Note B)	1,258,070 (Note E)

(Continued)

Financier	Counter-party	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Appropriation for Ending Period	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		
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	Receivables from affiliates	US\$ 98,000	US\$ 98,000	US\$ 98,000	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 5,577,533 (Note G)	\$ 16,732,599 (Note H)
	Far Eastern Industries (Shanghai) Ltd.	"	US\$ 66,000	US\$ 66,000	US\$ 30,000	-	1	HK\$ 1,269,924	For business sale	-	Promissory note	-	4,948,894 (Note J)	4,948,894 (Note J)
	Far Eastern Industries (Suzhou) Ltd.	"	US\$ 10,000	US\$ 10,000	US\$ 10,000	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Oriental Petrochemical (Shanghai) Corp.	"	US\$ 4,000	US\$ 4,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Receivables from affiliates	US\$ 100,000	US\$ 100,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Apparel (Suzhou) Ltd.	"	US\$ 30,000	US\$ 30,000	US\$ 30,000	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Investment (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	1.40356%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
F.E.T.G Investment Antilles N.V.	Waldorf Services B.V.	Receivables from affiliates	US\$ 15,000	US\$ 1,000	US\$ -	1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Industries (WuXi) Ltd.	Other receivables - loans to affiliates	RMB 180,000	RMB 100,000	RMB -	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Industries (Suzhou) Ltd.	"	RMB 150,000	RMB 130,000	RMB 30,000	1.31%-4.59%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Oriental Industries (Suzhou) Ltd.	"	RMB 290,000	RMB 250,000	RMB 164,053	1.31%-4.59%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Sino Belgium (Suzhou) Limited	"	RMB 64,000	RMB 54,000	RMB 8,013	1.31%-4.59%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Sino Belgium (Suzhou) Limited	"	US\$ 15,000	US\$ -	US\$ -	1.25%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	"	RMB 50,000	RMB 50,000	RMB 26,039	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Far Eastern Industries (WuXi) Ltd.	Other receivables - loans to affiliates	RMB 60,000	RMB -	RMB -	3%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Apparel (Suzhou) Ltd.	"	RMB 50,000	RMB 50,000	RMB -	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Waldorf Services B.V.	Malaysia Garment	Receivables from affiliates	US\$ 5,000	US\$ 5,000	US\$ 4,600	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Chuang Yuan Co., Ltd.	Other receivables	US\$ 10,000	US\$ 10,000	US\$ 6,380	1.40356%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Investment (Holding) Ltd.	Receivables from affiliates	US\$ 5,000	US\$ 5,000	US\$ 1,170	1.40356%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	Receivables from affiliates	US\$ 64,900	US\$ 64,900	US\$ 10,000	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Oriental Industries (Suzhou) Ltd.	"	US\$ 138,000	US\$ 138,000	US\$ 73,000	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Polychem Industries Ltd.	"	US\$ 25,000	US\$ 25,000	US\$ -	1.4035%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Far Eastern Apparel (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	1.4035%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp.	Receivables from affiliates	US\$ 42,000	US\$ 42,000	US\$ 32,700	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	Receivables from affiliates	US\$ 42,800	US\$ 42,800	US\$ 28,000	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)

(Continued)

Financier	Counter-party	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Appropriation for Ending Period	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		
Far Eastern Resources Development Co.	An Ho Garment Co., Ltd.	Receivables from related parties	\$ 870,000	\$ 870,000	\$ 578,000	1.16%-1.81%	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,302,810 (Note B)	\$ 13,028,099 (Note E)
	Da Ju Fiber Co., Ltd.	"	160,000	-	-	0.98%-1.25%	2	-	For revolving fund	-	Promissory note	-	1,302,810 (Note B)	13,028,099 (Note E)
	Yuan Ding Investment Co., Ltd.	"	870,000	-	-	1.07%-1.71%	2	-	For revolving fund	-	Promissory note	-	1,302,810 (Note B)	13,028,099 (Note E)
	Yue Ding Industry Co., Ltd.	"	200,000	200,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,302,810 (Note B)	13,028,099 (Note E)
	Kai Yuan International Investment Co., Ltd.	"	500,000	500,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,302,810 (Note B)	13,028,099 (Note E)
Far Eastern Industries (WuXi) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 100,000	RMB 100,000	RMB 32,098	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Far Eastern Industries (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 100,000	RMB 100,000	RMB 57,960	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Oriental Industries (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 200,000	RMB 200,000	RMB -	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Sino Belgium (Suzhou) Limited	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 50,000	RMB 50,000	RMB -	1.31%-3.70%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	Receivables from affiliates	US\$ 29,600	US\$ 29,600	US\$ 15,600	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	FEDP (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ 2,200	1.4035%-1.46044%	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
	Martens Beers Trading (Shanghai) Ltd.	"	US\$ 3,600	US\$ 3,600	US\$ 800	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	Receivables from affiliates	US\$ 12,000	US\$ 12,000	US\$ 12,000	-	2	-	For revolving fund	-	Promissory note	-	5,577,533 (Note G)	16,732,599 (Note H)
Yuan Tong Investment Co., Ltd.	An Ho Garment Co., Ltd.	Receivables from related parties	360,000	-	-	1.69%-1.71%	2	-	For revolving fund	-	Promissory note	-	365,752 (Note B)	3,657,519 (Note E)
	Kai Yuan International Investment Co., Ltd.	"	360,000	-	-	1.69%-1.71%	2	-	For revolving fund	-	Promissory note	-	365,752 (Note B)	3,657,519 (Note E)
	Yuan Ding Investment Co., Ltd.	"	360,000	-	-	1.69%-1.71%	2	-	For revolving fund	-	Promissory note	-	365,752 (Note B)	3,657,519 (Note E)
	Da Ju Fiber Co., Ltd.	"	360,000	360,000	360,000	1.10%-1.37%	2	-	For revolving fund	-	Promissory note	-	365,752 (Note B)	3,657,519 (Note E)
	Far Eastern Resources Development Co.	"	360,000	360,000	-	1.10%-1.37%	2	-	For revolving fund	-	Promissory note	-	365,752 (Note B)	3,657,519 (Note E)
	Far Eastern New Century Corporation	"	360,000	360,000	-	1.10%-1.17%	2	-	For revolving fund	-	Promissory note	-	365,752 (Note B)	3,657,519 (Note E)
Kai Yuan International Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	Receivables from related parties	100,000	100,000	100,000	1.38%	2	-	For revolving fund	-	Promissory note	-	225,046 (Note B)	2,250,457 (Note E)
	Yue Ding Industry Co., Ltd.	Receivables from related parties	100,000	100,000	100,000	1.38%	2	-	For revolving fund	-	Promissory note	-	225,046 (Note B)	2,250,457 (Note E)
An Ho Garment Co., Ltd.	Da Ju Fiber Co., Ltd.	Receivables from related parties	80,000	80,000	-	-	2	-	For revolving fund	-	Promissory note	-	81,653 (Note B)	816,535 (Note E)
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Corp.	Receivables from related parties	10,000	10,000	10,000	1.50%	2	-	For revolving fund	-	Promissory note	-	15,831 (Note D)	52,772 (Note F)

(Continued)

Financier	Counter-party	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Appropriation for Ending Period	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		
Far EastTone Telecommunications Co., Ltd.	Yuan Cing Infocomm Tech Co., Ltd.	Other receivables - related parties	\$ 6,000,000	\$ -	\$ -	0.810%-0.827%	2	-	For acquisition and revolving fund	\$ -	-	\$ -	\$ 7,197,687 (Note C)	\$ 35,988,434 (Note E)
Far Eastern Tech-info Ltd. (Shanghai)	Far Eastern New Century Information Technology (Beijing) Limited	Other receivables - related parties	15,135	15,135	15,135	6.56%-7%	2	\$ -	For revolving fund	-	-	-	33,624 (Note K)	84,061 (Note F)

Notes: A. Reasons for financing are as follows:

1. Business relationship.
2. For short-term financing.

B. The limit is equal to 5% of the net value of the financier (based on audited financial statements) as of December 31, 2011.

C. The limit is equal to 10% of the net value of the financier (based on audited financial statements) as of December 31, 2011.

D. The limit is equal to 15% of the net value of the financier (based on audited financial statements) as of December 31, 2011.

E. The limit is equal to 50% of the net value of the financier (based on audited financial statements) as of December 31, 2011. For short-term financing, the upper limit is may be raised to 15%, if needed.

F. The limit is equal to 50% of the net value of the financier (based on audited financial statements) as of December 31, 2011. If necessary for short-term financing, the limit is equivalent to 30%.

G. The limit is equal to 5% of the net value of FENC (based on audited financial statements) as of December 31, 2011.

H. The limit is equal to 15% of the net value of FENC (based on audited financial statements) as of December 31, 2011.

I. The limit is equal to 25% of the net value of FENC (based on audited financial statements) as of December 31, 2011.

J. The limit is the lower amount of 50% of the net value of FENC (based on audited financial statements) or business transaction amount between both parties as of December 31, 2011.

K. The limit is equal to 20% of the net value of the financier (based on audited financial statements) as of December 31, 2011.

(Concluded)

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

ENDORSEMENT/GUARANTEE PROVIDED
YEAR ENDED DECEMBER 31, 2011
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Endorsement/ Guarantee Provider	Counter-party		Limits on Each Counter-party's Endorsement/ Guarantee Amounts	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Appropriation for Ending Period	Value of Collateral Property, Plant, or Equipment	Ratio of Accumulated Amount of Collateral to Net Equity of the Latest Financial Statements (%) (Note N)	Maximum Collateral/Guarantee Amounts Allowable
	Name	Nature of Relationship							
Far Eastern New Century Corporation	Yuan Ding Investment Co., Ltd.	(Note A)	\$ 55,775,332 (Note F)	\$ 10,723,725	\$ 10,721,125	\$ 440,000	\$ -	9.61	\$ 111,550,663 (Note H)
Yuan Ding Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	(Note B)	18,739,503 (Note F)	234,000	234,000	214,000	-	0.62	37,479,006 (Note H)
	Oriental Resources Development Ltd.	(Note A)	18,739,503 (Note F)	119,000	119,000	-	-	0.32	37,479,006 (Note H)
	Far Eastern Apparel Co., Ltd.	(Note A)	18,739,503 (Note F)	135,000	135,000	60,000	-	0.36	37,479,006 (Note H)
	Oriental Textile (Holding) Ltd.	(Note A)	18,739,503 (Note F)	3,881,600	3,881,600	1,516,250	-	10.36	37,479,006 (Note H)
	Far Eastern Apparel (Holding) Ltd.	(Note A)	18,739,503 (Note F)	1,761,170	1,758,850	-	-	4.69	37,479,006 (Note H)
	FEDP (Holding) Ltd.	(Note C)	18,739,503 (Note F)	306,050	303,250	303,250	-	0.81	37,479,006 (Note H)
	Far Eastern Polychem Industries Ltd.	(Note B)	18,739,503 (Note F)	2,426,000	2,426,000	606,500	-	6.47	37,479,006 (Note H)
	Oriental Industries (Suzhou) Ltd.	(Note A)	18,739,503 (Note F)	838,740	639,443	336,193	-	1.71	37,479,006 (Note H)
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note A)	18,739,503 (Note F)	306,050	303,250	303,250	-	0.81	37,479,006 (Note H)
	Far Eastern Industries (WuXi) Ltd.	(Note A)	18,739,503 (Note F)	306,050	303,250	303,250	-	0.81	37,479,006 (Note H)
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	55,775,332 (Note O)	US\$ 27,500	-	-	-	-	111,550,663 (Note M)
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	13,132,434 (Note L)	1,641,000	1,063,150	226,000	-	24.29	13,132,434 (Note L)
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note A)	55,775,332 (Note O)	US\$ 10,000	-	-	-	-	111,550,663 (Note M)
	Far Eastern Apparel (Suzhou) Ltd.	(Note C)	55,775,332 (Note O)	US\$ 10,000	US\$ 10,000	US\$ 2,902	-	0.27	111,550,663 (Note M)
Yuan Tong Investment Co., Ltd.	Sino Belgium (Holding) Ltd.	(Note A)	55,775,332 (Note K)	1,497,750	1,010,732	1,010,732	-	0.91	111,550,663 (Note I)
Far EastTone Telecommunications Co., Ltd.	Q-Ware Communication Corp.	(Note A)	35,988,434 (Note G)	199,287	199,287	199,287	-	0.28	71,976,867 (Note H)
	KGEx.com Co., Ltd.	(Note A)	35,988,434 (Note G)	45,000	45,000	18,473	-	0.06	71,976,867 (Note H)
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note C)	55,775,332 (Note O)	RMB 40,000	-	-	-	-	111,550,663 (Note M)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note C)	RMB 1,707,181 (Note H)	RMB 110,000	-	-	-	-	RMB 3,414,361 (Note F)
	Wuhan Far Eastern New Material Ltd.	(Note C)	RMB 1,707,181 (Note H)	RMB 80,000	RMB 80,000	RMB 12,302	-	0.34	RMB 3,414,361 (Note F)
	Everest Textile (Shanghai) Ltd.	(Note E)	RMB 1,707,181 (Note H)	RMB 45,000	RMB 45,000	RMB 1,664	-	0.19	RMB 3,414,361 (Note F)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note A)	55,775,332 (Note O)	US\$ 10,000	US\$ 5,000	US\$ 2,600	-	0.14	111,550,663 (Note M)
	Oriental Industries (Suzhou) Ltd.	(Note A)	55,775,332 (Note O)	RMB 70,000 US\$ 38,000 RMB 50,000	US\$ 20,000 RMB 50,000	US\$ 4,604	-	0.76	111,550,663 (Note M)
Far Eastern Resources Development Co.	Far Eastern New Century Corporation	(Note D)	55,775,332 (Note K)	9,761,448	9,421,448	7,150,000	9,421,448	8.45	111,550,663 (Note I)
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	55,775,332 (Note O)	RMB 50,000	RMB 50,000	-	-	0.22	111,550,663 (Note M)
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	(Note A)	55,775,332 (Note O)	US\$ 3,000	US\$ 3,000	-	-	0.08	111,550,663 (Note M)
Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note C)	55,775,332 (Note O)	US\$ 6,000	-	-	-	-	111,550,663 (Note M)
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	US\$ 45,140 (Note J)	RMB 100,000	RMB 100,000	-	-	0.43	US\$ 45,140 (Note J)
Oriental Industries (Suzhou) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note C)	55,775,332 (Note O)	RMB 180,000	RMB 180,000	RMB 32,001	-	0.78	111,550,663 (Note M)

(Continued)

- Notes:
- A. Parent company's direct or indirect subsidiary.
 - B. Equity-method investee.
 - C. The guarantee provider and counter-party the same ultimate parent company.
 - D. Parent company of the investee.
 - E. Business relationship.
 - F. The amount of the collateral/guarantee is equal to 200% of the net value of the guarantor (based on audited financial statements) as of December 31, 2011.
 - G. The amount of the collateral/guarantee is equal to 50% of the net value of the guarantor (based on audited financial statements) as of December 31, 2011.
 - H. Limit is calculated using the net value of the guarantor (based on audited financial statements) as of December 31, 2011.
 - I. Limit is computed using the net value of parent company (based on audited financial statements) as of December 31, 2011.
 - J. The amount of the collateral/guarantee is equal to 20% of the net value of the guarantor (based on audited financial statements) as of December 31, 2011.
 - K. The amount of the collateral/guarantee is equal to 50% of the net value of FENC (based on audited financial statements) as of December 31, 2011.
 - L. The amount of the collateral/guarantee is equal to 300% of the net value of the guarantor (based on audited financial statements) as of December 31, 2011.
 - M. The amount of the collateral/guarantee is equal to the net value of FENC (based on audited financial statements) as of December 31, 2011.
 - N. The ratio is calculated in accordance with the Regulations Governing Loaning of Funds and Marking of Endorsements/Guarantees by Public Companies.
 - O. The amount of the collateral/guarantee is equal to 50% of the net value of FENC (based on audited financial statements) as of December 31, 2011.

(Concluded)

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

MARKETABLE SECURITIES AND INVESTMENTS IN SHARES OF STOCK HELD
DECEMBER 31, 2011
(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, 2011				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 (FENC)	Asia Cement Corporation	(Note A)	Equity-method investments	700,357	\$ 13,350,359	22.33	\$ 23,812,149	19,900 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	221,275	4,335,657	16.80	7,899,496	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	73,833	1,392,750	9.17	2,805,640	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	129	1,187	0.03	840	
	Yuan Ding Investment Co., Ltd.	(Note A)	Equity-method investments	1,828,323	37,010,889	99.70	37,366,569	
	Far Eastern Resources Development Co.	(Note A)	Equity-method investments	498,974	25,394,827	100.00	26,056,198	
	Far Eastern Polychem Industries Ltd.	(Note A)	Equity-method investments	742,155	7,152,582	69.11	7,155,352	
	Yuan Tong Investment Co., Ltd.	(Note A)	Equity-method investments	705,147	6,964,232	100.00	7,315,038	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Equity-method investments	90	6,828,759	100.00	6,832,994	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Equity-method investments	1,700	6,215,601	100.00	6,215,601	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note A)	Equity-method investments	509,860	6,079,717	75.56	6,067,704	
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity-method investments	202	5,126,250	85.27	5,217,844	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Equity-method investments	302,844	4,500,772	100.00	4,500,913	
	Yuan Ding Company Ltd.	(Note A)	Equity-method investments	186,926	3,161,497	37.13	3,260,706	
	Far Eastern Construction Co., Ltd.	(Note A)	Equity-method investments	154,372	2,794,220	65.11	2,850,176	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Equity-method investments	205,000	2,516,093	100.00	2,516,140	
	Oriental Securities Corp.	(Note A)	Equity-method investments	140,278	1,958,653	19.65	1,952,196	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	67,500	1,591,918	16.83	1,499,829	
	An Ho Garment Co., Ltd.	(Note A)	Equity-method investments	66,346	1,564,092	100.00	1,633,070	
	FEDP (Holding) Ltd.	(Note A)	Equity-method investments	244	724,900	50.43	724,900	
	Fu Kwok Garment Manufacturing Co., Ltd.	(Note A)	Equity-method investments	3,999	133,620	99.99	136,780	
	Ding Ding Hotel Co., Ltd.	(Note A)	Equity-method investments	5,386	18,312	19.00	18,312	
	Far Eastern Textile Ltd.	(Note A)	Equity-method investments	100	976	100.00	976	
Hantech Venture Capital Corp.	-	Financial assets carried at cost	4,939	53,667	3.73	55,562		
Far Eastern International Bank	(Note C)	Available-for-sale financial assets - noncurrent	65,554	737,481	3.09	737,481		
Yuan Ding Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	1,066,658	23,513,069	32.73	60,692,840	43,145 thousand shares pledged or mortgaged as collaterals for loans
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	74,354	1,506,292	9.23	2,825,452	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	118,869	859,586	25.23	772,649	
	Asia Cement Corporation	(Note A)	Equity-method investments	12,490	340,151	0.40	424,660	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	5,221	143,471	0.40	186,390	
	Oriental Textile (Holding) Ltd.	(Note A)	Equity-method investments	85	5,905,120	100.00	5,905,120	
	Far Eastern Polychem Industries Ltd.	(Note A)	Equity-method investments	331,718	3,401,148	30.89	3,401,148	
	Oriental Securities Corp.	(Note A)	Equity-method investments	185,247	2,692,254	25.96	2,579,085	
	Far Eastern Apparel (Holding) Ltd.	(Note A)	Equity-method investments	111	2,438,300	100.00	2,438,300	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	59,827	1,324,565	14.92	1,329,616	
	Air Liquide Far Eastern Ltd.	(Note A)	Equity-method investments	69,116	1,264,186	35.00	1,262,934	
	Yuan Ding Company Ltd.	(Note A)	Equity-method investments	64,759	1,102,509	12.86	1,198,957	
	Far Eastern International Leasing Corp.	(Note A)	Equity-method investments	75,268	1,101,525	16.87	1,113,055	
	Far Eastern Fibertech Co., Ltd.	(Note A)	Equity-method investments	76,096	843,474	100.00	833,510	
	Yue Yuan Investment Co., Ltd.	(Note A)	Equity-method investments	95,338	673,704	18.96	1,736,457	
Da Ju Fiber Co., Ltd.	(Note A)	Equity-method investments	17,182	523,284	41.86	512,173		
Oriental Petrochemical (Taiwan) Co., Ltd.	(Note A)	Equity-method investments	35,062	409,142	5.20	417,576		
Yuan Ding Leasing Corp.	(Note A)	Equity-method investments	36,706	400,754	46.20	402,374		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				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.	(Note A)	Equity-method investments	22,904	\$ 383,944	100.00	\$ 383,841	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Equity-method investments	13,053	303,259	29.80	302,982	
	Oriental Resources Development Co., Ltd.	(Note A)	Equity-method investments	21,322	132,037	70.32	135,959	
	Yuan Faun Co., Ltd.	(Note A)	Equity-method investments	5,000	107,566	100.00	105,543	
	Yue Ming Co., Ltd.	(Note A)	Equity-method investments	1,280	72,492	45.50	74,521	
	Far Eastern General Contractor Co., Ltd.	(Note A)	Equity-method investments	1,270	20,042	1.00	18,727	
	Chung Nan Textile Co., Ltd.	-	Financial assets carried at cost	2,985	81,405	5.27	115,506	
	Hantech Venture Capital Corp.	-	Financial assets carried at cost	4,688	56,019	3.54	52,746	
	Taiwan Stock Exchange Corp.	-	Financial assets carried at cost	932	22,493	0.16	51,112	
	Universal Venture Capital Investment Corp.	-	Financial assets carried at cost	1,400	14,000	1.16	13,187	
	Overseas Investment and Development Co., Ltd.	-	Financial assets carried at cost	1,000	10,000	1.11	8,816	
	China Investment and Development Co., Ltd.	-	Financial assets carried at cost	1,287	8,250	0.80	12,483	
	Nan Shan Insurance Co., Ltd.	-	Financial assets carried at cost	48	221	-	786	
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost	1	10	-	11	
	Hantech Venture Capital Corp.	-	Financial assets carried at cost	914	6,597	9.81	2,862	
	Dah Chung Bills Finance Corp.	-	Financial assets carried at cost	2,165	30,669	0.50	32,071	
	DFE DWS Global Multi-asset Income Plus FOF	-	Available-for-sale financial assets - current	5,000	52,850	0.83	52,850	
	U-Ming Marine Transport Corporation	(Note B)	Available-for-sale financial assets - noncurrent	4,264	191,240	0.50	191,240	
	Far Eastern International Bank	(Note C)	Available-for-sale financial assets - noncurrent	16,583	186,564	0.78	186,564	
	Far Eastern International Bank (private)	(Note C)	Available-for-sale financial assets - noncurrent	72,600	785,163	3.43	785,163	
	Financial assets under asset management contracts (Note 2)							
	GREATWALL	-	Financial assets at fair value through profit or loss - current	719	20,051	-	20,051	
	FCFC	-	Financial assets at fair value through profit or loss - current	340	27,166	-	27,166	
	TSRC Corporation	-	Financial assets at fair value through profit or loss - current	32	2,378	-	2,378	
	Chunghwa Telecom	-	Financial assets at fair value through profit or loss - current	175	17,500	-	17,500	
	EPISTAR	-	Financial assets at fair value through profit or loss - current	330	21,219	-	21,219	
	VPEC	-	Financial assets at fair value through profit or loss - current	130	4,290	-	4,290	
	HTC	-	Financial assets at fair value through profit or loss - current	19	9,443	-	9,443	
	MEGA FHC	-	Financial assets at fair value through profit or loss - current	312	6,308	-	6,308	
	Chinatrust	-	Financial assets at fair value through profit or loss - current	1,097	20,729	-	20,729	
	NOVATEK	-	Financial assets at fair value through profit or loss - current	190	14,421	-	14,421	
	Sino-America Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	219	10,217	-	10,217	
	ADLINK Technology, Inc.	-	Financial assets at fair value through profit or loss - current	300	9,200	-	9,200	
	Motech Industries, Inc.	-	Financial assets at fair value through profit or loss - current	213	11,310	-	11,310	
	Tong Hsing Electronic Industries, Ltd.	-	Financial assets at fair value through profit or loss - current	310	22,692	-	22,692	
	WNC	-	Financial assets at fair value through profit or loss - current	220	10,890	-	10,890	
	Merida Industry Co., Ltd.	-	Financial assets at fair value through profit or loss - current	219	13,841	-	13,841	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				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.	F.E.T.G. Investment Antilles N.V.	(Note A)	Equity-method investments	6	US\$ 16,934	100.00	US\$ 16,934	
	Filsyn Corporation	(Note A)	Equity-method investments	45,066	US\$ -	21.85	PESO (111,896)	
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Equity-method investments	Common Stock 5,000	US\$ 8,414	50.00	US\$ 8,414	
				Preferred Stock 3,000				
	Com2B	(Note A)	Equity-method investments	9,000	US\$ 824	20.00	US\$ 824	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 7,428	100.00	US\$ 7,428	
	Worldwide Polychem (HK) Ltd.	(Note A)	Equity-method investments	2,700	US\$ 3,497	100.00	US\$ 3,497	
Opas Fund Segregated Portfolio Company	-		Financial assets carried at cost	-	US\$ 51	34.00	US\$ 51	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Equity-method investments	12,338	393,112	0.39	419,492	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	1,884	47,547	0.14	67,259	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	8,676	53,926	1.84	56,394	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	14,712	429,850	1.83	559,056	
	Far EastTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	920	40,809	0.03	52,348	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	9,000	193,050	2.24	199,621	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	7,992	200,155	13.20	117,971	
	DWS Taiwan Money Market Fund	-	Available-for-sale financial assets - current	19,659	221,604	-	221,604	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	66,270	745,537	3.13	745,537	
Ya Li Transportation Co., Ltd.	-	Financial assets carried at cost	1,000	16,240	10.00	46,024		
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Equity-method investments	17,347	418,515	0.55	589,798	1,900 thousand shares pledged or mortgaged as collaterals for loans
	Far EastTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	92,462	2,426,992	2.84	5,261,088	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	25,303	545,718	3.14	961,514	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	8,679	229,592	0.66	309,840	
	Kowloon Cement Co., Ltd.	(Note A)	Equity-method investments	1,127	353,697	49.00	353,697	
	Far Eastern International Leasing Corp.	(Note A)	Equity-method investments	74,970	1,101,911	16.80	1,108,436	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	9,000	193,050	2.24	199,621	
	DFE DWS Taiwan Thematic	-	Available-for-sale financial assets - current	5,000	56,700	-	56,700	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	38,368	431,638	1.81	431,638	
Far Eastern International Bank (private)	(Note D)	Available-for-sale financial assets - noncurrent	42,087	455,166	1.99	455,166		
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Equity-method investments	(Note H)	HK\$ 1,845,601	87.64	RMB 1,496,173	
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity-method investments	35	HK\$ 235,806	14.73	US\$ 29,419	
	FEDP (Holding) Ltd.	(Note A)	Equity-method investments	240	HK\$ 183,577	49.57	US\$ 23,536	
	Nippon Parison Co., Ltd.	-	Financial assets carried at cost	36	HK\$ 16,941	10.00	-	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	Equity-method investments	125,639	1,755,803	98.95	1,853,050	
	Asia Cement Corporation	(Note A)	Equity-method investments	16,542	457,271	0.53	562,412	
	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	1,590	71,302	0.19	71,302	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 18,985	38.46	RMB 119,607	
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 65,836	100.00	RMB 414,771	
Far Eastern Apparel Co., Ltd.	Ming Ding Co	(Note A)	Equity-method investments	448	6,628	44.80	6,628	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	5	79	0.01	79	
Far Eastern General Contractor Co., Ltd.	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	746	33,481	0.09	33,481	
	Kaohsiung Rapid Transit Co., Ltd.	-	Financial assets carried at cost	20,000	-	2.00	52,015	
	Ya-Li Precast Prestressed Concrete Industries Corp.	(Note I)	Financial assets carried at cost	3,106	25,142	16.03	16,066	
	Far Eastern Realty Management Co, Ltd.	(Note A)	Equity-method investments	450	3,864	9.00	6,082	
F.E.T.G Investment Antilles N.V.	Waldorf Services B.V.	(Note A)	Equity-method investments	2	US\$ 17,118	100.00	US\$ 17,118	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Waldorf Services B.V.	Cemtex Apparel Inc.	(Note A)	Other liabilities-Other	90	US\$ (282)	50.00	US\$ (282)	39,579 thousand shares pledged or mortgaged as collaterals for loans
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Equity-method investments	30	US\$ 1,511	37.92	US\$ 1,511	
	Far Eastern International Garments	(Note A)	Other liabilities-Other	59	US\$ (381)	41.00	US\$ (381)	
	Albert & Orient Glycol Ltd.	-	Financial assets carried at cost	-	US\$ 2,583	25.00	CAD 21760	
	Filsyn Corporation	-	Financial assets carried at cost	20,513	-	9.95	PESO (50,955)	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	80,172	\$ 1,954,031	2.46	\$ 4,561,787	
	Asia Cement Corporation	(Note A)	Equity-method investments	2,900	109,465	0.09	98,600	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	9,487	139,346	15.66	139,956	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	4,841	109,467	1.21	107,831	
	Oriental Securities Corp.	(Note A)	Equity-method investments	5,000	76,069	0.70	69,544	
	Yuan Ding Investment Co., Ltd.	(Note A)	Equity-method investments	5,502	155,107	0.30	112,437	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	16,502	185,651	0.78	185,651	
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corp.	(Note A)	Equity-method investments	750	12,251	55.56	4,223	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	3,497	39,340	0.17	39,340	
	Yi Tong Fiber Co., Ltd.	-	Financial assets carried at cost	3,504	28,519	3.56	34,648	
Fu Kwok Garment Manufacturing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	520	19,691	0.02	29,588	
Yuan Tong Investment Co., Ltd.	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	9,000	193,050	2.24	199,621	65,086 thousand shares pledged or mortgaged as collaterals for loans
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	105,221	2,916,774	3.23	5,987,075	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity-method investments	37,271	55,084	9.09	59,913	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	20,300	711,387	1.54	724,710	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	21,802	973,095	2.71	828,476	
	Asia Cement Corporation	(Note A)	Equity-method investments	20,650	703,243	0.66	702,100	
	Sino Belgium (Holding) Ltd.	(Note A)	Equity-method investments	17	280,396	92.25	280,396	
	DWS Taiwan Bmonry Market Fund	-	Available-for-sale financial assets - current	25,021	282,042	-	282,042	
	Far Eastern DWS Global Agribusiness Fund	-	Available-for-sale financial assets - current	9,862	89,941	-	89,941	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	15,947	179,405	0.75	179,405	
	Ding Shen Investment Co., Ltd.	(Note I)	Financial assets carried at cost	27,000	270,000	18.00	270,750	
	Bockhold N.V	-	Financial assets carried at cost	1	223,533	12.51	76,785	
	Bockhold N.V	-	Financial assets carried at cost	-	7,895	-	-	
	Bockhold N.V	-	Bond investments with no active market	-	261,384	-	-	
	<u>Under asset management contracts (Note E)</u>	-						
	GREATWALL	-	Financial assets at fair value through profit or loss - current	104	2,902	-	2,902	
	Formosa Chemical & Fibre Co.	-	Financial assets at fair value through profit or loss - current	257	20,534	-	20,534	
	LCY Chemical Co.	-	Financial assets at fair value through profit or loss - current	256	11,162	-	11,162	
	Ho Tung Chemical Co.	-	Financial assets at fair value through profit or loss - current	1,062	15,820	-	15,820	
	Sheh Kai Precision Co., Ltd.	-	Financial assets at fair value through profit or loss - current	207	6,889	-	6,889	
Visual Photonics Epitaxy Co., Ltd.	-	Financial assets at fair value through profit or loss - current	606	19,998	-	19,998		
Union Insurance Co.	-	Financial assets at fair value through profit or loss - current	1,078	13,798	-	13,798		
Cathay Financial Holdings Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,096	35,837	-	35,837		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Shin Kong Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,990	\$ 17,074	-	\$ 17,074	
	Genesis Photonics Inc.	-	Financial assets at fair value through profit or loss - current	431	16,486	-	16,486	
	Giga Solar Material Co.	-	Financial assets at fair value through profit or loss - current	46	11,776	-	11,776	
	Nuvoton Technology Co.	-	Financial assets at fair value through profit or loss - current	231	4,863	-	4,863	
	Global Lighting Technologies Inc.	-	Financial assets at fair value through profit or loss - current	398	14,348	-	14,348	
	Gloria Material Technology Corporation	-	Financial assets at fair value through profit or loss - current	810	19,769	-	19,769	
	SerComm Corporation	-	Financial assets at fair value through profit or loss - current	362	11,276	-	11,276	
	CHIPBOND Technology Co.	-	Financial assets at fair value through profit or loss - current	170	5,015	-	5,015	
	Motech Industries, Inc.	-	Financial assets at fair value through profit or loss - current	120	6,372	-	6,372	
	Tong Hsing Electronic Industries, Ltd.	-	Financial assets at fair value through profit or loss - current	216	15,811	-	15,811	
	Taiwan Surface Mounting Technology Co.	-	Financial assets at fair value through profit or loss - current	177	10,567	-	10,567	
	Wistron NeWeb Corporation	-	Financial assets at fair value through profit or loss - current	61	3,020	-	3,020	
	Taiflex Scientific co., Ltd.	-	Financial assets at fair value through profit or loss - current	425	14,142	-	14,142	
	Acme Electronics Co.	-	Financial assets at fair value through profit or loss - current	300	12,914	-	12,914	
	Chenfull International Co., Ltd.	-	Financial assets at fair value through profit or loss - current	986	18,589	-	18,589	
Far Eastern Apparel (Suzhou) Ltd.	Suzhou An Ho Apparel Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 5,152	100.00	RMB 5,717	
	Suqian Far Eastern Apparel Co., Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 24,093	100.00	RMB 24,093	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp.	(Note A)	Equity-method investments	(Note H)	US\$ 197,758	53.24	RMB 1,245,878	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 106,154	100.00	RMB 668,781	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 98,189	100.00	RMB 618,603	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 39,252	100.00	RMB 247,287	
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 29,911	100.00	RMB 188,440	
	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 30,378	61.54	RMB 191,384	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Equity-method investments	(Note H)	US\$ 71,948	60.00	RMB 453,281	
	Far Eastern New Century (China) Investment Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 72,687	100.00	RMB 352,099	
Far Eastern New Century (China) Investment Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 219,138	12.36	RMB 211,008	
	Shanghai Yuan Zi Information Co., Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 2,520	100.00	RMB 2,385	
	Oriental Petrochemical (Shanghai) Corp.	(Note A)	Equity-method investments	(Note H)	RMB 90,203	8.11	RMB 189,783	
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	(Note A)	Equity-method investments	(Note H)	US\$ 13,800	100.00	RMB 86,941	
	Martens Beers Trading (Shanghai) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 2,671	100.00	RMB 7,472	
Oriental Petrochemical (Shanghai) Corp.	Shanghai YuanHua Logistic Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 20,775	100.00	RMB 20,775	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Yuan Ding Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	4,164	\$ 111,451	0.13	\$ 236,932	
	Far Eastern New Century Corporation	(Note A)	Equity-method investments	713	25,063	0.01	25,063	
	Asia Cement Corporation	(Note A)	Equity-method investments	4,973	169,066	0.16	169,066	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity-method investments	33,372	70,999	8.14	70,999	
	Ding Ding Hotel Co., Ltd.	(Note A)	Equity-method investments	17,572	59,670	61.98	59,670	
	YDT Technology International Co., Ltd.	(Note A)	Equity-method investments	13,992	247,167	100.00	247,167	
	Far Eastern Realty Management Co, Ltd.	(Note A)	Equity-method investments	4,550	60,348	91.00	60,348	
	FET Consulting Engineers Co., Ltd.	(Note A)	Equity-method investments	39,000	401,195	100.00	401,195	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Equity-method investments	6,900	57,458	60.00	57,458	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	15,025	87,259	50.00	87,259	
	Yue Yuan Investment Co., Ltd.	(Note A)	Equity-method investments	125,861	2,292,526	25.02	2,291,464	
	FEDS Asia Pacific Development Ltd.	(Note A)	Equity-method investments	10,125	120,642	5.00	120,642	
	YDC (Virgin Islands) Ltd.	(Note A)	Equity-method investments	200	7,306	17.70	7,306	
	Yue Ming Co., Ltd.	(Note A)	Equity-method investments	28	787	1.00	1,638	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	1,580	22,676	2.59	23,147	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	6,238	70,182	0.29	70,182	
Ding Ding Integrated Marketing Co., Ltd.	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	500	289	0.17	289	
	Deutsche Far Eastern DWS Equity Fund	-	Financial assets at fair value through profit or loss - current	2,670	30,096	-	30,096	
Far Eastern Electronic Commerce Co., Ltd.	Deutsche Far Eastern DWS Equity Fund	-	Financial assets at fair value through profit or loss - current	13,177	148,532	-	148,532	
Far Eastern Realty Management Co, Ltd.	Yuantai Foreign Trade	-	Financial assets carried at cost	480	4,800	-	4,800	
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Equity-method investments	(Note H)	237,589	100.00	US\$ 7,848	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Equity-method investments	(Note H)	US\$ 110	100.00	RMB 699	
	Speedy (Shanghai) Digital Tech. Co., Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 1,142	100.00	RMB 7,197	
YDT Technology International Co., Ltd.	YDC (Virgin Islands) Ltd.	(Note A)	Equity-method investments	930	32,688	0.82	32,688	
	Asia Cement Corporation	(Note A)	Equity-method investments	56	1,921	-	1,921	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	2,530	90,306	0.19	90,306	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	793	5,157	0.16	5,157	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	2,194	24,680	0.13	24,680	
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost	1	10	-	-	
Far EasTone Telecommunications Co., Ltd.	<u>Stock</u>							
	New Century InfoComm Tech Co., Ltd.	(Note A)	Equity-method investments	2,599,449	27,410,135	100.00	27,410,135	
	ARCOA Communication Co., Ltd.	(Note A)	Equity-method investments	82,009	1,193,275	61.07	1,193,275	
	KGEx.com	(Note A)	Equity-method investments	100,329	771,403	89.25	771,403	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity-method investments	167,720	269,609	40.91	269,609	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Equity-method investments	1	157,506	100.00	157,506	
	E. World (Holdings) Ltd.	(Note A)	Equity-method investments	6,015	84,898	85.92	84,898	
	Far EasTron Holding Ltd.	(Note A)	Equity-method investments	4,487	26,441	100.00	26,441	
	iScreen Corporation	(Note A)	Equity-method investments	4,000	21,094	40.00	21,094	
	O-music Co., Ltd.	(Note A)	Equity-method investments	2,500	17,216	50.00	17,216	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	4,202	26,101	13.98	26,101	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Equity-method investments	1,725	11,299	15.00	11,299	
	ADCast Interactive Marketing Co., Ltd.	(Note A)	Equity-method investments	387	3,815	8.56	3,815	
	Q-Ware Communication Corp.	(Note A)	Other liabilities - other	36,460	(295,797)	51.00	(295,797)	
	Asia Cement	-	Available-for-sale financial assets - current	2,133	72,512	-	72,512	
		<u>Open-end mutual funds</u>						
	Eastspring Inv Global Green Solutions	-	Available-for-sale financial assets - current	4,978	45,500	-	45,500	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				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>							
	Opas Fund Segregated Portfolio Tranche D	-	Available-for-sale financial assets - current	5	\$ 152,414	-	\$ 152,414	
	<u>Bonds</u>							
	98 Asia Cement 1 Corporate Bond	-	Held-to-maturity financial assets - noncurrent	-	199,768	-	202,920	
	<u>Stock</u>							
	DataExpress Infotech Co., Ltd.	(Note A)	Equity-method investments	6,143	168,823	70.00	168,823	
	THI consultants Inc.	-	Financial assets carried at cost - noncurrent	1,214	13,729	18.32	13,729	
	VIBO Telecom Inc.	-	Financial assets carried at cost - noncurrent	289	2,627	0.04	2,627	
	Chunghwa Int'l Communication Network Co., Ltd.	-	Financial assets carried at cost - noncurrent	2,087	6,714	3.98	6,714	
	Web Point Co., Ltd.	-	Financial assets carried at cost - noncurrent	161	1,618	0.63	1,618	
	<u>Open-end mutual funds</u>							
	PCA Well Pool Money Market Fund	-	Available-for-sale financial assets - current	2,289	30,002	-	30,002	
	Fuh Hwa Money Market Fund	-	Available-for-sale financial assets - current	2,150	30,001	-	30,001	
	Fuh Hwa Global Short-Term Income Fund	-	Available-for-sale financial assets - current	950	9,902	-	9,902	
	Taishin 1699 Money Market Fund	-	Available-for-sale financial assets - current	4,495	60,023	-	60,023	
	Taishin Ta Chong Money Market Fund	-	Available-for-sale financial assets - current	2,302	30,002	-	30,002	
	Mega Diamond Money Market Fund	-	Available-for-sale financial assets - current	4,975	60,022	-	60,022	
	Yuanta Wan Tai Money Market Fund	-	Available-for-sale financial assets - current	2,054	30,002	-	30,002	
	Jih Sun Money Market Fund	-	Available-for-sale financial assets - current	2,104	30,002	-	30,002	
	Polaris De-Bao Money Market Securities Investment Trust Fund	-	Available-for-sale financial assets - current	2,589	30,002	-	30,002	
	FSITC Money Market Fund	-	Available-for-sale financial assets - current	2,036	30,000	-	30,000	
	FSITC Taiwan Money Market Fund	-	Available-for-sale financial assets - current	174	30,000	-	30,000	
	ING Taiwan Money Market Fund	-	Available-for-sale financial assets - current	1,906	30,000	-	30,000	
	Fubon Chi-Hsiang Money Market Fund	-	Available-for-sale financial assets - current	1,981	30,000	-	30,000	
	<u>Bonds</u>							
	The First Private Placement of Unsecured Corporation Bond Issued by Yuan Ding Investment Co., Ltd.	-	Held-to-maturity financial assets - current	-	10,000	-	10,000	
	New Century InfoComm Tech Co., Ltd.	<u>Stock</u>						
New Diligent Co., Ltd.		(Note A)	Equity-method investments	80,000	724,922	100.00	724,922	
Information Security Service Digital United Co., Ltd.		(Note A)	Equity-method investments	14,878	96,917	100.00	96,917	
ADCast Interactive Marketing Co., Ltd.		(Note A)	Equity-method investments	4,092	40,351	90.57	40,351	
Simple InfoComm Co., Ltd.		(Note A)	Equity-method investments	3,400	20,599	100.00	20,599	
Ding Ding Integrated Marketing Services Co., Ltd.		(Note A)	Equity-method investments	575	3,767	5.00	3,767	
Far Eastern Electronic Commerce Co., Ltd.		(Note A)	Equity-method investments	1,503	9,336	5.00	9,336	
BankPro E-service Technology Co., Ltd.		-	Financial assets carried at cost - noncurrent	45	4,500	3.33	4,500	
Kaohsiung Rapid Transit Co., Ltd.		-	Financial assets carried at cost - noncurrent	30,000	-	3.00	-	
C2C Holdings Pte. Ltd.		-	Financial assets carried at cost - noncurrent	30,000	-	6.38	-	
MetaEdge Corp.		-	Financial assets carried at cost - noncurrent	39	-	1.59	-	
YeServ. Com. Limited		-	Financial assets carried at cost - noncurrent	160	-	1.32	-	
Auto TOOLS Co., Ltd.		-	Financial assets carried at cost - noncurrent	153	-	1.53	-	
<u>Share certificates</u>								
Digital United (Cayman) Ltd.		(Note A)	Equity-method investments	3,320	26,131	100.00	26,131	
<u>Open-end mutual funds</u>								
Allianz Global Investors All Seasons Return Fund of Bond Funds		-	Financial assets at fair value through profit or loss - current	3,989	49,950	-	49,950	
Deutsche Far Eastern DWS Global Agribusiness Fund		-	Financial assets at fair value through profit or loss - current	5,000	45,600	-	45,600	
DFE DWS Global Multi-asset Income Plus FOF-A		-	Financial assets at fair value through profit or loss - current	9,571	101,168	-	101,168	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2011				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	<u>Private funds</u>							
	Opas Fund Segregated Portfolio Tranche C	-	Available-for-sale financial assets - current	30	\$ 940,692	-	\$ 940,692	
	Opas Fund Segregated Portfolio Tranche D	-	Available-for-sale financial assets - current	10	304,829	-	304,829	
	Opas Fund Segregated Portfolio Tranche E	-	Available-for-sale financial assets - current	25	742,631	-	742,631	
	<u>Bonds</u>							
	The First Private Placement of Unsecured Corporation Bond Issued by Yuan Ding Investment Co., Ltd.	-	Held-to-maturity financial assets - current	1	990,000	-	990,000	
Digital United (Cayman) Ltd.	<u>Stock</u>							
	Digital United Information Technologies Co., Ltd.	(Note A)	Equity-method investments	-	US\$ 359	100.00	US\$ 359	
New Diligent Co., Ltd.	<u>Share certificates</u>							
	Sino Lead Enterprise Limited	(Note A)	Equity-method investments	-	523	100.00	523	
	Far Eastern New Diligent Company Ltd.	(Note A)	Equity-method investments	-	-	100.00	-	
DataExpress Infotech Co., Ltd.	<u>Share certificates</u>							
	Linkwell Tech. Co., Ltd.	(Note A)	Equity-method investments	-	19,271	100.00	19,271	
	Homet Master Technology Co., Ltd.	(Note A)	Equity-method investments	-	7,531	99.99	7,531	
	Jin Yuan Technology Co., Ltd	(Note A)	Equity-method investments	-	9,984	100.00	9,984	
Far Eastern Info Service (Holding) Ltd.	<u>Share certificates</u>							
	Far Eastern Tech-info Ltd. (Shanghai)	(Note A)	Equity-method investments	-	US\$ 5,210	100.00	US\$ 5,210	
E. World (Holdings) Ltd.	<u>Stock</u>							
	Yuan Cing Co., Ltd.	(Note A)	Equity-method investments	19,350	US\$ 3,019	100.00	US\$ 3,019	
Far Eastern Tech-info Ltd. (Shanghai)	<u>Share certificates</u>							
	Far Eastern New Century Information Technology (Beijing) Limited	(Note A)	Equity-method investments	-	RMB 45,705	55.00	RMB 45,705	

- Notes:
- A. Equity-method investee.
 - B. Investor company and investee have the same chairman.
 - C. The vice chairman of investee is the chairman of FENC.
 - D. The chairman of FENC is the vice president of the investee company.
 - E. Financial assets under asset management contracts and the financial assets can be sold in the open market by the investee, Oriental Securities Corp.
 - F. The chairman of the investee is a director of FENC's board.
 - G. The holding company opened a trust account in the Shanghai Bank in Taipei on September 26, 2002 to buy the stockholding of Pacific Liu Tung Investment Co., Ltd.
 - H. A private company.
 - I. FENC is a corporate director of the investee.
 - K. A investee of equity-method of FENC's subsidiary

(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, 2011
(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	Far Eastern Polychem Industries Ltd.	Equity-method investments	Cash capital increase	-	678,205	\$ 5,866,919	63,950	\$ 614,300	-	\$ -	\$ -	\$ -	\$ 671,363	742,155	\$ 7,152,582
	Far Eastern Polytex (Holding) Ltd.	Equity-method investments	Cash capital increase	-	46	3,609,797	44	2,699,664	-	-	-	-	519,298	90	6,828,759
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Equity-method investments	Open market	-	5,358	103,986	7,012	228,421	-	-	-	-	7,744	12,490	340,151
Yuan Tong Investment Co., Ltd.	Oriental Union Chemical Corporation	Equity-method investments	Stock dividend	-	-	-	120	-	-	-	-	-	-	-	-
	Open market	-	439	9,977	21,363	929,561	-	-	-	-	-	33,557	21,802	973,095	
	Asia Cement Corporation	Equity-method investments	Open market	-	16,781	574,317	3,464	113,174	-	-	-	-	15,752	20,650	703,243
	Far Eastern Department Stores Co., Ltd.	Equity-method investments	Stock dividend	-	-	-	405	-	-	-	-	-	-	-	-
	Open market	-	7,094	202,452	12,700	499,647	-	-	-	-	-	9,288	20,300	711,387	
	Sino Belgium (Holding) Ltd.	Equity-method investments	Stock dividend	-	-	-	506	-	-	-	-	-	-	-	-
	Prepayment in stock	-	17	22,471	-	529,348	-	-	-	-	-	(271,423)	17	280,396	
	Ding Shen Investment Co., Ltd.	Financial assets carried at cost	Cash capital increase	-	-	-	27,000	270,000	-	-	-	-	-	27,000	270,000
Ding Yuan International Investment Co., Ltd.	Oriental Union Chemical Corporation	Equity-method investments	Open market	-	10,045	222,374	4,667	181,444	-	-	-	-	26,032	14,712	429,850
Kai Yuan International Investment Co., Ltd.	Far Eastern Department Stores Co., Ltd.	Equity-method investments	Open market	-	10,947	296,242	-	-	2,760	123,919	76,010	45,825	9,360	8,679	229,592
			Stock dividend	-	-	-	492	-	-	-	-	-	-	-	-
Far Eastone Telecommunications Co., Ltd.	Yuan Cing Infocomm Tech Co., Ltd.	Equity-method investments	Der Ching Investment Corporation	-	1,500,100	15,076,670	836,504 (Note A)	1,545,584 (Note A)	2,336,604 (Note B)	-	-	-	(16,622,254) (Note B)	-	-
	Far Eastern Electronic Toll Collection Co., Ltd.	Equity-method investments	Issuance of stock by cash	-	157,714	169,347	10,006	100,064	-	-	-	-	198	167,720	269,609
Far Eastern Tech-info Ltd. (Shanghai)	Far Eastern New Century Information Technology (Beijing) Limited	Equity-method investments	Yuan Dong New Century Company Ltd. Issuance of stock by cash	-	-	-	-	RMB 49,874	-	-	-	-	RMB (4,169)	-	RMB 45,705
New Diligent Co., Ltd.	FSITC Taiwan Bond Fun	Financial assets at fair value through profit or loss - current	-	-	10,940	160,000	-	-	10,940	160,656	160,000	656	-	-	-
ARCOA Communication Co., Ltd.	Bond fund	Available for sales financial assets - current	-	-	9,510	120,000	7,089	90,000	16,599	210,809	210,000	809	-	-	-
	Capital Income Fund	Available for sales financial assets - current	-	-	7,778	120,000	1,937	30,000	9,715	150,552	150,000	552	-	-	-
	PCA Well Pool Money Market Fund	Available for sales financial assets - current	-	-	4,612	60,000	11,467	150,000	13,790	180,488	180,000	488	-	2,289	30,000
	Fuh Hwa Money Market Fund	Available for sales financial assets - current	-	-	4,340	60,000	8,614	120,000	10,804	150,430	150,000	430	-	2,150	30,000
	Taishin 1699 Money Market Fund	Available for sales financial assets - current	-	-	-	-	13,725	180,000	9,229	120,185	120,000	185	-	4,495	60,000
	Taishin Ta Chong Money Market Fund	Available for sales financial assets - current	-	-	-	-	8,884	120,000	6,582	90,044	90,000	44	-	2,302	30,000

(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
New Century InfoComm Tech Co., Ltd.	Mega Diamond Money Market Fund	Available for sales financial assets - current	-	-	-	\$ -	14,944	\$ 180,000	9,969	\$ 120,202	\$ 120,000	\$ 202	\$ -	4,975	\$ 60,000
	Yuanta Wan Tai Money Market Fund	Available for sales financial assets - current	-	-	-	-	8,224	120,000	6,170	90,048	90,000	48	-	2,054	30,000
	Opas Fund Segregated Portfolio Tranche E	Available for sales financial assets - current	-	-	-	-	25	725,150	-	-	-	-	-	25	725,150
	Yuanta Wan Tai Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	10,667	154,193	3,440	50,000	14,107	205,379	204,193	1,186	-	-	-
FarEastern General Contractor Co., Ltd.	UPAMC James Bond Fund	Financial assets at fair value through profit or loss - current	-	-	11,853	190,030	-	-	11,853	190,081	190,030	51	-	-	-
	Shin Kong Chi-Shin Fun	Financial assets at fair value through profit or loss - current	-	-	11,239	167,004	-	-	11,239	167,202	167,004	198	-	-	-
	FSITC Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	760	130,003	-	-	760	130,075	130,003	72	-	-	-
	Capital Income Fund	Financial assets at fair value through profit or loss - current	-	-	8,407	130,003	7,734	120,000	16,141	250,067	250,003	64	-	-	-
	Union Bond	Financial assets at fair value through profit or loss - current	-	-	-	-	8,282	105,000	8,282	105,012	105,000	12	-	-	-
	Deutsche Far Eastern DWS Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,560	130,000	11,560	130,019	130,000	19	-	-	-
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	13,383	210,000	13,383	210,074	210,000	74	-	-	-
Far Eastern Polytex (Holding) Ltd.	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Equity-method investments	Issuance of stock by cash	-	-	-	(Note C)	US\$ 71,796	-	-	-	-	US\$ 152	(Note C)	US\$ 71,948
Far Eastern Investment (Holding) Ltd.	Wordwide Polychem (HK) Ltd.	Equity-method investments	Issuance of stock by cash	-	-	-	2,700	US\$ 3,500	-	-	-	-	US\$ (3)	2,700	US\$ 3,497
Far Eastern Apparel (Suzhou) Ltd.	Suqian Far Eastern Apparel Co., Ltd.	Equity-method investments	Issuance of stock by cash	-	-	-	(Note C)	RMB 24,000	-	-	-	-	RMB 93	(Note C)	RMB 24,093
Sino Belgium (Holding) Ltd.	Martens Beers Trading (Shanghai) Ltd.	Equity-method investments	Issuance of stock by cash	-	(Note C)	US\$ (2,309)	(Note C)	US\$ 6,252	-	-	-	-	US\$ (1,272)	(Note C)	US\$ 2,671
	Sino Belgium (Suzhou) Limited	Equity-method investments	Issuance of stock by cash	-	(Note C)	US\$ 4,844	(Note C)	US\$ 16,000	-	-	-	-	US\$ (7,044)	(Note C)	US\$ 13,800
Yuan Ding Company Ltd.	FET Consulting Engineers Co., Ltd.	Equity-method investments	Issuance of stock by cash	-	6,000	69,653	33,000	330,000	-	-	-	-	71,195	39,000	401,195
	Far Eastern Electronic Commerce Co., Ltd.	Equity-method investments	Issuance of stock by cash	-	-	-	15,025	150,250	-	-	-	-	(62,991)	15,025	87,259
Far Eastern Electronic Commerce Co., Ltd.	Deutsche Far Eastern DWS Equity Fund	Financial assets at fair value through profit or loss - current	Open market	-	-	-	68,297	768,000	55,120	620,000	619,587	413	-	13,177	148,532

- Notes: A. Though a share swap and a cash merger (NT\$10.93 per share), Far EasTone acquired 695,096 shares and 141,407 shares, respectively. Each merger included 90,688 thousand shares of \$991,222 thousand acquired from related parties.
- B. The investment cost recognized due to the share swap was NT\$6,170,177 thousand; the investment income recognized under the equity method was NT\$48,214 thousand; and the adjustment arising from changes in shareholders' equity was NT\$2,292 thousand. On March 1, 2011, the amount of NT\$22,842,937 thousand was eliminated due to the cash merger.
- C. The private company.

(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, 2011
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Real Estate	Trading Date	Trading Amount	Payment	Counter-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 New Century Corporation (FENC)	Taoyuan, Taiwan	2011.12.01 (public auction)	\$ 615,000	\$ 184,500 (Note)	NA	NA	-	-	-	\$ -	Refer to appraisal report provided by DTZ Real estate appraisers firm for \$644,792 thousand	For FENC future operation	None

Note: The total amount was paid off in February 2012.

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, 2011
(In Thousands of New Taiwan Dollars)

Company Name	Real Estate	Trading Date	Acquisition Date	Trading Amount	Payment Amount	Payment	Gain (Loss)	Related Party	Nature of Relationship	Purpose	Price Basis of the Transfer	Other Contract Items
Far Eastern Resources Development Co.	Taipei, Taiwan	2011.03.28	2003.09.02	\$ 147,693	\$ 432,907	The full amount was paid off by April 12, 2011	\$ 327,480 (Note A)	F. E Memorial Foundation	The same chairman	A new medical building of Far Eastern Memorial Hospital °	Average appraisal price of \$432,907 thousand based on the appraisal report of Great Eastern Real Estate Appraisers Firm and Top Real Estate Appraisers Firm	None
Far Eastern Resources Development Co.	Taoyuan, Taiwan	2011.08.30-2011.08.31	2003.09.02	20,290	330,473	The full amount was paid off by the end of 2011 °	273,065 (Note B)	Far Eastern Y.Z. HsuScience and Technology Memorial Foundation	The same chairman	A new memorial hall of Far Eastern Y.Z. HsuScience and Technology Memorial Foundation °	Average appraisal price of \$330,473 thousand based on the appraisal report of Great Eastern Real Estate Appraisers Firm and Top Real Estate Appraisers Firm	None

Notes: A. The amount is the transaction price of NT\$432,907 thousand less the carrying value of NT\$147,693 thousand and the land value increment tax of NT\$51,414 thousand. Reversing the allowance for land value increment tax is NT\$39,785 thousand and the unrealized revaluation increment is NT\$53,895 thousand.

B. The amount is the transaction price of NT\$330,473 thousand less the carrying value of NT\$20,290 thousand and the land value increment tax of NT\$48,988 thousand. Reversing the allowance for land value increment tax is NT\$4,966 thousand and the unrealized revaluation increments is NT\$6,904 thousand.

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, 2011
(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 (FENC)	Everest Textile Co., Ltd.	(Note A)	Sale	\$ (395,859)	(1)	Based on contract	\$ -	-	\$ 27,783	6	\$ 13,665	-	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note F)	Purchase	10,105,219	18	Based on contract	-	-	-	-	(931,831)	(18)	
	Oriental Resources Development Ltd.	(Note F)	Purchase	331,578	1	Based on contract	-	-	-	-	(28,855)	(1)	
	Oriental Union Chemical Corporation	(Note A)	Purchase	1,376,061	2	Based on contract	-	-	-	-	(88,497)	(2)	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note H)	Sale	(489,119)	(1)	Based on contract	-	-	29,602	10	53,747	1	
	Far Eastern Industries (Shanghai) Ltd.	(Note F)	Sale	(242,042)	-	Based on contract	-	-	-	-	26,625	-	
	Far Eastern Industries (WuXi) Ltd.	(Note F)	Sale	(128,195)	-	Based on contract	-	-	-	-	36,238	-	
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note F)	Purchase	102,626	-	Based on contract	-	-	-	-	(5,550)	-	
	Wordwide Polychem (HK) Ltd.	(Note F)	Sale	(154,054)	-	Based on contract	-	-	-	-	154,054	2	
Far Eastern Polychem Industries Ltd.	Pet Far Eastern (M) Sdn. Bhd.	(Note G)	Sale	(870,768)	(12)	Based on contract	-	-	-	-	419,157	52	
	Wuhan Far Eastern New Material Ltd.	(Note G)	Sale	(402,741)	(5)	Based on contract	-	-	-	-	51,377	6	
	Wuhan Far Eastern New Material Ltd.	(Note G)	Purchase	475,506	7	Based on contract	-	-	-	-	(67,219)	(2)	
	Far Eastern Industries (Shanghai) Ltd.	(Note F)	Purchase	6,805,246	94	Based on contract	-	-	-	-	(937,716)	(33)	
	Far Eastern Industries (Suzhou) Ltd.	(Note F)	Sale	(107,338)	(1)	Based on contract	-	-	-	-	69,572	9	
Far Eastern Resources Development Co.	Yuan Ding Company Ltd.	(Note G)	Sale	(198,932)	(43)	Based on contract	-	-	-	-	26,285	28	
Far Eastern Fibertech Co., Ltd.	Everest Textile Co., Ltd.	(Note D)	Sale	(145,182)	(7)	Based on contract	-	-	-	-	39,670	28	
Far Eastern Apparel Co., Ltd.	Pacific SOGO Department Stores Co., Ltd.	(Note J)	Sale	(199,499)	(13)	Based on contract	-	-	-	-	98,068	32	
	Far Eastern Department Stores Co., Ltd.	(Note J)	Sale	(101,236)	(6)	Based on contract	-	-	-	-	41,842	14	
	Far Eastern Department Stores Co., Ltd.	(Note D)	Sale	(234,030)	(15)	Based on contract	-	-	-	-	64,268	21	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note F)	Purchase	884,222	100	Based on contract	-	-	-	-	(158,404)	(100)	
Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern New Century Corporation	(Note E)	Sale	(10,105,219)	(29)	Based on contract	-	-	-	-	931,831	29	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(2,161,162)	(6)	Based on contract	-	-	-	-	230,332	7	

(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 Industries (Suzhou) Ltd.	(Note G)	Sale	\$ (613,503)	(2)	Based on contract	\$ -	-	\$ -	-	\$ 60,338	2	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note D)	Sale	(182,423)	(28)	Based on contract	-	-	8,460	99	20,440	36	
	Far Eastern New Century Corporation	(Note E)	Sale	(331,578)	(51)	Based on contract	-	-	-	-	28,855	54	
Oriental Textile (Holding) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note F)	Purchase	1,924,413	78	Based on contract	-	-	-	-	(334,078)	(87)	
	Far Eastern Industries (WuXi) Ltd.	(Note F)	Purchase	549,977	22	Based on contract	-	-	-	-	(51,832)	(13)	
Pet Far Eastern (M) Sdn. Bhd.	Far Eastern Polychem Industries Ltd.	(Note G)	Purchase	870,768	71	Based on contract	-	-	-	-	(419,157)	(79)	
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Purchase	149,767	12	Based on contract	-	-	-	-	(108,821)	(21)	
Wordwide Polychem (HK) Ltd.	Far Eastern New Century Corporation	(Note E)	Purchase	154,054	100	Based on contract	-	-	-	-	(154,054)	(91)	
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note G)	Purchase	627,648	20	Based on contract	-	-	-	-	(174,300)	(24)	
	An Ho Garment (Suzhou) Co., Ltd.	(Note F)	Purchase	298,032	10	Based on contract	-	-	-	-	(77,773)	(43)	
Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note G)	Sale	(627,648)	(24)	Based on contract	-	-	-	-	174,300	30	
	Far Eastern Apparel (Holding) Ltd.	(Note E)	Sale	(884,222)	(34)	Based on contract	-	-	-	-	158,404	27	
	Far Eastern New Century Corporation	(Note E)	Sale	(102,626)	(4)	Based on contract	-	-	-	-	5,550	1	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Purchase	\$ 290,305	12	Based on contract	-	-	-	-	(53,538)	(29)	
	Far Eastern Industries (WuXi) Ltd.	(Note G)	Purchase	107,434	5	Based on contract	-	-	-	-	(25,935)	(12)	
Far Eastern Industries (Shanghai) Ltd.	Oriental Petrochemical (Shanghai) Corp.	(Note G)	Purchase	10,803,234	35	Based on contract	-	-	(1,527,803)	(97)	(928,153)	(38)	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note G)	Purchase	2,161,162	7	Based on contract	-	-	-	-	(230,332)	(9)	
	Wuhan Far Eastern New Material Ltd.	(Note G)	Sale	(2,229,091)	(7)	Based on contract	-	-	-	-	714,511	36	
	Wuhan Far Eastern New Material Ltd.	(Note G)	Purchase	116,616	-	Based on contract	-	-	-	-	(41,121)	(2)	
	Far Eastern Polychem Industries Ltd.	(Note E)	Sale	(6,805,246)	(21)	Based on contract	-	-	-	-	937,716	48	
	Far Eastern New Century Corporation	(Note E)	Purchase	242,042	1	Based on contract	-	-	-	-	(26,625)	(1)	
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Sale	(162,643)	-	Based on contract	-	-	-	-	40,323	2	
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Purchase	1,857,330	6	Based on contract	-	-	-	-	(507,437)	(21)	
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note G)	Sale	(290,305)	(1)	Based on contract	-	-	-	-	53,538	3	
	Far Eastern Industries (WuXi) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	Sale	(549,977)	(13)	Based on contract	-	-	-	-	51,832	19
Far Eastern New Century Corporation		(Note E)	Purchase	128,195	3	Based on contract	-	-	-	-	(36,238)	(22)	

(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 Industries (Suzhou) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note G)	Sale	\$ (107,434)	(2)	Based on contract	\$ -	-	\$ -	-	\$ 25,935	9	
	Pet Far Eastern (M) Sdn. Bhd.	(Note G)	Sale	(149,767)	(3)	Based on contract	-	-	-	-	108,821	9	
	Oriental Industries (Suzhou) Ltd.	(Note G)	Sale	(2,988,581)	(55)	Based on contract	-	-	105,985	90	469,084	41	
	Oriental Petrochemical (Shanghai) Corp.	(Note G)	Purchase	2,699,054	49	Based on contract	-	-	(505,880)	(91)	(284,596)	(40)	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note G)	Purchase	613,503	11	Based on contract	-	-	-	-	(60,338)	(9)	
	Far Eastern Polychem Industries Ltd.	(Note E)	Purchase	107,338	2	Based on contract	-	-	-	-	(69,572)	(10)	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(1,857,330)	(34)	Based on contract	-	-	-	-	507,437	44	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Purchase	162,643	3	Based on contract	-	-	-	-	(40,323)	(6)	
Oriental Petrochemical (Shanghai) Corp.	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(10,803,234)	(43)	Based on contract	-	-	1,527,803	40	928,153	28	
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Sale	(2,699,054)	(11)	Based on contract	-	-	505,880	13	284,596	9	
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	Sale	(1,924,413)	(37)	Based on contract	-	-	-	-	334,078	76	
	Far Eastern Industries (Suzhou) Ltd.	(Note G)	Purchase	2,988,581	60	Based on contract	-	-	(105,985)	(100)	(469,084)	(67)	
Wuhan Far Eastern New Material Ltd.	Far Eastern Polychem Industries Ltd.	(Note G)	Sale	(475,506)	(16)	Based on contract	-	-	-	-	67,219	31	
	Far Eastern Polychem Industries Ltd.	(Note G)	Purchase	402,741	14	Based on contract	-	-	-	-	(51,377)	(2)	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Sale	(116,616)	(4)	Based on contract	-	-	-	-	41,121	19	
	Far Eastern Industries (Shanghai) Ltd.	(Note G)	Purchase	2,229,091	78	Based on contract	-	-	-	-	(714,511)	(86)	
An Ho Garment (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note E)	Sale	(298,032)	(100)	Based on contract	-	-	-	-	77,773	100	
Far EastTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note F)	Telecommunications service revenues	(398,918)	(1)	Based on contract	-	-	-	-	214,228	3	
			Cost of telecommunications services, marketing expenses and cost of sales	3,989,793	8	Based on contract	-	-	-	-	(991,272)	(12)	
	KGEx.com	(Note F)	Telecommunications service revenues	(252,390)	-	Based on contract	-	-	-	-	40,573	1	
	New Century InfoComm Tech Co., Ltd.	(Note F)	Telecommunications service revenues	(870,435)	(1)	Based on contract	-	-	-	-	5,754	-	
			Cost of telecommunications services	1,326,125	6	Based on contract	-	-	-	-	(339,937)	(4)	
	Yuan Cheng Human Resources Consultant Corp.	(Note G)	Professional Service Fee	233,281	55	Based on contract	-	-	-	-	(17,470)	-	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Marketing expenses	145,969	1	Based on contract	-	-	-	-	(88,210)	(2)	
Far Eastern Tech-info Ltd. (Shanghai)	(Note F)	Service expenses	122,829	1	Based on contract	-	-	-	-	(34,835)	(1)		

(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	
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	Cost of telecommunications services	\$ (1,326,125)	(13)	Based on contract	\$ -	-	\$ -	-	\$ 339,937 (Note K)	32	
			Cost of telecommunications services and cost of sales	870,435	10	Based on contract	-	-	-	-	(5,754) (Note C)	(1)	
	KGEx.com	(Note G)	Cost of telecommunications services	409,269	5	Based on contract	-	-	-	-	(68,717)	(11)	
	Simple InfoComm Co., Ltd.	(Note F)	Telecommunications service revenues	(118,156)	(1)	Based on contract	-	-	-	-	-	-	
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	Commission revenue, sales of cellular phone equipment and accessories and service revenues	(3,989,793)	(55)	Based on contract	-	-	-	-	991,272	86	
			Cost of telecommunications services and cost of sales	398,918	6	Based on contract	-	-	-	-	(214,228)	(11)	
KGEx.com	Far EasTone Telecommunications Co., Ltd.	(Note E)	Cost of telecommunications services	252,390	23	Based on contract	-	-	-	-	(40,573)	(25)	
	New Century InfoComm Tech Co., Ltd.	(Note G)	Telecommunications service revenues	(409,269)	(38)	Based on contract	-	-	-	-	68,717	42	
DataExpress Infotech Co., Ltd.	Pacific SOGO Department Stores Co., Ltd.	(Note J)	Sales revenue	(414,716)	(18)	Based on contract	-	-	-	-	31,839	20	
	Far Eastern Department Stores Co., Ltd.	(Note J)	Sales revenue	(154,409)	(7)	Based on contract	-	-	-	-	24,744	15	
Far Eastern Tech-info (Shanghai) Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note G)	Sales	(122,829)	(91)	Based on contract	-	-	-	-	34,835	91	
Simple InfoComm Co., Ltd.	New Century InfoComm Tech Co., Ltd.	(Note E)	Cost of telecommunications services	118,156	87	Based on contract	-	-	-	-	-	-	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note F)	Purchase	1,296,081	46	Based on contract	-	-	-	-	-	-	
Far Eastern General Contractor Co., Ltd.	Ya Tung Ready Mixed Concrete Co., Ltd.	(Note I)	Purchase	779,676	9	Based on contract	-	-	(184,469)	(28)	(67,022)	(4)	
	Far Eastern Construction Co., Ltd.	(Note E)	Sales	(1,224,122)	(14)	Based on contract	-	-	Advance construction receipts 5,206,219	17	-	-	
	Far Eastern Department Stores Co., Ltd.	(Note B)	Sales	(735,251)	(8)	Based on contract	-	-	Advance construction receipts 1,376,987	5	20,918	5	
	Far Eastern Memorial Hospital	(Note B)	Sales	(186,943)	(2)	Based on contract	-	-	Advance construction receipts 318,561	1	34,271	8	
	Pacific SOGO Department Stores Co., Ltd.	(Note J)	Sales	(175,612)	(2)	Based on contract	-	-	Advance construction receipts 194,232	-	-	-	

Notes:

- A. Equity-method investee.
- B. The chairman of the Company is also the chairman of FENC.
- C. The revenues and the costs resulting from the Internet hook-up and international phone call service between Far EasTone and NCIC were paid (received) at net amounts, which were recognized under accounts payable - related parties.
- D. The equity-method investee of FENCE. The parent company.
- E. Parent company.
- F. Subsidiary.
- G. Same ultimate parent company.
- H. Investees of equity-method of FENC's subsidiary, Yuan Ding Investment Co., Ltd.
- I. The chairman of FENC is the president of the Company.
- J. Subsidiary of FENC's subsidiary of equity-method investees, Far East Department store Ltd.
- K. Including the receivables collected by Far EasTone for NCIC.

(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, 2011
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

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 Eastern New Century Corporation	Wordwide Polychem (HK) Ltd.	(Note D)	\$ 154,054	2.00	\$ -	-	\$ 81,847	\$ -
Far Eastern Polychem Industries Ltd.	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	419,157	1.51	-	-	HK\$ 15,101	-
Far Eastern Investment (Holding) Ltd.	Far Eastern Polychem Industries Ltd.	(Note C)	374,290	(Note F)	-	-	-	-
Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern Industries (Shanghai) Ltd. Far Eastern New Century Corporation	(Note C)	230,332	14.10	-	-	230,367	-
		(Note E)	931,831	10.56	-	-	931,831	-
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp.	(Note D)	310,258	(Note H)	-	-	-	-
Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd. Far Eastern Apparel (Suzhou) Ltd.	(Note E)	158,404	6.43	-	-	158,404	-
		(Note C)	174,300	5.48	-	-	169,633	-
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Polychem Industries Ltd. Wuhan Far Eastern New Material Ltd. Everest Textile (Shanghai) Ltd.	(Note E)	937,716	5.99	-	-	RMB 249,113	-
		(Note C)	714,511	4.63	-	-	RMB 95,435	-
		(Note I)	318,066	1.00	-	-	RMB 6,795	-
Far Eastern Industries (Suzhou) Ltd.	Far Eastern Industries (Shanghai) Ltd. Oriental Industries (Suzhou) Ltd. Pet Far Eastern (M) Sdn. Bhd.	(Note C)	507,437	3.66	-	-	507,437	-
		(Note C)	575,069	5.20	-	-	575,069	-
		(Note C)	108,821	1.38	-	-	84,258	-
Oriental Petrochemical (Shanghai) Corp.	Far Eastern Industries (Shanghai) Ltd. Far Eastern Industries (Suzhou) Ltd.	(Note C)	2,456,144	11.40	-	-	2,455,956	-
		(Note C)	790,476	9.30	-	-	790,476	-
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	334,078	7.32	-	-	334,078	-
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd. New Century InfoComm Tech Co., Ltd.	(Note D)	216,265	9.58	-	-	202,458	-
		(Note D)	318,003	(Note B)	-	-	119,238	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	356,972	(Note G)	-	-	193,752	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	991,272	6.80	-	-	954,185	-

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

Note B: The turnover rate is unavailable because the receivables from related parties were mainly due to the advances made for NCIC's daily operating expenditures and the management service charges to NCIC.

Note C: Same ultimate parent company.

Note D: Subsidiary.

Note E: Parent company.

Note F: The turnover rate was unavailable as the receivables from related parties were partially due to collection of telecommunications bills by Far EasTone for NCIC

Note G: The turnover rate was not calculated because the amount are revenues and the costs resulting from the Internet hook-up and international phone call service between Far EasTone and NCIC were paid (received) at net amounts, which were recognized under accounts payable - related parties.

Note H: The turnover rate was not calculated because the amount is the expense Pet Far Eastern (Holding) Ltd. paid for the subsidiary, Oriental Petrochemical (Shanghai) Corp.

Note I: The subsidiary of FENC's subsidiary of the equity method investee.

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, 2011
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2011	December 31, 2010	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern New Century Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	\$ 2,652,282	\$ 2,652,282	700,357	22.33	\$ 13,350,359	\$ 10,016,249	\$ 1,753,236	Gain or loss recognized under the treasury stock method
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	1,254,158	1,254,158	221,275	16.80	4,335,657	2,143,115	360,043	Including write off and reversed by upstream transactions \$9
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,176,211	1,176,211	73,833	9.17	1,392,750	2,882,823	264,364	
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	1,689	1,689	129	0.03	1,187	204,169	61	Including write off and reversed by side-stream transactions \$27,836
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	100,294	100,294	1,828,323	99.70	37,010,889	4,010,762	4,029,598	
	Far Eastern Resources Development Co.	Taipei, Taiwan	Real estate leasing and development service	14,931,733	14,931,733	498,974	100.00	25,394,827	654,017	950,419	Including write off and reversed by side-stream transactions \$296,402
	Far Eastern Polychem Industries Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	6,461,095	5,846,795	742,155	69.11	7,152,582	349,596	263,567	Including write off and reversed by side-stream transactions \$27,101
	Yuan Tong Investment Co., Ltd.	Taipei, Taiwan	Investment	5,850,000	5,850,000	705,147	100.00	6,964,232	37,936	(5,206)	Including write off and reversed by side-stream transactions \$(43,142)
	Far Eastern Polytex (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	5,684,266	2,984,602	90	100.00	6,828,759	255,669	258,278	Including write off and reversed by side-stream transactions \$2,609
	Far Eastern Investment (Holding) Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	5,833,333	5,833,333	1,700	100.00	6,215,601	741,351	741,351	
	Oriental Petrochemical (Taiwan) Co., Ltd.	Taoyuan, Taiwan	Petrochemical materials production	4,875,315	4,875,315	509,860	75.56	6,079,717	1,014,471	816,333	Including write off and reversed by side-stream and upstream transactions \$49,798
	PET Far Eastern (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	2,827,853	2,827,853	202	85.27	5,126,250	1,101,239	929,355	
	Kai Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	999,993	999,993	302,844	100.00	4,500,772	468,237	468,237	Including write off and reversed by side-stream transactions \$(19,398); discount amortization of \$9,727
	Yuan Ding Company Ltd.	Taipei, Taiwan	Real estate construction and selling	857,447	857,447	186,926	37.13	3,161,497	342,614	127,520	
	Far Eastern Construction Co., Ltd.	Taipei, Taiwan	Real estate construction and selling	143,450	143,450	154,372	65.11	2,794,220	1,172,650	763,512	
	Ding Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	2,000,062	2,000,062	205,000	100.00	2,516,093	193,119	193,119	
	Oriental Securities Corp.	Taipei, Taiwan	Broker	159,823	159,823	140,278	19.65	1,958,653	(194,493)	(38,218)	
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	810,000	810,000	67,500	16.83	1,591,918	1,025,730	172,630	
	An Ho Garment Co., Ltd.	Taipei, Taiwan	Investment	1,023	1,023	66,346	100.00	1,564,092	241,914	241,915	
	FEDP (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	676,315	676,315	244	50.43	724,900	(88,122)	(44,440)	
Fu Kwok Garment Manufacturing Co., Ltd.	Kaohsiung, Taiwan	Garment production	9,129	9,129	3,999	99.99	133,620	3,788	3,788		
Ding Ding Hotel Co., Ltd.	Taipei, Taiwan	Hotel	249,795	249,795	5,386	19.00	18,312	(50,685)	(9,630)		
Far Eastern Textile Ltd.	Taipei, Taiwan	Chemical fiber production	1,000	-	100	100.00	976	(24)	(24)		
Yuan Ding Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	23,513,069	8,880,993		
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,166,082	1,130,169	74,354	9.23	1,506,292	2,882,823		
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	470,103	470,103	118,869	25.23	859,586	204,169		
	Asia Cement Corporation	Taipei, Taiwan	Cement production	345,015	116,594	12,490	0.40	340,151	10,016,249		
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	123,123	123,123	5,221	0.40	143,471	2,143,115		
	Oriental Textile (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM11, Bermuda	Investment	5,606,913	5,606,913	85	100.00	5,905,120	181,890		
	Far Eastern Polychem Industries Ltd.	Clarendon House, Hamilton HM11, Bermuda	Investment	1,620,452	1,620,452	331,718	30.89	3,401,148	349,596		
	Oriental Securities Corp.	Taipei, Taiwan	Broker	255,424	255,424	185,247	25.96	2,692,254	(194,493)		
	Far Eastern Apparel (Holding) Ltd.	Clarendon House, Hamilton Hm 11, Bermuda	Sale of textile, garments, and clothing	2,179,442	2,179,442	111	100.00	2,438,300	60,817		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2011	December 31, 2010	Shares (Thousands)	Percentage of Ownership	Carrying Value			
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	\$ 796,491	\$ 796,491	59,827	14.92	\$ 1,324,565	\$ 1,025,730		
	Air Liquide Far Eastern Ltd.	Taipei, Taiwan	Industrial gas production and selling	329,814	329,814	69,116	35.00	1,264,186	709,070		
	Yuan Ding Company Ltd.	Taipei, Taiwan	Real estate construction and selling	188,846	188,846	64,759	12.86	1,102,509	342,614		
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing of real estate and movable property, etc.	1,012,057	1,012,057	75,268	16.87	1,101,525	188,481		
	Far Eastern Fibertech Co., Ltd.	Taoyuan, Taiwan	Nylon production	585,000	585,000	76,096	100.00	843,474	34,943		
	Da Ju Fiber Co., Ltd.	Taipei, Taiwan	Polyester production	263,790	263,790	17,182	41.86	523,284	49,569		
	Oriental Petrochemicals (Taiwan) Co., Ltd.	Taoyuan, Taiwan	Petrochemical materials production	-	-	35,062	5.20	409,142	1,014,471		
	Yuan Ding Leasing Corp.	Taipei, Taiwan	Real estate construction and selling	319,380	319,380	36,706	46.20	400,754	19,664		
	Far Eastern Apparel Co., Ltd.	Taipei, Taiwan	Sale of textile, garments, and clothing	287,984	287,984	22,904	100.00	383,944	39,592		
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taoyuan, Taiwan	Production of nonwoven industrial fabrics	144,797	144,797	13,053	29.80	303,259	228,671		
	Oriental Resources Development Ltd.	Taipei, Taiwan	Waste recycling and processing	279,901	279,901	21,322	70.32	132,037	1,010		
	Yuan Faun Ltd.	Taipei, Taiwan	PET bottle production and selling	51,671	51,671	5,000	100.00	107,566	1,705		
	Yue Ming Co., Ltd.	Taipei, Taiwan	Trading	97,852	36,482	1,280	45.50	72,492	2,899		
	Far Eastern General Constructor Inc.	Taipei, Taiwan	Real estate construction	14,682	14,682	1,270	1.00	20,042	409,108		
	Yue Yuan Investment Co., Ltd.	Taipei, Taiwan	Investment	673,704	677,239	96,338	18.96	673,704	521,741		
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\$ 16,934	US\$ 1,514		
	Filsyn Corporation	Unit 8, 5B Pearlbank Centre 146 Valero St. Makati City 1227, Philippines	Polychemical products	PESO 225,324	PESO 225,324	45,066	21.85	US\$ -	US\$ -		
	PET Far Eastern (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\$ 8,414	US\$ (2,054)		
	Com2B	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	US\$ 824	US\$ (270)		
	Far Eastern Apparel (Vietnam) Ltd.	11 VSIP Street 4, Vietnam Singapore Industrial Park, Thuan An District, Binh Duong Province, Vietnam	Clothing production	US\$ 6,885	US\$ 6,000	(Note B)	100.00	US\$ 7,428	US\$ 299		
	Wordwide Polychem (HK) Ltd.	11F,Lippo Leighton Tower, 103-109 Leighton Road, Causeway Bay, Hong Kong	Polyester production	US\$ 3,500	-	2,700	100.00	US\$ 3,497	US\$ (3)		
Ding Yuan International Investment Co., Ltd.	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	37,100	85,591	1,884	0.14	47,547	2,143,115		
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	147,518	146,380	8,676	1.84	53,926	204,169		
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	387,687	206,243	14,712	1.83	429,850	2,882,823		
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	38,457	38,457	920	0.03	40,809	8,880,993		
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	193,050	1,025,730		
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	95,624	95,624	7,992	13.20	200,155	44,288		
	Asia Cement Corporation	Taipei, Taiwan	Cement production	375,512	375,512	12,338	0.39	393,112	10,016,249		
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	308,875	280,375	17,347	0.55	418,515	10,016,249		
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	1,934,181	1,934,181	92,462	2.84	2,426,992	8,880,993		
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	566,438	566,438	25,303	3.14	545,718	2,882,823		
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	214,068	290,078	8,679	0.66	229,592	2,143,115		
	Kowloon Cement Co., Ltd.	Hong Kong	Cement production	226,896	226,896	1,127	49.00	353,697	9,234		
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	1,101,911	188,481		
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	193,050	1,025,730		
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	China	Chemical fiber production	HK\$ 693,257	HK\$ 604,500	(Note B)	87.64	HK\$ 1,845,601	RMB 77,978		
	PET Far Eastern (Holding) Ltd.	Claredon House, 2 Charch St. Hamilton HM 11, Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	14.73	HK\$ 235,806	1,101,239		
	FEDP (Holding) Ltd.	Claredon House, 2 Charch St. Hamilton HM 11, Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	HK\$ 183,577	(88,122)		
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	Taipei, Taiwan	Construction	271,587	271,587	125,639	98.95	1,755,803	409,108		
	Asia Cement Corporation	Taipei, Taiwan	Cement production	216,959	216,959	16,542	0.53	457,271	10,016,249		
Far Eastern General Contractor Co., Ltd.	Far Eastern Realty Management Co, Ltd.	Taipei, Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	3,864	14,284		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2011	December 31, 2010	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Ltd. Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	China	Garment production	US\$ 10,000	US\$ 10,000	(Note B)	38.46	US\$ 18,985	RMB 20,721		
		China	Dyeing and finishing	US\$ 50,000	US\$ 50,000	(Note B)	100.00	US\$ 65,836	RMB 20,459		
Far Eastern Apparel Co., Ltd.	Ming Ding Co. Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Underwear selling	2,174	2,174	448	44.80	6,628	137		
		Taipei, Taiwan	Department store operations	29	29	5	0.01	79	44,288		
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\$ 17,118	US\$ 1,523		
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\$ (282)	PESO (4,190)		
	Malaysia Garment Manufactures Pte. Ltd.	No. 5-9, Little Rd, Singapore (536985)	Garment production	SGD 3,000	SGD 3,000	30	37.92	US\$ 1,511	US\$ 180		
	Far Eastern International Garments	Bldg. #5 Cor. Sirloinand Bagsakan Ave, FTI Taguig, MM Filipino	Garment production	US\$ 290	US\$ 290	59	41.00	US\$ (381)	PESO (1,683)		
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	1,469,123	1,469,123	80,172	2.46	1,954,031	8,880,993		
		Taipei, Taiwan	Cement production	99,925	99,925	2,900	0.09	109,465	10,016,249		
		Taipei, Taiwan	Broker	86,200	86,200	5,000	0.70	76,069	(194,493)		
		Taipei, Taiwan	Department store operations	111,997	111,997	9,487	15.66	139,346	44,288		
		Taipei, Taiwan	Investment	67,285	67,285	4,841	1.21	109,467	1,025,730		
		Taipei, Taiwan	Investment	148,994	148,994	5,502	0.30	155,107	4,010,762		
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Corp.	Taipei, Taiwan	Personnel recruitment	7,304	6,271	750	55.56	12,251	5,187		
Fu Kwok Garment Manufacturing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	19,663	19,663	520	0.02	19,691	8,880,993		
Yuan Tong Investment Co., Ltd.	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	193,050	1,025,730		
		Taipei, Taiwan	Telecommunications	2,344,080	2,287,705	105,221	3.23	2,916,774	8,880,993		
		Taipei, Taiwan	Electronic toll collection service	372,712	350,476	37,271	9.09	55,084	(24,399)		
		Taipei, Taiwan	Department store operations	689,382	189,735	20,300	1.54	711,387	2,143,115		
		Taipei, Taiwan	Petrochemical materials production	939,104	9,543	21,802	2.71	973,095	2,882,823		
		Taipei, Taiwan	Cement production	661,627	548,453	20,650	0.66	703,243	10,016,249		
Far Eastern Apparel (Suzhou) Ltd.	Wuhan Far Eastern New Material Ltd. An Ho Garment (Suzhou) Ltd. Suqian Far Eastern Apparel Co., Ltd.	China	Garment production and sales	RMB 350	RMB 350	(Note B)	-	-	RMB 1,417		
		China	Garment production	RMB 1,000	RMB 1,000	(Note B)	100.00	RMB 5,152	RMB 1,671		
		China	Garment production and accessories	RMB 24,000	-	(Note B)	100.00	RMB 24,093	RMB 93		
		China	PTA production and sale	US\$ 105,055	US\$ 105,055	(Note B)	53.24	US\$ 197,758	RMB 459,636		
		China	Garment production and sales	RMB -	RMB 6,650	(Note B)	-	-	RMB 1,417		
		China	Software development, equipment maintenance and consulting	RMB -	RMB 2,000	(Note B)	-	-	RMB 217		
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\$ 106,154	RMB 55,521		
		China	Textile production	US\$ 138,000	US\$ 138,000	(Note B)	100.00	US\$ 98,189	RMB 22,718		
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	China	Garment production	US\$ 49,800	US\$ 49,800	(Note B)	100.00	US\$ 39,252	RMB (17,073)		
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd. Far Eastern Apparel (Suzhou) Ltd. Far Eastern New Century (China) Investment Ltd. Far Eastern Yihua Petrochemical (Yangzhou) Corporation	China	Garment production and sales	US\$ 23,054	US\$ 22,000	(Note B)	100.00	US\$ 29,911	RMB 1,417		
		China	Garment production	US\$ 16,000	US\$ 16,000	(Note B)	61.54	US\$ 30,378	RMB 20,721		
		China	Investment	US\$ 48,000	US\$ 48,000	(Note B)	100.00	US\$ 72,687	RMB 46,218		
		China	PA and its by-product production and sale	US\$ 71,796	-	(Note B)	60.00	US\$ 71,948	RMB (2,294)		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2011	December 31, 2010	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern New Century (China) Investment Ltd.	Far Eastern Industries (Shanghai) Ltd. Oriental Petrochemical (Shanghai) Corp. Shanghai Yuan Zi Information Co., Ltd.	China	Fiber and silk production	RMB 219,138	RMB 219,138	(Note B)	12.36	RMB 219,138	RMB 77,978		
		China	PTA production and sale	RMB 115,232	RMB 115,232	(Note B)	8.11	RMB 90,203	RMB 459,636		
		China	Software development, equipment maintenance and consulting	RMB 2,520	-	(Note B)	100.00	RMB 2,385	RMB 217		
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Ltd. Martens Beers Trading (Shanghai) Ltd.	China	Brewer	US\$ 46,000	US\$ 30,000	(Note B)	100.00	US\$ 13,800	RMB (45,501)		
		China	Beer sale	US\$ 9,885	US\$ 3,633	(Note B)	100.00	US\$ 2,671	RMB (8,538)		
Oriental Petrochemical (Shanghai) Corp.	Shanghai Far Eastern Petrochemical Logistic Ltd.	China	Transportation	RMB 19,000	RMB 5,000	(Note B)	100.00	RMB 20,775	RMB 235		
Yuan Ding Company Ltd.	Far EasTone Telecommunications Co., Ltd. Far Eastern New Century Corporation Asia Cement Corporation Yue Ming Co., Ltd. Yue Ding Industry Co., Ltd. Far Eastern Electronic Toll Collection Co., Ltd. Ding Ding Hotel Co., Ltd. YDT Technology International Co., Ltd. Far Eastern Realty Management Co, Ltd. FET Consulting Engineers Co., Ltd. Ding Ding Integrated Marketing Services Co., Ltd. Far Eastern Electronic Commerce Co., Ltd. Yue Yuan Investment Co., Ltd. FEDS Asia Pacific Development Ltd. YDC (Virgin Islands) Ltd.	Taipei, Taiwan	Telecommunication	100,412	100,412	4,164	0.13	111,451	8,880,993		
		Taipei, Taiwan	Garment production	13,833	13,625	713	0.01	25,063	11,087,496		
		Taipei, Taiwan	Cement production	136,037	151,327	4,973	0.16	169,066	10,016,249		
		Taipei, Taiwan	Trading	787	787	28	1.00	787	2,899		
		Taipei, Taiwan	Department store operations	22,676	22,676	1,580	2.59	22,676	44,288		
		Taipei, Taiwan	Electronic toll collection service	333,721	288,054	33,372	8.14	70,999	(24,399)		
		Taipei, Taiwan	Hotel	175,722	175,722	17,572	61.98	59,670	(50,685)		
		Taipei, Taiwan	Electronic material and relevant by-product sale	100,000	100,000	13,992	100.00	247,167	19,374		
		Taipei, Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	60,348	14,284		
		Taipei, Taiwan	Business consulting	362,701	32,701	39,000	100.00	401,195	958		
		Taipei, Taiwan	Market research and general advertisement	240,000	360,000	6,900	60.00	57,458	51,802		
		Taipei, Taiwan	Retailing	150,250	-	15,025	50.00	87,259	(120,470)		
		Taipei, Taiwan	Investment	411,187	411,187	125,861	25.02	2,292,526	521,741		
Taipei, Taiwan	Department store operations	100,000	100,000	10,125	5.00	120,642	159,612				
Columbus Centre Building, Wickhams Cay, Road Town Tortola, British Virgin Islands	Investment	US\$ 200	US\$ 200	200	17.70	7,306	4,801				
Ding Ding Integrated Marketing Services Co., Ltd.	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Retailing	289	500	500	0.17	289	(120,470)		
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	P.O. Box.957 Offshore Incorporations Centre, Road Town Tortola, British Virgin Islands	Investments	237,000	-	(Note B)	100.00	237,589	5		
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc. Speedy (Shanghai) Digital Tech. Co., Ltd.	Shanghai	Internet software development services	US\$ 110	US\$ -	(Note B)	100.00	US\$ 110	US\$ -		
		Shanghai	Intelligent control equipment and security monitoring products	US\$ 800	US\$ 800	(Note B)	100.00	US\$ 1,142	US\$ 132		
YDT Technology International Co., Ltd.	Far Eastern Department Stores Co., Ltd. Everest Textile Co., Ltd. Asia Cement Corporation YDC (Virgin Islands) Ltd.	Taipei, Taiwan	Department store operations	51,673	51,673	2,530	0.19	90,306	2,143,115		
		Tainan, Taiwan	Chemical fiber production	16,173	16,173	793	0.16	5,157	204,169		
		Taipei, Taiwan	Cement production	862	862	56	-	1,921	10,016,249		
		Columbus Centre Building, Wickhams Cay, Road Town Tortola, British Virgin Islands	Investments	US\$ 930	US\$ 820	930	0.82	32,688	4,801		
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd. (Note E) ARCOA Communication Co., Ltd. KGEx.com Far Eastern Electronic Toll Collection Co., Ltd. Far Eastern Info Service (Holding) Ltd. E. World (Holdings) Ltd. Far EasTron Holding Ltd.	Taipei, Taiwan	Type I & II telecommunications services	27,243,773	6,422,241	2,599,449	100.00	27,410,135	(732)		
		Taipei, Taiwan	Type II telecommunications services, sales of communications products and office equipment	1,295,035	1,295,035	82,009	61.07	1,193,275	160,083		
		Taipei, Taiwan	Type II telecommunications services	2,444,789	2,355,649	100,329	89.25	771,403	(55,486)		
		Taipei, Taiwan	Electronic toll collection service	1,677,204	1,577,140	167,720	40.91	269,609	(24,399)		
		Cayman Islands	Investment	92,616	92,616	1	100.00	157,506	(14,822)		
		Cayman Islands	Investment	82,883	82,883	6,015	85.92	84,898	7,769		
Cayman Islands	Investment	150,000	150,000	4,487	100.00	26,441	4,748				

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2011			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2011	December 31, 2010	Shares (Thousands)	Percentage of Ownership	Carrying Value			
	Far Eastern Electronic Commerce Co., Ltd. (Note F)	Taipei, Taiwan	Electronic information providing services	\$ 42,020	\$ -	4,202	13.98	\$ 26,101	\$ (120,470)		
	iScreen Corporation	Taipei, Taiwan	Information services	100,000	100,000	4,000	40.00	21,094	(8,204)		
	O-music Co., Ltd.	Taipei, Taiwan	Electronic information providing services	25,000	25,000	2,500	50.00	17,216	(13,234)		
	Ding Ding Integrated Marketing Services Co., Ltd. (Note F)	Taipei, Taiwan	Market Sales	60,000	90,000	1,725	15.00	11,299	51,802		
	ADCast Interactive Marketing Co., Ltd.	Taipei, Taiwan	Internet advertisements and marketing	4,652	4,652	387	8.56	3,815	(221)		
	Q-Ware Communication Co., Ltd.	Taipei, Taiwan	Type II telecommunications services	495,855	495,855	36,460	51.00	(295,797)	(181,331)		
	Yuan Cing Infocomm Tech Co., Ltd. (Note E)	Taipei, Taiwan	Production and sale of communications products	-	15,001,000	-	-	-	48,214		
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taipei, Taiwan	Sale of communications products	141,750	141,750	6,143	70.00	168,823	55,824		
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Taipei, Taiwan	Business consulting and souvenir selling	800,000	800,000	80,000	100.00	724,922	6,397		
	Information Security Service Digital United Co., Ltd.	Taipei, Taiwan	Security and monitoring service via Internet	148,777	148,777	14,878	100.00	96,917	(30,157)		
	Digital United (Cayman) Ltd.	Cayman Islands	General investment	102,442	102,442	3,320	100.00	26,131	385		
	Simple InfoComm Co., Ltd.	Taipei, Taiwan	Type II telecommunications	34,000	34,000	3,400	100.00	20,599	(3,516)		
	Far Eastern Electronic Commerce Co., Ltd. (Note F)	Taipei, Taiwan	Electronic toll collection service	15,030	-	1,503	5.00	9,336	(120,470)		
	Ding Ding Integrated Marketing Services Co., Ltd. (Note F)	Taipei, Taiwan	Market Sales	20,000	30,000	575	5.00	3,767	51,802		
	ADCast Interactive Marketing Co., Ltd.	Taipei, Taiwan	Internet advertisements and marketing	85,433	54,275	4,092	90.57	40,351	(221)		
Digital United (Cayman) Ltd.	Digital United Information Technology (Shanghai) Co., Ltd.	Shanghai	Design and research of computer system	US\$ 2,100	US\$ 2,100	-	100.00	US\$ 359	(4,093)		
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunication services	125	125	-	100.00	523	(31)		
	Far Eastern New Diligent Co., Ltd.	British Virgin Islands	Electronic toll collection service	-	-	-	100.00	-	-		
Far Eastern Info Service (Holding) Ltd.	Far Eastern Tech-info Ltd. (Shanghai)	Shanghai	Computer software, data processing and network information providing services	US\$ 2,500	US\$ 2,500	-	100.00	US\$ 5,210	(302)		
Far EasTron Holding Ltd.	ADCast Interactive Marketing Co., Ltd. (Note D)	Taipei, Taiwan	Internet advertisements and marketing	-	US\$ 4,532	-	-	-	(221)		
E. World (Holdings) Ltd.	Yuan Cing Co., Ltd.	Taipei, Taiwan	Call center services	193,500	193,500	19,350	100.00	US\$ 3,019	8,003		
DataExpress Infotech Co., Ltd.	Linkwell Tech. Co., Ltd.	Taipei, Taiwan	Sale of communications products	10,000	10,000	-	100.00	19,271	12,905		
	Home Master Technology Co., Ltd.	Taipei, Taiwan	Sale of communications products	9,999	-	-	99.99	7,531	(2,469)		
	Jing Yuan Technology Co., Ltd	Taipei, Taiwan	Data Processing service	10,000	-	-	100.00	9,984	(16)		
Far Eastern Tech-info Ltd. (Shanghai)	Far Eastern New Century Information Technology (Beijing) Limited	Beijing	Electronic toll collection service	RMB 49,874	-	-	55.00	RMB 45,705	(34,645)		

Notes:

- A. 5,000 thousand of the common shares and 3,000 thousand of the preferred shares were included.
- B. Private company.
- C. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tung Investment Co., Ltd.
- D. To simplify company structure and enhance operation efficiency, Far EasTron Holding Ltd. transferred its shares of ACDcast Interactive Marketing Co., Ltd. to New Century InfoComm Tech Co., Ltd. in December 2011.
- E. Yuan Cing Infocomm Tech Co., Ltd. was dissolved on March 1, 2011 upon its merger with Far EasTone. Thus, its holding of the common shares of New Century InfoComm Tech Co., Ltd. was transferred to Far EasTone.
- F. Ding Ding Integrated Marketing Service Co., Ltd. (DDIM) spun off its electronic commerce business, with a net worth of \$200,000 thousand, to Far Eastern Electronic Commerce Co., Ltd. (FEEC). DDIM reduced its capital by \$200,000 thousand and FEEC issued new stocks of 200,000 thousand shares to the original shareholders of DDIM as the consideration for the spin-off. Thus, the Company and its subsidiaries became the shareholder of FEEC.

(Concluded)

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

INVESTMENT IN MAINLAND CHINA
YEAR ENDED DECEMBER 31, 2011
(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Accumulated Outflow of Investment from Taiwan as of January 1, 2011	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2011	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of December 31, 2011 (Note B)	Accumulated Inward Remittance of Earnings as of December 31, 2011
				Outflow	Inflow					
Far Eastern Industries (Shanghai) Ltd.	Manufacture and distribution of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments	\$ 9,036,259 (RMB 1,880,399)	\$ 3,099,480 793,920 (Notes D and M)	\$ 614,300	-	\$ 3,713,780 793,920 (Note D)	100.00%	\$ 356,976	\$ 8,203,857	\$ 853,493 (Note C)
Far Eastern Apparel (Suzhou) Ltd.	Manufacture and distribution of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories	983,095 (RMB 204,577)	509,725 501,176 (Note D)	-	-	509,725 501,176 (Note D)	100.00%	94,861	1,494,470	
Far Eastern Industries (WuXi) Ltd.	Manufacture and distribution of combed cotton yarn, 60/40 poly/cotton blended yarn, 65/35 poly/cotton blended yarn, spun yarn, woven fabrics, greige woven fabrics, print woven fabrics, piece dyed woven fabrics and bleached woven fabrics	2,313,707 (RMB 481,471)	2,018,430 (Note D)	-	-	2,018,430 (Note D)	100.00%	254,175	3,213,827	
Oriental Petrochemical (Shanghai) Corp.	Manufacture and distribution of PTA and its by-products	7,217,234 (RMB1,501,870)	2,976,148	-	-	2,976,148 -	61.35%	1,290,936	6,899,070	597,794 (Note P)
Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Manufacture and distribution of weaving, dyeing and finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps	1,774,542 (RMB 369,273)	1,342,854 (Note D)	-	-	1,342,854 (Note D)	100.00%	93,663	1,993,181	
Far Eastern Industries (Suzhou) Ltd.	Manufacture and distribution of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	1,895,144 (RMB 394,370)	1,099,293 666,026 (Note I)	-	-	1,099,293 666,026 (Note I)	100.00%	(78,160)	1,188,339	
Wuhan Far Eastern New Material Ltd.	Manufacture and distribution of PET chips, PET performs and garments and its by-products.	821,969 (RMB 171,048)	724,110	-	-	724,110	100.00%	6,488	905,548	
Oriental Industries (Suzhou) Ltd.	Manufacture and distribution of PET performs and high-value engineered textiles industrial woven fabrics and scraps	3,782,314 (RMB 787,080)	3,421,559 (Note D)	-	-	3,421,559 (Note D)	100.00%	104,002	2,972,697	

(Continued)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Accumulated Outflow of Investment from Taiwan as of January 1, 2011	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2011	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of December 31, 2011 (Note B)	Accumulated Inward Remittance of Earnings as of December 31, 2011
				Outflow	Inflow					
Far Eastern New Century (China) Investment Ltd.	Investment	\$ 1,751,797 (RMB 364,540)	\$ 1,577,040	\$ -	\$ -	\$ 1,577,040	100.00%	\$ 211,587	\$ 1,692,012	
Sino Belgium (Suzhou) Limited	Brewery	1,537,535 (RMB 319,953)	962,577 (Note H)	483,975 (Note H)	-	1,446,552 (Note H)	92.25%	(182,264)	385,418	
Martens Beers Trading (Shanghai) Ltd.	Brewery	316,202 (RMB 65,800)	123,565 (Note H)	45,373 (Note H)	-	168,938 (Note H)	92.25%	(34,202)	80,876	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	3,641,233 (RMB 757,722)	-	2,699,665	-	2,699,665	60.0%	(6,188)	2,178,244	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	3,330 (US\$ 110)	-	3,330 (Note O)	-	3,330 (Note O)	49.99%	-	1,665	
Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	31,424 (RMB 6,539)	24,220 (Note O)	-	-	24,220 (Note O)	49.99%	-	17,290	
Far Eastern Tech-info Ltd. (Shanghai)	Computer software, data processing services and internet information providing services	75,688 (US\$ 2,500)	92,616 (Note E)	-	-	92,616 (Note E)	41.44%	(125)	65,365	
Digital United Information Technology (Shanghai) Co., Ltd.	Design and research of computer systems	63,578 (US\$ 2,100)	63,578 (Note K)	-	-	63,578 (Note K)	41.44%	(1,690)	4,504	
New DiligenceTech-info (Shanghai) Ltd. (Note N)	Consulting services, supporting services, and wholesale of machine equipment	36,330 (US\$ 1,200)	36,330 (Note L)	-	-	36,330 (Note L)	41.44%	-	-	

Accumulated Investment in Mainland China as of December 31, 2011	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
US\$422,044 (Note F)	US\$535,615 RMB6,695 (Note G)	(Note J)

Note A: Recognition of gains/losses was based on the following three information:

1. Financial statements of these companies, which were audited by an international accounting firm with a cooperative relationship with an ROC accounting firm: Far Eastern Industries (Shanghai) Ltd., Sino Belgium (Suzhou) Limited, Far Eastern Apparel (Suzhou) Ltd., Oriental Petrochemical (Shanghai) Corp., Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd., Far Eastern Industries (Suzhou) Ltd., Wuhan Far Eastern New Material Ltd. and Oriental Industries (Suzhou) Ltd.

(Continued)

2. Financial statements of these companies, which were audited by the parent company's accounting firm: Far Eastern Industries (WuXi) Ltd., Far Eastern Tech-info Ltd. (Shanghai), Digital United Information Technology (Shanghai) Co., Ltd. and New Diligence Tech-info (Shanghai) Ltd.
3. Others: Far Eastern New Century (China) Investment Ltd., Martens Beers Trading (Shanghai) Ltd., Yuan Ding Integrated Information Service (Shanghai) Inc., Speedy (Shanghai) Digital Tech. Co., Ltd. and Far Eastern Yihua Petrochemical (Yangzhou) Corporation.

Note B: Recognition of the equity-method investments was based on the investee's audited financial statements.

Note C: The received amount was the cash dividend of Far Eastern New Century Corporation (FENC or the "Company") and Yuan Ding Investment Co., Ltd. remitted by a Company subsidiary, Far Eastern Polychem Industries Ltd.

Note D: The amount was remitted by a Company subsidiary, Yuan Ding Investments.

Note E: The amount was remitted a Company subsidiary, Far Eastone Telecommunications Co., Ltd.

Note F: It was the actual amount remitted for the investments in Mainland China by FENC.

Note G: The investment amounts had been approved by the Investment Commission under the Ministry of Economic Affairs.

Note H: The amount was remitted by a FENC subsidiary, Yuan Tong Investment Corporation.

Note I: The amount was remitted by FENC subsidiaries, Yuan Ding Investment and Yuan Tong Investment.

Note J: Based on MOEA Approval Letter No. 10001153440, there is no cap on the amount of the Company's investment

Note K: The amount was remitted by a FENC subsidiary, New Century InfoComm Tech Co., Ltd.

Note L: The amount was remitted by a FENC subsidiary, New Diligent Co., Ltd.

Note M: Based on revoking MOEA Approval Letter No. 09900215910 on September 2, 2011, the remitted amount of the accumulated investment decreased by US\$49,000 from the beginning of 2011.

Note N: The liquidation of Far Eastern Tech-info (Shanghai) Ltd. was completed on April 13, 2010 and approved by the local government; however, MOEA had not approved the liquidation. All its capital had not been returned to the stockholders.

Note O: The amount was remitted by the FENC's subsidiary, YDT Technology International Co., Ltd.

Note P: The cash dividend was remitted by the Oriental Petrochemical (Shanghai) Corp's subsidiary, PET Far Eastern (Holding).

(Concluded)

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

INVESTMENT IN MAINLAND CHINA - INVESTMENT TYPE
YEAR ENDED DECEMBER 31, 2011
(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 Ltd.	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Co., Ltd.			Far Eastern Polychem Industries Ltd.	24,000	24,000			
	Far Eastern New Century Corporation	2004.12.29	No. 093032400	Far Eastern Polychem Industries Ltd.	1,712		\$ 1,712		
	Far Eastern New Century Corporation	2004.12.30	No. 093032090	Far Eastern Polychem Industries Ltd.	1,540			\$ 1,540	
	Far Eastern New Century Corporation	2004.11.03	No. 093032240	Far Eastern Polychem Industries Ltd.	3,879		3,879		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032402	Far Eastern Polychem Industries Ltd.	7,014		7,014		
	Yuan Ding Investment Co., Ltd.	2004.11.02	No. 093032239	Far Eastern Polychem Industries Ltd.	15,898		15,898		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032089	Far Eastern Polychem Industries Ltd.	6,313			6,313	
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd.	31,779	31,779			
	Far Eastern New Century Corporation	2008.06.27	No. 09700163440	Far Eastern Polychem Industries Ltd.	56,000	56,000			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045490	Far Eastern Polychem Industries Ltd.	4,800	4,800			
					8,198				
					(Note E)				
	Far Eastern New Century Corporation	2010.04.19	No. 09900142680 (Note D)	Far Eastern Polychem Industries Ltd.	11,500	11,500			
	Far Eastern New Century Corporation	2011.09.08	No. 10000380580 (Note K)	Far Eastern Polychem Industries Ltd.	22,700	22,700			
Far Eastern Apparel (Suzhou) Ltd.	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.	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			
Oriental Petrochemical (Shanghai) Corp.	Far Eastern New Century Corporation	2009.11.17	No. 09800408170 (Note B)	Far Eastern Polychem Industries Ltd.	1,228				\$ 1,228
	Yuan Ding Investment Co., Ltd.	2009.11.17	No. 09800408160 (Note C)	PET Far Eastern (Holding) Ltd. Far Eastern Polychem Industries 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 Ltd. PET Far Eastern (Holding) Ltd.	4,800 2,936	4,800			
	Far Eastern New Century Corporation	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Ltd.	(Note F) 41,171	41,171			
Far Eastern Spinning Weaving 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 Ltd.	9,352				9,352
	Far Eastern New Century Corporation	2004.10.11	No. 093025506	Far Eastern Dupont (Holding) Ltd. Far Eastern Polychem Industries Ltd. Far Eastern Dupont (Holding) Ltd.	1,569			1,569	

(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\$)
	Far Eastern New Century Corporation	2004.10.14	No. 093030298	Far Eastern Polychem Industries Ltd.	\$ 713				\$ 713
	Far Eastern New Century Corporation	2010.10.12	No. 09900403430	Far Eastern Dupont (Holding) Ltd.	5,288	\$ 5,288			
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Dupont (Holding) Ltd.	4,524	4,524			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045510	Far Eastern Polychem Industries Ltd. Far Eastern Dupont (Holding) Ltd.	4,800 754	4,800			
	Far Eastern New Century Corporation	2010.12.29	No. 09900470520	Far Eastern Dupont (Holding) Ltd.	(Note G) 18,224	18,224			
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			
Wuhan 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	2009.06.29	No. 09800135640	Far Eastern Polytex (Holding) Limited	10,000	10,000			
	Far Eastern New Century Corporation	2010.12.21	No. 09900470530	Far Eastern Polytex (Holding) Limited	RMB 6,695				RMB 6,695
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) Limited	Yuan Tong Investment Co., Ltd.	2007.08.02	No. 09600248620	Sino Belgium (Holding) Ltd.	18,000	18,000			
	Yuan Tong Investment Co., Ltd.	2008.02.21	No. 09600451060	Sino Belgium (Holding) Ltd.	12,000	12,000			
	Yuan Tong Investment Co., Ltd.	2011.10.27	No. 10000446910	Sino Belgium (Holding) Ltd.	16,000	16,000			
Martens Beers Trading (Shanghai) Ltd.				Bockhold N.V. Martens HK Ltd.	38	38			
	Yuan Tong Investment Co., Ltd.	2008.12.10	No. 09700456110	Sino Belgium (Holding) Ltd.	3,800	3,800			
Martens Beers Trading (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	2010.07.29	No. 09900284200	Bockhold N.V. Martens HK Ltd.	4,304				4,304
		2011.10.27	No. 10000446910	Sino Belgium (Holding) Ltd.	1,500	1,500			
				Bockhold N.V. Martens HK Ltd.	282	282			
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2011.06.23	No. 10000021360	Far Eastern Polytex (Holding) Limited	166,000	166,000			
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Co., Ltd.	2011.10.19	No. 10000429550	YDC (Virgin Islands) Ltd.	110	110			
Speedy (Shanghai) Digital Tech. Co., Ltd.	YDT Technology International Co., Ltd.	2004.02.11	No. 093003471	YDC (Virgin Islands) Ltd.	300	300			
		2005.02.05	No. 094003122	YDC (Virgin Islands) Ltd.	500	500			
Far Eastern Tech-info Ltd. (Shanghai)	Far EasTone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Limited	2,500	2,500			
Digital United Information Technology (Shanghai) Co., Ltd.	New Century InfoComm Tech Co., Ltd.	2002.10.07	No. 091041498	Digital United (Cayman) Ltd.	2,100				2,100
New Diligence Tech-info (Shanghai) Ltd.	New Diligent Co., Ltd.	2007.08.08	No. 09600261870	New Diligent Co., Ltd. (Note M)	1,200	1,200			

(Continued)

Notes:

- A. Far Eastern New Century (China) Investment Ltd. invested US\$30,000 thousand in Far Eastern Industries (Shanghai) Ltd. and US\$16,000 thousand in Oriental Petrochemical (Shanghai) Ltd.
- B. Document No. 092035971 has been eliminated and replaced with document No. 09800408170.
- C. Document No. 092035970 has been eliminated and replaced with document No. 09800408160.
- D. The approved amount of US\$12,000 thousand as stated in document No. 09800283970 dated September 18, 2009 had been changed to US\$11,500 thousand at the time of completing the waiting-for-review process on April 19, 2010.
- E. The ownership of Far Eastern Industry (Shanghai) Ltd. and investment amount were increased, which was resulted from anti-diluted effect of FEPI.
- F. The ownership of Oriental Petrochemical (Shanghai) Ltd. and investment amount were increased, which was resulted from anti-diluted effect of FEPI.
- G. The ownership of Far Eastern Industries (Suzhou) Ltd. and investment amount were increased, which was resulted from anti-diluted effect of FEPI.
- H. The original investment scheme (investment in Far Eastern Industry (Suzhou) Ltd. was made indirectly though Far Eastern Polytex (Holding) Ltd. and FEDP (Holding) Ltd. Far Eastern Polytex (Holding) Ltd. made investment on Far Eastern Industry (Suzhou) Ltd. through FEDP (Holding) Ltd.) under the approval stated in the MOEA Letter No. 09600059830 was modified to that investment in Far Eastern Industry (Suzhou) Ltd. was made indirectly though FEDP (Holding) Ltd., FREDP (Holding) made FEDP (Holding) Ltd. made investment on Far Eastern Industry (Suzhou) Ltd. and has been approved according to the MOEA Letter No. 09900403430.
- I. After having the MOEA approval (No. 0990047052), FENC received the equity of Yuan Tong Investment Co., Ltd. amounting US\$18,224 thousand from FEDP (Holding) Ltd (MOEA approval No, 096020243260)
- J. After having the MOEA approval (No. 10000021360), FENC made its subsidiary, Far Eastern Polytex (Holding) Ltd to have an indirect investment in Far Eastern Yihua Petrochemical (Yangzhou) Corporation amounting US\$166,000 thousand. As of December 31, 2011, FENC paid US\$89,300 thousand in this indirect investment.
- K. After having the MOEA approval (NO. 1000380580), FENC made its subsidiary, Far Eastern Polychem Industries Ltd to have an indirect investment in Far Eastern Industries (Shanghai) Ltd amounting US\$22,700 thousand. As of December 31, 2011, FENC paid US\$20,000 thousand in this indirect investment.
- L. After having the MOEA approval (NO. 1000380580), FENC made its subsidiary, Sino Belgium (Holding) Ltd to have an indirect investment in Sino Belgium (Suzhou) Limited amounting US\$22,700 thousand. As of December 31, 2011, FENC paid US\$17,500 thousand in this indirect investment.
- M. New Diligent Co., Ltd. made a direct investment in New Diligence Corporation (Shanghai).

(Concluded)